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# The Metropolitan City: Seeking Competitive Advantage through Local Actions to Integrate Immigrants and Minority Groups



A Second Thematic Report of the IDELE Project

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ECOTEC  
Research & Consulting Limited

Priestley House  
12-26 Albert Street  
Birmingham B4 7UD  
United Kingdom

Tel: +44 (0)121 616 3600  
Fax: +44 (0)121 616 3699  
Web: [www.ecotec.com](http://www.ecotec.com)



## ***The Metropolitan City: Seeking Competitive Advantage through Local Actions to Integrate Immigrants and Minority Groups***

### ***Establishing the context for the exploration of local action***

#### **Introduction**

The metropolitan city provides a particularly valuable context for the exploration of key aspects of the local approach. The geographical, social and political context provided by the key cities and metropolitan regions of the EU is a very particular one in terms of the opportunities for and constraints on local approaches to employment and development. Not least is the issue of their sheer complexity and, for most, the speed of labour market fluxes and transitions taking place. Most such cities are not obviously constrained by overall demand deficiencies in their labour markets. They are, however, challenged by shortages in particular labour market segments on the demand side while at the same time suffering extreme supply side barriers for certain groups and categories of workers.

The thematic approach for IDELE, which brings practitioners, policy makers and experts from different Member States together around a topic of common interest will enable us to explore some of these complexities. We have chosen to focus our interest on a particularly pressing and highly sensitive policy area – the issue of immigration and the integration of both newcomers and those from earlier waves of migration who have become trapped in social exclusion. This paper is one of four Thematic Reports<sup>1</sup> produced during the first year of the IDELE project.

#### **Metropolitan regions in transition: migration and competitive advantage**

In his recent work on the transformation of the global economy, Nigel Harris has pointed out that the world's cities have been going through a transition since the 1970s. This is part of a process of *global sectoral shift* where, for the advanced nations in general, manufacturing activities have fallen dramatically as a share of GDP and employment while the share taken by producer and consumer services has risen to take its place. Following the recession in the 1970s, there was a sharp decline of the metropolitan city as a centre of manufacturing that

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<sup>1</sup> The other three reports are available from [www.ecotec.co.uk/idele](http://www.ecotec.co.uk/idele):

- First Thematic Report: Old Industrial and Mining Areas: The Added Value of Local Employment Development;
- Third Thematic Report: Remote Rural Areas: Stimulating and Managing New Firm Creation and Entrepreneurship through Local Action; and
- Fourth Thematic Report: *Successful Local Milieux and the Lisbon Process*.

saw the problems of urban decay, unemployment and high rates of deprivation positioned as the highest policy priority for city and regional administrations. Regeneration was born as a well-defined urban policy field with a strong focus on the renewal of the urban fabric and on tackling the problems of spatially localised pockets of unemployed people in areas of housing blight and social distress. This type of problem has by no means gone away and physical renewal and tackling localised social exclusion remain firmly on the agenda.

However, as Harris argues, some if not necessarily all of Europe's first order cities are now confronting the opportunities and threats associated with a *new global economic system*. While cities have always found their economic core in their administrative and service functions, and while the decline of manufacturing has served relatively to increase this dependency, something new appears to be happening. Cities are more and more facing a form of competition where continued economic success depends on the pulling in of considerable numbers of migrants both at the low skill and the high skill ends of the spectrum. Cities are being re-invented, not so much as places for goods trans-shipment and production (though they still do this) but as nodal points on fast-flowing and volatile networks of flows dominated by "intangibles" and mobile people – flows of finance, information, people and ideas. Value added is stripped out at these junctions to generate those income and employment multipliers that keep a city in the front rank and that come to represent those forms of consumption (theatres, restaurants, etc) that deliver "style" or "edge".

In particular, metropolitan cities now depend on tapping into flows of people to ensure they have the right forms of human capital to deliver good quality services, both to the local population and on the global marketplace. Internationally mobile labour - inevitably linked to migration - is a particularly advantageous source of human capital. The global economy has now to be conceptualised as a series of service elements (producer services such as high level management and accounting, banking and financial services, innovation and creativity services particularly in ICT, advanced engineering and software support, academic and research services, health services and so on) that are internationally mobile and can opt for a variety of locations. Cities that are able successfully to play host to the sorts of people who have the best skills in these fields can be expected to gain an international competitive advantage. They can also ensure their sustainable competitive positioning by acting as hubs for the networks and partnerships between different service elements that are distributed across the world. By having their own high quality local networks in place (the City of London, New York Stock Exchange, Harvard and Massachusetts Institute of Technology for example), cities continue to attract migrants from all parts of the world, who bring their own global connections with them.

To compete, cities need to attract people with various skills levels and not just those at the top of the tree. There are, for example, rapidly expanding demands in the low skill-low pay sectors. In the new international division of labour, low skill manufacturing jobs have been moving east causing the shedding of jobs in manufacturing. At the same time, the high skilled knowledge and producer services economy is exerting its own expanding demand for lower skills. Personal, public and consumer services continue to exert a strong demand pull – with jobs for office and household cleaners, in the retail and hospitality sectors and in construction, transport, health and leisure. Domestic services are also increasing in importance due to the numbers of households where both men and women have full time jobs, with less time for domestic activities as the work-life balance shifts. In many cities it is

becoming increasingly difficult to source the lower skilled labour required for such services, as the high costs of living make it difficult for residents to take the lower income jobs involved. The ageing European population is exacerbating this situation – the economically active labour force is shrinking at the same time as the demands on services for the older population (particularly health and leisure) increase. New migrant labour at the low skill/low wage end of the spectrum is clearly one potential solution to this issue.

At the higher skill end of the spectrum there are global labour markets in operation for the highest skills both in the private and public services. Doctors, nurses, physiotherapists, radiographers and dentists have now joined software designers, media and PR professionals and airline pilots as part of a globally mobile and internationally ‘competed for’ segment of the labour market. Strong demands are exerted by the cities and metropolitan regions for both these high-skill occupations and the low pay low-skill occupations discussed earlier. In concert, these make such cities and regions the hubs of a vast and complex system of international labour migration where the ability of some to gain a competitive advantage over others is a direct function of their ability to attract and successfully integrate a broad spectrum of incoming migrant groups.

While immigration used to be concentrated in a few Member States, the European Commission has identified that immigration has taken on a new profile over the past ten to fifteen years in most of the EU Member States. The 1990s witnessed the largest flows since 1945, with positive net migration reaching a total of about 850,000 per year across the EU during the decade, predicted to increase to 1,000,000 for 2002. While traditional destinations such as Germany, the UK and the Netherlands continue to receive large numbers of migrants; other Member States, such as Italy and Ireland, have seen an increase in immigrants in recent years. The enlargement of the European Union may produce new forms of mobility from east to west. While the number of people migrating from the new Member States is not likely to be significant<sup>2</sup>, it is likely that such movement will in particular focus on countries at the old border with the New Member States such as Germany and Austria. The New Member States are themselves starting to experience higher rates of immigration.

