

BRITAIN'S INDUSTRIAL TRAINING ACT: IS IT WORKING?

*a research report on
Britain's "training revolution"*

During the last decade, Great Britain, a highly-developed, industrialized nation with the requisite skilled labor force, has experienced a surprising "training revolution."¹ With an acute shortage of skilled manpower in a full-employment economy — a shortage which persisted at a time when that nation, which must export in order to survive, began facing increasing competition in the world markets for its manufactured products — Britain was forced to re-evaluate its national manpower training program. The result was the Industrial Training Act of 1964 — certainly one of the most important recent developments of government mobilization to meet the national requirements of skilled manpower under conditions of rapid technological change.

The origin of Britain's training revolution stems from the far-reaching adjustments required by the events which followed World War II. By the 1950's the growing deficit in the balance of payments, arising from the return to convertibility of the pound Sterling and trade liberalization, became the chief preoccupation of Government economic policymakers. Their repeated efforts to stabilize the economy resulted in alternating periods of severe restraints on economic growth followed by short periods of liberalization. This alternating cycle, which came to be known by its critics as the "stop-go" economic policy, produced relative financial stability and economic stagnation.²

THE "MANPOWER GAP"

The inevitable comparisons which were made between the lagging performance of the British economy and those of her more dynamic continental neighbors triggered an unparalleled state of unease and dissatisfaction in Britain. The outpouring of criticism reached a crescendo in the literary efforts of a heterogeneous group called, not inappropriately, the "State of England" writers.³ The most important contribution of this group was to provide a foundation for the more methodical

attempts to study causes and suggest remedies which occurred in the 1960's. Under their influence, British society began moving toward the necessary adjustment "to the, as yet ill-digested, phase of affluence brought into being by full-employment and the spectacular expansion of the consumer goods industries."⁴ For the implementation of full-employment as an essential part of Government economic policy coupled with the pent-up demand for consumer goods at home and the expanding export industries had resulted in growing shortages of skilled manpower during the "go" phase of the "stop-go" economic cycle, especially in the manufacturing and construction industries. The existence of a serious "manpower gap" presented the nation's economic policymakers with the problem of maximizing the effectiveness of the labor force. This in turn came to be looked upon, in a sense, ultimately as one of training.

Discussion of industrial training in Britain had focused mainly on the apprenticeship system: first because this was the most significant form of vocational training; second because the apprenticeship had failed to provide the number of skilled craftsmen and technicians the country needed; and third because of its deficiencies as a method of training. As concern about the supply of skilled manpower increased, so also did criticism of the

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GARY B. HANSEN
Assistant Professor,
Department of Economics,
Utah State University,
Logan, Utah

system under which most craftsmen and technicians were trained. For some of its critics, apprenticeship was clearly a medieval institution dressed up in twentieth-century clothing — concerned primarily with restricting entry into the trades. For others, it was a means of providing cheap juvenile labor. Most critics believed apprenticeship to be an inefficient and wasteful means of training fettered with a variety of restrictions which made it far too inflexible to meet the needs of a modern economy. Notwithstanding the criticism, the most commonly heard plea in the years before the passage of the 1964 Industrial Training Act was not for the abolition of apprenticeship, but for more apprenticeship opportunities.

1958 CARR REPORT

In 1956, a subcommittee of the Ministry of Labor's National Joint Advisory Council under the chairmanship of Mr. Robert Carr (then Parliamentary Undersecretary of the Ministry) was established to look into the question of apprentice training and, in particular, the adequacy of existing institutions to cope with the challenge presented by the so-called "bulge" of school-leavers expected to enter the labor market beginning in 1962. The 1958 report of the Carr Committee⁵ reaffirmed the position that: (1) vocational training was the sole responsibility of industry; (2) the apprenticeship system of training should be retained; and (3) Government should concentrate its efforts on the expansion of the Nation's system of further education.

