2 Lifelong learning on policy agendas

2.1 An overview of lifelong learning policy in the Netherlands and the EU

In the introductory chapter we briefly discussed some trends in modern society, which urge policy makers to give priority to lifelong learning on national policy agendas. There are roughly two main trends in society that propel the need for lifelong learning: a socio-economic, and a cultural trend. In first instance, national governments have become aware of the need to stimulate citizens to invest in employability, in the ability to innovate and to adapt to changing job environments and requirements. Knowledge is increasingly being considered to be a predominant production factor in Western economies. In the early nineties, Quinn (1992) pointed out that the most successful enterprises may be considered as intelligent enterprises that depend more and more on the development and deployment of intellectual resources. Or, as Duff (2000) puts it: “… workers (...) are no longer working with things as was the case in industrial societies, but with information in some form or another.” (p. 15). In modern industries, the need for innovation and the urge to constantly be ahead of developments changes the type of knowledge required. In the second place, European citizens no longer live according to standard life courses. Instead of following traditional developmental patterns, in modern society people make their own choices, which is expressed in a diversity of life courses, a diminishing importance of the nuclear family and the growing participation of women in the labour market (see: Castells, 1996). Through the diversity of life courses, the boundary between initial and post-initial learning has become less clearly defined; like other life domains, learning has become an activity citizens choose to engage in whenever and however they want (Doets & Westerhuis, 2001). These tendencies in society form the background of Individual learning Accounts as a policy instrument to crystallise the idea of individual learning rights to be claimed at any point of time in the life course.

This chapter will briefly paint a picture of the history of lifelong learning policy in the Netherlands, as well as how ILA fits into this frame. Before discussing the situation in the Netherlands, it is necessary to outline the broader international policy context with respect to lifelong learning, and especially in the context of the European Union. In section 2.3 we will discuss Dutch policy measures towards Vocational Education and Training (VET) and lifelong learning policy in the nineties of the previous century. In this discussion, emphasis will be put on the development of the interplay between deregulative and regulative policy measures towards education. In section 2.4 the role of the social partners in the field of VET and post-initial education will be discussed. Furthermore, in section 2.5, current participation figures in adult education in the Netherlands will be outlined and will be put in international perspective. Section 2.6 will elaborate on the dialectic relation between deregulative strategies of the national government of the ‘educational supply’ on
the one hand, and measures to stimulate the ‘demand side’ on the other. Finally we will critically
discuss ILA on the basis of a comparison of the initial descriptive results of the Dutch experiments
with some outcomes of the experiences with ILA in the United Kingdom.

2.2 Lifelong learning policy outlines of the European Union

At the end of the previous century, although the transformation to a knowledge society could be
detected, by that time most countries did not yet have a clear outlined policy blueprint for lifelong
learning. At the European Union conference in Lisbon in 2000, member countries agreed to direct
their national policies to lifelong learning on the basis of the Memorandum on Lifelong Learning.
In this memorandum the European Commission pointed out two aims for lifelong learning: the
promotion of employability and the promotion of active citizenship. In Lisbon, the target was
set to increase the percentage of the adult population in the European Union participating in
training before 2010 (European Commission, 2000). This increment was to be attained in order to
become ‘one of the world’s most competitive economies’. Therefore, six guidelines were issued
to provide a framework for the implementation of lifelong learning in the member states. These
guidelines involved issues such as guaranteeing access to skills acquirement, innovation of teaching
and learning methods, improving recognition and appreciation of acquired skills through formal or
informal training and the provision of information and advice.

The European memorandum focused in particular on greater individual influence of citizens on
the form and content of their education. The European Commission argued that people are the
most important resource for establishing a knowledge society and should be the focal point of the
Union’s policies. One of the relevant elements of the memorandum was aimed at a visible increment
of the investment in human resources. Doets & Westerhuis (2001) have critically analysed the
memorandum and its consequences for Dutch educational policy making. They discuss three points
of interest that relate to investment in human resources. First, they argue that policy makers should
make clear to employers and to citizens that investment in learning is profitable. Through changes
in working processes to more knowledge-intensive labour and increasing flexibility of occupational
functions, possibilities should be opened for workers to develop their employability. Second,
citizens should, according to the European Memorandum for Lifelong Learning, be motivated to
contribute to the financing of their own learning trajectories. Individuals should be supported
to determine their learning and to make their own educational decisions. These two points of
interest imply in the third place that creating time and opportunity to learn should be high on the
policy agenda. Individuals are to be provided with time and opportunity to combine learning with
responsibilities in working life and private life.

This individual approach was also highlighted in the communication issued by the European
Commission (2001) one year later. The communication ‘Making a European Area of Lifelong
Learning a Reality’ indicates the need to facilitate individual pathways to learning and to develop
new ways of valuing individual learning in order to obtain broader access to the labour market or
to educational trajectories. Not only formal educational activities should be valued, also non-formal
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learning and even informal learning should be appreciated and formally recognised. In order to value skills and knowledge that the individual has gained in the course of their (working) life, gaps should be bridged between different learning contexts and forms of learning. European policy documents repeatedly mention the concept of ‘life-wide learning’. Life-wide learning puts the emphasis on the perception that learning can take place in different contexts and can incorporate a wide variety of methods. According to Glastra & Meijers (2000) life-wide learning is even preferred to lifelong learning because it relates to individuals as active citizens in various fields of society: private life, working life and civil society. The UNESCO report ‘Learning the treasure within’, published in 1996, had already advocated an integral approach to lifelong learning: “Not only must it adapt to changes in the nature of work, but it must also constitute a continuous process of forming whole human beings – their knowledge and aptitudes, as well as the critical faculty and ability to act. It should enable people to develop awareness of themselves and their environment and encourage them to play their social role at work and in the community” (Unesco, 1996, p. 19).

