



time to tackle the training divide

Introduction

1.1 This report focuses on the divide between the training ‘haves’ and ‘have-nots’ in UK workplaces and in particular the level of discrimination faced by low-skilled employees when it comes to accessing workplace training. The fact that this divide remains a key feature of the labour market is morally, socially and economically wrong and unless it is tackled there is little prospect of the UK moving to the high-skills trajectory necessary for improving social cohesion and productivity.

1.2 Tackling the legacy of low skills among the adult population remains a key policy priority for the Government and this has widespread support among a range of major stakeholders. Both the TUC and CBI have given support to the new Skills Pledge recommended by Lord Leitch and the associated aim of rapidly reducing the number of adults without a basic school leaving certificate.¹ The Government’s recent response² to Lord Leitch’s final report has endorsed the Skills Pledge and the vast majority of other measures he said were necessary to spark off a skills revolution in order to close the skills gap at all levels by 2020.

1.3 It is welcome that the Government’s response to the Leitch Review has set out interim milestones for the longer-term aim of virtually eradicating low skills by 2020. For example, it specifies that *every* year up to 2011 nearly half a million adults need to achieve a level 2 qualification and nearly 400,000 need to achieve minimum standards in basic literacy and numeracy. The response also quite rightly highlights that ‘these are exceptionally demanding goals’ and that the Government is committed to undertaking a review in 2010 with a view to establishing ‘an entitlement to workplace training for employees in England lacking a first full level 2 qualification’ if there ‘is not sufficient progress towards our world class skills ambition for 2020.’

1.4 The Government has also endorsed Lord Leitch’s recommendations to significantly improve our skills base at intermediate and higher levels by 2020 and trade unions and employers have also understandably given support to this. In particular, the expansion of the Apprenticeship programme has been welcomed as has been the aim to support many more older employees to progress to intermediate and higher level qualifications via work-based training options.

1.5 However, the first real test of the implementation of Lord Leitch’s vision is whether it will deliver on tackling the low skills challenge in the coming years. This is clearly demonstrated by the degree of importance that the Government is attributing to the Skills Pledge and also its commitment to review the need for a

¹ The Government’s benchmark for a ‘basic school leaving certificate’ is a first full level 2 qualification (i.e. 5 GCSEs at Grades A*-C or the vocational equivalent such as an NVQ level 2 qualification). It is anticipated that the vast majority of adult employees accessing work-based training via the Skills Pledge and/or the Train to Gain programme will undertake a level 2 vocational qualification relevant to their existing job.

² *World Class Skills: implementing the Leitch Review of Skills in England*, Department for Innovation, Universities & Skills, July 2007

statutory approach in 2010. This report highlights that one of the greatest barriers to the successful implementation of the Skills Pledge is the training divide that continues to permeate working life in the UK and which is an entrenched aspect of employer behaviour and culture.

1.6 There is a great deal of research analysing the complex inter-related factors that impact on access to job-related training by individual employees, but two factors remain key. First, there is the long tail of employers (35 per cent in total) covering more than one quarter of the workforce who do not offer any training at all to their employees. A TUC report published last year³ highlighted the scale of this problem and called on Lord Leitch to propose a statutory entitlement to workplace training, in particular for employees who lack a first full level 2 qualification.

1.7 The second key factor is that even when employers do provide training, this is often skewed towards the more highly skilled and employees without a level 2 qualification, and especially those without any qualifications, are significantly less likely to access training in the workplace. This report looks at the extent of this particular training divide and highlights recent domestic and international data showing that low-skilled workers in the UK face significant barriers to accessing workplace training. As a result of this trend many low-skilled employees are caught up in a 'Catch 22' situation. They cannot progress at work because they do not get any training to acquire new skills and qualifications but too often they are not offered training because of their low levels of educational attainment.

1.8 This situation needs to change, and quickly. The TUC and its learning and skills organisation, unionlearn, are supporting the Skills Pledge and trade unions are already beginning to work closely with employers to make the pledge a reality in unionised workplaces. However, the Government needs to make it absolutely clear to all stakeholders that if the pledge does not lead to a major discernible change in employer behaviour and culture in the coming years, a decision to implement a statutory approach must be taken in 2010. Otherwise there is little prospect of virtually eradicating low skills by 2020 as recommended by Lord Leitch and subsequently endorsed by the Government.

Summary of main findings and recommendations

1.9 The main findings and recommendations in the report are as follows:

- The training divide in the UK based on levels of educational attainment is significant – the latest data (2006) from the Labour Force Survey show that 41 per cent of graduate employees participated in job-related training in the past three months compared with only 12 per cent of employees without any qualifications.
- There has been a relatively small improvement in training participation rates among low-skilled employees over the past 10 years. In 1995 eight per cent of employees without any qualifications had recently participated in training compared to 43 per cent of graduate employees. This relatively small change in

³ 2020 *Vision for Skills: priorities for the Leitch Review of Skills*, TUC, 2006

the training divide is likely to be partly attributable to the introduction of a range of positive policy initiatives by Government to support employers and trade unions to help more low-skilled employees access training. However, this rate of improvement will need to accelerate rapidly in the coming years if the vision of virtually eradicating low skills by 2020 is to be achieved.