Despite dispersal policies in some European countries (for example the UK and Sweden), immigration is most often concentrated in cities. Significant populations of first, second and third generation minority ethnic populations continue to exist in major European cities, providing not only a pool of available labour but the potential for providing comparative advantage within the global system.

### **Political pressures and responses: migration as opportunity and threat**

The important role of migrants in supporting the functioning of European cities is increasingly recognised by city level authorities. In their ‘Political recommendations to National Governments and the EU Institutions on Immigration and Integration and the Local Level’ EURO CITIES state that the public authorities of the cities of Europe recognise the ‘important opportunities offered by immigration for the enrichment of local society, and indeed the dependence of cities on immigration for their future prosperity’.

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<sup>2</sup> European Foundation for the Improvement in Living and Working Conditions report: Migration trends in an enlarged Europe, 2004.

However, European cities often have considerable difficulty harnessing this emerging human resource, at least within the formal employment market. Experience shows that migrant populations are in fact disadvantaged across Europe in their access to employment. The employment rate of non-EU nationals legally resident in the EU15 was around 53% in 2001 - significantly lower than the 64% of EU nationals<sup>3</sup>. For women, the employment rate is lower, with an average employment rate of 41%, falling to as low as 18% in some countries, compared to approximately 57% for EU nationals.

### **New and older waves of migration: arrival and integration**

It is not just recently arrived migrants who have difficulty accessing the labour market. Established minority ethnic groups also experience considerable difficulties. Research at the European level has indicated that second and third generation descendants of immigrants are more likely to remain jobless than their first generation counterparts<sup>4</sup>. These trends are also reflected in national level statistics. In the United Kingdom, for example, there is a general differential in employment rates between the white and minority ethnic working-age population of 17 percentage points (77% white, 59% ethnic minorities), a figure that has been relatively stable for the last two decades. Within certain sub-groups the employment rate is lower still.

### **Barriers to integration**

The barriers experienced by certain groups and individuals to becoming integrated into the labour market are multi-faceted. Table A below lists a number of barriers experienced by minority ethnic groups and immigrants groups to integration in the labour market.

**Table A: Specific barriers experienced by immigrant and outsider groups**

<b>Type of barrier</b>	<b>Description</b>
Migration history	Legal status in the host country (including in particular legislation which restricts asylum seekers from seeking training or employment opportunities)
	Personal difficulties through experience of trauma/violence in previous country
Skills and competencies	Language skills
	Lack of education in country of destination
	Lack of recognition of qualification in country of destination
	No previous work experience in country of destination
Cultural background, attitudes and motivations	Cultural background and cultural norms <sup>5</sup>
	Aspirations and attitudes to work (including longer term impacts of exclusion over generations)
Personal obligations	Family structures and norms
	Dependents
Employer attitudes, knowledge and discrimination	Prejudice and the ascribing of false or stereotypical characteristics

<sup>3</sup> DG Employment & Social Affairs, EU Social Agenda, July 2003

<sup>4</sup> Ibid.

<sup>5</sup> See for example the work of Tariq Modood, University of Bristol, UK

Lack of knowledge about the value and relevance of qualifications and experience gained in other countries.

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A person's migration status is obviously an important factor in their integration into the labour market. In many European countries people seeking asylum are not allowed to seek full-time work, for example. Recent migrants can experience isolation from the labour market due to cultural and social difficulties. Refugees arriving in new countries have often experienced hardship and persecution in their countries of origin, which can create ongoing social and psychological problems that prevent early return to work. Other practical issues also create obstacles. Migrants often have qualifications and previous work experience from outside the host country, which can create difficulty in accessing employment. A lack of language skills and knowledge about the working practices in the host country can also be a significant barrier.

### **Complexities of employer response: workplace prejudice and discrimination**

Integration is, however, a two way process. While minority ethnic groups and immigrants experience a number of personal barriers to the labour market, the market itself can provide significant barriers to integration. One such barrier is prejudice and discrimination by employers and the ascribing of false or stereotypical characteristics to job seekers. This may become an increasing problem with the polarisation and hardening of attitudes towards immigrant groups in many Member States following September 11<sup>th</sup>. In some cases employers simply have a lack of knowledge and information, in relation to the relevance of qualifications and references gained in other countries.

### **Failures of integration and the tendency to social exclusion**

The social impact of the lack of integration of minority ethnic and immigrant groups into the formal labour market is clear. Evidence shows that minority ethnic and immigrant groups are especially prone to issues of poverty and social exclusion. 70% of all people from ethnic minorities in England live in the 88 most deprived local authority districts<sup>6</sup> compared with 40% of the general population.<sup>7</sup> When migrant groups and minority ethnic populations are forced into relative poverty, this can become a vicious circle, as poverty and exclusion leads to a further set of barriers and obstacles to accessing the labour market, including:

**Table B: Barriers to employment associated with poverty and social exclusion**

<b>Type of barrier</b>	<b>Description</b>
Isolation and Access	Lack of access to information
	Lack of access to networks
	Physical disability and access
Attitudes and motivations	Cultural background and cultural norms
	Aspirations and attitudes to work
Skills and competencies	Not having right skills for available jobs
	Lack of previous work experience
	Lack of references from past employment
Housing situation	Lack of affordable housing, homelessness
Personal responsibilities &	Lack of affordable help with caring responsibilities

<sup>6</sup> The Index of Local Deprivation 1998 looked at 354 local authority districts in total.

<sup>7</sup> See for example, the Renewal Net Overview at:

<http://www.renewal.net/Documents/RNET/Overview/Neighbourhood%20Renewal/Neighbourhoodrenewal.doc>

Type of barrier	Description
dependents	Lack of affordable help with childcare responsibilities
Dependence on the welfare system	The 'benefits trap' where the benefit system does not encourage working for low wages due to loss of eligibility for welfare provision.
Crime	Previous offending
	Being caught up in informal economy
Health	Mental health, drugs, drinking
	Other health problems
Prejudice by employers	Prejudice against certain post-codes within cities, and certain groups within society.

### **The necessary response: flexibility and responsibility**

Employers can themselves do a great deal to tackle the general barriers associated with poverty and exclusion through adopting flexible approaches to employment, for example through ensuring equal opportunities in recruitment, being open to new forms of recruitment with training and support attached, the operation of flexible working hours, and support toward accessibility and mobility schemes for employees. It is arguable that by taking these measures, employers can benefit their own profitability through accessing a wider labour market pool. However, not all employers are aware of, or willing to implement, such measures.

It is not just access to jobs that is an issue for migrant and minority ethnic groups - the quality of employment accessed and the prospects for career progression are equally important. The ILO describes how, despite the positive experience of many migrants, a large proportion still face abusive and exploitative situations. These can include forced labour, low wages, poor working conditions, virtual absence of social protection, denial of freedom association and union rights, discrimination and xenophobia, as well as social exclusion. A further important factor that needs to be born in mind is the importance of the informal economy within large metropolitan cities. The ILO point out that un-declared labour and workers with irregular status are frequent in fields ranging from nursing and care to hotel, catering and tourism. Migrant groups are particularly vulnerable to being exploited by the informal economy. The illegal employment of people from immigrant and minority groups is a key problem in cities such as London and Paris where large numbers of people are employed in unregulated jobs with a low income. Participation in the informal economy produces problems of legality, unprotected and unregulated employment, and in the longer term can restrict the ability of people to become integrated into the formal labour market.

