

EXPLORING PORTABLE WORKER TRAINING: OPPORTUNITIES, CHALLENGES, AND INTERNATIONAL MODELS

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ABOUT BENEFITS21

Benefits21 is an initiative developed under the Global Inclusive Growth Partnership (GIGP), a collaboration between the Aspen Institute and the [Mastercard Center for Inclusive Growth](#), and in partnership with the Financial Security Program and the Future of Work Initiative. It is a multi-faceted, multi-stakeholder initiative to create an inclusive, portable, people-centric, and interoperable system of benefits that is grounded in what workers need to be financially secure and the critical role that benefits play in ensuring and protecting that security.

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The Aspen Institute Future of Work Initiative aims to identify, develop, and amplify solutions that address the challenges of today while building toward a future in which workers are safe, empowered, and equipped to thrive in our changing world. Across our work, the Future of Work Initiative seeks to build and disseminate knowledge rooted in workers' experiences. We aim to advance policy ideas at the local, state, and federal level, backed by evidence. And we strive to build community and activate leaders to carry these conversations forward across sectors and around the globe.

The Future of Work Initiative was founded in 2015. It has been an initiative of the Aspen Institute Economic Opportunities Program since 2021, recognizing the need for a comprehensive approach to building a more inclusive economy.

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Introduction: A Critical Time for Worker Training

The COVID-19 pandemic and resulting economic downturn have made clear the need for a more resilient and adaptable economy. Though expanding vaccinations have made major strides in recovering from the public health crisis, current trends are poised to continue disrupting the economy—including expanding automation, the rise of remote work arrangements, and the adoption of nonstandard work.¹ In addition, climate change and public health concerns may more drastically impact the world in coming years. We face a critical need to equip workers for economic stabilization, recovery, and ongoing resilience, including providing access to effective education and training.

The recovery ahead, though difficult, presents an opportunity and imperative to create a more sustainable, inclusive, and future-ready economy. First and foremost, workers must be safe, empowered, and supported by a robust safety net. As we face economic, occupational, and technological changes, many workers will also need to obtain new skills to succeed both in their existing roles and in new positions and new industries. Even before the COVID-19 health and economic crises, workers increasingly needed to be able to shift between work and training throughout their career.² However, the U.S. workforce and training system is decentralized, and shaped by the same structural inequalities that permeate society. Access to both training and job opportunities are not equally available, with persistent and severe racial and place-based disparities.³ Government, business, labor, and

education leaders need to consider ideas to build and strengthen inclusive systems of lifelong learning that provide opportunities for adult workers to develop and improve the knowledge and skills they can apply to their jobs.

This brief explores one such approach: separating training from specific jobs, so that workers can accumulate the benefits of training as they work across multiple jobs or switch jobs frequently, an approach we call *portable training*. In the following sections, we first contextualize portable training in the current landscape of worker education and training in the U.S. We then consider the potential strengths and risks of a portable approach. Finally, we look abroad and consider several portable training programs that have been established in France, Singapore, Canada, and Scotland highlighting how program design choices can mediate the possible challenges of a more portable system of training.

1 Nonstandard work includes independent contract work and employment that is temporary, subcontracted, or on-call. For more information on nonstandard work, visit www.gigeconomydata.org.

2 Fitzpayne, Alastair, and Zach Neumann. 2020. "Building a Lifelong Learning System: A Roadmap for Cities." Aspen Institute Future of Work Initiative. December. <https://www.aspeninstitute.org/publications/building-a-lifelong-learning-system/>.

3 Johnson, Melissa, Molly Bashay, Amanda Bergson-Shilcock, Michael Richardson, and Brooke DeRenzis. 2019. "The Roadmap for Racial Equity." National Skills Coalition. September. <https://www.nationalskillscoalition.org/resource/publications/the-roadmap-for-racial-equity/>.

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Background: Training and Benefits in the U.S.

The Skills Training Landscape

Worker education and training can produce positive returns for employers, workers, and the economy. Employers can benefit through improved productivity, increased worker safety, and enhanced recruitment and retention. Workers can benefit by building their competitiveness and advancing their careers. Across the economy, training can support economic stability by helping both workers and employers navigate transitions, such as the implementation of new technology.

Currently, methods of obtaining new skills throughout people’s working lives vary drastically. Worker education and training

programs vary in their administration and delivery, their financing, and their outcomes.⁴ This decentralized, heterogeneous ecosystem presents both flexibility and complexity. Although this complexity can allow individualized paths and help accommodate local labor market needs, the lack of a coordinated approach combined with often insufficient resources can be difficult to navigate.

Training programs typically lead to credentials, which can signal to employers the skills gained by a worker.⁵ Like the training system overall, the landscape of credentials is complex; nearly a million different credentials exist in the U.S., with significant variation in quality and recognition. Workers often struggle to identify

COMMON FORMS OF TRAINING

Employer-provided training is funded and administered by employers.

Employer-funded training may be fully or partially funded by employers and is provided by external entities, such as educational institutions or private providers.

Union-facilitated training may be offered on-the-job, in classrooms, or virtually, and may be offered by unions directly to members, or by partner organizations.

