

Trade union involvement in skills development: an international review

Jeff Bridgford

School of Education, Communication and Society, King's College London

Copyright

Copyright © International Labour Organization 2017

First published (2017)

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to ILO Publications (Rights and Licensing), International Labour Office, CH-1211 Geneva 22, Switzerland, or by email: rights@ilo.org. The International Labour Office welcomes such applications.

Libraries, institutions and other users registered with a reproduction rights organization may make copies in accordance with the licences issued to them for this purpose. Visit www.ifro.org to find the reproduction rights organization in your country.

978-922-129794-9 (web pdf)

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

Information on ILO publications and digital products can be found at: www.ilo.org/publns.

Foreword

The primary goal of the ILO is to achieve full and productive employment and decent work for all, including women and young people, a goal that has now been widely adopted by the international community. Working towards this goal is the fundamental aim of the ILO. As a tripartite organization, the ILO regularly engages with worker organisations on a range of issues related to employability and skills in general.

This report seeks to improve our understanding of the involvement of trade unions in the domain of TVET and skills development at the national, sectoral and enterprise levels. It does this through case studies of ten countries at different stages of development and with different traditions of unionism and social dialogue.

This publication reflects a joint effort by the Skills and Employability Branch (SKILLS) and Bureau for Workers Activities (ACTRAV) of the International Labour Organisation (ILO). This collaboration has documented current practices with the intention of supporting workers organisations so they can take part in the development of national, sectoral and enterprise skills policies and by providing them with advice, tools and training courses to enable them to do so.

The development and analysis of the country case studies adds to the limited literature on the topic, especially in relation to developing countries where social dialogue and collective bargaining are often weak. As many countries continued to reform their skills development systems, the involvement of social partners in the governance and coordination of skills systems has taken on greater importance, and the range of practices documented in this report will hopefully provide good examples of the positive contribution that workers organisations can make to education and training systems for the benefit of workers, enterprises and the community more broadly.

Girma Agune
Chief
ILO Skills & Employability Branch
Geneva

Acknowledgements

The report and literature review were prepared by Jeff Bridgford from the School of Education, Communication and Society in King's College London with guidance and inputs from Paul Comyn, Senior Skills and Employability Specialist at the ILO in Geneva.

The case studies were prepared by:

- Argentina - Gustavo Gandara
- Bangladesh - T.I.M. Nurunnabi Khan
- Brazil - Gustavo Gandara
- Morocco - Ahmed Bouharrou
- Oman - Myriam Massaad
- Philippines - Mary Ann Mendoza
- Senegal - S.A.R. Mbaye
- South Africa – Carmel Marock
- Sweden - Lars Magnusson
- United Kingdom - Jonathan Winterton

Contents

Introduction.....	5
Literature review	10
At the national multi-sectoral level.....	10
Multi-sector collective agreements.....	13
Tri-partite training strategies	14
At the sectoral level	14
Sectoral bodies.....	14
Collective agreements.....	16
At the enterprise level	17
Works Councils	17
Collective agreements.....	17
Union Learning Representatives	18
Typology of interventions and cross-case analysis.....	20
At the national multi-sectoral level	20
At the sectoral level	22
At the enterprise level.....	24
Key Findings and Recommendations	26
Selected Bibliography	33
Annex 1: Case studies	36
Bangladesh.....	37
Brazil.....	56
Morocco	69
Oman.....	85
The Philippines	101
Senegal.....	123
South Africa.....	133
Sweden.....	162
United Kingdom.....	171

Introduction

The objective of the study is to conduct an international review of trade union involvement in skills development, incorporating new research from 10 country case studies, which will examine the involvement of trade unions at the system, sector and enterprise levels, including the extent to which these unions have bargained for skills development from a rights-based perspective.

For the purposes of this study, skills development is defined as the full range of formal and non-formal vocational, technical and skills-based education and training for employment and/or self-employment. In keeping with international trends, skills development includes: pre-employment and livelihood skills training, including vocational education and training and apprenticeships; education and training for employed workers, including workplace training; and employment-oriented and job-related short courses (ILO. 2012).

The focus in this study is on the ways in which trade unions can better engage with issues related to skills development, as part of Technical and Vocational Education and Training.¹

This study comes at a time when a series of international organisations are appealing for greater trade union involvement in skills development.

L20, which unites trade unions from G20 countries and Global Unions and is convened by the International Trade Union Confederation (ITUC) and Trade Union Advisory Committee (TUAC) to the OECD, presents the evolution in trade union thinking.

‘Historically unions have been primarily interested in the regulation of labour market entry-level training, in particular through apprenticeships. Nowadays, unions seek to address training issues for broader groups of workers. They have acknowledged that not only their members but workers in general are interested in the development, recognition and certification of skills and competences. That has caused unions across different skill formation regimes to focus on the integration of employee voices into training and workforce development by implementing new modes of informal or formal partnerships with management or by strengthening existing union-management cooperation on skills formation’ (L20. 2015. p 1).

Perhaps more surprisingly, a World Economic Forum document also makes the case for trade union involvement in skills development. It has called for the ‘creation of a comprehensive long-term strategy, one involving public private partnerships among governments, employers and unions to continuously develop and improve the use of skills’ so as to reduce skills mismatches, and finds that ‘union support is crucial in developing qualifications and curricula relevant to the labour market’. When describing the role of unions and employee representatives, it explains that unions can participate in the formulation of training policies and the planning and implementation of training, and an ‘essential function’ of trade union representatives would be to identify good practice and support workplace learning. Unions can also play ‘a key role’ in developing a lifelong learning culture in the workplace. ‘Most importantly, unions should build confidence among workers that learning is an opportunity and not a threat – in particular for those workers who have had a negative experience in formal

¹ The issue of labour education or trade union education – the education and training of trade union members, representatives and officers so that they are better equipped to carry out their functions as trade unionists – will not be covered here. For more details, see Bridgford & Stirling (2000); Spencer (2002); and ILO (2007).

education’. They should also work together with employers’ associations at the national level to help in developing and implementing quality apprenticeships, and ‘they should cooperate with governments and employers to ensure that all workers, whether full-time, part-time or currently not in the labour market, have access to workplace learning and the financial support needed to participate in such programmes’. (World Economic Forum. 2016. pp 6, 8, 21).

This study will address two fundamental questions, as follows:

- why should trade unions be involved in the skills development agenda?
- what are the different ways that trade unions can become involved in skills development systems?

And in the concluding remarks the study will provide some responses to the question

- what benefits are delivered through trade union involvement in skills development systems?

Why should trade unions be involved in the skills development agenda?

As the L20 has shown, trade union positions on skills development are evolving. On the basis of a British workplace learning case study Rainbird and Stuart have examined the pros and cons of trade union involvement and put forward two different theses – ‘incorporation’ and ‘critical engagement’. The ‘incorporation’ thesis underlines the extent to which union engagement in TVET leads to the subordination of unions to other interests and agendas, whether those of the employers or of the State. The ‘critical engagement’ thesis presents an ‘opportunity structure’ that trade unions may use to support their own interests.

As can be seen from Table 1, they draw up a comparison of the two perspectives, in terms of policy formation and roles vis-à-vis unions, their members and employers. On balance they make the case for trade unions to adopt a ‘critical engagement’ approach on the basis of influencing State policy, integrating learning with other union functions, institutionalising learning through learning partnerships with employers, and creating mechanisms for trade union membership activity and representation. (Rainbird & Stuart. 2011. p 202-206).

Table 1. Framing union learning through the incorporation and critical engagement perspectives

	Incorporation	Critical engagement
Policy formation	Unions unable to influence state policy; state interests pre-eminent; unions reduced to role of service providers, and Trades Union Congress an 'arm of the state'; stronger legal rights determinant	Unions able to influence state policy; union learning policy seen as an 'opportunity structure'; stronger legal rights preferable, but union activity possible
Union-facing role	Union Learning Representatives act to displace traditional shop steward role and bargaining function of unions	Unions adopt different strategies towards workplace learning and role of Union Learning Representatives; emphasis on integration of learning with other union functions, including bargaining
Employer-facing role	Employers' interests dominate; learning partnerships weaken bargaining structures; union learning to deadweight and substitution effects	Learning deliberately separated from wider structures of collective bargaining; focus on institutionalization of learning through learning partnerships; committees and agreements; learning adds value
Member-facing role	Little contribution to membership activities or recruitment; learning displaces union focus on organizing; content of training subservient to state/employer interests	Workplace learning creates mechanisms for membership activity and representation; contributes to active membership; contributes to representation of disadvantaged and marginalized groups

Source: Rainbird & Stuart. 2011. p 205

Whilst Britain is a country with a voluntarist tradition of industrial relations that provides limited opportunity for trade unions to become involved in skills development at the national and sectoral levels, the case for 'critical engagement' will be more compelling in those countries that have a culture of social partnership.

*

What are the different ways that trade unions can become involved in skills development systems?

This study will consider interventions at three different levels, as follows:

- the national multi-sectoral level – representation on policy, regulatory and coordinating apex bodies in the skills development system; inputs to national policy and strategy, skills standards, curriculum, qualifications and certification; apprenticeship systems; financing of skills development systems and labour market information systems.

- the sectoral level – the development of skills based collective agreements, apprenticeship programmes; industry skills councils; inputs to skills standards, curriculum and qualifications; union management skills development centres.
- the enterprise level – the inclusion of training arrangements in enterprise bargaining; apprenticeships; lifelong learning and skills based career pathways; skills recognition; skills training to support the introduction of new technology and forms of work organisation to improve productivity.

Generally speaking, the national multi-sectoral level provides opportunities for involvement in policy formulation by means of participating in national apex bodies, negotiating collective agreements and/or supporting tri-partite initiatives; the sectoral level for a combination of policy formulation and policy implementation by means of participating in sectoral bodies, such as sector skills councils, and negotiating collective agreements; and the enterprise level for policy implementation by means of negotiating company agreements and participating in works councils.

Trade unions are already involved in a range of different activities to support skills development.

At the global level they, along with employers' representatives, have contributed to the development of various conventions and recommendations related to skills development, notably the Human Resources Development Convention (ILO 1975) and the Human Resources Development Recommendation (ILO 2004), which all make reference to and encourage the participation of trade unions in TVET and skills systems. More recently employer' and workers' organisations adopted a series of conclusions on skills for improved productivity, employment growth and development at the International Labour Conference in 2008. (ILO. 2008). At the request of the G20 Leaders, the ILO, in partnership with employers' and workers' organisations, developed a training strategy which was presented at the Toronto Summit in June 2010 (ILO. 2010). This strategy highlighted the following objectives:

- providing quality initial education as a foundation for future training
- building solid bridges between the world of work and training providers, particularly at the sectoral level where the direct participation of employers and workers together with government and training providers ensures the relevance of training
- providing for continuous workplace training and lifelong learning
- anticipating and building competencies for future needs
- ensuring broad access to training opportunities, for women and men, and particularly for those groups facing greater difficulties, in particular youth, lower skilled workers, workers with disabilities, rural communities.

Clearly though, this involvement varies considerably from region to region and between developed and developing countries. From a developed country perspective, two comparative studies from Europe demonstrate the breadth of involvement that is possible.

In terms of Initial Vocational Education and Training (IVET), and more specifically apprenticeships, a 10-country research project undertaken by Unionlearn, on behalf of the European Trade Union Confederation, notes that:

‘apprenticeships offer a tried and tested way of helping young people into work.
How do trade unions know this? They know it simply because they, along with

employers' organisations, are closely involved, at different levels, in the governance of Vocational Education and Training (VET) and apprenticeship systems. This trade union involvement covers a variety of different activities: ensuring that VET programmes correspond to the needs of the labour market; contributing to the development of professional qualifications; advising on the content of training, both in training institutions and at the workplace; negotiating terms and conditions for apprentices, particularly wages; providing guidance for apprentices via trade union representatives and works councillors; monitoring the quality of work-based training; deciding on the funding arrangements for work-based training by means of bilateral training funds' ETUC/Unionlearn. 2014. p 4).

In terms of Continuing Vocational Education and Training (CVET), and more specifically workplace learning, a European research project coordinated by Unionlearn concludes with the following:

'The most obvious and important message is that trade unions play an important role in supporting workplace learning in its different forms. They act as intermediaries between workers and employers. They provide information to workers about learning opportunities. They carry out analyses of the learning needs of the workplace. They negotiate paid time off for workplace learning. They negotiate training strategies with employers. They negotiate funding for workplace learning with employers in around half of the countries surveyed. They help workers to access funding from public authorities. They organise training courses for workers, help workers to access funding for learning from employers and act as intermediaries between workers and training providers. In short they are central to the success of workplace learning throughout Europe' (Unionlearn. 2013. p 6).

So, given the existence of international instruments, critical academic analysis providing a rationale for union involvement and also the many national examples of active involvement, it is argued here that there is a case for trade union involvement in skills development systems and that more needs to be done to increase the involvement of trade unions in this important labour market policy domain.

This study then, is composed of three parts:

- an international literature review on the involvement of trade unions in skills development systems
- a typology of interventions and cross-case analysis that extends beyond the existing literature, on the basis of the ten national case studies from Africa, Arab countries, Asia, Europe and Latin America
- key issues and recommendations to improve trade union engagement with skills issues.

Literature review

Introduction

The literature review features academic books and articles, as well as studies carried out by stakeholders, particularly trade unions, and also international bodies, such as the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD). The starting point was a review of the English-, French-, German- and Italian-language versions of Google Scholar, with search terms such as trade union/training, syndicat/formation, Gewerkschaft/Bildung and sindacato/formazione. This was complemented by a review of specialist academic journals over the last ten years, notably *British Journal of Industrial Relations*, *Industrial Relations Journal*, *International Journal of Training Research*, *Journal of Education and Work*, *Journal of Vocational Education and Training*, *Research in Post-compulsory Education* and *Work, Employment and Society*.

Given the contemporary interest in skills development, particularly in the light of high levels of youth unemployment, and the rapid increase in the number of new initiatives (laws and regulations, reviews and reforms, strategies and projects) to address this issue, the aim of the literature review is not to delve into the history of trade union involvement in skills development but to concentrate on the most recent period, ie 2005 onwards, so as to provide practical contemporary guidance for future trade union reflection and activity.

Publications that were not able to address both elements of the study, trade union involvement on the one hand and skills development on the other, were excluded. Publications that focussed on the involvement of ‘social partners’, employers’ associations and trade unions, although potentially interesting, were also excluded, if it was not possible to disaggregate the expression ‘social partner’ and identify the specific contribution made by trade unions.

What follows is an analysis of the literature in terms of how unions are reported as being involved in skills development systems at the national, sectoral and enterprise levels.

At the national multi-sectoral level

This section will examine a number of examples of ways in which trade unions are involved in skills development at the national level, either through their participation in the deliberations of apex training bodies, the negotiation of multi-sectoral collective agreements and/or the launching of tri-partite training strategies.

National apex bodies

National apex bodies provide trade unions with a significant opportunity to regulate and support skills development in a number of European countries – for example, Belgium, Bulgaria, Cyprus, Denmark, France, Germany, Ireland, Latvia, Luxembourg and the Netherlands.

Belgian law makes provision for trade union involvement in the design and implementation of apprenticeship training. Trade unions are represented on the Board of the Flemish Agency for Vocational Training, and its Practical Committee, which are responsible for the approval of all training plans and qualifications, the implementation of apprenticeship agreements, the quality of training in the workplace and the supervision of in-company mentors. They are also

represented on the Board of the Walloon Institute for Dual Training in Small- and Medium-sized Enterprises and of the French-speaking Office for Dual Training, and the Commission which defines occupation profiles for TVET (ETUC/Unionlearn. 2016. p 52)

Tri-partite partnership is at the heart of the Bulgarian VET system. Trade unions have equal representation with employers' associations on the Management Board of the National Agency for Vocational Education and Training, whose functions are, *inter alia*, to cooperate with the social partners in implementing coordinated policies for lifelong learning (ibid. p 53).

In Cyprus trade unions have equal representation with employers' associations on the Apprenticeship Board, which decides upon the specialisations that will be offered in each school year. They monitor the implementation of the system in each District of Cyprus and submit recommendations to the Apprenticeship Board on issues such as the employment of apprentices and apprenticeship contracts, as well as labour market needs (ibid. p 54).

In Denmark trade unions have equal representation with employers' associations on the Board of the National Council of Vocational Education and Training which is responsible for providing advice to the Minister on the overall regulation of apprenticeship training (ibid. p 56).

French law provides for wide-ranging trade union involvement in the design and implementation of apprenticeship training, by means of formal participation in bodies such as the National Council for Employment, Vocational Training and Guidance (ibid. p 58).

In Germany, as is widely known, social partnership is central to the VET system, and the Vocational Training Act makes provision for wide-ranging trade union involvement in the design and implementation of vocational education and training, by means of formal participation in education and training bodies. At the national level, for example, they are members of the Board (with 25% of the seats) of the Federal Institute for Vocational Education and Training, which is often described as Germany's VET Parliament (ibid. p 59).

The new reforms in Ireland provide for formal trade union involvement in the Apprenticeship Council, whose function is to advise on the 'design, duration, entry levels and ongoing provision of apprenticeships in line with national needs'; on the introduction of apprenticeships in new occupations and the promotion of progression pathways; on numbers of apprenticeships to be provided in various occupations based on sound labour market intelligence and manpower forecasting (ibid. p 61).

In Latvia the Free Trade Union Confederation of Latvia, along with the Employers' Confederation of Latvia are members of the National Tripartite Sub-Council for Cooperation in Vocational Education and Employment, whose main tasks include, *inter alia*, reviewing the drafts of State development plans as regards TVET and establishing or updating educational programmes and occupational standards (Cedefop 2016. p 117).

In Luxembourg the Reform of Vocational Education and Training Act makes provision for social partner involvement in the design and implementation of apprenticeship training. The planning and implementation is overseen by a Committee for Vocational Training which is composed of a series of stakeholders including the Chambers that represent employers' and employees' associations. More specifically in terms of apprenticeship training, the social partners, via the Chambers, are members of curriculum teams that are responsible for drawing

up occupational standards, training profiles and training curricula. In addition they are responsible for drawing up the criteria and procedures for the assessment of apprentices. They are also responsible for the accreditation of workplaces for apprenticeship training (ETUC/Unionlearn. 2016. op cit. p 65).

The Dutch system is in a state of transition. In August 2015 the Ministry of Education, Culture and Science handed over a central advisory role to a new foundation, ‘Cooperation between Vocational Education and Training and the Labour Market’ (SBB in Dutch). The SBB is responsible for labour market research, the development and maintenance of the qualifications structure and the accreditation of work placement companies. Social partners (trade unions and employers’ associations) are closely involved in the design and implementation of apprenticeship training. At the national level they have equal representation on the Board of the SBB and on its Advisory Committees for qualifications and examinations, and work placement and effectiveness (idem. p 66).

Spanish trade unions, along with the employers’ associations, are formally consulted on the broad legal aspects of the VET system via the General Council for Vocational Training which has 77 members, 19 of whom represent trade unions (idem. p 70).

In other regions of the world, the Southern and Eastern Mediterranean (SEMED) for example², there is official recognition in almost all the countries that the main employers’ associations and trade union federations have a part to play in VET policy dialogue. ‘However trade union federations tend to take a lesser role, or in some cases, to be largely absent from the table’ (ETF. 2015. p 24).

In Asia, trade unions are represented in India on the tri-partite National Council for Vocational Training which advises the Ministry of Labour and Employment on the definition of standards for syllabi, equipment, duration of courses, methods of training and certification (Smith. 2014. p 50).

In Africa, the Kenyan National Industrial Training Authority was established in 2011 to ‘promote the highest standards in the quality and efficiency of industrial training in Kenya and ensure the supply of properly trained manpower at all levels in industry’, and three trade union representatives are members of its Board - out of a total of 11 in all. In Mozambique the National Authority for Vocational Education, which is, *inter alia*, charged with developing a national TVET sector strategy, has trade union representatives on its Board (The Commonwealth. 2016. pp 70-73 and 78-79).

In another region, Latin America, trade unions are represented on a number of national apex bodies. The National Board of Employment, Productivity and Minimum, Vital and Mobile Wages in Argentina ‘is formed by 16 company representatives and 16 worker’s representatives and a president named by the Ministry of Labour, Employment and Social Security’ (Senén González & Borroni. 2012. p 10). One of the Board’s working committees deals with vocational training and has provided information and advisory services, and through it, the Ministry has been able to present reports on vocational training (Barretto Ghione. 2015. p 24). In Peru there is a tripartite consultative body, the National Council for Labour and Job Promotion, which is composed of representative workers’ and employers’ associations and chaired by the Ministry of Labour and Job Promotion. One of its permanent technical committees, the Vocational Training Committee, has developed proposals for labour training

² Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine, and Tunisia

incentives and approved guidelines on standardisation and certification policies (ibid. pp 25-26). In Chile the National System for Labour Competency Certification Committee, is composed of nine members, three of which are appointed by the most representative workers' organizations in the country (ibid. p 28).

Multi-sector collective agreements

Multi-sector collective agreements on skills developments are rare, but in Europe France and Norway provide significant exceptions.

In France trade unions and employers' associations have negotiated multi-sectoral collective agreements on skills development on a regular basis. A national multi-sectoral agreement was signed in 2003 by all the major representative French trade union confederations and employers' associations. This wide-ranging agreement covered a range of subjects, *inter alia*: information and guidance on lifelong learning; establishment of lifelong learning for all employees; training and development for young persons, jobseekers, and certain public employees; in-company training and development; training at the sectoral level and in the regions; financial arrangements; and the nature of contributions linked to the development of continuing training. Moreover the agreement reinforced certain elements of the previous system – extending the principle of the employer training levy and strengthening the role of sector bodies in administering training levies and determining sector priorities – and ushered in a new individual training right and the right to an appraisal interview at least every two years to identify training and development needs. (Le Deist & Winterton. 2012. p 102-103).

Other agreements were signed in 2009 and again in 2013. The 2013 agreement had a number of aims: to enhance the skills and qualifications of employees so as to support their own professional development and to boost the competitiveness of enterprises; to support professional sectors so as to boost their competitiveness by developing the skills and qualifications of their employees; to maintain lifelong learning pathways by means of a personal training account; to increase the number of beneficiaries of individuals' time off for training; to improve career guidance; to finance vocational training; and to improve the governance of skills development. This agreement took on an enhanced significance, as it formed the basis for the subsequent Law on Vocational Training, Employment and Social Democratisation adopted in March 2014.

In Norway the trade union confederation *Landsorganisasjonen i Norge* signed a multi-sectoral framework agreement with the employers' association *Naringslivets Hovedorganisasjon* to support workplace learning. This agreement made provision for 'educational shop stewards', who would be consulted before the implementation of vocational training measures. In addition it stated that each company should present its objectives for future development as a basis for mapping appropriate qualifications. In cooperation with workers, the company would be responsible for mapping and initiating the necessary measures, and wherever there was a gap between existing qualifications at the company and its future needs, this should be covered by appropriate training measures or other means. (Unionlearn. 2013. p 11)

Tri-partite training strategies

Tri-partite strategies to support TVET are also rare. However Germany provides a couple of significant examples.

In 2009 a tripartite commission made up of the Ministry of Labour and Social Affairs, trade unions and employers' associations set up a programme, the 'Social Partner Directive', which provided financial support to companies that were covered by a collective agreement containing regulations for continuing training, for the implementation of these collective agreements (Trappmann, 2012. p 123). At a later stage the German trade union confederation and four of its affiliated associations joined with different employers' associations and the Ministries of the Federal Government to agree a common strategy, the 'Alliance for Initial and Further Training 2015-2018' which contained a series of measures to prepare young people better for their occupation and the world of work. It aimed to improve the quality and attractiveness of the vocational training system; provide every young person interested in an apprenticeship position with a pathway to a vocational qualification; reduce the number of school leavers without a school leaving certificate or without the appropriate qualification to begin an apprenticeship; increase the number of apprenticeship positions and of companies training young people; and enhance advanced training and to improve permeability between vocational training and academic education.³

At the sectoral level

The literature would suggest that the most propitious opportunity for trade unions to be involved in skills development, whether in terms of policy formulation or policy implementation, is at the sectoral level, and this section will examine how the literature demonstrates ways in which trade unions are involved in skills development, either by participating in sectoral bodies, such as sector skills councils, or negotiating collective agreements.

Sectoral bodies

Sectoral bodies, made up of representatives of trade unions and employers' associations, have a central role to play in implementing skills development, whether in terms of initial (IVET) or continuing vocational education and training (CVET) or both (ETF, 2013). This is often the case in Europe, with Denmark, France, Latvia, the Netherlands (until 2015), Germany and Italy having particularly well developed models.

In Denmark, for example, according to article 37 of the Vocational Education and Training Act, employers' and workers' organisations may set up sectoral 'trade committees' (*faglige udvalg*) with an equal number of employer and employee representatives. These 'trade committees' - approximately 50 in number - lay down the detailed content of the education and training programmes within the general framework provided by the National Council of Vocational Education and Training, and more specifically the duration and structure of the training programmes, their objectives and assessment, as well as the distribution between work-based and school-based training. In the light of developments in the labour market, they may propose the launching of new courses or the closure of existing courses. In addition, they are responsible for the licensing of training institutions (ETUC/Unionlearn, 2014, p 26).

³ <https://www.bmwi.de/DE/Themen/Ausbildung-und-Beruf/allianz-fuer-aus-und-weiterbildung.html>

In France the diplomas and education programmes in school-based VET as well as in apprenticeship training are determined by sectoral vocational commissions in which the trade unions and employers associations play an important role (Bosch & Charest, 2010 p 20). Following on from the French national multi-sectoral agreement signed in 2003, trade unions and employers' associations negotiated and signed collective agreements to establish bi-partite Prospective Observatories for Occupations and Qualifications (OPMQ in French) whose mission is to contribute to the anticipation of the skills needs of companies and employees and to enable social partners to define training policies for the different sectors. Each of the 126 Observatories has an Approved Bi-partite Collection Body (OPCA in French) which is responsible for financing vocational training in the private sector. These OPCA collect training levies from companies and allocate these funds to finance training programmes (d'Agostino & Delanoë. 2012).

In Germany, in spite of the fact that there is no legal underpinning for the participation of trade unions and employers' associations in the development of training regulations, 'the state always recognizes the principles of agreements, so that in reality the unions and employers' associations define the content of vocational training to a very large extent' (Martínez Lucio, Skule, Kruse & Trappmann. 2007. p 329).

In Italy, trade unions, along with employers' associations, are responsible for managing the 19 sectoral Interprofessional Joint Funds which finance CVET training programmes at the enterprise, sectoral or regional levels, and which on the basis of a 2011 law may also finance apprenticeship schemes. (ISFOL. 2015. p 7).

In Latvia trade union representatives are members of 12 Sector Expert Councils which are responsible for defining occupational standards and curricula. These Councils also provide sector experts for quality assessment and, the evaluation of sector enrolment programmes for Initial VET. (Cedefop. 2016. p 117).

There are also examples of sector skills council development in Africa. In Botswana the Human Advisory Development Council is mandated, *inter alia*, to establish a better link between the supply side of human resource development (education and training) with the demands side (work) and is in the process of setting up sector councils in the following sectors: Agriculture, Creative Industries, Finance and Business Services, Health, Information and Communication and Technology, Mining, Minerals Energy and Water). Trade unions are represented on each of the sector committees (The Commonwealth. 2016. p 65-67).

However, at the other end of the spectrum, trade unions involvement in sectoral approaches may be marginal, at best, as in the United Kingdom and Canada, for example, or excluded, as in India, as can be seen below.

In the United Kingdom, sector skills councils were set up, with a responsibility for developing occupational standards - including apprenticeships - and approving qualifications which underpin vocational training programmes. Although employer-led, sector skills councils were required to appoint at least one trade unionist to their boards (Clough. 2012a. p 186). However, as Clough has pointed out in a separate publication: 'there has been minimal union involvement in skills formation such as determining occupational standards and the qualifications on which they are based. This is the result of the lack of social partnership institutions in the VET system' (Clough 2012b. p 35). With the launching in 2013 of employer-led 'trailblazer' apprenticeships, the influence of sector skills councils has declined, and, given that there is no

formal provision for trade union participation in the design and implementation of apprenticeships, the influence of trade unions in this area of work has declined further.

In North America the original practice of creating sector councils in Canada with worker and employer representatives has been eroded. The presence of trade unions and the notion of parity in numbers with employers' associations are no longer considered essential by the Canadian government, and parity in numbers was observed in only four of the thirty three councils (Charest. 2012. p 78). In South America, there are tripartite sectoral councils for Lifelong Learning and Skills Certification in Argentina (Barretto Ghione. 2015. p 24).

In the Asian region, in India to be specific, there has recently been a recognition of the need for a sectoral skills system, and the National Skills Development Corporation (NSDC) announced in 2011 that it would set up a series of sector skills councils (SSC), with a specific role for trade unions in their deliberations. However 'there is no evidence of deep or systematic involvement of unions in SSC development' (ILO. 2012. p. 25) In a report published two years later the NSDC had still not invited the trade unions to participate in the meetings of the sector skills councils (Smith. 2014. p 51).

Collective agreements

In Germany, in 2001 trade unions and employers' associations signed a collective agreement at the regional level on qualifications, which made company-relevant training possible on the job, through internal or external training, and required certification of all training. It was agreed that the employer would cover all costs, and the time used for training activities would count as paid working time. This flagship agreement was introduced in 2006 in all other German federal states in the metal industry and led collective bargaining in the service sector, for insurance in 2007, and for the public sector in 2008. (Trappmann, 2012, pp 122-123.) It was also taken up in the chemical industry, and the trade union *Industriegewerkschaft Bergbau, Chemie, Energie (IGBCE)* and the employers' association *Bundesarbeitgeberverband Chemie (BAVC)* signed an agreement 'Work life and Demography' in April 2008. Article 6.111 of the agreement referred specifically to training planning and training measures. It stated that 'training programmes can be offered at the company level on the basis of company and individual needs, qualifications objectives and eligibility criteria for the programmes. Employers and workers will establish an appropriate qualifications agreement'. (Unionlearn, 2013, p. 11).

In Italy ISFOL and INPS have examined the ways in which the regulation of apprenticeship training was included in Italian sectoral agreements. Their report covers, *inter alia*, the following issues: remuneration; in-company mentors; the numbers of apprentices per enterprise; the role of the joint interprofessional funds; and the duration and modalities of training (ISFOL/INPS, 2013, p 9-14).

In South America, in Costa Rica in the public sector, collective agreements have addressed issues such as 'educational and training leave, the development of vocational training and capacity-building institutional programmes, scholarships, career-related financial incentives etc.' (Barretto Ghione. 2015. p 43).

Finally in this section, in Israel, a collective agreement in construction, infrastructure, heavy equipment, public works and renovation sector signed by the Construction and Wood Workers Union of Israel and the Association of Contractors and Builders in Israel. This agreement provides for training for workers on the following subjects: foreman certified training (total

600 hours); prevention of construction defects, “structure” i.e. building foundations and frame; and health and safety measures on tower cranes and skyscrapers (Brumat, 2012b).

At the enterprise level

Trade unions in some countries are involved in policy implementation of skills development at the enterprise level, by means of works councils of different types, company agreements and/or the activities of union representatives, and more specifically trade union delegates with responsibilities for skills development.

Works Councils

Although work councils are not trade union bodies as such, they provide a forum which can be used by trade union representatives to develop workers’ skills at the enterprise level. In Austria, for example, the law provides the works council with extensive rights in terms of continuing vocational education and training (CVET), notably the right to information on planned initial and continuing training programmes and participation in the planning and implementation of in-company continuing training and retraining measures (Unionlearn. 2013, p 7).

In Germany trade unions also have an opportunity to become involved in skills development via the works councils, which are responsible for the promotion of vocational training, the establishment of training facilities and programmes and the implementation of vocational training (according to Articles 96-98 of the Works Constitution Act). With the revision of the law in 2008, works councils could request that management identify initial and continuing training needs (Trappmann. 2012. p 115). Formal trade union rights to shape vocational training include advice on equipping company-based training centres, and the introduction of company based training and participation processes in regional vocational training (Martínez Lucio et al. 2007. p 330).

In France, the French national multi-sectoral agreement signed in 2003 provided opportunities for employee representatives to play a role in skills development at the enterprise level, in works councils (Le Deist and Winterton. p 103).

Collective agreements

In spite of the difficulties in locating a suitable forum for negotiation at the enterprise level, trade unions in certain countries have been able to negotiate agreements covering skills development, either in the form of company agreements or learning agreements.

A detailed study in Germany has identified examples of skills development in a total of 504 company agreements, covering 46 different sectors of the economy, and, *inter alia*, has considered how issues, such as types of training, access to training and organising training, were tackled. The authors concluded that company agreements were comprehensive and detailed. The elements in the different agreements were often similar. Skills development was increasingly seen as a complement to other workplace issues and not as subject in its own right. There was a considerable increase in training for new IT soft- and hard-ware and a reduction in training for general more simple IT applications. (Busse & Heidemann. 2012. pp 103-4).⁴

⁴Although there is undoubted trade union involvement in skills development in German companies in Germany, this is not necessarily the case in German companies installed in other parts of the world. There is little or no trade union involvement in apprenticeship training in BMW, Siemens and Volkswagen in the USA (Aring. 2014. pp 2,3). It is important to point out however that there are very low unionisation rates in these three companies,

In an evaluation of the content of learning agreements in the United Kingdom, Stuart has identified the following themes; principles of agreements and roles of parties; learning infrastructure and governance; identification of learning needs and time off for learning; equality of access to learning; integration with wider organisational policy and practice; monitoring of agreements and industrial relations guarantees; and facilities for Union Learning Representatives (Stuart. 2011. p 17-27).

In terms of specific enterprises, ING, the multinational banking and financial services corporation in the Netherlands, provides an example of issues that can be incorporated in a company agreement. The agreement was signed by management in 2008 with four trade union associations (*FNV Bondgenoten*, *De Unie*, *Beroepsorganisatie Banken Verzekeringen* and *CNV Dienstenbond*). Article 8 of the agreement, entitled employability, highlighted the need to maintain and develop knowledge and skills, and the company agreed to set up an ING Task Force, made up of representatives of management and unions to drive the process forward. The agreement provided for vocational education and training, specific funding in addition to the normal training budget, coaching and guidance and opportunities for certification. (Unionlearn. 2013. p 12).

In terms of specific enterprises, another particular example, from Brazil, would be the agreement between the ABC Metal Workers Trade Union and the multinational Mercedes-Benz, which includes vocational training clauses for workers in the factory of São Bernardo do Campo, in the state of São Paulo (Barretto Ghione. 2015. p 42). Another example from Latin America would be the agreement, signed in Costa Rica by *Compañía Bananera Atlántica Limitada (COBAL)*, a subsidiary of Chiquita Brands International, and the union, *Trabajadores de la Compañía Bananera Atlántica Limitada (SINTRACOBAL)*, to provide training for workers in technical subjects such as: refrigerating systems trouble-shooting; use of personal protection equipment; welding and electronics; work-related issues and workplace safety, and general education such as computer skills and English language (Brumat, 2012a).

Union Learning Representatives

In the United Kingdom, there is no statutory right to bargain on training, nor any obligation on the part of employers to provide training, nor any significant tradition of works councils. However the Employment Act 2002 provides an opportunity for trade unions to play a key role, via union learning representatives (ULRs), in helping workers into training opportunities. This Act sets out the five key functions for which it grants statutory rights to reasonable paid time off, as follows: analysing learning or training needs; providing information and advice about learning or training matters; arranging and supporting learning and training; consulting the employer about carrying out such activities; and preparing to carry out these activities.

According to an evaluation commissioned by the public authorities, union-led projects helped unions to train some 27,000 ULRs who contributed to directing around 300,000 people into learning every year. This activity was supported at the workplace by more than 1,500 learning agreements (BIS, 2012 p 16).

located in South Carolina, North Carolina and Tennessee, so called 'right to work' states, where employees have the right to work without needing to join a trade union.

The literature review has demonstrated the variety of ways in which unions are involved in different ways in skills development systems at the national multi-sectoral, sectoral and enterprise levels. At the national multi-sectoral level the emphasis is very much on participation in national apex bodies which are responsible for different aspects of policy formulation on TVET. The key to this involvement is the political decision or decisions at the level of State to set up these bodies in the first place and to provide formal opportunities for social partners, both employers' associations *and* trade unions, to participate in these bodies' deliberations. When involvement is dependent on intermittent partnership, either in the form of tri-partite collective agreements and/or training strategies, then, opportunities for involvement are significantly limited.

The same holds true, for the most part, at the sectoral level. Sectoral bodies, in their different manifestations, provide the most favourable opportunities for trade union involvement in TVET policy formulation and also implementation. Where the sectoral level differs from the national multi-sectoral level however is in the area of collective bargaining. Those countries with a tradition of sector-level bargaining have a greater propensity to provide further opportunities for trade union involvement in bargaining on TVET.

At the enterprise level, opportunities for trade union involvement in TVET implementation exist, particularly in those countries that have works councils with a remit to advise on TVET. Otherwise it is difficult to find or construct the appropriate forum for such deliberations. The one clear exception is the United Kingdom, a country with no works councils, but with relatively intense trade union involvement in TVET at the enterprise level, on the basis of activities carried out by Union Learning Representatives supported by union-administered funds from public authorities.

Clearly though the literature review only refers to a limited number of countries, primarily in Europe. In order to expand the range of the literature review and thus to provide a broader overview of the subject, the ILO has chosen to commission ten national case studies of trade union involvement in TVET, and they will provide the focus for the next section of the study.

Typology of interventions and cross-case analysis

This section will present a typology of trade union interventions and cross-case analysis that extends beyond the existing literature on the basis of the national case studies from Africa (Senegal and South Africa), Arab countries (Morocco and Oman), Asia (Bangladesh and the Philippines), Europe (Sweden and the United Kingdom) and Latin America (Argentina⁵ and Brazil). A concise comparative typology of trade union interventions is to be found in Table 2 at the end of this section.

At the national multi-sectoral level

Trade unions from the national studies are involved in skills development at the national multi-sectoral level in a variety of ways, notably through their participation in the deliberations of apex training bodies and to a lesser extent the negotiation of multi-sectoral tri-partite agreements.

National apex bodies

Trade unions are represented on national tri-partite apex bodies in Argentina, Bangladesh, Brazil, Morocco, the Philippines, Senegal, South Africa and Sweden, but not in Oman and no longer in the United Kingdom.

In Africa, trades unions are represented on a number of different tri-partite bodies in South Africa, notably: the National Skills Authority which advises the Ministry of Labour on skills issues; the Human Resource Development Council of South Africa – ‘a national, multi-tiered and multi-stakeholder advisory body’ which aims to stimulate a culture of training and lifelong learning at individual, organisational and national levels of employability and which is supported by a technical working group chaired by COSATU, the largest South African trade union confederation; the South African Qualifications Authority which oversees the development and implementation of the National Qualifications Framework; the Quality Council on Trades and Occupations which is responsible for overseeing the design, implementation, assessment and certification of occupational qualifications. In Senegal the most representative trade union confederations (National Confederation of Workers of Senegal, the National Union of Autonomous Trade Unions of Senegal and the Confederation of Senegal Autonomous Trade Unions, CSA) are members of the Boards of the National Vocational Qualification Centre and the Fund for Financing Vocational and Technical Training.

In Asia, trade unions are represented on the Bangladeshi National Skills Development Council in Bangladesh whose role is to oversee and monitor all activities of public and private training providers related to skills training. Bangladeshi trade unions also participate in project advisory committees for ILO skills projects and provide direct training for informal workers. In the Philippines there are six trade union representatives (out of a total of 22) on the Board of the Technical Education and Skills Development Authority which has a key role in TVET policy formulation and implementation. It is mandated by law ‘to provide relevant, accessible, high quality and efficient technical education and skills development’ and is primarily responsible for the formulation of continuing technical education and skills development policies and programmes. As part of its quality assurance measures it has promoted the use of competency- and outcome-based Training Regulations which contain minimum standards for trainers and

⁵ Whilst a case study on Argentina was commissioned for this study, it has not been included in the Annexes.

training material, and it has established a National Qualification Programme for TVET trainers-assessors. In addition it approves the National Technical Education and Skills Development Plan and allocates resources for the different training programmes. It defines and approves TVET skills standards and assessments. It establishes and administers a system of accreditation of both public and private TVET institutions.

In the Arab countries, in Morocco for example, two of the representative trade union confederations, *l'Union Marocaine du Travail* et *l'Union Générale des travailleurs du Maroc*, are members of the Management Committee of the tri-partite Office for Vocational Training and the Promotion of Work which provides information and guidance and recruitment for TVET and is also responsible for the organisation and monitoring of apprenticeships.

In Latin America they are represented in Argentina on the National System of Continuing Education which is responsible for developing a system of continuing TVET, based on social dialogue and the development of skills standards, and which articulates training and the certification of skills with the employment policies developed by the Ministry of Labour, Employment and Social Security. In Brazil, they are members of the National Education Forum which supervises the design, implementation and evaluation of national education policy, and also the National Certification Network which is responsible for the recognition of knowledge and professional certification of young adults. In Europe, although the Swedish TVET system is primarily school-based, and generally there is little involvement from the social partners, whether trade unions or employers' associations, trade unions are represented on the board of the Labour Market Council which is linked to the Swedish National Agency for Higher Vocational Education. In the United Kingdom trade unions have been involved in consultative discussions within the UK Commission for Employment and Skills, but it is now in the process of being wound up.

Multi-sectoral tri-partite agreements and strategies

There are some examples of trade union involvement in multi-sectoral tri-partite agreements and strategies in Africa. In South Africa a National Skills Accord was signed in 2011, committing all social partners to combine their 'efforts in order to strengthen skills development as a crucial pillar of the New Growth path'. Stakeholders should train artisans and other scarce skills, contribute to the placement of further education graduates into workplace learning, improve the quality of skills planning and focus on the performance of the sector skills councils. In Senegal, following the creation of the National Joint Committee for Vocational Training in 2004, the social partners signed a Joint Declaration the following year to promote continuing TVET at the enterprise level.

In the Arab countries, in Morocco for example, a tri-partite agreement was signed in 2011 to 'improve the capacity of enterprises and continuing TVET for employees' leading to a commitment to a new form of governance for the management of special training contracts. This commitment has not yet been carried through however. In Asia trade unions in the Philippines have provided an active and regular input to deliberations on skills development, for example in the context of the preparations for the Philippine Development Plan 2016-2022.

Although British trade unions have not been involved in multi-sectoral tri-partite agreements and strategies, nor any longer indeed in the deliberations of national and/or sectoral apex bodies, they are responsible for managing a government-funded Union Learning Fund, which 'has disbursed some £150 million since 1998, supporting 550 projects involving 57 trade

unions. Some 31,000 ULRs have been trained, 600 union learning centres opened and an estimated 220,000 individuals access courses each year through union-led learning. The current ULF round 17 (1 April 2016 – 31 March 2017) supports 28 projects involving 22 unions’.

At the sectoral level

At the sectoral level trade unions are involved in skills development by means of participating in bodies, such as sector skills councils, and negotiating collective agreements.

Sectoral bodies

Trade unions are represented on sectoral bodies in Argentina, Bangladesh, Brazil, Senegal, South Africa and Sweden.

Trade unions are represented on 21 Sector Education and Training Advisory Boards (SETABs – formerly known as SETAs – Sector Education and Training Authorities) in South Africa. SETABs develop and carry out Sector Skills Plans. In addition, they approve workplace skills plans and training reports; establish learning programmes (and related materials); register agreements and administer sectoral funds to support training provision. They are also responsible for identifying work placements and improving information about placement opportunities. In certain sectors, unions, such as the National Union of Mineworkers and the Building, Construction and Allied Workers Union, have highlighted the importance of the recognition of prior learning and the need to gain key qualifications so as to enable workers to obtain pay increases. In addition SETABs are responsible for liaising with the Quality Council on Trades and Occupations, whose Board includes the social partners, on the issue of quality assurance, and they pass on information on skills developments within their sector to the National Skills Authority and ultimately the National Skills Development Strategy. In Senegal trade unions are represented on the boards of three sectoral centres (Construction and Public Works, Agri-business, Ports).

In Asia, in Bangladesh more specifically, there are Industry Skills Councils (ISCs) in sub sectors, such as leather, construction, ready-made garments and agri-food, with trade union representation. In addition Bangladeshi trade unions in the construction industry are involved in managing and monitoring training delivery within the informal apprenticeship programme of a development project entitled *Way out of Informality*. In the Philippines there are consultative Industry Tri-partite Councils in six sectors (clothing and textiles, construction, automotive assembly, banking, and hotel, restaurants and sugar). In addition trade unions have also been involved in providing training directly to workers, particularly in the maritime and construction sectors.

In Europe, Swedish trade unions are represented on 12 sectoral programme councils that advise on TVET matters - one such example would be the *Industriarbetsgivarnas kompetensråd* (IAKR), which deals with skills development in the metal and engineering sector. In Latin America, Argentinian trade unions are represented on the Sectoral Councils for Continuing Learning and Skills Certification which are ‘are the backbone for the implementation of the training and certification of vocational skills’ and which present the sectors’ demands in terms of vocational training matters and certification, identify needs, promote the Sectoral Certification Bodies, validate standards of proficiency, train evaluators and carry out evaluation and certification. In addition they are required to monitor and evaluate the results of the actions in their strategic plans. The Sectoral Certification Bodies are composed of the business

chambers and trade unions for each sector, and their function is to evaluate and certify workers in their professional roles. In Brazil trade unions participate in the S System Councils (SENAI, for industry; SENAC, for commerce and the service sector; SENAR, for rural workers; and SENAT, for transport workers). They are also represented on the Sectoral Technical Committees of the National Service for Industrial Training which are responsible for defining vocational profiles for curriculum design.

Collective agreements

Trade unions at the sectoral level have negotiated collective agreements in Argentina and Sweden. In Argentina in the 1990s the *Unión Obrera de la Construcción de la República Argentina* (UOCRA) and the *Cámara Argentina de la Construcción* (CAC) signed an agreement to support joint vocational training for workers; and, with the Ministry of Labour, Education and Social Security, to establish the National Institute for Technological Education. In addition, in 2004 and 2007 the social partners signed an agreement with the Ministry of Labour, Employment and Social Security and the Institute of Statistics and Registration of the Construction Industry. They also agreed to set up the National Qualification Plan for Workers in the Construction Industry which had four specific objectives: training for ‘safe and qualified employment’; strengthening the network of training centres for the construction industry; certifying workers’ skills; and providing guidance and counseling for training and employment. They signed another important agreement to set up System Training for the Construction Industry which led to the provision of vocational guidance and training, the promotion and development of assessment and the certification of competencies, and the tracking of courses and work placements in the construction sector. In addition, an agreement was signed to promote lifelong learning and the creation of sector skills council certification and CVET within the construction industry.

In the Automobile sector the *Sindicato de Mecánicos y Afines del Transporte Automotor de la República Argentina* (SMATA) signed an agreement in 2004 with *Unión Propietarios de Talleres Mecánicos de Automóviles* (UPTMA) to set up a qualifications programme for car mechanics; it also signed a framework agreement with the *Federación Argentina de Asociaciones de Talleres de Reparación de Automotores y Afines* and the Ministry of Labour, Employment and Social Security in 2008 to develop training, to certify workers’ competences and the promotion of quality in TVET institutes in the car repair industry. The same year it signed an agreement with the employers’ association Chamber of Concessionaires ACA Services (CCS) to develop training and the certification of workers’ competences. In addition SMATA coordinates a network of 30 training institutes and offers its own training programmes for reconversion from ‘traditional’ mechanical trades to more sophisticated electronic applications.

In Sweden sectoral agreements normally include some form of general commitment to skills development. In the public sector the latest agreement (2016), covering local government employees signed by the Municipal Workers Union and the Association of Local Authorities and Regions, there is a brief mention of the importance of developing the individual workers’ competence ‘through experience and education’. In addition, ‘upgrading the competences of individual workers through learning on the job and education would present a precondition for increased productivity and quality and as a result wage increases’. Nursing assistants were singled out for special attention – they should be supported so that they can improve their competences for career development purposes. In industry, in the metalworking sector, the collective agreement for 2013-16 includes a protocol which states that both the employer and

the employee are responsible for skills development. For the employer this means that 'both work and work organisation should be developed in order to update and enhance employees' skills'. Individual employees should take responsibility for their own skills... according to the needs of the enterprise'. In the services industry the Swedish Food Workers Union and Hotel and Catering Union have negotiated agreements concerning the right to upgrade employees' skills. In addition the Municipal Workers Union, the Association of Local Authorities and Regions and the Private Care Providers have agreed to set up a college to ensure the supply of skilled employees and train existing personnel in the private health care sector.

Skills development is rarely mentioned in collective bargaining agreements in the Philippines. When it is, there are minor inclusions of 'skills training' and job enrichment' under the heading of 'productivity enhancement'.

At the enterprise level

Trade unions are involved in policy implementation of skills development at the enterprise level in some of the case study countries - in workplace skills committees in South Africa, and in a limited or very limited way in Bangladesh, Brazil, Morocco, the Philippines and Sweden. At the other end of the spectrum trade unions in the United Kingdom, with little or no opportunity to become involved in skills development at the national and sectoral level, are particularly active at the enterprise level.

In Africa, South African companies with more than fifty employees are required by law to set up workplace education and training committees, and in companies where trade unions are recognised, their representatives are formally members. These committees draft skills plans for companies, and, following an amendment to the Skills Development Act, these skills plans need to be approved by trade unions before they are submitted to the SETABs to request funding. However there is evidence that the legislation is not respected, that workplace education and training committees have not been created, and where they do exist, that they are not functioning properly.

In the Arab States, Moroccan companies have works councils which are consulted on issues, such as apprenticeships, illiteracy and Continuing Vocational Education and Training, and trade unions may be represented on these councils. In Asia, in the Philippines trade unions are involved in the implementation of TVET policy, via Technical Training Institutes and, in certain cases, in the context of discussions in some labour-management committees. In Europe, local trade unions in Sweden have negotiated a few agreements on skills development, for example, in SAAB Powertrain in Trollhättan and LKAB, the mining company in Kiruna in the very north of Sweden.

Trade union have been intensively involved in skills development in the United Kingdom, via Union Learning Representatives (ULRs), who have statutory rights to reasonable paid time off for the following activities: analysing learning or training needs; providing information and advice about learning or training matters; arranging and supporting learning and training; consulting the employer about carrying out such activities; and preparing to carry out these activities. This has led to the signing of many workplace learning agreements and the establishment of many workplace learning centres. Their activities have been underpinned by the government-funded Union Learning Fund. Union learning has focussed on basic skills, literacy and numeracy for the most part, but there is some evidence of vocational training at a higher level with unionised professional staff.

Table 2. Comparative Typology of Trade Union Interventions

	National	Sectoral	Enterprise
Argentina			
Tri/bi-partite bodies	Yes	Yes	-
Collective agreements	No	Limited	-
Other	-	-	-
Bangladesh			
Tri/bi-partite bodies	Yes	No	No information
Collective agreements	No	No	Rare
Other	-	Very limited	-
Brazil			
Tri/bi-partite bodies	Yes	Yes	
Collective agreements	No	Yes	Very limited
Other	-	-	-
Morocco			
Tri/bi-partite bodies	Yes	No	Yes
Collective agreements	Yes	No	No
Other	-	-	-
Oman			
Tri/bi-partite bodies	No	No	No
Collective agreements	No	No	No
Other	No	No	No
Philippines			
Tri/bi-partite bodies	Yes	No	Very limited
Collective agreements	No	Very limited	No
Other (1-national strategy, 2-direct provision)	1-Yes	2-Yes	-
Senegal			
Tri/bi-partite bodies	Yes	Yes, limited	No
Collective agreements	-	Limited	No
Other (joint declaration)	Yes	-	-
South Africa			
Tri/bi-partite bodies	Yes	Yes	Yes
Collective agreements	Yes	Limited	-
Other	-	-	-
Sweden			
Tri/bi-partite bodies	Yes	Yes	
Collective agreements	No	Yes	Very limited
	National	Sectoral	Enterprise
United Kingdom			
Tri/bi-partite bodies	No	No	Yes
Collective agreements	No	No	Learning agreements
Other (union learning representatives)	-	-	Yes

Key Findings and Recommendations

The literature review and the ten national case studies have provided significant examples of trade union involvement in skills development, in certain countries and at certain levels, and some answers to the fundamental questions put in the introduction of the study, namely:

- why should trade unions be involved in the skills development agenda?
- what are the different ways that trade unions can become involved in skills development systems?
- what benefits are delivered through trade union involvement in skills development systems?

Trade unions should be involved in the skills development agenda, for the simple reason that ‘critical engagement’, as proposed by Rainbird and Stuart, may lead to improvements in the working lives of trade union members and workers in general, via a process of;

- influencing State policy through participation in the deliberations of national and sectoral apex bodies and enterprise-level works councils
- integrating learning with other functions such as multi-sectoral and sectoral collective bargaining
- institutionalising learning through learning partnerships with employers, either formally through works council or less formally through the activities of Union Learning Representatives.

According to the L20 document quoted in the introduction, trade unions have acknowledged that their member sand workers in general are interested in the development, recognition and certification of skills and competences. Moreover the international instruments agreed at the International Labour Organization, the Human Resources Development Convention (ILO 1975) and the Human Resources Development Recommendation (ILO 2004) make reference to and encourage the participation of trade unions in TVET and skills systems.

In general terms trade unions from the literature review and from the national case studies embrace the ‘critical engagement’ thesis which presents skills systems as an ‘opportunity structure’ that may be used by trade unions to support their own interests. However commitment to this approach has often fluctuated over time, and trade union involvement in the skills agenda can wax, and also wane, according to other existential demands put upon trade union organisations.

On the one hand, as the Argentine case study has shown, trade union involvement has waxed. The structure of the Argentine industrial relations model places trade unions at the centre of the development of skills and competences of workers, and this is crystallised institutionally in their committed participation in Sectoral Councils.

However, on the other, case studies from Bangladesh, Morocco, the Philippines and South Africa have shown that trade union involvement has waned. In Bangladesh skills development or other types of development work does not feature prominently in the manifestos or work programmes of trade unions. In Morocco trade unions are more interested in industrial relations question in general, freedom of association, social dialogue and social protection, rather than TVET and skills development. In the Philippines too, trade union interest and involvement in

skills development have been not been as strong as their interest in promoting union organization, collective bargaining and protecting workers rights. In South Africa, despite the fact that trade unions were the key driving force in shaping the education and training landscape, by the mid to late 2000s education and training was no longer central to the unions' agenda, nor highlighted by unions in the collective bargaining processes – the key issues were wages and working conditions. Moreover it is not clear what impact the latest changes in the National Skills Development Strategy (2015) will have on trade union engagement.

Some of the national case studies have explained this by indicating the lack of resources at trade unions' disposal. In Morocco trade unions do not have specialists in TVET, training methodology, needs analysis and skills development. In the Philippines, and more specifically the Board of the Technical Education and Skills Development Authority, government representatives have full-time technical support from their respective agencies, and employers have their own HR departments, but workers' representatives do not have the same level of support. 'The depth and quality of union participation in policy making bodies like TESDA could have been enhanced if the workers' representatives had full-time technical staff support'.

What are the different ways that trade unions can become involved in skills development systems?

The analysis in this study has looked at the involvement of trade unions at the national, sectoral and enterprise levels. It finds that in general there are numerous examples of trade union involvement, in developed and also developing countries, albeit with different levels of intensity, as can be seen in schematic form in Table 2.

Trade unions are represented on national tri-partite apex bodies in many countries including Argentina, Bangladesh, Brazil, Bulgaria, Cyprus, India, Denmark, France, Germany Morocco, the Philippines, Senegal, South Africa and Sweden, but no longer in the United Kingdom. Some trade unions, in France and Norway for example, have negotiated national multi-sectoral agreements, and others in Germany have agreed on tri-partite strategies to support TVET.

At the sectoral trade unions are represented on bodies in Argentina, Brazil, Denmark, France, Germany, Italy, the Philippines, Senegal, South Africa and Sweden. They have also participated in negotiating a range of collective bargaining agreements and managed funding programmes.

At the enterprise level trade unions are represented on works councils, for example in Austria, France, Germany and South Africa, and have been involved in negotiating company agreements on skills development and/or learning agreements in some countries, such as Germany and the United Kingdom. At the enterprise level trade unions in the United Kingdom have been particularly active at the enterprise level, via Union Learning Representatives (ULRs), who have succeeded in negotiating workplace learning agreements leading to the establishment of many workplace learning centres.

Although trade union commitment to 'critical engagement' has fluctuated over time, the level of involvement has been relatively high in certain countries, and in certain conditions, as described by Rainbird and Stuart. In other countries, in less advantageous conditions, involvement has clearly been more modest. What benefits has this involvement brought?

What benefits are delivered through trade union engagement in skills development systems?

In a broad comparative study of workplace training, Cooney and Stuart note that trade union have registered some gains, but the latter are contingent on a series of other factors. 'Where local actors were engaged with unions in the creation of partnerships for workplace training and skills development and where employee voice in regards to training was exercised through formal or informal means, then some positive outcomes were identified. Where formal collective agreements were reached at sectoral and national levels, new rights to training had been established; where the State was engaged, funding for innovative programmes had been forthcoming. However without this support 'these gains were often both limited and temporary' (Cooney & Stuart, 2012, p 25).

There is clear evidence of a beneficial link between trade union involvement and skills development systems in the United Kingdom, on the basis of a comparison between unionised and non-unionised workplaces. According to Stuart and Robinson, in workplaces where trade unions are recognised, there is a positive correlation between the presence of a Union Learning Representative and the quantity of training that employees received: employees were 8 per cent more likely to report having received 2-5 days training. In workplaces where the union was recognised, Union Learning Representatives were present and there was a representative structure that included employee representatives, there was also a positive correlation between trade union involvement and skills development: employees were 14.9 per cent more likely to report receiving training, and were 6.7 per cent more likely to report receiving 10 or more days training (Stuart & Robinson. 2007. p 4).

Moreover a significant key finding from the 2012 evaluation was that 'ULRs in particular and union learning projects in general excel at ... engaging with that stratum of workers which is ordinarily overlooked by day-to-day training decisions and provision' (BIS. 2012. p 127). Further research has shown over the period 2001–2013 union members were a third more likely to have received training than non-unionised employees and were 1.34 times more likely to have accessed job-related training in the previous three months than non-unionised employees (Stuart, Valizade and Bessa, I. 2015. p 5). This interpretation is however contested by others. Hoque and Bacon find the link between union recognition and skills development 'at best, weak'. Moreover they find no consistent relationship between the presence of Union Learning Representatives and training. They do however note some evidence of greater equality in the distribution of training in workplaces where there are Union Learning Representatives in comparison with other workplaces (Hoque & Bacon. 2008. p 702).

However, as the British case study shows, Bacon and Hoque somewhat paradoxically found in a later survey that 73 per cent of Union Learning Representatives reported they had a positive impact on at least one form of either employer-funded or non-employer-funded training. As Winterton has shown in the UK national case study, the Union Learning Fund has 'disbursed some £150 million since 1998, supporting 550 projects involving 57 trade unions. Some 31,000 ULRs have been trained, 600 union learning centres opened and an estimated 220,000 individuals access courses each year through union-led learning'.

It remains to be seen if this commitment can be sustained, particularly in the light of changes to the level of funding provided by the government for the Union Learning Fund.

