



VOCATIONAL TRAINING

E U R O P E A N J O U R N A L

**Innovation and reform:
training in Central and
Eastern European countries**





Editorial

Perspectives from the West

Co-operation with Central and Eastern Europe is the focus of this issue of the European Journal for Vocational Training. Although part of the European continent, its history and its culture, these countries have been quite separate from the rest of Europe for a very long time.

Since the dramatic political changes in this region at the end of the 80's and the early 90's, both sides of what was known as the 'iron curtain' have begun to grow together although not always in a way that has respected the customs and traditions of each of the different countries involved. Vocational education and training is one important element in this process, and is closely related to history, culture, human and social values as well as economic factors. If this is neglected in the reform process, the reforms will fail - and the examples are numerous.

What is meant by the Central and Eastern European countries? To a certain extent it is an artificial term invented as a paraphrase for the countries eligible to benefit from the European Union (EU) PHARE Programme of co-operation and assistance. At present it covers: Albania, Bulgaria, the Czech Republic, Hungary, Poland, Romania, the Slovak Republic, Slovenia, and three countries of the former Soviet Union: Latvia, Lithuania and Estonia. The countries of the former Yugoslavia - apart from Slovenia - though geographically part of this region are not yet fully included due to the specific post-war conditions. Ten of these countries now have a concrete political perspective to become members of the EU and have signed association agreements, only Albania is in a different position. A number of EU programmes are, in principle, already open for the participation of these countries. For this reason, the Editorial Committee of the Journal has decided to devote this special issue to these countries, which remain, for many people, unknown territory as far as the state of play, the underlying principles, trends,

perspectives, problems and requirements of vocational training are concerned.

This issue is also special as it brings together two EU institutions of major importance for vocational training in Europe; the European Centre for the Development of Vocational Training (CEDEFOP), which has the objective of assisting the Commission in promoting the development of vocational education and continuing training within the EU; and the European Training Foundation which deals with co-operation with Central and Eastern Europe, the new independent states and Mongolia, in the fields of initial and continuing vocational training, the re-training of adults and management training. Close co-operation between these two institutions is indicative of the changes in Europe and necessary to foster their mutual development.

We don't claim to provide the reader with a complete survey on events in this part of Europe and we also try to avoid the mistake often made by numerous western 'experts', particularly in the early 90's, who treated these countries as if they were a homogenous ensemble in need of a uniform, proven model of the market economy with relatively simple patterns of skills requirements. Although the fact that there is no 'European model' of a vocational education and training system was frequently emphasised, this has often proved to be empty talk and recommendations have been made in a rather simplistic way. Occasionally recommendations were also provoked by some partner countries themselves being attracted by, for example, the advantages of a system with high private sector commitment - which alleviates the burden on state budgets - without paying due attention to the fact that such systems have their roots in long traditions, consolidated awareness of the importance of investment in training and last but not least financial means allowing for this kind of private commitment.

The difficult question of the transfer of systemic approaches, know-how and ex-

Short Glossary of Acronyms

The EU PHARE programme: PHARE is the European Community's economic aid programme to support economic restructuring and democratic reform in Central and Eastern Europe. Its funding is used to channel technical, economic and infrastructure expertise and assistance to recipient states. The aim is to help economies in transition to establish market economies based on free enterprise and private initiative.

CEECs - Central and Eastern European countries: In this issue this refers to Bulgaria, the Czech Republic, Estonia, Hungary, Lithuania, Poland, Romania, Slovenia, Latvia and Slovakia.

COMECON (Council for Mutual Economic Assistance) or CAEM (Conseil d'Assistance Économique Mutuelle): Free trade organization amongst socialist countries created in 1949 as a response to the Marshall Plan. The Organization was dissolved in June 1991. It comprised East-Germany, (ex-GDR), Bulgaria, Hungary, Poland, Romania, Czechoslovakia, the USSR, Mongolia, Cuba and Vietnam.

Leonardo da Vinci is an action programme for the implementation of a European Community vocational training policy. It promotes the development of innovation in vocational education and training through pilot projects, exchanges and surveys and analyses, carried out by transnational partnerships.



TEMPUS is part of the PHARE programme and aims to promote the quality and support the development of higher education systems by encouraging their constructive interaction with partners in the European Community.

perience lead those familiar with the problems involved in reform and restructuring processes to the conclusion that there is no way out of the need for each country to find and determine its own way individually, using the exchange of experience as a tool for clarifying lines and directions of its own reform process, rather than for establishing a market for import and export.

The communist systems in these countries did, nevertheless, have some common features, many of them linked to the economic system (planned economies). State ministries worked closely with large scale industry to determine and organise training in vocational schools tied to particular enterprises. Specialisation was extreme and the profiles of professions narrow with long lists of occupations. Labour market needs assessment was simplified (or even superfluous) in a system where demand was decided by the state, small and medium-sized enterprises not permitted, and social partners unnecessary. As mobility and flexibility of the workforce was not an economic requirement, lifelong learning had quite a different meaning.

At the end of the communist era, some countries were able to go back to pre-socialist times, revitalising, for example, the craft sector with very practically-oriented training. Others tried to retain aspects of their existing systems, such as the possibility to access higher education through vocational training qualifications, which is also of interest to the EU Member States. Many countries follow school-based vocational training while at the same time developing different lines to increase - either simulated or real - practical work placements.

Overall there is a readiness and motivation for innovation on an impressive scale in this part of Europe which could well even help to encourage reform in the European Union Member States in the future.

Nevertheless, it is important to realise that major changes will take a generation rather than a few years. The necessary development of core skills, such as learning to be able to work as a member of a team, to be creative, to feel responsible, to have the means to develop entrepre-

neurial skills (particularly in the context of small and medium-sized enterprises) and the skills requirements for the increasing service sector, need time for change and consolidation.

Regardless of the type of training system, social partners will have to play a more active and important role in the future. This means institution building, the development of a social dialogue culture, and improvement of skills and competences. In addition, special support and encouragement is necessary for all the different types of disadvantaged groups. In Western Europe today almost one in five young people do not successfully complete their initial training.

Innovation and reform require a sound analysis of information and data and a good research infrastructure. The research facilities in Central and Eastern Europe have suffered and have not yet recovered sufficiently. It is to be hoped that this issue of the Journal will help to bring Eastern and Western research institutions closer together, although at the same time it is important to bear in mind that exchange of experience between those countries themselves is also very valuable in the reform process.

As mentioned previously at least ten countries are moving towards European Union membership. Apart from bilateral cooperation there are two programmes at European level which support this process as far as vocational education and training is concerned. On the one hand the European Union's Leonardo Programme can be described as a laboratory for innovation enabling institutions and individuals to experiment and develop new ideas in a bottom-up and partnership approach. On the other hand, the PHARE Programme has provided assistance since 1989, gradually spreading its scope from two countries at the beginning to a total of thirteen today. The programme will in future serve as the main accession instrument for these countries, the emphasis on partnership rather than assistance. As far as PHARE support is concerned, the keyword is now the 'acquis communautaire', in other words the adaptation to formal regulations, particularly those governing the single market. In the field of vocational training this term has



to be used in a more comprehensive sense enabling not only the adaptation of regulations such as the recognition of diplomas, but also for more structure and content related measures to increase competitiveness in a common market, to improve access to training and to better provide for disadvantaged groups. It was clear from the beginning of the reforms that human resources development is a crucial aspect in the development of democracy and the reform of the economic system. It remains so in the process of becoming a member of a unified Europe where the institutions and networks that support the functioning of training systems are an integral part of society and

the “*acquis communautaire*” in our part of the world.

The articles in this issue of the European Journal tackle important topics: labour market needs assessment, standards and curriculum reform, decentralisation, the role of the social partners - to name a few. It is hoped that they will stimulate interest in the situation, development, problems and prospects in our neighbouring countries. The perspective has become richer and innovations have gained considerable impetus. The greater Europe can only be built on partnership in the true sense of the word and not through one way process.

Ulrich Hillenkamp

Perspectives from the East

Let us add also a few words from the perspective of Central and Eastern European countries (CEEC), countries “in transition”. As Ulrich Hillenkamp pointed out, a system of vocational education and training is closely connected with the socio-political climate of society.

In the totalitarian regime the rulers do not ask the public whether to introduce a reform or not. They are using their power to enforce the reforms without any feedback, discussions, without much responsibility or monitoring the effects of the reform. The reform in a stable democracy is more complicated to implement since the public has the right to make suggestions and objections. The preparation of reform has to include certain criteria with regard to future stability and efficiency. Public opinion should be respected and participating actors should be persuaded. The reform in societies in transition towards a democratic system meets a lot of difficulties. Everyone is eagerly expecting a fast reform. In a post-revolutionary period people do not ask “Why a reform is needed?”, but the most frequent questions are “Why the reforms go so slowly?” or “Why the reforms have not been implemented yet?”.

But in its initial phase freedom sometimes takes the form of chaos. People are fo-

cus on social interactions, relations, allocation of power. The short-term issues are so enormous that many people forget to take care of the structural long-term problems. People are eager to act, solving the problems at hand is in; thinking about long-term problems is out. There is hardly any time or capacity for conceptualisation.

The typical feature of post-revolutionary period is an unstable government. This fact does not involve only CEECs. For example, Portugal in the period of its transformation after 1974 had 12 different ministers of education within 10 years. Each new minister first criticised his predecessor, then cancelled some existing procedures and described his vision of reform. At that time another minister replaced him and the circle started again. The fact of frequent changes is more or less similar in all CEECs. Frequent governmental changes do not create conditions conducive to the successful reform.

The basic ideas concerning the future development and role of education in the CEECs were clear from the very beginning of the transformation process. The global transformation of CEECs will depend upon new skills and attitudes acquired through education. New skills can-



not be acquired if education remains structured and organised as in the times of the centrally-planned economy.

But the realisation of goals is not as simple as their formulation. It is impossible to emerge from backwardness and to qualify as advanced by its own force only. We can learn this from successful examples of countries like Korea, Taiwan or Singapore. None of them has developed in isolation. The problem of underdeveloped countries is their lack of inner stimulants to advancement. Only a complete opening to the world and an intensive struggle for integration into structures of developed countries are a precondition of possible growth. Investment of foreign capital brings to a country also new models of management and of labour organisation, thereby the country also obtains external stimuli of development.

For many decades the educational systems of countries behind the 'iron curtain' were isolated from the rest of the Europe. As the devastated economy can not recover without foreign capital, the same is true with the educational systems. Immediately after 1989, all CEECs were inundated with foreign advisers, teams of experts from different international organisations, representatives of foundations, numerous Western universities and the like. Many of these came at the invitation of national authorities and institutions, many spontaneously and at the initiative of various Western bodies. There can be no doubt that directly or indirectly, implicitly or explicitly, this advice and outside models in general played an important role in the launching of education reforms in CEECs.

This does not mean that many of the external recommendations have not been put aside and that, in some cases, and especially in a later period, a certain resistance, or even rejection of foreign models and advisers has taken place. Overall, however, the maxim "return to Europe" or "catching-up" did certainly reflect a key force influencing the reform process, significantly helped by several large assistance programmes and especially the European Union's PHARE Programme.

The role of foreign models and advisers is subject to an evolution, which could be simplified in terms of a transition "from

assistance to partnership". The less developed ones can communicate with the centres of development in two ways: as clients and petitioners or as partners. The first way can bring some quick concrete help which does not necessarily mean also substantive change of behaviour. The intended goal - to be accepted as a full member of a community - moves away. The second approach - partnership - asks for enormous efforts. It means to work hard and to try to achieve the norms and standards common in the developed countries. But only this effort can lead CEECs to the transformation which is a condition of their true European integration.

A challenge for policy making in the CEECs is to combine modernisation, structural change and systemic reform. Modernisation and structural changes can be observed in west European countries as well, but the issues related to systemic reform are particular to the transition of the CEECs. The successful transition into a market economy requires "systemic" changes, as the institutions and actors have to play new roles, enter new types of relations, which imply different attitudes and different forms of behaviour. This is not something that can be ordered from above, but has to be learned by all those involved. It should be seen as the outcome of a complex and difficult learning process rather than as the result of a single legal act.

There is the famous prediction of the length of the transition period of CEECs by Ralf Dahrendorf (1991): The establishment of a new political system can be realised in six months. The transformation of economy can be reached in six years. The change in people's attitudes and approaches will last sixty years. His hypotheses seem to be true, everyday life confirms them, including the last one. It is confirmed by a lot of frustrations and tensions as we cannot change human behaviour and way of thinking overnight. We can only try to shorten the long period, but anyhow it cannot be done rapidly.

Articles in this issue give the readers who are interested in "Co-operation with Central and Eastern Europe" a good picture of the topic thanks to a balanced combination of case studies and multinational surveys. The comparative surveys provide



the global overview: Jacques Nagels describes economic surroundings as the key factors for the development of vocational education and training systems, Alena Nesporova analyses regional differences in employment, unemployment and active unemployment programmes. Inge Weilnböck-Buck, Bernd Baumgartl and Ton Farla from the European Training Foundation offer a comprehensive survey based on information from the National Observatories established in CEECs with the support of ETF. Case studies (Laszlo Alex, Tadeusz Kocek, Martin Dodd, and the interviews with Ministers from Hungary, Slovenia, the Czech Republic and Romania) give us deeper insight into the reality of West - East co-operation. Thanks to these articles, the reader can get a picture about the situation in the majority of CEECs. The article on social partners by Jean-Marie Luttringer touches the heart of

“systemic reform” in CEECs. Tim Mawson in his article looks at the future ways of co-operation in the framework of EU programmes Leonardo da Vinci, Socrates and Youth for Europe now starting to be accessible also for CEECs.

Not just concerned only with differences, let's finish with what we have in common. No matter which part of Europe we come from, we are all Europeans. This continent's chance in competition with the USA and Japan lies in the creation and development of a united Europe. If we view Europe from this perspective, it means overcoming a multitude of traditional frictions and conflicts among European nations, to create a unifying comprehensive policy and strategies of co-operation. The European educators have the duty and chance to steer Europe in this direction.

Jaroslav Kalous





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The completion of the first phase of transition in Poland, Hungary, the Czech Republic and Slovakia

General background

The transition in Eastern Europe and the globalisation of capitalism

The process of transition in Eastern Europe in the years 1989-91 can only be understood within the context of a process of the geographical expansion and extremely rapid deepening of capitalism as an economic system. In the south, in those countries which had opted for a "third-world" type road to development (relatively protectionist economies geared towards the substitution of imports), neither having command economy nor a free-market economy, capitalism has spread like wildfire in India, south and south-east Asia, Latin America, Egypt and Algeria. All these countries which had established a significant public sector in the post-decolonisation period, have witnessed a wave of privatisation over the last decade, rapidly unravelling the nationalised sector as private - national or foreign - capital took over state-owned enterprises.

In the OECD countries, capitalism has been dominant for a long time - indeed since the advent of the first industrial revolution. These economies nevertheless retained a number of enterprises directly run or at least controlled by the state. These nationalised enterprises - some dating back to the nineteenth century, others to the Second World War - were mainly found in the commercial or quasi-commercial sectors of the economy - the railways, postal services, telecommunications, airlines, water and electricity distribution - and in a number of countries in purely commercial enterprises such as coal mines, iron and steel works and commercial banks. In North America, Japan and Western Europe, Thatcherism and Reaganism and their like have privatised these public or semi-pub-

lic enterprises or are in the process of doing so. This marks a deepening of capitalism, which is eroding the nationalised base of industry and increasingly dominating economic activity.

In the east, capitalism has begun to penetrate an immense geographical area to which its doors had previously been firmly closed: Central and Eastern Europe, including the former Soviet Union, China and Vietnam. At the lowest estimate, 1,700 million men and women have been carried away by the tidal wave of the transition towards the market economy. Never before in history in such a short period of time, 1989 - 1992/3, have so many countries swung from one economic system to another.

From the command economy to "unbridled" capitalism

By becoming internationalised and globalised, capitalism has gone through a profound change; a "civilised" form of capitalism has given way to an "unbridled" form of capitalism. "Civilised" capitalism, dominant for a relatively short period of history, 1945 - 1975, was characterised by full employment, a relatively fair distribution of national income, an advanced level of social security, tangible growth in the satisfaction of collective needs (health, education, culture) and market mechanisms flanked by powerful state intervention at both the level of labour-market and monetary regulation (the Bretton Woods system and fixed parities, 1945 - 1971).

The opening-up of the goods, services, currency and capital markets at international level exacerbated competition in the world markets, triggering, among others, new forms of concentration of capital at global level: mergers-cum-acquisitions



J. Nagels

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The process of transition in Eastern Europe in the years 1989-91 can only be understood within the context of a process of the geographical expansion and extremely rapid deepening of capitalism as an economic system. In essence, the transition process in the CEECs is not a question of a switch "from the command to the market economy", but "from the command economy to rampant capitalism".



Table 1
Indicators of development in 1938

Country	Average per capita income in current US\$	Working population in agriculture (%)
Poland	104	67
Hungary	112	54
Czechoslovakia	176	30
Germany	337	28
United States	521	22

Source: KASER, M.C. and RADICE, E.A., *The Economic History of Eastern Europe, 1919-1975*, Oxford, 1985, Vol. 1, p.532.

“Again with the exception of Bohemia (...) the economies of Central and Eastern Europe were in general at the periphery of a centre, that centre being Western Europe.”

between increasingly oligopolistic multinationals which, in an effort to boost their profits, have been restructuring their business activities, outsourcing segments of production to other countries serving as their workshops, organising “Euro-shopping” among the Member States of the European Union and provoking competition between workers from different countries. This process - which has only just begun - has come up against the resistance of the labour world in some countries, but in global terms it is advancing and leading towards an “unbridled” capitalism, characterised by high unemployment and insecurity for workers, an increasingly inegalitarian distribution of national income in view of the growth in the relative proportion of capital incomes, in which the mixed form of the economy is being called into question by the privatisation of traditionally public sectors.

This form of capitalism which is now predominant is implanting itself as the capitalism of Eastern Europe. In essence, the transition process in the Central and Eastern European countries (CEECs) is not a question of a switch “from the command to the market economy” but “from the command economy to unbridled capitalism”.

Historical background

Hungary, Poland and Czechoslovakia before the Second World War

With the exception of perhaps Bohemia, the economies of the CEECs were late to take off - desperately late - a good cen-

tury later than Western Europe. This created dramatic gaps between the CEECs and the more advanced economies in technology, in theoretical and applied research, in the “mechanical skills” of the workers, in business management vis-à-vis taylorism, in the mentality of workers of recent rural origin disinclined to perform careful work, in terms of the qualitative requirements of the world market for manufactured goods. Average levels of productivity far below the levels of Western Europe explain the low industrial wages and agricultural incomes in the region and, as a result, the tightness of the domestic markets. Enterprises lacked competitiveness and were therefore weak in terms of exporting capacity. As demonstrated by Table 1, the conditions for economic take-off were not created.

If per capita income in the USA is set at an index of 100, the corresponding ratios were 20 for Poland, 21 for Hungary and 33 for Czechoslovakia⁽¹⁾. The economies of this region could therefore be described as economies having reached an average level of development.

Again with the exception of Bohemia whose industrial development was more advanced, the economies of Central and Eastern Europe were in general at the periphery of a centre that was Western Europe. The market shares of the periphery were also insignificant: in 1937, the Central and Eastern European market only accounted for 9.3% of the Western Europe’s total volume of exports. In contrast, 60% of Eastern European exports went to Western Europe. In parallel, trade between the various countries of the eastern periphery was negligible, accounting for barely 16% of total exports⁽²⁾. Economic integration, the international division of labour in terms of manufactured products and the region’s industrial specialisation all remained underdeveloped.

Export were similar to those of developing countries with a predominance of agricultural products and raw materials and an under-representation of manufactured and capital goods. In contrast, as imports manufactured products had a choice position, as illustrated by Table 2.

The economies of the CEECs generally, were peripheral with an average level of

1) It is generally considered that pre-war levels were surpassed by 1949. In 1950, the relative ranking of the countries compared to the United States was as follows: Poland: 25, Hungary: 25, Czechoslovakia: 36 (OECD, *The World Economy 1920-1992*, Paris, 1995, p. 20).

2) The lack of complementarity between these economies largely explains the later difficulties of COMECON in establishing an integrated area.



development in comparison to Western Europe, in particular Germany which accounted for 88% of imports by CEECs of chemical products, 69% of its steel and 67% of its capital goods. Germany's predominance over its "hinterland" was so strong that the United Nations referred to a "trade dictatorship".

Socio-cultural development mirrored the economic development of these countries, as shown in Table 3.

Thus from every point of view, the CEECs lagged very far behind the United States and Western Europe.

Heritage

The reconstruction period in the aftermath of the Second World War was however characterised by massive industrialisation and economic take-off. Growth rates were particularly high up to 1974-75, as illustrated by Table 4.

During this period the CEECs did, to a certain extent, catch up with the West. With an index of 100 for the United States in 1950, Czechoslovakia stood at 36, Hungary at 26 and Poland at 25. By 1973, these figures had climbed to Czechoslovakia 42, Hungary 32 and Poland 32. This period of growth was, however, accompanied by serious distortions and dramatic shortcomings.

In the first place, heavy industry - iron and steel, metalworking, the primary chemical industry, coal-mining - were too dominant in the economy. The frequently gigantic factories worked with obsolete tools, turning out products in decline at international level. In contrast, industries producing everyday consumer durables, and services such as retail distribution, maintenance and repair and financial services, were underdeveloped.

Secondly, the proportion of high-tech industries using a high level of research and productivity was one of the lowest in Europe. As a result, there was a particular deficiency in information technology, office automation, robotics and production and assembly line automation.

Thirdly, the waste of manpower (with a 15-20% rate of overemployment in the

Table 2
Export (X) and import (M) baskets in 1937

Products	Czechoslovakia		Poland		Hungary	
	X	M	X	M	X	M
Foodstuffs	8	13	32	9	57	6
Raw materials and semi-finished products	20	57	58	63	13	57
Manufactured products (incl. capital goods)	72	30	10	28	30	37
	6	9	1	14	9	8

Source: KOZMA, F., Economic Integration and Economic Strategy, Budapest, 1982, p.62

Table 3
Socio-cultural indicators in 1937

Country	Child mortality per 1000 births	Rate of illiteracy (%)	Radios per 1000 inh.	Cars per 1000 inh.
USA	54	-	205	196.0
Czechoslovakia	122	3.0	72	6.3
Poland	137	18.5	27	0.6
Hungary	134	7.0	46	2.8

Source: EHRlich, E., Infrastructure, in The Economic History... op.cit. p.334 et seq.

Table 4
Average growth rates, 1951-1990 (%)

Annual growth	Czechoslovakia	Poland	Hungary
1951-1960	7.5	7.6	6.0
1961-1970	4.5	6.0	6.0
1971-1975	5.7	9.7	6.3
1976-1980	3.7	1.2	2.8

Source: LAVIGNE M., The Economics of Transition, London, 1995, p.58.

manufacturing sectors), energy (in 1980 Poland consumed four times as much energy per dollar output as Western Europe), raw materials and natural resources (water, forest, air, etc. pollution) were "dantesque".

From 1973-75 onwards, stagnation, followed by decline, deepened. The command economy, the bureaucratic administration of enterprises, the inability to find substitutes for competitive products, etc. prevented the injection of technical progress into the production and trad-



“The first step towards the introduction of capitalism entailed the dismantling of all the institutions, (...) which ruled out the creation of goods, services and capital markets. (...) It was necessary to dissolve the central planning agencies: the state commission for the plan, the central price commission, the sectoral ministries in control of industry, the industrial combines, the central purchasing units which enjoyed a monopoly of foreign trade, the monolithic banking system (...). This was a swift process.”

ing apparatus. Suffocation was close at hand.

Economic development in the years 1950 - 1973/75 undeniably meant that collective needs were largely satisfied: the right to work, the right to education, blanket health-care coverage and access to culture. These elements were counterbalanced by the existence of a radically anti-democratic regime, the negation of the most fundamental human rights and the arrogance of a privileged nomenclatura.

Prerequisites for the introduction of capitalism

The first step towards the introduction of capitalism entailed the dismantling of all the institutions, bodies and operating mechanisms which ruled out the creation of goods, services and capital markets. This phase of dismantlement had already commenced in Poland and Hungary under the auspices of the reform wing of the communist parties in power (Poszgay and Nyers in Hungary, Rakovski in Poland), who dreamed of reconciling socialism with the market economy.

It was necessary to dissolve the central planning agencies: the state commission for the plan, the central price commission, the sectoral ministries in control of industry, the industrial combines, the central purchasing units which enjoyed a monopoly of foreign trade, the monolithic banking system, etc. This was a swift process. Price liberalisation involving the elimination of subsidies on vital consumer goods and services (housing, food, common transport, energy, etc.) progressed at a different pace in the various countries. By 1997-98, with a few exceptions, prices had been, or were about to be fully liberalised.

Moreover, the introduction of capitalism presupposes the fulfilment of two fundamental conditions:

- the availability of the means of production and trade; and
- the availability of manpower.

Availability of the means of production has two implications. Firstly, private capital -

resident or non-resident - has to be allowed to set up new businesses. This requirement had in fact been at least partially met prior to the transition period in Poland and Hungary and was very quickly realised by all four countries after the demise of communism. Secondly, the state-owned enterprises have to be privatised. Before being betrothed to private national or foreign capital, however the bride had to be made attractive by selling off her jewellery - and often for a mere song since the state was in most cases a seller in distress and ill-informed of the real value of its assets. The operation took some time but was nevertheless completed within a period of 5-6 years. Of course each country (even the five new German *Länder*) has its lame ducks no one wants - these are the dregs of the old system which will fade away with time; they will not prevent the rise of capitalism. By mid-1996, the private sector accounted for 75% of GDP in the Czech Republic, 70% in Slovakia and Hungary and 60% in Poland.

The second precondition for the introduction of capitalism concerns manpower. What is a budding capitalist's dream? A defenceless worker, "as free and as light as air", a fragmented source of labour market supply, unprotected by trade union organisations. From the very beginning of the transition process, this condition has been advanced as the *sine qua non* for the switch-over to a market economy. The OECD, just as any other international organisation of an economic character, did not hesitate to comment in November 1989, just after the establishment of the first post-communist government in Poland, "Whatever the character of the wage-setting system, be it centralised or decentralised, it is indispensable to encourage flexibility and mobility... Enterprises must be free to employ the number of workers they need and must not be forced to take on a surplus of manpower". Flexibility, mobility, wage-setting by the enterprises, the freedom to hire and fire... this is what manpower availability is all about. Under these conditions and in the absence of powerful unions - which is currently the case for all Eastern European countries - real wage levels are in decline. Wages in fact fell 7.6% in the Czech Republic, 23.9% in Slovakia, 21.6% in Hungary and 24.6% in Poland in the years 1989 - 1995.



In its initial phase of development, capitalism's low real wage levels are essential as a means of generating high profits. This was true of the first capitalist enterprises in Europe in the 16th century; it was true of the first industrial revolution in the 19th century; it was true of Japan in the fifties and sixties, it was true of the four dragons in the seventies; it was true of the new Asian tigers in the eighties.... and it is true of Central and Eastern Europe today.

In the four countries examined, the phase of transition towards unbridled capitalism is now drawing to a close with the restructuring or liquidation of enterprises producing capital equipment, the ongoing reform of the banking system, the liberalisation of interest rates and the development of the region's stock exchanges still outstanding.

Macro-economic development and the opening-up strategy

Basic macro-economic indicators

At the very outset of the transition process, with the collapse of communism and the disintegration of the Council for Mutual Economic Assistance (COMECON), Central and Eastern Europe went through a phase of "slumpflation". Poland hit rock bottom in 1990 with an 11.6% contraction of GDP; Czechoslovakia in 1991 - 14.6% and Hungary in 1991 -11.9%. Following this recession, which was accompanied by double-digit rates of inflation, the four countries are gradually emerging from the crisis as Table 5 illustrates.

Poland was the first of the transition economies to show renewed **growth**: 2.2% in 1992. The reason for the time lag is probably the fact that Poland was the first country to install a post-communist government before the fall of the Berlin Wall in the late summer of 1989. Growth has been relatively buoyant at 4 - 7% over the last three years and forecasts for 1997 expect this trend to continue. The exception is Hungary, forced to introduce deflationary austerity measures in March 1995, a step inevitably reflected in its growth rate: 0.5% in 1996; however an improvement is expected for 1997.

Table 5
Macro-economic indicators, 1993-1996

		Hungary	Poland	Czech Republic	Slovakia
Growth ^a	1993	-0.6	3.8	-0.9	-3.7
	1994	2.9	5.2	2.6	4.9
	1995	1.5	7.0	4.8	6.8
	1996	0.5	6.0	4.2	6.9
Inflation ^b	1993	22	35	21	23
	1994	19	33	10	13
	1995	28	27	9	10
	1996	24	20	9	6
Unemployment ^c	1993	12	16	3.5	14
	1994	10	16	3.2	15
	1995	10	15	2.9	13
	1996	10	n.d.	3.5	13
Budgetary deficit ^d	1993	-6.8	-2.9	1.4	-7.6
	1994	-8.2	-2.0	0.5	-1.3
	1995	-6.5	-3.5	-0.8	0.1
	1996	-3.5	-3.0	-1.1	-4.4

Source: EBRD, Transition Report Update, April 1997.

Notes: ^a growth: annual GDP growth at constant price.

^b inflation: annual price increase of consumer goods.

^c unemployment: full unemployment as a ratio of the working population.

^d budgetary deficit: public deficit as a percentage of the GDP.

Poland and Slovakia return the highest growth rates: around 7% (³), prompting some observers to talk of an "economic miracle" and "Asian-style economic growth". However the term "miracle" must be brought into perspective: Poland is the only country to have reached the 1989 levels of GDP, which it did in 1996; the other three countries stand at 85%-90% of their 1989 GDP. Moreover, the reference year of 1989 was a year of weak growth following four other bad years. Average growth rates in the years 1986-1990 were 1% in Czechoslovakia and -0.5% in Hungary and Poland. Comparisons with the Asian tigers must also be qualified: in terms of its growth rate, Poland lags far behind China, Taiwan and Malaysia, Chile, Mexico and Argentina, and even behind Turkey.

The principal causes for the high inflationary tensions in the early nineties (price liberalisation, budgetary deficits, monetary overhang, etc.) having now been largely eliminated, **inflation** rates are now being brought down to reasonable levels,

3) The figures for the 1990-92 recession were overestimated and the figures for 1994-97 growth underestimated. The present under-estimation has two reasons: the impact of the parallel economy and the utilization of GDP deflators which do not take account of product quality improvement and product range extension (PlanEcon Report, 8 May 1997, p. 12).



“The weight of the EU in CEEC trade flows almost doubled between 1988 and 1992, whereas the weight of former USSR fell dramatically (...)”

even if there is still some cause for concern in Poland and Hungary.

Unemployment has stabilised at relatively high rates (10-15%) in Hungary, Poland and Slovakia. Although lower in the Czech Republic (3.5% in 1996), it is rising and was 4.1% in February 1997 with 5% forecast for the end of 1997. This trend is welcomed by the economists from PlanEcon who said that, “The Czech Republic should let its unemployment rate go up to 6-7% as soon as possible to reduce the upward pressure on salaries and to increase working discipline”. The situation of the unemployed is often critical. In the early nineties, 80% of the unemployed received benefit. By 1995, this figure had fallen to 47% in the Czech Republic, 21.9% in Slovakia, 36% in Hungary and 58.9% in Poland. There are two reasons for this: the number of those entitled to unemployment benefit is falling while the ranks of the long-term unemployed are swelling.

The countries in transition generally post high **deficits** in the take-off phase: state expenditure remains high due to payments of public-sector salaries, subsidies to enterprises, etc., whereas its revenue declines in the wake of recession. Thus Poland recorded a GDP deficit of 6.5% in 1991 and 6.6% in 1992; Slovakia: 11.9% in 1992 and 7.6% in 1993; Hungary continued to post worrying deficits in 1993, 1994 and 1995, with its 1995 stabilisation plan reducing its deficit to 3.5% in 1996; in the Czech Republic the deficit was 3.3% in 1992; estimates for 1996 stand at 1.1%.

Two countries are going through a difficult period in budgetary terms: Hungary and Slovakia.

Forecasts for Hungary are based on a GDP deficit of 4%, largely due to (internal and external) debt servicing, which has reached $\frac{1}{3}$ of current public expenditure. Even with a primary GDP surplus of 3.5%, Hungary's overall deficit surpasses the EU 3% convergence criterion.

Slovakia pushed up public financing of non-commercial services (health, education) in 1996, clearly a reflection of the tertiarisation of its economy. GDP rose by 7% in 1996. This result is due to a 2.1% contraction in sectors producing capital

equipment and a 13.5% growth in the services sector (commercial and non-commercial).

Developments in the field of foreign trade

In the wake of the de facto disintegration of COMECON in mid-1990, following the introduction of dollar-based settlements, the switch-over to world prices in intra-COMECON trade from the 1 January 1990 and the economic difficulties of the former Soviet Union, trade both between CEECs and with the former Soviet Union collapsed. This collapse of intra-COMECON trade is one of the causes of the deep recession which hit the CEECs at the beginning of the transition process.

The high level of trade in the COMECON area and its specialisation made the COMECON states highly interdependent, although this situation varied from country to country. By 1989, trade with the west already represented half of the total trade flows of Poland and Hungary, but only 35% in the case of the then Czechoslovakia. This situation was accompanied by dependence on the Soviet Union, the principal supplier of energy and raw materials and an important outlet for manufactured products, machinery and capital goods. CEEC exports to the industrialised countries were concentrated on traditional products, raw materials and energy-intensive products and raw materials.

The liberalisation of trade and the abandonment of the traditional intra-COMECON trading system meant an end to preferential trading links and a re-orientation of trade towards the West. In view of its geographical proximity, the European Union rapidly became the main outlet for CEEC exports and a source of consumer and capital goods supplies. EU-CEEC trade has expanded considerably since 1990. The weight proportion of the EU in CEEC trade flows almost doubled between 1988-1992, whereas that of the former Soviet Union fell dramatically; this is illustrated in Table 6.

The collapse of intra-COMECON trade in 1991 was further accompanied by significant changes in the sectoral composition of CEEC trade flows. The share of machinery and capital goods in intra-



COMECON trade flows plummeted. The share of energy and raw materials in imports from the former Soviet Union greatly increased in value, reflecting the price increase of these products on a dollar basis and a certain inelasticity of domestic demand. Trade with other ex-COMECON countries collapsed. The structure of trade with the west remained more stable in so far as the increase in trade volumes was a general trend, extending across the entire product range.

As for CEEC-EU trade in terms of product break-down, results for the period 1988-1992 generally indicate that no major sectoral realignment took place, with trade remaining concentrated on exports from sectors with a high intensity of unskilled manpower, reflecting the CEECs' pool of human resources and underlining the impact of their wealth of natural resources. In the strategy adopted by CEECs, only a massive influx of foreign investment accompanied by technology transfer would enable their economies to draw benefit from their manpower capital as a source of comparative advantage. The trade figures posted by a number of CEECs (in particular Hungary) in trade with the EU from 1992-1995 indicate a certain degree of export diversification.

Direct foreign investment in the CEECs

From the very beginning of the transition process, alongside foreign trade, direct foreign investment was regarded by the reforming governments of the countries in transition as one of the main instruments of integration into the global economy. Direct foreign investment (DFI) was perceived as a key element of the transition process as a potential source of technology and know-how transfer and a contribution to the upgrading of organisational, managerial and marketing skills. The participation of foreign investors in the privatisation process was moreover designed to stimulate the development of the private sector, facilitate industrial restructuring and boost exporting capacity. Finally, foreign investment was also encouraged in view of its positive impact on the balance of payments and, given the limited capacity of domestic savings in the old command economies, it represented an important source of funding.

Table 6
Geographic structure of Hungarian, Polish and Czechoslovak trade in 1988 and 1992

%	Exports		Imports	
	1988	1992	1988	1992
Hungary				
Developed market-economy countries	39.5	71.3	43.3	69.7
of which EC	22.1	49.7	25.1	42.7
Eastern Europe	17.0	6.3	18.7	6.7
Former Soviet Union	27.6	13.1	25.0	16.9
Other countries	15.9	9.3	13.0	6.7
Total	100.0	100.0	100.0	100.0
Poland				
Developed market-economy countries	41.3	71.9	43.2	72.4
of which EC	27.1	57.9	26.7	53.1
Eastern Europe	17.1	5.9	18.2	4.5
Former Soviet Union	26.0	9.5	24.8	12.0
Other countries	15.6	12.8	13.7	11.4
Total	100.0	100.0	100.0	100.0
Czechoslovakia				
Developed market-economy countries	32.8	63.7	37.0	62.6
of which EC	20.0	49.4	21.7	42.1
Eastern Europe	20.8	13.7	22.1	6.7
Former Soviet Union	29.8	10.9	27.5	24.6
Other countries	16.6	11.7	13.4	6.1
Total	100.0	100.0	100.0	100.0

Source: ECE/UN (1993), Economic Bulletin for Europe, vol.45, p.120.

All the countries in transition therefore created favourable conditions to attract foreign investment by the introduction of various types of incentive schemes.

