

This book is dedicated to Julie Murray
its co-author who died, after a long illness,
on 24 January 2004.

Despite great adversity her dedication
saw this work through to completion.

Her courage, kindness, warmth
and professionalism are an example to all.



Learning for employment

Second report
on vocational education and training
in Europe

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>).

Cataloguing data can be found at the end of this publication.

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Europe 123
GR-570 01 Thessaloniki (Pylea)

Postal address: PO Box 22427
GR-551 02 Thessaloniki

Tel. (30) 23 10 49 01 11
Fax (30) 23 10 49 00 20
E-mail: info@cedefop.eu.int
Homepage: www.cedefop.eu.int
Interactive website: www.trainingvillage.gr

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Steve Bainbridge, Julie Murray (*Cedefop*)
Tim Harrison, Terry Ward (*Alphametrics*)

Edited by: Cedefop
Steve Bainbridge, Julie Murray
Project managers

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Johan van Rens, *Director*
Stavros Stavrou, *Deputy Director*

Preface

I very much welcome Cedefop's second report on vocational education and training policy in Europe. Since the first report – *An Age of Learning* - was published in January 2000, much has been achieved in this important area. A clear policy framework is now in place at European level, to support practical measures of cooperation within the Member States. Since the year 2000, significant steps have been taken to develop this framework in the context of lifelong learning, and this remains the key element in the further evolution of vocational education and training.

The European Union Community has set a target for we Europeans to live in the most competitive and dynamic, knowledge-based economy in the world by 2010. This strategic goal, set by the European Council at Lisbon in March 2000, has galvanised actions in Europe to develop better policies for modernising the European social model, investing in people and combating social exclusion. Lifelong learning and education and training are at the heart of a comprehensive plan to achieve this strategic goal. This plan has been developed in vocational education and training with the active support of the Member States, the social partners and the European institutions, including the European Commission, to ensure that education and training systems meet the needs of the knowledge-based economy.

Much work is underway. However, this report emphasises the need for continued action, to ensure that the ambitious targets set at Lisbon, and other European Councils are met. Many reforms are still required to make lifelong learning a reality throughout the EU. This report highlights the steps we need to take to achieve this goal.

Viviane Reding,
*Member of the Commission, responsible
for Education and Culture*

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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 on developing 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:

- (a) 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;
- (b) in 2001, around 45 % of young people aged between 19 and 22 in the EU were not in education and training;
- (c) 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;
- (d) 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;
- (e) on average, in the EU, less than half those aged 55 and over are working;
- (f) 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 were agreed on (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.

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 aims 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

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, an EU average rate of no more than 10 % of early school leavers should be achieved;
- the total number of graduates in mathematics, science, technology in the EU should increase by at least 15 % by 2010, while at the same time the gender imbalance should decrease;
- by 2010, EU average participation in lifelong learning should be at least 12.5 % of the adult working population (25 to 64 age group);
- by 2010 at least 85 % of 22 year olds in the EU should have completed upper secondary education;
- 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 skill gaps;
- increase employment in services.

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

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
- identifying and anticipating competences and qualifications needs; - recognising and validating competences and qualifications; - information, support and guidance; - resources.	- active and preventive measures for the unemployed and inactive; - promote job creation by fostering entrepreneurship; - address change and promote adaptability in work; - more and better investment in human capital and strategies for lifelong learning; - increase labour supply and promote active ageing; - gender equality; - integrate and combat discrimination against people at a disadvantage in the labour market.	- shortage of skills in science and technology; - rather high number of young people in Europe leaving school without basic training (which in turn contributes to social exclusion); - inadequate development of systems of continuing training and access to it; - lack of a genuine European skills market in both skills and qualifications; and - lack of opportunities for open and distance learning.
Lifelong learning	Concrete future objectives (numbering corresponds to Council conclusions)	Strengthening cooperation
- promote lifelong learning by setting targets for increased investment in human resources and develop initiatives to stimulate private investment in learning; - promote learning at the workplace; - improve the education and training of teachers and trainers; - encourage measures to validate learning outcomes to bridge between formal, informal and non-formal learning; - develop target specific information, guidance and advice; - improve participation in lifelong learning.	- Increasing the quality and effectiveness of education and training systems in the EU. - improving education and training for teachers and trainers; - developing skills for the knowledge society - ensuring access to ICTs for everyone - increasing recruitment to scientific and technical studies - making the best use of resources - Promoting access of all to education and training. - open learning environment - making learning more attractive - supporting active citizenship, equal opportunities and social cohesion - Opening education and training systems to the world. - strengthening links with working life and research and society at large - developing the spirit of enterprise - improving foreign language learning - increasing mobility and exchange - strengthening European cooperation	- developing the European dimension by mobility, partnerships and other cross-national initiatives; - improving transparency, information and guidance: - increasing transparency by rationalising tools and integrating instruments into one single framework. - strengthening policies, systems and practices supporting information, guidance and counselling. - recognising competences and qualifications including a scheme for transferring credits between programmes: - studying common principles of certification for qualifications and a credit transfer system for vocational education and training; - supporting qualification and competence development at sectoral level, especially with the social partners; - 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: - promoting cooperation in quality assurance by exchanging models and methods and common criteria; - giving attention to the learning needs of teachers and trainers within all forms of vocational education and training.

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.

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 reduce 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 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 from an EU average of around 10 % to 12.5 % by 2010. The policy framework emphasises the importance of learning at the

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

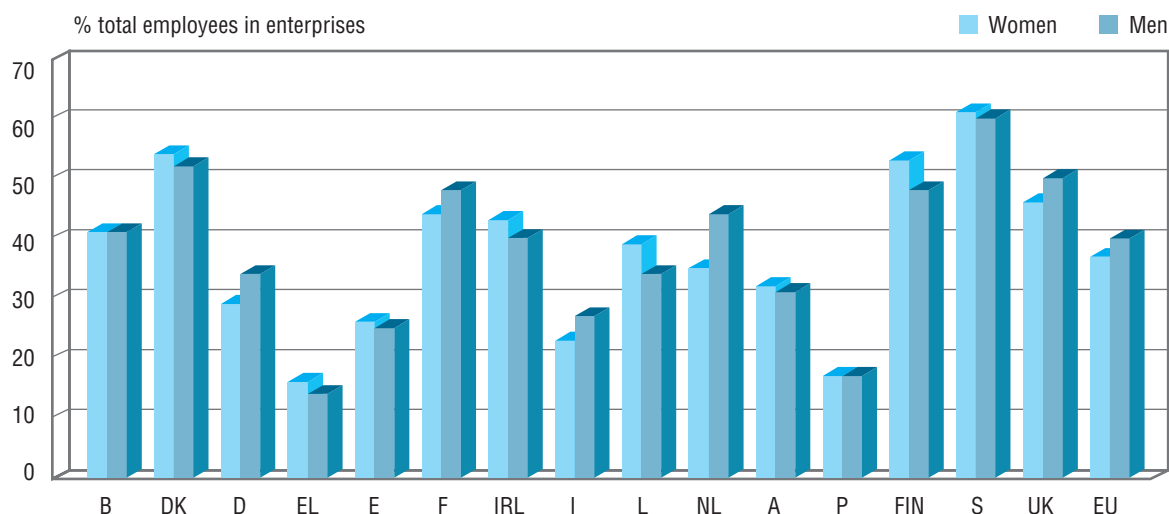
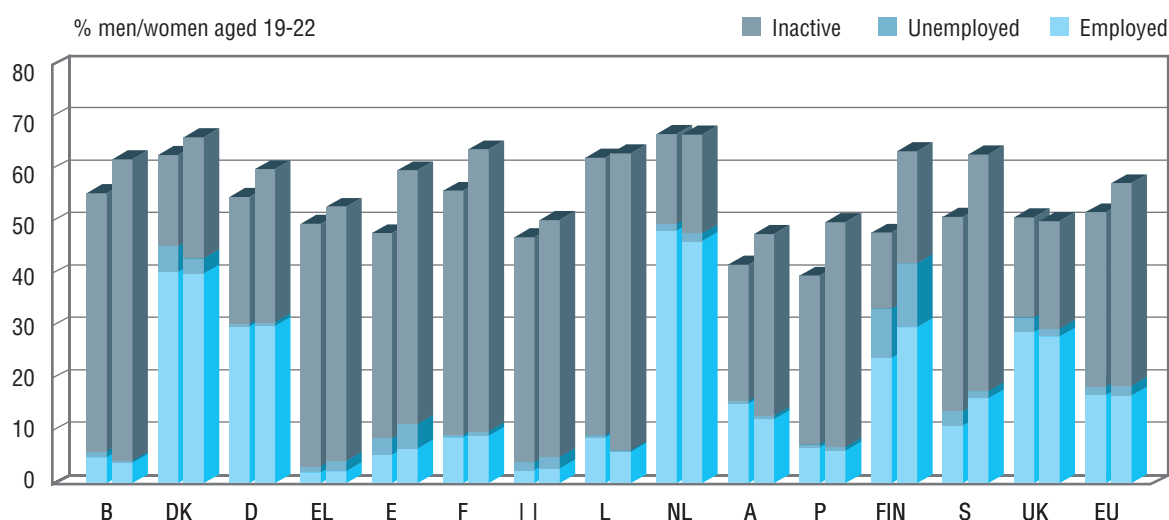


Figure 2. Participation of men and women aged 19-22 in education and training by employment status



(No data for IRL - left bar men, right bar women)

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) (Figure 1). Evidence also suggests that few people attain a higher level of education after their late 20s.

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 in the labour market. The employment prospects of these groups are influenced to some extent by their access to education and training and acquisition 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 reducing 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 (Figure 2).

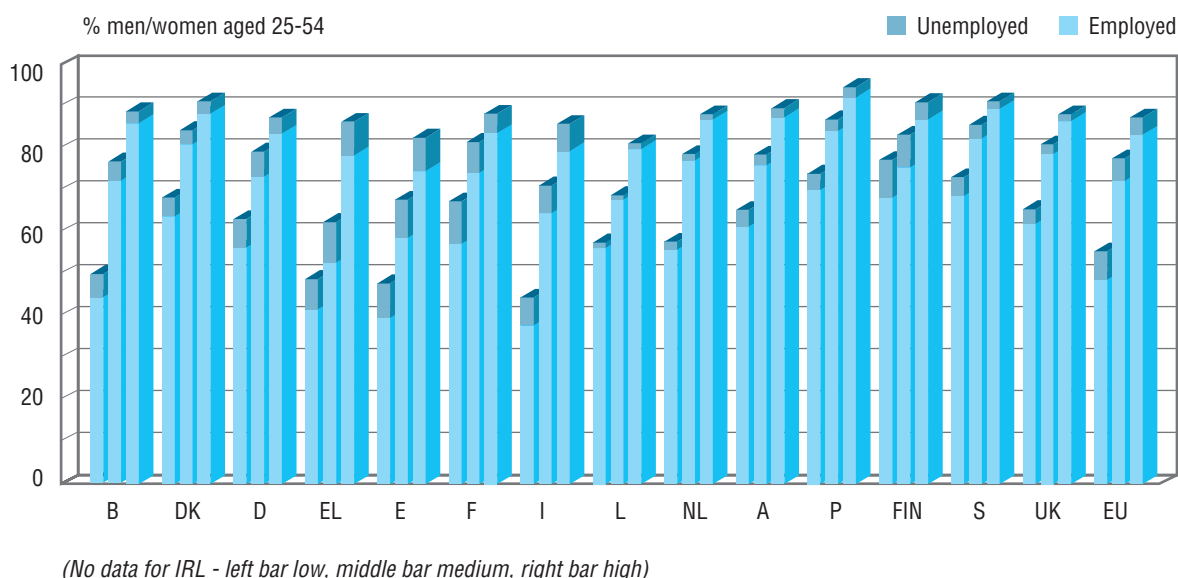
1.3.2.2. Equal opportunities

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 (Figure 3). The challenge facing Member States is to ensure access to the labour market and training for those with poor educational qualifications.

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

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



and 64 to 50 % by 2010.

The fact 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 – 1 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

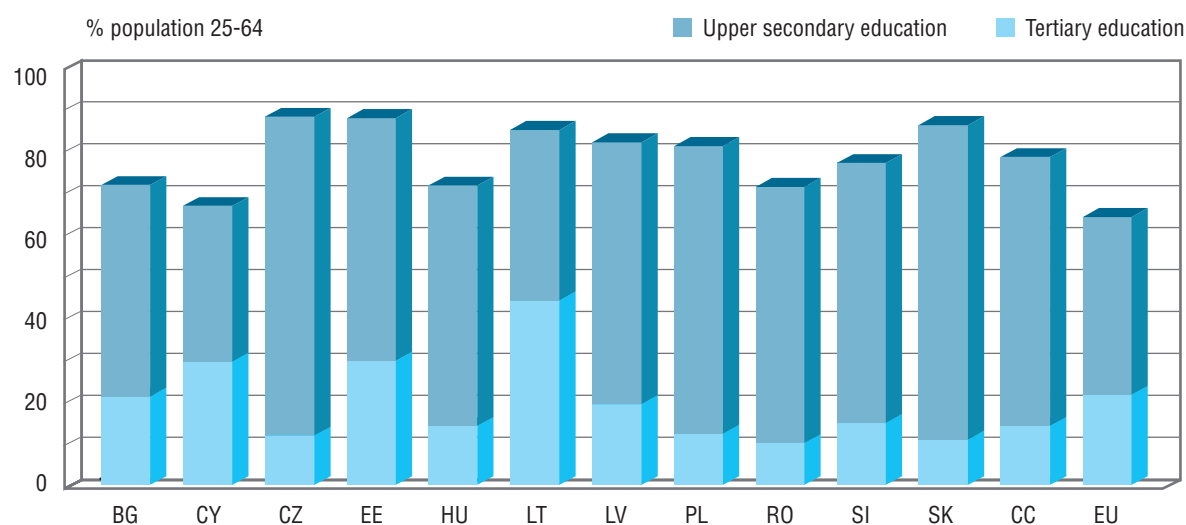
Structural shifts in the EU economy towards both knowledge-intensive jobs and knowledge-based sectors imply a general increase in education and skill levels among the workforce is needed to meet employment rate targets.

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 candidate countries (Figure 4).

It is difficult to assess whether the current rate

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



(No data for MT and TR)

of increase will enable the EU to reach the proposed target of raising the proportion of 22 year olds having at least upper-secondary education to 85 % 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. of this executive summary 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 in the workplace leading to formal qualifications.

1.4.2. Prospective labour requirements in 2010

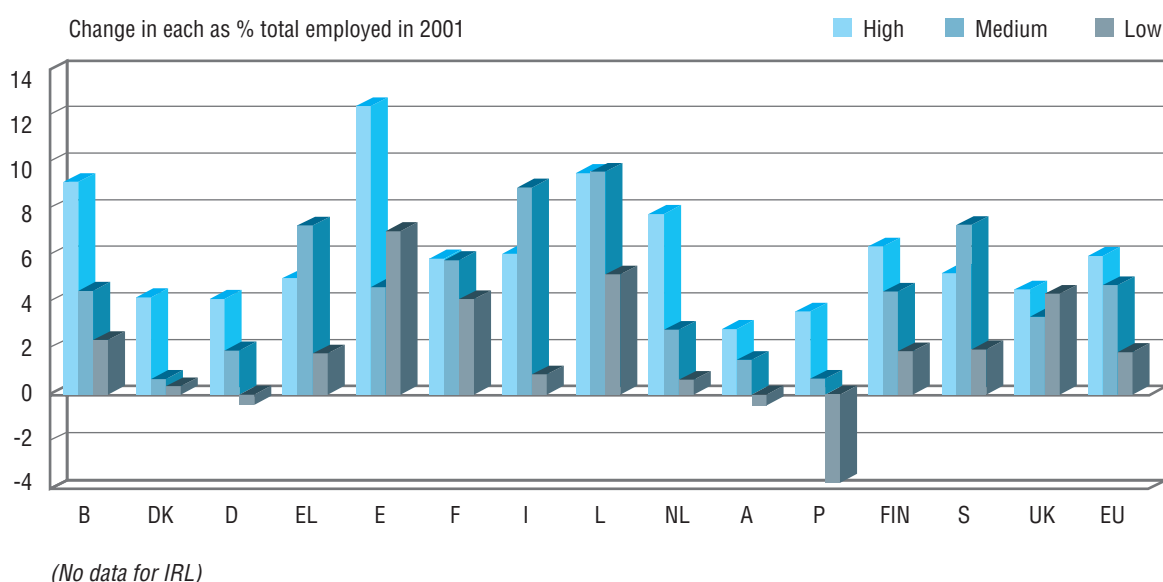
The trend in rising levels of education has been accompanied by a marked shift in employment from agriculture and manufacturing into services and to occupations requiring intellectual, rather than physical, abilities. An analysis of the growth of prospective labour requirements up to 2010, based on continuing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

Figure 5. Growth of employment by educational attainment 2001-2010



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 candidate countries have employment rates below the EU average (Figure 6).

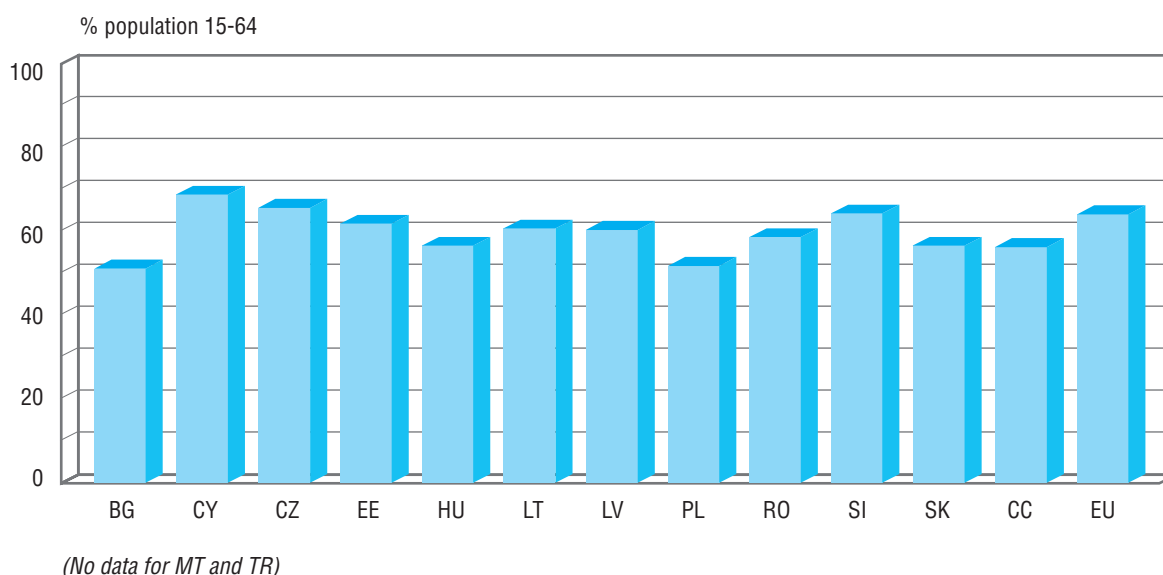
1.5. Improving vocational education and training in Member States

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:

- (a) improve the quality of education and training systems, by changing structures and processes and providing better training to teachers and trainers;
- (b) 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;
- (c) provide core ICT skills, recognising the importance of the knowledge society, with emphasis on the most vulnerable groups in society;
- (d) encourage training by individuals and/or organisations through financial incentives;
- (e) increase recognition of formal and non-formal learning: this necessarily entails some system of recognition and/or validation of non-formal training and experience;
- (f) increase transparency of vocational qualifications and improve opportunities for mobility for those in training.

Figure 6. Employment rates 15-64 acceding and candidate countries, 2002



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 Denmark, Spain, Italy, Austria, Portugal and Finland 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 Denmark, Germany, Greece, Spain, Austria, 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 in 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 type of 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 implies 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 of lifelong learning in Member States.

The policy framework recognises the importance of learning at the workplace and non-formal learning to reach those in jobs. Member States and social partners need to promote actively wider recognition of non-formal learning (particularly at work), in terms of method and acceptance in 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 under way 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, making Europe's education and training systems a reference point for the world by 2010.

Introduction

This report aims to contribute to, and stimulate the debate on, the development of vocational education and training policy in the European Union (EU). Following the first report published in 2000 (Bainbridge, Murray, 2000), it looks at developments in European vocational education and training policy, in particular since 1999.

Chapter 1 looks at the development of the political and legal framework of Community vocational education and training policy and its implementation. It shows how the policy framework established by the European *acquis* has supported the use of vocational education and training as an instrument of active labour market and social policy in Member States. It also outlines how the aim to make lifelong learning a reality encouraged examination and reform of vocational education and training systems. The chapter examines how policy in this area is an integral part of the overall strategy to make the EU the most dynamic knowledge-based economy in the world by 2010, a strategic goal set at the Lisbon European Council in March 2000.

The chapter goes on to show how this strategic goal and the series of specific targets and benchmarks to raise employment rates, educational attainment and participation in vocational education and training have acted as the driving force for the European Commission, Member States and social partners to establish a clear policy framework for the development of European vocational education and training.

Chapter 2 looks at the substantial contribution to vocational education and training policy in Europe made by the social partners through the social dialogue. It examines the action taken at different levels of the social dialogue in Europe – the European cross-sectoral, European sectoral, in enterprises through European works councils and in Member States. It points to major developments in the social dialogue, reflecting the high priority the social partners are

giving to vocational education and training. The chapter shows that agreements on vocational education and training between the social partners at cross-sectoral level, to a certain degree, anticipated the emergence of a more autonomous European social dialogue, encouraging social partners to focus their discussions and exploit their capacity for independent decision-making to achieve the objectives agreed at Lisbon. It shows the wide range of instruments used by the social partners to improve vocational education and training at all levels, including joint opinions, policy statements, training manuals, and joint participation in projects.

Chapter 3 examines the extent to which different sections of the working population take part in initial and continuing training. It analyses participation by young people under 25 in education and training, which varies significantly across the EU and argues it needs to increase if the number of qualified young people entering the labour market is to be maintained. The chapter looks at the link between labour force participation and participation in education and training showing that those with low education are much less likely to be involved in continuing training. Participation in vocational education and training of workers also depends on the sector and the size of the firm in which they work.

Chapter 4 examines the role of vocational education and training in raising employability and skills levels for specific groups in the working population. It looks at four key sections of the workforce, or potential workforce, on which the future availability of labour in the EU is likely to depend: women of prime working age, young people, older workers and disadvantaged groups. Each are specific targets for policy under the employment guidelines. Measures to improve employability of these groups are examined in the context of the

Lisbon European Council which set the objectives of modernising the European social model, investing in people and combating social exclusion as one of its strategic goals for the next decade.

Chapter 5 extends current labour market trends up to 2010 to provide a rough forecast of how the labour market might look. The analysis indicates a clear trend towards the growth of high quality jobs, seemingly requiring relatively high levels of know-how and educational attainment, coupled with a decline in manual jobs. Nevertheless the analysis also shows a significant number of jobs in 2010 will be for semi- and low-skilled workers. The chapter points out the issue is not just the kinds of jobs likely to be created to achieve the targets set at Lisbon, but also whether there will be sufficient numbers of people with the requisite skills to fill them.

Chapter 6 looks at reforms Member States are making to the quality of their education and training systems with particular reference to the European vocational education and training policy outlined in Chapter 1. It looks at the challenges facing teachers and trainers with the development of ICT skills for the knowledge society and e-learning. The chapter examines ways in which access to vocational education and training is being made easier and how people are being encouraged to participate to develop lifelong learning. Finally it looks at the ways in which systems are being opened up, with a particular focus on mobility.

Chapter 7 draws conclusions from the analysis in the previous chapters. It points to the clear policy framework established at European level to improve the quality of, access to and participation in vocational education and training. This policy framework supports the

EU's strategic goal to become the most dynamic knowledge based economy in the world by 2010. The chapter concludes that learning for employment is essential for the EU's strategic goal to be reached. It also concludes that European vocational education and training policy is influencing Member States. However, the chapter points out that although a robust policy framework is now in place, the targets set at Lisbon are very ambitious. Achieving them is complicated further by demographic changes that are taking place and economic changes that might occur in the coming years. It is likely that demands for higher skills will increase, while the ageing structure of the workforce will emphasise the need for people to acquire new, or refresh their skills throughout their working lives. This adds urgency to reforms underway in the Member States.

Overall the report concludes that the problems posed by demographic change and the fall in the numbers of young people entering the labour market are not new. The need to raise skill levels, increase participation and improve access throughout working life, as well as the need to reform and improve education and training systems were highlighted in the early 1990s. The pace of reform has not kept up with the pace of change.

However, the report ends on a positive note. For vocational education and training and lifelong learning, the process of agreeing targets at the Lisbon European Council and the process of putting in place the policy framework to achieve them have, for the time being at least, created a clear sense of direction. They have also raised expectations and a new momentum on a sense of purpose behind the reforms. This momentum needs to continue for the targets to be achieved.

CHAPTER 1

The European vocational education and training policy framework

1.1. Introduction

This chapter looks at the development of the political and legal framework of European vocational education and training policy and its implementation. The political and legal framework for European vocational education and training policy is part of the European *acquis communautaire* (the body of community law that places obligations on Member States or individuals). European Community vocational education and training policy was agreed and came into force in 1992 in the Treaty of Maastricht. It was then transferred unchanged to Article 150 of the Treaty on European Union ⁽¹⁾ (Table 1) agreed at Amsterdam which came into force in May 1999. The *acquis communautaire* defines European vocational education and training policy and other policy areas to which it contributes, and in addition to the treaty article comprises:

- European Community legal instruments – regulations, directives, decisions and recommendations,
- judgements of the European Court of Justice,
- non-binding policy statements – conclusions and resolutions of the Council of Ministers – communications and white and green papers from the European Commission and joint opinions of the social partners.

The chapter shows how the policy framework established by the European *acquis* has supported the development of vocational education and training as an instrument of active labour market and social policy in Member States. It also outlines how the aim to make lifelong learning a reality encouraged examination and reform of vocational education and training systems. The chapter examines

Table 1. Community vocational education and training policy, treaty on European Union, Article 150

1. The Community shall implement a vocational education and training policy which shall support and supplement the action of the Member States, while fully respecting the responsibility of the Member States for the content and organisation of vocational education and training.
2. Community action shall aim to:
 - (i) facilitate adaptation to industrial changes, in particular, through vocational training and retraining;
 - (ii) improve initial and continuing training in order to facilitate vocational integration and reintegration into the labour market;
 - (iii) facilitate access to vocational education and training and encourage mobility of instructors and trainees and particularly young people;
 - (iv) stimulate cooperation on training between educational and training establishments and firms;
 - (v) develop exchanges of information and experience on issues common to the training systems of the Member States.
3. The Community and the Member States shall foster cooperation with third countries and the competent international organisations in the sphere of vocational education and training.
4. The Council, acting in accordance with the procedure referred to in Article 189c and after consulting the Economic and Social Committee, shall adopt measures to contribute to the achievement of the objectives referred to in this Article, excluding any harmonisation of the laws and regulations of the Member States.

Source: The Official Journal of the European Communities

⁽¹⁾ Treaty on European Union (consolidated version) EU Treaty (Maastricht 1992). *Official journal of the European Communities*, C 340, 10.11.1997.

how policy in this area is an integral part of the strategy they to make the EU the most dynamic knowledge-based economy in the world by 2010. It shows that since the Lisbon European Council, in March 2000, a clear, comprehensive and robust framework for European vocational education and training policy has been established and identifies its key elements. It also argues that through clearly defined guidelines and specific benchmarks, supported by a reporting and monitoring process, this framework is influencing vocational education and training policy in the Member States and acting as a spur to reform, as well as encouraging cooperation between different parties throughout Europe.

1.2. An instrument of labour market and social policy

In 1957, the Treaty of Rome setting up the European Economic Community, provided for a common vocational training policy and the Council Decision of 2 April 1963 ⁽²⁾, set down 10 principles for its implementation. Over the years, the policy framework was adapted and redefined through various non-legally binding, but strongly supported, political statements, such as resolutions from the Council of Ministers and communications from the European Commission.

Council resolutions and Commission communications, although not legally binding introduced new forms of cooperation including pilot projects, joint research, networking and exchanges of information and experience. The social partners also contributed to policy

development, through non-legally binding joint opinions encouraging the use of vocational education and training as a tool of employment and active labour market policy. Vocational education and training was seen to play an important role in improving employment prospects, facilitating adaptation to change, supporting the integration of young people and other groups into the labour market, and promoting equal opportunities. From a European perspective, the common vocational education and training policy encouraged debate among Member States enabling national issues to be discussed more widely and areas of common interest identified. In this way, the European level acted as a reference point for national vocational education and training policies.

The development and implementation of the common vocational education and training policy through non-legally binding resolutions, backed up by commitments at a senior political level, changed in the mid-1980s. Following an agreement that the availability of European funds should be sanctioned by a legal instrument based on the Treaty, the common vocational education and training policy was implemented through legally binding decisions introducing a series of action programmes. The programmes evolved and covered the following aspects:

- (a) developing the role of vocational education and training in adapting to change (this was taken forward through the following programmes: Comett I ⁽³⁾ in 1986, Comett II ⁽⁴⁾, 1989, and Eurotecnet ⁽⁵⁾, 1990);
- (b) supporting young people (Petra I ⁽⁶⁾ and II ⁽⁷⁾, 1987 and 1991);

⁽²⁾ Council decision of 2 April 1963, laying down the principles for implementing a common vocational training policy (63/266/EEC). *Official journal of the European Communities, Official journal of the European Communities*, 63, 20.4.1963.

⁽³⁾ Council decision of 24 July 1986 establishing a programme on cooperation between universities and enterprises regarding training in the field of technology (Comett) (86/365/EEC). *Official journal of the European Communities*, L 222, 8.8.1986, p. 17.

⁽⁴⁾ Council decision of 16 December 1988 adopting the second phase of the programme on cooperation between universities and industry regarding training in the field of technology (Comett II) (1990 to 1994) (89/27/EEC). *Official journal of the European Communities*, L 13, 17.1.1989, p. 28.

⁽⁵⁾ Council decision of 18 December 1989 establishing an action programme to promote innovation in the field of vocational training resulting from technological change in the European Community (Eurotecnet) (89/657/EEC). *Official journal of the European Communities*, L 393, 30.12.1989, p. 29.

⁽⁶⁾ Council decision of 1 December 1987 establishing an action programme for the vocational training of young people and their preparation for adult and working life (Petra) (87/569/EEC). *Official journal of the European Communities*, L 346, 16.12.1987, p. 31.

⁽⁷⁾ Council decision of 22 July 1991 amending Decision 87/569/EEC concerning an action programme for the vocational training of young people and their preparation for working life (Petra) (91/387/EEC). *Official journal of the European Communities*, L 214, 2.8.1991.

- (c) improving continuing training (Force ⁽⁸⁾, 1990);
- (d) promoting cooperation in higher education (Erasmus ⁽⁹⁾, 1987), language learning (Lingua ⁽¹⁰⁾, 1990); and
- (e) support for people with disabilities (Helios I ⁽¹¹⁾ and II ⁽¹²⁾, 1988 and 1993).

The 1980s also saw judgements ⁽¹³⁾ by the European Court of Justice (ECJ) which, in the view of Member States, extended European Community competence in education and training. This, and the use of legally binding instruments to implement the common vocational education and training policy, led to Member States becoming concerned over the prospect of Community-wide legally binding regulation of their vocational education and training systems.

Consequently, Member States replaced the common vocational training policy with the Community vocational training policy in the Treaty on European Union agreed at Maastricht in 1992. The new policy was to support and supplement actions in the Member States. Harmonisation of vocational education and training systems was ruled out and Member States' responsibility for their content and organisation reaffirmed. The wording survived subsequent revisions of the Treaty unchanged and is now Article 150 of the Treaty on European Union agreed in Amsterdam.

It is important to understand that the changes made by the Member States sought to preserve the nature of the policy pursued up until that point and maintain the delicate balance between their national interests and those of the

Community. They were introduced to rule out the possibility of intervention at European level in Member States' vocational education and training systems, while continuing the various forms of practical cooperation.

1.3. Towards lifelong learning

Like its predecessor, the new Community vocational education and training policy was developed through non-legally binding instruments (funding for its implementation continued to be provided through action programmes based on legal decisions). The Council agreed a resolution in June 1993 ⁽¹⁴⁾ re-emphasising the importance of vocational education and training in key policy areas. These were adapting to change, supporting young people, combating unemployment and social exclusion, stimulating cooperation between education and training organisations and firms, and promoting mobility. The resolution also pointed to the need to strengthen links between the education and training systems (to provide broad based vocational education and training for young people), and between initial and continuing training, issues that became elements in an evolving policy of lifelong learning.

The European Commission, through two white papers, encouraged the move towards lifelong learning. The first in 1993, *Growth, competitiveness, employment—the challenges and ways forward into the 21st Century* ⁽¹⁵⁾ set out a strategy for more employment-intensive

⁽⁸⁾ Council decision of 29 May 1990 establishing an action programme for the development of continuing vocational training in the European Community (Force) (90/267/EEC). *Official journal of the European Communities*, L 156, 21.6.1990, p. 1.

⁽⁹⁾ Council decision of 15 June 1987 adopting the European Community action scheme for the mobility of university students (Erasmus) (87/327/EEC). *Official journal of the European Communities*, L 166, 25.6.1987.

⁽¹⁰⁾ Council decision of 28 July 1989 establishing an action programme to promote foreign language competence in the European Community (89/489/EEC). *Official journal of the European Communities*, L 239, 16.8.1989, p. 24.

⁽¹¹⁾ Council decision of 18 April 1988 establishing a second community action programme for disabled people (Helios) (88/231/EEC). *Official journal of the European Communities*, L 104, 23.4.1988.

⁽¹²⁾ Council decision of 25 February 1993 establishing a third Community action programme for disabled people (Helios II) (93/136/EEC). *Official journal of the European Communities*, L 56, 9.3.1993.

⁽¹³⁾ Judgement of the Court of 30 May 1989. Commission of the European Communities versus Council of the European Communities. European Community action scheme for the mobility of university students (Erasmus): action for annulment: legal basis vocational training. Case 242/87. *European Court reports*, 1989, p. 01425.

⁽¹⁴⁾ Resolution of the Council of 11 June 1993 on vocational education and training in the 1990s. *Official journal of the European Communities*, C 186, 8.7.1993, p. 3

⁽¹⁵⁾ *White Paper on growth, competitiveness, and employment: the challenges and ways forward into the 21st century*/European Commission. Luxembourg: Office for Official Publications of the European Communities, 1993. (COM (93) 700 final).

growth in the EU. It argued that vocational education and training had a role in combating unemployment and boosting competitiveness and to fulfil this role both education and training systems had to adapt to meet new demands. A number of major weaknesses in the systems were identified, namely:

- (a) deficiency of skills in science and technology;
- (b) relatively high number of young people in Europe leaving school without basic training (which in turn contributed to social exclusion);
- (c) inadequate development of systems of continuing training and access to them;
- (d) lack of a genuine European skills market in both skills and qualifications;
- (e) lack of opportunities for open and distance learning.

To address these weaknesses, the white paper put forward proposals to develop lifelong learning and make continuing training more systematic. It proposed and suggested a European year of lifelong learning, which took place in 1996 ⁽¹⁶⁾.

The second European Commission white paper, *Teaching and learning - towards the learning society*, in 1995 ⁽¹⁷⁾, argued that education and training policies should broaden the knowledge base and improve employability. It advocated developing lifelong learning by more flexible approaches, which accredited learning acquired outside traditional education and training systems. It also encouraged analysis of how policies in other areas, particularly taxation, might act as a disincentive or incentive to investment in vocational education and training.

The Council conclusions ⁽¹⁸⁾ of December 1996, stated that lifelong learning was essential to meet the challenges posed by social, economic and technological change and this, in turn, had implications for existing attitudes towards education and training. It listed a

number of principles on which a strategy for lifelong learning should be based and put forward a framework of areas for further development (Table 2).

Table 2. A strategy for lifelong learning

The Council conclusions on a strategy for lifelong learning in 1996 identified the following as a framework of areas for further development:

- (a) challenges for the school system;
- (b) economic and social considerations;
- (c) continuing education and training;
- (d) pathways and links between general and vocational education;
- (e) access, certification and accreditation;
- (f) teachers and adult educators.

Previous debates and cooperation at European level had focused largely on the role of vocational education and training in contributing to the success of other policies: adaptation to change; improving employment prospects, particularly for certain groups; equal opportunities and the free movement of workers. However, a significant aspect of the debate on lifelong learning was its focus on the need to adapt existing education and training systems. It was not that the learning process had been overlooked; cooperation had long been encouraged in the development of curricula and training material. However, the lifelong learning debate encouraged an appraisal of systems designed to deliver learning and issues surrounding the learning processes and the combination of formal and non-formal learning. It also emphasised vocational education and training as a policy area on its own right, rather than its role in other policy areas.

The Council invited subsequent presidencies to consider the issues in its conclusions in the light of their national priorities and, where appropriate, present draft conclusions to the

⁽¹⁶⁾ Decision of the European Parliament and of the Council of 23 October 1995 establishing 1996 as the 'European year of lifelong learning' (2493/95/EC). *Official journal of the European Communities*, L256, 26.10.1995.

⁽¹⁷⁾ *White paper on teaching and learning: towards the learning society*/European Commission. (COM(95)590 final). Luxembourg: Office for Official Publications of the European Communities, 1995.

⁽¹⁸⁾ Council conclusions of 20 December 1996 on a strategy for lifelong learning. *Official journal of the European Communities*, C 7, 10.1.1997, p. 6-12.

Council. Despite the recognition of the need to improve education and training systems and develop lifelong learning, very few initiatives emerged at European level to implement it.

1.3.1. Community vocational training programmes: Leonardo da Vinci I and Leonardo da Vinci II

The difficulties in moving away from established arrangements to reform systems were reflected in the negotiations over, and implementation of, the first Leonardo da Vinci programme, introduced on 1 January 1995 ⁽¹⁹⁾.

The aim was for the Leonardo da Vinci programme to rationalise and replace the earlier action programmes building on the strengths of its predecessors while supporting the development of lifelong learning. A single programme was intended to break down some of the distinctions between initial and continuing training and between the education and training systems. The Leonardo da Vinci programme was the first introduced under the Maastricht Treaty to implement the Community vocational education and training policy and encourage innovation.

However, the Leonardo da Vinci programme faced difficulties from the outset. Negotiations produced a complex programme with 19 objectives, 4 strands and 22 measures. This complexity undermined the programme's ability to realise its aim. Despite aiming to rationalise measures and promote lifelong learning, the distinction between initial and continuing vocational education and training, which the programme sought to break down, was effectively preserved as measures for each were kept separate. The allocation of resources to measures was very prescriptive, and selection procedures differed for different

measures. This reluctance to move away from the structures created under previous programmes, revealed unwillingness on behalf of Member States to take forward the policy in a way that really took account of the debate on the development of lifelong learning.

In the evaluation report of the first Leonardo da Vinci programme ⁽²⁰⁾, the European Commission acknowledged its complexity and its management difficulties. Despite this, the programme enabled 127 000 young people to undertake a period of training abroad and 77 000 organisations participated in its various projects. The first Leonardo da Vinci programme was the first to stipulate that initiatives it financed involve at least two Member States. The success of this transnational element was noted in the report, which said the programme had promoted the internationalisation of good practice in the quality and content of vocational education and training, innovation and the European dimension.

The Leonardo da Vinci programme was replaced on 1 January 2000, by Leonardo da Vinci II ⁽²¹⁾. It operates for seven years until 2006 compared to five for the first programme, with a budget of EUR 1.15 billion, and continues to encourage cooperation in lifelong learning, support young people, combat social exclusion and promote equal opportunities. Leonardo da Vinci II is simpler than its predecessor, having three objectives and five measures. The mobility projects in Leonardo da Vinci II have been decentralised to Member States. Scope was also introduced to launch joint actions linking projects under the Leonardo da Vinci II with the Socrates programme in education ⁽²²⁾ and the Youth programme ⁽²³⁾. Leonardo da Vinci II strengthened support for projects promoting vocationally oriented language learning and

⁽¹⁹⁾ Council decision of 6 December 1994 establishing an action programme for the implementation of a European Community vocational training policy (94/819/EC). *Official journal of the European Communities*, L 340, 29.12.1994.

⁽²⁰⁾ *Final Report on the implementation of the first phase of the community action programme Leonardo da Vinci (1995-1999): report from the Commission*. Luxembourg: Office for Official Publications of the European Communities. (COM(2000) 863 final).

⁽²¹⁾ Council decision of 26 April 1999 establishing the second phase of the Community vocational training action programme Leonardo da Vinci (99/382/EC). *Official journal of the European Communities*, L 146, 11.6.1999.

⁽²²⁾ Decision No 253/2000/EC of the European Parliament and of the Council of 24 January 2000 establishing the second phase of the Community action programme in the field of education 'Socrates'. *Official journal of the European Communities*, L 28, 3.2.2000.

⁽²³⁾ Decision No 1031/2000/EC of the European Parliament and of the Council of 13 April 2000 establishing the 'Youth' Community action programme. *Official journal of the European Communities*, L 117, 18.5.2000.

introduced a 'language competence' action. During its first 2 years the programme enabled 75 500 young people to participate in mobility programmes and financed nearly 500 pilot projects ⁽²⁴⁾. Importantly, Leonardo da Vinci II was opened up to the candidate countries and supported the development of their vocational education and training systems in preparation for joining the EU.

While the measures Leonardo da Vinci II support are important, when the programme was introduced in 2000, European vocational education and training policy exercised very little influence on policies in Member States beyond the actions in the programme. Although the measures are broad, they work at the micro-level and did not fit into a broader policy framework to support Member States at the macro policy-making level. Consequently, despite improvements over its predecessor, at its introduction there was criticism that European vocational education and training policy was, in effect, only the Leonardo da Vinci II programme (Bainbridge and Murray, 2000). The absence of a policy framework for the programme to operate within and for the European level to influence policy more widely, meant that the EU was no longer playing the important and constructive role it had done in the past as a reference point for developing national vocational education and training policies. Furthermore, such a European policy framework was missing at a crucial time when systems needed to adapt to develop lifelong learning.

1.4. Towards the knowledge-based economy

The situation changed and a clear policy framework for the development of vocational education and training began to be put in place following the conclusions of the Lisbon European Council in March 2000 ⁽²⁵⁾. The conclusions set a strategic goal for the EU to

Table 3. Conclusions of the Lisbon European Council, March 2000

The Union has today set itself a new strategic goal for the next decade: to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion. Achieving this goal requires an overall strategy aimed at:

- preparing the transition to a knowledge-based economy and society by better policies for the information society and R&D, as well as by stepping up the process of structural reform for competitiveness and innovation and by completing the internal market;
- modernising the European social model, investing in people and combating social exclusion;
- sustaining the healthy economic outlook and favourable growth prospects by applying an appropriate macro-economic policy mix.

This strategy is designed to enable the Union to regain the conditions for full employment, and to strengthen regional cohesion in the European Union. The European Council needs to set a goal for full employment in Europe in an emerging new society which is more adapted to the personal choices of women and men. If the measures set out below are implemented against a sound macro-economic background, an average economic growth rate of around 3 % should be a realistic prospect for the coming years.

Implementing this strategy will be achieved by improving the existing processes, introducing a new open method of coordination at all levels, coupled with a stronger guiding and coordinating role for the European Council to ensure more coherent strategic direction and effective monitoring of progress. A meeting of the European Council to be held every Spring will define the relevant mandates and ensure that they are followed up.

Source: Presidency conclusions, Lisbon European Council, 23-24, March 2000.

become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion, by 2010 (Table 3).

A key element of the strategy outlined at

⁽²⁴⁾ European Commission interim report on the start of the operational implementation of the second phase of the Leonardo da Vinci Programme (2000-2006): report from the Commission. Luxembourg: Office for Official Publications of the European Communities. (COM(2002) 315 final).

⁽²⁵⁾ Presidency conclusions: Lisbon European Council, 23 and 24 March 2000.

Lisbon is the modernisation of the European social model, investing in people and combating social exclusion. The Lisbon conclusions gave direction for Europe's education and training systems to adapt to the demands of the knowledge society. They said that education and training systems need to offer learning and training opportunities tailored to target groups at different stages in their lives: young people, unemployed adults and workers at risk.

The Lisbon European Council, having agreed its strategic goal, set out some priority areas and specific benchmarks to achieve it. It set a target to raise the average employment rate in the EU from 61 % to as close as possible to 70 % by 2010 and increase the number of women in employment from an average of 51 % to over 60 % by 2010.

The policy agenda agreed at Lisbon was developed at the Stockholm European Council in March 2001. It set an interim target of an employment rate of 67 % by 2005 ⁽²⁶⁾ and a target of increasing the average employment rate in the EU among men and women aged 55 to 64 to 50 % by 2010. Further developments were made at Barcelona in March 2002, by amendments to the European employment strategy guidelines and by the European Commission's Communication on benchmarks in education and training ⁽²⁷⁾ and the conclusions of the Education Council in May 2003 ⁽²⁸⁾. This resulted in a number of key benchmarks (Table 4) to adapt education and training systems to meet the needs of the knowledge society and provide an improved level and quality of employment.

The policy agenda that emerged does not focus exclusively on education and training. The significance of the Lisbon European Council was in bringing together a series of policy agendas to support an overarching strategic goal while placing education and training at the heart of the plan to realise it. In doing so, the European Council identified lifelong learning,

education and training as important policy areas in their own right and as important policy tools to contribute to other policy areas including employment and social policy, information and communication technology infrastructure, research, financial services, entrepreneurship, industry, and the internal market.

Table 4. 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, an EU average rate of no more than 10 % early school leavers should be achieved;
- the total number of graduates in mathematics, science and technology in the EU should increase by at least 15 % by 2010 while at the same time the level of gender imbalance should decrease;
- by 2010, the EU-average level of participation in lifelong learning should be at least 12.5 % of the adult working age population;
- by 2010, at least 85 % of 22 year olds in the EU should have completed upper secondary education;
- 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.

The Lisbon European Council tightened the coordination of the various reporting systems it had already put in place, notably in the European employment strategy. Coordination was to be improved through much clearer

⁽²⁶⁾ *Presidency conclusions, Stockholm European Council, 23-24 March 2001, paragraph 3.*

⁽²⁷⁾ *European benchmarks in education and training: follow up to the Lisbon European Council/Communication from the European Commission.* Luxembourg: Office for Official Publications of the European Communities, 2002. (COM (2002) 629 final).

⁽²⁸⁾ Council conclusions of 5 May 2003 on reference levels of European average performance in education and training (Benchmarks). *Official journal of the European Communities* of 7 June 2003, C 134, p. 3-5. Available from Internet: http://europa.eu.int/eurlex/en/dat/2003/c_134/c_13420030607en00030004.pdf (cited 21.7.2003).

guidelines and timetables for the goals agreed. Monitoring was sharpened through appropriate quantitative and qualitative indicators and benchmarks, evaluation and peer review. European guidelines were also be translated into national and regional policies by agreeing specific targets and adopting measures.

The Lisbon conclusions provided the bones of the framework of European vocational education and training policy. Flesh was added through a series of more specific policy initiatives that followed developing a policy framework which can be summarised as:

- the development of lifelong learning and its links with the European employment strategy;
- setting concrete future objectives of education and training systems incorporating benchmarks and targets;
- promoting mobility;
- the development of e-Europe;
- coordinating cooperation including the Bruges-Copenhagen process.

The policy framework supports transnational partnerships, mobility, the development of instruments at European level (transparency instruments, credit transfer, etc.), common approaches to quality assurance and so on. These in turn support the development of a European area of lifelong learning which addresses not only how the systems operate but also how they interoperate with other systems - for example, in other countries or at sectoral level - and other settings, e.g. non-formal, enterprises, etc.

The concrete objectives and e-learning focus on improving both education and training systems and content. Initiatives on mobility examine how it can be used as a learning tool and how greater mobility between vocational education and training systems can support the free movement of workers. The process of cooperation and coordination in vocational education and training supports the implementation of the policy framework. Each of these areas is considered below.

1.4.1. Developing and investing in lifelong learning to strengthen employment

Following its conclusions in March 2000 at Lisbon, the European Council, in June 2000, at Santa Maria da Feira, requested Member States to identify strategies and practical measures to foster lifelong learning ⁽²⁹⁾. The policy framework that emerged from Lisbon addresses both how lifelong learning can contribute to strengthening employment and how systems should be reformed to make lifelong learning a reality.

1.4.1.1. Lifelong learning and the European employment strategy

In addition to the work done in the Leonardo da Vinci programmes, the role of lifelong learning and vocational education and training in contributing to strengthening employment has also been taken forward by the European employment strategy.

The European employment strategy agreed in 1997 is a process of identifying policy areas for cooperation and coordinating them through regular reporting and review, and was used as a model for the follow up to Lisbon. High levels of unemployment in the early 1990s and convergence of macroeconomic policy in preparation for monetary union encouraged Member States to coordinate their employment policies. In November 1997, the Luxembourg extraordinary European Council agreed to establish European-wide employment guidelines under four pillars: employability, entrepreneurship, adaptability and equal opportunity. It also established an annual reporting procedure in which each Member State submitted its national action plan (NAP) for employment, outlining developments in respect of the guidelines under each pillar. The European Council examines the reports and agrees changes to the guidelines as appropriate, thus effectively conducting a peer review of employment policy in the Member States.

The role of vocational education and training has always been significant in the European employment strategy. It operates as an integral part of a comprehensive package combining

⁽²⁹⁾ Presidency conclusions European Council Santa Maria da Feira, 19-20 June 2000, paragraph 33.

measures concerning employment services, tax and benefits systems, local and regional activities and action by the social partners.

In 1998, 9 of the 19 original guidelines referred to education, training or both. Concentrated under the employability pillar, they focused on access to vocational education and training to increase job prospects or upgrade skills. Attention was given to lifelong learning by encouraging partnerships, especially with the social partners, and by promoting investment in in-company training. Emphasis was also placed on improving the quality of school systems to reduce the number of young people dropping out of school before obtaining the qualifications necessary to equip them with a reasonable chance of securing a job. In 1999, the guideline on access to lifelong learning was strengthened and Member States were invited to define and set targets for participation in lifelong learning. A new guideline was added, calling on Member States to develop a policy for 'active ageing' to ensure older people can continue in employment, through access to 'lifelong learning'. In 2001, the importance of lifelong learning was reflected in the creation of a new horizontal objective in the employment strategy guidelines urging Member States to develop the comprehensive and coherent strategies requested in the conclusions of the Santa Maria da Feira European Council in June 2000.

With a specific labour market focus, the employment guidelines reflected the need for efficient training systems to address skill gaps in the labour market and adapt to demands of the knowledge-based society and economy. In 1999, the guidelines included the need to provide training in information communication technologies. In 2001, the guidelines were revised to take account of the growing importance information and communication technology skills are seen to have on future job

prospects more widely. However, it is important not to associate skill shortages only with high-technology areas and the guidelines committed Member States, in cooperation with the social partners, to step up their efforts to identify and prevent emerging bottlenecks and skill gaps.

The Nice European Council of December 2000 ⁽³⁰⁾ introduced quality as the guiding thread of the European social policy agenda and made quality in work an important objective of the European employment strategy. Quality in work appeared as a new priority in the guidelines in 2000 and a European Commission communication ⁽³¹⁾, started work to monitor it through common indicators reflecting the different dimensions of quality.

The Nice European Council also called for an in-depth review of the first five years of the European employment strategy in 2002. This was carried out in the European Commission's communication *Taking stock of five years of the European employment strategy* ⁽³²⁾. The communication identifies a clear convergence in national employment policies towards the common objectives in the strategy guidelines. At the strategy's launch, improving employability was seen as a way of addressing the problem of unemployment. However, this has progressively widened to cover the whole of working life, including preventing early school leaving and unemployment, and promoting the continual updating of skills. The emergence of bottlenecks and skills gaps ⁽³³⁾ has underlined the importance of competence development throughout working life. Consequently, the communication argues that the European employment strategy has helped bring about a shift in national policy focus away from managing unemployment, towards managing employment growth ⁽³⁴⁾. This in turn helped make lifelong learning a top political priority. Certainly in implementing the guidelines,

⁽³⁰⁾ *Presidency conclusions: Nice European Council, 7, 8 and 9 December 2000.*

⁽³¹⁾ *Employment and social policies: a framework for investing in quality.* Luxembourg: Office for Official Publications of the European Communities, 2001. (COM (2001) 313 final).

⁽³²⁾ *Taking stock of five years of the European employment strategy: communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions.* Luxembourg: Office for Official Publications of the European Communities, 2002. (COM (2002) 416 final).

⁽³³⁾ *Action plan for skills and mobility* / European Commission. Luxembourg: Office for Official Publications of the European Communities, 2002. (COM (2002) 72 final).

⁽³⁴⁾ *Impact of the European employment strategy* / European Commission. Brussels: European Commission, 2002.

Member States have increasingly used vocational education and training as an active labour market tool to promote employability, adaptability and competitiveness.

Beyond contributing to policy convergence, in the European Commission's view, the open method of coordination of the employment strategy fostered partnerships and new working methods at national and EU level. Annual reporting and monitoring increased and improved exchanges of information between Member States. The peer review process to evaluate the transferability of good practices ⁽³⁵⁾ also allowed more in-depth evaluations. In addition, the practice of the European Commission of addressing recommendations to Member States in specific areas of policy where improvements might be made has also had an effect. Institutional cooperation has intensified at EU level between the Council, the European Commission and European Parliament. The emphasis on employment rather than labour market policies has meant that the annual preparation of the NAPs at national level has stimulated closer cooperation between national ministerial departments. The objective in the employment strategy calling on Member States to develop partnerships with the social partners and the invitation at European level for the latter to define their own contribution to the employment strategy process, is seen as encouraging the social partners to draw up their own framework of actions on the development of lifelong competences and qualifications (discussed in more depth in Chapter 2). Despite these positive developments the European Commission's stock-take of the employment strategy found that the current guidelines are perceived as complex. The 2002 guidelines comprised 18 actions under 4 pillars, divided into a number of sub-headings, with 6 horizontal objectives.

Following its review, the European Commission is preparing proposals for future

guidelines to re-orient the employment strategy to take account of an enlarged EU and the follow up to the Lisbon European Council. The employment guidelines 2003 ⁽³⁶⁾ reduce and simplify the guidelines to clarify objectives and improve monitoring, but to make them sufficiently wide ranging to maintain their effectiveness. The proposals also aim for greater consistency and complementarity with other relevant EU reporting processes, notably the broad economic policy guidelines, as well as improving the implementation of the strategy guidelines through stronger governance and cooperation with the social partners.

The guidelines proposals pursue three objectives:

- full employment,
- quality and productivity at work,
- social cohesion and inclusion.

They focus on 10 key priorities, supported by a series of actions and, where appropriate benchmarks. The priorities in the guidelines incorporate the benchmarks proposed in the European Commission's communication on benchmarks in education and training ⁽³⁷⁾. The four pillars – employability, adaptability, entrepreneurship and equal opportunities – no longer exist, but are among the priorities (employability is not specifically in the priorities but is a common thread throughout) which also include policies for active ageing, investment in human resources, and combating discrimination.

The proposals for the new guidelines leave out the horizontal objective for lifelong learning and made it a specific guideline. Given that the employment strategy played an important part in making lifelong learning an overarching political priority, this could be seen as a backward step. However, this need not be so. To a certain degree, the employment strategy was a useful instrument to develop and monitor different aspects of lifelong learning as they came to the fore in the Member States. This

⁽³⁵⁾ *The peer review process* / European Commission. Brussels: European Commission, 2002. Available from Internet: http://europa.eu.int/comm/employment_social/employment_strategy/peer_en.htm [cited 24.6.2003].

⁽³⁶⁾ Council decision on guidelines for the employment policies of the Member States. *Official journal of the European Communities*, L 197, 5.8.2003.

⁽³⁷⁾ Council resolution of 13 July 2001 on the role of education and training in employment related policies. *Official journal of the European Communities*, C 204, 20.7.2001.

explains how the strategy was broadened to cover all stages of working life from the transition from school to work, for young people, to active ageing. It was even used to monitor progress of schools having access to the Internet and multimedia resources, and the extent to which teachers were skilled in these technologies to ensure pupils have a broad digital literacy. It also explains the influence of employment strategy over the development of European education and training policy. Issues such as reducing drop-out rates from schools, encouraging the provision of training for would-be entrepreneurs to develop the spirit of enterprise and investment in human resources, which form part of the European education and training policy framework, have their roots in the European employment strategy. The Council highlighted the links between the two in a resolution ⁽³⁸⁾, showing that the process of developing the policy framework and the employment strategy have crystallised the views of the Member States and the European Commission over key issues at stake.

However, the employment strategy is not a strategy for lifelong learning. It is a strategy for the structural reform of Europe's labour markets to increase employment. Vocational education and training and lifelong learning are not solutions to generating employment or reducing unemployment, but important contributors to the strategy. In itself the employment strategy will not develop lifelong learning. This requires a process of the reform of education and training systems and it is appropriate that other instruments, complementary to, but separate from, the employment strategy, take this up.

1.4.1.2. *Reforming systems to deliver lifelong learning*

Following the Santa Maria da Feira European Council, the European Commission launched a consultation exercise in the first half of 2001 on its memorandum on lifelong learning ⁽³⁹⁾. The

memorandum did not just deal with learning as a process throughout life, but also provided an important definition of learning activity (Table 5). Analysis of the responses indicated some consensus around the memorandum's six key messages ⁽⁴⁰⁾ – new basic skills for all; more investment in human resources; innovation in teaching and learning, valuing learning; rethinking guidance and counselling; and bringing learning closer to home.

Table 5. Three basic categories of purposeful learning activity

Formal learning	takes place in education and training institutions, leading to recognised diplomas and qualifications.
Non-formal learning	takes place alongside the mainstream systems of education and training and does not typically lead to formalised certificates. Non-formal learning may be provided in the workplace and through the activities of civil society organisations and groups (such as in youth organisations, trades unions and political parties). It can also be provided through organisations or services that have been set up to complement formal systems (such as arts, music and sports classes or private tutoring to prepare for examinations).
Informal learning	is a natural accompaniment to everyday life. Unlike formal and non-formal learning, informal learning is not necessarily intentional learning, and so may well not be recognised even by individuals themselves as contributing to their knowledge and skills.

⁽³⁸⁾ Council Resolution of 13 July 2001 on the role of education and training in employment related policies. *Official Journal of the European Communities*, C 204, 20.7.2001.

⁽³⁹⁾ *Memorandum on lifelong learning*. Brussels, 30.10.2000. (SEC (2000) 1832)

⁽⁴⁰⁾ *Consultation process on the European Commission's memorandum on lifelong learning: analysis of national reports* / Cedetop, Luxembourg: Office for Official Publications of the European Communities, 2002.

The European Commission followed the consultation with a communication in November 2001, 'Making a European area of lifelong learning a reality' ⁽⁴¹⁾. It reiterated the importance of the quality of human capital for future competitiveness and emphasised the balanced objectives of lifelong learning including social inclusion, active participation and personal development. It drew attention to the fact that most European countries lag behind Japan and the US in investment in education and training and argued that the percentage of the European working population benefiting from training – around 10 % - is too low.

The communication outlined six building blocks to support Member States, social partners and others to develop coherent and comprehensive lifelong learning strategies. Although similar to the six key messages in the memorandum, the emphasis changed slightly. The building blocks covering: development of partnerships; a detailed analysis of learning requirements; an increase in public and private investment in learning; access to learning opportunities; valuing learning; and introducing quality control. The Barcelona European Council in March 2002, welcomed the communication and invited the Council to agree a resolution on lifelong learning, taking into account the European employment strategy.

The resolution agreed in June 2002 ⁽⁴²⁾ invited Member States to develop and implement the principles and building blocks in the European Commission's communication and, in conjunction with the European employment strategy, to:

- (a) promote lifelong learning by setting targets for increased investment in human resources and develop initiatives to stimulate private investment in learning;
- (b) promote learning at the workplace;
- (c) improve the education and training of teachers and trainers;
- (d) encourage measures to validate learning outcomes to bridge between formal, informal and non-formal learning;

(e) develop target specific information, guidance and advice;

(f) improve participation in lifelong learning.

The resolution provides the clearest definition of lifelong learning at European level (Table 6). Importantly it asks the European Commission to coordinate and address the issue of coordination between the follow up to the resolution linking it with other reporting processes following the Lisbon European Council. It was agreed to prepare a report on the follow up of the lifelong learning resolution in time for the European Council in spring 2004. This interim report on the open method of coordination will integrate reports on the objectives process, the Bruges-Copenhagen process and the follow – up to the lifelong learning resolution. The European Commission was also invited to foster cooperation in the areas of non-formal learning, transparency of qualifications and quality. These issues were subsequently incorporated in the process of enhanced cooperation discussed below.

Table 6. Lifelong learning – a working definition

... lifelong learning must cover learning from pre-school age to that of post-retirement, including the entire spectrum of formal, non-formal and informal learning. Furthermore, lifelong learning must be understood as all learning activities undertaken throughout life, with the aim of improving knowledge, skills and competences within a personal, civic, social and/or employment – related perspective. Finally, the principles in this context should be: the individual as the subject of learning, highlighting the importance of an authentic equality of opportunities and quality in learning.

Source: The Official Journal of the European Communities

The communication and resolution on lifelong learning emphasise the need for adequate resources and financing following the Lisbon European Council and its call for a substantial

⁽⁴¹⁾ *Making a European area of lifelong learning a reality: communication from the Commission*. Luxembourg: Office for Official Publications of the European Communities. (COM(2001) 678 final).

⁽⁴²⁾ Council resolution of 27 June 2002 on lifelong learning. *Official journal of the European Communities*, C 163, 9.7.2002, p. 1-3.

annual increase in per capita investment in human resources ⁽⁴³⁾. In its communication *Investing efficiently in education and training: an imperative for Europe* ⁽⁴⁴⁾, published in January 2003, the European Commission launches a debate on key investment issues in education, training and lifelong learning. The communication attempts to come to grips with the implications of increasing investment in human resources. In it, the European Commission expresses concern about achieving the aim set by the Lisbon European Council. It states that the EU suffers from under-investment in human resources, it points to no clear upward trend in public, and a deficit in private, funding, by companies and individuals, in higher education, adult education and continuing training compared to Japan and the US. It concludes that additional new public and, significantly, more private investment is needed. As well as considering the need for new investment, the communication also examines how existing resources might be spent more efficiently. Some common signs of inefficiencies in expenditure are identified such as high failure, dropout and graduate unemployment rates, excessive duration of studies and low attainment levels, and it encourages Member States to address them. In addition to allocation, the communication stresses the need for efficient management of resources through decentralisation, partnerships and better-coordinated action.

The communication says that investment and reform in areas such as curricular renewal, quality and the recognition of qualifications must take into account the European dimension for investment decisions in education and training. Through the communication, the European Commission invites Member States to:

- (a) provide an adequate level of public investment;
- (b) put in place policies and incentives to encourage more private investment in education and training;

- (c) focus funding in areas where it is most likely to produce the highest quality and access;
- (d) undertake reforms of curricula, quality and recognition of qualifications to maximise their efficiency in the European context.

Measures being taken by Member States to encourage investment in lifelong learning are discussed in Section 6.2.

1.4.2. Concrete future objectives of education and training systems

The Lisbon European Council called for 'a general reflection on concrete future objectives of education systems focusing on common concerns and priorities while respecting national diversity'. This put the spotlight on Member States and their responsibility for the organisation and content of education and training systems.

The European Commission consulted Member States and reported in January 2001 ⁽⁴⁵⁾. The report identified convergence of analysis and objectives among Member States and summarised their views into five key points, quality, access, content, openness and effectiveness. The report proposed six objectives: raising the standard of learning in Europe; making access to learning easier and more widespread at all times of life; updating the definition of basic skills for the knowledge society; opening education and training to the local environment, Europe and the world; making the best use of resources; and developing a new partnerships with schools. The European Commission's report also outlined a process for implementing the open method of coordination, including monitoring using qualitative and quantitative indicators. It proposed identifying with the Member States areas suitable for peer review or exchange of good practice and others where progress might be measured by benchmarks or indicators.

The Education Council considered the report in February 2001. In its conclusions ⁽⁴⁶⁾ the title of the report was widened to include training

⁽⁴³⁾ *Presidency conclusions: Lisbon European Council*, paragraph 26.

⁽⁴⁴⁾ *Investing efficiently in education and training: an imperative for Europe*. Luxembourg: Office for Official Publications of the European Communities, 2003.(COM (2002) 779 final).

⁽⁴⁵⁾ *The concrete future objectives of education systems: report from the Commission*. Luxembourg: Office for Official Publications of the European Communities. (COM(2001) 59 final).

⁽⁴⁶⁾ Council Conclusions of 14 February 2002 on the follow up to the report on the concrete future objectives of education and training systems. *Official journal of the European Communities*, C58, 5.3.2002.

systems ⁽⁴⁷⁾ and contained 3 strategic and 13 associated objectives (Table 7). It focused on the follow up, emphasising the need to assess achievement of the objectives, support improvement in education and training policy, development and implementation, and promote cooperation between Member States.

The importance of the content of the report needs to be emphasised. The late 1980s to mid-1990s had seen a sharp debate between Member States and the European Commission over their respective responsibilities for education and training systems. In the Maastricht Treaty in 1992, Member States asserted sole responsibility for the organisation and content of their education and training systems. In the period immediately after the Maastricht Treaty they resisted efforts to agree common objectives at European level for vocational education and training until Lisbon.

The significance of the Lisbon European Council is that it led to agreement on objectives at European level in very sensitive areas, that previously would not have been possible. One area is basic skills. Learning content is very much the preserve of the Member States, yet, following Lisbon, they agreed to develop a European framework for basic skills and identified some of the elements it will include, namely, information technology skills, technological culture, foreign language learning, entrepreneurship and social skills. It is a significant step that clear common objectives, achievement of which will be monitored, have been agreed, while respecting national diversity. This illustrates the strength of the political will behind the process.

The Stockholm European Council ⁽⁴⁸⁾ in March 2001, endorsed the objectives and requested a more detailed report on the follow up for its meeting in Barcelona in March

Table 7. Concrete future objectives for education and training systems

Strategic objectives	Associated objectives
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
Facilitating access of all to education and training systems	2.1. Open learning environment 2.2. Making learning more attractive 2.3. Supporting active citizenship, equal opportunities and social cohesion.
Opening up 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

2002. In July 2001, the Council concluded that the work programme to follow up the objectives report should cover the period up to 2004 in detail and, in broad terms, up to 2010 ⁽⁴⁹⁾. Draft work programmes for the follow up were submitted by the European Commission ⁽⁵⁰⁾ to the Council in November ⁽⁵¹⁾ 2001, and February 2002 ⁽⁵²⁾.

⁽⁴⁷⁾ *Report from the Education Council to the European Council 'the concrete future objectives of education and training systems':* 5980/01 EDUC 123 of 14 February 2001. Brussels: Council of the European Union, 2001.

⁽⁴⁸⁾ *Presidency conclusions: Stockholm European Council, 23 and 24 March 2001.* Available from Internet: <http://ue.eu.int/Newsroom/LoadDoc.asp?BID=76&DID=65786&from=&LANG=1> [cited 7.2.2003].

⁽⁴⁹⁾ Council conclusions of 13 July 2001 on the follow up of the report on concrete future objectives of education and training systems. *Official journal of the European Communities*, C 204, 20.7.2001.

⁽⁵⁰⁾ *Draft detailed work programme for the follow up of the report on the concrete objectives of education and training systems.* Luxembourg: Office for Official Publications of the European Communities. (COM(2001) 501 final)

⁽⁵¹⁾ 2391st Council meeting: education and youth affairs, Brussels, 29 November 2001.

⁽⁵²⁾ Council conclusions of 14 February 2002 on the follow up to the report on the future objectives of education and training systems in view of the preparation of a joint Council report to be presented to the Spring 2002 European Council. *Official journal of the European Communities*, C58, 5.3.2002.

The work programme ⁽⁵³⁾ outlined a timetable and linked achievement of the objectives to the conclusions of the Lisbon European Council and the guidelines in the European employment strategy. It also brought together other related initiatives in employment, mobility, research, e-learning and lifelong learning. It outlined work under way, not only by the European Commission, but also other organisations, including the OECD and Council of Europe, in relation to each of the 13 associated objectives. The work programme proposed a series of indicators drawing on those already in place, including those used by other international bodies, and identified other areas where indicators might be defined. Opportunities for peer review exchanges of good practice, benchmarking and other ways of measuring progress made were also proposed for each objective.

The Barcelona European Council in March 2002 welcomed the 'work programme for 2010' ⁽⁵⁴⁾ and agreed the goal in the report, to make Europe's education and training systems recognised as a world-wide reference for quality and relevance. It also endorsed the approach that quality, universal access and opening-up systems to the wider world, would be the basic principles on which follow up to achieve the objectives would be based. The Council and European Commission were invited to report on progress to the Spring European Council in 2004.

The content of the objectives report and plan for its follow up demonstrate the momentum behind policy cooperation in education and training. Objectives were agreed in the past, either to improve vocational education and training itself, or, as is the case with the European employment strategy to use it to

realise other policy goals. However, this is the first time such a detailed, measurable, time-bound work programme to achieve objectives has been set out. In addition, the objectives and follow up provide a comprehensive strategy linking both education and training more closely than before, bringing together a series of different initiatives.

1.4.3. E-Europe and e-learning

European Council meetings in Lisbon in March and in Santa Maria da Feira in June of 2000 ⁽⁵⁵⁾, acknowledged the importance of information and communication technologies to creating a competitive workforce. In response, the *e-learning: designing tomorrow's education* initiative ⁽⁵⁶⁾ was adopted by the European Commission on 24 May 2000. This was followed by an action plan for e-learning for the period 2001-04 to implement the initiative in March 2001 ⁽⁵⁷⁾. The e-learning initiative identified four action lines:

- (a) infrastructures and equipment,
- (b) training at all levels,
- (c) quality contents and services,
- (d) European cooperation and networking.

Important policy issues in respect of the development of e-learning include ensuring schools already possess the necessary hardware and are linked to Internet, teachers are digitally literate enough to deliver e-learning, and establishing the educational standards and pedagogical framework for meaningful use of information and communication technologies in education and training.

Development continued as the European Commission produced an action plan in 2002, *e-Europe 2005: an information society for all* ⁽⁵⁸⁾. The action plan aims to encourage the uptake of digital technologies and bring Europe online

⁽⁵³⁾ *Detailed work programme on the follow up of the objectives of education and training systems in Europe: 6365/02 EDUC 27 of 20 February 2002*. Brussels: Council of the European Union, 2002.

⁽⁵⁴⁾ *Presidency conclusions: Barcelona European Council, 15 and 16 March 2002*. Available from Internet: <http://ue.eu.int/pressData/en/ec/71025.pdf> [cited 7.2.2003].

⁽⁵⁵⁾ *Presidency conclusions: Santa Maria da Feira European Council, 19 and 20 June March 2000*. Available from Internet: <http://ue.eu.int/Newsroom/LoadDoc.asp?BID=76&DID=62050&from=&LANG=1> [cited 7.2.2003].

⁽⁵⁶⁾ *E-Learning: designing tomorrow's education*. Luxembourg: Office for Official Publications of the European Communities. (COM(2000) 318 final).

⁽⁵⁷⁾ *The e-Learning action plan: designing tomorrow's education*. Luxembourg: Office for Official Publications of the European Communities. (COM(2001) 172 final).

⁽⁵⁸⁾ *E-Europe 2005: an information society for all: an action plan to be presented in view of the Sevilla European Council, 21-22 June 2002*. Luxembourg: Office for Official Publications of the European Communities. (COM(2002) 263 final).

as fast as possible. It specifies three target areas:

- (a) cheaper, faster and secure Internet connections;
- (b) investing in people and skills;
- (c) stimulating use of the Internet.

To pursue these goals, work has been and is being done to accelerate legal measures, re-focus existing financial support programmes and introduce benchmarking.

The e-Europe plans place great weight on education and training. E-learning is seen as an effective mechanism for delivering continuous, just-in-time, on-the-job training, at lower cost than traditional education and training methods. The e-Europe action plan proposed the following specific actions for e-learning:

- (a) Internet access with broadband connection for all schools and universities for educational and research purposes;
- (b) e-learning programme which will focus on the implementation of the objectives of the e-learning action plan from an educational perspective;
- (c) virtual campuses for all students;
- (d) university and research computer-supported cooperative system;
- (e) reskilling for the knowledge society.

Proposals for benchmarking indicators were outlined in a European Commission communication, *e-Europe 2005: benchmarking indicators* ⁽⁵⁹⁾ in November 2002. It proposes a number of policy and supplementary statistical indicators. Sources of data and frequency of collection are also specified. The indicators include access to the Internet for citizens and enterprises. The policy indicator for e-learning is the number of pupils per computer with Internet connection; only computers for teaching purposes are included. Supplementary statistical data will be collected for individuals who have used the Internet in relation to training and educational purposes, as well as the percentage of enterprises using e-learning applications for training and education of employees.

In December 2002, the European Commission proposed an e-learning programme for 2004 to 2006 ⁽⁶⁰⁾.

1.4.4. Mobility and the free movement of workers

Although there are overlaps, it is important to distinguish between mobility and the free movement of workers in this report. Mobility is the idea of working in another country for a period of time for vocational education and training purposes, while the free movement of workers covers the ability to live and work in another country.

Four different reasons for mobility can be identified (Kristensen, 2002):

- (a) humanitarian purposes - learning how to live peacefully together in Europe and the world, how to develop a sense of 'European citizenship' as opposed to a strictly nationalist outlook;
- (b) migratory purposes - learning to live and work in another country, becoming a 'migrant worker' moving across borders to allay skills shortages in other Member States;
- (c) purposes concerned with provision and transfer of vocational skills across borders - giving citizens the opportunity to acquire training and education anywhere in the EU where the relationship cost/quality is considered the best; acquiring skills that are not available in the home country;
- (d) purposes connected with the acquisition of 'new basic skills' - mobility used as a didactic tool to cover new skills needs arising as a consequence of globalisation and technological change.

There have been a number of efforts to promote mobility in vocational education and training centring on mobility programmes and other initiatives.

The free movement of workers is one of the four freedoms enshrined in the Treaty and an important aspect is the acceptance by employers in one Member State of the skills and

⁽⁵⁹⁾ *E-Europe 2005: benchmarking indicators*. Luxembourg: Office for Official Publications of the European Communities. (COM(2002) 655 final).

