

PROGRAMME OF RESEARCH AND ACTION ON THE DEVELOPMENT OF THE EMPLOYMENT MARKET

LABOUR MARKET ACTIONS :

LOCAL GOVERNMENT INITIATIVES

By :

IUTEP Ltd
London

For :

Commission of the
European Communities

Study No. 82/35

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The analysis and results presented do not necessarily reflect the views of the Labour Market or on other policy matters.

Copies may be obtained, stocks permitting, from the Directorate General for Employment, Social Affairs and Education - Division V/A/1 - Commission of the European Communities - 200, rue de la Loi - 1049 BRUXELLES - to whom all enquiries should be addressed.

SUMMARY OF CONCLUSIONS

1. Preliminary contact has been made with the main local authority associations in the 10 Community states and this has revealed a generally sympathetic interest in the possibility of cooperation between local government and the Commission in combating unemployment and alleviating its effects.

2. Following this preliminary contact, the next step should be a communication from the Commission to the associations outlining in clear terms the nature of the cooperation which is proposed and inviting them to formulate a collective response.

3. Three possible areas of cooperation seem to be most promising :
 1. Increased Community programmes of financial aid to local authorities in dealing with unemployment. For its part, local government could be asked to undertake supportive lobbying at the Community level.

 2. Collection and analysis of information on local authority actions against unemployment, drawing conclusions, making recommendations, disseminating all these with the objective of coaxing other local authorities and parties concerned into additional action.

 3. Promoting experiments and evaluation projects involving local authorities in different countries to test new ideas and evaluate alternative procedures prior to their incorporation in formal Community programmes.

4. An outline of the options available to achieve the proposed cooperation is given in Chapter 4.

5. A summary typology of existing local authority objectives and actions against unemployment is given in Appendix 3.

CONTENTS

	Page
1. INTRODUCTION	3
2. CONTACTING THE ASSOCIATIONS	6
3. THE VIEWS EXPRESSED BY THE LOCAL AUTHORITY ASSOCIATION RESPONDENTS	8
4. OUTLINE OF OPTIONS AVAILABLE TO ACHIEVE THE PROPOSED COOPERATION BETWEEN LOCAL GOVERNMENT AND DG V	21

Appendices

1. Information on STCELA and IUTEP	26
2. Association and local authority respondents	28
3. Summary typology of local authority objectives and possible actions against unemployment	31

1. INTRODUCTION

- 1.1 The study was proposed by Mr Henk van der Pols, President of STCELA, the Standing Technological Conference of European Local Authorities, as a means of opening a new dialogue with the Commission on means of combating unemployment and alleviating its effects. (See Appendix 1 for information on STCELA).
- 1.2 This is not to suggest that the local authorities have the powers necessary to solve the unemployment problem on their own or to suggest that they have been inactive hitherto in this matter. In fact, the question raised by the study is whether a dialogue between local government and the Community institutions could lead to the mobilisation of additional resources in the struggle against unemployment.
- 1.3 The Community institutions themselves are not rich in financial resources, not rich enough to contribute to the creation of, say, 5 million new jobs, but they do have a valuable potential to reach across national frontiers to call for and promote concerted European programmes. Like the national governments, the Community institutions are inevitably remote from the citizenry and ill-fitted to intervene directly in the very decentralised decision making which will contribute most to the reduction of unemployment. The Commission is, however, well placed to promote decentralised initiatives.
- 1.4 The national governments are richer in financial resources, but even they have felt unable to contribute to the creation of all the new jobs which are required. Many of them have very substantial programmes of job-creation and unemployment relief in routine operation and many promising experiments are being conducted. The problem of unemployment is not new however, and the national governments are often at or near to the limit of their resources available for this problem, financial resources, imagination, organisational capacity, political will, etc., especially as they are also responsible for guarding against inflation and loss of international competitiveness. Clearly it is desirable to seek the assistance of every other kind of institution in our societies which has a mandate and a will to contribute to the solution of this problem, for example, the local authorities.
- 1.5 The local authorities do not generally have a strong independent tax base and could not afford from their own financial resources simply to pay for many new jobs. They are, on the other hand, rich in other resources, such as the organisational capacity to deal

economically with large numbers of small scale localised activities. They also have experts in many technical subjects. Their resources of imagination and creativity have not yet been fully and systematically invoked in regard to the reduction and relief of unemployment. Above all, as elected bodies they have unique powers of independent decision, each decision being informed by local priorities, problems and opportunities. All of this means that they are better fitted than national bodies to execute job creation schemes, especially when the schemes interact with local authority interests, responsibilities and powers, which are of course pervasive.

