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Delegations will find attached the Joint Employment Report 2008/2009, as adopted by the Council (EPSCO) at its session on 9 March 2009, to be forwarded to the European Council in view of its meeting on 19-20 March 2009.

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JOINT EMPLOYMENT REPORT

1. EXECUTIVE SUMMARY: DETERIORATING LABOUR MARKET PROSPECTS

Progress has been made in recent years in the employment policy area. Unemployment has come down considerably, and the overall employment rate has been growing strongly, on average by about 1 per cent per year since 2005. Analysis suggests that there is evidence of structural improvement in the functioning of labour markets.

However, the economic outlook has changed markedly over the last half year, owing to the financial, banking and credit crises. Despite the emerging economic downturn, the impacts on EU labour markets have been limited so far, at least in part due to greater adaptability of the labour markets coming from recent years' structural reforms. With the exception of a small group of Member States where employment fell, in all other Member States employment continued to grow in 2008.

Although the effects of the downturn on EU labour markets remain very uncertain, most evidence suggests that the situation is expected to deteriorate sharply in 2009. Business surveys in late 2008 pointed to a considerable weakening of employment prospects across sectors. The economic climate indicator registered the largest decline in its history and consumer confidence is at its lowest in 20 years.

The postponement of investment and consumer purchasing decisions may create a vicious circle of further falling demand, downsized business plans, reduced innovation activities and labour shedding. The expected increase in unemployment in 2009 demands additional measures as called for by the European Economic Recovery Plan. Some Member States will need to take actions that go beyond the plans laid out in their National Reform Programmes, especially to ensure that vulnerable groups are not being hit too hard by the economic contraction and to allow social protection to play its full role as an automatic stabiliser. Rapid, structurally motivated and coordinated action is essential to minimise the effects of the economic downturn on people's jobs, purchasing power and prosperity and to restore confidence.

The current economic downturn has first of all underlined the need to reinforce certain efforts within two key policy areas: implementing integrated flexicurity approaches and ensuring better skills matching and upgrading. Flexicurity is essential in order to ease and secure employment transitions. The right skills are an important element in getting the unemployed and those outside the labour market into jobs and in improving employability. Through the European Social Fund (ESF) and the European Globalisation adjustment Fund (EGF) the EU possesses two effective financial tools to support these priorities.

Although there is a clear necessity for short-term measures to alleviate the economic downturn, it is crucial not to lose sight of the structural problems which still persist and which are causing European labour markets to perform unevenly. The structural reforms initiated and implemented in recent years must be pursued. They have been successful and have contributed to more resilient labour markets and they will underpin economic recovery when it occurs. The European Employment Strategy and the Lisbon process are more relevant than ever.

2. EU EMPLOYMENT ACHIEVEMENTS AND CHALLENGES

Recent developments and outlook

Most Member States' labour markets have so far not been very affected by the recent slowdown; in 2007-2008 the EU saw more than 6 million new jobs being created and unemployment moved just below 7%, the lowest in decades. Employment rates continued to rise in the EU attaining 65.5% on average, 58.3% for women and 44.7% for older workers and thereby bringing the EU closer to the Lisbon targets. The increase in participation rates amid deterioration in consumer confidence and employment expectations can be regarded as a positive development.

Structural unemployment continued to decrease to 7.6% in 2008 and now stands significantly lower than in 2000. This further confirms the positive structural impact of the Lisbon reforms implemented in recent years, which demonstrably have facilitated transitions on the European labour markets and removed barriers to creating employment. For the same reasons, higher unemployment is expected to be of a transitory nature and to revert relatively quickly towards the lower levels of the last years when the real economy recovers.

