

Individual Learning Accounts in the 2020s

High-level policy event | 18 February 2020, Brussels

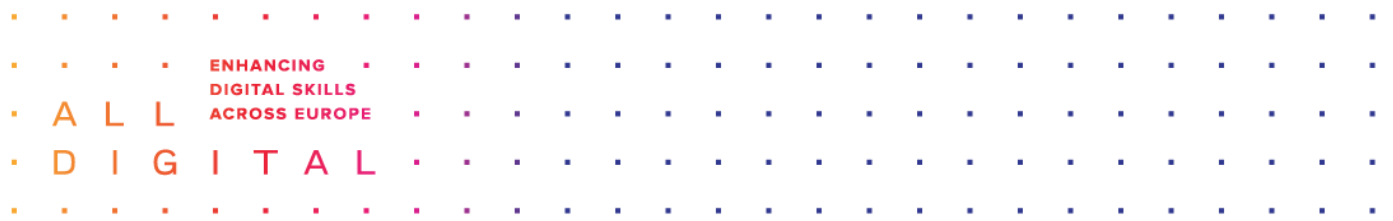
Keynote transcripts

Renato Sabbadini, CEO, ALL DIGITAL

So good morning! Thank you for coming and welcome to this event on individual learning accounts in the 2020s. My name is Renato Sabbadini, and I'm the Chief Executive Officer of ALL DIGITAL - the Brussels-based organization, representing and advocating for more than 70 member organizations across Europe ,a member organization in turn comprises and support more than 20,000 digital competence centres -ICT learning centres, adult education centres and libraries across the continent. Every year 13.5 million children and adults use these centres to access the Internet, learn the latest digital skills, and keep up to date with technology and community developments. To use the words of a study group of the European Economic and Social Committee when drafting an opinion on sustainable funding for lifelong learning and development of skills most of our members and members' members are de facto community lifelong learning centres, which explains our members' interest in the topic discussed here today and why we welcomed the explicit mention of Individual Learning Accounts in the Mission letter Commissioner Nicolas Schmit received from President Ursula von der Leyen. We are honoured to have the Commissioner here today and we'll hear from him directly very soon.

The idea and possibility of allowing and encouraging workers and unemployed people to make training rights portable from one employment status to another is a very promising and worth exploring in depth, as it speaks to the lifelong learning needs that more and more adults face in the constantly changing environment of today. Stefano Scarpetta, Director for Employment, Labour and Social Affairs at the OECD, will help us understand whether ILAs - Individual Learning Accounts - are more a panacea or a Pandora's box, to quote the title of the very timely report that OECD published on the subject.

After a short round of Q&A, following our keynotes, risks and opportunities related to the ILAs will be discussed by a formidable panel moderated by Hanka Boldemann from J.P. Morgan Global Philanthropy. I'd like to take advantage of this moment to thank JP Morgan, which has not only supported this event but supports also Digital SkillShift – our project devising specially tailored training programmes to re-skill



and upskill citizens not working in the ICT sector. This project where we partner with organizations from France, Germany, and Italy will be particularly interesting from the point of view of ILAs as France has adopted them, whereas Germany and Italy haven't.

In the panel we are happy to have Antoine Saint-Denis, Director of Europe and International at the Ministry for Labour in France; Eva Maydell, MEP, member of the Committee on Industry, Research and Energy, Brikena Xhomaqi, Executive director of the Lifelong Learning Platform and an expert of the study group on this topic in the European Economic and Social Committee, and Robert Plummer, senior advisor at Business Europe.

There will be 15 minutes of Q&A after the panel, and after that the Chair of the Board of ALL DIGITAL Professor Achilles Kameas will do the sum up of the event.

Many thanks again to all of you for coming and let me thank my staff, especially Ian Clifford, Victoria Sanz, Peter Palvolgyi, and Pia Groenewolt for the tremendous work leading to this event. Now please help me welcome Commissioner Schmit to the podium.

