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Trade Unions, Vocational Education and Workplace Training: International Trends

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1. Introduction

This paper seeks to address the issue of international trends in how trade unions are seeking to engage with workplace training and skills development. It begins with a discussion of the importance of skills development to economic and social development and examines the changing nature of skills and forms of vocational education and training (VET). The paper introduces the concept of varieties of capitalism (VoC) and examines its utility for comparing the roles of unions in VET within both liberal and coordinated economies. There are also varieties of union approaches to their role as interest organisations serving their membership constituencies, which impacts on how they approach issues related to skills development. The paper also examines challenges for unions in relation to VET in their interaction with employers, particularly in relation to union 'voice' in decision-making regarding training and skills development. Finally, there are four case studies which examine unions and VET in Germany, Norway, Canada and the UK.

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2. The Importance of Skills Development

There is widespread consensus regarding the economic importance of skills. In 2010 the G20 pledged to support training policies and systems to foster ‘strong, sustainable and balanced growth’ (ILO, 2010). The G20 advocated a broad definition of training and skills covering the full sequence of life stages: from basic education to lay the foundation for employability, followed by initial training to provide core work skills and competencies to facilitate the transition from school to work and lifelong learning to maintain skills and competencies as work, technology and skill requirements change.

The G20 advocated the development of institutions involving employers and workers and their representative organisations to ensure that training remained relevant and that training costs and productivity gains would be shared equitably. Evidence from the European Commission shows that a 1 per cent increase in training days leads to a 3 per cent increase in productivity and that the share of overall productivity growth attributable to training is approximately 16 per cent.

Establishing solid bridges between vocational education, training and skills development and the world of work, increases the likelihood that workers will acquire skills which meet the demands of labour markets, enterprises and workplaces in a variety of economic sectors and industries. Evidence indicates that a combination of a good basic education with appropriate training will:

- Empower people to develop their full capacities and take advantages of opportunities.
- Raise productivity of both workers and enterprises.
- Boost innovation and development.
- Encourage investment and job growth lowering unemployment and under employment.
- Expand labour market opportunities and reduce social inequalities.

The OECD Skills Strategy, which was promulgated in 2012, advocated an integrated, cross-government approach to help countries invest in skills in a way that would transform lives and drive economies, by undertaking the following actions:

- Develop the right skills to respond to the needs of the labour market.
- Ensure that where skills exist they are fully utilized.

- Help young people to gain a foothold in the labour market to make best use of their skills.
- Stimulate high-skilled and high value-added jobs to compete more effectively in the global economy.
- Exploit linkages across policy fields to ensure efficiency and avoid duplication of effort.

The ILO has also emphasized the importance of social dialogue and collective bargaining for skills development and workplace learning. It has developed a number of case studies through the Skills and Employability Department. One example is a transnational agreement between Thales, which produces IT systems for the defence industry, and the European Metal Workers Federation (EMWF) on training and related matters. The agreement includes a series of 'social indicators' to monitor the percentage of employees attending training programs, the average hours of training and other relevant measures (ILO, 2012).

3. The Changing Nature of Skills and the Roles of Unions

Skills are difficult to define as concepts and the conceptualization of skills is constantly changing. While traditional skilled trades may be characterized as having 'hard' skills related to technical aspects of work, which were employed in manufacturing, greater emphasis is now being placed on 'soft skills', such as communication and problem solving (Grugulis, 2006). Furthermore, changes in work roles mean that some jobs retain an emphasis on specialist skills while others require more generalist skills which have more breadth than depth.

There have been many attempts to define skills and how they are changing. Adler (1986) examined the changing nature of skills in manufacturing and identified three categories: 'task responsibilities' for the integrity of the manufacturing process, 'abstractness of tasks' describing mental elements of what were previously seen as manual tasks and 'systemic interdependence of tasks' in manufacturing with enhanced product flow such as just-in-time. In a similar fashion, Conti and Warner (1997) developed a four level classification of skills revolving around the use of social, technical, diagnostic, coping and discretionary skills.

IT services provide an example of rapid change in the nature of skills required to perform certain functions. Although the IT industry has been in existence for several decades, the pace of technological change is such that IT workers need to continuously upgrade their skills and knowledge

to remain relevant. While it was possible in the past for some IT skills to be acquired on the job, the increasing technical complexity of IT has meant that a university degree (or even post graduate degree) is now required to gain an entry level job in the industry.

The changing nature of skills provides difficulties for some unions whose membership rules have been based around historical demarcations between certain skills or crafts and between skilled and unskilled work. As Cooney (2012) points out, ‘unions need a definition of skills so that their members can be trained for skills, assessed for skills and then put onto appropriate classification scales and pay rates’. Unions representing skilled workers have played a major role in regulating entry to certain occupations by enforcing certain levels of knowledge required through apprenticeships and other forms of training. These have often been embedded as rules within collective agreements and awards. However, as Cooney notes ‘the emerging IR of skill thus become complex and contested matters that are not always resolved simply through industrial agreement’ (Cooney, 2010).