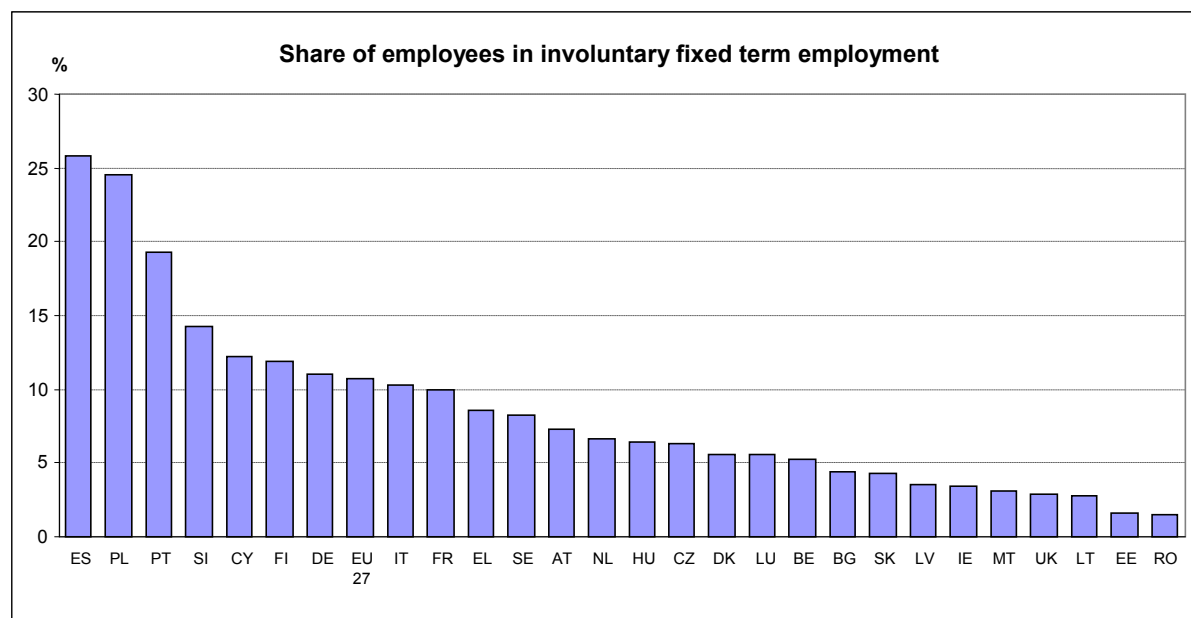
At least some Member States are already clearly in recession and the slowdown has started to affect their labour markets. EU employment growth has eased gradually and is estimated to have grown by only 0.9% in 2008 while unemployment appears to have started rising. With the current economic contraction and projections of negative employment growth in 2009, the 2010 targets now remain definitely out of reach.

It is expected that many Member States will be faced in 2009 with a decline in the employment rate and an increase in unemployment. The January Interim Economic Forecast by the Commission suggests that employment is expected to decrease by about 2% in the EU in 2009-2010 while unemployment is currently expected to increase by as much as 2.5 percentage points in the next two years, to reach up to 9.5% in the EU by 2010. Furthermore, available forecasts suggest that the impacts are likely to hit Member States differently: some expect serious impacts; others anticipate only moderate downturns in the labour market.