⁽⁶⁰⁾ *Proposal for a decision of the European Parliament and of the Council adopting a multi-annual programme (2004-2006) for the effective integration of the Information and Communication Technologies (ICT) in education and training systems in Europe (eLearning Programme)*. Luxembourg: Office for Official Publications of the European Communities. (COM(2002) 751 final).

qualifications acquired by someone in another. There has been a range of initiatives aiming to enable qualifications acquired in one Member State to be used to obtain a job in another, namely mutual recognition, the harmonisation of training levels, comparability and transparency. Actions taken to promote mobility and the free movement of labour are discussed in the following chapters, as well as of the measures taken to remove some of the other practical obstacles to them.

1.4.4.1. *Mobility programmes*

The first exchange programme for young workers ⁽⁶¹⁾ was adopted in May 1964. Although not strictly part of the common vocational education and training policy, an aim of the programme was to use the opportunity to work for a limited period in another Member State, to improve vocational education and training for young people. A second programme was introduced in July 1979 ⁽⁶²⁾ and a third in 1984 ⁽⁶³⁾. From 1991, work placements for young people in vocational education and training were part of the Petra II and subsequently the Leonardo da Vinci programmes. Since then greater emphasis has been placed on integrating the period spent in another Member State as part of the young person's vocational education and training course at home, ensuring it contributes towards their final qualification. Since the Petra II programme and the European Commission's white paper on teaching and learning in 1995, there has been growing interest in the use of transnational mobility as a learning tool.

The European Commission is by far the largest, but not the only European player. The Eurodyssée programme ⁽⁶⁴⁾, set up by the European Assembly of Regions under the Council of Europe, consists of 3 to 7 month

placements abroad for young people aged 18 to 30, in a company in 1 of the 26 regions from 11 countries involved in the programme. The AIESEC (*Association Internationale pour l'Échange des Étudiants de Commerce*) and IAESTE (International Association for the Exchange of Students of Technical Experience) are international organisations set up under Unesco after the Second World War. They organise 2 to 24 month placements for tertiary level students in companies in many countries worldwide. Mobility in national vocational training programmes and policies is discussed in Chapter 6.

1.4.4.2. *Free movement of workers towards transparency*

Enabling qualifications acquired in one Member State to be used to obtain a job in another has been the principle behind initiatives to promote the free movement of workers. A number of approaches have been tried to do this, namely mutual recognition, the harmonisation of training levels, comparability and transparency.

Directives on the mutual recognition of qualifications recognise the right to exercise an occupation in another Member State without discrimination. Member States recognise qualifications gained in other Member States in certain regulated professions, for example doctors, nurses and lawyers. They are covered by directives on the mutual recognition of diplomas, certificates and other evidence of formal qualifications. However, negotiation of mutual recognition directives proved arduous (Bainbridge and Murray, 2000) and although directives for the general recognition of university qualifications and other vocational qualifications for the regulated professions were adopted in 1988 ⁽⁶⁵⁾ and 1992 ⁽⁶⁶⁾, there are no

⁽⁶¹⁾ First joint programme to encourage the exchange of young workers within the Community (64/307/EEC). *Official journal of the European Communities*, 78, 22.5.1964, p. 1226.

⁽⁶²⁾ Council decision of 16 July 1979 establishing a second joint programme to encourage the exchange of young workers within the Community (79/642/EEC). *Official journal of the European Communities*, L 185, 21.7.1979, p. 24.

⁽⁶³⁾ Council decision of 13 December 1984 establishing a third joint programme to encourage the exchange of the young workers within the Community (84/636/EEC), *Official journal of the European Communities*, L 331, 19.12.1984, p. 36.

⁽⁶⁴⁾ Eurodyssée: assembly of European regions. Available from Internet: <http://www.eurodyssée.net> [cited 2.10.2003].

⁽⁶⁵⁾ Council directive of 21 December 1988 on a general system for the recognition of higher education diplomas awarded on completion of professional education and training of at least three years duration 89/48/EEC. *Official journal of the European Communities*, L 19, 24.1.89, p 16.

⁽⁶⁶⁾ Council directive of 18 June 1992 on a second general system for the recognition of professional education and training to supplement Directive 89/48/EEC, 92/51/EEC. *Official journal of the European Communities*, L 209 24.7.92 p 25.

plans to extend directions on mutual recognition to new fields.

Harmonisation of training levels was a principle of the common vocational training policy. In 1970, the Council adopted the recommendation on the European vocational profile for the training of skilled machine-tool workers ⁽⁶⁷⁾. It was to be a reference point for the vocational education and training programmes and qualifications for several different occupations in this category. However, this approach was questioned in 1971 ⁽⁶⁸⁾ as the Council wanted to know how the profiles were to be updated. This signalled a shift away from the European profile to the approximation of training standards.

Work on the approximation of training standards led to the decision ⁽⁶⁹⁾, in July 1985, on the comparability of vocational training qualifications. It set out a five-level structure as a point of reference to identify the respective levels of vocational qualifications and certificates of different countries. Use of the structure and the comparisons was not legally binding. In effect, the structure proved complex and unable to keep up with the pace of change. What was needed, it was argued, was more accessible information for employers and the social partners to be able to decide the suitability of someone trained in one Member State to do a job in another. Consequently, the debate moved towards improving 'transparency' of vocational qualifications.

Transparency of qualifications can be defined as 'the degree of visibility necessary to identify and compare the value of qualifications at sectoral as well as regional, national and international level' (Nilsson, 2002 ⁽⁷⁰⁾). Transparency can help job seekers explain their qualifications and competences to potential

employers, at national and international level, and support employers and learning institutions to make informed judgements on foreign or external qualifications. Increasing transparency can promote labour market mobility. Over the years, several attempts have been made to overcome the problem of national recognition procedures restricting freedom of movement between Member States.

Transparency of qualifications started in higher education on a small scale in the 1980's to facilitate the movement of students between higher education institutions. National information centres for the recognition of diplomas (the Naric network), an initiative of the European Commission, were created in 1984. The network is now part of the Socrates programme ⁽⁷¹⁾, which supports the mobility of students and staff between higher education institutions in the EU and EEA countries, as well as the associated countries in central and eastern Europe. To help students make the most of their study abroad, the European Commission developed a European credit transfer system (ECTS) to measure and compare learning achievements and transfer them from one institution to another. ECTS was established under the Erasmus programme (1988-1995) and tested for 6 years by 145 higher education institutions in all EU Member States and EEA countries. It proved an effective instrument for curricular transparency and academic recognition and was strengthened by the Bologna declaration (see below) in 1999. In vocational education and training the process started much later. In 1998 the European Commission and Cedefop established the European forum on transparency of vocational qualifications to support the development and implementation of solutions to increase the

⁽⁶⁷⁾ Recommandation du Conseil du 29 septembre 1970 adressée aux États membres au sujet de la monographie professionnelle européenne pour la formation d'ouvriers qualifiés sur machines-outils (70/449/CEE). *Official journal of the European Communities*, L 219 5.10.1970, p. 1. [there is no English version of this document].

⁽⁶⁸⁾ Council decision of 6 December 1994 establishing an action programme for the implementation of a European Community vocational training policy (94/819/EC). *Official journal of the European Communities*, L 340, 29.12.1994.

⁽⁶⁹⁾ Council decision of 16 July 1985 on the comparability of vocational training qualifications in the Member States of the European Community. *Official journal of the European Communities*, L 199, 31.7.1985.

⁽⁷⁰⁾ Assessment and recognition of learning and training. Approaches in the European Union: paper presented at the 2002 KRIVET International Conference on vocational education and training. In *KRIVET conference proceedings: Seoul Oct 2002*. Seoul: Krivet, 2003.

⁽⁷¹⁾ Decision no 253/2000/EC of the European parliament and of the Council of 24 January 2000 establishing the second phase of the Community action programme in the field of education 'Socrates'. *Official journal of the European Communities*, L 28, p. 1-15.

transparency of qualifications in the EU. The forum developed an action plan building on two Council resolutions in 1992 ⁽⁷²⁾ and 1996 ⁽⁷³⁾, on the transparency of qualifications.

Follow up to the resolutions led to a number of initiatives. European pathways for training (Europass-Training) was introduced in 2000 ⁽⁷⁴⁾ and refers to periods of work-linked training in another Member State, which comply with a number of quality criteria. This involves forming a partnership between the establishment where the person completes the training and the host body abroad. Both partners agree on the content, objectives, duration, methods and monitoring of the European pathway. Europass-Training is presented in a standard EU format and provides personal details of the trainee, information on the training initiative concerned and details of training periods abroad. An evaluation of Europass-Training was carried out in 2001 and changes to it are being considered as part of a single framework for transparency under the Bruges-Copenhagen process discussed below.

In a similar vein to the Europass document, others have been developed to provide evidence and explanations of qualifications acquired in other Member States. The diploma supplement, developed by a joint European Commission/Council of Europe/Unesco working party, is a document attached to a higher education diploma describing the nature, level, content and status of the studies completed. The European computer driving licence (ECDL) is an example of a sector-specific discipline-orientated transparency instrument. It is a European-wide qualification demonstrating competence in computer skills. The ECDL is designed for those who wish to gain a basic qualification in computing, develop their IT skills and enhance their career prospects.

To further the work on transparency, the European Commission and Cedefop

established the transparency forum. The forum, drawing from work by Cedefop and an analysis of Leonardo da Vinci projects in this area, worked between 1998 and 2002 to develop three instruments to promote transparency; the certificate supplement, the European curriculum vitae and the national reference points ⁽⁷⁵⁾.

Certificate supplements provide information about the qualifications and competences the holder of the certificate possesses and the training they have undertaken. The aim is to give information that is difficult or impossible to obtain from certificates alone. The European Commission adopted the European curriculum vitae (cv) format in March 2002. It emphasises non-formal skills and competences such as social, organisational and technical skills, alongside traditional qualifications. National reference points in the Member States give information on the vocational education and training system and are the first point of contact for questions relating to national qualifications and certificate supplements.

The developments encompassing mutual recognition, harmonisation, comparability and transparency represent a shift way from a centralised, legislative approach to a more bottom-up, market-oriented way to promote mobility, taking account of national diversity. In 2002, the transparency forum was replaced by a technical working group on transparency as part of the Bruges-Copenhagen process on enhanced cooperation in vocational education and training. The remit of the group is:

‘Increasing transparency in vocational education and training through the implementation and rationalisation of information tools and networks, including the integration of existing instruments such as the European cv, certificate and diploma supplements, the Common European Framework of reference for languages and the Europass into one single framework.’

⁽⁷²⁾ Council resolution of 3 December 1992 on transparency of qualifications. *Official journal of the European Communities*, C 49, 19.2.1993.

⁽⁷³⁾ Council resolution of 15 July 1996 on the transparency of vocational training certificates. *Official journal of the European Communities*, C 224, 1.8.1996.

⁽⁷⁴⁾ Council Decision 1999/51/EC 21 December 1998 on the promotion of European pathways in work-linked training, including apprenticeship. *Official journal of the European Communities*, L 17, 22.1.99, p. 45-50.

⁽⁷⁵⁾ *Cedefop transparency: the European forum on transparency of vocational qualifications*. Available from Internet: <http://www.cedefop.eu.int/transparency> [cited 2.10.2003].

The work carried out so far by the technical working group is discussed under the Bruges-Copenhagen process discussed in Section 1.5.

1.4.4.3. *Removing obstacles to occupational and geographic mobility*

Despite efforts to promote mobility, obstacles to the free movement of workers and those in vocational education and training still exist. The European Commission's action plan for skills and mobility ⁽⁷⁶⁾ looks at the problems of occupational and geographical mobility. It builds on its communication, 'New European labour markets' ⁽⁷⁷⁾ in 2001, and the work of the High level task force on skills and mobility, set up to examine the barriers to occupational and geographical mobility and make recommendations.

The action plan points to low levels of occupational mobility between and within Member States. Its proposals aim to increase mobility by ensuring vocational education and training systems are more responsive to the labour market. It seeks to promote geographical mobility by removing administrative and legal barriers, developing language and cross-cultural skills and the recognition of qualifications and an EU-wide immigration policy. The action plan also points to the need to improve information about mobility and job opportunities.

The proposals in the action plan reinforce those in other communications on lifelong learning, the objectives for education and training systems, e-learning action plans and the European employment strategy. Its proposals for increasing occupational mobility focus on freeing up the operation of labour markets. This is to be done by boosting lifelong learning and skills acquisition, particularly in information and communication technologies, encouraging competence development strategies for workers to be drawn up, recognising learning however it is acquired, and investing more in human resources in less advanced regions.

To develop information and communication technology skills, the European Commission

supports European-wide standards as well as validation, accreditation and recognition schemes and proposes, by 2003, to develop a modular system for the accumulation of qualifications to combine education and training from different institutions. The social partners are also encouraged to agree individual competence development plans for employees, reflecting their framework of actions for the development of lifelong learning and competences, discussed in more detail in Section 2.2.4.

To promote geographical mobility, the action plan reinforces the development of foreign language skills as part of the objectives for education and training systems and supports the work to improve the transparency of qualifications.

1.5. Improving European cooperation in vocational education and training – the Bruges-Copenhagen process

A key element of the Lisbon strategy is the open-method of coordination and regular reporting. This has required structures to be put in place to implement the various elements of the strategy and report on the progress made. In Bruges, in 2001, drawing on the elements set out in the lifelong learning communication and resolution, the EU Directors-General for vocational training in the EU Member States agreed to extend cooperation into vocational education and training. The process came about as a result of voluntary cooperation already begun in the transparency and quality forum and mirrored the Bologna process established in 1999 in education (Table 8).

In March 2002, the Barcelona European Council supported the development and in September 2002, a new political impetus was given by the Council resolution on enhanced cooperation in vocational education and

⁽⁷⁶⁾ *Commission's action plan for skills and mobility*. Luxembourg: Office for Official Publications of the European Communities. (COM (2002) 72 final).

⁽⁷⁷⁾ *New European labour markets, open to all, with access for all*. Luxembourg: Office for Official Publications of the European Communities. (COM (2001) 116 final).

Table 8. The Bologna process

The Bologna declaration of June 1999 ⁽⁷⁸⁾ marked the introduction of a new, enhanced European cooperation in the area of higher education. It was a pledge, signed by 29 countries, to reform the structures of their higher education systems in a convergent way, while respecting the fundamental principles of national autonomy and diversity. It is a politically binding commitment to a set of specified objectives to be achieved by 2010, in line with the Lisbon strategy. The objectives include adopting a common framework of comparable degrees, arrangements for transferring study credits between learning institutions and Member States, compatible with the European credit transfer system (ECTS) and which cover lifelong learning activities, and the elimination of remaining obstacles to the free mobility of students and teachers.

Higher education ministers from 32 European countries met in Prague, in May 2001, 2 years after the Bologna Declaration launched the process of creating a European higher education area by 2010. The meeting confirmed the key points of the process as:

Simplifying the patchwork of higher education qualifications

The aim is to continue developing a system of easily 'readable' and comparable degrees, based on undergraduate and postgraduate studies. At the same time, more flexibility would be ensured by a course credit system (such as the European credit transfer scheme (ECTS) providing for both transferability and accumulation).

Improving mobility within Europe and attracting students from around the world

Ministers confirmed their commitment to remove obstacles to the free movement of students, teachers, researchers and administrative staff. They also said that the readability and comparability of European higher education degrees world-wide should be enhanced by the development of a common framework of qualifications, as well as by

coherent quality assurance and accreditation/certification mechanisms.

Ensuring high standards

Ministers recognised the vital role that quality assurance systems play in ensuring high standards and facilitating comparability of qualifications in Europe. They encouraged closer cooperation between recognition and quality assurance networks and called for both the establishment of a common framework of references and dissemination of good practice.

Lifelong learning is an essential element of the European higher education area - Ministers affirmed that students should participate in and influence the organisation and content of education at universities and higher education institutions. Ministers reaffirmed the need, recalled by students, to take account of the social dimension in the Bologna Process.

To strengthen the European dimensions of higher education and graduate employability, ministers called upon the higher education sector to increase the development of modules, courses and curricula at all levels, with "European" content, orientation or organisation. This concerns particularly modules, courses and degree curricula offered in partnership by institutions from different countries and leading to a recognised joint degree.

Continued follow up

Ministers welcomed new members to the Bologna Process after applications from ministers representing countries for which the European Community programmes Socrates, Leonardo da Vinci or Tempus cards are open. They accepted applications from Croatia, Cyprus and Turkey. A follow up meeting will take place in the second half of 2003 in Berlin to review progress and set directions and priorities for the next stages of the process towards the European higher education area.

training ⁽⁷⁹⁾, committing ministers to the process begun by the Directors-General. This was followed by the Copenhagen declaration ⁽⁸⁰⁾ calling on the Member States and European Commission, to take appropriate steps to

implement agreed priorities, by building on and adapting existing structures and instruments, fully involving the candidate and EEA countries and the social partners and instituting a process of follow up. Cooperation is based on the target

⁽⁷⁸⁾ The Bologna declaration of 19 June 1999: joint declaration of the European ministers of education. Available from Internet: http://www.bologna-berlin2003.de/pdf/bologna_declaration.pdf [cited 2.10.2003].

⁽⁷⁹⁾ Council resolution on the promotion of enhanced European cooperation in vocational education and training. Brussels: Council of the European Union, 2002. Available from Internet: http://europa.eu.int/comm/education/copenhagen/resolution_en.pdf [cited 2.10.2003].

⁽⁸⁰⁾ Copenhagen declaration: declaration of the European Ministers of Vocational Education and Training, convened in Copenhagen on 29 and 30 November 2002, on enhanced European cooperation in vocational education and training. http://europa.eu.int/comm/education/copenhagen/copenhagen_declaration_en.pdf [cited 2.10.2003].

date of 2010, set by the European Council and follow up to the resolution and declaration will be integrated with that of the objectives report and lifelong learning reporting to the European Council in spring 2004.

The key element of the Bruges-Copenhagen process is that it integrates and rationalises numerous initiatives in four clear priority areas:

- (a) strengthening the European dimension;
- (b) transparency, information and guidance;
- (c) recognition of competences and qualifications;
- (d) quality assurance.

Clear responsibilities and mandates are also set out for each area. The process is overseen by the Copenhagen coordination group which coordinates the activities of various technical working groups dealing those issues covered by the process. It also takes into account the work done by the working groups following up those parts of the concrete future objectives relating to vocational education and training. In addition to traditional working methods, elements of the work in the Bruges-Copenhagen process have been supported by virtual communities, a series of extranets which facilitate exchanges of information and documentation between the relevant parties ⁽⁸¹⁾.

The developments through the forums, lifelong learning communication and resolution to the Bruges-Copenhagen process represents the establishment, through consensus building, of a working method for developing (specifically) vocational education and training and lifelong learning without recourse to legislative instruments.

1.5.1. Single framework for transparency of competences and qualifications

The intention is to bring together into a single user friendly and more visible format the various existing transparency instruments, the European cv, the certificate and diploma supplements, Europass-Training. The work done by the technical working group that succeeded the transparency forum has taken into account the evaluation of Europass-Training carried out in 2002. The evaluation concluded that, although

it is a new initiative, Europass-Training has been relatively successful in a variety of aspects and has established the basis for future progress in the area of transparency of qualifications. The evaluation recommended an electronic version of the Europass-Training document and a further specification of the content of the document and format.

In light of this, the European Commission is considering proposing to establish a single framework for transparency under the name Europass. The framework would be centred around the European cv, with the other transparency tools - the certificate and diploma supplements - linked to its relevant sections. Europass would also be the main tool providing evidence of credit under the new credit transfer scheme. Implementation of the new Europass would be monitored and reviewed by a group of experts. The role of the national reference points is also being reviewed for them to take on the necessary functions to support the single framework for transparency.

1.5.2. System of credit transfer for vocational education and training

Taking as a model the European credit transfer system used in higher education, work is currently underway on the development of possible schemes for a European credit system in vocational education and training at upper-secondary level, to serve as the basis for an experimental phase. Key issues under consideration are:

- (a) the main aims of a credit system in vocational education and training;
- (b) the definition of credits, study units and modules for vocational education and training;
- (c) common reference levels or qualification framework for vocational education and training.

1.5.3. Common criteria and principles for quality in vocational education and training

This takes forward the work of the European forum on quality (Table 9), which operated

⁽⁸¹⁾ Cedefop Virtual Communities. <http://cedefop.communityzero.com> [cited 2.10.2003].

between 1998 and 2002. Work in this area is focusing on developing an operational framework for quality management in vocational education and training. A common core of criteria for quality development at European level has been developed that might provide a reference model for vocational education and training quality management. Existing national and international standards and norms, their application, strengths and weaknesses have also been examined and a limited set of quality indicators for vocational education and training systems proposed.

An important aspect, however, is promoting the voluntary implementation of a European reference model for management of quality assurance and improvement in vocational education and training, including the use of quantitative and qualitative indicators and benchmarks. One way forward is to propose a cooperation framework to develop common activities between countries on specific issues, to promote the exchange of good practice and the use of voluntary peer review at different levels.

Table 9. Quality forum

The Quality forum was established in early 2001 by the advisory committee on vocational training with a two year mandate with the technical support of Cedefop to:

- improve knowledge and common understanding of quality issues and approaches in the different countries;
- provide for the exchange of information, experience and 'best practices';
- encourage and broaden the debate at different levels;
- build consensus on concrete proposals targeted at European, national and provider.

Another aspect of the quality issue concerns the learning needs of teachers and trainers in vocational education and training. The main issues are the identification of the skills teachers and trainers need in all forms of vocational education and training and supporting them to respond to the needs of the knowledge society.

1.5.4. Recognition of competences and qualifications

In recent years there has been greater emphasis on the crucial role of learning taking place outside and in addition to formal education and training. This led to a number of political and practical initiatives including the personal skills card proposed in the European Commission 'Towards the learning society' white paper in 1995. Work carried out by Cedefop pointed to the need for identification, assessment and recognition of non-formal learning to be based on simple inexpensive methodologies that can be accepted by the labour market (Bjørnavold, 2000).

The aim in this area is to ensure greater compatibility between approaches in different countries and at different levels. A key question being addressed in this area is how a set of common principles for validation may support and extend the credit transfer system developed within formal education and training systems, notably the existing European credit transfer system developed for higher education and that being considered for vocational education and training. Common principles and criteria must make it possible for different systems to communicate with each other, be this across national, sectoral or institutional borders and the following have been proposed:

- (a) the general purpose of validation,
- (b) individual rights to validation,
- (c) transparency of procedures,
- (d) transparency of criteria,
- (e) training of assessors,
- (f) credibility of validation and inclusion of stakeholders,
- (g) comparability of validation and the European/international dimension.

Consideration is also being given to how the principles that are agreed can be embedded in a European infrastructure supporting the strengthening of comparability and quality of European validation approaches. In this context, a European inventory on non-formal learning is being set up to provide an overview of the different approaches, systems and methodologies. This will enable the monitoring of how the overarching principles are actually followed up.

A further aspect of the validation of non-formal learning is providing increasing support to the development of qualifications and competences at sectoral level, which is being followed up in cooperation with the social partners, as discussed in Section 2.3. Also linked with promoting mobility, the main elements of the strategy in this area are a mapping exercise and the proposed establishment of a European inventory of sector and branch initiatives in the field of education, training and learning, and making better use of the Leonardo da Vinci programme in support of sectoral level developments.

1.5.5. European dimension of information guidance and counselling services

The key element is to enable citizens to have improved access to lifelong learning. A number of issues are being examined in respect of the vocational education and training elements of lifelong guidance. These include the role of governments and social partners, in:

- (a) working with career guidance services to promote the attractiveness of vocational education and training, learning and career opportunities to support workforce development and the needs of businesses;
- (b) supporting the career progression of the workforce through learning and qualifications pathways for vocational education and training participants and graduates;
- (c) supporting the development of career guidance provision in vocational education and training and at the workplace to develop the career management skills of vocational education and training VET participants and graduates.

Consideration is also being given to increasing synergy between education and training programmes to develop a European network to strengthen policies and systems for guidance in the EU.

1.5.6. Next steps

Although not strictly part of the process of enhancing cooperation, it is important to note the role to be played in supporting and implementing the European vocational education and training policy framework by the next generation of education, training and youth programmes after 2006. The Leonardo da Vinci programme is currently the main financial instrument for implementing the Bruges-Copenhagen process. In November 2002, the European Commission launched a consultation exercise ⁽⁸²⁾ on the successors to Socrates, Leonardo da Vinci, Tempus and Youth for Europe. Through this exercise the European Commission is seeking to build on the achievements of the earlier programmes and support follow up of the Lisbon European Council. The new programmes will aim to reinforce quality, foster innovation and strengthen the European dimension through closer cooperation. The consultation invites comments on the structure, content and implementation of the future programmes, with a focus on the actions they might support, their geographical coverage and the design and organisation of the programmes.

The European Commission will present a communication to the Council in November 2003, for discussion during December and January 2004. In spring 2004, the European Council will receive an interim report from the Council setting out the progress in implementing the common objectives of education and training systems, as well as the follow up to the Copenhagen declaration, the European Commission's lifelong learning communication and the Council resolution on enhanced cooperation in vocational education and training.

⁽⁸²⁾ *The future development of the European Union education, training and youth programmes after 2006: a public consultation document.* Brussels: European Commission. Directorate-general for Education and Culture, 2002.

1.6. Vocational education and training policy and enlargement

EU vocational education and training policy on enlargement has been gradual. It began with a demand-driven technical assistance phase, followed by the accession phase, leading to the current integration phase preparing for a European area of knowledge. These phases are discussed below. This is followed by a short summary of the main challenges the candidate countries ⁽⁸³⁾ still face in reforming their vocational education and training systems in preparing to implement EU policies.

1.6.1. Technical assistance 1994 - 97

The technical assistance phase was demand driven being based upon the priority needs expressed by central and eastern European countries (Table 10). It aimed to foster cooperation between institutions in the countries of central and eastern Europe and schools, universities, training centres, and companies in the EU, supporting bottom-up approaches, to develop initiatives and create conditions for new strategies to emerge.

This general approach was supported by the Phare ⁽⁸⁴⁾ programme launched in 1989 to assist the transition process of central and eastern European countries towards a market economy. It was used in other EU initiatives in education and training, supported by, or complementary to, Phare such as the Tempus ⁽⁸⁵⁾ programme, the establishment of the European Training Foundation (ETF) and the opening of the Leonardo da Vinci and Socrates programmes to central and eastern European countries.

During this period European vocational education and training policy towards central and eastern European countries concentrated

Table 10. Countries of central and eastern Europe

Future Member States (joining the EU as from 1 May 2004)

Cyprus
Czech Republic
Estonia
Hungary
Latvia
Lithuania
Slovakia
Slovenia
Malta
Poland

Candidate countries

Bulgaria
Romania
Turkey

on the design of new curricula, new requirements for teachers training, pedagogical equipment and the development of partnerships with EU vocational education and training schools. Other priorities under Phare were support to distance learning and information and communication technology mainly in higher education, the promotion of academic recognition of higher education diplomas and staff development activities to raise awareness of EU policies.

These programmes were implemented directly or with the support of the ETF which was set up in April 1990 ⁽⁸⁶⁾ and became operational in 1994. It contributes to the development of vocational education and training systems in central and eastern European countries, by promoting cooperation and supporting the coordination of EU support for them in this area.

In 1997, the European Commission opened

⁽⁸³⁾ This analysis involves 12 countries: Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia. Turkey is not considered, as accession negotiations have not yet begun.

⁽⁸⁴⁾ Council regulation no 3906/89 of 18 December 1989 on economic aid to the Republic of Hungary and the Polish People's Republic. *Official journal of the European Communities*, L 375, 23.12.1989, p. 11-12.

⁽⁸⁵⁾ Council decision of 7 May 1990, establishing a trans-European mobility scheme for university studies (Tempus). *Official journal of the European Communities*, L 131, 1990, p. 21-25.

⁽⁸⁶⁾ Council regulation (EEC) No 1360/90 of 7 May 1990 establishing a European Training Foundation. *Official journal of the European Communities* of 23 May 1990, L 131, p. 1-5.

the Leonardo da Vinci, Socrates and Youth programmes to candidate countries from central and eastern Europe as a preliminary step to access to all Community programmes.

1.6.2. Pre-accession strategy 1998 to 2002

This period saw important developments at EU level in employment and education and training policy in parallel to preparation for enlargement. Support to candidate countries became accession driven and vocational education and training reforms took place to implement EU policies, particularly lifelong learning.

The Copenhagen European Council in 1993, established three criteria for future candidate countries to integrate into the EU. One is the 'ability to cope with the competitive pressure of the market economy'. This required accession strategies to take into account social cohesion and human resource development as priorities.

Accession strategy was developed at the Luxembourg European Council in 1997. Three elements had important consequences for the vocational education and training systems in candidate countries:

- (a) preparing for the implementation of the *acquis* and analysing the situation for each applicant country accordingly;
- (b) reorienting the Phare programme, with particular importance given to human resources development as part of the investment for economic and social cohesion;
- (c) launching the employment policy reviews as part of preparation for the European employment strategy.

Implementation of the *acquis* in vocational education and training was checked as part of the formal negotiations. Chapters concerning education and vocational education and training were closed quickly in all countries. However, work on the transposition of EU directives on mutual recognition of professional qualifications is still in progress.

In addition to the formal *acquis*, it was important to assess how far the 'non-formal' or 'soft' *acquis* concerning vocational education

and training was met by the candidate countries. This referred to their ability to implement general objectives referring to vocational education and training in EU policy documents. These included the training related guidelines of the European employment strategy, priority fields of the European Social Fund (ESF) ⁽⁸⁷⁾ for 2000-06 and the objectives in the Leonardo da Vinci II programme. Progress was renewed annually by the European Commission to monitor progress of the candidate countries towards accession during the transition period.

Candidate countries were included in some developing EU education and training policy issues. They became observers in some EU networks and agencies, such as the forum on the transparency of vocational qualifications, social partnership in vocational education and training, and reporting on vocational education and training issues. All candidate countries participated in the European Commission's consultation process, in 2001, on the memorandum on lifelong learning. In parallel, policy advice was given to candidate countries in human resource development at regional level, labour market intelligence at regional level, the development of national qualification frameworks, training of teachers and trainers and the quality of continuing training.

Two priorities for the Phare programme for 2000-06 concerning human resources development are:

- institution building to develop the structures, strategies, human resource and management capacities to implement the *acquis communautaire*, focusing on the requirements of the Copenhagen criteria;
- investment to strengthen the infrastructure needed to ensure compliance with the *acquis*. This includes investment in social and economic cohesion through measures similar to those supported in Member States through the European Regional Development Fund and the ESF.

Phare cofinances measures to strengthen human resources as part of the four pillars of the European employment strategy (improving

⁽⁸⁷⁾ Regulation no 1784/1999 of the European Parliament and of the Council of 12 July 1999 on the European Social Fund. *Official journal of the European Communities*, L 213, 13.8.1999, p. 5.

employability, developing entrepreneurship; encouraging adaptability; strengthening equal opportunities). Measures include retraining of the labour force, raising managerial capacity and improving innovative capacity. Particular attention is given to ensuring that Phare support for employment-related operations of a ESF nature is in line with national employment strategies.

As part of the pre-accession strategy, employment policy reviews were launched in the central and eastern European countries in 1999. The objective was to examine the progress candidate countries had made in adapting their employment systems to be able to implement the European employment strategy. The reviews addressed not just the *acquis*, but also more general employment policy and in particular, the employment guidelines and ESF assistance.

The reviews identified some important issues for vocational education and training systems, namely:

- developing a decentralised approach based on the involvement and cooperation of local participants in labour market policy delivery;
- reforming vocational education and training systems to promote employability and adaptability of the workforce in a context of equal opportunities for men and women;
- developing the necessary institutions to manage, monitor and evaluate ESF assistance.

1.6.3. Towards accession: challenges for vocational education and training systems in the future Member States

The Barcelona European Council, in March 2002, is the starting point of the accession phase. Despite efforts to modernise vocational education and training systems, candidate countries and future Member States, still suffer from difficulties inherited from their former economic and social systems.

As in the EU, the general trend in the candidate countries and future Member States has been to increase the levels of qualifications, modernise and widen education profiles provided by the school system, introduce core skills, increase participation in the general education pathways and facilitate access to post

secondary and tertiary education. But efforts have concentrated on the formal education system. Less attention has been given to non-formal learning and to continuing training in general. Despite the development of a private training sector and increase in continuing training activities initiated by companies, the formal system still dominates, and valuing non-formal and informal learning is at an early stage.

Social partners' involvement in vocational education and training issues is particularly weak. Despite formal recognition of their role as part of tripartite committees in many countries, they play a very minor role in the preparation of national strategies and even less in implementation at regional and local level. Analyses and forecasts of labour market needs are not done systematically, and research in vocational education and training is under developed.

Policy and institutional frameworks are developing, but in general closer coordination between the different ministries, and the regions is needed. Decentralisation has been introduced in the large- and medium-size countries, but often at regional level which does not provide the opportunity to develop efficient human resource development strategies and creates difficulties in linking with employment and labour market policies. There is still a need for institution building at regional and local level, in particular when preparing for using the ESF.

Overall, adaptation of the vocational education and training systems and their curricula and pathways have not followed long-term strategic thinking in respect of the labour market and society. There is also the need to promote transparency throughout the numerous curricula and pathways developed since the 1990s. In addition, quality assurance and accreditation mechanisms for training centres curricula in both initial and continuing training systems are needed. Linked to this is the need to set up national qualification frameworks from which curricula framework and certification systems could derive. This would allow for validation of non-formal learning. Only Hungary, which began the process in 1993, has attempted to set up such a system.

Social inclusion is still a major issue for

vocational education and training systems. The drop out rate from vocational education and training schools is very high in some countries. In addition, some disadvantaged and minority groups have difficulty in entering vocational education and training streams.

The status and training of teachers have yet to adapt to changes as requested by the new pedagogical learner-centred approaches and e-learning developments. In most countries, the social status of teachers and trainers is low compared to those from other employment sectors or the situation in the EU. In addition, there is a shortage of the newly qualified intermediary professionals for training throughout schools, non-governmental organisations and companies.

The European Commission's strategic report in October 2002, *Towards an enlarged union* ⁽⁸⁸⁾, concluded that in the area of social policy and employment, while alignment with the *acquis* is well advanced, most countries still need to strengthen their administrative capacity. In addition, the candidate countries need to continue to incorporate the EU objectives into their domestic employment policies. In addition, they still face challenges in developing their vocational education and training systems to meet the objectives outlined at the Lisbon European Council.

The success of the Lisbon strategy for 2010 depends on the ability of all EU Member States to take on board these objectives and undertake reforms. This also applies to the new Member States after 2004 and places important responsibilities upon them.

1.7. Concluding remarks

The strategic goal agreed at the Lisbon European Council in March 2000, to make Europe the most dynamic knowledge-based economy in the world by 2010, has brought together a series of policy agendas and provided the impetus for the European Commission, Member States and social

partners (discussed in Chapter 2) to establish a clear policy framework at European level for the social and economic development of the EU.

Education and training and lifelong learning are at the heart of the plan to achieve the strategic goal and its complementary targets for increasing employment rates. As a result, in stark contrast to the years before the Lisbon European Council, a comprehensive European vocational education and training policy framework is in place. Clear policy objectives, supported by measurable benchmarks, have been set for the development of lifelong learning, concrete objectives for education and training systems, as well as specific action plans for e-learning and skills and mobility. Vocational education and training also features prominently among the employment guidelines of the European employment strategy, which have also been revised to complement more closely the Lisbon strategic goal. In this way the policy framework covers the reform of the organisation and content of vocational education and training systems and content, as well as their interaction in the labour market. Furthermore, the development and implementation of European vocational education and training policy will be supported through the Bruges-Copenhagen process on enhanced cooperation and by the next generation of education, training and youth programmes after 2006. As a policy area, vocational education and training has made an important contribution to paving the way for countries of central and eastern Europe to become full members of the EU.

Some of the specific issues covered by the various elements of the European vocational education and training policy, including the social partners' framework of actions which is discussed in Section 2.2.4 are summarised in Table 11. However, as the table shows, these issues are not new. The 1993 white paper: *Growth, competitiveness and employment*, identified similar areas to be addressed and a reporting process was introduced in 1994 by the European Council at Essen.

This does not mean that the issues or the

⁽⁸⁸⁾ *Towards the enlarged union: strategy paper and report of the European Commission on the progress towards accession by each of the candidate countries*. Luxembourg: Office for Official Publications of the European Communities. (COM (2002) 700 final).

process in the new policy framework are irrelevant. Indeed the action being undertaken is precisely in line with Article 150 of the Treaty on European Union agreed at Amsterdam 1999. Nor does it mean that in the last 10 years progress has not been made. Overall participation in vocational educational and training and levels of educational attainment are rising as shown in Sections 3.2 and 5.2 respectively. However, the fact that the same issues have been discussed for over a decade underlines the need for reforms already under way in the Member States to be speeded up. For Europe to achieve its strategic goal by 2010 much work remains to be done to implement the European policy framework agreed. The extent of the task is emphasised in the labour market analysis in Sections 3, 4 and 5.

However, what is new in vocational education and training is the open method of coordination and annual reporting, supported by clear benchmarks. This has encouraged determination to achieve the aims set. This contrasts with the first half of the 1990s and the aftermath of the debate on the division of responsibility for vocational education and training between the EU and the Member States. Although this debate was settled by the Maastricht Treaty in 1992, which placed responsibility for the content and organisation of systems firmly with the Member States and ruled out harmonisation, the period after was characterised by a reluctance of Member States to agree common aims that might compromise the balance. Since Lisbon this has changed radically. The agreements on objectives, common benchmarks and lifelong learning are far-reaching, touching areas of content and organisation which are the preserve of the Member States. A way of working has been found. Common objectives are agreed politically and monitored at European level, but responsibility for legal or other changes to bring about reform rests clearly with Member States.

The review of the European employment strategy also emphasised the importance of increasing employment among certain sections

of the workforce - women, young people, older workers and those at a disadvantage in the labour market - to reach the employment rate targets set by the Lisbon European Council. European Councils at Lisbon and Nice also emphasised that an inclusive labour market is part of the European social model.

Although there are employment rate targets for women and older workers, there are no specific targets for participation in education and training by women aged 25 to 64, or older workers aged 55 to 64. The need to guarantee access to lifelong learning for older workers was emphasised again at Barcelona ⁽⁸⁹⁾. Furthermore, while the policy frameworks set targets to increase participation in education and training for those aged 18 to 24, essentially to reduce drop-outs from the education and training system, there are none for people with disabilities and others at a disadvantage in the labour market.

The following chapters examine developments in vocational education and training being led by the social partners and taking place in the Member States, in the light of the targets and objectives of European vocational education and training policy. These are summarised as:

- (a) the social partners' perspective;
- (b) raising participation in initial and continuing training;
- (c) promoting equal opportunities and social inclusion;
- (d) reducing skills gaps;
- (e) developing lifelong learning and improving vocational education and training.

Each of these broad headings and their respective components are considered in the following chapters.

⁽⁸⁹⁾ *Presidency conclusions: Barcelona European Council, 15-16 March 2002, paragraph 32.*

Table 11. 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
• identifying and anticipating competences and qualifications needs; • recognising and validating competences and qualifications; • information, support and guidance; • resources.	• active and preventive measures for the unemployed and inactive; • promote job creation by fostering entrepreneurship; • address change and promote adaptability in work; • more and better investment in human capital and strategies for lifelong learning; • increase labour supply and promote active ageing; • gender equality; • integrate and combat discrimination against people at a disadvantage in the labour market.	• shortage of skills in science and technology; • rather high number of young people in Europe leaving school without basic training (which in turn contributes to social exclusion); • inadequate development of systems of continuing training and access to it; • lack of a genuine European skills market in both skills and qualifications; • lack of opportunities for open and distance learning.

Lifelong learning	Concrete future objectives (numbering corresponds to Council conclusions)	Strengthening cooperation
• promote lifelong learning by setting targets for increased investment in human resources and develop initiatives to stimulate private investment in learning; • promote learning at the workplace; • improve the education and training of teachers and trainers; • encourage measures to validate learning outcomes to bridge between formal, informal and non-formal learning; • develop target specific information, guidance and advice; • improve participation in lifelong learning.	1. Increasing the quality and effectiveness of education and training systems in the EU. 1.2. Improving education and training for teachers and trainers; 1.3. Developing skills for the knowledge society 1.6. Ensuring access to ICTs for everyone 1.7. Increasing recruitment to scientific and technical studies 1.8. 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	• developing the European dimension by mobility, partnerships and other cross-national 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.

CHAPTER 2

The social partner perspective and social dialogue

2.1. Introduction

The social partners have contributed to the development of European vocational education and training policy since the founding of the European Economic Community. Often being proactive they have highlighted issues, made proposals and agreed action in various forms. Over the years the social partners have developed a European social dialogue which has put vocational education and training on the European agenda and they have been at the heart of many initiatives at European level shaping Community vocational education and training policy.

This chapter looks at the contribution to Community vocational education and training policy of cooperation between social partners in the European social dialogue on education and training, the European-level sectoral dialogue and in enterprises with European works councils. It also outlines the different forms that the social dialogue takes.

After discussing the origins of the European social dialogue, the chapter points to major developments in cooperation between social partners. It examines the emergence of a more autonomous European social dialogue to complement the European policy framework set by the Member States and the European Commission, and shows that initiatives on vocational education and training between the social partners at European level, to a certain degree anticipated this development. The chapter also examines the vocational education and training issues being addressed in a cross-section of sectors in the European-level sectoral social dialogue and the different approaches to the problems faced. The general trend to include information and consultation on vocational education and training in the remit of European works councils in European multi-national

enterprises is also discussed.

The chapter also takes account of a recent survey of the social dialogue at national level which is after all, ultimately responsible for the policy-making, development and delivery of vocational education and training. In this context, it is not the intention to deal with all the aspects of national social dialogue within vocational education and training, but to look at recent developments and illustrate how the national level influences strongly the agenda and implementation of the European social dialogue.

The chapter also looks at the wide range of instruments used by social partners to improve and develop vocational education and training, and concludes that irrespective of the instrument used, the focus is on outputs and real results.

2.2. Operation of and participation in social dialogue at European level

Social dialogue is the term for the relation between the two sides of industry. It ranges from exchanges of information to consultations and hearings to negotiations between the parties.

The social dialogue is at the centre of the European social model. It is essential for the introduction of economic and social change as it can promote flexibility and cushion the social cost of adjustment. The Lisbon European Council emphasised the role of the social dialogue in meeting the objectives set for the EU, not least in raising the level of skills.

The social dialogue has a strong institutional base at European level. The Amsterdam Treaty, in Articles 138 and 139 obliges the European Commission to promote consultation of the social partners and facilitate their dialogue while ensuring a balanced support for both parties.

Participants in the social dialogue at European level are:

- (a) ETUC (European Trade Union Confederation) established in 1973 representing employees. ETUC currently groups together 74 member organisations in 34 European countries;
- (b) UNICE (Union of Industrial and Employers' Confederations of Europe) established in 1958. It groups together the employers' organisations of 22 European countries and represents the interests of the European business circles to the European institutions;
- (c) UEAPME is part of the delegation of UNICE and represents small and medium-sized companies;
- (d) CEEP (European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest), created in 1961, deals with the activities of services of general interest.

The European social dialogue functions in three ways, consultation, bipartite dialogue, tripartite concertation.

Consultation takes several forms, such as that under Article 138 of the Treaty and through cross-industry advisory committees. The latter involves representatives of the European Commission, Member States and cross-industry social partners. These committees advise the European Commission by giving opinions on policies and contributing to their implementation. One example is the advisory committee on vocational training which comprises national governments as well as social partners.

Bipartite social dialogue is dialogue between the two sides of industry first initiated at the *Val Duchesse* meeting in 1985 (see below) and promoted by the European Commission as required by Article 138 of the Amsterdam Treaty. Bipartite social dialogue is developed in the social dialogue committee and the 27 sectoral committees. It also includes the social dialogue summit which is an exchange of views between the President of the European Commission and the social partners. At the social dialogue summit, on 28 November 2002, the social partners presented their first multi-annual programme 2003-05. This marks an important

development as it represented the launch of a more autonomous bipartite social dialogue and is a contribution towards the achievement of the Lisbon strategy.

Tripartite social concertation brings together the social partners, Member States and European Commission representatives, and, in particular, it gives the social partners opportunity to contribute to the preparation of the work of the Council. Tripartite dialogue involving the social partners takes place in macro-economic policy, social protection and employment issues. Since 1970, the Standing Committee on Employment (SCE) meets in the presence of representatives of the Council, the European Commission and the social partners to discuss issues linked to industrial change and employment. The social partners are also invited to informal and periodic meetings with heads of state and government the day before European Councils. In addition, they meet Employment and social affairs ministers as well as the Ecofin ministers at informal Council meetings. To improve tripartite concertation and the coordination of various aspects of the Lisbon strategy the Council agreed to set up a tripartite social summit for growth and employment to meet at least once a year, with a meeting before the spring European Council (see below).

The European social dialogue can thus be seen to take place in many different forms. This to a certain degree deflects the evolutionary character of its development and its origins which are discussed below.

2.2.1. Origins of the European social dialogue

Development of the European social dialogue has been classified into four overlapping periods (Tyszkiewicz, 1998):

- the 'social engineering' period - covering the contribution of the European Coal and Steel Community and the Treaty of Rome;
- the 'joint opinion period' - following the Val Duchesse summit in 1985, the principles of which were included in the Single European Act of 1986, inserting Article 118b into the Treaty assigning the European Commission the task of developing and promoting the European social dialogue;

- from 1989 to 1992 characterised by the Community charter of fundamental social rights for workers and its action plan which engendered a return to legislation;
- from the institutionalisation of the European social dialogue starting with the social partners' October 1991 agreement annexed to the Maastricht Treaty and later Article 138 in the Amsterdam Treaty.

Over time the institutional framework of the European social dialogue has remained largely stable, but its influence has steadily grown, particularly in the area of vocational education and training.

The European social dialogue was not formally constituted under the Treaty of Rome. Its roots can be traced back to discussions in the standing employment committee and tripartite conferences held in the 1970s and early 1980s. The two sides of industry are represented together with other groups of civil society in the Economic and Social Committee set up in 1957 to give opinions on the initiatives by the European Commission. They participated in committees to oversee the operation of the European Social Fund (ESF) and the governing boards of the European Foundation for Living and Working Conditions in Dublin, and the European Centre for the Development of Vocational Training (Cedefop) when both were set up in 1975.

The common vocational training policy of the Treaty of Rome in 1957 and the principles to implement it agreed in 1963, linked vocational education and training firmly to developments in the labour market. Long before the European social dialogue as we now know it emerged, the role of the two sides of industry in developing vocational education and training policy at European level was institutionalised through their membership of the advisory committee on vocational training (ACVT). The ACVT was established in 1963 to give opinions on questions of general importance or principles concerning vocational education and training. The social partners were involved in a number of initiatives to implement the common vocational education and training policy, including efforts to harmonise training levels during the 1960s.

Economic and social change in the 1970s and 1980s was characterised by high levels of unemployment, particularly among young people and the growing problem of long-term unemployment. The social partners' joint declaration on vocational education and training in 1974 contributed to its use as an active labour market policy to combat unemployment and promote equal opportunities. Cooperation was based on informal agreements between the social partners at European and national level in the context of a European policy framework set through various resolutions of the Council. Cooperation involving the social partners took various forms, including pilot projects, research, networks and study visits.

The European social dialogue was launched in 1985 by the then president of the European Commission, Jacques Delors. He invited the three main organisations representing both sides of industry at European level, UNICE, ETUC and CEEP including affiliated, national organisations to play their part in the creation of the Single Market at an informal meeting in January 1985 at *château Val Duchesse*. A second *Val Duchesse* meeting in November 1985 resulted in agreement on the broad lines of a cooperative growth strategy for more employment and a joint declaration of intent. Two working parties, comprising representatives of the three European organisations, were set up to look into possible joint approaches. One looked at macro-economic problems and the other at the introduction of new technologies. The macro-economic working party issued a joint opinion in November 1986 on a cooperative growth strategy for more employment. It mentioned the need to improve the skill levels of the labour force and linked vocational retraining to employment and competitiveness. It also argued that training costs represent an investment and employees at every level should be encouraged to take training courses.

The working party on the introduction of new technologies adopted its first joint opinion in March 1987. The joint opinion focused on using training to make the introduction of new technologies more economically viable and socially acceptable. It also considered motivation and encouragement to adapt and

undergo training. It was explicitly stressed that vocational training - basic training, in-service training and retraining - should satisfy the demands of workers, firms, the economy in general and the internal market in particular. Development of training systems and their comparability was said to need the active support of both sides of industry and the joint opinion called for a system for mutual recognition of qualifications to be introduced at European level. The joint opinion distinguished between basic training, in-service training and retraining. The former was seen as the responsibility of public authorities, and the latter two, to a large extent, the responsibility of the labour market itself. Public authorities were called upon to consult to a greater degree than they did, to ensure consistency between training and the requirements of the economy, firms and workers. Emphasis was placed on the transition from school to working life, guidance and counselling, as well as the training of trainers. The requirements of unskilled job-seekers under 25 and of women were mentioned as needing particular attention. Several paragraphs dealt with in-service training and retraining, mechanisms of information and consultation, financing, linking training efforts to improved forecasting of skills needs and employment. Consequently, at the outset the European social dialogue on vocational education and training, touched a number of issues which are still relevant.

The Single European Act of 1986, gave the European social dialogue a legal status in Article 118b of the Treaty of Rome as amended by the Act. Under the article the European Commission was given the task of developing and promoting the European social dialogue. In May 1987, the social dialogue was reviewed by the presidency of the Council, European Commission and ETUC, CEEP and UNICE. The results were presented to the Council, encouraging governments to implement policies apt to give scope and significance to this new kind of dialogue. This served to extend the influence of the social partners on the development of vocational education and training policy and ushered in the 'joint opinion' period.

2.2.2. The period of joint opinions

In 1989, the European social dialogue entered a second phase. A permanent, political steering group was set up to foster permanent dialogue and define the mandate and composition of working groups under its responsibility. Working parties were set up, one dealing with education and training, which adopted a number of joint opinions on:

- (a) basic education and initial training and vocational training and adult training, 1990,
- (b) the transition from school to adult and professional life, 1990,
- (c) the best methods for enabling the broadest effective access to training, 1991,
- (d) vocational qualifications and their validation, 1992,
- (e) women and training, 1993,
- (f) future actions of the EU in the vocational training field and the role of the social partners in this area, 1994,
- (g) the contribution of vocational training to the fight against unemployment, 1995.

The joint opinions on basic education and training (June 1990), the transition from school to adult and working life (November 1990), and new technologies, work organisation and adaptability of the labour market (January 1991) drew attention to the major challenges in terms of skill requirements anticipated by the creation of the Single Market, demographic and technological change.

The joint opinions were guidelines or recommendations mainly addressed to Member States, and the European Commission. The concerns expressed in them strongly influenced European vocational education and training policy and the action to implement it. Issues highlighted by the social partners were included in the new Community vocational education and training policy article in the Maastricht Treaty agreed in 1992, but their influence on policy development extended further. Their joint opinion on ways of facilitating the broadest possible effective access to vocational education and training opportunities in September 1991 formed the basis of the access recommendation adopted in 1993. Another joint opinion in October 1992 emphasised the importance of transparency in qualifications and

certificates across Member States, and was reflected in the Council resolution on this issue agreed in December 1992.

In terms of practical action, the issues emphasised by the social partners featured prominently in the vocational education and training action programmes introduced during this period - Comett II (established in 1988), Eurotecnet (1989), Force (1990), Petra II (1991) and their successor Leonardo da Vinci (1994). The programmes involved the social partners as active participants and in their management as members of the committees overseeing them. The social partners also expressed influential views on the management of European Community action concerning vocational education and training. Their joint opinion on the future role and actions of the Community in the field of education and training, (July 1993) called for greater coherence in the Community initiatives supported by the European Social Fund (ESF). Their joint opinion on the draft decision for the Leonardo da Vinci II programme (January 1998) supported the idea of simplifying the management mechanisms for the second stage of the programme. In both instances, their views were taken into account.

2.2.3. The social dimension and the social protocol

During the 'joint opinion' period the social partners were very active in the development of employment and social policy generally, not just vocational education and training. This period took place against the background of lively debate on the development of the social dimension of a Single Market, rapidly taking shape after the Single European Act 1986. The Community Charter of Fundamental Social Rights for Workers (the social charter) agreed by 11 of the then 12 Member States in 1989 and the subsequent action plan were seen as key components of the social dimension. The action plan to implement the principles in the social charter contained legislative proposals governing employment conditions and a legally binding decision on access to training.

In 1990, the social partners released a joint statement that they sought ways and means of making the social dialogue more useful and better known to improve implementation and follow up of their joint opinions. They expressed their intention to extend the social dialogue to all levels and agreed to circulate their joint opinions. They also agreed to request their affiliate and member organisations to convene social partner meetings at national level to examine the joint opinions and assess their value and usefulness in the national and European context.

In 1991 an 'ad hoc' group was set up to prepare for the inter-governmental conference on political union and amendments to the treaties, which in October 1991 agreed a proposal for amending the articles on social policy. The outcome was the Agreement on Social Policy⁽⁹⁰⁾ (the social protocol), annexed to the Maastricht Treaty in 1992, agreed between the Member States (with the exception of the UK), based almost entirely on the text agreed by the social partners in October 1991. The social protocol ensured the social partners were consulted in advance by the European Commission when preparing proposals. It also provided for contractual agreements by the social partners at Community level to be implemented by the Council through legally binding instruments on a proposal from the European Commission. Although the development of human resources was one of the objectives in the social protocol, it was very cautious in its treatment of vocational education and training. Contractual agreements between the social partners on vocational education and training were limited to the integration of persons excluded from the labour market. Furthermore, any agreements were to be without prejudice to the vocational education and training article of the Treaty. This illustrates that the then 11 Member States which signed the social protocol, even though they supported a greater role for the social partners in European social policy, still wished to avoid any legally binding proposals that might impinge

⁽⁹⁰⁾ Treaty establishing the European Community. *Official journal of the European Communities*, C 224, 31.8.1992, p.126.

upon their responsibility for the content and organisation of vocational education and training. The social protocol was signed by the UK in 1997 and subsequently became Article 138 of the Treaty on European Union agreed at Amsterdam.

It is important to note that during this debate, the social partners did not always share the same ambitions and goals on all issues. However, the social dialogue highlighted areas of genuine common interest, as well as others where it was necessary to tread more cautiously to reach results. Typical was the question of competence between the European and national levels and the principle of subsidiarity, whereby issues should be taken at the level as close as possible to the persons concerned. The road of European collective agreements as provided for under Article 138 of the Treaty of Amsterdam was not an easy one. The first formal collective agreement at European level between the social partners was reached in 1995 and covered parental leave. Given the cautious treatment of vocational education and training in the article, it is not surprising there have been no specific proposals from the social partners in this area. This reflects a consistent position of the social partners that the implementation of initiatives agreed at European level, including those in vocational education and training, should be compatible with national practices.

However, this has not prevented progress being made on vocational education and training in the social dialogue through the traditional method of firm commitments agreed on a voluntary basis, expressed through joint opinions or other frameworks for action.

Persistent high unemployment, particularly long-term unemployment (despite a return to economic growth in the late 1980s followed by a sharp downturn in the early 1990s), led to an examination of the structural problems in the labour market including shortage of skills. Further examination was encouraged by the European Commission's white paper 'Growth, competitiveness and employment' in 1993 and

the social partners actively contributed to the process through joint opinions on vocational education and training and combating unemployment (April 1995) and sustained and job creating growth (May 1995). The examination of the structural problems in the European labour market led to a closer coordination of Member States' employment policies which began at the Essen Employment Council in 1995, culminating in the Luxembourg process, agreed in 1997, that became the European employment strategy, enshrined in the Treaty of Amsterdam in 1999.

This period saw the social partners committed to labour market reform and improvements in vocational education and training through the Employment Pact of December 1998 and their involvement in drawing up of the employment guidelines as outlined in their joint opinion of 18 March 1999. The guidelines put vocational education and training and the development of lifelong learning at the forefront of measures to combat unemployment and improve employment prospects. They underline the importance attached by the social partners to lifelong learning and vocational education and training and their commitment has continued.

In addition to using the social dialogue to develop policies for lifelong learning, during this time the social partners were also looking to strengthen it at European level on the basis of innovative practices in the Member States. Following the Council recommendation of 30 June 1993 ⁽⁹¹⁾, a social dialogue support system on continuing training was set up in October 1994.

The social partners, supported financially by the European Commission, asked a small group of experts from each side to study ways in which the social dialogue could serve as a forum for the exchange of information and experience at European and national level. They identified a number of themes:

- (a) planning of training in firms,
- (b) small- and medium-sized enterprises,
- (c) organisational development,

⁽⁹¹⁾ Council recommendation of 30 June 1993 on access to continuing vocational training. *Official journal of the European Communities*, L 181, 23.7.1993, p. 37-40.

- (d) a typical work,
- (e) integration of young people,
- (f) new forms of cooperation at regional level,
- (g) validation and accreditation - means and methods,
- (h) allocation of resources,
- (i) new responses to individual needs.

The first compendium, contained descriptions of the themes representing best practices in the Member States and 30 case-studies. The second, *Vocational training: innovation and diversity in dialogue practices between social partners*, was launched in May 1996 with 30 new case-studies and 16 notes. The first note covered the European social dialogue and its achievements, followed by a note on each Member State, describing the development of dialogue on vocational education and training and its relationship with legislation and training systems. The European social dialogue continued to highlight and consider the key issues in vocational education and training policy through its education and training group set up in 1996. Again identifying what were to become widely accepted as issues fundamental to the development of vocational education and training in Europe, the working group established four sub-groups to examine four priorities; vocational guidance, lifelong learning, financial resources and qualifications. Each sub-group examined the practices in the Member States and examined the various joint opinions in these areas.

To strengthen further the European social dialogue, on the initiative of ETUC, CEEP and UNICE and with the support of the European Commission, a special body for debate, exchange of experience, training and support for industrial relations in Europe: the European Centre for Industrial Relations (ECIR) was set up in, Florence, in 1995 ⁽⁹²⁾.

2.2.4. A new development in the European social dialogue: a framework of actions

Lifelong learning has been on the social partners' agenda for more than a decade as an integral part of restructuring the labour market. The Lisbon European Council in March 2000, called on the social partners to give higher priority to lifelong learning as a basic component of the European social model and encouraged them to reach agreements on it. In response, the social partners set up a working group to identify ways of promoting access to lifelong learning and skill development. In addition to commenting ⁽⁹³⁾ on the European Commission's memorandum on lifelong learning, the social partners agreed a 'Framework of actions on the lifelong development of competences and qualifications' ⁽⁹⁴⁾ on 28 February 2002, and listing four priorities:

- (a) identification and anticipation of competences and qualifications needs;
- (b) recognition and validation of competences and qualifications;
- (c) information, support and guidance;
- (d) resources.

The framework is a joint understanding of the need for competence development with a strong focus on qualifications, competences and learning in Member States. Attached to the agreement are examples from national, sectoral and company levels of action taken in this regard. The framework states that lifelong learning depends on a solid foundation being provided by initial education. Perhaps with an eye to the Lisbon objectives of defining and promoting new basic skills, the framework provides a list, albeit in a footnote, of those elements seen by the social partners as providing part of the solid foundation required. An important development is the encouragement for companies to draw up competence development plans with the social partners, based on the strategic needs of the company (Table 12). This marks a shift towards

⁽⁹²⁾ Convention setting up a European University Institute. *Official journal of the European Communities*, C 29 9.2.1976.

⁽⁹³⁾ *Lifelong learning: who gave their views during the consultation?* Available from Internet: http://europa.eu.int/comm/education/policies/lll/life/report_en.html [cited 2.10.2003].

⁽⁹⁴⁾ *Framework of actions for lifelong learning* / joint document from European Trade Union Confederation (ETUC); Union of Industrial and Employers' Confederations of Europe (UNICE); European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest (CEEP). Available from the Internet: <http://www.etuc.org/en/index.cfm?target=/EN/Press/releases/cobargain/lll.cfm> [cited 21.10.2002].

taking greater account of competences acquired in the workplace and from formal to non-formal learning. For each of the priorities the action proposed for social partner organisations at European, national, sectoral and enterprise level is outlined. An annual reporting procedure on action taken in respect of the four priorities has been instituted. A review of the process assessing the impact of the priorities is planned for 2006.

Table 12. Identify and anticipate the competences and the qualifications needed

Identifying competencies and qualifications needs and anticipating their development represents a complex task given the numerous socio-economic factors, which must be taken into consideration, but it is imperative nevertheless. The social partners regard this identification and anticipation as taking place at two levels:

- responsibility lies at the highest managerial level for deciding the overall competences development plan necessary for the success of a company's business strategy;
- defining and answering competences needs requires the joint involvement of employers and employees;
- individual competences development plans jointly elaborated by the employer and the employee are important to foster joint efforts to develop the employee's competencies;
- developing a learning environment is also important for success; professionals and managers play a crucial role in this respect.

Source: Framework actions for lifelong learning

The framework of actions on the lifelong development of competences continues a long tradition of identifying key issues in vocational education and training that need to be addressed. In doing so, it reflects the valuable contribution of the European social dialogue to progress in this area. The variety of different instruments used – discussion, recommendations, joint opinions, legally binding measures – provide a range of options to take issues forward (Travittian, 1992). This flexibility is essential on sensitive issues,

such as vocational education and training where the Member States ruled out the harmonisation of system. Through its joint opinions, the cross-sectoral European social dialogue has helped devise, supported and supplemented successive political frameworks established by the Member States and the European Commission and so shaped the vocational education and training policy at European level.

However, the framework of actions also deserves to be seen as an important development of the European social dialogue because of its complementary and autonomous nature. It reflects their priorities and outlines the action they will take to make progress and is also significant. It is complementary in linking the European policy framework agreed by the Member States and European Commission with the agendas of the social dialogue in the Member States. At European level, the framework of actions reflects the issues in the European policy framework for vocational education and training; these are issues, it should be noted, that the social partners helped put on the European agenda in the first place. In addition, the framework of actions contains issues being progressed through, or discussed in, the various social dialogues in the Member States. The framework is the culmination of a process, illustrated by the different national agreements attached to the framework of actions document, where national activity in vocational education and training has contributed directly to a European framework.

The social partners' framework of action is autonomous in that where earlier joint opinions and recommendations were addressed, for the most part, to policy makers in Member States or European Commission, the framework of actions is directed much more specifically at the social partners themselves. It therefore outlines issues of importance to them, expressed in their terms and that they will deal with themselves, even though the same issues are also in the European policy framework. This approach should also be seen in the context of the debate on the development of the European social dialogue. Its origins lie in the proposals to promote quality in industrial relations made by

Table 13. Extract from the European social partners' joint contribution to the Laeken European Council – December 2001.

Conscious that development of the European social dialogue presupposes strong involvement of national employer and trade union leaders, CEEP, UNICE/ UEAPME and ETUC will discuss what concrete measures should be taken to better organise the work of the social dialogue in a work programme, defined by a social dialogue summit. This work programme would be built on a spectrum of diversified instruments (various types of European framework agreement, opinions, recommendations, statements, exchanges of experience, awareness-raising campaigns, open debates, etc.) and would comprise a balanced range of themes of common interest for employers and workers. Its implementation would presuppose regular social dialogue meetings and/or summits.

Although decided and implemented in complete autonomy, the social partners will be concerned that their work programme should make a useful contribution to European strategy for growth and employment as well as to preparing for enlargement of the European Union.

The European social partners draw the European public authorities' attention to the urgent need to develop, with the help of the European social partners, a genuinely integrated technical assistance programme for the social partners in the candidate countries in order to foster the development of strong and autonomous trade union and employer organisations capable of engaging fully in the European social dialogue as soon as their countries accede to the European Union.

On their side, ETUC, UNICE/UEAPME and CEEP will involve employer and trade union organisations in the candidate countries in preparation of the proposals they plan to present to the Council under the Danish Presidency.

<http://www.etuc.org/en/dossiers/colbargain/splaeken.cfm>.

More information can be found on: <http://www.eiro.eurofound.ie/2001/12/Feature/EU0112262F.html>

Source: ETUC

the European Commission in its 2000-05 social policy agenda ⁽⁹⁵⁾.

On the eve of enlargement, the European Commission argued, a strong and effective social dialogue is a cornerstone of the European social model and essential for the good governance of an enlarged Europe. The social dialogue is also a major driving force behind economic and social reform and the achievement of the objectives agreed at Lisbon. At the Laeken European Council in December 2001, the social partners expressed their willingness to improve the effectiveness of the social dialogue (Table 13). Against this background, it is interesting to note that the framework of actions on the lifelong development of competences and qualifications can be seen as anticipating both an annual reporting process, as requested by the Barcelona European Council on the implementation of the Lisbon objectives, and the autonomous, complementary social dialogue advocated in the European Commission communication on the social dialogue ⁽⁹⁶⁾.

Consequently, the approach in the framework of actions on the lifelong development of competences, can clearly be seen as a step towards a more autonomous European social dialogue. It should be seen important for this as well as the issues it addresses.

The social partners published their first report on the follow up to the framework of actions in March 2003 ⁽⁹⁷⁾. The report admits it is difficult to identify clear major trends so soon after its introduction, but concludes that the framework of actions has provided the impetus for debates and joint actions between the social partners on development of competences and qualifications. The report identifies four major types of follow up action:

- (a) dissemination activities;
- (b) discussion on the framework of actions between social partners and integration of the priorities in collective agreements;

⁽⁹⁵⁾ *Social policy agenda*. Luxembourg: Office of Official Publications for the European Communities, 2000. Available from Internet: http://europa.eu.int/comm/employment_social/general/com00-379/com379_en.pdf [cited 21.10.2002]

⁽⁹⁶⁾ *The European social dialogue: a force for innovation and change: proposal for a Council decision establishing a tripartite social summit for growth and employment*. Luxembourg: Office for Official Publications of the European Communities, 2002. (COM (2002) 341 final).

⁽⁹⁷⁾ Framework of actions for the lifelong development of competences and qualifications: first follow up report/ETUC, European Trade Union Confederation, UNICE/UEAPME Union of Industrial and Employers' Confederations of Europe, European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest, Brussels, 14 March 2003.

- (c) promotion of the approach and the priorities of the framework of actions through tripartite concertation;
- (d) follow up of one or several priorities through more focused actions and projects, either jointly between social partners or separately.

A variety of instruments emerged as being common to the actions of social partners in a number of countries, to promote the four priorities of the framework of actions.

The report gives examples from national, regional, sectoral and company levels are presented from each country, including examples of good practice. An overview of work on the four priorities in the framework shows that reports and studies on identification and anticipation of competence and qualification needs have been conducted in several countries. The social partners have also taken action to support SME's, to develop competences of certain categories of workers, helped set up competence management in companies and organisations and designed training offers to match the needs of companies. There are also a wide variety of examples concerning the validation and recognition of competences and qualifications. This reflects social partners' concerns to build bridges between the worlds of formal education and work and encourage the acquisition of competences by non-formal and formal means. Initiatives range from partnership with public authorities or training institutions at national and local level, to autonomous initiatives by social partners at national, sectoral or regional level, as well as actions at enterprise level.

The report also points to cooperation between the social partners and the public to render more effective guidance, information and support services to young trainees and workers. Concerning mobilising resources the report points to the development of a wide variety of instruments including company investment in competence development, investment by the individual, joint investment and development of incentives.

Following their joint declaration at Laeken, in

November 2002, the social partners issued the work programme of the European social partners 2003-5 (Table 14), where the social partners of 30 European countries were present (the 15 Member States, 2 EEA and 13 candidate countries). In the programme's preamble, they stress that the European social dialogue presupposes strong involvement of national employer and trade union leaders. The programme aims to contribute to the Lisbon strategy and prepare for enlargement and lists three major priorities, employment, mobility and enlargement. The action envisaged and a timetable are spelled out. In line with the priorities identified by the European Council and included in the report on the concrete future objectives of education and training systems, science and technology and addressing skills gaps are mentioned explicitly. So too is lifelong learning under two of the priorities, but as is abundantly clear from all the prior occasions on which these themes have been dealt with, vocational education and training has a crucial role to play in all of them.

The term 'European social dialogue' has acquired a much broader meaning and the process and partners have become much more complex. At present, initiatives are under way to give the dialogue an even higher profile and make it more effective. Following the Lisbon European Council in 2001, a high level group on industrial relations and change in the European Union was set up to make recommendations to European policy makers and social partners on modernising industrial relations and enhancing their contribution to managing change. The group reported in 2002 ⁽⁹⁸⁾ and argued for the social partners to set a new agenda. It also emphasised the importance of the interaction between the various levels of the social dialogue and the different forums in which it takes place. The European Commission surveyed the dialogue and its importance in a communication and in line with the social partners' request, proposed the establishment of a tripartite social summit for growth and employment ⁽⁹⁹⁾. The

⁽⁹⁸⁾ *Report of the high level group on industrial relations and managing change in the European Union* / European Commission. Luxembourg: Office for the Official Publications of the European Communities, 2002.

⁽⁹⁹⁾ *The European social dialogue, a force for innovation and change*. Luxembourg: Office for Official Publications of the European Communities. (COM(2002) 341 final).

Table 14. Work programme of the European social partners 2003-05

EMPLOYMENT		
Themes	Actions	Calendar
employment guidelines	reports on Social Partner actions in Member States to implement employment guidelines (taking into account the three-year cycle)	2003-05
lifelong learning	follow up of 'framework of actions' & evaluation report	2003, 04 and 2005
stress at work	seminar in view to negotiate a voluntary agreement	2003
gender equality	seminar on equal opportunities and gender discrimination aiming at a framework of actions	2003
restructuring	identify orientations that could serve as a reference to assist in managing change and its social consequences on the basis of concrete cases	2003
disability	update of joint declaration of 1999 as a contribution for the European year of people with disabilities	2003
young people	promoting young people's interest in science and technology to help addressing the skills gap through joint declaration and/or awareness-raising campaign	2003-05
racism	updating joint declaration of 1995 (with participation of candidate countries)	2004
ageing workforce	seminar to discuss case studies and explore possible joint actions	2004
harassment	seminar to explore possibility of negotiating a voluntary agreement	2004-05
telework	monitoring of follow up framework agreement	2003-05
undeclared work	seminar aiming at a joint opinion	2005

Council agreed ⁽¹⁰⁰⁾ and the summit was set up as a forum for consultation between the social partners, European Commission and Member States to enable the social partners to contribute in an integrated way to the Lisbon strategy. The summit will draw on discussion held in the dialogues on macroeconomic policy, employment and social protection, and provide a bridge with the European Council held in spring each year. The aim is provide greater

consistency between the different processes in which the social partners are associated in separate forums.

2.2.5. Social dialogue and enlargement

It is also important to see these developments against the background of enlargement. As a major element of the European social model, social dialogue is not only seen as part of the *acquis communautaire* but a means of

⁽¹⁰⁰⁾ Council decision of 6 March 2003 establishing a tripartite social summit for growth and employment, *Official journal of the European Communities*, L 70, 14.03.2003, p 31-32.

ENLARGEMENT		
Themes	Actions	Calendar
industrial relations	joint seminars on industrial relations (case studies on different ways of articulating different levels of negotiations)	2003-05
social dialogue	two enlarged social dialogue committees per year	2003-05
restructuring	study on restructuring in candidate countries	2003-04
lifelong learning	include candidate countries in follow up to framework of actions	seminar in 2004, inclusion in reporting 2005
implementation of legal <i>acquis</i>	joint seminar on European works councils	2004
EU social and employment policies after enlargement	prospective reflection to identify issues that will arise in the EU after enlargement such as increase in diversity, migrations, transborder work, etc.	starting in 2004

MOBILITY		
Themes	Actions	Calendar
action plan on skills and mobility	seminar to identify areas where joint actions by the social partners at EU level could help addressing obstacles to mobility (notably for managerial staff), including supplementary pensions	2003-05

implementing it. The social partners are in a position to ensure that many important arrangements agreed at European level are put into effect, taking account of national traditions and practices, at various levels including the workplace itself. Social partner organisations in the future Member States are integrated into the processes of the social dialogue and the role it plays in the implementation of the Lisbon and employment strategies. In addition, they are central to the implementation of several important directives, including those on

information and consultation in European works councils, and health and safety at the workplace. Consequently, the autonomy of the social partners in the future Member States is seen as essential to enable them to fulfil these roles effectively. Conferences in Warsaw in 1999⁽¹⁰¹⁾ and Bratislava in 2001, considered the role of the social dialogue in the context of enlargement and a number of other initiatives followed⁽¹⁰²⁾ (Table 15). These were notably at sector level in the future Member States and the candidate countries, focusing on four major aspects:

⁽¹⁰¹⁾ *Social dialogue for success. The role of the social dialogue in EU enlargement. The Warsaw Conference 18-19 March 1999* / European Commission. Luxembourg: Office for Official Publications of the European Communities, 1999.

⁽¹⁰²⁾ *The European sectoral social dialogue* / European Commission. Luxembourg: Office for Official Publications of the European Communities, 2003.

Table 15. Sector initiatives on EU enlargement

Sector	Initiative	Sector	Initiative
Agriculture	Conference on the involvement of the candidate countries and the social partners in the social dialogue (Budapest, January 2002)	Industrial cleaning	Common declaration on enlargement committing the social partners to cooperate to contribute to the structuring of the sector in the candidate countries (January 2001). Training sessions on the social dialogue and enlargement (September and October 2002)
Banking	Bilateral round tables (Czech Republic, Hungary, Malta, Poland, Slovakia, Slovenia)		
Civil aviation	Conference on the social dialogue in industry (September 2000) Seminar on the social dialogue in the common European airspace (September 2001)	Postal services	Conference on enlargement and the social dialogue (Bucharest, 2001)
Clothes and textiles	Seminar on the social dialogue and fundamental rights (Turkey, 2000), Economic and social forum (Poland, May 2002)	Private security	Training sessions on the social dialogue and enlargement (October 2002)
		Performing arts	Conference: Towards the enlargement of the European social dialogue in the arts (Brussels, 2003)
Commerce	Round tables and seminars (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia)	Road transport	Joint opinion on drivers from third countries driving in the European Community (September 2000)
Construction	Conference – Enlargement: opportunity or risk (Berlin 2002), Round table (Warsaw, 2002)	Sea transport	Seminar on social features and employment (Brussels, May 2002)
Electricity	Conference on the social implications of the restructuring of the electricity sector in the candidate countries (Budapest, September 2002)	Shoes	Economic and social forum (Prague, November 2001)
		Sugar	Conference on the impact of enlargement on the sugar industry (Bratislava, 2002)
Fishing	Round table on the sectoral social dialogue and enlargement (Malta, November 2002)	Tanning and leather	Economic and social forum (Hungary, September 2001, Bucharest, October 2002)
Furniture	Seminar on the extension of the social dialogue to central and eastern Europe (Budapest, July 2002)	Telecommunications	Seminar on the implications of market liberalisation (Hungary, October 2001)
Hotel and catering/tourism	Seminar of the European social dialogue organised by EFFAT, with representatives of the Hungarian trade unions (Brussels, May 2002)	Source: The European sectoral social dialogue, European Commission	

- (a) identification of the social partners to establish clearly the parties involved in the dialogue;
- (b) resolving tangible problems together;
- (c) obtaining common results;
- (d) reinforcing structures.

