



26 May 2010

## **EUROMED SOCIAL PARTNERS EXPERT MEETING**

### **SPEAKING NOTES FOR HELENA STRIGARD**

Thank the organisers for the invitation to this expert workshop which follows from the first meeting of the EuroMed Social Dialogue Forum in Barcelona last March. It presents an important occasion for social partners to have an in-depth reflection on the need for and challenge of matching skills supply and demand in the EU and the Mediterranean region.

Both regions have been hit hard by the crisis. Both in terms of boosting economic recovery and beyond, framework conditions should promote a dynamic business climate and strengthen the adaptability of both companies and workers.

We know that some of the businesses, jobs and skills in the decades to come will not be the same as in the past. Looking ahead, the qualifications required on the labour market are increasingly high level. Cedefop, the European Centre for the Development of Vocational Training, estimates that most of the 80 million job opportunities available by 2020 will require highly skilled workers.

European companies are already facing serious skill shortages. A survey presented in May from Manpower shows that 23% of employers in France, 29% in Greece and 31% in Italy are having difficulties finding the right talent to fill job vacancies.

It is also telling that even during the recent economic crisis when unemployment was high, there were large numbers of vacancies in several Member States.

So what could be done to better match the skills supply with labour market needs?

Let me point to three concrete measures that should be undertaken to address the mismatches:

- First of all, the skills level of workers needs to be improved. This concerns also the basic skills. For instance, in the UK, two-fifths of employers have serious concerns about employees' basic literacy and numeracy skills. Such skills are a prerequisite for economic growth. The lack of proper basic skills hampers the productivity for companies; leads to decreased quality of services provided and missed opportunities for growth. For the unemployed workers, it means that the route to a job will be even longer.
- In addition to raising skills levels, we also need to make sure that the skills acquired match the actual needs of employers. Employers are not only looking for specific skills, they are increasingly looking for generic competencies like adaptability, entrepreneurship, creativity etc. BUSINESSSEUROPE agrees with the conclusions from the first Euro-Mediterranean Employment and Labour



Ministers Conference that reforms in the education systems should be given priority to improve their responsiveness to labour market needs. This could be achieved through, for instance, including representatives from employers in the design of vocational education and trainings or by making educations and trainings accessible for workers throughout the entire working life.

- Thirdly, the quality of Public Employment Agencies needs to be improved. This could come about by an increased collaboration with private actors. Exchanging best practices regarding work methods and information on job seekers and vacancies for the creation of databases will not only improve the quality of services. It will also leads to a better use of resources. Local agencies might not have the capacity to address the full variety of needs of jobs seekers and employers. By providing a mix of services, private actors could contribute to addressing these needs.

To conclude, social partners are committed to address the challenge of matching skills supply and demand. It would increase the competitiveness of our respective economies and contribute to economic recovery and beyond. By bringing together social partners from both regions and supporting social dialogue, this expert workshop (as well as the wider EuroMed Social Dialogue Forum) should serve as a valuable platform to allow for in-depth discussion and exchange of experiences to our mutual benefit.

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