

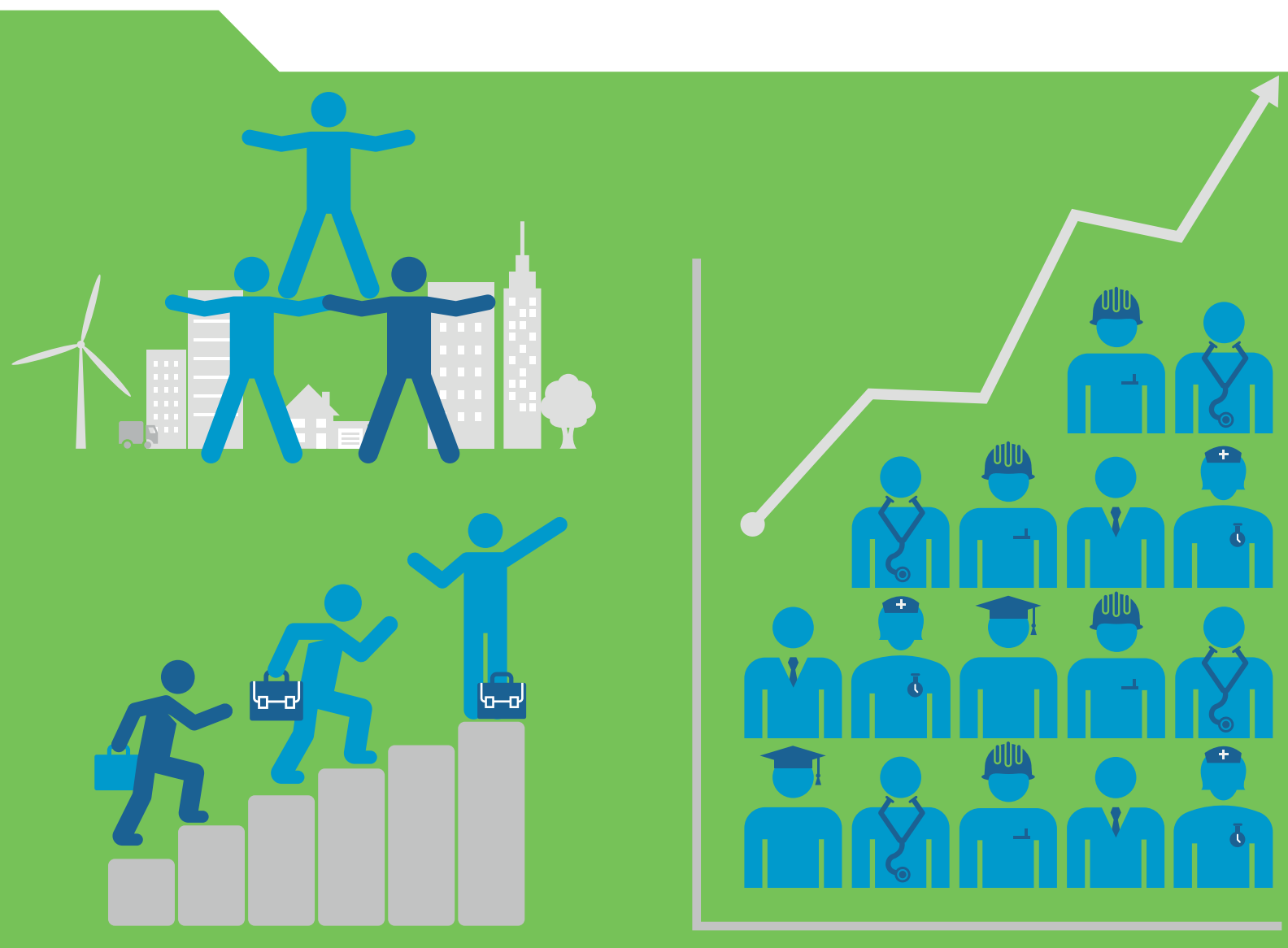


OECD Skills Studies

OECD Skills Strategy Flanders

ASSESSMENT AND RECOMMENDATIONS

Executive Summary



OECD SKILLS STUDIES

OECD Skills Strategy Flanders

Assessment and Recommendations

Executive Summary



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Executive summary

Flanders performs well compared to most OECD countries on most measures of skills development and use. The skills proficiency of Flemish adults exceeds the OECD average. High-performance work practices that stimulate the use of skills are widely adopted by firms. There are many good governance arrangements in place to support co-ordination and collaboration in adult learning across government departments, levels of government and with stakeholders. Financial incentives for adult learning help to reduce the burden for individuals and employers, promote cost-sharing and reduce under-investment. However, important challenges remain. Ensuring the continued success of Flanders in the future will depend on the policy choices Flanders makes today.

As the labour market tightens in Flanders, skills shortages are emerging. Shortages in professional, technical and scientific occupations persist due to a low number of graduates in science, technology, engineering and mathematics (STEM). Shortages are also evident in skills related to health services and education and training. Addressing these shortages is becoming all the more challenging due to a shrinking working-age population.

The shrinking working-age population is reducing the contribution of labour utilisation to economic growth. As a result, productivity growth will be an even more important driver of economic growth in the future. This will put more pressure on Flanders to ensure that more youth develop high levels of skills, that adults have opportunities to upgrade and update their skills, and that adults use their skills fully and effectively in workplaces.

At the same time, technological change is transforming workplaces and reshaping the skills requirements of jobs in the process. Recent OECD research based on the Survey of Adult Skills (PIAAC) finds that sizable numbers of workers in Flanders are in jobs with a high risk of automation. Some of those jobs will disappear; others will see their tasks change significantly.

Flanders must foster a culture of lifelong learning to ensure that its people develop the skills to thrive in a world characterised by change. Strong foundational skills will make people more resilient to the changing skills demand, and digital skills and other 21st century skills – including critical thinking, communication skills, adaptability and accountability – will become even more relevant for adults to succeed in both work and life.

A comprehensive vision for adult learning that stimulates collaboration within government and with stakeholders is needed. Flanders already has an ambitious long-term vision for the future as articulated through “Vision 2050: a long-term strategy for Flanders,” which outlines Flanders’ plan to become an “inclusive, open, resilient and internationally connected region that creates prosperity and well-being for its citizens in a smart, innovative and sustainable manner.” The Flemish Social Economic Council (SERV) and the Flemish Education Council (VLOR) representing relevant stakeholders have also expressed their strong support and commitment for better skills outcomes in the long term.

OECD-Flanders collaboration on the OECD Skills Strategy project

The National Skills Strategy (NSS) Flanders project was launched during the high-level Skills Strategy Seminar in Brussels in January 2018 with the Flemish Minister and representatives from the Department of Work, Economy, Innovation and Sports, the Department of Education, the Social Economic Council and the European Commission.

Two workshops were held in May and September 2018 that convened a wide range of stakeholders, including unions, employers, sectoral training providers, education institutions, academics, and government representatives. Bilateral meetings with stakeholders and experts, as well as site visits, also took place. This process provided input and shaped the recommendations featured in this current report.

Improving adult skills is important for boosting growth and well-being in Flanders

The five topics identified as priorities by the OECD and the Government of Flanders are: 1) developing a learning culture; 2) reducing skills imbalances; 3) strengthening skills use in workplaces; 4) strengthening the governance of adult learning; and 5) improving the financing of adult learning.

Developing a learning culture

Fostering a learning culture and adult learning are priorities for Flanders, as identified in its Vision 2050. Participation in adult learning in Flanders is around average in comparison with other OECD countries. Certain groups that are most in need of upskilling or reskilling are falling behind, such as older workers, immigrants, those in flexible employment forms, and low-skilled adults. A strong learning culture is imperative, if Flanders wishes to ensure that all individuals are ready to upgrade their existing skills or acquire new skills to adapt to new challenges and opportunities and thrive in an increasingly complex world.

Reducing skills imbalances

Skills imbalances are costly for individuals, firms and the economy. Tight labour market conditions in Flanders have contributed to increasing shortage pressures in recent years, which are particularly acute in occupations related to professional, technical and scientific activities, information and communication technology (ICT), as well as skills related to health services and education. High shares of unfilled vacancies can be found in both high and medium-skilled occupations. Long-term unemployment remains high, and nearly half of the long-term unemployed have not obtained a secondary diploma. Reducing these skills imbalances could result in lowering hiring costs, increasing productivity, and improving the ability of firms to innovate and adopt new technologies.

Strengthening skills use in workplaces

Traditional skills policies focus on the supply side but there is increasing recognition of the need to work closer with firms to look at how skills are used in the workplace. Better skills use is associated with stronger wages and higher job satisfaction for individuals while firms benefit from increased productivity and decreased turnover. Individuals in Flanders tend to make good use of their literacy skills, while the use of numeracy skills in the workplace falls behind the OECD average. Skills use is often associated with the prevalence of high performance workplace practices (HPWPs). While HPWPs in Flanders is above the OECD average, more can be done to encourage firms to think critically about how they organise

their workplaces, better link pay to the complexity of tasks in the workplace and generally engage employees in work organisation and training.

Strengthening the governance of adult learning

Strong governance is important for the effective functioning of the adult learning system. Co-ordination within government across ministries and levels of governments as well as with stakeholders is needed. Strong governance helps to minimise policy gaps and overlaps, improve the likelihood of successful policy implantation, leverage strengths, and generate policy complementarities. The Flemish Government has made clear in their Vision 2050 strategy that a whole-of-government approach involving all relevant ministries and levels of government, as well as the engagement of social partners, will be key in making this vision a reality.