- New data published by the OECD also shows that the UK performs poorly compared with many other countries in respect of this particular training divide. Based on an analysis of a new indicator which estimates the total average amount of hours of job-related training that an adult would expect to receive over their working lives, the OECD concludes that the training divide in the UK based on levels of educational attainment poses significant challenges, as follows:
 - Adults in the UK without a level 2 qualification currently should expect to receive around a fifth of the amount of job-related training that a graduate employee in the UK would expect to receive. According to the OECD analysis an adult in the UK without a level 2 qualification would expect to participate in 103 hours of job-related training over their working lives compared to 480 hours for a graduate employee. The OECD concludes that ‘in the UK these differences are significantly larger than in most OECD countries’
 - The OECD also concludes that ‘in the UK the intensity of participation is particularly low among persons without upper secondary qualifications [i.e. without the minimum of a level 2 qualification]’. According to the OECD analysis an adult in the UK without a level 2 qualification would expect to participate in 103 hours of job-related training over their working lives compared to an OECD average of 210 hours for this particular group. The OECD league table based on this indicator puts the UK in 12th position out of 18 OECD countries for which these particular data are available
 - The OECD analysis also shows that the training duration indicator gives a very different picture of the amount of training that graduate employees in the UK receive compared with what the LFS participation rates suggest. For example, the OECD league table based on training participation rates for graduates puts the UK in fifth position but the OECD league table based on the lifetime training duration indicator for graduates puts the UK in 15th position out of 21 OECD countries for which these particular data are available. This reflects the fact that job-related training programmes in the UK tend to be much shorter than in most other countries.
- If the Skill Pledge is really going to bite, there will have to be a very significant increase in the number of low-skilled employees accessing workplace training and a marked amelioration of this particular training divide. The TUC and trade unions are supporting the voluntary Skills Pledge and are prepared to give employers an opportunity to demonstrate that they will train their low-skilled workers if they are given government support to help them do so.
- However, it is crucial that the Government adopts a robust approach when reviewing the need for a statutory right to training for low-skilled workers in 2010 and that it acts decisively on the basis of hard data. For example, it should be looking at the rate of increase in the proportion of low-skilled employees achieving a level 2 qualification by then and comparing this with the

trajectory required to achieve the new target of having 90 per cent of adults at a level 2 standard by 2020.

- It is also imperative that the Government continues to review the need for a stronger statutory basis for collective action on skills at the workplace level by considering measures to enable trade unions to negotiate training plans with employers and also to have greater leverage over supporting paid time off to train among the workforce. Evidence of early take-up of the pledge in the unionised sector highlights that this is occurring particularly in workplaces where there is such a collective approach in place (see page 16).

The low-skills / high-skills training divide – recent research findings

1.10 In its recent response to the Leitch Review of Skills, the Government highlights the latest data from the Labour Force Survey (LFS) showing that ‘the pattern of training remains concentrated on the already qualified: just over 10 per cent of employees with no qualifications received job-related training in the last 13 weeks compared with over 40 per cent of graduates.’⁴ The new analysis of the training divide between low- and high-skilled workers undertaken by the TUC for this current report (see below) looks at the LFS data referred to above in more detail and also tracks trends over the past 10 years, revealing relatively little progress in widening access to workplace training for low-skilled employees.

1.11 The Government’s response to the Leitch Review also highlights that while some statistical indicators show that ‘compared with the rest of Europe UK firms have a good record of providing training’ other indicators suggest that ‘the training programmes of UK adults tend to be shorter than in other European countries and we rank among the lowest in Europe in terms of average hours spent in training per participant.’ The second aspect of the TUC’s analysis takes this a stage further by exploring new internationally comparative data produced by the OECD on access to job-related training by adults measured using duration of training and broken down by educational levels of attainment. This shows that access by low skilled workers in the UK to job-related training is well below the OECD average.

1.12 A recent report⁵ commissioned by the Sector Skills Development Agency (SSDA), which analyses a number of data sources and undertakes new econometric analysis, also concludes that ‘reflecting existing results in the literature, training is more likely for those with higher qualifications and also vocational qualifications’. In addition, the latest results from the most comprehensive skills survey undertaken in the UK – the *2006 Skills Survey*⁶ – highlights that there are strong grounds for introducing measures to strengthen

⁴ *World Class Skills*, paragraph 3.2

⁵ Sloane, P. et al (2007) *Training, Job Satisfaction and Establishment Performance*, Research Report 22, SSDA

⁶ Felstead, A. et al (2007) *Skills at Work - 1986 to 2006*, SKOPE/ESRC

demand for training among low-skilled employees. The 2006 survey highlights that employees in less skilled occupational groups were much less likely to take the initiative on training compared to professional staff. It found that “approximately half of ‘Professionals’ and ‘Managers’ had received training as a result of their own request, whereas this was the case for only 22% of ‘Sales’ employees, 18% of ‘Operatives’ and 28% of ‘Elementary’ workers.”

1.13 However, both of these research studies also highlight that some of the major skills challenge facing the UK are not simply about low skills. For example, the SSDA research report highlights that if a ‘worker is over-educated for the current job (as defined by the employee) this [also] reduces the likelihood’ of accessing training in the workplace. In line with other major research projects, the report also highlights that much training undertaken in UK workplaces is based on meeting regulatory requirements or basic job-related functions, noting that ‘the most common subject of training is health and safety followed by the operation of new equipment and computing skills’.

