

# PROMOTING SOCIAL PARTNERSHIP IN EMPLOYEE TRAINING

## SWEDEN COUNTRY REPORT



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## Abstract

Sweden is a relatively small, but very open economy which is strongly connected internationally. The company structure is characterised by many small enterprises, some medium-sized enterprises and few large enterprises. The Swedish labour market is mainly regulated through collective agreements without interference from the government. Social partnership has a long tradition and is based on mutual trust and cooperation. Like many other European countries, Sweden is facing an ageing of its population and increasing shortages of skilled labour.

In Sweden, employed persons' as well as companies' participation rates in employee training lie considerably above the EU average. The promotion of workplace-related training and its financing by employers is regarded as a matter of course. In addition, employees invest additional time and money in their personal development. However, the good economic situation makes it in many sectors more difficult for employers and employees to integrate training in their daily work routine. Furthermore, better orientation for employees as well as employers is needed in the identification of future skills needs as well as in the choice of training measures – in particular in preparation for the ongoing digitisation of the labour market.

- **Anticipation and identification of skills needs:** Sweden has a very advanced skills assessment and anticipation system (SAA) on national level. The success of SAA lies in the sound data base provided by Statistics Sweden as well as the Public Employment Service (PES) in combination with a constructive dialogue between the public institutions, trade unions and employers' organisations.
- **Mobilising resources:** Employee training is mainly financed by employers. In the light of the good economic situation, mobilising time resources is more of a challenge than mobilising monetary resources.
- **Contribution to quality, transparency and efficiency:** Sectoral social partner organisations make agreements with training providers based on quality criteria (qualification of teachers, equipment etc.). Providers fulfilling these criteria get a certificate and there are regular quality inspections by the social partner organisations. Companies in the respective sector can use this certification as an orientation and get further information from the social partner organisations if needed.
- **Information, support and guidance:** Collective agreements often include a right on training leave. However, employees as well as employers are often overcharged by identifying training needs and choosing the appropriate training measures on individual level. The existing support of social partner organisations on sectoral level (e.g., joint information events with training providers) could be further developed in this direction.
- **Recognition and validation of competences and qualifications:** Validation is organised on sectoral level under consideration of national standards. These standards guarantee comparability of validation procedures in different sectors and regions. The social partners make agreements with training providers to conduct recognition and validation procedures, contribute to the assignment of qualifications to the national qualification framework and supervise the testing centres.
- **Provision of learning:** The majority of social partner organisations do not provide employee training themselves but contribute to the provision of learning by cooperating with (mainly private) training providers and by supervising training offers. In addition, universities act as training providers for companies. In different projects, tailor-made training offers were developed in cooperation between universities and companies which were directly adapted to the labour market needs. E-Learning offers are becoming more and more common.

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## 1 Introduction

Sweden is a relatively small, but very open economy which is strongly connected internationally. It has a population of approximately ten million people. The company structure is characterised by many small enterprises with less than ten employees (88.1 percent), some medium-sized companies with more than nine and less than 250 employees (11.3 percent) and few large enterprises with 250 and more employees (0.6 percent) (OECD, 2018). The share of employees in the service sector (e.g., education, real estate, and information services) is above EU average. Industrial jobs have declined in the last years. In consequence, there is in particular a higher demand for labour with upper secondary or tertiary education. Most growth is expected in the engineering sector and ICT (Skolverket, 2016). Sweden is a welfare state in which the government provides extensive social services, e.g., in the fields of education, health, or services for the unemployed. The labour market is characterised by the so-called *flexicurity* system. Its labour market is mainly regulated through collective agreements without interference from the government (Eurofound, 2017). Social partnership and bipartite agreements between the social partners have a long tradition.

The unemployment rate in Sweden is below EU average (6.7 percent compared to 7.6 percent in 2017), however, the youth unemployment rate is slightly higher (17.8 vs. 16.8 percent) (Eurostat, 2018a). Sweden is one of the countries with the highest employment rates among women (74.8 percent compared to 61.4 percent on EU average) (Eurostat, 2018b). Like most European economies, Sweden is facing an ageing of its population and increasing shortages of skilled labour. There is no fixed retirement age in Sweden. Today the earliest possible retirement age is 61 years and Swedes have the right to work until they are 67 (European Commission, 2018). In December 2017, the government decided that the minimum retirement age will rise stepwise from 61 to 64 until 2026 whereas the right to work will increase from 67 to 69 (Ministry of Health and Social Services, 2017). Thus, life-long learning (LLL) becomes more and more important to keep up the employability of employees. This is also acknowledged by the Swedish government and the social partner organisations who describe LLL as an important prerequisite for a flexible labour market which is able to keep up the pace of technological development in the fields of digitisation and robotisation (Swedish government, 2018). According to the social partner representatives, a positive factor which supports technological development is that Sweden has always been open and positive towards structural change.