Government-funded training programs, in which state or federal funds go toward approved training programs for eligible workers.

Account-based models can take funding contributions from individuals, employers, and government entities, paid into an account administered by a public or private party, and can fund approved training offered by educational institutions or private parties.

Self-directed training is sought out and paid for by workers on their own, typically provided by an educational institution or private provider.



4 Osterman, Paul. 2020. "Skill Training for Adults." MIT Work of the Future. October. <https://workofthefuture.mit.edu/research-post/skill-training-for-adults/>.

5 A recent report from the nonprofit Credential Engine identifies nearly 970,000 unique credentials in the U.S. that are grouped into 16 detailed credential categories across four types of credential providers. Credential Engine. 2021. "Counting U.S. Postsecondary and Secondary Credentials - 2021 Report." February. <https://credentialengine.org/counting-credentials-2021/>.

which credentials lead to employment, while employers struggle to identify which credentials meaningfully indicate skills. Given these challenges, leaders across sectors have developed guidance on integrating credential transparency and quality assurance into education and workforce development systems.⁶

Workplace Benefits in the U.S.

Over the 20th century, action, struggle, and compromise between government, business, and labor leaders led to a set of workplace benefits typically provided to workers.⁷ Initially spurred on by a government-implemented wage freeze during World War II, employers began to offer benefits to attract and retain workers.⁸ When paired with sufficient and stable pay, workplace benefits serve as a critical economic stabilizer. As the Aspen Institute's Benefits21 Initiative outlines, workplace benefits in the U.S. provide foundational supports that allow those who have access to them to be "resilient, pursue opportunities, and lead economically dignified lives."⁹ However, not all workers have equal access to benefits. Workers of color, low-income workers, and those in non-standard arrangements have lower rates of access to key workplace benefits.¹⁰ The COVID-19 health and economic crises have underscored both how

critical benefits like unemployment insurance are for workers' financial stability and that millions of workers lack access to even basic levels of coverage.

Some workplace benefits are public programs with mandated employer contributions, including Social Security, Unemployment Insurance, some state paid family and medical leave programs, and some state workers' compensation programs. Others are privately provided but publicly mandated or incentivized, including health insurance and other states' workers' compensation programs. Other benefits are provided voluntarily by some employers and administered privately, including retirement savings, life insurance, and student loan assistance.

Portable benefits—those that are connected to an individual rather than to a specific job—allow workers to carry their benefits with them from job to job without interruption or loss of coverage. As defined by the Future of Work Initiative, portable benefits are also prorated, meaning they can facilitate contributions from multiple parties, including multiple employers and government, and are universal, meaning they are available to all workers across work arrangements.¹¹ Existing portable benefit programs include Social Security, state family and medical leave programs, and state auto-enrollment IRA programs.¹²

6 Credential Engine. 2021. "The Role of States in Credential Transparency." March. <https://credentialengine.org/2021/03/02/the-role-of-states-in-credential-transparency/>.

Duke-Benfield, Amy Ellen, Bryan Wilson, Kermit Kaleba, and Jenna Leventoff. 2019. "Expanding Opportunities: Defining Quality Non-Degree Credentials for States." National Skills Coalition. September. <https://www.nationalskillscoalition.org/blog/higher-education/defining-quality-non-degree-credentials-is-crucial-to-putting-students-on-a-path-to-success/>.

7 Reder, Libby, Shelly Steward, and Natalie Foster. 2019. "Designing Portable Benefits: A Resource Guide for Policymakers." Aspen Institute Future of Work Initiative. June. <https://www.aspeninstitute.org/publications/designing-portable-benefits/>.

8 Carroll, Aaron. 2017. "The Real Reason the U.S. Has Employer-Sponsored Health Insurance." *The New York Times*. September 5. <https://www.nytimes.com/2017/09/05/upshot/the-real-reason-the-us-has-employer-sponsored-health-insurance.html>.

9 Abbi, Sarika. 2020. "A Modernized System of Benefits is the Foundation for an Inclusive Economy." Aspen Institute Financial Security Program. <https://www.aspeninstitute.org/wp-content/uploads/2020/09/B21A-Modernized-System-of-Benefits.pdf>.

10 Bureau of Labor Statistics. 2018. "Contingent and Alternative Employment Arrangements – May 2017." U.S. Department of Labor. June. <https://www.bls.gov/news.release/pdf/conemp.pdf>.

Kristal, Tali, Yinon Cohen, and Edo Navot. 2018. "Benefit Inequality among American Workers by Gender, Race, and Ethnicity, 1982-2015." *Sociological Science* 5: 461-488. <https://www.sociologicalscience.com/articles-v5-20-461/>.

Bureau of Labor Statistics. 2020. "National Compensation Survey: Employee Benefits in the United States, March 2020." U.S. Department of Labor. <https://www.bls.gov/ncs/ebs/benefits/2020/home.htm>.

11 Reder, Libby, Shelly Steward, and Natalie Foster. 2019. "Designing Portable Benefits: A Resource Guide for Policymakers." Aspen Institute Future of Work Initiative. June. <https://www.aspeninstitute.org/publications/designing-portable-benefits/>.