- 1.6 The following common local government concerns are of particular significance (though these vary from country to country) : technical and continuing education and training, libraries, leisure and cultural activities, social and health services, housing and public building provision, maintenance and improvement (eg. energy conservation), environmental protection and services such as refuse collection and recycling, drainage, sewerage, water, gas, electricity and heating supply, highways, traffic management and public transport, land use planning and controls, fire and rescue services, consumer protection. In all these matters local authorities have the power to respond imaginatively to local needs.
- 1.7 They are also able to act through their powers of governance, ie. in regulation (or deregulation), local tax and charging policies, administrative reform, involvement of the private sector, involvement of voluntary and community interests, promotion of self help, public advocacy, etc.
- 1.8 There are in most local authorities enormous unmet needs for services and improvements of infrastructure and the environment. The local authorities are ambitious to meet these needs and know that they must do so at a cost which society is willing to pay.
- 1.9 Although this study is concerned with the possibilities of a dialogue between local authorities and Community level institutions on the problems of unemployment, it is clearly recognised that the national governments are the dominant decision makers. They bear responsibility for formulating national policies and programmes of action against unemployment though the Commission is seeking to influence them in the direction of concerted action along the lines proposed by Commissioner Ivor Richard. It is also clear that local authorities must act, in the matter of unemployment as in all other matters, within the frameworks created by national governments. However, within these frameworks, the local authorities enjoy certain discretionary powers

and freedom to take initiatives and the study raises the question of how these powers should be used. Are the local authorities willing to listen to arguments with a Community wide dimension, are they interested in precedents from other European countries, are they interested in cooperative ventures with local authorities in other countries, are they willing to participate in Community funded experiments ?

1.10 The terms of reference of the study are shown in the following extract from the contract between Directorate General V; Employment and Social Affairs and IUTEP Ltd acting as the STCELA Secretariat.

"A large number of initiatives have been taken at local government level in the Member States to help employment or to provide support for organisations seeking to create employment, directly or indirectly.

A feasibility study should be undertaken with the following objectives :

- a) To establish appropriate contacts with local authority associations in Community countries on the subject of unemployment and to discuss with them the Commission's interest in existing and potential local government action against unemployment.
- b) To advise the Commission on the terms of an appeal which could be made to local government to enlist its support for more effective action against unemployment (both by using its own powers and by participating in central government programmes).
- c) To report on the options available for cooperation with local government, and the mechanisms involved."

1.11 This then is the background to the study which is also inspired by a sense of outrage at this malfunction of our society and by an awareness of an obligation to try to do something about it. The problem of unemployment is not likely to go away of its own accord and there is a strong likelihood of its becoming much worse during the next ten years.

2. CONTACTING THE ASSOCIATIONS

2.1 An attempt has been made to approach all the member associations of STCELA, ie. the leading national local authority associations in each of the ten Community states. In all cases the initial approach was made through the national member of the STCELA Steering Group to the staff of the association. In some cases there were subsequent contacts with the elected members from the decision making councils of important local authorities.

2.2 The initial letters to the associations explained the background of the study, quoted the terms of reference and enclosed the text of a talk given by Mr David White, a staff member of DG V, at the STCELA Annual Conference in October 1981.

In due course meetings were arranged with association respondents to explore the following questions :

- 2.2.1 Is the Association sympathetic to the objective of the study and how should its views be ascertained ?
- 2.2.2 Does the Association take an active interest in combating unemployment and what form does this interest take ?
- 2.2.3 What are the objectives and what sort of actions are taken by local authorities in this Association against unemployment ?
- 2.2.4 Would the local authorities in this Association be interested to learn about the precedents for successful local authority action against unemployment in other Community countries ?
- 2.2.5 Would the local authorities in this Association welcome a dialogue with DG V on actions against unemployment (and by implication, DG V funding of projects) ?
- 2.2.6 Would it be acceptable and useful for DG V to appeal to the local authorities to take additional urgent action against unemployment ?
- 2.2.7 What measures of cooperation would be useful between local government and DG V ?

- 2.3 The respondents visited to explore these questions are listed country by country in Appendix 2.
- 2.4 The subjects raised at the meetings are of far reaching importance and great political sensitivity to the associations and it was not to be expected that answers would always be readily available to the questions posed. Indeed, the most important outcome in some cases was in clarifying the context and validity of the questions and in considering how the matter could be taken further within the association.
- 2.5 This series of meetings then represented only a first tentative step towards a dialogue on these matters. In the absence of agreed association policies on many of the questions, the respondents were sometimes willing to give their own opinions on the positions likely to be taken by their governing councils. It is in deference to the tentative nature of these meetings and the quite high proportion of personal opinion which is quoted that a systematic attribution of sources has been avoided in the following report on the views expressed by the association respondents.

