



ROYAL NORWEGIAN MINISTRY OF
EDUCATION AND RESEARCH

Towards an effective Skills Strategy for Norway -
The Norwegian experience working on a national Skills Strategy

April 2016

The Norwegian Ministry of Education and Research is looking at the process of establishing a New Skills Agenda for Europe with keen interest, and is looking forward to the European Commission's proposal to the European Council and the European Parliament, expected in May. We are grateful that the Norwegian Minister of Education and Research, Torbjørn Røe Isaksen, was invited as an external speaker in the meeting of the Council of Ministers for Education of the EU Member States on 24 February, where he was invited to share Norway's views and experiences on the issues and considerations within the policy field of Skills.

As a follow up we would hereby like to give you an elaboration on these experiences.

Norwegian experiences

The Norwegian Government has great ambitions when it comes to a knowledge-based restructuring of its trade-, industry- and public sector. Norway joined the OECD's Skills Strategy project in 2012-2014. During that period the OECD undertook a review of the skills system in Norway that actively involved all the main stakeholders. To follow-up the OECD Skills-Strategy recommendations, the Government decided to develop a national skills strategy for joint efforts and improved skills system effectiveness. The Strategy will be one of several elements in realizing the goal of a knowledge-based restructuring of Norwegian

working life and the business sector¹. There is broad political consensus that participation in working life and the possibility of self-sufficiency is an essential goal for all adults as well as the basis for a productive Norwegian economy and the continuation of Norwegian welfare. It thus follows that the central goals for the skills policy will be to ensure that working life has access to the expertise they need, that all parties in working life contribute to learning in the workplace, and to ensure that adults who are out of work due to skills related causes receive opportunities and incentives to acquire the skills they need in order to find work.

The transversal skills policy is the policy which seeks to develop, mobilize and utilize the skills of the entire Norwegian working life and society. Skills policy is transversal in the sense that it includes the duties, responsibilities and measures divided among many actors, several ministries, regional and municipal actors, social partners, individual enterprises and firms, non-profit organizations and other skills policy actors. Skills policy challenges can therefore often only be solved through collaboration between several actors across sectors and various levels of government. Skills policy covers far more than educational policy in the traditional sense. Traditional educational policy is relevant in this context to the extent in which it affects or contributes to achieving skills policy goals, in the same way as industrial policy, labour law policy or integration policy.

This is intended to be a joint strategy. The Government wants to develop a strategy in cooperation between ministries, social partners and other important skills policy actors. The strategy process is thus not intended as a process in which the social partners and others only provide input, but where we work together to arrive at good solutions. That is the ambition for the strategy work. The social partners and the most important other skills policy organizations in Norway will be invited to collaborate in order to develop the skills policy strategy. The Strategy will not challenge or bring changes in the way responsibility is currently divided between the social partners and central authorities. Social partners will be challenged to commit through measures within their areas of responsibility, including encouraging participation in working life oriented training, contributing to more targeted and demand-driven training, more systematic collaboration between education providers and working life, and increased use of the workplace as a learning arena etc.

¹ To follow-up the recommendations from the OECD skills strategy project, the Government: 1) has delivered a cross ministerial white paper addressing challenges of life-long learning for adults with low skills. The aim is to develop a coordinated whole of government/cross sectoral policies between the Ministry of Education and Research, The Ministry of Labour and Social Affairs and the Ministry of Children, Equality and Social Inclusion; 2) has appointed a committee to examine how to strengthen quality and access to, and to ensure a comprehensive system for life-long career guidance to present its report April 2016; 3) has established a project to develop a national system for analysing and disseminating available statistics, research and information on future skills needs; 4) will, together with OECD, host a "high-level Skill-Summit 2016: Skills Strategies for Productivity, Innovation and Inclusion". There are also other ongoing processes that support these goals, i.e. the Productivity Commission, the Government's agenda for modernization and work with the entrepreneurial plan. Drop-out rates and completion of upper secondary education and training are topics actively being addressed in separate processes, and will not be a central part of the strategy work.

