

SMEunited position on the Council Recommendation on vocational education and training (VET) for sustainable competitiveness, social fairness and resilience- COM (2020) 275

On 1st July 2020, the European Commission launched a new EU skills package including a draft Council Recommendation on vocational education and training. SMEunited is pleased to share some insights on a core topic for crafts and SMEs.

Executive summary: key messages

- SMEunited generally welcomes the recommendation aiming to increase the sustainability, the competitiveness and the resilience of VET;
- SMEunited welcomes the initiative to improve skills intelligence including skills monitoring and graduate tracking and in particular asks the Commission to support local and regional skills intelligence tools more appropriate to capture the skills needs of Crafts and SMEs active in local ecosystems;
- VET is an important education pathway for achieving the green and digital transition. SMEunited strongly supports the larger use of digital education tools in VET curricula;
- SMEunited recalls the major role of Crafts and SMEs for apprenticeship and welcomes financial and non-financial support to continue playing this role;
- On the use of micro-credentials, SMEunited requests for a clear definition before proposing any policy initiatives;
- On the definition of European Core Profiles, SMEunited recommends a bottom-up approach leaving the initiative to individual sectors according to their needs.

1. General remarks

Crafts and SMEs in Europe are confronted with a serious lack of skilled workers. SMEUnited considers that the EU policy priority for the new Skills Agenda to better align education and training systems outcomes and skills to changing labour market needs is key. This is particularly relevant for vocational education and training (VET) systems to deliver the right learning outcomes and ensure the employability of learners at all levels. Work-based learning and apprenticeship are best placed to deliver the newly required skills as they are by nature closer to labour market needs. Initial VET (I-VET) allows young people acquire soft and hard skills and attitudes for a successful transition from education to work. Continuous VET (C-VET) plays a key role in supporting active population or unemployed people to upgrade their skills in view to adjust to the changing work requirements.

As a matter of principle, SMEUnited supports measures and policies that facilitate the adaptation of learners to work and the VET systems to be aligned to the labour market needs including the European Commission's proposal for a Council Recommendation on VET for sustainable competitiveness, social fairness and resilience.

The green and digital transitions together with the COVID-19 crisis put the spotlight on the urgent need to modernise VET systems, in particular to develop digital VET infrastructure and ensuring that VET is accessible to vulnerable groups and people in remote areas. Moreover, VET programmes need to be resilient and ready for the digital era.

SMEUnited supports the scope of the Council Recommendation and shares the overall objectives of the initiative. The modernisation of EU policy on VET is key to accompany national VET systems towards the green and digital transition in times of demographic changes. SMEUnited particularly supports the objective to confirm the central role of VET in the lifelong learning continuum and ensuring quality and excellence in VET. SMEUnited also supports the simplification of the VET governance at Union level.

2. Specific comments

A) Recommendations to Member States

SMEUnited welcomes the specific targets set in the recommendation and encourages their implementation and monitoring until 2025, namely the share of employed graduates should be at least at 82%, 60% of recent graduates from VET benefit from exposure to work-based learning, 8% of learners in VET benefit from a learning mobility abroad. Setting clear quantitative targets is the right approach to result-oriented policies designed in partnership with social partners, VET providers and companies. SMEUnited recommends to match the ambitions of the mobility target with available funding via Erasmus+.

On the thematic objectives set in the draft Council Recommendation:

1-4: Vocational education and training is agile in adapting to dynamic labour market changes

SMEunited welcomes the approach identified in the draft Recommendation. VET programmes need to offer a balanced mix of vocational and technical skills alongside other core competences, including solid basic, soft, life, green and digital skills. SMEunited has pointed out in several occasions that persistent lack of basic skills continues to demand specific attention. The ability for each European citizen to acquire robust basic skills delivered by national education systems before they start a VET programme is made even more important in light of the difficulties to predict the specific skills that people will need in the future. These basic skills are the necessary foundation on which other skills and knowledge can be built throughout their lifetime (e.g. through reskilling, continuous training).

