## Bundesrat (Upper house of the German Parliament) 23.09.16

# **Decision** of the Bundesrat

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A NEW SKILLS AGENDA FOR EUROPE — Working together to strengthen human capital, employability and competitiveness

COM(2016) 381 final

At its 948th session on 23 September 2016, the Bundesrat adopted the following position pursuant to Sections 3 and 5 of the Act on Cooperation between the Federation and the *Länder* in European Union Affairs (EUZBLG):

#### General

- 1. The Bundesrat thanks the Commission for its initiative to raise education levels in the EU. It supports the fact that the Communication emphasises the issue of skills and that it focusses attention, at European level also, on the importance of fostering skills. The issues identified in the Communication also feature on the national agenda. However, the Bundesrat does make the point that the Commission's Communication cannot set a common agenda for the EU, Member States and stakeholders at all levels, as the EU is not in a position to lay down priorities and areas for action either for individual stakeholders or for Member States.
- 2. The Bundesrat points out that Articles 165 and 166 TFEU allocate responsibility for general education, including higher education and vocational training, to the Member States. In view of this, the Bundesrat makes it clear that the Europe 2020 Strategy cannot give rise to any binding requirements in this area which Member States are obliged to implement.

- 3. The EU links its skills agenda to extensive new specifications and recommendations for the field of education (for which Articles 165 and 166 TFEU give the EU only very limited regulatory powers) based on labour market policy considerations. Given current political developments in Europe, it is of particular importance to ensure that areas of Member State sovereignty are observed.
- 4. The Bundesrat does not deny that in order to reach the Europe 2020 goals Europe-wide efforts are necessary in the area of skills. It does however request the Federal Government to ensure, during further consultations on the agenda and on the individual measures that come out of it, that the action taken at European level takes sufficient account of the existing division of powers and is confined to what is strictly necessary. In particular, extensive and resource-intensive developments of national strategies and reporting obligations should be avoided if the associated effort is out of proportion to the benefits.
- 5. The Bundesrat already provided comments on the Communication at earlier stages, before it was published (see Bundesrat documents 116/16 (Decision), 196/16 (Decision) and 510/15 (Decision)). Back then, it was called 'Agenda für neue Kompetenzen' (Translator's note: this means 'Agenda for new skills') in the German translation of the EU documents. For reasons of consistency and also out of conviction that this is the correct translation, the Bundesrat is keeping this terminology, even if the 'New Skills Agenda for Europe' is now called 'Neue Agenda für Kompetenzen' (Translator's note: this means 'New agenda for skills') in the German translation of the Commission documents. The Bundesrat requests that in future the Commission take greater care over translation and its use of language.
- 6. The Bundesrat is critical of the fact that the drafting of the comprehensive education package which the *New Skills Agenda for Europe* represents was under the overall control of the Directorate-General for Employment, Social Affairs and Inclusion. The purely employment-focussed perception of education of that Directorate-General is clearly reflected in the Communication. In view of this, the Bundesrat would again stress that European cooperation on education is entirely voluntary, which fundamentally distinguishes the domain of education from the more 'Unionised' domain of employment. It is very concerned by the way that other domains, in particular that of employment and social affairs, are increasingly taking over matters pertaining to education. The Bundesrat thus welcomes all the more the fact that the Slovak Council presidency has correctly put the Education Council in

charge of negotiations on the documents making up the *New Skills Agenda for Europe*.

