



SOC/661
Vocational training

OPINION

European Economic and Social Committee

Vocational training: the effectiveness of systems to anticipate and match skills and labour market needs and the role of social partners and different stakeholders
(exploratory opinion requested by the Portuguese presidency)

Rapporteur: **Jean-Michel POTTIER**

Request by the Portuguese Presidency of the Council	26/10/2020
Legal basis	Article 304 of the Treaty on the Functioning of the European Union
Bureau decision	28/10/2020
Section responsible	Employment, Social Affairs and Citizenship
Adopted in section	16/04/2021
Adopted at plenary	27/04/2021
Plenary session No	560
Outcome of vote (for/against/abstentions)	222/0/4

1. **Conclusions and recommendations**

- 1.1 The EESC reiterates the importance of matching skills with labour market needs. The EESC stresses the crucial importance of having effective training systems and the ability to anticipate skills needs at a time of profound upheavals due to the COVID-19 crisis, which is speeding up the process of change in our economy, especially in the digital and environmental fields.
- 1.2 In view of the recruitment difficulties faced by European businesses, the EESC stresses the benefits of using dual learning schemes, which can take very different forms, for skills acquisition. The vast majority of employers perform their role honestly as dual-learning trainers, with a view to passing on their expertise. However, particular attention should be paid to anticipating and preventing any abuse linked to zero-cost productive jobs being carried out by students enrolled in these schemes.
- 1.3 The EESC points out that the varied nature of these schemes means that they can be adapted to best suit different circumstances such as variations in company size, the type of qualification, the structure of the training and the type and level of position to be filled. They also enable employees and jobseekers to acquire new skills to counter the obsolescence of vocational skills.
- 1.4 The EESC highlights the specific nature of SMEs. Given the technical nature of the work carried out in a large number of SMEs, which requires unique expertise, particularly in niche markets, dual learning could offer a suitable solution to their skills needs. In many rural areas, the expertise of small businesses provides a unique opportunity for young people and a favourable business environment could improve their employment prospects.
- 1.5 The EESC considers the social partners to be effective players in designing and managing training systems; they are particularly well placed to measure the skills needs of the labour market. They are able to detect skills shortages by sector and by area, thus ensuring that skills are developed efficiently and on the basis of practical work experience. They may rely on stakeholders such as the state, the region or the public employment service (PES) to reconcile quantitative and qualitative data with regard to skills needs.
- 1.6 The EESC would make the point that the social partners must systematically play a major role in the development of qualifications and their content. It is essential to involve the social partners from the outset to prevent a situation where resources do not meet the real needs of employers and employees in Europe.

Similarly, the social partners are qualified to support career guidance for all target groups.

- 1.7 The EESC points out that stakeholders (state, region, PES) play an important role in proposing solutions that facilitate social inclusion. The EESC calls for better coordination between all players, stakeholders and social partners, by means of contractual arrangements specifying the interactions and responsibilities of each party in order to make the training and support schemes easier to understand. Civil society organisations, public and non-profit social services, social enterprises, social protection organisations and social workers play a key role in supporting young and not so young people, paying particular attention to people from socially

disadvantaged groups. The legal and financial frameworks of some Member States provide an accountable basis for the deployment of these important functions and services. Strong vocational training policies are also essential in order to achieve the goal of promoting a skilled, trained and adaptable workforce and labour markets responsive to economic change, set in Article 145 TFEU.

- 1.8 The EESC stresses the importance of taking into account the specific nature of SMEs, including very small businesses, in order to meet skills needs in professions under strain. These businesses do not have internal human resources departments, while the training/skills/employment dynamic requires a particular approach. These businesses, which account for a large pool of jobs, need specific support. This support should relate to: identifying their skills needs, putting together job offers, the advisory board, the recruitment process and tailored training systems that lead to lasting employment.
- 1.9 The EESC points out that training is an essential tool for integrating people with disabilities. Appropriate measures must be taken to tackle the challenge of equal opportunities for people with disabilities, especially women, under conditions of equal access to inclusive vocational training schemes. The EESC also points out that the sustainability of work depends in particular on the right to quality training.
- 1.10 The EESC recommends drawing up national strategic agreements on vocational training and guidance, on the basis of negotiations between the authorities and the social partners, involving vocational education and training (VET) stakeholders. The EESC notes the existence of such agreements in certain companies, professional sectors and geographical areas and encourages the widespread use of this kind of national strategic agreement. The action taken by the EU should facilitate adaptation to industrial change in order to promote professional integration and reintegration into the labour market.

