



Education in Hungary 2003



National Institute of Public Education

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Edited by Judit Lannert and Gábor Halász

Compiled by Zoltán Loboda

Translated by Pál Szemere

Language editor: Steven Bratina

Typography: András Grépály

Cover: János Mészáros

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Foreword

This book is a shortened version of a report on school education published by the National Institute of Public Education (OKI) in November 2003 on the request of the Ministry of Education (OM). 'Education in Hungary' was first published in 1996, following the review of Hungarian education policy by the OECD. The idea of producing a comprehensive analysis of the development of education at regular intervals was originally motivated by the impact of this review process on education policy debates in Hungary. This was also part of the OECD examiners' recommendations, who suggested that an analytical public report based on statistical data and research results on the state of education would contribute to the enlightenment of public debates, and to the development of the knowledge basis of education policy. The three earlier publications (in the years 1996, 1998 and 2000) have proved that the availability of a thorough and regular professional analysis may have a favourable influence on the public discourse on education, as it encourages evidence-based approaches and higher professional standards. These reports have certainly contributed to the predictability, rationality and quality of the education policy process, and the feedback provided by it may have had a favourable influence also on the quality of education. The regular documentation of education policy events in the period of transition from authoritarianism to democracy, characterized by radical changes and by the emergence of new political cleavages, has certainly contributed to continuity and to balance between change and stability.

'Education in Hungary' focuses on schools, that is, on what is often referred to as K12 education. Tertiary and adult education, as well as vocational training is cited insofar as they have relevance to primary and secondary education. The report is addressed to a large audience: those who, at national or local level, make education policy decisions or have an influence on them, teachers who have an interest in the development of the broader system of education, graduate or post-graduate students in education, including teachers taking part in in-service training courses, researchers who need data or background information for their research, and last but not least, the well informed citizen who simply wants to know more about what happens in a public policy area. The aim of this abridged English version, its volume being about one fifth of the original one, is naturally different. It aims at helping the foreign reader to get access to the basic information on the Hungarian education system and on main recent trends characterising its development.

The original version of 'Education in Hungary' is the outcome of the work of a larger community. Fifteen authors, on the basis of more than forty background studies, wrote

Chapter I

The socio-economic environment of education

1.1. The international environment of public education

Until most recent times, the development of the Hungarian public education system was shaped by internal factors. Public education was initially exposed to international influences in the mid-nineties, on the occasion of joining the OECD. In the new millennium, the most important international influences are mainly related to the accession to the European Union. Hungary is becoming a member state in a period when the role of coordination of educational policies within the European Union is of an increasing importance. Participation in the *'Lisbon process'* aimed at achieving the *'future common objectives'* of educational systems will force Hungarian decision-makers and educational experts to re-consider the future of public education system in terms of quality and effectiveness, access to education and training, and equal opportunities.

International influences may affect Hungarian public education in a number of ways. The recession of the world economy and a slower economic growth in the EU are particularly unfavourable factors for employment, because more than two thirds of our export is sold on the markets of the EU. In the early 1990s, Hungary presented fairly attractive opportunities to foreign investments, due to cheap and well-qualified workforce. Following the sudden explosive increase in South East Asia's appeal to foreign capital at the end of the 1990s, Hungary's attractiveness should no longer lie in cheap, but rather in highly qualified and reliable workforce and developed infrastructure, and – last but not least – social stability.

1.2. The changing political and socio-economic factors affecting public education

In the spring of 2002, following the general elections, a coalition of socialist and liberal political parties (Hungarian Socialist Party and Alliance of Free Democrats, respectively) formed a new government, replacing the previous coalition of national conservatives. The position of the Minister of Education was taken by a representative of the Alliance of Free Democrats. Educational responsibilities were redistributed in the new government.

The overall responsibility for human resource development was transferred from the Ministry of Education to the newly formed Ministry of Labour and Employment.

As far as the internal social and political environment of the system of public education is concerned, Hungary's entry into the European Union is of great importance. The membership treaty was signed in Athens on 16 April 2003. Based on this document, Hungary will become a member of the political and economic community of the European states by the spring of 2004. This historic event may facilitate changes in the economic development by decreasing the risks accompanying globalisation, and providing an opportunity to diminish social and regional differences.

The European Union provides substantial support for less developed member states through the system of structural funds. Hungary may benefit from this support according to the priorities determined in the National Development Plan (NFT), elaborated by the government. The system of public education will benefit from the resources of the European Social Fund through the Human Resource Development Operational Programme (HEFOP), a constituent part of the NFT. It identifies several priorities that directly or indirectly – require the improvements of the system of public education. According to preliminary estimates, the total amount of structural funds support may reach HUF 150–210 billion per year, 20% of which (approx. HUF 35–40 billion) may be spent on the development of the education system, research and development sector.

Table 1.1.

Priorities and measures of the Human Resource Development Operative Programme of the National Development Plan

Priority	Measure
Supporting active labour market policies	Preventing and tackling unemployment Development of the Public Employment Service Promoting the participation of women in the labour market and reconciliation of work and family lives
Fighting social exclusion by promoting access to the labour market	Ensuring equal opportunities in education for disadvantaged students Promoting social inclusion through the training of professional working in the social field Improving the employability of disadvantaged people, including the Roma
Promoting education and training as part of lifelong learning policy	Development of the skills and competencies required for life-long learning Development of the content, methodology and structure of vocational training Development of the structure and content of higher education
Developing adaptability and entrepreneur skills	Training promoting job-creation and development of entrepreneurial skills Developing the system adult training
Developing the infrastructure of education, social services and health care	Developing the infrastructure of education and training Developing the infrastructure of services supporting social inclusion Development of health care infrastructure in regions lagging behind IT development in health care in regions lagging behind

Source: HEFOP, 2003

In the spring of 2003, the Ministry of Education (OM) allowed for the open debate on the initial draft of its mid-term strategy for developing the system of public education. This document identifies several priorities, which match the actual measures of the National Development Plan (NFT). The priorities highlight the corresponding elements in the objectives of the Hungarian educational policy and the goals of the educational policy of the European Union, providing opportunities to receive community support and using the resources of European Social Fund to achieve various domestic objectives.

*The priorities of the Ministry of Education's mid-term strategy
to develop public education*

- Laying down the foundations for lifelong learning by developing key competencies
- Reducing the inequalities in education
- Improving the quality of education
- Supporting the development of the teaching profession
- Promoting the use of ICT tools
- Improving the physical conditions of education
- Improving the cost-effectiveness and management of public education

Source: Ministry of Education (OM), 2003

One of the greatest challenges for the Hungarian public education system is the permanent and large-scale decrease in the number of children, which has been a noticeable factor since the late 1990s. This led to the deterioration of the optimal use of school buildings, causing problems of size efficiency and inevitably forcing school maintainers to introduce measures of rationalization. School maintainers are in fact forced to find a swift solution to all these problems, since the increase in the costs of education – due to pay rises, and the need to improve infrastructural conditions – leads to significant decrease in the cost-effectiveness of education.

It could seem to be a good solution for the utilization of idle capacities to keep the students in the educational system as long as possible and to broaden the duties and responsibilities of teachers. However, these opportunities are limited by the budget restraint and the continuous changes in the economy and the labour market. Due to the rapid changes in technology, the creation and termination of job opportunities and the importance of upgrading skills, adults are more and more interested in taking part in adult training on a continuous basis. Consequently, the society is compelled to spend a growing proportion of educational resources on adult training, restricting the opportunities of the system of public education and limiting its further expansion. At the same time, however, the involvement of schools in the implementation of lifelong learning provides new opportunities for public education.

I.3. Changes in regulations concerning public education

In the period under review there were considerable changes in the legal provisions of education. In 1999, 2002 and 2003 there were significant amendments to the Public Education Act of 1993. Furthermore, various newly established Acts had direct effects on the system of public education: regulations on the textbook market; on adult training; on the payment of compulsory vocational training contribution and on the development of the training system. Additionally, there was an amendment to the Public Employee Act, regulating the employment of teachers. Furthermore, many additional acts regulating the socio-economic conditions of Hungary also had an effect on the system of public education. The most important of these was the annual budget, which corrected various financial provisions of the Public Education Act on several occasions.

Various governmental and ministerial decrees were issued in this period, concerning the introduction of frame curricula, the school-leaving exam concluding secondary education and the quality assurance and quality improvement system of public education. The Ministerial Decree concerning the operation of educational institutions was amended and the regulatory function of the annual ministerial decrees gained greater importance. Many of the newly introduced provisions may have a significant effect on the future of organization of school-level education, therefore in the course of the legislative process, the regulations attracted great professional and public attention.

I.4. Demographic trends

I.4.1. The population of Hungary

In recent years, there was a continuation of the former unfavourable demographic trends. A low – and decreasing – birth rate was characteristic for the 1990s. According to long-term forecasts, the number of students in public education will drop by one sixth between 2001 and 2015. It urges policymakers to cope with this situation, otherwise the effectiveness of the educational system will become even worse.

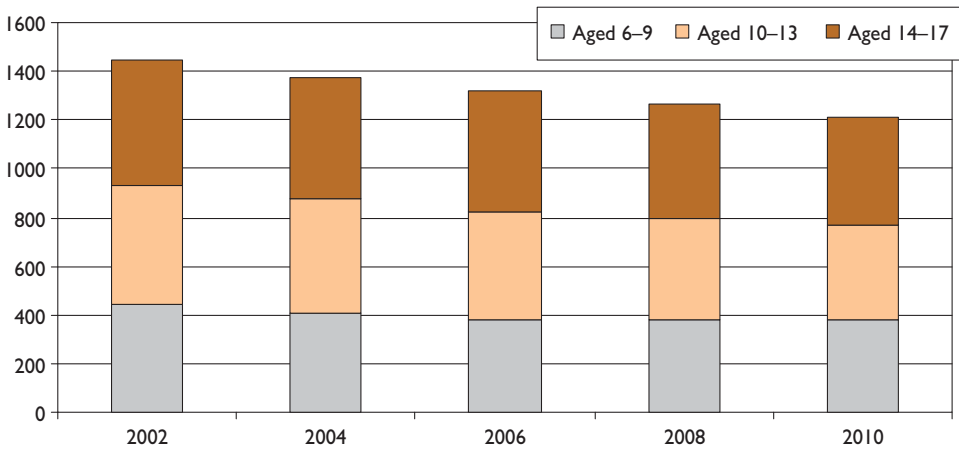
The demographic trends of Hungary are similar to those of other countries. However, whilst the decreasing fertility rates are a common feature in the member states of the European Union as well as in acceding countries the mortality rates are far better in these countries than in Hungary.

I.4.2. Educational attainment of the population

The average level of educational attainment of the population continues to improve, yet there is still a significant group, which finishes studies after completing the 8th grade of the general school education. The proportion of the population over 18 years of age that had completed the 12th grade considerably increased compared to the previous decade: this ratio was below 30% in 1990, and was approximately 39.5% in 2001.

Figure 1.1.

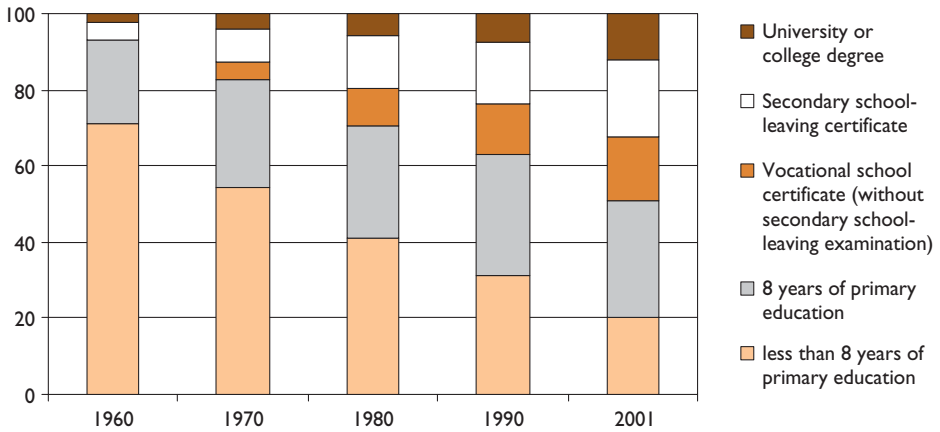
Estimated school-age population between 2002 and 2010 (thousand learners)



Source: Sugár, 2003

Figure 1.2.

Educational attainment of the population, 1960, 1970, 1980, 1990 and 2001 (%)

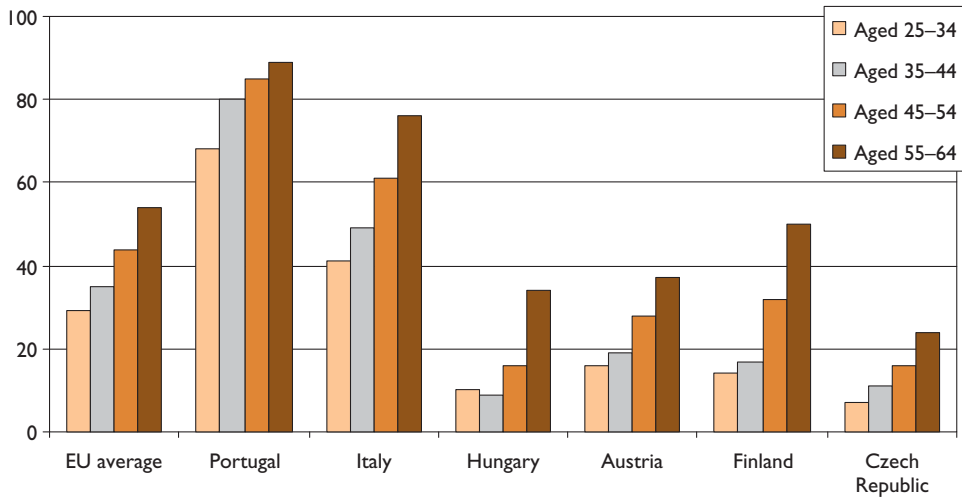


Source: Population Census of 2001, KSH, 2002

It is noticeable that even by international comparison, in every decade the proportion of young people enrolled into higher education continues to increase, and simultaneously, the proportion of those leaving the system of education having completed secondary school studies is increasing. It is also noteworthy that in practically all age groups, the proportion of those without upper secondary qualifications (ISCED 3) is below the EU-average.

Figure 1.3.

Percentage of people who do not have an upper secondary qualification, by age group, 2000



Source: Key data..., 2002

1.5. The economy and the labour market

1.5.1. Changes in economy between 1998 and 2002

Between 1997 and 2002, the Hungarian economy grew more dynamically than the economies of developed countries. In the five-year period between 1997 and 2001, the annual growth of GDP was on average 4.5%. This favourable trend slowed down to some extent in 2002, but according to the preliminary findings for 2002, the 3.3% growth rate of the GDP is still three and a half times the amount of the 0.9% EU average. At the same time, the annual growth rate of the economy in 2001-2002 places Hungary in the lower third in comparison with other Central-Eastern European countries, even though Hungary had the most dynamically growing economy in the region in 1998.

The per capita GDP (adjusted for purchase power parity) in Hungary was 52.8% of the EU average in 2002. Budapest, the most highly developed central region of Hungary achieved 83.5% of the EU average, while the most underdeveloped Northern Hungarian region achieved a mere 34.6%.

The rate of inflation dropped from 10% in 1999 to 5.3% in 2002. However, analysts warn that the resources for further growth will shortly be exhausted and the economy is facing problems (high deficit in the balance of payments and in the budget).

The budget deficit in percentage of the GDP¹ dropped from 8% in 1998 to 3% in 2000, but later began to increase. In 2001 it reached 4.1% of the GDP and in 2002 the official budget deficit was around 10% of the GDP, which is unusually high even in international comparison. This was partly due to provisions resulting in the large-scale outflow of revenues following 1998, such as the rise in the minimum wage or the pay rise of public employees and civil servants.

1.5.2. Labour market trends

Changes in the structure of employment

In the changing economy, the structure of employment regarding regional and sectoral characteristics underwent significant changes. The proportion of workforce among the major sectors of the economy has changed in harmony with international trends. Employment in agriculture sector decreased significantly while the number of those employed in the services sector increased. In 2001, 6.2% of the workforce was employed in agriculture, 34.2% in industry and trade and 59.6% in services (EU: 4.4%, 26.9% and 68.8%, respectively). The structure of employment was considerably affected by the severe downsizing of companies, which was brought about by the economic crisis following the transition. By 1999, private and micro businesses accounted for over one million jobs, including self-employment.

The rate of economic activity

In highly developed countries one of the key political and socio-economic objectives is to involve as much of the potential labour force as possible. Full employment has been a key objective in EU employment policy since the Lisbon summit. In 2001, the activity rate of the 15–74-year-old population was 53.3% in Hungary, and 64.4% of the employment-age

Table 1.2.

Economic activity of the 15–74-year old population, 2001 (in thousands)

Age	Employed	Unemployed	Economically active population	Economically inactive population	Of which passive unemployed	Activity rate (%)	Rate of unemployment (%)
15–19	46,6	12,5	59,1	549,7	8,8	9.7	21.2
20–24	413,5	43,2	456,7	354,7	13,8	56.3	9.5
25–29	567,7	42,5	610,2	196,0	13,7	75.7	7.0
30–39	974,6	55,3	1029,9	255,1	25,6	80.1	5.4
40–54	1570,9	71,0	1641,9	525,0	38,1	75.8	4.3
55–59	224,3	7,1	231,4	386,1	5,7	37.5	3.1
60–74	61,9	1,3	63,2	1317,7	2,3	4.6	2.1
Total	3859,5	232,9	4092,4	3584,3	108,0	53.3	5.7

Source: Statistical Yearbook of Hungary 2001, KSH, 2002

Notes: Activity rate: the total sum of the employed and unemployed in percentage of the population. Rate of unemployment: the number of the unemployed in percentage of the economically active population.

¹ Calculated according to the Eurostat method.

population. Active measures (retraining) proved less effective than passive measures (early retirement or disability pensions) in dealing with unemployment. The latter, however, increases the proportion of the inactive working age population to such an extent that it may lead to a split in Hungarian society. Due to stagnating employment levels and the large size of the inactive working age population not actively seeking employment, Hungary has the smallest working population in the 15 member states and 10 acceding countries of the European Union.

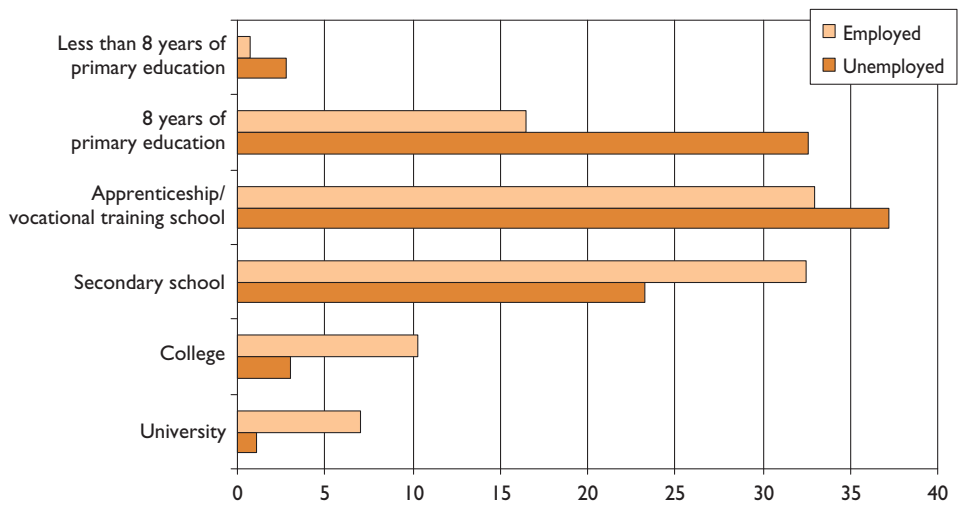
There are significant regional differences in terms of unemployment, and these differences seem to settle and not diminish. In Northern Hungary and in the Northern Great Plain the rate is high (15.8%; 13.7%), in Western Transdanubia and in the central regions of Hungary the rate is low (4.9%; 2.6%).

Educational attainment, income and returns of education

In the 1990s, the value of educational attainment continuously increased. The effect of educational attainment may be observed in the levels of income and unemployment rates. The advantage of being highly qualified is demonstrated by the fact that the proportion of those with upper secondary and tertiary level qualifications within the active population is higher than in the entire population. In 2000, more than 42% of men and almost 60% of women of the employed population had at least upper secondary level qualification. In the recent years, the composition of the unemployed by the level of educational attainments showed little change. The proportion of those with not more than lower secondary level qualification has slightly decreased. Those with tertiary educational qualifications are the least affected by unemployment. The composition of the employed and unemployed population by the level of education attained shows that employers generally employ those with high-level qualifications.

Figure 1.4.

Percentage of the employed and unemployed population by educational attainment, 2001



Source: Statistical Yearbook of Hungary 2001, KSH, 2002

The number of unemployed youth decreased in the period between 1998–2001. There was a significant decrease in the 15–19-year-old population. Of the entire group of 15-19 year-olds (approximately 600 thousand individuals) 550 thousand (90%) were inactive in 2001, mainly because they were students. 8% of the remaining 10% were employed, and 2% – approximately 12.5 thousand people – were actively seeking employment. The unemployed youth finds it more difficult to get a job than the average jobseeker. The main reason for this is that they generally have low attainment and half of them live in rural areas with few job opportunities.

