



Restructuring forum:  
**Sectors' New Skills  
for New Jobs**



**Restructuring Forum**  
**Sectors' New Skills for New Jobs**  
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**Conference report**

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***Introduction of the Anticipedia website and service***

The Anticipedia website was introduced at the start of the conference. The aim of the website is to provide a collaborative website on restructuring. Users can not only consult documents pertaining to anticipation, but also upload their own documents, and comment and rate other people's documents. In addition to the library of documents, there will be a Wiki facility from the end of January 2010 and a discussion forum from March 2010 onwards. Although the website is provided by the European Commission, most of the content is expected to be provided by the users themselves.

***Introductory plenary Session***

The European Union as well as the rest of world is currently in the midst of an economic crisis. Restructuring, however, was an issue before the crisis and it has only accelerated developments and the need for anticipation of future changes and impacts on human resources.

The Restructuring forum is about anticipating the skills needs of tomorrow. In other words, it is about matching workers' skills and employers' needs to new jobs when the recovery from the current crisis starts.

As evidenced by the sectors studies, there are new opportunities in green and white jobs within many sectors in the medium term which require responses, but in the short term Europe is faced with challenges which require job development, placements and career guidance (EURES matching).

The business communities are challenged by shorter lifecycles of products and services and increased competition at a global level. Although these challenges differ from country to country and from sector to sector, they increase the pressure on Europeans to attain high educational levels and continuously develop their skills.

The vision is to provide job developments and creation while also providing social security and protection. In this process, attaining high levels of general education is of paramount importance. This requires openness, transparency and specialization across Europe. One recommendation was to go for the best and establish universities of Europe.

At the same time, it is vital to stimulate the ambitions and opportunities of the individual and European systems must be adapted to stimulate the entrepreneurial spirit and encourage individuals to choose the right education and career path.



Restructuring as part of the landscape "new skills for new jobs" is about managing a constant transition. Therefore, "new skills for new jobs" is also part of the 2020 strategy.

As such the key themes are:

- Emphasis on training
- Prioritization of SMEs
- Focus on older (updating of skills) and younger workers (right career paths)
- Financing of education and training
- Lifelong learning
- Encouraging women to learn new skills for new jobs
- Preparing for geographical, sectoral and professional mobility

### ***Sectoral analysis of emerging competences and skills needs – Main results***

The core objectives of the programme of sector studies has been to develop a culture of anticipation, make a case for human resources as key to competitiveness and meeting the goals of the new skills for new jobs strategy. This has been done through foresight analysis as a way of presenting and discussing alternative futures and deriving possible future strategic responses to address these futures. It has involved all possible stakeholders. It began in 2006 with the development of a common method and initially led to a pilot study on the automotive industry in 2007, and all other studies kicked off in January 2008. There expert workshops were held in October 2008 and March 2009 and final presentations took place at the restructuring forum in December. All sector studies followed the same model:

- Mapping of the sector
- Analysis of drivers of change
- Description of alternative scenarios
- Implications for future skills needs
- Emerging competences
- Strategic choices
- Strategic implications for education and training
- Recommendations

An overview of the 19 sector studies was then presented. It was stressed that the sector studies had focused on the core of the individual sectors and not the (whole) value chain that each sector is part of. Together the 19 sectors represent approximately 60% of European employment. A number of challenges and opportunities were common to most of the sectors:



Challenges	Opportunities
<ul style="list-style-type: none"> <li>• Competition from emerging economies: production and R&amp;D</li> <li>• Climate and environmental concerns and regulations</li> <li>• Risks of skills and labour shortages due to poor sector image among young candidates, ageing workforce and/or problems with attracting women (or men)</li> </ul>	<ul style="list-style-type: none"> <li>• Emerging markets</li> <li>• New climate and environmentally friendly solutions</li> <li>• Specialization and excellence (there is a growing worldwide demand for specialized products and services)</li> <li>• Automatisation and digitalization</li> </ul>

The emerging skills and competences were:

- Social/cultural – intercultural skills, team work, self-management, entrepreneurship and innovativeness.
- Technical – ICT and e-skills (both at user and expert levels), skills/knowledge related to new materials, skills/knowledge related to new processes and health and green skills (related to health and climate and environmental solutions).
- Managerial – intercultural management, international value chain management, international financial management and green management (managing climate and environmental solutions).

