

International Comparisons in Further Education

Tom Leney and Tom May
Qualifications and Curriculum Authority

Geoff Hayward and Stephanie Wilde
Oxford University Department of Educational Studies

Research Report
No 832

International Comparisons in Further Education

*Tom Leney and Tom May
Qualifications and Curriculum Authority*

*Geoff Hayward and Stephanie Wilde
Oxford University Department of Educational Studies*

The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Education and Skills.

© Qualifications and Curriculum Authority 2007
ISBN 978 1 84478 895 8

CONTENTS

Executive Summary	1
Introduction	4
Main Findings	4
Conclusions	20
Annex 1a Sweden	24
Annex 1b Finland	51
Annex 1c Ireland	72
Annex 1d Australia	85

EXECUTIVE SUMMARY

This report compares selected issues of Further Education (FE) in England with other comparable FE systems in Finland, Ireland, Sweden and New South Wales, Australia. The research, commissioned by the Department for Education and Skills, has been undertaken jointly by the Qualifications and Curriculum Authority and Oxford University Department for Educational Studies. The method involved a review of the literature and analytical reports for each country followed by expert consultations in each country.

This research emphasises the complex nature of post-compulsory provision in the four country contexts, and highlights the acute necessity for 'joined-up' policy thinking that crosses different policy domains, carefully designed and prepared reforms, and 'creeping rather than jumping' reform. The evidence suggests that excessive reform of one particular feature of a system (such as qualifications) will not provide the stability and coherence that post-compulsory VET systems need in order to be able to attract learners to that provision and employers to learners who successfully complete that provision.

Further, excessive reliance on one particular group of stakeholders (such as employers) may undermine rather than strengthen the positive contribution of that particular group. A co-operative, multi-stakeholder approach seems to offer more potential benefits for individual learners and employers. The role of stakeholders is crucial in the processes of reforming and, importantly, nurturing the system concerned. Stakeholder support for the system is vital in periods of little or no reform, in order to create a fertile ground for reform at a later stage.

The elimination of 'blind alleys' of progression in VET provision supports the development of higher esteem of the VET pathways, and promotes the principle of lifelong learning, which is crucial within the context of the rapidly changing labour market. As such, the Finnish and Swedish systems exemplify the importance of building well-articulated and flexible progression routes from initial VET to higher education. A successful VET system needs to avoid 'eddies', where young people might become trapped at a particular level of attainment.

The strengths of pilot project reform, as opposed to rapid systemic reform, are a particular feature of the Swedish and Finnish systems. These systems have a strong commitment to lifelong learning, and a longer-term view of both system development and the future professional development of each individual. As such, the systems provide interlinked pathways at various stages of people's educational and working lives.

In concluding the project, we recommend the following specific issues for careful attention:

Medium and long-term policy processes are more effective than short-term cycles of reform. Without a consensus for agreed goals reached through long-term change, the engagement of the key players will be limited and their commitment to change weak. In particular, careful

consideration and resources need to be provided to implement long term change in a short cycle system compared to implementation in a more stable system;

Pilot projects, and the upscaling of local reform, involving local stakeholders, are arguably far more effective than top-down rapid systemic change. Enabling successful innovation to take place at the local level with mechanisms for upscaling reflects a system that is able to balance the tension between external regulation and quality assurance and sufficient trust to empower the players at a local or regional level to take the initiative;

There is an urgent need for highly effective school and college leadership, within a framework of local learning partnerships, in order to promote valuable links with employers and the wider community;

Initial teacher training and continuing professional development are important areas for further research, particularly in the context of innovative curriculum and pedagogy;

Post-compulsory institutions and provision need a clear remit, but not a restricted remit. A wide remit means that institutions are in a good position to offer flexible, attractive provision;

Encouraging innovation promotion is facilitated by sharing the risks involved (so that institutions do not bear the risks alone);

There should be no 'blind alleys' or 'eddies' for learners;

The role of work-based learning is essential: types of learning, learners and role of employers. Workplace learning requires the cooperation of employers in different respects - providing places, identifying objectives, training in situ and evaluating the outcomes. Far from being perceived as a burden, in Finland, Sweden and in New South Wales this is seen as a means of involving employers and extending their ownership of FE reforms, and,

Provision for comprehensive student feedback could enhance future policy formation and the selection of priority areas for reform.

Abbreviations Used In This Report

<i>ammattikoulu</i>	Vocational college (Finland)
APU	<i>Arbetsplatsförlagd utbildning</i> work placement (Sweden)
AQF	Australian Qualifications Framework
AQTF	Australian Quality Training Framework
DfES	Department for Education and Skills
FE	Further Education
FETAC	Further Education Training and Awards Council (Ireland)
<i>gymnasieskola</i>	Upper secondary school (Sweden)
HSC	Higher School Certificate (Australia)
IVET	Initial Vocational Education and Training
KY	<i>kvalificerad yrkesutbildning</i> (Advanced Vocational Education programme in Sweden)
<i>lukio</i>	Finland general upper secondary school
RTO	Registered Training Organisation (Australia)
SBNA	School Based National Apprenticeship (Australia)
SSC	Sector Skills Council
SWL	Structured Workplace Learning
TAFE (Australia)	Technical and Further Education
TVET	TAFE delivered VET (Australia)
VET	Vocational Education and Training
VETiS	Vocational Education and Training in Schools (Australia)

INTRODUCTION

This report concludes the work undertaken in late 2005 and early 2006 for the DfES. The subject of the analysis is an exploration of some of the main themes for reform of FE/IVET in four international systems that have achieved some success in this field. The systems selected are New South Wales in Australia, Finland, Ireland and Sweden. Ireland and New South Wales have FE systems that can be compared to the UK's FE system, while Finland and Sweden have rather differently constituted school-based post-compulsory IVET systems.

The main findings concerning reform and reform processes in each of the four countries are presented. The case studies concentrate on reform processes and outcomes rather than system descriptions and are attached as Annex 1.

METHOD

Our method for gathering the case studies was unusual. First we reviewed the literature and made extensive use of existing analytical country reports that we have produced through our previous international research. This enabled us to produce a partly completed questionnaire which was then sent to three experts in each country – a policy maker, a researcher and a head of a school or college. Each expert verified the accuracy of our questionnaire and added their own insights and analysis for their system.

MAIN FINDINGS

The findings are presented under a number of headings. The headings were decided in advance of the research by the steering group members and reflect the themes the steering group felt were important.

The Role of Governance

In each of the countries we have looked at, governance has undergone considerable reform over the past two decades. In spite of differences in systems and trajectories, successful reform programmes appear to have certain characteristics in common. The management of system reform is mostly perceived as a medium- to long-term process calling for even (though often rapid) development, rather than short-term cycles of change. This is the case, for example, in both Sweden and Finland where quite radical forms of decentralisation and reorganisation of school-based systems of initial VET have been introduced over a decade or longer.

In turn, this calls for the close involvement (ownership of reform) of the main stakeholders. In Australia there is a tension between state, commonwealth and employers over responsibility for developing IVET. Nevertheless, the VET system in Australia works on multi-lateral agreements between governments, industry and community partners, equity groups and training providers.

Equally pertinent to the direction of travel of the English system of further education, each of the systems that we have been studying has successfully

identified common goals appropriate to national and local economic and social needs. For example:

In Australia the common goal is to achieve a fully recognised and a high quality national VET system providing portable qualifications that meet the needs of the system's clients, specifically the needs of learners, employers and the communities they live in and reforms are designed to work towards this aim.

Both the Finnish and Swedish reforms are set within the national objectives for lifelong learning and educational reform, even though their upper secondary, school-based VET systems differ markedly. These goals are articulated within the prevailing values of developing a knowledge-intensive society and a knowledge economy in which everyone now needs to have quite high levels of knowledge, skill and competence and where, therefore, successful social inclusion policies are viewed as part of a necessary lifelong learning strategy, rather than a desirable additional item.

In Ireland the changes have been more subtle, but the growth and expansion of a quite flexible further education system may be correlated with the recent Irish success story on the European stage – a steadily growing economy and strong inward investment encouraged by favourable economic policies but also by other factors, such as a rapid improvement in education outcomes and the national skills base.

Centralisation/Decentralisation: The Balance between Local and National Initiative and Control

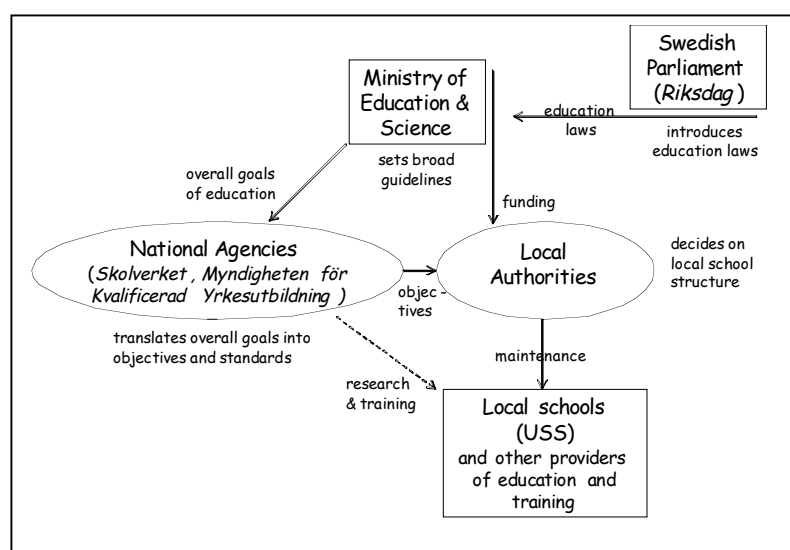
The common factors in the governance and management of change that we discussed above do not mean that governance of the systems is converging. In particular, decentralisation has been a gradual and limited process in Australia, yet radical in Finland and Sweden.

The Australian VET system includes both publicly and privately funded training and is delivered by a variety of institutions and enterprises throughout Australia. The ministerial council, consisting of state representatives, has provided a lead and a cooperative way of working that has successfully established VET across Australia, and provided a brand identity. Within New South Wales there has been a move away from centralised control towards a more devolved form of governance to enable greater community and industry involvement; individual colleges have at the same time reorganised into larger administrative units. These changes imply more responsibility for the heads of institutions.

In both Sweden and Finland a more radical form of decentralisation has taken place. Both systems were formerly centralised, with detailed regulations established through legislation and detailed national control of the curriculum at all levels. Now, through a series of reforms lasting several years, the

legislation, the ministry and national agencies provide a broad structure and objectives for the local actors – local authorities, training providers (both are school-based systems of initial VET) and social partners - to implement reform locally in ways best suited to local needs. In both cases the pendulum has swung so far from centralised control that a tendency is now appearing for more rigorous and external forms of quality assurance to be introduced – though with the emphasis still firmly on working with a decentralised (and comparatively successful) system.

Sweden’s decentralised model for the governance of VET at upper secondary and post-upper secondary level is shown in the diagram that follows.



Ireland is a relatively small country whose populations are not as dispersed as in parts of Northern Europe and Australia. National and local responsibilities for FE reflect at least to some extent the division of responsibilities that used to exist in England before the incorporation of colleges, with relatively high levels of autonomy at the local level once funding regulations are met. Currently the National Framework for Qualifications in Ireland, influenced by the development of the European Qualifications Framework, is acting as a driver for developing qualifications: the need for quality assurance in order to group qualifications within the framework is a tool that is imposing more control at the local level.

These changes accentuate the importance of three factors at the local level. These are:

leadership at school or college level, with heads of institutions having to take on more and new responsibilities;

the importance of a well-trained profession (teachers and trainers) whose skills are up-to-date and relevant to their vocational specialisations as well as to the teaching situation; and

well formed learning partnerships at the local/regional level, with a strong sense of purpose and ownership of the policy and implementation process. The last of these is characterised by a social partnership approach in Finland, Sweden and – increasingly – Ireland, and by what is described as an industry-approach in Australia.

Levers and Policy Tools for Innovation and Making Reform Work

Having reformed their previously centralised systems, the careful balance of roles between the national and local levels is similar in some key respects in both Sweden and Finland. Legislation and the ministry (note that this refers to the education ministry rather than the labour ministry, though with cross-governmental working) establish a framework that includes broad guidelines and objectives, and the national agencies translate these into more specific goals, objectives and standards.

What is striking is that these are by and large framed in quite general terms, rather than based on the very detailed and specific targets, outcomes and measurements that we have grown used to in England. The national framework provides a steer, leaving a great deal of autonomy to the local and institutional levels. While reforms in Finland are subject to outcome evaluation, it is not considered necessary, for example, to have an established national objective. Here we are describing national systems that are both successful in terms of international comparison and high trust between actors at different levels in the system. We have already noted above that, if anything, the pendulum is swinging back a little towards more centralised quality assurance – partly for reasons of efficiency (value added in high spending systems) and partly to ensure equity (local diversity brings a certain risk of loss of equity across schools or regions).

In the case of the two Nordic countries the mechanism for generating dynamic change in the developing VET systems at the local level depends strongly on local partnership. In Finland, this is a particularly strong form of local social partnership involving government, both sides of industry ('working life', as it is called) and the schools. It is this partnership that is responsible for identifying and meeting local labour market skills needs, but also for designing key aspects of the vocational programmes and their assessment. Not least, the successful introduction of about 20 weeks of work experience into upper secondary vocational courses that are geared very much to the job specific needs of the labour market has been a task accomplished through local social partnership. Upper secondary VET in Sweden prepares young people for further education or training, rather than job readiness, and the level of social partnership described above is probably more in evidence in the more advanced VET provision than in upper secondary VET provision.

While we see more local decision-making operating in New South Wales than used to be the case, a national strategy has driven innovation – such as the introduction and successful establishment of the Australian Qualifications Framework (AQF) and the Australian Quality Training Framework (AQTF), and a number of national initiatives: New Apprenticeships and Traineeships;

School Based National Apprenticeship (SBNA); Vocational Education and Training in Schools (VETiS); Australian Technical Colleges; and, TAFE delivered VET in Schools (TVET) - with clearly identified pathways, institutions and a comprehensive raft of certificates that operationalises the AQF. Local working is certainly a feature; for example new courses can only be put on where there is a clear labour market need, and partnership working is an important characteristic in the highly regulated labour market. The industry skills councils, rather like the Sector Skills Councils (SSCs) in the UK have a key role in identifying skills needs and standards. It is probably true to say that VET has become a national system, locally administered at the state level.

In Ireland, the FE sector has expanded considerably since the mid-1980s, when it developed initially for school leavers and from the school system. As in England, there are considerably more mature learners than school leavers in FE (indeed more learners in FE than in higher education) and the mode of governance seems to have been a quite pragmatic approach that has played a role in Ireland's success in raising skills and education levels to meet the needs of modernisation and inward investment. The funding arrangements, the pragmatic development of the system of certificates and the Framework of Qualifications (seen as having a key role) have maintained the national steering of the system. There are now aspirations to develop closer relations with employers at the national and local level and a nascent social partnership approach to articulate local FE needs. For example, an expert group on future skills needs has been set up at the national level, while colleges have a good deal of autonomy to develop their own offer at the local level.

Funding mechanisms are a noticeable factor in generating change. This is strongly the case in the Australian system, particularly with moves towards competitive tendering to promote competition within the training market. It is also increasingly the case in Finland, where elements of an outcomes-based funding system are currently being introduced, to help ensure that national aims and targets are met at local level. Finland and Sweden are both among the highest spenders in Europe on education and training, while the Irish FE system in particular has used the availability of European consolidation and structural funds creatively.

An appropriate interplay between the national and local levels that gives scope for creative local innovation, closer working partnerships between the main players (including, but not exclusively, employers) and a stronger reliance on funding mechanisms to achieve desired results seem to be among the key levers for reform.

Interplay between Support and Quality Assurance Mechanisms

One of the VET systems that we have studied – New South Wales in Australia – relies heavily on external quality assurance measures. This is an up front procedure involving the audit of the adequacy of quality assurance procedures necessary to become a Registered Training Organisation. In terms of inputs, the Australian Quality Training Framework sets out nationally agreed quality standards for registered training organisations, all of which

must be registered, and for accrediting bodies. The framework also sets out the quality assurance arrangements for assessment carried out by training organisations. Nationally developed Training Packages specify industry-required competences and assessment procedures. National strategy sets a broad vision and establishes medium- to long-term objectives, priorities policies and initiatives for the national VET system.

The current strategy for the period 2004-2010 identifies annual priorities, linking these to key performance measures selected to monitor progress against objectives; these are monitored and reported annually. Australia has moved away from numerical target setting, because these were not regarded seriously. In addition, Australia has regular surveys of student and employer satisfaction with VET. The Student Outcomes Survey¹ and the Survey of Employer Views².

From December 2006 the approach in Ireland will concentrate similarly on the accreditation of new programmes, within a framework regulated by the Further Education Training and Awards Council (FETAC). This will include justifying labour market demand and approving quality assurance processes.

By contrast, the Finnish and Swedish systems tend to articulate quite broad objectives – couched in broad terms rather than SMART target terms - for the local and institutional level, and to rely on the professionalism of the actors and the partnerships that they form to achieve results. This is a high trust system. Nonetheless, as suggested above, some evidence of the introduction of elements of external quality assurance is seen. For example, the Swedes have reintroduced a system of inspection, while the Finns are introducing elements of outcomes related funding.

The Role Employers Play in the System – Problems and Solutions

Patterns of employer input and employer influence vary between and within the countries under investigation. There is common ground in the recognition of the contribution required from employers, notably:

to facilitate progression between school and employment;

in terms of the courses and training available in post-compulsory institutions;

how employers influence and value the relevant qualifications gained by young people.

However, there is variation in the role that employers are portrayed as playing and the extent of their centrality in decision-making processes about VET.

At one extreme is Australia where employers are portrayed as being the key drivers in producing an 'industry-led' VET system. Here, incentives for employers to participate include: receiving a certain degree of control; getting

¹ For further information see http://www.ncver.edu.au/statistics/surveys/sos_FAQ/whath.htm

² For further information see http://www.ncver.edu.au/statistics/surveys/sos_FAQ/whath.htm

labour market ready graduates; receiving subsidies for training; and gaining access to a flexible training market intended to deliver skills effectively and efficiently. At a national level this has involved employers in the development of qualifications in the form of statements of competence, bundled together within training packages. In addition, employers have led the way in the development of a national training market in which they can participate as enterprise Registered Training Organisations (RTOs). By so doing they can receive government funding for the delivery of VET programmes leading to the award of recognized qualifications.

In this system, then, employers are supposed to be incentivised through reforms that have sought to create a system that is industry-led and provides training that meets the needs of Australian employers. For example, the New Apprenticeship scheme, in particular, provides firms with incentives (subsidies), flexibility in the choice of provider and the type of training delivery, greater scope of training in terms of occupations and industry, and broader coverage by including both older and existing workers. This has been achieved against a background of increased deregulation of the Australian labour market, a booming national economy and the emergence of significant skills shortages in many sectors. Corporatist approaches to planning, involving all social partners, appear to have declined.

This is in sharp contrast to Sweden and Finland, where social partnership approaches continue to be the norm. In Sweden, employers are also seen as crucial to the system, but they are portrayed as influencing and shaping the curriculum, rather than exerting control. The curriculum is shaped in conjunction with other social partners, i.e. within a corporatist model. Participation, for example in providing work placements, is seen as a means of maintaining employers' legitimacy in the ongoing political settlement that surrounds the VET system. This emphasises the collaborative, negotiated and consensual approach to decision-making about the VET system.

While employer influence and engagement can act as a catalyst for improvement in provision and can support learner needs, employers may also cause potential problems within VET, for example, through manipulation of certain areas of the system or by a lack of commitment to the needs of learners and the needs of institutions. Furthermore, in New South Wales, much of the commentary on skills shortages has focused on the balance of training provided under New Apprenticeships and questions whether current arrangements meet the longer-term needs of the Australian economy. The Australian experience suggests, therefore, that designing an industry-led system does not necessarily produce the answers to skills shortage problems.

Strategies for Engaging Employers and Employer Bodies

Qualifications and Curriculum Development

In Australia, employers were given more control over the central administration and regulation of the VET system. This can be viewed as a success in terms of employer engagement at a national level in the development of a competency-based, nationally recognised system of

portable VET qualifications and the development of a regulated training market. Challenges of this approach include the fact that it has led to a complex system, which, despite being portrayed as 'industry-led', many employers seem to find hard to navigate. This may be because the design of the system has not been able to take sufficient account of the heterogeneity and subjectivity of employers within and across sectors. Unresolved issues include the continuing discussion over the meaning and relevance of the levels in the AQF.

In Sweden, employers have been involved in curriculum development for the Advanced Vocational Education programme (*kvalificerad yrkesutbildning* or KY). This can be viewed as a success in terms of the extent to which employers co-operate in the creation of these advanced vocational courses to meet needs in the labour market. The workplace-training element is emphasized, and employer participation in course design is required. This framework minimizes the risk involved for institutions in setting up new courses. However, challenges of this programme include the fact that identifying which courses are needed through the collaborative process may take too long in a rapidly changing labour market. Also, it is potentially difficult for learners to navigate, as it is constantly changing. There may well be other unresolved issues, which will emerge as the programme develops further.

Work Placements

Mandatory work placements in Sweden (APU) and Structured Workplace Learning (SWL) in Australia also require employer participation, as well as effective co-operation between schools and employers. Its successes in Sweden can be seen in the fact that it accounts for 15% of the timetable for those on vocational programmes, and that there are moves to extend APU to the academic programmes. Employers' active participation in curricular discussion at national level can also be viewed as a legitimate claim if employers are supportive in providing work placements, organised at school level. However, there are also a number of challenges, including the fact that there are significant regional differences in terms of placements available, particularly for certain highly popular programmes.

There is, therefore, a potential problem of employer capacity to deliver proper high quality workplace learning consistently. Further, there is also potential over-reliance on the networks built up by individual schools and teachers, and there is a need for further entrepreneurial training for teachers and managers to foster the development of such networks. The costs of maintaining such networks are high and may be inhibited by factors operating elsewhere in the system, such as vertical accountability and bureaucratic structures and regulations. Such activity is also susceptible to the vagaries of the business cycle and the ongoing re-organisation of industrial sectors such as construction. Ensuring the quality of the work experience is a further issue; particularly achieving a suitable balance between the required level of employers' engagement, the responsibility held by teachers and the value added for learners.

Financial Incentives

Financial incentives play a role for employers in this context. For example, in New South Wales, employers are paid a completion incentive when New Apprentices finish their training (shared between those employers who actually provided the training, to reduce the risk of 'poaching'). The example of New South Wales highlights the problem of slippage costs when systems of training subsidies are used to subsidise wages rather than support training for existing employees. To counter this, Australian states have had to regulate the system by removing the opportunity for existing employees to be trained through new traineeships and better monitoring of the quality of provision. This has had the effect of increasing the entry costs to the training market and has led to a reduction in participation by enterprise-RTOs.

In summary, it might be argued that longer-term approaches to VET reform may serve to facilitate employer participation, as opposed to the short-term culture of VET reform in England and Wales, which promotes a risk-averse culture. In addition, a focus on employer engagement might lead to insufficient recognition of the role of learners and how they mediate labour market demand. For example, there are significant fluctuations in Australia, with a pendulum effect, swinging between oversupply and undersupply of qualified young people. Also, in Sweden, the levels of participation in the 15 vocationally oriented courses vary greatly, reflecting learner demand and interpretation of the labour market.

The Role of Tracked/Unified Post-Compulsory Systems

It could be argued that, to a varying degree, the four countries under investigation experience a lower level of competition between institutions than England and Wales. The policy discourse of institutional competition and collaboration is possibly a peculiarly English one. In terms of the countries considered in this report, Australia provides a wealth of examples in relation to this theme. This is reflected in the balance of examples provided in this section of the report.

In Finland, Ireland and New South Wales, there are separate institutions responsible for general education and VET. In New South Wales, for example, TAFE (Technical and Further Education) institutions and colleges are the largest providers of VET, while high schools provide general courses. In Finland, there is a clear division at 16 into general or academic pathways, available at the *lukio* (general upper secondary school), or the vocational pathway at the *ammattikoulu* (vocational college). By contrast, in Sweden, general and VET post-compulsory tracks are unified in terms of the institutional location (upper secondary school or *gymnasieskola*), but within that institution there are two general tracks and fifteen vocationally-oriented tracks. In Sweden, this superficially simple institutional context may belie divisions between teachers and learners working in the different programmes of study. The potential for collaboration may represent one of the strengths of the English system.

These structures have significant implications for the teachers working within them, and for the attractiveness of the teaching profession in the respective

institutions. For example, in Finland VET teachers tend to have higher salaries than general teachers, and in Sweden there is single professional teaching qualification, indicating equality between general and VET teachers. No such parity exists in New South Wales, where growing funding pressures on TAFE institutes are accompanied by a growing contingency in employment practices.

The situation in Sweden can be construed as an effective structure, in that there is implicit equality between the academic and the vocational track; there is greater simplicity of administration and the school follows a clear remit (in contrast to Ireland, for example, where the separate FE sector still needs to establish its clear remit). However, challenges include the fact that the move to combining vocational and general schools in the *gymnasieskola* was a difficult process, and there are ongoing problems in achieving co-operation between teachers from previously distinct schools.

The upper secondary school also represents a significant challenge for school heads, as they need to respond effectively to the varying needs of the teachers and students. One unresolved issue is the search for the right balance between vocational and general content, as employers in small and medium-sized companies in Sweden have expressed the view that the core elements of the curriculum take up too much of the trainees' time.

Initiatives to develop links between schools and TAFE institutes in New South Wales revolve around curriculum reforms, such as VETiS and TVET, and infrastructure projects such as the collocation of senior secondary schools and TAFE institutes. The TAFE Delivered VET (TVET) in schools, which is the largest non-core funded programme in TAFE New South Wales, provides opportunities for greater collaboration between schools and TAFE institutes. However, some initiatives however, may promote competition in the future, for example the development of School Based National Apprenticeships and Australian Technical Colleges.

Within New South Wales the VETiS reform represents a strategy for including vocational elements in the school curriculum. It can be viewed as a success in the following terms:

- it has broadened the senior secondary school curriculum, making it more attractive to Year 12 students and improving school retention; it has opened pathways into the VET sector by providing the opportunity to complete nationally accredited training as part of year 12 studies;
- it has provided opportunities for Structured Workplace Learning (SWL); and
- has fostered collaboration between schools, TAFE and other providers.

The blend of vocational and academic learning possible under the VETiS initiative is also proving successful in encouraging young people to remain in school until 17/18. However, challenges include the fact that the rate of increase in enrolments in VETiS programmes has declined over time, and

concerns remain about the quality and funding of VET in schools. In addition, there are problems with providing structured workplace learning (SWL) in VETiS programmes, which is needed to provide links to the world of work.

