



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 20 January 2012

5444/12

**EDUC 10
SOC 21**

NOTE

from : General Secretariat of the Council
to Permanent Representatives Committee (Part 1) / Council

No. prev. doc. : 5155/12 EDUC 3 SOC 7

Subject: Europe 2020 strategy - Education and training's contribution to reducing youth unemployment
- *Policy debate*
(Public debate pursuant to Article 8(2) CRP [proposed by the Presidency])

Following consultation of the Education Committee, the Presidency has drawn up the attached discussion paper as a basis for the policy debate on the above subject at the EYCS Council meeting on 10 February 2012.

Presidency Discussion Paper

Europe 2020 strategy

Education and training's contribution to reducing youth unemployment

Background to the discussion

The "ET2020" strategic framework

European cooperation supports the further development by the Member States of education and training systems aimed at ensuring:

- (a) the personal, social and professional fulfilment of all citizens;
- (b) sustainable economic prosperity and employability, whilst promoting democratic values, social cohesion, active citizenship, and intercultural dialogue.

The headline target under the Europe 2020 Strategy

- reducing school drop-out rates to below 10%;
- increasing the share of 30-34-year-olds having completed tertiary or equivalent education to at least 40%.

European Council conclusions of 9 December 2011

“While structural reforms must be vigorously pursued, targeted measures are urgently needed at both national and European level for the most vulnerable groups, in particular the young unemployed. Enhanced activation policies should be complemented by efforts to upgrade skills, notably by adjusting education and training systems to labour market needs.” (*paragraph 5*)

2012 European Semester

The 2012 Annual Growth Survey (AGS) calls on Member States to give priority to propose concrete actions, targeting in particular young people who are not in employment, education or training, as well as commitments to promote quality apprenticeships and traineeship contracts. The AGS stresses that particular attention should be given to a vocational training dimension in tertiary education systems and getting work experience; the AGS also calls on Member States to give priority to further adapting education and training systems to reflect labour market conditions and skills demand, while reinforcing their efficiency and quality. Finally, the AGS calls on Member States to prioritise growth-friendly expenditure, such as education, research, innovation and energy, as investments in future growth, whilst ensuring the efficiency of such spending.

In its recent Youth Opportunities Initiative¹, the Commission suggests mobilising the European Social Fund in order to promote skills development and to support the school-to-work transition (notably by encouraging more practical learning).

The challenge

There is increasing concern that young people are bearing the brunt of the economic crisis and that there is an impending risk of a "lost generation". Today, more than 20% (5 million) of 15 – 24 year olds on the EU labour market are unemployed. 28 % of these young people are long-term unemployed. 53% of early school leavers are unemployed. These are alarmingly high figures, as youth unemployment puts many young people in danger of losing their life perspective and motivation and thus of being almost permanently excluded from the labour market. Youth unemployment affects a variety of different groups of youngsters, but two categories in particular stand out:

- those who have left the education and training system without sufficient qualifications;
- those who have completed education, but cannot find work.

¹ Doc. 5166/12.

Alongside the urgent need to offer immediate support for those young people suffering from the impact of the crisis, it is crucial to prevent youth unemployment by equipping young people with skills that are relevant to labour market and by preparing them for a smooth transition from education to work.

While the current situation is alarming, the trend towards higher skills requirements and shrinking demand for low-skilled jobs is expected to continue. Against this background, education and training systems need to be reviewed in order to see whether they are sufficiently geared towards labour market conditions and whether they equip young people effectively with the right skills and competences that they need for a successful start on the labour market.

More knowledge is needed to make well-informed decisions, and several initiatives are under way. During the Danish Presidency, the aim is to adopt a benchmark on employability which in the long run should yield valuable information about the transition from school to work. The Commission plans to launch the Skills Panorama in 2012 which will produce valuable information on skills needs and skills mismatching.

Structural factors - such as the structure, flow and stability of the national labour market - are of course essential, but there are also indications that some education and training systems are more favourable to employability than others. It seems that dual vocational education and training systems which involve in-service-training within in companies contribute to enhancing employability. It therefore seems relevant to further explore the benefits of work-based training.

Greater attention should be paid to the transition from education to work. Achieving this may call for an improved dialogue between the worlds of education and work, as well as for a greater practical dimension to education and training programmes and for more emphasis to be placed on the acquisition of transversal key competences, i.e. sense of initiative and entrepreneurship, social and civic competences and cultural awareness. Promoting guidance and the validation of non-formal and informal learning would also help to highlight the broader competences of young people, many of which may well extend beyond their formal qualifications.

In the light of the above, and in the context of the Europe 2020 strategy, the AGS and the commitments under the Euro Plus Pact, Ministers are invited to consider the following question:

In the field of education and training, which single policy initiative do you think should be taken in 2012, at national or European level, in order to contribute to tackling the present high levels of youth unemployment and alleviating the social consequences of the crisis for young people?

The presentation of their respective key policy initiatives will allow ministers to learn from one another. The Presidency will forward a summary of the debate as the education sector's contribution to the Spring European Council meeting scheduled on 1-2 March 2012.
