

“The City Strategy in the UK”

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1. Relevance of “The City Strategy Initiative” for Austria and Vienna

The Austrian national state is characterised by a federal system distributing competence in several areas to the provinces (Länder) and local authorities/communes. There is a divided responsibility regarding labour market issues and social welfare. The provinces and the local authorities are responsible for the provision of social welfare benefits. Measures concerning the labour market are in the authority of the national level. Vienna, the capital of Austria, is, at the same time, the largest province of Austria (in numbers of inhabitants) and holds a unique position. The city has a long tradition in owning a local government with responsibility for social welfare issues. However, increasing unemployment rates affect all areas of the welfare system, and the different levels of political responsibility are evidently in need of good coordination and cooperation. Although, the Austrian political system differs fundamentally from the British one, there is a great interest in partnership structures, in particular for those matters covered here.

Territorial Employment Pacts

Local partnerships are commonly developed to implement the European Employment Strategy. Hence, they are supported by the EU. In Austria, the instruments used are based upon the concept of territorial employment pacts (TEPs). The Employment Guidelines, the National Action Plans for employment (NAPs), the joint employment-reports, and the recommendations all point to TEPs.

Starting in 1997, TEPs are already established in all nine Austrian Federal Provinces (Länder). In some provinces also regional partnerships (NUTS3-Level) exist under the umbrella of the TEP on Länder-level.

TEPS are contracted regional partnerships in order to better link employment policy and other policies, in particular those related to education und life long learning, social, economic, and regional development. The overall aims are

- to increase effectiveness and efficiency in the use of resources (e.g. financial and knowledge resources, provided infrastructure, support given to specific target groups),
- to secure and create jobs,
- to obtain funding for the region and

- to ensure sustainability

The partners are Provincial Governments, the Public Employment Services on regional or local level, Federal Offices of Social Affairs on regional level, social partners^{1[1]} (regional representatives of the Economic Chamber, Chamber of Labour, Federation of Trade Unions and Federation of Industry). Further partners are e.g. the Chamber of Agriculture, Provincial School Board, Association of Municipalities, representatives of Non-Profit-Organisations or Regional Management Associations.^{2[2]} Each partnership and the partnership contracts vary. In most cases the partnerships establish their contracts for a period of one to three years. The partnerships develop regional and local strategies with respect to employment policies.

The TEPs are subsidized by the European Social Fund (now: Operational Programme "Employment" of Austria 2007-2013, priority 5 Territorial Employment Pacts) and the Austrian Ministry of Labour, Social Affairs and Consumer Protection. This includes co-ordination of the pacts and small pilot actions (like awareness rising events, etc.).

The TEPs are also granted funds under ESF, Operational Programme "Employment" Priority 3 for Austria, to develop and test innovative actions for improving the integration of those furthest away from the labour market and the collaboration of the institutions involved in the region. Co-financing of the Priority 3b "Marginalised Groups" actions is ensured through some regional actors of the TEPs. ³ The ESF-funding of the regional strategies is reconciled on the regional needs. E.g. The TEP Vienna runs currently a "3b-strategy for marginalised groups" for 8.9 mio. € - 4 mio. € ESF and 4.9 mio. € granted by the Vienna City Administration, the waff (see below) and the Public Employment Service Vienna and lasting about two years.

waff – the Vienna Employment Promotion Fund

A unique, but already longstanding and successful institution in Austria is the waff – the Vienna Employment Promotion Fund⁴. It was created in 1995 aiming to support an active, community based employment policy in Vienna. Mainly financed by the Vienna City Administration (the total budget is about 68 mil € this year), the waff is lead by a consortium consisting of the City of Vienna, the Public Employment Service Vienna, the Austrian Trade Union Federation, the Vienna Chamber of Employment, The Vienna Chamber of Commerce and Industry, and the Federation of Austrian Industries Vienna Regional Group. The aim is to further strengthen the high skill level of employees, and, thereby, safeguarding the competitive edge Vienna has as business location. The core features of the waff are:

- waff-Counselling Centre for Jobs and Continuing Education (Target group: employees);

1[1] In Austria the co-operation of representatives of the social partners – Economic Chamber, Chamber of Labour, Chamber of Agriculture, Federation of Trade Unions and the Federation of Industry is specifically developed called "Sozialpartnerschaft" - social partnership. The social partners have especially in the field of labour market policy a high influence, also in formal way. http://www.sozialpartner.at/sozialpartner/Sozialpartnerschaft_mission_en.pdf

2[2] see www.pakte.at, www.oecd.org/cfe/leed/forum/parnterhips

3 Explanation: In Austria, the social security system is to be transformed in 2010. Social welfare benefits (task on provincial/communal level) and extended unemployment benefits (task on national level /insurance system), will be combined to become the "bedarfsorientierte Mindestsicherung – minimal social security dependent on requirements". The relevant organisations (social assistance and public employment service) and clients will be (very strong) affected. "3b-strategies for people on the margins of the labour market" of the TEPs should be a kind of "trial run" for the co-operation.

4 www.waff.at

- Labour Foundations (“typical” Austrian labour market tool to support employees who have become victims of shaded labour);
- Development and Implementation of measures to prevent exclusion from the employment system (partly within the scope of TEP Vienna);
- Support for Viennese companies to further qualify their employees and in recruiting personnel;
- The promotion of equal opportunities for men and women in the labour market.