In the South African case too, there is clear direct evidence of trade union influence in a different form. The skills plans which have been developed in workplace education and training committees need to be approved by trade union representatives before they are submitted to the SETABs to request funding.

Indirect trade union influence over the formulation and implementation of skills development policy provide numerous examples. Those trade unions that are represented on national tri-partite apex bodies have been involved in setting national policy and strategy; undertaking labour market research; formulating and implementing TVET initiatives in general and apprenticeship training in particular; developing and maintaining qualifications structures; assuring the quality of training in the workplace, the accreditation of work placements in companies and the supervision of in-company mentors.

However, as the South African case study shows, legislation capturing the vision of the labour movement for skills development is unevenly implemented.

In the French case, Le Deist and Winterton provide evidence for a link in their assessment of the consequences of the 2003 national multi-sectoral agreement which led to a further 450 sets of negotiations at the sectoral level. Sectors that had not been involved in TVET negotiations previously began to set up their own agreements, and where agreements already existed, they were modified in line with the new provisions. Many of the sector agreements addressed the individual right to training and the financing of training. (Le Deist and Winterton. 2012. p 106).

In Germany the ‘Social Partner Directive’, a tri-partite initiative launched in 2009 by the Ministry of Labour and Social Affairs, trade unions and employers’ associations, to set up a programme to provide financial support to implement collective agreements on skills development, has been described as ‘a potentially powerful instrument to advance CVET’ (Trappmann, 2012. p 123). However the proposals of a further German tri-partite initiative, the ‘Alliance for Initial and Further Training 2015-2018’ have been considered merely ‘statements of good intent’, with the exception of the decision to provide 10,000 ‘assisted training places for lower-achieving young people’ to improve the transition from school to work, and even this is described as ‘a drop in the ocean’, given the existing challenges (Busemeyer, 2015, p 4).

At this broader level the Argentine case study notes the ‘high impact’ of trade union engagement on public policies as a result of participation in the design, planning, implementation and evaluation of TVET policies. Another example, this time from the Philippines, considers that the involvement of trade unions at the national level has yielded several positive outcomes. The government and employers have recognised the important role played by trade unions in policy formulation, and so the government has ensured the representation of trade unions in other policy making bodies, where skills development issues are discussed. Trade union participation in these TVET policy making bodies has exposed these other actors to socio-economic and political issues, such as the changing nature of jobs and the need to create more and better jobs.

At the sectoral level examples abound. Trade unions that are represented on sectoral bodies may be responsible for the anticipation of skills needs, and in the light of developments in the labour market, they may propose the launching of new courses or the closure of existing courses. They may be responsible for defining occupational profiles; developing curricula and deciding the duration and structure of training programmes, their objectives and assessment, as well as the distribution between work-based training and school-based training.

In addition, they may be responsible for licensing TVET institutions, monitoring quality of training in the workplace, accrediting work placements in companies and supervising in-company mentors. In some countries, France Italy and South Africa for example, they are responsible for collecting training levies and for disbursing funds for training purposes. In others, Argentina and the Philippines for example, they are responsible for setting up their own TVET institutes. Some trade unions have negotiated with employers' associations to sign sectoral agreements which may cover access to training, the development of training programmes, the institutionalisation of social dialogue for training purposes, the reinforcement of networks of training institutes, the certification of workers' skills, the provision of guidance and counselling and funding arrangements.

Examples from Denmark, France, Germany and the Netherlands provide evidence of a link between trade union involvement and improvements in skills development for trade union members and/or workers, on the basis of the negotiation of collective agreements.

According to Trampusch and Eichenberger, for example, collective agreements in Denmark and the Netherlands provided and financed a variety of CVET initiatives, notably access to training, the development of training programmes, the institutionalisation of dialogue between social partners to establish rights to training and the financing of CVET courses. 'Most importantly, in both countries, CLAs (collective labour agreements) establish sectoral training funds which provide financial support for individual training measures'. Moreover the agreements cover all kinds of employees, white-collar workers as well as blue-collar workers, low-skilled and high-skilled, and, specific groups like women, part-timers, older workers and temporary agency workers (Trampusch and Eichenberger. 2012. p 652).

In a separate study, this time of the sectoral agreements signed by trade unions and employers' association in Germany, Trappmann noted that the results were in fact mixed. In the metal industry, in Baden-Württemberg, although 90 per cent of employees covered by the agreement took part in an annual training needs discussion, this led to very few gaining a qualification. In the textile industry, for example, coverage was minimal.

In general terms, employers were more willing to sign agreements at the company level, if the terms of the sectoral agreement were watered down - if there was no mention of the right to train and no details about learning time, for example. So trade unions at the enterprise level were faced with the option of signing an unsatisfactory agreement or having no agreement at all. She did note some positive results - the evaluation of qualification needs, the awareness of training needs among employees, and the adoption of a process leading to more transparency. She also noted some negative ones - the agreements did not reduce selectivity—a concern often raised by works councils —nor did they improve the participation in, or funding of, training. (Trappmann. 2012. p 124).

Finally, according to Busse and Heidemann, collective agreements had produced an increase in skills training leading to some form of certification, greater emphasis on evaluation and thus quality assurance of the training on offer, and increased interest in the form and content of training programmes, with an emphasis on longer periods of training (Busse & Heidemann, 2012, pp 103-4).

In Italy the link between trade union involvement and skills development seems self-evident. Trade unions, along with employers' associations, are responsible for managing the 19 sectoral Interprofessional Joint Funds which, in the ten-year period up to 2014, financed activities to

the tune of approximately 5.2 billion euros. In 2014, they approved approximately 31,000 training plans, with the participation of more than 59,000 companies and a potential pool of workers amounting to about 1.6 million (ISFOL, 2015, p 7).

The South African case study highlights some of the successes achieved at the sectoral level. In the manufacturing sector trade union participation in the SETA led to the establishment of Accelerated Artisan Training Programme (AATP), and in 2012 80% of those trained found employment and 53% permanent jobs. In the automobile sector, by 2014, 6,000 learners and 4,300 apprentices has been registered by 2014.

At the enterprise level trade unions are represented on works councils, for example in Austria, France, Germany and South Africa. This may give them access to information about training programmes, opportunities for consultation on training measures, opportunities for approving training programmes and retraining measures. They may be responsible for promoting vocational training, establishing training facilities and programmes, implementing vocational training and for requesting that management identify initial and continuing training needs.

Trade unions are involved in negotiating company agreements on skills development and/or learning agreements in some countries. In the United Kingdom trade unions have been particularly active. They have been intensively involved in skills development, primarily at the enterprise level, via Union Learning Representatives (ULRs), who have succeeded in negotiating workplace learning agreements leading to the establishment of many workplace learning centres.

As Winterton has shown in the UK national case study, the Union Learning Fund has ‘disbursed some £150 million since 1998, supporting 550 projects involving 57 trade unions. Some 31,000 ULRs have been trained, 600 union learning centres opened and an estimated 220,000 individuals access courses each year through union-led learning’. It remains to be seen if this commitment can be sustained, particularly in the light of changes to the level of funding provided by the Union Learning Fund.

This study makes the case for ‘critical engagement’ with the skills development agenda, demonstrates the different ways in which trade unions become involved in skills development systems and sets out some of the benefits that trade unions have been able to deliver, either directly through their activities alone or indirectly through their engagement with public authorities and employers’ associations in tri-partite structures and strategies or through their engagement with employers in bi-partite structures and practices.

Clearly though, the data in this study is limited, and it is not possible to determine comprehensively the scope of trade union involvement in the skills development agenda. For a clearer picture it will be necessary to identify more examples of trade union engagement, in countries in the study and also in others, and to develop indicators to measure the level of trade union involvement and the type of benefits that trade unions can deliver.

Moreover it will be necessary to see ways in which trade unions can plot a way forward, and for this reason, it has been decided to present a series of recommendations for future development.

Recommendations

It is recommended that trade unions embrace the ‘critical engagement’ thesis of skills development and as such that they:

- Agree at the highest level within the trade union organisation that there is a commitment to engaging in skills development and to develop a multi-level strategy to accompany it
- Ensure that trade unions from different organisations avoid fragmentation and provide a united front on the question of skills development
- Lobby government to introduce legislation or policy which provides for clear stream-lined structures and statements of trade union involvement on skills issues, whether in terms of collective bargaining, or participation in apex bodies, sector skills councils, sectoral funding bodies and/or works councils
- Lobby government to introduce legislation which enables trade union representatives at the workplace to play a determining role in skills development and to have reasonable paid time off for analysing learning or training needs; providing information and advice about learning or training matters; arranging and supporting learning and training; consulting the employer about carrying out such activities; and preparing to carry out these activities
- Lobby government to introduce legislation which enables workers to participate in skills development, notably a right to training and paid time off to take up training
- Lobby government to ensure that sufficient funding is made available to set up good quality skills development activities
- Lobby government to ensure that skills development systems are stable and recognised as such
- Seek out alliances with other skills development stakeholders, notably employers’ associations and employers, to engage in a process of social dialogue so that skills development becomes an integral part of collective bargaining
- Build capacity within their own organisations so that trade union officers are qualified and able to defend trade union and workers’ interests within multi-sectoral and sectoral tri-partite bodies dealing with skills development issues and, where possible, negotiate collective bargaining agreements
- Build capacity within their own organisations so that trade union representatives are qualified and able to defend trade union and workers’ interests at the workplace, to motivate workers to take up any skills development opportunities and to communicate information about skills development activities to their members and/or workers
- Support the introduction of measures to enable the recognition of non-formal and informal learning to facilitate enhanced labour market mobility
- Ensure that young people, particularly apprentices, are not used as cheap labour to displace existing workers
- Contribute to the collection of data on skills training so that stakeholders are in a position to monitor skills development and estimate the impact of their skills strategies.

Selected Bibliography

Barretto Ghione, H. 2015. *Current status of vocational training in social dialogue*. ILO/Cinterfor: Montevideo. 2015.

Bosch, G. 2010. 'The Revitalisation of the Dual System of Vocational Training' in Bosch, G. & Charest, J. (eds) 2010. *Vocational Training – International Perspectives*. Routledge: Abingdon.

Bridgford, J. & Stirling, J. (eds). 2000. *Trade Union Education in Europe*. European Trade Union College: Brussels.

Brumat, L. 2012a. 'How upskilling can boost worker productivity and be part of a compensation package to increase workers' earnings potential' in *Social Dialogue for Workplace Learning*. International Labour Organization: Geneva.

Brumat, L., 2012b. 'How training can help reduce a labour shortage' in *Social Dialogue for Workplace Learning*. International Labour Organization: Geneva.

Busemeyer, M. 2015 *Aufbruch oder Stillstand in der Berufsbildungspolitik? Die neue Allianz für Aus- und Weiterbildung*. Friedrich-Ebert Stiftung: Bonn.

Busse, G. & Heidemann, W. 2012. *Betriebliche Weiterbildung, Auflage 3. Betriebs- und Dienstvereinbarungen. Analyse und Handlungsempfehlungen*. Frankfurt am Main: Bund-Verlag.

Cedefop. 2016. *Governance and financing of apprenticeships*. Luxembourg.

Charest, J. 2012. 'Moving beyond the Rhetoric? Unions and Training in Canada: Challenges and Policy Perspectives' in Cooney, R. & Stuart, M. *Trade Unions and Workplace Training – Issues and International Perspectives*, Routledge: London. pp 59-76.

Clough, B. 2012a. 'Social dialogue or state monologue? The role of unions in the UK learning and skills system' in Cooney, R. & Stuart, M. *Trade Unions and Workplace Training – Issues and International Perspectives*, Routledge: London pp 179-201.

Clough, B. 2012b. *The role and impact of unions on learning and skills policy and practice: a review of the research*, Research paper 16, Unionlearn: London.

Cooney, R. & Stuart, M. 2012. 'Trade unions and vocational education and training in theory and practice, in Cooney, R. & Stuart, M. *Trade Unions and Workplace Training – Issues and International Perspectives*, London: Routledge, pp 15-34.

D'Agostino, A. & Delanoë, A. 2012. 'Les observatoires prospectifs des métiers et des qualifications : des outils pour agir', *Bref Céreq*, no 297-2, mars 2012, pp 1-4.

Department for Business, Innovation and Skills (BIS). 2012. *Evaluation of the Union Learning Fund: learners, workplace cases and extension to the non-union sector*. London.

European Trade Union Confederation/Unionlearn. 2014. *Towards a European quality framework for apprenticeships and workplace learning – best practices and trade union contributions*, Brussels.

European Trade Union Confederation/Unionlearn. 2016. *A European quality framework for apprenticeships – a European trade union proposal*. Brussels.

European Training Foundation (ETF). 2013. *Sector Skills Councils. What? Why? How? Contributing to better VET relevance to the labour market needs*, Turin.

European Training Foundation (ETF). 2015. *Governance of Vocational Education and Training in the Southern and Eastern Mediterranean*. Turin.

Hoque, K. & Bacon, N. 2008. 'Trade Unions, Union Learning Representatives and Employer-Provided-Training in Britain' in *British Journal of Industrial Relations*. 46:4 2008. pp. 702–731.

International Labour Organization. 1975. *Human Resources Development Convention - C142*. Geneva

International Labour Organization. 2004. *Human Resources Development Recommendation – R195*. Geneva

International Labour Organization (ILO). 2007. *The role of trade unions in workers' education: the key to trade union capacity building*. Geneva.

International Labour Organization (ILO) 2008. *Conclusions on skills for improved productivity, employment growth and development*. International Labour Conference, 97th session. Geneva.

International Labour Organization (ILO 2010). *A Skilled Workforce for Strong, Sustainable and Balanced Growth: A G20 Training Strategy*. Geneva.

International Labour Organization (ILO 2012). *National Skills Policy for Bangladesh*, draft for discussion, Dhaka

ISFOL & INPS, *Monitoraggio apprendistato. 14 Rapporto*. Rome. 2013.

ISFOL, *XVI Rapporto sulla formazione continua - Annualità 2014 – 2015*, Rome. 2015.

L20. 2015. *Quality Apprenticeships – What are trade unions doing?*

Le Deist, F. & Winterton, J. 2012. 'Trade unions and workplace training in France - social partners and VET' in Cooney, R. & Stuart, M. *Trade Unions and Workplace Training – Issues and International Perspectives*, London, Routledge, pp 89-112.

Martínez Lucio, M. Skule, S. Kruse, W. & Trappmann, V. 2007. 'Regulating skill formation in Europe: German, Norwegian and Spanish policies on transferable skills' in *European Journal of Industrial Relations*, 13 (3), pp 323-340.

Méhaut, P. 2005. 'Reforming the Training System in France', *Industrial Relations Journal*, 36(4), pp 303-317.

Organisation for Economic Cooperation and Development (OECD). 2016. *Getting Skills Right: Assessing and Anticipating Changing Skills Needs - Executive Summary and Key Findings*. Paris

Rainbird, H. & Stuart, M. 2011. 'The state and the union learning agenda in Britain' in *Work, Employment and Society*, 25:202. pp 202-217.

Senén González, C & Borroni, M. 2012. M. *Social dialogue, industrial relations and union revitalization in Argentina after 2003*, unpublished.

Smith, S. 2014. *Trade unions and skill development in India: Challenges and international experience*. International Labour Organization: New Delhi.

Spencer, B. 2002. *Unions and Learning in a Global Economy – International and Comparative Perspectives*. Thompson Educational Publishing: Toronto.

Stuart, M. 2011. 'The coverage, content and impact of union learning agreements'. London: Unionlearn.

Stuart, M. & Robinson, A. 2007. 'Trade Union Recognition and Collective Bargaining: Findings from the 2004 Workplace Employment Relations Survey. Research Paper 4. Centre for Employment Relations, Innovation and Change, Leeds University Business School. London: Unionlearn.

Stuart, M. Valizade, D. & Bessa, I. 2015. *Skills and training the union advantage*. Unionlearn: London.

The Commonwealth. 2016. *Mapping sector skills development across the Commonwealth – Analysis, Lessons and Recommendations*. Llangollen.

Trampusch, C. & Eichenberger, P. 2012. 'Skills and Industrial Relations in Coordinated Market Economies - Continuing Vocational Training in Denmark, the Netherlands, Austria and Switzerland' in *British Journal of Industrial Relations* 50:4. pp. 644–666.

Trappmann, V. 2010. 'The role of unions in the German continued vocational education and training system' in *Labour & Industry*, 21:2, pp 477-493.

Trappmann, V. 2012. 'The shifting role of trade unions in the German VET system' in Cooney, R. & Stuart, M. *Trade Unions and Workplace Training – Issues and International Perspectives*. Routledge: London. pp 113-137.

Unionlearn. 2013. *Building trade union support for workplace learning throughout Europe*. London.

World Economic Forum. 2014. *Matching Skills and Labour Market Needs: Building Social Partnerships for Better Skills and Better Jobs*. Davos-Klosters

Annex 1: Case studies

Bangladesh.....	3736
Brazil.....	565
Morocco	69
Oman.....	854
The Philippines	1010
Senegal.....	1232
South Africa	1332
Sweden.....	1621
United Kingdom.....	1710

Bangladesh: Trade Union and Skills⁶

By: T.LM. Nurunnabi Khan

1. Background

1.1 Overview of national economy and labour market

During the past decade or so, Bangladesh economy has registered more than 6% of the GDP growth on average per annum resulting in a transformation of the economy and the employment pattern of the country's labour force. As a result of such a steady growth, the share of agriculture in both GDP and employment has declined steadily while that of industry and services has increased. The table below shows such changes over two time periods.

Table 1. Change in the Bangladesh Economy and labour force trends

	Sectoral share of GDP (in %)		Sectoral share of employment In millions and % of total (in brackets)	
	FY2010	FY2015	FY2010	FY 2015 (Estimated)
Agriculture	17.81	15.59	25.7 (47.5%)	24.4 (39.8%)
Industry	26.14	27.98	9.5 (17.6%)	13.9 (22.6%)
Services	56.05	56.42	18.9 (34.9%)	23.1 (37.6%)
Total domestic employment			54.1(100%)	61.4 (100%)
Informal employment (15+ years)			87.5%	84.7%

Source: GOB: *Seventh Five Year Plan Document, Final Draft*, Oct. 2015, tables 1.2 & 1.3, pp. 4-6 & Bangladesh Bureau of Statistics (BBS): *Quarterly Labour Force Survey*, Jan. 2016

The broad sectors mentioned above comprise of several sub-sectors: (a) agriculture sector includes agriculture, fisheries and forestry; (b) industry sector includes (i) manufacturing (ii) construction (iii) mining and quarrying, (iv) electricity gas, steam and air condition, (v) water supply, sewerage, waste management: (c) service sector includes wholesale and retail trade, transportation and storage, accommodation & food services, information and communication, banking, insurance and financial services, administrative and support services including the public administration.

Informal employment:⁷ Of the country's total employed population of 58.7 million, formal employment is 15.3% (or 9 million) and the informal employment is 84.7% (or 49.7 million). Most of the informally employed population has low literacy rates: 87.8% of the youth (15-29)

⁶ This case study has been prepared by T I M Nurunnabi Khan acting as national consultant for the study.

⁷ **Bangladesh Bureau of Statistics (BBS):** *Quarterly Labour Force Survey, Bangladesh, July – September 2015*, Dhaka, Jan. 2016. pp iii-iv. According to this report “*Informal employment is which encompasses all the jobs included in the concept of employment in the informal sector (except those that are classified as formal jobs in informal sector enterprises) refers to those jobs that generally lack basic social or legal protection or employment benefits and may be found in formal sector enterprises, informal sector enterprises or households.*”(p. 20)

and 82.9% of the adult population (30-64 years). Main categories of the informally employed workers are self-employed or own account workers, unpaid family workers, and day labourers.

1.2 Overview of trade union arrangements

Freedom of association and the right to organize and bargain collectively at workplace are provided in the country's labour law namely the Bangladesh Labour Act 2006 (BLA 2006) in its "Section 13-Trade union and Industrial relations". According to this law,

"All workers shall, without distinction whatsoever, have the right to form trade union primarily for the purpose of regulating the relations between workers and employers, or between workers and workers and, subject to the constitution of the union concerned, to join trade union of their own choice;" Article 176 (a).

Under this law, trade unions are required to be registered with the Department of Labour under Ministry of Labour and Employment (MOLE). The legal provision allows three types of unions or workers organizations. These are described here.

- (1) **A Basic Trade Union (BTU)** at factory, plant or establishment level can be registered if at least 30% of its employees are members of that union. During the period of 1969 to 2013, 7,000 basic trade unions registered with the DOL with a total membership of about 2.3 million;⁸
- (2) **Industry Federation** is a grouping of a number of BTUs in a similar type of industry. Five or more trade unions formed in the establishments engaged in or carrying on the same or identical industry and the trade union organizations of more than one administrative division may, if in their general meetings so resolved, constitute a federation by executing a deed of federation and apply for its registration (BLA 2006); and
- (3) **National Federation (NF)** is a grouping of at least 20 BTUs irrespective of trade or sector. Currently there are 32 registered federations in the country. In terms of membership and number of unions, there are wide variations – the largest national federation (NF) has a membership of 215,000 while the smallest has only 5,989 members.⁹ One of the largest national federation has 190 basic unions.

In addition, the labour law provides for establishment of two other important entities which are part of the social dialogue process. These are reproduced as stated in the law:

***Collective bargaining agent:** "Where there is only one trade union in an establishment, the trade union shall be deemed to be the collective bargaining agent for such establishment. Where there are more than one trade union in an establishment the unions shall, by nominating an election commissioner from amongst themselves, take steps for election of a collective bargaining agent (CBA)." (BLA, Article 202).*

⁸ **Government of Bangladesh (GOB):** Department of Labour, *Bangladesh Labour Journal 2013 and 2014*, Vol. 33, Dhaka, June 2015. However, trade union statistics is difficult to compile in a fully accurate and updated manner mainly because the trends of union membership (increase or decrease in membership or closure of some of the basic unions) are not recorded regularly in a satisfactory manner (please see explanatory note in the next page).

⁹ **Bangladesh Institute of Labour Studies (BILS):** *Women's Participation in Trade Unions in Bangladesh: Status, barriers and overcoming strategies*, Dhaka, Aug. 2009

Participation committee. *“The employer of every establishment, in which at least 50 (fifty) workers are ordinarily employed, shall, through direct involvement of the workers working in that establishment, constitute a participatory committee in his establishment in the manner prescribed by rules. Such committee shall consist of the representatives of the employer and the workers.” (BLA, Article 205)*

Bangladesh has ratified three key ILO conventions which are directly linked to formation and operations of workers organizations (or trade unions) and promotion of tripartism and social dialogue. These are:

- Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87).
- Right to Organise and Collective Bargaining Convention, 1949 (No. 98).
- Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144),

Despite the legal provisions allowing establishment of trade unions under BLA 2006 and ratification of the two ILO fundamental conventions (viz. C. 87 & C. 98), the percentage of trade union membership in Bangladesh is very low at about 4% of the total employed labour force. Also, the trend of registration of new unions is very slow except the recent case of trade unions in the Ready Made Garment (RMG) industry.¹⁰ Between 2009 and 2013, the union membership increased from 2.2 to 2.3 million (a mere increase of 0.1 million in absolute terms between these two time periods) but the percentage remains stagnant at less than 4% of the total employed labour force.¹¹ In a global ranking of five points (1 being the best and 5 being the worst) on trade union rights, Bangladesh ranks 5 along with twenty five other countries of the world.¹² An ILO report on review of decent work country programme of Bangladesh also highlighted the state of workers’ organizations in Bangladesh by noting that: ¹³

“The trade union movement is perceived to be weak and getting weaker. It is confined mainly to state-owned enterprises, with very little presence in the private sector. According to MOLE (Ministry of Labour and Employment) data, trade unions had only a total of 2.2 million workers in June 2009. This amounts to about 4 per cent of the country’s labour force. Over the past five years, MOLE data show that the number of registered trade union members increased by only 1.8 per cent, far less than the increase in the size of the labour force.”

¹⁰ There has been a considerable increase in the trade union registration in the RMG sector due to (a) a very strong national and international focus on improving the labour standards in the export oriented RMG industry after the tragic accident of Rana Plaza in 2013 and (b) the concerted efforts of government, factory owners, development partners and foreign buyers in response to the several accidents in the RMG industry.

¹¹ **Explanatory note:** Information and statistics on trade union registration, number and trend of union membership over the years, and membership trends of each of the national trade union federations are not regularly updated. The main source of information relating to trade unions is the Department of Labour (DOL) which is the authority to administer and regulate trade union registration. Information on trade union in this report has mainly been taken from the DOL’s *Labour Journal 2013 & 2014*, Vol. 33, June 2015.

¹² **International Trade Union Confederation (ITUC):** *The 2016 ITUC Global Index on Trade Union Rights*

¹³ Dunn, Karen; Mondal, Abdul Hye: *Report on the review of the Decent Work Country Programme: Bangladesh 2006-2009*, ILO Regional Office for Asia and the Pacific, Bangkok, 2010, p. 12

Tripartism, social dialogue and collective bargaining arrangements

Ratification of the ILO Convention on tripartism and other two conventions namely C. 87 & C. 98 and adoption of BLA 2006 (including its subsequent amendments) provide a solid basis for promotion of tripartism and social dialogue in Bangladesh.¹⁴ There are several tripartite bodies and institutions which are engaged in social dialogue. These bodies can be divided into two broad types:

One, the permanent or institutional tripartite bodies that include:

- At the national level, Bangladesh has a Tripartite Consultative Council (TCC) which is the apex body to deal with important labour matters such as formulation of the labour law or its amendments, ratification of new ILO conventions etc.;
- Minimum Wages Board,
- National Skills Development Council,
- Labour Courts,
- Child Labour Welfare Council,
- National Labour Welfare Foundation, and
- National Wages and Productivity Commission; and

Two, government establishes tripartite committees of temporary or ad hoc nature to deal with a particular issue or for special purpose such as formulation of national policies such as National Child Labour Elimination Policy 2010, Labour Policy 2012, Occupational Safety and Health Policy 2013, National Skills Development Policy 2011 and similar others. Such tripartite entities are also established for the ILO-supported technical cooperation projects namely Project Advisory Committee or Project Steering Committees.

Though existence of above tripartite bodies is meant to ensure an effective and sound social dialogue process, one of the most common weaknesses of the system is the implementation and enforcement of the provisions of the laws and policies. From the trade union point of view, main hurdles of social dialogue in Bangladesh are: resource constraints of trade unions; low rates of union presence at the enterprise level due to negative perception of the management or employers towards the unions; difficult and lengthy registration process for the trade unions; and a weak labour administration machinery that is not well-equipped to deal with the labour-management issues including trade union registration.

Because of these reasons, most of the enterprises in the private sector are without any trade unions. There are, however, participation or welfare committees in many enterprises but they are not trade unions in reality. For this, the scope for collective bargaining at the plant level is extremely limited. A good example is that the Department of Labour reported a tiny number of CBA elections – only eight elections in 2013 for the entire country.¹⁵

Considering the above sorry state of collective bargaining in Bangladesh, the government has established a wage setting machinery known as the Minimum Wages Board (MWB) for determining minimum wages at sectoral level. The underlying principle is that where there is no arrangement for effective regulation of wages by collective bargaining, the government should create and maintain a machinery to determine minimum rates of wages. To date, the

¹⁴ Before adoption of the BLA 2006, the trade union registration and industrial relations were governed by the Industrial Relations Ordinance 1969.

¹⁵ GOB, Department of Labour, *op. cit.*

MWB, which is a tripartite body, has set the minimum wages for 42 sectors including recent increase of minimum wages (76.7%) for garments workers.

For promoting social dialogue at national or sectoral levels, the national trade union federations have joined together to strengthen their position through formation of national level alliances. Two such alliances are:

Sramik Karmachari Oikka Parishad (SKOP) (Association of workers and employees) or shortly known as SKOP which is a grouping of 14 trade union federations to raise their voices at the national level and bargain with the national level with the government and employers' associations on important labour issues that may cut across several sectors and enterprises in those sectors; and

National Coordination Committee on Workers Education (NCCWE) which is a loose grouping of 13 trade union federations to coordinate trade union work mainly with the ILO at the country level. Majority of the trade unions federations of SKOP are also members of the NCCWE.

In recent times, there has been some good progress in trade union registration and social dialogue at the country's Readymade Garment (RMG) sector – thanks to the heightened efforts of the government and social partners, ILO, two alliances of European and North American buyers, and development partners (please see the box below).

Box 1

Social dialogue in the RMG sector – a good example of tripartite cooperation

Currently, social dialogue in the RMG industry is a very good example for the other sectors – thanks to the concerted efforts of the constituents, ILO technical support and funding support of development partners and international buyers. There has been a considerable increase in the trade union registration in the RMG sector due to (a) very strong focus on improving the labour standards after the tragic accident of Rana Plaza in April 2013 and (b) the concerted efforts of government, factory owners, trade unions, development partners and foreign buyers to make the RMG industries safe and improve working conditions. According to a recent newspaper report (quoting the Ministry of Labour sources), the number of registered trade unions in the RMG sector stands at 580 of which 375 were registered since 2013. Total number of participation and safety committees stands close to 500. These numbers may not appear exciting since the sector has about 4,500 operating factories but the recent trends speak of a very good social dialogue process. The ILO, through several projects funded by key donors, is leading this dialogue process. All these initiatives are led by a high level tripartite national committee chaired by the Ministry of Labour and Employment.

Source: *The Daily Star*, Dhaka, 19 Aug. 2016.

1.3. Overview of skills development system

1.3.1 Overview of policy and regulatory framework

The Country's skill development system has gone through a reform process since 2008 which was supported by the ILO Technical and Vocational Education and Training (TVET) Reform Project with funding support from the EU (2008-2015). Implementation of this reform process is ongoing, assisted by several donor-supported development projects including the Bangladesh Skills for Employment and Productivity (BSEP) project. The main elements of the policy and regulatory framework are described here.

National Skills Development Policy 2011 (NSDP 2011): Adopted in 2012 by the highest tripartite national body namely the National Skill Development Council (NSDC), the NSDP 2011 is one of the most important and comprehensive documents that defines the purpose, scope, and functioning of the national skills development system in all its aspects.

Seventh Five Year Plan (2015 -19): Government of Bangladesh (GOB) in its current seventh plan focuses on, inter alia, skill development as a means to job creation and poverty alleviation. The skills development strategies of the Seventh Plan are fully aligned with the vision, mission and objectives and strategies of the NSDP 2011.

BLA 2006 and its amendment in 2013: The main provision of BLA relating to the skill development is the provision of apprenticeship law which is mentioned in section 18 of the BLA 2006. Also, in the same section there is reference to formation of tripartite advisory body to promote apprenticeship.

Reform initiatives by the Bangladesh Skills for Employment and Productivity (BSEP) Project: BSEP project is currently engaged in a number of initiatives that are taking forward the reform agenda by strengthening the NSDC Secretariat. Main initiatives are NSDC action plan, public-private partnerships modalities in skills training, further strengthening the role of the ISCs, setting up of a National Human Resources Development Fund (NHRDF), and promotion of an inclusive skills policy to increase access of disadvantaged groups in the skills training such as women and persons with disabilities (PWDs) through developing strategies and action plans.

Role of social partners (employers and workers organizations)

Role of social partners is important for a successful skills reforms system as one ILO report states:

“Social dialogue also plays a key role in processes to reform technical and vocational education and training (TVET) systems and in shaping national skills development strategies. Dialogue is conducive to successful reform, as a process bringing all actors into alignment with a shared commitment to working towards a common goal.”¹⁶

In Bangladesh, role of social partners in the national skill development system is recognized in NSDP 2011 and the SFYP documents - please see the NSDP 2011 statement below:

¹⁶ ILO: *A Skilled Workforce for Strong, Sustainable and Balanced Growth: A G20 Training Strategy*, International Labour Office – Geneva, 2010 p. 23

“3.7. Social Partners: The social partners have a major role in skills development. In particular, employers and workers are key stakeholders who work with government to develop and implement a vision for skills development. Through this Skills Development Policy, the government pledges to develop social and economic policies to encourage enterprises to invest in education and training and support individuals to develop their competencies and careers.” (NSDP 2011, p.5)

1.3.2 Key institutions

The National Skills Development Council (NSDC) is one of the highest tripartite forums where representatives of government, employers, workers and civil society can provide leadership and clear direction for skills development in Bangladesh. Its role includes overseeing and monitoring all activities of public and private training providers related to TVET and skills training.¹⁷ Other important institutions include:

- ❖ Secretariat of the NSDC which supports the overall skills development initiatives and is responsible for implementation of the NSDP 2011.
- ❖ Directorate of Technical Education (DTE) which is a major public sector training provider operating Polytechnics, specialized training institutions, and technical schools and colleges.
- ❖ BMET is another public sector training provider which operates technical training centres and institutes of marine technology and is also responsible for administering the apprenticeship programme and overseas employment promotion.
- ❖ BTEB is an autonomous body for development of course curricula, conducting of examinations of the vocational training institutions (public, private and NGO), registration of private training organisations and issuance of certificates.
- ❖ Ministries and departments of the government – there are currently 23 ministries responsible for delivering skills training of various types, the most significant being the Ministries of Labour and Employment, Expatriates Welfare and Overseas Employment, Youth, Social Services, Women’s Affairs and Local Government .
- ❖ NGO and private sector training providers – there are an impressive number of NGOs delivering skills training of which some of the well known ones include BRAC, UCEP, TMSS, DAM, and CMES.
- ❖ Bangladesh Employers Federation (BEF) and several sectoral associations of employers representing garments, textiles, jute and others who are active in skills training;
- ❖ Industry skills councils (ISCs) led by representatives of the respective sub-sectors of the industry – currently there are 12 such ISCs each representing a sub-sector like leather, construction, RMG, agro food and so on. On behalf of trade unions, NCCWE is represented in the governing body of these ISCs.

1.3.3 Recent national, sectoral and enterprise policy reforms

The current national TVET system is taking shape as a result of the reform process initiated through the ILO/EU TVET Reform Project and implementation of the NSDP 2011. Key elements of this reform include flexibility in TVET delivery, greater industry and private sector involvement in formal skills training, and expanding the apprenticeships. This new approach promotes an inclusive and demand-driven skills training to ensure access of disadvantaged

¹⁷ NSDP 2011, p. 32

groups to TVET by developing strategies for gender promotion and inclusion of persons with disabilities. Considering the large number of informal sector workers who acquire skills on the job, the system allows provision for recognition of prior learning. Lastly, a nationally-recognized qualification and certification system is part of this process. As the TVET reform project came to an end in December 2015, this reform agenda is currently being led by the BSEP project while other development projects are also supporting and complementing these efforts. Two of those important project, which are currently supporting the policy reform and implementation, are described here.¹⁸

STEP: The *Skills Training Enhancement Project* (STEP) for Bangladesh is a project of the Ministry of Education being implemented by the Directorate of Technical Education. Funding support is provided by the World Bank. Main objectives of this project are to: (a) enhance the quality and relevance of TVET, (b) strengthen the overall TVET system including the start-up and operational support to the ISCs, the NSDC, and other important bodies (c) support important public and private sector and NGO training providers, and (d) undertake monitoring and evaluation. STEP works in collaboration with the other skills projects including the ILO-executed TVET Reform and BSEP projects.

SEIP:¹⁹ The '*Skills for Employment Investment Program*' (SEIP) is being implemented by Finance Division, Ministry of Finance. This project, funded by the Asian Development Bank and SDC, supports training providers to meet industry skill requirements; finance skills training of 260,000 trainees with 182,000 job placement; implement a vocational trainer development program; and implement a skills assessment, certification and quality assurance system. The project activities cover the whole of Bangladesh through both public and private sector training providers. One of the key focus of this project is to establish and operationalize a National Human Resources Development Fund (NHRDF). ILO is working closely with the project, particularly on HRDF.

An important aspect of the recent policy reform, supported by the above development projects, is the closer and substantive involvement of the industry and private sector in TVET. Such involvement takes the form of (a) working with the ISCs – currently there are 12 ISCs in twelve industrial sectors and promoting private-sector led centres of excellence (b) direct involvement of the sectoral associations for the delivery of skills training such as BGMEA, BKMEA, national employers' bodies like the Bangladesh Employers Federation (BEF) and Federation of Chambers of Commerce and Industry and (c) Private-Public Partnership (PPP) in TVET institutions. An innovative aspect of all these is that the trade unions are given representation roles in all these through participation of NCCWE.

2. Description of trade union engagement at national, sector & enterprise levels

It has been observed that the involvement of TU is growing in the recent wave of TVET reforms in the last decade. In a recent report prepared for the ILO Country Office, New Delhi, five broad areas have been identified through which the trade unions engage themselves and participate in TVET activities.²⁰ These are: (1) Policy including formulating and implementing

¹⁸ Other external development partners which are supporting the current TVET policy reform are SDC, UK Aid, SIDA, GIZ etc.

¹⁹ GOB: Ministry of Finance: *Skills for Employment Investment Program (SEIP) at a Glance*, Dhaka, July 2015

²⁰ Smith, Sterling: *Trade unions and skill development in India: Challenges and international experience*, Report prepared for the ILO Country Office, New Delhi, Nov. 2013

policy through national and sectoral dialogue; (2) Participation in tripartite TVET bodies, including formulation of competencies and qualifications; (3) Collective bargaining on skills and training issues; (4) Action in the enterprise and workplace on skills and training; and (5) Direct Provision of TVET.

Based on the above five classifications, the Bangladesh situation relating to trade union engagement is described here.

(1) Policy and national level engagement including implementation of policy at national and sectoral level: At the national and sectoral levels, trade union engagement is particularly visible in the initiatives that are carried out and led by the Ministry of Labour and Employment and the various skills projects supported by ILO. Also, trade unions take part in the formulation and implementation of the various national policies: child labour elimination policy 2010, national skill development policy 2011 (NSDP 2011), labour policy 2012, occupational safety and health policy 2013, labour law reform, gender strategy in TVET, and strategy for inclusion of persons with disabilities in TVET. Trade unions (represented by NCCWE) are also members of the Board of Directors in the sectoral Industry Skills Councils (ISCs) and centre of excellence set up by the private sector – a good example is the Centre of Excellence in Leather or COEL in short.

(2) Participation in tripartite TVET bodies, including formulation of competencies and qualifications: Trade unions are members of bodies or entities relating to TVET. The important ones include the following: (i) National Skills Development Council (NSDC) and executive committee of NSDC; and (ii) Project advisory committees of ILO skills projects like TVET and BSEP projects, Way out of Informality project, and H & M and SIDA sponsored programme on centre of excellence in the Bangladesh apparels industry (CEBAI). They also take part in the project-sponsored initiatives to deal with competency standards, formulation of gender and inclusion of PWD (persons with disabilities) strategies in TVET and similar other initiatives.

(3) Collective bargaining on skills and training issues: In the labour act, there is provision for participation committees. One of the functions of the participation committee is “(d) to encourage vocational training, workers’ education and family welfare training” (Article 206, BLA 2006). As already described in earlier section, collective bargaining is a rare thing in Bangladesh. There is no available information whether skills development actually happens in the collective bargaining agreements at the enterprise level.

(4) Action in the enterprise and workplace on skills and training: In general, trade union’s involvement in skills training at the workplace is not a rule but an exception. Under the informal apprenticeship programme of Way Out of Informality (WOI) project of the ILO, the training is conducted at workplace where trade unions are involved in selection process of trainees and monitoring and follow up of training activity.

(5) Direct Provision of TVET: To keep pace with the change of time, the unions are increasingly becoming aware of the need for addressing the skills agenda and are keen to engage with the TVET with the key actors. The trade union leaders interviewed for this exercise expressed that the TVET reform initiatives launched with the ILO TVET programme have been useful and relevant to the country’s needs. Being aware of their organizational and resource constraints, the union leaders expressed that they need the support of the external agencies like

ILO to engage in TVET activities. Two current examples, one by ILO and another by Japanese International Labour Foundation (JILAF), were cited by them as good examples of direct provision of TVET. It should be added here that NCCWE is represented in the national tripartite advisory committee of both the projects chaired by the Ministry of Labour and Employment.

Example 1: ILO Support to the provision of skills training by the trade unions (Project on Way Out of Informality: Facilitating formalization of informal economy in South Asia)²¹

In this project, two components (out of four) directly relate to skills training: (i) informal apprenticeship; and (ii) vocational skills development for family members of trade unions (in collaboration with JILAF).

(i) Informal apprenticeship: A partnership between ILO and the trade unions for delivery of skills training in the construction sector: Four trade union partners (industrial trade unions) are involved in this initiative: *Imarat Nirman Sramik Union of Bangladesh* (INSUB) – Bangladesh Building Workers Union; *Bangladesh Nirman Sramik Federation* (Construction workers federation); Bangladesh Building Workers Federation; and *Bangladesh Jatiotabadi Nirman Sramik Dal* (Bangladesh Nationalist Construction Workers Party). Selection of the trainees, MCPs (i.e. trainers), monitoring and delivery of training are carried out through cooperation among small construction enterprises, the Construction Workers’ Unions mentioned above and BMET, the government agency responsible for registration and certification of apprentices. Overall objective of the programme is skill training through apprenticeship for decent job growth of construction workers. At the same time, the methodology will help build capacity of Small Construction Enterprises/Sub-contractors, construction workers’ unions and Master Crafts Persons (MCPs) to develop and strengthen the process of skills development.

Table 2. Training output of the apprenticeship programme*

Location	Number of enterprises	Trained MCPs	Trained apprentices in 2014	Current apprentices	Planned Nos	Trades
Dhaka	180	202	84	808	1360	Masonry
Chittagong	101	101	30	481	900	Rod work
Rajshahi	81	82	20	365	740	Plumbing
Total	362	385	134	1644	3210	Tile work

**Training duration is six months as per the standard training module developed by ILO TVET and BSEP projects. All trainees are young apprentices within the age group of 18-30 years.*

Source: ILO, *Project brochure & summary progress report of WOI 2016*

²¹ The *Way Out of Informality (WOI)* is a sub-regional project of ILO funded by the Government of Japan. It is being implemented from 2012 to 2016 in three countries: Bangladesh, Nepal & India. Information for the two initiatives is taken from the ILO WOI project i.e. project brochure, progress reports, project updates etc.

(ii) Vocational skills development for dependents of informal workers (in the construction sector): The main objective of the skills training program is to formalize skills of the informal construction workers and promote decent employment. Before commencement of the training, a training needs assessment was conducted to select trade and occupations suitable for the target participants who are the dependents of the trade union members. Competency Skills Log Books (CSLBs) are used to record competency standards following template of the National Technical and Vocational Qualification Framework (NTVQF).

The training is being delivered at Government-run Technical Training Centre (TTCs) with the help of Skills Training Specialists of construction firm/enterprises in consultation with the Supporting Grass Roots Activities (SGRA) project of Japan International Labour Foundation (JILAF). Upon successful completion of training, the students are eligible for ‘Professional Skills Certificates’ to be awarded by Bureau of Manpower, Employment & Training (BMET). At the same time, a successful trainee will be eligible for getting NTVQF certificate through the Recognition of Prior Learning (RPL) process. This process eventually will ensure better job prospects for the poor workers and their dependents engaged in the construction sector.

Total duration of training is 3 months (360 hours of practical and classroom training) as per NTVQF level - I accreditation standards. Six trade union federations who are ITUC-affiliates are partners of this programme. They are involved in the selection of the trainees and monitoring of training and follow up. All six federations are also members of National Coordination Committee for Workers’ Education (NCCWE).

Table 3. Vocational Skills Development for Dependent of Informal Workers (in collaboration with JILAF)*

Project Location	No. of Workers Unions	Trained Master Trainers & Coordinators	Trained Workers’ (2014-15)	Current Trainees (2016)	Trades
Dhaka	6	12	87	24	Masonry, Rod Binding, Plumbing, Tiles Work, Electrical, Steel Fixture
Chittagong	6	8	32	24	Electrical House Wiring, Welding, Sewing Machine Operator
Rajshahi	5	5	23	00	Electrical House Wiring, Welding, Sewing Machine Operator
Khulna	6	0	0	24	Rod Binding & Scaffolding, Plumbing, Electrician, Welding & Fabrication
Total:	6ⁱ	25	142	72	

***Explanatory notes:** (a) Training Centres: (i) BG TTC & MAWTS Technical Training Centre, Dhaka (2014-2015); (ii) MAWTS & two TTCs (Chittagong & Khulna): 2016; (b) Training for 2016 to commence from July 2016

Source: ILO, *Project brochure & summary progress report of WOI 2016*

Example 2: Project to support grass-roots activities for informal workers (SGRA) – Skill programme supported by JILAF

The Japan International Labour Foundation (JILAF) was established by RENGO (Japanese Trade Union Confederation) in May 1989. Since its establishment, JILAF has developed projects with, inter alia, national trade unions federations in a number of countries. In Bangladesh, it is collaborating with six trade union federations (which are affiliates of ITUC) for delivery of skills training. These are: *Bangladesh Jatio Sramik League (BJSI)*, *Bangladesh Jatiotabadi Sramik Dal (BJSI)*, *Bangladesh Mukto Sramik Federation (BMSF)*, *Bangladesh Free Trade Union Congress (BFTUC)*, *Bangladesh Jatio Sramik Federation (BJSF)* and *Bangladesh Trade Union Sangha (BTUS)*. Training is delivered by government technical training centres (Bangla-German, Khulna and Rangamati) and NGOs in the project locations.

The courses were determined through a feasibility study carried out by Bangladesh Institute of Labour Studies (BILS). The trainees were selected by the individual national federations. In 2013, JILAF entered into a Memorandum of Understanding (MOU) with BMET, a major public sector training provider, to use its training centres (i.e. TTCs). The MOU was for one year duration renewable on a yearly basis.

Table 4. Year wise breakdown of training*

Year	Bogra	Khulna	Chittagong	Total	Trades
2012	30	30	-	60	Sewing in Bogra Welding in Chittagong
2013	54	50	47	151	Batik, IT skills, welding, driving
2014	19	15	19	53	Batik, sewing, welding
Total	103	95	66	264	

* Duration of training is two months. Age group of trainees is 18-30 years. About 30 to 40% of the trainees are females. Certain trades are all female like batik.

Two sets of arrangements were made for management of the programmes. One at the central level named as Working Group (WG) comprising representatives of six trade unions and representatives of employers (i.e. from Bangladesh Employers Federation) and government (represented by the Ministry of Labour and Employment). The other, a regional working group (RWG) comprising representatives of the six trade union federations to monitor day to operations of the programme. Because of ILO's involvement in the TVET field, JILAF requested ILO to provide technical support in the form of training content, curricula and training delivery.

2.2 Key issues being addressed as they relate to engagement of trade unions in TVET

First, the role of trade unions' role and participation is well recognized in the TVET reform process mentioned earlier. Despite these, there is a common perception among the major key stakeholders that trade unions are generally weak and lack the capacity to actively engage in development work like TVET. In response, more advocacy and pro-active role of unions are needed to address this negative perception.

Second, inclusive approach to skills training as mentioned in the NSDP 2011 and other policy documents require close consultation and involvement of all relevant stakeholders in the TVET

process. Trade unions, being close to and representing the poorer and disadvantaged groups in their membership, can be an important stakeholder in the TVET. The two examples mentioned earlier include beneficiaries from the disadvantaged groups in the informal economy.

Third, fragmentation and multiplicity of trade unions remains a major obstacle towards their effective participation in development activities like TVET. In the development projects supported by the ILO and other donors, NCCWE is represented in the various committees and forums and thus showing the way to the trade unions to act together.

Fourth and the last, being one of its key social partners, ILO is committed to strengthening and building capacity of the trade unions in Bangladesh as part of the ILO's Decent Work Country Programme (DWCP) objectives. Therefore, implementation of DWCP will help trade unions to play their role in the TVET reform agenda and its implementation.

2.3 Objectives and strategy

Main objectives of engaging trade unions in the formulation of policy at the national or sectoral level as well as in the direct delivery of training are meant to strengthen and widen the role of trade unions and help expand their capacity to undertake new initiatives outside their traditional roles. Appropriate skills training improves employability of workers and contribute to their improved income earning and livelihood opportunities and ultimately to the promotion of decent work. This will contribute to the overall objective of the trade unions being relevant and useful to their existing members and to the new ones who could be young workers entering into the labour market.

Thus, strategies for engaging the trade unions in TVET may include the following.

One, the ILO has advocated for tripartite approach that has ensured the role of trade unions in the broader skills agenda. Also, trade unions have been participating in sectoral bodies like ISCs, project advisory committees and similar other entities which are promoting broader trade union participation in TVET.

Two, partnership with the employers, government, and training providers in the direct provision of skills training (though modest) has given the trade unions a good opportunity to build their capacities and relevance.

Three, use of already available model of skills training developed by the ILO TVET and BSEP projects will help trade unions to coordinate and deliver training in a more effective way. A good example is the informal apprenticeship model developed by the TVET project.

2.4 Activities and implementation experience

Among the broad activities thorough which trade unions engage in TVET include: (i) participation in the various tripartite policy making bodies and committees including the project-related advisory committees; (ii) participation in focus group discussions and seminars and workshops to provide feedback on policy, legislation and strategies for TVET delivery; (iii) participation in the important forums of employers such as ISCs, COEL and similar other bodies; and (iv) direct provision of skills training (though at somewhat small scale) and partnership with the training providers and development projects in TVET.

The trade union leaders consider that their participation in the above-mentioned TVET activities at national or sectoral level is worthwhile and useful in promoting decent work through skills training. On the skill training providers' side, there are expectations that trade unions will be able to address implementation issues like proper selection process of trainees, ensuring transparency in this process, and better understanding of content and delivery of training. Also, the experience of the two examples of direct provision of TVET shows that the trade unions need to improve their capacity on coordination, monitoring and reporting responsibilities.

Another important point to be noted here is that the senior trade unions leaders have expressed that support of external organizations like ILO and JILAF is needed to undertake meaningful and effective skills training. This leads to the conclusion that trade unions, though they are committed to TVET, are not as yet confident enough to go alone in skills training without support of external agencies, both financially and technically.

Lastly, trade unions expressed their satisfaction of being involved in high level tripartite bodies like the TCC, NSDC, sectoral bodies like ISCs, centres of excellence. However, they sometime felt marginalized in reflecting their views and have expressed some discontent with regard to the approach and modalities being pursued by the mainstream actors like government and donor-supported projects in the delivery of TVET.

2.5 Evidence of outputs, outcomes and impact

In Bangladesh, the TVET reform process has successfully been introduced and is currently being implemented with ILO support and with the support of other major donors like ADB, WB, SDC, UK Aid. ILO's social partners like the employers represented by BEF and workers organizations represented by NCCWE have played their role in contributing to the reform process and still continues to do so through their participation and engagement at various levels.

Direct provision of skills with the participation of trade unions has also shown good results as in the case of two current projects namely ILO and JILAF-supported ones. Reports from beneficiary trade unions from both the projects show that after the training some participants found formal jobs, some became self employed and some left the country with overseas employment. The union leaders felt that these initiatives, though small scale, have engaged the trade unions in a true sense in the design and delivery of training.

Besides the quantitative achievements of targets, there are some subjective aspects to be taken into account expressed by the trade union leaders during the interviews with them. The trade unions in Bangladesh consider the current TVET reform process as important new developments in promotion of decent employment. So, they have welcomed and actively participated in skills development activities supported by government and external donors. However, the main issues of concern to trade unions are freedom of association and right to collective bargaining, hazardous workplaces, high incidence of fatal accidents and injuries, serious lacking of occupational safety and health at workplaces, and precarious terms and conditions of employment. These should be reflected in an appropriate way in the delivery of skills programme and thus meaningfully contribute to the promotion of decent work in Bangladesh.

3. Strengths and weaknesses

The strengths of the initiatives and trade unions engagement may be summarized as follows.

First, a natural strength for the trade unions is their knowledge and understanding of grassroots (in this case enterprise) level issues and the target groups. They can potentially play important role in skill demand surveys (and feasibility studies) as well in identifying the target groups. This has been demonstrated through the two examples of ILO and JILAF-supported programmes.

Second, both the labour law and the ILO conventions ratified by the country include provisions for, inter alia, participation of social partners (i.e. employers and workers) in economic and social policy making. There are also other important policy and legal documents that recognize and include trade union role (represented by NCCWE) in TVET.

Lastly, the unions can follow up and monitor on post-training outcome namely gainful employment or self-employment after completion of training. They can also successfully participate in the selection of trainees and providing advocacy and mobilization of support workplace safety issues that are included in the training curriculum.

Among the weaknesses, following may be cited here.

First, besides the overall difficult situation faced by the trade unions in Bangladesh, the unions are further weakened by their fragmentation. There are currently 32 national federations with widely varying membership base. So, they lack the coherence, capacity or resources to undertake much substantive work like directly delivering TVET. ILO has been engaged in regular dialogue with NCCWE to strengthen its role and capacity, but this has been a continuing challenge. The progress to date leaves considerable room for improvement, particularly with regard to their capacity.

Second, the unions are constrained by resources and staff capacity and they are not well-equipped to focus on the developmental issues including skills training. So, there is a common perception among the key actors in TVET that the trade unions are only for organizing and collective bargaining and not for development work. As a result, most of the donors, training providers and employers do not consider the trade unions as strong partners in their work.

Third and final, the presence of huge informal workers poses a major challenge to the trade unions in organizing them. As it has been observed in the case of two skills initiatives, many of the trainees tend to change their workplaces. This makes the monitoring and post training follow up a difficult task.

What was innovative?

One of the key innovative areas of TU participation in skills is their role in the private sector policy making entities involved in the TVET reform process. These were mentioned in the earlier sections of this document. The NCCWE represented the unions in these private sector bodies which is a new thing in the country.

Another innovative aspect is developing partnership with government-run technical training centres (TTCs), reputed NGO training providers like MAWTS, and private sector run training centres.

Lastly, a notable thing is that trade unions are able to become involved in direct skills training as shown in the two examples (ILO and JILAF-supported). Also, JILAF signed an MOU with BMET, the government authority that runs the TTCs, to deliver training to be managed by the trade unions. This provided access to proper and well-equipped training facility for the conduct of the training. This is a step in the right direction and a good lesson for the trade unions to get involved with the TVET in a substantive way in the future.

Key factors underlying success

- (i) Since the TVET reform process has been supported by the ILO and it continues to do so even now, this process has a strong tripartite focus and a realistic mechanism of consultation and social dialogue.
- (ii) A complex and difficult process like reform of a well-entrenched system requires participation and involvement of multiple stakeholders. In case of Bangladesh, a very effective and broad-based consultation process led to a forward looking and pragmatic skills policy and adoption of a corresponding skills development system.
- (iii) Carefully designed and proven method of training delivery like the apprenticeship model and several pilots developed by TVET project proved effective for many training providers including the trade unions.
- (iv) In the direct support of TVET, following are important aspects to consider:
 - Partnership with the employers and reputed training providers (both private and public sector) that enhances the credibility and outcome of the training;
 - Conducting the skill demand survey and choosing those trades with job prospects or for pursuing self-employment.
 - Proper review, monitoring and follow up of the training performance and involvement of unions in the process which is the right thing to do; and
- (v) Involvement of grassroots trade unions like the construction sector unions as well as the small enterprises is a major strength of success in training. During the interviews with the MCPs (who are also small enterprise owners themselves) and the trade union representatives closely working with them expressed strong satisfaction and optimism for the training methodology and approach developed by ILO.

Obstacles or problems that emerged and how these were addressed

Among the key obstacles or problems, here are the important ones.

First, getting together several unions into a cohesive group to represent the workers voices in the various forums poses a major challenge for the various TVET projects. To address this major problem, the ILO and other international partners have mostly worked through the trade union alliances like NCCWE. This is a practical response to the current fragmentation of trade union leadership and the difficulties of selecting a common voice that can adequately reflect the broad-based trade union views.

Second, trade unions still need to be fully knowledgeable about the *modus operandi* of TVET system. It has been observed by the training provider (BMET) that the type of the JILAF-sponsored training provided at the TTCs is inadequate in content and these do not lead to attainment of nationally-recognized skills standards. So, BMET expressed skepticism about such training and did not agree to extend the MOU with JILAF. The good news is that, in the new joint initiative by ILO and JILAF, this deficiency has been addressed by following the

standard curricula of minimum of 360 hours of training in each course and consulting the training centres involved.

Third, in the direct provision of TVET, such issues as selection of the trainees, operations and management of training, monitoring and reporting are very important but the trade unions are not well-equipped to handle those issues. These have been overcome through direct ILO technical support and capacity building of the participating sectoral unions.

Opportunities for enhanced engagement

In case of Bangladesh, the role of tripartite partners is already recognized in the key policy documents like NSDP 2011, seventh five year plan, and other key documents as well as in the composition and membership of important forums and decision making bodies. The presence of several large donors supporting TVET provides scope and space for the trade unions to get engaged and expand their skills initiatives. Also, the trade unions are taking part in the direct delivery of skills training as mentioned in the two initiatives. From these, it is clear that getting involved in TVET advances the trade union agenda in the following way.

One, the reform of the TVET system includes access of the poor and marginalized groups in the formal training system. So the unions have a strong motivation to get engaged in the skills delivery that focuses on these groups.

Two, promoting skills training has a strong focus on promoting decent work which is also a national level agenda as well as one of the SDG goals. In the revised national qualification framework, side by side with the technical training, there are specific items or modules on occupational safety and health, working conditions, use of personal protective equipment and safe work practices in compliance with the country's labour laws and relevant ILO conventions. These provide a good opportunity to get engaged and advocate for such workplace improvement programme in TVET which is well-aligned with the trade union agenda of promotion of decent work.

Three, currently trade union involvement at the workplace or enterprise level is very limited. Collective bargaining is also a rarity in Bangladesh due to various obstacles and challenges already mentioned earlier. However, trade unions getting involved with skills training at sectoral or enterprise level potentially strengthens the trade unions role. Given the current reality of trade union activities, this provides an avenue of opportunity for the trade union to get engaged more intensively at the enterprise and workplace levels.

4. Conclusions

4.1 Key issues

First of all, the trade unions are generally weak in terms of delivering skills training. Lack of resources, weak capacity and lack of experience, and multiplicity of unions are the major problems. They need to overcome these since they are at an advantageous position to work as the voice of the disadvantaged and marginalize groups, a major target of the current ILO-led initiatives (BSEP project for example).

Second issue, which is linked to the first one, trade unions need to overcome the current negative perception (despite their current positive and supportive roles in the TVET policy

reform) that they are a serious stakeholder in the delivery of TVET - their fragmentation and multiplicity weaken their position.

Third, management, knowledge building, capacity improvements, transparency and accountability at all stages of training design and delivery are important to gain confidence of the major donors and partners. In this respect, the trade unions need to demonstrate that they are capable of meeting those requirements to contribute to the skills reform agenda.

Fourth and the final, coordination and alliances among the trade unions need to be addressed in an effective way through short and long term strategies. Internal coordination among the unions themselves is a major challenge not to speak of coordinating the partnership with the external agencies like government departments, employers, training providers, and others.

