

A worker in a blue protective suit and mask is cleaning solar panels on a rooftop. The worker is using a high-pressure water spray, creating a mist of water droplets. The background shows a clear blue sky and a building with a green roof.

THEMATIC BRIEF

Upskilling and reskilling for the twin transition: The role of social dialogue



GLOBAL DEAL

Disclaimer note

The opinions expressed and arguments employed herein do not necessarily reflect the official views of the OECD or its Member countries, the ILO or its Member states, or Global Deal partners. This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over, any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

First published 2023

Global Deal (2023), Upskilling and reskilling for the twin transition: The role of social dialogue

All queries on rights and licensing should be addressed to GlobalDeal@oecd.org

Photo credits: Sunshine Seeds / MERCURY studio / wavebreakmedia /

Acknowledgements

This Global Deal thematic brief was written by Anja Meierkord of the OECD Directorate of Employment, Labour, and Social Affairs. The work was carried out under the supervision of Glenda Quintini (Head of Global Deal Support Unit and Skills Team Leader, Directorate for Employment, Labour, and Social Affairs).

This thematic brief benefited from useful feedback from Alessandro Goglio (former Acting Head of Global Deal Support Unit), Andrea Marinucci (Global Deal Support Unit) and Andrea Garnero (Directorate for Employment, Labour, and Social Affairs). Administrative support was provided by Anna Irvin (Global Deal Support Unit) and Javier Gonzalez (Global Deal Support Unit). It also profited from the input of the International Labour Organization, the OECD Employment, Labour, and Social Affairs Committee (ELSAC) and the Senior Advisors to the Global Deal.



TABLE OF CONTENTS

1. Introduction	6
2. The twin transition and its impact	7
3. Effective systems for the upskilling and reskilling of adults	8
4. The role of social partners in upskilling and reskilling systems	10
5. Social partners' involvement along the policy cycle: good practices	12
Assessing changing skill needs	12
Setting adult learning strategies	13
Negotiating training rights	13
Providing training	14
Funding upskilling and reskilling	15
Encouraging a learning environment at work	15
Ensuring quality in adult learning	16
4. Notes	18
5. References	19

Introduction

How we work, where we work and what we work on is changing. A key driver of these changes is increasingly the ‘twin transition’, which describes the move towards a more digitalised and at the same time more environmentally sustainable economy. In the medium to long term, this twin transition has the potential to lead to more inclusive growth by fostering innovation, increasing productivity, and creating quality jobs. In the short term, however, it threatens to disrupt our labour markets. As these disruptions affect regions, sectors, and population groups differently, there is a risk of widening divides between people, firms, and regions.

Upskilling and reskilling are key to managing these disruptions. To ensure that the twin transition is inclusive, workers need the skills to keep up with changes in their current jobs or to help them successfully transition to another job. To ensure that the twin transition is productive, enterprises need access to the skills needed to produce increasingly digitalised and sustainable products and services. Governments and social partners must therefore put in place effective systems for upskilling and reskilling adults, including the establishment of skills assessment and anticipation exercises, well-funded training programmes based on these exercises, ensuring time for training and adequate income support, and monitoring the quality of training programmes.

This policy brief shows how social partners, together with governments, can design such effective upskilling and retraining systems. It first discusses how the digital and green transitions are together changing the skill needs of the labour market. It then describes the characteristics of effective systems for upskilling and reskilling adults, before highlighting the role of social partners in these systems. Finally, it highlights good practice in involving trade unions and employers’ organisations along the policy cycle, namely in (i) assessing and anticipating skills needs, (ii) setting joint priorities in adult learning strategies, (iii) negotiating training rights, (iv) providing training, (v) financing adult learning, (vi) quality assurance, and (vii) creating a learning environment at work. It draws on quantitative and qualitative evidence as well as examples of international good practice.



The twin transition and its impact

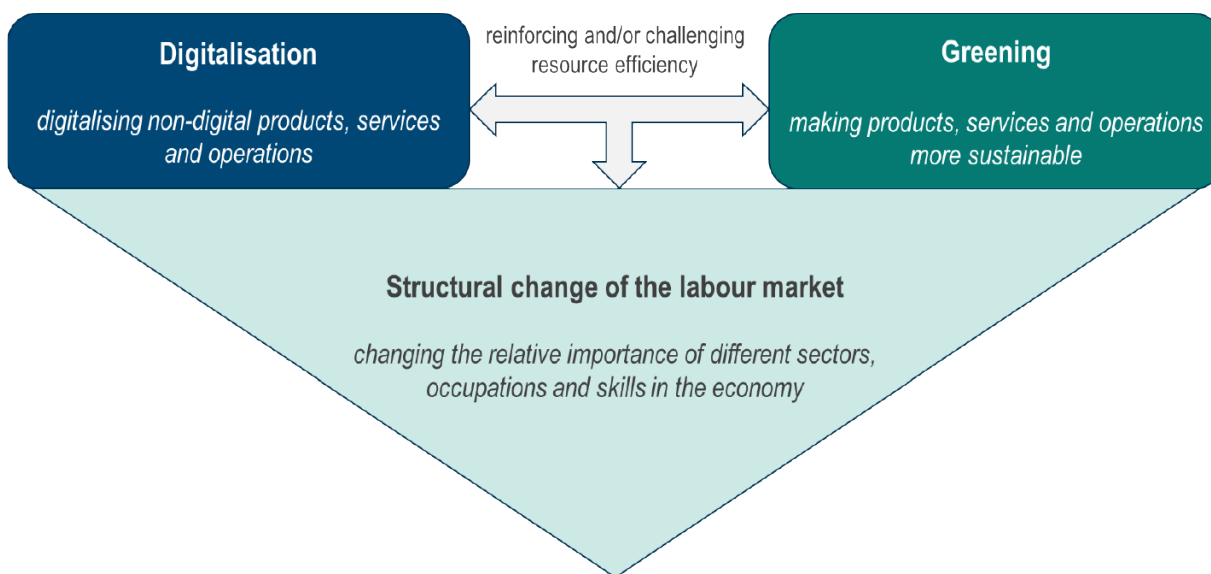
Megatrends are reshaping labour markets around the world, changing the types of work we do and how we do it. These major trends include globalisation, demographic change, digitalisation, and the transition to a low-carbon economy, the latter two of which are increasingly being referred to as the 'twin transition'. The concept of a twin transition considers the digital and green agendas together, looking at their individual impacts on our labour markets, but also at how they reinforce each other.