4. Initial and Continuing Forms of Vocational Education and Training (VET)

Unions have traditionally focused on initial forms of VET which are concerned with entry level training and the attainment of basic qualifications through apprenticeships. Yet studies of economic returns to VET reveal that the acquisition of lower level skills confers fewer advantages in terms of earnings growth than those which are at intermediate or higher levels (Long and Shah, 2008). But unions have less influence over continuing forms of VET because this tends to be regarded as an area of managerial prerogative in which unions play a limited or marginal role.

As noted by Cooney and Stuart (2012), it is the kind of training and the level of training which matters. They argue that continuing VET is becoming more important for workers because of changed labour market conditions flowing from neo-liberal economic policies, the decline of manufacturing and public sector employment, the rise of part-time, contract and casual labour and the shifting of risk from firms and the state to households and individuals. All of these changes mean that it is increasingly difficult to find a job without skills and qualifications which match the current demands.

Employees have an interest in structured and sequential training which provides opportunities for them to move from lower to higher skill levels. Employers are interested in their employees having firm-specific skills rather than generic skills which make them attractive to other employers. Yet some unions are seeking to negotiate for their members to gain more continuing training in broader skills which will give them a wider range of opportunities to gain better paying jobs. Furthermore, some employers see the advantage of having employees who are multi-skilled and flexible and able to provide their organisations with greater value.

5. Varieties of Capitalism and VET

Studies of trade unions and workplace training, such as that by Cooney and Stuart (2012), which compare systems of national skill formation, have utilized the ‘varieties of capitalism’ (VoC) approach developed by Hall and Soskice (2001). The VoC approach places collective bargaining and vocational training systems in a broader political and economic context, showing ‘the linkage between the quality of vocational training and how this shapes, and is shaped by, the industrial structure, product markets and innovation systems’ (Toner, 2013).

Drawing on what they describe as ‘the new economics of organisation’, Hall and Soskice argue that in market economics, firms are faced with a series of coordination problems both internally and externally. They focus on five spheres of coordination that firms must address:

- Industrial relations.
- Vocational education and training (VET).
- Corporate governance.
- Inter-firm relations.
- Relations with their own employees.

These spheres are inter-related so Hall and Soskice situate VET within the context of these other organizational functions and activities. They argue that it is possible to identify two institutional equilibria (or solutions) to these coordination problems that produce superior economic outcomes. Liberal market economies (LMEs) are those in which firms rely on markets and hierarchies to resolve the coordination problems which they face. LMEs are therefore likely to be characterized by, among other things:

- Well- developed capital markets.
- ‘Outsider’ forms of corporate governance.
- Market forms of industrial relations involving relatively few long-term commitments by employers to workers.
- The use of market mechanisms and contracts to coordinate their relations with supplier and buyer firms.

The United States is a prime exemplar of the LMEs but it is joined by the UK, Canada, Australia and New Zealand, all of which are predominantly Anglo-Saxon and have common law systems

The second variety of capitalism, identified by Hall and Soskice, is coordinated market economies (CMEs) in which firms make greater use of non-market mechanisms to resolve coordination problems internally and externally. In comparison with LMEs, CMEs are more likely to be characterized by:

- Patient forms of capitalism.
- Insider forms of corporate governance.
- Industrial relations systems based on bargaining and which reflect a long term commitment to employees.
- Non-market mechanisms such as industry associations, to coordinate relations between firms within and across industries and sectors.

Germany is the prime exemplar of a CME as are other northern European countries such as those in the Nordic region.

The VoC approach is relevant to the examination of labour unions and skills development when comparing different countries for several reasons. First, many of the coordination problems on which the VoC model focuses have long been of concern to industrial relations actors, such as unions, as well as involving issues such as skill development. Second, it suggests that it is not possible to fully understand issues such as the role of unions in skill formation without placing them in a wider context. Third, it focuses on the interconnections between institutional arrangements. Hence, it highlights how the erosion of employment protections in CMEs has undermined the effectiveness of vocational training systems which play such an important role in making these economies economically competitive.

The VoC approach has attracted a number of criticisms. One general complain is that two varieties of capitalism is too limited (Allen, 2004). Based on an analysis of OECD countries, Amable (2003) proposed five categories of capitalist systems, as follows: market-based (incorporating

most of the English speaking countries), social democratic (typified by the Nordic countries), Mediterranean (including Greece, Italy, Spain and Portugal), continental Europe (the bulk of the other European countries) and Asian (Japan and South Korea).

