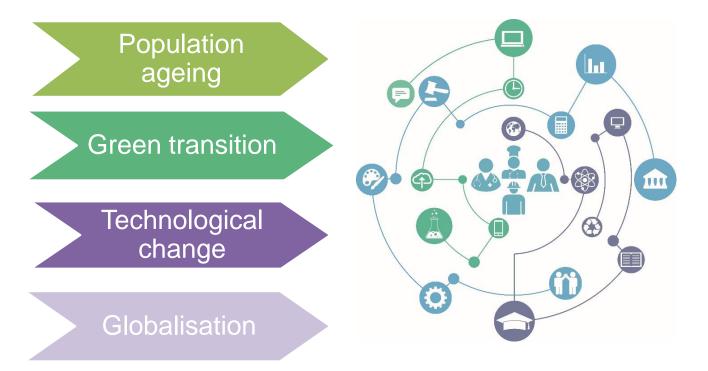
Meeting of the Icelandic Economic Council on skills and adult learning systems 28 March

# The readiness of adult learning systems to develop relevant skills

Glenda Quintini OECD Senior Economist Skills and Employability Division Directorate for Employment, Labour and Social Affairs



### The megatrends are changing the type and content of jobs



Number of jobs

- > Type of jobs
- Demand for skills
- Skills supply

### The COVID-19 pandemic has impacted the progression of the megatrends and contributed to further changes in skill demand

**Technological change** 

- Accelerated technology adoption
- Increased risk of displacement for those already vulnerable



- Decline in migration
- > New model of international mobility
- Reduced brain drain
- (Temporarily) lower life expectancy

#### Globalisation

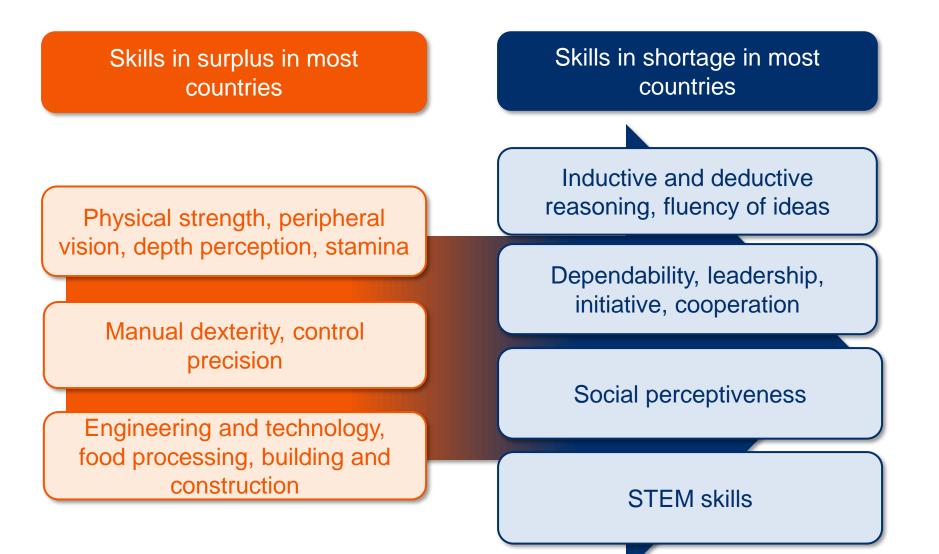
- Restructuring of global value chains
- Reshoring and shorter chains

#### **Climate emergency**

- "Green" recovery measures in crisis recovery packages
- Roll back of existing measures

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## Translating into an increasing demand for higher-level transversal skills

