

Commission adopts New Strategy on building New European Labour Markets by 2005

The European Commission today agreed a new strategy to open up pan-European labour markets by 2005. The 2005 target is backed by an ambitious but realistic two-stage policy approach to remove barriers to mobility and to raise the skill levels of the European workforce at all levels. Stage one of the strategy aims to tackle immediately the obvious major obstacles to the emergence of new European labour markets, such as acquiring, updating and obtaining Europe-wide recognition for modern work skills, removing barriers to mobility presented by social security and pension systems and providing straightforward access to information about jobs and training available throughout Europe. Stage two of the strategy sets up a high-level business-led task force to look at skills and mobility problems in more depth, in particular the skills gap in the information and communications technologies sector. On the basis of the task force report, the Commission intends to propose an action plan with further initiatives so as to allow everyone access to genuine European labour markets by 2005. The Commission is looking to the Stockholm European Council to endorse this strategy.

The New Strategy was adopted on the initiative of President Prodi in association with Commissioners Diamantopoulou, Bolkestein, Reding, Busquin, and Vittorino. It builds on, and is a follow-up to, the Commission's report to the Stockholm Summit (see IP/01/170).

Commenting on the new Strategy, Anna Diamantopoulou, Commissioner for Employment and Social Affairs, said: "New pan European labour markets are emerging, driven by technological change and globalisation, but they face many barriers. We want to remove those barriers by 2005 - to make these European labour markets open to all, with access for all. This is an opportunity for individuals and for business. The chance to work in another Member State has been a right since the Treaty of Rome. Today we agreed to turn that right into a reality for all Europe's citizens."

Internal Market Commissioner Frits Bolkestein, said: "We have to improve the functioning of the European labour market for job-seekers, for people wishing to work in another Member State and for companies looking to employ people with the right skills. The Internal Market can make a significant contribution by tackling barriers to the provision of services, by making it easier for people to obtain recognition of their professional qualifications and by ensuring workers in company pension schemes are not penalised when they want to move between Member States."

Viviane Reding, Commissioner for Education and Culture, said: "Basic and advanced skills are the key to the knowledge society and economy - and today, Europe is behind with both. This is where our effort must go if we are to become the dynamic and competitive society we aim to be. Skill gaps and mismatches put a break on growth and on rising living standards. Lifelong learning is the only key to solving the problems they cause. If mobility is to become a real opportunity for everyone, we must enable them to use their skills wherever they are needed - and recognition of acquired skills must become easier and more automatic."

Stage One - Skills, Mobility, and Information

Skills Barriers and Tackling the Skills Gap

- Professional qualifications: the Commission will present in 2002 proposals for a more uniform, transparent and flexible regime for recognition of professional qualifications based on the existing General System, including ways of promoting more widespread automatic recognition.
- Skills Acquired at Work: Facilitate the recognition of skills acquired at work, building on numerous initiatives taken within sectors or companies to support transnational qualifications schemes and on examples such as the European Computer Driving Licence. The Commission should identify a small number of key areas for further development and support exchanges of experience in this field.
- Lifelong Learning Action Plan: building on the Lisbon agenda and on the debate launched by the Commission's 'Memorandum on lifelong learning', the Commission will prepare an action plan in time for the Spring European Council in 2002 to ensure that lifelong learning becomes a reality for all citizens and that workers can fully benefit from it in the context of the European Employment Strategy. This should help identify the basic skills essential for mobility, facilitate the recognition of skills acquired outside formal systems, and increase investment in human resources.
- Best practice in Education and Training Systems: based on the adoption of the report from the Education Council to the European Council on "Concrete Future objectives of education and training systems", the Commission will, in co-operation with the Member States, develop an open method of co-ordination that facilitates the exchange of best practices in areas central for the development of the education and training systems (Quality and effectiveness, Access to education and training of all, opening up educational systems to the wider world).

Removing Barriers to Mobility

- Implement the Commission's comprehensive strategy to remove barriers to services (see IP/01/31 and MEMO/01/5). This will have a direct impact on the mobility of service providers enabling them to develop a foothold in other markets.
- Elimination of Obstacles to the Cross-border Provision of Supplementary Pensions: the Commission will present a Communication in March 2001 on these obstacles where caused by tax systems.
- Portability of Supplementary Pensions: the Commission will present a proposal on portability before the end of 2001. The Commission also made, at the end of 2000, a proposal on the harmonisation of the rules applying to funded pension schemes whose early adoption would greatly facilitate mobility (see IP/00/1141 and MEMO/00/62).

- Mobility of Researchers, Students, Trainers and Teachers: the Council and the European Parliament should swiftly adopt the Recommendation on mobility of students, persons undergoing training, young volunteers, teachers and trainers, and in parallel Member States should implement the Mobility Action Plan. Moreover, existing European programmes like SOCRATES and LEONARDO DA VINCI should be reinforced to allow higher participation and to give better opportunities to young people from different socio-economic backgrounds.
- On the basis of the work of the High-Level Expert Group, the Commission will present a strategy for the mobility of researchers in 2001.
- Modernising Social Security for Migrant Workers: the Council and the European Parliament should adopt pending proposals in this area.
- Mobility of third country nationals: the Council, on the basis of Commission proposals should set out the criteria and the conditions under which, like Community nationals and their families, third country nationals could be allowed to settle and work in any Member State of the Union taking account of the consequences for social equilibrium and the labour market. Ways need to be found to get around the blockage in the Council on the two proposed Directives on the detachment of third country nationals within the EU (see IP/99/53) so that additional guarantees of free movement can be obtained in 2002.

