

**WHAT PROGRESS IS NORWAY MAKING WITH LIFELONG LEARNING? A
STUDY OF THE NORWEGIAN COMPETENCE REFORM**

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Editor's Foreword

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ABSTRACT

Today, lifelong learning figures prominently within the education and training policies of governments throughout the developed world and is presented as a powerful solution to a wide range of economic and social challenges. In essence, the vision is one of a society where people have multiple opportunities to learn throughout life across a diversity of contexts. Despite a persistent and universal gap between rhetoric and reality, it is clear however that some countries have gone further in realising the goals of 'lifelong learning for all' than others. Norway, for example, has a highly educated population by international standards, invests considerable resources in its education and training system, and benefits from a long tradition of tripartism and consensus building. Its experience may therefore be instructive of the challenges that more advanced countries confront in attempting to further progress the lifelong learning ideal even under relatively favourable conditions.

Drawing upon a range of secondary material and interviews conducted with key stakeholders, the paper explores the main achievements, problems and challenges that Norway has faced in attempting to implement a recent reform of adult and continuing education and training, entitled the Competence Reform. To date, the reform would appear to have had little impact upon low qualified workers, especially in sectors with poor training records and relatively high concentrations of learning-deprived jobs. In reflecting upon this experience, Norwegian policy makers appear to be reaching the end of a cycle of policy and academic thinking concerned mainly with boosting the supply of skills through the education system and embarking upon a much more difficult and challenging agenda aimed at increasing the utilisation and development of skills within the workplace. In any advanced economy, however, there remains a residue of low skilled jobs which are not amenable to work redesign and which offer few opportunities for work-related learning. While the persistence of such jobs constitutes a major barrier to widening participation in adult learning, Norway may face a smaller problem than many other countries, not least the UK, where flexible labour market policies have contributed towards an economy more sharply polarised both in terms of skills and incomes.

Introduction

In recent years, lifelong learning has become the dominant leitmotif in the education and training policies of governments across the advanced industrial world (see Green 2002) and is currently backed by an impressive array of supporters including the ILO (2001), the OECD (1996) and the European Commission (EC 2001). Within these discourses, lifelong learning is viewed as a powerful response to a myriad of economic and social challenges ranging from globalisation, competitiveness and employability to population

ageing, social inclusion and active citizenship (Greenwood and Stuart 2002). For the most part, however, it is economic concerns that have mainly fuelled policy makers' interest in lifelong learning (Coffield 1999, Jarvis 2001, Casey 2004). In the new globalised knowledge-driven economy, a highly skilled and adaptable workforce, capable of engaging in continuous product and process innovation, is said to hold the key to national and corporate competitive success (Reich 1991, Drucker 1993, Thurow 1996); while the ability of individuals to constantly update and renew their skills and knowledge is regarded as essential to their employability in a fast-moving labour market. In this way lifelong learning sits within a policy discourse which sees investment in human capital as the main driver of economic prosperity and social cohesion (Ashton and Green 1996, Brown et al 2001).

Such imperatives mark a significant shift in emphasis away from the wider goals of personal development and increased worker participation in the management of the workplace and society, long advocated by movements for adult and worker education in many western countries (see Faure 1972, Coffield 2000, Jarvis 2001, Casey 2004). At the same time, critics have argued that the current policy 'turn' towards lifelong learning incorporates a polemic of social control as individuals are expected to submit to employer demands for 'flexibility' and assume greater responsibility for their labour market fate in conditions of heightened risk and uncertainty (Coffield 1999). As Green (2002: 612-613) notes, however, while the concept of lifelong learning remains 'hopelessly vague', can be interpreted in numerous different ways (see Tuijnman and Bostrom 2002), and is prone to being hi-jacked for ideological purposes, in essence it captures something powerful and significant: the vision of a society where people have multiple opportunities to learn throughout their lives across a variety of contexts including education institutions, the workplace, the home and the community, and where informal learning is valued as highly as formal learning (OECD 1996, Cheallaigh 2001, EC 2001). Of course, it is one thing to develop grand visions of the lifelong-learning-society within official policy documents (EC 2005), translating such visions into reality usually turns out to be rather more problematic (Coffield 2000: 6).

Furthermore, despite the emergence of a common agenda for lifelong learning and skill development across many countries, it is increasingly recognised that 'policy-in-

practise' varies significantly according to national context (Green 2002). This applies to the specific goals, policies and initiatives that are being pursued and implemented, the wider institutional framework within which they take place, and the roles played by key actors such as the state, employers and trade unions (see Cooney and Stuart 2004). By the same token, some countries may not only benefit from more favourable conditions for making progress towards the goal of lifelong learning for all but may already be some way further down this road than others.

One such country is Norway, well-known for its egalitarian ambitions and comprehensive approach towards education. Today, Norway invests considerable resources in its education system (6.8% of GDP in 2003 compared to an OECD average of 4.9%) and has one of the most highly educated populations in the developed world (OECD 2002). Approximately 83% of Norwegians aged 25-64 have some sort of education over and above compulsory schooling (see Skule et al 2002: 264). OECD figures reveal that, for 25-34 year olds, no country in the world has fewer persons who are poorly qualified, while Norway tops the OECD league table for the proportion holding tertiary-type A or advanced university degrees (OECD 2003). Among European countries, Norway had the second highest participation rate in job-related continuing education and training (44%) in 1998 (see OECD 2004). According to a Norwegian survey conducted in 2003, over half (53%) of the population and 61% of employees aged 22-66 had participated in some form of education and training during the previous 12 months (Nyen et al 2004). Norway has also been seen to benefit from a strong tradition of tripartism and consensus-building, with the social partners invited by government to play an active role the policy formation, not least in relation to vocational education and training (Skule et al 2002). Not surprisingly, a recent OECD evaluation study concludes that, 'if lifelong learning is to succeed anywhere, Norway is one of the most likely places in view of its history of reforms, co-operation among bodies, and high educational standards and outcomes' (OECD 2002a: 219).

In pursuit of its vision of lifelong learning, Norway has initiated reforms to all levels of its education system in the 1990s (see Payne 2000, 2002, Skule et al 2002) and, since 1999, has been involved in the implementation of a major tripartite reform of adult and continuing education and training, the so-called Competence Reform. If ever there

was a country where one might have expected a major adult learning initiative to have really taken root and succeeded, then Norway would probably be at the top of many people's lists. Yet, there are already indications that this has not happened and that the reform has experienced only very slow and halting progress (see Teige 2004, Skule 2004).

The paper explores some of the challenges and problems that Norwegian policy makers and the social partners have confronted in their attempts to implement the Competence Reform. In doing so, it draws upon a range of secondary material currently available in English and supplements this with interviews with key stakeholders, including policy makers, employers' organisations, trade unions and working life researchers, conducted during two study visits to Norway in 2003. What makes the Norwegian case interesting is not simply that Norway has encountered difficulties in attempting to further progress the cause of lifelong learning, but that its experience may also be instructive as to the kind of challenges that other countries might confront were they to reach the position in which Norway finds itself today (see McGaw 2004). Indeed, there are already indications that Norwegian policy makers are beginning to shift their attention to a more difficult set of issues which raise new and extremely challenging questions for skills policy (KUF 2004b). Here then is perhaps a rare opportunity for policy makers in other countries to glimpse some of the more difficult problems that remain at the latter stages of one nation's marathon journey towards the goal of lifelong learning for all.

