

PROMOTING SOCIAL PARTNERSHIP IN EMPLOYEE TRAINING

AUSTRIA COUNTRY REPORT



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Abstract

The Austrian political and economic system is characterised by corporatism and a coordinated market economy. The social partnership in Austria is a system of economic and social policy cooperation between the representations of interest of employers, employees, and representatives of the government, which is based on an informal and voluntary cooperation between the social partners and the government. Furthermore, the social partners play a key role in the education sector. In general, all social partners are satisfied with the governance structure and their involvement in continuing vocational education and training (CVET).

- **Anticipation and identification of skills needs:** To anticipate and identify skills needs, two ways are used. One way is the balance of supply and demand at the training market. Training providers react very flexibly on changing demand and skills needs (market solution). The other important way is research and analysis of skills needs. The Standing Committee on New Skills at the public employment service analyses future skills needs on sectoral and national level.
- **Mobilising resources:** The resources are rated as sufficient. Collective agreements play a subordinate role. It is discussed how to fight against inequality in participation rates (right to paid training leave versus public financing). The social partners agree that employee training needs more attention, especially concerning a strategy of financing lifelong learning.
- **Information, support and guidance:** Social partners inform themselves (e.g. events); training providers also inform and offer guidance (largest providers are organised by the social partners). There are regional differences in information and guidance infrastructure. Special guidance for low-skilled persons is needed. It remains an open question if SME need special guidance and support.
- **Contribution to quality, transparency and efficiency:** ÖCERT is a nation-wide certification system. Quality is secured via the market structure of competing providers, too. Transparency is available because the quality of the largest providers is known.
- **Recognition and validation of competences and qualifications:** A new legislation on how to integrate non-formal competences into the National Qualification Frame is adopted. A lot of projects on recognition of informal competences exist. However, non-formal and informal learning are not yet seen as real learning in Austria. A big issue is to make the standardisation process transparent.
- **Provision of learning:** The supply of training measures meets the demand, there are very few skills shortages. Social partners are highly involved in training providers. However, the existence of independent training providers is useful.

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1 Introduction

Austria is a federal state with nine federal Provinces, the *Bundesländer*. The Austrian political and economic system is characterised by corporatism and a coordinated market economy (Pernicka/Hefler, 2014). The four social partners are the Austrian Trade Unions Federation (*Österreichischer Gewerkschaftsbund – ÖGB*), which is a voluntary interest group, and the Federal Chamber of Labour (*Arbeiterkammer – AK*), the Austrian Federal Economic Chamber (*Wirtschaftskammer Österreich – WKÖ*) and the Standing Conference of the Presidents of the Agricultural Chambers (*Landwirtschaftskammer – LK*), which are statutory interest groups. The social partnership in Austria is a system of economic and social policy cooperation between the representations of interest of employers, employees, and representatives of the government, which is based on an informal and voluntary cooperation between the social partners and the government (Sozialpartner, 2017). Furthermore, the social partners play a key role in the education sector in general and in continuing vocational education and training (CVET) in particular (Tritscher-Archan, 2014).

2 Facts and figures on employee training

To get a first grasp on the incidence of employee training, the following chapter looks at participation in employee training from the individual and the company perspective and also addresses influential factors that may prevent both actors from taking part in further training. Note that for the sake of inter-country comparability we rely on data from the Adult Education Survey (AES) from 2007 and 2011 as well as the Continuing Vocational Training Survey (CVTS) from 2005 and 2010. For both datasets, we thus focus on the latest available information. Additional information highlighting more recent developments will be added where appropriate.

2.1 Participation in employee training

The Adult Education Survey (AES) informs about adult learning. Learning activities are divided into formal education, non-formal education and informal education. Formal education and training is defined as education provided by the system of schools, colleges, universities and other formal educational institutions that normally constitutes a continuous ‘ladder’ of full-time education. Non-formal education and training is defined as any organised and sustained learning activities that do not correspond exactly to the above definition of formal education. Non-formal education may therefore take place both within and outside educational institutions (courses, workshops or seminars, guided-on-the-job training – such as planned periods of education, instruction or training directly at the workplace, organised by the employer with the aid of an instructor – and lessons). Informal learning is defined as intentional learning which is less organised and less structured than the previous types. The participation rate in education and training covers participation in both formal and non-formal education and training. Employer-sponsored learning activities are defined as all activities paid at least partially by the employer and/or done during paid working hours.