The blurring of the boundaries of the institutions is a two-way process, for example, with young people choosing to take the Higher School Certificate (HSC) in TAFE institutes, and the VETiS initiative introducing vocational elements in high school. In Finland, one of the reform priorities is making mixed general and vocational study programmes into a more concrete reality for larger numbers of students, particularly those in the general upper secondary school, who often have a low opinion of vocational courses. Learner mediation of the system plays a significant role in Finland, where some learners use IVET as a fallback option, in case they do not gain a university place. This raises the issue of whether separate institutions should exist in perpetuity.

Competition

Differing perceptions regarding the impact of competition in terms of driving up standards are also in this context. In Sweden, for example, the National Agency for School Improvement was set up to support developments within institutions, viewed as a separate task to inspection and quality assurance.

In New South Wales, there is growing competition between TAFE NSW and non-enterprise RTOs for apprentices and trainees due to the increased use of competitive tendering processes to secure funding.

Specialisation

The balance between general and vocational subjects and the degree of specialisation present in IVET is central to the aims and realities of the systems under investigation. Finland and New South Wales aim for job specific courses that promote the 'labour market readiness' of young people, while Sweden aims to promote good levels of general education and readiness for employment.

Length

Finland and Sweden offer relatively long IVET courses (2-3 years), while Ireland, for example, offers shorter courses (1-2 years). In New South Wales there is a wide range of course length, but recently there has been a noticeable shift towards more traditional longer apprenticeships within the New Apprenticeship Initiative. Commentators suggest that this may be due to media coverage of skills shortages in traditional trades.

Course Type

The systems under investigation show varying approaches to the challenge posed by the need to compromise between the level of the specialisation of programmes and general education, to ensure flexibility for the learners as well as applicability for the labour market. In Finland, for example, there are

eight main sectors, sub-divided into 75 IVET study programmes, while in Sweden there are 17 programmes, 15 of which are vocationally oriented. In New South Wales there are thousands of different vocational programmes on offer all of which are tailored to the needs of industry. It is only in the VETiS programmes that more general and vocational elements are being mixed. Here, it is the academic component that is highly regulated by the NSW Board of Studies. This level of regulation of the HSC means that fitting other vocational options such as the school-based National Apprenticeships is more difficult for example because of time-tabling constraints. This problem has been overcome in Queensland by high-level state action, which has led to increased flexibility in timetabling. Victoria has sought to incorporate vocational learning at senior secondary level through the Victoria Certificate of Applied Learning (VCAL).

Attractiveness and flexibility

Progression Routes

Flexibility within the structures in the systems can potentially enhance the attractiveness of post-compulsory participation for the learners. For example, in New South Wales, the more academic (HSC) in NSW is quite rigid, but the VET qualification system is extremely flexible with the opportunity to combine units of competence specified in Training Package in a variety of ways. In Sweden, the individual programmes allow young people to delay their choice of programme, if they are unsure of the direction they wish to take or if their attainment in core subjects is not yet at the required level.

Opening up and consolidating progression routes, in particular for upper-secondary VET graduates, is a key element of VET reform in each of the countries we have looked at. For employers and the labour market this serves to increase the skills base of potential employees. It probably helps to build up learners' key and transferable competences. It certainly makes VET as a qualification pathway more flexible and attractive to learners, by opening up possibilities for further learning and avoiding dead ends.

Selection

Before turning attention to progression from post-compulsory VET studies, it is worth enquiring as to whether entry to VET programmes is subject to selection at the post-compulsory stage. The Irish framework of qualifications allows for qualifications at ISCED levels 1 and 2, and the relatively flexible system of FE seems to allow space for VET learners to enter the system at quite a basic level for vocational or pre-vocational courses. The Australian system includes Certificates from the Australian Level I to Level IV accessible to a wide range of school leavers as well as higher-level diplomas for those progressing through the system or entering it as graduates: the system as a whole is designed to provide entry points at different levels as well as flexible progression routes between levels and types of learning.

Similarly, entry to the VET lines in the Swedish integrated, upper secondary school system is intended to provide open access to all students who

complete their compulsory, comprehensive schooling with adequate grades in Swedish, English and maths, while individual programmes are available to those who have not achieved adequate grades in the compulsory school leaving certificate. The Swedish system is based to some extent on the specialisms that schools can offer, so students may find it more difficult to find a place in the VET area that they would prefer to join.

In Finland, however, the situation is different, not least because there are fewer VET places than there are would-be entrants. Young people opt in, but selection is guided by advice and study record, which includes grades and any work experience. There are about 1.3 applicants per place, with health care/ social services, culture, and leisure / physical education the most sought after. Machinery / metal technology and cleaning services are under subscribed, as plumbing and hospitality used to be. Notably, these Finnish and Swedish VET qualifications are at upper secondary level, and probably occur at or around ISCED level 3, and there seems to be little availability of qualifications for young people in school below this level.

Entry conditions across the countries suggest that VET qualifications tend to have lower thresholds than general qualifications. This emphasises the situation of VET as carrying lower status than general education in all the systems we are looking at, even though each has made clear strides to establish attractive VET provision after compulsory schooling. In turn this raises the question of whether general education should continue for most or all until age 18 or 19, as happens in Japan and most of North America. In most European traditions, however, IVET retains an important role and constitutes pathways that a large proportion of each age cohort takes. In any case, those European countries that tend to have well developed VET pathways through which many young people travel also tend to have comparatively low levels of early school dropout and comparatively high levels of completion at post-compulsory level. In our view it is more a question of effective reforms to build up the attractiveness and flexibility of the VET pathways. Finland is a case in point.

Higher Education

A key aspect of attractiveness and flexibility is the development of new approaches to non-traditional, VET-related higher education programmes and qualifications. These are included systematically in the Australian and Irish qualifications frameworks. The flexibility existing in the Irish provision has been used to set up provision to deliver sub-degree intermediate skills, for example in pharmacy, electronics, and aspects of automated production. FE colleges are able to design and deliver new programmes in about one year this is quicker than universities can who may take two to three years.

In both Sweden and Finland, reforms of upper secondary VET over the past decade or more have gone hand in hand with the rapid growth in non-traditional forms of vocational higher education. Whatever the weaknesses that still exist in their systems, Finnish and Swedish commentators all emphasise the key importance of this development.

In Sweden, a basic tenet is that there should be no blind alleys for learners, but rather that learning should always be part of lifelong learning, with access available to all. The system admits larger numbers of non-traditional learners to higher education than do many other OECD systems, and a one-year foundation course provides the opportunities for students to spend an extra year preparing for university entrance. Of even more importance, the advanced vocational education programme was introduced as a pilot in 1996 becoming mainstream in 2002. This is a post-secondary programme, involving close cooperation with business and one-third of the learner's time is spent at the workplace. It is open to students after upper secondary school and to those in employment and after two more years successful participants gain an advanced vocational qualification.

In Finland, lowering the barriers to higher education for school VET graduates is a high priority. This has been achieved by developing some of the former technical schools into polytechnics. The national data suggests that about 30 per cent of upper secondary VET graduates go on to polytechnics, while 5 also achieve matriculation in general education and may possibly go to universities (highly competitive for places, separate entry tests).

While each of the systems emphasises consolidating new forms of post-secondary VET, they differ considerably in the relationship between upper secondary VET graduation and labour market entry. In Australia, mainstream TAFE provision is geared to industry standards and intends to turn out young people who are both ready for employment and qualified for a regulated labour market. In practice, the colleges offer a wider range of courses than this, while schools also offer some vocational education. A similar situation pertains in Finland, where the vocational or professional schools are separated from the general schools (separate, fit-for-purpose, high investment, high quality is the intention) and the emphasis is on producing upper secondary VET graduates who are not only ready for employment but also qualified and recognised for a particular job. Of course, some qualification lines require further study or training, but 'job ready' is the guiding principle.

The Swedish situation differs. The upper secondary school, which is also a thorough, three-year long qualification emphasises much more a general work-readiness and vocational preparation, while the advanced, post-secondary pathway described above is more specifically job- and qualification-related. The Irish FE system is quite similar to the UK FE system, offering a hybrid in which some qualifications leave the learner employment ready, while others leave the learner job ready. So far as we can see, none of the systems we have been exploring have experienced the vicissitudes of the English system of VET qualifications, which has recently experienced the establishment and ending of the GNVQs, with a new system of diplomas to be introduced from 2008, some years after the disappearance of the GNVQs.

Nevertheless, barriers to higher education access still exist for VET students. For example, in Australia incorporating competency based VET qualifications into a university admissions model that has historically relied on graded general qualifications to build up entitlement for progression to HE still

represents a stumbling block. In Finland, upper secondary vocational graduation does not qualify students for access to traditional university courses.

Opportunities for Recurrent Learning

We have emphasised at several points that each of the systems we have explored in this study place a premium on opening up pathways for VET learners and avoiding dead ends. In one of the systems we have looked at - Sweden – upper secondary education is unified in terms of qualifications and institutional structures, while Finland has a clear institutional distinction between general and vocational upper secondary schooling, and between polytechnics and universities. While TAFE colleges are predominantly for VET, both the Australian and Irish systems have a degree of hybrid provision and include general and VET qualifications. In England we tend to think in institutional terms (school-based, FE-based provision) while the systems we have looked at tend to think primarily in functional terms – general education, VET, higher education.

The English system offers good opportunities for recurrent learning, partly because entry is quite flexible and partly because we have a generic system of further education colleges. If the functional pathways are clarified and the key roles of the FE sector can be agreed and badged effectively, then it seems that the English system has strong opportunities for recurrent learning, flexibility and meeting the changing needs of all learners. The multi-purpose role and mixed aged client base of the FE sector can be a major strength.

Financial Support/Incentives for Participation

In addition to the emphasis placed on making VET attractive through improved access to forms of higher education and a clear link between VET and the labour market (one that differs by country), state financial support now has a clear and visible role in incentivising VET and other forms of participation at upper secondary and higher levels. Students in Finland and Sweden have quite generous state-provided study grants. This is enhanced if part of active labour market policy. The previous systems of higher education loans have been converted into grants. Furthermore, if the student is living away from home to study, accommodation provision and allowances are also quite generous. Apart from the cost to the state budget (increasingly a pressure in both Sweden and Finland – hence the recent emphasis on quality and value for money), the main drawback to this generously funded system is the disincentive to taking up part time or low paid work, which may be sapping young people's independent and entrepreneurial skills.

In Ireland funded support has been widely available for individuals wishing to participate, although sharp increases in participation levels and worries about growing costs have resulted in capping of places. Within different government programmes, the provision of costs and awards vary considerably, reflecting adaptive but ad hoc growth in provision.

In New South Wales a different situation prevails, and participation in much of

the training provision is at a cost, which is born by both the learner and the enterprise. These charges are levied primarily to cover administrative charges. There is some grant support available for Australian students.

Generally, in the two Nordic countries, it is part of the state's approach to school-based systems that learning be provided free of charge, (by the state) to as high a quality as possible and with as wide access as possible. As already indicated, this creates pressure on state budgets, and may produce some conflicts between spending levels, aspirations and competing policy priorities.

Programme Design

In Australia the design of VET learning programmes is closely tied to identified industrial skills and occupational needs, within an approach that gives sectoral bodies considerable influence. A sectoral and social partnership approach is increasingly part of the Irish reform and development programmes. In the new advanced VET programmes in both Finland and Sweden a key priority is to identify and meet labour market needs through a social partnership approach; for upper secondary VET this is much more closely the case in Finland than it is in Sweden.

In Ireland vocational programmes may be underpinned by a small element of continuing general education. However, this is more the case in Sweden and Finland where upper secondary VET students continue with a considerable and broad spectrum of general education (mother tongue, maths, languages, science, humanities, etc). This is made possible by much higher volumes in the study programmes – a long learner's week and qualification courses that last for three years, with about 40 weeks per year.

In the Nordic countries there has been a radical move to modular and unitised programmes. In Finland eight main sectors have been identified. A 3-year upper secondary vocational diploma (like the general qualification) consists of 120 units each involving about 40 hours study. Vocational studies take up 90 credits, of which 20 must now be for work experience. The core, general subjects take up 20 credits, and ten are for free choice options. An element is included for guidance.

The Swedish system is similar, except that it contains a larger number of smaller units, and is characterised by a stronger balance of one-third general to two-thirds vocational units. Students must undertake an extended project.

In three of the countries - Finland, Sweden and New South Wales – a particular innovation in the school or college based systems is the importance now attached to the learner's participation in workplace learning. The in situ, on-the-job element of the student's learning is found to give the student a tangible experience of solving the problems encountered in professional life that simulated and classroom situations do not recreate. Objectives are clearly identified and the learning is assessed. The second effect of work experience is to bind employers into the initial training more fully in school-based systems. In the case of New South Wales this accentuates the skills

and competence-based approach and in Finland the successful introduction of work experience is defined as a key aspect of developing a competence-based approach to VET learning programmes and assessment. On the other hand, the work experience offered in Ireland tends to be more similar to that of England.

Individual Learning Pathways

There is a new emphasis on more individualised programmes in Sweden. Similarly, the choices, that students make, provide a good deal of discretion to the student as to the sequencing and pacing of the programme of study.

Learner Feedback

In Ireland there is no formalised learner feedback, nor are we aware of such an innovation in Sweden. However, New South Wales has developed a system for VET student feedback and Finland has developed an online system for student feedback on labour market related training, known as the OPAL system.

CONCLUSIONS

This synthesis of the research undertaken into four VET contexts (Finland, Ireland, New South Wales and Sweden) is not exhaustive, and there are a number of significant issues that would require further research. Of course, some aspects - such as the development of information and guidance for young people - are important areas that this report has only touched upon. Nevertheless, the report and case studies contain a fertile basis for extending the frame of reference for reform in the further education sector.

In concluding the project, we recommend the following issues for careful attention.

Medium and Long-Term Policy Processes, Not Short Term Cycles

Reforms may be more likely to succeed within systems that are stable and on a steady trajectory of development. The strategy and trajectory for further education in the UK often appears to be guided by series of initiatives and mechanisms (including funding formulae) that tend to change and disappear in short or medium term cycles, such that it is hard for providers, employers and the public to identify with a coherent and long term strategy. By contrast medium to long-term goals seem to be identified and engender more trust as reforms in Australia, Sweden and Finland take place and as further education expands pragmatically in Ireland.

Without this consensus for agreed goals reached through long-term change, the engagement of the key players will be limited and their commitment to change weak. In particular, careful consideration and resources need to be provided to implement long term change in a short cycle system compared to implementation in a more stable system.

This has implications for the agenda and priorities for reform, for the branding of the further education sector and for involving the stakeholders.

Piloting: Upscaling Local Reform and Involving Stakeholders

As one might expect, all the systems that we have explored rely on an interplay between support to enable schools/colleges and teachers to exercise initiative at the local level and measures to assess and quality assure performance. The level of trust inherent in the systems is a key factor. Notably the Australian system relies on external systems of quality assurance and target setting, while Finland and Sweden are characterised by national frameworks that encourage local innovation and rely on a high level of trust rather than extensive external quality assurance. It might be said that Ireland is starting in a similar direction.

Enabling successful innovation to take place at the local level with mechanisms for upscaling reflects a system that is able to balance the tension between external regulation and quality assurance and sufficient trust to empower the players at a local or regional level to take the initiative.

Successful practice in Sweden and Finland (particularly the latter) for generating active social partnership between government, providers and 'working life' could be of particular interest if all the partners are to be involved in the development of FE in England.

School/ College Leadership In A Framework Of Local Learning Partnerships

Role of teachers: Looking forward or looking sideways?

Leadership, as well as teacher training, recruitment, retention and staff development, are an important area generating and implementing reform. Leadership training is identified in the other systems as a priority, particularly in Ireland and Finland, although we have not seen evidence that this had been taken further elsewhere than in the UK.

On the other hand, the agenda on professional qualifications, in-service training and status of VET teachers is more developed in Finland, Sweden and New South Wales.

The implication for the UK is to underline the importance of leadership training for the FE sector, as part of continuing staff development. Furthermore, the need to enhance the professional skills and status of FE teachers is both urgent and is certainly some way behind Finland New South Wales and Sweden. Further research is required to investigate these issues fully.

Colleges with a Wide Remit Are Well-Positioned for Flexible, Attractive Provision

The sharing of risk promotes innovation, while a lack of risk sharing inhibits

innovation. There is an 'economy of scale' in terms of attractiveness for a college offering a wide range of provision. This is shown by larger colleges in Ireland and TAFE provision in New South Wales, where successive reorganisation has created large establishments across multiple sites. Conversely upper secondary schools in Sweden are typically able to offer only a limited range of vocation lines.

One of the strengths of education and training in England is its flexibility, which allows a good deal of vertical and horizontal progression across levels and subject areas. Similarly it seems to us that the multiple focus of the further education sector can be a clear strength if this is well articulated and reinforced by such initiatives as the COVEs.

Here, the funding arrangements can inhibit innovation as the individual college alone bears the financial risk. Some sharing of this risk could result in greater provision at the local level, which is responsive to local needs. That said the potential of the further education college remains promising.

'No Blind Alleys for Learners'

This is the clear guiding principle for policy reform in Swedish education and training as part of lifelong learning. This unifies the economic and the social agenda; creating a knowledge economy and a knowledge society involving all or virtually all groups. While a simple principle, it ensures potential progression of learners whatever their pathway. FE in Ireland has worked hard to target and cater for vulnerable groups. In Australia, the qualifications framework with its comprehensive range of general and vocational certificates and diplomas provides a clear system with multiple and flexible entry points. Similarly in Finland, which already scores highly on most indicators, strong emphasis is placed on providing for hard to reach groups such as migrants, older workers and unemployed people in more deprived regions.

This has clear implications for the reform of further education in England, if social inclusion is to be an integral part of the lifelong learning and competitiveness agenda in the development of the knowledge society.

Role of Work Based Learning: Types of Learning, Learners, Role of Employers

Developing an effective element of workplace learning as part of a learner's IVET programme is given high importance in each of the systems studied, particularly New South Wales, Sweden and Finland. Introducing significant periods of workplace learning has been an identified priority reform in each case.

In Finland work placement is a recent innovation and now counts 20 credits towards the 120 credits needed to achieve a three-year qualification; this equates to approximately 20 weeks. The reforms in Sweden are similar. Since TAFE provision in New South Wales is closely linked to workplace skills requirements, work placement is similarly defined as an integral part of vocational learning. The rationale is that competence-based VET is explicitly

aimed at the key issues in professions and careers, and workplace learning helps to prepare and develop the learner for this.

Furthermore, workplace learning requires the cooperation of employers in different respects - providing places, identifying objectives, training in situ and evaluating the outcomes. Far from being perceived as a burden, in Finland, Sweden and in New South Wales this is seen as a means of involving employers and extending their ownership of FE reforms.

Student Feedback

One mechanism for gauging the usefulness, attractiveness and flexibility of IVET programmes to the users (the learners in this case, rather than employers) is student feedback. We commend the New South Wales system for student feedback and Finland's online system for further attention.

ANNEX 1a

SW EDEN

INTRODUCTION

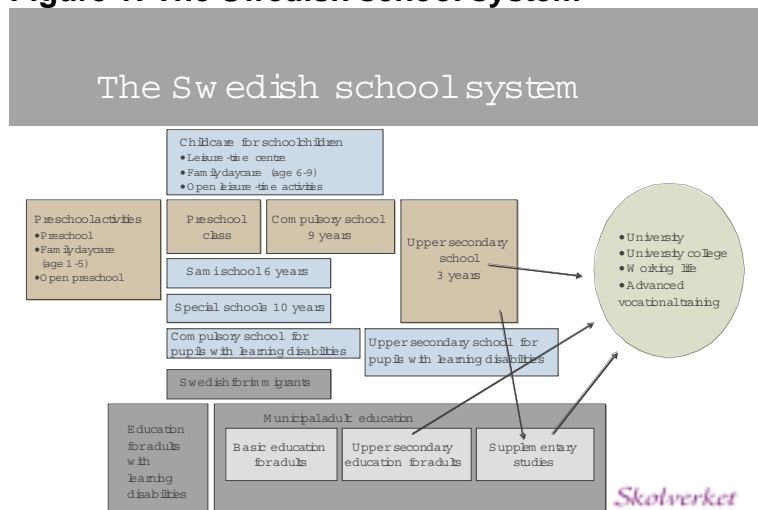
The Swedish education system can be characterised by ‘...public financing, management objectives, and a high level of decentralisation’ (Regeringskansliet, 2005, p. 3). Municipalities have full responsibility for providing compulsory schooling, upper secondary schooling and public adult education. The underlying principles of education and training in Sweden seem to focus on meeting broader societal and personal development goals, rather than on the development of labour market-specific skills. One of the main goals of Swedish education policy has been to achieve integration of vocational and general education, a process that began in 1971 when vocational and trade schools were formally integrated into the new upper secondary school (*gymnasieskola*), and was completed with the implementation of the 1990 reform (Lindell and Abrahamsson, 2002, p. 4).

There are no separate schools for vocational training, and the Swedish education system ‘comprises a structurally uniform system ranging from elementary schooling to upper secondary schooling and adult education’ (Lindell and Abrahamsson, 2002, p. 4). Apprenticeship programmes exist, but are currently on a very small-scale. Therefore, initial vocational education and training in Sweden is broadly school-based. The upper secondary school includes 17 programmes, fifteen of which are vocational programmes and two of which are general programmes. Therefore, in Sweden vocational/general distinctions are programme-based rather than institution-based. The upper secondary school is currently undergoing reform in order to enhance its quality and attractiveness. It features eleven steps (see Regeringskansliet, 2004), outlined later in this paper.

BACKGROUND AND CONTEXT

Institutional arrangements

Figure 1: The Swedish school system



(Source: <http://www.skolverket.se/sb/d/354>)

Compulsory education in Sweden takes the form of a nine-year comprehensive school (*grundskola*) for children aged 7 to 16. Post-compulsory secondary educational provision is at upper secondary schools, which offer both vocational and general programmes. Some two-thirds of the upper secondary schools are run by municipalities, around 20% by counties and 12% by private institutions. Approximately 98%³ of pupils (Regeringskansliet, 2005, p. 15) begin their studies at these schools.

A new system of upper secondary education was introduced in 1992-93, and from then on all courses lasted three years (UNESCO, 1998, p. 69). There are 17 programmes of study, 15 of which are vocational programmes and 2 of which are general programmes (natural sciences and social sciences). The students work towards 2,500 credits. There is a possibility for this duration to be altered according to individuals' needs.

There are 641 USS in Sweden (Abrahamsson, 2000, p. 60), of which almost 50% have fewer than 200 pupils. Apprenticeship does not exist on a large-scale, and initial VET is school-based. All young people at USS undertake work-based learning (*Arbetsplatsförlagd utbildning* or APU) as part of their vocational programmes, and this accounts for 15% of their study time.

Reform trends include the expansion of work-based learning, and the 2004 bill intends to extend the provision or "workplace training" to all programmes. The board of the school is responsible for supplying workplaces.

In addition, in the late 1990s there were moves to restructure upper secondary education in order to allow for more modularised provision. The splitting up of subjects into a number of distinct courses is one indication of this reform development. It was hoped that the course structure would increase the flexibility of provision since part of the programmes could be updated or replaced without distorting the entire programme or subject structure. However, according to Abrahamsson (1999), "upper secondary schools found themselves in a 'field of tension' between a traditional, line-oriented school and an upper secondary school with modular programmes" (p. 68).

A further current reform focuses on a new scheme of modern apprenticeships, Learning in Working Life, which is being piloted; it is run by municipalities, and

³ This very high participation rate is potentially closely linked with the quality of compulsory schooling in Sweden. McIntosh (2001, p. 85) concludes that it could be suggested that the key determinant of post-compulsory participation is '... prior academic performance during compulsory schooling', following an investigation of participation in four countries (Germany, the Netherlands, Sweden and England/Wales) between the mid-1960s and the mid-1990s. He argues that '... policy interventions that improve prior success' [...] can lead to more young people continuing their education beyond the age of 16, and ultimately to a more skilled workforce (McIntosh, 2001, p. 85).

involves at least 30 weeks at the workplace, but does not involve any employment relationship and no wages are paid.

At post-secondary level the most prominent reform is the advanced vocational education provision (*kvalificerad yrkesutbildning* or KY), piloted between 1996 and 2002, formalized in 2002 and overseen by the National Agency of Advanced Vocational Education (*Myndigheten för Kvalificerad Yrkesutbildning*). The workplace training element is emphasised, and employer participation in course design is required⁴.

Qualifications and assessment

The mainstay of the qualification structure is the upper secondary school leaving certificate, which is a compilation of the grades for all the courses included in the study programme. There is no final examination. Assessment is teacher-led, and grades are awarded for the various separate courses, for which credits are awarded once at least a pass grade has been achieved. The four grades are: fail, pass, pass with distinction and pass with special distinction.

Teachers use compulsory national tests before giving grades in Swedish/Swedish as a second language, English and Mathematics. After completing upper secondary education, pupils may resit examinations in order to improve their grades. During the course, they may only resit if they have actually failed the course. From July 2007 students will receive grades in the subjects, rather than in the courses (see Cedefop, 2005).

Funding

The municipalities receive a single grant from the government, which they allocate to their various areas of responsibility, including education. Most of the funds come from income taxes, but central government provides additional funds for some services, and the amount is determined by factors including population, age structure, population density and number of immigrants (CEDEFOP, 2005). The municipality's board of education or similar body allocates the funds to the various schools. There are no national regulations for this (CEDEFOP, 2005). In 2003, total costs for the education system corresponded to 8.2% of GDP (Regeringskansliet, 2005, p. 4).

Private investment accounts for only a very small part of the budget, but enterprises contribute substantially to lifelong learning, continuing vocational training and adult skills development (Regeringskansliet, 2005, p. 3).

Further, funding is available for individuals in the form of 'study support', as 'good funding is an important precondition if all are to have access to study opportunities, irrespective of background or family finances' (Regeringskansliet, 2005, p. 8).

⁴ See Lindell, 2004, for an analysis of the complexities of the process of developing consensus regarding this piece of policymaking and the role played by the various stakeholders.

Employers contribute substantially to continuing vocational education (CVT) and in-house training (IHT) (see Lindell and Abrahamsson, 2002, pp. 13-16), but not to initial vocational education, although they are expected to co-operate in the period of workplace learning (APU), which accounts for 15% of study time on the vocational programmes. There is some variation in the arrangements for APU, depending on the region of the school, the local industrial structure, the formal and informal contacts that the schools have developed and the level of co-operation achieved.