The Competence Reform

Contextual background

Norway is a small country of around 4.5 million people scattered across a large landmass roughly the size of New Zealand. The Norwegian economy is small and open, and benefits from an abundance of natural resources (fish, timber and cheap hydro-power). Small-and-medium sized enterprises (SMEs) make up around 99% of all firms and employ approximately 70% of the workforce (Farstad 1999: 21). Since the 1970s, Norway has been blessed with rich supplies of North Sea oil and gas and is currently the third largest oil exporter in the world (OECD 2002). On many indicators, the Norwegian

economy performs relatively well. In terms of GDP per capita, Norway is one of the richest countries in the developed world (OECD 2002a). Labour productivity growth has averaged around 2.8% over the last decade placing Norway within the top six of 28 OECD countries (McGaw 2004). Since the mid-1990s, unemployment has remained below 5% and inflationary pressures have been kept under control. Nevertheless, as Benner (2003: 138) notes, 'Norway is not a major industrial power'. The Norwegian economy remains skewed towards traditional industries, such as shipbuilding, transport and shipping, remains heavily reliant on oil, and has relatively few high-tech, knowledge-intensive sectors or networks. Investment in research and development (R&D) is relatively low by international standards (8% of GDP in 2001 compared to an EU average of 1.9%, see OECD 2002b: 297-8, also Kuhlman and Arnold 2001), while productivity across manufacturing industry and non-financial services is said to be 'mediocre' (see McGaw 2004).

As an example of the 'Nordic social model', Norway has nevertheless demonstrated that relatively strong economic performance in the current global economy is not *per se* incompatible with robust forms of labour market regulation, a generous welfare state and low levels of wage and income inequality (Dolvik 2001, Skule et al 2002). The main peak level associations of capital (Confederation of Norwegian Business and Industry, NHO) and labour (Norwegian Confederation of Trade Unions, LO) – the 'social partners' – have played a key role in the strategic management of the Norwegian oil economy through the negotiation of tripartite income agreements and are actively involved in the process of public policy formation (see Dolvik and Stokke 1998, Skule et al 2002). The social partners play a particularly important role in the management and administration of the VET system, especially apprenticeships (see Payne 2000, 2002), and, as discussed below, have been closely involved with the development of the Competence Reform.

The road to the Competence Reform

The background to the Competence Reform has already been discussed in some detail by Norwegian commentators (see Skule et al 2002, Teige 2004). Here we concentrate on the more salient aspects of this story and refer readers seeking a more detailed account to this

wider literature. As these commentators point out, the origins of the Competence Reform lie with the trade union movement and, in particular, LO. It was against the background of rising unemployment and a rapidly changing labour market in the early 1990s that LO adopted lifelong learning as a core strategic goal at its 1993 congress. LO was particularly concerned at the time about the emergence of a new class divide between the skills-rich and the skills-poor, with the latter seen to be at greater risk of unemployment and social exclusion. As Teige (2004) notes, LO's decision to prioritize lifelong learning at its 1993 congress was not unconnected, however, with the fact that one year earlier it had signed a tripartite social pact - the so-called 'Solidarity Alternative' - with the government and NHO. The aim was to stabilise the Norwegian economy through a policy of wage restraint, and committed LO to delivering moderate wage demands in exchange for broader social, labour market and welfare measures. With high wage demands no longer available, LO turned its attention to bargaining for improved rights to education and training for adults.

In 1994 LO persuaded NHO to add a separate chapter on education and training to the basic agreement. This established further education and training as joint responsibility of employers and employees and required employers to finance that which was in accordance with company needs. The following year, LO unveiled a new action plan for lifelong learning in which it called for a statutory right for every employee to spend 10% of their working time on education and training, together with a statutory right to study leave to be co-financed by the state and employers. In 1996, Socialist Left Party championed LO's demands in Norwegian parliament and, having gained a majority in support of their proposals, obliged the government to bring forward a new national policy for adult education and training.

The government's first step was to ask the Buer Commission, containing representatives of the social partners, to identify key policy proposals. In its final report published in October 1997, the Commission made several recommendations, including a statutory right for employees to study leave, a national system for the documentation and recognition of informal and non-formal learning, statutory rights for adults to complete primary and secondary education free of charge, and a system of public grants aimed at developing the workplace as a learning arena. Many of these demands were subsequently

adopted in the government's white paper, *The Competence Reform*, which was approved by the Norwegian parliament in January 1999.

The Competence Reform, as it exists today, emerged through the national wage bargaining rounds between the social partners and the state (for a more detailed discussion, see Skule et al 2002). The main sticking point during these negotiations concerned the vexed question of how to finance the life subsistence costs of employees taking educational leave. Although a number of different funding models were put forward, this was an issue upon which the social partners were never able to reach agreement. LO's demand that employers should contribute to the funding of living expenses during study leave was flatly and consistently rejected by NHO on the grounds that its members could not be expected pay for education and training that *did not derive directly from business needs*.

As Teige (2004) notes, these issues had figured prominently during the 1996 strike by the electrician's union (NEKF) in support of a demand for ten days annual training leave to be paid for by the employer. In a sector where technology was moving very rapidly, electricians feared that without training in the broader skills required to maintain and service new computer-assisted systems, they would be vulnerable to employer attempts at de-skilling. As senior national official with the electricians' union explained in interview:

Our view was that our members needed to be trained in a much broader range of skills so that they could handle the new technology that we could see was coming in...The employers were saying that computer-controlled networks could be installed and maintained by specialist engineers, so that we could see that without these opportunities our members would be left with the less skilled parts of the job.

The electrician's demands met fierce opposition from the employers' organisation (NELFO) who refused to finance any training that was not in accordance with company needs. As a senior official with NELFO put it:

Our view was that the electricians already had a craft certificate and that was quite sufficient for them to do the work needed by the company. Education that falls outside company needs must be funded by the employee. In this case, the electricians were saying we will decide what counts as company needs and the employers turned round and said no.

The electrician's strike lasted 8 weeks, involved some 10,000 workers and remains the longest ever in the history of LO's affiliated unions. While the strike achieved little of what the electricians had hoped for, it illustrated two things. First, it showed the determination of employers within this sector to resist ceding managerial prerogative over such matters as who receives training, the kind of training provided and what might constitute 'company needs'. Second, it illustrated that among some unions at least, it was possible to mobilise members in support of radical lifelong learning demands.

Yet, as early as 1996, it was becoming increasingly apparent that LO's decision to prioritise skills training as a bargaining issue was not one which received universal support among its affiliated unions and their members. As Teige (2004) argues, mounting rank and file resentment over wage restraint, fuelled by generous public sector pay settlements and high executive pay awards, prompted the Norwegian metal worker's union (Fellesforbundet) to launch a nine-day strike during the annual bargaining round in support of higher wages and a flexible early retirement scheme. It was to prove an omen of things to come. During the 2000 bargaining round, LO put forward a demand for employers to contribute to the financing of life subsistence during educational leave. This was subsequently turned down by LO's members who voted in a ballot to reject the proposed agreement and give priority instead to higher wages and longer holiday entitlements. A former union convenor with the metal workers union explained how a right to education and training held little appeal for the majority of the rank-and-file who had grown weary of wage restraint:

The attitude from the members tended to be one of why do we need more competence? I am a welder, I will do this job until I retire. They wanted more money, more free time. And not just older workers, but many younger workers too...During the Solidarity Alternative we heard a lot of talk about how workers had to accept wage restraint to save society from bankruptcy. But we also saw management getting away with high salaries and golden pensions schemes. The Competence Reform came to be seen as just another excuse not to give us more wages.

In the view of a senior official with the electricians' union, however, the metal workers had squandered a historic opportunity to 'provide people with the right to develop their competence to handle new technology in a rapidly changing labour market and to be

involved in discussions about how companies compose and plan for their future competence needs'. He added:

I think it was a pity that this old, sunset union turned this down. They stopped the reform half way and focussed on wages and pensions. What was the whole way? Funding the right to training leave. So, yes, I think they were short-sighted. They lost an opportunity to start a discussion about new technology, what is going to happen in the future, how we can ensure that our members have a job tomorrow. They accepted society as it, the company as it is.

