

ETUC Position on the European Skills Agenda and future skills strategies

Adopted at the Executive Committee Meeting of 28-29 October 2020

Background

On 1 July 2020, the European Commission published a new package of policy initiatives:

- a <u>Communication on a "European Skills Agenda for sustainable competitiveness, social fairness and resilience":</u>
- a <u>Proposal for a Council Recommendation on vocational education and training (VET)</u>;
- a <u>Communication</u> and <u>proposal for a Council Recommendation</u> on Youth Employment Support: a Bridge to Jobs for the Next Generation.

The Education Council, on 30 November 2020, will adopt both a Council Recommendation on VET as a long-term strategy and the Osnabruck Declaration with a list of actions for 2021-25 as a continuation of the Copenhagen Process.

The below position paper of ETUC focuses on the European Skills Agenda and the Council Recommendation on VET.

ETUC demands on future skills strategies

ETUC believes that the future European level and national level skills strategies should provide effective solutions to young people and adults, the unemployed and employed irrespective of the contractual situation, level of qualifications or gender. Special attention to be given to the socio-economically disadvantaged groups of people for accessing quality and inclusive trainings of re- and upskilling. While the Skills Agenda discusses training needs from the perspective of green and digital transition of the labour market, we regret that it puts again the responsibility of upskilling and reskilling to the individuals and not to

the companies. We emphasise that joint statements¹ and agreements² among the European Social Partners clearly underline the importance of shared responsibility of upskilling and reskilling. European workers demand strong commitments from employers on upskilling and reskilling and expect the European Commission to take effective steps to engage employers to ensure that all workers have equal access to quality and inclusive training as a right.

Therefore, ETUC defined the below key principles of the trade unions on future skills strategies and on the Pact for Skills based on the ETUC Action Programme 2019-23:

- Effective social dialogue on European and national vocational education and training and adult learning policy, as well as actions to consolidate efficient governance of vocational training at all levels within active labour market policies and on management of EU and national funds for skills;
- Skills Guarantee: The right and guarantee to access quality and inclusive
 employee training for all to participate fully in society and manage successfully
 transitions in the labour market; including key competence, basic skills and
 professional skills development for people of all skills level; and paid educational
 leave;
- The right and guarantee to access **quality and inclusive VET** (initial and continuous) for learners of all ages;
- Attractive and better status of VET systems as a contribution to reduce early school leaving, drop-outs and educational poverty and to strengthen IVET's attractiveness;
- The right and guarantee to quality and inclusive apprenticeships for learners
 of all ages in line with the <u>European Quality and Effective Framework for Apprenticeship</u> respecting collective bargaining agreements on pay and working conditions of apprentices, as apprenticeship is not a form of cheap labour;
- Respect of full qualifications and quality units/modules of full study programmes
 while considering that micro-credentials have added value to complement full
 qualifications;
- Recognition and validation of training, work experience, and non-formal and informal learning
- Free **quality guidance and counselling** about training and job opportunities for VET learners of all age, apprentices, and employees;
- Sustainable public investment to guarantee training to the unemployed and low-qualified people so as to obtain certified basic skills, professional skills and key competences leading to qualifications to implement the <u>Council Recommendation on Upskilling Pathways: New Opportunities for Adults (2016)</u> and the <u>Council recommendation on the integration of the long-term unemployed into the labour market (2016);</u>
- Sustainable investment to quality apprenticeship provision, adult participation in lifelong learning and employee training as priorities within the European

² Eg. <u>EU Social Partners agreement on digitalization</u>, 2020

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¹ Eg. <u>Joint Recommendations - Promoting Social Partnership in Employee Training,</u> 2018

- Semester process and the Recovery Plan and more support of **EU funds**, in particular of the *European structural and investment funds*, to upskilling and reskilling provisions:
- **Employer's contribution** to finance a lasting lifelong learning system based on quantitative objectives to be reached by 2030 and encourage firms to promote training during working hours.