### ***Local Employment Development: What Value Can it Add?***

It is clear from our analysis that there are a number of ways in which local employment development can directly support the issue of integration of minority ethnic groups and immigrants into the labour market in metropolitan cities.

Our research has shown that acting at the local level can support:

- Sensitivity to the employment potential of, and to the barriers to employment experienced by, local minority ethnic and immigrant populations;



- Building up sustainable relations of trust with local employers to support flexible approaches to employment:
- Developing a holistic approach which brings a variety of different agencies together to tackle the multi-faceted problems experienced by these groups;
- Providing outreach services to hard-to-reach groups who are isolated from mainstream services in the fields of information, training and entrepreneurship
- Sensitivity to needs and opportunities within local territories and acting creatively to exploit service gaps and to stimulate the development of sustainable, good quality local jobs, accessible to all members of the local community.

In the section below, we identify a series of examples of local level actions which focus on maximising the comparative advantage offered to cities by migrant and minority ethnic populations, before drawing out some general lessons learnt.

### **The issue of target groups**

Before reviewing the examples of best practice, however, it is important to be aware of the diversity of the target group being addressed within this theme. EURO CITIES have recently pointed out that there are three main types of minority ethnic groups in cities:

- *Newcomers*: immigrants and asylum seekers who obtain permission to settle;
- *immigrants and asylum seekers who are refused permission*, including the undocumented and;
- *established ethnic minorities*.

The approach taken by the various best practice projects which we identified varied according to which of the above groups were addressed. Different approaches were also necessary to accommodate different skills levels amongst minority ethnic groups. The matrix below illustrates the types of approaches that were used to support these different groups:

	<b>Newcomers</b>	<b>Other minority ethnic groups</b>
High skilled	Approaches included ensuring the recognition of qualifications gained abroad. Projects to provide skills audits, validation of prior qualifications	Approaches included support for entrepreneurship and career progression Projects to tackle employer prejudice Positive action projects
Low skilled	Approaches included language training, supported work placements Projects which help draw people away from the informal economy	Approaches included outreach training projects, projects which seek to reintegrate demoralised and disenfranchised groups

## **Realistically assessing the supply potential of immigrants and Minority Ethnic Groups**

*“Being sensitive to the employment potential and to the barriers to employment experienced by local minority ethnic and immigrant populations”*

A key advantage of acting locally is being aware of the skills and potentials of local communities. The Betet Skara project in Antwerp, Belgium worked with a group of local Assyrian Turkish people to find out what skills they had brought from their country of origin which would be relevant to the Antwerp labour market. The main skill identified was weaving, which was practised traditionally by the Assyrian population in Turkey. The coordinator of the project had a strong awareness of the economic opportunities present in Antwerp and saw the relevance of weaving skills to the local textile and fashion sector. She acted a bridge between the community and the labour market, setting up a small enterprise, which has continued to offer good quality employment opportunities for the past six years. More information is provided on this project in the box below, along with key lessons which can be extracted by practioners in other cities across Europe.

### **Betet Skara, Antwerp**

Betet Skara is a weaving house in Antwerp, Belgium. Betet Skara means ‘weaving house’ in Aramese language and consists of a workshop (“atelier”) in the centre of Antwerp. The project involves a team of 4 weavers, a textile designer, a general coordinator and many volunteers. The project develops, designs and produces fine hand made fabrics, using the “Assyrian” method: a technique which the weavers brought from their home country South East Turkey.

The project was originally created in 1998 as a European social integration programme for refugees. Assyrian Christians in Southeast Turkey practised the old craft of pit weaving. It was their profession, their occupation and their source of income. Due to the turbulent political climate many of the Assyrian Christians fled to the West. In Belgium they settled in the suburbs of Antwerp, Brussels and Mechelen. It was difficult for them to find work and integrate in society. Together with the grassroots organisation PSC, the coordinator Aldegonde Van Alsenoy realized that weaving was the main ‘professional qualification’ possessed by the group. The interested parties sat down together and the idea of founding a weaving workshop was launched.

Betet Skara started as an employment program. Betet Skara is now a full socio-economic enterprise offering its services to fashion and interior design companies in Europe. The project has been funded variously through European, national, local and regional level funding, including ‘Preparatory measures to integrate refugees into European society’, bridging subsidies from the city of Antwerp, and structural funding from the Flemish Government, which recognises the project as a social workplace. The project also receives some private sponsorship. Through mixing and matching funding, the project has managed to be sustainable over a number of years. Despite the commercial potential of the business, the project will need to continue to receive external funding to support its high quality employment and training provision however, at least in the short term.

#### Key lessons:

- It is important to work closely with immigrant groups who are experiencing persistent unemployment to **identify ‘hidden skills’** which may be relevant to the local labour market;
- Cities offer **high value added market niches** which can be exploited by social enterprises and SMEs, particularly in relation to traditional arts and crafts, food, leisure opportunities and retail goods.

### **Tackling information gaps and prejudice to unlock supply**

*“Acting as a bridging point between local employers with skills gaps, and the local population with the capacity to fill these gaps”*

The ‘bridging role’ taken by the Betet Skara project is also evident in a number of other local projects that we have identified. In the Copenhagen based Kongens Enghave Job Match project (summarised in Box 3 below), a local partnership worked with local employers to find out what their particular skills gaps might be, and then create supported employment placements for local people with training in these skills areas.

#### **Kongens Enghave Job Match, Copenhagen**

Kongens Enghave Job Match is an ESF-funded project based on an empowerment strategy. In 2002 The City of Copenhagen took the initiative to form an agreement as a Public Private Partnership with key labour market organisations to enhance an inclusive labour market, especially targeting ethnic minority groups.

The project was inspired by the success of the ‘matching’ employment method developed in Kista, Sweden. “Kista Matching” was a small local project in the Kista district of Stockholm in 1998 and as a result of the success, the project was adopted by further 15 district councils and 4 municipalities in Stockholm as well as in Copenhagen

The project idea is to ensure the best possible match between employers and job seeking immigrants and other long term unemployed through a close co-operation with local businesses that are experiencing labour shortages (particularly shortage of low skilled labour force). Kongens Enghave has witnessed the largest growth of new jobs in Copenhagen due to the considerable number of new companies like Sonofon and Statoil locating to this attractive area. However, at the same time, Kongens Enghave has witnessed high unemployment rates for decades - even during the recent economic boom unemployment has continued to rise - contrary to the general trend in Copenhagen. The reason is that the qualifications of the unemployed residents of Kongens Enghave do not match the demands of either old or new enterprises – both at the high skilled and the low skilled end of the labour market.

After labour market shortages were identified by the project, interviews are held between jobseekers and employers. Suitable applicants are sent on short vocational courses that are designed to match the needs of employers. Employers are involved in the project from the

start, in order to ensure a stable long-term match and guarantee employment after the course. The Job Match model works (in average, 76% of the participants obtain a job): The chosen enterprises have all signed partnership contracts for the future.