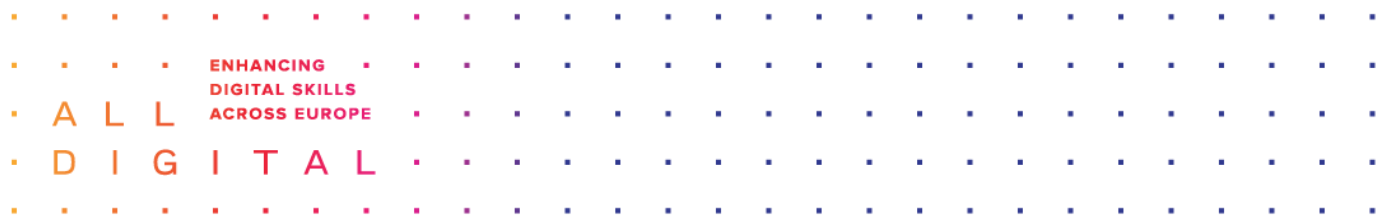
Commissioner Nicholas Schmit, European Commission

So good morning, ladies and gentlemen! It's a great pleasure for me to be here this morning and to have this exchange with you on one of, I think, the biggest challenges. Challenges we all face and Europe is facing. And I appreciate very much the work, which is done by ALL DIGITAL, because you respond to this challenge and you make it accessible for a majority of citizens, because it's not just an economic challenge. It's really a societal challenge. It's something, which transforms our societies and gives opportunities, equal opportunities to everybody. This is, I think, one of the key issues.

Skills, as you mentioned already, are key for the future. Only with skilled workforce can Europe reap the benefits of the green and digital transitions, while, and I insist very much on that, and this has been also repeated every time by the president of the Commission, while leaving no one behind. This means that we have to anticipate major changes on the labour market and give workers the skills and capabilities needed for the future workforce and workplace. This means also that we need a re-skilling revolution. It's not just adding a bit here and adding a bit there.

It's a real revolution we need. And the challenge is huge because Europe faces still important skills gaps and mismatches. 35% of the EU labour force does not have at least basic digital skills, while 90% of all jobs have some digital content. So you are aware of the gap, which exists on the labour market. 40% percent of employers have difficulties in finding candidates with the right skills, and 70% of European enterprises report, lack of skills hampers their investments. So there is a loss of growth; there is a loss of growth potential in our economies. And there's a loss also of new employments and jobs.

According to the OECD - I speak under the control of Mr Scarpetta - more than one in four adults reported a mismatch between their current skills skillsets and the qualifications required to their jobs. So this is the seen sector, so there is really a need, given these gaps and problems and mismatches for skills provision. In addition, there are no more jobs for life; people may need to navigate their way through multiple job transitions in the course of their careers. Our labour markets are characterized by a growing mobility. We have to give workers desirable job transition options. And in this perspective re-skilling, upskilling, and lifelong learning are imperative. But only 11.1% of adults take part in education and training. So we are facing a huge skills gap. This has very negative consequences for the economy in terms of growth potential, but it has also a detrimental impact for each individual worker who is under risk of displacement.



Up- or re-skilling is the only way to secure employment and offering new stable jobs opportunities. It's key for combining the need for mobility on the labour market on one hand with the right to secure living conditions on the other. There will be also a need for adequate social protection and insurance mechanisms that avoid destabilizing income and, I would say, destabilizing lives. So we have also new forms of work, what we call the platform work or gig economy.

And here the question of access to learning is also a big issue, because, as the platform's do not consider themselves as employers something we have perhaps to clarify the forthcoming years - well, the people working on these platforms do not get any training or skilling offered by their employers or those they are working for. And this is some kind of discrimination, and therefore we have really to look for the right formula, the right approaches how we can open precisely a right to lifelong learning for everybody because this right should be accessible to everybody independently from their employment statutes.

And this is more even more necessary because we are in an economy based on knowledge and an economy, which is characterized by a very rapid change, technological change. So if you are working on a platform and you do not have the possibilities to be retrained, to be re-skilled in a continuous way, well you risk to be very very soon disconnected in your job. Assuming that you can do that on a purely individual base for the time being is not always possible. So I think we have to create this individual right, and in this context certainly Le Compte Personnel is the right approach, because Le Compte Personnel is attached not to the job but it's attached to the person.

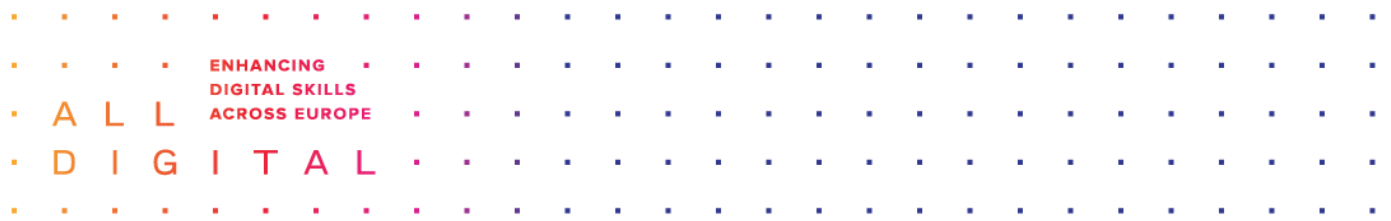
We will, the Commission will present an updated Skills Agenda at the end of the first quarter of this year. The update of the Skills Agenda will announce at the same time the launch of a Pact for Skills in order for all stakeholders, and when I talk about stakeholders I mean also business, I mean enterprises, to generate new concrete commitments to invest in up- and re-skilling. It will allow us to respond to the extent and speed of change in the economy and society. It will also allow us to face the disruptive changes in the labour market. and I see three major changes which we have to take fully into account.

