

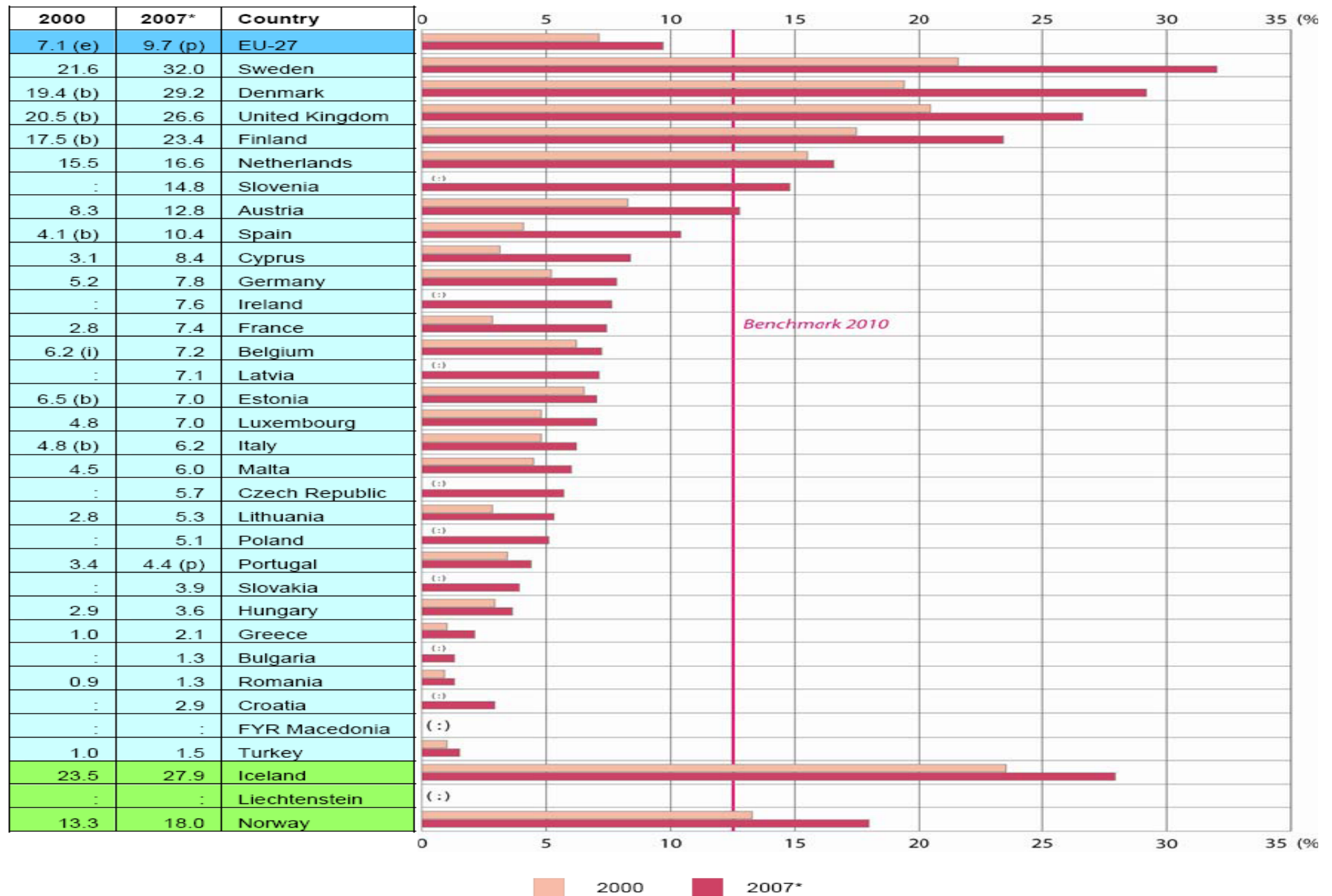
Sectoral training funds in eight European countries: sharing costs and responsibilities

