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ABSTRACT

These proceedings contain reports of the plenary and working group sessions of a seminar to exchange information on such topics as the social dialogue on vocational education and training (VET) at the European level and involvement of social partners in development and implementation of European Community VET policy. Each report is introduced by a summary of key issues raised and recommendations made at each session. Working Group I on allocation and management of financial resources in VET includes three reports: "Financing of [VET] in the Construction Sector in Spain" (J. Galvan); "Financing and Managing Training for SMEs [Small and Medium-sized Employers] at the Inter-professional Level in France" (C. Turck); and "The Experience of the Labour Market Fund in Hungary" (A. Gyarmati-Racz). Working Group II on analysis of labor market skill requirements and assessment of related training needs consists of two reports: "Contractual Models for Anticipating Future Skill Requirements" (J. Mejer Pedersen) and "The Role of the Community and Regional Office for Training and Employment (FOREM) in Belgium in the Identification and Analysis of Training Needs" (C. Dewitt). Working Group III on development of qualification standards and accreditation of skills includes three cases: "The Experience of the National Vocational Qualifications System in the United Kingdom" (J. Winterton); "The Finnish System of Competence-Based Qualifications" (J-P. Jyrkanne); and "The Estonian Experience with the Development of a National Vocational and Professional Qualification System" (I. Link). Working Group IV on supporting the access of SMEs to vocational training contains three reports: "The Role of Social Dialogue in the Development of Vocational Training in the Metal Sector in Denmark" (J. Andersen); "Multi-Media Self-Training for SMEs in the Tourism Sector--A Leonardo Project" (G. Peroni); and "Linking Training Institutions with SMEs: The Experience of the Enterprise Support Center in Latvia" (I. Rudzate). Two sections of Plenary Session I follow: "The Social Dialogue in [VET]--The Involvement of the Social Partners in Implementing [VET] Policies" and "The Social Dialogue and European Training Programmes." The round table discussion, "The Social Dialogue on [VET] at the European Level: Achievements and Future Prospects," and "Key Conclusions of the National Reports on the Social Dialogue on [VET] in the Partner Countries" are also included. Plenary Session II provides a summary of conclusions and recommendations of the seminar as a whole. (YLB)

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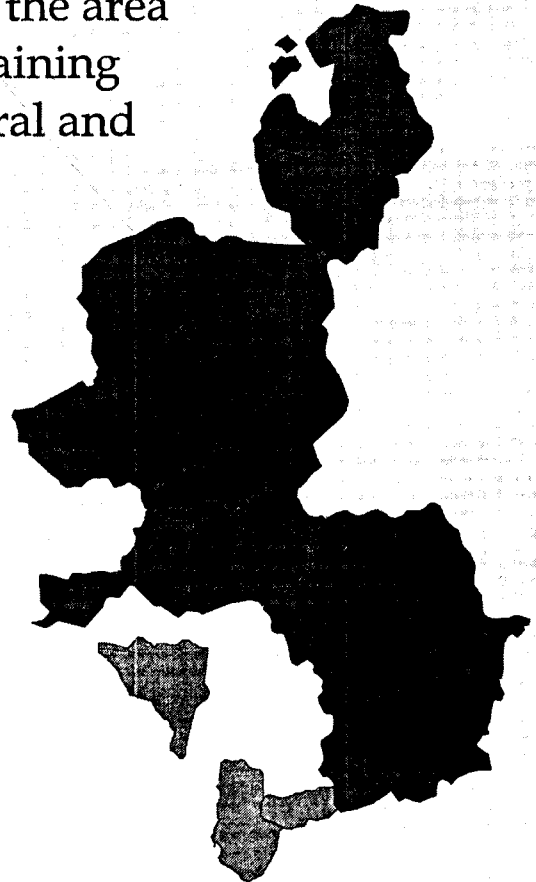
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PROCEEDINGS

Workshop on 'Enhancing the role of social partner organisations in the area of vocational education and training in candidate countries of Central and Eastern Europe'

December 1997



European Training Foundation

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The European Training Foundation is an agency of the European Union which works in the field of vocational education and training in Central and Eastern Europe, the New Independent States and Mongolia. The Foundation also provides technical assistance to the European Commission for the Tempus Programme.

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Introduction

In 1997 and 1998, following recommendations of the Foundation's Advisory Forum on the issue of social partner involvement in the development of vocational education and training (VET), the Foundation has developed and implemented a pilot project aimed at:

- a) promoting the culture of social dialogue on vocational education and training in the associated countries of Central and Eastern Europe;
- b) developing a sustainable action-oriented learning network between social partners from these countries and EU Member States; and
- c) reinforcing the institutional capacity for developing effective practices of social dialogue in vocational education and training in the associated countries.

The seminar organised in Turin in December 1997 was an integral part of this project. It was preceded by the collection of important information on the status of social dialogue in vocational education and training in the ten associated countries. National reports and a cross-country synthesis study were produced with the active involvement of social partner representatives from all countries.

This publication, which contains all the information material related to the seminar, and the organisation of four focused national workshops throughout 1998 constitute the final stage of the project.

The seminar

The seminar on 15-16 December brought together 54 participants. The majority of these were representatives of employers organisations and trade unions from Member States and partner countries. The European Commission (DG V and DG XXII), the European social partners (UNICE, CEEP and ETUC), CEDEFOP and the ILO also participated and played an active role.

The seminar provided an opportunity to exchange information on a wide range of topics including:

- the social dialogue on vocational education and training at the European level, achievements and future perspectives;
- the social dialogue in vocational education and training, a panorama of the state of play in the Member States,
- the involvement of the social partners in the development and implementation of Community vocational training policy (with a focus on their participation in the Leonardo da Vinci Programme, the EU's action programme on this topic);
- the participation of the social partners in human resources development activities supported by the EU Social Fund; and
- the participation of the social partners in the development and implementation of vocational education and training policies in the partner countries, an evaluation of the current situation and further challenges in the light of accession to the European Union.

Working groups

On the basis of concrete case studies (from East and West), the participants were given the opportunity to discuss and exchange experiences in four working groups which covered the involvement of the social partners in the following thematic areas:

- allocation and management of financial resources invested in vocational education and training;
- analysis of labour market skill requirements and assessment of related training needs;
- development of qualification standards and accreditation of skills; and
- supporting the access of SMEs to vocational training

The following pages contain reports of both the plenary and the working group sessions. Each report is introduced by a summary of the key issues raised and the recommendations made at each session. The individual reports are followed by a summary of the conclusions and recommendations of the seminar as a whole.

Finally, information slides, presentations and other relevant materials are reproduced in the appendices attached to the report.

Working Group I

Allocation and management of financial resources in vocational education and training.

Chairperson: Mr B. Oskarsson, VET Tacis Unit, European Training Foundation

Facilitator: Mr M. Nuñez, TGI Gerente de Recursos Humanos, Madrid, Spain

Summary and main conclusions

Different countries find very different solutions to the problem of financing vocational education and training. Some of the options experimented with in the EU are: compulsory levies paid by both workers and employers; time-saving accounts (for example as compensation for overtime); and tax incentives for companies that invest in training.

In the long run, however, most countries seem to opt for a system where a certain percentage of the gross wages paid by employers is fed into the training system. Funds for this can be collected by the introduction of a specific training tax, imposed, by preference, only on companies which have not provided a set minimum amount of training for their employees or external apprentices and administered, again by preference, by bipartite training bodies.

Whichever solution is opted for, sharing human, material and financial resources within sectors or regions is imperative, particularly if SMEs are to be included in training initiatives. At the same time, it should be noted pooling on a sectoral basis can cause complications. The Spanish experience shows that a successful sectoral approach requires a fair amount of homogeneity and the advance of new sectors, such as the telecommunications and media sector, might require a continuing effort to find more universally applicable structures.

The problem of financing hours spent on training at work, on computer-aided courses or on other 'new' forms of education poses a challenge to all of the systems currently used to finance continuing vocational training. This challenge needs to be addressed in the near future.

It is recommended that all efforts to propagate the notion that appropriate training is an *investment* both for employers and employees be continued.

The main aim of this working group was to discuss current practices in the allocation and management of financial resources invested in training and to examine how these could be transferred to the specific situations in Central and Eastern European countries. Following an introduction by the facilitator, three case studies were presented:

Case 1. Financing vocational education and training in the construction sector in Spain.

Speaker: Mr J. Galvan, Fundación Laboral de la Construcción, Madrid, Spain.