The key findings of the cross-sector analysis were:

- Polarisation of labour/market skills needs
- Significant job growth (only) in service sectors
- European excellence within production
- Upskilling and increasing educational levels in all sectors
- Traditional sector divisions are dissolving
- Traditional job profiles and work tasks are increasingly combined
- High risk of skills (and labour) shortages in many sectors

### ***Roundtable discussion***

The presentations suggest that there is a need for a quick response to address immediate issues as well as a more medium- to long-term response addressing the restructuring challenges. At different sectoral levels there are already several examples of initiatives in terms of European-wide certification programmes (e.g. Euro commerce) and collaborations around standards and educational responses.

An example is the postal sector with its 1.6 mill workers that has undergone a long transition period and both its employee and employer organizations have worked together in anticipating the changes. For the postal workers liberalization of the market, loss of business and changing customer



needs has meant a need for new skills for changing jobs, changes in roles (introduction to jobs in financial services) and staff cuts. For some employees these changes have been minor, for some very complex and for others they have led to a need for better skills to fit into a wider job market. The education and training system can be slow to respond! There is a time lag from identification of the need for action and developing the response. One of the key challenges will be for the education and training systems to create opportunities and attract people with low educational levels and a low participation in further education and training. This will require a flexible response and therefore reforms of the education and training sector. It involves the introduction of technology into curricula and allowing students to choose different paths through the curricula. Equally, it will be important to stimulate students to embrace lifelong learning, supporting them in gaining "learning to learn" skills that they can apply on a continuous basis.

## **Workshops**

### **Workshop 1 - Links between Cedefop's quantitative analysis on skills and sectoral studies**

This workshop covered the first results of study done for Cedefop on a quantitative sectoral analysis of skills demand and supply. The workshop also examined alternative methods of anticipation, including the foresight approach used in the 19 studies.

The comparison of the result of the Cedefop study and the results of the 19 sector studies suggest differences in the demand for workforce and skills. Examples of such differences were:

- Furniture - Slight decrease (Sector) vs. Increase (Cedefop)
- Distribution & Trade

Contrary to the overall comparative analysis of the 19 sector studies, the Cedefop study confirms that medium skilled jobs will not disappear. The Cedefop study shows that jobs with medium-level qualifications will in fact prevail.

Cedefop also reported that they will place greater emphasis on taking the needs of employers into account in future studies. A pilot study is already being prepared for this purpose. Moreover, Cedefop proposed ways of making anticipation approaches more compatible and comparable by using recognised standards (Using ISCO and ISCED) in future sector studies but also the importance to integrate the results of the foresight methodology into the Cedefop model.

### **Workshop 2 - Lifelong learning**

This workshop covered the themes *support for in-company training, creation of a culture of lifelong learning and investment in human capital and lifelong learning.*

There were two presentations of training systems set up to support lifelong learning - one in Sweden for the metal and automotive sectors and one in Germany for the German national railway company (Deutsche Bahn). Both presentations were very interesting and the participants are encouraged to look at the details on the website.

Both cases described modular systems which effectively broke down training needs into particular competences or pieces of know-how. The modules in the Swedish system are potentially applicable



to different sectors. The system was an effective a means of exchanging key knowhow between sectors and potentially via the internet. On the one hand, the idea was to identify the skills needs of workers, and, on the other hand, the specific module to train the competences required and then to bring the two together. It was argued that such a detailed modular system can potentially cover a wide range of different sectors and be transferred to other countries.

Both presentations recognized the difficulties of training older workers, i.e. those of 50 and over, who are predicted to account for 50% of the total work force in the German railway industry by 2018. The German presentation argued that it was important to motivate such workers to participate in training, which was difficult to do by financial incentives alone. One solution was to make them feel needed by putting them in a position where they can pass on their skills to other workers.

One recognized difficulty was the potential conflict between modular programmes at the continuing training level and the core initial vocational training system in the country in question. For example, in Germany in particular, there is a deep attachment to the VET system which requires workers to go through a well-defined and lengthy process of training before their qualifications to undertake a particular vocation are recognized. This raises the problem of the validation of skills and competences, i.e. to put in place a system that ensures the common recognition of qualifications across sectors as well as across countries.

