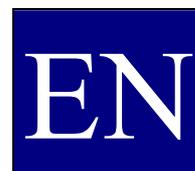




COUNCIL OF  
THE EUROPEAN UNION



## **Council Conclusions on "Anticipating and matching labour market needs, with special emphasis on youth - A Jobs and Skills Initiative"**

*2876th EMPLOYMENT, SOCIAL POLICY, HEALTH AND  
CONSUMER AFFAIRS Council meeting*

*Luxembourg, 9 June 2008*

The Council adopted the following conclusions:

"THE COUNCIL:

1. ATTACHING HIGH IMPORTANCE to the March 2008 European Council Conclusions which *"invite the Commission to present a comprehensive assessment of the future skills requirements in Europe up to 2020, taking account of the impacts of technological change and ageing populations and to propose steps to anticipate future needs. Economic migration can play a role in meeting the needs of the labour market and can contribute to help reduce skills shortages"*,<sup>1</sup>
2. RECALLING that the Lisbon Strategy, as revised in 2005, stresses the importance of achieving the Lisbon objectives of more and better jobs notably by improving the matching of labour market needs and adapting education and training systems in response to new competence requirements;

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<sup>1</sup> Doc. 7652/08, conclusion nr. 14.

# **P R E S S**

3. RECALLING IN THIS CONTEXT the Integrated Guidelines for Growth and Jobs which acknowledge the importance of skills to the economic and employment reform agenda in terms of matching skills profiles to labour market needs (Guideline 20), raising investment in human capital (Guideline 23) and adapting education and training systems to meet new challenges (Guideline 24); Guideline 18 calls for a renewed endeavour to build employment pathways to young people and reduce youth unemployment;
4. RECALLING ALSO the November 2007 Education Council Resolution on the "new skills for new jobs" initiative which aims at providing a more coordinated approach, based on existing structures, in order to better address skills gaps; the December 2007 European Council Conclusions endorsed this approach;
5. CONSIDERS that a comprehensive assessment of future skills requirements up to 2020 will make a key contribution to the identification of labour market trends and skills shortages at both national and European levels, and within both short- and long-term perspectives, recognising, however, uncertainties inherent in long-term forecasts;
6. CONSIDERS ALSO that this initiative should contribute to a better matching between labour market needs and skills development, helping to anticipate and answer labour market needs across the Union;
7. UNDERLINES that the more effective anticipation and matching of labour market needs should contribute to the promotion of better labour utilisation and higher labour productivity and therefore to growth and jobs; therefore, anticipation and matching can also contribute to the increase of employment and the reduction of both frictional and structural unemployment, in particular for young people;
8. UNDERLINES that improved educational attainment and skills and competences for all, and in particular for young people, are crucial in improving employment outcomes, and also in reducing poverty and in fostering social cohesion. This particularly applies to those young people who underachieve and are therefore at risk of social exclusion;
9. CONSIDERS THAT THE FOLLOWING COULD BE INCLUDED AMONG THE FOCUSES OF THE ASSESSMENT OF THE FUTURE SKILLS REQUIREMENTS:
  - (a) Demographic, climate and technological changes, and globalisation in general, which have made the modernisation of labour markets and the adaptation to socio-economic change even more necessary;
  - (b) Education and training in the context of lifelong learning policies required to raise the average skill level in the population to ensure a highly-skilled labour force, high levels of transferable skills and a better match between skills and labour market needs;
  - (c) The mismatch between supply and demand in the labour market. This mismatch is one of the main factors for youth unemployment, in parallel with the lack of qualifications and professional experience. The important role of vocational guidance should also be noted in this context;

- (d) The importance of fighting inequality in employment, education and training, and of providing the means for improving the life opportunities of those most in need. In the context of matching labour market needs and skills development, reducing regional disparities and removing gender stereotypes should also be considered of importance;
  - (e) The importance of promoting social, occupational and geographic mobility, including for the young and for people in disadvantageous situations, and the importance of the free movement of knowledge throughout the EU;
  - (f) Various ways of confronting labour shortages and bottlenecks in the EU, such as implementing structural reforms and improving the mobility of workers;
10. NOTES IN THIS CONTEXT that recent technological changes seem to have been skill-biased, increasing the demand for a high-skilled and adaptable labour force, and leading to a general raising of qualification levels across jobs. However, current analyses point also towards a significant creation of low-skilled jobs in the service sector and relatively less employment opportunities for professionals with medium levels of qualification;
11. UNDERLINES that, in order to improve the delivery of employment outcomes and to make the skills acquired transferable in a dynamic labour market, an efficient coordination between educational and training institutions and employment authorities is required; it is also important to involve all relevant actors at different levels (such as national, regional and local levels), including the social partners and education and training providers, in order to develop more coherent policies and practices;
12. CONSIDERS that an assessment of future skills requirements should take account of both quantitative and qualitative aspects. Attention should be paid to the quality of work and of education and training, as well as to the quality of skills;
13. CONSIDERS ALSO that equipping entrepreneurs, and in particular SMEs, with the right skills to perform in the knowledge economy should be taken into account in the assessment and that equipping young people with management and creative skills is key to promoting an enterprise culture in the EU;
14. THEREFORE INVITES THE MEMBER STATES:
- to pursue the modernisation of their labour markets to ensure that they respond more efficiently to labour market projections and ensure a better matching between labour supply and demand;
  - involving all relevant actors, to better coordinate different policy areas and labour market institutions, in particular public employment services and social security systems, to ensure a more effective and efficient job search to reduce both frictional and structural unemployment;
  - to ensure that education and training systems improve their capacity to generate more and better skills attuned to present and future labour market needs;

- to reduce education failure and prevent early school leaving, which often lead to labour market failure, by offering young people high quality basic education providing them with the key competences needed to increase their possibilities in the labour market;
- to offer good counselling on labour market possibilities and to facilitate the transition from education and training to working life;
- to promote vocational training, work practice and the recognition of non-formal and informal training, including, where appropriate, the certification of acquired qualifications;
- as appropriate, to contribute to the assessment and anticipation of future skills requirements in Europe;

15. THEREFORE INVITES THE COMMISSION:

- drawing on existing instruments at national and European level and, as appropriate, on external expertise, to further develop, coordinate and consolidate forecasting and foresight instruments to better anticipate short- and long-term labour market needs **as well as potential skills shortages and to identify emerging sectors and new drivers for jobs;**
- to explore ways to produce systematic and regularly updated projections and scenarios at EU level, with detailed information by countries, regions, sectors and occupations to improve matching skills with labour market needs;
- to give special attention to youth employment and to the different transitions in the labour market, in particular to transitions between education and training and the labour market;
- in that context, to report, by the 2009 Spring European Council, with its first assessment of the future skills requirements in Europe up to 2020."

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