Case 2. Financing and managing training for SMEs at the inter-professional level in France.

Speaker: Ms C. Turck, AGEFOS-PME, Paris, France.

Case 3. The experience of the Labour Market Fund in Hungary.

Speaker: Ms A. Gyarmati-Racz, Hungarian Employers Association, Budapest, Hungary.

Introduction:

The facilitator, M. Nuñez, opened the session.

Mr Nuñez introduced the topic to be discussed in the working group by summarising the results of a recent comparative study on the financing of training at enterprise level in the EU. In most EU countries, training is financed through compulsory dues paid by both workers and employers (Belgium, Denmark, Spain and France), through the use of time-saving accounts as compensation for overtime (Austria, France and Spain), or through tax incentives for companies that invest in training (Germany, Ireland, Luxembourg and France). Interestingly, in Sweden, examples can be found of companies that have included time and money spent on training in the company balance sheet.

At sectoral level, training funds can be established by law or by collective agreement. Existing examples are usually financed by employers.

Mr Nuñez continued by summing up the points which could be of interest to social partners when they seek to be involved in training in an environment where the need for training is high and financial resources are scarce. Tax incentives are a support measure well worth pressing for at national level. Sharing human, material and financial resources within branches or regions is imperative, particularly if SMEs are to be involved. [See also Working Group IV.] It is important to assure that there is a full return on funds invested in training equipment. Much of the equipment bought for initial training could also be used for continuing training. If initial vocational schools could be given financial autonomy, their interest in making their material resources available to a wider public might be aroused. Similarly, incentives (perhaps tax incentives again) to encourage the use of company equipment for training purposes are worth investigating. Finally, Mr Nuñez pointed out the controversial division between working time and training time. A lot of training is actually carried out while people are working. This could be streamlined.

Concluding his presentation, Mr Nuñez formulated the questions the working group should address. How much money and time should be spent on training? Who should pay for training? How and by whom should funds be collected? And, finally, how should training funds be managed?

Comment:

Mr Pitra from the Czech Managerial Organisation remarked on the need to distinguish between the employer and the employee as two different beneficiaries of the same training process who should, perhaps, pay for the benefits they receive from training on a pro-rata basis.

Case 1.

Financing of vocational education and training in the construction sector in Spain.

Speaker: Mr J. Galvan

In Spain, a bipartite foundation (Fundación Laboral) manages training for the construction sector nationwide. Of the total amount they spend on wages, companies are obliged to contribute 0.05% towards the operational costs of the foundation. Another 0.6% - part of the National Insurance contribution - is forwarded to the National Institute for Employment which comes under the Ministry of Labour. Employees also contribute 0.1% of their wages. The resulting fund is equally divided for training for the employed and the unemployed.

Each year, the foundation circulates its proposed training programme to all contributing companies. In reply, companies can comment on the content of the courses, which are adapted accordingly. The foundation then draws up a training plan which is submitted to the national body which manages the funds for continuing training (FORCEM). FORCEM then allocates funds on the basis of the number of trainees that sign up.

In 1997, 40,000 workers attended 6,000 courses. They came from 4.5% of all of the companies circulated. 70% of these companies had less than 20 employees and 45% had less than 10.

The main strength of the foundation lies in the fact that it is co-managed by employer and employee representatives and is, therefore, well-suited to administering continuing training. Its bi-partite structure also helps the social dialogue: the people on the foundation's board are also involved in the collective bargaining process each year. This creates a favourable atmosphere.

Discussion:

The first question from the audience was why the low rate of 4.5% of companies sending employees to training cannot be increased. Mr Galvan responded that, apart from the fact that the resources are limited, **a culture of training is still lacking**. Much work remains to be done to increase awareness of the importance of training.

One participant wondered whether the initiative had been followed by other sectors in Spain. Mr Galvan answered that the metal sector was attempting a similar venture but because of **lack of homogeneity, this has not yet got off the ground**.

Elsewhere in the world, one of the problems with sector-oriented training centres has been mutual distrust among companies. This can stop companies from sending to training courses those employees whom they are afraid they might lose to competitors. Questioned about this, Mr Galvan replied that the foundation organises separate programmes for the largest companies so that their employees do not mix at all.

Case 2.

Financing and management of training for SMEs at the inter-professional level in France.

Speaker: Ms C. Turck

In France, legislation adopted as far back as 1971 introduced company taxes to contribute to continuing vocational training. One of the two inter-professional organisations responsible for collecting and managing the funds for these training programmes is AGEFOS-PME. [There are another 41 branch-specific collectors in France.]

In addition to the administrative work that comes with its broad mandate, the agency carries out surveys of educational needs, consultancy activities and provides information and advice on training centres. AGEFOS-PME is co-managed by employers' organisations and trade unions and is concerned with training only for the employed. The organisation of the agency is decentralised with the head-office in Paris and 23 regional agencies. It can draw on the expertise of a network of 750 consultants nation-wide. Of the 220,000 companies AGEFOS-PME works with, 185,000 have less than 10 employees.

Companies with more than 10 employees have to pay 1.5% of all gross salaries as a 'training tax'. 0.9% is allocated to the training of employees (AGEFOS-PME keeps 10% of this 0.9% for its own operational costs), 0.4% is allocated to the training of young people and 0.2% for financing individual training courses (such as training leave etc.). Smaller businesses pay considerably less [on average FF 600 (ECU 90) per annum].

Although companies in France are obliged to spend the above-mentioned 1.5% on continuing vocational training, they are free to choose whether they want to spend the 0.9% on training organised by themselves, as a contribution to an agency such as AGEFOS-PME or as a tax to the state.

One of the important recent developments AGEFOS-PME has noted and tries to respond to is the decreasing sense of social responsibility of employers now that much of the work which is not central to companies is farmed out to specialised service providers. An important element to be mentioned is the emerging strategic dimension of training investments. Skills development is rapidly becoming the main advantage in a competitive environment.

However, as Ms Turck pointed out, not all of the consequences of current changes in the work and training ethic are within the control of traditional training agencies. Only formal continuing vocational training is managed by the funds while new training models are increasing in importance.

Discussion

In reply to a request for clarification on her last point from Mr Heidemann of the Hans-Böckler Stiftung in Düsseldorf, Ms Turck explained that there was a problem financing hours spent on training at work, on computer-aided courses and on other 'new' forms of education. This posed a challenge to any system for financing continuing vocational training.

Mr Luttringer from Circé in Paris asked whether, given the amount of administrative work carried out by the agencies, there was any money available for training of the union representatives in them. Ms Turck answered that, since union representatives were appointed and not elected, training was the responsibility of the unions themselves. However, **a small part of the contribution paid by companies is fed back to trade unions and employers organisations for training of their own people.**

Mr Heidemann noted that both the Spanish and the French models work within the framework of a legislative model and asked whether that would imply that, in Central and Eastern Europe, the first moves should be made at government level. The social partners could then start elaborating systems within legally established frameworks. To this, Ms Turck commented that, in France, legislation can be changed only after an agreement with the social partners and the first law of 1971 was preceded by a clear agreement between them.

Mr Luttringer commented that he found the idea of not forcing a tax on companies very attractive. **If a tax had been introduced without the alternative of organising training to the equivalent amount, people would very soon forget what the tax was originally for.** At the same time, the average contribution of FF 600 means that the alternative is not a viable option for SMEs. For them, the inter-professional funds can, therefore, be very useful.

Case 3.

The experience of the Labour Market Fund in Hungary.

Speaker: Ms A. Gyarmati-Racz

In Hungary, legislation adopted in 1991 marked the beginning of reform in the financing of vocational training. Since 1991, soaring unemployment figures have posed a huge challenge to the government whose main aim became to keep young people in the regular education system for a longer period in order to increase their exit-qualifications. At a time when privatisation and bankruptcies were forcing companies to cut their budgets for apprenticeships, finding finance for training was a difficult proposition. An elaborate system to fund vocational education and training was, therefore, worked out.

One of the financial tools envisaged to fight unemployment in the 1991 legislation, was the Labour Market Fund. Apart from the Treasury contribution, from which unemployment benefits are paid, the Fund includes a vocational education and training element. All Hungarian employers [except for those in agriculture where a more gradual adjustment is being made] have to contribute 1.5% of their gross expenditure on wages to vocational training [though not necessarily to continuing vocational training]. There are different ways of doing this.

