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## ***EDUCATION, TRAINING AND LABOUR MARKET***

### **1. Context and Overall Trends**

Education, training and labour market development are key activities in promoting genuine cross-border co-operation. However, co-operation in these fields is complex and often characterised by many practical difficulties, which tend to transcend the cross-border context and need to be dealt with at both national and EU level. Co-operation in education, training and the labour market is also central to the objective of European integration and is necessary to bring about EU regulations that will facilitate the mobility of workers and their dependants, students and others across national borders. Border regions are at the interface in promoting this integration and in responding to the practical difficulties arising from the removal of formal barriers. From a development perspective, cross-border co-operation involves promoting education and training in the broadest sense, as a key component of initiatives to help overcome problems of peripherality, and to support the diversification and strengthening of the regional economy.

In terms of the EU policy framework, co-operation in education, training and labour market activities span both the areas of social and of education policy. At the early stage, European Social Policy dealt with the free movement of workers and assistance to migrant workers, as well as establishing the foundations for the European Social Fund. The Single European Act (1987) and the Treaty on European Union (Maastricht) established the concept of European Union citizenship. Furthermore, this legislation manifested the right of all EU nationals to live in any Member State and to enjoy the same employment terms and working conditions as nationals of the host country. Other aspects covered by EU decision-making include the mutual recognition of qualifications, and co-operation and action in the field of vocational training. Establishing provisions in all these areas is essential to the support of cross-border co-operation in education and training and to the operation of a single cross-border labour market. However, there are many outstanding practical difficulties. If a genuine single market is to be created and further progress is to be made towards European Monetary Union (EMU), greater mobility across national borders will be required by workers, students and people in general. In practice, this raises technical issues regarding the co-ordination and convergence of the social policies of Member States.

Trends in EU employment policies also affect the development of border regions, and constitute important information on initiatives in the field of education, training and the labour market. The promotion of employment-intensive growth in the EU in order to generate a net increase in the number of jobs created, and the reduction of unemployment - particularly structural and long-term unemployment - are both high on the European agenda. Other specific priorities set out in recent White Papers produced by the European Commission and in the conclusions of successive Councils since the mid-1990s include: promoting a more flexible organisation of human resources, improving measures to promote integration of social groups "hard hit" by unemployment, assisting local and regional initiatives and small business development in new sectors of employment, enhancing occupational training and further education based on the concepts of the learning society and lifelong learning, and improving the effectiveness of labour market policies.

During the Lisbon session in March 2000, the European Council presented a strategy aiming at 10 years. By this development, the EU should become the most dynamic and competitive economy worldwide. In the sense of this strategy, a strong economy promotes the creation of jobs, social and ecological measurements, which in turn ensure a sustainable development and social cohesion. In the Green Paper „Promoting a European framework for Corporate Social Responsibility“, published on July 18, 2001, the Commission reminds the enterprises of their responsibility with regard to the domains lifelong learning, organisation of work, equal chances, social integration and sustainable development. With regard to education, the EU initiated several programmes (in particular SOKRATES and LEONARDO DA VINCI) as well as initiatives (such as the action plan eLearning, a communication on the development of a European space for lifelong learning and a report on future objectives of general and professional education). These are mentioned in the EU White Paper “A new impetus for European Youth“ of November 21, 2001.

EU-level initiatives supporting cross - border mobility and co-operation in the field of education, training and labour market development include, above all, Interreg - which supports development programmes and initiatives – and EURES, which is coordinated by the European Commission’s DG “Employment and Social Affairs”. The latter has a specific cross-border component and is a complementary initiative aimed at reinforcing and improving the operation of Interreg. EURES Cross border involves the provision of cross-border information and advisory services, and cross-border network development between the competent authorities and service providers in the labour market area.

## **2. Needs and Priorities by Type of Region**

From a development perspective, the general needs and priorities of local and regional economies in this sphere involve producing the knowledge and skills, which will support the endogenous development of the area. Encouraging the restructuring of declining sectors (primary and traditional industries) and taking advantage of opportunities for employment generation in new service sectors (e.g. tourism and leisure, environment, services to people and communities, business services) are particularly important. Further needs include upgrading and creating new skills (e.g. information and communications technologies, marketing and management) to improve the competitiveness and market access of the private sector, and to promote the efficiency and effectiveness of the public sector. These general development needs are experienced by, and common to, all border regions.

However, cross-border regions also have specific needs, priorities and potential for education, training and labour market development and management, which differ according to the type and internal characteristics of the border region in question and, in particular, the extent to which a single cross-border labour market is in operation. Broad types of cross-border region include lagging and sparsely-populated regions characterised by lack of development (of the Objective 1 types), regions which may be more centrally-located but lack a diversified economic base as a result of continued over-dependence on primary agriculture, and regions experiencing varying degrees of difficulties in adapting to change, including areas faced with severe problems of industrial decline (of the Objective 2 type).