Improving the financing of adult learning

A strong system of adult learning requires adequate financing, and this may become more urgent as automation and other global trends transform the skills needed in the labour market at an increasing pace. Flanders offers many financial incentives to help share the costs of adult learning between individuals, employers and government, as well as to steer adults towards training that is relevant to the labour market. However, there are concerns that financing for adult learning is not reaching the groups who could benefit most. For example, low-educated and older adults are under-represented in applying for career guidance and training vouchers, and low-educated adults are also less likely to benefit from employer-provided training.

Chapter 1. Key insights and recommendations

This chapter applies the OECD Skills Strategy framework to examine the characteristics and performance of the Flemish skills system. The findings are the basis for identifying, in consultation with the national project team, the five priority areas for action in Flanders. This chapter introduces these priority areas, and subsequent chapters for each priority area provide an in-depth analysis of the challenges and opportunities, as well as concrete recommendations. In addition, this chapter provides an overview of the policy context of the Flemish skills system, including descriptions of long-term policy goals and recent and new reforms related to skills and education.

Overall assessment

The current socio-economic situation in Flanders is characterised by strong performance in almost all comparative performance measures. The Flemish economy has regained strength after the crisis and currently provides a solid foundation for strong and stable growth. Economic expansion has accelerated in recent years, with year-to-year growth above 2%, and the labour market is expanding (OECD, 2018^[1]). People in Flanders enjoy high standards of living, with low levels of inequality and high levels of well-being in many dimensions, such as income, work-life balance, health, education and civic engagement (OECD, 2018^[2]).

However, in a constantly changing world, several developments could undermine this positive trajectory. Since the success of Flanders today is largely the result of policies and practices of the past, the continued success of Flanders will depend on the choices it makes today to address current challenges.

An example of such a challenge is the shrinking working age population (OECD, 2018^[1]), which is reducing the contribution of labour utilisation to economic growth. As a result, productivity growth will be an even more important driver of economic growth in the future. This will put more pressure on the need to raise workers' output, which is already high in comparison with most OECD countries.

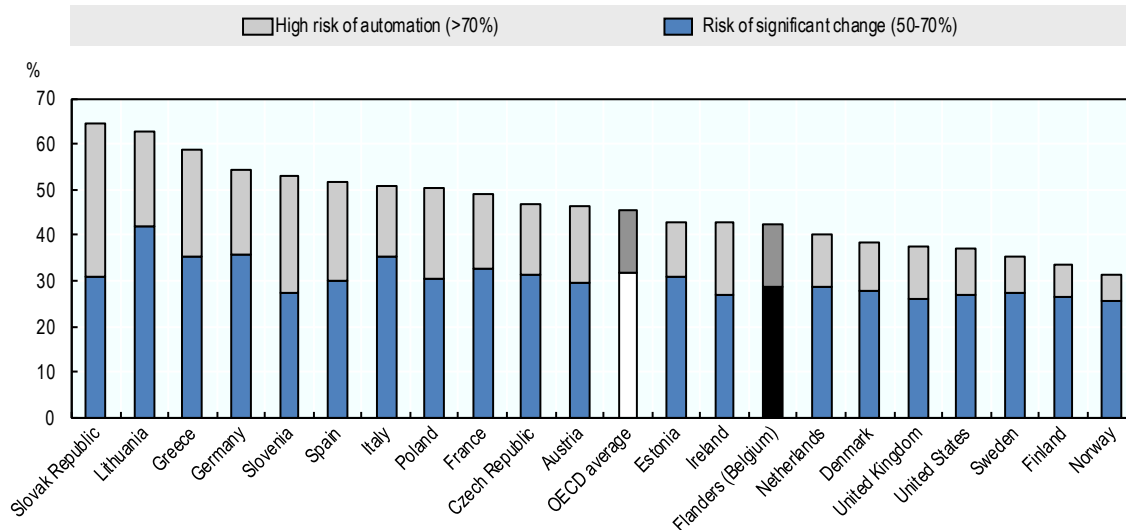
Moreover, digital innovations, such as machine learning, big data and artificial intelligence (AI), will change the nature of many jobs, reshaping how certain tasks are performed. OECD work building on the Survey of Adult Skills (PIAAC) suggests that in Flanders, about 14% of workers face a high risk of seeing their jobs automated, and another 29% face significant changes in their job tasks due to automation (Nedelkoska and Quintini, 2018^[3]) (see Figure 1.1). However, there are still significant uncertainties about the impact that technology will have on the skills needs of jobs.

Contributing further to the uncertainties associated with technological change is the continuing expansion of international trade and global value chains. New technologies and trade liberalisation have facilitated the emergence of a more globalised world that is characterised by the expansion of supply chains and the outsourcing of certain forms of work. For Flanders, like all OECD countries, this has strongly affected the competitiveness and success of different economic sectors, as well as the supply of jobs and demand for skills in the labour market (OECD, 2017^[4]; OECD, 2017^[5]).


These developments, among others, demonstrate that skills are key to the capacity of countries and for people to thrive in an interconnected and rapidly changing world. People will increasingly need to upgrade their skills to perform new tasks in their existing jobs or acquire new skills for new jobs. Strong foundational skills will make people more resilient to the changing skills demand, and digital skills and other 21st century skills – including critical thinking, communication skills, adaptability and accountability – will become even more relevant for adults to succeed in both work and life.

Figure 1.1. Cross-country variation in job automatability, percentage of jobs at risk by degree of risk

High risk – more than 70% probability of automation; risk of significant change – between 50 and 70% probability



Source: Nedelkoska and Quintini (2018_[3]), Automation, skills use and training, <http://dx.doi.org/10.1787/2e2f4eea-en>.

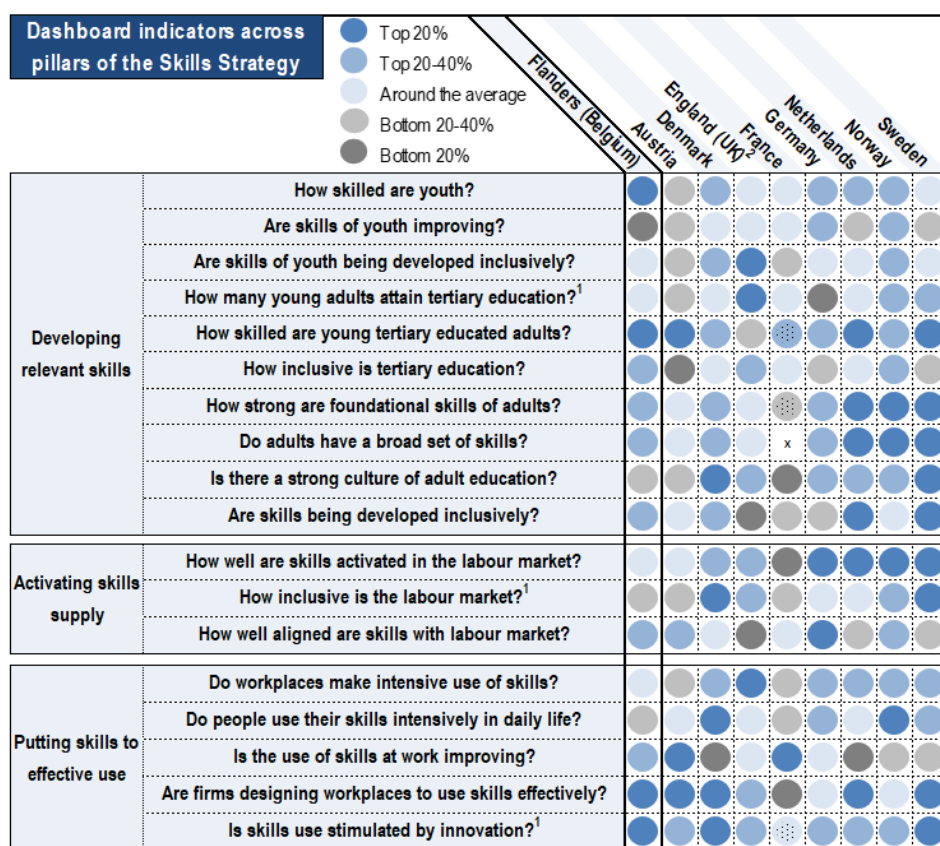
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The OECD Skills Strategy Dashboard provides an overview of the relative performance of countries across the pillars of the OECD Skills Strategy (as presented in Figure 1.2). For each pillar of the strategy there are a number of indicators – sometimes these are composite indicators made up of a number of other indicators – that provide a snapshot of each country's performance (Annex 1.A for indicators and method). The position in the country ranking is shown by the shading of the circles, with dark grey indicating performance at the bottom of the ranking, dark blue indicating performance at the top, and other colours representing a performance between these extremes.

Compared with other European Union (EU) countries with similar socio and economic characteristics, as well as close geographic proximity, the dashboard demonstrates that Flanders performs well in most areas: youth have high skill levels, a large share of the population has attained tertiary education, and adults have strong skills compared to most OECD (PIAAC) countries. Furthermore, skills performance is more inclusive than in most OECD countries, skills supply and demand in the labour market are relatively well aligned, and an innovative economy stimulates the activation and use of skills in the workplace.

The dashboard also highlights areas where Flanders' performance could be improved: adult education could be strengthened; the skills of youth are not improving as fast as in many other countries; and despite a strong supply of skills in the system, demand in the labour market and the use of these skills at work and daily life could be enhanced.

