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#### ABSTRACT

An overall policy agenda about vocational education and training in Europe and its links with general education and lifelong learning has been developed to bring together other policy agendas to serve one strategic goal. Education and training are key, with a number of benchmarks set to adapt education and provide better quality of employment. Targets were set for 2010 employment rates and analysis was performed on the labor market, showing a link between level of education and job prospects. To achieve the goals, European Union (EU) member states must encourage young people to stay in education, create equal opportunities for access to education and training, reduce early retirement, and integrate disadvantaged groups into the workforce. Reduction in skills gaps is a goal to meet employment targets as jobs shift away from physical to intellectual labor. Reform of vocational education and training has begun with EU member states being at various stages of reform. Reform needs to be speeded up, participation of key sectors of the workforce in education and training needs to be encouraged, and potential labor shortages in low skill jobs should be monitored. (Contains multiple data tables and 16 references.) (SLR)





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# Learning for employment

Second report on vocational education and training policy in Europe

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Second report on vocational education and training policy in Europe

**Executive summary** 

Steve Bainbridge Julie Murray Tim Harrison Terry Ward



A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (http://europa.eu.int).

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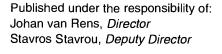
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## 1. Executive summary

#### 1.1. Introduction

By 2010, Europeans will live in the most competitive and dynamic knowledge-based economy in the world with more and better jobs and greater social cohesion.

This is the strategic goal set for the European Union by the Heads of State or Government of its Member States in the European Council, at Lisbon in March 2000. The European Council agreed a plan to achieve this strategic goal. It sets out targets, mobilises and focuses resources and has a clear timetable. Learning for employment, through better quality education and training, is at the heart of this plan. There is a clear link between levels of education and training and employment prospects and a European vocational education and training policy framework has been established to improve systems, make access to learning easier and raise skill levels.

Achieving the goal is a real possibility for Europe, but it requires giving greater urgency to the reforms of education and training underway in Member States.

This is the central message of this report, which looks at vocational education and training and its links with general education and lifelong learning. Its aim is to stimulate debate ondeveloping and reforming vocational education and training policy in Europe.

An important feature of the policy framework is the open method of coordination. This is a reporting procedure with indicators to monitor progress, exchanges of information and experience and a peer review of action in the Member States. It introduces competition among Member States over their education and training policies and practices, encouraging them to act in areas where they are lagging behind their counterparts.

The issues in the European policy framework are not new; similar ones were identified in the European Commission's white paper, 'Growth, competitiveness and employment', in 1993. Progress has been made, but analysis of the EU labour market argues for reforms to be speeded up if the strategic goal is to be achieved, not least because:

 in 2001, almost 40% of the population aged 25 to 64 in the EU did not have qualifications above compulsory schooling. This represents over 75 million people – substantially more than the population of France, Italy or the UK;



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- in 2001, around 45% of young people aged between 19 and 22 in the EU were not in education and training;
- some 34% of women aged 25 to 54, in 2001, did not have qualifications above compulsory schooling. This affects their job prospects, as 83% of women aged 25 to 54 with tertiary level education were in employment in 2001, compared to 49% with only basic schooling;
- on average, in the EU, women account for less than 20% of those enrolled in computing courses at university level. The figure is similar for engineering. Similarly, men account for less than a quarter of those enrolled in health and social science subjects;
- on average, in the EU, less than half those aged 55 and over are working;
- most new jobs created between now and 2010 will be in advanced services and managerial and technical professions, but there will still be significant demand for people with lower skill levels in services and manufacturing. If present trends continue, future labour shortages will be as acute at the lower end of the skills spectrum as at the top.

Although there are major challenges ahead, the policy framework put in place and the 'open method of coordination' to monitor its implementation, provide a clear impetus and reflect a strong determination to make the necessary changes.

# 1.2. European vocational education and training policy framework

The Lisbon European Council set out priority areas and benchmarks to achieve its strategic goal. European Council meetings in Stockholm in March 2001, Barcelona in March 2002 and amendments to the European employment strategy guidelines subsequently developed a clear policy agenda. This agenda does not focus only on education and training. Its most important feature is that it brings together other policy agendas including employment and social policy, information and communication technology infrastructure and research to serve one strategic goal. However, education and training are at its heart and several key benchmarks agreed (see Table 1) to adapt education and training systems to meet the needs of the knowledge society and provide higher levels and better quality of employment.