The employed persons’ participation rate in job-related non-formal education and training in Austria was 44.2 percent in 2011. Austria is above EU average for both 2007 and 2011. During this period the participation rate increased by 3 percentage points, which is less than in the entire EU (6.7 percentage points). Non employer-sponsored training plays a subordinated role in Austria, where only 4.6 percent

of the employed people participate in training not sponsored by employers. Women participate less often than men. The participation rate of the elderly increased sharply between 2007 and 2011 (by 9.5 percentage points) so that they participated more often than younger people in 2011. The development of participation rates between 2007 and 2011 differs among different educational attainment levels. While the share of people with higher education (ISCED 5-6) remained rather constant, there was a strong rise in participation rates for people with lower levels of education. Still, there is a considerable positive correlation between education and participation in job-related non-formal education and training such as that in 2011 higher educated employees were more than twice as likely to participate as their colleagues with low levels of education (ISCED 0-2). On EU average the difference between these two groups is even higher.

Table 2-1: Employed persons’ participation rate in job-related non-formal education and training

In percent, persons from 25 to 64 years

| | 2007 | | | 2011 | | |
|--|------|--------------------|------------------------|------|--------------------|------------------------|
| | All | Employer-sponsored | Non employer-sponsored | All | Employer-sponsored | Non employer-sponsored |
| All | 41.2 | 36.8 | 4.4 | 44.2 | 39.6 | 4.6 |
| Men | 41.3 | 38.0 | 3.3 | 44.5 | 40.7 | 3.8 |
| Women | 41.0 | 35.2 | 5.8 | 43.7 | 38.3 | 5.4 |
| Age groups | | | | | | |
| 25-34 | 37.0 | 33.2 | 3.8 ^u | 41.7 | 36.9 | 4.8 ^u |
| 55-64 | 34.6 | 29.9 | : ^u | 44.1 | 39.8 | : ^u |
| Educational attainment level ¹⁾ | | | | | | |
| ED 0-2 | 18.7 | 14.3 | : ^u | 30.5 | 28.0 | : ^u |
| ED 3-4 | 35.4 | 32.3 | 3.1 | 41.3 | 37.7 | 3.6 |
| ED 5-6 | 62.5 | 54.8 | 7.7 | 62.2 | 53.4 | 8.8 |

Source: AES 2007, 2011; special evaluation of Eurostat

¹⁾ ISCED97,

: not available,

^u low reliability

The Continuing Vocational Training Survey (CVTS) informs about enterprise activities. CVET is divided into courses and other forms of learning. CVET courses are usually separated from the active workplace (learning takes place in locations specially assigned for learning, like a class room or training centre). They show a high degree of organisation (time, space and content) by a trainer or a training institution. Other forms of CVET are typically connected to the active work and the active workplace, but they can also include participation (instruction) in conferences, trade fairs, etc. for the purpose of learning. The following types of other forms of CVET are identified: planned training through guided-on-the-job train-

ing; through job rotation, exchanges, secondments or study visits; through participation (instruction received) in conferences, workshops, trade fairs and lectures; through participation in learning or quality circles; and through self-directed learning/e-learning.

Companies' participation rate in Austria lies considerably above EU average (by about 20 percentage points). Between 2005 and 2010 the rate even increased by 6 percentage points which is exactly what can be observed for EU28. Small companies are less likely to provide training and more often use other forms of learning than courses.