12 In recent years, companies have proposed "portable benefits" as a limited set of benefits provided to workers classified as independent contractors in exchange for a legal exclusion from existing classification laws, under which those workers may be employees and therefore owed the associated minimum benefits and protections. The concept of portability in relation to publicly administered benefits pre-dates these efforts, most notably in the case of Social Security. For additional context, see the Future of Work Initiative's forthcoming publication, *Portable Benefits in Action*.

Training as a Workplace Benefit in the U.S.

Training is an important workplace benefit that many employers provide voluntarily to their workers. In the U.S., employers are a primary source of investment in adult worker training.¹³ However, providing training is not mandated nor significantly subsidized by the government.¹⁴

Employers are uniquely positioned to understand skill needs within their organization and industry. Many employers acknowledge their responsibility to invest in the training and skill development of their workers,¹⁵ as has the Business Roundtable, which is comprised of chief executive officers of leading U.S. companies.¹⁶ In addition to providing training directly, employers can help finance training opportunities for workers and provide time off or flexible schedules to allow workers to participate in training.

While some employers have increased investment and expanded training programs, there is some evidence that overall, employers have reduced their investment in training in recent decades for several reasons.¹⁷ Workers do not have equal access to employer-provided training; those who have higher levels of formal educational attainment are more likely to receive training, and white workers are more likely to receive training than Black, Latinx, or Asian American workers.¹⁸ Additionally, mirroring

the heterogeneous ecosystem of training available, the substance and quality of employer-provided training varies across different jobs, employers, and industries. While some workers receive training that is required to accomplish specific job-related tasks or comply with safety guidelines, others receive training that supports career advancement and credential attainment.

In the context of training benefits, portability may promote a more dynamic labor market. Under the current system, tax-subsidized employer-provided education and training benefits are not portable; if a worker leaves their job, any support their previous employer provided for training would end. Portable education and training benefits could reduce a worker's reliance on a specific employer for career progression, facilitating job and industry transitions as well as entrepreneurship. It also has potential to expand training opportunities for those in temporary, subcontracted, or self-employed work arrangements.

13 Brown, Katie, and Katie Spiker. 2020. "It's Incumbent on U.S." National Skills Coalition. September. <https://www.nationalskillscoalition.org/resource/publications/its-incumbent-on-u-s/>.

14 The federal government offers a tax exclusion to the employee for qualified educational assistance that is paid for or reimbursed by their employer, in Section 127 of the U.S. tax code. See the Future of Work Initiative's issue brief, "Modernizing Tax Incentives for Employer-Provided Educational Assistance," for more information. Fitzpayne, Alastair, Anna Fife, Hilary Greenberg, and Ethan Pollack. 2020. "Modernizing Tax Incentives for Employer-Provided Educational Assistance." Aspen Institute Future of Work Initiative. June. <https://www.aspeninstitute.org/publications/modernizing-tax-incentives-for-employer-provided-educational-assistance-june-2020/>.

15 UpSkill America, an Initiative of the Aspen Institute Economic Opportunities Program, recognizes employers that invest in their workers, promotes the adoption of policies and practices that boost investment in training, and highlights effective local and regional workforce development partnerships. For examples and information on employer upskilling initiatives, see UpSkill America's "Upskilling Playbook for Employers" and additional resources at www.aspeninstitute.org/programs/upskill-america/.

16 In 2019, Business Roundtable, updated its Statement on the Purpose of a Corporation to include that companies should be led for the benefit of all stakeholders, including employees. The updated statement calls on companies to support their employees through the provision of benefits and "through training and education that help[s] develop new skills for a rapidly changing world." Business Roundtable. 2019. "Statement on the Purpose of a Corporation." August 19. <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

17 Association for Talent Development. 2019. "2019 State of the Industry." <https://www.td.org/research-reports/2019-state-of-the-industry>. Society for Human Resource Management. "Employee Benefits." 2008-2019. <https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/pages/benefits19.aspx>.

18 Osterman, Paul. 2020. "Skill Training for Adults." MIT Work of the Future. October. <https://workofthefuture.mit.edu/research-post/skill-training-for-adults/>.

Other Key Considerations of Training Policy Design

Good jobs—those that offer a living wage, access to benefits, security and safety in the workplace, a stable and predictable schedule, opportunities for collective action, and pathways to advancement—are key to financial security and dignity for workers and their families.¹⁹ Any education and training is only effective insofar as there are good jobs for workers to enter into upon completion of a program. Therefore, any effort at improving training must be accompanied by robust efforts to boost job quality across the board. While training can facilitate success in good jobs, it cannot create them.

In addition, many training programs leave workers to navigate what can be a difficult jump from program to job. This do-it-yourself approach favors workers who have already found success in the labor market and further disadvantages low-income workers, workers of color, and others who have faced structural barriers. Training, therefore, must be accompanied by adequate guidance, including career coaching and placement assistance. In addition, care responsibilities, transportation needs, and connectivity can present obstacles to many workers, meaning that care, transportation, and technology costs must be considered as training expenses.