Structural problems remain

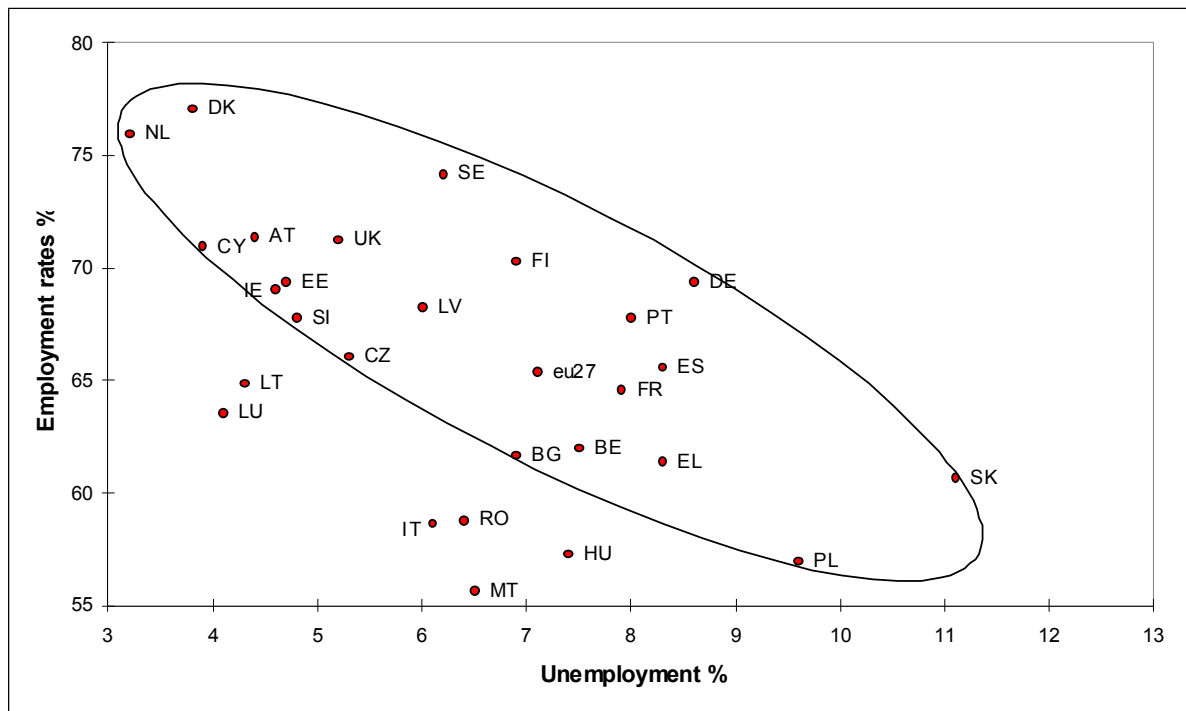
A number of structural problems identified in recent years persist. Evidence shows that European labour markets remain segmented (see graph 1 below) and perform unevenly. There is still a relatively large gap between the best-performing and less-well-performing labour markets.

Graph 1: Labour market segmentation 2007



Those labour markets that cannot prevent high unemployment are also those labour markets which cannot ensure high participation and activity rates. Some of the Member States with a high segmentation in terms of a relatively large share of involuntary fixed-term contracts also figure among the lowest performing labour markets.

Graph 2: Employment versus Unemployment 2007



Two illustrations of the continued structural problems are youth unemployment and relatively low participation in lifelong learning. Despite the significant reduction in youth unemployment in 2007 in most countries, young people remain more than twice as exposed to unemployment as the overall work force. Many Member States fall short of the new EU-wide activation targets. Despite an increased focus in Member States, the levels of adult participation in lifelong learning have barely increased between 2006 and 2007 and follow a worrying declining trend in some Member States. These figures are a worrying sign for the future since a substantial rise in investments in human capital better targeted towards labour market needs is essential to close the productivity gap with our key global competitors.

Priorities for employment policies

In the current climate of uncertainty and economic contraction, but also in view of the need to continue with structural reforms in the medium term, employment policy should focus on two priorities: implementing integrated flexicurity approaches and better skills matching and upgrading. This requires an open and constructive dialogue with social partners and other stakeholders as well as carefully considering the interplay between monetary, budgetary, fiscal, employment and social protection policies.

For flexicurity the focus should be on easing and securing job transitions not only within, but also into the labour market, while ensuring adequate safety nets and minimum income schemes, and on improving the effectiveness of the Public Employment Services and active labour market policies. In the short term, flexicurity policies are helpful in alleviating the fear of unemployment and reduced income leading to inhibited consumer spending, through a focus on supporting and facilitating labour market transitions. Using internal flexicurity to preserve jobs in healthy businesses and industries may help limit inflows into unemployment, while ensuring that companies retain their stock of competences for the economic upturn.

Skills upgrading is critically important for growth and productivity as it strengthens labour force capacity to adapt to rapid technological change and continued innovation, while improving employability. In the context of rising unemployment, ensuring a better match between the supply of skills of job seekers and labour market demand is crucial.