- 1. Companies can provide in-house training to the equivalent amount, either as continuing vocational training [for external trainees] or as apprentice training. [The definition of company expenditure is a controversial issue with material costs and the financial gains of apprenticeships a topic of continuous discussion.]*
- 2. Companies can provide direct financial assistance to training institutions for the equivalent of up to 75% of the 1.5%.*
- 3. Since 1997, companies can deduct up to 0.2% from their obligatory contribution if they provide continuing vocational training for their own employees to the equivalent amount.*
- 4. If companies cannot prove that they have spent the full 1.5% on training in one or more of the above ways, they have to pay the balance into the Vocational Education and Training Fund.*

Roughly 20% of the dues is paid as a contribution to the Vocational Education and Training Fund while 37% is paid as direct financial assistance to training institutions.

The money in the Vocational Education And Training Fund is used to compensate companies which exceed the 1.5% expenditure mark, to finance equipment and other facilities for practical training providers [schools or companies] and to finance centralised programmes for the development of vocational education and training.

A tri-partite consultative council is associated with the management of the Labour Market Fund.

Discussion:

After some clarifications by the speaker in reply to questions from participants, Mr Heidemann commented that **discussions on resources for training should all take into account that these constitute not only money, but also time and organisation. It is necessary to specify these three dimensions in all agreements - bi- or tripartite - and to decide who has to contribute to each of them.** Mr Fragoulis of the Foundation concluded that there seemed to be a general consensus that **training had to be seen as an investment for both employers and employees.** He reiterated the importance of the three dimensions mentioned by Mr Heidemann.

Working Group II

Analysis of labour market skill requirements and assessment of related training needs.

Chairman: Ms L. Jackson, Head of Strategy Unit, European Training Foundation

Facilitator: Mr J-P. Deliège, Service Etudes de l'Interrégionale Wallone de la FGTB [Trade Union Federation], Brussels, Belgium

Summary and main conclusions

Labour market analysis is an absolute precondition for the accurate identification of training needs. The analysis of labour supply from the point of view of the unemployed is relatively easy. Cooperation between social security systems and unemployment offices can contribute to mapping the available skills. The analysis of the demand for work from the active and future workforce is more difficult, as is the analysis of labour supply. Both are extremely volatile and cannot be forecast over long periods. A permanent monitoring system is, therefore, a prerequisite. In the EU, there have been some positive experiences with monitoring systems which have their roots at local, or even enterprise, level. At the same time, there also is a need for national coordination, particularly in support of less developed regions.

Social partner involvement is indispensable to the process of identifying training needs. However, to prevent disputes of a different nature from interfering with the dialogue on training, purpose-designed joint structures would appear to be preferable to traditional bargaining between social partner organisations.

To increase the legitimacy of the social partners, a gradual transfer of tasks from the central authorities seems preferable to a sudden delegation of powers from the top to the bottom. Along with the tasks will come responsibility and along with responsibility comes authority.

It is recommended that more opportunities be given to social partners from accession countries to visit and learn from their counterparts in the EU.

Following an introduction by the facilitator, two case studies were presented:

Case 1. Contractual models for anticipating future skill requirements - a Leonardo project.

Speaker: Mr J. Mejer Pedersen, SUM, Copenhagen, Denmark

Case 2. The role of the Community and Regional Office for Training and Employment (FOREM) in Belgium in the identification and analysis of training needs.

Speaker: Mr C. Dewitt, CGSP Parastaux-FOREM, Namur, Belgium

Introduction:

The facilitator, J-P. Delière, opened the session.

Taking as a starting point the Circé report presented by Mr Luttringer in the plenary sessions, Mr Delière attempted to shed light on the complex relationship between labour markets and vocational training systems.

A recent survey in Belgium identified the hardly astonishing, but nevertheless important, notion that people look in the first place for work, not for a vocational qualification. This implies that, in developing training policies, the final aim of finding a job should always be taken into account. The same survey found that the people who look for training are, typically, not those with the least education. In other words, those who need education most are not the first to step forward when training is offered. Finally, the survey showed that the duration of the transition period between training and entry into active employment has lengthened in recent years.

According to Mr Delière, one of the main sources of confusion in discussions on labour market issues is a lack of transparency. The general idea we have of the labour market does not reflect the real situation. Although we have a very good idea of labour demand, our knowledge of labour supply is, unfortunately, limited.

Mr Delière introduced the concept of the 'insertion path'. One of the tensions on the labour market results from friction between labour demand and labour supply. This can happen when the demand is for a labour force with very high qualifications and the workforce includes a rather high percentage of long-term unemployed, usually with insufficient training. The insertion path is a new concept which attempts to confront the issue of the impact of the training system on that tension. An important aspect of the concept involves matching the kind of training supplied to the training demands of enterprises. In Belgium, alternating periods of work and training are now being introduced for two reasons: first, to assure the insertion into work of unqualified youngsters; and, secondly, to support training in new technologies. Vocational training centres often do not have the budget to stay up-to-date in this field. Training people on the job is a viable alternative in such cases.

In Belgium, the state has several instruments at its disposal for regulating the market. Private enterprises are obliged to communicate their vacancies to the public employment service and the state gives financial support to enterprises which organise continuing training, provided that there is dialogue between and with the social partners on the content of the training. There is also a public agency which is concerned with vocational training (FOREM in the French-speaking part of Belgium). Finally, the state regulates the demand for training by granting bonuses (of roughly one extra ECU an hour) to trainees who attend courses.

Case 1.

Contractual models for anticipating future skill requirements.

Speaker: Mr J. Mejer Pedersen

In his introduction, Mr Pedersen argued that continuing vocational training must satisfy two demands: industry's needs for qualifications and workers' needs to acquire [additional] competencies that are of value to their personal development. The experience in Denmark shows that this does not always involve a conflict of interest.

SUM (Strategic Development of Employees)

In the last few years, trade unions in Denmark have been looking for new areas in which to exert their influence and have become involved in vocational education and training. They have now negotiated one week of training per year during working hours for each employee in Denmark. However, the two sides of industry could not reach an agreement on the content of this training. Employers said that, if training took place during working hours, it had to be to the benefit of the enterprise. Employees argued that, if the week's training they received was in lieu of a pay rise, it ought to be beneficial to themselves. Both had a point.

The conflict could not be resolved at central level. Instead, the social partners decided to set up a joint project: SUM (Strategic Development of Employees). One of the lessons learned from the SUM experience has been that, when employers and employees negotiate at the enterprise, rather than a more central, level, agreements are reached much more easily. The scheme seems to have functioned very satisfactorily.

The social partners play a crucial role in defining continuing vocational education programmes in Denmark. They design the curricula, for example. Mr Pedersen believes that, in situations where the social dialogue is not yet fully developed, it is better to start familiarising social partners with vocational training practices by delegating concrete tasks to them; along with tasks come responsibilities, and along with responsibility comes power and authority.

Under the SUM project 1,500 courses have now been developed. These can be attended free of charge by eligible employees. During their training period, trainees receive minimum income support, so it is economical for employers to send their employees on the courses.

[Information on SUM's relationship with SMEs can be found in the Discussion section following Case 1 in Working Group IV.]

Anticipatory management of continuing vocational training

Mr Pedersen went on to present a Leonardo project entitled Anticipatory management of continuing vocational education which he coordinates. The goal of the project is to qualify employees for future needs. The main aim of the individual project partners is to compare their systems with those in other countries. The project partners are social partner organisations from Denmark, Finland and Spain, primarily from the metal industry. Partners from France, Sweden and Norway have an observer status.

At the beginning of the project, the project partners were asked to describe their current practices in a uniform format. A seminar was then organised where the situations were compared and where partners examined all of the methods adopted and identified those which could be useful in their specific environments.

In Spain, companies pay 'training contributions' into a central fund. If they can produce a sound continuing vocational education plan, they can apply for training for their staff. Generally, it is the larger enterprises who are in a better position to avail of this opportunity. It is difficult for SMEs to produce a continuing vocational education plan and, thus, to get their share of the funds. Because of this, social partners from individual branches decided to join forces to cater for the SMEs they were involved with.

In Finland, there has been a long tradition of cooperation at enterprise level to increase job satisfaction. The Finnish partners have also been working on continuing vocational education planning in enterprises but they have found that this is often very time-consuming. So, based on their own, the Danish and the Spanish experiences, they have developed computerised planning aids.