## 2 Facts and figures on employee training

In the following, central facts and figures on employee training are presented. For the sake of comparability, cross-national statistics are used.

### 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.

**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	73.4	71.4	2.0	69.1	67	2.1
Men	71.1	68.9	2.2 <sup>u</sup>	65.5	63.3	2.2 <sup>u</sup>
Women	76.1	74.4	1.7 <sup>u</sup>	73.1	71.2	2 <sup>u</sup>
Age groups						
25-34	74.7	72.7	: <sup>u</sup>	66.5	64.5	: <sup>u</sup>
55-64	68.4	66.2	: <sup>u</sup>	65.3	63.7	: <sup>u</sup>
Educational attainment level <sup>1)</sup>						
ISCED 0-2	58.6	56.3	: <sup>u</sup>	50.7	47.8	: <sup>u</sup>
ISCED 3-4	69.2	67.4	: <sup>u</sup>	65.5	63.5	: <sup>u</sup>
ISCED 5-6	88.0	85.8	2.2 <sup>u</sup>	80.7	78.9	1.9 <sup>u</sup>

Source: AES, 2007, 2011; special evaluation of Eurostat

1) ISCED97

u low reliability, : not available

In Sweden, the employed persons' participation rate in job-related non-formal education and training is highly above the EU average. Even though it dropped from 73.4 percent to 69.1 percent between 2007 and 2011 while the participation rate on EU average went up in this period, the difference is still considerable (EU: 40.8 percent). As in most other European countries, non employer-sponsored training only plays a subordinate role in Sweden. Both in 2007 and 2011, Swedish women were more likely to participate in training than men (as in EU average). While in 2007 young people were much more likely to participate in job-related non-formal training than the elderly (74.7 percent vs. 68.4 percent), their participation rates converged until 2011 (66.5 percent vs. 65.3 percent). Concerning the educational attainment level one can see that the likelihood of participating in job-related non-formal education and training is positively correlated with education in Sweden. While eight out of ten higher educated people (ISCED 5-6) participate in training, this is only true for five out of ten people with low educational attainment level (ISCED 0-2). This correlation can also be observed for other European countries. However, on EU average, the relative difference in training participation between employees with low and high



educational attainment levels is even more pronounced as the share for ISCED 5-6 is more than twice as high as the share for ISCED 0-2 (55.7 percent vs. 25.7 percent). In general, the participation rates of groups which are often underrepresented in lifelong learning are far above average in Sweden – be it older adults, low-educated or unemployed adults (Cedefop, 2017). Training participation is most common in the public sector and the field of education. Lowest participation rates can be observed in agriculture, forestry and fishing (Skolverket, 2016, p. 34).

## 2.2 Motives and barriers for employee training

**Table 2-2: Companies' participation rate**

In percent

	2005			2010			2015		
	All forms of CVT	Courses	Other forms of learning	All forms of CVT	Courses	Other forms of learning	All forms of CVT	Courses	Other forms of learning
Average	78	72	60	87	76	74	93	82	87
Small	74	66	55	85	73	72	92	79	85
Medium	95	91	74	96	92	84	98	95	96
Big	100	99	93	99	98	91	100	97	99

Source: CVTS, 2005, 2010, 2015

The Continuing Vocational Training Survey (CVTS) informs about enterprise activities. Continuous vocational education and training (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 training; 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.

Swedish companies' participation rates in continuing vocational education and training (CVET) lie considerably above the EU average for 2005, 2010 and 2015 (about 20 percentage points each year). Between 2005 and 2015 the participation rate rose from 78 to 93 percent. The increase was mainly driven by an increase in the participation rate of small enterprises: In 2005 one fourth of small enterprises did not participate in CVET, whereas their participation rate exceeded 90 percent in 2015. Still, small companies are less likely to participate in CVET than are medium and big enterprises. This pattern can also be observed for other European countries. As the overall participation rate in Sweden is quite high, the differences in participation rates between size classes are comparatively small. For 2015 the participation rate of big companies lies eight percentage points above that of small companies, whereas on EU average there is a gap of 26 percentage points (95 percent vs. 69 percent). Since 2005 other forms of learning have gained importance while courses have become relatively less important in Sweden. In

2015, companies provided for the first time more CVET in other forms than courses. On the EU average, companies are slightly more likely to participate in courses than in other forms of learning.