DFI flows into the CEECs have increased since 1990. However, not all the countries in transition have benefited from the liberalisation of the economy to the same extent. An analysis of each of the CEECs as a function of its capacity to stabilise its macro-economic and financial situation and to carry out structural reforms helps to explain the geographic distribution of investments within the region. As a result of the initially higher performance of their production capacities and their success in carrying out the reforms necessary for the implementation of the privatisation programmes, DFI flows are concentrated on three of the transition econo-

“Direct foreign investment (DFI) flows into the CEECs have pointed upwards since 1990. However, not all the countries in transition have benefited from the liberalization of the economy to the same extent.”



Table 7
Direct foreign investment in the CEECs

	Direct foreign investment			Total DFI flows			Ratio
	millions \$			millions \$	per cap. \$	per cap. \$	DFI/GDP
	1994	1995 (rev.)	1996 (est.)	1989-96	1989-96	1996	1995
Bulgaria	105	98	150	450	54	18	0.8%
Hungary	1,146	4,453	1,900	13,266	1,288	184	10.2%
Poland	542	1,134	2,300	4,957	128	60	0.9%
Czech Rep.	750	2,525	1,200	6,606	642	117	5.6%

Source: EBRD in Financial Times, April 11 1997.

mies: Hungary, Poland and the Czech Republic.

As Table 7 illustrates, of all of the countries in transition, Hungary has succeeded in attracting most DFI in the period since 1989: a cumulative total of around US\$ 13 billion by 1996. This has played an important role in the restructuring and modernisation of Hungarian industry. DFI has fluctuated with the ups and downs of the privatisation programme. The Czech Republic has also successfully encouraged the entry of foreign investment: US\$ 6.6 billion by 1996. DFI into Poland has been relatively modest in comparison with the other Visegrad states. However, the results of Polish economic growth, the normalisation of the situation of Poland vis-à-vis its creditors with reference to its debt rescheduling and its ongoing privatisation

programme triggered a substantial increase in DFI in 1995 and 1996.

In a number of CEECs, the development of exports from sectors with a particularly high intensity of unskilled labour (clothing, footwear) is substantially linked to outward processing operations, in particular within the framework of subcontracting from EU undertakings which control production without being proprietors of the capital. Indeed, one source of current diversification of exports from the countries in transition depends on investments based on outsourcing operations which result from the advantage of extremely low labour costs and a high level of qualifications. However, it is uncertain whether this type of investment, which is low in capital contribution, will have a favourable impact in terms of technology and know-how transfer. Another point of concern is the relative mobility of this type of investment, which is highly dependent on trends in wage costs.

The sharp currency devaluations carried out by the CEECs in the early stages of the transition process turned these countries into a source of particularly cheap labour. Monthly wage levels in the CEECs expressed in dollars are very low compared to Western levels (1 : 10) and the newly industrialised countries (1 : 3). This cost advantage is an export incentive. However, CEEC wage costs are not lower than in the newly industrialising countries of Asia. The generally higher level of social security in the CEECs is partly due to their level of development and their different demographic and cultural characteristics compared to those of the Asian countries.

Table 8
Development of average monthly wage in dollars (1990-1995)

	1990	1991	1992	1993	1994	1995
Bulgaria	185	78	127	148	95	127
Hungary	295	281	345	365	395	376
Poland	199	254	262	278	337	398
Czech Republic	158	166	199	227	276	323

Source: PlanEcon (194) nos. 25-26-27 and nos. 35-36, (1995) nos. 11-12, (1996) nos 3-4 and 19-20. N.B. The figures reflect the average industrial monthly wage in December of the corresponding year.

Conclusion: what type of development are the CEECs heading for?

Opening-up and growth

In the early stages of the process of transition, the impact of the sharp initial currency devaluations which accompanied the liberalisation of trade on the competitiveness of domestic manufacturers first served to prop-up demand in order to offset the effects of economic recession



and facilitate the re-orientation of trade towards the West following the collapse of intra-COMECON flows. Subsequently, the liberalisation of trade permitted imports of capital goods designed to restructure the economy on the basis of comparative advantages. With the development of exports towards the West, foreign trade became the driving force of economic growth. The transition economies of the CEECs opted for a strategy of free trade vis-à-vis the EU, ultimately designed to open the door to full EU membership, following in the footsteps of the nations of southern Europe (Spain, Portugal, Greece). In parallel, the CEECs' policy of opening up to foreign investment is designed as a means of reinforcing this policy of international re-integration.

However, as growth in CEEC exports proves to be highly dependent on the economic climate of the West and trends in wage costs as shown in Table 8, CEEC imports are constantly rising and impacting negatively on their trade balances. As far as exports are concerned, the success of the CEECs' opening-up strategy and the sustainability of the re-orientation of their trade flows principally depend on their capacity to implement the necessary reforms and profoundly restructure their industrial fabric on the basis of comparative advantages, enabling them to catch up with the industrialised economies in the field of product and process innovation. Difficulties remain both at the level of supply and demand.

In the short term, the CEECs can expect to expand their trade only on the basis of existing comparative advantages resulting from their cheap labour and wealth of natural resources and concentrate on unsophisticated products utilising technologies which are readily available. These exports face stiff competition, in particular from the newly industrialising countries and trade barriers on products regarded as "sensitive" (agriculture, steel and metals, textiles). On the other hand, the demand structure is changing, both in terms of final demand categories (less investment, more consumption), and within these categories themselves. Since Eastern European products are inferior to those from the West in terms of product range and quality, CEEC manufacturers run the risk of

being out-competed in their own domestic markets. Indeed, a preference for Western products can be observed among households for consumer goods and among firms for capital goods. In the longer term, the CEECs should exploit their dynamic comparative advantages (resulting from economies of scale) and develop more trade flows of an intra-industrial nature.

A determining factor in the success of CEECs' strategy based on integration into the EU will be the type of trade these countries succeed in developing with their main trading partners. Essentially this is their capacity to exploit their advantages in terms of short-term comparative costs. Within the framework of inter-industrial trade they will gain the time and the resources needed to restructure or create business sectors on the basis of which they can participate in intra-industrial trade flows characterised by more dynamic growth.

These considerations prompt questions as to the advisability of a different strategy, consisting of giving a more important role to industrial policy as a means of creating new comparative advantages. Public authority intervention should encourage infrastructural development, promote the co-ordination of R&D activities and upgrade the training of human resources. Economic growth should also be underpinned by a growth in domestic investment - which would require sufficient saving ratios and an efficient financial intermediation system.

As far as the contribution of foreign investment to the CEECs is concerned, it is still too soon to draw definitive conclusions. Firms with foreign investment post higher productivity levels than local businesses and play an important role in the development of exports. However, there is a risk that the expected fertilisation of local industries in terms of technology transfer and higher performance may ultimately remain confined to islands of modernity without spreading throughout the economy as a whole.

In Hungary, the country in transition having received most DFI, the strategy adopted by the authorities has been to sell the most highly performing national

"With the development of exports towards the West, foreign trade became the driving force of economic growth. The transition economies of Central and Eastern European countries opted for a strategy of free trade vis-à-vis the European Union (...)

"As far as the contribution of foreign investment to the CEECs is concerned, it is still too soon to draw definitive conclusions."



“The question at the moment is whether these countries shall follow route (1), i.e. the EU model or route (2), i.e. the south American model.”

companies to multinationals and in so doing integrate them into their global network. In Poland and the Czech Republic, on the other hand, the authorities have tended to keep big business in national hands, attracting foreign investors of a more modest size. It is still difficult to assess which strategy will prove to be the more advantageous for CEEC economies. In view of the current context of globalisation, which implies highly keen international competition, it is uncertain whether the role of multinationals in creating a virtuous circle of industrial restructuring, analysed by UNCTAD in the case of Asian countries, can be reproduced in the CEECs; the industrialisation of the Asian tigers (Japan, Korea and Taiwan) took place with the advantage of a certain degree of initial protection.

Social impact

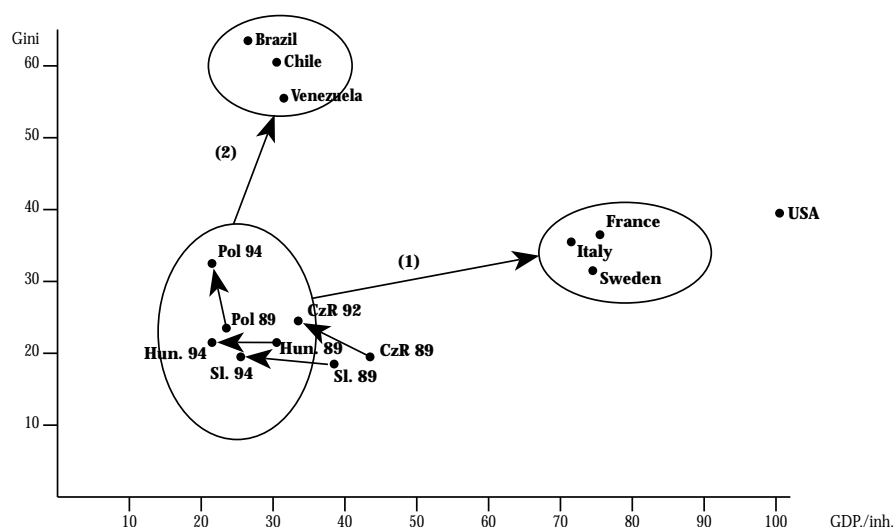
Graph 1 plots the level of development of various countries represented by their

GDP per capita in parity of purchasing power (PPP) against national income distribution, represented by the Gini coefficients. It shows a decline in per capita income in the four countries of Central Europe in the period 1989 - 1992-94 (slide towards the left). This process has now been interrupted. By 1997-98, all these countries will have returned to the status quo of 1989. During the same period, wage differentials rose considerably, with the exception of Hungary where they have remained stationary.

The question at the moment is whether these countries will follow route (1), i.e. the EU models, or route (2), i.e. the South American model.

Numerous indications suggest that it will be route (2) as opposed to route (1). Indeed, the European social model, undoubtedly best represented by Sweden, is based on a variety of foundations: powerful trade union organisations, tried and

Graph 1
Level of development of countries represented by GDP per capita in PPA and national income distribution represented by Gini coefficients



Sources:

Gini: World Bank, From the planned economy to the market economy, Report 1995, Washington.
GDP/per capita: UNICEF, Children at risk ..., op. cit..

Notes:

Gini: The Gini coefficients range from 0-100. Equality is perfect at "0"; the higher the Gini coefficient, the greater inequality.

GDP/per capita: Estimates of GDP per capita as a purchasing power parity. GDP/per capita in the USA: 100.



tested conciliation bodies, both at the micro-economic level of the individual firm and at the macro-economic level of overall sectors of the economy, the regions and the nation; a level of social security which has certainly been trimmed down but remains impressive and a tra-

dition of relatively fair distribution of national income. Since the collapse of communism in Eastern Europe, these foundations have been shattered and their reconstruction will take some time. Moreover, three or fourfold multiplication of per capita income will take 20 - 30 years.

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Labour markets and training in Central and Eastern Europe

The upheavals in Central and Eastern European countries after 1989-1990 were followed by shrinking economic demand which led to excessive labour supply and accelerating open unemployment, a situation practically unknown under the communist regime. Labour market response to economic decline has differed greatly from country to country.

The importance of education and training in determining the quality and adaptability of the workforce – the key factor of future economic prosperity of the economics in transition – should be fully acknowledged.

1) Many experts claim that the GDP fall was not as deep as indicated by official statistics since new business activities occurred partly in the unofficial economy. For example Kaufmann's estimates of the shares of the unofficial economy in total GDP in the CEECs range from 6% for Slovakia through 11% for the Czech Republic, 12% for Estonia, 13% for Poland, 20% for Romania, 22% for Lithuania and 29% for Hungary, to 35% for Latvia and 36% for Bulgaria. However, in all these countries the unofficial economy also existed before 1989 and it is difficult to estimate whether and to what extent it increased further after 1989, especially as it has gained some other forms.

Introduction

At the beginning of economic transformation, Central and Eastern European labour markets were characterized by high participation rates and labour shortages co-existing with low labour productivity and extensive labour hoarding in enterprises. In comparison with market economies on a similar level of economic development, industry and agriculture had very large shares in total employment while services, especially personal services, trade, communications and producer services were largely underdeveloped.

This situation rapidly changed after the political upheavals in 1989-90. The launching of economic reforms, along with macroeconomic stabilisation policies introduced in order to curb inflation, brought radical economic changes, which were further accelerated by the disintegration of COMECON and the USSR. Both external and internal demand for goods and services declined very rapidly, resulting in sharp falls in GDP and industrial production. Shrinking economic demand was reflected in a new situation on the labour markets where excessive demand for labour changed into excessive labour supply and open unemployment, practically unknown under the communist regime, started to accelerate.

This article attempts to analyze recent developments in the labour markets of some Central and Eastern European countries (CEECs) and to assess policy responses to new labour market needs. Particular attention will be devoted to training addressing emerging skill mismatches.

Development of employment

Economic decline was characteristic for all CEECs in the first phase of their economic transformation, but its depth and length were different for individual countries depending on their starting conditions, the speed of reforms and other factors as shown in Table 1.¹ Poland, which launched a radical economic reform in 1990 and was able to achieve economic recovery already in 1992, managed to regain its 1989 GDP level in 1996. Other countries remained more than 10% below their 1989 level in 1995, in the case of Bulgaria even 20%. The three Baltic States were much worse off due to the break-up of their close economic links with other ex-Soviet countries, reflected in GDP falls between 35-60%.

Industry was the economic sector most adversely affected by economic transition in many CEECs. As a rule, industrial production declined more than GDP as the negative developments in industry (and in many countries also in agriculture) were partly compensated for by booming services.

Labour market response to economic decline followed after a certain delay, but its extent differed greatly by country. Some countries like Hungary, Poland or Slovenia reduced labour hoarding so radically that the employment decline much exceeded that of GDP and labour productivity accelerated. Another group of countries, even despite substantial falls in employment in the case of Bulgaria, was only able to more or less maintain the low level of labour



productivity prevailing at the start of economic transformation. All the Baltic States, Romania and the Czech Republic reduced employment much less in comparison with falls in GDP, and at least this phase of their economic transformation was characterized by a further decline in labour productivity and an increase in labour hoarding.

Since 1994 (and one year later in the Baltic States) all these countries have witnessed the beginning of economic recovery (which unfortunately has appeared to be only short-lived in Bulgaria). However, for most countries this economic recovery has not yet brought any significant increase in employment and economic growth has a labour saving character. Although new jobs are generated, they are so far less numerous than the jobs lost in the restructuring process. The best example of this is Poland which has recorded GDP growth since 1992, but at the same time employment has continued to decline. Only very recently the first symptoms of an employment increase have occurred but job creation is not sufficient in view of demographic factors which have seen the entry of strong youth cohorts in the labour market. Rather paradoxically, the Czech Republic was among the few countries where employment grew in 1995-6, in spite of the above mentioned extensive labour hoarding.

Part of the fall in employment emerged as open unemployment, recorded in most of these countries - with the exception of Slovenia (where it was negligible) - for the first time in 40 years. However, another part of the labour force disappeared from the labour market altogether. This (official) increase in economic inactivity (non-participation) even exceeded the increase in registered unemployment in countries like Bulgaria, Hungary and the Czech Republic as shown in Table 2.

It is also important to mention that, especially in the four Central European countries, the recorded employment falls are combined with the growth of the working-age population which further increases the inactive population.

Increasing economic inactivity

There are several explanations for this increase in economic inactivity. First, par-

Table 1
Production and employment in Central and Eastern Europe, 1989-1995

(growth rates in % over the whole period, production indicators in constant prices)

Country	GDP	Industrial production	Employment
Bulgaria	- 23.5	- 44.5	- 24.1
Czech Republic	- 15.6	- 29.1	- 7.2
Estonia	- 35.0	- 57.2	- 19.8
Hungary	- 14.6	- 16.8	- 27.4
Latvia	- 49.5	- 61.3	- 15.5
Lithuania	- 61.3	- 67.0	- 13.6
Poland	- 1.5	- 9.6	- 13.3
Romania	- 15.4	- 43.4	- 8.5
Slovakia	- 16.3	- 30.3	- 14.6
Slovenia	- 11.6	- 28.2	- 20.7

Source: Economic Bulletin for Europe, Volume 48 (1996). UN/ECE, Geneva 1996.

ticularly at the beginning of the economic transformation, labour market tensions tended to be relieved at the expense of working pensioners. Under the communist regime working pensioners constituted up to 10% of the national labour force (one reason, among others, being a rather low retirement age - 60 for men and around 55 for women²). When enterprises began to encounter problems, pensioners were the first to be laid off as the least painful solution. All the CEECs also adopted early retirement schemes and many older workers took advantage (or were forced to) of this possibility. Similarly, a lot of disabled workers were forced to leave employment because of the closure or downsizing of many sheltered workshops, or because they were replaced by able-bodied workers in ordinary jobs. Often, disability pensions have remained the only option for them as the old rehabilitation and employment promotion schemes collapsed and the new quota systems do not operate well.

Long-term unemployment is increasing. When people are unable to find a job, and their unemployment benefits or assistance expire, because the supply of employment programmes is poor, many of them drop out of the unemployment register or de-register voluntarily, and become inactive or take up some casual work.

"(...) part of the labour force disappeared from the labour market altogether. This (official) increase in economic inactivity (non-participation) even exceeded the increase in registered unemployment in countries like Bulgaria, Hungary and the Czech Republic (...)."

2) The retirement age for women was fixed at 55 in some countries while in others it depended on the number of raised children (e.g. in the former Czechoslovakia it was 57 for childless women, 56 for women who had raised 1 child, 55 for women with two children and 54 for women with three and more children).



Table 2
Labour resources, employment and unemployment, 1989-1994

Country	Population in working age (000's)	Employment (000's)	Unemployment registered (000's)	Unemployment from LFS (000's)
Bulgaria	- 150	- 1,130	488	740
Czech Republic	+ 330	- 518	166	199
Estonia*	- 25	- 151	13	n.a.
Hungary	+ 113	- 1,493	520	431
Latvia*	- 96	- 204	84	96
Lithuania*	- 9	- 178	78	66
Poland	+ 563	- 2,528	2,838	2,375
Romania	- 55	- 934	1,224	968**
Slovakia	+ 162	- 407	372	356
Slovenia	n.a.	- 191	124	84***

* 1990-1994. ** First quarter of 1995. *** May 1994.

Source: Employment Observatory: Central and Eastern Europe, No.8. European Commission, DG V, Brussels 1995. Statistical Handbook 1996: States of the Former USSR. The World Bank, Washington 1996. Annual Report 1995, National Employment Office of Slovenia, Ljubljana 1996.

“On the positive side, the interest of young people in higher education has increased considerably. This is partly a consequence of improved remuneration of jobs requiring higher education, and partly to avoid unemployment problems. The rates of enrollment in secondary schools and universities among the age groups of 15-19 and 20-24 has increased dramatically.”

On the positive side, the interest of young people in higher education has increased considerably. This is partly a consequence of improved remuneration of jobs requiring higher education, and partly to avoid unemployment problems. The rates of enrollment in secondary schools and universities among the age groups of 15-19 and 20-24 has increased dramatically.

Many of those who have left the official labour market are, however, still active in the informal economy (whilst some are engaged in both at the same time) in order to avoid paying high taxes. In many transition economies with a particularly onerous tax burden, the use of informal labour is frankly the only way in which many small entrepreneurs can survive. A fact reluctantly acknowledged and tolerated by the governments concerned. Participation in the informal economy is also high among retired people and labour migrants from other CEECs. In many cases, migrant workers push regular workers out of their jobs, which increases job and labour insecurity in the labour market.

With the opening of borders, many people have sought work abroad. While some have done so only temporarily, others have permanently emigrated, either for economic reasons or because of social

tensions, military conflict or political problems. Migration statistics are still inaccurate and incomplete. Although the official figures pertaining to those employed abroad or daily commuting to work in neighbouring countries are not high, it seems evident that they represent only a fraction of the total number of Central and Eastern European workers active in Western market economies and in more advanced transition economies.

However, part of the recorded employment losses is connected with statistical deficiencies. Firstly, private sector employment is not yet properly recorded in most CEECs. Secondly, employment statistics of some countries do not differentiate between the number of employed persons (with one or a main job) and the number of jobs, with the result that any decrease in the number of second jobs is recorded as a fall in overall employment. This is the case for instance in the Czech Republic where the decline in second or multiple jobs totalled 200,000 between 1990 and 1993. The fall in the number of persons employed was 4 per cent less than the employment figures reflecting the number of jobs.

Finally, with increasing income differentials and many opportunities to acquire wealth from, to say at least, dubious activities, or from compensation and the restitution of nationalized assets in this phase of economic transformation, a group of rentiers has come into being, living solely or predominantly from the rental or sale of property. Although this group is not yet large, at least a small part of the fall in employment can be attributed to its formation.

Open and hidden unemployment

Registered unemployment

Registered unemployment accelerated in Central Europe, in the former Yugoslavia and, in Bulgaria immediately after the introduction of economic reforms in 1990-92. They were followed, after some delay, by Romania and, more recently, the Baltic States. In most countries unemployment reached its peak in 1993 and in Romania



in 1994. It then decreased and has recently stabilized with some seasonal fluctuations as shown in Table 3. In Estonia and Latvia the unemployment trend is still upwards and since the end of 1996, it has started to increase again in the Czech Republic and very rapidly in Bulgaria.

As can be seen from Table 3, CEECs may be divided into two groups. Those with double-figure rates are located in Central and South-eastern Europe, with the exception of the Czech Republic and Romania. These two countries and the Baltic States have unemployment rates below 7%. Interesting questions are whether this difference between the two groups of countries reflects the reality and what the reasons are for this difference.

An answer is partly given by the Labour Force Survey as shown in Table 2. With the exception of Bulgaria, all countries recording high registered unemployment have lower unemployment when measured by the LFS, according to the ILO definition. It implies that some unemployed persons registered with labour offices are either economically active (mostly in a form of casual work) or are inactive - uninterested in working (at least not in existing jobs) and registered only to get access to social benefits. In contrast, some other persons deemed inactive by the Labour Force Survey are passive unemployed (i.e. jobless persons discouraged from an active job search), often because they belong to a disadvantaged group and have given up job search since neither jobs suitable for them nor appropriate employment services are available. In the second group of countries (including Romania where registered unemployment has recently fallen sharply) unemployment measured by the LFS is somewhat higher than registered unemployment, indicating less interest amongst job seekers in registration, or more restrictive eligibility criteria.

However, in some countries (the Baltic States, Bulgaria, Romania and even more the Commonwealth of Independent States (CIS)) some redundant workers in enterprises are sent on administrative leave or forced to work shorter hours while still formally employed. These hidden unemployed persons are often without any pay or access to social benefits

Table 3
Registered unemployment rates, 1991-96
(end-of-period rates in % of the labour force)

	1991	1993	1995	Sept. '96
Bulgaria	11.5	16.4	11.1	10.5
Czech Republic	4.1	3.5	2.9	3.2
Estonia	n.a.	5.0	5.0	5.3
Hungary	7.4	12.1	10.4	11.0
Latvia	n.a.	5.8	6.5	7.0
Lithuania	n.a.	3.4	7.3	6.4
Poland	11.8	16.4	14.9	13.5
Romania	3.1	10.4	8.9	6.3
Slovakia	11.8	14.4	13.1	12.2
Slovenia	10.1	15.5	14.5	13.7

Source: See Table 1.

National differences in unemployment

The reasons for national differences in unemployment are multiple and include:

- economic growth - in spite of the labour-saving economic growth prevailing in the region, economic growth is and, if strengthened and made more sustainable, will continue to be the most important engine for employment recovery;
- progress in economic reform - the Baltic States began their economic reform later, which partly explains a slower fall in employment and a limited increase in open unemployment. There are also substantial differences between CEECs in the extent and method of privatization. Hungary has privatized mostly through direct sales and new owners have drastically reduced labour hoarding. A similar effect was achieved by the introduction of rather tough bankruptcy procedures. In contrast, the type of voucher privatization used in the Czech Republic had a counterproductive effect on labour hoarding as discussed below. In other countries like Bulgaria, Romania, and Lithuania privatization of big state enterprises is still underway while the state does not effectively play the role of an owner in corporate governance;
- economic structure - countries with a higher proportion of agriculture in total



“(...) although the average level of wages and labour costs is low in the region in comparison with Western market economies, there are substantial differences between countries.”

employment (Bulgaria, Hungary, Poland) are facing higher unemployment. Furthermore, some industrial sectors such as mining, metallurgy, engineering and textiles were more affected by economic recession and those countries which had higher employment concentrated in these sectors experienced larger falls in industrial employment. In Central European countries these negative effects of the restructuring process were partly counterbalanced by growing services, while other countries have yet to make progress in this direction depending much on achieved economic growth and real incomes' recovery;

□ small private sector development - different conditions prevail for small businesses throughout the region. These depend on domestic demand and access to foreign markets, the quality of technical and financial infrastructure and economic conditions for enterprising (interest rates, availability of credits, taxation, etc.), government support, development of tourism, social attitude towards private enterprising and the initiative to become self-employed, the extent of racketeering, etc. The better the conditions for the development of small businesses, the more people are involved in this type of activity. Again, Central Europe is further advanced in this direction;

□ level of wages and total labour costs - although the average level of wages and labour costs is low in the region in comparison with Western market economies, there are substantial differences between countries. The highest level is in Slovenia, followed now by the Czech Republic, Poland, Hungary (until 1995 Hungary was in second place) and Slovakia. Because the economies in transition compete with each other in exports of many labour- and material-intensive commodities, these differences are very important, not only for domestic exporters, but also for Western investors wishing to transfer production to low labour cost countries.³ Larger production for domestic and foreign markets means higher employment;

□ the reasons for low unemployment in the Czech Republic are both economic and non-economic⁴. Very fast “small” privatization (of shops, restaurants, workshops, etc.) combined with restitution (re-

turn of formerly nationalized property to previous owners), promotion of small private business through credit schemes, preferential taxation in crisis regions, etc., stimulated structural changes and the reallocation of labour to developing economic sectors, small private firms and self-employment. This process was further strengthened by large-scale employment programmes financing job creation in the private sector. Also the readiness of Czechs to change their job or profession, to become self-employed or to commute to rather remote places of work, among the highest in the region, facilitated redeployment of workers, avoiding or shortening unemployment spells. On the other hand, the voucher-type privatization actually enhanced labour hoarding as it first scattered enterprises' shares among many shareholders none of whom gained enough power to influence the behaviour of managers. Labour hoarding was further facilitated by a large cut in real wages in 1991 substantially reducing labour costs for enterprises; the average real wage reached its 1989 level again in 1996. Only now, in the process of ownership restructuring, are real owners gradually emerging to put effective pressure on enterprise managements to rationalize production and labour costs. This is very important for necessary improvements in the competitiveness of enterprises, as real wages are currently growing faster than labour productivity and the trade balance is rapidly worsening. Also deteriorating state finances will call for budget restrictions, including staff reductions in budget-financed or subsidized organizations, and unemployment will inevitably grow.

Regional differences

All Central and Eastern European countries have been confronted with increasing regional disparities in unemployment since 1990. In many countries, differences between the regions with the highest and the lowest unemployment rates reached 20 percentage points and more in the peak years of unemployment. In smaller municipalities the rates were even as high as 70%, (for example in Bulgaria). Unemployment tends to be lowest in big cities, regions with a diversified industrial economy, regions offering good opportunities for tourism and leisure, in spas and in regions bordering on Austria and

3) As the level of unemployment in the Czech Republic is so different from the neighbouring transition countries, regardless of otherwise similar economic results, some tentative explanation is also provided.

4) Low labour costs are naturally not the only factor for decisions on direct foreign investment and trade contacts. Other important factors include the development of infrastructure, extent of domestic demand, location of the country, reliability and timing of deliveries of products and services, provided foreign trade services, concessions for foreign investors, etc.



Germany. In contrast, those hardest hit by unemployment tend to be rural regions, monostructural regions where the main industry is suffering from economic recession, and regions with little potential for economic development because of poor infrastructure, poor human resources, and an underdeveloped attitude to private enterprise.

Unemployment by social groups

The social groups suffering most from unemployment include young people (especially school leavers), old people of pre-retirement age (though their situation is often solved by early retirement), workers with low or obsolete skills, disabled workers and some ethnic minorities, especially the Gypsies. Although statistical figures concerning the latter – their number, participation rate and unemployment levels – are unreliable in all countries, the available evidence presents a very worrying picture. One survey on the Gypsy minority in Hungary estimated the rate of unemployment for the Gypsy population as 61.2%.

The situation of women differs from country to country. On the one hand, women are overrepresented in total unemployment in countries like Poland, the Czech Republic, Bulgaria and Romania, while in Hungary or Slovenia it is the other way around. This seems to be connected with the employment structure of the national economy by sector – the higher share of light and food industries and of services in the latter countries which predominantly employ women. However, prejudice against women also plays an important role (according to an ILO survey, managers in Hungary and Slovenia are less prejudiced than in the other countries).

Unskilled workers and workers with obsolete skills constitute the majority in total unemployment as a consequence of vast structural changes and altering demand for skills in the labour market. This concerns not only workers whose jobs were abolished or substantially changed in the course of privatization, enterprise restructuring (or closure) or introduction of a new production programme, but also newcomers from schools which have not adjusted appropriately to new skill demands of the labour market.

Labour market policy responses

In anticipation of the emergence of open unemployment, all countries of the region established new, or restructured, their labour market institutions and adopted new labour legislation in 1990 or early 1991.

All countries adopted new employment acts stipulating the right to choose one's employment freely, and providing jobseeking assistance in case of unemployment, including participation in labour market programmes provided free-of-charge by national institutions, and income support.⁵ Furthermore, the various Labour Codes have been modified in accordance with the demands of a democratic market system. However, the national labour markets are going through many changes in the transition period which again demand appropriate adjustment of labour legislation.

The national employment services now consist of national centres and networks of regional and local labour offices having the same tasks and responsibilities as similar institutions in Western industrialised countries. But, although the employment services have been put in place and their staff trained with extensive assistance from Western governments and international organisations, they are still facing many problems: understaffing (in relation to the number of job seekers) and thus a huge workload, with a limited possibility to provide individualized services; frequent staff changes due to rather poor salaries; excessive centralization of decision-making, etc.

The situation, however, varies greatly between the Central European countries (including Slovenia) and the other economies in transition. The former have progressed quite well in their provision of employment services and programmes even though their labour market policies, mostly modelled on the Western European experience but launched in often very different conditions and by inexperienced staff, were not always appropriately designed and implemented, and therefore rather inefficient. These countries are now concentrating on their refinement and the targeting at social groups in special need.

“Unskilled workers and workers with obsolete skills constitute the majority in total unemployment (...). This concerns not only workers whose jobs were abolished or substantially changed (...) but also newcomers from schools which have not adjusted appropriately to new skill demands of the labour market.”

⁵ Bulgaria is the only country which has not yet adopted its Employment Act, making do with government decrees.



Table 4
Unemployed benefit recipients* and participants in active employment programmes, 1995

Country	Benefit recipients as % in registered unemployment	Participants in active employment programmes	Share of ALMP participants in unemployment in %	of whom unemployed** in labour market training	of whom employed*** in labour market training
Bulgaria	25.5	62,656	14.4	19,457	x
Czech Republic	44.2	36,894 ⁺	23.7 ⁺	13,454	n.a.
Hungary	73.5	252,200	49.7	26,800	n.a.
Lithuania	30.9	26,936 ⁺⁺	12.6 ⁺⁺	14,253	x
Poland	58.9	429,627	15.9	82,470	n.a.
Romania	77.5	75,197 ⁺⁺⁺	6.8 ⁺⁺⁺	44,841	x
Slovakia	21.9	190,038	54.3	19,173	1,393
Slovenia	30.3	41,929	34.5	20,045	2,250

* Benefit recipients are those receiving unemployment benefits and unemployment assistance paid from the Employment Fund.

** Registered unemployed job seekers undergoing training or re-training paid by the Employment Fund.

*** Workers threatened by unemployment whose training or re-training is paid by the Employment Fund.

+ Only new participants in ALMP.

++ Bulgaria and Lithuania in their official reports on ALMP also include registered job seekers placed in jobs by the Employment Service and Job Club attendants in official figures on participation in active employment programmes. The figures given in the table exclude them to become comparable with other countries.

+++ Without job seekers who got start-up loans (their number is not published).

Sources: Reports of National Employment Services, 1995.

shares of benefit recipients among job seekers. Some countries therefore introduced income-tested unemployment assistance for persons whose benefits expired (other countries, like the Czech Republic, Slovakia or Slovenia transfer benefit exhaustees to social welfare).

In spite of the weaknesses of such national data comparisons, there are clear differences among countries in their use of active labour market policies. Hungary, Slovakia and Slovenia apply more active employment programmes while others - Bulgaria, Poland, Lithuania or Romania still rely much more on income support, partly due to financial constraints. In the case of the Czech Republic, unemployment is so low that it does not create incentives for a greater use of active labour market policy (as was the case in the first years of transition).

The emphasis put on individual programmes within the labour market policy also differs among countries depending on their needs and orientation. In Bulgaria for example, due to a very high share of long-term unemployed in total unemployment, over 60% of all active labour market policy participants took part in public works. Public works have recently become the most frequent programme in Hungary, while until 1994 labour market training ranked first. In Slovakia subsidized employment ('socially purposeful jobs') is still the most frequent programme accommodating 63% of all participants, similarly as in Poland where 45% took part in the so called intervention works. In some countries such important programmes are still missing such as public works in Romania.

All transition countries are fully aware of existing skill mismatches in the labour market and their detrimental effects on economic growth and production efficiency. New reforms of educational systems have been introduced giving more freedom to schools and training centres to adjust their curricula to new demands from young people for education and training. In most countries, detailed central curricula have been replaced by national core curricula as a framework within which local schools and training centres develop their own programmes (with the approval of local authorities).

"(...) there are clear differences among countries in their use of active labour market policies."

The latter group of countries still has much to do. Their employment centres concentrate mainly on unemployment registration, job placement and the payment of unemployment benefits, to the detriment of active labour market programmes. Now the main problem they face is lack of sufficient funding. Regional and local labour offices often play rather passive roles in fighting against unemployment in their regions. This is the main reason why co-operation with the local authorities, enterprises, regional employers' and workers' organisations, educational facilities and other important agents for promoting employment and formulating adequate labour market programmes is still rather weak.

Table 4 gives some figures on the share of benefit recipients among the registered unemployed and on the participation of registered job seekers in active employment programmes. Restrictions in eligibility for benefits and increasing long-term unemployment resulted in declining



In some countries, the social partners also have a say in the content of vocational education and training. For example in Hungary, the tripartite National Training Council plays a controlling role through its authority over the distribution of the Vocational Training Fund (raised by contributions from employers) sponsoring vocational training. As a consequence, the characteristics of students and subsequently school leavers have undergone dramatic changes:

- the enrollment rate of age groups of 15-19 and 20-24 in schools or training centres has increased;
- young people prefer secondary school education to vocational manual training, and more general to specialized professional education;
- young people's interest has further shifted from technical to non-technical disciplines.

Labour market training has become widespread, ranking first among employment programmes in Romania, Slovenia, the Czech Republic and until very recently also Hungary. The size of labour market training financed by the national employment funds, varies from 2.5% of all registered job seekers in Slovakia and 3.1% in Poland, to 8.8% in the Czech Republic and as many as 16.5% in Slovenia.

There are still problems concerning education and training. On the one hand, previously too narrow and early specialization has been overcome, and generally educated young people are more flexible for additional job-specific training by their employer and also for lifelong learning. Also shortages of specialists required by a market system (financial specialists, accountants, computer specialists, lawyers, human resource managers, etc.) are gradually being overcome. On the other hand, in some countries already new shortages are emerging in technical disciplines and enterprises are complaining that schools and training centres are not taking their needs into account, and that they cannot find the right specialists in the market. This problem is obviously more acute in countries experiencing faster economic growth and restructuring. For example, larger industrial enterprises

in the Czech Republic and Slovakia, facing such shortages of skilled technicians, try to overcome them by providing scholarships to students in last grades of secondary vocational schools and universities or sponsor apprentices. Therefore, a large part of school leavers cannot find a job after school and they have to be immediately re-trained. Also it seems that the proportion of school leavers without any occupation is too high. They receive vocational training at the cost of labour market institutions instead of regular schooling or training for young people, spending funds originally assigned for other groups of job seekers. As young people without any work experience usually have problems to get a first job, many countries in the region temporarily subsidize their employment, often combined with preparatory or on-the-job training. Labour market training thus often substitutes the tasks of regular education and training for young people.

Training of unemployed job seekers is provided either for a known employer and then designed according to his requirements (for example in Poland), or it fills up shortages of certain professions in the market. Training courses are mainly oriented to manual occupations and white-collar professions such as accounting, computer skills, foreign languages, etc. Training for business starters is also very popular. The placement rate of re-trained persons differs between countries, ranging from 34% in Bulgaria and 40% in Poland (1994) to over 70% for the Czech Republic. However, the placement rates depend not only on the quality of training and trainees but also on the availability of vacancies. In many countries, there is even a certain suspicion against people who have been re-trained. Their training is regarded as being of lower quality in comparison with regularly trained workers trained in traditional ways and employers prefer the latter unless they can control the training process.

In some countries, there are possibilities to co-finance re-training for enterprises undergoing restructuring experience in economic problems. Another effective type of re-training is provided to redundant workers before their dismissal to facilitate their re-employment. The figures are available only for Slovakia and

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“Labour market training thus often substitutes the tasks of regular education and training for young people.”