Figure 1.2. Skills Strategy Dashboard, Flanders and selected European countries



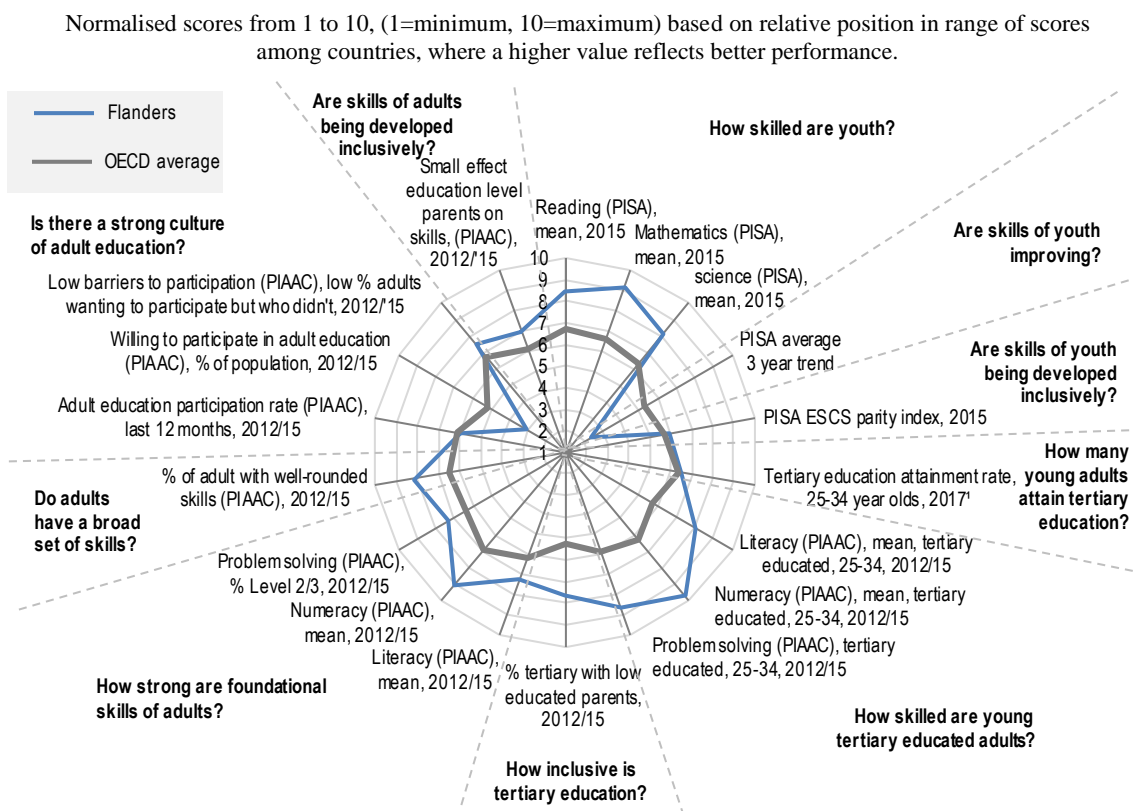
1) For one or more underlying indicators there are no data available on the level of Flanders. Belgium data have been used or a different selection has been applied (for instance, a different age group).

2) For several non-PIAAC indicators, data for England were not available and data for the United Kingdom were used.

Note: These summary indicators are calculated as a simple average of a range of underlying indicators (see Annex 1.A for indicators). All underlying indicators have been normalised in a way that implies that a higher value and being among the “top 20%” reflects better performance. Only aggregated indicators are presented for which more than half of the underlying indicators have data available. The “x” indicates insufficient or no available data, and dotted circles indicate missing data for at least one underlying indicator.

Developing relevant skills

People develop skills throughout life, from compulsory education to tertiary and adult education. The overall performance in skills development across the outcome measures of skill levels, inclusiveness and improvements is strong in Flanders compared to most OECD countries. This is shown in Figure 1.3, which shows the sub-indicators of the pillar “Developing relevant skills” from the dashboard presented above. These indicators demonstrate that skills proficiency is comparatively high for all age cohorts, but younger generations perform particularly well compared to their peers in other countries. This is reflected in the high scores of Flemish 15-year-olds in the Programme for International Student Assessment (PISA) (OECD, 2016_[6]), where the Flemish Community scores well above OECD averages in science and reading, and is among the top-performing countries in mathematics. However, there is a downward trend in PISA performance, with average scores falling in reading, mathematics and science across the latest PISA rounds.


Figure 1.3. Key indicators for developing relevant skills

1) Data on the level of Belgium, due to unavailability data for Flanders.

2) The OECD average (when using PIAAC data) is based on the sample of OECD countries/regions assessed in the Survey of Adult Skills.

How to read this chart: The normalised scores indicate the relative performance, 1 for weakest performance and 10 for strongest performance across OECD countries. So the further away from the core of the chart, the better the performance. For example, indicator 'Willing to participate in adult education (PIAAC), % of population, 2012/15' has a low score compared to the average, indicating a share of employees willing to participate near the bottom of the ranking.

Note: See Annex 1.A for explanation of sources and methodology.

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Adults in Flanders are more proficient in literacy and problem solving in technology-rich environments than adults in most OECD countries (as measured by PIAAC) (OECD, 2016^[7]). In terms of numeracy skills, Flanders is among the best performing countries in the OECD – only Finland and Japan have higher average scores. Furthermore, for both tertiary attainment and adult skill levels, the effect of parents' education level is relatively small, which demonstrates the inclusiveness of the Flemish skills system.

Although high proficiency in a given skill is relevant, proficiency across multiple skills domains is important for performance in the labour market. In Flanders, approximately 1 in 3 adults has strong proficiency across a broad range of skills (individuals scoring at least Level 3 in literacy and numeracy and at least Level 2 in problem solving). This is a higher share than in many OECD (PIAAC) countries, but still below that of top-performers such as Finland, Norway, Sweden and the Netherlands where approximately 40% of adults has such a combination of skills (OECD, forthcoming^[8]).

Flanders has experienced a relatively sharp increase in its skills performance over time, which is reflected in the large difference between the skills proficiency of the youngest and the oldest age cohorts. Moreover, Flanders experienced a sharp increase in tertiary education attainment in recent decades: in 2014, over 41% of the workforce had a tertiary degree, compared with 32% in 2000 (OECD, 2018_[1]). In addition, Flemish tertiary graduates are highly skilled compared to peers in other OECD countries, with more than 1 in 4 performing at the highest levels in literacy and numeracy, whereas the OECD (PIAAC) average is approximately 1 in 5 (OECD, 2016_[7]).

A culture of lifelong learning is important for ensuring that adults keep their skills up-to-date and can adjust to changing skills needs, as well as to reduce inequities in skills performance. However, participation in adult education in Flanders is not yet on the level of other OECD countries with comparable skill levels: the participation rate in non-formal and formal education in the 12 months preceding PIAAC is only comparable with the OECD (PIAAC) average. In Flanders, 51% of adults were not involved in lifelong learning, compared with 32-42% in other high performing OECD countries, such as Finland, Denmark, the Netherlands and Canada (OECD, 2017_[9]). Moreover, various other international surveys on adult education show similar patterns of participation, including the Labour Force Survey (LFS) (Eurostat, 2018_[10]) and Adult Education Survey (AES) (Eurostat, 2018_[11]), and Flemish data shows a downward trend in secondary adult education enrolment since 2014 and a small drop in basic adult education enrolment since last year (Vlaams Ministerie van Onderwijs en Vorming, 2018_[12]).

A driver behind the low-participation rate is the large share of the population not willing to participate in adult education: 82% compared with 76% on average across OECD-PIAAC countries and 62% in a top-performing country such as New Zealand (OECD, 2017_[9]). Together with the Netherlands, Japan and Korea, Flanders is near the bottom of the ranking in terms of workers' "readiness to learn". Overall, barriers to participation are comparatively low in Flanders, for instance, the cost of training was least cited as the main obstacle to participation out of all OECD countries. However, work, childcare and family responsibilities are relatively often cited as reasons for not participating in adult education.

Activating skills supply

In recent years, the economy has been expanding and labour-market performance has been improving. In 2017, about two-thirds of the working age population is employed, which is comparable with the average OECD country, but below strong performing countries such as the Scandinavian countries, Germany and the Netherlands where 3 out of 4 are employed. (OECD, 2018_[13]; Eurostat, 2018_[14]). In addition, the share of active working age population was relatively low (see Figure 1.4): 70.6% of the adult population was active (either unemployed or employed) compared with 72.1% on average across the OECD (Eurostat, 2018_[15]; OECD, 2018_[13]).

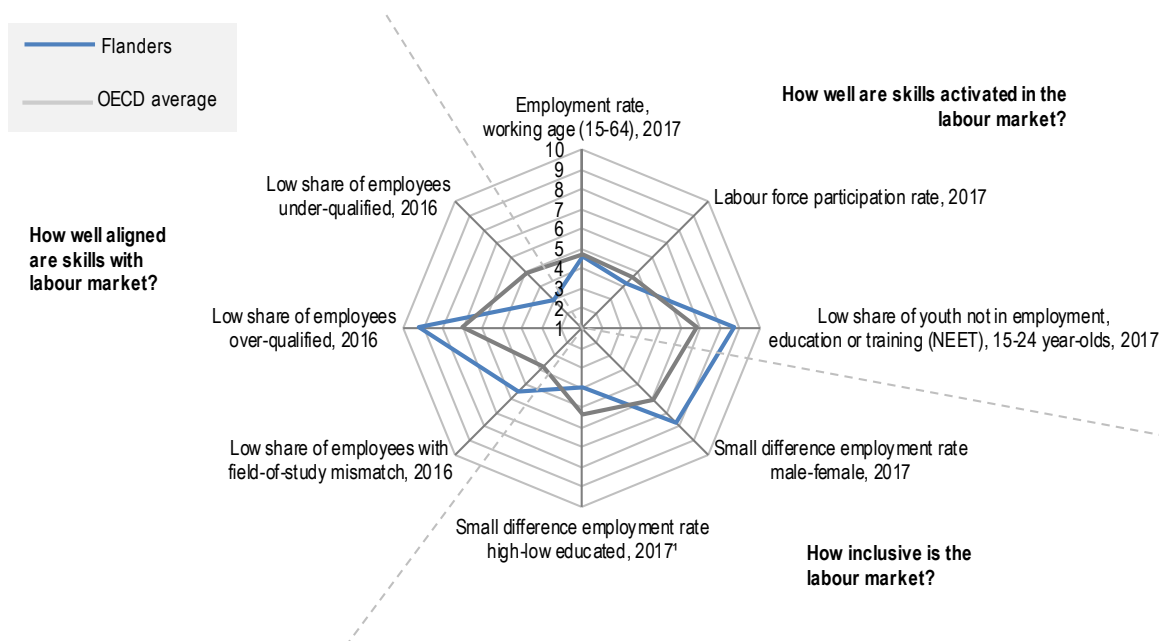
There are also significant differences in employment across population groups. Older generations are lagging behind, and differences in employment rates for high and low-educated adults, as well as for foreign and non-foreign born adults, are relatively large. While some differences are smaller than in other OECD countries, they can still be substantial, for instance, differences between genders are relatively small, but the employment rate for women is still 9 percentage-points below the employment rate for men (OECD, 2018_[1]).