Some immigrant participants of the Job Match have high-level qualifications but cannot obtain relevant job because of poor language skills. Through participating in the Job Match project, many immigrants have learnt the Danish language significantly quicker than they normally would without working and training in a Danish speaking environment. This has helped many immigrants to obtain employment in their own specific occupational field sooner than they normally would – Job Match has acted as a stepping stone.

#### Key lessons

- This project shows the **transferability of good practice models** for local employment development from one city to another;
- Local partnerships can provide a useful **‘brokering role’** building up linkages and trust between local employers with skills gaps, and local unemployed people seeking employment.

Domestic and personal services are particularly likely to become delivered within the informal economy. Providing regularised employment in these areas, as was achieved in Stockholm (see box below), is one way of offering people a route into the formal labour market and away from un-regularised employment. Similarly, a city-wide project in Berlin that we identified, Qualification and integration of Immigrants (Xenos), aimed to open up new jobs in private households through training immigrants in domestic services skills and acting as an agency to support good quality work placements. The agency aimed to give people above average skills in order that they could command a higher wage than might be expected through more informal routes. This in turn allowed the profession to become more regulated and to offer greater security for the workers. The emphasis was on creating a relation of trust between private households and work placements, through acting as a bridging agency.

#### **Programme for Employment, Stockholm**

The programme started in year 2000 when Stockholm was facing a labour shortage in some occupational fields, especially in the elderly care services. At the same time the number of unemployed immigrants and refugees was very high. The Program for Employment was designed to fit the needs of refugees, immigrants and elderly care services. Today the programme also focuses on other trades experiencing labour shortages.

The project partners are the Integration Department of the City of Stockholm, the local Employment office, Stockholm City Administration (department of personal policy) and different District Councils. The project management included heads of departments, directors of District Councils and Employment office. In 2001 the Swedish Integration Board and the European Refugee Fund supported the project.

The introduction includes vocational training, work etiquette, work culture, information about labour market etc. The introduction period lasts for three to six weeks depending on the trade. The apprenticeship period lasts for five to ten weeks, depending on the trade and it acts as an

induction programme. During the apprenticeship period, the participants learn work routines and tasks by following their facilitator. All administration connected to the program is handled by special project assistants who support both the trainee and the employer in a number of different ways and try to solve problems that participants or facilitators might be experiencing.

Most of the immigrants and refugees require intensive language training before they can start the programme. In 2001, *Specific Swedish Language Skills Training* was developed and introduced. The language training was tailored to match the language used in the elderly care services. Almost hundred percent of the participants who completed the programme achieved work after participating the Program for Employment

The project was originally located in two District Councils of Stockholm, but due to the good results and political support, the programme was introduced in all 18 District Councils of Stockholm.

#### Key lessons

- Local partnerships can be particularly beneficial in **matching gaps in local services (for example elderly care services) with gaps in employment** within the labour market;
- **Language** is a key aspect of any project to ensure the integration of migrant groups into the labour market.

Matching minority ethnic and immigrant groups to skills gaps is not always just a matter of providing information and training. A significant issue in many European Member States is the lack of recognition of qualifications gained abroad. The Refugees into Jobs scheme worked in partnership with refugees from a variety of boroughs in North West London and employers such as local hospitals, local authority, education departments and local schools to help refugees into employment through overcoming the barriers relating to foreign qualifications issues. An important factor was providing basic information provision, and guiding refugees through the complex re-qualification procedure.

#### **Refugees into Jobs, London**

Refugees Into Jobs was set up in 1997 by a partnership between Brent and Harrow councils, health authority and refugee communities in northwest London. Initial funding was from SRB challenge fund from Government Office for London. The project has since been funded by the London Development agency and the Home Office, as well as by ESF and ERDF. The aim was to empower refugees through employment and help them overcome the barriers preventing access the job market Northwest and West London. A particular focus was on the ability of refugees to fill key skill gaps in education, health and engineering and the recognition of relevant qualifications gained abroad. Partnerships were set up with local hospitals, local authority, education departments and local schools to facilitate this process.

Actions included:

- Special programme to help health professionals specifically refugee doctors, programme for refugee teachers.
- Feasibility study regarding engineers and teachers.
- A job search training programme.
- Careers advice as well as grant scheme
- Refugees Into Jobs also run a job club, medical journal club and teachers club.

The project has:

- Serviced more than 3000 clients from 74 nationalities. Helped 35% into employment.
- Helped 100 refugee medical doctors into employment.

Key lessons

- The **recognition of qualifications gained abroad is of key importance** in facilitating access to employment for highly skilled migrant populations – local partnerships can have an important role in facilitating this process;
- It can be beneficial **to concentrate on particular employment sectors** when supporting people through the re-qualification process.

### **Building trust relations to encourage risk-taking and flexibility**

*“Building up sustainable relations of trust with local employers to encourage flexible approaches to employment and tackling discrimination”*

Another project that built up relations with local employers to encourage flexible approaches to employment and to tackle discrimination is the URBAN 1 project in Aulnay sous bois, France. Aulnay-sous-bois has a high percentage of minority ethnic groups. The Aulnay project did not seek to tackle the issues experienced by these groups directly, but instead tackled issues faced by the entire neighbourhood, including the isolation of a significant number of people from local labour markets through lack of work experience and mobility. Through building a relationship of trust, the project was able to encourage employers to take a more positive view of people coming from the local neighbourhood.

## **Aulnay-sous-Bois, France**

The municipality of Aulnay-sous-Bois is one of the largest in the département of Seine-Saint-Denis (93), in the outskirts of Paris, with a population of 80.000 and 3.200 businesses. The northern wards of the commune, almost exclusively characterised by social housing, are home to 25.000 people, who are disproportionately affected by the problems of long term economic and social decline (unemployment, insecurity, drug addiction, run down built environment...). 40.5% of the population of these neighbourhoods is of immigrant origin (against an average of 12.9% for the entire region). 15 years after the introduction of the first targeted public policies (the so-called « Politique de la Ville »), all of which were tested in Aulnay-sous-Bois, the area was granted funding for an URBAN Community Initiative Programme in 1994. This created a rare opportunity to tackle the range of problems (physical, economic and social), affecting Aulnay's deprived neighbourhoods.

For the Aulnay project, the most important issue was the necessity to cultivate, by all possible methods, a sustainable relation of trust between employers and local people. This was partly achieved through setting up a local Centre for Employment and Enterprise which provided a one-stop shop for the needs of both employers and potential employees, and therefore proved a useful meeting point. The coordinators also built relationships with employers from the principle growth poles which could be found within about half an hour of Aulnay: Roissy Airport, Garonor and Parinor 2 and supported the employment of people within these areas through a variety of methods of assistance including training, mobility.