Account-Based Approaches to Training Benefits

Account-based training programs are one approach that incorporates some characteristics of portable benefits. In account-based models, individuals are provided with savings accounts or accrued credits to be spent on future training programs. Recipients have the responsibility to select training programs, sometimes within specified guidelines. Accounts can be taken from job to job, including different work arrangements, and can facilitate contributions from multiple employers, from the government, and from workers themselves.²⁰

In the U.S., several states have piloted or established training account programs to help workers pay for education and training opportunities.²¹ In 2005, the Maine Department of Labor piloted a temporary Lifelong Learning Accounts (LiLA) program, which was coordinated through its network of Career Centers and designed to leverage contributions from individuals, employers, nonprofits, and the government. Maine's NextGen college-investing plan provided account management to the LiLA program, while its Centers for Women, Work, and Community provided advice to LiLA participants.²² Washington State launched a Lifelong Learning Account pilot program in 2009, which were portable across jobs, could be used for any education or training costs, and were funded by employee contributions with employer matching.²³ Although it was codified in state statute in 2012, budget limitations prevented it from being implemented permanently.²⁴ Several other states have proposed similar models, including Massachusetts,²⁵ California, Indiana,

- 19 Good Jobs Institute. "What Is a "Good" Job?" <https://goodjobsinstitute.org/what-is-a-good-job/>. Popovich, Mark, and Maureen Conway. 2018. "Working Metrics – Toward a More Equitable, Stable Economic System." Aspen Institute Economic Opportunities Program. October. <https://www.aspeninstitute.org/blog-posts/working-metrics-toward-a-more-equitable-stable-economic-system/>.
- 20 OECD. 2019. "Individual Training Accounts: Panacea or Pandora's Box?" <https://www.oecd.org/publications/individual-learning-schemes-203b21a8-en.htm>.
- 21 National Governors Association. 2020. "Reimagining Workforce Policy in the Age of Disruption: A State Guide for Preparing the Future Workforce Now." July. <https://www.nga.org/center/publications/workforce-policy-in-age-of-disruption/>.
- 22 Main, Auta. 2008. "Maine's Lifelong Learning Accounts: Good News for Workers, Businesses, and the Economy." State of Maine. https://www1.maine.gov/labor/careerctr/docs/0908_lila_article.pdf.
- 23 Washington Workforce Training and Education Coordinating Board. "Lifelong Learning Accounts (LiLAs)." <https://www.wtb.wa.gov/planning-programs/past-workforce-projects/lifelong-learning-accounts/>.
- 24 Ibid.
- 25 Commonwealth of Massachusetts. "S.1906 - An Act to establish a lifelong learning and training program." 192nd General Court. Filed February 18, 2021. <https://malegislature.gov/Bills/192/S1906>.

Hawaii, and Oklahoma.²⁶ Individual training account models have also been piloted at the local level. Between 2001 and 2007, Council for Adult and Experiential Learning (CAEL) ran a Lifelong Learning Account Demonstration program focused on four sectors located within three U.S. cities: the restaurant and food service industry in Chicago; the local government and manufacturing sector in northeast Indiana; and the health care sector in San Francisco.²⁷ Public Policy Associates, a national public research firm, evaluated the demonstration and found that workers primarily used their accounts to advance in their current roles or reskill for new opportunities; the accounts provided a significant incentive to pursue training; and career advising was a valuable component of the programs.²⁸

In addition to state and local programs, account-based, worker-controlled training models have been proposed at the federal level periodically over the past several decades. For example, the *National Individual Training Account Act*, introduced in 1984, proposed a training account program administered by the Secretaries of Labor and the Treasury in cooperation with States that would accept contributions from employees and employers.²⁹ The *Lifelong Learning Accounts Act*, first introduced in 2007, proposed a lifelong learning account program that would provide tax credits for contributions from employers, employees, and self-employed individuals.³⁰ More recently, the *Skills Investment Act of 2013* and *Lifelong Learning and Training*

Account Act of 2018—both of which have been reintroduced in multiple sessions of Congress—proposed the formation of portable lifelong learning accounts.³¹

In addition to the piloted and proposed account-based models mentioned, other publicly-funded approaches to worker education and training share some characteristics of portability. Most notably, the *Workforce Innovation and Opportunity Act* (WIOA), the primary legislation shaping the current federal approach to workforce development, includes Individual Training Accounts (ITAs) for eligible workers.³² These were initially established in the *Workforce Investment Act of 1998* and continued when WIOA replaced that legislation in 2014. ITAs operate as vouchers, which eligible underemployed or unemployed workers can use toward pre-approved training opportunities, typically in consultation with career planners. These programs tend to be subject to considerable restrictions, and are administered largely by agencies, often allowing workers relatively little control.³³