Access to learning opportunities can, according to the European Commission (2000), be stimulated by the introduction of adequate financial means. Financial means can encourage various different actors to invest in learning. Although public expenditure remains the key strategy for lifelong learning, especially in pre-school and initial education, social partners, employers and individual employees gain by taking responsibility for learning and knowledge development. However, in Europe there are relatively few employers who invest in human resources. For small businesses especially, spending money on training seems a risky investment. Therefore, in addition to initiatives of member states to stimulate lifelong learning in their territory, the European Union has set up several measures to stimulate lifelong learning. One of these arrangements is the European Social Fund. One of the objectives of this fund is to strengthen the position of groups at risk in the labour market. Through the ‘Equal Initiative’, this fund promotes demand-led systems for investment in human capital and lifelong learning (European Commission, 2004). The Equal Initiative is particularly aimed at encouraging employers of Small and Medium-sized Enterprises (SMEs) to ‘invest in human capital’.

In order to facilitate pathways to individual learning and ‘to foster a culture of learning’ further, innovative financial mechanisms should be developed, according to both the European Commission and the Organisation for Economic Co-operation and Development (OECD, 2001). The OECD draws attention to Individual Learning Accounts as an innovative financing strategy. Referring to prior initiatives of similar systems in the UK and Sweden, the OECD assumes that ILA can be regarded as individual asset-building of poorly educated and poorly qualified people. According to the OECD, asset-building has the advantage of supporting income, in that it provides an incentive to change individual behaviour in ‘socially desirable ways’; for instance to entrepreneurship, educational participation and educational attainment. The OECD warns that policy makers, 

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1 Formal learning is learning that takes place in recognised educational institutions and through which official certification can be acquired. Like non-formal learning, formal learning is intentional from the perspective of the learner and occurs in a structured manner. As opposed to formal learning, non-formal learning does not occur in officially recognised educational centres and does not lead to formal certification. Informal learning however, is often unintentional and does not take place in a structured form. This type of learning occurs in the day-to-day practice.
however, should carefully target such programmes to groups that traditionally do not participate in adult education. Due to the newness of such initiatives and the lack of empirical evaluation, the OECD could not yet draw conclusions as to the workings of ILA. Therefore, in line with the policy outlines of the European Union, the OECD (2003b) has investigated various mechanisms of co-financing lifelong learning in various member countries, among which are the experiments with ILA in the Netherlands (see also: Renkema, 2002).

In sum, the idea of ILA emerged on the backdrop of the necessity to stimulate participation in adult education. The experiences with this instrument in the United Kingdom and Sweden have caught the eye of the European Commission as a possible policy measure for national governments to stimulate the investment of human resources and to stimulate ‘life-wide learning’. The OECD focused on the instrument as an opportunity for asset-building of adults who traditionally do not participate in lifelong learning activities.

### 2.3 Lifelong learning policy in the Netherlands until 2002

Before we discuss how ILA took root in educational policy discourse, we will briefly outline Dutch policy on lifelong learning since the nineties of the previous century. It has always been difficult to identify lifelong learning policy in The Netherlands. Different actors (ministries, educational institutions, social partners, citizens) are involved in permanent education and carry several responsibilities. According to the government, lifelong learning is about the lifelong development of diverse talents, with different aims, within a variety of learning environments and by various target groups. In the field of education and learning, the Dutch government directs its policy on lifelong learning primarily towards initial education (Ministerie van Onderwijs, Cultuur & Wetenschap, 2002a). The government considers itself to be responsible for providing a steady basis for lifelong learning in initial education. Initial education can be divided into education for those legally obliged to go to school and education followed until labour market entry. Up to the age at which school attendance is obligatory, the government is responsible for education. Post-initial schooling is dominated by activities initiated, developed and financially supported by companies and social partners. In this segment, private and non-public providers in particular are active. Secondary and higher vocational education and universities also operate in the field of post-initial education and training. However, along with basic adult education, this educational provision is mainly publicly financed.

In 1996 the Adult Education and Vocational Training Act was introduced (Wet Educatie Beroepsouderwijs, WEB). This act aimed to provide access to and transparency of Adult Education and Secondary Vocational Education through a uniform National Qualification System. The principle of accessibility is expressed in the intention to respond better to individual educational demands. Furthermore, the WEB constituted the integration of adult Education and Secondary

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2 The competencies necessary to achieve a certain qualification level are specified by social partners on sector level set out in National Organisations for Vocational Training.
Vocational Education in Regional Education Centres (ROCs). The emergence of ROCs has involved major institutional re-organisation and up-scaling of adult and vocational training institutes (Hake & Van der Kamp, 2002). These scale expansion formed part of a number of government strategies to stimulate market mechanisms in the sector of Vocational Education and Training (VET). The act granted autonomy to the ROCs to establish and maintain intensive contacts with stakeholders such as municipalities and local employers in their regions. Other educational institutes specialising in providing educational activities to adults which do not lead to formal certification, were not integrated in the ROCs (this applies for example to Volksuniversiteiten).

In 1998 the Dutch government attempted to follow up on European policy outlines for lifelong learning through the introduction of a series of measures documented in the National Action Programme Lifelong Learning (Ministerie van Onderwijs, Cultuur & Wetenschap, 1998). The central message of this action programme was that every citizen should feel the necessity to learn continuously through the course of his/her life. The National Action Programme Lifelong Learning focused mainly on stimulating workers and employees to participate and invest in training and employability development. Therefore, critique on this action programme is mainly concentrated on the role of public providers of post-initial education. Hake & Van der Kamp (2002) argue that it was ‘exceptional’ that the National Action Programme Lifelong Learning barely mentioned the role of (the public providers of) VET. Furthermore, the authors noticed that the emphasis in the action programme was to a large extent on employability. Van der Kamp (2000) concludes that, because of the emphasis on employability, the programme only barely touches on the idea that learning can encourage social cohesion and citizenship competences. In European policy documents on lifelong learning, however, life-wide learning is mentioned frequently, which puts the emphasis on active citizenship. Glastra & Meijers (2000) postulate similar critique. They argue that employability offers merely a limited perspective on the lifelong learning discourse. According to the authors, in this perspective paid labour is presented as the ‘exclusive domain of life fulfilment’ and any competences other than employability are ignored.