This is similar to an earlier and simpler classification suggested by Crouch (1993) who distinguished three modes of interest intermediation: contestation, pluralistic bargaining and neo-corporatism. Crouch further divided the corporatist category into 'extensive neo-corporatism (where there are strong and centralized unions) and 'simple corporatism' (where the unions are relatively weak but endowed with a strategic capacity).

Peck and Theodore (2007) introduced the concept of 'variegated capitalism' in order to provide a more dynamic analysis of capitalism and its restructuring in contrast to the bipolar approach of the VoC. They placed greater emphasis on economic factors and less on regulatory structures which shape employment relations. Their approach is useful in showing how national economies relate to each other and not simply how they can be compared. Howell (2003) found the VoC model too deterministic and permitting too little scope for other factors to play a role in determining outcomes. Wailes (2007) argued that the VoC approach is based largely on the concept of a closed economy, in which institutions have autonomous effects within national boundaries, and ignores in which international factors play in a global context.

Nevertheless, the VoC approach offers a useful framework for the comparative analysis of labour unions and skills development within a global context. The VoC approach shows how the quality of VET is shaped by the industrial structures, product markets and innovation systems as well as by the role of labour unions at the national, industry and workplace levels.

6. Varieties of Unions and VET

Labour unions have been described as 'intermediary organisations' (Muller-Jentsch, 1985) in which their main task as collective actors is to 'deploy workers' collective resources in interaction with those who exert power over them' (Hyman and Gumbrell-McCormick, 2013). Hence it is impossible to view unions in isolation from their surrounding relationships. There are at least four main types of relationships which unions have with others: their own members and constituents, employers, governments and civil society (or public opinion).

There are three ‘ideal types’ of trade unionism which have been identified by Hyman (2001). The first category was identified in the early writings of the Webbs (1894) who conceived of trade unions as ‘interest organisations representing occupationally based membership constituencies’. Later, this approach became the basis of ‘business unionism’ in the US, under Samuel Gompers as leader of the American Federation of Labor, and it came to characterize the dominant form of unionism in Anglo-Saxon countries. However, this form of unionism has proven to be very vulnerable with erosion of traditional strongholds of unionism, such as manufacturing, and the growth of precarious forms of employment. Under business unionism, individual unions paid attention to skills development but only in relation to their members’ immediate employer. With the failure of business unionism to thrive in the current era, some unions have turned towards acting more as political pressure groups and social mobilization around particular issues.

A second category is ‘social movement unionism’ in which unions become part of a broader political movement, often associated with radical causes. There is, of course, a long tradition of unions defining their role as part of reformist or revolutionary movements, particularly in third world countries where unions have often been banned. There are individual unions or groups of unions in southern European countries, such as France and Italy, which have been closely associated with the Communist Party, particularly at times of social and political upheaval. In South Africa, the union movement was part of the struggle against apartheid and the election of the first ANC led government. However, unions often find it difficult to adjust from being part of a social movement to taking on more traditional roles once political changes have been achieved. Social movement unions tend to see skills development as simply part of a broader campaign to raise educational standards.

Finally there is ‘corporatist unionism’ in which labour unions are ‘social partners’ with employers and government in national socio-economic development. In Europe, there are both Catholic strands of this type of unionism as well as social democratic traditions which are embedded in the corporatist model. The Nordic unions embody strong elements of the social partnership approach to corporatism, particularly in Sweden, where the unions agreed to wage restraint in return for egalitarian social and wage policies involving both the employers and the social democratic government from the 1930s. The German system of co-determination and works councils are also an example of corporatism. In the Nordic and German corporatist systems, unions have taken an active approach to training and skills development in which they have shared responsibility

with employers for the design and implementation of comprehensive systems of skills development. However, the retreat from the welfare state by governments in these countries in recent decades, as well as more assertive employers, has made it more difficult to sustain corporatist unionism.

Whether these three types of unionism will be applicable to the newly industrializing countries of Asia, Latin America and Africa is yet to be seen. A number of factors have influenced how these approaches to unionism evolved including: historical background, the nature and timing of economic development, the process of political democratization, the emergence of economic and political institutions and the character of civil society (including the importance of religious and ideological divisions).

7. Trends in Labour Union Density and Collective Bargaining

Unions in most industrialised countries have experienced a decline in membership in recent decades, although some more than others. As shown in Table 1, there are differences between union density (the proportion of the workforce who are union members) and collective bargaining coverage (the proportion of the workforce whose terms and conditions of work are determined by collective agreements). In general, unions in liberal market economies such as the US and UK have experienced some of the sharpest falls in membership over the past thirty years, although in Canada union membership has remained quite stable. Unions in coordinated market economies have fared much better, but there are also differences between countries within each category.