In the end, however, as Skule et al (2002) point out, only a few unions, such as the electricians, operating in sectors where the pace of technological change was extremely rapid, saw education and training as having priority over distributional issues.

With the 2000 bargaining around having ended in stalemate, the funding question was referred to a government-appointed committee comprising representatives of the social partners. The commission, however, failed to reach a consensus on any of the proposed funding models, with discussions between NHO and LO once again ending in gridlock (see Skule et al 2002, EIRO 2001). Unable to find a model capable of satisfying the concerns of all stakeholders, the committee had no option but to return the situation to the *status-quo-ante*, with the funding of subsistence costs during education leave remaining at the discretion of the employer.

The main elements of the Competence Reform

It is important to recognise that the Competence Reform that was born out of this process was not so much a 'reform' (as the Norwegians understand the term) as the resolution of a conflict which satisfied neither of the social partners but which employers were at least prepared to live with. Crucially, for LO, the main goal of a fully-funded right to educational leave had still not been won. What had been achieved was a new national framework for adult learning under the rubric of the Competence Reform (st. meld No. 42) the main elements of which are summarised briefly below:

- From August 2002, a statutory right for all adults to complete basic education.
- From August 2000, a right to complete upper secondary education for adults born prior to 1978.

- From 2001, employees have a right to take up to three years leave of absence for education and training subject to meeting their own subsistence costs.
- The development of a national system for the documentation of non-formal learning in respect of the education system, the labour market and civil society (the Realkompetanse Project 1999-2002, see VOX 2002).
- Adults with a right to upper secondary education are entitled to be admitted to upper secondary education on the basis of their assessed non-formal learning and have a right for their studies to be shortened in accordance with their prior learning achievements.
- Changes in legislation allowing adults without formal entrance qualifications to be admitted to higher education on the basis of their documented non-formal learning.
- Schemes aimed at enabling employees to document their prior learning as means of strengthening their employability within the labour market even where they may not wish to enter the formal education system. These would exist alongside existing arrangements allowing adults with at least five years work experience in a recognised occupation to take a relevant craft examination and thereby qualify as a skilled worker (the so-called ‘practice candidate’ method) (see Skule et al 2002).¹
- As a result of the 1999 bargaining round, the government committed NOK 400 million to a new Competence Development Programme (CDP) intended to fund various projects aimed at developing the workplace as a learning arena and improving the market for continuing education and training. The programme funds projects which are based on ‘partnership’ between employers and employees. A key objective is to forge closer links between enterprises and education and training providers in order to develop training programmes that are more tailored to the needs of users. Particular emphasis is placed on developing

¹ The main route to such qualification is through the ‘2+2 model’ of apprenticeship aimed at students within the vocational track of upper secondary education. This normally involves two years of general education and theoretical training followed by two years of apprenticeship training (see Payne 2002, Skule et al 2002).

innovative pedagogic methods within the workplace using ICT and e-learning technologies.

Overall responsibility for implementing the Competence Reform lies with the Norwegian Ministry of Education and Research. One of its first steps was to draw up an Action Plan for the Competence Reform 2000-2003. The Ministry has also established a Forum for Competence Development which holds regular meetings with the social partners and other key stakeholders within the adult education field to discuss key issues surrounding the reform and monitor its progress. To assist the Ministry in its work, the Norwegian Institute for Adult Education (VOX) was created in 2001 as 'national resource centre and catalyst for the Competence Reform'. Amongst other things, VOX administers the Realkompetanse (Non-Formal Learning) Project and the Competence Development Programme. The intention, however, was that the Ministry and VOX would work closely with the social partners in implementing the reform. In 2001, LO and NHO set up a joint secretariat, employing four full-time staff, with responsibility for overseeing the implementation of the reform and engaging their members within this process (see Teige 2004).

Even before the implementation process began, however, there were clear indications that the Competence Reform might run into problems. Enthusiasm for the reform both among employers' organisations and many of LO's affiliates was clearly limited, while relations between the social partners were strained by the failure to achieve agreement over what, for LO, had been the main objective of the reform, namely a fully-funded right to educational leave. The next section of the paper draws upon official evaluations and interviews with key stakeholders in order to ascertain how far the Competence Reform may be said to have succeeded in advancing the vision of lifelong learning for all in Norway.

The Implementation of the Competence Reform 2000-2003: Main Achievements and Challenges

To what extent then has Norway's attempt to develop a comprehensive national framework for lifelong learning through the Competence Reform met with success? What

have been the main achievements to date and what kind of problems and challenges have been encountered during the implementation of the reform? On the positive side, official evaluations indicate that progress has been achieved across a number of areas. By the end of 2002, the Realkompetanse Project had mobilised around 24,000 adults in experiments designed to test new tools for the documentation of non-formal learning (Norwegian KUF 2004a, Skule and Ure 2004). More than 15,000 of these had obtained an assessment of their prior learning as a basis for taking shortened courses within upper secondary education. The validation methods that were tested typically included a mix of CVs, written portfolios, interviews, and computer-based tools (VOX 2002, Skule and Ure 2004).

By 2003, over 4000 adults had secured places in higher education on the strength of their assessed non-formal learning (KUF 2004a). Many of these were women taking general nursing programmes or kindergarten teacher studies. Early evaluations indicate that with the exception of some subjects, such as mathematics, natural sciences and modern languages, these students obtain levels of attainment at least comparable to those admitted on the basis of general upper secondary education and that they often bring with them experience and maturity that enriches the learning environment (see also Skule and Ure 2004).

By the end of 2003, the Competence Development Programme (KUP) had allocated NOK 310 million to over 600 projects as result of which around 50,000 employees had received some form of training (KUF 2004a). The official evaluation of the programme suggests that many of the projects have been successful from the point of view of the end-user. Around 80% of participants reported that the training they had received was well adapted to the professional needs at work, while 60% thought the training was better than any they had previously received. Over half report that they have obtained formal qualifications at secondary or higher level, with most participants stating that the experience had improved their motivation for further learning (ibid.).

Notwithstanding some notable achievements, however, there are also indications that the Competence Reform has encountered problems and challenges in a number of areas.

The funding of subsistence during educational leave - still an unresolved issue

From a trade union perspective, the Competence Reform still lacks what for LO was the key objective of its lifelong learning agenda in the 1990s, namely a full-funded right to educational leave for employees. As one senior national official with LO put it:

The main problem from our perspective still revolves around who should pay for study leave. We are still missing this *fundamental cornerstone* – making a system of financing that works and which we can all agree on. We know that for many of our members it will be problem for them to use this right if there isn't the money available to cover their living expenses.

According to FAFO's Learning Conditions Monitor (2003), less than 1% of Norwegian employees take study leave annually. On this evidence, it would appear that the right to education leave is rarely used and constitutes an essentially redundant element within the Competence Reform. Surveys conducted before the right was made law in 2001 reveal that the funding of subsistence expenses is crucial for many individuals in terms of whether they are in a position to take such leave (Hagen and Skule 2001).

It seems unlikely, however, that the financing issue will be resolved in the near future. On the whole, employers remain united and resolute in their opposition to contributing to the costs of such a scheme:

There is a right to three years study leave. We say OK but it shouldn't go any further than this.

[National representative with the employers' organisation for the chemical and process industries, PIL]

If the government thinks there is a societal need then they should pay. It's not for companies to fund training that they don't need. I can't see this issue being resolved, no, and in any case it would cost too much money.

[National representative with the employers organisation for the electrical and IT industry, NELFO]

You can't ask companies to pay for someone to take three years study leave only to then leave and find another job. It would have to be publicly-funded but this would be hugely expensive and would cost as much as the Norwegian system of holidays.