ETUC's views on the European Commission's policy package

A skilled and qualified workforce is one of the main assets of the European social and economic model. ETUC is concerned for the millions of workers who lost their jobs as a result of the COVID-19 crisis, which entails the risk that some of them will remain long-term unemployed and eventually lose their skills. As digitalisation and decarbonisation of the industries have an enormous impact on the labour market, trade unions demand that EU member states define effective upskilling and reskilling strategies within their national adult learning policies to support workers and the unemployed with quality and inclusive skills provision. We welcome that the Skills Agenda puts an emphasis on industrial ecosystems, local labour market, sectoral demands and that it underlines the importance of skills intelligence and skills strategies to the skills needs of the industry sectors.

We welcome that the Skills Agenda links skills provision to job security. Digital and green transitions will change jobs and create new ones. The European Commission should take the necessary steps to ensure that such jobs are **quality and fair jobs** and that workers receive effective support in a just transition. The Skills Agenda and the VET Recommendations need to provide realistic solutions to the millions of learners, workers and the unemployed who faced the digital transition of VET schools, apprenticeships and workplaces from one day to the other during the pandemic. We underline that first and foremost ensuring **job creation** and protecting a social Europe within the Recovery Plan are essential for Europe. **Quality jobs, fair salary and working conditions** are the prerequisite for long-term and sustainable growth, productivity and innovation, and **skills development and lifelong learning are only one of the tools** to achieve these goals. **Effective social dialogue** with the trade unions, respect and enforcement of labour rights, and information and consultation with workers on employee training and apprenticeship in company levels are fundamental.

Concerning the **new VET objectives for 2020-25**, the "Osnabruck Declaration" should be based on the <u>Tri-partite opinion on the future of vocational education and training of 2018</u>. Trade unions demand full implementation of the first principle of the European Pillar of Social Rights³ to ensure that access to quality and inclusive training and lifelong learning **is the right for all VET learners**, **workers and employees**, to enable them to participate fully in society and manage successfully transitions in the labour market. Ensuring this right for initial and continuous VET learners should be the main objective of the **Osnabruck**

³ "Everyone has the right to quality and inclusive education, training and life-long learning in order to maintain and acquire skills that enable them to participate fully in society and manage successfully transitions in the labour market."

Declaration and of future skills strategies. Such a **right** must support also the unemployed and the low qualified adults to receive the necessary skills for the labour market. We regret that the new policy package does not ensure such a right. We demand that the European Commission conducts research on how to achieve such a right and introduces a stronger monitoring mechanism which requests the EU countries to set up national action programmes and to present regular national reports on how this right is being ensured. In relation to this we recall women's right to access quality education and training after periods of absence for care reasons to enable them to participate fully in society and manage successfully their work opportunities. We also ask that the 1st principle should be more prominent in the **European Semester and the Social Scoreboard**.

Lifelong learning for all must become a reality in Europe and all Europeans should have access to quality and inclusive, and not just to "attractive, innovative", learning and training. The experience of workers' unions indicates that even though there is training provided to the workers, most of this training is of low quality, do not lead to recognition of the skills and competences, and do not link to career development. This is particularly the case of female workers who must have guaranteed access to quality training, regardless of the type of their work contract. We therefore ask that the European Commission commits governments and companies to increase the quality and inclusiveness of the trainings by including quality assurance procedures and recognition/validations of training. Learning from the previous economic and financial crisis, we emphasise that ensuring equality and inclusion within VET and society at large is more important now than ever before. Women workers need further support in accessing upskilling and reskilling and make their skills validated and recognised. The social gap is deepening as a result of unemployment and unequal access to digital tools in training, thus resulting in high drop-out rates from initial VET and apprenticeship. Freedom, tolerance, critical spirit, European values and democratic citizenship are essential assets for the future of Europe so as to fight the increasing inequality and emerging radical movements. Therefore, we ask to include social skills and transversal skills also among the "right skills", mentioned by the Skills Agenda, that workers and future workers need to obtain.

We welcome the focus of the Skills Agenda on **equal access to upskilling and reskilling stating that** additional up-skilling opportunities need to be provided for all people," regardless of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation, and including low-qualified/skilled adults and people with a migrant background. Similarly, all territories should be covered, from big cities to rural, coastal or remote areas across the whole EU." However, this focus on inclusiveness of the Skills Agenda does not cover **workers of different contractual situation and in different size of companies** and does not provide an effective solution for **women**, many of whom lost their jobs in the COVID-19 crisis. They also lack time and resources to access training especially in the COVID crisis when they need to balance work and family responsibilities. We demand the enforcement of labour rights, equality and equity in the labour market to support women workers and the unemployed and to provide them equal access to high quality training.

