

EVENT SUMMARY — Skills, skills! Skills for people, skills for competitiveness, skills for sustainability

As part of the <u>European Year of Skills</u>, the conference 'Skills, skills, skills! Skills for people, skills for competitiveness, skills for sustainability' was held in Brussels on 20 September 2023. The conference addressed workforce skill needs, related gaps and challenges, and outlined actions, necessary in the future. The event was organised in partnership with the European Parliament and the European Commission by the five agencies under the EC's Directorate-General for Employment, Social Affairs and Inclusion: the <u>European Centre for the Development of Vocational Training</u> (Cedefop), the <u>European Foundation for the Improvement of Living and Working Conditions</u> (Eurofound), the <u>European Agency for Safety and Health at Work</u> (EU-OSHA), the <u>European Training Foundation</u> (ETF) and the <u>European Labour Authority</u> (ELA).

An audience of over 120 participants on-site and more than 200 online viewers had the opportunity to listen to the latest insights and views of the high-level speakers: Members of the European Parliament as well as directors and experts from the agencies and the Commission.

Setting the scene: the transformative power of skills for Europe's future

MEP **Dragos Pîslaru**, Chair of the Employment and Social Affairs (EMPL) Committee in the European Parliament, opened the event and recognised the ongoing changes and developments within the EU. He emphasised that any reform should be based on the economic and social values that shape the EU: Following his introduction of the main points of discussion regarding skills for people, competitiveness and sustainability, he highlighted the importance of collaboration and a broader view on the matter. He said: 'If we want to push forward an EU that really takes care of skills, then we need to look at the whole ecosystem that will bring us the required sustainability – this cannot be just the work of DG EMPL.' He praised the agencies for their outstanding work, not only providing state-of-the-art knowledge, but also for being a source for evidence-based policy. He said that the agencies were one step ahead, coming up with fresh concepts and looking to the future.



'The European Year of Skills is a fantastic vehicle and platform to bring the messages where the skills actually need to be improved — in companies, regions and cities,' noted **Joost Korte**, Director-General of the DG EMPL. He emphasised how this campaign has greatly contributed to advancing the topic of skills in the political agenda. The average EU unemployment level is now below 6%. The vacancy rate is high and the working-age population will decrease by one million people annually between now and 2050. These were some of the projected demographic trends that he also mentioned and that are causing the importance of investing in people.

First panel – Skills for people, competitiveness, sustainability: a vision for the future

Clara Drammeh moderated the panel discussions of the conference, welcoming the Directors of the five agencies. **Cosmin Boiangiu**, Executive Director of ELA, confirmed that the labour shortage in certain sectors in Europe is increasing and stressed the need for a granular approach to match jobs with people's skills. According to him, labour mobility, which is often not fully explored, can be part of the solution to address skills shortage, alleviating labour market imbalances. One of ELA's goals is to update the <u>EURES</u> portal, designed to facilitate the free movement of workers, to be more effective in the matching of jobs and skills and to empower people to uncover their skills and become more attractive to the market and further improve labour mobility in the EU.

Appropriate skills also contribute to workers' health and safety. As stated by **William Cockburn Salazar**, Interim Executive Director of EU-OSHA, skills and training provide workers not only with the understanding of risks and safety, but also of their rights. 'The EU directives on

occupational safety and health (OSH) clearly establish a responsibility on employers to provide each worker with the necessary training to carry out their work in safe and health manner. Workers aged between 15 and 34 have consistently higher risk of injury and early exposure to risk factors that will lead to serious illness, so OSH training is especially important for this collective.' He mentioned the work the agency has been doing with its OSHVET project, which promotes cooperation between OSH and Vocational education and training (VET) specialists to better educate the younger workforce.



When it comes to labour shortage, **Ivailo Kalfin**, Executive Director of Eurofound, believes it is necessary to make jobs in shortage areas more attractive before matching them with people. This translates into job quality, which includes not only skills development but pay, career prospects, autonomy as well as physical and psychological working conditions. As regards training, he noticed that although 96% of EU companies provide training to their staff, there is still a gap in the training structure. Women, people with disabilities, workers with fixed-term or temporary contracts and low-skilled workers receive less training.