Relationship between provision and the labour market

The emphasis on the common core of learning at the Swedish upper secondary school shows a focus on general, rather than specialised, knowledge in initial VET. However, employers, trade unions, teachers' associations and the social partners develop curriculum and qualifications in co-operation with each other, and '...municipalities will be required to engage in local consultations on VET programmes with the social partners' Regeringskansliet, 2005, p. 16).

Further, the post-secondary *kvalificerad yrkesutbildning* (KY) or advanced vocational education, programme demonstrates a stronger link between provision and the labour market, with business taking an active part in devising the courses and financing the workplace training scheme, Learning in Working Life, which accounts for a third of the training period (Regeringskansliet, 2005, p. 16). It focuses on vocational areas where there are skill shortages, such as manufacturing, health care and ICT (Cedefop, 2005, p. 19). Importantly, a provider will only agree to launch a KY programme if the sector concerned participates actively in the planning and implementation of the training (Regeringskansliet, 2005, p. 17). The respective courses are only available for a short period, to allow the programmes to respond to changing needs in the labour market.

In Lundahl's study of 12 central and local actors, they referred to teachers and school leaders as powerful actors, as well as local politicians, but '...none of the respondents refer to industry or local interest organisations and groups as important actors' (Lundahl, 2002, p. 630).

GOVERNANCE AND AUTONOMY

Education in Sweden is governed by the parliament (*Riksdag*), the government (ministry of education and science) and a number of national, semi-independent agencies. The Ministry is responsible for preparing and processing the government bills and resolutions relating to education. *Skolverket* is the agency responsible for compulsory schooling and adult education and acts as an intermediary body between the central ministry and the local authorities. Its areas of responsibility include evaluating schools, quality assurance mechanisms in the school sector and school development, and it also provides strategic support for the training of teachers and school management (UNESCO, 1998, p. 68).

The responsibility for VET is shared between the Ministry for Industry, Employment and Communications and the Ministry of Education and Science (mainly for municipal adult education, advanced vocational education and adult education). In-company training is not regulated by law and is developed through negotiations by the relevant partners (Lindell and Abrahamsson, 2002, p. 6).

Parliament and government define national goals and guidelines for education, and the '...national and municipal educational authorities are responsible for ensuring that the education system is organized in accordance with the national goals' (UNESCO, 1998, p. 67). Each municipal council appoints one or more committees with elected public representatives which have the responsibility for ensuring that educational activities are conducted in compliance with state regulations and guidelines, and that the external conditions for education are as appropriate and favourable as possible.

The national agencies are allocated funds annually through an annual budget appropriation document (endorsed by a decision by the Swedish *Riksdag*) and report annually to the Ministry of Education, Research and Culture.

The National Agency for Education's tasks include:

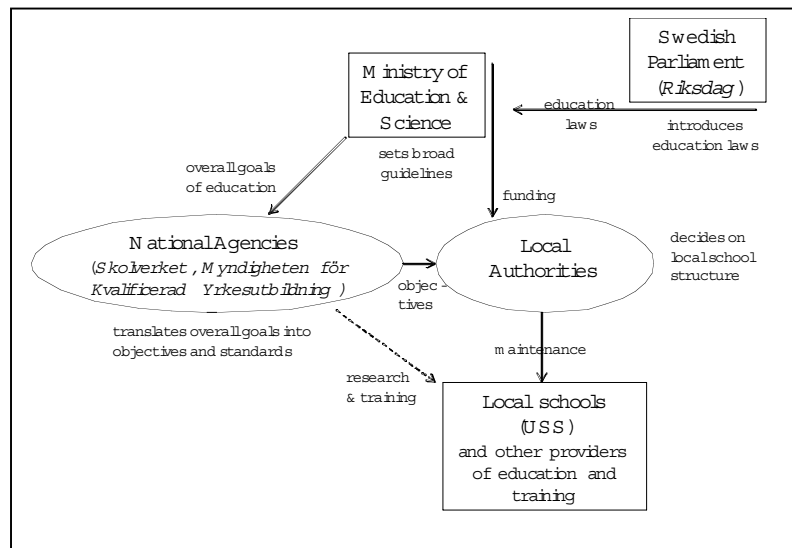
- responsibility for the national follow-up and evaluation of school performance;
- ensuring that municipalities follow the regulations in the School Act and that the rights of individuals are respected;
- providing a basis for proposals for development of the formal school system;
- drawing up syllabuses.

Other national institutions include the following:

- National Agency for School Improvement
- Institute for Special Needs Education
- National Agency for Higher Education
- Council for the Renewal of Higher Education
- National Agency for Services to Universities and University Colleges
- International Programmes Office for Education and Training
- National Board of Student Aid
- Swedish National Council of Adult Education
- Swedish Agency for Flexible Learning
- National Agency of Advanced Vocational Education.

Figure 2 below summarises the governance and administration of education in Sweden.

Figure 2: Governance and administration in Sweden



Changing perceptions of public governance

The Swedish system is based on objectives and results, according to principles developed in the 1980s and decided by the *Riksdag* in 1988. This contrasts with the highly centralised and regulated Swedish education and policy and governance up to the end of the 1970s (Lundahl, 2002, p. 625). The transition from the legal framework model (characterised by detailed decisions by government; distribution of resources to sectors; dependency of resources on input; mainly state institutions) to the objectives and results model (decision-making at municipal and institutional level; resources to municipalities and institutions; dependency of resources on output; competition) involved deregulation, decentralisation and more incentives (Strömdal, 2002).

Lundahl (2002, p. 628) argues that ‘...local steering factors have become more important, while the number and range of central governance mechanisms have been reduced’. In her study of 12 educational actors in Sweden (including central and local politicians and teachers’ union leaders), both central and local actors referred to the ‘...*national curriculum guides and syllabi* as the only central governance instruments still recognised as powerful’ (Lundahl, 2002, p. 628). Her analysis points to the increased importance of local actors, and a reduction in the influence of ‘traditional central actors’ such as the schools minister, Parliament and the National Agency of Education. However, ‘...central organisations representing the local actors, such as the Swedish Association of Local Authorities and the central teacher union organisations, are perceived as more influential...’ (Lundahl, 2002, p. 630), which indicates that a description of the changes as a move from centralised to decentralised would not reflect the complexity of the changes involved. These changes have led to greater potential

differences between schools in different regions of Sweden than before.

Levels of decision-making

The municipal level of government in Sweden has a high level of decision-making authority, and also a high level of accountability, while the state sets performance standards, and measures that performance regularly and publicly (see Williams, 2003). The trend towards a decentralised administrative structure means that local authorities (municipalities, of which there are 288) and county councils (of which there are 23) assume the primary responsibility for the management of schools and adult education. The local authorities employ the teachers. The parliament and central government set general guidelines and goals for education in terms of framework curricula, but the local authorities and schools are free to decide on how to implement guidelines, distribute resources and fulfil goals (Ministry of Education and Science, 2001, p. 1). *Skolverket*, the National Agency for Education, is responsible for curriculum development. Municipalities are required to adopt a local school plan (*lokalskolplan*) describing the financing, organisation, development and assessment of activities within the school. The responsibility for the operation of the individual schools lies with the head of each school, who develops a school plan (*skolplan*), reviewed regularly by the municipal body, which monitors its progress.

Parliamentary commissions also play a central role in Swedish legislative procedures with regard to education. They act as independent expert bodies that consult widely on the matter in question and seek to consider the opinions of all parties concerned with the matter, including teachers' associations, unions, employers' associations and other social partners. They are appointed by the *Riksdag* or the government when a law-making process is initiated, that is to say when a legislative proposal is put forward by the government, the Parliament or social interest groups. Commissions appointed by the Parliament are the exception. Commissions on upper secondary education have, in most cases, been appointed by the *Riksdag*, showing the importance assigned to education.

Quality assurance

One of the aims of the central legislation is to ensure quality, critical monitoring and fairness (Strömdal, 2002). *Skolverket* is responsible for system evaluation, including school inspection and providing an overview of system performance. Every three years it reports to the *Riksdag* on the status and performance of the system and this forms the basis of a national development plan for schools.

The state plays a central role in quality assurance, '...establishing frameworks for quality work, monitoring quality and disseminating good practice and research findings' (Regeringskansliet, 2005, p. 6). This information is publicly available. One of the major challenges is achieving national equity, with regard to children of non-Swedish backgrounds, and also to boys in general (Regeringskansliet, 2005, p. 5).

Since 1997, all municipalities and schools have had to produce annual quality reports, evaluate and assess their activities and compare them with national objectives; there are also national tests (Regeringskansliet, 2005, p. 7).

A further feature of quality assurance in Sweden is indicated by the creation of the new National Agency for School Improvement, in addition to the National Agency for Education, a move which ‘...stemmed from the realisation that in a decentralised system managed by objectives, a clearly defined and rigorous inspection, supervision and evaluation structure was essential [...] (which) needs to be augmented, however, by regular input aimed at carrying forward local quality work and promoting the development of local activities (Regeringskansliet, 2005, p. 7).

Conclusion

Governance in Sweden is decentralised in its implementation, but centralised in its planning.

ATTRACTIVENESS AND FLEXIBILITY

In April 2004, the Swedish government suggested an eleven-step reform of upper secondary education in order to improve its quality and attractiveness (Government bill 2003/04:140). The changes will be implemented from 2007. The eleven steps are:

Grades should be given for whole subjects instead of for modules, so that there is a cumulative assessment of student progress in the subject.

1. The introduction of an upper secondary school certificate.
2. Replacement of current project work with an upper secondary certificate project.
3. Improvement of the individual programme, in order to reduce dropout rates.
4. Provision of the possibility for young people to apply to other municipalities to increase student freedom of choice and stimulate regional co-operation.
5. The addition of history as a new core subject, worth 50 credits and therefore raising the number of credits for core subjects to a total of 800.
6. Core subjects and programme subjects will be integrated to assist students who do not achieve targets in core subjects.
7. Introduction of a modern form of apprenticeship training.
8. Improvement of vocational upper secondary education through increased links with working life.
9. Modules to comprise at least 100 credits, to promote coherence and greater depth.
10. Local modules to be quality assured by the National Agency for Education.

The government produced these suggestions in reaction to a parliamentary commission, appointed in the year 2000 to review the system and the curricula guidelines that came into effect in the early 1990s.

In addition, in May 2004, the government set up a Vocational Education Commission, including trade unions, representative from business, trade organisations, vocational training providers and government agencies, to develop co-operation in this area (Regeringskansliet, 2005, p. 15).

Progression into initial VET

All students who complete compulsory school with adequate grades in Swedish or Swedish as a foreign language, English and mathematics are entitled to attend an upper secondary programme. As almost all 16-19 year-olds in Sweden participate in upper secondary education, the vocational programmes at this institution represent initial VET. They involve a period of work-based learning (*Arbetsplatsförlagd utbildning* or APU) which accounts for some 15% of the time. Students retain their student status during this period, and receive no pay.

In Sweden, a person has the right to begin upper secondary education in a school until the year they turn 20, after which there are adult education programmes (*komvux*).

The Swedish system offers three-year upper secondary provision for general and vocational programmes, as well as formal eligibility to higher education from all these programmes. This has led to the development of vocationally-oriented courses in universities (see Lindell and Abrahamsson, 2002). In addition, it can be argued that the existence of pathways for progression into higher education was important in the expansion of participation in upper secondary education. A significant proportion of the two year study programmes in Sweden (*Högskoleexamen*) prepare young people for work in positions that are linked to vocational training career paths in other European countries.

There is a potential need for increasing systematisation of the links between vocational training and vocationally-oriented degree courses at higher education level, as well as emphasising the particular purpose and identity of each.

Progression routes

Since 1997, higher education has expanded substantially in Sweden, with funding for almost 100,000 extra openings being introduced between 1997 and 2003 (Regeringskansliet, 2005, p. 5). All upper secondary programmes fulfil the basic eligibility requirements for access to HE, but there may be particular requirements for certain courses. It has been argued that the Swedish system admits 'non-traditional' students in larger numbers than a number of other OECD countries, and Sweden is cited as an example of a country where: 'Prior learning and work experience have been recognized [...] as equivalent to academic entrance credentials...' (Schuetze and Slowey, 2002, p. 319).

Swedish HEIs are authorised to arrange introductory courses to university study in co-operation with municipal adult education, comprising an upper secondary

component of at most 20 weeks and an HE component of at most 20 academic points (equivalent to 20 weeks of full-time study). The aim is to improve participants' knowledge and eligibility for HE (Regeringskansliet, 2005, p. 11). In 2003, the one-year foundation course introduced in 1992 in preparation for studies in science and technology was expanded to include other programmes at HE level where there is a shortage of qualified applicants (Regeringskansliet, 2005, p. 11). A commission on increasing diversity in recruitment to HE ran between 2002 and 2004 to support HEIs in widening participation.

The fact that the programmes at upper secondary school provide basic eligibility for HE indicates one of the basic tenets of the system - that there should be no 'blind alleys' or for learners, but rather that learning should always be part of lifelong learning, whichever stage or age the learner is at (Regeringskansliet, 2005, p. 8). Some 42% of those who complete upper secondary school continue into higher education, and the government's long-term objective is for 50% of each cohort to have entered higher education by the age of 25 (Regeringskansliet, 2005, p. 5).

An adult education initiative (*Kunskapslyftet*), a five-year programme that ran between 1997 and 2002, aimed to upgrade adult education and training, primarily for unemployed adults who lacked full three-year upper secondary qualifications. It involved significant investment, half of which was used to finance participants' studies; it reached some 800,000 people, or about 20% of the workforce (Regeringskansliet, 2005, p. 5). In addition, the *Riksdag* passed a bill on adult learning and education in 2001, which supported more flexible, and less school-oriented, approaches to individual learning (Regeringskansliet, 2005, p. 5).

The Swedish system includes incentives for continuing education, such as the fact that grants and loans are available for learning, most adult education is free of charge, special support (*svux*) is available for people with a good employment record, and that there is a right to educational leave (Shapiro, 2005, p. 12).

Individual programmes (IPs) are available for those people who have not gained appropriate grades in the leaving certificate from compulsory school. These programmes allow them to improve their knowledge and thereby their choices at the upper secondary level. Studies can be combined with workplace learning or work placements, and from July 2006 IPs will be available on a full-time basis with a programme structure similar to that of the national programmes (Regeringskansliet, 2005, p. 16). The IP's individually tailored programmes of work experience or training prepare or facilitate teenagers' re-entry into the labour market (Shapiro, 2005, p. 15). Individual programmes may also be chosen by students who have not yet decided which programme focus they would like to follow at upper secondary school. Study guidance is provided at upper secondary schools in order to support students and their subsequent studies (UNESCO, 1998, p. 69). An Internet-based portal was due to come online in 2005 to offer access to information on study and vocational choices (Regeringskansliet, 2005,

p. 11).

A new vocational programme is the advanced vocational education programme (*kvalificerad yrkesutbildning* or KY), which began as a pilot project, launched in 1996, and was included in the main system from 2002. It is a post-secondary programme, involving close co-operation with business, and one third of the time is spent at the workplace. This entails active workplace learning and problem-solving (Shapiro, 2005, p. 9), and is based on close co-operation between enterprises and education providers. It is open to students directly after upper secondary school or to those in employment, and they are entitled to financial support according to higher education regulations. After two years, participants gain an advanced vocational qualification. The intention of the KY programme is to respond flexibly to real needs in the employment market (see Lindell and Abrahamsson, 2002, p. 14).

The broader concept of lifelong learning has now replaced that of recurrent learning, which began in the 1960s in Sweden (Lindell and Abrahamsson, 2002, p. 9, see also Abukari, 2005). Adult education is run under the governance of the ministry of industry. There are four strands, and the fifth is in-company training, based on strong co-operation between the social partners. Incentives for lifelong learning include the fact that study grants are available, and that leave of absence from work for study purposes is possible. There is also a focus on the lifelong learning of the older generation (see O'Dowd, 2005).

Therefore, it can be argued that adult learning initiatives take on an important role in Sweden, and other initiatives such as individual learning accounts and the national net university also have a positive impact on lifelong learning. The individual learning accounts should include contributions from both individuals and employers as part of the salary, but implementation has been delayed due to criticism from the Swedish Trade Union Confederation and further discussions within government (Lindell and Abrahamsson, 2002, pp. 15-16; Regeringskansliet, 2005, p. 12). Lifelong learning is an 'integrated component' of Swedish educational policies (Lindell and Abrahamsson, 2002, p. 17), as shown by the adult education initiatives and also by the government's objective that 50% of the age cohort participate in higher education at 25 years of age.

Incentives to participate – learners and employers

All full-time students in upper secondary schools between the ages of sixteen and twenty receive a student grant, in order to promote equality of opportunity regardless of the personal circumstances of students. There is a separate grant system for students at universities and for those over 20 attending upper secondary school, which is partly a grant and partly a repayable loan. There are further student grants for adults and for the unemployed.

Participation of employers in initial education and training is voluntary. They are very active in in-house training and continuing vocational training (see Lindell and

Abrahamsson, 2002). Further, employers are closely involved in advanced vocational education as part of the KY (*kvalificerad yrkesutbildning*) programme. Indeed, this programme represents the strengthening of their influence (Lindell, 2004, p. 259).

At upper secondary school, the APU work placement requires employer participation, and effective co-operation between schools and employers. The level of this co-operation can differ greatly between regions and between schools. The aim of APU is to create direct contact between students and the world of work, and students seem generally satisfied with APU and the supervision they receive at the workplace (Abrahamsson, 1999, p. 70).

Schools need to establish links with local companies for APU to work effectively, and there is variation according to the regional economic situation and the availability of suitable companies for placements relevant to the various programmes. The inclination of employers to participate in APU may vary according to overall economic performance and pressures on staff, which can lead to a lack of APU places, a decrease in quality of APU and a lack of coherence between school-based and work-based learning processes (see Abrahamsson, 1999, p. 70).

APU represents the active participation of employers in upper secondary provision, and provides the potential lever for their influence on training provision; '[...] this participation in work place training allows them [the companies] to influence the content, planning and implementation of the training and also to form an opinion of the individuals they may wish to see as future employees' (Abrahamsson, 1999, p. 63).

There is a concern among small and medium-sized companies that the core subjects occupy too much of students' time on vocational programmes at upper secondary school, at the expense of specific knowledge on their chosen occupational area.

However, the social consensus that upper secondary schools should provide a broad based education and training that is not specific to a particular occupational field in order to prepare young people for the changing challenges of working life has prevailed (see Ministry of Education, 2001).

Programme design

The 17 programmes, at upper secondary level, share a common core of subjects (Swedish or Swedish as a foreign language, English, mathematics, social science, natural science, religious education, sports and health, arts, and the latest addition, history) which occupy around one third of the time available, and account for 750⁵ credits. All students also undertake a piece of project work, worth 100 credits. Thus, there is a common system with a common core

⁵ This will increase to 800 credit points with the addition of history as a further core subject.

curriculum at upper secondary level. Therefore, there is a level of integration between general and vocational learning, and this is one of the central tenets of the Swedish system. Those who follow a vocational programme gain general rather than specialist knowledge, which can be gained during future employment. However, Lindell (2004, p. 359) argues that: 'In a negative sense, the general qualifications may be too general. In particular, the institutionalised form of VET focuses more on what schools can supply in terms of simulated workplace environments, rather than on what industry and commerce actually need'.

Relatively high numbers of students follow the two academic programmes – a total of 99,900 in October 2002, compared with a total of 149,000 in all the other programmes combined. The smallest programmes are energy and food, with 2,000 and 1,500 students respectively.

The 17 programmes are:

National Programmes in upper secondary school

1. The Child Recreation Programme
2. The Construction Programme – constructional metalwork; painting; building and construction
3. The Electrical Engineering Programme – automation; electronics; installation
4. The Energy Programme – energy; marine engineering; heating, ventilation and sanitation
5. The Arts Programme – art and design; dance and theatre; music
6. The Vehicle Engineering Programme – aircraft engineering; coachwork; vehicle engineering; transport
7. The Business and Administration Programme
8. The Handicraft Programme
9. The Hotel, Restaurant and Catering Programme – hotel; restaurant; mass catering
10. The Industrial Programme – industry; process industries; woodwork; textile and clothing manufacturing
11. The Food Programme – bakery and confectionery; fresh and cured meats
12. The Media Programme – information and advertising; graphic media
13. The Natural Resource Use Programme
14. The Natural Science Programme – scientific; technical
15. The Health Care Programme – health care; dental nursing
16. The Social Science Programme – economics; liberal arts; social science
17. The Technical Programme

In the vocationally-oriented programmes, at least 15% of the students' time is taken up with workplace training (APU). At the upper secondary school, there are detailed programme guidelines for each of the 17 programmes. Upper secondary programmes are organised into subjects, which are further divided into courses with varying numbers of credits. A national programme is completed when a student has accumulated 2,500 credits or more. As can be seen in the following

overview of the programme structure and credits for the hotel and restaurant programme, the core, more general subjects, account for a large proportion of the course:

Core subjects

Core subject courses 750 credits at upper secondary school

Swedish A	100 credits
Swedish B	100 credits
English	100 credits
Mathematics	100 credits
Physical Education and health	100 credits
Civics	100 credits
Religion	50 credits
Science studies	50 credits
Artistic activities	50 credits

Common programme specific courses 650 credits at upper secondary school

Working life	50 credits
Use of computers	50 credits
Hotel studies	50 credits
Food science	50 credits
Food hygiene	50 credits
Cooking: hot food	100 credits
Cooking: cold food	100 credits
Nutrition	50 credits
Serving alcohol	50 credits
Serving	50 credits

Common courses in branches

Hotel studies	400 credits
Restaurant and meal services	300 credits

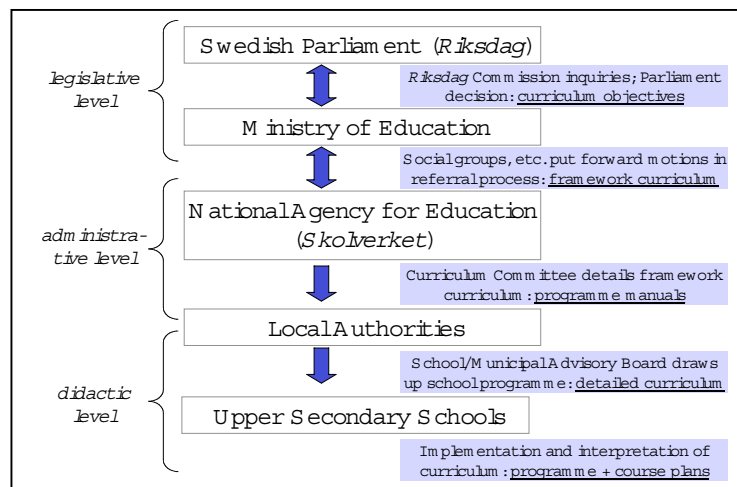
Optional courses 300-400 credits at upper secondary school

(Source: National Agency for Education, 2001)

The programme indicates the goals of the course, the grading criteria and the goals that pupils should have attained by the end of the course. There are four grades at upper secondary school: fail, pass, pass with distinction and pass with special distinction. The credits are awarded when at least a pass grade has been achieved. Grades are awarded by teachers at the end of courses, and there are no common examinations.

The following figure (Figure 3) shows the levels of curriculum development in Sweden.

Figure 3: Levels of curriculum development



Coherence of learning programmes

There is debate in Sweden about the core subjects on the vocational programmes at upper secondary school (see Höghieli, 2000). The aim is to train students to become generalists rather than specialists⁶. Therefore, upper secondary programmes cover such broad areas as food, media and handicrafts. The lack of direct relevance of the core subjects for vocationally oriented programmes has been identified as a weakness of initial vocational training in Sweden (see Höghieli, 2000).

Further, one result of the lack of co-operation between teachers of different programmes and subjects is that the culture and the status of vocational and general programmes are very different. These differences refer back to the time when there were different types of institutions for vocational education and academically-oriented upper secondary education: 'Sometimes, educational programmes may appear as different worlds where segregating factors and patterns originate from older forms of education are apparent' (Abrahamsson, 1999, p. 69).

One of the aims within Swedish educational planning, according to Lindell and Abrahamsson (2002, p. 17), has been to postpone selection and specialisation in youth education. This is shown by the strong common core of subjects at the upper secondary school. However, the same authors indicate that: 'Traditional institutional, social and psychological barriers will not disappear merely because today we talk about lifelong learning instead of vocational training, adult education or skill formation' (p. 18).

Lifelong learning policy in Sweden aims to eliminate 'blind alleys' as much as possible, so that citizens can build on initial comprehensive basic education at

⁶ Specialisation will be a matter for the future employer' (Abrahamsson, 1999, p. 63).

schools, which ‘...must provide knowledge and a level of proficiency that together equip pupils and students with the necessary means for further studies and for the development of skills in a labour market currently undergoing rapid transition’ (Regeringskansliet, 2005, p. 8).

CAPACITY TO DELIVER PROGRAMMES

Recruitment

Since 1988 there has been a single professional teacher qualification, rather than separate ones for compulsory school, upper secondary school, core subjects and vocational subjects, with the ‘...overall aim of facilitating co-operation between teachers in integral working units’ (Drakenberg, 2001, p. 199). The universities are responsible for admissions, curricula, diplomas and syllabuses, while teaching practice is organised jointly by the university and the municipality (Nielsen, 2002, p. 6). Most applicants for vocational teacher training must have at least four years of experience in their field, although there is some flexibility.

There is a minimum of four years of study, with two years for the main subject and training in teaching, but it is also possible for those with suitable education and experience to qualify as teachers on a special one-year teaching course (Eurydice, 2000, p. 4). The teacher programme comprises a wide range of courses, and teachers enrolled can choose to graduate after taking 140, 160, 180, 200 or 220 credits, but all teachers have to take common core programme of 60 credits (Shapiro, 2005, p. 21).

The changes in the system, and the greater responsibility assigned to teachers has led to changes in their role, described by Lundahl (2002, p. 632):

‘In addition to the older demands of subject knowledge and ability to teach, teachers have to assume a number of new roles. Also, they cannot function alone but have to work as part of a team. Commitment, social competence and knowledge of the world outside are demanded, many respondents argue.’

There are, broadly speaking, two groups of teachers at upper secondary schools in Sweden: teachers of general and core subjects and teachers of vocationally-oriented subjects and courses. Most teachers of general subjects have completed a full university degree and teacher preparation programme, while the teachers in vocational programmes come from a variety of different backgrounds.

There is a long-standing problem of a lack of co-operation between these two groups of teachers (see Höghielm, 2000). The reforms of recent years may have contributed to an entrenchment of this position. Lundahl (2002, p. 631) indicates the difficulties involved in changing teacher attitudes, and the tendency of teachers to ‘...stubbornly defend “their subject” and “their hours”’.