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- 26 Indiana Institute for Working Families. 2011. "Lifelong Learning Accounts." August. <https://iifw.incap.org/assets/docs/Policy-Briefs/PolicyBrief-2011b-LifelongLearningAccts.pdf>.
- 27 Public Policy Associates. 2006. "Evaluation of the Lifelong Learning Accounts Demonstration: Second Interim Report." Prepared for The Ford Foundation. September. http://publicpolicy.com/wp-content/uploads/2017/04/LiLA_Second_Interim_Report.pdf.
- 28 Sherman, Amy. 2008. "Lifelong Learning Accounts." *CEDEFOP Seminar on Individual Learning Accounts*. January. https://www.cedefop.europa.eu/files/3098-att1-1-Amy_Sherman.ppt.
- 29 U.S. House of Representatives. "H.R.4832 - National Individual Training Account Act of 1984." 98th Congress. Introduced February 9, 1984. <https://www.congress.gov/bill/98th-congress/house-bill/4832>.
- 30 U.S. Senate. "S.26 - Lifelong Learning Accounts Act of 2007." 110th Congress. Introduced January 4, 2007. <https://www.congress.gov/bill/110th-congress/senate-bill/26>.
- 31 U.S. House of Representatives. "H.R.1939 - Skills Investment Act of 2013." 113th Congress. Introduced May 9, 2013. <https://www.congress.gov/bill/113th-congress/house-bill/1939>. U.S. Senate. "S.6 - Lifelong Learning and Training Account Act of 2018." 115th Congress. Introduced November 26, 2018. <https://www.congress.gov/bill/115th-congress/senate-bill/6>.
- 32 Employment and Training Administration. "Workforce Innovation and Opportunity Act." U.S. Department of Labor. <https://www.dol.gov/agencies/eta/wioa>. Mathematica. 1999-2011. "Individual Training Accounts: Testing Models of Paying for Job Training." <https://www.mathematica.org/our-publications-and-findings/projects/individual-training-accounts>.
- 33 In addition to WIOA, the federal Pell Grant Program represents a substantial federal investment in education and training, but is not directly tied to work. Pell Grants provide need-based tuition and expense assistance to degree-seeking students who are enrolled in one of approximately 5,400 postsecondary institutions. U.S. Department of Education. "Federal Pell Grant Program." <https://www2.ed.gov/programs/fpg/index.html>.

Benefits and Challenges of Account-Based Training Benefits

Account-based models present potential benefits to workers and employers along with considerable risks. Account-based models can benefit workers in that they are flexible and can allow workers to choose training options suited to their needs and interests. They also can distribute the costs of training across multiple parties, including employers, government, philanthropy, and workers. This financing option not only lowers the potential cost for any one party, but engages entities across sectors in the training of workers.³⁴

These models also present challenges. First, they may not be well suited to serving the workers most in need of training and career advancement, namely those with lower levels of formal educational attainment and income. Those workers who have faced the greatest struggles in the labor market are the least likely to have the experience, resources, or connections needed to select the most promising training options. Without additional and targeted support, account-based approaches to training have the risk of exacerbated inequalities, promoting those workers well positioned to seek training while placing additional obstacles in front of those in need.

In order to improve the outcomes and equity of account-based models around the world, the OECD suggests targeting schemes to encourage participation among underrepresented groups, providing substantial funding in order to encourage substantive outcomes, and creating simple schemes to maximize participation.³⁵

Additionally, moving toward an account-based, worker-controlled model could reduce employers' responsibility for investing in their workers and input in shaping training systems that are responsive to their hiring needs. Those designing account-based models can consider ways to hold employers accountable, including through mandatory contributions and engagement in designing programs and identifying eligible training providers.

In order to assess the risks and benefits of accounts, any new model should be accompanied by worker, employer, and community engagement as well as impact evaluation that considers outcomes across income, race, and gender lines.

34 Schuetze, Hans G. 2007. "Individual Learning Accounts and other models of financing lifelong learning." *International Journal of Lifelong Education* 26, vol. 1. <https://doi.org/10.1080/02601370601151349>.

35 OECD. 2019. "Individual Training Accounts: Panacea or Pandora's Box?" <https://www.oecd.org/publications/individual-learning-schemes-203b21a8-en.htm>.

International Models: Learning from Abroad

Beyond the U.S., several other countries have developed account-based training programs to promote broad access to worker training that is portable across jobs. This section introduces nationally administered programs in France, Singapore, Canada, and Scotland, and highlights design choices that may be transferable to the U.S. Though the cultural, economic, political, and institutional context of each country is unique, and programs cannot be replicated directly,

these models offer information and inspiration for policymakers interested in advancing more portable worker training in the U.S.

For each program, we address six questions: (1) Who is eligible? (2) How is the program designed? (3) What is included as training? (4) How is it funded? (5) How is it administered? (6) What impact has the program had so far (if known)?