[Representative of the Federation of Manufacturing Industries, TBL]

A national official with the Union for Service Workers (HK), while insisting that lack of available funding was the main reason why more employees were not taking up such opportunities, remained extremely pessimistic about the prospect of any solution being found:

You get the feeling that it's something of a lost cause. It was a high priority for LO in the bargaining rounds but it was not such a priority for many of LO's members. Part of it resembles a dream without any financing system. Employers also have a strong determination not to give way on funding such a right...In the service sector, it is impossible to go to strike over this issue. The members are not motivated for that and for most of them more money is the prime consideration. So the state needs to find a solution but it doesn't have to be 100% funded leave.

A senior advisor within the Ministry of Education conceded that 'lack of funding opportunities might be one of the reasons perhaps why people are not taking this education', but went on to insist that the financing of subsistence costs during educational leave would require a significant contribution from the labour market parties. While it might be possible to share the costs between government, employers and employees, asking the state to carry the burden of funding risked the danger of employers cutting back on their own investment in training. He commented:

You have to have some commitment from industry in all of this and make sure that they put some investment into the scheme. If they get this paid for by government, they won't necessarily have a discussion about how to use this new competence when people return. Obviously if employers contribute something then there must be an obligation on the employee to come back to the organisation for a certain time. However, if the state pays for this there is the real danger that employers will respond by doing less training themselves because they will simply put training in the area where the government will pay for it.

At the same time, a number of interviewees argued that a right to *paid* study leave failed to address the issue that for many adult workers, particularly those with low educations, the offer of 'going back to school for long periods' was not an attractive one. An official with the main national employers' organisation, NHO, with special responsibility for education and training issues, remarked:

For me, LO has over-emphasised the paid leave problem in all of this. In our view this was an old fashioned, conservative way of thinking. Giving people leave to go back to school was not how we wanted to think about competence development in companies. A Competence Reform based on that principle won't work in my view. This element was designed to help those with poor educations but many of them dislike school. We have plenty of feedback from the LO side telling us that this is the case.

This view was not wholly confined to employers and was partly shared by a senior national official with chemical workers' union (NKIF) who argued that the reform was based on:

...a very school-based model, I think. We would much rather see learning taking place in the workplace so that it can be combined with productive work on a part-time basis. The model of returning to school will not be suitable for many adults wishing to update their skills in our sector.

This view finds some support from a number of research studies showing that the vast majority of employees prefer to meet their learning needs through practical training, daily work experience or short courses (Skule and Reichborn 2000, Learning Conditions Monitor 2003).

Declining adult participation in upper secondary education

Despite new opportunities for adults to complete upper secondary education, official evaluations reveal that adult participation in upper secondary education declined by around 20% over the period 1995-2002 (KUF 2004a, 2004c). Why this should be the case is not altogether clear but a number of possible explanations have been advanced. One is that in a period of near full-employment, many adults have simply not seen the need for further and continuing education, a situation that could change under different labour market conditions. Another factor is the financial situation of the counties which have responsibility for providing adults with specially-adapted courses within upper secondary education in accordance with their rights under the reform. On April 12, 2003, the Norwegian newspaper, *Aftenposten*, carried an article in which it was reported that, owing to financial constraints, many adults were being forced to wait in long queues before being able to access such opportunities (Aftenposten 2003). More recent evaluations confirm that, while situation varies from county to county, some authorities may not allocate sufficient resources to providing adults with specially-adapted courses and tend instead to prioritise the needs of younger learners in the system. At the same time, the Competence Reform has been criticised for its poor information and marketing strategy. Surveys conducted by VOX show that the general public knows little about the

Competence Reform and that groups with low educations are often the least informed of their rights (KUF 2004a).

However, there are also indications that the problem may go deeper than simply a lack of information and have to do with the limited learning demands that many employees experience within their current jobs. Several Norwegian studies reveal that sectors and industries differ markedly in terms of their relative proportion of what are described as ‘learning-intensive’ and ‘learning-deprived’ jobs (see Skule and Reichborn 2002, Nyen et al 2004, Skule 2004b). Broadly speaking, these studies show that employees in sectors such oil and gas, electrical power, education, finance and central government have the highest proportions of learning intensive jobs; while wholesale and retail and hotels and restaurants are among those with relatively high concentrations of the learning-poor variety. A further finding is that the incidence of learning-conducive work increases the more organisations are exposed to fierce competition and ‘are situated in demanding environments, where customers, suppliers, owners, authorities or professional communities place tough demands on the standards of work, thus stimulating learning and innovation’ (Skule 2004b). As is the case in other countries, groups with low educations are also the least likely to receive training from their employer as well as enjoy fewer opportunities for non-formal learning through their everyday work.

For those employees in low skilled jobs with limited learning requirements, both the opportunities and motivation to participate in further education and training may therefore be lacking. As a representative of the Norwegian Hospitality Association (RBL) acknowledged:

In our sector, perhaps half of the employees might be considered targets for the reform. We have a lot of immigrants so the figure could be even higher. Many of them are doing low skilled work such as the laundry, cleaning, washing dishes and so on. In many cases, they don’t speak very good Norwegian but often the job doesn’t require this of them.

While education and training was seen as important in opening up opportunities for employees to move out of jobs which ‘in the long run can give you a lot of health problems’, in her view many workers ‘do not seem to be interested in more education and

lack enthusiasm towards their career'. Although it was certainly true that 'many workers haven't heard of the Competence Reform', the main problem was that:

...often people simply aren't motivated for this education. We have very low unemployment in Norway at the present time. You don't have to do much professional education to obtain some of these jobs and it can also be a big step for them to go back to school. Often they have language difficulties as well as bad memories of school to overcome.

A manager with an apprentice company responsible for helping restaurants and hotels find apprentices similarly commented:

The real challenge is how to motivate people to take this education. Sometimes it is a question of lack of time, lack of money or having to juggle family responsibilities. The picture is complex and varied. Often it can be difficult to take this education, if you're Norwegian isn't very good. But it can also be extremely difficult to motivate someone if they cannot see the prospect of better and more rewarding work at the end of it. Some can move into other jobs, but by no means all of them.

If, then, the Competence Reform can be said to have achieved only relatively limited progress in terms of numbers of adults enrolling in secondary and higher education, what progress has been made in relation to its other core objective, namely the development of the workplace as a site of learning? It is to this question that we now turn.

Developing the workplace as site of learning

The need to develop the workplace as a learning arena was one of the main recommendations of the Buer Commission and is a key objective of the Competence Reform. For many observers, the aim of improving learning opportunities within the workplace, through initiatives such as Realkompetanse Project and the Competence Development Programme, constitute the most important and innovative aspect of the reform. As an official with the Norwegian Institute for Adult Education (VOX) put it, 'the most important thing about this reform was to make the workplace a site of learning. To change the way people think about learning, so as to take account of all the skills and knowledge you have acquired not only in school but at work and in society. That was the innovation'.

In terms of the documentation of non-formal learning, Skule and Ure (2004) describe how the social partners pressed for schemes aimed specifically at employees

who might not wish to enter the education system. These were viewed as potentially useful for enterprises in terms of helping them to allocate and develop their human resources, while also providing employees with a record of their prior learning that could be used when applying for jobs in the wider labour market. As Skule and Ure (2004: 7) note, however, although NHO gave its backing to such developments, they were insistent that projects should not be used as a vehicle for allowing employees to demand a wage premium. On this basis, nine experimental projects were initiated by the social partners across a range of sectors. By the end of 2003, around 6,000 employees across 150 firms had participated in the testing of new documentation methods (KUF 2004a). Although the actual methods or tools for documenting employees' non-formal learning vary across different projects, they typically involve some form of extended CV or portfolio with supporting documentation describing the knowledge and skills acquired through formal education and training, work experience and wider social, voluntary and life activities. The document is then signed by the employer as an authentic statement of a person's prior experiential learning (Skule and Ure 2004).