Central to the action programme was the consolidation of tax reduction schemes to motivate employees and employers to stimulate lifelong learning. In the first place, individual workers could deduct tax when they incurred educational expenses (Waterreus, 1999). Furthermore, employees received the opportunity to withdraw money without tax expenses from a blocked employee savings account (Employee Saving Scheme) when they paid for a training course. With this saving scheme, employers can offer their employees the opportunity to save a certain amount of their gross income on a monthly or annual basis with fiscal profits. In the second place, employers could apply for three tax deductions for expenditures on work-related training for employees (Waterreus, 1999). These tax facilities are in particular aimed at investing in schooling for workers without basic qualifications through fiscal facilities for employers, stimulating training for a basic qualification. In order to encourage small and medium-sized enterprises (SMEs) in particular to invest in training, these companies can tax deduct relatively higher training expenses. The national action programme presented additional tax-deduction schemes, aimed at up-grading workers without basic qualifications and stimulating learning by older employees. According to the Dutch government, the attainment of the basic qualification level (level two of the NQS) is a minimum pre-condition to participation in the labour force and to retain employability.
Through these tax reduction schemes, governments aim to stimulate social partners to take responsibility for post-initial learning. In this light, Jansen (2003) observes that the Netherlands invest less public money in post-initial education than other European countries. The author pointed out in a cross-national study on tax-reduction systems (Austria, Finland and the Netherlands) that tax expenditure through tax measures is less necessary when the government stimulates learning by high public expenditure on post-initial education. For instance, in Finland there are hardly any tax measures in comparison to the Netherlands, where public expenditure on post-initial training and education is very low.

Table 2.1 shows that the share of public providers offering post-initial education is considerably lower in relation to commercial organisations and employers or sector organisations. More than 50% of the individuals engaged in training or in courses in the OECD member countries are supported by employers (OECD, 2003a). Employers are regarded as the main catalyst of training where a high return of investments is expected.

<table>
<thead>
<tr>
<th>Course providers</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial organisations</td>
<td>40</td>
</tr>
<tr>
<td>Company/employer/sector organisation</td>
<td>28</td>
</tr>
<tr>
<td>Higher education</td>
<td>8</td>
</tr>
<tr>
<td>Regional Education Centres</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>20</td>
</tr>
</tbody>
</table>

Table 2.1: Providers of courses followed by post-initial monitor panel 1999 (Source: Houtkoop, 2002)

In addition to these tax deduction schemes for education and training, the National Action Programme Lifelong Learning proposed a number of measures aimed at stimulating social partners to invest in lifelong learning and employability. One of these measures was the appointment of ‘employability advisors’ to existing sectoral infrastructures (such as sector training funds) to provide guidance and coaching for employers and employees. This measure was specifically aimed at stimulating SMEs to invest in training. Furthermore, the government initiated that, in order to reinforce investment in human resources, companies shown to have invested structurally in their employees would be eligible for the ‘Investors in People Award’, licensed from the United Kingdom. Apart from measures directed to labour contexts, the action programme also proposed initiatives to stimulate participation in schooling of the unemployed. More emphasis was thereby put on tailor-made training in trajectories that lead to employment. This also involved the development of centres for the assessment and accreditation of prior learning. In this respect, social partners were also called to account in order to take on more responsibility for training and re-integrating the unemployed by extending the reduced pay period of unemployment funds. In 1998, the government and social partners (represented in the Labour Foundation) agreed upon a number of measures to stimulate employability on the basis of the policy outlines of the National Action Programme.
Lifelong Learning. In 1999 these measures were crystallised in ten concrete action points in the Employability Agenda.

In summary, it can be said that the measures proposed in the National Action Programme Lifelong Learning, issued by the Dutch government in the wake of European policy outlines for lifelong learning, was heavily focussed on the notion of employability. In addition, much attention was given to the role of social partners and companies to stimulate investment in human resources, rather than the role of educational suppliers. The action programme did not clearly put forward the image of active citizens who invest not only in learning vertically, but also horizontally aimed at personal development and citizenship competencies. Before addressing this issue, the subsequent section will discuss the critical role of social partners in lifelong learning.

2.4 The role of social partners on sector-level

The fact that policy measures for lifelong learning in the Netherlands concentrate on stimulating the responsibility of social partners is not without reason. In the Netherlands, the major part of post-initial training is provided, organised and/or financed by employers, social partners (mostly on sector level) and private suppliers of education. For financing training employers often seek support from sector training funds. 22% (19% of the labour force) of the collective labour agreements impose collective levies of training costs by employers through sector training funds (De Korte et al., 2002). These sector training funds are administrated by the social partners of a certain branch of industry. The prime function of sector training funds is equalisation of schooling costs (Waterreus, 2002). Companies that belong to a sector of industry contribute a compulsory share of the average employment pay to the training fund operating in their particular sector of industry. Sector training funds square costs on, for example, upgrading employees, apprenticeships (as a part of vocational schooling) schooling of unemployed people wishing to work in the sector, and employment projects. One of the advantages of this system, apart from spreading training investment risks, is that schooling and training is less susceptible to economic conjuncture, through the steady annual contribution.

Sector training funds have roughly two functions. In the first place, they have to guarantee objective quality audits of training. Quality audits should be carried out separately from the supply of training in order to prevent truck systems and entanglement of interests. In the second place, the funds have to require equal distribution of training to employees in all levels of qualification. This second function of Sector Training Funds is hardly feasible in practice. Most Sector Training Funds provide subsidy through training days. The problem of this system is that when employers distribute training days among employees, the sector runs the risk that poorly educated and qualified employees get the rough end of the stick. A study conducted by Waterreus (2002) points out that in 1999, poorly educated employees are the target group most mentioned by sector training funds as the group on whom they focus their policy.

Furthermore, Waterreus (2002) points out that small companies can suffer adverse consequences from the reimbursement system. In first instance, the reimbursement policy of these funds discourages informal training in labour organisations. Informal training activities are quite commonly
undertaken in small companies. These activities are not eligible for subsidy. Secondly, small companies run the risk of becoming entangled in the complex bureaucracy of the reimbursement system. In general, sector training funds succeed very little in reaching employees in small to medium-sized companies with fewer than fifty employees. Sector Training Funds give a number of reasons for this failure, which include the ineffectiveness of information about training for small companies and the problem of arranging temporary replacements for employees who are in training. Table 2.2 underpins Waterreus’ observations.