On the digital side, the COVID-19 pandemic has accelerated the use of technology to digitise non-digital products and services or to automate operations (OECD, 2020_[1]). Recent advances in artificial intelligence have opened the possibility of automating some complex tasks that were previously

considered bottlenecks to automation (Lassébie and Quintini, 2022_[2]). **On the sustainability front, most countries now recognise that economic growth can no longer be pursued at the expense of the environment** (ILO, 2015_[3]). Rising temperatures, pollution and extreme weather events are prompting governments to implement policies to mitigate climate change, with implications for which products and services are produced and how.

In some contexts, the two trends of the twin transition reinforce each other - digitalisation can make products, services, and operations more resource-efficient - **but in others they work against each other** - certain digital technologies, such as blockchain, for example, are highly energy-intensive (Figure 1).

Figure 1. The twin transition: digital and green



Source: OECD elaboration.

The twin transition has the potential to make our economies more innovative, productive, efficient, and sustainable. Yet, digitalisation and greening are also driving structural changes in the labour market, increasing the importance of some sectors, occupations, and skills, and decreasing the importance of others. Digitalisation is being felt to some extent in virtually all sectors and occupations, while the impact of greening is still more concentrated in sectors with a high environmental footprint and in jobs directly linked to green technology (Bednorz et al., 2022_[4]). Greening could permeate more jobs and sectors in the future. As the twin transition does not affect all

jobs equally, there is a risk of growing green and digital divides between people, firms, and regions and compounding inequalities.

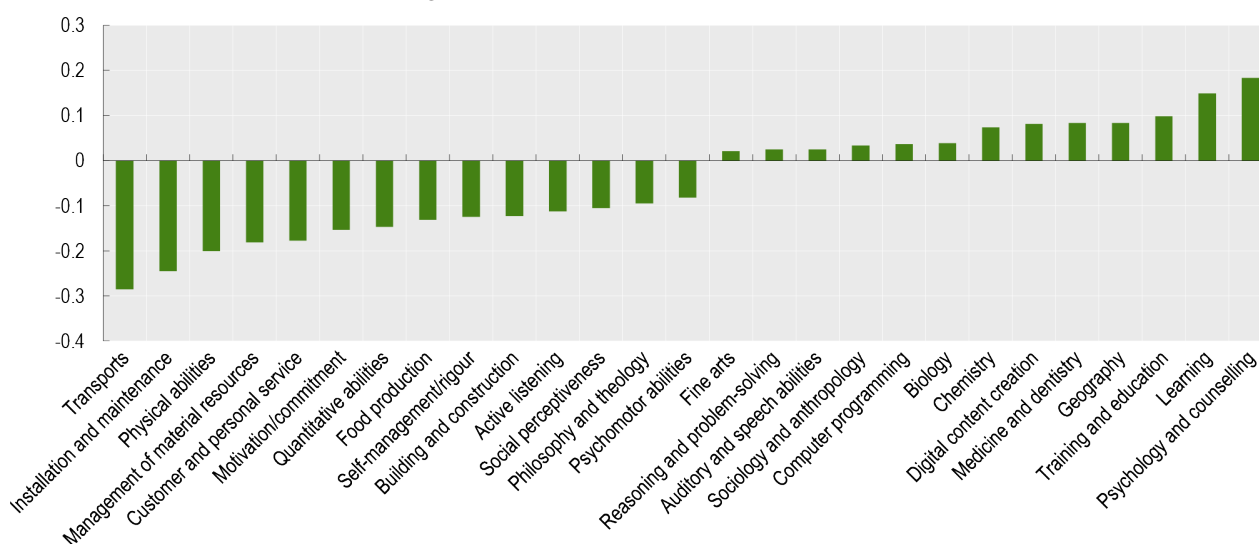
One of the ways in which this growing divide manifests itself in our labour markets is through skills shortages and surpluses. A skills shortage is a situation where employers can't recruit enough people with the skills they need, given current working conditions and wages. Skills shortages have been exacerbated in many countries following the COVID-19 pandemic. By contrast, skills surpluses occur when the number of people with a particular

skill exceeds the demand for that skill by employers (OECD, 2022^[5]). Data from the OECD Skills for Jobs database highlight recent skill shortages and surpluses in OECD countries (Figure 2). In most countries, skill shortages relate to high-level cognitive skills, such as creativity and problem solving; complex social interaction skills, such as social awareness and empathy; soft skills, such as autonomy, leadership, collaboration, and communication skills; and science, technology, engineering, and mathematics skills, including ICT skills. Surpluses, on the other hand, relate mainly to physical skills such as stamina and strength, fine motor skills such as dexterity, and knowledge related to sectors that have been subject to heavy automation.

This highlights that equipping people with the skills that are in demand and likely to be in demand in the future is central to ensuring that the twin transition is just and inclusive. Most governments and social partners now agree that large - and smart - investments in upskilling and reskilling are needed to help people adapt to the changing skill requirements of their jobs or to move to jobs in growing sectors and occupations, and to give businesses access to the skills they need to thrive in an increasingly green and digitalised economy.

Figure 2. Skill shortages and surpluses in the OECD area

Skills for Jobs indicator, OECD average, 2019



Note: The graph shows the unweighted average of skill needs across OECD countries in 2019, with the following exceptions: it is 2018 for CHE, FRA, IRL, ITA, POL, THA; 2017 for DEU, GBR, KOR; 2016 for AUS; 2015 for BRA, TUR; and 2012 for ISL, SVN. The value of 1 represents the largest shortage and the value of -1 the largest surplus across OECD countries, detailed skill categories and years - see OECD (2022) for more information.

Source: OECD Skills for Jobs database 2022.