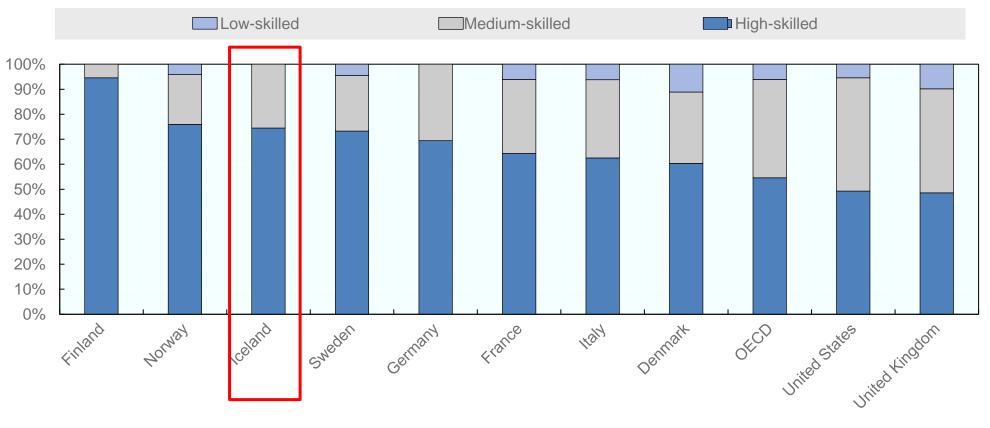


### These trends are confirmed in Iceland, in line with the EU and OECD averages





Share of employment in shortage, by skill level



Source: www.oecdskillsforjobsdatabase.org





Urgency	Coverage	Inclusiveness	Flexi- guidance	Alignment	Perceived impact	Financing
Population ageing Automation & structural change Adult skills Globalisation	Employers Individuals	Socio- demographic characteristics Employment and contract status	Flexibility of training provision Use of career guidance services	Labour market imbalances Assessment of skill needs Training for future skills	Usefulness and effectiveness	Government Employers Individuals

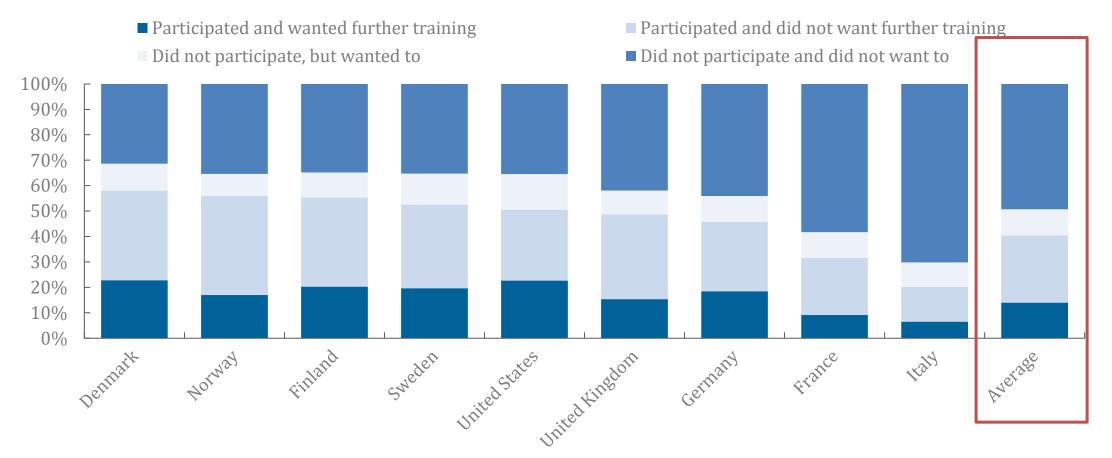
#### **Iceland** included in the policy section

#### Sources: *Priorities for adult learning dashboard*

Continuing Vocational Training Survey (CVTS), the European Adult Education Survey (AES), Eurostat and OECD data on Active Labour Market Policies, Survey of Adult Skills (PIAAC) data, UN world population prospects data, a number of country level surveys

# Training is crucial to adapt to these changes but many adults do not train...

#### Participation and willingness to train across countries, % of adults





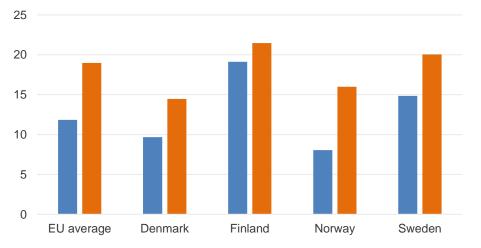
#### ... and the disadvantaged train even less

### Participation gaps of disadvantaged groups, % of adult participating in training



# Alignment to skill needs is a major issues in adult learning

#### Workers in jobs at high risk of automation or in shortage jobs train less than their counterparts



Percentage point difference in participation between workers in easy-to-fill occupations and hard-to-fill occupations

Percentage point difference in participation between workers in jobs with significant risk of automation and low risk of automation

	EU average	Denmark	Finland	Norway	Sweden
% of training hours outside compulsory training	79.6	90.2	80.0	82.3	75.6
% of enterprises (10+) that assess their future skill needs	68.3	85.0	78.6	70.9	72.9
Overlap between firms' development priorities and their training activities (0-3)	1.4	1.5	1.3	1.6	

### Key policy directions to improve the responsiveness of adult learning systems to changing skill needs

Improve the collaboration between education and traning institutions and employers

