

Chapter 1

An Introduction to Skills Upgrading: Why a Shift in Policy is Needed

by
Sylvain Giguère

Pressures to enhance productivity and to meet changing business needs in a knowledge-based economy are increasingly driving home the need to upgrade the skills of low-qualified workers. At the same time, governments are realising that very little is in place to tackle this challenge. Not only are policies ill adapted to the new situation; the governance framework is often inadequate. Higher degrees of policy co-ordination, adaptation to local conditions, and the participation of business and civil society are required to generate satisfactory outcomes. Both government and local actors have an important role to play in implementing innovative and effective mechanisms.

Today on the labour market there is a shift in priorities. For decades, the attention of policy makers had been drawn to the issues of long-term unemployment and social exclusion. Integration or reintegration into the labour market was the chief policy priority, one that gave shape to the delivery of job subsidies, training programmes and counselling services. With high levels of unemployment, even measures to promote employability – meant in the first place to help individuals enhance their skills and qualifications to match current employer needs in the labour market – were often used to help the disadvantaged and long-term unemployed find an initial job.

While labour market reintegration undoubtedly remains a central issue, in many OECD countries policy makers have now turned their attention to low-skilled workers.¹ There are three main reasons for this.

First, unemployment has been reduced and many countries are experiencing *skill gaps and shortages*: in specific industrial sectors, employers cannot find suitably qualified workers. As economies restructure and relocate production in countries with lower labour costs, there is a strong pressure to upgrade the skills of low-qualified workers on the domestic market so that they can fill vacancies for more qualified jobs and fuel economic growth.

A second reason is a *desire to increase productivity*. Higher productivity improves the position of firms on the global market, attracts inward investment and sustains job creation. Differences in productivity across countries are often explained by differences in skills and educational attainment. The ageing of the population makes this dimension all the more important. The fact that most of the workers who will be applying new technologies in the future will also be long past their school days calls for more investment in training the labour force (OECD, 2003a).

The rationale for this investment is supported by modern growth theory, which emphasises the relationship between acquisition of human capital and economic growth. While the theory has been difficult to prove empirically, breakthroughs in establishing the correlation are currently being made. In particular, a recent study has revealed a clear association between investment in the human capital of low-qualified workers and a country's future growth and labour productivity² (Coulombe, Tremblay and Marchand, 2004).

A third important driver is the successful reintegration of former welfare recipients into entry-level jobs, which has contributed to the creation of a vast category of workers in *low-paid employment* involving harsh working conditions

and offering few social benefits. This group is often referred to as the “working poor”. It is true that applying measures to stimulate labour market integration is an effective way to fight social exclusion, and in certain circumstances temporary work experience in a low-paid job can enhance the employment and income prospects of an individual compared to alternative participation in a (passive or active) labour market programme. However, reintegration as such is not a sufficient condition to alleviate social exclusion or poverty in a sustainable manner. The high incidence of poverty among working households suggests that policies emphasising job placement must be supplemented by measures to improve employment retention and enhance upward mobility (OECD, 2001a).

Current employment trends underline the importance of this third factor: it is becoming increasingly difficult for those occupying entry-level jobs to “move up the ladder” in terms of pay, conditions and security.

From a business cycle issue to a structural one

The long period of growth of the 1990s and the beginning of the 2000s did much to reintegrate unemployed and disadvantaged people into the labour market. Not only was the recovery rapid and sustained over several years, but it was also accompanied by reforms of the welfare and unemployment insurance systems that encouraged long-term unemployed and disadvantaged individuals to leave income assistance regimes and take on work. Bill Clinton’s welfare-to-work and Tony Blair’s New Deal were at the forefront of radical policy changes experienced in many OECD countries at the end of the 1990s.

As much as these reforms were desirable, they were not free of conceptual flaws. For one thing, if they managed to foster labour market reintegration – often through coercive methods – they appeared less effective in encouraging people to train and acquire more skills. Anticipation of a possible recession led many labour market analysts to argue that these workers were stuck in a vulnerable position. As the programmes failed to equip them with new skills to suit current business needs, many of the low-skilled workers who joined the labour market at the late stage of the growth period would experience difficulties securing a new job. Indeed, they risked becoming long-term unemployed once again.