Table 2-2: Companies' participation rate

In percent

| | 2005 | 2005 | 2005 | 2010 | 2010 | 2010 |
|---------|-------------------|---------|-------------------------|-------------------|---------|-------------------------|
| | All forms of CVET | Courses | Other forms of learning | All forms of CVET | Courses | Other forms of learning |
| Average | 81 | 67 | 71 | 87 | 72 | 77 |
| Small | 79 | 63 | 68 | 85 | 69 | 75 |
| Medium | 91 | 86 | 83 | 96 | 89 | 84 |
| Big | 99 | 98 | 97 | 99 | 98 | 95 |

Source: CVTS, 2005; 2010

2.2 Motives and barriers for employee training

When asked for obstacles to participation in (more) education and training, most individuals state family responsibilities and conflicts with work schedule / training being organised at inconvenient time as barriers (13 percent / 12 percent). Another 8 percent name training taking place at a too distant place. On EU average the main obstacle is no need for further education and training (50 percent) (this obstacle is not asked for in Austria) and family responsibilities are stated by 21 percent. It seems that Austrian individuals see less obstacles than individuals do on EU average. When asked for barriers for not providing training, 82 percent of the non-training companies in Austria state sufficient skills and competences of their employees. Secondly these companies name the fact that they simply recruit people with the skills needed (45 percent). Another important reason is – similar to individuals – a lack of time which is seen as barrier by 40 percent. On EU average these three barriers are named most frequently, too (77 percent / 49 percent / 32 percent).

Table 2-3: Main barriers for training

In percent

| Individuals | | Companies | |
|--|----|---|----|
| Family responsibilities | 13 | The existing skills and competences of the persons employed corresponded to the current needs of the enterprise | 82 |
| Conflict with work schedule or training organised at inconvenient time | 12 | People recruited with the skills needed | 45 |
| Training takes place at a too distant place | 8 | No time | 40 |

Source: AES, 2011; CVTS 2010, multiple answers possible

3 Legal framework and institutional setting

3.1 Embedment of CVET in general education system

Austria has a very well developed vocational education and training system, offering a wide range of courses (EU, 2015). In 2013, 70.2 percent of upper secondary students (ISCED 3) were following vocational education and training (VET) programmes. This is one of the highest rates in Europe. The different vocational tracks – apprenticeship, middle vocational schools, VET colleges (including university-entrance diploma), education in health care – lead to a vocational degree (BQ-Portal, 2017). For some vocational professions there exist formal further training possibilities (industrial masters colleges (*Werkmeisterschule*) and building craftsperson schools (*Bauhandwerkerschule*)), which lead to a higher formal qualification. Certificates play a crucial role in Austria for the integration in the labour market. Continuing vocational training (CVT) plays a far lesser role than initial VET.

3.2 Regulatory level of CVET

Adult education – the most commonly used word for CVET in Austria – is regulated at the federal and the provincial level. At the federal level the formal further education (*Werkmeisterschule, Bauhandwerkerschule* etc.) is regulated by the Ministry of Science, Research and Economics (*Bundesministerium für Wissenschaft, Forschung und Wirtschaft – BMWFW*). Existing laws concern mainly the training rules for these specific professions. Social partners are involved in this process by consultations. The Federal Ministry of Education (*Bundesministerium für Bildung – BMB*) is mainly responsible for all other themes of adult education.

There is no specific law regulating employee training. These are important laws on adult education:

- The Adult Education Promotion Act (*Gesetz über die Förderung der Erwachsenenbildung*, 1973) determines only the basic principles of public support (e.g., by ways of subsidies to institutions or financing innovative projects).
- The Labour Market Service Act (*Arbeitsmarktservicegesetz*, 1994) governs the legal bases of the tasks and organisation of the Labour Market Administration. The Public Employment Service (*Arbeitsmarktservice – AMS*) is the successor of the working agency and is subordinated to the Ministry of Labour (*Bundesministerium für Arbeit, Soziales und Konsumentenschutz – BMASK*). The AMS is responsible for the guidance, information, qualification and financial support of job seekers, and for the administration of the educational leave scheme (*Bildungskarenz*). The four social partners and the Federation of Austrian Industries (*Industriellenvereinigung – IV*) are involved at all regional levels, influence the labour market policy and are involved in the controlling.
- The Adult Education Initiative (*Initiative Erwachsenenbildung*, 2012) is based on an agreement concluded between the Federal Government and the Provinces on the funding of basic education/basic skills programmes for adults and of programmes for adults to resume and complete compulsory schooling. Therefore the initiative is a uniform funding scheme throughout Austria (Eurydice, 2016)