A relatively small share, but nonetheless large number, of adults is mismatched for the needs of their jobs based on their skills, qualifications and fields of study. This could have

negative implications for firms' and countries' productivity, as well as individuals' incomes, job satisfaction, health and well-being. Recent OECD research highlights that countries may make large gains in productivity by reducing skills mismatches, and even for Flanders – where labour productivity is already high – it is estimated that allocative efficiency that lowers literacy mismatch could result in a 2.6% productivity gain (Mcgowan and Andrews, 2015^[16]).

Figure 1.4. Key indicators for activating skills supply

Normalised score from 1 to 10, (1=minimum, 10=maximum) based on relative position in range of scores among countries, where a higher value reflects better performance.




1) For Flanders, data is used for age group 20-64 instead of 25-64.

2) The OECD average (when using PIAAC data) is based on the sample of OECD countries/regions assessed in the Survey of Adult Skills.

How to read this chart: The normalised scores indicate the relative performance, 1 for weakest performance and 10 for strongest performance across OECD countries. So the further away from the core of the chart, the better the performance. For example, indicator 'Low share of employees over-qualified, 2016' indicates performance near the top of the ranking for Flanders, i.e. a comparatively low share of employees with qualifications too high for their job.

Note: See Annex 1.A for explanation of sources and methodology.

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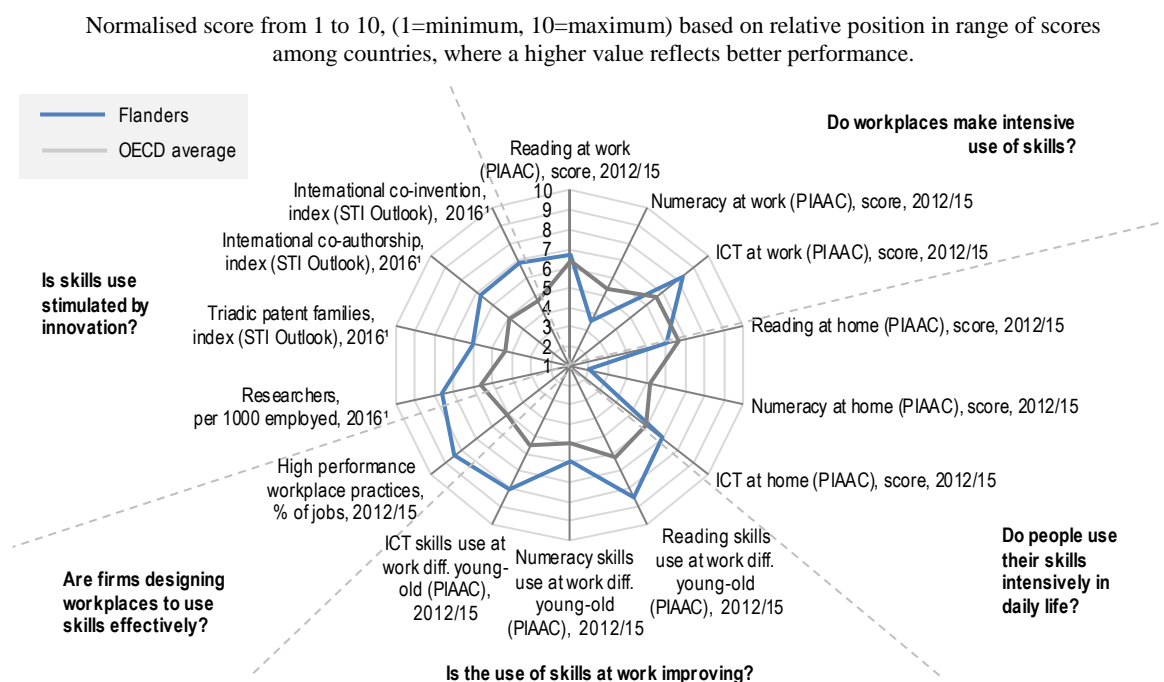
Furthermore, for several occupations there are currently labour shortages, despite a relatively large share of the population being inactive and a comparatively high long-term unemployment rate of 41.3% (OECD-EU average of 30.5%) (Eurostat, 2018^[17]). In addition, 7.2% of 15-24 year-olds were not in employment, education or training (NEET) in 2017 (Eurostat, 2018^[18]). There is a particular mismatch between demand and supply in technical occupations, with enrolment in science, technology, engineering and mathematics (STEM) studies not sufficient to meet the high demand of employers in these fields for workers.

Using skills effectively

Flemish adults have high skill levels, but these skills are not always used to their full potential in the workplace, according to PIAAC (Figure 1.5). While the use of information and communication technology (ICT) skills in the workplace is more common in Flanders than in most OECD countries, and the use of skills seems to be improving (the difference in skills use between generations is large), the use of reading skills in Flanders is only average, and the use of numeracy skills ranks near the bottom of OECD countries. This large gap between skill levels and skill use suggests that some of the investment in developing skills is wasted.

The use of skills for specific tasks of workers could also be intensified in Flanders. Where self-organisation, ICT managing and communication skills are more often used on the job than in most OECD countries, the use of STEM, management and accounting skills at work is relatively weak (OECD, 2017^[4]).

Figure 1.5. Key indicators for using skills effectively



1) Data on the level of Belgium, due to unavailability data for Flanders.

2) The OECD average (when using PIAAC data) is based on the sample of OECD countries/regions assessed in the Survey of Adult Skills.

How to read this chart: The normalised scores indicate the relative performance, 1 for weakest performance and 10 for strongest performance across OECD countries. So the further away from the core of the chart, the better the performance. For example, indicator ‘Reading skills use at work diff. young-old (PIAAC), 2012/15’ indicates performance above OECD average, i.e. a comparatively large difference in the use of reading skills between younger and older generations, demonstrating relatively strong improvements in the use of these skills.

Note: See Annex 1.A for explanation of sources and methodology.

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The adoption of high-performance work practices is generally associated with the intensive use of skills and higher productivity. Based on data from PIAAC, Flemish firms are already adopting these practices (both organisational and managerial) at a higher rate than their

counterparts in most other OECD countries (about 37% of jobs adopted these practices, compared with 26% across the OECD (2016_[19])), however, this is not being translated into improved skills use.

In addition, business investment in a range of intangible assets, such as organisational capital, computerised information, design, and research and development (R&D), is positively associated with productivity and competitiveness. Flanders has an innovative economy and society, with a large share of researchers in the workforce and above average R&D expenditure (OECD, 2018_[1]). Innovation in Flanders also has a strong international dimension, with good performance in international co-authorship of research publications – as a measure of international collaboration in science – and a large share of patents developed together with foreign co-inventors (OECD, 2017_[20]).

Policy context for Flanders

Flanders has a long history of developing strategic policies to address challenges and seize opportunities from societal and economic changes. As part of this tradition, the Flemish Community has already taken various steps to address many of the challenges identified in this chapter. These efforts go in the right direction and have the potential to generate the policy outcomes the country needs to strengthen adult education and training, to enhance the activation of skills in the labour market, and to more effectively use skills at work and in society. In the last decade, the Flemish Community has identified several skills and education goals (see Table 1.1 for a complete list (Flanders, 2018_[21])). These long-term policy initiatives are diverse in nature with different durations, target groups and topics within the field of education and skills.

An example of such a long-term vision for the economy and society is “Vision 2050” (*Visie 2050*) (Vlaamse Regering, 2017_[22]). In line with the fundamentals of the OECD Skills Strategy – albeit with a broader scope – Vision 2050 aims to deliver a strategic response to the opportunities and challenges that Flanders is facing. The vision supports policy actions by defining priorities and applying a whole-of-government and whole-of-society approach. Launched in 2016, this strategy identifies seven crucial transitions for Flanders that underscore the importance of creating an inclusive, open, resilient, and internationally connected region, with the topic of education and skills addressed in the fourth transition towards “lifelong learning and a dynamic life course” (*Levenslang leren en de dynamische levensloopbaan*).

Related to this is the concept note *Vizier 2030*, which links the long-term strategy from Vision 2050 with the United Nations Sustainable Development Goals (SDGs) (Vlaamse Regering, 2018_[23]). It supports the implementation of SDG4 (“Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all”) by defining the objectives and listing specific goals for 2030. In the context of Vision 2050 and *Vizier 2030*, the OECD Skills Strategy in Flanders could build on the selected transitions by developing specific recommendations, contribute to building support and a common understanding, and create momentum for policy reform.

