

Continuing education and training in collective agreements in the public sector

This report provides an overview of the arrangements for continuing education and training that exist in working life in the public sector and investigates how collective agreements can contribute to skills development. The study is based on a systematic review of a sample of the largest nationwide collective agreements in the public sector, including the tariff areas for the central government, the Norwegian Association of Local and Regional Authorities (KS), the City of Oslo, Spekter Healthcare and Virke Healthcare, Education and Culture (HUK). The study also encompasses funding and stipend arrangements for continuing education and training in working life.

Establishing a robust system for continuing education and training in working life is a challenge. In addition to ensuring relevant education options, provisions must be made for employees to make use of them. The facilitation must provide an incentive for employees to enter continuing education and training programmes, and must ensure that the training is relevant for the enterprises, society and the individual employee. Finally, a funding mechanism is needed to enable the employees to spend time on educational activities.

Continuing education and training are normally optional for employees. In some professions, however, employees have an obligation to engage in continuing education and training as a precondition for practising their profession.

Skills and wages

All the major collective agreements in the public sector include a considerable element of skills-based wages, whereby formal competence determines the employee's placement in the wage system. Although a number of other factors may also play a role when setting an employee's wages, formal competence tends to be the crucial factor. Commonly, an employee's wage level is determined at the time of hiring on the basis of his or her formal qualifications, but the collective agreement will provide no entitlement to wage increases or advancement as a result of further education beyond basic training. The correlation between continuing education and wage increases or professional advancement will be subject to a contract with the employer

English summary of Fafo-report 2018:37
Etter- og videreutdanning i tariffavtalene i offentlig sektor
Åsmund Arup Seip

© Fafo 2018

on a new wage assessment or advancement, or the employee must submit a demand during a local bargaining round. One exception can be observed for some groups of professions (teachers, doctors), for whom we can find a more or less developed system of skills-based wage formation based on the principle that continuing education entitles an employee to wage increases and/or advancement.

Skills-based wage formation systems are assumed to motivate employees to engage in continuing education and training, because a successfully completed training programme will or may lead to a higher wage level.

Continuing education and training in the collective agreements

The importance of skills for enterprise development

General statements about the importance of skills for enterprise development are often found in the collective agreements in the public sector. Such statements are intended to draw attention to the responsibilities of employers and employees and to serve as a basis for further discussions of how cooperation between the social partners can help achieve these goals. They will rarely have any direct influence on rights.

The responsibility for funding continuing education and training

The Working Environment Act imposes an obligation on employers to provide the training necessary to perform job tasks in a safe and secure manner. In addition, some enterprises choose to help employees who engage in continuing education and training to acquire skills that may benefit the enterprise. If the enterprise cannot see any direct need for skills development, the employees will most often need to pay for this training themselves. The provisions in the collective agreements often stipulate that the needs of the enterprises, and not those of the employees, should determine the implementation of skills development programmes. This is a core issue in the discussion between the social partners regarding the distribution of responsibilities and costs for continuing education and training.

Skills mapping – skills development plans

Since skills have played a major role in the design of wage systems in the public sector, the issue of skills mapping has also assumed major importance. Judging from the collective agreements alone, it seems that major importance is attached to the mapping of skills and the need for skills in all parts of the public sector. The idea is that this mapping should serve as the basis

for development of the employees' skills and facilitate discussions between managers and staff on needs or wishes for skills enhancement, including continuing education and training.

Entitlement to continuing education and training

The Working Environment Act provides employees with an entitlement to a maximum of three years of educational leave, with certain reservations. The collective agreements makes provisions for discussions between employers and employees regarding continuing education and training, and these discussions may lead to agreement on the type of training to be taken. A partial exception is found in the collective agreements for teachers and doctors. The collective agreements for doctors states that the health enterprises should make provisions to ensure that each doctor is able to undertake 'continuous skills development', and that all doctors have an obligation to 'maintain and develop their skills'. The collective agreement for teachers states that the teachers' working hours *inter alia* include 'skills development'.

Leave entitlements

The entitlement to continuing education and training can be strengthened or expanded through the provisions on leave entitlements in the collective agreements. Many of the major agreements in the public sector entitle employees to leave of absence to sit examinations. The design of this provision varies from one collective agreement to another and from one profession to another.

Coverage of educational fees

The collective agreements in both central and local government (KS) make provisions for granting stipends to employees who engage in continuing education and training. In local government, employees who are granted paid leave are also entitled to coverage of 'legitimate expenses'.

Support for subsistence

Support for subsistence during training is commonly provided in the form of fully or partially paid leave.

Contract periods

Obligatory contract periods can be agreed when employees are granted fully or partially paid educational leave, have their costs of education covered or receive a stipend. The collective agreements in health service and central

and local government include provisions for obligatory service periods/contract periods, but these are not mandatory. The collective agreement for the City of Oslo imposes an obligatory contract period if paid leave is granted. The duration of the obligatory service period should normally be twice that of the leave period.

Restructuring agreements

Restructuring agreements define guidelines for what a restructuring process should include and what the social partners can do to help overhaul and develop the enterprise. Skills development is underscored as one of a number of measures to be used in the case of downsizing or relocation of the enterprise.

Fund and stipend arrangements

In some cases, collective agreements stipulate entitlements for continuing education and training that are additional to those granted by law. Frequently, the requirements for grounds and authority in law will be stricter in the public sector. Requirements for transparency and equal treatment may also be stricter in the public sector than in the private sector. In cases that concern employees and their rights, the authorities have frequently chosen to use collective agreements for regulatory purposes rather than resorting to regulations or separate bodies of rules.

