



Business and Industry Advisory Committee to the **OECD**

Comité Consultatif Economique et Industriel Auprès de l' **OCDE**

HUMAN RESOURCES IN THE NEW ECONOMY

Key Messages

A. *The impact of the New Economy on the development of and the demand for skills and competencies:*

1. If we consider that the New Economy implies economic processes in which not physical material but information is the “raw material”, it follows that we need workers with new skills and competencies beyond those called for in the traditional Economy. These new skills are partly instrumental (ICT-literacy) but also personal (communication skills, ability to work in teams from different disciplines, ability to search and analyse information, ability to share knowledge with others).
2. Many industries from the “Old Economy” become part of the New Economy , e.g., electronic banking, e-commerce in the retail-sector, digital printing etc. Therefore the impacts of the present developments of the New Economy go beyond the IT-sector and directly related services.
3. Business views should be invited on what skills and competencies are to be integrated in the New Economy curriculum for basic initial education.

B: *Growing economic importance of skills and competencies in the learning process: Implications for basic initial education.*

4. Both for social reasons (prevention of the digital divide) and to fulfill the wide demand for new skills at all levels and in all sectors, new skills and competencies should be the centrepiece throughout life long learning, starting from kindergarten and continuing throughout training in the framework of adults’ career.
5. New skills and competencies are not only a matter of mere knowledge, but also deal with personal competencies. Therefore there is a need to look not only at the curriculum of education, but also at working methods. Project-work, self-activating learning and use of information resources are new elements to be added into the learning tool-box. Teachers should look to strike a balance between teaching and helping students in learning how to learn. This process should already begin in primary education. It will require a new role for teachers as well as improvements in the infrastructure of schools, including ICT facilities.
6. There is an interesting possibility for schools to reverse the "nurture"-stream, giving parents access to activities and content, either by Internet or by opening up school buildings and facilities to parents.

B. Learning beyond primary and secondary education: the roles of government, business & trade unions in vocational training and further training at the workplace.

7. The transformation towards the New Economy implies an increasing pace of change, for which new strategies will need to be developed. Specifically, this will require new ways to define and to update qualifications and curricula, intensive partnerships between vocational education and companies as well as a variety of transition pathways from education to the labour market.
8. In this respect, besides the traditional methods of training, ICT can help to develop a greater variety of learning methods, such as distance learning, learning at the workplace, self-instructing material, easy access to course-ware etc. (cfr "life wide learning", as mentioned in the discussion paper)
9. Notwithstanding the fact that initial education is primarily a responsibility of the state and employers and workers play a major role in further education, great benefit can be derived from increased co-operation between schools and firms. Schools can open up their facilities to be used also as a learning centre for adults. Firms can assist in work-based learning, especially for students in vocational education, including higher vocational education.
10. In addition to acquiring new skills and competencies in initial education, the current labour force will have to acquire them. The New Economy asks for flexibility and continuous attention for employability from government as well as employers and workers. (cfr employability agenda, Netherlands, in the discussion paper)

C. Making Life Long Learning affordable and a reality for all – strengthening incentives and means to invest in Life Long Learning.

11. There is evidence that a higher level of initial education leads to better participation in further training and better training results, easier use of the Internet, higher participation in the workforce by women, higher participation of elderly. For this reason, it is very important to offer a publicly financed high quality initial education system, from primary education to university, as a basis for life long learning.
12. However, after compulsory age, a certain contribution from the student, reflecting the added value for career and income, is reasonable. The level of this contribution should not be an obstacle for students from lower- and middle income classes.
13. Investment in Life Long Learning is a responsibility of public authorities, employers and employees. (G8 declaration, ILO conference June 2000). Incentives offered by governments can prevent under-investment in training. The training of the unemployed and support of training of low qualified workers should be high priorities for governments.
14. The concept of shared responsibility for life long learning raises the question of whether it is possible to develop more mixed funding arrangements for life long learning, with fair contributions from all stakeholders and with flexibility to invest throughout the career.
15. Much of the investment in Life Long Learning has an informal character, especially in SME's, and does not manifest itself in surveys and statistics. Better measuring and monitoring systems are required to unveil this hidden part of investments in Life Long Learning.