**Table 2-3: Main barriers for employee training**

In percent

Individuals	2016	Companies (non-training)	2005
No need for (further) education and training	90	The existing skills and competences of the persons employed corresponded to the current needs of the enterprise	56
Conflict with work schedule or training organised at inconvenient time	34	No time	37
Family responsibilities	29	Other	27

Source: AES, 2016; CVTS, 2005; multiple answers possible

When asked for obstacles to participation in (more) education and training, most employees stated no need for (further) education and training (90 percent) – even though according to Swedish trade unions 44 percent of employees in Sweden state that they need some type of skills development now or in the future (TCO, 2017). Family responsibilities and other personal reasons were also common (34 percent and 29 percent). From the point of view of non-training companies, the main barriers for participation in employee training are sufficient skills and competences of the employees (56 percent) and no time (37 percent). Sufficient skills and competences are also the EU wide top reason for not providing training (77 percent), no time ranks third (32 percent).

Social partner representatives point out that the increasing competition of Swedish enterprises for skilled workers is an additional motivation to provide employee training. Employee training contributes significantly to the perceived attractiveness as an employer on the labour market. Another motivation is the strong internationality of Swedish enterprises. This holds also for SMEs that are often direct suppliers for larger companies that deliver international markets. Thus, SMEs also have to be on the edge of technology and provide their employees with the respectively needed qualifications. This contributes to the explanation for the relatively high participation rates of Swedish SMEs in employee training in European comparison.

### **3 Legal framework and institutional setting**

#### **3.1 Embedment of CVET in general education system**

While initial VET is within the responsibility of the state with few interventions by companies, this changes completely when it comes to CVET. In Sweden, CVET is clearly the responsibility of the employers and the social partners.

Education is compulsory between the age of seven and 16. After nine years of schooling, students in Sweden can proceed to one of the 12 existing VET programmes (*yrkesprogram*) or to one of the six exist-



ing general higher education preparatory programmes (*högskoleförberedande program*) (Skolverket, 2016, pp. 16ff). Less than half of all upper secondary students enter vocationally oriented programmes (2015: 38.2 percent) (Cedefop, 2017). It is up to the schools to decide with the providers of work-based learning which subjects are covered at the workplace (Skolverket, 2016, p. 21). Apprenticeship education requires a tripartite contract between the student, the employer and the school. For migrants who do not master Swedish before the age of 20, there is a so-called vocational introduction programme (*yrkesintroduktion*) to prepare the learners for a VET programme (Skolverket, 2016, p.8). There are special initial VET programmes for adults without upper secondary education.

Some industries require a completing-education period (*Färdigutbildning*) for school-based VET graduates that allows them to add practical experience to their theoretical knowledge (Skolverket, 2016, p. 33). Often these periods are based on an apprentice employment (*Läringsanställning*) signed by employer and employee organisations. In the construction sector, for example, there are five alternative pathways to get a degree: by the combination of school-based VET (*Gymnasieutbildning*) or adult education (*Vuxenutbildning*) which are both followed by practical training (*Färdigutbildning*), by an apprenticeship in combination with web-based training (*distansutbildning*) and by the recognition of work experience (*validering*) – with and without a theoretical final examinations. The boundaries between (initial) practical training and CVET are fluent.

In 2009, the Swedish National Agency for Higher Vocational Education (*Myndigheten för yrkeshögskolan*) was established. It offers courses in close cooperation with employers and industries. At tertiary level, there are higher vocational education programmes (*yrkeshögskoleutbildningar*). Most tertiary VET programmes are provided by universities of applied science (*yrkeshögskolan*) in close cooperation with employers and industry (Skolverket, 2016, pp. 16ff, 28).