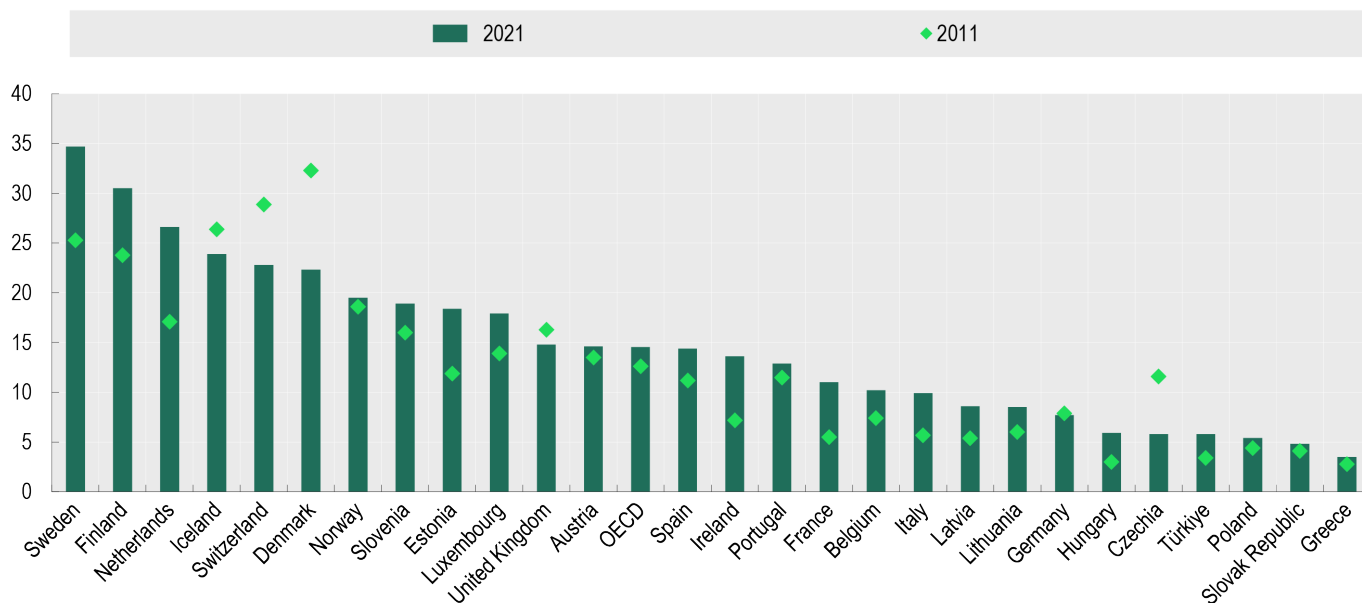
Effective systems for the upskilling and reskilling of adults

Any investment in upskilling and reskilling must enable more adults to participate in training. Today, an average of 15% of adults in OECD countries participate in training each month. This is only a small increase from a decade earlier, when an average of 13% of adults participated in learning each month. However, there is considerable variation between countries: Finland and Sweden had participation rates of over 30% in 2021, while Greece and Slovakia had rates below 5% (Figure 3).

Participation in adult learning¹ is also very uneven across socio-demographic groups, with the lowest rates among those most in need of upskilling and reskilling (Figure 4)². Low-skilled adults, older adults and those living in rural areas are the least likely to participate. The gap between low-skilled and high-skilled adults is particularly large: 8% of those with only lower secondary education participate in learning each month, compared with 22% of those with tertiary education.

Figure 3. Cross-country differences in learning participation

Share of adults 25-64 having participated in formal and non-formal learning in the previous 4-weeks, 2021 and 2011



Note: Unweighted average for OECD member countries where data is available.

Source: European Labour Force Survey.

Figure 4. Participation gaps between different socio-economic groups

Share of adults 25-64 having participated in formal and non-formal learning in the previous 4-weeks, 2021



Note: Unweighted average for OECD member countries where data is available, contract type and establishment size refer to employees only.

Source: European Labour Force Survey.

While there is broad agreement among policymakers on the need to increase participation in adult learning, it is less clear how to achieve this in practice. Many good ideas get stuck in the realities of policy implementation and struggle to be translated into real change on the ground. A recent OECD report found that well-designed reform packages, i.e., sets of policies, that target different types of learning, address multiple barriers to participation and focus on multiple target groups appear to be most successful in raising learning participation (OECD, 2020_[6]).

Evidence from cross-country research suggests that these reform packages need to address a range of challenges, both old and new (Figure 5). They should include measures to make training

more relevant, by improving skills assessment and anticipation exercises, and by introducing agile methods of updating training provision in line with outcomes. They should also increase the flexibility of the system, including by ensuring that individuals' existing skills are recognised, modularising learning provision and using innovative ways of certifying learning outcomes, including through micro-credentials (i.e., certification of short learning experiences). All reforms need to be underpinned by effective governance that actively involves key actors of the system, including social partners, education and training providers, teachers and trainers, learners, and civil society. They also require adequate funding, as adult upskilling and reskilling has traditionally been less well funded than other areas of education and training (OECD, 2019_[7]).

Figure 5. Key areas of action for adult upskilling and reskilling



Source: OECD secretariat based on OECD (2019_[7]), *Getting Skills Right: Future-ready Adult Learning Systems*, OECD Publishing, Paris.

The role of social partners in upskilling and reskilling systems

Stakeholder involvement is crucial for the successful development and implementation of upskilling and reskilling policies (OECD, 2020_[6]; Global Deal, 2020_[8]). As much adult learning takes place in the workplace, social partners have a key role to play. Representing workers' interests, trade unions typically advocate more inclusive adult learning systems, equipping individuals with job-specific and transferable skills for personal and economic

advancement (TUAC, 2020_[9]; TUAC, 2016_[10]). Employers and their representatives seek adult learning systems that equip individuals with the specific skills they need to remain productive, competitive, and innovative (OECD, 2021_[11]). At the same time, they recognise the value of training in keeping workers engaged and motivated. International labour standards recognise the importance of involving social dialogue in the definition and implementation of adult learning and skills policies and provide a normative framework for this (ILO, 1975_[12]; ILO, 2004_[13]).

In many countries, social partners shape the

adult learning system, although the extent of their involvement varies widely. It ranges from an active role in decision making and management of the system - or aspects of it - to being consulted only on policy proposals developed by government (Table 1). An example of social partners taking over the management of aspects of the system are the Swedish Job Security Councils (JSCs). The JSCs are run jointly by employers' organisations and trade unions, independently of the government, and provide support

and guidance to displaced workers in the event of plant closures and mass redundancies, including counselling, career planning, job search assistance, outplacement services and retraining. Funding for JSCs is negotiated through collective agreements. In contrast, the social partners in New Zealand play a less active role in the upskilling and reskilling system. They are consulted by the government on an ad hoc basis in the development of policy proposals such as literacy and numeracy strategies.

