



European Economic and Social Committee

SOC/523
**Improving the performance of
national dual training systems**

Brussels, 16 September 2015

OPINION

of the
European Economic and Social Committee
on
Improving the performance of national dual training systems
(own-initiative opinion)

Rapporteur: Dorthe Andersen

On 19 February 2015, the European Economic and Social Committee decided to draw up an own-initiative opinion, under Rule 29(2) of its Rules of Procedure, on

Improving the performance of national dual training systems
(own-initiative opinion).

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 1 September 2015.

At its 510th plenary session, held on 16 and 17 September 2015 (meeting of 16 September 2015), the European Economic and Social Committee adopted the following opinion by 206 votes to 1, with 8 abstentions.

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1. **Conclusions and recommendations**

- 1.1 Young Europeans have been hit hard by the crisis in several Member States, at huge human, social and economic cost. However, higher youth unemployment is nothing new and points to some structural problems that make the transition from school to employment difficult.
- 1.2 Well-functioning apprenticeships and other quality forms of work-based learning (WBL) systems can help young men and women to make a smoother transition from school to employment.
- 1.3 The EESC underlines that there is no "single best model" for dual training; the aim is to promote a high-quality dual training which works.
- 1.4 European level:
 - 1.4.1 The EESC believes that there is a need for a European quality assessment tool that documents progress as well as the effects of the reforms Member States are undertaking in order to improve performance of the VET and dual training systems.
 - 1.4.2 The EESC recommends that the Commission – with the relevant partners – develop tools to monitor and collect data, evaluate what works in the Member States and identify the key elements of well-functioning dual training systems. The aim is to measure and assess what works, to ensure quality in the training systems and to highlight the correlation between dual training and employment.

- 1.4.3 High-quality and labour market-relevant vocational skills and qualifications will also in the future constitute a core segment of the labour markets and European competitiveness. The EESC therefore proposes setting an EU target for VET and dual training, which can serve as path for better youth employment opportunities. This could be part of a renewed EU2020 strategy and the EESC therefore calls on the Commission to examine the options.
- 1.4.4 The EESC believes that an EU VET-target and the compilation of data could help keep the Member States on track to improve educational levels and ensure that young people have a positive experience of the education system and leave with the skills needed on the labour market.
- 1.5 Member States and the social partners:
- 1.5.1 The EESC recommends that Member States which do not have well-functioning dual training systems explore the costs involved in developing such systems, compared with the trade-off and benefits this would have for companies' competitiveness and young peoples' job opportunities.
- 1.5.2 The EESC emphasises the importance of partnerships between schools, training centres, trade unions and the business community. The social partners play a decisive role in all stages of well-functioning dual training systems (design, implementation, monitoring, evaluation, etc.). Strengthening and making better use of social dialogue at all levels can be an effective instrument to improve quality of dual training and to make it more attractive.
- 1.5.3 The EESC calls on the Member States to introduce or review on a systematic basis the professional development of VET teachers, mentors and trainers – and in particular in-company trainers, as these are key to improving the performance of VET systems.
- 1.5.4 The EESC emphasises the importance of employers and believes that employers – including SMEs - will get more involved in apprenticeship schemes when these genuinely meet their needs and when there are good links with schools. Putting in place dual training systems that allow for the cost-effective involvement of employers and giving them greater ownership should be the focus in the coming years.
- 1.5.5 The EESC recommends that the European social partners continue their work in this area as part of their stand-alone work programme.