Slovenia, but the extent is rather small. Many countries cannot even finance it when such people are still employed, due to obstacles in legislation.

Even though the placement rate after labour market training is rather high in comparison with most other employment programmes, such assessment is a bit misleading as it does not take into account specific characteristics of persons assigned to training. Typical trainees are young people (often school leavers or persons without vocational training) and people with higher education who would have better employment chances even without any training. In contrast, unskilled and/or older persons, members of disadvantaged ethnic minorities or disabled persons, have much lower chances to get training while according to research, the cost-effectiveness of their training and subsequent re-employment is higher.

Conclusions

In view of high open unemployment and enforced inactivity of the population, CEECs should now devote more attention to employment promotion. This could be achieved only through an economic policy actively promoting economic growth and macro- and micro-economic restructuring aimed to enhance production efficiency. Education and training, labour market policies and social policies should be designed to take full account of these economic goals, promoting flexibility, mobility and motivation of the labour force, and increasing and utilizing its capacity. Simultaneously, they should moderate social tensions and the marginalization of more vulnerable social groups. It is essential to design, refine and implement these policies in co-operation and with a broad consensus amongst all key actors in the labour market, both at the aggregate level and in regions - national

and regional governments, representatives of employers and workers, educational facilities, relevant non-governmental organizations and others.

In education and training this means more decentralization and at the same time close co-operation between schools and training centres and labour market institutions, enterprises, trade unions and regional authorities in a number of areas. These include adapting curricula and teaching/training methods to the real concrete present and envisaged needs of the regional labour markets and employers, and improving the capacity of teachers, equipment and access to new technologies, etc. Enterprises undergoing restructuring and in need of larger-scale re-training of their workers could be provided with assistance in this re-training if necessary. Training should also be arranged for workers still employed but threatened by redundancy, for business starters (to strengthen their entrepreneurial skills and market knowledge), and for participants in public works to improve their re-employment chances, etc. The importance of education and training in determining the quality and adaptability of the labour force - the key factor of future economic prosperity of the countries in transition - should be fully acknowledged. Therefore currently observed cuts in national budgets for education imposed in the framework of general governments' finance restrictions should be reconsidered. Such absolute cuts in public financing of education have recently been made, for example, in Hungary, the Czech Republic and Bulgaria, in the framework of restrictive measures aimed to reduce the state budget deficits. In all transition economies, real expenditure on education has been significantly reduced in comparison with the pre-transformation period. In addition, reforms of national educational systems have to improve the general efficiency of education and training.

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Observations on the challenges and priorities for vocational training in Central and Eastern European countries

Introduction

The scale of the change in Central and Eastern European countries (CEECs) since 1989 should not be underestimated. The move to democracy and market economies has required the establishment of new legal and political infrastructures, new public financing mechanisms, the reform of social security and welfare systems, the liberalisation of prices and the lifting of trade barriers. Whilst grappling with this change, most CEECs lost their most important trading partner, the former USSR, and the lack of updated technologies hampered the development of new markets. Consequently, production output dropped, recession dragged on and unemployment rose. In addition, the vocational education and training systems in CEECs prior to 1989 were unable to deliver the skills needed in a fast-developing labour market.

However, despite the many problems, significant modernisation programmes are well underway in most countries. Idealistic, short-term strategies brought about by the collapse of east European socialism, have been replaced by more realistic planning and long-term vision.

The overall challenge now is for CEECs to design demand-led vocational education and training systems, capable of accommodating a continuously changing

environment and for reform to be carried out comprehensively and systematically.

Ten CEECs (Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic and Slovenia) have signed association agreements with the European Union (EU), aiming at membership. In the recent Agenda 2000, five of these countries (the Czech Republic, Estonia, Hungary, Poland and Slovenia) have been found eligible for the start of negotiations concerning EU membership. With regard to vocational education and training, the agreements require specific issues of importance, as identified by the EU, to be addressed. These include institutional arrangements, skills needs analysis, training methods and the development of qualification systems comparable with those in the EU. In most CEECs great efforts have been made in each of these areas. However, the lack of experience in identifying new competences and lack of professional expertise in defining new occupations, qualification standards and curricula have proved major obstacles.

This article examines how the major institutional and policy challenges are being addressed. It also looks at the needs and priorities in the field of vocational education and training, and identifies some possible areas for future support. Clearly each country has its own reform process which does not necessarily run



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Since 1989, Central and Eastern European countries (CEECs) have taken on the challenge of developing a market economy, with the capacity to cope with competitive pressure. As part of the process of meeting this challenge, the CEECs have embarked upon reform of their vocational education and training systems. New institutional arrangements have been introduced as the first step towards reform, but many new challenges remain. The new institutions need to prove their effectiveness and much needs to be done to define new occupations, develop qualifications, standards and new curricula.



“(...) “decentralisation” was a slogan heard throughout the CEECs as the way to reverse central planning and the command economy.”

parallel to those in other countries. To provide examples of how different approaches are being taken in different countries, examples are given of developments in the Czech Republic, Hungary, Poland and Slovenia, four countries that have made considerable progress in their vocational education and training reforms.

General trends in vocational training reform since 1990

The tendency in the first phase of transition was to modernise existing systems; an abrupt break with the past was not an alternative for a number of reasons. So far efforts undertaken have largely been oriented towards:

- modifying and reforming individual elements in the system;
- restoration of pre-communist features of the system;
- innovations through the introduction of new structural elements.

The transition process in vocational training in various countries is characterised by the breakdown of practically oriented education and training. The previous system of vocational training for apprentices (and adults) for which enterprises were responsible has collapsed. Following privatisation, many companies have been obliged to radically change their priorities, directing resources to new tasks (such as the renewal of infrastructures and environmental obligations). In-company training has thus become one of the victims of transition. Other notable features include:

- the confusing complexity deriving from the new range of specialisations and subjects;
- the absence of mechanisms for the re-training of teaching staff;
- the lack of experience in the definition of new competencies;
- the deficit of professional expertise in the definition of new occupations and standards, and the development of new curricula.

Central governments have been weakened by the ‘brain-drain’ to new activities in

the private sector and foreign companies. Moreover, as state responsibilities have been relinquished in an attempt to break away from the ‘planning mentality’, an adequate regulatory system and support structures, such as for research and development, have not kept pace.

Much effort has been put into the reorganisation of structures and procedures in education and training, and a lot of energy into drafting new legislation. In several countries a consensus has been reached for gradual change, which should ensure continuity and prevent hasty and poorly prepared reform measures. Nevertheless, examples exist of rapidly conceived laws which have not been based on practical experience and many have already been subject to amendments.

The absence of co-operation between the ministries concerned (particularly between Labour and Education, but also Finance, and Economy) has led to a lack of co-ordination with legislation in other areas of the social system and this has had an effect on the education system. The continuous evolution of legislation, which is still often indefinite and incomplete, will be one of the main features of the second phase of the transition process.

Furthermore, although certain elements of the overall system may have been modified, institutional reform is further complicated by the fact that the actors involved still rely on expertise and experience based on previous conditions. Moreover, traditional vocational training continues to provide students only with technical skills, illustrating that considerable inertia remains a characteristic of transition.

Institutional arrangements

Decentralisation in decision making and implementation of policies

For government authorities “decentralisation” was a slogan heard throughout the CEECs as the way to reverse central planning and the command economy. Devolution of power to regional and local levels was seen as a prerequisite for encour-



aging bottom-up reform and results at local level. However, the crucial question is which tasks the state should retain at the centre, which should be devolved to more local authorities and at what level, which should be shared, which delegated to others and what should be the respective responsibilities of the public and the private sectors.

Unsurprisingly, there has been a variety of approaches to tackling this issue. In the Czech Republic, complete responsibility for vocational education and training so far remains at central level. There has been a gradual transfer from sector ministries to the Ministry of Education, Youth and Sports and its Directorate for Vocational Education and Training. The District School Offices which allocate funds to schools report directly to the Ministry of Education. After the last elections the government confirmed its intention to transfer a number of functions to the regions. A Ministry for Regional Development has been proposed which will take over certain educational responsibilities.

Administration, funding and curricula are also controlled centrally in Poland. The roles of various authorities at national and regional levels and the systematic involvement of the social partners have not yet been fully defined. The decision by national educational authorities to shift more responsibility to regional and local authorities is proving difficult to implement because they are not equipped to carry out the tasks.

The overall responsibility for vocational training in Hungary lies with the Ministry of Labour. The National Council for Vocational Training makes recommendations regarding the management of vocational training and submits proposals and opinions on related issues. However, specific responsibilities have moved from the centre to local governments which are now in charge of the schools. Schools manage their own funds and decide on the types of qualification they offer.

Slovenia has taken a decisive step to decentralise power. Some 14 administrative regions will be set up, each with an education committee, with financial and administrative powers. School administration

bodies are to be formed as part of decentralisation process. However, the Ministry of Education and Sport retains overall responsibility for the school system, being the main policy-making body with budget responsibility and control.

Experience is that the reality of decentralisation has not met initial expectations largely because of the need to develop institutional frameworks that take advantage of the flexibility that decentralisation can bring, whilst enforcing and upholding common national standards. There is a view that the state should continue to deal with the overall handling of structures. This would include monitoring the outcome of pilot projects and evaluating and disseminating examples of "good practice", which have proved so important in the reform process, perhaps through new mechanisms for developmental procedures capable of steering the continuing revision process more efficiently. Tasks such as the development of curricula, standards, job profiles, qualifications, accreditation, teacher training, could then be shared between the state and the social partners. Finally, flexibility to respond to specific needs might be best achieved by delegating responsibility for programmes for individual schools, financial arrangements, or co-operation with important local employers and employee representatives, to regional authorities and sector organisations.

Since the beginning, management training has been an important issue for supporting the transition period in the partner countries. Therefore, the ETF has established a Staff Development network, comprising senior policy makers from the main ministries and organisations in the field of vocational education and training in all CEECs. These experts have participated in the Foundation's Staff Development Programme which trains civil servants and staff from a number of non-governmental organisations in key aspects of vocational training. It also establishes lasting co-operation between ministries and other organisations in the partner countries and the EU Member States. National vocational education and training advisory groups have been set up in a number of countries which are part of the network, and act as task forces for vocational education and training policy.

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“The involvement of social partners can guarantee a more efficient and on-going reform process. The essential challenge is to define a legal and institutional framework to involve them.”

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Involving the social partners

In most CEECs, there is a growing preference for tripartite bodies at national level to deal with vocational education and training issues. Their responsibilities range from consultative and advisory to decision-making. Social dialogue on vocational education and training remains very diverse reflecting the different socio-economic, political and cultural background and traditions in each country.

The social dialogue on vocational education and training in the Czech Republic, takes place at national level in the National Council for Social Dialogue as well as at local and in some cases, sector level. The social partners also participate in public employment agencies dealing with training issues. In Hungary, the social partners have an advisory role in the development of vocational training policies and in the distribution of funds for practical training. They also participate in decision making through their representation on the National Vocational Training Council. The chambers of economy, with social partner representatives, are responsible for practical training and final examinations.

In Poland, social dialogue on vocational education and training takes place mainly in the Tripartite Commission and the employment councils. Another important body at national level is the Supreme Employment Council which advises on labour and social policy issues. The regional and local employment councils together form a platform for social partner collaboration and consultation concerning labour market policy and fighting unemployment.

In Slovenia, representatives from the chambers of commerce and industry, trade unions and the state participate on an equal basis in the Council of Experts for Vocational Training. They are responsible for decisions on the standards of qualifications and the technical and practical aspects of training programmes. The chambers also play a role in continuing training and the setting up of the “national certification system”. The unions appoint their representatives on examination committees for vocational schools and chambers.

In most CEECs the social dialogue began, and has to be consolidated, in an unfavourable environment (economic crisis, constant structural transformations). Furthermore, the various problems of reform in vocational education and training systems do not create the most suitable context for developing procedures for social dialogue. However, the positive contribution that it can make should not be overlooked. The involvement of social partners can guarantee a more efficient and on-going reform process. The essential challenge is to define a legal and institutional framework to involve them.

Initiatives emerging from the social dialogue need to be observed, analysed and reported on. Such a step would create visibility and may help to convince the political players of the importance of social dialogue which, for it to succeed, requires the development of skills and a specific dialogue culture in social partner organisations and public administration which is often still lacking in the CEECs.

Improving the financing mechanisms of vocational education and training

Funding and value for money is, without a doubt, one of the most critical issues throughout the CEECs. Although the actual situation varies between countries, expenditure has, on the whole, not kept pace with soaring inflation. Budget cuts pose serious threats not only to plans for modernisation, but also to the ability to meet running costs.

In most CEECs, vocational education and training is financed by a number of sources although the lion's share is provided for by the state budget. The costs of practical training and facilities, which used to be met by enterprises, are now mainly covered by the state. For the most part, state funds are provided by the Education and Labour Ministries. Occasionally a basic quota is allocated by the state and additional funding has to be raised from fees and income generated by the training establishments themselves. Due to the financial constraints, the future trend is towards increased diversification of funding sources. Attention is being focused increasingly on the private sector and business in the hope that they will contribute more to the costs.



In the Czech Republic, state technical and vocational schools are funded principally by the Ministry of Education, Youth and Sports, with several sector ministries providing funds for their specialist schools. In 1995, total expenditure on education amounted to 5.9% of GDP. This amounts to 16.3% of the state budget, approximately one quarter of which was allocated to vocational education and training.

The main sources of financing in Hungary are the state budget and compulsory employer contributions for training (1.5% of their wage bill). Total expenditure on education was 7.8% of GDP in 1996. To support the provision of practical training, the government established the Vocational Training Fund in 1992, 10% to be used at national level and 90% decentralised for use in particular counties.

In Poland, the state budget is the main source of funding for education which accounted for 6.2% of GDP in 1994. Vocational schools received 22.5% of the total education budget of all government administration bodies, whilst 7.4% of the funds went to general secondary schools. The funding system has been partially decentralised and there has been a shift from direct to indirect financing through self-governing authorities.

In Slovenia, vocational education and training is currently financed wholly by the state. Expenditure on education came to 5.85% of GDP in 1996. In 1995, 11.3% of all public expenditure for education went to secondary level vocational education. With the introduction of the dual-system, employers will have to make financial contributions. In the craft sector, a fund has been established to support workers' training. According to the collective agreement, craftsmen have to pay 1% of their gross wages into this fund.

Limited education resources and under-funding of vocational training in transition economies, requires existing funding to be used in more cost-efficient ways and there are a number of ways that this might be done. At present, the high unit costs of vocational training and the comparatively low teacher/student ratio present potential for savings. Other savings might come from reducing state subsidies to private schools. Decentralisa-

tion may help to bring about a more cost-effective use of resources by providing local authorities with greater powers for fund-raising and also for the distribution of finance powers of local authorities and to redistribute general revenues to the regions. Another option is to introduce competition between public training providers and private training organisations. However, where this has been tried so far its success has been limited as the training market is, generally, poorly developed in CEECs.

Although the approaches to financing will differ between the various countries, it is important that each develops a realistic picture of financial possibilities. This will provide a solid and informed basis for policy planning and help to safeguard against the danger of not being able to match ambitious strategies with budgetary constraints. Furthermore, by developing and analysing a range of options, governments may see financing mechanisms as a tool for encouraging specific developments or sectors within vocational training.

Monitoring links with the labour market

Co-operation between different labour research institutes is essential in order to increase the general awareness of its importance as an instrument for planning in vocational education and training qualifications. Although labour market research and analysis of statistical data is frequently carried out in institutes connected to labour ministries, long-term research and forecasts are not carried out at all. The old system of strict labour force planning has not yet found a market oriented replacement. Furthermore, educational research has been drastically reduced. Institutes have been closed or reorganised. Researchers have come under attack for their ideological involvement under the previous regime, and there has also been a degree of enforced staff turnover. In many cases education research institutes are fairly closely associated with the education ministries and work directly for them so that they focus on applied research.

In the Czech Republic, the Ministry of Labour has set up a network of labour of-

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fices with information and advice centres in every district. The main data flow on education is collected and processed by the Institute for Information on Education. However, Hungary has at present no formal mechanism for a systematic and comprehensive analysis of skills shortages. At national level, the National Labour Methodology Centre analyses and reports on labour market developments. However, there is no feedback mechanism to communicate the results of these analyses to vocational training decision-makers. In Poland, current forecasts regarding economic development do not provide sufficient data for specific decisions concerning training re-programming. Greater research support and assistance is required to accelerate progress. In Slovenia, the National Employment Office has a major role in forecasting labour market trends and in monitoring the links between the vocational education and training system and labour market developments. The Statistics Office is responsible for methodologies and classifications in data collection and presentation.

Vocational education and training related research, including evaluation of policies and change implementation, needs to be encouraged. To improve the availability and quality of information on vocational education and training systems, the ETF has established National Observatories in almost all CEECs. Their main task is to gather, analyse and disseminate information on the features and developments of the vocational education and training systems and the labour markets. A set of key indicators provides information on the characteristics, problems and challenges of the systems and measures their performance, for example, in terms of its ability to respond to the needs of the labour market and their capacity to grant vocational qualifications.

Current challenges and priorities

Adapting the structure and content of vocational training to the market

In order to obtain the flexible workforce needed by the emerging market economies and enable individuals to meet the

new demands of the labour market, opportunities are needed for in-company training and for people to switch between different training paths, including the option to move between general and vocational training. A number of CEECs have been developing such opportunities as they adapt and restructure the content of their vocational education and training. Some have emphasised the need to facilitate and improve the transition from school to work and the need to combat unemployment by developing a continuing training system. Others have focused upon trying to create an entrepreneurial society and on introducing post-secondary education as a priority.

In the Czech Republic, the development of a service sector as well as the growing number of small and medium-sized enterprises has been accompanied by an increasing demand in training for commercial and legal professions, new technologies and languages. In Hungary, the overall strategy has been to broaden the skills and knowledge of young people. In response to the need to broaden the skills, opportunities will be improved by developing post-secondary vocational training. Slovenia has introduced a dual-system, modernised curricula of all types and introduced non-university higher vocational schools and colleges. There are also vocational courses offering qualifications for graduates of general secondary schools. Technical vocational schools, following on from secondary vocational training, offer graduates access to higher educational levels. The new system also provides vocational programmes for master craftsmen, foremen and managerial staff.

In Poland, the authorities are trying to provide much needed technical skills by streamlining the links between secondary, post-secondary and higher education. They want to consolidate the transition through the system by harmonising examination procedures, concentrating on post-secondary education in particular.

However, even those CEECs which have invested much effort into the development of their vocational training systems still face further challenges on a systems level. Many CEECs lack sufficient measures for change and remain at the discussion and



experimentation stage. Post-secondary vocational training options, career opportunities and access to continuing training which updates skills and is consistent with the initial training system need to be developed. Overall the challenges for most CEECs to adapt the structure and content of their vocational education and training remain:

- to create new occupational profiles and fields;
- to provide practice-oriented curricula;
- to incorporate placements in public or private enterprise;
- to develop new teaching strategies and training materials;
- to improve teacher training;
- to modernise and re-equip training institutions;
- to reform assessment and certification procedures;
- to offer training for self-employment.

Initial vocational education and training - the basis for lifelong learning

Vocational education and training in the CEECs is predominantly school-based although in some, for example Slovenia, on-and-off-the job, dual-system patterns are being revived or introduced. In most CEECs, initial training is mainly provided in two types of schools:

- the secondary technical schools which provide qualifications for personnel at intermediate level ("technicians") for various sectors of industry, agriculture and services, and for non-academic staff in the health, social and cultural services. The system includes business schools for management and staff and leads to a certificate of general education;
- training in secondary vocational schools offers a wider choice of courses and leads to the qualification of 'skilled worker' ("blue collar" workers).

In the Czech Republic, by 1995, there was a 40% increase in the number of first-year students at secondary technical schools. More students are choosing educational paths that lead to a broader variety of career options. The system is diversifying educational options to take individual needs more into account. In Hungary, participation in vocational edu-

cation and training at secondary level is quite high by European standards, involving 72.8% of all young people enrolled at this level. The figure is also high in Slovenia where over recent years, about 70% of students enrolling in secondary education entered vocational schools. However, in Poland, about 38% of those entering secondary education go to basic vocational school and then enter the labour market. The option of taking a three-year technical course offering access to higher studies is chosen by only 11%. Furthermore because of the differences between the curricula, changing school is difficult and transition from one vocational track to another at the end of secondary schooling is a problem.

There is a trend in the CEECs towards removing the dividing line between technical and vocational schools by creating a complex organisational unit with an enhanced range of choices. This is a significant step towards the restructuring of upper secondary education. The main challenge for the CEECs is, however, to develop vocational education and training as a combination of content and structure innovation. Moreover, if new levels of quality skills are to be reached, more attention needs to be paid to the so-called key skills such as learning and communication skills, creativity, problem-solving and information technology.

Post-secondary vocational education and training - new career paths

The CEECs are now at different stages on the long journey towards establishing new frameworks for post-secondary vocational education and training which did not really exist under the previous system. Some have already started to implement reforms with different priorities (more knowledge-based or more practice-oriented) and even if they are far from being able to report success stories, they have laid the legal basis, identified difficulties and problems and gained initial experience.

In the Czech Republic, tertiary level vocational schools were established in 1995/96 as a new element of post-secondary education for graduates from all types of secondary schools. In total, 164 schools have been set up. In Hungary, the trend

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is towards developing specific professional skills at a later stage of a young person's educational career. Alternatives are also being sought to the long academic studies which many young people do not complete and the legal framework for the introduction of accredited post-secondary vocational training has been introduced. Poland has set up post-secondary vocational schools with two-year courses for graduates of secondary general schools to learn a trade. In Slovenia, students can now continue their studies at two-year post-secondary technical colleges as a step between secondary and higher education. They are markedly practical courses and are designed for factory engineers, needing a high level of general and professional know-how and direct practical experience to cope with more demanding technological processes.

The challenge for the CEECs is to develop a post-secondary education and training system that provides a range of different options that respond to individual needs and which is accessible from a variety of different routes. Entry from secondary schools should be easy, continuation to higher education feasible and entry in to the labour market flexible. Moreover, the role of post-secondary education and training should be to train young people to become 'senior technicians and managers', providing them with the essential skills required by small and medium-sized enterprises and for middle management positions.

Continuing vocational education and training

Where training within the new private sector has emerged, it is mainly focused on re-training and adapting the adult workforce to the new requirements of modernised production and new forms of business management.

In the Czech Republic, the private market for continuing education is relatively well developed, with several hundred companies offering a range of professional short-term courses and seminars at various study levels, leading to recognised qualifications. However, a growing number of institutions are offering courses without general concepts or a solid base for quality control and accredi-

tation. Hungary seeks to ensure a flexible supply of continuing training through regional training centres. So far, government steps for re-training the labour force have focused on developing suitable infrastructures and making funding available for training courses. Given the continuing skill mismatches in the labour market, however, further efforts are required to support both the supply and demand for training. In Poland, continuing training is the first segment of education to have applied market economy principles. Because of the scarcity of continuing training sites, the national authorities have identified distance learning as a priority for the future. In particular, in the rural areas, distance learning is seen as a means to increasing access to continuing training and there are 20 distance education centres in operation. In Slovenia, continuing training is regulated by the Adult Education Act (1996) which provides a system of certification to meet labour market requirements and encompasses the option for adult students to obtain formal qualifications offered by schools and other educational institutions.

Again, there is a distinct need for the CEECs to define and structure a system for continuing vocational education and training. The learning process must be seen as on-going and not come to an end after a period of initial training, or be viewed as purely the responsibility of the individual beyond the initial stage. Links between initial and continuing training are crucial to enable the system to provide career prospects for students. Moreover, these links require not only a structure for learning opportunities, but also a nation-wide recognised certification system to guarantee mobility, flexibility and employment for the workforce.

The following priorities for continuing training can be identified in all CEECs:

- ensuring provision of training including its funding;
- supporting the provision of continuing training;
- training the trainers and keeping them updated; and
- developing appropriate innovative teaching and learning methodologies and techniques.



Guaranteeing quality in vocational training

The reforms have led to a comprehensive basis for restructuring and organising vocational education and training, which meets not only market challenges but also the desires of people for their personal and professional life. The quality of the system is defined by the degree to which it can meet these objectives. Furthermore, quality in vocational training is not only measured by the quality of the provision but also by the system's ability to direct those who need training, in particular young people, to appropriate training programmes.

All CEECs require further investment in equipment, especially new technology, and textbooks matching new curricula. Training teachers and school directors is essential to prepare them for a didactic approach to independent and creative learning. Within this general framework, developments in the CEECs differ according to the awareness of the various aspects of vocational education and training and their evolutionary stages.

In the Czech Republic, the training system has reacted quite spontaneously to labour market developments. The creation of a comprehensive output and process control system for quality vocational training and re-training remains a challenge for the future. In Hungary, the objective of establishing structures and procedures to ensure the quality of nationwide education and training provision has been partially met through the National Qualification List and the introduction of a unified examination system for output control. However, an accreditation system setting professional standards for operating educational institutions still needs to be established. In Poland, professional bodies responsible for the development of qualification standards will be established in 1998, and national and regional assessment and examination institutions in 2000. Standardised secondary school final examination will also be introduced. The main challenge is to create a consistent national policy and management framework to co-ordinate and guide the various initiatives. In Slovenia, quality is guaranteed by the Standard Classification of Occupations. Vocational programmes are established nation-wide af-

ter the approval of the Ministry of Education and Sport. International comparability is guaranteed by adapting standards from EU Member States.

Developing occupational profiles and curricula

Changes in the employment system in the CEECs have resulted in substantial changes to job profiles requiring new qualifications geared to the market economy which are the starting point for restructuring vocational training curricula. In all CEECs, two main developments can be observed. Firstly, new occupations have emerged in new areas of economic activity, for example, business, commerce and banking. Secondly, there is a move away from specialised occupational profiles to a broadening of skills requirements. This corresponds to a clear trend towards strengthening general education content and changing the balance in the curricula between general education subjects, instruction on the theoretical foundations of specific occupations and practical skills training.

In the Czech Republic, the Research Institute on Vocational Education and Training has compared the qualifications of the unemployed with those required for the available jobs. This is a first step on the road to regular analysis of qualification requirements at enterprise level. In Hungary, economy-driven definitions of training profiles are compiled in the National Qualification List - a classified list of occupations which includes the most important characteristics of individual qualifications. Although the Ministry of Labour has the overall responsibility for defining and updating the register, other ministries are responsible for the definition of qualifications and their characteristics in their area of competence. The maintenance and flexible upgrading of this list has to be improved so that the development of occupational standards can go ahead based on occupation analyses which can then be translated into training curricula. Poland has produced documentation for occupations of strategic economic importance such as technicians and specialists in economics, trade, computer science, telecommunications, environmental protection, administration etc. In 1993 the Ministry of National Education issued a new classification of 138 occupations for

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the secondary school system. However, employers have not yet been fully consulted and the classification for some occupations (for example in the service sector) is incomplete. In the meantime, the Ministry of Labour and Social Policy has developed its own classification system, specifying partial qualifications rather than occupations. In Slovenia, the national classification of occupations is at the final stages of preparation and conforms with the international ISCO-88 standard classification of occupations. The Centre for Vocational Education is drawing up a frame of reference to link vocational education and training with the economy in the social partnership system. It will propose occupation profiles and catalogues of required knowledge. The Centre then will develop the curricula and, following the proposal of the Chambers of Commerce and Crafts, also professional profiles.

Developing standards

Three traditional and legitimate concerns cause tension in most of the CEECs, namely, national curricula, standards and examinations. In many cases the acute need for training or re-training has resulted in a wide variety of training provision and central and local training programmes. This has required attention to be given to standards to guarantee the transferability of qualifications.

The Czech Republic developed new professional standards for 148 fields of training by the end of 1995. These standards are comparable, but not necessarily identical, to the job descriptions of the 209 occupations in an EU directive for evaluating the mutual recognition of professional certificates. In Hungary, the updating and development of standards is an on-going process. After recognising a qualification in the National Qualification List, ministries in co-operation with the National Institute for Vocational Education, have to establish professional and examination requirements, the core curricula, a framework for principal requirements and the needs for interim tests. It would make sense to set training standards for specific occupations on the basis of those already used in the EU Member States. In Poland, definition of standards will present a challenge in the near fu-

ture. The Matura exam is being revised to become both a secondary school leaving exam and the entry exam for higher education. This examination will also be used throughout the different general and specialised school systems to ensure a more general recognition of educational standards and more flexibility in the system. In Slovenia, much effort is being put into the development and implementation of the new “system of educational profiles”, specifying trainable occupations, typical tasks within each occupation, job complexity level, required skills and knowledge, level of education and training specifications (duration, form) and including elements of general education.

Whilst the involvement of enterprises and social partners in the development of curricula is welcome, their contributions must ensure that the curricula and qualifications reflect nationwide demands, as there is a tendency for enterprises to include only their current skills needs, raising the risk of a new type of over-specialisation. Although a more specialised approach may be appropriate for re-training, it is not sufficient for mainstream vocational education and training to young people who need a broad skills base. In addition, enterprises that are restructuring or establishing themselves, may not always be able to express their skills needs in enough detail, particularly new small and medium-sized enterprises.

Establishing assessment and certification systems - certificates with a currency

The EU's assessment and certification practices are important points of reference for the CEECs, but not all have been successful in creating a national body responsible for certification. At present, comparability of national standards in vocational education and training and international recognition of qualifications and certificates are explicit aims of policy-making. The emphasis to date has been on “input” to the training process as laid down in detail in the training curricula and programmes. Attempts are now being made to switch the focus to the outcome of the training process and to adopt a competence-based model as the basis for determining qualification standards. Having moved towards decentralisation and school autonomy, a



number of CEECs are now debating how to redefine national and regional responsibilities in education, especially with regard to national curricula, standards, assessment and certification.

The Czech Republic will focus on defining assessment and certification and/or licensing procedures for qualifications and on identifying education and training priorities as a result of the definitions. Hungary is setting up a coherent framework for assessment and certification which are compulsory for both public and private schools, and has already concluded a number of bilateral agreements on mutual recognition. In Poland, there is no coherent national framework for assessment and certification. More practical vocational education and training research is needed, in particular in establishing and maintaining a national framework of standards and qualifications on the basis of a labour market and training needs analysis. In addition, the results of pilot or experimental projects have to be evaluated on a national level and disseminated. In Slovenia, assessment and certification is strongly linked to the need to raise the quality of education and to reduce the high drop-out rate in secondary education. There is a marked trend towards introducing external examinations at the end of primary and secondary education.

Developing teaching strategies

The transformation of systems has given the teachers an unprecedented opportunity to innovate. However, teachers have lacked incentives and have seen their social and occupational status threatened by the continuing decline in their salaries and the inadequate funding of the education sector. Teacher training is generally the task of special institutes, some of which were reorganised in the early 1990s. However, many countries have reported a "brain-drain" from teaching and training into other jobs while others have had problems in recruiting new teachers for vocational schools.

Furthermore, whereas initial teacher training affects the reform process in the long run, in-service training has an immediate impact, but its availability and organisation differs greatly from country to country. In view of the acknowledged multi-

ple effect of initial and in-service teacher training, expansion in this field needs to be encouraged and supported by international co-operation. Substantial resources must be invested in order to upgrade teaching qualifications.

Czech policy focuses on providing teachers with practical skills in teaching methodologies and in the techniques necessary to assess student progress. At present both pre-service and in-service teacher training appear theoretical, with emphasis on content rather than pedagogy. In Hungary, a national priority is to give teachers further training for their changing role as well as the chance to gather experience in other schools or training locations, both at home and abroad. Slovenia has a tradition of in-service teacher training in all types of schools. Each year teachers are obliged to follow specific practice-oriented training mainly in pedagogy and learning methodology. The training courses need to be updated and revised. As far as vocational schools are concerned, experts from related sectors will follow these specific training courses. However, in Poland, greater attention should be paid to the preparation of teachers. The quality and performance of the teachers has to be monitored and these must be motivated to enhance their pedagogic abilities and to adopt new training programmes.

In virtually every CEEC the scope and content of teacher training must be changed. Teachers require training and re-training to apply new methods of instruction and to change from passive, teacher-directed, to more active, participatory learning styles. These new types of training should contribute to the qualifications of an adaptable and multi-skilled workforce, with practical problem-solving capabilities, initiative and potential for re-training. Special attention should be paid to disseminating knowledge of teaching methods, methods of curriculum development and the contents of general subjects.

Improving vocational orientation and career guidance - providing new horizons

In most of the CEECs observed, no priority has been given to institutions which offer counselling for educational and vocational decisions. However, the need has



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been acknowledged in policy strategies or pilot activities. High unemployment underlines the need for early and timely guidance. A systematic approach to vocational counselling remains to be developed in most countries. Public debate on the state of the art in vocational training is one of the prerequisites for increasing awareness of the importance of career planning and the options it offers.

In the Czech Republic, there are two main streams of guidance and counselling. Advisory services are offered at 2,500 primary schools, providing pupils with information on secondary schools and courses available. In addition, the Ministry of Labour has set up a network of labour offices with information and advisory services both to those looking for jobs and people in search of appropriate educational possibilities free of charge. In 1997, the Ministry of Education and the Ministry of Labour signed an agreement on the transfer of data on employment opportunities and unemployment according to occupational fields.

Hungary has dealt with the problem of drop-outs through special schooling and active labour programmes, but needs to further improve its system of vocational guidance. Overall, a systematic approach to vocational counselling has not yet been developed, and a comprehensive system of vocational guidance has yet to be defined. The Polish programme for the promotion of youth employment foresees an efficient system for vocational guidance and counselling through the Mobile Centre of Vocational Information.

Slovenia is paying more and more attention to the quality of information on new measures in career guidance, such as information on training opportunities and vocational guidance for the unemployed, the quality of training programmes and the provision of common educational standards in all areas, including underdeveloped regions. Public information is becoming increasingly important for the National Employment Office and other institutions.

International support

For all CEECs, international support has been extremely important for starting the

reform process. A large number of projects have been initiated with the assistance of the EU PHARE programme and bilateral assistance from most EU Member States, other countries and institutions.

However, until now, the flow of foreign assistance into the countries has been largely uncoordinated. Not only do donor activities which mainly reflect the donor's home conditions and priorities endanger the national character of education and training systems, but they also frequently clash with immediate national priorities as well as with each other. Better co-operation between donors could substantially increase the long-term impact of foreign assistance, and national authorities need to be more tied into donor co-ordination exercises. The approach of many donors has been to support the reform of vocational training through pilot schools. Experience shows that most, if not all, CEECs have great difficulty in integrating the results and findings of such pilot school programmes within wider education and training reform strategies. This has resulted in an on-going discrepancy between funded initiatives and the overall systematic reform in vocational training in nearly all the countries. In future, this discrepancy must be addressed through international support.

The PHARE programme is currently the main channel of financial support from the EU, and covers vocational education and training in different policy areas as well as specific vocational training programmes. Its importance is reflected in the budget. Between 1990 and 1993, 431 million ECUs were spent on education, training and research. Between 1994 and 1996 this rose to 443.4 million ECUs. A key success is that the PHARE programme has helped to address the most urgent needs of the systems since the collapse of centrally-planned economies and has initiated substantial reforms. These included the development of curricula for new sectors, the revision of curricula for a range of broad-based occupations, the need for large scale staff development and the upgrading of school equipment, as well as feasibility studies and policy development. By requiring key players to co-operate, the PHARE programme has aimed to change strategy and has helped to build coherent national training poli-



cies. In addition, several partnerships with training institutions in EU Member States have been launched.

In the context of pre-accession strategy, the PHARE guidelines will be adapted to the new enlargement priorities. Within a new "accession partnership", programming procedures will be simplified, and bigger projects will be encouraged. This will replace the existing demand-driven approach with one that focuses more on the needs of CEECs for successful accession to the EU. The new PHARE policy promotes a more integrated approach concentrating on a limited number of priority objectives in order to increase efficiency amongst which education and training are prominently included.

In the coming years, international support from donors will be vital in order to consolidate the reform activities within a coherent vocational education and training policy.

Overall assessment

Apart from the accession aspect, there is a growing awareness of a demand for a comprehensive reform of vocational education and training in all CEECs. Most experts give preference to a step-by-step transformation policy. This may be seen as realistic, as economic and labour market developments which will shape the future of vocational education and training cannot be predicted with sufficient certainty. However, gradualism runs the risk of losing sight of the reform goals and of losing time and energy on secondary issues. Clearly, no single solution can be applied to the complex problems of vocational education and training in each CEEC. However, there will be some fundamental requirements of the accession process that will directly affect vocational education and training.

The training sector should continue to be regarded as vital not only to consolidate economic progress, but also for individual personal development and to strengthen democracy. A number of National Observatory reports emphasise the significance of up-to-date information and feedback as a basis for policy-making and ef-

ficient international co-operation. Evidently there are large information gaps needing urgently to be addressed if synergy is to be achieved through co-operation.

There is an on-going need for the CEECs to adjust their legislative framework to EU directives on the mutual recognition of regulated professions. In addition, there is a need for transparency of qualifications to facilitate freedom of movement for people. The CEECs should be encouraged and supported in the pre-accession period to be involved in the different initiatives developed at Community level and to address the issue of transparency of qualifications.