2.3. European-level sectoral social dialogue

European-level sectoral social dialogue began through informal contacts in a variety of sectors. The first formal results were in the railway and energy distribution sectors, which included training in a framework agreement between ETUC and CEEP and, a memorandum on training in the retail sector agreed between CECD and EURO-FIET. Guidelines for vocational education and training in the cleaning sector were also agreed between EURO-FIET and FENI in 1995, defining a minimum content for training at European level and adaptation of these at national level.

Until 1998, the European-level sectoral social dialogue was based on joint committees and informal working parties. The joint committees were appointed by the European Commission in sectors corresponding to EU policies. Informal working parties were launched by the social partners themselves (Sörries 1999) (Table 16). Between them the joint committees and informal working parties reached over a hundred joint opinions and recommendations (Van den Toren, 1999) covering a wide range of topics, including vocational education and training (Keller & Sörries, 1999).

2.3.1. Structure of the European-level sectoral social dialogue

In line with its obligation to promote dialogue between management and labour, the European Commission issued a communication ⁽¹⁰³⁾ in September 1996, to gather as wide a range of views as possible on how to promote and

Table 16. The European-level sectoral social dialogue structures before 1998

Joint Committees	Informal Working Parties
Agriculture (established by Commission decision 74/442/EEC, <i>Official journal of the European Communities</i> , L243, 5.9.1974, p.22)	Hotels, restaurant, cafés (1984)
Road transport (85/516/EEC, <i>Official journal of the European Communities</i> , L 317, 28.11.1985, P. 33)	Sugar (1984)
Inland navigation (80/991/EEC <i>Official journal of the European Communities</i> , L 297, 6.11.1980, p28)	Commerce (1985)
Railways (85/13/EEC, <i>Official journal of the European Communities</i> , L 8, 10.1.1985, p. 26)	Insurance (1987)
Sea Fishing (74/441/EEC, <i>Official journal of the European Communities</i> , L 243, 5.9.1974, p.19)	Banks (1990)
Maritime Transport (87/467/EEC, <i>Official journal of the European Communities</i> , L253, 4.9.1987, P. 20)	Footwear (1991)
Civil aviation (90/449/EEC, <i>Official journal of the European Communities</i> , L 230, 24.8.1990, p. 22)	Construction (1991)
Telecommunications (90/450/EEC, <i>Official journal of the European Communities</i> , L230, 24.8.1990, p 25)	Cleaning (1992)
Postal services (94/595/EC <i>Official journal of the European Communities</i> , L 225, 31.8.1994, p. 31)	Textiles and clothing (1992)
	Wood (1994)
	Private security (1994)

⁽¹⁰³⁾ Commission communication of 18 September 1996 concerning the development of the social dialogue at Community level / European Commission. Luxembourg: Office for Official Publications of the European Communities, 1996. (COM (96) 448 final).

Table 17. List of sectoral social dialogue committees

Sector	Workers	Employers
Agriculture	EFFAT	GEOPA-COPA
Air transport	ECE; ETF	ACI Europe; AEA; ERA; IACA
Banking	UNI-Europa	EACB; ESBG; FBE
Cleaning	UNI-Europa	EFCI
Commerce	UNI-Europa	EUROCOMMERCE
Construction	EFBWW	FIEC
Culture	EEA	PEARLE*
Electricity	EMCEF; EPSU	EURELECTRIC
Footwear	ETUF-TCL	CEC
Furniture	EFBWW	UEA
Hotels & catering/tourism	EFFAT	HOTREC
Inland waterways	ETF	ESO/OEB; UINF
Insurance	UNI-Europa	ACME; BIPAR; CEA
Mining	EMCEF	APEP; CECISO
Personal services	UNI-Europa	CIC Europe
Postal services	UNI-Europa	POSTEUROP
Private security	UNI-Europa	CoESS
Railways	ETF	CER
Road transport	ETF	IRU
Sea fishing	ETF	EUROPECHE/ COGECA
Sea transport	ETF	ECSA
Sugar	EFFAT	CEFS
Tanning	ETUF-TCL	COTANCE
Telecommunications	UNI-Europa	ETNO
Temporary work	UNI-Europa	CIETT Europe
Textiles/clothing	ETUF-TCL	EURATEX
Wood	EFBWW	CEI-Bois

Source: The European social dialogue, a force for innovation and change. Luxembourg : EUR-OP 2002 (COM (2002) 341 final). Available from Internet: http://europa.eu.int/lex/en/com/reg/en_register_052030.html [cited 20.01.2003].

develop the European-level sectoral social dialogue. The European Commission argued that the joint committees and informal working groups had become either over-institutionalised, or used working methods that had outlived their usefulness. In response many employers' and workers' European and national organisations agreed that the structures in place often hindered positive developments. Consequently, in May 1998, the European Commission streamlined the procedures of the European-level and sectoral social dialogue ⁽¹⁰⁴⁾. It decided to provide financial, secretarial and technical support for one high-level plenary meeting each year. Following this decision, 27 sector social dialogue committees were set up at the joint request of the social partners in the sectors concerned (Table 17), as well as 9 informal working groups.

The European Commission recognised the new sector committees on the basis of the degree to which they were representative of the sector, the political opportunities and the willingness of the social partners to discuss and agree joint opinions, and conclude binding framework agreements. With this procedural framework, the European Commission provided the opportunity to develop the social dialogue beyond the conclusion of joint statements into substantive European-wide lifelong learning arrangements.

The European-level sectoral social dialogue operates in an institutional framework within the social partner organisations. On the trade union side are 11 European industry federations, having as affiliates national sector trade unions. These national federations are members both of the ETUC industry federations and their national confederations. In this way the ETUC has well established sub-structures at sector level covering all economic sectors (Keller & Bansbach, 2001). For the employers' UNICE has a different sub-structure, which combines general business with specific employer associations (Keller & Bansbach, 2001).

⁽¹⁰⁴⁾ Draft Council decision amending decision 70/532/EEC setting up the Standing Committee on Employment in the European Communities. Luxembourg: Office for Official Publications of the European Communities, 1998. (COM (98) 322 final).

The European social partners have adopted joint opinions, statements and declarations and recommendations on numerous occasions. Through 230 such joint sectoral texts, the social partners have contributed to, and even anticipated, high level policy debates, including at the European Council. The joint sectoral texts cover such issues as economic policy, employment, structural policies, modernising the operation of the labour market and vocational education and training. An analysis of 213 of the sectoral joint texts reveals 102 of them (48 %) include provisions on vocational education and training. Some 23 (11 %), deal solely with vocational education and training matters.

The European-level sectoral social dialogue is now a well-established process. Over the past few years the various sectoral social dialogue committees have negotiated a variety of joint texts and have increasingly discussed and adopted 'new generation' texts (charters, codes of conduct, agreements) containing commitments for implementation in the longer term ⁽¹⁰⁵⁾. In the European-level sectoral social dialogue 20 agreements have been concluded, most of them in them in and after 1998. They cover many issues including equal opportunities, modernisation of work, enlargement, and corporate social responsibility. Of the 20, 8 include provisions on vocational education and training. The framework agreement on the improvement of paid employment in agriculture in the Member States of the European Union ⁽¹⁰⁶⁾ is a good example of the 'new generation' texts and includes provision for giving priority to vocational education and training in the agricultural sector.

2.3.2. Vocational education and training in European-level sectoral committees

There are a number of forces driving the momentum behind the European-level sectoral social dialogue. The four priority areas identified in the framework agreement of 2002 reflects many of the concerns at the sectoral level.

Indeed, a number of sectors have been working for some time on ways to anticipate skill needs, improve recognition of qualifications and competences and to provide support to their employees and members. However, these concerns manifest themselves in different ways and for different reasons. Some sectors, for example in manufacturing, are highly-regulated. There are clear occupational profiles, a vocational education and training curriculum and structures leading to recognised formal qualifications. However, the relevance and effectiveness of these profiles and structures put in place through negotiation over the years are being eroded by technological change spurred on by the need to remain competitive. Other sectors, for example in services, do not have formalised qualifications structures and are characterised to some extent by low wages and high-levels of turnover. However, intense competition requires greater professionalism to deliver higher standards of service, while the use of new technology impacts on jobs at all levels.

Of the 27 sector dialogue committees and 9 informal sector working groups in place, almost all have recently developed activities in the field of lifelong learning. These include discussions on the general direction of future joint actions on training issues, studies and projects (for example, in banking, construction, rail, wood and textiles), framework agreements (maritime transport, agriculture, sea fishing and cleaning), recommendations (banking), training programmes and manuals (private security).

Various sectors through the European-level sectoral social dialogue have undertaken a broad range of initiatives carried out on an EU, bilateral or multilateral basis aiming, for example, to develop international training modules, assessment standards and methods, curricula, and certificates and diplomas. This reflects a growing interest in improving geographical mobility in the EU within sectors. Overall, the proportion of EU nationals working

⁽¹⁰⁵⁾ Extension of the code of conduct on child labour to all fundamental rights in the footwear industry (November 2000); the agreement on fundamental principles and rights at work in commerce (August 1999); the agreement on working time in agriculture (July 1997); the agreements on telework in telecommunications (February 2001) and commerce (April 2001) and at cross-industry level (May 2002).

⁽¹⁰⁶⁾ Concluded between EFA/ETUC-GEOPA/COPA, 24.7.1997.

Figure 1. Distribution of the labour force by sectors (NACE), EU-15, 2001

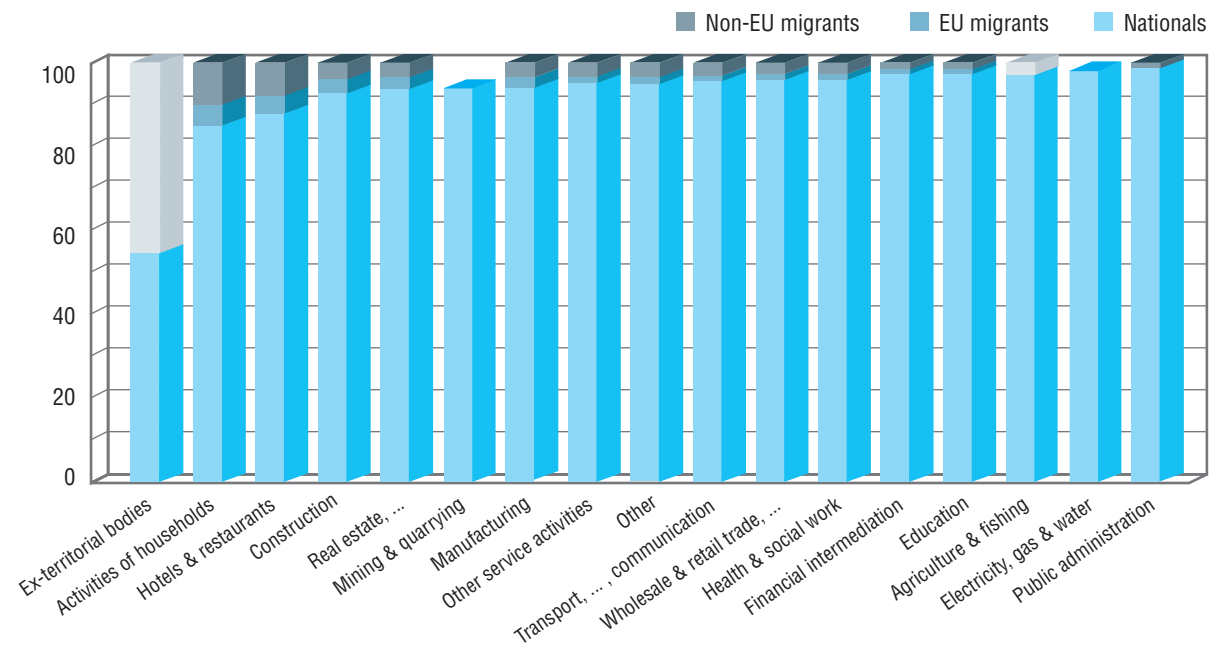
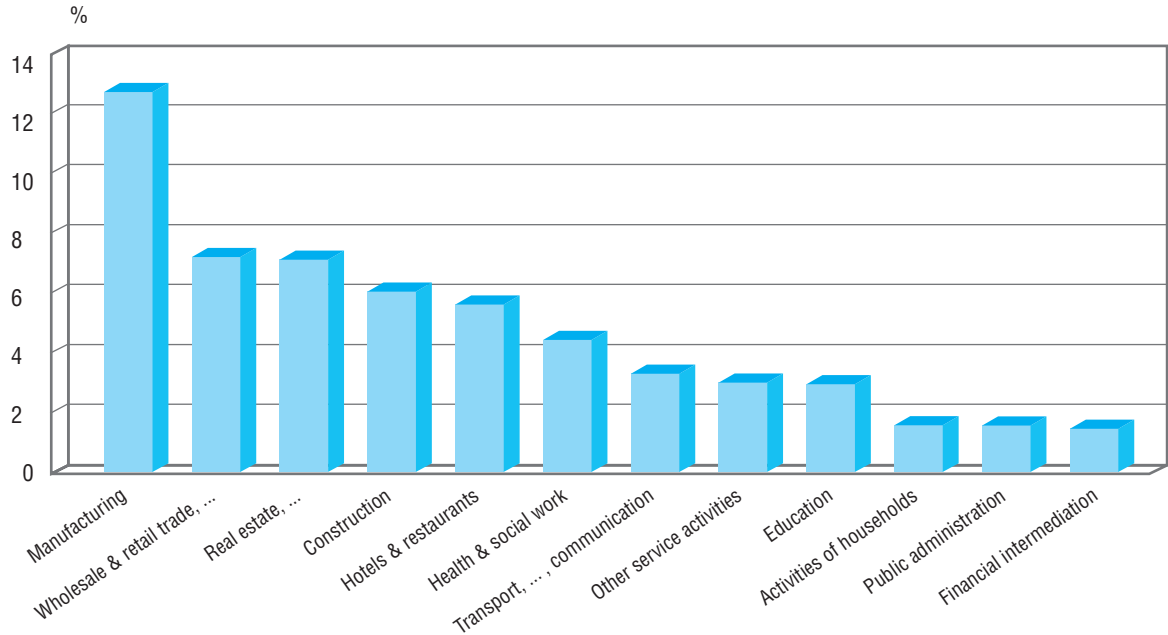


Figure 2. Distribution of EU migrants by sectors of activity (EU-15), 2001



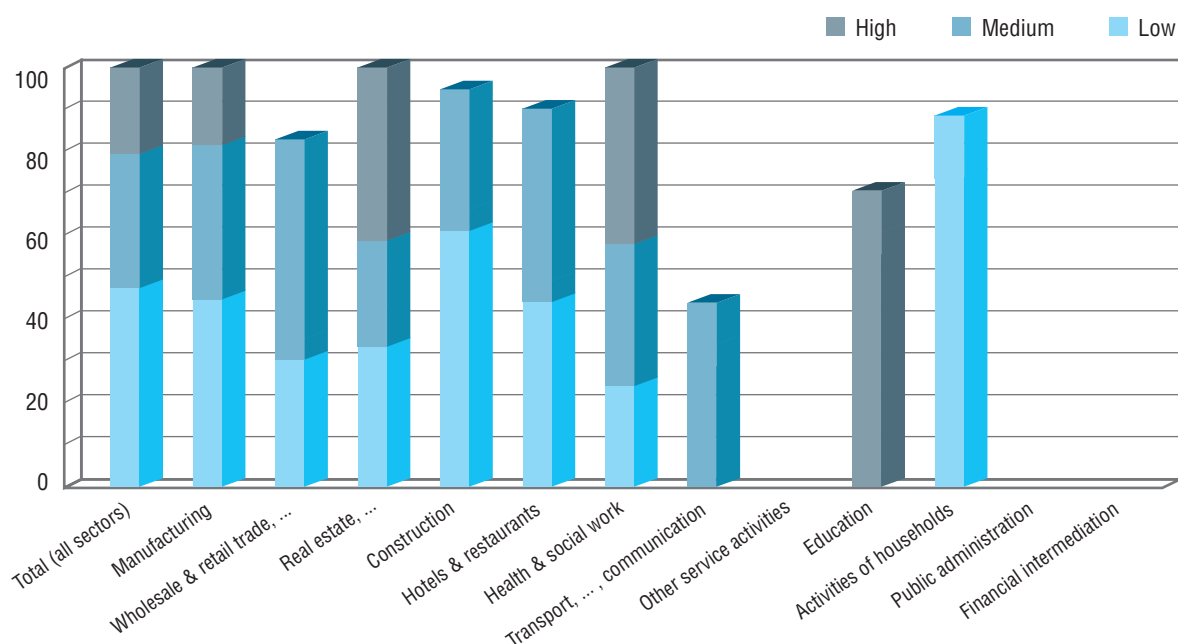
in another Member State is relatively low (Figure 1).

Although proportionally the number of EU nationals working in another Member State is highest for households and hotels and restaurants, most EU migrants work in

manufacturing (Figure 2).

It is also interesting to note the different levels of education among migrant workers in the different sectors (Figure 3). The extent of mobility in the EU more generally is discussed in Section 6.5.

Figure 3. Level of education of EU-migrants in different sectors of activity, EU-15, 2001



A large number of sectoral projects were supported under the Leonardo da Vinci programmes. However, the accumulated effect of the numerous projects supported is not known. Valuable experience has not been fully exploited and promoted systematically. This was noted in the Copenhagen declaration (see Section 1.5) which stated that 'increased support should be given to the development of competences and qualifications at sectoral level, by reinforcing cooperation and coordination especially involving the social partners'.

Consequently, as part of the Copenhagen-Bruges process to deepen cooperation in vocational education and training, a strategy has been proposed to support the development of qualifications and competences at European level through a sectoral approach, using, as appropriate, the European-level sectoral social dialogue. The proposed strategy argues that at least four elements are needed:

- (a) mapping, to establish a European inventory of sector initiatives in education, training and learning to identify the sectors covered, types of initiatives (for example qualification and competence standards, curricula, assessment criteria, etc.) and the institutional and political context of

initiatives. This would clarify where links between institutions need to be developed and make it possible to see how independent initiatives relate to initiatives taken through the sectoral social dialogue;

- (b) better use of the Leonardo da Vinci II programme to support the development of qualifications and competences at sectoral level. The systematic use of the programme would make it possible to address some of the problems linked to a sectoral approach, notably the need to establish links to other levels and contexts of education and learning;
- (c) a coordination body at European level to take responsibility for the strategic coordination of initiatives at sector and branch level;
- (d) a priority list of sectors in which to implement the strategy. Which sectors should be given priority needs to be agreed, and other important issues like exposure to international trade, technology and the current rates of mobility.

Below are a number of examples of how the European-level sector social dialogue is addressing the issues faced in their sectors. It is not a fully representative sample. It is a cross-

section of primary, secondary and tertiary activities all facing similar problems to different extents, against the different backgrounds and history in regard to work organisation, practice, training and qualification in their sector.

2.3.2.1. *Private security*

In the EU, the private security sector is increasing. More than 500 000 people work in around 10 000 companies specialising in surveillance and personal protection. In the early 1990s the social partners in the private security sector, UNI-Europa for the workers and CoESS for the employers, initiated their social dialogue at European level. Their shared concern is to improve the sector's professionalism and image. They carried out a survey in the European security service to identify job profiles for training leading to a document of European standards, which could be the foundation for national training courses in the security service sector. In the end 19 job profiles were identified from the survey. This was followed by a training manual for the private security sector published in 2001, specifying the core syllabus for all workers in the sector upon recruitment.

CoESS and UNI-Europa foresee the continuation of their European-level sector social dialogue to influence decision-makers to bring about greater harmonisation of national situations. In this respect, CoESS and UNI-Europa are working on a code of conduct at European level for companies in the sector and a joint declaration on the 'European harmonisation of legislation' governing the private security sector.

The social dialogue between CoESS and UNI-Europa has been open and based upon exchanges of views leading to voluntary, but effective arrangements influencing developments concerning vocational education and training in their sector, and which in turn influence social dialogues in the Member States.

2.3.2.2. *Agriculture*

On 5 December 2002 the social partners in the agricultural sector (GEOPA-COPA and EFFAT) signed a European agreement on vocational training in that sector.

In this agreement, the social partners

proposed that, under arrangements to be determined in each Member State:

- employed or unemployed agricultural workers should have the opportunity to draw up a 'competence inventory'. The purpose of this inventory should be to analyse their motivations and identify their competences with a view to determining their potential for vocational development and constructing a training plan;
- qualifications acquired in the exercise of a professional agricultural activity should be eligible for validation by a competent authority with a view to obtaining a diploma or gaining access to a training course;
- any official certificate relating to initial or continuing vocational training for agricultural work issued in a Member State together with professional references describing the content of the diploma or certificate should be registered in a 'national reference centre' which can be consulted by any employer and any worker as well as by any candidate for training and any trainer.

The national social partners in the agricultural sector are charged with implementation of this agreement in cooperation with the competent authorities in the Member States. A monitoring commission set up within the sectoral social dialogue committee will assist the national social partners and will draw up an evaluation of implementation of the agreement.

2.3.2.3. *Graphics*

The graphical and communication industries face the challenge of new digital technologies and the consequent need to adapt qualifications and develop the new skills required. InterGraf and UNI-Europa Graphical, representing employees in the sector, undertook a study entitled 'Updating qualification profiles in the European printing industry'. It looked at a number of issues including, the identification of job profiles and new jobs created by digitalisation, organisational models for vocational education and training courses, and the formal qualifications achieved by workers. It showed that not only do the job profiles vary greatly from one country to another, there also seems to be a shortage of qualified workers.

Despite the trend in the EU towards integration of existing job profiles, which will lead to fewer but more multifunctional profiles, there is considerable difference in the regulation of job profiles and qualifications within the European printing industry. Considerable differences exist in the rules on qualification throughout the EU; in 11 out of 17 countries, no certificate or diploma is required as a precondition for employment.

In response, EGIN (the European Graphic Media Industry Network) with members from trade unions, employers' federations, educational organisations, with the support of Intergraf and UNI-Europa Graphical, is undertaking a project on 'Development of occupational standards, competence evaluation and certification' for the European graphic/media sector. The project will promote the social dialogue among graphic/media organisations in Europe improve the transparency of the vocational qualifications and develop common occupational and qualification standards and job profile descriptions for the European Graphic/Media sector. It will also develop and pilot a system/method for human capital, competence evaluation and certification for the European graphic/media sector.

2.3.2.4. *Steel*

The social dialogue in the steel sector is developing. After the expiry of the European Coal and Steel Community ECSC Treaty. The Mixed Committee Steel is to be developed into a sectoral social dialogue structure.

To tackle the problems of competitiveness, technological and organisational change, the steel sector has been working on a project in the Leonardo da Vinci programmes bringing together employers and trade union organisations, as well as educational institutions from seven countries. The aim is to improve access to continuing vocational education and training and the adaptability of the industry's workforce through lifelong learning.

It seeks to improve employability by promoting lifelong learning and equal opportunities, helping workers adapt to new ways of working, and by providing workers with transferable skills. The project also aims to raise the quality of vocational education and training

provision and to improve its relevance and responsiveness to the needs of the individual and the employer.

The project involves the following stages:

- mapping existing qualifications within the European steel industry; the results were accepted in April 2002 and qualifications are to be developed in organisation and practice of teambuilding, information technology practice, and the steel industry: internationalisation, commercial activity and future trends;
- developing transnational qualification modules comprising of new and transferable skills;
- developing on-line training modules for the qualifications developed using new and traditional technologies;
- testing of new qualifications and on-line modules;
- equal opportunities in the European steel and metal industry. Women are under represented in the steel industry. New training modules and methods will be developed to tackle this issue;
- dissemination.

Results are expected in November 2003.

2.3.2.5. *Tourism*

The tourism industry is vital to the EU economy. However, it faces particular problems. The concentration on specific and restricted periods of the year, creates poor working conditions, which has led to discussion on its effect on the quality, service and thereby the business competitiveness. Due to its diversity and fragmented nature, the tourism sector has no clear identity, which undermines its political, compared to its economic and social, importance.

The main organisation from the employees' side is EFFAT (European Federation of Trade Unions Food, Agriculture and Tourism). In recent years EFFAT has set up European works councils in more than 70 transnational groups and has a successful social dialogue in, among others, the agriculture, hotel and restaurant, contract catering, sugar and tobacco sectors. Employers are represented by HOTREC (Confederation of National Associations of Hotels, Restaurants, Cafés and Similar Establishments).

Both parties regard the primary aims of their European-level sectoral social dialogue as:

- the promotion of employment in the hotel and restaurant sector;
- improving the qualification level and employment conditions;
- the reduction of high staff turnover.

EFFAT and HOTREC are working on a number of projects in their social dialogue. One idea originating in the late 1980s and early 1990s is a qualification passport to be an instrument for certification in the hotel and recreation industry. A standardised certification passport would be of particular help to SMEs to find workers with appropriate skills, as it could provide clearly structured information on the applicant abilities. For employees, such a passport would document their certificates, qualification and experience. However, negotiations on this issue are stalled over the possible implications for wage levels of the recognition of qualification and certification.

EFFAT and HOTREC are also working on a project called *Medium-term trends in the hospitality sector and their impact on enterprises and the labour market*. The focus is on establishing critical success and failure factors with regard to training and development programs in the EU hospitality sector. This knowledge should help the sector in developing new projects in the future.

2.3.2.6. Banking and finance

The partners in the European banking social dialogue committee are: UNI-Europa Finance, representing the trade unions and the European Banking Federation for the employers. Thousands of jobs have been lost in this sector following a wave of mergers and take-overs. Competition is also growing from new areas, including the Internet and supermarkets.

The social dialogue is a key strategy for helping staff in this period of change. There are 60 European works council agreements in finance and, recently, formal social dialogue arrangements covering 60 000 staff and other national central banks in the EU were agreed. In 2002 the committee launched its lifelong learning project, convinced that learning is a key aspect for company competitiveness and

the employability of workers.

The committee's aim is to determine which factors build a culture of lifelong learning. Four key themes have emerged:

- (a) defining professional, vocational and entry level skills;
- (b) recognising and validating competences and skills;
- (c) providing information and support on principles, rights and responsibilities;
- (d) employment and retraining through mobilising resources.

The banking social partners plan to explore these themes further by linking them to the priorities in the European framework for lifelong development of competences. The purpose is to identify practical examples and common areas of interest, to form a basis for joint statements or opinions.

2.3.3. Contributing to change

There is a high degree of activity at the European-level sectoral social dialogue concerning vocational education and training and the identification and recognition of competences in particular. However, despite the similarities the work in each sector is very different and the extent of progress differs. In addition, problems should not be overlooked, particularly for those employers who are reluctant to agree on schemes developing recognised qualifications, due to the fact that with a recognised certificate, employees would be able to demand a much higher pay and be more mobile.

The sectoral level provides for an effective level of intervention both on general issues such as employment, industrial change, new work organisation and vocational education and training. It covers strategic direction and decisions for the sector as well as specific practical measures to address the challenges faced. The development of negotiations at sectoral level is therefore key. The European Commission has proposed that the social partners bring into effect their Laeken declaration by establishing a political level to give momentum each year to the work of the European sectoral committees. In addition it has pointed out that and the conclusion of agreements in accordance with the procedures

laid down in Article 139(2) of the Treaty, includes the sectoral social dialogue committees ⁽¹⁰⁷⁾.

2.4. Information and consultation in European works councils

This chapter looks at the discussions on vocational education and training in European multi-national companies. It looks at how vocational education and training is an issue being brought under the remit of an increasing number of European works councils, reflecting its growing importance.

The framework for information and consultation at European company level is Directive 94/45/EC of 22 September 1994 ⁽¹⁰⁸⁾. It requires all companies with more than 1 000 employees in the European Economic Area, and 150 employees in each of at least 2 Member States, to set up a European works council where requested by the employee representatives (Table 18). In 2001, 665 or 36 % of the 1 822 multinational companies covered by the directive had a European works council, or equivalent, for European level information and consultation of workers representatives. All together the European works council representatives cover more than 10 million workers, or 62 % of the 17 million in the 1 822 multinationals.

The directive was inspired by groundbreaking agreements between the social partners in the mid-1980s to create works councils in their companies. Although some of these pioneer European works councils included vocational education and training as a matter for information and consultation, this was not an obligation under the directive. The European works council directive gives no legal right to provide information, or consult on vocational education and training matters. It is up to the social partners to agree this in the procedures for the operation of the works council in the company.

Table 18. Provisions of the European works council directive

The European works council directive provides for transnational information and consultation procedures. With this aim, a special negotiating body of employee representatives have to negotiate and agree with the central management on the establishment of a European works Council or another information and consultation procedure. The initiative for such negotiations may be taken either by the company management or by the workforce. Within six months after this request negotiations must start and be completed within three years. The procedural European works council agreement prescribes its composition and remit, as well as its number of meetings and internal structure.

Article 13 of the directive exempts companies that have already established European works councils before it was transposed into national laws on 22 September 1996. Where negotiations prove inconclusive or are refused, the subsidiary requirements in the directive take effect. They guarantee minimum standards for setting up a European works council. They oblige a European works council solely of employees' representatives to be set up that meets with central management at least once a year. The costs are borne by the central management. The directive lists the following issues as items for information and consultation of the European works council:

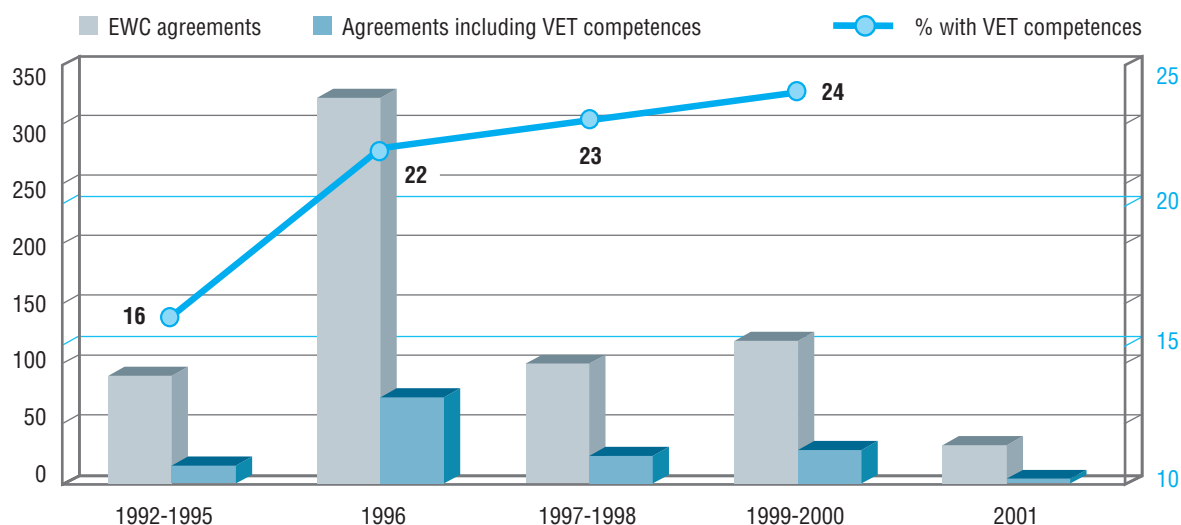
- (a) the structure of the enterprise;
- (b) its economic and financial situation;
- (c) the probable development of the business, production and sales;
- (d) the situation and probable trend in employment;
- (e) investment plans;
- (f) substantial organisational changes;
- (g) the introduction of new working methods or production processes;
- (h) transfers of production;
- (i) mergers;
- (j) cut-backs or closures of enterprises, establishments, or important parts of these units;
- (k) collective redundancies.

Furthermore the European works council has the right to be informed whenever there are 'exceptional circumstances' affecting the employees interests to a considerable extent.

⁽¹⁰⁷⁾ *The European social dialogue: a force for innovation and change: proposal for a Council decision establishing a tripartite social summit for growth and employment*. Luxembourg: Office for Official Publications of the European Communities, 2002. (COM (2002) 341 final).

⁽¹⁰⁸⁾ Council Directive 94/45/EC of 22 September 1994 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees. *Official journal of the European Communities*, L 254, 30.9.94, p. 64.

Figure 4. European works council agreements including vocational education and training



Source: Kerckhofs, Peter. *European works councils: facts and figures*. Brussels: ETUI, 2002

2.4.1. European works councils covering vocational education and training

In implementing the directive, social partners have voluntarily extended the information and consultation rights of many European works councils to include vocational education and training and lifelong learning. Of the 36 companies with a European works council before the directive came into force, 8 included vocational education and training among the issues for information and consultation. Looking at a sample of 660 European works council agreements⁽¹⁰⁹⁾, 145 (22 %) contained provision for it to be informed and/or consulted on vocational education and training matters (Figure 4).

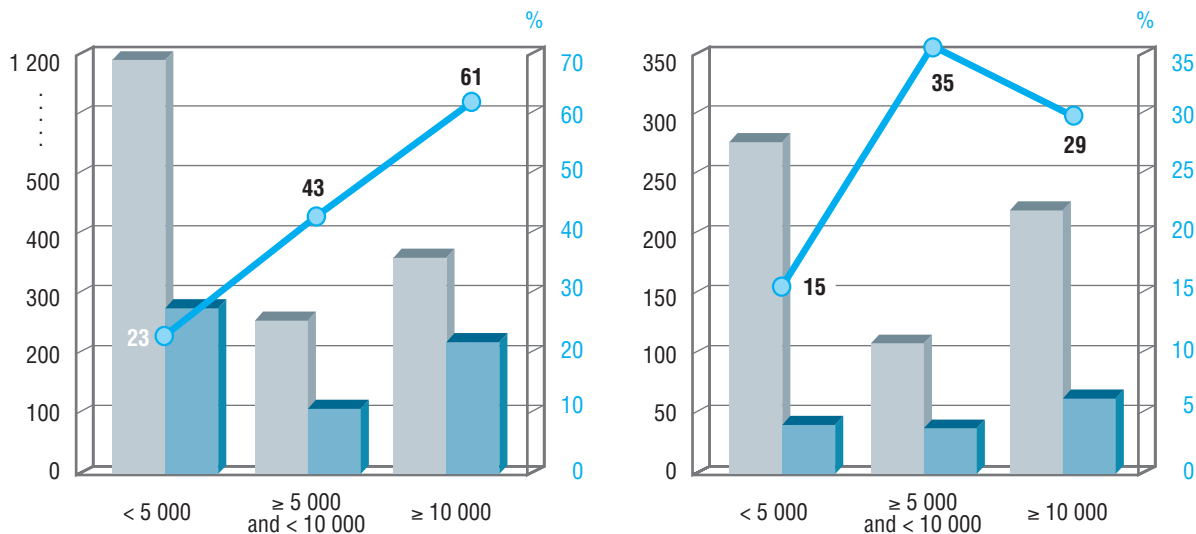
Figure 4 shows a steady increase in the number of European works councils including vocational education and training in their remit. This can be seen as part of a learning process of those involved in these, still rather new structures. Most early European works council agreements include provision for renegotiation after four or five years. More than 10 % of

European works councils have already renewed their institutional framework and some new agreements for example Schering and Cardo now include vocational education and training in their remit. This may also be linked to the fact that issues of industrial change and the introduction of new working methods or production processes, upon which European works councils do have the right to be informed or consulted on, often include aspects of training and competence development.

Figure 5 shows that larger companies are more likely to have a European works council. However, this trend is not followed for companies with European works councils that include vocational education and training in their remit. The reasons for this are not clear. It may be due to the complexity of the social dialogue and that more countries are involved in larger multi-national European works councils. The diversity of vocational education and training systems might contribute to this complexity, as they pose a major challenge for the European social dialogue (Baldry, 1994). However, the

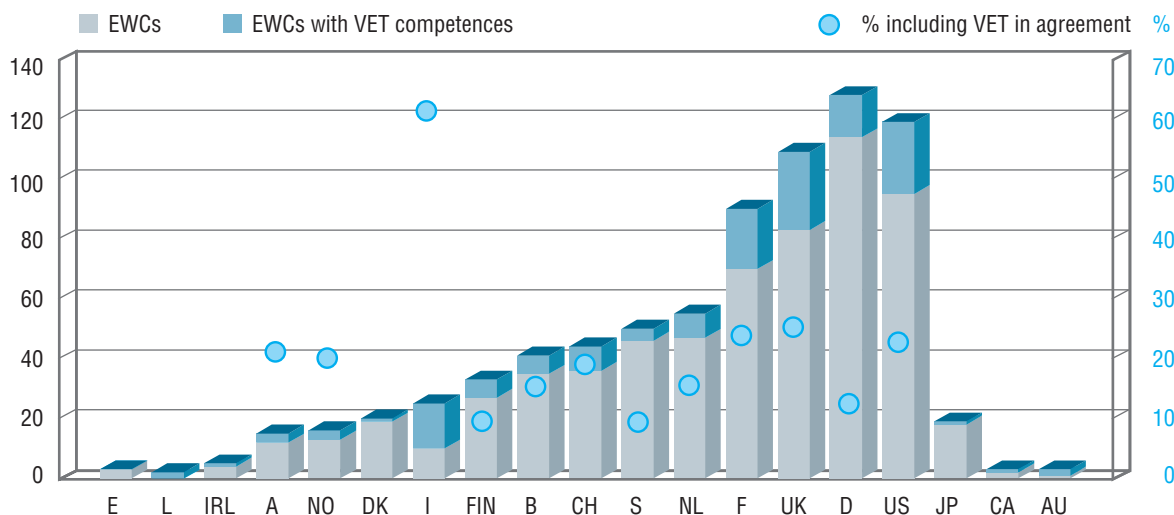
⁽¹⁰⁹⁾ *EWC European Works Council multinationals database* [CD-ROM] / edited by Peter Kerckhofs and Irmgard Pas. Brussels: ETUI, 2002. Full text database of European works council agreements established by the European Trade Union Institute. The sample covered 660 out of 700 known European works council agreements, some 95 %.

Figure 5. Companies with a European works council by size (left), and those European works council including information and consultation on training (right) also by size



Source: Kerckhofs, Peter. *European works councils: facts and figures*. Brussels: ETUI, 2002

Figure 6. Proportion of European works council including information & consultation on vocational education and training by country of ownership



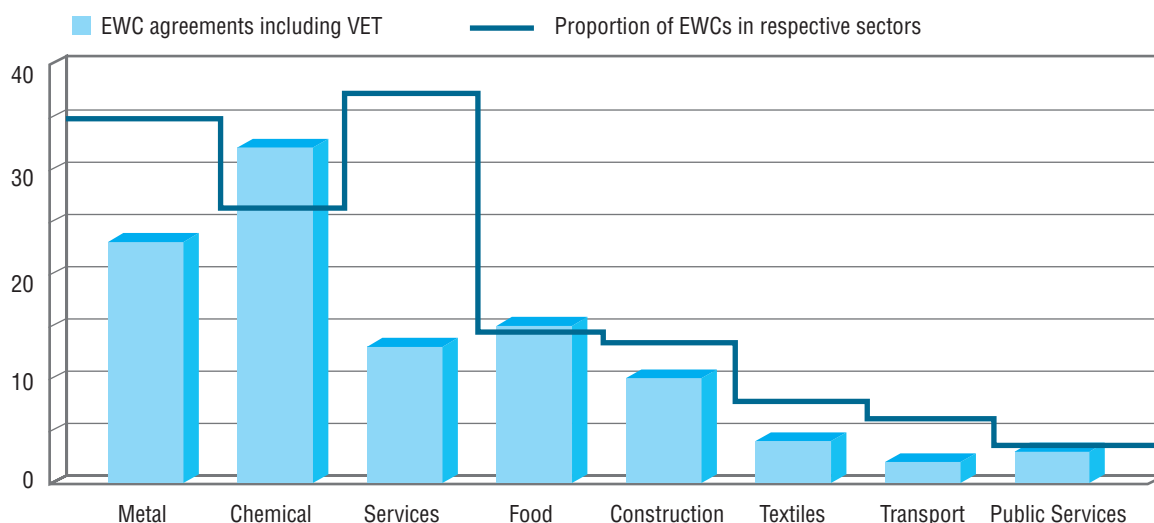
Source: Kerckhofs, Peter and André, Maria-Helena 'European Social dialogue on lifelong learning', in E. Gabaglio and R. Hoffman (eds). *European trade union yearbook 2002*. Brussels: ETUI, 2003.

need for a social dialogue on lifelong learning in European works councils increases with the growing number of transnational mergers and the employment consequences of following restructuring processes. More than a third of the

existing European works councils were confronted with transnational mergers or acquisitions in 1999 and 2001 (Kerckhofs & Cox, 2002).

The numbers of European works councils

Figure 7. Proportions of European works council with information & consultation on training for each sector of activity



Source: Kerckhofs, Peter. *European works councils: facts and figures*. Brussels: ETUI, 2002

with vocational education and training competence, by the country of ownership of the company, varies largely between 10 and 25 % (Figure 6). It is interesting to note that the higher proportions are in France, Italy and the UK. The comparatively low number in Germany and the Netherlands may reflect the fact that vocational education and training is included in many national sectoral agreements.

An examination by sector of companies including vocational education and training in the remit of their European works council is shown in Figure 7. It should be noted that some companies operate in more than one sector and they have been categorised by the sector in which they employ most of their workers. Proportionally, the chemical sector scores highly, which may reflect a link between vocational education and training and health and safety arrangements.

2.4.2. A developing role for European works councils

The inclusion of vocational education and training in a European works council agreement does not necessarily mean that the issue has been addressed in detail, or at all. Fulton (2000) emphasises that in some companies European

works council agreements exist, but are not functioning in practice. At the same time agreement and practice can deviate positively. Some European works councils have developed activities in the field of vocational education and training without having this remit in the original agreement. Others have developed practice beyond the initial agreement. The 660 European works council agreements analysed above are strictly procedural prescriptions setting the parameters of the functioning of these bodies for transnational information and consultation of workers representatives. Over time, some European works councils have negotiated and monitored the follow up of substantive agreements including, for example codes of conduct. A study of these activities at European company level (Carley, 2001) found 14 agreements in 8 companies. In six companies (Danone, Deutsche Bank, ENI, Ford, Sara Lee Douwe Egberts and Vivendi) provisions on training were included.

There are indications that European works councils can contribute to the development of vocational education and training. The European Commission has underlined the role of firms in developing a new architecture of lifelong education and training in its green paper

on *Partnership for a new organisation of work* ⁽¹¹⁰⁾ in 1997. In July 2002, the European Commission adopted a communication on corporate social responsibility, including issues of vocational education and training and lifelong learning in the context of the social dialogue ⁽¹¹¹⁾. Companies are requested to integrate lifelong learning concerns in their business operations and interaction with their stakeholders. Good practice in companies, and the Davignon ⁽¹¹²⁾ report allow the European Commission to conclude that information and consultation are factors for productivity contributing to the creation of a highly skilled and committed workforce. European works councils may provide a valuable forum for such developments for European multi-nationals.

Kelleher and Cressey (2000) perceive the social dialogue as a decisive factor in the process of competence development, reskilling, training and development of human investment in enterprises. The higher the priority European companies give to their competence based strategy, the closer their human resources development and industrial relations actions come together into a social dialogue on lifelong learning for organisational transformation and innovation.

Furthermore, the comparative advantages of cooperation at company level are emerging. Being close to practical needs at the workplace, the relevance and legitimacy of vocational education and training initiatives in European works councils are maximised. Additionally, European works councils offer the opportunity to give clear political signals to all subsidiaries and plants on corporate strategies in the field of competence building. Finally, European works councils offer a forum for exploration and development of shared views, which are essential parts of the development of competence building strategies. A recent study programme coordinated by Medef ⁽¹¹³⁾,

identifying factors for success in the development of competence based strategies, underlines the role of social partners at each level of this process. Partnership in this context is encouraged as companies can improve their competitiveness, while employees strengthen their position in the labour market in terms of employability and adaptability.

2.5. Social dialogue in Member States

The form of the social dialogue varies between Member States, reflecting not only differences in the degree of participation of the two sides of industry and the influence exercised over various aspects of economic and social policy, but also the way it is organised. In some countries many aspects of the social dialogue are regulated by statute. Varieties of dialogue, such as collective bargaining, discussion, information and consultation of various types range from almost total involvement in the control and delivery of vocational education and training, with varying relationships with governments in some Member States, to practically no tradition of participation in others. However, in all Member States the involvement of the social partners is growing. It must be recognised that participation by social partners from all Member States in European programmes and initiatives has contributed to promoting dialogue on vocational education and training where such mechanisms were lacking. A Cedefop survey undertaken in 2002-03 confirmed that, despite diverse models of social dialogue, social partner involvement is extensive both in vocational education and training policy making and the implementation of vocational education and training initiatives.

⁽¹¹⁰⁾ *Green Paper on partnership for a new organisation of work*. Luxembourg: Office for Official Publications of the European Communities, 1997. (COM (97) 128 final).

⁽¹¹¹⁾ *Corporate social responsibility: a business contribution to sustainable development* / European Commission. Luxembourg: Office for Official Publications of the European Communities, 2002.

⁽¹¹²⁾ *Final report: group of experts 'European systems of worker involvement' (with regard to the European Company Statute and the other pending proposals)*, May 1997. ['Davignon report']. Available from Internet: http://europa.eu.int/comm/employment_social/soc-dial/labour/davignon/davi_en.htm [cited 2.10.2003].

⁽¹¹³⁾ Medef: Observatoire Européen des Compétences, 2002. <http://www.medef.fr> [cited 2.10.2003].

2.5.1. Social dialogue and vocational education and training policy making

The social partners have a formal role in vocational education and training policy making in all the European countries covered by the Cedefop survey (11 Member States ⁽¹¹⁴⁾, Iceland and Norway). In all cases this includes representation at national level, in the majority also at sectoral level and in many also at regional and local (enterprise or establishment) level. The diversity of models of social dialogue in Member States reflects different traditions in the regulation of vocational education and training systems and in their labour relations systems. Some of the different models reflecting this diversity are discussed below.

In those countries with a tradition of state regulation, social partner representation is determined by legislation, as is the case in nine of the countries involved in the survey. In Germany, for example, legally defined social partner involvement is inherent to the development of vocational education and training policy. The vocational training promotion law (*Berufsbildungsförderungsgesetz* 1981) regulates the responsibilities of the bodies involved in determining vocational education and training policy at national level, as well as monitoring and evaluating vocational education and training. The vocational training law (*Berufsbildungsgesetz* 1969) defines the responsibilities of the 16 regional state committees for vocational education and training (*Ländersausschuesse für Berufsbildung*) and the chambers (*Berufsbildungsausschuesse der zuständigen Stellen*). The Social Law III (*Sozialgesetzbuch III*, 1997) defines shared responsibility for employment and labour market programmes, including initial training, continuing training and re-training. The main board of the national level Federal Institute for Vocational Training (*Bundesinstituts für Berufsbildung, BIBB*), its Standing Committee (*Ständiger Ausschuss*) and the Joint Committee of the Federal States (*Ländersausschuesse*) comprise representatives of central government, employers and trade unions, plus representatives

of the federal states (*Länder*).

Similarly, in Belgium, the Law of 24 May 1921 gives employers and employees the opportunity to defend their occupational rights, including the right to vocational education and training. The Law of 29 May 1952 created the National Labour Council (*Conseil National du Travail, CNT*), a joint body composed of an equal number of interoccupational employee and employer association representatives. It has a consultative role, reporting to government and parliament on general problems of a societal nature concerning employers and employees, either on its own initiative or at the request of these authorities. Since the Law of 5 December 1968 on collective work agreements and joint committees, the council has been empowered to conclude collective agreements with interoccupational significance. The social partners play an established role at national, regional and sectoral level, and their interaction with government authorities results in either a national interoccupational agreement, a regional interoccupational agreement, or a sectoral accord. The 2001-02 Interoccupational agreement of 22 December 2000 stipulates that in the absence of sectoral training agreements, the interoccupational partners shall invite enterprises to implement the necessary initiatives themselves. If successful, intersectoral bargaining results in an interoccupational agreement every two years. This is not a collective work agreement as defined by labour law, but a social policy plan drawn up by the social partners and government. In the 1989-90 interoccupational agreement concluded on 18 November 1988, the social partners pledged to devote a percentage of the gross wage bill (0.18 %) to training groups at risk, among other things ⁽¹¹⁵⁾. In the 1999-2000 interoccupational agreement, officially endorsed by employer and employee representatives on 8 December 1998, the social partners reaffirmed their pledge to increase payments to fund continuing training and bring Belgium's contributions into line with the average in its 3 bordering countries, between 1.2 % and 1.9 %

⁽¹¹⁴⁾ Belgium (French Community), Denmark, Germany, Spain, France, Ireland, the Netherlands, Portugal, Finland, Sweden and the UK.

⁽¹¹⁵⁾ Programme Law of 30 December 1988. *Belgian Monitor*, 5.1.1989.

of the gross wage bill, within 6 years.

In countries with a tradition of voluntarism, notably Ireland and the UK, historically the law has been much less prescriptive concerning social partner involvement in vocational education and training policy. Heidemann et al. (1994), for example, commented on the 'almost total absence of social dialogue' over vocational education and training in the UK. Nevertheless, in both countries the social partners play a major role in vocational education and training policy. In Ireland the Labour Services Act 1987 defines social partner involvement in developing national vocational education and training policy. Vocational training policy is established at national level by two tripartite bodies: the Training and Employment Authority (*FÁS*) and the State Tourism Training Agency.

In the UK, the focus was on sectoral industry training boards, established as statutory tripartite bodies under the Industrial Training Act 1964. The Conservative government radically overhauled the vocational education and training system during the 1980s (Hyman, 1992; Rainbird, 1990; Senker, 1992), creating a market-led system in which employers played an increasingly powerful role (Finlay, 1998) and in which the trade unions' formal influence at sector level was so reduced that Fairley (1998) claimed they were no longer regarded as a major stakeholder in vocational education and training in Scotland. However, even with these changes, there was extensive social partner involvement in vocational education and training. Employers were given a leading role in establishing sector-level training arrangements and determining local training priorities. The Employment and Training Act 1981 began the process of abolishing the tripartite statutory sector bodies and by the 1990s all but 2 (construction and engineering construction) had been replaced with some 120 employer-led industry training organisations (later national training organisations, currently being reorganised into sector skills councils). Although no longer on a statutory footing, trade union involvement continued in most of these training bodies, even in sectors where union membership had virtually collapsed (Winterton and Winterton, 1994). In April 2001, the Labour government established

the Learning and Skills Council (LSC) for England to deliver all post-16 education and training (excluding higher education), from April 2001. There is formal trade union representation on the national LSC Board and the local LSCs.

The Netherlands, with a system of social-economic order termed the *poldermodel*, is characterised by an intensive and elaborate system of negotiation and consultation between government and the social partners. The Vocational and Adult Education Act (*Wet Educatie en Beroepsonderwijs*) defines the various ways of formal communication and involvement of relevant actors at central, institutional level and at the level of the national bodies. The social partners are formally represented on the boards of the national vocational education bodies. The *Sociaal Economische Rad* (SER) is the main advisory body of the Dutch government on national and international social and economic policy. Its position has been anchored by law since 1950 when the Industrial Organisation Act came into force. In its advisory capacity the SER represents the interests of trade unions and industry. Being independent from the government and financed by industry, the SER may give advice, solicited or unsolicited, on all major social and economic affairs. Established on 17 May 1945, the Labour Foundation (*Stichting van de Arbeid*) is a national consultative body organised under private law. Its members are the three main trade union federations and three main employers' associations in the Netherlands. The foundation provides a forum in which its members discuss relevant issues in labour and industrial relations. Some discussions result in memorandums, statements and other documents in which the foundation recommends courses of action for the employers and trade unions that negotiate collective bargaining agreements in industry or within individual companies.

2.5.2. Involvement of social partners in vocational education and training implementation

In addition to their role in the formal structures of vocational education and training policy making, the social partners are involved in all

the countries in the survey in various activities concerned with the implementation of vocational education and training actions, particularly at sector and local levels. For example, the social partners are involved in developing new qualifications, on-the-job training and in providing information, advice and guidance to increase the take-up of learning opportunities.

In France, the social partners sit on joint advisory boards (CPCs) attached to the various ministries responsible for establishing technical and occupational diplomas and certificates. They are also involved in the National Education Commission, which creates diplomas awarded by university institutes of technology (BAC + 2) and the National Assessment Commission for Vocational Degrees (BAC + 3). They play a major role on the National Council for Higher Education and Research (CNESER), which deals with all higher education diplomas. The social partners also may take the initiative for new qualifications under the auspices of the joint advisory boards, the various higher education commissions and the sectoral joint national employment boards (CPNEs). The unions are also consulted on choice of curricula within the Supreme Education Council and the National Council for Higher Education and Research. Consultation with the social partners for vocational training courses and qualifications takes place within the CPC and the relevant higher education committees. Employers have the final say on training priorities within their company, but these may closely reflect the preferences of the social partners at either sectoral or national level.

In Belgium, the French Community Commission for Occupations and Qualifications unites the various partners from education, enterprises, *Comité National du Travail* unions and employees' trade associations to develop new qualifications. Task forces created within the consultative commissions (covering the nine qualification acquisition sectors: agriculture, industry, construction, hotels and catering, clothing, applied arts, economics, personal services and applied sciences) determine, among other things, skills profiles, by describing in as much detail as possible the activities and responsibilities of the workforce

in a particular company.

In Austria, the social partners have an extensive role in the vocational education system and are represented on commissions and advisory councils of the Federal Ministry of Education, Science and Culture. At regional level, they are involved in regional and local education board task forces and at local level the vocational teacher training college boards and the TVE school and college boards and committees. In addition, the social partners are responsible for maintaining the adult education schools (*Fachhochschulen*) which are virtually the only providers of continuing vocational training. In each of these respects they are either consulted on, or responsible for (in the case of the *Fachhochschulen*), curriculum design and the development of new qualifications.

In the UK, trade unions are also involved in developing new qualifications. During the Conservative reforms of the UK vocational education and training system, a competence-based approach to vocational education and training was adopted to establish a national unified system of national vocational qualifications (NVQs) in England and Wales (Scottish vocational qualifications, SVQs, in Scotland) based on occupational standards. The standards for qualifications were developed through functional analysis organised by employer-led industry lead bodies, a role subsequently taken over by standards setting bodies. Social partner involvement is essential for the establishment of occupational standards, and in addition to the employers, trade unions are involved in unionised sectors.

The social partners are also involved in initiatives to promote lifelong learning and to encourage learning at work. For example, the Dutch Government and the social partners agreed to develop a national lifelong learning strategy, with the target for 2010 to increase the participation rate in vocational education of the population aged between 25 and 64 to the level of the two best performing Member States of the EU. Vocational education institutes will be developed into knowledge centres for lifelong learning, for which the social partners have a joint responsibility. The tripartite ACOA (Advisory

Committee on Education and the Labour Market) is one of the bodies involved in redesigning the Dutch qualification structure to facilitate lifelong learning. Since the 1980s the number of collective agreements on education and training has increased substantially and research by Labour Inspection (*Najaarsrapportage CAO-afspraken*, 2001) showed that agreements on employability were included in 86 out of the 117 agreements reviewed.

2.5.3. The national social dialogue and the European agenda

It should be recognised that the national social dialogue is the most important factor for adaptation and development of vocational education and training to meet the needs of both employees and employers. Although the four priorities in the framework agreed between the social partners at the European level (UNICE/UEAPME, CEEP and the ETUC) are influencing the national policy agenda, it is important to recognise that the priorities are a reflection of the concerns of the sectoral and national level. They reflect the issues upon which the social partners at national level have been working on, in some cases, for many years.

Drawing from the social partners' first report on the follow up to the framework for lifelong learning, the text below looks at the work being undertaken in respect of the four priorities of the social partners, namely, identify and anticipate the competences and qualifications needed, recognition and validation of competences and qualifications; information, support and guidance; and resources. It is interesting to note the relevance of this work to the priorities and the timing of some of the initiatives, which preceded the agreement itself.

2.5.3.1. *Identify and anticipate the competences and the qualifications needed*

Enterprises are playing an increasingly important role in the organisation of lifelong learning. In general, company continuing training schemes are unequal in terms of access to continuing training, favouring highly-skilled

employees in large enterprises. Hence, companies are an extremely important level of action for the social partners within the framework of specific national structures of industrial relations. In recent years, gateways for access to enterprise continuing training have been developed in company agreements covering:

- the traditional purpose of continuing training aimed at adaptation to new technologies;
- procedures for identifying continuing training needs in companies. Such procedures can encourage or restrict access. Newer, 'communicative' forms allow for participation and involvement of employees in identifying needs;
- access via talks between employees and superiors on personnel development as part of modern staff development schemes. Here, individual development potential is identified and action taken in the form of agreements on personal goals;
- organisational projects within companies - for example group work, project work or quality assurance - requiring participation in parallel or ongoing continuing training and involving the development of forms of work organisation conducive to learning.

In the Netherlands employers and employees are reaching agreements on joint investment of money and time into continuing training. Several collective agreements at sectoral level have established a right for employees to draw up a training plan as part of the process of corporate development planning. This approach is also used in the case of the learning accounts, as employer and employee jointly decide, on the basis of a personal development plan, the type of continuing training to be funded.

In Germany, under the system of co-determination by workers' representatives, the enterprise level plays an important role in regulating access to continuing training, sometimes through agreements with works councils. The revised Industrial Constitution Law of 2001 improves the scope for works councils to take the initiative and achieve effective results in matters related to in-company continuing training. They can request the employer to identify training needs, co-determine the

introduction of training measures and put forward proposals on vocational training in the context of securing employment.

In Austria, a small number of sectors have seen the signing of sectoral collective agreements on enterprise continuing training. For banks and small-scale service-providers, times have been agreed for participation in continuing training. Rights to leave of absence for between two and five days per year for continuing training in the interests of the enterprise have been agreed, although participation usually has to be approved by the employer. In addition, the structure and contents of the enterprise's continuing training provisions are also laid down in some Austrian collective agreements.

In France recruitment problems emerged in a number of occupations, sectors and locations when employment growth increased at the end of 1999. The social partners developed a forward-looking system for identifying changes in skill requirements and adapting the provision of training in response. The system depends on a closer link between the social partners and the public employment services at local and regional level where the provision of training takes place. However, many skill shortages identified in 2000 were in traditional activities, such as construction, hotels and restaurants, car repair and retailing, rather than in high-tech or advanced services. There has also been a shortage of nurses, resulting in the introduction of a new initiative in 2002 to enable the unemployed to participate in training leading to the national nursing diploma.

In Spain, new tripartite agreements on continuous training, signed in 2000, included provision for developing measures to detect training needs, including, the creation of employment observatories in a number of regions. In addition, they established a foundation, made up of representatives from the social partners and public employment agencies, to manage continuing training and introduced a system of universal aid for training for all companies.

Against the background of the overall trend in Europe, in Portugal the government and social partners signed an agreement on employment,

labour market and training in February 2001. As part of the agreement the social partners and government will strengthen enterprises' involvement in training to meet their own requirements. By 2002 at least 10 % of each enterprise's workforce will have to participate in continuing training each year. This goal has yet to be realised.

2.5.3.2. *Recognition and validation of competences and qualifications*

Validation and recognition of continuing training are being used to motivate individuals to participate in continuing training and develop a learning culture. In particular, the focus is on assessment of non-formal learning and its recognition with regard to formal continuing training courses.

Since the early 1990s, individuals in France have the right to a *bilan de compétences* to provide information about the scope for personal development in their occupation. Several sectors have specific vocational certificates. They are recognised within the industry concerned on the basis of agreements between the social partners. They can be put on a par with formal qualifications under the state education system by the labour ministry (*homologation*). However, this does not mean they are formally recognised within the education system. The large number of different sectoral vocational certificates resulted in a certain lack of transparency and a need for greater order and uniformity. This led to the passing of a law on *modernisation sociale*, in January 2002, paving the way for a simpler and more transparent system of vocational certificates and access to higher qualifications without the need for school leaving qualifications. Implementation is in the hands of a new National Commission for Vocational Certification.

An agreement was reached between the different authorities of the French speaking part of Belgium to develop a network of centres for the recognition and validation of competencies. Each centre will be able to deliver a *titre de compétence*, based on testing and on a competence portfolio, to adults who prove that they meet the standards for a certain

occupation. The social partners of the different branches are asked to co-finance the validation actions.

In Portugal the tripartite agreement of 2001, aims to develop of a comprehensive national system of recognised certificates for continued vocational training that is intended to help develop a culture of participation in lifelong learning. It is interesting to note that even at this early stage an important issue for the trade unions is transnational transferability of qualifications. The agreement also aims at guaranteeing all young people under 18 access to training programmes offering higher levels of qualification.

In Finland, the social partners have set up a joint working group to develop the competence-based qualification system and have proposed developing paid educational leave benefits and a tripartite National Council on Knowledge and Skills. In Spain, the Act on qualifications and vocational education and training, adopted in June 2002, set up a comprehensive framework for validation and recognition of qualifications, taking into account formal and non-formal learning.

2.5.3.3. *Information, support and guidance*

The realisation that granting people leave or subsidies has only limited effectiveness in developing a learning culture has resulted in some countries developing structures to support individuals – especially those not used to learning – and enterprises in organising continuing training.

In Norway, 1999 saw the launch of a 'competence formation programme' co-financed by the state, in which companies, organisations of the social partners and local authorities can participate in projects. The idea is to develop work-related continuing training by external training institutions. The background to this is the structure of the Norwegian economy, which is heavily based on small firms in which enterprise-based training is difficult to organise.

In the UK, the existing system of continuing training is being overhauled with the aim of establishing a culture of lifelong learning. To achieve this, the trade unions are also becoming increasingly involved in controlling continuing

training and are being allotted tasks related to motivation and advice. An important social partner led innovation in vocational education and training in the UK, developed between 1998 and 2000, by the Trades Union Congress (TUC) are union learning representatives. They are active union members, normally lay officials, who provide advice, guidance and support to colleagues in activities related to learning and may negotiate with employers or providers to increase access to learning opportunities. This development may be of pivotal importance for improving trade union effectiveness in influencing vocational education and training and lifelong learning opportunities in the workplace (Winterton, 2001). The Employment Act 2002 provided statutory backing for learning representatives, granting them a right to work-release for their own training, making them comparable to health and safety officers.

2.5.3.4. *Resources*

In Italy in 2000, the sectoral funds, which have existed since 1993 on the basis of an agreement between the social partners, were opened up to include implementation of individual training projects. A central aim of this was to promote individual continuing training. Enterprises covered by the collective agreements concerned pay 0.3 % of their gross total wage and salary bill into these funds. Before only enterprise or extra-enterprise training projects had received subsidies. Now training individual employees apply for can be supported. This includes training measures during working hours (with the agreement of the employer) and those outside working hours. Enterprises subject to this regulation account for about 50 % of all employees in Italy.

In Belgium, collective bargaining has resulted in an increase in the funding available to companies for continuing training. In addition to 0.1 % of total payroll for high-risk groups in the labour market, the sectoral fund will receive 1.9 % of payroll for enterprise continuing training by 2004. In Flanders, training cheques for companies were introduced in February 2002, for enterprises with economic activities in the Flemish Region. Training given by a trainer recognised by the Flemish government (within

twelve months from date of issue) can be paid for with training cheques. The company pays 50 % of the cheque and the Flemish government the other 50 %. Each company can buy, at most, 200 cheques a year. In the temporary employment sector, companies are spending 0.30 % of wages on training initiatives either with the company using temporary workers (77 % of cases), with temporary employment companies themselves, or in a training institute and during working hours.

Resources include not only money, but also time. In France, the 35-hour week introduced by the government has brought some movement in the continuing training system, which is regulated on a statutory basis and through agreements amongst the social partners. The system is based on precise definitions of working time and continuing training time, and rights and obligations for employees and employers. The law on working time passed in 2000, differentiates between two types of continuing training time: continuing training for the adaptation of employees to developments in their workplace (*formation d'adaptation*) and continuing training aimed at developing individual skills (*formation de développement des compétences*). The first is the duty of the employer and takes place during working hours, the second takes place outside working hours. Another element consists of individual working time accounts - which have been in existence for some time. These are now open specifically for continuing training outside working hours. In the past these accounts were usually used to collect overtime credits and take time off in lieu.

Regulation of the times of the different types of continuing training is left up to agreements between the social partners at sectoral and enterprise level. The idea is to regulate joint investment by employers and employees in time for continuing training. However, traditional instruments, because they are bound to enterprises and sectors, meet problems when individuals change jobs from one firm to another.

The government is discussing with the social partners an individual, collectively guaranteed right to continuing training that can be transferred between enterprises and sectors.

In Portugal, the tripartite agreement of 2001 also covered the development of individual training credits. By 2003, all employees are to have the right to certified (and thus transferable) training of at least 20 hours per year, rising to 35 hours by 2006. Training credits can be accumulated over a period of three years in order to participate in longer training periods.

In Germany, the partners in the National Alliance for Jobs, Training and Competitiveness ⁽¹¹⁶⁾ have agreed to use time credits in companies to help co-finance in-company continuing training. Most German companies operate systems involving accounts on which employees can accumulate overtime credits which are then used to take time off in lieu. Now, at least some of the time to which individual employees have a claim is to be used for continuing training. According to the agreement reached within the national alliance, working time should also be used. In other words, time used for continuing training should be financed by both employers and employees. So far very few company agreements have been concluded on this issue, but one example is at Volkswagen where workers at a new factory will be recruited exclusively from unemployed people. They will be subject to 3 hours' compulsory continuing training per week, of which 1.5 hours will come from their own leisure time and 1.5 hours from working time.

In Austria tax incentives proposed by the social partners were introduced in January 2003, for companies investing in education and training, which can obtain up to 20 % in tax credits. Companies which do not make enough profit to benefit from the tax deduction, can claim a training benefit. Austria also operates a system of paid educational leave implemented by the social partners through various collective agreements.

⁽¹¹⁶⁾ Bündnis für Arbeit, Ausbildung und Wettbewerbsfähigkeit. [Alliance for jobs, training and competitiveness]. Available from Internet <http://www.buendnis.de> [cited 2.10.2003].

2.6. Concluding remarks

The role of the social partners in the development and implementation of vocational education and training has never been more important. Their presence at various levels in the national and European social dialogue means that they are uniquely placed to initiate and contribute to a variety of actions.

There have been significant developments in the European social dialogue, as the social partners are giving high priority to vocational education and training. Progress is being made through firm policy commitments between the social partners, through different types of cooperation at the different levels of the European social dialogue. Cooperation includes joint opinions, joint study and work projects, policy statements, preparation of practical training manuals, and joint participation in projects. The emergence of a more autonomous social dialogue has seen increasing emphasis on the social partners developing a policy framework, including processes of coordination, monitoring and accountability specific to them. The focus, whatever the type of arrangement, is on output and real results.

It is not only the social partners' presence at these different levels but the many ways they can cooperate to make progress that is significant. Progress, made through the voluntary route in vocational education and training, for example, should not be underestimated. Through different methods of cooperation, the social partners have shaped vocational education and training from the European policy framework to the shop-floor and vice-versa. Irrespective of whether cooperation is voluntary or legally binding, the focus is on output. At all levels in the social dialogue, monitoring is being strengthened and thus accountability increased.

Changes in the structure of the European-level sectoral social dialogue have helped improve its effectiveness. Sectors are active in various ways to improve vocational education and training and develop lifelong learning. Furthermore, the work done in the European-level sectoral social dialogue on the measuring and development of sectoral qualifications has

been incorporated into the Bruges-Copenhagen process. The profile of vocational education and training is also rising in discussions in European works councils.

The principle of subsidiarity, the responsibility of the Member States for the organisation and content of vocational education training systems, is specifically stressed. In each national system the social partners play a significant role. Social dialogue and other social partner involvement in the Member States, such as in tripartite bodies, is extensive and apparent at all levels in vocational education and training policy and implementation: national, regional, sectoral and local (variously including enterprise, establishment and sub-regional geographical areas). Significantly, the social partners are involved irrespective of whether the prevailing socio-economic model involves legal regulation (as in the majority of countries), voluntary arrangements (as in the UK) or in the formalised cooperation found in the Netherlands and Finland.

Moreover, differences between the countries appear to be less than might be anticipated from stereotypical models of labour relations. Similarities that cross the labour relations systems as well as differences within them, may be the result of convergence occurring with transfer of good practice.

Although they have different degrees of competence and roles to play in the development of vocational education and training policy, the different levels of the social dialogue in Europe are mutually reinforcing. The four priorities in the framework agreed between the social partners at the European level (UNICE/UEAPME, CEEP and the ETUC) are influencing the policy agenda at the national and sectoral level. Discussion and evaluation of the national employment action plans being set up as part of European employment policy, often have the result of triggering action in the field of continuing training. However, it is also important to recognise that the four priorities are a reflection of the concerns and the issues that the social partners have been working on, in some cases, for many years and with them lies the greater part of the responsibility for implementation.

CHAPTER 3

Raising participation in initial and continuing vocational education and training

3.1. Introduction

Chapters 1 and 2 outlined how a major aspect of European policy is raising participation in education and training and in lifelong learning vocational training policy. This has been a key feature of Member States policies, supported by the social partners, for many years and this chapter examines the rates of participation in education and training of the working population in the EU.

All Member States have pursued policies to encourage young people to stay on in the education and training systems and this chapter reviews the participation of young people under 25 in initial education and training and the extent to which it is increasing in the different Member States.

In the light of the benchmark in the Lisbon strategy, that,

‘the total number of graduates in mathematics, science, and technology in the EU should increase by at least 15 % by 2010, while at the same time the gender imbalance should decrease’,

this chapter looks at different types of study undertaken by men and women and the variations between the Member States. Two other benchmarks relating to participation in education and training, and reducing the number of young people in entering the labour market with low levels of education are discussed in Chapter 4. The benchmark concerning raising the overall level of educational attainment in the workforce is discussed in Chapter 5.

Given the importance European vocational education and training policy places on initial

education providing a sound basis for lifelong learning and on learning in the workplace, Chapter 3 also considers the extent to which employment and work experience are combined.

Given the benchmark of the Lisbon strategy that:

‘by 2010, EU average participation in lifelong learning should be at least 12.5 % of the adult working population (25 to 64 age group)’,

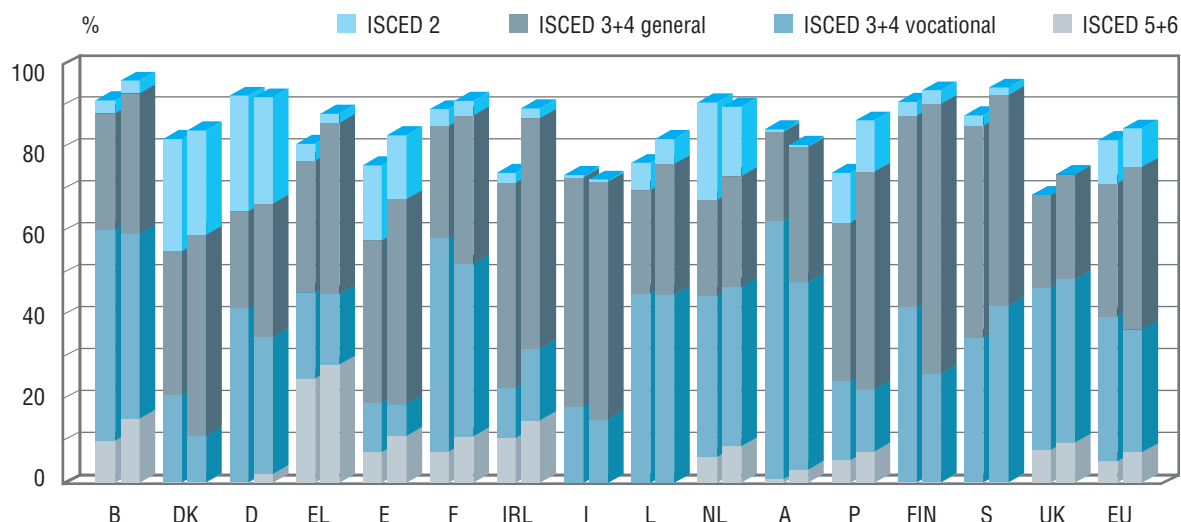
the chapter examines participation in education and training by employed adults aged 25 to 64. The differences between the Member States are outlined, so too are the links between taking part in education and training and levels of educational attainment and age. It goes on to look at learning in enterprises using data from the continuing vocational training survey (CVTS). The extent of continuing vocational education and training in enterprises is reviewed on the basis of the size of enterprise, types of training provided, duration, and sector.

3.2. Initial vocational education and training

The analysis of participation rates divides young people into the age groups which broadly conform with education levels:

- 16 to 18 covers the age at which young people tend to undertake upper secondary and post-secondary, pre-tertiary schooling;
- 19 to 22 covers the age they tend to undertake (first-level) tertiary education in most countries;
- 23 to 24 covers the age that they tend to continue in tertiary education.

Figure 8. Enrolment rates of 16-18 year olds in education by ISCED level, 2000



(Left bar men, right bar women)

3.2.1. Participation of young people aged 16-18 in education and training

The great majority of young people remain in lower secondary education up to the age of 15 or 16 in all Member States and most remain in some form of education or initial training until 18. There are, however, differences across the EU in the kinds of programmes they undertake, the age at which they progress from one education level to the next, the duration of programmes at different levels – and in the extent to which education or training is combined with work experience.

In 2001, some 85 % of young people aged 16 to 18 in the EU participated in education and training. This varied from 95 % or more in Germany and Sweden to just over 80 % in Italy and the UK and to under 80 % in Spain and Portugal. (These figures are based on the EU LFS while the split between education levels is based on UOE statistics – see Annex 1). In most countries, participation rates were higher for women than men, particularly in Spain, Ireland and Portugal. Only in Germany and Austria are participation rates for men higher than for women. Most of those in education and training were enrolled in full-time programmes, at upper secondary, or pre-tertiary, level (Figure 8).

