Bridging the Skills Gap for Growth and Job Creation

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Challenges

- Overcoming the **skills imbalance** between labour market supply and demand
- What **policy responses** are needed?
- What **challenges** face education and employers?

Challenges for the education and training sector

- 70 million Europeans **lack** adequate reading, writing, numeracy and digital skills
- Western economies are transforming from industrial-based to a greater **demand for services, digital skills and people skills**
- Up to 45% of today's jobs can be **automated**

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Challenges for the education and training sector

- Millions of jobs are being **lost** as artificial intelligence, robotics, and nano-technology replace human effort
- Primary industries (agriculture and manufacturing) now account for a **smaller part** of total employment
- Investment in Education and Training **declined** during the recessionary period
- Up to 65% of Generation 2 jobs **don't exist** yet.

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Challenges for the education and training sector

- **20%** of employment in 2000 had high skills levels – by 2020, **up to 35%** of jobs will require high skills levels
- Rapid **pace of change** in economy and technology impacting on education and training providers
- **How to anticipate** to knowledge and skills-intensive jobs of the future so that education can deliver the skills today for an unknown future?

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Challenges for the education and training sector

- Our education systems are challenged by rapidly changing demand for skills
- While apprenticeships and traineeships and third level graduates can meet specific workplace skills, a bigger challenge is to educate and train our young people to be **flexible** and **responsive** to face the changing world
- **Employability** is less about what you learn and more about your **capacity to learn**
- **Learnability** is about being open to learning different skills throughout your life
  – **lifelong learning**

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Challenges for the education and training sector

- **Lifelong learning** is not the sole preserve of education and training – it must be also an element of all business investment by employers
- Technological advances will also create millions of jobs where computing, mathematics, engineering **(STEM) subjects** will be critical – new technology needs people to work it
- The **fourth industrial revolution** brings demands for more ICT and STEM graduates as there is digital transformation of society and economy

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Challenges for the education and training sector

- **Future-proofing** requires the state, educators and employers to collaborate to meet the needs for multi-disciplinary generic skills in our workforces
- The challenge is to prepare students for an uncertain future world where **the only certainty is change**
- The continuing impact of **globalization** and technological change makes it difficult to anticipate future skills needs

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Challenges for the education and training sector

- But we can and must develop and grow **generic skills** in our young people so they can cop with change in a rapidly changing world
- **Generic skills**: critical thinking, communications skills, teamwork, IT skills, self-confidence, self-awareness, ability and openness to learn, goal setting, coping with complexity
- Education systems are changing to equip students with these **generic, transferable, lifelong skills**

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Great challenges require national collaboration between the government, employers and the education and training sector

- Member States across the EU have different models. But the following should be **key elements** of any national policy response
- **Employers commit** to lifelong learning
- Governments to have defined and well-communicated **skills strategy**
- Goals and actions are based on up-to-date **data and research**
- **Structured engagement** and communications between government, employers and education and training providers

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Policy response – one national example: Ireland

- "**National Skills Strategy 2025** – Ireland's Future"
- **National Skills Council** of employers and education and training bodies, chaired by the Minister for Education and Skills
- **Regional Skills Fora** of education and skills providers and employers
- Strategies informed by **Expert Group on Future Skills Needs**

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Policy response – one national example: Ireland

- Strategic **Inputs and Outcomes-based funding** model to meet national targets
- Focus on **flexible, responsive VET** to reflect both learners' needs and government priorities
- Evidence collected to see if policy objectives are being met – education and training **providers contribute to national targets**

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National policy response

- **Collaboration** between key stakeholders leading to:
  - **Targeted funding** strategies
  - **Alignment** with needs of the labour market
  - **Strategic Inputs and Outcomes model** of education and training
  - **Partnership** with industry
  - More **responsive** education and training systems

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Education and training sector response

- Economic growth can be boosted by **innovative partnerships**
- Schools and colleges can be agents of change – **innovation and entrepreneurial education**
- Teachers to be facilitators, not instructors, where **lifelong and self-directed learning** is encouraged
- VET is adaptable to meet on-going changing skills needs – becomes the first choice of students – greater **focus on work-based learning** (WBL)
- **Fast-track training** for the employed and unemployed

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Specific challenges for the education and training sector

- Investment in **continuous professional development** (CPD)
- Investment in **facilities** and **research**
- Lifelong learning and **aging populations**
- **Mobility** of workers and learners
- Communication strategies and tools to improve **education and business linkages**
- **Adaptable VET** to meet changing skills shortages
- Importance of **STEM subjects**
- Levels of **youth unemployment**

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September 2015: the European Parliament adopted a Resolution:

- **"Creating a competitive EU labour market for the 21st Century: matching skills and qualifications with the demand for job opportunities as a way to recover from the crisis"**

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