2. **Background**

- 2.1 The relevance of the reflection on the relationship between available skills and labour market needs should be viewed in the European context, as set out in the Osnabrück Declaration, which confirms that the social partners have been taken into account among the stakeholders. This European context includes in particular:
 - first, the European Pillar of Social Rights specifies education, training and lifelong learning as its first and fourth principles with regard to equal opportunities and access to the labour market, including from a lifelong learning perspective;
 - secondly, in 2020, the European Commission published a Communication on the European Education Area, reaffirming its principles for action and objectives, including quality education for all;
 - finally, in its opinion SOC/570¹ on the future of work and acquiring skills, in order to prepare for and respond to the rapid technological and digital changes, the EESC called for

¹ [OJ C 237, 6.7.2018, p. 8](#)

targeted policies to be developed and concrete measures to be taken to improve and adapt education and training systems.

2.2 The issue of matching available skills with labour market needs is viewed differently across EU countries. Discussions on what is known as the skills mismatch had started before the COVID-19 crisis, and the EESC called for caution in dealing with this issue. According to CEDEFOP, 45% of workers believe that their skills do not fully match the job they are in, while 70% of companies suffer from skills shortages, but few of them associate these difficulties with the obstacles encountered, such as a recruitment problem, the geographical location of the company, the level of pay and working conditions. An in-depth study should analyse the exact reasons for the skills mismatches and how to help the people concerned find a job.

2.3 Skills needs

The skills required vary from country to country. However, this variation depends on the level of the country's industrial production system, which stands in contrast to the needs of service- or tourism-oriented economies. While the general level of sought-after skills tends to be high, there is also a need for lower-level qualifications, which immigration is used to meet.

2.4 The education system

Vocational training is the educational sector in closest contact with the labour market and its skills needs. Initial vocational training is usually given at upper secondary level and takes place either in schools or in work-based settings in training centres and companies. The proportion of young people in vocational training compared to general education varies across the European Union but it is gradually decreasing everywhere. This generally leads to corrective measures or incentives initiated both by the public authorities and by the professional communities, including the social partners. Among these measures, the new Skills Agenda focuses on the digitalisation of training content.

The continuing vocational training system focuses mainly on work and the majority of training activities take place in the workplace.

2.5 The role of the social partners

This role, which exists at different levels in all countries, should be strengthened. On the strength of their experience, the social partners are involved in the process within the professional sectors or at national cross-industry level of identifying current and future skills needs. They are also very often involved in defining the standards for qualifications and diplomas, in managing training systems, in managing vocational training and apprenticeship funds and in the lifelong career guidance system. In addition, vocational training is a matter that is generally negotiated by the social partners as part of collective bargaining.

3. General comments

3.1 The EESC notes a growing imbalance in the labour market, linked in particular to a skills gap, with the additional impact of the health crisis, which is widening the gap between young people's needs and skills in an increasingly concentrated economy.

3.1.1 This situation, which existed before the health crisis, has developed and worsened over the last twenty years or so. 60% of adult employees are at risk of seeing their technological skills become obsolete (EU-28 data in 2014)². The situation has resulted in the coexistence of unemployment and strain on the labour market^{3, 4}.

3.1.2 One effect of the health crisis has been an acceleration of labour market tensions, in particular those resulting from the rapid development of the digital transformation.

3.2 The EESC welcomes the European Skills Agenda and in particular the fact that the *Council Recommendation on vocational education and training (VET) for sustainable competitiveness, social fairness and resilience* can cover measures at all stages of professional training process, and address the changing nature of all types of needs and skills:

- a) **at each stage of the professional training/career path** (reference CEDEFOP – skills panorama)⁵:
 - before entering working life:
 - through skills development and professional training (initial and continuing vocational training, dual learning, apprenticeship);
 - when starting at a company, or in the case of internal mobility:
 - through adaptation of professional and soft skills in the company context (support for adapting to the workplace, on-the-job training);
 - throughout working life:
 - through adaptation of professional skills to changing employment and occupational needs;
- b) **by adapting schemes to the needs arising from changing employment situations:** upskilling; reskilling; cross-skilling; new skills;
- c) **depending on the type of skills targeted:** basic skills; technical skills and professional expertise; transferable skills.

