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**THE ROLE OF EDUCATION AND VOCATIONAL TRAINING IN
REDUCING UNEMPLOYMENT**

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1. Already in the 1960's the EU adopted a common policy framework on employment; this was updated in 1983 when the levels of unemployment grew higher, in particular affecting young people. A Council Resolution (July 1983) stressed the role of vocational education and training in preparing young people for working life and promoting equal opportunities.

The European Social Fund supported EU member states in integrating young people in working life. This has created a shift in national education policies to cater more effectively for the vocational/professional needs of in particular young people.

In 1989 the European Commission established its Task Force for Human Resources that coordinated the implementation of a range of action programmes like Petra, Comett, Erasmus and Force. These programmes stimulated multinational partnerships of providers, mobility for learners and created bridges between the world of learning and the world of work.

Since these early days the recognition of the role of education and training in enhancing employment and employability has grown, culminating in the EU Lisbon Strategy (2000) that gave the strongest political boost to positioning education and training as a key instrument in the war against unemployment and stimulating of economic development.

From 2004 onwards the development of a real EU labour market, including mobility of workers inside the EU, had a growing impact on the role of education and training in creating EU-wide transparency, recognition and transfer of qualifications as prerequisites for such free movement of workers throughout the EU and for effective recruitment of EU citizens independent from their country of origin.

2. This development is based upon consensus among the variety of stakeholders, mutual trust and common understanding of key concepts in this field. It benefited from the meagre results of the Lisbon Strategy till then, that created a climate of urgency for change, as well inside the EU member states, as for the EU as a whole: together Europe will be stronger in boosting its economy and functioning of its labour market in a globalising world.

The main forces of globalisation are: a) the communication and information revolution, b) the change from planned economies to market economies in many countries, and c) the availability of vast resources of motivated and cheap labour that entered also the European world of work, will have an enormous impact on Europe in general, but certainly also on the chances for EU citizens to find a place/a job in this new global perspective. There will be a growing need for (young) people to acquire qualifications and experience that will enable them to function in sectors of the economy and in companies that are complementary to economies and companies in the rising Asian countries like China, India, Vietnam, etc. There will be a low need for unskilled labour from Europe, and a high need for competences and knowledge that will facilitate the functioning of specialised European companies, either in Europe or abroad, that will provide services to and guide the mainstream of production of (consumer) goods in the emerging Asian economies. This will be much more complicated than competing with the US economy up to 2010, but could put the European economy and the human capital inside the EU in a much stronger position of complementarity to other main players on the global scene.

3. Europe has committed itself to combine economic development with social inclusion. But more than 80 million EU citizens still are (too) low skilled. Fifty percent of new, additional jobs in the coming decades will require people with tertiary level qualifications, forty percent will require upper secondary level, so the need for workers with only basic schooling is low. And this group will be in competition with cheap labour from other parts of the world.

The largest possible participation of EU citizens in education and training, including providing them with skills that will facilitate their functioning in a global economy, should continue to be on top of the EU agenda.

Demographic change in all EU member states brings a shrinking and ageing labour force; all potential workers should be activated, retrained and stimulated to stay active in the labour force as long as possible. More than 30 million unemployed, formal or hidden, should be approached through targeted programmes of (re-)education and (re-)training. This is necessary from the point of view of social inclusion, as well as keeping our economy going.

Transnational mobility is not a strong characteristic of the EU labour market. Mismatches between member states limit Europe's capacity for growth and development as a strong player on the global scene. Transparency and high quality in education and training could help to reduce barriers and limit bottlenecks in the availability of skilled people.

But labour shortages have different causes. Lack of geographical mobility is a problem, but also a mismatch between low qualifications of unemployed and inactive workers and the high qualifications needed on the global labour market. Shortages in specific sectors of the labour market are not the same across countries, but concern primarily higher skills levels.

Continuing technological change could lead to shortages if wrong education investment would result in too few engineers, scientists and doctors, for example. At primary and secondary level of education the skills and interest in such fields should be stimulated in order to create enough potential students at tertiary level in these sectors. A holistic and integrative educational policy is required. And at the end mismatches will be repaired more and more through mobility/migration of highly trained workers at a global scale.

4. What priorities in the field of education and training emerge from this short analysis? What topics linked to education and training are most relevant for solving labour market problems? A short list:
 - limitation of early school leaving and drop-out that are a main cause of the large number of low skilled people. A well developed system for counselling and guidance of

young people and their parents could be an effective tool for this and facilitate access to learning opportunities. This would contribute to reduction of social exclusion, that is directly linked to low or un-skilled citizens; costs of social exclusion should be taken into account when policies are developed for reducing this through more investment in education and training.