Nominally at least, however, the status of VET teachers is equal to that of core

teachers. Currently, there is a shortage of vocational teachers, with indications that graduation rates must treble by 2010 to meet needs (Regierungskansliet, 2005, p. 17).

Employers' associations and the Swedish Teachers' Union hold conflicting views regarding the respective importance of academic study and professional experience for future teachers, with the employers expressing doubt whether the appropriate competencies can be developed at university alone, and the Union arguing that the academic study programme is vital to the competence of vocational teachers (Nielsen, 2002, p. 7). Teacher training is currently under discussion in the Ministry of Education and Science (Shapiro, 2005, p. 21). Nielsen (2002, p. 7) summarises some of the current problems in the following way:

'In Sweden a teaching career in vocational education does not currently offer career development opportunities comparable to those available in out-of-school working life, and there is some doubt whether the conventional teacher training formats are sufficiently attractive to persons with the necessary qualifications and the best aptitude for teaching.'

Recruitment of teachers for secondary schools has been a problem in Sweden, especially in mathematics and the sciences, with teaching being done by unqualified teachers or teachers qualified in other subject areas (Tibell, 2000, p. 160).

Salaries are dependent on length of service, rather than on teachers' professional qualifications (Drakenberg, 2001, p. 201). This is arguably a policy which encourages equality between teachers with academic university qualifications and those with professional experience.

There are in-service training courses for teachers in Sweden, ranging from one week to 20 weeks, and all teachers are obliged to participate in school-based in-service training for five days annually (Drakenberg, 2001, p. 199). The responsibility for in-service training is shared between local authorities and local schools, a change from the period before the 1980s when it was centrally directed. Drakenberg (2001, p. 200) argues that this means that in-service training is directly related to the local needs of schools. Drakenberg also argues that, previously, teachers '... have been trained to adopt and to follow ready-made plans', but that the 'role of the teacher currently is quite different from previous eras', and that there is on-going debate about the quality of teaching in Sweden (Drakenberg, 2001, p. 201-202).

Leadership

Teachers and particularly school leaders in Sweden 'choose the best methods to attain the centrally formulated goals' (Lundahl, 2002, p. 626). The Swedish Agency for School Improvement is responsible for the national programme of training for school heads.

The change from governance by rules to governance by objectives meant that the school leaders became responsible for a higher degree of decision-making. According to Lundahl (2002, p. 633), they have become increasingly important, and their work has become much more difficult than previously, '...when they could depend on thick volumes of central rules.' Her respondents argued that good educational leaders were needed, but that they spent too much time on administration.

Co-operation between, for example, compulsory and post-compulsory schools, and between schools and local industry, is an important aspect of school heads' work in Sweden, for which appropriate preparation and support is necessary.

INNOVATION AND SUSTAINABILITY AND MAKING REFORM WORK

Policy priorities over the last ten years

Wide-ranging changes have been discussed and implemented in Sweden in recent years. In 1991 the upper secondary education system was reformed. This was implemented between 1992 and 1997 and involved the integration of VET and the traditional gymnasium. Other elements included:

The National Board of Education (Skolöverstyrelsen) and the county education boards (länskolnämnderna) were closed down. Two new authorities were established, namely the National Agency for Education (Statens skolverk) and the Swedish Agency for Special Education (Statens institut för handikappfrågor i skolan, SIH).

Upper secondary education was organised into three-year programmes. The Council for Popular Adult Education [Folkbildningsrådet] was established (consisting of the National Swedish Federation of Adult Education Associations [Folkbildningsförbundet], the organisation of folk high schools belonging to popular movements [Rörelseskolornas intresseorganisation] and the Swedish Federation of County Councils [Landstingsförbundet])

In 1992, municipalities were obliged to provide upper secondary education for all pupils (up to 20 years of age) leaving compulsory school.

In 1992 there was a higher education reform, which covered the following areas: academic values, quality of education, efficiency and increasing autonomy of universities and university colleges.

In 1994, a new curriculum for compulsory education (*Grundskola*) and for upper secondary schools was introduced.

In 1995, the National Agency for Higher Education (Högskoleverket) was established.

In 1996, the pilot scheme began for Advanced Vocational Education as a form of post-secondary education for employees with upper secondary vocational education (or with six years or more work experience in the area). The legal basis is Government Bill 1995/96:145 and ordinance 1996:372. Within this programme, one third of course time is spent in applying theoretical knowledge at a work place (Lindell and Abrahamsson, 2002, p. 11). Courses are developed by companies and a variety of course providers (upper secondary school, municipal adult education, higher education and commercial training companies). AVE became a formalised part of continuing vocational education in 2002.

In 1997, the new three year upper secondary school (see reform of 1991) was fully implemented.

In 1997, there was a reform of adult education, and the right of all adults to basic adult education corresponding to nine years of formal schooling was extended to the core subjects at upper secondary level. The Adult Education Initiative was run between 1997 and 2002. This is a special programme for adult education, which was followed up by a grant to municipalities for adult education provision (grant to be included in the regular state grant to municipalities from 2006). The principal target group is unemployed adults who do not have three years of upper secondary education.

In 1999, parliament replaced the timetable for upper secondary school with a credit plan; all programmes are worth 2,500 credits. Project work was also introduced. A new national programme (the technology programme) was introduced.

In 2000, the number of guaranteed teaching hours was raised.

Between 2000 and 2002 a parliamentary commission reviewed the organisational structure of upper secondary schooling. The final report in 2002 included the following recommendation:

eight broad sectors (down from 17 programmes in existence, of which 15 are primarily vocationally-oriented, and the other two prepare for higher education) with a view to educational integration and general education.

This suggestion was, however, rejected by the Minister of Education.

In 2002, Advanced Vocational Education was established as a regular form of post-secondary education.

In 2004, (28 April), a bill was presented by government to the Riksdag entitled: "Knowledge and quality – eleven steps for improving upper secondary schooling" (Government Bill 2003/4: 140). The "steps" were outlined in the Swedish Ministry of Education and Science fact sheet, U04.013/May 2004 (see description earlier in this paper).

Policy problems

Policy problems in Sweden include the need to increase the participation of employers, and improve co-operation between school and working life. The KY advanced vocational education programme is a step towards achieving the former goal. A further goal is to improve and maintain the quality and status of the work-based learning component of upper secondary school (APU). The move to extend APU to the academic-track courses is one step towards the latter goal.

In addition, the extensive reforms of the early 1990s have not yet been fully realised, and there is '...still some way to go as regards fulfilment of the objectives in the upper secondary VET programme' (Regeringskansliet, 2005, p. 17). A pivotal factor here is the shortage of trained VET teachers.

Policy targets and successful features

The report on 'Achieving the Lisbon Goal' (Leney et al., 2004) identifies the following positive features of VET in Sweden:

- coherence of national policies for VET with the EU policies
- existence of provision for young people to obtain both a vocational qualification and a general diploma for entry into tertiary education
- integration of vocational subjects into academic programmes, and vice versa
- regional CVT centres
- school-industry partnerships at local level;
- special training for teachers lacking qualifications;
- investigating possibilities to contract out upper secondary education.

The annex of the same report (DGVT Answers: Summary of the results of the DGVT's questionnaires) summarises five aspects of Swedish current VET provision that the Director General for Vocational Training (DGVT) considered to be successful in terms of the Swedish national goals, as well as up to five priorities for reform. These are summarised below:

Priorities for reform	Successful aspects of VET
Learning in working life	A flexible course-based system makes local adaptations easier, allows for the completion of an unfinished education at a later stage, and also for undertaking parts of the training programme abroad.
Enhanced possibility for upper secondary schools to invite tenders for contract	Quantitative planning based on pupils' choices in order to make it possible for the municipalities to offer pupils their first choice of national programme.
Apprenticeship in upper secondary school	Integrated vocational and general education at upper secondary level, and a common core of general subjects gives a large proportion of the population good general knowledge. All upper secondary programmes give general eligibility to higher education.
Vux försöksundervisning; to increase quality and completion	The Swedish system is one without dead ends. Students can return to adult education for a new programme or for completion of an unfinished training programme.
Obligatory project work in upper secondary school	There is a generous system of financial study support. Upper secondary school is free of charge and pupils receive a monthly study support of 950 SEK (103 euros). There is also financial support for adult students.

Types of policy instruments

Developments within VET and CVT are seen as a joint responsibility of the state and the various stakeholders, and reforms therefore entails a high degree of consultation and consensus-building. However, '...the various stakeholders and state have through the decades had different and often strongly conflicting interests and objectives in how CVT should be designed and implemented as the industrial and political structures in Sweden have changed' (Lindell, 2004, p. 258).

With regard to policy instruments, the KY advanced vocational education initiative may serve as an example. Its development followed a complex process that led from 'conflicting interests to collective consent', and involved a large number of stakeholders, including employer and employee confederations, single large trade unions, large companies and national authorities. Lindell (2004, p. 271) concludes that: '...policymaking of VET is not a simple, linear process, but rather [...] a complex, messy situation where different ideological beliefs, motives and commitments clash against each other. [...] Although the constitution gives the national authorities of education and training the right to act and criticise independently from the government, their requirements lay more on a formalised, objective basis not to be compared with the ideological beliefs, motives and commitments which are the foundation of the confederations and their affiliates'.

In the case of the KY programme, the pilot project brought the disparate requirements of the stakeholders together in their commitment to achieving an effective solution. Lindell argues that the emergent structures were broadly satisfactory to all partners. As such, participatory consensus, termed 'structured consultation' by Lindell (2004, p. 258) seems to have been effective.

The initial proposal included establishing new and independent vocational academies alongside universities, but this proved highly controversial, as unions argued that they would not be of equal status, and in the ensuing proposal, the government rejected this in favour of a 'patchwork' of various course providers, including universities, upper secondary schools, municipal adult education and private training companies (Lindell, 2004). A broad sense of satisfaction was created because curricula and content were an 'equal mix' from labour market training, upper secondary, supplementary and university courses, and the costs of workplace-based training were to be borne by industry, a solution aimed at reducing the dissatisfaction within trade unions (Lindell, 2004, p. 266).

The trade union was positive about the way AVE combined theoretical knowledge with workplace-based learning, while employers were positive about the demand-led nature of AVE (responding to labour market requirements) (Lindell, 2004, 267-8). However, there were concerns from the National Labour Market Board that the curriculum should be based on long-term goals, rather than short-term trends.

The eventual success of the reform is explained by Lindell using the metaphor of 'quarantine' – he argues that the decision by the government to launch the pilot project put the stakeholders into quarantine for three years, and that '...although stakeholders initially had strong differences of opinion, they were given a common responsibility, which together with the work on a daily basis of getting the project running, finally resulted in a common view...' (Lindell, 2004, p. 272).

Learner choice

The recent eleven-step legislation to improve the attractiveness of the upper secondary school includes provision for young people to apply to other municipalities if they cannot access a place on the course of their choice in their own municipality.

The individual programmes allow for a certain degree of choice as well, so that learners can create their own learning programmes according to their own needs and interests. It is also possible for young people to determine the duration of their programme according to their needs.

Quality and measures of success

Participation rates in post-compulsory education in Sweden are arguably an indicator of its success, as there has been a steady and substantial increase in the percentage of those aged 25 who have successfully completed at least upper secondary education (ISCED 3) between 1988 and 2003, from just over 30% to just over 80% (see Regeringskansliet, 2005, statistical appendix). Expenditure in education is relatively high, and Sweden performs well in relation to the common indicators and benchmarks identified by the European Commission (Regeringskansliet, 2005, p. 2).

A further strength is that Sweden has a comparatively high proportion of adults in education, training and skills development programmes (Regeringskansliet, 2005, p. 3).

CONCLUSIONS

Implications for the UK: barriers and potential

The upper secondary school is a potentially interesting institution for the UK context, as it offers a stark contrast to the institutional diversity of the UK upper secondary landscape. Sweden does not have institutional divisions in the same way as they exist in the UK – between FE colleges, school sixth forms and sixth form colleges. This might appear to be an effective solution to the issue of parity of esteem between general/academic and vocational learning. However, does the Swedish upper secondary school really represent parity of esteem and/or integration of general and vocational learning? It is possible to argue that the divisions and issues are simply shifted from an inter-institutional level to an intra-institutional level.

The development of the AVE programme may also hold potential for the UK. The consensus-building process surrounding the development of common responsibility for a pilot project between various stakeholders could potentially be created by using a pilot project approach in the UK.

With regard to teacher training, the Swedish model of one teacher training certificate could be a strategy for achieving greater parity of esteem between school teachers and FE lecturers in the UK. It would require flexibility regarding the recognition of prior learning and experience and precise course requirements, but if the training course and certification were broadly similar, this could solve some of the discrepancies in the pay and standing of school teachers and FE lecturers.

In terms of curriculum development, it is noteworthy that the upper secondary school vocational programmes devote such substantial time to core subjects. In view of the current demand from employers and HE in the UK for good literacy and numeracy standards, this form of curricular organisation may offer potential for the UK context.

However, it must also be remembered that the culture of participation is very different in Sweden, with the majority of young people staying on for post-compulsory education. It might prove more difficult to persuade young people in the UK to stay on if the offer includes more of the same subjects from school, rather than moving into more specialised vocational courses. In this context, the views of employers regarding labour market entrants in Sweden could be of interest.

A particular problem in both countries is the need to improve co-operation with employers and businesses, at local, regional and national level. In Sweden, workplace learning (APU) is undermined because of a shortage of placements, and the lack of greater involvement of local and regional businesses and employers' associations. Head teachers take on responsibility for developing these contacts. Could this be a suitable path for UK heads to follow, or is this solution overly *ad hoc*, and potentially unjust?

With regard to reform, it has been argued that:

'... instead of opting for radical, long-term strategies (e.g. the radical reform of a secondary education system), both Germany and Sweden try to integrate policies and local pilot projects within existing vocational education structures. In the light of numerous new qualification and skills programmes and related initiatives [...] and a range of changes to school education syllabuses in recent years, this is a lesson the UK may want to take on board' (Gibbons-Wood and Lange, 2000, p. 30).

RECOMMENDATIONS

Further research

Specific further research could involve:

Qualitative research with teachers and students in the different upper secondary school programmes in order to assess the level of integration between general and vocational learning.

Interviews with employers' associations to compare the levels of satisfaction with labour market entrants in the two countries

References

Abrahamsson, Kenneth (1999) Vocational Education and Training in Sweden. CEDEFOP.

Abukari, Abdulai (2005) Conceptualising lifelong learning: a reflection on lifelong learning at Lund University (Sweden) and Middlesex University (UK) *European Journal of Education* 40 (2) 143-154.

CEDEFOP (2005) Thematic Overview – Sweden. Downloaded from ReferNet on 04 Oct 2005.

Drakenberg, Margareth (2001) The professional development of teachers in Sweden. *European Journal of Teacher Education* 24 (1) 195-204.

Eurydice (2000) Summary sheets on education systems in Europe: Sweden. Eurydice [online] www.eurydice.org, accessed November 2005.

Gibbons-Wood, David and Lange, Thomas (2000) Developing core skills – lessons from Germany and Sweden. *Education and training* 42 (1) 24-32.

Höghjelm, Robert (ed) (2000) Vocational training in co-operation with working life and the links to general education. Solna: Nykopia Global Print.

Leney, Tom et al (2005) Achieving the Lisbon goal: The contribution of VET. Final report to the European Commission 1-11-04.

Lindell, Mats (2004) From conflicting interests to collective consent in advanced vocational education: policymaking and the role of stakeholders in Sweden. *Journal of Education and Work* 17 (2), 257-277.

Lindell, Mats and Abrahamsson, Kenneth (2002) The impact of lifelong learning on vocational education and training in Sweden. Leabrook: Australian National Training Authority. At: <http://www.ncver.edu.au/research/core/cp0007.pdf>, accessed November 2005.

Lundahl, Lisbeth (2002) From centralisation to decentralisation: governance of education in Sweden. *European Educational Research Journal* 1 (4) 625-636.

McIntosh, Steven (2001) The demand for post-compulsory education in four European countries. *Education Economics* 9 (1) 69-90.

Ministry of Education and Science (2001) Vocationally-oriented education – part of the integrated Swedish upper secondary school. Stockholm: Regeringskansliet.

Nielsen, Sören P. (2002) Teacher and trainer training systems and quality: The experience of the Nordic countries and Germany. Workshop Paper at Joint Cedefop-European Training Foundation Conference, Aalborg 21-22 November.

O'Dowd, Mina (2005) Learning from childhood to mature adulthood: what makes people want 'to learn to learn' and keep on learning? *Compare* 35 (3) 321-338.

National Agency for Education (2001) *Hotel and restaurant programme: Programme goal, structure and syllabuses*. Stockholm: Fritzes.

Regeringskansliet (2004) Eleven steps for improving upper secondary education Factsheet [online] Accessed November 2005 at:
<http://www.regeringen.se/content/1/c6/02/34/68/91517a51.pdf>

Regeringskansliet (2005) Towards the 2010 common goals. Swedish report: Cooperation in education and training under the Lisbon Strategy. Government offices of Sweden.

Schuetze, Hans G. and Slowey, Maria (2002) Participation and exclusion: A comparative analysis of non-traditional students and lifelong learners in higher education. *Higher Education* 44, p. 309-327.

Shapiro, Hanne (2005) *Country Report: Sweden*. In: Leney, T. et al Achieving the Lisbon Goal: The contribution of vocational education and training systems. Final report to the European Commission.

Strömdal, H. (2002) On the governance of Higher Education in Sweden. Some issues compiled from documents publicly available. KTH Learning Lab, Stockholm, Sweden.

Tibell, Gunnar (2000) An attempt at innovation in teacher training in Sweden. *Physics Education* 35 (3) 160 -163.

UNESCO (1998) Co-operation with the world of work in technical and vocational education: A. The policy level – studies from Hungary, Romania and Sweden and B. The institution level – a study from the Russian Federation. Berlin: UNESCO.

Williams, T.R. (2003) Educational Governance. A paper prepared for the Panel on the Role of Government. Queen's University, Kingston.

ANNEX 1b

FINLAND

INTRODUCTION

As Finland has undergone a rapid series of economic and social changes in recent decades, the education and training systems are seen and feature as an important public policy instrument, both to achieve the macro-level economic and social goals set within a broad political consensus, and as an instrument to raise the attainment and qualifications levels of large numbers of people in the population.

Reforms of the last five to 10 years for VET include notably:

- The loosening of national control of the curriculum ;
- Decentralising many responsibilities for curriculum and school management;
- Reforming funding in an attempt to make it more efficient and a more effective policy tool;
- Developing and reinforcing a strong social partnership basis for the governance of public sector VET (national and local government, employers, employees organisations, providers);
- Modularisation of upper secondary general and VET programmes;
- Learning in the workplace as part of the vocational curriculum ;
- Moving towards a competence-based system of learning and assessment, both for adults in the workforce and now for young people in VET. In particular, the introduction of performance-based assessment;
- Improving the training (CPD in particular) of teachers and trainers; and
- Raising the status and public esteem of VET by continuing to invest heavily and by encouraging general and VET students to mix their programmes.

On the European stage, Finland is justifiably described as one of Europe's top performers in education and training – *vide* the high levels of public spending, high levels of upper secondary graduation, the expansion of maths, science, technology in higher education, and good performance in basic skills with relatively few young people left behind. Performance on the PISA scales is the best-known example of Finland's leading position today. An inclusive, cradle-to-the-grave life long learning approach is found more in the national culture and consensus than in any single government policy document. Outstanding issues include keeping a few steps ahead in the unpredictable global economy and, for education and VET, reaching hard-to-reach groups and tackling disadvantage in some areas of the country. International analysis often overlooks the differences in regional distribution. In addition, Finland only performs somewhat better than average on the EU early school dropout indicator.

CONTEXT

Though one of the largest countries in Europe, Finland has a population of 5.2 million divided into three language groups (Finnish over 90 per cent, Swedish - both are official languages for all public services including education – and a small minority of Sami/Laplanders). In the long-term the economy has grown steadily – except for a huge recession in the early 1990s. Exports used to depend on forestry/paper and engineering; now electronics (particularly telecommunications) is a third and key factor. By European comparison, Finland has a relatively high employment rate, as does the UK, though unemployment is higher in Finland than in the UK, particularly for young people seeking to enter the labour market. (Source: TO).

The government reports that:

84.6% of 20-24 year olds have at least upper secondary qualifications, almost reaching the EU 2010 target, as against a European average of 76% ;
Finland has the lowest % of pupils with low reading literacy (7% against an EU average of nearly 20% ;
At 10% , dropout from basic vocational education (up to L3) is higher at 10% than for general upper secondary (2%), polytechnics (6%) and universities (4.5%)
92% of all schools are connected to the Internet and this includes all VET schools;
Public expenditure on education is 6.39% of GDP, against an EU average of 5.1% . Contributions of individuals is low (and lower than the EU average), enterprise expenditure is on the EU average ;
VET public spending rose by 25% between 2000 and 2005, and only science education in HE spending grew faster. (Source for above: LLL national report, annex)
In 2002, 55% of basic school graduates went to general upper secondary education, 37% to VET and 6% did not immediately carry on in education or training. In terms of total upper secondary enrolment (2000) 55% were in general and 45% in vocational upper secondary. (Source: TO).

The goal driving reforms is to make best use of all human resources. This means training the Finnish labour force as highly as possible. Securing equal opportunities for all is defined as a key element in achieving this goal. The education system is mostly public, all pathways in the system are open to higher levels, and the supply of education and training is as comprehensive as possible in all parts of the country. Although the status of education and training is high in Finland in international comparisons, there are problems, particularly associated with the attractiveness of VET and industrial occupations.

Challenges and barriers to successful reform include:

Raising the attractiveness of VET among young people;
 Lowering Relatively high IVET dropout rate;
 Demographic problems of remote areas (including rural deprivation and a lack of training places) and decreasing numbers of young people;
 Shifting the culture of traditional training providers and the professional outlook of the teachers;
 Local employment difficulties;
 Linking schools, workplaces and employment services more effectively;
 Making mixed general and vocational study programmes into a more concrete reality for larger numbers of students, particularly those in the general upper secondary school, who often have a low opinion of vocational courses. This raises the issue of whether separate institutions should exist in perpetuity.

Outline of institutional arrangements and reform trends

Earlier reforms up to the 1980s were notable for the development of a unified, comprehensive school system for nearly all young people up to the age of 16, followed by a clear division into general or academic pathways through the *lukio* (general upper secondary school) and a vocational pathway through *ammattikoulu* (vocational college). (The official name is *ammattilinen oppilaitos*.) Specialisation was thus delayed compared to earlier practice – and followed by progression to universities or polytechnics (*ammattikorkeakoulu*) in the binary higher education system or, for a decreasing segment of the cohort, to the labour market. Higher education has expanded rapidly and, as indicated below, the establishment and settling in of the polytechnics is a key development in post-school IVET.

The earlier, comprehensive reforms were carried out through ministry planning, an agreed framework and a national programme of reform. Some of the more recent framework changes have similarly been nation-wide (see the next section on the modularisation of the general and vocation upper secondary curriculum and programmes of study). However, 'permissive' reform regimes have also become more prominent, as many powers have been decentralised. For example, schools are encouraged to make it easier for upper secondary students to mix aspects of academic and vocational studies; the outcomes tend to be more variable, and the method is a national enabling framework, but a bottom-up approach to this and some other reforms. As the previous section suggests, high levels of public sector investment are one of the means used to keep the vocational colleges (*Ammattikoulu*) involved at the leading edge of modernisation and innovation, and to make them attractive to industry and to learners.

The development of active labour market policies places a premium on jobseekers entering and completing training, and the youth labour market (in many cases Finland is characterised by low levels of skills shortage and a high incidence of collective agreements and licence to practice requirements) reinforces this emphasis on achieving a qualification. Labour market entry can be

difficult, particularly for young entrants in some parts of the country and, at the same time there is likely to be a lack of trained workers in several occupations – concentrated in the southern part of Finland. Regional differences in the supply and demand for labour are considerable.

University entry is subject to strong competition: this – and the labour market viability of many initial VQs – makes IVET a strong bet for many young people, not least as a fall-back, should they not achieve a university place. The labour market opportunities and polytechnic access help to motivate a growing number of young people to achieve a double qualification at upper secondary level (general and vocational), and access to higher education is opening up to VET upper secondary students, though more to polytechnics than to the universities, where places are highly sought-after and subject to entrance tests beyond matriculation.

The development of polytechnics in the 1990s was a key development for opening up HE to students who had followed the vocational pathway and also for making advanced IVET programmes and qualifications available to the whole range of young people, including those with degrees and other forms of general qualification.

Most polytechnics have developed from VET institutions at secondary level that joined together to form larger, multi-field institutions, which then offered tertiary programmes. An outcome of this has been increased unofficial cooperation between vocational institutions and these polytechnics – where previously there was little cooperation between VET institutions and tertiary education (universities).

Finland has also been trialling post-graduate degrees in 20 polytechnics, from August 2002 to July 2005. The polytechnic post-graduate degree is a new university degree and is aimed at people who have completed a polytechnic degree or other applicable higher education degree, and have completed a minimum of three year's work experience in the field after completion of the degree.

Outline of qualifications and assessment reforms

Upper secondary courses are modular in design and take 3 years to complete and qualify in the general *lukio* and the vocational college (*ammattikoulu*). In both cases, the model of continuing general education plus specialisation remains fundamental. Thus all students continue with common studies including mother tongue, the other national language, at least one foreign language, mathematics, physics and chemistry; in addition, all VET students take modules in social, business and working life studies. Entrepreneurial skills are an area that currently receives attention for development.

There are 75 initial vocational study programmes. These provide a broad

vocational education and, in addition, more specialised expertise in one sector of the study programme. 120 credits are required for upper sec vocational qualification. One credit equates to 40 hours of learning and in the past certification for VET qualifications was awarded on unit completion. (Final exams for the academic upper secondary qualifications). 90 credits are for vocational studies and relevant on-the-job training (at least 20 credits for this), 20 for common studies and 10 for free-choice studies. (Source QCA summary). Now there is a strong move towards a reform geared to competence-based assessment (Source: DGVT Report).

The complexity of modules and the rules of combination have led to a marked growth of counselling in all upper secondary schools.