Recent Reforms:

- The Austrian Lifelong Learning Strategy (LLL:2020) aims at enhancing the access to lifelong learning offers for everyone. The action lines in the field of general adult education and company-based CVET include measures, for example, to improve re-orientation in education and career, to safeguard employability and competitiveness, to ensure free-of-charge acquisition of basic qualifications by adults and to secure basic competences during adulthood (Eurydice, 2016).

The provincial governments have various options to design adult education. This refers to the financial support, guidance structure as well as quality assessment.

Employee training can be regulated in collective agreements, too. The peak employers' and employees' organisations (*WKÖ* and *ÖGB*) are legally entitled to conclude collective agreements; however, they usually delegate these competencies to their sector level sub-units, i.e., the seven member trade unions of the *ÖGB* and the federal and regional subunits of the *WKÖ*. National general agreements are very rare. Most agreements are on sectoral level; very rarely at company level (Pernicka/Hefler, 2014).

3.3 Public financing/funds and tax incentives

Adult education and training is funded by the state, the companies and the individuals: the AMS bears 37 percent of the costs, 34 percent are shouldered by the companies, 21 percent by individuals and 8 percent by the public training budget (Lassnigg/Vogtenhuber/Osterhaus, 2012).

Focussing on company-based training, the Continuing Vocational Training Survey (CVTS) shows that most of company-based training is free of charge for participants (direct and indirect costs) (Eurydice, 2016). Data from the Adult Education Survey shows that 44.2 percent of employed persons participate in job-related non-formal education and training and that 4.6 percent of the employed persons are not sponsored by their employer (see Chapter 2).

The AMS in general only supports unemployed persons. Exemptions from this rule are the “Qualifizierung für Beschäftigte”, *Fachkräftestipendium* and the project “Du kannst was!”. With its programme

“Qualifizierung für Beschäftigte”, the AMS financially supports companies to provide training to low skilled and older employees in order to increase the employability and job security of this target group. The *Fachkräftestipendium* is a grant for persons without a higher educational degree and who attend a qualification in a profession with skill shortages (BMASK, 2016). “*Du kannst was!*” aims at recognising non-formal and informal competences (see chapter 4.5). In general, training expenses can be offset from taxable income (Eurydice, 2017, Funding). Further financial support is given by the Provinces. The social partners fund employee training by free or subsidised courses, training vouchers, grants/scholarships etc.

Since 2009 the Federal Ministry of Education supports associations and institutions of adult education and training by performance agreements. The public-law agreement regulates the achievement of the training provider and the amount of public payment for a period of three years. This is the first contract which funds adult learning for a longer period and offers planning reliability (Filla, 2013).

3.4 Regulations on training leave

There is no right for training leave for all employees. The 1998 National Educational Leave Scheme (*Bildungskarenz/Weiterbildungsgeld*) is a possibility, but not a right for all employees to attend training for at least two months up to twelve months during a period of four years (BMASK, 2016). An agreement between employee and employer is needed, and there is no job-guarantee afterwards. The qualification can be done in full-time or part-time. Unemployment benefits are paid by the AMS when the employees fulfil the requirements for unemployment benefits. Contents are job-related CVET, school and university leaving degrees and knowledge of languages.

The social partners are free to negotiate training leave schemes in collective bargaining.

3.5 Training providers

The ten biggest non-profit providers of adult learning are associated in the Austrian Conference of Adult Education Institutions (*Konferenz der Erwachsenenbildung Österreichs¹ – KEBÖ*) since 1972. Together with the St. Wolfgang Federal Institute for Adult Education (*Bundesinstitut für Erwachsenenbildung – BIFEB*) the KEBÖ forms the cooperative system of adult learning. The Vocational Training Institute (*Berufsförderungsinstitut Österreich – bfi*) on the employee side and the Economic Promotion Institute (*Wirtschaftsförderungsinstitut Österreichs – WIFI*) on the employer side are the most important providers.