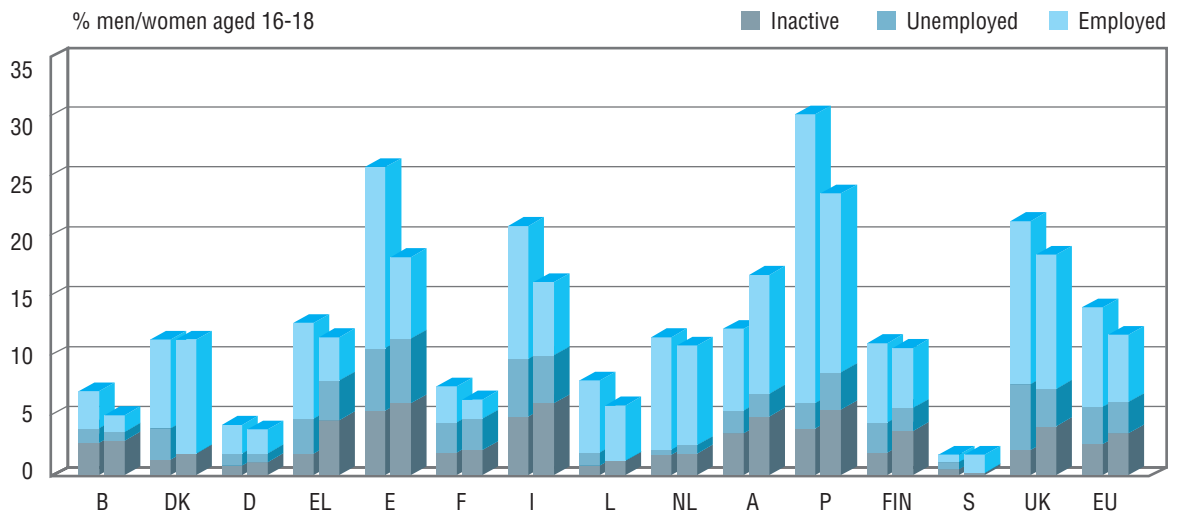
Around half the students aged 16 to 18 in the EU undertake general academically-oriented

programmes at upper secondary level and around half vocational ones. There is, however, a marked difference between men and women. Some 48 % of men were pursuing general education programmes in the 1999/2000 academic year, compared to 57 % of women.

The division between the two streams varies markedly between Member States. In Germany and Austria, where the 'dual system' combining theory teaching with work experience is a major feature of post-compulsory education, almost 65 % of men in this age group studying to ISCED levels three and four in Germany were enrolled in vocational-type programmes (Figure 8). The same is true for 75 % of men in Austria and over half of women in both countries. A similar picture could be found in the three Benelux countries, France and the UK. In contrast, in Spain and Italy, only around a quarter of men and even fewer women were enrolled in this type of programme, while in Ireland, the figure for men was under 20 % and for women under 25 %.

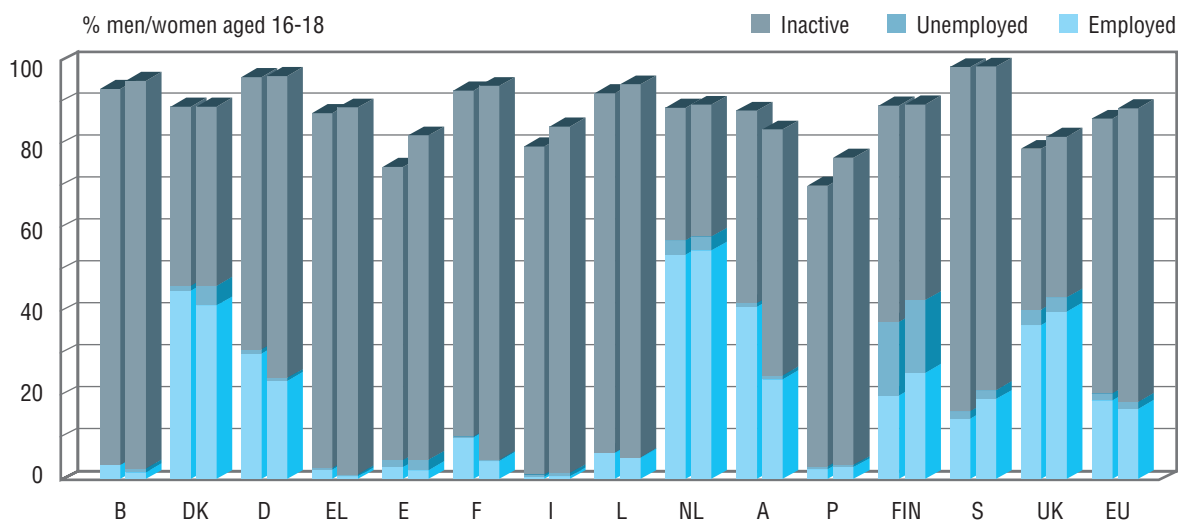
Just under a third of men and just over a quarter of women in the EU aged 16 to 18 were economically active in 2001, in the sense of working for at least some of the time or unemployed and looking for a job. Over two-thirds of these were also participating in education and training. However, in the UK,

Figure 9. Non-participation of men and women aged 16-18 in education or training by employment status in 2001



(No data for IRL - left bar men, right bar women)

Figure 10. Participation of men and women aged 16-18 in education and training by employment status in 2001



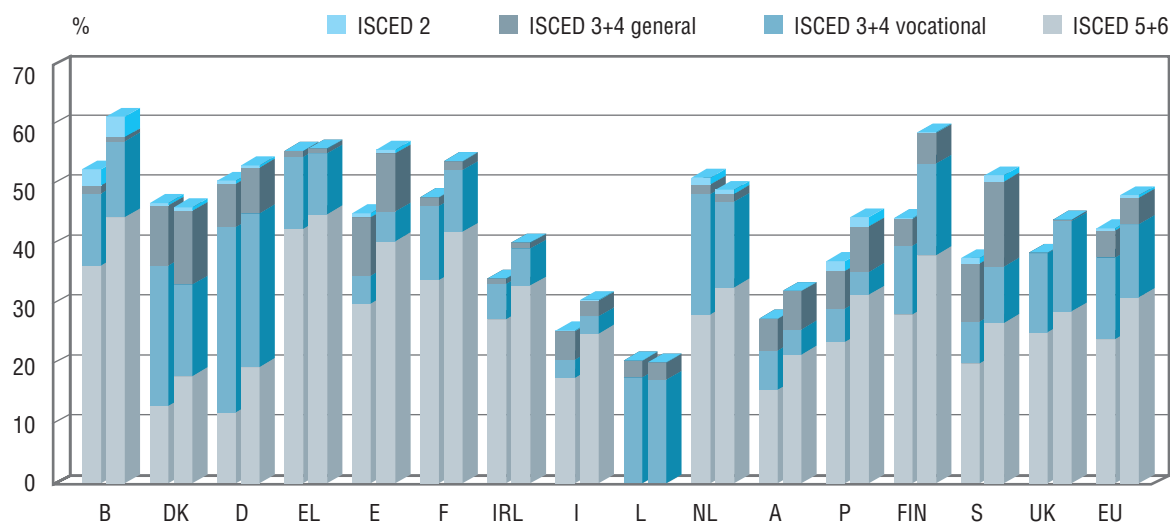
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16 % of the age group were in the workforce but not receiving any education or training. This was more than anywhere else in the EU except Spain and Portugal, where the figure was 20 % and 26 % respectively for men, and 12 % and 18 % respectively for women (Figure 9).

In Spain and Portugal, very few 16 to 18 year olds (5 % or less) combine economic activity

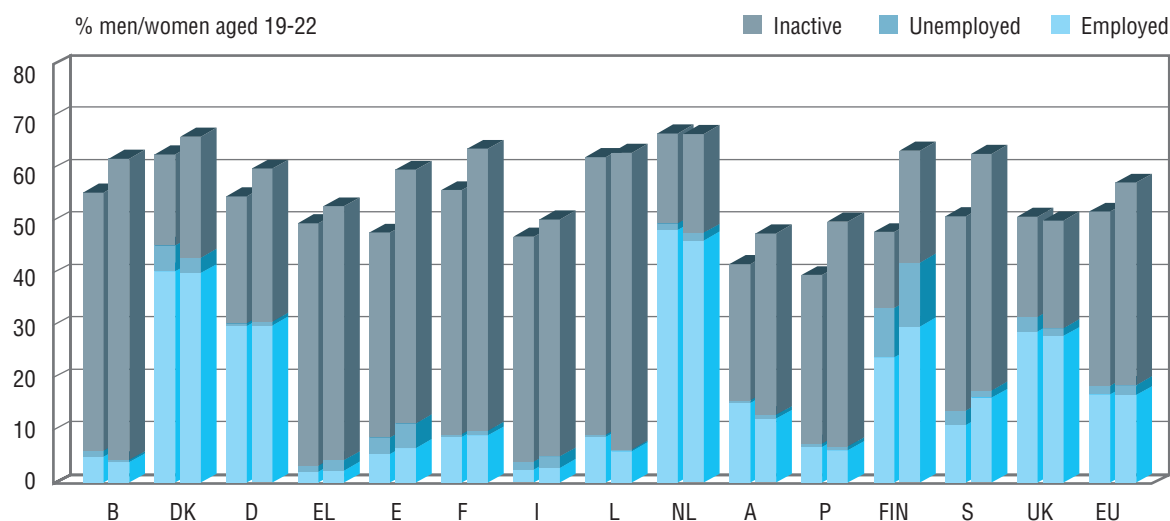
with education and training, which is also case in Greece and Italy, as well as in Belgium, France and Luxembourg reflecting the 'school-based' nature of their vocational education and training systems. By contrast, in Denmark, Germany, the Netherlands, Austria, Finland and the UK, and, to a lesser extent, Sweden, a significant minority are both economically active

Figure 11. Enrolment rates of 19-22 year olds in education by ISCED level



(Left bar men, right bar women)

Figure 12. Participation of men and women aged 19-22 in education and training by employment status, 2001



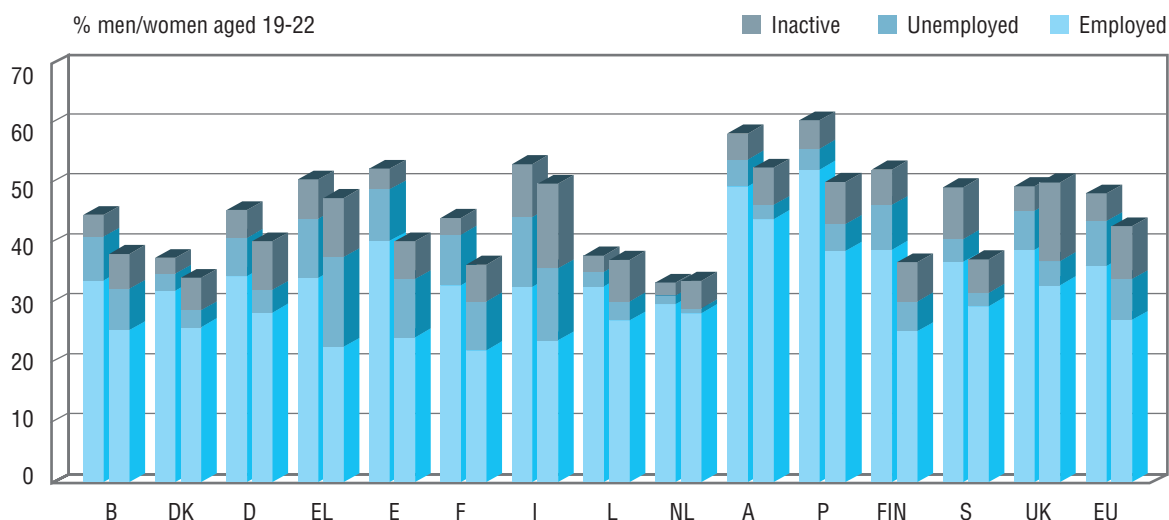
(No data for IRL - left bar men, right bar women)

and in receipt of education or training (Figure 10).

In general, there is little sign of any long-term increase in the rate of participation of 16 to 18 year olds in economic activity. In the EU as a whole, it declined significantly in the recession of the early 1990s, reflecting the lack of job opportunities, and has remained virtually

unchanged since recovery got underway in the mid-1990s. This is due, in part, to Member States encouraging young people to stay longer in the education and training system to obtain higher levels of qualifications. There are, however, divergent patterns in Member States. In Germany, Austria and all four southern Member States, participation has continued to

Figure 13. Non-participation of men and women aged 19-22 in education or training by employment status, 2001



(No data for IRL - left bar men, right bar women)

decline since 1994. In Ireland, the Netherlands and Finland, it has risen significantly.

3.2.2. Participation of young people aged 19-22 in education and training

Just over half of 19 to 22 year olds in the EU were in receipt of education and training in 2001. Again the proportion for women (57 %) was significantly higher than for men (52 %), both at the EU level and in all Member States, except the Netherlands.

The great majority of those participating in education or training were enrolled in formal programmes mostly at tertiary level, except in Denmark and Germany, where young people begin university education slightly later than in other Member States (Figure 11).

Unlike for the younger age group, however, there was not much difference in most countries in the relative numbers of men and women undertaking vocational as opposed to more general programmes of study at upper secondary level. The main exception was Italy, where significantly more women than men followed vocational courses. In most countries, over 70 % of men and women enrolled in upper secondary education were pursuing vocational programmes.

However, at tertiary or university-level, the

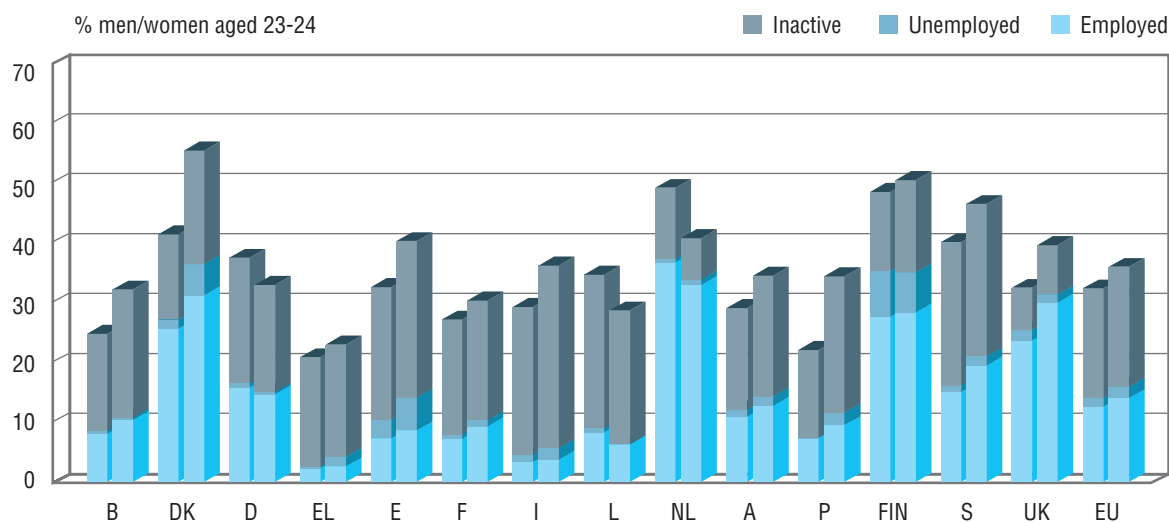
proportion of women enrolled exceeded men by around 30 % across the EU as a whole. In three Member States, Belgium, Spain and France, over 40 % of all women aged 19 to 22 were enrolled in tertiary level programmes as opposed to around 35 % of men in the Belgium and France and only 30 % in Spain. In most Member States, women outnumbered men in both general, academically-oriented (ISCED 5a) programmes at this level and more occupationally oriented (ISCED 5b) ones.

Just over 55 % of 19 to 22 year olds were economically active in 2001 (62 % of men and 53 % women). Only around a third of these also participated in education or training. Most of those aged 19 to 22 undertaking education or training, therefore, were not economically active (Figure 12).

The proportion of the age group combining education or training with economic activity was relatively small in most Member States, the exceptions being Denmark, Germany, the Netherlands, Austria, Finland and the UK, in all of which the figure was over 30 % in 2001.

In the EU as a whole, therefore, almost 45 % of men and just over a third of women aged 19 to 22 were either employed or actively looking for a job and not in receipt of training (Figure 13). A significant proportion of these

Figure 14. Participation of men and women aged 23-24 in education and training by employment status, 2001



(No data for IRL - left bar men, right bar women)

have at least some educational qualifications beyond compulsory schooling, though in some countries, a large number do not.

The rate of participation of 19 to 22 year olds in the workforce has shown a similar pattern of change to that of 16 to 18 year olds, declining over the recession years and not changing much or falling more slowly since the mid-1990s. However, that so few 19 to 22 year olds who have joined the workforce comparatively recently are in receipt of training undermines the basis for lifelong learning, given the longer that the higher their level of educational attainment the more likely they are to take part in education and training (see below). There is little sign of any trend towards education and training being combined with employment. This is an area of concern given that, for many years, European vocational education and training policy has emphasised the importance of learning at the workplace.

3.2.3. Participation of young people aged 23 to 24 in education and training

Around a third of those aged 23 to 24, again more women than men, participated in education or training in the EU in 2001. In all Member States except Germany, Luxembourg and the Netherlands, the proportion of women

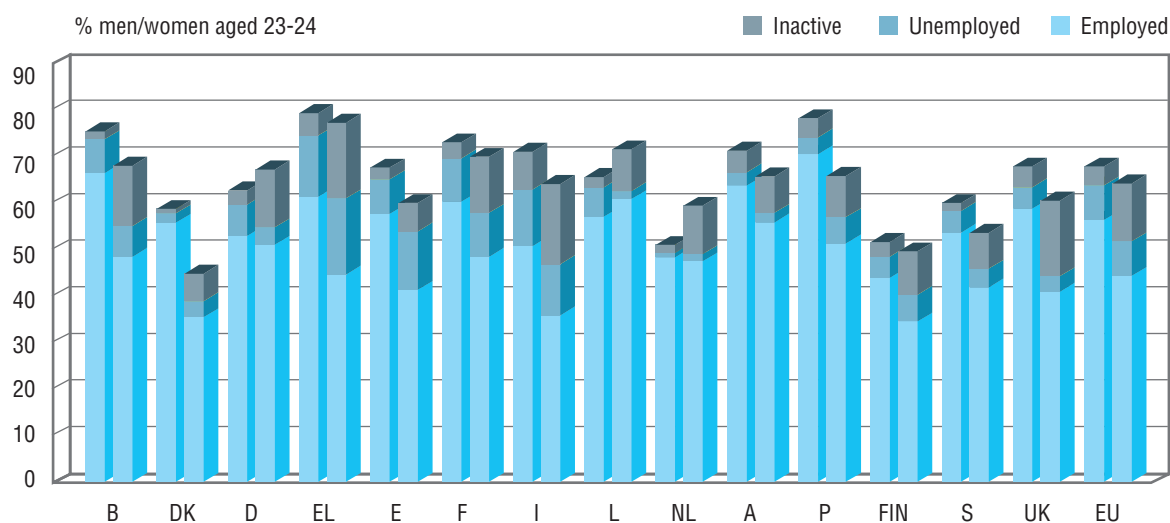
undertaking education and training was larger than for men. Relatively few people in this age group combine education and economic activity – some 14-15 % of men and women in the EU as a whole. Only in Denmark, the Netherlands, Finland and the UK did the proportion exceed 20 % and in Greece and Italy, it was under 5 % (Figure 14).

In all Member States, except the UK, most of those enrolled were undertaking tertiary level programmes. In the UK, by contrast, over half of men and women, especially the latter, were following programmes at secondary level.

The great majority of 23 to 24 year olds in the EU (73 %) were economically active in 2001 (78 % of men and 68 % of women), the proportions varying comparatively little between Member States, with a few exceptions. In Denmark, Finland and the UK, some 85 % or more of men and 75 % of women were either employed or looking for work. However, in Italy, the figure was only 67 % for men and 52 % for women. These low rates of participation in Italy cannot be explained by a relatively high proportion of people of this age being in full-time education, since enrolment rates are similar to the EU average.

Accordingly, most of those in employment or actively looking for work were not in receipt of

Figure 15. Non-participation of men and women aged 23-24 in education or training by employment status, 2001



(No data for IRL - left bar men, right bar women)

education or training – 64 % of men and 52 % of women at EU level (Figure 15). The figure was under 50 % for men and women only in Denmark, the Netherlands and Finland. This still means that in all three of these countries, where the figure was the highest in the EU, only just over half of those in this age group were involved in training. This reinforces the concerns outlined earlier about the opportunities for combining vocational education and training with employment, which is a key feature of the European policy framework.

The rate of labour force participation of 23 to 24 year olds in the EU has tended to change in a slightly different way than that of younger age groups over recent years. It has declined by less over the recession years of the early 1990s, perhaps because of there being less opportunity for people of this age to remain in education, but has continued to fall, if more slowly, since then in the majority of countries.

3.2.4. Enrolments in tertiary education by field of study: increasing enrolment in maths, science and technology

To distinguish between men and women enrolled in occupationally-oriented programmes, as opposed to more academically-oriented ones, a comparison has been made between

those undertaking different broad subjects and dividing them generally into those regarded as more occupationally or academically oriented. Such a division, it should be emphasised, is inevitably very approximate (Table 19).

In most countries, students seem to follow more occupationally-oriented programmes, especially in Belgium, the Netherlands and Portugal at around 78 % to 79 % in each, with Ireland and the UK (59 % and 63 % respectively) having the smallest proportion. There are also differences in the relative scale of enrolment in different subject areas within this broad division.

The relatively large number of those taking occupationally-oriented programmes in certain countries seems to have a specific national context. In the Netherlands, for example, it stems to a significant extent from a high rate of enrolment in business and administration studies (26 % of all students). In Finland, it is more from high enrolment in engineering (26 % of the total), while in Italy, it is partly due to large numbers specialising in law (16 %), as in Spain (10 %). In Denmark, a much larger proportion of students than elsewhere follow health and welfare-related courses of study (24 % - reflecting the importance of this area as a source of employment). In Ireland and the UK,

Table 19. Men and women enrolled at first-level tertiary level (ISCED 5) by field of study, 1999/2000

% total men and women enrolled

	B	DK	D	E	IRL	I	NL	A	P	FIN	S	UK	EU
Occupationally oriented	79.2	68.1	69.1	75.2	59.2	67.6	79.2	71.2	78.0	74.8	71.4	63.2	70.3
Men	38.7	29.1	38.0	37.0	24.3	34.0	39.7	39.7	35.5	37.1	30.3	29.8	35.2
Women	40.5	38.9	31.1	38.2	34.9	33.6	39.6	31.5	42.5	37.6	41.1	33.4	35.2
Educational sciences	11.5	11.3	7.8	8.4	5.3	5.5	13.3	11.2	14.6	5.3	13.1	8.2	8.5
Men	3.5	3.5	2.4	2.0	1.2	1.0	3.6	3.7	2.9	1.0	3.0	2.3	2.2
Women	7.9	7.7	5.4	6.4	4.1	4.6	9.7	7.6	11.7	4.4	10.1	5.9	6.3
Business studies	22.7	11.9	15.8	19.7	17.2	14.4	25.8	21.1	20.3	16.3	12.8	16.7	17.4
Men	11.6	6.9	9.5	8.5	0.8	7.4	15.0	11.4	8.6	6.1	5.4	8.2	8.7
Women	11.2	5.0	6.3	11.3	16.4	7.1	10.8	9.8	11.7	10.2	7.4	8.5	8.7
Law	5.2	3.7	5.3	9.7	2.6	16.0	5.4	8.7	5.8	1.6	3.6	3.8	7.7
Men	2.3	1.8	2.8	4.3	1.2	6.7	2.5	4.5	2.3	0.8	1.5	1.6	3.5
Women	2.9	1.9	2.4	5.4	1.5	9.4	2.9	4.2	3.5	0.9	2.1	2.2	4.3
Computing	4.7	3.6	4.3	5.8	5.1	1.1	2.7	4.3	4.7	4.9	5.1	6.4	4.3
Men	4.0	2.9	3.7	4.6	3.3	0.9	2.4	3.6	3.7	3.3	3.1	4.9	3.5
Women	0.8	0.7	0.6	1.2	1.8	0.2	0.3	0.7	1.0	1.5	2.0	1.5	0.9
Engineering, manufacturing	11.8	9.8	15.9	16.5	16.0	16.8	10.9	13.9	18.2	25.6	19.0	10.6	15.2
Men	9.6	7.0	12.9	12.3	13.2	12.4	9.5	11.3	12.8	21.1	13.6	8.7	11.8
Women	2.2	2.8	2.9	4.2	2.8	4.4	1.3	2.6	5.4	4.4	5.4	1.9	3.4
Agriculture	2.2	1.7	1.5	3.3	1.6	2.1	2.0	1.8	2.8	2.4	0.8	1.2	2.0
Men	1.2	0.8	0.8	1.8	0.9	1.2	1.2	0.8	1.2	1.2	0.4	0.6	1.1
Women	1.0	0.9	0.7	1.5	0.6	0.9	0.8	1.0	1.5	1.1	0.4	0.7	0.9
Health and social services	19.3	24.0	16.3	8.2	9.4	10.8	16.8	9.0	7.6	14.5	15.2	16.4	13.4
Men	5.7	4.6	4.8	2.0	2.5	4.1	4.3	3.7	1.9	2.3	2.6	3.5	3.6
Women	13.7	19.4	11.5	6.2	6.8	6.7	12.5	5.2	5.6	12.2	12.7	12.9	9.7
Services	1.8	2.0	2.3	3.5	2.0	0.8	2.4	1.2	4.0	4.2	1.7	0.0	1.9
Men	0.9	1.5	1.1	1.5	1.2	0.4	1.2	0.8	2.0	1.3	0.7	0.0	0.9
Women	0.9	0.5	1.2	2.0	0.8	0.4	1.2	0.4	2.0	2.9	1.0	0.0	1.0
Academically oriented	20.8	31.9	30.9	24.8	40.8	32.4	20.8	28.8	22.0	25.2	28.6	36.8	29.7
Men	8.8	13.6	13.8	10.0	15.6	10.4	10.2	11.4	7.8	8.7	10.6	15.4	11.8
Women	12.0	18.4	17.1	14.9	25.3	21.9	10.6	17.4	14.2	16.6	18.0	21.3	17.8
Humanities and arts	11.0	17.5	16.6	10.3	21.1	15.9	7.9	11.8	7.8	14.4	12.9	17.0	14.1
Men	4.4	6.1	6.1	3.9	7.0	3.8	3.3	3.7	2.5	4.0	4.4	6.5	4.8
Women	6.6	11.4	10.5	6.4	14.1	12.1	4.6	8.1	5.3	10.4	8.6	10.5	9.3
Social+behavioural sciences	5.9	8.1	5.9	7.9	2.6	10.0	9.6	10.1	9.7	5.5	9.8	8.7	8.1
Men	2.2	3.7	2.8	3.0	0.6	3.8	4.7	3.8	3.4	2.0	3.4	3.4	3.2
Women	3.7	4.3	3.1	4.8	2.1	6.2	4.9	6.3	6.2	3.5	6.4	5.4	4.8
Science and maths	4.0	6.4	8.4	6.6	17.2	6.4	3.2	7.0	4.6	5.3	5.8	11.0	7.4
Men	2.2	3.7	4.9	3.1	8.0	2.8	2.2	3.9	1.9	2.7	2.8	5.6	3.8
Women	1.8	2.7	3.5	3.6	9.2	3.6	1.1	3.0	2.7	2.6	3.0	5.4	3.6

No data for EL, F, L – Source: UOE statistics

the relatively large numbers undertaking more academically-oriented programmes is mainly the result to a large extent of higher enrolment in science and mathematics than elsewhere.

There is a fairly even division between men and women in the relative numbers undertaking vocationally-oriented programmes. Only in Germany and Austria, do men make up significantly more of those following such programmes than women (accounting for around 55 % of the total). Women also make up the majority of students undertaking more academically-oriented programmes, substantially so in Denmark, Sweden and the UK, reflecting the much larger number of women than men participating in tertiary education as a whole, a feature that is common to all Member States except Germany and Austria.

The Lisbon strategy and European vocational education and training policy emphasise the importance of recruiting students into maths, science and technology studies and the need to address the gender imbalance. Although Table 19 is an imperfect measurement, only covering students in tertiary education, it gives a snapshot of the current rates of enrolment in these and other study areas.

According to Table 19, taking the 11 Member States for which data are available, combined enrolment in maths, science and computing, in the EU in the 1999/2000 academic year stood at around 11.7 % of students enrolled. This compares to 17.4 % for business studies, 15.2 % for engineering and manufacturing and 14.1 % for humanities and arts. The highest levels of enrolment in maths, science and computing are found in Ireland 22.3 % and the UK 17.4 %, with the lowest in Belgium 8.7 % and the Netherlands 5.9 %.

In maths and science, the gender balance is fairly even, with 3.8 % of all male students being enrolled in these subjects, compared to 3.6 % of all female students. More women than men are enrolled in these fields of study in Spain, Ireland, Italy, Portugal and Sweden. However, in computing, in all countries, except Ireland, Finland and Sweden, men made up around 80 % or more of students (in the three exceptions, the figure was still 60 % to 70 %).

This was also the case in engineering programmes. By contrast, women predominate in the humanities and arts, health and social services and educational sciences, accounting, on average, for around 65 % of students in the first and well over 70 % in the other two areas. Women also made up of 60 % of those studying social and behavioural science and around 55 % of those studying law.

Given the critical role information and communication technology is expected to play in the knowledge-based society, it is understandable that policy should focus on increasing enrolment in maths, science and technology. An increase of 15 % in enrolment in these fields of study would take the overall proportion in tertiary education to 13 % to 14 % by 2010. However, although more difficult to measure, the influence and impact of ICT in other areas of study should not be underestimated. The importance of being computer-literate for all areas and levels of study is reflected in the policy emphasis to encourage the acquisition of ICT skills among discussed in Section 6.4.2.

The under-representation of women in ICT is significant. It needs to be addressed in all Member States and is rightly highlighted in Lisbon strategy benchmarks and the European vocational training policy, although no specific target has been for the gender balance in ICT studies by 2010. However, the focus on ICT skills must not be at the expense of other areas of the economy. Women are also significantly under-represented in engineering and manufacturing. Similarly, men are significantly under-represented in health, and social and educational sciences. As will be seen in Chapter 5, these are areas of anticipated job growth and it is important that the skills in the workforce can meet the new jobs on offer.

3.2.5. Changes in participation in initial education and training

A key element in Member States policies is to increase the number of young people staying on in post-compulsory education. It is not straightforward to identify changes in the participation of young people in education and training over recent years. There is a lack of consistent time

Table 20. Participation in education and training in Member States, 1997-2001

% of age group

	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Total 16-18																
1997	97.0	92.0	96.0	84.2	79.4	94.4	85.5	77.9	94.1	89.7	86.6	75.5	93.4	97.6	na	86.6
1998	87.6	92.1	96.0	81.8	79.5	93.5	na	78.3	89.0	89.0	na	74.0	92.6	na	na	86.3
1999	92.8	88.4	96.7	83.3	77.1	93.0	na	80.2	91.6	87.5	85.1	72.2	86.9	98.5	79.1	86.4
2000	92.3	91.1	95.8	84.6	78.3	93.2	na	81.1	94.5	88.1	86.0	75.9	87.9	98.2	81.6	87.2
2001	93.9	88.7	96.0	87.9	77.9	93.2	na	81.6	93.1	88.8	85.6	73.2	89.2	98.2	80.0	87.1
Total 19-22																
1997	59.9	64.2	53.8	46.1	55.1	62.2	45.6	46.9	53.7	64.7	40.6	48.5	59.2	58.1	na	53.6
1998	56.4	63.8	54.7	42.1	56.5	62.5	na	46.0	55.7	65.6	na	44.5	57.5	na	na	53.8
1999	60.2	62.4	56.7	45.4	54.2	59.2	na	45.3	61.3	62.4	38.0	44.4	52.2	55.9	48.7	52.9
2000	58.5	63.4	57.2	48.6	55.3	61.1	na	47.7	60.3	67.2	41.6	47.6	54.3	55.6	49.8	54.6
2001	58.6	64.3	57.6	51.2	53.7	59.7	na	48.6	62.5	66.5	44.7	44.9	55.8	55.6	50.3	54.5
Total 23-24																
1997	24.3	49.9	29.4	18.7	35.6	27.1	20.1	29.1	23.9	41.0	28.5	32.0	46.4	46.2	na	30.7
1998	23.6	50.9	31.5	18.3	35.0	27.9	na	30.3	28.1	38.6	na	23.7	51.1	na	na	30.6
1999	31.4	52.3	34.2	19.5	36.8	26.3	na	30.5	33.2	40.0	27.5	26.1	45.9	48.4	32.4	32.5
2000	24.8	51.7	34.2	19.5	36.5	28.5	na	32.4	25.8	44.3	28.5	27.3	42.8	42.4	33.0	33.1
2001	28.5	48.3	35.4	21.9	36.2	28.8	na	32.6	31.6	45.0	31.7	27.8	49.4	42.4	35.9	34.1
Men 16-18																
1997	96.1	91.9	96.3	83.0	76.2	93.7	82.7	75.3	93.7	89.4	89.0	73.0	92.0	97.5	na	85.4
1998	86.0	90.0	96.2	80.0	75.9	92.1	na	75.8	87.5	88.8	na	70.7	93.3	na	na	84.7
1999	92.0	85.0	97.1	82.0	74.0	91.9	na	78.1	93.0	87.2	85.4	69.5	86.5	98.7	77.5	85.2
2000	90.9	91.5	95.9	82.6	74.7	92.0	na	79.8	92.9	87.8	88.1	72.6	87.6	98.2	80.8	86.2
2001	93.0	88.7	95.9	87.2	74.4	92.7	na	79.3	92.1	88.5	87.9	70.0	89.1	98.2	78.6	85.9
Men 19-22																
1997	58.3	62.4	52.9	45.7	49.8	60.9	43.6	44.7	52.9	65.5	41.4	44.8	55.4	52.3	na	51.5
1998	54.3	63.1	53.3	40.7	51.1	62.8	na	43.0	57.5	67.0	na	41.2	50.2	na	na	51.7
1999	56.0	59.6	54.8	44.9	48.3	57.0	na	43.4	62.1	63.1	35.9	40.7	46.7	52.2	49.6	50.8
2000	55.8	62.0	55.1	46.9	49.9	58.5	na	46.0	59.7	70.7	37.6	42.0	48.5	50.2	49.5	52.3
2001	55.4	62.6	55.0	49.5	47.7	55.9	na	46.9	62.1	66.6	41.7	39.6	47.8	50.2	50.6	51.8
Men 23-24																
1997	25.2	46.2	31.9	18.7	33.4	24.9	19.1	26.7	30.0	44.5	30.3	29.3	45.5	46.4	na	30.1
1998	23.7	52.4	35.0	20.0	31.3	26.1	na	27.2	32.9	42.0	na	22.2	45.9	na	na	29.9
1999	30.6	51.8	36.8	19.9	32.3	25.8	na	28.6	39.7	42.2	28.8	23.8	44.5	45.8	32.6	31.9
2000	24.0	46.6	37.5	17.8	33.1	27.7	na	28.6	25.1	46.7	29.8	25.2	38.9	38.6	32.2	32.1
2001	24.7	41.5	37.7	20.8	32.4	27.1	na	29.1	34.5	49.1	28.9	21.9	48.4	38.6	32.4	32.3
Women 16-18																
1997	97.9	92.1	95.8	85.4	82.7	95.2	88.4	80.6	94.5	90.0	84.1	77.9	94.7	97.6	na	87.8
1998	89.4	94.2	95.8	83.9	83.4	94.8	na	80.8	90.6	89.2	na	77.6	91.9	na	na	87.9
1999	93.7	91.6	96.4	84.8	80.3	94.2	na	82.4	90.2	87.8	84.8	75.0	87.4	98.3	80.8	87.8
2000	93.9	90.8	95.7	86.7	82.1	94.4	na	82.5	96.2	88.3	83.9	79.4	88.2	98.2	82.4	88.4
2001	94.9	88.8	96.2	88.5	81.8	93.7	na	84.0	94.2	89.2	83.3	76.5	89.4	98.2	81.5	88.4
Women 19-22																
1997	61.6	66.0	54.7	46.4	60.5	63.5	47.7	49.0	54.5	63.8	39.9	52.2	63.0	63.9	na	55.7
1998	58.6	64.4	56.1	43.3	61.8	62.3	na	48.8	53.8	64.1	na	47.7	63.9	na	na	55.8
1999	64.5	64.7	58.4	45.8	60.1	61.4	na	47.0	60.4	61.8	40.2	48.0	57.0	60.1	47.9	55.0
2000	61.0	64.5	59.2	49.9	60.7	63.8	na	49.3	60.8	63.5	45.2	52.9	59.6	61.5	50.2	56.8
2001	61.9	65.9	60.1	52.7	59.7	63.7	na	50.2	62.9	66.4	47.5	49.9	63.3	61.5	50.0	57.2
Women 23-24																
1997	23.3	53.8	26.8	18.6	37.7	29.1	21.2	31.6	17.4	37.5	26.8	34.9	47.3	46.0	na	31.2
1998	23.6	49.5	27.8	16.6	38.8	29.5	na	33.3	23.0	35.5	na	25.2	56.3	na	na	31.3
1999	32.3	52.7	31.6	19.1	41.3	26.8	na	32.7	26.6	37.9	26.4	28.5	47.6	51.0	32.2	33.0
2000	25.6	56.7	30.7	21.1	40.0	29.2	na	36.3	26.5	41.9	27.1	29.6	46.9	45.7	33.9	34.1
2001	32.0	55.2	33.2	22.9	40.1	30.3	na	36.1	28.6	40.7	34.4	34.3	50.4	45.7	39.6	36.0

Note: The data are not precisely comparable from year to year. Breaks in series are indicated. Figures in **bold** are affected by the change in the LFS in 1998 and should not be compared with those for later years. EU figures have been adjusted to an approximately comparable basis.

Source: EU Labour Force Survey

series data owing to changes in the questions and the method and timing of collecting data. However, some indication can be drawn.

For those aged 16 to 18, the data suggest a very small increase in participation in education and training at EU level over the period 1997 to 2001 (which cover the first four years of the European employment strategy and employment guidelines). In the EU as a whole (though excluding Ireland, for which there are no data), the average rate of participation of 16 to 18 year olds seems to have increased from 86.5 % to 87 % over this period (Table 20).

Allowing for apparent breaks in the series in a number of countries, participation seems to have risen in Greece, Italy and, to a lesser extent, Germany, between 1997 and 2001, and in the UK between 1998 and 2001 and to have remained much the same elsewhere. Participation of men seems to have increased by much the same as that of women, so that the gap in participation between remained unchanged.

Participation of those aged 19 to 22 appears to have risen by slightly more – from 53.5 % in 1997 to 54.5 % in 2001, with an increase occurring in the same countries as in the case of the younger age group, though also in the Netherlands. Unlike in the case of the younger age group, the increase seems to have been concentrated among women, their participation rate rising from 55.5 % to 57 % at EU level, while that of men rose only marginally to just under 52 %.

There was a larger increase in the proportion of 23 to 24 year olds in education and training. Over the EU as a whole, this seems have risen from 30.5 % to 34 %, with the increase being widespread across Member States. Again this increase was larger for women than for men, the proportion rising from around 31 % to 36 % as against an increase from 30 % to just over 32 %.

The widespread increase in participation which has taken place against the background of a significant decline in the number of young people, is set to continue, if at a slightly slower pace, over the present decade and beyond. This is examined in Chapter 4. Against this background, growth in the proportion of young

people attaining educational qualifications beyond compulsory schooling assumes added importance as a means of maintaining the supply of skilled labour entering the labour market and of meeting the growing demand for more highly qualified workers, as described in Chapter 5.

The analysis also points to relatively low levels of participation in vocational education and training by young people in employment. This emphasises the importance of policies for promoting learning at the workplace and strengthening the links between education and training systems and working life, outlined in the resolution on lifelong learning and the objectives report. Training at the workplace is considered more fully in the next chapter on continuing training.

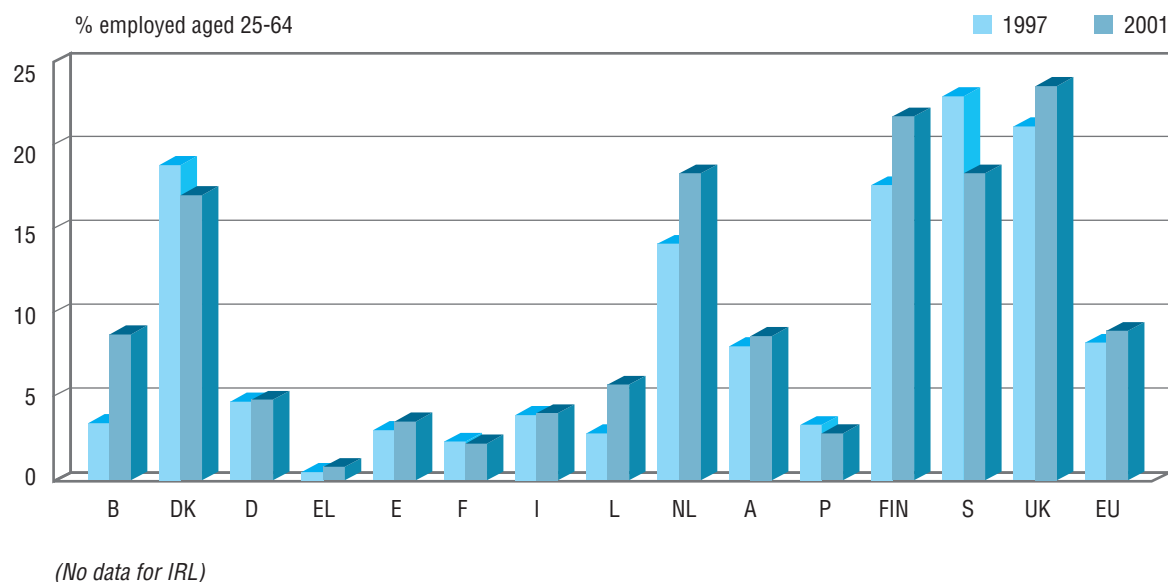
3.3. Continuing vocational education and training

While it is recognised that the basis for lifelong learning is a good education at school, the success or failure of the policy depends critically on access to, and take up of, education and training in the labour market. This chapter uses data from the labour force survey (LFS) to look at the extent of participation in continuing training and data from the continuing vocational training survey (CVTS) to examine training in enterprises.

3.3.1. Participation of employed persons aged 25-64 in education and training

The LFS question on participation asks whether or not the person surveyed received education or training during the four previous weeks. For older age groups this can cause a problem since it fails to record those who might have received training earlier but not for this precise period. For younger people mostly following formal education or training programmes, it causes much less of a problem. According to the data, in 2001 an average of 8.7 % of employed persons aged between 25 and 64 took part in some form of education or training in the four weeks prior to the survey (Figure 16). This compares with the benchmark of the

Figure 16. Participation of employed persons aged 25-64 in education and training in Member States, 1997 and 2001



Lisbon strategy of 12.5 % by 2010. However, it should be noted that the benchmark figure includes unemployed people in education and training, while the LFS figure does not. Highest levels of participation in 2001, ranging between 17 % and 23.5 %, can be found in Denmark, the Netherlands, Finland, Sweden and the UK. Figure 16 also compares participation in 1997 and 2001. In the EU, participation rose by 0.7 of a percentage point, over this period, much lower than for younger age groups. The highest rates of increase were in Belgium, Luxembourg, the Netherlands and Finland. However, participation fell in over the same period in Denmark, France, Portugal and Sweden.

Both men and women with high levels of educational attainment have a much greater probability of participating in continuing training than those with low education. This is a common feature in all Member States and applies across all age groups.

On average in the EU men and women aged 25 to 54 with tertiary education were 3 to 4 times more likely to participate in training in 2001 than those with only basic schooling, while those with upper secondary education were around twice as likely (Table 21). The difference, moreover, is substantial in all Member States, and most especially in the four southern countries, where

very few in employment with low educational attainment were in receipt of training. Elsewhere, the proportion of both men and women with low education receiving training was under 10 % in all countries except Denmark, the Netherlands, Finland and the UK. (As noted above, data from the LFS on participation in training relate to those receiving training over the four weeks preceding the annual survey and are in employment.) Even adjusting this figure to allow for the relatively short period over which participation in training is measured would still imply that only a small minority of workers with no qualifications beyond basic schooling the level of education were involved in continuing training over the course of a year.

Accordingly, those who lose out in their initial stages of lifelong learning, who drop out of the education and training system without at least acquiring an upper secondary level qualification, continue to lose out as they pursue their working careers. This has two important implications. First, it increases the importance of ensuring that young people start their working careers with at least some educational qualifications. Secondly, it suggests that it is difficult to raise the education level of the workforce other than through increasing the number of young people

Table 21. Men and women employees participating in training by education level, 2000

% men/women employees in each category

	B	DK	D	EL	E	F	I	L	NL	A	P	FIN	S	UK	EU
Men 25-29															
Low	3.4	11.6	6.2	0.5	2.0	2.0	1.4	2.3	21.9	8.7	2.5	8.6	10.6	15.4	6.7
Medium	9.7	25.6	14.7	2.2	13.4	4.0	9.6	3.7	36.1	10.8	21.8	27.7	15.2	22.3	14.5
High	21.5	46.3	14.6	3.6	13.9	8.6	12.9	16.2	32.2	35.2	18.1	34.8	30.5	33.8	19.3
Men 30-39															
Low	2.2	13.5	2.1	0.1	1.0	1.1	1.6	2.1	13.8	5.3	0.9	10.6	7.2	13.6	4.7
Medium	7.4	19.9	5.0	1.0	5.2	1.8	6.6	7.1	25.6	9.1	10.4	18.9	14.0	24.1	9.9
High	16.3	27.1	7.5	1.4	8.9	6.0	10.3	7.5	25.0	16.6	11.8	32.7	23.1	31.1	14.1
Men 40-49															
Low	5.2	6.9	1.2	0.1	0.5	0.6	1.4	2.3	9.8	3.7	0.5	12.2	9.6	10.8	3.6
Medium	8.6	18.0	2.4	0.1	2.3	1.0	6.2	6.8	16.7	7.6	3.9	16.1	14.9	19.4	7.1
High	12.6	32.8	4.8	0.5	6.1	2.4	8.5	11.5	17.9	17.9	7.6	34.4	22.9	29.7	11.5
Men 50-64															
Medium	2.3	8.6	0.4	0.0	0.3	0.4	1.2	1.2	4.5	2.9	0.1	9.8	6.6	6.3	2.4
High	6.0	9.3	1.2	0.6	1.1	0.4	3.8	7.3	9.7	5.1	1.9	14.8	13.1	12.4	4.9
Low	9.2	23.6	3.2	0.6	2.6	1.0	6.5	2.6	10.5	11.6	3.4	27.4	18.9	23.9	9.0
Women 25-29															
Low	5.7	34.6	6.9	0.0	3.1	3.4	2.7	3.6	14.9	2.0	3.3	22.8	22.2	19.2	8.4
Medium	8.0	35.0	11.2	2.3	13.1	4.9	10.9	5.9	26.8	13.1	14.5	31.6	20.1	32.6	15.5
High	15.5	29.7	14.1	4.0	16.0	10.6	13.9	12.1	31.4	26.0	12.9	33.4	32.2	42.9	20.6
Women 30-39															
Low	4.1	17.7	1.8	0.5	1.9	1.6	2.0	1.1	13.9	3.9	2.2	12.1	17.7	18.4	6.2
Medium	5.6	21.1	4.6	1.1	5.9	2.3	6.9	6.4	18.2	7.8	5.6	22.9	19.3	28.0	10.4
High	12.2	26.0	9.2	1.6	8.9	5.2	10.5	8.2	21.1	21.1	8.8	32.9	25.0	40.6	15.9
Women 40-49															
Low	1.6	13.9	1.3	0.0	1.4	1.0	1.8	2.2	8.5	2.4	0.8	11.3	11.8	17.3	4.8
Medium	6.8	22.8	2.6	0.7	3.9	1.5	8.2	8.9	17.0	8.9	5.8	22.1	13.9	30.8	9.7
High	11.7	32.8	7.4	0.9	8.6	3.9	11.2	10.0	23.0	18.6	11.1	37.6	30.2	45.7	16.1
Women 50-64															
Medium	3.1	6.3	0.4	0.0	1.3	0.5	1.3	1.6	5.3	0.8	0.3	11.7	8.2	13.3	3.9
High	4.9	17.8	1.9	0.4	2.9	0.9	6.4	2.7	13.3	6.2	0.0	20.9	15.2	25.4	8.5
Low	11.4	34.8	5.0	0.0	3.6	1.5	8.9	8.9	21.1	12.1	2.4	35.1	27.9	42.3	14.5

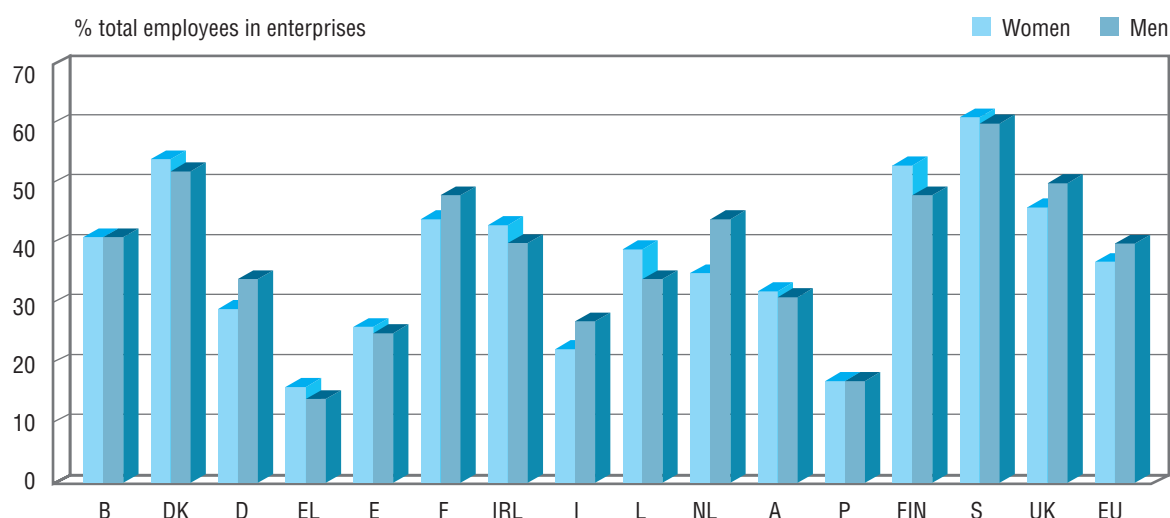
No data for IRL – Source: EU Labour Force Survey

who complete upper secondary or tertiary level programmes of study, which is inevitably likely to take a long time to affect the average level.

Furthermore, there is a clear trend across the EU for the proportion of workers participating in training to decline with age (see also Chapter 4).

This is common to all Member States and is true of both men and women. According to the LFS, therefore an average of just over 13 % of men in employment in the Union aged 25 to 29 participated in training in the four weeks preceding the 2000 survey, as compared with

Figure 17. Participation of men and women in continuing training, 1999



just 5 % of those in their 50s and early 60s (Table 21). The variation in participation of women in training was very similar, except that in each age group, proportionately more women participated in education or training than men. The decline was particularly marked in Germany and Spain.

3.3.2. Learning in enterprises

According to the continuing vocational training survey (CVTS, Table 22), some 40 % of employees across the EU participated in vocational education and training at some point during 1999, in the sectors covered by the survey. (It should be noted that the LFS inevitably tends to report a smaller proportion of workers receiving education and training than the CVTS, because of the shorter time period to which the LFS data relate. However, in broad terms the variation between the Member States is similar.) Given the policy emphasis on promoting lifelong learning, and the commitment in the employment guidelines to provide access to all workers to training throughout their life time, it is significant that 60 % of employees in the EU working in the enterprises surveyed did not participate in vocational training during the year. Although it can be argued that the CVTS preceded the Lisbon European Council, lifelong learning and widening access to vocational education and training have been policy objectives since the early 1990s.

Table 22. The continuing vocational education and training survey (CVTS)

The CVTS was conducted in 1999 in all EU Member States and 9 of the candidate countries, covering enterprises with 10 or more employees in 'enterprise' sectors of economic activity (i.e. NACE Chapters C-K and O). It excluded agriculture and fishing, public administration, education, health and social work, employment in private households and extra-territorial organisations. A total of around 35 000 enterprises in the EU Member States plus Norway and 26 000 in the 9 candidate countries participated.

Employees in the survey were defined as the total number of persons employed, excluding apprentices and trainees. Training was defined so far as possible in the same way in all countries and includes internal training activities as well as external courses. Participants who took part in more than one training course are counted only once. The hours spent on CVT courses relate to the total spent during paid working time.

The proportion participating varied from around 60 % in Sweden, just under 55 % in Denmark and 50 % in Finland and the UK, to just over 30 % in Germany and Austria, 25 % in Spain and Italy around 15 % in Greece and Portugal (slightly above in the latter) (Figure 17). Indications from other sources (namely, the LFS

Table 23. Rate of participation in continuing training by size of enterprise, 1999

	% of total employees															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Total enterprises																
Total	41	53	32	15	25	46	41	26	36	41	31	17	50	61	49	40
Women		54	29	16	26	44	43	23	39	35	32	17	53	61	46	38
Men		52	34	14	25	48	40	27	34	44	31	17	48	60	50	41
10-19 employees																
Total	18	49	24	1	8	18	21	8		37	25	2	39	47	34	19
Women		58	25	2	9	22	29	6		30	23	3	47	48	42	21
Men		46	23	1	8	16	18	9		40	26	2	34	47	29	19
20-49 employees*																
Total	21	47	26	4	12	25	33	14	19	36	24	6	38	53	36	25
Women		49	27	5	12	26	37	12	21	28	28	5	47	55	47	27
Men		46	25	3	12	24	29	14	19	39	21	6	34	52	31	24
50-249 employees																
Total	39	50	27	10	20	38	41	20	31	42	29	12	41	53	44	33
Women		50	25	10	20	35	39	17	36	36	30	10	44	52	54	33
Men		50	29	10	20	40	43	22	30	44	28	13	40	53	38	32
250+ employees																
Total	59	55	35	25	42	58	57	45	49	43	37	35	58	67	52	48
Women		55	30	28	39	54	54	43	49	37	37	33	59	68	45	43
Men		55	39	24	44	60	60	46	49	46	37	36	57	67	56	50

* Includes 10-19 in Luxembourg

Note: No breakdown by sex in Belgium – Source: Eurostat, CVTS, 1999

and European Community household panel (ECHP)) are that participation in training was slightly higher in sectors of activity not covered by the CVTS.

On average, a slightly higher proportion of men than women were involved in training in the EU (41 % as opposed to 38 %). However, there are only 5 Member States of the 14 for which data are available (no data are available for Belgium) where the relative number of men receiving training is higher than for women. These are the four largest countries in the EU, together with the Netherlands, and in all of these, the difference in the rate of participation was relatively wide.

Employees are much more likely to participate in continuing training in a large firm than in a small one. On average in the EU, whereas only 19 % of workers employed in small enterprises with less than 20 employees participated in training in 1999, 33 % did so in medium-sized enterprises of 50 to 249 employees and 48 % in large ones (Table 23).

This difference was common to all and particularly marked in the 4 southern Member

States, where in each case, fewer than 10 % of employees in small enterprises with less than 20 employees were involved in training. The relatively large number of small firms in all of these countries is part of the explanation of the low overall participation in training as compared with other Member States. Participation in large enterprises in Spain and Italy was only slightly below the EU average, while the figure for large enterprises in Portugal was the same as in Germany. Elsewhere, the difference in the proportion participating in training in large enterprises as compared with small ones was particularly wide in Belgium, France and Ireland (a difference of over 35 percentage points).

The average number of hours spent in training also varies between Member States, to some extent offsetting difference in participation rates. The average was relatively high in Greece, Spain and Portugal (around 40 hours during the year as compared with an EU average of 31) and relatively low in the UK (26 hours, the lowest in the EU). In contrast, in Denmark and Finland, where participation was relatively high, average hours of training were

Table 24. Proportion of enterprises providing continuing training to their employees, 1999

% of total enterprises																
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Total enterprises																
All types of training	70	96	75	18	36	76	79	24	71	88	72	22	82	91	87	62
CVT courses	48	88	67	9	28	71	56	23	50	82	71	11	75	83	76	54
Enterprises by size																
10-19 employees																
All types of training	62	94	68	7	27	56	71	16	na	82	63	13	77	85	77	49
CVT courses	40	86	57	3	20	51	40	16	na	73	62	5	67	73	66	41
20-49 employees*																
All types of training	71	97	76	19	38	77	84	30	67	88	75	22	81	93	93	67
CVT courses	46	86	69	8	28	71	71	29	42	82	73	12	74	88	77	58
50-249 employees																
All types of training	93	98	87	43	58	93	98	48	83	96	91	46	97	99	91	81
CVT courses	77	94	80	27	49	92	80	46	68	92	90	26	91	97	88	75
250+ employees																
All types of training	100	100	98	78	86	98	100	81	99	98	96	78	99	99	98	96
CVT courses	95	100	93	58	80	97	95	79	97	97	96	58	98	99	98	93
* Includes 10-19 in Luxembourg Source: Eurostat, CVTS, 1999																

* Includes 10-19 in Luxembourg
Source: Eurostat, CVTS, 1999

also above the EU average, and in Germany and Austria, where participation was low, hours of training were also comparatively low. As a consequence, the total number of hours of training provided by enterprises was greater in Spain than in either Germany or Austria.

In some degree, these differences in the receipt of continuing training between Member States may serve to compensate for differences in participation in initial education and training, which is especially high in Germany, in particular, and relatively low in the UK. However, in the three Nordic countries, high participation in initial education is combined with high participation in continuing training, while in all four southern Member States, participation is low initially and continues to be low thereafter.

3.3.3. Training and non-training enterprises

The great majority of enterprises in most Member States covered by the CVTS provided some opportunity for their employees to train. Nevertheless, the relative number varies across the EU as well as between sizes of enterprise. Whereas some 96 % of enterprises in Denmark and over 90 % in Sweden provided training for their staff (almost all of them courses of, and training away from, the workplace) the figure was

only 36 % in Spain, under 25 % in Italy and only around 20 % in Portugal and Greece (Table 24). Elsewhere, 70 % or more of enterprises provided training in all countries, the figure reaching over 85 % in the Netherlands and the UK.

In all countries, small firms employing under 20 people (though more than 10) were much less likely to engage in training than larger ones. In Denmark, the Netherlands and Sweden, over 80 % of firms with between 10 and 19 employees still provided training. By contrast, in Spain, the proportion was only just over a quarter, in Italy and Portugal, only around 15 % and in Greece, just 7 %. In the southern Member States, over 40 % of medium-sized firms with between 50 and 249 employees provided training and almost 60 % in Spain. Elsewhere, the figure was above 90 % in all countries except Luxembourg. For large enterprises with 250 or more employees, the proportion providing training rose to around 80 % or more in all the southern Member States and was close to 100 % in other parts of the EU.

These figures reaffirm what has been known for some time, that access of workers to vocational education and training varies markedly between Member States and the sizes of enterprise.

Table 25. Enterprises by form of training provided, 1999

	% of total enterprises providing training															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
CVT in work place	83	55	75	45	55	62	95	67	70	72	72	69	55	64	76	71
Rotation,exchange	43	32	6	13	34	41	48	58	45	19	24	21	29	45	41	30
Learning/ quality circles	28	30	16	29	33	27	22	21	16	22	21	23	23	18	29	23
Self-learning	22	75	19	15	29	23	25	6	36	45	29	11	55	37	37	29
Conferences, workshops	47	78	85	71	52	46	73	72	68	72	86	63	82	71	62	69

Source: Eurostat, CVTS, 1999

3.3.4. Continuing training by form

A focus on developing lifelong learning, in the European Commission memorandum and Council resolution (see Section 1.4.1), is learning at the workplace. It is interesting to note that in 10 of the 15 Member States, over two-thirds of enterprises providing training in 1999 did so in the work place and 55 % or more in all countries apart from Greece (Table 25). Similarly, in most Member States, the majority of firms used conferences and workshops as a means of training. Other forms of training, however, were less common. Only 30 % of firms in the EU delivered vocational education and training through rotation, exchanges of staff, or secondment, the figure varying from almost 60 % in Italy to only 6 % in Germany. Only 23 % of firms used learning or quality circles, with comparatively little variation between countries. Just under 30 % of enterprises in the EU relied on employees learning for themselves, though the proportion was as high as 75 % in Denmark and 55 % in Finland.

3.3.5. Participation in training by sector

The likelihood of workers participating in vocational education and training depends not only on the country in which they live and the size of firm they work in, but also on its sector. The rate of participation in vocational education and training in different sectors differs significantly between Member States. This may reflect the priority given to vocational education and training in the sectors concerned and the pace of innovation.

According to the CVTS, workers are most

likely to participate in vocational education and training if they work in communications (telecommunications and postal services). On average some 62 % of employees in this sector in the EU received training in 1999, the proportion being over 40 % in all Member States except Greece (only 7 %) and Spain (Table 26). This is followed by the transport sector, in which almost half of employees were in receipt of vocational education and training. Employees in financial services were the third group most likely to receive vocational education and training, with some 46 % of workers in the EU receiving some form, and over 40 % in all countries apart from the UK. In business services, the figure at the EU level was only slightly lower (43 %), though with more variation between Member States – from over 55 % in Denmark, Luxembourg, Sweden, and the UK to just over 20 % in Spain and 12 % in Greece and Portugal. Rates of participation in training as low as these are difficult to reconcile with the fact that this was the fastest growing sector in the EU in terms of employment throughout the 1990s.

Perhaps surprisingly, the proportion of workers receiving training was the same, on average, in both retailing and wholesaling and hotels and restaurants as in business services, though in the last of these the hours of training received was substantially less (see below). In retailing and wholesaling, the figure was under a quarter only in Greece, Italy and Portugal and was 55 % or above in Denmark, Sweden and the UK. In hotels and restaurants, on the other hand, it was under 20 % in all 4 southern

Table 26. Rate of participation in continuing training in enterprises by sector of activity, 1999

	% of all employees in the sector															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
All NACE sectors covered																
Total	41	53	32	15	25	46	41	26	36	41	31	17	50	61	49	40
Women		54	29	16	26	44	43	23	39	35	32	17	53	61	46	38
Men		52	34	14	25	48	40	27	34	44	31	17	48	60	50	41
Manufacturing																
Total	42	47	30	11	26	43	45	20	37	40	28	14	48	61	41	34
Women		46	26	8	22	38	44	14	25	34	23	12	45	61	50	32
Men		48	31	12	27	45	45	23	39	41	29	16	49	62	38	34
Construction																
Total	21	37	19	1	11	31	21	14		57	18	6	35	56	41	28
Women		51	20	3	17	28	31	12		35	23	9	39	61	43	32
Men		35	18	1	10	31	20	14		59	17	5	34	55	40	27
Wholesaling, retailing																
Total	33	56	27	11	27	46	30	18	38	37	35	23	48	55	60	43
Women		56	24	13	29	43	31	16	39	31	33	27	50	57	42	35
Men		57	30	10	26	48	29	19	37	42	37	20	45	54	71	49
Hotels and restaurants																
Total	25	70	15	8	17	30	55	19		32	16	10	61	45	63	43
Women		71	13	9	18	28	52	23		31	17	10	66	45	65	45
Men		68	19	7	17	32	63	15		33	14	11	50	45	61	42
Transport																
Total	26	38	22	6	33	57	23	32		39	41	22	42	47	67	49
Women		35	24	11	40	49	39	26		50	52	25	56	58	68	54
Men		40	20	6	32	59	20	33		36	39	21	35	43	67	47
Communications																
Total	57	68	77	7	32	65	45	82		43	43	51	82	66	44	62
Women		68	63	6	34	78	48	88		37	42	65	83	68	46	61
Men		67	85	8	32	58	38	78		46	45	44	80	65	43	63
Banking, finance																
Total	66	64	42	51	61	73	52	54	51	65	54	47	55	83	37	46
Women		65	39	53	61	68	49	54	50	66	61	47	53	87	26	38
Men		63	44	50	62	77	54	55	51	64	49	47	60	78	53	54
Business services																
Total	53	58	34	12	22	44	45	25	57	36	27	12	53	65	57	43
Women		56	23	11	19	43	43	22	51	29	29	10	55	63	58	38
Men		59	43	12	25	45	48	28	60	41	26	15	51	67	57	47
Community, personal services																
Total	39	59	38	8	17	37	41	17	18	39	20	14	49	56	27	31
Women		59	41	9	22	39	50	17	13	37	24	12	52	57	37	37
Men		59	36	7	15	35	24	17	26	40	17	15	45	55	23	27

Note: The data cover only training in enterprises with 10 or more employees. Training in the public sector is excluded.

Source: Eurostat, CVTS, 1999

countries as well as Germany and Austria.

The lowest rates of participation in training – only around a third or less – were in manufacturing (34 % at EU level), personal services (31 %) and construction (28 %). Only in Ireland did a larger proportion of workers receive training in manufacturing than in the rest of the (enterprise) economy, indicating perhaps

the relative priority attached to this sector in the country as well as its relative dynamic nature. In personal services, the proportion receiving training was higher than in most other sectors only in Denmark and Germany, while in construction, it was above average only in the Netherlands.

In the EU as a whole, as noted above, men

Table 27. Average number of hours spent in training courses by sector of activity, 1999

	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
All NACE sectors covered																
Total	31	41	27	39	42	36	40	32	39	37	29	38	36	31	26	31
Women		54	25	38	41	33	41	29	34	36	31	37	32	29	25	29
Men		31	28	40	42	38	40	33	42	38	28	39	38	32	27	31
Manufacturing																
Total	29	41	29	49	46	33	40	30	47	39	28	44	35	34	29	32
Women		57	29	58	46	34	39	28	36	33	29	46	34	34	32	33
Men		33	29	46	46	32	41	30	48	40	27	42	36	34	28	32
Construction																
Total	24	64	16	46	34	27	36	45		29	30	27	42	24	53	39
Women																
Men																
Wholesaling, retailing																
Total	29	30	21	32	36	25	32	32	26	35	26	24	26	23	15	21
Women		33	17	28	31	22	27	26	15	30	29	21	22	21	17	21
Men		27	24	35	40	27	37	36	36	37	24	27	30	25	14	21
Hotels and restaurants																
Total	31	43	15	50	34	31	49	19		27	16	27	20	20	7	13
Women		57	14	44	33	31	56	16		25	14	26	18	20	7	14
Men		23	16	57	35	32	38	23		30	19	27	31	19	7	13
Transport																
Total	32	39	15	37	42	57	63	33		41	22	29	56	26	22	33
Women		67	12	33	47	50	43	38		60	24	23	59	27	22	29
Men		25	16	39	40	59	70	33		34	22	30	53	26	21	35
Communications																
Total	58	27	21	25	30	42	22	27		24	31	41	30	32	57	29
Women		27	17	28	26	31	18	24		24	33	41	28	31	61	28
Men		26	23	23	32	50	30	29		24	30	41	32	32	54	30
Banking, finance																
Total	34	41	35	34	44	37	28	35	43	48	49	55	38	26	27	34
Women		47	33	35	47	35	29	35	43	51	46	62	36	25	28	34
Men		31	37	34	43	39	27	35	42	45	51	52	41	28	26	34
Business services																
Total	38	60	40	43	43	36	41	43	53	43	33	44	49	36	41	41
Women		108	32	44	40	33	35	35	55	38	33	43	44	33	31	36
Men		34	43	41	45	38	46	50	52	46	32	45	53	37	46	44
Community, personal services																
Total	31	42	15	44	54	38	59	39	37	26	15	38	31	26	15	22
Women		52	15	31	68	37	60	25	61	22	14	32	31	24	13	21
Men		32	15	58	41	39	56	46	18	29	17	43	30	27	17	21

Note: The data cover only training in enterprises with 10 or more employees. Training in the public sector is excluded.

Source: Eurostat, CVTS, 1999

are more likely to be in receipt of vocational education and training than women, predominantly because more men receiving training in the four largest Member States. The fact that in enterprises more men were trained than women is due to the concentration of women in sectors where the provision of training is relatively limited, especially in distribution,

which accounts for almost 30 % of women employees in the enterprise economy.

3.3.6. Hours of training

The conclusions that might be drawn from comparing the rate of participation in training across sectors of activity are modified to some degree if the amount of training received by

Table 28. Receipt of education or training by sector of activity, 2001

	% of persons employed in the sector															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Total																
Total	8.8	17.0	4.8	0.8	3.7	2.2	na	4.0	5.7	18.4	8.6	2.8	21.8	14.6	23.5	8.8
Women	9.3	18.2	4.9	0.9	5.1	2.7	na	5.3	5.6	18.7	8.8	3.3	24.6	16.6	29.0	10.6
Men	8.4	16.0	4.8	0.7	2.9	1.9	na	3.3	5.8	18.2	8.5	2.3	19.2	12.8	19.1	7.5
Agriculture, fishing																
Total	4.6	3.4	1.4	0.1	0.9	0.7	na	1.0	0.8	7.5	4.7	0.5	17.7	8.7	10.8	2.3
Women	5.0	2.5	1.5	0.0	0.8	0.5	na	1.0	1.1	8.7	6.2	0.5	19.7	7.7	7.5	2.3
Men	3.7	6.5	1.2	0.1	1.2	1.1	na	1.1	0.0	5.2	3.0	0.5	13.5	12.3	22.1	2.4
Manufacturing																
Total	7.4	14.2	3.3	0.4	2.2	1.1	na	2.6	4.1	15.0	7.1	1.4	17.5	11.1	17.1	5.9
Women	6.9	14.6	3.5	0.4	1.7	1.2	na	2.6	4.1	15.4	7.5	1.4	16.3	11.1	15.9	5.8
Men	8.9	13.2	2.8	0.5	3.9	1.0	na	2.7	4.4	13.5	6.3	1.3	20.3	11.2	20.7	6.0
Business services																
Total	9.7	18.9	6.7	1.7	4.3	2.1	na	5.0	5.9	19.7	10.5	4.6	24.0	15.8	24.7	11.2
Women	9.8	22.6	7.6	1.8	4.5	2.0	na	5.0	7.7	20.4	12.2	5.2	23.4	15.3	22.3	11.3
Men	9.6	13.5	5.8	1.7	4.0	2.2	na	5.1	3.9	18.6	8.7	3.9	24.8	16.5	28.2	11.1
Public administration																
Total	10.7	25.2	5.6	1.2	6.8	2.9	na	6.1	7.1	25.5	9.4	6.1	33.4	19.5	32.3	11.2
Women	10.2	21.4	6.4	1.4	6.0	2.7	na	5.4	7.5	24.8	11.1	5.5	32.5	20.7	31.1	10.6
Men	11.3	29.3	4.7	0.9	8.4	3.1	na	7.3	6.4	26.9	6.8	7.2	34.2	18.4	33.6	11.9
Education																
Total	13.5	23.1	11.3	1.5	10.6	6.3	na	9.1	10.9	26.1	17.0	9.7	32.7	20.7	37.4	16.9
Women	14.5	22.3	13.2	2.0	9.7	6.6	na	7.4	19.0	24.2	16.6	11.3	34.3	20.8	32.9	15.6
Men	13.1	23.7	10.3	1.1	11.1	6.1	na	9.8	6.1	27.6	17.2	9.2	31.9	20.6	39.1	17.5
Health, social services																
Total	13.1	20.7	8.1	2.3	7.6	4.3	na	8.7	9.0	21.7	11.5	5.0	27.6	19.5	35.9	15.7
Women	18.3	31.7	10.7	2.9	7.6	6.0	na	7.9	14.3	26.2	12.7	5.3	33.2	24.2	36.0	15.7
Men	11.2	18.9	7.2	2.0	7.6	3.7	na	9.2	7.7	20.5	11.1	4.9	26.9	18.8	35.9	15.6

Note: The data relate to education and training received in the preceding 4 weeks by all persons employed.

Source: Eurostat, EU Labour Force Survey, 2001

those participating is also considered. This is largest in business services, at just over 40 hours a year in the EU as a whole and smallest in hotels and restaurants at only 13 hours a year (Table 27).

In the latter, the relatively high proportion of workers receiving training in the UK received on average only 7 hours a year, in stark contrast to the very small proportion in Greece, who received 50 hours a year.

The average amount of training received by women as opposed to men was similar in most sectors. The only exceptions are transport (where women account for only around a quarter of the workforce) and business services (where women accounted for around 45 % of employment in 1999, significantly more than their share in the enterprise economy as a whole – 36 %).

3.3.7. Training in the non-enterprise sector

The CVTS covers only the enterprise, or market, part of the economy and excludes public and communal services as well as agriculture, which provide around a third of jobs in the EU work. The EU labour force survey (LFS) provides some indication of the extent of training in these activities. It also covers those employed in enterprises with less than 10 employees (though these cannot be separately distinguished), so these can also be included in the analysis along with those working in larger firms. As stated earlier, fewer people are reported to be in receipt of education or training by the LFS than by the CVTS as the LFS data relate to education or training in the four weeks preceding the survey.

In terms of sectors, the proportion receiving

Table 29. Receipt of education or training by broad occupation, 2001

	% of persons employed in the occupational group															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Managers	10.0	13.5	3.7	0.7	1.6	1.4	na	4.0	3.1	15.5	12.0	1.1	25.7	16.0	22.1	10.6
Professionals	16.0	25.0	9.5	1.9	9.4	5.5	na	9.2	10.4	25.0	17.2	9.2	33.8	21.0	36.2	16.2
Technicians, associate profs	9.1	23.2	6.7	1.8	6.2	3.4	na	6.2	9.7	23.5	11.7	7.6	26.6	18.2	33.8	11.7
Clerks, office workers	9.1	16.0	4.7	1.1	5.7	1.9	na	4.9	6.1	17.5	10.1	5.2	23.1	12.4	26.2	9.8
Sales, service workers	7.0	16.6	3.4	1.1	4.1	1.9	na	3.1	6.0	16.6	5.5	2.7	18.1	14.8	24.8	8.5
Skilled agricultural workers	4.8	6.4	1.7	0.0	0.7	0.7	na	1.0	0.7	10.8	4.3	0.5	15.5	7.7	11.1	2.3
Craft, machine operators	3.2	10.6	2.3	0.2	1.2	0.8	na	1.6	2.4	11.3	5.1	0.8	9.5	7.8	11.5	3.7
Elementary workers	3.4	8.8	1.2	0.3	1.4	1.3	na	1.8	1.1	12.9	3.0	1.3	11.7	9.2	12.6	4.4

Note: The data relate to education and training received in the preceding 4 weeks by all persons employed.