Recommendations

- (1) Participation of trade unions in the national tripartite bodies is well-recognized and established. However, trade unions need to build capacity and mobilize resources to participate in these activities in a more effective way. This can be better achieved through strengthening of the trade union alliance like NCCWE.
- (2) More programme support at national level on knowledge and institutional capacity building of the trade union in the field of vocational training and skill development is needed. One very prospective option for the trade unions, through the NCCWE, would be to request specific support within the framework of the ILO's decent work country programme.
- (3) Skills training (TVET) by trade unions should have in-built mechanisms and arrangements to ensure ownership of the training process. Partnership with other key actors is the key to deliver effective training. Trade unions can promote and replicate good practices in the field of TVET. They need to develop their knowledge and competence in training design and delivery such as small scale but focused skills demand survey at the enterprise level, sound trainee selection process, more quality monitoring and evaluation (before and after the training), and addressing workplace safety issues.
- (4) Finally, trade unions need to work at sectoral or enterprise level to expand and strengthen their role at the grassroots. They have to demonstrate their advantages in reaching out to the disadvantaged and marginalized groups at the grassroots level.

Lessons for trade unions in other countries

- (1) From the narrative of previous sections including the two examples of direct TVET support by the trade unions show that trade union involvement in TVET is useful and worthwhile to successfully deliver skills training, particularly for the poor and marginalized groups. Thus, because of their work at the grassroots level (i.e. enterprise level) and access to the disadvantaged groups, the trade unions can contribute to inclusive skill development.

- (2) By building partnership representing the demand side (employers) and supply side (training institutions), the trade unions can take up skills programme with a greater chance of success. The use of existing tripartite forums can be used for such purpose as well. For example, the trade unions in Bangladesh are represented in the industry skills councils (ISCs) which is a good example for trade union in other countries to get engaged.
- (3) From the experience of Bangladesh including the case studies, trade unions should improve their capacities and knowledge base so that they are able (a) to successfully participate in policy level dialogue at the national level and (b) to be able to design, deliver, monitor and follow up skills training directly by themselves.
- (4) Lastly, the trade unions need to act together and form alliances among themselves which will facilitate to raise their profile and gain the confidence of stakeholders to act as a serious partner.

Bibliography

Government of Bangladesh (GOB): *Seventh Five Year Plan Document, Final Draft*, Dhaka, Oct. 2015

.....: *National Skills Development Policy 2011*

.....: *Department of Labour, Labour Journal 2013 & 2014*, Dhaka,

Bangladesh Bureau of Statistics (BBS): *Quarterly Labour Force Survey*, Dhaka, Jan. 2016

Bangladesh Institute of Labour Studies (BILS): *Women's Participation in Trade Unions in Bangladesh: Status, barriers and overcoming strategies*, Dhaka, Aug. 2009

Smith, Sterling: *Trade unions and skill development in India: Challenges and international experience*, Report prepared for the ILO Country Office, New Delhi, Nov. 2013

International Trade Union Confederation (ITUC): *The 2016 ITUC Global Index on Trade Union Rights*

ILO: *A Skilled Workforce for Strong, Sustainable and Balanced Growth: A G20 Training Strategy*, International Labour Office – Geneva, 2010

Dunn, Karen; Mondal, Abdul Hye: *Report on the review of the Decent Work Country Programme: Bangladesh 2006-2009*, ILO Regional Office for Asia and the Pacific, Bangkok, 2010

Brazil

By: Gustavo Gandara

1. Background²²

1.1 Overview of national economy and labor market (major sectors and industries, employment patterns, formality/informality etc.)

In 2011, Brazil became the world's sixth largest economy, with a Gross Domestic Product (GDP) of 2.5 trillion dollars and US\$12,900 per capita. The unemployment rate, one of the lowest in the region, fell to 6.2%. Despite this, Brazil drew attention for its high levels of inequality, its Gini coefficient was 52.9 for 2013.

Seventeen million formal sector jobs were created in the decade 2002 -2011 and GDP has been growing at a steady 5% per year for most of the last decade. Between 2003 and 2008, the minimum wage increased faster than inflation, providing workers at the base of the income pyramid significant improvements, 38.3% was the increase of minimum wage in this period (Statistics of IBGE; 2016).

Hence, from 2002 to 2011, formal employment and the minimum wage have risen, the purchasing power of those who earn average salary has been raised, unemployment has fallen, and subcontracting has been ~~stopped~~ reduced. Average household incomes rose and poverty declined. Nevertheless, in the last three years the trend for all of these factors has reversed, with the economy of Brazil now relatively stagnant.

In the last decade, changes in the labour market structure occurred. The increase of jobformalization, better wage levels, decreased unemployment, increased worker's educational attainment, etc. However, despite the improvements, inequality in labour market is still an important issue. Especially when considering racial, generational, and gender based matters. These are the main issues that structure the precarious reality of the poorest part of the population.

Regarding ethnicity, it is observed that multi-ethnic people have an important participation in the labour market, mostly in metropolitan areas, because these people agree to work in jobs with the worse conditions. ²³. However income levels are inferior in comparison to people not from a multi-ethnic background ²⁴. This is explained in part because of the kind of jobs they have which are mainly jobs in service sector with low qualification requirements and low wages. Is it also an important issue with unemployment levels, since the proportion of multi-ethnic unemployed is larger than the proportion of multi-ethnic people among the economically active population (PEA) (Obelmo, J., 2012)²⁵.

²² The sources that we used were mainly The Brazilian Institute of Geography and Statistical and key informants of SENAI and SENAC. (www.ibge.gov.br)

²³ Based in interviews with key informant of CUT

²⁴ Based in interviews with key informant of CUT

²⁵ Also based in interviews with key informant of CUT

When we analyze the gender perspective, even though there have been some achievements for women (increase of participation and wage levels), wage inequality between men and women is still significant in spite of on average higher educational levels among women²⁶.

From 2004 to 2014, the income difference between most educated population (over 12 year of studies) and the least educated (maximum 4 years of study), decreased from 5.3 to 3.8 times more, representing a reduction of wage inequality by educational level²⁷. However, it is observed that income inequality between men and women with less education has remained stable. For multiracial women the situation is even worse, since they are mostly occupied in domestic help services, with very insecure working conditions.

In relation to the working day, in 2014 the average number of hours worked was concentrated between 40 and 44 hours per week (and 49.9% of population were men while 42.9% were women). However, there has been a reduction of the 44 hours working day for both genders from 2004 to 2014.

When we focus on youth, general improvements to family income levels allowing delayed entry of young people into labour market.

Regional labour market diversity is also evident. Notwithstanding recent economic growth and public policy investments; the northeast area is still a very poor region. It has the lowest enterprise formalization rate, even though formalization increased 43.1% nationally in this period (DIEESE, 2015). Obviously, formalization into labour markets depends in part of region's social and economy characteristics, including the education levels and qualifications of workers.

Another characteristic of Brazil's labour market is related to the high levels of staff turnover and contractual flexibility. A great proportion of the formal labour market is characterised by short term jobs of between (three to six months).

Regarding the sectors that generate the largest number of jobs (in the private sector - over 80% of employment is generated by the private sector-), it should be noted that the commerce sector (retail, wholesale and corporate) ~~trade sector~~ (19%), services and tourism (19%), financial and insurance sector (16%) and construction sector (7%) are the main (Statistics of IBGE; 2016).

Summing up, Brazil made great progress during the presidency of Luiz Lula de Silva who came from the trade union movement. However, during Dilma Rousseff's administration there has been greater instability as a result of, economic recession, political tensions, the impeachment of the President and social unrest.

In addition, in spite of some advances in the labour market structure in last decade, inequalities still exist which have significant consequences in some social areas, because of the relatively low levels of general education amongst adults tThese inequalities, between adults poor and non-poor, increase the differences in the qualifications of his jobs.

²⁶ Based in interviews with key informant of CUT

²⁷ Based in interviews with key informant of CUT

1.2. Overview of trade union arrangements

The origin of present Trade Union organization and structure in Brazil dates from May 1st, 1943, when the President Gétúlio Vargas created the Labour Laws' Consolidated (CLT) through decree-law N° 5452. This legal instrument promoted the institutionalization of workers' rights, the consolidation and normalization of Trade Union's structure. Even with some changes that have been made during these 70 years, it maintains certain main issues from its foundation to the present times.

These main characteristics are the following. First, Trade Unions are by professional category, distinguished by jurisdiction. Therefore, these are classified by the country zone in which they are and by the type or kind of workers that they cover. Second, Trade Union's dues are obligatory and represent the equivalent of the salary for one day of the last worked year. They obtain the Trade Union's dues through an instrument called "union's registry". Third, the State officially recognizes the Trade Unions that have the right to represent and carry on out collective bargaining. The Government also controls the electoral process and for the appointment of union officials.

Another feature of the Trade Union movement is the partial bargaining agreements that cover only a share of workers in an enterprise, leading to a significant number of agreements being created every year. This creates a fragmented structure and reduces the bargaining position of unions in enterprises

Trade Union unity is not absolute. This characteristic arises as a relative principle in The Federal Constitution of 1988, hence, can be more than one union in the same geographic territory.

The trade union unity arises as a principle of the Brazilian union model according to Federal Constitution since 1988. From this principle, there can be more than one union in the same geographic territory for each economic activity.

Despite that there can be more than one union in the same geographic territory, even though it is prohibited by law have more than one union representing the same professional category. This is the case even if in that territory workers do not recognize the trade union as their representative.

Although there is a great controversy amongst Brazilian unions on the effectiveness of trade union unity in strengthening the organization of workers, the fact is that this principle exists has not prevented fragmentation of the Brazilian trade union structure.

Until 1988 public servants could neither organize nor strike. But during the '80s, public servants' voluntary associations called some of the most important and longest strikes in the country. The 1988 Constitution finally recognized the right of public sector workers to organize Trade Unions, but the law was not explicit in guaranteeing collective bargaining, so there is limited scope for public servants to negotiate on Technical and Vocational Education and Training (TVET) a different situation to that of private sector unions..

The neo-liberal reforms in the '90s in Brazil had a profound impact on employment relations and collective bargaining. Deregulation resulted in dramatic increase of informal contracts,

including temporary employment. The increase in subcontracting arrangements reduced the bargaining power of Trade Unions.

Whilst freedom of association is guaranteed by the constitution and Convention 98 (Right of Trade Union Bargaining) has been ratified, Convention 87 (Trade Union Freedom and Right of Trade Union Bargaining) has not been ratified. In Brazil, the Trade Union structure operates at three levels: confederations at the national level, federations at the provincial level and municipal level unions. In practice, federations and confederations have a minor role in collective bargaining. The unionization rate is around 19%²⁸.

It is interesting to note that once Brazil ratifies any international labour convention, courts can begin applying its provisions, and can rule that a collective agreement violates the standard. The Government can declare an agreement, or some parts of it, null and void. These procedures may be contrary to Convention 98 (Right of Trade Union Bargaining).

In general, Brazilian government has a positive attitude towards social dialogue and tripartism. In 2003, the Presidency convened the Economic and Social Development Council (Conselho de Desenvolvimento Econômico e Social, CDES) concerning long-term strategic policies for social and economic development. The CDES is a national, multipartite council with representation from government, employers, trade unions and civil society. While it has no legal authority as such, it contributes to the national policy debate and helps shape government interventions.

Tripartism operates at the local level through Employment Committees. These are permanent organizations, with balanced tripartite membership, comprised of no less than 6 and no more than 18 members, representing urban and rural areas (with equal number), workers, employers and government. The main duties of these committees are: to generate knowledge on the local labour market; to guide and control local execution of policies. In 2008, all of Brazil's 26 States had established State Employment Committees (or Councils), and 3.110 municipalities (56% of the total) had also registered local committees. Presumably, the scope of these committees could include TVET and possibly discussions are held on skills issues. However, we have no data about whether this happens in practice.

The law allows only one union by industry sector (or profession) in a given jurisdiction, which must be at least the municipal jurisdiction. That union monopolizes the sector's representation. Known as "unicidade sindical" (Trade Union unity), in practice it means that workers are free to choose to join a Trade Union or not, but they are not free to refuse to be represented by it; the municipal level Trade Union will represent workers and receive Trade Union's dues from them, whether they are union members or not.

By law, each worker must pay a compulsory annual fee equivalent to one day's wage. It is deducted from their pay in March and then distributed to the unions, federations and confederations. A portion (20%) of the fee goes to an employment and wage fund at the Ministry of Labor. The funds are distributed in proportion to the number of workers legally represented based on the obligatory single union system, not on the number of workers actually registered as members

²⁸ Source: key informant of SENAI

Nowadays there are seventeen national central unions. The legal recognition of these depends on several requirements. First, the affiliation of at least one hundred unions distributed across the five regions. Second, the affiliation of unions in at least five sectors of the economy. Third, the affiliation of at least 5% of all union members nationally in the first year and the rising at least 7% in two years. However, less than six of the seventeen national centrals that currently operate meet these requirements.

In May 2007, the Ministry of Labour's Union Information System counted 7,000 local trade unions, 283 federations and 17 confederations. Fifty-five per cent of the existing unions were not affiliated to any of the 17 central federations looking for official recognition. The CUT (Central Unica dos Trabalhadores – Unique Workers Central) was by far the most important of the apex bodies, gathering together 50% of all unions and federations that were affiliated to a central federation. The “Union Power” (Força Sindical, or FS) had 20%, and the New Workers' Central Federation (Nova Central Sindical de Trabalhadores, (NCST), created in 2005 had 17%. The ITUC (International Trade Union Conference) has four affiliates including the two largest organizations CUT and FS.

The collective bargaining is on an annual basis, and, like Argentina, despite covering many issues, the negotiation is territorially dispersed in that it covers many geographical zones. In this way, In Brazil, collective bargaining process shows a high level of fragmentation, which is expressed not only in the high number of agreements but in the difficulties for reaching consensus in collective conventions. It is also expressed in the co-existence, and many times overlapping, of different elements regulating simultaneously the same category, industry sector and company.

Thus, different municipal unions can develop collective agreements with the same enterprise. This involves complex negotiation processes at different levels and produces a high level of heterogeneity in the labor market. The unions involved argue their different policies in the central union forum, but conflicting positions often lead to different wage levels within a same enterprise.

Consequently there is a complex reality regarding labour relations in Brazil. In the same industry sector, category and company, we can find different rights, wages, benefits and working conditions, whether in the same city, state, or in the national level. Skills issues are prioritized by the unions who argue for the development of focused skills according to their potential in terms of employment, technological upgrading and work safely and health.

Hence, collective bargaining in Brazil is a fragile instrument, for the reason that these various agreements are made in the context of a fragmented structure and Trade Union organization.

1.3. Overview of skills development system

In Brazil, formal education indicators have always been low but in the 1990s there was an unprecedented move to expand enrolments, and the country now has a vocational training system that gives wide coverage of high quality education. However, low general levels of education in the population as a whole remain particularly in the poorest and most densely-populated regions. For example about 30% of the population over 18 years did not complete basic schooling and total enrollment in the educational system reaches 50 million.

The Ministry of Labor plays the key role of overall policy and coordination, which also means, at least in theory, that TVET is more closely aligned to the needs of the labor market.

The 1995 National Plan for Training and Vocational Qualification (Plano Nacional de Formação e Qualificação, PLANFOR) sought to increase labor productivity and set the objective of training 20% of the country's economically active population. The program was implemented through state governments. Eleven million workers were trained between 1990 and 2001; however, many courses did not meet national guidelines. In 2003, PLANFOR was replaced by a new program, the National Professional Training Plan (Plano Nacional de Qualificação Profissional, PNQ), which established more specific contents and increased training hours.

Nowadays, TVET is offered by public and private institutions. The most important institutions are private and employer led, and known as the "S system" as all the names begin with "S". These include the National Industrial Training Service (Serviço Nacional de Aprendizagem Industrial – SENAI), the National Commercial Training Service (Serviço Nacional de Aprendizagem Commercial – SENAC), the National Transportation Training Service (Serviço Nacional de Aprendizagem do Transporte – SENAT) and the National Rural Training Service (Serviço Nacional de Aprendizagem Rural – SENAR). These are essentially sector organizations similar to those found in the UK or South Africa, and are created by levies of a percentage of companies' payrolls.

S Systems employed 40.000 teachers, have 2.800 vocational training institutions (SENAI: 1500, SENAC: 1000, SENAT: 200, SENAR: 100) and train more than 700.000 people annually. The participants generally have to pay for the training which is different to the system offered by PRONATEC (discussed below). (MEC, 2015).

The various qualifications relevant to each sector are covered by the vocational education institutions such as SENAI, SENAC, SENAT, SENAR, Universities and Federal Educational Institutes. The S Systems have more capacity to continuously monitor labour market demands, because of the strong links they have with enterprises in their sector.

SENAI

It is responsible for responding to the greatest share of demand for vocational education. Brazilian enterprises can have exemption agreements with SENAI for the use of part of their contribution directly instead of paying to SENAI, but this must be authorized by SENAI, and that part of the levy can only be used to contract courses directly. SENAI has more than 20.000 employ and train more than 360.000 people annually.

SENAC

Managers training skills centers for commerce and services sector workers. An important aspect is its free-of-charge Program, which offers free courses, as a specific variant like in the rest S Systems in the framework from Pronatec Program. SENAC was created in 2008 through decree 6.633 and started its functions in 2009. SENAC have more than 15.000 employs in his staff and train more than 250.000 people annually.

The relation between SENAC and labor market encourages social and occupational insertion of the students, strengthened by labor intermediation actions, and companies participation in

curricula elaboration and design. This is the same as in the rest of the S Systems. Another program is Integral Education, which main objective is to give a wide coverage to worker's educational career, complementing it with vocational and career guidance.

SENAR

It is focused on vocational training for rural workers. It has been created by Law N° 8315 (December 23rd, 1991) and it is a private institution. Its main roles are to 1) organize, survey and manage vocational training in rural areas; 2) expand cooperation with sectorial and territorial agents; 3) encourage research in rural areas; 4) collaborate to improve training models for managers and for workers, as well as improve working and living conditions in rural areas. SENAR has more than 2.000 employs in his staff and train more than 40.000 people annually.

As a result of its relationship with rural businesses, especially with Brazil's Agriculture and Cattle Industry Confederation (CNA), SENAR provide significant opportunities for professional placement in these kinds of rural enterprises. It is part of the National Program for Employment and Technical Education Access (PRONATEC; Ministry of Labour) oriented to young people and adults. In 2013 its courses offer has been widened, including new vocational training, and distance learning. In 2014 it started to offer secondary level courses at school and from a distance as well.

SENAT

Its educational offer is oriented to vocational training for transport's workers. It is a nonprofit organization, created in 1993 (Law 8706). It collaborates with public transport development improvement in cities, providing training and qualification services. It is placed in the main urban centers. It is a significant resource for the transport sector. SENAT have more than 3.000 employs in his staff and train more than 50.000 people annually.

PRONATEC

In addition to the S system, PRONATEC exists as the main public sector skills program. The National Program for Access to Technical Education and Employment - PRONATEC - was program created in 2011 by Law No. 12,513, in order to offer basic vocational training provision (with short courses), technical education and lifelong learning. It depends on the Federal Government, through the Ministry of Education (MEC) and the Ministry of Labor and Employment (MET).

The relevance of this program is that its "inter-ministerial" character centralizes public technical and vocational training throughout the country and is also responsible for the development of a National Qualifications System in Brazil.

It is a vocational training program orientated towards working people over 16 years of age, and is financed with public funds.

The actions that PRONATEC carries out come from the relationship that Federal Government has with and the following entities:

- 1) Federal Institutes Network (have 453 institutions vocational training and a 10% share of all vocational training in Brazil) (MEC, 2015),
- 2) Technical Education Network and (have 462 institutions vocational training and 10% share of total vocational training) (MEC, 2015),
- 3) S System (which operate with Private Universities, in partnership with these organisations, to deliver their courses)

Within PRONATEC was created the S System National Forum, in which also are involved the National Deliberative Councils. Through these Councils are represented the workers. The deliberative councils are part of the s system national forum and are the places where unions influence training policies including the content of vocational training, resource allocation, defining teaching profiles and structure of the training. The National Deliberative Councils develops the proposals, considering the actors opinions and then send it to Forum for final validation.

The MEC implements has a central role in PRONATEC through the National Fund to Education Development (ENDF), which is responsible for transfer public funds to beneficiary institutions under the program and the Secretary of Technological Education (SETEC), which is responsible for managing PRONATEC.

In this sense, the ENDF transfers the resources to the universities and federal institutes, which are including in the Federal Education System.

PRONATEC management is performed through the following mechanisms:

- a) The Standing Committee on Management and Internal Control - this committee is responsible to this committee is responsible to design and implement of procedures and monitor the evaluation and supervision of PRONATEC. Representation includes the General Director of SETEC, Development Director of the Federal Network of Vocational and Technological Education (EPT) and the Director of Educational Policy.
- b) The Deliberative Council of ENDF: is managed by the Minister of Education and it is responsible for the implementation of educational policies. It is also responsible for issuing regulatory provisions relating to the provision of financial assistance to the states, the Federal District, municipalities and non-governmental entities for educational activities, projects, and scholarships.
- c) Deliberative Council of Vocational Training: it is an agency of the Ministry of Education, which promotes the coordination and evaluation of training and professional qualification programs. It also collaborates to the expansion and improvement of the units of vocational and technological education.

Its inter-ministerial coordination can be seen in the composition of this body, that includes the president of the Board appointed by the Ministry of Education, and one principal representative and an alternate from each of the following ministries: Ministry of Education; Ministry of Finance (MF); Ministry of Labor and Employment (MTE); Ministry of Social Development and Fight Against Hunger (MDS); Ministry of Planning and Budget (MOP) and the Ministry of Science, Technology and Innovation (MCT).

d) National Forum for Professional Training Support: responsible for the financial allocation covering the work of the PRONATEC Board, and the encouraging of state and district forums, in order to promote coordination between public institutions and private education offer of vocational and technological training.

The Program management is flexible, decentralized and collaborative. The decentralization is observed through the establishment of partnership between the national government, states and municipalities with public educational institutions of all levels (federal, state and municipal) and private institutions.

Trade Union movement and its influence in vocational training public policies

In spite of the fact that the Trade Union movement played an important role in other moments of Brazil's history regarding the implementation of strategies for workers' qualification, since the 40's, when the implementation of vocational training programs had been started through the S System, gradually Trade Union movement began to distance itself from the definition and implementation of these programs and strategies.

Nowadays we find an hybrid system for vocational training, with public institutions (Federal Institutes and technical schools, which are part of the technical and vocational education network referred above) and private providers, mainly related to the S System which is, controlled by the business sector, even though a large share of resources come from public funds and programs as the PRONATEC (National Program for the Access to Education and Technical Employment), created by National Government in 2011, Law 12513/2011).

The CUT is the most representative central among trade union Councils, with almost 37% of the workers' places, followed by "Força Sindical" 26%, UGT (Workers' General Union) 18%, New Central 16%. The other positions are inferior, as the Brazil's Workers' General Union (CGBT) position. Like the places for national council's workers and in regional instances are few, for this reason the CUT ends having a representation that is still stronger, and other actors with smaller share left out.

Besides participating in S System Councils, Trade Unions participate in public institutional reunions, where vocational training public policies are defined, such as National Educational Forum, National Network for Professional, Initial and Continual Certification Committee, National Network CERTIFIC and Support and Vocational Training Forum which involve the Education and Labour Ministries.

Besides participating in S System Councils, Trade Unions participate in public institutional reunions, where vocational training public policies are defined. This institutions, National Educational Forum, National Network for Professional, Initial and Continual Certification Committee, National Network CERTIFIC and Support and Vocational Training Forum depend the Education and Labour Ministries, who call for production and labor actors -CUT and business chambers in local, regional and national levels- to participate in the above institutions.

It is also worth noting that the Educational Experiences Development Center has a role in the training of union members from CUT –Trade Unions, Federations, Confederations, national and regional- and Schools' Union, so they understand the methodological principles of Integral Educative Design which is an integrated approach to basic and vocational short term education

that incorporates articulated studies and the recognition of workers' knowledge. However, this kind of education offer is still small in relation to the existing demand.

From this perspective, workers' integral education includes basic, technical and vocational education, and the centre encourages workers to access training courses for different vocational and social profiles, discussed among the different sectors (governments, workers, and companies) in relation to the necessity of training public policies that promote social inclusion. This means that such programs are articulated with local policies for economic development, with public, regional and national, system.

As examples of this system we can mention the experiences of CUT and the Metal Workers' Union (ABC) which evolved as a result of an extended tripartite negotiation process, and the School of Tourism and Hotel Industry (COMER) where the CUT centralized implementation through the participation in the management of policies and programs with the aim of contribute the improvement of these public policies.

2. Description of engagement at sector level

At a sector level, unions are involved in a number of initiatives. One example is the Collaboration agreement between the Institute of Applied Economic Research (IPEA) and the Industrial Development Brazilian Agency (ABDI) who created the "Training and Labor Market research network" which is responsible for generating information and develop accurate analysis of the situation of qualifications in the different sectors of economic activity and has developed comprehensive diagnostics on the subject....

Another important initiative has been development of the Qualification National Plan and the Agreement between Metal Workers Trade Union (ABC) and Mercedes Benz, including vocational training for San Bernardo del Campo factory workers. This is noteworthy and is considered a success because it has developed approaches to vocational training through partnerships between employers and workers and is considered a success because it has achieved strengthen these relationships

Another example of trade union engagement at the sectoral level is through the Sectorial Technical Committees of SENAI which are responsible for defining vocational profiles for the design of curriculum. These Committees have technical and operational representatives from the private and public sectors, like the rest the S organizations.

At the enterprise level, vocational training is at a smaller scale and involves unions working directly with their own members to advise on training according to the demand of the jobs that they hold. For more general training needs they are referred to courses available in the S system. References of vocational training in collective bargaining are not uniform and depend on each territory agreements. In this country exist 17.000 collective bargaining. Only 20% include reference to vocational training.

Another recent experience (2012/2013) is the one called "Decent Jobs Subnational Agendas", developed by tripartite social dialogue. This involves a group of agreements, policies and programs with the aim of allow better employment access conditions and the promotion of decent job, and includes skills training in the SENAI training centers.

Also worth noting is the case of CUT which has a national network of six Trade Union Training Schools and a school for workers in the tourism sector. The strategy for formation of unions CUT is to increasingly expand these schools, both sectorally and other territories.

These methodologies and teaching strategies, of integral education (integrating basic, professional and technological knowledge) materialize through a process of recognition and validation of knowledge and professional certification in line with the design of skills development that CUT has historically promoted, as opposed to the narrow vision of capacity building implemented by some training organisations. Therefore, it is an innovative strategy in the training of workers which includes basic and vocational skills.

Relatedly, the trade unions are indirectly involved in the management and implementation of a Certification Network. The CUT is represented through their unions on the Steering Committee of the Certification Network, which is involved in discussions on the design, methodology and strategies associated with the recognition of knowledge and professional certification of young adults for the purpose of national certification or as a step towards continuation of their schooling.

For their part, the education workers public and private sectors, are represented by their respective national federations: National Confederation of Education Workers - CNTE (representing education workers in the public sector) and the National Confederation of Workers of schools - CONTEE (representing education workers in the private sector).

Unions also have a representation in the National Education Forum with one member and one alternate and participate in the design, implementation and evaluation of national education policy and control, with the National Congress, conducting legislative policy projects national education, especially bills of education plans defined in the amendment to the Constitution 59/2009 and contribute to monitoring and evaluation.

Management PRONATEC is the responsibility of the Federal Government through the Ministry of Education - MEC and the Ministry of Labour and Employment - MET and its application to the demands of qualification of care for the population over 16 years.

Trade Unions do not participate directly in the management or the implementation of PRONATEC actions, but as it is a vocational training program aimed at people who work and run with public funds, the CUT has strongly supported its management as a means to ensure social control of these resources, and if monitor effectiveness of its implementation and results.

3. Strengths and Weaknesses

Regarding the positive aspects, one relevant point about vocational training at the national level is the social dialogue among businessmen, trade unions and government and important consensus regarding the strategic role of vocational training.

A key strength at the sectoral level is the private sector role and participation in vocational training policies through S System, linking vocational training with the world of production, as well as with the innovation and technical development processes.

This has led to increased financial resources for educational actions; in addition of the resources from government.

In the trade unions case their policies and resources directed at skills development are more limited because the labor relations model tends to fragment its action.

Another positive contribution has been the development of a diverse and flexible vocational training system linked to the increase of participation and influence of Trade Unions in designing and implementing training public policies through their involvement in the S system and the impulse of Trade Unions regarding the development of a diversification strategy in vocational training policies. They do not rely on a single line of action but several. For example, in addition to its participation in the S system, they have their own training centers and participate in Pronatec.

This contrasts with the State case where the bureaucracy limits flexibility in the system. In the case of enterprise level, these oriented their policies to vocational training from S System or with individual action with yours own workers, agree the demand of the job positions.

In terms of innovation, development of the S System reflects a wide consensus about the strategic importance of vocational training and the Trade Unions' participation in various stages.

However, in the case of trade unions still these experiences did not acquire a generalized dimension.

In this sense, Trade Unions have an own perspective about vocational training, with the idea of integral education that enhances the development a strategy based on the diversification of interventional channels concerning vocational training policies, with own vocational centers, participation in labor and education policies and in design off vocational offer in System S.

The problem is their limited capacity in terms resources to expand their experiences to other context.

Synthesizing the key success factors of these developments it is possible to point to:

- 1) Existence in the private sector of a strong consensus about the strategic importance of vocational training with based on S System
- 2) Consolidation of the S System with gradual incorporation of Trade Unions in decision-making bodies.
- 4) Diversified participation of Trade Unions in vocational training policies through different channels (System S, PRONATEC, own vocational centers).

4. Conclusions

Considering the analysis made so far, it is important to highlight the relevance of social dialogue in Brazil's vocational training experience. As well as the strong consensus among private sector Trade Unions and Government; regarding the strategic role of vocational training.

This point is displayed in S System whose characteristic is the linking of vocational training to the productive world and also to technological and scientific development. This is expressed in more economic and financial resources, because the principal enterprises from Brazil are partners in this systems. Therefore one of the main strengths of the S system is that the business sector provide economic resources to this system

The development of a policy vocational training required be diversified and flexible. It is expressed in the development and multiplication of the initiatives coming from Trade Union sector in relation to tripartite agreements. For example, in the PRONATEC and in the S System.

In this sense, Trade Union participation in public policy matters, is related to the development of a unique perspective on vocational training. This is linked with an idea of integral education coming from the acquired experience by this actors regarding:

- a) management of vocational training institutions,
- b) encouraging links from training with the production world and
- c) technological development.

However, these experiences did not acquire a generalized dimension.

In this sense, a difficulty that can be mentioned is the non-articulated process, because of the high territorial autonomy levels, for Trade Unions organization, which generates problems to establish common standards for the training service quality. The problem is their limited capacity in terms resources to expand their experiences to other contexts because they are highly fragmented.

For all these reasons it is important to encourage the participation of working world actors in public policies. It is also important to promote the transference to other territories and industry sectors of the agreements reached by working world actors and the government in relation to vocational training policies, based on a flexible and diverse strategy, which lead to a institutionalization of these approaches.

To summarize we note the strength of the tripartite structure and social dialogue on labour relations and vocational training policies, with strategic agreements between trade unions and companies in training.

Another point is the development of methodologies, approaches, perspectives and tools that provide a coherent approach across their different lines of ~~work~~ action. Including directly through their own centers or indirectly by participating in the PRONATEC or S System).

The sustainability of funds and joint agreements between the S System and PRONATEC give the sustainability of policies consistent with the possibility of developing a shared strategic vision amongst the actors.

Also the strategic role of the entrepreneurs and the agreements that underpin their participation in the S Systems.

On the other hand, the actions on training policies from State are focused in PRONATEC. In this issue is central the role of the public policy.

Some recommendations:

- a) Strengthening institutions at the sectoral and national levels increasing your share in the PRONATEC and S System, and develop networks of their own training institutions.
- b) Advance greater unification in terms of perspectives, methodologies and procedures. Articulating basic skills training, vocational and technological education
- c) Promote the closer to the actions and policies of FP with the agreements in terms of labor relations. For example, in collective agreements including the allocation of funds for vocational training.

Bibliography

DIESSE (2015): Inter-Union Department of Socio-Economic Statistics

MINISTRY OF EDUCATION. News. Approved the law creating the Factory School. Brasilia, June 14, 2005. Available at: <http://portal.mec.gov.br/index.php?option=com_content&view=article&id=3266&catid=211>. Access on 20 August 2016 .

MINISTRY OF LABOR AND EMPLOYMENT. General Coordination Fund Resources Support Workers. Management Report of Fund for Worker - 2012. Available at: <<http://portal.mte.gov.br/fat/relatorio-de-gestao-do-fat.htm>>. Access: 16 August 2016 .

SECRETARY OF EDUCATION VOCATIONAL AND TECHNOLOGICAL. Secretariat Professional and Technological Education. National Catalogue of Technical Courses in 2015. Available at: <<http://pronatec.mec.gov.br/cnct/index.php>>. Access: 12 August 2016 .

Morocco: The unions and skills development

By: Ahmed Bouharrou

Abbreviations

ANAPEC	National Agency for the Promotion of Employment and Skills
CDT	Democratic Confederation of Labour
CGEM	General Confederation of Moroccan Enterprises
CSEFRS	Higher Council for Education, Training and Scientific Research
GIAC	Inter-occupational advisory body
OB	Official Bulletin
OFPPT	National Office for Vocational Training and Employment Promotion
STC	special training contract
UGTM	General Union of Moroccan Workers
UMT	Moroccan Workers' Union
UNTM	National Union of Moroccan Workers
VTs	vocational training system

Introduction

The concept of skill is a broad one. It embraces basic education, initial training and apprenticeship as well as continuous lifelong learning. In its wider sense, skill may be defined as “all the capabilities made evident in everyday working life and social activity”.²⁹

Skills development is an indispensable aspect of the changes taking place in the world of work and employment. Vocational skills with all their components (knowledge, expertise and interpersonal behaviour) both enhance companies' competitiveness and keep up with industry's requirements. They are also offer a resource of job mobility, defence against unemployment and adaptability in the face of changes at work.

Skill is acquired and developed through a system of education, teaching and public and private vocational training. The vocational training system provides initial training, continuing training, apprenticeships and work-based training, for both trainees and employees.

Skill is also acquired through “on-the-job” training, the practice and exercise of occupations to develop staff competence. Certifying and validating the acquired practical experience enhances this competence.

In Morocco, as in many other countries, the issue of skills development is one of vital importance owing to its positive impact on the competitiveness of enterprises, worker employability, occupational mobility and workers' social advancement.

As an integral member of the world economy and a signatory to several free-trade agreements, Morocco encourages foreign investment and is upgrading its enterprises. It has adopted public development strategies and policies for industry, agriculture, fisheries, tourism, craft manufacture and logistics. In turn, it is strengthening its system of education and vocational training in order to adapt the skills and build up the capabilities of employees.

²⁹ Elharrak, A, *Compétences et compétitivité*, in *Revue juridique, politique et économique du Maroc*, No. 39-40, 2007, p271.

This adaptation is being achieved through various kinds of training designed to respond to organizational and technological changes and to evolving needs in the system of production and the labour market. This scenario has brought the adoption of the national strategy on vocation training for the period 2016-2021 and the establishment of an expanded tripartite national body, the Higher Council for Education, Training and Scientific Research.³⁰ This institution is charged with “carrying out overall, sectoral or thematic evaluation of public policies and programmes in the fields of education, training and scientific research” and with advising on all matters relating to education and training.

Responsibility for education and vocational training falls to the State, public institutions and local authorities. Article 31 of the Constitution of 1 July 2011 recognizes the right to “a modern, accessible and high-quality education” and to “vocational training”.

The question of skills concerns a response to economic and social challenges. This is not a matter for the State alone, but one that involves collaboration with workers’ unions and employers’ professional bodies.

What is the extent of the unions’ commitment and involvement in skills development?

I. The economic and social context

Morocco’s population numbers 32,521,143. Its GDP amounted to 111.74 billion dollars in 2014. The GDP per capita is 3,368 dollars. The inflation rate is 2.5% and the unemployment rate 9%. Morocco achieved a growth rate of 4.5% in 2015 thanks to a good agricultural season. This rate fell to 1.5% in the first quarter of 2016.

As to the labour market, the HCP (High Commission for Planning)³¹ states that the labour force numbers 11,827,000. The working population aged over 15 increased from 2014 to 2015 by 0.1% at national level (+0.3% in towns and -0.1% in the countryside). A total of 188,000 enterprises are affiliated to the national social security fund; some 3.1 million employees were registered with the fund in the year 2015.

The working-age population increased by 1.5%. The employment rate from one period to another fell from 48% to 47%, recording a drop of 0.6 of a percentage point.³² In terms of Morocco’s economic structure, agriculture occupies 39.2% of the population and generates value added amounting to 14.6% of GDP. The “Green Morocco” plan is a public policy which constitutes a driver of agricultural and rural development.

The agricultural activities comprise cereal, citrus fruit and vegetable production. Manufacturing represents 21.4% of all employment and generates value added amounting to 29.6% of GDP. This industry comprises mainly textiles, leather, agribusiness and electronic assembly.

Morocco is developing and diversifying its industrial base by investing in the automobile industry, aeronautics, renewable energy and electronics.

³⁰ Dahir [cf. note 6] No. 1.14.100 of 16 May 2014 promulgating Law No. 105-12 concerning the Higher Council for Education, Training and Scientific Research.

³¹ The HCP is a public body responsible for population census, economic and social surveys and statistics.

³² For more details, see Ministry for Employment and Social Affairs, *Social Audit 2015*.

The tertiary sector represents around 40% of all employment and generates value added amounting to 55.8% of GDP. In this context, tourism is the largest source of income. The freedom of association maintained since 1957 in Morocco³³ has led to a pluralist system made up of 31 unions, of which the four considered to be most representative are the UMT, the CDT, the UGTM and the UNTM.

The existing national legislation fosters tripartism. Workers' unions as well as employers' professional bodies are represented on the national tripartite consultative bodies, namely the Economic, Social and Environmental Council, the Council for Collective Bargaining, the Higher Council for Occupational Health and Risk Prevention, the Higher Council for Employment Promotion, the National Tripartite Committee for Monitoring the Application of Temporary Employment Law, and on the regional employment promotion councils.

Within enterprises, workers' unions are represented on two bodies: works councils and safety and health committees. In addition to this tripartism, the Labour Code establishes a system of collective bargaining and a legal framework for collective agreement, which together constitute a collective tool for formulating conventional and negotiated labour law.

As well as dialogue in the form of collective consultation and bargaining in the above-mentioned bodies, general social dialogue is conducted and organized at national level between the Government, the most representative workers' unions and the employers' professional association, the CGEM.

Morocco has long experience in the field of vocational training, which first emerged in the form of apprenticeships at enterprises under the *dahir*³⁴ of 16 April 1940.³⁵ Public vocational training began on 27 July 1953 with the creation of vocational training centres.³⁶ In 1974, the Office for Vocational Training and Employment Promotion³⁷ was introduced to deliver and manage the various components of vocational training.

Vocational training has belonged to different ministries including those responsible for labour, employment and public works, the Secretariat of State for Technical Education, and the Ministry of Education. In 2005 came the creation of the Secretariat of State for Vocational Training.³⁸ Skills development through different types of training is concerned, on the one hand, with strengthening youth employability and career opportunities and, on the other, with training personnel for the various sectoral policies initiated by Morocco.

The main sectoral policies include the Industrial Acceleration Plan 2009-2015, the "Emergence 2020" plan (developmental framework for industrial activities), the Energy Strategy 2030, the "Halieutus" Strategy (marine fisheries), the Green Morocco plan, Vision 2020 (tourism), Digital Morocco (national strategy for the information society and digital economy), Vision 2015 (crafts), the Strategy on Competitive Logistics and the Ports Strategy for 2030.

³³ Dahir No. 1-57-119 of 16 July 1957, concerning trade unions, asserts the freedom of association.

³⁴ In the Moroccan legal system, a *dahir* is a decree-law enacted by the King.

³⁵ Dahir of 16 April 1940 concerning vocational training for specialist workers (OB No.1438 of 17 May 1940, as amended and supplemented by the Dahir of 17 March 1954 (OB of 16 April 1954, p.523). This *dahir* developed on-the-job training to address the existence of a public system of vocational training.

³⁶ OB No. 2127 of 31 July 1953, p.1068.

³⁷ Dahir No. 1-72-183 of 21 May 1974 establishing the Office for Vocational Training and Employment Promotion, OB No. 5306 of 7 April 2005.

³⁸ This secretariat was established by Decree No. 2-04-332 of 1 February 2005, OB No. 5306 of 7 April 2005.

These policies targeting the development of the various economic sectors require a training system that adapts to their individual requirements in terms of training human resources and meeting the changing needs of the labour market.

II. The unions and the major components of vocational training: restricted involvement and action

The Moroccan system of vocational training and skills development has several components. How are the unions involved in their design and development?

1. The unions and initial training

Initial training³⁹ is the most important part of the vocational training system. It exists at four levels⁴⁰ and accommodates around 200,000 trainees. Since 2014 a vocational baccalaureate has been offered. The initial level provides in-house instruction delivered at vocational training institutions. Sectoral and territorial coverage is substantial except in rural areas.⁴¹ Training provision is flexible and changes in accordance with labour market requirements and the needs of enterprises.

Initial vocational training is intended to enable young people to acquire a basic qualification facilitating their entry into working life. Article 6 of Law No.1-72-183 of 21 May 1974 establishing the Office for Vocational Training and Employment Promotion lists among the tasks of the executive board of the Office “the programme of action for the Office for the current year”. The unions do not play a large role in this training. Like the education system they are concerned mainly with public activities.

2. The unions and apprenticeships

Apprenticeships are conducted mainly within the enterprise. They are established by Law No. 12-00 adopted in 2000⁴², which is concerned with “the acquisition of knowhow through the exercise of vocational activity enabling apprentices to gain a qualification that helps them to enter working life”.⁴³

Under article 3 of this law, “apprenticeship shall comprise practical training, with at least 80% spent in the enterprise and a further 10% spent on general and technical training organized in the framework of agreements concluded with the Administration and other public or private bodies. This training may not exceed three years”.

The occupations and qualifications that apprenticeships may cover are set by decree. Order No. 1183-01 of 27 August 2001 of the Ministry of Employment, Vocational Training, Social Development and Solidarity⁴⁴ established the competent bodies on matters concerning the planning, organization, supervision, monitoring and evaluation of apprenticeships. These bodies are a national committee and vocational training committees. They comprise representatives of the various public authorities and professional associations and organizations

³⁹ Initial vocational training is mainly the responsibility of the Office for Vocational Training and Employment Promotion, but also of the ministries of agriculture and fisheries, tourism, and crafts, industry and trade.

⁴⁰ The four levels are: specialization, skills, technician, specialized technician.

⁴¹ The Ministry of Agriculture has several vocational training centres and agricultural technical institutes.

⁴² OB No. 4800 of 1 June 2000.

⁴³ Article 1, Law No.12-00.

⁴⁴ OB No. 4948 of 1 November 2001.

operating in the different economic sectors. The workers' unions are not involved in these bodies, and thus lack the opportunity to express opinions on the issue of apprenticeships as a component of training.

3. The unions and work-based vocational training

Work-based vocational training is established by Law No. 36-96.⁴⁵ This is initial training which, under article 2 of the law in question, "is intended to provide trainees (...) with general, vocational and technical knowledge at a vocational training establishment either publicly owned or approved by the State for this purpose." It covers "the acquisition of knowhow through the exercise of a vocational activity at an enterprise, regardless of the scope and type of its activities, with a view to gaining a vocational qualification in one of the disciplines at the vocational training establishments."

This type of training is organized on the basis of at least one half spent at the enterprise and at least one third spent at a vocational training establishment, either publicly owned or approved by the State for this purpose. Work-based training may not last less than two years or more than three years.

The tasks of organizing, monitoring and evaluating work-based training and of inspecting working conditions, occupational safety and the technical equipment in use are performed by bodies established at the national, regional, provincial and local levels. This training is regulated by training contracts.

In accordance with article 1 of Decree No. 2-97-966 of 4 February 1998,⁴⁶ the above-mentioned competent bodies comprise the National Committee for Vocational Training, the provincial committees for vocational training and the development councils. The employers' professional associations and the workers' unions are not represented on these bodies, and this lack of involvement means that there can be no union commitments in this field, especially as these institutions do not meet.

4. The unions and private vocational training

Private vocational training denotes any vocational training, initial or work-based, of all levels and types, whether leading to diplomas or skills certificates, at establishments set up by physical or legal persons other than the State.⁴⁷ The aim of this training is to impart the vocational knowledge and skills needed to practise a trade or occupation, and to adapt the skills acquired to technological changes arising from the needs of the working world.

This law [No.13-00, cf. note 19 below] establishes "within the Administration a number of national sectoral committees whose task is to propose measures for promoting the private vocational training sector and improving the quality of its services."⁴⁸ It also sets up within the Administration a number of regional inter-occupational committees charged with advising on start-up requests, monitoring the application of the professional code of ethics and promoting partnerships between the various stakeholders.⁴⁹ Decree No. 2-00-1018 of 21 June 2001

⁴⁵ OB No.4428 of 7 November 1996 and Corr. in OB No.4440 of 19 December 1996.

⁴⁶ Decree adopted in application of Law No.36-96, OB No. 4562 of 19 February 1998.

⁴⁷ Article 1 of Law No. 13-00 concerning the status of private vocational training; OB No.4800 of 1 June 2000.

⁴⁸ Article 4

⁴⁹ Article 16

adopted in application of Law No.13-03 states that the membership of sectoral and inter-occupational private vocational training committees and of the private regional committees must include representatives of the federations of professional chambers and of the most representative professional associations. Workers' unions are not represented on these committees and thus do not have the opportunity to submit proposals to them.

5. Training through ANAPEC: vocational retraining programmes

Law No. 51-99⁵⁰ establishes the National Agency for the Promotion of Employment and Skills (ANAPEC). The numerous tasks assigned to the agency under its article 3 relate mainly to management of the labour market and to training. Paragraph 5 of this article requires the agency to “put in place vocational retraining and work integration programmes in conjunction with employers and training establishments”.

This type of training concerns employees who are facing redundancy for organizational, economic, technological, financial or social reasons and those who are made redundant and who receive severance pay and are eligible for such training. It also covers skills training programmes.

There is no suitable structure enabling union involvement and commitment in this field. The unions are not yet represented on the board of ANAPEC and thus cannot express their views or engage with the issue of skills development. The unions criticize the so-called ANAPEC contracts, namely the training and occupational integration contracts used by enterprises to recruit new graduates under fixed-term agreements which offer them tax and welfare credits, because they believe that such contracts help create insecurity.

6. The unions and the national vocational training strategy for 2016-2021

Morocco has long experience of vocational training. On 30 March 2016 it launched a vocational training strategy for 2016-2021 which aims to train 10 million people at the rate of 20% of employees per year, with 52% of the trainees learning in a working environment. As such, this is a public policy giving substantive effect to the right to vocational training recognized in article 31 of the Constitution.

This strategy “aims to provide training in line with the needs of the labour market. Under the current arrangements, enterprises must settle for training provision which often falls far short of their expectations.”⁵¹ This is an ambitious strategy, intended to train ten million people by 2021 in the various occupations, branches and regions. It is intended for reducing skills gaps at the sectoral, local and national levels.

⁵⁰ OB No. 4804 of 15 June 2000

⁵¹ *L'Economiste*, No. 4739 of 29 March 2016, p.2

Table 1. Scope and form of the national vocational training strategy

Types of training	Target numbers
Continuing training at enterprise's initiative	3,631,727
Continuing training at employee's initiative	1,114,538
Retraining and soft skills	1,053,580
Initial vocational training (graduates)	2,346,477
Special needs	212,664
NGO staff	64,690
Employees facing job loss	272,581

The unions were not consulted on the content of this strategy, which was developed mainly by the management of the OFPPT.

III. Union commitments to skills development at the national, sectoral and enterprise levels

Commitments to skills development are evident at a number of levels and in various institutional and practical contexts.

1. Commitments at national level

On the national scale, discussion of skills in their global dimension leads to tripartite commitments in various forms, namely the social agreements resulting from national tripartite social dialogue since 1996, the executive board of the OFPPT, the Higher Council for Education, Training and Scientific Research and the Central Committee for Special Training Contracts.

(a) Commitments to skills under agreements arising from national tripartite social dialogue

The issue of skills has been under discussion since 1996, when the first major tripartite social dialogue at national level was organized, and has resulted in commitments under national tripartite social agreements. The four major social agreements that have emerged from this social dialogue were concluded on 1 August 1996, 30 April 2000, 30 April 2003 and 26 April 2011.

The agreement of 1 August and its annex includes, in section 6 concerning employment, a tripartite commitment by the Government and the CGEM, with contributions from workers' unions, to deploy efforts to strengthen continuing training for all employees and civil servants.

The agreement of 19 moharram (30 April 2000) has a section concerning training and continuing training for employees. This agreement contains commitments to strengthen vocational and continuing training programmes for employees, to develop vocational retraining

and provide for adaptation to changes in production systems, and to encourage job mobility among employees faced with redundancy for economic and technological reasons.

The agreement of 26 April 2011

Section VI of this agreement concerns “Strengthening enterprise capabilities and the continuing training of their employees”.

In this context, the Government committed itself to setting up a new system of governance for handling special training contracts and, together with the CGEM, to strengthening and maintaining competitiveness in sectors where this is an issue. It has also made a commitment to establish a tripartite committee to conduct a dialogue on this matter, but this has never become operational.

(b) Commitments with the Office for Vocational Training and Employment Promotion

In 1974 Morocco created the Office for Vocational Training and Employment Promotion.⁵² This institution is responsible for “promoting employment, and for developing and adapting the vocational training delivered ...”

To this end the Office is tasked with providing information, guidance and professional recruitment, supervising vocational retraining of employees and organizing and monitoring apprenticeships.

The Office is administered by a 28-member tripartite executive board⁵³ comprising 14 members from the Government, seven workers’ representatives and seven employers’ representatives.

The members representing workers and employers are selected from lists of candidates submitted by the most representative workers’ vocational organizations. Two representative unions are represented on the executive board of the OFPPT, namely the UMT (Moroccan Workers’ Union) and the UGTM (General Union of Moroccan Workers).

Where skills development is concerned, the tasks of the executive board include “authorizing the conclusion of contracts to carry out special vocational training programmes, under conditions determined by decree”.

The executive board has reached deadlock in its operations owing to the nature of its membership, trade union concerns and governance issues. This situation has led to the Office taking charge of administrative, financial and training matters. The representative of the UGTM union at the Office has requested that the unions, together with enterprises whose employees are affiliated, be permitted to organize and deliver training programmes, provided the Office awards them the necessary grants.

Currently, owing to differences of approach concerning the in-service training funded by the OFPPT, the amount for which has been set since 2007 at 30% of the proceeds from the tax on vocational training⁵⁴, the implementation of special training contracts has been suspended.

⁵² Dahir concerning Law No. 1-72-183 of 21 May 1974 establishing the Office for Vocational Training and Employment Promotion, OB of 29 May 1974

⁵³ Article 2 of the Dahir of 2 May 1974

⁵⁴ Article 7ter of Decree No. 2-73-633 establishing the vocational training tax

(c) Union proposals to the Higher Council for Education, Training and Scientific Research

In the course of its work this council has held hearings and discussions in order to bring together stakeholders' positions and proposals. During hearings with the unions, the latter have raised the issues of instability in the management of vocational training, the large number of stakeholders involved, lack of institutional coordination, and the low level of sectoral involvement in vocational training.

They have also pointed out inconsistencies and weakness affecting planning, discrepancies that exist between training and employment and problems surrounding the purpose of vocational training, namely whether it is an instrument for making up for time lost in school or a tool used to train and to improve employability.

In an effort to rise above this situation, they propose that the competent bodies should identify needs, that the profiles and skills of trainers should be re-examined and that the vocational training provided should be capable of meeting the private sector's needs.

(d) The unions and the Central Committee for Special Training Contracts

The unions are represented on the Central Committee for Special Training Contracts (STCs), a tripartite body with the following objectives:

- Defining the training objectives of STCs;
- Designing policies for informing and making enterprises aware of STCs;
- Scrutinizing year-end statements and accounts concerning STCs.

There are also ten regional tripartite STC committees responsible for processing CSF funding applications submitted by enterprises and for monitoring and evaluating activities funded through CSFs.

These bodies are currently inactive, and the implementation of special training contracts has been suspended, owing to differences between unions and employers and issues of downsizing and governance.

2. Commitments on the skills issue at sectoral level

At the sectoral level the National Charter recommends that, in view of the diversity of vocational sectors, a system of contractual continuing training should be introduced which is adapted to the specific needs of each vocational branch. To promote this training, inter-occupational advisory bodies (GIACs)⁵⁵ have been established in the form of associations set up by professional organizations and federations in enterprises, in the framework of the 1958 Associations Act.

The following training activities may be conducted under GIACs:

- Information and awareness-raising concerning on-the-job training;

⁵⁵ GIACs exist in industrial activities, chemicals and pharmaceuticals; the automotive industry; textiles and leather; the telecoms and electronics industries; marine fisheries; construction; tourism and hospitality; agroindustry; transport, logistics and the tertiary sector.

- Research and advice on defining a development strategy for enterprises and occupational groups together with the associated training needs;
- Design of on-the-job training, consisting of training needs assessment and preparation of the resulting programmes;
- Implementing special vocational training programmes.

The GIACs are funded by government grants and by contributions from recipient enterprises. There are GIACs for the metallurgical, engineering and electronics industries, textiles and leather, the technological industries, tourism and marine fisheries.

To better adapt training to the needs of new foreign investment in Morocco, particularly in the automotive and aeronautical industries,⁵⁶ centres of training in the automotive industry trades have been set up in partnership with the relevant professionals. They are managed by the professionals.

By contrast with the employers' organizations, the workers' unions are not involved in these mainstream processes and thus have no opportunity to make known their commitment. Despite the importance of their role in preparing special training contracts and sectoral agreements, the GIACs are restricted solely to conducting needs assessments and designing training programmes.

In addition, public-private partnerships are entered into by higher training institutes and vocational institutes in certain new industries and services. They provide tailor-made training to meet skills needs in activities such as the automotive industry, aeronautics, tourism and crafts.

Since 1988 agreements have been signed with the professional associations and federations covering a significant portion of the organized sectors. They concern textiles and clothing, the engineering, metallurgical, electrical and electronics industries, the hospitality industry and the leather industry.

The workers' unions are not represented on these bodies and are thus unable to commit themselves on matters of skills and training in enterprises, even though they have members among the employees of eligible enterprises and establishments.

3. The unions and skills development in enterprises

The vocational training conducted within enterprises basically consists of continuing training. The Labour Code attempted to institutionalize continuing training but this has not yet been achieved. However, this situation has not prevented the development of continuing training in practice, under collective agreements concluded between employers and unions, and also in the context of special training contracts concluded under collaborations between an enterprise which pays vocational training tax and the other enterprise concerned.

3.1 Continuing training in industrial, commercial and agricultural enterprises

⁵⁶ Nabih Ahlam, *Automobile: un dispositif de formation plus musclé* in *L'Economiste* No. 4564, 8 July 2015

Article 23 of the Labour Code recognizes continuing training.⁵⁷ It refers to a decree determining the terms and conditions for taking advantage of such training, but this decree has not yet been adopted. In the framework of collective agreements, the unions and employers regulate and organize vocational training as a means of enhancing employability and improving social advancement, motivation and productivity. Enterprises do not allocate large amounts in their budgets to continuing training, particularly as they already pay vocational training tax.

(a) Continuing training under special training contracts

Continuing training concerns the employees of both public and private enterprises. It is funded by a proportion of the proceeds from the tax on vocational training. This training is done through special training contracts. Special training contracts entail concluding contracts with enterprises to reimburse the costs of training provided for their employees.⁵⁸ The enterprises concerned are those that are liable to vocational training tax and also have an irregular relationship with the national social security fund. The training activities which qualify for reimbursement are the development of training plans, functional literacy programmes, research on sectoral engineering, and sectoral training programmes.

Special training contracts are managed on a tripartite basis by representatives of the Government, employers and employees. Their administration is handled by a central committee and decentralized: regional committees have been put in place.

(b) Skill as a topic of social dialogue in the works council

The works council is established under article 464 of the Labour Code as a bipartite consultative body with important tasks relating to training, skills, technology and productivity. Under article 466 of the Labour Code, the works council, as part of its consultative functions, is charged with matters including “apprenticeships, training and integration programmes, anti-illiteracy programmes and continuing employee training”, as well as “the structural and technological changes to be made within the enterprise”.

The most representative union at the enterprise, the one which obtained the most votes in the election of employee delegates, is represented on the works council. The unions’ involvement in the works council includes dialogue concerning skills, training, and training for integration.

(c) Continuing training under collective agreements

In the context of the right to collective bargaining, article 105 of the Labour Code establishes as one of the topics for such bargaining “the organization of continuing training for the benefit of employees, with the aim of fostering their social and occupational advancement, improving their general and vocational knowledge and helping them adapt to technological innovation.” These collective agreements may be concluded at the enterprise, sectoral or national level.

Enterprises are exclusively responsible for training in industrial safety and health, taxation, and in information technology skills intended to fill manpower resource gaps.

3.2 Vocational training in mining enterprises

⁵⁷ This article provides that “employees shall be entitled to benefit from programmes to combat illiteracy and from continuing training”.

⁵⁸ Vocational Training Secretariat: *Manual of procedures for special training contracts*, January 2002

The Dahir of 24 December 1960 concerning the status of personnel in mining enterprises⁵⁹ establishes in every such enterprise a unit responsible for organizing and delivering vocational training.

The funding for this vocational training is provided through an annual levy amounting to 1% of the total net amount of wages and salaries paid during the year. This levy is imposed on every mining concern and on all organizations holding a State-granted monopoly on mineral exploitation.

Vocational training in mining is administered by an “inter-enterprise vocational training fund”, a financially independent public institution with legal personality which operates under the auspices of the Ministry for Mining. The fund is managed by a committee chaired by the Minister for Mining or his/her representative, and comprising a representative of the Finance Ministry and six other members appointed by the employers.

Every year the management committee prepares the programme of the inter-enterprise vocational training fund. It takes an active role in the training provided at special mining academies. The unions are not represented.

IV. Strengths and weaknesses of skills development

1. Strengths

In Morocco, where skills are concerned the strengths consist in the desire to develop knowledge, knowhow and abilities, with a view to ensuring that human resources are available, strengthening their employability, meeting the needs and enhancing the competitiveness of enterprises, and further entrenching the right to vocational training enshrined in the Constitution.

Two important national bodies, namely the executive board of the National Office for Vocational Training and Employment Promotion and the Higher Council for Education, Training and Scientific Research, both provide appropriate frameworks for union commitment on skills-related matters.

Another important asset is the existence of the workers’ unions that straddle the education and vocational training sectors and which could, if brought into the decision-making process or dialogue associated with vocational training, contribute to skills development through proposals and commitment to skills development.

The infrastructure of the vocational training system is well developed and diversified. It is present in every region and province and provides for various types of training.

2. Weaknesses

Not all the most representative unions have links to the National Office for Vocational Training and Employment Promotion. Only two are represented at the Office, and are appointed by the executive board, whereas there are in fact four most representative unions.

⁵⁹ OB of 30 November 1960, p.215

The OFPPT is essentially an administrative body (adopting the budget, advising on personal status, deciding on the programme of action) which also has the task of “concluding contracts to carry out special vocational training programmes”. It must be assumed that this body, in its current form, does not permit any additional union involvement in vocational training and skills development.