First, we have to engage employers to upscale their training provisions. That's what this Pact for Skills is all about. Investing in their workforce should be considered as an investment, equal to the one in machines or in robots, from the accounting point of view, as well as from the taxation point of view. So giving [...] upskill.

Second, we have to step up public and private investment in training. If it's true, and I think it would be, it is true that half of our workforce in Europe has to be re-trained within the next five years so more than a hundred million people to be re-trained in five years - that means a lot, a lot of millions, of billions of investment in training.

So we have to see how this can be shouldered, how this can be financed. This cannot be financed only by companies. This can be partly financed by public authorities, by public budgets. But we have also to be innovative. We have to take some money out of the financial markets to invest in training and re-training. So creating the right financial tools to invest in training. And here I can say that the EIB - the European Investment Bank is already working on the right financial instruments to be directed in the financing of skills and upskilling and re-skilling. So the European budget will certainly not be able to finance it. So we have to look for new possibilities.

And my third point is - empower people to invest in their own skills and qualifications. That's a more individual character. And here, as I said already, the individual learning account is certainly one interesting approach. But it's not just about having an account or having some money on the account.



This implies that we are working very much on the mindset. Because for the time being a lot of people recognize perhaps that there is a need for them to invest in their own skills. But from the awareness and the practice there might be also some gap.

We have to work on the mindset. We have to make clear that mobility on the labour market is not something, which is negative. But at the same time, we have to make sure that mobility grows with some security. And here replacements, revenue replacements are very important. If people have the feeling that if they go for training but they have a big question mark on their revenue, how this can be assured, especially when they are out of work or if they have to work less, this might hamper their intentions and readiness to use their accounts. So the revenue and individual learning account have to be in some way have to be connected. One would on the individual learning accounts, I think, as I said, it's an important new step, which brings, which puts everybody into a new responsibility environment for skilling or re-skilling everybody. But we also have to study what is the relationship between this individual learning account and the responsibility of the employer or former employer or other institutions. I think these are issues certainly Mr Scarpetta might discuss because this is also a point, which has been mentioned in the report OECD has produced recently on individual learning accounts.

I can say that certainly this idea of individual learning accounts which is now which has been introduced at least in one country -very formally in France with I think also already some interesting success and which is also in the process of being reformed or adapted - I think you /somebody will / you will talk about that. The Commission has the intention to take this idea and into the Skills Agenda and try what and see how can the European Union help member states to promote this instrument.

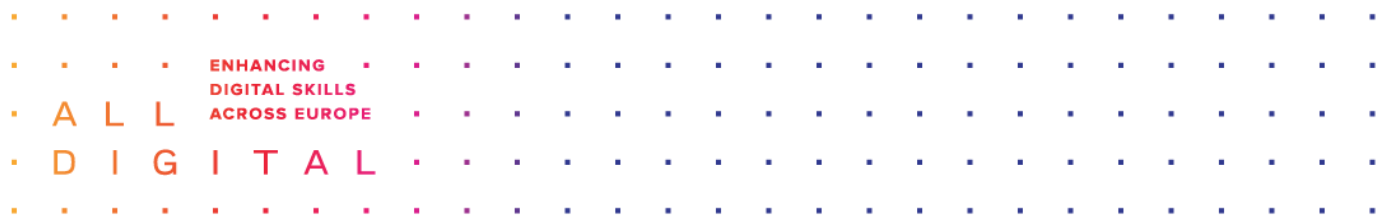
What are the best practices? And what should be the environment? What should be the governance of this instrument? I think this is very important in order certainly to attract as many people as possible to this instrument.