The current ESF programmes offer considerable scope for supporting flexicurity policies and policies easing transition periods by providing training combined with personalised job counselling, in-company training, apprenticeship, subsidised employment as well as grants for self-employment and business start-ups. Member States should consider re-programming, where necessary, ESF expenditures in order to strengthen these priorities.

3. IMPLEMENTING INTEGRATED FLEXICURITY APPROACHES

The awareness of the benefits that flexicurity policies can bring has been strengthened by the European Council's endorsement of the common principles of flexicurity, the supportive common position of the European social partners and the wide range of debates including the so-called "Mission on Flexicurity". Flexicurity is now acknowledged as a key approach to making labour markets more responsive to the changes resulting from globalisation, as well as to reducing labour market segmentation. The analysis of the recent National Reform Programmes shows that several Member States are putting in place flexicurity strategies, but also that the overall efforts are still insufficient and must be strengthened, particularly in view of the economic downturn.

The current economic context reinforces the need for efficient and effective, but especially integrated, flexicurity approaches in all Member States. People outside and at the margin of the labour market will be the first and hardest hit. Active inclusion policies and activation policies including labour market training will become more essential to avoid the long-term and persistent unemployment that may otherwise follow. Intervention should therefore focus on high-risk groups; the vulnerable, low-skilled and other disadvantaged people. Public employment services will be at the forefront of confronting rising unemployment and need to be better equipped to do so. Adequate social protection systems that at the same time provide incentives to work are necessary to smooth transitions and keep up consumer demand.

The following actions are of particular importance in the short and medium term:

- **Contractual arrangements:** Reduce segmentation, harmonise conditions for temporary and permanent contracts and rapidly implement the provisions of the directive on temporary agency workers.
 - **Active labour market policies:** Prioritise job subsidies and equivalent measures leading to rapid integration of the workless into a job.
 - **Effective lifelong learning systems:** Focus on short-term skills upgrading, and enhance matching of the skills of the unemployed with the available jobs, looking particularly to sectors currently facing labour shortages (also a role for ALMPs).
 - **Modernise social security systems:** Reduce high marginal effective tax rates on the low paid, boosting demand in the economy and reducing unemployment/inactivity traps.
- With respect to implementation, a number of Member States (IE, EE, FR, LV) undertook or announced reforms to develop flexible and reliable contractual arrangements, while improving the protection of employees engaged in more flexible forms (e.g. IE, AT, FR, PT), or to revise Labour Codes (CZ, PL, PT).
- Among the flexicurity components, Member States devote most of their attention to lifelong learning although this has had no impact on the participation in lifelong learning so far. Skills upgrading is increasingly seen as an important tool to ensure the continual adaptability and employability of workers and thus maintain and increase employment security. On-the-job and adult training is encouraged and supported in DE, DK, FI, FR, EE, IE, NL, UK, AT, MT, BG, EL, PL, LV, SI, and in the form of training leave in BE, LU and AT. Reform of the vocational training system took place or is planned in the majority of the Member States in order to improve quality and better meet labour market needs.

- Active labour market policies are increasingly oriented towards prevention and early interventions with a higher emphasis on training. Job-to-job transitions of redundant employees are supported in NL, DE, LU, FI, and EE. Some countries have focused on a better integration of active and passive labour market policies by a possible merger of the public administration delivering placement services for jobseekers (PES) and the national authority responsible for unemployment benefits and other welfare schemes (FR, EE, NL). Innovative actions to promote professional mobility, especially for youth, took place in a number of Member States (EL, BE, DE, SE, EE, PT, SI, DK, CZ).
- Several Member States undertook a reform of their benefit systems with a view to encouraging work. Conditionality was strengthened and eligibility tightened in BG, HU, CZ, DK, IT, LT, LV, NL, SE and UK.
- The involvement of the social partners in designing and implementing flexicurity policies varies across the Member States. There is a considerable involvement in DK, IE, ES, LU, IT, AT, FR, NL, LV, FI, PT, SI and SE.