Like in some other European countries, in the 1960s and the 1970s there was a trend away from vocational education towards more general education (Skolverket, 2016, p. 15). Only since the 1990s this trend has partly been turned back. But still, general education has a better image and graduates prefer university education towards higher vocational education. The relatively strong emphasis on general and theoretical education in IVET complicates a smooth direct transition from initial VET in the labour market (Pierenkemper, 2015). This may be an explanation for the relatively high youth unemployment rates in Sweden. In addition, representatives from employers' organisations see high entry wages as an obstacle for a direct school-to-work transition as these wages do not necessarily match the initial productivity of the graduates. Most employers need to provide employee training at entry-level to compensate the lack of practical knowledge.

### **3.2 Regulatory level of CVET**

As in Denmark, the Swedish labour market is also characterised by a so-called *flexicurity* system, i.e. a mixture of flexible labour market regulations in combination with a protection for dismissed employees by a generous social security system and an active labour-market policy (flexibility and security). The regulations in the Swedish labour market are mainly based on collective agreements without interference from the government (Eurofound, 2017). Already in 1938, the main agreement on regulating collective bargaining (*Saltsjöbadsavtalet*) came into force. Today, the Codetermination Act regulates collective agreements and how conflicts between trade unions and employers' organisations are solved. Social partnership and bipartite agreements between the social partners have a long tradition and this high

degree of freedom of the labour market organisations is often described by the social partners as the “Swedish Model”. Since the mid-1980s bargaining of collective agreements has taken place more often on the sectoral than on the national level. Bargaining on local level has also become more and more common.

The Swedish law includes labour regulations. However, these are very general and define, for example, working hours, holiday entitlements, or sick leave. Details are regulated in collective agreements. The main role of public authorities in the regulation of employee training is to support the self-regulation among the social partners and to resolve disputes. CVET lies within the responsibility of the Ministry of Employment which covers labour market policy, working life policy and integration. The Ministry of Employment is also responsible for the Swedish Labour Court (*Arbetsdomstolen*), the Swedish Work Environment Authority (*Arbetsmiljöverket*), and the Swedish National Mediation Office (*Medlingsinstitutet*) (Eurofound, 2017; Medlingsinstitutet, 2016). While collective agreements in the past often were more focussed on monetary issues, non-monetary issues like life-long learning, personal development and the general work environment become more and more important.

### **3.3 Public financing/funds and tax incentives**

Public financing and tax incentives do not play a major role in the provision of (non-formal) employee training. Swedish companies are more willing to accept higher taxes and contributions than in other countries and, in consequence, expect more public support in the field of basic education, IVET and labour market measures for unemployed (Pierenkemper, 2015). This does, however, not hold for the field of CVET. Employee training is mainly financed by employers. Only in few cases public grants play a role. However, the financial incentives for working professionals to pursue CVET measures with public support are relatively low and more addressed towards younger persons who have not entered the labour market yet (OECD, 2016, p. 101).

### **3.4 Regulations on training leave**

Like most other labour market regulations, regulations on training leave are mainly based on collective labour agreements. Since 1974 the Individual Training Leave Act has been into force. This law shall in particular facilitate access to education for employees with low education levels. The right to training is backed by a full employment guarantee (Anxo, 2010, pp. 116f). This law refers, however, mainly to formal education and is not applicable for non-formal employee training. From the perspective of employees’ representatives, a further reason why this law is not well-used is that there is no sufficient financial compensation for employees who take advantage of the individual training leave and are released from work for further studies. If employees have not finished 12 semesters of studies they are eligible for an allowance from the public agency CSN. However, for most working professionals this is too low – in particular compared to full-time wages.

### **3.5 Training providers**

Employee training is mainly offered by private training providers. Unlike in other European countries, however, the universities play an important role in employee training. The main tasks of universities in Sweden are defined by (1) educating future employees, (2) developing and spreading knowledge through research, publications and presentations, and (3) by developing knowledge in cooperative re-

search projects with the economy (Lundberg / Andresen, 2012, p. 6; see, for example, Stockholm University, 2018, University of Gothenburg, 2016, Uppsala University, 2018, or Umeå University, 2018).

#### 4 The role of the social partners

In Sweden, social partnership is a strong pillar in the economy and is based on a trustful relation between the social partners. The tradition of a self-regulating system is well established (Eurofound, 2017).