Source: Eurostat, EU Labour Force Survey, 2001

training in public administration in the EU was around 11 %. In both education and health and social services the figure is 16 to 17 % (Table 28).

In contrast to the CVTS, the LFS shows proportionately more women in employment receiving education or training than men (around 40 % more overall), which is partly because of the relative concentration of women in public and communal services not covered by the CVTS where the level of training is relatively high (just under 40 % of all women employed work in these sectors as opposed to under 20 % of men). It is also partly a result, however, of women being more involved in non-vocational education than men, which is included in the LFS data. In public administration and education, the proportion of women receiving training was higher than for men in 2001 across the EU as a whole. In health and social services, the proportion receiving training was much the same for the two at EU level.

3.3.8. Training by occupation

Receipt of continuing training also varies between occupations. Those working in the professions or in technical jobs are much more likely to receive training than those employed as office workers or as sales assistants, and still more as, manual workers in manufacturing or

agriculture. According to the LFS, in 2001, some 16 % of professionals (doctors, engineers, teachers, architects and so on) in the EU were involved in some training or education during the 4 weeks preceding the survey as against under 10 % of office workers, 8 % of sales or services assistants, around 4 % of manual workers, whether skilled or unskilled and just 2 % of skilled workers in agriculture (Table 29).

This difference in apparent access to training was common in all Member States. At the same time, those employed as managers were less likely to be in receipt of training than office workers in most countries. The only exceptions were Belgium, Austria, Finland and Sweden. This might perhaps be a reflection of their relatively high average age (as indicated in Chapter 4, receipt of training tends to decline significantly with age) and/or the lack of specific skills required of them.

3.3.9. Cost of training to enterprises

The cost to firms of training provision consist of two elements: the direct cost of delivery, in the form of the wages and salaries paid to trainers, the fees paid for courses or workshops and so on, and the wages and salaries paid to employees participating in the training, together with any relative expenditure. Since the employees concerned are not directly

Table 30. The cost to enterprises of training, 1999

	% of total labour costs															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Total enterprises																
Direct costs	0.6	1.7	0.9	0.4	0.5	1.0	1.5		1.0	1.7	0.8	0.7	1.3	1.6	2.8	
Participant cost	0.9	1.4	0.7	0.5	0.9	1.2	1.0		1.0	1.1	0.5	0.6	1.1	1.3	0.8	
Total cost	1.6	3.0	1.5	0.9	1.5	2.4	2.4		1.9	2.8	1.3	1.2	2.4	2.8	3.6	
Enterprises by size																
10-19 employees																
Direct costs	0.4	1.3	0.6	0.2	0.2	0.2	1.3		0.4	1.0	0.6	0.1	1.0	1.1	3.9	
Participant cost	0.5	1.3	0.4	0.1	0.3	0.5	0.9		0.4	0.7	0.4	0.1	0.9	0.9	0.9	
Total cost	1.0	2.5	1.0	0.2	0.5	0.7	2.0		0.8	1.6	1.0	0.2	1.8	1.8	4.8	
20-49 employees																
Direct costs	0.5	1.3	0.5	0.2	0.2	0.3	1.6		0.8	0.8	0.6	0.2	1.1	1.4	2.3	
Participant cost	0.5	1.1	0.4	0.1	0.4	0.5	0.6		0.6	0.7	0.4	0.1	1.0	1.1	0.7	
Total cost	1.1	2.4	0.9	0.3	0.7	1.1	2.2		1.4	1.5	1.0	0.4	1.8	2.3	3.1	
50-249 employees																
Direct costs	0.7	1.8	0.8	0.6	0.5	0.7	1.2		0.7	1.4	0.8	0.5	1.1	1.3	4.6	
Participant cost	0.9	1.5	0.6	0.3	0.6	0.8	0.8		0.5	1.0	0.4	0.4	0.9	0.9	0.7	
Total cost	1.6	3.3	1.4	1.4	1.1	1.8	2.1		1.2	2.5	1.2	0.8	1.9	2.1	5.9	
250+ employees																
Direct costs	0.7	1.7	0.9	0.3	0.8	1.3	1.7		1.3	2.3	0.9	1.0	1.5	1.8	2.3	
Participant cost	1.1	1.4	0.7	0.6	1.2	1.5	1.2		1.6	1.5	0.7	1.1	1.3	1.5	0.8	
Total cost	1.9	3.1	1.7	1.0	2.1	3.0	2.9		2.8	3.7	1.6	2.0	2.8	3.2	3.1	

No data for I – Source: Eurostat, CVTS, 1999.

Participant cost is the wages and other labour costs of participants in training which for the enterprise are not going directly to increasing production.

contributing to production and the generation of value-added when they are being trained, this also represents a cost to enterprises. Both types of cost essentially represent investment in human capital from which businesses would expect to make a return.

According to the CVTS, the cost of training to enterprises varies markedly across the EU (Table 30), from some 3.5 % of labour costs in the UK and 3 % in Denmark, the Netherlands and Sweden to under 1.5 % of labour costs in Austria and Portugal and under 1 % in Greece. These variations are not readily explained by differences in the number of workers trained in the enterprises nor by the amount of training provided. The variation owes as much to differences in the direct cost of training provision, which is relatively straight-forward to measure, as to differences in indirect costs, which are less so.

In most countries, the cost of training tends to increase with the size of enterprise, which to a large extent is explicable in terms of more

training being provided. In some Member States, however, this tendency is less evident, especially in the UK, where training provision in very small enterprises accounted for a larger proportion of labour costs than in both those with 20 to 49 employees and those with 250 or more employees. In general, however, the larger the enterprise, the greater the investment in training.

3.3.10. Increasing participation in continuing vocational education and training

Under the employment guidelines, since 1999 all Member States have committed themselves to raising participation of those of 25 and over in education and training. The benchmark for the Lisbon strategy is that at least 12.5 % of the workforce aged between 25 and 64, are involved in education or training by 2010. This target is based on data from the LFS, which as emphasised above, provides only a very partial guide to the numbers participating in training.

Achieving this aim suggests a need to raise the level of vocational education and training undertaken in the business services, distribution and hotel and tourism sectors, which are among the lowest in the EU. This is particularly important as between now and 2010, these sectors are expected to be major sources of job growth as outlined in Section 5.4.1. Raising participation in vocational education and training in these sectors, especially in the four larger Member States, is also likely to result in a better gender balance, given the high proportion of women working in these sectors.

3.4. Concluding remarks

Member States policies seem to have brought about small rise in the number of young people remaining in education beyond compulsory schooling over recent years. A growing proportion seem to have continued their studies or training into their early 20s, implying a rise in the education level attained. This trend is in line with the European vocational education and training policy to raise skill levels and reduce drop-out rates (discussed in more detail in Chapter 4). The growth also seems to have been slightly higher in a number of countries where continued participation in education was below the EU average thus narrowing the gap between Member States.

Nevertheless, in the EU in 2001, 45 % of men and just over a third of women aged between 19 and 22 were not in education or training, rising to 64 % of men and 52 % of women for those aged 23 to 24. Many of those not in education and training were in employment, but the extent to which young people combine education and training with employment varies markedly across the EU. It is common in Denmark, the Netherlands and the UK, in particular, but comparatively rare in most Member States. There seems little tendency for this to have changed significantly in recent years. The European policy framework, particularly in the European Commission's memorandum on lifelong learning and the Council resolution that followed, emphasises the importance of learning at the workplace as an aspect of lifelong

learning. For a proper basis to be set, this should begin early in working life. However, the evidence suggests that once young people enter the labour market and begin to pursue a working career, a significant proportion of them no longer participate in vocational education and training, implying that, in most Member States at present, there is little continuity between initial and continuing training.

In most Member States, more women than men remain in education or training beyond compulsory schooling and the gap between the relative numbers involved seems to be widening. Clear gender inequalities emerge from the analysis of the types of courses studied. Women are under-represented in the key areas of information and communication technologies and engineering. The importance of ICT skills is highlighted in the policy framework and the bench mark of increasing enrolment and reducing the imbalance in the number of women enrolled in science, maths and technology, by 2010. The indications are that this target will be met. However, the focus on ICT skills must not be at the expense of other areas of the economy. The underrepresentation of men in growing economic sectors such as health and education should not be overlooked, if the employment rate targets are to be reached.

The figures from the LFS indicate that around 9 % of 25 to 64 year olds participated in education and training in 2001. Even though this does not include unemployed people in education and training, the Lisbon strategy benchmark of 12.5 %, taking part in lifelong learning seems still some way off. Evidence from the CVTS in 1999, indicates that only around 40 % of employees in the EU receive training each year, much the same proportion of women as of men, though with large variations between Member States. The same survey suggests that people employed in large enterprises are far more likely to receive training than those working in small firms and that there are equally large differences in the likelihood of being in receipt of training between both sectors of activity and occupations. Those employed in the public sector, particularly in health and education, are much more likely to receive

training than those employed in the private sector in business services and these in turn tend to receive more training than those working in more basic services or in manufacturing. Manual workers, whether skilled or unskilled, are much less likely to receive training than office workers or sales assistants, who in turn are less likely to receive training than those employed in the professions.

The relatively low figures for participation in vocational education and training in employment for young people in enterprises, indicated in the CVTS and more generally in the LFS, reinforce the argument in the European Commission's communication on financing lifelong learning,

that there is a private sector deficit in training. This emphasises the importance of the social partners' framework of actions for the lifelong development of competences, discussed in Section 2.2.4. Many of the actions are addressed to enterprises directly to encourage access to, and participation in, vocational education and training. This is especially important, as some of the lowest participation in vocational education and training is in the sectors expected to be the engines of future job growth, such as business services and hotel and tourism. The sector social dialogue at European level and in Member States will play an important role in addressing these issues.

Equal opportunities and social inclusion

4.1. Introduction

A central aim of the Lisbon strategy is to modernise the European social model and combat social exclusion. As reflected by its specific benchmarks, its overall success depends on increasing employment among three key sections of the workforce, young people, women and older workers. Member States have used vocational education and training measures for many years to promote equal opportunities and improve the employment prospects of various sections of the workforce that suffer disproportionately from unemployment and this approach forms part of the European vocational education and training policy.

In the light of the benchmarks under the Lisbon strategy, this chapter examines the role of vocational education and training in raising the employability and skills levels to:

- support unemployed young people;
- promote equal opportunities;
- help older workers;
- assist others that suffer disproportionately from unemployment.

The chapter extends the analysis in Chapter 3. It examines the implications of demographic trends among for Member States' policies of increasing the participation of young people in education and training. The chapter also looks at the significant proportion of young people still leaving the education and training system with low levels of qualification, despite the general increase in educational attainment levels (see Chapter 5) in view of the benchmark that, by 2010, an EU average rate of no more than 10 % early school leavers should be achieved.

Given the prospective decline in the number of young people and the policy approach of encouraging them to remain in education to acquire higher levels of qualifications, future

growth in the workforce in the EU depends on other sections of the population. The Lisbon conclusions highlighted that low employment in the EU stems in large measure from low levels of participation in the labour market of women and older workers and set two benchmarks, to:

- 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 %.

The analysis in this chapter indicates that the opportunity for women to pursue a working career and for older people to continue working is linked to educational attainment. It shows that participation of both groups in the workforce is much lower throughout the EU among those with low education levels who are also much less likely to be involved in continuing training, which is a major determinant of their ability to continue working. It emphasises that increased access to the training required to update or extend their skills is of critical importance if they are to perform their jobs effectively and find new ones.

Finally, the chapter considers other disadvantaged groups such as people with disabilities, immigrants and ethnic minorities, facing similar obstacles to obtaining employment, and access to vocational education and training. The shift to a knowledge-based economy requires systems to be in place to equip them with the skills they need.

4.2. Young People

A key focus of the Lisbon strategy and European vocational education and training policy is on ensuring that the education and training system equips young people with the skills they need to be employable throughout their working lives. The number of young people

Figure 18. Growth of population aged 16-18, 1990-2000, 2000-10 and 2010-25

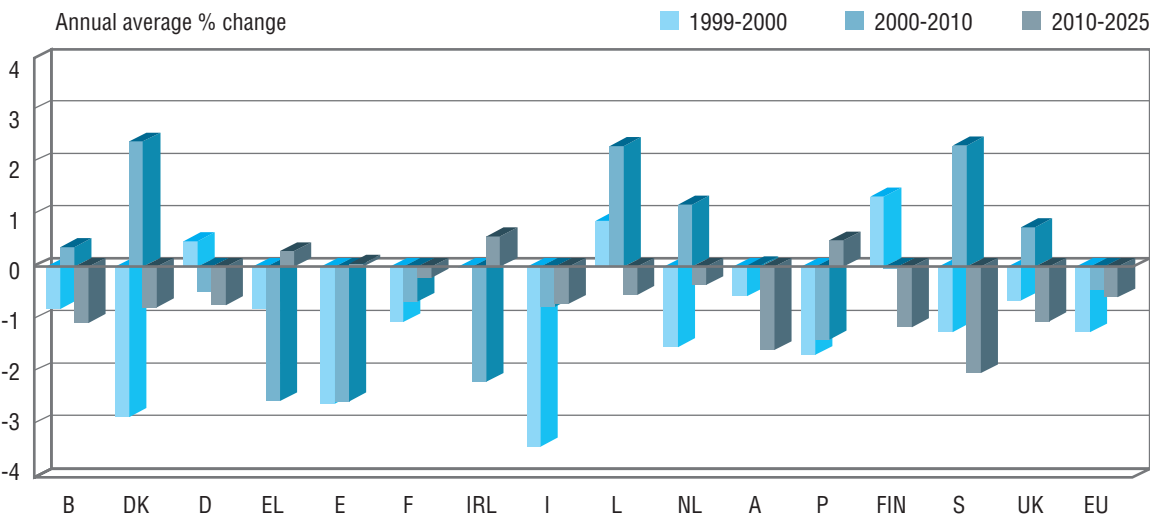
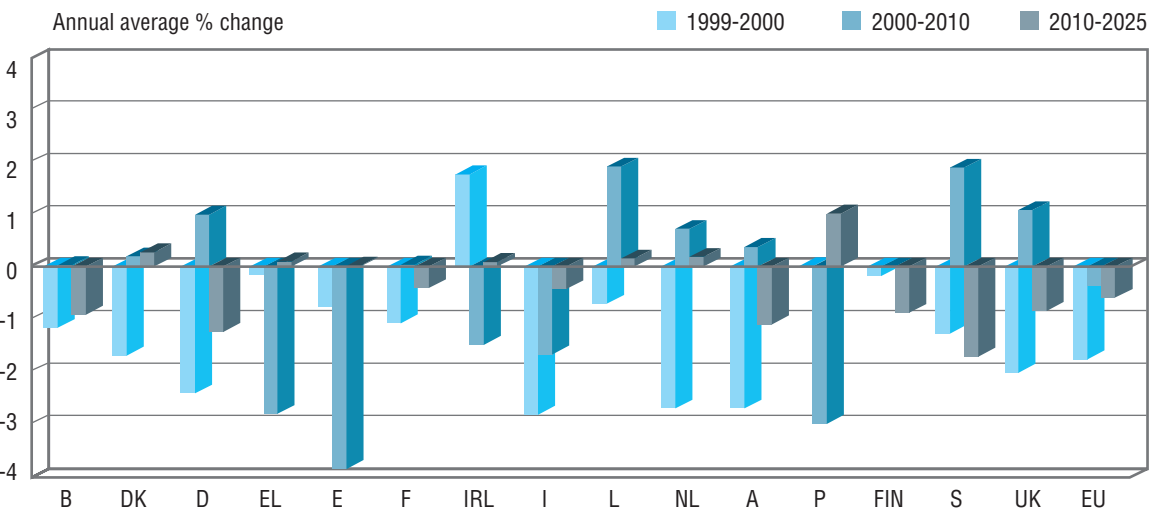


Figure 19. Growth of population aged 19-22, 1990-2000, 2000-10 and 2010-25



is declining throughout the EU, which has implications for Member States policies of increasing participation in the education and training system. and reinforces the importance of reducing the proportion dropping out of education and training without obtaining adequate qualifications.

4.2.1. Demographic trends of young people

Over the past decade, the number of young people aged 16 to 24 in the EU has fallen on average by some 1.5 % a year. At the same

time, an increasing proportion has remained in education beyond compulsory schooling. While fewer young people are entering the labour market, their qualifications, on average, tend to be higher. The decline in their numbers is set to continue up to 2010 and beyond, though not in all Member States and at a generally slower rate than in the 1990s. Nevertheless, participation in education and training will need to continue to increase if the number of qualified young people entering the labour market is to be maintained.

In the EU as a whole, the number of those

aged 16 to 18 fell by 1-1.5 % a year between 1990 and 2000, and by almost 3.5 % a year in Italy (resulting in the number in 2000 being 30 % lower than 10 years previously) (Figure 18). By contrast, in Germany, Luxembourg and Finland, the number increased – in Finland by almost 1.5 % a year – while in Ireland, it remained much the same. Overall, the number is forecast to fall in the EU up to 2010 at a slower rate of around 0.5 % a year. However, in some Member States, (Denmark, the Netherlands, Sweden and the UK) it is set to increase significantly (by 2.5 % a year) in marked contrast to its previous decline. This is also the case, if to a lesser extent, in Belgium and Austria. In the four southern countries, the decline in numbers is projected to continue at a significant pace.

The number of 19 to 22 year olds also fell by 1.5 to 2 % a year in the EU over the 1990s (Figure 19). The fall was particularly pronounced in Germany, Italy, the Netherlands and Austria, and the UK. Although the number of young people in this age group is forecast to continue to fall over the present decade at the EU level, the decline is likely to be much smaller and less widespread than over the past 10 years. Italy apart, in all of the countries which experienced a marked reduction in numbers over the previous decade, anticipate an increase up to 2010.

The implications of this trends of a decline in the number of young people entering the labour market are that in most Member States, it will be possible to increase the proportion of young people taking part in education and initial training without expanding the number of places provided by the system. However, in Denmark, the Netherlands, Sweden and the UK, where the decline in young people aged 16 to 18 is expected to be reversed, their education and training systems will need to accommodate much higher rates of growth in the number of students than in the past, if the proportion of young people remaining in education after compulsory schooling continues to increase. The decline in the number of young people also means that achieving higher levels of participation in university-level education is, therefore, likely to present increasing difficulty in most EU countries.

4.2.2. Young people leaving the education and training system prematurely: towards fewer than 10 %

The data available do not provide a precise figure for numbers leaving school prematurely. An approximation can, however, be gained from an analysis of the number of 16 to 18 year olds taking part in education and training and their level of educational attainment.

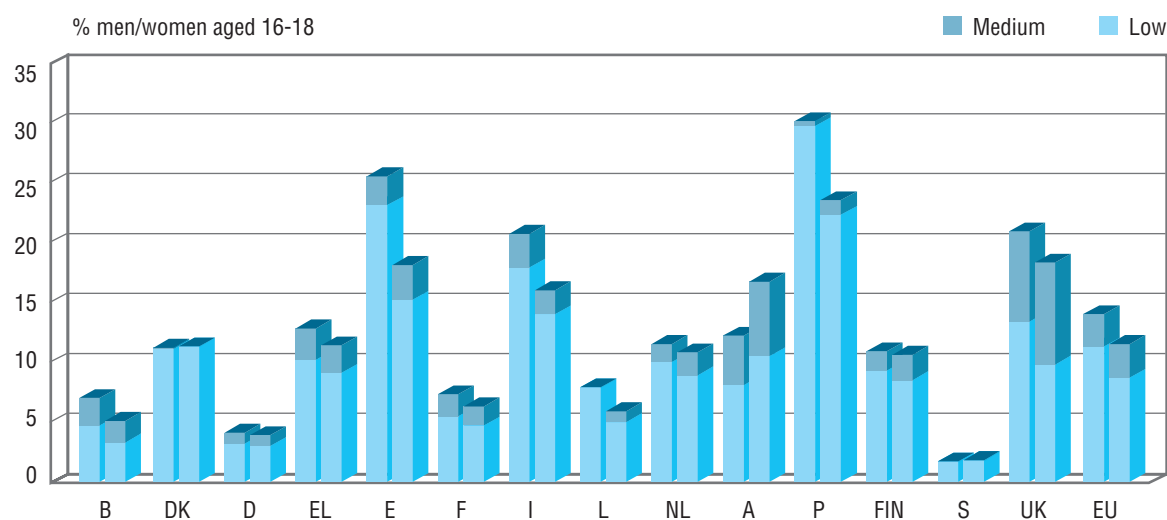
The data show that in 2001 in the EU overall, almost 13 % of young people aged 16 to 18 (14 % of men, just under 12 % of women) were not participating in education or training in 2001, compared to the Lisbon benchmark of fewer than 10 % leaving school prematurely by 2010. This figure varies markedly between the Member States. In Portugal, over 25% of 16 to 18 year olds were not receiving training, in Spain over 20%, the UK 20 % and Italy 18 %, though in the UK, the majority were in employment. By contrast, in Germany, only 4 % of 16 to 18 year olds were not in receipt of education or training and in Sweden, only 2 %. In most Member States, the relative number of men of this age not receiving education or training was higher than for women.

Looking at educational attainment, however, the proportion number of 16 to 18 year olds not in education or training, but with only compulsory schooling is around 10 % in the EU overall in 2001, 11 % for men and 9 % for women (Figure 20), much closer to the Lisbon benchmark.

For those aged 19 to 22, in the EU in 2001 the numbers not taking part in education and training increase substantially to around 45 %. How this statistic is interpreted, however, depends very much on what the people concerned are doing and their level of educational attainment.

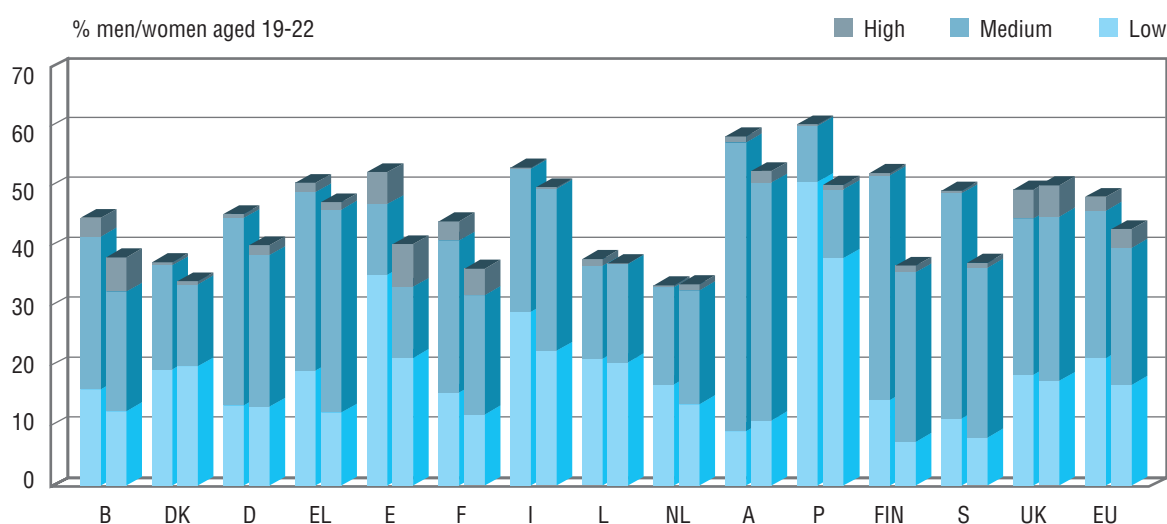
On average some 16 % of men and 21 % of women aged between 19 and 22 who were not taking part in education or training were unemployed. A significant proportion of these had no education or training beyond compulsory schooling. Looking at educational attainment levels, in the EU in 2001, around 20 % of a 19 to 22 year olds, 21 % for men and 18 % of women, were not taking part in education or training and had no qualifications beyond compulsory schooling (Figure 21).

Figure 20. Non-participation of men and women aged 16-18 in education or training by education attainment level, 2001



(Left bar men, right bar women)

Figure 21. Non-participation of men and women aged 19-22 in education or training by education attainment level, 2001



(Left bar men, right bar women)

Around 24 % of men aged 23 to 24 in the EU and 19 % of women in 2001 neither had educational qualifications above lower secondary level nor were engaged in courses of study to obtain them, higher figures than for those aged 16 to 18 and 19 to 22. For women aged 23 to 24, the figures are generally lower than for men – only in Germany is the figure for women higher – and there is less of a difference

with the figure for the younger age group than in the case of men. The exceptions are Luxembourg, where the proportion with low education and not receiving training is 10 percentage points higher than for those aged 19 to 22 and Denmark, where the proportion is over 8 percentage points lower.

Overall, although there are substantial numbers of young people aged between 16 and

24 with no qualifications above compulsory schooling and not participating in education and training, it would appear that overall policies in the Member States to reduce the number of young people leaving school prematurely have had some success. Although difficult to measure precisely, indications are that the Lisbon benchmark is well on its way to being met in the EU as a whole, though in some Member States, for example Spain, Portugal and the UK, the proportion of young people leaving the education and training system early is likely to remain substantially above this figure. In addition, the data suggests that young men are more likely to leave the education and training system early. The sections below look at some of the measures taken in the Member States to support young people.

4.2.3. Support for those leaving the education and vocational education and training systems early

The relative number of young people dropping out of the education system with low-levels of educational qualifications to find a job, differs markedly across the EU. There is a common concern in all Member States to reduce the numbers involved, whether drop-out rates are relatively low, such as in Germany or the Nordic countries, or high, such as Greece or Italy.

In Germany as well as Greece, an opportunity has been introduced for young people to 'catch up' with their education after leaving school without adequate qualifications. In Greece this is through the creation of second opportunity schools, while in Germany young people can now obtain their high school diploma in vocational schools. In Germany, a safeguard option has also been introduced for young people who fail to obtain an apprenticeship place; this offers full-time schooling for one year to increase their chances of securing a place the following year. In addition, to reduce the number of drop-outs still further, resources for all-day schools have been expanded, aimed specifically at the socially disadvantaged and migrants. In France the new chance programme aims to reduce the numbers who leave the education

and training system early with inadequate qualifications.

In other countries, more direct measures have been taken to try to ensure that young people between 16 and 18 undertake some form of further education or training. In Ireland, the school leaving age has recently been raised, to 16 or until the completion of lower secondary education, whichever is the later. Those who leave the education system at this point and go into work are monitored by the educational welfare service which provides support for training on a part-time basis.

In Italy, a scheme has been introduced under which young people are guaranteed obtaining a high school diploma or a vocational qualification by the age of 18. All those not continuing in full-time education are obliged to participate in training until they are 18. Similarly, in Spain, all those aged 16 to 21 who have not completed compulsory education will be given, under the social guarantee, basic professional training allowing them to enter the labour force or continue their education. In Portugal, plans have been formulated under which everyone under 18, irrespective of whether they are working or not, will have the chance to undertake further training by 2006.

In the Netherlands, a system requiring schools to register early school-leavers was introduced at the end of 2001. Although the number registered has risen since then as a result of improved monitoring, there has also been an increase in the number re-entering education because of early identification and the possibility of taking prompt action. There are doubts ⁽¹¹⁷⁾ over reaching the Lisbon target of halving the number of early school leavers by 2010. In both Finland (for those 15 to 17) and the UK (aged 13 to 19), measures have also been introduced for monitoring and rehabilitating young people in danger of dropping out of the education system.

The employment guidelines have always emphasised the need for Member States to take early action to reduce unemployment amongst young people by ensuring they are offered a place on a training course or on some other

⁽¹¹⁷⁾ National action plan for the Netherlands

active labour market programme before they have been out of work for six months.

This objective seems to have been largely achieved across the EU. Sweden offers a place on a suitable programme within 100 days of someone becoming unemployed. As in the reforms to education systems, the trend is to focus on the individual and tailor the support provided to their specific needs. The development of individual action plans, involving individual assessment, regular interviews with a specific member of staff of the employment services and identification of the most appropriate course of action to get the person concerned into work, is the clearest manifestation of this. In addition, there have been greater efforts in a number of Member States (Germany, Ireland, the Netherlands, Austria and the UK) to introduce entrepreneurship into teaching in schools.

The types of programme offered can range from participation in well-structured programmes with classroom tuition combined with on-the-job training, to temporary spells of work experience, which may provide little or no formal teaching.

Efforts have been made to ensure that labour market training includes the teaching of basic ICT skills in a number of Member States, specifically Denmark, Germany, Finland and the UK. These are countries in which ICT skills are already relatively widespread across the population, especially compared with parts of southern Europe especially. In Germany, for example, under the immediate action programme to reduce youth unemployment, there has been a significant increase in the numbers participating in training courses in IT and new media (up by 28 000 in 2001 to a total of 70 000).

In Finland, youth workshops have been established to prevent long-term unemployment. Recent data suggest some success, with 60 % of participants going into employment or further training. In addition, national and regional targets have been set for the maximum number remaining unemployed after labour market training and subsidised work and measures have recently been taken to boost the effectiveness of labour market programmes through increased monitoring and evaluation

and the greater involvement of employers.

In Germany, resources have been concentrated on training the young unemployed in the new *Länder*, all new off-the-job training programmes being limited to this part of the country in an extreme example of a regionally targeted approach.

In France, intensive training courses of up to 18 months have been implemented under the TRACE programme for young people experiencing the greatest difficulty in finding work, most of whom have a very low education level. In 2001, some 45 % of the 70 000 completing the programme had jobs and 33 % stable jobs, a significantly higher proportion than for those not undertaking the programme. It is estimated that a further 98 000 will have participated in 2002, when an experimental employment-access scholarship (of EUR 300 a month) was introduced to help participants in financial difficulty.

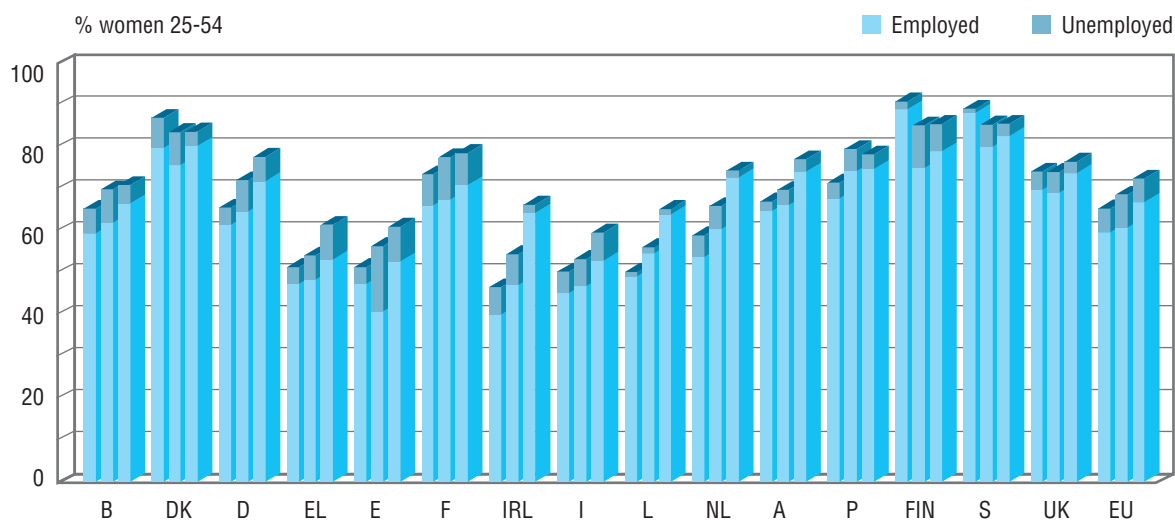
4.3. The participation of women in the workforce: towards a 60 % employment rate by 2010

The increase in economic activity among women under 55 is perhaps the most pronounced feature of labour market developments in the EU over the past few decades. This increase was responsible for all the growth in the workforce during the 1990s. In the EU as whole, while the number of men in the workforce was much the same in 2001 as in 1990, the number of women was some 10 % higher.

Almost all of the women entering the labour force were aged between 25 and 54. Over the 11 years 1990 to 2001, the proportion of women in the EU aged 25 to 54 who were either employed or actively looking for a job rose from 65.5 % to 72.5 %. In Ireland, it rose by 20 percentage points, in Spain, Luxembourg and the Netherlands by around 15 percentage points and even in Italy, where job growth was slow, it increased by some 9 percentage points (Figure 22).

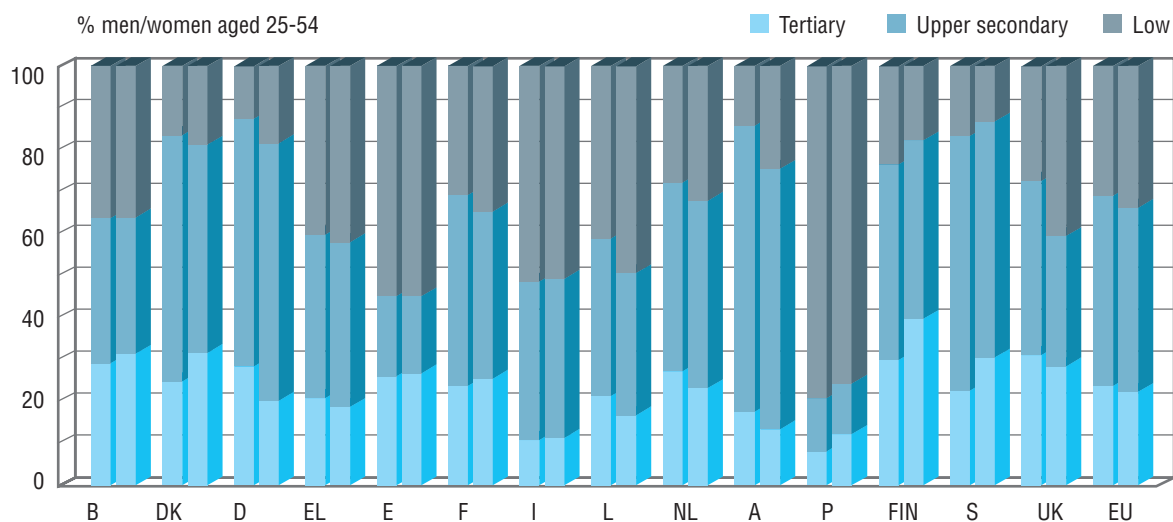
The only countries where participation of women of this age in the workforce failed to rise

Figure 22.: Labour force participation rates of women aged 25-54 in Member States, 1990, 1994 and 2001



(Left bar 1990, middle bar 1994, right bar 2001)

Figure 23. Education attainment levels of men and women aged 25-54, 2001



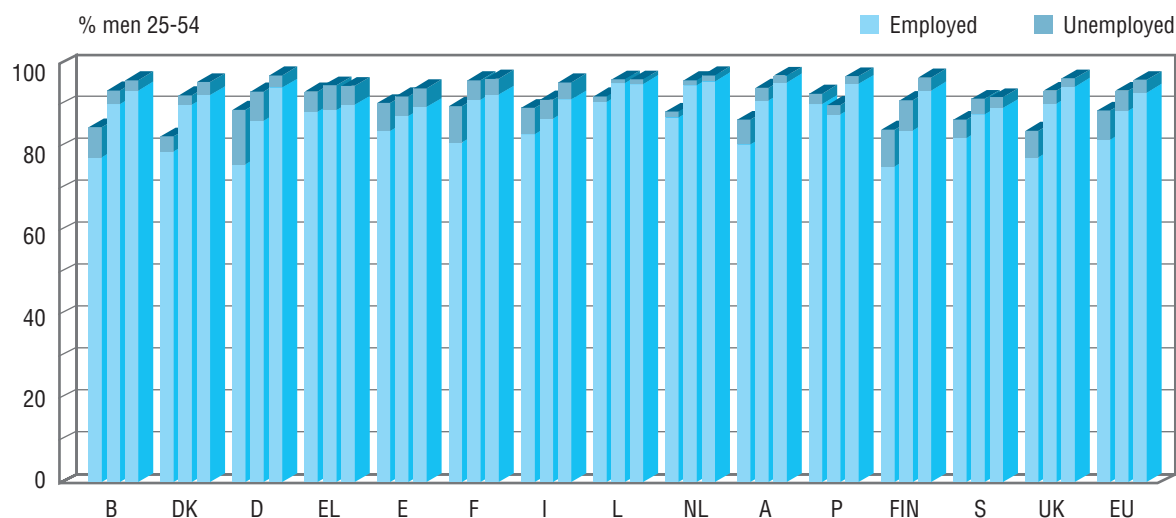
(No data for IRL - left bar men, right bar women)

were Denmark, Finland and Sweden, where rates were close to 90 % in 1990, but even here, they have stabilised at around 85 % since the recession of the early 1990s. There remain, however, large differences in participation across the EU. In contrast to the three Nordic countries, only around over 60 % of women aged 25 to 54 were in the workforce in Greece, Spain and Italy. These differences arise

predominantly from low participation among women with low educational attainment, whose numbers remain significant, despite the increases in those remaining in education beyond basic schooling.

Looking at the Lisbon strategy benchmark of increasing the number of women in employment to over 60 % in the EU by 2010, the data show that in 2001, only Greece, Spain, and Italy were

Figure 24. Men aged 25-54 in the labour force by education attainment level, 2001



(No data for IRL - left bar low, middle bar medium, right bar high)

below this figure for women aged 24 to 54, emphasising the importance of bringing more older women into the workforce, as discussed later in this chapter.

4.3.1. Education levels and equal opportunities

Educational attainment levels influence the likelihood of people not only finding a job, but even looking for a job. Member States have long recognised the importance of this relationship and as such have used vocational education and training as a tool to promote equal opportunities and the employment prospects of women.

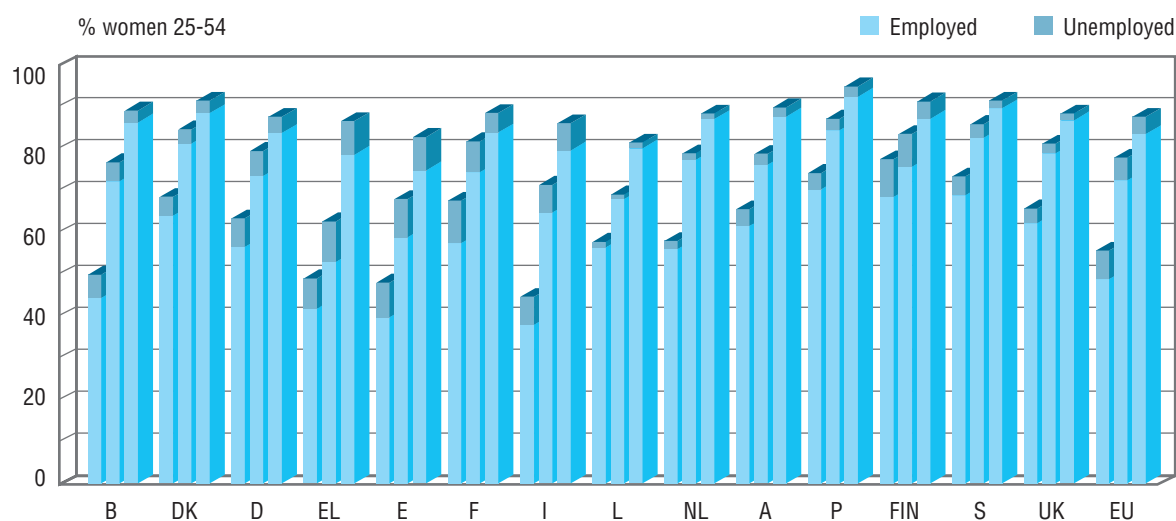
There are wide differences across Member States in overall educational attainment levels and some differences between those of men and women. On average men are more highly qualified than women, but the evidence of increased participation in education and training by women (Section 3.2 and 3.3) and rising levels of educational attainment among them (Section 5.2) women indicate this gap is closing. In 2010 in the EU, some 24 % of men and 22 % of women aged 25 to 54 have tertiary level education. A further 45 % of men and 43 % of women have attained upper secondary level. Some 31 % of men and 34 % of women, therefore, have no education beyond basic

schooling (Figures 23 and 24 - there are no data for Ireland). In Portugal, Finland and Sweden, proportionately more women aged 25 to 54 than men have at least upper secondary schooling. In Belgium, Denmark, Greece, Spain and Italy, the proportions are similar. In the remaining six countries, more men than women have this level of qualification. This is especially the case in Germany (where the difference is due to many more men than women having tertiary education), Luxembourg, Austria and the UK.

The influence of education levels on job prospects is true of both men and women but especially women. In the EU as a whole in 2001, only 3 % of men with tertiary education were unemployed as against 7 % of those with only basic schooling (Figure 24). Moreover, whereas some 93 % of men with tertiary education were in work, this was true of only 82 % of those with only basic schooling.

There are more dramatic differences for women. In the EU as a whole, just over 87 % of women aged 25 to 54 with tertiary level education were economically active in 2001 and 83 % were in employment. Of those with upper secondary education, 78 % were economically active and 72 % were employed. Of those with only basic schooling, just under 56 % were active in the labour market and only 49 % were

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



(No data for IRL - left bar low, middle bar medium, right bar high)

Table 31. Men and women employees aged 25 to 54 participating in training by education level, 2001

		% men/women employees in each category															
		B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Men																	
Low		4.5	10.1	2.4	0.0	0.8	0.6		1.4	2.1	12.4	4.3	0.8	9.7	7.5	12.8	3.3
Medium		7.3	16.7	5.0	0.9	4.8	1.5		5.2	7.1	21.3	8.3	10.9	18.1	12.5	19.2	8.1
High		14.8	23.1	7.1	2.1	6.7	4.5		7.4	11.7	22.8	14.1	9.1	29.7	21.8	29.6	13.3
Women																	
Low		2.8	8.9	2.0	0.2	1.4	0.9		1.8	2.3	11.6	2.3	1.4	14.6	8.6	19.5	5.8
Medium		6.9	17.9	4.6	1.3	5.9	2.2		6.8	7.2	19.4	8.6	9.3	22.9	15.5	29.6	9.6
High		16.0	25.3	9.4	1.7	9.9	5.5		9.8	10.7	26.5	19.4	9.6	32.4	24.8	43.9	18.2

Note: Men and women participating in education or training over 4 week prior to the survey.

Source: EU Labour Force Survey

in work, 34 percentage points less than those with tertiary education (Figure 25).

This pattern of difference was common across the EU, but the extent of the gap in participation between women with a high level of education and those with a low level varied considerably. The difference was largest in Italy, where it was over 40 percentage points, though it was almost as wide in Belgium, Greece and Spain. In three of the southern countries, moreover, there was little difference in the proportion of women with different education levels who were unemployed. Elsewhere in the

EU, participation among women with low education was over 20 percentage points below those with tertiary education in all countries except Finland and Sweden and in Luxembourg and the Netherlands it was over 30 points below. In many countries in the north of the EU, in contrast to those in the south and in contrast to those with high education, a substantial proportion of women with low education in employment worked part-time rather than full-time. This was especially the case in Germany, the Netherlands and the UK.

Access to and participation in education and

training is also influenced by education attainment levels. On average in the EU men and women aged 25 to 54 with tertiary education were 3 to 4 times more likely to participate in training in 2001 than those with only basic schooling, while those with upper secondary education were around twice as likely (Table 31). This is common to all Member States and applies across all age groups and the difference, moreover, is substantial in all Member States, and most especially in the four southern countries.

4.3.2. Equal opportunities and access to training

While women in employment seem in general to have as much access to training as men, Member States have, in recent years, identified and implemented a range of policy measures to improve the position of women in the labour market. Many of these measures take the form of education and training, both to encourage women to enter the labour market and to improve the employability of those who already have.

In most Member States, a good deal of attention has been given to the issue of equal opportunities in access to training. The measures have often been focused on monitoring or raising awareness as much as on providing more tangible support. The systematic monitoring of performance in ensuring equitable access for men and women to training has been introduced in a number of countries, Greece is a prominent example and has a policy of raising awareness of the need for equal treatment, with the public sector often taking the lead. In Portugal, for example, a new module on equal opportunities has been included in all public training, while awareness of the importance of equal opportunities is also being introduced into school curricula in an effort to change attitudes. Similar measures have been implemented in France.

Many Member States (including Denmark, Spain, Italy, Austria, Portugal and Finland) have gone further by using education and training as a vehicle to help combat occupational gender segregation by encouraging a shift of women into more male-dominated occupations (and

vice versa in Finland). In Finland, it is planned to modify the content and teaching methods used in comprehensive and secondary education with the aim of reducing segregation, while in France, conscious efforts have been made to increase the participation of women in certain subject areas, such as ICT. In Finland again, measures have been introduced to encourage vocational education and training of women working in rural areas as well as those employed part-time, which has also been the case in the UK.

Given the long-term increase which is likely to occur in the demand for workers with ICT know-how, it is important that women are given the opportunity to train and subsequently to work in areas traditionally a predominantly male preserve. (As noted in Chapter 3, women accounted, on average, for under 20 % of students enrolled in computing across the EU in 1999/2000).

Measures have been adopted in Denmark, Germany, Greece, Spain, Austria and Sweden to promote the training of women in new technologies, coupled with positive discrimination in the education system to increase the number of women enrolled in ICT-related subjects. In Germany, for example, the target has been set of increasing the number of women in IT training by 40 % by 2005. Here as well as in Sweden, unemployed women have been targeted as a priority group for ICT training as part of active labour market policy.

Measures are also in place in a number of countries to encourage women to become entrepreneurs. Although there are no direct data on the number of women entrepreneurs, data from the LFS indicate that the proportion of men in employment who are self-employed with employees in the EU is around twice as large as that for women, while the number of men employed as managers in small and medium-sized enterprises is two to three times as large (Eurostat, 2002). Measures take the form of general advice and counselling, offering a support network for women who want to start their own businesses (as in France, Germany and Greece) and/or specific technical assistance (as in Spain, where 24 000 businesswomen had participated in training programmes up to 2002).

Although in most Member States, unemployment rates among women are higher than for men, the only exceptions being Ireland, Sweden and the UK, they have not always had the same level of access to labour market programmes. In a number of countries, therefore, there has been a conscious effort to increase the proportion of women in these programmes, in some cases (in Germany, Greece and France) by earmarking funds for measures targeted specifically at women. In Spain and Finland, some 60 % of participants in active labour market measures were women at the last count, while in Austria, 50 % of the budget for such measures now goes to programmes specially aimed at women. In Denmark, the public employment service has introduced specific measures to train women in male-dominated vocations in an effort to improve the gender balance.

The major barrier facing women wanting to participate in the labour force is reconciling a working career with child care responsibilities, which still predominantly fall on women rather than men. While more flexible working arrangements have resulted in a relatively large proportion of women working part-time in many Member States (Germany, the Netherlands and the UK, in particular) as a means of resolving the conflict, it has also led to many of them working in jobs with inferior terms and conditions with less chance of promotion and career advancement. The lack of sufficient and affordable child care is major factor in this respect, not only forcing women to work part-time rather than full-time but reducing the professional aspirations of those who wish to return to the labour market after a period of absence looking after young children.

The lack of affordable child care also contributes to the low employment rates of women with low education levels, and, therefore, with low earnings potential, which as noted above is a prominent feature in many countries, and is a key obstacle to increasing the rate significantly. While there has been a general tendency to expand facilities in recent years, there still seems some way to go, though the lack of data on the availability of child care facilities, and equally importantly on their cost,

makes it difficult to assess the scale of the problem.

In Germany, a number of pieces of legislation (the Part-time Work and Fixed-term Contracts Act, the Federal Child Allowance Act and the Works Constitution Act) have been introduced to give greater flexibility over working-time, with the specific intention of making it easier for women to reconcile work and family life. In addition, after-school care at primary level has been increased and all-day schools at lower secondary level have been expanded, while targets have been set for increasing childcare places in the new *Länder*.

In the UK, under the national childcare strategy, 900 000 new childcare places catering for 1.6 million children will be created by 2004. In addition, some 320 000 women had by 2002 participated in the New Deal for Lone Parents, which offers advice on childcare, training and in-work benefits, since its inception in October 1998 and the Government has set a target of making childcare places available for all lone parents entering work in disadvantaged areas.

In Finland, where there is universal access to affordable childcare since all children under school age (seven) are entitled to municipal day care at a reasonable price, a new scheme has been introduced. Those with children under the age of three can opt instead for home-care, the aim being to enable them to work or study full-time if they wish. In Austria, a childcare benefit was introduced January 2002.

Inadequate childcare support is, however, just part of the problem. During the period of absence from the labour market many of those wishing to return have often seen their workplace skills degrade and become out of date. Access to training is, in many cases, an essential condition for women not only to return to work, but also to obtain a job which is in keeping with their capabilities and legitimate aspirations.

In Ireland, *FÁS* (the public employment service) began in 2001 to provide childcare allowances to those wishing to participate in training in order to get back into the labour market. In Italy and the UK, special labour market programmes have been introduced (under the new deal for lone parents in the latter

case) to ensure that women re-entering the labour market are offered training or job placement within six months if they are unable to find a job. (In the UK, the programme has resulted in 133 000 lone parents of the 320 000 participating finding a job.) In Spain, legislation has been introduced for the provision and regulation of traineeships for women who have been out of the labour market for three years or more. In Austria, a special measure has been implemented to certify job-relevant skills as a means of boosting the chances of women re-entering the labour market after a period of absence finding a job.

4.4. Older workers

The importance of encouraging more older workers to stay in employment to the success of the Lisbon strategy was recognised at the Stockholm European Council in March 2001. There, drawing on earlier initiatives on active ageing and the guidelines in the European employment strategy, it was agreed to set a benchmark of an employment rate of 50 % for those aged between 55 and 64. Until recently, there was a distinct trend across the EU for men in their 50s and early 60s to take early retirement.

The long-term increase in early retirement among men has two main sources. First, more

people could afford financially to retire earlier and secondly, the shift from manual to non-manual jobs left many men with redundant skills. Most governments across the EU have responded by trying to reduce financial incentives to retire early. However, this does not resolve the problem of redundant skills, which as indicated below seems to be a major contributory factor.

4.4.1. Demographic trends

The average working age of the potential workforce in the EU, is set to increase significantly in future years. At the same time the number of those above retirement age will rise markedly. This puts a premium on trying to avoid large numbers withdrawing from the workforce before they reach retirement age. It poses serious challenges for systems of education and training, having to contend not only with the prospect of declining numbers of young people – up to now the focal point of policy efforts – but also growing numbers of older people needing to be retrained if they are to have a chance of remaining in employment.

Over the decade 1990 to 2000, the number of people aged 55 to 64 increased at around 0.5 % a year in the EU. With the sole exception of Germany, the number of those aged 55 to 64 will continue to increase (Figure 26). At the same time, the population of 20 to 54 year olds is set to decline. The age structure of working

Figure 26. Growth of population aged 20-54, 50-64 and 65 and over, 2000-2010

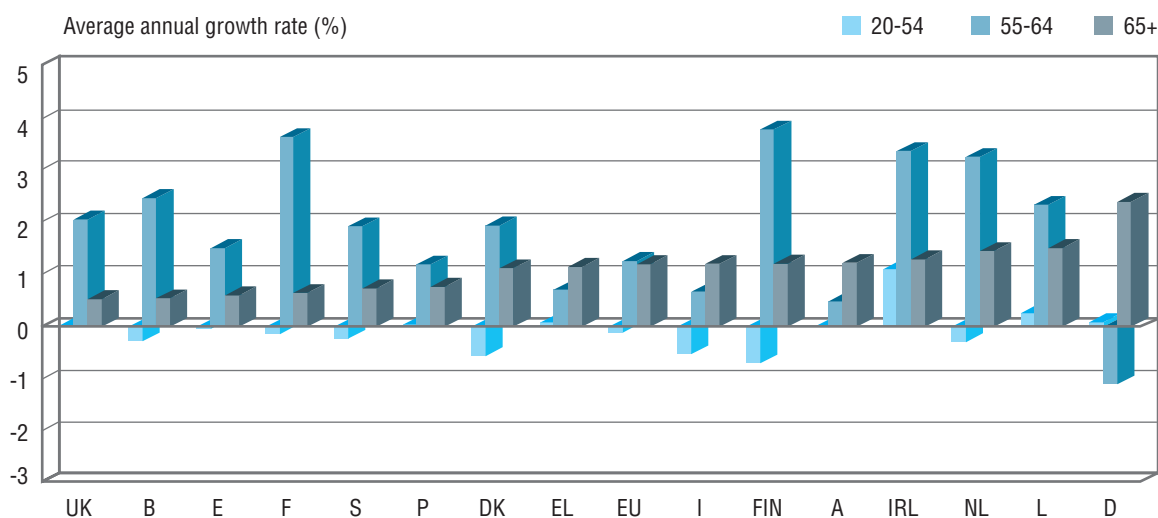
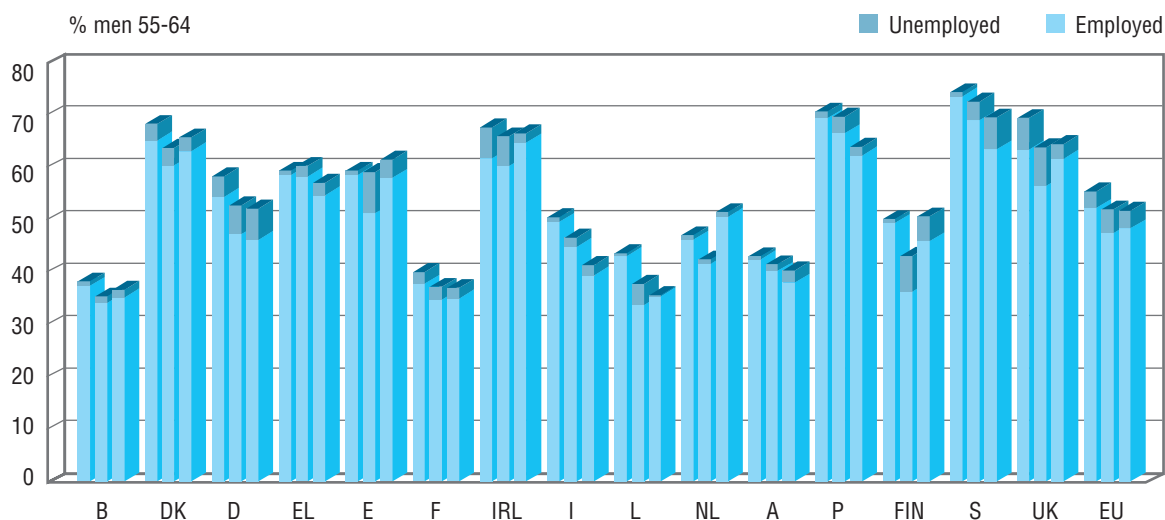


Figure 27. Labour force participation rates of men aged 55-64 in Member States, 1990, 1994 and 2001



(Left bar 1990, middle bar 1994, right bar 2001)

age population will, therefore, rise more rapidly than in the past and shift towards those of 55 and older. By 2010 around a third of the population is expected to be aged between 50 and 64.

4.4.2. Participation in the workforce of those aged 55 and over

Trends in participation among those in their 50s and 60s in the EU are not encouraging. Over the past 25 years, a growing number of men in their 50s and early 60s have stopped working before they reach the official age of retirement (around 65 in most cases). Although a similar trend is not so apparent for women, the proportion who are employed once they pass their mid-50s is small in most EU Member States.

The proportion of men aged 55 to 64 in work declined in all Member States in the early 1990s during the recession and, in 2001, was still below the 1990 level in all except Spain, the Netherlands and Finland, despite the return of economic growth in the mid-1990s, (Figure 27). In 2001, just under 52 % of men in the EU aged 55 to 64 were economically active and, in practice, the figure was probably under half since many of the unemployed had effectively

withdrawn from the labour force (in a number of countries, unemployment benefit is used as a form of early retirement pension).

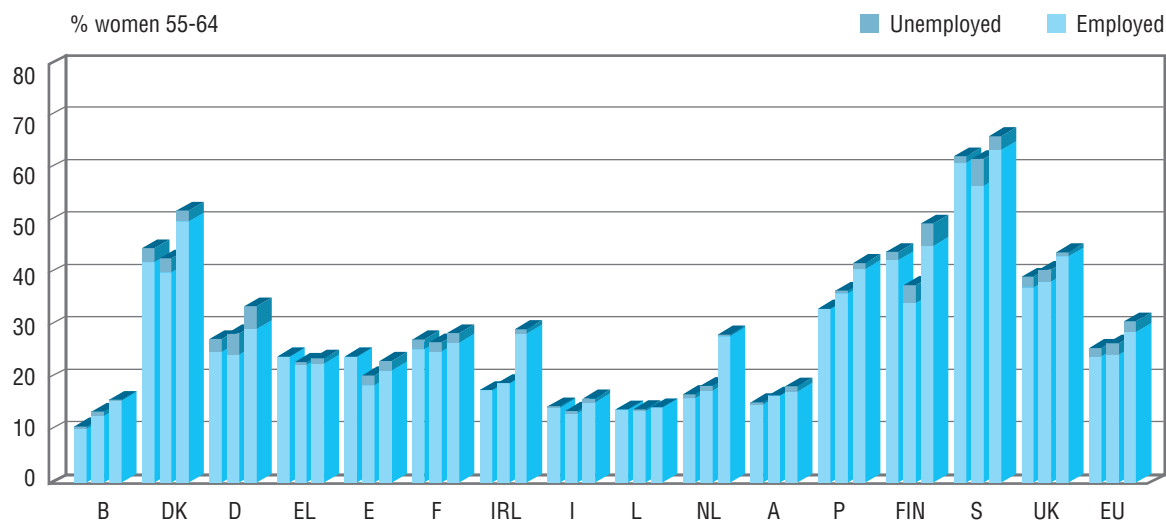
For women, any trend towards earlier retirement has been disguised by the strong upward trend in labour force participation of women generally. In addition, fewer women than men work in sectors of activity in long-term decline where job losses have been concentrated. Although participation of older women rose in most Member States over the 1990s, the rise was modest in most cases (Figure 28). In 2001, only just over 30 % of women aged 55 to 64 were in the workforce in the EU. Only in Denmark, Finland and Sweden was the proportion over 45 %.

4.4.2.1. The age of retirement

In the EU as whole, the average age at which men withdraw from the labour force seems to be 59.5 (in the sense that at this age 50 % of men are economically inactive). The average age, however, varies from almost 64 in Portugal, 63 in Ireland and 62.5 in the UK to 57.5 in France and Italy and just under 57 in Luxembourg (Figure 29).

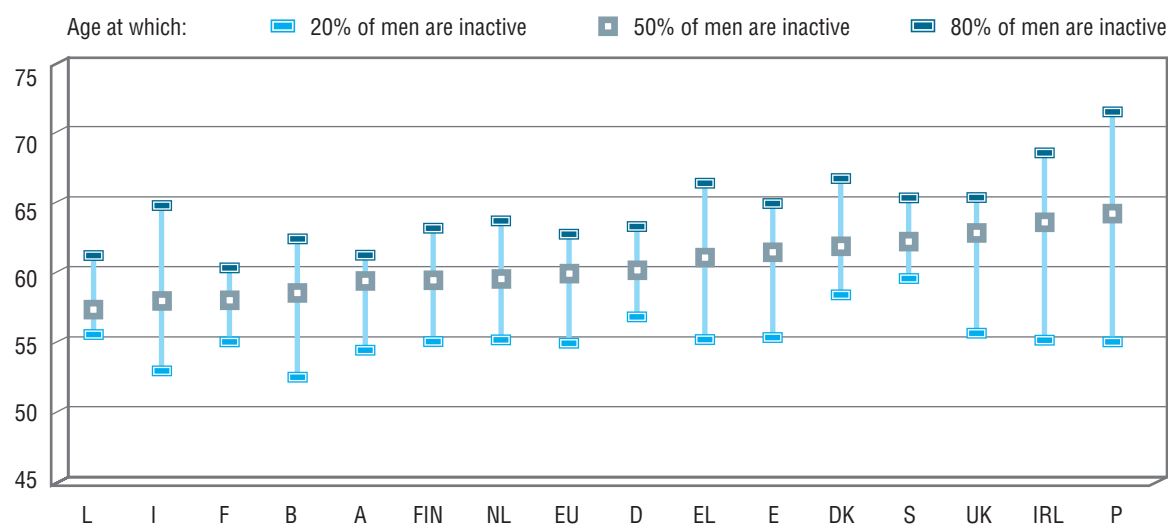
While it is not possible to estimate the typical age of retirement of women in the same way as

Figure 28. Labour force participation rates of women aged 55-64 in Member States, 1990, 1994 and 2001



(Left bar 1990, middle bar 1994, right bar 2001)

Figure 29. Effective age of retirement of men in EU Member States, 2000

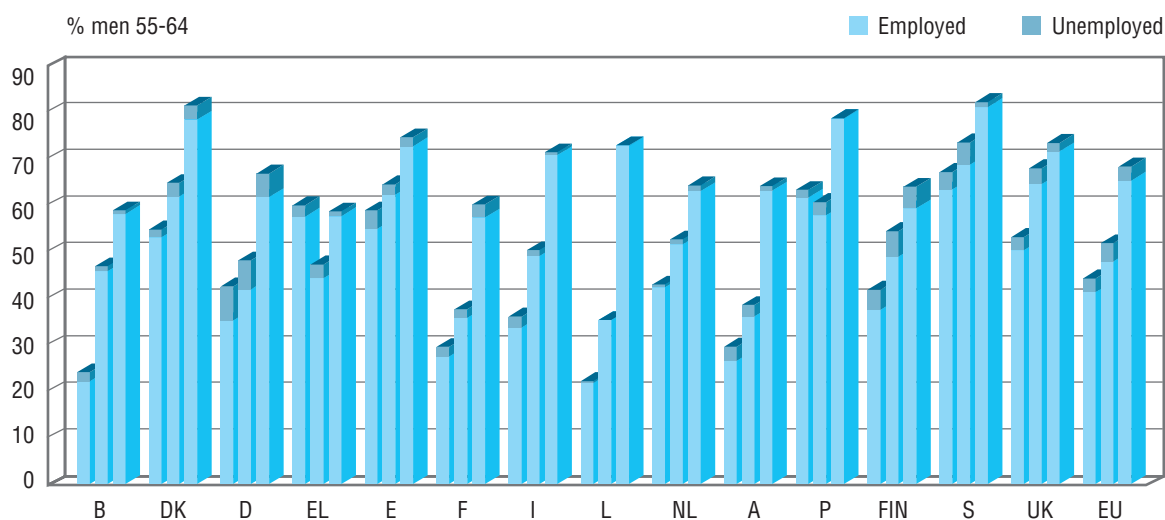


for men, simply because a large number of women are not economically active in younger age groups before they reach potential retirement age, analysis of those reporting in the LFS that they have retired from working (not available for a number of countries) suggests that women on average tend to retire one to two years younger than men. This would imply an average retirement age for women who have pursued a working career of around 58.

4.4.3. Labour force participation of 55 to 64 year olds and educational attainment

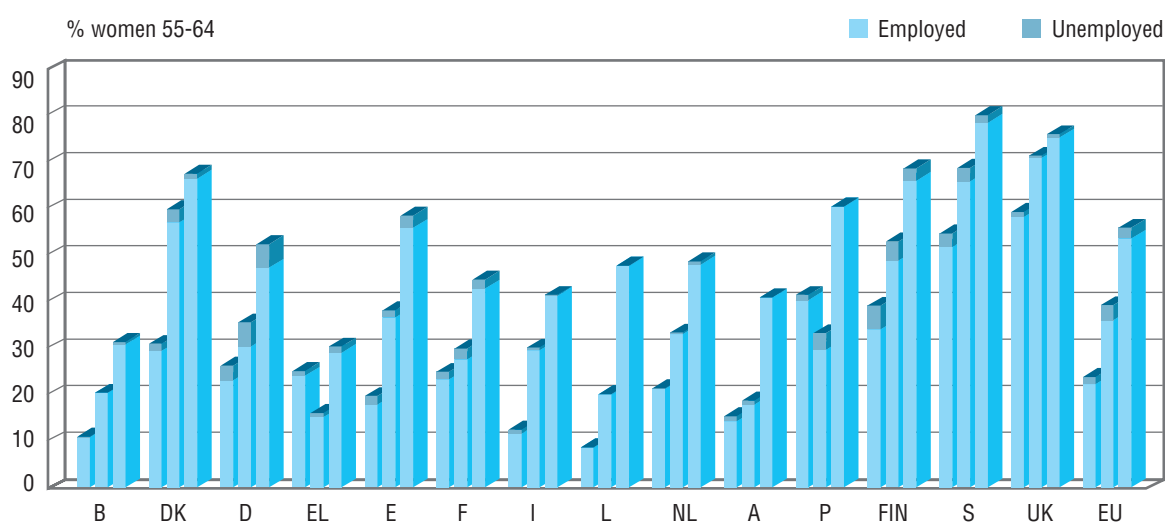
Some insight can be gained into the relative importance of the two main factors underlying early retirement – access to pensions and redundant skills – by examining the economic activity of those with low education and those with a higher level. Evidence indicates that participation in the workforce and, even more, the probability of being in employment varies

Figure 30. Labour force participation of men aged 55-64 by education attainment level, 2001



(No data for IRL - left bar low, middle bar medium, right bar high)

Figure 31. Labour force participation of women aged 55-64 by education attainment level, 2001



(No data for IRL - left bar low, middle bar medium, right bar high)

significantly with educational attainment. While this is true at all ages, it is especially the case for those in their late 50s and early 60s. In 2001, 68 % of men in the EU aged 55 to 64 with tertiary education were still in the labour force, whereas this was the case for only 52 % of those with no more than upper secondary education and just 44 % of those with only basic schooling

(Figure 30). The effect of educational attainment on the chances of someone in this age group still being economically active is particularly marked in the countries where overall participation of older men is relatively low.

The effect of educational attainment on participation is even more marked for women of 55 to 64, as it is for women in general. Whereas

Table 32. Participation of employees in education and training by age, 2001

		% men/women employees in each age group															
		B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Men																	
25-29		11.0	27.1	14.4	1.7	6.7	5.0		5.3	7.9	29.5	11.2	8.0	28.9	19.6	24.4	12.5
30-39		9.6	17.3	5.7	1.0	3.3	2.1		4.1	7.3	21.6	9.7	2.0	20.6	14.3	22.4	8.5
40-49		7.7	14.3	3.0	0.4	1.9	1.1		2.8	4.9	16.7	7.3	1.2	18.2	12.2	20.0	6.3
50-64		5.7	11.0	2.1	0.3	0.8	0.6		1.9	3.2	9.3	6.7	0.2	14.4	9.4	14.0	4.6
Women																	
25-29		13.3	24.3	12.2	2.0	11.3	7.0		7.6	5.5	26.8	11.6	6.6	35.5	22.7	34.5	15.3
30-39		9.7	18.6	5.5	1.5	5.0	2.8		5.8	5.9	20.0	9.5	4.2	26.3	16.9	30.9	10.9
40-49		9.0	20.1	3.9	0.5	3.2	2.0		4.7	6.5	17.0	8.2	2.4	24.6	18.3	30.6	9.7
50-64		5.0	13.0	2.3	0.1	1.2	0.8		3.2	3.8	12.8	5.7	0.9	19.5	12.8	25.0	7.9

Note: Men and women participating in education or training over 4 week prior to the survey.

Source: EU Labour Force Survey

56 % of women in the EU of this age with tertiary education were still economically active in 2001, for those with upper secondary education the figure was 38 % and for those with only basic schooling it was just 24 % (Figure 31).

Early retirement is a particular characteristic of those with relatively low education, who are likely to have found it difficult to obtain employment or to remain in a job. This suggests a significant problem in reducing the extent of early retirement substantially and achieving any marked increase in the number of people aged 55 to 64 in work.

This problem is emphasised by the fact that over half the men in the EU aged between 55 and 64 who had left the workforce, had no qualifications beyond compulsory schooling. In the four southern Member States, the relative numbers are even higher. In Greece, 63 % of those who had retired from work in 2001 had low educational attainment, in Spain and Italy, over 80 % and in Portugal, over 90 %. The figures are higher still for women, reaching almost 95 % in Portugal, over 90 % in Spain, and just under two-thirds in the EU as a whole. Only in Denmark, Germany and Sweden was the figure less than half.

4.4.4. Participation of older workers in continuing training

There is a marked tendency across the EU for the proportion of workers participating in training

to decline with age. This is common to all Member States and is true of both men and women. According to the labour force survey, an average of just under 5 % of those in their 50s and early 60s participated in education and training in the four weeks preceding the survey (Table 32). The variation in participation of women in training was similar, except that in each age group, proportionately more women participated in education or training than men.

Only in 3 Member States – Denmark, Finland and the UK – did more than 10 % of men aged 50 to 64 receive training in the 4 weeks preceding the 2001 survey and only in these countries plus the Netherlands and Sweden was this the case for women. In all 4 southern countries together with Germany and France and Portugal, the figure was 3 % or less for both men and women in this age group. Although more may well have been involved in training during 2001 than these figures indicate, they nevertheless clearly suggest that the numbers were very small in most countries.

4.4.5. Measures to reduce early retirement

Efforts to keep older workers in the labour market have focused on using fiscal measures to discourage early retirement. In addition, legislation banning age discrimination in employment will be introduced in all Member States in the next year or so following the EC

Directive (2000/78/EC) of 2000 ⁽¹¹⁸⁾. There is a counterpart need, however, to ensure that older workers have access to the training required for them to update their skills or even to develop new ones. This applies to both those in work, who need to be able to maintain their productivity, and those who are unemployed or who have already withdrawn from the labour force, who need to be given the opportunity of improving their employability. In some Member States, though by no means all or even most, there are signs that this has been recognised as a priority area of policy, and action has been taken to increase the number of older workers in training programmes.

In Finland, vocational education and training schemes have been targeted specifically at those aged 40 or over. A special training allowance lasting 18 months is available to those who have been working for at least 10 years, while State-guaranteed study loans are available to those who want to pursue more formal education or training courses. Similarly in Sweden, study allowances are also available to those aged 51 to 55 for post-secondary vocational courses in activities where there are skill shortages. In the same vein, in the UK, a *Recruit and train* package has been introduced for older workers who are unemployed to reduce skill shortages in sectors such as ICT or health care.

In Austria, continued education and training of older workers of 45 and over has been boosted by raising further education benefits to the level of the unemployment benefit. In addition, for those in this age group, unemployment benefits can be extended to cover the duration of training courses (according to the last figures, over 26 000 were participating in subsidised programmes). In Germany the social partners and the government are considering the use of special measures aimed at training older workers in SMEs. In France, an aid programme has been introduced to help train low-skilled workers in companies, which, while not specifically aimed at older workers, is expected to assist these in particular.

In other countries, although subsidies are available to encourage employers to take on older workers (particularly those who are long-term unemployed) or to keep them in employment and while the public employment services in a number of Member States are promoting the placement of older workers, ensuring that they have access to training is not always a specific part of policy. In Greece, for example, there is a tax incentive for those aged 45 to 65 to seek and take up work which lasts for 12 months but which is withdrawn if the person concerned enters a training scheme.

A key aspect of training which has largely been neglected in the general policy discussion concerns the validation of work-place experience, which is often all that older workers have to offer in the way of the development of their skills. The certification of non-formal learning is considered below in Chapter 6, but it has particular relevance for older workers, many of whom cannot point to any formal qualifications obtained during their working careers but who may have accumulated substantial practical and, even theoretical, expertise over the years. There is evidence of some recognition of this in a number of Member States. In Sweden, mention is made in the national action plan for employment of older workers being of benefit to employers as mentors to younger employees and providing a potentially a rich source of training and expertise themselves. In addition, in the French NAP, it is noted that older workers in particular will benefit from the programme of validation of achievements from professional experience, which was introduced in early 2002 (discussed further below in Chapter 6).

4.4.6. Recent changes in employment rates among those aged 55 and over: towards a 50 % employment rate

Labour participation rates of men aged 55 to 64 have remained broadly unchanged at EU level since 1994, according to the latest data available (for 2001), while those of women have risen, but remain relatively low. This seems to imply that

⁽¹¹⁸⁾ Council directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation. *Official journal of the European Communities*, L 303, 2.12.2000, p. 16-22.

Table 33. Labour force participation and employment rates of men and women aged 55-64, 1994, 1997 and 2001

% men/women aged 55-64

		B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Participation																	
Men	1994	35.3	63.6	52.7	60.2	59.0	37.1	65.8	46.5	37.7	42.4	41.4	69.6	43.0	69.4	63.7	51.9
	1997	34.5	62.5	54.9	60.2	58.0	35.9	63.2	43.7	33.4	44.4	41.6	63.4	43.7	71.4	63.8	51.8
	2001	36.6	65.6	52.0	57.0	61.4	36.9	66.4	41.2	35.5	51.4	40.2	63.8	50.5	72.5	64.4	51.6
Women	1994	13.5	42.8	28.4	23.0	20.4	26.7	19.0	13.7	14.0	18.5	16.6	36.6	37.7	61.7	40.6	26.5
	1997	13.1	43.0	34.8	24.4	21.1	27.3	21.7	15.1	na	20.8	17.1	38.5	39.7	64.3	40.7	29.0
	2001	15.8	51.9	33.6	23.7	23.2	28.5	29.3	16.0	14.4	28.3	18.3	41.9	49.4	66.1	43.9	30.7
Employment																	
Men	1994	34.1	60.3	47.1	58.2	51.2	34.7	60.2	44.7	33.7	41.5	40.2	66.4	36.2	63.4	56.4	47.4
	1997	33.2	60.3	47.3	58.1	52.0	33.1	60.4	41.9	33.1	43.3	40.0	59.3	39.7	63.9	58.9	47.2
	2001	35.1	63.0	46.1	54.6	57.9	34.9	64.7	39.3	35.3	50.5	37.9	62.2	45.8	68.9	61.6	48.3
Women	1994	12.8	40.2	24.4	22.5	18.6	25.1	19.0	13.3	13.6	17.6	16.6	36.1	34.3	56.7	38.4	24.5
	1997	12.7	40.7	28.7	24.0	18.5	25.2	21.7	14.5	na	20.0	17.1	37.6	35.4	59.3	39.0	26.2
	2001	15.6	49.8	29.3	22.7	21.4	26.7	28.5	15.3	14.4	28.0	17.4	40.7	45.2	63.5	43.2	28.7

Source: EU Labour Force Survey

policy efforts to increase the number in this age group remaining in work have had, at best, moderate success. A more detailed examination of the recent evidence, however, shows a slightly more encouraging picture, but one which varies significantly between Member States.

Comparing the periods 1994 to 1997, when overall growth of employment in the EU was modest (averaging around 0.7 % a year), and 1997 to 2001, when the rate of growth almost doubled (to 1.3 % a year), indicates that the increase in the rate of job growth had little effect on the proportion of men aged 55-64 in the workforce. In 1997, it averaged 51.8 %, marginally lower than in 1994, and in 2001, 51.6 % (Table 33). The fall at EU-level between 1997 and 2001, however, is entirely due to a significant reduction in participation in Germany, Greece, Italy and Austria. In all other countries, participation increased.

