



Position Paper
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Social



CHAMBRE DES SALAIRES
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**Shaping the future through
high-quality education and training –
make continuing vocational training
a basic right!**

Executive summary

Vocational education and training is a key instrument for making changes to the world of work. It supports the processes of economic restructuring, creates individual career opportunities, helps people to adapt to new technologies, and is an important factor in their professional and personal development and participation in society. In this context, the Saarland Chamber of Labour, the Bremen Chamber of Labour, the Luxembourg Chamber of Labour and the Austrian Chambers of Labour are not only calling for more focus on vocational training, but also for a more reliable and robust framework and statutory regulations for vocational training. Improving and developing continuing vocational education and training (CVET) should be the joint responsibility of the state, employers and trade unions. The Chambers propose the following five building blocks for meeting the challenges and establishing a training culture that is fit for the future:

1. Establishing the right to an initial vocational qualification and continuing vocational training, guaranteed by law. This includes:
 - Mandatory funding systems that share the growth dividends fairly between the social partners while ensuring an appropriate balance of risk. The best way to do this is via the allocation funding method (Umlageverfahren) and endowment funds.
 - Statutory regulations on individual training that allow employees to take a leave of absence with the right of return and guarantee their means of subsistence via an allowance that replaces their earnings.
 - An extensive network of independent centres to provide employees with advice on CVET.
2. Based on the tried-and-tested consensus procedure in vocational education and training involving the state and social partners, initial and continuing vocational education and training (IVET and CVET) must be continuously developed and tied in with potential changes of occupation. During times of structural change, such a system is an essential element for ensuring workers are able to enter the labour market, advance in their careers, or switch to new occupations. It is also vital for maintaining a sound base of skilled labour for the economy and, finally, for stabilising the labour market.
3. Companies are responsible for providing their staff with vocational training. Skills and training have to be at the heart of any forward-thinking Human Resources policy. Democracy does not stop in business, so it is important to drive forward the expansion of internal or collectively agreed regulations (collective agreements) on skills and training. Companies should introduce a general right of initiative and co-determination on this issue on the part of interest groups, and employee representatives should provide advice on CVET.
4. Policies to actively support the labour market must once again involve a focus on CVET. A new skills or training allowance should be introduced as a new unemployment benefit so that unemployed people can afford to participate in vocational training.
5. Policymakers need to ensure that unskilled, low-skilled, and part-time employees and people in precarious jobs are given privileged access to individual in-service training and funding measures. In this way, CVET can help to counter the polarisation of the labour market and reduce social inequality.

The positions in detail

Background

Demographic change, the accelerated pace of new technology, and global competition are all creating challenges for the European production model. The shift away from fossil fuels will also lead to drastic changes in economies that have a relatively strong industrial base. We can expect to see a fundamental shift in the structure of industries, jobs, and requirements. The nature of work is changing, and we can assume that some jobs will be lost while new ones are created elsewhere. For employees, this transformation process brings with it new risks, but also opens up opportunities for co-determination.

Skills that have already been acquired could be devalued and workers with low-to-medium skill levels could be pushed into low-paid and precarious jobs. The polarisation of the labour market into good and bad jobs may intensify. Questions also arise about new social distortions caused by technological and structural unemployment, which can affect entire sectors, occupations and regions. Even if new jobs are created in tandem, this unemployment could become entrenched because jobseekers do not have the skills that are needed.

It is generally accepted that lifelong learning is the key to meeting these challenges: Vocational training should support the processes of change and adaptation that people go through in their lives and help them to make transitions. It should help people to enter the workforce, advance their careers, or switch to other occupations, and prevent their careers going into decline .

Vocational training in social market economies has a dual mandate: It should provide employers with adequate number of workers with the skills that the economy needs for growth. It should also ensure that workers can earn a living in good conditions and facilitate social, regional, and professional mobility. Good quality education and training in schools, universities and the workplace can create social prosperity in two ways. Lifelong learning is, therefore, in the interests of society as a whole. Education and training as a whole needs to be improved and investment in education

should be a key focus for policymakers. Thus, we need a more proactive CVET policy. From the perspective of employees, the normative basis is:

- the right to an initial vocational qualification
- and the right to continuing vocational training for all employees and the unemployed.

