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PRESIDENT, BUSINESSEUROPE

“EDUCATE FOR EMPLOYMENT”

Dear President Barroso.
Dear Ambassador.
Dear Minister-President.
Ladies and gentlemen.

“**ACCESS TO A SKILLED WORKFORCE**” is a pressing challenge that companies face to maintain and improve their competitive position at global level.

Around the world, we witness an unprecedented competition between companies to attract **talents**. We entrepreneurs know that **human capital** makes the difference.

Human capital is crucial to design our innovative products, processes and services. Human capital is crucial to maximise our customer base. And it’s crucial to win new markets.

In other words: Human capital is crucial to growth and job creation!

Therefore the availability of skilled workforce is a key factor companies look at before investing in a country. Countries that want to attract foreign investors must make sure that their education and training systems respond to labour market needs.

Emerging economies, in particular the BRICS, **invest** in future growth via knowledge production. A striking example is China. Here the population of highly educated people has expanded by 700% since 1990.

In Europe too, governments invest in education. Investing in skills is rightly seen as a strategic driver of future growth.

But in too many European countries, education and training outputs are increasingly disconnected from labour market needs.

There is a worrying gap between political declarations and the content of actual policies.



The real education and training offer is often far from companies' realities and needs.

Let me give you some hard facts.

Europe has 24 million unemployed people. At the same time we have 4 million unfilled job vacancies. An obvious mismatch! And this mismatch keeps on growing...

Another fact: Youth unemployment in the European Union is currently at 22.4%. That means each **fifth** young person is currently lacking a positive perspective!

Are we willing to accept that?!

This huge youth unemployment is partly due to the economic situation. But also to the negative image of vocational education and training, and early school leaving. In a majority of European countries apprenticeships are clearly under-used.

And that is why urgent action is needed to **“educate people for employment”**.

A positive example is set by Sweden, Denmark, Finland and the United Kingdom. In these innovative countries more than 20% of working age population participates in education and training.

Wasn't it Winston Churchill who already knew that: “The empires of the future... will be the empires of the mind”?

Dear President Barroso, ladies and gentlemen.

20 million companies, small, medium, and large, employing 120 million workers, and represented by BUSINESSEUROPE, have **one** key message. A key message to give as a conclusion to this European Business Summit:

Europe must educate for employment!

We must invest in initial education and lifelong learning. Europeans of all ages must be able to develop the knowledge and skills they need to succeed on labour markets. In order to contribute to future prosperity of our continent.

Investing in education starts at national level.

Education and training systems must be reformed. These reforms should include

- close cooperation between companies, employers' organisations and educational and training institutions.
- These reforms should also support students to make an informed choice based on clear information regarding career opportunities in different sectors and professions.



- And reforms to stop measuring the level of education in terms of hours spent, but in terms of competences and skills actually acquired.

What can the EU do?

It should make the “*European learning area*” a reality!

BUSINESSEUROPE counts on you,
President Barroso.

- We count on you **to support** Member States efforts to modernise education and training notably. By providing seed funding for Member States that wish to establish or reform their dual learning systems.
- We count on you to **remove** obstacles to mobility and skilled immigration. For example by building on the Blue Card and single permit simplify admission procedures of intra-corporate transferees.
- And we count on you to **improve** EU skills governance. This can be achieved through promoting complementarities between higher education and vocational education and training. And also by **involving social partners**, to ensure that the decisions taken, really match the actual employers’ and workers’ needs.

Last week, the European Commission has adopted an “**employment package**”. A package, which defines an agenda to achieve a job rich recovery.

The strategic approach to education policies that BUSINESSEUROPE is calling for, is part of the answer. And therefore I am delighted to hand out to you the BUSINESSEUROPE brochure, “EDUCATE FOR EMPLOYMENT”