In view of challenges like geopolitical tensions and energy prices, not to mention trends such as population ageing and the twin green and digital transition, **Jürgen Siebel**, Executive Director of Cedefop, stated: 'What we need is a skills revolution, an evolution will simply not do.' The director proposed three main courses of action to secure that the future workforce has the prime-aged workers needed to shape transitions. The first is to increase labour market participation, focusing on gender inequality and on groups that are currently left out. Then, to seriously implement skills-based migration and, finally, ensure that the workforce keeps up with the current world of work by providing training in digital and transversal skills. 'All these are not policy options, these are necessities. We simply cannot afford not to do these things.'

Finalising the first round of discussions, **Pilvi Torsti**, Director of the ETF, spoke about the importance of looking at neighbouring countries and beyond for the future of the EU. She highlighted the work of the ETF as a knowledge hub, having conducted sector skills studies and surveys in different countries, gathering new evidence on skills demands and future needs. The agency cooperates with more than 270 vocational centres in over 40 countries to facilitate the development of skills for youth and to diversify opportunities for adults in terms of upskilling and reskilling.

Second panel – Getting the right balance: skills the EU needs to meet the demands of the labour market in a green and digital transition

The second part of the event took the discussion on skills further with the experts of the agencies. Irene Mandl, Head of Information and EURES Unit at ELA, noted some of the agency's latest findings on the labour market, mentioning construction, engineering, IT, healthcare and hospitality as the main areas most affected by labour shortages. The scenario that Mandl shows includes skills being outdated because of digitalisation, completely new skills being needed for newly emerging occupations due to the greening development and skills mismatches happening because of a spatial issue, meaning they are available but not at the place where they are needed. 'The vast majority of occupations that are in shortage are characterised by medium skills level, as well as vocational skills. Personally, I think this is a good message because it gives hope for the workers, that they can acquire and maintain skills that are needed in the future.' According to her, a joint effort is needed to tackle these shortages, with workers remaining open to continuously learn, employers investing in training and development of their staff and social and educational partners facilitating this process.



Ilias Livanos, Expert of Cedefop, highlighted the agency's newly developed Future Shortage Indicator, which looks into the possible future shortages by analysing the occupations that will grow the most, the ones with the strongest replacement rates that will create job openings, and the imbalances that may arise between supply and demand. An example of this analysis lies in the healthcare sector, which shows increasing demand for professionals with high and medium skills levels and a strong replacement rate, since it is a large market with many workers retiring. Looking at healthcare imbalances, the education needed is highly technical and costly, and data shows that there is a trend of high-skilled medical professionals working at lower skills jobs. Working conditions, payment, expanded tasks and level of responsibility can be some of the causes of this trend, but every sector needs to be specifically investigated.

Based on data from Eurofound's European Working Conditions Survey, **Tina Weber**, Research Manager at Eurofound, talked about the measures that can be taken to address labour shortages. 'What is effective is the kind of policy that understands the underlying drivers of the labour shortage. So, if it is indeed working conditions, you need to have a measure that effectively tackles the attractiveness of that job.' She added that this does not only revolve around better wages but encompasses other factors such as opportunities for training and growth, attractive living conditions in the area where people work and greater flexibility. In terms of gender segregation, once workers enter a new profession, for instance women working at ICT, other measures might be necessary to keep them in the sector.



The panel ended with a Q&A session opened by **MEP Sarah Matthieu** (Greens/European Free Alliance), who asked the experts their opinion on the Net-Zero Academies, part of the Net-Zero Industry Act, namely on developing a directive to include rights to education, training and lifelong learning, and on measures that can make training more accessible to women and other groups that are excluded from the labour market. All experts agreed that these are steps

in the right direction. Particularly on the gender issue, **Irene Mandl** added that initiatives to tackle stereotypes could even start as early as in kindergarten, including social policies, since many career pathways start and are decided through families.