Even though there is a declining trend in trade union membership, the coverage is still very high by international standards. In 2015, the trade union density in terms of active employees was around 70 percent. The decrease in coverage can be explained by the fact that the government increased the fees to unemployment insurance in 2007 which in return had an influence on the costs of trade union membership. In consequence, employees working in more precarious work with higher risk of getting unemployed received a considerable increase of the fee. The three largest trade union organisations are the Swedish Trade Union Confederation (*Landsorganisationen i Sverige – LO*), representing 1.5 million employees who are mostly blue-collar workers, the Swedish Confederation of Professional Employees (*Tjänstemännens Centralorganisation – TCO*), representing 1.4 million members, mostly white-collar employees, and the Swedish Confederation of Professional Associations (*Sveriges Akademikers Centralorganisation – SACO*), representing around 653,000 members who are mostly university graduates (Eurofound, 2017; TCO, 2018). There are around 60 trade unions related to these umbrella organisations (Ibid.).

In contrast to trade union membership, membership in employers' organisations has remained relatively stable during the last decade. In terms of active employees, the employers' organisations density was around 89 percent in 2015. The three main organisations on the employers' side are the Confederation of Swedish Enterprise (*Svenskt Näringsliv – SN*), representing around 60,000 companies of all size, the Swedish Association of Local Authorities and Regions (*SALAR*), representing 290 municipalities and 20 county councils, and the Swedish Agency for Government Employers (*SAGE – Arbetsgivarverket*), representing 250 public authorities (Ibid.). Close to 70 percent of the *SN* member companies have fewer than 10 employees, while only 1.5 percent have 250 employees or more (SN, 2018).

##### Best practice: Trustful and cooperative social partnership

Social partnership and cooperative negotiations have a long tradition in Sweden. This is the basis for mutual trust and allows the social partners to negotiate high degrees of freedom on employers' side and high employment standards on the employees' side. According to employers' associations, trade unions have always supported restructuring processes in companies and accepted that companies act under consideration of profit motives. Employers have therefore the freedom to organise their processes under profit and competition considerations. As a compensation, trade unions formulate high demands with respect to labour standards, which also includes training. This mirrors the flexicurity system on the level of social partnership.

#### 4.1 Anticipation and identification of skills needs

Sweden is facing increasing skills gaps on the labour market – triggered by demographic and technological developments. In consequence, Sweden has developed advanced skills assessment and anticipation procedures based on multiple instruments. The results of these procedures are intensely discussed with social partners.

##### Best Practice: Swedish skills assessment and anticipation (SAA)

Sweden has become a leader in developing tools for the assessment and anticipation of skills needs on the labour market (OECD, 2016, pp. 13f). The success of the future skills anticipation lies in the sound data base provided by Statistics Sweden as well as the Public Employment Service (PES) in combination with a constructive dialogue with trade unions and employers' organisations. SAA is based on the combination of different tools and an active dissemination of the results by all stakeholders. This allows the adaptation of regional policies on the respective skills needs.

Even though Sweden is one of the most advanced digital economies in Europe (European Commission, 2017) and very active in terms of ensuring adequate supply of ICT practitioners on the labour market (Empirica, 2014), there is already a lack of ICT professionals on the labour market (Cedefop, 2018). Furthermore, according to social partner representatives, 50 percent of the active labour force do not have the necessary ICT skills for their work.

##### Challenge: A lack of ICT skills

Already today a large share of the work force do not have the necessary ICT skills. A main challenge for employers and employees is to exactly determine which digital skills are necessary to keep the competitiveness of the company at a high level and, in consequence, to organise adequate training measures.

The identification of training needs takes place mainly at the sectoral and regional level. This process is often organised in cooperation between employers' organisations, trade unions and private training providers, sometimes in specific hubs. Within these cooperation, the partners define training contents and develop relevant training offers. A main challenge is the more and more individual training needs that make it difficult to design training contents which adapt to the needs of a larger group.

#### 4.2 Mobilising resources

In most cases, companies cover the costs for the continuous professional development of their employees fully or at least partly. It is incorporated in the self-understanding of the social partners that if training has any benefit for the company, employers pay for it. In addition, employees invest additional time and money in their personal development. Many Swedes use, for example, evening courses out of personal interest in the wide-spread net of folk universities. This kind of adult education is deeply rooted in the Swedish culture.

Today, mobilising time resources is more of a challenge than mobilising monetary resources. In the past, Sweden was very successful in using times of recession for upskilling the population – public actors as well as private actors like companies. Today, however, the Swedish economy is in an economic upswing and performing very well. With order books being full, employers and employees have problems integrating employee training in their daily work routine.