This problem remains acute across Europe, where the difficulty is not only to ensure the mutual recognition of qualifications but also to put in place a system which ensures that the skills and competences thought to be necessary to undertake a particular vocation or activity are actually taught – i.e. a common curriculum.

### **Workshop 3 - Collaboration between stakeholders**

The subject of this workshop was good practices in collaboration between stakeholders. It included ways to intensify cooperation through partnerships and social dialogue, development of joint education and training programmes (SMEs), establishment of cluster and network initiatives containing training and education initiatives (SMEs), and creation of cross-border training networks.

In order for the EU economy to recover from the current crisis the key strategy should be to improve the ability to anticipate the needs of industry and the labour market. Stakeholders have been involved in a number of activities already:

- Studies on emerging competences and sectoral councils for skills and employment
- European Qualification Framework
- European Economic Recovery Plan
- ESF to promote education, training and lifelong learning
- European Social Dialogue

There are different levels of involving stakeholders (e.g. cross-industry, by sector and bi-party and tri-party levels). Training issues is on the work programme of most Sectoral European Dialogue



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Committees. Furthermore, a new social dialogue committee on training and education will be started in the near future.

### **Case – Teknikcollege (Sweden)**

This case concerns a collaborative effort linking upper secondary school, adult education and vocational training institutions to work together with private companies.

The collaboration includes 21 regions and in these regions 75 technical colleges have been certified so far. In addition to ensuring employer relevant provision of education and training, the partnership also functions as an actor in the regional innovation system.

Each regional partnership focuses on the individual industrial profile of the region. As many as 150 companies are involved in the profiled region in the presentation

Each region has joint steering committees with participation from both education and business. The companies contribute to the content of training and municipalities share the cost of unusual and expensive education programmes (across regions).

So far, the initiative has been successful and has led to improved skills and competences of the students and increased their employability.

### **Case – European Network of Textile and Clothing Observatories for employment and training**

This case concerned the European network for Textile and Clothing Observatories for Employment and Training. The network focuses on anticipating industrial change in the textile and clothing sector. It collects best practices of education and training and ways of improving the image of the sector to attract highly skilled workers.

The different observatories involved work on anticipating the direction and speed of change and contributed to the adaption of the sector itself and the provision of basic and continuing education and training.

The conclusion of the case is that there are no good or bad sectors, obsolete or rising sectors. The key is to ensure the continuous development of competitive innovation strategies in companies while ensuring premium payment on skills development.

The ensuing debate raised a couple of other issues such as it is difficult to cluster sectors in the studies like in the textile and leather industry. Distinctions should be made where needed. Moreover, certification and mutual recognition of VET is very important – first at EU-level but ultimately globally.

### **Workshop 4 – Recruitment strategies and attractiveness of sectors**

The workshop contributed to the restructuring forum by suggesting effective ways to attract new recruits to sectors, including:

- Informing better on skills and knowledge needs
- Improving career guidance
- Improving the image and attractiveness of the sector
- Fostering sector specific skills at an early age



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- Attracting top international talent through universities

The workshop included two presentations about image and recruitment issues. The first dealt with the European shipbuilding sector and the second with the French public works sector.

### Case: Public Works Sector in France

- The initiative has mainly been focused on improving the bad image and addressing the need to attract new recruits to the sector
- Original communication campaigns through TV, Radio, Web spots and coverage in the press proved insufficient. There was a need for action in the field.
- The sector organization commenced activities with general Secondary school. The focus was on sector image transmission and career orientation for youngsters at the age of 11-15 years. Research shows that this is the moment when initial career decisions are to be taken
- It has been important to involve teachers in the approach. Therefore, specific didactic materials have been developed for them.
- In addition, the sector organization prepares contests for students; and arranges visits to construction sites in collaboration with employers.
- As a result of the effort the sector has seen an increase in the uptake of students of 30% during the last 5 years. The efforts are to be continued even in times of crisis with support from the employers.