This sub-optimal outcome of the economic trends and policies of the 1990s, together with the current policies of welfare retrenchment in many countries, explains the renewed interest in the fate of “incumbents” on the labour market. It is striking that during an OECD study visit to the Midwest of the United States in April 2001 – at the peak of the business cycle – officers of the workforce development system often raised this issue.³ When asked how they would use greater flexibility in managing programmes, many replied that

they would like to devote more resources to upgrading the skills of the low-qualified workers as their first priority.

It is beyond the scope of this publication to try to infer whether these concerns were well-founded, or to establish whether the incumbents on the labour market indeed became long-term unemployed again as growth slowed down. That data may not be needed anyway, as a structural trend now appears to be superseding the effects of the business cycle on low-skilled employment. The current recovery is associated with declining wages, hardening working conditions and diminishing social benefits in many sectors of the economy. This is largely the result of structural factors germane to globalisation and increasing competition with emerging economies.

Trade with emerging economies in Asia and Central and Eastern Europe helps decrease prices overall. This benefits the world economy by providing a supply-side stimulus to industrialised countries that will translate into jobs in many sectors of the economy. In particular, the development of the Chinese and Indian economies will increase the scope for specialisation, which will boost productivity and create jobs, both high- and low-skilled, in advanced economies. Growing markets in emerging economies will also lead to increases in imports from advanced economies, and thus stimulate labour demand in those countries.

Yet another impact of this increased competition concerns wages and working conditions. The fact that productive capacity in Asia and elsewhere is increasing puts pressure on labour costs. To handle the enhanced competition, enterprises in advanced economies must keep wages and labour costs low. Employees are pressured to accept wage cuts, longer and more flexible working schedules, and reduced social benefits. The types of jobs that may be affected by these pressures are currently growing in number. Progress in information and communication technologies (ICT) now allows outsourcing in more service sector activities than before, as reflected in the growing importance of the business and administrative services in India that are delivered to western economies.

As global economic integration progresses, the forces that are currently putting pressure on wages and working conditions will no doubt continue for many years, until a worldwide equilibrium can be found.⁴ Thus the need for skills upgrading is no longer a short-term issue to be dealt with when unemployment is low and most people able to work are in employment. It is a structural issue of critical importance for the well-being of our nations.

The workplace is changing

The skills challenge is a truly serious one. If our countries are not able to upskill satisfactorily those who return to the labour market after a spell of

unemployment, how will they cope with the increasing number of workers trapped in jobs with low pay and hard working conditions? Can our societies really afford not to tackle this challenge when the economy increasingly relies on higher skills to maintain their prosperity?

The question of identifying the skills that are needed and methods to deliver them is complex. The workplace is changing, and the impacts on the various aspects of low-skilled work are profound. The terms “employability” and “soft skills” have already been part of employers’ terminology for several years. Beyond basic skills such as literacy and numeracy, employers expect low-skilled workers to be punctual and disciplined to give a few examples. But today, employers want more than that.

Increasingly, employers expect low-skilled workers to possess an array of capabilities: to have learning skills and decision-making capacities, to be able to work in a team, and to display entrepreneurship and leadership. Acquaintance with ICT is now taken for granted. In certain sectors, security requirements are an important job characteristic, and even workers at the lowest rungs in terms of qualifications must be able to use large documentation manuals and extract relevant information under time constraints. There is growing demand for the capacity to innovate and solve problems in a just-in-time production system.

Initiatives taken recently reflect this changing situation. In some countries, government and educational institutions have carried out research on the set of skills required for different types of jobs in a variety of sectors. The information gained is used to tailor training programmes to the needs of both the employers and employees. Canada has pioneered this approach and identified the “essential skills” required for about 200 job profiles.

A governance failure as much as a market failure

The importance of providing individuals with opportunities for lifelong learning is well recognised in OECD economies. The emphasis on a knowledge-based economy and the need to invest in human capital to increase productivity and competitiveness have significantly raised the profile of vocational training and adult learning in public policy over the past decade.