The coordinators of the project identified a series of steps through which they could 'seduce' employers to cooperate with their project. As employers in France frequently lobby to be consulted and involved by the public sector, they did not experience significant resistance to this. However they recommend a series of key steps including:

- Developing informal encounters between local enterprises to debate together common local issues, and bringing these enterprises together to develop local common initiatives on the basis of these discussions.
- During this process, progressively sensitize managers to issues around integration into employment
- Exploring with the enterprises the main skills gaps present in their sector
- Developing a programme to support local people to develop appropriate skills and competencies

A number of lessons were learnt in implementing the project. Economic development, particularly if it is targeted at employment development, will only work if it is based on local businesses and local development is only effective if one authority has responsibility for economic and employment activities

Concentrating public interventions on a single neighbourhood or a single category of the population can engender a sense of rejection among on the part of other inhabitants and an increased level of stigmatisation on the part of employers. It is better to develop methods to promote equality and fight discrimination within wider initiatives to develop and improve the image of local areas.

### Key lessons

- **Avoiding stigmatisation.** It is not always useful to target particular minority groups as this can lead to stigmatisation – targeting whole neighbourhoods which experience deprivation and have a high percentage of immigrant people can be more valuable;
- **Being flexible in the notion of the term ‘local’.** In order to identify employment opportunities for local unemployed people it is useful to think beyond the immediate local area. By linking people with local employment centres and growth poles, through building up the trust of employers and supporting mobility, the project has considerably reduced the isolation experienced by local unemployed people.

### **Joining things up: better governance and coordination to lubricate the functioning of the local labour market**

*“Offering a holistic approach which brings a variety of different agencies together to tackle the multi-faceted problems experienced by these groups”*

A key strength of the Aulnay project was that it brought together agencies which had previously worked independently from a number of dispersed locations. Bringing together agencies and employers round an URBAN programme proved particularly effective in setting goals and a time limit for achieving them, and bringing together agencies around a common purpose.

The holistic approach which is possible through bringing together agencies at the local level can offer a valuable solution to tackling the diverse problems experienced by minority ethnic and immigrant groups. Houlé (2000) suggests that local authorities are particularly well equipped to work with minorities who are very diverse (in terms of origins, social status, demographics) and have heterogeneous demands. ‘Behind the ‘local’ lays the idea of a more pragmatic and flexible intervention to these groups and their problems (school, housing, labour, language, political participation, etc.).<sup>8</sup>

The Hedef project in Rotterdam developed this multi agency approach further to create a standard model for local cooperation which was implemented across a number of districts. They focused on bringing three local agencies in each local district: a counsellor, a social service consultant and a consultant on reintegration, to help unemployed Antillians, Kaapverdianen, Moroccans and Turks develop coherent route maps into employment. This approach supported individually focused approaches and facilitated the long-term support needed to support the integration of people with multiple barriers to the labour market. In particular, the project facilitated a ‘route map approach’.

### **The Hedef project**

<sup>8</sup> P.4 Integration of migrants and refugees in local communities: problems and policies René Houle Centre d’Estudis Demografics 2000



The aim of the Hedef project is to stimulate access to employment for immigrant groups in Rotterdam. The target groups are Antillians, Kaapverdianen, Moroccans and Turks. The main objective was to develop a working method for the reintegration of the target groups into the labour market. The instruments used include: outreach, intensive integrated mentoring of participants, demand led education techniques, working with employers who want to offer the target group a paid regular job in their company, after care for participants.

The project focuses on specific communities within Rotterdam as part of a national network (the SPAG project). The project was a cooperation in the financial sense between the Ministry of Social Affairs and Employment and the Municipality Rotterdam. Within the districts in Rotterdam the different aid agencies with core functions relating to the target groups set up teams, including a counsellor, a social service consultant and a consultant on reintegration. The tasks and activities necessary for a successful route into employment were coordinated within the teams.

Activities consisted of drawing up 150 route plans into work, education and care per year. The counsellors approached the target groups actively by recruitment, information, outreach, house visits or work with third parties (police force/justice/stakeholders from civil society). Each agency involved took a different role. The counsellors gave personal/social support. The social service consultants ensured necessary financial assistance and help with debt problems and activities aimed at social activation, and the regeneration consultant organised targeted education and job hunting, often working with employers.

#### Key lessons

- Important added value can be gained by linking services together locally to provide a **multi agency approach**;
- It can be very beneficial to offer **routes into employment** which are adapted to particular minority ethnic groups.

### **Securing both supply and integration by “going to where people are”**

*“Offering outreach services to hard-to-reach groups who are isolated from mainstream services to provide training and advice”*

The local level also provides the opportunity for outreach work to target people who are isolated from mainstream services and therefore unlikely to receive the information, training and support they need to access employment.

In Berlin, the Kreuzberg Enterprise Gallery, provides entrepreneurship advice to the local people of Kreuzberg, and employs an outreach worker who specifically targets the local Turkish community to encourage them to take advantage of the Enterprise Gallery’s services. The project felt that it would be useful to employ a member of the local Turkish community to provide such an outreach role, generating interest in local employment services amongst individuals and communities who would normally feel excluded from using such services;

#### **Kreuzberg Enterprise Gallery**

Since 2001, the Kreuzberg Enterprise Gallery has encouraged and supported self-employment in Berlin Kreuzberg. Advice and guidance is given to people intending to start their own business. If they decide to set up in Kreuzberg, an office and organisational support is provided. Networking is supported with other participants of the ‘Social City’ programme in Berlin.

For people intending to set up business who are registered as unemployed professional coaching is given during the first year of self-employment. Having a business support institution is in itself not innovative or new, but the mix of activities carried out is. In particular, the mix of different businesses located at the enterprise gallery enables an exchange of experience and problems between the different entrepreneurs. Also, the combination of providing office space as well as advice and coaching is unique. The Enterprise gallery employs an outreach worker who specifically targets the local Turkish community to encourage them to take advantage of the Enterprise Gallery’s services.

#### Key lessons

- Local actions can be particularly useful when they support ‘**outreach work**’ to isolated groups within local communities;
- A **local base for entrepreneurs** can be extremely valuable in providing the basic materials required to get small businesses off the ground (desk space, telephones, access to computers, meeting rooms etc);

Another project in Kreuzberg, Berlin specifically works with women from the Turkish community to encourage them into employment. The ICI project supports women by offering work placements in local businesses which have similar work to the area in which the women would like to set up their enterprise. This project is particularly interesting in the light of the fact that women are in general less likely to become entrepreneurs. A recent study by the London Business School and the Work Foundation<sup>9</sup>, as part of the Global Entrepreneurship Monitor found that women face more barriers to entry than men in the UK - women are only half as likely to start a business as men. In particular, they find it difficult to raise finance, with some women reporting that they are asked about their partner's income before being asked about their business proposition. Women are also less likely to know an entrepreneur, more likely to fear failure, and have less confidence they have the needed skills.

On the basis of the ISI project, women have gone to run businesses in the fields of IT, retail and catering amongst others.

#### ISI Project, Berlin

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<sup>9</sup> Study by the London Business School and the Work Foundation, as part of the Global Entrepreneurship Monitor, 2004.