SMEunited welcomes the identified need to reinforce skills intelligence. This is best done at regional or sectoral level as labour market intelligence and observatories are more reliable at that level due to their close connection with the local ecosystems and labour market specificities. In this context, a specific attention to SMEs skill needs is necessary. The role of skilled craft chambers and SME organisations in skills forecasting should be reinforced as they are best placed to identify the current and future skills required by SMEs at local level. In addition, it is extremely important to collect good data on how well VET and other graduates do on the labour market (for example to what extent, at which levels and in what kind of jobs are holders of certain qualifications typically employed). Graduate tracking can be used for quality assurance and to make education and training more responsive and flexible and so being able to respond swiftly to changing labour market demands. Moreover, graduate tracking data can play an important part in increasing transparency and mutual trust between the Member States VET systems.

SMEunited supports the objective to ensure that VET providers have enough flexibility, autonomy, support and funding to respond quickly with training offers to changing skills needs. Working in close cooperation with companies, social partners, chambers and all stakeholders at local level is key to ensure that the ecosystems at regional and local level can prosper and better match skills needs of Crafts and SMEs.

On work-based learning and apprenticeships, SMEunited reiterates the importance to support Crafts and SMEs to offer the best training experiences to young people and adults. SMEunited is well aware that due to COVID-19 crisis and its negative impact on several sectors, many Crafts and SMEs will reduce the offer for apprenticeships in the short and medium terms. Therefore different types of support including financial support to hire apprentices should be foreseen.

Inter-company training is another tool that might support apprenticeship especially in COVID times. Concerning digital learning tools in the framework of apprenticeships, small and micro-companies need support, as they often do not have sufficient financial resources to buy them.

SMEUnited also looks forward to the results of the benchlearning initiative in the area of apprenticeships. This initiative will help to improve national apprenticeship systems and the national implementation of the European Framework for Quality and Effective Apprenticeships.

5-6: Flexibility and progression opportunities are at the core of vocational education and training

SMEUnited supports the focus on personalised and learner centred VET programmes. A more active role of learners is key for motivation and ownership of the training pathways. On validation mechanisms, SMEUnited fully supports the validation of informal and non-formal learning and acknowledges that modules or units of learning accounts can indeed be useful to organise the transfer, recognition and accumulation of learning towards a qualification. However, modules or units of learning outcomes should not lead to fragmentation of VET and it should also respect the major role of full qualifications. Looking at the next steps, 'micro-credentials' need firstly to be clearly defined before any appropriate policy intervention can be put forward. We therefore ask the European Commission to set-up a clear definition of 'micro-credentials'. If the Commission, Member States and stakeholders see a need, possible and adequate measures can be discussed.

7-9: Vocational education and training is a driver for innovation and growth and prepares for the digital and green transitions and occupations in high demand

VET needs to be closely linked to new economic strategies, the European industrial strategy and the SME strategy, and to the recovery to support the new ecosystems through innovation in view of greening the economy. Digitalisation will be at the centre of VET with its multiple dimensions.

SMEUnited supports the need to increase the tailored offer of C-VET by fostering the acquisition of entrepreneurial, digital and green skills as the new strategies demand requires. Trainings need to be available for entrepreneurs as well, to keep them updated on the latest developments on the twin transition and to be able to master them and take benefit of innovation for growth and competitiveness.

SMEUnited shares the vision that Centres of Vocational Excellence are key catalysts for innovation and partnerships at local and regional level. In particular, SMEUnited stresses the important role they could play for SMEs in supporting their innovation and in connecting them with all stakeholders at regional and local level. Working in partnership with all relevant stakeholders

has been identified as a successful work methodology, especially when partnership involve social partners and public authorities.

Finally, SMEunited endorses the need for VET institutions to have access to appropriate digital infrastructure and to embed the environmental and social sustainability in their programmes. These are key elements for a future-proof VET, as identified by the European Commission.