TRAINING ACCOUNT PROGRAMS AROUND THE WORLD

	FRANCE: Personal Training Accounts (CPF)	SINGAPORE: SkillsFuture Credit	CANADA: Training Benefit	SCOTLAND: Individual Training Accounts (ITA)
Who is eligible?	Residents aged 16 and older who are participating in the labor force, including public and private employees, self-employed workers, and jobseekers	Residents aged 25 and older	Residents between the ages of 25 and 64 who earn between CA\$10,000 and CA\$150,000 (~US\$8,000 and ~US\$120,000) annually	Residents aged 16 and older who are either unemployed or earn less than £22,000 (~US\$28,000) annually, and who are not enrolled in another program
How is it designed?	Participants accrue training credits in euros based on how many years they have worked, up to €500 per year (~US\$600).	Participants receive an opening credit of S\$500 (~US\$360) and may receive occasional top-up credits.	Participants accrue CA\$250 (~US\$190) per year, which can be used to claim a refundable tax credit for up to half of the tuition and fees for eligible training programs.	Participants receive up to £200 (~US\$275) towards a single training course or training episode per year.
How is it funded?	Contributions from employers and the self-employed	Government of Singapore	Government of Canada	Government of Scotland
Who administers it?	France’s Ministry of Labor	The Singapore Ministry of Education and the Future Economy Council	Canada Revenue Agency	Skills Development Scotland

FRANCE'S PERSONAL TRAINING ACCOUNTS (CPF)

CASE STUDY

Overview: Launched in January 2015, France's Personal Training Account (*Compte personnel de formation*, or CPF) program allows workers and job seekers in France to access training opportunities throughout their career. The CPF was introduced to solve three key objectives: (1) encourage and implement personal autonomy in the selection of training; (2) improve people's skill levels by channeling their choices towards qualifying training; and (3) to reduce inequalities in access to training.³⁶

Eligibility: The CPF is available to anyone age 16 and over who is participating in the labor force, including public and private employees, self-employed workers, jobseekers, and those who are unemployed.

Program Design: The CPF was designed to fund training that is immediately relevant to the current labor market, in order to promote career mobility and support those entering the workforce. In 2018, the *Act for the Freedom to Choose One's Future Career* changed the structure of the CPF so that French workers could accrue their training entitlements in euros, rather than hours as the program was initially structured.³⁷ Workers are provided with €500 (roughly US\$600) per year to pay for training, while those with minimal educational attainment receive €800 (roughly US\$950) per year,³⁸ up to a ceiling of €5,000 and €8,000, respectively, over 10 years. A new government-provided mobile app will provide workers with information on training programs' outcomes, completion rates, and user satisfaction.

Training Covered: Since January 2019, the *France Compétences*, France's Skills Agency, has maintained a list of eligible training. This list is drawn from two publicly maintained registries of professional training and certification, the *Registre National des Certifications Professionnelles* (National Registry of Professional Qualifications, or RNCP) and the *Répertoire Spécifique* (Specific Register). Eligible training includes professional certification programs, skills assessments,

courses to support entrepreneurship, and preparation for driving tests.³⁹

Funding: The CPF is funded by mandatory contributions from employers, as well as the self-employed.⁴⁰ The contribution rate is 0.55 percent of the total payroll for businesses with fewer than 11 employees, 1 percent for businesses with 11 or more employees, and 1.3 percent for employment agencies with 11 or more employees. Self-employed workers pay a flat-rate contribution to their training fund.

Administration: The CPF is administered by France's Ministry of Labor.

Participation: In the first two years after the CPF's launch, only 0.5 percent of employees utilized their CPF, while 8 percent of jobseekers used their accounts. In 2018, the take-up rate increased for working people, but remained low overall, at just over 2 percent. That year, the portion of jobseekers utilizing their credits fell considerably. A 2017 report from the French government agency IGAS (*L'Inspection générale des affaires sociales*) highlighted that the low take-up rate may be due to a lack of understanding the details of the program among employers and training providers.⁴¹ During this period, workers with higher educational attainment and in managerial roles used their CPFs more frequently than those with lower levels of education, and men used their CPFs at higher rates than women.

36 Perez, Coralie, and Ann Vourc'h. 2020. "Individualising training access schemes: France - the Compte Personnel de Formation (Personal Training Account - CPF)." *OECD Social, Employment and Migration Working Papers*, No. 245. OECD Publishing. July. <https://doi.org/10.1787/301041f1-en>.

37 Ministère du Travail. 2018. "Act For the Freedom to Choose One's Future Career: The Act In 10 Key Points." August. https://travail-emploi.gouv.fr/IMG/pdf/act_for_the_freedom_to_choose.pdf.

38 This target group is defined as those without a Level V diploma (BEP or CAP), a registered Level V professional qualification, or a certification recognized by a sectoral national collective bargaining agreement. Perez, Coralie, and Ann Vourc'h. 2020. "Individualising training access schemes: France - the Compte Personnel de Formation (Personal Training Account - CPF)." *OECD Social, Employment and Migration Working Papers*, No. 245. OECD Publishing. July. <https://doi.org/10.1787/301041f1-en>.

39 Ibid.

40 Ibid.

41 Perez, Coralie, and Ann Vourc'h. 2020. "Individualising training access schemes: France - the Compte Personnel de Formation (Personal Training Account - CPF)." *OECD Social, Employment and Migration Working Papers*, No. 245. OECD Publishing. July. <https://doi.org/10.1787/301041f1-en>.