Improving the effectiveness of the institutions and the people in them is crucial. Both in terms of the conception and implementation of reform, institutions currently responsible for vocational education training find it difficult to live up to the challenges of establishing a consistent system. International support in this area must address this weakness, in particular, in governmental structures and regulatory bodies.

A major challenge for the future is to link international bilateral and multi-lateral support to national strategies for vocational education and training. Governments need to demonstrate how important education and training is in their policy-making, taking also into account legislation and quality control. This implies not only significant involvement of the respective ministries in the pilot schemes, but also close co-operation between them. Potential donors very often express their need to know what the government wants. Policy guidelines and needs analysis are key factors for donors if they are to become active in supporting coherent national training policies.

Another challenge is to foster co-operation in vocational training between EU Member States and associated countries and between the CEECs themselves. This is considered to be an important element for the promotion of mutual understanding and the rapprochement of diverse educational traditions and systems. It also includes the provision of the relevant media (electronic and print), which can

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“Compared to other sectors, vocational training reform will not pose problems for the successful rapprochement of CEECs towards membership of the EU.”

achieve a multiple effect at relatively low cost - this could be a test bed for different forms of co-operation among the countries. Moreover, questions of staff development and in-service training require greater attention. Here, the international exchange of teaching staff, specialists and researchers is crucial.

The EU Leonardo Programme will also play an important role in injecting innovative European-wide approaches to vocational training reform in the associated countries. Leonardo is not like PHARE, but rather promotes vocational training,

co-operation and innovation at European level. It is important that PHARE and Leonardo complement each other so that the partner countries obtain maximum benefit from both programmes.

On the condition that reform - and reform assistance - continue, the current systematic divergence between Western Europe and many CEECs will be less evident by the year 2000. Compared to other sectors, vocational training reform will not pose problems for the successful rapprochement of CEECs towards membership of the EU.

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Political questions Ministers from Hungary, Latvia, Slovenia and Romania respond to questions on the process of vocational educa- tion and training reform in their countries

The transformation to a democratic system and market economy has required the vocational education and training system to be adapted to meet new circumstances and respond to new needs. What are the main challenges faced and the main problems encountered? What has been the philosophy behind the changes that have been introduced?

Peter Kiss, Hungary. In Hungary, significant changes have taken place in the ownership, sector, geographic and organisational structure of the economy. The main challenges are therefore to ensure that vocational education and training provides people with the skills to find employment and to progress in life, and to provide the economy with a suitably skilled and qualified work force. The renewal of vocational training is of a strategic importance from the point of view of work culture and quality of employment.

Five principles have been the basis for the development of vocational education and training in Hungary. The first is to provide a basic education of a high standard, which is the first step to ensuring a high standard of vocational education and training. Secondly, to provide appropriate training for all and ensure that people can continue to upgrade their skills to adjust to changes in the labour market. Thirdly, skills, competitiveness are essential and efficiency is determined by human resources. Fourthly, changes made to vocational training must always corre-

spond to, and keep pace with, the changing demands in the market. Finally, priority must be given to economic needs when structuring, organising and planning the content of training programmes and account taken of the interests of the economic and social partners.

Juris Celmin, Latvia. Preparing individuals to meet the challenges posed by life and work has new meaning. Our society will be affected by the "information society", the globalisation the economy, scientific and technical progress. The question is - will we be ready to face these changes? A well educated and highly qualified labour force, capable of adapting to variable labour market conditions is the key to economic growth. This is a simple statement, but, it is very difficult to achieve. It is not enough to provide people with a general education, as this does not include social competences and practical skills to prepare them for work. Unemployment in Latvia is five times higher amongst those not having a vocational or higher education. Criminal activity is ten times higher. Vocational education is becoming increasingly important, as it implies general knowledge as well as social competences and technical skills. We must come to terms with the idea that secondary vocational education is equivalent to secondary academic education and serves as an intermediate step between basic and higher education.

Much more attention needs to be paid to a broad based basic education, enabling the individual to choose their own career



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Ministers from a selection of Central and Eastern European countries, have replied to a number of questions seeking to identify the ideas behind the reforms they have introduced to their vocational education and training systems, and the problems encountered from the perspective of the central authorities. The responses from the Ministers give some insight into their priorities for change, the reforms they have introduced and the role of assistance from the West in the context of European co-operation programmes and bilateral contacts. They also reveal different approaches to common problems and different stages of development.



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and to cope with changing conditions in the labour market. A system of continuing vocational education must be developed alongside the initial vocational training system to enable people to improve their qualifications at least once every five years. Lifelong learning must be a reality. Continuing vocational training and re-training for unemployed people should be part of an integrated vocational education and training system.

Slavko Gaber, Slovenia. Our system before the changes was very school-centred, with the responsibility for the entire educational cycle falling to the Ministry of Education. We needed more open system of vocational education and training which responded to the demands of the market, and which actively involved those outside the educational sphere. The major task was changing attitudes, especially those of the school authorities, the social partners and the general public.

The philosophy is to direct vocational education and training towards market economics. The basic goal is to make the work environment also an educational environment and to involve directly the world of work in the development, delivery and evaluation of training. This is essential for the development of lifelong learning. Our wish is to make the standards in our system comparable with those of modern vocational education and training systems.

Virgil Petrescu, Romania. The main problem was a vocational education and training system geared up to the needs of an inefficient, centralised economy. The whole system needed to be restructured and modernised. The development of an infrastructure to optimise supply and demand for vocational training, at national, regional and local level, are key objectives for the Romanian system. This change is, however, a difficult process, with high social costs, at least in the short-term. Vocational education and training needs to be recognised as an important mechanism for future development, with implications for change and policies in other areas. With this in mind we are seeking to set up a system that does not serve only economic needs, but one that is part of a process of social learning.

What have been the key changes that you have made to your vocational and educational training systems? Are there any significant elements from the former system that you have sought to preserve?

Peter Kiss, Hungary. The Vocational Training Act of 1993, amended in 1995 determines the legal framework of the changes and the main elements of the development programme. The state provides the first stage vocational training free of charge, and the social partners have a role in funding and running educational institutions. The National Qualifications Register (OKJ) contains all the various types of schools and vocational training offered, it states the requirements for both basic and more specialised training to ensure that training meets economic and labour market needs.

The administration of vocational training has also changed significantly. More authority now lies in the hands of local bodies, and direct central control is being replaced more by frameworks for others to operate within. Businesses are also taking a more prominent role in training programmes (working closely in work experience training, student contracts, and participating in examinations). New bodies have been established to represent the interests of those concerned in training schemes, such as the tripartite National Vocational Training Council.

The financing of vocational training has also undergone profound change. In addition to state funds, the “Vocational Training Fund” helps institutions and businesses, to work together and helps to finance work-experience training. The institutional framework has also started to change, with the integration of various types of schools and the establishment of several types of adult training centres and privately owned education companies and centres.

Juris Celmin, Latvia. We have aimed to modernise the education process and improve quality. Vocational qualification profiles are being developed in accordance with CEDEFOP standards to assure their transparency and to facilitate com-



parison with achievement levels of other countries. Education and training programmes are being developed with medium and long-term labour market demand in mind and with a view to enabling students to cope with changing labour market conditions.

A move has been made from highly specialised training programmes, to a broad-based basic vocational education, which includes general skills with a high market value - foreign languages, computing skills, interpersonal communications, basic business skills, an understanding of ecology and the environment, combined with a stable, skilled professional qualification. An intermediate level qualification has been introduced to provide students who do not wish, or are not able, to complete the traditional four-year programme to leave school with a recognised qualification.

The division of the curriculum into theory, project work and practical training has been put in line with those in other European training systems. The amount of time devoted to practical training in the curriculum has increased markedly to the equivalent to an academic year. The structure of practical training is proscribed in general terms to allow levels to be set as required by each programme. Furthermore, teachers are being trained to develop new curricula, and to implement new training and assessment methods.

Slavko Gaber, Slovenia. We have introduced a decision-making process which includes the social partners and decentralised the system. Those from the world of work are now involved in providing the practical parts of training. We have also introduced post-secondary vocational education, vocational training courses, including a "dual-system" at intermediate level for certain occupations and master craftsman and foreman examinations. Change has been evolutionary. Above all we have sought to preserve our relatively high level of general and vocational education and our high degree of upward mobility.

Virgil Petrescu, Romania. We have sought to develop a vocational education

and training system based on vocational standards developed by government, employers and trade unions. The vocational training system and the training it provides must be valued in the Romanian domestic market.

One of the most important changes we are making is to broaden the curriculum. Young people can choose between vocational education and training or general education at 14 years of age. In the past vocational education and training was very job specific. We are now aiming to provide a more broadly based vocational education and training, delaying the choice of the specific occupation until the final year of study and thereby bringing the decision closer to the point of job search. The curriculum seeks to develop key skills and attitudes, such as judgement, autonomy, communication skill, teamwork and problem-solving. For the first time foreign languages and information technology are now being taught in vocational school. We have based our reforms in vocational education and training on the traditions and principles of the Romanian School.

What role do you foresee for the social partners and the private sector in your vocational education and training system? What major obstacles need to be overcome for them to fulfil these roles?

Peter Kiss, Hungary. The 1993 Vocational Training Act, amended in 1995, involves the social partners and the private sector in various ways. These include participation in the National Vocational Training Council, the chambers of Commerce and parliamentary committees which decide on vocational education and training questions and propose new training programmes. The National Chamber of Commerce can issue training and examination requirements. Regional chambers of commerce have also acquired a leading role in setting, discussing and marking practical examinations.

Although the role of economic chambers and professional organisations has increased, more time is needed for the other various interest groups to participate and contribute fully to the process. The main

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“Although the role of economic chambers and professional organisations has increased, more time is needed for the other various interest groups to participate and contribute fully to the process. The main problems are caused by current economic difficulties and regulations, a surplus work force, and the tax system - which at times results in a clash of interests. Lack of personnel and materials in vocational training are also constraints.”

problems are caused by current economic difficulties and regulations, a surplus work force, and the tax system - which at times results in a clash of interests. Lack of personnel and materials in vocational training are also constraints.

However, despite the difficulties mentioned above, the private sector is showing an increasing interest in the training programmes. Since the mid 1990's, the number of participants on work-experience programmes at private businesses has increased fourfold and this trend looks likely to continue.

Juris Celmin, Latvia. The current vocational education system was developed in a planned economy context and still in many ways reflects these origins. However, in free market conditions with the existence of private property vocational education cannot survive without the contributions of the holders of capital. A significant role for employers, professional organisations and trade unions is foreseen. However, the involvement of the private sector requires vocational education and training to be regulated and the role of all interested parties defined. The process itself should be as independent of government as possible. We are seeking to establish a new model for the interaction of the government and social partners. This requires appropriate institutional development. There is a definite need for new funding mechanisms. In general the system should be self-regulating and capable of self-development.

Slavko Gaber, Slovenia. The social partners have a key role. Reform depends upon them and they have equal representation in the Council for Vocational Education. The private sector is an initiator of change through its involvement with the Chambers of Commerce which propose changes to training programmes. The private sector also has part of the responsibility for the delivery and validation of vocational education and training.

The major problem is the weak economy, which limits the economic or personnel resources of companies to carry out the new tasks. Furthermore, the trade unions, who traditionally never had a role in edu-

cation, need to be made more aware of their role in promoting education and in improving conditions for the vocational education of young people, adults and employees. Another obstacle is the tradition of the educational sphere and the expectation that the initiatives for vocational education and training reform will continue to originate from them.

Virgil Petrescu, Romania. We very much wish to encourage co-operation between the public and private sector in vocational training and to establish a decentralised system based on responsibility and competence of those involved. This means an important role for social partnership at national, regional and local level. We have also set as a medium-term objective the development of a financing system for vocational education and training that will include financial resources from the state budget, local budgets of the public authorities, and from the private sector. We are still at the beginning of this process are looking to find the most suitable institutional structures.

The West has launched a number of assistance programmes for Central and Eastern Europe, both on a bilateral basis and at European level, such as the PHARE programme, and through the European Training Foundation, to support the reform of vocational education and training systems. How would you assess the impact of this assistance on the reform process?

Peter Kiss, Hungary. Adjusting to a market economy has required a complete restructuring of training schemes and institutions. Support from the PHARE programme has been in four main areas. Firstly, in the setting up of a vocational training information service (the Vocational Training Information Centre). Secondly, in supporting teacher development by enabling several hundred teachers to participate in 2-3 study trips to Western Europe. Thirdly, in helping to improve language teaching facilities. And, finally, through the employment and social development (ESD) programme. One of the initiatives under the ESD has sought to



develop new curricula for secondary vocational education.

The programmes have proved successful because those involved have gained first-hand experience of vocational training programmes operating in a market economy which serve as models for training in Hungary. The support of the European Training Foundation, through various projects (Observatory, Staff Development Programme) has also proved valuable during this transition period.

There have also been a significant number of bilateral contacts. Relations with German, Austrian, Belgian, British and Swiss groups are particularly good. These have promoted co-operation in various areas, including, curriculum development, teaching aids and teacher training. This has led to a number of practical results in the areas of environmental awareness, training programmes based on competences, the passing on of modern teaching equipment and information systems, and improving exams.

To summarise, apart from the financial support, the opportunity to work together with Western partners has proved to be of tremendous value.

Juris Celmin, Latvia. Assistance in the reform of vocational education and training has been invaluable. Funds from the West have played a major role in assuring progressive change. The intellectual investment provided by western trainers and consultants has given impetus to policy reform, new curriculum development and the modernisation of teaching methods and technologies.

However, the majority of reforms to date have focused on initial vocational training. Continuing training, methods, content and materials need to be developed for adults. There is also a need to standardise training programmes, heightened by the involvement of other countries in the process of reform. Programmes provided through bilateral projects naturally reflect the partners training culture. For programmes to be successfully adapted to Latvian conditions, work needs to be devoted to defining the demands of the local labour market and society at large. Fi-

nally, the success of vocational education reforms also needs an appropriate equipment base to provide for the practical application of acquired knowledge and skills. Further intellectual investment in the planning of infrastructure development as well as material investment is needed.

Slavko Gaber, Slovenia. In Slovenia the largest project, supported by the PHARE programme, enabled us to introduce new education and training programmes. The technical assistance and contacts with institutions running similar programmes were extremely important. Exchanges of experts were also valuable, especially in developing comparable standards. They helped remove the feeling of isolation and provided opportunity to discuss problems study solutions developed elsewhere. Bilateral projects were useful for exchanges of teachers and trainers, students and trainees. Furthermore, the stimulation and motivational affects of the support we received should not be overlooked.

Our experience has been very good and in Slovenia the results are already visible. In the future it will be useful to develop stronger contacts between individual institutions, especially schools and education centres. Special attention should be paid to supporting the social partners in ways that focus upon their very specific roles and tasks. More exchanges of educational resources are also needed. Consideration should also be given to developing longer-term bilateral projects to support existing exchanges. Evaluation projects would be especially welcome. The flow of information between individual countries also needs to be improved to make it more systematic between individual counties and projects.

Virgil Petrescu, Romania. The support of the PHARE programme has helped us to introduce reforms more quickly than would otherwise have been the case. The financial support from the programme has been essential given our own limited resources. However, the support of the programme has gone beyond simply financial help. We have received considerable help and support through the advice we have been given in the introduction of our reforms.

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The role of the social partners in the development of vocational training in countries in transition ¹⁾

The Social Dialogue on training has become reality in the countries of the European Union. Through their joint opinions the European social partners have evolved a common doctrine as regards vocational training. The social partners in the countries in transition are seeking to establish their identity and legitimacy as representatives. Whatever the difficulties, vocational training is undoubtedly an excellent field in which to exercise the skills of social dialogue.

Introduction

Economic and social development in European countries is largely determined by the occupational qualification levels of the men and women now referred to as human resources. The quality of initial and continuing training systems determine the qualifications workers are able to obtain, whether in the member countries of the European Union (EU) or in those countries in the throes of transition from a command to a market economy.

What, then, makes for effective vocational training systems able to react flexibly to demand for training and qualifications both from individuals and from firms? Obviously there are several contributing factors. We shall deal with only one in this short article, namely the involvement of the various parties concerned in the regulation of vocational training systems. The social partners, by which is understood union representatives and employers' organisations, are two principal parties.

How do the social partners at European Union level view their role and what is the situation in the countries in transition? These are the two questions to which this article will attempt a reply. This article is based upon work in which the author has taken part in an expert capacity, for the bodies providing support for the Social Dialogue on vocational training namely, the European Trade Union Confederation (ETUC), the European Centre for Public Enterprises (CEEP), the Union of Industrial Employees Confederation (UNICE),

and Directorate General XXII of the European Commission and that of the advisory forum of the European Training Foundation in Turin.

A framework for the Social Dialogue on training within the European Union

The Social Dialogue in the field of training has become reality in the countries of the European Union, albeit in a wide variety of forms. The chief questions are well known - how to organise lifetime access to training for all, how to fund it and how to give recognition to knowledge and skills acquired. These questions raise a large number of legal, financial and organisational problems for which the individual Member States of the European Union devise their own solutions in accordance with their own particular cultures. The resulting diversity is a product of differing degrees of government centralisation, the power of the trade unions, the degree of autonomy enjoyed by the social partners vis-à-vis the state, the demarcation and the links between initial and continuing vocational training, and so on. However, in the great majority of countries the active involvement of the social partners in regulating this area is considered necessary, whether at enterprise, industrial sector or national multi-industry level.

The Social Dialogue on training has also become established at EU level. Between

1) This text, which expresses the opinions of the author alone, is based on work carried out in connection with the European Social Dialogue, and in particular the compendium "Vocational training innovation and diversity in dialogue practices between social partners" It also draws on the reflections of a working group set up by the European Training Foundation in Turin.



the Treaty of Rome and that of Maastricht the European social partners have progressed from simple recognition of their role to its institutionalisation.

In the meantime the European social partners have gained the right to sit on a number of advisory bodies, and have participated in creating the basis for consultation and negotiation at Community level. The result has been a number of joint opinions drawn up within the framework of the Social Dialogue and the Agreement of 31 October 1991 on the future of Community Social Policy, subsequently included in the Protocol on Social Policy annexed to the Treaty on European Union. Those taking part in the dialogue and recognised by the European Commission are the UNICE, CEEP and the ETUC.

Eight joint opinions concerned with education and training have been issued by the social partners. The Social Dialogue on training has also addressed the subject, with specific reference to the retail trade and industrial cleaning.

The joint opinions on education and training deal with the following:

- ❑ Training and motivation, information and consultation (1987);
- ❑ Basic education, initial training and vocational training of adults (1990);
- ❑ The transition from school to adult and working life (1990);
- ❑ Means of ensuring the greatest possible effective access to training (1991);
- ❑ Occupational qualifications and their validation (1992);
- ❑ Women and training (1993);
- ❑ Future action by the European Union in the field of vocational training and the function of the social partners in this field (1994);
- ❑ The contribution of vocational training in combating unemployment (1995).

In these joint opinions the social partners stress that investment in education and training is a prerequisite for competitive-

ness. The effort involved calls for commitment on the part of all parties concerned - government, firms and individuals.

However, the commitment of the various parties presupposes a clear allocation of responsibilities. Thus basic education and initial vocational training are the responsibility of the public authorities who must, however, involve the social partners more than is the case at present so as to ensure that training better meets the needs of the economy, firms and the workers themselves.

An important role must be accorded to apprenticeship and on-and-off-the-job training, the vocational integration of young people, and the transition from school to working life - all fields in which employers and the trade unions or other workers' representatives should play a decisive role. It goes without saying that apprenticeship, on-and-off-the-job training and the vocational integration of young people presuppose the mobilisation of substantial resources by firms to finance trainee posts, teaching facilities and the like. Where financial provision for material requirements is not made by government regulation, it should be suitably organised by the social partners. The sectoral level is considered the appropriate one for directing apprenticeship and training policy.

According to the European social partners, continuing training is an area for which employers and employees should be jointly responsible.

Firms take responsibility for the re-training of workers they themselves employ. The public authorities or the new employer take responsibility for re-training workers who leave one firm for another. The cost of continuing training undertaken by a firm to meet its requirements has to be borne by the employer, but should be partially tax deductible. The number of hours an employee spends on training should be the subject of an agreement between the employer and the employee and/or their representative. An employee should be helped to pursue the training he chooses in the interests of personal development and his own career planning through courses financed

"(...) the European social partners have progressed from simple recognition of their role to its institutionalisation. (They) have gained the right to sit on a number of advisory bodies and have participated in creating the basis for consultation and negotiation at Community level."



“So far as the countries in transition are concerned... the very existence of a representative status for the social partners poses problems at the present stage of transition towards a market economy. Where they exist, their autonomy vis-à-vis the state is not always assured.”

“Technical co-operation programmes in the training field have not always accorded Social Dialogue the place its strategic importance would justify.”

out of public funds or by making the cost tax deductible. Absences from work for training purposes should be legally provided for to benefit employees.

The European social partners also stress the important role of small and medium-sized enterprises (SMEs) in the future of Europe. Encouragement should therefore be given to every suitable measure so as to assist such firms, whose resources are limited, and to enable them as far as possible to provide the training necessary for their own development, so that they are not constrained to slow down their training activity when funds are tight. This could be done, for example, by developing training opportunities for SMEs by means of new forms of co-operation at regional and sectoral level, the provision of shared training facilities and the creation of new partnerships with major enterprises and the public authorities.

Through their joint opinions the social partners have evolved a common doctrine as regards vocational training.

Problems and issues in the social dialogue on training in the countries in transition.

So far as the countries in transition are concerned, the starting position from which they aim to reach the same objective of involving the social partners in the development of vocational training is radically different.

In the first place, the very existence of a representative status for the social partners poses problems at the present stage of transition towards a market economy. Where they exist, their autonomy vis-à-vis the state is not always assured. Ability to deal with matters concerning vocational training calls for a specific technical culture whereas other matters considered as having priority - jobs, purchasing power, social security, etc. - are regularly on the agenda. Technical co-operation programmes in the training field have not always accorded the Social Dialogue the place its strategic importance would justify.

A social partnership is being born against the unpropitious background of economic crisis and structural change. The emergence of social differences entails the development of a more diverse social structure and with it a multitude of different interests. The impact this has is considerable and lies at the root of the relative lack of consolidation in the social partners' organisational structures.

Against this background the move from a command to a market economy cannot be achieved overnight. It involves a transition process whose length and difficulty vary according to each country's particular situation. During the transition phase only one thing is certain and stable, namely the fact that change is under way and the rapidity with which it is taking place. This is an inevitable reality which it will be possible to get under better control once the solutions adopted are anchored in a set of shared values and principles. These principles are known as far as the role of the social partners and the social dialogue in a market economy are concerned: pluralism is a guarantee of effectiveness and democracy; the autonomous agents in civil society must be able to counterbalance the weight of the state. These same principles apply to the role of the social partners in the matter of vocational training.

However, a statement of principles does not remove the difficulties confronting employers' organisations and the trade unions in their endeavours to establish themselves as autonomous, representative forces endowed with clear competences and the ability to assume them, particularly in the field of vocational education and training. Moreover, the process of constituting an employers' and employees' organisation is different, as are the obstacles encountered.

Employer groupings did not by definition exist under the old social order - which means that in the new context of a market economy they have to be "invented". This is not an easy task. The problems to be solved are of an economic and organisational order. The number of private sector employers depends on how far the process of privatisation of state enterprises has advanced and how many new private sector firms have been created. However,



even in countries where the private sector is expanding, employers' organisations are not yet as representative as would be desirable. Small employers in the private sector devote their energy to managing their firms and competing in the marketplace and have little time for tasks concerned with the general regulation of the labour market and of training within an employers' organisation. As for the managers of the many state enterprises that still exist, their independence vis-à-vis the state and the trade unions within the firm is too weak for them to be able to play a decisive role in autonomous employers' organisations. Given this lack of autonomous, representative employers' organisations, some countries have chosen to make it obligatory for employers to become members of the chambers of commerce and to grant them certain prerogatives in the matter of vocational training. Their choice, dictated by the imperatives of the transition phase, does not, however, conform with the guidelines of the International Labour Organisation (ILO), which insists that the social partners be autonomous.

The trade unions representing employees do not have to be invented. However, they do need to be re-oriented and directed towards economic and social action and their legitimacy as representatives ensured. In fact, there has been a marked increase in the number of trade unions at various levels due to the creation of new ones or the splitting up of existing ones. The rate of unionisation is tending to fall, though it is still high in the state sector. In the private sector, and especially in smaller firms, union influence is very weak. The same is true in the large private firms funded with foreign capital. Only the existence of private sector employers' organisations will give sense to the economic and social activity of employees' trade unions, provoke a regrouping on their part and ensure that they are representative of their particular occupational sector.

All this raises the question of whether, given the urgency of the reforms to be carried out in the education and training field, it is necessary to wait until the social partner organisations come into being and are able to solve the problems that confront them, or whether one should

start making the reforms without them. This is a serious question, the answer to which is that vocational training is an excellent field for the social partners, assuming their legal competence is recognised and their technical competence maintained, to combine an apprenticeship in social dialogue with promoting reforms in the sphere of training, particularly within tripartite bodies.

Tripartism is in fact the form of social regulation that is emerging at this stage of transition in the countries concerned. Because the social partners are insufficiently autonomous, the Social Dialogue is a three-way process under the aegis of the state. This provides a favourable environment for the reform of occupational education and training since the state is and will remain a major player in this field which in no country is entirely privatised. Most of the countries in transition - Poland, Hungary and the Czech Republic for example - have created tripartite bodies for a social dialogue on training. This leaves the question, already mentioned, of the social partners' legitimacy as representatives, however diminished. Moreover, there is always the risk of nationalisation and the fact that tripartite bodies tend to be more sensitive to political than to economic and social considerations.

If tripartism is relevant at state level, it is not so at the level of enterprises, which are the principal location as far as both continuing training and initial training - especially in the form of on-and-off-the-job training - are concerned. While in firms the final decision inevitably rests with the owner or manager, Social Dialogue in the matter of training, whether in the form of information, consultation or collective negotiation, is an ideal accompaniment to the process of transition that firms are undergoing since it can act as a factor of motivation and employee involvement.

It would, however, be wrong to underestimate the obstacles - the weakness of employee representation in small firms, the lack of a social dialogue culture and of practical experience in the context of transition, particularly at enterprise level, management's minimal involvement in training, if it exists at all, the difficulties encountered by employees when asking

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“It would, however, be wrong to underestimate the obstacles - the weakness of employee representation..., the lack of a social dialogue culture and of practical experience... management’s minimal involvement in training, if it exists at all, the difficulties encountered by employees when asking for training, the absence of a legal framework to facilitate the role of employees’ representatives and the lack of funds.”

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Conclusion: Social Dialogue and acquis communautaires

The social partners in the countries in transition are seeking to establish their identity and their legitimacy as representatives. They are learning the ways of collective negotiation and social dialogue in a pluralistic, democratic society which are *acquis communautaires* for countries wishing to join the European Union. Vocational training is only one area for their action and does not always receive priority. Moreover, other agents can legitimately intervene in this field - the state, training providers, firm managements and families.

Recognition, even formal recognition, of the social partners’ generic right to be involved in social dialogue in the field of training is not sufficient. This right must be enshrined in the legal system - labour

law, the law on vocational training and the law governing financing systems - in the countries in transition. The definition of a legal framework for the activities of the social partners will help to render them possible and effective.

Not all the countries in transition currently offer equally fertile ground for voluntary action to develop a Social Dialogue in the field of training. Their history, size, and economic and social fabric must all be taken into account. The PHARE countries, which are aiming for membership of the European Union in the near future, should undoubtedly give this objective priority. Whatever the difficulties, vocational training certainly offers an excellent field in which to exercise the skills of Social Dialogue. There is no lack of subject-matter, such as employees’ access to training, the allocation of resources, vocational guidance, recognition and validation of qualifications, the means and methods of training, etc. A fruitful co-operation could undoubtedly develop between the social partners of the European Union and those of the countries in transition in order to encourage the creation of effective training systems enshrined in the principles of economic and social democracy.



International co-operation in curriculum development for vocational education and training - Polish experience



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Introduction

The events of the late 1980s and early 1990s commenced the process of transition in all spheres of social and economic life in Poland and other Central and Eastern European countries (CEECs). The bankruptcy of the old regime, first economic and then political, was soon reflected in the area of education. Substantial parts of the old system of education, when confronted with progressive introduction of market economy, proved of little, or no relevance. Vocational training at the secondary level turned out to be the weakest element of that system. This part of the system of education was notably developed in line with the logic of the centrally directed economy. The roles which had been assigned to institutions and organisations in that system, such as ministries, vocational schools, local educational authorities, trade unions or companies, were wholly adverse to the roles these institutions perform in the market economy. Vocational training was organised around sectors and branches of economy, which resulted in limited opportunities for re-qualifying. Most importantly, training aimed at producing a clearly defined number of graduates to fill in concrete work placements. The rapid transfer to the open labour market which no longer guaranteed employment, clearly demonstrated the maladjustment of the system of vocational education to the conditions of the market economy. However, transformation of the fossilised structure turned out to be a complex and

slow process; so far, what has taken place, is a certain modernisation of the Polish system of vocational education, forced out by changes in the economic environment, rather than an in-depth reform.

The Polish system of vocational education at the secondary level.

The law of 7 September 1991 on the system of education brought many radical changes to the functioning of Polish education, leading to, for example, the presence of a quickly-growing non-public sector. The structure of vocational education has not been, however, subjected to substantial changes, and remained, in great part, within the framework dating back to 1961.

The school system of vocational training consists of the following types of schools:

- three-year vocational basic schools, leading to a skilled worker qualification, or an equivalent;
- secondary vocational schools: four-year vocational secondary schools, technical schools and equivalents, post-secondary schools and post-matriculation schools.

The four-year vocational secondary schools offer secondary general education, with an option for obtaining a matriculation diploma, as well as vocational basic training at the level of a skilled worker, or an equivalent level.

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“Educational reform, just like political, economic and social life in Poland since 1989, has been a result of frequently opposing tendencies, whereby revolutionary ideas would mix with evolutionary ones, the inertia of existing structures together with group and political interests would hinder introduction of changes, the initial enthusiasm when confronted with the scale of problems would melt and turn into frustration and the questioning of the sense of reform in general (...)”

The four-year or five-year technical schools or their equivalents offer general education, as well as vocational training, and graduates are granted a technician's qualification in a given profession or specialisation.

Post-secondary and post-matriculation schools welcome, first of all, graduates of secondary general schools, and prepare them to undertake employment, offering, upon completion of a one-year training, a vocational training qualification, and a skilled worker's diploma, and upon completion of a two-year or two-and-a-half year training, a technician's diploma, or an equivalent. Graduates of general secondary schools can also gain a technician's diploma upon completion of a one-year, or a two-year training in post-secondary schools especially designed for this purpose.

Basic vocational school, as opposed to vocational secondary school, does not end with a matriculation diploma which opens access to tertiary education. In the school year 1989/90, 71% of primary school leavers entered vocational schools; 46% went to vocational basic schools - the weakest part of vocational training system, generally perceived as its “blind alley”. Therefore, changing the structure of vocational education has been one of the priorities of educational policy between 1989 and 1997. The decrease in the proportion of primary school leavers undertaking basic vocational training to 27.8% in 1995/96 was a positive outcome of this policy, yet still not a fully satisfying one.

Traditionally, practical training took place in school workshops or companies. The late 1980s saw a large-scale withdrawal of companies from participation in practical training, and their opting out from entering contracts with schools as regards practical training. Therefore, practical training had to be taken over by school workshops, furnished with inadequate and obsolete equipment. Additionally, school workshops used to operate as commercial establishments and were bound to be self-financing. The new economic reality saw a dramatic drop in the demand for their produce, which worsened the situation even more. So far, the problem of practical training in the Polish vocational education system has not been solved. The

establishment by the Ministry of National Education of the so-called centres for practical training which operate in the venues of selected, big school workshops, which are well endowed with modern equipment and accessible to students of local schools, is a partial solution to the problem. However, the disrupted link with the economy has not been restored as yet. There is also a clear lack of a target vision of the role the economy is to play in vocational training.

A principal structural reform of vocational education system at the secondary level does not seem feasible before the year 2000. The technical lycee project, implemented, on a trial basis, since 1994, can be viewed as a lead-in to the reform. The idea is that the technical lycee will offer, on the one hand, a high level of general knowledge, and, on the other hand, a sound general vocational training which will enable the graduate to undertake a specialist vocational training, either at short post-secondary courses, or outside school, or at the tertiary level; such training will also facilitate frequent re-qualification of the prospective employee.

Educational reforms in Poland in 1990s - general conditions.

Educational reform, just like political, economic and social life in Poland since 1989, has been a result of frequently opposing tendencies, whereby revolutionary ideas would mix with evolutionary ones, the inertia of existing structures together with group and political interests would hinder introduction of changes, the initial enthusiasm when confronted with the scale of problems would melt and turn into frustration and the questioning of the sense of reform in general; especially when endeavours to introduce the educational reform were accompanied by dramatic recession of 1989-1992 and lack of political stability.

In 1967, Coombs wrote about reasons for educational crisis, pointing to three principal ones, namely:

□ paucity of educational resources resulting in the system's inability to ad-



equately react to the burning needs and expectations of the environment;

- inertia of the educational system, accounting for failure in adjusting to the needs, even if sufficient resources are in place;
- inability, on the part of the society, to adjust to education, demonstrated by inadequate utilisation of qualified personnel.

The first two became especially manifest in the situation of system transformation, feeding on various negative phenomena occurring in all dimensions of social life.

Political dimension

The period between 1989 and 1996 in Poland was the time of continuing evolution of the political situation, with frequent changes of government and high turnover of personnel in the public administration sector. Suffice to say, the minister for education was changed seven times at that time. The situation was by no means conducive to implementation of a consistent developmental policy. Problems inherent in the process of change were often underestimated, and many people would succumb to illusion that changes could happen without increasing costs, or that decreeing those changes would automatically imply their implementation.

Lack of consistency in decentralisation policy was yet another key reason for duration in the development of the public sector of education. What added to the impediment of the process was the leftist groups' coming to power in the second phase of transformation. One can, however, look for more deeply rooted reasons for that state, namely, an apparent absence of sufficiently influential social force at the grass-root level interested in decentralisation. Economic elites should, primarily, constitute such force. With the initiative remaining, basically, in the hands of political elites and of an administration lobby, one cannot expect significant steps towards decentralisation of education.

Accepting new legislation which is a major factor in institutional change, has been a major success for the political elites in

the transformation process so far. This involves liberalisation of commercial activity in the area of education and training, which has led to the establishment of private and other non-state providers at all levels of education. However, the vocational education and training sector, especially at the secondary level, has taken only the most minute advantage of the new provisions. This has been partly due to the incompleteness of the legal framework for this particular area on the one hand, and, on the other, to the lack of institutional and economic basis that would create adequate conditions for reform delivery.

Economic dimension

The early stage of Polish transformation, similarly to other states undergoing reforms, brought about a significant drop in the GDP¹. Recession and the necessity to counteract budget deficit and inflation, have led to budget cuts which most severely affected science, technology and education. The system of education at all levels was most notably hit by budget cuts. In 1990 and 1991, outlays on education decreased from 6.6% to 5.4% of GDP and stayed at that level until 1993. It was only in 1994 that the outlays on education rose to the level of 6.2% of GDP. In the case of vocational schools, the withdrawal of the crisis-hit companies from supporting practical training played a significant role in the worsening of schools' economic status.

The opening of more attractive, especially in financial terms, employment opportunities, has led to a brain drain in the sphere of education. And on the other hand, lack of financial resources hampered introduction of deeper reforms in the education system, with such reforms generally requiring an increase, rather than a decrease, of expenditure.

Cultural dimension

System transformation does not only imply change of economic institutions; it implies changes in the ways of thinking formed by the previous system, changes of attitudes and models of behaviour, changes in individuals' aspirations and value systems. Changes in all these spheres require time and take place at

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1) In 1990, GDP dropped by 11.6%, and by 7% in 1991.



“(...) restructuring training curricula became one of the priorities of educational reform in Poland, initiated in the early 1990s. The starting point to vocational curriculum reform was the introduction (...) in 1993, of the new classification of vocational school professions. (...) The implementation of curriculum reform, and adjustment of the curricula to the new classification, proved to be a prolonged process.”

work and at school, in the environment, and as a result of acquiring new social experience by people. When introducing educational reform, especially in an unfavourable economic climate, regarding the time factor, when dealing with these spheres, is of key importance. On the other hand, active participation in reforms, both at the design and the implementation stage, of those whom the reform directly concerns, is crucial. When decisions are made “over the heads” of interested parties, and no opportunity is provided for them to take part in decision-making or at least to voice their opinion, no active or dedicated involvement on their part in reform delivery can be expected. Unfortunately, in practice decision-makers have often lost sight of those rather obvious truths, which would lead to growing frustration of educational circles and their disapproval of changes recommended by the administration.

Impediments in cultural exchange and contacts with Western countries that accumulated over decades, undoubtedly added to the occurrence of another syndrome that significantly influenced the progress of Polish educational reform. As the then Vice-minister for Education, Anna Radziwill (1994) emphasises: “the year 1989 was the year of the ‘opening’, of commencement of something that was not, perhaps, a delivery of a clear and precise vision, but an illusion of omnipotence, and, at the same time, of the need to create, transform and change in directions not fully defined (...)”. At the same time, however, “There was no awareness of the fact that the problem of imperfection of education systems is common to almost all states, typical of the civilisation of the late 20th century, and has to be addressed without euphoria and frustration. (...)”