1.14 These are important findings especially in light of the results from the 2006 Skills Survey showing that ‘there has been an increase in the numbers of people holding qualifications at a higher level than those required for getting their job.’ The survey shows that ‘two-fifths of workers held qualifications at a higher level than was required for entry to the jobs they were doing, up from the figure of 35% recorded in the 2001 survey’ and that this situation particularly affected graduate employees. In addition, these regular skills surveys have also highlighted that the amount of discretion that employees are given to control and develop their jobs has declined, with a ‘marked decline in employee task discretion’ between 1992 and 2001 and no change since then. In other words, while these surveys show that skill levels have been consistently improving over the past 20 years, there is also clear evidence of too little progress in redesigning work in order to fulfil this new potential.

1.15 The implications of research findings along these lines are reflected in one of the main recommendations of a very recent inquiry on adult skills undertaken by the House of Commons Education and Skills Select Committee.⁷ Based on a range of evidence, the Committee concludes that ‘it is clear that much depends both on how effectively skills are used in the workplace and how effectively skills development is tied to wider workforce development and other business sustainability issues.’ In addition, the Committee argues that in order to bring about a change of this order, there needs to be a ‘stronger focus on developing management skills *per se* – an area our witnesses have identified as particularly weak and largely neglected to date in policy.’

The low-skills / high-skills training divide – recent trends from the Labour Force Survey

⁷ House of Commons Education and Skills Committee (2007) *Post-16 Skills: ninth report of session 2006-07*, The Stationery Office

1.16 This section of the report examines data from the LFS tracking participation in job-related training broken down by employees' level of educational attainment between 1995 and 2006. In effect it highlights the clear training divide between the 'haves' and the 'have-nots' in UK workplaces and in particular the gulf between the most highly qualified and those who do not have any accredited qualifications. One of the key findings is that there has been relatively little change in this training divide during the past 10 years in spite of the fact that there have been significant changes to skills policy and provision during this time.

1.17 In particular, the Government has introduced a range of initiatives designed to help the millions of employees who require support with acquiring Skills for Life and/or achieving a skill level equivalent to a basic school leaving certificate. And trade unions, especially through the role of union learning representatives, have played a crucial role in engaging and supporting such employees to achieve qualifications through the work-based route. Yet the clear evidence from the LFS data is that too many of these employees are still barred from accessing training in the workplace, especially in comparison with their more highly qualified work colleagues.

1.18 These trends show that a major cultural change in employer behaviour is required to overcome this entrenched training divide. This poses a massive challenge for the success of the Skills Pledge. The TUC believes that there is a need for Government to be very robust about its intention to introduce a statutory right in order to send a clear message to employers that the pledge is the last opportunity for them to demonstrate that they will train *all* their employees rather than concentrating training resources on those with existing qualifications.

1.19 The data below from the LFS is based on individual responses by employees to a question asking them if they have participated in job-related training in the past 3 months. There are a number of health warnings about these LFS statistics, for example, they do not reveal what kind of training people are participating in or the duration of the training. However, these statistics do at the very minimum provide a benchmark of access to training at work and highlight the continuing training divide that operates across the labour market and also within individual workplaces. More technical information about the LFS statistics and the exact sources of the data are included in Appendix B.

Overall trends in participation in job-related training

1.20 Before examining the detailed trends on access to training by qualification level, it is worth looking at the overall trends from the LFS on access to job-related since 1995. The chart below shows that there has been an increase in this period with 30 per cent of employees now saying they have recently participated in job-related training compared to an equivalent figure of 26 per cent in 1995. This increase is largely attributable to a rise in participation in training among women employees, up from 26 per cent to 33 per cent, with a much smaller increase among male employees (up from 25 to 27 per cent).

Employees participating in job-related training, 1995 - 2006

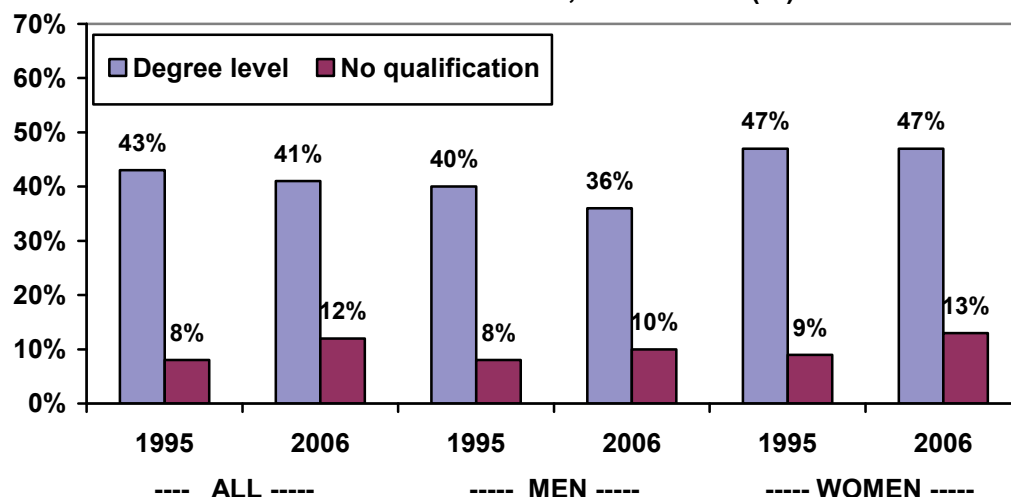


1.21 In itself it is not surprising that job-related training has increased overall as the latest results from the 2006 Skills Survey demonstrates that over the past 20 years job skills have risen significantly as the labour market has changed. In tandem with this the latest survey also shows that ‘both the overall gender skills gap and the skills gap between women working part-time and those working full-time have narrowed substantially over the last two decades’ and this is one of the contributory factors behind the increase in job-related training among women employees. Having said this the survey does qualify this finding, saying that an important distinction needs to be drawn between full- and part-time work as ‘most of the generic skills measures and the importance of on-going learning are at lower levels for female part-time workers than for either men or female full-time workers’.

