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Agora XXVI: ‘Building a European VET area’

Cedefop, Thessaloniki, 26 and 27 April 2007

BACKGROUND

The Agora Thessaloniki ‘Building a European VET area’ was held on 26 and 27 April 2007 as Cedefop’s follow-up event to the Helsinki Communiqué adopted in December 2006. The conference was organised jointly with the German Presidency and was attended by more than 140 participants: policy-makers, researchers, social partners and practitioners from all over Europe. The aim of Agora was to assess the progress made in implementing the Copenhagen - Maastricht priorities and to consider further actions.

High-level speakers addressed the conference audience, including Commissioner Ján Figel; Marietta Giannakou, Greek Minister for National Education and Religious Affairs; Andreas Storm, Parliamentary State Secretary, Federal Ministry of Education and Research, Germany; Fernando Medina, Secretary of State for Employment and Vocational Training, Portugal; Jan Andersson, Chairman of the Employment and Social Affairs Committee, European Parliament.

Two round-table discussions among different stakeholders focused on the challenge for VET to engage young people and those in working life and the contribution of VET to competitiveness and social inclusion. Three workshops addressed in more depth the progress VET has made and the challenges it faces in fostering human capital investment, tapping the potential of those at a disadvantage and meeting the skill needs of the labour market.



CONFERENCE DEBATE

Context

Europe aims to become the most competitive, knowledge-based economy with more and better jobs and greater social cohesion. It has been widely recognised that - within a lifelong perspective - education and training play a key role in achieving these objectives. A European policy framework has been set - Education and Training 2010 work programme, Bologna and Copenhagen processes – to foster reforms of the national (vocational) education and training systems. European cooperation has started to bring specific results.

Progress made on the Copenhagen Process

⇒ **at EU level**

Since 2002, a comprehensive European VET agenda has been set within the framework of the Copenhagen process with common objectives agreed by the participating countries (currently 33), the European social partners and the European Commission. These objectives include developing and implementing the following common European tools to pave the way towards a European area of VET, to support competitiveness of European labour markets and to facilitate mobility of learners and workers:

- European qualifications framework (EQF): the draft recommendation is currently being discussed by the Council and the Parliament; it will also be discussed at a conference organised by the German Presidency in Munich, 4 and 5 June 2007;

- European credit transfer system for VET (ECVET): public consultation replies are being currently analysed and will also be discussed at the Munich conference;
- Europass: has been established and is increasingly used;
- Common quality assurance framework (CQAF) and the European network of quality assurance in VET (ENQA-VET): 24 active members currently involved in implementing the CQAF;
- common principles on validation of non-formal and informal learning;
- lifelong guidance (Council Resolution 2004).

⇒ **at national level**

To raise the image, attractiveness, quality, relevance and efficiency of VET, countries continue to modernise their VET systems. The policy areas where countries themselves consider they have progressed considerably are:

- national qualifications frameworks;
- validation of non-formal and informal learning;
- quality assurance;
- integrating learning with working;
- improving access to VET;
- guidance and counselling.

However, developing and implementing these measures takes time. Despite progress made, much remains to be done - this is one of the conclusions made at the conference. Countries need to stay focused and build on the work done so far to achieve the Copenhagen objectives.

Challenges

European countries need to make further efforts to cope with the challenges of globalisation, demographic trends and rapid structural and technological change.

There is a trend towards polarisation of jobs, with employment increasing in both low-skilled and high-skilled occupations. However, compared to several non-EU countries, the EU-27 scores relatively low in high skills and high in low skills. Some 80 million European citizens, i.e. approximately 30% of the European working age population are (formally) low skilled. Meanwhile, two-thirds of the jobs in the EU-27 are found in skilled and higher skilled occupations (2006). Further, increasing demand is expected for higher-skilled people across all occupations due to technological change and innovation.

The European workforce is ageing. As early as 2009, there will be more people aged 55-64 than young people aged 15-24 (by 2030 the number of young people will decrease by 9 million and the number of those aged 55-64 will increase by 14 million). Many of those who are older than 40 or 45 spend half their lives without sufficient opportunities to develop their skills.

To provide effective responses, European (vocational) education and training systems must change. The areas the Agora conference identified as requiring particular attention are discussed below.

Areas for particular attention

▪ *Invest more in human resources*

More investment in human resources, and particularly in VET, is needed to develop the talents of young people (for their lifelong learning and employability) and improve knowledge, skills and competences of those in working life (for further development throughout their careers). This calls for long-term and holistic policies. Increased investment should come from the public as well as the private sector. Since VET generates benefits to individuals, companies and society as a whole, the costs of VET should be shared between the different beneficiaries in a balanced way through co-financing mechanisms. Countries have developed several (co-)financing instruments to stimulate participation in VET and encourage investment by the private sector, i.e. companies and individuals. These include national/sectoral training funds, tax incentives, vouchers, subsidies. It is necessary to ensure their effective targeting.

The new financial framework 2007-13 of the EU reflects the increased emphasis placed on education and training. European Social Fund (ESF), which offers over 35 billion Euro (almost half of the total ESF budget) for activities directly or closely related to VET should be used better by countries to design and introduce the reforms of their education and training systems.