Table 1. Social partners' involvement in managing upskilling and reskilling systems in the OECD

Level of involvement	Country
Social partners are involved in decision-making and management	Austria, Denmark, Germany, Iceland, Italy, Netherlands, Sweden
Social partners contribute to decision-making	Belgium, Canada (AB), Canada (BC), Finland, France ¹ , Japan ² , Luxembourg, Mexico, Norway, Poland, Slovenia, Switzerland, Türkiye
Social partners play a consultative role	Canada (ON), Canada (QB), Czech Republic, Estonia, Greece, Ireland, Israel, Latvia, Lithuania, New Zealand, Portugal, Slovak Republic, Spain
Other	Australia, Hungary, United Kingdom, United States

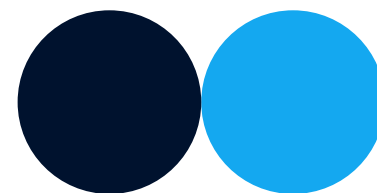
Note: AB: Alberta; BC: British Columbia; ON: Ontario; QC: Québec. Social partners play a limited role in Chile and Korea. No information is available for Colombia.

1. Social partners in France define and manage the training system at the sectoral level, contribute to the definition of the training system at national/cross-sectoral levels, and play a consulting role at the company, sectoral and national/cross-sectoral levels.
2. Social partners in Japan contribute to the definition of public training systems through the Labour Policy Board.

Source: OECD (2019_[14]), Employment Outlook 2019, the Future of Work, OECD Publishing, Paris, <https://doi.org/10.1787/9ee00155-en>.

The involvement of social partners in the governance of adult learning systems can have positive effects on their performance, making them more resilient and ensuring that policies are successfully implemented, according to two qualitative research projects conducted by the OECD (OECD, 2020_[6]; OECD, 2023_[15]). For example, research on the experience of the Nordic countries during the COVID-19 pandemic shows that, where institutionalised, involvement of social partners in skills governance builds trust between actors and improves the capacity of the system to respond to unforeseen events.

The role of social partners in upskilling and reskilling systems is challenged by the emergence of new forms of work and informality. Trade union and employer organisation density and collective bargaining coverage have been declining for decades. Further, platform, own-account and informal workers are rarely represented by trade unions. This has led governments in some countries to pursue increasingly individualised approaches to adult learning that depend less on social partners' involvement, for example in the form of individual learning accounts (OECD, 2019_[16]). This is a policy area where skills development strategies, at national and sectoral level, can demonstrate their usefulness.



Social partners' involvement along the policy cycle: good practices

The involvement of social partners is relevant at all stages of the policy cycle of upskilling and reskilling policies (OECD, 2019^[17]; Global Deal, 2020^[8]). This includes: the identification of skills issues that require attention, through skills assessment and anticipation exercises; the development of strategies and specific measures to address these issues; the implementation of upskilling and reskilling policies, including the provision and financing of training; and finally, the quality assurance of the training provided. Throughout the policy cycle, social partners work with other actors such as different levels of government, education and training providers, employment services, and civil society organisations. Good practices in involving social partners throughout the policy cycle is highlighted below.

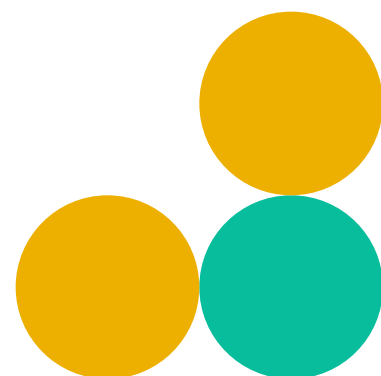
Assessing changing skill needs

Understanding the demand for skills in the labour market is essential for effective upskilling and reskilling policies. This is particularly true in the fast-moving context of the green and digital twin transition. Skills assessment and anticipation (SAA) exercises to generate information on current and future skills demand and supply are now conducted in all OECD countries (OECD, 2016^[18]). These exercises increasingly include considerations related to the green transition, seeking to define green jobs and skills, and to assess the impact of climate change mitigation policies on the demand for green skills (OECD, Forthcoming^[19]). Social partners are already involved in SAA exercises in most countries, contributing by sharing their constituents' insights on how labour market needs are changing. In the OECD area, 69% of countries involve employers and their representatives, and 59% involve trade unions in these exercises, albeit the extent of their involvement ranges from purely consultative to taking the lead in these exercises (OECD, 2016^[18]). Indeed, the involvement of social partners is highlighted as crucial for the buy-in of the results of these exercises and their subsequent use in policy making.

Skills councils can be highlighted as a good practice of social partners' involvement in SAA exercises and almost half of all OECD countries have such councils (OECD, 2016^[18]). They are typically independent bodies that provide a forum for exchange to discuss skills supply, demand and challenges in a particular

geographical area or a sector. Many councils also develop joint policy responses to the challenges identified. Examples of skills councils can be found around the world and in different contexts:

- In **Finland**, the Skill Anticipation Forum (*Osaamisen ennakointifoorumi*) is an expert body of the Ministry of Education and Culture and the Board of Education. It encompasses nine industry-specific anticipation groups, which use qualitative and quantitative methods to anticipate future skill needs and based on this develop recommendations. The groups bring together social partners, representatives of education and training providers, education authorities, and students and research institutions. Each group engages in skill anticipation.
- In **South Africa**, 21 Sector Education and Training Authorities (SETAs) bring together social partners of different sectors to develop Sector Skills Plans. These plans identify skill needs in each sector based on a range of quantitative and qualitative data sources and methodologies. SETAs are also responsible for implementing the Sector Skills Plan, promote learning programmes and disburse training levies collected from sectoral employers.
- **Spain** has recently started the Identification of Training Needs project (*Detección de las necesidades en materia de capacidades*), funded under the Spanish Plan for Recovery, Transformation and Resilience. The project brings together joint sectoral bodies with the participation of social actors, administrations, technology and reference centres, universities, and experts to develop a methodology to identify skills needs in at least 23 sectors of the economy. The project also aims to develop responses to changing skills needs, particularly in relation to the digital and environmental transitions (SEPE, n.d.^[20]).



