



**European Action Programme and Routing Initiative
for Promotion of Employment,
Growth of Jobs, Diversity and Fairness of Age**

**2nd Meeting
of the European Projectgroup
air-CHANGE
22nd of September
Madrid (Spain)
Udo Verzagt**



**European Action Programme and Routing Initiative for Promotion of Employment,
Growth of Jobs, Diversity and Fairness of Age**

Structure

1. Initial Position
2. Strategy of EU-Commission
3. Action - Programme
4. Routing Initiatives
5. Relevant for Industry of aerospace, their countries and the
air-CHANGE Project

afterwards we will discuss





Demographic change and employment in European aerospace industry






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Starting point for the Growth Strategy of the EU

The European Employment Programme, which is part of the growth strategy Europe 2020, was introduced with the main goal for more and better working places within the EU 1997.

The implementation includes 4 steps:

1. Guidelines concerning employment policies will be proposed, confirmed on national level and concluded by the council of the European Union
2. The common report of employment is based on evaluation, implementation, assesment and publication by the council.
3. National reform programmes (NRP) will be checked on compatibility.
4. After evaluation of the national reform programme follows analysis and country specific recommendations.

➔ **Basis for action programmes and guideline initiatives.**

What are the common ways of looking at the problem from view of EU?





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Starting Point – report of the EU-Commission


The report of the EU-commission and OECD based on a 3-years-study from september 2014

„Matching Economic Migration with Labour Market Needs“,

shows, that mobility of workforce is decisive for the accomplishment of the demographic challenges and the skills shortage.

Guiding questions of the study:

- How can migration and free mobility for the next 50 years help to mitigate the skills shortage?
- How can societies better use the skills of their immigrants?
- What can we learn from non EU OECD-countries?



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Demographic Starting Point


- 4% growth of population from 2010-2020 in 34 member states by shrinking share of earners
- From 2013-2020 the share of earners (15-64 years) is reduced approximately about 7,5 Mio (-2,2%).
- Without migration it would be until 2020 11,7 Mio (-3,5).
- In countries of growth the trend is +9%.
- In the EU the participation at work life is less than in non EU OECD.
- Goal until 2020 is a growth of earners from +1,2%.
- The proportion of age from 15 - 64 to 65+ was 17% 2010 and will be 30% in the year 2060.
- Average age world wide was 29 in 2010 and will be 38 in 2050, but 47 in EU and 26 in Afrika.




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Conclusions

- Skill shortages arise not from a lacking growth of population, but from changed need for skills
- With dynamic changes of the labour market there is at the same time an upcoming disproportion between the offer of qualification and the demand with shortage of qualified workforces
- Even if migration is important in relation to age structure it may not be the the only answer on the structural demographic, labour market specific and financial challenges
- Active labour market and migration politic is necessary
- The european action-programmes and guideline-initiatives have to be in the position to tackle the effect on aging of population and the participation of younger and elder employees on the labour market.







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Overall Strategy (1)

- Facilitation of mobility within EU, better distribution
- Integration of migrants and intelligent use of skills
- Exploitation of qualified employees

Three quotations

Socialcommissar Andor: *“fair mobility of workforces with dignitive working conditions and better integration from employees from non EU-countries“*

Scarpetta, leader direction employment: *„succesful integration to increase competitiveness of Europe“*

Inside commissar Malmström: *„The demand for skills cannot be covered only by EU“*











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Overall Strategy (2)

In the strategy of Lissabon and Europe 2020 is the Creation of *„more and better working places „, as well as „the realisation of an intelligent, sustainable and integrative growing“ foreseen. The investigation of the question how the working conditions have changed, may give exploration about the attainment of the political goals, e.g.:*

„ to give all humans opportunity of access and chances for all their life, Europe has to exploit ist workforce potential, to master the challenges related to an aging population and growing competition.

A policy to promote equity between gender is necessary to increase the cooperation of the working population and in this way to support growth and social solidarity. “



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Substratgies

Are related to:

1. Lifelong Learning (LL) for qualification until old age
2. Qualification and mobility
3. Youth-actions-programme to eliminate barriers
4. Improvement of rate of female earners
5. Improvement of rate of elder earners




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Information Society and Lifelong Learning (LL)

The following megatrends coin the social development in Europe:
globalization, demografic change, change of organization of work and
unemployment as well as information-technology.

- Information-technologies have taken a keyrole for the economic
culturel and social life of society.
- Only by continued refreshment and consolidation of knowledge it is
sustainable possible to fulfill the requirements of working world like
competition and competence of adaption.