¹ The KEBÖ consists of Arbeitsgemeinschaft Bildungshäuser Österreich, Berufsförderungsinstitut Österreich (BFI), Büchereiverband Österreichs (BVÖ), Forum Katholischer Erwachsenenbildung in Österreich (FORUM), Ländliches Fortbildungsinstitut (LFI), Ring Österreichischer Bildungswerke (RÖBW), Volkswirtschaftliche Gesellschaft Österreich (VG-Ö), Verband Österreichischer Gewerkschaftlicher Bildung (VÖGB) and Verband Österreichischer Volkshochschulen (VÖV).

In Austria there is no unified system level quality assurance, but a broad range of instruments which are relevant for employee training (Ulicna/Curth, 2013):

- In 2011 *Ö-Cert* starts as an agreement concluded between the Federal Government and the Provinces and forms the legal basis of the Quality framework for the adult education sector in Austria. *Ö-Cert* is a certificate for training providers to ensure quality and cross-regional and federal recognition, to improve measures which ensure quality, to make adult learning more transparent and to reduce bureaucracy (BMB, 2016a).
- The Adult Education Initiative provides funds to put educational programmes into practice and guarantees a high quality standard for these programme areas by creating quality-related framework guidelines valid nationwide. Institutions active in adult education benefit by safeguarding basic programme areas, by having quality-related framework guidelines with considerable scope for designing a target group-specific educational offer as well as equal framework conditions in all Provinces.
- Quality of CVET educators is assured through the *BIFEB* which develops trainings and further training programmes and accredits individuals as well as the Austrian Academy of Continuing Education (*Weiterbildungsakademie – WBA*) which recognises and accredits competences of adult educators.
- The VET Quality Initiative also comprises the formal part of further training at industrial master colleges and building craftsperson schools (*Qualitätsinitiative Berufsbildung – QIBB*).

4 The role of the social partners

In the following chapters mainly information and assessments of the interview partners are resumed.

4.1 Anticipation and identification of skills needs

To anticipate and identify skills needs, several ways are used. One way is the balance of supply and demand at the training market, the other important way is research and analysis of skills needs. Social partners mandate research institutes to work on skills needs or conduct surveys on training needs. Social partners are involved in following research institutes: The *ibw* Austria – Research and Development in VET (*Institut für Bildungsforschung der Wirtschaft- ibw*) founded by the *WKÖ* and the *Industriellenvereinigung*, and the Austrian Institute for Research on Vocational Training (*Österreichisches Institut für Berufsbildungsforschung - öibf*) founded with support of the *Arbeiterkammer*.

Best practice: The market solution

All social partners agree that the market of employee training reacts very flexibly on changes in the demand of training. To be competitive, training providers are forced to know the needs of individuals and companies. The programme planning takes place every six to twelve months. The needs of SMEs in particular are captured by the training providers, especially the *WIFI* (*WKÖ*). Companies' representatives are members of the curatorship of the social partners' training providers.

Best practice: Research in the Standing Committee for New Skills

The social partners are involved in the Standing Committee for New Skills at the AMS which is a consultant board and consists of AMS researchers, social partners, governmental representatives, sectoral expert and employers. It aims to identify qualification needs and to determine the AMS' training programme for the unemployed. The results are rated as very helpful by the social partners as they provide a lot of information for the training of the unemployed, but also for companies and employed people; "High satisfaction with involvement and process, good mixture of research analysis, practical experience and realistic view of AMS' possibilities and training providers' capacities. All relevant players are involved".

The main results of the Standing Committee for New Skills about future skills needs are that digitisation is a main challenge. Digitisation has two aspects: a) Employees have to learn how to work in a digitised world. b) Education and training can be done (completely or partly) with digital media. As important as digital competences the experts of the Standing Committee see soft skills and professional skills of employees.

4.2 Mobilising resources

Time and money are the main resources (and barriers) for employee training.