Tracking the training divide

1.22 The chart below tracks changes in the training divide between 1995 and 2006 for employees with a degree and those without any accredited qualifications. Back in 1995 forty three per cent of graduate employees said they had recently participated in some form of job-related training compared to only eight per cent of employees without any qualifications. By 2006 this divide had narrowed relatively slightly, with access to training for graduate employees dropping back to 41 per cent and rising to 12 per cent for unqualified employees. As shown in the chart there are differences in these trends when they are broken down by gender, largely because participation in training among male graduate employees fell back by four percentage points and there was a greater increase in training among low-skilled women employees.

Employees participating in job-related training by educational attainment, 1995 - 2006 (%)



1.23 The table below provides a similar analysis for employees with other qualification levels and this shows that there is a fairly clear pattern of likelihood of accessing training depending on the degree of educational attainment. For example, in 2006 over a quarter of employees with a level 2 qualification (i.e. GCSE grades or equivalent) and just under a quarter of employees with a level 1 or ‘other qualification’ recently participated in workplace training compared to only 12 per cent of those with no qualifications. This does lend some support to the Government’s current policy strategy to prioritise public funding for such qualifications partly on the grounds that this will enable these employees to subsequently progress to higher level training in the workplace.

Percentage of employees participating in job-related training in the previous three months by highest qualification held, 1995 and 2006						
	1995			2006		
	All	Men	Women	All	Men	Women
Degree or equivalent	43%	40%	47%	41%	36%	47%
HE qualification below degree level	42%	39%	46%	41%	34%	46%
A level or equivalent	26%	24%	28%	30%	27%	34%
GCSE grades A* to C (or equivalent)	25%	25%	25%	26%	26%	26%
Other qualification	18%	17%	19%	23%	22%	25%
No qualification	8%	8%	9%	12%	10%	13%

1.24 In addition, the overall change in the training divide over the past 10 years does suggest some degree of redistribution of training opportunities at the workplace level and Government policy will have been one factor influencing this trend. However, the scale of change needed to meet the objective of virtually eradicating low skills by 2020 will require a huge step change in the incidence of

training among low-skilled employees. Furthermore, the related targets to rapidly expand intermediate and higher level skills means that a significant increase in training among the low-skilled must also be complemented by an increase in the incidence of training among employees with higher qualification levels. For example, it is of concern that there has been little increase in the incidence of training among employees with a level 2 qualification over the past 10 years.

International comparisons

1.25 This section of the report analyses recent data published by the OECD which provide internationally comparative data on participation in job-related training by educational attainment. In addition, for the first time the OECD has used a new indicator which draws on a range of comparative surveys to develop an estimate of the average amount of time that an adult in a specific country would expect to participate in job-related training outside the formal education system during their working lives (i.e. between the ages of 25 and 64). More technical information about these OECD statistics and the exact sources of the data are included in Appendix B.

1.26 The table on the following page sets out the OECD estimates of this indicator for each country broken down by three levels of educational attainment which equates to the UK qualification system as follows:

- ‘Lower secondary school’ - people with qualifications below level 2, including those without any qualifications
- ‘Upper secondary school & post-secondary non-tertiary’ – a minimum of a level 2 qualification (5 GCSEs at A*-C or vocational equivalent) and/or an intermediate qualification (i.e. level 3 qualifications such as A-levels or vocational equivalent). Apprenticeships would also be included in this category.
- ‘Tertiary education’ – refers to qualifications at level 4 and above, including first and higher degrees, vocational qualifications such as HNCs and HNDs, and all other HE qualifications below degree level.

1.27 The first column in the table shows the average expected total hours in job-related training for *all* adults over their working lives and the value of this indicator for the UK is 315 hours, which is well below the OECD average of 389 hours. An alternative comparative indicator⁸ used by the OECD is a *job-related training participation rate over one year*, which is much more flattering to the UK (27 per cent compared to the OECD average of 18 per cent). The reason for this contrast between the two indicators is that the duration of job-related training spells in the UK is much shorter than in most other countries. As a result the training participation rate has tended to over-estimate the amount of training that is actually taking place in the UK compared to other countries. In the latest edition of *Education at a Glance* (2006 edition) the OECD has largely based its analysis on the new training duration indicator presumably on the grounds that it believes that this new indicator provides a more sophisticated internationally comparative measure of job-related training than the participation indicator.

⁸ This alternative indicator is not included in the table in this report in order to avoid any confusion.