The Carr Report also recommended the creation of a voluntary national apprenticeship council to encourage employers to provide training and to increase the number of apprenticeship openings for school-leavers. The Industrial Training Council was duly set up in 1958 to accomplish these purposes. With little executive or policymaking power, the Council centered its efforts on educating employers; and little progress was made in modernizing the

nation's training arrangements.⁶ The Industrial Training Council did, however, establish a small team of training consultants, the Training Advisory Service (now known as the Industrial Training Service), which soon came to play an invaluable role not only as advisors to firms on training problems, but also as expert consultants to the Council itself.⁷ (The most important contribution of the Industrial Training Service, in this writer's judgment, is that it has served as an exemplary prototype of the kind of vocational or technical training advisory services which we need in the United States — if we are to successfully cope with our current manpower training problems. Such a service is an urgent necessity if we want to have successful MDTA on-the-job training programs carried out by private industry. Without such services much of this effort will be ineffective, if not completely wasted.)

FIRST ATTEMPTS TO UP-DATE TRAINING

An increasing barrage of criticism of the allegedly out-of-date training system, based for the first time on factual research data, occurred in the period from 1958 to 1962. The work of a number of scholars highlighted the lack of quality control and the disturbing fact that the training of most workers consisted largely of "sitting next to Nellie."⁸

Partly in response to this criticism, the Conservative Government in the early 1960's adopted the concept of planning by establishing the National Economic Development Council and became committed to an annual growth target of 4 percent.⁹ The attempt to secure a higher rate of economic growth, without risking serious inflation, clearly depended in part on having an adequate supply of skilled manpower. At the same time, Britain's negotiations over entry into the Common Market, increasing competition in world markets, and the need to re-deploy redundant coal miners and rail-

waymen all pointed to the need for a more active manpower policy on the part of the Government.

During the period from 1960 to 1962, several possible initiatives in the training field were examined by the British Government. One innovation was the introduction in 1960, on a small scale, of first-year apprentice training courses at Government Training Centers which had previously concentrated largely on training the disabled, the ex-servicemen, and the unemployed.¹⁰ Of perhaps even greater long-term significance were the steps taken by the Ministry of Education in the late 1950's and early 1960's to expand and reorganize the Nation's further education system. While these educational measures could not in themselves secure a corresponding increase in training opportunities, they did provide an important stimulus to the development of "day-release"¹¹ as part of a soundly-based vocational training system.

PROBLEMS OF FINANCING

Still the central problems remained: How to encourage more employers to establish systematic vocational training; how to improve the quality of training in industry; and how to finance the system? The idea of a training levy raised by the Government on a uniform basis across industry, on the model of that utilized in France, was extensively discussed. At length, however, the Government agreed on a variation of the training levy concept — a levy which would not be the same for all employers, but which would be determined industry-by-industry according to the decisions of industry training authorities.

A White Paper setting out the case for action and embodying the Conservative Government's proposals was published in December, 1962.¹² Although responsibility for industrial training was still to rest with industry, the White Paper gave stronger recognition to the Government's interest in this field. After extensive discussion with interested groups during the early part of

1963, the Government presented a bill in Parliament embodying the White Paper. The bill became law in March 1964 as the Industrial Training Act.

Primarily an enabling act, the Industrial Training Act gives the Minister of Labor¹³ power to establish Industrial Training Boards for "such activities of industry and commerce" as he thinks necessary. Very broad in scope, the Act applies to all industries, including nationalized industries, but excludes the Crown (i.e., Government). The Act applies to all levels within industry — for management and supervisory training, and for the training of technologists and technicians as well as skilled, semi-skilled, and "unskilled" workers. Finally, it applies to persons of all ages including the training, re-training, and further education of adults.

INDUSTRIAL TRAINING BOARDS

The organizational vehicles created to fulfill the objectives of the Act are the Industrial Training Boards. The duties and powers of the Boards as defined in the Act are:

- a. to provide or secure the provision of sufficient training facilities for employees in their respective industries;
- b. to make recommendations about the nature, length, standard, content, etc., of training for different occupations;
- c. to pay grants to employers providing training of an approved standard;
- d. to impose a levy on employers in their respective industries in order to meet the expenses incurred in accomplishing (a), (b), and (c).

The definition of industries and the determination of the membership of Industrial Training Boards are made by the Minister of Labor. The Board membership includes an equal number of employer and employee representatives, plus several representatives from Government and education, with the

latter two groups unable to vote on the levy.