Table 1.3.
Youth unemployment, 1998–2001

Year	Aged 15–19		Aged 20–24		Aged 15–24	
	in thousands	Unemployment rate %	in thousands	Unemployment rate %	in thousands	Unemployment rate %
1998	28,3	24.8	59,3	11.1	87,6	12.6
1999	21,3	23.4	57,3	10.6	78,6	12.4
2000	17,6	23.7	53,2	10.4	70,8	12.1
2001	12,5	21.2	43,2	9.5	55,7	10.8

Source: Labour force survey 1992–2001, KSH

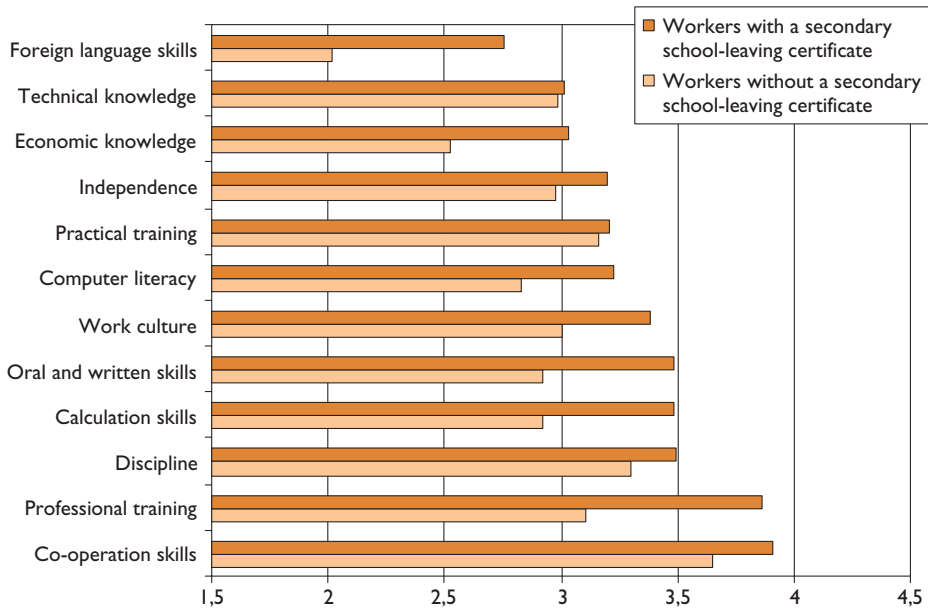
1.6. The educational challenges of a knowledge-based economy

According to foreign companies settled in Hungary, the lack of well-trained personnel is an increasing problem and many may consider Hungary to become less attractive for investments due to high level of production costs. After fifteen years, the lack of skilled workers has yet again become a permanent problem in regions where the economy is growing. Following the collapse of the communist era, the apprenticeship training of skilled workers lost its prestige in the ensuing economic transformation. Many of those entering the labour market as skilled workers find no job and have worse chances to participate in retraining programmes or starting a new career than those possessing a secondary school-leaving certificate. Vocational training schools are unable to cope with the demand for training, in terms of quantity or quality. With the decreasing number of students enrolled in vocational training schools, the number of unmotivated, low-achieving youth with a lack of perspectives has risen in such institutions. The apprenticeship exam did not fully assure good quality of training, therefore skilled worker qualifications were not attractive to employers, and this situation has worsened.

According to a 2001 survey, employers were not dissatisfied with the behavioural conduct of young people, yet their lack of practical knowledge was criticized. Respondents identified the lack of foreign language skills as one of the greatest problems.

Figure 1.5.

Satisfaction of companies with first-job holder skilled workers with or without a secondary school-leaving certificate, respectively, in 2001 (average marks on a scale of 5)



Source: Palócz, 2001

The discrepancy between companies and schools was displayed in the course of several monitor surveys. Only a small portion of enterprises had contacts with an educational institution, yet the majority of these had no clear understanding of this relationship or even their own opportunities in this regard. At the same time, enterprises consider the standard of the Hungarian workforce to be unsatisfactory.

1.7. Social indicators and trends

In the development of human and social capital, aside from schools, the workplace environment, local communities and families all play an important role. The quality of human relations greatly influences the state of social cohesion. The more cohesive societies are better in achieving common goals and preventing vulnerable social groups from drifting to the periphery of society. Splitting up of families and the increase in the inequality of income diminish social cohesion, yet the broadening of social relations or even the use of the Internet may strengthen such cohesion.

Following the collapse of the communist regime the appearance of huge and increasing inequalities of income was striking. The current extent of such inequalities corresponds to the European average. The inequalities of income seem to have stabilized in recent years, and – in the case of middle-class families – there are promising signs of economic growth. There are three general factors which determine the income level of families:

(1) educational attainment of family members, (2) the earning members of a family and (3) the number of dependent children. The risk of poverty is great in the case of those with a low level of educational attainment, those living in villages, and in the case of families with children, or individuals belonging to the Roma ethnic minority group. The risk of poverty of the latter doubled in the span of a decade.

1.7.1. Factors influencing the quality of life for children and young people

The changing structure of families

Since 1990, every year there have been fewer marriages and a greater number of divorces in Hungary. There were 375 divorces per a thousand marriages in 1990, while in 2000, this figure was 499. The lower number of marriages is partly due to a higher rate of unmarried partners. Simultaneously, there is an increasing rate of births out of wedlock, which constituted approximately one thirds of the births in 2001. The decline in the number of marriages and the increase in the number of divorces also affect the composition of households. The proportion of couples living in households has dropped and the proportion of single parents with children or singular households has risen.

Table 1.4.

Number and composition of families, on 1st January in 1970, 1980, 1990 and 2001 (%)

	1970	1980	1990	2001*
Couples without children	33.7	35.2	34.3	33.9
Couples with children	56.1	53.5	50.2	49.7
of which couples unmarried	N/A	N/A	4.3	9.5
Single father with children	1.3	1.9	3.1	2.0
Single mother with children	8.9	9.4	12.5	14.4
Total	100.0	100.0	100.0	100.0
N	2,890,912	3,027,668	2,896,203	2,868,694

Source: Statistical Yearbook of Hungary 2001, KSH, 2002

* February

The income of families with children

There are significant differences between the income of families with and without children. While in 2000, the real income of individuals with children was at the 1994-1995 level, the income of childless individuals approximated the – higher – 1993 level. In 2000, households with children had a below average per capita income. The financial situation of families with children somewhat improved when the family tax benefit was introduced and later increased, and when the childcare leave and allowance² was reintroduced – still, they are in a worse financial state than childless families. Their consumption – especially the consumption of inactive people with children and active

² Childcare leave and allowance (GYED). The parent is entitled to receive this benefit after the 168th day following childbirth until the child is 2 years old. In 2003, the amount of this benefit was 75% of the parents' average income in the previous year, a maximum amount of HUF 83,000 per month.

families with 3 or more children – is more restricted; their home is less equipped and furnished than the households of active individuals without children. The households of inactive families with children are in the most disadvantaged status: their income is on a minimum level, and since they have a lack of taxable salaries, they do not make advantage of the family tax benefit or maternity allowances. While households with children spend more than half of their income on foodstuffs, their per capita spending on such goods is actually less than the spending levels of childless families. The disadvantage of active households with many children and inactive households with children is clearly reflected in the smaller quantities they consume of each food category. This is particularly conspicuous in the case of milk, dairy products and fruit, which are nutrients essential to healthy development of children.

Deviancies among young people

The characteristics of the youth subculture changed in the course of the 1990s. The different generations became more heterogeneous, and the difficulties in starting a career brought about new types of subcultural groups. The various social changes also produced winners and losers among young people. As young people were exposed to greater media and peer group influence, their schools and families became increasingly distanced from the subculture of young people. Some of the young people facing failures in the course of socialization, school activities and family troubles tried to get away from these problems through the use of alcohol or drugs. There is an obvious over-representation of young people in criminal and drug statistics, yet the same is not true for the consumption of alcohol. Hungarian educational policy made great efforts to cope with the mental hygiene issues of young people. A wide range of projects was launched including surveys on drug use, various tenders for solving such problems, as well as the establishment of drug prevention and mental hygiene programmes.

Alcohol consumption among young people

In international comparison, based on the HBSC and ESPAD surveys – and in contrast to the indicators of adult alcohol consumption levels – Hungarian students are not frequent alcohol users. In the course of the surveys, the various countries were placed into five categories according to the alcohol consumption of students. The Hungarian students were classified in the lowest or second lowest category.

Trends in drug use

In the late 1990s, try-out figures showed a sudden and dramatic increase, and remained on the same level in 1999 and 2000. The fact that the number of intensive drug users increased the most between 2000 and 2002 is an ominous sign. In comparison of the findings on Hungarian drug use with other countries, Hungary may be regarded to be among the countries with low levels of contamination. The proportion of illegal drug users places Hungary in the lower third on a list of 30 countries, in the group of countries such as Portugal, Norway, Bulgaria, Lithuania, Iceland, Estonia, Croatia and Poland.

1.7.2. Favourable factors of social cohesion

In recent years, the importance of social capital and the intensity and quality of human relations have become more appreciated as factors influencing the cohesion crucial in the state of social well-being. Digital literacy is gaining importance, allowing for the expansion of the field of interpersonal communication and the flow of information.

Digital literacy

In Hungary, there is a clear gap between various social groups concerning access to computers and the Internet. The elderly, those with low levels of educational attainment and residents of smaller villages are lagging far behind in this respect. We have even experienced harsh negative opinions on the use of ICT devices from these groups. In 2001, 22% of all households were equipped with a computer, while 6% of these households had access to the Internet. Adults generally have access to the Internet at work or at school. As far as the use of the Internet is concerned, Hungary is positioned more at the end of the list of acceding countries of the EU: only in Bulgaria and Romania do people use the Internet less than in Hungary, while 40% of the population are willing and capable to use the Internet in Slovenia and more than 30% of the population has access to the Internet in the Czech Republic. In Hungary, 70% of general schools and 90% of secondary schools are fully connected to the Internet. The majority of students use computers on a regular basis at school, and there are no significant social differences in the background of students using schools computers.

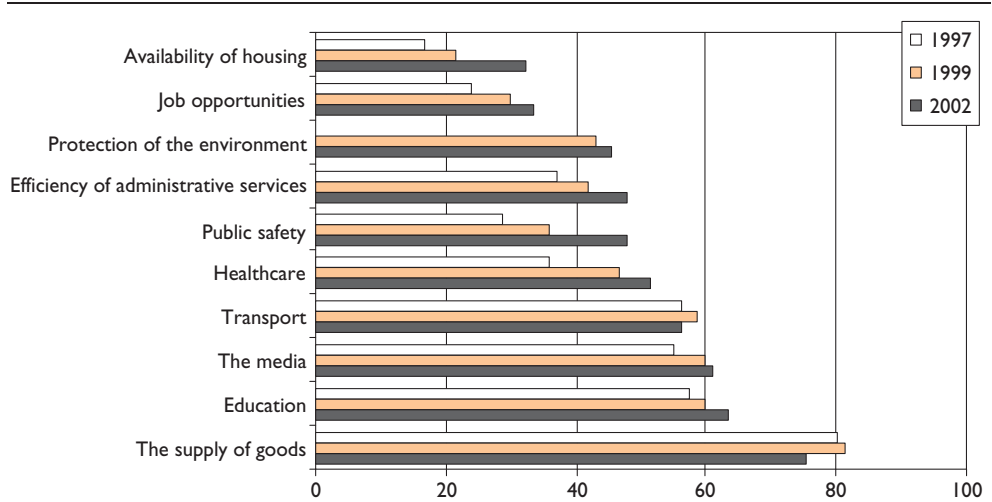
1.8. Education in the media and in public opinion

Public education is not a particularly highlighted topic of the press in Hungary, and no change has taken place in this respect in the new millennium. Of the various fields of public education, this is particularly true for vocational education, which was strongly neglected by the press. In 2002, however, following the chamber reports warning on the lack of skilled workers, a series of articles were published on vocational training. In 2000 and 2001 the highlighted topics of the media concerned school curricula, school programmes and student welfare issues such as grants, student loans. The issues concerning the salaries of teachers are a favoured topic of the media, yet the presentation of the work of teachers is not. Unfortunately, the media does not deal much with the role of parents in education, neither with the issue of equal opportunities and disadvantaged social groups. The findings of the PISA survey inspired an interesting and important debate in the media on the quality and effectiveness of public education. The nationwide consultation of the 2003 Amendment to the Public Education Act brought attention to issues such as the new rule prohibiting grade repeating, the general role of teachers and the workload of students. As a result of the pay rise of public employees at the end of 2002, many articles concerning cost-effectiveness problems appeared repeatedly in the media in the form of concerns over the closure of schools.

The fact that people are generally more satisfied with education than with other public services has been a recurring tendency since the 1990s. Public satisfaction, however, is not

the same on all levels of education. Those questioned were generally the most satisfied with pre-primary education, with higher education coming next in the list, then secondary and finally general school education. Those questioned would place education high on the list of public expenditure items, only to be preceded by health services in the level of local government spending.

Figure 1.6.
Satisfaction rate of the Hungarian adult population with certain public services between 1990 and 2002 (on a scale of 100)



Source: Educational Opinion Polls 1990-2002. OKI KK – Marketing Centrum – Szonda Ipsos. Question asked: “I am going to list a few things. Please tell me how satisfied you are with them at present in Hungary.”

Chapter 2

Public Education Administration

2.1. The main factors affecting the administration of public education

The basic framework of administration remained unchanged in the period in question (1999–2003), however, the active role and direct involvement of the state increased. New regulatory instruments (e.g. quality assurance, frame curricula) were introduced to ensure better adjustment of administration to the decentralized context. The state continued to develop the system of assessment and evaluation for the monitoring of local and in-school processes, and established new programmes. The state was also fairly active in the field of educational legislation and organizational development. In the first half of the period in question (from 1999 to 2002) the priorities of the educational policy concerning the system of administration were quality, stability, transparency, and the strengthening of welfare and compensatory functions, while less emphasis was placed on financial efficiency, institutional autonomy, improving adaptivity and incentives for innovation. In 2002, the new government rearranged these priorities. The medium term strategy for public education development identified the improvement of educational management and the cost-effectiveness of public education to be top priority, which will inevitably affect the system of administration.

Main features of the administration of Hungarian public education

The basic characteristics of the administration of public education that evolved during the early nineties can be summarized in the following:

- The administration of public education is highly decentralized and the responsibilities are shared between several actors;
- Horizontally, the responsibility at the national level is shared by the Ministry of Education, which assumes the direct responsibility for educational matters, and certain other Ministries – vertically, the responsibility is shared between the central (national), the regional, the local, and institutional levels;

- At the regional (county) and local levels, the educational administration is integrated into the general system of public administration; in other words there is no organizationally separate educational administration;
- The local and regional level of public administration (including educational administration) is based on the system of local governments, thus it is under the control of politically autonomous, elected bodies, and the government cannot issue direct orders to the local governments;
- The role of the regional level is quite weak, while the scope of responsibilities at the local level is fairly wide;
- The number of local authorities (local governments) is very high, while their average size is small.

Source: Balázs et al., 2000

Public administration and educational administration

Contrary to the majority of OECD countries, no comprehensive public administration reform has taken place in Hungary. Instead of introducing new forms of governance, Hungarian efforts were devoted to reviewing the scope of regulatory authority on the different levels of administration, and at improving the capacities of public service personnel, and screening the legislation in effect. Following the elections in 2002, the public administration strategy of the new government envisaged the current system of county governance to be replaced by elected regional governments by the end of the parliamentary term (2006). The government programme emphasizes limited state intervention and the general decentralization of tasks. Another important change from the point of view of public education is the development of micro-regional partnerships supported through regional development policy-making. New governmental policies intend to strengthen the available institutions of the reconciliation of public interests and consultation, both of which may affect the state of public education administration and the conditions of the decision-making process. The new challenges generated by the European integration process have also significantly influenced the development of financial and administrative relations of education. Such factors increased the importance of cross-sectoral policy issues, particularly the linking of educational development to employment, regional development and social policy issues and its inclusion into a comprehensive human resource development policy. The various administrative methods may be greatly affected by the open method of policy-coordination begun at European Community level as a result of the 'Lisbon Conclusions'.

2.2. Educational administration at national level

From 1998 to 2002, the Ministry of Education assumed all responsibility for education and training and the supervision of scientific research and technological development. The Ministry's position was determined by the fact that there was no strong and independent representation of labour affairs in the government. After the new government

assumed office in 2002, some of the responsibilities for human resource development were handed over to the newly established Ministry of Employment and Labour. The Ministry assumed the supervision of vocational training for adults and the co-ordination of the Human Resource Development Operational Programme (HEFOP) of the National Development Plan.

One characteristic feature of the administration of Hungarian public education on the national level is the relatively small number of direct administrative tasks, compared to the large number of regulatory and developmental duties. Following the change of government in 2002, the scope of the Minister's responsibility was further extended. The Amendment to the Public Education Act allocated several new tasks to the Minister, such as the operation of the system of quality assurance and the establishment and management of a national counselling service for the support of Roma children.

The central responsibility for education is still shared by a number of Ministries. The relatively strong responsibility of the *Ministry of the Interior* concerning public education has remained unchanged. The co-operation between the Ministry of Education and the Ministry of Finance has continued in the elaboration of budgetary parameters of education. Collaboration *with the ministries responsible for pursuing employment and social policies* has been of vital importance, especially in the interconnected fields of education and the labour market, and in dealing with disadvantaged, underprivileged youth with no qualification. The *Ministry of Children, Youth and Sports* also has important educational duties. Additionally, both the co-operation with the Prime Minister's Office, responsible for the PHARE programmes and for the developmental tasks concerning the EU accession, and – due to the increasingly intensive co-operation with international partners, and the EU accession process – co-operation with the Ministry of Foreign Affairs has played a key role in this process.

In the late 1990s, the Ministry of Education established the Office of the Commissioner for Educational Rights. The Commissioner for Educational Rights is entitled to act in defence of the rights of parents, children, pupils, university students and teachers, particularly in cases when the offended party has exhausted all the possible legal actions with the exception of judicial proceedings. Furthermore, this office is authorised to carry out thematic investigations and take action if the infringement in question offends – or potentially offends – a sizeable group of citizens. The Commissioner for Educational Rights publishes his/her findings in an annual report.

The Statistical and Information System of Public Education

In a decentralized context of administration it is of crucial importance that the central administration have access to reliable data and information on the ongoing processes at local and institutional levels. The comprehensive reform of the statistical system of public education took place in the late nineties. A new database was established (Public Educational Information System – KIR), in which the various public education institutions were required to register themselves. Furthermore, a new system for statistical data collection (KIRSTAT) was devised, first introduced in the 2000/2001 academic year. The new system is based on up-to-date information technology applications. Additional data collection elements have also been included in the new statistical and information system, such as the textbook information system, the database of public education experts,

and the information system on Secondary School Entrance Exams (KIFIR), which serves to examine and regulate the progression from general school to secondary education. Nevertheless, the new system has failed to meet some requirements. It is unable to provide adequate information on the fluctuation of the teaching staff or on student dropouts. The new system has developed a previously non-existent form of electronic publicity. The appropriate data is available at the website (<http://www.sulinet.hu/>) of the National Schoolnetwork, or from the separate website of the Public Educational Information System (<http://www.kir.hu/>).

2.3. Educational administration at regional level

One of the most significant changes taking place at the end of the nineties was the relative reinforcement of the control of education at regional level. The allocation of the vocational training development funds was redirected from the county level to the regional level. A new decentralized administrative body was established at the regional level, the National Public Education Evaluation and Examination Centre (OKÉV). A higher (regional) level administrative office was thus created, aside from the lower (county) level, dealing exclusively with educational matters. OKÉV's function is to undertake tasks related to the evaluation, assessment and examination systems of public education. OKÉV's tasks were modified to a certain extent by the 2003 Amendment to the Public Education Act.

Table 2.1.

Actors of public education administration at regional level

Administrative Body	Level	Political Status	Sector Involved	Main function
Regional units of OKÉV	Regional	government office	specialized for education	<i>professional</i> supervision
Regional Development Councils	County and Regional	elected/representative	integrated, non-education specific	allocation of regional development resources and infrastructural funds
Regional Development and Training Committees	Regional	elected/representative	integrated, non-education specific	allocation of vocational training development funds
County Governments	County	elected/representative	integrated, non-education specific	service provision and regional coordination/planning
County Public Foundations for the Development of Public Education	County	elected/representative	specialized for education	allocation of funds for professional developments in public education
County-level Public Administration Office	County	government office	integrated, non-education specific	<i>legal</i> supervision
Regional Central Governmental Office (TÁH – formerly called TÁKISZ)	County	government office	integrated, non-education specific	providing financial information, including the financial data of education from local governments

In the administration system of public education, county governments are responsible for all the tasks that the local governments are not required to perform (such as secondary

education, special and arts education). At the same time, local governments may perform such tasks by their own will. There is a growing tendency for towns facing financial problems to relinquish the administration of their secondary schools to county governments. The county governments are legally bound to take over these schools, even though they do not always have the appropriate funds available for their maintenance.

2.3.1. Regional planning

Since 1996, the Public Education Act has required county governments to develop plans for the maintenance, development, and administration of the educational institutions. The 1999 Amendment to the Public Education Act ordered the inclusion of new elements into the county development plans. The plans have to deal with the actions required for obligatory county tasks and the necessary steps for creating the opportunities for progression to secondary education. Furthermore they are required to include guidelines for the co-operation of local governments, and the conditions and safeguards for the permeability of the institutional system of education. Since county development plans are only recommendations for local governments, the implementation of the elements detailed in the plan can only be guaranteed through the establishment of contracts. In many instances, the local governments were only provided with access to the necessary funds allocated by the county public foundations on the condition that they accepted the county development plan. These public foundations form the backbone of regional educational development. From the second half of the 1990s, public foundations have received increasing financial support from the budget, thus allocating resources devoted for development to schools and their maintainers.