The difficulty interpreting the significance of union statistics can be illustrated by the case of France. While only 8 per cent of the workforce in France belongs to a union, 90 per cent are covered by collective agreements. Furthermore, while unionization in France has fallen considerably since 1980, the proportion of the workforce with bargaining coverage has actually increased. The level of support for unions in France may be assessed more accurately by the proportion of people voting in union elections and willing to follow when the unions call for strike action.

Table 1. Trade Union Density and Collective Bargaining Coverage: Selected Countries 1980 and 2010

	Union Density		Bargaining Coverage	
	1980	2010	1980	2010
Sweden	78	69	85	91
Germany	35	19	78	62
Belgium	54	52	97	96
UK	51	27	70	33
USA	22	11	26	13
Japan	31	19	28	16

Source: Hyman, R. and Gumbrell-McCormick, R. (2013) 'Collective representation at work'. In: C. Frege and J. Kelly, *Comparative Employment Relations in the Global Economy*. Routledge, London, p.56.

Trade unions in Sweden have among the highest levels of both membership density and collective bargaining coverage in the world, yet the proportion of the workforce who are union members declined quite markedly between 1980 and 2010. The Swedish unions drew strength and support from Social Democratic governments which held office from the 1930s to the 1970s and for most of the time since then. Sweden also benefited from a strong centralized trade union movement with close ties to the Social Democrats which provided opportunities for the unions to be represented in a wide range of institutions. Although the unions encouraged active participation by members in their governance, the central union confederations maintained considerable power over affiliates and enforced strong discipline over union behaviour. In concertation with employers and in political exchange with government, the Swedish unions agreed to wage moderation and restrictions on industrial disruption in exchange for economic growth and welfare benefits, both from employers and government. In addition to collective bargaining, unions play important roles in employee representation at the company and workplace level in many European countries.

In Germany, the rights assigned to employee representatives (not only unions) are among the strongest in the world. Under the 'dual system' of representation, the German trade unions have the right to bargain collectively over the terms and conditions of employment and a monopoly of the strike weapon, while establishing mechanisms of 'co-determination' in individual companies. Furthermore, in all but the smallest companies

there is a requirement to establish a works council. In all firms with over 2,000 employees, workers are represented on a supervisory board. Hence employees are represented via a combination of works councilors as well as union officials. It should be noted, however, that in many small firms, employees have not opted to have a works council so that the proportion without them is growing.

8. Challenges to the Unions in Relation to VET

In many countries, unions are finding it difficult to advance their interests in VET during a period of time when their power and influence is declining, governments are limiting or reducing their investment in VET and leaving it to the private sector and employers are less interested in supporting broad based or generic VET and more focused on training which will address their specific organizational needs.

Cooney and Stuart (2012) note three key challenges which unions face when seeking to pursue an agenda around employee skill development. First, the issue of VET is beyond the scope of issues on which employers are willing to bargain with labour unions. The former 'pluralistic compromise' which unions forged with employers and governments has faded along with union power and authority. While unions may regard increased interest and involvement in skills development as enhancing their legitimacy, this is being thwarted by reluctance by employers and government to grant unions a broader role.

The second challenge for unions is the 'collective good' problem. Without pressure from the state or labour unions, employers will tend to under-invest in skills development because workers who have received training are free to leave and join competitors who have not contributed to the cost of this investment. In CMEs such as Germany and the Nordic countries, where unions are stronger and have a broader skills agenda, and the state takes a more active role in VET, there tends to be a higher level of institutionalization and investment in general skills development. By contrast, LMEs such as the UK and Canada, where unions have been weaker and government has taken a more passive role in regard to VET, there has been concern about the decline in skilled workers due to lack of investment. According to Regini (1995: 192), it is necessary 'that the VET system should be highly institutionalized, with appropriate legislation and strong trade unions which oblige firms to pursue collective long-term interests'.

The third challenge is the manner of union engagement in skills development. Unions which use training to challenge managerial prerogatives are likely to face strong resistance from employers. Hence, many unions seek to advocate cooperation with employers in training as an area of mutual gains which benefit all parties. This approach is likely to be more effective in CMEs, where there is greater acceptance of social partnership in matters such as skills development, than LMEs where the relationship between labour unions and management is more antagonistic. Hence, the challenge for unions is how they 'craft' their involvement in skills development in order to engage employers in cooperative ventures.

9. Varieties of Interest between Unions and Employers Regarding Training

Unions and employers share common interests in ensuring that workers have access to skills development but they often diverge as to how this objective is to be achieved. Unions are driven by their representation of members' interests in obtaining training in skills which will lead to career development opportunities and enhance their employability. For workers, education and training is a 'labour market good' which they hope will improve their opportunities in labour markets both internal and external to the firm. Hence, workers are generally more interested in certifiable knowledge and transferable skills and less interested in on the job training which is informal and provides only firm-specific skills.