Discussion:

Mr Pedersen was asked who the partners at enterprise level in Denmark were: the trade unions or the work council. It would appear that it is the works council. This was seen as interesting since most partner countries do not have a system of work councils. Most negotiations on vocational education and training will, therefore, have to be between employer organisations and trade unions. Since these are often in a state of near-war on entirely different issues, the debate might not prove as peaceful (and fruitful) as it would if the discussions were held between employers and work councils.

Some participants were sceptical about the transferability of the system such as that which has been developed in Denmark and which seems to be so clearly based on a sound economy and positive social attitudes. Mr Pedersen, however, stressed that the situation was new in Denmark too and that a start had to be made somewhere. One way forward, perhaps, is the path taken in Poland since the early nineties: enterprises have to pay 3% of their total expenditure on wages into a special fund from which unemployment allowances and training are paid. Initially, 90% of this fund was used to pay allowances, but this figure seems to be decreasing and more money is being made available for training.

Case 2.

The role of the Community and Regional Office for Training and Employment (FOREM in Belgium in the identification of training needs.

Speaker: Mr Dewitt

Although Belgium is a centralised state, the regional authorities are responsible for employment and training. The social dialogue is very well developed. For all levels (federal to enterprise), there are different, appropriate structures. In Belgium, the financing of training does not come exclusively from the state: the social partners have also established their own sectoral funds for training purposes.

The regional institutions for both linguistic communities are responsible for the training of workers. For the French-speaking part of Belgium, this institution is FOREM. FOREM is managed by a mixed board: a chairman, 7 representatives of employers organisations and 7 representatives of trade unions are among its permanent members. The regional ministry of vocational training is also represented.

In addition to being responsible for all labour market-related training, FOREM is in charge of placing job-seekers, managing initiatives on unemployment, etc. In French-speaking Belgium, the role of the regional political authority is to enact legislation and draw up the budgets. The role of the management board of FOREM is to give its opinion on ministerial decrees and to allocate and commit the budgets. The ministry commissioner has a consultative role, is required to test the legal validity of the decisions made and has the power of veto.

As well as its qualitative targets, FOREM has the quantitative target of providing a total of 3,200,000 hours of training per year.

Discussion:

One point raised in the discussion was whether there are any national standards left in a country like Belgium where the responsibility for training is so decentralised. It would appear, from the answer, that there are not. Although they acknowledged the positive aspects of decentralisation, the majority of participants seemed to be of the opinion that this is not an ideal situation. Decentralisation has its advantages, but national coherence is also important. In this context, the Netherlands was cited as an example of good practice. In the Netherlands, the different industrial branches have employed consultants who gather information from local firms and translate these into qualifications. This has increased transparency by providing both an insight into local needs and a national response to the issue in the shape of training targets and qualifications.

The importance of building networks, which are in constant contact with the grassroots and which can translate their knowledge into training programmes, was stressed repeatedly. This has to be done at regional level. The representative of Eurochambers, for example, referred to the use of regional observatories to monitor local activity at a small number of enterprises and to provide advice on training opportunities.

Finally, it was suggested that social partners from Central and Eastern European countries should be given the opportunity to familiarise themselves with EU practices through selected

study visits. CEDEFOP organises this type of study visit in the framework of the Leonardo programme and participation in these visits is now open to representatives from accession countries.

Working Group III

Development of qualification standards and accreditation of skills

Chairperson: Mr T. Schröder, Strategy Unit, European Training Foundation

Facilitator: Mr W. Heidemann, Hans-Böckler Stiftung, Düsseldorf, Germany

Summary and main conclusions

Traditionally, qualifications have been based on attendance at courses in the regular education system. In recent years, new systems which recognise competence acquired through work experience have been developed in some EU countries. These can be used as a starting point for the development of similar systems in other countries.

The involvement of the social partners in recognition procedures increases the likelihood that acquiring qualifications will lead to employment. Social partner involvement needs to be ensured from the beginning of the recognition process. A role for social partners, which is limited to endorsing qualifications proposed by other parties (such as training institutions or governments), is insufficient.

There is no single approach to involving social partners but the validation, even of formally recognised, qualifications in the employment system is crucial and should be ensured at both sectoral and enterprise levels.

Recognition systems, which do not have rigid sectoral limitations, and broader qualification systems are necessary to ensure portability, mobility and transferability.

The participants in this workshop recommended that more opportunities for the exchange of experience between EU social partner organisations and their Central and Eastern European counterparts be provided.

The aim of this working group was to discuss some modern examples of skill accreditation and to investigate how social partnership can contribute to the development of these. After an introduction by the facilitator, three cases were presented:

Case 1. The experience of the National Vocational Qualifications System in the UK.

Speaker: Mr J. Winterton, Napier University, Edinburgh, United Kingdom

Case 2. The Finnish system of competence-based qualifications.

Speaker: Mr J-P. Jyrkänne, Central Organisation of Finnish Trade Unions, Helsinki, Finland

Case 3. The Estonian experience with the development of a national vocational and professional qualification system.

Speaker: Mr I. Link, Estonian Association of Construction Entrepreneurs, Tallin, Estonia

Introduction:

The facilitator, W. Heidemann, opened the session.

There are national systems of recognition of qualifications in all EU countries. In addition, there are social partner-based systems and informal certification systems by individual training providers. The recognition of qualifications in the education system is not the same as the validation of those qualifications in the employment system.

Typical of the traditional accreditation systems for formal qualifications in all EU countries is the requirement of attendance at regulated education and training courses. Another salient characteristic is that the qualifications are generally recognised nationwide. In all EU countries, involvement of the social partners enhances the validity of these qualifications on the labour market.

New systems of recognition have been developed in recent years. These are not based on attendance at regular courses but on the outcome of training and/or work experience. The combination of these leads, via assessment, to a formal qualification.

Bodies such as Chambers of Trade and Commerce can recognise informal types of certification. These often have no formal recognition but their usefulness is restricted to the sphere of influence of the training providers.

Social partners in some countries agree on standards for qualifications and for recognition. Informal qualifications are usually sector-related and based, mainly, on work experience. In France, this type of system is well developed.

Not every qualification awarded by the regular education and training system retains its value in the employment system. Employers do not always recognise nationally awarded certifications. Actual qualification in the employment system is dependent on three factors: first, the formal certification and recognition systems; secondly, agreements or legislation on wage groups; and thirdly, the specific company assessment procedures. These three dimensions were referred to as 'the corner-stones of a magic triangle'.

Mr Heidemann went on to define the concepts of 'competence' and 'qualification'. Competence means the ability to carry out an occupational task according to defined standards. Competence has two dimensions: practical skills and understanding of the context. Qualification is the more formal ability to meet the requirements of a (complex) workplace. It is usually formally recognised by the education and training system.

Formal recognition, although it may seem useless to the individual employer, is necessary to ensure the portability of qualifications between sectors and countries. And, as mobility is a 'constitutional' right in Europe, there is a need for a certain formal recognition of qualifications. Weak formal recognition means less chance of employment and it has also been noted that narrow and unrecognised fields of competence reduce the worker's chances of gaining new employment.

Discussion:

The Chairman asked what role teachers and students play in the 'magic triangle'. Although he acknowledged the importance of the individual teacher's competence in the value of a

qualification, Mr Heidemann stressed that the triangle relates only to the employment system and its requirements. If training is carried out properly, it can serve the requirements of the employment system. However, there are also instances of highly professional training courses which do not correspond to the wage groups or to the requirements of a single enterprise.

Mr Andronic, Cartel Alfa Trade Union, Romania, asked for an example of good practice in the involvement of the social partners in the recognition of qualifications. The problem with recognition is usually that it is too sector-oriented. Mr Heidemann returned, therefore, to the French example where, after the process of assessment, the 'opinion' of the social partners is forwarded to the Ministry of Labour who then formalises the recognition. Mr Wielemaker, the Netherlands, clarified that, in France, social partner involvement comes at the end of the process. The French social partners assess the training provided by the regular education system. Mr Wielemaker stressed the importance of social partner involvement at a much earlier stage so that they can formulate training demands, leave the actual training to schools and then formally recognise the resulting qualifications.

In reply to a query, Ms Synnova of CEDEFOP, said her organisation has produced a collection of examples of qualification systems in the EU Member States. This is available in three languages and can be used for comparative purposes.

Case 1.

The experience of the National Vocational Qualifications System in the UK.