2. Introduction - the current situation in Europe

- 2.1 The economic crisis in Europe has hit young people hard. 4.5 million young people under the age of 25 are out of work¹, although for certain EU countries, high youth unemployment is nothing new; it has simply been exacerbated by the crisis. The EU youth unemployment rate is more than twice the adult one – 20.9% against 9.8%. Around 7 million young Europeans are not in employment, education or training (NEETS)². With a rather weak short-term economic outlook, youth unemployment has reached extreme levels in some Member States at huge human, social and economic costs.
- 2.2 Unemployment was higher among young people than adults before the crisis too. This suggests a structural problem in establishing closer links between education and training systems and labour markets. Another argument in this direction is that in many countries there is high youth unemployment, while at the same time employers have difficulties in finding employees with the right skills.
- 2.3 The situation calls for a new approach improving the bases of employment and growth with a view to developing high-quality and labour market-relevant vocational skills and qualifications and well-functioning labour markets.
- 2.4 There are considerable differences between EU Member States, however, with regard to their experiences in getting young people onto the labour market.
- 2.5 In many countries, people with vocational training form the majority of employees in the private sector but also play a significant role in parts of the public sector. Today about half of upper secondary students across Europe follow a VET programme and about a quarter of them are in combined school- and work-based learning³. But key challenges lie in making VET more attractive by improving its quality and relevance.
- 2.6 In a number of its opinions⁴, the EESC has highlighted the importance of creating the right conditions for young people, with the aim of easing the transition from education to work by boosting opportunities to undertake different forms of dual training as part of high-quality vocational education and training (VET).

1 Eurostat March 2015: Facts and figures youth unemployment.

2 Eurostat [tesem150], 2014.

3 European Commission, Education and Training report November 2014.

4 For example:

– SOC/409: Making post-secondary VET more attractive (Drbalová), [OJ C 68, 6.3.2012, p.1-10](#).

– SOC/499: A Quality Framework for Traineeships (Vareikytė), [OJ C 214, 8.7.2014, pp. 36-39](#).

– CCMI/118: Employability of young people - matching training with industry needs in an age of austerity (Fornea & Grimaldi), [OJ C 311, 12.9.2014, p. 7-14](#).

– SOC/503: Youth employment measures – Best practices (Schweng), [OJ C 424, 26.11.2014, p. 1-8](#).

2.7 The EESC believes it is important to keep up the momentum and ensure that the individual Member States, in conjunction with the social partners, adapt their VET systems by incorporating dual learning components.

3. **Understanding the definitions – dual training systems in Europe**

3.1 This opinion focusses on the dual training systems in VET. Dual training is an umbrella term covering different national models. According to Cedefop, dual training concerns education or training combining periods in a school or training centre and in a workplace. The duality refers to the learning avenues (schools/VET providers and training companies sharing the responsibility to provide theoretical and practical training) and the duality of actors (public and private). See Appendix 1 for the different terms and models.

3.2 All Member States have systems that incorporate the work-based aspect, but their quality, outcome and scale vary⁵. For example, how much time is spent in a workplace? Is there a contract between the learner and the employer or is the learner paid and what is the role of the social partners?

3.3 There is no single or "best" model and developing a dual system depends on many economic and social contexts.

3.4 There are three broad avenues of VET training today:

- Apprenticeships combine and alternate company-based training with school-based education, and lead to a nationally-recognised qualification. Usually, there is a contractual relationship between the employer and the apprentice, with the apprentice being paid (as in Austria, Denmark and Germany).
- School-based VET with on-the-job training. This includes shorter periods of on-the-job training (e.g. internships and work placements) as a compulsory or optional element of VET programmes and leads to formal qualifications.
- School-based programmes.

3.5 The watchword is the close link between the workplace and the synergies to be developed between the student, the theoretical basis and practical learning and development in the workplace.

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European parliament study, Dual education: a bridge over troubled waters June 2014.

4. **The European policy background**

- 4.1 The European Council of 27/28 June 2013⁶ agreed on a new strategy for combating youth unemployment, including the aim to promote "high quality apprenticeships and work-based learning". 22 Member States have received country-specific recommendations to adapt their vocational education and training systems, by placing greater emphasis on the work-based components of training and high-quality apprenticeships for young people.
- 4.2 At EU level, a range of measures have been taken. For example, a youth guarantee has been adopted, ESF funds have been allocated for the development of apprenticeships nationally, including the dual training system, and a European Alliance for Apprenticeships has been established.
- 4.3 In their June 2013 Framework of Actions on Youth Employment⁷, the European Social Partners also highlighted the value of work based learning models, such as the dual learning systems.
- 4.4 The Latvian Presidency has endorsed five deliverables as part of the review of the Bruges Communiqué. The first of these deliverables will be to promote work-based learning with special attention to apprenticeship-type training⁸.