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Overview

- I Introduction: rationale of the study**
- II Objective**
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Participation of adults in lifelong learning in 2000 and 2007*



source: Eurostat (EU-Labour Force Survey))

Objective

A deeper and more detailed understanding of the workings of sectoral training funds managed by social partners

Countries	Name of Sectoral Training Funds
Belgium	‘Sectorale Opleidingsfondsen’ (in Flemish)/ ‘Fonds des Formation Professionnelle’ (in French).
Denmark	‘Uddannelsesfonde’ (Educational Funds) and ‘Kompetenceudviklingsfonde’ (Competence Development Funds)
Spain	‘Fundación Tripartita para la Formación en el Empleo’ (Tripartite Foundation for Training in Employment), plus the case studies of Labour Foundation of Construction and Foundation of Metal for Training, Qualification and Employment.
France	‘Organismes Collecteurs Paritaires Agréés’ (OPCAs) (Approved Paritarian Collecting Organisations)
Italy	‘Fondi Paritetici Interprofessionali per la Formazione Continua’ (Interprofessional Paritarian Funds for Continuing Training)
Cyprus	‘Αρχή Ανάπτυξης Ανθρώπινου Δυναμικού Κύπρου’ (Human Resource Development Authority (HRDA))
The Netherlands	‘O&O Funds’, comprising ‘Scholingsfondsen’ (Training Funds) and ‘Opleidingsfondsen’ (Educational Funds).
United Kingdom	Case studies of ConstructionSkills, Skillset and Engineering Construction Industry Training Board (ECITB).



Methodology

- Coordinated by Ikei Research & Consultancy and Cedefop
- National information collected by experts from the European Network for Social and Economic Research (ENSR)
- Interviews with privileged information holders on the research issue