Expected total hours in non-formal job-related education and training between ages of 25 and 64 by educational attainment (2003 survey data)				
	<i>All levels of education attainment</i>	<i>Lower secondary school (qualifications below level 2)</i>	<i>Upper secondary school & post-secondary non-tertiary (level 2 and level 3 qualifications)</i>	<i>Tertiary education (qualifications at level 4 and above)</i>
Austria	422	140	420	767
Belgium	469	293	437	719
Canada	586	128	517	796
Czech Republic	182	34	142	556
Denmark	934	719	836	1,230
Finland	669	497	530	1,003
France	713	450	692	1,061
Germany	398	130	390	650
Greece	106	*	*	312
Hungary	253	*	270	402
Ireland	203	82	185	392
Italy	82	26	111	254
Luxembourg	176	*	189	402
Netherlands	283	216	308	322
Poland	139	16	90	513
Portugal	343	232	*	*
Slovak Republic	225	43	178	721
Spain	237	102	261	503
Sweden	622	350	562	917
Switzerland	723	212	621	1,301
United Kingdom	315	103	297	480
United States	471	*	374	746
OECD average	389	210	371	669

Notes: * indicates unavailable data or insufficient sample size.

Data for Canada is based on a 2002 survey.

See Appendix B for more technical information about these statistics.

1.28 The second column in the table shows the average expected total hours in job-related training for all adults who have not achieved a basic school leaving certificate. On the basis of these particular data the OECD concludes that ‘in the UK the intensity of participation is particularly low among persons without upper secondary qualifications [i.e. without the minimum of a level 2 qualification]’. According to the OECD analysis an adult in the UK without a level 2 qualification would expect to participate in 103 hours of job-related training over their working lives compared to an OECD average of 210 hours for this particular group. The top-ranking OECD countries using this particular measure are: Denmark (719 hours), Finland (497 hours), France (450 hours) and Sweden (350 hours). The OECD league table based on this indicator puts the UK in 12th position out of 18 OECD countries for which these particular data are available.

1.29 The OECD also concludes that the educational attainment training divide is particularly acute in the UK, saying that ‘in the United Kingdom these differences are significantly larger than in most OECD countries’. The data for the UK show that over their working lives adults without a level 2 qualification should currently expect to receive:

- around a third of the amount of job-related training that an employee with a level 2 or 3 qualification would expect to receive (103 hours compared with 297 hours); and
- around a fifth of the amount of job-related training that a graduate employee in the UK would expect to receive (103 hours compared to 480 hours).

1.30 However, it would be wrong to assume that this OECD analysis provides a positive picture of the amount of training that more highly qualified employees in the UK receive compared to other countries. For the truth is that the OECD training duration indicator gives a very different picture of the amount of training that such employees in the UK receive compared with what the LFS participation rates suggest.

1.31 For example, the OECD league table based on training participation rates for graduates puts the UK in fifth position but the OECD league table based on the lifetime training duration indicator for graduates puts the UK in 15th position out of 21 OECD countries for which these particular data are available. And while the OECD league table based on training participation rates for adults with level 2 or 3 qualifications puts the UK in sixth position, the OECD league table based on the lifetime training duration indicator for these particular employees puts the UK in 12th position out of 20 OECD countries for which these particular data are available. This huge contrast between the positive training participation rates and the poor training duration rates for the UK reflects the fact that job-related training programmes in the UK tend to be much shorter than in most other countries.

The Leitch Review implementation plan

1.32 The TUC welcomed the Government’s response to the Leitch Review of Skills and in particular highlighted that it presented ‘a more balanced view of the skill needs of employers and employees than has been evident in recent policy

statements by Government’.⁹ The TUC has consistently supported the concept of developing a more demand-led skills system but has been increasingly concerned that some of the Government’s reforms were too skewed towards building an employer-led skills model which did not adequately address the importance of employee demand and the trade union role. The definition of a demand-led approach in the *World Skills* document is very different in this respect, as follows: “What all our reforms have in common is that they are trying to put the customer – in this case, adult learners and employers – first. We call this our ‘demand-led’ approach’.” The TUC welcomes this definition of a demand-led skills approach.

1.33 Another welcome feature of the Government’s response to the Leitch Review is the degree of importance attributed to the skills agenda for enhancing individual well-being and social mobility as well as improving productivity, competitiveness and economic performance. Whilst all these outcomes are inextricably linked there had been some concerns that Government skills policy was moving too far in favour of simply meeting employer skill needs at the expense of the needs of individual employees and wider social progress. The vision set out in *World Skills* is significantly different in this respect – see below – and is to be welcomed.

‘For adults, better skills and economically valuable qualifications are a route to achieving better jobs, career progression and higher incomes to support their families. Better skills are the key to greater social mobility, ensuring that individuals can get on because of their talent and hard work, and not just because of their background. For employers, a more highly-skilled workforce is a route to achieving higher productivity and, in the private sector, greater competitiveness and profitability’ (World Skills, paragraphs 3-4).

1.34 As noted earlier the Government has also used its response to endorse Lord Leitch’s proposals to establish very challenging new targets to virtually eradicate low skills and rapidly increase intermediate and higher level skills by 2020. In its initial response to Lord Leitch’s final report published in December 2006, the TUC welcomed the analysis and the conclusions that ‘skills is the most important lever within our control to create wealth and to reduce social deprivation’ and also that there is a pressing need for ‘parity of esteem for the vocational route’. At the same time the TUC welcomed the fact that the review linked the achievement of a world class skills base by 2020 with clear targets linked to accredited qualifications, including a new drive to expand Apprenticeships.