3. THE VIEWS EXPRESSED BY THE LOCAL AUTHORITY
ASSOCIATION RESPONDENTS

3.1 Are the associations sympathetic to the objectives of
the study and how should their views be ascertained ?

- 3.1.1 The associations were originally formed in most countries to enable the local authorities to speak with a collective voice in their dealings with their national governments, especially in regard to new legislation, taxation and the disbursement of funds affecting local government. This role of representing the interests of their members to national government remains dominant.
- 3.1.2 The radically different role of advising or helping their members to perform particular service functions more efficiently or encouraging their members to contribute to the solution of broad societal problems like unemployment is not so widely recognised. In few countries do the associations command sufficient resources to enable them to adopt this role systematically in respect of local government service functions, let alone in respect of the many broad societal problems which they could influence.
- 3.1.3 In some countries then, there are doubts whether the associations have a mandate to involve themselves in combating unemployment, whether there are precedents for such action, whether they can find the necessary resources even though the objective may be viewed with great sympathy.
- 3.1.4 Again there are great differences from one country to another in the division of responsibility between local government and other levels of public service. In the Netherlands, for example, the local authorities are directly involved in the payment of unemployment benefit and devising of relief measures. In other countries the local authorities are active in relief activities but are not involved in paying benefits. In others again, there is little or no involvement in relief measures since these are seen to be the responsibilities of other levels of the public service. These considerations will obviously colour each association's acceptance of the premises underlying the study.

- 3.1.5 Finally, one should recognise that there may be reasons of political conviction predisposing the leading party in some associations to favour this study and others to feel that it is inappropriate no matter how worthy its intentions. Again, the Community dimension will commend itself to some and will be a rather negative factor to others.
- 3.1.6 Taking all these factors into account, it appears that a majority of STCELA member associations are willing to express their sympathy with the objectives of the study, though there will be many reservations concerning its practical implications.
- 3.1.7 In order to test this supposition and take the first step towards a dialogue between local government in the ten countries and the Community institutions on combating unemployment, it would be necessary for the Commission to issue a formal invitation to the associations to enter into this dialogue. If possible the invitation should be explicit in defining the subject matter of the dialogue, its mechanisms and the kinds of cooperation which the Commission would hope to achieve as its outcome. It is only after the receipt of this invitation that the associations would be able to begin to formulate their responses.
- 3.1.8 Some associations felt that the subject of the study was so political and so much concerned with social policy as to be outside the proper scope of a body like STCELA. Some specified that they would have preferred the study to have been carried out by IULA or CEM (International Union of Local Authorities, Council of European Municipalities). Clearly these associations are likely to advocate that any future dialogue between the associations and the Commission on actions against unemployment should also be carried out through the mechanisms provided by IULA or CEM rather than STCELA.

3.2

Which associations take an active interest in combating unemployment and what form does this interest take ?

The associations automatically involve themselves in any national government actions or plans for new legislation, taxation or distribution of funds relating to unemployment and having any impact on local government. This section of the report however focuses

on the other, less well established role of the associations, that of influencing the behaviour or their members. The information gleaned is presented below.

3.2.1 Belgium

Union des Villes et Communes Belges.

The Belgian local authorities make good use of a national scheme to engage unemployed school and university leavers on social and cultural projects and the Association gives advice to its members on such projects.

3.2.2 Denmark

Kommunernes Landsforening (KL) (Municipalities)
Amtsrådsforeningen i Danmark (AD) (Counties)

Since 1977 the Danish local authorities have had heavy responsibilities in creating jobs for the unemployed and as the situation worsens the local authorities are being pushed into new roles, eg. establishing commercially viable production activities for the under 25s.

The KL and AD, through their local government administration high school, have established training courses to prepare local authority administrators to undertake these responsibilities.

Both associations act as employers' federations in negotiating wage rates with the trade unions in connection with the job creation schemes.

The KL particularly has an information service for the exchange of experience and ideas on unemployment relief. They started with news sheets and now have a quarterly magazine on local authority labour market activities. The AD is represented on its editorial committee and the magazine circulates in the counties.

The two associations have a joint local government research institute, the AKF, which is turning increasingly to labour market problems.

A new local government research information system is currently being established to relate the output from the education services to the needs of the labour market. This system consists of units in each of the 14 counties and a central coordinating unit has been proposed.

3.2.3 Germany

Deutscher Städtetag
 Deutscher Städte- und Gemeindebund
 Deutscher Landkreistag

All three Associations have staff members who devote themselves fully to social affairs and unemployment.

The larger local authorities, in particular, have a long tradition of business promotion both by attracting new companies and by assisting existing companies. These activities interact with the local tax base (the commercial tax, Gewerbesteuer). The Associations give advice to their members on these subjects.

There have been major federal programmes to create employment (eg. the ZIP Programme and the ABM Programme) and the Associations have both given advice to their members on how to take advantage of these programmes and have participated in the evaluation of these programmes prior to their revision and continuation.

The Associations endorsed the European Architectural Heritage Year 1975 and the European Campaign for Urban Renaissance in 1981 which had a positive effect on the labour market.

3.2.4 Greece

Central Union of Municipalities and Communities of Greece

Unemployment is not such a clearly defined problem in Greece as in the other countries in that it has not so far been a focus of action by the Union.

3.2.5 France

Association des Maires de France

The Association responds to requests for advice from its members on their participation in the following five national measures for the relief of unemployment :

- local initiative job creation
- practical training in a work environment
- employment and training contracts

- "contracts of solidarity" (shortening working hours, early retirement, improving services)
- young volunteers contracts (giving work experience).