### Case – Shipbuilding Industry (Netherlands and European Level)

- A Human Capital Commission has been set up within the Sectoral Social Dialogue Committee
- The Human Capital Commission covers the wider scope of activities in the HR domain (workforce needs, studies, training, etc.) together with student attraction activities.
- It organizes the Shipbuilding Week where students can visit the shipyards and gain a better understanding of what it is like to work in a shipyard.
- The organization is spreading the idea that in spite of the tough current economic conditions, the sector has a future. It is strong in some high-tech, specialised vessels, naval vessels and repair and maintenance activities.
- Furthermore, the sector is more than just the shipyards. There are many activities in the marine sector (e.g. suppliers, shipowners, researchers, marine specialists, environmental services)
- The collaboration is working to improve the quality of training by focusing on high-tech and innovation.
- The shipbuilding sector is aware that providing the right working conditions is a collective responsibility of all companies in the sector.
- This is reflected in the social dialogue activities, and the organizations are working very closely with governments.
- In addition, exchanges at EU level through networks are more and more common in the sector.



### Workshop 5 – Change in the work organization

This workshop looked at ways of improving skills for new jobs by, for instance, supplying special courses for older workers, supporting knowledge transfer, supporting active ageing policies and improving the diversity within the sector including for executive positions and by improving working conditions.

The postal and healthcare sectors are labour-intensive sectors. The postal sector has been facing structural change since the mid-1990s. In 1997 the opening of the market started and it is now reaching its conclusion. It is a huge challenge today to keep the sector sustainable. Of primary importance to the sector is the external competition from other sectors, in particular the communications and media sectors.

#### Case - Change of organisation in the health care sector

The topic of this good practice case was long-term health care – nursing homes, for the elderly, the disabled, etc. It is about ways of working smarter – doing more with same number of "hands and heads". The aims are to work smarter and to improve productivity and thereby retain employees. The challenge faced by the project was to find a way of supporting healthcare institutions in making this transformation without adding to their budgets. This was done by providing the institutions with "fishing nets", and not just the "fish". In other words, the healthcare institutions were provided with the tools, methods and support to manage and implement the change process on their own. The starting point was an analysis of the work processes. The project operators provided "Do it yourself" guidance as well as remote guidance.

Initially six pilot institutions (round 1) were followed by 21 institutions in the round 2 (full programme). The idea was to spend less time and energy on inefficient working methods and practices and thereby achieving a reduced number of disturbances.

The processes chosen by the institutions were:

- 1) Primary care process "intake of clients"
- 2) Supporting processes "planning - coordination of care"

The time spent was analysed in terms of value and waste. The aim was to reduce waste defined as all activities not adding value for the customer. The participants were given seven categories of waste to recognize and assess. An example of waste in intake was rework (client information not complete – a lot of waiting before intake could take place). The solutions covered a mix of technological and process solutions, more challenging work activities, broader job functions, more responsibly given to individuals and raising awareness of certain topics.





### Case – CTT Correios de Portugal – Portuguese Postal Services)

The topic of this good practice case was postal services in transformation

CTT has an aging workforce with a majority of low to medium skilled persons. The company has a highly developed culture of service and training and sense of social responsibility.

Postal services are undergoing a period of severe transformation. This transformation is primarily due to the opportunities offered by new technologies, the emergence of electronic substitutions and the liberalization of the postal market. CTT is tackling these challenges by diversifying and their broadening scope of activities, and reorganizing work and operations.

CTT's strategic objectives are to promote growth and leadership in current businesses, develop new business areas and generate growth through innovation.

Traditional postal services concern sorting, transport and delivery and are undergoing a re-organisation process. Today, delivery and retail is merged together from an organizational and management perspective. This has meant that employees need better qualifications and new competences are needed in terms digital literacy, customer service orientation, efficiency/productivity awareness, self-management, capability to adapt and acquire new skills; communication and interpersonal skills; teamwork and cooperation; as well as new managerial competences.

CTT has conducted two voluntary interrelated education and training programmes with an average 60% participation rate. The two programmes were:

1. Delivery in better shape
2. Operation in greater shape

Ad 1) The aim was to discuss effects of sector changes, to discuss the employees' own role in this transition. This was done by inviting workers to take part in workshops where managers would not take the floor. Rather, the employees got the opportunity to air their concerns and views on the situation. The workshops were facilitated by the HR department of CTT. They presented future scenarios and how these potentially would affect the future working lives of employees in the business. This was then the basis for discussion.

Ad 2) Managers and workers from mail centres participated in the second programme. One goal was to discuss and develop a SWOT for the mail operations; another goal was to understand the change process and alignment processes needed to make the transition.