The Industrial Training Boards promote training of desired standard using the levy-grant powers provided by the Act. Each individual Board, with the Minister's approval, determines the basis and rate of the levy in its industry and the means for collecting it. The rate of the levy must be sufficient to cover the operating cost of the Training Board, any training directly undertaken by the Board or any organization on the Board's behalf, and any research carried out by the Board. The levy must also cover whatever grants the Board decides to make to employers in its industry. While the Act does not compel employers to train their employees, it does compel them to pay the levy and to supply certain information necessary for manpower planning.

The Minister of Labor is charged with the responsibility of supervising the work of the Training Boards. He has the authority to make financial grants to the Boards; and he is also required to appoint a Central Training Council to advise him on the administration of the Act and on industrial training matters generally.

IMPLEMENTATION PROBLEMS

The job of implementing the Industrial Training Act has proven to be a difficult and lengthy one. Since the Act became law, 25 Training Boards, encompassing almost two-thirds of the British labor force, have been established.¹⁴ However, only about one-half of those now in existence can be said to have passed the "settling-in" stage; many of them are still in the early stages of organization and are not yet fully operational. At the present rate of progress, it will require more than five years to establish the 30 or so ITB's planned for all sectors of British industry and perhaps an additional five years to have them all working smoothly and efficiently.

Because of the difficulties involved in establishing detailed training recom-

mendations and the problems of forecasting manpower needs, most Boards have adopted provisional levy and grant policies in their early stages. The Engineering ITB, however, decided at the outset (with the blessing of the Ministry of Labor) to encompass the whole range of training and to make its levy reflect the total current cost of training in the industry. The adoption of this approach by the Engineering ITB accounted for 89 percent of the £84.4 million raised from levy assessments during the first year of operation. It is anticipated that over £120 million will be collected in 1968 from levies by the Boards. An additional £4 million in Exchequer grants will be distributed by the Government to assist the Boards in their work.

While it is still too early to fully assess the success or failure of the 1964 Industrial Training Act, it is nevertheless appropriate to run a trial balance on its operation after four full years of existence. Some of the strongest criticism to be leveled at the new industrial training system has centered around what the critics have described as the slow and inefficient manner in which the Industrial Training Boards have become operational. Many of these criticisms were registered in testimony before the 1967 House of Commons Estimates Committee. The Committee concluded in its report that

... many Industrial Training Boards have a proliferation of committees and sub-committees and an unnecessary amount of central bureaucratic organization has been set up; some chairmen were not spending enough time with their Boards to exercise a really effective control over their activities; most important, Boards were not paying enough attention to first principles, and in particular they were not asking themselves what the purpose of training was.¹⁵

It is evident that, in the rush to get the system launched and to "show results," there has been a pressing need — not always met — to guard against wasteful expenditures and inefficiency of operations.

SUPPLY AND DEMAND

The first major objective of the Industrial Training Act is to insure an adequate supply of properly trained men and women at all levels of industry. At first glance this objective appears to be simply one of substantially increasing output in all skill categories. However, the provision of an adequate supply of trained manpower cannot be made without some knowledge of the demand side of the equation. This knowledge, in turn, depends on the accuracy of manpower information and forecasts. Equally important to the problem of supply is the question of manpower utilization. This includes the retraining and redeployment of the labor force within and outside the firm and industry.

All evidence available at this time indicates that while some progress is being made in increasing the supply of trained manpower, this objective remains far from achievement. There has been a substantial increase in the number of apprentices being trained in Britain since the Act was passed,¹⁶ but at the level of supervisor and management training, it appears that less has been accomplished. In 1967 the House of Commons Estimates Committee was of the opinion that there was an urgent need for management training, that it was "fundamental in every industry, and successful training in other spheres largely depended on it." They were therefore quite disturbed to find how little had been accomplished in this area three years after the passing of the Act.¹⁷

TRAINER TRAINING

One indication of the difficulty encountered in increasing the quantity (and quality) of trained manpower is provided by the progress in recruiting and training officers. The Estimates Committee cites the need to rationalize the various training officer courses and, more importantly, suggests the need for an expansion of training places and for a substantial public relations effort

"to persuade firms that instruction is a technique requiring training," and thus to fully utilize the existing courses.¹⁸

It is also evident that the problems of manpower information and forecasting have not yet been satisfactorily resolved. In Britain at present there is not an adequate supply of national manpower information. While British manpower statistics are among the best in the world, there are still deficiencies, including the divided responsibility for their collection and dissemination. Until such time as regular demand statistics become available and extensive occupational forecasts developed, there can be no accurate basis for Training Boards utilizing the levy-grant mechanism to expand the quantity of trained manpower.