#### Table 1. Towards 2010: some key benchmarks

- raise the average employment rate in the EU from 61% to as close as possible to 70% by 2010 (67% by 2005):
- increase the number of women in employment from an average of 51% to over 60% by 2010;
- raise the average EU employment rate among men and women aged 55 to 64 to 50%;
- by 2010, all Member States should at least halve the rate of early school leavers, with reference to the rate recorded in 2000, to achieve an EUaverage rate of 10% or less;
- by 2010, Member States will have at least halved the gender imbalance among graduates in mathematics, science, technology while securing an overall significant increase in the total number of graduates, compared to 2000:
- by 2010, EU average participation in lifelong learning should be at least 15% of the adult working population (25 to 64 age group) and in no country should it be lower than 10%;
- raise the number of 25 to 64 year-olds achieving upper secondary level education to 80% of the working population;
- increase substantially annual per capita investment in human resources:
- agree on the concrete future objectives of education and training systems;
- develop a European framework to define the new basic skills to be provided through lifelong learning;
- define means to foster mobility of students, teachers and training and research staff;
- · improve employability and reduce skills gaps;
- increase employment in services.



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How systems need to adapt was outlined in a series of initiatives following Lisbon, which became the European vocational education and training policy framework. The major policy issues in the framework can be summarised as developing lifelong learning (including access to training), the concrete future objectives for education and training systems, promoting mobility, developing e-learning and strengthening cooperation.

Developing lifelong learning looks to improve the operation of vocational education and training systems and – through its links with the European employment strategy – how it can contribute to raising employment rates. Initiatives on mobility examine its use as a learning tool and how greater geographical and occupational mobility can address skill gaps. The concrete objectives and e-learning focus on improving education and training systems and content. Cooperation between Member States in vocational education and training has been strengthened following the 'Bruges-Copenhagen processes', which reinforce the open method of coordination. The European Commission is also considering how the next generation of European education, training and youth programmes, due to start in 2007, can help implement the policy framework.

The social partners complement the European vocational education and training policy framework in many ways. At European level, they have agreed a framework for actions on the lifelong development of competences and qualifications, comprising four key areas for priority action. The framework of actions is addressed mainly to the social partners themselves at various levels — European, sector, national and enterprise. Its implementation and follow-up is separate to that of the European Council, reflecting a more autonomous social dialogue at European level.

Vocational education and training is high on the social partners' policy agenda. The European sectoral social dialogue has, in several sectors, defined job profiles, developed new qualifications, promoted mobility and sought to raise the status of certain occupations. In enterprises, more European works councils are including vocational education and training in their discussions, even though there is no legal requirement to do so. The different social partner dialogues in the Member States are crucial, as the primary responsibility for vocational education and training rests at national level. Although structures differ, the social partners are closely involved in developing policies, curricula and qualifications in all Member States, in their bipartite discussions and tripartite forums with government. Further, the focus of the social partners' policy agenda is on monitoring the results and outcomes of the action.



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The issues in the European vocational education and training policy framework and the social partners' framework of actions are summarised in Table 2. As the table shows, many are not new. The 1993 white paper: 'Growth, competitiveness and employment', identified similar ones and a reporting process was introduced in 1994 by the European Council at Essen.

This does not mean the policy framework is irrelevant, or that no progress has been made. Levels of educational attainment and overall participation in vocational education and training are rising. However, it underlines the need for reforms underway in the Member States to be speeded up. Only seven years remain for Europe to achieve its strategic goal and, as labour market analysis suggests, much work remains to be done to implement the agreed European policy framework.

## 1.3. Learning for employment: labour market analysis

The European Council agreed that by 2010 employment rates must be higher and set targets to raise them. Achieving them depends, to a certain extent, on the skills of Europe's workforce. The analysis in the report shows the strong link between the level of education and job prospects and, as shown in Table 1 above, other benchmarks in education and training have been proposed to complement the employment rate targets.