The project ISI, 'self-employment for female immigrants' aims to help immigrant women to become economically independent in order to enable them to move out of family dependence and state support. The project offers a one-year training course which consists of: business studies (in particular entrepreneurship), development of a business plan, accounting, IT, business German, strengthening social and intercultural competencies, training with female experts, visiting companies, two-month internship, careers advice and advice on self-employment. The participants must come from Berlin North, South-West and South, but there is a particular focus on the Kreuzberg district. The immigrants gained basic knowledge about setting up a business. They were also supported in developing their abilities and competencies which has led to new ideas about career paths. Every year the curriculum is adapted upon reflection on experiences. Independent working within the training has been encouraged. Hurdles resulting from the combination of training and family (e.g. child care during school holidays) have been addressed. Other issues concerned the different educational and language level of participants as well as financial difficulties. The project is a good example of the transferability of local employment development models. The original idea for the project came from Birmingham in the UK. ISI has adapted it to the circumstances in Berlin. ISI's know-how has now been transferred to a new project in Milano in Italy. The project was set up at a time when the political climate was very favourable for female immigrants.

#### Key lessons

- Offering women from migrant communities training in entrepreneurship can be extremely successful. Training women together allows the development of a shared approach to obstacles and problems, and provides a situation of trust and solidarity which can be important **in building confidence**;
- Developing strong and **sustainable relationships with local businesses** can lead to ongoing work experience placements which provide valuable on-the-job training;
- This project shows the **transferability of 'local employment development' models** from one city to another.

Support for entrepreneurship amongst minority ethnic groups is an interesting issue, in that minority ethnic groups are often more successful at setting up businesses than the indigenous populations in European countries. A number of studies have shown that minority ethnic populations are often over-represented within entrepreneurship in a number of Member States. For example, ethnic entrepreneurs are estimated to own over 50% of new business start-ups and 7% of all small businesses in London<sup>10</sup>. In France, the percentage of foreigners among crafts persons, traders and company owners grew from 5.1% in France in 1989 to 7.1% in 2000.

Research has indicated that entrepreneurs from minority ethnic backgrounds are more likely to succeed than their indigenous counterparts because they are in general more willing to take risks and foster innovation from a position 'outside' the formal labour market. In addition many minority ethnic groups have the advantage of 'social networks beyond the confines of the immediate locality' which can facilitate trade and partnership working. The Betet Skara project outlined above reveals how ethnic entrepreneurs can exploit the high added-value

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<sup>10</sup> NatWest (2000). *Ethnic Minority Businesses*. London: National Westminster Bank.

niche markets available in cities for individualised traditional and hand-crafted goods, achieving employment through asserting the value of cultural difference.

However, there are some that argue that the relatively high participation in entrepreneurship amongst minority ethnic groups is actually a sign of the negative impact of exclusion from the formal labour market. In their analysis of the integration of minority ethnic groups in Greece, Lazardis and Koumandraki discuss the existence of ‘survival entrepreneurship’: family businesses which are set up due to exclusion from the labour market, and are often unregularised and involve working long hours<sup>11</sup>. Many minority ethnic businesses are family based and rely on the support of family networks to provide finance. External support and venture capital is required to support the development of these businesses from family concerns to formal enterprises which can offer good quality employment to local people. This is one area where local actors and local partnerships can play an important role, particularly through sourcing venture capital and providing business advice to assist the long term sustainability and growth of business start ups.

### **Working on the demand side to find and fill service gaps using local people**

*“Sensitivity to needs and opportunities within local territories and acting creatively to exploit service gaps stimulate the development of sustainable, good quality local jobs, accessible to all members of the local community.”*

The potential for matching local people to local jobs in the private sector depends partly on a buoyant labour market and the availability of jobs. Where jobs are scarcer, local partnerships often seek to employ local people in public sector projects and services, often creating innovative solutions to fill local service gaps. Such initiatives work best when they are not ‘make work’ schemes, but actually address real service shortages, leading to greater sustainability. One such project is the Trinijove Foundation in Barcelona, which has set up two cooperatives in the field of the environment to tackle problems of environmental degradation. These cooperative employ local people from an area with a high immigrant and minority ethnic population. As with the Aulnay-sur-Bois example mentioned above, no attempt was made to explicitly focus on the needs of the immigrant population, but a more inclusive approach was taken which targets the whole community.

#### **The Trinijove Foundation**

The Trinijove Foundation first started in 1990. In 1995 the project gained European funding under HORIZON to develop the basic and vocational skills of the immigrant population in a number of neighbourhoods in the North of Barcelona. The Foundation has also received subsequent funding through Integra and EQUAL. The target areas are largely very run-down with many young immigrants and a birth rate much higher than the average. The project aims to increase participants’ chances of finding employment and to create ‘social firms’ or enterprises. Market opportunities were identified in three areas:

- maintaining parks or other public green spaces,
- improving the urban environment through planting trees and shrubs,

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<sup>11</sup> Gabriella Lazardis and Maria Koumandraki 2003 Survival Ethnic Entrepreneurs in Greece: A mosaic of informal and formal business

- recycling rubbish.

The foundation has set up two co-operatives: one which is involved in gardening and conservation of green spaces and another which undertakes environmental protection work (forestation and recycling of urban waste). The choice of enterprise form was much influenced by transnational contacts which came about as a result of participating in a European Union Horizon project. The co-operative legal form was chosen because it would operate with a participatory internal management structure.

a) The Centre for Work and Training was set up in 1991 and is involved in gardening activities. It began with seven members and has grown to 17. The workers tend to be involved initially in the minimum integration wage programme (immigrants, ethnic minorities, drug-dependent people, and long-term unemployed).

b) Defence of the Environment began its activities in 1995 and currently employs nine people. Its main activities are restocking forests, cleaning up woodland, cutting and pruning in the countryside and reintroduction of specific plant species.

In both co-operatives contracts are agreed with members (they are paid in the same way as ordinary gardeners or recycling workers) and the usual period of work with the co-operative is one to two years. The intention is that in this time the workers become rehabilitated and succeed in finding work in other enterprises in the relevant sectors.

#### Key lessons

- Local partnerships can be successful in identifying **local service gaps that will not be filled by the market**, and developing mechanisms for delivering such service while employing local people, particularly migrant populations who have difficulty accessing the formal labour market;
- **Social enterprise** and cooperative development can be a potential tool for this
- It is important however, to offer people **routes into the formal labour market**.

### Summary: Horizontal issues and Lessons for Best Practice

A number of horizontal issues and best practice lessons emerge from looking at the different examples above.

#### 1) Being flexible in the notion of the term 'local'

The various case studies explored presented different perspectives on what constitutes an appropriate 'local' level for developing partnership action to support access to employment. It is clear that a degree of flexibility is required in the definition of 'local' when dealing with minority ethnic and immigrant groups. Within large metropolitan areas, the existence of fast-moving labour markets and the dynamism of population and residence (certainly in the inner cores) can make it particularly difficult to focus in on one community at the local level. Local partnerships have to confront real issues of low attachment to a particular place and closer identity with communities based on ethnicity, faith or interest. It may therefore be wise to be flexible about the boundaries to any particular intervention. For example, one commentator feels that acting locally should involve targeting a particular community as much as a

particular geographical area. It is important to look at ‘intra-local’ linkages as well as local ones.