We are concerned about the collection of reliable data for policy development on skills development and skills mismatch. The European Commission refers to the European Investment Bank's Investment Survey 2017, "almost 80% of firms cited lack of skilled staff as an obstacle to their investment". Discussions on the so-called **skills mismatch** started already before the COVID crisis, and we asked for a caution when dealing with this matter. According to CEDEFOP⁴, 45% of the workers think that their skills do not fully match to the jobs they do, while 70% of the companies suffer from skills shortages but few of them link this to obstacles they create to find skilled workers, e.g. recruitment problem, geographical location of the company, salary level and working conditions⁵. So now, during this crisis, it would be high time to have an honest look on what exactly are the reasons of the skills mismatch and how to support adults to get a job.

The European Commission appreciates the **frontline workers within the COVID-19 crisis** and puts an emphasis on their training needs, but it does not put much emphasis within the document on quality working and health and safety conditions. Also, the effects of the 2008 financial crisis on healthcare systems and public services have been devastating, proving that cuts and privatisation have been the wrong recipe for the well-being of people and the safety of our societies. Austerity policies, the neoliberal approach to fiscal policies competition and trade, led to a dramatic decrease in public and private investment and to many Member States not been able to provide adequate services and protection to citizens and workers. We are concerned that instead of encouraging member states to support workers within these and any other sectors the European Commission shifts the **responsibility of upskilling to the worker**. Therefore, we ask to shift the focus of upskilling and reskilling from the **individuals' to social responsibility**.

Several actions on skills have been announced within the new European Skills Agenda policy package, including a **Pact for Skills** that will entail a *Charter of key principles of upskilling and reskilling* to be signed in November 2020. We believe that this Pact should address the abovementioned problems and not duplicate existing national policies. It should enhance companies' engagement to set up or improve their training strategies – as part of HR development - together with the workers' unions, so as to ensure equal access to quality, effective, and inclusive training to all workers as their right. We reiterate that demographic change and structural change due to digitalisation and decarbonisation will make the shortage of skilled workers one of the decisive factors affecting the European economy. Thus, the aim should be not only to obtain new skills, but to ensure that qualified workers can carry out a number of qualified tasks (occupation) under changing circumstances, ensuring fair and quality employment. Within the Pact for Skills companies should be encouraged to engage in the implementation of **ILO's Paid Educational Leave Convention**, **1974** (No. 140), to ensure the right to training for professional study and to support career development.

We are very concerned that the *Charter of key principles of upskilling and reskilling* will be signed by large and global companies and not by SMEs. This would weaken the role of

⁴ European Skills and Jobs survey, CEDEFOP, 2015

⁵ CEDEFOP, 2015 Skills, qualifications and jobs in the EU: the making of a perfect match?

the social partners, in particular the employers' associations, as some corporations would once again have exclusive lobby access to employee's upskilling and reskilling similar to what happened within the European Alliance for Apprenticeship. It is only effective **social dialogue with the trade unions** that will ensure successful upskilling and reskilling of the workers and the unemployed, and not loose partnerships between the Commission and companies or amongst companies. We demand that the European Commission respects social dialogue and collective agreements in relation to companies' pledges to the Pact for Skills and that it ensures that the workers' unions strictly monitor the engagement of companies to the Pact for Skills.

The European Commission diverts quality and inclusion towards excellence with suggestions such as enforcing the **Centres of Vocational Excellence** projects and by introducing EU financial support to countries to participate in **Euroskills competitions**. Both initiatives should contribute to raise the level of quality and inclusiveness in the whole VET system within countries and allow the same level of opportunities to access high quality VET and apprenticeship for all learners from any social-economic background, including high quality teaching and training, materials, tools, and VET school infrastructure. The **Centres of Vocational Excellence** and preparation of students to skills competitions should be inclusive and should not increase the gap between some selected highly skilled learners and VET schools and any other VET schools and learners.