Curriculum reform in the Polish vocational education system

The Polish vocational school of the late 1980s offered a multiplicity of narrow-profile training courses. Two classifications of professions and specialisations offered in the school system were used: one from 1982, embracing 527 profes-

sions, and one from 1986, which cut down the number of professions to 241. In compliance with the structure of contemporary economy, the majority of courses would lead to industrial professions, with a considerable share of mining industries, and a small proportion of the service sector. Technological and structural deficiencies of vocational education and training became the main factor contributing to the lack of relevance of qualifications offered to vocational school students, and of the structure of those qualifications, to the changing - as a result of market reforms - needs of the labour market. As a consequence, graduates of those schools became a number-one group in the army of the unemployed, quickly growing in the first half of the present decade². Therefore, restructuring training curricula became one of the priorities of educational reform in Poland, initiated in the early 1990s. The starting point to vocational curriculum reform was the introduction by the Ministry of National Education, in 1993, of the new classification of vocational school professions. The new classification cut down the number of professions to 138, and introduced broad-profile professions offering enhanced employability of graduates. The implementation of curriculum reform, and adjustment of the curricula to the new classification, proved to be a prolonged process. In 1997, most schools still offer training based on traditional classifications and curricula. The slow progress of curriculum reform is basically due to the lack of a consistent policy in the institutional sphere. The Institute for Vocational Education, dissolved in 1990, was not quickly enough replaced with new structures and ones able to take over those of its functions that are relevant to the implementation of curriculum reforms. Only since 1993, new structures have been set up, starting with the establishment of the Unit for Vocational Training Curricula in the Institute for Educational Research³, and of the new curriculum commissions based on a model similar to the French one. These bodies, however, are still not sufficiently well-established to effectively perform their roles.

On the other hand the final legal framework for the curriculum reform was set up only in 1995 by the amended bill on education. The final version of Polish

2) At the end of 1994, graduates of basic vocational schools constituted 39.4% of the unemployed in Poland; graduates of other vocational schools (including at post-secondary level) contributed a further 20%. One can compare the statistic with 32.6% of the unemployed with primary and lesser education, 6.8% of general secondary school leavers and 1.7% of higher school graduates.

3) In June 1997 the Ministry of National Education decided to dissolve the Unit with the end of 1997.



curriculum reform envisages two principal systemic regulators:

- base curriculum, an obligatory, at a given level of training, set of training content and skills, that should be included in a curriculum, and that provides for the determination of evaluation criteria and examination requirements;
- national standards, or examination requirements determined by the state administration.

Curricula are to be developed on the basis of the aforementioned regulators. Curricula to be implemented in school have to be centrally approved and listed in a special inventory. Certain modifications may be introduced by teachers, this being conditional on obtaining the local educational authorities' endorsement. Lack of a methodology for developing qualification standards which should replace the so-called job specifications used so far, and an insufficient level of freedom for teachers to develop training curricula, are apparent shortcomings of the current system of curriculum development in Poland.

International assistance programmes in the area of curriculum development delivered in Poland from 1990 to 1996.

International assistance programmes in the area of curriculum development, delivered in Poland from 1990 to 1996, which are the subject of this article, their progression, conditions and results, constitute a certain "case", a study into which undoubtedly reflects the nature of Polish educational reforms. The programmes in question were in fact part of the foreign assistance initiative for Poland, started in 1989 at the G-7 states' summit in Paris, at which it was decided that the European Commission would be given charge over co-ordination of aid for the Central European countries undergoing the process of reform. The initiative was joined, in a varying degree, by all G-24 states which offered bilateral assistance programmes. However, the multilateral PHARE programme became the main source of aid as

regards vocational education and training. Since 1991, PHARE has financed four programmes in this field.

The programme of assistance to Poland in the field of vocational education and training

VET 90 was the first aid programme for Poland in the area of education financed by the European Union under the PHARE programme, and, at the same time, the first such programme implemented in Central and Eastern Europe. The programme was endowed with ECU 2.8 million. By definition, the programme was of intersectoral character, therefore the needs of two ministries of key importance to vocational education and training, of the Ministry of National Education and the Ministry of Labour and Social Policy, were taken into consideration when designing the programme. This valid idea bore an outcome which perhaps had not been envisaged by the sponsors. The programme was built on priorities identified by the recipients which turned out to be rather loosely linked, or not linked at all, to problems of restructuring the system of vocational education and training. As a result, only some 800,000 ECU was spent on the delivery of objectives relating to vocational training reform.

The programme did not extensively deal with curriculum development; it merely initiated co-operation with Western institutions in the area of curriculum modernisation for metal and economic trades. Co-operation with the Federal Institute for Vocational Education in Berlin, initiated under the programme, was later extended and continued within a bigger project financed by the German government, which bore fruit in the development and a trial implementation of new curricula for economic and trade professions. An expert paper was also produced with a view to assisting the Polish Ministry of Education in designing a strategy for curriculum modernisation and staff development (Parkes 1992)

A report "Training in transition", produced by an international expert group and published by CEDEFOP (Grootings 1993), was one of the key initiatives undertaken under the programme with a view to providing direct support to the training sys-

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“Problems facing Polish VET reforms and, in particular, vocational education and training assistance programmes which followed, were, basically, a consequence of there not having been such an effective mechanism in place, and partly the lack of a vision of the nature and the aim of the reform itself.”

tem reform. The report was to become an important instrument for formulating the vocational education and training system reform by the Polish government. Its final version, published in 1992/1993, received a positive feedback both from the then decision-makers, and other interested parties. Unfortunately, in practice the document was of little influence on the development of Polish educational reforms. This particularly refers to the main recommendations of the report which concerned:

□ the establishment, by the government, of a “national task force for modernisation of the Polish system of vocational training”, a body which would associate members representatives of various government agencies and social partners. Its main tasks would include:

- providing for a national debate on the current state and the future of vocational education and training in Poland;
- the development of a strategy for steering the processes of educational system modernisation with the use of local expertise, and
- the development of a modern concept of vocational education and training system, with particular emphasis on its structure, management, resource provision and financing, as well as training content and methods of monitoring the quality of training. The development of a national system of vocational qualifications was to support the delivery of the latter;

□ the development of regional networks for vocational education and training that would support:

- the creation of mechanisms for effective communication between local milieus and institutions interested in vocational education and training, and
- the development of a flexible infrastructure that would help satisfy educational needs, effectively utilising local resources and good-quality didactic infrastructure.

It was suggested that the process of vocational training modernisation start with a series of decentralised trials carried out at local, sectoral or regional levels which would deliver all the aims referred to above. The approach recommended was to become an alternative to the traditional Polish “top down” approach to educa-

tional reform, and a fusion of local expertise and centrally delivered control and dissemination. Problems facing Polish VET reforms and, in particular, vocational education and training assistance programmes which followed, were, basically, a consequence of there not having been such an effective mechanism in place, and partly the lack of a vision of the nature and the aim of the reform itself.

Upgrading Polish Vocational Education and Training (UPET). Implementation of modernised Programmes for Vocational Education (IMPROVE)

The 1 million ECU UPET programme consisted of three projects: modernisation of vocational training curricula, support for language teacher training colleges, and establishment, within the Ministry of National Education, of a Policy and Evaluation Unit. The programme was implemented from 1992 to 1995. Only the first component of 400,000 ECU directly concerned vocational education system. Its aim was to develop training curricula for 29 out of 137 professions listed in the new classification of professions, prepared by the Ministry of National Education in 1993 to cover professions in which training is offered within the school system. The curriculum development exercise, carried out under the UPET programme, was highly valued by the European Commission⁴. As a consequence, 4 million ECU was granted to further develop the curricula and deliver them, on a trial basis, in 35 schools within the IMPROVE programme, which commenced mid-1995, in co-operation with the newly established European Training Foundation in Turin.

Modernisation of Vocational Education (MOVE)

The concept of the programme was developed in 1992, as a parallel exercise to the work on a project of support to the Polish vocational education and training system to be financed from the World Bank loan. MOVE was designed as a trial for the much larger World Bank project. It covered an integrated set of undertakings aiming at the development and implementation in 60 schools in 10 voivodships of new curricula for the following subjects: physics, environmental protection, computer science, the English language and a new

4) FAS from Ireland partnered Polish experts in the exercise.



subject called “introduction to the world of work”. Apart from the curriculum development component, MOVE included teacher development element, school heads’ and local educational authority staff development programme, equipment provision and the establishment of teachers’ associations for the subjects covered by the programme. The curricula were developed by a team consisting of Polish and international experts (from Germany, Luxembourg and France). The new curricula were verified by the international Standard and Evaluation Committee established for the task, which checked the compliance of the produce with criteria set earlier. The new curricula have been implemented in schools since the beginning of the school year 1995/96.

Plans for the World Bank project concerning the reform of the Polish vocational education and training system have, eventually, fallen through, thus preventing the MOVE programme from continuing therein.

The experience of implementation of curriculum development programmes

The enthusiasm typical of the early stage of transformation was accompanied by the lack, on the part of the then decision-makers and pro-reform elites, of awareness of the complicated nature of processes relating to reforms. Foreign assistance was at that stage considered, from the present perspective naively, as the motive, both intellectual and financial, for educational reforms. Foreign assistance programmes indeed began major innovative activities in Polish vocational education, yet they were unable to meet such high expectations, because of, as it is frequently believed, the paucity of their resources against the needs. This was not, however, the only reason; others have to be traced through an analysis of the process of implementation of these programmes and of the introduction of results into the Polish vocational education and training system.

Leaders of change

The innovative activities carried out under the aforementioned foreign assistance

programmes were, at the initial stage, typically of a “top-down” nature, initiated by central educational authorities. The contents of those activities, was, however, primarily designed by foreign partners, by European Union experts in the first place, because of the lack of an intellectual home front and of undue trust in a possibility of a direct transfer of Western systemic solutions and know-how. With time, and with successive changes of the government, the initial reformatory enthusiasm faded out, forced out by more immediate problems flowing from the worsening economic status of education. As a consequence, assistance programmes initiated earlier started being crowded out, enjoying less and less interest on the part of the authorities, and gaining less and less support from them. On the other hand, however, the leading role in changing vocational education was increasingly taken over by circles directly involved in the implementation of international programmes, be it schools participating in the trials, aware of benefits derived from the participation in those programmes, or Polish experts developing their own expertise in such activities and taking over more and more responsibility from Western colleagues. Therefore, educational innovations originated outside, have become, in course of time, the property of their immediate participants, who, in turn, became leaders of further changes.

Social partners would join those reformatory actions in a very insufficient way. Membership of programme steering committees together with representatives of government bodies of relevance to vocational education and training, was to be a key instrument for their participation. The committee membership was, however, a mere formality, and, in fact, those circles did not have any significant impact on the implementation of the programmes or promotion of their outcomes. Both employers’ organisations and trade unions are engaged, above all, in tackling current problems of economic transformation.

Legal and institutional framework.

The new legal framework has, undoubtedly, paved way for reform activities. Many a time, however, consistent policy in this respect has been missing, both in

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“(...) formal obstacles hindering promotion of results of the programmes in question have not been removed yet, and, moreover, there is still a deficit of material resources for performing - on a wider scale - such a complex and cost-intensive exercise.”

the design and delivery of those actions. The curriculum reforms have encountered notable difficulties, with the legal framework subjected to changes. Work on the curricula under the programmes referred to above was carried out at the time of there not being a definitive vision of systemic instruments in place that would regulate the introduction of curricula to schools. As a result, the work was well advanced, or indeed completed, upon the new curricula under international assistance programmes, at the time when new regulations were introduced in 1995. At the moment it is still unclear to what extent they will have to be amended in order to meet the requirements of the curriculum reform, notably because base curricula, the key instrument for the reform, have not, as yet, been endorsed. In such circumstances, trial implementation of the results of international projects was only possible on a limited scale, thanks to the legal provision of the Minister of Education's ordinance of 1993 pertaining to schools' innovative and experimental activity.

On the other hand, work under the programmes in question had commenced before the new institutional framework for curriculum development activity was established in 1993. Therefore, work on training curricula within the programmes in question had to be carried out, for a fairly long time, only by teams set up by programme providers. When the aforementioned national bodies were called into being, contacts were established with them, not at all free from controversies over the different approaches to the subject of their work, and ones concerning, for example, the applicability of modular curricula developed under intentional programmes to the school system.

The scope of changes

New approaches to curriculum development, introduced into the Polish vocational training system under international programmes, are, for the time being, innovations on a limited scale, both as regards their contents, as they only cover part of the training curricula offered by Polish vocational schools, and their scope, as only a limited number of pilot schools are involved in implementation. Therefore, one cannot consider outcomes of the

programmes in question as a complete reform, even with reference to some limited segment of educational activity. At this stage, they can hardly be considered part of a wider plan for a national reform of vocational education system, with the lack of a strategy for such general reform and of resources necessary for its delivery. On the other hand, however, at the pilot school level, actions undertaken under those programmes are of quite a complex nature. With the experience of UPET, the subsequent projects (IMPROVE and MOVE), were designed in such a way such that implementation of new curricula was accompanied by all relevant supporting actions, including provision of equipment necessary for successful delivery of those curricula.

How, then, to evaluate the scope of change brought about by the programmes in question, and what are perspectives for their wider implementation? At the moment, we undoubtedly have scarce “islands of excellence”. The question is whether a situation analogous to the one described by Schumacher (1974) is imminent:

“One can successfully carry out a project here or there. It is always possible to create small ultra-modern islands in a pre-industrial society. But such islands will then have to be defended, like fortresses, and provisioned, as it were, by helicopter from far away, or they will be flooded by the surrounding sea.”

One can hardly provide a clear answer to this query. An optimistic view holds it that those “island schools” will radiate and stimulate change elsewhere. So far, programme managers have registered many a sign supporting the view - trial schools are well known in their towns and regions, enjoy a growing popularity with students and parents; other schools demonstrate interest in introducing similar changes into their curricula. On the other hand, however, formal obstacles hindering promotion of results of the programmes in question have not been removed yet, and, moreover, there is still a deficit of material resources for performing - on a wider scale - such a complex and cost-intensive exercise. National economy, now a factor of meagre presence, will, in the future, have a decisive impact on the reform of voca-



tional education in general, and on the outcomes of the programmes in question in particular. In fact, only through continuing economic growth and the taking over of at least part of the responsibility for vocational training by economic actors, conditions conducive for such reform can be created.

Strategies for programme design and implementation

Finally, some practical aspects relating to the design and implementation of the programmes in question will be discussed. All those undertakings had to apply procedures, binding for PHARE projects, which regulate their design, approval and implementation. The centralised nature of PHARE, especially at the early stage, and direct transfer of European Union tender regulations, hindered effective delivery of programmes. The obstacles included:

□ too big a time gap between the concept and the delivery of the programme. The eighteen-month waiting period as was sometimes the case, vis-à-vis rapid economic and political changes, would necessitate modification of the programme at the very outset, which, in turn, delayed its implementation because of the procedures that had to be applied again;

□ time-intensity of tender procedures, and the frequent need to employ typically commercial institutions. Institutions participating in tenders would demonstrate, in most cases, a clearly commercial approach whereas recipients were interested in co-operating with institutions with sufficient know-how to perform a given project, but also with experience of introducing educational change and ones interested in longer-term contacts. Unfortunately, VET institutions supporting state educational systems, were rare participants of tenders, probably due to lack of interest, or to inertia hindering a speedy reaction to the invitation to tender, the latter not having been the case with commercial companies;

□ problems with remunerating local experts and other local staff. It happened that well-paid Western experts would partner underpaid, or indeed unpaid, local staff, as there was no way of paying for services provided by the latter.

The aforementioned circumstances would require much effort on the part of Polish institutions in charge of programme implementation in order to avoid a situation of programme results being merely an imported commodity, unfit for the local conditions. Basically, local experts with experience of recipients' needs would be invited to provide their input, and, with the initial formal problems overcome, their work would be adequately paid for, as was the rule in IMROVE or MOVE. In those programmes, foreign experts played an advisory role rather than the role of immediate service providers.

There is another problem typical of curriculum development programmes, an inherent contradiction, described by Komorowska (1995) as follows:

"The dilemma is about

□ *the necessity for a thorough, long-term work on the design and implementation,*

□ *the necessity to quickly react to curriculum needs of the education.*

The practice usually demands speedy completion of work on the curriculum, immediate publication of documents and prompt implementation, since such are the education's needs and such timetables are dictated by budgets of these projects."

In the case of international assistance programmes, where the speed of disbursing money is frequently the key indicator of success for donors, and local authorities expect prompt results, the contradiction is even more manifest. Generally, with the programmes in question, application of a long-term perspective indispensable in order to avoid the aforementioned dilemma, was not possible. Continuation of actions originated under one programme in another programme, as was the case with UPET and IMPROVE, offered a partial solution to the problem. However, such a possibility did not appear in the case of MOVE, which did not have a follow-up; there is no guarantee that the next stage of evaluation of trial implementation and introducing corrective actions, indispensable from the methodological point of view, will at all be delivered.



“The work of teams, with foreign experts as advisors rather than immediate actors, turned out to be highly effective, both as regards the quality of the product, and adjustment of the product to the Polish circumstances and to the speed of work.”

Conclusion

A final evaluation of the legacy of the programmes in question which were delivered in Poland, thanks to foreign aid, from 1990 to 1996, will, to a great extent, depend on how the results will be utilised. However, even now, the following lessons can be drawn from their implementation:

- the initial stage of system transformation in Poland has shown that economy goes first. The issue of the educational system reform, and vocational education and training reform in particular, did not in that period become a priority in the state's policy. Therefore, foreign assistance programmes can be considered merely as limited actions aiming at preparing such a reform;
- the curriculum development programmes in question faced another major difficulty, namely, actions towards the establishment of a state system of co-ordinating vocational curriculum development activities lagged behind curriculum development activities carried out under those programmes. The issue had not been recognised at the programme design stage, and, as a consequence, became the main risk factor threatening their success;
- the programmes in question, although initiated centrally, were, in fact, decentralised trials in a group of pilot schools. Completion of a full cycle of design and implementation, and creation of a mecha-

nism for dissemination is a prerequisite for the success of such undertaking. Although wide dissemination can be carried out only centrally, it is essential that the decentralised project of this type be complete methodologically.

The work of teams, with foreign experts as advisors rather than immediate actors, turned out to be highly effective, both as regards the quality of the product, and adjustment of the product to the Polish circumstances and to the speed of work. In addition, the establishment of a pro-reform lobby among participants of the programmes and their recipients was an important side-effect.

The involvement of Polish institutions, and, particularly, of Polish experts, in the network of international co-operation, was yet another side-effect of the programmes, this constituting a good point of entry to further co-operation under European Union education programmes such as Leonardo Da Vinci.

The European Commission's co-ordination and management of the PHARE-funded programmes had almost entirely a bureaucratic character. Therefore, the establishment and the operation of the European Training Foundation offers an opportunity for the strengthening of the merits of the activity. The direction this institution will take in its further development - will it become an extension of the Brussels bureaucracy, or will it be capable of exercising genuine expert role - will determine whether this will be the case.

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German-Hungarian co-operation to support Hungarian reforms in vocational training



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Many social areas in Hungary have developed an impressive dynamic force since 1990. This also applies to vocational training. Several reforms have already been implemented or are well on the way, some would merely appear to be. Before outlining the main developments in vocational training in Hungary, a description will be given of German-Hungarian co-operation.

Vocational training institutions

Besides grammar schools, the Hungarian education system has three important vocational training institutions in the field of secondary education, level II. They have remained for the most part unchanged for decades. They are skilled worker schools, intermediate technical schools and vocational schools, including specialised vocational schools.

In this group the most important are the skilled worker schools which also have the longest tradition. Up to 1949 they were responsible for the vocational school element of "dual-system" training. As in the former German Democratic Republic (GDR), "dual-system" training was initially centred in Hungary on small and medium-sized enterprises but gradually shifted towards large socialist conglomerates. This led to changes in the role of the school. Registration in school replaced the apprenticeship contract with a company. Vocational schools were responsible for organising training and entered into agreements or arrangements with companies for practical training. Since

1997 there has been a uniform training duration of three years. Training covers more than two hundred skilled worker occupations.

The intermediate technical schools have a very varied history. They developed from the earlier technical schools. They were introduced as an experiment in the sixties and since the mid-seventies they have been introduced generally. Intermediate technical schools offer vocational training lasting four years, which follows on from primary school (until recently schooling lasted eight years), leading to the university entrance certificate. Whereas in the case of commercial and service training this form was maintained up to the beginning of the nineties, the eighties saw a new direction in technical-commercial training. The two first school years were used to teach occupation-related basic training. After that there were three possibilities: acquisition of the skilled worker leaving certificate after one year, the university entrance certificate and the skilled worker certificate after a further year and a technician's diploma after three years, or a total of thirteen years at school.

Below the level of the intermediate technical school, there were the three-year schools in the health sector and the two-year schools for typing and shorthand. Both types of schools have lost a considerable amount of ground due to competition from the intermediate technical schools. The specialised vocational schools introduced in the mid-eighties for disadvantaged young people (but later were opened to everyone) were of only minor importance up to 1989.

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"Besides grammar schools, the Hungarian education system has three important vocational training institutions in the field of secondary education, level II. (...) They are skilled worker schools, intermediate technical schools and vocational schools, including specialised vocational schools."



Problems at the time of the peaceful revolution

The main problems at the time of the peaceful revolution were that Hungarian vocational training was highly specialised and that it encompassed approximately six hundred certificates. The educational and training curricula were mostly antiquated. There was a shortage of trainers both in schools and in companies who were able to teach modern technologies coupled with new methodological approaches. Vocational training was very much centred on schools; practical training was badly neglected. There was no vocational training which catered for the needs of small and medium-sized enterprises. There was also very little occupational guidance and careers advice for the general schools. Nor was there any socio-pedagogical care at all for young people with learning difficulties. All these shortcomings led to high drop-out rates: at the end of the eighties 13%-14% of grammar school pupils, 17%-18% of pupils at intermediate technical schools and approximately 24% of pupils in skilled worker schools dropped out of their training

The economic and social conditions after the peaceful revolution were not conducive to a new start in vocational training. The economic situation had worsened considerably by the beginning of the nineties and even today there is no sign of extensive economic recovery. The dismantling of the large state combines and unprofitable companies as well as production co-operatives led to a major drop in the number of in-company training workshop places.

Furthermore, the major social preconditions for a new beginning in vocational training had not been met. Neither employers nor trade unions viewed vocational training as their business, nor was there a parliamentary basis for vocational training.

Goals of modernisation

This situation, as well as the overall architecture of political transition in Hungary, was directed after 1989 to the adaptation, upgrading and modernisation of

the institutional infrastructure but not to radical change. This also applies to vocational training. The political direction was determined not by a move away from the previous institutions but rather by their systematic change and extension. As a result the following goals were set:

- to return "dual-system" training to the forms it took prior to the Second World War;
- to introduce a new type of intermediate technical school in which there was to be a consolidation of general education in the first two years, occupation-specific basic training in the third and fourth years and occupational specialisation in the fifth year (with the technician's diploma as the final certificate);
- to set up a regional network of initial and continuing training centres to offer services in the field of occupational guidance (in a similar manner to the careers guidance centres of the German Federal Labour Office) and to focus on the re-training of the unemployed and qualifications for the unskilled;
- to extend nationwide institutions in the field of training for people at a disadvantage in which more in-depth general training was to be linked to vocational preparation;
- finally, to set up courses for grammar school leavers who did not want or could not gain access to universities (this used to be more than half of school-leavers).

Work on achieving these goals began in the following years and, in some cases, has been successfully completed. One milestone was the Vocational Training Act adopted in 1993, which assigns responsibility for practical training to industry. An extensive programme to review training curricula for skilled worker training was also successfully launched.

Furthermore, curricula and teaching aids for courses for the disadvantaged were developed and disseminated. In 1992 there were already more than three hundred institutes involved in training for the disadvantaged. The number of trainees rose from just under 1,000 in 1989 to 14,000 in 1993.

"The economic and social conditions after the peaceful revolution were not conducive to a new start in vocational training. The economic situation had worsened considerably by the beginning of the nineties and even today there is no sign of extensive economic recovery."



With the help of a loan from the World Bank (later also with assistance from the PHARE programme of the European Union), the first steps were taken to modernise the intermediate technical schools, particularly by dismantling their over-specialisation in 1990/91. Most trainees today obtain a technician's diploma after taking their secondary school leaving certificate.

One central point in the reforms: the planned shift in practical training within the "dual-system" could not be undertaken on the desired scale. Institutions of importance for vocational training such as employee-employer associations and chambers are themselves still at the development stage. They do not yet have the corresponding infrastructure or the necessary experts. What is missing on the state side, too, is a clear commitment to the "philosophy of consensus-building" and to the involvement of both sides of industry.

The following graph on the entry of pupils into secondary education, level II, gives an overview of the latest developments in education (cf. Fig. 1: Pupils in first year in secondary education, level II).

German-Hungarian co-operation

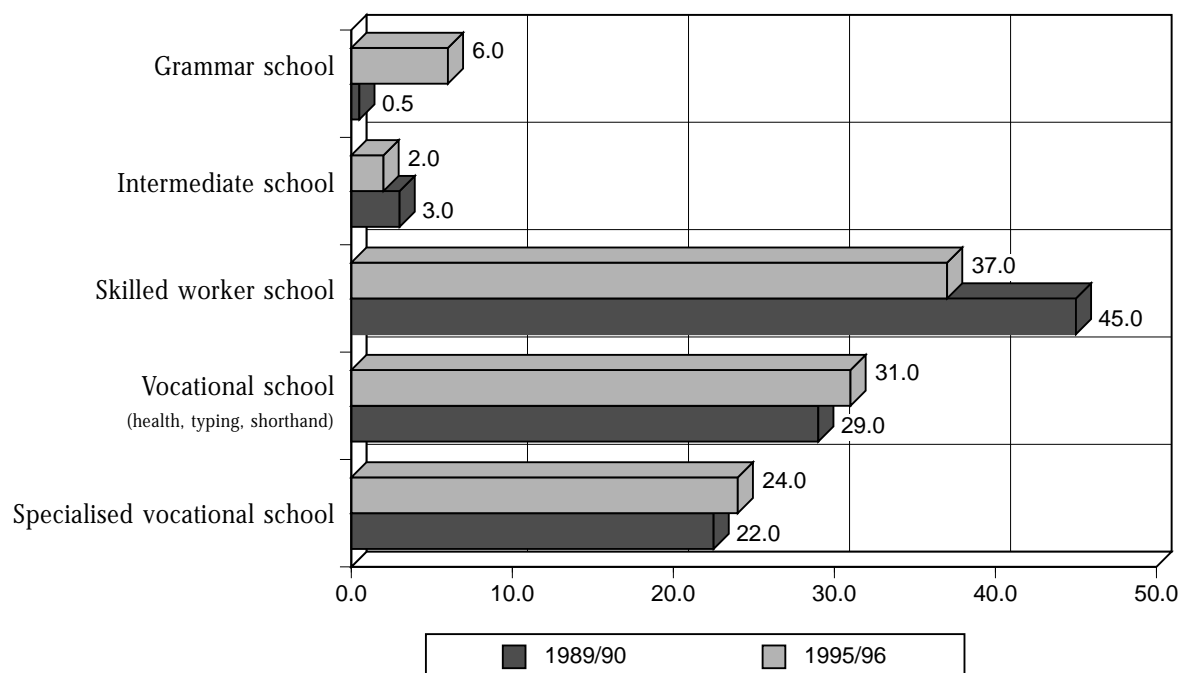
The **German-Hungarian programme** for the initial and continuing training of skilled workers is accompanying the Hungarian reform process. Co-operation between the two countries began in the spring of 1990. In March 1990 the then ministers of foreign affairs signed a government agreement for five years (which has since been extended) on closer co-operation in the initial and continuing training of skilled workers and middle management in industry, and in vocational training research. Together with this agreement, a first annual programme was approved.

In order to prepare the annual programme, including its later evaluation and further development, the joint German-Hungarian Economic Commission set up in June 1990 an expert group for the initial and continuing training of skilled workers and middle management (led by the German Ministry for Foreign Affairs and the Hungarian Ministry of Cultural Affairs). The expert group met for the first time in Bonn at the end of Novem-

"(...) the planned shift in practical training within the "dual-system" could not be undertaken on the desired scale. Institutions of importance for vocational training such as employee-employer associations and chambers are themselves still at the development stage."

"The German-Hungarian programme for the initial and continuing training of skilled workers is accompanying the Hungarian reform process."

Fig. 1: Pupils in first year of secondary education, level II





“One major achievement in 1991 was the cementing of partnership contacts between the CDG (Carl Duisberg Society), BIBB (Federal Institute for Vocational Training), ZDH (Central Association of German Craft Trades) from Germany, and the Hungarian National Institute for Vocational Training, and IPOSZ (Hungarian Craft Trade Association) on the other hand, which created a sound basis for co-operation which has been maintained up to now.”

“From 1992 onwards the programme of German-Hungarian co-operation in vocational training was consolidated through the systematic tackling of selected areas.”

ber 1990. Since then it has met at least once a year in one of the two countries.

At its first meeting two sub-groups of the expert group were set up because of the different contents and partnership structures: one for the initial and continuing training of middle management (led by the German Ministry for Foreign Affairs and the Hungarian Ministry of Cultural Affairs) and one for the initial and continuing training of skilled workers (led by the German Ministry for Education, Science, Research and Technology, and the Hungarian Ministry of Labour).

This article focuses on the programme of the Federal Ministry for Education, Science, Research and Technology (set up in 1995) and the programme of the Hungarian Ministry of Labour responsible for vocational training. Furthermore, institutional support for Hungarian vocational training (professional associations and communes) has been granted by the Federal Ministry for Economic Co-operation since 1990.

The main contents of the first programme which began in 1991 include the following, listed according to the numbers who attended or by the level of funding:

- information events particularly in the field of craft trade training;
- continuing training for technical teachers and trainers;
- language courses and seminars;
- curriculum and teaching-aid development, teaching resources.

Co-operation in vocational training research is restricted mainly to the mutual exchange of information between the Federal Institute for Vocational Training and the National Institute for Vocational Training (NSZI), set up in October 1990, and to the staging of the first German-Hungarian seminar on updating commercial training in Hungary.

One major achievement in 1991 was the cementing of partnership contacts between the CDG (Carl Duisberg Society), BIBB (Federal Institute for Vocational Training), ZDH (Central Association of

German Craft Trades) from Germany, and the Hungarian National Institute for Vocational Training, and IPOSZ (Hungarian Craft Trade Association) on the other hand, which created a sound basis for co-operation which has been maintained up to now. Institutional co-operation was made considerably easier by the reform of the Hungarian Government in 1990. This delegated responsibility for vocational training, which had been fragmented until then, to the Ministry of Labour.

In 1991 there was the opening of the first vocational training institute for the metalworking, electrical engineering and wood-processing industries using German funds. This is the commercial technical training institute of Budapest (GTV). Another important step in German-Hungarian co-operation in 1991 was the Hungarodidact (October 1991). This is the first Hungarian trade fair for teaching and learning resources opened by the German Federal Minister of Education, Ortleb. This was a joint German-Hungarian venture (and has continued as such in the following years).

Areas of co-operation

From 1992 onwards the programme of German-Hungarian co-operation in vocational training was consolidated through the systematic tackling of selected areas. These areas were closely related to the reform measures in the run up to the parliamentary consideration of the Hungarian Vocational Training Act adopted in the summer of 1993 and also in its implementation. The areas of co-operation are considered below:

Curriculum and teaching aids development in selected occupational areas

In the first phase work focused principally on updating craft trade training. From 1993 onwards this work - on the German side by the Federal Institute for Vocational Training and on the Hungarian side by the National Institute for Vocational Training - has involved systematically reviewing the inventory of state-recognised training programmes



(Országos Képzése), which was first published in December 1993 and has since been revised several times.

In the beginning important areas of co-operation were electrical, metal-working and building occupations. Later they were joined by occupations in banking, insurance, commerce and industrial administration. In 1994 this work was extended to training in the field of environmental protection. The work is done by bi-national working groups under the aegis of the responsible expert from the programme development department of the National Institute for Vocational Training. In the working groups the Hungarian draft occupational and test requirements are compared and adapted to the corresponding German training ordinances and the corresponding occupational recommendations of the EU (CEDEFOP Correspondence List).

Support for innovative training institutions

The measures covered or cover three areas. The first is a support for inter-company training. This measure is designed mainly to help craft trade training in Hungary which, like eastern Germany, faces major challenges given the different economic situation and the ensuing changes in training, for instance, the disappearance of large company training sites. In recent years inter-company training centres for craft trades have been set up with German support at several sites in Hungary. These training centres offer supplementary training to school instruction and practical in-company training. These training centres are also used for the training of multipliers such as teachers and trainers. One particularly successful example is training for the building industry with the support of the inter-company training centre of the Hans Seidel Foundation in Pécs. In 1996 the first bricklayers and carpenters successfully completed their training there.

In June 1996 a joint seminar of the Hungarian Vocational Training Institute, the Federal Institute for Vocational Training and the Hans Seidel Foundation was held in Pécs to discuss the experience and problems of these centres. After the seminar the four craft trade training centres were evaluated and the results were pre-

sented for discussion at a further seminar in Budapest at the end of March 1997.

The second area for support for innovative training institutions had to do with training for the disadvantaged, an area which had been considerably neglected in Hungary before the peaceful revolution. With German help several training centres for disadvantaged young people have been set up in the last few years. The goal is to provide at least broad basic training in one of the metalworking, wood processing, textile or domestic science occupations.

The Augsburg and Hungarian Kolping associations deserve special mention. Co-operation extends to curriculum development, particularly in the field of the vocational preparation year modelled on the German system.

The third area of measures had or has to do with support for commercial training in industrial enterprises, which was considerably neglected under socialism, and a shortage of commercial staff could be felt everywhere especially after the economic turnaround. At the suggestion and with the major support of the German-Hungarian Chamber of Industry and Commerce, dual training for industrial clerks was launched in 1994 in German! The first trainees completed the course in June 1996. (Since 1995 this training has been extended from industrial clerks to wholesale, retail and banking clerks). German funds were used not only to support the organisational side, including curriculum development modelled on the German Training Ordinance for industrial clerks, but also for in-school training as a whole, including the secondment of a German commercial teacher. The in-company training was mainly done by German companies in Budapest. It is very much to be hoped that this pilot project will be enthusiastically imitated.

Further training for specialised teachers and trainers

Since the beginning of the German-Hungarian programme this measure has been of particular importance.

Whereas at the beginning general information seminars and trips were predomi-



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nant, there has since been a shift towards specialised further training. A major share of this has to do with specialised further training for teaching staff in craft trade training and preparation for the master examination which is to be re-introduced in Hungary. Another focus of work was the qualification of educational staff and trainers in institutions for the disadvantaged and handicapped young people (the latter under the support programme of the Federal Ministry for Labour).

Qualification aids for trainees and young skilled workers

From the very beginning this scheme could not reach the scale desired by the Hungarians. They wanted to send as many apprentice classes as possible to Germany for practical training lasting several weeks. This was to carry on the tradition of the bilateral agreement with many GDR vocational schools prior to the peaceful revolution. However, an exchange of several hundred apprentices per year could not be undertaken either for financial or organisational reasons (problems of looking after them, etc). A significant exchange of apprentices could only be undertaken in the field of catering. Furthermore, under the aegis of the Carl Duisberg Society, a grant programme has been launched for further training spanning several months in Germany for young Hungarian skilled workers directly on completion of their training.

Support for co-operation in vocational training based on social partnership

The economic changes, the emergence of new social associations both on the employer and employee side and the reforms introduced in vocational training which led to the Vocational Training Act in 1993 and the Chamber Act of 1994, created new links for co-operation in vocational training based on social partnership. They also revealed a major need on the Hungarian side for corresponding experience and regulations from Germany. Seminars and study trips for the tri-partite Hungarian Vocational Training Council (Országos Szakképzési Tanács) marked the beginning. The training of chamber staff and the staff of professional associations is the continuation of this today.

Co-operation in vocational training research

Thanks to the foundation of the Hungarian National Institute for Vocational Training in 1990, there is a tried and tested partner for co-operation and research, something which is painfully missing in some Eastern and Central European countries. Co-operation between it and the Federal Institute for Vocational Training is varied and was anchored by a co-operation treaty in 1993. This extends to the staging of numerous joint seminars, particularly within the framework of the updating of Hungarian curricula, the preparation of a technical German-Hungarian glossary and the development of a statistical data and information system. BIBB members of staff are also involved as consultants in the setting up of the Hungarian Vocational Training Institute.

Summary and prospects

The programmes enjoying German financial support came to a close in 1997. Several hundred Hungarian experts had an opportunity to collect experience about the German vocational training system and to examine its transferability to the Hungarian situation. This led to many personal contacts which can be tapped in the next, by no means less difficult, phase of consolidating Hungarian vocational training.

The reforms have still to be really put to the test. The shift of responsibility for practical training to industry could only be partially implemented because of the general economic problems and the lamentable lack of interest of companies in training. This triggered some developments which ran counter to the original reforms. One being the emergence of a black market for training places. The companies do not pay a training allowance for the duration of training, as provided for in the Vocational Training Act, but rather they sell the training places to the parents who offer the most money. This is possible because the chambers responsible for monitoring in-company training cannot (yet) fulfil this obligation owing to a lack of funds and staff. The legislator has introduced compulsory



membership for companies in chambers and the financing of these chambers by membership contributions. However, public support for the chambers during the initial phase was insufficient.