4. THE CHALLENGES OF SKILLS MATCHING AND UPGRADING

The next decade will see an increasing demand for a high-qualified and adaptable workforce and more skills-dependent jobs, with the proportion of jobs requiring a high level of educational attainment expected to rise from around 25% to more than 30%¹. Skills upgrading is critically important for Europe's future growth and productivity, for its jobs and its capacity to adapt to change and for equity and social cohesion. But ensuring a better match between the supply of skills and labour market demand is just as necessary. In response to the European Council's mandate², the Commission has published a first assessment of future skills requirements up to 2020.

Improving employability is one of the key priorities for addressing the expected impacts of the current economic downturn and putting Europe on the road to recovery. The education, training and employment policies of the Member States must focus on increasing and adapting skills and providing more learning opportunities at all levels. To maintain and update the skills of those losing jobs is crucial in preventing the cyclical evolution in unemployment from becoming longer-lasting.

¹ CEDEFOP estimates

² The European Council stressed in March 2008 that investing in people and modernising labour markets is one of the four priority areas of the Lisbon strategy, and invited the Commission *"to present a comprehensive assessment of the future skills requirements in Europe up to 2020, taking account of the impacts of technological change and ageing populations and to propose steps to anticipate future needs"*

Measures to develop continued vocational training are particularly important in this context. Evidence shows that especially low-skilled and older workers are lagging behind when it comes to participation in lifelong learning and measures targeting these groups should be given priority within companies and by the PES among job seekers. The PES need to reinforce their awareness of where demand for labour is and the skills needed. They should focus on equipping the newly unemployed and other job seekers with these skills. It is encouraging that almost all Member States have focused on raising the quality of vocational education and training, including apprenticeships.

Some Member States have recently taken measures to promote training by financial aid to employers (BE, BG, DK, EL, IE, UK, EE, DE, MT, HU, NL, LU, PL, PT, LV, SK), improve the conditions for special training leaves (AT, BE, LU) or specific programmes for the training of people who are inactive, have a lower level of attainment or have other disadvantages (BG, CY, CZ, DE, DK, EE, FI, IE, LV, LT, NL, PL, PT, RO, SI, SE, SK, UK). Some Member States also envisage specific actions for facilitating migrants' access to the labour market: funding of adult education to activate participation (FI), language courses (CY, FI, PT, SE, EL), facilitating participation in basic vocational training or upper secondary education (DE, FI, MT, PT, SI), programmes for community integration (CY, EE, IE, DE, SI) and validating competences and qualifications (FI, IE, PT, SE, LU).

Table 1. Share of workers participating in lifelong learning, 2007

	Total (25-64 year)	Unemployed (25-64)	Inactive (25-64)	Older 55-64 year	Low skilled (25-64)
Share participating in lifelong learning	9.7	8.4	7.1	4.7	3.9

Source: Eurostat

In the medium and longer run, ensuring a better match between the supply of skills and labour market demand is crucial. This can be achieved through establishing a better link between education, training and employment systems and better anticipation and forecasting for skills needs.

Several Member States (SI, FI, HU, LT, EE) are developing new forecasting methods for skills needs and specific research programmes, while others have already developed instruments (FR, UK, NL, IE, FI) or are at the early stages of introducing such systems (EL, LV, PT).

Several Member States have already undertaken educational reforms to strengthen entrepreneurship or increase the relevance of education and training in matching labour market needs (CZ, DE, SI, LV, SE, HU, LU, SK, UK), while some are at very early stages (BG, LT).

The modernisation process of PES is ongoing in several Member States. In some, the focus is on a better integration of active and passive labour market policies (FR, EE, UK), while in others the reform process is mainly driven by the need to ensure a more efficient coordination of regional offices with the central level (SE). Others have more generally modernized the PES (BG, CY, EL, IT, FR, ES, PT, LU) by offering training for disadvantaged groups such as older workers (AT, IE, LV), immigrants (LU), migrants and the low-skilled (IE), and incapacity benefit recipients (UK). Some initiatives concern the involvement of employers (AT, HU, UK), state financing (DE) and ESF (CZ, CY, EL, HU, IE, SK, SI).