All the most representative unions are involved with the Higher Council for Education, Training and Scientific Research on the issue of reforming the educational and training system.

In the field of vocational training, the employers’ professional associations are the bodies most closely involved, at different levels, in the workings of the various structures concerned with training and skills. The employers pay a tax on vocational training, introduced to benefit the OFPPT by Decree No. 2-73-633 of 22 May 1974.⁶⁰ The rate of the tax is set at 1.6% of total remunerations. The tax is borne exclusively by employers. This is perhaps why links with employers’ organizations are favoured within the tripartite structures while workers’ unions are marginalized.

Both in word and deed, the unions are more greatly concerned with industrial relations, trade union freedoms, social dialogue and social protection than with matters relating to training and skills development.

Conclusion

In Morocco, skills development has enjoyed particular attention as part of an ambitious reforming vision aimed at meeting major economic and social challenges. The issue of skills has been addressed in the framework of national tripartite social dialogue.

Vocational training as a tool for skills development has different components, some of which are discussed by the social partners including the unions. It essentially takes the form of continuing training managed by a central tripartite committee through special training contracts, and also by regional tripartite committees. However, in many organizations set up to prepare, evaluate and monitor the implementation of certain types of training, only public authorities, professionals from occupational chambers and the CGEM are involved. Moreover, some of these organizations are inactive, and continuing training under special training contracts has been frozen for the moment owing to governance issues and differences among stakeholders.

The unions’ role on the executive board of the OFPPT is restricted by comparison with that in the Higher Council for Education, Training and Scientific Research, which in May 2015 adopted the “Strategic vision 2015-2030: towards schools based on equity, quality and advancement”.

The Constitution recognizes the right to vocational training and has involved civil society in preparing, implementing and evaluating public policies. The establishment of a well developed regional framework empowers the regional authorities in matters of vocational training.

⁶⁰ OB No. 3213 of 29 May 1974

This offers the prospect of greater union involvement in and firmer commitment to the process of preparing, implementing and evaluating public policies on education, training and skills development.

Bibliography

Bayali Abdelouahab, *Le capital humain, facteur déterminant de la compétitivité de l'entreprise industrielle*, Imprimerie Najah El Jadida, March 2000

Benkerroum, Mohamed and Yaacoubi, Driss, *La formation professionnelle au Maroc in Eléments d'analyse des réformes et des résultats de cinquante années d'indépendance Skills for improved productivity, employment growth and development*, ILO, Report V, ILC 97 first ed., 2008

Employment policies for sustainable recovery and development, ILO, Report VI, ILC 103, 2014

Boutata, Mohamed, *La formation professionnelle et l'emploi dans l'économie marocaine coloniale et post-coloniale* in Editions et collection de la Faculté des sciences juridiques, économiques et sociales de Rabat, 1987

Dubar, Claude, *La formation continue* in Repères, La Découverte, Paris, 2004

Duhautois, Richard, Petit, Héloïse and Remillon, Delphine, *La mobilité professionnelle*, Collection Repères, La Découverte, Paris, 2012

Accent sur les dispositifs de la formation continue au Maroc, European Training Foundation, 2003

Cartographie de la gouvernance de la formation professionnelle au Maroc, European Training Foundation, 2014

Lévy-Leboyer, Claude, *La gestion des compétences*, Eyrolles Editions d'Organisation, second ed., 2000

Enquête nationale sur le secteur informel, 2006-2007, summary report, Haut-commissariat au plan [High Commission for Planning] Statistics Division

Mejjati Alami Rajaa, *Le secteur informel au Maroc*, Presses Economiques, Collection essais *Droit de la formation professionnelle* in REMALD (Moroccan Review of Local Administration and of Development), REMALD Publications, Collection "Textes et documents", No. 144, first ed., 2005

Dialogue sociale au Maroc: réalités, bilan perspectives et accord social, Moroccan review of political and social science, special edition No.6, Vol IX, May 2014

Tarby, André, *Un nouveau droit de la formation pour les entreprises et pour les salariés*, L'Harmattan, 2005

Articles

Elharrak, A, *Compétences et compétitivité* in Revue juridique, politique et économique du Maroc, No.39-40, 2007

Elkoutbi, M, *Impacts de la formation continue sur les sociétés NTIC* in Revue juridique, politique et économique du Maroc, No.39-40, 2007

Méhaut, Philippe and Verdier, Eric, *Recomposition de l'action publique et émergence de nouvelles scènes de négociation sociale? L'exemple de la formation professionnelle* in Les nouvelles directions de la politique: relations professionnelles et régulations sociales, eds. Laurent Duclos, Guy Grous and Olivier Mériaux, Librairie générale de droit et de jurisprudence, Collection Droit et Société, 2009

Oman: International Review of Trade Union Involvement in Skills Development

By: Myriam Massaad

Background

Overview of national economy and labour market

Overview of the Oman economy

Oman is a middle-income monarchy located in the South-East of the Arab Peninsula with a population of 4,726 million as of January 1, 2016 and a growth rate of 8.32 per cent compared to the previous year. Its GDP per capita was of US\$ 15,645 in 2015.

The country's economic performance is highly dependent on its oil revenues. Oil was first discovered on the Omani territory in 1964. Petroleum Development (Oman) Ltd. (PDO)⁶¹ began the first extractions in August 1967. Oman's oil production increased gradually since then and reached 366,000 barrels per day in 1976. However, production started declining due to the depletion of recoverable reserves, reaching about 285,000 barrels a day in late 1980. From 1981 to 1986, in order to compensate for declining oil prices, Oman increased its production levels to 600,000 barrels per day. The collapse of oil prices in 1986 had a dramatic impact on the country's revenues. The government decided to cut back temporarily on its production in coordination with the Organization of Petroleum Exporting Countries (OPEC).⁶² Since mid-1987, production started increasing again, reaching more than 900,000 barrels per day by mid-2000. Today, it is reported that the country produces around 994,303 barrels per day, which makes it the biggest oil producer in the Middle East outside OPEC. Sustained high oil prices over the past decades have helped Oman build its budget, trade surpluses and foreign reserves.

Yet, aware of its heavy dependence on oil resources, and given the current volatility in oil prices, the Omani government has undertaken regulatory reforms aiming at diversifying and modernizing its economy. These measures were compiled in a long-term development strategy, Vision 2020, covering the years 1996 to 2020, and divided into five-year plans. Vision 2020's prime objective is the sustainable development of the Omani economy with particular emphasis on social and regional development and economic diversification.

The ninth and last five-year plan (FYP9), covering 2016 to 2020, has set the following major targets⁶³:

- Achieve an annual average GDP growth rate of 3 per cent;
- Reduce the oil sector's contribution to GDP to 26 per cent (down from 44 per cent in FYP8);
- Diversify the economy: Aside from economic diversification through vertical expansion in activities dependent on oil, the objective is to develop non-oil sectors, such as manufacturing, transportation and logistics, tourism, fisheries and mining;

⁶¹ PDO is owned by the Omani government (60%), Royal Dutch Shell (34%) and Compagnie Française des Pétroles (Total) and Partex (6%)

⁶² Oman is not a member of OPEC

⁶³ KPMG Oman (2016)

- Enhance the private sector's role in driving economic growth through privatization programs, the development of small and medium enterprises (SMEs), public-private partnerships and the improvement of the investment climate;
- Create productive job opportunities for Omani nationals and improve their competences and skills.

• Major Sectors

Oman is one of the world's largest oil producing countries; oil and natural gas extraction currently account for 51 per cent of its GDP. In fact, since 1967, oil has been considered as the main driving force of the Omani economy. Revenues from the oil sector have supported its modern and expansive infrastructure, including electrical utilities, telephone services, roads, public education and medical services. In addition to its extensive oil reserves, Oman has considerable natural gas reserves, which also play a leading role in the Omani economy.

The services sector represents 37 per cent of GDP. Within this sector, the largest segments are wholesale and retail trade (8% of GDP), public administration and defense (7% of GDP) and finally transport, storage and communication (6.8% of GDP). The remaining 12 per cent are derived from manufacturing and mining (6% of GDP), construction, electricity and water (5% of GDP) and agriculture (1% of GDP).

• Employment patterns

For a total population of almost 3.5 million people aged between 15 and 64, the labour force contains 2.454 million individuals, leading to a labour force participation rate of 71%. However, the Omani labour force is marked by a number of characteristics that differentiate it from other countries.

First, the Omani labour force is highly dominated by males; the women labour force participation rate was of 31.5 per cent in 2015, according to ILO estimates, compared to 87.3% for men. Additionally, non-nationals form the majority of the labour force. The flow of foreign workers to Oman has been increasing tremendously since the 2000s. Foreign workers mainly come from Asian countries (India, Bangladesh, and Pakistan).

An important labour market segmentation exists between the public and the private sector. In general, nationals are often employed in the public sector while non-nationals are mainly employed in the private sector. In 2013, 82 per cent of foreign workers were employed in the private sector and only 12 per cent were in managerial and "white collar" positions.

However, the new Omanisation strategies are establishing quotas forcing private companies to hire Omani nationals. According to the latest statistics issued by the National Centre for Statistics and Information (NCSI), the number of Omanis working in the private sector reached 211,919 by the end of July 2016, compared to a total number of 1,468,249 expatriates in the private sector. While nationals remain poorly represented in the private sector, progress has been made over the last years. However, due to the gap in wages and benefits between the private and public sectors, Omanis still prefer to work in the public sector. According to a survey conducted by Oxford Strategic Consulting in 2016 on a sample of 300 Omanis, 70 per

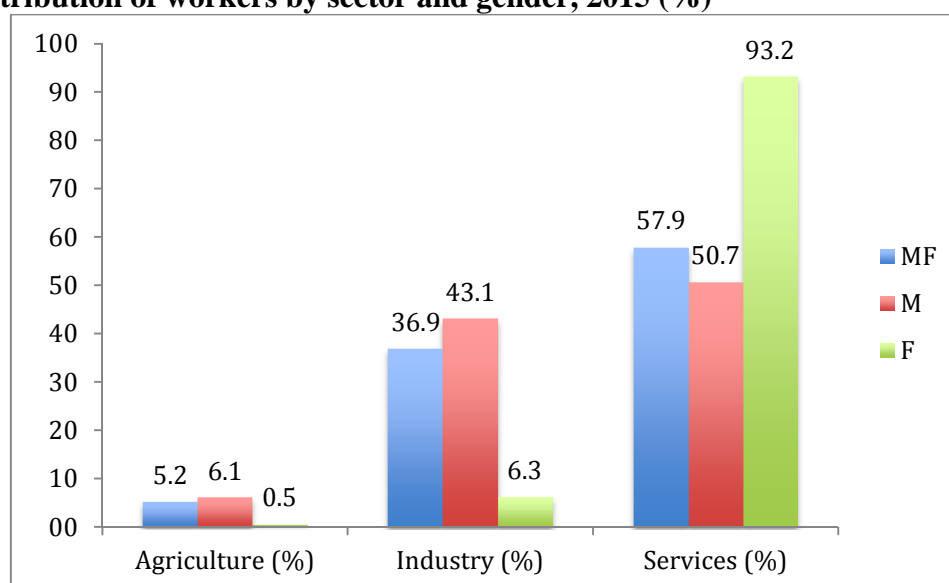
cent of respondents listed the Public Sector, Government Ministry, Municipality and Royal Court Affairs as top organizations to work in.

Unemployment rates are relatively low compared to the world average, with an unemployment rate of 6.3 per cent in 2015, according to ILO estimates. However, unemployment rates are much higher among women compared to men (14.3 per cent vs. 5.2 per cent in 2015).

Employment by sector:

In 2015, 5.2 per cent of workers were employed in agriculture, 36.9 in industry and 57.9 in services.

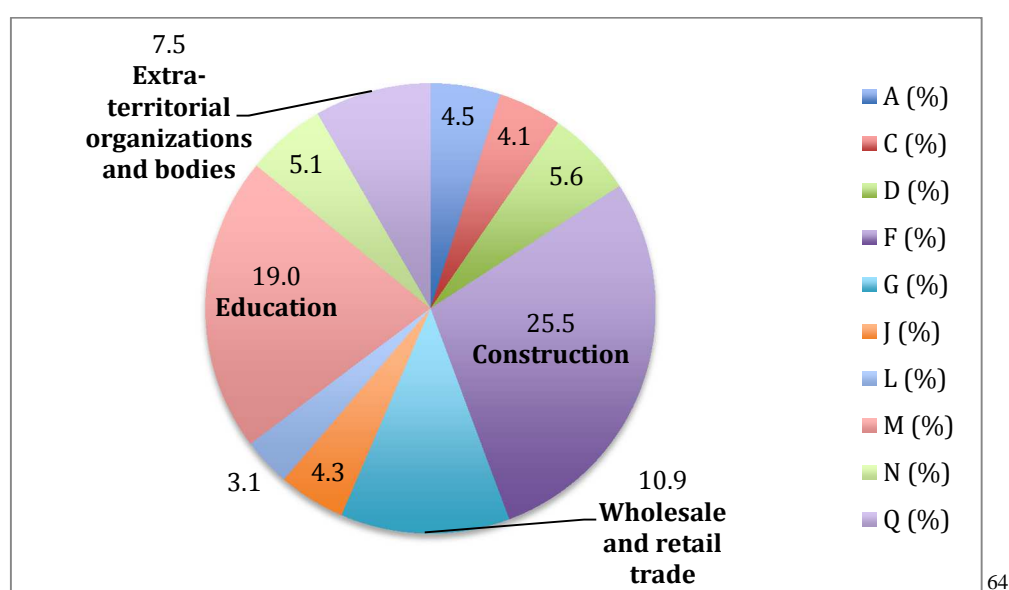
Figure 1: Distribution of workers by sector and gender, 2015 (%)



Source: ILO – Key Indicators of the Labour Market

A more detailed analysis of the distribution of workers by sector shows that more than a quarter of workers are employed in the construction sector and almost a fifth in education. A significant share of the workers is employed in wholesale and retail trade (10.9%).

Figure 2: Distribution of workers by 1-digit sector, 2015 (%)



Source: ILO – Key Indicators of the Labour Market

Overview of trade union arrangements

• Legal and regulatory frameworks

For many years, trade unions were illegal in Oman. In 2003, the Sultanate of Oman enacted a comprehensive labour law by Royal Decree No. 35, the Oman Labour Law (OLL). OLL remains today the basis for all labour-related laws in Oman. While it did not explicitly provide for labour unions, it endorsed the concept of labour organization in the private sector by providing that workers could form representative committees among themselves for the purposes of (a) protecting their interests, (b) defending their rights, (c) improving their financial and social status, and (d) representing them in all issues related to their affairs.

These representative committees were further permitted to form a principal committee to represent them in local, regional and international meetings. By thus granting workers the right to organize to protect their interests, OLL laid the foundation for the emergence of conventional labour unions in Oman's in the years to come.

The Sultanate issued two Royal Decrees in 2006 that strengthened the legal framework for labour unions in Oman. These Royal Decrees explicitly recognized labour unions and provided for collective bargaining and peaceful strike processes. Additionally, Royal Decree No. 74 of 2006 called for the formation of a Sultanate's General Labour Union to serve as a confederation of Oman's labour unions. The founding conference of the General Federation of Oman Trade

⁶⁴ A - Agriculture, hunting and forestry; B - Fishing; C - Mining and quarrying; D - Manufacturing; E - Electricity, gas and water supply; F - Construction; G - Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods; H - Hotels and restaurants; I - Transport, storage and communications; J - Financial intermediation; K - Real estate, renting and business activities; L - Public administration and defence; compulsory social security; M - Education; N - Health and social work; O - Other community, social and personal services activities; P - Private households with employed persons; Q - Extra-territorial organizations and bodies; X - Not classifiable by economic activity

Unions (GFOTU) was held on February 5, 2010 and was attended by representatives from the 45 labour unions existing at the time. It constituted an important step forward toward promoting a genuine democratic and free representation of workers without distinction.

Later on, Ministerial Decision 570 of 2012 promulgated the formation, functioning and registration of trade syndicates, trade unions, and general federation of Oman trade unions. It stated that a trade union could be formed by any private sector organization with at least 25 employees. The legislation also authorized the creation of more than one union per company.

According to Article 8 of the 2012 Ministerial Decree, a trade union can exercise the following rights:

- a. Represent its members and defend their interests
- b. Represent any of its members at their request
- c. Collect the affiliation fees and subscription set for the membership and manage its assets
- d. Exercise any activity related to the promotion and protection of the rights and interests of its members, in particular:
 - ensuring the members' safety and health;
 - raising the trade union's awareness among members;
 - raising the members' culture, technical and occupational level;
 - improving the members' health, economic and social level.
- e. Lodge complaints before the competent department at the Ministry of Manpower arising from the establishment's non-compliance with the provisions of the OLL and its implementing decisions and regulations
- f. Peruse the OLL and its implementing decisions and regulations guaranteeing the rights and interest of the workers at the establishment
- g. Obtain all necessary facilities from the establishment for the performance of its activities in addition to the appropriate premises for holding its meetings and keeping its documents.

Article 17 of the same Ministerial Decree sets out restrictions that prohibit trade unions from engaging in the following activities:

- a. Investments of the trade union's fund in financial speculations, in unsafe investments or in investments contradicting its objectives or purposes
- b. Engaging in political activities or any activity which is not specified in its statute
- c. Accepting gifts and donations, unless with the Ministry of Manpower's approval, in which case gifts and donations must be unconditional and not contradictory to the objectives and purposes of the trade union's activity and to the laws in force in the Sultanate
- d. Assigning its assets whether in legal terms or in cash.

GFOTU's first conference took place on February 16, 2014. The board of directors, formed of 11 members, was elected for a four-year period (2014-2018).

The main constituents of the Federation are the general assembly, the board of directors and the financial supervision commission. Additionally, a number of specialized committees were created to support the work of the GFOTU in various issues and activities.

GFOTU is a member of many committees and various boards related to labour issues in the Sultanate. It also plays a role in the committees formed by the three constituents, workers, employers and the government.

Today, Article 108 of the OLL grants employees the right to form a trade union to safeguard their interests, defend their rights and improve their financial and social status and represent them on all matters related to their affairs.

Additionally, the new legislation bans employers from punishing or dismissing workers on account of their union activities. According to Article 112 of the OLL, an employer who prevents its employees from carrying out their labour union activities, or hinders the formation of labour unions or the General Federation of employees, shall be punished by imprisonment for a period not exceeding one month, and/or a fine of not more than RO 500.

The new legislation also eliminates requirements that unions must notify the government at least one month in advance of union meetings and that union leaders must speak and write Arabic.

However, in reality, major restrictions on trade union activities still persist:

- The Ministry of Employment may refuse to register a trade union if it is not convinced that all requirements have been met
- Certain categories of workers are not covered by this law, such as the armed forces, security and government personnel, and domestic workers.
- The law provides for one single umbrella national trade union, which is not in compliance with ILO Convention 87
- Strikes must be supported by an absolute majority of the workforce and the employer must receive a notice of a strike at least three weeks before it takes place

• **Status of relevant ILO conventions**

Oman has been a member of the ILO since 1994. It has ratified four out of the eight core Conventions, namely:

- Forced Labour Convention, 1930 (No. 29) (30 October 1998)
- Abolition of Forced Labour Convention, 1957 (No. 105) (21 July 2005)
- Minimum Age Convention, 1973 (No. 138) (21 July 2005)
- Worst Forms of Child Labour Convention, 1999 (No. 182) (11 June 2001)

In 2007, the International Labour Conference witnessed the first tripartite presence of the Oman constituency. Since its adherence to the ILO, the country has made significant effort toward greater democracy and respect of fundamental principles and rights at work. The Labour Law was reviewed to integrate ILO core Conventions, particularly the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), the Right to Organise and Collective Bargaining Convention, 1949 (No. 98) and the child labour Conventions.

Although the Sultanate has shown great progress in the transition towards greater democracy and the respect of fundamental principles and rights at work, it still has not ratified four of the core ILO conventions, and specifically the core conventions regarding freedom of association and the right to bargain collectively, namely ILO Convention 87 (the Freedom of Association

and Protection of the Right to Organise Convention, 1948) and ILO Convention 98 (the Right to Organise and Collective Bargaining Convention, 1949).

Oman also still has to ratify the following conventions:

- Equal Remuneration Convention, 1951 (No. 100)
- Social Security (Minimum Standards) Convention, 1952 (No. 102)
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
- Employment Policy Convention, 1964 (No. 122)
- Occupation Safety and Health Convention, 1981 (No. 155)
- Occupational Health Services Convention, 1985 (No. 161)
- Promotional Framework for Occupational Safety and Health Convention

• **Unionisation rates**

Oman's unionisation process only started a few years ago with the 2006 Royal Decrees that officially allowed the creation of labour unions. The process was later accelerated with the establishment of the GFOTU in 2010, which encouraged the creation of additional unions.

By the end of 2016, workers had formed 24 unions at the enterprise level. At the date of establishment of the GFOTU, there existed 48 registered labour unions. Today, the federation counts 230 member unions. According to the Chairman of the federation, it is expected that this number will reach 270 to 280 unions in 2017.

These numbers show a rapid growth in trade union formation. Given that the process is still very recent, it is highly likely that the unionization rate of the Omani labour force will increase tremendously over the coming years, among both Omanis and non-Omanis .

As mentioned earlier, there exists today a unique federation representing all the unions in Oman: the GFOTU. It plays the role of an umbrella under which sectoral and enterprise unions are established.

The federation currently recognizes four organized sector-level unions: (a) education sector, (b) oil and gas sector, (c) tourism sector and (d) industry sector.

Given that the Sultanate of Oman has 12 official organized sectors, the objective of the federation is to have 12 sector-level unions that will be under the umbrella of the GFOTU.

In each of the sectors mentioned above, there exist a number of enterprise-level trade unions:

- Education sector: 5 labour unions
- Oil and gas sector: 40 labour unions
- Industrial sector: 27 labour unions

Currently, there are 20,000 paying members of the GFOTU and 65,000 actual members.

According to the National Center for Statistics and Information's (NCSI) figures, in July 2016, there were 211,919 Omani and 1,468,249 expatriates working in the private sector, forming a total of 1,680,168 private-sector employees.

Consequently, in mid-2016, less than 4% of private-sector employees in Oman belong to labour unions.

- **Social dialogue, tripartism and collective-bargaining arrangements**

The concept of social dialogue was first mentioned in Oman's labour code of 1973. Article 49 indirectly referred to this idea by indicating that whenever an issue erupted between a worker and his employer, the first step would be to refer to the enterprise's rules of procedures. If this did not work out, the article stated that a complaint had to be made to the competent authority. It was then the role of this authority to find a settlement by taking into account both the worker's and the employer's arguments.

Later on, Article 107 of the Labour code of 2003 stated that the minister shall issue a decree to organize collective bargaining aiming at solving conflicts between workers and employers and improving working conditions. Consequently, a number of ministerial decrees were issued, guaranteeing the real application of social bargaining amongst the three parties. Ministerial decree 99 of 2010 ordered the creation of a social dialogue committee and set some of the ground rules for dialogue. It also insisted on the importance of equal representation between the different parties.

Social dialogue at the enterprise level

At the enterprise level, both production parties are represented for social dialogue:

- Workers are represented by the members of the enterprise's trade union, if existent and otherwise by five employees elected by the enterprise's workers;
- Employers can either directly represent themselves or choose a representative.

At this level, social dialogue can help in solving any issue between workers and employers. Both parties can also resort to collective bargaining to improve working conditions and increase productivity.

Social dialogue at the national level

Following Ministerial Decree 99 of 2010 leading to the creation of a social dialogue committee, Ministerial Decree 421 of 2012 provided for a reshaping of this committee (formed of representatives from the three parties: workers, employers and government). The Decree also defined the responsibilities of this committee, namely:

- Following up on the developments of labour standards in other arab and non-arab countries in order to improve national social dialogue and relations between the three parties;
- Participating in Arab and international yearly work conferences;
- Cooperating with the labour market's social partners to increase productivity and improve working conditions;
- Organizing quarterly meetings and reaching agreements on pending any pending issues;
- Discussing potential modifications to the Labour Code.

The GFOTU plays an important role in social dialogue today. It has helped in increasing workers' representation in many committees such as the social dialogue committee, the national committee for human rights, and many others.

In 2011, for the first time, the GFOTU invited all the labour unions in the country to an open dialogue meeting with the Minister of Manpower, in the presence of representatives from the Oman Chamber of Commerce and Industry (OCCI). The meeting aimed at discussing general labour issues as well as matters related to trade unions' work. Since then, a yearly meeting is organized and therefore helps in enhancing social dialogue in the country. The last meeting was conducted in May 19, 2016.

Social dialogue between the government, workers and employers in Oman led to a number of achievements that helped in providing workers with a better work environment. The main achievements are the following:

- Friendly settlements and collective labour agreements that have helped in improving working conditions;
- Amendments to the Labour Code aiming at providing workers in the private sector with additional privileges such as reduced working hours, maternity leave, paid annual vacation...
- Training of labour unions' representatives.

However, despite the progress that has been made in Oman in terms of trade unions and labour representation over the past ten years, promoting social dialogue and true tripartism in the Sultanate will require additional work in three main areas: continuing labour law reform, improving the implementation of decrees and raising awareness about the importance of social dialogue.

- **Continuing Labour law reform:**
Ministerial Decrees describing labour unions' work and encouraging social dialogue are still very limited in the country. Additionally, despite the fact that Article 112 of the Labour Code clearly punishes any employer that does not respect his workers' rights of pursuing their union activity by imprisonment and a fine, such action is rarely undertaken. In fact, due to the newness of such activities, employers' actions are almost never considered as preventing workers from exercising their union rights, and do not therefore fall under the authority of this law. Another major issue is the absence of labour courts. Without these, workers' issues often remain unsolved. They usually have to resort to general courts where the processes are very long and complicated.
- **Improving the implementation of ministerial decrees:**
Despite the progress that has been made in reforming the Labour Code and issuing Ministerial decrees aiming at improving working conditions, these rules are often breached. In fact, while Articles 110 and 111 of the Omani Labour Code clearly insist on the independence of labour unions and their right to pursue their activities without any external influence, as well as on the prohibition of punishing labour unions' representatives because of their activities, the reality is quite different. Employers often exercise different kinds of pressure on labour unions' representatives, such as forcing their arbitrary transfer, denying them benefits and promotions to which they would normally be entitled or even dismissing them arbitrarily by using different justifications.
- **Raising awareness about the importance of social dialogue:**
Through the different visits that the GFOTU conducts to the labour unions in the country, they realized that some administrations do not grant social dialogue any importance and work at obstructing labour unions' activities. The Chamber of

Commerce and Industry should therefore work on raising awareness among employers on the importance of social dialogue and convincing them that social dialogue is the best way to solve labour issues.

Overview of skills development system

- **Overview of policy and regulatory framework**

Educational policy in the Sultanate of Oman is designed according to the instructions of the Sultan and according to the regulations set up by the government.

The Ministry of Education plays a central role in designing and executing the educational policies through Ministerial and administrative decrees and circulars and in stating the educational goals and setting up the strategies.

The Ministry of Higher Education was established in 1994 to supervise post-secondary education in universities, institutes and colleges. Within the Ministry of Higher Education, the Oman Academic Accreditation Authority (OAAA) undertakes institutional quality audits and grants accreditations to public and private higher education institutions operating in the Sultanate of Oman. It also establishes academic standards and provides training and networking opportunities.

The Ministry of Higher Education also manages the National Qualifications Framework, which it uses to license academic programs offered by higher education institutions. Following Royal Decree No. 71/2001, the OAAA was assigned the task of reviewing and validating modifications to the National Qualifications Framework. Consequently, the official framework document was issued in 2004. Since then, the OAAA constantly works on improving and updating this document in coordination with the Ministry of Higher Education and other concerned counterparties. Its objective is to come up with a comprehensive framework that would cover all types of qualifications (including academic, professional, occupational and school qualifications). Given the recent establishment of the GFOTU, the federation was not included in this process. To this day, the development of the National Qualifications Framework remains in the hands of the government through the activities of the OAAA.

In addition, the Ministry of Manpower oversees post-secondary technical colleges and technical and vocational education and training (TVET). The ministry exercises this role through two directorates general (one for vocational training and the other for technical training) and through TVET-Oman, a human development system aiming at developing Omani human resource's technological and vocational knowledge and skills capabilities. TVET-Oman has been working with a number of partners, including the Oman Chamber of Commerce and Industry and the GFOTU to design and implement a national TVET strategy aiming at decreasing the mismatch between the needs of the labour market and the young graduates' skills. The Directorate General for Vocational Training has established centers covering a range of programs ranging from electrical engineering to business studies. The centers are located at Seeb, Saham, Ibri, Shinas and Al Buraimi, with each center serving a cluster of governorates. On its side, the Directorate General for technical Training runs seven colleges of technology. They offer programs specialized in pharmacy, fashion design and photography, engineering and IT... All these programs are approved by the Council of Higher Education and receive the accreditation of the Oman Academic Accreditation Authority.

Finally, some ministries and other bodies have their own institutes, such as the Institute of Health, the Institute of Judicature and the Institute of Public Administration. The Central Bank of Oman also supervises the Banking Institute.

At this stage, the involvement of trade unions in the development of higher education curricula remains very limited. In fact, since its inception, the GFOTU has been mainly focusing on issues related to workers' rights. However, it plans on widening its scope of intervention over the coming years and skills development is an issue that it will address. The GFOTU has shown its implication in initiatives related to developing work-based learning.

In fact, during a technical seminar organized by the ILO in April 2015 on the improvement of apprenticeship systems in Arab States, the spokesman of the GFOTU acknowledged that there were a number of schemes and propositions relating to apprenticeship systems that are actually being discussed at the national level and that the federation is playing an important role in ensuring the realization of these projects.

- **Key institutions**

In addition to the public institutions listed above, a number of private initiatives are also taking place in order to tackle the mismatch between graduates' skills and the needs of the labour market.

An example of such initiatives would be Maharat⁶⁵, a Omani-funded training provider that trains national and non-national workers through a number of programs specialized in different sectors such as oil and gas, rail, health and safety, entrepreneurial and SME skills development, etc. They provide different types of trainings, including technical and vocational training (Maharat al Mahany), employability skills (Performance@Work), Leadership and Development Training (Maharat al Qayaada), Outsourced Learning and Training Centre Management and English at Work.

These programs do not fall under the authority of the Ministry of Higher Education and are rather accredited by international institutions.

- **Recent national, sectoral and enterprise policy reforms**

Oman's modern educational system was first established in 1970 and the basic education system (comprised of three stages) was introduced in 1998. Since then, a number of reforms were adopted mainly aiming at improving the quality of education, providing equal opportunities for boys and girls, increasing the omanization ratio in the labour force and decreasing the skills mismatch between the graduates' competencies and the needs of the labour market.

The school system in Oman starts with four years of primary education followed by six years of basic education. After completing grade 10, students can either decide to continue their education in post-basic school education offered by the Ministry of Education or shift to TVET offered by the Ministry of Manpower. Following the post-basic education (grades 11 and 12), students who continued their education in schools can join academic universities or colleges,

⁶⁵ Skills, in English

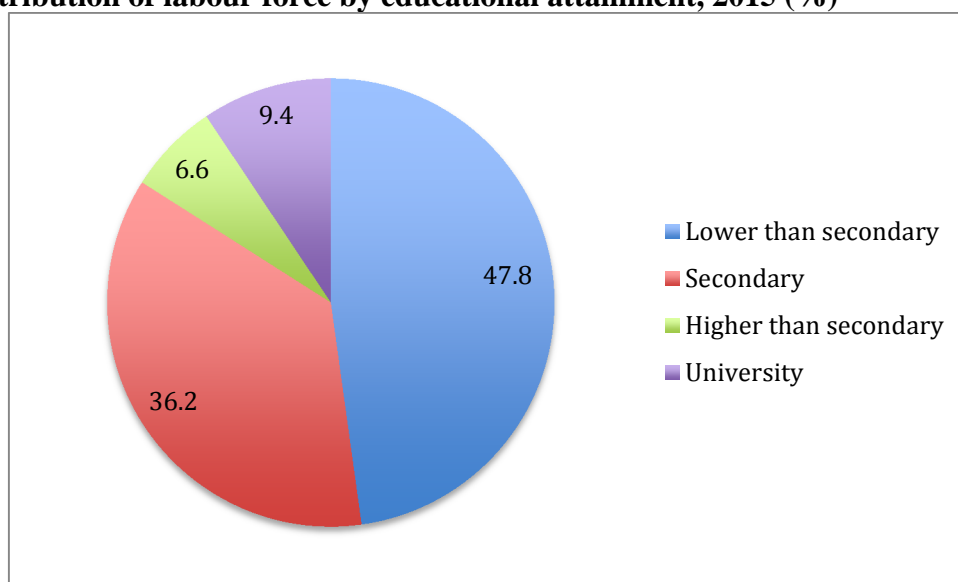
colleges of technology (Post-Secondary Diploma and Bachelor) or vocational education (Post-Secondary Vocational Diploma). On the other side, students who picked the TVET track at the secondary level usually attend vocational training centers and colleges of technology.

In order to meet the labour market's demands in terms of skills and qualifications, Oman has made a number of reforms. For instance, in September 2012, Vocational Training Centers started offering the post-secondary Vocational Training Diploma which made this track more attractive to students and more in line with the labour market's needs.

Additionally, Vocational Training Centers and Colleges of Technology are constantly conducting reviews of the curricula with the aim of meeting the labour market's needs and Oman's vision 2020. These reviews are generally conducted by Specialisation Committees consisting of experts from the ministry and teachers from the different training centers and colleges.

- **Statistics on participation, attainment, workplace training**

Figure 3: Distribution of labour force by educational attainment, 2015 (%)



Source: Sultanate of Oman Ministry of Manpower – Annual Report 2015

Oman's labour force remains highly uneducated with 47.8 per cent of the labour force having less than secondary education and 36.2 per cent having attained secondary education (total of 84 per cent with secondary educational attainment or less).

Description of engagement at national/sector/enterprise level

Given that the unionization process is still very recent in Oman, and knowing that all trade unions' activities are monitored by the GFOTU, most initiatives currently taking place are managed by the national federation.

Additionally, most activities focus on training labour union members on the functioning of unions and on issues related to social dialogue and collective bargaining.

Table 1. List of Trainings organized by GFOTU, 2014

Training Topics	Duration	Location	Number of Participants
- Promoting participation to trade unions' activities	2 days	Muscat	21
- Women's role in increasing trade unions' memberships			
- Social Dialogue	2 days	Nizwa	27
- Collective Bargaining			
- The concept of unions' rights	2 days	Salalah	20
- Enhancing the role of unions			
- The right to strike	2 days	Sohar	24
- Social Dialogue			

These trainings are still limited in number and only target a very small proportion of workers (92 participants in 2014 and 155 participants in 2012).

Another set of trainings is designed for unions' trainers. For instance, three workshops took place in Muscat in 2012 with the aim of increasing trainers' skills in areas related to communication and leadership.

Engagement at national level

Trade unions' engagement at the national level is undertaken by the GFOTU that participates in social dialogue and takes part in the initiatives launched by the government.

A recent example of such involvement is Tanfeedh, a national program aiming at enhancing economic diversification. One of the major objectives of the program is to develop workers as part of economic diversification. On September 17, 2016, Tanfeedh officially started the activity of its key workshops ('Labs'), centered on enhancing economic activity in the three main areas of tourism, manufacturing and logistics.

The purpose is to find alternative solutions to support the national economy, with collaboration of government officials, the private sector, NGOs and academics. The program comes in line with Oman's ninth five-year development plan (2016-2020) and aims to contribute to the country's vision of economic diversification. One of Tanfeedh's goals is to increase Oman's GDP and boost non-government capital investments to reach at least 80%. It also aims at setting measurement indicators to increase local and international investments. Tanfeedh plans to ensure the implementation of high revenue projects to provide job opportunities for local talents.

At this stage, the GFOTU plays a consultative role in initiatives launched by the government. It participates to the discussions and follows up on the application of projects. However, the GFOTU has not yet been able to launch skills development initiatives of its own.

Engagement at sectoral level

As mentioned earlier, trade unions' activities in Oman are supervised by the GFOTU. Moreover, the role of the federation has been limited to a consultative one regarding initiatives relating to skills development.

For instance, the GFOTU has closely monitored an initiative launched by Central Bank of Oman and aiming at improving the skill sets and capabilities of the staff of Islamic banks operating in Oman and those of the supervisory departments of the Central Bank of Oman. 44 staff members participated to a four-day workshop in March 2016. The objective of the training was to introduce the employees to a set of standards that should be applied in Islamic financial institutions. It also assisted them in the implementation of these standards by offering them hands-on training and providing them with practical case studies.

The GFOTU acknowledged that the success of this event in the banking sector was mainly attributable to the fact that it was led by a single authority, namely the Central Bank of Oman.

Strengths and weaknesses

Strengths

- GFOTU has been effective in reforming the Labour Code and moving it towards an increased protection of labour unions' activities. It is also currently working on a new labour law reform that it will present to the Omani authorities.
- GFOTU has succeeded in organizing yearly tripartite meetings aiming at discussing all labour-related issues.
- GFOTU is increasingly showing interest in tackling a wider set of issues such as skills development. It has shown its support to the establishment of the system of apprenticeships in Oman.
- While skills development does not currently constitute a priority area of intervention, the GFOTU is aware of the issues relating to the country's labour force and acknowledge that updating the curricula and developing training systems is essential to solving these issues.

Weaknesses:

- GFOTU remains the only national federation for trade unions:
The government's interference in trade unions' affairs is still highly present in Oman.
- The national law still does not support unions' involvement in skills development:
In Oman, skills development can arise from three different sources: government legislation, training workshops or legislation for labour unions' activities.
Since the legislation defining labour unions' rights and responsibilities is still limited, labour unions cannot yet play an important role in developing workers' skills.
- Employers' contribution remains limited.

The ILO Decent Work Program has not been formally accepted by employers' representatives.

According to GFOTU's representatives, one of the main challenges that they currently face is the employers' lack of cooperation.

- The implementation of the Labour Code and the different ministerial decrees protecting labour unions' activities is still not up to par, which is why the activities of inspection teams should be intensified.

Conclusions

Due to the recent drop in oil prices, Oman's revenues have been witnessing a severe decline over the past months.

Moreover, Oman's labour force is characterized by a number of issues that are preventing its development such as the segmentation between national and non-national workers and the skills mismatch between job seekers' skills and employers' skills needs.

Aware of these challenges, the GFOTU is determined in pursuing its efforts to improve working conditions through pushing for labour code reforms and increasing social dialogue between the different parties.

More particularly, during a seminar conducted in September 2012, the deputy chairman insisted on the importance of encouraging private institutions to contribute to the development of the employees' skills. He stated that enterprises should train their workers and push them to achieve their potential as well as provide them with the right environment necessary to apply these skills.

However, at this stage, the GFOTU remains limited in its ability to engage with skills development issues. Trade unions are still in their development phase and are mainly focusing on developing their capacity to influence the broader range of labour issues affecting their members.

Given the highly centralized government driven education and training systems, and despite its willingness to engage in skills development projects, it is expected that the GFOTU will need some time before it can actively participate to the development of skills in Oman's labour force.

References

Databases:

ILO, Key Indicators of the Labour Market (KILM) Database.

ILO, Database of national labour, social security and related human rights legislation (NATLEX).

ILO, Information System on International Labour Standards (NORMLEX).

Web documents:

GFOTU (2016). E-Magazine, third issue, July 2016.

GLMM (2015). “Demography, Migration, and the Labour Market in Oman”.

ILO (2014). “Extension of the Decent Work Country Program 2014-2016”.

KPMG Oman (2016). “Analysis of Oman’s ninth five year plan and 2016 budget”, 7 January 2016.

Oman Academic Accreditation Authority (2016). “Institutional Standards and Assessment Manual”, January 2016.

Benchiba-Savenius, N. and Mogielnicki, R. (2016) “Oman Employment Report: Insights for 2016”. Oxford Strategic Consulting.

Sultanate of Oman Ministry of Manpower, Annual Report 2015.

UNESCO (2011). “World Data on Education”

Interviews

- Nabhan Bin Ahmad Bin Mohamad Al Batchi, Chairman of the GFOTU
- Ishak Bin Jemaa Bin Hamoud Al Kharousi, Deputy Chairman of the GFOTU
- Aida Bent Chames Bin Zayed Al Hachimiya, Treasurer of the GFOTU
- Mohamad Al Mardoof Al Saidi, member of the GFOTU

The Philippines

By: Mary Ann Mendoza

Case study on trade union and skills development⁶⁶

1. Background

The Philippines is an archipelago comprising 7,100 islands with a population of around 100 million. The Philippine economy is considered one of the fastest growing in the region, ahead of regional giant, China. For the past six years, the average growth rate was 6.2% and in the first quarter of 2016, GDP was 6.9%. According to the government, this is because of the sound economic fundamentals put in place by the Aquino administration. (*Chris Schnabel, Rappler, 19 May 2016*)

On the 9th of May 2016, the country elected a new President, a Vice-President and other key political leaders in an election which was generally regarded by many as honest, peaceful and orderly.

This case study will assess the extent and nature or types of involvement in skills development of trade unions at the national, sectoral and enterprise levels in the Philippines. This case study will also highlight best practices of union involvement in skills development, as well as, the challenges and constraints. It is hoped that the findings of the study will provide useful inputs to the International Labour Organization (ILO) which is initiating a program to enhance and expand union involvement in skills development in the context of the goal of achieving productive employment and decent work for all.

1.1.1. National Economy and Labour Market

Many describe the Philippine labor market as complex. The domestic labor market is integrated with the regional and global markets with about 14 million Filipinos working in 114 countries worldwide. Their total remittance of 25 billion USD annually is the biggest source of foreign exchange earnings.

Based on the final results of the Labor Force Survey of October 2015, the population 15 years old and over is estimated at 66.6 million. There are 42.1 million in the labor force or a labor force participation rate of 63.3 %. The employment rate is 94.4 %. Among the employed persons (39.8 million), a majority are in the services sector, 54.5 %, the second group accounting for 29.6 % are in the agricultural sector and the smallest at 16% are in the industry sector. Among the total employed, one in three or 31.5 % are laborers or unskilled workers. In terms of their highest grade completed, 29.05 % are high school graduates; 16.23 % are college graduates; 14 % are elementary graduates; 13.5 % are elementary undergraduates; 12.20 % are high school undergraduates; 9.15 % are college undergraduates; 3.88 % are secondary undergraduates; 1.0% have no grade completed; and, .05 % are post-secondary undergraduates. The unemployment rate is 5.6 %. A large percentage (76%) of the unemployed are educated where 40% are high school and post secondary graduates, 22.5% are college graduates and 13.3 % are college undergraduates. The unemployment among the young (ages 15 to 24) is very high at 50 %. There are 7 million (17.6 %) who consider themselves underemployed. Moreover, 3.9 million or 56.1 percent of the underemployed reported that that they worked less

⁶⁶ Prepared by Mary Ann Fernandez-Mendoza

than 40 hours during the reference week. The top five industries with the highest employment are agriculture, hunting and forestry 26.2 %; wholesale, retail trade, repair of motor vehicles and motorcycles, 19.1 %; manufacturing 8.1 %; construction, 7 % and transportation and storage, 7%. (PSA, June 2016).

Poverty incidence among Filipinos in the first quarter of 2015 was estimated at 26.3%, an improvement from the same period in 2012 with poverty incidence recorded at 27.9%. (PSA, 18 March 2016). Based on the latest Social Weather Station (SWS) Poverty Survey conducted on 30 March to 2 April 2016, 46% (about 10.5 million) of families consider themselves as poor. This is four points lower than that of December 2015 with 50% (about 11.2 million) of families and four points lower than the 50% 4-quarter average of 2015. This is the lowest Self-Rated Poverty rate in over four years, the lowest was 45% in December 2011. (SWS Website, 30 May 2016). This may be a possible impact of the conditional cash transfer (CCT) program of the government which had a budget of 64 billion PHP (1.4B USD) in 2015, representing more than a hundred percent increase from the 2014 budget. According to the Asian Development Bank (ADB), this is the third largest cash transfer program in the world. (Richard Bolt, ADB Country Director, July 2015, Press Statement).

The World Bank provides a grim scenario on the employment situation in the country. According to a study it has undertaken, every year in the last decade, only one out of every four jobseekers get a good job. Of the 500,000 college graduates, about half can be absorbed in business process outsourcing and in other formal sector industries such as manufacturing, finance and real estate. The other half may find work abroad. The rest of the jobseekers (650,000) are without college degrees and most end up in the informal sector in rural areas and urban areas, in jobs characterized by low wages and low productivity. Higher GDP will provide good jobs to around two million people in the next four years. However, by 2016, around 12.4 million Filipinos would still be unemployed, underemployed or would have to work or create jobs for themselves in the informal sector. (Philippine Development Report on Creating More and Better Jobs, World Bank, 2013).

1.2. The Philippine Labor Movement

The Philippine labor movement started in the 19th century, under Spanish colonial rule, with the formation of secret organizations called *gremios* or guilds for “mutual aid and benefit of workers” of different trades and work environments like in shipyards, tobacco factories, and printing houses (Sibal, 2004).

In 1902, Union Obrera Democratica (UOD), the first labor federation in the Philippines, was formed. With more than 85 unions, UOD was comprised of printers, lithographers, cigar makers, barbers, tailors, mechanics, among other trades and occupations.

Trade unionism has evolved through the years largely shaped by the socio-economic and political environment and the obtaining industrial relations system. For instance, from 1900 to 1935, there was no labor law given an economic policy of free enterprise. With the 1935 Constitution, labor protection became a policy for the first time. In 1953, the Philippines ratified ILO Conventions Nos. 87 and 98. Subsequently, the Industrial Peace Act was enacted into law patterned after the American system of industrial relations and envisioned a decentralized union and collective bargaining structure with union organizing and collective bargaining carried out at the enterprise or plant level. Unions became active in the manufacturing and services sector, with strong inroads in cargo handling and stevedoring services, transport, banking, education and health services. When martial law was declared in

1972, union rights were curtailed. In 1974, with the economy shifting towards a foreign investment-led strategy, the government promulgated Presidential Decree 442 otherwise known as the labor Code of the Philippines. Its structure and coverage was patterned on international standards and incorporated the philosophies, relations, work organizations, processes and technologies associated with industrialism. It included provisions on trade unionism and collective bargaining. However, in the Code were certain restrictions on the right to organize and bargain collectively. Because of this development, unions became polarized along ideological lines. In the 1980s the slowdown of the economy led to an economic crisis and the shutdown and closure of many establishments. Many unions were dismantled and many workers were not able to get their separation pays. With the people power revolution in 1986, President Corazon Aquino lifted all the restrictions imposed by the previous regime. The Labor Code was amended and there were new legislations on wage rationalization, productivity and gain sharing schemes at the enterprise level. Tripartism was formally re-established in 1990 in the composition of the Tripartite Industrial and Peace Council (TIPC). It became a ready consultative mechanism for discussing labor, social, and economic issues. (Bitonio, 2012).

Today tripartism is a state policy in the Philippines by virtue of the following: Article XIII, Section 3 (Social Justice and Human Rights) of the Philippine Constitution; Article 275 (Tripartism and Tripartite Conferences) of the amended Labor Code of the Philippines; and The Republic Act 10395 (An Act Strengthening Tripartism, Amending for the Purpose Article 275 of Presidential Decree 442 or Labor Code of the Philippines). There are four types of tripartite structures in the country: 1) consultative bodies like TIPC⁶⁷ and ITCs⁶⁸; 2) policy making bodies like OWWA⁶⁹, TESDA⁷⁰, OSHC⁷¹, NWPC⁷², POEA⁷³, ECC⁷⁴, and TVAAC⁷⁵ within DOLE family, and SSS⁷⁶, HDMF⁷⁷, PEZA⁷⁸, PHIC⁷⁹, and NAPC⁸⁰; 3) quasi-judicial bodies like NLRC⁸¹; and 4) quasi-legislative bodies like RTWPBs⁸². This suggests, in principle at least, that trade unions are well represented in key labour market decision making bodies.

Law RA 103895, enacted in 2012, further institutionalized social dialogue and tripartite consultation on policies and programs affecting labor and management. The law mandated the creation of a national TIPC as well as area and industry-based TIPC. TIPC were given legal status and mandated to perform the following functions: monitor the full implementation and compliance of concerned sectors with the provisions of all tripartite instruments -- participate in national, regional or industry-specific tripartite conferences which the President or the Secretary of Labour and Employment may call from time to time; review existing labor, economic and social policies and evaluate local and international developments affecting them; formulate, for submission to the President or to Congress, tripartite views, recommendations

⁶⁷ Tripartite Industrial Peace Council

⁶⁸ Industry Tripartite Council

⁶⁹ Overseas Workers Welfare Administration

⁷⁰ Technical Education and Skills Development Authority

⁷¹ Occupational Safety and Health Centre

⁷² National Wages and Productivity Commission

⁷³ Philippine Overseas Employment Administration

⁷⁴ Employees Compensation Commission

⁷⁵ Tripartite Voluntary Arbitration Advisory Council

⁷⁶ Social Security System

⁷⁷ Home Development Mutual Fund

⁷⁸ Philippine Economic Zone Authority

⁷⁹ Philippine Health Insurance Corporation

⁸⁰ National Anti-Poverty Commission

⁸¹ National Labor Relations Commission

⁸² Regional Tripartite Wages and Productivity Board

and proposals on labor, economic, and social concerns; advise the Secretary of Labour and Employment in the formulation or implementation of policies and legislation affecting labor and employment; and, serve as a communication channel and a mechanism for undertaking joint programs among government, workers, employers and their organizations toward enhancing labor-management relations. (*Official Gazette of the Republic of the Philippines, 14 March 2013*).

The Philippines has ratified three ILO Conventions relevant to Trade Unionism, namely: ILO Convention 87 (Freedom of Association and Protection of the Right to Organize), ILO Convention 98 (Right to Organize and Collective Bargaining), and ILO Convention 144 (Tripartite Consultation - International Labour Standards). From the recent reports of the government to the ILO on ILO Convention 144 (as of September 2008), it reported several accomplishments such as the creation of six ITCs in six industries: clothing and textile, construction, automotive assembly, banking, hotel and restaurants and sugar⁸³. These are supported by 26 regional ITCs, 37 provincial ITCs, and 16 municipal ITCs. All regions have their respective regional TIPC which are complemented by provincial, city and municipal TIPC. The government gave assurance on the proper representation of workers groups and provided information on various activities of the TIPC. On ILO Convention 84, the government reported in 2015 on the measures to strengthen the capacity of institutions to protect and guarantee civil liberties and trade union rights. For ILO Convention 98, the government reported in 2015 on the resolution of cases involving violation of union rights and correction of policies which are inconsistent with the said Convention.

As maybe concluded from the above discussions, unions interest and involvement in skills development have been not been as strong as their interest in promoting union organization, collective bargaining and protecting workers rights. Their current priority concerns on skills development can be surmised from the various documents such as the Philippine Development Plan and the Labor and Employment Development Plan wherein they have actively participated in the crafting of these documents. They maintain the perspective of the importance of skills development in promoting productivity and decent work. They have agreed to the identified key employment generators and the need to define their skills requirements. They subscribe to the importance of well functioning labor market institutions. They have pushed for more resources for TVET. They have also proposed to give greater emphasis to enterprise-based training through dual training and apprenticeship programs. However, it may be noted from these documents that there are no clear statements to the effect that unions should be involved in skills development especially at the enterprise level.. This is because for a long time, skills development has been perceived as mainly the responsibility of employers. The perspective that unions can be and should be active in skills development is new and evolving.

At present, trade unions in the Philippines will continue to contend with and function in a “state-centric” labor relations system and arrangements which are strongly grounded on policies and principles of labor protectionism. However, it was noted that the system has not been able to modernize and be forward looking, particularly in terms of responding to a more globalized, liberalized, technology-driven and market-oriented economic system. (Bitonio, *ibid*). They will also face a bleak world scenario where the nature of future jobs will undergo major transformations. Jobs will be scarcer and employment arrangements will be divergent and may not follow established standards. Many factors such as technology, fragmentation of production processes and changes in the value chains will impact on the nature of jobs in the

⁸³ A seventh, the Maritime Industry Peace Council has been organized.

future. It is important for governments and the other tripartite partners to anticipate and be responsive to these developments in the world job market. (ILO, 2015).

1.3 The Decline in Trade Unionism

Notwithstanding the favourable legal and policy environment to promote trade unions, there has been a decline in trade unionism starting in the 1990s.

In the *Global Wage Report 2008/2009* a distinction in terms of union density was drawn between high-coverage (unionization rates of more than 40 per cent) and low-coverage countries (unionization rates below 40 per cent). Historically, the Philippines have always been a low-coverage country. In particular, in the 1990s the number of unions, collective bargaining agreements (CBAs) and workers covered by CBAs started falling, coinciding with the implementation of structural adjustment measures. (Bitonio, 2012)

Data from the PSA show that despite the rise in the number of labor organizations⁸⁴, union membership and union density has been dropping since the late 1990s. In 1995, there were 7,882 registered labor organizations with more than 3.5 million members and comprising a third of the total number of wage and salary workers nationwide. Ten years later, in 2005, the number of registered unions rose to 17,132 but the number of members dropped to 1.9 million or 11.7% of the total number of wage and salary workers. In 2014, the number of labor organizations was pegged at 16,880 with only 1.4 million members or 8.3% of the total number of wage and salary workers.

Based on the 2014 Labour Statistics of the PSA, more than 10,000 or almost 60% of the total number of labor organizations in the country are in the National Capital Region (NCR), followed by Region IV-A with 2,152 labor organizations, and Region III with 1,100 labor organizations. Regions I, II, IV-B and the Cordillera Autonomous Region (CAR) have less than 100 labor unions in existence. Around 81% of the registered unions and members can be found in Luzon.

There are 135 labor federations which cover 9,478 unions with a total of 675,107 members or 47% of the total union members. On the other hand, 7,402 unions are independent with 751,751 or 53% of total union membership.

The typical organizational structure of a union in the Philippines consists of the Executive Board, the Board of Directors and the standing committees. The Executive Board, elected by the general membership, administers union affairs, formulates policies and implements programs of the unions. It is usually composed of a president, vice president, secretary, treasurer, auditor, public relations officer, and sergeants-at-arms. The Board of Directors is likewise elected by the general membership. It is in charge of the legislative functions of the union. The standing committees are on membership, grievance, labor education and research, collective bargaining, and welfare. ([www.blr.dole.gov.ph/clients-corner/ 74-union-and-cba-registration](http://www.blr.dole.gov.ph/clients-corner/74-union-and-cba-registration)).

⁸⁴ **Labour Organization** is defined as any union or association of employees which exists in whole or in part for the purpose of collective bargaining or of dealing with employers concerning terms and conditions of employment.

The number of workers associations⁸⁵ and its membership is steadily increasing. In 2010, there were 22,303 workers associations with 842,012 members. Their number rose to 39,166 in 2014 with more than 1.5 million members. (*See Table 1*)

Workers association are encouraged to register with the DOLE. A duly registered workers association may charter any of its branches upon filing of the documents prescribed in chartering and creation of a local chapter. This means that a workers association may perform as a federation. However, workers association do not have an employment relationship that will allow them to collectively bargain. At best they are able to negotiate with national and local government agencies on the matter of designated places for vending, increases in transportation fares, among others. In many instances they coalesce with trade union federations in advocating for their welfare and improvement in their working conditions.

Table 1. Number of Labour Organizations and Workers Associations, Membership vis-a-vis Total Number of Wage and Salary Workers

Year	Numb er of Wage & Salary Worke rs	Labour Organizations		% to Total Numb er of Wage & Salary Worke rs	Workers Associations		
		Number of Organizations	Membership		Number of Associations	Membership	% to Total Number of Wage & Salary Workers
2010	31,877, 000	17,973	1,713,590	8.7	22,303	842,012	2.6
2012	33,454, 000	18,428	1,833,481	8.5	29,922	1,163,974	3.5
2014	37,300, 000	18,853	1,944,905	8.7	39,166	1,560,669	5.8

⁸⁵ **Workers Association** is any group of workers, including ambulant, intermittent, self-employed, rural workers and those without definite employers, organized for mutual aid and protection of its members or for any legitimate purpose other than collective bargaining.

The latest survey on the number of non-regular⁸⁶ workers in establishments with 20 or more workers revealed that more than a quarter (1.38 million) of the workforce (4.47 million) in these establishments was non-regular workers. The report also said that non-regular employment posted a growth rate of 16.3%. Across the industries, establishments in the administrative and support services were the biggest employers of non-regular workers with a share of more than a quarter (27.4 percent or 366,027). Manufacturing ranked next with a share of 21.8% (291,128). The construction industry had the biggest share of non-regular workers to total employment at 59.2%. This means that 3 in every 5 workers in the industry were non-regular workers. (*Labstat Updates, Vol. 20, No. 10, PSA, May 2016*). The increase in the number of non-regular workers can partly explain the decline in union membership as they cannot unionize or be members of unions. While they cannot be union members, they can organize or join workers associations. Labour contractualization has been in place since the enactment of Presidential Decree 442 or the Labour Code of the Philippines in 1974. This was amended in 1987, Republic Act 6715, or more commonly known as the Herrera Law. The law prohibited labor only contracting but it provided legal covers for employers to practice labor contracting (and left Filipino workers vulnerable to exploitation with low pay and little to no benefits). One of its provisions is the rationalization of wage increases giving the Regional Tripartite Wage and Productivity Board (created under RA 6727) the power to determine the minimum pay scale. This was supported by DOLE Department Order 10, Series of 1997, which amended the implementing rules of the Labour Code wherein “contracting and subcontracting arrangements are expressly allowed by law...” and “flexibility for the purpose of increasing efficiency and streamlining operations is essential for every business to grow...” DOLE has amended its policy on contracting and subcontracting by requiring the firms to have a minimum capitalization of 3 million PHP and paying of 25,000 PHP registration fee. The immediate result was the cancellation of 10,000 firms from a high of 15,000 in the DOLE registry. (*DOLE Annual Report 2013*).

According to Former Secretary of Labour and Employment and President of the Trade Union Congress of the Philippines, Ruben Torres, the decline of unionism can be attributed to many factors. First the increasing trends in labor flexibilization. and contractualization brought about by structural adjustments and economic liberalization. Relatedly, the DOLE was not able to regulate adequately, through appropriate policies, contractualization of work. He noted that despite the amendment in the policy to increase the capitalisation of labor only contracting firms from P1 million to P3 million, contractualization has not been abated. Second. DOLE is not able to promote actively trade unionism which is one of its major mandates in the Labour Code. As such, many employers are not supportive of unions.⁸⁷

The Information Technology-Business Processing Association of the Philippines (IB-PAP) said that the BPO sector "does not have labor unions because they properly address the needs of workers." (The Manila Times, July 15, 2013). Among the 300 member firms of the

⁸⁶ There are four categories of non-regular workers: Casual workers – workers whose work is not usually necessary and desirable to the usual business or trade of the employer. Their employment is not for a specific undertaking. Contractual/project-based workers - workers whose employment has been fixed for a specific project or undertaking, the completion or termination of which has been determined at the time of engagement. Seasonal workers – workers whose employment, specifically its timing and duration, is significantly influenced by seasonal factors. Probationary workers – workers on trial period during which the employer determines their fitness to qualify for regular employment, based on reasonable standards made known to them at the time of engagement. Apprentices/Learners - workers who are covered by TESDA apprenticeship/learnership programs. Apprentices or student on-the-job trainees without regular compensation are excluded. (Ibid)

⁸⁷ Interview with Ruben Torres

Semiconductor and Electronics Industry in the Philippines (SEIPI), there is only one firm which is unionized.