10-16: Vocational education and training is an attractive choice based on modern and digitalised provision of training/skills

SMEunited encourages any campaigns that are willing to change the narrative around VET and make it more attractive for young people. As the image, attractiveness and recognition of VET are still not on par with general education, there is a critical need to raise interest among young people to opt for VET as a first choice. In this regard, career guidance and orientation should be provided to pupils as early as possible and continue throughout their studies as well as at specific critical stages, such as when an initial VET pathway can be chosen. Students must also be informed about the career opportunities that small businesses offer as early as possible.

Well-trained and motivated teachers and trainers will be at the centre for making VET more attractive through new learning tools and pedagogies using ICT based simulators, virtual and augmented reality tools.

Moreover, it is essential to avoid VET being a dead-end but rather functioning as a path to higher education and training. Permeability with attractive progression routes in the sense of “pathways” or “qualification ladders” within VET as well as from VET to tertiary academic education is essential. In most Member States Higher VET does not exist or is still not as visible and attractive as academic education. Therefore, Higher VET needs to be put higher on the political agenda both at European and national level.

Aside from ensuring smooth transitions from education to work, measures should also focus on maintaining people longer in the labour force, which can be promoted by ensuring access to lifelong learning. A new culture of lifelong learning and continuous training is particularly important in light of the digital transformation, demographic change and the adaptation to rapid labour market changes. Fostering continuous training, in particular on-the-job training, is one of the best ways to ensure that the labour force is equipped with the right skills at the right time for newly emerging tasks.

Lifelong learning and continuous training will help employers to maintain a productive workforce, to more easily recruit a skilled workforce and at the same time ensure workers’ employability and career development. On the other hand, entrepreneurs themselves also need sufficient and targeted opportunities for lifelong learning and continuous training. As such, this will contribute to anticipate changes in the world of work and avoid costly skill mismatches and shortages. Training and, in particular, reskilling and upskilling

can thus help alleviate qualitative labour shortages. Therefore, the implementation of the Council Recommendation on Upskilling Pathways needs to be reinforced and training strategies at EU, national and regional level should set the goal of promoting continuous training and lifelong learning. Among different policy interventions, SMEUnited recommends improving the targeted provision of information to SME employers and workers in the Members States regarding training opportunities and strengthening guidance and counselling, thereby enhancing the motivation of workers to participate in continuous training.

SMEUnited also stresses that employee training is a shared responsibility between employers, workers and public authorities to invest in the current and future necessary skills. The main challenges SMEs face are the cost of training, the lack of an adequate training offer, the lack of time on the part of SME employees, difficulties to motivate workers, and the need for a strategy with return on investment for both sides. Another major problem for small businesses is the lack of the necessary resources and support to design a professional development and training plan. Therefore, it is necessary to set up support programmes including financial support for SMEs, enabling them to put in place policies to attract and manage talent effectively. Social partners, business organisations, chambers and training centres, for example, have an important role to play in assisting smaller businesses with the design and content of adequate solutions for continuous training in a way that contributes to delivering training outcomes that are adapted to business' and workers' needs.

SMEUnited encourages the modernisation of the delivery of VET programmes via using the latest digital solutions. Specific trainings for teachers and trainers are key. Stronger contacts between teachers and trainers in Crafts and SMEs are also an important element for the delivery of programmes responding to their skills needs.

Finally, on internationalisation strategies and on learning mobility, SMEUnited stresses the importance to increase the opportunities for experiences abroad for learners, teachers and trainers, and employers to enjoy the European added value of exchanges. In order to make the best use of exchange programmes, good learning plans and clear objectives need to be set and discussed with a mobility counsellor. Appropriate matching of objectives with training offers abroad is equally a key step for the success of the mobility experiences. Finally, reducing administrative burdens and increasing Erasmus+ budget line are two key steps forward to increase learners mobility.