- developing an effective system for continuous and life long learning in order to upgrade qualifications and expertise during the whole working life; the global economy relies substantially on human capital that is up to date. Wide range innovations such as change in information technologies or use of new materials could require retraining of large groups of the workforce. Social partner organisations and government should stimulate the participation of adult learners and create a transparent system for recognition of formal, non formal and informal learning; training should become a central element of contractual relationships between employers and their employees, facilitating access to continuous training and upgrading the quality of the labour force in Europe, as most important tool for positioning the EU in a global , knowledge based economy.
 - develop strong links, in particular at regional level, between companies and organisations (world of work) and education and training institutes (world of learning): a closer match between demand and supply of skilled workers.
 - invest in higher quality of education and training as a long term investment, and not as a cost . Budgets at EU, national and regional level should reflect the importance of education and training for positioning Europe within the global economy and creating a knowledge based European economy and a specialised labour force that are complementary to other big economic blocs.
 - last but not least: stimulate the development of a new and innovative body of teachers and trainers who will be the core of continuous renewal in the learning process of skilled workers. The higher status and attractiveness of the teaching profession is a conditio sine qua non for a more relevant system of education and training, that is well integrated with the world of work. The quality of the EU workforce in the next decades will depend directly from the quality of the teaching profession in the EU member states.
5. Skills and expertise that are needed for functioning in a global world and supporting the complementary role of Europe in the global economy should contain not only specific technical skills that are related to a variety of professions, but also generic/core skills, like: social and intercultural competences, learn how to learn , communication, dealing with fast change, working in teams, service orientation, problem solving and analytical skills, literacy, numeracy and proficiency in languages..... Also training for entrepreneurship as a prerequisite for start up of small enterprises could be seen as a core skill for Europe's role in a global economy.

The structure of curricula (problem and student oriented) and the inclusion of practical work/stages as part of formal education could stimulate the development of these general skills in particular. More and more training and education of young people should mirror the specific requirements of working life in a company/organisation that will have to be active at a global scale over the next decades.

6. The active involvement of European companies and organisations in other parts of the global economy will inevitably create more diversity in the requirements for skilled workers. Apart from the generic skills ad.5, that would facilitate the flexible functioning of workers wherever they are, the variety of technical skills in a global economy will change more substantially over time and dependent from the geographical position. Close links between providers of education and training and stakeholders, like employers, who will use skilled workers is more needed

than ever: a proactive role of Europe will depend from an excellent match between competences needed and learning opportunities provided, and from a teacher's profession that will be able to bridge the gap between the specific requirements of the "global worlds" of work and of learning. Developments inside the EU since Lisbon 2000 contain important elements that will facilitate this further integration of work and learning.

7. In order to create a European labour force that will stimulate a strong position of the EU at a global scale, I have mentioned a number of topics :
 - approach education and training as an investment, not as a cost;
 - redesign the profession of teachers and prepare them for a crucial role in preparing a European labour force, that will be up to global requirements;
 - create effective involvement of social partners in the education and training system ;
 - include core skills in education and training programmes;
 - invest in continuous education and training for all;
 - enhance access to education and training and limit drop out or early school leaving.

A European labour force that will support the complementary role of Europe vis á vis other big players in the world economy will be created and maintained at a high level through an effective system of education and training. An holistic approach, involving all key stakeholders, will bridge the gap between the dynamic world of work and the world of learning, and will include the revitalisation of the profession of teachers. Human capital is and will continue to be Europe's most important asset and its key to success in creating a strong and specific role for Europe in a global economy and within a labour market that will support the economy at a global level.

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Peter de Rooij was founding father and first director of the European Training Foundation (ETF) from 1994 to 2004. ETF is a European Union agency , based in Torino (N. Italy) , engaged in supporting development of education and training systems for market economies and labour markets in Central and South- Eastern Europe , the countries from the former Soviet Union , Northern Africa and the Middle East.

Before this he was director in the Dutch Ministry of Education and Sciences with responsibilities for the sector of Professionally oriented Universities within the higher education system and for cooperation with a number of central European countries after the fall of the Berlin wall. He was also strongly involved in setting up the youngest and most innovative of the Dutch universities, in Maastricht , and worked in the University of Utrecht in planning and human resources management.

Peter de Rooij graduated in Human Geography and did his dissertation on policy development and (lack of) mobility with regard to university staff.

He has extensive expertise and experience in areas of education and training policy, management and restructuring of non-profit organisations , design and restructuring of international cooperation, networking and processes of strategic change.

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