With the increased importance of planning, there is a noticeable lack of adequate methodological guidelines for planning as well as a weak level of professional background support. There is little harmonization between the county level and the various other levels of planning. Furthermore, there is a lack of clarification in the strategic role of plans – whether their dominant element should be the day-to-day operation of education or the strategic-developmental plans aimed at the improvements of structural issues of education. The inadequate representation of education in regional development remains an urgent problem.

2.4. Educational administration at local level

The local governments have preserved all their extensive administrative powers granted by the 1993 Public Education Act. At the same time, in a financial sense, the opportunities of the local governments have been significantly restricted and – due to unfavourable demographic trends – the ability of the smaller settlements to maintain their local educational institutions has also considerably decreased. The number of local governments with maintenance duties has declined by the new millennium, yet a substantial number of schools (at least 53% of general schools with at least eight grades) are still maintained by local governments in settlements with a population below 2000. The number of local governments maintaining secondary schools has also dropped due to relinquishing of such institutions to the county-level administration.

Table 2.2.
Number of local governments with educational responsibilities, 1994/1995, 1999/2000, 2001/2002

	1994/1995	1999/2000	2001/2002
Total number of local governments	3,147	3,153	3,177
Local governments maintaining no educational institutions	704	721	828
Local governments providing place for school-sites only	N/A	69	7
Total number of local governments maintaining educational institutions	2,443	2,432	2,349
Local governments maintaining pre-school institutions only	177	201	229
Local governments maintaining general schools only	116	44	49
Local governments maintaining pre-school institutions as well as general schools	2,149	2,072	1,849
Local governments maintaining at least eight-grade general schools	1,822	1,798	1,721
Local governments maintaining secondary schools as well	223	233	200

Source: Data from the Regional Central Governmental Offices (TÁH)

2.4.1. Planning at local level

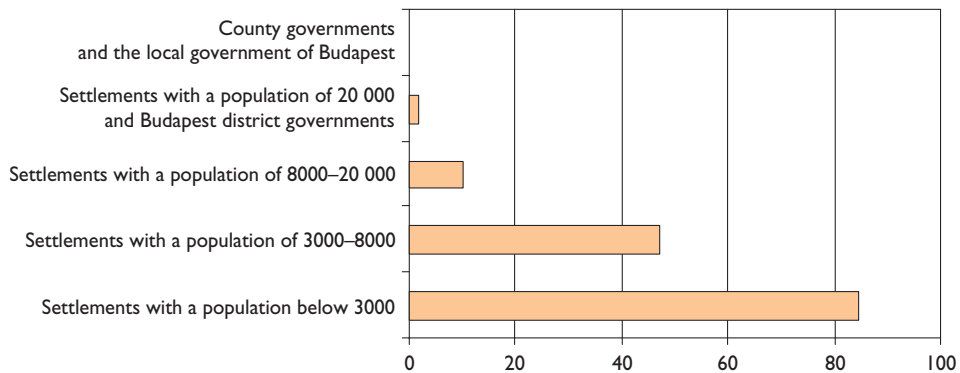
The 1999 Amendment to the Public Education Act required local governments maintaining at least two educational institutions – on their own or in partnership – to develop a local action plan to give support to decision-making and scheduling of tasks. The 2003 Amendment extended this obligation to all school-maintainer local governments. The central administration aims at strengthening the harmonization of the local and regional levels planning by requiring local governments to take into consideration the county-level action plan. The local plan must elaborate on (1) the performance of obligatory tasks; (2) the range of non-obligatory tasks; and (3) the outlines of the operation, maintenance, development and reorganization of the institutional system. The implementation of the plan is to be evaluated and, if necessary, reviewed on a two-year basis. The management of the institutions, parent and student organizations, settlement-based trade unions, non-governmental and non-local-governmental maintainers, as well as the ethnic minority governments involved should all be consulted in the course of the development of the action plan. The action plan is a tool for local governments to express their expectations towards the school, thus bridging the gap between school-level planning and the maintainer. The action plans were to be initially submitted by 31 July 2000. Local governments received little methodological support in the development of the plans. Lack of the necessary competency was a particular issue in the case of several villages, therefore the new documents greatly varied in depth and quality. According to a regional survey conducted in 2000, less than half of the plans contained the necessary strategic elements, the majority simply listed the tasks and the actions to be taken. However, the vast majority of plans met the minimum legal requirement of specifying the obligatory and voluntary tasks. 68% of the action plans examined the costs of implementation, and only 25% accounted for the demands of the labour market.

2.4.2. Organizational and human resource conditions of local administration

No substantial change has taken place in the organizational and personnel conditions or the professional skills of local administrations. According to the findings of a survey conducted in 2001, in smaller settlements (with populations below 3000) there is usually no one specialized in educational affairs. Education administrators – officers independently performing educational tasks – are present in many settlements with 3000 to 8000 inhabitants (48.5%), however, nearly half of these settlements have no educational experts. In the case of local governments employing only one officer, approximately 75% of the individuals involved in public education administration have tertiary qualifications, while the same rate is 80% in settlements where there is an independent educational unit.

Figure 2.1.

Absence of dedicated educational body or staff, by settlement size, 2001/2002 (%)



Source: Data Collection on Local Governments 2001/2002, OKI KK

Question asked: "Who is responsible for educational affairs in the mayor's office? (1) An independent organizational unit (department, team, bureau etc.); (2) The Education Officer (lacking an independent organizational unit); (3) There is no separate educational unit or staff in the mayor's office."

The purpose of the SZAK fund, initially introduced in 1999 by the central administration, is to encourage the demand for educational counselling services. The fund allows local governments to apply for counselling services that improve and expand their educational competencies. Local governments with the professional capacity for the accommodation of these resources, and with the ability to utilise the results of the financed projects, enjoyed an advantage over other local governments in the allocation of grants. The availability of central fund failed to reduce the administrative disadvantages of local governments without the appropriate expertise since they often had no idea about what services to order and which areas required such support.

One of the main goals of the central administration from 2000 was the introduction of a system of school level quality improvement and quality assurance. The quality assurance programme began with the introduction of the institutional (school level) model, there-

fore local governments showed little interest in the quality improvement and quality management of education. Due to the change of government, the new scheme of quality assurance programmes for school maintainers has not been completed. At the same time, the 2003 Amendment to the Public Education Act requires school maintainers to develop their own local quality management programmes.

2.4.3. Relationship between maintainers and institutions: evaluation and supervision

Evaluation and supervision are important elements of the relationship between school maintainers and institutions. According to the 2001 Data Collection on Local Governments, at county level, and in settlements with populations over 8000, 85-90% of local governments completed the audit of the financial management of general, secondary, and vocational schools between 1993 and 2001. Approximately 50% of local governments carry out supervision of financial management every two years. 66% of local governments evaluate the educational work in general schools every one or two years, and 50% of local governments also assess the financial state of secondary schools. However, village governments with fewer than 1,000 inhabitants only conduct limited evaluation and supervision. When they do conduct such evaluations, 68% would rather assess the educational work, which they usually do with the help of experts. It is noteworthy, that only 50% evaluate the institution for the purpose of allocating the educational budget, which seems to prove that the more or less regular assessments of financial management are carried out in compliance with regulations rather than in order to achieve various goals of education.

Table 2.3.

Conclusions of school evaluation used for certain purposes (percentage of local governments selecting a given objective)

	General Schools		Secondary Schools	
	Yes	No	Yes	No
To support decisions on the appointment of the school head	52.3	47.7	59.5	40.5
To support decisions on the future of the school	79.2	20.8	84.7	15.3
For the purpose of allocating the budget	53.8	46.2	48.9	51.1
To develop the educational programme of the local government	65.9	34.1	78.3	21.7
To devise a system of evaluation	42.6	57.4	54.2	45.8
To inform parents	50.9	49.1	39.8	60.2
To collect general information, to gain knowledge	81.1	18.9	88.8	11.2

Source: Hermann, 2002

Question asked: "For what purpose does the local government use the conclusions of school evaluation?"

Note: The total sample included 495 general schools and 141 secondary schools. Evaluations were carried out by the local government in 401 and 105 cases, respectively.

Local governments most often use the method of school self-evaluation in both general and secondary schools. These are essentially based on the institution's report, while subject tests are used less frequently. In both school types approximately one thirds of the local governments used evaluations based on parental satisfaction with the school.

Table 2.4.

Percentage of local governments that use the various forms of school evaluation, 2001 (%)

Form of evaluation	General Schools		Secondary Schools	
	Used	Not used	Used	Not used
Self-evaluation of the school	77.3	22.7	88.1	11.9
Evaluation by the school board	23.7	76.3	24.5	75.5
Supervision by officials of the local government	42.6	57.4	63.1	36.9
Opinion of Counsellors from the County Educational Institute	36.5	63.5	44.6	55.4
Supervision of the school by educational experts	42.7	57.3	68.9	31.1
Student grades and exam results	41.1	58.9	54.4	45.6
Awards won at student competitions	47.2	52.8	62.3	37.7
Indicators of student progression to the next level of education	46.5	53.5	68.0	32.0
Special subject tests designed for evaluation	17.0	83.0	35.7	64.3
Student and/or parental satisfaction	36.5	63.5	44.6	55.4

Source: Hermann, 2002

Question asked: "Has the educational work of the schools been assessed since 1996 in your local government? If yes, what form did it take?"

Note: The total sample included 495 general schools and 141 secondary schools. Evaluations were carried out by local governments in the cases of 401 and 105 institutions, respectively.

The 2003 Amendment to the Public Education Act may bring about considerable change in the process of school evaluation, as it requires maintainers to assess the management of public educational institutions and their educational success as well as the effectiveness of their operation and the compliance with regulations at least once in every four years.

2.4.4. Co-operation between settlements and partnerships

As far as size efficiency is concerned, the merger of the institutions of smaller settlements would be a favourable phenomenon. In the period under review, the educational policy gave priority to the support of partnerships and the encouragement of co-operation of settlements. Incentives included (1) the per student grant for the non-residential students in attendance; (2) supplementary grants for students attending schools maintained by partnerships; (3) four times the amount of the additional grant allocated to institutions in settlements with a population below 1100, and where the primary cycle (first four grades) of general school are provided locally, while the lower-secondary phase of general school is operated in partnership. In 2003, the volume of these incentives remained at the 2000 level, and therefore the number of partnerships failed to increase following the initial upsurge. Another obstacle in the way of co-operation between settlements is the relatively low number of advantageous and adaptable models.

2.5. Administration at institutional level

The legal framework for the management of institutions did not change much in the second half of the nineties. Teaching staff still has decision-making powers related to educational and operational matters. However, in most cases, the documents regulating

the life and work of the school require the approval of the maintainer before coming into force. Contrary to the powers of the teaching staff, school heads have a narrow scope of authority, but a diverse range of functions. They are responsible for the professional and legally appropriate operation of the institution, as well as the cost-effective management, and they exercise the rights of employers. The regulation requires school heads to continuously seek the approval of their staff, since in strategic issues they only have the right to submit proposals for decisions. In the period in question, educational leadership was faced with multiple challenges: the adaptation of the school educational programmes in 2001, the emergence of the issues of quality assurance, the review of training programmes and profile, and the adaptation to the needs of parents and the market. According to the results of a school survey, school heads played a key role in the adjustment of the educational programmes in 2001. Those questioned considered that school heads conducted the bulk of the work both in terms of volume and significance.

Table 2.5.

Division of tasks in the modification of the educational programme

Contributors	Percentage of contributors (%)	Size of the completed task (average score on a 1-to-5 scale)	Significance of the completed task (average score on a 1-to-5 scale)
School head	52.7	4.6	4.8
Deputy school head	40.6	4.4	4.5
Heads of specialized classes	19.8	3.9	4.2
Heads of professional teams of teachers teaching the same subject	34.6	4.0	4.2
Teachers	33.8	3.6	3.9
Other people (by position)	8.4	3.4	3.7

Source: Simon, 2002

Question asked: "Who was involved in drawing up the educational programme in your school? To what extent were they involved? How significant were their contributions? Evaluate on a 1 to 5 scale. 1 = involved in minor tasks, 5 = involved in large tasks; 1 = involved in a less significant task; 5 = involved in greatly significant tasks."

2.5.1. Connection between institutional and local planning

The changes in the demands of the labour market and the increasing difficulties of enrolment have forced school heads to be continuously searching for solutions to prevent a further decrease in the number of students. From the second half of the nineties, functions of strategic planning gained importance at the institutional level. Since 2002, institutional planning has consisted of three main elements: (1) the school educational programme regarded as a strategic plan, which specifies medium term tasks and objectives, covering at least one educational cycle; (2) the operative plan, consisting of the annual work schedule, which essentially formulates the relevant goals and tasks for the given academic year and the institutional action plan; and (3) the quality assurance work plan, determining the quality improvement tasks of the institution. It is a normal expectation and it is also legally regulated that these plans be harmonized with the action plan of the maintainer. The approval of the local government's action plan was scheduled one year before the modification of the school educational programme, therefore the institutions had an opportunity to familiarise themselves with the content of the former. According to research results, 98% of school maintainers consulted school

heads in the course of the development of the action plan, which is of a significant importance, because the school educational programme may actually be rejected on the basis of this plan.

2.6. Educational counselling and professional services

2.6.1. Educational counselling and professional services at local and regional levels

The system of educational counselling and professional services is part of the educational administration, since in the course of its tasks it also performs administrative and regulatory functions. The Public Education Act required county governments to provide for educational counselling and professional services, but other educational actors may also undertake to fulfil this task on a voluntary basis. Educational counselling services include: educational assessment and evaluation, counselling, providing information (gathering, storing, processing and disseminating educational information), administrative services, assisting and organizing the in-service teacher training and self-development of teachers; organizing and coordinating student competitions and talent development; providing student orientation and advisory services. The county educational institutes maintained by county governments provide the vast majority of educational services. The county institutes for educational counselling services generally faced three challenges at the turn of the decade: (1) financial problems, (2) organizational change, and (3) increasing competition in the market.

Counselling

Educational counselling has a special place among other educational services, aimed at the direct assistance of teachers and schools mainly by the introduction and dissemination of various teaching methods. The service has two basic forms: it is either provided by permanently contracted advisors, or on the basis of ad hoc engagements by so-called 'listed' counsellors. The latter is commissioned to complete a number of tasks, the costs of which are often provided for by the institute or by the contracting party. While the number of permanently employed advisers steadily decreased in the nineties (by 25%), the number of listed experts continuously increased (by 41.8%). The reason behind the transformation in the employment structure of counsellors is partly due to financial difficulties, and changes in counselling practices and activities. Aside from subject-specific counselling activities, consultancy on quality assurance, the review of educational programmes, the utilization of textbooks and school equipment is gaining impetus.

In-service training and information services

By 2001, the number of in-service training programmes organized by local governmental educational service providers fell by 70% compared to the levels measured in 1999. This was partly due to the fact that by this time the majority of teachers had completed the 120 hours of training required by the Act every seven years, and also because the level of governmental funds allocated to the institutions had decreased. The need for in-service

training services has changed. The interest in subject-specific methodological training has decreased, and training programmes in quality improvement, professional skills and personality development, conflict management, crime and drug prevention and information technology have become more popular.

Educational Assessment

Of all educational services, the greatest increase in demand has taken place in the field of educational assessment. The field of educational assessment has become a priority theme for national tenders. Of all the successful applications submitted by the county institutes for the first round of the SZAK-tenders in 1999, aimed at facilitating the purchase of educational services, educational assessment was the second most sought service after counselling. Of all the assessment activities of educational service providers, the development of subject-specific assessment tools is the favourite. The proportion of assessments focusing on the accomplishment of national-level requirements (56%) and on both local curricular and national criteria (44%) is also high. Non-subject specific assessments usually examine student motivation and school climate, which may be explained by the effects of the evolving systems of quality management.

Additional Services

In the group of additional services we may find the organization of student competitions, study circles, and other forms of support for gifted students. Administrative and educational services help schools prepare and review the institutional documents and internal regulations. Student information and advisory services are generally aimed at assisting the work of student unions. Educational service providers working in the counties and the capital carry out intensive project work. As a result of this work, methodological resources, training programmes, textbooks and supplementary materials have been published in great numbers. Some providers joined the Comenius 2000 quality management programme and were involved in the Hungarian adaptation of a model *Internal Tutoring System* (BGR) developed by a Dutch educational institute (CED Rotterdam).

2.6.2. National service, research and development institutions

National institutions for services, research and development play a significant role in the system of support and provision, primarily offering services to the central administration of public education. The task of the '*Educatio*' *Public Benefit Company* is to organize the information- and ICT-related services of public education and the management of the Schoolnetwork Programme (Sulinet). The *Public Foundation for the Modernisation of School Education* (KOMA) offers financial support for the innovation projects of professional groups and schools. The key function of the *National Institute of Vocational Education* (NSZI) is to continuously update the National Training Register, and to develop its content accordingly, as well as to conduct research in the field of vocational training. The *Hungarian Institute for Educational Research* (OI) carried out research in all fields of education, including vocational and higher education. The *National Institute of Public Education* (OKI) conducts research and development in all spheres of public education, developing, for example, new curricular programmes. The *National Educational Library and Museum* (OPKM) is the main resource centre for research and development in the field of public

education. The *Methodology and Information Centre for In-service Teacher Training* (PTMIK) is mainly responsible for the accreditation of in-service training programmes and related administrative procedures, and for the organization of national in-service training courses (its tasks are being completed with areas of evaluation and programme development). The *TEMPUS Public Foundation* is responsible for the co-ordination of all the educational programmes of the European Union.

2.6.3. Involvement of non-governmental organizations and consultants

In the 1990s, various businesses offering educational and consultancy services began to appear on the educational market of Hungary. Initially these were comprised of public institutions forced to increase their income, which led to the establishment of an increasing number of businesses offering counselling or other educational services to the schools and maintainers of the public education system. The supply was enhanced by the growing opportunities for tenders in the field of innovation. From the second half of the decade, the development was further facilitated by direct policy measures of the state (in-service training system, SZAK-tenders, Comenius 2000 quality improvement programme).

2.7. Civil society, partnership, consultation

In the decentralized Hungarian environment of education, numerous conflicts may arise between the individual participants and various autonomies, therefore reconciliation of interests and consultation functions play a significant role. Apart from the traditional parliamentary forms of political reconciliation, there are a number of forums present on many levels, enabling the involved social, professional and civil groups to influence decisions concerning the system of public education. In the nineties, a multitude of civil and professional organizations were established with various interests in public education. Yet this richness, remarkable even on an international scale, also means that the framework for reconciliation divided up into small fractions, jeopardizing the efficiency of the processes of reconciliation and consultation.

The professional and civil stakeholders in education acquire consultative rights upon their registration with the Ministry of Education, and may take part in deciding the composition of certain consultative bodies. The national level bodies of consultation and reconciliation are the primary forums for the representation of the interests of the professional and civil organizations of public education.

The national level is not the only level of consultation for social partners, since there are also local, regional and institutional levels for such activities. According to a survey conducted in 2001/2002, 98% of school maintainers consulted school heads in the course of the development of the local action plan, and 72% consulted parent and teacher lobbies. The efforts in achieving the synergy of local and regional planning are indicated by the fact that half of all local governments consulted the representatives of county governments. In contrast, 54% of smaller settlements considered this to be unnecessary.

The most important bodies of consultation and reconciliation in public education

(a) *The National Public Education Council (OKNT)* involves the concerned parties in the development of the content of public education. Its members are representatives of professional organization of teachers, of teacher training institutions, of the Hungarian Academy of Sciences, of the national associations of employers and chambers, and representatives of the Minister of Education. The Council has the right to report on every issue related to the content and quality of education (curricular regulations, textbooks, teaching aids, examinations, in-service teacher training). The 2002 Amendment to the Public Education Act restored the Council's right of consent, lost in 1999. There are several important professional standing committees for policy preparation and report employed in its framework. Such is the *National Committee of Secondary School-Leaving Examination* (whose members are partly delegated by the OKNT, and partly by the Council of Higher Education and Science) and the *National Committee for In-service Teacher Training* (whose members are delegated both by the OKNT and the concerned Ministries).

(b) *The National Council for Public Education Policy (KT)* helps the Minister by supporting decisions, counselling and making proposals in the field of policy-related issues, with the exception of employer-employee relations, issues on the status and wages of public employees. All major national, professional, civil and governmental parties interested in public education are represented in the KT: (a) teacher associations, (b) teacher trade unions, (c) parental and (d) student organizations, (e) local governments, (f) minority governments, (g) non-local governmental/non-governmental maintainers, (h) ministries concerned with education and national-level authorities.

(c) *The Council for the Reconciliation of Interests in Public Education (KÖÉT)* operates within the framework of the *National Council for the Reconciliation of Interests (OÉT)*, and its scope of authority covers the whole spectrum of the public sector (this is the forum where the trade unions representing all public employees, civil servants, and police staff negotiate with the labour representatives, particularly concerning the status and wages of public employees). Within this body, the *National Labour Committee of Civil Servants (KOMT)* is a separate body dealing with the affairs of public employees. The *Council for the Reconciliation of Interests in Public Education (KÖÉT)* is a forum specialized in public education, founded in 1995 (including local governments representing the interests of employers).

(d) In the field of vocational training the two noteworthy bodies are the *Council for Development and Training (FKT)*, established by the 2001 Vocational Training Contribution Act, and the *National Vocational Training Council (OSZT)*. The function of the FKT is to make decisions concerning the allocation of funds (the Labour Market Fund's portion for training and development) of the vocational training contribution paid by the employers, as well as to invite and support project proposals. Its members include representatives of the Ministries responsible for given vocational qualifications and the representatives of the Ministries responsible for the ad-

ministration of the labour market, the employer and employee associations represented in the national council for the reconciliation of interests, chambers of commerce, the maintainers and professional associations participating in the National Vocational Training Council, and representatives of the Council of Higher Education Science. The *National Vocational Training Council (OSZT)* performs consultation functions in the course of vocational training. The OSZT provides opinions, recommendations and supporting decisions but it has no right to pass decisions or allocate funds. This originally classic tripartite body was supplemented in the mid-1990s with school maintainers (mostly governments) and chambers.