The Aulnay-sous-bois project illustrates that the definition of ‘local’ used can, and perhaps should, be different when looking at supply issues and demand issues. Whereas it is useful to ‘anchor’ projects locally within an individual district, it is important to link people with viable employment opportunities which may well be outside the local area. The Aulnay-sous-bois project, for example, linked people with local growth poles such as the airport, and established mobility and transport systems to support this. Linking people to demand for employment at the level of the city, rather than at the local level ensures a much wider pool of jobs to be accessed.

One of the policy makers invited to the IDELE seminar on this issue in Berlin felt that the local approach was more appropriate to support people from established minority ethnic communities rather than new comers. Due to the entrenched nature of barriers affecting the longer term unemployed, they can benefit from a holistic local approach. However, the main barriers effecting newcomers are often ‘legislative’ and such problems can only be dealt with at the national level.

## **2) The challenge of targeting versus labelling**

The local actions set out above vary in whether they specifically target minority ethnic groups or wider issues of social exclusion. The Aulnay-sous-Bois project, for example, avoided any explicit focus on the ethnic origin of the people they were supporting as they felt this could encourage stigmatisation by employers. The Trinijove project in Barcelona also felt that it was more important to bring together people from indigenous and non-indigenous communities, rather than single particular communities out.

However, a number of the other projects listed above illustrate the value of targeting very specific communities to ensure sensitivity to both available skills and competencies, and the specific barriers these groups experience to accessing the labour market. Both the Hedef in Rotterdam and Betet Skara in Amsterdam benefited from this focused approach, and the Hedef project coordinator wished in retrospect that they had become even more focused in order to find out more in-depth information about the barriers experienced by particular communities. Even with their tight focus on one particular community, the Betet Skara project reported cultural misunderstandings, particularly between clients and staff.

## **3) The importance of creating ‘route maps’ into employment**

A strong thread running through the above projects is the ‘routing principle’. The Hedef, Stockholm and Barcelona projects in particular looked at creating route maps into employment for these groups. The Trinijove Foundation, for example, believes that its projects can only be successful if it closely monitors the progress of all the participants in their transition from training to employment. The Foundation has established an advice and guidance service which offers vital moral and practical support to individuals as they follow what can often be a long and difficult road towards employment. This approach is supported

by other studies of good practice at the local level. A study by the University of Leuven<sup>12</sup> for example concluded that “special measures should never be conceived as sidetracks but integrated in a trajectory”. They also concluded that “setting up partnerships and networks is an important element for a successful implementation of the ‘routing’ principle as no single operator is able to offer the complete range of services that may be useful for combating exclusion from the labour market”. Given the multiple problems faced by some minority ethnic and immigrant groups, it is especially important to establish such routes, and to offer the long term support required to see them to a successful conclusion. The inter-agency partnership offered at a local level is a particularly strong mechanism for seeing this work, as long as effective coordination is achieved.

#### **4) The importance of sustainability**

While all of the projects identified above have shown considerable success in their approach, they have all experienced problems with sustainability and financial vulnerability. The local policy level is dependent on support from the regional, national and European policy levels to ensure that it can fulfil its objectives, and it is felt that project funding is often too short to offer the long-term sustainability projects need. With an average duration of one year and a maximum of three years for EQUAL projects, for example, sustainable development is difficult to achieve. On the other hand, it is important to avoid dependency on external funding sources in the longer term. External funding should ideally be seen as a way of ‘kick starting’ projects rather than a method for long term support.

A number of local level practitioners are turning to ‘public private partnerships’ as a solution, engaging employers not only as clients for work placement, but also as sponsors of their activities. This was felt to be a successful model by many, including the Aulnay-Sur-Bois example. The current importance of business philosophy such as ‘corporate social responsibility’ can encourage employers to get involved. It is clear however that being involved in the design of projects, and being able to identify business benefits from involvement are also important criteria for private sponsorship.

Another area requiring finance is entrepreneurship. It is clear the entrepreneurship is an option for many minority ethnic and immigrant group but that greater access to venture capital and start-up funding is required at the local level to support the emergence of expanding businesses offering high quality employment to local people.

#### **5) Support from policy makers**

Policy support for actions at the local level to support access to the labour market for immigrant and minority ethnic groups varies across Europe. EURO CITIES has recently pointed to the variation in the existence and degree of policies for the integration of immigrant and refugee and asylum seekers in Europe, the variation in political and administrative structures and cultures, and the degree of local competencies allowed in tackling the issue.

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<sup>12</sup> Ides Nicaise, Joost Bollens, Shahin Laghaei, Ivan Thaulow, Minelle Verdie, Alain Wagner and Len Dawes: Pitfalls and Dilemmas in Labour Market Programmes for disadvantaged groups - and how to avoid them. Hoger Instituut voor de Arbeid, Leuven, Belgium, 1995

This reflects the different degrees of experience of immigration held by different Member States, and also more generally the degree to which local level governance is supported. Within the Nordic countries the local arms of national government are primarily involved in immigration and minority issues because employment issues are dealt with by mainstream government agencies, whilst in other countries such as the UK, other local stakeholders are much more active. Interestingly in countries where immigration is a new problem, local approaches appear to be gaining ground relatively quickly. Recent research by the Commission reports ‘the growing participation of local and regional governments...in quasi all EU member states, but especially in the new countries of immigration in Southern Europe with shortcomings in national programming here.’

The integration into the labour market of minority ethnic and immigrant groups is also particularly vulnerable to political ideology and political change. A number of Member States (for example France, Germany and increasingly, the Netherlands) are not in favour of ‘targeted approaches’ but instead support more inclusive approaches to address all those suffering disadvantage in the labour market. The French Haut Conseil à l’Intégration states, for example, that ‘France is a single and indivisible republic. Integration needs the active participation in the national community of varied and different elements, not the recognition of ethnic communities’.

Whether or not the national system supports local level actions, there is some reporting of fatigue at the local level and the need to support new forms of innovation, and transfers of best practice. It is felt that a lack of statistics in this area (partly due to sensitivities around action) is also a barrier to action, as it is difficult to measure success.

For the best practice examples we analysed, support was mainly sought from regional, national and European policy makers in the following fields:

- Coordination of different agencies to provide a holistic approach to the problems experienced by these target groups
- Clarity in relation to legislation on asylum and refugee policy and its impact on employment, and in relation to the recognition of qualifications gained abroad
- Coherent strategies to combat discrimination amongst employers and to reward good practice
- Measurement and the introduction of indicators to identify the scale of exclusion and allow measurement of success;
- Finance for sustainable projects at the local level including both employment insertion and entrepreneurship

## **6) Questions of transferability**

Our analysis of the best practice identified above has highlighted several instances of best practice being transferred from one local partnership in Europe to another. For example, the Kongens Enghave Job Match in Copenhagen project was inspired by the success of the ‘matching’ employment method developed in Kista, Sweden. “Kista Matching” was a small local project in the Kista district of Stockholm in 1998 and as a result of the success, the project was adopted by further 15 district councils and 4 municipalities in Stockholm as well as in Copenhagen. The ISI project in Berlin which supports women’s entrepreneurship was also inspired by a similar project developed in Birmingham that they had heard about at a European conference. The Barcelona Trinijove project adopted its cooperative model through



the transnational exchange offered through a HORIZON project. It was also apparent that models could be transferred between labour market sectors - the Stockholm project is now using the model developed on elderly services and transferring it to cleaning activities, for example.