→ A necessary capability for an society of information is
„Lifelong Learning - LL“



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OECD 1996 and Lifelong Learning for All

Year 1996 OECD: „*Lifelong Learning for All*“ shows:


- LL is moving around in the triangle of individual, society and economy with the objective of democracy, equity of chances, effectiveness and efficiency, human capital, flexibility and tolerance.
- Barriers on the way to reach the goals are predictable obstacles on a designed way (trends), which need to be overcome with appropriated effort. They are built artificial.
- Relations between school and labour market should make borders between training and employment more fluent.
- Governments should take care for appropriate conditions of framework.



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EU Commission and Lifelong Learning (LL)

Year 2000 EU Commission: The „*Memorandum of Lifelong Learning*“ sees LL as factor and consequence of the economic and social development and is in line with the objective of the OECD, especially because the EU-economy is largely poor on resources and needs to steadily increase the quality, to stay competitive.



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Qualification and Mobility


How many people will be in the working process 2020?

In EU elder people were replaced by younger people with a rate of +5%, until 2020 the rate will be -1%, in Germany the deficit will be -8%.

Migrants will take in average 16% of the new jobs, instead 24% until 2010.

In 2020 every third will be high qualified.
(>= level 5 ISCED) and each fifth low (<= Level 2).

In total the level will increase, but a low level will stay, especial in South Europe.



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EU-Company-Statistics about Qualification and Mobility

- 40% of companies got difficulties to find proper qualified workforces
- The mobility within the EU should channel workforces to where the demand for qualifications is and they should be used appropriated...but in 2014 was the movement of workforces despite more easy regulations for migration from non-EU on a low level.

Reasons for this are:

- System of admission
- Employers don't like to hire foreigner.

➔ To reach EU employment goals for 2020, it is important to rely on a broad menu of initiatives and actions.

➔ Shortage of skills is less because Europe is not attractive for high qualified foreigners, but because of missing hirings by employers.




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EU-Company-Statistics about Qualification and Mobility

- The demand of workingforce is concentrated within the next ten years on professions with high and middle qualifications
- The rate of employment is with 68% for EU-workmigrants higher as for natives (64,5%), goal is 70%
- In average immigrants got a lower graduation, in which school and further education, especial native language are essential for the integration.
- It is not possible to find the best qualified people by degree of university, because as well language and work related skills have to be reflected.

- ➔ **Recognition of foreign qualifications**
- ➔ **Access to active labour market programmes**
- ➔ **Language training specific coordinated for qualification**





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Working Schemes for Youth


- In EU are more than 4,5 Mio. young people within the age of 15-24 unemployed (with 21% twice as much as the overall rate of unemployment of 9%).
- Big differences are between the countires: Germany with 7%, Greece with 50% and Spain with 49%.
- The overall rate of employment shrinked between 2008 and 2014 from 37,7% to 32,5%. About eight times of the value for adults.
- 7 millions of them are neither in work or training.
- 11% got no school or left training early.

➔ A high rate of youth unemployment goes sometimes along with growing difficulties by allocation of vacant positions. This shows a disproportion between offer and demand on labour market because of insufficient qualifications, limited geographical mobility or inapposite compensation.














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Improvement of the earners-rate of woman

- An improvement of the earners-rate of woman should be increased from 59% in 2008 to 60% in 2010. It was at 58,6% in 2012.
- Parttime employment in limited working contracts and other atypical and precarious working contracts increased. This affected in specific sectors especially younger and bad qualified female workers.
- There is only a limited access to training and further education within particular sectors.







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Improvement of rate for senior earners (1)

Why do we need to act?

Currently the number of 60 and elder people increases for about 2 millions each year, twice as many as three years ago (2009).
Because of this the relation between employable to +65 changes from 4:1 to 2:1.

In 2009 31% of employees were elder than 50, there will be 40% elder in 2017. Because the age pyramid changed rapidly there are ideas to say good-bye to a fixed age for pension.

But: only each fifth of the over fifty year old employees takes part in further education – five percent less as the average. This is to less to stay in competition, individual or as a company.

About 60% of earners (EU27) are – with a little increasing tendency - thinking to execute their job being elder than 60 years.





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Improvement of rate for senior earners (2)


LL enables people to enjoy an active life up to an old age, to protect themselves for age-related restrictions and to keep the cognitive ability. But LL is exploiting and emancipating at the same time.

Aging should be active, but as well healthy, dignified and full of joie de vivre. Because of this should active aging not only be seen as a longer activity as earner. New structures and concepts need to be created, which will fit to the growing number of elder workforces. These structures need to enable them to stay in the working process.