3.2.6 Luxembourg

Association des Villes et Communes Luxembourgeoises

The Association has not taken any active role in promoting actions against unemployment.

3.2.7 Ireland

Association of Municipal Authorities
County Councils' General Council
County and City Managers' Association

The three associations are all concerned about the problems of unemployment but lack the resources necessary to take an active role.

3.2.8 Italy

Associazione Nazionale dei Comuni Italiani

ANCI has a central office in Rome and offices in each of the 20 Italian regions and it is the latter which respond to requests for advice from member authorities on actions against unemployment. Such actions are not very extensive due to lack of powers but include :

- projects for young unemployed persons
- employment for disabled persons
- help for struggling local businesses
- civil public service centres providing an alternative to military service.

Some of the larger authorities in association with their provincial authorities and regional governments carry out research into economic activity and publish useful statistics. Seminars are organised bringing together the social partners able to influence employment and "employment observatories" are being set up.

Articles about these activities are carried in the ANCI Bulletin.

Unione delle Provincie d'Italia

This Association does not have an active role in actions against unemployment.

3.2.9 Netherlands

Vereniging van Nederlandse Gemeenten

The Social Affairs Department of the VNG concentrates on giving advice on unemployment issues to the local authority councillors and on lobbying national government by publishing a series of Green Books containing analyses, commentaries and proposals.

The most recent issue contains case studies of local authority actions and an index of types of grants available for action against unemployment.

The VNG also publishes a quarterly Welfare Information Bulletin for its members, higher level government bodies and all sorts of voluntary bodies.

There is another body, the Union of Directors of Local Authority Social Service Departments which gives detailed advice on functional matters to its members.

3.2.10 United Kingdom

Association of County Councils

The ACC, operating through its International Group (working party), has been active in exploring possible Community funding from the Regional Fund, the Social Fund and the Transport Fund as a means of relieving unemployment in depressed areas and gives advice to its members on this subject in addition to its analogous role in respect to UK government funding sources.

Association of District Councils

The ADC has been active in encouraging and advising councils on economic development in their areas. Its Economic Development Sub-Committee has established working parties which have produced "best practice" reports on Business Enterprise Agencies, Marketing and Promotion, Non-borrowing Finance, and the role of district councils in promoting temporary employment schemes. Others are to follow.

Association of Metropolitan Authorities

The AMA gives advice to its members on their participation in UK government job creation and training schemes and on the attraction of new businesses or support of existing businesses.

Convention of Scottish Local Authorities

CoSLA circulates EEC documents relevant to unemployment and the stimulation of economic activity to its members and gives advice on national and Community level funding available for these purposes.

3.3

What are the objectives of the individual local authorities and what actions are taken by them against unemployment ?

- 3.3.1 The individual local authority members of the associations are all independent decision making bodies headed by councils of the elected representatives of the citizens living within their boundaries.
- 3.3.2 There is the tradition in local government of leading authorities experimenting and pressing ahead with new developments and of other authorities keeping an eye on them in order to follow them as soon as the experiments are proved to be successful. Even within a single country the variations between the authorities is thus a source of strength. The variations between authorities in different countries is even greater and thus potentially a source of further strength.
- 3.3.3 The rich diversity of well established practices and pioneering experiments to be found across the ten member states is a mine of valuable knowhow which could provide inspiration to all local authorities if carefully exploited.
- 3.3.4 Appendix 3 is a first attempt to make a composite picture of the range of local authority objectives and possible actions against unemployment. Not all of these actions are available to the local authorities in all ten countries. Those which are not available however are probably open to other agencies which could be pressed to adopt them.
- 3.3.5 Of course, not all of these objectives and possible actions will be considered to be desirable or feasible by all the local authorities which, as independent decision making bodies, will make up their own minds in the light of their own local circumstances. It would however be reasonable to try to coax them by reasoned argument, enthusiastic advocacy, as well as by financial incentives to go further than they would otherwise go.

3.4 Do the associations feel that their member authorities would be interested to learn about precedents for successful local government action against unemployment in other countries ?

3.4.1 Rather more than half of the respondents felt that their member authorities would be interested and the remainder were unsure in various degrees. The negative factors mentioned included the following.

3.4.2 - Their members are already doing everything which they can afford to do and which is open to them under their current national framework of powers. It is not interesting to hear what they could do if they had much more money to spend or if their authority were operating under a different framework of powers

3.4.3 - Their members are struggling with a desperate and deteriorating situation in regard to the services which they offer, their financial viability and their relations with higher levels of government. In these circumstances they cannot involve themselves in new initiatives. If there were significant Community level funding available to help individual authorities in concrete terms then they would be interested, but they would not welcome yet another talking shop nor would they be very thrilled by a further proliferation of experiments.

3.4.4 - The leaders of many of their member authorities are sceptical of the power of local government to make much impact on unemployment by the measures described in this study. Responsibility for the health of the economy and tackling unemployment rests with national governments. Local government should make its contribution to the health of the economy by carrying out its own basic accepted service functions more efficiently and at less cost, thereby reducing its burden on the wealth creating sectors of the economy.