Furthermore, the emphasis on quantity and forecasting requirements make it particularly important that the various Training Boards work closely together. Many occupational categories cut across industry boundaries (e.g., clerical), and movements in and out of an industry have a bearing on forecasts of manpower requirements. Consequently, some better means must be developed than those presently available to provide suitable coordination among the Training Boards and the several agencies with manpower forecasting responsibilities. The Ministry of Labor's Manpower Research Unit, created in 1963, is attempting to provide manpower information on a nationwide basis, but its efforts thus far have not had a substantial impact, nor have they contributed to the resolution of the coordination problem.

MANPOWER RETRAINING

The reversal of Government economic policy in mid-1966 and the deterioration of the economy subsequent to the devaluation of the pound Sterling in late 1967 resulted in a sharp upturn in unemployment. The resulting economic climate has given priority to consideration of productivity. Translated into a manpower context, this has given the

highest prominence to the question of manpower utilization within industry. These events have also underscored the retraining problems inherent in the redeployment of manpower from one firm or industry to another. Unless such retraining is provided as initial training by a new employer, it is a national problem since it is affected by the national situation created by changing technology and markets.

The events of the past few months have clearly demonstrated that Britain's retraining effort is woefully inadequate and that the Industrial Training Act as presently operated is incapable of effecting the desired amount of retraining and redeployment of labor. Consequently, the Government has substantially expanded its own adult retraining efforts in order to meet the present crisis.

One of the measures taken by the Government in November 1966 to stimulate retraining within industry was the granting of authority to the Minister of Labor to make available £2 million to Training Boards for expenditures on adult retraining at the semi-skilled level. So far, according to the Estimates Committee, the scheme "has been a little slow in getting into operation," and, furthermore, it does not deal with the wider question of the contribution which retraining can make to effective manpower utilization and the resulting redeployment of labor.¹⁹ The Estimates Committee feels that if nothing is done to change the existing situation, "there is a real danger that much of the value of training will be wasted in perpetuating obsolescent crafts and skills rather than in encouraging the new techniques which are essential for the vitality of industry."²⁰

TRAINING TO MEET NEEDS

The ultimate resolution of this problem will depend first on the widespread adoption of the techniques of job analysis and job objectives by firms throughout industry. The use of these techniques, which are now being fos-

tered by the Training Boards and the Industrial Training Service, a Government-sponsored training extension service, will provide the basis for more effective training and retraining within the firm and industry. Secondly, there must be accurate forecasts of manpower demand in every industry so that transfers from declining to growing industries can be facilitated. Once accurate forecasts become available, there will need to be substantial development within the framework of the Industrial Training Act of facilities and procedures to carry out the necessary amount of retraining—unless Governmental policy dictates its provision only in Government Training Centers and through other Government manpower utilization programs.

The second objective of the Industrial Training Act is to secure an improvement in quality and efficiency of industrial training. The achievement of this objective depends in part on the work of the Training Boards in establishing good training standards and the creation of an effective training inspectorate or advisory service to assist firms in improving their training staff, facilities, and curricula. It also depends on the provision of technical training assistance to small and specialized firms which heretofore have had difficulty in developing adequate training arrangements even when they desired to do so.

The Training Boards are making considerable headway in developing training standards as evidenced by the module training concept and first year off-the-job training syllabuses adopted by the Engineering Training Board,²¹ and by the work of several of the other training boards. The consulting and extension work of the Industrial Training Service and the training staff of the Boards have aided materially in assisting firms to develop skills in job analysis and to write training syllabuses based on tasks which must be performed. These are the basic building blocks which, although difficult to

quantify, indicate substantial progress in this era.

TRAINING INSPECTORS

The Boards have experienced some problems in organizing training advisory services or inspectorates—partly because of the difficulty of finding sufficient numbers of suitably trained people, and partly because of the difficulty of defining the role of ITB inspectors: Should these individuals provide technical assistance and advice to firms, or should their role be merely one of inspection for grant purposes only? It appears that most Boards are attempting to find a middle ground—analogueous to the role played by Her Majesty's School Inspectors. The importance of this issue is such that the ultimate success of the system will be greatly influenced by the outcome.