So three final remarks: first, how can we better cover certain categories of workers through this instrument of individual learning account? Because we know that especially those who are the least skilled are those who are not really benefiting from re-skilling or upskilling programmes. How can we through this individual learning account promote especially for these categories who need re-skilling most. How can we promote that? Second, what about those who are in very new forms of labour? I mentioned it already - the platform workers. How can they use this instrument to [...] way or this new way of working where everybody has periods of work of re-skilling of transitions. We perhaps have to accept that moment should be qualified as a transition from one job to another. But during this period we have to ensure that we have a replacement and, third, that they use this time in a [...] required by the labour market. And here instrument so an ongoing project and we rely very much on all [...] in this key issue. Thank you

Mr Stefano Scarpetta, Director for Employment, Labour and Social Affairs, OECD

Thank you all. Thank you very much, Renato, and thank you to ALL DIGITAL for inviting me to this conference.

Commissioner, distinguished participants, ladies and gentlemen, it's really a great pleasure for me to be here with you and really to follow from the introduction by the Commissioner Schmit to discuss some of the evidence from a report we have just published last year. This is the report. Indeed the title is 'Individual Learning Accounts - a panacea or a Pandora's box?' with a question mark. For those of you like the Commission who are very busy there is also a little leaflet that you can download from the web page,



which basically comes up with the main lessons from this report. I think, as the Commissioner said himself, this is very much work in progress in the sense that, as you will see, the evidence we are able to collect we've been able to collect on properly defined individual learning account is very limited because it's basically one country in the European Union - France was really what could be defined properly an individual learning account.

In the report actually we draw from the experience of other similar systems that could be called individual learning systems that have a number of similar features in particularly focus on the individual but actually have different at least different modalities in the way in which they are designed and actually implemented.

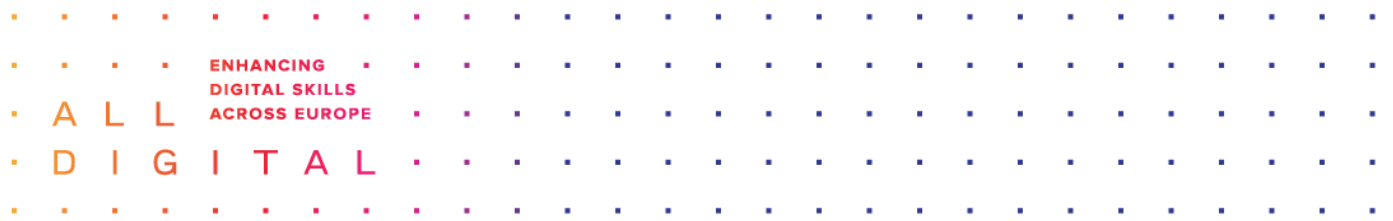
The first point I want to make before actually I get into the individual learning account is in the context in which this reflection is happening. And indeed, the Commissioner mentioned that himself. The first thing is actually that, as the Commissioner said himself - our labour market is changing very rapidly in a very deep foundational basis, I would say. So the top you see that for the past decade four in every 10 new jobs that we have been creating in the OECD countries have been in the digital intensive sectors.

So with all the job creation, we are reaching a new record high level in terms of employment rate - people of working age with a job. Many of these jobs actually are the digital intensive sector. The second part I want to focus what is on the bottom of this slide. Actually, some time we think about labour market as defined within national boundaries, but actually if you look at the data about rate flows and how many workers and sectors are heavily interrelated with companies in different countries, we discovered that in the OECD countries, almost 40%, more than 40% of the workers are working for foreign consumers and not just for domestic consumers. And in Europe actually this is about 45% on average. So many of the jobs are very much part of global supply chains, and whatever happens in an individual country may have huge implication for the ability of the companies in this country to position themselves along the global supply chain.

The third important point is that in Europe most countries, if not all, are aging very rapidly, which actually is changing the size of the labour force, the composition of the labour force, and to some extent also demand for goods and services of our citizens, of our consumers. The dependency rate is moving from one person of sixty-five-plus for every four people working age. By 2050 on average this would be one person every two people working age. In some of the European countries the ratio is actually seven to ten. So it's much much higher. Actually, if you look at the economic dependence, in my country, in Italy, by 2050 that potentially at the participation rate of today there would be more people who are 50+ inactive for the workers for every work. Of course, this means that there is a huge pressure should raise participation. So big mega trends that are affecting the labour markets.

The second point is that the digital transformation is really changing in a very profound way our economies. There are different ways to characterize that. One is actually to look at the penetration of industrial robots in production processes. This is the data coming from the Boston Consulting Group. So you see the penetration, the annual supply of industrial robots, and this is an exponential increase over time. And there were only 83,000 in 2005, and by 2021 - so next year - more than 600,000. What interesting point about that is that in the United States owning and using a robot costing between ten and twenty dollars an hour. This is less than the cost of a manual worker actually a specialized particular specialized work in the manufacturing sector. So to some extent robots are out there, are being used more extensively in many production processes, and they tend to be quite cheap.