The Social-Economic Council of Flanders (SERV) provides input for socio-economic policy. The social partners represented in the SERV do so through advice, agreements and research. For example, the SERV produced a platform text “Flanders 2030 – An outstretched hand” (*Vlaanderen 2030 – Een uitgestoken hand*) in which the Flemish social partners formulate joint guidelines for the policy agenda of the next fifteen years in a number of socio-economic core areas (economy, labour market, education, energy, and

social policy) (SERV, 2016_[24]). Recently the SERV did the same on the issue of digitization (“The transition to a digital society: the start of an integrated policy agenda” (SERV, 2018_[25])).

The Flemish Community has effectively responded to specific challenges in Flanders with policy goals and actions in recent years. For instance, to address the mismatch in demand and supply for technical occupations, Flanders introduced the STEM Action Plan (*STEM-actieplan*) in 2012, which aims to stimulate young people to choose STEM education, professions and careers. In addition, to address the weak literacy and digital skills of various sub-groups in society, the Flemish government launched a third Strategic Literacy Plan for the period 2017-2024 (*Strategisch Plan Geletterdheid 2017-2024*) with several strategic goals and specific targets for 2024 (VLOR, 2017_[26]).

Table 1.1. Long-term skills and education policy goals

Name	Year	Description
Vision 2050 (<i>Visie 2050</i>)	2016	Vision 2050 is a long-term strategy for Flanders identifying seven crucial transitions Flanders should make in order to become an inclusive, open, resilient and internationally connected region that creates prosperity and well-being for its citizens in a smart, innovative and sustainable manner. One of these transitions is towards “lifelong learning and a dynamic life course”.
Vizier 2030	2018	Vizier 2030 is a concept note that combines UN Sustainable Development Goals (SDGs) with Vision 2050. It is the next step in the implementation agenda of the SDGs, building on the Vision 2050 long-term strategy, and defining objectives with a list of 49 specific goals for 2030 related to SDG4 “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all”.
Strategic Literacy Plan 2017-2024 (<i>Strategisch Plan Geletterdheid 2017-2024</i>)	2017	The third Strategic Literacy Plan was introduced in 2017 and has a deadline for 2024. It has five strategic goals and specifies targets to improve the literacy skills and digital literacy skills for different sub-groups, including people leaving secondary education, job seekers and employed persons, and people in poverty.
Concept note “Together against early school leaving” (<i>Samen tegen schooluitval</i>)	2015-2019	A broad approach to reduce early school leaving and truancy and to guarantee the right to learn concretised in a plan of 52 actions at 4 levels: 1) monitoring, identification and co-ordination; 2) prevention; 3) intervention; 4) compensation.
Policy Paper Education & Training 2014–2019 (<i>Beleidsnota Onderwijs</i>)	2014	The Flemish ministers submit policy papers at the start of their five-year political term. The paper from the Flemish minister of Education and Training included visions and targets for adult education, transfer from education to the labour market, languages, digital literacy, media wisdom, learning guidance, secondary education, financing higher education, and teacher education.
STEM Action Plan (<i>STEM-actieplan</i>)	2012-2020	Joint action plan by the policy domains education and training, work and social economy and economy, and science and innovation to stimulate young people to choose STEM education, professions and careers. This involved marketing, communication campaigns, strengthening teachers and trainers, improving the process of study and career choices, and encouraging young adults to study STEM.
European 2020-strategy	2010	The aim of the European 2020-strategy is to reduce early school leaving, with a target for Flanders of 5.2% early school leavers in 2020. In 2015, the third action plan started (concept note “together against early school leaving”).
Pact 2020/EU 2020	2009	Pact 2020 is a tripartite mission statement that defines a range of policy goals for 2020 in Flanders. So far, broad qualitative targets have been set (“permanent retraining of employees will be crucial”), but more concrete targets are planned.

The Flemish government recently introduced several reforms and policies in the field of skills and education, many of which are steps in the right direction to address the challenges identified in this chapter (see list in Table 1.2 (Flanders, 2018_[21])). For instance, to improve the performance of adult education, Flanders has started the process of reforming the adult education sector with a recently approved financing decree for adult education that affects both Centres for Adult Education (CAE) (*Centra voor volwassenenonderwijs*) and Centres for Adult Basic Education (CABE) (*Centra voor basiseducatie*). This legislation is to be implemented in 2019 and aims to strengthen adult education and re-position it within the education landscape. In addition, CAE responsibilities will be affected: higher vocational education (for instance informatics and orthopaedics) will be transferred from Centres for

Adult Education to university colleges in 2019, making higher vocational education a fully-fledged part of higher education.

To improve the accessibility of adult education and training, a national law on “Workable work” (2017) (*Werkbaar werk*) introduced the obligation for employers to provide an average of five days of training per year, replacing a legal obligation to spend a share of the wage cost on training. Recently, the Flemish government introduced a related reform of paid educational leave to Flemish training leave (*Vlaams opleidingsverlof*), with 125 hours annual paid leave for education for every employee in the private sector. Furthermore, to enhance participation in adult education and training, a reform is expected related to education and training incentives, following agreements between the Flemish government and Flemish social partners.

Table 1.2. Recent and new reforms related to skills and education

Name	Year	Description
Financing decree for adult education (<i>Financieringsdecreet volwassenenonderwijs</i>)	2019	Approved by the Flemish Government on 16 March 2018, the new financing decree is part of an overall reform of the adult education sector that aims to reinforce the sector and position it clearly within the educational landscape. The new financing decree will provide, from 1 September 2019, a more stable and predictable financial system for institutions. This includes: 1) a “qualification bonus” for centres when participants finish a certain programme; 2) more and open ended financial means for courses in “Dutch as a second language”, basic skills courses; and 3) more means for vulnerable groups, such as jobseekers or course participants with a low level of qualifications (Eurydice, 2015 ^[27]).
Emergency ordinance on adult education and higher vocational education	2019	The Flemish Government approved this act in December 2016. It contains a reform of the programmes within adult education and introduces changes to the organisation of the sector to achieve economies of scale. From 1 September 2019, adult education centres with educational competence for more fields of study will have to reach a higher rationalisation standard in secondary adult education in order to be eligible for financing or subsidising. A new programming procedure will apply for secondary adult education which links the educational competence of an Adult Education Centre to (a) certain location(s) or site(s) (Eurydice, 2015 ^[27]).
Decree on the elaboration of the associate degree programmes within the university colleges	2019	Adopted by the Flemish Government on 25 April 2018, this decree will transfer higher vocational education (<i>Graduaatsopleidingen</i> , HBO5), for example informatics and orthopaedics, from Centres for Adult Education to university colleges from 1 September 2019 onwards.
Decree on dual learning in secondary education	2019	Following various projects that tested the application of dual learning in Flanders between 2016 and 2018, a decree on dual learning was adopted by the Flemish Parliament on 21 March 2018. This decree on dual learning in specialised secondary education will become effective on 1 September 2019, and will allow providers of dual learning to deliver official dual education and training programs.
Reform of paid educational leave to Flemish training leave	2018	Approved by the Flemish Government on 20 July 2018, and part of the reform of the Flemish training incentives for workers, this reform will include the following main changes: 1) every employee in the private sector will have 125 hours annual paid leave for education; 2) courses are registered in a centralised database and will be more flexible in terms of time and location; 3) criteria of recognition will be determined late 2018, but will have a labour-market focus, including basic, job-specific, and general labour-market skills; 4) administrative tasks for employer will be simplified; and 5) sanctions will be introduced for absence during courses.
Reform of the system for validation of competences and integrated quality framework	2018	Implemented in June 2018, this policy on validation - among all policy domains concerned - aims to make visible and valorise the competencies people have acquired during their life, work and leisure time activities. A parliamentary act defines the common definition, referencing standard (professional qualifications of the Flemish Qualification Structure (<i>Vlaamse Kwalificatiestructuur</i> , VKS)), outcomes and quality framework for the validation of competencies.
Update and optimisation of the “Competent” database	2018	Update and optimisation of “Competent”, the standard and database that contains more than 500 “profession files” with information on professions, competences, work organisation and more. The update aims for a clearer and more transversal formulation of competencies, more flexibility to respond to new and changing competences in the labour market, and refinement of division into occupations.
Reform of individual vocational training in enterprises (<i>Individuele Beroepsopleiding</i> , IBO)	2018	The individual vocational training in the enterprise is a form of training in which the trainee learns a profession in the workplace. Reform is intended for IBO allowances, administration is scheduled to be simplified and reduced, and training should start quicker with more support.

Act on Workable Work	2017	Previously, private employers were legally obliged to spend at least 1.9% of their wage cost on training for employees. This law, at the Federal Government level, changed this obligation to instead providing an average of five days of training per year.
Reform of the Flemish training incentives for workers	2017	On 11 July 2017, the Government of Flanders and social partners reached an agreement within the Flemish Economic and Social Consultative Committee (<i>Vlaams Economisch en Sociaal Overlegcomité</i> , VESOC) on the reform of education and training incentives for adults. Specifics of this harmonisation are still to be decided.
Parliamentary act on Flemish integration and civic integration policies	2013-2015	In the civic integration programme, newcomers receive courses in Dutch, social orientation and individual support. The parliamentary act sets the framework for these policies and regulates the provision and financing of agencies and organisations who implement these policies.

The above-mentioned reforms and long-term visions and strategies provide only a sample of the most recent initiatives directly related to improving the development, activation and use of skills. Nonetheless, they provide an indication of how actively the Flemish government has worked to address skills challenges.