² https://www.cedefop.europa.eu/files/3075_en.pdf, p. 26.

³ Unemployment rate (by Member State): <https://ec.europa.eu/eurostat/web/lfs/visualisations>: *unemployment rate, January 2021, EU27*.

⁴ Job vacancy rate (by Member State): https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Job_vacancy_statistics.

⁵ <https://skillspanorama.cedefop.europa.eu/en/dashboard/european-skills-index>.

- 3.3 Statements by organisations representing employers and employees of market enterprises at European level put forward proposals which support their legitimacy to intervene in this sector.

Thus, the European Trade Union Confederation (ETUC) promotes social dialogue in this field, both at European and national level; SMEunited considers that governments should delegate the governance of apprenticeships to the social partners; BUSINESSEUROPE advocates the development of training programme needs by the social partners and joint negotiation with training providers in the area of employee training.

- 3.4 The role of the stakeholders

The EESC calls for the social partners to be involved alongside other stakeholders to help identify the needs, resources and actions to be implemented and work in consultation with them, building on the resources that the latter are able to deploy. This is the case in particular of: companies, professional branches and other professional and inter-branch organisations, sectoral and national social partners, national qualifications frameworks or systems for the classification for professional qualifications (NQF), regional authorities and public or semi-public bodies, and national authorities, civil society organisations, social enterprises, social services, social protection organisations, institutions providing guidance and support for integration, reintegration and placement, including for persons with disabilities, and initial vocational training institutions (IVET/CVET⁶).

4. Specific comments

- 4.1 Anticipating future skills needs

4.1.1 The social partners play a pivotal role in identifying, assessing and anticipating skills needs in the labour market. Their role is essential in facilitating the jobs and skills observatories and in analysing the data collected. Their analysis should be linked to the assessments made by all other stakeholders: state, regions, chambers and all bodies working in the area of employment, training and career guidance, such as social services and bodies. This cooperation helps to put Europe at the centre of the labour market.

4.1.2 For the EESC, this essential role must be recognised by providing the social partners with all the means necessary to act in step with the major transformations taking place in the labour market. The ongoing health, financial and social crisis, which began in 2020, has proven to be a powerful force for accelerating changes in our economy. In order to adapt, digitalisation is an absolute necessity for businesses, including the smallest companies. The green transition – in addition to the new jobs that it will bring – is now a clear expectation among customers and consumers as a result of the effects of the crisis.

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VET providers – VET4EU2
<https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetailDoc&id=38451&no=1> :

4.2 Making the training on offer and its content more efficient

4.2.1 Training and qualification frameworks need to be updated regularly on the basis of the skills needs assessment in order to avoid them becoming obsolete. For example, skills linked to new technologies, to the requirements of the green transition and to the digital changes that have been accelerated by the health crisis require rapid responses. For target groups that are difficult to reach, innovative teaching practices should be adapted using appropriate inclusive methods.

The principle of dual learning allows training systems to be combined with companies' training resources, with the latter greatly helping to get people into lasting employment in order to encourage the development of economic activities. While the vast majority of employers fully fulfil their role as dual-learning trainers, particular attention should be paid to anticipating and preventing any abuse linked to zero-cost productive jobs being carried out by students enrolled in these schemes

4.2.2 These dual learning schemes can take different formats:

- vocational training for young and slightly older people through apprenticeships, with a view to obtaining a full professional qualification for a particular occupation;
- initial vocational training including internship periods spent in a company, as part of a dual learning scheme;
- immersion traineeships in companies, including those aimed at getting to know a particular occupation;
- dual vocational training for job seekers;
- in-house company training in the workplace;
- training prior to entering the workforce in order to acquire the skills needed to perform a particular type of work;
- independent living training, skills analysis, in particular for people in difficulty, people with disabilities and young people leaving school without qualifications.

4.2.3 Finally, making training more efficient should provide solutions for people in the most precarious situations. It is essential to take disability into account in terms of material and physical accessibility to the training system and educational response to the target groups.

4.3 Better involvement of social partners and stakeholders

4.3.1 In addition to a voluntary approach, making contractual arrangements with key players reinforces these good practices in order to better anticipate skills needs and to boost the efficiency of vocational training systems.

4.3.2 It must be ensured that stakeholders play a key role in social inclusion, by effectively distributing roles that involve supporting and monitoring the most vulnerable persons. Through training pathways and with essential support, the stakeholders have a special role to play in helping those who are struggling to get into employment.

