

**DECENTRALISATION OF EMPLOYMENT POLICIES  
AND NEW FORMS OF GOVERNANCE:  
TACKLING THE CHALLENGE OF ACCOUNTABILITY**

**Ministry of Economy, Labour and Social Policy  
Pod Kopułą Hall, Plac Trzech Krzyży 3/5  
Warsaw, Poland**

**27-28 March 2003**

***DRAFT AGENDA***



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Decentralisation of employment policy, a central issue for Ministries of Labour today, can best be viewed as a tool to improve local governance. In bringing decision-making closer to where problems and individuals are, decentralisation facilitates co-ordinating labour market policy with economic development strategies and social inclusion initiatives, adapting policies to local conditions and involving civil society and the private sector in the orientation of measures. Improving local governance is conducive to better outcomes in terms of employment, social cohesion and sustainable development.

However, decentralisation raises a number of challenges, both in terms of the degree of flexibility in policy management that it can yield in practice and of the capacity to guarantee public accountability. Additional efforts may need to be deployed to successfully connect labour market authorities at regional level and actors involved in economic development and social inclusion activities at local level. Accordingly, partner relationships are often established across levels and between the public, private and civil-society sectors. New forms of governance are being experimented with.

The conference will explore the issues of accountability and flexibility and evaluate the potential for decentralisation and other forms of governance to enhance capacities in better integrating policies and improving their effectiveness. As a follow-up to the 1998 Venice conference on the decentralisation of the public employment service and local management of employment policies, this conference will draw on the lessons from the most recent decentralisation experience in OECD countries and on the results of the OECD Study on Local Partnerships.

The conference will present a unique opportunity to:

- Illustrate what the benefits of decentralisation are in terms of additional flexibility in local management of labour market programmes.
- Present and debate the experience of OECD countries in tackling the trade-off between flexibility and accountability.
- Discuss the opportunities for and limitations of other forms of governance.

**THURSDAY 27 MARCH 2003**

8:15 - 9:00 REGISTRATION

9:00 - 9:30 OPENING REMARKS

Jerzy Hausner, Minister for Economy, Labour and Social Affairs

Sergio Arzeni, Head of the LEED Programme, OECD

Antonis Kastrissianakis, Director for Employment Policy, European Commission

9:30 - 9:40 MAIN ISSUES FOR DISCUSSION

Sylvain Giguère, Deputy Head, LEED Programme, OECD

**Session I Decentralisation: what difference does it make?**

Labour market policy has been decentralised to give more room for manoeuvre to area-based and integrated approaches. What is, in practice, the result at local level from these reforms, in terms of i) better co-ordination between labour market policy and social inclusion initiatives and economic development strategies? ii) better adaptation of policies to local conditions? iii) greater participation of civil society and the private sector in decision making? In short, how does decentralisation facilitate the formulation and implementation of integrated and bottom-up solutions to complex problems? What are the limits to flexibility in decentralised frameworks? Regional PES officers, political representatives and other experts will attempt to provide answers to these questions.

Chair: Andrzej Zdebski, Under Secretary of State, Ministry of Economy, Labour and Social Policy, Poland

Rapporteur: Xavier Greffe, Professor at Université de Paris I (Sorbonne)

9:40 - 11:10	<p>A. PANEL DISCUSSION</p> <p>THE LOCAL LABOUR MARKET PERSPECTIVE</p> <p>Short introduction by the rapporteur</p> <p>Speakers:</p> <p>Jan Hendeliowitz, Director, Public Employment Services of the Storstrøm region, Denmark, and Vice-chair of the LEED Committee, will present the opportunities from and limits of Danish decentralisation in a regional perspective.</p> <p>Robert Straits, Director of the Workforce Development Board of the counties of Kalamazoo/St. Joseph, Michigan, will present the gains in flexibility provided by decentralisation in the United States and illustrate the challenges for the local management of programmes in a multi-level governance framework.</p> <p>Hartmut Siemon, Director of the Employment Agency, City of Leipzig, Germany, will discuss the possibility for taking an integrated approach and adapt policies to local conditions in the German federal system.</p> <p>General discussion</p>
11:10 - 11:30	Break
11:30 - 13:00	<p>B. PANEL DISCUSSION</p> <p>CHALLENGES FOR POLICY-MAKERS</p> <p>Speakers:</p> <p>Michele Dau, Vice-President of Italia Lavoro and Director-General of CNEL, will speak about the need for and feasibility of area-based policies and draw some lessons from the decentralisation of employment policy in Italy.</p> <p>Marion Vrijens, Director for Sub-regional Employment Committees, Ministry for Economy and Employment, Flemish Region of Belgium, will share her lessons from decentralisation in Belgium and reforms undertaken in Flanders.</p> <p>Michał Boni, Research Director at the Centre of Socio-economic Analyses (Foundation CASE), will discuss the results reached through decentralisation in Poland</p> <p>General discussion</p> <p>Remarks by the rapporteur</p>
13:00 - 14:30	Lunch

## **Session II      Reconciling flexibility and accountability**

Providing greater flexibility in the management of programmes raises challenges for public accountability. When a number of other partners and levels of government enter decision-making processes, who is responsible for what? How can full accountability of the actions undertaken be ensured, while greater flexibility is being provided? How can governments facilitate the local management of policies and programmes when there are multiple accountability lines related to various government levels and departments? The lessons learned in tackling the trade-off between flexibility and accountability will be debated in this session.