Speaker: Mr J. Winterton

Mr Winterton introduced his presentation by outlining the UK framework for vocational education and training and the drastic changes introduced by various Conservative governments between 1979 and 1997. In the latter part of those years, a unified system of national vocational qualifications (NVQ) was introduced in an attempt to remedy the chronic inadequacy of the vocational training system. The Conservatives' response to the complaints of 14 major companies was to bar the trade unions from the training arena by putting the responsibility for continuing vocational education and training in the hands of new employer-led Industry Training Organisations (ITOs). As a result, the trade unions have moved their attention from sector- to enterprise-based training.

The NVQs are intended to act as an umbrella for all existing vocational qualifications and to bring them within a common framework. The idea is that the qualifications are to be comparable across sectors. An NVQ level 2 or 3 will be of the same standard whether it is in business administration or animal care. The system is generally applauded but there are serious criticisms too. These include inadequate theoretical underpinning, the varying quality among some sectors and the slow take-up in others. The NVQs are delivered by the employer-led ITOs. Industry Lead Bodies, which are also employer-led, set the occupational standards. The training is certified by awarding bodies which remain the same as before. The NCVQ monitors and validates the qualifications.

In terms of the constitution of the ITOs, there is no role for trade unions in this process. However, in unionised sectors, trades unions are kept involved in the ITOs by the employers. These acknowledge the fact that the involvement of trade unions brings knowledge of the nature of work in a real context and that it is a way of ensuring a wider endorsement of the industry standards.

Returning to Mr Heidemann's triangle [the idea of which was developed through the Leonardo project 'Valid' in which Mr Winterton was also involved], the three dimensions [formal certification and recognition systems, agreements and legislation on wage groups, and company assessment procedures] are all areas where there is social partner involvement, but this is not integrated. The result is that the interesting bit, which is at the centre of the triangle, is not being sufficiently addressed in the UK system.

With the rapid changes in industry, adaptive training has increased in importance and receives due attention in the social dialogue on vocational education and training. Employers have had a tendency to abuse the modular training systems used for this by picking the parts they could best use and dropping the rest and, thereby, turning training into a reprogramming, rather than a developmental, activity. This destroyed the integrity and, in particular, the portability of qualifications.

Another interesting area for social partner involvement is multi-skilling where the main question is whether we are talking about genuinely acquiring new skills or, in fact, about multi-tasking and work-intensification.

Thus, in the UK, two potential directions for the trade unions to push for are an empowerment model moving towards autonomously working self-directed teams and an enskilling model where there is a genuine acquisition of new skills.

Discussion:

Because the UK model is largely decentralised through social partners, one participant asked whether there were any links with universities and research centres.

Mr Winterton replied that there were a number of universities and research centres involved in the evaluation of changes in the system but that, as far as training was concerned, it is only in the field of further education where they play a role.

One participant noted that the UK has developed NVQs for trade union professionals and asked about experiences in this regard. Mr Winterton acknowledged that that was an interesting development. The unions were quite supportive of the NVQ system from the start and saw it as a way of getting their own people's experience recognised. There has never been a formal qualification for trade unionists. The representative of Solidarnosc, Poland confirmed that similar steps have been taken in Poland.

Case 2.

The Finnish system of competence-based qualifications.

Speaker: Mr J-P. Jyrkänne

Mr Jyrkänne highlighted the principles of the Finnish system, the first of which is flexibility. The Finns have tried to establish a system where people can receive a recognised qualification regardless of the route they take through the regular education system. Flexibility is also reflected in the training methods opted for and there is a lot of emphasis on modern training methods.

The second principle is that of broad access to recognised qualifications. This is linked to the idea that competence is not necessarily acquired through formal training.

The third principle is that of equal certification in initial and continuing vocational training. In Finland, there is an ongoing dialogue between the education administration and the training institutions, through, among other mechanisms, 25 sectoral education committees which are responsible for the requirements of the certification. There are 220 Examination Boards which are in dialogue with the training institutions. These boards are, in a way, quality control institutions monitoring the training institutions' examinations.

The fourth principle is that of the individual approach. This means that those who are willing to obtain a new qualification can pick precisely those modules they need to achieve the required level without having to go through a standard course, half of which is, perhaps, irrelevant to their needs. This considerably increases the motivation to enrol in training.

The fifth principle is that of the involvement of the social partners in both the administrative and the operational parts of the system. With the support of the social partners, future needs can be anticipated more accurately and, with the help of the education committees, these needs are translated into training requirements.

Comments and questions:

Because the presentation concerned mainly adult education, one participant asked whether initial training was integrated into the system. Mr Jyrkänne replied that the system does concern mainly adult education. There are different certification structures for the two groups. After initial education, it normally takes three to four years on a job before training and examinations for the competence-based system can commence.

Case 3.

The Estonian experience with the development of a national vocational and professional qualification system.

Speaker: Mr I. Link

When Estonia became independent, the existing vocational education and training system was abandoned. It was generally accepted that Estonia needed a qualification system that was based on market needs. At the time, there were still two [competing] employers organisations, so it was agreed that the 'neutral' Chambers of Commerce would be in the best position to take the lead in this process. The state was supportive but did not play an active role at the start.

The purpose of the proposed national qualification system was to train qualified labour for a competitive environment. The qualifications had to be measurable, the measuring system had to be comparable to other systems and the whole system had to accommodate the idea of life-long learning. For the Estonians, there were two separate issues: the reform of the organisation of vocational education institutions and the creation of a labour qualification system.

At the next stage, all parties were involved, including the Ministries of Social Affairs and Education and the trade unions. Political decisions were taken by the state vocational education board. In December 1997, the government accepted the proposals and work started. The Examination and Qualification Centre under the Ministry of Education will be responsible for the development of new examinations for schools. The Chambers of Commerce will co-ordinate the approval of qualifications.

At present, national standards, descriptions of vocational professional skills, and qualification categories are being drawn up by the Chambers of Commerce. Professional Councils, 15 in all, are preparing a classification of occupations [based on the ISCO classification system] and a distribution of vocational professions by sector.

The final system will be mixed: some qualifications will require attendance at regular education courses and others will be based on work experience. The whole system is being tested through a network of pilot schools.

Discussion on Case 3 and the general theme of the working group:

The ISCO classification system was discussed and it was noted that the system, which dates back to 1988 and describes specifications rather than occupations, is no longer entirely up-to-date. The Finnish classification system and a Polish system which is being developed were cited as more appropriate to current requirements.

A participant from the Czech republic asked whether any trends in social partner involvement in vocational training could be noted in the EU. Mr Heidemann answered that one such trend could be a general acknowledgement of the benefits of social partner involvement. Even in situations where this was originally not intended, such as the UK where the system adopted was entirely employer-led, the involvement of all social partners has become accepted as a basic condition for the development of an adequate qualification system.

The question was raised of where to start the process of social dialogue in countries which have no history of social partnership whatsoever. Ms Gyarmati-Racz tried to answer this question by explaining how Hungary, which came from such a situation in the late eighties, tackled the issue. Mr Wielemaker from the Netherlands commented that the examples of both Hungary and Estonia illustrate that it is a good idea to organise round-table discussions on how to reform the training system with all partners involved before the process is started. However, he added that, after that initial stage, it is important to clearly define who is responsible for which part of the process. Otherwise there is a risk of returning to a system where civil servants decide on which qualifications are most needed. In response to this, Ms Radelescu from Romania commented that this requires a culture of cooperation as well as a situation where the social partners have sufficient experience, training and influence. [See in this context also Mr Pedersen's remarks in Working Group II.] She added that new structures may even be counter-productive if there are no adequately trained people to staff them.

Working Group IV

Supporting the access of SMEs to vocational training.

Chairperson: Mr A. Bonisoli, Strategy Unit, European Training Foundation

Facilitator: Ms M. Hurup Grove, UNICE Social Dialogue Support System Expert, Copenhagen, Denmark

Summary and main conclusions

Providing roughly one-third of all jobs in the EU and still increasing in importance, SMEs constitute a sector which cannot be ignored. This is equally valid for the countries of Central and Eastern Europe. However, by its nature, SME activity is hard to monitor. Although it is generally agreed that the training needs of SMEs are at least as pressing as those of larger enterprises, it is often difficult both to assess the sector's precise requirements and to deliver adequate training.

SMEs in Central and Eastern Europe are often extremely small (micro-enterprises) and were started up on the basis of available professional skills or, worse, because of the absence of any other employment alternative. SME managers often lack sufficient managerial competence. At the same time, they have not the time or the money to upgrade their skills. SMEs are often unaware of the need for (and the benefits of) training and, if they are aware, usually do not know where training support is provided. In other words, the problem is not solely of a strictly financial nature. Inadequate information flows are also having an adverse effect on the situation. A focus on awareness-raising activities is recommended.