There are significant discrepancies in the provision of vocational training and adult learning across OECD countries, and differences in the policy approaches and delivery systems. A large share of the workforce benefits from training activities in several countries, such as the Nordic countries, the United Kingdom, Switzerland and Canada (OECD, 2003b). Other countries show a much lower rate of participation. While some give a prominent role to public institutions when it comes to organising and delivering training, others rely on private training service providers or transfer responsibility to the social

partners. Some countries finance training through payroll tax and make training compulsory for workers. Others promote a more market-oriented approach.

These variations notwithstanding, a common issue faced by low-skilled workers across member countries concerns the daunting obstacles in the way of access to lifelong learning. A previous OECD study showed evidence of under-provision, with the low-skilled receiving far less training than the high-skilled. The probability of receiving employer-sponsored training was estimated to be on average 9 percentage points smaller for workers with less than upper secondary education than for individuals with a tertiary qualification (OECD, 2003a). Both the employer and the employee invest too little, due to difficulties in internalising benefits and in linking pay scales to productivity.

Among the low-skilled, those who return to the labour market after a spell of long-term unemployment present the most obvious needs, as they have far less work experience and have few credentials that can help them stay and progress in employment when the economy slows down. The difficulties faced by this category of worker have called attention to a gap between the public employment service and the vocational training system. While the former has insufficient resources to follow up those who obtain a job, the latter brings little benefit to low-skilled workers. Lack of co-ordination between the two means that in many countries the government does not provide any assistance for upgrading the skills of low-skilled workers (OECD, 2002).

Thus skills upgrading is not only a policy issue but also a governance one: both a market failure and a government failure must be tackled.

National issues, local solutions

Responses to this problem have been provided at local rather than central level, perhaps because it is there that the strategic importance of upgrading the skills of low-skilled workers has been more obvious and felt more urgently. It is there that the effect of failed labour market and training policies is felt more directly, and where the need for complementary measures is voiced. The difficulty faced by enterprises in recruiting staff with the skills they need also spurs a range of local stakeholders, from local authorities to employer organisations and economic development agencies, to support training and education activities locally.

As a result, a great number of local initiatives have emerged in many countries and regions, aimed at filling the gap between employment and training services to help low-skilled workers stay and progress in employment. These initiatives are led by a range of actors: local authorities, trade unions, community-based organisations, labour market intermediaries and area-based partnerships. The initiatives draw on instruments and

funding sources made available by various tiers of government, and through the European Union in the case of EU member states. Some countries have also recently launched pilot programmes.

As solutions to fill the training gap have been designed at the local level, it is at that level that the OECD has focused its Study on Skills Upgrading for the Low-qualified. The LEED Programme has carried out this project to explore the mechanisms employed in various areas of the OECD. Its goal was to understand how best to overcome the obstacles to job retention and progression through skills upgrading initiatives. The experiences of Belgium, Canada, Denmark, the United Kingdom and the United States have been examined as part of this project.

A shift in policies is needed

The lessons from this study are far-reaching, as they go beyond the design and implementation of local initiatives. There are lessons for government – a in particular for its employment, training, social and education departments – as well as for the social partners and local actors.

A first lesson is that upgrading the skills of low-qualified workers should become a strategic objective of governments. Local initiatives alone cannot fill the gap left by current policy orientations focused on integrating the weakest categories of workers into the labour market and providing lifelong learning for the other workers. Employment and training policies should encompass skills upgrading to avoid marginalisation of disadvantaged workers on the labour market, to retain low-skilled workers in jobs, and to help them progress through acquiring specific competences currently in demand. Skills upgrading as a policy priority would serve to complement the current government agenda on both competitiveness and social cohesion.

Vocational training systems now in place possess many features that help address the needs of the low-skilled. Some are particularly comprehensive but should be made more flexible so that they can be effectively used by employers and employees. Evidence shows that services should be tailored to the needs of both the employer and the employees, and the mechanisms used to do that should be made more systematic and accessible throughout countries. Where vocational training systems are a compulsory component for workers, the proportion that goes to the low-skilled should match the importance of the low skills issue in the country concerned.

Some tools appear to be useful whatever the system in place. In particular, skill assessment appears to be a critical instrument for ensuring effective training provision. The Canadian experience shows that co-operation between government, training institutions and business can produce a solid

basis for the delivery of competences that match employers' needs. In particular, a compilation of job profiles can directly feed skills assessment and the design of training programmes. Performing tests on a case-by-case basis enables identification of what the worker's needs are, in line with the job's requirement and hence the employer's interest. By generating tailor-made training programmes, this approach encourages investment from both the employer and the employee.