One employer organisation which has been particularly active in this area is the Federation of Manufacturing Industries (TBL) which has developed and promoted a new computer-based documentation tool. An evaluation by FAFO (Skule and Andersen) indicates that the scheme has been successful across the majority of the 24 companies in which it was originally piloted. The report found the scheme was simple and practical to administer, with around 80% of employees spending less than one hour to complete the documentation with a trade union representative, and that it was generally valued by both employers and employees. A senior official with the TBL explained how the approach was premised upon 'a high level of trust' and a conscious decision to avoid the cumbersome bureaucracy associated with the UK's competence-based model of National Vocational Qualifications (NVQs):

We did not want anything that might resemble the British NVQ system. We looked at this and said no. What we wanted was a simple tool that could be completed within a couple of hours. Our approach has very little bureaucracy built into it and the limited possibility of entering into fine details. What is the point of splitting-up jobs into tiny fragments and tasks and then assessing each one? If someone works in a company on a machine producing an item worth several million Kroner, and it is verified by their employer, then we think that is enough.

She explained how the Competence Reform had ‘released a new energy and vitality for this work’ but that the main incentive stemmed from the competitive conditions of the industry and the need to upgrade workforce skills and competence:

We have many companies that are competing in international markets where the emphasis is on improving quality and there is a constant need for more skilled and qualified workers. Wages are high in Norway, there is system of centralised collective bargaining, and so the industry cannot compete through price competition. What you will see is low skill, labour intensive jobs and mass production steadily moving out of Norway to Latvia and the Baltic states. The reality is that if you want to stay in a job in this sector then you have to develop your competence.

She added:

If you look at Norway, you will find the largest number of skilled workers in our branch. We have a solid practice candidate tradition, whereby if you have five years experience in a trade you can take the formal craft examination and qualify as a skilled worker. Those without formal training tend, on the whole, to get trained by the company. In that sense, the Competence Reform hasn’t really changed that much.

In some cases, the documentation tool developed by the TBL has been used by member companies to help forge closer links with local colleges and develop training programmes that are specifically tailored to firms’ needs and which seek to integrate learning with daily work. The success of such initiatives was illustrated during a visit to one company which was using the TBL tool to improve the training and development opportunities available to workers in relatively low skill jobs.

Heaters Co is a subsidiary of an Irish-owned multi-national company and produces electrical heaters, control systems and thermostats for both the domestic and world market. The company employs 186 people, 135 of which are directly employed in production. At present, most employees are classified as unskilled workers whose job involves assembling the heaters and putting together the electrical circuit boards for the control units and thermostats. These are supported by ten skilled workers who are responsible for maintaining the machinery, building tools and programming the robotic technology. As one employee who had been working at the company for two and half years commented:

I assemble the unit, put the various components together on the electronic circuit board and assemble the heaters. This is classed as an unskilled job. There is not much thinking involved. You do the same thing every day. So it can be a bit boring.

She explained how the job could be learnt relatively quickly and required little training:

I got a few hours training to do this job, maybe a day and then someone looking after me. I think it wouldn't take you very long to learn to do my job, maybe a week or possibly two.

A production manager described how the company had over the past couple of years begun to increase the level of automation by introducing new robotic technology into the production lines, a process that would expand in the future:

Some of our employees will always be unskilled workers. Today in the production and assembling lines we have about ten persons who are skilled workers. In four or five years, this figure will be more like 40 or 50. In Norway, we have high wages and labour costs. We have therefore to introduce new technology and move towards a more skill-intensive production system if we are to stay competitive internationally.

In the process of introducing the new robotic equipment, the company realised that employees needed to be able to acquire a new level of competence but could not find suitable courses offered by local colleges. As another manager explained:

We approached the schools to see if there was a course that could meet our needs but we could not find anything that was really suitable. So we discussed this with three other local companies in the area. We knew that they were introducing robots and that they were experiencing similar problems to us. We then approached the local college to see if they could put together a suitable programme.

As part of this process, the company had made use of the TBL's documentation tool and then asked the local college to develop a tailored course that would allow employees to acquire a skilled craft certificate taking into account their prior learning. As part of this process, employees were asked to document their non-formal learning by completing, with the help of a trade union representative, a computer-based CV form describing the skills they had acquired through formal education, work experience and wider social activities. The aim, as one manager outlined, was to try to ensure 'people tell us about everything that they can do. Often they think something is not relevant to the company but we really do want to know if, for instance, they have coached a local football team to

see if they might have the potential to lead a team of employees.’ He explained how the approach was ‘based on self-assessment and trust in the employee’, with workers completing the necessary documentation themselves, while the union played ‘a key role in encouraging and helping people to do this and make the whole process legitimate.’

At this time, the company had 25 employees who had gone through this documentation process and were currently training to become skilled workers. This involved attending a two-year course at the local upper secondary college for one hour a week during work time, where they received theoretical instruction in electronics and hydraulics. Participation in the scheme was voluntary and employees received full pay while attending the course which is publicly-funded. The theoretical component of the course is the same as that taken by apprentices within the school-based vocational track but is delivered separately as part of programme specially designed for adults drawn from the three participating local companies.

There was a general consensus among management and the union that the process has been a positive one. For one manager, it had ‘provided a much clearer picture of the whole bank of competencies available to us that we can use to develop the business and which colleges can then use to develop courses that our derived from our own needs.’ A shop steward, involved in helping employees document their prior learning, remarked: ‘It’s a positive development...The process has a lot of trust built into it and is based mainly on self-assessment. We know much more about the kind of skills and competence they have acquired in their lives and it has provided new opportunities for people to get more education’. He explained how the majority of those workers attending the course were relatively young workers who saw this as an opportunity to safeguard their employment security in the face of technological change. By contrast, older workers in their fifties with seniority tended to be manly ‘just biding their time until retirement. For them, there is little incentive, the job is secure and they will be retiring soon.’

The incentive for younger workers to undertaking training of this kind was not simply confined, however, to securing their future employment within the company. In addition to the prospect of more interesting and varied work in the future, there were collective agreements ensuring that employees who qualified as skilled workers received

a wage increase, irrespective of whether they initially returned to their old jobs. As he explained:

Some people who get this certificate will go back to doing the same jobs as before. But there are collective agreements which mean that if you pass your skilled craft certificate you are entitled automatically to a higher wage premium of 5 NOK per hour. So there is also a pull factor from the wage structure.

One employee in her early twenties described how her motivation for taking the course revolved around ‘more security, more money and the possibility of more interesting work’. She added:

There has to be restructuring here with the robots that are being put into the production lines. Automation means there will be fewer jobs in the future but this course gives me a better chance of being kept on. Also, I will get paid more as a skilled worker.

Although she had three years of upper secondary education and had spent one year at university, the course had been ‘stretching’ and had developed her knowledge of electrical systems:

It certainly feels like a demanding course. There is much to learn in a relatively short period of time. It is mainly theory. The practical test we do here at work at the end of the course. I would say it has helped me develop a deeper understanding of electronics and hydraulics.

An older worker in his early fifties, currently working in the spares department and post room, explained how his primary motivation was:

More money, I’m not thinking about climbing up the ladder. I just want the extra pay. Also, I will be safer than someone who doesn’t have this certificate because I will be able to move into the production side and work with the robots if necessary.

Heaters Co provides a useful illustration, then, of how one company has used the documentation of employees’ prior learning as a means of developing tailored training programmes with local providers that have value for both employer and trainees. However, while the TBL defend such initiatives as vital and important, it is interesting to note that the organisation has experienced problems in terms of stimulating interest among member companies (Skule 2004). The same conclusion would also seem to apply to the attempts by LO and NHO and their affiliates in the engineering industry to develop a new ‘competence passport’ as part of the Realkompetanse project. In short, even in

those sectors where employers' organisations and trade unions have been particularly active in the development of new methods for the documentation of non-formal learning, the evidence to date suggests that take-up by companies remains limited.

