

# The attractiveness of VET

Christian F. Lettmayr, Cedefop

# WorldSkills Leaders Forum Vienna, 8 September 2008,

Around 7.5 million young people between 15 and 29 years old, 38 % of all unemployed, do not have a job today in the European Union. Unemployment rates of the young remain high at around 16 %. To be certain, the situation is much worse in some regions and better in others, namely those where economic development is good and where functioning apprenticeship systems are in place.

The European Qualification Framework is one of the major European policy instruments in Education and Training and drives a paradigm change which will in all likelyhood fundamentally transform our educational systems even though this will be a process which will last many years. Its implementation through National Qualification Frameworks will remain high on the list of priorities on the European Vocational Education and Training policy agenda and so will the related priority of increasing the attractiveness of VET to which the Worldskills and Euroskills competitions and initiatives contribute in an exemplary fashion.

Ladies and gentlemen it is a great pleasure for me to be with you today. The IBW which is hosting this conference is an old and valuable partner of Cedefop, which whom we work closely together in the ReferNet which is Cedefop's network of expertise with partners in all EU member states. Let me take advantage of todays event to share with you a few thoughts on the development of vocational education and the attractiveness of vocational education and apprenticeship.

Thus, I will start out with a few considerations regarding the situation of the labour market.

The decision makers in the European Union are well aware that education and training plays a key role in our attempts to develop economically and raise the competitiveness of our economic systems. Thus, we must place high value in the adaptation of our educational systems to provide individuals with the knowledge, skills and competences which will allow them to continuously participate in the labour market and integrate them into a competitive and demanding society. On the one hand we need the competences which will allow us to stay at the forefront of innovation and technological change, on the other the competences which will ensure social inclusion and allow each and everybody to participate in the labour market and the society.

You have certainly heard it a million times in the last twenty or thirty years: the ever increasing speed of technological change which has made many professional profiles redundant and changed fundamentally almost all others requires lifelong learning. Few of us have been so lucky to remain in the same profession all our life.

I, perhaps provocatively, would like to claim that our formal school system has been too slow to live up to these challenges. It has failed pedagogically and content wise.

An aging society to be well understood is mostly the consequence of our advances in medicin, a more healthy life, low birthrates, late childbearing and the tremendous increase of life expectancy. Very soon young people will become an even more precious and rare resource. Will this automatically solve the problems many young people face today when they start entering into work? Will it be easier for them to find a job? Not necessarily. Not if they will not have the knowledgde, the skills and

the competences necessary.

Let me go back a little in time and share some of the experience I have gained in my former life as director of an institute on Small Business research in Vienna. Already in the 70s and 80s of the former century the number of apprentices have been dropping and many enterprises could not find enough and suitable apprentices. On the one hand there were fewer young people, on the other hand young people increasingly preferred to continue school.

Despite a need for skilled labour, some enterprises dropped their apprenticeship programmes, most because they did not find suitable candidates others because of specialisation which did not allow them to offer the full scope of skills.

In all our investigations into the causes of the lack of skilled labour qualitative issues played a role indicating that the quantitative labour supply is always only a part of the skill gap.

The problems already at that time gave rise to endeavours to increase the attractiveness of apprenticeships, to open apprenticeships to older people, for instance those who had completed upper secondary education and to adopt the occupational profiles to the changed demands, and to introduce new occupational profiles. All of that with varying success.

Today vocational education and training has become a key element of lifelong learning.

Let me at this point enter into some considerations into what vocational education and training is. VET enables people to acquire knowledge, know-how, skills and/or competences needed for particular jobs, a broader range of occupations or more broadly on the labour market.

It takes a variety of forms. It takes place at different levels of education, from secondary to higher education and training. Bridging learning in educational and workplace environments, it helps to make pathways more flexible and facilitates responsiveness to labour market needs.

It is also important for personal development beyond the workplace, supporting other aspects of people's lives and active citizenship. VET contributes to enterprise performance, competitiveness, research and innovation and is central to employment and social policy.

#### VET is an option at all levels of education and training.

Pre-vocational training prepares young people for transition to a VET programme at upper secondary level.

Initial VET usually leads to a formal qualification at upper secondary level. It can be school-based, enterprise-based, or a combination of both (as, for instance, in apprenticeship). Completion of initial VET usually qualifies young people to perform a skilled job. Providing key competences relevant for work, innovation and further learning, initial VET can be a route to postsecondary and increasingly also to higher education in several countries.