- 7. The Bundesrat recognises the employment-policy-related basic tenor of the European skills agenda, particularly with its proposals for improving the promotion and identification of skills including those acquired in informal and non-formal contexts. Among other things, this could help improve access to skills development or to employment that is matched to skills, for example for people who owing to care work have no, or only low-level, school or vocational qualifications. It could also help people who have interrupted their careers or who have (subsequently) worked for a while in other areas. This could particularly benefit women and migrants (including female migrants).
- 8. The Bundesrat is, however, critical of the almost completely gender-blind nature of the Commission's Communication. Experience in Member States has shown the need to allow for gender-related factors in the organisation of education and training or degrees, so that women and men can benefit equally from them and women's potential to do skilled work can be better harnessed. This experience should also be applied in the proposed measures for identifying and promoting skills as well as in the preparation and sharing of information for individuals and stakeholders to assist them in their job decision-making. Women and men should both be able genuinely to fulfil their career potential without interference from gender-specific stereotyping.
- 9. The Bundesrat is critical of the lack of balance in the Communication's goals. Strengthening education and training, as well as employability and competitiveness, are very important in Europe. In Germany, too, there is a need for people to be better qualified, owing to an increase in the skills being demanded by the job market. The Bundesrat would, however, point out that education is not just a tool for achieving growth and employability. Its remit is much wider than that, and includes equipping individuals to participate in society and politics.

#### Establishment of a Skills Guarantee

10. The Bundesrat in principle welcomes the goal of promoting skills and basic skills and access to education. However, it doubts that the 'Skills Guarantee' is the right way of going about this and would plead the case for a fundamental rethink of the 'Skills Guarantee', both in relation to the form taken by any such guarantee and on technical grounds.

11. Certainly, the Bundesrat rejects the Commission's proposed recommendation that a Skills Guarantee be introduced in the form of a legal entitlement, as this could have significant consequences for national budgets and administrations. At most, it can be interpreted as a statement of political intent. The Bundesrat would indicate that here in Germany, there is already a wide range of opportunities for the target groups concerned.

## Key competences and higher, more complex skills

- 12. In the Communication, the Commission states its intention to work further with stakeholders to develop tools for assessing and validating key competences, digital competences and entrepreneurial competences. The Bundesrat would, additionally, point out the particular difficulty of checking the acquisition of the key competences, many of which relate to approaches and attitudes which often only come fully to the fore and affect people's lives after they have finished their academic and vocational training.
- 13. As regards the goal, set out in connection with the revision of the Key Competences Framework, of integrating key competences into education and training curricula, the Bundesrat would stress the narrowly defined competences of the EU set out in Articles 165 and 166 TFEU and the exclusive competence Member States in Germany's case, the *Länder* (federal states) have for curricula.

## <u>Implementation of the Riga Conclusions</u>

- 14. The Bundesrat notes with approval that training is to be strongly emphasised in the New Skills Agenda and that vocational education and training is to be encouraged as a first-choice option. At the same time, it regrets that this is only partially reflected in the text of the Communication.
- 15. It welcomes the strengthening of vocational education and training (VET), in particular also the integration of practical work experience into the learning process, and sees the dual system as the way forward in this area. However, the Commission's statement that it intends to increase opportunities for VET learners to combine learning experiences acquired in different settings and to do so by building on the existing VET instruments for quality assurance and credits, and in line with the proposed recommendation that the European Qualifications Framework (EQF) be revised is in line neither with the division of powers between the EU and Member States, nor with Germany's

established and successful dual system. The successful combination of theoretical and practical vocational training in Germany is based on looking at a job and the associated training as a whole, on a gearing towards job profiles, which a module- and partial-qualifications-based system goes totally against. Over-modularised learning experiences acquired at too many different times in too many different places would be counterproductive. Furthermore, credit systems can be used only on a voluntary basis.

16. The Bundesrat notes the Commission's statement of intention to explore a more explicit coordination role for the Advisory Committee on Vocational Training. It would make the point that the role to be given to the Advisory Committee remains unclear and calls on the Commission to consult in detail with, and gain the agreement of, Member States on any widening of the Committee's mandate. Council bodies must on no account be weakened by the establishment of new structures.