Unions are also interested in training as an 'industrial issue' which they can pursue with employers and benefit their members, not only in terms of increased skills but also for which higher levels of pay can be obtained. Hence, unions will press their claims with employers on behalf of their members for skill recognition, payment for skills acquired and access to training arrangements. Trade unions have long been engaged in the provision and regulation of entry-level training to apprenticeships for skilled workers. But unions have also become more interested in continuing training beyond traditional trade training and have sought influence over a broader range of training-related interests.

Employers have less interest in the development of general skills, which they regard as the preserve of the state and the responsibility of individuals. As employers are focused on the success of their business, they are more interested in the development of firm-specific skills that are closely related to the nature of their business, the technologies which are used, the business processes and the design of the work to be undertaken.

Employers are concerned to achieve a return on investment which they make in skills development and the benefits to the firm. However, employers may also regard training as a motivating factor which will increase employee loyalty and enhance the retention of workers with their firm. Hence, employers tend to regard training and skills development as a 'competition good' which will improve internal efficiency and labour productivity to achieve business goals.

The problem for unions when negotiating with employers over skills development and training is to identify common ground and convert the process from one of 'distributive bargaining' to 'integrative bargaining' in which both parties can enhance their interests. While managerial prerogative may be a more difficult issue to deal with in LMEs, this can also be a problem, in CMEs where training is regarded differently by employers and unions. The integration of interests between the parties is likely to be achieved more effectively where the state provides a framework of regulation for new forms of entry level training as well as forming of ongoing or continuing training which benefits workers.

10. Employee Voice, Partnership and Training

Cooney and Stuart (2012: 9) argue that the exercise of employee voice should lead to 'the creation of training arrangements that are acceptable to the majority of employees and so enhance the prospects of broad participation in training'. Employee voice is seen as significant for the identification of key benefits to training that are seen by employees:

- Do employees value training that leads to greater transferability of the skills acquired?
- Are they interested in training because of the career opportunities which it offers in the future?
- Or are they more interested in the direct benefits of pay progression?

Employee voice which addresses the concerns of workers in relation to skills development is more likely to be valued by employees and to increase the levels of employee participation in training.

One means of providing for greater employee voice and engagement in skills development is the creation of formal and informal partnerships between unions and employers in relation to training activities. These are more likely to be effective in CMEs where the mechanisms for social

partnership are already established. Hence, in the German industrial relations system, unions are able to access social partnership institutions to reach peak level agreements at the industry level over basic rights and principles concerning training arrangements.

At the enterprise level, works councils can offer to facilitate the implementation of such agreements. However, it is also possible to forge more informal agreements in LMEs at the local or enterprise level between employees and their representatives with management on training arrangements. Within the European Union, there has been the development of life-long learning policies which are dependent on a series of building blocks, such as ‘partnership working’ which reflect the ‘shared benefits of, and responsibility for, life-long learning’ (Stuart, 2007). These partnerships are not confined to employers and unions but can also involve local level bodies and broader multi-level governmental agencies. The previous Blair Labor government in Britain sought to advance these kinds of partnerships in regard to training and skill development arguing that learning is a ‘natural issue for partnership in the workplace between employers, employees, and their trade union’ (DfEE, 1998: 35).

By stimulating debate about life-long learning and the importance of skills development not only for economic development but also for enhancing the well-being of citizens, unions can broaden the agenda for a broader social dialogue between government, employers and the broader community. As noted by Cooney and Stuart (2012: 12), labour unions may find other ways of engaging with training systems: ‘such as becoming training providers and participating in middle-level institutions that regulate training’. However, to achieve this outcome may require the development of new institutional forms in order to provide a long-term role for unions and other community based organisations in the design and implementation of a significant program for VET and skills development.

11. Case Study of Germany: Union-Employer Engagement in VET

Germany provides an excellent example of multi-level union engagement with VET, both in setting industry level frameworks and implementing a social partnership model of skilled training at the local or enterprise level. As outlined by Trappmann (2012), German unions play a significant role in the VET system, securing the rights of employees to high quality skills training. But there is still a contest between employers and unions over the provision of education and training. While there are legal requirements for employers to consult with unions and works councils over training

arrangements, there are collectively bargained agreements between unions and employers at both the industry level as well as with individual firms.

Under the 'dual system' of industrial relations in Germany, unions play a significant role in apprenticeship and other forms of initial skills development. However, unions have been campaigning for a greater role in continuing forms of training. Works councils have authority to negotiate over continuing training but they have only recently become more active in this area which has previously been regarded as a preserve of management prerogative. A new federal law is regulating time off for continuing training, career development, counseling and the certification of continuing forms of training. Unions have also begun to train their own workplace learning representatives and provide career advice to their members. Yet it appears that the German system of 'partnership-based regulation' of VET, is under threat due to employer resistance.