Improving Information and Transparency

- One-stop European Mobility Information Site: the Commission to produce before the end of 2001 a study on the feasibility of establishing a one-stop European mobility information site, working with national and local governments, employment services and other relevant actors. The site would network and develop information from Community and national sources to provide comprehensive and easily accessible information to citizens on key aspects of jobs, mobility and learning opportunities in Europe. This should include the setting up of a Europe-wide jobs and learning database (built upon the experience of existing EURES network) as called for in Lisbon and as included in the Employment strategy. The new site would complement already existing information on the "Dialogue with Citizens" site (<http://europa.eu.int/citizens>), which will be further expanded. It will also comprise information pertinent to researchers, including international vacancies and national and Community-level mobility programmes.
- Mobility Information Campaign: the Commission to run an information campaign, in co-operation with the social partners and Member States, making full use of existing and familiar instruments, such as the EURES and Dialogue with Citizens and Business, targeted at employers and workers on the key dimensions, opportunities and possibilities of the Internal Market and the European labour market.
- Professional recognition: the Commission will adopt a priority action, building on existing information and communications networks, as well as on current work on improving transparency of qualifications, to ensure that citizens can rely on a more comprehensive service providing information and advice specific to their individual interests and rights.

Stage Two- High-level Skills and Mobility Taskforce and 2002 Action Plan

High-level Skills and Mobility Taskforce

The principal goals and mandate of the Skills and Mobility Taskforce should be:

- To identify the main drivers and characteristics of the new European labour markets, with a particular focus on skills (supply, demand, skill gaps at various levels (national, regional, sectoral, occupational), lifelong Learning) and mobility, including the role of third country nationals. Particular importance will be attached on the one hand to the ICT skills and on the other hand to the basic and intermediate skills necessary for participation in the new economy.
- To identify the main barriers to the further development of these European labour markets, in particular in the areas of skills and mobility and to review and exploit any good practice experience elsewhere, most notably in the US. Identify the measures needed to create in Europe an attractive labour market place for the knowledge economy.
- To report with a set of policy initiatives required to ensure these markets are open to all, with access for all by 2005 and recommendations for implementation at European and national levels.

The Taskforce should be established by the Commission and draw on expertise from top leaders of European business, top labour market and education experts, the social partners, and on the relevant findings of EU research in this field. The Taskforce would be established in April 2001, to report back to the Commission by December 2001.

2002 Action Plan

On the basis of the Taskforce report, the Commission would put forward an Action Plan to the Spring Council 2002. This Action Plan will propose a set of further policy initiatives and recommendations to ensure that by 2005, the new European labour markets are open to all, with access for all.

Mobility in the EU

Mobility in the EU is currently low. A little over 5% of the EU's resident population are non-nationals of the Member States in which they are resident, but only one-third of those, i.e. less than 2% of resident population, are EU nationals. Mobility on an annual basis of EU nationals within the EU (across Member State borders) is about 1.5 million people - less than 0.4%. US data is not directly comparable, but mobility is generally recognised to be higher in the US. In 1998 migration between states in the US was 2.4% of population. Over a period of ten years this implies there is mobility in the US between states equivalent to 24% of total population, while in the EU it is only equivalent to 4%. These low levels of EU mobility imply inadequate utilisation of the European jobs pool, at a time when some studies estimate an IT skills gap of close to one million in the EU.

The nature of mobility has changed a lot in the EU over the last years. The main characteristics of EU mobility are:

Mobility tends to be between urban centre to urban centre, influenced by the geographical clustering of different industries (and not rural to urban).

Sectors with high mobility are: high growth and high-technology sectors;

Mobile workers are young - predominantly under 30 years old, and especially in the 21-25 age group - and are highly skilled;

There is an increasing tendency to three types of migration: temporary migration - moving to another Member State for a small number of years and then moving on or back; cross-border commuting - this is increasing (about 600,000 EU nationals a year); and increasing pan-European management of human resources by multinational enterprises.

But despite growing pressures for genuinely pan-European labour markets, there are many barriers to mobility, of which language is only one. It is these barriers that the Commission's strategy plans to tackle.

Main Barriers

Social, Cultural and Linguistic (including housing, extra barriers facing family units, and other barriers)

Economic - pensions, and tax and benefit systems (including different tax treatment of pensions)

Skills and Qualifications (including lack of transparency and prolonged administrative delays in recognising qualifications)

Informational Barriers (including information on jobs, wages and working conditions, housing, education and skills and training opportunities).

For more information:

http://europa.eu.int/comm/employment_social/empl&esf/news_en.htm

http://europa.eu.int/comm/dgs/employment_social/key_en.htm