For instance, border regions lagging behind in their development will tend to face multiple difficulties related to education, training and the labour market. This will hamper their attempts to break out of a cycle of relative decline. Such difficulties often include an imbalance in the population structure with under-representation in the economically-active age groups and out-migration caused by the absence of opportunities or by educational and training infrastructures or services which are either lacking or unsuitable to local needs. This in turn fuels further out-migration, prevents new skills from developing and leads to the stagnation of the border region. While advances in information and communications technologies and new forms of provision (e.g. distance learning) can help tackle some of these problems, local people may lack the basic education, skills and information they need to be able to take advantage of such services.

In more centrally-located border regions faced with the challenges of restructuring, problems of human resource development will tend to be less severe and prospects of responding to them greater. However, cross-border regions faced with severe problems of industrial decline need to undergo a process of adaptation (e.g. away from reliance on a single industry and large enterprises) and develop different skills and attitudes that will encourage new sectors and alternative forms of economic activity (e.g. self-employment, small enterprises, etc.). Furthermore, education and training provision is often poor and ill-suited to cope with new requirements, whilst job losses and diminishing opportunities in traditional sectors (e.g. apprenticeships, industrial jobs) place increased demands on public employment and training services. Regions also differ in terms of their internal characteristics. Areas containing strong development poles and operating as a single cross-border labour market with daily commuting of workers, students etc., are better placed to take advantage of new opportunities. They can also benefit from improved efficiencies in the operation of the labour market. Joint planning and management may help provide better services, and economies of scale will produce lower unit costs. The context in which these areas operate tends to be favourable. They may be experiencing growth in at least some of their sectors and are likely to have reached a common understanding on needs and priorities. These may include joint strategies for human resource development aimed at meeting the current and future needs of the border region, and co-operation between education, training and labour market institutions in the planning and delivery of services. Such a description will tend to apply to border regions in the heart of Europe where cross-border co-operation is most advanced (e.g. German-Dutch border). Close cultural affinities, including a common language or a strong incidence of bilingualism, will be conducive to such cooperation.

Regions, which are separated by physical barriers (sea, mountain ranges etc.) and where contact is difficult and infrequent are less advanced in their co-operation in this field. These barriers have often had political and historical consequences, which have produced different patterns of development and a different economic structure (e.g. agricultural communities, industrial development resulting from policies of inward investment) in each part of the border region. It may also have led to the development of strong competition between the two areas for the same markets (e.g. tourism). This is particularly true in some coastal border regions, e.g. Ireland/Wales, Sardinia/Corsica. Here, border regions have no common basis in terms of their human resource and labour market development requirements and will not have developed the contacts they would need to promote a single cross-border labour market.

Regions on the external borders of the EU tend to have particular difficulties related to cooperation in education, training and labour market activities. Some external borders lack the essential prerequisites for co-operation in this field, since the existence of formal barriers to entry (in non-EEA states) restricts people's movement across frontiers. In addition to the formal barriers, other factors, such as considerable differences in socio-economic conditions (wage levels, purchasing power parity), may be particularly unfavourable to cross - border cooperation. The result may be illegal flows of migrant workers with no social protection, the existence of a "black economy" and low or downward pressure on wage levels, especially in less skilled occupations. This in turn may exacerbate many social and political problems (e.g. racism, pressure on urban and social services, lack of appropriate services, etc.).

### **3. Typical Problems in Education, Training and Labour Market in Border Regions**

It is border regions - particularly on internal EU land borders, where mobility is usually highest - which most urgently need to deal with the practical problems involved in giving people the mobility they require to be able to work, study and/or to stay in the neighbouring state across the border. Typical difficulties suffered by border regions in the areas of human resources and labour market development and management are as follows:

- high structural unemployment due both to levels of socio-economic development (e.g. lack of development in lagging regions, industrial decline in areas dependent on a single industry or traditional industries) and to the reduction and disappearance of border-related employment; the latter is linked to the realisation of the Single Market (customs, border checks) on the one hand, and general productivity improvements in the various activities related to the shipment of goods and service provision, on the other;
- deficiencies in the adaptability and relevance of education and vocational training services, and their capacity to support an endogenous development process, in particular, a shortage of advanced centres in or accessible to the border region; problems can also include a lack of essential/basic services such as local primary schools, due to the small size of the population and high unit costs; these factors are the result of the dividing line constituted by the border, which causes the population in the area to be effectively split up;
- outward migratory flows; in particular, these involve young people from border regions, especially rural and peripheral regions and those on the external borders of the EU; this leads to problems of illegal immigrants/refugees etc. which, in turn, create special difficulties and conditions that hamper co-operation.

