

Skills development and employment: New Skills Agenda for Europe

KEY POINTS FROM A WORKSHOP (European Parliament, 08.09.2016)

- **New Skills Agenda:** There was a consensus on the need for skills policies to tackle existing skills mismatches and (youth) unemployment. The increasing role of transversal skills was stressed (learning skills, career management skills, STEM skills - Science, Technology, Engineering, Mathematics).
- **Skills Guarantee for low-skilled adults:** There is a high degree of consensus between the OECD and the Commission on key policy elements and on the fact that a main challenge is how to motivate adults to pursue further trainings. In addition to education systems, public employment services could be relevant actors for implementation.
- **Attractiveness of vocational education and training (VET):** It would be important to introduce more VET qualifications at Bachelor level, to increase employability through work-based learning (at all levels of education) and to “put words into action” as a good knowledge base exists at European level.
- **Revision of the European Qualifications Framework (EQF):** The EQF is a catalyst for the development of national qualification frameworks (NQFs) and for orienting curricula towards learning outcomes. To link NQFs with EQF and to find the core of qualifications comparable across countries needs time. Simple ‘policy borrowing’ should be avoided as it does not always guarantee good outcomes.
- **Planned revision of Europass framework:** Europass CV is a very successful European tool (over 18 million downloads by 2015) and its user-friendliness has been increased following an evaluation. The planned revision of the framework includes further tools for documenting skills and other support services. Currently usage is biased towards highly educated, therefore local (employment) services could promote it as one possible tool for labour market integration of unemployed. Governance should focus on both, operational (technical) networks and structured European cooperation for policy development in relevant fields.

1. SETTING THE SCENE: THE EUROPEAN COMMISSION’S NEW SKILLS AGENDA¹

Michel Servoz, the Commission’s Director-General for Employment, Social Affairs and Inclusion, acknowledged the important role of the European Parliament in contributing to the New Skills Agenda for Europe and mentioned three relevant recent European Parliament

resolutions: 1) resolution of 10 September 2015 on creating a competitive labour market for the 21st century: matching skills and qualifications with demand and job opportunities, 2) resolution of 19 January 2016 on skills policies fighting youth unemployment, and 3) resolution of 12 April 2016 on Erasmus+ and other tools to foster mobility in vocational education and training².

The European Commission considers skills development as crucial for a competitive European economy as this cannot build upon cheap labour as a competitive factor. The quality of skills will determine social fairness in the long run. The New Skills Agenda consisting of 10 key actions therefore aims to reduce existing skills gaps and skills mismatches: Almost 70 million Europeans lack sufficient reading, writing and numeracy skills, 40% of employers report that they cannot find people with the right skills while about 29% of European employees think that they are either over- or under-qualified, with over-qualification increasing during the economic crisis.

At the same time, analysis has detected a discrepancy in perceptions: While 74% of education providers believe their graduates are prepared for the job market, only 35 % of employers find that they are directly employable.

All 10 actions of the New Skills Agenda for Europe have the objective to

1. improve basic skills
2. make skills more visible and comparable
3. improve intelligence and information about available jobs.

As regards the four key actions selected for the workshop, Michel Servoz set out a number of **challenges the New Skills Agenda will tackle** and how:

- **Gaps in basic skills - Skills Guarantee³:**

The Commission proposal for a Council Recommendation on establishment of a Skills Guarantee for lower-skilled adults is a complex system. However, as previous initiatives (Council recommendation on establishing a Youth Guarantee, Council Recommendation on integration of long-term unemployed) have shown, this kind of schemes work at the longer term by triggering structural reforms. A discussion will be needed on how [public employment services⁴](#) and education systems implement the Skills Guarantee. Key elements are (1) a thorough skills assessment encompassing skills acquired on the spot, (2) a tailor-made learning offer and (3) validation of what individuals have learnt. Michel Servoz also pointed out that implementation will be a challenge as many low-skilled adults (in terms of basic skills) have made a bad experience with the education system.

