

LABOUR MARKET AREAS FOR TERRITORIAL POLICIES: POTENTIALS FOR A EUROPEAN APPROACH

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Abstract

ISTAT has published the latest Labour market areas (LMAs) based on commuting data from the 2011 population census in 2014, ISTAT (2014). LMAs are sub-regional geographical areas where the bulk of the labour force lives and works, and where establishments can find the main part of the labour force necessary to occupy the offered jobs. They are contiguous, not overlapping and leave no areas unaccounted for. LMAs have long been recognised as meaningful territorial entities designed to have an explicit validity that is relevant for assessing the effectiveness of regional policy decisions and local government reorganisation. This functional approach to territorial breakdowns is gaining in importance for analytical purposes and the demand for indicators on the part of policy-makers is increasing. Nowadays new opportunities are offered to build comparable European Labour Market Areas. This is due to the work made by the Eurostat Task Force on harmonised LMAs and the implementation carried out by ISTAT on the basis of CBS scripts of the Travel-To-Work-Areas method described in Coombes and Bond (2007) and the seminal paper on TTWA by Coombes et al. (1986). The paper presents the work done by ISTAT (<http://www.istat.it/en/archive/182743>) under the auspices of a Eurostat grant on Labour Market Areas (https://ec.europa.eu/eurostat/cros/content/labour-market-areas_en) and the on-going initiatives devoted to spread the use of the EU-TTWA method implemented in an R package. The method as well as the new R package will be presented. We will show the potential for the construction of truly functional region based on available data on commuting to work. The power of this geography is its ability to differentiate zone having

different characteristics. The paper will also briefly outline some of the indicators already published at this geographical level.

References

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