<table>
<thead>
<tr>
<th>Company size (number of employees)</th>
<th>% subsidy ST fund</th>
<th>% participation training</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 - 19</td>
<td>21</td>
<td>36</td>
</tr>
<tr>
<td>20 - 49</td>
<td>28</td>
<td>37</td>
</tr>
<tr>
<td>50 - 99</td>
<td>32</td>
<td>39</td>
</tr>
<tr>
<td>100 - 199</td>
<td>32</td>
<td>43</td>
</tr>
<tr>
<td>200 - 499</td>
<td>33</td>
<td>46</td>
</tr>
<tr>
<td>500 - 999</td>
<td>26</td>
<td>44</td>
</tr>
<tr>
<td>1000 and more</td>
<td>18</td>
<td>42</td>
</tr>
</tbody>
</table>

Table 2.2: Subsidy for training through Sector Training Funds contributions and total percentage of companies organising training in 1999 (Source: Statline/CBS, 2005)

Table 2.2 shows that according to the measurements of CBS in 1999, a higher percentage of companies in the large categories than SMEs received subsidy for schooling. Apart from the very large companies possibly being able to arrange and finance most of their own training expenditure, the smaller a company, the less likely they are to receive subsidy from sector training funds. It is important to note that there are more small and medium-sized companies than large companies throughout most of the sectors of industry in the Netherlands.

According to Van der Berg, Meijers & Sprengers (2005), Sector Training Funds should allocate funds more carefully across the sector, according to a well outlined long-term employability strategy. They conclude that social partners often do not formulate a long-term vision on HRD in the sector, but are inclined to stick to short-term tactical decisions. Mental power and decisiveness of Sector Training Funds are, according to the authors, often influenced by political relationships between the social partners. Success of a training fund is usually unilaterally claimed by either of the two social partners (i.e. the trade unions or the employer organisations). According to the authors, one of the challenges for this long-term strategy of training funds is to give a major place to the individual

workers as a target group in the activities and instruments in the policy framework. This individual focus can lead to a more fair and efficient allocation of funds. The authors propose to integrate ‘transfer sums’ in Collective Labour Agreements (CLAs) in order to crystallise the principle of equalisation.

Some CLAs particularly mention such individual finance schemes for employability. With regard to the whole range, the Labour Foundation (Stichting van de Arbeid, 2001) observed the development of innovative measures for employability, in which the equal responsibility of employer and employee are explicitly included. Towards the end of the previous century, in a number of sectors of industry the provision of (vocational) education increasingly offered a wider range of modules, and consequently CLAs started to include a mixture of investments of employers and employees. Training and educational leave are thereby regarded as more traditional arrangements in CLAs. Arrangements such as company development plans and personal development plans are regarded as more recent arrangements for employability. The Labour Foundation observed that in 1999, 32% of the employees in the Netherlands were employed under a CLA in which some kind of development plan was in place. Table 2.3, based on data of two reports of the Labour Inspection, shows that this percentage grew to 65% in 2001 and 67% in 2004 (Arbeidsinspectie, 2001; 2004).

<table>
<thead>
<tr>
<th>Development plans</th>
<th>CLAs 2001 (abs)</th>
<th>CLAs 2004 (abs)</th>
<th>% employees 2001a</th>
<th>% employees 2004b</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal development plan</td>
<td>36</td>
<td>54</td>
<td>26</td>
<td>34</td>
</tr>
<tr>
<td>Personal training budget</td>
<td>2</td>
<td>8</td>
<td>3</td>
<td>13</td>
</tr>
<tr>
<td>Company development plan</td>
<td>26</td>
<td>33</td>
<td>24</td>
<td>3</td>
</tr>
<tr>
<td>Sector Development Plan</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Arrangement for study equipment</td>
<td>56</td>
<td>63</td>
<td>44</td>
<td>48</td>
</tr>
<tr>
<td>Totalc</td>
<td>80</td>
<td>87</td>
<td>65</td>
<td>68</td>
</tr>
</tbody>
</table>

a percentage of the total number of employees under 125 CLAs
b percentage of the total number of employees under 122 CLAs
c total is not equal to the sum of arrangements, because some CLAs include more than one arrangement.

Table 2.3: Collective Labour Agreements with development plan arrangements (Source: Autumn reports of the Labour Inspection, 2001; 2004)

Although the percentage of employees working under a CLA with such arrangement did not grow considerably, we can identify a noticeable increase of the number of CLAs that include some kind of arrangement for personal development plans. A personal training budget can be regarded as the most innovative arrangement because it refers to individualised financing mechanisms for training and development. In 2004 13% of employees in the Netherlands were categorised under a collective agreement which provided a personal training budget. Furthermore, De Korte et al. (2002)
observe that 50% of collective agreements analysed mention some sort of individual schooling rights. However social partners require that the initiative for transforming these learning rights to concrete action be up to employers and employees. Sector Training Funds have a leading role in crystallising these principals into concrete projects.

In sum, this section showed that the predominance of private initiative yields an important deficiency of post-initial learning market, namely the equal distribution of funds and means for learning and training. Training and competence development are often not within the reach of employees with little education and workers employed in SMEs. The subsequent section (section 2.5) will elaborate on national and international studies on participation in lifelong learning and will focus on the characteristics of specific ‘groups-at-risk’. However, we have observed a growing interest of social partners in the development of innovative measures to individually encourage employee and employer to invest in learning and training. From 2001 onward, the Dutch government also showed interest in stimulating individual educational demands. This will be explained in section 2.6.

2.5 Participation in lifelong learning from 1999 to 2004

Because certain groups of adults are not within reach of training and education, several national and international studies have revealed that lifelong learning appears to be still an illusion for many. In this section we will take a closer look at certain groups-at-risk which continuously fall by the wayside and do not succeed in ‘getting on the road’, despite special policy attention. Houtkoop (2002) and the OECD (2003a), for instance, point out that training and post-initial education tends to concentrate on workers who are already qualified or have a higher level of initial education. This means that there appears to be an unequal distribution of participation rates to lifelong learning. Hake (2000) indicates that studies on participation support the ‘accumulation hypothesis’ (Tuijnman, 1991), which puts forward that the level of initial education explains participation of adults in educational activities to a high extent. What is more, according to empirical findings, low participation of employees with low educational levels seems to induce a ‘vicious cycle of non-participation’. The rate to which someone regularly participates in educational activities seems to indicate future participation. Prior participation in post-initial education is an important determinant for lifelong learning (Doets & Westerhuis, 2000; Van der Kamp, 2000).