In addition to development problems, national administrative barriers and differences between national administrations cause problems in a number of areas:

- differences in conditions on and operation of the labour market and discrepancies between employment policies, which represent an obstacle to the smooth running of a single labour market; some of these differences require regulatory solutions at national level (e.g. in areas of employment legislation, tax, social security etc.);
- differences in education and training content (curricula), duration and methods, entry requirements, common standards, quality control and the qualifica-

tions awarded; these in turn result in a lack of mutual recognition of qualifications, certificates, training courses or the different units of education and training required for certification at a specific level;

- lack of awareness and knowledge of labour market and vocational training structures (decision-making procedures, regulation, competent bodies etc.), differences in policy orientations and types of instruments used to address problems of unemployment (e.g. attitudes towards the use of employment subsidies to place unemployed people in work or for direct job creation schemes), and lack of cooperation between public institutions in these areas;
- lack of access to information and advice given to and about job seekers and their qualifications and experience, and similar shortcomings in information and advice on job vacancies, education and training opportunities, living and working conditions in neighbouring countries, including tax and social protection (e.g. contributions and entitlement to pensions, unemployment compensation, sickness benefits, health, etc.), as well as entitlements to study grants etc.;
- cultural and linguistic barriers and a lack of skills enabling exchange and co-operation to aid the development of systems and services across the border.

#### **4. Types of Action to Promote Cross-Border Co-operation in Education, Training and Labour Market**

Border regions generally have more experience than others in dealing with the practical aspects and day - to - day problems regarding people's mobility across borders. This is particularly so in those cases where there is a high incidence of people working in one Member State and living with their families in another - i.e. cross-border regions where there are large numbers of workers commuting daily. The key challenge for cross-border co-operation in this sphere is to create the conditions whereby a single efficient labour market operates across the border. This will mean that employers can recruit skilled labour and job seekers can find employment opportunities matched to their skills and experience (and are not forced to migrate to other regions, or take up jobs at levels which under-utilise their abilities). To achieve this, cross-border co-operation must be established between education, training and employment services to facilitate planning and delivery on a joint basis. This should include, on the one hand, the delivery of services common to the whole of the region (information, educational and training courses) and on the other, the mutual recognition of qualifications and the training and educational units by means of which these qualifications are obtained. Types of action fall into two broad categories:

##### **Actions reflecting a traditional approach and more basic forms of co-operation.**

These include:

- actions to establish contacts between education, training and employment services, including activities such as meetings, study or familiarisation trips, exchanges of personnel, research etc. which are essential for co-operation in border regions where there has been little contact to date and where there is a lack of mutual knowledge of structures, procedures and policies;
- exchanges of information and people as components of training and education programmes (e.g. foreign language exchanges and exchanges in specialised areas where one side of the border is more advanced or has better facilities

etc.), or as part of work experience/job placements, and also to promote joint recognition of examinations and qualifications;

- co-operation between education and training institutions, which could include setting up specific programmes/courses, exchanging and providing information on what services (courses) are on offer, co-operation between primary and secondary schools, colleges and other bodies (including Chambers of Commerce), with a view to promoting bilingualism and thus creating more contact between young people, teachers etc. and creating appropriate conditions in which to develop co-operation in other fields (socio - cultural, economic and business co-operation).

These types of initiative, which are common components of cross-border co-operation in the field of education, vocational training and labour market development, are a preliminary step towards creating conditions favourable to genuine cross-border co-operation as a whole. In particular, they will facilitate the development of networks and more permanent exchanges of information, and will promote joint planning, integrated training/education programmes and common information services.

**Actions of a more advanced, genuinely cross-border nature.** These involve managing the set of skills available in the cross-border region, co-operation in developing initiatives and services accordingly, and integrating education, training and labour market measures into comprehensive strategies and programmes of regional development. Types of action in this category include:

- on-going joint initiatives which will provide information on the development of services for the whole of the cross-border region, including audits on current provision, research on the labour market (surveys on skills and labour market needs) and preparation of common strategies and plans;
- permanent joint planning and delivery of education and training courses (curricula, materials, teaching methods, training of trainers, recruitment of trainees / students etc.) in specific institutions, disciplines, sectorial areas and skills, which build on existing strengths and develop new specialisation in the cross - border region; this may also involve the development of new shared facilities (training centres) ;
- development of common labour market structures and information and management systems, including the collection and dissemination of shared information, joint databases, information access points in centres throughout the region, etc.
- initiatives and services to assist recruitment into jobs available in the cross-border region by providing information and advisory services to employers, job seekers etc. and on education and training opportunities in general; information and advisory services may also deal with the practical aspects of cross-border mobility, including social protection, terms and conditions of employment, access to grants for study, accommodation etc.