3.5 Do the associations feel that their member authorities would welcome a dialogue with DG V on actions against unemployment (and by implication some sort of DG V funding) ?

3.5.1 If the dialogue promised to lead to new funding programmes from which local government could benefit then doubtless the member authorities would welcome a dialogue. If not, then the negative factors expressed above would be heard again. The association respondents expressed the hope that the Commission would clarify this matter in any invitation sent to them.

3.5.2 The experience of the member authorities in applying for and receiving Community level funding is fragmentary and sometimes discouraging. Only a small percentage of authorities in most countries has had direct experience of Community funding. The procedures are different from the national procedures with which they are familiar and may be compared unfavourably in terms of complexity, time taken, cost of administration or magnitude of the assistance available. Many of the larger authorities are beginning to employ Community affairs liaison officers to try to monitor Community level support opportunities and to try to make a professional job of making applications. In some countries, local authority interest in Community funding causes friction with national administrations.

3.5.3 The associations recognise that their member authorities are on the lookout for whatever assistance they can get and if Community funds are made available then local authorities will want to apply for them. Several respondents mentioned that they would like industrial regeneration and other actions against unemployment to be funded at a level comparable with the Common Agricultural Policy.

3.6 Would it be acceptable and useful for DG V to appeal to the local authorities to take additional urgent action against unemployment ?

3.6.1 Although there was fairly wide sympathy with the idea of additional local government and Commission action against unemployment, the suggestion that DG V should appeal to the

local authorities to take additional urgent action against unemployment was not liked by most association respondents. The local authorities are already doing as much as they feel able to do under present circumstances and a mere appeal for additional action would not change the situation very much.

3.7 What measures of cooperation would be useful between the local authorities and DG V ?

- 3.7.1 The discussions with the association respondents had generally run the normal course of a one or two hour meeting before this question could be broached in any detail. The recommendations given below therefore contain a bigger element of synthesis by the STCELA Secretariat staff members involved in the study than the foregoing material. This trend is further accentuated in Chapter 4.
- 3.7.2 What would clearly be most interesting to the local authorities would be substantial new programmes run by DG V which would give financial support to individual local authorities for specified actions to combat unemployment and alleviate its effects. Such support should ideally be independent from and additional to national programmes. These should be main line programmes rather than experiments. The applications should be routed directly from the authorities concerned to the Commission and the selection of applications for funding should be against published objective criteria, taking account both of need and capacity to take good advantage of the support offered under the programme. The funds should pass directly to the local authorities concerned and should be granted on the explicit condition that national funds to these authorities should not be cut back.
- 3.7.3 There would seem to be the prospect of local government being willing and able to mobilise significant and long running political support at the Community level to enable such programmes to be launched and developed over a long period of time to respond to changing needs.

- 3.7.4 A second area of cooperation might be in the collection and analysis of information on local authority action against unemployment, drawing conclusions, making recommendations, disseminating all these and coaxing other local authorities and parties concerned into action. This would be the means of exploiting the mine of valuable knowhow referred to earlier (3.3.3) and if possible mobilising new resources.
- 3.7.5 A third area of cooperation might be in promoting experiments and evaluation projects between local authorities in different countries in order to test new ideas and evaluate alternative procedures prior to their being more generally promoted by means of formal Community programmes of the kind referred to in 3.7.1 above.
- 3.7.6 In order to make progress in launching and developing such areas of cooperation it would be necessary to consider both the institutional requirements and the possible sequence of activities designed to support these forms of cooperation.
- 3.7.7 First, the institutional requirements. On the local government side it would be necessary to agree upon a forum within which to hammer out the associations' collective response to an invitation by the Commission. Assuming the associations agreed to embark on a dialogue leading towards the kinds of cooperation proposed by the Commission, there would then be a need for a Community level secretariat to service the local authorities' participation in the cooperation. The choice of this forum and this secretariat should rest with the associations themselves and fortunately several possible bodies are already in existence, either having been created with such tasks in mind or being very suitable for adaptation to such tasks.
- 3.7.8 Secondly, turning to the sequence of activities designed to support the proposed cooperation, one would be inevitably involved in a complex interplay of representative groups, meetings, information collection, and studies. A suggested outline of these activities is given in the next Chapter. An earlier version of this outline was briefly discussed with many of the association respondents. The ideas in it are based mainly on STCELA experience.

3.7.9 It will be noted that this outline places its main emphasis on the second and third mentioned areas of cooperation, namely information and experiments/evaluation projects. This is because the mounting of the first mentioned area, Community programmes of financial aid to local authorities, is essentially a Commission task. Such consultation with local government as would be necessary could be readily handled through the representative groups, meetings, etc. set up to achieve the more difficult second and third areas of cooperation which are nevertheless indispensable if the resources committed to the first area are to be used efficiently.