- **Attractiveness of vocational education and training:**

There exists a paradox: Even if a number of VET systems are very successful, parents and children as well as stakeholders are reluctant to take this as best option. The Commission is therefore preparing a concept for modernising VET including work on changing perceptions. As a first step, the Commission will launch a European Vocational Skills Week in December 2016.

- **European Qualifications Framework⁵:**

In its proposal for the revision of the European Qualifications Framework, the Commission wants in particular to promote an update of national qualification systems, as these are neither complete nor up-to-date in all Member States. Second, the Commission wants to build up common principles for quality assurance and credit systems. The Commission intends to increase comparability by introducing standard elements that can be used by employers as mutual recognition is supposed to go too far. Further, it is envisaged to promote the use of the EQF by education providers and public employment services.

- **Europass⁶:**

The Commission will issue as flanking measure a proposal for the revision of the Europass Framework for the provision of better services for skills, planned for adoption on 28 September 2016. Michel Servoz stressed that the CV is a successful European tool. Moreover, the proposal for a revision shall promote systems to document skills and additional supporting services. These tools and services are also important for the skills assessment of third-country nationals, migrants and refugees. Currently, there exist good practices in a number of Member States.

Michel Servoz turned the attention to two further specific actions of the New Skills Agenda: the Blueprint for Sectoral Cooperation on Skills and the launch of a Digital Skills and Jobs Coalition to better anticipate skills developments at sectoral and at regional level.

In a more general perspective, he underlined the key role of Member States to develop and implement adequate skills strategies.

Key points from discussions:

- **Science, Technology, Engineering and Mathematics (STEM) skills:** Are STEM skills sufficiently addressed in the New Skills Agenda as requested by a broad coalition of stakeholders in November 2014?

Michel Servoz informed that a **number of actions within the New Skills Agenda** include the STEM agenda, for example, it will be taken into account for the planned review of the Key Competences for Lifelong Learning (foreseen for the 4th quarter 2017). It may also make part of the planned Commission initiative on Graduate tracking, another action of the Skills agenda. Finally, skills assessment as part of the Skills Guarantee contains elements of STEM.

- **Skills mismatch:** What can be done to tackle the problem that despite considerable improvements in education outcomes in many EU Member States high unemployment persists?

There is a need to intensify the **connection between higher education and the world of work and social partners, at policy and at institutional level**, including governance. Higher education could learn from the success of work-based learning in VET in a number of European countries. However, there exists still considerable resistance in higher education institutions.

The planned **action on tracking of graduates** as a relevant tool to get better evidence and knowledge of this phenomenon.

On the other hand, it was argued that education is sometimes considered a miracle tool which is not necessarily true. It is equally necessary to think about creating jobs.

2. SKILLS GUARANTEE FOR LOW-SKILLED ADULTS

In her contribution on basic skills and a skills guarantee, from an **OECD perspective**, **Deborah Roseveare** welcomed the proposal on establishing a Skills Guarantee and underlined a **high degree of consensus** with the Commission on its key policy elements. She stressed that implementation poses a daunting challenge as it will not be easy to motivate adults if training does not translate into concrete (labour market) outcomes.

In order to achieve this, **OECD supports a joined-up approach** encompassing good identification and assessment of skills gaps, getting adults ready to upgrade skills, offer appropriate training that takes into account their learning needs and their personal circumstances, ensure a real improvement of skills and that this translates into better social and economic outcomes. According to Deborah Roseveare, the **Commission proposal contains all these elements**.

As regards an effective implementation of a Skills guarantee, she listed a number of **policy issues**:

- 40 % of those low-skilled (in terms of basic skills) have completed an upper secondary education
- many low-skilled people are relatively young and do not have any migrant background even if the risk of being low-skilled is higher among older people and those having a migrant background
- policymakers should listen to those “in the middle of implementation”, i.e. to the user’s voice as stressed by the Chair Marita Ulvskog during her opening
- need to tailor such a skills guarantee to the concrete situation and specific challenges of a country.

Key points from discussions:

- **Performance of education system:** Why do so many people lack basic skills despite ten years of compulsory schooling?