In general employee training plays a minor role in collective agreements. Existing agreements are mainly at the sectoral level which is seen as the right level by the social partners. Recently, in 51 collective agreements regulations on training leave exist. In most cases these regulations concern the qualification of works councils, who have a legal right to training leave (Ourny, 2014). In the temporary worker sector and in the construction sector collectively negotiated sectoral funds exist. Collective agreements must be interpreted at the company level. Hence, works councils are important, but it is not the main focus of their work (Iller et al., 2016). The employee side claimed that very few employees make use of training leave rights, maybe because employees do not dare to ask for leave. Ones' own initiative is necessary, even when collective agreements and works councils exist.

Best practice: Repayment Agreement

Repayment agreements are one possibility to reduce the employers' risk that a trained employee leaves the company soon after the training measure. Employer and employee conclude a contract for example for a period of 60 months: Employer and employee conclude a contract for example for a period of 60 months: The company pays for the cost of the training measure if the employee stays in the company for the agreed period. In each month the outstanding debit is reduced by 1/60 of the training costs. If the employee leaves the company during the period of 60 months, she or he has to pay the residual debts.

To mobilise more resources and to reach disadvantaged groups, especially low-skilled people, the trade unions and the AK claim a right to paid leave. In addition to the *Bildungskarenz*, which is mainly used by medium or high qualified employees, a paid leave gives a job guarantee, is not dependent on the employers' agreement and can be shorter than two months (minimum duration of the *Bildungskarenz*). The employers' association argues that a law on training rights is not suitable, because companies act under the permission of return on invest and decide how many training they offer to which employees (criteri-

on of efficiency). A training right weakens the return on invest-thought. The decision about employee training is a decision of the companies, which have to pay (completely or partly) for the training.

To fight against inequality in training participation, trade unions and employers’ associations prefer different solutions: the employers’ associations argue that the qualification of low-skilled employees is a public issue and needs public financing. The trade unions think about a training fund to finance the training, especially of disadvantaged employees. The agency for this training fund could be organised by the social partners.

In general, the social partners are satisfied with the amount of resources for employee training concerning the actual needs. However, there is some criticism: The trade union and the *Arbeiterkammer* argue that the resources are not equally distributed, especially the low-skilled are not reached, that the training is paid for by the *AMS* only after someone is being unemployed and not preventive, that there are differences in the amount of public financing between the Provinces and that individuals pay too much for training (corresponding to a forthcoming study 70 percent of employees do not get any support by their employer). In a strategic view of the *WKÖ* the public financing should be changed towards more financing of elementary education and LLL (for low-skilled persons). The employers’ side sees one possibility to promote employee training in granting tax deductions for companies which invest in employee training.

Challenge: Idea of strategic financing CVET

To overcome these problems, in financing employee training the social partners developed an idea for a strategic financing: everyone gets an education account (*Bildungskonto*) where he or she can pay own contributions. The state pays interest on these contributions. It is possible to combine the account with special government aid for disadvantaged groups. The idea is part of the LLL-Strategy, but has not yet been realised (Task Force LLL:2020).

4.3 Information, support and guidance

There are two ways in which information, support and guidance by social partners is done:

1. The social partners themselves are engaged:

The trade unions support mainly companies, whereas the *Arbeiterkammer* publishes information material, contacts their members individually and organises information events for individuals. These measures also reach disadvantaged persons (low-skilled persons, migrants, returnees). The Economic Chambers’ career guidance centres provide comprehensive information material, face to face counselling, programmes for school classes and aptitude tests (“talentchecks”) and organise events as well as training for job applications. One-on-one counselling talks are also offered (ibw, 2014).

The social partners are also active in a network for guidance. In general, the regional units of social partners’ associations are responsible for information and guidance. A guidance office of each social partner is not available in every Province, but in every Province there exists a guidance infrastructure.