Skule and Ure (2004: 8) speculate on a number of possible explanations, including employees' concerns about how such tools may be used during times of downsizing, coupled with the fact that they are not always linked up to improved pay. Another factor they suggest is that in sectors where the 'practice candidate method' is well established, companies may feel that there is limited need for such tools. However, the most likely explanation, they argue, is simply that many 'companies do not perceive that the pay off is sufficiently high to expend the necessary resources. All in all neither employers nor employees appear to have sufficiently strong interest in propelling the work forward with any energy' (Skule and Ure 2004: 8). Finally, they point out that, despite considerable experimentation, a national scheme for the documentation of non-formal learning in the workplace has still to emerge.

Interviews with representatives of ELBUS, the joint-industry training school for the electro-technical sector, which has been active in the development of tools for mapping the prior experiential learning of electricians, lend further support to the view that many companies remain unconvinced of the value of such schemes. As one representative with ELBUS commented:

The challenge is getting companies to see the importance of this work. There are lots of pilot projects and many of them seem to work very well. What we need to do now is concentrate on getting the lessons out to a much broader range of firms. That's where the Competence Reform has stopped. We've developed the tools, but we don't get them out, we don't make full use of them. That's a shame. Often the problem comes down to the fact that companies don't see the need for this kind of activity.

For a representative with the employers' organisation for the electrical and IT industry (NELFO) the documentation of non-formal learning was 'one of the more positive elements of the reform'. Nevertheless, he confirmed that many member companies remained sceptical of such projects and often tended to view them as 'an extra cost and time out of production':

We have a few companies involved in these projects but not many. Most don't really see the value in all of this. There is lot of administration and time involved in documenting employees' competence. Sometimes it can take a couple of hours and

then the document has to be updated each year. Most say why shall we spend time on this? If they needed it, they would use it....I had a phone call only just now from one of the companies involved in a project. They said, OK it has been quite good. But they didn't know whether they would use it in the future. It didn't really start from the needs of the company, they said.

Similar concerns have also been expressed in relation to the projects funded under the umbrella of the Competence Development Programme (CDP). Although early evaluations suggest that many of these have been successful from a user perspective, the programme remains heavily skewed towards certain sectors. In particular, those sectors with relatively poor training records and higher concentrations of workers with low educations, such as wholesale and retailing, hotels and restaurants, and transport, are found to be 'almost entirely absent from the project portfolio' (KUF 2004a: 10). According to the questionnaire completed by participants, the poorly qualified also 'have the lowest representation among end users' (ibid.). At the same time, there are concerns that much work remains to be done in terms of ensuring that lessons emerging from the projects are disseminated to wider range of organisations necessary to deliver the desired 'step change' in the market for continuing education and training. An education and training advisor with the employers' organisation, NHO, saw the CDP as 'the most promising part of the reform' but nevertheless warned:

If we are not careful it can just end up as 600 projects with little impact. Many of these projects demonstrate best practice but a lot depends on getting the lessons out to other companies. We need to do a serious job on that. For the present, it is perhaps still too early to say what this programme will deliver for Norway.

A national official with the chemical workers' union (NKIF) argued that the problem was exacerbated by the lack of long-term resourcing and the fact that the funding going into the Competence Reform had been scaled down in 2003:

There are a lot of interesting projects that have been started aimed at using IT to deliver learning in the workplace, making skill-based pay systems, addressing the specific needs of people with reading and writing difficulties, to name a few. These projects get some money but then it dries up. The question is what happens then?

The problem of limited funding was echoed by a senior officer with the Norwegian Adult Education Association:

I would say one of the main problems is that the Competence Reform lacks congruence between the ambitions and the money that follows – paying for anything. There is very little money going into the Competence Reform now....This makes it difficult to have long-term pilot projects to find out what really works. A lot of very good and interesting initiatives then just become a project and there's no follow up.

At the same time, it is widely acknowledged that the social partners have a vital role to play in terms of encouraging their members and local affiliates to become actively involved with local projects, thereby helping to diffuse the lessons that come through the Competence Development Programme. Unfortunately, there are indications that trade unions are not particularly active when it comes to implementing the reform at local level. Skule (2004b: 8) notes, for example, that evaluations of the CDP show that, 'Only one in five projects inspired union representatives to become more engaged in training issues', while supplementary case studies revealed that although union representatives would sign project proposals, they were rarely involved in shaping their nature and content. A survey carried out by LO in spring 2003 also showed that many of its affiliates and local union representatives have been relatively passive in relation to much of the reform work.

The declining involvement of the social partners

At national level, there are clear signs that social partners have also began to lose interest in the Competence Reform as their attention has shifted to other issues such as wages, labour market regulation and occupational pensions (see EIRO 2002, Teige 2004). One indication of this weakening level of involvement is said to be the closing down in 2002 of LO's and NHO's 'joint secretariat' responsible for implementing the Competence Reform (Skule 2004, Teige 2004). Teige (2004) argues that, with the social partners increasingly 'backing out', responsibility for implementing the reform has largely passed into the hands of the public authorities. Although reluctant to go quite this far, such concerns are clearly shared by the Norwegian Institute for Adult Learning (VOX) and the Ministry of Education. A representative with VOX insisted that 'we still have contact with the social partners and they still have people involved in the reform', but was nevertheless forced to concede:

But it is true that their interest has lessened...It may be that they will come back to this again in the future but for now it is not the main item on their agenda.

Another VOX official stated:

It is absolutely vital that the social partners are actively engaged in implementing this reform. They have a crucial role in engaging their members and local affiliates in this work. However, I think we all agree that this is a major challenge.

A representative with the Department for Adult Learning and Workforce Development within the Ministry of Education also insisted that:

...the challenge will be to keep all the relevant stakeholders on board and ensure that we all keep an interest in doing something in this area. In the end, you have to accept that we are the Ministry of Education. We are responsible for learning but we can't take responsibility for everything. Our hope is that the social partners will get behind this reform and really push it. That is very important.

Without the active involvement of the social partners, then, it is open to question how effective the state will be as the main delivery agent for the Competence Reform. One obvious danger is that with social partners increasingly 'out', as Teige (2004) puts it, the Competence Reform will not only lose momentum but that it may simply wither on the vine. As one senior advisor on education and training with the labour federation, YS, commented:

No one is getting behind the reform and driving it forwards with any real energy. In the past, the driving force has been the trade unions. But their attention has now moved to other issues like pay, holidays and pensions. After this, the Competence Reform was 'off the road' so to speak. It will not be easy to put it back on track.

Assessment

How successful then has the Competence Reform been in terms of furthering the goal of lifelong learning for all in Norway? Certainly, there have been some achievements. Adults have obtained rights to complete basic and upper secondary education. There has been much experimentation concerned with the development of new methods for the validation of prior learning, whether as means of accessing the education system, shortening study programmes, or providing employees with a record of their competence that can be used in the labour market. In a relatively 'high trust' society, it may come as little surprise that Norway is investing considerable time and effort in the development of

tools that are relatively easy to use, cost-efficient and based mainly on self-assessment. The Competence Development Programme has funded numerous projects aimed at developing the workplace as a learning environment and helping to forge closer connections between the education system and industry. In this way, the Competence Reform has helped stimulate a new debate around competence among both policy makers and the social partners which recognises the wide diversity of arenas within which individuals learn and the skills and knowledge that are accumulated through every day work and living.

Notwithstanding such gains, there are indications that the implementation of Competence Reform has encountered problems and that progress remains slow and patchy. Without adequate subsistence funding, the right to study leave, which drove LO's lifelong learning agenda in the 1990s, is rarely used and constitutes an essential 'dead' element within the Competence Reform. There are indications that for some employees this may act as an impediment to their participation in continuing education and training. With the benefit of hindsight, however, it is interesting to speculate whether LO's extremely ambitious demand for a fully-funded right to three years study leave was ever a realistic goal, given both the depth of employer opposition and the low priority attached to education and training by many of its own affiliates and members. Somewhat optimistically perhaps, Skule (2004a: 9) speculates that 'a parliamentary solution may [yet] be underway'. However, the claim is not supported with any evidence and there are indications that policy makers remain sceptical of the logic of a publicly-funded entitlement. Moreover, with the Competence Reform steadily sliding down LO's list of priorities, it is not clear who is going to pressure the state to resurrect the right to study leave.