The OECD **Survey of Adult Skills** reflects the **performance of education systems in the past**. While some countries indeed showed challenges in their education systems, this might have changed. Therefore, it is key to carefully identify existing problems in each country.

- **Low-skilled:** How does the OECD define low-skilled?

OECD has developed a definition and **methodology which is published online**. This includes direct assessment, for example, by having people read pill labels and find key information. Further, Deborah Roseveare stressed that the “low-skilled” according to the OECD definition are a heterogeneous group distributed across different education levels.

- **Non-formal and informal learning:** How can skills be made better visible?

It is important to **strengthen systems for validation** of skills acquired through non-formal and informal learning including volunteering and learning at the workplace. This would be very relevant for low-skilled (in terms of basic skills) who may have acquired considerable skills on the job.

All European tools needed for quality skills validation are available at the **Cedefop web-portal**. So, **it is about implementing** the related Council Recommendation of 2013 in the Member States.

3. MODERNISATION OF VOCATIONAL EDUCATION AND TRAINING: HOW TO MAKE VET AND APPRENTICESHIPS MORE ATTRACTIVE?7

In his contribution, James Calleja concluded with three key messages taking a broader perspective:

1. Rethink education

Modernisation of VET is not sufficient. Rethinking of education implies a new paradigm bringing together the world of education and the world of work and **integrating the concepts of skills for life and skills for jobs**.

Moreover, in times of changing technologies and working environments, schools and VET institutions no longer have exclusivity in equipping people with the skills they need. Neither can employers expect job-ready graduates from the education system. Workplaces have also to become places for learning. Social partners and employers therefore have a pivotal role to play with **employers acting as educators** in order to remain competitive.

2. **Pump more funding and attraction into the ERASMUS+ programme** for small and medium enterprises, employers to give learners the opportunity to experience the real world of work.
3. **Intensify cross-industrial private-public cooperation** as called for in the World Economic Forum's [Future of Jobs Report 2016](#).

With a view to **making VET more attractive**, James Calleja **called upon the Member States to put words into action as a good knowledge base exists** and many initiatives have been taken as documented in the Copenhagen, Bruges and Riga reports.

From a Cedefop perspective and building upon experience in Malta, he focused on a number of **key ingredients** to achieve a better image for VET as low take up is a problem in many countries:

- **Change in governance and formal VET degree:**

Malta has achieved a cultural change during the last decade by **merging two relevant ministries**, the Ministry of Education with the Ministry of Labour, and introducing VET at the level of a **Bachelor degree**.

- **Work-based learning makes a difference to employers and learners:**

It benefits both as young people's energy to work leads to higher productivity and creativity. On the other hand, exposure to a real work environment helps young talent to grow faster and more relevant to sectoral demands while learning behavioural skills needed on places of work.

There is evidence that work-based learning increases employability and thus attractiveness.

- **Involvement of social partners**

James Calleja pleaded not to put barriers to the support of the Alliance for Apprenticeships and to the proposed Skills Agenda. Both initiatives will create cultures of VET in countries where VET needs a higher profile, greater visibility and trust. Further, he pointed to the [European Quality Framework for Apprenticeships⁸](#) having been issued by ETUC which provides a good basis to be applied by stakeholders across Europe.

Member States should have a structured dialogue with a governing role of social partners in place.

Key points from discussions:

- **Dual education:** Should dual education have a stronger role at all levels of education?

It was argued that **dual education should be mainstreamed at all levels of education** starting with primary education. Progressive education should combine critical thinking with learning in the workplace and formal schooling should be limited.

A new skills culture is needed, as there are still too many institutional barriers between schools and workplaces. **Clichés and images of education** put barriers when parents and young people make choices. Therefore, the "packaging" of **VET** has to be changed to make it more attractive, for example, by introducing **Bachelor degrees**.

- **Transversal skills:** Should teaching of transversal skills be strengthened?