1.35 Without such a focus, there is a danger that too many employers would use public funds to simply deliver job-specific skills that would not provide employees with the wider skill set that is necessary to support improved productivity and social mobility. It is therefore welcome that the implementation plan has put further flesh on the bones by setting out interim targets (generally up to 2011) for ensuring that we are remaining on track with achieving the range of 2020 skills targets formulated by the Leitch Review team.

⁹ *Implementing the Leitch Review of Skills: a briefing paper*, TUC, August 2007

1.36 Supporting more adults to achieve qualifications at level 2 and above will also be crucial in respect of Government's endorsement of Lord Leitch's proposal to develop a joined-up employment and skills system. We already know that a lack of qualifications, or having very low-level qualifications, are major barriers to achieving sustainable employment. Tackling this through a more integrated approach to supporting the employment and skill needs of individuals should play a central role in progressing the Government's aim of achieving a 80 per cent employment rate over the longer term.

1.37 The TUC has also welcomed the decision in the implementation plan to 'bring forward new legislation to strengthen the current funding entitlement for adults to free training in basic literacy and numeracy skills, and to achieve their first full level 2 qualifications'. While this entitlement will not immediately create any new obligations on employers, it does go beyond the proposal by Lord Leitch to review the need for a new statutory right in 2010. In principle it prepares the ground for the introduction of a full legal right to training in three years time if employers fail to support enough employees to access training up to level 2 by supporting the Skills Pledge.

1.38 The Government has expressed a degree of confidence that the Skills Pledge and Train to Gain provision will persuade employers to modify their behaviour and greatly increase training opportunities for low-skilled employees over the coming years (as set out in the following paragraph from *World Skills*):

'For low-skilled individuals, the evidence suggests that the best improvement in earnings and productivity occurs when qualifications are gained in the workplace. However, the evidence is clear that low-qualified and low-skilled people are much less likely to receive training from their employers. This must change, and it will, through the Skills Pledge, through Train to Gain brokerage and training support and increased engagement by employers in skills.' (paragraph 2.13)

1.39 While the TUC and the trade union movement are prepared to work in partnership with employers to deliver on this aim, it is also imperative that employers are made aware that the alternative will be the introduction of a statutory entitlement to workplace training. On this point, the *World Skills* document says the following:

'If we do not make sufficient progress towards our world class skills ambition for 2020, we will consider creating an entitlement to workplace training for employees in England lacking a first full level 2 qualification. We will ask the UK Commission to maintain an overview of progress towards our ambition, and in 2010 Government will review whether introduction of an entitlement is necessary and appropriate.' (paragraph 4.29)

1.40 The TUC would be concerned if the Government wavered in any way concerning this commitment as that would send a coded message to employers that the voluntary skills system would remain in place regardless of how employers reacted to the Skills Pledge initiative. It is also crucial that the Government adopts a robust approach when reviewing the need for a statutory right to training for low-skilled workers in 2010 and that it acts decisively on the basis of hard data. For example, it should be looking at the rate of increase in the

proportion of low-skilled employees achieving a level 2 qualification by then and comparing this with the trajectory required to achieve the new target of having 90 per cent of adults at a level 2 standard by 2020.

The union role

1.41 The TUC and its learning and skills organisation, unionlearn, have supported the Skills Pledge since it was first proposed by Lord Leitch in December 2006. Well before the pledge was officially launched by Government, the TUC Executive had discussed a strategy paper¹⁰ on the union role in driving forward take-up of the pledge in as many workplaces as possible. Very soon after this the TUC General Secretary informed the TUC General Council that he would be writing to all General Secretaries of affiliated unions with some suggestions on how trade unions could put pressure on employers to meet this pledge. As well as calling on unions to publicly support the pledge, this letter proposed a number of key action points to integrate the pledge into union learning activities at the workplace level and also at the sectoral level. However, it should be noted that this level of support is very much dependent on the Government retaining a clear commitment to undertake a proper review of the need for a statutory right in 2010.

1.42 The TUC was also among the first 150 organisations to sign up the pledge as an employer in its own right and it has called on affiliated unions to consider doing likewise. Speaking at the official launch of the pledge in June 2007, the TUC General Secretary also emphasised the importance of encouraging major companies signed up to the pledge to look at how they could use their commercial relationships and supply chains to extend the reach of the pledge outside their immediate workforce. This is one key way in which trade union support for the pledge in large organisations could ultimately influence take-up of the pledge in non-unionised companies in their supply chain.

1.43 The TUC's learning and skills organisation, unionlearn, is also working on a strategy to help trade unions and union learning representatives (ULRs) to make the most of the Skills Pledge. The unionlearn website has a new section on the Skills Pledge and a range of leaflets are already available, including a mini-guide to the pledge aimed at ULRs. The Government's response to the Leitch Review highlighted that 'Union Learning Representatives play a vital role in helping employees to develop their skills and gain new qualifications' and that it is envisaged that they will build on this role by working with employers to draw up action plans for delivering the Skills Pledge and helping more employers and employees access Train to Gain provision. The TUC and unionlearn will be supporting this enhanced role for ULRs over the coming months.