The following plenary discussion brought up a number of further points:

- The Bremen Office in Brussels asked whether CTT is sure that the effects of the crisis will have no impact on the reorganization of postal services. In Bremen, one of the poorest regions in Germany, there have been big cuts in personnel and regional budgets. CTT answered that the situation in the postal services has not been brought about by the crisis, but it has aggravated it.
- Birmingham, UK, had a question and comment concerning the healthcare case. It was argued that the accreditation of workers is also a means to achieving the necessary changes. The question was what whether there had been resistance from the staff in the Dutch healthcare case? The answer was that indeed accreditation is a good suggestion, but it has not applied yet in the Dutch case. Introducing accreditation could support the rolling out of the method in the future. There was little resistance in the Dutch case, primarily because it



was not presented as a cost-cutting programme. Instead the goal was to improve quality of care – and the staff supported this.

- There was a comment on surgery performed by nurses an example where there are big differences between countries concerning what nurses are allowed to do. The point was taken by the presenter.
- Iceland had two questions: A) How do these work reorganization indeed meet skills needs? B) The involvement of managers is especially interesting. Answers: One-day workshops were conducted followed by organizational games (also one day). These were followed by improvement plans and on-site training activities took place assisted by HR departments, with participation of managers also.
- A Spanish union representative commented in relation to postal services that the right incentives for employees are very important. Answer: Recognition of skills is very important. Other programmes are available to employees, but this programme was especially oriented towards understanding the change process/transition. Each course led to participants gaining a certificate.
- CGTP, a Portuguese trade union, commented on the flexibility issue that the Lisbon strategy goals have not been achieved. It was argued that a worsening of working conditions has been observed with a negative impact on the quality of life for the workforce. There is no "flexicurity" only "flexibility" in Portugal. Productivity improvements do not lead to similar improvements in pay. This leads to higher inequality in Portugal. The presenter answered that it is important not to be too negative. The position of women workers in Portugal has improved. Regarding flexibility, this has nothing to do with flexicurity (cf. the French "polyvalence") but with work content, willingness to adapt, etc.

### **Workshop 6 – Proposals to adapt education and training**

This workshop looked at different ways of adapting education and training supply to the changing needs. This may include:

- increased use of apprenticeship/ mentoring programmes,
- development of high-quality online and digitalised learning tools,
- upgrading E & T via benchmarks/ best practice,
- developing inter- and multidisciplinary approaches in education,
- increased focus on social and cultural skills in E & T,
- strengthening of scientific and technical profiles in education,
- reinforcing new competence standards to promote sustainable business models,
- development of sector monitoring systems on employment, skills and competences,
- increased acknowledgment of qualification and certificates, and
- supporting processes of international standardisation and certification of core skills and competences.

In this workshop, it was argued that focus needs to be on *output oriented learning* more than the *learning process and the content of the education*. Hence, it is important to be able to concentrate on the quality of the training (quality control). There were two case presentations in this workshop:



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### Case - Banking and financial services

This case argues that training for the financial sector can only be developed as a close collaboration between all partners and across European countries or even at a global level as the financial sector is one of the most globalised sectors. The case argues that multidimensional (flexible) training solutions should be applied and tailored to different markets and positioning of financial institutions.

### Case - FreQueNz – social partners detecting new technologies impact on different sectors

This case presented how the examining the details of specific technologies – internet of things – would influence future skills needs. In certain sectors, the “internet of things” could mean deskilling of certain occupations (e.g. truck drivers). Whereas other occupations in the transport sector would need to be up-skilled to organize and enable the digitalization of goods, route mapping, control of food, etc. Equally, new technologies could also lead to completely new occupations.

The ensuing debate brought up a few important points. Knowledge transfer between older and younger workers in companies is an issue still to be resolved in many sectors. How do companies exploit the human capital they have? The accumulated knowledge value needs to be constantly developed and transferred to incoming workers in order for the company to maintain its competitive edge.

One participant argued that in the banking sector perhaps people are not prepared for tackling the current financial crisis and require additional training in order to cope.