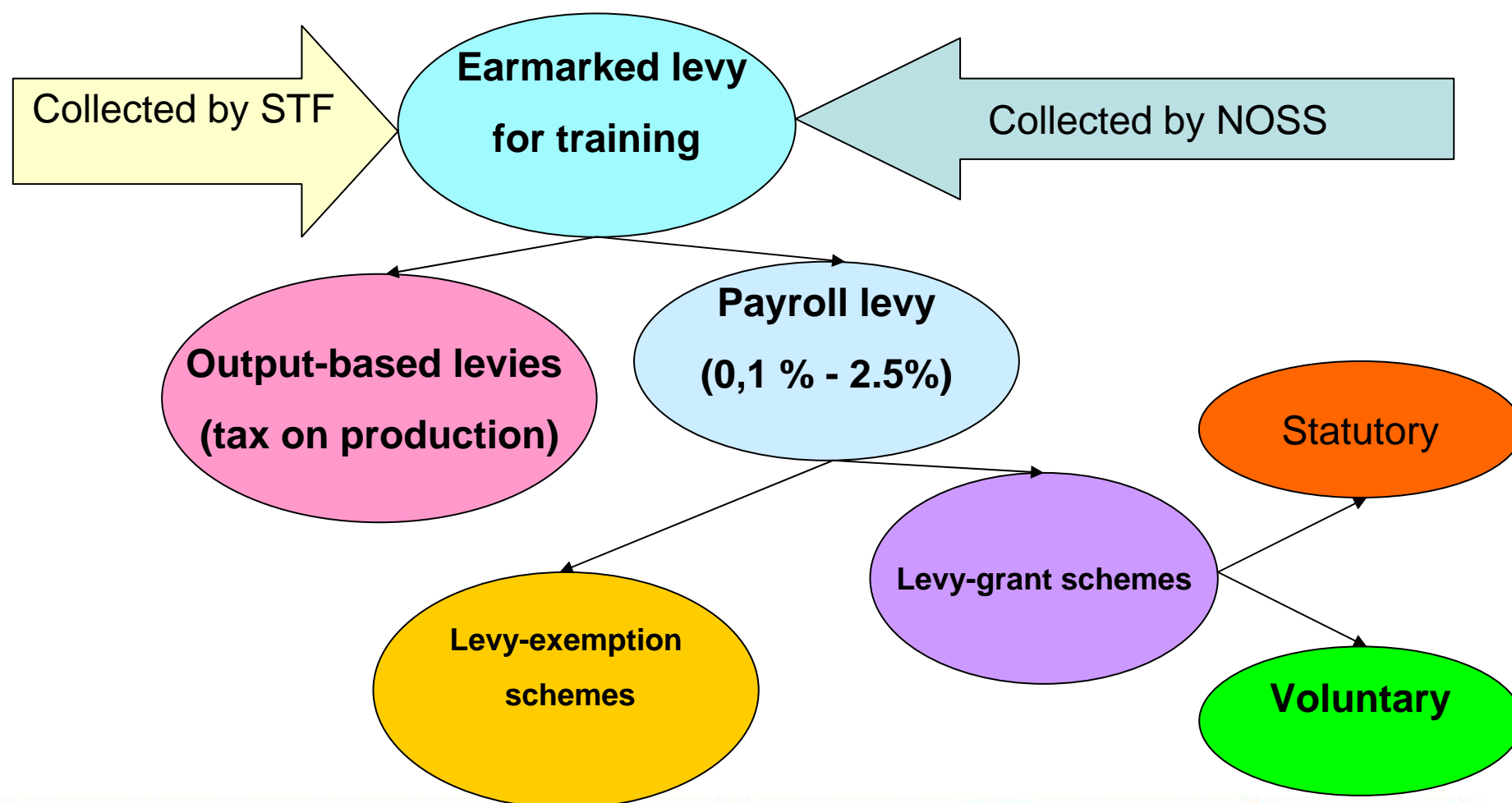
Country	Name of the research organisation
Belgium	Research Centre for Entrepreneurship EHSAL - K.U.Brussel
Denmark	Oxford Research A/S
Spain	Ikei Research and Consultancy, SA
France	CITIA
Italy	IULM University, Economics and Marketing Institute
Cyprus	Economarket Bureau of Economic and Market Research Ltd
Netherlands	EIM Business & Policy Research
U K	SME Research Services