These rights have to be backed up by legislation and educational institutions need to offer appropriate programmes. In future, the quality of vocational education and training should be measured by how it provides access, recognised qualifications, permeability, and clarity in all types of education. Success can be guaranteed through a real and active social partnership that systematically exploits the tripartite responsibility of employees, industry and the state to create a proactive CVET policy.

However, everything still revolves around a fair labour market and income and distribution policies that should ensure that the growth dividend is fairly shared between the social partners and that the burdens associated with structural change are balanced appropriately. An effective, pre-emptive IVET and CVET policy based on solidarity is one of the essential building blocks.

Initial vocational qualification

The vocational education and training system has proven its value over many decades and consistently demonstrated its flexibility and ability to adapt to change. The days are long gone when people could learn to do one job and then stay in it for the rest of their working lives. That is why individual occupations have now been bundled into core occupations and there is a greater focus on learning basic skills and key competencies. One of the main factors for ensuring successful ongoing modernisation is a close cooperation between the social partners and the state at all levels in order to develop and continually update job descriptions and training regulations through consensus. The training itself is characterised by interlinked learning locations that guarantee quality-tested standards. This means

that vocational qualifications are underpinned by legally binding standards and recognised in every region and every company. For employees, a vocational qualification guarantees a strong position in the labour market and the collective pay structure with a high degree of mobility, not just in the regional sense, but also in terms of changing jobs and opportunities for career advancement. A vocational qualification represents a solid basis for the future, particularly in the context of structural change.

But there are also downsides. Employers are not obliged to offer apprenticeships, and this is why investment in vocational education and training, which is so important for society as a whole, depends at this crucial point on short-term company decisions and has so far attracted little political involvement. The quality of the training offered by different companies and industries can vary greatly and requires improved quality assurance. A funding system that involves all businesses equally in corporate investment in the next generation of skilled workers would create a greater sense of obligation among employers. In the end there needs to be a genuine training guarantee that allows all employees to obtain an initial vocational qualification. This also requires an expansion of opportunities for gaining a vocational qualification at a later date, which should be guaranteed by the state.

CVET counselling

There is already a pressing need for CVET counselling because the current offer is complex and lacks transparency. A legal entitlement to CVET should, therefore, be flanked by a legal entitlement to neutral, independent advice on such training. The aim and task is to provide individuals with the best possible recommendations on training that are tailored to their needs, and to give advice on potential funding. This individual counselling should be carried out in the context of labour market forecasts and demand for particular skills and qualifications. The counselling offered should be low-threshold, arouse interest in training, and facilitate access for all interested parties, especially for high-risk groups such as the low-skilled and the unemployed. It would also make sense to provide in-company training counselling by employee representatives who could advise on work/life balance and support in-company communication.

Formal CVET programmes

For most employees, training is part of their daily lives. Formal CVET programmes that lead to a

recognised qualification provide greater job security and opportunities to make choices about one's future. However, to date they have had no institutionalised place in the education system comparable to that of IVET programmes.

Formal CVET programmes require a clear framework. It makes sense to take the successful model of tripartite responsibility used in the dual training system and apply it to the design and recognition of CVET qualifications. This would significantly increase the acceptance, transparency and attractiveness of these qualifications.

In future, however, formal CVET courses need to be equally focused on advancement in one career and transition to related careers, while recognising previous vocational qualifications. Such a system should be based on initial education and training in schools, universities and the workplace and be easy to adapt to new conditions in the value creation process. It could then play a key role in stabilising the labour market in the face of structural change.

In addition, opportunities should be created for workers to change careers and be offered the financial support they need to retrain and gain a new qualification.

Good training requires time and money

Despite the importance of CVET for society as a whole, employees currently bear a large proportion of the costs. Many people are deterred by the financial burden and time pressures that this can entail. This is why distribution policy has a role to play in continuing vocational education and training.

When providing employees with financial assistance so that they can participate in training, it is important to take into account loss of wages and the cost of the training itself. Particular support must be given to groups who are less likely to participate in vocational training, such as low-paid, low-skilled and part-time workers, and people in precarious employment. It is precisely these groups who can benefit the most from training. They need to be given privileged access so that CVET can contribute to reducing social inequality.