Further contributions stressed the **increasing role of transversal skills for employability** in times of rapidly changing demand and shorter obsolescence cycles for technical competences and skills:

- **learning skills**, i.e. learning how to learn should be an element of teachers' curricula in all countries whilst the workplace should become a learning environment
- **career management skills**, i.e. a range of competences which provide structured ways for individuals (and groups) to gather and analyse and educational and

- occupational information, as well as the skills to make and implement decisions and transitions. An application-oriented concept has been developed by the European Lifelong Guidance Policy network ([ELGPN](#))⁹.
- **STEM** providing systemic and analytical meta-skills.

4. REVISION OF THE EUROPEAN QUALIFICATIONS FRAMEWORK: LESSONS FROM RESEARCH

In her contribution on the revision of the European Qualifications Framework (EQF), Agnieszka Chlon-Dominczak stressed that the tool, which dates from 2008, focuses on learning outcomes, its main function being to enhance the comparability and visibility of qualifications in Europe. In many countries, sectoral dialogues between employers and educational institutions were introduced to discuss learning outcomes, and this system helps to provide a clear reference for skills demand and supply. Hence, the inclusion of the social partners at national level is crucial for the success of the tool.

The EQF is an important catalyst for the development of national qualification frameworks (NQFs). So far, there are 18 countries that have reached the operational stage, out of a total of 39 countries developing 43 NQFs.

With a view to the proposal for a revision of EQF, Agnieszka Chlon-Dominczak stressed that simple “policy borrowing” does not always guarantee good outcomes: specific national circumstances have to be taken into account in order to arrive at solutions tailor-made for the national context.

In that regard, the EQF policy context could also learn from the open method of coordination that is applied for example in the area of social security: here, common goals are agreed at European level, while it is entirely up to each Member State how to reach them. The EQF as such should not simply be “downloaded” to the national level – the NQFs should be based on the institutional logic in each country.

For the EQF policy to reach full maturity, the NQFs need to become more comprehensive and also include non-formal, private and international qualifications. An investigation into the description of specific qualifications across different NQFs shows that similar qualifications are often described very differently. Hence, renewing the Council recommendation is an important next step. Agnieszka Chlon-Dominczak concluded that the NQFs and the EQF should be “dynamic quality oriented policy tools with vision” that feed into the New Skills Agenda for Europe.

Key points from discussions:

- **Link between NQFs and the EQF:** How will this link between national qualifications and EQF evolve in the future, is this a process that needs more time or is it a matter of principle?

Approaches to NQF vary greatly at national level. They do have in common, though, that usually stakeholders are involved in the decisions on which qualifications are included in the national framework and what levels they are given. The value of the NQFs comes through the national referencing processes. This is an important part of the entire concept of the NQFs, and it helps to build trust as part of the European discussion. However, we need to understand differences and similarities better. There are no shortcuts here, and further learning and implementation practice is needed. This also goes for international sectoral qualifications which will have to be recognised in national contexts as well.

- **Content of qualifications:** Could it be better to limit the EQF to a definition of core elements of the content as skills and competences change, but some core elements remain?

Building the EQF needs time. There are differences in ways learning outcomes are spelt out in different countries, and those differences are rooted in the different education and training systems. We indeed do **need to find the core of qualifications that is comparable across countries**. The qualifications do not need to be described in detail; we only need to find **common elements** that are general enough to be comparable across countries and render the qualifications understandable and trustworthy in other countries.

Trust is a very important element of the education qualification system on which also the link between education systems and labour markets build: employers need to trust the certificates issued by educational institutions.

5. REVISION OF THE EUROPASS FRAMEWORK: LESSONS FROM RESEARCH

In his contribution, Rimantas Dumcius briefly described the Europass initiative. There are two documents that can be filled in by European citizens, namely the Europass CV and the Europass language passport. There are three other documents that are standardised and based on learning outcomes. They are issued by educational institutions, namely the diploma supplement issued by higher education institutions, the certificate supplement that accompanies VET qualifications and the Mobility Document that can be completed by relevant home and host organisations. The Europass initiative is governed by DG EMPL of the European Commission, Cedefop, which is responsible for the website and provides expertise for development and implementation, and finally the EACEA which coordinates and manages the operating subsidies and monitors the National Europass Centres.