## **Digital Skills and Jobs Coalition**

- 17. The Bundesrat takes the view that national coalitions can make a significant contribution to promoting the agency and acquisition of digital skills. In the changing world of work, such skills are required more and more, and acquiring digital skills is also fundamental to equal participation in society. With regard to the new 'Digital Skills and Jobs Coalition' announced by the Commission, the Bundesrat would, however, request that consideration be given to the following points:
  - As the individual Member States have widely differing starting points, tailored action by the relevant actors is required in the countries themselves.
  - It should also be noted that there are already successful or promising initiatives in place in Member States which are based on a comprehensive approach, while the Commission proposal has a very strong focus on giving people the skills they need for work. A European-level initiative to promote digital skills through the 'Digital Skills and Jobs Coalition' superimposed on an existing national strategy must not run counter to the national initiatives.
- 18. The Bundesrat acknowledges that progress at national level could be achieved with the help of EU funds, however it does not believe that the sweeping reference to 'available EU funds' from the European Structural and Investment Funds, the Youth Employment Initiative and Erasmus+ is sufficient. These funds are either already earmarked or are required for numerous other

purposes. In this connection, the Bundesrat also requests clarification of what is meant by the voucher mechanisms mentioned in the Communication, what form these are to take and how they are to be funded.

19. The Commission envisages that Member States should develop comprehensive national digital skills strategies by mid-2017 on the basis of targets set by the end of 2016. The Bundesrat considers these timescales to be extremely ambitious.

## Recommendation for Revisions to the European Qualifications Framework

20. The Bundesrat notes that the Commission is striving to extensively remodel the EQF with this proposal, and is critical, particularly as some of the proposed changes could also affect national education systems. Its main misgivings relate to the laying down of quality-assurance principles, the linking of credit systems to the EQF, the incorporation of cooperation with non-EU countries, and the changes to governance structures.

## Early profiling of migrants' skills and qualifications

- 21. The Commission explains that it is developing a skills profile tool for third-country nationals. This tool is intended to assist the relevant authorities in receiving and host countries in identifying and documenting the skills, qualifications and experience of newly-arrived third-country nationals. The Bundesrat points out that EU-level tools must add value and that their use is purely voluntary. It would point out that the countries most affected by the refugee crisis already possess such tools.
- 22. The Bundesrat is critical of some of the measures presented in this context, for example supporting the training of staff in reception facilities to speed up recognition procedures. It questions whether this would add value and calls on the Commission to set out its plans in greater detail. It also makes the point that recognition procedures and staff training come exclusively within national competences.

## Revision of the Europass Framework

23. The Bundesrat has reservations about the revision of the Europass Framework announced by the Commission and the associated creation of an intuitive and seamless online service platform. The basic idea underlying the Europass is

that it should create a single Community framework for achieving the transparency of qualifications and competences by introducing a personal, coordinated portfolio of documents which citizens can use on a voluntary basis to better communicate and present their qualifications and competences throughout Europe. This is intended to help provide clarity on skills and qualifications. The Bundesrat has doubts about the idea of widening the Europass tool.

## Blueprint for Sectoral Cooperation on Skills

24. The Commission announces its intention to launch a 'Blueprint for sectoral cooperation on skills', in order, among other things, to develop higher VET opportunities and, where relevant, to support sectoral agreements on the recognition of qualifications and certifications. The Bundesrat emphasises that this touches key areas of Member State competence and rejects the creation of parallel systems outside the state system. It also warns against mixing the blueprint with the EQF and against a discussion of referencing international sectoral qualifications to the EQF. This would extend the function the EQF has had up until now as a tool for transparency and comparison to include, at least in part, recognition roles, which the Bundesrat rejects.

## <u>Initiative on tertiary graduate tracking</u>

25. With regard to the initiative on tertiary graduate tracking announced in the Communication, the Bundesrat urges the Commission not to increase the administrative burden on national and regional authorities and on universities and students in its pursuit of this initiative. It also points out the need to comply with data protection rules. On a separate point, the idea of using tax and social security data for this project seems questionable.

#### Other measures

26. The Commission states that it wishes to support the modernisation of higher education, including, in particular, the development of assessment frameworks for different higher education disciplines to allow comparable assessment of students' and graduates' skills. The Bundesrat has great reservations about this project and would, in this connection, remind the Commission of the failure of the OECD project *Assessment of Higher Education Learning Outcomes* (AHELO/'University-PISA'). The reasons for that failure were a lack of agreement among experts on setting objectives and the target group for

examination, and insufficient interest in the project on the part of OECD countries.