5. **Dual training as a way of building bridges towards working life**

- 5.1 Studies by Cedefop and the European Commission, for example, suggest a positive link between VET-systems based on dual education and youth employment⁹.
- 5.2 Experience and the figures speak loud and clear. Countries with relevant and attractive vocational training systems based on dual training principles perform better when it comes to getting young people onto the labour market. Some countries like Austria also provide good examples of training possibilities for disadvantaged young people such as work assistance or a safety net for apprentices.

6 <http://data.consilium.europa.eu/doc/document/ST-104-2013-EXT-1/en/pdf>

7 https://www.etuc.org/sites/www.etuc.org/files/201306_Framework_of_Actions_Youth_Employment_1.pdf.

8 Riga Presidency conclusions 22 June 2015.

9 For example: Cedefop Labour market outcomes of VET in Europe 2013, European Commission, Education and training Monitor 2014 and OECD, Learning for Jobs, reviews of VET 2010.

- 5.3 A well-functioning dual training system provides young people with an initial work experience and consequently makes them more attractive to businesses and future employers. In Germany more than 2/3 of apprentices stay with the same employer after completing their apprenticeship¹⁰. In Denmark, figures¹¹ show that VET graduates are among the fastest to find a new job if they are made redundant and that a high number start up their own companies.
- 5.4 However, VET and apprenticeships are not considered to be as attractive as academic education by many young people and parents; or are perceived only as traditional blue-collar employment. What is forgotten is the "competitive knowledge" that can be acquired through dual training – so that young people do not have only one career opportunity but also gain competitive knowledge that can be further developed.
- 5.5 An EU target for the share of students in VET and dual training should be considered as part of the reviewed EU2020 strategy. This could give more attention to the strong employability and inclusiveness component of dual training and apprenticeships. This could give more attention to the strong employability and inclusiveness component of dual training and apprenticeships.
- 5.6 Such a target has to be set high, as evidence shows a positive link to employment, and it has to take into account the future labour-market demands for skilled workers with mid-range qualifications.
- 5.7 To improve image and attractiveness, a combined effort is needed by schools, training centres and companies, the social partners and politicians. VET schools and training centres have to be more adaptable to the changing labour-market needs and economy. Skills competitions and role models could be encouraged to showcase skills or schools and to inspire young men and women. Opening up pathways into higher education to avoid apprenticeships being perceived as a dead-end by students and parents or enhancing EU intra-mobility programmes such as Erasmus+ could make such schemes more attractive.
- 5.8 Good and early career guidance and counselling services are essential in order to improve the understanding and image of the dual training systems.
- 5.9 Teachers also play a role making dual training systems more attractive and have a direct influence on young people's perceptions of VET. Becoming a VET teacher must also be perceived as an attractive proposition. One way is to ensure that VET teachers' professional and teaching skills are continually updated, improving cooperation between schools and

¹⁰ Germany trade & invest, DIHK, Federal Ministry of Education and research, IAB, Federal Statistical Office 2013.

¹¹ <http://www.da.dk/bilag/AMR09%2CArbejdsmarkedsrapport%202009.pdf>.

companies so that teachers are up to date with companies' requirements, current working practices, new technologies, etc.

5.10 In a dual system, the presence of a qualified and motivated staff member acting as a tutor or trainer in the company should be a basic quality assurance requirement. Greater focus has to be placed on the responsibility of in-company trainers. Clearer and more detailed descriptions of the competences to be achieved can raise the quality of work-based learning.

6. **Continual evidence-based monitoring and assessment of vocational education and training systems and policies**

6.1 A number of studies have already been carried out, indicating that the German, Swiss and Austrian dual training systems, for example, work well, in that they provide young people with appropriate training and a good entry point into working life. But there is no "single best model" – the aim is to identify successful structures and practices.