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SINGAPORE'S SKILLSFUTURE CREDIT

Overview: Introduced in 2015, Singapore's SkillsFuture program seeks to increase lifelong learning and training across occupations. SkillsFuture was built around four key objectives: (1) to help individuals make well-informed choices in education, training, and careers; (2) to develop an integrated high-quality system of education and training that responds to constantly evolving labor market needs; (3) to promote skills-based hiring and promotion; and (4) to foster a culture that supports and celebrates lifelong learning. Under the SkillsFuture program, a SkillsFuture Credit provides an initial fund, and periodic top-up credits, that eligible Singaporeans can use to fund eligible training opportunities.

Eligibility: The SkillsFuture Credit is universally available to all Singaporeans aged 25 and older, and is intended to support those who have completed their full-time education and are engaged in or preparing to join the workforce.⁴²

Program Design: All Singaporeans age 25 and above receive an opening credit of S\$500 (roughly US\$360). The Singaporean government also offers occasional top-up credits, including some for all account holders and some that are targeted to specific groups. In response to the COVID-19 health and economic crises, all SkillsFuture Credit account holders received a one-time credit of S\$500 in December 2020, and mid-career workers (those between 40 and 60 years old) received an additional credit of S\$500. Unlike the opening credit, these top-up credits expire in five years in order to "encourage Singaporeans to seize the opportunity provided by the economic slowdown to upgrade their skills," according to Singapore's Deputy Prime Minister.⁴³

Training Covered: The SkillsFuture Credit can be used to pay for a wide range of approved skills-related courses, many of which are publicly subsidized programs.⁴⁴ The SkillsFuture Credit aims to foster innovation through pursuing personal interests and developing personal potential, which may not always coincide with current labor market demand. Although there is no explicit requirement that programs or

courses are relevant to the labor market in order to be approved by SkillsFuture, the OECD reports that most approved courses appear to be related to immediate occupational demand.⁴⁵

Funding: The Singapore SkillsFuture Credit is financed by the Government of Singapore.

Administration: SkillsFuture is jointly overseen by the Ministry of Education and the Future Economy Council, which is composed of government, industry, labor union, and education representatives.

Participation: According to the OECD, 5.8 percent of Singaporean citizens over 25 used their SkillsFuture Credit in 2018, down from 6.5 percent in 2017. Singapore's Education Minister announced last year that more than 90 percent of SkillsFuture claims were for work-related training courses.⁴⁶ Participation rates by gender, income, or other segments are not available.

42 MySkillsFuture. "SkillsFuture Credit." Government of Singapore. <https://www.myskillsfuture.gov.sg/content/portal/en/header/faqs/skillsfuture-credit.html>.

43 Sen, Ng Jun. 2020. "Most use SkillsFuture credits for work training, but those on 'leisure' courses will not be judged: Ong Ye Kung." *Today Online*. February 24. <https://www.todayonline.com/singapore/budget-2020-most-use-skillsfuture-credits-work-training-those-doing-leisure-courses-will>.

44 MySkillsFuture. "SkillsFuture Credit." Government of Singapore. <https://www.myskillsfuture.gov.sg/content/portal/en/header/faqs/skillsfuture-credit.html>.

45 OECD. 2019. "Individual Training Accounts: Panacea or Pandora's Box?" <https://www.oecd.org/publications/individual-learning-schemes-203b21a8-en.htm>.

46 Sen, Ng Jun. 2020. "Most use SkillsFuture credits for work training, but those on 'leisure' courses will not be judged: Ong Ye Kung." *Today Online*. February 24. <https://www.todayonline.com/singapore/budget-2020-most-use-skillsfuture-credits-work-training-those-doing-leisure-courses-will>.

CANADA'S TRAINING CREDIT

CASE STUDY

Overview: In March 2019, the Canadian Government introduced a new Canada Training Benefit program to “provide a flexible option for finding the time and the money needed to pursue training, improve skills, and build strong and lasting careers.”⁴⁷ One key component of the Training Benefit program is a refundable Canada Training Credit that assists eligible workers with the costs of pursuing training. In addition, the Benefit program provides income support to workers who take time off to pursue training.

Eligibility: Workers between the ages of 25 and 64 who earn between CA\$10,000 and CA\$150,000 (between roughly US\$8,000 and US\$120,000) annually are eligible for the Canada Training Credit.

Program Design: Eligible workers accumulate a credit balance of CA\$250 (roughly US\$190) per year, credited to their accounts by the Canada Revenue Agency (CRA), up to a lifetime limit of CA\$5,000 (roughly US\$3,800). Workers pay for training initially, and then can use the credit to claim up to half of the tuition and fees from their taxes.

Training Covered: Beginning in 2020, an eligible worker’s balance can be applied against training expenses at colleges, universities, and some other eligible institutions providing occupational skills training.

Funding: The Canada Training Credit is funded by the Canadian government as part of its Canada Training Benefit program, which costs a proposed CA\$1.7 billion over the first five years, and CA\$586.5 million per year thereafter.⁴⁸

Administration: The Canada Training Credit is administered through Canada Revenue Agency’s income tax and benefit return process.