Recommendation:


- Active labour market politics for elder workers and sustainable measures, which lead to a change of attitude in society.
- Create incentives to encourage workers to stay longer in the working process.
- Enable better working conditions and LL.





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Guidelines to remove Obstacles in Mobility


- EU-Guideline for simple execution of right on mobility (IP/14/421) and for requirements on additional pension (IP/14/445)
- Guideline about deployment of employees (IP14/542)
- Improvement of the European network for job-seeking EURES (IP/14/26)
- Political guidelines for the integration into the labour market and measure facilitation of relatives of third countries





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**Guidelinesitlinie for simple execution of the right for
mobility (IP/14/421) (1)**


- A better practice of the right to work in another memberstate (Artikel 45 AEUV), should exist not only on paper.
- Laszlo Andor: By now a decision has not to fail any longer because of lack of knowledge that mobil workforces got.
- ➔ To reach this the guideline binds the memberstates:
- Easy access to information in more than one EU-language about the rights for migrant worker and job-seeker
- Effective legal protection
- Support and juridical consultation
- ➔ Common practices of discremination are:
 - ➔ different recruitment conditions
 - ➔ different working conditions in regard to compensation, career
 - ➔ Different consideration of professional qualifications





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**Guidelines for simple execution of the right of
mobility (IP/14/421) (2)**

Studies show that mobil workers are helpful for the country of arrival. Mobile workers complement the offer of national workforces, because they Work in shortage occupation.

Their rate of employment is higher and they take seldom employee benefits, because they are mostly in earners age and younger as the average of population in arrival country.

They are normally net-payer for the public household.




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Guidelines for requirements on additional Pensions (IP/14/445)

Laszlo Andor: „ a guarantee for in-plant claims on benefits and pensions to be kept, if someone moves to another member state.

There was no comparable protection-rule for acquisition, keeping and information for the in-plant age-secureness or the financial precaution within the framework of the second pillar.

In Germany half of 42 millions employees got a in-plant age-secureness and won claims are only guaranteed after five years – vested benefits.



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Guidelines to Deployment of Workers (IP14/542)

The guideline especially looks on:

- Sensitisation of workers and companies for their rights and duties
- Improved cooperation between agencies of the single states
- A clear definition of terms of deployment for better security of right and to act against letter box companies.
- A determination of responsibility of member states to control if rules from 1996 are hold.
- A better assertion of rights and work on complaints

Background: Workers stay with the rules of the arrival country as: maximum working time and minimum breaks, paid minimum vacation, measures for protection and equal treatment



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Impulses for Employment related political Guidelines from Trade Union View

1. Increase of social productivity by active policy
2. New direction of flexicurity
3. Empowerment of fair job-relations
4. Prioritising of fair gender/age employment
5. Deployment of fair compensation politics
6. Secure funding of the social state
7. Design and deployment of education

What is the meaning of the action programmes and guidelines for our
sector and our country?



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Relevance for our sector / country Czech Republic

Skill shortage as brake for the upturn in aircraft construction

Alice Undosova – Mgmt organisation check air organisation SCLP:

*„Missing graduates of grammar schools with technical training.
Our companies need to invest a lot of money to prepare offspring for the work
at the machines. Such a trainingsphase can cost up to 100.000 crowns.“*

➔ The organisation looks together with government for options
to disam the problem. E.g. more advertising for technical training.

➔ Within engineering universities take care, e.g. CVUT in Prag
and TU Brno, with over 2.500 students for aerospace for a sustainable
supply of aerospace specialists.



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Relevance for our sector / country Poland


Trouble about Supply on Skills

Regions extend their engagement for training institutes to get enough skills for new investors.

→ Cooperation with universities enforced. In the outland of the Karparten exists a training network for aerospace mechanics.

Andrzej Rybka, director of the clusters Aviation Valley:
„Currently we invest 25 Mio. Euro in infrastructure of training centres in 12 cities To enable operators of CNC-Machines to learn their subject“.

Marek Darecki, chairman Aviation Valleys:
„We expect in the coming years in the outlands of Karpate.n a need for 3.000 of such experts.“



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The air-CHANGE Project supports Implementation of Actionprograms and Guidelines:

1. Recording of demographic- and age-related changes in the earners and employment structure
2. Foresighting strategies for accomplishment of related change in structure and employment
3. Sector-economic modernization of personnel-, working- and qualification structures
4. Activation of workers participation for sustainable aging-management in sector and company.



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With the Goal of:

- Modernisation of labour market,
- Increase of quality of work,
- Anticipation, preparation and accomplishment of change,
- Competence and qualification
- Health and security at the working place,
- active aging, more healthy and longer working life,
- Active incorporation and humane work.