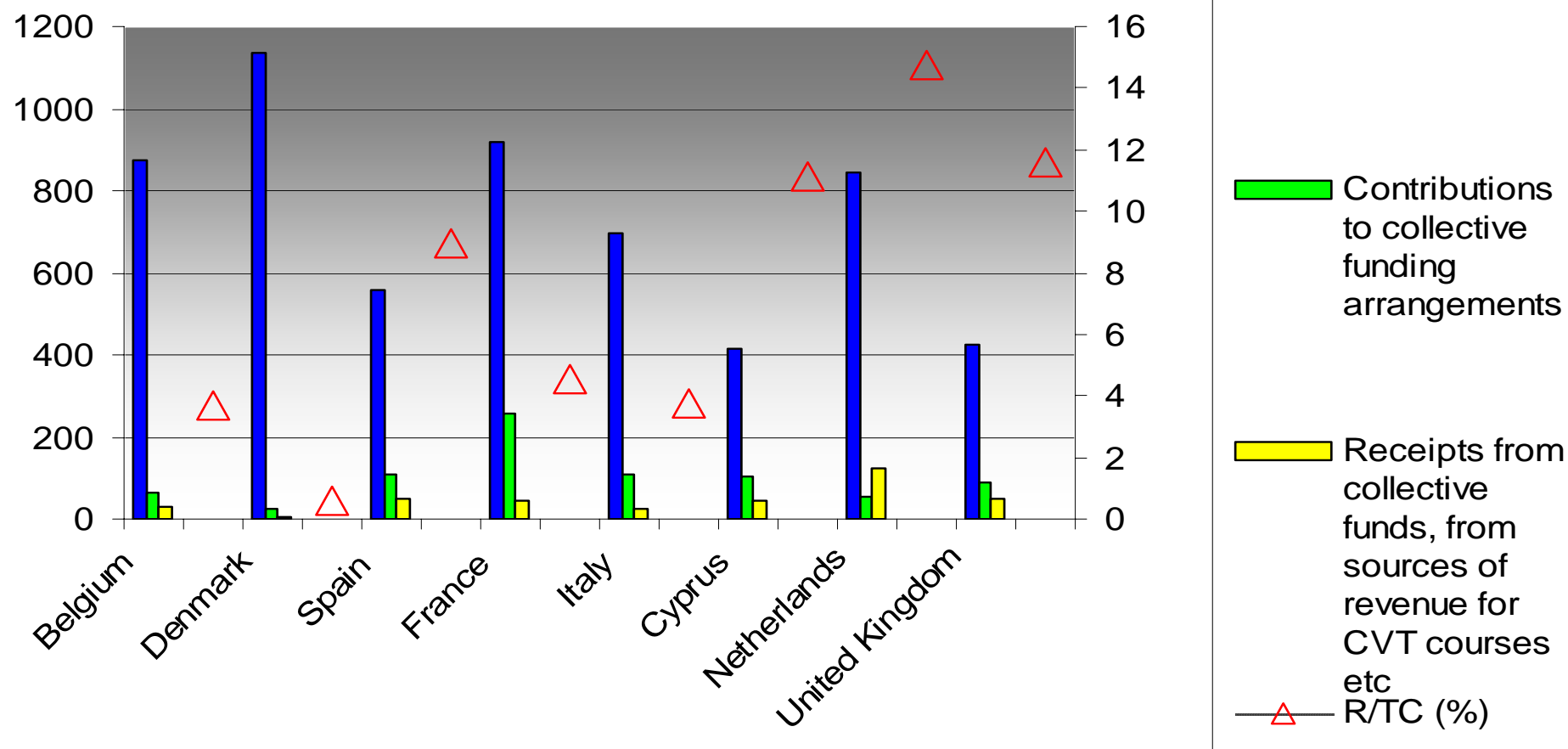
Main results: Existing models in Europe

- STFs created through voluntary arrangements → Relatively large number of STFs, specialised by sector or size (regions, professional categories, company legal status, size classes), bipartite governance (BE, DK, FR, IT and NL)
- Social partners reach an agreement at national level → Intersectoral approach, tripartite governance (CY, SP)
- UK model based on the so-called Sector Skills Councils, set up as employers' initiatives backed by the public authority