5. IMPLEMENTING STRUCTURAL REFORMS

Structural labour market reforms across all the employment guidelines should be pursued. The EU and individual Member States have their particular strengths and weaknesses with the latter needing to be addressed with renewed vigour.

5.1 Attract and retain more people in employment, increase labour supply and modernise social protection systems

Promote a lifecycle approach to work

Few Member States have a comprehensive lifecycle approach to work. However, there has been some progress in recruiting and retaining older people in the labour market. To sustain progress, it is essential to avoid using early retirement schemes to regulate supply as in past downturns. In particular conditions in the workplace have been improved through projects to ensure age-appropriate arrangements and by fostering good working environments (SE) as well as by awareness-raising through age-positive campaigns (UK, MT, LU).

Most countries have implemented pension reforms by strengthening the incentives to work longer and by closing early exit routes. Several have developed new strategies (FR, IE, PL, LT) and have undergone pension reforms to encourage and retain older people in work (CZ, DK, EL, FR, HU, AT, FI, PT, UK, RO, PL, MT). ESF has been specifically targeted to the expansion of labour market policy for older people (AT, SI) but, despite these efforts, the current average exit age from the labour market still remains well below the 2010 target.

Progress in the field of gender equality has continued to be mixed. The female employment rate has further increased (58.3%) and is close to the 60% 2010 target. Despite 15 Member States having already reached this target, in three it remains below 50% (EL, IT, MT). Most countries are still far from adopting a full gender-mainstreaming approach to employment policies, notably through systematic gender impact assessment of policy measures.

The issue of reconciliation between work and private life is gaining some impetus, mostly through the commitment to improve the provision of childcare and pre-school facilities. However, only five Member States have met the childcare target of 33% coverage rate for the lower age-group from 0 to 3 years (DK, NL, SE, BE, ES), while five (PT, UK, FR, LU, SI) are approaching it. For children between 3 years old and the mandatory school age, eight (BE, DK, FR, DE, IE, SE, ES, IT) have surpassed the 90% coverage rate while three others (UK, NL, CY) are approaching it. Moreover, in many countries a high proportion of childcare facilities for children in this age-group operate on a part-time basis only. For example, the coverage rate for full-time attendance is below 50% in more than half of the countries and not even 30% in a third of them. In many, facilities are too costly or the opening hours are not compatible with full-time work or jobs with atypical hours. However, several countries took new initiatives in this field, mainly for younger children (AT, BE, ES, HU, IE, PT, UK) but also for pre-school children (EL, ES, PL).

A positive development is that initiatives are no longer limited to the availability of child care. They also concern: encouragement of more flexible working arrangements (MT, UK); tax credits for women returning to work (MT, IT, NL, EL); flexibility of childcare allowances (AT, DE); better replacement income during leaves (FI, LV); parental leave regulation (CZ, MT, NL); better protection against dismissal for women on maternity leave (ES); tailored pre-employment and skills provision (UK); support services to encourage re-entry into the labour market for women who have taken career breaks to raise a family, and creating family flexible environments (DE, HU, SE). Several Member States took measures in order to improve the right to, or to increase the take up of, leave by fathers (AT, EL, FI, SE). Involvement of companies through non-legislative initiatives is also used (FR, IT, LU).

Two-thirds of the Member States have seen an improvement in youth unemployment and increased efforts to fight youth unemployment are reported by many. Policy measures include improved vocational education and training schemes to ensure a better match with the labour market (DE, FI, LU, SI, PT), and specific entrepreneurship programmes (LT). Some are providing personalised learning, guidance and support (AT, FI, LU). Others are seeing reductions in employers' social security contributions (HU, SE), or allocations of subsidies for companies recruiting young people (DE, AT, FI, SK), or reforms of social assistance or unemployment benefits (FI, NL).

