

New Perspectives for Learning - Briefing Paper 23

Integrated funding models for lifelong learning

Context of the Project

In the light of the constantly increasing unemployment rate in Europe and the high number of long term unemployed, it is important to develop new concepts and ideas for addressing this issue. There is a need to re-orientate long-term employment and training policy towards the integration of lifelong learning with employment, regional, training and wage policies. This in turn will require a new financing concept for funding vocational qualifications at a national level.

This project has developed a thematic network consisting of representatives from eight countries. (Austria, Belgium, Denmark, Germany, Norway, Portugal, The Netherlands, United Kingdom). It has aimed to identify ways of integrating existing patterns of funding with forms of lifelong learning in order to develop new concepts. This has involved a thorough stocktaking of the financing models and instruments for vocational training and further education in the various national contexts.

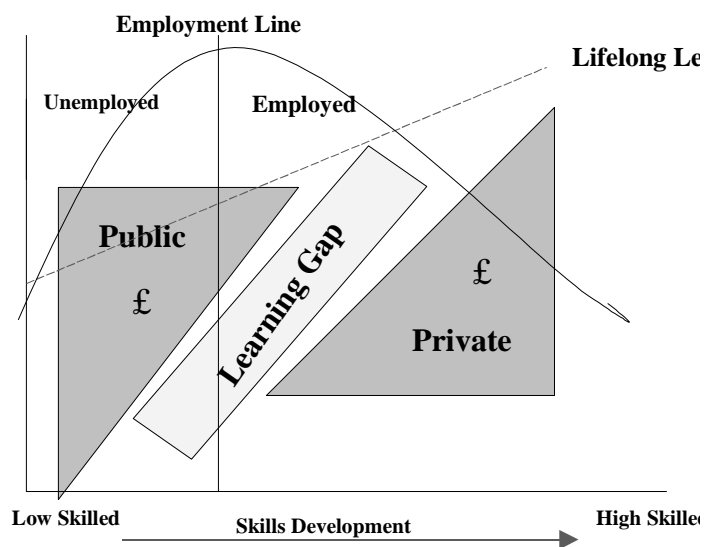
Key Conclusions

The following results and conclusions have emerged: -

1. Governments of most developed economies have increased the level of investment in national education and training infrastructures. Therefore the overall level of educational attainment in these economies has also increased.
2. However, there are still concerns in these countries about the increasing prevalence of skills gaps and shortages as well as the adequacy of existing training provision to meeting employer demands. It has therefore become apparent that there is a difference in the skills obtained through educational attainment and those required to meet the demands of business.
3. A model for lifelong learning was developed (see below) that represents a number of the competing interests that have to be reconciled if a culture of lifelong learning is to be created and sustained within any economic system. These competing interests may be social, individual or economic. Based on this model the following conclusions were reached: -

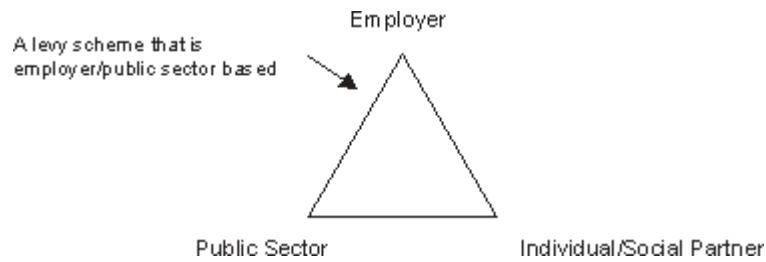
- a) For lifelong learning to be a reality the two triangles need to be brought closer together so individuals can move seamlessly along the hypothetical lifelong learning line.
- b) Thus interventions are needed along the “learning gap” in order to close it.
- c) This requires investment from all parties, employers, individuals and government.
- d) If the needs of the excluded are not incorporated and integrated with the needs of employers and the economy then there will continue to be a segmented learning market within which opportunities and rewards will not be available to all.

A Model of Lifelong Learning



4. Countries which have funds created by the social partners (like Denmark and Norway) or where there are voluntary or obligatory employers' funds for vocational education (like The Netherlands) are much more creative or successful when it comes to the construction of 'models' for securing employment or of reintegrating the unemployed.
5. They are also more successful at overcoming regional or local quantitative or qualitative bottlenecks of staff shortages than countries where different groups of society only take on responsibility for those interests specific to themselves.

6. In order to compare the role of a levy in different systems a tool (see below) was developed to assess the relative contribution and involvement of each of the partners – the public sector, the private sector and individuals or social partners. Using this tool comparisons were made with a number of systems to be found in different European countries.



The triangle represents the tripartite relationship between the parties in the levy process. It is possible to use the tool qualitatively to assess the relative relationship between each party in the context of a particular levy. For example, if a levy scheme was run by the state with only employer input then the levy would be assigned a point some way along the employer/public sector axis as illustrated above.

This model can also be further applied to the different elements of levy schemes, for example to assess the relative contribution of partners to the financing of a levy, or then relative input to the application of the funds.

Key Recommendations

The following recommendations were made: -

1. The current vocational training system is in need of a basic - institutional, instrumental and financial - revision so as to be directed towards the future demands of a lifelong learning process.
2. There is a need to integrate competing interests (social, individual or economic) into a coherent system in order to ensure a continual process of lifelong learning.

Further Information

Full title of study - "Further Training Funds as An Impulse for New Models of Lifelong Learning - Integrated Funding Concepts" with the final report completed in January 2001.

[Full report](#), [Summary](#) [Partner details](#)

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