



ETUC CONFERENCE "FOR A TRADE UNION VERSION OF THE NEW SKILLS FOR NEW JOBS INITIATIVE"

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SPEAKING NOTES FOR THÉRÈSE DE LIEDEKERKE MANAGING DIRECTOR, BUSINESSEUROPE

Key messages

• <u>Sector skills councils:</u>

In order to reduce mismatches on the labour market, qualitative and quantitative forecasts could be useful to some extent. However, we should be careful not to be so preoccupied with setting up structures for this that we miss out on more concrete opportunities to achieve a better match of supply and demand of skills. By involving employers in the boards of educational institutions, employers will be able to have a more direct say on the range and content of the education, on teaching methods, etc. This will allow for a flexible process where education and training courses are continuously adapted to the actual and foreseen needs of employers.

Against this background, and taking into account that national actors already produce skills forecasts, we are not convinced about the added value of sectoral skills councils. In addition, the work done by Cedefop in this area could be better exploited to give a picture on trends at European level.

• Tools and projects within social dialogue:

Social partners at national and European level are committed to contribute to the development of new skills and jobs. This is illustrated by the recent agreement on inclusive labour markets, which includes recommendations and implementation measures that deals with promotion of VET and easing the transition between education and labour market. It is also illustrated by the emphasis put on education and training in our joint statement on the Europe 2020 strategy as well as the extensive work performed in the various groups and committees put in place to implement the Bologna and Copenhagen processes. Adding to this, European social partners reached a framework agreement on lifelong learning in 2002.

• <u>Transitions of employees and professional mobility:</u>

Smooth transitions on the labour market require a work force with the right set of skills and competences and a high level of adaptability of both companies and workers. The Flexicurity approach is the right framework to achieve this and thereby boost the employment and productivity growth.



In order to come to terms with the high unemployment rates, evidence shows that active measures like training are most effective. In the USA, the UK, the Netherlands and Denmark for instance, large falls in benefit claims followed as a consequence of introducing activation measures. In addition, the opportunity costs for human capital investments, especially longer forms of training, are known to be lower in an economic downturn due to the lower number of job openings. We also need well-designed unemployment benefit systems that facilitate reintegration into work.

• Learning outcomes:

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Shifting towards a learning outcome-based approach in qualification and credit systems will not only help employers assess the actual competencies which an individual possesses. It will also improve access to life-long learning for employees, as this approach allows for competencies to be recognised regardless of how they were acquired, including non-formal learning that could take place at a work place. For the transparency and coordination tools to contribute to such a shift, they need to become less complex. In addition, the Bologna and Copenhagen processes should be better aligned in order to increase the permeability between higher education and VET.

• Expectations on the Commission communication on New Skills and Jobs:

BUSINESSEUROPE expects the upcoming Commission Communication on New Skills and Jobs to:

- Establish the policy shift towards the alignment of education and training systems with the needs of labour markets, encouraging Member States to open up their education systems for increased involvement of employers.
- Clearly state the priority of making the learning outcome approach a concrete reality in national qualifications and credit systems
- Recognise the importance of ensuring fiscal sustainability and thereby the need to spend resources carefully on the right priorities. Member States should be encouraged to re-orient public expenditures to education and training but also to increase efficiency. Incentives should be sought to increase the private sector investment in continuous training.