At post-secondary level, VET provides access to higher skilled jobs (e.g. master-craftsman or technician) or leads to specialisation.

VET at higher education level, which often takes place in specialised institutions, increasingly includes on-the-job experience.

Much adult learning is vocational. VET is an important component of 'flexicurity' which aims to combine flexible labour markets with high levels of employment security.

Continuing vocational training (CVT) ranges from short training courses to participation in advanced and longer programmes. It can be organised by companies or networks of companies, social partner organisations, and local, regional and state bodies. Participants include employees, unemployed people or those returning to the labour market. Many active labour market measures use VET to integrate those who left education and training prematurely and many who are marginalised in society.

#### About half of Europe's youth in upper secondary education is in VET.

In many countries, initial VET has a long tradition dating back to the middle ages or at least to the industrial revolution. Nature, role and status of VET depend on the individual socio-economic context and labour market characteristics of a country and often its regions. As entry into regulated occupations requires specific recognised qualifications and thus specific training, the degree of labour market regulations influences the role of VET. While initial VET is very strong in some countries, it has relatively low status in others.

But VET is evolving. In recent years, initial VET has undergone many reforms across Europe in terms of structure. This has been triggered off by the increasing need to meet current and future labour market demands and to make the highly diverse VET systems and qualifications more transparent, effective and attractive.

At present, about half of all students enrolled in upper secondary education participate in vocational programmes. However, the EU average masks significant differences reaching from participation rates of almost 80% in some countries to less than 15% in others.

Chart 1: Students in upper secondary pre-vocational and vocational streams as percentage of the total number of students in upper secondary education (ISCED 3), 2006



#### Source: Eurostat (UOE), 2006

Between 2000 and 2006, participation in VET increased in 11 countries. Of these, Italy, Portugal and Malta - all having VET sectors smaller than the EU-average in 2000 - have had highest growth rates (by more than 20 percentage points).

However, VET decreased in almost all Member States which joined the EU in 2004 or in 2007. In some countries with low participation rates in VET at upper secondary level, such as Hungary, initial VET is postponed to the postsecondary level.

A recent Cedefop forecast (<sup>1</sup>) expects a considerable demand for people who opt for the VET route. 54.7 of 105 million job openings in total (i.e. the sum of expansion and replacement demand) between 2006 and 2020 are expected to require medium level qualifications (which traditionally include VET qualifications). This is also more than those expected to require high qualification levels (40.9 million). For applicants with no or low levels of qualifications less than 10 million job openings are projected.

In 2020, 50 % of all jobs are expected to require medium, around 31.5 % high level qualifications, whereas the demand for low qualifications will further fall from about 33 % in 1996 to around 18.5%.

Upper secondary VET caters for a wide range of learners: from high achievers to those finding academic streams more difficult or who prefer different ways of learning. Initial VET often provides a

Cedefop: Future Skill needs in Europe. Focus on 2020. Luxembourg, 2008 http pdf://www.trainingvillage.gr/etv/Upload/Information\_resources/Bookshop/498/4080\_en.pdf
Cedefop is the European Agency to promote the development of vocational education and training (VET) in the European Union. http://www.cedefop.europa.eu/

safety net for those who risk leaving education and training early.

Depending on the countries' systems, the typical age range in initial VET in Europe is 14 to 25 years (France is one of countries exceeding this range). In general, VET starts at upper secondary level and increasingly stretches to higher education level.

#### Variety of forms

At upper secondary level, VET takes three main forms:

- mainly school-based;
- mainly work-based but usually combined with learning in educational institutions or training centres (e.g. apprenticeships)
- special programmes for specific target groups (e.g. those who do not find a training place or risk being unemployed)

Depending on the country, usually one of these forms predominates. In some countries, they co-exist and may have equal status. In many countries VET is pre-dominantly school-based (e.g. the Nordic countries and several of the member States that only recently joined the EU; the school-based programmes in Italy and Ireland are mainly pre-vocational).

In some countries, learners can choose among several school-based pathways which lead to different qualification levels (for instance in Austria, Czech Republic, France, Hungary, Poland, Slovenia, Slovakia). School-based VET can lead to recognised occupational qualifications, as is the case, in Austria and Norway. Increasingly countries offer school-based programmes that offer both, occupational qualifications and access to higher education (e.g. Austria, Bulgaria, the Czech republic, Finland, Latvia, Lithuania). Several countries with differentiated systems tend to distinguish between technical (leading to higher education) and vocational streams.