### 4.3 Contribution to quality, transparency and efficiency

According to the social partner representatives, the quality of training is very high. Since 2016, private training providers have affiliated their qualifications to the national qualifications framework (SeQF) which is related to predefined quality criteria. In addition, social partner organisations are often involved in the provision of training. Sectoral organisations make, for example, agreements with training providers based on certain quality criteria (qualification of teachers, equipment etc.). These providers get a certificate and there are regular quality inspections by the social partner organisation to ensure that the certificates are up-to-date. Companies in the respective sector use this certification as an orientation and get further information by the social partner organisation. This guarantees transparency. Public institutions like the public employment service (PES) also rely on the certification of training providers by social partner organisations and buy training places for the placement of other employees or unemployed persons.

The social partner organisations regard high quality standards in employee training in companies as an important premise to keep up the competitiveness of the small and open Swedish economy. Thus, SMEs also have to be on the edge of technology and provide their employees with the respectively needed qualifications.

### 4.4 Information, support and guidance

Information about educational offers and career paths are provided by national authorities, education providers and the social partners. At the national level, the Swedish National Agency for Higher Vocational Education is tasked to inform about their offer. There are many national websites which inform youths and adults. One important portal is, for example, *Utbildningsinfo.se*. There is another portal, *Folkhögskola.nu*, which informs about the courses given by folk high schools (Skolverket, 2016). All this information is, however, primarily directed towards IVET and general education measures.

Regarding employee training, sectoral social partner organisations are responsible for informing their members about training offers. To this aim, social partner organisations use their websites, brochures, participation in industry specific trade fairs or they invite their members to inspiration days (sometimes in cooperation with training providers).

In Sweden, training at entry-level is relatively normal – close to 90 percent of all companies provide entry-level training for job-specific skills for newly hired staff. In the first year, an average of 134 hours of training is invested (OECD, 2016, pp. 107ff). However, training participation decreases in the working life.

Collective agreements often include regulations on training leave (e.g. the right to 40 hours of training per employee per year). However, trade unions in particular identify two main challenges. On the one hand, the contractual training time is often not sufficient and employees need to invest their private time in training. A survey among employees in the financial sector has shown that two thirds of all employees have invested in the development of their skills – 49 percent during their working time, 2 percent only in their free time and 14 percent partly at work, partly in their free time (Finansförbundet, 2016, p. 6). On the other hand, employees as well as employers often state that they are overcharged by having to find the appropriate training offer – even though, for example, 85 percent of employees in the banking sector that actually received training the previous year found the training relevant (Finansförbundet, 2016). It lies within the responsibility of the employees to take full advantage of the agreed training leave. They have, however, not always the necessary know-how to make use of this. Trade un-

ions recommend that employee training should be better rooted in regular development talks. In the above mentioned study, only half of all surveyed employees had a strategic plan regarding their own competence development. An important requirement for planning employee training more strategically is that employers are better able to describe their (future) skills needs so that employees and employers can better decide about appropriate training measures and making sure that the employees have resources to actually use the training leave.

**Challenge: More support in the choice of training offers is needed**

Most employees have a right to a certain amount of training. However, this training budget is often not exploited due to time restrictions and a lack of orientation. Employers need more support in defining their future skills needs so that in consequence adequate training measures for their employees can be chosen. Training often takes place very much ad-hoc without a strategic plan. In particular trade union representatives see a need for a more strategic competence development which includes reserving special training times and organising follow-up evaluation measures.

On average, Sweden has a highly educated population with 42 percent of the working-age population having attained tertiary education (OECD average: 37 percent) (OECD, 2017). This high education level is strongly correlated with the openness for training and it guarantees the trainability. There are regular attempts to better address target groups which are underrepresented in training (e.g., low-skilled employees) and increase their training participation. However, an attempt to stipulate particular training regulations for these groups in collective agreements failed. One reason for this were discussions on the question how relevant the offered training measures have to be for the current position or whether the employer should also offer training when this serves the general employability of the employee.

Some agreements include regulations which state that if companies hire an employee without a certificate, they have to make training offers within six months. There is a special fund which supports persons who are laid off for economic reasons which is financed by employer contributions. There are separate organisations for white-collar and blue-collar workers. The dismissed persons receive financial support and – where adequate – access to training. 90 percent of white-collar workers find a new job within six months. Social partners state that there is a lot of (public) support for the unemployed, persons at risk of unemployment as well as persons without a formal degree and they agree that there is a growing need for more support of employees in general.