Participation: Workers were first able to apply the Canada Training Credit to eligible tuition, courses, and other fees in 2020. Reporting and evaluation on this program is not yet available. The Government of Canada estimates that approximately 600,000 Canadians will claim the Canada Training Credit each year.⁴⁹

47 Government of Canada. “Backgrounder: Canada Training Benefit.” Last modified May 16, 2019. <https://www.canada.ca/en/employment-social-development/news/2019/05/backgrounder-canada-training-benefit.html>.

48 Government of Canada. “The Canada Training Benefit.” Last modified March 19, 2019. <https://www.budget.gc.ca/2019/docs/themes/good-jobs-de-bons-emplois-en.html>.

49 Government of Canada. “Backgrounder: Canada Training Benefit.” Last modified May 16, 2019. <https://www.canada.ca/en/employment-social-development/news/2019/05/backgrounder-canada-training-benefit.html>.

SKILLS DEVELOPMENT SCOTLAND INDIVIDUAL TRAINING ACCOUNTS

CASE
STUDY

Overview: Launched in October 2017, Scotland's Individual Training Accounts (ITAs) aim to support those actively seeking employment and those who are currently in low-paid work and looking to progress by providing funds for training.⁵⁰ Until October 2017, Individual Training Accounts were available universally for adults in Scotland. In an attempt to better align the program with the needs of workers and the labor market, the new Individual Training Account now only covers individuals in low-paid work or actively seeking employment.

Eligibility: Scotland's Individual Training Accounts are available to Scottish residents 16 or over who are either unemployed or are employed but earning less than £22,000 (roughly US\$28,000) per year, and are not enrolled in another education or training program supported by Skills Development Scotland, the country's worker skill and career guidance agency.⁵¹ Beginning in January 2019, Skills Development Scotland began limiting the number of applications accepted to participate in the ITA program due to budget constraints.

Program Design: Individual Training Accounts provide eligible participants with up to £200 (roughly US\$275) towards a single training course or training episode per year.

Training Covered: All Individual Training Account courses must be in one of the curriculum areas aligned to the Scottish Government's Labour Market Strategy, which include: Agriculture, Business, Construction, Early Years and Childcare, Health & Safety, STEM, Social Care, and Transport.⁵²

Funding: The Individual Training Account program is financed by the Government of Scotland.

Administration: The Individual Training Account program is administered by Scotland's national skills agency, Skills Development Scotland.

Participation: Skills Development Scotland reported that it approved over 19,000 applications for Individual Training Accounts in 2019 and 2020.⁵³ According to the OECD, Scotland's ITA scheme covers slightly less than 1 percent of the labor force. Furthermore, fewer than 5 percent of the courses undertaken through Scotland's ITA in 2018 led to a national degree or certificate.⁵⁴

50 Skills Development Scotland. "SDS Individual Training Accounts." <https://www.skillsdevelopmentscotland.co.uk/what-we-do/employability-skills/sds-individual-training-accounts/>.

51 My World of Work. "SDS Individual Training Accounts (ITA)." Skills Development Scotland. <https://www.myworldofwork.co.uk/learn-and-train/sds-individual-training-accounts-ita>.

52 The Scottish Government. 2016. "Scotland's Labour Market Strategy." August. <https://www.gov.scot/publications/scotlands-labour-market-strategy/>.

53 Skills Development Scotland. "Employability Skills." Accessed April 23, 2021. <https://www.skillsdevelopmentscotland.co.uk/what-we-do/employability-skills/>.

54 OECD. 2019. "Individual Training Accounts: Panacea or Pandora's Box?" <https://www.oecd.org/publications/individual-learning-schemes-203b21a8-en.htm>.

Conclusion: Training Accounts in the Future

Global examples of portable worker training illustrate different approaches to supporting workers' ongoing skill attainment. Some target specific segments of the workforce, like Scotland's focus on low-income workers, while others invite all residents to participate regardless of employment status. They also reflect different funding models, with France's program funded by employers, other countries' programs funded publicly, and pilot programs in the U.S. funded by multiple parties. They engage employers in different ways, including the Singaporean approach of involving private sector leaders in the administration of SkillsFuture. Local and national leaders interested in developing new programs can draw inspiration from these countries' decisions regarding participant eligibility, program design, qualifying training, and administration.

In addition to reflecting a range of design choices, these models reflect some of the challenges account-based approaches face. Established programs tend to have low participation rates and patterns of participation that reflect inequalities embedded in society. These programs need to be considered as part of a comprehensive investment in training, alongside targeted approaches for vulnerable populations, adequate career and training guidance resources, policies to mandate and incentivize employer investment in training, and adequate funding for each of these components. Importantly, the needs, interests, and lives of workers need to be centered in program design and administration, and workers need to be knowledgeable about and empowered to pursue training programs.

Examples from both the U.S. and abroad illustrate the range of design choices at play in creating account-based worker-training models and reflect some key concerns with the approach. As we look toward a continuing recovery and the need to build a resilient workforce, worker training accounts offer one strategy for encouraging continued skill development and lifelong learning.



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