2. The social partners are involved indirectly in guidance and counselling via their training providers (*WIFI* and *bfi*):

The *Arbeiterkammer* and trade unions mainly offer educational counselling and career guidance via their joint adult learning institutions: the Vocational Training Institutes (*Berufsförderungsinstitut Österreich – bfi*). The counselling services of the Economic Chambers and their adult education institutions, the Institutes for Economic Promotion (*Wirtschaftsförderungsinstitut – WIFI*), focus in particular on IVET and CVET. These services are offered across Austria at several locations in the so-called career guidance centres. Guidance of individuals is done by psychological tests and competence assessments.

Transparency has decreased because of the rising numbers of training offers, but information is more easily accessible because it is available in the internet. All interview partners agree that guidance and counselling is needed, not only information. Important issues are to find individual suitable measures and to know about the utility of training measures at the labour market. But even if persons are aware of the utility, this does not automatically lead to a higher participation rate. Concerning the employee training of low-skilled persons, the investment rationale of employers leads to a lower training incidence of this target group compared to medium and highly skilled employees. The digitisation may lead to even more inequality in participation by educational attainment and low-skilled persons get more under pressure. Trade unions think about opportunities how works councils can play a bigger role concerning the training of low-qualified employees. The publicly financed *Initiative Erwachsenenbildung* is one way for low-qualified employees to attain basic competences and the “Qualifizierung für Beschäftigte” by AMS another public intervention to counter this imbalance.

Concerning the guidance of companies, the employer side sees the *WIFI* able to bundle companies’ needs, even if they are diffuse and not yet concrete, and to create products which correspond to these needs. There is some disaccord with regard to the guidance needs of SMEs. One employer side interview partner reported that SMEs do not need any special guidance because the training providers do the counselling and react on the specific needs of SMEs. One of the employee representatives said that SMEs need special guidance concerning the utility of employee training, because SMEs often do not have a works council. In addition, one representative of the employer side wishes to have more neutral information and guidance, and not so much counselling by the training providers.

4.4 Contribution to quality, transparency and efficiency

The social partners agree that the provided training measures meet the qualification demand and that the training market works successfully. There are no big mismatches and only very few professions with skills shortages (mathematics, informatics, natural sciences, engineering, tourism). The employers’ side see further potential to improve permeability between professional training and further education at universities to integrate person with a VET degree and work experience into Master tracks.

The social partners are quite satisfied with the quality in the training market. In Austria there is awareness that certification and quality assurance are important. The high quality is achieved through certification and competition. Almost all providers have a quality sign.

Best practice: Quality assurance by ÖCert

Because employee training is an issue of the Provinces, different quality standards exist. With Ö-Cert, a nationwide certificate is introduced which can be characterised by “minimum standards at relatively high level”. Ö-Cert leads to more transparency (BMB, 2016a). The social partners are involved in the process of quality assurance and they are satisfied with their involvement. However, some wishes of the *Arbeiterkammer* are not realised (such as standardised conditions for cancellation, more persons who are fully employed and less persons who work as freelancers).

Quality is ensured via the competitive market, too. There are competing providers which have to offer good quality to stay in the market. Transparency is available because the quality of the big players in professional training (*WIFI* and *bfi*) is known.

4.5 Recognition and validation of competences and qualifications

Formal certifications are very important for the Austrian labour market. A lot of certificates of non-formal competences of private providers are accepted, because the certificates of the big players – *WIFI* and *bfi* – are known and accepted nationwide. Some critical remarks are mentioned by the employers’ side because the high number of certificates can lead to intransparency in the companies’ human resource departments. Standardisation can be helpful, if one knows what the standards comprise exactly. Currently, the validation of informal competences is seen as too unreliable to use it for salary negotiations. From a companies’ point of view the certificates are reliable in principle but companies rely also on their own experience by offering temporary employment contracts to know about the skills of new employees.

There are some profession-specific regulations or procedures to recognise informal and non-formal competences:

“*Du kannst was!*” is a project to assess non-formal and informal competences of persons without a formal degree who have work experience in a certain vocational profession. If necessary, these persons undergo a training, which is certificated by *WIFI* or *bfi*. This certificate is recognised by the official agency (*Lehrlingsstelle der Wirtschaftskammern at provincial level*). The exam only concerns the gaps in competences, not the whole profession. The training is financed by the *AMS* for eleven professions (FAV Oberösterreich, 2017). It is rated as a good pilot project with a good cooperation of all partners and institutions. However, it remains a challenge to convince persons to do this process because the formal certificate only leads to a small increase in earnings.