- 4.3.3 The success of the vocational training system depends on actively involving the social partners in designing it. Cooperation between the two learning sites – the training providers and the company itself – is a key factor for success. Defining national or regional policies should give the social partners flexibility to adapt the structure and content of training to the needs of employers and employees in the particular context of the labour market.
- 4.4 Attracting the interest of businesses and employees in investing in training
- 4.4.1 The proportion of employees benefiting from training to maintain their skills or upskilling each year remains too low, especially in small and medium-sized enterprises. There are many obstacles: funding for training and difficulties for employers as regards replacing staff in training, rejection of initial training, and the availability and quality of training content and systems for employees.
- 4.4.2 In this regard, basic skills remain essential prerequisites for access to employment, in particular in SMEs. The impact of the COVID-19 crisis is taking a heavy toll on young people in training and is increasing the drop-out rate; this makes the issue of support and lifelong career guidance more urgent. This issue is crucial for attracting the interest of employees and jobseekers, as it gives them the opportunity to become active players in their own career development. A suitable target would be for 8% of apprentices and in-service trainees to be able to benefit from a period of mobility abroad; ERASMUS impact studies highlight the gain in skills and employability resulting from a period of mobility.
- 4.4.3 Finally, there is the question of how businesses determine candidates' skills – especially those that do not have an internal human resources department.

Brussels, 27 April 2021

Christa Schweng,
The president of the European Economic and Social Committee

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N.B.: Appendix overleaf.

APPENDIX

Examples of good practice

In Austria, starting an apprenticeship from 15 years of age

In this country, 45% of 15-19 year-olds are apprentices. In the majority of cases, training for young people who opt for dual learning between school and a company lasts three years. 130 000 young people are apprentices. They spend 80% of their time in a company, i.e. four days of practical training and one school day per week.

Apprenticeships are a legally guaranteed right: students who are not able to find a company for their apprenticeship due to poor results at school are trained in public workshops.

In general, in Austria, an apprentice is three times more likely to find a job than a young person who has stopped just after compulsory schooling. The unemployment rate for people under 25 was 9.6% in 2018.

"Operational preparation for employment" (POE) in France

Operational preparation for employment is a rapid response to professions under strain. This training enables people to acquire or develop the professional skills needed to meet an identified recruitment need.

POE is jointly run by *Pôle emploi* (the Public Employment Service) and the company or occupational sector. It lasts no more than 400 hours and includes a period of immersion in a company and entitles people to the status of trainee in vocational training and to remuneration. After completion, if the level required to fill the post is reached, a fixed contract is signed with the company that selected the candidate.

Over the last three years, 70 000 trainees a year have benefited from POE, with an employment rate of around 80%.

The role of the social partners in Germany

The expertise of the social partners ensures that occupational profiles are in line with labour market requirements so that the components of training can be easily integrated into companies' production and service delivery processes.

In Germany, vocational training agreements are most often negotiated by the social partners and then enshrined in sectoral collective agreements. Where the training content no longer meets the needs of the labour market, the social partners review the training or create new training courses for new professions.

Based on public funding and governed by social law (*Sozialgesetzbuch*), autonomy and professional support for disadvantaged young people and young people with disabilities are supported by social protection-apprenticeship organisations and their professional services.

Negotiation of a strategic agreement on vocational training in Portugal

In the framework of the Standing Committee on Social Dialogue, the Portuguese government has launched a negotiation process for a strategic agreement on vocational training and lifelong learning. A working group is currently bringing together government representatives, supervisory bodies and social partners to conclude an agreement on the governance, regulation and financing of the training system. The agreement also aims to improve the quality of training, the ability of the national qualifications framework to adapt quickly, the response to sectoral needs, incentives for businesses and individuals to train, pedagogical innovation, and digital and distance learning.

The dual system in Poland

In the Polish education system, dual training is a combination of school education for theoretical knowledge and work in a company to gain practical experience. The duration of training based on vocational schools varies from two to five years. As part of a dual training system, practical training takes place under a vocational training contract. The theoretical training is the subject of an apprenticeship contract between the head of the educational establishment and the employer taking on the apprentice. Since September 2019, all vocational students who do not take part in this scheme have access to a paid study traineeship with an employer. It should be noted that craft trade enterprises have developed dual training with 23 500 craft professionals and worked with almost 65 000 young people.