One new approach for the provision of technical training assistance to small and specialized firms and the provision of suitable training arrangements for their employees is making remarkable progress. This is the adoption and promotion of group training schemes by several Training Boards. The encouragement of group training by the Engineering and Construction Training Boards is designed to assist small firms to cooperate with each other in hiring skilled training officers to serve their training needs and to jointly provide suitable training facilities for their employees. The development and expansion of group training may turn out to be one of the most significant accomplishments of the Industrial Training Act—particularly in improving industrial training within the smaller firms. This development is certainly worthy of close observation—and perhaps imitation—here in the United States.²²

LEVY-GRANT SYSTEM PROBLEMS

The third objective of the Industrial Training Act is to apportion the cost of training more evenly between firms. An analysis of this question leads into a discussion of the operation of a

levy-grant system, which is like opening Pandora's Box. A substantial amount of criticism leveled at the Industrial Training Act centers upon the ineffectiveness of the various Training Board levy-grant systems. Briefly summarized, the most often heard criticisms are: the levy-grant systems are too complicated and therefore burdensome to all concerned; and they are neither fair in redistributing the cost nor geared to achieve the correct amount of training. More fundamentally, they may not contribute to an optimal sharing of power and costs between the State and the Boards.²³

After hearing considerable testimony, the House of Commons Estimates Committee concluded that the levy-grant system as presently operated was in fact "impeding the Boards from proper consideration of future training policy and is not serving as a proper incentive for firms to improve their training."²⁴

It is unsatisfactory that Industrial Training Boards should employ such a disproportionate amount of their staff and time on detailed, financial consideration imposed upon them by a complicated system of levy-grant. It should be the policy of a new Board to think first and to act afterwards, to avoid establishing a bureaucracy to administer a system which may be overtaken by events and to concentrate on long-term planning for future needs.²⁵

SEEKING EQUITABLE LEVIES

The charge of unfairness of the levy-grant system stems in part from the fact that inevitably different organizations within the same industry have different training needs. The composition of the work force, the rate of expansion or contraction, and the rate of labor turnover—all of these affect the size of the training effort required. Two attempts are being made to mitigate this unfairness, but only insofar as the composition of the workforce is concerned. The Ceramics and Wool Training Boards do this on a broad basis by having differential levies for different segments of their industries.

The Engineering Training Board goes even farther and takes into account the different manpower patterns in individual companies by fitting its grants structure to the proportion of trainees in each of four categories of employees: technical/administrative, skilled, semi-skilled, and unskilled.

The greatest shortcomings of the present levy-grant systems, according to one group of critics, result from the way in which the Training Boards determine the total size of their levies.²⁶ The Engineering Board, for example, has aimed at establishing a levy suitable for providing a sum equal to the present cost of training—a policy endorsed by the Central Training Council as being desirable for all Boards. The apparent assumption is that the present expenditure level of training is sufficient. The same assumption is built into the Engineering Board's grant policy: The firm with the same proportion of trainees in each category as the national average in engineering gets a specified percent of its levy back in grant. Given Britain's persistent shortage of skilled manpower, this basic assumption is bound to be wrong.

The engineering levy-grant policy will have the salutary effect of redistributing the cost of training at *present* levels from those not doing their fair share to those who do the training at the standards prescribed by the Training Board. Nonetheless, it is virtually impossible for a Training Board to directly increase the amount of training in an industry by a levy-grant system if the total levy is less than the cost of the training which the Board decides *ought* to be undertaken because it cannot provide incentives. This also means that grants for any particular type of training which the Training Board wishes to promote must be equal to the full cost of doing the training in an efficient manner. If these conditions are not fulfilled, it is less expensive for a firm not to do training than to do it—although not as cheaply as it was before the passage of

the Industrial Training Act. Consequently, while the present operation of the Act has undoubtedly focused attention on training and thereby increased the quantity, such use precludes the more direct influence of the Training Boards on increasing quantity.²⁷

INDUSTRY-WIDE ECONOMICS

A counter argument to the one above has been set forth by an OECD team.²⁸ They argue that training is in the first instance carried out by employers because it provides a return to the firm. If the employer does not think the return adequately covers the costs, he may prefer to poach trained workers from those who think otherwise. This is a valid reason for some mechanism to redistribute costs of training—one which changes the basis of the calculation for the individual firms to such an extent that the result can become optimal from the point of view of the industry and economy as a whole as well as the individual employer.