(e) The *National Committee for Minorities* has the right of consent in connection with publishing the centrally elaborated content regulation tools affecting the education of national or ethnic minorities. Each minority government delegates one member into this body.

(f) The *National Council of Student Rights* has the right to make proposals during the preparation of decisions effecting student rights. The body has nine members, three of whom are delegated by the Minister, another three by the national student organizations for 6 to 14-year olds, and three more by the organizations for 15-18 year-olds.

The *Regional Development and Training Committees*, successors of county vocational educational committees, play a key role in regional consultation. In these committees we may find the regional organizations of employers and employees represented in the national forums for the reconciliation of interests, local governments responsible for maintaining vocational schools, the regional chambers of commerce, the advisory boards of county level public foundations for the development of education, labour offices, higher education institutions, and OKÉV members. This body is responsible for the regional level allocation of resources decentralized by the Council for Development and Training.

The most important school level forum for consultation and reconciliation is the school board. The school board has the right to express its opinions on school regulations and school affairs that may lead to increasing expenses for parents. The Public Education Act does not make the establishment of the school board compulsory. Within institutions, this untraditional body plays an influential role only at few places.

Chapter 3

Financing Public Education

It is generally true and particularly relevant for the evaluation of the 1998–2002 period that public education expenditure and the absolute and relative position of this sector are not to be analysed independently of the condition of national economy. After all, in this period following a recession and a stagnation lasting longer than a decade, the economy started to dynamically grow.

Until the end of 2002 – when the salary of teachers was considerably raised in one single increase – educational expenditure relative to GDP remained relatively low. After the change of government, the shift in educational policy priorities modified the range of professionally and politically preferred tasks. In the reviewed period, more differentiated ways of support, new supplementary state support and earmarked subsidies were introduced. Although the role of the state did gain importance, the system of responsibilities shared between the state and the school maintainers remained basically unchanged.

3.1. Expenditure on public education

3.1.1. Total education expenditure in relation to GDP

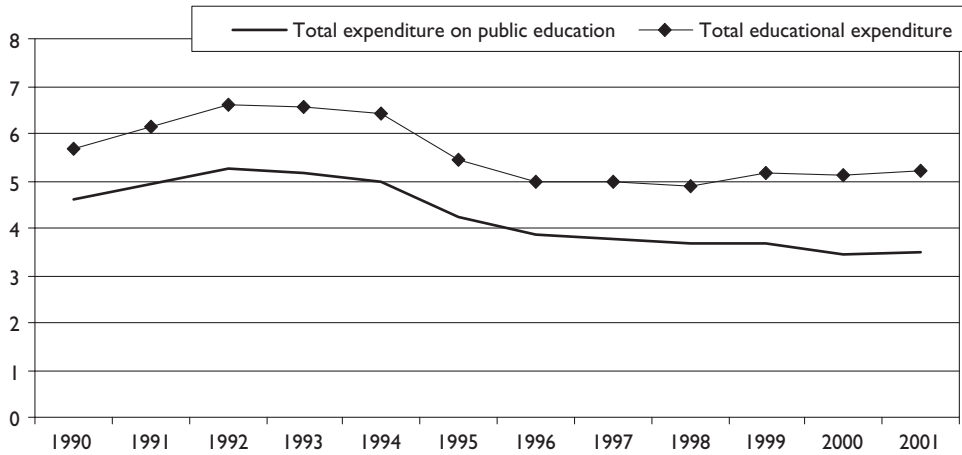
The national economy produced a rapid growth between 1998 and 2001, by an annual average of 3.7–5.2% of the GDP. Total education expenditure (including all levels of education and public and private sources) was 5.5–5.6% of the GDP between 1999 and 2001. 5.1–5.2% of the state budget (public expenditure) relative to the GDP was devoted to education.¹

The relative position of the public education system was seemingly the best in the early 1990s. In this period, however, there was a major decrease in the gross domestic product. The percentage of the GDP spent on education was high, due to the decrease in the performance of the economy. For the first time since 1998, the economy produced a high growth rate. In spite of this, the education system, similar to other large public service systems, was not able to immediately benefit from this increase, since this would have

¹ Due to the different methods of calculation, the findings of the Hungarian Central Statistical Office (KSH) and the Ministry of Educational are not identical.

Figure 3.1.

Public expenditure on education and public education as a percentage of the GDP, 1990–2001



Source: Educational Yearbook 2001/2002, OM, 2002

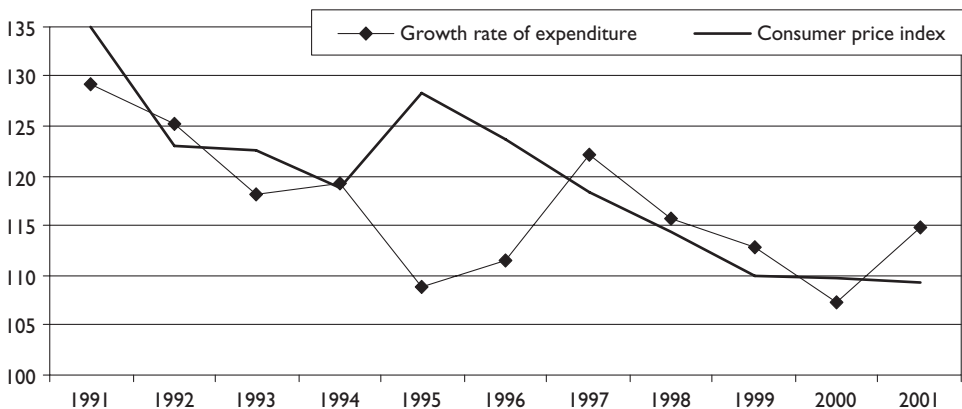
limited the impact of the driving forces of economic growth. The budgetary position of the education system had improved in absolute terms, while its relative position (the ratio of public expenditure compared to the GDP) became weaker.

3.1.2. Public expenditure on education

There was a shift in public expenditure on the various school levels. The proportion spent on pre-school education continuously decreased due to the reduced number of children in this age group caused by demographic reasons. The combined data for primary and

Figure 3.2.

Growth rate of current expenditure in public education (pre-school, primary, lower and upper secondary education) and consumer price index, 1991–2001 (previous year = 100%)



Source: Educational Yearbook 2001/2002, OM, 2002; Data of Education 2002/2003, KSH, 2003

secondary education show the same tendency. The share of higher education expenditure has been increasing since 1998, in connection to the growing number of students enrolled in higher education. In the past, public expenditure on education was approximately 10-11% of the total state budget. This rate has somewhat increased since the late 1990s.

Table 3.1.

Educational expenditure by level of education in percentage of the GDP, 1998–2001

Description	1998	1999	2000	2001*
Pre-school education	0.75	0.77	0.71	0.71
Primary, lower and upper secondary education combined	2.93	2.91	2.71	2.77
Total expenditure on public education (incl. pre-school education)	3.68	3.68	3.42	3.49
Higher education	0.91	0.97	1.09	1.04
Other education ¹	0.19	0.20	0.21	0.20
Other expenditure related to education ²	0.11	0.33	0.40	0.47
Total educational expenditure	4.89	5.18	5.12	5.20
Public expenditure on education as a percentage of state budget	9.75	11.02	11.13	N/A.

Source: Educational Yearbook 2001/2002, OM, 2002

* Preliminary data

¹ post-graduate courses, other further training courses, etc.

² Professional educational and counselling services are shown in this category

Reviewing the distribution of educational expenditure, there are two permanent trends to be pointed out: (1) after 1997, growth rate of expenditure on goods and services consumed (real costs) fell below the personal expenditures (compensation of all staff), one of the reasons being that central wage provisions resulting in a growth of payments were carried out to the loss of real costs; (2) the rate of capital expenditure stayed low throughout the 1990s – this rate was approximately 5%, all levels of public education included (pre-primary, primary, lower and upper secondary education).

3.1.3. Educational expenditure per student in public education

Comparing the per capita GDP with the educational expenditure per student shows whether the educational system is operating at a 'high or low price'. While in 2001, the public expenditure on education per student was 15% higher than the year before, and 42% higher than in 1998, public expenditure on education relative to per capita GDP actually dropped. In this period the per capita GDP grew more dynamically than the public expenditure on education per student. The fact that the expenditure per student grew more (by 42%) than the total public expenditure on education (which was 39% between 1998 and 2001) may be a sign of deteriorating cost-effectiveness in public education.

Table 3.2.

Public expenditure per student in primary, lower and upper secondary education in percentage of per capita GDP, 1998–2001

Year	Public expenditure per student	Per capita GDP	Public expenditure per student in percentage of per capita GDP
	(HUF)		(%)
1998	204,004	982,552	20.76
1999	231,814	1,112,915	20.83
2000	251,957	1,287,906	19.56
2001	290,000*	1,455,099	19.93

Source: Educational Data (Preliminary Data)], KSH, 2002

* Estimates, based on calculations by Miklós Balogh.

It is worth pointing out that the expenditure per student in proportion of the per capita GDP is somewhat higher in pre-school education in Hungary (21%) than the average of OECD-countries (18%). In primary education (ISCED 1) there is no difference, however, in lower secondary education (ISCED 2) (Hungary 18%, OECD 23%), as well as in upper secondary education (ISCED 3) (Hungary 24%, OECD 28%) there is a more significant difference between the indicators.

3.1.4. Expenditure in international comparison

As far as the relation of public education expenditure to the gross domestic product is concerned, Hungary is not in a favourable position in international comparison. In 1999, Hungary spent merely 3.1% of its gross domestic product on primary and secondary education with only four OECD-countries producing rates below this level. This rate is over 16% less than in 1995. In this period public education expenditure remained the same or increased in OECD-countries and EU member states.

3.2. The financing system of public education

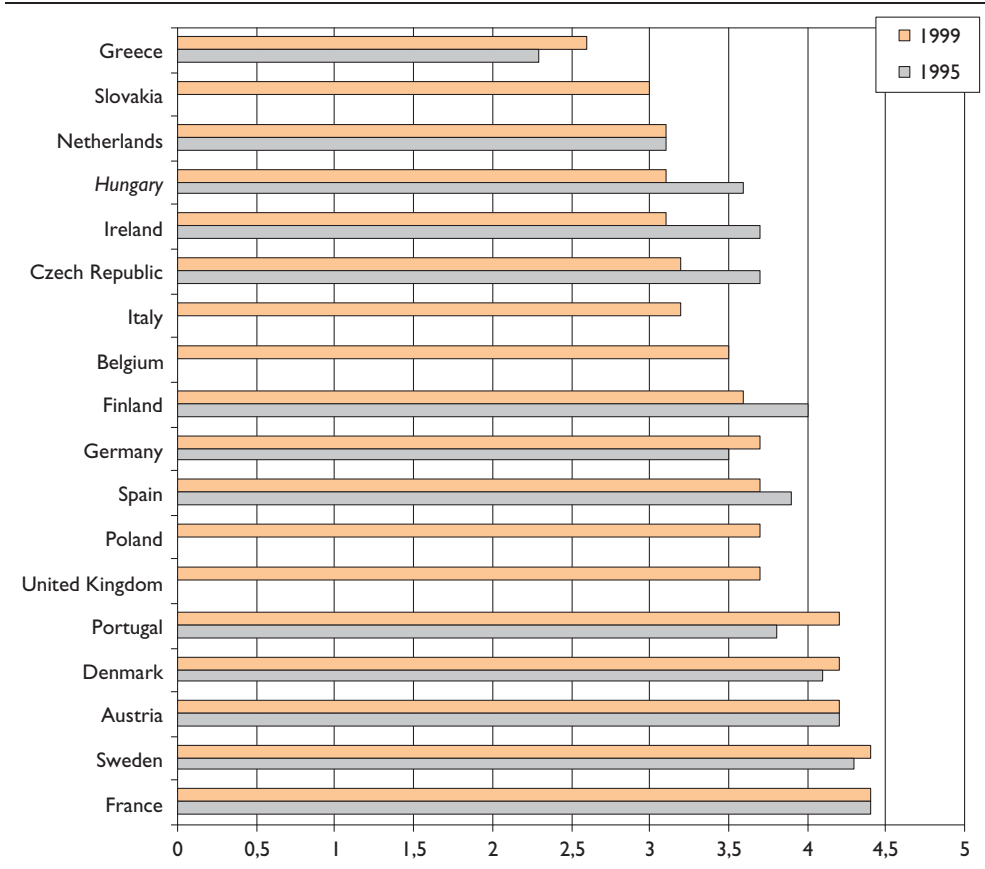
3.2.1. Main features of the financing system

The principles of financing public education are concurrent to the 1990 Local Government Act and the provisions of the 1993 Public Education Act, including the educational sectoral requirements defined in the 1996 Amendment to the latter.

3.2.2. The operation of the public education financing system

In the late 1990s, the intention to increase the role of the state in financing public education was strengthened. The 1999 Amendment to the Public Education Act – confirming the so-called ‘80% warranty’ defined in the 1996 Amendment – declared that the current annual per student formula support allocated to local governments shall never be less than 90% (on a national average) of the total expenses spent on public education by local governments in the two preceding years, reduced the expenses related to the

Figure 3.3.
 Expenditure on primary, lower and upper secondary education in relation to the GDP in EU countries and in some pre-accession countries*, 1995 and 1999 (%)



Source: Education at a Glance, 2002

Note: The data do not include pre-school education but do include non-tertiary post-secondary education. Expenditure includes both private and public expenditure.

* Calculation methods used in various countries may show a slight difference (see the original OECD source).

Characteristics of the financing system of public education

The financial support for public education is provided primarily by the central budget, with contributions from the revenues of school maintainers, optionally augmented by contribution and tuition fees paid by students and additional revenues of the schools. The amount of financial support for public education provided by the state is defined by the annual budget.

There are two types of state support for the system of public education: per student capita grant and earmarked subsidies. Local governments automatically receive per student subsidies, whereas they have to apply individually for earmarked subsidies.

Per student formula funding is generally calculated according to the number of students and type of tasks undertaken, and the local governments are free to spend the per student capita grant as they see fit. There is no direct financial link between the educational institution and the central budget, yet local governments may utilise additional resources in financing public education. Local government expenditure on public education exceeds the educational subsidies received from central budget. On a national average, central budget support covers only 50-70% of educational expenditure.

School maintainer local governments are also free to decide on their school budgets, with the only restriction that the budget must cover the expenses of compulsory tasks of the school defined in the Public Education Act and its Amendments. Coverage in this case means that the educational institution must have the sufficient resources to pay for the minimum number of lessons whilst providing students with services that they are entitled to free of charge.

The local governments determine the level of the expenses of the educational institutions in their yearly budgets, by defining school revenues and the amount of contribution allocated to school by them. According to the principle of *sectoral neutrality*, the per student capita grant given to school maintainers (other than local governments or the state) may not be less than the amount provided to the local governments. Denominational institutions are further entitled to additional support on the basis of their agreement with the state. Other school maintainers such as private foundations are also entitled to additional support if they have an agreement with the local government to provide for the compulsory public tasks of education.

Vocational training contribution is an important independent source paid by economic organizations, partly used directly by these organizations to finance their own practical training, and partly transferred to the national Labour Market Fund. The various training institutions may apply to this Fund for support.

retention and accumulation of capital, the income of the institutions used for the purpose of operation, and the amount of centralised allowances.

A sign of the increasing role of the state is the significant growth in the amount of central and earmarked state support compared with previous ones. The state made efforts to influence the way of granting educational provisions through the system of per student formula funding. The increasing role of the state, however, proved to be controversial in practice. The 90% warranty of the annual budget for instance, was only in effect for one year and this provision of the Public Education Act was cancelled when the budgetary law was passed in 2001, containing a two-year budget.

In the 1998–2002 governmental period, the initiative to provide for equal opportunities for residents of smaller settlements had a high priority on the political agenda. This priority was achieved by raising substantially the amount of per student capita grant of schools and dormitories operating in smaller settlements, and by increasing and differentiating additional subsidies that small villages are entitled to get. If the settlement provided education for an ethnic minority, it could receive double the amount of the per

student support. Thus the level of budgetary state support approximated the actual expenses. In this period, organizing afternoon study groups was recognized by the state budget as a form of educational provision. For afternoon study groups of the first four grades of primary education, school maintainers received an additional 20% of the per student capita grant.

Part of the per student state support is associated with basic tasks such as pre-primary education, general school education, and secondary education. These amounts are substantially increased every year. However, due to decreasing enrolment numbers, this does not automatically guarantee that the revenues are increasing at the same rate for local governments.

Table 3.3.

Actual amount of the main per student capita grants in public education, 1998–2003 (student/year/HUF)

Year	Pre-school	General school	General secondary school	Vocational secondary school
1998	67,000	72,750		86,000
1999	80,000	83,000		108,000
2000	100,000	104,000		126,000
2001	114,000	118,600		143,700
2002	127,000	132,700		160,300
2003	182,000	190,500		240,000

Source: Annual state budget acts

Note: In years when the actual amount of capita grant depended on grades, the data for the level of education are calculated on the basis of weighted averages. General school per student capita grants for 2003 are the average amounts of per student grants for 1–4th graders and 5–8th graders, respectively.

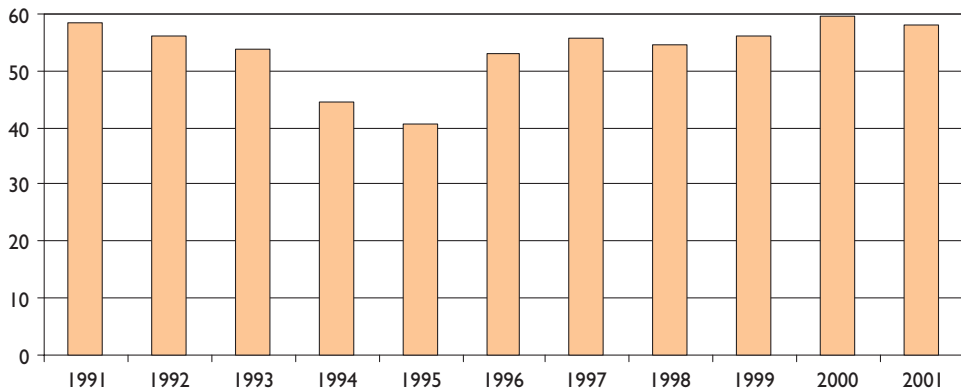
The various forms of per student state grants totalled 15.3% of the revenues of local governments in 2001. The per student grant of public education is a major part of state subsidies. Increasing per student grant in fact only denotes a new internal division of the proportions between state and school maintainer local governments in funding: as the proportion of support from per student capita grant increased, there was less need of additional funding by local governments. In 2001, total state subsidies covered 58.2% of public education expenditure by local governments, compared to 54.4% in 1998.

In the 2001 central budget, subsidies covered a smaller proportion of expenses than in the previous year, which may be related to the pay rise and various characteristics of the structures of institutions. Due to a permanent decrease in the number of students, the gross increase of salaries in 2001 (20.2%) was not covered by the increase in per student state support. The fact that the per student costs of smaller schools were higher became more obvious than ever.

Educational institutions may have many sources of revenues. In 2001/2002, a survey questioned school heads on the various ways of securing resources and revenues in the previous 3 years (specifying the received amount). The answers most frequently mentioned amounts obtained from county public foundations for public education (58%), school premises rental revenues (44%) and student contributions to meal costs (28%). 19% of the school heads mentioned contributions to the school's foundation.

Figure 3.4.

State subsidy spent on public education in the total expenditure of local governments, 1991–2001 (%)



Source: Acts reporting on the use of the state budget (Calculations by László Limbacher).

Table 3.4.

Average amount of school revenues from various sources and the frequency of their supply, 1999–2001 (in HUF thousands)

Source	1999		2000		2001	
	R	F	R	F	R	F
Local public foundation, foundation of the local government	791	19.9	460	22.0	593	23.9
County public foundation for public education and vocational training	1,797	40.8	1,909	56.0	3,196	58.0
Other county or regional fund for development	3,188	10.3	2,717	11.3	4,467	11.1
National institution, public foundation for education	1,937	23.6	1,780	27.7	2,032	30.7
Other national state-run foundation	914	13.0	730	13.7	922	14.6
European Union educational programmes (including Hungarian offices)	1,730	2.5	2,314	3.9	4,664	4.6
Other international projects	16,058	0.6	3,188	1.6	2,047	1.7
Non-governmental sources in Hungary (e.g. the Soros Foundation)	1,078	11.8	1,788	8.0	3,071	6.5
Contributions to the school foundation	3,252	16.5	1,604	18.8	1,917	19.1
Rental revenues (real estate, equipment)	1,157	43.0	1,329	45.0	1,402	44.4
Dormitory fees	3,890	2.6	4,176	2.4	4,100	2.4
Tuition fees	1,093	6.4	1,212	6.6	1,117	7.0
Fee-paying courses and optional extracurricular lessons	2,973	10.3	2,748	11.1	30,001	10.8
Market-oriented educational services	5,781	2.0	4,880	2.2	4,585	2.3
Revenues of school-run companies (training workshop, training farm)	12,490	3.9	15,033	3.6	14,822	3.5
Students' contribution to meal costs	4,436	27.2	4,866	28.4	7,049	28.4
Vocational training contribution (direct payment by companies and entrepreneurs)	10,498	15.8	12,986	16.0	9,959	15.4
Additional revenues of the school (not received through tenders)	4,532	29.2	4,480	30.3	5,514	29.7

Source: School-level data collection 2001/2002, OKI KK

Question asked: "Please indicate which of the tenders below provided revenues for the school in the past 3 years" and "Please indicate which sources below provided revenues for the school in the past three years" Sample size: 831 schools.