The low level of training activity in the private sector triggered a campaign to extend the number of places in schools required for practical training. In some cases this involved support from the communes or from the centrally administered Vocational Training Fund (1% - 1.5% of the payroll must be paid by companies into a central vocational training fund). The share of practical training places in vocational schools rose from 14% in 1991 to 34% in 1996.

This development brings with it two disadvantages: firstly, training courses are on offer for which there is no or insufficient demand in industry and, secondly, many in-school learning workshops are mutating into small production plants. This also has to do with the fact that they, themselves, have to bear the running costs of the training places. This means that the training is often overshadowed by production. This does, however, bring with it the recognised advantage of learning in a real life situation in the form of useful work. On the other hand, growing competition between schools is the positive side of this development. The schools know that in the long term they will only attract enough trainees if they can offer attractive trainee programmes which are tailored to the regional labour market.

There are two other factors which are stumbling blocks to the implementation of reforms in vocational training. The raising of compulsory schooling from eight to ten years, linked with the introduction of uniform national basic curriculum modelled on the English system (Nemzeti alaptan-

terv, NAT), was delayed by two years until 1996. In the national basic curriculum there is only provision for instruction in general subjects for the ninth and tenth years in the general schools.

The consequences of the implementation of the national basic curriculum and the applying of the general school obligation to vocational training are only being taken account of in a hesitant manner even today. Many vocational schools (skilled worker schools) are trying to take over the ninth and tenth years of general schools in order to maintain their attendance levels and thus, by extension, save their schools. It is likely that the extension of compulsory schooling, the changes described above in the curriculum and the updating of intermediate technical education with the support of the World Bank and the PHARE programme, will further increase the trend towards higher level schools and the final school leaving certificate. Whereas in 1992 approximately 35% of school leavers had passed the final school leaving examination and 43% had a skilled worker certificate (the remainder had a lower school certificate or no school certificate at all), by the year 2000 it is expected that 68% of pupils will attend grammar schools and intermediate technical schools (specialised grammar schools), 25% skilled worker schools and 7% will leave school without any formal qualification. The answer to the question as to whether this structure will do justice to future demand for labour is at the very least open to question.

A further problem for vocational training is the high level of unemployment amongst young people which not only undermines the advantages of vocational training but has so far also prevented the extension of systematic continuing training which builds on prior initial training.



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Modernisation and reform of vocational education and training in Estonia - A case study

Following the collapse of the former economic and political system, Estonia set about the task of rebuilding the state, democratic institutions and restoring a normal and productive free market economy. Along with these national priorities, the government recognised the need to modernise and reform its education provision in response to the new economic realities of the market economy. This task had to be undertaken during a period of severe structural crises within the economy. Consequently the financing of the educational reform process had to be resourced mainly through bilateral and international assistance programmes including the EU PHARE programme.

Economic transition

Estonia's economic transition to a market economy has been both rapid and successful to date. After free elections in 1992, the new government implemented bold economic reforms including rapid liberalisation of prices, tariff-free, open trade policies, privatisation and the introduction of a stable and fully convertible national currency.

Estonian foreign policy is based on reintegration as quickly as possible into European structures. A free trade treaty with the European Union was signed in 1994 and an Association Agreement a year later. Estonia appears likely to be among the next wave of new EU members. With a steady growth rate of 4 to 6 per cent per year, Estonia has the fastest growing economy in northern Europe. The country has a diverse range of industries including wood products, food stuffs, electronic goods, textiles and chemicals. Half of the GDP is produced by the services sector, especially tourism. 65% of GDP now comes from the private sector - one of the highest levels in Central and Eastern Europe. Inflation continues to fall from 452% in the first half of 1992, to a projected 15% in 1997. During this period, trade with the West has grown by over 500%. There are over 8,700 fully or partly foreign-owned companies, and the total value of foreign direct investments into Estonia is over US \$700 million.

A sector in the economy faced with major challenges is agriculture. Output is declining due to the abolition of all quotas, tariffs and other barriers to agricultural imports. Land reform has been slow and major issues on land ownership remain to be overcome. This has adversely affected investment in the farm sector.

Education and training in Estonia

Up to the re-independence of Estonia, the education system was a part of the system of the USSR, characterised by strong centralisation, and a pyramidal management hierarchy. As a rule, decrees were issued from Moscow, usually the all-union Ministry of Culture and Education and the all-union Academy of Pedagogy. Even as part of the Soviet Union, Estonian education has always had a face of its own. Estonians were able to maintain some degree of independence in educational matters. The best illustration is the existence of many original Estonian textbooks. Schools used original study aids compiled by Estonian authors, and large-scale differentiation of education (specialised classes, experimental classes, art and language biased schools) took place in Soviet times. Furthermore, Estonia succeeded in establishing an indigenous national school as 'a school experiment' in the educational system of the Soviet Union.

The current system of education provides pre-school education in kindergartens, general education in primary and basic schools and gymnasias (upper secondary general schools), vocational education and higher education at universities and institutions of applied higher education (non-university). The instructional language is either Estonian or Russian in all types of schools (some 30% of the population is ethnic Russian).

Estonia has been very active in the reform of its education and training system. Since 1992 there have been no fewer than eight new laws on education and training covering such issues as private



schools, primary and secondary education, adult education, science management, universities and hobby schools, as well as the law on vocational educational institutions, passed in 1996, but still in the process of implementation.

The overall objective of the reform process in vocational education and training is to design and implement a comprehensive system, covering both initial and continuing training, which responds to the changing demands of the labour market and with a view to EU accession. Initial vocational education and training is the responsibility of the Ministry of Education which governs the system's development and planning, develops the national curricula, approves and supervises certification. The law on vocational institutions regulates their activities, the ways and terms of acquiring vocational education, the school management principles, the financing and use of the school property, the rights and obligations of the school community. There are currently 91 educational institutions providing vocational education in Estonia, of which 10 are private.

In 1995/96 there were 30,000 students at national vocational educational institutions. Although the overall number of students in post-compulsory upper-secondary education is increasing, the number opting for vocational education and training is falling. Some 63% of young people stay on in general education, compared to 36.1% in vocational education and training. This trend reflects the relatively low prestige of vocational education in society. However, there have been significant developments affecting vocational education and training in the tertiary sector. Since 1991, 20 new state and private schools for tertiary (applied higher) education have been opened. Most of these new institutions provide programmes leading to an advanced professional qualification, and provide an alternative to the academic stream of universities.

Costs for education and training are fully met at the state level. Although the law provides that schools receive private funding both from companies and individuals, this is presently at a low level. A special fund has been proposed, financed through a levy of a 3% tax on employers.

Two-thirds would be used for training by employers and one-third for distribution by the capital committee. However, there is also a developing private sector. Private educational institutions serve as an alternative to the existing state schools and there are many fee-based courses in Estonia.

Although the law provides for vocational schools to offer flexible short-term upgrading and re-training for adults, a coherent national training policy, comprising both initial and continuing training, does not yet exist. Neither is there a training system for the unemployed or redundant workers. However, the network of educational institutions for adults in Estonia has increased rapidly. Over 40 state-supported adult education institutions have been established in the last few years. Many of these are based on private initiatives and focus mainly on management and foreign language training. The state budget of 1996 includes a small sum for funding planned adult education

The EU vocational education and reform project in Estonia

The work of pilot projects and the dissemination of their results plays an important role in the reform process in Estonia. Many of the pilot projects are set up in the context of European and bilateral contacts, providing technical assistance and financial support.

The EU vocational education and reform project began in September 1995 and ends in December 1997. Its overall objective is to "support the development, preparation and restructuring of human capital in and for enterprises and public entities as required by the economic and social reform programme". It is overseen by a steering committee, which brings together a range of different interests and comprises representatives from the Education, Social Affairs, Economic Planning, and Agriculture ministries, as well as school directors, and representatives from employers and trade unions. The European Training Foundation is responsible for the overall management and co-ordination of the project. It works closely with the independent Pro-

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“Partnerships with vocational institutions in the European Union have been established to ensure an exchange of experience and know-how in the design and implementation of new curricula.”

gramme Management Unit (PMU), established by the Ministry of Education. The PMU is composed of local staff and technical support is provided by FAS (the Training and Employment Authority), from the Republic of Ireland, with its partner Helsinki University Knowledge Services.

The project has five inter-dependent components:

- curriculum development;
- partnerships with EU vocational institutions;
- teacher training;
- the up-grading of teaching equipment; and
- the development of education policy and the dissemination of results.

Each component is examined in turn below.

A new national standards-based curriculum is being developed as part of a modular system. The standards reflect the range of competences required in a particular occupation. The new curriculum has been developed by pilot school course designers for 13 occupational groupings, including, construction, agriculture, mechanics, tourism, telecommunications, retail/services, computer graphics, and chemical processing.

Each new training programme is based on an analysis for the job profile. Each analysis reflects the results of a national survey carried out in co-operation with employer organisations, to establish the skills, knowledge and attitudes currently practised and required by skilled workers within that occupation. The occupational analysis is the foundation upon which the practical, knowledge and personal skills for each occupation is based. In addition, it provides the basis for determining the standards upon which assessment, certification, validation and qualification of skilled workers can be made.

The skills in each occupational analysis are categorised as either core skills, specialist skills, common skills or personal skills. This approach facilitates the development of training modules for each occupation and the identification of common modules of training and development

applicable to a number of occupations. Modular descriptors are also being developed to facilitate the accreditation and certification of each module at national level.

Partnerships with vocational institutions in the European Union have been established to ensure an exchange of experience and know-how in the design and implementation of new curricula. Some 13 institutions in Finland, Denmark and Ireland have been identified and Estonian pilot school groups, comprising teachers, management and course designers, have, so far, paid two visits to their counterpart institutions. Formal co-operation agreements have been, or are being established between the partner schools. The general areas of co-operation being discussed include exchanges of students and staff, joint research activities (for example in the context of the EU's Leonardo da Vinci programme), participation in seminars and academic meetings, exchanges of curriculum material and related information, and special short term programmes.

For curriculum and other reforms to be effective at the school level, the active and continuing support of the school management, teachers and course designers is essential. In service staff development programmes have been designed, based on a needs analysis conducted with each target group. Some 25 school management, 52 teachers and 13 course designers from the pilot schools have been attending their respective modular programmes to support the implementation of the project.

The upgrading of teaching equipment is also essential for the successful implementation of new curricula. New teaching equipment accounts for over 37% of the project budget. All the pilot schools have received new “state-of-the-art” equipment specific to the curriculum requirements of their new courses. For most schools this represents the first major capital investment in school equipment for many years. The equipment is being used by full time students and by adults on continuing education and training courses.

Education policy will be developed through the dissemination of the project



results and by promoting discussion in the various ministries. A national vocational education and training policy discussion document has been prepared by the Ministry of Education with the assistance of a policy advisory group which included representatives of industry, the pilot schools, the PMU and the Ministry of Education directly involved in the Reform project. This has ensured that the outputs from the pilot schools have been reflected in the national policy development process. A national policy paper on vocational education and training will be drawn up and will include recommendations regarding the future organisation of the system.

Other dissemination activities include a quarterly newsletter published in Estonian, Russian and English. Some 3,000 copies are distributed to schools, ministries, employer and trade union organisations, municipal governments, parent, student, media and other interest groups. Regional seminars have been held in 8 locations to disseminate the results of the project. A video on the project, will be screened on Estonian National TV later this year. The project has attracted ongoing interest from the media (radio, TV and newspapers) and many articles have been featured on different aspects of the project.

Project implementation strategy

In an effort to ensure the maximum impact of the project, the following principles were established to underpin its implementation:

- the project drew upon the positive results from completed bilateral and other internationally assisted projects concerning vocational education and training, as well as from existing national and international research material. Working relationships were also formed with projects and initiatives to avoid duplication of effort and resources;

- a clear understanding of the project was promoted through the establishment of effective networks and contacts were established with the key actors and those exercising influence in vocational educa-

tion and training matters. An important part of this was to raise national awareness within Estonian society, on the importance of, and need for, reform of the vocational education and training system;

- Estonian models based on the best European and Estonian practices and traditions were developed to ensure that the expertise from other countries was successfully used. It was, therefore, fundamental to seek the active support and involvement of all key actors. This was done through regular meetings, participation in the national and regional dissemination workshops, on specific technical and policy aspects of the project;

- effective dissemination structures and links into the national policy making process were also set up in order to derive full benefit from the pilot school “bottom up” approach in the critical area of curriculum reform. However, it was also important to view the project at all times as a national not school based project;

- a recognition that Estonia is in a transitional stage and that, consequently, a flexible and responsive international technical support was necessary.

Conclusion

The results achieved to date suggest that the strategy adopted has been successful in acting as a catalyst for building the motivation, momentum and acceptance for positive change to the Estonian vocational education and training system. This has been due to the competence, commitment, clear vision, enthusiasm of all those involved, at all levels and in all stages of the project.

In general terms, through this project the key actors have been provided with a unique opportunity of working collectively to shape the future direction of the vocational education and training in Estonia. An additional benefit has been the creation of extensive institutional contacts with EU Member State organisations, an essential requirement in Estonia’s pre-accession phase.

In concrete terms substantial progress has been made in determining policy priori-

“Education policy will be developed through the dissemination of the project results and by promoting discussion in the various ministries. A national vocational education and training policy discussion document has been prepared by the Ministry of Education with the assistance of a policy advisory group (...) directly involved in the Reform project.”

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ties. The government's Green Paper, the development of the vocational education and training policy, has been based on an extensive consultative process with employers and other key actors in the education system. Employers have also acknowledged their role and contributed positively. Employers have also developed a deeper understanding of the issues, challenges and costs of effective and responsive vocational educational provision. They now have a clearer perspective of their role in identifying more precisely their skills requirements, and on the accreditation and endorsement of national certificates

Progress has also been made in identifying the occupational competences re-

quired and converting them into national curricular profiles and programmes, capable of delivery at institutional level. Furthermore, progress has also been made in developing a national, regional and local infrastructure for education and enterprise links and in establishing the correct balance between general and vocational provision

The project has, therefore, assisted in highlighting the policy and institutional issues to be addressed in meeting the overall aim of nurturing the development of social and economic welfare of society, providing core competencies for life long learning, and renewal of skills to promote economic development and competitiveness.



The opening up of the Leonardo da Vinci programme to the countries of Central and Eastern Europe

The context for co-operation

It was at the European Council's Copenhagen Summit in 1993 that the first clear intentions of the European Union (EU) were mapped out regarding the associated countries of Central and Eastern Europe (CEECs). It was agreed that CEEC that so desired would become members of the European Union as soon as they were able to assume the obligations of membership. This positive message was reinforced at the European Council's meeting in Essen at the end of 1994 where it outlined a pre-accession strategy to prepare the CEECs for membership. This strategy has three main elements:

- the Europe Agreements which govern the formal legal relations between the Union and each of the CEECs, and cover political dialogue, economic integration, as well as cultural and financial co-operation. Implementation of the Agreements are overseen by Association Councils involving the Member States and the country concerned,
- the PHARE Programme which is now one of the cornerstones of the pre-accession strategy, particularly for the provision of economic assistance. The European Council agreed at its June 1995 summit meeting in Cannes to allocate to PHARE some ECU 6.7 billion for the period 1995 to 1999,
- the structured dialogue which constitutes an innovation in the European Union's political relations with regard to prospective members, enabling them to be-

come more involved in the EU's activities prior to the commencement of accession negotiations. It enables EU ministers from the various policy areas to meet with their CEEC counterparts to familiarise themselves with the different policy areas, (including the Common Foreign and Security Policy, justice and home affairs).

In the field of human resource development (essentially education and training matters), Article 1 of the Europe Agreements provides the long-term framework for developing co-operation between the EU and the CEECs. The PHARE programme has already provided an invaluable framework for providing a wide range of assistance to the region, including, of course, for education and training co-operation (over 400 million ECU have been devoted since 1990 to education, health, training and research in the six CEECs under the PHARE programme). The assistance provided under PHARE, where the CEECs themselves had the key responsibility for identifying areas where assistance was needed, has helped to reform the educational and training infrastructures and the systems themselves.

The next step in furthering this work is to enable the countries involved to focus more on preparing for their full participation in the EU itself, including the increasingly important area of education and training policies. It is for this reason that the pre-accession strategies being put into place by each country include the human resource dimension, with a particular emphasis on taking part in the EU programmes which are developing and taking forward these policies - Leonardo da Vinci (vocational training), Socrates



Tim Mawson
Principal Administrator,
DG XXII, European
Commission

Few challenges can be more daunting than trying to bring the two parts of Europe together in an historic move to make Europe whole again. The obstacles to this enlargement are immense; we witnessed the difficulties of the Amsterdam European Council in June 1997 to outline a realistic scenario for enlargement, despite the rhetoric of previous summits which had given cause for great optimism in Central and Eastern Europe. The timetable and conditions for enlargement are therefore still far from clear, but it is important to note that the countries concerned are keen to develop co-operation with the European Union as part of their pre-accession strategy.



“As far as education and training are concerned, the end of the 1980’s marked the sea changes in the political and economic systems which all the CEECs have undergone (mainly involving the elimination of centralised planned economies and setting in place the conditions necessary for a market economy), and the need for each country to introduce new laws and reform programmes in education and training.”

(education) and Youth for Europe (youth policy).

The main challenges facing the CEECs in the field of human resource development

Undertaking such a vast enterprise as enlarging the Union to Central and Eastern Europe, and even the relatively modest one of developing East-West partnerships to help modernise the CEECs education and training systems, needs to be seen against the background of the challenges facing these countries.

In order to identify the best ways of preparing themselves to participate in the vocational training policies of the EU, and in particular the Leonardo da Vinci programme, the Commission had a study completed in June 1996 (carried out by the UK’s National Council for Vocational Qualifications) on the opening of the programme to Bulgaria, the Czech Republic, Hungary, Poland, the Slovak Republic and Romania. The results of the study pinpointed some of the key issues.

As far as education and training are concerned, the end of the 1980’s marked the sea changes in the political and economic systems which all the CEECs have undergone (mainly involving the elimination of centralised planned economies and setting in place the conditions necessary for a market economy), and the need for each country to introduce new laws and reform programmes in education and training. The main purpose of these has been to:

- de-couple education and training from political influence;
- break down the State monopoly in education by allowing private and denominational schools and private training providers to be established;
- decentralise the management of the education system as part of the general process of liberalization;
- introduce various forms of funding for the vocational training system;

□ and finally to recognise the democratic right of school pupils and adults to choose their own education and training path.

This process of de-coupling education and training from political influence has in general progressed well. However, other aspects of the reform of education and training will take longer, and are likely to take until the year 2000 and beyond. While there are widespread variations between the countries in the type of reforms underway, there are a number of key features which are relevant to the whole process in all the countries, such as:

- the extension of basic education (which includes lower secondary) from the 8th to the 9th grade, which is an issue in all CEECs;
- the broadening of the curricula for initial vocational training and the pilot testing of different approaches to delivery, such as the various modular systems which have been introduced or are in the process of being so;
- the reform of upper secondary education, which has seen a dramatic reduction in the numbers enrolling in basic vocational schools compared to the situation before the political upheavals from about 50% of annual intake to below 40% in most of the CEECs;
- the introduction of post-secondary education and training in the form of “semi-higher” education offering post-secondary certificate and diploma courses and post-secondary vocational training mainly aimed at students leaving the secondary education system without qualifications;
- the reform of higher education with the introduction of the bachelor degree programme;
- the establishment of a re-training or requalification system funded by an employment fund and co-ordinated in one form or another by the Ministry of Labour in all of the CEECs;
- experimentation by some of the CEECs in trying out new methods for funding vocational education and training. These



range from the use of employment funds, training funds and loans, to co-funding by employers and the individual.

It is clear that the majority of CEECs view co-operation with the EU in the field of human resource development as one of the means of identifying how to take the reform processes through. The basic aim is to prepare themselves not only for fully-fledged participation in the EU once accession becomes a reality, but also to get the benefits of such co-operation as a means of providing the skills and resources needed to modernise their economies (especially industrial reconversion) and render them competitive to prepare them for future participation in the internal market.

Access to the EU's flagship programmes in the field of education, training and youth is therefore an integral part of the overall accession strategy for the countries of Central and Eastern Europe.

Opening up European Community programmes to the CEECs

Under provisions in the Europe Agreements, programmes which had previously been open only to the Member States and the European Economic Area (EEA) - European Free Trade Association (EFTA) countries, are to be available to the associated partner countries. Preparatory actions to pave the way for these countries' future participation in Community programmes in the field of human resources (Leonardo da Vinci, Socrates, Youth for Europe III) and audio-visual policies (MEDIA II) were already launched in 1996 with Community financial support.

As described above, the Europe Agreements constitute the legal framework for the CEECs' integration into the EU and are in force for Bulgaria, the Czech Republic, Hungary, Poland, the Slovak Republic and Romania. They are complemented by Additional Protocols which stipulate which EU programmes and initiatives are opened to the CEECs' participation (mainly in the fields of education, training, science and environment) and a series of Association Council decisions

will lay down the specific conditions under which each CEEC will be able to participate in each programme.

To put flesh on the Europe Agreements, the European Commission (DG XXII) laid the groundwork for CEEC participation in Socrates, Leonardo da Vinci and Youth for Europe through a series of information days for CEEC representatives in June 1995. The six governments subsequently declared in the joint meeting of Education Ministers in Luxembourg in October 1995 (in the framework of the Structured Dialogue) their willingness to take part in the Leonardo da Vinci (and other relevant) programmes.

In the early part of 1996 the Commission discussed and negotiated with each of the six governments the terms and conditions which would govern their participation in the Leonardo da Vinci, Socrates and the Youth for Europe III programmes (as well as the MEDIA II programme). Community funds under the programmes themselves are not available to enable participation of CEECs in European programmes and initiatives; the costs have to be met fully by the governments themselves, or by the participating organizations, if possible. However, part of the PHARE budget could also be used to assist their participation.

Alongside these negotiations for formal involvement in the programmes (the outcome of which is described further in this article), a series of preparatory measures were undertaken with each country, and funded by the European Commission, to create the necessary infrastructure and provide technical assistance.

Participation in the Leonardo da Vinci programme - preparatory measures

Preparing the CEECs for their participation in Leonardo da Vinci on a technical level was an essential pre-requisite to maximising their potential within the programme once they participated fully. Implementing such measures took place at different rates in each country, and the

"It is clear that the majority of CEECs view co-operation with the EU in the field of human resource development as one of the means of identifying how to take the reform processes through. The basic aim is to prepare themselves not only for fully-fledged participation in the EU once accession becomes a reality, but also to get the benefits of such co-operation as a means of providing the skills and resources needed to modernise their economies (...)"



“(...) in 1997, it is also hoped that organizations in a certain number of the CEECs (most likely the Czech Republic, Hungary and Romania) will actually be able to take a leading role in the programme as promoters. This will considerably raise the profile of Leonardo da Vinci in the CEECs and mark a turning point in the level of co-operation between the EU and the CEEC in the training field.”

European Training Foundation (ETF) had a substantial contribution to supporting this process. These preparatory measures consisted largely of the following:

- assistance for the establishment of national structures (in the form of National Coordination Units [NCUs] which are responsible for the management of decentralised actions under the programme, and for much of the co-operation required by the Commission with the countries involved);
- training of the national structures' staff (with the close involvement of Commission staff, Western NCUs and the ETF) coupled with training and awareness visits of staff to the NCUs of EU Member States/EEA - EFTA countries;
- assistance to establish compatible database systems to ensure the efficient transfer of data between the countries and the Commission;
- translation and publication of documentation (particularly key decision and information documents);
- thematic conferences and seminars to inform potential promoters and to prepare for participation in the programme, by building on existing partnerships and projects funded, for example, under the PHARE programme. The assistance of the ETF, which drew up country and thematic dossiers and helped establish partnerships, was essential to this process;
- training seminars for national experts on the evaluation and assessment of proposals, to ensure that proposals submitted by the CEEC could be assessed on an equal basis with the proposals from Western Europe;
- CEDEFOP study visits, to enable policy makers and training experts to undertake short intensive stays in countries of the EU to familiarise themselves with different training systems.

While awaiting the outcome of formal negotiations on the opening up of Leonardo da Vinci to the CEECs, the Commission made provision for East-West partnerships to be established by enabling organizations from the CEECs to join ex-

isting projects from the programme (as long as there was no legal or financial implication for the programme itself). This process of associated partnership was designed to familiarise vocational training actors from the CEEC with the programme and with the concept of European transnational partnerships in the training field as well as to start building up a network of national organizations in the CEEC interested in participating in its different actions.

Since no funding for CEEC associated partners is available under the Leonardo da Vinci programme itself, the budget of the partner(s) from CEECs has to be funded by public or private incomes, and in some countries national public funds have been made available to subsidize associated partners.

In the first two years of the programme 1995-96 CEEC associated partners have participated in over 120 of the 1500 or so projects selected by the Commission, and more are expected to join.

Formal participation in Leonardo da Vinci

In addition to the associated partners expected to be a part of the projects selected in 1997, it is also hoped that organizations in a certain number of the CEECs (most likely the Czech Republic, Hungary and Romania) will actually be able to take a leading role in the programme as promoters. This will considerably raise the profile of Leonardo da Vinci in the CEECs and mark a turning point in the level of co-operation between the EU and the CEECs in the training field. It will also give CEEC organizations valuable practical experience in taking responsibility for transnational actions in the training field as a test bed for more widespread co-operation in years to come. Of the remaining CEECs, it is expected that the decisions relating to the participation of Poland and Slovakia will be taken in 1997, while the decision of Bulgaria is unlikely to be taken before 1998.

Whether or not CEECs can participate in such a high profile fashion (and, in effect, be treated on equal terms with Mem-



ber States) depends on the rapidity with which the Association Council decisions on participation are agreed. If they come into force before the end of the Leonardo da Vinci selection phase, such participation may be achieved in 1997, otherwise full participation will only be possible in 1998.

Full participation in the programme means, however, more than taking responsibility for transnational actions and reaping the benefits of this for promoters. It also involves a strengthening of the institutional relations on vocational training between the EU and the CEECs, and making provision for the results of this co-operation to have a real and lasting impact on the vocational training systems. In order to keep the CEECs fully informed about the development of Leonardo da Vinci and involve them in the wider debate about training strategy, CEEC representatives will be regularly briefed in the framework of coordination committees before and after meetings of the Leonardo da Vinci committee itself.

There are still many questions to be tackled and solutions to be found before the

CEEC can take part fully in Leonardo da Vinci on an equivalent basis to the EU Member States and the EFTA countries of the EEA - Iceland, Norway and Liechtenstein. While the Association Agreements will lay down the main conditions of participation, including the financial conditions (whereby each CEEC will pay an "entry ticket" to cover the estimated costs of participation, part of which can be covered by its PHARE allocation), the detailed implementation of the agreements will require a transitional period to ensure that real participation is fully operational and effective.

CEEC participation in the Leonardo da Vinci programme, which has a life span until the end of 1999, can only really be considered as a precursor to whatever will follow on from Leonardo da Vinci in the year 2000. To that extent these next two or three years will constitute a valuable learning process for both the CEECs and the EU, in which one can hope for a clear identification of the areas where co-operation is likely to be most propitious, and where the bringing together of the different training systems can be of mutual benefit for all concerned.

"Full participation in the programme (...) involves a strengthening of the institutional relations on vocational training between the EU and the CEECs (...)"



Vocational education and training in Bulgaria - Fact sheet

Overview

Vocational education and training, characterised by a high degree of centralisation, is still at the initial stage of reform. Severe economic constraints may impede the reform plans. The current legal framework does not take account of the conditions of a social market economy, but concentrates only on the reform of vocational schools. Main challenges include the development of a coherent legal framework and the enhancement of institutional capacities.

Responsible bodies

The **Ministry for Education and Science** has the overall responsibility for the entire school system and is the main policy-making body with budgetary responsibility and control for initial training.

The **Ministry of Labour and Social Policy** and the Ministry for Education and Science are both responsible for adult education.

An accreditation agency for vocational education and training is at present under discussion.

Financing of vocational training

Vocational education and training is currently financed out of the state budget (4.27% of GDP in 1995). The Ministry for Education and Science allocates the money to schools, which have little autonomy. In 1995 of all the public funds for education, 33.53% were spent on the vocational and professional education of young people. Donors finance the upgrading of the system and pilot schools through bilateral and other international agreements.

Continuing training

The division of policy responsibilities on continuing training between the Ministries of Education and Labour is unclear. A major problem for continuing training is its separation from current reforms of initial school-based vocational education and training. The main current challenge in continuing training is to address the imminent redundancies of teachers through re-training in order to avoid unemployment.

International support activities

Through bilateral and multilateral international agreements, donors make very significant contributions to the vocational education and training system. A PHARE pilot project launched in 1993 targeted post-secondary vocational education and training and reviewed and developed principles for the reform of the whole vocational education and training system (for example curriculum development for 5 occupational profiles and a review of post-secondary system). This laid the foundations for expansion into much larger PHARE programmes in 1995 and 1996 on education and training, which include the development of standards and assessment procedures, teacher training, and preparatory work for the development of the legal framework. Significant bilateral vocational education and training projects are being carried out in partnership with Germany (establishment of 3 training centres, economics training in 5 vocational schools), Austria (training firms), and Denmark (economics curricula in post secondary schools) and others are under development with amongst others France and the UK.





National priorities

In the absence of a coherent policy document at government level, the Board of the Ministry for Education and Science has adopted the following guidelines for the development of the vocational education and training sector (Concept for the Development of Secondary Education, 1996):

- ❑ to develop a system for teacher training;
- ❑ to establish an independent agency for vocational qualifications;
- ❑ to prepare a new list of occupations in the secondary and post-secondary vocational education and training;
- ❑ to develop new curricula;

- ❑ to develop a modular approach in vocational training.

Establishment of a National Observatory

The European Training Foundation has supported the establishment of a National Observatory in Bulgaria (hosted in the PMU-Education, ul. Graf Ignatiev 15, Sofia). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in Bulgaria.



Vocational education and training in the Czech Republic - Fact sheet

Overview

A long-term coherent policy to adapt the vocational education and training system to evolving labour market needs has not yet been developed. The approach reform has been mostly bottom-up, relying on the initiative of schools which have been granted a high degree of autonomy. Improvements, innovations and adjustments of the system have been introduced step-by-step with a view to creating a flexible, adaptable system with a wide range of options attractive for students, offering them favourable prospects in the labour market.

The former system of vocational education and training, characterised by a rigid division between secondary technical and secondary vocational schools, has been broadened by the following new elements:

- integrated secondary schools (combining secondary technical and vocational school education);
- higher professional schools (enabling secondary school graduates to acquire post-secondary technical qualifications with a practical orientation).

Responsible bodies

The **Ministry of Education, Youth and Sports** has the overall responsibility for the education system, including vocational education and training. It is responsible for the development and implementation of the government's education policy, including budget administration and control. A minor part of vocational education and training is financed and supervised by sectoral ministries (agriculture, interior, defence). School administration at district level is carried out by the District School Offices which are directly responsible to the Ministry of Education.

The **Ministry of Labour** is in charge of developing and implementing the government's labour market policy, including active employment policy, through the labour offices.

Financing vocational training

State technical and vocational schools are funded out of the governmental budget, the principal share coming from the Ministry of Education, Youth and Sports. The government also provides financial contributions to private vocational schools. These amount to 60-80 % of the contributions provided to state vocational schools. Total expenditure on education amounted to 5.9% of GDP in 1995, expenditure on vocational education and training amounts to an estimated 1.3% of GDP.

With regard to continuing vocational education and training, there is a broad range of funding models, from governmental funding to individual investment. Companies are estimated to invest about 1% of the gross payroll cost in training and education of their personnel.

Continuing training

Although the market for continuing vocational education and training is well developed, activities in this area lack a co-ordinated and systematic approach. The supply side has reacted mainly to the demand of individuals who need to update their knowledge and skills to newly evolving labour market requirements. At present, there are approximately 1,500 institutions providing continuing training. They offer a wide range of short-term professional courses and seminars. These focus, in particular, on management, marketing, computer literacy, economics and languages.





Some sectors are addressed in a more structured way. Re-training programmes for the unemployed are organised through labour offices and usually financed by the Ministry of Labour and Social Affairs. Large companies usually offer on-the-job training and in some cases apply a systematic approach towards staff development.

International support activities

About 16.5 million ECUs of foreign assistance provided to the Czech Republic in 1993 and 1994 were granted for supporting vocational education and training.

Many PHARE programmes were focused directly on vocational education and training or contained major vocational education and training components. The 1991 Labour Market Restructuring Programme provided a Strategic Study for Reform of Vocational Education and Training. Approximately 50 million ECUs were allocated for Human Resource Development under different PHARE and Tempus programmes, including the upgrading of 19 pilot vocational education and training schools, as well as the National Training Fund and PALMIF (Pro-active Labour Market Intervention Fund), which was a labour market action aimed at providing grant support to employment projects with a continuing vocational education and training component. The 1992 Renewal of Education System Programme supported also the development of higher professional schools.

The vocational education and training component of bilateral assistance is usually targeted at specific projects such as curriculum development, student exchange programmes, etc. based on direct links with partner institutions.

National priorities

The main priorities of the government are:

- to create a flexible, adaptable vocational training system that responds to the changing requirements of the labour market at national and regional level;
- to establish links between initial and continuing vocational education and training;
- to develop further post-secondary non-university vocational training (higher professional schools);
- to improve the quality of vocational education and training by setting up mechanisms for quality assurance and evaluation;
- to develop further and implement educational and professional standards comparable to those in the EU and to link them to the needs of the labour market;
- to foster systematic social partner involvement in vocational training at national, regional and local level;
- to encourage the decentralisation of vocational training by creating a regional level of educational administration;
- to revise the financing system of vocational training with a view to stimulating participation by enterprises.

Establishment of a National Observatory

The European Training Foundation has supported the establishment of a National Observatory in the Czech Republic (hosted by the National Training Fund, Václavské náměstí 43, 110 00 Prague 1). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in the Czech Republic.



Vocational education and training in Estonia - Fact sheet

Overview

Since independence in 1991, successive governments have kept the country on the road towards a market-based system. The economy has been restructured and substantial progress has been made in the liberalisation of prices, removing trade tariffs and restrictions, and in attracting foreign investment.

Although a coherent policy for adapting the vocational training system to the needs of the labour market is not yet in place, the Ministry of Education is working on a policy document. The overall objectives remain :

- alignment to present-day labour market needs in a changing economy with full involvement of social partners;
- the establishment of trade councils; and
- reform by the extension of pilot programmes.

Responsible bodies

The **Ministry of Education** is responsible for all aspects of education including initial vocational training administration, approval of admissions, system development and planning, national curricula development, approval of school courses and study programmes, inspection of schools, supervision of final certificate issue and organisation of research work. It was restructured in 1996, when the **Vocational Education Department** was re-established. The Department has three units - the Educational Management Service, Curriculum Service and the Adult Educational Service.

Some vocational training institutions are under the responsibility of sectoral ministries (for example **the Ministry of Agriculture, the Ministry of Transport and Communications**), local authorities or private organisations. Although schools

act independently in matters of school management, the Ministry of Education lays down the policy and the rules.

Following a period of frequent re-organisation of research and pedagogical centres in 1993 the **Estonian Teacher Training Centre** was established. This has hosted the **National Centre for Examination and Qualifications** since January 1997, which co-ordinates training courses and training providers.

Financing vocational training

Costs for education and training are fully met at the state level. The law provides that schools receive private funding both from companies and individuals, but this is presently at a low level. There are no tuition fees in state schools or state institutions of higher education. Students in higher education are supported by state loans (since 1992). To improve financing in vocational training, a special fund has been suggested financed by a 3% tax on employers. Two-thirds would be used for training by employers and one-third for distribution by the capital committee.

Continuing training

Although the law provides for vocational schools to offer flexible short-term upgrading and re-training for adults, a coherent national training policy, comprising both initial and continuing training, does not yet exist. Neither is there a training system for the unemployed or redundant workers. During recent years, over 40 state-supported adult education institutions have been established. Many of these are based on private initiatives and focus mainly on management and foreign-language training. The state budget for 1996 includes a small budget for funding for planned adult education.





International support activities

The PHARE 1994-97 Vocational Training Reform Programme worth 3 million ECU has supported curriculum development, teacher training, learning material upgrading, partnerships with EU schools and policy development.

PHARE also provides assistance through sectoral programmes which often include training, for example, the Cross-border Co-operation programme for the Baltic Sea region and the Information systems programme.

PHARE and bilateral assistance to the Ministry of Social Affairs have focused on improving the employment service and the information system. The Ministry, with the executive National Labour Market Board (NLMB), aims at refining an active labour market policy to help people to find employment and support job creation.

During 1997 a series of preparatory measures for the EU's Leonardo da Vinci programme have been carried out including the definition of the national financial contribution and several media events.

Bilateral activity mainly with Baltic partners includes demonstration centres for training in commerce metallurgy and electronics. The Nordic Council has launched a large teacher training programme.