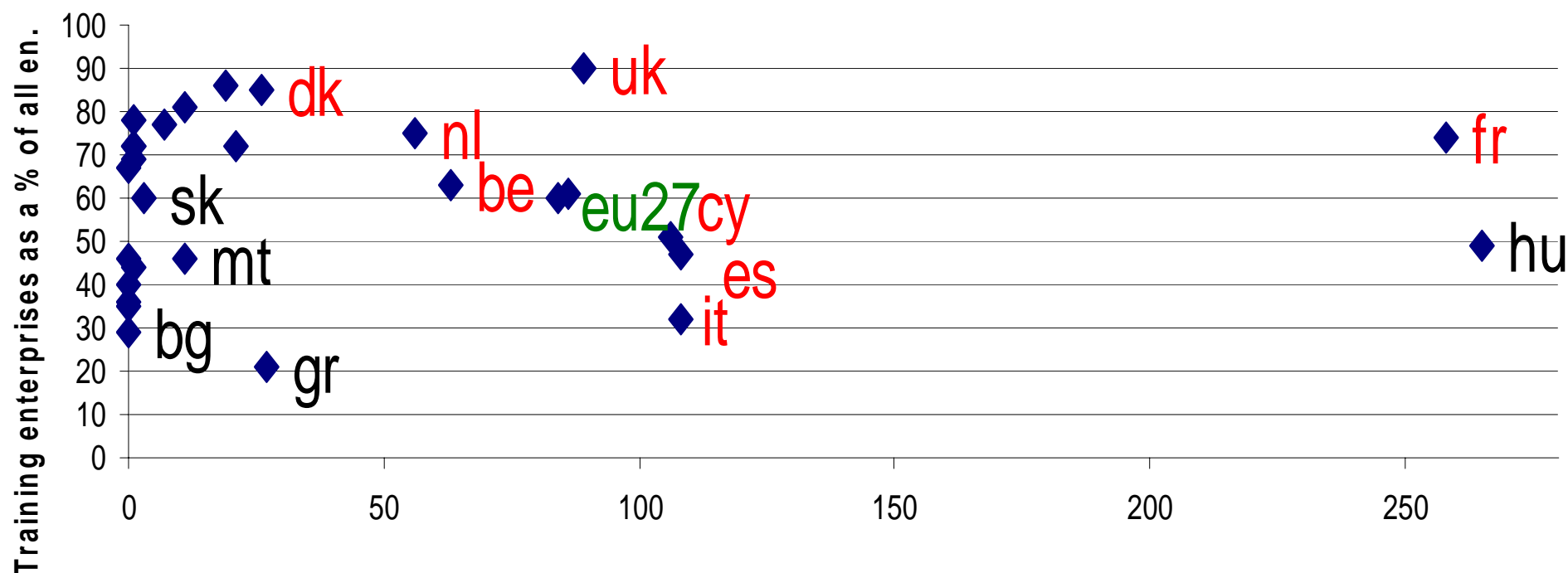
Income sources



Structure of costs of CVT courses per employee in enterprises with CVT courses (PPS)



Training versus contribution to collective funding arrangements





Training and other supported activities

- Support of training activities initiated by employers but also by employees (SP,FR,IT, NL)
- Intermediaries between enterprises and training suppliers (selected on a free basis/from a catalogue), direct training provision (BE, FR, NL)
- STFs cover direct training costs, sometimes supporting indirect costs
- STFs carry out a wider array of training-related activities (advice, training plans, evaluation of training needs, etc), mediation and research



Targets and groups benefited

- Sector employees in all cases (occasionally, also managers/employers - IT, self employed - SP)
- STFs also favour training for underrepresented groups (low-skilled, older employees, unemployed, young people leaving the formal education system), SMEs

BENEFICIARY GROUPS		BE	DK	SP	FR	IT	CY	NL	UK
LESS FAVOURED TARGET GROUPS	Young people	○	○	○	○		○	○	○
	Unemployed	○		○	○	○	○	○	
	Low skilled workers	○		○	○				
	Older workers	○		○	○				
	Other	○		○		○	○		



Strenghts of STFs

- Strengthen social dialogue
- Increase companies' awareness/commitment to training
- Increase quantitative resources for training purposes
- Reduce the “poaching” problem
- Reduce inequities in access to training for employees
- STFs as centres of expertise and sectoral knowledge → Qualitative improvement of training supply



Weaknesses of STFs

- Compulsory levies seen by enterprises as additional tax burden
- Not all enterprises benefit from STFs, SMEs in particular
- Red tape problems, “heavy” levy-grant administrative mechanisms
- “Deadweight” effects, specially amongst LSEs
- Risk of “dullness” in some STFs, have captive resources
- Predominance of employers’ perspectives for training needs rather than workers’ → Focus on sector specific needs rather than transversal skills (‘employability issues’)



Policy recommendations

- Administrative procedures streamlined
- Financial support must provide a real incentive
- More discussion about the level of levy rates
- Better targeting
- Focus on SMEs
- Certification/accreditation of training providers/courses
→ improve transparency
- Highly sector specific focus should be broadened to support mobility for workers
- Improvement of managerial capabilities of STFs
- Awareness of the range of training related opportunities and services STFs provide should be raised

Thank you!

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