Social policy should adjust to the new labour market situation. Government should recognise that promoting work experience is not sufficient to fight poverty and social exclusion. To make outcomes sustainable, such answers should be accompanied by a skills-upgrading dimension. Upskilling should become social policy in the new century just as integration in the labour market became social policy in the 1990s. For example, training provision should be introduced in programmes to fight the poverty and social exclusion attached to welfare regimes. Disadvantaged people face significant obstacles to acquiring skills. There is much to learn from initiatives recently taken at local level to help them overcome those obstacles.

Tackling the skills upgrading issue also requires changes in the education system. Young people should be prepared to face the challenges of modern labour markets and be equipped with communication skills ranging from literacy and numeracy down to IT and foreign languages. According to various reports, there is a mismatch between the skills taught in schools and those demanded by firms today. Even in low-skilled jobs, the use of computers and documentation sources, teamwork and problem solving are among the competencies demanded by employers for entry-level jobs.

There also emerges from the study a strong rationale for improving basic skills. The OECD PISA Study and International Adult Literacy Survey have highlighted that many school children and adult workers lack basic skills, *i.e.* literacy and numeracy. This clearly indicates a failure in the education system. Even if employers' requirements evolve – and even if, as some suggest, the labour market requires skills that are different from those taught in school – good outcomes in literacy and numeracy are no doubt a prerequisite to adapt to labour market change.

At local level, the key words are information, co-operation, innovation and action. Very clearly, the same policy context and needs felt on the ground can yield very different outcomes in different locations. Conversely, similar achievements can be observed in different policy environments. This highlights the key role that local actors can play in activating the various tools available to achieve optimal outcomes at local level. Yet these successes are to be found too infrequently and at a micro level, and cannot possibly be relied upon in their current scale and format to contribute to the pursuit of a

bolstered government agenda on skills upgrading. Nonetheless the analysis shows that no government agenda on skills upgrading should be pursued without taking into account these achievements. Government policy would do well to build on, strengthen and use the mechanisms that have been set up locally in an organic and spontaneous manner. These mechanisms are often the result of successive experiments carried out with a view to improving the effectiveness of local actions and use of the scarce resources available in the most efficient way.

Accordingly, the analysis shows that effective local actions are fuelled by the provision of relevant information gathered locally on labour demand and supply, and on the programmes and funding sources available. It sheds light on the clear role social partners have to play in conveying signals on what the long-term benefits are for employees and employers, *i.e.* in making the economic case for skills upgrading. It shows that intermediaries in the labour market (*e.g.* community colleges, specialised non-profit organisations) are best placed to design skills assessment tests and training programmes to meet the specific needs of both employers and employees, and to provide the organisational support required. Local initiative is often the missing link or trigger that determines whether skills upgrading action takes place or not in a locality, a community or an enterprise.

The contribution of civic entrepreneurs has long been acknowledged in economic development and social inclusion fields (see for example OECD, 2001b, 2004). These entrepreneurs have also proved to be a central asset in the joint effort to tackle the skills upgrading issue. As in other fields of work, government should not rely on them – but it could hardly do without them. Government should facilitate and support those taking on this role of catalyst, and provide local intermediaries with the tools necessary to make their work more effective. As the work of the OECD LEED Programme has already demonstrated as part of its policy research agenda on local governance and employment (OECD, 2005; Giguère & Higuchi, 2005), there exist a number of mechanisms to combine the strengths of the various actors at local and national levels to pursue a skills upgrading agenda in an optimal manner.

Notes

1. In this study, low-skilled workers are defined as those who are currently employed and possess either low educational levels (ISCED 0 to 2) or IALS literacy level 0 to 3. The term also covers ISCO (International Standard Classification of Occupations) sub-groups 5 to 9 – that is, all elementary, operating and sales occupations requiring 1st and 2nd skill levels. In the great majority of cases, these workers occupy jobs with a low occupational status and an income below the median rate of pay. See OECD, 2002.