Setting adult learning strategies

Adult learning strategies provide a framework for adult learning policy in a country, region, or sector. They operationalise this ambition through a set of objectives, priorities, and activities. Given the often-fragmented governance structures in adult learning, they are a useful tool for improving policy coherence. Therefore, all relevant actors in the skills landscape - public authorities, social partners, education and training providers and civil society organisations - should be involved in the development of such strategies, ideally from the outset. While such an inclusive approach can make the development process more time-consuming as different perspectives need to be considered, it ensures buy-in from all relevant parties and improves the implementation of the strategy.

Today, most OECD countries have adult learning strategies, either as stand-alone approaches, as part of a broader strategy (e.g., an employment strategy, an industrial strategy), or focused on specific sectors or aspects of adult learning (e.g., ICT and digital skills) (OECD, 2019^[7]). The involvement of social partners in the development of these strategies varies. Good practice in involving social partners in strategy development includes:

- In **Canada**, the Future Skills Council provides strategic advice on emerging skills and workforce trends. It is an advisory body to the Minister of Employment, Workforce Development and Disability Inclusion that enables leaders from all sectors to work together to identify strategic priorities and areas for action. The Council includes representatives from the social partners, provincial/territorial governments, education and training providers, not-for-profit organisations, and Indigenous organisations (Global Deal, 2021^[21]).

- **Germany** launched its National Skills Strategy (*Nationale Weiterbildungsstrategie*) in 2019 with the aim to co-ordinate upskilling and reskilling policies, increase transparency, improve access to learning opportunities and financial support, and work towards a new culture of learning in Germany (BMAS et al., 2019^[22]). The development process involved tripartite social dialogue, bringing together federal ministries, federal states, the Federal Employment Agency, the social partners (trade unions and employers' organisations) and economic partners (chambers of commerce and trade, chambers of

skilled crafts) in an important step towards greater co-ordination and collaboration in this policy area. It bundles commitments by all strategy partners along 10 overarching objectives such as improving the transparency of learning offers and the system of financial incentives for training.

Negotiating training rights

Upskilling and reskilling are increasingly important issues in collective bargaining.

Collective agreements can cover issues such as training rights and responsibilities, financing of training, training leave arrangements and job protection during or after training (ILO, 2022^[23]). They can cover workers covered by an agreement, but within this group also promote training of groups that otherwise are less likely to train (ILO, 2022^[23]). Data from the Continuing Vocational Training Survey, covering European countries, show that the proportion of enterprises covered by a collective agreement on training³ at the national, regional, or sectoral level has increased steadily over the past decade. However, there is still room for improvement: on average in the European OECD countries for which data are available, only 18% of enterprises were covered by a training agreement in 2020 (up from 14% in 2010). While three out of four companies in France and Portugal are covered by collective agreements on training, almost no companies in Greece, Latvia and Poland are. Good practice from around the world includes:

- **Italy**, where a four-year collective agreement for the metalworking industry (*CCNL Metalmeccanici*) was renewed in 2016. Trade unions and employers agreed on a new right to training in exchange for keeping wage increases limited. In addition to the existing right for workers to request up to 150 hours of training per person over three years, the agreement stipulates that employers are required to provide a training budget of up to EUR 300 per employee and 24 (additional) hours of paid leave for training. New training rights only apply to permanent employees in companies covered by the agreement (OECD, 2019^[14]).

- **Sweden**, where a historic cross-sectoral agreement on skills development, transition and employment protection came into force in October 2022. The agreement places a strong emphasis on skills development as a means of increasing job security and includes improved opportunities for skills

development and retraining for all workers. Individual rights to training are strengthened by the introduction of generous financial support for short and long-term training in the form of grants and loans. The agreement also establishes a new public transition organisation to help workers who are not covered by a collective agreement to move from one job to another.

- **Switzerland** provides an interesting case of a collective agreement covering people in non-standard forms of work. The 2009 Switzerland-wide collective agreement on staff leasing, concluded between the social partners and representatives of temporary work agencies, introduced a training levy of 1%, of which 0.3% is paid by employers and 0.7% by employees. The funds raised by the levy are collected in the Temptraining Fund, from which individuals can claim compensation for the direct and indirect costs (i.e., lost wages) of training that enables them to progress in their careers. Courses covered include language courses, health and safety training, professional development courses and career counselling. The agreement covers more than 350 000 people in Switzerland.

Providing training

As most adult learning takes place in the workplace, social partners play a central role in the development and delivery of upskilling and reskilling opportunities for adults. Employers, on the one hand, are well placed to provide training that meets company, sectoral and labour market needs and helps organisations to remain productive, innovative, and competitive. In many countries, for example, employers' professional associations provide certified training that is highly valued in a particular industry or sector. Trade unions, on the other hand, are well placed to provide training that meets the wider needs of workers, including the need to develop transferable - as well as job-specific skills. Because of their close relationships with members, there is evidence that trade unions can facilitate access to training for employees who are traditionally less likely to participate (Stuart et al., 2016^[24]; Parker, 2007^[25]). Good practice in the provision of training by social partners includes:

- In **Brazil**, the National Service for Industrial Training (*SENAI - Serviço Nacional de Aprendizagem Industrial*) is a network of not-for-profit secondary professional schools, which is run by the Brazilian National Confederation of Industry. SENAI provides formal training for specialised workers through more than 700 schools across the country and has been

doing so since the 1940s. In 2015, SENAI provided training to over 35% of workers in the manufacturing sector. Notably, the network runs its own skill assessment and anticipation exercises to adapt its training offer to local labour market needs (OECD, 2018^[26]).

- In **Korea**, the government financially supports the establishment of industry-led joint training centres through the National Human Resources Development Consortium Programme (CHAMP) with the specific aim to increase training participation in small and medium enterprises. These training centres bring together different-sized companies in the same supply chain, employer associations, universities, polytechnics, public institutions, and NGOs to joint develop and provide training. In 2018, 216 joint training centres were operational (OECD, 2020^[27]).