A major shift in the financing of vocational training in this period was the result of the increased amounts of vocational training contribution (1.5% of the payroll) paid by economic organizations, which significantly increased because of the growth of the economy. In 2001, a new Act was passed on vocational training contribution and the development of the system of vocational training. The Act provided for new decision-making bodies with control over the received vocational training contributions, and opened up this resource to higher education institutions.

3.3. Financing and local processes of public education

3.3.1. Local processes determining financing

The relative proportion of educational expenditure within the expenditure of local governments barely changed in the given period. In 2001, local governments spent around one quarter of their total current expenditure on education, and 1.8 % of their development costs.

The most important question for local governments concerns the additional amounts they must spend on educational institutions in order to preserve their good working conditions and their appropriate functions. Due to the nature of the system of financing, the educational revenues of local governments depend on the number of students as well as on the level of schooling and the distribution of the students among these various levels and institutions. However the determinant factor of the financial relationship between the institution and the local government is the number of school classes, which serves as the basis for the calculations for indicators directly determining institutional expenditure: the number of lessons and the number of teachers.

In the recent years there were various processes influencing revenues and expenses. In pre-schools the number of children was nearly 15% smaller in the school year of 2001/2002 than in 1995/1996; however, the number of classes dropped by a mere 3%. In general schools the number of full-time students dropped by 4.4%, yet the number of classes decreased by 2.5%. In this period the number of full-time students in general secondary schools increased by 11%, whilst the number of classes increased by 17%. In secondary vocational schools the number of full-time students increased by 14.5%, yet the number of classes increased by 22%. These trends had an unfavourable effect on local governments that had to observe severe financial constraints.

3.3.2. Local strategies of funding

Legal provisions regulate the organization of financing public education by local governments, while their opportunities are determined by the correlation of the amount of revenues gained from per student grants and the needs of the institutions.

In the period reviewed, a promising process started concerning the improvement in decision-making and implementation, especially in cities. On the other hand, local governments are incapable of taking on long-term responsibilities, which may partly be

Local strategies for financing public education

1) Some *financially constrained local governments* are forced to minimize their expenses, which is achieved by *institutional rationalization*. They tend to reduce the number of institutions to the bare minimum level and no longer maintain schools that remain outside the scope of their legal obligations. Local governments transfer the responsibility of their secondary and special schools to county governments, making sure they continue their local operation. They co-operate with other school maintainers – mainly churches – and plan to transfer the responsibility of some of their institutions to these maintainers, which are then solely financed by the state or by the new non-local governmental school maintainers.

2) *Financially well-off local governments* often aim to develop a system of institutional financial support based on local needs and the definition of their legal obligations. They guarantee conditions better than the legal minimum with respect to the number of lessons and professional opportunities. These local governments tend to determine well-defined, accountable tasks, and provide space for methods of institutional specialization. Many of the local governments belonging to this category have established a quality system of local financing, which is clear and predictable, providing long-term guarantees.

3) *Local governments with stable financial conditions* strive to provide ‘average working conditions’ in the field of education. Going beyond their legal obligations, these local governments are willing to maintain various high-prestige general secondary schools or less costly vocational institutions. They strive to finance the realistic needs of the institutions, seeking a balance in all respects.

explained by the continuous change of legal provisions and the insecure financial position of local governments. Many of the financially troubled local governments continuously struggling with lack of funds do not take on themselves the responsibility of the introduction of local regulations, as they feel unable to make well-founded decisions for more than a year ahead. Base-oriented financing – a financial strategy based on the budget of the previous year – still remains a dominant trend, yet in cities maintaining an extensive network of institutions there is an effort to introduce task-based local financial regulations. The most impressive models of local regulation are based on the control of the number of lessons in school. The number of teachers and the financial framework is calculated on the basis of the number of classes and the number of lessons for each class as well as the legal provisions concerning the salaries of teachers. Large settlements (cities) generally tend to increase the number of students per class. Due to the decreasing number of students, these local governments aim to achieve higher student numbers through a merger of institutions.

3.4. Impact of the 2002 pay rise of public employees

Following the 2002 general elections there was an extraordinary 50% increase in the salary of public employees. This decision put an end to the ongoing debate on the lifetime career model of teachers and the need for a separate wage scale for teachers. For the last quarter of 2002 local governments received the increment of the guaranteed measure of the wage-scale for each public employee and for each task from the central budget. Direct state financing of the additional cost required by the pay rise, however, was only temporary. The pay rise of public employees, *on a national average*, increased the expenses of local governments by 29-30%. As defined in the 2003 State Budget Act, the state provides for the increased salaries not through direct financing, or by increasing the amount of per student capita grants, but by nationally increasing the revenues of local governments in accordance with the proportion of the increase in expenditure generated by the pay rise.

The increase in educational expenses significantly alters the financial position of public education in the budget of the local governments. The burden of increased expenses is the greatest for smaller settlements (having few additional resources) and county governments (not entitled to levy their own taxes), due to their limited revenues. Non-governmental school maintainers, and those that are unable to significantly rely on parental contributions or other revenues may experience an impairment of their financial standing.

The continuous increase in the relative burden of education due to the growing amount of expenses allows for fewer opportunities for local governments and a decreasing degree of financial independence. The significant increase of expenses is likely to place the issue of the cost-effectiveness of public education in the focus of attention. Auditing of local provisions for obligatory educational tasks and a rationalization of the network of institutions may become necessary, particularly in the case of the local governments of large cities.

3.5. Problems of cost-effectiveness in the public education system

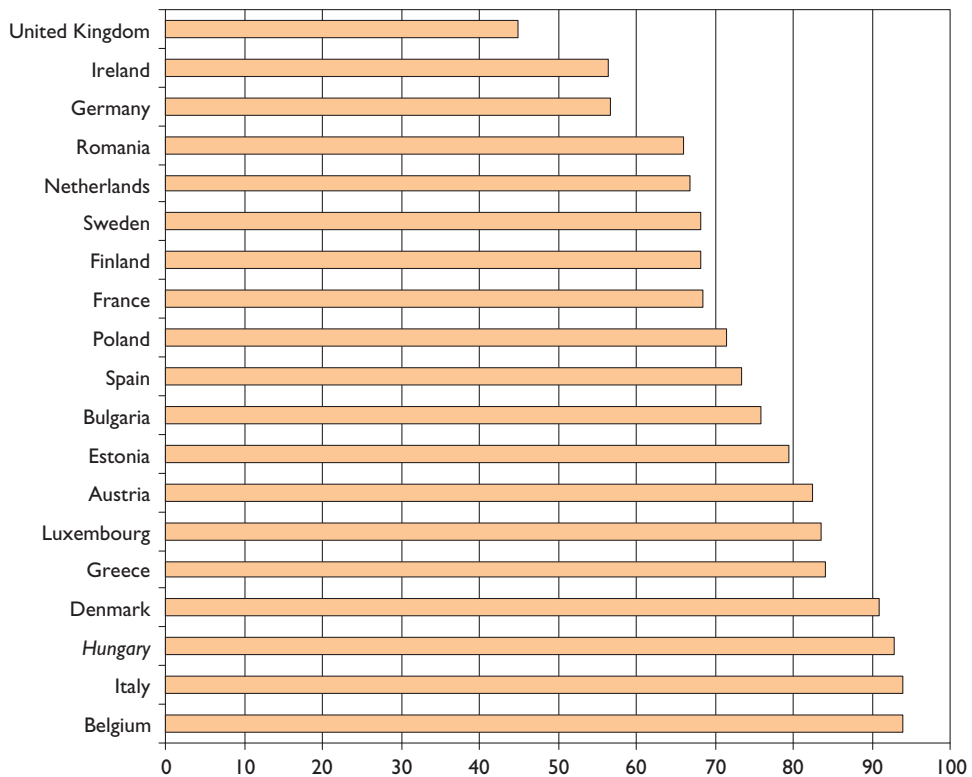
In the recent years a number of experts called attention to the problems of cost-effectiveness in Hungarian public education, however, this issue was never highlighted by educational policies. It is important to emphasise the fact that the issue of cost-effectiveness can by no means be reduced to an issue of budget-related or financial efficiency. Educational policy must deal with the issue of cost-effectiveness in the overall dimensions of quality and efficiency. The low cost-effectiveness of public education is not an exclusively Hungarian phenomenon, it is characteristic of other former socialist block countries as well.

The results of various international comparative analyses also identified the problems of cost-effectiveness in the system of Hungarian public education. In 1999, Hungary spent 73% of the average GDP-related education expenditures of OECD countries on primary and secondary education. In comparison, the salary of teachers employed in public

education – in the same year, in proportion of the GDP – was merely 57% of the salaries of teachers in OECD-countries². At the same time, Hungary spends 75% of its public education expenditure on salaries, as opposed to an 80% OECD average. Since in Hungary the same number of students receive their education with the involvement of far more teachers than in other countries, this results in a limited amount of available resources per teacher. While in the late 1990s, in the EU countries, the primary and secondary education of 1,000 students involved 74 full-time teachers, in Hungary the same number of students were taught by 93, thus 26% more teachers.

Figure 3.5.

Number of teachers per 1,000 students in primary and secondary education in the European Union and some pre-accession countries, 1999/2000



Source: Key data..., 2002

The cost-effectiveness of education is significantly impaired by the intentions of educational policymakers aimed at retaining an identical number of teachers employed, despite decreasing enrolment numbers. This intention is revealed in expanding the range of tasks requiring fully qualified teachers, as well as in the engagement of teachers in providing welfare-related tasks. In international comparison, the low number of lessons

² Calculation based on *Education at a Glance, 2001; 2002* by Gábor Halász

per teacher combined with the above mentioned newly determined range of teaching tasks preserves the great workforce need of the public education system.

The number of students per class has dropped on all school levels, yet the local governments in smaller settlements are incapable of controlling the number of children in pre-schools or general schools. The local governments of larger cities operating an extensive network of institutions may find ways to achieve this objective, yet their efforts are limited by the operation of 6-, and 8-grade general secondary schools. As a result of this restriction, opportunities for merging classes of 5–8th graders are limited, and the number of students in school classes remains rather low. An additional factor increasing per-student costs is the widespread system of student welfare services in general schools.

The problems of cost-effectiveness in Hungarian public education system are intertwined with the fragmented network of institutions, determined by the layout of settlements. The performance of tasks defined by the Local Government Act and the Public Education Act result in a network of institutions with a lower level of cost-effectiveness. In settlements where the population is less than 2,000 – constituting the maintainers of over half of all 8-grade general schools in Hungary – cost-effectiveness can hardly be influenced by the decisions of the school maintainer. In such settlements, demographic trends and the provisions of the state budget almost completely determine the level of costs per student.

Chapter 4

The Educational System and the Progression of Students

The structure of the school system and the progression of students in the education system essentially determine the individual opportunities for participation in lifelong learning. Students who drop out early or fail to acquire certain key competencies will be unable to make up for the loss. In Hungary, like in other developed societies, a longer basic education phase is followed by a fairly differentiated upper secondary education and training phase offering schooling to costumers with various needs. One of the most important developments of the nineties was that the secondary school-leaving exam had been taken on large scale and thus a rapid expansion of higher education was possible. At the same time, the differentiation of institutions and programmes is already noticeable in the lower cycles of education. This does not really broaden the available range of programmes, but rather increases the selectivity of the system. Generally speaking, the institutional programmes do not follow a modular structure; therefore low-achievers may drop out of the system without getting educational attainment or a professional qualification recognized by the labour market.

4.1. Development of the school structure

The change of Hungarian school structure was a spontaneous process in the 1990s, when the evolution of the system was decisively affected by the factors of decentralization and relative autonomy for decision at local level, and by demographic reasons. The nineties were mostly characterized by the efforts of institutions to stabilise the number of students despite decreasing birth rates, which brought about an expansion in the variety of programmes both vertically (new, longer than four-year secondary programmes) and horizontally (an increase in the number of mixed type secondary institutions). In the period under review, the basic features of the school structure remained unchanged. The 2003 Amendment to the Public Education Act seems to have ended the earlier debate on school structure. The Amendment reinforced the 8+4 year model as opposed to the 6+6 year structure, and adjusted educational cycles according to the former model. Accomplishing basic education is certified by a certificate issued at the end of the eighth year of general school. The certificate issued after the successful completion of the 10th grade entitles students to apply for the basic examination. Secondary education begins in

the 9th grade. In vocational secondary education the 9th and 10th grades are devoted to the mastery of the basics of general knowledge, with the addition of practical skills and vocational orientation elements required for facilitating the progression to vocational education and training. On-the-job practical training conducted in the 9th and 10th grades was also abolished, as well as the option for lengthening education in general schools for more than eight years.

4.1.1. Vertical changes in the structure of the educational system

Six- and eight-grade general secondary schools

In 2001, the number of students below 14 years of age applying to 8-grade general secondary schools increased by 12% compared to the previous year, while the same rate for 6-grade schools increased by 7%. In spite of the rising number of applicants, the rate of students attending these school types fell from 31% in 2000 to 26% in 2002 in comparison to the total number of general secondary students. The rate of applications to 8 and 6-grade secondary schools was the highest among students coming from Budapest (31%), and the lowest from schools maintained by small-size settlements (18%).

Vertical changes in vocational training

In vocational training the most significant development of recent years was the change that prolonged general education up to 16 years of age as age of commencing vocational training. This forced vocational training schools to adopt a 2+2 year structure, and increase the duration of apprenticeship training from three to four years. Entering into vocational training may be initiated at several points in the course of education:

Table 4.1.

Main changes in the functional structure of secondary programmes in the past decade

Programme type	Grade			
	9–10	11	12	13–14
1992				
General secondary school	General education	General education	General education	–
Vocational secondary school	Vocational training	Vocational training	Vocational training	–
Apprenticeship training school	Vocational training	Vocational training	–	–
2002				
General secondary school	General education	General education	General education	General education (only in bilingual language schools)
Vocational secondary school	General education	Pre-vocational education acc. to trade group	Pre-vocational education acc. to trade group	Vocational training
Vocational training school	General/pre-vocational education/vocational guidance	Vocational training	Vocational training	

Source: Mártonfi, 2003

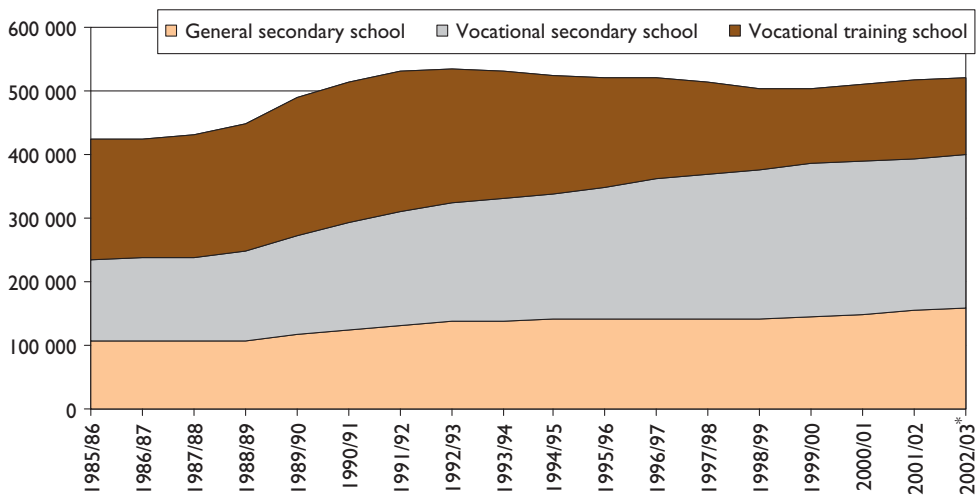
(1) following the accomplishment of general school, (2) following the age of 16 or the completion of the 10th year, (3) following the last grade (grade 12) which is designed for the preparation of secondary school-leaving examination and the acquisition of secondary school-leaving certificate.

4.1.2. Horizontal changes in the education system

The expansion of secondary education was due to the growing social demand for secondary programmes and efforts to maintain the level of student numbers, rather than the result of planned policies. Given the fall of social and labour market demand for apprenticeship training, the number of students involved in apprenticeship training radically decreased. In the early nineties only one fourth of secondary school students attended general secondary schools, one third attended vocational secondary schools, and more than 40% were students at apprenticeship and vocational training schools. At the turn of the millennium 30% attended general secondary schools, 46% studied in vocational secondary schools, and only 24% were enrolled in vocational training.

Figure 4.1.

Change in number of secondary school students by type of institution, 1985/1986–2002/2003



Source: Educational Yearbook 2001/2002, OM, 2002; Data of Education 2002/2003, KSH, 2003

Note: Vocational training school includes apprenticeship training and other forms of short term vocational training.

4.2. Transition and options for correction

One of the indicators of the flexibility of the public education system is the option for continuation of education and choice of related programmes on the basis of particular needs. One of the student rights listed by the 1993 Public Education Act is the right to the continuation of studies without a need for supplementary exams or grade repeating even if there is no educational institution capable of providing education during the time of compulsory schooling in the permanent residential area of the student.

Transition between general schools in Hungary is easy; only in special cases (bilingual programme, sports class, etc.) do general schools refuse the application of new students. On the level of upper-secondary programmes, student mobility between schools is limited; however, due to the normative system of funding, schools are eager to increase their number of students, and therefore hesitate to give up on students merely due to the incompatibility of the educational programmes.

School dropouts are given a second chance by the school system of adult education. The objective of adult education is the improvement of the life perspectives of adult learners by providing an opportunity for correction, but in the 1990s it had additional functions as well, such as venting structural tension and preventing unemployment. Today, adult education institutions and training programmes generally perform their function on the level of secondary education. The 2-year intensive form of vocational secondary school for apprenticeship is a particularly popular programme.

4.3. Levels of public education

4.3.1. Pre-school education (ISCED 0)

Pre-school education is a part of public education. It caters children from the age of 3 until they are physically, mentally and emotionally prepared for schooling. From the age of 5, children are obliged to take part in school life preparation programme for four hours a day. The ratio of children attending pre-primary education is above 95% among 5-year-olds. Once the child has reached school maturity, he/she must be enrolled in general school, as early as the age of 6, or at the age of 8 at the latest.

There is a growing professional consensus in the recognition of pre-primary education as an opportunity to strengthen social cohesion and prepare children's future school career. Therefore it is of significant importance to identify those unable to participate in the course of early childhood education and receive only one year of school life preparation training, which is hardly sufficient. Although since 2000, the average number of available places has exceeded the number of pupils, one fourth of the pre-school heads interviewed in a survey in 2001 reported that they were forced to reject applicants due to limited number of places. There is a sufficient number of places at national level, yet their distribution is uneven. This is proved by the fact that there is a prevalent shortage of places in small-size settlements, and that children of mothers with regular income and employment have access to such services more often than the children of unemployed parents. Therefore, pre-school institutions still represent labour market objectives rather than provide for better opportunities to achieve educational goals.

Table 4.2.

Key data on pre-school education 1990/1991 and 2001/2002

	1990/ 1991	1998/ 1999	1999/ 2000	2001/ 2002	Change 2001/2002 (1990=100%)
Rate of children attending pre-school as a percentage of the 3 to 5-year-old population	85.5	86.5	87.8	86.4	101.1
Number of pre-school institutions (places of provision)	4,718	4,701	4,643	4,633	98.2
Number of places (thousands)	385.0	369.5	366.2	353.8	91.9
Number of pre-school teachers	33,635	32,235	31,653	32,327	96.0
Number of children attending pre-school (thousands)	391.1	376.1	366.9	342.3	87.5
Children per one hundred places (number of)	102	101	100	97	95.1
Number of groups	16,161	15,784	15,479	15,502	96.6
Children per group (number of)	24.4	24.0	23.7	22.8	93.4
Children per teacher (number of)	11.6	10.9	11.6	10.6	91.4

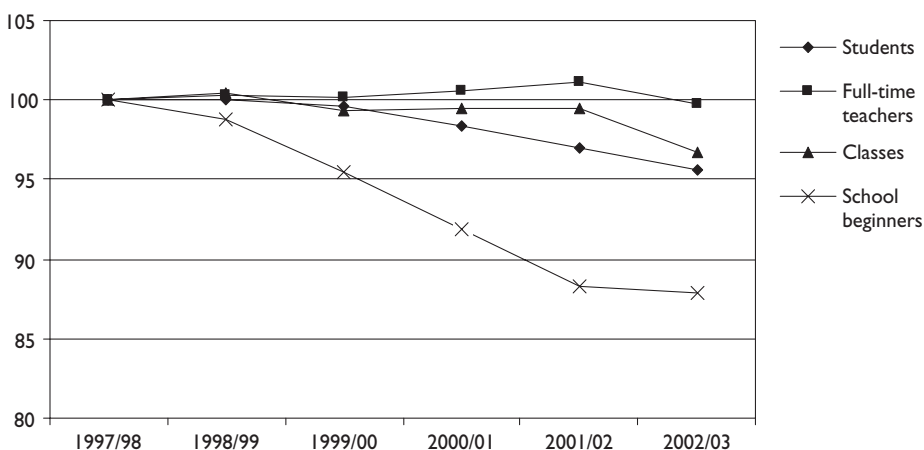
Source: Statistical Pocketbook of Hungary 1998, KSH 1999; Statistical Yearbook of Hungary 2001, KSH, 2002

4.3.2. General school education (ISCED I-2)

The number of general school students is continuously decreasing. Since 1998, the number of students per school and per teacher has decreased, which has led to the intensification of efficiency problems in the system. Between the academic years of 1999/2000 and 2001/2002 the number of institutions offering basic education programmes fell by 7%. The ratio of schools with fewer than 100 pupils decreased, while that of larger schools slightly increased. At the same time, the average class size decreased in all sizes of schools in the period under review.

Figure 4.2.