1.3. Collective Bargaining Agreements and Skills Development

The Constitution and other statutory mandates provide that collective bargaining is the preferred institution to regulate employee relations. Unions are first formed at the enterprise level among employees of the enterprise. Union membership and collective bargaining is premised on the existence of an employment relationship. For unions to exercise trade union and collective bargaining rights, they must first acquire legal status through registration with the DOLE or issuance of a charter certificate by a federation. They acquire a right to bargain once they are certified by DOLE or recognized by the employer as the sole and exclusive bargaining agent of the employees in the enterprise. Union and collective bargaining is decentralized. Collective bargaining is at the enterprise level. This has been the bargaining structure since 1953. However, enterprise unions are free to join federation and other large organizations. Although the present implementing rules of the Labour Code have opened avenues for multi-employer bargaining, this type of bargaining or for that matter, industry-level bargaining or national bargaining is not practiced in the Philippines. The closest to a sectoral level collective bargaining is in the maritime sector where the Philippine Overseas Employment Administration through consultations with the industry sector was able to mandate standard wages, benefits and working conditions for seafarers. (*Bitonio, 2012*).

The main issues and concerns of unions in the Philippines can be gleaned from the review of various CBAs. According to data from BLES from 2010-2013, stipulations for CBAs include wage increase, welfare benefits (medical, maternity/paternity benefits, death benefits, loan benefits), and non-economic benefits (union and job security, union privileges, grievance machinery, well-being and health promotion programs, leave and health care benefits, retirement and termination benefits, and other supplemental benefits like clothing allowance). Skills training issues are usually included under matters relating to job security.

From 2010 to 2013, an average of 82.65% of the CBAs stipulated wage increases. The other concerns included are medical benefits (66.9%), death benefits (46.3%), and loan benefits (41.4%). Only 21 CBAs had provisions for skills development under the categories of job security and well-being/health promotion in 2010; 11.7% of CBAs in 2011; 24.9% of CBAs in 2012; and none of the CBAs included skills training in 2013.

It is noted that the term “skills development” is rarely mentioned in the CBAs. Only a few of the CBAs included study/scholarship grant, study leave, and workers education. There were minor inclusions of “skills training” and “job enrichment” under the categories of “productivity enhancement,” “job security,” and “health and well-being.” In 2008, out of 344 newly filed CBAs covering 57,331 workers, only 10 included study/scholarship grants, 12 included study leave, and 98 included workers education. In 2010, out of 396 newly filed CBA’s covering 74,552 workers, study/scholarship grant increased slightly to 16, study leave went up slightly to 19, and workers education went down to 87. In 2012, out of 281 newly filed CBAs covering 47,427 workers, inclusion of study/scholarship grant went down to eight, study leave increased slightly to 22, but zero for workers education.

In a study among 90 unionized firms in the manufacturing and non-manufacturing sectors which are corporations existing for an average of 37 years, the top ten concerns of unions are: wages; premiums or payments for overtime, holiday pay, night pay and rest day; leaves; other

leaves; hospitalization; bonuses; retirement; insurance; and uniforms. Some of these concerns are already mandated by labor laws, thus, should no longer be negotiated. Skills development is not included in the list. (Edralin, 2003)

There may be many reasons why unions are not keen to include skills development in their CBAs. One is that they perceive that skills development is the responsibility of employers. It is noted in Section 2 (Declaration of Policy) in the TESDA law, the role of the private enterprises, more than the other partners (workers and government) is underscored, as they are “direct participants and immediate beneficiaries of a trained and skilled workforce, in providing technical education and skills development opportunities”. Second, unions are preoccupied with concerns and issues on wages and working conditions and job security. While they value trainings such are focused more on developing the skills of their members in organizing and negotiation and not on upgrading occupational skills of their members. Most workers may not have the resources to undertake skills upgrading programs on their own. Those who undergo retraining are usually displaced union members who are given grants by DOLE or TESDA⁸⁸.

1.4. Overview of the Skills Development System

The Technical Vocational Education Training System is overseen and regulated by TESDA. It was established in 1994 as one of the main recommendations of the 1990 Congressional Educational Commission to split the management of the country's educational system into basic education, technical-vocational education and training (TVET) and higher education. Under TESDA, the functions of the National Manpower and Youth Council (NMYC), the Bureau of Technical and Vocational Education (BTVE) (and all the schools under it) of the Department of Education, Culture and Sports (DECS) and the apprenticeship program of DOLE were integrated. (*TESDA Report, July 2010*).

Under this arrangement, TESDA regulates all TVET programs except training programs in the maritime sector which is regulated by the Maritime Industry Authority of the Philippines. Until recently, all TVET programs are implemented through TESDA and the various providers, both public and private. It is only this year with the establishment of the K-12 that schools under the Department of Education (DEP-ED) will be required to offer vocational courses. For this purpose, the DEP-ED will be training their teachers to teach vocational course or utilize the services of TVET providers.

TESDA is mandated by law "to provide relevant, accessible, high quality and efficient technical education and skills development in support of the development of high quality Filipino middle-level manpower responsive to and in accordance with Philippine development goals and priorities. It shall encourage active participation of various concerned sectors, particularly private enterprises, being direct and immediate beneficiaries of trained and skilled workforce, in providing technical education and skills development opportunities". (*Sec. 2 Republic Act 7796*).

As a matter of policy, all TVET programs (both private and public) offered to the public for a fee are required to register with TESDA. There are 4,733 TVET providers. Majority of these (or 4,266) are private providers offering TVET programs nationwide. The remaining 467 are public TVET providers including TESDA's 125 Technical Training Institutes (TTIs). There is at least one TTI in each of the 17 regions and more than 80 provinces and in many cities. TVET

⁸⁸ Interview with Benedicto Bitonio Jr.

trainors are also required to register with TESDA or its accredited institutions. For 2016, TESDA has a budget of 7.38 billion PHP (157.19M USD) from only 2.3 billion PHP (48.99M USD) in 2005.

From 1995 to 2013, there have been a total of 19,367,478 TVET graduates. For the same period, 76.7% were certified out of almost 7 million assessed. In the 2008 Impact Evaluation Study, the overall employment rate of TVET graduates was registered at 55.1%. This has since improved in 2009 at 60.9% and to 69.5% in 2010. In 2011, the employment rate was 62% and 65.3% in 2012. (*Philippine TVET Statistics, 2008-2013*).

In the 2013 Impact Evaluation Study, most of the 1,006,986 graduates (55.1%) finished high school, 16.0 % were college undergraduates, 13.8 % were college graduates, 6.8 % were high school undergraduates, and 2.7 % were elementary graduates and undergraduates. About 5.5 % were TVET graduates and undergraduates. The employment rate of all graduates was 65.4%. It was noted that employment rates were higher in the semiconductor program at 91.4% and the BPO program at 70.9%.

Based on the 2013 IES, majority of TVET graduates (71 %) were not employed before the training. More than half (53.9 % or 542,527) of the total graduates indicated “employment/getting a job” as their reason for taking up TVET programs. “Skills upgrading/enhancement” is the second highest reason as cited by 29.7 % (299,074) of the respondents. Other reasons included: 7 %, “interest/hobby”; 5.1 % , “promotion and increase in income” and 2.2 % , “TVET qualification is popular”.

TESDA formulated the National Technical Education and Skills Development Plan (NTESDP) 2011-2016: Investing in the 21st Century Skilled Filipino Workforce. Several reforms have been put in place. To improve access and promote equity, opportunities were made available to all clients including special clientele groups as women, differently-abled persons, and indigenous people. There are three major scholarship programs. The largest is the Training for Work Scholarship Program (TWSP) which has graduated 2,231,650 from 2006 to date and the government has spent 15 billion PHP (319.49M USD) for the program. The Private Education Student Financial Assistance (PESFA) extends financial assistance to marginalized but deserving students in TVET courses. It has graduated about 90,890 from 2005 to 2010. It has an annual budget allocation of 200 million PHP (4.26M USD). The Special Training for Employment Program (STEP) is community-based to address the specific skills needs of the community and promote employment through self employment, entrepreneurship and service-oriented work opportunities. (*TESDA Accomplishment Report, 2014*).

To improve relevance and quality of TVET programs, TESDA has promoted the use of Training Regulations (TRs). The TRs are competency- and outcome-based and contain minimum standards for trainers and training tools. To date, a total of 224 TRs for 20 priority sectors have been identified through industry consultations and developed mainly in partnership with the employers. As mentioned earlier, starting in 2008, TESDA conducts Impact Evaluation Studies (IES) to monitor and assess the efficiency and effectiveness of TVET based on employment outcomes of its graduates. It has also initiated the National TVET Trainers-Assessors Qualification Program to ensure their competence in trade qualifications, training and assessment methodologies.

To strengthen TESDA’s linkages with its stakeholders, the Office of Partnerships and Linkages (OPL) was created in 2012. To increase private sector involvement, TESDA has partnered with

establishments and industry associations from industries considered as key employment generators in the implementation of the TWSP. A policy reform area that continues to be a work in progress is the levy and grants schemes for skills development which is mandated in the TESDA Law. TESDA, together with DOLE, has been working on a law that will strengthen apprenticeship and learnership programs and other enterprise-based training programs. While graduates of these programs have high employment rates, the number of trainees has not been substantial, ranging from only 62,000 to 80,000 from 2008 to 2013 and with only about 400 participating firms.

The major challenges and issues are related to TVET management and governance. There is a need to ensure transparency and accountability in its major programs. There is a need to institute clear performance standards in the grants of training subsidies and scholarships. Its various databases such as the profile of graduates, training courses and enrolment, number and profiles of trainers and assessors, performance of TVIs and their programs in terms of graduation and passing rate in the assessment, among others, which are critical for planning, implementing, and monitoring TVET need to be strengthened. There is also a need to strengthen and improve the generation of labor market information together with DOLE, the Public Employment Service Offices (PESOs) which are now with the Local Government Units (LGUs) and other stakeholders. TESDA should focus more on regulation and information provision and not as major TVET provider. (*Abrigo and Esguerra, 2015*).

At the provincial level, a training center administrator mentioned his difficulty to fastrack his proposal to offer new training courses which will respond to skills needs of employers. The approval process is lengthy and bureaucratic as the proposal will first be reviewed by a focal person in the province, then the regional director recommends to the TESDA Board which approves or disapproves the proposal. Meantime the training center continues to offer its regular courses which may no longer be responsive to industry needs. He also raised concern on the need to improve labor market information system as he notes that his center which is in Region VI continues to train welders from a province in Region III when they can easily get training on welding from said region or nearby Metro Manila and they need not spend for travel and board expenses.

1. Union Engagement at the National/Sector/Enterprise Level

2.1. National

At the national level union involvement in skills development is strong. This is institutionalized at the highest policy making body, the TESDA Board, where six out of 22 members are workers' representatives. There are eight members from the government. The remaining members include four from employers, two representatives from the business and investment sector, and two from the associations of private technical vocational institutes. The same representation exists at the 17 Regional and about 80 Provincial Technical and Skills Development Committees where concerned government agencies are represented and other members are recommended by their respective sectors (industry workers and TVET providers).

The powers and authority of the TESDA Board are enormous. It is primarily responsible for the formulation of continuing coordinated and fully integrated technical education and skills development policies, plans and programs. It approves the NTESDP and allocates resources for the programs and projects. It prioritizes and approves trade skills standards and trade tests. It establishes and administers a system of accreditation of both public and private TVET institutions. It is authorized to create offices within TESDA as may be deemed necessary to

carry out its objectives. It manages and administers the TESDA Development Fund and approves systematic funding schemes such as the levy-and-grant scheme, and, it approves investments and procurement of instructional materials, training tools and equipment.

Unions and workers associations participate actively in national dialogues and consultations involving labor and employment and skills development. These are done with regularity in the preparations and formulations of the Philippine Development Plan (PDP) and the NTESDP. TESDA has mounted two National Summits on TECHVOC in 2012 and 2013. There will be a forthcoming summit in 2016. To provide inputs to the PDP (2016-2022), a National Forum on Securing Jobs for the Future was conducted in April 2016 by DOLE, with 300 participants from the Tripartite Executive Committees, NTIPC, labor organizations and federations. A major output of the forum was the 11-page Agenda where a major outcome identified was the need for increased government spending on education to ensure that the workforce remains competitive and productive. Some other specific recommendations were: intensifying skills training and upgrading consistent with global standards, establishing training centres or hubs equipped with advanced technology and harmonizing all enterprise-based training models (learnership, apprenticeship, and OJT).

Unions and workers can access DOLE funding for various purposes such as workers education, livelihood, scholarships, and skills and technical training, among others through the Workers Organization Development Program (WODP). This is a flagship program of DOLE to strengthen unionism and empower workers to undertake technical training and education programs and livelihood and employment generating programs implemented at the national and regional levels. There are two components: scholarships to officers and members to pursue vocational/technical and short term courses, college and masteral degrees and review courses for professional examinations; and grants for the development and upgrading of the capabilities of the union organizations in the areas of leadership, organizational development and management, project and financial management, labor and human relations, grievance handling and productivity and entrepreneurial training. Since the start of the program, there have been 5,018 scholars from 1,567 organizations. For the training grant, 1,374 trainings with 56,523 participants have been undertaken. For 2016, about 78 million PHP (1.66M USD) is available under WODP. The other bureaus of DOLE like the Bureau of Special Workers (BSW) and the Bureau of Local Employment (BLE) and its attached agency, OWWA, also have funding that can be availed by workers.

According to Director Benjo Santos Benavidez of the Bureau of Labour Relations, these programs are very much appreciated by the unions. While there is a big demand for the programs, the DOLE is constrained given its limited financial resources mainly sourced from the General Appropriations Fund. There has been no assessment of the programs in terms of their strengthening and their impact. He mentioned though that there are many stories of workers who availed of the program who were able to have a college degree and improved their employment situation. He even mentioned that one graduate became a member of the House of Representatives.

The involvement of unions at the national level have yielded several positive outcomes. There is recognition by the government and employers on the important role of unions in policy formulation at the national level. The government has ensured and guaranteed their representation in policy making bodies, in addition to TESDA, where skills development issues and concerns are taken-up. Their participation in these policy making bodies have provided them exposure, perspectives and insights on the challenges and reforms that will address TVET

concerns such as the socio-economic and political environment of TVET, the changing nature of jobs and the need to create more and better jobs. For example, the TESDA Workers representatives were part of a group that went to Germany to study the dual training system and the apprenticeship program. Since then, they have been pushing to amend the apprenticeship law and to give emphasis to enterprise-based training. At the national level, where major social dialogues and consultations take place, they are able to push some of their agenda, such as more transparency and accountability in the governance of TVET programs, providing skills training/upgrading to displaced local and overseas workers., promote the use of TRs and inclusion of workers rights therein., among others.

2.2.Sectoral

At the sectoral level and as mentioned earlier in this paper collective bargaining at the industry level is not practiced in the Philippines and as such unions have little influence at the sectoral level beyond the direct provision of training. Indeed some union federations and workers associations which have been active in skills development primarily in providing direct training to their members, their dependents and the general public. While undertaking this, they have also been active in their advocacy on union rights. The Associated Marine Officers' and Seamen's Union of the Philippines -Philippine Transport General Workers Organization (AMOSUP-PTGWO) is a best example of a federation that gave priority to the skills development and upgrading of its members so they can access better jobs in the maritime sector. A workers association, the Association of Construction and Informal Workers (ACIW), has also set up its training centre while at the same actively advocating for better work conditions in an industry where 59 % of workers are non-regular workers. It is also noted that ACIW is one association frequently invited by TESDA to various consultations and committee meeting as "its inputs are usually substantial." The TUCP and FFW which are federations are also providing skills training.

The AMOSUP Seamen's Training Centre (ASTC)

The Associated Marine Officers' and Seamen's Union of the Philippines-Philippine Transport General Workers Organization (AMOSUP-PTGWO) is the country's largest union of seafarers and a distinct example of a trade union which is a direct provider of TVET and academic programs. The union was born in 1976 through the unification of three unions which had common ideals and principles to promote the welfare of seafarers; their just and fair compensation and working conditions; and to ensure their continuing development to become more competent, competitive and be the preferred seafarers. It is affiliated with the International Transport Workers' Federation (ITWF).

Through the years, the union has consistently pursued this vision. Today, the union owns and manages three training and academic institutions which provide high quality and holistic training and education. The AMOSUP Seamen's Training Centre (ASTC), established in the 1970s, has 35 basic and advanced training courses. About 20,063 have graduated from these training programs from 2003 to June 2016. In January 1999, the union established the Maritime Academy of Asia and the Pacific (MAAP) to realize AMOSUP's vision of a world- class academic institution in the maritime world. It is the largest private mercantile college in the country. MAAP offers three programs: Bachelor's Degree in Marine Transportation (BSMT), Bachelor of Science in Marine Engineering (BSMarE) and the Bachelor of Science in Marine Transportation and Engineering (BSMTE) which is a dual maritime course.

In 2011, the Centre for Advanced Maritime Studies (CAMS) was set up to respond to the growing demand for qualified and well-trained marine executives and educators. It offers two graduate programs: the Master of Science in Maritime Transportation (Marine Superintendent) and Master of Science in Marine Engineering (Technical Superintendent). It is noted that these are the first vertically articulated programs in the country which allow students to pursue an academic career, as well as gain the qualification and competence of a Marine or Technical Superintendent.

All the training and academic programs ascribe to international standards such as the requirements of the International Convention on Standards of Training and Watchkeeping for Seafarers (STCW). The academic programs are accredited and recognized by the Commission on Higher Education (CHED).

All the three institutions are located on an 82-hectare property in Kamaya Point, Mariveles, Bataan, overlooking the China Sea, and are equipped with world-class and technologically-advanced classrooms, facilities and equipment. It has a modern training ship and has recently acquired the latest in navigation simulators. All programs are fully subsidized and very accessible to union members. Non-union members who passed the competitive examinations are given scholarships.

To ensure these institutions are current and relevant, the union has maintained partnerships with the Danish Shipowners' Association (DSA), Norwegian Shipowners Association (NSA), Japanese Shipowners Association (JSA), All Japan Seamen's Union (JSU), ITWF, International Maritime Employers' Committee (IMEC), and Filipino Association of Maritime Employment (FAME).

TUCP and FFW

TUCP and FFW partnered with TESDA in providing TVET programs from 2006 to 2009. The Trade Union Congress of the Philippines (TUCP) thru its Workers College in Metro-Manila, offered free training in nine courses such as Finishing Course for Call Centre Agents, Housekeeping, Wellness and Massage, Plumbing, Shielded Metal Arc Welding, Gas Metal Arc Welding, Computer Hardware Servicing and Electrical Installation and Maintenance, all involving national level certification levels I and II. The Federation of Free Workers (FFW) also conducted the same programs which are conducted in its training centre in a building which it owns in Metro Manila. These programs are under the TWSP where TESDA reimburses the cost of training of the graduates who have successfully completed the program. These programs were made available for free to the members and their dependents and the general public. The TESDA reimbursed the amount of 53 million PHP (1.13M USD) for the training programs.

Both TUCP and FFW partnered with a workers association, the Kaunlaran ng Manggagawa ng Pilipinas, to handle the operational management, coordination and implementation of 19 training courses. The net proceeds of the training were divided among the three of them. The two federations have stopped conducting these programs in 2009. There are on-going discussions with TESDA to resume the training programs. It may be worthy to note that the TUCP has started organizing a workers association of call centre agents, most of whom were graduates of its training programs. The registration of membership can be done on-line as it is

difficult to organize them given the nature of their work arrangements. There are now 11,000 members.

The Association of Construction and Informal Workers (ACIW)

ACIW started in 1996 as a project of the Southern Philippines Federation of Labour with the Danish Trade Union Labour Council/Building Workers International with the intention of organizing the construction workers to enable them to negotiate for better wages and working conditions. It is noted that the construction industry is one of the top 5 industries in terms of number of workers or about 6.7% of the total employed. In 2006, its charter was amended to include informal workers who could not organize a union for collective bargaining purposes. It has a membership of 2,000, composed of small construction workers, agricultural workers, small transport workers, small scale miners and vendors in eight regions.

ACIW established two skills training centres “to equip its members with the necessary skills and training for better employment opportunities and alternative livelihood for additional sources of income.” The two skills training centres are accredited by TESDA, one in Metro Manila and another in Davao, and are equipped with the necessary facilities and equipment to enable it to offer several TESDA-accredited TVET courses. These are : Carpentry NCII; Construction Painting NC II; Masonry NCII; Plumbing NCII; Shielded Metal Arc Welding NC II; and Electrical Installation Maintenance NC II. ACIW is frequently and regularly invited by TESDA in many consultative meetings on TVET. According to ACIW, they have trained and certified at least 15,000 workers, inasmuch as they have their own TESDA-accredited assessment centre. ACIW partnered with HOLCIM, a big construction company, and the Engr. Allado Construction in undertaking training-cum-production projects that built hundreds of houses and trained construction workers. This experience proved useful when ACIW got involved and partnered with DSWD, TESDA, Red Cross, and UNDP in building houses for the victims of Typhoons Pablo and Yolanda. At present, ACIW is still building houses for Yolanda victims in Javier, Leyte using the building-cum-production approach.

The Kaunlaran ng Manggagawa ng Pilipinas Incorporated or Workers Development Fund (KMPI)

KMPI was born into fruition in 1990 by three labor centres with a common commitment to peace and democracy thru active participation in democratic institutions. The three labor centres were the TUCP, the FFW and the Lakas Manggagawa Labour Centre (LMLC). It is a non-stock, non-profit organization registered with the Securities and Exchange Commission (SEC). It is also registered with the DOLE as a workers association. It was set up with a vision of “the Filipino Workers forming social enterprises, setting up cooperatives and working with the government and other sectors of society for the country's social and economic progress.” It received an initial seed money for capital in the amount of 20 million PHP (425,989 USD) from the President’s Social Fund (PSF) during the time of President Corazon Aquino. Under President Fidel Ramos, it was granted 5 million PHP (106,497 USD) from the PSF. From time to time, it receives grants and donations. Through the years, it was involved in varied programs and services for workers such as setting up and building capabilities of cooperatives; providing housing loans; training health workers and setting up birthing clinics; setting up workers’ retail stores for basic commodities like rice and sugar, and basic, cheap and quality medicines. Later on, KMPI, in partnership with the Department of Social Welfare and Development (DSWD), got involved in providing technical assistance in community resource assessment, capability building and enterprise and the conduct of social mobilization activities towards the

establishment of community-based enterprises among the informal sectors in poor communities.

The KMPI has two training centres in Cavite and Occidental Mindoro, the latter province being one of the poorest in the county. It partnered with several establishments in the BPO sector to train workers and was successful in using the dual training system. Likewise, it has maintained linkages with several LGUs and the PESOs to ensure the employability of its 15,000 graduates (including from the TUCP and FFW program) which they claim is 80 %. The major and recent accomplishments of KMPI are its accreditation by TESDA on Trainers Methodology and an accreditation from the Department of Education to offer vocational trades under the Senior High School Program (Grades 11 and 12).

2.3. Enterprise Level

At the enterprise level, unions are not as effective in influencing skills development in collective negotiations. There are trainings being undertaken but mostly on union rights, organizing and negotiations. Individual union members can access scholarship for skills training. There are mechanisms at the enterprise level such as the labor-management committee where skills training may be taken up.

3. Strengths and Weaknesses

3.1. What worked well

The legal and policy frameworks on trade union involvement in skills development are adequate and comprehensive. The principle of tripartism is well-respected and institutionalized in many major laws and policies. In addition to TESDA, there are other policy making bodies like NWPC, NAPC and OWWA where workers are represented and where an agenda on skills development can also be proffered by them. However, there are no initiatives yet coming from unions. To a large extent the skills development programs in NWPC and OWWA are government-led.

The government has provided adequate resources for TVET and programs are accessible to the unions. There is a scholarship program in place to give training to the poor and marginalized sectors.

The culture of consultation and social dialogue is very strong and embedded in the workings and processes and at the regional and provincial levels of DOLE and TESDA, as well as in other government agencies. Moreover, these consultations are frequent and regular. The mechanics for dialogues and consultations are well-established and there are offices and bureaus of the DOLE and TESDA which are accountable for these undertakings.

Trade Unions have demonstrated their capabilities for managing, coordinating and implementing skills training programs. The AMOSUP-PTGWO is a best example of a union which has grown and managed effectively its resources and demonstrated its capacities to build and manage world-class training and academic institutions.

The AMOSUP-PTGWO, ACIW and KMPI have established their track record of accomplishments for more than 20 years. They have honed their expertise and experience and built networks and linkages with the other tripartite partners. Noteworthy is KMPI's ability to demonstrate the viability of the dual training system. On the other hand, ACIW was able to also show the viability of the training cum production approach and usefulness in addressing

the housing needs of communities which were devastated by disasters. All these should also be attributed to their past and present leaders who are visionary, genuinely committed, and concerned with the rights and welfare of workers and have strong values of ethics and accountability.

3.2. What did not work well

At the national level, despite the workers representation in policy making bodies, the unions and workers associations have not been proactive in utilizing and optimizing these policy making bodies to proffer a workers' agenda for skills development. The workers' representative in the TESDA board has identified several priority concerns but they are not yet able to present these as an independent workers agenda on skills development. While there is intensity in the participation of unions and workers in consultative meetings and their inputs are incorporated in national documents such as the PDP, LEP, NTESDP, and in various labor market intelligence reports of TESDA, the monitoring of these agreements appears to be not pursued intensely.

Notwithstanding the regular consultations and the existence of these national documents on employment and skills development, still, skills development is not yet considered as a workplace issue by the unions at the enterprise level. It would seem that these discussions at the national level are not cascaded or brought down to the firm level. The unions are still very much occupied with issues on wages and working conditions. Thus, skills development is rarely mentioned in the CBAs.

At the sectoral level, the DOLE has not been able to assert its role and authority in mandating labor and employment standards, which can include concerns on skills development, at the sectoral level. While union federations and workers associations are active in delivering skills training, it is still the employers and the Industry Associations which are the major players on skills development at the sectoral level. For example, the IBPAP and the SEIPI have partnered with TESDA under the TWSP with the objective of addressing the skills needs and gaps in their sectors. The SEIPI was granted scholarship for 10,000 graduates in 2014 and 2015. The IBPAP has been able to reimburse training costs for more than 125,799 graduates from 2006 to 2010. As earlier noted, there is only one unionized firm in SEIPI and there is no union in the BPO sector.

The National TIPC has not been active in pursuing skills development as an agenda. Only two out of its 60 resolutions from 2010 were directly related to skills development. There is one that endorsed to the Congress a bill to reform the apprenticeship program. The other resolution endorsed to the Secretary of Labour was on the amended guidelines for accessing the WODP.

Perhaps it may not be fair to expect TIPC's to pursue skills development inasmuch as the nature of their work has been traditionally on promoting peace and disputes settlement. The items taken up in National TIPC meetings are more procedural rather than substantive. Moreover, workers representatives have low capacity for policy discussions.⁸⁹

Workers representative at the TESDA Board do not have full-time technical staff support. While the government representatives have full-time technical support from their respective agencies and employers have their own HR departments. As in the case of one of the private

⁸⁹ Interview of Benedicto Bitonio

sector representative who is also President of an industry association which has a strong organization. The depth and quality of union participation in policy making bodies like TESDA could have been enhanced if the workers' representatives have had full-time technical staff support. The agenda of the TESDA Board are very substantial requiring careful review and analysis. The Head of the Secretariat admits that "this may be the reason why the workers have not been able to present an independent workers agenda to the TESDA Board". Nevertheless, she said that "the workers representatives have been very active at the committee levels".

According to TESDA Board Member Asper, workers' representatives have identified several policies to be reviewed and studies to be undertaken such as on the creation of "a polytechnic university specialising on TVET"; reviewing the training duration of the apprenticeship program and requiring of TRs; setting up an effective performance monitoring system of TVET providers "many of which are owned by politicians and do not submit reports to TESDA"; assessment of the impact of large scholarship grants to some sectors like the BPO; a study on the most viable training levy system; and the participation of trade unions in the STEP programs, as these are mainly targeted for LGUs and the feasibility of workers trained under STEP to form "craft unions." He also added that TESDA should start focusing on the agriculture sector and other employment generators already identified by the government and reiterated in the World Bank Study on Creating More and Better Jobs.

There appears to be some inequities in the valuing and recognition of the involvement of workers representatives across various tripartite bodies. Workers representatives in the SSS have their own staff and they are remunerated adequately as they receive and allowances from 2 to 3 million PHP annually. (PhilStar, January 21, 2016). Workers representatives in PHIC also receive substantial honoraria of 60,000 PHP (1276.47 USD) per month. For TESDA workers representatives, they are only entitled to 5,000 PHP (106.37 USD) per meeting, 2,000 PHP (42.55 USD) for committee meetings, and 1,000 PHP (21.27 USD) for transportation allowance.

TVET is negatively affected by governance issues involving calls for greater transparency and accountability. These came after the investigations on the improper and illegal use of the Priority Development Assistance Fund (PDAF) where several legislators were charged and a declaration made by the Supreme Court on the non-legality of using savings for government programs which are not listed in the General Appropriations Act (GAA). There were also charges on "ghost trainees" under TSWP. All these created an environment which made it difficult for NGOs, including trade unions, to access government funds. In fact, the TUCP and FFW have not been able to access TWSP since 2009. And, according to KMPI, TESDA has not reimbursed their training costs in the amount of 3M PHP (63,898 USD). To make things more difficult, the Commission on Audit (COA), the Department of Budget and Management (DBM) and DSWD issued a circular in 2014 requiring NGOs that want to access government funds and become implementing entities to register first with and be accredited by the DSWD. This additional requirement undermines the registration processes that unions have undergone at the BLR. According to BLR Director Benjo Santos Benavidez, the workers have been discouraged by this new policy.

Both KMPI and ACIW are faced with many challenges to sustain their skills training centre operations. For ACIW, their main concern is their trainers on whom they have invested much, being pirated by other institutions. They lack resources as they rely on TESDA's scholarship programs and grants from other government agencies. Their members are not able to support the organization thru union dues given their poor economic conditions. As noted earlier in the

construction industry, a majority of the workers are non-regulars. They are also hampered by the "many and stringent requirements of government agencies". Another concern is "unfair competition" from government. In Davao City, where ACIW has a TESDA-accredited assessment centre which can generate income from the assessment fees, TESDA also operates its own assessment centre.

2. Conclusions and Recommendations

Trade Unions in the Philippines are afforded opportunities to participate in the formulation of policies and programs on TVET at the national level. They actively participate in national fora to address employment and skills development concerns. They have access to financial and technical support through various programs of the DOLE and TESDA as well as other government agencies. At the sectoral level, while there are unions and workers associations which are direct providers of TVET, the major players are still the employers and industry associations. However, trade unions have been less effective in influencing skills development at the enterprise level. There is scope to enhance and expand their involvement in skills development at the enterprise level by addressing their capacity development needs especially their leaders and organisers. The government needs to change its mindset and paradigms on the role and participation of unions in skills development. Likewise, the employers must learn to understand and appreciate the important role of the trade unions and workers in skills development. The value and potentials of TVET in attaining the goals of productive and decent work and inclusive growth should be advocated. The following specific recommendations are offered:

1. There is need to raise the level of awareness among trade unions that skills development is an important workplace issue and that it is strongly linked with employability, productivity and decent work. To borrow an idea from the OECD, they must realize that "skills have become the global currency of twenty-first century economies". This will require change in their mindsets and perspectives on the role of trade unions in skills development which has been traditionally relegated as the responsibility of employers or "employer-led". The other stakeholders, especially the government and the employers, should also embrace this new perspective.
2. Trade unions should be provided technical support and assistance to build various capacities on all aspects of TVET, e.g. human resource planning, curriculum development, financial management, resource generation, formulation of training regulations, labor market information, program evaluation and also leaderships skills such as strategic thinking, building inclusive relationships and embracing diversity in the workplace, promoting learning organizations, negotiation skills, among others. In particular, unions must learn how it can promote and ensure better accountability on the allocation and use of TVET funds. The DOLE may consider including in its budget a program where it can bring workers representatives and leaders to "learning events" focusing on TVET. DOLE and the trade unions can partner on this program. TVET experts may be drawn from the private and government sectors and the assistance of the ILO and the United Nations Development Program (UNDP) may be requested.
3. The DOLE, through appropriate policies and programs, should be more proactive in initiating dialogues and negotiations that will bring together unions and workers associations and employers in a particular industry or sector. Moreover, DOLE should consider the supply chain. Thus, for the agriculture industry, all workers from the planting, harvesting, processing and marketing, should be covered. The objective of these dialogues and negotiations should be to assess and review together the industry situation, promote

skills development, employment and productivity and address as well as improvement in the welfare and working conditions of workers. From these, DOLE can mandate minimum labor standards to be complied with by all the firms in a specific industry. DOLE can start with the seven TIPCS, for example banking and tourism, and with industry associations such as the construction industry which is one of the top 5 industries in terms of number of employed workers. If this is not feasible, the discussions and negotiations can be started and confined to a province or a city where the dialogues and negotiations among the tripartite partners will be more manageable.

4. With a new administration, there is scope to start afresh on TVET. Relative to this, there is merit for the tripartite partners to consider the recommendations made in the World Bank Report. President-elect Rodrigo Duterte also announced that his administration will give priority to the agricultural sector. The World Bank Report said that the tripartite partners and civil society need to engage in deeper social dialogue and partnership and agree on an agenda on job creation. For example, the labor groups need to look after the welfare of ALL workers, especially workers among informal and agricultural sectors. The report mentioned the following that are relevant to skills development: better targeting of TVET to poorer and more vulnerable workers using the National Household Targeting System for Poverty Reduction; expand TESDA and industry partnerships; and expand the apprenticeship program.
5. The government should initiate a strong information and advocacy that will give more recognition and value to TVET and demonstrate that it can be a strong platform to promote the importance of lifelong learning, and the "broad and intersecting demands" of social equity, sustainable and inclusive growth. This is particularly important in the Philippines with two additional years of senior high school. It is reported in the news that only 50% of 1 million expected enrollees entered Grade 11. DepEd needs help from TESDA to establish the courses for the vocational track. It was also noted that most students selected the academic track more than the vocational track.
6. The unions have much to learn from Western countries to increase trade union involvement in skills development such as the new and innovative concepts and practices of "learning representatives and learning committees". These new ideas should enliven and promote continuous learning in the work place.
7. There is need for government to address existing administrative barriers that prevent unions and workers associations to access funding opportunities. Moreover, the government should give due recognition to the track record and accomplishments of workers associations like KMPI and ACIW by providing them technical and financial support.

LIST OF INTERVIEWS

Department of Labor and Employment (DOLE)

Atty. Benjo Santos Benavidez *Director, Bureau of Labor Relations*
Gloria Liza Delos Santos *OIC Division Chief, Dole & Region Development Division*
Marivic Villa *Division Chief, Union Registration and Work Empowerment*

Civil Service Commission

Allan Alegria *Director, Human Resource Relations Office*
Abdulah Datu-Dacula *Division Chief, Registration, Accreditation and CNA Registration*

Technical Education and Skills Development Authority (TESDA)

Marissa Legaspi *Executive Director, Planning Office*
Imelda Taganas *Chief of Staff, Office of the Director General*
Executive Director, Qualification and Standards Office
Isidro Antonio Asper *Board Member*
Vice President for External Affairs, Federation of Free Workers
Manuel Jaramilla *Training Center Administrator, Passi, Iloilo*

Commission on Higher Education (CHED)

Napoleon Imperial *Deputy Executive Director*

Industry Associations

Mabel Dela Cruz *Head, Human Resource Department, Semiconductor and Electronics Industries in the Philippines (SEIPI)*
Trade Unions /Workers Association
Ruben Torres *President, Trade Union Congress of the Philippines (TUCP)*
Former Secretary, DOLE
Meynardo Palarca *Secretary General, Association of Construction and Informal Workers (ACIW)*
Luz Almazar *Executive Director, Kaunlaran ng Manggagawang Pilipino Inc. (KMPI)*
Capt. Diofonso Tunacao *Training Director, Amosup Seafarers Training Centers (ASTC)*

Others

Lucy Lazo *Former Director General, TESDA*
Nieves Confessor *Former Secretary, DOLE*
Patricia Sto. Tomas *Former Secretary, DOLE*
Benedicto Bitonio Jr. *Former Director, Bureau of Labor Relations*
Former Chairman, National Labor relations Commission, DOLE
Divina Muñoz *Integrated Rural Development Foundation*

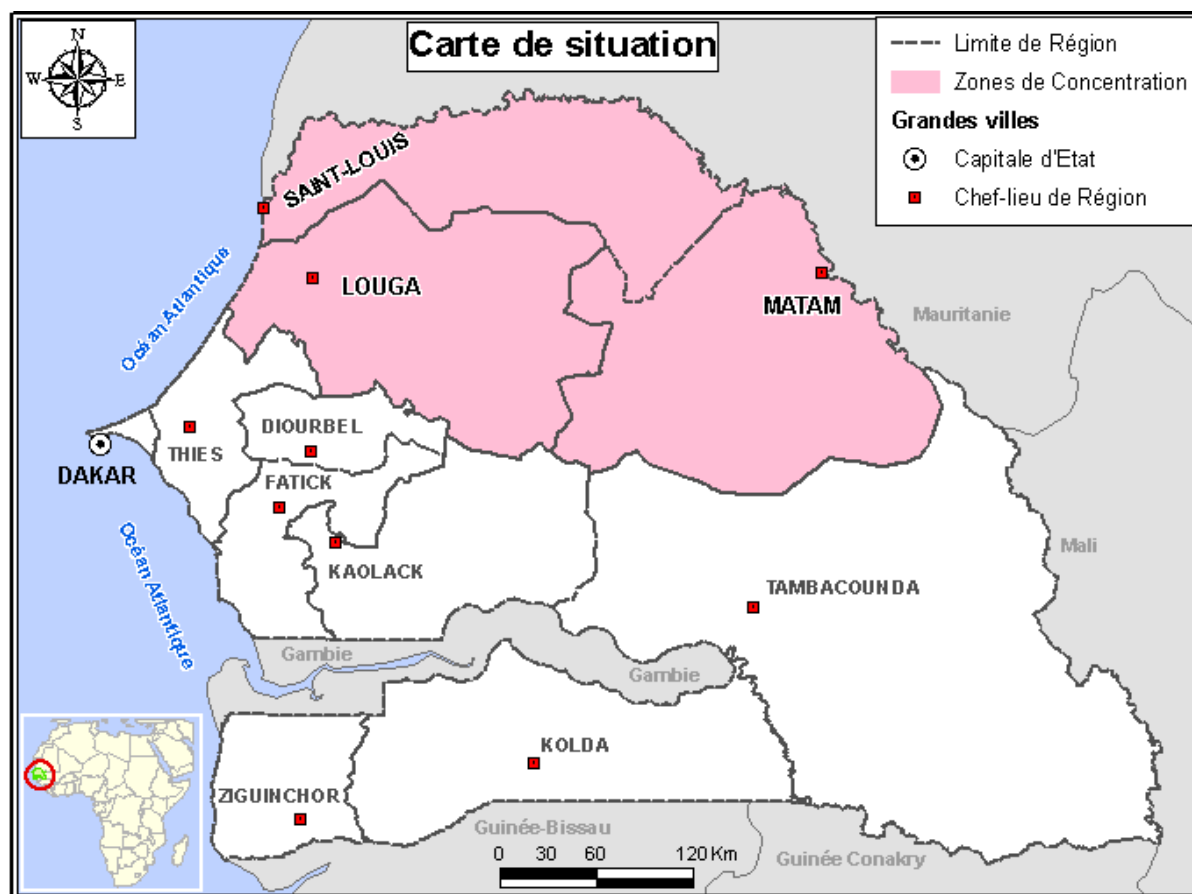
BIBLIOGRAPHY

- Bitonio, Benedicto E.R. Jr. Labour Market Governance in the Philippines: Issues and Institutions. ILO Asia-Pacific Working Paper Series. Subregional Office for South-East Asia and the Pacific. Manila, August 2008.
- Bitonio, Benedicto E.R. Jr. Industrial and Collective Bargaining in the Philippines. ILO, 2012.
- Current Labor Statistics: October 2015. PSA, 2015.
- Decent Work Profile Philippines. ILO, 2012.
- Department of Labor and Employment: National Wages and Productivity Commission [Brochure]. Manila: NWPC.
- Edralin, Divina M. Collective Bargaining Process and Its Outcome. Series 1999-03. De La Salle University, College of Business & Economics, 1999.
- Habito, Cielito. Regional Economic Integration Initiatives, Implications and Imperatives (Presentation at the GalingPook Foundation Assembly). 14 December 2015
- Labstat Updates, PSA, 2010-2014.
- Limang Taon ng “Masayang Pagbabago” sa TESDA (2015 Accomplishment Report).
- NWPC Productivity Strategies. Manila: NWPC.
- Orbeta, Aniceto and Esguerra, Emmanuel. The National System of Technical and Vocational Education and Training in the Philippines: Review and Reform Ideas, Philippine Institute of Development Studies, Discussion Paper Series No.2016-07.
- Philippine Development Plan 2011-2016. Pasig City: NEDA, 2011.
- Philippine Development Plan 2011-2016: Midterm Update with Validated Results Matrices. Pasig City: NEDA, 2014
- Philippine Development Report, Creating More and Better Jobs, World Bank , Philippine Office, East Asia and the Pacific Region, September 2013.
- Philippine Employment Trends 2015: Decent Jobs for Inclusive Growth. ILO, May 2015
- Philippine Labor & Employment Plan 2011-2016: 2011 Progress Report. Manila: NTAC, 2012.
- Philippine Statistical Yearbook. Philippine Statistics Authority, 2015.
- Philippine TVET Statistics 2008-2013 Taguig City: TESDA.
- Proceedings of the Conference on Raising the Quality of TVET: A Key to Regional Economic Integration and Global Excellence. Cebu City, 9 September 2015.
- Proceedings of the National Vocational Education and Training Congress. SM Convention Center, 29 October 2013.
- Productivity Toolbox for MSMEs. Manila: NWPC.
- P.T.M., Marope, B. Chakroun and K.P. Holmes, Unleashing the Potential, Transforming Technical and Vocational Education and Training, UNESCO, 2015.
- Sibal, Jorge V. A Century of the Philippine Labor Movement, *Illawarra Unity - Journal of the Illawarra Branch of the Australian Society for the Study of Labour History*, 2004.
- World Employment Social Outlook: The Changing Nature of Jobs. ILO, 2015.
- Laws, Bills, Executive Orders**
- Apprenticeship Training Bill of 2013. 16th Congress of the Republic of the Philippines.
- Ladderized Education Act of 2014, Republic Act No. 10647
- Public Employment Service Act of 1999, Republic Act No. 10691.
- Revised Apprenticeship Program Bill. 16th Congress of the Republic of the Philippines.

Senegal

By: Mbaye SAR
Expert in Training for Employment

Key figures on Senegal



Superficie : 196 722 km² Area: 196,722 km²

Capitale : Dakar Capital: Dakar

Population : 13.9 millions d'habitants en 2014 (estimation ANSD) Population: 13.9 million inhabitants in 2014 (ANSD estimate)

Densité : 49 habitants /km² Density: 49 inhabitants / km²

Part de la population urbaine : 47,4% Share of urban population: 47.4%

Taux croissance démographique : 2.5% Population growth rate: 2.5%

Population active : 3.406.193 Active population: 3,406,193

Taux de chômage : 13,6 % Unemployment rate: 13.6%

Emplois formels : moins de 300.000 Formal jobs: less than 300,000

Pays limitrophes : Cap Vert, Gambie, Guinée-Bissau, Mali et Mauritanie Bordering countries:

Cape Verde, Gambia, Guinea-Bissau, Mali and Mauritania

Langue officielle : Français Official Language: French

Senegal, a Sudano-Sahelian country located in the westmost part of Africa, which became independent in 1960, has an area of 196,722 km². Its population was estimated at about 13.9 million in 2014 with more than twenty language and cultural groups. In its future prospect for accelerated and sustainable development, Senegal has many challenges and constraints to face as well as has many assets and opportunities to build on.

1. Background

In order to consolidate the benefits of the Ten-Year Education and Training Program (2002- 2011), the Government of Senegal has drafted a new Letter of General Policy for the Education and Training Sector for the period 2012 -2025 including the Quality Improvement, Fairness and Transparency Program (QIFTP: 2013/2025) which provides the operational framework.

Harmonizing procedures and matching national priorities with development assistance provided by technical and financial partners (TFP) represent the general principles of QIFTP intervention. A travers ce dernier, l'Etat du Sénégal compte faire de la formation professionnelle et technique un levier important pour l'amélioration de la compétitivité de l'économie et la création de richesses. Through QIFTP, Senegal wants vocational and technical education to play an important role in improving the competitiveness of the economy and the creation of wealth. To do this, the following guidelines have been adopted:

- promoting vocational training and youth employment policies as priorities of the State;
- making apprenticeship a component of the Vocational and technical training system;
- developing joint governance through reinforcing public / private partnership;
- supporting the placement of trainees from vocational schools.

This move has been especially motivated by the fact that the last general census on population, housing, agriculture and livestock, (French acr. *RGP HAE*) carried out by the Statistics and Demographics National Agency (French acr. *ANSD*) in 2013 shows a total number of 2,652,983 learners distributed as follows:

- 170,351 (6%): Preschool ;
- 1,521,572 (53.3%) Elementary school ;
- 701,577 (24.6%): middle and secondary general School;
- 321,799 (11.3%): Technical & Vocational Training ;
- 13, 684 (4.8%): Higher Education / University.

More than 57.3% of the learners live in urban areas.

The distribution of individuals of at least 6 years of age indicates that 9/10 people that is 89.5% – have received no training. In general, women (92.5%) are more affected than men (86.3%).

A World Bank study on the labour market in Senegal highlights the issue of qualified of human resources for the economy, revealing that:

- the number of qualified workers represent 5% of the workforce;
- of the 5.3 million people of working age, only 265,000 are skilled workers.

1.1 Overview of labour market in national economy.

Workers are mainly employed in special sectors like households (12.1%), building construction (11.6%), manufacturing (10.5%), trade and repair of automobiles and motorcycles (9.8%), agriculture, forestry and fishing (8.5%) and transportation and warehousing (8.1%). The majority of employees (just over 80.0%) have no social protection, particularly such benefits as paid annual leave, paid sick leave, health insurance, social security contributions, maternity or paternity leave, industrial accident insurance. *Sole proprietorships are essentially composed of more than 50% of adults (97.7%)*. Only one in twenty businesses (5.1%) operates in two sectors and most of them, 95.3%, are managed informally. In sole proprietorships, managers and employees are mainly faced with insufficient financial resources (65.1%) and competition in the market (12.4%).

Domestic employees represent the bulk of the hired population in Sédhiou (72.5%), Kaffrine (64.2%), Kédougou (62.6%) and Kolda (62.0%). 51.5% of these employees are men.

It thus appears that the growth of the informal sector, which is the main source of employment with more than 2/3 of urban jobs, remains checked by the low quality of productivity. Hence the extreme hard and even indecent jobs that are not even enough to satisfy the basic needs of employees.

Of course training activities organized by the National Vocational Training Office, NVTO,⁹⁰ could contribute to increasing the number of qualified manpower.

In addition, it must be emphasized that new opportunities are offered with the implementation of Regulation No. 01/2014 / CM / WAEMU on the Community code on Crafts of the West African Economic and Monetary Union. This code aims at developing a tool to help promote crafts in member countries.

All these initiatives stress the need to consider social aspects harmonizing Community policies.

1.2 Overview of trade union arrangements.

Under the principle of the primacy of international obligations over conflicting domestic rules, we considered two levels in the hierarchy of norms governing relations between employment and training.

At international level, Senegal has ratified or signed numerous legal instruments on human rights or the rights of workers, among which the Universal Declaration of Human Rights (1948), Recommendations No. 57, 88, 101 and 117 ILO on vocational Training, Convention No. 168 on employment promotion and protection against unemployment (1988), the Agreement on civil and political rights (1976), the Convention on economic, social and cultural Rights (1976), UN Convention on Migrant workers (1990), the global Jobs Pact ... In principle,

⁹⁰ A government institution - with industrial purpose - created by Law No. 86-44 of 11 August 1986 aimed at refocusing technical assistance and facilitation missions and targeting workers in the informal sector.

these instruments must consider domestic legal provisions, especially when their primacy is expressly provided for.

At sub-regional level, Senegal has signed and ratified all major regional conventions, such as:

- The ECOWAS Treaty of 1975;
- The Protocol on the free movement of people and goods, the right of residence and establishment (1979) and other Community directives;
- The WAEMU Treaty (1994) ;
- The African Union Treaty of 2001.

In principle, the Treaty also applies to the West African Countries.

At National level, the hierarchy of norms places the 4th Constitution of Senegal (22 January 2001) above all laws and regulations. This Constitution in its Articles 22 and 25 states that:

" The state has the duty and responsibility of the education and training of youth in public schools "

" Everyone has the right to work and the right to claim a job '.

Moreover, Article L1 of Law No. 97-17 of 1st December 1997 of the Labour Code adds:

"... The State guarantees equal opportunity and treatment of citizens with regard to access to vocational training and employment regardless of origin, race, sex and religion ... ".

Senegal has more than 200 trade unions which cater for the interests of their members. But the last elections aimed at ranking trade unions, organized by the Ministry of Labor and Relations with Professional Organizations, places the *CNTS*, *UNSAS* and *CSA* as the first three major groups of affiliated trade unions with respectively 70 000, 52 500 and 10,700 members.

Pursuant to the agreements signed with the trade unions in the sectors of education, health, petroleum, agriculture, transport, local government, justice, ... Senegalese workers have pledged to work alongside the state and employers to contribute to the establishment of a peaceful social climate conducive to the significant improvement of the living conditions of the populations ... In this perspective, the 1st Social Conference was held in Dakar on 14 and 15 April, 2014, at the end of which the representatives of four (04) employers' organizations, fifteen (15) Unions and the Minister of Public Service, Labour, Social Dialogue and Professional Organizations, signed the National Pact of social stability and economic Emergence, NPSSEE.

1.3: Overview of the development of technical skills and professional competencies, DTSPC, in Senegal.

The issue of qualified human resources represents a real challenge when it comes to improving productivity and facilitating access to decent and stable employment for a large segment of the population.

Professional and technical training is the second priority of the government. It is considered as the key component in the provision of skilled, competent and efficient human resources for

the labor market and the economy, and which is capable of meeting the quality requirements of products and consumer goods and the needs for grassroots community supervision.

In this socio-economic context, vocational and technical training has been reorganized with a view to satisfying training needs, taking into account the following objectives:

- developing access by building infrastructures with adequate equipment;
- improving the quality of teaching and learning through the introduction of a new Competency-based Approach and training combined with work experience;
- matching training with employment opportunities taking into account the market skills requirements;
- developing training opportunities based on new types of apprenticeship;
- developing win-win partnership under the control of the vocational and technical training supervisory body, also called governance partnership involving the following parties: the National Consultation Commission on Vocational and Technical Training, NCCVTT, the Joint Committee on Programs, JCP, and the Joint Certification Commission, JCC.

This new policy reflects the government's objective to make vocational and technical training (VTT) a strategic option for its economic emergence and employment policy.

To achieve this, the government has move away from a *logic of training school drop-outs for a logic aimed at satisfying the labor market's economic needs for skilled human resources*.

1.4 Level of commitment and role of trade unions in promoting VTT in Senegal.

Following the national Conference on vocational and technical training (March-April 2001), the unions have shown constant mobilization throughout the implementation process of the reform of TVET. Thus they have initiated discussions that have led to the development of a specific bill containing guidelines for professional training, which was passed and enacted in 2015.

Moreover, the most representative trade union groups (National Confederation of Workers of Senegal, *CNTS*, National Union of Autonomous Trade Unions of Senegal, *UNSA*S, Confederation of Autonomous Trade Unions, *CSA*) are represented in the various VT Steering Bodies: the school management bodies and training providers' organizations. They are also members of the board of the National Vocational Qualification Center, *CNQP*, and of the boards of the three sectorial training centers (Building Construction, Agribusiness and Shipping activities), *ONFP* and the Vocational and Technical Training Financing Fund (V2T2F). This fund was created by Decree No. 2014-1264 of 07 October 2014 replacing Decree No. 2005-204 relating to *FONDEF* whose mission was to exclusively fund company in-service training projects. The V2T2F expanded the original mission of *FONDEF* by adding to it three other components: financing training institutions, funding individual training applicants and VT quality assurance.

The V2T2F receives financial assistance amounting to 37 billion CFA contributed jointly by the World Bank and the French Development Agency (FDA). These resources are listed in the budget of the Vocational Training for Employment and Competitiveness Project (VTECP) and in proportion to the Standard Contribution of Employers (SCEC): business tax of 3% of payroll.

This tax is expected to rise to 100% in 2018. Social partners, especially the workers, have always put in a claim for this longstanding request.

2. DESCRIPTION OF TRADE UNION INVOLVEMENT IN THE DEVELOPMENT OF SKILLS IN SENEGAL

The provisional results of the 1st *National Survey on Employment in Senegal (SDNA, November 2015)* show two main features of the labor market, namely the feminization and urbanization of unemployment. Indeed, the unemployment rate for people aged 16 and above is estimated at 13.0%. With regard to the population aged 15 and above, the unemployment rate was estimated at 13.4% in 2015. Unemployment is higher among women (16.7% against 9.5% for men).

In Dakar, the level of unemployment is 13.8% and non-graduates represent 40.1% of the unemployed. In other urban centers, the unemployment level is higher (17.2%) than in rural areas (10.8%).

The rate of the working population is estimated at 57.6% for people aged 10 and above and 65.2% among people aged at least 15. There are disparities depending on gender (52.7% for women against 63.3% for men for populations aged 10 or more) and place of residence (62.9% in Dakar, 58.2% in rural areas and 51.9% in other urban areas).

Underemployment rate related to working hours, which accounts for the proportion of people with a job (who worked less than 40 hours per week and could work for more hours if given the opportunity) is 27.7%. This rate is higher for women (40.3%) compared to men (20.9%). It remains high in rural areas (31.7%) compared to other urban centers (26.3%) and to the suburban areas of Dakar (24.1%).

The combined rate of underemployment related to working time and unemployment is estimated at 39.3% in Senegal (54.5% for women and 29.8% for men). Depending on places of residence, the combined rate (underemployment and unemployment) is higher in rural areas (42.8%) compared to other urban centers (38.4%) and to the suburban area of Dakar (36.0%).

The number of paid jobs remains low since it accounts for only 28.6% of the working population, with remarkable differences between areas of residence: Dakar (52.4%), other urban areas (35.3%) and rural areas (14.7%). A 10-points difference was noted between men (32.5%) and women (22.8%).

Given the economic and social diagnosis and changes in the international environment characterized by intense competition, it is urgent to make the changes that will put Senegal on a new sustainable development track to help further boost its potential for growth, creativity and entrepreneurial initiative in order to meet its populations' strong aspirations to a better life.

These aspirations have been translated into a vision that will help achieve the country's emergence in 2035 based on strong values such as solidarity and the rule of law. The vision of this new strategy has been coined as "*an emerging Senegal in 2035 with an inclusive society and the rule of law.*"

In short, an emerging Senegal, inclusive (*SEP*) and part of an "integrated, prosperous and peaceful Africa, led by its own citizens and representing a dynamic force on the international stage" (*African Union, 2009*).

The key issue of the structural transformation of the economy and the acceleration of growth is at the heart of the *SEP*. Indeed, it is only during the 1995-2005 decade that the Senegalese economy has seen an increase of its growth with progress in its per capita income. Since 2006, this growth has fallen owing to a loss of momentum in its traditional driving sectors (Building construction, Telecommunications, Financial Services), the slow development of the private sector, the sharp increase in public spending and the persistent current account deficit balance (7.9% of GDP).

In this context, the main concern is to meet a *fundamental human right, to stress Senegal's identity as an African country, to raise labor productivity, enhance efficiency and capital gain for the economy, contribute to the well-being of all citizens; to promote an inclusive and peaceful society, raise awareness of environmental issues and develop ecological behavior in order to protect the environment and create the conditions for lifelong education and training.*

The involvement of social partners in vocational training gained more momentum through the implementation of the " *FSP - mobilisateur* " Project 2001 - 158 initiated by the French Cooperation. From 2003 to 2007, the project has supported the involvement of the following Senegalese social partners (*CGT-FO-CFDT-MDEF-CGPME/CNTS-UNSAS-CSA-CNES-CNP-UNACOIS*)⁹¹ with a view to improving vocational and technical training in Senegal.

The "*FSP mobilisateur*" has equipped a large number of Senegalese social partners in the field of research / action for a better coordination of strategies and programs implemented in the field of vocational and technical training.

When setting up the National Joint Committee for Vocational Training, NJCVT, in Dakar, on 12 March 2004, social partners:

- signed a Joint Declaration promoting continuing vocational training for salaried workers from industrial sectors, which was implemented in July 2005;
- contributed to the setting up of Standing Committees in organizations of employers and employees, 2006;
- extended *FONDEF*-funded training programs to major national companies (*ICS SAED, SENELEC, SDE, COSELEC, SODEFITEX DIPROM, CSS, GDS, HOTEL INDUSTRY, CRAFTS, ..*)⁹², 2007;
- participated in the training of more than 60 representatives of trade unions and employers, 2007;
- actively participated to the Dakar Symposium organized by the African Vocational Training Funding Network, AVTFN, 2012;
- drafted the Vocational and Technical Training Guidance Act issued in 2015, and its implementation decrees;
- launched advocacy for the individual right to training, *DIF*, 2008;

⁹¹ General Confederation of Workers, Labor Force, French Confederation of Workers, Movement of Companies in France, General Confederation of Small and Medium Enterprises, National Confederation of Workers in Senegal, National Union of Autonomous Unions in Senegal, Confederation of Autonomous Unions of Senegal, National Confederation of Employers, National Council of employers, National union of Traders and Industrialists of Senegal

⁹² Chemical industry of Senegal, Society for the Development and exploitation of the Delta, National Society of Electricity, Water Company, Senegalese Electricity Constructions, Senegalese Sugar Company, Great Lands of Senegal,...

- called for the inclusion of priority *measures* in the National Pact of Social Stability and Economic Emergence, NPSSEE , including the creation of a Union education and training Institute (Article 11, § 1) 2014.

At the level of professional branches as well as within companies, the involvement of trade-union representatives is limited to organizing union branches and consist in ensuring that standards are complied with, and participating in negotiations relating to the rights of workers. Nevertheless, it is important to mention that, in the building and public works sectors, as well as in Food and Agriculture, Ports and Airport businesses, three sectorial training centers have been set up since 2007. Lastly, the National Pact of Social Stability and Economic Emergence, NPSSEE, intends to set up a Center of continuing vocational training specifically targeting trade union members.