Ensure inclusive labour markets, enhance work attractiveness, and make work pay for jobseekers, including disadvantaged people, and the inactive

Efforts have continued to integrate those furthest from the labour market into work through an "active inclusion approach", although the results are mixed.

There are still some groups with a high proportion of their members outside the labour market, such as people with disabilities, ethnic minorities including Roma, immigrants, and the low-skilled. Whereas the employment rate for people with disabilities improved in some countries (AT, DE, DK, EE) it worsened in others (SE, SK). Some groups are even more under-represented in employment such as women with disabilities (all MS) and those with mental disabilities (DE, HU). Supported employment to get people with disabilities into the open labour market (DE) should be encouraged, as some Member States have a rather strong focus on sheltered employment (HU, SI). In others, support measures concentrate on people with severe disabilities and exclude those with minor disabilities (AT).

The integration of the Roma is an emerging issue (CZ, RO, HU, ES, SK, BG). Measures to encourage access and integration into the labour market include anti-discrimination policies, for example in the form of legal proceedings combating school segregation and the refusal to hire Roma (BG, HU). Labour market policies also include subsidised employment programmes (BG), pre-employment training, career guidance and supervision to help Roma integrate into the labour market (ES), focus on PES to increase the motivation of Roma to start working (SK) and the appointment of mediators assisting their job search (BG).

Differences in employment and unemployment rates between people with a migrant background and the rest of the population are still significant in many countries. Some are facilitating access by offering tailored language lessons (DE, FI, LU), supplementary training (FI), social assistance and starting allowances (DK, FI, SE), economic investment in areas with a high ethnic population via partnerships' projects (UK), but few have designed integrated strategy and action plans for the integration of migrants (DE, IE, NL).

With a few exceptions (SE), measures adopted to make work pay seem to get less focus. Some have tightened eligibility conditions for unemployment benefits (CZ, NL) or introduced "in-work" benefits that top-up low wages (UK).

5.2 Improve the adaptability of workers and enterprises

Anticipating economic restructuring and improving work organisation

The design and dissemination of innovative and more productive ways of organising work is envisaged in CY with ESF assistance. In IE, the Workplace Innovation Fund was established to encourage the development of new ways of working through partnership, aimed at increasing flexibility and improving performance in the workplace. A number of Member States (DK, EE, AT, MT, LT, LV, PT and SI) introduced or announced measures to improve health and safety at work.

Undeclared work is an important aspect of segmentation. BG, EL, HU, LV, MT, PT, RO and SI report on measures to tackle the issue, mainly through strengthening labour inspectorates or other control and surveillance measures, or incentives to legalise labour relations.

Regional mobility is being promoted, *inter alia* by planning to contribute or already contributing to the costs of commuting (FI, AT, LT, LV, RO, BG, SK), enhanced cooperation between the regional PES and language training facilities (BE), while SK envisages supporting housing costs.

Ensure employment-friendly labour cost developments and wage setting mechanisms

Annual pay statistics by gender are still only published by some countries (AT, CY, DK, EL, FR, EL, IE, LV, MT, PL, SE, SI); however the gender pay gap still remains large in some countries. Several countries have emphasized the gender pay gap in their National Reform Programmes but very few announced new initiatives such as targets (FI, UK), legislation (SK) or other policies (FI, LU).

Efforts to ease the tax wedge and reduce non-wage labour costs were undertaken in many countries (BE, CY, DK, DE, ES, FR, FI, RO, SI, AT, EE, LV, LT, SE, PL, MT, NL) with a particular focus on young people, older workers and disadvantaged groups. The minimum wage has been reviewed in FR or increased in ES, UK, LV, PT and IE, and sector specific ones introduced in AT, DE.

5.3 Increase investment in human capital through better education and skills

Expand and improve investment in human capital

There are still no signs that investment in human capital is on the rise following the 2003-2005 period, when total public expenditure on education as a percentage of GDP decreased from 5.2% to 5.0%. There are still important divergences between Member States ranging from around 8% in DK to below 4% in RO.