Unions have engaged in political campaigning to place pressure on employers to increase their investment in skill development and to improve the quality of continuing training, but these have had limited success. Unions are concerned about plans by government to 'modernise' the VET sector, including reduced provisions for apprenticeships, and the potential withdrawal of employer support for the existing system. Hence, unions need to maintain and increase their pressure on government and employers to support a multi-level approach to skill development which involves all the social partners. According to Trappmann (2012: 120): 'the toughest challenge for unions is to get employers back into social partnership... Nothing less than a new compromise between labour, employers and the state is needed in the area of skill provision'.

A survey of VET at an enterprise level in Germany revealed no convincing evidence that membership of employer associations and high union density influenced training expenditure by larger German firms (Croucher and Brookes, 2009). However, the authors concluded that unions and employer bodies may have a positive impact on training efforts through their wider political activities supporting VET institutions. They also concluded that subsidies by the state may play a greater role in stimulating VET than previously acknowledged.

12. The Case of Norway: Trade Unions and Life-Long Learning

Norwegian unions have led a long and successful campaign to influence public policies and practices in the area of continuing training and education. Following the intervention of the state, the Norwegian

Competence Reforms' were introduced in the late 1990s following successful union pressure for a statutory right to study leave for employees and the certification of skills gained at work. However, the unions failed to get employers to fund the right to study leave and conflict over financing has continued.

The motivation for the Norwegian Competence Reforms was concern about the increase of social exclusion for low-skilled and poorly qualified workers as a result of social, technological and work design changes. As noted by Teige and Stuart (2012: 127): 'the learning agenda was seen as a way for the LO (the Norwegian Confederation of Trade Unions) to look after and retain a sizeable membership base'. The promotion of learning and skill development was also influenced by the fact that the unions had agreed to wage moderation with the employers and were looking for other issues over which to bargain on behalf of their members.

The social partners in Norway have a history of cooperation, particularly in matters of education and training. During the 1990s, following criticisms of the VET system in Norway as being old fashioned and inconsistent, the unions, employers and government agreed to develop a new educational and training program. Launched in 1994, 'Reform 94' gave citizens born after 1978 a statutory right to at least three years of education and training (including an apprenticeship) leading to a vocational certificate of high school diploma. There was also a major expansion of the VET system to bring Norway onto the path of a high skilled, high value-added economy (Payne, 1996). A central part of the reforms was to stimulate life-long learning so that Norwegians would acquire and maintain high levels of skill and knowledge to equip them for their work and careers.

By contrast, the partial failure of the Competence Reforms of the late 1990s was due to lack of consensus and agreement among the social partners on the full 'package' of reforms. While the employers conceded the right for employees to take educational leave, they were not prepared to finance it (Bowman, 2005). Furthermore, while the reform program was seen as the creation of the Norwegian LO, the unions were divided on the value of life-long learning as a bargaining issue. In addition, the degree of support among local trade union members at the branch level was weak. There was a failure of the LO leadership to persuade constituents that wage claims should be moderated and emphasis placed on gaining employer funding for a life-long learning program.

Nevertheless, the Competence Reforms did achieve a number of benefits for workers. A series of governmental projects were initiated which expanded educational and training opportunities at the workplace level. A Competence Building Program was implemented with the workplace as a

learning centre. No formal and informal skills were documented and recognized as a means of entrance to upper secondary level and higher education. Internationally, Norway (along with Canada) leads the world in post secondary educational attainment and features among the highest rates of participation in work- based training (Sawchuk, 2008: 55).

13. The Case of Canada: Weak Institutional Support for VET

Like many other LMEs, Canada has a relatively weak institutional framework in regard to the regulation of training. Although Canadian unions have had a long history of interest and campaigning for a greater role in training policies, this has remained the preserve of managerial prerogative. Employers have mainly focused on internal training and skill development which address the needs of the firm. This has resulted in under-investment in training resulting in continual skills shortages. Charest (2012: 61) argues the skills problem in Canada will not be resolved without some form of collective regulation but the federal and state governments are primarily concerned with 'informational and promotional' activities.

Labour regulation in Canada is mainly the responsibility of the provinces, although the federal government intervenes for that part of the workforce (approximately 10 per cent) which is under its jurisdiction. Workforce training is an ambiguous field in terms of the division of responsibilities and the federal government does intervene when it deems necessary. It pays lip service to the notion that skills development is a precondition for national economic development but does little to support it. The Canadian government, for example, has not ratified the ILO convention (number 140) which grants workers the right to educational leave.

During the 1990s, the Federal government suggested to the unions and employers that new institutions of 'concertation' be established at the sectoral level in order to support the development of workplace training (Gunderson and Sharpe, 1998). As a result, a number of 'sector councils' were created covering several economic sectors. The sector councils are bipartite committees with employer and worker representatives. They seek to encourage skills development by supporting management practices within enterprises and helping them to meet their human resource needs. About thirty -three sector councils currently cover 25-30 per cent of the labour market. Canadian unions have actively supported the creation of sector councils as a forum of representation of workers' interests but not as a substitute for collective bargaining by unions.