National priorities

These include the following:

- to design and implement a coherent vocational education and training policy with a view to EU accession;
- vocational training school auditing and curricula development, national occupa-

tional competence guidelines and training standards, also for continuing vocational training;

- to establish a continuing education and training system integrated with initial training providing management training and support to SME development;
- developing a national labour market/manpower planning information system;
- upgrading equipment across the entire vocational training system;
- to improve teachers' and trainers' education;
- strengthening the involvement of social partners in training;
- developing a career guidance and counseling system;
- action to help disadvantaged and special groups and areas;
- the dissemination of the results of the 1994-97 PHARE Programme.

Establishment of a National Observatory

The European Training Foundation has supported the establishment of a National Observatory in Estonia (hosted in the Foundation for Vocational Education and Training Reform, Pärnu mnt.57, EE0001, Tallinn). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in Estonia.



Vocational education and training in Hungary - Fact sheet

Overview

Alongside the progress that has been made in laying the foundations for a market economy, Hungary has defined strategies to align the vocational education and training system with the new needs of the economy. It has also made considerable progress in setting up the legislative and institutional framework to support these strategies.

Hungary has opted for an output control approach to training and set up instruments for quality standards. The latter concern the establishment of a National Vocational Qualifications Register, the identification of professional and examination requirements for each qualification included in the Register and development of central curricula (which will be adapted to the local needs by schools). It has also opted for a decentralised approach to the management of the training system and intends to involve all stakeholders in the decision-making process for training.

Remaining major challenges include:

- further strengthening the interaction between the economy and the training system;
- continuing modernisation of training standards and provision;
- supporting the participation of all parties to improve the quality of initial and continuing vocational training.

Responsible bodies

The **Ministry of Labour** has the overall responsibility for vocational education and training.

The **Ministry of Education** has responsibility for the definition of curricula and supervision of general subjects.

Sectoral Ministries are responsible for the identification of the qualifications and professional requirements for occupations in their economic sector.

The **local governments** (school owners and maintainers) have increased responsibilities in the management of vocational education and training.

The **National Vocational Training Council** is an advisory body to the Ministry of Labour in which all vocational training stakeholders (including social partners) participate.

Financing vocational training

In 1996, the education budget accounted for 7.8% of GDP. The two main sources of funding for vocational training are the state budget and a training levy on employers of 1.5% of their payroll cost. The state, through the local governments, provides a per capita subsidy which schools are free to spend as they consider appropriate. In 1995, 43% of the employers' training levy was spent on training their own employees, 37% on financial assistance to vocational education and training schools and 20% remitted to the Vocational Training Fund.

Continuing training

Efforts for the promotion of continuing vocational training have mainly focused on the re-training of the unemployed or people in risk of unemployment due to industrial change. Regional Labour Development and Training Centres have been set up so as to ensure a flexible supply of vocational training responding to regional skill needs. Training and re-training of the unemployed can also be supplied by schools or private training providers. Current policy considerations also concern





the support of training activities for the employed.

International support activities

Several PHARE programmes have been wholly or partly concerned with vocational education and training reform. Important measures supported include the development of an information centre, study visits abroad for vocational teachers, setting up language training centres, restructuring apprenticeships, promoting active employment measures, improving adult training standards, reforming curricula in secondary vocational schools, as well as providing training in specific growth sectors and for middle and senior managers.

A 'Human Resource' World Bank development loan provided substantial support to the development of a new model for the secondary vocational school and the establishment of 9 regional training centres for youth and adult training. A large number of bilateral activities include management training, language training and development of a standardised examination system for secondary education (with the Netherlands), open learning resources (with the UK), personalisation of training, transferability of skills and mobility of workers (with France), training for disadvantaged youth, development of new curricula (with Germany) and mutual recognition of different skill qualifications (with Austria).

National priorities

The present priorities are :

- increasing the percentage of those with a vocational qualification;
- continuing modernisation of vocational education and training programmes taking into account training standards similar to those in EU countries;
- developing an accreditation system and appropriate training programmes for post-secondary vocational training;
- consolidating social partners' involvement in vocational education and training;
- further involving the business sector in training;
- implementing a system for continuing vocational training for both the employed and the unemployed;
- developing a system for the identification of skills required by of the labour market.

Establishment of the National Observatory

The European Training Foundation has supported the establishment of a National Observatory in Hungary (hosted in National Institute of Vocational Education (NIVE), Berzsenyi D. u. 6, 1087 Budapest). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in Hungary.



Vocational education and training in Latvia - Fact sheet

Overview

Latvia faces the challenge of developing a coherent national strategy in initial and continuing vocational education and training. Reforms are in their starting phase, with a focus on initial training. Reforms rely heavily on PHARE programme support. The main activities have been the modernisation of curricula for 10 occupational profiles and 5 general subjects, the up-grading of school equipment and the training for teachers and school managers in 18 schools. A new law for vocational training is being prepared to align Latvia with European standards.

Responsible bodies

The **Ministry of Education and Science** issues regulations, by-laws and guidelines for initial and continuing training. It coordinates the development of curricula, determines the proportion of general education subjects and their level and is responsible for the legislation affecting all professional training institutions. The Ministry's vocational training department accredits the qualifications and the new vocational training programmes for state and private institutions and assesses the existing ones.

Sector ministries (Agriculture, Welfare and Culture) determine curriculum standards for professional subjects in the schools under their authority, administer funds and create legal documents which regulate issues specific to these schools.

The **Ministry of Welfare** is responsible for training and retraining of the unemployed.

Financing vocational training

The vocational institutions of Latvia are mainly financed out of the state budget,

with the relevant ministries allocating money to the schools. There is a clear distinction between basic financing and development expenses. Basic financing accounts for 97% of the budget and covers expenses for maintaining an educational institution, fees for the employees of the educational branch, transportation expenses, energy and other resources. Development expenses are for major implementations and changes in educational activities and for strategic investments.

For continuing training the breakdown of financing is as follows: state budget for re-training unemployed people 47.5%, tuition fees paid by the students 38%, firms, organisations 10%, municipal budget 2.2%, other sources 2.2%.

Continuing training

The Department of Continuing Education of the Ministry of Education and Science has established 25 regional Adult Education Centres across the country in conjunction with the Latvian Adult Education Association. The Ministry of Welfare's State Employment Service has the responsibility for unemployment registration, guidance, training and re-qualification. According to the figures of the State Employment Service, 7.6% of all unemployed people attended retraining courses in 1995. The private sector offers different kinds of courses providing a non-diploma education. In-company training in the newly established companies is under development without official quality control.

International support activities

Donor contributions made up 14% of the vocational training budget for 1996. The main international support is related to PHARE programmes (5.5 million ECUs





between 1994 -1996) and its impact on initial training is already visible. The aim of these projects is to support modernisation and reforms of the initial vocational education and training system in curricula development, teacher training, upgrading of teaching equipment, partnership with EU schools, development of education policy and dissemination of results. One of the programmes concerns post secondary in-company and continuing training.

For the period 1997-2000, the Ministry of Education and Science will seek support from PHARE for the 'VET 2000' reform programme, to develop and implement a secondary and higher education and training system. PHARE is also promoting social dialogue and training of policy makers through its Staff Development and vocational training programmes and supporting the labour market survey prepared by the national statistics office.

Major bilateral co-operation projects exist with Germany, Denmark, Canada and the Nordic Council to assist in or develop projects for staff training, the development of a business training network, the creation of a training centre for metal technology, training for the unemployed and up-grading for adults, a teacher training system and the improvement of business education.

National priorities

The main national priorities are to:

- establish a concept for vocational training;
- prepare a vocational training law;
- disseminate the pilot phase of PHARE programmes;
- develop a national occupational and educational standards system;
- develop the post secondary and tertiary vocational training;
- develop training of teachers and school managers.

Establishment of a National Observatory

The European Training Foundation has supported the establishment of a National Observatory in Latvia (hosted in the Academic Information Centre; Valnu iela 2; 1098 Riga). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in Latvia.



Vocational education and training in Lithuania - Fact sheet

Overview

The 1994 "General Concept of Education" government paper presented the global objectives of: strengthening vocational training institutions, decentralising vocational training policy formulation, identifying alternative private funding, improving standards and skill mis-matches and addressing the needs of disadvantaged people and areas. So far reform has concentrated on curricula modernisation and, beyond the draft law, no significant progress has been made in the legal framework. Future policy will propose the future structure of the vocational training system including: the licensing of vocational training institutions; counselling, initial and continuing training, financing. This framework will be based upon co-operation with the social partners.

Responsible bodies

The **Ministry of Education and Science** has overall responsibility for initial vocational education and training. Responsibility for post-secondary vocational colleges and vocational training schools lies predominantly with this Ministry, although some professions have specialist schools where other ministries have responsibility, for example the Ministry of Agriculture.

The **Ministry of Social Security and Labour** is responsible for continuing training.

The **Lithuanian Vocational Training Council** (composed of ministries, vocational training institutions and social partners) provides advice on strategic vocational training issues.

The **Lithuanian Labour Market Training Authority** (AVTCC) organises labour market re-training via regional centres and services.

The **Lithuanian Chambers of Commerce, Industry and Crafts** are seeking to establish a network of chamber training centres.

Financing vocational training

Vocational training is mainly financed from the state budget, with a limited amount from the labour exchanges, employers and charitable sources. In 1996, 71 million Litas (US\$ 17.75 million) were allocated to 65 vocational schools and 62 million Litas (US\$ 15.5 million) to 37 institutions of further education (an increase of 35% on 1995 levels). 56.5 million Litas (US\$ 14.125 million) were allocated for labour market policy training in 1995.

Continuing education and training is financed both through the state budget of the Ministry of Social Security and Labour, and the Employment Fund, an inter-ministerial fund of state budget subsidies and wage fund contributions managed by the Lithuanian Vocational Training Council. In 1996, the estimated allocation for continuing training was 370,000 Litas (US\$ 92,500) from the Ministry, and 52 million Litas (US\$13 million) from the Employment Fund.

Education represented 22% of the national budget, 5.7% of GDP. The budget allocation to vocational training in 1995 was 0.67% of GDP. It is estimated that non-state sources represent about 5% of the budget.

Continuing training

Under the responsibility of the Ministry of Social Security and Labour, the Labour Market Training Authority is responsible for continuing training, including the re-training of the unemployed. It has 6 regional labour market training services and 14 training centres which operate flexible (modular) curricula. Presently adult re-





training is only supported if a job is guaranteed afterwards. 95,000 adults participated in schemes in 1995 (4.5% of workforce). Paid leave for continuing training is foreseen within vocational training legislation. Currently 95 private institutions provide continuing training and a substantial amount is delivered within companies.

International support activities

The EU PHARE Programme has been the largest donor since 1991, supporting in 1993-94 a programme for the development of the labour market and unemployed training systems, in 1995 a 2-year programme on vocational education and training, and a multi-lateral programme for distance education.

Since 1992, the Tempus programme has supported the restructuring of university education in Lithuania. It is a full participant in the Leonardo da Vinci programme and a national coordination unit has been set up.

A Nordic-Baltic Co-ordination Group on vocational training teacher training has been set up. Single country projects include training of teacher trainers, 'learning-company' concept development, the establishment of an institute of vocational education, vocational training for disabled people, and a 'dual-system' for training in metal trades, employment services support and curriculum development in specific occupations. A World Bank loan has been agreed for the computerisation of the Lithuanian education system.

National priorities

The main priorities for Lithuania are:

- the establishment of the legal framework for vocational training;
- labour market studies on demand for specialists and the development of the relationship between schools, enterprises and the labour market;
- encouragement of the involvement of the social partners in vocational training.
- improving financial and management procedures, and information and telecommunication technologies, especially in rural areas;
- modernisation of equipment and materials;
- new methods of curriculum development;
- improvement of teacher training and teacher qualifications.

Establishment of a National Observatory

The European Training Foundation has supported the establishment of a National Observatory in Lithuania (hosted in the Methodical Centre for Vocational Education and Training, Gelezinio Vilko g.12, LT-2600, Vilnius). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in Lithuania.



Vocational education and training in Poland - Fact sheet

Overview

Reform efforts have mainly been initiated on the regional, local and school levels. Vocational education comprises: basic vocational schools (3 years), secondary technical schools (4 to 5 years), secondary schools of vocational education (4 years "lycea"), technical "lycea" (4 years) and post-secondary vocational schools (2 years).

The directions of educational changes were defined in the "Strategy for Poland". It characterised investment in human capital, including education and science, as central to economic transformation and accession to the EU. Measures concerning vocational training include the involvement of social partners in curriculum development and accreditation schemes at national and local level.

Responsible bodies

The **Ministry of National Education, Department for Vocational Education and Continuing Education**, co-ordinates and implements the overall policy. At the request of sector ministries, it also determines the classification of professions. The ministries co-operate in: framework teaching plans; curricula for training in a given profession or a vocational profile; terms and conditions of endorsing curricula; textbooks and inventories of such curricula; and recommending teaching aids and textbooks.

The **Office for Educational Strategy** operates within the Ministry of National Education structure. Its tasks include design and co-ordination of long-term operations aimed at the restructuring and development of national education.

The **Ministry of Labour and Social Policy** manages the training and re-train-

ing of the unemployed as well as vocational guidance.

The following **other ministries** are responsible for delivering training: Ministry of Labour and Social Policy; Ministry of Agriculture and Food Industry; Ministry of Transportation and Maritime Economy; Ministry of Protection of Environment, Natural Resources and Forestry; Ministry of Culture and Art; Ministry of Health and Social Security.

Financing vocational training

The state budget is the main source of funding. Vocational schools receive 22.5% of the total education budget, whilst 7.4% of the funds go to general secondary schools. Additional funds come from local administration budgets, donations and special funds. The law on education allows schools to establish their own special budgets. The size of such budgets depends on the school management's entrepreneurial talents and the school's assets, such as premises that can be let out or facilities and staff to run training courses for the public.

Regional labour offices are in charge of administering training schemes for the unemployed financed out of the Labour Fund and based on the Law on Employment and Counteracting Unemployment (1996).

Continuing training

Continuing training is the first segment of vocational training to have applied market principles. In 1996, there were 4,936 establishments for continuing training run by over 2,000 providers that offered training to over 1.65 million people. In 1996, 44,000 unemployed people participated in re-training courses, of





whom 60% subsequently found jobs. The scarcity of continuing training places in relation to the demand has led the national authorities to identify distance learning as a priority for the future, particularly in rural areas, as a means to increase access to continuing training.

International support activities

Support, largely from the G24 countries and organisations, includes the "Employment promotion and services" project; a US\$ 8 million World Bank loan granted to the Ministry of Labour and Social Policy, including US\$ 9 million for an Adult Training Component. Substantial bilateral support has also come from the USA, Germany, France and the UK.

The EU through PHARE is by far the largest foreign contributor to education and training reforms with about 33 million ECUs for education and training programmes.

National priorities

The government has set the following strategic targets:

- developing a national framework of qualification and curriculum standards, as well as quality assurance and evaluation systems;

- reducing training in basic vocational schools and increasing training in full secondary education, especially in rural and highly industrialised areas;

- increasing the percentage of students among the 20-24 age group to 33-35 %;

- diversifying and expanding post-secondary training opportunities through the introduction of professional post-secondary institutions offering bachelor degrees;

- developing lifelong learning to provide opportunities for training and re-training for all age groups;

- developing a vocational counselling and guidance system both inside schools and in specialised institutions.

Establishment of a National Observatory

The European Training Foundation has supported the establishment of a National Observatory in Poland (hosted in the Task Force for Training and Human Resources (BKKK), 79 Koszykowa, 02 008 Warszawa). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in Poland.



Vocational education and training in Romania - Fact sheet

Overview

Romania has made steps towards the modernisation of its system. Nevertheless, there is not yet a systematic, comprehensive and coherent approach to the reform process. To date, the vocational education and training system is characterised by a high degree of centralisation, a weak school infrastructure (due to under-investment for a long period), a lack of well trained administrative staff in the bodies responsible for vocational education and training, a lack of well trained teachers/trainers and an outdated and narrow curricula in the majority of schools. Limited financial resources are one of the major constraints for the continuation of reforms.

Major challenges include developing a legal framework for vocational education and training, institution building, and investing in equipment and human resources

Responsible bodies

The **Ministry of Education** has the overall responsibility for vocational education and training within the formal education system. It develops strategies and policies, prepares legislation and manages public education. It also approves curricula, national assessment standards and the school network.

The regional representatives of the Ministry, the **County School Inspectorates** ensure the implementation of and compliance with the policies and decisions of the Ministry of Education.

The **Ministry of Labour and Social Protection** and its regional branches, the **County Labour and Social Protection Directorates**, are responsible for the re-training and further training of the labour force.

Financing vocational training

The education budget is 4% of GDP. In 1995, the budget for vocational education and training (provided within the frame of the formal education system) was 0.52% of GDP. The main source of financing is the central budget. Local public administrations also contribute to building, repairing and maintaining schools.

Continuing training of the unemployed is financed by the Ministry of Labour and Social Protection out of the Employment Fund, made up largely of employers' contributions (5% of their overall gross payroll costs) and employees (1% of their gross salaries). About 20% of the fund is used for continuing training of the unemployed. Budget subsidies also contribute to cover funding gaps.

Continuing training

Training activities are planned on the basis of an annual national framework programme which brings together individual programmes developed by each county. Continuing training courses are organised within County Training, Re-training and Further Training Centres, schools or other training units. The new government has planned a rapid restructuring of the economy which is expected to increase unemployment. Therefore, it also planning to support training for the workers who will become redundant and promote the training of the employed in order to adapt their skills to the new requirements of the economy.

International support activities

PHARE has supported developments in vocational education and training particularly with a 25 million ECUs programme on vocational education and





training reform (1994-1997). The programme focuses on the national level and the policy framework of curriculum development, assessment and standards, teachers for vocational education and training strategy reviews, etc. At school level it supports implementation of new curricula and teaching methods, development of new teaching and learning materials, specification of appropriate school equipment for the new curricula, etc. A number of other programmes had vocational training components, such as the programme for Active Employment Measures, the Repede programme on management development, the Labour Market in Romania programme, and the small and medium-sized enterprises (SMEs) and Regional Development programme.

Within its programme on education reform, the World Bank Project (including a loan of US\$ 50 million) has helped to establish the Council for Occupational Standards and Assessment. The World Bank has also started a programme on Employment and Social Protection (1996-2000) components of which concern the development of continuing training (with a loan of US\$ 14.6 million, matched by a Romanian contribution of US\$ 6.5 million) and career counselling for young people and adults (a loan of US\$ 6 million)

A number of bilateral programmes have supported the setting up of training centres for the unemployed (Germany) and for management and business development (the USA, the UN and the UK).

National priorities

The main priorities for the government are to :

- build a comprehensive legal and institutional framework for vocational education and training;
- decentralise the management of the system;
- increase financial resources through a participatory financing system, which will pool funds from the central budget, budget of local authorities and other state and private agents and set up a vocational training fund;
- develop an information system and mechanisms for optimising the demand and supply for vocational training at national, regional and local level;
- base the training system on vocational standards as benchmarks for quality.

Establishment of the National Observatory

The European Training Foundation has supported the establishment of a National Observatory in Romania (hosted in the Institute for Educational Sciences (37, Stirbea Voda str., sector 1 Bucharest). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in Romania.



Vocational Education and Training in Slovenia - Fact sheet

Overview

Reforms combining EU practice and Slovenian traditions, are being introduced by legislation (Law on Vocational and Professional Education and Law on Adult Education, 1996). The main reforms should be fully implemented by the year 2000. The principal aim is to enable everyone, even those with weaker learning abilities, to acquire at least basic vocational education. Reforms also improve the links between the school system and the employment system and aim to facilitate the transition from education to work.

Responsible bodies

The **Ministry of Education and Sport** has responsibility for the school system and is the main policy-making body with budgetary responsibility and control. Some 14 school boards (administrative regions) are to be established as part of this Ministry.

The **Ministry of Labour, Family and Social Affairs** has the responsibility of preparing a list of occupations/occupational groups, the level of their requirements and the main tasks performed within each of them. The list will be based on proposals and suggestions from the employers.

Financing vocational training

Vocational education and training is currently financed out of the state budget. The Ministry of Education and Sport receives the funds and allocates the money to schools. From all public funds for education in 1995 (5.85% of GDP), 11.3 % went to secondary level vocational and professional education for young people. With the reform of the vocational training system and the introduction of the dual-system, the employers will contrib-

ute to its financing. The state budget funds for continuing training are mainly allocated by the Ministry of Labour, Family and Social Affairs (some programmes for adults are co-financed by the Ministry of Education and Sport). In the craft sector a fund has been established to support workers training. According to the collective agreement the craftsmen are obliged to pay 1% of gross wages into this fund.

Continuing training

The Employment Law (1990) guarantees employees the right to continuing training and education. Innovative training actions are being targeted at disadvantaged persons and regions. For the former, "job club" initiatives are training long-term unemployed in job application skills. A pilot Training Development Fund is being developed in Slovenia's region of highest unemployment (Maribor). This will give incentives to training providers in the region to develop new flexible training programmes for skills in demand.

The certification system will be a major innovation in continuing training. It will be flexible and based on nationally adopted standards of knowledge and competence. The certificates will be nationally recognised.

International support activities

At present there are around 25 bilateral agreements between Slovenia and other countries and international organisations for co-operation in the spheres of education, culture and science.

PHARE programmes are making a major contribution (3 million ECUs on vocational training reform from 1995 to 1997, 14.79 million ECUs from Tempus from 1992 to





1996) to the vocational training reforms on all of the key issues: higher education; apprenticeship system; curricula modernisation; certification; non-university higher vocational training; dissemination; social partner involvement; vocational counselling and guidance; etc. The Ministry of Education is using the PHARE vocational training programme to stimulate the reform from basic vocational education at secondary level to the higher non-university professional level. To this end it implements projects for curriculum development, teacher training, policy development and establishment of new structures. In 1997, adult training reform is also being promoted through this programme.

National priorities

The main priorities for the Government are:

- further development of post-secondary colleges;
- the introduction of the dual-system;
- encouraging (and strengthening) social partnership with chambers and trade unions and transferring part of the responsibilities (and financing) for the vocational training system, especially to employers;

- curricula modernisation for all types and levels of training;

- development of master craftsman courses;

- development of a certificate system for continuing training based on standards (the regulation for this certificate system is under preparation as well as the list of occupations concerned, including qualification requirements for each occupation);

- encouraging decentralisation of vocational training policy and strengthening regional economic development in line with overall policy priorities.

Establishment of a National Observatory

The European Training Foundation has supported the establishment of a National Observatory in Slovenia (hosted in the Centre for Vocational Education, Kavciceva 66, Ljubljana). The National Observatory gathers and analyses information on developments of the vocational training system and the labour market. On the basis of this information the National Observatory and the Foundation periodically produce country reports on vocational training developments in Slovenia.



Key indicators on Central and Eastern European countries

	Bulgaria	the Czech Republic	Estonia	Hungary	Lithuania
Area	110,993 km ²	78,864 km ²	45,227 km ²	93,033 km ²	65,200 km ²
Population/ Population density	8.34 million 75.1 per km ²	10.3 million 131 per km ²	1,462,130 (1997) 32.3 per km ²	10.2 million 110 per km ²	3.7 million 56.9 per km ²
% urban population	67.8	74.7	69.8	62.6	65.0
% population growth	-5.0	-0.1	-1.0	-0.03	-1.1
GDP in billions of ECU	9.9	94.0	5.9	33.4	14.0
GDP per capita in purchasing power parity (ECU)	4209	9,410	3,920	3,343	4,100
% GDP increase/decrease	-10.9% (1996)	+4.0 (1996)	+4.0 (1996)	+1.0 (1996)	+3.6 (1996)
% annual inflation	123 (1996)	8.8 (1996)	23.0 (1996)	23.6 (1996)	24.6 (1996)
% unemployment (ILO methodology)	13.7% (1996)	3.4 (1996)	10.2 (fourth quarter 1997)	9.2 (1996)	7.3 (1996)
Young unemployed % (age group under 25)	37.7	6.1 (1996)	11.8 (1994)	15.7	5.1 (1996)
% young unemployed of all unemployed (age group under 25)	under 24: 22.7 (march 1997)	13.0 (1996)	23.6	27.7 (1996)	42.0 (16-29 year olds)
Participants of initial vocational education and training as % of all students of secondary education	57.2	84.3 (1995 - age group 14-19)	25.9	73.0	36.7
Drop-out rate as % of initial vocational education and training students	4.0	8.7	14.0	N/A	8.4 (1995/96)
Education budget as % of GDP	4.9	5.9	5.3	7.8 (1996)	5.7
Vocational education and training budget as % of GDP	1.7	1.3	1.2	N/A	0.7
Unemployment rate % by educational attainment	higher education: 5.1 secondary level certificate: 8.7 primary, or lower secondary level education: 12.8	university graduates: 0.7 (1996) full secondary education graduates: 1.3 (1996) primary and lower secondary education: 9.4 (1996)	higher education: 13.2 secondary level certificate: 18.4 primary, or lower, level education: 10.6	university degree holders: 3.2 acquired secondary level certificate: 11 primary, or lower, level education: 7.5	higher education: 5.21 secondary level certificate: 9.3 primary, or lower, level education: 13.51
Signed the Europe Agreement with the European Union in	1993	1993	1995	1994	1995
Candidate for EU membership.	yes	yes	yes	yes	yes

Notes: Data refers to 1995 if not indicated. Data on Slovakia is not available.



	Latvia	Poland	Romania	Slovenia
Area	64,589 km ²	312,690 km ²	237,500 km ²	20,250 km ²
Population/ Population density	2,479,900 Million 38.4 per km ²	38,609,000 119 per km ²	22.6 million (1996) 123 per km ²	2 million (1996) 98 per km ²
% urban population	68.9 (1996)	61.8	54.4 (1992)	50.1
% population growth	-1.1 (1996)	1.97 (1994)	0.2	between 0 and 1
GDP in billions of ECU	3.4	90.2	93.0	14.2
GDP per capita in purchasing power parity (ECU)	3,159	2,359	4,100	7,236
% GDP increase/decrease	2.5 (1996)	+6.0 (1996)	+4.1 (1996)	+4.0 (forecast for 1997)
% annual inflation	17.6 (1996)	19.9 (1996)	38.8 (1996)	9.7 (1996)
% unemployment (ILO methodology)	18.3 (1996)	12.4 (1996)	8.0	7.3 (1996)
Young unemployed % (age group under 25)	age 15-19: 14.2; age 20-24: 21.8;	28.7 (1996)	20.6	18.8 (1996)
% young unemployed of all unemployed (age group under 25)	25.6	N/A	N/A	7.3
Participants of initial vocational education and training as % of all students of secondary education	50.9	78.0	68.5	77.6
Drop-out rate as % of initial voca- tional education and training stu- dents	13.0	13.0	N/A	20.0
Education budget as % of GDP	5.2	6.2 (1994)	4.0	5.85
Vocational education and training budget as % of GDP	0.6	0.7	0.5	0.6
Unemployment rate % by educational attainment	higher education: 2.46 secondary education: 7.04 primary education: 10.92	N/A	university degree holders 2.7 secondary level certificate 8.5 primary, or lower, level education 5	higher education: 2.4 secondary level certificate: 5.75 primary, or lower, level education: 8.19
Signed the Europe Agreement with the European Union in	1995	1991	1993	1996
Candidate for EU membership.	yes	yes	yes	yes



GDP per capita as % of EU average



Sources: European Commission, UN, World Bank, OECD

Europe - International

Information, comparative studies

CEDEFOP and the social partners

THEUNISSEN A-F.

European Centre for the Development of Vocational Training, CEDEFOP

Thessaloniki, 1997, 38 p.

(Panorama 5065)

CEDEFOP, POB 27 - Finikas,

GR-55102 Thessaloniki.

info@cedefop.gr

EN FR

The purpose of this information and discussion document is to get a better insight into the demands and the expectations of the social partners vis-à-vis CEDEFOP. The author analyses the role of the Centre, the priorities of the social partners in the field of vocational training, their demands in terms of the sectors and modes of intervention of CEDEFOP, and the relations between the Management Board and their organizations.

The resulting lines of action are a source of inspiration for the discussion on the tasks and objectives of the coming years.

Competencies in two sectors in which information technology (IT) exerts a strong influence: telecommunications and administration/offices, Case studies in Italy, France and Spain.

GONZALEZ, L.; GATTI M.;

TAGLIAFERRO C.

European Centre for the Development of Vocational Training, CEDEFOP

Thessaloniki, 1997, 52 p.

(Panorama 5064)

CEDEFOP, POB 27- Finikas,

GR-55102 Thessaloniki,

info@cedefop.gr

EN ES

The study, which was conducted in three countries (Spain, France and Italy) aims to identify new professional competencies in which information technologies have a particularly strong impact: telecommunications, a sector which plays a vital role in the evolution of IT, and administration

and office work which make general use of IT and which, while not a productive sector, is a transversal and intersectoral area processing data and information. The study envisages the description of certain functional activities and definition of the required competencies in order to provide a reference framework for training curricula.

Education, training and work research, findings and conclusions.

European Centre for the Development of Vocational Training, CEDEFOP

Thessaloniki, 1997, 53 p.

(Panorama 5066)

CEDEFOP, POB 27 - Finikas,

GR-55102 Thessaloniki.

info@cedefop.gr

EN

The links between education and training on the one hand, and work, economic growth and new technologies on the other were subject of a seminar organized by CEDEFOP in November 1996. Although the contribution of education and training to economic growth and productivity is widely confirmed by research results, numerous questions remain open. They concern the nature of skills needed, problems of unemployment and of the transition of young people into working life, and the role of education and training policies. The papers presented at the seminar discussed some recent research work carried out in these fields and give an overview of on-going activities. The conclusions drawn indicate that no single policy is expected to substantially increase economic growth and employment, and to decrease unemployment. What is more, a policy-mix and a package of strategies is necessary to achieve these goals.

Continuing vocational training survey in enterprises 1994 (CVTS), methods and definitions.

Statistical Office of the European Communities, Eurostat

Luxembourg, EUR-OP, 1996, 61 p.

(Population and social conditions methods)

Reading selection

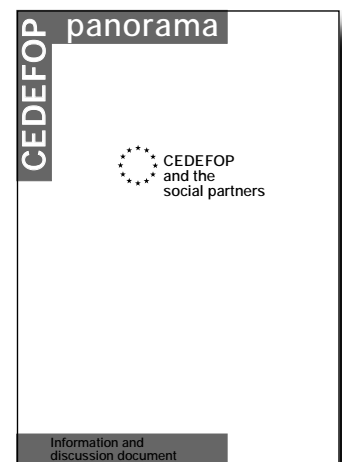
This section has been prepared by

Martina

Ní Cheallaigh,

and the Documentation Service with the help of members of the national documentation network

This section lists the most important and recent publications on developments in training and qualifications at an international and European level. Giving preference to comparative works, it also lists national studies carried out as part of international and European programmes, analyses of the impact of Community action on the Member States and national studies seen from an external perspective.





ISBN 92-827-8740-0, en.
EN FR DE

This publication describes the conceptual background to CVTS, the first survey carried out by Eurostat in 1993 on continuing vocational training, and how the requirements worked out at community level were implemented in the 12 Member States of 1994. It also gives a quantitative overview of the findings of the survey in summary form for the then 12 Member States.

Education across the European Union statistics and indicators 1996.

European Commission
Luxembourg, EUR-OP, 1997, 349 p.
(Theme 3 series A)
ISBN 92-827-9631-0
EN FR DE

This publication provides comparable data for the 15 Member States of the European Union on pupils, students and teaching staff, as well as educational attainment levels of the population. It focuses largely on the academic year 1993/94, supplemented by a time series for certain variables 1975/76- 1993/94. Indicators range from the proportion of the population in education to the most popular modern foreign languages taught at school, and from the age structure of new entrants to higher education to the proportion of students attending university abroad. A number of these indicators are provided for the regions of the EU. Finally, drawing on data from the Community labour force survey, the publication contains a special section on the levels of educational attainment of the population.

Study group on education and training - Report, Accomplishing Europe through education and training

European Commission - DG XXII
Luxembourg, EUR-OP, 1996, 99 p.
ISBN 92-827-9493-8, en.
92-827-9494-6, fr
<http://europa.eu.int/en/comm/dg22/reflex/en/homeen.htm>
ISBN 92-827-9493-8, en
EN FR DE

This document prepared by the Study Group on education and training ad-

resses the idea that the education system has a role to play in the promotion of an active European citizenship. Thus, for the purposes of developing a programme of citizenship education, Europe and the Member States should take action in the three following domains: 1) to affirm and transmit the common values on which its civilization is founded; 2) to assist in devising and disseminating ways of enabling young people to play a fuller part as European citizens, with a particular focus on teaching and learning; and 3) to identify and disseminate the best practice in education and training of citizenship in order to filter out the best means of acquiring the elements of European citizenship

Continuous vocational training in the road freight and passenger transport sectors.

European Commission - DG XXII
Luxembourg, EUR-OP, 1997, 240 p.
ISBN 92-827-9026-6, en.
EN FR

This survey on continuing vocational training in the European road transport sector was carried out within the framework of the EC FORCE Programme. The main purpose is to identify exemplary and significant practices across the twelve member states in the field and discuss the transferability of such exemplary training from one country to a range of others or to the whole European Union. This synthesis report represents a summary of all of the findings in the national reports which discusses the road freight transport sector in the relevant country and present interesting case studies of road transport companies.

A decade of reforms at compulsory education level in the European Union (1984-94).

European Unit of EURYDICE,
Brussels, 1997, 313 p.
ISBN 2-87116-255-7, en.
EN FR

The EURYDICE network was asked by the European Commission to provide detailed information on the education reforms introduced throughout the European Union and together with a group of academic experts this report was produced. The first





part presents a comparative, historical analysis of the reforms introduced by the Member States of the European Union and the EFTA/EEA countries in compulsory education and identifies the main trends. The second part comprises individual descriptions of the national situations, country by country.

L'insertion des jeunes et les politiques d'emploi-formation.

GAUDE J.

International Labour Office, ILO. Training and Employment Department
Bureau International du Travail, BIT.
Département de l'emploi et de la formation, 1997

(Cahiers de l'emploi et de la formation, 1)

ISBN 92-2-210491-9

ISSN 1020-5330

FR

This study looks into the issues of training and employment for young people between 15 and 24 years old and the obstacles they face in their effort to either enter the employment market or to stay on in jobs after finishing their initial training.

Employment policies and programmes in Central and Eastern Europe.

GODFREY M.; RICHARDS P.

Geneva, International Labour Office, ILO, 1997, 220 p.

ISBN 92-2-109515-0, en

EN

This volume consists of papers presented to an international conference on employment policies and programmes in Central and Eastern Europe held in Budapest in June 1994. It contains comparative country studies on Bulgaria, the Czech Republic, Hungary, Poland, Romania, Slovakia, Slovenia and Ukraine. It looks at government responsibilities in relation to employment, ways of improving the operation of the labour market (through laws, regulations, assistance with job search, and so on), the range and content of programmes and the financing of employment services and unemployment benefits.

Five years later: reforming technical and vocational education and training in Central Asia and Mongolia.

PROKHOROFF G.; TIMMERMANN D.

International Institute for Educational Planning, IIEP, Deutsche Gesellschaft für Technische Zusammenarbeit, GTZ
Paris, IIEP, 1997, 122 p.

(IIEP research and studies programme)

IIEP, 7-9 rue Eugène-Delacroix,

75116 Paris

EN FR

This report takes a synoptic, analytical and comparative look at the salient features of VET in five republics of Central Asia (Kazakhstan, Kyrgyzstan, Mongolia, Uzbekistan, and Turkmenistan and Mongolia which formerly did not belong to the USSR) since they became independent in 1991. The rapid transformation of the economy and the labour market inevitably resulted in a state of crisis for the training system. In this context, this book reviews the state of technical and vocational education five years after independence. It also includes a comparative analysis of the technical and vocational education systems in these countries and how they are being adapted to their new environment following the break-up of the USSR.

La mise en place de formations initiales en alternance: enjeux, problèmes et solutions

GREFFE X

International Institute for Educational Planning, IIEP, Deutsche Gesellschaft für Technische Zusammenarbeit, GTZ
Paris, IIEP, 1997, 85 p.

(IIEP research and studies programme)

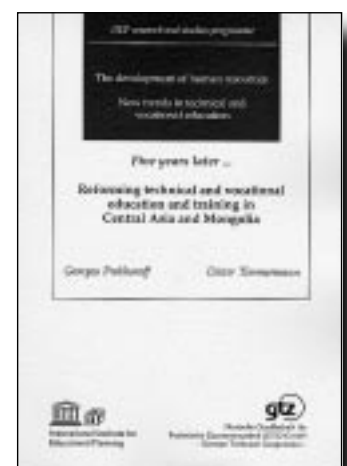
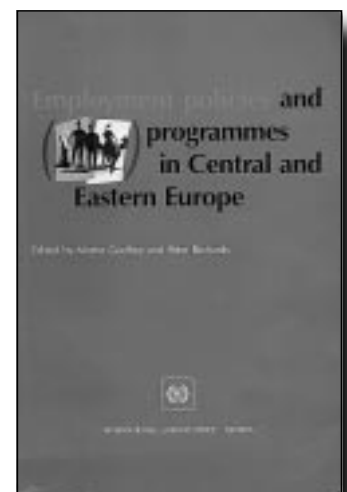
IIEP, 7-9 rue Eugène-Delacroix,

75116 Paris

EN FR

Alternance training today contains many alternatives for the entry of youth in the working world, because it seems to be the best means of giving young people better qualifications, of helping them to retain the professional skills they have acquired and helping them to get accustomed to life in the enterprise. This document defines the possible objectives of alternance training, taking account of the many different actors involved.