From the standpoint of an industry, there is undoubtedly a common interest *both* in providing training of an adequate number of workers who during their working lives will put their skills at the disposal of industry (and not just the individual firm which provided the training) *and* in steering content of training activities away from the narrow specialization which the individual employer may be inclined to provide for his own needs, and to secure such curriculums that the trainees will be adaptable and useful for the whole industry. Obviously, the power to pay grants will give power to pursue this interest by appropriate controls. The question raised, however, is whether the interest of the Training Board is so important that it must lead to the conclusion that the grant should entirely cover the training costs of each firm. Would it not be desirable, asks the OECD team, by keeping a lower rate of reimbursement, to utilize the employer's own self-interest in see-

ing to it that the volume and direction of his training activities are carefully planned and executed?²⁹

DEGREE OF GOVERNMENT CONTROL

Another aspect of the question of sharing the cost of industrial training concerns the degree of centralization and control exercised by the Government over the Boards, and subsidiarily, the relationship between the responsibilities of the Minister of Labor (and Central Training Council) and the Boards. The nature of this problem can be illustrated by looking at the comparative financial arrangements between the Training Boards and the Government. During the current year it is estimated that grant payments by the Boards will be approximately £120 million of which only £4 million will come out of the national treasury. It has been argued that this disparity will necessarily reflect the degree of influence and power between the two. The Boards will give grants according to their appreciation of the various activities, and the Government will put in some additional subsidies at points where a speeding up of training developments appears desirable. However, are there a number of points where it might be useful to secure the public interest more effectively than is likely with the present system for sharing both power and costs between the Government and the Boards? For example: "Will it be unnecessary for a central body to ensure that the activities of each Board are centered not only on its own industry's needs, but also on the needs of the whole economy?"³⁰

The OECD team sees a major problem of coordination between Boards over common occupational categories as requiring greater centralization of direction. The Central Training Council has responded to this concern over common occupational categories by issuing a series of memorandums calling for the establishment of some sort of common policy from Board to

Board. This has been done for the training of training officers, clerical and commercial training, management training, and most recently on training for occupations common to a number of industries.

INTER-INDUSTRY SHIFTING

A second and related concern is the question of introducing short-term aspects into an activity which is geared primarily to long-term goals. When the new industrial training system is fully operative, it will have created new possibilities for bringing about a more rapid redeployment of manpower. "But can each Industrial Training Board be counted upon to take into consideration the need for occupational shifts between industries?" Will they consider their job done if they think about changes in their own internal occupational structure? Will it be possible to make them change direction when this becomes necessary if they are not already conditioned to take directives from a central authority?³¹

Finally, a situation where rapid reactions to central directives would be highly desirable is the short-run adaptation of the volume of training to variations in overall employment. The fear is that firms and Boards would tend to become cautious with respect to their own training activities when they experience a slack period and vice versa. Obviously, it would be desirable if, instead, the level of training activity were designed to be counter-cyclical, and therefore help alleviate the unemployment affects of fluctuations in overall economic activity. This could concern not only the retraining of adults, but the initial occupational training of young persons through the application of such devices as the flexible module system. Once again the question raised is "whether it would be possible to apply this flexibility in practice without a central authority with power to give directives and to make changes in the financial support given under the various conditions?"³²

TRAINING LEADERSHIP?