In countries, where this has not been traditionally the case, social partners are increasingly involved in decision making and governance of VET. With increasing decentralisation, educational institutions can adjust curricula to regional and local needs.

## Key competences for work and further learning

Making VET programmes broader to enable people to adjust more easily to future demands has been one of the main trends. More emphasis is put on integrating general education and generic skills in countries where this had not been traditionally the case.

Giving learners the opportunity to progress has been one of the main objectives. In almost all countries, a shift to more vocational programmes which give access to higher education can be observed. Structurally, VET systems hardly have dead end routes but existing pathways are not always used and failure to progress remains an issue to be tackled.

#### **Combining different learning venues**

Most of the VET programmes combine theory and practical aspects in the educational institution or training centre (e.g. on-site workshops and labs, practice enterprises) and at the workplace. The mixes of these elements, however, vary from short-spells of work-experience. School-based upper secondary programmes leading to higher education usually contain less work-based training.

Alternance schemescombine learning in an educational institution or training centre with major periods in the workplace. Learning at the workplace can take place in parallel ("dual system" like apprenticeship in Germany and Austria), consecutively (like e.g. in Norway) or in form of sandwich course.

The alternance scheme can take different forms, e.g. apprenticeship, sandwich courses or other forms of education and training with on-the-job experience as a major element.

Small and medium sized enterprises form the backbone of apprenticeship and other alternate forms of training.

#### About 30 % of Europe's enterprises train young people

About 30% of enterprises in the EU provide initial VET. However, there are significant differences between countries. They correspond to the size of the VET sector and character of educational

settings in which initial VET is organised. In Germany, the UK, Austria and Denmark about half of the enterprises train young people. In Estonia, Cyprus, Romania and Slovakia less than 3% of enterprises are involved in initial VET (<sup>2</sup>).

In the countries with the highest share of enterprises involved in training young people, mainly workbased initial VET or a combination of work-based and school-based initial VET prevails. In the second group of countries, initial VET is more often predominantly school-based or participation in VET is generally quite low.

Germany, Austria (<sup>3</sup>), Denmark and Luxembourg are examples of countries with rather high participation in apprenticeship. In Germany, people also opt for this pathway after having completed upper secondary general education. In Cyprus, Estonia, Greece, Latvia, Sweden and the UK, for instance, participation is lower.

#### A revival of apprenticeship

Traditional apprenticeships offer systematic, long-term training alternating periods at the workplace and in an educational institution or training centre. Apprentices are contractually linked to the employers, i.e. they are employed and receive remuneration (wage or allowance). The employer assumes responsibility for providing the training which leads to a specific occupation. Social partners and sectoral bodies play an important role in defining content and assessing learning outcomes.

Depending on the countries, apprenticeships can exist in a rather small or a very wide range of sectors (e.g. the lists of recognised apprenticeships comprise 346 in Germany (2006) and 257 in Austria (2007). Also the duration of apprenticeships varies.

Apprenticeships have been the focus for significant development. Several countries are (re)introducing apprenticeship and similar forms of alternate learning. Governments launch campaigns and provide incentives to employers to engage in training. The reason is two-fold: labour market demand and offering an alternative route to those who would otherwise leave education without sufficient skills. Countries are also increasing the age range of those eligible for apprenticeship and expanding them to lower and higher levels. France, Germany, Italy and the Netherlands, for instance, also have apprenticeship type training at higher education level.

# VET at post secondary and higher education level

Several countries are diversifying their VET programmes available to learners who have completed secondary education. In some countries post-secondary VET, is well established, even if at a comparatively small scale (e.g. Austria, Czech Republic, Germany, Hungary, Iceland). These programmes provide a mix of theoretical and practical training and sometimes also include workbased training.

Vocationally-oriented courses at higher education level are well established across Europe though participation is relatively small scale (13 % in 2004) in comparison to the total participation rate of all students in higher education (all three cycles). In 2004, participation rates were highest in Cyprus (around 80 of the Cypriots studying in their own country). In Belgium and Slovenia approximately half of the students participate in vocational programmes, about 30 % to 40 % in Lithuania, Turkey, Ireland, Croatia, Estonia and Greece, around a quarter in the UK and France ( $^4$ ).

The vocationalisation of education sometimes is seen critically as conflicting with a humanist ideal in which education serves primarily and only the formation of character and personality. It is however difficult to understand the value of a discussion of the utilitarian aspects of the strong labour market orientation of the European Qualification Framework when at the same times many young people do

<sup>&</sup>lt;sup>2</sup> () Eurostat, Continuing training surveys CVTS2 (reference year 1999) and CVTS 3 (reference year 2005).