3.7.10 Indeed for budgetary reasons it might be necessary to try to start with the second and third mentioned areas of cooperation in order to generate the support necessary to launch the financial aid programmes comprising the first area of cooperation.

**4. OUTLINE OF OPTIONS AVAILABLE TO ACHIEVE THE
PROPOSED COOPERATION BETWEEN LOCAL GOVERNMENT
AND DG V ON ACTIONS AGAINST UNEMPLOYMENT**

4.1 First stage in creating a dialogue

- 4.1.1 Assuming that DG V wishes to proceed after the receipt of this report it should issue an invitation to the leading local authority associations in the Community states, defining the proposed forms of cooperation and if possible giving an idea of the approximate magnitude of funding envisaged over, say, the next five years. An edited or summarised version of this report might also be circulated to explain the context of the invitation.
- 4.1.2 The associations would then consider their individual decisions and go on to determine the Community level forum within which to consult each other to concert their possible collective reply. The invitation would have to be considered both within the decision making council of each association and within the agreed forum. Representatives of DG V might well be invited to assist in national or Community level meetings.
- 4.1.3 Assuming that the associations agree to work towards the proposed cooperation, they would probably wish to create a Community level Unemployment Project Coordinating Committee comprising representatives from each county and having responsibility under the authority of the chosen forum for the detailed thinking, management and coordination of the project. The members of this Coordinating Committee would be chosen by their national associations for their knowledge of possible local authority actions against unemployment, for their influential and acceptable status with respect to their national associations and for their willingness to devote time and effort to this work. Appropriate officials of the Commission should be invited to participate in the meetings of the Coordinating Committee which might be held three or four times a year.
- 4.1.4 One of its first tasks might be to organise a one-day Community level experts meeting on local government actions against unemployment

which might be held even before the associations' final decision is made. This meeting might be the forerunner of an annual Community level meeting.

4.2 Subsequent institutional arrangements (after the decision to proceed)

4.2.1 The national members of the Coordinating Committee should be invited to create and chair in each country an Unemployment Project National Interest Group. This National Interest Group might bring together the following interested parties :

- representatives of all the national local authority associations
- representatives of several leading authorities (reasonably distributed in size and other relevant characteristics)
- representatives of any relevant existing local government expert bodies
- representatives of relevant national government departments
- representatives of the relevant voluntary bodies
- representatives of the relevant industry and commerce bodies, especially those having taken initiatives in job creation.

This National Interest Group, under the authority of the national local authority associations, should plan and carry out national activities agreed in the overall Unemployment Project. Each National Interest Group would probably need the assistance of a national secretariat, perhaps provided by one of the national associations or by the chairman's own local authority.

4.2.2 There would be the need for a resourceful and energetic Community level Secretariat to service the Coordinating Committee, the various information collection and analysis studies and the various experiments and evaluation projects and any other collaborative activity which has both national and Community level components.

4.3 Possible information collection and analysis studies

- 4.3.1 Analysis comparing the powers and responsibilities of local authorities in each country in regard to actions against unemployment.
- 4.3.2 A first attempt to assess the relative effectiveness and promise of the principal types of action which have been taken by Community local governments against unemployment. This would necessitate a review of ideas on assessment methods and the preparation of tentative appraisal methods for proposed new projects.
- 4.3.3 Preparation of local authorities model policy guidelines documents for discussion within local authority councils and hopefully for their adoption and action. These documents would try to give a simple checklist of possible actions and a recommended basis for decision making.
- 4.3.4 An attempt to recognise the types of action which are apparently very beneficial and would be within the powers of local authorities but which have not yet been tried within particular countries. One might then attempt to promote experiments in such countries.
- 4.3.5 An attempt to draw conclusions from parallel experiences in several countries on particular types of difficult actions and to synthesise guidelines for future improved versions of these actions.
- 4.3.6 An attempt to synthesise new thinking and experience from outside Europe in the formulation of new experimental approaches.

4.4 Possible dissemination activities and mechanisms

- 4.4.1 Develop a Europe-wide mechanism for introducing news of this project, reports, conclusions and recommendations and news of Commission actions into the local government press in each country.

- 4.4.2 Develop a Europe wide mailing list for the direct despatch of documents.
- 4.4.3 Establish a local government unemployment actions newsletter (initially twice a year ?).
- 4.4.4 Establish a collection of relevant statistics, documents and information in the matter of local government actions against unemployment, including an index of projects which have been reasonably well documented.
- 4.4.5 Plan an annual one-day Community level meeting on local government actions against unemployment, either independently or as part of some other relevant Community level local government annual meeting.

4.5 Possible experiments and evaluation projects

The objective here should be to set up a succession of substantial projects, each broadly following the pattern defined below :

- 4.5.1 - innovative and based on a synthesis of ideas from several sources (and countries) ;
- 4.5.2 - involving two or three or four local authorities in different Community countries and running in parallel with good lateral communications to permit the sharing of experience and mutual encouragement ;
- 4.5.3 - multi-year projects with a clear design and ideology, well defined evaluation criteria and well defined methods of publicising and disseminating news of progress and final results ;
- 4.5.4 - the sub-project in each local authority should be part financed by the authority itself, part by national agencies and part by the Commission, together with contributions in cash or in kind from other appropriate collaborators such as private industry or commerce, voluntary bodies, foundations, unions. This financial and other support should go hand in hand with a real commitment of interest.