3. Strengths and weaknesses.

As a result of increasing pressure on the labor market exercised by new cohorts of job-seekers from the vocational training and education system – more than 200,000 each year –, the Government of Senegal decided to organize the National Consultation on the Future of Higher Education and Research, NCFHE, in 2013, and the Conference on Education and Training, CET, in 2014, in order to reorganize the whole national system of education and training. Consequently bold reforms have been undertaken at all levels of the system to improve its external efficiency by aligning training to the priority needs of the economy. The second aim of the *SEP* is the training of its human resources. Again, it is important to note that a major effort has been made by the Government, which has passed new laws introducing “school- and-work experience” in the system. In this respect, new arrangements have just been introduced in the Labor Code in order to improve the employability of young people.

So, education is perceived as an economic sector on its own where private investment should be promoted. The National Consultation on the Future of Higher Education (NCFHE) has led to the adoption of an ambitious program aimed at upgrading and reviving the sector by strengthening the quality of teaching and organizing Higher Education in University centers. Also the NCFHE has led to a presidential decision aimed at the promotion of Engineering Sciences, Technology and Mathematics, STEM.

As regards vocational and technical training, in addition to its ambition to generalize the skills approach, *APC*, the government has significantly expanded its offers for vocational training and learning. Thus, each agro-ecological area or development center will have a reference vocational school in charge of training senior technicians in the economy’s priority sectors.

Each priority area will have a cluster and a specific training center that will finalize the implementation of sectorial training centers to be set up by professional organizations in collaboration with the Ministry of *FCIP* and the support of FDA.

However, despite the many efforts and reforms, we must recognize that the system suffers from vivid and regular social tensions due to the dissatisfaction of the social actors from the education community. This adds to reforms that are mainly supported by technical and financial partners like the World Bank and bilateral cooperation such as FDA, LuxDev, USAID, KOICA⁹³, which does not always come up to the expectations of social partners who

⁹³ French Development Agency, Luxemburg Development Agency, US International Development Agency, Korean International Cooperation Agency,...

are slow to demonstrate ownership. Finally, there are acute problems in the coordination of actions and the raising of stakeholders' awareness of the win-win nature of ongoing reforms.

4. Conclusions

From the review of studies on union involvement in the piloting and implementation of VTT, as well as from issues emerging from discussions with the most senior union officials, various findings of recommendations have come up, the most important of which can be summarized as follows:

4.1: Key issues and Recommendations to improve trade union commitment in Senegal.

Recommendation No. 1 On the inadequacy of the vocational training system:

Key issue N°1: With the blossoming of technical schools (secondary and higher), Senegal has many assets for the training of its human capital. But union officials regret that training courses offered are mainly directed towards the service sector, particularly the banking, insurance and marketing sectors ... This explains the low rate of employability or productivity at work, as young school leavers are said to be "*overqualified* " but under-trained.

Recommendation N° 1: To bridge the gap and match training to the needs of businesses, workers advocate encouraging and promoting technical and vocational training. STEM must be promoted proactively by the government and its partners.

Recommendation No. 2: For increased State intervention in continuing vocational training.

Key issue N°2: The trade Union officials interviewed reported difficulties to liaise with government bodies in order to request financial support for their scheduled training programs. Records are obsolete (giving data a year behind the merger of organizations). Workers are thus forced to self-finance their training needs.

Recommendation N°2: Union officials would like the vocational training of workers to be supported in due time and as relevant taking into account the fact that offered are sometimes made on a rotation basis and that workers have to compete for positions on available training courses. Also, they want the validation of experience acquired by workers, VAE, to be swiftly carried out and not to be delayed as is often the case. They also want such validation to be carried out within a harmonized national framework. Finally, they consider that decision implementation processes are too slow. And they know this should not be for having attended all workshops on the drafting of the relevant laws and regulations. They thus call for diligent corrective measures must be taken . . c

Recommendation No. 3: Promoting individual right to training, IRT.

Key issue N°3: The review shows little or nearly no trade union involvement in the mobilization around continuing vocational training, whether paid outside or within their company or in their professional sectors or branches .

Recommendation N°3: The persons in charge of trade-union organizations must carry out a strong advocacy in favor of the implementation of the Fair labor standards Act, and of all the provisions of the Collective agreements relevant to each branch, which specifically mention the worker's individual right to training, I.R.T. As is the case in France as well in many other European countries, the I.R.T. could allow the consolidation of the rights of Senegalese workers, particularly their right to training.

4.2 Lessons for trade unions in other countries.

Even though the Government of Senegal is willing to make vocational and technical training (FPT) for employment a strategic option for its economy, some more efforts are needed to enhance the capacity of unions to mobilize around TVET. In so doing, the government wants to give up the logic of recycling of school drop-outs for the logic of developing its potential human resources. In order to match the labor market's needs for skilled human resources and raising the competitiveness of the economy, Senegal has taken a firm resolution to promote vocational and technical training.

Similarly, its social partners, including trade unions, have been active in shaping public policies on vocational and technical training and its implementation. They play an important role by monitoring and controlling the national and international commitments made by the State of Senegal and Employers.

However, we must admit that the low level of ownership of vocational and technical training policies is a major constraint to the development of the sector and results in many challenges to be faced.

In addition there have been delays in implementing the Specific Sector Guidance Law passed since early 2015. This greatly hinders the materialization of the expectations of workers and households as to the development and implementation of a support and monitoring mechanism to cater for the Employment of graduates leaving VTT institutions.

South Africa

By: Carmel Marock

ILO Skills: Case study on south africa

SECTION ONE: Background section

1.1 Nature of the SA economy

Since the advent of democracy in 1994 the South African economy has gone through considerable change. The country's march towards industrialization was founded on the discovery of gold and diamonds. By the 1970s, the economy had diversified slightly, to include the exploration of other minerals and the development of an energy industry, but is still highly dependent on what has been termed the Minerals Energy Complex. Since the democratic elections, a robust service sector has developed whilst the manufacturing industries has declined. This is illustrated by the reality that the Services sector is 60% of GDP, whilst the manufacturing contributes 15% of GDP. Further, service sectors employed 60% of the workforce, compared to 13% in the manufacturing sector⁹⁴.

South Africa is one of the most unequal countries⁹⁵ in the world despite the introduction of social welfare transfers to the poor, which are accessed by 16.8 million people.⁹⁶ The rate of unemployment remains between 25% and 35% (taking discouraged work seekers into account).⁹⁷ The 2005 Labour force survey found that 59% of the unemployed had never held a job before and 40% have been unemployed for more than three years. South Africa's notoriously high unemployment rate is not just an economic issue. Rather, the effects of unemployment reverberate into both the social and political spheres, where they find expression in the form of wide-spread poverty, crime, social unrest and ultimately a non-inclusive society (Altbeker & Bernstein, 2011, p. 2). In particular, the issue of youth unemployment finds itself at the centre of South African policy debate. South Africa's level of youth unemployment is among the highest in the world (Bernstein, 2008, p. 5), with 65.9% of African 16 to 24 year olds finding themselves 'broadly' unemployed at the beginning of 2012 (Levinsohn et al, 2013).

⁹⁴ Fedderke, J. W. (2014). *Exploring Unbalanced Growth in South Africa: Understanding the Sectoral Structure of the South African Economy* (South African Reserve Bank Working Paper Series No. WP/14/07) (p. 59). Pretoria, South Africa: South African Reserve Bank. Retrieved from

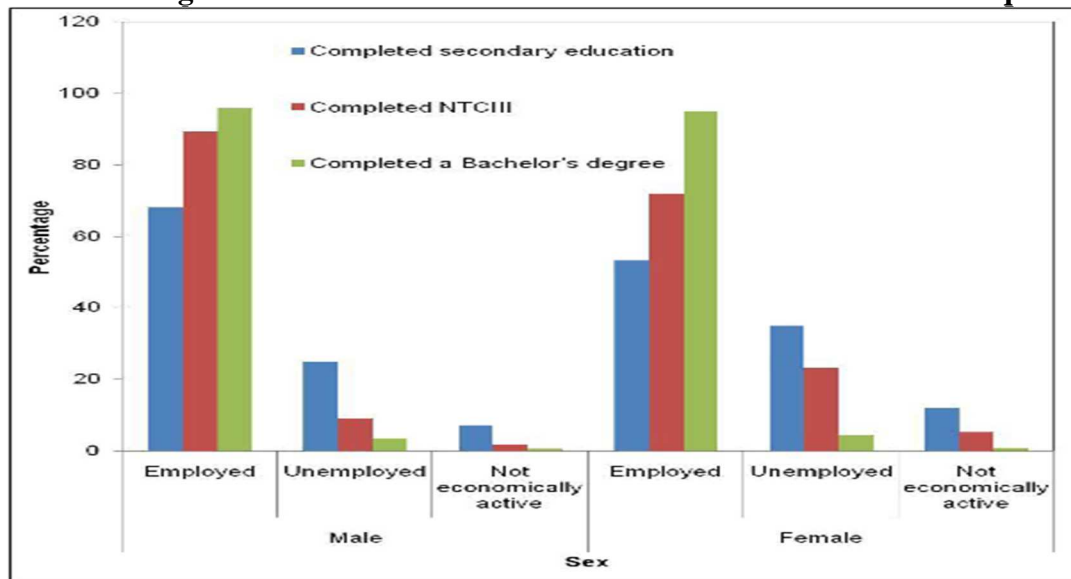
<https://www.resbank.co.za/Lists/News%20and%20Publications/Attachments/6465/WP1407.pdf>

⁹⁵ While SA is classified as a middle-income country, levels of inequality are now among the highest in the world. In the post 1994 period the new government sought to tackle inequality and rising poverty. However, poor growth performance and the employment track record of the economy between did not materialise as anticipated and as a result, government stepped in and increased its allocation towards social grants which has had an impact in reducing poverty and inequality. However, income inequality has continued to grow as an increasing share of income is going to the top end (Woolard, Leibbrandt, Finn & Argent, 2010).

⁹⁶ South African Social Security Agency. (2016). *A statistical summary of social grants in South Africa* (Statistical report No. Fact sheet: Fact sheet: Issue no 1 of 2016 – 31 January 2016) (p. 1). Pretoria, South Africa: South African Social Security Agency (SASSA). Retrieved from <http://www.sassa.gov.za/index.php/statistical-reports>

⁹⁷ Statistics South Africa. (2016). *Quarterly Labour Force Survey Quarter 1: 2016* (No. P0211) (p. 110). Pretoria, South Africa. Retrieved from <http://www.statssa.gov.za/publications/P0211/P02111stQuarter2016.pdf>

Figure 1. Employment is strongly correlated to education. Unemployment levels are lowest amongst those with National Technical Certificate and Bachelors qualifications.



The combination of weak growth and declining commodity prices are likely to impact further on the levels of unemployment and in turn increase inequality.

South Africa's basic education system has also struggled to provide an adequately trained pool of young people and there are real challenges with the quality of schooling, levels of mathematics, language (communication) and completion rates. These challenges result in large numbers of young people entering the labour market every year with limited foundational skills: these young people face a real challenge in terms of accessing employment and in progressing into post-schooling learning opportunities.

1.2 Legal and regulatory frameworks

The Constitution of South Africa is the supreme law of the country. It provides the legal foundation for the existence of the republic, sets out the rights and duties of its citizens, and defines the structure of the government. Chapter 2 of the constitution contains a Bill of Rights, which establishes principles of freedom of association, the rights of employers and workers to organise themselves, rights to fair labour practices and to strike. South African labour laws derive from legislation, collective agreements, legal writings, and judicial precedence. Over time, changes have been made to various labour laws that have been implemented since 1994. Key laws include:

- The Labour Relations Act (LRA) 66 of 1995 – which regulates workplace relations and has been, amended a number of times.
- The Basic Conditions of Employment Act 75 of 1997 – which sets minimum floors of rights for workers. It has also undergone amendments agreed to by social partners.
- The Employment Equity Act 55 of 1998 – which addresses the legacy of racial discrimination in the workplace.
- Skills Development Act, no 57 of 1998 (SDA) and Skills Development Levies Act (SDLA) – which established the new regulatory framework for promoting and developing skills in the economy.
- The Unemployment Insurance Act, 2001 – which establishes an insurance scheme to protect workers who become unemployed. It excludes voluntary resignations from work.

- The Occupational Health and Safety Act 85 of 1993 – which regulates workplace safety and establishes worker rights of safety issues
- The Compensation for Occupational Injuries and Diseases Act 130 of 1993 – which establishes a compensation scheme for workplace injuries. It excludes the mining industry, which is covered by a separate Act.

These laws create the context in which skills development is implemented: the responsibility of managing the skills landscape falls with the Department of Higher Education and Training (DHET), which was formed in 2009.

1.3 Status of relevant ILO conventions

South Africa has ratified eight core ILO conventions and seventeen technical conventions. However, conventions that relate directly to skill development and vocational training have not been formally ratified. Historically labour has focused on advocating for the adoption of Convention 140 on Paid Educational Leave (140) of 1974. It is noted though that the ILO General Conference has since adopted Recommendation 195 on Human Resources Development (2004), which highlights key issues pertaining to education, training and lifelong learning. This takes into account the principles contained in a number of other instruments of the ILO including (but not limited to) the Human Resources Development Convention, 1975; the Employment Policy Convention and Recommendation, 1964; the Employment Policy (Supplementary Provisions) Recommendation, 1984; and the Paid Educational Leave Convention and Recommendation, 1974.

South Africa has not signed the above-mentioned conventions for a myriad of reasons. An interviewee from government observed that this may in part be because the Department of Labour (DoL) as the lead department in ILO engagements is no longer responsible for skills development and therefore may not prioritise this area. The interviewee commented though that notwithstanding this change, “SA would ratify conventions where the content assists in furthering our labour market policies and in extending protections to employees where required.” However, an interviewee from labour observes that Convention 140 was not signed because, government considered the costs of implementing these skills conventions (from the perspective of an employer) and in this context decided that it would “be too expensive too ratify.”

The labour interviewee comments that while much of the labour legislation in South Africa protects the rights outlined in these conventions, this is not consistent with the standard specified in these conventions. For instance, although labour legislation provides for paid time off for shop stewards to perform their duties, including attending training sessions, there is no defined leave for educational purposes as defined in the Convention. Thus, reaching agreement on training leave has to be negotiated and is dependent on the strength of the union, which has resulted in uneven levels of success in this regard across sectors. This resonates with previous resolutions made by COSATU to advocate for the adoption of Convention 140. COSATU states that, “many workers do not enjoy the benefits of the skills development infrastructure. There are a range of factors at play in that regard. They range from a lack of fundamental skills like reading, writing and communication to access the learnerships that normally commence at Level 2 of the National Qualifications Framework (NQF). Without an emphasis on Adult Basic Education and Training and even Recognition of Prior Learning (RPL), workers will not be able to access learning programmes. We have previously noted the low priority that employers give to staff training, and the reasons for this, and this is made worse by Unions themselves

failing to include and then ensure implementation on Paid Education and Training Leave. Paid Education and Training Leave should therefore be made compulsory through labour legislation and collective agreements”⁹⁸.

1.4 Unionisation rates

The post 1994 labour relations regime was premised on the existence of strong unions, along with a cohesive government and strong employer organisations, across all of the key sectors of the South African economy. However, more than twenty years on, the terrain has changed: unions are fragmenting with increased evidence of federation and union splits.

In 1994, there were three main trade union federations which dominated the labour market: Congress of SA Trade Unions (COSATU), Federation of Unions of SA (Fedusa) and the National Council of Trade Unions (Nactu). However, last year, COSATU expelled one of its largest affiliates, the National Union of Metalworkers of SA (NUMSA) which led to eight affiliates deciding to side with NUMSA. On May 1st, 2016 the foundations were laid for the formation of an independent new trade union federation as announced by Zwelinzima Vavi, the previous general secretary as COSATU who was also ousted, as its general secretary. Representatives from between 29-40 unions gathered in Johannesburg to discuss the possibility of a new federation and NUMSA members sang, “we have packed our bags and left and we are not going back”. Fedusa has also experienced problems, with its largest affiliate - the Public Servants Association (PSA) – breaking away a number of years ago.

There have also been a number of splits and breakaways from individual unions such as Chemical, Energy, Paper, Printing Wood and Allied Workers Union (CEPPWAWU), South African Municipal Workers Union (SAMWU), NUMSA, SA Transport and Allied Workers Union (SATAWU) and Food and Allied Workers Union (FAWU). Further, members are increasingly hopping from union to union: in some workplaces, workers have moved to five different unions in five years.

Currently, there are 187 registered unions with the DoL representing 3.5 million workers (of which about 1.2million are public sector workers who are bound by an agency shop arrangement which requires such workers to pay an agency shop fee if they do not belong to a union, which effectively acts as a stimulus for workers to join unions). Every year, the Department receives between 120-140 applications from unions to become registered: of these the department registers about 5%. Yet despite the growth of the number of unions registered there has been little real change in the number of members within the unions and the unionisation rate currently sits at just under 30%.

This union fragmentation, proliferation and even decline of number of members in some sectors, may tip the balance of power even more strongly to employers, which may not be positive in the medium to long term as this appears likely to lead to workplace instability (increased worker alienation) and ultimately violence – as has already been evidenced in the recent past in the mining sector. At a national and sectoral level, it could also place into jeopardy the ability of the parties to effectively reach agreement in tripartite labour market institutions such as the National Economic Development and Labour Council (NEDLAC), Sector Education and Training Authorities (SETAs) and others.

⁹⁸ COSATU, Education and Skills Conference, 3- 5 July, 2012

1.5 Social dialogue and tripartism

The emphasis that was placed on social dialogue in the new democracy is evidenced by the reality that the formation of NEDLAC was one of the first new institutions set up post 1994 and was the subject of the first Act passed by the new government. In the build up to the 1994 elections, the key social partners – government, labour, business - emphasized the need for an institution which would promote social dialogue and would be a key feature of the new democracy. During the first few years, it played a critical role in the formulation of social and economic policy (including the new LRA). In addition, NEDLAC played an important role in developing a vision for the economy and created a platform for social partners to negotiate the formulation of policy in relation to trade reform, competition policy and the like. NEDLAC also carried this torch of social dialogue and tripartism into the skills space (where the SDA and the SDLA were negotiated in that forum), and as Andre Kraak⁹⁹ states, the NEDLAC process ensured “legitimacy, understanding and support from the key stakeholder constituencies” in relation to the drafting of the skills legislation.”

However, NEDLAC’s power has diminished somewhat because the forum is frequently undermined by the social partners. This shift in the way in which social partners interact with NEDLAC may in part be because of the challenges internal to the social partners (such as the fragmentation of the unions), the external challenges facing partners (related to the lack of growth in the economy) and because of the declining levels of trust between partners¹⁰⁰. A representative from labour comments that this could also be linked to the multiplicity of forums that have been developed to discuss similar issues leaving stakeholders that attend NEDLAC with the sense that these meetings are superfluous. This includes the Millennium Labour Council (MLC), which includes leadership from the social partners and in the case of business this translates into CEOs rather than representatives of business associations as is the case in NEDLAC. As a result there is a perception that business takes the MLC more seriously than NEDLAC. The MLC discusses a number of skills related issues including payment of apprentices and has also supported the development of the Skills Accord, which was signed by all social partners. The other relatively new forum includes the Presidential Working Group, which also discussed issues of concern to the social partners and which only includes labour in certain discussions. There are also a number of forums in which the social partners specifically negotiate technical and vocational education and training. This includes: the National Skills Authority (NSA) which includes all partners and initially advised the Minister of Labour with respect to skills issues and, since the formation of DHET, now advises the Minister of Higher Education and Training. In addition, the Joint Initiative on Priority Skills Acquisition (JIPSA), which started in 2008, was a key forum in which social partners negotiated ways to accelerate skills development. This was then replaced by the Human Resource Development Council of South Africa (HRDCSA), which started in 2010 and is describes itself as “a national, multi-tiered and multi-stakeholder advisory body¹⁰¹”. The HRDCSA is also supported by a Technical Working Group that also has representatives from the social partners and has a number of task teams which include individuals from the social partners as well as individual experts.

The number of national tripartite forums addressing skills development places considerable demands on social partners and creates the potential for conflicting decisions to be taken across these forums.

⁹⁹ Kraak, A: Education in Retrospect – policy implementation since 1990

¹⁰⁰ The wider challenges between partners relates to a number of factors too vast to go into in this paper but most recently is perhaps best highlighted in events such as the Marikana massacre which saw tensions between unions, between unions and business and with respect to the role of government in this process

¹⁰¹ HRDCSA website: homepage

This is compounded by the reality that in some cases these different forums are attended by representatives of different structures; for example Business Unity SA (BUSA) attends NEDLAC and NSA while Business Leadership South Africa (BLSA) attends MLC and HRDCSA.¹⁰² A representative from COSATU comments that NEDLAC takes too long to discuss issues and is too tightly regulated. This in turn demoralises representatives and discourages them from attending each forum. Further, the pressure placed on social partners to participate in various tripartite arrangements relating to skills development has increased. The situation looks even more complex when the SETAs are taken into account: these have been established as tripartite structures for each sector in the economy. There are also the structures that have been established to support quality assurance (the main one for the purpose of this paper is the Quality Council on Trades and Occupations (QCTO), whose board includes the social partners), and the structures in which qualifications are generated, which are also tripartite in nature: this includes the Development Quality Partner (which has responsibility for ensuring the effective involvement of stakeholders in the generation of qualifications and is appointed by the QCTO).

However, despite the challenges inherent in ensuring the effective participation of social partners in these multiple forums their continued existence points to the persistent commitment to dialogue and tri-partism. Further, while there are difficulties in aligning the forums there are efforts to create the links across forums: for example, the proposed changes to the SETA structure (Government Gazette published in November last year, discussed in Section 2.3 below) will be discussed in NEDLAC after consultations with the NSA have been completed.

1.6 Collective bargaining arrangements

Collective bargaining in SA takes place at various levels – sector, enterprise and plant levels. The bargaining councils¹⁰³ are central to the collective bargaining process. There are 47 bargaining councils covering an estimated 2.5 million workers, across both the private and public sectors (including national and local government), who are all covered by statutory collective bargaining agreements (excluding non-statutory private arrangements). In more recent years, the public sector has become more dominant in terms of bargaining council arrangements and now more than 50 per cent of bargaining council coverage is linked to the public service (including local government). Aside from bargaining councils, centralised collective bargaining also takes place in non-statutory structures¹⁰⁴ such as those found in, among others, mining, automobile manufacturing, contract cleaning and private security. Where centralised bargaining is not in place then bargaining will take place at an enterprise and/or plant level.

¹⁰² BUSA (Business Unity of South Africa) represents employer associations whilst BLSA represents “captains of industry” or CEO/chairman of “South Africa’s largest corporations and major multinational companies with a significant presence in South Africa (BLSA website)”.

¹⁰³ The Labour Relations Act No. 66 of 1995 (LRA) sets the scene for the legislative framework for collective bargaining in SA. The LRA was based on the premise of self-regulation coupled with the development of robust tripartite institutions. Tripartite institutions such as bargaining councils (previously known as industrial councils) were proposed as being the central though not the only institution for bargaining. The law stipulates how councils can be established and this is based on levels of representivity of both employers and workers. Parties to the council are required to comply with agreements reached. Further, where the Bargaining Council has a high level of representivity the Minister of Labour can extend these agreements to non-parties in the industry.

¹⁰⁴ In some sectors have had a relatively long tradition of bargaining and the parties – employers and unions – have established formal bargaining arrangements but they are not legislated.

In the initial stages post 1994, much of the negotiation pertaining to education and training, took place in forums that had been established to discuss education and training (such as the National Training Board). However, because education and training was so central to the unions agenda at the time (pre and post 1994), these issues were also integrated into the bargaining agendas in centralised negotiating forums such as bargaining councils. For example, up until the early to mid-2000s, NUMSA pursued demands around skills development within the bargaining council and also pushed for various programmes to be implemented which were eventually taken up by the MERSETA¹⁰⁵. Similarly, other COSATU unions continued to fight for a skills based grading system thereby integrating skills and wage bargaining.

However, by the mid to late 2000s education and training was no longer central to the unions agenda, or highlighted by the unions in the collective bargaining processes. Thus despite the reality that trade unions were the key driving force in shaping the education and training landscape these issues became marginalised from the core demands of the unions and by 2009, the former COSATU General Secretary highlighted concerns about the manner in which labour was engaging with skills development at an enterprise level. Addressing delegates at a COSATU Skills Conference, he stated that the, “planning process in most companies remains firmly in the hands of management. We have not sufficiently empowered workers and shop stewards to develop demands and fight for them. Many employers regularly, and illegally, refuse workers paid time off for training. So they are left having to take courses at weekends or in the evening, which is difficult, especially for people with families.” He added that “we cannot afford just to discuss skills any longer in a strange jargon that that disempowers ordinary workers. We have to empower workers and their shop stewards to identify what they want from skills plans and negotiate and campaign for it.”¹⁰⁶ This was confirmed by another delegate at the conference: a representative from Public Participation in Education Network stated that the unions “have forgotten to talk about this issue”¹⁰⁷ and the “discussions around this has completely eroded the original struggles which workers fought around.” An interviewee from COSATU commented that one of the challenges in this regard relates to the manner in which the demands are collated and taken to these bargaining units: the interviewee commented that whilst training is typically one of the demands, it usually falls away and the bargaining council then focuses on the core demands of wages and working conditions. He points to a strike that took place in the engineering sector where training was a key demand, however when employers focused on wages the demand for training fell away. These issues are considered further in the following sections.

SECTION 2: Overview of skills development system

2.1 Overview of policy and regulatory framework

The post-1994 education and training environment was informed by the imperative to improve access to skills training and the importance of attaining recognition for the skills workers had acquired through work experience. The labour movement was central to the reshaping of the new legislation and as early as 1989, NUMSA established a research group comprising workers and union officials, to formulate recommendations on training. The proposals that the research group developed – and the focus on skills based grading - were formally adopted by COSATU in July 1991.

¹⁰⁵ The SETA within the manufacturing sector on which NUMSA is represented.

¹⁰⁶ Report on COSATU’s Education and Skills Conference: 1-3 July 2009

¹⁰⁷ Report on COSATU’s Education and Skills Conference: 1-3 July 2009

The research and engagement process within the labour movement, both in South Africa and with unions globally and in particular in Australia¹⁰⁸, ensured that the unions played a driving role in skills development in the South African context. Much early policy conceptualisation took into account the demands of the labour movement including the imperative for redress, mobility, progression in the labour market as well as access to lifelong learning. This in turn resulted in the development of a framework for skills development that included: a national training levy, Adult Basic Education and Training (ABET), RPL and the development of national standards for skills across the economy.

With these underpinning principles embedded into the draft legislation, the Skills Development Act (SDA) was passed, following negotiations within NEDLAC, on 20 October 1998. The Skills Development Levy Act (SDLA) was then passed a year later. These pieces of legislation established the new regulatory framework for promoting and developing skills in the economy. The SDA enacted the SETA system, identified learnerships¹⁰⁹ as the key mechanism for ensuring that both the unemployed and employed had access to education and training and outlined the basis for the expansion of employment services. Most of the provisions of the SDA came into effect in September 1999 while the key vehicle for implementation - the SETAs - were introduced in March 2000. The SDLA outlined the requirements for the levy/grant system. It indicated that employers would pay 1% of payroll to fund nationally recognized education and training. Of this 1% of payroll it was intended that 80% would fund priority training for the workplace (through the SETAs) and 20% would fund national training priorities (through the National Skills Fund - NSF).

The SDA was the subject of amendments in 2008 and further refinements in 2011. The key amendments in 2008 related to the legal and governance status of the NSF; the composition of the National Skills Authority (NSA); making provision for apprenticeships and improving the quality and quantity of artisans and providing for the establishment of the Quality Council for Trade and Occupations (QCTO)¹¹⁰. A very significant change to the Skills Development Levy grant regulations was made in 2012 (Regulation 20 of 2012), which sought to reduce the mandatory grant that employers could claim for the Workplace Skills Plan (WSP) and the Annual Training Report (ATR) from 50% to 20%. The remaining 80% was to be allocated as follows: 10% to be used for Seta administration; 0,5% should go to the QCTO and 49.5% for discretionary grants. These regulations were the currently the subject of litigation: the employer organisation, BUSA, took the Minister for Higher Education and Training to the Labour Court

¹⁰⁸ A number of skills specialists came from Australia to assist the labour movement during this period.

¹⁰⁹ A Learnership is a structured learning programme that contains theory, practice and workplace experience. Learnerships are typically a year in duration and are designed, implemented and assessed against a nationally recognised qualification. There are three parties that are included in a Learnerships agreement: the employer, an accredited education and training provider and the learner. These agreements are approved by, and registered with, the relevant SETA. The learnerships differ from an apprenticeship in that the learnerships are designed against all occupations across the economy, whilst the apprenticeship system was only implemented against the registered trades. In addition, the learnership is assessed against outcomes (and therefore can be in theory be achieved more quickly if an individual has prior experience) and allows the learner multiple entry and exit points, whilst the apprenticeship relies on a combination of competency based modules, theoretical modules and in addition to these modules also specifies that the apprentice must spend a minimum number of years in the workplace (typically 3-4 years). Once completed the apprentice completes a trade test and is recognised as an artisan. More recently, a route for an individual that completed a learnership - at the relevant level within the National Qualifications Framework (NQF) and in an occupation in which there is a registered trade.- to undertake the trade test, was developed which has meant that the learnership has become an alternative pathway to becoming an artisan where it is offered against a registered trade.

¹¹⁰ The QCTO is responsible for overseeing the design, implementation, assessment and certification of occupational qualifications on the Occupational Qualifications Sub-Framework (OQSF).

in 2015. The employers key concern relates to the process that was followed to reduce the mandatory skills grant payable to employers from 50% to 20% and introduce the requirement that SETAs should pay over all unspent funds to the NSF (which would mean that the funds could be used for national skills initiatives that do not necessarily relate to workplace training). The Labour Court handed down its judgement in August 2015 and found that the Minister had failed to consult the NSA as required by law. The court also ruled that the minister had acted irrationally by reducing the mandatory grant to employers as set out in the SDA and that he had exceeded his powers by prescribing that surplus SETA funds be moved to the NSF¹¹¹. In view of the judgement handed down, the SETAs had six months in which to revert back to the original position (March 2016). The Minister initially took steps to appeal against the Labour Court decision, but in the end this avenue was not pursued although no clear indication has been given as to what will in fact take place and interestingly the position of business on this matter is not unified as Business Leadership SA (BLSA) has suggested that they are comfortable with these changes.

Another key piece of legislation promulgated post 1994, relating to education and training, introduced the South African Qualifications Authority (SAQA), which established the National Qualification Framework (NQF). The functions of SAQA and the ambit of its authority, was set out in Section 13 of the National Qualifications Framework Act 67 of 2008. This created the basis for the development of qualifications, in 12 fields of learning, which would span the economy: this with the intention that the qualifications go beyond trade qualifications to qualifications required at different levels of the system and across industries/sectors as required by the economy. This was subsequently changed following amendments to the SDA in 2008, as highlighted above, and the NQF now has three sub-frameworks: UMALUSI (schooling), QCTO (trade and occupational) and the HEQF (higher education). Each of these structures have established a sub-framework for qualifications and mechanisms to generate and quality assure these qualifications.

The above-mentioned legislation focused on understanding demand and creating mechanisms to steer supply. However, it did not focus on ways to build the capacity of providers though it proposed learnerships as a way to enable individuals to acquire entry level and intermediate level qualifications and produce skills for a “*more modern economy*”¹¹². These learnerships were seen as an alternative to apprenticeships, where numbers were declining, and perhaps reflected the declining power of traditional craft unions (which were predominantly white) and the rising power of black industrial unions whose initial priority was not the training of skilled artisans as their power base was among semi-skilled workers.

2.2 Key institutions

At a **national level** the key institutions set up by the legislation to drive skills development included: the formation of the NSA, which was responsible for the National Skills Development Strategy (NSDS). The NSDS outlines the priorities for skills development for the country, which are in turn funded by the National Skills Fund (NSF)¹¹³. Further, as highlighted previously, the HRDCSA is in place to ensure coherence across the education and training system and is under the leadership and stewardship of the office of the Deputy President of South Africa and is managed by the Ministry of Higher Education and Training

¹¹¹ http://www.engineeringnews.co.za/article/seta-grant-regulations-declared-invalid-2015-08-24/rep_id:4136

¹¹² Grawitzky, R (2007): Artisan Training – whose responsibility is it? Factors contributing to current artisan shortages.

¹¹³ The National Skills Fund (NSF) is to provide funding for national skills development towards a capable workforce for an inclusive growth path.

with the secretariat located in the Department. It includes representatives from the three social partners: including ministers, chief executive officers as well as senior leadership within the unions. The HRDCSA is supported by a Technical Working Group, which is chaired by labour (COSATU) and includes senior officials from each of the social partners. The HRDCSA also has a number of Task Teams, which also include all the social partners as well as individuals with specific expertise. One of the Task Teams focuses on worker education: this is seen by unions as an important vehicle to give worker education a strategic platform.

At a **sector level**, the SETAs were established across the different sectors of the economy. When the SETAs were established there were 25 and over time they have been consolidated and there are currently 21 SETAs. The SETAs replaced the existing Industry Training Boards¹¹⁴ (ITB's) - where they were in place - and where not, new training structures were established. SETAs have boards, which includes labour, employers and where relevant, government. The organisation of the SETAs took into account the needs of stakeholders and the interests of employers and labour: specifically labour advocated to ensure that the SETAs took into account the way in which the unions were organised at the time so as to enable labour to effectively participate in these structures. SETAs were entrusted to: develop and implement Sector Skills Plans (SSP) that outline demand within the framework of the NSDS; approve workplace skills plans and training reports; establish learning programmes (and related materials), register agreements and disburse grants to support provision (to employers and providers). They are also expected to identify workplaces to place learners for experiential training, engage with labour centres and improve information about placement opportunities. They were initially responsible for quality assurance and each SETA had responsibility for an ETQA – this has since changed with the formation of the QCTO and the SETAs are now responsible for liaising with QCTO about quality assurance issues. The SETAs also engage with the NSA about the NSDS, which includes the requirement that they monitor and report on skills development within their sector¹¹⁵.

As indicated previously, the key structure responsible for quality assurance and the development of qualifications is SAQA, which was initially supported by Education and Training Quality Assurance (ETQAs) bodies and National Standard-setting Bodies (NSBs): this structure has since been changed and whilst SAQA continues to exist as the apex structure, it is now (as highlighted previously) supported by three quality councils: with the QCTO having responsibility for the quality assurance of occupational and trade qualifications and therefore, overseeing the structures that are responsible for the development of qualifications for these occupations. The QCTO has a board, which includes representation from labour as well as a range of other parties and the structures that are responsible for scoping and generating the qualifications might include labour though this is not always the case.

Finally, at an **enterprise level** the workplace education and training committee, which must be constituted by employer and employee representatives. The Skills Development Facilitator (SDF) remains a critical member of the Training Committee at all times. The education and training committees have been established, in terms of regulations to the SDA, which indicates that companies with more than fifty employees need to establish a training committee. Where an employer has a recognition agreement with a trade union/s, there must be representation by the trade union/s in the Training Committee, evidence of trade union/s consultation with regards to skills development matters, and joint sign-off of the Annual Training Report (ATR),

¹¹⁴ The ITB's had representation from labour and employers.

¹¹⁵ Carmel Marock (2010) 'Thinking 'out the box' by thinking 'in the box': Considering skills development: Challenges and recommendations'. Development Bank of South Africa

Workplace Skills Plans (WSP) and PIVOTAL Training Plan (PTP) before submission to the SETA. These plans enable the company to both receive, from the SETA, their mandatory grant and make an application for funds in terms of the Discretionary Grant. In 2008 an amendment to the Act was passed, which requires that unions agree to skills plans before they are submitted to SETA's.

It is interesting to note that a key element of the LRA, was the proposal for the establishment of workplace forums where management and labour could engage in discussions around workplace related issues such as changes in technology, education and training and the like. This provision was not however, taken up by labour as it was viewed as an attempt to circumvent or undermine the unions. If such forums had existed – possibly together with, or instead of, the education and training committees - they could have ensured –robust discussions around issues such as skills, career progression within the context of broader workplace changes. In reality, as highlighted previously in this case study, the participation of labour in these education and training committees is not as strategic as should be the case, with the result that labour does not significantly influence the agenda for education and training in the workplace. This is confirmed by an interviewee from NUMSA, who commented that at a company level, the situation has worsened as employers now know how to “tick all the boxes” (meaning that they understand how to comply with the formal requirements of the skills planning system at enterprise level) and the unions are not effectively taking forward strategic issues about vocational education and training.

2.3 Recent national, sectoral and enterprise policy reforms

Over the years, skills development has undergone some refinement and changes. A key change, as alluded to previously, was the shift – **at a national level** - in responsibility for the administration of the skills development system from DoL to DHET in 2009. DHET also integrated higher education, which moved out of the Department of Education (which then became the Department of Basic Education). In creating this department for the first time the mechanisms for demand came together in one department with the institutions of supply. This move is intended to ensure greater levels of co-ordination across SETAs and public TVET colleges and other skills development institutions.

Under the auspices of the newly formed Department, NSDS III (2011-2016) was put in place:¹¹⁶ this NSDS reflected the shift in DHET away from short training courses and skills programmes (unit based standard training) to Professional, Vocational, Technical and Academic Learning (PIVOTAL) programmes that were to be implemented against national qualifications. This shift, is consistent with the changes that have been instituted in the Broad Based Black Economic Empowerment (BBBEE)¹¹⁷ which also focuses on training programmes and workplace experience that results in qualifications that are nationally recognised (as opposed to short programmes or workplace experience that is not assessed as

¹¹⁶ The first NSDS (2001-2005) sought to foster skills development in the formal sector, small businesses and promoting skills development for employability and sustained livelihoods through social development initiatives. A second five-year strategy, aimed at addressing existing weaknesses and bottlenecks was published in March 2005-2010. The third NSDS 2011-2016 is more focused on research; FET colleges and pivotal programmes.

¹¹⁷ BBBEE codes have been put in place by government to encourage companies to adopt practices that will ensure that previously disadvantaged individuals (black people, women, youth, people with disabilities) are empowered at the level of ownership, management and employee development. It also includes a focus on enabling unemployed young people to access employment and has incentives with respect to SMME development. Companies are required to report against initiatives that take forward the objectives of the code and are awarded a ranking in terms of the Code. These ratings are critical in terms of procurement and the possibility of penalties for non-compliance is also being considered.

part of a qualification). These occupational qualifications are to be developed – within the context of the QCTO structures - against the Organising Framework for Occupations (OFO), which is administered by the DHET. The stated purpose of ensuring that qualifications are developed against the OFO is to ensure that qualifications are no longer against narrow jobs and unit standards against specific tasks – as was the case previously where a plethora of similar job-related qualifications were developed for each industry - but are against occupations that cut across industries within the labour market.

In March 2011¹¹⁸ a ministerial task team was set up to explore SETA performance. The task team completed its work by March 2012 and released a report on recommendations about how best to strengthen SETA performance. Its work focused on the different functions of the SETAs and indicated the successes and challenges that had been achieved. It also considered the management and governance arrangements of the SETAs and the extent to which these have supported the effective functioning of the SETAs. The report highlights a number of critical governance challenges related to the SETAs. These include a failure on the part of SETA Boards (both employers and labour) to separate governance and operational roles and responsibilities. Further, the report notes that the “continued existence of multiple - and at times duplicative and contradictory - accountability and oversight mechanisms remains a challenge”. In November 2013, the Minister released the White Paper on Post-school Education and Training: this was published in January 2014. This set out the vision for an integrated system and emphasised the need to improve the efficacy of the system.

In November 2015, the Ministry released a proposal for the new NSDS (NSDS IV) and SETA landscape within the context of an integrated and differentiated post school education and training system (NSLP- 2015). The Government Gazette proposed changes to the configuration of SETAs, their structure and governance arrangements. Of import is that the Gazette proposes that SETAs (and their boards) will be dissolved and instead will be located, as specialised service delivery units, within DHET. Further the SETAs will be renamed Sector Education and Training Advisory Boards (SETABs) and will become permanent structures (as opposed to the current 5-year SETA terms), to improve their stability and ensure long-term sustainability. The Gazette explains that the board composition be constituted in a manner that is similar to that of the current constituency based structures and that the industrial classification and demarcation of the current SETAs remain, although amalgamations and industrial classification alignment may be required. It is unclear though whether these boards will have the same autonomy as the existing boards and there is a debate about whether these individuals will be representative of constituencies or will be drawn from different constituencies and appointed by the Minister as individuals with expertise (rather than as representatives). The role of these individuals are particularly critical given the proposal that the bulk of the funding will be managed by the DHET and that SETAs can apply for this money against agreed upon – by the boards and DHET – priorities¹¹⁹.

¹¹⁸ Ministerial Task Team on SETA Performance, Report for the Minister of Higher Education and Training, Hon B Nzimande, 23rd May, 2012.

¹¹⁹ The proposals suggest the following with respect to the allocation of funds: 10% - for administration fees; 20% - Seta mandatory grants to employers (SETAB WSP grant); 20% of the remaining 49, 5% (all of which used to go directly to the SETA): this represents 9.9% of the total levy/grant and will be used for discretionary grants referred to as SETAB sector specific grants; The remaining 80% (of the 49, 5%) is for the NSF to utilize for pivotal programmes; 0,5% to the QCTO; and, 20% of the levy/grant will continue to go to the NSF for national priorities

These changes have far reaching implications for the involvement of social partners in the skills development system. An interviewee from COSATU states that it's less about where the money is located and more about the capacity of labour to influence the way in which skills monies are spent and the effectiveness of the institutions to ensure that the monies are spent as intended observing that it is uncertain whether these changes will increase access to training for workers (including but not limited to ABET) or whether the shift towards the development of qualifications against occupations that cut across the economy¹²⁰ and the related emphasis on programmes against these qualifications will allow workers a greater level of mobility or chance of progressing within the labour market. A NUMSA discussion document¹²¹ states that, "the changes presented by the DHET for the changing Seta landscape and the NSDS beyond 2016, falls far short. Its proposal for tinkering with the system and creating greater centrality will not address the challenges currently confronted in effecting fundamental skills development transformation". The union further indicates that, "While the proposals make constant references to hearing and engaging employers and to some extent institutions, they fail to mention labour as a central stakeholder throughout".

SECTION THREE: Description of engagement at national/sector/enterprise level

3.1 Key issues being addressed

In 1991 COSATU resolved to struggle to ensure that **nationally** all workers could get access to education and training. A COSATU booklet,¹²² which outlined its policies stated that there was a need to address challenges related to unemployment. Trade unions were particularly concerned about the legacy of the racialised labour market and its discriminatory attitudes towards proper training and rewards for black workers. As observed by NUMSA, "at its core has been our emphasis on redressing past imbalances created through apartheid education". These imperatives were reflected in the Green Paper on Skills Development, which was published in 1996, which highlighted South Africa's low ranking in human resource development and labour market indices and the need to transform an education system that was fragmented and failed to address a skills mismatch in the economy.

COSATU also argued that training should be organised "within **a sector**, rather than within an industry " (as per the old Industry Training Boards) to ensure that workers "who are not formally employed in an industry - but work (eg small business) or want to work within a sector (eg the unemployed) – can gain access to the development opportunities within a sector. The Green Paper confirmed the importance of this shift towards conceptualising skills development within sectors, and emphasised the concern that there were generally low levels of training by employers and stated that in the potential growth **sectors**, employers invested the least in training.

At an **enterprise level**, COSATU sought to address "the barriers that blocked workers from gaining formal qualifications (which) continually frustrated workers. Workers argued that the training that they received at the workplace did not lead to national certificates. This meant that it was difficult to move to another organisation (even in the same industry) as the training that

¹²⁰ As discussed previously these represent a departure from the previous qualifications that have been criticised for having been developed against narrow job descriptions defined by companies and/or industries

¹²¹ NUMSA Submission to the Department of Higher Education and Training: On the SETA landscape, NSDS & SETAs beyond 2016, within the context of an integrated, differentiated post school education and training system, 29 February, 2016.

¹²² Putting the Qualifications and Skills Development Acts into Practice, COSATU 2000 (supported by GTZ)

workers received was only recognised by that organisation”¹²³. Employers were also concerned about the challenges that they were facing in securing the skills they required and about the extent to which companies relied on poaching from the few companies committed to training rather than training their own employees. This was considered particularly important given the reduced levels of training being undertaken by State Owned Enterprises and the declining number of artisans.¹²⁴

The White Paper on Post Schooling (2013) observed that despite the numerous interventions that have been implemented, many of the issues that the skills development system were intended to address remain and there continues to be a number of issues with respect to education and training in SA. These include: the lack of coordination in the system (across departments and agencies within national government, between national and sector institutions, between sectors and enterprises and between providers and workplaces); the challenges with progression, in part related to the proliferation of qualifications within the NQF; the costly nature of quality assurance arrangements; and, the concomitant lack of attention to developing the capacity of training providers.

Many of these challenges are understood to relate to both how the system was conceptualised and the manner in which it has been implemented. These issues are discussed in more depth in subsequent sections of this case study.

3.2 Objectives and strategy

At a **national level** the union Federations initially developed their strategies through discussions with their affiliates. In addition, there were discussions across the Federations to align strategies and ensure that, where possible, they were able to take joint positions to national forums such as NEDLAC and the NSA. The objectives and strategies that were developed by COSATU are outlined as an example of the way in which unions engaged in skills development. The essence of this was well described as follows¹²⁵:

- Ensure that skills development must challenge existing power relations in the workplace and more widely and take centre stage in the transformation agenda, focusing on economic and societal needs.
- Ensure that workers recognise the importance of skills development in transforming their lives through taking the issue of skills development “to the street”.
- To “challenge the current neo-liberal paradigm of our human resource development strategy (HRDS), to assert a worker perspective”.
- To “overcome the divide between mental and manual labour and address the imbalances of the past through Early Childhood Development (ECD), RPL , ABET , career pathing and related strategies” and,
- Find ways of addressing the costs of training time (linked to Paid Education and Training Leave).

These objectives and strategy for the skills development system – in their initial form - found expression in national policy documents including the 1996 Green Paper on Skills Development as well as the subsequent SDA. These documents stated that in order to address the issues (highlighted in the previous section) the focus of the skill system should be on: the

¹²³ Putting the Qualifications and Skills Development Acts into Practice, COSATU 2000 (supported by GTZ)

¹²⁴ Artisans are defined as “a person that has been certified as competent to perform a listed trade (Skills Development Act 97 of 1998

¹²⁵ COSATU, Education and Skills Conference, 3-5 July 2012

provision of quality education and training and the recognition of skills of black workers by employers; addressing the Apartheid wage gap, and improving the mobility of workers and ultimately their quality of life. It also set out to improve productivity and competitiveness of firms, promote self-employment, and improve delivery of government services. Further, the intention was to increase investment in education and improve the return on that investment. This was to be achieved through turning workplaces into learning spaces, providing opportunities for workers to acquire new skills and for new job entrants. To support this, the Act established a number of institutions and a funding model to support these imperative.

Since then, the objectives and related strategies have been refined: most recently the current NSDS (NSDS III), which illustrates the growing emphasis on the SETAs and the NSF meeting the needs of unemployed people and first time entrants to the labour market and on the capacity development of providers through lecturer and trainer development. This did not negate the need for funding of priority programmes for employees in each sector. Of interest is that the NSDS III also highlighted the need for, “Incentives for training and skills development in the cooperatives, NGO and trade union sectors, including community and worker education initiatives, contributing to effective training of youth and adults and an increased focus on skills for rural development”. This reflected the growing pressure for worker education from the trade union movement and the need to build the capacity of these constituents to effectively engage with the system.

This was given further expression in the National Skills Accord on 13 July 2011, which committed all social partners (including government, business and labour) to combine “efforts in order to strengthen skills development as a crucial pillar of the New Growth path (NGP).” The accord committed the parties, amongst others, to train artisans and other scarce skills, facilitate the placement of FET graduates into workplace learning, build the quality of skills planning and focus on SETA performance. This was further bolstered by the adoption of the National Youth Accord focusing on addressing youth unemployment and outlined the role of social partners in this regard.

In 2013, these objectives and strategy were further refined and the White Paper on Post-school Education and Training¹²⁶ located these objectives and strategies within a broader vision. The White Paper particularly focused on the need for greater levels of coordination in the post-school education and training system, which has increased access and improved quality and contributes to “a post-school education and training system that is responsive to the needs of individual citizens and of employers in both public and private sectors, as well as broader societal and developmental objectives”.

These strategic objectives were given further expression at a **sector level** where the unions engaged in the different SETAs, through representation on the board and making submissions about programmes that should be prioritised. Specifically labour was able to contribute to the development of SSPs (Sector Skills Plans) outlined the priorities for the sector and the programmes that will be implemented to address these priorities. In the initial phases, the unions focused on ensuring that health and safety and ABET was central to the sector skills strategy. In certain sectors, such as mining and construction, unions such as the National Union of Mineworkers (NUM), a COSATU affiliate and the Building, *Construction* and Allied Workers *Union* (BCAWU) an affiliate of the National Council of Trade *Unions* (NACTU)

¹²⁶ White Paper on Post-School Education and Training, Building an Expanded, Effective and Integrated post-school system, approved by Cabinet on 20 November 2013.

placed considerable effort on RPL and for ensuring that workers attained qualifications central to the industry – such as the blasting certificate or the bricklayer and other construction related trades - to enable workers to attain a pay increase. In some cases this was agreed to by both employers and workers, and in other cases such as construction, there was considerable resistance from employers so that workers had to take leave in order to undertake the RPL process¹²⁷.

The unions also sought to encourage cross-sector co-operation. The strategy, agreed to at NEDLAC,¹²⁸ was to ensure that, “SETAs that are connected to the same supply-chain will be encouraged to work together and where feasible to merge, to ensure that funds are utilised in the most labour absorbing parts of a supply chain and to reduce administrative costs”.

At an **enterprise level**, COSATU indicated that its involvement in skills development, “aimed to ensure that workers were able to ‘break through glass ceilings’ and progress up a learning and career track or pathway”. This was to be achieved through raising awareness amongst workers about the importance of skills development and by advocating for the alignment between the, “many provisions of the SDA , SDLA and even EEA (Employment Equity Act)” and the “bargaining processes and collective agreements”. Labour suggests that in the absence of such an arrangement many aspects of the skills legislation, important to workers, “will remain simply on paper. COSATU therefore committed itself to ensuring that all unions, regardless of bargaining arrangements, should conclude agreements that have provisions beyond the minimum provisions of these Acts such that these are binding on employers”.

3.3 Management and implementation of the skills development system

As highlighted previously, the social partners were actively involved in the initial negotiations of the framework, the setting of objectives and then implementation of the skills system. Once enacted the implementation of the system took place at different levels: national, sectoral and enterprise.

As discussed, there are a number of **national** forums in which skills is discussed and/or managed by the social partners in a tripartite arrangement, including: the NSA, HRDCSA and NEDLAC. Research reviewing these structures suggests an uneven level of participation by the social partners: however, what is instructive is the learning offered by JIPSA (the precursor to the HRDCSA).” “JIPSA was a focused coordinative mechanism, with a set of very specific identified priorities. It had senior leadership: it was located in the presidency, and chaired by the then Deputy President, and its highest structure included representatives from government, business, organized labour, higher education, professional bodies and associations, and specialist agencies”” JIPSA was generally seen as successful at achieving a few clear ‘short term, decisive interventions.’¹²⁹ It was seen as a demonstration that putting senior leadership behind a project, having a limited range of clear and focused priorities, and focusing on bringing different departments and stakeholders” together where there were specific problems that affected them, enabled clear progress”¹³⁰.

¹²⁷ Drawn from documents of the Construction Industry Development Board: reviewing human resources in the construction industry.

¹²⁸ NEDLAC Labour Framework Response Document to the International Economic Crisis, February 2009

¹²⁹ Kraak, A. (2010). A Critique of South Africa’s National Human Resource Development Strategies. *Southern African Review of Education*, 16(1), 59–.

¹³⁰ The Business Trust. (2010, March 31). Completion Report on the Joint Initiative for Priority Skills Acquisition (JIPSA)

However, neither the HRDCSA nor the NSA has managed to achieve this level of focus. An analysis¹³¹ of the HRDCSA comments that, “While the Council is supposed to be a high level coordinating structure, there are no real mechanisms to create integration or to hold the different parts of that system to account. Further, current interventions in the economy to create a *requirement* for skills, weak as they are, are generally not the focus of discussion by the Council, neither does it focus on industrial relations, which have a large impact on skill formation systems. This leaves the Council as not much more than a very high-level ‘talk shop’”. As a result, the paper observes that, “The Council also does not seem to have made progress in the direction of a consensus-building mechanism, in the direction of the continental European collective skill formation systems. An indication of the lack of consensus prevailing is that on the day of a recent Council meeting, the 8th August 2015, a court was handing down a ruling on a case brought by Business South Africa against the Minister of Higher Education and Training, on a specific aspect of the levy which is supposed to support skills development” (as highlighted above).

These challenges, with ensuring effective representation and consensus building, are mirrored in the NSA: as indicated by the MTT SETA Performance Report, “the NSA has not been able to fulfil all the roles adequately, partly because it has not had any institutional capacity, and partly because of its stakeholder composition”. An interviewee from COSATU suggests that one of the challenges is that there is a strong push that individuals on the board should focus on their fiduciary responsibility and focus on their responsibilities as a board member rather than as a representative of a constituency. This weakens the extent to which stakeholder positions can be effectively articulated and argued in these processes. Further, the skills and youth accords are also managed by the social partners, though there are few mechanisms for ensuring the accountability of parties to these agreements.

At a **sectoral** level the SETAs support implementation through the design of learning programmes and funding programmes against the priorities outlined in the SSP. In an interview with NUMSA, the respondent indicated that in line with the principles underpinning the tripartite nature of the SETA structures there is a need for employers and labour cooperation to ensure the implementation of training programmes across industry. This can ensure that, training programmes in the sub sectors (of MERSETA) are driven on the basis of cooperation and a shared knowledge of the industry and its dynamics. However the respondent cautioned that this co-operative approach needs to be balanced with the importance of stakeholders outlining the specific needs of their constituency.

There have been some examples of joint implementation of activities: these include the examples cited previously related to the mining and construction SETAs and the focus on enabling workers to attain the blasting certificate and the construction trade qualifications respectively. Other examples of activities that the unions were able to spearhead at this level includes the case of the Bank Seta, which is a more “professional” SETA. The unions, primarily SASBO, are very active and take forward both worker and broader development issues. In this example, the union ensured that the SETA became involved in a research initiative around co-operatives/village banks (in 2003) which led to the drafting and adoption of a training programme to capacitate co-operative managers, which is still in place. More recently the union placed pressure on the board to address the training of both employed youth in the sector as well as unemployed youth and they as a result they are entering into a partnership

¹³¹ Allais, Marock, Ngewangu, Planning Plumbing or Posturing: Explaining the weakness of human resource development structures and policies in South Africa

with ABSA around a “ready to work” programme which will integrate both unemployed youth plus the up-skilling of youth in the system already. In another example, NEHAWU (a public sector affiliate of COSATU) actively engaged at the level of the SETA (FASSET – another ‘professional’ SETA) and through this ensured that worker demands such as around Adult Basic Education and Training (ABET) was prioritised.

These examples point to the kinds of activities that have been implemented through the strong participation of stakeholders at a sectoral level. However, there has been uneven participation of unions, and other social partners, in the SETAs: and whilst some have maintained their presence, others are far less active or when active focus on issues that are not consistently strategic for their members. Many unions acknowledge that these challenges are real, though they indicate that they have begun efforts to renew their participation levels.

For example in MERSETA it was found that at a board level, both labour and employers hold deputy chairperson positions, with the chairperson being nominated by the Minister of Higher Education and Training. The SETA has chambers of working committees which represent industry sub sectors such as Plastics, Tyre manufacturers, Metal, Engineering, Car manufacturers, car component manufactures etc. Chamber chairpersons rotate between business and labour, with each holding office for a period of a year. At Board and Chamber levels, there are four unions that participate actively: the same unions also participate in the SETA Regional Committees, where they are joined by a few smaller unions. Interviewees suggest that although the number of unions that participate in the MERSETA has declined over time, those who remain in the SETA are well organised across the various sub sectors in which the SETA is active and at company level. A NUMSA delegate, who is active in the Board and Chambers, stated that to support this tie-in (national/enterprise) they have a training programme for shop stewards that focuses on their right to training in workplaces.

An interviewee from SASBO confirms this learning (about the importance of aligning union participation at an enterprise level with sector level engagement) and observes that the unions’ ability to engage in education and training issues derives from the reality that they are active at both a SETA and an enterprise level. The effectiveness of this approach was confirmed in the Bank SETA example (provided previously). SASBO comments though, that whilst their own participation in SETA issues has been maintained, they believe that union participation in SETA’s has generally become neglected and the participation in education and training “has not been as great as when SETA’s started. I think unions have not been taking advantage of the space.”

These findings also resonate with the views of an interviewee from COSATU who states that the ability of the unions to engage at a SETA level is dependent on their strength at an enterprise level: the interviewee suggests that for many unions this is creating a problem as engagement at a workplace level – particularly around education and training – is no longer as it should be. This is evidenced by the example of NEHAWU: as indicated previously the union played an important role in FASSET and demanded that Adult Basic Education and Training (ABET) be prioritised, however in more recent years, this union engagement has declined and weakened with the effect that the board is not really focusing on worker-related demands and instead are pursuing a broader development agenda aimed at bringing unemployed youth into the sector and up-skilling black professionals.

The example of SAMWU (the union for local government) though points to the renewed focus within the unions on education and training issues and the possibilities that this holds for

placing worker issues back on the agenda. The union recognises the challenge relating to their participation in the SETAs – and confirm that other unions are less involved than in the early phases of the system. However, the union states that there are efforts to reverse this trend indicating that they are now seeking to capacitate themselves to engage more proactively in both SETA and shop floor structures. As a result of this renewed commitment, the union is now asserting the RPL agenda at the SETA and as a result, they have entered into a partnership to roll out an RPL exercise for workers. This is seen as important as RPL is not an area in which there has been much achievement though it was a key demand of the unions. In addition, SAWMU is trying to engage their SETA to obtain an analysis of the workplace skills plans submitted so as to get an indication of the workplace training requirements so as to begin to get a handle on the issues emerging around education and training.

As indicated previously, **at an enterprise level**, the SDA, provides for the establishment of workplace skills committees composed of business and labour to draft skills plans for enterprises. These workplace skills plans, and the reports against these plans, are submitted to SETA's: on the basis of these submissions the employers receive their mandatory grants. The experiences of unions in these committees has been varied, whilst many indicate that employers have not negotiated in good faith, others state that this has led to meaningful implementation of skills initiatives. Certainly in the 1990's there were a number of initiatives implemented. For example, an RPL initiative was jointly designed and implemented in a coal mining company. These assessed 7 591 workers in terms of their communication and mathematics. The assessment took place against the national communication and mathematics standards and between 45-50% of workers were awarded the communication and mathematics credits respectively. The NUM was part of the process as the union wanted verification of workers workplace knowledge, and as part of the union's strategy to negotiate for a company wide ABET agreement. Management were also committed to the process as they wished to explore ways to streamline ABET provision and manage large scale assessment processes. Both parties reflected on the process through the ABET committee that had been established in the company and the learning was documented. In another example, NUMSA engaged in wage negotiations which included a demand for career paths. A five-level grading structure was implemented and a RPL process was implemented. From NUMSA's perspective this was to enable workers to progress through the grading system by "increasing, their skills and knowledge." Management agreed to the process suggesting that they would find it useful to have a skills audit of the workforce. There were though a number of challenges with the process related to the nature of the standards. It emerged that these were imported and were in accordance with workplaces that were dissimilar from the South African context, which meant that they did not assess the skills and knowledge that workers had acquired in the workplace. Further, it was suggested that the feedback provided to workers did not enable them to identify and address any gaps, but instead workers were simply given a number which had little meaning to them. In the event less than 10% of assessed workers were re-graded upwards (no workers were downgraded). Despite these challenges an employer in one of the auto companies that implemented the project observed that, "When the union was involved we reached target dates and trust was there." Workers confirmed this view and stated that the initiative was management driven with the unions agreement¹³².