Contents of the strategy

The aim of the Norwegian government is to present the strategy in December 2016. The national strategy for Norway will be based on the following framework where four main areas are prioritized:

1. Ensuring good choices for the individual and society
2. Strengthening the skills of adults with poor skills
3. Learning in working life
4. Recognition of qualifications from abroad and skills acquired in working life

Below is a description of the four thematic areas with proposals for specific goals and how these are intended to be followed up in the strategy.

1. Ensuring good choices for the individual and society

This is a priority because:

- Parts of the labour market are having difficulties acquiring the right skills – both vocational skills and more academic skills. Access to and the need for expertise also varies between different parts of the country.
- More and more employees will in the course of their professional careers need to change jobs or career paths or need to supplement their qualifications.
- High dropout rates in education, especially in vocational education and training.

Proposed specific goals and follow-up:

1.1 Improving the quality of and access to career guidance

Career guidance is a service that strengthens the individual's ability and opportunity to make conscious and informed choices regarding education, vocation and career, and is an important instrument for meeting society's challenges. More and more people will, in the course of their professional careers, need to change jobs or career paths or need to supplement their qualifications. For example, in connection with unemployment, immigration, health problems or reorientation, access to high quality career guidance could promote faster transition to work. A well-functioning system of career guidance, including counselling services in schools and counselling services for adults in various circumstances of life, can contribute to ensuring that the individual's abilities and the labour market demands for expertise are being treated efficiently. This can be of great economic importance in a labour market where reorientation is becoming increasingly common.

When the main recommendation from the expert committee for lifelong career guidance has been presented, a working group consisting of members of the strategy partners will be formed. The Working Group shall (within 6-8 weeks) submit a written comment on how the proposal from the Committee should be followed up. The proposals shall be based on overall

solutions to strengthen the lifelong career guidance in Norway, and to utilize the combined resources in an efficient manner. And they must meet the two main challenges that form the basis for the strategy (immigration and reorientation). The main setting of the sample sent by regular consultation with the working group's comments on how this should be followed up.

1.2 Strengthening regional strategic skills planning for better access to skills in demand

The regional level, and particularly the county authorities have a key role in developing the specific skills policy in Norway. Counties are responsible for secondary schools, vocational colleges and business development. The county level has also been given a large responsibility for social development and planning, including responsibility for the coordination and development of their own region.

Most of the county municipalities have started with the development or revision of regional plans with skills strategies as a key element, in partnership with federal regional stakeholders, social partners and municipalities. In order to strengthen regional authorities' basis for improving the balance between supply and demand for skilled labour through strategic plans and measures, the Ministry of Education and Research in collaboration with the Ministry of Local Government and Modernisation have established a pilot project in which five counties are given the task to identify needs for skills in their own region in the years ahead. The goal is to create and establish a common understanding of the region's skills challenges and strengths. The pilot project will take place in partnership with the educational, labour and economic actors in the region, and the social partners. A broad knowledge base anchored with regional actors, including the partners' regional level, is a fundamental prerequisite for regional skills strategies and cooperation, and division of labour on measures.

In June, the first lessons of the work will be presented at the theme conference organized by Vox in Bergen. In autumn 2016, the pilot counties will give their overall recommendations on how all regions can work more systematically on mapping skills needs at the regional level, related to regional skills strategies. A working group of pilot counties, will present this to the strategy partners in mid-autumn 2016. This will provide the basis for suggestions on how regional cooperation on skills strategies and measures can be included in the national skills policy strategy.

1.3 Improving information about future skills needs

The Ministry of Education and Research's Project on future skills needs is commissioned to develop a system in Norway for analysis, dialogue and dissemination of future skills needs. Many stakeholders have requested a well-founded knowledge base for future skills needs. It is important both for individuals who are facing choices regarding education and career, for different decision makers and for society as a whole.

During 2016, the goal is to develop and establish a system for analysis, dialogue and dissemination of future skills needs. In developing a national skills policy strategy, it is intended that the strategy partners will provide input to the design of such a system. Various

parties responsibilities and roles in the follow-up process will be further described in the strategy.

2. Strengthening the skills of adults with poor skills

This is a priority because:

- The proportion of the adult population in Norway that are excluded from or are in danger of being excluded from working life is too large.
- Many could have contributed in the labour market, but do not get sufficient opportunity to do so, often because of lack of skills.