Sweden has a large migrant population and experienced a large inflow of refugees during the last years. However, according to the social partners these target groups do not yet play a major role in employee training. Immigrants and refugees are more involved in general training measures (e.g., language courses) which are in the responsibility of the government.

#### **4.5 Recognition and validation of competences and qualifications**

The development of procedures for the recognition and validation of competences and qualifications in Sweden is often described as a “journey” with an ongoing discussion for more than a decade. From 2004 to 2007 a national validation commission (*Valideringsdelegationen*) was set up to develop procedures for the validation of non-formal and informal learning (Pierenkemper, 2015). The social partners make agreements with training providers to conduct recognition and validation procedures, contribute to the assignment of qualifications to the national qualification framework and supervise the training provid-



ers. In the construction sector alone, there are more than 50 training providers which serve as test centres.

Recognition procedures have their origin in the industry and are still organised on sectoral level under consideration of the national standards. At the national level there are 12 National Programme Councils (*nationella programråd*), one for each of the national vocational programmes in upper secondary schools. There is a regular dialogue between the National Agency for Education and the relevant stakeholders, which are representatives from the industry, from social partner organisations, and from national or regional authorities (Skolverket, 2016, p. 44).

According to the social partners, there is a high acceptance for validation procedures. However, formal qualifications are not as important as in other European labour markets. The recognition and validation of competences is mainly regarded as an instrument for the integration of immigrants and refugees. The main motivation for non-immigrant employees to participate in recognition procedures is the fact that in many sectors professional certificates (*yrkesbevis*) are directly linked to the salary. Employees without certain certificates earn only a share of the salary of a skilled employee. When participating in training or recognising their non-formally and informally acquired competencies employees can increase their salary up to 100 percent.

#### Best Practice: Recognition as a “fast track” into the labour market for migrants

The recognition and validation of competences and qualifications facilitates a “fast track” into the labour market – in particular for migrants. The recognition procedures are an important instrument to identify further training needs and provide targeted training offers.

In 2015, the Swedish government set up the National Delegation for Validation. The delegation consists of the social partners and national agency representatives. The idea is to get a more transparent and efficient recognition and validation system in cooperation of the educational system, the labour market and the social partners (Skolverket, 2016, p. 21). All providers of recognition and validation procedures are connected to the National Delegation for Validation. This guarantees that validation procedures in different sectors and regions are comparable. A report on the National Delegation for Validation will be presented in December 2019.

## 4.6 Provision of learning

The majority of social partner organisations do not provide employee training themselves but contribute to the provision of learning by cooperating with (mainly private) training providers and by supervising and certifying their training offers. Universities can also be involved in the provision of employee training. In different projects, tailor-made training offers were developed in cooperation between universities and companies which were directly adapted to the labour market needs.

The OECD sees a lot of potential in a closer cooperation among companies in the skills development of employees and the provision of training (OECD, 2016, p. 109). The long tradition of the social partner dialogue could be better used to promote the inter-company cooperation.

Non-formal training is usually neither regulated nor provided by the government. However, the government is currently planning a short-term training programme for employees in the service sector

which shall start in 2018. Some social partner representatives see scope for more public-private cooperation in the provision of employee training. Some vocational colleges provide, for example, courses which could also be interesting for employees – these courses can, however, not be booked by companies or social partner organisations. In general, there is a rising demand for more flexible offers like short-term courses or distant learning offers.

According to social partner representatives, there is an increasing number of E-learning offers. Sometimes social partner organisations contract E-learning providers with the development of training modules which their members can purchase later on.

## **5 Conclusion**

Sweden is in the comfortable situation of being in an economic boom and having a population with a relatively high educational level. However, skills mismatches and shortages are increasing. Today, there is already an excess demand for ICT. Sweden has a strong and cooperative social partnership with a long tradition. Its labour market is mainly regulated through collective agreements without interference from the government.

In Sweden, employed persons' as well as companies' participation rates in employee training lie considerably above the EU average. It is a matter of course that employers support training and pay for it as long as it is relevant for the company. While the anticipation and identification of future skills needs is very successful at the national level, a main challenge in employee training in Sweden is the identification of future skills needs as well as the choice of training measures at the individual level. Employers have difficulties in determining explicitly which skills are strategically relevant in their company in the future. In consequence, employers as well as employees have difficulties in choosing appropriate training measures. Social partner organisations see this challenge and try to generate more support. Another challenge is a general lack of time for training even though financial resources are available.

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