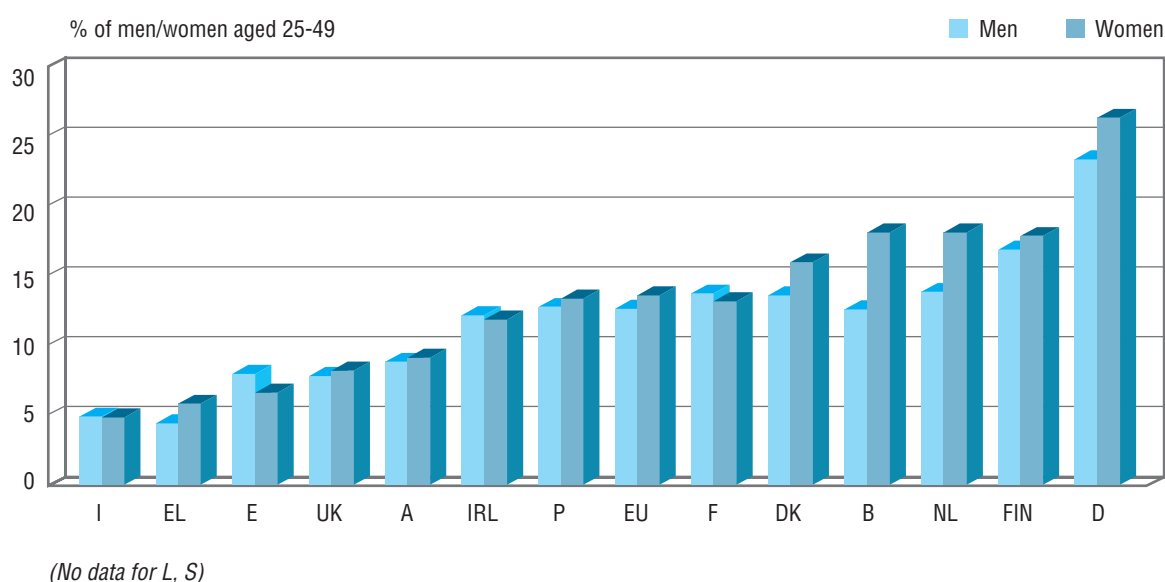
In terms of employment for men aged 55 to 64, there was actually a rise at EU level between 1997 and 2001 rather than a fall – from 47.2 % to 48.3 %. Although there were falls in Germany, Greece, Italy and Austria, in most other Member States, particularly Spain and Portugal, the proportion of men of this age in work increased.

For women aged 55 to 64, there was a rise in both the proportion in the workforce and

employment over the periods 1994 to 1997 and 1997 to 2001 in all Member States except Germany and Greece. In Germany, labour force participation of women of this age fell between 1997 and 2001 but the proportion in employment increased slightly, while in Greece, there was a decline in both. Elsewhere, the biggest rises in employment occurred in Denmark and Finland, where the proportion in work was already well above average, though there was also a substantial increase in Ireland and the Netherlands, where the proportion was below average.

The key question is whether this rise in employment rates marks a reversal of the long-term downward trend or whether it is a short-term consequence of a marked upturn in job growth. The current employment rates in 2001 of 48 % for men and 28 % for women aged between 55 and 64, suggest that the Lisbon strategy benchmark of 50 % overall is a long way off. One factor working in its favour is that the ageing of the working population will gradually push the employment rates of older workers up as the emphasis of policy in Member States is increasingly on keeping them in employment for longer. However, this implies ensuring they have access to the training or other active labour market measures they need to update and/or extend their skills. Data

Figure 32. Proportion of men/women aged 25-49 with disabilities, 1998



available on the relative number of older workers participating in continuing training suggests there is some way to go to achieve this.

4.5. Disadvantaged groups

Although not a specific part of the Lisbon strategy, European vocational education and training policy (under the objectives for education and training systems), as well as the guidelines of the European employment strategy, cover tackling the problems faced by other disadvantaged groups in the labour market. These include, in particular, people with disabilities, ethnic minorities and immigrants, who between them, in practice, have also been a focal point of measures taken in Member States. Although the data available on the labour market position of these groups are sparse and less than satisfactory, some indication of this can be gained from the statistics which are produced at EU level (specifically from the European Community household panel (ECHP) and the EU labour force survey (LFS)).

4.5.1. People with disabilities

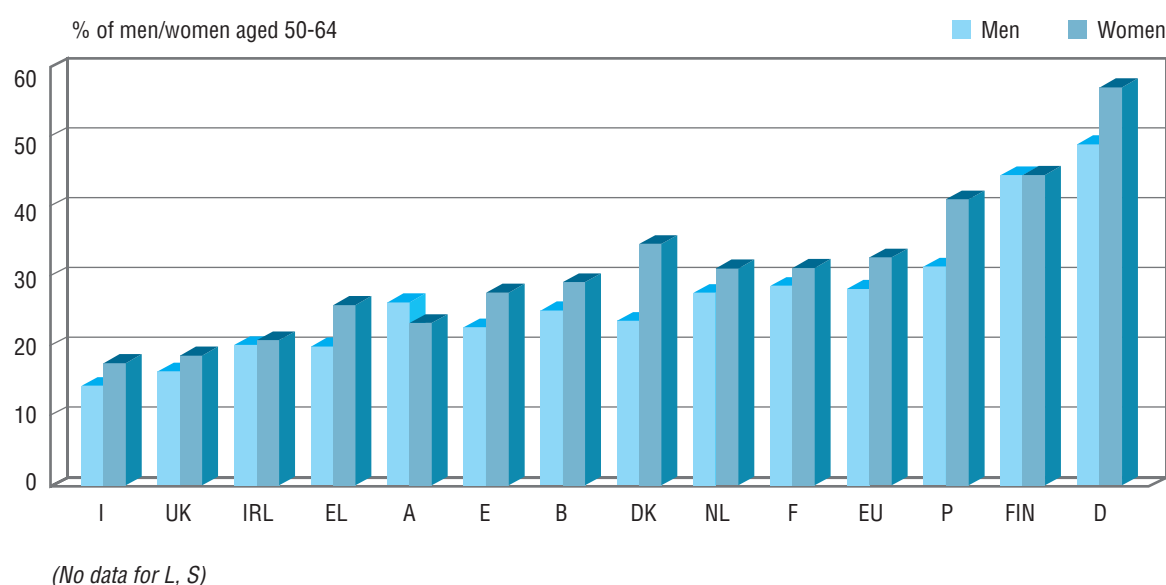
While there are no direct data on people with disabilities in the EU, in the sense of those registered as such in Member States or those in

receipt of invalidity benefits, the European Community Household Panel provides some information. It contains a question on whether or not those included in the survey are 'hampered in their daily activities because of any physical or mental health problem, mental illness or disability'. This makes it possible to identify their other characteristics, in particular, whether they are employed, the number of hours they work and their education attainment level as well as whether or not they participate in training. For the purposes of the following analysis, hampered and non-hampered equates to people with disabilities and able-bodied respectively.

These data, it should be emphasised, are not ideal because they are based on people's self-assessment of their disability and its effect rather than on strict medical criteria. Though individual perceptions of disability are of some relevance, irrespective of medical diagnoses, this may give rise to differences between countries which reflect national attitudes to disability and different interpretations of the meaning of being disabled. The results of the analysis need to be interpreted with this in mind.

According to the ECHP, some 13 % of men and women aged 25 to 49 in the EU (or at least in the 13 countries providing data – there are no data for Luxembourg and Sweden) reported

Figure 33. Proportion of men/women aged 50-64 with disabilities, 1998



being hampered in their daily activities in 1998 (the latest year for which data are available). This proportion varied from close to 25 % in Germany to 7 to 9 % in Spain, the UK and Austria and only around 5 % in Greece and Italy (Figure 32). In most countries, proportionately more women than men reported being hampered.

As might be expected, more people aged 50 to 64 reported having a disability— around 30 % in the EU as a whole – the proportion varying from around half in Germany and 45 % in Finland to 15 to 20 % in Italy and the UK. The pattern of variation is similar to that for the younger age group, suggesting the importance of national subjective factors (Figure 33).

4.5.1.1. Educational attainment levels and employment rates of those with disabilities

According to the ECHP data, those disabled in their daily activities tend to have lower educational attainment levels than the able-bodied. This is particularly the case in respect of tertiary education. In the EU as a whole, almost half of men aged 25 to 49 who had a disability had only basic schooling as opposed to 30 % of the able-bodied. For women aged 25 to 49, there is a similar difference in education levels between the 2 groups and nearly half of

women of this age who were with a disability had only basic schooling as compared with only a third of those able-bodied. The difference in the relative proportions is common to most Member States, but it is most marked in the south of the EU and Ireland (in Spain, 80 % of men with a disability and 75 % of women had only basic schooling, while in Portugal, the figures were 90 % and 95 %, respectively).

For those aged 50 to 64, the difference in educational attainment between the disabled and able-bodied was less marked than for those under 50, reflecting the larger numbers reporting being restricted in their daily activities. Nevertheless, apart from in Belgium, those with a disability had significantly lower education levels than those not.

Those with disabilities and who have a low education level suffer a double disadvantage in the labour market. While at all levels of education, those with disabilities are less likely to be in employment than those without, the probability is distinctly less for those with only basic schooling. This is particularly true of those aged 25 to 49. According to the ECHP, 72 % of men aged 25 to 49 with either upper secondary or tertiary education (the number of observations is too small to distinguish between the 2) who were disabled in their daily activities were in employment compared with 90 % of

Table 34. Employment rates of men and women, disabled and able-bodied by education attainment level, 1998

	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Men, 25-49																
Upper secondary+tertiary																
Disabled	77	84	78	76	62	81	82	71		71		89	68		56	72
Able-bodied	91	93	90	93	85	91	95	85		94		93	82		92	90
Basic schooling																
Disabled	47	33	70	45	48	55	36	43		59	51	55	38		42	53
Able-bodied	83	91	86	94	82	87	69	84		86	97	96	70		86	86
Women, 25-49																
Upper secondary+tertiary																
Disabled	62	66	64	29	48	68	50	68		44		92	61		46	60
Able-bodied	72	86	70	63	59	78	67	60		79		84	69		75	70
Basic schooling																
Disabled	14	45	40	27	19	38	17	18		34	47	57	41		32	32
Able-bodied	42	73	51	45	34	55	44	36		51	61	67	66		56	49
Men, 50-64																
Upper secondary+tertiary																
Disabled	26	38	52	38		57	66	33		37		48	33		33	39
Able-bodied	62	85	68	73		61	82	69		78		74	76		77	71
Basic schooling																
Disabled	12	43	53	41	27	34	25	31		24	24	52	22		16	34
Able-bodied	51	68	58	73	64	52	64	47		53	45	75	52		73	59
Women, 50-64																
Upper secondary+tertiary																
Disabled	20	55	31		34	43	21	53		26			32		25	37
Able-bodied	42	75	48		43	75	35	38		59			65		60	51
Basic schooling																
Disabled	1	19	25	17	11	23	14	9		9	14	29	17		11	17
Able-bodied	7	46	29	27	15	35	18	15		17	27	48	47		45	28

No data for L, S.

Source: European Community Household Panel. Gaps indicate number of observations too small to be reliable.

those able-bodied, while for those with only basic schooling, the figures were 55 % and 86 %, respectively (Table 34).

For women in this age group, the difference in employment rates between those disabled and the able-bodied was less pronounced. At the EU level, for those with upper secondary education or above, the proportion of those disabled in employment was some 10 percentage points less than for the able-bodied and for those with only basic schooling, 17 percentage points less.

For men aged 50 to 64, the effect of educational attainment on the likelihood of those disabled being in employment was less marked. In the Member States for which data are available (the number of observations is too

small in some cases for the data to be reliable), the extent of the difference in employment rates of the disabled and able-bodied was in most cases smaller for those with only basic schooling than for those with higher educational attainment or not much different.

4.5.2. Participation in training of people with disabilities

The evidence from the ECHP suggests that people with disabilities participate less in education or training than others, which to some extent may reflect their lower educational attainment levels. Over the EU as a whole, the proportion of men aged 25 to 49 in employment who were disabled and participated in training over the year preceding the 1998 survey

Figure 34. Proportion of men aged 25-49 participating in training or education by whether disabled or not, 1998

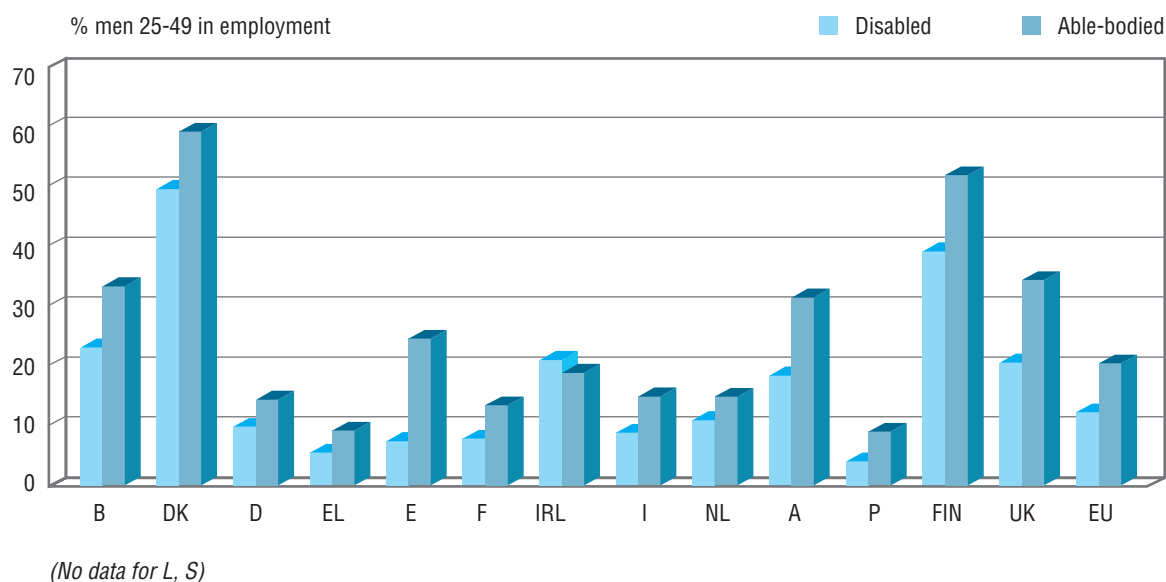
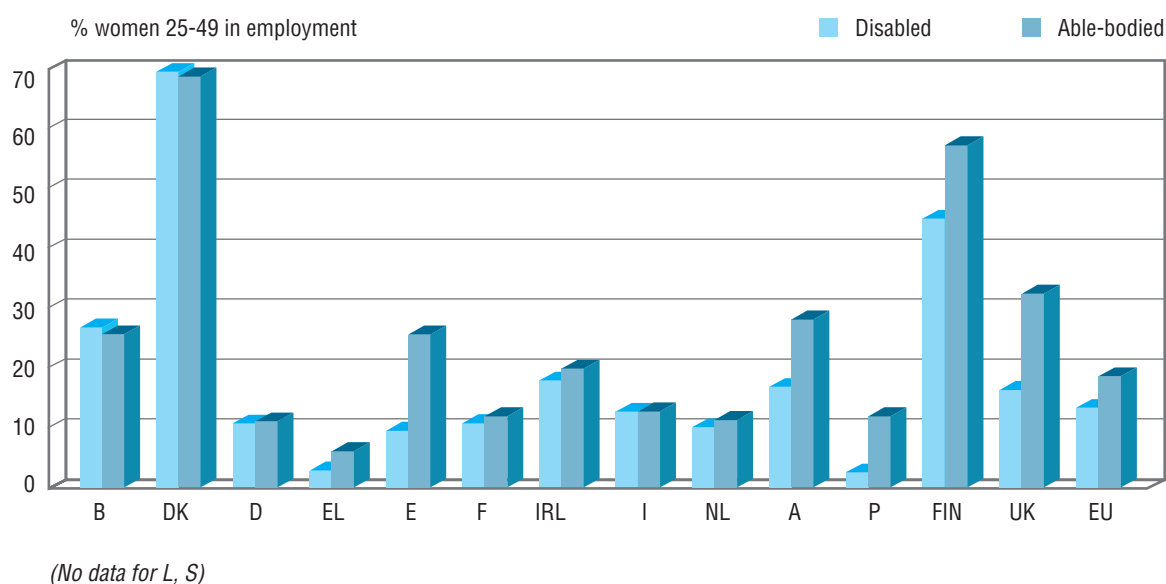


Figure 35: Proportion of women aged 25-49 participating in training or education by whether disabled or not, 1998



averaged around 12 % compared with 20 % for those able-bodied (Figure 34). The difference was common to all Member States, except Ireland, where a slightly higher proportion of those disabled were in receipt of training, and was particularly marked in Spain. (It should be noted that the ECHP, unlike the LFS, covers education and training over the previous year,

which tends to increase the figures for participation, but also unlike the LFS, relates specifically to education or training courses, which is likely to reduce the figures because of the formality implied.)

For women aged 25 to 49, the difference in participation in training between those disabled and those not is less marked than for men,

some 13 % of those in employment who are disabled receiving training as against just under 19 % of the able-bodied (Figure 35). The extent of the difference is relatively wide in Spain, as in the case of men, and the UK, but in 6 of the 13 Member States for which there are data, there is little difference between the 2.

For men aged 50 to 64, the pattern of difference between the disabled and able-bodied participating in training is similar to that for the younger age group, with the disabled being less likely to participate than the able-bodied in all Member States. Unlike for the younger age group, this is also the case for women of 50 and over, though the extent of the difference in the proportion participating is slightly less marked than for men.

For people with disabilities, therefore, not only is it more difficult to obtain a job but once in employment, there seems less chance of participating in the training required to maintain their employability.

4.5.3. Measures to improve the employment prospects of those with disabilities

The employment guidelines emphasise in particular the need to combat discrimination and improve the access of people with disabilities both to labour market and to education and training to avoid their marginalisation or total exclusion from work.

Beyond the legislation that exists, or which is on the point of being introduced, across the EU to combat discrimination on the grounds of disability, two fundamental issues that need to be addressed in order to integrate those with disabilities into the labour market. These are the low educational attainment of many, partly because of their disability, and the special help and support they are likely to require for the same reason.

A lack of education and basic skills is often the first obstacle faced by those with disabilities when trying to find a job. A number of Member States have specifically addressed this issue. In the UK new legislation on special educational needs and disability sets out their rights for access to education both pre and post-16. In Spain, special education programmes have

been introduced for those with disabilities unable to study in the normal education system. These programmes are expected to have some 27 000 participants in 2001.

In Sweden, measures have been taken to improve the access of adults with disabilities to high schools so that they can participate in further education, while those with low levels of education have been given entitlement to free basic schooling, together with a study allowance, to prepare them for labour market training.

Although in many cases people with disabilities are given priority in labour market training programmes, there is evidence from France and the Netherlands, that efforts in this direction have been less successful than expected. In the Netherlands, an evaluation in 2001 of the Disability Reintegration Act after 18 months found that only a third of the 40 000 participants only a third had found jobs, which has resulted in efforts to improve the operation of the programme. In France, some 190 000 people with disabilities participated in the *SPNDE* programme (Personalised service for a new departure towards employment) between 1999 and 2001. In addition, the *Cap Emploi* network was introduced providing a range of user services for employers as well as those with disabilities, including the exchange of best practice and support for training. Nevertheless, although unemployment has fallen among those with disabilities, the rate of decline has lagged behind the reduction in the overall unemployment rate.

In Portugal, where the whole focus of efforts on the education and training of disadvantaged groups under the Employment Guidelines has been on people with disabilities, a target has been set of increasing their participation in active labour market programmes by 25 % between 1997 and 2002. This has been accompanied by a commitment to expand the number of labour market training places available.

In Spain, the government has committed itself to creating 20 000 jobs for those with disabilities by 2008 as well as offering continuing training to 40 000, while preference has been given to people with disabilities in labour market training

programmes. In 2001, some 30 000 (around 60 %) of all registered job-seekers with disabilities, participated in these.

Measures have also been introduced in a number of Member States within labour market training programmes in an attempt to ensure that those with disabilities do not lose out through lack of ICT skills. In both Spain and France, more use of ICT and distance learning is being made in AFPA training paths and the INFO XXI plan, respectively, while in Ireland, standardised training allowances for those with disabilities have been introduced.

The most extensive and effective policy, however, seems to be in Sweden, where the *Sw/T* scheme incorporates IT as an integral part of labour market training programmes, with particular focus on women unemployed and immigrants as well as those with disabilities. Overall, some 60 % of the 11 000 participants from these groups taken together had found work within 6 months of completing the training. In addition, municipalities have been granted more resources for extra teaching time to give people with mental disabilities better access to education, while the Swedish Institute of Special Needs is developing teaching aids for those with functional disabilities.

In Denmark, not only are those with disabilities given preferential treatment when applying for jobs in the public sector, but there is also an *ice-breaker* scheme involving wage subsidies to enable those who have completed education and training to gain relevant work experience in the areas in which they have specialised.

4.5.4. Immigrants and ethnic minorities

Although there are no direct data as such at EU level on the involvement of migrants or ethnic minorities in the labour market or in education and training, data are available from the LFS on the employment and educational characteristics of non-EU nationals living in EU Member States. Close examination of these data indicates that the great majority of those recorded as being non-nationals in the LFS were born outside the country in which they live, so that in almost all cases they are immigrants. While analysis of their characteristics and circumstances might

also throw light on those of ethnic minorities, it should be emphasised that they constitute only part of this group, many of whom might well have taken the nationality of the Member State in which they live, or will be second or third generation immigrants.

The focus here is on non-EU nationals aged 25 to 39, who constitute around half of all non-EU nationals of working-age 20 to 64 living in Member States. A distinction is made between those from the 10 acceding countries and those from other parts of the world, more specifically from non-OECD countries who are likely to be at the most disadvantage in the labour market. The concern is, first, to compare their educational attainment levels with those of nationals and, secondly, to examine the comparative difficulty they experience in obtaining employment. Given their cultural and social backgrounds and the likely difference in their tendency to participate in the labour market as compared with nationals, the focus is on unemployment rather than employment rates.

4.5.4.1. Educational attainment levels of immigrants

Those aged 25 to 39 migrating into the EU from outside Europe (i.e. from non-candidate countries) have, on average, lower educational levels than EU nationals, specifically because there tend to be fewer of them with tertiary level education. Those coming from candidate countries also tend to have lower levels of education but to a far greater extent.

In the EU as a whole, just over 12 % of men from outside Europe had tertiary level education as compared with 22 % of nationals, while much the same proportion of both had upper secondary level education (53-54 %). Some 35 % of men in this age group, therefore, had only basic schooling compared with 24 % of nationals (Table 35). Over half of men coming from candidate countries, however, had only this level of education and just 6 % had tertiary education.

The differences were similar in most Member States, though they were especially pronounced in Germany, where the majority of non-nationals come from central and eastern Europe and Turkey and where the proportion of nationals

Table 35. Educational attainment levels of those aged 29-39 by nationality, 2000

	% of total in each category															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Men aged 25-39																
Candidate countries																
Basic schooling	56.5	53.1	59.0	26.0	41.4	70.6		35.5		76.8	43.4		43.3			53.4
Upper secondary	29.9	40.1	36.8	62.2	51.3	23.8		59.6		21.4	48.8		39.9			40.8
Tertiary	13.6	6.8	4.2	11.8	7.3	5.6		4.9		1.8	7.8		16.8			5.8
Other non-EU nationals																
Basic schooling	33.1	34.4	16.3	45.3	38.3	47.2		50.7	50.0	50.3	26.9	78.5	26.5	18.8	28.8	35.7
Upper secondary	29.9	45.6	83.7	40.9	33.3	28.1		44.7	40.0	29.3	67.8	13.9	34.3	48.4	15.9	43.8
Tertiary	37.0	20.0	0.0	13.9	28.4	24.7		4.5	9.9	20.4	5.3	7.6	39.2	32.8	55.3	20.5
Nationals																
Basic schooling	28.8	9.8	15.6	31.5	49.0	24.1		45.7	22.5	25.8	10.0	75.2	16.0	13.3	28.1	29.4
Upper secondary	38.2	62.0	58.4	46.0	21.6	49.2		44.5	57.6	46.8	73.0	15.5	52.9	56.5	40.8	46.2
Tertiary	33.1	28.2	26.0	22.4	29.4	26.7		9.8	19.8	27.4	17.0	9.3	31.1	30.2	31.1	24.5
Women aged 25-39																
Candidate countries																
Basic schooling	62.1	62.0	11.7	14.1	8.1	68.2		25.5		73.1	62.4		0.0			53.1
Upper secondary	26.7	31.7	72.3	55.2	56.6	18.2		54.8		22.9	34.8		0.0			32.4
Tertiary	11.2	6.3	16.0	30.6	35.3	13.5		19.7		4.1	2.8		0.0			14.4
Other non-EU nationals																
Basic schooling	45.3	42.8	25.7	43.5	35.7	53.5		48.4	57.9	52.3	42.3	77.8	22.7	24.0	37.1	40.4
Upper secondary	30.3	37.8	40.6	39.7	30.7	25.1		40.8	22.4	25.5	47.2	20.1	41.7	45.4	25.4	33.5
Tertiary	24.4	19.4	33.7	16.8	33.7	21.4		10.7	19.6	22.2	10.5	2.1	35.6	30.6	37.5	26.0
Nationals																
Basic schooling	22.9	13.3	14.2	29.5	44.5	24.4		40.5	24.9	23.9	18.3	68.5	10.9	12.4	38.0	29.2
Upper secondary	38.1	64.5	55.0	46.3	21.6	44.4		48.3	57.9	49.7	67.0	17.0	43.0	51.1	34.4	44.0
Tertiary	39.0	22.2	30.8	24.2	33.9	31.1		11.2	17.2	26.4	14.7	14.5	46.1	36.5	27.6	26.8

No data for IRL – Note: Where there are no figures, the number of observations is too small to be reliable. For men from candidate countries in Denmark, Spain, Italy and Finland, the figures are based on a small number of observations and should be regarded as indicative only. This also applies to women in Spain and to both men and women non EU-nationals in Denmark.

Source: Eurostat, LFS, 2000.

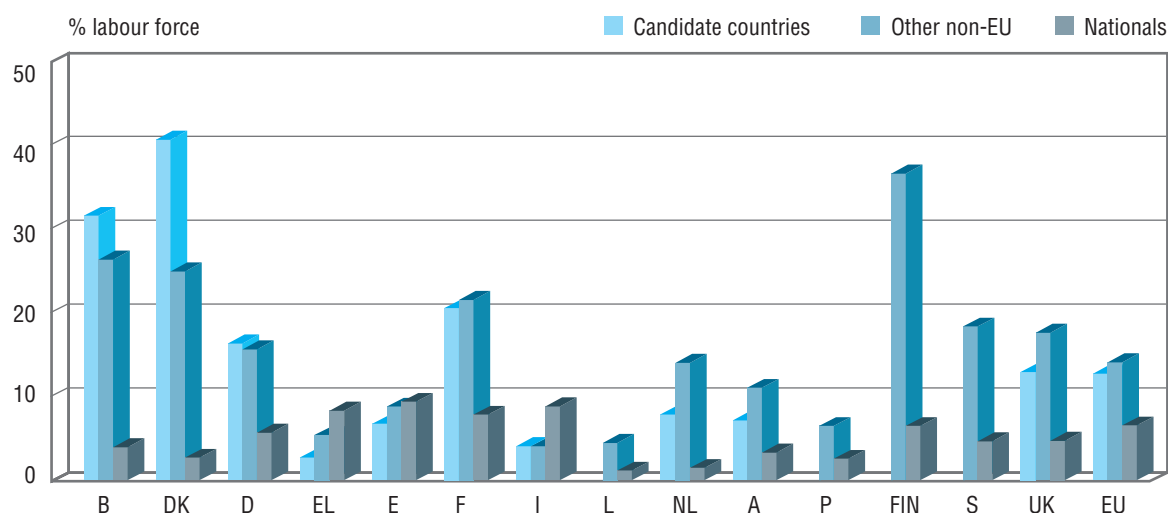
with only basic schooling is particularly small. Germany alone accounts for over two-thirds of all non-nationals from the candidate countries living in the EU – a large majority of them men – and, therefore, tends to dominate the figures for the EU; it accounts for just under a third of non-EU nationals from other countries and, therefore, has less of an effect on the EU totals. The main exceptions to the general tendency are Spain, where non-nationals from outside Europe had, on average, higher levels of education (more with upper secondary level) than nationals and the UK, where substantially more non-nationals (over half) had tertiary level education, though there was about the same proportion of non-nationals and nationals with only basic schooling.

Similar differences in education levels exist

for women in this age group, but they tend to be more pronounced. While in the EU as a whole, the proportion of non-nationals from outside Europe with tertiary level education was only slightly smaller than for nationals (21 % as against 25 %), significantly fewer had upper secondary education (39 % as against 52 %) and, correspondingly, a much larger proportion had only basic schooling (40 % as against 24 %). Over half the women from candidate countries had only this level of education, though more women than men had tertiary education (14 %).

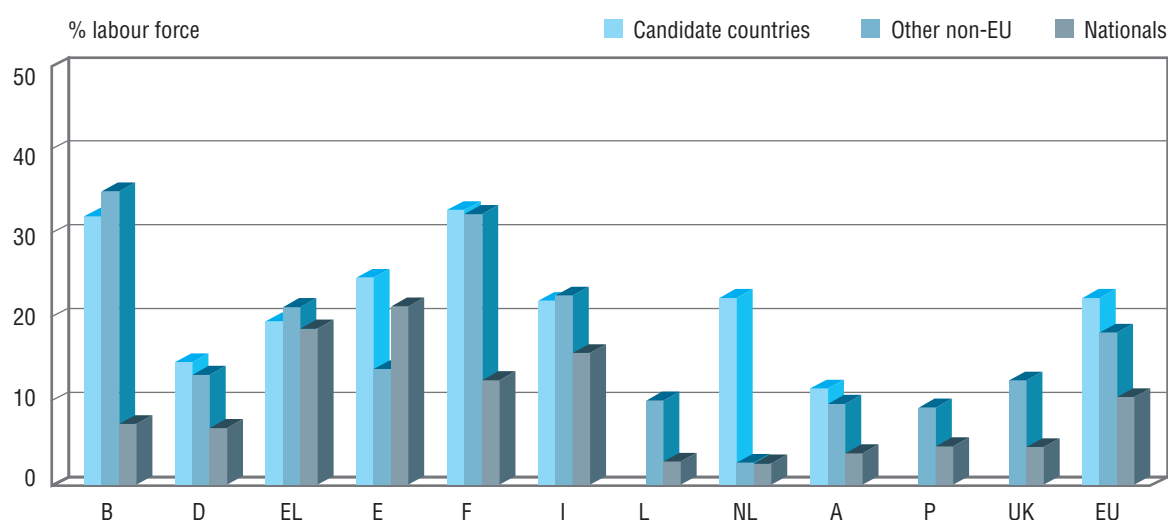
The pattern of variation in education levels of women across Member States is also similar to that for men, with once again Germany having a large proportion of non-nationals from candidate countries with only basic schooling

Figure 36. Unemployment rates of men aged 25-39 by nationality, 2000



(No data for IRL)

Figure 37. Unemployment rates of women aged 25-39 by nationality, 2000



(No data for IRL, DK, FIN, S)

(62 %) as well as from outside Europe (44 %), Spain having higher education levels among non-nationals than among nationals and a relatively large proportion of non-nationals in the UK have tertiary education.

4.5.4.2. Unemployment and educational attainment of immigrants

The rate of unemployment of non-nationals tends to be substantially higher than for nationals except in the south of the EU. In 2000,

the unemployment rate of men aged 25 to 39 resident in the EU with candidate country nationality averaged around 13 % (in those for which the data are reasonably reliable) and for men from countries outside Europe, 14 %, as compared with a rate of just under 7 % for nationals (Figure 36). This pattern of difference was common to all Member States apart from Greece, Spain and Italy. In each of these, unemployment rates for non-nationals, whether from the candidate countries or from elsewhere,

Table 36. Unemployment rates by nationality and educational attainment level of those aged 25-39, 2000

% labour force in each category															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK
Men aged 25-39															
Candidate countries															
Basic schooling	27.8		19.8			21.4				8.9	6.1				
Upper secondary	34.8		12.6			15.7				2.3	9.2				
Tertiary			10.8								0.0				
Other non-EU nationals															
Basic schooling	36.0		16.1	5.6	4.9	26.4			8.8	25.2	14.1		6.3		49.3
Upper secondary	24.3		15.6	5.8	6.6	15.9		7.8			9.3				
Tertiary	21.4		15.1	3.5	16.7	17.3					15.8				1.6
Nationals															
Basic schooling	7.4		14.2	7.8	10.8	14.4		10.1	2.5	3.0	7.9	2.7			9.1
Upper secondary	2.7		6.0	8.8	7.5	6.4		7.3	0.9	1.0	3.0	1.7			3.9
Tertiary	2.4		2.2	8.1	8.3	4.8		8.6	0.0	1.0	2.0	2.2			1.6
Women aged 25-39															
Candidate countries															
Basic schooling	43.8		18.5			31.7				21.4	6.7				
Upper secondary			10.5	28.6							17.5				
Tertiary			9.0												
Other non-EU nationals															
Basic schooling	45.2		15.1	23.5	13.3	39.4		16.6	13.7		9.4	5.4			
Upper secondary			10.8	22.7	24.9	29.3		26.5			12.1				19.8
Tertiary			18.8	11.2	4.0	19.3									5.1
Nationals															
Basic schooling	17.4		12.1	21.1	28.0	22.5		20.0	6.3	5.2	9.5	4.9			7.2
Upper secondary	8.1		7.0	20.7	19.7	12.4		13.8	2.5	2.1	2.8	5.0			4.1
Tertiary	2.1		3.9	13.7	16.0	6.6		13.8	0.0	1.6	2.0	3.4			1.9
No data for DK, IRL, FIN, S – Note: Where there are no figures, the number of observations is too small to be reliable. In a number of other cases, the figures should be regarded as indicative only.															
Source: Eurostat, LFS, 2000.															

No data for DK, IRL, FIN, S – Note: Where there are no figures, the number of observations is too small to be reliable. In a number of other cases, the figures should be regarded as indicative only.

Source: Eurostat, LFS, 2000.

were lower than for nationals, significantly so in Greece and Italy, where the average rate for nationals was around twice that for non-nationals.

In most other Member States, unemployment among non-nationals was considerably higher than among nationals, with the average rates for the former being around three times higher than for the latter in Germany, France, Austria and the UK, while in Belgium, Denmark and the Netherlands, the difference was even larger.

Unemployment is also high among women of 25 to 39 with non-EU nationality. The average rate of unemployment among women of this age from candidate countries was 22 % in 2000 and the rate for those from outside Europe was 18 % as compared with a rate of just over 10 % for nationals (Figure 37). As in the case of men, the

difference in the rate between national and non-nationals was substantial in most Member States, especially in Belgium and the Netherlands. Unlike in the case of men, however, unemployment was also higher among women of non-EU nationality than among nationals in Greece and Italy, though only slightly so in the former. Only in Spain was the rate lower for women coming from outside Europe than for nationals.

These differences in unemployment may owe something to the differing levels of educational attainment of non-nationals and nationals, but this is only part of the reason. At any given level of educational attainment it is also the case that non-nationals tend to have higher rates of unemployment than nationals. Unfortunately, because of the small numbers involved once

non-nationals are sub-divided by education level, it is possible to compare unemployment rates of those with different nationalities in only 11 of the 15 Member States and then only for some categories (Table 36).

Evidence, where the data are reasonably reliable, shows a similar pattern. In most Member States, with a few exceptions, non-nationals, whether from inside Europe or outside, with a given education level had higher unemployment rates than nationals in 2000. In Belgium, for example, the unemployment rate for men with only basic schooling from future Member States, was around four times higher than for nationals. For non-nationals from outside Europe, it was five times higher, while for non-nationals with upper secondary education, the gap was wider still. For women, the unemployment for non-nationals with low education averaged 45 % and for nationals, 17 %. In France, the differences in rates between non-nationals and nationals are slightly narrower than in Belgium for those with basic schooling but almost as wide for those with higher levels of education, while in the UK, there is an extreme difference in rates for those with low education (non-nationals having an average rate of 49 %).

In Italy, unemployment among men with upper secondary education was much the same for non-nationals as for nationals, though not for women. In Greece and Spain, in contrast to the rest of the EU, unemployment of men with the same education level was generally lower among non-nationals than nationals.

Evidence, therefore, points to factors other than educational attainment as underlying the generally higher rates of unemployment experienced by immigrant workers in most Member States, which might concern language or cultural difficulties or more general problems. The above analysis, however, does not necessarily signify that there is discrimination against immigrants or even that they are directly disadvantaged by their ethnic origin per se. Although it is strongly indicative, the differences in unemployment rates observed might also be affected by differences in the regions and localities in which migrant workers live as compared with nationals. It is almost certainly the case that a disproportionate number of

migrant workers live in areas of high unemployment, in inner city areas, in particular, which might be regarded as a form of indirect disadvantage. It is, therefore, a problem which cannot not necessarily be effectively resolved by measures aimed at assisting immigrants to improve their employability alone, however important these might be.

4.5.5. Measures for improving the employment prospects of immigrants and ethnic minorities

Any assessment of policies for assisting immigrants and ethnic minorities needs to distinguish between two very different sub-groups within this broad grouping. The first consists of the low-skilled and poorly educated with acute problems of overcoming linguistic and cultural barriers to gaining a foothold in the formal labour market. The second group consists of the well educated with relatively high skill levels, for whom the problem is not so much one of language but of acceptance and recognition of the professional qualifications they have obtained in their native countries. The evidence suggests that both groups can potentially help to meet shortages in the labour market, to the extent that in many parts of the EU excess demand exists not only for those with high skills but for those who are prepared to take low grade and poorly paid jobs.

The most immediate problem facing many minority groups and migrants is the language barrier. Without a minimum degree of proficiency in the language of the country in which they live, making the first step into the labour market can be difficult if not impossible. This has been recognised explicitly in a number of Member States, notably in Denmark, Germany, Greece and the Netherlands, where programmes providing language training have been introduced.

A range of other labour market measures have also been taken to assist immigrants and ethnic minorities into work. In Denmark, a target has been set of raising the employment rate among this group from the present 57 % to 65 % by 2010. At the same time, the aim is to provide quicker access for those concerned who are unemployed or living on social assistance to

active labour market programmes. In addition, training is being targeted on the regions and cities in which the people in question tend to live and more resources are being allocated within the public employment service to help them through, for example, the better training of staff. In Finland, preparatory training is provided for immigrants at secondary vocational colleges for between 6 and 12 months. In Germany, immigrants are expected to be among the main beneficiaries of special incentives under the JOB_AKTIV Act which enables semi-skilled and low-skilled workers to complete or enhance their vocational qualifications while in work by means of wage cost subsidies to employers to cover the time spent in training.

In the Netherlands and the UK, measures to monitor the position of ethnic minorities in the labour market have been put into place, together in the UK, with a monitoring system to measure the progress of children in school. In Austria, a database on training and job opportunities has been created for use by ethnic minorities, and special programmes have been created for those who wish to become entrepreneurs.

The types of measure implemented in Member States reflect, to a significant extent, the specific features of the local labour market and of the immigrants or ethnic minorities themselves. For example, in Spain, many of the measures implemented to help migrant workers are determined at a regional level in response to the inflow of seasonal migrant workers, as in Aragon, Andalusia and Navarra.

4.6. Concluding remarks

Demographic trends mean that the numbers of young people entering the EU labour market will continue to decline in future years. Against this background, it is vital to ensure that they have sufficient qualifications to embark on a worthwhile working career and have the capacity to learn new skills throughout their productive lives.

A significant number of young people across the EU, however continue to drop out of the initial education and training system without the

qualifications they need. Nevertheless, Member States policies of encouraging young people to stay on in the education and training system are having some success and the Lisbon strategy benchmark of reducing to 10 % the proportion leaving the system early looks achievable. However, around half of young people aged between 19 and 24, including those in employment, do not participate in education or training.

Rising levels of educational attainment among women has facilitated their entry into the workforce and has almost certainly supported the growth in their employment over recent decades. The challenge facing Member States is to ensure access both to the labour market and to necessary training of those with poor educational qualifications, given the effect levels of educational attainment can have on job prospects. This challenge is complicated by the fact that women with low educational attainment are considerably less likely than those with higher levels to participate in continuing training; consequently they suffer a double disadvantage in the labour market and in pursuing a working career. Success in meeting this challenge and encouraging women to participate in education and training, which in turn can support them in employment, will be an important determinant of whether or not the Lisbon strategy benchmark of a 60 % employment rate of working-age women will be reached by 2010. Consequently, it is argued that Member States be encouraged to set supplementary targets, in the light of their own circumstances, for participation in education and training by women aged 25 to 64.

The decline in the number of young people in the EU will be accompanied in future years by a significant increase in the number of older people in their 50s and 60s. The challenge facing Member States is to reverse the long-term trend among older workers to retire from the workforce before reaching the official age of retirement, both to counter the reduction in the labour force, which demographic trends imply, and avoid the waste of skill it can involve. Member States have removed some of the financial incentives they had to encourage people into early retirement. However, this challenge also has to contend with the

disproportionate number of older workers with low education levels retiring early from the labour force, compounded by the limited access to continuing training which older workers appear to have. Raising the employment rate of workers aged 55 to 64 is, arguably, the most difficult, even if demographic trends towards the ageing of the workforce will contribute towards its achievement. The role that participation in education and training can play in encouraging older workers to stay in the labour market should not be overlooked. Member States should, therefore, also be invited to set targets in the light of their own circumstances for participation in lifelong learning for 55 to 64 year olds.

People with disabilities tend to have both lower levels of educational attainment and

significantly lower employment rates than those without; they also appear to have less access to continuing training. Immigrants and ethnic minorities face much the same problems in the labour market as people with disabilities, having much higher rates of unemployment in all but a few Member States than those with EU nationality. Measures to support their participation in continuing training and increase their access to employment are important to facilitate their integration into society. The success of such measures, however, are not monitored as part of the Lisbon strategy. Consequently, as part of the measures in the European employment strategy, Member States should also introduce targets for participation of these groups in education and training.

Reducing skills gaps

5.1. Introduction

This chapter looks at the effects of policies to increase participation in education and training analysed in Chapters 3 and 4 on levels of educational attainment. It then examines whether, assuming the continuation of current trends, the levels expected to be reached will be in line with the anticipated demand in the labour market and so help the benchmarks of the Lisbon strategy to be met.

The chapter reviews the rising levels of educational attainment, which stem principally from growing numbers of young people remaining in the education and training system after compulsory schooling. It looks at the progress towards achieving the Lisbon strategy benchmark that:

by 2010, at least 85 % of 22 year olds in the EU should have completed upper secondary education.

and examines levels of educational attainment in the future Member States.

The chapter reviews the growth in employment and labour force participation in the EU since the mid-1990s and at current employment rates in the EU and the future Member States to chart the progress towards the Lisbon strategy benchmark to:

raise the overall employment rate in the EU from 61 % in 200, to as close as possible to 70 % by 2010 (67 % by 2005).

To attain this employment rate requires both a relatively high rate of job creation and that those in the labour market have the necessary skills to perform effectively to fill the jobs created. Consequently, the chapter looks at the current trends in the occupational and sectoral structure of economic activity, notably the shift from manufacturing into services and, within the latter, from basic to more advanced activities, and the growth of jobs requiring higher educational attainment levels coupled with the

decline in demand for manual labour.

The chapter then assumes a continuation of these underlying trends and projects them to identify the occupations and sectors most likely to be the sources of job growth between now and 2010. It then relates these areas of job growth with the broad skills of the labour force are likely to have, given current trends in educational attainment levels of people of working age in Member States, and then reaches some conclusions on the challenges faced to meet the Lisbon employment rate benchmark.

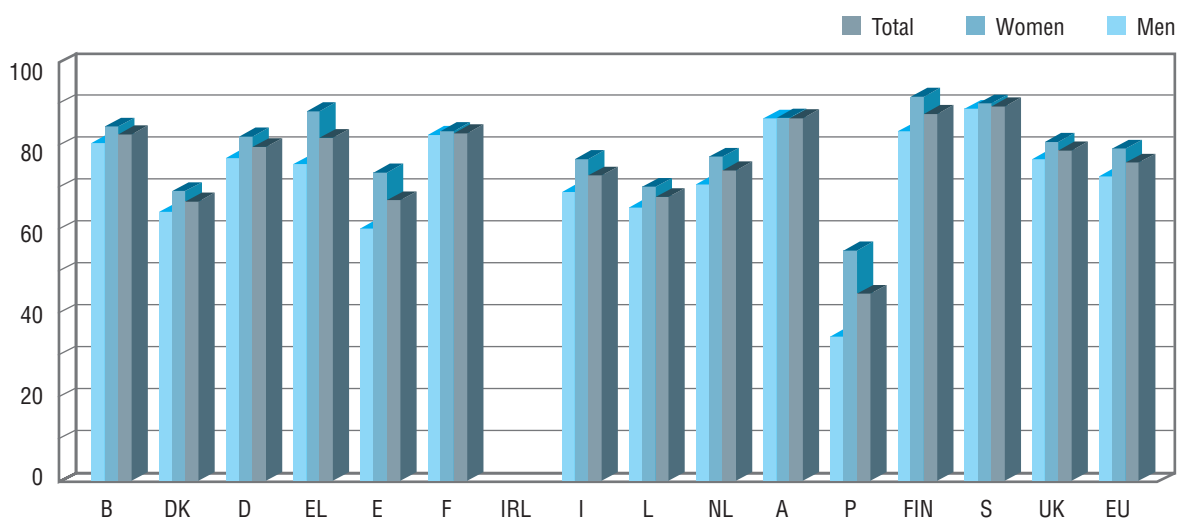
5.2. Increases in levels of educational attainment

The policies of Member States to increase participation in their education and training systems beyond basic schooling has raised the education levels of the working-age population over the past 10 years or more, particularly in countries where levels were low and especially among women. This trend is likely to make it easier to raise employment rates in future years as those coming into the workforce have higher education levels than those who leave it.

5.2.1. Towards 85 % of 22 year olds completing upper secondary education by 2010

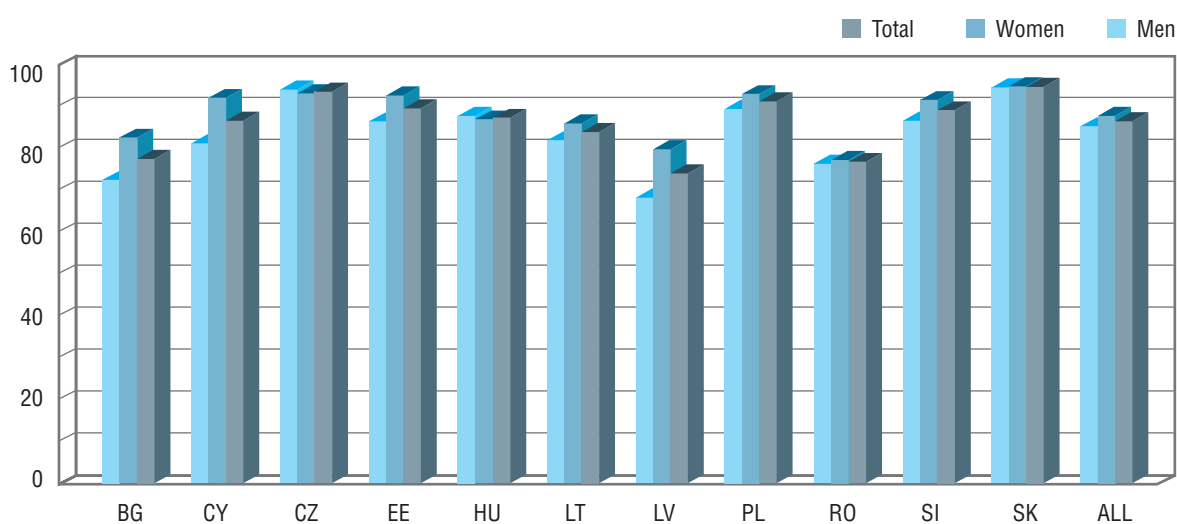
In 2002 in the EU around 76 % of 22 year olds had completed at least upper-secondary education, compared to the benchmark of 85 % by 2010 (Figure 38). In all Member States a larger proportion of women than men had achieved this level of education. The difference was substantial, 10 percentage points or more, in Greece, Spain and Portugal. The overall benchmark has already been reached for both men and women in Austria and Sweden. In Finland the overall rate is 87 %, but is 91% for

Figure 38. Proportions of men and women aged 22 with upper-secondary education or higher, 2002, EU-15



(No data for IRL)

Figure 39. Proportions of men and women aged 22 with upper-secondary education or higher, 2002, future Member States and candidate countries



(No data for MT, TR)

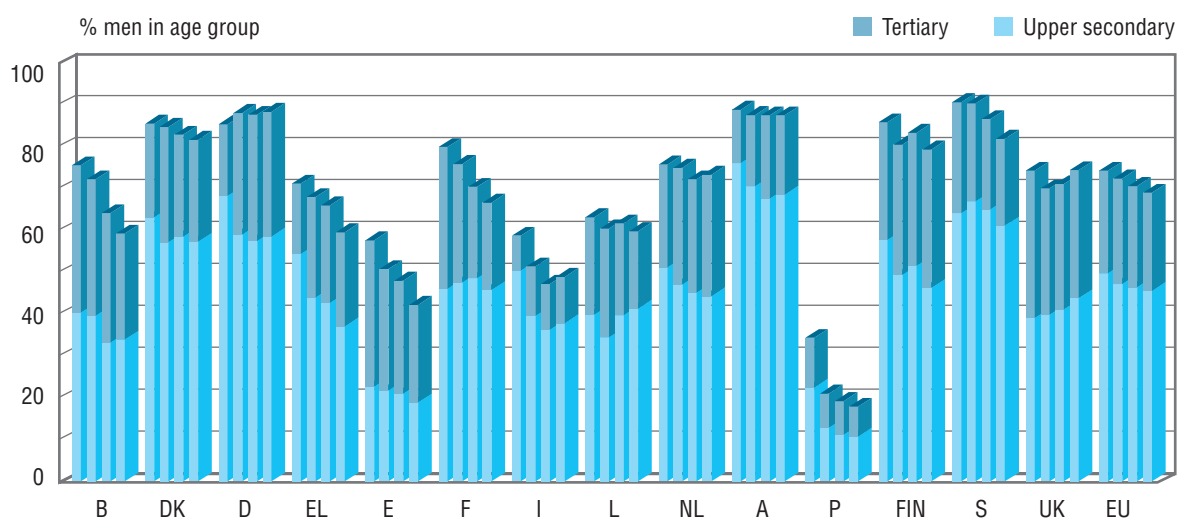
women and 82 % for men. In Greece, the benchmark has been reached for women. Belgium, Germany, Greece, France and the UK are all above the EU average.

In the future Member States the overall proportion of 22 year olds with upper secondary level is higher. All future Member States, with the exception of Latvia and Lithuania, have

reached the 85 % benchmark overall. The Czech Republic, Poland and Slovakia all have more than 90 % of 22 year olds with upper secondary level education. In addition, the differences between men and women are much smaller than in the current Member States.

At this point it is difficult to forecast whether or not the benchmark will be met, even though

Figure 40. Proportion of men aged 25-29, 30-34, 35-39, 40-44 with upper secondary and tertiary education



(No data for IRL - first bar 25-29, second bar 30-34, third bar 35-39, fourth bar 40-44)

accession of the new Member States will bring the overall EU average closer to it. Increases in education attainment, as shown below, have come largely from young people staying on in the education and training system. The analysis in Chapter 3 indicated that between 1997 and 2001 participation in education in training by 16 to 18 year olds had increased by 0.5% and by 19 to 22 year olds by 1.5 %. Whether this rate of increase will be sufficient remains to be seen.

5.2.2. Education levels of people aged 25 to 44

Before the benchmark for 22 year olds was agreed, the guidelines of the European employment strategy set a target for educational attainment of 80 % of those aged 25 to 64 achieving at least upper secondary level. The overall level in 2001 was 65 to 67 %, with Denmark, Germany and Sweden already having rates near 90 %.

Although there is no consistent set of data to indicate the scale of the increase which has occurred over recent decades, the data on educational attainment by age group represents a reasonable proxy, given that comparatively few people achieve a higher level of attainment after their 20s. Comparing the level of attainment of those in younger age groups with

those in older ones, gives an approximate measure of the extent to which levels have risen over the years between the two generations. It also gives an indication of the growing numbers of young people achieving educational qualifications beyond compulsory schooling, on which there are also no consistent data for any length of time at EU level.

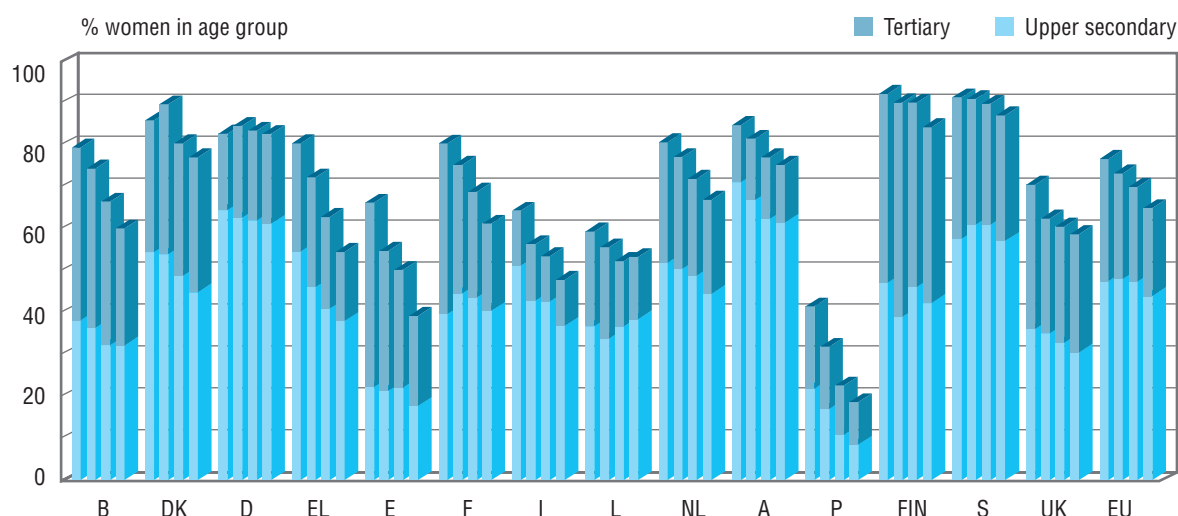
5.2.2.1. Education levels of men aged 25 to 44

In 2001, in the EU as a whole, 45.5 % of men had completed upper secondary level education. Some 45% of those aged between 40 and 44 had completed upper secondary level education (Figure 40). For those aged 25 to 29, this rises to 49 %.

There is evidence of an increase, if slightly smaller, in those obtaining tertiary level qualifications. Comparing the proportions of men aged 40 to 44 and those aged 30 to 34 with such qualifications indicates an increase of around 1.5 percentage points between the 2 generations.

Although experience in Member States is by no means uniform, in most there are signs of a significant increase in the relative number of men with upper secondary qualifications. The exceptions are France, Luxembourg and the UK. In France, the broadly unchanged

Figure 41. Proportion of women aged 25-29, 30-34, 35-39, 40-44 with upper secondary and tertiary education



(No data for IRL - first bar 25-29, second bar 30-34, third bar 35-39, fourth bar 40-44)

proportion with this level of qualification has been accompanied by a marked rise in those with tertiary education. On the other hand, the proportion of men with tertiary education shows little sign of having risen in a number of Member States, specifically, Germany, Italy, the Netherlands, Austria, and Finland.

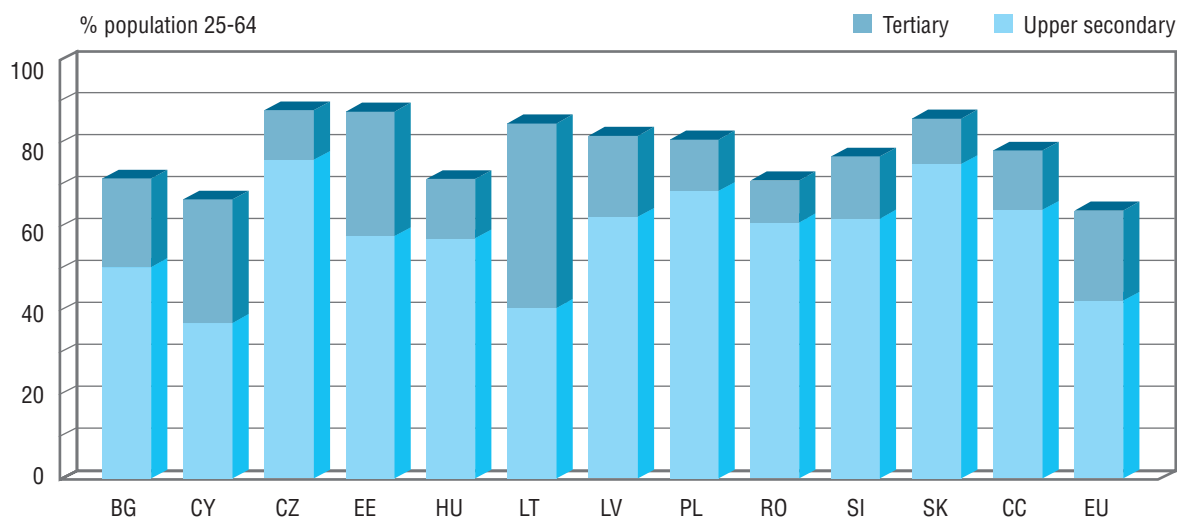
Education levels also appear to be converging across the EU. The relative number of men with qualifications beyond compulsory schooling appears to have increased by most in those countries where the level is below average for 40 to 44 year olds, especially in Spain and Portugal. Nevertheless, in Portugal, around two-thirds of men aged 25 to 29 had only basic schooling and in Spain; this is over 40 %, compared with an EU average of 25 %.

5.2.2.2. Education levels of women 25 to 44

Educational attainment levels of women have risen more significantly than for men over recent years in nearly all Member States. In the EU as a whole, 47.5 % of women aged 25 to 29 had upper secondary qualifications in 2000, compared with 44 % of those aged 40 to 44. This was a slightly smaller rise than for men, where 29 % had tertiary level qualifications as against only 21 % of 40 to 44 year olds (Figure 41).

The increase in the proportion of women with upper secondary qualifications or above was common to all Member States. In the southern Member States, the rate of increase in the level of educational attainment between the generations has been rapid, leading to a convergence towards higher overall levels of educational attainment in the EU. It is also significant that the increase has been among women given the importance of increasing their employment prospects to meet the employment rate benchmark set by the Lisbon European Council. For men, the increase was especially large in countries below the EU average for 40 to 44 year olds. In Greece, Spain and Portugal, the proportion aged 25 to 29 with at least upper secondary education is over 20 percentage points higher than for those aged 40 to 44. In Spain, Italy and Portugal, as well as Luxembourg, however, over 30 % of women aged 25 to 29 still have only basic schooling; in Portugal, this is almost 60 %. In all other parts of the EU, except the UK, the proportion is 20 % or less. In all EU countries, apart from Germany, Luxembourg, Austria and the UK, the proportion of women aged 25 to 29 with at least upper secondary qualifications is larger than for men, in the 4 southern Member States, the Netherlands and Finland, the figure is

Figure 42. Educational attainment among population aged 25-64 in candidate countries, 2002



(No data for MT, TR)

substantially larger (5 percentage points or more). However, despite the increase in the average level of educational attainment, the average level in the EU remains below that of some of the future Member States (Figure 42).

The concentration of the increase in educational attainment among young people raises the question as to whether the rate of increase is sustainable. Demographic trends point to a fall in the number of people entering the labour market, in particular in the southern Member States where the increase has been most marked. In 2001 around 50 % of young people aged between 19 and 24 were not taking part in education and training, including many who were in employment, as detailed in Chapter 3. This emphasises the need to open up systems to enable people past their 20s to obtain higher level qualifications.

5.3. Changes in employment growth and economic activity

5.3.1. Recent employment and labour force growth

Since the recovery from the recession of the early 1990s, when over 4 million jobs were lost, employment in the EU has risen significantly –

by over 13.5 million up to 2002, an average growth of over 1 % a year. As a consequence, the proportion of working-age population in employment (here defined as 15 to 64) – the employment rate – increased from 59.5 % in 1994 to just under 64 % in 2001. Unemployment also fell from over 11 % to 7.5 %. The rate of labour force participation (the proportion of working-age population in work or actively looking for work) rose by just under 2 percentage points to 69 %. To achieve the employment rate target for 2010 will require a further rise in labour force participation – of at least three to four percentage points on average, higher than the rate of increase experienced between 1994 and 2001.

Although the employment performance since the mid-1990s represents a marked improvement, in 2001, the employment rate was only 1.5 percentage points higher than 10 years previously. To achieve the employment rate target will require the rate of job growth experienced over the seven years 1994 to 2001 to be sustained throughout the present decade, as well as a significant rise in the proportion of working-age population who are economically active, as noted above.

The progress of the Member States towards the benchmark of an employment rate of 70 %

Figure 43. Employment rates in Member States, 1995, 2002 and 2010

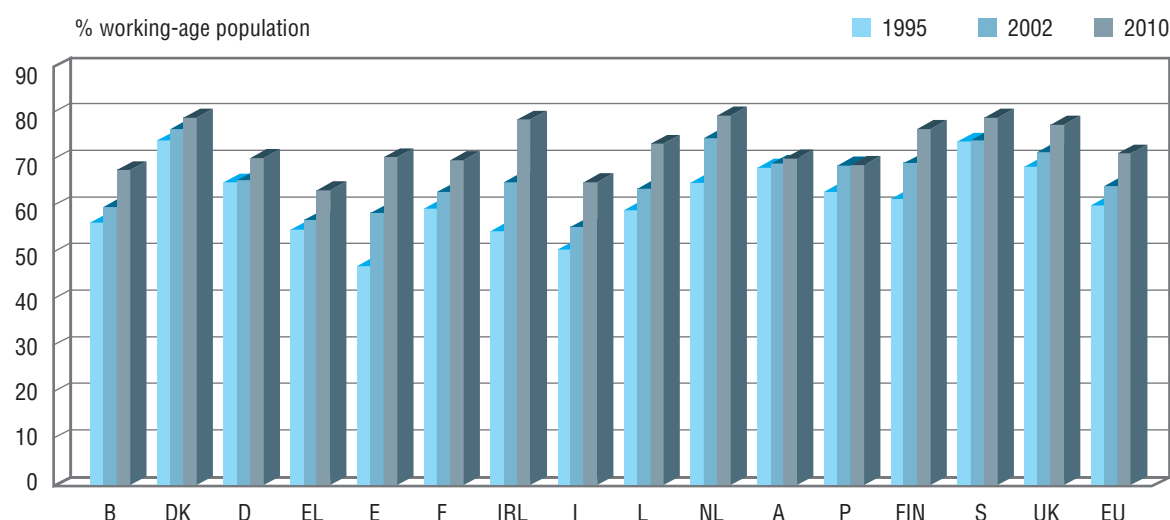
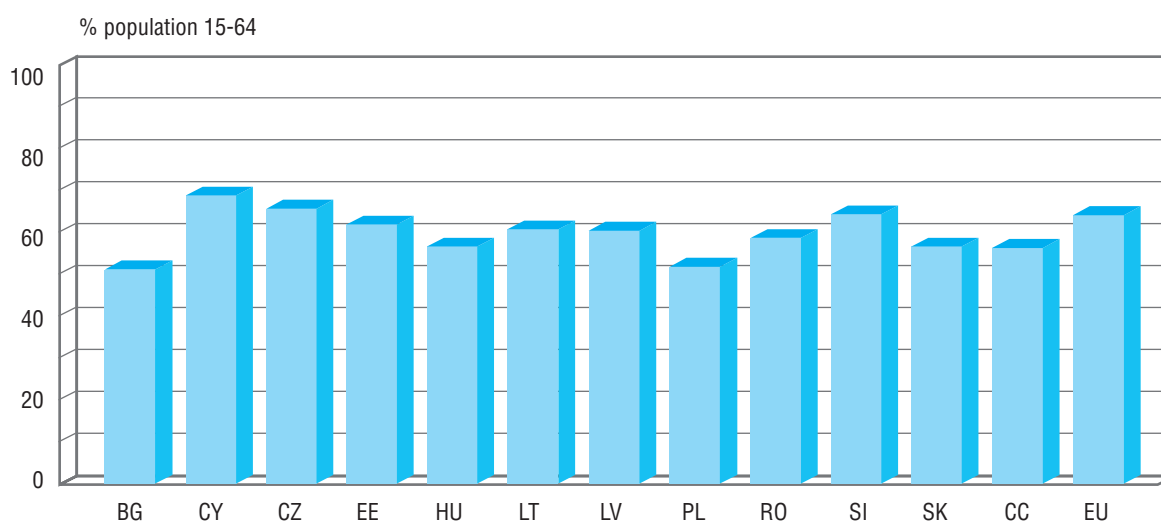


Figure 44. Employment rates 15-64 in accession and candidate countries, 2002



(No data for MT, TR)

differs markedly across the EU (Figure 43). In Denmark, the Netherlands, Sweden and the UK the employment rate is already above 70 %, in Finland, it is marginally below, while in Portugal it is only just below. In Greece, Spain and Italy, which between them account for almost 30 % of the labour force in the EU, only 55 to 56 % of those aged 15 to 64 are in work. The challenge in these countries is to reduce unemployment

and to raise participation substantially. This requires a combination of high rates of job growth and improvements in the employability of those out of work.

The employment rate in Belgium is just under 60 %, because of relatively low participation of women and older people in the workforce. The employment rate in France (63 %) is also well below the target for similar reasons. In both of

Table 37. Education attainment levels of the population aged 25-64 not in employment, 2001

Those not in work as % total population aged 25-64																
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	
Tertiary	4.3	3.4	3.9	3.4	4.5	3.7	1.8		2.6	3.1	1.9	0.8	4.6	3.2	3.3	3.3
Men	1.6	1.3	1.9	1.3	1.5	1.3	0.6		0.9	1.3	0.9	0.3	1.8	1.4	1.4	1.3
Women	2.7	2.1	2.0	2.1	3.0	2.4	1.2		1.7	1.8	1.0	0.6	2.8	1.8	1.9	2.0
Upper secondary	7.8	10.4	17.5	12.0	4.7	9.7	9.3		8.7	8.6	16.2	1.8	9.9	9.8	6.3	10.8
Men	2.5	4.5	6.9	3.0	1.3	3.7	2.9		2.6	2.7	6.1	0.8	4.4	4.4	3.1	4.0
Women	5.3	5.9	10.6	9.1	3.5	6.1	6.3		6.1	5.9	10.0	1.0	5.6	5.4	3.2	6.8
Basic schooling	21.1	7.5	8.3	21.8	27.0	15.9	28.7		19.0	13.3	10.8	21.4	11.1	6.1	12.2	16.3
Men	7.4	2.6	2.3	4.9	6.8	5.5	8.5		4.7	3.5	2.9	6.3	5.4	2.7	4.2	4.9
Women	13.7	4.9	6.0	16.8	20.3	10.4	20.3		14.2	9.8	7.9	15.1	5.6	3.3	8.0	11.4
Total	33.2	21.3	29.8	37.2	36.2	29.3	39.8		30.3	25.1	28.9	24.0	25.7	19.1	21.9	30.4
Men	11.6	8.4	11.2	9.2	9.5	10.4	12.0		8.3	7.5	10.0	7.3	11.6	8.6	8.7	10.2
Women	21.7	12.9	18.6	28.0	26.7	18.9	27.8		22.0	17.5	18.9	16.7	14.0	10.5	13.1	20.2
% Total not in work by education level																
Tertiary	13.0	15.8	13.2	9.2	12.4	12.5	4.6		8.7	12.5	6.6	3.5	18.1	16.8	15.1	10.9
Upper secondary	23.5	48.7	58.8	32.3	13.0	33.2	23.3		28.7	34.3	55.9	7.6	38.8	51.5	28.9	35.4
Basic schooling	63.5	35.5	28.0	58.5	74.6	54.3	72.2		62.6	53.2	37.4	88.9	43.1	31.7	56.0	53.7

No data for IRL – Source: EU Labour Force Survey

these countries, moreover, as in the southern Member States, a much smaller proportion of young people are in employment than in Denmark, the Netherlands or the UK. For these countries, given the difficulties of raising employment among those under 25 without reducing the number remaining in education and initial training, the growth in employment and labour force participation has to be concentrated among those of 25 and over.

Employment rates in the future Member States are generally below the EU average (Figure 44) at around 57 % in 2002 compared to 64 % in the EU. Cyprus is the nearest to the Lisbon benchmark with an employment rate of 69 %, with the lowest in Poland at around 52 %. Their accession will bring the overall EU average down in the short-term. This is an important consideration given that the forecast is the current 15 EU Member States will only just reach the benchmarks.

5.3.2. Those not in work by education level

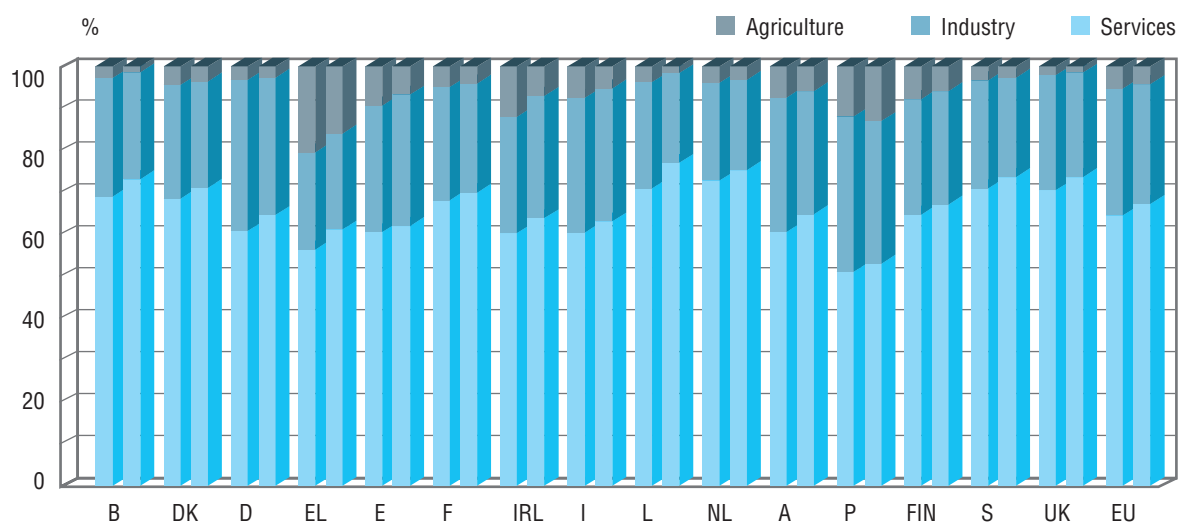
The difficulty of increasing employment substantially in countries where labour force participation is low is emphasised by considering the educational levels of those not

in work, particularly those of 25 and over, who for the most part in most countries have completed their initial education and training. Overall, around 30 % of those aged 25 to 64 in the EU were not in work in 2001 because of being unemployed or economically inactive. Of those not in employment, two-thirds were women. Around 54 % of the total out of work had no qualifications beyond basic schooling, 35 % had upper secondary education and 11 %, tertiary education (Table 37).

There are substantial variations in these proportions across the EU. In the 3 Nordic countries, 16 % or more of those not in work had tertiary level education, much higher than the EU average; a smaller proportion than average had only basic schooling (in Denmark and Sweden, only around 30 to 35 %). Similarly, in Germany and Austria, a relatively large proportion of those not in work (55 to 60 %) had upper secondary education and a comparatively small proportion had no qualifications beyond compulsory schooling (under 30 % in Germany).

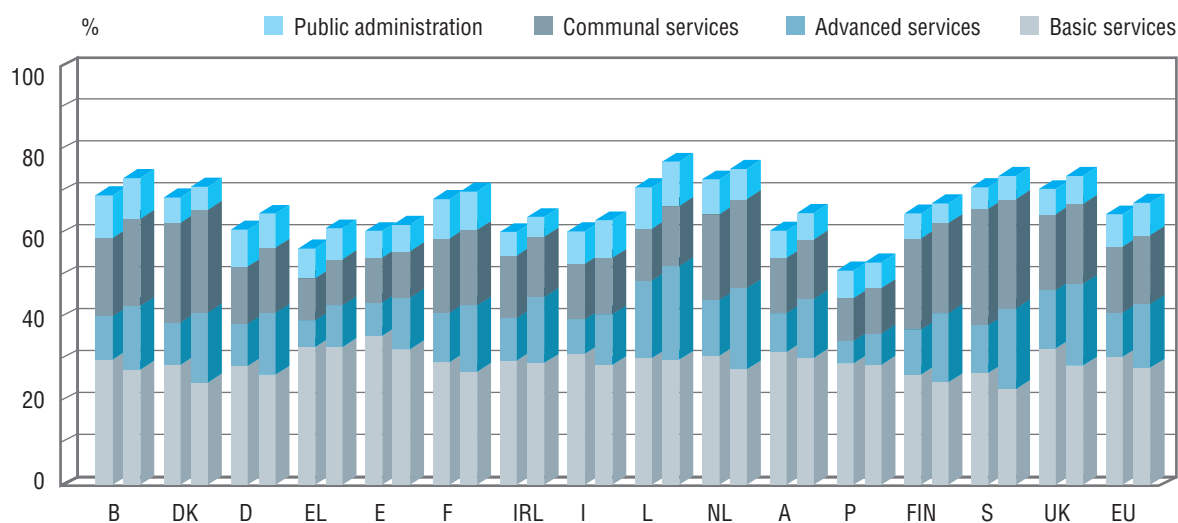
In Spain and Italy, where the employment rate is well below the EU average, 70 % to 75 % of those not in work had only basic schooling. In Belgium and Greece, the proportion with low

Figure 45. Division of employment by broad sector in Member States, 1995 and 2001



(Left bar 1995, right bar 2001)

Figure 46. Division of employment within services in Member States, 1995 and 2001



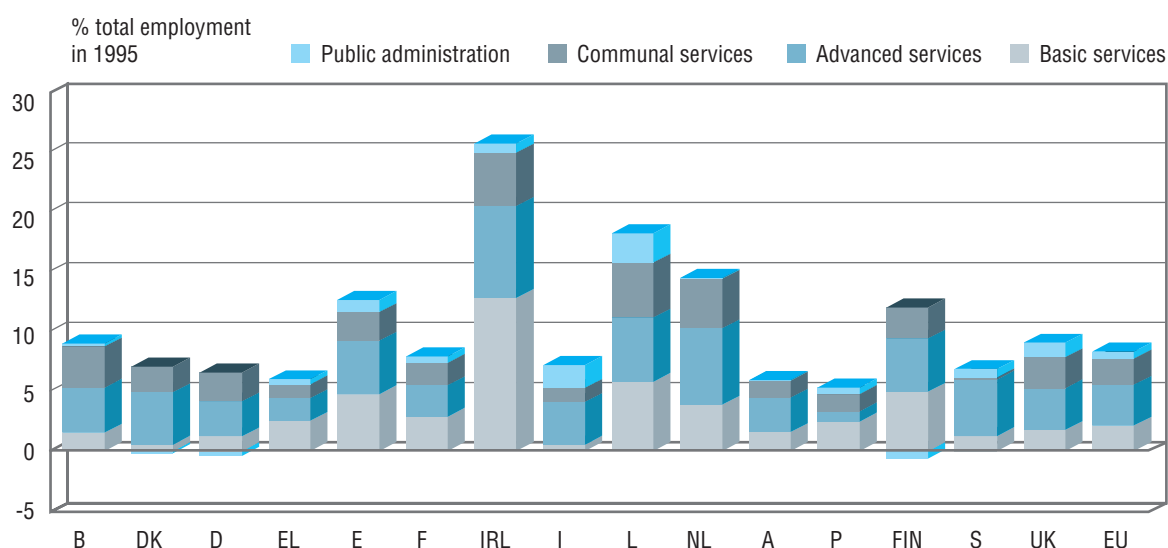
(Left bar 1995, right bar 2001)

education is also above average. In all of these countries, the great majority of those not in employment are women. In the 3 southern countries, women account for 70 % to 75 % of all those out of work with only basic schooling.