A further comment addressed the fact that the 19 studies all used a sectoral approach. It was argued that cross-sectoral issues are also important and that the cross-sectoral dimension was missing in the studies and the cross analysis of the studies. In particular, it was not covered how skills learned in one sector can be applied in other sectors as well as up- and down-stream in value chains (many sector studies were based on very narrow definitions of sectors). It was recommended that future studies should also focus on these issues to capture the dynamism inherent in the current employment market.

## ***Plenary session on stronger European cooperation in skills anticipation***

### **Feasibility of sector councils**

A feasibility study by Ecorys on sector councils on employment and skills found that such sector councils already exist in several countries. The study involved a survey of stakeholders followed by telephone interviews. The conclusions on the feasibility of sector councils on employment and skills are they:

- Need to be directly linked to the sector
- Need to be based on achievable objectives
- Should cover both initial and continuing education and training
- Should involve all relevant stakeholders
- Should be based on a sector initiative, but
- Require financial and technical support (initial role for the EU)



The recommendation from the consultants was to proceed with the implementation of sector councils. The initial focus should be on information exchange where quick gains will be possible. The participants should come from core members of existing sector councils. However, comments from the audience suggested that not all sector councils operate equally well and that it was important that real employers become involved in such new sector councils to keep pace with changing employment and skills needs.

### **Sector councils in Canada**

There was a presentation of the 34 (33 + 1 alliance) sector councils in Canada. They have existed since 1992. The Canadian sector councils create labour market research and analysis, partnerships and initiatives that leverage public investments. They develop skills profiles, curricula, learning programmes and innovative HR tools. They carry out marketing and communication activities and have a significant impact on both employers and employees. The progress of the sector councils is measured (score cards) and is the basis for future resource allocation.

The lessons learned from the Canadian experience are that the key to success is achieving employer buy-in, industry-driven innovation and strong leadership from sector councils.

EESC recommends that the initial sector council pilot should involve a limited number of sector councils. Furthermore, the support of Cedefop and the European Foundation for the Improvement of Living and Working Conditions in Dublin to the sector councils should be structural and information-based and built into the strategies of these institutions.

### **Conference panel discussion**

#### *Introduction*

Skills and anticipation were introduced at the core of the Lisbon strategy process. This was not an easy task. Several agencies have supported the process of anticipation over the years led by organizations like Cedefop and the European Foundation for the Improvement of Working and Living Conditions in particular.

However, there was a need for a more comprehensive skills needs anticipation initiative. Such an initiative requires political support from European institutions, ministries of education, ministries of employment and enterprise. In the end the council was committed to the anticipation of skills needs initiative.

The initiative is not only about anticipating new skills needs, but also creating enhanced access to lifelong learning in a relevant way (relevant to jobs and relevant to the needs of learners)! This is central to the new skills for new jobs initiative.

The purpose of the roundtable was to discuss how the knowledge gained from the anticipation exercise should be used. There is already clear support in some sections and a good dialogue is taking place, but we need more action and support.



### *Demography is not the same all over – a Swedish perspective*

The response from the Swedish Ministry of Education and Research is that cooperation is paramount, if we are to get companies to open up for apprentices in times of crisis.

Yet, there are differences between countries in Europe. Demographic developments indicate different workforce compositions across countries. As a result, some are trying to deal with youth unemployment and others are not.

A relevant question is what people should be educated for? Changes all round make it difficult to anticipate and define skills needs and educational responses. Furthermore, having choices is good, but with more than 400 educational programmes to choose from in the Swedish educational system it is increasingly difficult to make a choice.

### *The current crisis is having its effect*

The economic and social situation in many European countries is worrying! The latest unemployment figures suggest that from October 2008 to October 2009 they increased by 28% - corresponding to 5 million more unemployed people within one year – moving towards 20 million unemployed people in the EU.

It was argued that the fight against poverty is on! The jobs that still exist are characterized by declining workers' rights and low wages, etc. Already there are unemployment rates of 40% for young people in some countries. Training is conducted for nothing! Many SMEs and large companies are going bankrupt. In Portugal, companies increasingly leave and relocate in other countries, resulting in social dumping. Some believed that public subsidies to support companies are necessary. An example is DELL that is closing in Ireland and relocating to Poland. The result is 3000 people losing their jobs in Ireland and Polish workers gaining employment instead. It was argued that this strategy of multinational companies is unacceptable. Although training offers are available for the Irish workers, jobs are destroyed and not replaced in other sectors at the necessary rate.