These concerns all revolve on the crucial issue: "Where should the leadership in industrial training come from?" The Training Boards are semi-autonomous instruments which have been given certain statutory responsibilities by Parliament. Clearly, the Department of Employment and Productivity wishes to see the Training Boards accepted as the sole leadership bodies. And, since the Department has statutory control over the Boards, it is theoretically the central directing force in British industrial training. Still, two points remain unresolved: On the one hand there are those who, like the OECD team, argue that the Government's power is so diluted by the decentralized and autonomous organizational framework that it may prove ineffective in accomplishing its leadership role. Another group of critics also argues that there is a leadership gap, but their suggested solution is quite different. They recognize the need of greater centralized direction, but do not want this to be entrusted to the Department of Employment and Productivity which they feel has a vested interest. Rather, they would like to see the Central Training Council expanded into a "national training executive."³³ Such an organization would take into consideration the various aspects of industrial training; the national framework within which training takes place, exemplified by the Industrial Training Board system; the impact of instructional technology; the impact of new theories of learning; the interest of the consumer; the interest of the community in industrial training as an agent for improving the economic situation; the influence of ideas about industrial training used as a management tool, properly integrated into a logical and sequential framework of management decision-making; and so on. These critics feel that all bodies existing to date have a limited interest in certain special and restricted aspects of the total field; and that none has the overall view.

The 1967 Report of the Estimates Committee recognized the growing problem of providing for greater centralization of leadership in industrial training. However, they deemed it as being too early to recommend radical changes and suggested instead that a thorough study of the role and organization of the Central Training Council be made with a view to making recommendations for change in 1970. Until then, the new British Industrial Training System will continue to experience some of the same trials and tribulations which most large new programs of social legislation undergo. Although substantial and thorny problems remain to be resolved before the Act achieves its ultimate desired objectives, it is clear that the fate of the 1964 Industrial Training Act will be quite different from that now being experienced by a similar ground-breaking piece of social legislation passed in the United States during the same year, "The Economic Opportunity Act." The Industrial Training Act will undergo considerable modification and change as the system matures. But unlike its American counterpart, it will retain its organizational identity and can be expected to live a long and healthy life.