2. The study found that a rise of 1% in literacy scores relative to the international average is associated with an eventual 2.5% relative rise in labour productivity and a 1.5% rise in GDP per head.
3. The visit was organised as part of the OECD Study on Local Partnerships, in co-operation with the W.E. Upjohn Institute for Employment Research. See results in OECD, 2001b.
4. Estimation of equilibrium wages is difficult due to conflicting signals received from labour markets in China and other Asian economies. Some reports suggest that there is currently in rural China a vast untapped labour capacity that can be used by industry over the next decades. This would contribute to keeping wages low for low-skilled workers in China for many years and maintaining the pressure on wages in advanced economies. Other reports signal on the contrary that many sectors are already experiencing labour shortages in China, leading to labour disputes and increases in wages (see for example issues of *The Economist* from 2 October 2004, 8 October 2004 and 16 April 2005).

References

- Coulombe, S., J.-F. Tremblay and S. Marchand, (2004), "Literacy Scores, Human Capital and Growth Across 14 OECD Countries", *Statistics Canada*, Ottawa.
- Giguère, S. and Higuchi, Y. (2005), "Local Governance for Promoting Economic and Employment Development: Challenges for Japan" in S. Giguère, Y. Higuchi and JILPT (eds.), *Local Governance for Promoting Employment. Comparing the Performance of Japan and Seven Countries*, Japan Institute for Labour Policy and Training, Tokyo.
- OECD (2001a), *Employment Outlook: "Editorial"*, OECD, Paris.
- OECD (2001b), *Local Partnerships for Better Governance*, OECD, Paris.
- OECD (2002), "Upgrading the Skills of the Low-qualified: A New Local Policy Agenda? An Exploratory Report", DT/LEED/DC(2002)5, Paris.
- OECD (2003a), *Employment Outlook: "Chapter 5: Upgrading Workers' Skills and Competencies"*, OECD, Paris.
- OECD (2003b), *Beyond Rhetoric: Adult Learning Policies and Practices*, OECD, Paris.
- OECD (2004), *New Forms of Governance for Economic Development*, OECD, Paris.
- OECD (2005), *Local Governance and the Drivers of Growth*, OECD, Paris.

Table of Contents

Acronyms	11
Executive Summary.....	13
Chapter 1. An Introduction to Skills Upgrading: Why a Shift in Policy is Needed	
by Sylvain Giguère	23
From a business cycle issue to a structural one.....	25
The workplace is changing.....	26
A governance failure as much as a market failure	27
National issues, local solutions	28
A shift in policies is needed	29
Chapter 2. From Welfare-to-work to Welfare-in-work: Concepts and Policies	
by Corinne Nativel	33
From “Welfare-to-Work” to “Welfare-in-Work”: challenges and obstacles.....	35
Instruments for upgrading the skills of the low-qualified: an overview..	44
Actors and institutional arrangements: the governance of workforce development	56
Conclusions and policy recommendations.....	70
Chapter 3. Education and Training for the Low-skilled in Denmark: Linking Public Policy to Workplace Needs and Practice	
by Mette Nørholm	85
Introduction.....	86
The national policy context	87
Regional labour market and skills needs: a case-study from Storstrøm.....	96
Workplace practices: strategic aspects.....	101
Implementing training initiatives for the low-skilled at company level: processes and outcomes.....	110
Conclusions and recommendations	121

Chapter 4. The Regional Implementation of the Employer Training Pilots in the United Kingdom	
by Penny Tamkin, Jim Hillage and Viona Gerova	129
Introduction.....	130
The policy context	131
The UK labour market.....	143
The Derbyshire labour market	145
Employer Training Pilots	148
Conclusions	165
Chapter 5. Sectoral Initiatives to Train Low-qualified Incumbent Workers in the United States: Two Case Studies	
by Randall W. Eberts	175
Introduction.....	176
Overview of the situation of low-skilled workers in the United States	178
Training incumbent workers	182
Delivery of worker training by workforce investment boards	187
Non-government workforce intermediaries.....	192
Conclusions	214
Chapter 6. Skills Upgrading for Low-Qualified Workers in Flanders	
by Ides Nicaise, Roel Verlinden and Frank Pirard	223
Introduction.....	224
The position of low-qualified workers in the labour market and lifelong learning in Flanders.....	225
Institutional and policy perspectives on lifelong learning	230
The Flemish action plan for lifelong learning	231
Specific instruments for the upskilling of low-qualified incumbent workers	234
Intensive training measures for low-skilled unemployed workers: the example of Vitamin-W.....	239
In-work support for low-skilled re-entrants: the example of the Jobcoach Network.....	243
Workplace training for incumbent workers: the example of Harol	250
Conclusions	255
Annex 6.A1	259
Chapter 7. Skills Upgrading Initiatives in Canada: Evidence from Alberta and the Northwest Territories	
by Richard Brisbois and Ron Saunders	261
Introduction.....	262
The national labour market	263
Adult education and training policy in Canada	267
Case studies from the Northwest Territories	272
Case studies in the Province of Alberta	283
Lessons learned.....	297
Conclusions	303