Even were such a solution to be found, it is not easy to tell what effect this would have on groups with low educations, many of whom have negative experiences of schooling to overcome and who may not therefore wish to re-enter the education system. To date, the Competence Reform would not appear to have had much impact on this key target group, especially in sectors such as hotels and retailing, where knowledge of the reform is weakest, many workers remain unorganised, and employers organisations and trade unions have been criticised for adopting a relatively passive stance towards the

reform work (Skule 2004a). Within these sectors, many workers confront multiple and complex barriers to learning which may revolve around learner identities, cost issues, lack of time, language difficulties, poor managerial support, and the absence of any perceived need or pressure for further education given the limited learning and skill requirements of their present job.

For the most part, the main impact of Competence Reform has been felt through the Realkompetanse Project and the Competence Development Programme. Here too it has tended to mean most to those sectors and companies where international competitive pressures are already driving efforts to improve skill levels among the workforce. The case of Heaters Co provides a useful illustration of how one firm has used new tools for the documentation of prior learning as a means of developing training programmes with a local provider which derived directly from the company's needs. In this case, employees were able to access off-the-job training which improved their job security and opened up the possibility of more varied and interesting work. The fact that there existed collective agreements which meant that employees who completed such training also received a wage gain was a significant motivating factor in their decision to take up such learning opportunities. It provides a useful illustration of how efforts to engage employees in continuing education and training can meet with success where they derive from business needs, are supported by management and trade unions, and employees see tangible benefits in terms of employment security, better jobs and improved pay.

Yet, despite successful examples of this kind, the diffusion of such tools throughout Norwegian working life remains limited and there is evidence to suggest that employers in many sectors remain unconvinced of the value of such schemes. The same conclusion would seem to apply to the Competence Development Programme, where official evaluations and interviews with key stakeholders indicate that the majority of projects have been successful from the viewpoint of users but that a major challenge remains in terms of 'getting the lessons out' to a broader range of organisations. While it may still be too early to say whether this programme will deliver the desired 'step change' in the market for continuing education and training, much will depend upon the active engagement of employer and trade union bodies at sectoral and local level. The evidence to date would suggest that, in the main, most employer organisations and trade

unions have not been particularly active in implementing the reform on the ground, an observation that applies especially to sectors with weak training records and relatively high concentrations of deprived, learning-poor jobs. Moreover, with both NHO and LO appearing to lose interest in the Competence Reform, it is difficult to envisage how this situation will alter dramatically in the foreseeable future.

Towards a new agenda for competence policy

In its quest to move Norway closer to the goal of lifelong learning for all, there are many indications that the Competence Reform has begun to run up against a range of familiar and perhaps predictable problems, not least the difficulties involved in engaging ‘hard-to-reach’ groups in relatively low skilled sectors and occupations. Interestingly, there are signs that Norwegian policy makers may be beginning to turn their attention to the opportunities that employees have to deploy and develop their skills within their actual jobs. In autumn 2002, the Ministry of Education and Research initiated a new research project aimed at strengthening the knowledge-base for competence policy, the results of which have now been published under the title, *The Norwegian Competence Report 2003* (KUF 2004b). In the preface to the report, Kristen Clemet, the minister for education and research, insists that, in the future, competence policy must address not only the development of skills and knowledge but also their productive usage within organisations:

Future social welfare and growth depend on countries educating people to give them a high level of subject knowledge and the ability to learn. *Yet competence must not only be developed, it must also be put into play and shared.* Public and private enterprises alike have a great responsibility towards applying and further developing competence in *meaningful and productive jobs* (KUF 2004b: 1, *emphasis added*).

Increasingly, then, Norwegian policy makers are beginning to raise questions about the under-utilisation of skills within the workplace, amid concerns that Norway may not be getting the full benefit from its relatively highly educated population. The report goes on to ask, ‘What role, if any, should the State play when it comes to developing a working life that offers good conditions for informal learning’ (ibid: 6), and argues for a ‘closer connection between competence policy and other areas such as industrial policy, innovation policy and labour market policy’ (ibid: 19). Although the

report, together with its supporting research material, does not recommend any new policy initiatives as such, some future directions for policy are signposted. These include the development of new indicators to assess and compare the learning intensity within different sectors as well as encouraging companies to engage in human capital accounting measures aimed at describing their knowledge assets and assessing their importance to future earnings. Eschewing an avowedly regulatory approach, the supporting research material talks of ‘breathing new life into the debate on competence’ through the use of new ‘enterprise-friendly concepts’ (e.g. learning intensive work) and the diffusion of ‘best-practice’ examples showing how enterprises successfully use and apply knowledge to create added value (see KUF 2004d: 23, KUF 2004b).

It would appear then that the Competence Reform has contributed in no small measure to enabling policy makers to see beyond the limits of simply supplying more qualifications through the education system and to think more carefully about how to ensure that knowledge and skills are *utilised* within the workplace to generate innovation, value creation and improved economic performance. In short, Norwegian policy makers appear to be moving beyond the ‘easy part’ of skills policy – simply boosting qualification levels among the workforce – to embrace a far more difficult and challenging agenda aimed at creating the conditions under which employees can learn, develop and apply their skills within ‘more meaningful and productive jobs’. The \$64,000 question, of course, is what implications such thinking holds in terms of practical policy initiatives.

There is now a significant body of academic research which suggests that it is firms’ product market strategies, together with their systems of work organisation, job design and people management, that are crucial in shaping the levels of skill and learning required by employees (see Keep and Mayhew 1998, 1999, Cappelli 1999, Forth and Mason 2003). This work suggests that firms which compete on the basis of higher specification, customised goods and services are also more likely to require a workforce which exercises higher levels of skill, knowledge and discretion. Such arguments focus attention on the critical importance of competitive strategy, something which is partly echoed by Norwegian studies suggesting that ‘learning pressure’ increases according to the extent to which organisations are exposed to keen competition and demanding user

groups (Skule 2004b: KUF 2004c: 19). These commentators have also argued that the relative proportion of enterprises competing at the ‘high-spec end’ *is likely to be* greater within more regulated and coordinated labour market economies than their liberal market counterparts. In the former, a range of institutional conditions, including strong trade unions and long-established forms of social partnership, well-regulated labour markets, high wages and access to relatively patient capital, are felt to be more conducive to high-end growth strategies by making it easier for enterprises to engage in long-term workplace development, while simultaneously closing down the opportunities available to compete through wage cutting, labour shedding, or simply working employees longer and harder. By the same token, a more egalitarian distribution of income and lower poverty levels, together with wider cultural norms and consumer expectations, is said to limit the size of the domestic market for relatively low-price standardised goods and services in that there will be proportionally fewer customers who can only afford to buy on the cheap (Keep 2000).

Accordingly, Norway would appear to have in place a set of institutional and labour market conditions which may help push more firms to compete in quality niche markets and to invest in new technology, forms of work organisation and modern management approaches which, in turn, require a more competent and capable workforce (see also Skule 2004: 13, KUF 2004c: 19). This applies particularly to manufacturing and process industries exposed to international competition, where the trend in Norway over the last twenty years has been to strip out supervisory levels of management and allow shop-floor workers to exercise greater responsibility for the maintenance and programming of machinery. Norway is also relatively advanced in the area of publicly-supported workplace development and innovation programmes, having a 40-year history of such initiatives, involving the social partners, stretching back to the famous Industrial Democracy Programme of the 1970s and including more recent initiatives such as Value Creation 2010 (see Gustavsen et al 2010, Qvale 2002, Payne and Keep 2003). On the face of it, then, in fronting-up to a new policy agenda aimed at improving employer *demand* for, and *utilisation* of, skill, Norwegian policy makers would *already* seem to be doing a great deal and certainly more than their counterparts in many other countries not least the UK (see Lloyd and Payne 2002a&b, Payne and Keep 2003).