Priority areas and recommendations

Based on this assessment of the overall performance of the Flemish skills system and the feedback from the Flemish government, five priority areas have been identified for the Skills Strategy in Flanders:

- Developing a learning culture
- Reducing skills imbalances
- Strengthening skills use in workplaces
- Strengthening the governance of adult learning
- Improving the financing of adult learning

These priorities and their associated recommendations are discussed at greater length in the chapters that follow. Specifically, Chapter 2 is on the topic of *developing a learning culture*, Chapter 3 on *reducing skills imbalances*, Chapter 4 on *strengthening skills use in workplaces*, Chapter 5 on *strengthening the governance of adult learning*, and Chapter 6 on *improving the financing of adult learning*.

Developing a learning culture

A strong learning culture is imperative if a country wishes to thrive in an increasingly complex world. Learning culture can be defined as the set of beliefs, values and attitudes, and resulting behaviours favourable towards learning that a group shares. While the precise skills needs of the future are unknown, a strong learning culture ensures that individuals are ready to upgrade their existing skills or acquire new skills to adapt to new challenges and opportunities. Fostering a learning culture and adult education are priorities for Flanders, as identified in its Vision 2050.

Participation in adult learning in Flanders is around average in comparison with other OECD countries. Certain groups that are most in need of upskilling or reskilling are falling behind, such as older workers, immigrants, those in flexible employment forms, and low-skilled adults.

The motivation to learn is comparatively low among Flemish adults, which highlights the importance of raising awareness and responding to their specific learning interests and needs. Furthermore, many adults report that their educational activities are not relevant to their jobs. Time constraints due to work, competing family responsibilities and inconvenient time or place of adult education offers are other factors limiting participation in learning among adults. The higher education system in Flanders is also underdeveloped

for adult learners, with only a low share of adults obtaining higher education degrees as mature students. Work-based learning in post-secondary education, which could foster a learning culture in the workplace, is still sparse. Employer support for adult learning is low, in particular in micro, small and medium-sized enterprises.

The following recommendations are made for developing a culture of adult learning:

1. **Raise awareness of the importance of adult learning.** The government and diverse stakeholders, such as libraries, socio-cultural organisations (e.g. sports organisations, workers organisations, organisations for youth, the elderly, women, immigrants), education providers, local authorities and companies, can all play their role in encouraging lifelong learning and continuous skills development. Making learning more attractive and creating positive learning experiences for learners are key in this cultural transition and in fostering motivation.
2. **Embed adult learning within a lifelong development approach.** The government, training institutions, non-governmental organisations, employers, sectoral training providers and other relevant stakeholders should take the whole path to development into account. Instead of incidental learning, a continuous development approach is needed. Learners should be aware of their career paths and training needs, and companies should train workers towards specific career paths. Training institutions and public employment services should incorporate a lifelong development approach into their business models. See Chapter 5 on governance, for more information.
3. **Make adult education more accessible and relevant.** The government, non-governmental organisations, employers, sectoral training providers and other relevant stakeholders should partner to co-create the curriculum, match adults to relevant adult education courses through skills validation, and expand the available learning environments of adult education courses. This would mean that those who are least likely to participate can be reached where they are and encouraged to participate. Such a partnership can distribute the cost of adult education provision and enable finding creative ways of tailoring the adult education experience to their needs.
4. **Transform adult learning providers into learning organisations.** Teacher training institutions, universities and university colleges, as well as other adult learning providers, should do more to ensure that all staff involved in adult learning are given opportunities to receive further professional development and supported to collaborate.
5. **Enlarge the accessible course offerings for adult learners in higher education.** Higher education institutions should consider creating more flexible offering of adult learning and professional development opportunities. Requirements of who can access these courses should also become more flexible and take previous work experience into account by assessment of prior learning. Courses should be tailored to the needs of adult learners and should be set up in broad collaboration with other higher education institutions and with businesses/sectors to create advantages in both the content (multi-disciplinary knowledge) and the organisation (fewer staff and infrastructural costs/overhead).

6. **Expand work-based learning in university colleges, universities and adult education.** Education providers and employers, among other relevant stakeholders, should participate in the European Structural Fund call for tenders that seeks to support pilot projects on dual learning in higher education and adult education. Employers and education providers should also be supported by the government to widely apply a framework for high-quality workplaces which establishes quality criteria covering the curriculum, programme duration, physical resources and qualification requirements.
7. **Establish a co-operation network to identify and disseminate best practices in stimulating a learning culture in the workplace.** This could be initiated by employers, unions and sectoral training providers, with support from the government. Researchers from academia may also be able to help identify best practices through evaluations and surveys. An employee in each company could be the contact person to participate in this network, share internal practices with others, and propose and disseminate external new practices internally. Sharing identified practices could be of interest within a sector and across sectors.

Reducing skills imbalances

Skills imbalances, defined as a misalignment between the demand and supply of skills, are costly for individuals, firms and the economy. Skills shortages increase hiring costs, lower productivity, and constrain the ability of firms to innovate and adopt new technologies. Reducing skills imbalances has been identified as a priority for Flanders, with the Flemish Minister of Work signing an agreement with employer organisations to tackle labour-market shortages (*Pact tegen krapte op de arbeidsmarkt*) in January 2018.

Tight labour-market conditions in Flanders have contributed to increasing shortage pressures in recent years, which are particularly acute in occupations related to professional, technical and scientific activities, information and communication technology (ICT), as well as in skills related to health services and education and training. High shares of unfilled vacancies can be found in both high-skilled occupations (e.g. nurses, site managers, ICT analysts) and medium-skilled occupations (e.g. technicians, mechanics). Shortage pressures are also evident in skills relevant to a range of occupations, including literacy and numeracy, social skills, systems skills, complex problem solving and reasoning. Despite a tight labour market, long-term unemployment remains high, and individuals with low levels of education face high unemployment rates, making up nearly half of all long-term unemployed. Flanders has a comparatively low share of skills mismatch (in terms of qualifications, skills, and field of study), but increasing automation and the resulting changing demand for skills could worsen these imbalances going forward.

A number of factors contribute to skills imbalances in Flanders. Despite persistent shortages in STEM fields there is a low and declining supply of graduates in STEM subjects, suggesting that the education system may not be sufficiently responsive to changing skills demand. Youth and older workers are not participating in the labour market as much as in other countries, which reduces the available skills supply. While Flanders produces skills assessment and anticipation information, the lack of an economy-wide forecast exercise prevents a broader understanding of labour-market needs. Online career guidance tools are useful, but information is not sufficiently tailored to the needs of users, and there is a need for more bridges between learning and career development support. The current system for recognising and validating skills fails to raise awareness among employers and individuals, although reforms to the system promise to address other

weaknesses. Barriers to mobility (both geographic and job-to-job) restrict the allocation of labour to the regions and sectors that are most in need of workers.

The following recommendations are proposed for reducing skills imbalances:

8. **Provide individuals with a balanced portfolio of skills.** Training providers and employers should develop and promote the transversal skills that are likely to be needed across occupations in a rapidly changing economy, including literacy and numeracy, complex problem solving, and reasoning abilities. Government should continue to monitor whether its policies are having the desired effect of providing individuals with a balanced portfolio of skills that includes strong cognitive, social and emotional, as well as relevant job-specific skills. Such a balanced portfolio of skills promotes the movement of labour to occupations and sectors that most need it, and supports sustainable employment outcomes.
9. **Make the education system more responsive to changing skills demand.** The government should disseminate data on wage premia by field of study instead of just by level of study, in addition to information on labour-market outcomes more generally. This could entice more prospective students to choose fields relevant to the labour market. Employers may need to improve the compensation package offered to occupations with persistent shortages to attract more students to these fields. At the same time, government should monitor the incentives that students face to study different courses, and, if needed, offer scholarships to cover tuition and living expenses for students who study high-demand courses. Furthermore, government should ensure that education institutions face the right incentives to make course offerings responsive to changing skills demand.
10. **Support assessments of skills needs and skills forecast exercises.** The government could consider committing to a long-term collaboration agreement with other regions in Belgium to regularly carry out skills forecast exercises. This would promote a human capital agenda to make the skills system responsive to the needs of the labour market (elaborated in Chapter 5 on governance).
11. **Create bridges between learning and career development support.** Career and education guidance are currently separate services in Flanders. The career guidance and education guidance services should work closely together in order to refer clients to each other and to support each other's services. These services could also be offered in tandem in the same location to facilitate access. Some thought could be given to extending the use of the career guidance vouchers (*Loopbaancheques*) to education guidance. Existing digital platforms for guidance (e.g. Education Chooser, *Onderwijskiezer*, and the Flemish Public Employment Service's My Career, *Mijn Loopbaan*) could be better integrated to ensure that users can easily access information about both career and training trajectories. A more interactive format, where the information provided to users is based on responses to a set of questions about their skills and experience, would help to customise information to users' needs.
12. **Raise awareness about skills validation (*Erkennen Van Competenties*, EVC) among employers and potential users.** Ongoing reforms promise to simplify the existing skills validation system and improve flexibility, however, survey evidence suggests that more efforts are needed to raise awareness about EVC processes among users and employers. Information about EVC processes should be centralised and available via a digital platform, such as a careers website, as in Denmark.

13. **Mobilise sectoral training funds to address skills shortages.** Social partners should work with the government to promote the sharing of sectoral training funds between sectors to better facilitate workers' transitions from declining to expanding sectors, and aggregate funds to address common skills challenges, such as adopting digital technologies and addressing STEM shortages.
14. **Prioritise training in skills in high demand for jobseekers, particularly those at risk of long-term unemployment.** VDAB should continue to work closely with employers and sectoral groups, as well as with adult education centres, to supply training to jobseekers in skills in high demand. The government should monitor whether the recent actions (*Pact tegen krapte op de arbeidsmarkt*) are successful at their objective to improve the matching of long-term unemployed with vacancies.