In general, however, Van der Kamp (2000) concludes that participation in adult education has grown since the nineteen seventies. The figures he presents are based on the international Adult Literacy Survey (IALS) by the OECD in 1994 and early 1995. This survey operationalises educational participation as annual participation by persons aged between 16 and 75 in one or more organised educational activities, such as courses, with a minimum duration of six hours (OECD & Statistics Canada, 1995). This survey reported that 37.7% of (young) adults in the Netherlands had participated in educational activities in line with this broad definition.

It is, however, difficult to make a statement about changes in participation. In the first place, Hake (2000) points out that different studies on participation use different definitions of adult education. The percentage of participation in the seventies was based on an OECD study that considered operationalised educational participation as participation in any form of vocational education which
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leads to formal certification (OECD, 1975). The same study pointed out that a number of adults participating in general adult education, long-range education facilities and socio-cultural training without formal certification, were not included in this rate of participation.

Secondly, Houtkoop (2002) argues that it is hard to pinpoint changes in participation in post-initial education, due to a lack of available longitudinal measurements. He compared the IALS survey conducted in 1994 and 1995 with a study based on a representative monitor panel (Post-initial Monitor) at the end of 1999. This survey was strongly inspired by the IALS regarding operationalisations, types of questions and construction of the panel. In this group 46% of the respondents were involved in work-related courses.

In the third place, Houtkoop (2002) argues that different studies use different referent periods to measure participation. A difference between two participation studies can be caused by the fact that respondents were asked to indicate their participation at the moment, in the past month or in the past year. The Labour Force Survey of the Centre for Statistics in the Netherlands, for instance, employs the reference period of the previous four weeks (CBS, 2004). This survey is based on the European Union Labour Force Survey in the European Union. In the IALS, the reference period is the last 12 months preceding the survey.

In consideration of the similarities between the IALS and Post-initial Monitor, comparison points out that participation in work-related courses increased between early 1995 and the end of 1999. This study also pointed out that work-related courses predominate, followed by ICT courses such as computer techniques, data processing and word-processing. This indicates that work environments keep setting up new requirements with respect to ICT and schooling is regarded as an important means to meet these demands.

Beside non-participation of people with a lower standard of education, Van der Kamp (2000) concludes that participation rates show that more men than women take part in lifelong learning. Furthermore, there is a significant relationship between age categories and participation to lifelong learning, in the sense that older age categories participate less in learning activities than younger people (Houtkoop, 2002). The turning point, nonetheless, is relatively late. Up to the age of 50, older age groups still participate regularly in learning activities. The conclusions of these two researchers are confirmed by a Eurobarometer survey in the EU15 countries published by Cedefop in 2004 (Chisholm, Larson, & Mossoux, 2004). The definition of participation in lifelong learning in this survey is also based on IALS between 1994 and 1995. This study points out that age and level of education are the most significant determinants for non-participation in lifelong learning. Gender, however, seems to be a less significant factor, according to this study.

In line with the European strategies, the Dutch government set itself the target of increasing the participation of adults in work and vocation-related education before 2010 (Ministerie van Onderwijs, Cultuur & Wetenschap, 1998; Ministerie van Sociale Zaken & Werkgelegenheid, 2003). The objective for that year is to approach the two best performing European countries in this respect. Figure 1 shows that, in the five years between 1999 and 2004, the participation rate in lifelong learning increased in almost every country presented. This figure is based on the Labour-force Survey (ELFS) and the percentages are considerably lower than the figures presented by IALS. This difference relates to the reference time used in this survey. In IALS, the time reference
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is 12 months preceding the survey and the ELFS, it is four weeks (OECD, 2003a). In spite of these differences, country patterns are largely comparable (see also: Chisholm et al., 2004).

![Figure 1: Participation percentage in lifelong learning EU15 (Source: Eurostat, 2005)](image)

Striking is the high rate of participation in the Scandinavian countries within the EU (Norway also sticks out as a non-EU member with a participation rate of 19.1%). The Netherlands belongs to the five EU15 countries with the highest rate of participation in lifelong learning. However, the growth of this participation rate lags behind in comparison to Denmark, Sweden, Finland and the UK.