 <sup>3 ()</sup> In Germany approximately 53% of an age cohort opt for an apprenticeship (2006); in Austria, approximately 40% of all young people aged 15 to 18 are trained in recognised apprenticeship trades (2007).

 <sup>()</sup> ECOTEC and Key data on higher education in Europe, 2007 Edition. European Commission, Eurydice, Eurostat, 2007.
<u>http://www.eurydice.org/portal/page/portal/Eurydice/PubPage?pubid=088EN&fragment=2</u>
<u>9&page=1</u>

not find work, loosing years of their lifes because they lack the necessary competences. It also reflects some of the difficulties the change towards an orientation on learning outcomes defined through knowledge, skills and competences imposes in many countries. From the viewpoint of vocational education and training and lifelong learning this reorientation will raise the attractiveness of VET, open up possibilities for mobility and career development.

## Making mobility in VET easier

Despite the common features and developments, the diversity of VET in terms of participation rates, types of programmes, regulation, content and learning outcomes, etc, can hamper mobility.

Cooperation at EU-level with Cedefop support has helped to develop common tools which (will) make 'learning by leaving' easier.

**Europass** (<sup>5</sup>), the portfolio which helps to make people's skills and qualifications clearly and easily understood, has proved a tangible and relevant tool. Within this portfolio, the Europass-mobility, for instance, helps to document the knowledge skills and competences they gained during work experience abroad. The Europass language passport helps to show the language skills acquired. Its European website hosted by Cedefop, had reached 10 million visits by February 2008.

**The European qualifications framework** (<sup>6</sup>) will help translate qualifications across countries and make them more transparent as it focuses on what people know, understand and can do at the end of a learning sequence. Almost all countries are working on national frameworks to make it easier to map their qualifications to the European reference levels. In this context, many rethink their qualifications, redesign of curricula and develop new occupational and educational standards. This also gives the opportunity to clarify the role of VET in relation to other forms of education and training.

Similar to the European Credit Transfer and Accumulation System (ECTS) in higher education, the intention of the future **credit system for VET (ECVET)** is to make learning outcomes of VET portable across borders but also across different learning contexts within a country.

The two concepts, individualization and provision of variouys opportunities define two of the four pillars of the EU policy on the aspect of raising the attractiveness of VET. Modernised governance, meaning streamlined and clear educational offers, and actions to promote parity of esteem of general education and VET constitute the other two pillars.

Socio economic research rather takes different paths, centering on the image and selectivity of the institution, as well as economic rates of returns in terms of future earnings and job satisfaction.

Most national initiatives follow the EU approach. However, attractiveness thus is difficult to measure and systematic monitoring is lacking.

It can be expected that the upcoming Bordeaux communique, which will as outcome of the biannual conference of the education minsters under the French presidency determine the priorities of European VET policies in the next two years, will confirm raising the attractiveness of VET as one of these priorities.

Cedefop's medium term priorities for 2009 to 2011 states raising the profile of VET as one of its four prioritries. This reflects the notion that more and better information and communication on VET will by itself lead to a better profile and greater esteem of VET. Activities envisaged strive mainly at improving our communication in terms of frequency, quality as well as content.

<sup>&</sup>lt;sup>5</sup> () <u>http://europass.cedefop.europa.eu/</u>

<sup>&</sup>lt;sup>6</sup> () Council of the European Union. Council Recommendation of 23 April 2008 establishing a European Qualifications Framework for lifelong learning. Official Journal of the European Union, C111, 06.05.2008. <u>http://ec.europa.eu/education/lifelong-learning-policy/doc44\_en.htm</u>

Communication in this context also includes the function of Cedefop to act as a plattform for discussions, experience exchange, and presentations of the various stakeholders, including especially also the social partners. Less directly our contoinued work on skill forecasting, as well as our supportactivities in the implementation will contribute to the various other activities in this fields to which certainly the work of World and Euroskills contributes substantially and in an excellent manner.

Sources (where not otherwise stated in footnotes):

Cedefop's information data base on national VET systems eknowVet:

http://www.trainingvillage.gr/etv/Information resources/NationalVet/;

Eurostat

European Commission, DG Education and Culture

Ecotec, Beyond the Maastricht Communiqu'e: developments in the opening up of VET pathways and the role of VET in labour market integration. Consolidated final report, March 2008.