- 27. Concerning the announcement of the possible development of a Quality Framework for Apprenticeships to help social partners, the Bundesrat points out that the systems of vocational training in the Member States take many different forms and vary enormously, and therefore queries the legitimacy, feasibility and added value of drawing up this framework.
- 28. With regard to the long-term mobility of apprentices referred to in the Communication, the Bundesrat points out that, specifically in the context of vocational training, long periods spent abroad are difficult, for practical reasons. This is true not only for the apprentices themselves, whose progress can be undermined by long absences, but also for the enterprise providing the apprenticeship, particularly in the case of SMEs.

## Delivering the agenda

- 29. The Bundesrat calls on the Commission to give robust, understandable information in its Communications on how it plans to finance the activities it announces (see also number 5 of its position statement of 8 July 2016, Bundesrat document 196/16 (Decision)). Contrary to this, the Commission refers, in its Communication, just in very broad terms to among other things EU programmes such as Erasmus+ and Horizon 2020, as well as to the European Structural and Investment Funds, in particular the European Social Fund (ESF). In this connection, the Bundesrat points out that the programmes of the ESF have already been drawn up and approved for the current planning period of 2014 to 2020, and accordingly that all the resources are already earmarked. It stresses that the main purpose of the Erasmus+ programme should be promoting mobility and that that programme cannot act as a principal source of funding for extensive, expensive initiatives under the New Skills Agenda.
- 30. It is particularly noted that the EU has no authority to establish the priority afforded to these activities in national budgets. In recent years, Germany has greatly increased its public expenditure on education, with the *Länder* bearing approximately 70 %, i.e. most, of the cost. The debt brake enshrined in the constitution requires the *Länder* to refrain from new borrowing from the year 2020. It is therefore not possible to finance additional expenditure on education through higher new borrowing.

- 31. The Commission states in the Communication that the European Semester of economic policy coordination will continue to play a key role in monitoring policy reforms on education, training and skills. The Bundesrat strongly stresses that education cannot be integrated any further into economic policy coordination. Formalised control, monitoring, assessment and thus management by Europe would go against the principle that European cooperation on education is voluntary (see number 9 of the position statement of 6 February 2015, Bundesrat document 583/14 (Decision)).
- 32. The Communication also discloses the Commission's plans to simplify current governance structures. In connection with this, the Bundesrat reminds the Commission that structural changes are not in themselves an end-goal but must add value.
  - The Bundesrat is very concerned that the Commission is aiming to combine a number of expert groups at EU level dealing with skills and qualifications. If all matters related to the thematic area of skills were to be assigned to a single committee of experts, that committee would be overtaxed in terms of both time and expertise.
  - In the Communication, coordination among the EU-supported national contact centres for EQF, Europass and Euroguidance is encouraged to promote a single interface for several European initiatives on skills vis-à-vis national stakeholders and to facilitate access for users. According to the Communication, this simplification will be pursued in consultation with Member States. Against this backdrop, the Bundesrat criticises the Commission's attempt to use budgetary specifications in the Erasmus+ work programme for 2017 to create a fait accompli regarding the decision on national structures before the Council has taken any political decision to change them. It rejects the anticipation of decisions of the Council as unacceptable. In connection with this, the Bundesrat underscores the fact that national implementation and administration fall within the competences of Member States alone and in Germany must also be geared to federal structures (see number 27 of the position statement of 10 February 2012, Bundesrat document 767/11 (Decision)).
  - The Bundesrat also has great reservations about the creation of a joint European interface for different tools. It doubts whether this would really be helpful to users and emphasises the importance of not losing sight of user-friendliness.
- 33. The Bundesrat will, insofar as is necessary, provide separate comments on the

individual measures.

## Due and proper consideration of the position statement

34. The Bundesrat calls on the Federal Government to take due and proper account of its position statement, in accordance with § 5(2) EUZBLG. The document is relevant principally to the legislative powers of the *Länder* in the areas of school and higher education.

## Direct transmission to the Commission

35. The Bundesrat is sending this position statement directly to the Commission.