In Portugal, the relative number out of work with low education is higher than in any other Member State (89 %). Although the employment

rate is already close to the overall target, the potential problem is that a relatively large proportion of them work in agriculture and the textiles and clothing industry, where the prospects are for significant job losses and where almost all of those concerned have only basic schooling.

Figure 47. Contribution of service sectors to employment growth in Member States, 1995-2001



5.3.3. Changing structure of economic activity: increasing employment in services

The Lisbon European Council called for an increase in employment in services, but did not set any subsequent target. Such a target would appear unnecessary given the long-term sectoral shift of employment from agriculture and manufacturing to services. The key point, however, is the trend from basic to more advanced services, requiring higher levels of educational attainment.

In the second half of the 1990s, jobs in services expanded by 2 % a year, accounting for virtually all of the increase in employment during that period. In 2001, services accounted for 67 % of total employment in the EU and in 6 Member States – the 3 Benelux countries, Denmark, Sweden and the UK – for over 70 % (Figure 45). Only in Portugal (53 %) did services account for under 60 % of employment.

Within services, there has been a distinct long-term shift of employment from the more basic to more advanced business and communal service sectors – education, health and social and recreational services – in which a large proportion of the workforce have high education levels. The share of total employment in business, financial and communal services in the EU has risen significantly over time, from,

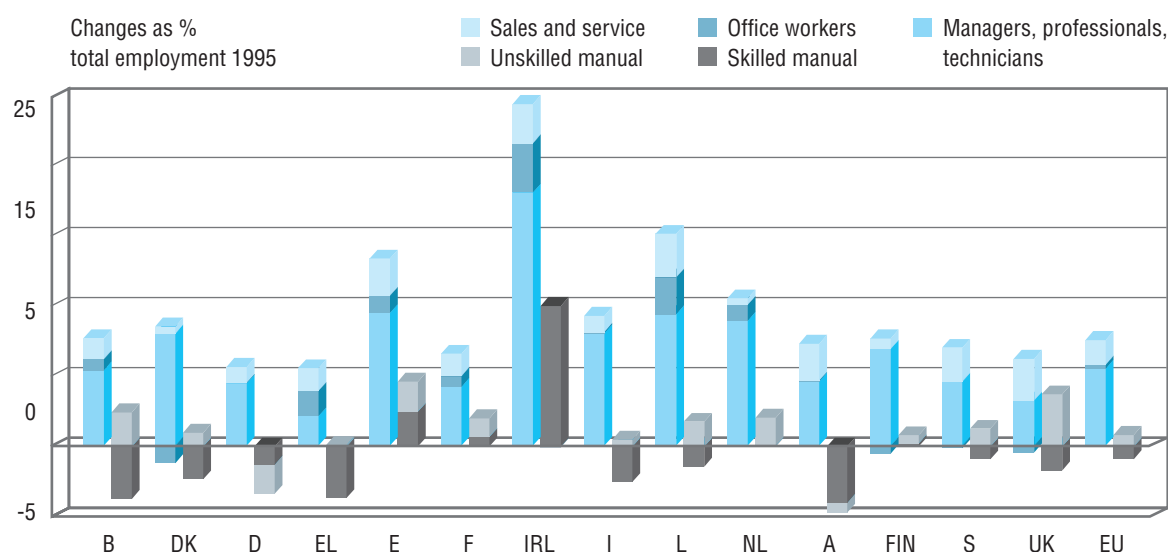
for example, 26 % in 1995 to almost 32 % in 2001 (Figure 46). This is larger than the share of employment in industry or the basic services of distribution, hotels and restaurants, transport and personal services.

In Sweden, the advanced and communal service sectors were responsible for 45 % of employment and in Denmark and the Netherlands, for over 40 %. The respective figure was only around a quarter in Spain and Italy and around 20 % or below in Greece and Portugal. All Member States have experienced rapid growth in jobs in these sectors over recent years, irrespective of their share of employment, and together they accounted for almost 70 % of the net job growth in the EU between 1995 and 2001 (Figure 47).

This shift in the sectoral composition of employment towards more advanced activities has been accompanied by a parallel shift in the occupational structure of jobs within sectors.

There has been a long-term shift towards jobs requiring intellectual capacity and know-how away from those requiring physical strength, in all Member States. This is common to all sectors, including those in which the average educational attainment levels of the workforce are relatively low. Between 1995 and 2001, 80 % of the net additional jobs in the EU were for managers, professionals and technicians (Figure 48). This

Figure 48. Contribution of occupations to overall employment, 1995-2001



(No data for P)

continues a trend apparent since the 1980s. The largest expansion of managerial, professional and technician employment across the EU was in advanced services, from 53 % of the total to 57 %. By contrast, in education, there was little change in the relative number of high level jobs and in health, a reduction; in both cases, there was an increase in the number of service workers employed.

5.3.4. Educational attainment levels by occupation and sector

Most of those employed in the higher level jobs, as managers, professional or technicians, have either upper secondary or tertiary level educational attainment levels. This is less true of managers, than the other two groups, though this varies between sectors of activity. In 2001, some 23 % of managers in the EU had only basic schooling. In Greece, Spain and Portugal, the proportions were much higher at 40 %, 50 % and over 70 % respectively. In all other Member States, apart from Ireland (23 %) and Italy (28 %), it was around 20 % or less (under 10 % in Germany and 4 % in Austria) ⁽¹¹⁹⁾. Only 2 %

of professionals in the EU had no qualifications beyond basic schooling. Over 80 % of professionals in the EU had tertiary level education and only in Italy (71 %) and Austria (73 %), was the proportion less than 75 %. In the case of technicians, only 12 % in the EU in 2001 had no qualification beyond compulsory schooling. For clerks and office workers, educational attainment levels were, on average, lower. However, only 24 % of those in such jobs had no qualifications beyond basic schooling and in Greece and Austria, only around 10 %. For the other occupational groups, significantly more people had no qualifications beyond basic schooling and many fewer had tertiary education. In the case of sales staff and service workers, over 40 % had only basic schooling at EU level with a figure of almost 85 % in Portugal, though only just over 20 % in Germany and Sweden. Some 45 % of craft and related trades workers in the EU had only basic schooling, this time over 95 % in Portugal, but under 20 % in Denmark, Germany and Austria. Around 55 % of plant and machine operators at EU level had only basic schooling.

⁽¹¹⁹⁾ It should be noted that there is some variation between Member States in the division of employment by occupation, especially in the case of managers, which arises from national differences in classification, or in the interpretation of the system of classification, rather than from actual differences in the structure of jobs as such. Such differences may underlie the variation in education levels of those performing particular jobs.

Table 38. Employment in broad sectors of activity by educational attainment, 2001

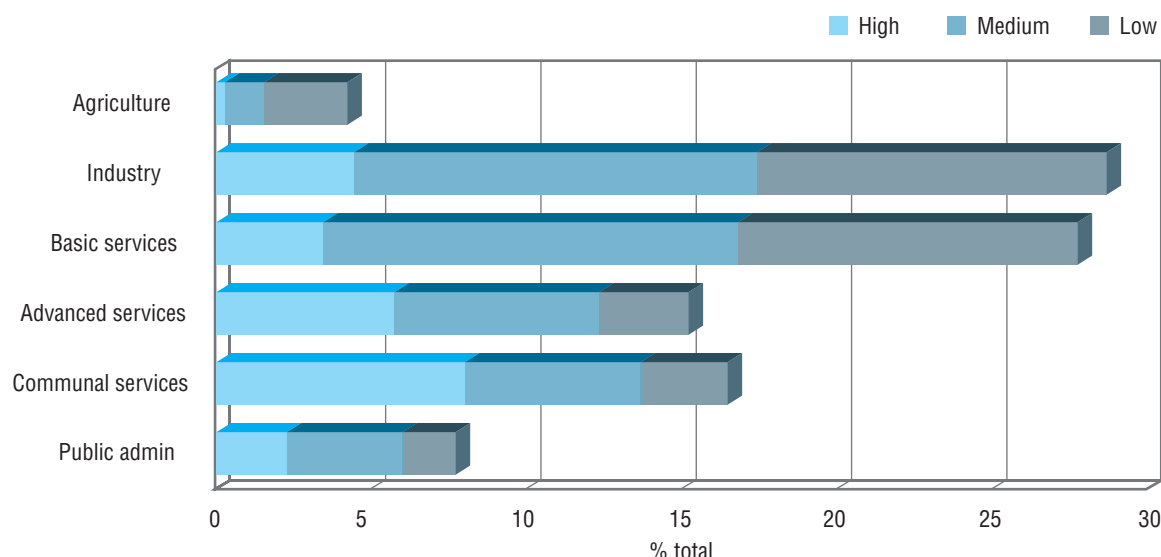
	% total employed in each sector															
	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EU
Agriculture																
Basic school	54.5	38.3	25.0	87.4	86.0	42.7		81.4	44.4	49.1	43.6	98.4	36.6	38.0	50.8	64.3
Upper secondary	36.0	55.1	56.5	11.5	9.0	50.2		16.4	54.1	46.4	50.0	0.9	50.9	53.8	36.4	29.1
Tertiary	9.5	6.6	18.5	1.1	5.0	7.0		2.2	1.5	4.5	6.4	0.6	12.5	8.2	12.8	6.6
Engineering																
Basic school	31.9	23.7	15.7	32.6	46.1	24.7		46.6	25.5	30.1	15.0	77.5	17.2	17.9	27.1	27.6
Upper secondary	40.8	57.2	58.0	51.7	19.5	50.6		46.5	54.3	50.1	69.7	17.4	49.2	65.0	44.3	49.0
Tertiary	27.3	19.1	26.3	15.7	34.4	24.6		6.9	20.2	19.9	15.3	5.2	33.6	17.1	28.6	23.4
Other industry																
Basic school	39.4	29.1	21.4	52.5	64.5	35.8		62.2	39.7	42.7	23.4	88.9	28.3	29.3	36.7	42.5
Upper secondary	38.9	56.3	62.0	37.9	17.8	49.2		33.7	49.5	44.9	65.8	7.9	49.7	60.4	42.1	43.4
Tertiary	21.7	14.7	16.5	9.5	17.7	15.0		4.1	10.8	12.4	10.7	3.2	22.0	10.3	21.2	14.0
Construction																
Basic school	50.8	22.4	17.9	69.3	75.3	38.5		71.7	69.1	44.0	23.1	92.4	34.1	26.7	28.4	45.2
Upper secondary	40.6	68.7	63.1	25.4	12.9	54.5		24.2	27.3	49.4	68.5	4.7	49.5	69.6	57.3	43.6
Tertiary	8.6	8.9	19.0	5.3	11.8	7.1		4.1	3.6	6.6	8.4	3.0	16.3	3.8	14.3	11.2
Transport																
Basic school	35.6	35.9	22.5	41.8	63.2	36.6		60.6	50.5	45.2	23.2	85.6	28.7	29.0	39.7	43.0
Upper secondary	50.3	57.6	64.5	49.9	21.9	52.3		35.4	44.9	49.6	70.2	12.1	55.5	61.5	48.7	46.8
Tertiary	14.1	6.4	13.0	8.3	14.8	11.1		4.0	4.5	5.2	6.5	2.2	15.8	9.5	11.7	10.3
Other basic services																
Basic school	36.1	23.2	16.7	33.9	51.9	30.2		43.7	30.5	35.4	16.5	72.1	29.1	21.2	37.8	33.5
Upper secondary	43.7	60.4	68.5	51.7	23.7	49.2		49.4	55.6	49.6	72.8	21.2	42.6	67.3	43.7	49.9
Tertiary	20.2	16.4	14.8	14.5	24.4	20.6		6.9	14.0	15.0	10.7	6.7	28.3	11.5	18.5	16.6
Advanced services																
Basic school	15.5	14.4	12.7	9.2	30.2	21.6		18.1	17.0	19.4	13.2	45.6	18.5	14.2	20.8	19.1
Upper secondary	27.9	50.9	54.1	47.3	22.6	35.3		55.2	42.4	42.6	63.6	30.6	36.5	53.3	38.8	42.9
Tertiary	56.6	34.7	33.2	43.5	47.1	43.1		26.7	40.6	38.0	23.2	23.8	45.0	32.6	40.4	37.9
Education																
Basic school	8.0	11.8	6.8	3.6	9.7	12.5		13.4	7.9	7.1	5.7	32.8	6.7	7.6	17.7	12.1
Upper secondary	13.0	26.2	27.8	13.6	7.3	23.2		45.5	17.2	19.6	33.5	13.1	24.9	26.8	20.3	24.7
Tertiary	79.0	62.0	65.3	82.8	83.0	64.3		41.1	74.9	73.4	60.8	54.1	68.4	65.6	62.0	63.2
Health																
Basic school	18.3	14.1	14.8	16.8	20.3	24.3		25.3	28.6	17.8	14.5	56.1	13.3	10.3	26.3	21.2
Upper secondary	31.0	45.6	53.0	35.0	22.9	37.2		41.5	52.3	51.2	61.6	14.2	44.6	54.4	29.3	40.5
Tertiary	50.7	40.3	32.2	48.2	56.8	38.5		33.2	19.2	31.0	24.0	29.7	42.1	35.3	44.5	38.3
Public administration																
Basic school	29.8	9.8	9.5	14.8	29.0	28.5		30.9	33.5	17.3	11.2	61.0	12.7	10.2	20.2	22.3
Upper secondary	42.7	53.3	57.6	48.7	28.7	47.4		53.2	52.9	49.4	72.5	22.6	30.3	46.8	43.7	48.6
Tertiary	27.5	36.8	32.9	36.4	42.4	24.1		15.9	13.6	33.2	16.3	16.4	57.0	43.0	36.1	29.1

No data for IRL
Source; Eurostat, EU Labour Force Survey

The sectors in which employment has expanded, notably advanced and communal services, are also those in which the educational attainment levels of the workforce are relatively high (see Table 38).

Some 38 % of those employed in advanced services in the EU in 2001, therefore, had university level qualifications, while in communal services, the figure was as high as 49 % (Figure 49). Despite their relatively small size in

Figure 49. Employment by sector and educational attainment level in the EU, 2001



terms of employment, communal services employed around a third of all those in work with tertiary level education in the EU, advanced services, almost a quarter and public administration almost 10 %. Accordingly, around two-thirds of those with this tertiary level education worked in communal and advanced services and public administration, which between account for under 40 % of total employment. The relative concentration of employment of highly educated people in advanced and communal services, is true of all Member States, though to varying degrees.

5.3.5. Sectoral and occupational movements of labour

Movement between sectors of activity and occupations gives an insight into the ability of people to change the job they do in different parts of the EU and their willingness to do so. Although it is difficult to determine the scale of such movement takes place as technology, the pattern of demand and the structure of activity all change, it is evident that a certain amount is

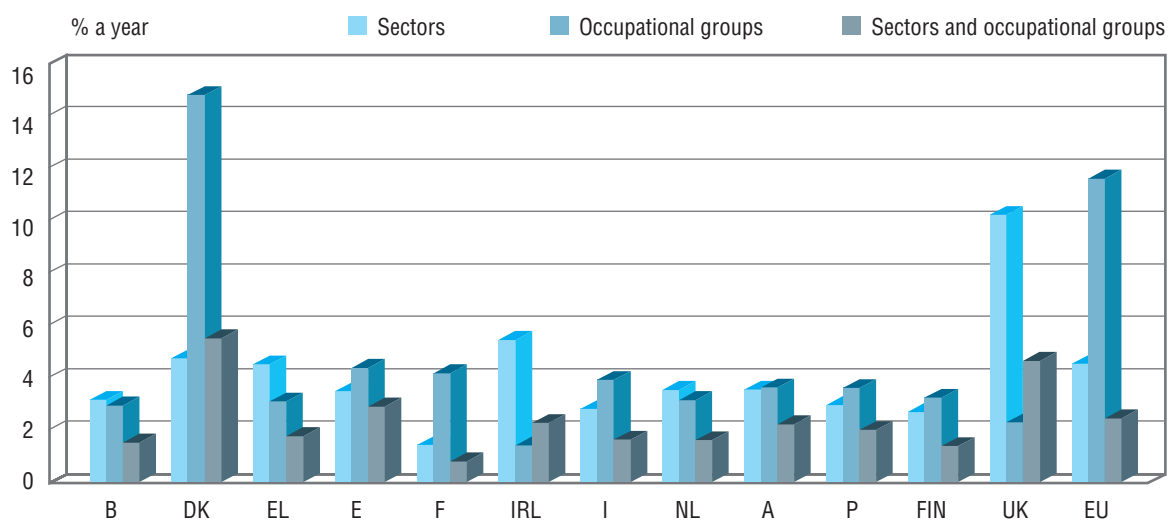
essential if bottlenecks are to be avoided and the pace of economic development continued. It is also evident that the need for continuing training may depend to some degree on the extent of labour movement between activities, insofar as new skills need to be taught, although the importance of updating existing skills and know-how remains if economic competitiveness is to be maintained.

Indications are that only around 65 to 7 % of those in employment change the sector of activity in which they work each year, about half of all those who change job ⁽¹²⁰⁾. The figure, varies both between Member States and, more substantially, between age groups, with young people being most likely to move between sectors. The proportion of those under 30 changing sectors between 1996 and 1998, averaged just under 15 % a year in the EU, compared to only around 4 % of those aged 30 and over moved ⁽¹²¹⁾. The proportion of those of 30 and over moving between sectors seems to be similar in a number of countries, ranging between 2.5 % and 3.5 % a year in 7 of the

⁽¹²⁰⁾ These figures are derived from the European Community household panel (ECHP), which monitors a sample of individuals who are questioned each year on their employment and other circumstances. They relate to the period 1996 to 1998, the latest years for which data are available. Sectors of activity are broadly defined in terms of NACE 1-digit sectors, of which there are 17 in total, but several sectors are combined because of their small size – specifically, agriculture and fishing; mining and gas, electricity and water, and communal and personal services, employment in private households and extra-territorial organisations – while manufacturing, one NACE sector, is disaggregated into 6 sub-sectors.

⁽¹²¹⁾ Data from the EU Labour force survey, which are likely to be slightly less reliable because they are based on asking people what they were doing one year previously rather than what they are doing at the time of the survey, tend to confirm these figures.

Figure 50. Movements of those employed aged 30 and over between sectors of activity and occupational groups, 1996 to 1998



(No data for D, L, S)

Member States for which data are available (Figure 50). Only Denmark (just under 5 %), Ireland (just over 5 %) and the UK (10 %) were above this figure.

Shifts between occupations are more difficult to interpret because, in a number of cases, the movement concerned may be from a less to a more senior position, which may be recorded as an occupational change. Shifts between broad occupational groups examined here are likely to conceal shifts within groups which could entail significant changes in job content ⁽¹²²⁾.

The data on occupational shifts show a similar pattern to those on sectoral movements. Overall, there was much the same scale of movement of those aged 30 and over between occupations (as defined here) over the 2 years 1996 to 1998 as between sectors, while movements in Denmark and the UK were markedly larger than in other Member States. Again, the movement in Greece and France was smaller than elsewhere, as it was in Finland, while it was relatively large in both Spain and Ireland.

The relative number changing both sectors and occupations is much smaller but provides

insight into the relative scale of movement between jobs. It confirms the relatively large scale of movement in the UK (some 4.5 % changing both sector and occupational group each year) and the relatively small one in France, Finland and, to a lesser extent, Greece.

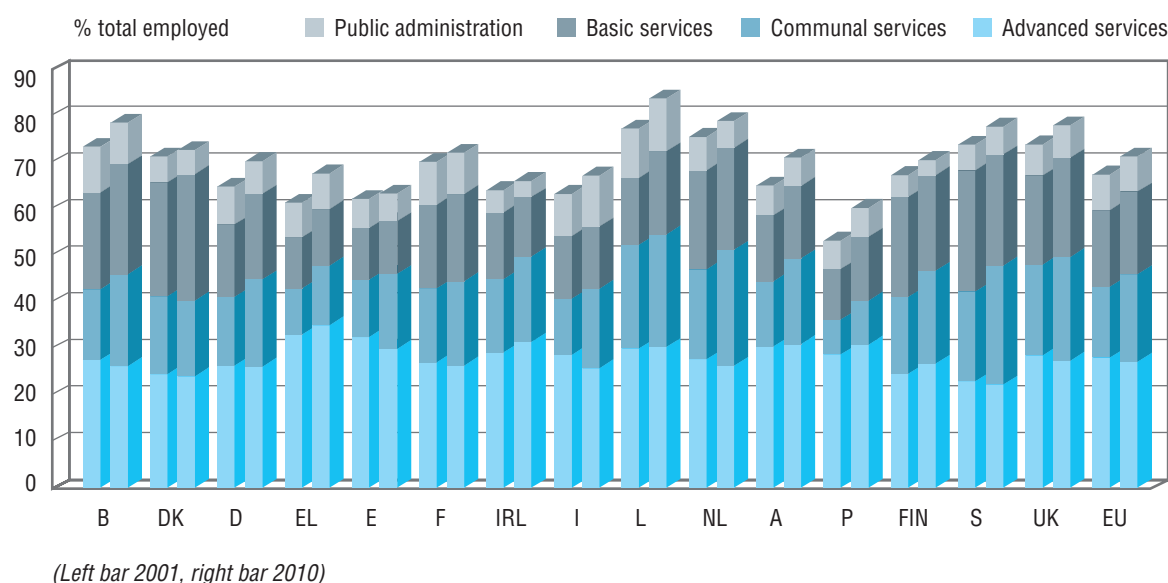
5.4. Employment patterns and levels of educational attainment in 2010

While rising overall levels of educational attainment are important, the skills acquired need to match those needed in the labour market. Experience demonstrates the hazards of forecasting the demand for specific skills very far into the future as they are vulnerable to changes in underlying economic circumstances and the pattern of technological advance. Nevertheless, while it is potentially damaging, to try to predict demand for more than a few years ahead too precisely, it is reasonable to anticipate a growing demand for particular skills.

Those being trained must have the capacity and know-how to adapt to changes in specific

⁽¹²²⁾ Occupations are divided according to the ISCO-88 system of classification at the 1-digit level, which means 9 broad groupings (armed forces are excluded).

Figure 51. Employment by broad sector of activity, 2001 and 2010



skill requirements. Skill shortages are by no means confined simply to knowledge-intensive activities or those relating to ICT but can extend right across the economy. Some have begun to emerge in a number of Member States, in less technologically advanced sections of the labour market, such as for craftsmen or operatives. In many Member States there also seems to be growing difficulty in filling low grade jobs which people are increasingly reluctant to do.

5.4.1. Projecting the pattern of employment in 2010

The changes in the sectoral structure of employment in recent years have been similar across the EU and relatively consistent over time, with employment increasing in advanced and communal services, declining in agriculture and falling or expanding relatively slowly in industry and basic services. There has been an equally uniform and consistent shift in the occupational structure of employment from manual to non-manual jobs and those requiring more intellectual input and higher levels of education and training. These changes have had a differential effect in Member States, in part because of different starting position in terms of the composition of economic activity.

Projecting the continuation of structural trends

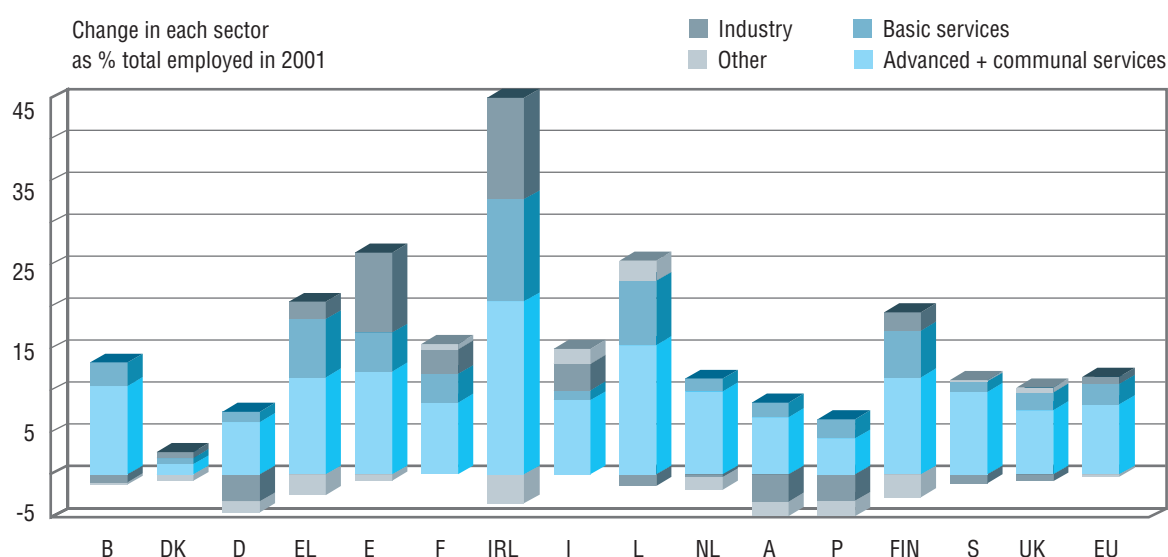
into the future gives an indication of the:

- possible scale of the shift of employment between sectors in different parts of the EU over the present decade, implications for jobs, or occupations;
- implications for broad skill requirements.

Although these trends may change in future years and the skill levels required not remain constant, such a projection provides a basis for assessing the prospective pattern of demand for labour. It also provides a basis for assessing the possible difficulties of achieving the employment rate objective benchmark of 70 %, beyond maintaining a favourable macroeconomic context and ensuring that participation increases where necessary to match the growth in labour demand (see Annex 1 for a description of the projection method).

Assuming the overall growth of employment is the same as that achieved over the six years 1995 to 2001 – though with a slightly different distribution of growth across the EU – the implication of past structural trends continuing is as follows. By 2010, some 71 % of the total number in work in the EU would be employed in services, with under 3 % employed in agriculture and the remainder, 26 %, in industry, with just 18 % in manufacturing. Within services, over half of the jobs would be in advanced and

Figure 52. Contribution of broad sectors to employment growth, 2001-2010



communal services, which together would account for 37 % of total employment in the economy (up from 32 % in 2001) over a third more than basic services (i.e. the other service sectors, excluding public administration).

Similar changes, if to differing extents, would occur in all Member States, with the number employed in services rising to 78 to 79 % of the total in work in Belgium, the Netherlands and the UK (and to 84 % in Luxembourg), to over 70 % in 6 of the remaining countries and to over 65 % in all but Spain and Portugal. At the same time, employment in advanced and communal services would account for around half of employment in Sweden and just under half in the Netherlands (Figure 51).

On recent trends these two broad sectors would be responsible for over 75 % of net additional jobs in the EU as a whole over the present decade, including all of them in Germany, the Netherlands, Austria, and Portugal (where assumed job growth is relatively low) and for over 90 % in Belgium and Sweden (Figure 52). In Greece and Italy, where these

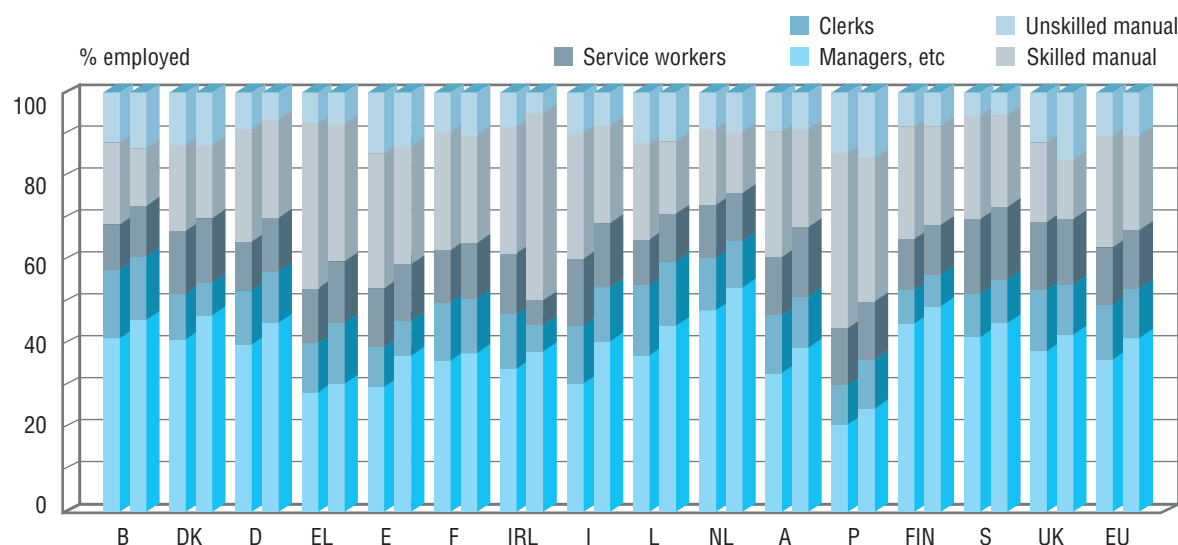
sectors are relatively small in terms of employment size, they would still account for around 55-60 % of overall net job creation. Only in Spain and Ireland would they account for less than half of net job creation ⁽¹²³⁾.

A projection of current occupational shifts indicates that some 80 % of net additional jobs will be for managers, professionals and technicians, if present trends continue, while the number of manual workers in employment is set to decline slightly, especially among skilled operatives.

In consequence, in 2010, some 42 % of jobs in the EU will be for managers, professionals and technicians as against 36 % in 2001, while 33 % will be for manual workers as compared with 37 % in 2001, with the decline being concentrated among skilled workers such as craftsmen and machines operatives. The share of elementary jobs outside the agricultural sector is projected to remain broadly unchanged over this period. The relative number of sales and services jobs may also increase, but only marginally at EU level, with

⁽¹²³⁾ It should be emphasised that the figures quoted here relate to the net additional jobs which are projected to be created and should not be confused with the 'gross' new jobs which will be generated over the period. Such jobs include those vacated by people leaving the labour market to retire or for a temporary period. Given that 2 to 3 % of those in work tend to retire each year, then the gross additional jobs available from this source will exceed those from 'net' employment growth, which averaged just under 1.5 % a year between 1995 and 2001.

Figure 53. Broad occupational composition of employment, 2001 and 2010



(Left bar 2001, right bar 2010)

jobs for clerks and office workers declining.

These occupational shifts are likely to occur in all Member States, though to differing extents. The growth in the share of managerial, professional and technician jobs is projected to be particularly marked in Spain and Italy on recent trends, the share increasing by 7 percentage points in the former and 10 percentage points in the latter, while the increase is also projected to be above average (over 5 percentage points) in Denmark, Germany, Luxembourg the Netherlands, and Austria (Figure 53).

Such a pattern of sectoral employment growth, combined with continuing occupational shifts within sectors towards higher-level jobs, has clear implications for broad skill requirements. In essence, the demand for people with tertiary level education, in particular, is set to increase significantly while demand for those with no qualifications beyond compulsory schooling is set to decline or, at best, increase very little. Demand for those with upper secondary education is projected to rise slightly less rapidly than the overall increase in employment. In consequence, the net additional jobs created over the present decade will predominantly be for people with at least some qualifications beyond basic schooling.

Almost half of the net additional jobs are, projected to be for people with tertiary education and just under 40 % for those with upper secondary education, leaving under 15 % to be filled by those with only basic schooling (Figure 54). This pattern is repeated across the EU. In all Member States, the great majority of the net additional jobs created will be for those with at least upper secondary education if recent trends continue and, in most countries, more than half will be for those with a university degree or equivalent. In Germany, Austria and Portugal, all of the growth in jobs is for those with upper secondary education or higher and jobs requiring only basic education are projected to decline. In Denmark, Italy and the Netherlands, they are projected to increase by every little.

Only in Spain, France and the UK will more than 20 % of the net increase be in jobs for those with no qualifications beyond basic schooling. In Spain, however, this is largely a consequence of the overall scale of employment growth, which is creating jobs for the low skilled as well as those with high education levels. This is a general feature of experience across industrialised countries: the higher the rate of growth, the greater the number of jobs created for the lower educated relative to those created for the well-educated. (It is also a feature of

Figure 54. Growth of employment by educational attainment, 2001-2010

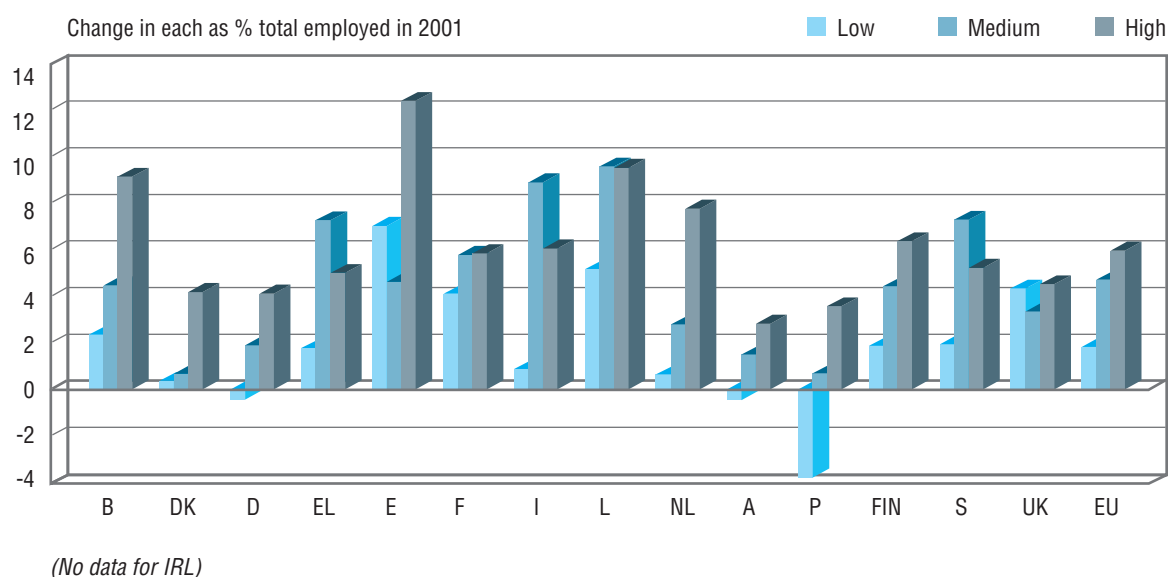


Table 39. Working-age population by educational attainment level, 2001 and 2010

	% population aged 15-64															
	B	DK	D	EL	E	F	I	IRL	L	NL	A	P	FIN	S	UK	EU
2001																
Basic schooling	29.0	21.3	16.6	41.6	52.7	29.0	46.6		34.6	30.0	19.0	77.3	22.2	18.1	29.1	32.4
Upper ssecondary	37.0	53.0	58.4	38.0	19.3	44.7	40.8		44.3	45.8	65.1	12.6	44.3	56.5	41.0	43.5
Tertiary	34.0	25.7	25.0	20.4	28.0	26.3	12.6		21.0	24.2	15.9	10.0	33.5	25.4	29.9	24.1
2010																
Basic schooling	27.0	20.6	15.3	38.0	48.2	28.6	41.0		32.0	27.6	17.8	73.2	21.3	17.5	29.8	30.4
Upper ssecondary	35.8	51.0	57.1	39.7	19.3	43.6	42.9		43.4	43.7	64.1	13.3	43.2	55.7	39.6	42.8
Tertiary	37.2	28.4	27.6	22.2	32.6	27.7	16.1		24.6	28.7	18.0	13.5	35.4	26.7	30.7	26.8

No data for IRL – Source: Eurostat, EU Labour Force Survey and authors' calculations

variations in growth over time, that job losses during a slowdown in growth tend, to be concentrated on lower skilled workers who gain disproportionately as growth picks up.) In Spain the growth of jobs requiring tertiary education is significantly larger than in other Member States.

It is important to bear in mind that a disproportionate number of those retiring from the workforce during this period will be those with low education attainment levels (i.e. those now in their mid-50s). Although the net demand for labour with low skill levels may not increase, there is still likely to be significant additional demand resulting from the need to replace

those retiring, assuming that the jobs they were doing still need to be performed.

In 2010, it is projected that some 30 % of the total jobs in the EU will be capable of being performed by those with only basic education (as compared with 32 % in 2001), given recent trends and the educational composition of occupations. Some 27 % of jobs in the EU will be for those with tertiary level education, as opposed to 24 % in 2001. The share of jobs for those with upper secondary level education is also projected to decline slightly, reflecting in part the fall in demand for skilled manual workers.

5.4.2. Projecting education levels of the potential labour force

This pattern of prospective growth in the demand for those with differing educational attainment levels needs to be considered in relation to the educational levels of the prospective workforce.

In the EU as a whole, around 43 % of the population aged 55 to 64 in 2001 had no qualifications beyond compulsory schooling and only around 20 % had tertiary level education. By contrast, among those aged 25 to 34, only 26 % had only basic schooling and 28 % had tertiary education. If apparent trends in participation in education continue the difference in education levels between those joining the labour market over the present decade and those leaving it will be substantial, so raising the overall education levels of the potential workforce.

The great majority of people of working age who will form the labour force in the years up to 2010 have already completed their initial education and vocational education and training. A large part of the educational composition of the working-age population in 2010 can thus be projected with some certainty. These projections can be combined with the latest demographic forecasts to estimate the number of people across the EU with differing levels of educational attainment (see Annex 1 for more details of the forecasting method).

The forecasts indicate that, by 2010, the potential labour force in Member States, or more precisely those aged 15 to 64 from whom the labour force will need to be drawn, will generally have significantly higher levels of education than at present. In the EU as a whole some 22 % of people in this age group will have tertiary level education by the end of the present decade, if present trends were to continue, as opposed to around 19 % in 2001. An additional 43 % or so will have upper secondary level qualifications as against 40 % in 2001. Accordingly, the relative number with only basic schooling would decline from some 41 % to 35 - 36 % over these 9 years.

This general pattern of increasing educational attainment levels is common throughout the EU. In all of Member States, the proportion with university degrees or the equivalent is set to

increase on recent trends and the proportion with only basic schooling to decline, though the extent of the change in both differs between them. The projected increase in those with tertiary level qualifications is above average in Belgium, Greece, Spain, France and Portugal.

This is mirrored by a large reduction in the relative numbers with only basic schooling in all these countries, especially in Greece, where it is projected to fall from 48 % to 37 % (i.e. to only just above the EU average). The number is also projected to decline by a relatively large amount in Italy – from 57 % to 48 % (still well above average) – where the main growth is projected to be in those with upper secondary education.

In most parts of the EU, the main increases in the proportion with tertiary education are likely to be among women who have shown the largest rise in the recent past. This has potential implications for effective – rather than potential – labour supply, insofar as participation rates among women with this level of education, though higher than for those with lower levels, are lower than for men with the same qualifications.

5.4.3. Labour supply and demand in 2010

Comparing the projections of labour demand with those of supply enables an indication to be made of prospective imbalances in labour markets across the EU over the present decade, at least in very broad terms, assuming past trends continue. Accordingly, they give an insight into the extent of possible difficulties which might be faced by employers seeking to fill jobs and the potential problems of increasing participation rates among those not at present economically active if employers are to be able to recruit the additional labour they need.

The first point which emerges is that so long as the net rate of job creation over the period 1995 to 2001 is sustained, and so long as certain countries in which employment is low at present improve their performance – Belgium, Greece and Italy, in particular – it is feasible for employment in the EU as a whole to reach the Lisbon target of 70 % by 2010. The second point is that employment across the EU as a whole needs to rise generally, irrespective of the educational attainment level of those concerned,

Table 40. Employment rates of those aged 25 to 64 by educational attainment level, 2001 and 2010

	% population aged 25-64 with each education level															
	B	DK	D	EL	E	F	I	IRL	L	NL	A	P	FIN	S	UK	EU
2001																
Basic schooling	48.3	61.9	52.3	55.0	53.6	56.7	49.4		58.2	59.8	52.4	73.3	58.3	68.8	65.6	56.0
Upper ssecondary	75.1	80.7	70.3	65.1	71.1	76.0	72.1		74.2	79.9	74.2	83.0	75.7	82.1	82.4	74.4
Tertiary	84.4	87.3	83.3	80.0	80.6	83.8	81.8		85.5	86.9	86.8	90.8	85.7	87.4	88.4	84.5
2010																
Basic schooling	60.5	69.4	55.8	73.2	69.2	72.8	61.2		65.6	67.9	60.5	79.9	78.2	83.1	76.0	68.3
Upper ssecondary	75.7	81.5	73.1	67.3	80.1	79.9	75.8		83.2	77.4	73.6	77.7	75.2	79.7	80.2	76.7
Tertiary	88.4	92.0	89.8	78.9	88.7	77.5	100.0		94.9	100.0	87.5	88.5	89.8	93.4	88.7	88.2
Change 2001 to 2010																
	<i>percentage point change</i>															
Basic schooling	12.1	7.4	3.5	18.2	15.6	16.2	11.8		7.4	8.1	8.1	6.6	19.9	14.3	10.4	12.3
Upper ssecondary	0.6	0.8	2.7	2.3	9.1	3.9	3.7		9.0	-2.6	-0.7	-5.3	-0.6	-2.4	-2.2	2.3
Tertiary	4.0	4.6	6.5	-1.1	8.1	-6.3	18.2		9.4	13.1	0.7	-2.3	4.1	5.9	0.3	3.7
No data for IRL																

but, perhaps somewhat unexpectedly, the rise needs to be particularly large for those with only basic schooling.

This reflects the low employment rates for this group at present. However, the relative decline in demand for those with low education, is surpassed by the larger relative decline in the number of those of working age with this level of education. Instead of only some 56 % of those aged 25 to 64 with only basic schooling being in employment, as in 2010, the forecast suggests that the employment rate of those with only basic schooling aged between 25 and 64 has to rise from its current rate of 56 % to some 68 % to achieve the overall employment rate target. At the same time, employment among those with upper secondary and tertiary education also needs to increase, by just over two percentage points in the case of the former and by almost four percentage points for the latter (Table 40). Although these increases in employment rates can be met in part by a reduction of unemployment, which is disproportionately concentrated on those with only basic schooling, most of the rise will need to come from those at present not economically active entering or re-entering the labour market. This is particularly so in the case of women, the employment of whom is especially low in respect of those with only basic schooling, as well as older workers in their 50s and 60s, for whom early retirement is disproportionately

concentrated on those with low education.

The need for a significant increase in the employment rates of those with only basic schooling applies to all Member States. The forecast suggests that the increase in educational attainment levels is keeping pace with the shift in economic activity towards sectors and occupations which demand high education levels. The main prospective problem of labour scarcity for all Member States lies with those with low education levels. It is these who most need to be mobilised if the overall employment rate target is to be achieved (in the case of Greece, this is set at 65 % in the projection as compared with 57 % in 2001).

A similar diagnosis applies to France, Austria and the UK. The same is true in Finland, where the required increase in the employment rate of those with only basic schooling is even higher than in Greece, reflecting the declining numbers who do not have at least upper secondary education in combination with the expansion of jobs requiring only low education levels associated with a high overall rate of employment growth.

The requirement to raise the employment rate among those with only basic schooling markedly also applies to Spain, where only a third of women aged 25 to 64 with low education are in work.

In Germany, Italy, Luxembourg and the Netherlands, however, the projected required

increase in employment – and participation – is more concentrated on those with tertiary education. This is particularly the case in Italy and the Netherlands where the growth in the proportion of young people obtaining tertiary level qualifications has been less pronounced than elsewhere and where the forecasts of job requirements imply that the demand for people with tertiary education will outstrip the supply unless there is an increase in the number completing university education or the equivalent. (This is the interpretation of the figures in Table 40 which show that the employment rate reaches 100 % in 2010 assuming recent trends continue).

The main problem seems to be the prospect of a large potential gap between the availability of jobs which do not demand high education levels and the people available to do them owing to the large number of people with only basic schooling set to retire from the labour market.

One means of closing this potential gap is, of course, for those with higher education levels to take up the jobs in question. This, however, is likely to mean low job satisfaction for those who have the capacity to perform more stimulating jobs, together with increased frustration at not being able to achieve their career aspirations or indeed the level of earnings which their education and initial training promised. It is also the case that the employment among the better educated is already much higher than those with only basic schooling. A widening of the gap through more highly qualified people taking low qualified jobs could have important implications for social cohesion.

Although these implications for employment rates are simply the rather mechanistic results of projecting current trends and do not necessarily indicate what will actually happen in practice over the period up to 2010, they, nevertheless throw light on the nature of the challenge facing Member States if employment growth in the EU is to be sustained. While part of this challenge is to raise participation rates, especially among those with low educational attainment, an equally important part is to ensure that those with a given level of education have the specific skills, or can learn the specific

skills, to perform the jobs for which demand is rising. This is a particular challenge for education and training systems, especially for continuing training systems, which, on the evidence available, seem to have lagged behind the growth of initial education and training and seem, in particular, not to cater effectively for the needs of those with low education levels.

From one perspective the forecasts are encouraging, though they indicate a potential scarcity of people with high education levels in a number of Member States. From another perspective, however, the challenge is daunting since the people that need to be reached have finished their formal education. They are more difficult to reach as continuing training systems across the EU are more diffuse and fragmented. The challenge is not only to raise the skills of those already in work. It is also to update the skills of women so as to improve their chances of employment when they enter, or re-enter, the labour market and help older workers update and diversify their skills and know-how so that they are better able to meet the requirements of the jobs on offer.

In short, the challenge is to make the commitment of Member States to provide access to lifelong learning for everyone a reality. As the forecast makes clear, this does not only mean ensuring that people, irrespective of their educational attainment, have at least a minimum level of ICT know-how, though this is likely to be increasingly important in the jobs that they do, even for those with low education levels. They must also be able to undertake the basic training required to take up the jobs which will be available if the EU's economic and employment strategy is successful.

5.5. Concluding remarks

Education attainment levels of people of working age have risen markedly across the EU over the long term. Steady progress is being made towards the Lisbon strategy bench mark of 85 % of 22 year olds having at least upper secondary education. High levels of education among young people in the future Member States will also contribute to the achievement of the target.

Levels of education have risen significantly among younger generations of women. There are also signs of convergence in education levels in the EU as the largest increases in the proportions of those with at least upper secondary education have been in the southern Member States. Both are welcome developments as more women need to be brought into the labour market, particularly if the Lisbon employment rate benchmark is to be met.

Progress towards the benchmark of an EU employment rate of 70 % by 2010 differs significantly among the Member States. Consequently, different rates of job growth are needed in future years to meet it. There is a common long-term shift across the EU in economic activity and employment towards advanced business and communal services. At the same time, jobs requiring a high level of intellectual ability and extensive education and training have risen in all sectors, coupled with a decline in manual jobs. Accordingly, the demand for people with high educational attainment has grown rapidly.

Projections of the educational attainment levels of the workforce in 2010 suggest, first, that as a result of past large scale investment

in education and initial vocational education and training, and the increased number of young people attaining upper secondary and tertiary qualifications, the growth in demand for workers with these qualifications could be met in most Member States with some rise in their rate of participation in the workforce. They also suggest that the most acute area of labour scarcity is likely to be at the other end of the scale, in jobs where educational requirements are relatively low. This is because, although in the economy the proportionally the number of jobs requiring low skills will fall, this will be outweighed by the even larger fall in the number of older workers who currently fill those jobs as they retire from the labour market.

Projections of recent trends in employment growth, the pattern of economic activity and the structure of jobs indicate, first, that the target of increasing the employment rate in the EU to 70 % by 2010 is likely to be met if the growth rate experienced over the period 1995 to 2010 is maintained and, secondly, that there will be a continuing marked shift towards jobs demanding high levels of educational attainment throughout the EU. These will account for most if not all net job creation over the present decade.

CHAPTER 6

Developing lifelong learning and improving vocational education and training

6.1. Introduction

All Member States are reforming their vocational education and training systems, some having begun in the early 1990s. This chapter examines how the main elements of European vocational education and training policy as outlined in Sections 1.4. to 1.5. and the social partners' framework of actions, discussed in Section 2.2.4., are being taken forward in the Member States.

This chapter begins by examining ways in which Member States are seeking to use more effectively the financial resources they invest in vocational education and training and the contribution of the European Social Fund (ESF). It looks at how financial incentives are being used to encourage the take-up of training by individuals and/or organisations. Time as a resource, and its role in encouraging participation in training, are also discussed.

The chapter then looks at measures being taken to raise the standards and improve the quality of vocational education and training. These include improving basic skills, assuring parity of esteem between general education and vocational education and training, developing systems of recognition and/or validation of non-formal training and experience and ways to make vocational education and training relevant to labour market needs.

The response of Member States to the challenges facing teachers and trainers with the development of ICT skills for the knowledge society is considered. This is followed by a discussion of how they are seeking to ensure the workforce acquires these skills more generally. The use of e-learning in the Member States is also considered.

Finally, the chapter looks at the scale of mobility in the EU and at mobility programmes in the Member States. It considers the use of mobility programmes as learning tools and the role they play in vocational education and training policy in the Member States.

The chapter's focus is on how the systems themselves are changing. Specific programmes for unemployed people and for specific sections of the labour market are discussed in Chapters 3 and 4.

6.2. Investing in lifelong learning

The importance of investing in people features in the European Commission's communication on lifelong learning, which encourages targets to be set for increased investment in human resources and in the European employment strategy, which similarly calls for more and better investment in human resource strategies (see Section 1.4.1.). It also features in the follow up to the objectives process under making better use of resources (see Section 1.4.2) and the social partners' framework of actions.

6.2.1. The financial implications of lifelong learning

Lifelong learning has to be affordable to be realised. Increasing access to learning opportunities argues for increases in and better uses of, investment. Complexities arise in considering who should fund an increase, given the diversity of learning and equity questions concerning access. The European Commission's communication on investing efficiently in education and training (see Section 1.4.1.), while encouraging public expenditure in

Table 41. Denmark: the taximeter system ⁽¹²⁴⁾

State funding for providers of initial training in Denmark is based on a lump-sum subsidy calculated through the taximeter system. There are different taximeters to cover certain costs; the 'education taximeter' covers direct educational expenses such as wages, whereas the 'institutional taximeter' covers administrative and maintenance expenses as well as a 'building taximeter' for capital costs. Providers have autonomy in how they spend their taximeter allocation and can retain any excess taximeters over actual costs. Taximeter rates should be revised periodically to reflect efficiency gains.

these areas to be maintained or increased, pointed to a deficit in private sector funding. In addition, the aims of lifelong learning, in terms of participation and achievements, are defined according to national context, presenting different challenges to each Member States.

While all Member States guarantee a minimum level of education, there are wide variations in adult learning. The Netherlands has defined a minimum level qualification to be attained by everyone, while the UK has defined achievement targets for different levels of qualifications. Lifelong learning also encompasses other reforms; and implementing a structure providing opportunities for all, challenges so many parameters that the resource implications are not clear.

Constraints on public expenditure have lead Member States to strive for a more efficient allocation of funds. The Netherlands and the UK link institutional funding for further education to outputs, in terms of the qualifications achieved by those completing their courses. The UK also experimented with 'training credits', allowing young people to 'purchase' their own training at the upper secondary level. In some Member States, changes in funding mechanisms and budgetary management have been made. This has resulted in a variety of arrangements involving different combinations of institutions such as, central government agencies,

regional/local governments, social partner organisations, or schools and training providers as in Denmark (Table 41). In Spain, funds for training employed people are managed by a tripartite agency (*Forcem*). In Sweden, training markets have been deregulated to allow public and private providers to compete for public funds while also allowing public providers to raise their own funding by participating in private markets.

Another approach is to target resources on particular groups or specific phases of the learning process. For example, links have been found between family income and participation of young people beyond compulsory schooling (children from lower income families tend to participate less in further education and training). In the UK, the education maintenance allowance is being piloted in a number of areas to encourage children from low-income families to continue their education and training. A number of regions in France have voucher schemes to assist a variety of target groups to participate in specific types of training. In the *Limousin* region, certain job seekers, employees in the tourist sector and with small and medium-sized enterprises can use vouchers for information technology or language training.

Other policies aim to mobilise additional resources for education and training to share the costs between beneficiaries. The political culture of individual Member States and their institutional arrangements, for example the role of social partners, affects the way funding responsibilities are shared. It is broadly recognised that employers should fund training for their employees from which they will directly benefit. The ways in which this funding is encouraged and secured varies widely from defining their contribution in statute, as in the levy scheme in France, to incentive and recognition schemes, such as the investors in people scheme in the UK. Elsewhere the use of training allowances and/or tax incentives have been used to stimulate investment in training. In 2001 a new training allowance was introduced in Finland for adults taking study leave. Aimed at those employed and self-employed who have been in work for at least 10 years, this measure

⁽²⁵³⁾ For more information, see Hansen, 1998; OECD, 2000.

supports self-motivated adult vocational education and training. The Netherlands also uses a training tax allowance and since 2001 this has been extended to cover training for basic qualifications and for learning Dutch as a second language. In Portugal, tax incentives are targeted at both employers (in the cooperative sector) and employees (through income tax deductions).

Changing skills needs has also led a number of enterprises to recognise the importance of more generic training and create financial incentives for their employees to participate (Table 42).

Table 42. Skandia competence insurance scheme

The rationale for the Skandia competence insurance scheme is to create financial possibilities for employees to gain new skills. The scheme is based on joint employer/employee funding whereby money can be set aside for the employee to participate in education and training during work time and receive their full salary. The scheme is optional for employees. There are set minimum and maximum amounts that an employee can contribute to the competence insurance fund, which Skandia matches. Skandia funds three times this amount for employees aged 45 or more, those that have worked for Skandia for more than 15 years and those with only lower secondary schooling. All contributions are exempt from income and wealth tax until the employee draws on the funds. The employee can choose within limits how to spend their insurance funds how they wish within limits. Skandia has the right to withdraw employer funds for training that it is unwilling to support. Furthermore, leave to take the training may be delayed for up to one year depending on its staff requirements. An employee leaving the company can withdraw their contributions.

A major challenge of lifelong learning is to provide adults with access to a variety of learning opportunities, not necessarily job-specific. Some Member States have introduced a variety of incentive schemes to assist individuals wishing to further their training including earmarking tax contributions to training, tax reductions on training expenditure, subsidies, and loans (Table 43).

Table 43. Financial incentive schemes

Adult learning in Denmark

(Hansen, 1998)

The public financing of adult continuing education and training is not provided through income taxation but through the 'labour market contribution'. All employed people in Denmark contribute 8 % of their gross income. Part of the contributions are allocated to an 'activation fund' which is used to finance state provided adult education and training.

Career development loans (CDL) in the UK

(Atkinson, 1999)

The CDL is a deferred repayment bank loan which assists adults to pay for education and training. There are ceilings on the loan available which will pay up to 80 % of course fees, materials and other related expenses. Income is taken into account when deciding how much can be loaned through the scheme. Interest costs on the loan are met by the government until one month after completion of the course (this can be deferred further for up to five months, if the borrower is not in employment).

Training accounts (*Bildungskontos*) in Austria

(West et al., 2000)

A number of provinces within Austria have established schemes to assist adults furthering their education and training. Similarly with all of the different provincial schemes, individuals wanting to participate in a course can secure a financial entitlement towards the cost of training. At the outset, the participant pays all the training costs, but subject to meeting certain criteria, the provincial government and/or social partner organisations enters into a contractual agreement with the individual to reimburse part of the costs.

More experimental schemes include establishing 'asset-building' approaches for funding training, such as through individual learning accounts (ILAs). The principle behind ILAs is to enable individuals to save for future training needs from existing income in the same way that they can save for other needs, such as pensions. A variety of funding sources and mechanisms (e.g. tax relief, public subsidies and employer contributions) can be combined within learning accounts. The UK is the only country in the EU, to date, that has implemented a national scheme, although proposals have also been

made in Sweden. Italy and the Netherlands have launched pilot schemes ⁽¹²⁵⁾. However, the UK scheme was suspended at the end of 2001 as it went over budget due to unexpectedly high demand and some allegations of fraud. Despite suspension, an evaluation report prepared in September 2001 (Department for Education and Skills, 2001) indicated some positive results including that 66 % of take-up was from women. The development of a new account model is being considered.

Member States are clearly aware of the financial resource issues in allocating funds to lifelong learning. Funding mechanisms are being examined and efforts made to refocus providers to create regulations and incentives to forge a partnership approach to funding. The social partners have highlighted the importance of financing vocational education and training since the late 1980s and some of the initiatives they have supported that lead to more effective resource use are discussed in Section 2.5.3.4. However, the way funding instruments are designed impacts on other lifelong learning objectives. For example, linking funding with output measures to reward quality, through linking funding to qualifications achieved, may affect equity and access as training providers might enrol those trainees most likely to meet the output criteria. Funding regimes cannot be seen in isolation from other institutional arrangements.

Similarly, schemes designed to mobilise additional resources can have unintended consequences. For example, regulations requiring enterprises to invest a certain percentage of their wages in training may lead to them becoming more preoccupied in recouping their contribution rather than investing it according to real needs. Incentive schemes targeted at the general population may lead to deadweight public expenditure, with those most motivated and able to fund their own learning opportunities receiving proportionately more of the funding available.

The financial obstacles to learning are complex. Policies tend to support the direct

costs, but it may be the indirect, such as living costs, or opportunity costs, like choosing training over work which are more important for many. Other obstacles may also be more important, such as lack of time (see below).

6.2.2. Role of the European Social Fund

The European Social Fund (ESF) is the main financial instrument for implementing the European employment strategy specifically and the Lisbon objectives and benchmarks more generally. It provides around EUR 60 billion for the 4 pillars of the employment strategy over the period 2000-06 (Table 44), estimated to be 8 % of total expenditure in the EU on active labour market policies.

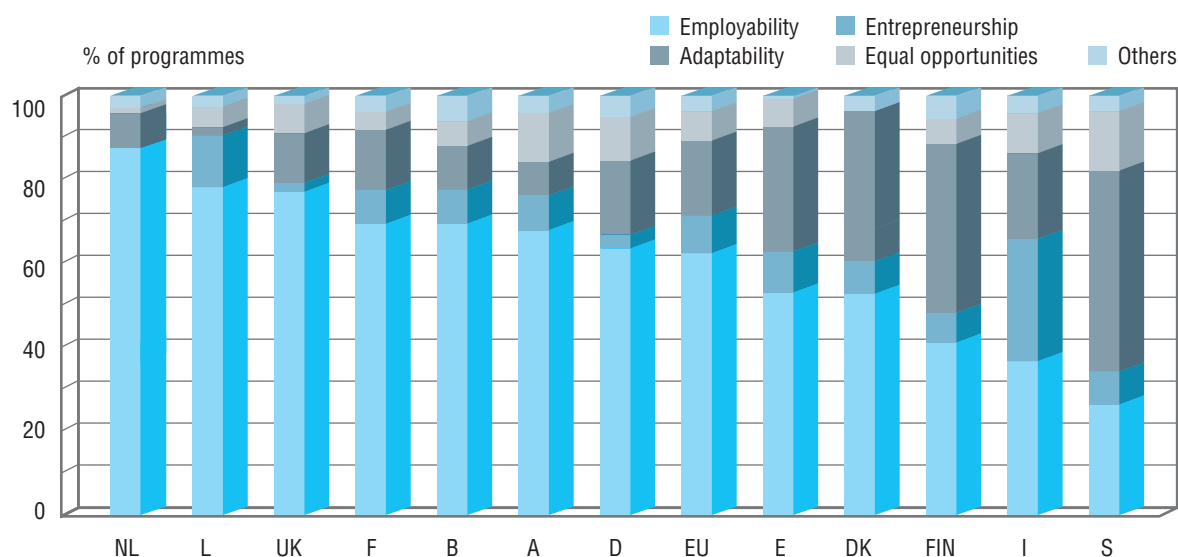
Table 44. Allocation of ESF support to the four pillars of the European employment strategy

- **Employability:** around 60 % (EUR 34 billion) of the ESF budget will be allocated to improving employability across the European Union. EUR 9 billion is earmarked for the fight against social exclusion.
- **Entrepreneurship:** the promotion of entrepreneurship will receive EUR 8 billion from ESF to provide the essential leverage for new business start-ups and job creation in the service sector.
- **Adaptability:** close to EUR 11 billion will be allocated to invest in the adaptability of the European labour force, with the main priorities being the development of continuous learning, ICT use, and small and medium-sized enterprise oriented activities.
- **Equal opportunities:** the mainstreaming of equal opportunities in the strategy does not allow for a precise total amount devoted to equal opportunities. The budget for specific actions, however, accounts for around EUR 4 billion.

Source: European Commission

⁽¹²⁵⁾ For more information on the Individual Learning Account scheme in Sweden and the UK, see the European Learning Account Project website at <http://www.e-lap.org> [cited 2.10.2003].

Figure 55. Allocation of ESF support to the four pillars of the European employment strategy by Member State 2000-06



(No data for P, IRL, EL)

There are wide variations between the Member States in their allocation to the different pillars ⁽¹²⁶⁾ (Figure 55). While Spain and Italy propose to spend significant amounts on adaptability, Nordic countries tend to focus most on this area. In Sweden, for example, around half of ESF funds go to this pillar. National ESF programmes emphasise supporting human resource development in and for small and medium-sized enterprises (SMEs) more than under previous programmes.

ICT features prominently, reflecting the objectives agreed at Lisbon. Many Members States' ESF programmes encourage the transfer of technology to SMEs, through employee training, support for ICT networks and closer cooperation between SMEs and ICT research and development centres. Developing multi-media training packages and a range of distance and open learning methods to promote the development of ICT skills in SMEs also feature in ESF initiatives. In the fight against social exclusion, new ESF supported programmes reflect the increasing concern to confront what has become known as the digital divide, the exclusion of certain groups from the

potential benefits of emerging ICT. Member States have also given a clear commitment to use the ESF to widen access to ICT.

Member States' programmes for using the ESF no longer focus on just providing training schemes for various sections of the workforce. They embrace a wider approach encompassing: development of a better framework for skills development; a more systematic approach to the validation and recognition of qualifications and skills, and efforts to raise the quality of education and training provision and its relevance of learning to the demands of the workplace. In the sense of supporting approaches to establish a learning culture, the ESF has changed from essentially a training programme to a policy-oriented instrument supporting a range of measures to invest in people. A medium-term review of Member States programmes is planned for 2003 and will provide an opportunity to assess in full how the implementation of the programmes matches with the actual plans. This will also need to take into account the new structure of the European employment strategy (see Section 1.4.1.). The ESF represents considerable resources

⁽¹²⁶⁾ Communication from the European Commission to the Council, the European Parliament and the Economic and Social Committee on the European Social Fund support for the European employment strategy. Luxembourg: Office of Official Publications of the European Communities, 2001. (COM(2001) 16 final).

committed at the European level to achieving the targets set out in the European employment strategy and some of those agreed in the report on the objectives for education and training systems. It can be argued that every vocational education and training programme for unemployed people in the EU is supported in some way by the ESF.

6.2.3. Access to lifelong learning: the issue of time

Resource issues are rarely about funding alone; time is always an important factor. This is particularly applicable in a context where absence for training can reduce output. For example, some enterprises in France will pay for training under agreed conditions whereby an employee participates outside of working hours. Time is also a complementary resource for ensuring access to learning opportunities. Educational or training leave schemes recognise the importance of providing time for individuals to participate in learning. Some schemes are combined with fiscal incentives to overcome the time and money obstacles. All Member States are interested in encouraging leave policies, either through statutory or voluntary arrangements, because of the perceived benefits to the productive potential and hence competitiveness and growth in the longer term.

Leave arrangements in EU Member States vary in terms of target groups, sectors, eligibility criteria, types of training covered, eligible providers and the regulatory and fiscal framework (some schemes provide payment to an individual taking leave, others do not). Most cover public and private sector employees although some schemes target different categories of employees. Luxembourg has a scheme for civil servants and Portugal operates different schemes for student workers and teachers. Some are open only to permanent employees, others are available to temporary workers as in Finland, fixed-term contractors in France and part-time workers in Spain. Member

States with paid educational leave schemes have a variety of funding arrangements. In France, a percentage of the training levy on companies is allocated to training leave. In Belgium, Denmark, the Netherlands and Austria, enterprises are supported for some of the costs of training leave if they replace the employee taking the leave with an unemployed person under job rotation schemes. Some examples of paid and unpaid leave schemes are given below (Table 45) ⁽¹²⁷⁾.

6.3. Raising standards of vocational education and training

Improving vocational education and training by finding ways to measure its quality is part of the Bruges-Copenhagen process discussed in Section 1.5. This is complemented by efforts in Member States to improve the process of learning, covering what is taught and when and how skills can be acquired. European vocational education and training policy emphasises teaching basic skills and the flexibility of systems to encourage parity of esteem between the general and vocational education streams. In addition, it encourages systems to recognise skills outside the formal education and training system, as well as emphasising the importance of ensuring that systems provide the skills and that competences acquired are relevant to the needs of the labour market.

6.3.1. Basic skills

The follow up to the objectives of education and training systems, discussed in Section 1.4.2., includes monitoring the development of basic skills. Agreement has been reached at European level that basic skills, in addition to literacy and numeracy, should include ICT skills, foreign language learning, entrepreneurship and social skills.

In the UK, the aim is for all young people to reach 16 years with a secure foundation for

⁽¹²⁷⁾ More information on leave schemes within each Member State can be found at: *Educational leave schemes throughout Europe: Cedefop online library dossier*. Available from Internet: <http://www2.trainingvillage.gr/etv/library/educationalleave/main.asp> [cited 2.10.2003].

lifelong learning and work. To achieve this, an attempt is being made to raise the literacy and numeracy skills of children of all ages, with specific targets being set and the success of policy in meeting these being monitored by regular assessment. The view is that increasing

standards will reduce truancy and the numbers of young people leaving the education and training system early, and efforts have also been made to improve the curricula of vocational education and training programmes to make qualifications more relevant and training routes

Table 45. Examples of paid and unpaid leave schemes

	Target group, type of training, duration and participation	Financing arrangements	Other forms of leave for educational purposes
Austria	Private sector employees who have worked for a company for at least three years. Available for all types of education and training. (three months to one year.) In 1999, 22 647 employees took paid leave.	Funded through unemployment insurance funds (50 % from employees and 50 % from employer contributions.)	Unpaid educational leave, continuing training allowance combined with job rotation, parental leave.
Belgium	All private sector employees. All types of education and training. (Maximum 180 hours per year.) In 1998-99, 18 580 people took paid leave.	Through a fund scheme which is part publicly funded and through employer contributions.	Unpaid educational leave combined with a job rotation policy.
France	Public and private sector employees including those on temporary or fixed-term contract available for general education and training. (Maximum three years.) In 1997, 6 227 civil servants, in 1998 5 492 with fixed-term contracts and in 1999, 1 302 temporary workers participated in paid leave.	Funded through the levy scheme.	
Germany	Private and public sector employees and workers (minimum six months in the job). Available for key subjects: e.g. languages. (5 days/year or 10 days/2 years. Rights can be transferred or merged.)	Funding from three parties involved employer pays salary, participants pay course costs and State gives subsidies to training providers.	Unpaid educational leave based on company agreements or specific collective agreements
Greece	Private and public sector employees and workers under special conditions. Further and postgraduate training, on-the-job training, examinations. (For public sector maximum five years in whole working life.)	Funded by European Social Fund with the State (60 %), remainder funded by the enterprise.	

more flexible. In addition, a target was set – and successfully achieved – of reducing the number of non-learners (including those who are not economically active) by 7 % by the end of 2002.

In the Netherlands, a national action plan for the provision of literacy teaching for Dutch nationals (not including immigrants, who are covered by other programmes) was launched at the end of 2001, focusing on an estimated 250 000 illiterate people. In addition, efforts were made to distinguish between children with different abilities and to offer practical training to those likely to leave school at 16. In Ireland, the national framework of qualifications has been established under the responsibility of the National Qualifications Authority. This has been coupled with a focus on the acquisition of basic skills such as literacy, numeracy and ICT, as well as problem-solving, managing information and learning to learn.

In Portugal, a wide-ranging list of objectives was announced in 2000 to be achieved by 2006. The focus is to provide young people below 21 with a minimum level of education including ICT, foreign language and social skills and entrepreneurship, and to develop observation systems to monitor the transition of young people with different levels of education and training into work. In Sweden, the hours of tuition in upper secondary schools were increased by 30 hours for all programmes and by a further 30 hours for vocational programmes from 2001, to ensure all students achieved 'knowledge' targets.

In Spain, there is a plan to introduce foreign language learning into school earlier, before the age of six, while in France, a plan has been announced for teaching foreign languages at primary school and for ensuring that students learn at least two foreign languages. Greater priority has also been attached to the fight against illiteracy. A national agency to combat illiteracy was created in 2000, the two main initiatives in 2001 involving national and regional evaluation of the problem in order to map training programmes more effectively and provide increased funds to tackle it.

In Austria, the curricula for lower secondary schools is being reformed, a major element being that a third of teaching may be regarded

as a complementary area where schools are free to decide on content. The intention is to increase the effectiveness of teaching and the motivation of students. Pre-apprenticeships have also been introduced to pave the way for more formal apprenticeship contracts and are being developed into a form of initial training to prepare young people for the transition to working life.

There has been a similar focus in Greece, though starting from a different point. The aim has been to improve the quality of vocational education and training and to ensure a better match with labour market requirements. The measures introduced include a new round of accreditation of vocational education and training centres (*KEKs*), with special emphasis on upgrading the tuition they offer and on evaluating the results as well as on their linkages with local labour markets. In addition, it is planned to establish a system for monitoring and evaluating performance.

The value of transnational work placements in helping young people acquire basic skills, notably social skills is discussed in Section 6.5. Other measures to support young people who leave the education and training system early are considered in Section 4.2.3.

6.3.2. Parity of esteem and permeability of pathways

A focal point of education and vocational training policy system has been attempts to raise the image of vocational training programmes compared with general education. This has been accompanied by efforts to expand the choices open to young people concerning the streams or pathways they can follow.

Efforts have been made to introduce more flexibility into education and vocational training system, so young people can switch more easily between general and vocational streams. This includes having any credits for studies already completed transferred, as well as being able to extend their studies and progress to more advanced levels. Education and training pathways have also been made simpler and more transparent. In some countries attempts are being made to remove the traditional distinction between initial and continuing training

and integrate the two areas. These include measures introduced in Denmark in 2001 to reform its vocational education and training system. The 90 traditional training trades were replaced with 7 'gateways' offering access to broadly-defined vocational fields, each with scope for specialisation. Further specialisation is also possible at a later stage, following completion of the actual training phase. In Germany, where a clear distinction was traditionally made between apprentice training and continuing training (with low levels of overall participation in the latter) recent years have seen a revision of training regulations for certain occupations, especially in information and communications technology and media, aimed at preparing for continued learning once initial training is completed.

The dividing line between general and vocational routes has, in any case, become blurred as elements from one stream are introduced into the other. In particular, more importance has been attached to core basic skills such as literacy and numeracy and, more recently, ICT know-how, in vocational education and training programmes. At the same time, more practical elements have been integrated into general education either through the teaching of skills more in tune with the needs of the labour market or through direct practical experience in the workplace. This, together with the closer involvement of businesses and the social partners in the design and implementation of vocational education and training programmes and increased access to career guidance services, has, in addition, helped smooth the transition of young people from education into work.

One of the most pronounced aspects of education and training policy in recent years has been the recognition of the importance of closer coordination between the education system and the needs of the labour market. This has resulted in schools, colleges, local businesses, social partners and employment services working more closely together in the design and implementation of programmes and the content of courses. It has also resulted in a policy focus on the local and regional level where the subjects taught and the specific content of

courses match better the skills required in the local labour market.

There has also been a noticeable shift in the types of programmes of study on offer. This has taken the form not only of an expansion of vocational education and training and apprenticeship-type schemes in many countries, but more generally of a shift in the nature of the traditional demarcation of programmes – or the streams or pathways followed – into general or vocational towards a more integrated approach under which each contains significant elements of the other. Within general education programmes, therefore, there is now greater opportunity for involvement in vocational subject areas, which includes, in many cases, workplace experience. At the same time, at a basic level, proficiency in ICT and knowledge of languages have become a more important part of the programmes of study concerned. In addition, there have been greater efforts in a number of Member States (Germany, Ireland, the Netherlands, Austria and the UK) to introduce entrepreneurship into teaching in schools.

Equally, subjects from the general education stream have been incorporated into initial vocational education and training programmes to give a more rounded education. This has been accompanied, by the introduction of a greater practical element of on-the-job-training and experience into vocationally-oriented programmes.