So the question about how to foster the complement ties between what the workers can do and should do and what a machine, the algorithms, robots can and will be able to do. The other point again - we're



moving to the future of course. There's a lot of uncertainty. OECD has done some estimates of the potential number of jobs at risk of being automated.

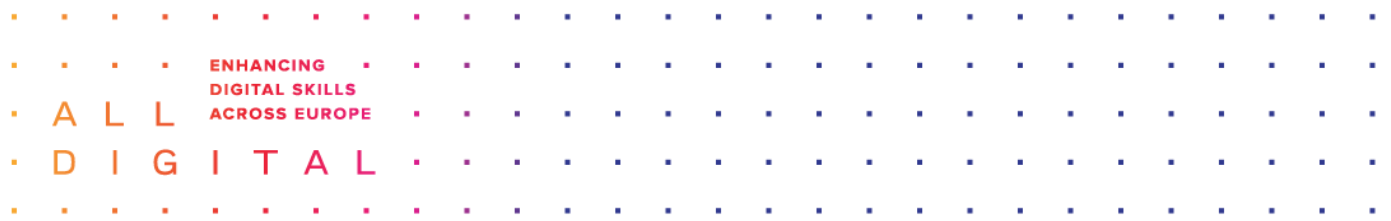
This is not for tomorrow. It is more for the next 15 to 20 years. It's drawn from the experience of AI engineers and so on and so forth. The tasks that potentially are going to the artificial intelligence, the machine learning can do in the future, and you see the numbers are not 50% of the workforce but still 14% in the OECDs, 17% in the EU are jobs when most of the tasks could potentially be performed by a machine, by algorithm. Not tomorrow, in the next 15 to 20 years.

So it's still across OECD about 80 million jobs that could potentially be fully automated. However there is another a bit more interesting part, because about one-third of the job will go to found really deep transformation, will be completely overhauled. Because 50 to 70% of the tasks that perform in this job could potentially be made by algorithm, by machines. This means that the job will stay but the work would have to actually move into performing different tasks, new tasks to remain fully complementary to what the machine will be able to do. Again, I use the 'could', 'would' because there is a lot of uncertainty, and policy can play a major role on the speed and the depth of penetration of new technology digital technology into our economies. But the changes are there. So the Commissioner was mentioning an important point and this is about the fact that the labour markets also change in terms of the nature of the job. Sometimes when we talk about that we tend to focus immediately on the crowd work, platform work and so on and so forth

Well the major frustration I have is that I cannot tell you how many workers we have in Europe that are actually working exclusively or largely for platform work. We don't really have a good estimate but still it is a pretty small number, between half a percentage point, sometime three percentage point. But there are many other forms of non-standard form of employment that is not a full-time open-ended contract but actually are there represent all more than a third of total employment. Perhaps some element of independence but also some key element of to some dependence and to some extent also vulnerability similar to the one we might find among the employees.

Yet our social production system, our labour market policy, our training systems are not really eager to provide the support adequate support to these workers in non-standard form of employment. The huge difference across countries but there are significant gaps in most of the countries. So the question is, as the Commissioner said, we really have to rethink basically all our institution and policy to make sure that we provide adequate services not just to the traditional employees with an open-ended long-standing contract with the employer, but actually to all these other workers who might be in this different type of non-standard form of employment. And indeed there is an increase in the fragmentation in the labour market. One way to characterize that is to look at job tenure. Actually if you look at job tenure, an absolute has been going on in most of the OECD and European countries. But this is also largely driven by the fact that there has been an aging of the workforce and so people stay in the job longer; people have been there longer.

If you actually control for that, you see that in many countries there's been a reduction in the job tenure. So people move more frequently from one job to the other. I'll say, from one status in the labour market to another and from one occupation into another. There is more fragmentation in the careers, meaning that people are moving more frequently from one job to the other and actually they change their own career. This fragmentation of careers and higher job mobility is one of the key factors that justify the focus which I think is absolutely important on training per se but actually within that context also on the individual learning accounts. Let me move on to the issue of training. Again, on aggregate we see more employment, but we look at the composition of employment. There are huge changes in the composition of employment.



We have lost many jobs in manufacturing. We have created many many more jobs in service sector. Within service sector there has been a huge variation in the sector that create more jobs, and those actions are being treated. So large changes in the composition of employment.