Strengthening skills use in workplaces

Many OECD countries have primarily engaged on skills issues from the supply side, focusing on the number of people completing skills qualifications. However, there is increasing recognition of the need to look more closely at how those skills are deployed within the workplace. Putting skills to better use in the workplace is important for workers and firms. In Flanders, workers who use their skills more frequently earn higher wages and have higher job satisfaction. Firms benefit from increased productivity and reduced employee turnover and well-being.

Evidence from the OECD Survey of Adult Skills shows that individuals in Flanders tend to make good use of their literacy skills while the use of numeracy skills in the workplace falls behind the OECD average. The optimal use of numeracy skills in the workplace is important given the advanced technological changes that are occurring in the workplace and driving changes in the future of work. Workers who do not optimally use their numeracy skills could be more vulnerable to the automation of tasks in the workplace. When looking at the use of skills among firms, SMEs tend to make less use of the literacy and numeracy skills of their workers.

One way of assessing skills use in the workplace is looking at the prevalence of high-performance workplace practices (HPWPs), which tend to exist in firms that offer employee award programmes, flexible jobs, regular performance appraisals, as well as general mentoring and leadership development, and skills development programmes. In Flanders, about 36% of jobs adopt HPWPs practices, which is above the OECD average but below leading countries, such as Denmark (42%), Finland (41%), and Sweden (40%). In general, Flanders has showed large improvements in the number of companies offering general training opportunities. One particular study in Flanders shows that in 2016, 82.5% of employees indicated to have sufficient learning opportunities in the workplace.

A number of factors determine the degree of which skills are effectively deployed in the workplace. In Flanders, the level of awareness about the benefits of using skills effectively is relatively low, especially among small and medium-sized enterprises (SMEs). Managers often lack opportunities to participate in training about how to foster high-performance work practices in the workplace. Many firms also do not offer career mobility opportunities, which can be useful in providing individuals with new work experiences as well as opportunities to improve their general working conditions. Public employment services can be more active in working closer with employers to offer human resources management supports, while also identifying whether unfilled job vacancies are due to the poor quality of jobs on offer.

The following recommendations are made for strengthening skills use in the workplace:

15. **Raise awareness of the importance of skills use in the workplace.** The government with social partners should consider how to engage firms on skills use policies and disseminate information about good practices and innovation within firms. The goal of actions in this area would be to develop new partnerships with employers to promote high-performance workplace practices and encourage managers to think more critically about work organisation.
16. **Examine incentives to employers to re-shape their workplace and encourage more management training, especially among SMEs.** In many cases, employers can take a leadership role to develop management training plans, which encourage great employee autonomy, work organisation, as well as job rotation strategies. The chambers of commerce can be particularly important in networking firms, especially SMEs to share good management practices. In some cases, direct government funding can provide incentives for firms to re-shape their workplaces and embed better management practices within the firm. This would be especially important for firms that have not traditionally participated in workplace training programmes previously.
17. **Promote flexible career mobility opportunities (e.g. upward, sideward, and downward) within sectors and firms.** Career mobility programmes can play an important role in fostering employee engagement, increased productivity, and teamwork. The goal of this action by firm, unions and education providers would be encourage firms to experiment with career mobility programmes that allow workers to test new roles within a firm as well as to enable individuals to take on different tasks at another firm. This also includes looking at how pay and remuneration systems can be adjusted to reward greater employee autonomy in the workplace.
18. **Examine company working conditions and human resource practices to help fill job vacancies and address potential skills shortages.** While employer leadership is critical for stimulating high-performance workplace practices, employment services can play an active role in working closer with firms to develop human resources management tools. Public employment services can work alongside the chambers of commerce in Flanders to identify company's having recruitment difficulties because of the type of jobs on offer.

Strengthening the governance of adult learning

Governance refers to the processes by which responsibilities are distributed and decisions made and implemented through collaboration between national government, sub-national governments and stakeholders. Governance is particularly important for the effective functioning of the adult learning system as adult learning lies in the sphere of action of a number of bodies within the public administration and stakeholders. The policies and actions of these bodies are inherently intertwined and require co-ordination at both the vertical (across ministries) and horizontal (across levels of government) dimension and vis-a-vis the stakeholders. Strong governance helps to minimise policy gaps and overlaps, improve the likelihood of successful policy implantation, leverage each other's strengths, and generate policy complementarities. The Flemish Government has made clear in their Vision 2050 strategy that a whole-of-government approach involving all relevant ministries and levels of government, as well as the engagement of social partners, will be key in making this vision a reality.

The governance of adult learning in Flanders is complex. While the federal government is responsible for the legal framework for certain kinds of adult learning policies, the regional and community level, which in Flanders is represented by the same government, is responsible for the majority of labour market and education policies. Several departments in the Flemish Government have some responsibility for the planning and delivery of adult learning, including: education and training, work and social economy, and finance and budget. In addition, many stakeholders, such as sectoral training providers, employers, unions and academics, have an important influence on participation and success in adult learning. It is also critical to engage adult learners themselves and place them at the centre of policy design. Governance structures are abundant in Flanders, with often strong roles for stakeholders. Examples of these structures are the Joint Policy Council, the Management Committee, the Flemish Education Council (VLOR) and the Social-Economic council (SERV), as well as triple-helix partnerships in the Flemish Cluster policy.

Several factors determine the quality of governance in adult learning. A common vision that generates ownership and a commitment to work together is critical and helps generate a level of trust between institutions. Since collaboration across institutions takes time, there needs to be sufficient opportunity for regular contact and dialogue between the various parties. Financial resources are also required to support collaboration efforts. Those at the frontline of collaboration efforts would also benefit from being equipped with skills, such as managing networks, negotiations, communication, and conflict resolution. Collaboration can be strengthened through institutional mechanisms, such as co-ordinating bodies, legal instruments, shared budgets or common reporting structures. Timely, accurate and transparent information across institutions to build a common evidence base facilitates collaboration and improves decision making.

The following recommendations are made for strengthening the governance of adult learning:

19. **Establish a comprehensive and concrete vision for adult learning.** The government and stakeholders should draft the vision together and include clear goals, values and actions to be taken. Responsibilities should be allocated to all relevant stakeholders. The funding mechanisms to implement the vision would need to be determined and it would need to be specified how the expenditures would be covered and by whom. There should be agreement about performance indicator milestones. Measures should be included to track the implementation of the vision and to report progress publicly to ensure transparency and build trust. Moreover, target groups should be identified to ensure the vision leaves no one behind. A pact between the government and stakeholders could help to ensure implementation of the vision.
20. **Promote coherence and complementarity between levels of government in adult learning.** The government should ensure that policies and reforms go in the same direction to strengthen each other and create synergy effects. As this process takes time and resources, it is critical for all to agree upon the shared vision, have a clear plan of how to move forward, and have open and transparent communication to maintain trust and commitment. The government should provide training to equip government officials with the skills needed to engage effectively with one another. There may be particular challenges when there are strong diverging opinions across ministries and levels of government. Skills are required to negotiate these differences to reach a compromise that works for all involved, and then to move forward to implementation.

21. **Support local community organisations to foster, host and co-ordinate local networks of stakeholders that work to improve adult learning.** The government could provide funding for these networks and initiatives that is linked to relevant performance indicators. Since adult learning providers are often fragmented, the government could select a single organisation that helps to co-ordinate the different initiatives.
22. **Establish a common knowledge and evidence base.** The government should closely collaborate with all relevant stakeholders to have a common knowledge and evidence base. This could inform continuous efforts of promoting lifelong learning within Vision 2050. Introducing a coherent quality assurance framework for adult learning is a step in the right direction. Further efforts will be needed to ensure that stakeholders are aware of the framework, understand how to interpret what it means and use it in practice. Moreover, the impact and effectiveness of adult learning policy measures should be assessed more systematically through monitoring and evaluation practices to continue to improve policy design and implementation. Based on their research, academics could provide feedback on the soundness of the assessments. Findings should also be made widely accessible so that stakeholders and end-users can make informed decisions.

Improving the financing of adult learning

A strong system of adult learning requires adequate financing, and this may become more urgent as automation and other global trends transform the skills needed in the labour market at an increasing pace. The Flemish government and social partners have committed to increase participation in continuing education from 7.5% of the total population in 2011 to 15% by 2020. This will require a system of adult learning that helps adults to reduce barriers (financial and otherwise) associated with participation in adult learning. These considerations are particularly relevant in light of the ongoing reform of Flemish training incentives for workers.

Available data for Flanders suggest that cost does not represent a significant barrier to accessing adult learning, whereas non-financial barriers, including time constraints due to work and family responsibilities and the course or programme not being offered at a convenient time or place, are more significant. Flanders offers many financial incentives to help share the costs of adult learning between individuals, employers and government, as well as to steer adults towards training that is relevant to the labour market. However, there are concerns that financing for adult learning is not reaching the groups who could benefit most. For example, low-educated and older adults are under-represented in applying for career guidance and training vouchers, and low-educated adults are also less likely to benefit from employer-provided training.

To some extent, the under-representation of marginalised groups in accessing financing for adult learning is due to the tendency of employers to invest less in the skills of lower-skilled workers. Furthermore, employees in small firms may be limited in their capacity to take advantage of financing for adult learning, as it can be more difficult for small firms to plan and cover employee absences. Other relevant factors include a complex system of incentives, rules that limit the participation of some groups (e.g. those with a weak attachment to the labour market or displaced workers), and large disparities in sectoral training funds.