In Austria, a 'job-factory' was launched in September 1997 to support young people who would otherwise be marginalised in the labour market. The project fosters social integration of young people who have not completed compulsory schooling, and school leavers from special schools. In the Netherlands, ESF funds are being used to expand the system of block/day-release schemes (formerly the apprenticeships), while programmes combining training and employment were introduced into pre-vocational secondary education in mid-2001. Numerous production schools have been established in Denmark to promote social inclusion and equal opportunities for disadvantaged young people, facilitating their access to lifelong learning and the labour

market. Production school courses usually last 12 months, but students can leave at any point if they find a job or an apprenticeship. Denmark has 107 production schools in total, catering for 5 000 students.

In the Netherlands, changes were made to post-compulsory education were made making it easier for students to transfer from vocational education to higher professional education and introducing programmes combining training and employment at the pre-vocational secondary education level. In France, steps have been taken to safeguard the quality of vocational education and the vocational content of higher education by upgrading and creating new vocational diplomas.

An evaluation institute was established in Denmark in July 1999 to assess the quality of education and training and the standards in all parts of the from schools, colleges and universities to institutes for adult education and continuing training. There has also been a focus has been on improving post-initial education and training, and reforms have recently been made to adult and continuing training. As part of these, public authorities have been given overall responsibility for ensuring that everyone has access to relevant training. A primary objective is to increase the training opportunities available for low-skilled workers on the basis of their work experience. In 2002, the Better Education Programmes initiative was launched to strengthen educational standards at all levels, the initial focus being on curricula and flexibility in education and training programmes to meet current and future needs.

6.3.3. Non-formal learning

Learning away from the classroom, during leisure time, in the family or at work, is increasingly seen as important to the development of lifelong learning as emphasised in the European Commission's communication (see Section 1.4.1.) and the social partners' framework of actions (Section 2.2.4.). Non-formal learning is an indispensable but very often invisible part of modern societies, currently operating in the shadows of formal education and training but with the capacity to play a more active role in matters.

However, the identification and assessment of non-formal learning is a methodologically complex and challenging task. Several of the instruments developed so far face serious problems of validity and reliability. In addition, recognition of non-formal learning requires political legitimacy and acceptance. Methodologies and systems cannot work in isolation but require strong involvement of relevant political actors, not least employers and employees. These issues are also being explored at European level as part of the Bruges-Copenhagen process (see Section 1.5.).

Until recently, although there had been a change in attitude towards competences acquired outside the formal education and training institutions that define the perception of what is good and valuable learning, little tangible progress had been made in developing a practical solution to the problem. However, there have been signs in the past year that in a few Member States at least, this issue is now being given far greater priority.

In France, in particular, an extensive policy has been developed in this area. Under the Social Modernisation Law of January 2002, the Validation of Achievements from Experience (VAE) was established. It enables individuals (regardless of whether they are salaried workers or volunteers) to have their work experience validated (subject to a minimum of three years duration), by means of a diploma, vocationally-oriented certificate or qualification certificate, each defined by joint employment committees of particular sectors. All certifications will be recorded in a common database within the national vocational certification register (RNCP). In 2002, the VAE initiative was strengthened by the provision of objective information and counselling on appropriate certification. It was also incorporated into general employment policy, particularly as regards retraining, and a national VAE resource centre set up. In addition, an Europro certificate has been created, enabling students undertaking vocational workplace internships at companies based in other parts of Europe to have their experience validated.

In Germany, it has become possible for workers to acquire vocational qualifications

through external examination, where several years' experience in a given profession is needed in order to gain recognition. In 2000, there were around 3 000 young people participating in the scheme. A similar approach is followed in Austria where the number of 'extraordinary' apprenticeship exams increased slightly as a proportion of all apprenticeship exams in 2001 (from 14.5 % to 15.5 %).

In the Netherlands, a programme has recently been set up for reciprocal validation of skills acquired elsewhere (EVC). A temporary EVC centre was established in January 2001 with the task of implementing this policy, which, it has been suggested, could form the model for a European standard on the validation of skills. In Italy, similar proposals were announced in 2000 as part of the 'master plan' for reform of the education and training system. A commission was established of representatives of ministries of labour and education and the regional authorities responsible for vocational education and training, with the aim of setting up a national system of competences to certify the skills acquired. In Spain, a pilot study was carried out in 2002 on professional qualifications by work experience and their validation. Non-formal learning is also part of the professional training and skills system introduced in 2002. In Portugal, the plan is to create 84 centres of basic skill recognition and validation by 2006.

In Norway, the *Realkompetanse Project* ⁽¹²⁸⁾ 1999-2002 was established to develop a national system for the documentation of adults' non-formal and informal learning, with legitimacy in both the workplace and the education system. It gives adults the right to document their learning without having to undergo traditional forms of testing. Emphasis was placed on the validation of non-formal learning in upper secondary education. The benefits to individuals in respect of their working lives, organisational activities and the education system were central issues. Vox, the Norwegian institute for adult education, was responsible for the

implementation and development of the project. In upper secondary education, responsibility for assessment and documentation is organised by individual county councils. The documentation is based on national curricula. In higher education, work on the validation of non-formal learning for admission to universities and colleges, is organised by individual institutions. In the third sector (e.g. folk high schools, distance learning institutions), criteria are linked with the content of the courses and course set-up. In the workplace, employees are responsible for identifying and describing their own skills. Employers are responsible for assessing and confirming the skills of their employees. A total of EUR 8.7 million was granted to finance the project. This amount included funds for follow up and further development during the autumn of 2002. The project board concluded in October 2002 that there is a need for ongoing work in a number of areas. A working group has been established to oversee further development activities and to follow up the work done so far.

Other action being taken by, or jointly with, the social partners on the recognition of skills and competences is discussed in Section 2.5.3.2.

6.3.4. More responsive to labour market needs

One of the most pronounced aspects of education and training policy in recent years has been the recognition of the importance of closer coordination between the education system and the needs of the labour market. This has resulted in schools, colleges, local businesses, social partners and employment services working more closely together in the design and implementation of programmes and the content of courses. It has also resulted in a policy focus at the local and regional level where the subjects taught and the specific content of courses better match the skills required on the local labour market.

⁽¹²⁸⁾ *Realkompetanse project: 1999-2002: validation of non-formal and informal learning in Norway*. Oslo: Norwegian Institute for Adult Education Report for the Ministry of Education and Research, 2002. Available from Internet: <http://www.vox.no/archive/realIN.pdf> [cited 2.10.2003].

6.3.4.1. *Decentralisation of vocational education and training*

It is commonly recognised that for vocational education and training systems to meet the skill requirements of local and regional labour markets, decisions need to be made locally. In most parts of the EU, responsibility for much of vocational training has been devolved to the regional or local level. To ensure coherence of the system as a whole, a measure of central control has been retained over coordination, certification and monitoring.

In Germany, a number of measures have been initiated to modernise the education system and encourage a more vocational orientation at regional level. The 'School-business/world of work' programme, organised jointly by the federal government, the *Länder* and the social partners, aims to give all school children an indication of the vocations open to them. The 'Learning regions – promotion network' programme, introduced in 2000, directs the focus of the education system towards lifelong learning, by developing regional networks and encouraging innovative measures to integrate general and vocational education, and initial and continuing training and to increase participation at all levels.

In Italy, major reforms in 2000 made schools more autonomous, and gave more attention to adult training, under the direction of the regions. New integrated programmes of vocational training, together with apprenticeship schemes and the accreditation of skills, have been introduced with the joint agreement of central government, regions and local authorities, in consultation with the social partners. Regions have also been given responsibility, in consultation with the social partners, for how to finance the reorganisation of training agencies.

In the UK, the regional development agencies (RDAs) have been assigned the task of helping to identify priority skills needs, financing projects which address these and obtaining additional funding from other sources to do this. A framework for regional employment action plans has been established to provide an overview of the main regional market trends, local skills' base and areas of skill shortages. In addition, learning and skill councils (LSCs) have been set

up to coordinate funding, match learning provision to regional and local skill needs and to work with local businesses to forecast these and find ways of meeting them.

Greece is an exception. Here the trend is towards improving the management and regulation of the proliferation of agencies that provide vocational training, and for reducing the duplication of effort and resources this implies. The national agency for vocational training (OEEK) has been established, as a single regulatory body to design, coordinate and evaluate vocational training at all levels. It serves as a link between the local labour market and the skills developed through the training on offer. The agency will collect data on labour market trends and requirements, and provide a central information service on developments in the demand for skills and skill shortages at local, regional and national level.

6.3.4.2. *Skills forecasting in the Member States*

The trend in Member States in recent years has been to devote more effort to assessing the future need for particular skills and to put more emphasis on the development of basic skills. This has been combined with attempts to increase the vocational aspect of general education. There has also been a tendency to link the process of identifying skills needs more closely with the decisions on the kinds of vocational education and training provided. This, in practice, has generally been achieved by increasing the involvement of the social partners in both processes, as discussed in Section 2.5.

In Finland, the process of forecasting labour market requirements is particularly systematic. Employment and economic development centres have been established in part to forecast the demand for labour and skill needs and anticipate prospective shortages, based mainly on information from companies. The system comprises regional and national databanks and methods for analysing data. Regional forecasting and procurement boards make proposals on how vocational education and training in individual regions should be modified. The boards comprise representatives of the provincial state offices, educational

institutions, the municipalities, labour offices and the social partners, as well as the employment and economic development centres. At the same time, the national educational committees monitor and anticipate demand for different types of labour and identifying prospective shortages in particular sectors at the national level as well as the implications for training at the regional level. In Finland, universities and colleges have been given access to information on the destination of students after they graduate - on the jobs they go into or the further studies they pursue – to bring vocational education more in line with labour market requirements. In Spain in 2002, a professional training and skills system was set up to provide a framework for a modular and flexible index of professional training, linking supply with labour market needs.

In Ireland, the anticipation of labour market requirements is focused primarily on the skill needs in particular sectors of activity, which are examined sequentially by the Expert Group on Future Skills Needs, which includes representatives from universities, the enterprise development agencies, the social partners and relevant government departments. This group is responsible for investigating existing and emergent skills needs and developing measures to address them. In response to the group's reports, especially on prospective skill shortages in ICT and construction, FÁS has implemented a programme for training 35 000 unemployed in these areas by 2006. (By mid2001, some 20 000 had entered the programme.)

In Denmark, the adult apprenticeship scheme aims to prevent bottlenecks in the labour market by attracting more adults into vocational education and training in areas of skills shortage, including health and social services. In Sweden, a pilot project is underway in which employers receive a subsidy covering 55 % of wage costs if they take on people who are unemployed to fill jobs for which skills are in short supply. In addition, labour market training is focused on such areas.

In the UK, the creation of centres for vocational excellence (CoVEs) are intended to enable further education colleges to be better able to meet the skill needs of employers. The

target is to have CoVEs in half (around 150) of all further education colleges by 2004 (over 100 had been established by mid2003). Collaborative approaches to expanding the availability of labour with particular skills through encouraging clustering and the exchange of good practice are also being explored.

In Greece, the national employment observatory researches labour market developments and provides information for designing strategies for education and training and lifelong learning. It also monitors educational levels and participation in formal and non-formal education and training.

A number of other Member States have also sought to increase the information available about skills needs and labour shortages to encourage individuals and employers to respond. This has generally been undertaken through the public employment services. In Germany, the federal employment service has a new information system, on the Internet as well as in local labour offices. It provides details of job vacancies and training places; this can, accordingly, give an early warning of skill shortages as well as publicising the jobs on offer in different regions. In Portugal, a new 'self-service' information system has been set up for people using the public employment services to investigate available jobs and training places. The system is also on the Internet, so individuals can search for openings in work and on training programmes and employers for available manpower, and about those wishing to follow particular training courses. The system potentially provides information to identify skill shortages and growing labour requirements, which can be used to redirect vocational education and training effort and to modify the programmes on offer. In the Netherlands and Sweden, development of information systems for job matching on the Internet is also regarded as an important means of preventing skill shortages. In Sweden, an information system on job vacancies and education and training opportunities has been installed on the Internet as well as in labour offices.

6.4. ICT skills for the knowledge-based society and developing e-learning

European vocational education and training policy, and specifically the European Commission's e-learning action plan (see Section 1.4.3.) highlights the need for everyone to have access to ICT and to have the skills to use it. The more specific aims, discussed in turn below, are:

- (a) the necessary training required by teachers or trainers themselves to acquire sufficient know-how on the Internet and multimedia resources and e-learning methods in teaching and pass on this know-how to students;
- (b) providing access to the Internet and multimedia resources for all citizens and promoting measures for them to acquire or upgrade ICT skills;
- (c) supporting the development and wider use of e-learning for all.

The evidence below discusses the kinds of policy followed in Member States to increase teaching and acquisition of ICT skills and encourage a more extensive use of e-learning in the education and training.

6.4.1. ICT training for teachers and trainers

The problem of training more teachers and trainers is a perennial one. A number of European projects have examined this question, including the Training of Trainers Network (TTnet), which Cedefop established in 1998 to bring together key players from the Member States. Evidence suggests four main problems, a shortage of teachers and trainers; the quality of teaching and training; continuing professional development and opportunities for updating skills and knowledge; and the lack of training in the use of ICT and supporting new pedagogies for ICT-based learning.

While advances in ICT and its introduction into education and training have had a significant effect on the delivery of training, the extent to which ICT has been incorporated into teaching methods remains uncertain because of

a lack of hard data. This partly reflects that the development of ICT methods of teaching – or e-learning – is of very recent origin and that the pace of change in the technology has been particularly rapid, making it difficult to monitor what has happened. It also reflects the extremely diffuse and fragmented nature of the provision of training, particularly of those in employment.

Little information is available on the detail or quality of the ICT training provided. This is difficult to measure and the requirements are likely to evolve with technical advances. One approach to assessing ICT know-how is to ask teachers how confident and competent they feel when using such methods. A survey into teachers' and trainers' views on e-learning (Cedefop, 2002a) carried out in 2001, showed teachers and trainers are excited by the potential for changes in approach. However, at the same time, they are severely concerned about their own abilities. Over 60 % of those who responded believe it is important to have the ability to moderate and stimulate learners in a virtual workplace. At the same time, only 17 % felt they were well equipped, in terms of personal skills to do so. Only 11.3 % said they had had a formal training programme in e-learning. Almost 45 % said they learned through trial and error, without formal expertise. However, 41 % spent time on exploring new pedagogical approaches and managing e-learning projects in 2001 compared to 0 % in 2000. This is in line with a similar survey conducted in the UK in 2000, indicating that two-thirds felt comfortable when using ICT in their teaching. In the Netherlands, too, a survey found that while over 90 % of teachers claim to possess general ICT skills, few were employing them in the classroom. This prompted a switch of policy in the Netherlands from a focus on hardware to one on teaching methods using ICT and the exchange of best practices.

Attempts have been made in all Member States to ensure teachers have at least basic ICT skills. In Sweden, between 1999 and 2002 some 70 000 teachers – around half of the total – had participated in the national investment in schools (*ITIS*) programme, designed to train them to take advantage of new IT opportunities.

In Austria, an online training system (e-fit) has been set up on the Internet, with those successfully completing the course being able to acquire a special IT certificate. In Spain, the National Centre for Information and Educational Communication had, by mid-2002, trained 71 000 teachers in ICT. A programme was also introduced in 2000 to provide 50 hours of ICT training for some 3 500 instructors giving training courses to unemployed people. In France, a series of national seminars was held between January 2000 and June 2001 attended by 1 200 teacher trainers, and in 2002, there was a programme for training personnel on the development of ICT in higher education. In the UK, the new opportunity fund provides all serving teachers and school library staff with basic training in ICT. (By 2002, there had been 400 000 participants.).

In Denmark, ICT courses for teachers date back to the 1980s, though initially these were for those teaching ICT. Since 1995, ICT training has been provided for teachers in all subject areas and ICT certificates have been developed for Internet-based learning, aimed at encouraging group working among teachers in the same institution. Since 1999, teachers in primary and lower secondary education have been able to obtain certificates and, by April 2002, almost two-thirds (around 30 000) of all teachers had participated in IT courses. Most teachers in upper secondary education and vocational education and training have completed an IT course and obtained a relevant certificate. In Greece, the aim is for 100 000 teachers to have obtained the European computer driving licence (ECDL) qualification by 2006.

In other Member States, including Denmark, Germany, Greece, Austria, Portugal and Finland, efforts are also being made to integrate multimedia techniques into teaching in school as well as into training in companies. In Germany, the new media in education programme introduced in March 2000 promotes the development and broad-scale use of teaching and learning software in schools, vocational education and higher education. A similar programme operates in the university sector. Here as well as in the UK, support has been provided for the creation of Internet-based

curricula content (in the latter through the teacher online and curricula online programmes).

6.4.2. Acquiring skills in ICT

Evidence suggests that almost all Member States achieved the target of 100 % of schools connected to the Internet by the end of 2002. In some cases, as in Germany, this target was achieved a year early. In a similar vein, Member States have been aiming to improve the computer-pupil ratio in schools. The Barcelona European Council set a target of ensuring by the end 2003 a ratio of 15 pupils per on-line computer for educational purposes in EU schools, re-iterated in the e-Europe 2005 action plan.

In the UK, the aim is to connect schools, colleges, libraries and community centres to the national grid for learning. By the end of 2002, almost all libraries were connected to the Internet, compared with only 5 % in 1997. In the Netherlands, digital playgrounds have been set up in disadvantaged areas in large and medium-sized towns and cities, where local residents can learn to use a PC. In Ireland, the government is funding projects to provide public access to ICT through voluntary and community groups. In Finland, the learning sub-region pilot project was launched in eight areas to support local ICT development. In Denmark, ICT is a compulsory part of vocational education and training programmes.

The European computer driving licence (ECDL), a computer skills certification programme introduced on an EU-wide basis to certify a basic level of PC know-how, has been taken up in a number of Member States, such as Greece and Austria. In Finland, a simpler citizen's licence has also been introduced for those who find the ECDL too difficult. In Spain, the aim is to provide basic training, with ESF support, to 5 000 workers (40 % of them women) to obtain the ECDL. A million in work and 125 000 unemployed had participated in ICT training up to 2002. In addition, other initiatives are being carried out at regional level, such as in Aragon where there is an ICT training plan with certificates endorsed by major ICT companies. In Austria, competence centres are

being set up in schools for students and teachers alike to acquire ICT qualifications and associated industry certificates.

In France, a computing and Internet diploma has been established, which has recently been extended to cover middle schools and which will be extended to primary schools in 2003. A similar diploma is available for adult learners and an ICT proficiency certificate is being prepared for post-secondary education. In addition, the Ministry of Education has provided support since 1998 for the creation of educational CD-ROMs and websites. (Up to 2002, some 370 CD-ROMs had received the 'of recognised pedagogical interest' trademark.)

An overriding concern for the growth of the knowledge-based society is that access - both physically and in terms of ability to use it - to new technology and its benefits should, as far as possible, be available to all sections of society. Given the costs of computer equipment and Internet usage plus the extent of opportunities for learning ICT skills, the fear is that a digital divide will be created between those with full access and those who have difficulty in obtaining access for one reason or another.

Consequently, specific groups have been targeted in Member States, especially the unemployed, (stipulated in employment guideline six), with the aim both of ensuring that they have basic know-how and of giving them an opportunity to specialise in this area, so increasing the availability of ICT-trained labour. In Sweden, a labour market training programme (*Sw/7*) was introduced in 1997 with this specific aim in view. The programme ran until March 2000 and during this time involved over 11 000 participants, most of whom were unemployed. On completing the programme, around 75 % of participants had found work within 6 months. In the Netherlands, a digital vocational school pilot project is in place to retrain the unemployed with low education levels and provide them with ICT qualifications. In addition, ICT training is being introduced as part of general labour market programmes. In Spain, almost half the unemployed participating in training programmes (over 120 000 people) undertook an ICT courses in 2000. In addition,

ICT training courses of 50 hours are being given to instructors of the unemployed. In France, an Internet initiation module for the unemployed was introduced in 2000, with award of the navigating the Internet certificate on successful completion. Between September 2000 and December 2001 over 70 000 such certificates were awarded. In 2002, the aim has been to extend the programme further by offering the 28-hour course to some 10 000 participants in the 'fight against exclusion' programme.

In the UK, the wired up communities initiative will connect 14 000 households in disadvantaged areas to local community web sites. Seven pilot projects were set up and are due to be evaluated at the end of 2002. In addition, online centres have been established where anyone can access the Internet. In the Netherlands, a project directed at benefit claimants and ethnic minorities has recently been introduced to enable them to receive basic ICT training as part of labour market programmes provided for them. In Spain, a virtual teleservices centre for training women in ICT and teleworking has also been created.

6.4.3. Spread of e-learning

The development of e-learning is motivated not only by a desire to ensure everyone can use computers and the Internet, but also by its potential to bring far-reaching improvements in the process of education and training, enriching teaching methods by supplementing, rather than replacing, traditional classroom techniques. The interactive and virtual reality aspects of e-learning can make it easier to acquire new or update existing skills irrespective of location. This wider access increases the cost effectiveness of training delivery by greatly expanding the number of students who can be taught at the same time.

How far these possibilities have so far been realised remains uncertain. However, periodic surveys indicate that 'digital literacy' is rising fairly rapidly. Although school children and older students have increasing access to computers and the Internet, there is less clear evidence as regards the use of e-learning in vocational education and training.

The spread of ICT techniques in the delivery of vocational education and training across the EU is affected by a number of factors that imply that the speed of development and its form differ significantly from country to country. Accordingly, there is not one model of diffusion of e-learning but many, each rooted in the distinctive social, cultural and institutional features of each Member State. These features include not least the nature of the education and training system, which conditions how e-learning is incorporated into initial vocational education and training. In practice, it can take longer for e-learning techniques to be incorporated into vocational education and training in a country such as Germany or Austria, with highly structured systems, rather than in a country like the UK, where the system is much less structured.

The distinctive features of Member States also extend to the structure of vocational education and training beyond the initial stage, the extent of public relative to private sector influence, the division of providers between the two and, within the private sector, the size distribution of enterprises. The more fragmented the training infrastructure, the less the degree of coordination, either implicit or explicit, between suppliers and the greater the range of strategies followed in respect of the way vocational education and training is provided. The potential market for e-learning is also structured differently in different Member States, depending on the predominance of large enterprises relative to small ones in the national economy. Economies such as Greece or Italy, where small firms are much more important than in other parts of the EU, may have a less rapid take-up of new training methods than elsewhere.

The differences between EU countries also include language, which tends to affect the rates at which e-learning is taken up, if only because much of the content of new programmes has initially been in English. Countries with English as a native language (Ireland and the UK) or with the common use of English as second language (Denmark, the Netherlands, Finland and Sweden) are not only more able to access e-learning content but have been a more important target for suppliers.

The findings of a survey (Cedefop, 2002) conducted in 2001 (Table 46) throw some light on developments across the EU in the use of ICT methods to deliver training.

Table 46. The Cedefop survey on the state of e-learning in training

The survey was conducted online *via* the Internet, by means of a web-based questionnaire (hosted on the Cedefop European Training Village – ETV – website). It aimed to find out how teachers and trainers acquire new skills in the integration of technology into the profession. Key issues, included the:

- types of organisation involved in e-learning and their size;
- importance of e-learning in relation to classroom tuition;
- use of e-learning in different subject areas;
- amount spent by users on e-learning in relation to other forms of training over the last three years;
- amount of revenue earned by providers over the same period;
- whether they are providers or users of e-learning or both.

The survey was completed by over 800 organisations across Europe of different types and sizes – including universities and colleges, private training providers and large non-specialist companies and small firms – and with a reasonable representation in most Member States.

Respondents to the survey indicate that e-learning is now responsible for over 30 % Of the earnings of private and public sector training suppliers, compared to 18 % two years ago.

Although most organisations in the EU involved in training employ e-learning methods either to deliver training externally or in the training of their own employees a significant proportion – around 20 % on average – still do not. Those not using e-learning were disproportionately located in Belgium, Greece, France, Austria, and Portugal, implying a more limited spread of such methods in these Member States at least up to 2001. The great majority of all the different types of organisation involved in vocational education and training, whether as users or suppliers, make some use of e-learning. Over 90 % of specialist companies

were producing training tools or content, as were around 85 % of universities or colleges and private training companies and almost 80 % of public sector vocational education and training organisations and sector training bodies.

The majority of organisations involved in e-learning in the EU (some 60 % according to the survey) are both suppliers and users of e-learning and this seems to be common to all Member States – only in Belgium were a minority of suppliers responding to the survey not also users. Large organisations involved in training are more likely to supply or use e-learning than smaller ones. They are also more likely to be both users and suppliers, though, at the same time, the small organisations which are involved in e-learning tend to rely on it more than larger organisations and make less use of classroom tuition.

On average, around 30 % of the time spent by users on training in the EU involved e-learning, though this varied from around half in Sweden and 40 % in Greece and Italy to only around 20 % in Denmark, Germany and Portugal and 15 % in Belgium. These figures, however, reflect variations in the extent and nature of vocational education and training between Member States as well as the use of e-learning methods. In particular, the high level of continuing training in Denmark, for example, tends of itself to reduce the proportion of time spent using e-learning methods. E-learning and classroom-based methods of training are not necessarily alternatives to each other and may instead be complementary. Indeed, there are some signs that users of e-learning are combining this with traditional methods of teaching rather than to substitute for them.

The use made of e-learning for training varies between subject areas and tends to be highest in ICT (where, according to the survey, some 43 % of the time spent by those receiving training involved e-learning methods). Its use seems, nevertheless, to be significant in most areas where training is required, in processing and production and in sales and marketing, for example (in both of which, 24 % of the time spent by those being trained involved the use of e-learning), as well as in more obvious areas.

In almost all EU Member States the

proportion of total expenditure on training allocated to e-learning methods increased significantly in the two years 1999 to 2001, though much more in Finland, for example, than in Germany.

There have been a number of initiatives to promote the use of e-learning across Member States. In Sweden, the national schools for adults (SSV) and Distum (the agency for distance learning) have merged into the National Centre for Flexible Learning (CFL). In addition, from March 2002, ICT-based higher education courses have been incorporated into the Swedish Internet university to improve access and allow participants to combine work and study.

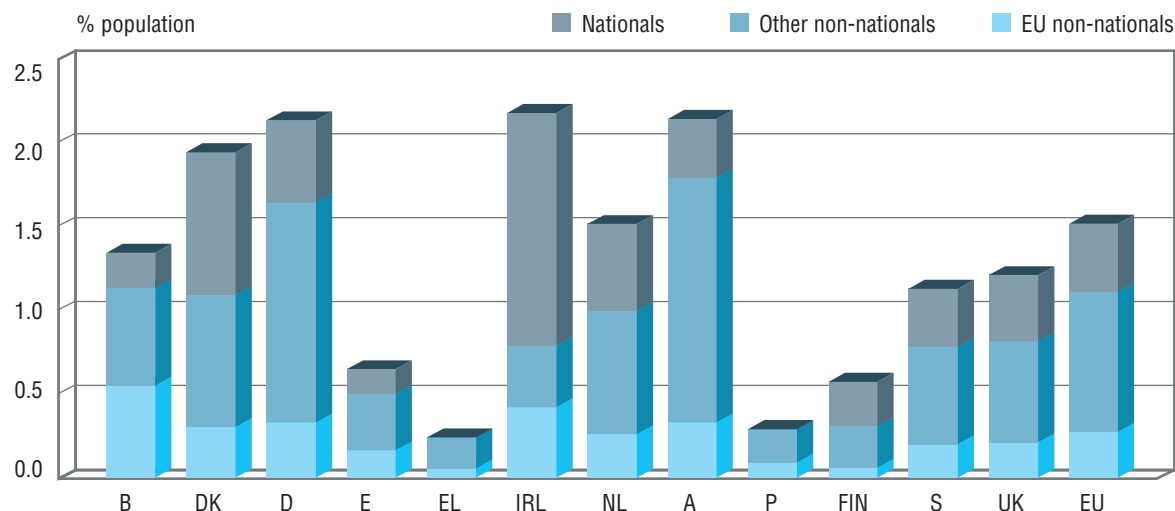
6.5. Mobility in the context of vocational education and training

As outlined in Section 1.4.4., promoting the free movement of workers and mobility are central to European vocational education and training policy. Initiatives in this area currently focus on improving transparency of qualifications, which is one of the issues being taken forward in the Bruges-Copenhagen process (see Section 1.5.) and mobility programmes. The following sections look at the scale of mobility in the EU and at mobility programmes in the Member States and their different aims, in particular the emerging use of transnational placements as a learning tool.

6.5.1. Scale of mobility in the EU

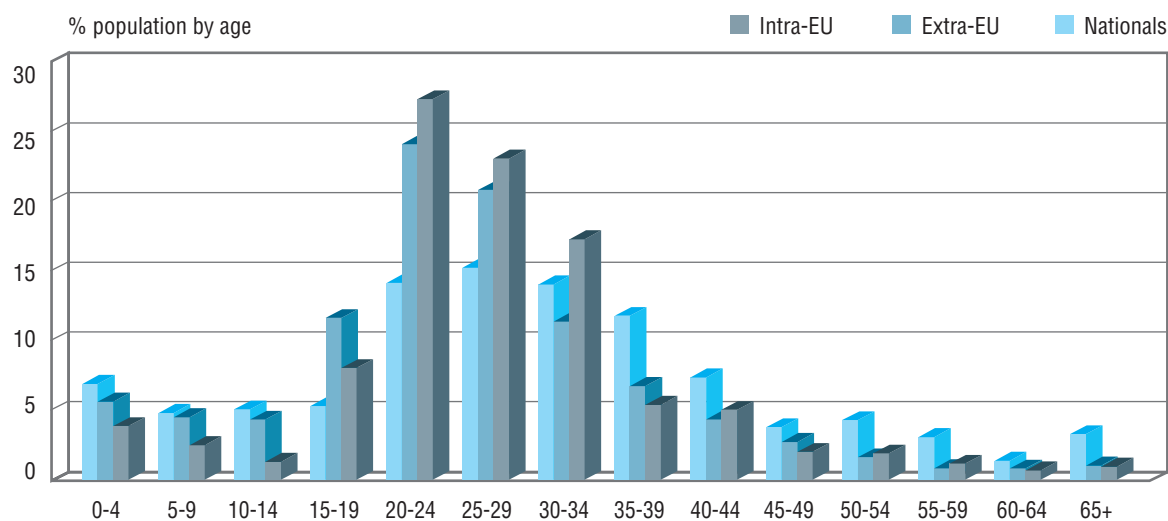
Geographical mobility effectively determines the dimensions of the labour market in different parts of the EU. The scale of labour movement in the EU, both across national borders and between regions in Member States, is relatively small. At the EU level (or at least in the 13 countries for which data are available – no data are available at all for France or, after 1996, for Italy), total immigration into EU Member States amounted to 1.5 % of the resident population in 1999. (The data for Italy for 1996 indicate inflows of under 0.5 % of the resident population.) This, of course, excludes illegal

Figure 56. Immigration into Member States, 1999



(No data for F, I – data too small for L – DK 1998)

Figure 57. Age distribution of immigration into Member States by broad citizenship, EU average, 1999



(No data for F, EL, D, E, I, IRL, P – EU incl. B, DK, L, NL, A, FIN, S, UK)

immigration, for which there are no official estimates and which add significantly to the scale of inflows in a number of countries.

Immigration into EU Member States over the second half of the 1990s, was slightly lower than in the first half of the decade when there were significant inflows from central and eastern Europe following the collapse of the former

regimes. In 1999, of the total immigrants, some 55 % comprised non-EU nationals moving into the EU, 27 % nationals returning home and only 18 % people moving from 1 EU Member State to another (Figure 56). Even on the extreme assumption that all returning nationals are also moving from one Member State to another, the rate of movement of population across national

borders amounted to under 0.7 % of the total number of people living in the EU in 1999. Moreover, there is no sign that this figure has risen over recent years. Indeed, most of the increase in the rate of immigration into Member States over the second half of the 1990s was accounted for by non-EU nationals moving in from outside rather than by any growth in internal movement.

The scale of migration from other EU Member States was relatively small in all countries, the main exception being Belgium, where people moving from other parts of the EU accounted for around 40 % of the total number of immigrants, adding just over 0.5 % to the resident population. Elsewhere, only in Ireland, reflecting the strong growth of the economy and the high rate of net job creation, did the extent of immigration from other EU countries come close to matching the figure for Belgium. In Greece, Portugal and Finland, the number involved was negligible.

Despite being small overall, migration flows are concentrated among those in their 20s and 30s. Half of EU nationals moving within the EU were aged 20 to 29 as were some 45 % of non-EU nationals moving into the EU and 30 % of nationals returning home. (Figure 57). Another 23 % of those moving between EU countries were aged 30 to 39, while 8 % were in their late teens, many of them moving in order to pursue their education and to receive training (the figures for non-EU nationals were 18 % and 12 %, respectively). Only 11 % of the people moving between EU Member States, therefore, were aged 40 or over. The degree of mobility also varies according to economic sector, an issue being addressed by the European-level sector social dialogue and discussed in Section 2.3.2.

6.5.1.1. *Mobility as a learning tool*

It is possible to identify two distinct perspectives on mobility and skills acquisition through mobility, first is the internationalisation of vocational education and training systems and the second is employability. Both have consequences for how activities are organised,

in particular for the selection of participants and the pedagogical practices used during the placement.

Work placements related to the internationalisation of vocational education and training, a characteristic defined as 'the conscious reaction of the education and training system to the challenges posed by globalisation' (Kristensen, 1998), are used for the acquisition of 'international' skills - foreign language proficiency and intercultural competence - deemed vital for the competitiveness of enterprises in a globalised economy. Recent research in Germany has shown that the need for those international skills is no longer restricted to the managerial level, but is spreading downwards towards the shop floor (Werner and Lenske, 2000). The internationalisation context often means that the focus is placed on the most able students or apprentices, either explicitly in the programme context or implicitly in the practices adopted. In Germany and Austria, stays abroad for individual students or apprentices in the vocational training system are thus often financed under a special programme set up to provide additional possibilities for the best (*die Begabtenförderung*).

Work placements concerning employability, defined by the European Commission as 'the degree of capacity an individual demonstrates to find a job, keep it, and update occupational competences' ⁽¹²⁹⁾, have different emphases for different target groups. Applied to the most able young people, improving employability means widening their career options. For disadvantaged target groups, it means enabling them to find and hold any kind of job. Under this latter meaning, some transnational placement programmes, initiatives and practices focus on young long-term unemployed people, or those with no or only basic qualifications who, often would never consider going abroad to work later, or for whom the possibilities of working in an internationalised environment later are unlikely. The stay abroad is used pedagogically as a learning environment to develop so-called personal or life skills, such as self-confidence,

⁽¹²⁹⁾ Glossary of lifelong learning terminology in 'Memorandum on Lifelong learning'.

adaptability, team-working skills, independence and the ability to assume responsibility. Success is measured directly by the employment rate shortly after their return. Examples of such programmes are the *Europäisches Jahr Im Ausland* by the Senate of Berlin, the *Stages pour jeunes en situation précaire* by the Franco-German Youth Office (OFAJ/DFJW), and Swedish/Italian/British Breaking Barriers project, all financed by the European Social Fund. The Swedish *Interpraktik* programme is an example of a nationally financed programme within the same line of thinking.

There is a clear trend in using transnational placement projects as an integral part of vocational education and training systems in Europe. This is part of an increased awareness of the importance of personal and international skills, and the merits of learning acquired in non-formal circumstances. Despite difficulties in obtaining robust and comparable data, a reasonable estimate for the EU Member States plus Iceland and Norway of those in transnational mobility in vocational education and training is around 250 000 participants per year. This is six to eight times bigger than Leonardo da Vinci activities, both in terms of participation rates and funding. This estimate excludes study visits (see Chapter 1), but includes mobility financed by individuals and companies and programmes not having mobility as a core activity. This ratio will probably increase because of trends at national level but, without effective indicators and monitoring systems, there is no reliable way of measuring this.

Although numbers are increasing, the use of placements abroad in the context of vocational training is still experimental. Participation in a mobility project is a realistic opportunity for only a minority. With a few notable exceptions, systems do not make provisions for accommodating transnational placements. They merely replace all or parts of existing placement periods with transnational placements more or less on an ad hoc basis. Activities remain isolated projects carried by dedicated individuals rather than integrated features of the system. Despite the quite significant amounts of money spent on transnational mobility in the context of

vocational training, and the general acceptance of the practice at national level, there is surprisingly little material available on qualitative aspects, in terms of evaluation, research and development. The level of pedagogical reflection concerning the learning opportunities inherent in transnational placements is generally low and there is only little pedagogical support available for project organisers. This lack of documentation and pedagogical development is probably the major obstacle to a more extended and concerted integration of transnational placement activities into European vocational education and training policies and practices.

6.5.1.2. *Mobility in national vocational training programmes and policies*

Chapter 1 looked at EU mobility programmes and those of some other international organisations operating in Europe. In most Member States mobility projects in national vocational training programmes and policies is limited. In the UK, the small bilateral 'training bridges' programme with a modest budget remains the only example of a national mobility programme in vocational training. In other Member States, there are various schemes and incentives for mobility, some of which combine with Leonardo da Vinci II by providing national co-financing. There are only a few examples of national level mobility programmes, exclusively directed at promoting transnational mobility in vocational education and training and are permanent features of national vocational education and training policies.

Since 1992, all young people in initial vocational training in Denmark have had the right (not just the opportunity) to take all or part of their mandatory work placements abroad with funding from the national PIU-programme (*Praktik i Udlandet - work placements abroad*). Around a thousand young people take this opportunity every year, undertaking work placements in most European countries lasting on average between eight and nine months. The annual budget for this activity is a little over EUR 2 000 000. In Sweden, a new programme gives similar opportunities to young people in initial vocational training. It is in a trial phase, and the budget for 2002 was EUR 450 000.

Young unemployed Swedes have also had the opportunity to go on a six-month placement anywhere in the world through *InterPraktik*, a national programme to improve their employability. Around a thousand participants go abroad every year, and the annual budget was EUR 520 000 in 1999.

Mobility is a strong national concern in Germany. However, structure and the division of responsibility for matters of education and training between the *Länder* and the national government in means that, instead of national mobility programmes, funds are channelled to large mobility organisations operating at national level. They finance activities of a variety of actors at local and regional level, such as vocational schools and training centres. The major ones are the *Carl Duisberg Gesellschaft*, the Franco-German Youth Office and the Franco-German Secretariat for Exchanges in vocational training. In Germany, several large companies organise their own, permanent intra-enterprise mobility programmes for apprentices, notably *Deutsche Bahn*, *BASF*, *BMW* and *Deutsche Telecom*.

The majority of programmes that fund or otherwise support mobility in vocational training also combine other elements. Many programmes have humanitarian purposes and promote intercultural understanding. The Franco-German Youth Office finances projects inside and outside of the education and vocational training sector. The total budget for the organisation was around EUR 20 million in 2000 from which it financed 7 000 cross-cultural 'encounters' involving 140 000 young people.

The medieval tradition of 'travelling journeymen' has been preserved in some countries, either in traditional guild-like organisations like the *Zünfte* in Germany, or in special organisations set up for the purpose (the *Naver*-movement in Scandinavia and the *Compagnonnage* in Belgium and France). Although the numbers involved are probably not very significant, it remains an interesting link to a long gone period in Europe where physical mobility was an important vehicle for the transfer of knowledge and technology.

Another example is the Anglo-Irish 'Wider horizons' programme to improve relations

between Catholics and Protestants in Northern Ireland and the Republic of Ireland. This is a transnational placement programme, where young unemployed people from the Republic of Ireland and young people from Northern Ireland go on placements abroad together. No budget figures are available but, since 1986, more than 11 000 young people have participated, with projects lasting on average between 4 to 5 weeks. The Nordic countries (Denmark, Finland, Iceland, Norway and Sweden,) have set up their own inter-Nordic mobility programmes, also within vocational training (*Nordplus Junior* and *NordPraktik*). In Greece, the *EPEAEK* programme aims to improve provision and delivery of secondary education and initial vocational training. It has two mobility strands (one for teachers and one for students). Between 1996 and 1999, 15 598 students took part in activities financed under this programme, 6 526 travelled inside Greece, and 9 072 went to other Member States. The total costs for the 4 years was slightly above EUR 13 million. In France, the *STEER* programme targets adults unemployed due to industrial restructuring. As a retraining initiative, placements abroad, typically two to eight weeks, are offered to those who wish to find employment in areas requiring international contact. The placements are organised by *ANPE* and cultivate specific vocational skills including networks, knowledge of foreign markets and linguistic competence.

The Dutch '*Oonbegrensd talent*' programme from 1997 stimulates the Dutch education and training sector to develop and extend their international contacts. A prominent activity is placement projects for students and apprentices in vocational training. The total annual budget for the programme is EUR 1.2 million.

6.6. Concluding remarks

The broad scale of the changes taking place in Member States' vocational education and training systems are fundamental. They encompass the resources being allocated to them and the whole learning process i.e. the what, when, where and how of learning. It is not simply the case of Member States introducing a

series of new programmes to address new needs, as was the case in the past to deal with unemployment, for example. Significant reforms are taking place which are slowly changing the practice of vocational education and training.

European vocational education and training policy, as agreed by the Member States, reflects the common elements of the reforms in each country. In doing so, it provides a set of principles and issues that support and provide direction for the reforms taking place. This is important, as Member States do not appear to have a blueprint for lifelong learning in their own countries. However, there is a common agreement at European level on some key elements that must be included in any system of lifelong learning. These include the teaching of basic skills, including social and ICT skills that prepare both for life in general and the world of work. This thinking is also influencing developments in the curricula of both general and vocational education and greater flexibility between the two. It also includes broadening the learning process to take into account non-formal learning, in particular learning at the work place, into the formal framework for qualifications, certificates and diplomas. In addition, broadening the learning process also provides ways of sharing and reducing the costs of learning.

Member States recognise the potential of ICT as a learning tool. Accordingly, efforts are being made to make sure that everyone has access both to the teaching and infrastructure

required, no matter what their background and where they happen to live. There is equally widespread recognition, if these efforts are to be effective, of the need to train teachers and trainers in the use of new technology so they are able both to train others and to employ it to improve their methods of tuition. Although the use of e-learning in the delivery of vocational education and training seems to be expanding rapidly, the limited evidence available suggests that the rate of growth varies between countries. In part this is because of language problems – that most material is so far in English – and because of differences in the nature and structure of vocational education and training systems.

The use of mobility as a learning tool in vocational education and training is also being recognised, particularly its value in helping people acquire the social skills which are of increasing importance in the labour market. In addition to the EU programmes, Member States operate other schemes usually as part of a bilateral exchange programme. However, the focus of these is more to improve understanding between different countries and less on the learning process and the acquisition of important social skills.

These changes are fundamental and it is to be welcomed that Member States are not only seeking to contemplate and introduce such reforms to their systems, but are also putting their policies under scrutiny in the follow up process to the Lisbon strategy.

Learning for employment: towards 2010

7.1. Introduction

The strategic goal agreed at the Lisbon European Council in March 2000, to make Europe the most dynamic knowledge-based economy in the world by 2010, brought together a series of policy agendas. It provided the impetus for the Member States, the European Commission, and social partners to establish a clear policy framework at European level for the social and economic development of the EU.

Education and training and lifelong learning are at the heart of the plan to achieve the strategic goal. A comprehensive European vocational education and training policy is in place with clear objectives, supported by measurable benchmarks and complemented by the social partners. Member States are undertaking far-reaching reforms to their vocational education and training systems. Significant progress is being made towards achieving the benchmarks and bringing about essential changes in the process – the what, when, where and how - of learning. Achieving the strategic goal is a real possibility for Europe, but it requires giving greater urgency to the reforms of education and training underway in Member States.

7.2. A clear and comprehensive policy

European vocational education and training policy as established by the Member States, European Commission and the social partners comprises developing and investing in lifelong learning to strengthen employment, following-up the objectives of education and training systems, promoting mobility and developing e-learning. Chapter 1 shows that the policy is comprehensive, covering the reform of both the

organisation and content of vocational education and training systems, as well as their interaction with the labour market. Not only is the policy in place, but, crucially, its development and implementation is supported by the Bruges-Copenhagen process on enhanced cooperation and the current education, training and youth programmes. It will also be supported by the next generation of programmes after 2006.

This is underpinned by the open method of coordination, an annual reporting procedure comprising indicators and clear benchmarks to monitor progress, exchanges of information and experience and a peer review of action in the Member States. It has encouraged determination to achieve the aims set and introduced 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.

European vocational education and training policy is strengthened and complemented by the contribution of the social partners in their European and national social dialogues, as shown in Chapter 2. The emergence of a more autonomous European social dialogue has seen the social partners develop a framework of actions for the lifelong development of competences that identifies four priorities:- the identification and anticipation of competences and qualifications needs; recognition and validation of competences and qualifications; information, support and guidance; and resources. The four priorities are covered by European vocational education and training policy, but outline an agenda specific to the social partners. The framework of actions also includes processes of coordination, monitoring and accountability, again specific to the social partners, but which also feed into the open method of coordination.

Changes in the structure of the European-level sectoral social dialogue have improved its effectiveness. European sector organisations are active in various ways to improve vocational education and training and develop lifelong learning. Furthermore, the work done in the European-level sectoral social dialogue on measuring and developing sectoral qualifications has been incorporated into the Bruges-Copenhagen process. The profile of vocational education and training is also rising in discussions in European works councils. In each national system the social partners play a significant role. Social dialogue and other social partner involvement in the Member States, such as in tripartite bodies, is extensive and apparent at all levels in vocational education and training policy and implementation: national, regional, sectoral and local (variously including enterprise, establishment and sub-regional geographical area).

The social partners are taking forward their agenda through different types of cooperation, including joint opinions, joint study and work projects, policy statements, preparation of practical training manuals, and joint participation in projects. Although they have different degrees of competence and roles in the development of vocational education and training policy, the different levels of the social dialogue in Europe are mutually reinforcing. The four priorities in the framework of actions agreed between the social partners at the European level are influencing the policy agenda at the national and sectoral level. It is also important to recognise that the four priorities are a reflection of the concerns and the issues upon which the social partners have been working on, in some cases, for many years, and with them lies the greater part of the responsibility for implementation.

These developments in European vocational education and training policy and its implementation, which have come about since the Lisbon European Council in March 2000 are significant achievements. They are a stark contrast with the first half of the 1990s and the aftermath of the debate on the division of responsibility for vocational education and training between the EU and the Member States. Although this debate was settled by the

Maastricht Treaty in 1992, which stated explicitly that responsibility for the content and organisation of systems lies with the Member States and ruled out harmonisation, the period after was characterised by a reluctance of Member States to agree common aims that might compromise the balance. Since Lisbon this has changed radically. The agreements on the objectives of education and training systems, common benchmarks and lifelong learning are far-reaching, touching areas of content and organisation which are the preserve of the Member States. A way of working has been found. Common objectives are agreed politically and monitored at European level, but responsibility for legal or other changes to bring about reform rests clearly with Member States.

7.3. Progress made

7.3.1. Achieving the benchmarks

Member States policies of encouraging young people to stay on in the education and training system have brought about a small rise in the number of young people remaining in education beyond compulsory schooling over recent years. A growing proportion seem to have continued their studies or training into their early 20s. Although a significant number of young people across the EU continue to drop out of the initial education and training system without the qualifications they need, Member States' policies are having some success and the Lisbon strategy benchmark of reducing to 10 % the proportion leaving the system early looks achievable.

Educational attainment levels of people of working age have also risen markedly across the EU over the long term. Steady progress is being made towards the Lisbon strategy benchmark of 85 % of 22 year olds having at least upper secondary education. High levels of education among young people in the future Member States will also contribute to achieving this target by 2010. Levels of education have risen significantly among younger generations of women and have facilitated their entry into the workforce and supported the growth in their employment over recent decades. The

indications are that they will continue to rise and so contribute towards achieving the benchmark of an employment rate of 60 % for women by 2010. There are also signs of convergence in education levels in the EU, as the largest increases in the proportions of those with at least upper secondary education have been in the southern Member States.

There is a common long-term shift across the EU in economic activity and employment towards services and, within these, towards more advanced business and communal service. At the same time, jobs requiring a high level of intellectual ability and extensive education and training have risen in all sectors, coupled with a decline in manual jobs. Accordingly, the demand for people with high educational attainment has grown rapidly.

Projections of the educational attainment levels of the workforce available to fill the jobs likely to be on offer in the present decade suggest that, as a result of past large-scale investment in education and initial vocational education and training, (and the increased number of young people attaining upper secondary and tertiary qualifications), the growth in demand for workers with these qualifications could be met in most Member States. This is an important factor if the overall employment rate benchmark of 70 % by 2010 is to be reached.

7.3.2. Reforming systems

The scale of the changes taking place in Member States' vocational education and training systems, as outlined in Chapter 6, are fundamental. They encompass the resources being allocated to them and the whole learning process; the what, when, where and how of learning. It is not simply the case of Member States introducing a series of new programmes to address new needs, as was the case in the past to deal with unemployment, for example. Significant reforms are taking place which are slowly changing the practice of vocational education and training.

European vocational education and training policy as agreed by the Member States, reflects the common elements of the reforms in each country. In doing so it provides a set of principles and issues that support and provide direction for

the reforms taking place. Although there is no fixed blueprint for lifelong learning in the Member States, there is a common agreement at European level on some key elements that must be included in any system of lifelong learning. These include teaching basic skills, including social and ICT skills that prepare both for life in general and the world of work. This thinking is also influencing curricula developments in general and vocational education and greater flexibility between the two. It also includes broadening the learning process to take into account non-formal learning, in particular learning at the work place, into the formal framework for qualifications, certificates and diplomas.

Member States recognise the potential of ICT as a learning tool. Accordingly, efforts are being made to ensure everyone has access both to the teaching and infrastructure required no matter what their background and where they happen to live. There is equally widespread recognition, if these efforts are to be effective, of the need to train teachers and trainers in the use of new technology so they are able both to train others and to employ such technology to improve their methods of tuition.

The financing of vocational education and training is also an issue receiving close attention in Member States. Policies being pursued include financial support, tax incentives, levies, savings accounts and awareness-raising to encourage enterprises and individuals to invest in vocational education and training and to seek and take up opportunities that arise.

The use of mobility as a learning tool in vocational education and training is also being recognised, particularly its value in helping people acquire the social skills which are of increasing importance in the labour market. In addition to the EU programmes, Member States operate other schemes, usually as part of a bilateral exchange programme.

These changes are fundamental and it is to be welcomed that Member States are not only seeking to contemplate and introduce such reforms to their systems, but also put their policies under scrutiny in the follow up process to the Lisbon strategy.

7.4. Work to do

The analysis in Chapters 3, 4 and 5, however, shows that labour market trends continue to have major implications for vocational education and training policy. Much remains to be done to achieve the Lisbon strategic benchmarks and to bring about the desired changes as outlined in European vocational education and training policy. Arguably, because the changes are important and affect the fabric of the systems themselves, the progress is slow. Many of the issues addressed by European vocational education and training policy were identified in the European Commission's white paper, 'Growth, competitiveness and employment', as long ago as 1993. Progress has been made as indicated above but the pace of change will not slow down and so the pace of reform needs to be stepped up.

Participation in vocational education and training is rising but it has done so at a fairly slow rate of around 1.5 % over the period 1997 to 2001 for those aged 16 to 18 and 3.5 % for 23 to 24 year olds. This means that still, in the EU in 2001, 45 % of men and just over a third of women aged between 19 and 22 were not in education or training, rising to 64 % of men and 52 % of women for those aged 23 to 24. Many of those not in education and training were in employment, but the extent to which young people combine education and training with employment varies markedly across the EU. It is common in Denmark, the Netherlands and the UK, in particular, but comparatively rare in most Member States. There seems little indication that this has changed significantly in recent years.

European policy, particularly in the European Commission's memorandum on lifelong learning and the Council resolution that followed, emphasises the importance of learning at the workplace as an aspect of lifelong learning. For a proper basis to be set, this should begin early in working life. However, evidence suggests that, once young people enter the labour market and begin to pursue a working career, a significant proportion of them no longer participate in vocational education and training, implying that in most Member States at present,

there is little continuity between initial and continuing training.

In 2001, participation in vocational education and training by those in work aged between 25 and 64 was low at around 9 %. Even though this does not include unemployed people in education and training, the Lisbon strategy benchmark of 12.5 % of those aged between 25 and 64, taking part in lifelong learning seems still some way off. Evidence from the continuing vocational training survey (CVTS) in 1999, indicates that only around 40 % of employees in the EU receive training each year, much the same proportion of women as of men, though with large variations between Member States.

Although educational attainment levels have risen, they have been concentrated among young people. 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.

Success in encouraging women to participate in education and training, which in turn can support them into employment, will be significant in determining whether or not the Lisbon strategy benchmark of a 60 % employment rate of working-age women will be reached by 2010. In most Member States, more women than men remain in education or training beyond compulsory schooling and the gap between the relative numbers involved seems to be widening. However, in 2001, 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. Clear gender inequalities also emerge from the analysis of the types of courses studied. Women are under-represented in the key areas of information and communication technologies and engineering, accounting on average for less than 20 % of those enrolled in these courses at university level. The policy framework includes the benchmark of increasing enrolment and reducing the imbalance in the number of women enrolled in science, maths and technology, by

2010. The indications are that this target will be met. However, similarly, men account for less than a quarter of those enrolled in health and social science subjects. This issue is not addressed in any of the benchmarks.

The decline in the number of young people in the EU will be accompanied in future years by a significant increase in the number of older people in their 50s and 60s. On average, in the EU, less than half those aged 55 and over are working. Member States have removed some of the financial incentives they had to encourage people into early retirement. However, this challenge also has to contend with the disproportionate number of older workers with low education levels retiring early from the labour force, compounded by the limited access to continuing training which older workers appear to have. Raising the employment rate of workers aged 55 to 64 to 50 % by 2010 is, arguably, the most difficult, even if demographic trends towards the ageing of the workforce will contribute towards its achievement.

People with disabilities, immigrants and ethnic minorities face much the same problems having much higher rates of unemployment and lower levels of educational attainment and significantly lower employment rates than able-bodied people. They also appear to have less access to continuing training.

Furthermore, the potential of mobility as a learning tool, in particular for the acquisition of important social skills is just beginning to be understood. However, the opportunities for mobility placements, while much greater than in the past, remain limited.

The importance of ICT skills is highlighted in European policy, but the focus on ICT skills must not be at the expense of other areas of the economy. The underrepresentation of men in growing economic sectors such as health and education should not be overlooked, if the employment rate targets are to be reached. Furthermore, another important trend in job creation needs to be addressed. Rising levels of educational attainment will inevitably 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.

7.5. Learning for employment: the way forward

To meet the employment rate benchmarks 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. Employment rates and the involvement of people of working-age in economic activity differ significantly across the EU, implying a differential need for job growth in future years to meet the objectives agreed at the Lisbon European Council.

The expected increase in knowledge-intensive jobs between now and 2010, 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, a disproportionate number of those already in the workforce who are not in work in the EU have relatively low levels of educational attainment, which increases the difficulty of integrating them into the workforce. Consequently, meeting the employment rate benchmarks for participation in lifelong learning and educational attainment requires focus on people outside formal education and training who traditionally do not take part in it whether in work or not. 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. Although this is generally accepted in the Member States, access to vocational education and 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. The European employment strategy review in 2002 continued to emphasise the importance of increasing employment among certain sections of the workforce - women, young people, older

workers and those at a disadvantage in the labour market - to reach the employment rate benchmarks and create an inclusive labour market as part of the European social model.

The employment and vocational education and training benchmarks set a twofold challenge for Member States: increasing the rate of labour force participation of those with low levels of education, especially of women and older workers, and ensuring that they have access to the training required both to enter the labour market and to perform the jobs on offer. This is a challenge principally for systems of continuing training which seem to have lagged behind the growth of systems of education and initial training, and is complicated by the fact that those with low educational attainment are considerably less likely than those with higher levels to participate in continuing training. The success in meeting this challenge will not necessarily be the determining factor, but will influence considerably progress towards the benchmark of a EU employment rate of 70 % overall, 60 % for women and 50 % for older workers aged between 55 and 64 by 2010.

Consequently, 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.

While targets are important, they will not come about by themselves and so this report argues that reform needs to be speeded up. Participation of those sectors of the workforce who do not usually take part in vocational education and training can only come about by changing how people can learn and acquire qualifications and implementing the qualitative aspects of European vocational education and training policy are implemented.

To reach those in jobs, the policy framework recognises the importance of learning at the workplace. This emphasises the importance of

the social partners' framework of actions for the lifelong development of competences. This is especially important, as some of the lowest participation in vocational education and training is in the sectors expected to be the engines of future job growth, such as business services and hotel and tourism. The sector social dialogue at European level and in Member States will play an important role in addressing these issues.

In addition, Member States need to promote actively wider recognition, accreditation and certification of non-formal learning, in particular previous work experience, in terms of the methods used and their acceptance in 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. It also provides a way of addressing skill shortages by enabling people to use and develop skills they already have to enter professions, crafts and trades. It provides a way for people to enter a skilled craft or trade at a later stage of their working lives, which is currently impossible under existing age-based apprenticeship programmes. In this way, the recognition of non-formal learning can open up wider employment opportunities for unemployed people, as well as supporting the integration into the workforce of those currently outside it. For example, it is important to consider whether the millions of euro spent on employment and training programmes which have no link with the national qualifications framework is being spent in the best possible way.

Relatively low figures for participation in vocational education and training in employment, indicated in the CVTS, and more generally in the LFS, reinforce the argument in the European Commission's communication on financing lifelong learning, that there is a private sector deficit in training. New approaches to learning can 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 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 is being taken forward by the Bruges-Copenhagen processes to provide support to the social partners at European and national levels.

Although the use of e-learning in the delivery of vocational education and training seems to be expanding rapidly, the limited evidence available suggests that the rate of growth varies between countries. In part this is because of language problems – that most material is so far in English – and because of differences in the nature and structure of vocational education and training systems.

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.

In conclusion, European vocational education and training policy is comprehensive, emphasises learning for employment and is

strengthened by the social partners' framework of actions. Although the policy issues are not new, the open method of coordination, reinforced by the Bruges-Copenhagen processes, 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 encouraging national ministries to work together on European priorities and acts as a spur to reform by comparing the performance of Member States. 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.

However, achieving the policy goals and benchmarks is as daunting a task for the current 15 European Union Member States and is, arguably, even more so for a EU of 25 or even 28 by 2010. 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 to make Europe's education and training systems a reference point for the world by 2010.

Sources of data used in the analysis

Vocational training policy developments

The major source for information on recent policy developments in the area of vocational training are the national action plans for employment (NAPs) which have been produced annually since 1998 by each Member State as part of the European employment strategy (EES). These detail the actions taken in relation to the employment guidelines which are agreed each year by the Member States and the European Commission. The information used in chapters 4 and 6 of this report is taken mainly from the NAPs for 2001 and 2002.

Quantitative data

The data on which the quantitative analysis in this Report is based come predominantly from the Statistical Office of the European Communities (Eurostat). The main sources are the European Union labour force survey (LFS), the second continuing vocational training survey (CVTS) and the joint Unesco-OECD-Eurostat (UOE) database of education statistics. Each of these sources is described in greater detail below. They are supplemented by data from the Eurostat Demographic Statistics database and the European Community Household Panel.

Labour Force Survey (LFS)

The LFS is the only source of data on employment, unemployment and related variables which is comparable between EU Member States and which enable structural features of the Union's workforce to be analysed on a consistent basis. Since it is based on a survey of households and uses a largely common set of questions and a common methodology, the LFS abstracts from national differences in definitions, methods of classification and administrative procedures and

regulations. Data from national sources may, therefore, differ from the figures presented in this Report.

The LFS has been carried out annually since 1983 for most Member States, and from 1996 onwards LFS data has become available for the candidate countries for accession to the European Union. LFS data used in this report for the candidate countries generally relates to 2002, while for the current EU Member States 2001 is the latest year for which a complete dataset is available.

Unesco-OECD-Eurostat (UOE)

The data on enrolment rates used in Chapter 3 are taken from the joint Unesco-OECD-Eurostat (UOE) database of education statistics. The data used relate to the year 2000, or more precisely the academic year 1999/2000, and cover education in the ordinary school and university system, as defined in the international standard classification of education (ISCED 97). The data include full and part-time students in public and private establishments enrolled in general education and vocational education and training. This includes combined school- and work-based programmes, but excludes initial and continuing training that is exclusively work-based. For more information on the data used Table 19 in Chapter 3.

Continuing Vocational training survey (CVTS)

The analysis carried out in the latter part of Chapter 3 on continuing vocational education and training is based on data from the second CVTS. This survey which was conducted in 2000/2001 across all Member States and nine candidate countries, using 1999 as the reference year for data collection. The first CVTS based on 1993 data was conducted in

1994/1995 across the then 12 Member States. The second survey was therefore the first survey of continuing vocational training in enterprises in the candidate countries of Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Romania, Slovenia and Poland, though in this latter case only the Pomorskie region is included. Despite coverage of most EU Member States in both 1993 and 1999, it should be noted that direct comparisons should not be made between results from the two surveys due to differences in the way the surveys were implemented.

The survey provides an indication of continuing training by firm size, sector of activity and occupation of employees and includes details of the cost, duration and type of training as well as of the subject-matter. The survey covers enterprises with 10 or more employees in sectors C-K and O of the standard classification of economic activities in the European Union (NACE Rev.1). In practice therefore, it excludes those organisations in the agricultural and fisheries sectors, as well as those largely in the public domain such as health care and social services, education and public administration.

Data on participation in education and training

The data used in the analysis come, in part, from the Unesco-OECD-Eurostat (UOE) database of education statistics, the latest year being 1999-2000, in part, from the annual EU labour force survey (LFS). Both sources of data are based on the ISCED 97 classification system, which distinguishes between programmes at primary (ISCED 1), lower secondary (ISCED 2), upper secondary (ISCED 3), post-secondary pre-tertiary (ISCED 4) and tertiary (ISCED 5 and 6) levels. They are also broken down within ISCED 3 and 4 level, between those programmes designed to lead on to tertiary level education (termed ISCED 3(4)a and b programmes) and those not designed to do so (termed ISCED 3(4)c programmes), and within tertiary education between ISCED 5a programmes, which are more academically oriented, and ISCED 5b programmes, which are more occupationally oriented.

The UOE data have been used here to distinguish between levels of education and

types of programme. In practice, however, the division between ISCED 3 and ISCED 4 is not available for a number of Member States and these are combined in the analysis (and termed 'upper secondary'). In addition, although there is a breakdown within ISCED 3 and 4 between general education, or more academic, 'mainstream' programmes, and vocational programmes this breakdown is not available for two countries, Ireland and Austria. In order not to exclude these two countries from the analysis, an estimate has been included based on the division between ISCED 3 (and 4)a plus b and ISCED 3 (and 4)c programmes. Specifically, in these cases, ISCED 3c programmes, which are those not designed to lead on to tertiary level education, are treated as vocational, which most of them probably are, and ISCED 3a and 3b programmes as general education ones. It is probable, however, that some ISCED 3b programmes may be more appropriately described as vocational to the extent that they are intended to lead to more occupationally-oriented tertiary level programmes. To this extent, the figures for enrolments in vocational education presented here for Ireland and Austria may be underestimated. For Germany and France, moreover, for a small number of students, no details of the programmes in which they are enrolled are available and these have been distributed between programmes on a pro rata basis.

The LFS, which relates to 2001, has been used to estimate both the overall proportions of the different age groups participating in education and training and the numbers combining this with economic activity. The specific question in the LFS on participation relates to the receipt of education or training during the four weeks preceding the survey, which for older age groups tends to cause a problem since it fails to record those who might have received training earlier but not for this precise period. For younger people mostly following formal education or training programmes, it causes much less of a problem.

A comparison of the participation rates in education of those aged 16 to 18 derived from

the LFS (in this case for 2000) with the UOE enrolment rates indicates very similar figures (within 2-3 percentage points) for most countries. The exceptions are:

- Denmark, where the LFS figures are around 10 percentage points higher for both men and women, which suggests the exclusion from the UOE data of some of those in alternance training programmes who might not be formally enrolled in upper secondary level courses of study;
- Italy, where the LFS figure for men is some 7 percentage points higher than the UOE data imply and the figure for women some 10 percentage points higher; the explanation here is more problematic, since most of those concerned seem not to have been economically inactive rather than in work, but it is possible that they are not formally enrolled in programmes of study;
- Finland, where the LFS figure for women is around five percentage points lower than the UOE figure and that for men four points lower, which may result from those concerned not being involved in education or training during the four weeks in question (the Finnish survey extends to a relatively late period in the year when some respondents might have been on holiday from school or college);
- Sweden, where the LFS figure is higher than the UOE figure, especially for men (around 10 percentage points - for women, it is 4 points), which again might reflect involvement in training of those in work not formally enrolled in an education programme;
- UK, where there is a similar difference of five to six percentage points and where the underlying reason might be much the same.

Method of projecting broad skill needs in Chapter 5

The sectoral composition of employment in 2010 and the division between occupations within sectors are estimated for each Member State on the basis of assuming, first, that, in most countries, the overall growth rate in the numbers employed which occurred over the period 1995 to 2001 continues up to 2010 and, secondly, that the relative growth of different

sectors of activity and, within these, of the main occupational groups is also the same as in the past.

The first assumption needs to be qualified in two respects. First, the employment rate is limited to 80 % in countries where continuation of recent growth rates of employment would increase the rate beyond this (in Denmark and the Netherlands, in particular). Secondly, the growth rate of employment has been increased in countries where continuation of recent rates would leave the employment rate well below the Lisbon target (i.e. it is assumed that the European employment strategy would not be counted a success if employment were substantially below 70 % in a number of countries). The countries affected are Belgium (where the rate is assumed to be 68 % in 2010), Greece (65 %), France (70 %) and Italy (66 %). Accordingly, the distribution of employment between Member States in 2010 is slightly different from what it would be on an unconstrained projection. For Portugal, which is a special case, since although the number employed is at present well over 70 % of population aged 15 to 64, a significant proportion of those in work are over 64, the great majority of them in agriculture. Here it is assumed that the number employed remains much the same in relation to working-age population up to 2010 but that those above 64 retire to be replaced in employment predominantly by those below this age.

For the second assumption, 10 sectors of activity are distinguished, as in Table 21 above - agriculture, the engineering industries (both electrical and mechanical and including cars and other transport equipment), other industries, construction, transport and wholesaling, other basic services, advanced services (i.e. business and financial services), health, education and public administration - aggregated in part because of the similarity of the education levels of the workforce in the activities included in each sector. Employment in each of these is then divided into the 9 ISCO 1-digit occupational groups and, for each group, the annual rate of change in employment over the 6 years 1995 to 2001 is projected up to 2010, but constrained to equal the overall change in the sector concerned.

Dividing employment by occupation in this way, while instructive in itself, also helps to overcome the problem that data on educational attainment levels are available only for the most recent years. There is, therefore, no consistent time series which can be used to identify directly the changes in the educational composition of those employed in particular sectors which have occurred in the past which could then be projected into the future. Since a reasonably consistent time series, at least for the years 1995 to 2001, is available for the occupational composition of employment, this can then be used as an indirect means of projecting education levels. In other words, by assuming that the educational composition of occupational groups remains as in 2001, future educational needs can be estimated on the basis of the projected occupational structure of the workforce in each of the sectors.

This assumption might well prove wrong, but it is a reasonable starting-point. Ideally, the projections should be adjusted for trend changes in the educational composition of the occupation groups - to the extent that they are occurring - which, again ideally, might usefully be broken down more finely. Since, however, neither is possible to do on a consistent basis, given the data available, a more limited exercise has to suffice. To the extent that the educational attainment levels associated with particular occupation groups have risen over time, the results of the projections can be regarded as understating the educational requirements in 2010.

Method of forecasting the educational composition of those of working age

The projection of the number of people of working age with different educational attainment levels in 2010 - only basic schooling, upper secondary education and tertiary education - is based on assuming that levels for men and women, who are projected separately because of different past trends, remain unchanged after the age of 30 in some

countries, 25 in others. The division between broad education levels of 5-year age groups in 2001 is, therefore, simply projected up to the end of the decade (i.e. by assuming, for example, that those aged 40-44 in 2010 will have the same division as those aged 30-34 in 2001). (2001 is taken as the base year instead of 2000 because of the wish to use the latest data available on educational attainment; no attempt has been made for those of 30 and over to adjust the projections for the fact that people in 2001 will be 9 years older in 2010 rather than 10 years older; the effect of not doing so is to over-estimate educational attainment levels slightly.)

Estimates for the those younger than this are based to a large extent on the assumption that the same change in education levels as is evident for the previous generation will continue in future years, again taking men and women separately. In other words, those, for example, who will be aged 30-34 in 2010 are assumed to have the same division of education levels as those aged 30-34 in 2001, adjusted by an estimate of the change in levels between adjacent age groups based on the data for 2001. For example, the difference in the proportion of those with only basic schooling between 20-24 year olds and 25-29 year olds is assumed to reflect a change over the 5 years separating these 2 groups in the proportion with this level of schooling and the same rate of change is applied to those who will be aged 20-24 and 25-29 in 2010. The resulting estimate is then compared with the UOE data on those in their late teens and early 20s enrolled in tertiary and upper secondary education to check for plausibility and is modified if it is significantly different from the attainment rates implied by these. (In a few countries, the change in educational attainment levels between adjacent age groups is substantial, implying a large increase in participation in tertiary education, in particular, which if projected over the years up to 2010 gives rise to a much larger increase in the proportion attaining this level of education than seems plausible given present enrolment rates.)

Development of the *acquis communautaire*

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2003

Glossary of terms

Acquis (communautaire)	The entire body of Community law, including Directives, Regulations, Recommendations, Decisions and Judgements of the European Court of Justice, which impose obligations on Member States or individuals.
Alternance training	Education or training alternating periods in a school or training centre and in the workplace. The alternance scheme can take place on a weekly, monthly or yearly basis depending on the country. Participants are not contractually linked to the employer where they do their practice, nor do they generally receive remuneration (unlike apprentices).
Basic skills	The skills and competences needed to function in contemporary society, e.g. listening, speaking, reading, writing and mathematics.
CEECs	Central and Eastern European Countries
CEEP	European Centre of Enterprises with Public participation. Created in 1961.
Continuing vocational education and training (CVET)	Education or training after initial education or entry into working life, aimed at helping individuals to: • improve or update their knowledge and/or competences; • acquire new competences for a career move or retraining; • continue their personal or professional development.
Council Conclusions	The non-legally binding conclusions of the Council of Ministers expressing the general will of the Community
Council Decision	Is legally binding on those to whom it is addressed
Council Directive	Is a legally binding measure on the Member States concerning the results that each state is required to bring about. Each Member State decides how to implement the Directive to achieve the results required.
Council of Ministers	Is made up of representatives of the governments of the Member States and is the European communities main decision-making body
Council Recommendation	(of the Council of Ministers) has no legal force, although its terms are taken into account
Council Regulation	Has general application and is legally binding in its entirety and applies directly to all Member States

Council Resolution	Expresses the general will of the Member States of the European Community and has political, rather than legal force
Economic and Social Committee (ESC)	Set up by Article 4 of the Treaty of Rome 1957. It was formed to associate the various economic and social interest groups concerned with the Common Market.
ETUC	European Trade Union Confederation
European Council	Meeting of the Heads of Government of Member States, which is held at least twice a year.
European Court of Justice (ECJ)	Ensure that the Treaties are interpreted and applied correctly. ECJ judgements form the basis for community law.
European Community (EC)	The terms 'European Community' and 'European Union' are used in this text to speak of that political entity which was born as the European Economic Community (or Common Market) through the Treaty of Rome in 1957 and subsequently evolved first into the European Community and finally to the European Union through the Maastricht Treaty of 1991, or the 'Treaty on European Union' as it is formally known. The legal construction of the latter treaty, in so-called 'pillars', stipulates that most policy matters fall legally under the scope of the still existing European Community (e.g. everything relating to the single market and the common agricultural policy), but two important areas, the common foreign and security policy and justice home affairs form the second and third pillars. They have a different legal framework under the 'roof' of the European Union.
European Economic Community (EEC)	Was one of the three European Communities established in the 1950s, (the other two were the European Coal and Steel Community (ECSC))
ESF	European Social Fund
European Union (EU)	Was created by the Maastricht Treaty and came into being on 1 November 1993. It consists of: • the European Community (EC) – now the formal title of what was the European Economic Community, • the European Coal and Steel Community (ECSC), • the European Atomic energy Community (Euratom), • intergovernmental cooperation on a common foreign and security policy (CFSP), • intergovernmental cooperation in the fields of Justice and Home affairs (JHA).
Eurostat	The Statistical Office of the European Communities

Initial vocational education and training	Either general or vocational education carried out in the initial education system, in principle before entering working life.
Joint Opinion	See social dialogue
Lifelong learning	All learning activity undertaken throughout life, with the aim of improving knowledge, skills/competences and/or qualifications for personal, social and/or professional reasons.
Lifewide learning	Learning, either formal, non-formal or informal, that takes place across the full range of life activities (personal, social and/or professional) and at any stage.
Lower secondary education	Lower secondary education generally continues the basic programmes of primary, although teaching is typically more subject-focused, often employing more specialised teachers to conduct classes.
NUTS	Nomenclature of territorial units for statistics – established by Eurostat to provide a uniform geographical breakdown.
Qualified majority voting	Procedure under which each Member State is allotted votes according to its population size.
Social dialogue	A process of exchange between social partners to promote consultation, dialogue and collective bargaining. <i>Comment:</i> (a) social dialogue can be bipartite (involving representatives of workers and employers) or tripartite (also associating public authorities and/or representatives of civil society, NGOs, etc.); (b) social dialogue can take place at various levels (company, sectoral/cross-sectoral and local/regional/national/transnational); (c) at international level, social dialogue can be bilateral, trilateral or multilateral, according to the number of countries involved.
Social partners	Employers' associations and trade unions forming the two sides of (bipartite) social dialogue.
Subsidiarity	The principle that the Community should only act where objectives cannot adequately be achieved at national level or local level
Trade Union	An organisation of employees, wage-earning or salaried, whose principal object is to negotiate on the terms and conditions of employment of its members.
Tripartite principle	Consists of employers, workers, and representatives from various activities e.g. consumers, small business, family organisations, cooperatives, etc.

Unanimity

The outcome when no Member State is opposed to the policy or course of action being voted upon.

UNICE

Union of Industrial and Employers' Confederation of Europe, created in 1958.

Upper secondary education

Final stage of secondary education that usually begins at the end of compulsory education. The entrance age is usually 15 or 16 years. Entrance qualifications (completion of compulsory education) and other minimum entry requirements are usually needed. Instruction is often more subject-oriented than lower secondary education (ISCED 2). The typical duration of ISCED level 3 varies from two to five years.

Val Duchesse social dialogue process

Between 1985 and 1995, this process generated 21 joint opinions and joint declarations, 2 key agreements and 7 high-level summits.

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