#### 1.3.1. Participation in education and vocational training

To raise levels of educational attainment in the EU, all Member States have encouraged young people to stay on in education and training. Participation in education and initial vocational education and training after compulsory schooling in the EU is high, at least up to the age of 18 and is increasing slowly. In the EU, 85% of young people aged 16 to 18 were in upper secondary or post secondary pre-tertiary education or training in 2001.

More women than men take part in education and training beyond compulsory schooling, but they study different programmes. Four times as many men as women enrolled in computing in the EU from 1999 to 2000. The difference was almost as large in engineering. Reflecting this and the emphasis placed on ICT skills in the future objectives for education and training systems, the policy framework includes a target to halve the gender gap in students of science, mathematics and technology. In contrast, almost three times as many women as men followed health and social science



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Table 2. Key elements of the European policy framework for education, training and lifelong learning

Social partners actions	European employment strategy	Weaknesses of education and training systems 1993	Lifelong learning
<ul> <li>identifying and anticipating competences and qualifications needs;</li> <li>recognising and validating competences and qualifications;</li> <li>information, support and guidance;</li> <li>resources.</li> </ul>	<ul> <li>active and preventive measures for the unemployed and inactive;</li> <li>promote job creation by fostering entrepreneurship;</li> <li>address change and promote adaptability in work;</li> <li>more and better investment in human capital and strategies for lifelong learning;</li> <li>increase labour supply and promote active ageing;</li> <li>gender equality;</li> <li>integrate and combat discrimination against people at a disadvantage in the labour market.</li> </ul>	<ul> <li>shortage of skills in science and technology;</li> <li>rather high number of young people in Europe leaving school without basic training (which in turn contributes to social exclusion);</li> <li>inadequate development of systems of continuing training and access to it;</li> <li>lack of a genuine European skills market in both skills and qualifications; and</li> <li>lack of opportunities for open and distance learning.</li> </ul>	<ul> <li>promote lifelong learning by setting targets for increased investment in human resources and develop initiatives to stimulate private investment in learning;</li> <li>promote learning at the workplace;</li> <li>improve the education and training of teachers and trainers;</li> <li>encourage measures to validate learning outcomes to bridge between formal, informal and non-formal learning;</li> <li>develop target specific information, guidance and advice;</li> <li>improve</li> </ul>



participation in lifelong learning.

#### Concrete future objectives (numbering corresponds to Council conclusions)

- 1. Increasing the quality and effectiveness of education and training systems in the EU.
  - 1.1. Improving education and training for teachers and trainers;
  - 1.2. Developing skills for the knowledge society
  - 1.3. Ensuring access to ICTs for everyone
  - 1.4. Increasing recruitment to scientific and technical studies
  - 1.5. Making the best use of resources
- 2. Promoting access of all to education and training.
  - 2.1. Open learning environment
  - 2.2. Making learning more attractive
  - 2.3. Supporting active citizenship, equal opportunities and social cohesion
- 3. Opening education and training systems to the world.
  - 3.1. Strengthening links with working life and research and society at large
  - 3.2. Developing the spirit of enterprise
  - 3.3. Improving foreign language learning
  - 3.4. Increasing mobility and exchange
  - 3.5. Strengthening European cooperation

#### Strengthening cooperation

- developing the European dimension by mobility, partnerships and other crossnational initiatives;
- improving transparency, information and guidance:
  - (a) increasing transparency by rationalising tools and integrating instruments into one single framework.
  - (b) strengthening policies, systems and practices supporting information, guidance and counselling.
- recognising competences and qualifications including a scheme for transferring credits between programmes:
  - (a) studying common principles of certification for qualifications and a credit transfer system for vocational education and training;
  - (b) supporting qualification and competence development at sectoral level, especially with the social partners;
  - (c) developing common principles on validating non-formal and informal learning to ensure greater compatibility;
- · encouraging Member States to upgrade quality assurance through exchanges of models and methods:
  - (a) promoting cooperation in quality assurance by exchanging models and methods and common criteria;
  - (b) giving attention to the learning needs of teachers and trainers within all forms of vocational education and training.