As the Commissioner said, if you look at the adults skill survey of the OECD, this reveals you that more than half of the workforce have very little, if any, digital skills. and any of the jobs of the future would involve some sort of digital skills. We are not talking about having everybody be coders but some minimum knowledge of digital skills. Digital I think is very important. And so this is the size of the issue we are trying to tackle. We are talking about training, re-training not just a few workers, a few unemployed people, but actually many people in the workforce. As the Commissioner said, half of the workforce, if not more. It's not just for tomorrow but the horizon is not even 20 or 30 years We're talking about the next five to ten years. So this is a huge daunting challenge that indeed requires a lot of investment, thinking of what is the best way to approach this challenge. Now you might say, well the training systems are there, maybe providing their own response to these challenges. What is the evidence there? Well, the evidence is not particularly encouraging I would say.

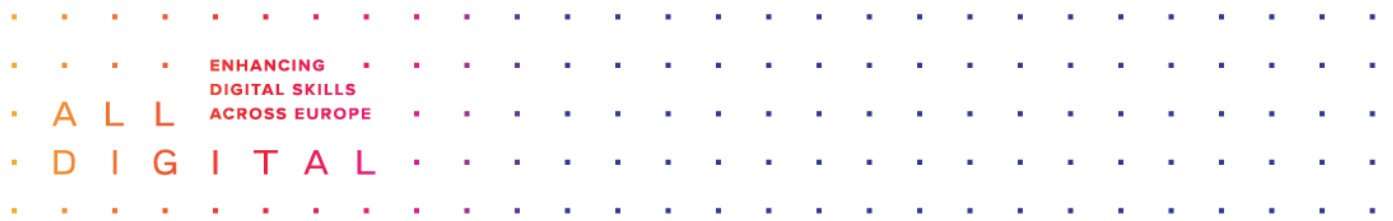
There are huge difference across countries even within Europe about how many workers are exposed to some form of formal or informal training every year. But what I want to show you rather is actually the average in the OECD countries on the gap that exists in basically each and every country, including the European countries, in answer to formal/informal training between the frankly speaking those who needed the least and those who needed the most.

So at the bottom you see those who potentially needed the most - the low-skilled. These are the jobs more at risk of being automated are the low-skilled jobs, self-employed, those on temporary contracts, and the part-timers All of them receive much less training than those at the top of this chart - so those who are high skilled, full-time permanent contracts and so on.

So to some extent, and this again is not just a one individual cut across the board, our training systems tend to devote more resources de facto to those who already have fairly high skills, work in large companies and those who can navigate perhaps better these transformations into the labour market Those more vulnerable actually tend to receive less training. So this is basically a quick motivation why I think the focus on individual learning accounts is very important. Let's move into that.

The first point I want to mention is that this is not new. A number of countries introduced individual learning system, not accounts, back in the 90s already. I'll argue that the motivation for this was somewhat different. Back in the 90s I think all the motivation was to create a market for training, to give more responsibility but also raising the demand on individual workers on training, create some competition in the market therefore also stimulate the creation of providers of trainings. To some extent, the new focus on individual learning accounts is more on the need to respond to the changes we have seen in the labour market with a greater fragmentation to the labour market and the need to ensure the training is portable or training rights are portable. You can keep your training rights even if you change job, even if you change employment status, even if you change occupation.

So to some extent it's the notion that training cannot be attached to a job, but should be attached to an individual. But also to actually give more responsibility to an individual, empower the individual to be able to think through. And that's exactly the change in thinking, if you like, that the Commissioner was referring to in the mindset of workers that have to become a bit more responsive for their own future. Now the problem with that is that, and I have mentioned that before, is that if I had to focus specifically on individual learning accounts, I can only report [...]



So what we did, we bring together different individual learning systems, some of them actually are more voucher schemes, that support training through direct government payment to the training providers, or individual savings account which basically involves financial institutions, but also supported by savings from public authorities. So here we bring the experience of a different country, the number of commonalities but also some differences which I think are very important to bear in mind. So the first point I want to mention - this is Lesson Number One. Let's be clear what is the objective of individual learning accounts.