The cornerstone of the industrial relations system in Canada is collective bargaining and since the 1990s training has figured more prominently as an issue in negotiations between unions and employers. By the early 2000s, about two thirds of collective agreements in Canada contained a clause relating to education and training. However, given the decentralized nature of collective bargaining in Canada, there is considerable variation between provinces. In the case of Quebec, about 50 per cent of collective agreements contain a clause on training and about half of these provide for the existence of a joint labour-management committee on training. This represents a major increase from previous decades. However, employers generally regard training as a managerial prerogative and unions have few 'levers' to enforce agreements on training or to promote social dialogue on this issue.

A Federal Labour Standards Review Commission (Arthurs Report) in 2006 called on the Canadian government to 'develop a comprehensive strategy for funding, designing and ensuring the delivery of training and educational programs to support the ability of workers and enterprises... to participate fully and effectively in today's knowledge-based economy' (p.259). The Report made the specific recommendation that the federal government 'should review all potential means of providing resources to support training and life-long learning including, but not limited to, a payroll levy, tax credits, learning accounts, supported by contributions from workers and employers, labour-management partnerships and income replacement schemes' (p.260).

It remains to be seen whether a future Canadian government will act upon the recommendations of the Arthurs Report and take more concrete action to promote cooperation between employers and unions on training. Canadian governments tend to leave it to the parties to negotiate these issues and to do so at the provincial rather than national level. There are no indications that the Canadian system is likely to move to a more regulated system of VET which will give unions a stronger institutional role.

14. The Case of the UK: Towards Limited Social Partnership with VET

Under the previous Blair Labour government, the UK took some significant initiatives to improve VET and to involve the trade unions in skills development. However, as outlined by Clough (2012), 'New Labour' retained many of the traditions of voluntarism which characterized previous policies towards VET. While there was an attempt to adopt aspects of

social partnership in relation to workplace training, this was informal and without strong commitment by the parties.

Following the election of the Labour government in 1997, increased recognition was given to trade unions as stakeholders in learning and skills policies. New Labour sought to integrate employment and skills issues with concepts of employability and social exclusion. It promoted greater partnership between employers and unions in relation to VET and enhanced the unions' capacity to engage with these issues. However, the government eschewed any statutory obligations on employers to train their employees through, for example, the reintroduction of industry training levies. Nevertheless, the government gave positive assistance to the union movement through the establishment of the Union Learning Fund (ULF) and the development and statutory recognition for Union Learning Representatives (ULRs) and supported the setting up of Union learn, an organization within the Trades Union Congress (TUC) to support union learning activity.

One of the first initiatives of the Blair Labour government was the publication of a Green Paper, *The Learning Age*, which set out a broad vision of 'a culture of learning to help build a united society, assist in the creation of personal independence and encourage our creativity and innovation' (DfEE, 1998: 35). The paper noted the valuable contribution made by trade unions to workplace education and their role in reaching workers who were often excluded from employer provision or had unsuccessful experiences of formal education.

In 1998, the DfEE established the Union Learning Fund (ULF) to promote trade union innovation in workplace learning. Later, Union Learning Representatives (ULRs) were given the rights to time off to perform their duties under provisions of the Employment Act 2002.

During its period in office, the Labour government established new machinery to deliver a VET system designed to meet employer demand for training. It also delivered individual entitlements to learning. A Learning and Skills Council (LSC) was established in 2001 not only for the funding and quality control over Training and Enterprise Councils (TECs) but also with responsibilities for further education colleges and local authority adult learning, as well as sixth form provisions. The then TUC general secretary was appointed vice chair of the LSCE and chair of its Adult Learners Committee. A joint working group was established between the Confederation of British Industry (CBI) and the TUC to make recommendations on skills policy, but the CBI was opposed to any social dialogue/social partnership model based around the European model.

While considerable progress was made during the early years of the Labour government in promoting greater union involvement in VET, albeit with rather passive support from the employers, a subsequent report by the Treasury, chaired by Lord Leith, was less encouraging of social partnership approach to training (HM Treasury, 2006). The Leith Report took a more utilitarian approach with an emphasis on skills for productivity and employability and had less appeal to the union movement. It sought to ‘depoliticize the skills agenda by securing a broad political and stakeholder consensus’, although it proposed to ‘strengthen the employer voice through the creation of an employer-led Commission for Employment and Skills... within a framework of individual rights and responsibilities’. This Report marked a shift from a tripartite approach to training and skills to one which gave greater emphasis to individual employees and employers.