<i>Annex 7.A1. Map of Northwest Territories</i>	308
<i>Annex 7.A2. Map of Alberta</i>	309
<i>Annex 7.A3. Web Site Information on Organisations and Government Agencies Included in this Study</i>	310
About the Authors	311

Boxes

2.1. Some definitions.....	41
2.2. Workplace essential skills (Canada)	55
2.3. The 2001 collective agreement on training in the metalworking industry in Baden-Württemberg (Germany)	66
2.4. The EU initiative EQUAL (2000-2006)	68
4.1. ETP employer penetration rates	155
4.2. Case studies of employers	157

Tables

2.1. Behaviour, skills and attributes of enterprising people	39
2.2. Risk and incidence of low-pay by education level in selected OECD countries	40
2.3. Risk and incidence of low pay by tenure in selected OECD countries ..	40
2.4. The fastest-growing occupations in the United Kingdom, 1992-99..	43
3.1. Public expenditure on adult education and training, 1993-2001.....	95
3.2. Population, 1990, 1995 and 2001.....	97
3.3. Labour force trends, 1990, 1995 and 2001	97
3.4. Unemployment rates	98
4.1. Percentage of employers providing some form of training, by size..	144
4.2. Old and new pilot areas.....	150
4.3. ETP employer participants by size (percentages)	154
4.4. ETP employer penetration rates, August 2003 (%)	155
4.5. ETP employer participants by sector (percentages)	156
4.6. ETP employers involved with business support agencies (percentages).....	156
5.1. Shares of hours worked that are low-paid by industry	180
5.2. Shares of hours worked that are low-paid by occupation	180
5.3. Poverty, income and educational attainment by US regions	180
5.4. Estimated expenditures for public job training programmes in the US, Fiscal Year 2001 (thousands of US dollars).....	185
6.1. Activity rates for the “low-educated” in Belgium, Flanders and the EU-15.....	226
6.2. Activity rates by educational level, 2002.....	226
6.3. Unemployment rates of low-educated people, 1999-2002	227
6.4. Level of qualification of jobs.....	227

6.5. Proportion of employees in each level of qualification, by company size	228
6.6. Participation of adults in education and training during the past four weeks, by gender, age, initial level of education, employment situation and nationality – Belgium and regions, 2001.....	229
6.7. Social dialogue on training in Belgium	234

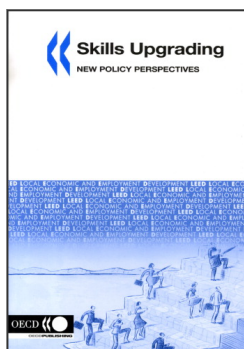
Figures

1.1. The institutional framework for skills upgrading initiatives	69
3.1. Denmark's education and training system	91
3.2. Map of Denmark showing Storstrøm	97
3.3. Educational level of the employed and the unemployed in the Storstrøm region, 2002	98
4.1. Percentage of employers providing some form of training, by sector.....	144
4.2. Percentage of employers providing training, by kind of training and size	145
4.3. Map of the United Kingdom showing Derbyshire	146
5.1. Wage rates by education (ages 25-54)	179
5.2. Midwest Region	195
6.A1.1. The Flemish region of Belgium and the location of the three cases studied in this chapter	259