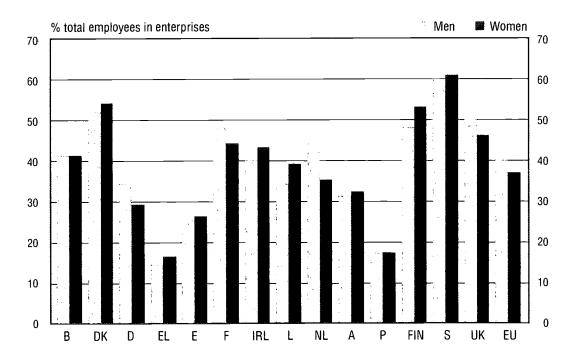


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programmes as well as educational studies, which are also expected areas of job growth.

The benchmark to encourage lifelong learning is to increase adult participation in education and training learning from an EU average of around 10% to 15% by 2010. The policy framework emphasises the importance of learning at the workplace as part of lifelong learning. However, evidence suggests that once young people enter the labour market and begin work, a significant proportion no longer take part in education and training. In 2001, around 65% of those in the EU aged 19 to 22 and over 80% of 23 to 24 year-olds who were in employment did not receive education or training. According to the continuing vocational training survey (CVTS), just under 40% of men and women in employment in the EU took part in vocational training in 1999 in the sectors covered (education, health, social and communal services and agriculture were excluded) (Graph 1). Evidence also suggests that few people attain a higher level of education after their late 20s.

Graph 1. Participation of men and women in continuing training, 1999



The rather low proportion of people in jobs receiving training underlines the conclusions in the European Commission's communication, 'Investing efficiently in education and training', of a shortage of private funding by enterprises and individuals in education and training.



#### 1.3.2. Equal opportunities and social inclusion

High employment and social cohesion, depends to a major extent on increasing employment among four key sections of the population – low-qualified young people, women of prime working age, older people and those at a disadvantage on the labour market. The employment prospects of these groups are influenced to some extent by their access to education and training and acquiring of the skills they need.

## 1.3.2.1. Reducing the number of young people with inadequate educational qualifications

The policy framework sets a target of halving the number of 18 to 24 year-olds not in education and training by 2010. Despite the steady increase in the number of young people staying on after compulsory education, in 2001 in the EU, around 45% of young people aged between 19 and 22 and two-thirds of 23 and 24 year-olds were not in education and training. In most countries, the drop-out rate was significantly higher for young men than for young women. In contrast, whereas most men aged 19 to 22 with low education and not receiving training were in work, half the women were not in jobs and most not even in the workforce (Graph 2).

Graph 2. Participation of men and women aged 19-22 in education and training by employment status





#### 1.3.2.2. Equal opportunities

The increase in the number of women in work is the most pronounced feature of labour market developments in the EU over the past few decades. The European Council's aim is to increase the employment rate of women from its current rate of 52% to at least 60%. Although it is not the only factor in their finding jobs, there is a strong link between levels of education and employment prospects for women. In the EU, only 50% of women with only basic schooling were in employment in 2001, as opposed to over 80% of those with tertiary education (Graph 3). The challenge facing Member States is to ensure access to the labour market and training for those with poor educational qualifications.

Unemployed Employed % women 25-54 100 100 Left bar low, middle bar medium, right bar high 90 90 80 80 70 70 60 60 50 50 40 40 30 30 20 20 10 10 EU NLFIN S UK DK Ε

Graph 3. Women aged 25-54 in the labour force by education attainment level, 2001

#### 1.3.2.3. Reducing early retirement among older workers

Demographic trends mean a significant increase in the number of people aged 50 and older, but an increasing number of them leave the workforce before reaching the official age of retirement.

In 2001, under half of men aged 55 to 64 and less than a quarter of women were in employment. To reverse this trend the European Council set a target of increasing the employment rate of people aged between 55 and 64 to 50% by 2010.



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That so many retiring early from the workforce have low levels of education suggests a lack of job opportunities in the areas in which their skills lie. Only around 40% of men and 20% of women aged 55 to 64 with basic schooling were in employment in 2001. This stems largely from the limited access of older workers to training. Evidence shows that participation in continuing training declines markedly with age in all Member States. Men and women in their 50s and early 60s are, on average, around half as likely to receive training as those in their 30s.

#### 1.3.2.4. Integrating disadvantaged groups into the workforce

Information on the difficulties faced by disadvantaged sections of the population – through disability, discrimination, or social problems – and on the numbers involved is scarce. The data available show the employment rates of these groups are much lower, and unemployment higher, than for others even considering their generally lower level of educational attainment.