Proposed specific goals and follow-up process:

2.1 More adults will have the opportunity to strengthen their basic skills

There is a clear link between basic skills and participation in working life. Many adults with weak labour market attachment need to strengthen their basic skills, either as preparation for secondary education or to strengthen their position in the labour market. There is a need to create more flexible training that is developed on adult terms and which may provide faster transition to work and/or secondary education.

Part of the effort to create more flexible training for adults with poor basic skills is to develop assessment tools for basic skills that are transferable across sectors and that can contribute to identifying needs for training in basic skills which can be followed up by various educational providers. Vox (the Norwegian Agency for Lifelong Learning) has been given the assignment along with the Norwegian Labour and Welfare Administration (NAV), The Norwegian Directorate for Education and Training (Udir) and The Directorate of Integration and Diversity (IMDi) to prepare an assessment tool that can be used for adults in different circumstances of life.

In working with the national skills policy strategy, one of the ambitions is to clarify and commit respective parties' responsibility to motivate and inform and apply tools for mapping of basic skills, in addition to following up surveys with training adapted to adults' needs and circumstances of life. In the strategy, the Ministry will present proposals for how this will be resolved.

2.2 Integration and skills

The 2016 Integration Agreement reached in the Norwegian Parliament states:

"Integration requires facilitation from everyone in the Norwegian society and active participation by those who are settling in the municipalities. This means giving them responsibility and opportunities to get started with training, education and employment so that they can become participants and contributors within the Norwegian society. In order to succeed, this requires effort from all parties; authorities, communities, the

voluntary sector, social partners and from each of those who are starting their new lives in Norway. "

Access to the Norwegian labour market and reorientation in the workplace will require systematic cooperation related to the development, recognition and use of immigrants' skills.

The Integration Agreement lists the following measures that require cooperation between several skills policy actors, and for which it is thus suitable to discuss common commitments in the skills policy strategy:

"Obtaining input from the voluntary sector and the social partners on a framework for local integration efforts, including training, education and work experience.

- *Inviting the social partners, both national and regional, to cooperate with a joint aim of qualification, skills and entry into the labour market.*
- *Establishing a procedure where immigrants who obtain a residence permit are given general information regarding job opportunities and the possibility of career guidance based on qualifications.*
- *Ensuring that refugees with skills in demand are matched with vacancies when work permit has been granted under the current provisions.*
- *Requiring collaboration between employer, employee and authorities in order to provide relevant language education, vocational or other training, possibly in combination with labour market training.*
- *Reviewing special Norwegian skills requirements in the labour market with a view to removing requirements that are of little importance to the quality of work performance.*
- *Initiating measures that may strengthen efforts to combat social dumping and labour crime so as to prepare the labour market to accommodate a large group of refugees. "*

There is a need to raise the quality and improve the effectiveness of training in Norwegian language and social studies and the introductory programs for newly arrived immigrants. Another aim is to provide more immigrants in need of Norwegian language training to access this in various ways. For example, The BKA-scheme (*Programme for Basic competence in working life*) has been expanded to include language training for migrant workers. The new BKF-scheme (*Programme for Basic competence in the voluntary sector*) will help ensure that more immigrants can get language training and training provided by the voluntary sector. The development of online resources for immigrants who do not have rights to Norwegian language training have also been initiated.

Norwegian language training will be a challenge in the near future and it will be essential that all channels and resources for the development of Norwegian skills are being utilized. The municipalities are the key actors for following up measures concerning training in municipalities. The social partners are key actors in efforts to develop the workplace as a good arena for the development of Norwegian skills. The Ministry of Education and Research, in cooperation with relevant ministries, will develop a proposal on how the work

on a skills-based integration of refugees and other immigrants can be included in the work with the skills policy strategy.

2.3 More adults shall have the opportunity to complete upper secondary education

Secondary education, especially vocational training, increases the chances of getting a stable foothold in the labour market. Adults who complete and pass upper secondary education are more likely to be employed, less likely to be social security recipients and have higher wages than those who have not completed upper secondary school. The positive effects are greatest for those who choose vocational courses. There is a need to create more flexibility in upper secondary education for adults. In order to make it easier to combine education with work and other activities, experiments with modular structured courses for adults in selected vocational education will be initiated. Vocational training will also be emphasized within training provided by NAV. Through the introduction of a two-year training initiative, it will be possible to offer vocational training to adults who do not have rights to tuition within the current legislation.