The Finnish system of IVET is basically a school- rather than work-based or apprenticeship route, though some apprenticeship exists. The emphasis on quality learning involves theory closely linked to skills developed in a workshop or equivalent simulation, on the premises of the college. More recently, work experience has taken a more prominent part: 20-weeks of on the job training is an innovation and is now built into the specifications. This was a major reform introduced as part of the renewal of vocational qualifications between 1999 and 2001; the evaluation may now be completed. (Source: DGVT report)

In terms of curriculum, qualifications and assessment, the following reforms are prominent in upper secondary VET programmes:

Increasing flexibility for the learner by making the qualification available through school, apprenticeship and the workplace

Moving towards a competence-based system of learning and assessment for young people in IVET replacing the earlier system that was based more on unit completion

Raising the status and public esteem of VET by continuing to invest heavily in VET provision and by encouraging both general and VET students to mix their programmes

Completing the development of the NOSTE programme (targeted for 30-59 years-olds), for accrediting the skills of adults without formal qualifications, who are performing with competence in the labour market

Developing a strong social partnership basis for the governance of public sector VET

Mostly, these are dealt with in more detail in sections that follow.

Outline of funding arrangements

One of the premises of Finnish education policy is that an effective education and training system entails a sufficient level of public funding to guarantee the availability and international competitiveness of high-quality public educational services provided free of charge. Reforms of education and training are financed by developing the public funding system and steering measures. Financing of basic education, general upper secondary education, initial vocational education and training and polytechnics is divided between the central government and other education providers. Government transfers cover 57% and municipal contributions 43% of the average costs. The calculation-based central government transfer system has been constructed to provide an incentive in that the co-financing share of local authorities and other education providers decreases if their educational costs remain below the average cost level. The funding system for vocational training has been supplemented by financing based on performance since 2002.

Financing of adult education and training provision mainly follows the funding criteria used for initial education or training at the same level. Nevertheless, the funding system for additional vocational training and liberal adult education does not include statutory municipal contributions; instead, funding is mainly based on central government transfers and private contributions. Student fees account for just above 20% and about 10%, respectively, of the funding of liberal adult education institutions and additional vocational training. In additional training financed as in-service training, however, central government transfers account for 50%, whereas employers cover the remaining share. The costs of labour market training are mainly covered from the State Budget. Employers cover some of the costs of training purchased in co-operation with employers. This type of training purchased through joint procurement accounted for 4% of labour market training in 2004. The social benefits payable to unemployed people participating in labour market training are co-financed from the State Budget (65%) and unemployment insurance funds and unemployment funds (35%).

Students receive financial aid for full-time post-compulsory studies lasting at least two months, whether general or vocational, and from upper secondary through higher education. Ordinary student financial aid comprises a study grant, a housing supplement and a government-guaranteed student loan. In addition, an adult education subsidy is granted to mature students. The unemployed receive labour market support or employment subsidy also for training during the unemployment. (Source: 2005 LLL report)

Preparations have been under way for some time for the introduction of a performance-based financing system of VET providers. This is to be based on an outcomes-based system, using data collected and analysed by Statistics Finland. The aims of the reform are to enhance the effectiveness of training providers and to encourage them to take a longer-term and target-oriented view of institutional development, in line with the ways in which Finland uses tools for setting longer-term national strategies and targets. It is also intended to enable the government

to use financing as a more focused tool for achieving change in local policy and performance. The indicators of success are identified as placement in employment after graduation, access to higher education, the dropout rate, graduation rate and the formal levels of staff competence and staff professional development. Unit pricing is to be introduced from 2006. (Source: DGVT report).

The Ministry of Education has drawn up a Productivity Programme for 2005–2009, which aims to support measures to promote productivity and efficiency, preparation of the annual State Budget, management by results and improvement of the productivity of publicly funded activities. The programme includes projects to increase completion rates of education and training (upper secondary level and higher education institutions), to reduce dropout rates in post-compulsory education and training, to increase recognition of competence, to speed up transition to further studies, to promote regional and structural development and to develop compilation of productivity statistics. (Source: 2005 LLL report)

Relationship between supply of training and labour market

At the national, more local and institutional level there is a strong emphasis on social partnership in developing VET qualifications. Emphasis throughout is based on a 3- or 4-way partnership between government (includes the national, county/local level), the teaching profession (schools and universities) and 'working life' (the social partners – employers and employees organisations).

To a greater extent than in the UK (but probably less than in Germany or Austria) entry into the labour market is regulated through tripartite collective agreements. Furthermore, the Finnish system, as in other Nordic countries, depends on quite a strong level of regional pride and cohesion. Thus, for example, the development and quality assurance of the Noste reforms for adult qualification in the workforce are substantially a matter of local and regional partnership – suggesting a high trust consensus on what counts as know how.

At the beginning of 2005, the Government appointed a new body, the Council for Labour and Educational Affairs operating as a joint expert body of the Ministries of Labour and Education. Its role is to deal with key employment policy challenges and strategies as well as those education policy challenges and strategies relevant to working life. The Council is co-chaired by the Ministers of Labour and Education. The members mainly represent labour market organisations, key ministries and local authorities. Vocationally or professionally differentiated education and training is planned and developed in co-operation with labour market organisations in a variety of national and local bodies and through more informal interaction. Also, the Adult Education Council, appointed by the Government, is an expert body in adult education and training operating in conjunction with the Ministry of Education. The Council is made up of representatives from different sectors of adult education and training, political parties and labour market organisations.

These national networks of advisory and decision-making bodies are reflected at different levels for VET, and in terms of sectors.

National Education and Training Committees. The National Education and Training Committees for 33 different fields and the National Co-ordination Group for Education and Training operate under the auspices of the Ministry of Education as expert bodies in the development of initial and additional vocational education and training, polytechnic studies and professionally oriented education provided by universities. Their role is to promote interaction between education and working life in co-operation with the Ministry of Education and the National Board of Education. Educational administration, teachers, employers and employees must be represented. National Education and Training Committees deal with matters such as the National Core Curricula and the Requirements of Competence-based Qualifications. The role of the National Co-ordination Group is to discuss extensive issues crossing the boundaries of individual VET fields.

Qualification Committees are select bodies appointed by the National Board of Education, representing employers, employees, teachers and self-employed people. Their roles include managing organisation of competence tests and signing qualification certificates. There are one or more Qualification Committees for each initial, further and specialist vocational qualification, totalling more than 300 qualifications.

Local co-operation bodies. Almost all educational institutions have local advisory councils consisting of social partners. Achievement of vocational skills is ensured through vocational skills demonstrations given in practical work assignments, which are assessed in co-operation between the education provider and representatives of working life. Each education provider appoints a body for the purposes of implementing vocational skills demonstrations or assigns this task to the above-mentioned local advisory council. This body is made up of representatives of the education provider, teachers, the world of work and business and students. The body plans and supervises skills demonstration activities. (Source: 2005 LLL report)

As an official from the Finnish ministry once remarked at a European conference *'For successful reform you must have working life and the teachers with you. Otherwise you are just the administration – and on its own that is nothing'* (CEDEFOP study visits seminar, Bratislava, Slovakia, 2004)

GOVERNANCE OF THE SUPPLY OF TRAINING AND AUTONOMY OF INSTITUTIONS

Changing perceptions of public governance

For education and training, Finland is one of Europe's high spenders (in terms of

percentage spend of DGP); until some years ago, the country also had a rather centralised system of education and, by the same token, initial training. At the same time, Finland scores consistently highly on international comparative measures, such as PISA.

The main thrust of reform of the governance of the public sector is to streamline public administration, implying reduced costs and greater efficiency. The twin impulses are to create a leaner central government and to create greater autonomy at the local level. This has meant moving from traditionally detailed legislation for each type and phase of education towards a more general framework that concentrates on the regulation of education, rather than of institutions. (Source: TO). While the government remains a key driver and funder and, through state funded establishments and training schemes, provider of VET, initiatives such as the Education Ministry's 2005-09 Productivity Programme referred to above signal a greater emphasis on efficiency and cost-effectiveness, within a high-spending, government-led scenario.

Objectives/accountability vs. decentralisation of powers

Structural reform of educational administration has consisted since the early 1990s mainly of decentralisation of decision-making powers. Specifically, the funding system shifted to unit-based funding criteria and the curriculum system was reformed. Unit-based funding criteria give education providers freedom to allocate public funding as they see fit, as long as statutory minimum requirements for the amount of instruction, guidance counselling, pupil/student welfare services, special needs education, etc. are fulfilled. In the current curricular system, the National Board of Education draws up binding National Core Curricula, which determine the objectives and assessment criteria for education and training, while the more specific curricula observed at schools are prepared locally. (Source: 2005 LLL report). This is in marked contrast to the earlier form of curriculum regulation, which tended to define subject content down to a minute level of detail, and to be relatively fixed. Most recently, the curriculum changes defined above are closely linked to a shift to a competence approach for the vocational learning programmes and assessment.

Unlike the new UK paradigm, where closely defined targets at every level throughout the public sector of provision and spending (and in many other areas) have become the benchmark for performance and efficiency, Finland tends not to set close, SMART targets at every level in the system. Objectives tend to be broad, trust tends to be high, and expected outcomes are couched in general rather than league table format. The mix is illustrated in this extract from Finland's recent national report on lifelong learning.

National definition and key objectives of lifelong learning

Lifelong learning has been defined in Finland as an approach that steers education policy and other policy sectors relating to learning. The objective is to

achieve a high level of education and good learning skills that will thus create conditions for people to continuously learn new things for different purposes, and to give people the opportunity to maintain and develop their competencies at all ages, making use of different environments. The objectives of lifelong learning have been included in Finland in the Development Plan for Education and Research and other Government strategy documents. It has not been considered necessary to create a specific strategy for lifelong learning. The following passages describe the objectives set at national level and their achievement to date.

Raising the population's level of education

In the Development Plan for Education and Research⁷, the Government set the following objectives for raising the population's level of education:

1. Access to pre-primary education will be guaranteed throughout the country. The participation rate in 2004 was 96%.
2. By 2015 at least 90% of the 25–29 age group have completed general upper secondary school or initial vocational education and training. This proportion was 86% in 2003.
3. By 2015 at least 50% of the 30–34 age group have completed a higher education degree. This proportion was 42% in 2003.
4. The proportion of education and/or training leading to initial vocational qualifications, polytechnic degrees and university Bachelor's and Master's degrees specifically provided for adults will account for about 20% of the total number of new students. This objective has practically been achieved.

Learning skills

One of the objectives set by the Government in the Development Plan for Education and Research for development of instruction and learning environments is that these will provide individuals with a solid foundation for lifelong learning. This has been taken into account in the National Core Curricula for basic education, initial vocational education and training, general upper secondary education and in teacher education.

Maintenance and development of competence

One of the objectives set by the Government in the 2005 Budget is for the proportion of the working-age adult population participating in education or training to increase to 60% by 2008⁸. This proportion was 54% in 2000. Adult education and training will be promoted such that self-motivated adult education and training, labour market training and in-service training will form an effective whole.

Source: 2005 LLL report

⁷ Koulutus ja tutkimus 2003–2008. Kehittämässä suunnitelma. Opetusministeriön julkaisu 2004:6. Ylipistöpaino, Helsinki 2004. <http://www.minedu.fi/julkaisut/index.html> [Available in English: Education and Research 2003–2008. Development Plan. Publications of the Ministry of Education 2004:8. Helsinki University Press 2004. <http://www.minedu.fi/publications/index.html>]

⁸ Government's Budget Proposal for 2005.

Quality assurance

The 1990s decentralisation of powers described above gives local administrations and VET and other educational providers much more autonomy, not least over students' learning programmes. Partly as a result of this, quality assurance has become more prominent. While there is provision for external quality assurance, much emphasis is placed on institutional self-evaluation. Each education provider is obligated to evaluate the education it provides as well as its effectiveness (the self-evaluation obligation) and to participate in external evaluation of its operations. However, there are no specific external inspection activities in Finland - an education provider may be a local authority (municipality), a joint municipal board or a private organisation. Education providers or educational institutions may purchase external evaluation services. The National Board of Education published a recommendation for quality management in vocational education in 1999 and a recommendation for quality management of apprenticeship training in 2002. Among other things, these recommend that education providers and educational institutions should carry out an external evaluation once every three years. In addition, education providers may apply for a Quality Award in vocational education and training.

For the purposes of evaluating the education and training system, the Finnish Education Evaluation Council was established in 2003 for a fixed term under the auspices of the Ministry of Education. Its tasks are only just being formulated. Part of the plans entailed linking the system being created to accredit young people's vocational education and training, by linking the national evaluation of learning outcomes to the new system of skills demonstrations in VET. (Source: Country report for Maastricht study)

Decentralisation was a major change, implemented in a very short time and the decision-making power was given to the providers without a great deal of policy debate. Thus, the move from quite a centralised system to a decentralised system was rapid. Decentralisation is based on the trust on the local sense of responsibility and so far the experiences have been good.

ATTRACTIVENESS AND FLEXIBILITY OF FE PATHWAYS

Although more students opt for general upper secondary schooling (*lukio*) than for the vocational colleges (*ammattikoulu*) – see Context above -, the vocational pathway has considerably respect and status. Undoubtedly the standing is lower than the general pathway, which is designed to lead on to university. Some aspects have already been referred to: notably, in terms of public image, Finland has dedicated 2005 as the year of vocational training, linked to the hosting of the world skills competition in Helsinki.

A particular innovation has been the student on-line feedback on their experience

of labour market training. The Ministry of Labour monitors the quality of labour market training through its own student feedback system (OPAL). The Ministry of Education is preparing to develop an equivalent system for continuing vocational education and training provided under its auspices. The polytechnics and the Ministry of Education already have a joint and compatible student feedback collection system (OPALA), which is used to plan and evaluate education and training and develop education, training and practical training periods. (Source 2005 LLL report)

Progression into initial VET

After the upper phase of compulsory (basic, comprehensive) schooling young people opt, as earlier indicated, for a lukib or an ammattikoulu programme. Entry for lukib prepares for the academic pathway, so is generally perceived to be more demanding, ammattikoulu as practical and vocationally oriented. Student selection to upper secondary schools is mainly based on previous study records, although selection criteria used by VET institutions also include work experience and other comparable factors and possibly entrance and aptitude tests. The national student selection systems allow the young people to choose the study lines according to their own interests, but not all students achieve a study place on the branch they want. There are always more applicants on average than places for the vocational courses, about 1.3 applicants per place. Mostly students apply through a national joint application system. Criteria include the general study record, grades in the relevant fields, work experience and any entry tests. Selection criteria are flexible for students with special needs. The most popular fields are Health Care and Social Services, Culture, and Leisure and Physical Education, each of which has at least two primary applicants per student admitted. In certain fields, however, such as Machinery and Metal Technology and Cleaning Services, the number of applicants remains below the educational needs estimated on the basis of demand in working life. The situation used to be similar in Heating, Plumbing and Ventilation Technology and Restaurant Services, but applicant numbers have grown in recent years. (Source: 2005 LLL report)

Progression and routes to HE, work, apprenticeship and non-completion

While the initial VET pathway in the post-compulsory phase is, substantially, a school/college-based experience with elements of work experience now built in, national policy is now building up apprenticeship based on the contract of apprenticeship. After graduation over 90 % of apprenticeship graduates find employment in the institution where they have been trained. To keep coherence, the same qualifications can now be achieved in initial VET through the school/college- and the apprenticeship pathways, and also through the accreditation of skills and competences gained in the workplace. This is intended to give the VET qualifications maximum transparency, irrespective of the learning pathway. (Source 2005 LLL report)

Further information is needed to be clear as to the extent to which *ammattikoulu*

graduates are ready for the labour market but with the need for further training for job specific qualified status, and the extent to which qualification carries job-specific labour market recognition, bearing in mind licence to practice requirements and collective agreements on qualified status. (Tom: seek further clarification; this may vary by trade and sector).

Lowering the barriers between VET and general and higher education is a policy priority. All initial vocational qualifications last three years and provide general eligibility for further studies at polytechnics and universities. At present, about 30% of new polytechnic students have progressed through the vocational track, whereas the equivalent figure for universities is about 5%. In 2002 a new system of polytechnic post-graduate degrees was introduced aimed at people with a polytechnic degree or another kind of degree plus three years experience. Provision is closely linked to identified labour market needs, but is also intended to open up rather than close off progression pathways for polytechnic graduates.

To widen opportunities and access in higher education, the Open University and the Open Polytechnic are being developed and measures are being taken to enhance their regional coverage. The Ministry of Education grants supplementary funding to support creation of open and virtual learning environments. And since 2003 employment agencies can fund unemployed people who have dropped out of studies to complete their higher education degrees. As a result of legislation, a higher education institution may also admit applicants not satisfying formal eligibility requirements, if it can ascertain such students' eligibility in some other way, accreditation of previous studies and sometimes learning acquired in working life.

Finally, upper secondary studies may also be taken in parallel at general upper secondary school and at a vocational college, either such that a vocational student chooses general upper secondary school studies, for example to enhance his or her capabilities for further study, or that an upper secondary school student supplements his or her upper secondary school studies with vocational studies. Students may also complete two qualifications at the same time; the most common combination is an initial vocational qualification and the general upper secondary school matriculation examination. About 5% of students completing an initial vocational qualification take the matriculation examination at the same time.

Non-completion rates were indicated earlier. The data for 2001-04 follow:

	2001	2002	2003	2004 (estimate)
Upper-secondary school	2,4%	2,2%	2,0%	2,0%
Vocational basic education	11,7%	10,8%	10,2%	10,0%
Polytechnics	7,2%	6,0%	6,2%	6,2%
Universities	3,8%	4,8%	4,5%	4,5%

Source : adapted from 2005 LLL report, annex, table 7, quoting Ministry of Education 2005

Even for those with an upper secondary VET qualification, labour market entry can be difficult and a long, slow process, particularly for boys and particularly away from the high concentration of population, commerce and industry in southwest Finland.

Though applying to adults in the workforce, the Noste programme is an innovation worth noting. In 2003, the Government launched a programme to raise the level of education among adults for 2003–2007, entitled the Noste Programme, which provides mostly employed 30–59-year-old people lacking upper secondary education with opportunities to complete initial vocational qualifications and improve their information society skills free of charge. The programme aims to prepare for the shortage of skilled labour due to the attrition of the baby boomers and to raise the population's level of education. Those participating in the programme may complete initial, further or specialist vocational qualifications or individual qualification modules or obtain a Computer Driving Licence. The Noste Programme also finances support measures for studies and outreach activities. Support measures for studies entail guidance in and individualisation of studies. Outreach activities mean information about education and training and individual guidance provided in locations such as workplaces. During 2003–2004, about 7,200 people started education or training within the Noste Programme. To date, about 1,300 people have completed full vocational qualifications (an initial, further or specialist vocational qualification), while about 1,100 participants have completed individual qualification modules. In addition, education and training funded through normal channels have also been directed at the programme's target group. Another 11,000–12,000 people in this target group were also studying in regular core-funded vocational education and training provided under the auspices of the educational administration in 2004. The total funding reserved for the programme in the 2005 State Budget amounts to EUR 26 million. In 2003–2004, just below 17,000 of those who started labour market training could be classified as belonging to one of the Noste Programme target groups. (Source 2005 LLL Report)

Incentives to participate – employers and learners

Incentives for learners have already been described – measures to increase the flexibility and attractiveness of provision, and to open up new progression pathways; public promotional campaigns; financial support; high levels of

investment in the sector to provide state of the art facilities and opportunities to mix study between the *lukio* and *ammattikoulu* provision; it is the *lukio* students who tend to make most use of this last provision.

Improvements to guidance are also worth mentioning in this context. All initial vocational qualifications include 1.5 credits of guidance counselling. This is now an integrated part of Finnish vocational education and training, aiming to promote completion of studies and students' placement on the labour market and in further education.

Programme design

3-Year upper secondary VET qualification comprises 120 credits; 1 credit equates to about 40 hours of study. The curriculum comprises:

Vocational studies – including on-the-job learning to support these studies: 90 credits;

- o Work experience: On-the-job learning is agreed through a written contract between the workplace and the education provider. A prerequisite for making a contract is that the workplace has a sufficiently high volume of production or services, a wide range of tools and other facilities and the qualified personnel needed to provide training in accordance with the relevant national core curriculum (at least 20 credits from the 90).

Core subjects: native language (4 credits), other national language (1), foreign language (2), maths (3), science (2), business studies (1), health (1), physical (1) and arts (1) education plus free-choice electives (4).

Free-choice: 10 credits

Guidance: 1.5 credits, taken among the above.

(Source: TO)

VET at *ammattikoulu* is divided into 8 main sectors. In descending order of take up, these are: technology and transport; health and social services; business and administration; tourism and hospitality, culture, natural resources, natural sciences, humanities/education.

Coherence of VET programmes within lifelong learning provision

The reforms highlighted in this report and the thoroughgoing partnership approach suggest a coherence, which is borne out by the results of international benchmarking on various attainment indicators. However, some groups are hard to reach (e.g. migrants). Furthermore, boys perform less well across the learning system than girls, added to which transition to the labour market can be tough, particularly in some regions. Though the Noste programme shows signs of success, not all older workers and citizens find their way to skills recognition.

CAPACITY TO DELIVER PROGRAMMES

Teachers and trainers

Teachers and schools have extensive and growing professional autonomy – so as to meet the needs of the local environment. They influence the curriculum and course design, control pedagogy and learning materials, and have far more autonomy over assessment regimes than their UK counterparts.

Teachers at vocational institutions are required to hold a higher university degree or an appropriate polytechnic degree, to have completed pedagogical studies with at least 35 credits (equates to one year's full-time studies) and to have at least three years of work experience in a field relevant to the assignment.

Teachers maintain and develop their competence by means of continuing professional education and practical placement periods in the vocational field that they teach. Several national continuing education projects for vocational teachers are underway in Finland. VET teachers' CPT is compulsory, and is built into the collective agreements. Local employers are responsible for organising the training, usually through the schools and often involving on-the-job aspects – a study published in 1999 suggested that on average the VET teacher undertakes more CPD than teachers in the general education system.

The priorities for teacher education and training are specified annually in the Development Plan for Research and Education. In 2004 this included promoting e-learning, foundation and core subjects including entrepreneurship, student well-being and guidance, developing on-the-job learning and skills demonstrations (competence-based assessment for VET programmes), multicultural approaches and 'cultural clashes', school management. (Source TO)

TUKEVA is a programme aiming to raise the level of education among VET teachers and to develop the operations of adult education organisations and new learning environments. The project involves a total of about 450 teachers, who aim to complete a higher university degree or a Licentiate or Doctor's degree in educational, economic or technological sciences. KOKEVA is a development programme for initial vocational education and training with key objectives of developing, maintaining and updating vocational competence of upper secondary VET teachers and instructors and promoting wellbeing at work. The project involves about 700 teachers and 86 organisations. AHE is a development project to individualise adult education and training, aiming to improve education providers' expertise in meeting the individual competence needs of the working-age population and making use of previous learning. The project develops forms of provision based on individualisation and co-operation between education providers and businesses. The project involves more than 50 continuing vocational education institutions. (Source 2005 LLL report)

Leadership

This will need some further investigation and reporting. School management

training is one of the identified themes for teachers' CPD, but I have seen little written about this.

As indicated, strong emphasis is placed on corporate and representative governance – through the social partnership arrangements

Capital investment in resources

High level. See all the EU comparisons. Modern, well-equipped, technologically up-to-date vocational schools/colleges – sites, facilities, equipment.

INNOVATION AND SUSTAINABILITY AND MAKING REFORM WORK

The question here is really this – what is the approach taken to ensure that reform is effective and sustainable, innovation rather a series of unconnected initiatives?

Policy priorities over the last ten years

Asked to indicate five successful aspects of VET in Finland, the government has identified:

- Incorporation of on the job learning periods into VET qualifications;
- Development of a performance-based financing system ;
- Opening up higher education access to VET upper secondary graduates;
- Developing competence-based, unified systems and qualifications for adult learners, and as part of the VET framework for curriculum and learning programmes;
- Apprenticeship as an alternative channel for VET and a possibility for CVT.

(Source: DGVT report)

Policy problems being identified

Relating specifically to current reform priorities, the government - represented by the DGVT, reporting on developments in Finland for the Maastricht study – identified the following in mid-2004:

- Introducing competence-based assessment of learning outcomes, to improve quality of VET programmes;
- Identification and recognition of informal and non-formal learning;
- Putting the outcomes-based funding system into practice from 2006;
- Making best use of the OPAL system for student feedback on labour market training;
- Successful completion of the NOSTE programme (2003-07) for giving adults without qualifications better opportunities for completing competence-based qualifications⁹. (Source: DGVT report).

In terms of barriers, the background report (Finland) for the Maastricht Study

⁹ Note that earlier visits to the UK to look at NVQs and how they could be adapted and improved for the Finnish environment were an influence on this development.

pointed out that:

Although a lot of efforts have been made, vocational education and training still have a lower status compared to general education. The educational reforms alone may not be enough to change the public attitudes to be more positive towards VET. There probably is a need for more profound changes in the public attitudes. In addition, the insufficient cooperation between general education institutions and VET institutions and the lack of competent teachers may be possible barriers.

Source: Country report, page 3

Even though Finland is seen as a clearly successful model on the European stage, a number of problems need tackling, and some are emerging. Rural deprivation is a long-standing issue, as is a geographically uneven share of Finland's recent success (north and east compared with southwest). More recent areas of concern include provision for hard-to reach groups such as migrants, the major underperformance of boys in the system as compared to girls, and, of course, reaching people in the workforce who need high levels of skills recognition as the baby-boom generation retires and the labour market needs for skills changes rapidly.

Policy targets – institutions and actors

The education ministry and its agencies tend to take the lead: unlike the situation in some countries, little evidence of inter-ministry rivalry.

Emphasis is placed at the national level on consensus building and a strong social partnership approach. This is reinforced by the partnership approach at the local policy making level, and at institutional levels.

In some cases schools are required to make changes for example to fit broad frameworks of credit-based qualifications and to include a specific element of work experience in IVET courses. Decentralisation has given the local and institutional level much more power and authority, and some reforms seem now to be generated on a 'permissive' framework, with schools and localities able to take up initiatives within the framework at their own pace (e.g. opportunities for learners to mix aspects of general and vocational studies from learning partnerships between institutions).

For VET, professional development of the teachers and trainers, who now have a wide degree of professional autonomy, is a clear point of concentration. Governance in particular through partnership is a 'target' for identifying and bringing about change. On the other hand, I can see little being written about the development of senior management in institutions along specifically 'chief executive of an SME' lines (cf .UK).

For VET, the influence of social partnership at the national level remains strong.

The biennial national agreements cover each major sector of the labour market (95% of the workforce), and include strong specific reference to training, its development and labour market entry. The development of the competence-based VET programmes at local level, and their assessment, has also called for strengthened (and high trust) partnership at more local levels.

The public is also a target (publicity campaigns such as making 2005 the year of VET, guidance) – as are students.

