

Council Recommendation on individual learning accounts



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Preliminary Remarks

On 10 December 2021, the European Commission issued a proposal for a Council Recommendation on Individual Learning Accounts. Prior to releasing its proposal, the Commission had organised over the course of 2021, a series of social partner hearings and had also launched a public consultation on the matter.

Moreover, on 16 August 2021 the ACVT adopted its opinion on Individual Learning Accounts.

As sectoral social partner, Ceemet was part of the 2021 social partner hearings and also provided written input to the inception impact assessment on ILAs (see our response [here](#)). As already expressed in this response, Ceemet shares the Commission's views on the urgent need to invest in up-skilling and re-skilling of the workforce across all sectors of the economy. Ensuring the access to the rightly skilled workforce is key to foster the competitiveness of companies.

As all sectors of the economy, MET industries are impacted by a persistent skills mismatch and skills shortage. This skills challenge is an obstacle for companies' competitiveness and their availability to innovate and continue providing with quality jobs. The need of a workforce with the right set of skills is even more relevant in the midst of the digital and green transitions which have immediate consequences on the skills needs of the MET industries, in particular in the automotive sector.

As a matter of fact, many of our companies are facing today an increasing and unprecedented lack of labour and are encountering large difficulties in attracting and retaining talent in the industries. For this reason, investing in the adequate up-skilling and re-skilling policies is critical to successfully manage job transformation while smoothly moving to a carbon neutral economy.

As a first step to put in place the adequate skills policies, we need to understand the reasons why individuals do not undertake enough training. In this regard, Ceemet and its member agree with the Commission analysis on the barriers to undertake training, amongst which the lack of motivation to participate in training, in particular of low skilled workers, as well as the cost for training and the time constraint.

Against this background, the Commission recommends Member States to set-up individual learning accounts to address the skills gap and increase the participation rate of individuals in training. However, while some Member States have already introduced ILAs, others have deliberately chosen alternative paths and schemes to address these challenges. Along with the tripartite opinion and the position laid down by the ACVT, Ceemet believes that ILAs only represent one possible approach and must not become a "mandatory instrument" in all Member States. To the contrary, ILAs could disrupt successful national responses to foster reskilling and upskilling while undermining social partner engagement in some countries. It should be fully up to the Member States to decide if ILAs could be a meaningful (additional) instrument in their respective educational infrastructures.

In this regard, Ceemet and its member associations would like to make the following comments on the proposed Council Recommendation on setting-up Individual Learning Accounts.

On the objectives of the Individual Learning Accounts

Ceemet fully shares the Commission's objectives aimed at supporting Member States' reforms in order to increase participation rates of adults in training, reduce skills gaps and boost individual incentives and motivation to seek training.

However, we do not believe that establishing ILAs, as the Commission recommends Member States to do, will be the adequate tool to achieve the above objectives. Above all, we consider that ILAs will not be the solution to increase the motivation of workers to participate in training and to foster labour market relevant training.

In fact, as expressed by the Commission extensively and repeatedly the lack of motivation to undertake training affects more particularly low skilled workers. Along these lines, OECD outcomes have pointed out that where similar individual learning schemes have been set-up, a poor record of low-skilled workers participation in training has been registered. To the contrary, higher skilled individuals tend to be over-represented in the take up of these schemes.

Ceemet, therefore, does not see how ILAs will incentivise the workforce, namely low skilled workers, to participate in training.

As a matter of fact, motivation of employees to train is a big challenge when considering re-skilling and upskilling policies. Making employees aware of the added value of training in order to enhance their skills development is thus crucial.

We believe that social partners at all levels, according to national practice, have a critical role to play in counselling

Social partners are key players on awareness raising of the importance and value of the training (both for employees and SMEs)

and guidance to employees, especially targeting low skilled workers, on the need to take training. This is further a way for the workforce to remain employable and to increase their possibilities of changing jobs and even sectors, even more in the current context of rapid transformation of the industries.

Social partners also play an important role in the provision of information on the type of training, adapted to companies' needs and workers' set of competences, on the modalities to access the training etc.

Therefore, even if the Commission asks Member States to ensure that career guidance, including skills assessment opportunities is available through ILAs, Ceemet is of the opinion that where career guidance works well, be it at company level, through informal social partner agreement, collective agreement or other, it should not be replaced by other schemes (i.e career guidance through ILAs).

We also fear that ILAs might not be the adequate tool to address the skills gap as they will not ensure, in our opinion, the market relevance of training. If training is not adapted to labour market needs, it will not allow to overcome the skills gap and companies will continuously find obstacles when trying to access the rightly skilled workforce. Moreover, it is of utmost importance that the training offer can really support employees in their upskilling and re-skilling and in employability throughout life.