The initiatives focusing on excellence must consider the significant share of 15-year-old underachievers on basic skills in Europe according to OECD-PISA and the high share of "low-skilled" and low-qualified adults, according to OECD-PIAAC data. It is evident that the future challenges on skills could be better applied from the perspective of reducing educational poverty and gender inequalities. The low level of basic skills and low participation of adults in training activities reduces the chances of people in the labour market, generate social and economic inequalities from the early years of life, and contributes to high levels of poverty. The Commission's policy package should take a "holistic approach" to the development of skills that can interpret current issues and future challenges within the broader perspective of reducing educational poverty, with necessary reforms having long-term objectives developed with the involvement of the social partners. The policy package therefore should link to the upcoming Child Guarantee initiative of the European Commission.

We underline that both **digital and green skills** are important for VET learners of all ages as these are both social and labour market relevant competencies. Concerning the upcoming **Digital Education Action Plan**, from one side everyone should have basic digital skills related to manage everyday life and understand cyber security, digital communication, data safety, the dangers of disinformation, and from the other side to be upskilled and reskilled for the digital transformation of the labour market according to technological developments and the necessary soft, medium and hard IT skills. It is necessary to prepare women to digital and green transition to strengthen the position of women in the labour market and help to take down the gender employment gap. Similarly, **green skills** relate to the awareness of all people on sustainable development, climate change and protection of

the environment⁶; and obtaining the relevant skills for the transition of industries to green technologies and to green industries. Digital tools should be seen as supportive to learning but not as the target of VET learning.

The upcoming **Pact on Migration and Asylum** should treat migrants, refugees and asylum seekers equally irrespective of their skills and qualifications level, as different countries have various labour market needs which require high-, medium- and/or low-qualified workers. Therefore, all of them should have the possibility to validate their skills and competences and receive quality apprenticeships and re/upskilling trainings to be integrated in the labour market irrespective of their qualification levels.

The idea of a **European initiative on an Individual Learning Accounts** (ILA) needs to be further investigated with proper research, to make sure that a European policy on ILAs can really provide an effective solution for supporting re/upskilling of all adults, including the low-qualified and those with short-term or temporary contracts. We believe that individual learning accounts are not sufficient for ensuring the individual right for training. The fundamental pre-requisite for the design of personalised training measures is the implementation of the Council recommendation on **validation of informal and non-formal learning**⁷. We underline that ILAs can be a useful tool on ensuring employee training, however employees need appropriate **guidance**, **counselling** and support to use the ILA for training. According to <u>OECD PIAAC results</u> the low-qualified adults are the most reluctant to participating in lifelong learning. They need more information and motivation to access training under the ILA. It is essential to involve the European social partners in the decision on a European-level policy related to ILAs and its governance, especially if EU funds would support the initiative.

Employers need to take responsibility in upskilling workers according to their needs because these will change quickly with digitalisation. This is what we agreed within the European Social Partners Framework Agreement on Digitalisation that was recently signed by BusinessEurope, ETUC, CEEP and SMEunited to support the successful digital transformation of Europe's economy and to manage its implications for the labour market, the world of work and society at large. This agreement clearly states: "Where an employer requests to a worker to participate in job-related training that is directly linked to the digital transformation of the enterprise, the training is paid by the employer or in line with the collective agreement or national practice. This training can be in-house or off-site and takes place at an appropriate and agreed time for both the employer and the worker, and where possible during working hours in order to ensure work-life balance of all workers. If the training takes place outside of working time, appropriate compensation should be arranged". This needs to be taken into consideration in defining the Digital Education Action Plan.

⁶ Related to the Citizenship competence of the Key Competence Framework (2018)

⁷ Council Recommendation of 20 December 2012 on the validation of non-formal and informal learning

We are concerned that the impact of the COVID-19 crisis on companies will affect the budgets they will allocated to training of their employees. Thus, we welcome that more EU funds will be allocated to support skills provision within the **Recovery Plan**. In addition, the Skills Agenda should provide guidelines for the allocation of ESF funds for CVET and enhance better governance on the use and allocation of EU funds for skills development, in particular the European structural and investment funds at national level with the involvement of the social partners. The European Commission needs to acknowledge the trade unions also as training providers and ensure their access to EU funds for training provision of the workers.