Types of policy instruments being employed

A clear summary and view from Finland on this will help. For starters

Broad and agreed policy objectives operating steadily over a period of time. Use of framework legislation

Thorough mechanisms for involving the key partners in collaborative planning and governance. This is achieved mainly through jointly agreed high level recommendations

There is a developing reliance on evaluation (moving towards impact evaluation) of major initiatives, which indicates a tendency to increase the amount of central steering. If evaluation shows growing local and regional differences, the tendency towards more central steering of the system could increase, too.

Some external QA of institutions, but no inspection regime and a strong reliance on formative self-evaluation.

Performance based funding as an element of the funding of VET schools. Strong reliance on initial and continuing professional development of the teachers.

Attempts to take on board the learners' view – see the on line survey of student views of VET.

An innovative approach to anticipating future skills and training needs: government-led economic analysis, linked to softer tools such as scenarios/strategies analysis to inform long-term policy formation; Futures work.

Learner choice

Once a student has opted for an upper-secondary qualification course and been awarded a place, the modular system based on 120 credits for a 3-year qualification course at upper secondary for both general and vocational provides a clear structure within which students on the academic side have a lot of choice over the pacing of their studies and quite a bit of latitude in terms of options – within an overall framework of rules of combination. This can be complex, and every school has a guidance counsellor whose job is to advise students on successful option choice and combination, as well as progression possibilities. Flexibility and choice is such that students can spend several months abroad, for example, without interfering with successful completion. I am less clear how the range of units and optional choice works in the IVET courses. In any case, the student opts for some units on a limited or open choice basis.

Quality and Measures of success

Use of benchmarking against national targets and EU - and international statistical comparisons: stats work led by Statistics Finland;

Mix of broad objective and specific targets - but local institutions don't seem to be driven by league tables etc.

Increasing use of impact assessment - but sometimes this is quite crude

FINALLY

In the view of one respondent the most important policy success in the public sector provisions of VET in the last 10 years is the shift in upper secondary VET assessment.

A. Name or title of VET innovation:	The structural change to upper secondary IVET examinations
B. Aims:	Increase quality of VET training, give better opportunities for young people to succeed in working life and give better preconditions for lifelong learning
C. Indicators of success	Employment of young people Further studies on higher level Satisfaction of employers
D. Outcomes	Better qualified people who have several opportunities to choose
E. Reference to documents/ or websites	

Sources

The main sources used are

Own experience and previous research analysis

The ReferNet thematic Overview of VET in Finland (TO)

The Director General for Vocational Training's Report on reforms and priorities for the 2004 Maastricht Study (DGVT)

The associated country report (Country report)

Finland's 2005 report to the European Commission on lifelong learning (LLL Report)

The comments of three experts in Finland - policy maker, researcher, head of VET school

ANNEX 1c

IRELAND

INTRODUCTION

Ireland's population is over 4 million and is growing due to a drop in emigration and a slight increase in birth rate. Its population is also ageing with a reduction in the number of 0-24 year olds and a significant increase in the number of 25-64 year olds. Educational attainment is summarised below:

	ISCED 0-2	ISCED 3-4	ISCED 5-6
EU-15	35%	43%	22%
Ireland	40%	35%	25%

ISCED 0-2: Pre-primary, primary and lower secondary education.

ISCED 3-4: Upper secondary and post-secondary non-tertiary education.

ISCED 5-6: Tertiary education.

VET in Ireland is regarded in both policy and structural terms for building and maintaining the high skilled workforce essential for Ireland's global competitiveness and economic strength.

In the 2006 national LLL report for the European Union's Joint Report on Education and Training 2010 programme, Ireland states that among its priorities are: engaging the learner; ensuring equality of access; to maintain and enhance international competitiveness through identification of future skills needs and providing appropriate learning opportunities; curricular, pedagogic and assessment reform; and international benchmarking to check that Ireland's education systems are World Class Standard.

One of the biggest recent policy reports on the FE sector is the final report of the Steering Group of the PLC Review, established by the Department of Education and Science, was published in April 2003. This made recommendations on PLC courses that are being considered by the Department of Education and Science. The recommendations encompass proposals that extend beyond PLC provision, including issues which impact on structures for delivery of FE and adult education into the future and on other sectors of the education system.

CONTEXT

The roots of FE in Ireland are from Second level and some FE provision is co-located with second level provision and all PLC colleges are under secondary management structures.

Outline of institutional arrangements and reform trends

The principal providers of vocational education are the Vocational Education Committees (VECs). VECs are statutory bodies (26 at county level and 6 for the cities), charged with responsibility for vocational and continuing education. VECs come under the remit of Department of Education and Science. FAS, the National Training and Employment Authority, comes under the remit of the Department of Enterprise, Trade and Employment. There are other smaller FE providers including voluntary secondary schools, community/

comprehensive schools, Failte Ireland (tourism), Teagasc (farming) and Bord lascaigh Mara (fishing). There are also private providers - including a number providing ESOL.

Outline of qualifications and assessment reforms

Post Leaving Certificate courses (PLC's) grew from courses that were introduced in 1985 under vocational preparation and training programmes (VPTP) (referred to as 'pre-employment programmes' by teachers) funded with European Social Fund support to provide a bridge between school and work for those who needed vocational training to enhance their chance of gaining employment. They were specifically targeted at early school leavers. Programmes are of 1 and 2 year duration and lead to certification at ISCED Levels 2 and 3 from the Further Education and Training Awards Council. Students typically reach PLC level after completing the Leaving Certificate. The programmes are provided in second level schools and colleges and 92% of provision is in the VEC sector. The scope of the programmes has widened considerably since 1985, and the proportions of age groups changed in the early 1990s (when there was higher unemployment) to include more adult learners so that now some 40.8% of all participants are over 21, and over a fifth are over 30 years old: there are more mature students engaged in PLC courses than are in higher education. They are accordingly an important re-entry route to learning for adults, as well as catering for some 18% of all school leavers each year. In 2001/02 there were 224 schools and colleges providing PLC courses, of these 37 had more than 150 PLC students in that year. In 2004/05 there were just over 30,000 participants.

Post Leaving Certificate courses adopt an integrated approach, focusing on technical knowledge, core skills and work experience. This is structured as vocational studies, general studies and 2 weeks work experience (stipulated by FETAC as a minimum) delivered as 8 modules to receive a full award. There is often more work experience though, either delivered as one two week block and a one week block or more commonly as one day a week over 25 weeks.

More recently, the creation of: the National Qualification Authority of Ireland (NQAI); the Further Education Training and Awards Council (FETAC); the Higher Education and Training Awards Council (HETAC) and the National Framework of Qualifications (with ten levels) – should bring coherence to national awards that is compatible with the European Qualifications Framework (EQF).

Outline of funding arrangements

The final report of the Steering Group of the PLC Review recommended that under funding be addressed to make the student experience more like that of HE rather than secondary schooling. It recommended that VECs delegate greater control over spending to their FE colleges, so that the VEC CEO would remain the Accounting Officer for FE colleges and expenditure levels would be determined by the VEC – though from budgets and plans produced by the colleges; control of college finances would be delegated to college

principals as sub-accounting officers. The review also contended that colleges be entitled to retain the profits of training for industry and other self-funded education and training provision, to be used for educational purposes; this would give the necessary incentive to colleges to work in this area. At present the profits gained from offering evening classes are taken by the Dept for Education and Science with providers only allowed to keep amounts to cover heating, lighting and caretaker costs. Costs for teaching and classroom materials are not covered.

There is a range of means tested financial student support schemes, which include Post Leaving Certificate and FE courses. In practice this means that there are subsidies available to cover both course fees and living expenses, (FE students are entitled to the same tertiary grant for university students).

There is an anomaly between technical institutions and universities and vocational colleges where the student services charge (a charge intended for teaching items that will go to the items that the student will take with them at the end of the course— ie textbooks or for example developing costs for photography) is delivered straight to the university or institution, but to students at vocational colleges. This means that colleges then have to collect the money from students – additional administration.

At present there are four funding streams related to FE. The first is VPTP (approximately 200 – 300 Euros per student per year), the second is VTOS (Vocational Training Opportunities Scheme) VTOS may be delivered in dedicated VTOS centres or delivered in vocational colleges. VTOS funding (approximately 500 Euros per capita) is worth more per capita than VPTP though places are more tightly capped. There is also a per capita FE grant (approximately 185 Euros per capita) and approximately 80 Euros per student for technical support.

Relationship between supply of training and labour market

The Expert Group on Future Skills Needs work at national level to determine labour market skills needs, its work is described in more detail later on in this report. Since the mid 1980s there has been a sharp shift in focus from agriculture to manufacturing, research development, high tech, IT, services, construction etc and hence new demands for new types and levels of qualifications. Also there has been the need to upskill existing workers, older workers, low skilled workers, migrants and enable greater participation by women - all have influenced provision.

GOVERNANCE OF THE SUPPLY OF TRAINING AND AUTONOMY OF INSTITUTIONS

As Ireland is not a large country, it does not in general have strong regional authorities. The vast majority of public decisions about VET, and the funding of public VET, are made through national bodies such as the Department of Education and Science, Department of Enterprise, Trade and Employment, FÁS or Fáilte Ireland (tourism development). Vocational education

committees (VECs) have statutorily defined autonomy to identify and meet local needs for vocational education. However, they also are reliant on national exchequer funding for the majority of their expenditure.

Over the last 15 years a system of National Partnership has been in place, every three years the Social Partners agree a plan for Social and Economic Development covering such issues as pay, taxation, social welfare and social policy. There is also social partner representation on the board of FÁS.

The final report of the Steering Group of the PLC Review recommended that an industry board be established in each college as a subcommittee of the main board of management, in colleges where there are more than 150 FTE FE students in college. There should also be industry advisory groups to advise at department level or at school level where there is mixed FE and Second level provision. The review also recommended that the relationship between each VEC and its FE colleges be formalised into a written framework policy, (similar to a service level agreement). This would cover issues such as: respective roles and responsibilities in planning and development; college planning cycles and their relationship to VEC planning cycles; financial responsibilities of colleges; scope for action by colleges without reference to the VEC; and, an allocation of staffing and other resources between colleges.

There are institutions that are not under the jurisdiction of a VEC (for example community schools). Therefore there is no one body that has a coherent picture or control of FE provision within a local area.

Changing perceptions of public governance

National definition and key objectives of lifelong learning

The 2000 Department for Education and Science White Paper on Adult Education – Learning for Life defines adult education as: ‘systematic learning undertaken by adults who return to learning having concluded initial education or training’ (p 27). This includes *inter alia* :

re-entry by adults to Further Education: i.e. education and training which occurs between second and third-level. This includes programmes such as Post Leaving Certificate courses, second-chance education such as the Vocational Training Opportunities Scheme for the unemployed, Adult Literacy and Basic Education, and self-funded adult education programmes.

Quality assurance

The Qualifications (Education & Training) Act 1999 established FETAC (in 2001), the act also contains quality assurance procedures for providers (Awarding Bodies). FETAC was due to host the first meeting of a network of quality assurance agencies in VET in October 2005. FETAC published its policy on Provider’s Quality Assurance in 2004, this incorporates a Common Assurance Framework (CQAF) for providers. FETAC’s quality assurance policy became operational in January 2005 and involves the evaluation by FETAC of providers’ quality assurance procedures against published criteria. Approval by FETAC is a prerequisite for gaining and retaining registration to

offer FETAC awards, from December 2006.

Providers are not expected to submit all relevant policies and procedures – but to confirm that policies have been developed and documented, that procedures and evidence exist to demonstrate their implementation, and that a local monitoring system is in place to review their effectiveness and lead to improvement wherever possible. Policies and procedures are required to be submitted on Assessment of Learners and Evaluation of Programmes to FETAC for detailed review. Under the FETAC system there is a strong element of self-evaluation by providers this means that FETAC's role focuses on monitoring and evaluating the quality of awards within providers and across providers

Validation is FETAC's second quality assurance mechanism. Providers will be required to develop programmes against defined FETAC standards for specific awards.

An external evaluation has been carried out on the test phase of FETAC process for providers' quality assurance and validation. Providers believed that overall the quality assurance put the quality of teaching/learning into the 'public domain' as a shared issue. They also recognised that it required substantial change and that access, transfer and progression, and programme development, delivery & review were more difficult to implement. Concerns included: the need for support to assist with cultural change within their organisations; not getting bogged down in bureaucracy; and, managing access, transfer, and progression. There was also a consensus among many providers that they lacked the people resources to adequately draw up and implement quality assurance and validation processes. This is because vocational colleges are subject to the same staffing and funding as second level schools, yet they are subject to FETAC quality assurance procedures for which they are not funded. The report also notes from some providers that adopting the FETAC QA model will require a significant shift in mindset and approach. It is natural that there will be some resistance to this.

At present there is no practical formal inspection on FE teaching though this is monitored by the VECs.

The final report of the Steering Group to the PLC review recommended that quality assurance for part-time provision be the same as for full time provision where management of FE provision is unified. It also recommended the establishment of a national FE office for quality assurance and course development. VTOS, Youthreach and travellers programmes all have such national offices who provide for national co-ordination and support of the different programmes and these are regarded by teachers as a big necessity. This would provide: guidelines for QA in FE colleges and standard formats for QA documentation; expert advice to colleges on QA; an external assessor service; and, course development. It would also provide advice on content development; continuing professional development; and, development of FE courses in areas with inadequate provision, through regional offices. This should lead to more freedom to centres in how they deliver programmes once

they have been validated.

ATTRACTIVENESS AND FLEXIBILITY OF FE PATHWAYS

A number of changes in Ireland over the last decade have indicated the need for certain changes in the VET systems. These changes include: flexible hours (provision of courses at a variety of times during the day and evening.); provision for a wider age group (provision for early school leavers and older age groups); access at varying levels (accreditation of any prior education or training and giving further access accordingly); An integrated and transparent accreditation system of qualification (an access point system where all qualifications fit together in a way that makes progression possible from any entry point.). The proposal of flexible working hours is accepted in principle but would have significant cost implications.

Progression and routes to HE, work, apprenticeship and non-completion

PLC courses provide an important progression route to HE, but they are also an important re-entry route for adults wishing to return to learning; in 2000/01 40.8% of students were over 21 years old.

Emphasis remains on the implementations of the National Framework for Qualifications as difficulties remain in relation to crossovers between providers in the different sectors, though there are good linkages within sectors.

The final report of the Steering Group to the PLC review recommended that the FE colleges be allowed to provide higher-level courses in specific circumstances, the awards for which would be made by the HETAC (the Higher Education Training Awards Council). Consultation for the review highlighted problems of progression from FE courses to third level, particularly in terms of a lack of certainty of the implications for progression from a PLC course and lack of credit where course content overlaps with Higher Education. The review also identified concern that policy on access to HE should recognise the PLC sector's leading role in providing access to post-second level education groups not well represented at third level, and in facilitating access to third level for those same groups.

Incentives to participate – employers and learners

The establishment of the NQAI and FETAC are seen as measure that will enhance the attractiveness and the status of VET.

The Back to Education Initiative (BTEI) comprises a range of second chance educational and training options for adults to re-enter the labour market or upgrade their skills within it, with increased emphasis on flexibility of delivery and particular focus in the areas of ICT and technical training. The priority is the one million adults with less than upper second level education. This is felt to have the potential for significant success, yet there are constraints – BTEI students have to be taught separately from other types of students. There has been an issue where part-time students have attended full-time courses on a part-time basis BTEI addresses this for some students.

The Vocational Training Opportunities Scheme (VTOS) provides second chance education and training for adults age 21 or more who have been receiving an unemployment payment for at least 6 months. Lone parents, dependent spouses and persons with disabilities who satisfy these criteria are also eligible. The programme is of 1-2 years duration and participants may choose from ISCED level 1 or higher (especially if returning with a higher standard), use of a portfolio to certification is also one approach available. Trainees receive an allowance in lieu of welfare entitlements. Childcare support is also available to encourage parents on to the programme. Local referral networks are in place linking VTOS with Social Welfare and FÁS Employment Services. In 2002 €46.814m was provided to fund 5708 persons availing of the programme.

The final report of the Steering Group of the PLC Review made note of issues in FE connected with its second level roots. The student experience was not ideal, where co-located with secondary provision there was a prevailing second level ethos rather than the desired, more mature, tertiary type experience. They suggested that provision be separated where feasible to engender a more attractive ethos and experience for FE students.

Programme design

The final report of the Steering Group of the PLC Review recommended that course delivery should be modularised to allow for a variety of attendance patterns to increase access to LLL opportunities to learners and encourage use by employers. There should also be flexibility in delivery location (i.e. distance learning, in companies, out-centres and in timings).

In January 2005 FETAC placed over 300 former and existing awards on the National Framework for Qualifications. The NQAI has also defined four awards types: Major; Minor; Special Purpose; and, Supplemental, all of which FETAC can award. Each of these types have specified features which will bring greater coherence and consistency to awards made in Ireland. FETAC is currently developing new awards consistent with the requirements of the framework and a new directory of awards will be published in early 2006. FE providers (whether publicly or privately funded) will design their own programmes to meet national standards published by FETAC which will have been agreed through a consultative process involving stakeholders.

FETAC has published (April 2005) a policy on Recognition of Prior Learning, this will be facilitated by Autumn 2005. The NQAI is developing processes for the recognition of non-formal and informal learning through an outcomes-based awards system and accreditation independent of the learning site.

The Expert Group on Future Skills Needs have initiated a number of skills initiatives in the HE and FE sectors aimed at responding to the wider developing needs of the economy.

The combination of adult learners and younger students in the same class as

VTOS and PLC students, leads to a better system – there is no stigma for VTOS students, it is more efficient and can promote a better learning environment in the classroom as the younger students may be quicker at learning and the adult learners promote a greater work ethic.

Coherence of VET programmes within lifelong learning provision

The big developments have been the implementation of the National Framework for Qualifications, which now includes all qualifications offered at FE, and the establishment of FETAC which brings all qualifications under one organisation. This does not have a direct impact on coherence of learning programmes but provides a more coherent environment in which they are delivered and show opportunities for access, transfer and progression.

The Expert Group on Future Skills Needs (EGFSN) consists of representatives from the social partners. It was established in 1997 and re-mandated in August 2005, to advise Government on future skills requirements and labour market issues for the enterprise sector of the Irish economy, (make recommendations on the steps required to address identified needs) and provide advice on overall training strategy for enterprise training in Ireland, including advice on the allocation of the National Training Fund. Within the EGFSN is the Skills and Labour Market Research Unit. The unit was established in 2001 and is responsible for maintaining the National Skills Database. It collects and analyses data on labour market, education and training and economic indicators. Specifically for education and training the unit will collect data on:

- Educational and training provision/participation – by type of institution, age, gender, type of course (where relevant) and region;
- Education and training output – by subject, gender, region;
- Destination of output – Past patterns of destinations for education and training systems' outputs;
- Education and training programmes for new entrants to the labour market; and,
- Training and up-dating courses for existing workers and the unemployed.

While the implementation of the National Framework for Qualifications and the unification of FE qualifications under FETAC are significant developments for coherence, programmes are yet to undergo similar treatment. PLC, BTEI and VTOS were established as a result of different funding setups and resources, in response to high unemployment in the 1980s, therefore these same funding mechanisms are not necessarily optimized to current demands. For example, VTOS and PLC could be combined as one programme – in fact there are already incidences of students on dispersed VTOS programmes learning in PLC classes with fellow (PLC) students.

CAPACITY TO DELIVER PROGRAMMES

Teachers and trainers

The Fourth report of the Expert Group on Future Skills Needs notes that there is limited provision of teaching and learning for trainers in the Further Education sector. They cite a report (An Analysis of the Training Needs of Trainers in the Further Education Sector in Ireland, Dublin City University, School of Education Studies, 2000) which indicates that around one-third of full-time staff, and more than one-half of part-time staff, do not have a teaching/training qualification. This report recommends that there should be a minimum level of teaching/training qualification for such educators, with a strong emphasis on person-centred learning, including guidance and counseling, group and interpersonal skills and facilitation and communications skills.

However, there are a range of post-graduate courses that are available, for example in the Waterford Institute of Technology, NUI Maynooth and NUI Cork while not compulsory many FE teachers have participated in these.

The 2000 Department for Education and Science White Paper on Adult Education – Learning for Life includes aspects of Further Education (including PLC). Within its chapter on support services it addresses the training of adult educators, this includes the setting up of a working group to explore the feasibility of an in service generic training programme. It also identifies an issues with practitioners who lack a tertiary qualification pointing out that this may affect their employability and parity of esteem between professionals within the education sectors.

At present, to be qualified as a teacher in an FE college teachers must ideally hold a degree in their teaching area and 3 years experience; or a degree with an element of their teaching element plus 3 years experience; or any degree with at least 3 years experience in the subject to be taught; or if the subject is a craft subject must meet the specifications required to be qualified to teach in a university. University teaching staff have better terms and conditions, though this has not resulted in a shortage of teachers in FE except in a few more specialist areas such as furniture construction, or boat building. There have been some legislation issues: for example regarding rights of long-term employed part time workers and teachers who are not qualified as detailed above and joined before these requirements were made. With the increase in courses and numbers of students the lack of adequate qualification has had greater impact – where teachers are no longer teaching vocational courses linked to their original subject expertise. There has been work at VEC and college level to upskill the teaching staff, so that now only approximately 5% are not qualified.

The final report of the Steering Group of the PLC Review recommended that existing guidelines on teacher qualifications be withdrawn for teachers teaching only at FE level, because they are unduly restrictive, and being more suited to secondary education level rather than FE level. It suggested that the

basic qualification for new appointments be a primary degree, or a high-status professional qualification in subject areas where no suitable degree level qualification is available. The report notes that around a sixth of the colleges responding suggested there be a specific qualification for PLC (or for PLC and adult) teaching. There should also be an induction programme for teachers new to the FE sector with mentoring to cover teaching methodologies and non-teaching responsibilities. Continuing with staff training, there should be an annual training plan for each department (for both academic and administrative staff) and continuing professional development should be a normal part of the work undertaken by staff that does not effect the total contact hours.

The review also makes recommendations with regard to funding of training for teachers. It states that colleges should support work shadowing and attendance at industry-run seminars by teaching staff, through funding expenses where these activities are covered by the college's training plan. There should also be a training of trainers programme to help FE teachers in upgrading their qualifications to higher degree level, and to help those without gain a primary degree.

Though not national the National Council for Vocational Awards (NCVA) Support Service is worth mentioning, set up in 1997, it is a full time consultancy operating through six VECs (County Cavan, City of Cork, City of Dublin, City of Galway, North Tipperary, County Wicklow). It currently supports 1400 NCVA centres that are registered with FETAC.

With the possible levelling off of student numbers there is an issue arising about the retraining of teachers; employment law obliges teachers to be re-employed in other schools rather than being made redundant.

Leadership

The final report of the Steering Group of the PLC Review recommended that where there was FE only provision, college management should be unified, so that the same team manages full time and part time, on-site and off-site PLC courses, apprenticeships, adult education provision and any other programmes delivered in or by the college. This would increase flexibility and reduce barriers between different forms of provision.

The report also recommended that allocations of technical support staff be made in relation to the volume of resources rather than the overall number of students, and allocations of teaching staff take account of part time students. Apart from those on the BTEI programme, the bulk of part time students are those on self-funded evening classes. With a declining number of full time FE (PLC) students, part time students may become more integrated in the future in terms of administration at college and national levels.

The Steering Group also recommended that contracted teaching hours be reduced to an 18 hour teaching week, (the TUI (Teachers Union of Ireland) have sought a 16 hour teaching week). The reduction was recommended to

ensure that other functions such as student assessment, examinations, quality assurance and continuing professional development had sufficient time allocated. Also, because the pace of change in industry needs a significant amount of teacher time on pre-planning including in dialogue with industry, cross-curricular consultation and liaison with other providers.

The review also suggested there be a national programme of training of senior and middle college management to prepare project teams responsible for providing or changing provision, and to provide update training. There may also be an inherent second level mindset that would be adjusted to encourage more of a people management approach.

Policy priorities over the last ten years

With the growth of FE from the mid 1980s there has been much aspiration as well as policy. Quality Assurance has been a priority which has been developed by FETAC and triggered by the Qualifications Framework for Ireland. Similarly the focus has been on curriculum development, and making a growing system work.

Policy problems being identified

Like the FE sector in England FE in Ireland would benefit from a clear remit and direction, this has been confused by the second level legacy, including administration and different types of learners. The teaching workforce needs support and a structure that matches requirements, rather than one designed for second level schooling. Similarly the funding mechanisms relate to different programmes intended to achieve broadly similar yet different objectives, this top down approach does not work so well at the college level where all these funding streams end.

With regards to policy development, colleges have found themselves working to make the system work. Requirements made by the NQAI and FETC mean that all colleges have to devise policies as part of the work needed to gain accreditation. The lack of common templates mean that many colleges find themselves 'inventing their own wheels'. The next challenge is to shift emphasis onto learning and pedagogy, which until now has been largely left.

Policy targets – institutions and actors

Much interaction occurs between colleges and national institutions such as the Dept for Education and Science and FETAC. Most legislation has been focussed the learner, resulting in college principals spending time on implementation.

Types of policy instruments being employed

Direct requirements have been used to implement policy rather mechanisms, much of this is through the Quality Assurance work by FETAC, and requirements made by the Dept for Education and Science.

Quality and Measures of success

A considerable amount of data is collected and Ireland is an active participant in reporting to EUROSTAT, OECD and UNESCO. The problem of inadequate coordination and standardisation of data collection has been recognised and is being addressed through a national cross-departmental strategy to improve the quality, comparability and policy relevance of administrative data. Government departments are now requested to incorporate data strategies for monitoring performance into their strategy statements.

ANNEX 1d
AUSTRALIA ,W ITH A FOCUS ON
NEW SOUTH WALES

INTRODUCTION

This paper takes as its starting point that we are concerned with the publicly funded FE system which is taken to consist of the following building blocks:

the organisations that offer education and training to learners over the compulsory school leaving age
the qualification system which relates to these learners
the regulative structures and activities that serve to stabilise the system, i.e. its governance

All of these system elements have been subject to systematic reform over the last twenty years in Australia. The impetus for reform can be attributed to growing political concern over (a) growing skills shortages and gaps as the Australian economy has grown over the last 15 years and (b) continuing issues of social inclusion for teenagers and young adults, and aboriginal and Torres Strait Islander people. Reforms to the sector have sought to create a system that is industry-led and provides training that meets the needs of Australian employers. For example, the New Apprenticeship scheme in particular, provides firms with incentives (subsidies), flexibility in the choice of provider and the type of training delivery, greater scope of training in terms of occupations and industry, and broader coverage by including both older and existing workers.