4.6

Acceptability and timescale of these options

- 4.6.1 The actions suggested above have not been discussed with most of the associations and indeed they may be considered by some associations to go too far and too fast. They are however believed to be indicative of the kinds of initiatives which one could hope to undertake over a period of five to six years.

Appendix 1INFORMATION ON STCELA AND IUTEP1. STCELA as it is at present constituted1.1 Origins

STCELA was formed as a non incorporated association at a constituent assembly of Community local authority association representatives in Luxembourg in September 1978. This meeting was sponsored and STCELA has since been sustained by the Commission of the European Communities acting through DG XIII, Information Market and Innovation.

1.2 Objectives

- To foster cooperation between European municipalities so that technology can be more effectively harnessed to their needs ;
- To create a dialogue between local government and European industry in order to encourage industrial innovation.

1.3 Institutional Structure

The members of STCELA are the local authority associations in each of the Community countries. The associations nominate delegates to attend the annual meetings of the Conference. In addition, the staff of the Commission participate in an advisory capacity.

1.4 Between meetings of STCELA the Bureau, consisting of the President and the three Vice-Presidents, assumes responsibility for the work of the organisation and for the arrangements for the next annual meeting.1.5 The day-to-day work of STCELA is supervised by the Steering Group which meets three times a year. It consists of nominees of the local authority associations (one representative for each country).1.6 In each country there are national Interest Groups for each of the STCELA projects, comprising representatives of :

- the local authority associations ;

- leading local authorities in the subjects concerned ;
- local governmental joint technical bodies with expertise in the subject ;
- the relevant national (and regional) government ministries ; and
- the industries having an interest in the projects concerned.

1.7 The Chairmen of these national Interest Groups meet three times a year in Coordinating Committees for each STCELA project.

1.8 Elected council members and local authority staff are active participants in STCELA through their associations, the annual meeting of STCELA, and the national Interest Groups.

2. The New STCELA legal entity

Negotiations have now reached an advanced stage for the conversion of STCELA into an international association having scientific aims in accordance with the Belgian Law of 25 October 1919. This new legal entity is likely to be formed in the autumn of this year and will have its registered office in Brussels. The new structure is closely based on the original unincorporated association.

3. IUTEP, International Urban Technology Exchange Program Ltd

3.1 IUTEP currently provides the STCELA Secretariat from its offices in London. This is its principal business.

3.2 IUTEP was established in December 1976 as an international research association having the form of a non-profit distributing company limited by guarantee under English law.

3.3 Its objectives are international technology transfer between local authorities in the advanced western countries.

3.4 The members of IUTEP are local authority associations and the generally non-profit local government sponsored joint technical service organisations in Germany, France, UK, Netherlands, Ireland and the US.

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Appendix 3A SUMMARY TYPOLOGY OF LOCAL AUTHORITY OBJECTIVES
AND POSSIBLE ACTIONS AGAINST UNEMPLOYMENTOBJECTIVESACTIONS

1. Trying to Increase the Number of Jobs Available Locally
- 1.1 Trying to attract businesses from outside to settle in the town.
- Al.1 Appointment of special "Industrial Development Officers" with supporting staffs engaged in :
- a) Promotion, publicity and documentation of the town and its attractions.
- b) Arranging visits and showing visitors round the town.
- c) Explaining all the concessions and inducements available, eg. purpose designed buildings at low rents.
- d) Follow-up salesmanship.
- e) Helping firms to find their way through the local government (and other) bureaucracy and to become aware of other sources of help.
- 1.2 Trying to encourage successful local businesses to expand locally rather than move out.
- Al.2 Industrial and commercial information services by the public libraries.
- 1.3 Trying to help struggling local businesses not to go into liquidation but rather to continue and succeed.
- Al.3 Industrial and commercial training by local authority run colleges.

Note :

The businesses referred to above and the new businesses referred to below include equally all forms of private business, ie. sole trader, partnership, limited company, cooperative.

OBJECTIVES

- 1.4 Encouraging the creation of new businesses and fostering their success and growth.
- 1.5 Expanding employment within the local authority by expanding self-financing activities or partially self-financing activities which bring other benefits to the local community which justify a subsidy. These activities have traditionally included :
- a) organising markets
 - b) providing conference and exhibition facilities
 - c) running theatres, concert halls, entertainments in parks
 - d) providing sports facilities and organising sporting events.