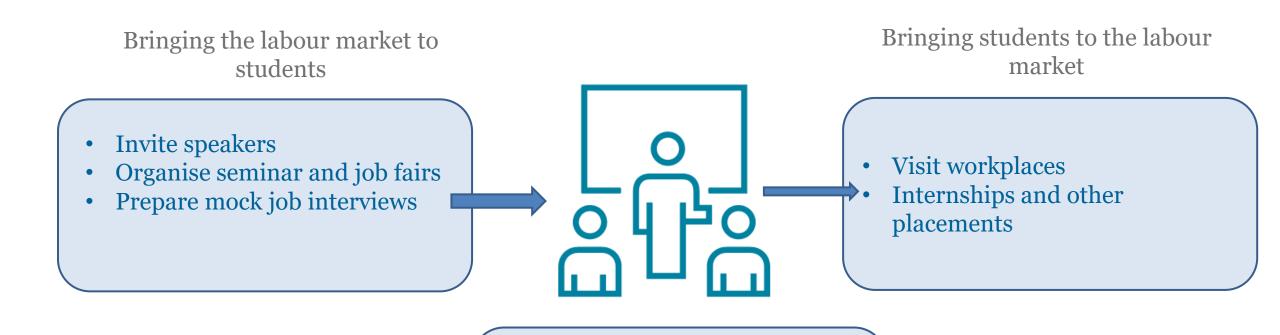
Teach transversal skills

Foster employerprovided training Provide career guidance

Shift discourse from occupations and qualifications to skills



## Education and training providers must work with employers to align learning to labour market needs



- Regular updating of curricula
- Development of enterpreneurial and transversal skills

# Transversal Skills should be integrated in training programmes and are essential to facilitate transitions

• Skills for the digital and green transitions include complementary skills, ranging from good literacy and numeracy skills through to the right socioemotional skills to work collaboratively and flexibly

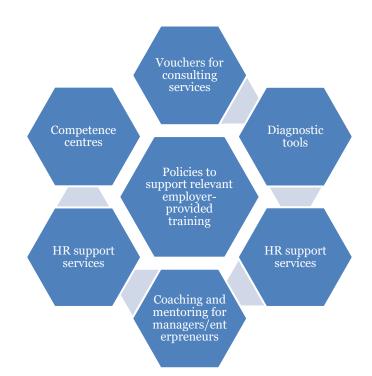
Options for teaching transversal skills

Adapt teaching methods to stimulate problem solving, creativity, teamwork and communication

Develop through extra curricular activities including volunteering, internships and sports Develop dedicated courses, e.g. career management courses with a focus on self-awareness, social capital building, decision making

### Foster employer-provided training

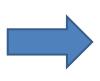
- In principle, employers are in a good position to assess their skill gaps and set up training to address them.
  In practice, some employers, SMEs in particular, do not have the capacity
  - In practice, some employers, SMEs in particular, do not have the capacity to assess the skills of their employees and compare them to their skill needs.





# Provide quality career guidance and advice

The provision of quality career guidance and advice is an important policy lever to encourage training and steer choices towards occupations in high demand.



Better matching between training provision and Labour market needs



More effective training and more sustainable labour market transitions

Quality career guidance:

- is based on up-to-date information on labour market needs
- involves skills assessment and the recognition of prior learning
- is provided by qualified practitioners
- results in a personalised action plan

# Move from occupations and qualifications to skills

Shifting the focus from occupations to skills can facilitate transitions towards emerging sectors and occupations



- Leverages existing skills
- Reduces length of training (less cost, less time)
- Broader range of candidates for each vacancy
- Broader range of vacancies for each candidate
- Easier transitions to emerging occupations



#### Ongoing

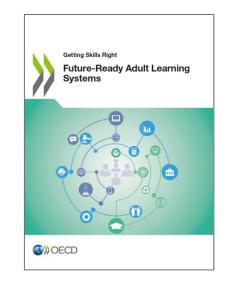
- Project with the Nordic Council of Ministers on "Analysing the impact of COVID-19 for Nordic working life, and how to recover from it without permanent scars"
  - Stock take of the impact of COVID-19
  - Stock take of policies implemented to address the crisis short time work schemes unemployment benefit system, ALMPs, skills policies
  - Forward looking recommendations on how to improve resilience

#### **Other relevant projects that could be of interest:**

- Project on Skills Assessment and Anticipation for the green transition
- Participation in PIAAC and the PIAAC employer module on skill gaps



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Website: http://www.oecd.org/employment/skills-and-work.htm



#### www.oecdskillsforjobsdatabase.org