For example, there are estimated to be over 37 million people – one in 10 in the 15 Member States – with a disability. They are, however, not only less likely to be employed, but even in work are less likely to take part in continuing training. Able-bodied men appear almost twice as likely to receive education or training than employed men with disabilities.

## 1.4. Reducing skills gaps

Structural shifts in the EU economy towards both knowledge-intensive jobs and knowledge-based sectors imply a general increase in education and skill levels among the workforce is needed to meet employment rate targets.

#### 1.4.1. Rising levels of educational attainment

All Member States have seen an increase in educational attainment levels as more young people have remained in education and training beyond compulsory schooling. There is no consistent data to measure the rise in levels of education, but comparing the attainment levels of successive generations shows higher numbers with upper secondary and tertiary education among younger age groups. However, despite this increase, the average level of educational attainment in the EU, is below that of some of the future Member States (Graph 4).

It is difficult to assess whether the current rate of increase will enable the EU to reach the proposed target of raising the proportion of working population having at least upper-secondary education from around 65 % to



48 1 7

% population 25-64 Tertiary education Upper secondary education 100 100 NB: MT no data 90 90 80 80 70 70 60 60 50 50 40 30 20 20 10 10 0 0 BG CY CZ EE ΗU LT LV PLR0 SI SK CC EU

Graph 4. Educational attainment among population aged 25-64 in candidate countries, 2002

80% by 2010. One problem is that increases in educational attainment are concentrated among younger people and demographic changes mean that fewer will enter the labour market. The implication is that Member States cannot rely only on young people staying on in formal systems to reach the proposed target. Section 1.3.1. shows that participation in education and training by those in jobs and by people past their 20s is rather low. Further, training for those in work is often job-specific and does not lead to a formal qualification. This emphasises the need to open systems and promote learning at the workplace leading to formal qualifications.

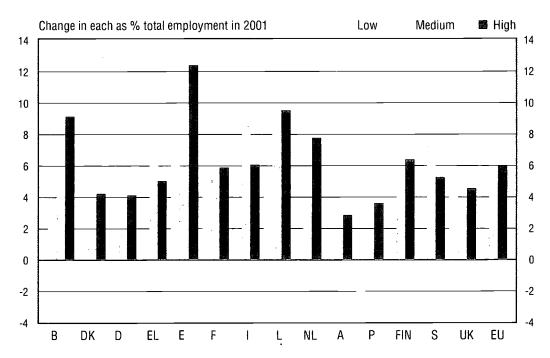
#### 1.4.2. Prospective labour requirements in 2010

The trend in rising levels of education has been accompanied by a marked shift in employment from agriculture and manufacturing into services and from occupations requiring intellectual, rather than physical, abilities. An analysis of the growth of prospective labour requirements up to 2010, based on continuing current trends, shows that most net job creation is likely to be for those in higher grade occupations (Graph 5).

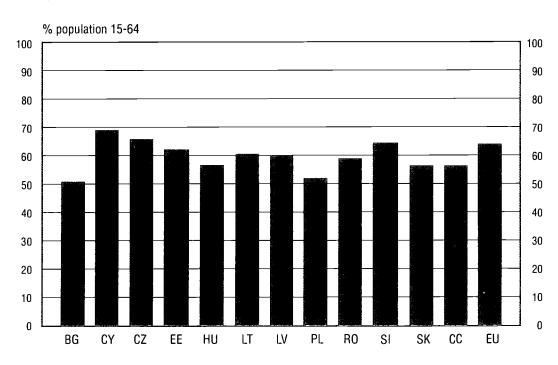
Services, which already provide over two-thirds of the jobs in the EU, will continue to be the main source of job growth between now and 2010. For



Graph 5. Growth of employment by educational attainment, 2001-2010



Graph 6. Employment rates (15-64) in candidate countries, 2002





example, growth in services has been in its advanced sectors, especially business activities and communal services, such as health care and education, which together accounted for 60% of net job creation in the EU in the second half of the 1990s. The main increase in employment is likely to be in these sectors, especially for managers, professionals and technicians.