### *Opportunities in new areas, but also risks*

The challenging times consisting of the economic crisis, the climate and demographic changes call for action and cooperation. We need to attract more speculative (high-risk) capital to create new jobs and determine new skills and competences (especially within the green economy). It is thought provoking that 80% of solar panels come from China. R&D expenditure is unbalanced and this poses the question of skills development for what future markets?

We need to deal with the demographic changes and support the development of white services (e-health, wellness and new infrastructures for nano-diagnostics) and increased labour mobility. Furthermore, there is a lack of skills in how to turn knowledge into business and learning "how to learn" is extremely important because of the speed of progress.

### *Increased global competition accelerate change*

What will the EU economy look like in the future in a global perspective? There will be local, regional and national differences in developments and needs. Industrial production is increasing in



Asia and the rest of the BRIC countries and these emerging economies will continue to be a threat to European industries and companies. Europe is still stabilizing its industrial production capacity.

Therefore, it was argued that it should be an important objective for employers to do what they can to keep their employees. The latest developments suggest that employment of highly skilled people has increased whereas employment of low- and medium-skilled people has decreased. Europe needs to stake on securing relevant qualifications for all, higher educational levels, innovation and entrepreneurship. Furthermore, it is important to recognize qualifications and value and reflect these in the employment conditions offered to workers.

The global competition is also leading to PhDs leaving Europe and going to US research institutes and jobs. The graduates basically choose US careers on the basis of better research facilities and conditions in the US compared to Europe. These career choices are not primarily made on the basis of the economic packages on offer.

The global competition does affect high-end jobs, R&D jobs have for instance been lost to Asia and other emerging economies as a result of the crisis or change of priorities/strategies of companies.

#### *A need for matching - UK Commission for Employment and Skills*

The UK representative stressed that there are many initiatives aimed at anticipating future needs, but very few initiatives aimed at matching future skills and workforce needs (demand) with possible candidates and new or adapted educational responses (supply). There must be more focus on this aspect in the future.

Two questions were suggested for consideration: (1) Who are we conducting the anticipation and matching for? (2) What is the value added that we are trying to achieve? Are we doing it for policy makers, funders, individuals, providers, employers, and if for all of them how do we communicate the information to each of these very different target audiences?

Priorities in the communications should be:

- We are not trying to plan the future – it is about informed choices.
- It is about understanding trends, dynamics and the business side of it. Forecasting is the bedrock, but it is not enough.
- It is about occupational and skills benchmarking
- We need to go beyond the focus on forecasting

Three key progress actions related to match/mismatch:

1. Supply of skills
2. Matching the skill gaps and shortages with the unemployed and inactive. There are examples in Europe where some countries, e.g. Spain, have "too many skills", i.e. lots of highly skilled people but not enough jobs for them in Spain.
3. Therefore we need to stimulate demand in these countries and other countries, and this requires an ambitious business culture.



The value of a sectoral approach:

- It is very close to the agenda – sector councils – look from the bottom up.
- UK skills council – a central objective is to move up the value chain!

There are outstanding issues around occupation, especially cross-sectoral occupations (e.g. management and communication occupations). Equally generic /transversal skills are important. Inter- and intra-occupational skills needs are changing and more work needs to go into matching them.

#### *Debate on the future and sector skills councils*

An important vision is to work towards European level occupational standards based on employers' needs. This will allow workers to go wherever they want and show what they can do.

One participant put up the following questions for consideration: If the new European sector councils structure will be based on the national skills councils what has then failed when there is a mismatch today at the national level? How will the European skills councils break down the national boundaries? How will the structure address the European situation? We must make sure we are not producing sector skills councils that will do and produce nothing! A British participant promoted the UK Live Performance Sector Council that supports a growing sector in the UK. This sector skills council argues that it is very successful and stresses that its independence is an important factor. Recommendations from the participants:

- Involve real employers
- Remain flexible (progress and/or exit strategy). Make sure the European organization is adding value, and pull the rug from under councils that are not adding value!
- Top-down and bottom-up implementation. It will be important not just to have top-down control, but also bottom-up support of sector skills council.

One participant proposed using European wide skills competitions as an important vehicle for creating standards and disseminating skills needs. Thousands of young people could come and show their talents at these events. This could be an instrument for the European Commission.