The following recommendations are proposed for improving the financing of adult learning:

23. **Group all existing training incentives into a single learning account.** To reduce complexity and facilitate access to training incentives, the government should over the long run group all existing training incentives for individuals (paid education leave, training vouchers, training credit, career guidance vouchers and possibly sectoral training funds) into a single learning account (in Skills Strategy workshops these were referred to as training backpacks or “*rugzak*”), similar to France’s *Compte Personnel de Formation*. Key features of the learning account should include: training rights that are portable upon job loss and transferable between employers, targeted at accredited labour-market oriented courses, and more training rights allotted to low-skilled than to high-skilled workers. The learning account should be accompanied by programmes to reach out to vulnerable groups with information, advice and guidance.
24. **Expand programmes to reach out to marginalised groups with information, advice and guidance about training.** The government should consider how training incentives can help to overcome barriers to training (financial and otherwise) and how they could be better targeted both at the learners who most need the support (including the low-skilled, older workers and those in SMEs) and at the type of training that will have the most impact on the economy and employment outcomes. The government should disseminate information about available training incentives to a wide range of stakeholders, including guidance counselling services, adult education providers, VDAB, non-government organisations and the staff responsible for training (VTO) in companies.
25. **Explore options for financially supporting transitions from job to job or from one employment status to another.** To achieve this, the government should work closely with employer organisations and trade unions. As discussed in Chapter 3, on skills imbalances, sector covenants could be used to support the sharing of sectoral training funds between sectors. Alternatively, severance pay could be converted into a fund that dismissed workers could use to access a variety of re-employment services, including training, counselling and recognition of prior learning. Making VDAB training more widely available to employees at risk of displacement would also support a proactive approach to their re-employment.
26. **Ensure that training incentives support flexible modes of training delivery.** Given the importance of non-financial barriers to adult learning in Flanders, the government should ensure that training incentives support flexible modes of training delivery, including modular learning, work-based learning, distance learning, e-learning, blended learning, and massive open online courses (MOOCs). This flexibility should be reflected in the new database of eligible training courses that will be introduced in September 2019. Additional support should also be given to higher education institutions to finance education provision in formats that are flexible to the needs of adult learners.

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Annex 1.A. OECD Skills Strategy Dashboard Flanders

This annex addresses the OECD Skills Strategy Dashboard for Flanders. The objective of this dashboard is to present an overview of the performance of the skills system in OECD countries. It is the starting point for analysis in the diagnostic phase of national skills strategy projects, allowing the OECD and the national project team to identify the priority skills policy themes to be covered in greater detail in the report. Presenting the relative position of countries on key skills outcomes, the dashboard provides a general overview of the Flemish skills systems' strengths and weaknesses. This annex describes the characteristics, presents the indicators and describes the underlying methods for calculating indicators.

Characteristics

The dashboard is the result of internal consultation and analysis of core indicators used in OECD Skills Strategy projects. It presents a simple, intuitive overview of the outcomes of skills systems that is easy to interpret and which gives a quick impression of a countries' skills performance across the pillars of the OECD skills strategy ("developing relevant skills", "activating skills supply", and "putting skills to effective use"). The dashboard applies a broad definition of skills by presenting foundational skills, problem-solving skills and broadness of skill sets, and considers both economic and social outcomes. A total of 39 key outcome indicators were selected and grouped into 17 aggregated indicators (see full list in Annex Table 1.A.1).

Indicator selection

The selection of indicators followed a process whereby a long-list of the most commonly used indicators in OECD Skills Strategy reports was gradually reduced to a short-list of core indicators. This process built on the principle that the indicators describe the core outcomes of the different pillars of the skills system. In addition, these indicators express outcomes in terms of level, trend, distribution and equity. The indicators need to be comparatively easy to interpret and based on OECD sources, with data as recent as possible. Since many surveys and databases are on the country level, data were not always available for Flanders. For these indicators (as indicated in Annex Table 1.A.1), data for Belgium were used.

Method for calculation of aggregate indicators

To develop aggregate indicators that represent the relative position of countries on key outcomes of the skills system, a number of calculations were made on the collected data. To describe the relative position across countries, a score for each indicator was calculated ranging from 0 to 10, with 0 for the weakest performance and 10 for the strongest performance in the list. This resulted in an indicator that allows comparisons between different types of indicators (e.g. averaging performance of literacy scores and educational attainment rates). The resulting scores were normalised in such a way that better performance results in a higher score. Subsequently, an unweighted average of the indicators was calculated for each of the aggregates, and these scores were then ranked. The final ranking was separated into five groups of equal size, ranging from top 20% performer to bottom 20% performer.

Annex Table 1.A.1. Pillars, aggregates and underlying indicators

Pillar and aggregates	Indicator
Developing relevant skills	
How skilled are youth?	Reading (PISA ¹), mean score, 2015
	Mathematics (PISA ¹), mean score, 2015
	Science (PISA ¹), mean score, 2015
Are skills of youth improving?	PISA ¹ average 3 year trend (reading, mathematics, science) ²
Are skills of youth being developed inclusively?	PISA ¹ ESCS parity index, science performance, 2015
How many young adults attain tertiary education?	Tertiary education attainment rate, 25-34 year-olds, 2017 ³
How skilled are young tertiary educated adults?	Literacy (PIAAC ⁴), mean score, tertiary educated 25-34 year-olds, 2012/15
	Numeracy (PIAAC ⁴), mean score, tertiary educated 25-34 year-olds, 2012/15
	Problem solving (PIAAC ⁴), % Level 2/3, tertiary educated 25-34 year-olds, 2012/15
How inclusive is tertiary education?	Share tertiary educated with both parents less than tertiary, 2012/15
How strong are foundational skills of adults?	Literacy (PIAAC ⁴), mean score, 2012/15
	Numeracy (PIAAC ⁴), mean score, 2012/15
	Problem solving (PIAAC ⁴), % Level 2/3, 2012/15
Do adults have a broad set of skills?	Percentage of adults with a broad set of skills (PIAAC ⁴) (Level 3-5 in literacy and numeracy and Level 2/3 in problem solving), 2012/15
Is there a strong culture of adult education?	Formal and/or non-formal adult education participation rate (PIAAC ⁴), last 12 months, 2012/15
	Willing to participate in adult education (PIAAC ⁴), percentage of population, 2012/15
	Barriers to participation (PIAAC ⁴), percentage of people wanting to participate who didn't, 2012/15
Are skills of adults being developed inclusively?	High-low educated parents, adjusted literacy difference (PIAAC ⁴), 2012/15
Activating skills supply	
How well are skills activated in the labour market?	Employment rate, working age, 2017
	Labour force participation rate, 2017
	Youth not in employment, education or training (NEET), percentage of 15-24 year-olds, 2017
How inclusive is the labour market?	Gender (male-female), employment rate difference, 2017
	High-low educated, employment rate difference, 2017 ⁵
How well aligned are skills with labour market?	Share of employees with field-of-study mismatch, 2015 (Skills for Jobs database)
	Share of employees over-qualified, 2015 (Skills for Jobs database)
	Share of employees under-qualified, 2015 (Skills for Jobs database)
Putting skills to effective use	
Do workplaces make intensive use of skills?	Reading at work (PIAAC ⁴), score, 2012/15
	Numeracy at work (PIAAC ⁴), score, 2012/15
	Information and communication technology (ICT) at work (PIAAC ⁴), score, 2012/15
Do people use their skills intensively in daily life?	Reading at home (PIAAC ⁴), score, 2012/15
	Numeracy at home (PIAAC ⁴), score, 2012/15
	ICT at home (PIAAC ⁴), score, 2012/15
Is the use of skills at work improving?	Reading skills use at work adjusted difference young (16-25) – prime age (26-54) (PIAAC ⁴), 2012/15
	Numeracy skills use at work adjusted difference young (16-25) – prime age (26-54) (PIAAC ⁴), 2012/15
	ICT skills use at work adjusted difference young (16-25) – prime age (26-54) (PIAAC ⁴), 2012/15
Are firms designing workplaces to use skills effectively?	High-performance workplace practices, percentage of jobs, 2012/15 (PIAAC ⁴)
Is skills use stimulated by innovation?	Researchers, per 1 000 employed, 2016 ³
	Triadic patent families, performance index (STI ⁶ Outlook), 2016 ³
	International co-authorship, performance index (STI ⁶ Outlook), 2016 ³
	International co-invention, performance index (STI ⁶ Outlook), 2016 ³

1. Programme for International Student Assessment (PISA)
2. The average trend is reported for the longest available period since PISA 2006 for science, PISA 2009 for reading, and PISA 2003 for mathematics
3. Due to unavailability of data on the level of Flanders, data for Belgium have been used
4. Survey of Adult Skills (PIAAC)
5. For Flanders, data are used for age group 20-64 instead of 25-64
6. Science, Technology and Innovation (STI)

Note: Indicators without a specific source between brackets are OECD indicators from OECD Data (<https://data.oecd.org/home/>).

OECD Skills Strategy Flanders

ASSESSMENT AND RECOMMENDATIONS

Executive Summary

Better skills policies help build economic resilience, boost employment and reinforce social cohesion. The OECD Skills Strategy provides countries with a framework to analyse their skills strengths and challenges. Each OECD Skills Strategy diagnostic report reflects a set of skills challenges identified by broad stakeholder engagement and OECD comparative evidence while offering concrete examples of how other countries have tackled similar skills challenges.

These reports tackle questions such as: How can countries maximise their skills potential? How can they improve their performance in developing relevant skills, activating skills supply and using skills effectively? What is the benefit of a whole-of-government approach to skills? How can governments build stronger partnerships with employers, trade unions, teachers and students to deliver better skills outcomes? OECD Skills Strategy diagnostic reports provide new insights into these questions and help identify the core components of successful skills strategies.

This report is part of the OECD's ongoing work on building effective national and local skills strategies.

Consult this publication on line at <https://doi.org/10.1787/9789264309791-en>.

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