1.44 In many ways this enhanced role builds on the expertise that ULRs have already developed to support and engage low-skilled employees, in particular in relation to Skills for Life provision. One of the key outcomes of the work of ULRs to date has been to ameliorate the educational attainment training divide in many

¹⁰ Paper presented to the April 2007 meeting of the TUC Executive

individual workplaces. This work has supported equality both in its broadest sense (i.e. redistribution of training to the low-paid and low-skilled) as well as in respect of employees who are more likely to be face training discrimination, including women, Black and minority ethnic people and disabled people. The Skills Pledge offers an opportunity for ULRs to make further inroads in this area by opening up even more training opportunities to excluded groups.

1.45 The Government's response to the Leitch Review also highlights a number of other initiatives in support of the Skills Pledge where unions are playing a key role, including work being undertaken by the Public Services Forum Learning and Skills Task Group. This Task Group was established in 2005 to assess the long-term skills priorities for public services and also to develop a joint action plan for employers and trade unions to take forward. A key element of this is an objective to build a joint commitment across public services for the implementation of the Skills Pledge, adapting it so that the core offer is available to employees as soon as possible, with a wider sector-specific offer building on this in the long term (the interim report of the Task Group is available at: www.tuc.org.uk/skills).

Promoting a collective approach on skills

1.46 The Government's implementation plan also highlights a number of initiatives which are promoting a collective approach on skills at the workplace level. For example, it includes a good practice case study of employers and unions working together to improve skills in the workplace in the Merseytravel public passenger transport operation through the Merseylearn project. The project was underpinned by new collective arrangements, including the development of a learning agreement and a Joint Learning Forum, to embed the role of union learning reps in particular. This has led to a new learning culture in the organisation which has revitalised the role of union learning representatives, achieved joint working between the five unions on site, and greatly improved management-union relationships.

1.47 Not surprisingly, Merseytravel was among the first organisations to sign up to the Skills Pledge and it will be implemented through the collective arrangements already in place to support union learning and wider workforce development in the organisation. The TUC has previously highlighted how the collective approach on skills in organisations such as Merseytravel enable union learning representatives to maximise their role in promoting and supporting learning among the whole workforce and also give trade unions a real voice in influencing skills and workforce development policies (see Appendix A for a more detailed case study of the Merseylearn project).

1.48 There is also evidence to show that a genuinely collective approach on skills at the workplace level generates more training opportunities for the workforce and tends to ameliorate the training divide. For example, an analysis of the 1998 Workplace Employment Relations Survey shows that in workplaces where training was negotiated, almost 40 per cent delivered an average of five or more

training days a year per employee compared to just over 20 per cent of workplaces where training was only subject to consultation.¹¹

1.49 On this basis, it is imperative that the Government continues to review the need for a stronger statutory basis for collective action on skills at the workplace level by considering measures to enable trade unions to negotiate training plans with employers. It is welcome that there is an ongoing project, involving the TUC, CBI and Government, which is developing best practice guidance on dialogue on training.¹² However, the TUC believes that without a statutory basis a number of employers will continue to avoid working with unions in a genuinely collective way on the training agenda and this will both limit the potential of the role of union learning reps and improvements to wider aspects of workforce development, including maximising the utilisation of skills.

Conclusion

1.50 This report has focused on the divide between the training 'haves' and 'have-nots' in UK workplaces and in particular the level of discrimination faced by low-skilled employees when it comes to accessing workplace training. However, the report has also highlighted that there are many other facets of the UK's skills deficit that need urgent attention. For example, a range of reputable research studies have demonstrated that policies designed to increase the skill levels of the workforce, especially the low-skilled, need to be accompanied by parallel reforms to radically improve the utilisation of skills in our workplaces.

1.51 There is also a danger that focusing on the training divide based on educational attainment can give the false impression that employees with intermediate and higher skill levels in the UK are getting adequate access to job-related training. The OECD data highlighted in this report puts paid to that theory and endorses the recommendations by Lord Leitch that, as well as tackling low skills, the UK needs to achieve a rapid expansion of intermediate and higher level skills.

1.52 Nevertheless, the fact remains that the first major test of the Government's implementation of Lord Leitch's vision is how successful it will be in combating the low skills scourge that continues to adversely affect both social and economic progress. The Skills Pledge and related measures proposed by Lord Leitch offer a real opportunity to break the low skills cycle, but this will require a concerted joint effort by employers, trade unions and other stakeholders. Sustaining support for a joint strategy of this order over the coming years will be one of the

¹¹ Rainbird, H. et al (2003) *Employee Voice and Training at Work: an analysis of cases studies and WERS98*, DTI Employment Relations Research series, no.21

¹² The TUC is currently working on a project with the CBI and two Government departments to produce best practice guidance designed to help employers, employees and trade unions to voluntarily develop workplace dialogue on training and skills. Further information about this joint project is available on the TUC website at: www.tuc.org.uk/skills. The guidance is expected to be published in autumn 2007.

challenges facing the Government and it is therefore imperative that it does not waver from its commitment to undertake a robust review of the need for a statutory right to workplace training in 2010.

Appendix A

Case Study: Merseylearn (Amicus, GMB, TGWU, UCATT, UNISON)

Thanks to a ground-breaking Learning Agreement signed off in 2003, Merseytravel public transport operation has been steadily developing a new learning culture throughout its three divisions (the Passenger Transport Executive, Mersey Ferries and Mersey Tunnels). It is a single purpose agreement which was designed to operate alongside existing bargaining machinery. The project it supports is known as Merseylearn and since the agreement was signed, the role of union learning representatives has been revitalised and joint working between the five unions has been achieved for the first time.