Funding upskilling and reskilling

Upskilling and reskilling benefits individuals, employers, and the economy and therefore all three parties should share the costs of training. For individuals, training can improve wellbeing and lead to higher wages and better career prospects. Employers benefit from training through improved business performance, productivity, and profitability. Finally, society and the economy as a whole benefit from the positive externalities of training, notably increased innovation, productivity, better health outcomes and less polarised social and political attitudes (OECD, 2021^[11]). Who reaps the main benefits of training – individuals, employers, or the country as a whole – and should bear the costs depends, amongst other things, on the current skills of the individual undergoing training, the type of training provided, and which skills are demanded in the labour market.

To encourage collective investment in training, many countries use training levies. Training levies are taxes that are deducted from employers' payrolls based on their turnover. These taxes are then either i) used to pay for publicly provided training (revenue-generating levies) or ii) stored in a fund that can be used by companies to pay for upskilling and reskilling measures, effectively ring-fencing the money for training (levy-grant schemes). A third model allows companies to deduct training costs from their levy obligations (levy-exemption schemes). In several countries, the social partners independently manage the revenues generated by such funds:

- In **Italy**, the social partners at sectoral level manage interprofessional training funds (*Fondi paritetici interprofessionali per la formazione continua*). These funds finance the training of workers from resources collected through a training levy on employers. Since their introduction in 2004, they have grown to cover almost one million enterprises and more than 10 million workers, managing over EUR 600 million per year. However, there are some concerns about how they work: as enterprises typically have a high degree of autonomy in deciding who receives training, they often focus their training efforts on groups for whom training yields the highest returns, leaving behind, for example, the low-skilled or older workers. In addition, SMEs make much less use of the funds than larger firms, although they may arguably benefit more from the financial support provided.

- Similarly, in **South Africa**, the Skills Development

Levy (SDL) is also administered by tripartite bodies. The South African Revenue Service (SARS) collects 1% of payroll from employers as a skills levy, of which it allocates 69.5% to the sectoral education and training authorities (SETAs) to fund training. Small employers are exempt from the levy. Employers can claim back (part of) their levy contribution from the relevant SETAs if they assess skills needs and provide training opportunities.

Encouraging a learning environment at work

Most adult learning takes place informally and social partners have a role to play in making the workplace a learning environment. Informal learning includes unstructured but intentional learning activities such as learning by doing, learning from colleagues, or simply keeping abreast of new products and services relevant to one's work. According to OECD research, on average across OECD countries, around 56% of individuals learn by doing at work at least once a week, while 43% learn from others and 40% learn new things to keep up to date with new products and services (Fialho, Quintini and Vandeweyer, 2019^[28]).

Accordingly, the way work is organised, and people are managed is important in transforming a workplace into a learning organisation. High-performance work practices - such as teamwork, discretion over tasks and working hours, mentoring, job rotation, incentive pay and training practices - are strongly associated with high levels of informal learning (Fialho, Quintini and Vandeweyer, 2019^[28]; OECD, 2016^[29]). Many countries have programmes to help companies create supportive learning environments, in which the social partners play a key role:

- As early as 1991, **Australia** adopted a Best Practice Demonstration Programme to help companies develop a new workplace culture consistent with high performance work practices. The programme focused on providing project funding to develop 'best practice companies' to serve as examples for other companies, and a media campaign to disseminate the practices. It was organised and implemented in a tripartite manner and funded by the federal government (Stone, 2011^[30]; Healy, 2003^[31]).

- In the **United States**, Fiat Chrysler Automobiles developed the World Class Manufacturing (WCM) operating methodology in close collaboration with

the United Auto Workers Union. WCM is a set of working practices focused on reducing waste, increasing productivity, and improving quality and safety. A key strength of WCM is that it gives workers more responsibility and autonomy by asking them to think about their own work and make suggestions. The WCM concept requires workers to learn multiple job skills, data collection tasks, and diagnostic and problem-solving skills. Workers are asked to play a more active role by providing feedback and suggestions on work organisation and experimenting with new methods. The involvement of the United Auto Workers union ensured employee buy-in and active participation (OECD, 2019^[32]).

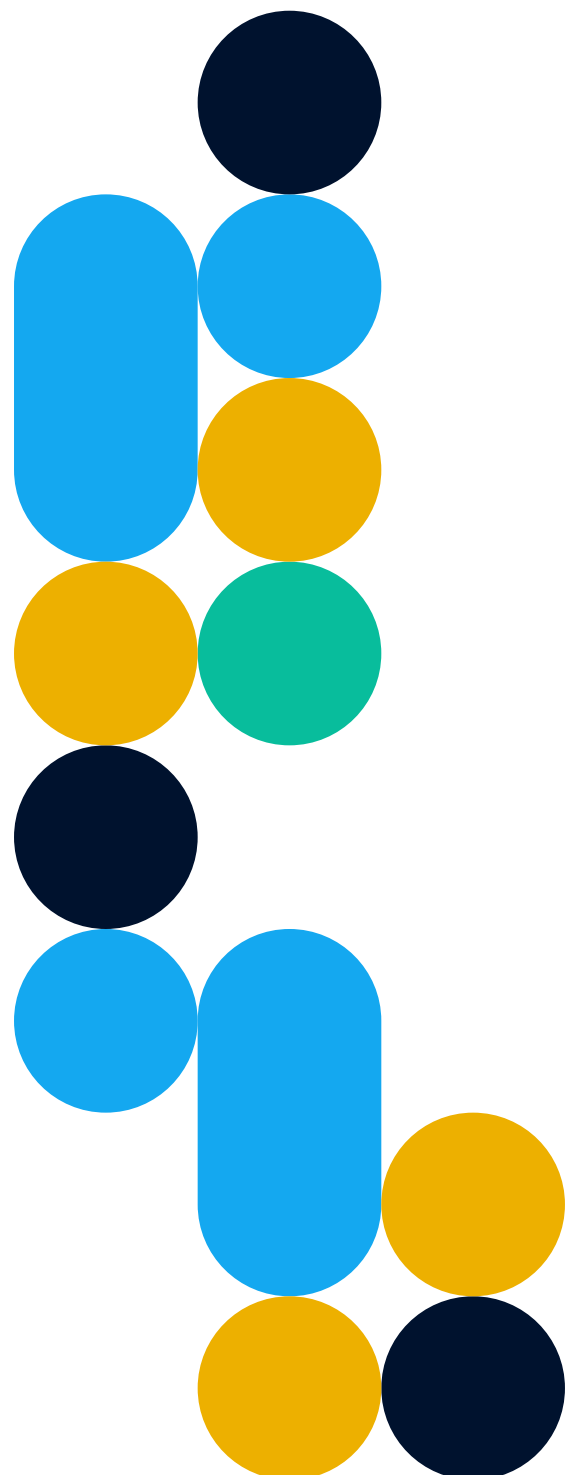
Ensuring quality in adult learning

In many countries, social partners are important actors in ensuring the quality of training and retraining opportunities. Quality assurance refers to the planning, implementation and evaluation undertaken to ensure that all education and training meets the quality requirements expected by stakeholders (Cedefop, 2011^[33]). However, these quality requirements themselves are not always easy to specify, as they involve a value judgement about the objectives of adult learning. The involvement of social partners and other relevant stakeholders, in the definition of quality is therefore also essential.