2.6 Deregulative policy strategies towards VET

The previous sections show us that, on the one hand that there are still a number of groups in society that do not participate in lifelong learning; and on the other there is a growing interest on the part of social partners to invest in individual educational demand. This urged the Dutch government to evaluate its educational policy. In 2001, the Dutch government mandated a study group for market, deregulation and quality of legislation (MDW working group) to map the ‘educational market’ in the Netherlands and point out bottlenecks and trends for the shaping of future educational policy. In contrast to the Netherlands, in Scandinavian countries within the EU and in the United Kingdom, the government carries a greater responsibility for lifelong learning (for
citizens above the start qualification level). This greater responsibility includes finance, organisation and executive responsibility of the market for post-initial education. However, the MDW working group has recommended maintaining the division of responsibilities and shifting the accent to individual lifelong learners (MDW-working group, 2001). More freedom of choice for the individual learner, flexibility of provision, tailormade and quality educational offers, transparency of offers and information are some principles put forward by the working group. The recommendations of the MDW workgroup have confirmed the course already shaped by the Dutch government towards individual financing mechanisms of post-initial education. According to the policy document, published in the same year, the ministry wished to elaborate on the concept of 'individual learning rights' (Ministerie van Onderwijs, Cultuur & Wetenschap, 2001). Furthermore, in 2000 the Dutch government initiated the Regulation Experiments Individual Learning Accounts (Ministerie van Onderwijs, Cultuur & Wetenschap, 2000). In its reaction to this recommendation to stimulate more individual freedom of choice, the Dutch cabinet pointed out the need to explore possibilities to use prevailing tax measures for a personal development account. The cabinet announced an exploration into possible modalities of personal development accounts (see report: De Korte et al., 2002). In 2001, the government issued the regulation for follow-up experiments with ILA, in which unemployed people were also included. These experiments will be described in the next section. In this section we will discuss how these policy measures fit into a major policy trend characterised by a government withdrawing from public facilities. ILA as a financing principle of traditionally public facilities (for example care or education) can be regarded within the wider framework of this changing policy perspective. In other European countries, such as the United Kingdom, a similar tendency towards individualist policies for VET has occurred. This trend relates to the tendency of deregulation of traditionally public offer on the one hand, and market regulation through stimulating demand control on the other. Since the introduction of the WEB, deregulative policy strategies in (the traditionally publicly-regulated) VET are aimed at stimulating competition among providers and leaving more decision-making power to regional education centres. The WEB made it possible for other providers to provide training courses according to the National Qualification Standard. From the year 2000 onward, the government has focussed more on strategies to regulate the market. These strategies are aimed to tackle market failures, such as a lack of transparency of provision and a lack of influence of the demand side. In 2001 the Educational Advisory Council advised the government to focus on the fortification of the demand side, because government deregulation strategies had not resulted in a more flexible educational supply able to optimally anticipate market demand (Onderwijsraad, 2001). According to the Educational Advisory Council, this had to do with the fact that deregulation policy does not extend to the content and the form of educational supply. Therefore deregulation did not lead to a more diverse educational offer. Up to then, regulative strategies to enhance the position of the requirement side did not get off the ground. Furthermore, the Social Economic Council (SER, 2002) was of the opinion that schooling demand should be articulated, and added that schooling supply had enough incentives to anticipate this requirement innovatively and efficiently. The introduction of individualised financing systems can be seen as a regulative market strategy to fortify the position of educational demand. A demand-led instrument such as ILA can further stimulate market mechanisms in post-initial education.
Individual financing strategies portray individual learners as critical consumers; a position that should be reinforced by enabling them to choose the form and content of their curriculum according to their learning style and possibilities (Westerhuis, 2002). From the socio-political point of view, the individual will be regarded from a holistic perspective. Citizens are no longer regarded as objective categories, differentiated by biological and sociological characteristics. The individual is increasingly viewed as a qualitative unit rather than a part of a group or social stratification with specific features (De Vijlder, 2002). The Education Advisory Council regards Individual Learning Accounts as a suitable instrument for those with low levels of education to autonomously think about learning (Onderwijsraad, 2003). Although ILA should be employed for work/task-related use, they argue that especially workers with low education levels can gain by the opportunity ILA offers for investment in learning for personal development. For these workers, however, ILA should be embedded in a social and work-related context in which psychological support is available to stimulate learning. If ILA is offered without such a context, it appeals mainly to those with a higher level of education who can use the learning account to acquire general competencies (such as language courses) rather than specific work-related competencies.

Keep (1997) however, is critical about the individual approach to creating a ‘learning society’. He focuses in particular on the personal risk of failure. Whenever outcomes fail to match expectations, the individual will be blamed for a lack of adequate motivation. This puts a great responsibility on the individual, and according to the author, which evokes the question of how the individual can bring about change when educational provision is not concerned with individual needs, and when skill usage is heavily circumscribed by the employer, who also has control over development and training. In addition, the author raises the question how individuals can overcome structural barriers to engage in lifelong learning. Examples of such individuals are older employees with a low level of education, for whom employers are not willing to finance development and training. He states that motivation to engage in learning is partly shaped by opportunities and incentives the environment offers the individual. Smith & Spurling (1997) recognise this problem. However, these authors make a strong plea in favour of individual financing mechanisms. A government supporting ‘individual lifelong learning accounts’ will, according to the authors, enable different actors (government, employers and individuals) to invest in funds to “… support individuals’ choice of learning on a social or mutual basis” (Smith & Spurling, 1997, p. 14).

The implication of demand-led financing systems for supplying organisations is threefold: it implies change of the professional role, change of didactical methodology and organisational change. First it is important to mark out the changing role of professionals. According to Bosselaar (2002), the role of professionals is exposed to open fire. Fortifying the position of the individual ‘consumer’ has the effect on organisations comprised of traditionally public facilities such as care and education, involving a radical change of the professional role from a directive protective role to facilitating the empowerment of the client. Empowerment means enhancing individual autonomy and competencies of the individual. The Social Economic Council warns that ILA cannot stand alone, it needs to go together with adequate guidance and coaching facilities to stimulate demand articulation (SER, 2002). Apart from coaching and guidance, individuals should be provided with clear information about schooling possibilities in a transparent educational market (see also: OECD, 2001). This coaching and guidance can be purchased from other, often private, organisations.
Apart from the changing role of educational professionals, a transition of curricula and didactic methods can be detected as a result of more demand-driven education. According to Westerhuis (2002), many courses offered by providers of secondary vocational education (ROCs) are experimenting with educational forms based on principles of problem-oriented learning, open learning and self-directed learning. Furthermore, secondary education provides educational trajectories combined with work experience. One of the most important advantages of these combined trajectories is that they facilitate the transfer from learning in the educational centre to the work floor practice. Students also experience how learning takes place in practice. The author concludes that: “Learning in the workplace (…) requires a double meaning in the sense that, on the one hand, the workplace is one of the learning environments in initial vocational education, and, on the other hand, it is a place for the development of practical strategies” (Westerhuis, 2002: pp. 66).

In addition to the shift in the role of the professional and innovation of didactical forms, De Vijlder (2002) detects changes in the organisational structure of (educational) organisations. In both governmental organisations as well as companies, he sees a shift from hierarchical ‘tayloristic’ structures to flexible network structures. However, in 2002 the Social Economic Council denoted these network structures as ‘science fiction’. The council concluded that the educational supply lacks accessibility, transparency and efficiency (SER, 2002).

It can be said that individual finance modalities of former public facilities is a controversial issue. Criticism mainly focuses on the principle that considerable responsibility is now moving towards the individual. First, the question arises whether the individual citizen can indeed direct his own learning trajectories. On the one hand self-directiveness can be frustrated by opposing intentions of the employer, while on the other hand predominantly supply-led educational centres may not be able to respond to individual demand. When educational endeavours fail to render the intended return, this leads to personal failure. This implies, in the second place, that professional guidance and coaching facilities should be incorporated into ILA, in order to support the individual in his decisions. The question of who or which institution is capable of providing this kind of facility from a neutral and objective perspective arises. This furthermore raises the question of how this coaching facility will be financed and how the professional is supposed to interpret his pedagogical role. In 2000 the Dutch government introduced the temporal Regulation Act Experiments with Individual Learning Accounts. The subsequent section elaborates on the experiments and reports the outcomes of the programme evaluation carried out by the Dutch centre for Innovation of Education and Training (CINOP).