Chair: Mme Annie Fouquet, Director for Research and Statistics (DARES), Ministry of Employment and Solidarity, France, and Chair of the ELSA Committee, OECD

Rapporteur: Hugh Mosley, Senior Research Fellow at the Social Research Centre (WZB), Berlin

14:30 - 16:00      A. PANEL DISCUSSION

### THE NATIONAL PERSPECTIVE

Short introduction by the rapporteur

Speakers:

Dolores Cano Ratia, General Manager of INEM, the Spanish Public Employment Service, will offer her views based on five years of devolution to autonomous communities.

Don Rymes, Regional Executive, Head of the Alberta, North West Territories and Nunavut Region, Human Resources Development Canada, will present the lessons from the Canadian asymmetrical decentralisation.

John Dorrer, Deputy Director for Workforce Programs, National Center on Education and the Economy, United States, will address the issue of accountability and flexibility in a multi-level governance framework.

General discussion

16:00 - 16:30      Break

16:30 - 18:00 B. PANEL DISCUSSION

IMPROVING DECENTRALISED MANAGEMENT

Speakers:

Elsa Sol, Senior Researcher at the Hugo Sinzheimer Institute, University of Amsterdam, will refer to the experience of the Netherlands and to her research on reconciling New Public Management and integrated approaches in decentralised frameworks.

Bernard Simonin, Research Director at INRS (National Institute for Scientific Research), France, will offer his views on how to provide greater flexibility while preserving public accountability in the context of further decentralisation in France.

Grażyna Gęsicka, Vice-president of the Polish Agency for Enterprise Development will share her views on how to best set the terms of policy management frameworks in order to reconcile flexibility and accountability.

General discussion

Remarks by the rapporteur

19:00 Cocktail and dinner

**FRIDAY 28 MARCH 2003**

**Session III            New forms of governance in practice**

New forms of governance are flourishing in the OECD. Partnerships are set up among the public services, and between public agencies and other partners; local and regional strategies involving a wide range of policy areas and reflecting local priorities are designed to guide the implementation of national policies; framework agreements are set up to give a role to civil society in adapting public policies to local needs. These initiatives do not make formal devolution of responsibility a necessary condition but emphasise the duty for public officers to co-operate with other stakeholders and to form partnerships to make their action more appropriate at local level. Are these arrangements fulfilling their objectives? Do they provide sufficient leeway to the management of public programmes at local level? Are public accountability requirements satisfied? Should new forms of governance complement or replace decentralisation? Could a rethinking of management frameworks and decision-making structures in a local governance perspective help better achieve the goal of an integrated approach?

Chair: Carlos Flores Alcocer, Head of Economic Advisers to the President, Mexico, and Chair of the LEED Committee, OECD

Rapporteur: Mark Considine, Professor and Director of the Centre for Public Policy at the University of Melbourne, Australia

9:30 - 11:00            A. PANEL DISCUSSION

**EXPERIENCING NEW FORMS OF GOVERNANCE**

Short introduction by the rapporteur

Rody Molloy, Director-General of FÁS, the Irish public employment service, will present the Irish experience of area-based partnerships targeting active labour market policies through national framework agreements.

Michael Förschner, Head of the European Social Fund Unit, Ministry of Economy and Labour, will present the lessons from five years of territorial employment pacts bridging economic development and labour market policy in Austria.

Michael Geddes, Professor at Warwick Business School, will speak about the UK experience with area-based public service agreements oriented by local strategic partnerships.

General discussion

11:00 – 11:30            Break

11:30 – 13:00 B. PANEL DISCUSSION

#### GOVERNANCE IN PERSPECTIVE: NEW POLICY ORIENTATIONS

Xavier Prats-Monné, Head for European Social Fund Co-ordination and Local Development, Directorate-Generate for Employment and Social Affairs, European Commission, will present the rationale for a better co-ordination between employment and economic development policies at the European Union level.

Petter Knutzen, Deputy Director General, Ministry of Regional Development and Local Development, will present the Norwegian reform for the design and implementation of four-year county plans through regional partnerships.

Levi Svenningsson, Director for Labour Market Programmes at AMS, the Swedish public employment service, will present the new orientations given to the design and implementation of active labour market policies as a way to promote regional competitiveness in his country within the framework of regional growth agreements.

Valery Popov, Head of the Federal Employment Service of Perm region, will present the result of the experimentation with a pilot partnership and give his views on the opportunity to replicate this type of governance mechanism in other regions of the Russian Federation.

General discussion

14:30 – 16:00 C. CLOSING PANEL DISCUSSION

#### ACHIEVING POLICY INTEGRATION THROUGH NEW FORMS OF GOVERNANCE: WHAT GUIDELINES?

Speakers:

Randall W. Eberts, Executive Director, W. E. Upjohn Institute for Employment Research, will refer to the debates of the past two days and to the US experience in co-ordinating labour market, social and economic development policies through workforce development boards and other partnership initiatives.

Murray Stewart, Professor, University of the West of England, will draw some lessons from the debates and from partnership initiatives experimented in the UK and across the EU aiming at co-ordinating national policies and connecting them with local initiatives.

Paul Cullen, Counsellor for Employment and Social Policy at the Permanent Representation of Ireland to the European Commission and former chairman of the LEED Committee, will give his views based on his experience of governance structures in Ireland, the European Union and the OECD.

General discussion

Remarks by the rapporteur

16:00 – 16:30 CLOSING REMARKS

John P. Martin, Director for Employment, Labour and Social Affairs, OECD

Krystyna Gurbiel, Under Secretary of State, Ministry of Economy, Labour and Social Policy, Poland

16:30 CLOSE AND COFFEE