Across countries, social partners are involved in quality assurance at different levels, from oversight on boards of education providers, to participation in local or sectoral quality assurance bodies, to representation on national agencies responsible for quality assurance in adult learning (OECD, 2019^[17]). Good practice in this area can be found in:

- **Flanders (Belgium)**, where social partners are involved in the certification of adult learning providers. Since 2019, Flanders has three streams of certification for adult learning programmes receiving state funding: (i) automatic certification for more general and formal training programmes, such as those provided by adult education centres and higher education institutions; (ii) certification by the social partners (*Paritaire Comités*) for training organised at sectoral level; and (iii) certification by the Flemish Certification Commission (*Vlaamse erkenningscommissie*), which includes the social partners, for all other training (OECD, 2021^[34]).

- **Sweden**, where the Swedish National Agency for Higher Vocational Education (*Myndigheten för yrkeshögskolan*) ensures the quality of higher vocational education programmes. Its Labour Market Advisory Council includes both trade unions and employers and supports the National Agency by providing information within the area of higher vocational education.



Notes

1. Adult learning encompasses the education and training of adults who have completed their initial education and entered the workforce (OECD, 2020^[6]). Typically, three types of adult learning are distinguished: (i) formal education, i.e., intentional, institutionalised learning activities recognised by the relevant authorities; (ii) non-formal education, i.e., intentional, institutionalised learning opportunities of short duration or not recognised by the relevant authorities; and (iii) informal learning, which is intentional, non-institutionalised and less structured. The data presented here refer only to formal and non-formal learning.

[> Back to page 8](#)

2. These data show that adults with fixed-term contracts are more likely to participate in training than those with permanent contracts. This is at odds with other evidence showing that having a fixed-term contract tends to have a negative impact on workers' access to training (ILO, 2023^[35]), and may be due to compositional differences between the two groups that are not controlled for here.

[> Back to page 8](#)

3. Training includes continuing vocational training courses and other forms of continuing vocational training.

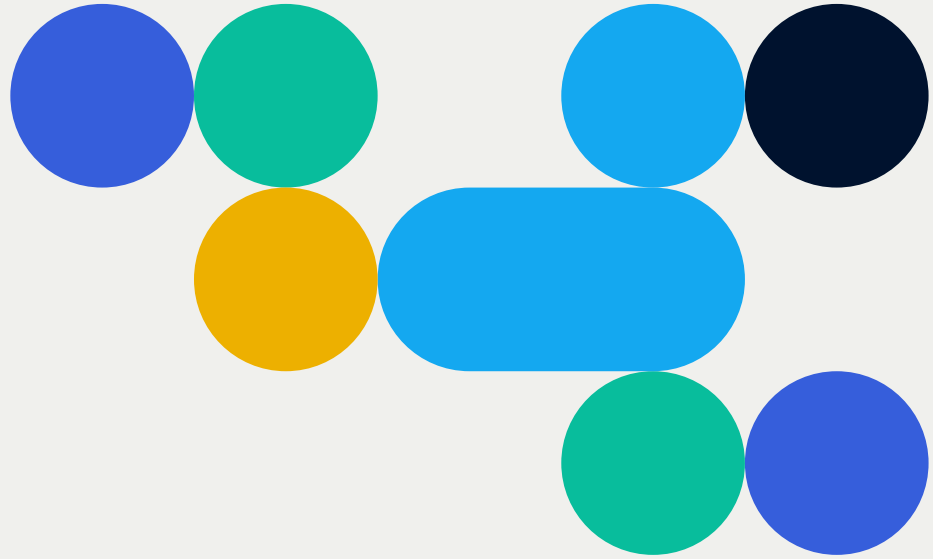
[> Back to page 13](#)

References

- Bednorz, J. et al. (2022), *Unionisation and the twin transition. Good practices in collective action and employee involvement*, European Parliament, [4]
[https://www.europarl.europa.eu/RegData/etudes/STUD/2022/733972/IPOL_STU\(2022\)733972_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2022/733972/IPOL_STU(2022)733972_EN.pdf)
- BMAS et al. (2019), *Nationale Weiterbildungsstrategie*, [22]
<http://doku.iab.de/kurzber/2019/kb0819.pdf>. (accessed on 2 June 2023).
- Cedefop (2011), *Glossary: Quality in education and training*, Cedefop, Luxembourg. [33]
- Fialho, P., G. Quintini and M. Vandeweyer (2019), *Returns to different forms of job related training: Factoring in informal learning*, OECD Social, Employment and Migration Working Papers, No. 231, OECD Publishing, Paris, [28]
<https://doi.org/10.1787/b21807e9-en>.
- Global Deal (2021), *Securing the right skills for the future of work through social dialogue: Canada's Future Skills Council and Centre*, [21]
<https://www.theglobaldeal.com/resources/Securing%20the%20right%20skills%20for%20the%20future%20of%20work%20through%20social.pdf>.
- Global Deal (2020), *Global Deal Flagship Report 2020: Social Dialogue, Skills and Covid-19*, [8]
<https://www.theglobaldeal.com/resources/2020%20Global%20Deal%20Flagship%20Report.pdf>.
- Healy, J. (2003), *Skills for the Future Ministerial Inquiry: High Performance Work Places*, [31]
National Institute of Labour Studies, Flinders University, Adelaide.
- ILO (2023), *World Employment and Social Outlook 2023: The value of essential work* [35]
https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_871016.pdf.
- ILO (2022), *Social Dialogue Report: Collective bargaining for an inclusive, sustainable and resilient recovery*, [23]
<https://doi.org/10.54394/VWWK3318>.
- ILO (2015), *Guidelines for a just transition towards environmentally sustainable economies and societies for all*, [3]
https://www.ilo.org/wcmsp5/groups/public/@ed_emp/@emp_ent/documents/publication/wcms_432859.pdf.
- LO (2004), *Human Resources Development Recommendation, 2004 (No. 195)*, [13]
https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R195.
- ILO (1975), *Human Resources Development Convention, 1975 (No. 142)*, [12]
https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312287.