On the setting-up of the individual learning accounts

Ceemet finds adequate that Member States may only optionally set ILAs after having consulted social partners, as laid down on article 5 of the Recommendation. However, we are of the opinion that these ILAs will not add value in those countries where well-functioning practices and approaches on training already exist. We also fear that, by setting-up these ILAs, Member States might draw resources from well-functioning schemes. As a matter of fact, the tech and industry employers consider that where training and up-skilling and re-skilling policies already take place in an adequate way, resources should be allocated to reinforce these well-functioning training schemes.

Moreover, Ceemet is surprised to see that social partners are practically not referred to when the Commission gives advice to Member

Well designed, user friendly ILAs can only be successful with the adequate involvement of social partners at all levels

States on how these ILAs should be set up. We indeed consider that in those countries where Member States agree to set up ILAs, social partners should play a key role when discussing the setting-up and content of the ILAs according to national industrial relation systems.

Article 8 of the proposal recommends Members States to invite employers to provide additional individual training entitlements to the ILAs of their workers and other people working in their industrial value chain, in particular those working in SMEs. This again does not reflect the importance of labour market relevance of training. We are therefore worried that employers are only encouraged to provide additional individual training entitlements without really considering companies' needs and employees' competences.

On the national registry of eligible quality training, career guidance and validation opportunities

If and where Member States decide to set up Individual Learning Accounts, Ceemet believes that this national registry could be of added value. However, the link between the training offer and its labour market relevance is missing. Even if social partners are invited to participate in the process of defining the eligibility criteria for the training included in the registry, we are still concerned that many trainings will still be disconnected of companies needs and only linked to available options on a list.

On the single national digital portal supporting ILAs

In those Member States that have already established ILAs, Ceemet would see the added value of article 18 of the proposed Recommendation in relation to setting-up a single national digital portal that can be easily accessed to support individuals to access their ILAs. Again, we would like to mention here the difficulties for low skilled workers to access this kind of digital portals. Indeed, the lack of basic digital skills might be yet another burden for low skilled workers to access their ILAs digitally, and thus another burden for them to seek training.

We call on the Commission to encourage Member States that have already established ILAs to set-up these portals in an easily, user-friendly way. Moreover, it is important also that the right information and awareness raising campaigns are deployed so that individuals are aware of the existence of these portals and their added value.

Connecting the national portals with the Europass platform can indeed add value, but we should not deny the fact that only a minor group of European citizens is informed about the

existence of such platforms and that the number of people using these portals is even more reduced.

On the paid training leave

Ceemet considers that paid training leave can be an adequate solution to deliver training where set by social partners agreement and/or collective bargaining in line with national industrial relations systems. Social partners are closer to the needs of companies and workers and thus have the possibility to provide with innovative solutions adapted to those specific needs. Therefore, paid training leave agreed by social partners can be an effective solution to deliver training.

However, paid training leave should not be taken unilaterally at the expense of the employer, if the individual training is not in line with organizational needs and/or of value for the employing company. This is the case, if the employer has no influence on the content of the training. Paid training leave that has not been agreed between the social partners must therefore be financed through alternative (i.e. public) funds and must not become an additional burden on companies.

On the awareness-raising activities

Where Member States after having consulted with social partners decide to set-up individual learning accounts, it is of utmost importance that awareness raising activities and campaigns are launched to make individuals aware of the existence, content and added value of these ILAs. In this regard, we share the Commission's views that these campaigns are put in place together by Member States, social partners, regional and local organisations and that they target the adequate groups etc.

We call, however, on Member States not to focus only on awareness raising activities on ILAs but also to continue to deploy campaigns on the importance of lifelong learning (LLL) and Continuing Education and Training (CET) as key instruments for maintaining one's employability in a rapidly changing world of work. Promoting a culture of lifelong learning and thus a "*change of mindset towards training*" is also part of the pathway to tackle the lack of motivation of employees to undertake training.

Along these same lines we continue to call on public authorities not to leave aside the promotion of VET as a first-class training choice that leads to quality employment in the MET industries

Specific Reference to SMEs

SMEs represent the vast majority of companies in Europe, as is the case of the MET industries. With regards to training, SMEs would benefit from SME-specific guidance and support as they often lack resources (human resources, time, financial resources) to train their employees. Therefore, Ceemet asks the Commission and the Council to take into account the specific situation of SMEs when considering the recommendation on ILAs.

As said before, support for SMEs to identify their skills needs/skills mismatches is important. Targeted EU-funds for SMEs to develop right skilling initiatives and training schemes is part of the solution to boost the participation of employees in SMEs in training.