17-19: Vocational education and training promotes equality of opportunities

SMEUnited encourages the design of training programmes for vulnerable groups. In particular, SMEUnited asks for support for Crafts and SMEs to be able to offer work-based learning and apprenticeships opportunities to people

who require extra support. With the right conditions and support measures in place, SMEs will be able to also offer work-based learning and apprenticeship opportunities to people with special needs. In case of vulnerable groups, it is key to establish strong partnerships with VET providers with the support of intermediary bodies such as Skilled Craft Chambers. Designed counsellors could be the way forward. They could mediate between the needs of the learners and the needs of small companies for the good development of the training. In general, SMEunited welcomes the specific attention on accessibility of VET programmes for vulnerable groups. Internet connections should be guaranteed for people in rural or remote areas.

On the issue of gender bias, SMEunited encourages the fight against gender stereotypes and any policy breaking gender stereotypes in the choice of professions. Many sectors such as construction make strong efforts to tackle these stereotypes and attract more women in traditional male dominated occupations and men in female dominated sectors. Gender-free VET campaigns could support the fight against gender stereotypes, and gender segregation in professions. SMEunited asks for more efforts to be deployed in order to encourage young people, in particular girls and women, to choose more STEM-related studies. Companies, including innovative start-ups and other SMEs, can play an important role in teaching and promoting STEM skills, for example through apprenticeships or promotion days in schools, the identification of (technological) skills needs, or the development of STEM qualifications (e.g. in Higher VET). Effective cooperation with businesses and social partners in this field is indispensable.

20-21: Vocational education and training is underpinned by a culture of quality assurance

On the European Quality Assurance Reference Framework (EQAVET Framework), SMEunited welcomes the renewed efforts to fully implement it in all VET systems. This is an essential criteria to ensure the relevance and attractiveness of VET in a rapidly changing environment.

SMEunited does not support the use of peer reviews in the field of quality assurance to improve transparency and mutual trust between the Member States. Peer visits and mutual learning activities are more appropriate to achieve the objective of quality assurance. SMEunited reiterates the notion of transparency and mutual trust through data, notably on the output criteria 4, 5 and 6 of the EQAVET Recommendation and on the results of the graduate tracking.

22-25 Implementation at national level

SMEunited strongly supports the role of social partners at national level and the role of partnerships with all relevant stakeholders to implement the policies included in the Recommendation whilst respecting the national specificities of the VET systems. Partnerships should be further promoted and SMEunited

agrees with the Commission that all relevant stakeholders should be supported, in particular Crafts and SME representative bodies.

On the use of EU funds and instruments, SMEUnited recommends to develop more tools for skills intelligence (please see point 1-4). EU funds are extremely relevant to implement modernisation of VET systems, to analyse the current state of play and to introduce relevant reforms, to fully implement the Council Recommendation on Quality and Effective Apprenticeships, to invest on Digitalisation for the VET centres but also for the ICT equipment of individuals and environmental sustainability.

B) Role of the European Commission (26-33)

SMEUnited agrees that the European Commission supports Member States. Social partners play a key role as they function as interfaces between the world of work and the education and training systems. Therefore, in order to strengthen collective leadership, social partners need to be involved more closely and systematically across the Member States. There is still a need for better involvement of employers and particularly Crafts and SMEs organisations in the design and implementation of education and training curricula, as the systems need to become more labour-market oriented if we want to address the current and future skills challenges.

In many Member States, there is still room for improvement regarding capacity building of social partners as this is crucial to enable their active involvement. Countries with a well-functioning social partnership have more efficient VET systems. It is therefore important to continue work on the sharing of good practices at EU level. Support from the European Commission on capacity building of social partners is needed in a number of Member States where VET is less developed and recognised.

SMEUnited supports the goal to increase the number of platforms of Centres of Vocational Excellence up to 50. However, on the topic of the European Vocational Core Profiles, SMEUnited strongly recommends to leave the initiative to create such profiles to the sectors according to their needs based on the bottom-up approach. Moreover, on micro-credentials, SMEUnited recommends to adopt a clear definition prior to proposing any policy intervention.

SMEUnited highlights that the European Commission should support European campaigns to promote VET as a stepping stone to employment, whilst ensuring that gender diversity is promoted and also relying on role models and testimonies of professionals and young people.

Brussels,05.10.2020