REFERENCES

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3. The range and depth of the outpouring of this group is enormous. A sampling of their work, while incomplete, gives an idea of the abundance and variety of writing on the subject. C.A.R. Crossland, *The Conservative Enemy*, Cape, 1962; J.W.B. Douglas, *The Home and the School*, MacGibbon & Kee, 1963; Martin Gree, *A Mirror for Anglo-Saxons*, Harper & Brothers, 1957; Anthony Hartley, *State of England*, Hutchinson, 1962; Brian Jackson and Denis Marsden, *Education and the Working Class*, Routledge and Kegan Paul, 1963; Arthur Koestler, ed., "Suicide of a Nation," a special issue of *Encounter*, July, 1963, and also published as a book under the same title by Macmillan in 1964; Rex Malik, *What's Wrong with British Industry?*, Penguin, 1964; J. Morris, *The Outsiders*, London, 1963; Dennis Potter, *The Glittering Coffin*, Gollancz, 1960; Anthony Sampson, *Anatomy of Britain*, 1962; Andrew Shonfield, *British Economic Policy Since the War*, Penguin, 1958; Michael Shanks, *The Stagnant Society*, Penguin, 1961; Richard Titmus, "The Irresponsible Society," in *Essays on the Welfare State*, Allen & Unwin, 1958; Eric Wigham, *What's Wrong with the Unions*, Penguin, 1961; and John Vaizey, *Education for Tomorrow*, Penguin, 1962.
 4. John and Anne-Marie Hackett, *The British Economy: Problems and Prospects*, (London) Allen & Unwin, 1967, p. 23.
 5. *Training For Skill: Recruitment and Training of Young Workers in Industry*, Report by a Subcommittee of The National Joint Advisory Council, (London) HMSO, 1958.
 6. Although the ITC's activities were on a limited scale, there can be no doubt that it assisted materially in informing industry about the urgency of tackling training seriously. What is more, it focused attention not only on the need for more apprenticeships but also on other forms of training, for example, operative training and the training of girls. The ITC also gave a stimulus to the establishment of a number of group training schemes through which smaller firms were able to make a better contribution to industry's training effort. Finally, through the work of the ITC, a significant group of employers and trade unionists were educated as to the need for substantial industrial training reform.
 7. The Industrial Training Service has played a significant role in the implementation of the Industrial Training Act by conducting research for and training key employees of the Industrial Training Boards.
 8. See for example, Gertrude Williams, *Recruitment to Skilled Trades*, (London) Routledge and Kegan Paul, 1957; Kate Liepmann, *Apprenticeship: An Enquiry Into Its Adequacy Under Modern Conditions*, (London) Routledge and Kegan Paul, 1960; Stephen F. Cotgrove, *Technical Education and Social Change*, (London) George Allen & Unwin, 1958; P. F. R. Venables, *Sandwich Courses: For Training Technologists and Technicians*, (London) Max Parrish, 1959; P. F. R. Venables and W. J. Williams, *The Smaller Firm and Technical Education*, (London) Max Parrish, 1961; D. M. Silbertson, *Residence and Technical Education*, (London) Max Parrish, 1960.
 9. National Economic Development Council, *Growth of The United Kingdom Economy, 1961-1966*. (London) HMSO, 1963.
 10. These apprenticeship courses, which were mainly in the engineering and electrical trades, were intended to demonstrate to industry the value of the full-time training in a special training center or school. It was hoped, in addition, that they would be of assistance to the smaller business firms with relatively modest training resources. In addition to these courses, the Ministry of Labor provided training in its Instructor Training College at Letchworth (and, later, at Glasgow as well) for instructors in industry who were responsible for training apprentices and others.
 11. "Day-release" is a procedure whereby apprentices or other young employees, usually under the age of 18, are released from employment with pay one day each week for courses of theory or related technical education at technical colleges.
 12. *Industrial Training: Government Proposals*, Cmnd. 1892, HMSO, 1962.
 13. The name of the Ministry of Labor was changed to Department of Employment and Productivity early in 1968.
 14. The Boards range in size from the Carpet ITB with 40,000 employees to the Engineering ITB with nearly 4 million employees. On the basis of the number of firms covered, the Man-made Fibres ITB is the smallest with only six very large companies, while the Construction ITB has upwards of 70,000 firms.
 15. *Ninth Report From the Estimates Committee, Together with the Minutes of the Evidence Taken before the Sub-Committee on Economic Affairs, Appendices and Index, Session 1966-67: Manpower Training For Industry*, (London) HMSO, 1967.
 16. According to Department of Employment and Productivity statistics the number of boys entering apprenticeships has increased from 117,000 in 1963 to 131,400 in 1964, 134,700 in 1965, and 243,650 in 1966. *Ministry of Labour Gazette*, various issues.
 17. *Ninth Report From The Estimates Committee*, op. cit., p. xviii.
 18. *Ibid.*, p. xx
 19. *Ibid.*, p. xxii
 20. *Ibid.*
 21. The "Module System," adopted by the Engineering ITB is based on the identification of craft skills needed in the industry by a process of analysis on the basis of a module of time needed to learn them (the "training" module) and a module of time of experience needed to develop them (the "experience" module). After a first year of basic training (off-the-job) common to all engineering craft apprentices, a selection is made in each individual case of the skill modules to be learned and of the experience modules to follow them. In this way, it is hoped that firms, identifying their own needs and the capabilities and interests of their trainees at the end of the first year, can select the most suitable combination of training for their skilled craftsmen. For a more detailed description of the module system see: *Engineering Industry*

- Training Board, *Training For Engineering Craftsmen: The Module System*, 1968.
22. For additional information on Group Training see: Engineering Industry Training Board, *Group Training Schemes*, 1966.
23. It should be noted that while there has been considerable criticism of the levy-grant mechanism (as well as many other aspects of the industrial training system), there does seem to be general acceptance of the new system in principle. Few clarion calls for its outright repeal and abolition have been heard. Perhaps even more surprising is the absence of an informed body of opinion calling for the subjection of the system and the training provided therein to a rigorous benefit-cost analysis. Perhaps this can be accounted for by the long honeymoon with public opinion enjoyed by the new system, and more importantly, by the substantial British lag in adopting an analytical approach which has recently become accepted dogma in American academic and governmental circles.
24. *Ninth Report From The Estimates Committee*, op. cit., p. xvi.
25. *Ibid.*
26. *Perspectives in Manpower Planning: An Edinburgh Group Report*, (London) Institute of Personnel Management, 1967.
27. *Ibid.*, pp. 80-82.
28. Manpower and Social Affairs Committee, *Manpower Problems and Policies in The United Kingdom: Report by the Examiners*, (Paris) OECD. Forthcoming.
29. *Ibid.*
30. *Ibid.*
31. *Ibid.*
32. *Ibid.*
33. The foremost exponent of this position is John Wellens, a training consultant and editor of the journal, *Industrial Training International*.