▪ *Combine efficiency and equity*

Investing in VET should aim to achieve both, efficiency and equity. There should be no trade-off between these two objectives of education and training policies. However, currently older people and those with lower qualifications are less likely to participate in further learning. Companies provide training predominantly for younger and highly-skilled employees (although in some VET systems companies also invest in low achievers and enjoy subsequent efficiency gains). To reduce inequalities, public intervention should target those at a disadvantage in better and more efficient ways.

Measures to enhance efficiency and equity in VET include improving the quality of VET, increasing its relevance for labour market needs through partnerships among different stakeholders, reducing opportunity costs for adults to participate in training and providing better links to general secondary and higher education.

▪ *Make better use of people's potential*

VET can play a significant role in developing higher skill levels and reaching the EU benchmark for upper secondary attainment. With shrinking younger age cohorts, strategic policies are essential to tap Europe's labour reserves. As the target groups are heterogeneous and the challenges are multidimensional we need multiple policy responses. A positive approach to lifelong learning, higher investment in VET for adults and teachers and trainers, who are specialists in adult learning, can provide a more favourable framework. Specific learning needs should be addressed through more individualised VET programmes to ensure everyone can at least acquire basic skills, people with migrant background receive language support and their competences and qualifications are identified and recognised. More opportunities for workers beyond the age of 40 to have their skills and competences validated - whether formal, informal and non-formal - and age-sensitive learning environments need to be ensured. Linking education/training and active labour market policies in a better way could improve social cohesion and at the same time economic and labour market performance.

- ***Identify labour market skill needs***

To be able to take the right decisions on human capital investment and future education and training policies, it is crucial to identify which skills are in shortage and which will be needed in the future. High-skill intensive as well as elementary occupations expect shortages. However, an increasing demand for higher skilled people is expected across all occupations. Currently, shortages of labour in several occupations are reported, for example: healthcare specialists, managers, marketing specialists, financial specialists, scientists, engineers, teachers, construction workers, hotel and catering professions, etc.

Furthermore, skill gaps are reported between skill requirements of jobs and the skills of workers. Apart from occupation- and industry-specific skills as well as ICT and language skills companies require also personal and social skills (and often rate them higher than technical and theoretical knowledge and formal qualifications). These include team working, interpersonal communication, entrepreneurship, ability to learn, leadership and management, etc. In addition, personal characteristics, such as flexibility, motivation and commitment appear to be increasingly important. Specific skill gaps are similar across countries and sectors. Facing common problems calls for common actions - e.g. introducing comparable enterprise surveys, conducting a European-level survey on skill deficiencies and recruitment difficulties among companies or developing pan-European forecasts of skill needs and skill supply.

It is important to address the skill needs of small and medium-sized companies and those self-employed, and to provide more tailor-made training offers.

Different types of skills will be needed in the future. All citizens will need to be well skilled to play a constructive role and to benefit from future developments.

- ***Improve governance***

There is a need for coherent measures which view VET as an integral part of lifelong learning and combine it with employment, social, finance and other policies. The role of (vocational) education and training in the knowledge triangle - education, innovation, research - should be strengthened. Ways need to be sought to involve different stakeholders at European, national, regional and local levels (in particular social partners) and enable them to contribute to the common goals. As VET teachers and trainers are key in making a lifelong learning a reality it is crucial to reinforce their role. Learners should be given opportunity to participate actively in shaping (vocational) education and training policy. Member States need to work together, learning from each other, sharing ideas, experience and results. The EU should provide support through its common tools, peer learning activities and other policy initiatives (communications, recommendations) as well as funding (ESF). Progress should be monitored by indicators and benchmarks, and by regular progress reports.

- ***Develop evidence-base***

Policy priorities should be set on the basis of solid evidence. There is a need to develop a 'culture of evaluation', improve analytical capacity and evidence for sustainable investment in education and training. There is insufficient empirical evidence on which to base a sound analysis of efficiency and equity in VET. Statistical data on VET costs are rare and information on VET benefits is limited. This applies also, for example, to VET teachers and trainers, characteristics of disadvantaged groups, labour market mismatches, longitudinal analyses of transitions and life courses of individuals, etc. Therefore, further research in these areas is a prerequisite.

CONCLUSIONS

Participants at the Agora conference widely acknowledged that VET plays a key role in achieving the EU's economic and social objectives set in Lisbon in 2000. The challenge remains to strike the right balance between two policy dimensions at both national and European levels: contribution of (vocational) education and training to creating jobs and growth on the one hand, and enhancing social inclusion, personal development and active citizenship on the other.

At EU as well as national levels, considerable progress has been made in some VET areas but there is still much to do. Countries need to stay focused and build on the work done so far, in particular to further develop and implement the common principles and tools to enhance quality, transparency and recognition of competences and qualifications.

To respond to the challenges of globalisation, downward demographic trends and technological change, it is necessary to invest more in human capital (in particular VET) in an efficient and equitable way, avoid wasting human resources and identify current and future skill needs to ensure that VET is relevant for the labour market.

To make the Copenhagen process a success, it is crucial that all recognise the value of VET for fostering learning throughout life and work together while staying 'open-minded and open-hearted' (Ján Figel). It is time to make the change happen. 'We need now not only to "talk the talk" but also to "walk the walk"' (Lenia Samuel).