6.2 More transparent information on cause-content-outcomes could help to identify the key elements that characterise well-functioning dual training systems. While most Member States and the Cedefop collect data on VET graduate employability, greater use could be made of such data to improve systems – including dual training.

6.3 The share of “work-based learning”, for example, could be used as a variable in the EU-employability benchmark. A European benchmark for dual training could highlight the correlation between dual training systems and youth employment. Data for such a benchmark could be collected yearly through the Labour Force Survey.

6.4 In cooperation with Cedefop, Eurostat (Eurobarometer) could carry out a more systematic study of young people who complete vocational education and training, and have the skills that are in demand and also of how dual training in firms has helped them gain these skills.

6.5 It might be useful to compile comparable national data on which countries' performances can be assessed when it comes to the implementation and outcomes of the different dual training systems in Europe. Cedefop, Eurostat and the Commission already collect data as part of the ET2020 and Copenhagen strategies, but the EU needs a coherent tool which captures the progress as well as the effects of the reforms now being undertaken in many Member States to improve the performance and quality of national VET systems.

The EESC proposes that such a quality-assessment tool should at least address the following policy questions:

- How and why does dual training lead to higher employment?
- Does dual training lead to less friction in the labour market, such as shorter spells of unemployment, and better skills matching?

- How can dual training lead to increased mobility, both within and between different sectors?

6.6 A time-based set of relatively straightforward parameters could be used as a springboard for more qualitative analyses, and could at the same time be used to monitor developments in each country with regard to its process of adapting VET systems to the principles and benefits of dual training. A data platform of this nature could also feed into the work of the European Alliance for Apprenticeships, and into work on the EQAVET reference framework.

7. **Better performance of national dual training systems and getting companies on board**

7.1 There are many challenges that are still not being taken seriously, for example in terms of quality of training and relevance to business.

7.2 Apprenticeships play an important role in meeting companies' skills needs, while helping young people into the labour market. Apprenticeships offer employers a number of advantages; these include better skills-matching resulting from in-house training, new knowledge and perspectives. Fully-fledged apprenticeships entail a number of rights and obligations for all involved.

7.3 Companies must see this as an investment in future qualified human resources and take the responsibility to actually train a young person. But if companies – including SMEs – are to see apprenticeships as an investment there needs to be provision for them to have greater ownership of schemes, including curriculum design.

7.4 Some employers fear that the cost of training an apprentice outweighs the benefit, but this mind-set has to be challenged. A cost-benefit analysis from Switzerland shows that the productive contribution of an apprentice exceeds the training costs (including the apprentices' wages) by more than EUR 6 000 per apprenticeship¹² and BUSINESSEUROPE is currently conducting a cost-benefit study of apprenticeships.

7.5 In some countries, burden-sharing funds have been established whereby companies pay a certain sum into the fund to compensate for hours spent in school or transport costs (in Denmark, Arbejdsgivernes uddannelsesbidrag). In Austria, companies receive a bonus for trained apprentices receiving a good assessment. There is a model of burden-sharing in Austria (Vorarlberg), under which companies pay 0.2% of apprentices' salaries into a training fund. After 18 months, the training is assessed and businesses providing good apprenticeships receive compensation in the form of a bonus.

¹² EENEE POLICY BRIEF 3/2012 NOVEMBER 2012, "Apprenticeship Training Can Be Profitable for Firms and Apprentices Alike" by Stefan C. Wolter, University of Berne.

- 7.6 However, cost-benefit outcomes might differ in different sectors and under different VET-systems. National training systems therefore need to be constantly assessed and, where appropriate, adapted to ensure they contribute to European companies' competitiveness. More comparable and quality assessments tools can also help Member States in this.
- 7.7 Good quality assurance and assessment of apprenticeships and dual training schemes, including working conditions, is equally important and here the social partners can also play a role. Above all, the social partners must be involved in designing national provisions for dual training and can also make use of appropriate collective bargaining traditions to help ensure quality apprenticeships and other work-based systems. Trade unions and union representatives can also play a greater part in the training and well-being of young people within a company.

Brussels, 16 September 2015

The President
of the
European Economic and Social Committee

Henri Malosse