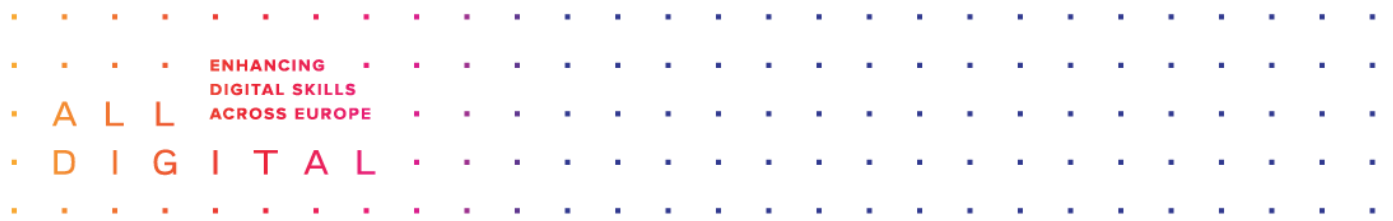
This can be to provide autonomy in the training choice or to the workers, increase the transferability, as I mentioned before, or trainee rights across the jobs, in the labour market status, reaching out to some of the underrepresented groups that I mentioned before. And these are very different objectives but actually to some extent justify the use of individual learning account as a complement to the existing training system may exist in the countries, or to some extent like in the French case, to become the main way to provide access to training for many of the workers, actually many of those in the labour market: not just the employees but actually including the self-employed.

So the focus what is the objective I think is very important. If the objective for example is to try to reach out to the most disadvantaged - those who receive less training, as you will see in a second, a number of specific features of the system have to be designed very well, because you might not get that. And I am saying to some extent, the early experience of the French system points in that direction.

The second point is again financial resources. A number of the schemes that we've been able to review tend to provide limited resources in terms of the amount of money that is available for the individual, which basically reduces the duration of the training, but even the outcome that you can get out of that particular training it may also reduce to some extent the participation of the system. And this is very important to identify whether you want to start targeting to some individuals that need it most, or whether you really want to have the universal system that basically provides the same amount of money like the French system toward individual work. If you do that, even in countries like France that spend a lot of money on training and re-training programs, of course the amount that goes to each individual becomes somewhat more.

Now in the French you can accumulate the contribution every year, so at the end of the few years you can get a significant amount of money that will lead you to actually a significant training course. but otherwise the amount of money that is available I think is important to some extent to have an impact on the effect of this training and the choice of the type of training that individuals actually pursue.

Lesson Number Three is actually that there are two sorts of possible financing of course. One is to finance that to tax finance system which will redistribute as much of the income taxes system is redistributed. Or the other is actually toward the trainee led, like in the French case, which however can include some element to mutualisation, it was in the French case, for example, small firms pay less in terms of the fees to the training fund. So again through the two financing system you can still try to focus more or earmark more resources to those who potentially need the most so those with low-skilled potentially have more need or need more encouragement, more support in order to participate in the training program itself. While financing and the way in which we finance it is very-very important. Which brings in for the fourth lesson which I think is perhaps the most important one. The preliminary evidence, and I really rely on the French colleague here to go more into that, but also from the other individual learning system, is that the high-skilled people know very well how to use it, and they run with it. They know how to use. They know what kind of training providers that are out there. They might have a better sense of what type of training they'd really need in order to improve, to make a click in their CV, to actually improve their own performance within the company to move to new companies. As I showed you before, actually access to



individual learning accounts for the low-skilled is much lower in all the countries, for which we have the evidence, for number of reasons.

First, because they might not know exactly what kind of training opportunity out there. Second of all, because the training may remind them of the education system that might not have been a very successful, very positive experience for them. So the notion of going back to a classroom is something many people would not like to repeat, to replicate. But also because they need a huge amount - the key fact that emerges is the lack of motivation by many workers.

They don't think they need training; they don't think they can afford training. they don't think they can stay out of work for a significant period of time. So we have to tackle this motivation, which is very much a motivation within the very significant constraint that people face themselves. The other thing, and again these are from the French system and also from the other system in the countries -Keep the governance of the process as simple as possible.

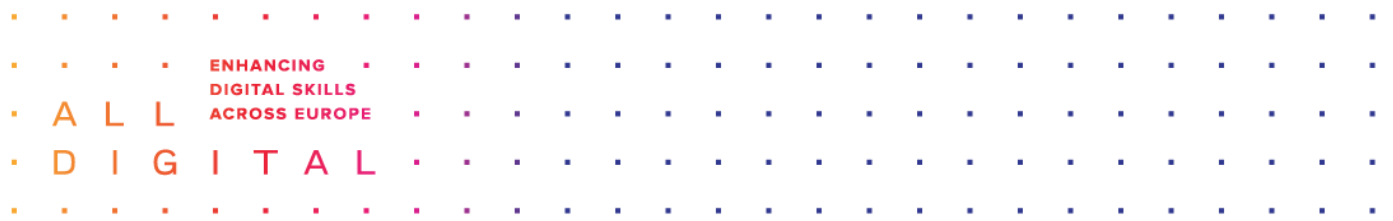
I think the first experience in France 2015-2018 was pretty complex. So again the high-skilled can navigate, can actually see what are the rights, how to use, which are the providers and so on and so forth. Others got basically blocked by the complexity of navigating the system, understanding how to use this right that they have acquired. Actually the technology can be a huge enabler because the digital technology, including apps which exist now in France and in a number of other countries, can make it much much easier. But let's not forget that some of the low-skilled have very little digital skills. And therefore even the ability to navigate on a platform, on an application might be not the same as of a high-skilled person.