Research on training and skills development in the UK, however, has shown the positive benefits of union involvement. An analysis of the Workplace Employment Relations Survey (WERS) revealed a positive relationship between trade union presence and training (Stuart and Robinson, 2007). Similarly, results from the Employers’ Manpower and Skills Practices Survey (EMSPS) showed that recognition of a union has a positive significant influence on training intensity for workers in a range of occupations (Green et al., 1996). Hence, the role of unions and ULRs as partners in delivering positive outcomes for skills development has been established and the Conservative led coalition government has maintained support for most of the measures introduced by the previous Labour regime.

The contrast between skills training in the UK with other European countries with a more coordinated market approach is exemplified by the building trades, such as bricklaying. A study by Clarke (2011) compares the weak employer/trade-based regulation in the UK compared with Germany, the Netherlands and France where training and qualifications are embedded within an industry framework and underpinned by social partnership and sector-wide collective agreements. In these countries, VET is part of the general education system and based on a ‘multidimensional notion of competence integrating knowledge, practical know-how and personal and social abilities’ (Clarke, 2011: 19).

A critical view of union involvement in workplace learning and skills in the UK has been expressed by McIlroy (2008) who reviewed the role of trade unions during the decade of ‘New Labour’ from 1997 to 2007. While the Union Learning Fund, supported by the Blair Labour government, provided the Trades Union Congress (TUC) with an new ‘secondary function’, McIlroy argued that the government’s policies in this area were

more strongly influenced by the employer bodies than by the TUC. Furthermore, McIlroy remained skeptical that involvement in workplace learning activities stimulated union revitalization and noted that the Blair government was not willing to 're-regulate skills development or legally endow unions as bargainers for skills (McIlroy, 2008: 305).

While unions gained a stronger role in VET during the previous Labour government's term in office, the model for skills development was an individualistic rather than a collective one. While the unions gained a stronger voice in training issues, the system was designed primarily to meet employer demand for a more highly skilled workforce and not expanding collective bargaining by unions over learning and skills. There was no devolved decision making about training to social partner organisations and little social dialogue. The government and its agencies took a stronger role in promoting training and skills development and the system was reliant on this support. Without the establishment of independent institutional funding it is uncertain whether the momentum for skills training would continue if government policies change. Hence, the lack of a strong social partnership underpinning VET means that the future is uncertain.

15. Conclusions

The transformation of work and labour markets during recent decades, as well as political and social changes, have created a more complex and difficult environment for trade unions and labour movements. Within mature industrial economies, structural changes have meant that many of the sectors from which unions traditionally drew their membership have declined. Hence, with the demise of employment in manufacturing, once the heartland of unionization, trade unions have seen their membership shrink and their base shift to the public sector and services. In newly industrialised economies, where manufacturing is growing, unions have struggled to gain a foothold or to expand to other sectors. Political factors have also played a role in limiting the growth of unions in some of these countries where governments are opposed to the emergence of independent trade unions which might threaten the status quo. In all countries, especially with the advent of globalization, workers require higher levels of education and skills in order to obtain jobs, develop careers and secure their long term future. A number of factors inhibit people obtaining the skills they need in increasingly competitive labour markets in which jobs may be scarce. These include industrial restructuring, technological changes, the need for greater labour mobility and the demise

of the job security. Employers demand greater ‘flexibility’ from workers in terms of their skills and availability. Jobs which were previously secure are being replaced by casual, part-time and contract work which is for fixed term periods.

Governments are aware of the need to raise the level of education, provide people with longer periods of schooling, ensure that there is adequate training for those entering the workforce and continuing training and development over the course of people’s careers. Yet the cost of vocational education and training (VET) is increasing and both individuals and employers are being required to meet these costs from their own resources. Hence VET, as well as all other forms of education and training, has become a mixture of public and private goods, the cost of which has to be shared between various parties.

Trade unions are struggling to find a role in the changing world of work and skills requirements. In coordinated market economies (CMEs) where there is a stronger tradition of social partnership, shared responsibilities for VET have been taken by government, employers, unions and individuals. But even in Germany and the Nordic countries with a long tradition of social partnership, there is growing resistance by employers to meet the costs of VET, except where these coincide with their own priorities. In liberal market economies (LMEs) such as the UK and Canada, unions have generally failed to establish partnerships with employers in relation to training which is seen as a managerial prerogative. Governments in LMEs have recognized the need to greater investment in VET but have been reluctant to establish and fund independent institutions or legislate to ensure that employers and unions take responsibilities for training and skills development.

While unions in many countries recognize the importance of VET and have sought to make skills formation and training part of their bargaining agenda, they have found it difficult to make substantial progress. At best, unions have been able to forge partnerships with employers and have persuaded governments to introduce legislation to institutionalize support for VET. However, with governments introducing austerity budgets and employers becoming more resistant to new taxes, there are formidable challenges for unions to achieve significant changes in VET and to gain greater influence in policy formation and implementation.

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