These reforms have been worked out against a background of growing tension between the role of the central (Commonwealth) and regional (State and Territory) governments in funding and regulating the FE system.

Organisations

In Australia a range of different institutions provide further education and training – Technical and Further Education (TAFE) colleges, Australian Technical Colleges, community groups, private training companies, group training companies, and enterprises. TAFE is the largest provider of post-secondary education in Australia. TAFE systems are administered by eight different State and Territory authorities of widely differing size and character with funding from both the state and commonwealth government. TAFE is nationally a widespread system, with eighty-four institutes operating at 300 campuses around Australia. Historically TAFE developments tended to replicate the British FE system providing a sector with a distinct ethos and remit from the school sector.

The 25 planned Australian Technical Colleges' primary aim is to increase the number of learners mixing a general Year 11 and 12¹⁰ education with vocational studies leading towards a vocational qualification.

Community groups, private training providers and enterprise can also provide publicly funded FE providing that they are Registered Training Organisations (see above).

¹⁰ Years 11 and 12 in the Australian system align with years 12 and 13 in the English system.

The Australian Qualifications Framework (AQF)

The AQF was introduced Australia-wide on 1st January 1995 and was phased in over five years, with full implementation by the year 2000. The AQF is intended to provide a unified system of national qualifications in schools, vocational education and training (TAFEs and private providers) and the higher education sector (mainly universities) as shown below¹¹.

The Australian Quality Training Framework (AQTF)

The Australian Quality Training Framework (AQTF) is intended to provide the basis for a nationally consistent, high quality vocational education and training system. Together with the AQF it constitutes the regulatory system underpinning the operation of the VET component of the Australian FE system. The AQTF provides two sets of standards:

- Standards for Registered Training Organisations (RTOs)
- Standards for State/Territory Registering/Course Accrediting Bodies. In New South Wales this is the Vocation Education and Training Accreditation Board (VETAB) which
 - o registers and monitors training organisations based in New South Wales
 - o accredits VET courses in accordance with national standards
 - o approves training organisations' delivery of VET to overseas students in New South Wales

Note that the Standards for RTOs only apply to those organizations – both public and private – that offer VET courses leading to the award of vocational qualifications. In New South Wales, for example, all TAFE colleges and public schools (and a large number of private schools) are RTOs. Enterprises, such as Qantas, are also RTOs.

BACKGROUND AND CONTEXT

This section provides some basic figures for TAFE and participation in school-based VET.

Funding

In 2003 the total budget for TAFE NSW was almost A\$1.4 billion. Of this approximately 81% was contributed by the state and federal governments, with about 19% coming from the payment of fees by learners and their employers. In 2003 TAFE NSW delivered 99.0 million hours¹² of education and training at a cost of per Annual Student Hour of A\$14.51.

Under the new *2005 – 08 Commonwealth-State Agreement for Skilling*

¹¹ This diagram is a little misleading in the context of New South Wales (NSW) since TAFE colleges do offer students the opportunity to take the New South Wales secondary school certificate - the Higher School Certificate (HSC). In addition, schools are increasingly offering programmes that lead to the award of nationally recognised VET certificates. The situation in other States and Territories was not researched for this paper.

¹² Funding is based on hours delivered.

Australia's Workforce, which has now been signed by all States and Territories, the Australian Government will provide almost \$5 billion to the States and Territories to support their training systems over 2005-08. The agreement includes \$215 million of additional funding, an annual average real increase of 4.1 per cent over the quadrennium compared to 2004. This new funding is expected to create up to 128,000 additional training places over the life of the Agreement.

Participation rates

In May 2005, 71.1% of 15-19 year olds in NSW were in full-time education or training, 51.7% in schools and 19.4% in Tertiary institutions. Of the remainder, 14.9% were in full-time work with 14.6% either in part-time work or NEET.

In NSW TAFE in 2004¹³:

414,575 students were participating in 2,461 courses, taking 15,431 modules at 137 colleges; there were over 506,930 course enrolments, 3.4 million module enrolments and a total of 99 million hours of training delivered; the total number of enrolments for 15 to 19 year olds in TAFE NSW was 133,240. For the last 4 years, this age group has constituted greater than 25% of total TAFE NSW enrolments and is significantly larger than the next largest age group (20-24 years). Between 2002 and 2004, course enrolments decreased by 3.6%, while total annual student hours decreased by 3.8%. The majority of students are enrolled on a part-time basis – 93.1% of enrolments and 73.5% of student hours. This has fallen by 4.0% since 2002. Full-time enrolments stood at 35,016, an increase of 0.8% since 2002.

Attainment rates

By May 2004 80% of Australian teenagers had completed secondary school or a Certificate II or higher, an improvement of 5% since 2002. In NSW in 2004 the module completion rate was 79.5% with 236,919 course completions, and 84% of TAFE graduates in employment or further study.

Destinations and wages of school leavers

Completing year 12 improves the transition from work to employment for young people in Australia. There is little difference in transition rates to TAFE among school leavers who completed different grades of schooling. Transition rates to Higher Education are higher for those who complete Year 12. Transition rates to Higher Education among Year 12 leavers have declined sharply (nationally from 40.1% in 1999 to 34.5% in 2004). Study displaces participation in full-time work.

¹³ Several commentators warned of the quality of the data for learner participation in NSW. Data have only been found for enrolment in TAFE and NSW schools.

Changing patterns of employment

It is crucial when evaluating the impact of FE reforms to take account of labour market conditions. The Australian economy has grown strongly in recent years but this has not been accompanied by growth in full-time employment opportunities for either teenagers (15-19 year olds) or young adults (20-24 year olds). As a result for those young Australians not in full-time education there is a long term shift from full- to part-time employment. This is not because young Australians prefer this mode of employment because they recognise that the conditions of service in part-time employment are much worse than for full-time work.

Among OECD countries Australia has one of the highest levels of part-time employment and the part-time employment rate has increased substantially since 1986. For example, for teenagers not in full-time education the proportion in part-time employment has increased from 6% in 1986 to 16% in 2005 for males and from 10% to 32% for females. The ratio of part-time to full-time employment has also increased. For males in this age group in 1986 for every 10 in part-time employment 100 were employed full-time. By 2005 there were 25 in part-time employment for every 100 employed full-time. The shift among young women is even more pronounced. In 1986 16 in 100 were employed part-time for every 100 employed full-time. By 2005 this had increased to 80 employed part-time for every 100 working full-time.

Part-time employment has also grown substantially among 20-24 year olds not engaged in full-time education though the increasing trend seemed to halt in 2005. Whether this is just another temporary interruption to the inexorable rise of part-time employment rate or a more significant shift in the Australian labour market remains to be seen.

By contrast the number of full-time jobs for adults over 24 years of age has grown. It could be that part-time work will simply form part of an extended transition for young Australians to full-time employment. Equally it could prove detrimental by providing poor foundation for future skills development by denying access to learning opportunities that only occur in the full-time employment. There is a growing recognition in Australia that correcting this problem, which seemingly won't go away, simply focusing on increasing participation in education and qualification rates is not enough. The need is to focus on improving **both** the education and labour market outcomes for young people. A variety of initiatives and reforms are under way to achieve this, But these take place against complex governance and regulatory structures which needs to be examined first.

GOVERNANCE, REGULATION, AND FUNDING

As in Sweden moving towards governance by objectives. Standards are embedded in the AQF and the AQTF.

An important feature of Australian VET governance is the relationship between the Commonwealth (national) and state/territory governments. Over

time the system has been reconfigured from a state delivered trade training system to a national Vet system in which the Commonwealth Government plays a significant role but in which delivery is still state based. The federal nature of Australia's government results in a complex governance and regulatory system for FE. At the national level there are a number of multi-lateral bodies, such as the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA).

The Commonwealth level of governance is characterised by flux, with departments, boards and councils waxing and waning over the last thirty years. The most recent example of this was the abolition of ANTA in 2005, with its role being subsumed within the Commonwealth Department of Education, Science and Training (DEST). This is accompanied by continued reconstruction of Commonwealth assistance for TAFE occasionally leading to considerable friction with the State bodies responsible for VET and especially for TAFE. The most recent example here is the new

The Department of Education, Science and Training (DEST) is the Commonwealth Government department that takes a national leadership role in education, science and training. Through its portfolio agencies DEST works with various industries, State and Territory governments, other Commonwealth agencies and a range of contracted service providers to provide education and training policy, advice and services.

DEST is responsible for:

- public and private schools and school systems
- higher education institutions and research
- vocational education and training
- student and youth affairs
- school to work transition programs
- indigenous employment and education
- the internationalisation of Australia's education and training systems.

The National Training Quality Council (NTQC) comprises employer, employee and government representatives. It oversees the National Training Framework, including the Australian Quality Training Framework and training Packages..

Note that the schools, TAFE colleges and other registered VET providers (all of whom may provide Further Education) fall under the regulation of State/Territory bodies. There is growing evidence that the commonwealth government is currently centralising control over the FE system. For example, the Australian National training Authority (ANTA), a body set up by multilateral agreement, was unilaterally disbanded by the Commonwealth Government and its power and responsibilities absorbed within the Commonwealth Department of Education, Science and Training (DEST) in October 2005.

Given its major contribution to State/Territory education and training budgets the Commonwealth Government has the potential to wield greater control over state activity in Further Education. To some extent this is beginning to happen

and the introduction of Australian Technical Colleges provides a good example of a Commonwealth intervention to secure a new national provider of Further Education.

State Level Bodies

In NSW VET falls under the remit of the New South Wales Department of Education and Training (DET). Historically, however, VET had its own state department¹⁴ which perhaps gave it a greater prominence in state thinking. Commentators interviewed suggested that the TAFE and wider VET agenda was perhaps down played and given less importance and consideration in a general Education and Training Department with a greater focus on schools.

As mentioned earlier, The NSW Vocational Education and Training Accreditation Board (VETAB) oversees the implementation of the Australian Quality Training Framework. In addition, there is a NSW Board of Vocational Education and Training (BVET). Established in 1994 it provides the State Government and the Minister for Education and Training with strategic advice about the NSW vocational education and training system. The Board, which is appointed by the Minister, oversees policy and planning initiatives and fosters partnerships between key stakeholders in the NSW training system.

System planning

Policy for the national system is developed and decided by the range of key governing bodies. Until July 2005 MINCO established the goals, objectives and priorities for the national system. This body was advised by ANTA which in turn had established a new approach to exchanging advice and information with industry through the creation of ten industry skills councils and the regular conduct of national industry skills forums.

The industry skills councils are seen as playing a key role in providing the VET sector with accurate industry information about current and future skill needs and training requirements. Each council also produces an annual industry skills report that identifies how training can assist industry's on going development.

The national strategy sets a broad vision and establishes medium- to long-term objectives, policies, priorities and initiatives for the national VET system. The current strategy, *Shaping our Future* is for the period 2004-2010. In addition, annual national priorities (ANPs) are set to assist in achieving the national strategy. These priorities specify that system's areas of focus and expected outcomes for the year. In 2004 the ANPs were:

ANP A - Strengthen and promote the image and role of VET in Australia, including in relation to employment and VET's role in supporting innovation in business and industry.

ANP B – Improve pathways between the VET sector and the schools and

¹⁴ The NSW Department of Technical Education.

higher education sector.

ANP C – Enhance the capability of VET professionals to provide quality learning experiences for clients and to facilitate innovative partnerships between training organisations, enterprises and communities.

ANP D – achieve agreed outcomes for 2004 of the Blueprint for implementation of Bridging Pathways, the national strategy for increasing opportunities for people with a disability in VET and the Blueprint for implementation of Partners in a Learning Culture, the national strategy for Aboriginal and Torres Strait Islander people in VET.

ANP E – Achieve improved training outcomes for older workers.

ANP F – Improve the client focus of VET, particularly for individuals and small business.

ANP G – Refine Training Packages and their implementation to improve their quality and enhance their flexibility to meet clients' needs, particularly for individuals and small business.

Key performance measures (KPMs) are selected to monitor progress towards achieving the national strategy objectives. These measures include consideration of the outputs produced by the system, an assessment of the outcomes achieved for key stakeholders (students, employers and communities), as well as the efficiency of translating government funding for VET into skills output.

The current KPMs are:

- KPM 1: Student participation and achievement in VET
- KPM 2: Student employment outcomes and satisfaction from VET
- KPM 3: Employer engagement and satisfaction with VET
- KPM 4: VET outcomes for Indigenous Australians
- KPM 5: Community engagement and satisfaction with VET
- KPM 6: VET system efficiency

An analysis of performance against these measures is carried out annually and reported on publicly. There has been a move away from numerical targets as there was no serious support for them. Funding is not linked meeting performance standards

State and territory annual VET plans

States and territories respond to the annual national priorities through their annual VET plans, which indicate how national policy objectives will be implemented. MINCO reviews and approves state and territory VET plans prior to the release of Australian Government funding.

TAFE Institute Autonomy

In NSW in the 1970s there was a move away from over centralised control to a more devolved form of governance. This was fostered by the setting up of college or district councils or committees to which advisory or executive powers to be delegated by the minister. The main purpose of these changes was to provide for a greater community and industry involvement in TAFE. This was linked to an enthusiasm for a community college approach amongst state ministers. In NSW in common with other states the late 1980s and early 1990s saw further devolution of authority for TAFE to the colleges. This occurred in different ways in different states. In NSW the devolution of operational authority was accompanied by the combination of individual colleges into larger administrative units in the form of 24 networks and subsequently, when this arrangement proved too unwieldy, into 11 institutes. This remains the current arrangement.

TAFE Colleges (and schools) have to be Registered Training Organisations (RTOs) if they are to provide AQF certificates to learners. Details of the registration process are provided in the next section. In addition, the NSW Department of Education and Training sets key objectives, aims and targets which the colleges report against on an annual basis. For example, in 2003 these included:

- Outcome 1.1 - Closing the achievement gap for Aboriginal students
- Outcome 1.2 - Improving outcomes for students in equity groups
- Outcome 2.1 - Better literacy and numeracy outcomes for students
- Outcome 2.3 - Improved technology-based learning and infrastructure
- Outcome 2.4 - Higher quality learning environments
- Outcome 3.1 - High quality teaching and professional standards
- Outcome 3.2 - Improved teacher recruitment, retention and retaining
- Outcome 4.1 - Increased completion rate of Year 12 or its vocational equivalent
- Outcome 5.1 - Improved VET and employment outcomes
- Outcome 6.1 - Improved delivery of services

Note again the lack of numerical targets: these were used historically but dropped when it was realised that they were not taken seriously. Within these broad outcomes TAFE colleges have a high degree of autonomy and are not subject to an inspection regime as found in England, except as part of the RTO registration process.

Registered Training Organisations

Becoming a registered training organisation is a key regulatory mechanism in the Australian TAFE system. To deliver VET qualifications an organisation must be registered. The AQTF's main function is to manage and regulate the activities of training providers. Every state/territory has an accreditation body; function is to manage and implement the AQTF: VETAB in NSW.

All training organisations (including TAFE institutes) that issue Australian

Qualifications Framework qualifications and statements of attainment must be registered by a State or Territory recognition authority. The Vocational Education and Training Accreditation Board (VETAB) is the recognition authority for NSW, and it grants registration for up to five years.

Only Registered Training Organisations (RTOs):

can issue qualifications and statements of attainment that are recognised nationally
can use the VETAB and Nationally Recognised Training logos
are listed on the National Training Information Service (NTIS) database
can be approved to provide courses to overseas students studying in Australia and listed on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS)
are eligible to tender for public funding for vocational education and training.

An organisation that is not registered may offer training or assessment services, but cannot issue nationally recognised qualifications.

Scope of registration

Scope of registration refers to the products and services that a training organisation is registered to provide. RTOs provide:

training and assessment products and services (RTOs can be registered to provide assessment products and services only)
products and services (up to a specified qualification level) that are based on Training Packages and/or accredited vocational education and training courses where there are no relevant Training Packages

An organisation's initial application for registration must specify its proposed scope of registration. Once registered, an RTO can apply to VETAB for a variation to scope to offer additional qualifications.

RTOs must ensure that they meet the legislative and licensing requirements relevant to their scope of registration.

An organisation wanting to register as a Registered Training Organisation (RTO) must first determine its scope of registration, i.e. what qualifications and courses it wishes to deliver. In NSW new registrations are currently limited to a scope of 8 qualifications in their first year of operation. Second, the potential RTO has to ensure that its current systems and practices are consistent with the AQTF Standards for RTOs by reference to the substantial Standards and the AQTF Evidence Guide. A training organisation has to be fully compliant with the AQTF Standards before you apply for registration. This is the key to understanding the registration process: it is concerned with the quality of the processes, systems and practices to deliver the desired outcomes – it is these which are regulated. The teaching resources and approaches used to deliver these outcomes is then left up to organization, i.e. there appears to be no direct check on teaching quality as in the English system of inspection.

The result is an upfront regulation - a Quality Assurance process. This means that there is a big upfront load and costs to become a RTO; a huge amount of documentation needs to be produced and read by regulation control officers; they visit the organisation to look at the procedures in place to monitor staff competence, handle student complaints, etc. This means that entry costs are very high and the costs of staying in are high too.

Normally an RTO is approved for 5 years. At the end 1st or second year it has to carry out internal audit which may be spot checked in order to ascertain that procedures are in place though this is not done often. One or two years later the RTO has to bring in an external auditor, at their own expense, drawn from an approved list. The auditor reports to RTO, which owns the report. Again it is the documentation of procedures that is the focus of the audit.

After five years there is a process of reapplication which involves taking on another external auditor. Again the RTO pays for this but the report that is produced is a public report for the accrediting body.

During its period of registration, if an RTO must apply to VETAB to vary its scope of registration if it wants to:

- add Training Package qualifications and/or nationally accredited courses to its scope of registration
- replace an accredited course with a Training Package qualification
- change from assessment-only services to training and assessment services

In addition to these administrative costs, RTOs are required to pay an annual registration fee based on the number of qualifications on an RTO's scope of registration. RTOs delivering at interstate locations and those with approval to deliver courses to overseas students (CRICOS approval) are subject to additional charges¹⁵.

The AQTF provides a strong regulatory environment that has a differential impact on different providers. In particular there is a significant effect on non-public RTOs. Initially the policy was to get private RTOs into the system quickly and the standards were applied in a limited way initially in order to achieve this. As a result quality suffered. Requirements have now been ramped up but this has had the effect of knocking out non-public RTOs, especially enterprise RTOs. This process of increasing regulation of an employer led system will be a recurrent theme in this report.

Training Packages

These provide another aspect of the regulatory structure. Within the Australian competency based qualification system industry defines the knowledge and the skills required by a person to be competent in the workplace (known as competencies, competency units, units and sometimes standards). A Training

¹⁵ See http://www.vetab.nsw.gov.au/docs/2006_fee_schedulev01.pdf for the current schedule of fees.

Package¹⁶ is the grouping together of the training components designed to assist in achieving the competencies for a specific industry. Units of competency are packaged together which, when combined at various levels, form qualifications (for example, Certificate, Diploma and the like¹⁷).

To ensure consistency in the delivery of the training and the demonstration of competency, guidelines for assessment are included in the training package. In addition, resources to support the delivery of a Training Package have been developed. These may include learning materials, learning strategies, trainer guides, assessment guides, professional development materials for trainers and the like.

Courses and Qualifications

The National Training and Information Service (NTIS) distinguishes between a Course and Qualification. Whilst both terms refer to prescribed levels of training, (e.g., Certificates, Diplomas, Advanced Diplomas), the distinction is in the content of the training. A 'Course' is a program of work which is accredited by a State/Territory Training Authority, and as a consequence is recognised nationally. On the successful completion of a course, a recognised credential or statement is issued. This may be referred to as a qualification. A 'Qualification' is described within the NTIS as a component of a Training Package, with the qualification based on groupings of units of competence developed by industry.

Course Accreditation

Accreditation refers to the formal recognition of a course by a state or territory course accrediting body, such as VETAB in NSW, and takes place in accordance with the Australian Quality Training Framework (AQTF). Accreditation is the quality assurance process used to formally recognise national qualifications not covered by nationally endorsed training packages. An accredited course can lead to a Statement of Attainment or a qualification under the AQF. The VETAB web site¹⁸ outlines the procedure as follows:

A course may be accredited only if VETAB is satisfied that there is a need for the course, it does not duplicate training package qualifications, the name and level of the qualification are consistent with the AQF and it has been developed in accordance with the AQTF standards.

The course can comprise:

- units of competency from one or more training packages
- units of competency developed to meet an identified need

¹⁶ Training Package details are available on the National Training Information Service (NTIS) website (<http://www.ntis.gov.au/>) include the competency units, listing of qualifications, packaging rules for determining the units of competency making up the qualification, and assessment guidelines. Details are provided for recognised training resources and a "hotlink" to the supplier for further details.

¹⁸ <http://www.vetab.nsw.gov.au/accred/howto.htm>

modules with learning outcomes, if the course developer can clearly demonstrate that it is not possible to develop appropriate competency standards, or combinations of all of these.

An external review panel assesses the course against the AQTF standards and makes a recommendation to VETAB on whether the course should be accredited or not.

State funding

The rules for dispersment of funds at the state level are very complex but have 3 basic components.

1. State consolidated revenue – no separation state and commonwealth funding – biggest component goes TAFE as block grant which is based on formula funding of contact hours. Institutions can teach more hours to maintain funding and there is evidence in the statistics that this is happening. This is a global budget that the Institutes manage it with no ring fenced pots of money so that decisions about how to spend are set by local priorities.
2. There is a pot of money which is used by the state/territory to pursue strategic objectives and programmes, e.g. in NSW skills ecosystems – a project to explore the ways in which TAFE Institutes, schools, non-public providers, and enterprises can be drawn together to maximise skill development in a particular area or sector.
3. Competitive tendering which is growing rapidly. Non-TAFE RTOs get money in this way, especially in the area of New Apprenticeships and Traineeship. For example, if the state/territory decides it wants 500 new carpentry/pipery apprenticeships it opens up a competitive bid to supply the places, TAFE NSW. Enterprise RTOs and non-TAFE RTOs can bid for the money. These funds are coming at the expense of the block grant. The result is that TAFE funding is declining leading to an increasingly contingent work force. Given this funding source, directors and managers of TAFE institutions have a crucial entrepreneurial function. Even though most TAFE provision in NSW is still general the size of the state means that there is little competition between TAFE institutes except perhaps in Sydney. Competition with schools for learners was not seen as an issue, as TAFE Institutes were seen to have a distinct function. This may change with growth of VET in schools.

ATTRACTIVENESS AND FLEXIBILITY

It is not possible here to go into all of the initiatives intended to increase the attractiveness and the flexibility of the system so key ones are chosen. To illustrate the challenges being faced by Australian FE policy makers.

Qualification reform

The following changes in vocational education and training have most affected the system of qualifications:

Vocational qualifications are now industry-based, with specified combinations of units of competency required by each industry for each qualification;

These qualifications are designed in a sequence, allowing a learner to move steadily from one qualification to the next. Sometimes a learner will want to mix and match units of competency but the units accumulate in the form of credit on their record of achievement and help towards a change of career or further learning;

To be assessed as competent for one of the vocational qualifications, a learner has to show that they can use their skills and knowledge under workplace conditions, so a lot of their training is in the workplace.

Learners can also be assessed for the skills and knowledge they may already have gained informally in previous work through recognition of prior learning processes (RPL).

All VET is supposed to be assessed using industry specified national standards amalgamated into units of competency. Here the AQF is intended to provide an overarching conceptual framework. However, the Australian experience suggests that when trying to concretise such an overarching conceptual framework and ground it in implementation, the interpretation of the framework and the guidelines is variable; there is a tendency to use it if it fits with what you were doing before or it fits with your own agenda. For example, despite trying to be more customer facing and focusing on competency based VET assessment, within some NSW TAFE Institutes curriculum centres¹⁹ are still using a graded approach to competency even though learners should be judged competent or not competent. There is also an ongoing debate between the commonwealth government and industry over the meaning of the levels in the AQF. Thus some confusion remains over the meaning of qualifications and how programmes leading to those qualifications should be implemented.

The upshot of this is that while the more academic Higher School Certificate (HSC) in NSW is quite rigid the VET qualification system is extremely flexible with the opportunity to combine units of competence specified in Training Package in a variety of ways.

Progression into initial VET in NSW

The flexibility of the Australian system can be illustrated by considering the various programmes and courses that 15-19 year olds can progress into when they leave school..

In NSW young people can leave school at 15 years of age. Those who leave

¹⁹ A curriculum centre is akin to a department or a faculty in an English FE college, e.g. Business and Administration or Engineering.

can enter a TAFE college; enrol with a variety of private and community based providers; enter employment or be unemployed or economically inactive. Those who remain in school, either public or private, overwhelmingly study for the Higher School Certificate (HSC) which is regulated by the Board of Studies. However, there are a variety of school based initiatives in VET which can be studied either as part of the HSC, alongside it or instead of this programme.

TAFE NSW offers a range of programs and learning pathways to support young people in gaining skills and training for further education and employment. Some programs for young people in TAFE are delivered in partnership with schools and focus on students still enrolled in school. In 2004, enrolments for school students were approximately 24,000. These included enrolments in such programs as TAFE delivered VET in schools, Summer Schools, Juvenile Justice Centres, Literacy Volunteer Tutor Schools, and School based trainees in TAFE.

TAFE NSW also provides learning programs for a large number of 15 to 19 year-olds (in 2004 there were 133,240 enrolments²⁰) who no longer attend school and are undertaking apprenticeships, trainee programs and general and vocational education. The variety of course provision is as diverse as the profile of the age group the following simplified framework was suggested by one commentator as a way to cluster courses with similar intent.

Vocational pathways (TVET, Get Skilled, TradeStart, Apprenticeships, Traineeships, General vocational courses) - include the largest group of 15 to 19 year olds. As expected, general vocational, community services, hospitality and trade courses (including apprentices) contain the greatest proportion of students (77,665 in 2004). TAFE Delivered VET in Schools (TVET) is the largest non-core funded program (19,367).

Pathways to further education (CGVE , HSC, TPC) - a number of young people are choosing to participate in TAFE as an alternative to school. In 2003, 4,525 15-19 year olds undertook HSC or other tertiary preparation studies in TAFE NSW. Note this proportion is considerably smaller than would be found in most FE colleges in England.

Re-engagement and support programs (Mentoring, Volunteer Tutoring, Juvenile Justice & Corrective Services, Helping Young People at Risk, Literacy & Numeracy courses) - includes both courses that young people are directly enrolled in and those courses that indirectly support a young person's transition to further education or work.