Each year, around 25,000 employees are supported. The waff is, as well, partner and coordinator of the TEP in Vienna.

New ways in supporting people furthest away from the labour market

Due to the rising number of social welfare beneficiaries and target groups on the margins of the labour market/working poor in Vienna – and in Austria in general – the Vienna City Administration currently develops a pilot partnership project in collaboration with the Vienna Employment Promotion Fund, and the Viennese branch of the Austrian Federal Employment Office. This project – an innovative type of jobcentre – is designed to support recipients of social welfare, solely those groups not eligible for benefits from the Public Employment Service. An individually tailored case management including continuing guidance, and training programmes shall ensure a sustainable re/integration into the labour market, and a secure existence (Existenzsicherung).

2. Similarities and Differences between the UK and Austria

Similarities

- The cooperation of different actors on different levels regarding labour market and social welfare policies is supported by the Ministry for Labour (National action plan for employment/NAP, ESF).
- The co-ordination of different interests within partnerships.
- The important advisory function of local NGOs and project providers (sharing of Know-How).
- Increase of efficiency by creating synergies and co-ordinated use of financial means.
- For the first time, only TEPs are eligible within the scope of ESF-priority 3b “marginalised groups”. Gender Mainstreaming and Gender Budgeting have to be implemented. Both, sustainability and innovation are important issues, but innovation can be installed in very different ways (programmes, projects, processes, co-ordination, interface management, communication, etc.). E.g. in Vienna, with the implementation of pilot action within the scope of ESF priority 3b “marginalised groups”, the intention is to bridge existing gaps within the provided supporting structures focusing on the needs of these target groups, and to improve the interface management.

- In Austria, there is as well a great interest in measuring the impact of programmes (e.g. ESF 2000-2006 evaluation). The Public Employment Service Austria and the waff have an „impact monitoring“ including the analyses of the following effects for the programmes: impact on income/year per attendant, impact on decrease of unemployment days/year, impact on increase of employment days/year, and impact on increase of working hours/day. Evaluations are carried out in different projects. For the first time, the TEP Vienna, and the waff tried to calculate the monetary cost-benefits for 6 projects within the scope of the “3b-strategy for marginalised groups” supporting social-aid and/or extended unemployment benefit beneficiaries and supporting (former) people suffering from addictions. E.g. in this calculation-model the reduction of days in a hospital is integrated.

Differences

- The Federal Ministry of Labour, Social Affairs and Consumer Protection has no quantitative targets for the Territorial Employment Pacts, but monitors the impact by regularly reports and accompanying evaluations.
- The Federal Ministry of Labour, Social Affairs and Consumer Protection and the ESF provide a national co-ordination unit for TEPs in order to strengthen the capacities of the TEPs (e.g. by providing mutual learning processes).
- In most provinces labour market policy is mainly driven by central actors (Public Employment Service, Provincial Governments) than by NGOs and project providers. NGOs have an important advisory function for the TEPs. They are also represented in the monitoring committee of the ESF-Austria. In the City (province) of Vienna the Vienna Employment Promotion Fund (waff) is also central actor.
- Target groups are not included in formal partnerships. But some TEP-partners co-operate with immigrant communities within some programmes.
- The co-operation with interest groups is well developed in Austria.
- Data sharing: it seems to be more or less “uncomplicated” to share data for evaluations, usually anonymised. In this year, a Viennese study design for an analysis of data of both institutions (the Public Employment Service and the Vienna City Administration) has to be approved by the Commission for Data-Protection. Otherwise, the exchange of data is operated via statistics.

3. Potential transferability of the policy and of the likely conditions for its application

Because of the very different political system not likely – see 1. p.1.

4. Key issues and main questions for debate

- Altogether, it seems like a complex package with an extensive agenda aiming to be addressed within a very limited time scale of only two to four years. Setting up partnerships needs time, trust, and personal commitment of partners, etc. It might be useful to address more concrete, sub-ordinate targets reachable step by step. This would as well allow for a measurement of success factors in greater detail.
- How is the actual working procedure of the partnerships organised? How have such consortia consisting of partners from different levels – regional and national – been set up, and how is the strategy actually implemented? Has the issue of user involvement been addressed and in which ways?
- How is the urban regeneration issue addressed besides choosing marginalised areas? Could you give any examples in detail?
- The integration of people on the margins of the labour market is strongly interconnected with the development of the labour market in general, and economic developments (as well as the `division of labour`) from the local to the global scale. Employment rates alone are no sufficient indicator of a successful social intervention. Why have only quantitative targets been defined for the implementation of the partnerships?
- It might be useful to consider, if a consortium consisting of national and regional authorities and similar stakeholders is really capable of reaching the considered target groups and addressing their needs – people who are excluded from the usual arrangements – or if it would need to integrate experts (‘field workers’, social services, etc.), in particular, if there is a need for local expertise, and knowledge of the neighbourhood.

5. How is the success in this field being measured in Austria

The Federal Ministry of Labour, Social Affairs and Consumer Protection orders regularly evaluations concerning the ESF. The national co-ordination unit for Territorial Employment Pacts has already taken several steps to improve the quality of partnerships (e.g. with organisational and regional development consultancy or Gender Mainstreaming experts) and regular evaluations are being taken. The current implementation of ESF-priority 3b “marginalised groups” is accompanied by a mutual learning process.

For more see 2. Similarities, p. 3.