In order to lobby for the needs of SMEs, it is necessary to increase not only their visibility but also their audibility. Pooling of (all kinds of) resources seems to be an important key to solving the problem of access to training. A well-tested option, in this context, is to provide branch-specific structures which allow SMEs of a similar nature to team up together or with larger companies.

In a healthy economy, the adequacy of training can be improved through the (semi-) commercial provision of courses. This guarantees a mutual interest in providing up-to-date training. New training techniques, such as distance learning supported by the Internet and other forms of modern technology, can help invalidate the argument that a lack of time excludes the possibility of further training. The use of educational CD-ROMs, for example, allows trainees to study at their own pace.

Ways of increasing the access of SMEs to training are currently being tried out across the EU. It would appear that there is no single solution to the specific requirements of individual countries. However, the experience gained in the EU and catalogued by UNICE could be useful to government bodies and social partner organisations in Central and Eastern Europe. It is recommended that such information be distributed widely.

The main aim of this working group was to identify ways of raising SMEs' awareness of the importance of training and of the training opportunities available. Following an introduction by the facilitator, three cases were presented:

Case 1. The role of social dialogue in the development of vocational training in the metal sector in Denmark.

Speaker: Mr J. Andersen, Dansk Metalarbejderforbund [Metal Workers Union], Copenhagen, Denmark

Case 2. Multi-media self-training for SMEs in the tourism sector- a Leonardo Project.

Speaker: Mr G. Peroni, Italian Centre for the Advanced Studies of Tourism, Rome, Italy

Case 3. Linking training institutions with SMEs; the experience of the Enterprise Support Centre in Latvia.

Speaker: Ms I. Rudzate, Latvian Chamber of Commerce and Industry, Riga, Latvia.

Introduction:

The facilitator, Hurup Grove, opened the session.

Taking diagnosis as the crucial starting point for any remedy, Ms Hurup Grove introduced her subject with some figures. There are roughly 16 million private enterprises in the EU. Less than 1% of these are large companies with more than 100 employees; the remainder are SMEs. Of these, 90% are 'micro-enterprises' with less than 10 employees. Micro-enterprises provide roughly one-third of all jobs and the highest net increase in employment. The pattern in Central and Eastern Europe still differs from that in the West but a rapid increase of the number and importance of SMEs can, nevertheless, be noted.

In its search for factors impeding the access of SMEs to training, UNICE identified the following problem areas:

- *a general lack of managerial competence;*
- *little awareness of the importance of training;*
- *insufficient knowledge of support structures;*
- *insufficient knowledge of what training is available;*
- *insufficient know-how on planning of training;*
- *insufficient facilities for in-house training; and*
- *insufficient time.*

UNICE took it upon itself to find solutions to these problems. Key words in its recommendations are 'joint action' for 'mutual benefits', 'ISO certification', 'match-making' between employees and firms and between problems and initiatives and, finally, 'pooling of resources' and the 'transfer of experience'. UNICE found that the employee training requirements as set out in the ISO certification procedures had encouraged many enterprises into action, particularly within a specific branch or sector.

UNICE identified a number of fields in which training was most required by SMEs. These are literacy, numeracy, quality awareness and control, service, time management and planning, team-work and languages. The number one training requirement for SMEs, however, is computer skills.

Training support for SMEs is provided, typically, by sector or branch organisations or by regional and national authorities. The latter can provide tax exemptions, special funding or other support measures. However, an equally typical feature of SMEs is that they are insufficiently aware of existing support opportunities.

The transfer of knowledge and the pooling of resources seem to be the keys to solving the problem of access to training for SMEs. UNICE found examples both of SMEs joining together to become a strong group and of coat-tailing on the training programmes of larger companies.

Ms Hurup Grove drew attention to the Compendium produced by UNICE. This lists the various initiatives found in the countries of the EU.

Discussion:

Mr Pitra from the Czech Managerial Organisation drew attention to the fact that the world of SMEs in Central and Eastern Europe is more volatile than in the EU. Large numbers of enterprises come and go, bankruptcy is prevalent and consistency hard to come by. This makes networking among *SMEs* only very difficult. Ms Hurup Grove responded that, in EU countries which experienced similar problems, skills needs analyses were carried out for whole sectors, either by large companies or at national level. These were subsequently used to devise training programmes for SMEs and did not require the involvement of each and every company.

Mr Sziraczki from the ILO also stressed the importance of acknowledging the heterogeneity of SMEs. Networking and the pooling of resources are relevant only for some SMEs. Very specialised SMEs might still need individual attention.

Ms Meglic from the Chamber of Crafts of Slovenia [which includes all SMEs in the country] argued that the first step is to organise SMEs into a single organisation. This increases their strength and influence. This idea was repeated later in the discussion.

Case 1.

The role of social dialogue in the development of vocational training in the metal sector in Denmark.

Speaker: Mr J. Andersen

Introducing a Danish (English-language) video presentation on his subject, Mr Andersen gave some background information on the Danish Metal Workers Union which covers roughly 100 trades and serves 140,000 members, all of whom pay fees as well as their social insurance contribution to the union. Denmark has a high unemployment rate, especially among the young. Therefore, much attention is paid to training which is centred around vocational schools and adult education centres. Vocational training is paid for by clients which means that the service providers are continuously motivated to adapt courses to the needs of the trainee.

Vocational education and training includes Labour Market Training Programmes under the Ministry of Labour and Vocational Education and Training Programmes under the Ministry of Education. The social dialogue on vocational education and training is well developed.

At local level, Vocational Colleges and Adult Education Centres are run by a board consisting, mainly, of social partner representatives. At national level, the Ministry of Education is advised both by a Council for Vocational Education and Training and a number of joint Trade Committees. This secures a consistent flow of up-to-date information from the field to the policy-making level and vice-versa.

The National Labour Market Authority has four Occupational Committees which are responsible for allocating financial resources within their respective fields. These are affiliated to Training Committees. The ministries have overall responsibility for training, but the social partners are responsible for the professional content of the curricula and for the formulation and maintenance of National Standards of Certification.

In Denmark, social partner involvement in vocational training goes beyond mere token participation on joint committees and working groups. Mr Andersen explained that, when curricula need to be updated, selected people are actually taken from the plants and consulted on [future] training needs. In times of radical technological change, timely adaptations of the curricula ensure the swift transformation of 'new technology' into everyday training material.

Finally, the SUM-project (Strategic Development of Employees) was briefly mentioned, as it was during Mr Mejer Pedersen's presentation on the first day of the conference. (See Report on Working Group II.)

Case 2.

Multi-media self-training for SMEs in the tourism sector - a Leonardo Project.

Speaker: Mr G. Peroni

Mr Peroni introduced himself as a representative of a consortium in which universities, regional and national tourism boards and social partner representatives cooperate on staff training for SMEs in the tourism sector. Social partners were involved because they are in a good position to forecast requirements. They have the contacts and the experience but often lack the methodology and the instruments to map requirements and to translate these into curricula and didactic materials. This is where universities come in.

Through a Leonardo da Vinci project, the consortium has produced an interactive CD-ROM which can be used by managers of small enterprises in the tourism sector to upgrade their professional competence. The CD-ROM, which was demonstrated during the session, guides the prospective 'student' around a virtual campus, with classrooms for lessons, a gym for 'exercises' and a library for texts and bibliographic references.

The disk was produced in cooperation with partners in Germany, France and Portugal. It will be translated into English and into any other language, if there is a sufficient number of requests to justify it. The programme will soon also be accessible on the Internet.

Mr Peroni stressed that the programme is international and invited potential participants from Central and Eastern Europe to join by providing sections on their own countries and a translation into their own languages.

Case 3.

Linking training institutions with SMEs; the experience of the Enterprise Support Centre in Latvia.

Speaker: Ms I. Rudzate

In Latvia, there are roughly 114,000 registered SMEs an estimated 60,000 of which are active, most of them in trade. The main problems for SMEs are a persistent lack of time and money and insufficient managerial competence. Roughly half of the managers of SMEs are well-educated but lack basic managing skills.

To deal with this problem, Enterprise Support Centres were established, with assistance from the Phare programme. Their main task is to advise entrepreneurs on how to run a business. 'New-comers' are the main target group. There are now six support centres in existence. They provide advisory services and training and are financed through their own activities as service providers as well as through the state-managed Privatisation Fund. Some of them receive additional assistance from the regional government or through the Phare Programme.

