



10 May 2012

### EDUCATION COUNCIL: MINISTERIAL DINNER OF THE TROIKA WITH THE EUROPEAN SOCIAL PARTNERS

#### SPEAKING POINTS FOR MAXIME CERUTTI, DIRECTOR, SOCIAL AFFAIRS, BUSINESSEUROPE

- **A skilled workforce matters for competitiveness.** We have presented on the occasion of the 10<sup>th</sup> European Business Summit organised on 26 April a brochure to promote “skills for growth”. We entitled it “educate for employment”. Because we believe that Europe should change its approach to education if we want to achieve better learning outcomes.
- **Europe must put labour market needs at the centre of its education policies and systems.** To achieve that, education and training systems should be reformed to ensure that resources are spent effectively and that curricula better match companies’ skills needs.
- **For reforms to be effective:**
  - Close cooperation between companies, employers’ organisations and education and training institutions is key.
  - Students should be helped to make an informed choice based on clear information regarding career opportunities in different sectors and professions.
  - Education should no longer be measured in terms of hours spent in education, but in terms of competences and skills actually acquired.
- Companies in some countries pay for a significant share of the costs of education, especially in vocational education and training – e.g. 24 billion euros in Germany.
- **In return, they expect a reliable system.** They must be able to count on the skills that are acquired by young people in the general school system. It is the responsibility of governments to ensure that pupils finish primary and secondary education with the adequate competences for further education.
- The starting point for business is that **an efficient education system is needed for a well functioning labour market.** Therefore, greater synergies between the world of education and the world of business should be promoted at all levels.



- In this respect, we welcome the proposal made by the European Commission in its employment package of 18 April 2012 to **improve the EU skills governance** by reinforcing cooperation between the Council formations dealing with education and employment and between EUROFOUND and CEDEFOP.
- More concretely, there is evidence that **well-functioning apprenticeship systems** contribute to companies' competitiveness. And at the same time they seem to be correlated with low youth unemployment. Two key aspects of these countries success are the permeability of educational systems and effective institutionalised cooperation with companies and social partners.
- Apprentices/interns bring their academic knowledge to the company and their practical learning in a company to the school. By doing so, young people's employability and educational institutions' responsiveness to labour market needs are optimised. **After an apprenticeship, apprentices enjoy a high level of employability.** Whether they stay in the same firm or go to another one, apprentices are likely to find a first job more easily than other young people, including many who have a higher education degree in areas where there is excessive supply of labour on the labour markets.
- The Commission has proposed that **structural and cohesion funds should be used to support essential reforms to deliver on the Europe 2020 targets.** A good way of ensuring high return on investment would be to allocate a share of relevant EU resources to progressively expand dual training in vocational education:
  - **European Social Fund (ESF):** European social partners recently sent a letter to the European Parliament. We believe that a new investment priority should be added under the second priority "Investing in education, skills and life-long learning" to allocate a share of ESF resources to support Member States which are willing to establish, reform or expand a dual learning apprenticeship system.
  - **Erasmus for All Programme:** We are making a similar proposal to allocate a share of the 17% of the funds made available to vocational education and training in the Commission's draft proposal on the 'Erasmus for all' programme to the same end.
- **EU funding should finance part of the initial costs in setting up or reforming a dual system** at national, regional or branch level as part of Member States' EU 2020 reform programmes. The aim would be to establish a self-sufficient system, so that EU funds should be used only as seed funding and not as long-term funding.
- Lastly, to demonstrate in a given country the feasibility of setting up a dual learning system, **pilot projects** could be given preferential financing as part of ESF operational programmes.