According to the presentation, the Europass initiative is one of the most successful and cost-effective European initiatives of the last ten years. By 2015, over 18 million Europass documents had been downloaded, and the tool helps to address the information asymmetry between employers and job seekers as it provides a structure to properly record skills and competences. For the European tax payer, the download of a Europass CV costs a fraction of a Euro cent, while the benefits can be thousands of Euros of additional annual income.

Several weaknesses that were identified in a recent evaluation have been addressed, e.g. by introducing a new online editor, self-assessment grids for ICT skills and languages and by redesigning the Europass website. The documents should be reviewed continuously in order to keep them relevant and up to date.

The Europass tool is currently mainly used by young people with high levels of education, the “low-hanging fruit”. However, more disadvantaged groups with lower levels of educational attainment, older people, those long-term unemployed and recently arrived migrants often do not know the Europass and consequently cannot benefit from the tool to record their skills. In order to improve this situation, Europass should be promoted at national and local level through public employment services, career guidance centres and similar structures. There is a need to convince those actors to use Europass.

At European level, a one-stop-shop that integrates a wider set of European tools and services in the area of skills and qualifications (e.g. a tool for self-assessment of entrepreneurship) may also help to further promote and facilitate the use of Europass, similarly to an increased collaboration between the different contact points for those initiatives at national level.

Key points from discussions:

- **Coverage:** Is Europass an instrument for the happy few? Europass is currently catering to the **highly educated mainly**.

It is also a tool accessible for those with internet and literacy skills. Its effect can be very positive when people use it, and it is a very good investment for Europe because it is so cost-effective. Support to **jobseekers** needs to be provided at local level in a coordinated manner

and the **relevant providers** of this support **should recommend the Europass** as a standard.

For **long-term unemployed a CV** may be a **last step of an integration pathway** when it comes to placement into a job, while good profiling, guidance and effective active labour market programmes are more relevant. Europass is one of the tools that can help them.

- **Evaluation of efficiency of Europass:** Could it be more adequate to check whether people find a job faster when they use a Europass CV instead of looking at CV download numbers?

Indeed, documents are not an end in themselves. Europass should help individuals to translate life and work experience into skills that are relevant to the labour market and employers. **Europass** offers help for this translation process in an **online tutorial**.

- **Governance:** Can operational networks even if better coordinated at national level trigger the necessary policy developments?

According to information available on the planned revision of the Europass governance, coordination points in MS will have the task to coordinate a number of members of European operational networks at national level bringing together specialists or practitioners (e.g. Euroguidance). In addition, **support and structured cooperation for policy development at European level is needed** to further develop the related services and tools in the Member States.

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- ¹ Communication New Skills Agenda: <http://ec.europa.eu/social/BlobServlet?docId=15621&langId=en>; Ten actions: <http://ec.europa.eu/social/main.jsp?langId=en&catId=1223&newsId=2556&furtherNews=yes>.
 - ² Resolution of 10 September 2015: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2015-0321+0+DOC+XML+V0//EN>;
Resolution of 19 January 2016: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2016-0008+0+DOC+XML+V0//EN>;
Resolution of 12 April 2016: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2016-0107+0+DOC+XML+V0//EN>.
 - ³ Commission Proposal - Skills Guarantee: <http://ec.europa.eu/social/BlobServlet?docId=15686&langId=en>.
 - ⁴ European network of Public Employment Services: <http://ec.europa.eu/social/main.jsp?catId=1100&langId=en>.
 - ⁵ Commission Proposal - Revision EQF: <http://ec.europa.eu/social/BlobServlet?docId=15686&langId=en>.
 - ⁶ Commission Indicative Roadmap - Revision Europass: http://ec.europa.eu/smart-regulation/roadmaps/docs/2016_empl_006_europass_en.pdf.
 - ⁷ Cedefop study (2014:.) www.cedefop.europa.eu/files/5539_en.pdf.
 - ⁸ ETUC - Quality Framework Apprenticeships: <https://www.etuc.org/publications/european-quality-framework-apprenticeships#.V-KdlE1f19B>.
 - ⁹ European Lifelong Guidance Policy Network (ELGPN): www.elgpn.eu.

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