In general, we can say that collective agreements in the public sector place major importance on skills. The extent to which this means that employees are permitted to engage in continuing education and training is unclear in the collective agreements. In most cases, the collective agreements include the requirement that if the employer provides financial support to such education, the training should address the enterprise's needs. The employer is free to decide whether the training is relevant to the enterprise.

Some professions and positions come with the requirement that each employee engages in continuing education and training. This requirement may be formalised by law, regulations or other rules, and linked to a certification or other rights.

There are numerous arrangements for allocation of funds to continuing education and training in working life, in which several parties contribute to the funding. Some of these are regulated through collective agreements. Another type of funds for continuing education and training has been established in the healthcare professions, for purposes that include safeguarding skills linked to specialisations. These funding and stipend arrangements

are financed through the national insurance scheme with legal authority in the National Insurance Act and appurtenant regulations. These arrangements are managed by the professional associations/trade unions. Funding and stipend arrangements that cut across professional boundaries in the public sector include the training and development funds (OU funds) and the skills enhancement fund accumulated through the collective agreement in the state sector. Funding and stipend arrangements financed through the national insurance scheme include the training funds for doctors and psychologists, as well as the funds for continuing education and training for physiotherapists and chiropractors. In addition, the authorities have designed a scheme to ensure continuing education for teachers, funded by the authorities and employers with contributions from teachers who engage in such training.

A number of trade unions have established their own stipend schemes for members. Strictly speaking, these are not established through social partnership or by any intervention by the authorities, and therefore differ somewhat from the funding schemes described above. These funds or stipend schemes involve self-funded continuing education and training, since they are financed by the members themselves, either through annual allocations from the organisation or from funds. Parts of these stipend funds are allocated to continuing education and training.

Incentives

Pay is a significant incentive to engage in continuing education and training. All collective agreements in the public sector link pay to education. Today, most of the agreements are minimum-wage agreements that ensure the wage level in various job and educational categories, but also permit more individual variation whereby elements other than education can serve as a basis for wage increases.

The collective agreements system is used or can be used to provide incentives or instruments to persuade employees to engage in continuing education and training in the following ways:

- Financial incentives – higher pay after a completed course of training, stipends or coverage of expenses, paid educational leave.
- Attitude-forming requirements – awareness-raising, requirements for mapping of skills, needs and resources.
- Measures that reduce barriers – entitlements to leave of absence and skills development during working hours.

Relevance

The relevance of continuing education and training is a matter of who will benefit from it and thus may be willing to pay for it. If an employee wishes to engage in continuing education and training in order to better perform his or her job, this will be relevant to the employer. If an employee wishes to qualify for another job, this may be relevant for society, but a desire on the part of the employee to develop his or her own skills is perhaps most relevant for the employee him-/herself, at least initially. Relevance is thereby a question of the perspective we apply to continuing education and training.

Existing collective agreements and systems for continuing education and training in working life place major emphasis on the relevance this type of training will have for the enterprise. Some provisions in collective agreements, however, provide the employees with an entitlement without imposing any requirements for relevance. Collective agreements may thus regulate access to continuing education and training with relevance for different parties:

- The employer decides what is relevant.
- Universal rights let the employees decide what is relevant.
- Special rights can be designed to cater for the needs of society.

Funding

The review of funding schemes in this report shows that various schemes for funding of continuing education and training are available in addition to the training that employers provide for their employees. In simple terms, we can identify three types of schemes: voluntary contribution schemes, tax-funded schemes and funding schemes based on collective agreements.

Voluntary contribution schemes encompass various forms of support from employers (paid or unpaid leave) and stipends from trade unions (or other parties). The advantage of voluntary contribution schemes is that continuing education and training funded with employer support is of high relevance to the enterprises concerned, while the disadvantage is that it will be difficult to obtain funding for training programmes that the employers are unwilling or unable to pay for.

Tax-funded support for training has been established in, for example, the healthcare professions, where training funds are financed through the national insurance scheme. The advantage of such funds is that they promote education of high relevance for society.

The training funds have been established where the authorities have seen a need for continuing education and training, and they largely ensure

that the training provided will be independent of individual enterprises and benefit the entire healthcare sector. A disadvantage of this model could be that the employers have less influence over the employees' choices of training options.

Some funding or stipend schemes have been established through collective agreements, and employers' associations and trade unions both normally contribute to their financing. Since both the funding and the spending of the funds are based on collaboration between partners that have an interest in boosting continuing education and training, this may help increase the relevance of the training provided. In industry-specific or sectoral collective agreements, the funding scheme can be adapted to particular needs within the industry or sector and make the funding less dependent on the financial strength of individual enterprises. A disadvantage of this model is that employees in enterprises that are not encompassed by a collective agreement will have no opportunities for continuing education and training.

Continuing education and training in working life in the public sector

Despite social partners giving a high priority to skills development, we know little about the scope of continuing education and training in working life. There is no complete overview available regarding the application of the provisions in the collective agreements or of the number of employees that benefit from them. Funding schemes for continuing education and training established by trade unions show, however, that both partners are aware of the importance of continuing education and training in working life and that employees are willing to contribute to their financing. To ensure that continuing education and training are relevant for both the enterprises and the employees, both parties should have a say in the types of continuing education and training that are offered and taken. In order to increase the training volume and to ensure that the training is also relevant in a societal perspective, the authorities need to contribute.