Key trends in general school education (full-time classes, including special needs education) between 1997/1998 and 2002/2003* (1997/1998=100%)



Source: Statistical Guidelines, Primary education 1999/2000, OM, 2000; Educational Yearbook 2001/2002, OM, 2002; Data of Education 2002/2003, KSH, 2003

* Preliminary data

Progression in general schools

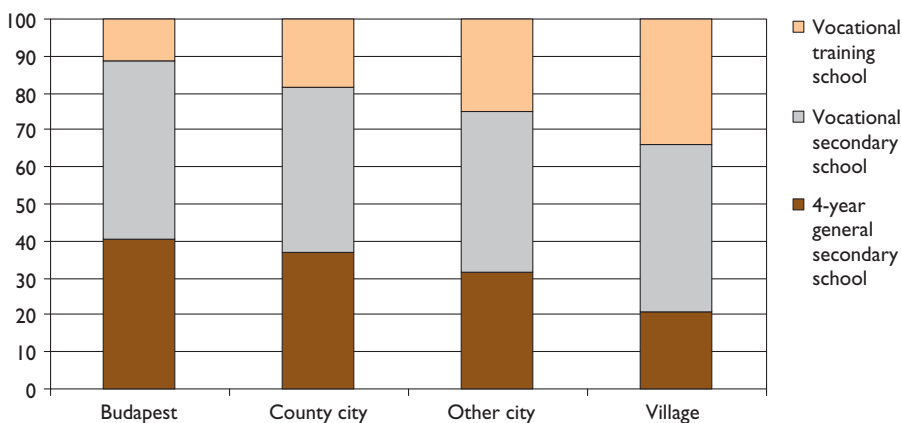
In contrast to most European countries, in Hungary it was possible to retain students and require them to repeat a year in all grades until the latest Amendment to the Public Education Act (2003). According to the new law, from 2004, in the first three years of primary education, grade repeating will require the consent of the parents and the pupils's performance will be assessed on the basis of written evaluation. According to statistical data, of grade repeating was the most frequent in the 1st, 5th and 6th grades, and the least likely in the 8th grades. In 2000, 95% of the 16-year-old population had completed their general school education by the end of the compulsory schooling age.

Further education after general school

In 2001, 91% of general school-leavers were admitted to the type of programme they had initially applied for. The inequalities between settlements, present in numerous aspects of the system, may also be experienced in the transition from general school to a further level of education. The smaller the settlement, the greater the likelihood for the students to continue their studies in a vocational training school. The number of available places in secondary education is greater than the demand, nevertheless almost 10% of students were rejected in the first round of application. This group of students, deciding to continue their studies in the least popular, vocational training schools, failed to receive entry even to these schools. These students usually complete general school at a later age, and secondary schools are often reluctant to accept their application. All this seems to support the view that in recent times the primary function of entrance exams is not to select suitable candidates, but rather to filter out those who are not appropriate for the programme in question.

Figure 4.3.

Percentage of applicants for various secondary schools by type of settlement maintaining the general school, 2001



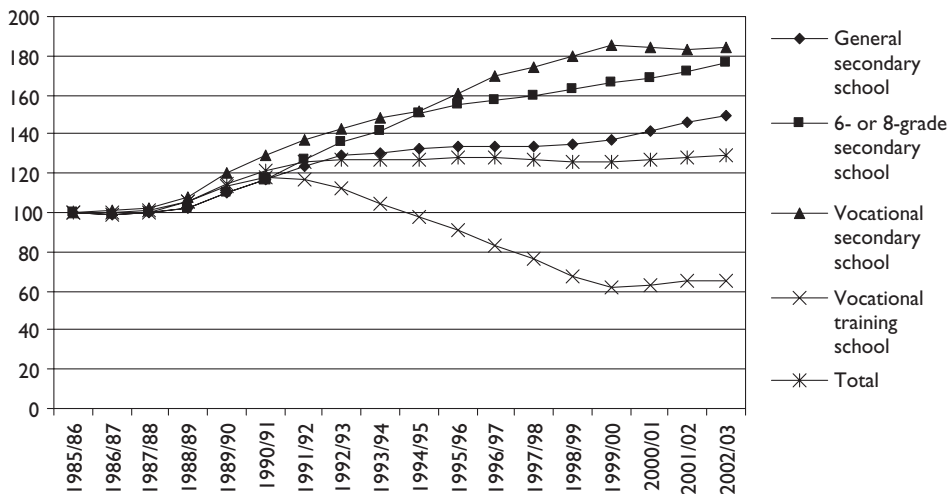
Source: 2001 database of KIFIR (Information System on Secondary School Entrance Exams)

4.3.3. Secondary education (ISCED 3)

The increase of student numbers in secondary education came to a halt in the mid-nineties, but has risen again since the end of the decade. It seems that secondary vocational schools have reached the limits of their capacity, and, given the decline in student numbers, the extensive resources of expansion have been depleted. The involvement of a greater number of students in programmes providing secondary school-leaving certificate could only be achieved at a later age, or by improving the quality and effectiveness of general schools. The accelerating decline in the number of vocational training school students halted in 1998, and has slightly increased in the past three years.

Figure 4.4.

Changes in the number of students in secondary schools by the type of programme 1985/86–2001/2002 (1985=100%)



Source: *Statistical Guidelines, Secondary education 1999/2000, OM, 2000*; *Educational Yearbook 2001/2002, OM, 2002*; *Data of Education 2002/2003, KSH, 2003 Data of Education 20*,

Admission and progression

As a consequence of the transformation of the school structure in recent years, admission to secondary education is possible at several points: at the ages of 10, 12 and 14. The 1993 Public Education Act gave the right for school heads to decide on the admission of students. In parallel with the dramatic decline in the number of school-aged children, the competition for able students between schools has intensified. The group of institutions not having specialised educational programmes have also begun to introduce entrance examinations. Faced with this unacceptable situation, the Ministry ruled that entrance examination could only be organized in a specified group of schools as prescribed by the law. As far as the 2002/2003 academic year is concerned, the ministerial decree on admission procedures states that in the case of admission to a secondary school grade

lower than the 9th year, schools may only introduce entrance examinations if the number of applicants in the previous three years was on the average at least 1.5 times more than the number of admissible students. Since the 1999/2000 academic year, the form of secondary school entrance examination used in these institutions is a centrally organized, standardized competency test.

Failure in a subject is relatively frequent among students studying in vocational secondary and vocational training schools, especially in the 9th and 10th grades. An average 80% of students, who failed in fewer than three subjects, passed the resits successfully, but 18% of 9th-grader vocational secondary and vocational training school students were forced to repeat a year in 2002. The high percentage of subject failure and students who were forced to repeat a year clearly indicates that there is a large group of students in vocational education and training with serious learning difficulties, lacking the basic reading and numerical literacy skills necessary for progression, even after the completion of general school education. What makes the problem even worse is that the continuation of studies does not necessarily mean that the students have overcome their previous difficulties, since the current vocational training programmes and the pedagogical work conducted in these institutions were not designed for such remedial educational goals.

4.3.4. Post-secondary vocational training (ISCED 4)

An increasing part of school-based vocational training takes place after the secondary school-leaving exam. The foundations for post-secondary vocational training were established by the so-called World Bank programme, launched in the nineties, which consisted of the development of modularised vocational training according to trade

Table 4.3.

Number of full-time students completing vocational training by programme type, between 1990 and 2001

	Secondary vocational and technical school	Vocational qualification not tied to having secondary school-leaving certificate**	Vocational qualification tied to having the school-leaving certificate***	Accredited, non-university higher vocational training qualification
1990	28,903	57,831	4,668	–
1997	42,913	46,868	10,126	–
1998	43,930	42,866	11,249	–
1999	41,936	38,992	11,255	–
2000*	40,000	N/A	N/A	554
2001	37,945	14,070	34,326	1081

Source: Educational Yearbook 2001/2002, OM, 2002

*** The public education data of 2000 are estimated by the Ministry of Education based on general trends, and a 98% survey.

*** Students completing the apprenticeship examination (excluding adult workers taking the exam) and completing vocational training (up to 1999). The data for 2001 refer to students qualified in OKJ-registered trades (National Training Register), in traditional occupations (vocational training) not tied to having secondary school-leaving certificate.

*** Students qualified as technicians (up to 1999). Data for 2001: students qualified in OKJ-registered trades, tied to having secondary school-leaving certificate, by passing the vocational examination afterwards (accredited non-university higher vocational training is excluded).

groups, completed by the developments made in the framework of the second World Bank programme, initiated in 1998. In 2001, one third of the relevant age group of students graduated from post-secondary vocational training.

Non-university higher vocational training (ISCED 5B)

The need for a workforce with professional skills and higher qualifications has increased on the labour market. The first courses in accredited school-based higher vocational training (called non-university higher vocational training since 2002) began in September 1998. The aim of this type of training – apart from serving the needs of the labour market – is to ensure the acquisition of credits recognized in higher education for students with ambitions to continue their studies in tertiary education. As the training is part of higher education, its introduction requires the approval of the Hungarian Accreditation Committee. Non-university higher vocational training programmes may be organized in two types of institutions: higher education institutions and vocational secondary schools. To date, 22 higher education institutions and 74 vocational secondary schools have accredited their higher vocational training programmes. The curriculum and programme requirements are identical in both types of institution. Every graduate student receives an OKJ-qualification. Since the completion of this type of higher vocational training entitles the students to continue their studies in higher education with credits recognized as a year-long study, secondary vocational schools are only allowed to implement the training if working in partnership with a college or university offering a compatible programme.

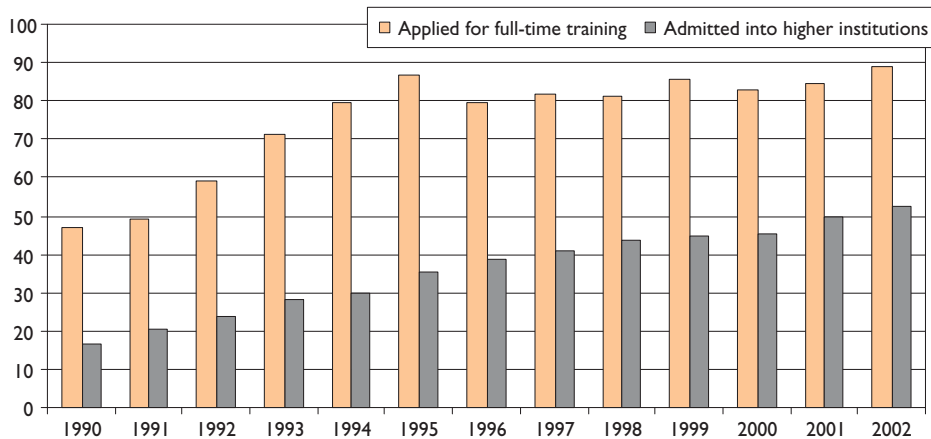
In recent years, the system of non-university higher vocational training began to dynamically grow. The total number of students attending both full-time and part-time adult education courses was 9,560 in the 2001/2002 academic year (with 8,545 full-time students), divided evenly between vocational secondary schools and higher education institutions. Two thirds of these students were below 20, which indicates the fact that these are mainly students enrolled in higher vocational training immediately following the secondary school-leaving exam, or following an initial failure at the college or university entrance exams. Due to the system of credits, many regard this form of training as the springboard for higher education, allowing them to get around entrance tests. Therefore the system only partially fulfils its function required by the labour market, since its undergraduates do not intend to enter the labour market but higher education.

Entering higher education (ISCED 5A)

Expansion in higher education was even greater than in secondary education. The number of students in higher education tripled from 1990 to 2002, while the number of students holding secondary school-leaving certificate increased only by one third. In the past decade, the number of students applying to higher education straight after the secondary school-leaving exam grew by 85%, and the number of those admitted – by 122%. The number of applicants to full-time higher education programmes has stagnated around 80 thousand since the mid-nineties. Between 2000 and 2001 the number of students accepted into state-financed places increased by 8.45%, while the number of students paying tuition fee for education – by 23.74%.

Figure 4.5.

Number of applicants for full-time education and admittance of students into higher education, 1990–2002 (thousands)



Source: Statistical Yearbook of Hungary 1990–2001, KSH, 2002; . Educational Yearbook 2001/2002, OM, 2002; Data of Education 2002/2003, KSH, 2003

4.4. Transition from school to work

In Hungary, the world of school and work are no longer separated concepts and the simultaneous presence of both is especially characteristic in the life of youth. In OECD countries four fifths of 15 to 19-year-olds are still in the school system. As a result of the rapid expansion of secondary education, the Hungarian figure of this age group is similar to the OECD average, however in the case of older age group figures are lower than the OECD average. There is a dramatically high ratio of inactivity in the group of 25 to 29-year-olds. One fifth of this age group is neither employed nor enrolled into educational institutions, which indicates that the integration of Hungarian youth into the labour market is difficult.

Table 4.4.

Distribution of youth by age group and labour market status in Hungary and in OECD countries, 2000 (%)

	Age group	Student	Outside the education system		
			Employed	Unemployed	Inactive
Hungary	15–19	85.1	6.5	2.1	6.3
	20–24	34.8	45.0	5.5	14.7
	25–29	9.1	63.4	5.3	22.1
OECD-average	15–19	79.9	11.5	2.9	5.6
	20–24	37.2	46.5	6.9	9.4
	25–29	13.3	68.5	5.7	12.5

Source: Education at a Glance, 2002

Not only are young people moving back and forth between the formal system of education and working life, but the practice of acquiring two qualifications at the same educational level is also widespread. Ever since the act has guaranteed free-of-charge education for acquiring a second qualification, it has become a highly frequent trend among young people. The practice of supplementing the higher education degree with a professional qualification is also becoming popular, which means that graduates enter the labour market at a later date, but they have more favourable career options. According to a 2002 follow-up survey on success of vocational students on the labour market, conducted three years after the acquisition of the vocational certificate and based on the information obtained from the class heads, approximately half of the students were employed, one third of them were active students and the rest were either inactive or unemployed. Somewhat more than half of those employed worked in the field of their profession. Another survey examined the intentions of 9th-grade vocational training school students showed that nearly four fifths of them planned to take the secondary school-leaving examination. If we take into account the plans for the acquisition of a second profession, this means that those participating in such programmes regard labour market-oriented vocational training as a transitional stage.

According to a research group monitoring the output of higher education, in the current period of rapid expansion the increasing output is still smoothly absorbed by the labour market. There is no oversupply, and in fact, the relative income position of graduates has even improved compared to their older colleagues, which may be explained with their more up-to-date knowledge and the promising prospects they offer to their employers. In fact, the agriculture sector is the only field in which freshly graduated youth face unfavourable labour market conditions. The rate of unemployment in the agriculture sector, both among college and university graduates, is an outstandingly high rate of 14–17%, compared to the average rate of 6%.

4.5. Career guidance and counselling

In the age of lifelong learning it is essential to provide for accessible services for the assistance of individuals in the decisions concerning their career paths. In Hungary there is currently a great amount of available information for the hundreds of thousands of students, many professionals work in this field, still the access to information is incidental, and the organizational framework and the related system of information are underdeveloped. There are institutions specialized in certain age groups and functions, employing experienced professionals, but these services are provided according to diverse philosophies, methods and, in some cases, dissimilar interests. A comprehensive national strategy including the entire counselling system into a unified framework and ensuring the transparency of this system has not yet been elaborated. This task will require a closer co-operation between the Ministry of Education and the Ministry of Labour and Employment (FMM).

Of the former system of career guidance and counselling, the only remaining institution in the country is operating in Budapest, yet half of all county educational institutes employ career-counselling specialists. There is some form of career guidance and coun-

selling present at each school level. In general schools, it is the career counselling specialist or the class-master who provides guidance to parents and students before applying to secondary school education. Their main advantage is that they know their students well, yet their professionalism is often questionable. There is a low number of in-service training programmes in this field, and the teachers are not required to individually get acquainted with the transformations taking place on the labour market and in society. A number of schools resort to out-of-school institutional assistance, which makes them vulnerable to the philosophy and quality of the services on offer. Career orientation in the 9th and 10th grades of vocational training should provide early assistance for students in choosing a trade group, and later on, a specific occupation. In reality, vocational training schools force their students to make a choice early on in their careers, even though their professional future would be in a more stable position if they were allowed to make that decision at a later date. In two-thirds of the cases, trade groups are chosen when students gain entry to the school (in the 9th grade) at the latest. In secondary vocational schools, subjects of pre-vocational education according to the trade groups provide an opportunity for creating and increasing professional motivation. In the 9th and 10th grades there is still some room for manoeuvre, which is more limited in the 11th and 12th grades of education.

In every county career counselling services are provided by the employment services sector. Training of career advisors has been provided since the mid-1990s. The career advisors of the Job Information Counselling Network (FIT) are employed in the county labour centre offices, but they operate as an independent organization. The counselling system of employment is a more widespread professional system than the services for educational counselling. More and more young people, particularly secondary school students, make use of these services. All of the above services are free of charge. Profit-oriented career counselling services have only appeared sporadically in the business sector.

4.6. Connections between education and the economy

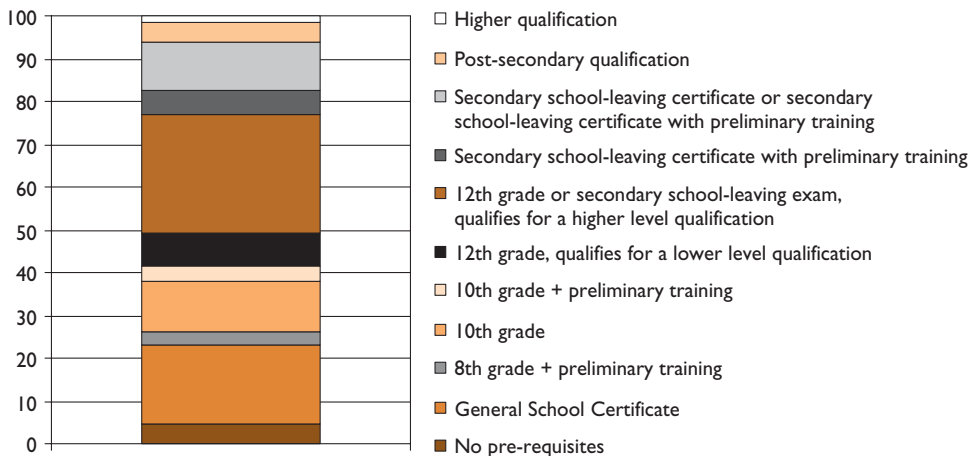
The success and length of 'transition' is not independent of the mediating mechanisms between the system of education and the economy. Mediation between the two systems is realized through professional qualifications, the outcomes of schooling (abilities, skills and knowledge domains) and occupational classifications. The acknowledgment of the shift in demand, the development of intervention, and the implementation of suitable reform measures, as well as the more equitable distributions of educational outcomes may take at least one decade. Therefore, due to the dynamically changing nature of the labour market, there is a significant time lag and discrepancy between the two systems. It is clear that the concept of directly connecting the two systems has become outdated, therefore attempts have been made to rearrange the structure of qualifications and the training system so that it can react in a more flexible way to labour market demands. The introduction of trade group-based pre-vocational education, followed by a phase of specialization in a given profession leading to vocational examination was intended to ensure this kind of flexibility. In this model, training for specific jobs is the responsibility of the economy.

4.6.1. The National Training Register (OKJ)

In Hungary, the qualification requirements of education are regulated by the National Training Register and according to the various trade groups. Despite several modifications, there is still a high number of qualifications listed in the OKJ: there are currently 812 trades. The qualifications offered in the course of public education, organized on three separate levels, form the basis of the trade structure. A number of these are based on trade-groups and promise specialised well-founded paths in the course of further education. According to the pre-requisites of the OKJ, there is a prevailing number of qualifications requiring secondary school-leaving certificate. 58% of OKJ-registered qualifications require at least secondary school certificate. In comparison, there is a small number of qualifications requiring general school certificates or higher education degrees.

Figure 4.6.

Pre-requisites of OKJ-registered vocational programmes, 2002 (Total number of trades=812)



Source: Ministry of Education web site (<http://www.om.hu>)

There is a growing part of vocational education provided outside the formal school system. The categorization of qualifications into (1) school-based vocational training qualifications, and (2) non school-based vocational training qualifications strongly divides the training sector between schools and companies with an interest in adult training. Conflicting interests present an obstacle for arranging the content of curricula and qualification requirements into modules and into a hierarchical structure. At the same time, this tendency changes the nature of vocational training by making a strong distinction between initial vocational education and training for young students and the programmes of adult training oriented towards a specific profession.

4.6.2. Role of the economy in vocational training

Practical training is one of the most critical issues in school-based vocational training. The ratio of on-the-job practical training experience in apprenticeship training continuously

decreased until the late 1990s, when nearly two thirds of the practical training was school-based. The trend has since reversed, and there is now a balance between the two forms of practical training. The problem of on-the-job training is rendered more difficult by insufficient co-operation between the school and the entrepreneur providing the training, and by the related conflict of interests. The length of practical training has been significantly reduced due to changes in the regulations, which makes such programmes profitable for only a limited group of businesses in the economy, and it also influences their quality of output. The educational background and didactic skills of the trainers present further difficulties.

Apart from providing for practical training, the economy is involved in the system of education and training in numerous less apparent ways and various organizational forms. Business professionals also give courses or are invited as guest lecturers to schools. Vocational trainees visit workplaces on a regular basis. There is some private enterprise activity related to various trades or the workshop training programmes in a number of schools.

The engagement of the business sector in the development of the central curricula is an important element. Delegates of the chambers have to be included in the main examination board of the vocational exam. Defining training and examination requirements hardly ever happens without the participation of experts delegated from the organizations of employers. The presence of business professionals in the development of the education policy and in the related professional discourse is guaranteed. At the same time, the representative bodies of the economy are yet to articulate the medium-term needs and priorities that vocational training is expected to fulfil.