As importantly, the new learning culture has helped drastically improve management-union relationships and in 2006 Merseytravel was one of only nine UK organisations to be awarded Investors In People (IIP) Champion status. Commenting on this achievement, Neil Scales, Chief Executive of Merseytravel said: 'I am delighted our approach to learning and development has been recognised by IIP through the award of Champion status to us. We have made many successful changes to our learning agenda, including setting up Merseylearn, and that has involved excellent joint working with all of the trade unions.'

The Learning Agreement aims both to encourage staff to participate in workforce development and provide access to personal development opportunities, by establishing learning centres in all three divisions. It also sets out the membership of the Joint Learning Forum comprising 5 employer and 5 union representatives and others (e.g. the Learning and Development Manager and also representatives from Greater Merseyside LSC and unionlearn in the North West). "Setting up the Joint Learning Forum sent the message to management and staff that this was a serious effort to change things here" says UNISON branch secretary Roger Irvine.

The forum focuses on meeting the learning needs of manual workers (on lower grades and shiftwork) who have few formal qualifications or none and its remit covers all policies on learning and development, including monitoring the Personal Development Review process. In addition, it oversees the workplace learning centres, evaluates learning provision within the organisation and makes recommendations to the management team and the Passenger Transport Authority.

The Forum is guided by a set of key operating principles, including aims both to meet the needs of the business and the learning and development needs of individual employees. It also recognises that equal opportunities and equal access to learning are vital to enhancing skill levels across the organisation.

As ULRs are central to the success of the project, the agreement spells out their rights and responsibilities and Merseytravel encourages them to develop their skill set (e.g. some have achieved City and Guilds workforce teaching qualifications). The project also receives funding from the Union Learning Fund (ULF), which pays for a Skills for Life tutor, an ICT tutor plus two learning support workers.

Merseytravel was among the first 150 organisations to make a public and voluntary commitment to continue to support all the organisation's employees to develop basic skills, including numeracy and literacy, and work towards relevant, valuable qualifications to at least Level 2 (i.e. five GCSEs at A* - C grade or the vocational equivalent).

Neil Scales said: "We're proud to make the Skills Pledge and we pledge to continue to develop new ways of training our staff through our pioneering training arm Merseylearn. As one of only nine companies given Investor in People Champion status this year it is important we also share our success and encourage other organisations to look at ways to maximise the potential of their staff.

"We recognise that involving employees and boosting their skills through training we can encourage greater levels of motivation and staff retention and offer better service to our customers. We've signed this pledge to underline our continuing commitment to investing in skills."

Merseylearn has also opened its learning centres to taxi drivers and since last autumn workers on the local Merseyrail network, who now have their own learning agreement and forum.

Positive outcomes of the project for the employees include:

- Paid time off to learn
- Over 50 per cent off staff using the scheme, with over 160 achieving NVQs.

For the employer

- a drop of 3 days sick leave on average
- a 10per cent drop in the number of disciplinaries/grievances
- staff turnover fallen to 4 per cent (the best for any Passenger Transport Executive)
- and internal staff promotions increased by 10 per cent.

An important objective is to sustain this activity. That is why Merseylearn has joined the DfES/Unionlearn Collective Learning Fund project in the North West which is developing co-funding models for workplace learning.

Appendix B

Labour Force Survey data

A key source of statistical information on access to job-related training is the quarterly Labour Force Survey (LFS) undertaken by the Government. This is a very large survey involving 60,000 households and including labour market information on nearly 120,000 people aged 16 years and over. The survey also includes detailed information on the characteristics of all respondents so it is possible to undertake analyses of access to workplace job-related training by a number of criteria, including the highest qualification held by individuals.

The LFS statistics in this report are taken from annual publications previously compiled by the Department for Education and Skills, entitled *Education and Training Statistics for the United Kingdom*. This annual statistical report includes a section on job-related training largely based on LFS data. The LFS asks individuals if they have participated in job-related training in the recent past (i.e. in the last week, last 4 weeks or last 13 weeks). The analysis used by the TUC for this current report concentrates on the data relating to the 13-week period.

The LFS training statistics should not be confused with data from another key government training statistics publication, the National Employer's Skills Survey (NESS). This interviews a large number of employers in England on an annual basis and the survey is coordinated and published by the LSC. This provides detailed training statistics based on employer responses and is the source of a lot of useful data from this particular perspective (e.g. the total proportion of employers that do not provide any training etc.).

OECD data

The OECD data used in this report were first published in the 2006 edition of the annual OECD publication, *Education at a Glance*. For the first time in this report the OECD has used training duration data from a range of surveys (e.g. the EU Labour Force Survey) to provide a new estimate of the average amount of time that an adult in a specific country would expect to participate in job-related training outside the formal education system during their working lives (i.e. between the ages of 25 and 64). In the past the OECD has largely relied on use of a training participation indicator (i.e. the proportion of adults participating in job-related training over the past year) to compare the amount of job-related training taking place in different countries. The OECD's analysis of job-related training in the 2006 edition of *Education at a Glance* is largely based on the new training duration indicator although they have continued to include the participation data in the detailed tables.

The OECD defines non-formal job-related education and training as such if it is 'not typically provided in the system of schools, colleges, universities and other formal institutions'. However, it can involve attendance at such institutions, e.g., through the role they play in supporting employers' work-based training programmes and also training programmes for unemployed people.