Vocational tasters (Summer Schools, Institute career & information activities) - a range of activities providing information about vocational training and career options for young people e.g. careers markets, one day TAFE Taster programs.

²⁰ For comparison, though not a direct one, there are 143,000 15-19 year olds in Government schools in NSW and there are a considerable number in private schools. Note that the participation figure for TAFE is based on enrolments

It would appear that young people enrolled in TAFE in NSW fall into two basic groups. The majority are pursuing a pathway, which will assist their transition to work (vocational pathways and vocational tasters). The remainder are re-engaging with the training environment before hopefully pursuing further vocational studies (re-engagement and support programs and pathways to further education).

The system in NSW is therefore an essentially tracked one, with distinct vocational and academic qualifications, with the former taken mainly in schools and the latter in TAFE institutions (but also through private providers²¹). However, the boundaries with respect to the provision of VET are beginning to blur as we will see in the next section.

VET in schools (VETiS) and School-Based New Apprenticeships (SBNA)

This section describes initiatives introduced to improve school retention by broadening the curriculum and to build new pathways into post school VET courses and work.

VET in schools (VETiS)

A VET in Schools (VETiS) programme is undertaken as part of senior secondary certificate, such as the HSC in NSW. In addition, it provides a learner with credit towards a VET qualification within the AQF. Table 2 provides data on the growth of participation in VETiS programmes across Australia.

Table 2 Students enrolled in VETiS programmes as a percent of senior secondary school students, 1997-2004

%	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUST
1997	35.1	10.1	39.5	12.8	5.6	12.9	12.3	22.0	23.6
1998	37.5	12.6	39.8	39.9	12.1	17.1	35.0	36.3	28.7
1999	38.2	13.5	47.9	52.3	20.1	18.8	44.1	48.1	33.1
2000	38.6	18.6	52.1	63.3	20.7	23.0	38.5	45.2	36.3
2001	43.6	20.9	55.5	61.9	28.2	18.8	42.2	43.6	39.4
2002	49.6	23.9	56.8	59.5	29.4	23.3	47.1	43.5	42.4
2003	51.2	27.1	67.0	64.3	30.2	25.1	49.9	42.0	46.3
2004	53.2	29.9	64.5	67.0	40.2	25.7	43.5	41.1	48.4

Source: Dusseldorp Skills Forum (2005) How Young People are faring: Key Indicators 2005 (p.29) Available from www.dsfo.org.au

The rate of increase in enrolments in VETiS programmes has declined over time and there is clearly considerable variation between states and territories probably reflecting policy and reporting differences. However, the scale of participation in a programme that combines academic and vocational study within a single overarching secondary school certificate dwarfs that occurring

²¹ The number pursuing Vocational qualifications through private provision is quite significant but not well quantified. Nonetheless, TAFE NSW is the main provider of VET.

within England as a result of the Curriculum 2000 reforms, for example.

In NSW there is evidence²² that the VETiS initiative has:

- Broadened the senior secondary school curriculum making it more attractive to Year 12 students and improving school retention;
- Opened pathways into the VET sector by providing the opportunity to complete nationally accredited training as part of year 12 studies;
- Provided opportunities for structured workplace learning (SWL);
- Fostered collaboration between schools, TAFE and other providers.

But concerns remain about the quality and funding of VET in schools. In particular there are continuing problems with providing structured workplace learning (SWL) in VETiS programmes. SWL is seen by some commentators to be the 'heart and soul' of the VETiS initiative as '[i]t provides the opportunity for different learning styles and for the links to the world of work'²³. The Australian Government's Local Community partnerships has as a major goal to improve access to SWL generally and in VETiS programmes in particular. However, incorporating SWL within VETiS remains one of the most challenging aspects of the initiative primarily because it is difficult for schools to put in place the necessary arrangements with employers. Despite the resources expended on supporting SWL, the level of SWL has declined in recent years. Ironically the slow down in enrolment growth in VETiS may provide an opportunity to improve its quality including access to SWL.

In NSW, VETiS can have three kinds of components. The main qualification likely to be undertaken by learners on VETiS programmes is the Higher School Certificate (HSC) regulated by the NSW Board of Studies. This is made up primarily of Board Approved courses which are subject like. These can be in the traditional disciplines - maths, history and so on – which are typically assessed through a terminal examination and the results of which count towards the University Admissions Index (UAI).

Senior secondary students can now also access Board Approved general vocational programmes in areas such as manufacturing and hospitality. These are not occupationally specific and they don't develop units of competence in Training packages. They are about awareness raising providing a general education with vocational relevance. They are state wide mandated courses accredited within the HSC. They are described as being 'subject like' but are not subject to such rigorous external assessment as the discipline based subjects. One such course can contribute to the UAI. These general programmes are quite popular especially hospitality and tourism. The engineering one has not been that successful as it has to compete with a discipline based subject in the HSC curriculum. This technics programme is more flexible, covers plastics and textiles and not just traditional 'metal bashing' and is understood and liked by employers.

²² Evans, B. (2005) *Strategic Evaluation of Vocational Education and Training in Schools in New South Wales*. Sydney: NSW DET

²³ Dusseigneur Skills Forum (2005) *How Young People are faring: Key Indicators 2005* (p.32) Available from www.dsforum.au

Second, learners can take dual accreditation programmes that are based on whole or part qualifications set out in a Training Packages. Students can gain credit for a whole qualification or for completed units of competence. The qualification is recorded on the HSC and is also a separate award from the RTO mandated over see qualification. To facilitate this in NSW every school region is a registered RTO..

Third, there are school developed qualifications. These are reported on the HSC but there is not state wide mandate for them. They make no contribution to a student's UAI.

School-Based New Apprenticeships (SBNA)

The School Based New Apprenticeship (SBNA) initiative is a year 11/12 programme motivated by similar intentions as the VETiS programme: to provides an alternative mode of study to encourage students to stay in school and complete year 12. School based apprentices engage in three sorts of activities (1) school-based courses providing a general education that varies form state to state – usually English, maths or science, social studies; (2) apprentice in the old sense of being an employee – time varies usually 1-1.5 days per week at work; (3) TAFE student getting the off-the-job component of VET.

SBNA has been running since 1998 and is still bedding down. Nonehteless, commencements on SBNA continue to rise at an increasing rate but from a much smaller base than for VETiS – for every one student enrolled on SBNA there are 16 students enrolled on VETiS programmes. In 2004, 13,000 students started an SBNA across Australia – an increase of 23% since 2003.

Participation varies between states and this can be linked to wider sets of issues in the school system. Queensland, for example, has picked the initiative in a major way as a result of a top state level decision to make it a priority; with school concerns about timetabling, for example, being over ridden. An important impact on schools in Queensland has been the move from a comprehensive to a more stranded structure to accommodate SBNA. In Victoria the recent rapid growth in SBNA enrolments is associated with the introduction of the Victoria Certificate of Applied Learning (VCAL), a flexible end-of-school certificate that can more readily accommodate SBNAs.

By contrast, in NSW timetabling problems remain a significant factor especially with the mandated hours for the HSC subjects given by the NSW Board of Studies; these rules are quite prescriptive including specifying the number of hours a learner has to study each subject. Consequently schools in NSW find it hard to meet both board requirements and meet apprenticeship needs so only about 2000 or so in NSW in 2005/06. In addition, in NSW there is a strategy to encourage senior school pathways through TAFE.

SBNA can be seen as a first step to realign sectoral structures and opportunities, and one that will be further developed through the Australian Technical College initiative. SBNA. It operates in competition with TAFE who

have a different involvement than that with traditional apprenticeships but employers still pay TAFE fees. SBNA is primarily being offered in traditional trades, such as construction and automotive engineering but commercial cookery is the largest area.

New Apprenticeships and Traineeships

Two abiding themes in the Australian policy documents is a concern about both unemployed young people and a lack of traditional craft and technician level skills. Over the years there have been a large number of subsidised training schemes more or less attached to active labour market policy to address the first issue, and attempts to reinvigorate apprenticeship as a means of achieving the latter.

Apprenticeships and Traineeships involve a combination of practical paid work and structured training that is agreed upon between a trainee and his or her employer in the form of a registered training agreement. The term 'New Apprenticeships' is sometimes used to describe traineeships and apprenticeships. Traineeships have many features in common with apprenticeships, although traineeships usually last only one to two years instead of three to four years. The longer period of training generally relates to apprenticeships for the more 'traditional' trades which include, for example, the carpentry, plumbing, electrical and hairdressing trades.

The following elements are common to all apprenticeships and traineeships:

Paid employment under an appropriate industrial arrangement (e.g. an award or enterprise agreement).

An indenture of apprenticeship or traineeship (training agreement) that is signed by both the employer and apprentice or trainee and registered with the NSW Department of Education and Training (DET).

Structured training on the job (in most cases the training agreement will include structured off-the-job training too, which could be at a training provider like TAFE NSW).

A training program, delivered by a Registered Training Organisation, that meets the requirements of a declared apprenticeship or traineeship in NSW and leads to a nationally recognised qualification.

It is possible for Secondary School students to start an apprenticeship or training before they leave school and to complete their Secondary Senior Certificate of Education at the same time (School-Based New Apprenticeship). Alternatively, an apprenticeship may be commenced after leaving school as it combines current employment with on-the-job training and results in an AQF qualification which can also be built upon through further education.

A range of new initiatives are currently being proposed for Apprenticeship to meet the issue of skills needs in the trades. These include:

Opening 24 new Australian Technical Colleges, aimed at increasing the number of School-Based New Apprentices in the traditional trades, which complement their school studies, allowing them to secure a Year

12 level education while progressing towards a qualification in the traditional trades;
 Providing a further 4,500 pre-vocational training places in the trades;
 Funding an additional 7,000 School Based New Apprentices through Group Training Organisations;
 Providing an additional 20,000 places in the New Apprenticeship Access Programme, specifically targeting industries and regions experiencing skills shortages;
 Supplying toolkits worth up to the value of A\$800 to around 34,000 New Apprentices each year who enter a New Apprenticeship in a skill shortage trade;
 Extending the Living Away from Home Allowance paid to New Apprentices to the third year of their New Apprenticeship;
 Providing a Commonwealth Trade Learning Scholarship of A\$500 to New Apprentices undertaking skill needs trades at the end of each of their first and second years of their New Apprenticeship.

Employers who take on New Apprentices are currently paid a completion incentive. The way this is paid is being changed to deter the poaching of New Apprentices from employers who have invested significant resources into their training by splitting the incentive payments between employers on the basis of the time invested in training.

In addition, to encourage young people to enter and remain in New Apprenticeships, from 1st July 2005 New Apprentices are able to apply for assistance under Youth Allowance, Ausstudy payment or ABSTUDY, subject to the application of parental and personal income tests. Under this initiative, New Apprentices may be eligible to receive extra support from the Government while their wages are at their lowest, reinforcing the importance of skills and trade training and providing an additional incentive for young people to enter into and complete a New Apprenticeship. Eligible New Apprentices may also be eligible to access a Low Income Health Care Card, bring them into line with arrangements for full-time students in a receipt of a student allowance.

There is also support in finding out about traineeship and apprenticeship vacancies from the local New Apprenticeship Centre or an employment agency. These institutions know about local employers with a vacancy or interest in taking on an apprentice or trainee.

Participation and completion rates

There has been a slight increase in the proportion of school leavers commencing New Apprenticeship in the year after leaving school from 16% in 1999 to 18% in 2004. A major recent change has been the substantial shift towards undertaking New Apprenticeships in the traditional apprenticeship areas – for example from 37% of New Apprenticeship starts by school leavers in 2002 to 49% in 2004. Media coverage and wide community discussion of skills shortages in traditional trade areas may have increased interest in New Apprenticeships in these areas among both employers and school leavers.

Correlated with this change is an increase in the length of New Apprenticeship training periods associated with obtaining a higher level of VET qualification. In addition, the pathway to New Apprenticeship is increasingly through Year 12 and this may explain some of the fall in participation in Higher Education noted earlier.

Problems with National Apprenticeships and Traineeships

Employers were initially encouraged to offer New Apprenticeships and National Traineeships (NTs) to both new and existing staff. On the plus side, the use of APL to accredit skills and participation did provide a conceptual framework for employees about what they did and the nature of their work. However, evidence²⁴ accumulated that some employers were using money intended for training NTs to subsidise wages and in many cases little learning took place.

Employers registered as enterprise RTOs were subject to little external audit and were therefore both the judge and jury of their own assessments. Some employers in this early stage partnered up with RTOs such as TAFE or Industry Associations but such bodies were only really interested in the money and not enough of that was provided (as employer held on to it) for more than a cursory inspection. They also naively accepted employer accounts of what they were doing rather than checking. Industry associations proved reluctant to challenge the judgements and reports of their own members, and were not prepared require members do anything. Such problems led to severe slippage costs in some cases.

Responsibility for these slippage costs lay both with the state through its VET board and the Commonwealth Government who provided subsidies for Apprenticeships and Traineeships in one of two ways: (1) directly to the employer or (b) brokered via the state training board who top sliced to cover overheads.

Such slippage costs resulted in increased regulation. This involved some tightening of the requirements on the RTOs to supervise – for example it is no longer possible to get the subsidy without use of external audit from another RTO even if the organisation was an RTO in its own right. States also phased out existing worker NTs.

The model of subsidy also changed. Initially a substantial proportion was given up front on the assumption that there would be substantial initiation costs. This did not provide a great incentive to employers to provide quality training and there was little if any financial penalty associated with employers putting of/forgetting about trainees. The staging of payments has now been turned around with the final payment being made 3 months after the traineeship/apprenticeship is finished and if trainee still employed in the firm. This has inevitably dampened down expectations.

Nonetheless, participation rates in NTs rocketed and continue to rise

²⁴ In particular the research of Kay Schofield.

especially for older people (35+) as part of adult re-entry programmes. Participation is lower for younger people because of other reforms such as school apprenticeship and TVET.

Overall VET participation for 15-19 year olds has not increased in recent years

This section and the previous one has provided evidence of a range of new initiatives to provide new opportunities for VET participation among 15-19 year olds²⁵ and the establishment of a national training market to meet the needs of employers. Table 3 shows the participation rates of these teenagers in VET provided by TAFE colleges and Adult and Community Education (ACE) institutes, and in publicly funded VET delivered by private providers of training. The participation figures will include almost all New Apprenticeships for 15-19 year olds as these typically attract public funds for their training component regardless of whether the training is delivered by a public or private training provider.

Table 3 Participation in VET among 15-19 year olds 1999-2004

	1999	2000	2001	2002	2003	2004
Students enrolled (000's)	259.3	281.2	276.5	279.1	277.5	274.3
Participation rates	%	%	%	%	%	%
Australia	20.9	22.2	21.3	21.2	21.1	20.3
Males	23.7	24.8	23.7	23.5	23.1	22.7
Females	17.8	19.2	18.6	18.8	18.8	17.7
New South Wales	20.9	24.4	22.0	21.5	22.1	20.7
Victoria	23.7	23.2	23.0	24.3	24.5	24.1
Queensland	20.4	19.8	19.2	19.0	17.6	16.8
South Australia	16.1	16.4	16.2	15.9	16.8	16.1
Western Australia	21.7	23.4	24.8	23.6	21.2	20.8
Tasmania	15.2	16.7	17.4	16.4	17.5	19.3
Northern Territory	18.7	21.0	20.7	21.3	19.8	20.0
Australian Capital Territory	16.3	17.4	16.3	15.6	16.3	17.2

It is clear that participation rates in VET for this age group in Australia have stagnated, a situation reminiscent of England. Given that participation in New Apprenticeship has increased, this points to a decrease in participation by this age group in VET outside this programme. Interestingly the mean number of hours of training per student has increased slightly over the time period – from 329 hours in 1999 to 343 hours in 2004. In part this could reflect the shift in New Apprenticeship training towards the traditional trades requiring more hours of off the job learning to achieve Certificate III and IV qualifications. Whatever the cause it means that, given the way that VET is funded in Australia, unchanged resources are being distributed among fewer learners. This suggests a system that maybe becoming less efficient over time the opposite of what was intended through the creation of a training market and the introduction of greater levels of contestability.

²⁵ There have also been incentives to increase participation among adults in VET, for example through New Apprenticeship and traineeships and three quarters of enrolments in TAFE NSW are by adults.

Improving training outcomes and transitions for 15-19 year olds in NSW

In common with England, Australian Further Education needs to provide improved opportunities for three groups of learners:

- Those who are following a route to Higher Education;
- Those who are pursuing a pathway, which will assist their transition to work (vocational pathways and vocational tasters).
- Those re-engaging with learning before hopefully pursuing further vocational studies

To support all such learners the following are recognised as being important in the NSW context

- Developing collaborative networks of schools, TAFE colleges and Local Community Partnerships (LCPs) to provide comprehensive information about education and training pathways and work transition support.
- Providing multiple flexible learning pathways
- Producing engaging learning environments.

To achieve this some suggestions being actively pursued include:

- the establishment of a network of high level regional VET in Schools Committees comprising schools, TAFE NSW, local industry and the community. This network will report to the DET Regional Directors and TAFE NSW Institute Directors forum on issues including regional participation and outcomes in VET in schools, quality assurance and student transitions to ensure the effective implementation of the Government's VET in schools policy
- development of credit transfer information to inform VET in schools students of their entitlement and to maximise outcomes
- further improvements to improve outcomes for indigenous students, students with a disability and students from non English speaking backgrounds
- delivery of VET to students at the School Certificate level i.e. 14 -16 year olds.
- Developing a more strategic and coordinated approach to programmes for young people²⁶.
- Improving access to clear data, information and funding opportunities for programmes for young people
- providing professional development opportunities to support teachers working with young people
- developing a dedicated unit with a focus on strategy for youth rather than on institutions. In conversations this was felt essential for developing
 - o seamless pathways which allow young people to pursue multiple training options and have access to continuous guidance and support

²⁶ For example, within TAFE Institutes, the management of programmes for young people is programme or funding source focussed, rather than considering all young people as a specific client group. Feedback from Institute participants indicates that this programme-based organisational approach, while enabling the effective management of individual programmes, is fragmentary in its approach to services and support for this cohort.

- o Cooperative planning networks of education and training providers and other stakeholders
- o Greater system ic understanding of the labour market, industry and regional development conditions.

CAPACITY TO DELIVER PROGRAMMES

Underpinning all of the concerns about the effectiveness of the reforms was a concern to develop better and more engaging learning environments that are responsive to the needs of both learners and employment. Three factors were felt to inhibit this. First the lack of well trained teachers in the vocational areas; this is both a problem of recruitment and development. This is a similar problem to the one faced by English FE colleges and there is an increasing reliance on a contingent workforce though not in all TAFE Institutes. The TAFE workforce is also ageing rapidly

Second there is the challenge of TAFE Institutes becoming more client focused, and the need to develop strategic partnerships with employers to deliver structured learning at work and workplace assessment. Employer pressure, articulated through the Commonwealth Government in particular, is beginning to be felt within TAFE Institutes, for example through the regulatory structures provided by Training Packages. Anecdotally it seems that some TAFE teachers were struggling to make the linguistic shift from thinking in terms of delivering a curriculum to helping learners achieve competence.

During some conversations TAFE Institutes were also characterised as failing to grasp the implications of a competence based approach at the level of delivery and the need to make Institutes more customer facing if they are to compete successfully in the training market. This is accentuated by the shift in funding away from core funding to an increasing emphasis on bidding for work in competition with other training providers. This, it was suggested, requires the development of more entrepreneurial managers and teachers willing to seek out new customers.

However the story seems a little more complex than this when viewed from the other end of the institution. What from a manager's perspective was seen to be a teacher culture problem, i.e. teachers not wanting to work flexibly with employers in the workplace rather than the classroom, from a teacher's perspective the problem maybe just as much one of little or no support from managers. Research shows that forming relationships with employers and sustaining them is a very time consuming and costly. Teachers are likely to give up the struggle when they find that they are working in their own time and using their own resources. For example, OVAL research on West Sydney TAFE teachers working with small businesses brokered by the local chambers of commerce found evidence of good practice in developing the linkages necessary to provided Structured Workplace learning. In particular, this involved moving young people around several small businesses to ensure a range of experience. But managing this is difficult because of the size of enterprise meant that a member of staff being sick could lead to the need to change plans rapidly. To manage this teachers had to be available 24/7 and

in mobile contact. But the state mandates that employees at their level are not entitled to mobile phones. Consequently they racked up large personal phone bills which could not be sustained and the initiative collapsed. Managers, from the teacher's perspective, did not seem to understand such issues or they felt completely powerless to change things because of vertical accountability that often goes all the way to state ministers.

Such top down pressures were felt by one commentator to be inimical to the long-term development of TAFE-employer relationships – 'these overwhelming top down processes exclude systematically local employers. Vertical accountability frameworks mean that you look up rather than sideways'. When combined with wider changes in work organisation and work practices, the result was seen as a decrease in the number and quality of local relationships with employers and other groups.

Third there was the difficulty of dealing with rapid swings in demand from the labour market. TAFE Institutes are being faced with client populations who one year want to engage in activity and the next activity b. For example, one TAFE Institute was faced with a six fold increase in demand for Refrigeration and Heating Engineering programmes. Even with advanced warning there was simply no means of increasing the number of classes they could offer because of the equipment demands and a lack of teachers. A sensible solution might be to increase capacity in this area over the ext few years but the reality is that such swings in demands for courses are often short-term phenomena. Tooling up to provide more capacity in such areas therefore runs the risks of incurring severe opportunity costs, risks that TAFE institutions cannot afford to bear alone.

INNOVATION, SUSTAINABILITY AND MAKING REFORM WORK

The policy priorities over the last ten years, and the reforms to the vocational education and training sector they have engendered, have sought to create a system that is industry-led and provides training that meets the needs of Australian employers. For example, the New Apprenticeship scheme in particular, provides firms with incentives (subsidies), flexibility in the choice of provider and the type of training delivery, greater scope of training in terms of occupations and industry, and broader coverage by including both older and existing workers. Nonetheless, much of the commentary on skills shortages foe example has focused on the balance of training provided under New Apprenticeships and questioned whether current arrangements meet the longer term needs of the Australian economy. The Australian experience suggests, therefore, that designing an industry led system does not necessarily produce the answers to skills shortage problems.

The regulatory structure described above underpins a national training market and is the product of the industry-led system. It is intended to provide high quality, nationally recognised, competency based, portable qualifications based on training packages that have been specified by industry in an efficient and effective manner. Holders of these qualifications should be job ready (though there are problems with this notion in the Australian context).

Australian employers can choose from a variety of training providers who have been certified as bona fide RTOs, providing regulation of the training market. Indeed Australian firms can themselves become RTOs and deliver programmes leading to AQF qualifications. Such programmes can attract subsidies and government aid.

'Far-reaching reforms on work and skill policy have occurred over the past fifteen years in a bid to improve international competitiveness, develop a 'high skill economy' and reduce social inequities. The 'harvester man' policy model (award wage-setting linked to skills, focus on permanent full-time employment, A TAFE system geared to apprenticeship/trade training) has been replaced with a 'flexibility' model (enterprise bargaining, a 'demand-driven training system through the development of a national 'training market')²⁷.

And yet despite all of this, commentators on the system describe it as not functioning effectively or efficiently:

'Whilst there have been real achievements arising from these policy reforms (eg greater numbers of individuals with portable, nationally recognised qualifications) there are now multiplying problems. For instance, skill shortages persist and workplace parties claim the training system is confusing and difficult to access²⁸.

The Australian FE system, despite all of the reform, does not seem to be able to deliver the improved economic outcomes that increased education and training volumes that policy makers desire, i.e. there is slippage between policy design and implementation. This could be that Australian policy makers are using inappropriate policy instruments and there does seem to be the usual over reliance on inducement strategies to solve problems leading to issues of deadweight and slippage costs. But Australian policy makers have shown themselves prepared to sue mandates to stamp out undesirable behaviour, for example using training money to subsidise wages.

Perhaps the real issue for Australian FE reform is whether the policy targets have been correctly identified and specified. In particular whether a systemic approach is being adopted which covers not just the delivery of training but also the processes of transition into the labour market and the changing nature of that labour market. These inevitably feedback into and affect the attractiveness of the FE system for employers and learners.

From an Australian research perspective the preoccupation with 'high' and 'low' skill levels among policy makers is misplaced. It obscures a shift in the practices of employers in the development and use of skill which are conditioned by their growing interest in behavioural, at the expense of cognitive and technical, competencies. Such practices are also contingent upon the type of 'skill ecosystem'²⁹ that employers are operating within. Given

²⁷ NSW Board of Vocational Education and Training (2005) *Beyond flexibility: Skills and Work in the future* (p.1). Sydney: NSW BVET.

²⁸ *Ibid.*

²⁹ Clusters of high, intermediate and low-level competencies in a particular region or industry.

that this is correct, then this report on Australian FE can do no better than to conclude with the words of the Australian authors of *Beyond Flexibility : Skills and Work in the Future*. This is done in the hope of opening up a debate about the reform of FE in England that links it to a wider agenda and set of issues:

‘ ... whilst ‘high skill ecosystems’ (eg IT) are important as engines of growth and development, it is now clear they will not generate mass employment in the way of some intermediate and routine skill ecosystems (eg cleaning) whilst other ecosystems are important for the social value of their work (eg family support services). The challenge for policy makers is to move beyond the impossible dream of a ‘high skill economy’ to combine a diverse range of policy instruments across a wide range of priorities to manage a diverse bundle of skill ecosystems ...

Policy on work and skills needs to be repositioned. While skills are ‘not the answer’, there can be ‘no answer’ without skills. It is now clear that too much was expected of policy reforms to work and skills. This does not mean that policy should downgrade skills but rather that skills and work initiatives need to be more closely integrated into the wider policy mix.

Effective new policy directions therefore require more than just another ‘program’. Policy renewal is dependent on developing fresh perspectives in both policy content (its assumptions, directions and instruments) and policy context (the policy-making system through which options are created, considered and chosen). Creating a dynamic policy context through which innovation can occur is a precondition for policy change. This requires opening up the policy system to a wider range of informants, re-conceiving clients in a fresh way (as networks, supply chains & regions instead of simply as ‘individuals’ and ‘industry’) and accommodating the ‘cross-cutting character of policy initiatives on work and skill by developing a ‘whole government’ approach.’

Copies of this publication can be obtained from:

DfES Publications
P.O. Box 5050
Sherwood Park
Annesley
Nottingham
NG15 0DJ

Tel: 0845 60 222 60
Fax: 0845 60 333 60
Minicom: 0845 60 555 60
Online: www.dfespublications.gov.uk

© Qualifications and Curriculum Authority 2007

Produced by the Department for Education and Skills

ISBN 978 1 84478 895 8
Ref No: RR832
www.dfes.go.uk/research