So to some extent, if you keep this the system simple and if you provide guidance, including through an app, then you can really try to reach out to a wide range of individual potential beneficiaries. The Singaporean model in that respect I think is quite interesting because they've developed the app and actually has made the system as simple as possible. It's more like a voucher, open-ended voucher scheme but seems to have higher capacity also because it simplifies dramatically the system itself.

The sixth lesson is again -target or non-target, that's the point. And to some extent if you target, you reduce the focus on the high-skilled so you would use that weight cost so those who would actually will involve in training even paying by themselves. The problem is that these also make it to some extent may raise the administrative burden of managing the system and also to some extent may go against one of the objective of the ILA. So that is to say - to promote or to recognize the significant mobility fragmentation of the system. If I'm only receiving the training because I'm in a particular type of job of particular type of skills, if I move into another job, into another occupation, I may lose the right to training. So we had to factor that in when thinking about the targeting and on which base the target is actually made. It could, this may actually go against the notion of promoting mobility and not in order to some extent reducing that.

The seventh and the penultimate lesson is that again when we think about the government or enterprise led the training, we're talking about the government, talking about large companies. They can check and evaluate and assess the quality between the providers much much better than a single individual, right? So they can see, okay this is a good provider, because of good outcomes for the company but even for the government. Of course the individuals have many more difficulties in assessing - is this a good provider?

How do I assess whether or not the outcomes of this provider are better or at least as good as those of others? So I think you need also a certification of the providers themselves. And their different ways, in



which this is done. Sometimes I should certify the training course itself so you say, this is the training course that has been certified leading to some improvement in the skills and this to some extent is the French system because you get, you can use the resources at your disposal for certifying twenty courses. But I think, more generally, I think this is a big push towards certifying training providers on the basis of outcomes they produce. which is a big challenge of course in a number of the European countries.

What is the problem of that is that of course the more you certify the more you make it difficult this market. You might get some of the providers need to provide specialized training in some specific areas not being able to remain on the market. So again there is a good balance in between the depth of the certification and if you like the market of your career. The other point, and this is not in the slide, but in my view is very important before I conclude is that you need to give opportunities to people to be recognized for what they've learned. Not only in education but actually in the labour market. So the Compte Personnel de Formations in France I think is an important element because it gives to some extent a tool to an individual to be recognized for what he or she has learned into the labour market over and above the competence that they require during the education period of their life. And that's very important to assess – what it is that the worker needs over and above the job that he or she is performing.

Final point is, and again this was the point that the Commission was mentioning himself - let's make sure that the individual learning account is not a way to disengage the employers. Right? Because now suddenly the training right is to the individuals. The individual chooses the training course, so the employer feels a little bit less engaging in this effort to actually skill or re-skill the workforce. So there are ways, in which you can do that because in some cases you can get the support of the employer in choosing in the training programme. It can be a complementary between the individual learning account and the training provided by the employers. But definitely we need the employers on board. We need employees fully on board in helping the workers choosing the type of training in recognizing these and in terms of the work within the company and so on and so forth. So this I think is an important element of that. If the individual learning account is shifting the responsibility to the worker and disengage with the employer, I think we are not reaching out to one of the major objective of that and we need to change the culture of learning and really bring into the notion that all individual, we have to think about the future, we have to think about the human capital continuously, but actually get the feedback from the employers on what it is that they need for the company for which they work, but also in the medium-term also to navigate what is going to be a labour market with many opportunities but also with a number of challenges. And that I think so. This culture of changing mindset I think in my view is extremely important order to make individual learning account but more generally this notion of skilling and re-skilling a large fraction of the workforce more important. So these are some of the main lessons in our report.

As I said at the beginning, this is very much work in progress not least because a number of countries are experimenting. I was yesterday with the Minister of Labour of the Netherlands. They are actually introducing an individual learning account themselves, and the number of other countries are actually very interested in the experience of those who have started before like France to actually possibly introduce. And of course the Commission in this respect can play a major, a leading role in promoting this reflection.but also possibly move into concrete actions in the Member States of the European Union.

Thank you very much for your attention.