ACTIONS

- Al.4 Management and technical advisory services by local authority run colleges.
- Al.5 Establishment of special local authority business promotion organisations, perhaps in association with chambers of commerce, banks or large local firms, trade union bodies, universities or others. Equally, these organisations may be outside the local authority, but strongly supported by it. Activities might include :
- a) introductions between entrepreneurs and backers, between potential partners with complementary skills
 - b) training courses on starting a business
 - c) evaluating business ideas
 - d) provision of capital, loans or guarantees
 - e) providing or stimulating the provision elsewhere of information services, training services and management and technical advisory services to these new businesses
 - f) providing special "resource centres" to exhibit, demonstrate and publicise and make more accessible various advanced kinds of resources, eg. information technology, microcomputers, other kinds of new technology relevant to local needs, or market intelligence
 - g) help in finding premises on the open market or the provision of nursery offices or workshops on low initial rents for short terms and perhaps with some joint services

OBJECTIVESACTIONS

h) establishment of science parks.

A1.6 Changes in terms of reference of the officers in charge of these new activities or appointment of new, more commercially minded staff.

A1.7 Review of possibility of entering new fields of self-financing activity, such as :

- a) selling computer software developed within the authority
- b) providing computing services using surplus computer capacity (perhaps created by running an extra shift)
- c) offering access to centralised purchasing facilities
- d) offering specialised design and technical advice, testing or laboratory services based on the professional staff of technical departments
- e) recycling of domestic and industrial wastes.

A1.8 Establishment of special companies or cooperatives closely linked with the local authority to promote and undertake these activities.

2. Mitigating the Effects of Unemployment on the Individual

2.1 Preparing children while they are still at school for the uncertainties of the job market and the rigours ahead in either :

- a) diligent hard work, acceptance of the need for flexibility, the

A2.1 In countries where local authorities are responsible for education it will often be necessary to adapt present school objectives, curricula and staffing to serve these objectives. Elsewhere local authority pressure may be desirable

OBJECTIVES

imperatives of quality and productivity and commitment to continuous learning of new skills to maintain their position in the job market

b) creative use of leisure, including the enforced leisure of involuntary unemployment and mastering ways of maintaining the best possible quality of life on very little income.

2.2 Training unemployed people in new skills to increase their chances of gaining employment (and to improve the potential productivity of the workforce).

2.3 Giving work experience (if ordinary paid employment is not available) to school leavers or persons completing vocational training courses.

2.4 Helping people to survive undefeated by involuntary unemployment and poverty and, indeed, to make the most of a time which could be an opportunity for renewal and self-development. Linked with this individual need is the need of society to avoid a mass relapse into bitterness, lethargy, despair and unwillingness to behave constructively leading to increased criminality, civil disorder, membership of extreme and violent political parties and the threat of the end of orderly society.

ACTIONS

to ensure that this is done adequately by others and that due regard is paid to local circumstances.

A2.2 Establishment of such training within the local authority institutions or assistance and pressure to ensure that this is done adequately by others and that due regard is paid to local circumstances.

A2.3 Establishment of an organisation within the local authority to arrange and manage this work experience or alternatively assistance and pressure to ensure that it is done adequately by others with due regard to local circumstances.

A2.4 Establishment of an organisation within the local authority to undertake this task, or alternatively assistance and pressure to ensure that it is done adequately by others with due regard to local circumstances.

A2.5 Because of their discretionary financial resources, their organisational skills and their powers as elected

OBJECTIVESACTIONS

bodies, the local authorities are uniquely well placed to take a lead in sponsoring or cooperating with local voluntary bodies in mobilising the spare time energies of persons in full employment, retired persons and unemployed persons in support of the activities listed above. For the same reasons they are also well placed to bring together, endorse and perhaps provide a secretariat or independent chairmanship of ad hoc groupings representing officials, private, trade union, church and other interests at the local level in support of the activities listed above.

3. Making the Town a Better and More Prosperous Place to Live

3.1 Maintaining the physical fabric of the town, roads, drains, sewers, parks, car parks, public buildings and all the rest of the local authority investment in capital works.

3.2 Reclamation of derelict areas, eg. old factory sites and the refurbishing of rundown areas to make them more attractive and efficient for their purpose. Creation of new public facilities, such as parks, sports fields, allotments, golf courses and other recreational and cultural facilities.

3.3 Responding to economic changes, such as the price of energy and new materials by launching energy conservation and materials recycling programmes.

3.4 Improving the social, health and education services and making them serve the

A3.1 The activities opposite are very desirable and would provide a great deal of satisfying employment and valuable opportunities to learn new skills. All but the most pressing are, however, being neglected at present because our society does not feel that it is rich enough to vote sufficient funds to maintain or improve our towns in these ways.

At the same time, however, society is paying unemployed persons just sufficient to enable them to live in relative poverty whilst doing none of this work.

There appears to be the basis for a bargain here between those who would like this work to be done, ie. the citizens represented by the local authority on the one hand, and those who would like to do this work, the unemployed

OBJECTIVES

individual more personally.

ACTIONS

represented by the national unemployed services on the other.

Such bargains are emerging in several countries in the local authorities which, by their numerousness and diversity, provide an ideal environment for experiment with the possible forms which this bargain might take.

