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# EU JOINT PROJECT ON EDUCATION AND TRAINING OBSERVATORIES IN TEXTILE AND CLOTHING

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INTER-PROFESSIONAL SOCIAL PARTNERS ON "NEW SKILLS FOR NEW JOBS" Intervention by Marcus Schwenke, Adviser Social Affairs

#### <u>Introduction</u>

- To compete globally, Europe must strengthen its comparative advantages in high-skilled, high value-added services, products and industries. The accelerating pace of technological change and innovation underlines the ongoing rise in demand for higher skills, and existing systems have no choice but to adapt to this reality.
- Demographic trends will require that employment rates increase sharply in the next 5 to 10 years beyond the current Lisbon targets as the working age population shrinks.
  - According to the 2009 Ageing Report of the European Commission, the workforce in the EU is projected to decrease by about 19 million people by the year 2060, in spite of an increased labour market participation rate. At the same time, productivity rates must increase substantially.
- The measures put forward in the Communication form part of the wider flexicurity approach. Enhancing employability is a crucial element for labour markets to shift from a 'job security' to an 'employment security' mindset. The acquisition of new skills will help people to enhance their employability. Individuals must be equipped to enable them to find and develop within a job, to be more mobile, and to update and refresh their skills and competences continuously.



## New Skills: the key to more and better jobs

- Skills and competences are crucial for competing in the knowledge economy. Today's students, trainees and employees will need to extend and refresh their knowledge, skills and competences throughout their working lives. This should become the central objective of lifelong learning strategies in all sectors and cycles.
- While BUSINESSEUROPE agrees with the Commission that there
  will still be a continuing demand for lower skilled labour, it is
  expected that after 2010 over half of newly created jobs will require
  highly skilled workers. However, Europe still displays considerable
  deficits vis-à-vis global competitors in higher education attainment
  levels.
- To meet the challenge posed by the increasing demand for higher skills, permeability between Vocational Education and Training (VET) and Higher Education needs to be enhanced.
  - On the one hand, higher education institutions have to adapt their offers to different kinds of students: young people, mature students and employees undertaking courses while working, people with vocational qualifications.
  - On the other, the attractiveness and quality of VET needs to be enhanced as VET systems will increasingly play a vital role in meeting labour market skills demand.
- Transversal competences and soft skills, such as teamwork, language and communication skills are increasingly important.

### Anticipating and matching: Skills for Jobs

 Better monitoring of labour market and skill requirements can in the long run be a valuable resource for policy-making. Therefore, increasing the degree of comparability in forecasting techniques, tools, and mechanisms between Member States should be



pursued. But this must not be achieved at the disadvantage of existing national practices.

- No forecasting model can fully anticipate or predict all economic, social or technological changes. Data on future skills projections should therefore be treated with caution and should not become the sole basis for developing and calibrating skills policies.
- However, it is useful and relevant to labour market needs that a
   European mapping exercise is undertaken and regularly updated to
   address both short- and long-term occupational and structural
   changes. The tools proposed by the Commission, ("European
   Labour Market Monitor" and the "Match and Map" web service) can
   be useful if all relevant national actors make full use of them.
- The setting up of sector councils on employment and skills can also be an effective platform if implemented efficiently and all the relevant stakeholders are on board. It can provide a comparative basis to anticipate the impact on fluctuating occupational demand in different sectors across Member States and can facilitate occupational mobility between sectors.
- Since the late 1990s, European employers have reported growing shortages of skills availability in the Science, Technology, Engineering, and Maths (STEM) disciplines. Urgent emphasis is therefore needed to boost the attractiveness of specific study and career streams for STEM subjects as a crucial success factor for the supply of scientific and technical talent, especially for women.
- Mobility, both cross-border and internal, remains a key element to improve matching. Unjustified obstacles to the free movement of workers must therefore be removed. Facilitating legal migration from outside the EU can also help to fill vacancies, particularly for highly qualified workers.



## **Conclusion**

- Education and training provision remains the competence of Member States. Differences show that there is considerable scope for improvement as well as the opportunity to reap the potential benefits of sharing best practices and consolidating cooperation where applicable across countries.
- Education and training investments have always had a long-term perspective. It is therefore vital that spending is not compromised as a result of tightening public expenditure. Maintaining public and private investment in skills is key for improving productivity and strengthening economic performance in the long run.
- The Communication is therefore a timely initiative. It rightly strengthens the emphasis on the need to improve and modernise education and training with a long-term perspective and highlights the growing importance of interfaces between education and labour market spheres. It also comes at a time where the prevailing global economic crisis demonstrates the urgent need for systems to be able to react rapidly to change.
- Policy makers, social partners, companies and workers have a collective responsibility to address these challenges.
   BUSINESSEUROPE is committed to working with all stakeholders on this essential task.

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