The centres deliver training to managers of SMEs through programmes on how to start a business, plan finances, and prepare a business plan. Programmes are typically of very short duration.

Trainers draw up their own programmes, which are often adapted versions of packages found abroad. The centres are customer-oriented and adjust the training to new needs of enterprises as required. Needs are identified by involving entrepreneurs in the development of new programmes. Because they are supported by external funds, the centres can offer training at extremely competitive rates and often undercut even the training programmes of the Chambers of Commerce.

There is not much experience of social partner involvement with regard to SMEs and the Chamber of Commerce in Latvia, 80% of whose members are micro-enterprises which find it very hard to keep in touch.

Abstract of discussions on all three cases:

Mr Andersen was asked how the SUM project keeps in touch with SMEs. He explained that there are a lot of schools and training centres in Denmark. Most of these have one or more SUM consultants. These have a close relationship with local industry and find placements for apprentices, but also to go out and sell training courses. When the need for retraining arises in an industry, there are two options. If enterprises themselves realise that training is required, they can contact either an adult education centre or a technical college where they are put in touch with a SUM consultant. In cases where retraining is needed but the enterprise is unaware of this need, contact is usually made through professional organisations or the training providers.

Mr Jasinski from Poland asked Mr Andersen how he went about breaking with educational traditions which give paramount importance to the role of the teacher and assert that teachers hold the key to the truth and that no one from outside should interfere with the educational process. This, he said, is very relevant in many Central and Eastern European countries, Mr

Andersen replied that there was a distinction to be drawn between the *process* of teaching and the achieved qualifications. Teachers have to make decisions about how to teach in order to achieve a certain level of qualification among their pupils or students. This is part of their work. The interests of industrial and educational representatives do occasionally collide when teachers move into the field of qualifications or when the social partners move into the field of teaching. However, the system of semi-commercial delivery of training is sufficient to ensure that a tailor-made service is provided by the education establishments; indeed, it is in the interest of these establishments to provide this kind of service.

Ms Hurup Grove was asked about similarities between the Danish experience and the Spanish system which was discussed on the first day of the conference [and where it is becoming increasingly common for SMEs to join together for training purposes]. She responded that there were distinct differences and stressed that diversity was one of the strengths of the EU. She urged participants from Central and Eastern Europe not to think of the EU as a single entity with one well-established system of social dialogue but, instead, to **learn from its diversity the lesson that there is no single approach to building partnership**. Each situation may require a specific solution and the cases presented can only serve as examples of good (or bad) practice.

The importance attached to new technology in discussions in this workshop led Ms Meglic to suggest that **modern media might be an important tool for reaching beyond the traditional training audience** and could be a useful instrument for training in SMEs. There was general agreement with this, in particular as regards the use of the Internet.

One participant suggested that the inappropriate allocation of support funds in the first years of the Phare programme was one reason why social partnership has been so slow to get off the ground in Central and Eastern Europe. Ms Hurup responded that this underlined the extremely important **need to lobby decision-makers**. As far as the specific topic of this working group was concerned, the lesson learnt from the past must be that it is important to make SMEs not only visible but audible.

Mr Gruzevskis from the Labour and Social Research Institute in Vilnius concluded that one of the main problems in Central and Eastern Europe is that there is such a strong focus on 'quick money'. The result is insufficient awareness of the fact that time and money spent on training are investments which lead, eventually, to financial gain. It is important to change perceptions in this regard.

15 December 1997

PLENARY SESSION I

Chairperson: Ms L. Jackson, Head Strategy Unit, European Training Foundation

First session: The social dialogue in vocational education and training - the involvement of the social partners in implementing vocational education and training policies.

The importance of the social dialogue in the pre-accession period.

Speaker: Mr O. Brunet, DG V - Employment and Social Affairs

Mr Brunet summarised the history of the social dialogue at the European level and described the main tasks for DG V in the pre-accession phase.

The social dialogue in the EU has a long history but the main breakthroughs were achieved in recent years. The meeting in Val Duchesse, Belgium in 1985, where, for the first time, Jaques Delors gathered together the most representative European social partners to discuss closer cooperation, was of particular importance. More recently, the social dialogue at the European level has resulted in concrete progress in, among others, the fields of parental leave and part-time work. Agreements in these areas are part of the Community 'social acquis'.

Nowadays, the Commission is obliged to consult the social partners on matters of social policy or on any initiative with social policy implications, either by commissioning an opinion, asking for recommendations or providing space for direct negotiation and agreement.

One of the tasks that DGV faces, with regard to Central and Eastern Europe, is providing support to local workers' and employers' organisations. This is done with the help of the European social partners. Good progress is being made through the ETUC's Network for European Integration. Cooperation with employer organisations is more problematic. Employers are still insufficiently organised but, with the help of UNICE and CEEP, there is some progress being made in this area too.

The European social dialogue on vocational education and training.

Speaker: Ms M. Gameiro-Pinto, DG XXII - Education, Training and Youth

Ms Gameiro-Pinto outlined the main institutions in which the consultation process with the social partners on vocational education and training at European level takes place: the Economic and Social Committee, the Advisory Committee for Vocational Training and the European Programmes Committees (Leonardo, the European Social Fund).

She focused on two aspects: a) the recent joint contribution of the European social partners to the Employment Summit; and b) the work and achievements of the Joint Working Group on Vocational Education and Training which was set up within the framework of the Social Dialogue Committee created in 1992 by the Social Dialogue Summit.

The Social Dialogue Summit is the highest political forum of the Val-Duchesse-type of dialogue and brings together the European social partners at the highest level. The Social Dialogue Committee is a core group of about 50 people from member organisations of the European social partners and its main task is to see that what is decided in the Summits is implemented.

Since 1985, the Working Group on Vocational Education and Training has adopted a total of 8 joint opinions. These provided the basis for a Council Recommendation which, in 1993, led to work being started on a Support System for the Social Dialogue on Continuing Vocational Training. Of particular importance in this regard was the opinion on ways to facilitate effective access to training opportunities. Through the Support System, two compendia of significant practice in the EU - at both European and national levels - were produced in 1994 and 1996. These show that the involvement of the social partners in the development and implementation of vocational education and training across the European Union is extensive and is still increasing.

Ms Gameiro-Pinto concluded by highlighting the agreement of the European social partners to draw on the Support System experience and to focus their future activity on four key thematic areas: life-long learning, guidance, qualifications and resources. These priorities have since been taken into account in the selection of Leonardo projects.

The social dialogue in vocational education and training: a panorama of the state of play in the European Union and its Member States.

Speaker: Ms S. Aga, CEDEFOP

Ms Aga gave an overview of CEDEFOP activity and outlined some examples of the social dialogue in vocational education and training in a number of Member States.

CEDEFOP's role in the social dialogue in vocational education and training is a facilitating one of providing technical and political support. It produces country monographs which also provide information on the involvement of the social partners. The establishment of an observatory on innovation in vocational education and training is a new initiative. The information collected by the observatory will include examples of good practice in the area of the social dialogue. From next year, CEDEFOP's Study-Visit Programme, which is now open to participants from the accession countries, will be geared more towards the needs of the social partners.

In discussing European practice, Ms Aga stressed that there is no ideal structure for social dialogue on vocational education and training in the EU, if only because a model developed in one country cannot be transferred indiscriminately and in its entirety to another.

Second session: The social dialogue and European training programmes.

The involvement of the social partners in the development and implementation of Community vocational training policy.

Speaker: Ms M. Gameiro-Pinto, DG XXII - Education, Training and Youth

The Commission has always aimed at stimulating social partner involvement in its vocational education and training programmes. Ms Gameiro-Pinto described the Leonardo programme and social partner involvement in Leonardo projects between 1995 and 1997. The country that submitted the most proposals with social partner involvement was Italy, followed by Spain and France. Of the 700 projects approved in this period, 180 were coordinated by social partner organisations. Ms Gameiro-Pinto proceeded to provide a complete picture of successful projects submitted by social partners. These were broken down by organisation, priority, procedure and measure.

The greatest interest proved to be in qualifications, followed closely by life-long learning. Considerably fewer proposals were received in the areas of guidance and resources. However, the fact that both of the latter issues were discussed at European level resulted in a significant increase in the number of proposals addressing them in 1997.