It shows how a number of developed countries are managing their alternance





training system and presents the main results of this training in terms of directing the flows towards technical and professional occupations, their internal efficiency, and also their external efficiency, especially in terms of the opportunities offered to youth of getting stable employment and retaining it.

Reviews of national policies for education - Greece.

Organisation for Economic Co-operation and Development, OECD, 1996
Paris, 1996, 212 p.
ISBN 92-64-15365-9, en.
EN FR

Education in Greece faces many urgent and serious problems. The causes and magnitude of these problems are analysed, and specific proposals for measures to overcome them put forward. The emphasis should be on meeting the demand for education, improving the educational infrastructure, and raising the quality and relevance of education throughout the system. The authors conclude that for this to be done, the planning and management of education must be radically changed, decision-making less centralised, and objective systems of evaluation and accountability established.

Reviews of national policies for education - Poland.

Organisation for Economic Co-operation and Development, OECD,
Paris, 1996, 153 p.
ISBN 92-64-14897-3, en.
EN

This review focuses on all areas of the Polish system of education and training, including the quality and effectiveness of education, the teaching profession and teacher education, higher education and the financing of education. It concludes with specific proposals to develop a human resource development policy in Poland.

L'éducation, un trésor est caché dedans, rapport à l'UNESCO de la Commission internationale sur l'éducation pour le vingt et unième siècle.

DELORS J., et al

Paris, O. Jacob, 1996, 312 p.
ISBN 2-7381-0381-2
FR

At the request of the Director-General of UNESCO, Federico Mayor, an international commission chaired by Jacques Delors reflected on education and learning for the 21st century. This report presents these reflections and makes some proposals for the reform of education. The first part examines the place of education in the economic and social development of society. The second part defines the four pillars of education which will be the pillars of knowledge for each individual throughout his life (learning to know, learning to do, learning to live together and learning to be). Finally, the last part analyses the tasks of the education system - from primary education to the university -, the role of teachers, educational policies and international cooperation.

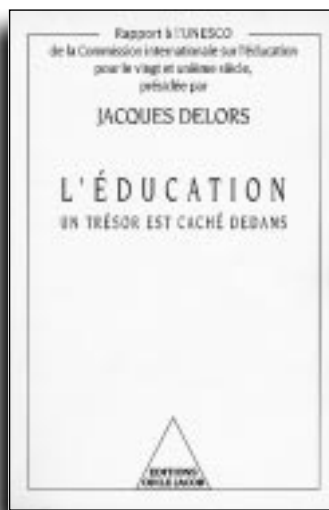
The challenge of the future, future trends in adult and continuing technical and vocational education.

UNESCO. International Project on Technical and Vocational Education, UNEVOC, 1996
Berlin, 1996, 108 p.
UNEVOC Implementation Unit in Berlin, Fehrbelliner Platz 3,
D-10707 Berlin,
uhber@unesco.org
EN

This is a report on an International Symposium that was organised and conducted by the UNEVOC Implementation Unit in Berlin of the UNESCO International Project on Technical and Vocational Education. The report sees the need for learning throughout life as the key to the 21st century and the need for a much closer integration between education and training for the world of work. In short, 'learning throughout life must take advantage of all the opportunities provided by society'.

Youth transitions in Europe: theories and evidence/Insertion des jeunes en Europe: théories et résultats

WERQUIN P, BREEN R, PLANAS G
Centre d'Etudes et de Recherches sur les Qualifications, CEREQ
Marseille, 1997,





(Documents no 120, Seminaires series)
Céreq, 10 place de la Joliette,
F-13474 Marseille cedex 02
EN/FR

Over the past few years, an annual workshop has brought together researchers from all over Europe to address the issue of youth transition. The goal of the meeting held in La Ciotat in 1996 was to bring out the links between empirical and/or statistical results and the theories that allow these to be understood. Among the twenty-odd presentations, most authors focused on the transition from initial training to the various itineraries of young people on the labour market. The articles deal with the question of the school-to-work transition in technical and theoretical terms. Some contributions deal explicitly with the international comparison while others involve only one country. Most of them have direct implications in terms of political economy or, more broadly, the functioning of the labour market encountered by young people.

Getting in, climbing up and breaking through: women returners and vocational guidance and counselling.

CHISHOLM L.

Bristol, The Policy Press, 1997, 80 p.

ISBN 1-86134-032-X

EN

This is the first comparative study to offer specific information on the situation of women returners vis-à-vis education, training and employment in five European countries - Great Britain, France, Ireland, Germany and Spain. It provides examples of current guidance and counselling provision for women returners' needs and demands. It highlights the transnational issues and problems raised for recognising and meeting women returners' needs and demands, and looks at the ways women returners can be defined in conceptual, numerical and policy terms. The recommendations provide practical steps to improve their rights and opportunities.

La gestion des compétences, perspectives internationales.

COLARDYN D.

Paris. PUF. 1996. p. 228, bibl.

2-13-047552-3.

FR

After having stressed the notion of qualifications for many years, the education systems of the industrialized countries are now turning their attention to the notion of competences. Is this a passing fashion? Is it the sign of a profound change in our educational structures? This work attempts to explore this question in six of the G7 countries - France, Germany, Canada, the United Kingdom, the United States - and Australia. How are qualifications and competences handled in these countries? How do the educational systems react to the needs of the economy and a working population which is becoming more efficient and capable of anticipating the development of its skills? What methods are used to evaluate the required competences and to recognize and validate qualifications and acquired skills? Who are the partners in this process? The author underlines the progress achieved in the transferability of competences and the improvement of their visibility for the social partners. She also shows the efforts which have to be made to ensure the transfer of competences on the labour market. Finally, it seems that the management of competences attempted in the surveyed countries contains a great diversity of interpretations.

Qualifications intermédiaires et rapport de formation dans cinq pays de l'OCDE.

CAROLI E.

Institut de recherche et d'études sociales, IRES

in: Revue de l'IRES (Noisy-le-Grand)

n° 21, 1996, pp. 5-36

ISSN 1145-1378

FR

The author defines the benefit gained from training as the ratio between the training system and the salary level. She shows that the efficiency of training is essentially defined by the average level of intermediate qualifications - or rather the average level of the training of workers, foremen and technicians. The key role played by this level of training of these groups calls for an approach to educational phenomena which is not purely commercial. The countries studied were: Japan, the Federal Republic of Germany, the United States, the United Kingdom and France.



La formation dans les pays de l'Union européenne, Hormis la France, incluant l'Islande et la Norvège en raison de leur appartenance à l'Espace Economique Européen.

MERLLIE C.; LAIRRE V.; GAUTIER-MOULIN P, et autres.
Centre INFFO
Paris, 1997, 76 p.
ISBN 2-911577-16-7
FR

This document presents an updated and fuller version of the contents of Chapter 26 of the Practical Continuing Training Sheets issued by the Centre INFFO. For each country, the summarized presentation of the initial and continuing training system is completed by useful addresses and bibliographical references. Bibliographical cross references are given at the end of the volume.

Die Hochschulpolitik in Österreich und Ungarn 1945-1995, Modernisierungsmuster im Vergleich.

BESSENYEI I.; MELCHOIR J.
Frankfurt/M., Berlin, Wien, Wiener Osteuropastudien, 1996, 314p
ISBN 3-631-49882-9
DE

The comparative study of the development of universities in Austria and Hungary is the central point of the book. It offers interesting and surprising views into the dynamics of developments of university systems in east and west and analyses their principles of management, authoritative conditions and rationalization trends.

De aantrekkelijkheid van beroepsonderwijs: algemeen onderwijs en beroepsonderwijs in Nederland, Frankrijk en Noorwegen.

ONSTENK J.; MOERKAMP T.
Amsterdam, SCO Kohnstamm Instituut, 1997, 130 p.
ISBN 90-6813-509-0
NL

This analysis focuses on the relationship between general education and vocational training in The Netherlands in comparison with other countries where there is a similar mix of general and vocational education, but where the balance, history and

institutional practice are different, in particular, France and Norway.

Ausbildungsinadäquate Beschäftigung in Deutschland und den USA: Ein Vergleich von Struktur und Einkommenseffekten auf der Basis von Paneldaten

Büchel, F. ; Weißhuhn G.
Bonn : Bundesministerium für Bildung, Wissenschaft, Forschung und Technologie (BMBF), 1997. - 46 S.
ISBN 3-88135-313-5

This BMBF study is one of several survey series based on panel data, which have the aim of getting more information on the match between training and type of employment in an international comparison. It identifies imbalances in the relationship between qualification and workplace requirements in Germany and the USA with the aim of finding explanations for the causes and effects of this development. The empirical comparison of both countries will lead to a better assessment of the dimension of employment matching training in Germany.

The authors take two panel studies as the basis for their comparison: the "Panel Study of Income Dynamics" (PSID) from the years 1976 and 1985 in the USA and the Socio-economic Panel (Socio-ökonomische Panel - SOEP) from the year 1984 in Germany. They differentiate according to matching, over-qualified or under-qualified jobs, gender-specific differences and professional experience in both over-qualified and under-qualified jobs. The qualification level and the workplace characteristics of both populations was examined. The study is not restricted to simple frequency alone, but also works with multiple correlations and significance tests.

The first part gives a detailed description of the survey method. The second part interprets the findings and draws conclusions. It is seen that there are striking differences in the volume and structure of under-qualified jobs in both countries. Career opportunities and risks are - independent of the level of education - considerably richer in variation in the USA than in Germany. The higher risks in the USA are offset by greater opportunities. In addition to the degree of flexibility of the labour market, the differing assessment



of formal vocational qualifications plays a major role in career opportunities. The purpose of the study is to contribute to an improvement of the efficiency of the education system and its performance. The Annex to the volume contains an extensive documentation of the empirical findings.

European Union: policies, programmes, participants

Leonardo da Vinci 1995 call for proposals, analyses and results.

European Commission - DG XXII
Luxembourg, EUR-OP, 1997, 48 p.
ISBN 92-826-8774-0, en.
EN DE

This report presents the results of the first Leonardo da Vinci call for proposals covering three types of action to: 1) set up transnational pilot projects and multiplier-effect projects to enable those responsible for vocational training in the countries participating in the programme to experiment as well as to exchange and disseminate knowledge and experience; 2) carry out transnational placement and exchange programmes; 3) undertake transnational surveys and analyses.

Socrates: the Community action programme in the field of education, Report on the results achieved in 1995 and 1996.

European Commission
Luxembourg, EUR-OP, 1997, 81 p.
(COM (97) 99 final)
ISBN 92-78-16682-0, en.
ISSN 0254-1475, en.
DA FR DE EN ES FI EL IT NL PT SV

This report has the aim of analysing the main aspects of the implementation and development of Socrates in its first two years: 1995 and 1996. It consists of a summary which stresses the positive reception received by the programme thus enabling it to bring about a significant improvement in the volume and strategic approach of European cooperation. Part A compiles the results of the programme as a whole with the measures adopted for its implementation, the applications for assistance and the assistance granted in

1995 and 1996. It also describes the obstacles encountered and the challenges arising in the years to come. Part B lists the results obtained in each part of the programme: Erasmus, Comenius, Lingua, open and distance learning, adult education, exchange of information and experience on the educational systems and policy and complementary measures.

Tableau de bord 1996, follow-up to the conclusions of the Essen European Council on employment policies.

European Commission - DG V
Luxembourg, EUR-OP, 1997, 178 p.
(Employment Observatory)
ISBN 92-827-9023-1, en.
EN FR DE

The aim of the Synoptic Table is to present an overview of the principal labour market measures taken by each Member State. It is an instrument to assess progress towards structural reform of the labour markets, in the framework of the follow-up to the Essen Council decision of December 1994. This is the second edition, updated by the Member States in 1996. The thematic organisation is as follows: 1) vocational training: improving education and training systems, promotion of life-long learning, adapting to change, and recent measures; 2) increasing the employment-intensiveness of growth: more flexible organisation of work, income policies, promotion of initiatives, recent measures; 3) reduction of non-wage labour costs; 4) improving the effectiveness of the labour market policy and 5) improving measures to help groups which are particularly hard hit by unemployment.

Reporting System on Access, Quality and Volume of Continuing Vocational Training in Europe.

ANT M.; KINTZELE J.; HAECHE V.; WALTHER R.
Formation Continue en Europe, FORCE.
Institut National pour le Développement de la Formation Professionnelle Continue, INFPC
Neuwied, Kriftel; Luchterhand, Berlin, 1996, 344 p.
ISBN 3-472-02699-5, en.
3-472-02700-2, fr.
3-472-02698-7, de
EN FR DE





The reporting system is an up-to-date analysis of the current situation in continuing vocational training of the 12 (pre-1996) Member States of the European Union. It features a comparative description of the vocational training systems of the different countries, presented in terms of a user-friendly and clearly designed layout. The structured and systematic approach provides a comprehensive introduction to the theme followed by an overview of the legal framework, the content, typical best practice and key-development perspectives in continuing vocational training in the different countries covered.

Comett II, the final evaluation report.

European Commission
Luxembourg, EUR-OP, 1997, 120 p.
ISBN 92-826-9411-9, en.
EN FR DE

This report concerns the second phase of the COMETT Programme, COMETT II (1990-1994), which is the successor programme to COMETT I (1986-1989), the Community Action Programme for Education and Training for Technology. It is mainly based on the synthesis of a large number of evaluation and monitoring documents produced over the programme's lifetime, in particular the last two years. Given the range of activities developed under the COMETT programme, this report provides only a concise overview of what has been, in fact, a very rich and varied Community initiative - of which the main elements have been safeguarded under the new LEONARDO DA VINCI programme.

Review of Phare training activities.

BROCK R.
European Training Foundation, ETF
Turin, 1996, 67 p.
ETF, Villa Gualino,
Viale Settimio Severo 65,
I-10133 Torino
EN

This review covers training activities under the Phare programmes which are directly concerned with vocational education and training systems. It also examines all major Phare sectoral programmes, and for each of these areas summarises the main type of training activity carried out, gives details of sample programmes,

and identifies those where there is a significant VET component. For the purpose of this study "vocational education and training" means post-compulsory education geared to specific trades, initial training for those starting work, continuing/adult training and management training. TEMPUS and other "partnership" programmes are excluded from the study.

EU research and technological development activities, 5-year assessment of the European Community RTD framework programmes: Report of the independent expert panel.- Commission's comments.

DAVIGNON E, et al.
European Commission
Luxembourg, EUR-OP, 1997, 58 p.
(COM (97) 151 final)
ISBN 92-78-18099-8, en.
ISSN 0254-1475, en.
DA FR DE EN ES FI EL IT NL PT SV

The decisions on the framework programmes stipulate that the Commission should get independent experts to evaluate the management and the implementation of Community schemes. This report is a follow-up to the final evaluation of the 3rd framework programme. For the 5th framework programme, it recommends a strategic approach which will lead to a qualitative leap based on scientific excellence and economic and social validity coupled with European added value which should be the essential criterion for the selection of programmes and projects. The recommendations on the legal framework and improved implementation are the foundations of the strategy (Part A), and Part B presents the observations of the Commission.

Review of reactions to the White Paper "Teaching and learning: towards the learning society" Communication from the Commission.

European Commission
Luxembourg, EUR-OP, 1997, 14 p.
(COM (97) 256 final)
ISBN 92-78-20802-7, en.
ISSN 0254-1475, en.
DA FR DE EN ES FI EL IT NL PT SV

This communication summarizes the main political messages derived from the de-



bates following the appearance of the White Paper. The knowledge-based Union is built up on economic and social bases, on ethical values, around the concept of lifelong education and training and the importance of the new technologies. The Member States of the European Union should mobilize their political means, adopt new patterns of behaviour and find the necessary resources. The second part of this stocktaking lists ongoing experiments within the context of the White Paper's objectives, presenting for each one its implementation and the preliminary conclusions. In conclusion the following is announced: a precise evaluation later of the experimental phase, preparatory work to set up the legal instruments for achievement of the White Paper's objectives, the choice position which the Commission will accord to non-material investments in the reform of the structural funds and finally, guidelines which will inspire the development of action programmes in the fields of education, training and youth. The annex is devoted to the debates on the White Paper and the learning society.

Promoting Apprenticeship Training in Europe, communication from the Commission.

European Commission
Luxembourg, EUR-OP, 1997, 9 p.
(COM (97) 300 final)
ISBN 92-79-21806-5, en.
ISSN 0254-1475, en.
DA FR DE EN ES FI EL IT NL PT SV

The objective of this communication is to promote discussion of various aspects of apprenticeship training, which is seen as an efficient way of tackling the waste of resources caused by unemployment, and of equipping young people with the relevant skills for a job. It is also regarded as an adequate means for achieving the overall aim of closing the gap between the world of work and the world of education.

Training and Continuous Learning, Contributions on the organisational, social and technological dimensions of learning.

TOMASSINI M.; HORGAN J.; D'ALOJA P.; and others.

Milan, Angeli, 1996, (it), 247 p; 1997, (en), 238 p
(Isfol Strumenti e Ricerche, n° 62 it; 66 en)
ISBN 88-204-8766-7 (en)
IT EN

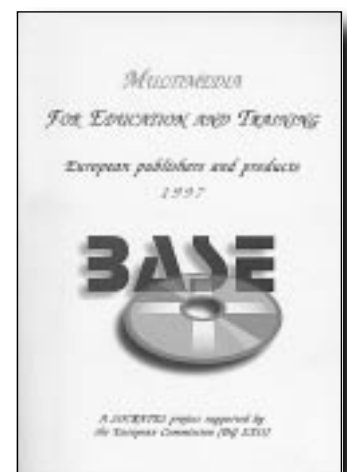
From a pedagogical ideal to a requirement for growth: this may be the key for interpreting the widespread interest in continuing learning and the decision of the European Union to proclaim 1996 the Year of Lifelong Learning. Current evolution of work systems and ways of life makes it necessary to constantly update the formal knowledge which each individual possesses and to optimise experience-based knowledge which manifests itself in the skills needed to manage the space of daily activity, solve problems, and interact with others operating in the same contexts. The individual valence of learning therefore continually intersects with organisational and economic valence. This book, which contains a collection of contributions made within the framework of two specific initiatives of the Eurotecte Community Programme in Italy, illustrates the basic role of training in these dynamics as part of an evolution away from traditional models, to facilitate lifelong learning processes in all their complexity. An English language version of the book has been published in 1997.

Multimedia for Education and Training, European publishers and products 1997

BASE - The database on multimedia organisations and products for education and training

BASE consortium
Paris, 1997, 391 p. + CD-Rom
ISBN 2-904-790-30-06
CENTRE INFFO,
Tour Europe Cedex 07,
F-92049 Paris la Défense,
Tel: 01 41 252222, Fax 01 47 737420
DE/EN/ES/FR/IT/PT (mixed)

This CD-ROM and European Directory of training multimedia is a database of educational software which was supported by the European Commission through the Socrates programme - the section on open and distance learning. It is a tool for publishers which will enable them to find the right place for their offers, to search for





products or to prepare their action at international level. Teachers and trainers can use it to select high-quality pedagogical products. BASE compiles data on 350 multimedia publishers from ten countries, it offers an analysis of the European training multimedia market, and lists an offer of 900 products accompanied by a detailed description.

Mobility in the EU - implications for the European Social Fund

Department of Enterprise and Employment, European Social Fund. Programme Evaluation Unit

Dublin, ESF Programme Evaluation Unit, 159 p.

ISBN 1-900256-29-0

EN

The opening addresses of this conference by the Irish Minister for Enterprise and Employment and the European Commissioner for Employment, Industrial Affairs and Social Affairs identified common areas where they saw scope for more action by the ESF. These were: the development of language capacity; creating greater awareness of different cultures and traditions and; mutual recognition of qualifications, while reflecting the fact that certification systems are a reflection of the diversity of our education and training systems. The conference then heard an economic perspective on the issue of mobility within the EU, followed by a summary version of the Discussion Paper prepared for the conference by the Irish ESF Evaluation Unit. Workshops then discussed the topic of European citizenship and the concept of mobility; harmonisation or transparency of qualifications and the implications for the ESF; mobility in the context of broad labour trends e.g. in employment, unemployment and ageing of the European labour force. In his concluding address the Director of the ESF referred to the mid term reviews underway in all Member States, and the possibility of re-focusing ESF supported programmes. He suggested that (1) the transnational elements of mainstream programmes could be enhanced (2) European added value should be regarded not just as an economic consideration, but because of the broader idea of European citizenship and the political, cultural and social aspects and (3) the area of mutual recogni-

tion of qualifications could be enhanced with support from the ESF. This could include the interlinking of certification systems between Member States, developing information systems, developing and piloting the accreditation of prior and informal learning and developing new qualifications for new areas of work.

Analysis of member state actions in favour of the Youthstart target group, European summary.

SVENDSEN S.

Danmarks Erhvervspaedagogiske Laerereuddannelse, DEL, 1996

Copenhagen, 1996, 20 p.

DEL, Rigersgade 13,

DK-1316 Copenhagen K

EN

This synthesis report is based on 17 national reports on actions and measures in favour of the Youthstart target group. These reports were prepared in 1996 by invited national experts. This summary gives 1) a comprehensive overview of Member States' actions and measures, 2) describes the characteristics of the groups of young people identified by Member States as being most at risk of not achieving the integration into the labour market (the Youthstart target groups), and 3) provides an initial analysis of the types of strategies being undertaken to provide for these groups. An annex is included which lists measures in the individual countries and provides cross references to the pages in the national reports where the individual measures are described and analysed.

Book of good practice, "Training young people on social competencies - some ideas -"

VOCHTEN A.

Flemish office for placement and vocational training, VDAB

Brussels, 1997, 28 p.

VDAB, CPOS, Keizerslaan 11,

B-1000 Brussels

EN

This document is the result of the transnational Nuori project of the Flemish Office for Placement and Vocational Training and the Flemish Institute for Self-employed Businesses, submitted under the



EMPLOYMENT-YOUTHSTART programme. It contains valuable 'good practice' information for the training of young people in social skills. The document also focuses on such aspects as cultural differ-

ences, the handling of conflicts, attitude forming and communication skills. Readers will also find useful references, including the addresses of current web sites on social skills.

From the Member States

NO The development of education 1994-96 Norway - National report.

Royal Ministry of Education, Research and Church Affairs, 1996

Oslo, 1996, 30 p.

Akersgt. 42, PO Box 9119 Dep. N-0032 Oslo

EN

Extensive educational reforms are being carried out in Norway, involving a review of all levels of education. Reforms in higher and upper secondary education are being followed up by a comprehensive reform of compulsory education. The current reforms take into account that education will increasingly have to be considered in a lifelong perspective, and that systems of continued education and training and lifelong learning must be developed.

B Onderwijsontwikkelingen in Vlaanderen 1994-1996

Ministerie van de Vlaamse Gemeenschap - Department Onderwijs

Brussels, 1996, 117 p.

Availability: Ministerie van de Vlaamse Gemeenschap - Department Onderwijs, Afdeling Informatie en Documentatie, Koningsstraat 71, B-1000 Brussel

NL

This report gives an overview of developments in education in Flanders for the period 1994-1996. It gives a continuous and phase-wise description of the organizational and legal structure of the different levels of education and study disciplines; it also addresses ways and means of achieving all pedagogical objectives for the next century. This report is intended for UNESCO and is a follow-up to the In-

ternational Conference on Education which was held in Geneva in September-October 1996; it contains a statistical analysis of the system and a textual description of recent trends.

IRL Human resource development: White Paper on human resource development.

Department of Enterprise and Employment

Dublin, 1997, 158 p.

ISBN 0-7076-3849-6

EN

The White Paper contains 9 broad objectives which are (1) promoting an increase in the level, relevance and the quality of training undertaken by enterprises to achieve best international practice (2) assisting small enterprises to overcome the skill barriers to development (3) improving the level of management training and development (4) helping young people to become more employable through the development of their skills (5) re-integrating the unemployed (6) promoting equal opportunities (7) strengthening the commitment to lifelong learning (8) developing quality assurance (9) ensuring the efficiency, effectiveness and net economic benefit of State expenditure on Human Resources Development. Measures to achieve these objectives include the establishment of an awareness programme on the skills and training needs of Irish business led by the social partners, a new employer-led Training Networks Programme to raise standards in firms to "best practice" and the establishment of a new agency, the National Employment Service, to play a major role in assisting the long-term unemployed back to work.



E Formación y empleo en España, análisis y evaluación de la política de formación ocupacional.

PEREZ SANCHEZ M.

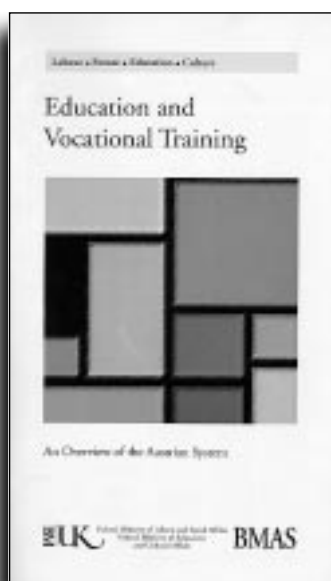
Granada, Universidad de Granada, 1997, 234 p.

(Biblioteca de Ciencias Políticas y Sociología - Estudios, 13)

ISBN 84-338-2280-2, es

ES

The Plan Nacional de Formación y Inserción Profesional (Plan FIP - Vocational Training and Insertion Plan) put into effect in 1985 by the Minister of Employment is the result of an attempt to reform the vocational training system in Spain. This study analyses the first five years of its existence. It is divided into 5 chapters: 1) relation between employment policy, labour market and vocational training policy; 2) the impact of new technologies; 3) training systems in some EU countries; 4) vocational training policy in Spain (Plan F.I.P.) and 5) the results of the study.



AT Education and vocational training: an overview of the Austrian system

Bundesministerium für Unterricht und kulturelle Angelegenheiten. Bundesministerium für Arbeit und Soziales

Vienna, 1996, 47 p

Availability: Bundesministerium für Unterricht und kulturelle Angelegenheiten, Freyung 1, A-1010 Vienna

DE EN

This brochure presents the present educational system in a short and clear way to show the reader that Austria is prepared for the future, and for the task of "lifelong learning". It includes an overview of the general education system at primary and secondary level; the vocational education and training provided at secondary level through the vocational schools and the apprenticeship system; post-secondary supply through the colleges and universities, etc.; career and non-career-related courses for adults; and types of labour market-oriented training for those seeking employment.

D Aus- und Weiterbildung zur unternehmerischen Selbständigkeit für Absolventen des beruflichen Bildungswesens

Bund-Länder-Kommission für Bildungsplanung und Forschungsförderung

Bonn, 1997. - II, 18, 190 S.

(Materialien zur Bildungsplanung und zur Forschungsförderung, 55)

DE

The documents in this volume (the basic documents for the discussions of the Educational Planning Committee and the Report of the Commission of the Federal and State Governments (Bund-Länder-Kommission) "Initial and continuing training for independent entrepreneurship of persons completing vocational education and training") originate from a commissioned study on the subject "Initial and continuing training for independent entrepreneurship", conducted by the "Institut der deutschen Wirtschaft" in Cologne. In the research report which was the outcome of the study, this field of action is examined and expert opinions round off the research findings. The detailed research report outlines the design of the study, describes independent entrepreneurship as the new goal of vocational qualification, presents the labour market improvement and economic promotion programmes of the Federal and State governments, offers direct continuing training courses for independent entrepreneurship and examines the possibilities of upgrading continuing training (e.g. examination as Meister in crafts and industry, technical, industrial and commercial continuing training, training courses in business administration leading to State-recognized diplomas). The report contains extensive empirical data. In the Annex there is detailed information on the surveys conducted by the State Ministries of Economics, Labour and Education, the surveys of the continuing training institutions, and the questionnaire sent to enterprises in industry, commerce and crafts, and to the offices of tax consultants.

The commissioned research undertaken by the "Institut der deutschen Wirtschaft" is the basis of the decision adopted by the "Bund-Länder-Kommission". The decision refers to selected items which can prepare persons for independent entrepreneurship within the context of initial and continuing vocational training, it makes cross-



sectoral and specific recommendations which relate to subjects such as promotion of independent entrepreneurship through in-company training, through vocational schools, through continuing vocational training and through continuing training for promotion purposes.

UK White Paper **Excellence in Schools**

Department for Education and Employment

London, HMSO 1997, 84 p.

ISBN 010-136-8127

EN

Excellence in Schools is the first White Paper published by the New Labour government. It sets out a five-year programme to improve literacy and numeracy from the day children start school. The White Paper advocates the raising of education standards and emphasises new targets for educational achievements by 2002. By then there will be: More nursery and early-years education including high-quality education for four-year-olds whose parents want it. Every primary school will carry out a baseline assessment of pupils when they enter school and there will be a year on year target for improvement. A great improvement in achievements in maths and English. There will be new tests at nine and targets for 11-year-olds in maths and English. There will be one hour per day of literacy and numeracy teaching in primary schools. Schools will identify pupils by subject ability and provide accelerated learning or one-to-one support teaching as necessary. Furthermore, there will be improved college training courses for those who want to become teachers, with more emphasis on English and maths for primary teachers and new standards which all trainees must meet before qualifying to teach. New support arrangements for all newly qualified

teachers in their first job. National training arrangements for existing head teachers. A requirement for all heads when appointed for the first time to hold a professional headship qualification.

P Educação e Formação **ao Longo da Vida**

CAMPOS, B., dir.

In: Inovação; Instituto de Inovação Educacional (Lisboa), 9 (3),

1996, pp. 205-366

ISSN 0871-2212

PT

This publication deals with the subject of Education and Lifelong Learning and presents some reflections on a few concepts. The possibility of acquiring education and training even after the conventional school-going age (childhood and adolescence) should be available and will follow a different logic. It is obvious today that a second chance or new elementary education opportunities have to be offered to those who did not have this chance at the age of compulsory schooling. Elementary education is a concept undergoing change. This work presents a survey undertaken in two localities in the district of Setúbal which examines the adequacy of the instruction given at present in the second path of education and makes some suggestions. Vocational training for qualification, re-training and up-dating training are vital elements in economic and social development. One of the articles presents some modes of alternance between the training context and the working context against the background of national experience of the Apprenticeship System and the Vocational Schools. It is seen that education and lifelong learning are not acquired exclusively in or during the time spent in schools and training centres.



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The European Training Foundation is one of the agencies of the European Union. It is located in Turin, Italy and started its activities in January 1995.

The Foundation was established by Council Regulation No. 1360/90 of 7 May 1990 and Council Regulation No. 2063/94 (which amends the original) with the purpose of promoting cooperation and co-ordination of assistance in the field of vocational training reform in Central and Eastern Europe, the New Independent States and Mongolia (called the partner countries).

In addition, the Foundation provides technical assistance for the implementation of the Tempus Programme for cooperation between the European Union and these countries in the field of higher education.

The European Training Foundation has recently published a series of reports on the various systems of vocational education and training in the countries of Central and Eastern Europe which are eligible for the Phare Programme. Each report has a similar structure based on five main sections which include basic data on the country and the structure of vocational training, recent developments in the vocational training system, current international assistance in the field, further needs for vocational training developments and possible priorities for assistance in the future. The annexes include key indicators, a diagram of the vocational training system, the legislative framework and a list of the different bodies involved.

All these documents can be downloaded from the Foundation's homepage (<http://www.etf.it>) in English, French and German or obtained in hard-copy from the European Training Foundation (Information and Publications Department, Villa Gualino, Viale Settimio Severo 65, I - 10133 Torino, fax: +39 11 630 22 00 or e-mail: info@etf.it)

Report on the vocational education and training system in Albania.

FEYEN C J.; MEIJER K.; PARKES D.
1996, 55 p.

Report on the vocational education and training system in Bulgaria.

SINCLAIR C.
1996, 37 p.

Report on the vocational education and training system in the Czech Republic.

APPEL A.
1996, 47 p.

Report on the vocational education and training system in Estonia.

NIELSEN S P.
1996, 46 p.

Report on the vocational education and training system in Hungary.

PAUWELS T.; WESTERHUIS A.
1996, 57 p.

Report on the vocational education and training system in Latvia.

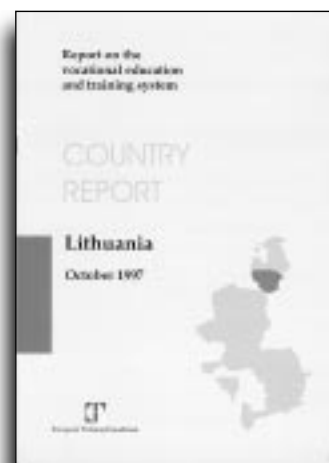
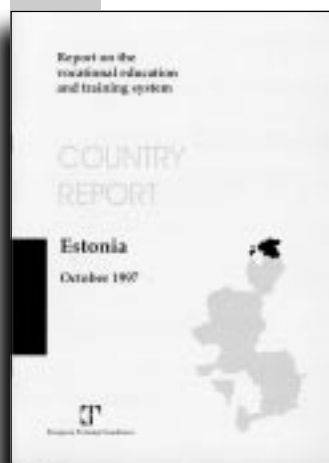
GORDON J.; PARKES D.
1996, 48 p.

Report on the vocational education and training system in Lithuania.

FEYEN C J.
1996, 38 p.

Report on the vocational education and training system in Poland.

GROOTINGS P.
1996, 49 p.





Report on the vocational education and training system in Romania.

SINCLAIR C.
1996, 48 p.

Report on the vocational education and training system in the Slovak Republic.

MATHEU X.; HOLMS O.
1996, 48 p.

Report on the vocational education and training system in Slovenia.

ROMPKES L.
1996, 53 p.

Report on vocational education and training, A comparative analysis of the PHARE countries.

KUEBART F.; HIMMEL B.; LAEV I et al.
European Training Foundation, ETF
Turin, 1996, 22 p.

This report is a cross-country analysis of vocational education and training systems based on eleven case-studies from the PHARE countries. It highlights some of the most salient reform characteristics and problems. It points out some of the

development trends and potentials which appear significant for international co-operation and to identify problems in need of further in-depth research.

Vocational education and training in Kyrgyzstan, managing educational reforms in an economy in transition.

European Training Foundation, ETF
Luxembourg, EUR-OP, 1996, 83 p.
ISBN 92-9157-066-4
EN

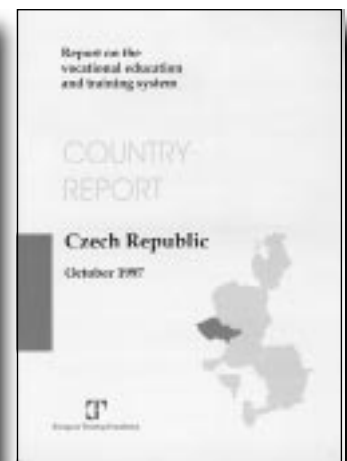
This paper is the result of a request from the European Commission DG XXII for an in-depth study into the vocational education and training system in one of the New Independent States and Mongolia. The paper focuses on those parts of the Kyrgyz education system which have direct links to vocational education and training and hence to developments and changes in the labour market. Firstly, the system of initial vocational training (PTU system) is presented, secondly, the system of special secondary institutions, thirdly, the retraining of the unemployed, and finally, a discussion of the main problems and possible ways to address them.

As an agency of the European Union the Foundation is governed by a Board comprising representatives appointed by each of the EU Member States, and from the European Commission which also chairs the meetings.

The main objectives of the Foundation are:

- to contribute to the reform of the vocational training systems of the partner countries, mainly in the framework of the EU's Phare and Tacis Programmes of assistance and partnership;*
- to promote effective cooperation in this field between the EU and the partner countries;*
- to contribute to the coordination of international donor assistance; and*
- to give technical assistance to the European Commission for the implementation of the Tempus Programme.*

The fundamental aim of the Foundation is to act as a centre of expertise and an information clearing-house. Networks like the National Observatories and the Foundation's Advisory Forum are important tools to support the Foundation in this function. The Foundation also works in close cooperation with CEDEFOP.





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Dominique Marchalant (library)
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Jaleh Berset (Training Policy Branch)
Web Site: <http://www.ilo.org>

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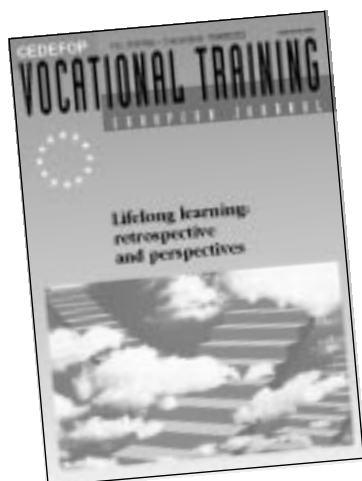
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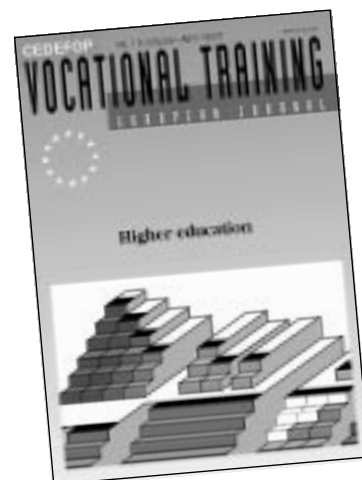
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