Acronyms

AE	Adult Education (<i>Voksenuddannelse</i>) (Denmark)
AF	<i>Arbejdsformidlingens</i> – Name of the Danish Public Employment Service
AHRE	Alberta Human Resources and Employment (Canada)
AMU	Adult Vocational Training (<i>Arbejdsmarkedsuddannelserne</i>) (Denmark)
APEL	Accreditation of prior experiential learning (Flanders)
AVU	General Adult Education (<i>Almen VoksenUddannelse</i>) (Denmark)
AWES	Alberta Workforce Essential Skills (Canada)
BLOs	Business Links Operators (UK)
CEGEP	Collège d’Enseignement Général et Professionnel (Quebec)
CET	Continuous Education and Training
CPPI	Canadian Petroleum Products Institute
CTHRC	Canadian Trucking Human Resource Council
CVT	Continuing Vocational Training
DDMI	Diavik Diamond Mines Inc. (Canada)
ERIC	Effective Reading in Context (Canada)
ESF	European Social Fund
ESRP	Essential Skills Research Project (Canada)
ESWL	Essential Skills and Workplace Literacy (Canada)
ETPs	Employer Training Pilots (UK)
FOA	Public Employees’s Union (<i>Forbundet af Offentlige Ansatte</i>) (Denmark)
FVU	Preparatory Adult Education (<i>Forberedende VoksenUddannelse</i>) (Denmark)
GCSEs	General Certification of Secondary Education (UK)
GED	General Equivalency Diploma (Canada)
GVU	Basic Adult Education (<i>Grunduddannelse for voksne</i>)
HF	Higher Preparatory Examination
HHX	Higher Commercial Examination
HTX	Higher Technical Examination
IAG	Information Advice and Guidance
JARC	Jane Addams Resource Corporation (US)
KAD	Women Workers’ Union in Denmark (<i>Kvindeligt Arbejderforbund</i>)

LIRI	Local Industrial Retention Initiative (US)
LLL	Lifelong Learning
LMDAs	Labour Market Development Agreements (Canada)
LSEq	Low Skill Equilibrium
LO	Danish Federation of Trade Unions (<i>Landsorganisationen i Danmark</i>)
LSCs	Learning and Skills Councils (UK)
MOWD	Mayor's Office of Workforce Development (US)
NNSP	The National Network of Sector Partners (US)
NVQs	National Vocational Qualifications (UK)
PES	Public Employment Service
RAR	Regional Labour Market Council (<i>Regionale Arbejdsmarkeds Råd</i>) (Denmark)
SERV	Flemish Social and Economic Council (Flanders)
SID	General Workers' Union in Denmark (<i>Specialarbejderforbundet i Danmark</i>)
SSDA	Sector Skills Development Agency (UK)
SMEs	Small and medium-sized enterprises
STC	Sub-regional Employment Committee (Flanders)
TANF	Temporary Assistance for Needy Families (US)
TIF	Tax incremental financing (US)
TOWES	Test of Workplace Essential Skills (Canada)
UPL	Educational Planning (<i>Uddannelses Planlægning</i>) (Denmark)
VDAB	<i>Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding</i> – Name of the Flemish Public Employment Service
VET	Vocational Education and Training
VESOC	Flemish Economic and Social Consultative Committee (Flanders)
VET	Vocational Education and Training
VEUD	Adult Vocational Education and Training (<i>Voksenerhvervsuddannelse</i>) (Denmark)
VEU-reform	Adult Education Reform (<i>Voksen- og Efteruddannelsesreform</i>) (Denmark)
VUC	General Adult Education Centre (<i>Voksenuddannelsescenter</i>) (Denmark)
VUS	Act on Educational Support for Adults (<i>Voksenuddannelsesstøtte</i>) (Denmark)
VVU	Further Adult Education (<i>Videregående VoksenUddannelse</i>) (Denmark)
WIA	Workforce Investment Act (US)
WLP	Workplace Learning Program
WRTP	Wisconsin Regional Training Partnership (US)



From:
Skills Upgrading
New Policy Perspectives

Access the complete publication at:
<https://doi.org/10.1787/9789264012516-en>

Please cite this chapter as:

Giguère, Sylvain (2006), “An Introduction to Skills Upgrading: Why a Shift in Policy is Needed”, in OECD, *Skills Upgrading: New Policy Perspectives*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264012516-3-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document 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.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.