Some have recently adopted new coherent life-long learning strategies (CZ, DE, LV, BG, LT, SK), or skills upgrading strategies even involving PES (UK), while others are still lacking strategic and coherent lifelong learning strategies (AT, MT, PL, HU, RO).

The education targets within the Lisbon Strategy are not likely to be reached. In 2007, the rate of early school leavers stood at 14.8% (benchmark for 2010: 10%) and is more severe among males and young people with migrant backgrounds. The upper-secondary attainment rate of the population aged 20-24 was 78.1% in 2007 (benchmark for 2010: 85%) and the percentage of adults participating in lifelong learning 9.7% (benchmark for 2010: 12.5 %).

Following the call of the March 2008 European Council, Member States have taken action to address early school leaving. The measures combine preventive approaches, such as raising the compulsory participation age in education (UK), with facilitating the return to education for those who have dropped out of school (AT, DE, NL, IE, LT, LV, LU, PT, SI). They include financial incentives addressed either directly to individuals at risk or to schools and other professionals working at the local level (ES, NL, UK), boarding school programmes for children from low-income families (EE), improved guidance (CY, CZ, EE, FR, LU, UK), tutors for pupils at risk (DE), extra-curricular activities (FR, HU) and better transition between different school types (LU).

Virtually all countries are now focusing on strengthening pre-primary education, which is considered to improve the prospects of succeeding in lifelong learning, especially for children from disadvantaged groups. Reforms undertaken on primary education include language screening and language teaching for children with migrant backgrounds (AT, DE, DK, EE, FI, IE, NL, LU, PT), and efforts to ensure the quality of primary education, for example through the development of framework curricula (CZ, LU). At the same time, the entry age to primary education has been lowered (BE, PL), and measures targeted at improving reading literacy also focus on identifying and supporting students with weaknesses already during the early years of education (DK, MT, SE).

Little progress has been made in targeting the low-skilled. Activation measures that have been identified include explicit national strategies (IE) and training delivered by employment services (DE, FI), while financial incentives have been created in the form of income tax-credits (NL, DE) and a lower tax wedge for low-skilled employees (BE).

Many indicators highlight the poor quality of education received by Roma children, with segregation as a pervasive problem and high drop-out rates. Member States are combating this through the provision of free text books and scholarship assistance (BU), special Roma-reserved places in both high schools and universities (RO, HU) and grant schemes for scholarships (SK). SK adopted a White Paper on the education of Roma children and pupils, including the development of secondary school and university education. BG has created a lifelong learning strategy to target the group for literacy measures and courses. ESF is used to support marginalised Roma communities (CZ, ES, SK).

Moreover, and especially in the light of the current situation, it will also be important that entrepreneurship training does not only target schools (EE, LT, PL, SI, SK and UK), but that any packages supporting the setting up of new businesses (SE), for example in support of unemployed persons, include education/training elements which will help new entrepreneurs to succeed and to deal better, for example, with accounting or other administrative tasks.

Adapt education and training systems in response to new competence requirements

Access to education and training, flexible learning pathways, and mobility between sectors are also being promoted through the good progress made in implementing the European Qualifications Framework. Some Member States (DE, FR, IE, MT, UK) are developing or have committed themselves to developing an overarching national qualifications framework covering all education and training sectors. As all the others, they are committed to developing a qualifications framework for higher education. In most countries, the development of national qualifications frameworks goes along with efforts to improve the validation of non-formal and informal learning, for example to facilitate access to higher education (CZ, DE, EE, FI, LT, MT, PT, NL, PL, SI, UK).

In addition to measures aimed at facilitating access to higher education and at increasing the share of people completing tertiary education, including the extension of financial support schemes (CY, EL, DE, PT, SK), more needs to be done to improve university-business cooperation. Some Member States (CZ, DE, EE, EL, FI, LT, LU, SI, SK, UK) are allocating funds to contact points and networks facilitating joint projects and knowledge transfer between academic institutions and businesses. Further efforts are needed to increase the relevance of higher education to labour market needs, to support innovation and to strengthen the role of universities in lifelong learning.