This is not to underestimate, however, the challenges that Norway faces in the years ahead. In a country, where oil wealth and natural resources have largely sheltered the economy from the kind of external shocks faced by many other European states in the 1980s and 1990s, policy makers are now increasingly confronted with the issue of how to promote structural adjustments that will allow Norway to increase its presence in more advanced knowledge-intensive sectors such as information technology and biomedicine. State and corporate investment in R&D continues to be below the EU average, and there are also concerns about the international standing of Norway's science and research base (Benner 2003). Policy initiatives, such as the State Fund for Economic and Regional Development (SND) and the Industrial Development Corporation of Norway (SIVA), which owns a number of science and business parks, are said to have had only limited success in developing local and regional innovation networks and clusters. While, as Benner (2003: 148) notes, the current centre-right government has sought to address the problem by setting new targets for R&D spending and putting more money into the Research and Innovation Fund, 'the institutional adjustments have [so far] been relatively weak, and there is no real socio-political backing for a radically new growth strategy as a response to the challenges of the knowledge-based economy.'

There are also questions as to how Norway will be able to further advance its lifelong learning agenda. If the experience of the Competence Reform illustrates anything, it is that even in a coordinated market economy such as Norway's there exists a substantial residue of low skill and learning-poor jobs plainly visible in areas such as hotel cleaning, hamburger joints, call centres, mass entertainment services and supermarkets, to name but a few. While some of these jobs, such as contract cleaning for example, may be improved through better training and ergonomics, the fact is that many such jobs, by their very nature, are destined to remain relatively low skill. How, for example, would one begin to redesign the job of someone serving in fast-food burger joint or on the electronic till at a local supermarket? While simply raising qualification levels cannot hope to 'magic away' such jobs, so too there are definite limits to any job redesign/job enrichment agenda (see Warhurst 2003). In these cases, job improvement would need to focus on the *conditions of employment*, in terms of wage levels, employment rights, effective trade union representation, and providing opportunities for

individuals to access learning opportunities within the workplace that may offer a 'route out' to better jobs in the labour market. The ability of trade unions in particular to engage with this agenda is vital if Norway is to resist the trend towards a two-tier labour market in which those at the bottom find themselves trapped in relatively deprived low skill jobs. The fact that many of these jobs are often occupied by immigrants, mainly within the Oslo conurbation, also raises the spectre of a labour market increasingly divided not only on class but also ethnic lines.

Conclusion

The paper has explored Norway's recent attempts to progress the cause of lifelong learning for all via a major national adult learning initiative, namely the Competence Reform. On many indicators, Norway is a country which is widely regarded as having made more progress towards the goals of lifelong learning than most. By international standards, Norway already has a relatively highly educated population, invests considerable resources in its education system and workplace training, and benefits from a strong tradition of tripartite cooperation in policy making that usually makes for lasting reforms backed by a high degree of consensus. The experience of Norway, therefore, may be particularly instructive as to the kind of challenges that countries confront in attempting to crack what remains of a difficult problem even under what might be regarded as relatively favourable conditions.

Experience to date suggests that attempts to implement the Competence Reform have begun to hit a range of problems and challenges that are far from easy to deal with. As an educational reform, aimed at increasing adult participation in upper secondary and higher education, the Competence Reform has met with some success but the results have been far from spectacular. In particular, the reform would appear to have had very little impact upon groups with low educations, especially in sectors such as hotels and retailing, where there exist many jobs that offer limited opportunities or incentives for learning.

As a working life reform, the Competence Reform has stimulated a wave of experimentation aimed at developing new methods for the assessment and validation of prior learning (the Realkompetense project) and enabling education and training providers to offer training programmes which are more in tune with firms' needs (the

Competence Development Programme). However, while many of these projects and initiatives demonstrate ‘good practice’, all the signs are that their diffusion throughout working life remains extremely limited. Here too, it would appear that the Competence Reform has had little impact on sectors with relatively high proportions of learning-deprived jobs, such as hotels and retailing. More generally, even in sectors where employers’ organisation have been proactive in the development of tools for documenting employees’ non-formal learning, many firms continue to question the value, relevance and costs involved with such schemes.

There are indications that at local level trade unions have played little role in implementing the reform, while nationally the social partners and most critically, LO, have begun to lose interest in the Competence Reform as their attention has drifted towards other issues such as pensions and labour market regulation. While it remains to be seen how much progress can still be made without the active support and involvement of the social partners, it is difficult to escape the conclusion that the Competence Reform is beginning to run out of steam.

If nothing else, however, the Competence Reform may have helped to define a new agenda for competence policy which shifts the focus more towards the workplace as learning arena and the opportunities that are available to employees to exercise skills and knowledge within their actual jobs. In other words, Norway may be reaching the end of a cycle of policy and academic thinking concerned mainly with the supply of skills and qualifications through the education system and turning its attention to the issue of how organisations can make more effective use of their existing stocks of competence. Indeed, if Norway’s marathon journey towards lifelong learning illustrates anything, it is that there are definite limits to what education and training alone can be expected to deliver. Having achieved a highly qualified population by international standards and with most of the low-hanging fruit therefore already having been picked, Norwegian policy makers are increasingly forced to confront the challenge of how to develop more expansive learning environments at work. In turn, this raises new questions for competence policy that have few easy answers.

Certainly, there are many challenges which lie ahead for Norway. If policy makers, together with the social partners, are to progress this new policy agenda, more

attention will need to be given to the question of how to increase Norway's presence in new 'knowledge-intensive' industries for a future beyond oil (Benner 2003). An even greater challenge will be how to engage 'hard-to-reach' groups with low educations in the lifelong learning agenda. One lesson that policy makers may have particular difficulty coming to terms with is that in any advanced industrial economy there will always remain a significant proportion of jobs that are low skill and learning poor. Making in-roads into this problem may involve questioning the economic rationalism that has underpinned much of the contemporary policy discourse around lifelong learning in Norway and designing new opportunities for adults to use workplace facilities and resources to access *non-work related* learning linked to personal development goals and aspirations (Caldwell 2000, Casey 2004). For trade unions it will mean not only developing the resources and infrastructure necessary to support and motivate local representatives to become more involved with workplace learning (see Skule 2004), but also devising strategies to improve the terms and conditions of employment for those workers occupying relatively deprived, learning-poor jobs.

Finally, it is worth reminding ourselves that everything is relative. In focusing attention on the issue of how to develop better jobs that make more effective use of employees' skills and capabilities, Norwegian policy makers are at least beginning to face up to such challenges sooner than their counterparts in other countries such as the UK, where skills policy continues to be wedded to a fairly narrow supply-side agenda (see Payne and Keep 2003). They may also take comfort from the fact that the scale of the problem they confront may be considerably smaller than in the UK, where a neo-liberal policy of flexible deregulated labour markets has produced an economy far more sharply polarised both in terms of skill levels and incomes, and where there has been a significant expansion in low-skill, low-paying jobs offering limited job satisfaction and few opportunities for progression (see Brown et al 2001, Goos and Manning 2003, Thompson et al 2001, Brown and Hesketh 2003). In so far as the lack of 'good jobs' and the continued presence of 'bad ones' constitute major impediments to developing a more inclusive society of lifelong learning, Norway still has its own mountain to climb. However, it may resemble something of a steep hill in comparison to the Everest that other countries have to scale.

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