Although most net growth in employment is likely to be in higher-grade jobs, there will still be demand for lower-skilled jobs. Despite the continuing shift towards more knowledge-intensive jobs, most of those working in 2010, as now, will be in jobs requiring lower levels of educational attainment. In 2001, half the employment in the EU was in manual jobs, sales and service activities. By 2010, the proportion is likely to be around 45%. This does not mean people in these jobs will not require training. Rather the changing structure of the economy will require people to change either their jobs, or the sectors they work in, or both, implying a need to learn new skills and access to the training required.

Continuation of present trends implies that labour shortages in future years could be as acute at the bottom end of the skill spectrum as at the top where policy tends to focus. Member States have pointed to the scarcity of workers in engineering and craft-related jobs. The need to provide training in these skills is no less important than the need to ensure there are enough people with ICT expertise.

EU enlargement is also a major challenge. The Lisbon strategic goal set for an EU of 15 Member States will have to be met by 2010 by an EU of at least 25. Many of the future Member States have employment rates below the EU average (Graph 6).

## 1.5. Improving vocational education and training in the Member States

Member States, who have responsibility for the organisation and content of their vocational education and training systems, began reforming them in the 1990s. Each Member State's approach to reform reflects the nature of its system. The value of the European policy framework is that it reflects common priorities and provides a reference point to orient and measure progress. Member States are at different stages of reform. Some have made considerable progress, others need to make greater efforts as the European Commission pointed out in its 'Impact evaluation of the employment strategy'. Some common trends in Member States policies can be summed up as aiming to:



- improve the quality of education and training systems, by changing structures and processes and providing better training to teachers and trainers;
- align education and training more with labour market needs through emphasis on vocational aspects of study programmes in many countries and closer cooperation between educational institutions and the business sector to meet the needs of local or regional labour markets;
- provide core ICT skills, recognising the importance of the knowledge society, with emphasis on the most vulnerable groups in society;
- encourage training by individuals and/or organisations through financial incentives;
- increase recognition of formal and non-formal learning: this necessarily entails some system of recognition and/or validation of non-formal training and experience;
- increase transparency of vocational qualifications and improve opportunities for mobility for those in training.

The social partners support reform and agreements have been made with governments in several Member States. Against this background, some Member States have introduced measures focused on those sections of the workforce that need to be more fully integrated into the labour market if the employment rate targets are to be reached.

To reduce the number leaving education with inadequate qualifications some Member States, for example Belgium and Italy have taken steps to try to ensure all 16 to 18 year-olds undertake some form of education or training. Others, such as Germany and Greece offer a second chance to those dropping out to catch up on their education. To encourage women to enter the labour market and improve their job prospects, many Member States, including Austria, Denmark, Finland, Italy, Portugal and Spain have used vocational education and training to combat occupational gender segregation and encourage women into more male-dominated occupations. In Finland, action has also been taken to encourage men into female-dominated occupations. Measures have been taken in Austria, Denmark, Germany, Greece, Spain and Sweden to train women in new technologies. In Germany, the target has been set to increase the number of women in IT training by 40% by 2005.

Efforts to keep older workers in the labour market have focused on fiscal measures to discourage early retirement. Only in a few Member States, for example Austria, Finland, Sweden, and the UK are there signs of providing training to encourage older workers to stay in work and action taken to increase their numbers in training programmes. Several Member States have introduced measures to provide access for those with disabilities to basic schooling (such as Spain) and further education and training (as in Sweden).



Efforts have also been made to increase their participation in labour market training programmes in France, the Netherlands and Portugal. For immigrants and ethnic minorities, some Member States including Denmark, Germany, Greece and the Netherlands have set up language programmes, in part to increase their participation in education and training. In others, such as the Netherlands and the UK monitoring systems have been introduced to track these groups on the labour market.

#### 1.6. Conclusions

The report's analysis shows that labour market trends have major implications for vocational education and training policy.

To meet the employment rate targets set by the European Council, the net increase in employment needs to average 1-1.5% a year over the present decade, around the same rate as between 1995 and 2001. However, the jobs created need to be filled. Although education and training is only one of many factors affecting job prospects, the links between educational attainment and employment rates show it is an influential one.

The expected increase in knowledge-intensive jobs argues for continuing the policy to raise general levels of educational attainment. This means continuing to encourage young people to stay on in education and training beyond compulsory schooling and ensuring they have the capacity and core skills to adapt to changes in demand.