Many of the projects that we interviewed felt that they had valuable tools to offer projects in other European cities. However it is clear that in transferring good practice, policy makers and practitioners will need to take account of the differences in policy context across Europe identified above.

Drawing from the project examples above, and also from the wider IDELE database, we have identified a series of tools which can be adopted by local employment development practitioners from other large cities in Europe. These tools are not mutually exclusive but represent a first step in building a 'tool kit for practitioners' in relation to integrating migrant groups and minority ethnic populations into the labour market. We list a variety of different projects which have used these tools in Annex A of this report, under the following main headings:

- A: Supporting enterprise
- B: Developing routes into employment for disadvantaged groups
- C: Addressing skills shortages and promoting life-long learning
- D: Social enterprise
- E: Empowering local communities
- F: Diversifying the local economic base

## **Conclusions**

The key conclusions of the working paper are:

- Minority ethnic groups and immigrants are a major part of the comparative advantage of cities which needs to be harnessed;
- Cities have important employment opportunities to offer these groups in terms of skills gaps and service gaps which need to be filled;
- The local approach has much to offer in relation to:
  - Identifying skills and barriers to employment in local communities
  - Generating trust
  - Acting as a 'bridge' between local people, local employers and training providers
  - Developing holistic local approaches
  - Exploiting service gaps to produce innovative new employment opportunities

- Approaches which invest in human capital and the recognition of skills and competencies of the target groups are particularly valuable, as are approaches which provide ‘routes’ into employment for people with multiple barriers;
- It is important that employers recognise skills and qualifications from abroad. While this is often addressed through decisions and programmes initiated at the national level, local schemes can give people the right support to convert their qualifications to the local requirements and ensure that peoples experience is given due recognition. Through building up relations of trust with employers, local projects can also be successful in encouraging such employers to be more flexible about the types of skills and qualifications they recognise.
- Basic training in languages and building familiarity with working environment (mentoring, work experience) are essential for newcomer groups;
- Different approaches are needed with different types of target group, but targeting can be controversial and sometimes cause stigmatisation;
- The informal economy is a problem but it is difficult to regularise at the local level. Introducing regularised employment in work areas which traditionally fall within the informal economy is one solution which can be taken forward at the local level (e.g. local schemes to create support and regulate the working arrangements of cleaners and domestic workers);
- Entrepreneurship is a strong opportunity, but there is a need to support people to build strong local businesses from family based un-regularised entrepreneurship. Venture capital is important for this.
- Policy support is imperative for pilot projects at grass roots level but is vulnerable to national ideologies and political change. There is a need for more sustainable funding in this area;
- Local action needs to occur within a national and European framework which tackles discrimination and supports employment rights for minority ethnic and immigrant workers.

## **Recommendations**

We would make the following recommendations to practitioners and policy makers at the local, regional, national and European levels.

### **Practitioners**

- Foster relations of trust with employers. Building relations on wider issues than this specific thematic area can be helpful;
- Develop sustainable approaches over time – consistent approaches to partnership working (including ‘ambassadors’ who become well known to all parties) is crucial;

- Take forward outreach projects within the local community to address issues of isolation and disillusionment with mainstream services;
- Appeal to the self-interest of local employers. Offer employers services, rather than a catalogue of demands;
- Create incentives for participants and identify clear progression paths for people who may be offered a variety of different and confusing services. Consider job guarantees to establish clear short-medium term goals;
- Make sure that partnership working is well planned, and that partnership discussions result in clear practical actions and measures. Devise action plans supported by partner organisations. Nominating somebody to help convert strategies to practical actions and encourage partners to take forward such actions between meetings is crucial;
- Ask searching questions about skills which migrants bring from their previous work experience, carry out skills audits;
- A ‘bridging role’ is crucial between people seeking work (the ‘supply side’) and employers (the ‘demand side’) within the local labour market;
- Consider offering ‘one stop shop’ approaches, although research has shown that one stop shops only work if they have well established contacts;
- Create regularised employment in areas where there are skills gaps, to avoid the development of the informal economy and offer people a ‘better deal’;
- Think in terms of empowerment of clients, and ‘rights’ rather than needs. Mutual respect is a particularly valuable aspect in this area of work. One participant in the Berlin seminar pointed out that, “Cities must develop a climate of respect and dialogue with their own citizens”;
- Involve target groups in the design of projects where possible;
- Exploit existing networks, e.g. employers clubs to gain visibility and credibility in a local area;
- Targeting can be beneficial, but can also produce local sensitivities, potential stigmatisation, and a confusing diversification of local programme if not handled well;
- It is important to look at the quality of the obtained jobs (contract terms; stability of employment, relevance to skills and training).
- The sustainability of activities is key. Projects need to seek long term solutions and ensure that participants learn transferable skills, so that they are less vulnerable to future changes in the economy and labour market.

## **Local and regional policy makers**

- It is important to look at local immigrant and minority ethnic groups as a comparative advantage to be exploited rather than a burden to be carried;
- Investment in human resources is crucial, particular in view of the demands of the 'knowledge economy';
- Develop support for entrepreneurship, and venture capital as an essential means for supporting local family businesses to grow and offer good quality employment opportunities. Consider developing micro-credit schemes, credit unions; revolving funds.
- Ensure that local structures are as simple and effective as possible in linking people to jobs;
- Coordination of local policy makers and agencies is crucial – bringing people together to offer people a simple holistic approach to their problems can be very effective;
- European and other projects can be a useful way of bringing local stakeholders around a specific goal– everyone wants to be part of the success;
- Give local and national positive attention to good employers who help move situations forward;
- Give sustainable support for local projects and advanced planning to support the development of more long term goals.

## **National policy makers**

- Ensure the existence of funding schemes for pilot projects, grass roots initiatives to continue the valuable work which occurs at this level;
- Ensure the local availability of venture capital schemes to support local entrepreneurship;
- Provide clear legislative systems in relation to asylum and discrimination;
- Tackle issues relating to the informal economy and employer discrimination on a national and regional basis as these issues are more difficult to address in isolation at the local level.

## **EU level policy makers**

- Ensure that programmes such as EQUAL, and the new raft of ESF funding post-2006 can readily incorporate local partnership approaches as far as possible. Local partnerships offer sensitivity to local opportunities and local needs;
- Sustainability is crucial, particularly in relation to the long term support that many migrants and long term unemployed minority ethnic groups require. European funded projects should be long enough to offer a sustainable solution to problems, however they should also ensure that projects find means for becoming self-sustaining in the longer term. It is important to avoid creating a culture of dependency at the local level;
- Methods for supporting and encouraging the development of alternative financing arrangements should be considered, such as micro financing, private sponsorship and public private partnerships. Funding to support dialogue between different stakeholders in the field is also crucial, at different governance levels, as are mechanisms to improve awareness of the barriers which immigrant groups can face in accessing employment;
- EU level policy makers need to encourage Member States to offer grassroots funding for local projects in this area where possible, but also to provide clear legislative frameworks in relation to asylum and discrimination to allow clarity for people working at lower governance levels.