4.7. Adult learning

Adult learning is not a new phenomenon as such, but its nature is being heavily transformed. The most radical change is due to the different perspectives offered by the spreading concept of lifelong learning. Lifelong learning puts an end to the monopoly of schools as the only sources of teaching and makes the different training sectors equal. The proportion of adults in formal education, excluding higher education, has decreased in the past 20 years, which may be explained by the general expansion of secondary education and by the fact that 95% of students complete their general school education by the end of the compulsory schooling age. However, enrolment in non-school-based training and courses has begun to rapidly increase. This is partly due to the fact that the demand of the clients in the non-formal sector has a more significant impact on supply than school-based training.

According to statistical data on training fields of those enrolled there is a mismatch between the demands of adult learners and the places available. Adults are less motivated to obtain qualifications in technical, industrial and agricultural programmes. From 1996 to 2000, approximately 20% of adult learners were enrolled in such programmes. The number of those attending courses in commerce, services, economics, administration and computer technology was far above 50% in the same period. In recent years, the number

of students without a secondary school-leaving certificate has decreased, and qualifications leading to the services sector professions, favoured by the labour market, are usually tied to possessing secondary school-leaving certificate.

Table 4.5.

Percentage of learners enrolled in non-school-based vocational training by different trade group programmes, 1996–2000

(Qualifications in the field of)	1996	1997	1998	1999	2000
Personal services, catering, commerce, tourism	16.4	18.1	20.1	23.0	22.5
Business administration and management	23.4	27.7	22.6	23.1	20.1
Manufacturing industries, crafts	16.7	15.0	15.6	13.5	17.0
Information technology	20.4	17.0	19.3	18.4	15.5
Health care services	7.0	6.9	5.4	4.0	3.1
Agriculture, forestry, farming, fishing	1.8	2.0	1.6	1.4	2.7
Technical studies	1.4	1.1	1.2	0.8	1.3
Other fields of study	12.9	12.2	14.2	15.8	17.8
Total	100.0	100.0	100.0	100.0	100.0

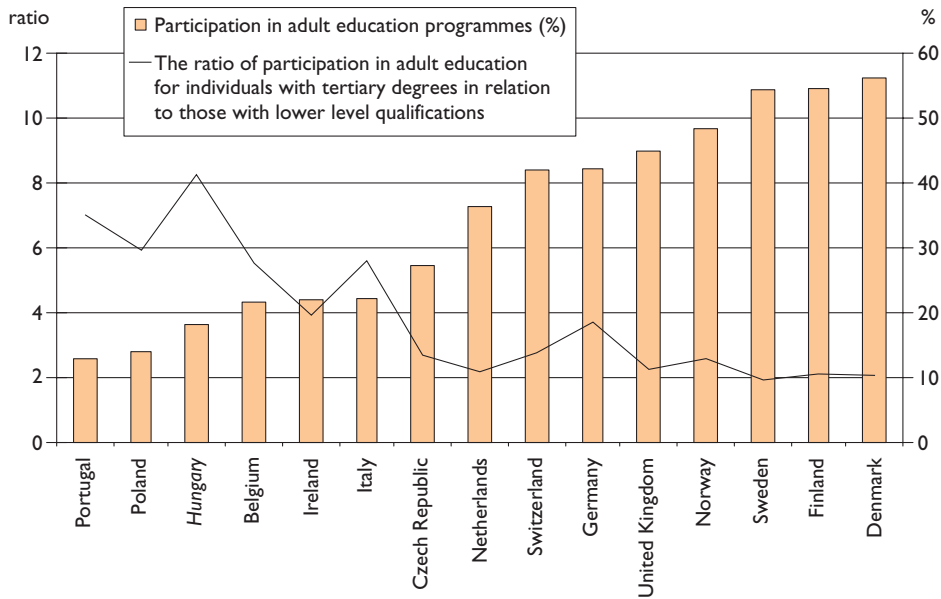
Source: Statistical data on non-school-based vocational training 1996–2000, FMM, 2002

There are only sporadic surveys on training programmes at workplaces. According to a KSH survey¹, 21.3% of employees participated in workplace training programmes. This percentage was somewhat higher among men and among employees of large companies. There were 37 contact hours per learner, corresponding to one week of working time. The time spent on training was independent of company size and totalled less than 1% of all wage costs. Taking into consideration the fact that a part of the training programmes may be financed from the compulsory vocational training contribution (an amount which is in principle a maximum of 0.5% of payroll), the willingness of employers to invest in their employees' training can be regarded as very low.

One objective of the EU is to involve 12.5% of the working age population (aged 25–64) in lifelong learning programmes by 2010. According to the findings of OECD SIALS (1999) survey in Hungary, 18% of the surveyed 25–64-year-old population took part in some sort of learning. The learning activity rate of adults with higher education degree was eight times higher than the rate of those with lower educational attainments. This is an ominous sign that the prevailing inequalities of public education are also present in adult learning. According to the findings of a 2002 public opinion poll on education, the willingness to study and the involvement in learning activities are closely related to the level of qualifications. Those questioned were more likely to participate – or planned to participate – in study programmes if they were highly qualified individuals. 80% of those without secondary school-leaving certificate were not involved in study programmes and did not plan to participate in such programmes.

¹ This was a mail survey and, due to the 25% rate of response, is not considered to be a representative survey. Therefore the results may only be taken as an optimistic estimate.

Figure 4.7. Participation rate in adult education and the ratio of those with tertiary educational degrees in comparison to those with lower level qualifications from 25 to 64 years of age, in various years



Source: Education at a Glance, 2002

One of the main reasons for making a comprehensive Adult Training Act was the involvement of a greater number of people in lifelong learning programmes. In Hungary the development plans for lifelong learning in Hungary are included in the National Development Plan (NFT), and the related measures and programmes are described in the Human Resources Development Operational Programme of the NFT.

Act on Adult Training

The Adult Training Act was passed in 2001 due to the intention to ensure the constitutional lifelong right of citizens to learning. The overall aim is to provide for the regulated access to a wide range of adult education and training programmes for all members of society, in order to meet the challenges of economic, cultural and technological development, and to receive entry into the world of employment and achieve success in the course of their lives.

The Act establishes a National Council for Adult Training (OFkT). The OFkT is a national body assisting the Minister responsible for adult training education to fulfil his/her tasks, operating as an advisory board in the preparation of decision-making, and proposals. The OFkT is comprised of 13 members, selected by the Minister responsible for adult training. In order to enhance adult training in a professional

and methodological sense, the Minister establishes a National Institute for Adult Training (NFI). The accreditation of institutions and training programmes is performed by an independent body, the Adult Training Accreditation Board, which takes into consideration, during the course of its operation, the decisions and proposals of the Hungarian Accreditation Committee. The state resources for adult training are the following: government budget; the proportion of the compulsory vocational training contribution legally allocated to adult training; resources earmarked for employment, development and training funds of the Labour Market Fund as well as tax allowances specified by the provisions of law.

Per student capita grant for adult training services may only be provided to accredited institutions or institutions with agreements made with the Ministry for providing such services. The institution providing training and the enrolling adult sign a training contract. The contract specifies the following terms: the qualifications – or competencies – to be attained; the form of examination and assessment of the performance of the trainees; the place, duration and timing of the training; the tuition fee (including exam fees) and all additional details required by the Act. Adult training may consist of modular or open training, and may also be organized in the form of distance learning. The institution conducting the adult training programme may decide to establish advisory board(s) with the aim of facilitating the educational work of the institution, and to guarantee the continuously high standards of training, or engage in quality management according to the needs of their clients. The advisory board consists of at least five members. Members include the teachers of the institution, representatives of the professional bodies according to the main training profile of the institution and representatives of the employers.

4.8. Other subsystems of public education

4.8.1. Special needs education

In the academic year of 1998/1999, 0.5% of children in pre-school education and 3.9% of general school students were involved in special needs education. By the academic year 2001/2002, these rates changed, to 1.2% in pre-school education and 4.9% in general school education. The increasing rates of children enrolled in special needs education may partly be accounted for the changes in handling the data in 2001, and partly for the currently increasing awareness of the special needs of children with partial deficiencies such as dyslexia and dyscalculia. 68% of children in pre-school education participating in special needs education are involved in integrated education. This rate is significantly lower (17.8%) in general schools. As far as secondary education is concerned, the high rate of students enrolled in integrated education is due to the small capacity of special therapeutic teacher training. On the other hand, the network of schools engaged in special secondary education is separated from other educational institutions, leaving little room for integrated education.

Table 4.6.

Number and percentage of pupils participating in integrated education relative to the total number of students receiving special needs education, by programme type, 2001/2002

Number of children participating in integrated education and the percentage of this group in the total number of students receiving special needs education							
Pre-school		General school		Secondary school		Special vocational training school	
2,888	68.0%	8,275	17.8%	1,164	80.2%	361	5.7%

Source: Calculations by Erika Garami, based on the educational statistics database of the Ministry of Education

4.8.2. School education for national and ethnic minorities

As far as the education of national and ethnic minorities is concerned, the comparison of the data of the previous years is hindered by the fact that – since the academic year of 2001/2002 – the education of Roma children has been incorporated into the programmes of other ethnic minorities, which increases the number of such students by approximately 30%. Within the education programmes of all national and ethnic minorities, excluding the ‘other’ category, the number of children in pre-school education increased by 14%, while the number of general school students decreased by 16% and the number of secondary school students increased by 45% in the course of the academic years of 1999/2000 and 2001/2002. In secondary education, the increase in student numbers is primarily due to the popularity of German-language education. In the academic year of 2001/2002, the ratio of students included in the ‘other’ category, mostly comprised of students involved in Roma minority educational programmes, was 15% of all national and ethnic minority pre-school education children and 35% of all ethnic minority general school students. However, in secondary education this ratio was rather low, merely 7%.

4.8.3. Dormitories

The operation of dormitories is separated from the operation of schools. Firstly, the function of the dormitories is to provide accommodation for students generally coming from smaller settlements with no access to education at their place of residence, or whose home situation does not allow for regular attendance at school. Secondly, in the case of schools with particularly low student numbers (special training, arts education, etc.) dormitories provide an opportunity for these educational programmes for students residing in other parts of the country. The number of dormitories has recently stopped decreasing. Approximately 76,000–78,000 students are accommodated in dormitories. The student per teacher ratio has also stabilised, remaining at approximately 22.5.

In the period under review, the development of dormitories was a priority of educational policy. The Ministry completed the development plan for the enhancement of dormitories in 1999. Their operation has solidified, following the recognition of the educational role of dormitories in the Public Education Act. The National Core Programme for Dormitory Education was issued in 2001. The frame curriculum for the activities of dormitories provides ample room for programmes devised by the dormitory by identifying only 60% of such activities. This arrangement allows for increasing the range of residence hall activities according to local needs and preferences. The National Public

Foundation of Dormitories was established in 2001. This Public Foundation provides resources for the professional development of dormitories, such as: additional support for gifted students, compensation of the disadvantaged, student unions, extracurricular activities and study circles, ICT-related activities, foreign language teaching, and overcoming the essential infrastructural deficiencies of operation. The per student capita grant for dormitories increased in real value and the percentage of state contribution required for operation increased to 94%, somewhat improving the bargaining position of these institutions in the process of budget planning. The further development of the network of dormitories is often blocked by the disinterest of the maintainer. Since residence halls do not provide local educational services, local governments are increasingly unwilling to finance institutions, which do not benefit their 'own' children. Other factors further limiting developments include the lack of autonomy of dormitories, and the hopelessly outdated physical and technological conditions. 54% of the dormitory buildings were not built for this purpose, and 91% are in need of repair and improvement, 20% of these require a complete renovation in order to function appropriately.

4.8.4. Sectors of the education system not maintained by local governments

Currently there are two groups of educational institutions in Hungary that are not maintained by local governments: *denominational schools* and *private or foundational schools*. These two groups of institutions have the same legal status, yet they are different in their establishment, their educational aims, operation, social roots and background as well as the support they receive from the state.

Private schools are autonomous in their day-to-day operation and have the legal status of an independent institution separate from the local educational system, yet the funding of their operation and their educational work is regulated by the state. The maintainers of private schools are free to decide on the organizational status of the school and the method of institutional control, and may develop their own educational programme and local curriculum. Private schools are also entitled to engage in local educational tasks by signing a public education agreement with the local or county government or, with the Minister of Education, in case the institution provides a regional or national function in the system of education.

Private schools are financed by the central budget and the school maintainer. In accordance with the principle of sector independence, the school maintainer receives the same amount of state contribution as the local governments. The local governments or the state may decide to provide additional support if the school – on the basis of a public education agreement – takes over responsibilities from the local government or the state. The legal entities of a church are entitled to receive the per student state support calculated on the basis of the number of students enrolled in the school maintained by the church. According to the provisions of the 'Vatican treaty'² schools maintained by churches also receive additional support.

² The agreement between the Republic of Hungary and the Holy See, signed 20 June 1997, on financing the public services and religious activities of the Catholic Church of Hungary.

Non-governmental education is generally present in secondary and tertiary education. The two non-governmental sectors are distinctly separated on the level of secondary education. The majority of denominational schools are secondary grammar schools, while foundational schools generally provide vocational education programmes.

Table 4.7.

Distribution of students by school maintainer, 2002/2003 (%)

	Local government	County government	Central budgetary organization	Total governmental (incl. local government)	Denominational	Foundational	Other	Total non-governmental	Total
Pre-school	92.03	1.67	2.18	95.88	1.86	1.92	0.34	4.12	100.00
General school	86.67	4.88	3.44	95.00	3.98	0.78	0.24	5.00	100.00
Vocational training school	54.64	33.04	2.66	90.33	2.24	5.88	1.55	9.67	100.00
Special vocational school	37.65	51.94	0.61	90.21	2.03	7.76	0.00	9.79	100.00
General secondary school	61.33	13.64	5.08	80.06	15.97	3.15	0.82	19.94	100.00
Secondary vocational school	48.99	33.68	3.99	86.65	1.85	8.17	3.32	13.35	100.00
Tertiary education	0.00	0.00	88.62	88.62	5.84	5.54	0.00	11.38	100.00

Source: Data of Education 2002/2003, KSH, 2003

Chapter 5

The Content of Education

In Hungary, the two-tier curriculum regulation was developed in the middle of the 1990s. At central level the content of education is regulated by: the *National Core Curriculum* (NAT) published by the government in 1995 and the *frame-curricula* issued by the Minister of Education in 2000. The central regulatory system of the content of public education was completed by the *National Core Programme of Pre-school Education*, and the *Guidelines*, published between 1997 and 1998, which are focused on the orientation of the educational activities of various segments of the public education subsystems (special needs education, education of ethnic and minority groups, bilingual education, primary art education). At the local level it is regulated by *the local educational programme of schools* including *local curricula*. Schools developed their NAT-compatible local curricula between 1995 and 1998. These had to be adjusted to the frame curricula by September 2001. Following the change of government in 2002, the new Minister of Education ordered for the review of the NAT, and consequently together with the NAT the local curricula are expected to be modified. Teaching staffs are authorized to make key decisions at their schools concerning the content of education from the selection of textbooks through the organization of the cultural domains of the NAT into actual school subjects as well as developing the plan of school educational programme (the latter requires consultation with the maintainer).

5.1. The central level of content regulation

5.1.1. The National Core Curriculum (NAT)

The implementation of the National Core Curriculum was the most influential event of the 1990s. Not only did the NAT transform the content of education, the role of teachers, and the inner world of schools, it also affected the process of educational policy-making and administration. The introduction and acceptance of the central core curriculum in the highly decentralized Hungarian educational system required policy-makers to adopt new strategies and tools. The development of local curricula on the basis of the NAT was a completely new challenge for Hungarian schools.

Innovations of the National Core Curriculum

- In order to promote social integration and equal opportunities, the NAT unified standards and curriculum requirements for educational work for the duration of the whole compulsory schooling, regardless of school type.
- The content of teaching was specified along the lines of cultural domains, which provided an opportunity for schools to replace traditional school subjects with integrated teaching content.
- The NAT introduced new cultural sub-domains previously absent from the curricula of the public education system (Man and Society, Civic Education and Economics, Information Technology, Film and Media Education, Dance and Drama studies).
- To weaken the traditional division of the fragmented system of subjects, the NAT defined cross-curricular themes, such as communication culture, physical and mental health, environmental education, career orientation, studies in national heritage, traditional values and folklore, and European dimension, all of which having a place in the cultural domains.
- To ensure the adaptation to the differences in the learning pace of individual students, curriculum requirements were not determined for each grade, but rather referred to greater time intervals (the educational objectives, in accordance with the two main cycles of education, were to be achieved by the end of the 6th and 10th grades, while detailed requirements were specified for the 4th, 6th, 8th and 10th grades).
- To ensure the flexible adaptation of the core curriculum to the local requirements, and socio-economic conditions, as well as the students' ability for development, the NAT only required 50% to 70% of the compulsory teaching time to complete the common standard requirements. This provided schools with a considerable amount of free time, which may be used for teaching additional topics and requirements.
- The division of time devoted to the individual cultural domains was not expressed in exact lesson numbers but in estimated proportions, by specifying the upper and lower limits, thus further increasing the independence of schools in developing their own structures of lessons.

Source: Halász et al., 2001

At the same time, the National Core Curriculum was also heavily strained by internal contradictions: despite being a core curriculum it provided an exceedingly detailed prescription of the individual items, it failed to significantly reduce the curriculum requirements, and break down the traditional segmentation of subjects, furthermore it meant a step backwards in the development of foreign language teaching. The implementation of the NAT was especially difficult due to lack of political consensus and to the fact that the core curriculum did not regulate the content of education until the end of public education (12th grade). Furthermore, the educational cycles of the NAT did not coincide with the dominant phases of school structure (8+4 grades). At most the approval

of the maintainer of the educational programme did not mean an automatic provision of the necessary funds for its application, and, contrary to the intentions of the policy, the implementation of the NAT failed to facilitate the rationalization and planning of local education services. The responsiveness, flexibility and professional skills of the teachers and school heads were also misjudged, since the teaching profession had not been prepared for the simultaneous adoption of a wide range of drastic changes. For these reasons the implementation of the NAT produced diverse results, yet in the end, it involved the wide-range of educational stakeholders in an important learning process. A great number of schools had an opportunity to review their own situation for the first time, in trying to define their own objectives and accordingly adjust their educational programmes and activities.

5.1.2. Introduction of the frame curricula

Following the change of government in 1998, a fundamental change took place in the system of central content regulation. The 1999 Amendment to the Public Education Act introduced a new regulatory tool for all school types: the frame curricula. These were built on the National Core Curriculum as defined by law, yet in many ways, their logic contradicted the philosophy of the NAT. With the introduction of the frame curricula, the Ministry of Education intended to define a stricter framework for curricular freedom of schools, as well as enhancing the integration of the system, horizontal and vertical mobility within the system. The new regulation reverted to the traditional prescription of educational content along the lines of individual subjects, specified the compulsory number of lessons in each subject, and maximized the daily workload of students. It enhanced the teaching of the new cultural sub-domains of the NAT by introducing modular subjects in certain grades. In some fields the frame curricula restored the old conditions prior to the NAT, while in other aspects they presented a continuation of already started reforms. In order to ensure the operation of institutions with alternative programmes and a set of tried-and-tested local curricula, which may differ from the frame curricula, the new regulation established a system of curricular accreditation, which provided the opportunity for these institutions to preserve their educational programmes.

Schools were required to revise their local curricula by making them compatible with the frame curricula by the beginning of the 2001/2002 academic year. After the change of government in 2002, the new educational administration withdrew the adoption of the frame curricula and lesson numbers, in order to reduce over-regulation, and to restore the professional autonomy of schools and teachers. The system of curricular accreditation was also abolished.

5.2. The local level of content regulation

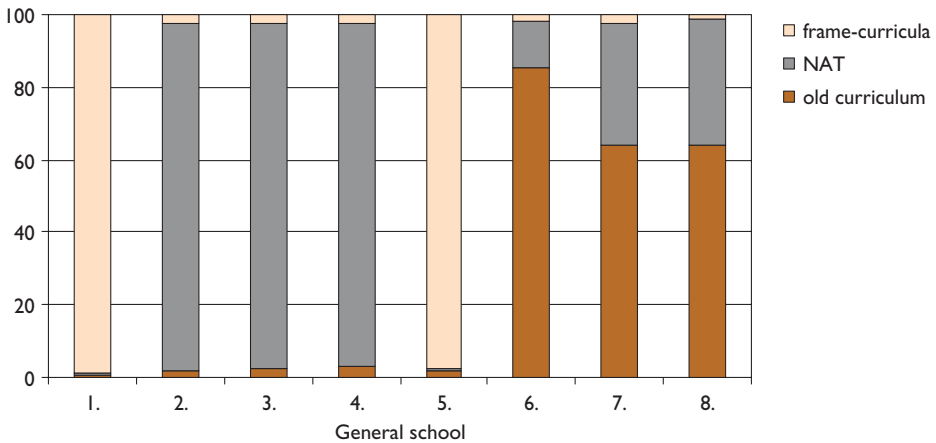
Work at school is fundamentally determined by the curriculum used in individual schools. The temporary nature of content regulation is well illustrated by the current simultaneous introduction of two central curricular documents, the NAT and the frame curricula, gradually phased in from the bottom up. In the different grades teaching may

be based on the old 1978 central curriculum, on a NAT-compatible local curriculum, and on a local curriculum adjusted to the frame curricula. This means that not only the content of education, but also the weekly number of lessons might be different in the same grade at individual schools, which makes the organization of learning more difficult and educational processes less transparent. Provided that no new central curriculum will be introduced, the content regulation of the system is expected to be unified from the 2004/2005 academic year.