An allowance to cover loss of earnings (Lohnersatzleistung) during the training period is a sensible solution. It should be based on previous income and be proportionately higher for low-income earners. But training also takes time. The right to undertake continuing vocational training must, therefore, include the legal right to leave of absence. Only then can employees

devote the necessary time to the kind of professional development that is not funded by their employer or that does not coincide with their employer's interests. Leave of absence for a set period or the reduction of contractual working hours should be guaranteed by law. This must also include the right of return to the previous job or working hours.

Austria, Germany and Luxembourg have some interesting approaches that need to be developed further in this respect. Austria has educational leave (Bildungskarenz), part-time work (Bildungsteilzeit) and grants for skilled workers (Fachkräftestipendium), which should be developed to create a uniform instrument for ensuring people have enough money to live on during training phases, even if it lasts several years. In Germany, the Aufstiegsfortbildungsförderungsgesetz (Upgrading Training Assistance Act) guarantees financial support to cover loss of wages and subsidies for the cost of training. It should be developed further to become a general law on training assistance that not only helps people to advance in their careers, but also change careers, and that also enables unskilled workers to obtain an initial vocational qualification. Part-time working for a set period of time (Brückenteilzeit) is an important step towards the right to claim leave of absence. In Luxembourg, the law on training leave for individuals (Bildungsurlaub) guarantees an allowance to cover loss of earnings and leave of absence for one third of the training period. The amount of leave and opportunities for financial support should be increased in order to improve access to training programmes that are costly and last several years.

Proactive CVET for employees

Changing requirements have always been a feature of the labour market, with some occupations disappearing, new ones emerging, and others adapting to the changes. Many experts predict that this process will be accelerated by digital transformation and structural change. This means that more and more workers will have to deal with upheavals in their working lives. In order to ensure that these kinds of transfers between occupations and sectors do not involve career interruptions or phases of unemployment, it is important to focus more strongly on pre-emptive CVET policies so that workers are prepared for such transitions in a planned and targeted manner.

Industry-specific or job-specific models offer some interesting ways of meeting this challenge. For example, Austria's labour foundations (Arbeitsstiftungen) combine elements of collective labour law with state support for employment and a focus on counselling and training.

Making in-service training fit for the future

In-service training is often conducted with the aim of adapting employees' skills in line with technical or organisational changes. From the company's viewpoint, it is a way of ensuring employees have the specific skills it needs, boosting productivity, and building loyalty to the company. However, if – as forecasts suggest – job descriptions will change even more quickly in future while the half-life of existing knowledge and competencies shrinks significantly, then pre-emptive training will also play an important role in companies as an element of a forward-looking HR policy. Businesses have to take responsibility for this and invest more in in-service training. However, considerable disparities already exist between companies in this respect. For example, smaller companies tend to offer their staff fewer training opportunities than larger ones, and these opportunities often depend on the employee's position in the company. Therefore, it is all the more important that works councils and HR councils are involved. They play an important role in terms of early warning, support, negotiation, and mediation. Collective agreements and company agreements are important instruments for democratically co-determining and shaping in-service training in the interests of employees. It is also necessary to examine the extent to which industry-wide funding models could ensure that training opportunities are shared out more evenly.

Promoting employment and the labour market

Policies to promote employment and the labour market are aimed at balancing supply and demand in the labour market, reducing imbalances in regional, sectoral and skills sub-markets, ensuring that skills are better aligned with supply and demand, increasing workers' chances of permanently returning to the labour market, and improving their position within it. They are, therefore, designed to support phases of structural change through targeted skills development. But this can only happen if CVET once again becomes the focus of these policies.

The main focus is on workers who have already lost their jobs, but in future, unemployed people should not only be refunded their training expenses, but also be paid a training allowance to replace their lost earnings during the period of training. This allowance should be higher than the level of unemployment benefit. Here, too, social disadvantages should be smoothed out by providing specific support to groups who experience particular problems in the labour market.



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The Austrian Federal Chamber of Labour is by law representing the interests of about 3.8 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore the Austrian Federal Chamber of Labour is a part of the Austrian social partnership. The Austrian Federal Chamber of Labour is registered at the EU Transparency Register under the number 23869471911-54.

The main objectives of the 1991 established AK EUROPA Office in Brussels are the representation of the BAK vis-à-vis the European Institutions and interest groups, the monitoring of EU policies and to transfer relevant information from Brussels to Austria, as well as to lobby the in Austria developed expertise and positions of the Austrian Federal Chamber of Labour in Brussels.