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Secondary Vocational Education consists of two variations. The Vocational Preparation Trajectory (bol) has a partial workplace component, while the Work-based training Trajectory (bbl) has a workplace component of over 60%.
2.7 Experiments with ILA in the Netherlands and the UK

In line with the policy tendencies set out in 2001, the Dutch Ministry of Education, Culture and Science called upon representatives of business, knowledge institutions and training brokers to submit a request for an experiment with ILA. The idea of ILA is to give all citizens in The Netherlands over 18 years of age a limited amount of learning rights, the use of which is not dependent on age. Therefore, the government issued a temporary encouragement scheme which funded projects for the opening of ILA. According to the subsidy scheme, an ILA is a savings account for working people and job seekers, which can only be used for training (Ministerie van Onderwijs, Cultuur en Wetenschap, 2000). The projects set up two rounds of experiments. Given the experimental nature, applicant organisations were allowed the opportunity to adapt the learning account to their own needs within a general framework (Ministerie van Onderwijs, Cultuur & Wetenschap, 2000). This framework described an ILA as a savings account in the name of the employee or job seeker, which the individual can use to pay educational activities. After the first ILA experiments, the ministry initiated follow-up experiments (Ministerie van Onderwijs, Cultuur & Wetenschap, 2002b). In these follow-up experiments, the same organisations participating in the original experiment included ILA projects aimed especially at job seekers. Education followed with the ILA should be training explicitly focussing on the individual’s career and employability. To this learning account, the individual, the employer or other interested parties (i.e. local or national government) could contribute in the form of money and/or time. However, the initiative, the planning and the responsibility for training should lie with the individual. Almost twenty applications were received, eight of which were granted. The initiators of the eight proposals were: three industrial sector training funds (food industry, General Fruit and Vegetables, and care and welfare), three local training brokers (RBOs) and two regional education centres (ROCs). Each project opened between 150 and 200 learning accounts in both experimental phases.

ILA experiments in the Netherlands were inspired by prior experiences with this system in the UK. In 1998 the British department for Education and Skills initiated pilot programmes, which resulted a year later in a national programme. The three guiding principles of ILA in the UK were: incorporate employee-led development schemes, second priority for people below NVQ level 3, providing individuals with access to adequate information and guidance (Fryer, 1997). According to Department for Education and Employment, ILA should be built on two principles: individual choice and shared responsibility between individual, employer and state. The Training and Enterprise Councils (TECs) spread across the UK were responsible for implementing and delivering ILAs. TECs are government-funded employer-dominated bodies which aim to stimulate local economic development, and encourage investment. Just like the experiments in the Netherlands, the programmes of the various TECs differed in details, however they all had basic common features.

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5 These bodies do not, as in the Netherlands, represent both social partners, trade unions only take part by invitation. Furthermore TECs are locally organized and not by sector of industry. They support enterprises in a specific region to develop and provide training and support for the unemployed and fund vocational qualifications. For this function they have a contractual relationship with the Department of Education and Skills to deliver government training programmes. Furthermore, they co-ordinate educational provision and future educational needs of local industry.
The funding division, for instance, was the same in all programmes: the ILA contained £150 (Euro 225.50) contributed by the TEC and £25 (Euro 37.60) by the account holder. In Britain around 2.5 million learning accounts were opened between 2000 and 2002. The number of account holders in the programme exceeded the government’s expectations and quickly expanded beyond its capacity.

The idea of an increasing policy focus on individual commitment to participation to learning has not received praise only. Thursfield, Smith, Holden & Hamblet (2002) discuss this tendency in relation to ILA and show critical perception of this policy instrument based on practical, philosophical and ethical dimensions. They base their critique on a study conducted by Payne (2000) on the ILA scheme in Great Britain. This section will discuss six issues that emerged from critical observations of the British ILA scheme and a process evaluation of the Dutch experiments, carried out by the Centre for Innovation and Training (CINOP) (Doets et al., 2002; Geertsema et al., 2004), a country report of co-finance mechanisms for lifelong learning in the Netherlands (Renkema, 2002) and a report of interviews with the eight pilot organisations (Groenenberg & Renkema, 2003).

First, Thursfield et al. (2002) point out that the idea of partnership within the framework of the ILA scheme tends to omit individualism. In practice, the development of employees’ skills is translated into what the organization requires in terms of training and development. The ILA scheme is used by these companies for subsidising their training budget. Something similar happened in the Dutch experiments with ILA. The individual freedom of decision making varied throughout the pilots (Doets et al., 2002). On the one hand, there were situations in which a company had registered employees in a collective company training course using the money from the learning account. In some of these cases the individual was not even aware that they possessed a learning account. On the other hand, there was the situation where the account holder has complete freedom of choice in finding a use for the money in the learning account. In the latter case, there were no partnerships with companies. The pilot organisation administered the learning account and communicated directly with the learner, without any intermediating role of an employer. In this regard the role taken by the project organisation is important: to what extent has the organisation acted as ‘owner’ of the ILA concept, and has it kept to the essential characteristics of the concept? Fundamentally, ILAs, in both Dutch and British schemes, were designed for the development of individual assets and not the development of company assets.

In the second place, the Thursfeld et al. (2002) discuss the failure of the ILA scheme in Britain to target poorly qualified employees. Only 44% of respondents were poorly qualified or low-skilled. Furthermore, there is evidence that learning with ILA was taken up by skilled learners. They name two possible reasons for this. First, it is possible that respondents did not define themselves as poorly qualified. Respondents had to fill out a questionnaire in which apparently the question was asked whether they were low-skilled. On the one hand, this question could very likely evoke socially accepted answers, but on the other, according to the previously discussed OECD study, low-skilled people tend to not qualify themselves as such. The second reason for the failure to attract low-skilled people for the scheme could be due to the fact that the sources for marketing, such as private and public training providers, favoured skilled learners. The study pointed out that 75% of respondents had participated in learning activities previous to the ILA programme. These findings are in contrast to the Dutch experiments with ILA, to which mainly people with low levels
of education and few qualifications participated (Geertsma et al., 2004). Nonetheless, it is not possible to conclude that ILA attracted respondents with low educational levels. All pilots involved in these experiments specifically targeted this group.