Since then, the amendment to the SDA (2008), which requires that unions agree to skills plans before they are submitted to SETA's has strengthened the negotiating strength of labour in the workplace. These regulations have increased the ability of unions to bargain on training at a

¹³² Learning and work, Recognition of Prior Learning, COSATU 2000

enterprise level: however this is within the context of an acknowledgment by unions (as highlighted previously) that their capacity to negotiate education and training issues at an enterprise level has significantly decreased and efforts have only recently begun to revive the involvement of shop stewards in education and training issues. Thus at times the signing off of these plans has been used as a bargaining chip to resolve other non-training disputes, rather than as a way to ensure that workers access meaningful education and training.

For example, despite the efforts made by NUMSA to train union representatives on their rights and responsibilities in relation to training (again as highlighted above) and to augment this with capacity from the national training team who intervenes to resolve local disputes, there are still challenges in ensuring that the negotiations related to the WSP and ATR focus on education and training issues. The union explained (and highlighted by other unions) that this is in part because there is a three year cycle of shop stewards and therefore the election of new shop stewards results in a loss of experience. In addition, the existing economic pressures make it more difficult to ensure the involvement of shop stewards in education and training issues. Thus in some companies this amendment has resulted in shop stewards withholding their approval of Skills Plans: this is illustrated in MERSETA's 2014/2015 annual report states that there was a 12% decline in grants to employers who submit their plans, to "companies not obtaining labour sign-off on their WSP submissions as per the requirement of the new Grants Regulations."¹³³

Other unions confirm the view outlined by NUMSA and state that in order to take advantage of this amendment and in line with their strategy to re-build the capacity of the union to engage with education and training issues (discussed above), they are also focusing on training to enable shop stewards to engage about education and training in the workplace. SAMWU explains that as part of the work that they are doing at the level of the SETA (discussed above) they have entered into a partnership with the local government SETA who will support the training of their shop stewards so that they can develop the capacity to engage more effectively within company level training committees. SASBO also indicates that they are strengthening the capacity of shop stewards to play an active role on company education and development committees/forums.

Cutting across all of the above is the financing of skills development: as indicated previously in this report the levy/grant system has undergone a number of changes. For much of the period under discussion 20% of the levy/grant has been allocated to NSF to be used for national priorities. This is meant to be guided by the NSDS which is developed by social partners in the NSA. However, increasingly the allocations are in areas where there are shortfalls in the budget – such as bursaries for higher education or funding of the TVET colleges. The extent to which social partners plays a role in these NSA decisions appears to be limited. At a sector level, through the SETAs, there is a focus on determining what the priorities are and allocating the funds against this: the examples above show that unions are trying to resume this role. However the changes to the levy, as outlined previously, may again change the extent to which unions can influence decisions at a sectoral level. Further, the reduced amount available for the mandatory grant may make employers even less willing to engage in meaningful negotiations at a company level to reach agreement on the workplace skills plan unless compliance with the Mandatory Grant is a condition for accessing the Discretionary Grants (in which case a larger amount of monies is at stake).

¹³³ Merseta Annual Report 2013/2014 pp 70

3.4 Evidence of outputs, outcomes and impact

At analysis of what has been achieved at a national, sectoral and enterprise level from a labour perspective is provided in this section.

Labour highlights that at a **national level**, legislation has been enacted which captures the vision of the labour movement for skills development. However, there are concerns that this has been unevenly implemented which has lessened the intended impact of the skills development system. As alluded to previously in this case study, as early as 2009, the COSATU General Secretary (at the time) Zwelinzima Vavi observed that the labour movement has not succeeded in the transformation of the skills training system. Specifically he highlighted that: “the systems for recognising prior learning (RPL) are still not generally in place; most workers still do not have access to training - according to the Labour Force Survey, white men are still more likely to get training than black workers, at the same time, many employers refuse workers paid time off for training so they end up taking courses at weekends or at night; the planning process in most companies remains firmly in the hands of management - Cosatu has not sufficiently empowered workers and shop stewards to develop demands and fight for them; the SETAs are not blameless, too often, their extensive planning requirements, even if well intentioned, have stalled progress; Cosatu has not linked skills development sufficiently to employment equity while it has yet to improve its representation on SETA boards; and, the failure to ensure that ordinary workers have a voice in defining skills needs and programmes.”¹³⁴

NUMSA (2016) comments that seven years later little has changed and observes that through the involvement of workers a range of new legislation was formulated in the late 1990s which provided significant opportunities to shape skills development policy, strategy at national, sectoral and workplace level. NUMSA states though that, “over the years, there have been signs that the aims of various legislation enacted to give effect to skills development have not been realised. Few disagree that the current skills development system has failed to adequately address the ‘skills crisis’ and more prevalently the needs of our country, particular in so far as we need to address the challenges of poverty, inequality and unemployment”.

DHET reports though, that while there are challenges, there are a number of areas in which skills development implementation has made progress: they point to the rapid expansion of enrolments in colleges and indicate that the opening up of opportunities to black and woman students is unprecedented in the country’s history. In addition, the skills levy system has been implemented and has provided resources to enhance skills development¹³⁵.

However, a labour interviewee commented that the effective implementation of the system has been hampered by too much bureaucracy and an emphasis on the market both determining what is provided and a dominance of private sector providers, which in turn “undercut access for the poorest of the poor, and reduce quality”. Labour further indicates that the spending on training remains low (1% levy payment) stating that this has not increased as initially anticipated by the unions – whose stated policy was that the 1% levy should increase to 7% over time.

¹³⁴ Cosatu held a National Education and Skills Training Conference, June 2009

¹³⁵ Kraak, A. (2011). The post-school system and its contribution to Human Resources Development and Vision 2025. Research Report commissioned by the National Planning Commission). Pretoria: National Planning Commission.

The interviewee also observed that many of learnerships that workers accessed were at low levels of the NQF, and that this challenge, coupled with the absence of job opportunities, does not allow for access to the workplace (for those who were unemployed)¹³⁶ or progression (for those in employment). The interviewee commented that whilst more recently there has been a shift to higher technical skills this has not been done in a manner that ensures a progression pathway for workers: thus the emphasis on Adult Basic Education and Training and qualification pathways has been forgotten and the manner in which the focus on higher level skills is implemented simply reinforces the exclusion of workers. A labour interviewee also states that the shift in focus on training for the unemployed at the expense of those workers who are currently employed is of concern and a more appropriate balance needs to be established.

NUMSA¹³⁷ reinforces these views about the challenges with respect to realising the intended impact of the system and argues that the proposed changes to the skills landscape will not address the challenges that have arisen in the implementation of the system. They argue that “the key problem with the proposals for changes to the SETA landscape is the absence of a clear strategy and a strategic intent for worker development to bring about economic transformation. It is imperative that the DHET engages workers and unions to develop a strategy for economic transformation and the development of workers. Only thereafter can a new skills development and training structure be developed for the country”. They continue to say that, “We are asking the wrong fundamental question! We should not be asking how we build an education and training system for growth and productivity, but instead how we build a system that empowers poor communities; women and youth in particular; and that leads to a just and equitable society”. Their assessment of the weaknesses of the underpinning logic of the system is that whilst, “a key blockage to growth and development in our country is the problem of unemployment” and therefore “the key imperative for the country is to create jobs” yet in reality, “the message to workers is about a skills crisis and not a jobs crisis”.

At a **sector** level, there have been some achievements. Labour indicates that they have played a role in realising these achievements. In the MERSETA example cited previously, NUMSA indicated that they have revived their participation in the structure and are playing a meaningful role in the board and the chambers. There have been important achievements recorded by this SETA: Research on an Accelerated Artisan Training Programme (AATP) published in 2012, found that 80% of those trained found employment and that 53% had found permanent jobs. In the Auto sector, the Automobile manufacturers association in April 2016, announced a R7.3 Billion investment in the Auto sector. This includes R2.5 Billion investment by Ford, which will result in over 1200 jobs created. Merseta positioned itself to supply skills to meet the labour needs of the Auto sector and by 2014, 6 000 learners and 4 300 apprentices were registered by the Automotive Sector. In addition, it provides support to FET institutions and facilitates meetings with Auto employers on the training needs of the sector.

¹³⁶ Note that there are conflicting studies about this and in the absence of tracking systems it is difficult to make any conclusive comment in this regard. It is though noted that research by the HSRC (Kraak (2011, pp. 98–99) pointed to the *HSRC 2008 survey results and indicated that they show that completion rates were 65% and that 57% of completed learners found employment (HSRC 2008a). Kraak concludes that “in a difficult youth labour market, these are extraordinarily good outcomes and they should be embraced and built upon”*

¹³⁷ NUMSA Submission to the Department of Higher Education and Training: On the SETA landscape, NSDS & SETAs beyond 2016, within the context of an integrated, differentiated post school education and training system, 29 February, 2016.

Documents developed by the unions suggest that there are examples of effective training for workers having been provided at an **enterprise** level through efforts made at all levels of the system. However, an assessment undertaken by the unions of these achievements suggest that there have been real challenges in this regard. COSATU writes that, “workers at the workplace have no real control over WSPs, ATRS and their formulation processes. At workplace level there are serious challenges around the interpretation of skills legislation by the employers. Employers behave as if they have the sole responsibility for skills development, and involving the unions is very often an afterthought. There are many cases where plans are not jointly approved, and where plans are not implemented even when the payment of grants has been made. Skills development could be seen as a win-win situation but sadly this is not embraced by many employers, who prefer to marginalise workers, excluding them from both strategic and the practical issues of establishing appropriate structures, etc. The animosity that characterises many workplace relations are also mirrored in arrangements on skills development. There is an absence of trust, transparency, and a willingness to share decision making and ultimately power”¹³⁸.

NUMSA confirms this view and in its document states that, “based on current experiences in our own industries, these practices are still prevalent. Employers continue to drive the skills training at plant level with less or no regard for the needs of employees through their trade union representatives, with some companies still deciding alone on WSP processes, without the involvement of worker representatives. Company training policies continue to fail workers, where training programmes are not linked with the economic growth needs of the company, training is only a target for number gains, once workers are finished with their training programme they go back to the production lines as operators and unemployed learners go back to communities to join the long queue of the unemployed. The system continues to train for unemployment and perpetuates no upward mobility in workplaces”.

Finally, it is noted that the ability of labour, and other social partners, to make an assessment of the effectiveness of the skills system at national, sectoral and enterprise level is hampered by the lack of data about who has been trained, completion rates and even more so, the impact of this training for both unemployed individuals and employees. As indicated by DHET, while NSDS III, has a set of goals, outcomes and outputs, which are meant to lay the basis for the monitoring and evaluation of the system, there have not been regular progress reports. Progress report (2011 – 2013) makes reference to the progress including with respect to artisan training, numbers of employed and unemployed individuals who completed skills programmes and learnerships as well as monies spent on training. The progress report also notes the systems changes that have been introduced during this period and suggests that these will ultimately contribute to addressing the challenges experienced in the implementation of the skills system. Critically though the progress report notes the absence of an effective framework and process for the monitoring and evaluation of the system has been a feature of the system since the onset¹³⁹ and was an issue raised by stakeholders in a review undertaken by NEDLAC as early as 2007.¹⁴⁰ For example, MERSETA comments that they do not have long-term data on learners who have been supported by them indicating that they are therefore in the process of implementing a tracer programme that will be linked to databases supplied by the South African Revenue Services (SARS).

¹³⁸ COSATU, Education and Skills Conference, 3-5 July 2012, page 32

¹³⁹ Marock, Carmel, Developing a framework for understanding seta performance, monitoring and evaluating their role in skills planning, steering and enabling supply within their sector, Paper prepared for DHET Labour Market Intelligence project, 2012

¹⁴⁰ NEDLAC Review. (2007). SETA performance and functioning, final draft report

SECTION FOUR: Strengthens and weaknesses

This case study highlights the extent that the trade union movement has engaged with the development of the South African skills development system: it emphasises the key role played by the unions in the shaping of the system but has also pointed to the ways in which the trade union movements' engagement with the system has shifted over time: in part as a response to the reality that education and training has been seen as separate from the key issues facing unions such as wages and conditions of service, in part because of the unrealistic capacity requirements that the system places on stakeholders (in terms of the myriad of structures) and in part because of the challenges facing the labour movement more broadly (in terms of fragmentation of the unions coupled with the fact that the focus of many unions has not been on 'bread and butter' issues but very much on the politics both within the unions and more broadly). The case study has also reflected the concern that it is difficult to assess the extent to which the implementation of the skills development system has resulted in the intended impact given the challenges with respect to the monitoring and evaluation of the system. This lack of data also extends to the extent of trade union engagement with skills at a sector and enterprise level. Despite these data challenges, this section provides an overview of the perceptions of the unions about their engagement with the skills system and the extent to which this has had the intended impact on the system.

Trade unions interviewees and documents consistently highlight the extent to which they were able to influence the **national** policy and legislative framework for skills in South Africa. This includes the formation of stakeholder structures that would drive skills development, the design and implementation of qualifications across the economy, a focus on Adult Basic Education and the establishment of a skills levy grant system (albeit that this was set at 1% rather than the 4% for which the unions negotiated for and the 7% which the unions set as a gradual target).

These achievements reflected the level of unions capacity at the time: unions actively engaged in consultative processes across affiliates to understand the needs of members and their expectations of the skills system. Further, through their relationship with other unions internationally they were able to access learning globally and take this into account in the conceptualisation of the system. This meant that the unions influence in the negotiating processes as well as in the key national forums was very strong.

This strength was also reflected in the engagement of labour in other parts of the system: for example, the unions had regular sessions where they reflected on their experiences in SETAs and were able to collectively determine strategies to engage with the individual SETAs and take forward key imperatives facing workers. The unions were also able to negotiate time off for members to participate in the development of qualifications. These members were prepared for their role and were then able to actively engage with the process of defining the knowledge and skills that were required in different jobs.

However, labour suggests that these strengths have been undermined by the changing discourse reflecting a change in priorities. For example, as indicated previously, the focus has shifted from the language of empowerment to one that focuses on growth and productivity. There are also concerns about the definitions of scarce and critical skills and the apparent contradiction between the high number of occupations that need to be filled despite high levels of unemployment and low levels of economic growth. Linked to this, labour highlights the

continued lack of correlation between the skills produced and the demands of industries suggesting that in reality the challenge is not one of a lack of skills but a lack of jobs.

Labour interviewees offer a number of explanations for the shift in emphasis in the skills system away from the priorities set out by labour movement. With respect to **sectoral** engagement, NUMSA states that “the reflection of participation in some SETA boards indicates that graft and conflict of interest in the procurement process often derail any real progress”. A research paper developed by Resolve (2009) confirmed these challenges with respect to SETA governance and management. This paper suggests that the wide mandate of SETAs has, resulted in ineffective stakeholder participation and argues that the “*current SETA structure does not leverage stakeholder participation effectively and is too administratively complex and burdensome, requiring multiple oversight boards and administrations in a context of scarce skills. SETA stakeholders tend to spend most of their time dealing with administrative matters such as procurement, staffing, systems and customer complaints. The manner in which stakeholders are appointed to many Boards/ Executive Committees of SETAs does not promote effective governance, i.e. appointments are based on equal representation of stakeholders and education and training background*”. They expand this further, and state that, “*this seriously detracts from stakeholders playing a strategic role including: identifying priority sector skills and developing strategies to address these, deciding on the best allocation of levy revenues, ensuring the quality and relevance of qualifications and learning programmes, identifying delivery gaps and initiatives to close these, monitoring and evaluation, and stakeholder engagement. Therefore the system ends up with the worst of both worlds, poor corporate governance of SETA’s and poor stakeholder participation in identifying skills needs, validating delivery and quality, and monitoring the effectiveness of training deliver*”¹⁴¹.

Labour interviewees and reports also state that a key weakness of the system is that skills development and SETA stakeholder arrangements remain separate from Bargaining Councils and related forums. Interviewees argued strongly that, “we (unions) need to explore the possibilities for shifting the work of SETA’s closer to that of Bargaining Councils”.

They suggest that this challenge is particularly felt at an **enterprise level**, where - as discussed previously – there are challenges with regard to management control over WSPs and ATRs. There is a view that this is in part because of the challenges in the legislation which continues to give employers control over these processes (despite the Amendment) and a concern that many employers continue to use skills development to “bolster racist practices”. There is also a view that companies “go all out to re-coup the percentage (paid for the levy) back to their coffers and that there appears to be very limited attempt made to ensure that grants are re-invested back into training (for workers). There is also a concern that young people in learnerships, act “as a cheap alternative to full-time more established employees”.

NUMSA argues that these challenges suggest that there has been little process made to address the weaknesses identified in the 2009 COSATU study, which suggested that: “Skills development committees (SDCs) are not in existence in many workplaces, and where they are, they are not functioning properly (many workers don’t know about the existence of SDCs); In some cases management runs the SDC and appoints worker representatives to the SDC, many point to the fact that SDCs are appointed by management; The powers of worker representatives on skills committees are limited to being ‘only observers’ and they are given no opportunity to report back to union members; there is a lack of knowledge about whether WSPs are submitted,

¹⁴¹ Resolve. (2009). Skills Development: Review and Future Institutional Options, Prepared for BUSA

or whether employers pay the Skills Levy, and few shop stewards participate in compiling WSPs; Shop-stewards need not sign off WSP and often management develops and submits these plans in order to claim back the levy; Skills funds are used mainly for management or supervisor training and often not for the purpose that they were allocated in the first place; Racism persists in terms of access to training; Casual workers have no opportunities to develop recognized skills; There is no recognition of informally acquired skills or knowledge through RPL; Some organisations put age restrictions on who can go for training; and, Paid time off to undergo training remains a challenge”. NUMSA observes that, “based on current experiences in our own industries, these practices are still prevalent. Employers continue to drive the skills training at plant level with less or no regard for the needs of employees though their trade union representatives, with some companies still deciding alone on WSP processes, without the involvement of worker representatives”.

Many of these challenges, identified by labour are well documented in various research reports: this includes the concern that there continues to be very few educational opportunities available to adults and young people who have left school in the early stages, or failed to obtain a National Senior Certificate, or who have obtained a National Senior Certificate or National Certificate (Vocational) but do not meet admission and selection criteria for higher education. Research has also highlighted the reality that training for workers has not expanded as anticipated and that, many employees continue to be offered short courses or low-level qualifications that do enable progression. It is also noted that the policy environment has also caused confusion in the area of TVET for example, the uncertainty about the long-term status of apprenticeships, and their relationship to learnerships¹⁴².

Other reports have highlighted that one of the main problems of the post-school sector is its lack of diversity and the weaknesses of many of its institutions. Allais¹⁴³ observes that the notion that the development of qualifications through a stakeholder process will result in a clear statement of what is required for the workplace and that institutions will be able to deliver this has been shown to be ineffective. FASSET (2009) also notes that the quality assurance framework creates confusion about the relationship between qualifications and occupational registration and that the current framework makes it difficult for SETAs to respond to the needs of the workplace in a flexible manner¹⁴⁴.

These challenges are acknowledged in the White Paper on Post-Schooling which states that there have been considerable challenges in the implementation of the skills system and that the institutional landscape is still reminiscent of apartheid, with disadvantaged institutions, especially those in rural areas of the former Bantustans.... Poorer students have to fit in with systems that were designed for students from relatively privileged backgrounds. Opportunities in rural areas are far more limited than those in urban areas and informal settlements are also victims of under-provision. The majority of disabled students continue to experience discrimination in term of access to post-school education and training opportunities, and the system as a whole has inadequate facilities and staff to cater for the needs of the disabled. Education for adults has been marginalised and neglected, and has seldom provided a vocational component for those seeking to enhance their occupational skills. Further, despite very significant growth, South Africa still has a post-school education and training system that does not offer sufficient places to the many youth and adults seeking education and training.

¹⁴² HRDC, Alignment of Sector Skills Planning to the NGP

¹⁴³ Allais, S. (2010). *The changing faces of the South African National Qualifications Framework* (International Labour Office; Skills and Employability Dept). Geneva: ILO

¹⁴⁴ FASSET. (2009). The need for a learnership in financial markets, research report submitted to FASSET

As indicated previously, many of the challenges related to the implementation of the skills system pertaining to the conceptualisation of the system, whilst some of these challenges could relate to the extent to which the system ignored what was in place and in particular the programmes that were working. Further, it did not sufficiently take into account the challenges related to institutional capacity and the complexity of demands placed on a system that was being established in the absence of clear capacity building interventions. However, many of these challenges relate to the manner in which process was managed and the way in which stakeholders were involved in the system and these are discussed in the following section.

Critically, though the tri-partite nature of the system has ensured that all social partners have continued to grapple with education and training. Whilst this case study shows that this has been uneven and has waned in recent times, it has also illustrated the efforts being made more recently by the unions to rebuild their ability to effectively engage in these issues and take forward their demands. Critically, the unions have recognised that in order to effectively reassert their leadership within the skills debates there is a need to ensure that “ordinary workers see skills development as an important way of transforming their lives” otherwise, “we will never succeed in achieving the goals of the system”.

SECTION FIVE: Conclusions

This case study highlights the contribution that the unions have made to the development of the skills system. However it has also reflected on the challenges that they have experienced during the design and implementation of the system. These offer valuable learning with respect to the involvement of labour in skills development systems:

- A fundamental underlying principle of the skills development system was that stakeholders (labour and employers) should be involved in the design and implementation of the system. However it was found that the design of the system has resulted in a plethora of forums at a national, sectoral and enterprise level (as discussed). This has meant that it became almost impossible for the unions to ensure effective representation in all of these forums both because of demands that it places on their resources and because of the time that it takes to prepare representatives for the discussions that are taking place in these forums. Thus representation has become erratic and strategic input declined.
- The other learning from the case study pertains to the need to ensure that the stakeholders set the strategic agenda, taking into account the needs of their constituents, and are not pulled into and procedural discussions and processes. This suggests that there is a need for strong management who addresses these issues and are able to report on progress in an accountable manner and elevate strategic issues where required. Where this separation is not implemented then stakeholders, including but not limited to, the unions lose interest in these discussions and attendance becomes erratic. Further, this separation is critical to ensure that structures, such as the SETA Boards, have increasingly become about staffing with an emphasis on micro-management rather than on the strategic issues facing unions/workers. This has become even more complex given the number of union representatives that were employed by the SETAs creating a conflict of interest that undermines the capacity of stakeholders to engage about the issues facing their constituents.

- Further, with the wider challenges facing the union movement, unions are increasingly focused on maintaining members and wider power struggles and are less interested in the broader issues facing workers in the workplace beyond those that are in the immediate bargaining forums. As negotiations about education and training takes place in separate forums from those in which collective bargaining about wages are implemented: it has therefore become increasingly marginalised from the overall work of the union. This is reflected by the agendas of key meetings of the unions where education and training does not significantly feature in the debates on the floor. Thus while separating these functions has had the advantage of enabling social partners to realise agreement on key priorities and programmes, it carries with the the danger that these issues become de-linked from the core role of the unions.
- The process of skills transformation is lengthy and there is a need to continually balance different imperatives. The needs of the unemployed, new entrants and existing workers; the importance of offering short courses, which enable workers to receive recognition for their existing skills and knowledge whilst ensuring that individuals attain qualifications that enable them to progress; the importance of quality assurance without constraining contextual learning and over bureaucratising the system and critically the need to ensure participation, without over burdening stakeholders.
- Finally there is a need for continued emphasis on building the capacity of the unions to engage in the system and to continually expand efforts to train and strengthen shop stewards ability to engage about education and training issues in the workplace and to have mechanisms to elevate these issues such that they can be raised in key sector and national forums. This needs to be coupled with efforts to strengthen forums within the unions that ensures the on-going development of strategic positions and the sharing of learning from these experiences. This needs to build solidarity across unions and across federations.

In conclusion, this case study has highlighted progress made in the implementation of the skills system and has also spoken to the challenges in this regard. Labour emphasizes the challenges with respect to ensuring empowerment and indicates a concern about the shift to a focus on growth and productivity. Research though suggests that there are also challenges in this regard and that, “despite high levels of investment in skills development over the last decade, there continues to be a strong argument that South Africa suffers certain challenges with respect to the supply of skills as well as an absence of an alignment between national growth imperatives and skills development activities”.¹⁴⁵ Further the World Banks’, Africa Competitiveness Report (2013) states that the most problematic factor about doing business in South Africa is the “inadequately educated workforce”.

The case study points to the importance of bringing social partners back into the centre of the process and of reaching agreement about its central purpose. particularly within the context of the increasing levels of unemployment and the challenges with respect to economic growth. In addressing this imperative there is a need to recognise that, “ the broad absence of labour’s

¹⁴⁵ HRDC, Alignment of Skills Planning to the NGP

voice may be reflective of the current weaknesses within the labour movement and the inability of labour to engage in a strategic manner in a number of key policy spheres it should not exclude labour's continued right to a voice and active engagement in the development and articulation of the skills development system as initially envisaged and as strengthened through NSDS III".

Trade Union Involvement in Skills Development:

Sweden

By: Lars Magnusson

1. Background

Sweden was not so hardly hit by the financial crisis starting 2007 as most other European countries. A drop in GDP by almost 6 per cent was followed by recovery and during the last couple of years a comparatively high growth rate has occurred: in 2015 3,6 per cent and the estimate by the European commission for 2016 currently is 3, 4 per cent. Other estimates point to an even higher growth of GDP, around 4, 5 per cent. Since 2010 the unemployment rate has decreased from over 9 per cent down to 7,4 per cent in 2015. The estimation for 2016 is the same 7,4 per cent and a climb down in 2017 to 6,7 per cent. Employment is at a high level, 76 per cent although unequally distributed. Among young people and immigrants it is considerably lower, around 60 per cent for immigrants. Unemployment among young people is estimated at around 20 per cent. Simultaneously population increase is at a high level, around 0,8 per cent per year 2004-2015. These are historically high figures no doubt caused by a high rate of immigration to Sweden. As most other European countries Sweden will have to face the challenge of “ageing” population during the next half century, but perhaps less so depending on immigration and a relatively high birth rate.¹⁴⁶

Also the macro fundamentals of the Swedish economy have developed in the right direction since 2010. The inflation rate was 0,7 per cent in 2015 and is estimated to 0,9 per cent 2016. At the same time the gross public debt in relation to GDP was 43,4 per cent in 2015 and estimated at 41, 3 per cent 2016. Lastly the budget was at exact balance in 2015, but is supposed to creep down to -0,4 per cent in 2016. Concerning the structure of the Swedish economy new sectors in microelectronics, biochemical industry and services are growing while the “old” industry is slowly decreasing in terms of employment and share of GDP.

The Swedish labour market is highly organized with high membership levels in trade unions and employer organisations. Trade union membership has slowly decreased during the last fifteen years or so but is still around 70 per cent, higher among white collar workers and women than with male blue collar employees. Cherished as the “Swedish model” the social partners have traditionally followed a policy to regulate their relations in binding collective agreements and to keep out the state as much as possible, especially concerning wage bargaining. Hence more or less three-partite central agreements between state, employers and employees organisation are non-existent in Sweden. Collective agreements is still the norm on the Swedish labour market (around 90 per cent of the total employed and 85 per cent in the private sector are covered). Until to the beginning of the 1990’s bargaining for wages, as well as on other issues, was highly centralized to the central level organisations LO (The national Confederation of Trade Unions) for blue collar workers, TCO (the Swedish Confederation of Professional Employees) for white collars and SACO (the Swedish Confederation of Professional Associations) for professionals with an academic degree. On the employer side SAF (the Swedish Employer Association) was the dominating organisation. However, the role of the central organisations have changed considerably since the 1990’s. Collective bargaining is now taking place at the sectorial level. SAF initiated this change by transforming itself into *Svenskt näringsliv* (Confederation of Swedish Enterprises) in 2001. Hence LO, TCO, SACO and *Svenskt näringsliv* today are best characterised as lobby organisations equipped with merely informal co-ordinating power especially concerning wage-setting and collective

¹⁴⁶ OECD survey of Sweden 2016, Eurostat 2016 and The Swedish Government Statistics 2016.

bargaining. Very few collective agreement between *Svenskt Näringsliv* and LO on the central level has been negotiated during the last twenty years. However, since 1997 the so-called “Industrial agreement”, signed by most sectorial trade unions and employers organisations, has served as a norm-setter for wage increase on the Swedish labour market adjusting the level to the export sector with an aim to maintain Swedish competitiveness on the European and global markets.

The Swedish Vocational and Training education system (VET) is often described as a school-based and state regulated system.¹⁴⁷ However, since 1991 schools up to the secondary upper level (*Gymnasium*) is financed and ruled by the 290 Swedish Communes. The 1991 reform has been highly disputed and is currently challenged both by several political parties and interest organisations (most importantly The National Teachers Union, *Lärarnas riksförbund*) and might be changed in the future. In 1994 a program-based three-year integrated upper-secondary school system was introduced which implied that also the more vocational programs would qualify for higher (university etc.) education. The official argument behind the change was to provide basic knowledge in language etc., for students in order to adequately prepare them for a more knowledge-based labour market and economy in the future. Those critical of this reform have pointed out that this has caused a relative high drop-out number of student which left secondary upper-level school without a complete education making them extra vulnerable on the labour market. Hence in 2011 a reform was introduced which split up the system instead creating 19 different programs of which 7 qualified for tertiary university studies while 12 did not do so. Still this has not led to that the number of drop-outs of the upper-secondary level has declined. Even before and now after 2011 it is below the EU level: in Sweden 8,6 per cent and in EU 15,4 per cent.¹⁴⁸ What is perhaps worse is that around 20 per cent of the students are not eligible to vocational upper secondary program as they lack grades in languages and mathematics in particular.¹⁴⁹ Equally worrying is that around 20 per cent leave secondary upper school without a complete diploma – making the real drop out numbers higher than officially registered.¹⁵⁰ In 2014 it is calculated that 27 per cent of the students are following the vocational programs while the rest – the large majority – attend to the more “theoretical” programs giving access to university studies.¹⁵¹ There is at the moment a tendency that this share is sinking quite fast.

In the early 2000’s a tertiary level of the Swedish VET-system was created, the so called “higher vocational education” (*kvalificerad yrkesutbildning*). Since 2009 there is also a state “Swedish National Agency for Higher Vocational Education (*Myndigheten för Yrkesskolan*) responsible for providing higher vocational education in different Swedish regions. Their programs usually runs for two years but they can also be shorter. Here work-place training is combined with school-based training (so-called LIA, *Lärande i arbetslivet*). The providers of education are private companies, but could also be universities, communes and other public authorities. In 2016 there is around 25 000 student in total 446 programs at *Yrkeshögskolor* all around Sweden.

¹⁴⁷ Jonathan Winterton etc 2000; Tony Huzzard and Stephan Schaefer, “Sweden: The Winners Take it all”. In

¹⁴⁸ See The National Agency for Education (Skolverket). *Sweden. VET in Europe - Country Report* 2014, p. 123

¹⁴⁹ Ibid, p. 22.

¹⁵⁰ Anders Forslund- Mattias Engdahl “En förlorad generation”. Expertgruppen för studier i offentlig ekonomi, Finansdepartementet.

¹⁵¹ Ibid.

The Swedish school-based VET system give little space for direct involvement from the point of view of the social partners. Since the early 1900's there is an "alternative" system of privately based (ran by trade unions among others) *Folkhögskolor* (Folk high schools) which provide some vocational education. In contrast to, for example, Germany's workshop and apprenticeship, schools are almost non-existent in the Swedish VET-system. This does not mean that on-the-job training does not occur, but that it is specific for different workplaces and based upon collective agreement at the branch level. On the sectorial level there are also a number of advisory boards and other bodies that deals with competence issues concerning the specific branch. One example is *Industriarbetsgivarnas kompetensråd* (IAKR) especially concerned with skills development in the metal and engineering sector. Here, trade unions are represented at the sectorial level. In 2015 IAKR carried through a survey which showed that there exists a high commitment among the answering enterprises to social dialogue on the local level.¹⁵²

2. Engagement on national/sector/ enterprise level

Given the traditional school-focused system, combined with a rather ambitious funding of education based upon taxes, the Swedish social partners have generally not regarded VET as a primary responsibility. Moreover, the so-called Swedish model has drawn clear demarcation lines between what is supposed to be the responsibility of the public sector versus what is that of the social partners. This does not mean that different initiatives has not been taken on the central and sector level to increase engagement. First, in accordance with the European Lisbon strategy launched in 2000 at the European level both social partners in Sweden have committed themselves to the idea of a knowledge-based economy enhancing the role of training and education to increase growth and productivity. During the years following the Lisbon Summit, this led to a wide discussion on "lifelong learning", mainly initiated by the trade unions at central level. Secondly, the replacement of the social-democratic government in 2006 led to fears among the trade unions of a radical "system shift" away from the Swedish Model, also including the existing education and VET systems. Most criticised by the trade unions – especially by LO – was the diminishing funding of *Komvux* (municipal adult education in order for drop outs to finish secondary upper education or enhancing their perhaps low marks in different subjects in order to make the students more competitive. Moreover the cutting down of the labour market programs for unemployed earlier organised by AMS (*Arbetsmarknadsstyrelsen* now *Arbetsförmedlingen*) was also severely criticised because at least some of these programs provided upgrading of skills in order to increase employability.

The general framework statement by ETUC, UNICE and CEEP from February 2002 concerning lifelong learning was endorsed by LO and *Svenskt Näringsliv*, in May 2003, showing both parties' commitment to the establishment of learning organisations, skill-upgrading, social dialogue and increased social partners' involvement in VET. However, at least since 2008 this discussion has come to a standstill. . While principally in agreement for the need of lifelong learning different parties and partners have tended to disagree on definitions as well as the methods for setting it up (especially the issue of funding). While the trade unions have tended to see lifelong learning as a method to raise competence for all, the employers' organisations have favoured a more individual approach. Concerning the financial part the trade unions (including the central organisations LO and TCO) as well as political parties on the left have favoured state sponsoring of so called *individuella kompetenskonton* (individual competence accounts) for all, while the centre and right wings parties as well as

¹⁵² Industriarbetsgivarnas kompetensråd, "Kompetensenkät 2015".

Svenskt näringsliv have preferred individual accounts financed in selection by individual employers.

Ever since the 1980s the emphasis on sustainable work organisations has been strong and has involved the social partners in dialogue. Launched in order to overcome industrial disputes and to establish new forms of work organisation the Metal Union (*Metall*) and its counterpart at the time VF (*Verkstadsföreningen*) launched the program *Det goda arbetet* (“The good working-life”), followed by “Sustainability at work” (*Hållbart arbete*) which also included demand for skill development and upgrading of competences, especially in the industrial sector. In these programs social dialogue was favoured as a means to make the trade unions a partner also on broad working life issues such as better work organisation, health and safety, co-determination etc. Thus from the outside Sweden in the 1980 and 90’s was regarded as a progressive force in developing new ideas concerning working-life and for promoting social dialogue on both the central and branch-level.

From the late 1990s onwards LO has launched programs concerning learning at work, especially *Det utvecklande arbetet* (“a developing work-life”), and starting in 1996 the KAL program (Knowledge development concerning work organisation and wage systems).¹⁵³ These and other programs have been concentrated mainly on two issues: first, learning in the meaning of developing more varied tasks at the work-place better fulfilling the social and intellectual needs of employees, and, secondly, to find means for enhancing influence over one own working conditions. Hence the emphasis have been to develop forms of organisation that would equip employees with a better knowledge base for adapting to new jobs, skills and working conditions in a new working-life necessitated by a more knowledge-based society and economy. This has also been a leading aspect of the trade unions involvement in the discourses on Life-long learning. Not surprisingly, given the Swedish model, to a very little extent have these initiatives more directly focused on the school-based VET system and its institutions.

After the reform of the upper educational system, in 2011 however, further steps at the political level have been taken to involve social partners in the formal VET system. At the national level, 14 national program councils have been inaugurated, one each for the different vocational programs plus two additional. Their function has been to establish a dialogue between the National Agency for Education (*Skolverket*) and other stakeholders. The councils consist of representatives from industry, social partners and members of municipal or national authorities. The councils are advisory bodies but is aimed to create a dialogue concerning the effective working of the public VET provisions and the demand of the labour market. The social partners on the central level are also involved in the “Labour market council” (*Arbetsmarknadsrådet*) which is linked to “Swedish National Agency for Higher Vocational Education” (*Myndigheten för yrkeshögskolan*).

Especially the introduction of third-level higher vocational schools and the LIA after 2009 (see above p.) have started a new development to involve the social partners and trade unions – mainly on the sectorial level - in the VET-system. To be eligible for higher vocational education the applicant must hold a diploma from an upper secondary school (or from any other municipal adult education). The graduate receives a diploma after achieving enough credits. In many cases Swedish is included in the training program which is aimed to non-Swedish residents. Work-place training is an obligatory part of the education.

¹⁵³ LO

In addition to the creation of higher vocational schooling so-called “learning centres (*lärcentra*) has been launched in more than 100 Swedish municipalities. Their function is to service as a local centre for vocational education and training at the local level. They are supposed to link up and create networks of municipality, employers, trade unions and other organisations as well as providing IT- services and guidance for students in all higher education. Also in some places local universities and university colleges are involved in the learning centres.¹⁵⁴

In the collective agreements signed by branch-level social partners, both parties usually commit themselves to a dialogue concerning skill development, training-on-the job, etc.,. However on this level the agreements are seldom very concrete. The Trade of municipal workers is Sweden’s largest trade union with more than half a million members. In its latest (2016) collective agreement with SKL (Swedish Councils and *Landsting*) there are only a brief mentioning of the importance to develop the individual worker’s competence “through experience and education”. Especially in focus have been Nurses aids (*undersköterskor*) who must be better supported in finding fitting education at the *Yrkeshögskolan* in order to increase their competence and career development. In general terms it is also said that: “Individual workers upgrading of competences through learning on the job and education presents a precondition for increased productivity and quality and in consequence for wage increase”.¹⁵⁵

On the private side the most important trade union is IF Metall (around 300 000 members). In the very end of the collective agreement 2013-16 comes an added protocol stating both the employer and the employee’s responsibility for skill development. For the former this means that “both work and the work organisation must be developed in order for employee’s skills to be renewed and enhanced “. For the individual employee it is stated that he or she must take own responsibility for own skill improvements”... according to the needs of the enterprise”. Furthermore it is stated that the forms of competence development must be adjusted to the specific long-term conditions of each enterprise. Lastly, it states the necessity of a “systematic and goal-orientated development work”, involving the employee as well as the necessity of having a running social dialogue with the local trade union at the enterprise level.¹⁵⁶

Much work on the sectorial level trade unions has been spent negotiating for collective agreement concerning the right for employees to upgrade their skills. Most recently two trade unions *Livs* (Swedish Food Workers Union) and *Hotel och Restaurang* (Hotel and Restaurant workers union) have negotiated to achieve this goal. However especially among those trade unions belonging to LO many complaints have been raised concerning implementation of the collective agreements. Not seldom is it stated that there exist fewer skill development schemes at the work-place level now than it did ten years back in which trade unions have had a hand. Perhaps one of the reasons behind such weak implementation is that most trade unions have insisted upon that higher competence automatically should be a ground for wage increase. This view is not shared by the employers which rather see skill improvement as a necessary means for productivity increase but not for raised wages. Without doubt mixing the issue of a new wage system with competence lifts have slowed down the implementation of new initiatives concerning skill enhancement.

This does not mean that no progress at all have been made- but rather in services rather than in industry. A somewhat unique agreement of late – although not in the form of a formal collective agreement - has been to establish a college for health and medicine in collaboration between

¹⁵⁴ Skolverket

¹⁵⁵ Kommunal, p.22.

¹⁵⁶ IF Metall

SKL, the Private Care providers (*Vårdföretagarna*) and the trade union *Kommunal*. Its aim is to ensure the supply of skilled employee's in the sector and training for existing personnel.

Lastly on the enterprise and individual level there is much vocational training on an individual basis. In 2010 an estimate show that around 2 million employees took part in at least some form of on-the-job training. It is impossible to say to which extent local trade unions have been involved in dialogues concerning such individual training. In some localities and branches so-called "Vocational boards" (*Yrkesnämnder*) or "Competence councils" (*Kompetensråd*) have been set up in which both social partners are present. In such cases they have been involved in providing certificates, organizing some local apprentice programs, work introduction programs etc. As noted, regular apprenticeship is very unusual in Sweden but in some industries work introduction agreements have been signed between enterprises and trade unions in which also the local division of *Arbetsförmedlingen* is involved in financing. Such agreements – still very rare - admits shorter periods of apprenticeship with other forms of vocational training. The few examples that exists is situated in the construction and electrical branches. In 2013 it was calculated that only 6 000 individuals belonged to an apprenticeship program.¹⁵⁷ The current government seeks to increase this figure to 30 000. In 2014 the former government set up a so-called YA-program ("introduction to a job") for young workers subsidised by the state. The arrangement is that the worker should be trained 15 per cent of their working time and also have a personal instructor.

At the local enterprise trade union (*fackklubb*) level there exists surprisingly few agreements concerning competence and skills, perhaps because as we noted there is often the expectation by both sides that this would imply the introduction of new wage systems. Ten years ago it was calculated that 77 per cent of all workplaces in industry lacked a local agreement concerning competence and skills. Among white collar employees organised in TCO and SACO the situation is a bit better, but also here the local trade unions are not so much involved as learning and upgrading of skills to a large degree are bargained by the individual worker and the employer. However, there are examples of local agreements with trade union involvement also in LO local trade unions. When such an agreement was signed in 2004 between SAAB Powertrain in Trollhättan and the local trade club it was described as "unique". Also LKAB – the mining company in Kiruna in the very north of Sweden - was very early in 2005 when they signed an agreement. On the whole since then there have been more agreements of this kind. But there is great variance between branches and work-places. Among big companies and among white collars workers progress has been made, but not so much in small-size and low competence industry and services.

3. Strength and weaknesses

Full employment has been a main political target for Swedish governments since WWII. However, a "jobs first" strategy was even more pronounced when the central and right wing government took over from the social democratic government after the general elections in 2006. The new government's analysis was that the Swedish labour market was in need of structural reform creating more jobs and more flexibility. An enforced jobs first strategy (*Arbetslinjen*) was especially important in order to decrease long-term unemployment and to stop the trend of more sickness-leave cases. Hence a number of reforms were launched in order to make work more profitable for the individual. Using economic search theory as a frame such reforms included everything from tax cuts for those in work, cutting down on the traditional programs for the unemployed to make unemployment relief less generous etcetera.

¹⁵⁷ Jonas Olofsson

The reforms in the VET system was specifically aimed at increasing flexibility and to make it easier to find a job for young people leaving the school system. It was supposed that the old school-based system created a mismatch problem and that VET must be more adapted to the actual needs of the labour market.

Hence the inauguration in recent years of *Yrkeshögskolan*, LIA and more involvement by the social partners at the local level must be seen as attempts to make the VET system more “employment friendly”. To what extent this strategy has succeeded or not is too early to say. In terms of number of programs and student *Yrkeshögskolan* has made progress, from 2015 to 2016 there was an increase of 25 per cent of students taking part.¹⁵⁸ However, it is unlikely that the current situation of rising employment and shrinking unemployment has been a consequence of such structural reforms. Rather it reflects the high growth rate in the economy made possible by rising exports, a modest but stable real income increase of households, a most probably undervalued Swedish *krona* as well as a highly demand-stimulating macro-economic policy with minus-zero interest rates.

On the other hand the existing VET-system with its obvious problems seems not to have hindered the present rather positive development pattern of the Swedish economy and labour market. On the whole it has so far been able to provide the Swedish labour market with enough trained persons. According to forecasts however, if nothing happens in 2030 there will a shortage especially of upper secondary educated personnel in health care and perhaps also to a lesser extent in engineering.¹⁵⁹ Still it is not possible to say whether it could have done better with another system of vocational education or with a more offensive policy to increase skill performance. Without doubt there are a number of challenges which connect to the present VET- system that must be faced, especially if the current macro economic situation would be negatively affected by a general slump in the global or European economy (further financial and debt crisis, etcetera).

In 2008 the OECD presented a review of the Swedish VET- system pointing out some of its strengths and challenges.¹⁶⁰ In general their conclusion is that the system works quite well in terms of a rather modest drop out rate in upper-secondary VET, the relatively high status of the VET-programs in contrast to many other countries where it can be a stigma to enter such a program, and that the local municipalities in general are innovative and flexible. On the other hand OECD points at important challenges. First, unemployment rates among young people are too high in Sweden perhaps mainly due to high reservation wages caused by high minimum wages in the collective agreements. However, OECD also asks whether this also could be an effect of the VET- system not delivering the required skills. The second main challenge is that there exists a “large separation between the world of work and the world of education”¹⁶¹ in Sweden which is significant also in comparison with the other Nordic countries. Hence there is a risk that VET does not meet the requirements of an ever most fast changing economy and labour market. The OECD report also points to the age structure of VET- teachers and trainers a majority being over 50 years of age, perhaps indicating their inferior personal experience of modern technology and work-life. Thirdly, they point to that social partners involvement in VET is (perhaps surprisingly so) quite modest in Sweden. Especially in comparison with Denmark where the social partners have a decision-making role in VET concerning curricula, practical training content, duration of practical training, examination requirements, etc., while

¹⁵⁸

¹⁵⁹ Statistics Sweden 2011,

¹⁶⁰ See OECD, “Learning for Jobs. OECD Reviews of Vocational Education and Training”. April 2008.

¹⁶¹ Ibid, p. 12

in Sweden they only have an advisory role. Against this background the OECD make two recommendations. First, Sweden should maintain a coherent upper-secondary school program as much as possible not dividing it further into separate “theoretical” or “practical” programs (this advice was not as we saw followed by the Swedish government) Secondly, Sweden needs a stronger mechanism through which social partners can convey labour market requirements into VET providers. Hence on the central level a National commission should be established making possible for example more on the job agreements, apprenticeship programs, etc.

Even though much have happened since 2008 in terms of VET some of the challenges pointed out by the OECD are still there (and might even have become more serious) while there are also new ones. First, the drop-out figures after the creation of a two-tiered secondary upper level system in 20 (against the recommendation of OECD) drop-out figures have increased, especially in the “practical programs”. Moreover the interest in them have slowly gone down with fewer students each year. Secondly, it is most possible that LIA and the introduction of *Yrkeshögskolor* have diminished the division between the “world of work” and the “world of education” creating a better skill match concerning the requirements of the labour market. But it too early to say for sure. Thirdly, on the local level (municipalities, learning centres, and vocational boards) the social partners’ involvement in VET seems to have been strengthened during the last years..

Since the OECD report another important challenge has turned up: the integration of immigrants into the labour market. Sweden has over the last years been one of the most generous countries in Europe accepting refugee immigration. At the same time unemployment among migrants have traditionally been much higher than for those born in Sweden; some even speak of the existence of structural discrimination on the labour market. This means that the current much higher migration needs to be met by much speedier integration than previously. To what extent the VET-system can be reformed in order to create faster integration is currently discussed at large in Sweden. At the central level there are steps taken to create different “fast track” arrangements in order to make immigrant job-ready at a much earlier date than now when it can take several years. This means the learning of the Swedish language but also individual testing of skills and much more. In a short time this will imply great costs for the tax-payers but in a long run perspective – given the level of migrants-integration into the labour market - the gains will most probably prevail with less problems of an ageing workforce, etcetera.

So far too little have been done to engage the social partners in taking responsibility for integration. It is vital that enterprises are better ready to look at their recruitment policies in order to avoid discrimination and in evaluating their requirement of skills needed for a specific job. Among the trade unions there has been a fear that many new entrants on the labour market will create a downward wage spiral and hurt the Swedish model of collective agreement. However such an attitude must surely be changed. To some extent there are promises in this direction. Especially the white collar TCO has recently in a report called “Welcome here” (2016) listed a number of suggestions how to increase the integration of foreigners to the Swedish labour market, several includes especially targeted VET- initiatives.¹⁶² Moreover, at least two of TCO’s sector level trade unions, *Lärarförbundet* and *Vårdförbundet* have negotiated agreements with their employer part on “fast track” solutions for migrants especially better and faster evaluation of their formal education and individual skills. Concerning LO it suffices to say that it has been less active so far but this might perhaps change.

¹⁶² TCO

In general with regard to trade union involvement in VET and competence increase it can generally be said that the result so far has been rather disappointing. Although a majority of sector level social partners now have collective agreements concerning skill and competence increase the implementation has been rather weak. Perhaps a main reason have been that this issue has been to closely connected to wage bargaining at the branch and local level.

Conclusions

The Swedish VET- system is traditionally characterised as distinctively school-focused with rather little involvement of the social partners, especially in deciding roles. Over the last ten years a number of reforms on the political level have been inaugurated in order to increase such an involvement with an aim to meet the new requirements at work and on the labour market. However, among the social partners there has been a stand-still of new initiatives after the discussion of lifelong learning lost its impetus with the coming of the financial crisis in 2008. Most probably the problem of the central parties inability (or unwillingness) to negotiate have led to that not so much has happened concerning the issue of apprenticeship, to establish new partnerships on the enterprise or local level concerning VET-issues, competence lift schemes, etcetera.. At the sectorial level a number of collective agreement have been closed which include a commitment to skill and competence development. But they have been difficult to implement at the local and enterprise level. A general conclusion is that during the last ten years or so there has been many new initiatives on the political level to make the Swedish VET-system more prone to combine “the world of work with the world of education”. In this development the social partners are supposed to contribute with expertise but not so much in decision positions. But on the firm or local level implementation of collective agreements on the sectorial level has been slow. Many initiatives here have been blocked by controversies concerning wages. This has certainly weakened the trade unions and social partners position in VET development. To this effect the Swedish model of keeping the state and politicians at bay have not been a very successful enterprise.

United Kingdom

By: Jonathan Winterton

ILO project: Trade union involvement in skills development

BACKGROUND

After providing a brief overview of the UK economy and the nature of the labour market, this introductory section explains labour market regulatory mechanisms and outlines the key characteristics of the skills development system.

UK economy and labour market

Like other developed industrialised economies, employment in the UK has shifted from industry to services. Manufacturing contracted more rapidly in the UK than other G7 economies, from having one of the largest shares in 1948 to the lowest in 2010 (ONS, 2014). Unemployment grew post 2008, peaking at 8 per cent in 2011 then steadily fell to 4.5 per cent in 2015. Long-term unemployment (LTU) rates peaked at 3 per cent for men in 2013 (LTU for women is about 1 percentage point lower) and since then declined. Youth LTU rates followed the same trend, peaking at 5 per cent in 2012 and falling to half that rate by 2015 (Eurostat data).

Despite the contraction of manufacturing, growth of services, particularly the finance sector, maintained a relatively high employment rate in the UK, currently 76.7 per cent (82.2 per cent for men, 71.2 per cent for women) compared with the EU average of 70 per cent (ETUI, 2016). The employment rate of older workers has risen to 61.9 per cent, among the highest in Europe.

Trade union density declined from a post-war peak of over 50 per cent in 1979, to about 30 per cent in two decades and remained around that plateau level until 2003 (Visser, 2006: 44). Most recent official statistics (BIS, 2015) report overall trade union density at 25 per cent for 2014, with a marked difference between the public sector (54.3 per cent) and the private sector (14.2 per cent). Unionization rates for men have declined more than for women: in 1995 these were respectively 35 per cent and 30 per cent, whereas by 2014 the situation was reversed, with union densities of 22.3 per cent and 27.7 per cent respectively.

In terms of skills, the UK has long been seen as exhibiting a 'low skills equilibrium' (Finegold and Soskice, 1988), characterised by a relatively high proportion of workers with no qualifications above elementary schooling and especially a deficit of intermediate skills compared with continental European economies. Skills shortages were the focus of many policy initiatives addressing the supply side (Marsden and Ryan, 1990) but Green and Ashton (1992) argued the emphasis on skills shortages fundamentally misconstrued the real problems of the country's skills base: skills utilisation and deficiencies in demand were also responsible for the failure to establish a better-trained and more productive workforce (Glynn and Gospel, 1993).

The skills distribution of the UK population can be assessed from Eurostat data showing the share of the population by educational attainment, the latest available data from which are for 2014. Using ISCED qualification levels as proxy measures, the proportion of low skilled (ISCED 0-2) is about 22 per cent, medium skilled (ISCED 3-4) about 42 per cent and high skilled (ISCED 5-8) about 36 per cent of the working age population overall (Dolphin *et al*, 2014).

Table 1. Percentage of population by level of educational attainment

	ISCED 0-2	ISCED 3-4	ISCED 5-8
UK 25-54 years	18.9	38.5	42.6
EU28 25-54 years	21.3	47.0	31.7
UK 55-74 years	30.4	38.6	31.0
EU28 55-74 years	38.6	41.9	19.5

Source: Eurostat, 2014 data.

Regulatory frameworks

The UK has ratified all 8 of the Fundamental International Labour Standards and 3 of the 4 core governance standards [Convention C129 relating to labour inspection in agriculture has not been ratified]. The UK labour market is one of the least regulated in Europe, despite the adoption of the principles of the European Social Chapter in 1997 and remains quintessentially a liberal market economy. With no formal mechanisms for social dialogue, collective bargaining is based on voluntarism: employers are not legally obliged to recognise or bargain with trade unions, although in practice they do where workers are well-organized. The protection of basic trade union rights was effected through the legal expedient of ‘negatively-expressed immunities’, a mechanism to prevent historic common law rulings on the illegality of various trade union activities being used to prevent unions from operating. Unions accepted voluntarism and developed strong workplace organization rather than relying upon statutory support, although governments did provide underpinning employment rights.

The election of a New Labour Government in 1997 made little difference to labour market regulation; the restrictive labour relations legislation of the Conservative era was retained, although New Labour did sign up to the European Social Charter. Most significantly, however, there was recognition of the chronic UK skills deficit and a commitment to capitalise on union-led learning at work, as detailed below.

Skills development system

The UK skills development system has undergone seemingly endless revision in the past forty years resulting in a bewildering succession of changes in the institutional architecture. Space precludes a comprehensive history of the different institutions, but some of the key features are outlined because they are relevant to trade union engagement with the skills agenda (for further detail see Hyman, 1992; Keep, 2000; 2015; Rainbird, 1990; Senker, 1992).

Traditionally, skilled workers followed an apprenticeship, usually lasting 5 years, and unions were extensively involved in the regulation of access to apprenticeships, restricting numbers to

maintain skilled worker wage differentials. Apprenticeship systems varied according to occupation, with the most regulated in well-organized occupations, such as boilermakers and printers. In her seminal classic on apprenticeships, Liepmann (1960) characterised apprenticeship as embodying an essential duality: for the apprentice of earning and learning; for the employer of paying and training, locating apprenticeship within both the economic and education systems and emphasizing the regulatory role of trade unions. Williams (1963) criticised the British apprenticeship system for involving unnecessary time-serving, for being inflexible and out-dated, especially in relation to demarcation, and for perpetuating male dominance of skilled occupations, but also acknowledged that substantial decline in apprentice numbers after the Second World War had led to serious skills shortages.

In 1963 the Conservative Government concluded that skills shortages affecting the UK economy were the result of 'leaving training to the discretion of individual employers' (Winterton and Winterton, 1994: 3) so introduced the *Industrial Training Act 1964* to increase supply of skilled workers, establishing statutory tripartite Industry Training Boards (ITBs) with powers to raise funds through a levy on employers and disburse grants for training in accordance with sector requirements to prescribed standards. The Labour Government taking office in October 1964 continued these arrangements, as did the Conservatives after the June 1970 election, although they reduced ITB powers. The 1974 Labour Government made no further changes and ITBs remained tripartite, rooted in the sector, 'owned' by employers and unions, and largely unaffected by political changes, until the election of the Thatcher Government in 1979.

The ITBs and the grant-levy system were relatively successful, if measured by the number and quality of skilled workers trained. Nevertheless, an influential group of employers persuaded the 1979 Conservative Government that the training levy was an unnecessary burden on employers and in the 1980s the majority of ITBs were disbanded. The removal of institutional support and the failure of employers to sustain the system was widely seen as the reason for the further decline in apprenticeship training (Gospel, 1995) and contributing to the training deficit in general (Layard *et al.*, 1994). Prais (1995), among others, called for the re-establishment of the levy-grant system to boost training and address the problems of British productivity and competitiveness.

To make VET qualifications more responsive to employers' needs, they were restructured into competence-based National Vocational Qualifications (NVQs) under the auspices of the National Council for Vocational Qualifications (NCVQ). The introduction of employer-led competence-based qualifications was predicated on White Papers prepared by the Department of Employment (DoE, 1988a; 1988b), which announced further deregulation and new institutions. Employer-led Training and Enterprise Councils (TECs) was established with responsibility for disbursing government funding for training to deliver national targets for raising workforce skills.

The White Paper *Education and Training for the 21st Century* (DoES, 1991) gave increased powers to the TECs to strengthen employer involvement. The TEC model was built on output-related funding, where funding was drawn down from central government and disbursed in relation to the number of NVQ completions, inevitably encouraging providers to focus on level 2 qualifications, some of which barely met basic employability.

New Labour 1997-2010

The incoming New Labour Government in 1997 inherited problems of skills deficiencies and a dysfunctional skills formation system. A National Skills Task Force (NSTF) was established to develop a National Skills Agenda and identify skills gaps and skills shortages impeding economic progress. The final report of the NSTF, *Skills for All* (2000) noted evidence of widespread skills gaps and shortages, particularly at intermediate level, and proposed a new skills agenda. The Sector Skills Development Agency (SSDA, 2001) was established and a White Paper, *21st Century Skills: Realising our Potential* (DfES, 2003) outlined the timetable for creating Sector Skills Councils (SSCs), employer-led organisations that would replace existing NTOs. The SSDA was responsible for funding and monitoring SSCs and developing the skills strategy.

Modern Apprenticeships (MA) introduced by the Conservatives were continued under New Labour, despite concerns over quality (Gospel, 1998; Gospel and Fuller, 1998). In 2001 MAs were split into two streams: Foundation (leading to NVQ 2) and Advanced (leading to NVQ 3). Traditional apprenticeships were by definition NVQ level 3 (EQF level 5) craft or technician qualifications (intermediate skills). Under New Labour large numbers of 16-18 year olds formerly in government welfare-to-work programmes shifted to apprenticeships but most were at level 2; level 3 apprenticeships actually fell between 1999 and 2005, reaching a plateau at around 30,000 new starts per year (Steedman, 2011a).

Noting the UK was still lagging competitor nations in terms of skills and productivity, the *Leitch Report* (2006) recommended increasing apprentice numbers, employer investment in level 3 and 4 skills and building skills at level 5 and above, making the British workforce 'among the most skilled in the industrialised world.' Further control was given to employers but with no statutory obligation to train (DIUS, 2007). The *Leitch Report* recommended creating a new Commission for Employment and Skills and reforming Sector Skills Councils. The UK Commission for Employment and Skills (UKCES) was established on 1 April 2008, superseding the SSDA and taking responsibility for licensing the 25 SSCs. Towards the end of the New Labour era, the Government introduced sweeping changes to the education and training landscape through the *Apprenticeships, Skills, Children and Learning Act 2009*. This legislation gave qualified young people an entitlement to an apprenticeship and created the National Apprenticeship Service to encourage employers to offer apprenticeship places.

