

**INVESTING IN SKILLS** 

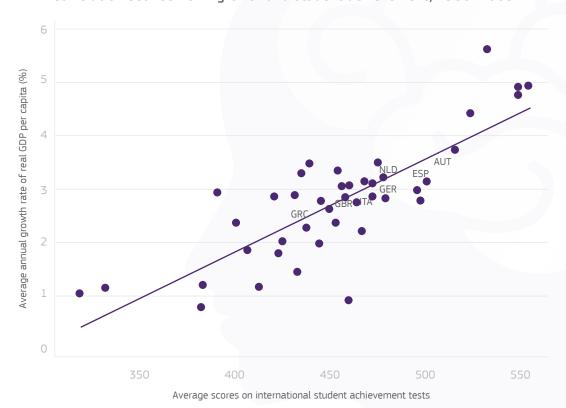
#EUSkillsAgenda

As the working-age population declines, a more skilled workforce, capable of contributing and adjusting to technological change and new patterns of work organisation, is essential to maintain productivity and growth in Europe.

# Skills drive GDP growth

Higher investment in skills leads to a more competitive economy. At country level, education is an important driver for economic growth.

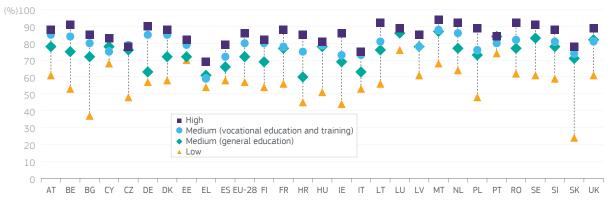
### Correlation between GDP growth and student achievement, 1960-2009



Source: Hanushek and Woessmann (2015), "The Knowledge Capital of Nations: Education and the Economics of Growth"

Investment in education pays off. In the EU-28, employment rates are highest for those with higher education or VET diplomas; those with (secondary level) general education suffer a substantial disadvantage in the labour market.





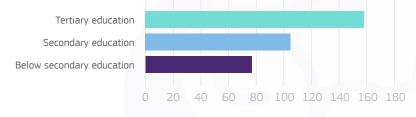
Source: DG EMPL calculation based on Eurostat Labour Force Survey data

## Skills, an excellent investment for individuals

Higher levels of educational attainment and skills also go along with higher individual earnings on the labour market. Among those who have a job, earnings increase on average by 7.4% for each additional year of education.

#### Relative earning of employed adults (25-64) for EU-21\* average

100 = average earning of adult with upper-secondary or post-secondary non-tertiary education



\* EU Member States that are also members of the OECD

Source: OECD, Education at a Glance 2013

# How will the New Skills Agenda for Europe help Member States to invest more in skills and talents?

- Raise awareness among Member States and stakeholders
- Keep dialogue with Member States on how to make best use of EU Financial Programmes (European Social Fund, European Regional Development Fund, etc.) to achieve the Skills Agenda objectives
- Use the European Fund for Strategic Investments (EFSI) to boost private-sector investment in skills development