The experiments with modular structured training in selected vocational education will be developed in cooperation with the social partners. The trials will take place in some selected counties, and it is desirable that the experiments include trials with modular structured training in the workplace. Regarding the two-year vocational training program provided by NAV, this will require cooperation in the trial counties between NAV, the counties and companies/government agencies.

The skills policy strategy shall describe the various parties' roles and responsibilities, and commit them (KS, labour market authorities) in the follow-up of the experiments.

3. On-the-job learning/in-service training

This is a priority because:

- The labour market is changing rapidly, and demands for skills among workers are increasing.
- There is a need for knowledge transfer between industries and sectors.
 - First time vocational and academic graduates represent only 2.7% of the workforce. Continuing education and learning in the workplace is very important in order to maintain and develop a skilled and adaptable workforce.

Proposed specific goals and follow-up process:

Growth in the Norwegian economy is in the long run determined mainly by companies'/employers' ability to adopt the best knowledge and technology that is available world-wide. Companies must be able to learn from world leading international technological expertise. Traditional means of learning in working life – education, courses etc. – account for a small portion of the company's overall learning. It may be necessary to investigate whether companies' framework conditions adequately promote learning in the broadest sense.

It is important that government efforts to promote learning in the workplace do not displace well-functioning non-subsidized activities or otherwise contribute to incentives that do not promote economic growth. Given that public resources are limited, the authorities must give priority to measures that have the highest socio-economic profitability.

Experiences with skills policy measures show that it is difficult for the authorities to mobilize the demand side, especially those with low qualifications. The BKA-scheme is specifically targeted at this group, but still it seems that companies' lack of perceived demand is a bottleneck. Within the public sector, financing is listed as an important barrier, and the Government has therefore financed its own initiatives in areas such as health and education. For highly skilled workers, individual measures have given large positive (unintended) learning effects in the fields of research and innovation. The authorities are therefore trying to see these measures more in relation to each other.

The Ministry will present a knowledge base, in the form of a presentation on learning in the workplace, at the meeting on 19th January 2016. The reference group with the social partners, appointed by Vox, will continue this work and provide a recommendation on how the work will be continued in the strategy process. There is also a need to clarify whether the social partners would like to promote extra efforts within the framework of the two-party cooperation as part of the strategy process.

4. Recognition of qualifications from abroad and skills acquired in working life

This is a priority because:

- The Norwegian labour market needs skills at different levels of reorientation and innovation.
- There is a need for better utilization of the total Norwegian skills pool regardless of how qualifications have been acquired.
- Poor utilization of immigrants' skills. It takes too long from the time which a person is granted a residence permit, until that person is occupied with education or employment.

There is a need to develop stronger legal instruments for the recognition of qualifications across border, both intra-regional and inter-regional. Norway has strongly supported the work of UNESCO to develop a global convention for recognition of academic qualifications to supplement the already well-functioning Lisbon Recognition Convention. This is a topic that may be included in the strategy but hasn't yet been discussed with the social partners.

Issues related to assessment of non-formal qualifications and issues related to placement of skills outside the formal education system in the National Qualifications Framework are closely connected. The Ministry proposes that the skills policy strategy starts by addressing issues related to the recognition of skills acquired outside the formal education system. Based

on input from the social partners that skills should be assessed against the learning outcomes both in education and in the workplace, it is proposed to:

4.1 Develop an industry-specific feasibility-case about non-formal qualifications

Note: Pending to set specific goals for the strategy in this area. To follow up this area of the strategy, the proposition is to develop an industry-specific feasibility-case, preferably in the retail sector, by the partners in the relevant industry. The proposal is that the case study will be prepared by a working group consisting of Virke, YS, NHO and LO. The working group will submit a report to the strategy process, in which they describe specifically how this can be resolved, including a description of roles, processes and possible costs.

4.2 Faster and more efficient approval procedures for better utilization of the skills and professional qualifications which immigrants already possess upon entry into the country.

We refer to the White Paper on adult skills and inclusion, and the Ministry will propose joint actions which can be incorporated into the strategy process.