Thirdly, the British authors question the intended commitment to learning. By commitment to learning, they mean the intention of participants to continue studying after the current course or programme is completed. This commitment is linked to the issue of finance. The study pointed out that 70% felt that ILA had given them a sense of investing in the future. Nevertheless, they were equivocal about saving money for learning. Only 40% agreed or strongly agreed on the question whether they intended to save money for learning. This means, according to the authors, that there is little evidence that the account had been embraced as a means for lifelong learning. A number of respondents viewed the ILA scheme was temporary as over 60% of respondents in the sample exhausted the account. A similar finding occurred in the Dutch ILA experiments. Around 60% of the account holders in these experiments did not want to invest in a saving-for-learning scheme without a governmental contribution (Geertsma et al., 2004). Employees clearly do not regard ILA as a future investment. They bear the opinion that the employer should finance training.

However, Doets et al. (2002) conclude that the Dutch experiments with ILA contributed to the enhancement and increase of motivation of individuals to engage in learning across their lifespan. In the Dutch experiments, account holders reported that personal development was by far the most important motivation for participating in the ILA experiment. According to Doets et al. (2002) this means that “the instrument ILA taps into other motives than those which apply to traditional company-directed schooling”. Given the dominant motivation with respect to personal development, it is noteworthy that most individuals chose for occupation-related courses in both the original and the follow-up experiment. This probably shows that the motive of personal development does not necessarily directly relate to the content of the chosen course. ILA certainly encouraged the individual learner (with low educational level) to articulate reasons for learning that extend the labour context, however, the question is whether ILA did indeed stimulate the readiness or the intention of the individual learners to keep on learning in the near or remote future.

In the fourth place, the Dutch experiments demonstrated that many training institutes in the public sector have only a limited ability to offer the kind of training required within the ILA framework (Doets, Schilder, & Westerhuis, 2002). Demand-led provision is an essential element of ILA, but putting this into practice will take considerable effort, especially from public providers. Therefore, some training was bought from organisations that operate in the commercial education market. These organisations are able to adjust their educational offer to individual demand. This capacity is manifested through the number of enrolment opportunities or possibilities for supplying tailor-made training. However, the pilot organisations in the Dutch experiments with ILA pointed out that hiring in private suppliers is often not an option. In their experience, the relatively small budgets of most learning accounts are not enough to buy serious training courses in this market. In the United Kingdom, this was not a serious problem. On the contrary, the initiation of the ILA scheme caused an upsurge of private educational providers. The British government was concerned by evidence that some ILAs were exploited by private companies providing poor value for money. That is why in 2002, the British government decided to suspend the current ILA programme.
Finally Payne (2000) elicits the paramount role of advice and guidance in the ILA framework. The study among the learners who participated in the scheme showed that half of the respondents referred to informal sources of advice and guidance. Informal sources could be family, the partner of the learner or colleagues, etc. According to the author, this means that advice and guidance should be available in as close proximity as possible to places where people live and work, rather than a professional model with formal interviews, as was the case in the ILA programme. People would regard the decisions they make as a result of informal consultation as their own choices. According to the author, people are more likely to enjoy learning when they make their own choices about it. Bosley, El-Sawad, Hughes, Jackson & Watts (2001) also draw attention to the accessibility of guidance, especially for non-traditional learners. They conclude that a guidance worker should make every effort in order to attract people who usually never participate in learning activities. This seems to be more important than the impartiality of the guidance.

Across the Dutch ILA projects, there was a variety of methods for securing the articulation of individual demand and coaching and guidance of individuals (Groenenberg & Renkema, 2003). In the first place, demand articulation relates to different role division between pilot organisation, individual account holder and employer. On the one hand, Groenenberg & Renkema (2003) found that pilot organisations act as mediators attempting to find a suitable educational offer for individual account holders (in the case of the local training brokers for instance). The pilot organisations involved regarded it as their responsibility to guide individual account holders to make an adequate training choice. Account holders had an intake meeting with a case manager, during which training needs were explored and the account holder was provided with information and advice regarding training possibilities. On the other hand, there were cases in which the individual account holder had complete freedom to find courses that addressed his or her training needs. The two pilots who worked with the second model did not consider themselves actively responsible for an adequate training demand. They offered optional support that could mediate between the individual and educational offer and provided information and advice.

The other three pilot organisations did not have direct contact with individual account holders with regard to their schooling requirements. Only one pilot left the individual decision entirely to the account holder. Two pilots embedded the ILA in the framework of prevailing Human Resource Development (HRD) policy of companies attached to the pilot organisation. These pilot organisations considered it their responsibility to ensure worker and employer agreed on the choice of training. During the experiments, communication ran mainly between company and pilot organisation. Through the administration of individual schooling applications, the pilot could oversee whether or not the company complied with the requirements of the experiment. However, these pilots could not pinpoint exactly how the training demand was accomplished. Furthermore Groenenberg & Renkema (2003) point out that mainly large companies are willing to connect ILA to their prevailing HRD policies. SMEs often do not have a well-outlined training or HRD policy into which the ILA instrument fits. Companies with an active training policy and usually a Personnel & Training (or HRD) professional seemed to offer an adequate breeding ground for ILA.

Out of these critical comments with respect to ILA, we could highlight two points that are of interest for this impact study of ILA on individual educational intention. In the next chapter (chapter 3) we will discuss ILA in the framework of Human Resource Development interventions.
Chapter 3 will discuss opportunities and bottlenecks for the implementation of HRD interventions in labour organisations focused on individual employees. For this study we would like to explore if experiments with ILA have indeed enhanced the long-term willingness of employees with a low educational level to engage into learning activities and what influence the work environment has on this willingness. This issue will be tackled conceptually in chapter 4.