Conservative Governments since 2010

The Conservative-Liberal Democrat Coalition Government that assumed office in May 2010 initially 'made no fundamental changes to the dysfunctional apprenticeship delivery model that it inherited' (Steedman, 2011a), a model marked by the contradiction of 'a feeble regulatory framework' coupled with the state playing a dominant role in the design, content and delivery of apprenticeships 'without any real engagement with employers or learners' (Steedman, 2011b).

The *Wolf Report* (Department for Education, 2011) noted that low level VQs, notably NVQs, have no significant economic value unless they are part of apprenticeships, which by contrast, have very high returns.

The *Richard Review* recommended enhanced employer engagement in apprenticeships and proposed that high level apprenticeship standards should be developed for each sector by employers (Richard, 2012). The Government responded with an implementation plan (BIS, 2013), deregulating the *Apprenticeships, Skills, Children and Learning Act 2009* in 2014 to

enable the transformation of the apprenticeship system based on new employer-designed Apprenticeship Standards.

ENGAGEMENT OF TRADE UNIONS IN SKILLS DEVELOPMENT

This section provides a detailed analysis of how trade unions have engaged with skills development issues at national, sector and enterprise level, with particular emphasis on developments since the 1990s. The order is taken from the top down because this accords better with the chronology of the emphasis on trade union activities in skills development becoming increasingly focused on the sector and workplace levels.

National

There has never been national bargaining in the UK like the inter-sectoral bargaining that occurs in France or the centralised framework negotiations of Sweden. In the UK, reference was often made to ‘national agreements’, but these were, in fact, *sectoral* agreements, such as those concluded between the Engineering Employers’ Federation and the Confederation of Shipbuilding and Engineering Unions. The Trades Union Congress (TUC), the central union confederation, and the equivalent central employers’ body, the Confederation of British Industry (CBI), have no regular forum for discussion although there is *ad hoc* communication between the two bodies. There is no formal social dialogue committee like the Economic and Social Committees established in member states preparing to join the European Union. Indeed the term ‘social dialogue’ is seldom encountered in British industrial relations, in contrast with Ireland which appeared to have enthusiastically embraced the European concertation model, at least until the 2008 financial crisis (McDonough and Dundon, 2010). This does not mean that the principle of tripartite bodies is unknown: the MSC created in 1973 under the Conservatives was an example of a tripartite national institution, although it was quickly replaced with an employer-led institution by the Thatcher Government, as were the ITBs.

During the 1980s, the TUC became the major advocate for raising the skills of the UK workforce (TUC, 1989). Individual trade unions had developed strategies for engaging employers in negotiations over training opportunities (e.g. Manufacturing Science Finance, 1987; 1988) with varying degrees of success. Some unions had established initiatives to bring members with few formal qualifications back into learning, notably the *Return to Learn* campaign of the National Union of Public Employees (NUPE, which merged into UNISON), which had large numbers of ‘unskilled’ workers in hospitals and local authority workplaces (Munro and Rainbird, 2004).

This focus on learning and skills was part of the so-called ‘New Unionism’ agenda which aimed to engage employers in joint action or partnerships for learning (TUC, 1990; 1994), and marked the start of the TUC’s modernization agenda under the leadership of John Monks, who subsequently became General Secretary of the European Trade Union Confederation (ETUC). New Unionism was in stark contrast with the militant trade unionism of the previous decade and was not short of detractors, even though the limitations of adversarial industrial relations had been graphically demonstrated by the defeat of the 1984-85 miners’ strike (Winterton and Winterton, 1989).

New Unionism and the New Bargaining Agenda focus on workplace learning (Munro and Rainbird, 2000) appeared to resonate well with the messages of New Labour: a TUC (1999) negotiators’ guide to employee development schemes was even jointly badged with the Department for Education and Employment logo. However it soon became apparent that New Labour in Government was not the agent of the TUC (Undy, 2001). Criticisms of the New

Unionism at the time centred on the argument that the proper purpose of trade unions is to defend workers' terms and conditions and establish limits to managerial prerogative: promoting training and entering into partnerships with employers was seen as diluting trade unionism, a distraction from the pursuit of these 'proper' goals and a subordination of the unions to management and government interests (Ackers and Payne, 1998; Kelly, 2004). Such arguments resurfaced in debates over the effectiveness of union-led learning and whether unions could or should contribute to addressing the UK skills deficit (Lloyd and Payne, 2007).

Successive Conservative governments from 1979 to 1997 had systematically enacted restrictive legislation and reduced trade union involvement at every opportunity, which for the most part was not reversed by the incoming New Labour Government in 1997. Nevertheless, the Treasury under New Labour Chancellor Gordon Brown, held regular briefing sessions with the TUC Executive Committee, which represented something approaching national consultation. The scale of the skills challenge had been identified towards the end of the Conservative Government of John Major (DfEE, 1996) and as noted above, one of the priorities of the incoming New Labour Government was raising the level of workforce skills. In addition to establishing the National Skills Task Force (NSTF), to assess the existing skills base within the UK and develop a national agenda for skills development, the National Advisory Group for Continuing Education and Lifelong Learning (NAGCELL), was created to advise on developing a culture of lifelong learning, and on widening participation in learning. The two reports produced by NAGCELL (Fryer, 1997; 1999) emphasised the need for collaboration between the social partners to develop workplace learning, where efforts should be concentrated on upgrading skills, especially amongst those groups of workers with low levels of participation in learning. In 1998 the Government addressed many of the NAGCELL recommendations in formulating the lifelong learning Green Paper, *The Learning Age* (DfEE, 1998b) proposed possible arrangements for Lifelong Learning. The White Paper *Learning to Succeed* (DfEE, 1999) outlined what would be in the *Learning and Skills Act 2000*, which brought all post-compulsory education (apart from higher education) from 1 April 2001 under the Learning and Skills Council (LSC), the 47 local arms of which were essentially the successors to the 72 TECs (Winterton and Winterton, 2003).

The NSTF produced its final report, *Skills for all: proposals for a national skills agenda* in June 2000, noting that the UK was continuing to lag behind major international competitors in terms of productivity and skill levels, with 50 per cent fewer people qualified to level 3 than Germany and recommending the establishment of an agenda for building workforce skills with clear and explicit targets. This new policy approach was not universally endorsed: the union representatives in the STF argued for a stronger statutory framework because the voluntarist approach had consistently failed to deliver. Critiques of New Labour's 'Third Way' in VET also argued it was likely to fail because Britain's competitive strategy was based on price rather than quality (Keep, 1999).

Whereas the Conservatives had sought to remove the unions from influence over training policy, the New Labour Government recognised that the TUC had become the major advocate for training and sought to enlist the unions' support in addressing the skills gaps and shortages identified. The establishment of the *Union Learning Fund* (ULF) was designed to promote partnerships for learning between unions and employers (DfEE, 1998a) in England and was followed by similar initiatives in Wales and Scotland. Initially, the various ULFs were administered by civil servants with decisions on proposals being taken by tripartite committees [the author acted as the TUC nominee for the ULF and chaired the WULF] but after the TUC

Learning Services Division was transformed into unionlearn in 2006, the new body was given responsibility for administering the ULF in 2007.

Box 1

unionlearn and the Union Learning Fund

Perhaps the most significant national skill development initiative from the British trade union movement was the establishment of unionlearn and the Union Learning Fund (ULF), along with the creation of Union Learning Representatives (ULRs), lay representatives specialising in developing opportunities for learning and skill development at workplace level. The national coordination of these initiatives by the TUC has, by any standard, been an outstanding success. The latest Unionlearn Annual Report (2016) noted more than 1,000 new ULRs had been trained and another 180,000 learners had accessed learning opportunities in the previous year while some 33 ULF projects with a combined value of more than £11 million had been supported. In the ten years since the establishment of unionlearn, almost half a million lay representatives have been trained, including 34,111 ULRs, and an estimated 2.5 million individuals have accessed learning opportunities as a consequence of these efforts.

Source: unionlearn (2016)

Early ULR activity was focussed on basic skills, which was inevitable for two reasons: firstly, like the *Bargaining for Skills* initiative which had to engage with the TEC and then LSC agenda (TUC, 2002), the ULF projects were naturally more likely to succeed with LSC engagement addressing New Labour's focus on basic skills; secondly, one of the unique advantages of the ULF and ULRs was what the then head of unionlearn, Liz Smith, famously described as 'the Heineken effect' [from a beer advertisement of the time] in reaching those that others failed to reach, bringing into learning those with little or no experience of learning since leaving school and often having had low achievement in the formal compulsory system. In a context where a substantial proportion of the existing workforce exhibits low levels of literacy and numeracy, union-led learning has made a major contribution to inclusion by meeting the needs of 'non-traditional' learners (Ross *et al.*, 2011) and appears to 'generate even more demand for learning' (Findlay *et al.*, 2007). If the UK is to raise the *overall* level of workforce skills, attention must be paid to those largely excluded from continuing vocational training and lifelong learning opportunities. Nevertheless, there is evidence of union-led learning initiatives with employees that are already highly-skilled and these need also to be factored into the analysis. Davies (2008: 312) described ULR activity in the communications industry with unionised professional staff, enabling them to access education and training at work and which is perhaps 'more relevant in the fast-changing environment of the ICT sector than in other parts of the economy.'

The first round of ULF provided some £20 million of funding and this steadily increased year on year until the 2010 election. Each year more proposals were submitted than could be funded and the competition contributed to improving the quality of submissions. As the ULF matured, unions built sustainability into projects, embedding initiatives in the workplace through establishing facilities such as learning centres. At the time of writing the unionlearn website reports that the ULF has disbursed some £150 million since 1998, supporting 550 projects involving 57 trade unions. Some 34,000 ULRs have been trained, 600 union learning centres opened and an estimated 220,000 individuals access courses each year through union-led

learning. The current ULF round 17 (1 April 2016 – 31 March 2017) supports 28 projects involving 22 unions.

The White Paper *21st Century Skills* (DfES, 2003) made much of the potential for partnership approaches to raising workforce skills and referred specifically to the role of trade unions fourteen times [the substantive part of the White Paper was more than 100 pages]. The TUC welcomed the central strategy of establishing a Skills Alliance, comprising a high-level Social Partnership Board with representatives from key government departments (the Departments for Employment and Skills; Trade and Industry; Work and Pensions; and the Treasury) and the social partners (TUC, CBI and Small Business Council), as well as a Delivery Partners Board led by the LSC, which was to deal with practical implementation and operational matters. Significantly, the White Paper also recognised the need to develop intermediate skills (level 3), where the UK is particularly deficient, whilst continuing to address basic skills needs at level 2.

When the UKCES (2009) published its assessment of progress on raising UK workforce skills and targets for the future, the discourse revolved around individuals, employers and government: trade unions were not mentioned once in the report, which ran to 150 pages. Reviewing the research evidence on the role and impact of unions on skills policy and practice, Clough (2012: 35) noted:

There has been minimal union involvement in skills formation such as determining occupational standards and the qualifications on which they are based. This is the result of the lack of social partnership institutions in the VET system. There has been even less involvement by unions in how skills are utilised at the workplace, which is the result of managerial prerogative and limited collective bargaining over such issues.

Inevitably the May 2010 general election that brought a Conservative/Liberal Democrat coalition government to power, led to further reduction in engagement with the unions and further institutional changes. The LSC was closed and replaced by the Skills Funding Agency (and the Young People's Learning Agency). The ULF was retained but funding was reduced in the context of austerity measures and its future is even more uncertain since the Conservative election victory in May 2015.

Sector level

There is an obvious logic to focussing initiatives to enhance workforce skills at sector level: employers in the same sector have similar skills needs and employees are (or were) more likely to continue working in the same sector. The regulation of apprenticeships historically involved sector level negotiation between unions and employers' associations, and common standards for apprentice training served employer and employee interests alike. When ITBs were created in the 1960s these were naturally established as sector bodies on the grounds that employer collaboration over training would ensure standards were maintained and offer substantial economies of scale. Trade unions were involved not so much from a rights perspective but for the pragmatic reasons that they brought specific occupational expertise from the 'shop floor' and that including an element of employee voice would obviate the need for subsequent, and perhaps protracted, negotiation or resistance at the level of individual workplaces and enterprises.

In the 1980s, tripartite sector-level ITBs were replaced by employer-led Industry Training Organisations (ITOs) and while trade unions thereafter had no statutory role, ITOs often continued to consult with them, particularly where the ITO was a reconstituted ITB (the

tripartite Clothing and Allied Products Industry Training Board, for example became the employer-led CAPITB Trust). When competence based vocational qualifications (NVQs and SVQs) were introduced, employer-led Industry Lead Bodies (ILBs) were also established to develop the underpinning occupational standards, usually through functional analysis: union representatives were often involved in grounding the standards in workplace experience (Mansfield and Mitchell, 1996).

A study of trade union involvement in continuing vocational training in 1993 found that trade unions were centrally involved in the two remaining ITBs, irrespective of the level of unionisation (Winterton and Winterton, 1994). Whilst engineering construction was highly unionised, trade union membership had collapsed in construction, yet union involvement was seen as crucial in developing occupational standards in trades like bricklaying. More surprisingly, in the two ITOs studied (chemicals and engineering) the dismantling of the ITBs had ‘made little difference to the degree of involvement of the unions.’ (*ibid*: 43).

The White Paper *21st Century Skills* endorsed the continuation of ITB arrangements in construction and engineering construction, and noted that employers and unions were debating the merits of re-establishing an ITB in the print industry, but rather closed down the agenda in concluding that ‘while the statutory levy approach may suit some industries, it is unlikely to be a solution for many.’ (DfES, 2003: 58). The White Paper nevertheless contained new measures at regional and sector levels that included a strong role for the trade unions. In particular, the new Sector Skills Councils, building on the Sector Skills Foresight initiatives and Workforce Development Plans, were to be encouraged to broker Sector Skills Agreements between trade unions and employers’ associations to develop workforce skills in line with sector needs.

However, an implementation progress report on Sector Skills Agreements four years later made only one mention of trade unions, in relation to a ULF project with Skillset, the SSC for creative industries (EKOS, 2007). Another SSDA-financed study on Sector Skills Agreements made only one mention of trade unions concerning the scope for collaborative action (GHK, 2008). Since the White Paper, Sector Skills Agreements had become interpreted as agreements between employers over mapping sector skills needs and determining how best to provide them. Trade unions disappeared from the sector skills landscape and it should be noted that this marginalisation of trade unions at sector level took place before Labour lost power in 2010.

Box 2

Communitas

The restructuring of the UK steel industry led to large scale job losses and those redundant lacked appropriate skills for the new economy. At the same time steel-making work processes were substantially transformed, so those remaining in the sector equally needed training. In response to these needs, the Iron and Steel Trades Confederation (ISTC) established Steel Partnership Training (SPT) to explore opportunities for funding and to encourage former and present steel workers back into learning. In addition to training learning representatives, SPT developed a system for rapid response to redundancy, providing information, advice and training free of charge to workers under immediate threat of redundancy, as well as developing basic skills to increase the employability of steelworkers and ex-steelworkers. When the ISTC merged with other trade unions to form Community, the new union also established an independent training division, Communitas, which developed community learning centres open to union members their families and the wider community. In 2014 a Learning Centre was opened at the Tata steelworks in Llanwern with support from the Wales Union Learning Fund.

Source: <http://www.learninginaction.co.uk/index.html>

Enterprise level

Rainbird (1990) argued that the removal of unions from (most) sector bodies under the Conservatives had the effect of stimulating trade union interest in regaining influence over training at the workplace. The dissolution of (most) ITBs prompted the TUC to develop strategies for engaging with employers at enterprise and workplace level to negotiate access to training. In the absence of social dialogue at national and sector levels, enterprise and workplace bargaining fulfil a similar role in a market-led training system but with no obligation on the employer to bargain (Winterton, 2000; 2006; 2007).

Early attempts by the unions to develop a partnership approach to training met with only limited success since UK employers took a very instrumental approach to training, preferring this to be job-specific and non-transferable to reduce the risk of losing employees with a portable qualification to competitors. The TUC (1989: 11) argued for Workplace Training Committees (WTC) to be established in ways analogous to the Health and Safety Committees created under the Safety Representatives and Safety Committees Regulations 1977. WTCs were to have statutory responsibility to develop a Training Plan for the enterprise and establish minimum training hours for employees. In the absence of such statutory support, union negotiators were encouraged to develop a joint approach with employers (TUC, 1990). In *Learning for Life*, the TUC (1993) put forward ambitious proposals for negotiating training agreements linked to organisational strategy, training committees to operationalize arrangements in the workplace and rights to training to pursue qualifications.

The *Bargaining for Skills (BfS)* initiative launched in 1992 (TUC, 1992) marked a new approach: in return for supporting government targets for education and training (TUC, 1995a), *BfS* was aimed at negotiating training opportunities at the workplace (TUC, 1996), mainly through establishing partnership projects with TECs to help deliver TEC training outcomes. In their review of activities in the North West region, Dundon and Eva (1998) noted that *Bargaining for Skills* was largely the result of demand to raise awareness of training initiatives among workplace representatives ‘pushed by the ideological motives of new unionism and pulled by the structural limitations of an employer-led framework.’ Earlier work had shown

little bargaining was taking place over training and that representatives were rarely aware of TEC initiatives and opportunities for training.

The extent to which trade unions succeeded in engaging employers over training was unclear at that time. Using data from the third Workplace Industrial Relations Survey, Millward *et al.* (1992: 225) concluded that training had only been ‘conceded by management as a bargaining issue by very few managements in recent years.’ However, WIRS3 only asked about changes in bargaining issues, so provided no indication of the extent to which management routinely discussed training with union representatives. Claydon and Green (1992; 1994) found evidence that trade unions were having a positive impact on increasing training opportunities although this was not necessarily reflected in collective agreements.

In a qualitative study for the Employment Department of *leading-edge* cases of union involvement in continuing vocational training, employers noted substantial value-added by the unions, particularly where extensive work restructuring was involved (Winterton and Winterton, 1994). Green *et al.* (1995; 1999) offered statistical evidence from a large dataset of the positive effect of trade unionism on firm training efforts, also based on research undertaken for the Employment Department. Based on a survey of members and union representatives from the Manufacturing, Science and Finance Union, Heyes and Stuart (1998) found union involvement in training decisions at the workplace to be associated with a higher level of training activities and outcomes.

Data from the British 1998 Workplace Employee Relations Survey (WERS) showed a positive correlation between workplace union recognition and private-sector employer-provided training (Böheim and Booth, 2004; Cully *et al.*, 1998). Interestingly, the effect was most marked for white collar employees and not evident at all in the case of women manual workers. Using Labour Force Survey (LFS) data, several studies (Green *et al.*, 1999; Harris, 1999) found training incidence and duration to be higher for unionised workers, which was confirmed by British Household Panel Survey data (Arulampalam and Booth, 1998; Booth *et al.*, 2003). Unionisation correlates with establishment size and large employers in all countries are more disposed to provide training. Harris (1999) found not only that large employers provided more work-related training, but were also more willing to train where there is a low probability of obtaining return on investment.

Box 3

BAE Systems Military Aircraft and Information division

Union-led learning has pioneered initiatives to maximise the potential of skilled employees by giving them increased responsibility. After a skills mapping exercise within different trades, union lay representatives worked with employee groups to identify the skills from another craft that would improve the process on which they worked. This systematic skills optimisation programme identified tacit skills gained informally through work and resulted in better skills utilisation bringing production efficiencies through relaxing demarcation and establishing more flexible working practices which increased earnings and job security.

Source: Jameson (2012).

Arguably the most impressive progress in skill development at enterprise level in the UK has been associated with initiatives of the ULF (and the Welsh and Scottish ULFs) and the actions of ULRs. Earlier attempts to establish training agreements and workplace training committees

met with limited success but it was clear that including training in the collective bargaining agenda was essential to increase workplace learning opportunities (Heyes and Stuart, 1996). Equally it must be recognised that agreements alone are insufficient guarantee of increased training (Stuart, 1996) and that sector training agreements have failed where the parties ‘lacked the institutional capacity necessary to ensure adherence to the agreement at workplace level’ (Stuart, 2007: 15).

With the arrival of ULRs it appears that learning agreements (TUC, 2003), along with workplace training committees or working groups, were important in making ULR activity (TUC, 2004a; 2004b; 2006) sustainable (Hollinrake *et al.*, 2008), in turn contributing to increasing opportunities for learning at work. Wallis and Stuart (2007: 20) provided qualitative evidence that learning agreements were *part* of the picture and were most effective when based on shared commitment from the key actors in a context of high-trust, stable industrial relations. A later study of 281 learning agreements confirmed that workplaces where such agreements had been negotiated were associated with management being more favourably disposed towards unions, partnership and negotiation (Stuart, 2011). Significantly, on the basis of a survey of 415 employers, workplaces with learning agreements exhibited demonstrably higher union learning impact on access to learning and, especially, on organisational practices including addressing skills gaps (*ibid*).

Similar conclusions were drawn in the evaluation of Collective Learning Fund pilot projects, which were seen to have evolved through ‘the embedding of learning activity through joint management/union learning committees and agreements’ (Stuart *et al.*, 2011: 20). The importance of workplace learning institutions was also confirmed in other studies showing a clear relationship with ULR effectiveness (Bacon and Hoque, 2010; 2011). Of all such factors, the most powerful predictor of ULR activity and impact is the existence of negotiations with the employer over training (Saundry *et al.*, 2011). This is not as tautological as it may first appear: negotiations over training do not occur automatically just because ULRs are in place (not even with an agreement, although this makes it far more likely) and negotiation demonstrates employer recognition of, and engagement with, the ULR role.

Evaluating the impact of ULF projects in rounds 8-11 through the largest workplace survey to date specifically designed for this purpose, we found more than half the workplaces surveyed had established learning centres and either signed union learning agreements (ULAs) or established workplace learning committees (Stuart *et al.*, 2010). On the basis of surveys of individual learners, union officials and employers, we found that the 1,777 ULAs in place by 2010 had played a pivotal role in institutionalising union-led learning and embedding learning in the workplace (Stuart *et al.*, 2013: 240). Where ULAs existed, all perceived impacts were higher, workplace learning centres were more likely to have been established and employers were more likely to report impacts on upgrading skills and organisational performance (Stuart *et al.*, 2013: 232).

The fact that union–management learning agreements were associated with higher perceived impacts was also suggestive that a degree of institutionalization around learning may be taking place and that such institutionalization may make a difference to the impact that union-led learning can have at the British workplace. Taken together, the findings reveal that new channels of voice around learning at those workplaces involved in the union learning model are emerging (Stuart *et al.*, 2013: 242).

The most recent and comprehensive analysis of the union effect on skills development is the unionlearn research report by Stuart *et al.* (2015), based on evidence from the LFS 2001-2013 and WERS 2011. This report shows that the union ‘mark-up’ [difference in training between union members and non-unionised employees] increased steadily to 16 percentage points in 2013: whereas 38.9 per cent of union members reported having received job-related training in the previous 13 weeks [the standard LFS question] the corresponding figure for non-union employees was 22.9 per cent.

STRENGTHS AND WEAKNESSES

The establishment of unionlearn and the training of ULRs dedicated to promoting training at work represents a major strength of union engagement with the skills agenda in the UK and has prompted substantial academic interest (Alexandrou, 2010; Shelley and Calvey, 2007). The amount of training activity developed has been substantial and the results in certain areas impressive, particularly in relation to providing access to training for employees with few qualifications or disadvantaged in the labour market. For example, Martínez Lucio *et al.* (2007) described ULRs engaging with migrant workers in the workplace and community, and acting as advocates to promote recognition of migrants’ qualifications. Accessing ESOL (English for Speakers of Other Languages) provision and developing learning centres was seen as a prerequisite to enable migrants to communicate their concerns, but awareness of how to assist migrants to use their qualifications and skills appeared to be less developed. A body of research has confirmed the positive role that union-led learning has played in promoting social inclusion among ethnic minorities and migrant workers (Heyes, 2009; Mustchin, 2012).

Various attempts have been made to assess the extent to which unions and ULRs have had an impact on access to learning and skills development. Using WERS data, Stuart and Robinson (2007) explored the relationship between trade union representation and training activity in British workplaces and found union recognition had a positive effect on whether employees received training and on the amount of training received. Hoque and Bacon (2008), however, suggested that the relationship between union recognition and employer-provided training was ‘at best, weak’ and specifically concluded there was no relationship between training and either union density or the presence of ULRs, although they did find evidence of greater equality of training opportunity in workplaces with ULRs. Using data from the 2007 unionlearn survey of ULRs and matched data from a survey of managers, Bacon and Hoque (2009) found 73 per cent of ULRs reported they had a positive impact on at least one form of either employer-funded or non-employer-funded training, although managers’ views of the impact of ULRs on training activity were significantly less positive than the assessments of ULRs in the same workplaces. Unsurprisingly, the same authors found ULRs have greater impact where managers value their activities and negotiate with them when deciding training issues (Hoque and Bacon, 2011).

There has also been considerable debate surrounding the role of union-led learning in union renewal, with detractors arguing that union learning is an ‘implausible’ route to revitalisation (McIlroy, 2008) and agnostics criticising its apparent focus on employability and work-related skills (Forrester, 2004). Accepting that there are inevitably constraints associated with unions accepting state funding, Rainbird and Stuart (2011) refute the incorporation thesis, arguing that unions have succeeded in critically engaging with learning in ways that support trade union and member interests rather than becoming agents of the state. Research on behalf of unionlearn has also addressed this question and demonstrated that while union learning is far from a panacea, it can support wider union agendas. Moore and Wood (2007), for example,

discussed measures unions were taking to integrate union learning with the wider union agenda, in particular recruitment and organisation. Thompson *et al.* (2007) found that union-led learning has ‘clear, positive and increasingly recognised effects on union organisation’, boosting membership and bringing new individuals into active union roles. Trade unions are enhanced by participating in learning, and can contribute to renewal but ‘unions’ maximisation of the possible benefits is contingent’ (*ibid*: 26). Later studies of SULF projects similarly gave grounds for optimism of the potential for contributing to union revitalisation (Findlay and Warhurst, 2011). Moore (2009) found six unions were using learning specifically as a recruitment tool and a vital component of revitalising union organisation.

The major limitation of the unionlearn approach has been the absence of a statutory right to bargain over training or legal obligations on employers to provide training. Clough (2007: 10) describes how TUC (1995b) proposals for a statutory package involving employer obligations to negotiate over training and employee rights to access learning at work were not taken up by New Labour once in office. Forrester and Payne (2000: 159) noted at the time the contradiction between the White Paper’s (DfEE, 1999) recognition that it is the responsibility of employers to train and the absence of any proposed ‘mechanism to compel employers to make such training available.’ Similarly, whilst the statutory rights granted under the *Employment Act 2002* represented a major advance in guaranteeing opportunities for ULRs to have facility time and similar support, the absence of statutory *obligations* on employers remains a major limitation (Wallis *et al.*, 2005).

Comparisons (often drawn) between ULRs and Health and Safety Representatives are misleading because not only do the latter have clear rights under the 1977 Regulations, they are also part of the enforcement mechanisms of the *Health and Safety at Work etc Act 1974*, which seeks to guarantee employees a safe and healthy working environment. In the absence of an underpinning statute [a *Workplace Training Act*, for example], requiring employers to train and to negotiate over training, ULRs must persuade employers of the merits of supporting training. Such rights have been enacted in French law since the inter-sectoral agreement of September 2003 (Le Deist and Winterton, 2012) which could provide a model for UK trade unions. In a forthcoming study of union-led learning in eight countries, we argue the need for coordination at European level to promote more effective trade union engagement in skills development at national, sector and workplace levels (Stuart and Winterton, 2016).

The weakness of a non-statutory framework for training and development is a recurrent theme in general concerning skills development in the UK. In relation to apprenticeships, Steedman (2001: 35) identified this as a major weakness and one of the reasons that ‘variability in duration, standards, achievements and funding are such that it is impossible to define apprenticeship in Britain.’ Several commentators noted better examples where there is a tradition of apprenticeships but quality is low in the service sector (Fuller and Unwin, 2003a; Lewis *et al.*, 2008). Trade unionism has a stronger presence in the sectors where apprenticeship traditions (and quality) are highest. Shop stewards were often *de factor* mentors of apprentices, socialising them into the union as well as the craft, and a recent unionlearn report suggested that ULRs should be involved in mentoring apprentices (Hirst *et al.*, 2014). Trade unions are also supporting efforts to promote equality and diversity in apprenticeships, by broadening the gender and ethnic composition of participants (Newton and Williams, 2013).

The question of skills utilisation has become increasingly prominent in skills debates and unionlearn (2012) recently produced guidance for negotiators on this issue. Keep (2000) first mooted the idea that the real problem was one of skills *demand* rather than supply but few

heeded the idea that skills utilisation and work organisation needed at least as much attention as training opportunities. The *Employer Skills Surveys* undertaken in 2011 and 2013 on behalf of UKCES suggested that 48 per cent of employers had some employees who were over-qualified or over-skilled for their current roles. There was however evidence of over-reporting because of the way the question had been posed and the 2015 Survey introduced a more nuanced sequential two question approach (Vivian *et al.*, 2016: 78). In the 2015 Survey, 39 per cent of employers reported having employees that were over-qualified for their current positions, and 30 per cent reported that such employees possessed skills that were under-utilised (*ibid*: 79). Under-utilisation of skills is therefore an issue for 30 per cent of employers and an estimated 2 million employees (*ibid.*) More than half of the employers reporting under-utilisation of skills noted the occupations most affected as managerial, professional and associate professional occupations [37 per cent, 7 per cent and 8 per cent, respectively, totalling 52 per cent] (*ibid*: 80). The *European Working Conditions Survey* provides independent corroboration: of the individuals surveyed in the UK only 7 per cent reported being under-skilled for their current jobs, whereas a staggering 39 per cent of individuals reported being over-skilled for their current role (Boxall and Winterton, 2016b).

Related to issues of skills utilisation and productivity, there has been renewed interest in high performance working (HPW) in the UK skills literature. The *Leitch Report* (2006) appeared to involve a leap of faith that increasing skills would boost productivity and competitiveness, prompting Keep *et al.* (2006) to comment that productivity is the result of an interplay of factors. A recent study using data from the *Employer Skills Surveys* noted, ‘raising the supply of skills does not automatically result in the raising of workplace productivity’ (Wood *et al.*, 2013). A literature review for UKCES (Belt and Giles, 2009: ii) defined HPW as ‘a general approach to managing organisations that aims to stimulate more effective employee involvement and commitment to achieve high levels of performance.’ Successive *Employer Skills Surveys* sought to capture information about the adoption of HPW based on the incidence of practices associated with HPW. Wood *et al.* (2013: 46) reported a ‘decline in the use of almost all the practices between 2007 and 2011 in the UK.’ Noting that the UKCES Survey measure of HPW ‘does not include many indicators related to employee involvement’ they recommended that future surveys include questions on teamwork, functional flexibility and quality circles. In the latest *Employer Skills Survey* the HPW practices considered are grouped into five factors: planning; organisation; skills; rewards; and autonomy (Vivian *et al.*, 2016: 120). The skills issues relate to training and assessment of performance after training, while autonomy is captured by task variety, task discretion and flexible working.

CONCLUSIONS

Particularly in the last decade, trade unions have made a major contribution to promoting skills development in the UK and are increasingly engaged in developing more efficient skills utilisation. The effectiveness of that contribution is largely determined by the extent to which managers are engaged and the institutionalisation of the relationship in the form of a training or learning agreement. Unless and until there are legal obligations on employers to develop workforce skills and to consult with trade unions on achieving this, it is likely that skills issues in the UK will remain problematic. Such legislation should as a minimum place an obligation on employers to develop an enterprise or workplace training plan addressing sector needs identified by their relevant sector body and to consult with employee representatives on training, skills utilisation and work organisation. Until then, progress will be limited to those leading-edge cases where unions are actively pursuing the skills agenda with employers and managers that recognise the added-value that trade unions bring to the process.

A unionlearn research paper on skills utilisation written in the year that the Coalition Government came to power, Green (2010) refers to High Involvement Work Processes (HIWP) in relation to the UKCES agenda and argued the case for unions playing a central role in raising skills utilisation through HIWP. However, none of the subsequent UKCES discussion makes a distinction between HPW, often associated with high levels of job strain and worker stress, and HIWP, where employees exert influence over decisions affecting the work process, and which offers prospects for simultaneously enhancing performance and worker well-being (Boxall and Winterton, 2016a). The difference is more than semantic and is further evidence that trade unions and employee voice are increasingly being written out of the script in UK skills policy.

Fortunately, as was the case in the 1990s under the Conservatives, policy rhetoric is often at variance with workplace reality, where managers are more concerned with day-to-day operational priorities and efficient use of the resources they have, particularly employees. Herein trade unions find the space to operate and contribute to the skills agenda most effectively. In the absence of a statutory obligations on employers to develop a training plan and assure skill development opportunities for employees, trade unions cannot engage with employers on skills from a rights-based perspective in the way that is possible over health and safety issues. In the UK context of voluntarism, unions need to build relationships with employers to establish training or learning agreements that institutionalise arrangements for collaboration on the skills agenda.

A review of all the case studies collected by unionlearn, including activities under the ULF, demonstrates that trade unions are systematically delivering learning opportunities, especially for individuals with basic skills needs, including English language, and thereby making an essential contribution to addressing the skills deficit and promoting social inclusion. Where unions succeed in negotiating learning or training agreements, establishing training committees and creating workplace learning centres, there is more likelihood of learning opportunities becoming embedded in the workplace and that sustainable benefits will obtain for employees and the organisation. There is some evidence that union-led learning is moving beyond basic skills, the need for which was an urgent preoccupation at the start of the decade, and offering opportunities for individuals to progress into learning to support upskilling and career advancement.

Leading edge cases show union representatives working with managers to map workforce skills, review skills utilisation and negotiate forms of work organisation that promote greater employee engagement and offer scope for improving job quality and worker well-being, whilst simultaneously delivering higher productivity, improved quality and retention of key workers in whom resides the core competence of the organisation. These more recent advances demonstrate that when unions are involved, there is more likelihood of successfully changing work organisation as well as developing, deploying and retaining workforce skills.

REFERENCES

- Ackers, P. and Payne, J. (1998) 'British trade unions and social partnership: Rhetoric, reality and strategy', *The International Journal of Human Resource Management*, 9(3): 529-550.
- Alexandrou, A. (ed.) (2010) *Union Learning Representatives: Challenges and opportunities*, London: Routledge.
- Arulampalam, W. and Booth, A.L. (1998) 'Training and labour market flexibility: is there a trade-off?' *British Journal of Industrial Relations*, 36(4): 521-536.
- Bacon, N. and Hoque, K. (2009) *The impact of the union learning representative*, Research paper 9, London: TUC unionlearn.
- Bacon, N. and Hoque, K. (2010) 'Exploring the relationship between union learning representatives and employer-provided training in Britain', *The International Journal of Human Resource Management*, 21(5): 720-741.
- Bacon, N. and Hoque, K. (2011) 'Union representation and training: the impact of union learning representatives and factors affecting their effectiveness', *Human Relations*, 64(3): 387-413.
- Belt, V. and Giles, L (2009) *High performance working: A synthesis of key literature*, Evidence Report 4, Wath-upon-Deane: UK Commission for Employment and Skills.
- BIS (2013) *The Future of Apprenticeships in England: Implementation Plan*, BIS 13/1175. London: Department for Business, Innovation and Skills.
- BIS (2015) *Trade Union Membership 2014: Statistical Bulletin*, BIS 15/300. London: Department for Business, Innovation and Skills.
- Böheim, R. and Booth, A.L. (2004) 'Trade union presence and employer-provided training in Great Britain', *Industrial Relations*, 43(3): 520-545.
- Booth, A.L., Francesconi, M. and Zoega, G. (2003) 'Unions, work-related training and wages: evidence for British men', *Industrial and Labor Relations Review*, 57(1): 68-91.
- Boxall, P. and Winterton, J. (2016a) 'Which conditions foster high-involvement work processes? A synthesis of the literature and agenda for research', *Economic and Industrial Democracy*, DOI: 10.1177/0143831X15599584
- Boxall, P. and Winterton, J. (2016b) 'What factors predict better utilization of skills in the British workplace? An analysis using the 5th European Working Conditions Survey 2010', forthcoming.
- Brockmann, M., Clarke, L. and Winch, C. (2010) 'The apprenticeship framework in England: A new beginning or a continuing sham?' *Journal of Education and Work*, 23(2): 111-127.
- Brockmann, M. and Laurie, I. (2016) 'Apprenticeship in England – the continued role of the academic-vocational divide in shaping learner identities', *Journal of Vocational Education and Training*, 68(2): 229-244.
- Claydon, T. and Green, F. (1992) *The Effect of Unions on Training Provision*, Discussion Paper in Economics No. 92/3, Leicester: University of Leicester.
- Claydon, T. and Green, F. (1994) 'Can trade unions improve training in Britain?' *Personnel Review*, 23(1): 37-51.
- Clough, B. (2007) *From voluntarism to post-voluntarism*, Research paper 5, London: TUC unionlearn.
- Clough, B. (2012) *The role and impact of unions on learning and skills policy and practice: a review of the research*, Research paper 16, London: TUC unionlearn.
- Cully, M., Woodland, S., O'Reilly, A. and Dix, G. (1998) *Britain at Work. As depicted by the 1998 Workplace Employee Relations Survey*, London: Routledge.
- Davies, S. (2008) 'Union learning reps in a high tech industry', *Journal of Education and Work*, 21(4): 297-315.

- DfE (2011) *Review of Vocational Education – The Wolf Report*, London: Department for Education.
- DfEE (1996) *Meeting the National Skills Challenge: A summary of labour market and skills trends*, London: Department for Education and Employment.
- DfEE (1998a) *Union Learning Fund: A Partnership in Lifelong Learning - Prospectus*, London: Department for Education and Employment.
- DfEE (1998b) *The Learning Age: A Renaissance for a New Britain*, Green Paper, Cm 3790, Department for Education and Employment, London: HMSO.
- DfEE (1999) *Learning to Succeed: A New Framework for post-16 Learning*, White Paper, Cm 4392, Department for Education and Employment, London: TSO.
- DfES (2003) *21st Century Skills: Realising our Potential*, Cm 5810, London: Department for Education and Skills.
- DIUS (2007) *World Class Skills: Implementing the Leitch Review*, Department for Innovation, Universities and Skills, London: HMSO.
- DoE (1988a) *Training for Employment*, White Paper, Cm 316, London: Department of Employment.
- DoE (1988b) *Employment for the 1990s*, White Paper, Cm 540, London: Department of Employment.
- DoES (1991) *Education and Training for the 21st Century*, White Paper, Cm. 1536, Department of Education and Science, London: HMSO.
- Dolphin, T., Gottfried, G., Raikes, L., Silim, A. and Thompson, S. (2014) *European Jobs and Skills: A comprehensive review*, London: Institute for Public Policy Research.
- Dundon, T. and Eva, D. (1998) 'Trade unions and bargaining for skills', *Employee Relations*, 20(1): 57-72.
- EKOS (2007) *Sector Skills Agreements Implementation Progress Report*, Research Report 24, Wath-upon-Deane: Sector Skills Development Agency.
- Elbaum, B. (1989) 'Why apprenticeship persisted in Britain but not in the United States', *Journal of Economic History*, XLIX(2): 337-349.
- ETUI (2016) *Benchmarking Working Europe - 2016*, Brussels: European Trade Union Institute.
- Felstead, A. and Green, F. (1994) 'Training during the recession', *Work, Employment and Society*, 8(2): 199-219.
- Felstead, A., Green, F. and Jewson, N. (2012) 'An analysis of the impact of the 2008-9 recession on the provision of training in the UK', *Work, Employment and Society*, 26(6): 968-986.
- Findlay, J., Findlay, P. and Warhurst, C. (2007) *Estimating the demand for union-led learning in Scotland*, Research paper 6, London: TUC unionlearn.
- Findlay, P. and Warhurst, C. (2011) 'Union Learning Funds and trade union revitalization: A new tool in the toolkit?' *British Journal of Industrial Relations*, 49(S1): s115-s134.
- Finegold, D. and Soskice, D. (1988) 'The failure of training in Britain: Analysis and Prescription', *Oxford Review of Economic Policy*, 4(3): 21-52.
- Forrester, K. (2004) 'The quiet revolution? Trade union learning and renewal strategies', *Work, Employment and Society*, 18(2): 413-420.
- Forrester, K. and Payne, J. (2000) 'Trade union modernisation and lifelong learning', *Research in Post-Compulsory Education*, 5(2): 153-171.
- Fryer, R. H. (Ch.) (1997) *Learning for the Twenty-First Century*, First Report of the National Advisory Group for Continuing Education and Lifelong Learning, London: NAGCELL.
- Fryer, R.H. (Ch.) (1999) *Creating Learning Cultures: Next Steps in Achieving the Learning Age*, Second Report of the National Advisory Group for Continuing Education and Lifelong Learning, London: NAGCELL.

- Fuller, A. and Unwin, L. (2003a) 'Creating a "Modern Apprenticeship": a critique of the UK's multi-sector, social inclusion approach', *Journal of Education and Work*, 16(1): 5-25.
- Fuller, A. and Unwin, L. (2003b) 'Learning as apprentices in the contemporary UK workplace: creating and managing expansive and restrictive participation', *Journal of Education and Work*, 16(4): 407-426.
- Fuller, A. and Unwin, L. (2008) *Towards Expansive Apprenticeships: A commentary by the Teaching and Learning Research Programme*, London: Institute of Education.
- Fuller, A. and Unwin, L. (2009) 'Change and continuity in apprenticeship: the resilience of a model of learning', *Journal of Education and Work*, 22(5): 405-416.
- GHK (2008) *Sector Skills Agreements: The state of play*, Research Report 28, Wath-upon-Deane: Sector Skills Development Agency.
- Glynn, S. and Gospel, H. (1993) 'Britain's low skill equilibrium: a problem of demand?' *Industrial Relations Journal*, 24(2): 112-125.
- Gospel, H. (1994) 'The survival of apprenticeship training: a British, American, Australian comparison', *British Journal of Industrial Relations*, 32(4): 505-522.
- Gospel, H. (1995) 'The decline of apprenticeship training in Britain', *Industrial Relations Journal*, 26(1): 32-44.
- Gospel, H. (1998) 'The revival of apprenticeship training in Britain?' *British Journal of Industrial Relations*, 36(3): 435-457.
- Gospel, H. and Fuller, A. (1998) 'The Modern Apprenticeship: new wine in old bottles?' *Human Resource Management Journal*, 8(1): 5-22.
- Green, F. (2010) *Unions and skills utilisation*, Research paper 11, London: TUC unionlearn.
- Green, F. and Ashton, D. (1992) 'Skill shortage and skill deficiency - a critique', *Work, Employment & Society*, 6(2): 287-301.
- Green, F., Machin, S. and Wilkinson, D. (1995) *Trade Unions and Training: An Analysis of Training Practices in Unionised and Non-Unionised Workplaces*, ED Report E95/08, Sheffield: Employment Department.
- Green, F., Machin, S. and Wilkinson, D. (1999) 'Trade unions and training practices in British workplaces', *Industrial and Labor Relations Review*, 52(2): 177-195.
- Harris, R.I.D. (1999) 'The determinants of work-related training in Britain in 1995 and the implications of employer size', *Applied Economics*, 31(4): 451-463.
- Heyes, J. (2009) 'Recruiting and organising migrant workers through education and training: a comparison of Community and the GMB', *Industrial Relations Journal*, 40(3): 182-197.
- Heyes, J. and Stuart, M. (1998) 'Bargaining for skills: trade unions and training at the workplace', *British Journal of Industrial Relations*, 36(3): 459-467.
- Hirst, A., Short, C. and Rinne, S. (2014) *The role of mentoring in supporting Apprenticeship*, Research paper 20, London: TUC unionlearn.
- Hollinrake, A., Antcliff, V. and Saundry, R. (2008) 'Explaining activity and exploring experience – findings from a survey of union learning representatives', *Industrial Relations Journal*, 39(5): 392-410.
- Hoque, K. and Bacon, N. (2008) 'Trade unions, union learning representatives and employer-provided training in Britain', *British Journal of Industrial Relations*, 46(4): 702-731.
- Hoque, K. and Bacon, N. (2011) 'Assessing the impact of Union Learning Representatives on training: evidence from a matched sample of ULRs and managers', *Work, Employment and Society*, 25(2): 218-233.
- Hyman, J. (1992) *Training at Work: A Critical Analysis of Policy and Practice*, London: Routledge.
- Jameson, H. (2012) *Making skills work*. Research paper 17, London: TUC unionlearn.
- Keep, E. (1999) 'UK's VET policy and the "Third Way": following a high skills trajectory or running up a dead end street?' *Journal of Education and Work*, 12(3): 323-346.

- Keep, E. (2000) 'Learning organisations, lifelong learning and the mystery of the vanishing employers', *Economic Outlook*, 24(4): 18-26.
- Keep, E. (2006) 'State control of the English education and training system - playing with the biggest train set in the world', *Journal of Vocational Education and Training*, 58(1): 47-64.
- Keep, E. (2015) 'Governance in English VET: on the functioning of a fractured "system"', *Research in Comparative and International Education*, 10(4): 464-475.
- Keep, E., Mayhew, K. and Payne, J. (2006) 'From skills revolution to productivity miracle – not as easy as it sounds?' *Oxford Review of Economic Policy*, 22(4): 539-559.
- Kelly, J. (2004) 'Social partnership agreements in Britain: Labor cooperation and compliance', *Industrial Relations: A Journal of Economy and Society*, 43(1): 267-292.
- Kelly, J. and Willman, P. (eds) (2004) *Union Organization and Activity*, London: Routledge.
- Layard, R., Mayhew, K. and Owen, G. (eds) (1994) *Britain's Training Deficit*, Aldershot: Avebury.
- Le Deist, F. and Winterton, J. (2012) 'Trade unions and workplace training in France: social partners and VET', in R. Cooney and M. Stuart (eds) *Trade Unions and Training: Contemporary International Perspectives*, London: Routledge, pp. 77-100.
- Leitch, S. (2006) *Prosperity for All in the Global Economy – World Class Skills*, Final Report of the Leitch Review of Skills, London: HM Treasury.
- Leman, S. and Williams, P. (1995) 'Apprentices and other long-term trainees—data from the LFS and other surveys', *Employment Gazette*, 103(2): 67-74.
- Leschke, J. and Watt, A. (2008) *Job Quality in Europe*, Working Paper 2008.07, Brussels: ETUI.
- Leschke, J., Watt, A. and Finn, M. (2012) *Job Quality in the Crisis: AN update on the Job Quality Index (JQI)*, Working Paper 2012.07, Brussels: ETUI.
- Lewis, P., Ryan, P. and Gospel, H. (2008) 'A hard sell? Prospects for apprenticeship in UK retailing', *Human Resource Management Journal*, 18(1): 3-19.
- Liepmann, K. (1960) *Apprenticeship: AN enquiry into its adequacy under modern conditions*, Abingdon: Routledge.
- Lloyd, C. and Payne, J. (2002) 'Developing a political economy of skill', *Journal of Education and Work*, 15(4): 365-390.
- Lloyd, C. and Payne, J. (2005) 'A vision too far? Mapping the space for a high skills project in the UK', *Journal of Education and Work*, 18(2): 165-185.
- Lloyd, C. and Payne, J. (2007) 'Tackling the UK skills problem: can unions make a difference?' in S. Shelley and M. Calveley (eds) *Learning with Trade Unions: a contemporary agenda in employment relations*, Aldershot: Ashgate, pp. 57-81.
- McDonough, T. and Dundon, T. (2010) 'Thatcherism delayed? The Irish crisis and the paradox of social partnership', *Industrial Relations Journal*, 41(6): 544-562.
- McIlroy, J. (2008) 'Ten years of New Labour: Workplace learning, social partnership and union revitalization in Britain', *British Journal of Industrial Relations*, 46(2): 283-313.
- McIntosh, S. (2007) *A Cost-Benefit Analysis of Apprenticeship and other Vocational Qualifications*, Research Report No. 834, Sheffield: Department for Education and Skills.
- Marsden, D. and Ryan, P. (1990) 'Institutional aspects of youth employment and training policy in Britain', *British Journal of Industrial Relations*, 28(3): 351-369.
- Martínez Lucio, M., Perrett, R., McBride, J. and Craig, S. (2007) *Migrant workers in the labour market*, Research paper 7, London: TUC unionlearn.
- Mayhew, K. and Keep, E. (1999) 'The assessment: +knowledge, skills and competitiveness', *Oxford Review of Economic Policy*, 15(1): 1-15.
- Mansfield, B. and Mitchell, L. (1996) *Towards a Competent Workforce*, London: Gower.
- Mason, G. and Bishop, K. (2015) 'The impact of recession on adult training: Evidence from the United Kingdom in 2008-2009', *British Journal of Industrial Relations*, 53(4): 736-759.

- Meager, N. (1986) 'Skill shortages again and the UK economy', *Industrial Relations Journal*, 17(3): 236-248.
- Millward, N., Stevens, M., Smart, D. and Hawe, W.R. (1992) *Workplace Industrial Relations in Transition: The ED/ESRC/PSI/ACAS Surveys*, Aldershot: Dartmouth.
- Moore, S. (2009) *Integrating union learning and organising strategies*, Research paper 8, London: TUC unionlearn.
- Moore, S. and Wood, H. (2007) *Union learning, union recruitment and organising*, Research paper 1, London: TUC unionlearn.
- MSF (1987) *Negotiating for Training*, London: Manufacturing Science Finance.
- MSF (1988) *Campaigning for Training*, London: Manufacturing Science Finance.
- Munro, A. and Rainbird, H. (2000) 'The New Unionism and the New Bargaining Agenda: UNISON – employer partnerships on workplace learning in Britain', *British Journal of Industrial Relations*, 38(2): 223-240.
- Munro, A. and Rainbird, H. (2004) 'Opening doors as well as banging on tables: an assessment of UNISON/employer partnerships on learning in the public sector', *Industrial Relations Journal*, 35(5): 419-433.
- Mustchin, S. (2012) 'Unions, learning, migrant workers and union revitalization in Britain', *Work, Employment and Society*, 26(6): 951-967.
- Newton, B. and Williams, J. (2013) *Under-representation by gender and race in Apprenticeships: Research summary*, Research paper 19, London: TUC unionlearn.
- Prais, S.J. (1995) *Productivity, Education and Training: An international perspective*, Cambridge: Cambridge University Press.
- Rainbird, H. (1990) *Training Matters: Union Perspectives on Industrial Restructuring and Training*, Oxford: Blackwell.
- Rainbird, H. and Stuart, M. (2011) 'The state and the union learning agenda in Britain', *Work, Employment and Society*, 25(2): 202-217.
- Richard, D. (2012) *The Richard Review of Apprenticeships*, URN 12/1323, London: School for Startups.
- Ross, C., Kumarappan, L., Moore, S. and Wood, H. (2011) *Learning Journeys*, Research paper 14, London: TUC unionlearn.
- Ryan, P. (1999) 'The embedding of apprenticeship in industrial relations: British Engineering, 1925-65', in P. Ainley and H. Rainbird (eds) *Apprenticeships: Towards a new paradigm of learning*, London: Routledge.
- Ryan, P., Gospel, H. and Lewis, P. (2007) 'Large employers and Apprenticeship training in Britain', *British Journal of Industrial Relations*, 45(1): 127-153.
- Ryan, P. and Unwin, L. (2001) 'Apprenticeship in the British "training market"', *National Institute Economic Review*, 176(1): 99-114.
- Saundry, R., Hollinrake, A. and Antcliff, V. (2011) *Union learning representatives-activity, impact and organisation*, Research paper 12, London: TUC unionlearn.
- SSDA (2001) *Skills for Business*, Wath-upon-Deane: Sector Skills Development Agency.
- Senker, P. (1992) *Industrial Training in a Cold Climate*, Aldershot: Avebury.
- Sheldrake, J. and Vickerstaff, S. (1987) *The History of Industrial Training in Britain*, Aldershot: Avebury.
- Shelley, S. and Calveley, M. (eds) (2007) *Learning with Trade Unions: a contemporary agenda in employment relations*, Aldershot: Ashgate.
- Skills for All: Research Report from the National Skills Task Force* (2000) 141STFRP, Sheffield: Department for Education and Employment.
- Snower, D.J. (1994) *The Low-Skill, Bad-Job Trap*, IMF Working Paper No. 94/38. Available at SSRN: <http://ssrn.com/abstract=883810>

- Steedman, H. (2001) *Benchmarking apprenticeship: UK and Continental Europe compared*, CEP Discussion Paper 513, London: Centre for Economic Performance (London School of Economics).
- Steedman, H. (2011a) *Apprenticeship Policy in England: Increasing skills versus boosting young people's job prospects*, CEP Policy Analysis, London: Centre for Economic Performance (London School of Economics).
- Steedman, H. (2011b) 'Challenges and change: Apprenticeships in German-speaking Europe', in T. Dolphin and T. Lanning (eds) *Rethinking Apprenticeships*, London: Institute for Public Policy Research, pp. 93-105.
- Stuart, M. (1996) 'The industrial relations of training: a reconsideration of training arrangements', *Industrial Relations Journal*, 27(3): 253-265.
- Stuart, M. (2001) 'Contesting partnership: Evaluating the demise of a national training agreement', *Journal of Vocational Education and Training*, 53(1): 5-20.
- Stuart, M. (2011) *The context, content and impact of union learning agreements*, Research paper 15, London: TUC unionlearn.
- Stuart, M., Clough, B. and Rees, J. (2011) *Co-investing in workforce development*, Research paper 13, London: TUC unionlearn.
- Stuart, M., Cutter, J., Cook, H. and Winterton, J. (2010) *Assessing the impact of union learning and the Union Learning Fund: Union and employer perspectives*, Centre for Employment Relations Innovation and Change, Policy Report No. 4, Leeds University Business School.
- Stuart, M., Cutter, J., Cook, H. and Winterton, J. (2013) 'Who stands to gain from union-led learning in Britain? Evidence from surveys of learners, union officers and employers', *Economic and Industrial Democracy*, 34(2): 227-246.
- Stuart, M. and Robinson, A. (2007) *Training, union recognition and collective bargaining*: Research paper 4, London: TUC unionlearn.
- Stuart, M., Valizade, D. and Bessa, I. (2015) *Skills and training: the union advantage*, Research paper 21, London: TUC unionlearn.
- Stuart, M. and Winterton, J. (eds) (2016) *Trade union strategies for developing competence at work in the New Europe*, London: Routledge, forthcoming.
- Thompson, P., Warhurst, C. and Findlay, P. (2007) *Organising to learn and learning to organise*, Research paper 2, London: TUC unionlearn.
- TUC (1989) *Skills 2000*, London: Trades Union Congress.
- TUC (1990) *Joint Action over Training*, London: Trades Union Congress.
- TUC (1992) *Bargaining for skills: A Call to Action. A TUC Initiative to deliver the National Education and Training Targets*, London: Trade Union Congress.
- TUC (1993) *Learning for Life*, London: Trades Union Congress.
- TUC (1994) *A New Partnership for Company Training*, London: Trades Union Congress.
- TUC (1995a) *Bargaining for Skills: A TUC Initiative to Deliver the National Education and Training Targets*, London: Trades Union Congress.
- TUC (1995b) *Funding Lifelong Learning: a strategy to deliver*
- TUC (1996) *Training in the Workplace: A Negotiators Guide*, London: Trades Union Congress.
- TUC (1999) *Trade unions and Employee Development Schemes: a negotiators' guide*, London: Trades Union Congress.
- TUC (2002) *Bargaining for Skills: A Call to Action. A TUC Initiative to deliver the National Education and Training Targets*, London: Trades Union Congress.
- TUC (2003) *Promoting Learning Agreements*, TUC Learning Services
- TUC (2004a) *The Quiet Revolution: the rise of the Union Learning Representative*, London: Trade Union Congress.

- TUC (2004b) *New Faces: the changing profile of Union Learning Reps*, London: Trades Union Congress.
- TUC (2006) *Making a real difference – union learning reps: a survey*, London: Trade Union Congress.
- UKCES (2009) *Ambition 2020: World Class Skills and Jobs for the UK*, Wath-upon-Deane: UK Commission for Employment and Skills.
- Undy, R. (2001) 'New Labour and New Unionism, 1997-2001: But is it the same old story?' *Employee Relations*, 24(6): 638-655.
- Unionlearn (2012) *Making the most of skills: a guide for union reps*, London: TUC Unionlearn.
- Unionlearn (2016) *Unionlearn Annual Report 2016*, London: TUC Unionlearn.
- Vickerstaff, S.A. (2003) 'Apprenticeship in the "Golden Age": were youth transitions really smooth and unproblematic back then?' *Work Employment and Society*, 17(2): 269-287.
- Visser, J. (2006) 'Union membership statistics in 24 countries', *Monthly Labor Review*, January, 38-49.
- Vivian, D., Winterbotham, M., Shurry, J., James, A.S., Hewitt, J.H., Tweddle, M., Downing, C., Thornton, A., Sutton, R., Stanfield, C. and Leach, A. (2016) *Employer Skills Survey 2015: UK Results*, Evidence Report 97, Wath-upon-Deane: UK Commission for Employment and Skills.
- Wallis, E. and Stuart, M. (2007) *A collective learning culture: A qualitative study of workplace learning agreements*, Research paper 3, London: TUC unionlearn.
- Wallis, E., Stuart, M. and Greenwood, I. (2005) 'Learners of the workplace unite! An empirical examination of the UK trade union learning representative initiative', *Work, Employment and Society*, 19(2): 283-304.
- Williams, G. (1963) *Apprenticeship in Europe: the lesson for Britain*, London: Chapman Hall.
- Winterton, J. (2000) 'Social dialogue over vocational training in market-led systems', *International Journal of Training and Development*, 4(1): 26-41.
- Winterton, J. (2001) *VET innovations through arrangements in collective agreements to facilitate lifelong learning for low-skilled workers and workers in occupations at risk*, UK National Report, Thessaloniki: CEDEFOP, November.
- Winterton, J. (2006) 'Social dialogue and vocational training in Europe: Are we witnessing the emergence of a European model?' *Journal of European Industrial Training*, 30(1): 65-76.
- Winterton, J. (2007) 'Building social dialogue over training and learning: European and national developments' *European Journal of Industrial Relations*, 13(3): 281-300.
- Winterton, J. and Winterton, R. (1989) *Coal, Crisis and Conflict: The 1984-85 Miners' Strike in Yorkshire*, Manchester: Manchester University Press.
- Winterton, J. and Winterton, R. (1994) *Collective Bargaining and Consultation over Continuing Vocational Training*, Research Report RM.7, Sheffield: Employment Department.
- Winterton, J. and Winterton, R. (2003) *Adult and Community Learning with the Learning and Skills Council*, Research Report RR428, Sheffield: Department for Education and Skills.
- Wood, S., BurrIDGE, M., Green, W., Nolte, S. and Rudloff, D. (2013) *High performance working in the Employer Skills Surveys*, Evidence Report 71, Wath-upon-Deane: UK Commission for Education and Skills.