

Investing in the Future of Jobs and Skills. Scenarios, implications and options in anticipation of future skills and knowledge needs for the Furniture Sector.

Policy Summary

The European furniture sector involves the production of furniture for homes, offices, kitchens and gardens. The **value added** grew in the period 1995-2006, but at a lower rate than GDP. The sector developed strongly in the new Member States (NMS), with a growth three times as much as the growth of the overall NMS economy. While the growth of the NMS is impressive, their overall share in value added remains small. Two-third of **employment** in furniture is still in the EU-15. Growth was especially strong in the new Member States and was based predominantly on labour cost advantages, while employment decreased in the EU-15. Overall, employment in the sector shifted gradually but consistently from Western to Central and Eastern Europe over the last decade. With regard to **employment composition**, in the EU the number of labourers, metal machinery workers and precision handicraft workers declined. The number of managers increased somewhat, as did the numbers of architects / engineers (design), office personnel, other professionals, and leather and textile workers. Between the EU-15 and the new Member States the picture is quite different: job functions that grew in the new Member States lost ground in the EU-15.

The EU furniture industry is under intense pressure from **globalisation** and **new skills and jobs** are essential for the European furniture sector to thrive in the future. These include both technical (hard) and soft skills. Knowledge of new (highly automated) production systems and of new materials is important, as is the capacity to work with designers. Business skills such as supply chain management and the development of new business models will become very important in a globalised production system. This also required improved language, communication and intercultural skills.

Changes in education and training are required to prepare the future workforce for new skills required in the future. **Recommendations for education and training** are to adapt and modernise vocational education and training (VET) systems, enhancing flexibility and modularisation. The introduction of sector-specific skills at an early stage in vocational training is important – including the development of e-learning and blended learning systems. This includes the need to develop special courses for older workers. With regard to education and training infrastructures it is necessary to support joint training networks to foster apprenticeships in the furniture sector, and to establish joint teaching facilities to keep vocational teaching up to date and facilitate training co-operation between SMEs. More attention for interdisciplinary and multi disciplinary approaches in education will improve the skills of future employees, while a more transparency and improving a trans-national recognition of vocational qualification will enable a higher mobility of workers between EU member states.

Other recommendations include the need to improve cooperation between stakeholders in the furniture sector. This should also aim at improving the image of the sector, especially for those job functions where shortages are expected (engineering, ICT, business and finance and skilled handicraft workers) which would enlarge the possibilities to attract and bind workers to the sector from other sectors. Other recommendations include the provision of career guidance for labour market entrants and employees. This will ensure realistic expectations which will help attract the right people and retain those already employed – it is especially important in order to keep older workers longer in employment. Furthermore, the impact of new technologies on the furniture sector will affect the people working their. An important recommendation would be to review and monitor the role of new technologies and their implications for employment in the furniture sector