- Lassébie, J. and G. Quintini (2022), *What skills and abilities can automation technologies replicate and what does it mean for workers?: New evidence*, OECD Social, Employment and Migration Working Papers, No. 282, OECD Publishing, Paris, [2]
<https://doi.org/10.1787/646aad77-en>
- OECD (2023), *Nordic lessons for an Inclusive Recovery? Responses to the Impact of COVID-19 on the Labour Market*. [15]
<https://www.oecd.org/employment/nordic-lessons-for-an-inclusive-recovery-responses-to-the-impact-of-covid-19-on-the-labour-market-2aa7bcc1-en.htm>
- OECD (2022), *Skills for Jobs 2022. Key insights*, [5]
https://www.oecdskillsforjobsdatabase.org/data/S4J2022_results.pdf.
- OECD (2021), *Improving the Quality of Non-Formal Adult Learning: Learning from European Best Practices on Quality Assurance, Getting Skills Right*, OECD Publishing, Paris, [34]
<https://doi.org/10.1787/f1b450e1-en>.
- OECD (2021), *Training in Enterprises: New Evidence from 100 Case Studies, Getting Skills Right*, OECD Publishing, Paris, [11]
<https://doi.org/10.1787/7d63d210-en>.
- OECD (2020), *Enhancing Training Opportunities in SMEs in Korea, Getting Skills Right*, OECD Publishing, Paris, [27]
<https://doi.org/10.1787/7aa1c1db-en>.
- OECD (2020), *Increasing Adult Learning Participation: Learning from Successful Reforms, Getting Skills Right*, OECD Publishing, Paris, [6]
<https://doi.org/10.1787/cf5d9c21-en>.
- OECD (2020), *OECD Digital Economy Outlook 2020*, OECD Publishing, Paris, [1]
<https://doi.org/10.1787/bb167041-en>.
- OECD (2019), *Getting Skills Right: Future-Ready Adult Learning Systems, Getting Skills Right*, OECD Publishing, Paris, [7]
<https://doi.org/10.1787/9789264311756-en>.
- OECD (2019), *Getting Skills Right: Making adult learning work in social partnership*, [17]
<https://www.oecd.org/employment/emp/adult-learning-work-in-social-partnership-2019.pdf>.
- OECD (2019), *Individual Learning Accounts: Panacea or Pandora's Box?*, OECD Publishing, Paris, [16]
<https://doi.org/10.1787/203b21a8-en>.
- OECD (2019), *Negotiating our way up: Collective bargaining in a changing world of work*, OECD Publishing, Paris, [32]
<https://doi.org/10.1787/1fd2da34-en>.
- OECD (2019), *OECD Employment Outlook 2019. The future of work*, OECD Publishing, Paris, [14]
<https://doi.org/10.1787/9ee00155-en>.

- OECD (2018), *Getting Skills Right: Brazil*, Getting Skills Right, OECD Publishing, Paris, [26]
<https://doi.org/10.1787/9789264309838-en>.
- OECD (2016), *Getting Skills Right: Assessing and Anticipating Changing Skill Needs*, Getting Skills Right, OECD Publishing, Paris, [18]
<https://doi.org/10.1787/9789264252073-en>.
- OECD (2016), *Skills use at work: Why does it matter and what influences it?*, [29]
https://doi.org/10.1787/empl_outlook-2016-6-en.
- OECD (Forthcoming), *Skill Assessment and Anticipation for the Green Transition*. [19]
- Parker, J. (2007), *Policy brief workplace education: Twenty state perspectives*, National Commission on Adult Literacy, [25]
<https://nationalcommissiononadulthoodliteracy.org/content/parkerpolicybrief.pdf>.
- SEPE (n.d.), *Actuaciones destinadas al refuerzo de formación y empleabilidad de las personas trabajadoras o en ERTE [Actions aimed at reinforcing the training and employability of workers or persons on ERTE]*, [20]
<https://www.sepe.es/HomeSepe/Personas/encontrar-trabajo/plan-recuperacion-transformacion-resiliencia/transformacion-digital.html>.
- Stone, I. (2011), *International approaches to high performance working: country case studies*. [30]
- Stuart, M. et al. (2016), *Evaluation of the Union Learning Fund Rounds 15-16 and Support Role of Unionlearn*, University of Leeds, [24]
<https://www.unionlearn.org.uk/sites/default/files/publication/ULF%20Eval%201516%20FINAL%20REPORT.pdf>.
- TUAC (2020), *Unions and Skills II. Why social dialogue and collective bargaining matters for skills systems and training provision*, [9]
<https://www.oecd-forum.org/documents/unions-skills-ii-why-social-dialogue-and-collective-bargaining-matter-for-skills-systems-and-training-provision-edc7a841-6a95-49a0-a916-3fd15dc1b9f3>.
- TUAC (2016), *Unions and Skills. TUAC discussion paper on OECD strategies for skills, jobs and the digital economy*, [10]
https://tuac.org/wp-content/uploads/2018/06/1607t_unions-skills.pdf.



THE GLOBAL DEAL FOR DECENT WORK AND INCLUSIVE GROWTH

The Global Deal is a multi-stakeholder partnership that aims to address the challenges faced by the global labour market so that everyone can benefit from globalisation. The purpose of the Global Deal is to highlight the potential of sound industrial relations and enhanced social dialogue as a means to foster decent work and quality jobs, to increase productivity, and to promote equality and inclusive growth. The Global Deal welcomes a wide range of stakeholders, including governments, businesses and employers' organisations, trade unions, as well as civil society and other organisations.

 www.theglobaldeal.com

 globaldeal@oecd.org

 twitter.com/theglobaldeal



Subscribe to newsletter at

<https://shortest.link/8mLL>



For more information on how to join the partnership:

<https://www.theglobaldeal.com/join/>