The audience also had the opportunity to be part of the discussion. One of the questions was about the role of employers in training the workforce, particularly small and medium-sized enterprises that must deal with fast-paced economic changes. 'In skills development, there is no single owner. There is formal education, non-formal, lifelong learning, continuous education – everybody has a role to play,' affirmed **Ilias Livanos**.

Third panel – Getting the right balance: challenges and opportunities to ensure the future is fair, just, healthy and safe for the EU and beyond

This part of the conference began with the insights of **Eduarda Castel Branco**, Senior Expert at the ETF, who gave an overview of skill trends from the ETF databases in six countries: Ukraine, Georgia, Egypt, Morocco, Tunisia and Kenya. For instance, Ukraine, Egypt and Kenya have a high demand for digital skills, with Egypt's need for AI skills almost doubling between 2021 and 2022. While education, training and qualification systems have embraced reforms, the relationship between needs and provision still requires further development. 'When conceiving policies to attract qualified people to the EU, we also need to consider the needs of these countries,' she said. 'This requires taking into account investment rather than aid, as well as support programmes that actually integrate with the national strategies of these countries.'



To address safety and health risks in the workplace given the challenges of the labour market in the EU, **Elke Schneider**, Senior OSH and Policy Specialist at EU-OSHA, pointed out the need to assess risks, whether they are new risks related to newly developed jobs or a combination of known and new risks. It is fundamental to ensure that OSH information is included in the training of workers. Furthermore, workers are expected to change jobs more frequently in the future due to technological advancements and will need continuous training to be equipped to participate in decisions and work safely, whatever their skills level. Migrants and the younger workforce should also be the target of an integrated and tailored OSH approach that includes skill enhancement. EU-OSHA offers, for example, the language-free and visual safety and health Napo training material and teacher toolkits.



During the panel's Q&A component, MEP **Agnes Jongerius** (Progressive Alliance of Socialists and Democrats) commented that a link is missing between the migrants that are coming to Europe and the labour shortages, and asked how a winning combination of these two factors could be achieved. 'Legal skilled labour migration programmes can be a response if they are properly coordinated, that is when the receiving countries in the EU side and the countries of origin have very clear conversations about what the needs are and what the rights and possibilities would be for further professional development of migrants', **Eduarda Castel Branco** answered. Agnes Jongerius also referred to the situation of healthcare workers in Europe with many leaving the profession because of very difficult conditions. Indeed, Elke Schneider highlighted EU-OSHA's recently launched OSH overview project on health and care workers, which targets this priority group of workers to address current and identify future OSH challenges in this important sector.

MEP João Albuquerque (Progressive Alliance of Socialists and Democrats) asked what can be done to prepare employers to give fair remuneration and good working conditions to workers,

especially workers in need of being who are reskilled or upskilled and workers defined as "low-skilled". **Elke Schneider** mentioned the efforts of EU-OSHA in partnership with vocational and educational organisations to make sure workers are equipped to assess their conditions at work and empowered to participate in decisions on measures. **Eduarda Castel Branco** concluded that it was important that employers recognise already existing skills and develop them further to boost workers' motivation and inclusion.

Closing remarks

After a morning of rich discussions and Q&As, **Denis Genton**, Director of the European Pillar of Social Rights, Strategy from the European Commission's DG EMPL, underscored the need for a comprehensive approach to skills. 'The only conclusion I can draw is how important it is for all of us to join forces to meet the skills challenges. The good news here is that we have a good momentum, thanks to the European Year of Skills.' He added that the cooperation with all the five agencies will continue, to further gain knowledge and act on the matter.

Closing the event, **Dragoş Pîslaru**, Chair of the EMPL Committee, European Parliament, emphasised the significance of skills for a fair and competitive Europe. 'Politically, we really believe, in the Employment and Social Affairs Committee and in the European Parliament, that we can have both a fair and a competitive Europe. Skills are for a decent living, for better paid jobs, for competitive enterprises and for pushing a competitive Europe at the global level.'



Watch the recording of the event on YouTube

Find out more about the <u>programme</u>, <u>speakers and publications and useful links</u> provided by the 5 EU agencies



