We underline the responsibility of companies in the upskilling and retraining of their workers and ensuring quality apprenticeship for the VET learners. We believe that the idea of developing a European Core Profile(s) in VET under the sectoral Blueprint⁸ initiative project needs to be further discussed with the sectoral social partners; keeping in mind that defining VET profiles and updating them is a national competence and a decision in which national social partners play a key role and fall under the national quality assurance mechanism. Therefore, the respective social partners should decide which occupations are suitable for European core profiles. We ask the European Commission to refrain from harmonising VET curricula at the EU level, respect national governments and social partners' competences on VET profile developments, and competition among companies.

Recognition of training and validation of non-formal and informal learning (NFIL) to meet the needs of the individual. Automatic recognition of VET qualifications is not what trade unions want. Instead, it should be ensured that recognition procedures are qualityassured and ultimately guarantee greater permeability and better mobility in Europe. We would like to add to this the necessity to support individuals with quality lifelong learning guidance. We welcome that the European Commission mentions the example of training ambassadors of unions at company level who provide information and guidance to workers on learning possibilities. Motivation, however, is not sufficient if there is no equal access to high quality and relevant employee training, furthermore trade unions need financial support to maintain and introduce training ambassador systems.

Concerning the further modularising of VET and a European approach on microcredentials, our position⁹ adopted on 2 July 2020 requests respect of full qualifications. Micro-credentials can contribute to social and economic exclusion of those who obtain only micro-credentials and not full qualifications, because salary levels of many collective agreements link to full qualification. Micro-credentials must be subject to social dialogue on professional qualifications and collective agreements, as they strongly relate to salary. Any involvement of micro-credentials to the IVET or CVET systems should be strictly regulated and controlled. Trade unions are concerned that those people who will obtain only micro-credentials, and not full qualifications, will lose their right for long term jobs and fair jobs. Workers in precarious situations, who are mostly female workers need more

Blueprint for sectoral cooperation on skills
Joint ETUC – ETUCE Position on Micro-credentials in VET and tertiary education 2020 06 Joint ETUC - ETUCE position on Micro-Credentials

support to access training leading to full qualification. The principle of VET is the acquisition of knowledge, skills and competencies as well as the necessary professional experience in order to carry out an occupation in a constantly changing world of work. Modularisation of IVET should be removed from the European Commission's objectives. Modules, on the other hand, are based on curricula that do not necessarily correspond to the requirements of a professional activity. Experience in the 2000s has shown that young people who were unable to acquire formal full qualifications due to youth unemployment are still low qualified workers or unemployed today and are in precarious living and working conditions. On the other hand, employers are complaining that they lack qualified specialists. IVET always aims to prepare school graduates for life and the labour market and personal development provided by IVET cannot be replaced by modules or micro-credentials. Modularisation must also be separated from validation of NFIL which should lead to certification. Micro-credentials can have added value to complement full qualifications when it leads to final certification and VET modules can be helpful if there is a lack of skills to acquire a formal full qualification that should be acquired in a targeted learning process. Some modules are used for low-qualified workers to catch up a formal vocational qualification step by step structural support and advice is necessary for them to reach final examination. According to ETUC member organisations, the claim that modules or microcredentials are a flexible way for updating skills and that they facilitate mobility has not been scientifically proven. Particle qualification in some countries have not been updated for a decade, so they may facilitate mobility from one precarious job to the next.

Finally, on the suggestion of setting up a **European-level graduate tracking system**, our recent position¹⁰ clearly asks to respect national competences on education and graduate tracking, and warns about using data on the achievements of graduates in the labour market to redesign education. All **VET graduates** deserve a decent job after obtaining their VET qualifications. The present recommendation on VET suggests indicators for VET graduates' employability rate (82%), which should take into consideration the impact of the COVID-19 crisis on industries and the assurance of fair and quality jobs for the graduates.

¹⁰ Joint ETUC – ETUCE Position on a European-level graduate tracking system of VET learners and tertiary education students: <u>2020</u> <u>06 Joint ETUC - ETUCE Position on Graduate Tracking</u>