Ms Gameiro-Pinto concluded by described some examples of Leonardo projects and by discussing the outlook for the 1998 selection rounds.

A compendium of Leonardo projects with social partner involvement is available from DG XXII.

In the subsequent discussion, it was repeatedly emphasised that, in Central and Eastern Europe, the main issue is often still one step behind that of involving the social partners in vocational education and training. The development of a latent culture of social dialogue is the first issue to be addressed and, since it is unlikely that this can be achieved by the application of specific measures, it might be a long-term process. However, it was also stressed that the participation of the accession countries in Leonardo and the resulting exposure of their social partner organisations to EU practice could greatly contribute to this process.

The participation of the social partners in the human resources development activities supported by the European Social Fund.

Speaker: Mr C. Gaspart, DGV - Employment and Social Affairs

Mr Gaspart began his presentation by outlining the organisation of the European Structural Funds, which are aimed at achieving social and economic cohesion in the Union. Particular attention was drawn to the European Social Fund, which was established to combat unemployment, develop the Union's human resources potential and improve labour market access and conditions, and to the role the social partners play in the institutional aspects of the ESF, i.e. in programming, evaluation and monitoring, and in the implementation of specific projects funded through ESF measures. The Commission attaches great value to partnership in all its programmes. Partnership ensures that EU structural measures are more visible and increases the responsibility of the actors involved.

Of the six Objectives of the European Structural Funds, Objective 3 (Combating unemployment and related issues) and Objective 4 (Adaptation of the workforce to industrial changes) are of particular relevance to the seminar. The European social partners (most notably, the ETUC, UNICE and the

CEEP) are heavily involved in the implementation of support measures derived from these Objectives.

Mr Gaspart described a number of examples of concrete action taken by the European social partners. Among these were an ETUC project on the *Privatisation of the Water Industry*, a review of the risks involved, the consequences for employment, wages, working conditions, service quality, etc., and a project on *New Methods of Production and Participatory Management*, which assessed the impact of new technologies on work organisation, industrial relations and management with special reference to participation.

Round table discussion: The social dialogue on vocational education and training at the European level: achievements and future prospects.

Forum members: Ms C. Croft, UNICE, Ms M-H André, ETUC, Ms A. Grecchi, CEEP

Ms Croft introduced UNICE and its activity. UNICE was established in 1958. Its members are national employer organisations, not only from the EU but also from some of the partner countries. The main aim (and achievement) of UNICE is the establishment of a basis of consensus among European employer organisations with a view to representing that consensus in the European planning and policy process.

UNICE participates in the Social Dialogue Committee and the Joint Working Group on Vocational Education and Training and has, through its opinions, made an important contribution to European policy-making. UNICE's current priorities are globalisation, the growth of the SMEs sector, unemployment and worker mobility.

Much of UNICE's effort to support its members is focused on contributing to progress through the exchange of good practice. UNICE was involved in the development of the compendia of social dialogue practice mentioned above.

Ms André (ETUC) began her presentation by stressing the importance of providing opportunities for the exchange of information between the social partners from the EU members states and their counterparts in partner countries. She then described the three key actors in the field of vocational education and training. These are, first and foremost, the individuals, who need to be made aware of why they need training. The second group is the public authorities, whose responsibility it is to adopt legislation, allocate public funds and organise the logistic framework for training. Social partners constitute the third group of key actors. The social partners are responsible, jointly, for providing political signals and individually, for their usual negotiations.

Ms André was critical of the achievements of the social dialogue at the European level, as far as access to vocational education and training is concerned. More work needs to be done here if the social dialogue is to be as successful in this area as it has been in relation to parental leave and part-time work.

Finally, in relation to accession, she urged that priorities and efforts in Central and Eastern Europe should be focused on strengthening the position of the social partners. It is also in the interest of trade unions in these countries that strong, effective employers' organisations are also developed.

CEEP is the European partner representing public enterprises. Like her colleagues from the ETUC and UNICE, **Ms Grecchi** stressed the need for vocational education and training to be related to actual labour market needs. Much progress has been made in recent years, she said, but some parts of the traditional education system are still too far removed from current requirements. The social partners are the crucial link between industry and the education system and can perform an important role in fine-tuning training to labour market needs.

In its efforts to sustain the development of the enterprise culture, CEEP has prioritised the areas of training awareness, research and technological development, the training needs of SMEs and increasing the quality of labour supportive public services. Its primary concern continues to be unemployment, which as Ms Grecchi pointed out, is the single most crucial issue in today's Europe.

CEEP has produced a compendium of good practice in vocational education and training among its members.

Key conclusions of the National Reports on the social dialogue on vocational education and training in the partner countries.

Speaker: Mr J-M. Luttringer, Circé

Mr Luttringer gave an overview of the results of the European Training Foundation project on the state of play of the social dialogue on vocational education and training in the accession countries, which was carried out in collaboration with the National Observatories.

16 December 1997

Plenary Session II

Chairperson: Mr U. Hillenkamp, Deputy Director, European Training Foundation

Mr Hillenkamp introduced the final plenary discussion with the observation that the seminar had demonstrated that there was no lack of ideas on the social dialogue in vocational education and training. He then set the scene for debate by summarising his interpretation of the seminar. Stressing that the aim of the session was to draw up some priorities, he gave the floor to the participants.

The attached recommendations for action reflect the consensus reached during the discussions that followed.

Conclusions and Recommendations

The main conclusions drawn from the discussions during the two days of the seminar and participants' remarks in the evaluation questionnaire prepared by the Foundation can be summarised in the following key points and recommendations for action:

Key issues

- It was acknowledged that there is no single method or model for involving social partners in vocational education and training. However, increasing their legitimacy and their motivation to establish a dialogue and participate in it were recognised as important needs in the partner countries. Two main recommendations were made to address these needs: a) consolidation of the legal framework for the social dialogue; and b) elaboration of a "continuing training" programme for social partners to speed up the "process of learning" about their potential roles in the context of the social dialogue
- The concept of training as an investment with three dimensions (finance, time and organisation) was analysed and discussed. It was pointed out that social partners have an important role to play in organising the interaction among these three dimensions in a way that accommodates the needs and priorities of both the individual (employability and personal development) and the enterprise (competitiveness).
- It was underlined that the involvement of the social partners in the recognition of qualifications procedure increases the chances of people with those qualifications to find employment, particularly if this involvement is ensured from the very beginning of the recognition process. The validation even of formally recognised qualifications in the employment system is a crucial area for social partner activity, at sector or enterprise level. However, it was stated that the development of recognition systems, which are not limited to individual sectors, is necessary to ensure transferability of skills and the mobility of the workforce.
- The national reports on the social dialogue in the partner countries and the cross-country synthesis were perceived as very useful information tools. It was suggested that these publications be updated regularly, with the continued active involvement of the social partners.

The reports could be used as an action-oriented instrument to stimulate the social dialogue process in vocational education and training in the partner countries.

- It was generally considered that the presentations and discussions during the seminar were very informative, that the seminar gave a new impetus to the improvement of vocational education and training systems in the partner countries and contributed to a strengthening of the relations between participants.

Recommendations

- The main Foundation action proposal for 1998 (the organisation of national workshops) was judged relevant. It was stressed that the European social partners needed to support the organisation of the workshop and to ensure that they were effective. Every effort should be made to ensure that each workshop catered for the specific situation and needs of its target country.
- The reinforcement of the network of social partners in the associated countries as well as their familiarisation with the European integration matters (Community Structural Funds, Agenda 2000 priorities, European social policy and legislation, etc.) were identified as important fields where further support and assistance is needed.
- Participants fully endorsed the idea of providing more opportunities for exchange of experience and knowledge between social partners in the EU and those in Central and Eastern Europe with regard to different approaches and practices of social dialogue in vocational education and training. To this end, it was recommended that the forthcoming national workshops (see above) be focused on more targeted themes/problems in order to provide examples of ways in which social partners can start jointly assuming concrete “tasks” and responsibilities, notably:
 - the establishment of a financial framework for vocational education and training;
 - the development, implementation and recognition of procedures related to standards;
 - the development and use of tools and methodologies for the assessment of training needs;
 - the development of innovative training approaches using new technologies (directed in particular at SMEs);
 - the development of new apprenticeship systems; and
 - the development of mechanisms (including financial mechanisms) to support access to training.
- Finally, the need to disseminate the information that has been collected widely among the social partners in the partner countries was highlighted. To this end, the Foundation was invited to consider the possibility of supporting the translation of the related documentation.



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