An assessment for informal competences has been introduced for graduates of certain technical VET programmes to obtain the “Ingenieur” qualification. Engineers need to prove their work experience and their obtained technical competencies in an expert discussion where they are assessed against a standard (it used to be only a request by the employer to the Ministry). Social partners are satisfied with their involvement. The same procedure is planned for the commercial colleges (*Höhere Handelsakademie*).

For medical and health care validation procedures, plans are to shorten the length of the apprenticeship (*Pflegeassistentz, Pflegefachassistentz*).

The WBA-certificate for trainers is a non-formal certificate, but standard for the profession. It is needed for AMS-financed training measures and contains validation of informal competences.

The validation and recognition of informal and non-formal competences as mentioned above are regulated differently in each case. The validation and recognition in further professions will be orientated at the National Validation Strategy of the government.

In a general view, the interview partners agree that employee training is not recognised as part of the formal education system. Informal and non-formal learning are not seen as real learning. There is some expectation that the National Qualifications Framework (NQR) will lead to more recognition and transparency. The classification in the NQR can help because the concrete utility of a training measure can be seen. This improves transparency and can motivate individuals to participate.

Best practice: National Qualifications Framework (NQR)

All interview partners mentioned the work on the National Qualifications Framework (*Nationaler Qualifikationsrahmen – NQR*) which is entered into force as from 2016. The first formal qualifications are assigned to the different levels. Concerning non-formal qualifications the process of assignment is defined and the infrastructure is under construction: Training providers can apply for a classification of a certain measure by an NQR Agency. The NQR Agencies (*NQR Servicestellen*), which also will be provided by the social partners, will support training providers and transfer the request of assignment to the *Nationale Koordinierungsstelle* which will decide on the assignment (BMB, 2016b). The social partners are drivers of this process and are satisfied. In their view the recognition of non-formal competences in the NQR can increase the meaning of CVET and the CVET could become a bigger part of the whole educational system. Employee training can gain reputation and quality. However, the success depends on acceptance of the NQR. The benefits for the NQR are increasing transparency and (international) comparability. Individuals can more easily see the value of training and are more motivated to participate.

4.6 Provision of learning

The main providers of employee training are the *Wirtschaftsförderungsinstitut der Wirtschaftskammer Österreich (WIFI)* and the *Berufsförderungsinstitut (bfi)*, in which the social partners are involved. The social partners themselves do not provide training. One exception is the training for works councils which is free of charge and only offered by the *Arbeiterkammer* and the *ÖGB*. One interview partner of the employer side stated that an independent training market is important to meet the needs of qualification.

5 Conclusion

In general, all social partners are satisfied with the governance structure and their involvement in employee training. This holds true for the tripartite as well as the bipartite dialogue. Social partnership is highly appraised. The social partners highlight that they can influence legislative processes, are members in important boards, are involved in the AMS, can initiate projects and develop initiatives. The bipartite dialogue is rated as good, too, but the aims of the social partners differ sometimes, e.g., concerning the right of paid leave.

The regulation of employee training is seen as good. One relevant issue is the recognition of non-formal and informal competences, in which the social partners are highly involved.

An important question is how to increase the participation rate of low-skilled persons. Regarding this point, the social partners prefer two different ways: a right for paid leave for all employees versus a higher public engagement. The social partners agree that employee training needs more attention, especially concerning a strategy of financing lifelong learning. The social partners developed the concept of an education account to overcome financing problems.

There are only few other aspects, where the social partners mentioned critical points or where they disagree:

- It is unclear whether SME need special support and guidance
- The wish for more neutral guidance
- Some doubt on the standardisation of non-formal and informal competences because one needs to know exactly what the standard contains and standardisation is a difficult process
- The importance of an independent training market

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