However, another important trend in job creation needs to be addressed. There is a danger that rising levels of educational attainment will raise expectations of the work people will look for and accept and a significant number of the new jobs, traditionally regarded as unskilled or semi-skilled, will not be filled. To achieve the employment rate targets set at Lisbon, the potential difficulty of filling these jobs cannot be ignored. The social partners in certain sectors - notably cleaning, private security and tourism - are looking to raise the status of certain jobs in their sectors by improving levels of professionalism and introducing qualifications. Using qualifications and training to raise the status of traditionally low-skilled jobs - as well as making those in them adaptable and employable - should be in the policy framework as part of improving the quality of work. This might be taken forward by the Bruges-Copenhagen processes to provide support to the social partners at European and national levels.

As well as reaching jobs largely outside the scope of training, meeting employment rate targets and benchmarks for participation in lifelong learning



and educational attainment requires focus on people outside formal education and training. This is reinforced by demographic change as fewer young people mean a smaller proportion of the labour market acquiring qualifications in formal education and training. This requires changing how people can learn and acquire qualifications to reach those who traditionally do not take part in education and training whether in work or not.

This is not new. However, access to training for increasingly important sections of the workforce remains limited in many countries, despite their being the target of various training measures for some time. So, it is argued that Member States be invited to set targets, considering their own circumstances, for women aged 25 to 64, older workers 55 to 64 and people with disabilities taking part in education and training. Such targets would complement those agreed by the European Council. They could be included in the guidelines of the employment strategy, which recognises the importance of integrating these groups more fully into the labour market. It would also improve monitoring lifelong learning in Member States.

To reach those in jobs, the policy framework recognises the importance of learning at the workplace and non-formal learning. Member States and social partners need to promote actively wider recognition of non-formal learning (particularly at work), in terms of method and acceptance on the labour market. This is necessary if a culture of learning is to be created, where people expect to learn through everyday tasks and where their skills are more visible.

New approaches to learning can also bring down its costs. Who pays for education and training is a question that needs to be addressed in more depth. There is no single solution to sharing the costs of training between government, employers, trade unions and individuals - the model will vary between the Member States in line with their traditions. The rather low figures for those in jobs taking part in training, supports the European Commission's view that there is a private funding deficit and there is a trend towards requiring those who benefit most directly from the training, principally enterprises and individuals, to pay more for it. However, increasing training among the groups identified above that need to be drawn into the labour market will require support from public funds.

Member States are keen to improve the transparency of qualifications with common formats for information. The social partners efforts, notably in the European-level sectoral social dialogue, are improving recognition of qualifications across Europe in certain sectors. However, their work is taking place in isolation. Support from the Bruges-Copenhagen process for their work will be valuable. In particular, it can encourage exchanges between



sectors facing similar problems and lend political support for the proposals drawn up.

The European vocational education and training policy framework is comprehensive. It emphasises learning for employment. It is strengthened by the social partners framework of actions and their work in the various social dialogues and in tripartite discussion with government at European level and nationally. The open method of coordination, comprising indicators, benchmarks and priority areas for peer review is the major difference between the reforms currently underway and the follow-up to the 'Growth competitiveness and employment' white paper of 1993. It is acting as a spur to reform by providing comparisons of performance between Member States and ensures that the European policy framework is used by Member States as a reference point for their policies. The Bruges-Copenhagen processes are reinforcing the open method of coordination by encouraging national ministries to work together on European priorities. The European employment strategy formula of agreeing common, politically binding goals and reporting on progress made, has proved successful. Its application to the Lisbon follow-up is a significant development.

In conclusion, this report argues that reform needs to be speeded up, participation of key sectors of the workforce in education and training needs to be encouraged and monitored more closely and potential labour shortages at the lower end of the skills spectrum should not be overlooked. These are major challenges. Nevertheless, the aim of the European Council to set a strategic goal to strengthen employment and economic reform and modernise the European social model has had the desired effect. The EU is working hard to become the most competitive and dynamic knowledge-based economy in the world and there is strong determination to make the necessary changes. Expectations are that the quality of vocational education and training can be improved and to make Europe's education and training systems a reference point for the world by 2010.



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## Learning for employment

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