The frame curricula were scheduled to be introduced from the bottom up in 2001. They were introduced, with a few exceptions, according to regulations in the 1st and 5th grades, just as the teaching in the 2nd and 4th grades is generally based on NAT-compatible local curricula, in compliance with the law. However, one third of the schools did not revert to the 1978 curriculum in the 7th and 8th grades, but continued with the NAT-based local curriculum. In 2001, the majority of secondary schools introduced the frame-curricula in the 9th grade. A group of general secondary schools, on the pretext of planned accreditation of their curriculum, refused to introduce the new frame curricula, with the consent of their maintainers. In the upper grades of secondary schools one fourth of general secondary schools and nearly one third of secondary vocational schools did not revert to the old (1978) curriculum. One of the reasons for this was that the curricula used before the introduction of the NAT became useless for vocational secondary schools because the beginning of vocational training programmes was prolonged after the 10th grade, and in many schools the professional training phases began following the secondary school-leaving examination (from 1998).

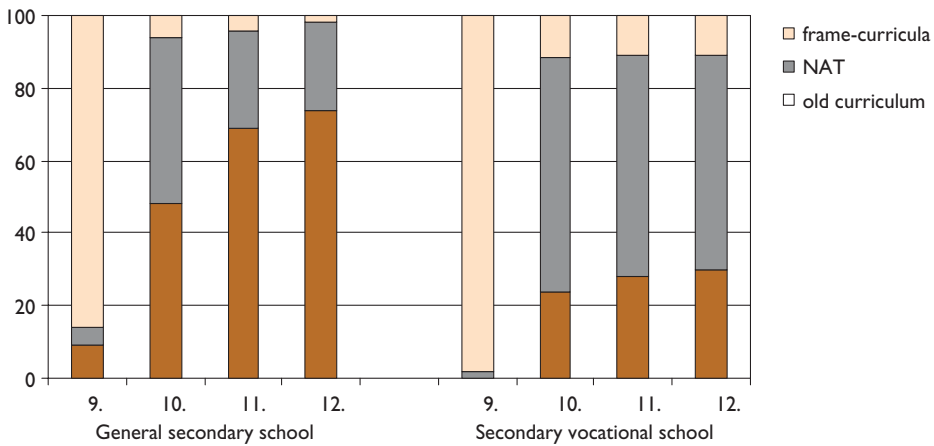
Figure 5.1.

Percentage of different central curricula used in each school grade in general and secondary schools, 2001/2002



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Source: Local Curriculum Survey 2001/2002, OKI KK

5.3. Content changes in the public education system

5.3.1. Pre-primary education

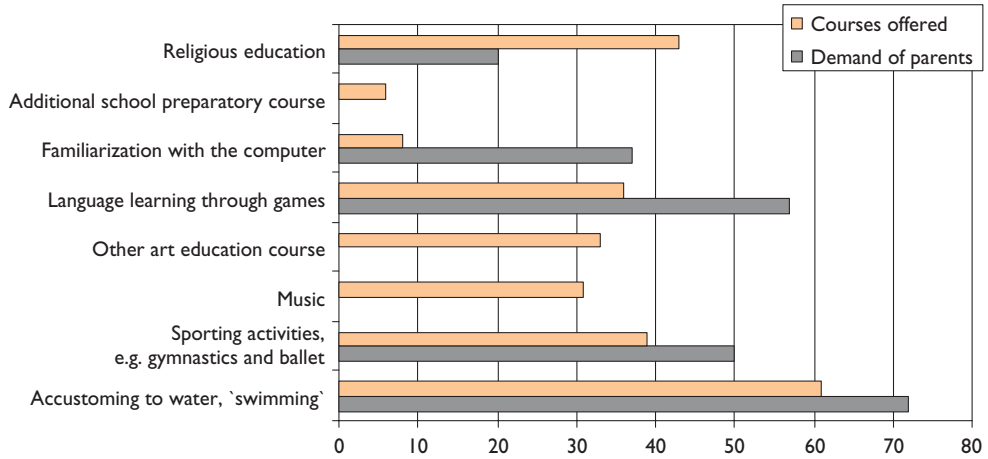
Pre-primary education has recently received renewed attention from educational policy-makers, which is mainly a result of the key role it plays in the social integration of disadvantaged groups. In Hungary, similarly to most other European countries, the responsibilities related to early childhood education and care are shared by the Ministry of Health, Social and Family Affairs and the Ministry of Education. The division between early childhood education and childcare is at the age of three. The aims and activities of these two separated institutional systems have lately approached each other. The main functions of nursery care are: promoting healthy physical development; facilitating emotional development and socialization; and offering increased support for cognitive development. Using a similar perspective, the core programme for pre-school education emphasizes the protective, social, educative and developmental care functions of pre-school education. In local pre-school educational programmes, derived from the core programme, creating opportunities for children to play and learn from their own experiences receive special attention. The core programme for pre-school education has also been highly praised by pre-school heads, pre-school teachers, and maintainers.

One of the debated issues concerning the content of pre-primary education is the organization of various courses. Approximately two-thirds of pre-schools offer at least one teaching course for children, constituting up to 6% of an average pre-school day. The content and methodology of these courses, usually conducted by hired trainers or teachers without pre-primary teacher qualifications, is the source of much debate. Such courses are not harmonized with the principles of the core programme, and since the

majority of them are paying courses, they may generate inequality of opportunities. Although pre-schools have a financial interest in such courses, they seem rather to increase the range of available courses with the purpose to meet the expectations of parents.

Figure 5.2.

Parental demand for pre-school courses and the actual supply of courses (%)



Source: Vágó, 2002; Török, 2001

5.3.2. General school education and secondary education

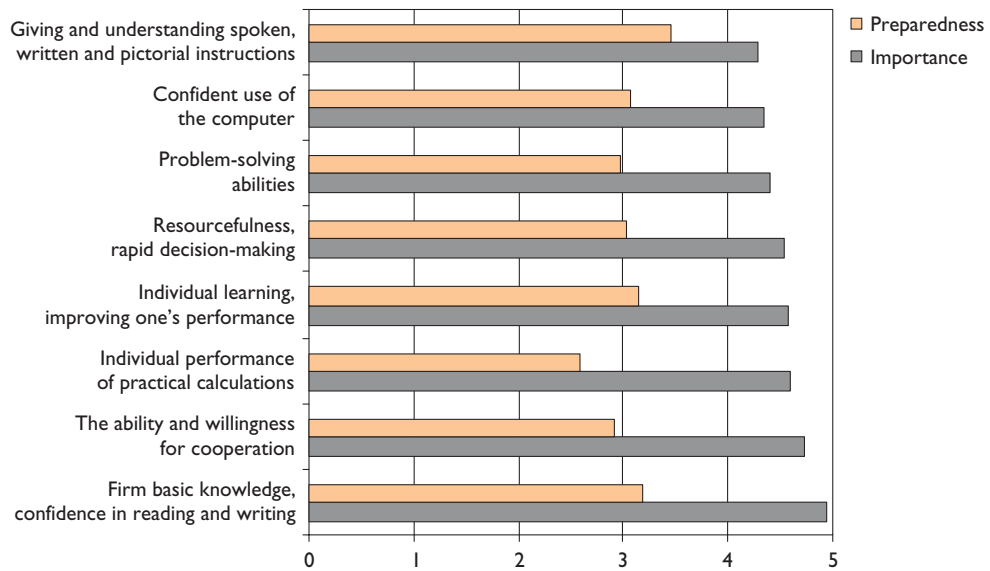
The implementation of the NAT and the frame curricula did not substantially reduce the requirements and lesson numbers of traditional core subjects. The schools attempted to build in the new cultural sub-domains, modules and content of additional local specificities into the curriculum by increasing the number of compulsory lessons. The everyday workload of students was first relieved by the previous educational administration, which limited the total number of daily – compulsory and optional – lessons. Furthermore, the new minister assuming office in 2002, reduced the weekly number of compulsory lessons in upper grades of education, and restricted the use of homework in general school education. Without reducing the requirements, teachers feel that it is impossible to teach the already oversized content and to prepare students to meet the requirements of the next educational level in the officially available time.

One of the most important findings of the 2002 School Subject Observation survey on the state of general school subjects was that the teaching practices were not adjusted to the social, economic and labour market changes. Teachers are aware of the importance of the development of key competencies, knowledge, and skills needed for lifelong learning, but their mastery by students nevertheless fails to reach the expected and desired level. The failure to renew the content and methodology of teaching is primarily a matter of attitudes. In the practice of schools there is a very strong emphasis on teaching, and providing factual information and theoretical knowledge as opposed to learning, skills development, and practical orientation. The difficulties of subject integration may partly be explained by resisting the inclusion of cross-curricular themes and up-to-date educa-

tional content, and partly the naturally emerging existential concern over the decreasing number of students, articulated by the various lobbies of subject teachers.

Figure 5.3.

Views of general school teachers on the importance of key competencies and the preparedness of students, indicated on a five-point scale, 2002



Source: School Subject Observation, OKI PTK, 2002

5.3.3. Vocational education and training

As a result of the mobilization of considerable resources and careful strategic development, the structure and content of education in secondary vocational schools has been transformed since the early nineties. The regulation and development of the frame curricula in secondary vocational education was in harmony with the processes initiated in the previous decade, and may be considered to be their continuation. In the 9th and 10th grades there is currently pre-vocational education and vocational orientation in five lessons a week in all secondary vocational schools, and eight lessons a week in the 11th and 12th grades. The development and renewal of the content of post-secondary basic and advanced level vocational training programmes was funded by World Bank loans. There are two sets of frame curricula developed for vocational training schools which do not prepare students for the secondary school-leaving exam, type A and type B. Type A is for students needing remedial courses in order to gain entrance to vocational training programmes after the 10th grade, while type B is for better prepared students also preparing for the basic examination – which they may sit for following the 10th grade – in order to allow them to choose from a wider and more sophisticated range of trades. In the 2002/2003 academic year, 43% of vocational training school students were instructed according to a type A, while 57% were instructed on the basis of a type B frame curriculum. Until recently, apprenticeship training remained the stepchild of vocational

training development. To initiate the development necessary for the successful pedagogical treatment of students in apprenticeship training, most of whom had faced earlier learning difficulties and failures, the Ministry initiated its Vocational Training School Development Programme in the spring of 2003. The Programme consisted of four components: (A) renewal of the content of education in general knowledge domain and pre-vocational strand; (B) development of the methodology of vocational training; (C) reintegration of disadvantaged students; and (D) reinforcing the self-development and quality improvement capacities of schools. The four components are supplemented with the following four thematic development projects: (1) foreign language teaching; (2) assessment and evaluation; (3) career guidance; and (4) information technology.

5.3.4. Students with special educational needs

The Public Education Act provides detailed regulations for the participation of students with special educational needs in early development and special remedial programmes organized in special educational institutions, groups or classes or inclusively, together with other students. Various committees of experts make proposals and decisions on the form of development to be used in the case of individual students. In September 2001, the institutions for students with special educational needs introduced the subject system, as well as requirements and weekly lesson numbers as prescribed by the guideline for the education of children with special needs, adjusted to the frame curriculum, in the 1st, 5th and 9th years. These changes affected the content of the education of students with slight mental deficiencies: life management and practical skills are taught in 2.5 lessons per week in every grade, information technology lessons are only taught in the 7th and 8th grades, and there is no foreign language teaching in general school education.

The range of alternative curricula, and programmes supporting the plans for the preservative and rehabilitative programmes of specific disabilities are listed in the database of the National Institute of Public Education (OKI). These may be utilised in the development of the local programmes of institutions where students are taught either separately or inclusively. There is, however, a low supply of textbooks and teaching aids which suit the special structure of the cognitive competences of these students. The Ministry of Education directly subsidizes the publication of textbooks for students with special educational needs, and has invited tenders since 2001 to update the range of available textbooks. According to a survey focused on the state of integrated education in 2001, the majority of educational institutions offering inclusive education was not aware or did not make use of the available range of special curricula and textbooks. Hardly a third of the institutions (32.7%) offered alternative curricula and personalized tutoring programmes for individual students. In almost half of the cases reviewed (48.1%), disabled students had to meet requirements identical to those of non-disabled students in all subjects, and only 14.7% of the schools had specified alternative requirements for such students in these subjects.

The qualified special education teachers employed in separate special educational institutions conduct high-quality developmental work. The problems appear in mainstream schools where students are educated in separate or fully integrated classes, with the lack of the necessary conditions. There has been a shortage of special education teachers in the special classes of small village schools, where special classes are almost

exclusively formed by the merger of students from three or more grades. The service of travelling special education teachers is available in towns and their agglomerations, and is therefore unable to support schools with high rates of disadvantaged, Roma students. The rate of teachers with the appropriate special qualifications among teachers participating in the integrated education of special needs children is very low (4.9%).

5.3.5. Minority education

In international comparison, the conditions for the access to minority language education may be considered as favourable in Hungary. For students of the six national minorities and the Roma minority, the institutional network of minority education provides access to national minority language education programmes as well as minority language learning as a subject at all levels of the public education system. The rate of minority mother tongue education has decreased, while the number of general schools offering bilingual education or, even more often, minority language teaching programmes has increased. Schools may request additional per student capita grant for non-Hungarian language and Roma ethnic education. The current system of financing is not favourable for the minority mother tongue education, since the institutions receive the same amount of per student capita grant as the bilingual education programmes. Experts believe that the decreasing demand for minority mother tongue education may be explained by the smaller range of secondary schools and by the lack of some programmes (vocational training, six-grade secondary, eight-grade secondary). Others warn that parents do not consider these types of programmes to be competitive enough, since there is less time devoted to the study of western foreign languages, which are usually more demanded on the labour market.

5.4. Improvements in priority areas

5.4.1. Foreign language learning

The ability to communicate in foreign languages became highly important for the Hungarian society in the 1990s, which is a natural need, if we take into consideration the sizeable gap between the language proficiency required for the intensified economic, political, cultural and private relations and the foreign language knowledge of the population. The view of the society on language competency is well illustrated by a 2002 opinion poll of adults. On a list of fifteen possible activities and functions of schools those questioned ranked foreign language teaching as the fourth/fifth most important. Due to an intensified social demand and parental pressure, and in spite of the almost complete lack of necessary conditions, teaching western foreign languages spread rapidly. The educational institutions enjoyed a fair degree of autonomy in shaping the supply of language programmes, by specifying the initial grade for language learning, determining lesson numbers and group sizes, and selecting the necessary textbooks and teaching aids. Schools struggling with a low number of students soon realized that the horizontal and vertical expansion of language education is an excellent tool for preserving teacher positions and for attracting well-socialized, gifted children to the school. In the competi-

tion amongst schools, 'bids' included various forms of higher-level language education (bilingual education, foreign language specialization); language education at an early age; providing for the education of two foreign languages; organizing smaller study groups; offering possibilities for practicing foreign language in native language environments through school partnerships; and the use of compulsory class time for language proficiency exam preparatory courses.

In the course of the uneven modernization of foreign language education, policy-makers and maintainers had only a limited role. The central policy in the nineties reduced early foreign language education in general (NAT), and selectively (through the frame curricula, with the exception of specialized classes), and also reduced the opportunities for second foreign language acquisition (NAT), yet this had little effect on the local level. At the same time, in 1998 language learning was extended to include the 9th and 10th grades of vocational education. A long awaited professional need was fulfilled in 2002, by elaborating the language education strategy, which besides providing for school based language education, also focuses on lifelong language learning. Additionally, the government uses tax allowances to encourage employers to maintain the language competency levels of their employees and to support foreign language learning. The 2003 Amendment to the Public Education Act significantly changed the system of language education in secondary schools, by providing an extra year for language education. According to this provision, general secondary and secondary vocational schools may be completed in the 13th year, if at least 40% of compulsory class time in the 9th grade is spent on intensive language training and another specified amount of time on information technology education.

The conditions for foreign language learning have significantly improved compared to earlier years. The shortage of language teachers has somewhat eased. In 2002, the employment of unqualified teachers was not merely characteristic in the field of language education (9% on national average), but noticeable in the case of other subjects (such as visual culture, and music) as well. Although in the case of the two most popular languages, English and German, the rate of unqualified teachers with intermediate level language certificate is still around 10%, the same ratio among Italian or French language teachers is only 1-2%. The conditions for language teachers have also improved: group sizes as well as the student per teacher ratio have decreased. An additional important type of foreign language learning is the advanced-level language learning programme. Such programmes offer better opportunities for mastering the target language by an increased number of lessons, and the inclusion of the best language teachers of the schools. By lessons per week there are three distinct groups of foreign language education: programmes offering fewer than three lessons a week; programmes that include 3 to 5 lessons a week; and language programmes in which there are more than five lessons per week, often conducted in the form of partial immersion.

Table 5.1.

Number of language teachers, and number of students per language teacher in all school types and on all educational levels, 1992/1993, 1998/1999, 2001/2002.

Language	Number of teachers*			Students per language teacher		
	1992/1993**	1998/1999	2001/2002	1992/1993	1998/1999	2001/2002
English	3083	6015	8464	128.2	98.6	76.2
German	3010	6262	7901	157.6	97.1	66.3
French	655	748	756	63.4	49.7	71.7
Russian	8796	536	315	22.1	27.4	27.2
Other	478	679	2020	61.8	52.1	21.0

Source: Calculations by Irén Vágó, based on the data of KSH and OM. The data for 2002/2001 were calculated by Erika Garami, based on the Educational Yearbook 2001/2002, OM, 2002

* Teachers were taken as many times as many languages they taught.

** There were no statistical data on language teachers in apprenticeship training schools in the early 1990s.

5.4.2. ICT in the public education system

In Hungary, the development of basic ICT skills is a top priority, in order to facilitate the progression of students in the information society, their entry to the labour market, and their participation in lifelong learning. In 2002, The Minister of Education revealed the government's educational ICT strategy, Schoolnet Express (Sulinet Expressz). The main objectives of the strategy are the following: providing internet access for all schools by 2005; achieving better student per computer ratio (1 computer for every 5 secondary, and every 10 general school students); the initiation of ICT education in the 5th grade; free computer skills examination (ECDL) for final grade students of secondary schools and teachers; and the promotion of digital content and curriculum development. The PHARE-funded E-learning (Internet-based education) programme also serves this latter goal. The programme consists of tenders for general schools requesting the transformation of existing teaching content into e-learning materials, or the adaptation of educational software for use on Internet etc. The government has taken further measures to narrow the information gap between different social classes. Customs fees for ICT equipment have been reduced and households with school-aged children may apply for an annual HUF 60,000 tax benefit when purchasing computer equipment as of 2003. In spite of all these efforts, no successful solutions have been found so far to provide for cheap access to the Internet.

ICT equipment supply

Through the expansion of tendering opportunities, the quality and quantity of ICT equipment have considerably improved on all levels of public education. Even in international comparison, the ratio of 9 students per computer in secondary education is outstanding, 30% above the OECD average. While smaller settlements lag far behind concerning several indicators of the educational infrastructure, the differences are insignificant, which in the provision of computer equipment in secondary education is a favourable development. However, the situation is far less impressive at lower levels of education. While in 1999, there were freely accessible computers in one third of all secondary schools, the same ratio amongst general schools was only 6%.

Table 5.2.

Differences between general and secondary schools by some key indicators in the provision of ICT equipment and their educational use, 2002

Average	General school	Secondary school
Number of full-time ICT teachers	1.6	3.3
Available system administrator (%)	26	80
.... % of teachers not able to use computers	50	32
.... % of teachers using computers for educational purposes	40	58
.... % of teachers using the Internet for educational purposes	23	44
.... % of teachers using e-mail services for educational purposes	19	38
.... % of students using computers for educational purposes	55	77
.... % of students using the Internet for educational purposes	31	64
.... % of students using e-mails for educational purposes	23	54

Source: Calculations by Irén Vágó, based on School-level empirical survey 2001/2002, OKI KK

Educational application of ICT

The introduction of ICT skills in general and academic education as a cultural domain of competency dates back to the 1995 publication of the National Core Curriculum (NAT). The NAT provides a small number of lessons for the development of ICT competencies in each educational cycle. The frame curricula have determined the initial phase of ICT education to commence in lower-secondary school grades. General schools often use their free class time credits to begin the introduction of ICT at the initial stage of education, yet in the majority of institutions there is a shortage of qualified teachers or equipment, therefore information technology lessons only begin in the 7th grade, as regulated in the frame curriculum. Children without computers at home will have suffered irrecoverable disadvantages compared to others by this time. Half of the students interviewed in a 1999 survey claimed they could operate a computer on their own at the end of the 4th grade. By the 7th grade, the time identified in the frame curricula for the introduction of basic ICT skills, 77% of students already considered themselves to be independent users.

In spite of the fact that secondary schools may be considered to have built up computerized learning environments, the potentials of this development are mostly exploited in the course of ICT lessons, and recently in data provision and administration services. There was some progress from 1999 to 2002 concerning the use of computers for teaching various subjects and for communication.

Table 5.3.
Computer use in Hungarian schools by school type, 1999 and 2002 (%)

Type of use	General School		General Secondary School		Vocational training and education	
	1999	2002	1999	2002	1999	2002
Teaching subjects with the use of ICT tools	44	44	63	71	59	79
Administration and management	89	85	95	100	98	99
Keeping records and statistics	76	88	89	97	89	99
Preparing lesson plans and classroom schedules	30	35	54	70	50	73
Internal communication (intranet)	1	16	18	40	17	32
School website development	10	20	53	85	41	75
E-mail system (external communication) usage	19	56	63	91	65	96
Use in library	40	44	68	81	63	82
Use in subject interest groups	92	76	89	76	89	79
By students by permission	26	75	39	93	44	95

Source: Tót, 2001; The 2002 data are taken from School-level empirical survey 2001/2002, OKI KK (calculations by Irén Vágó)

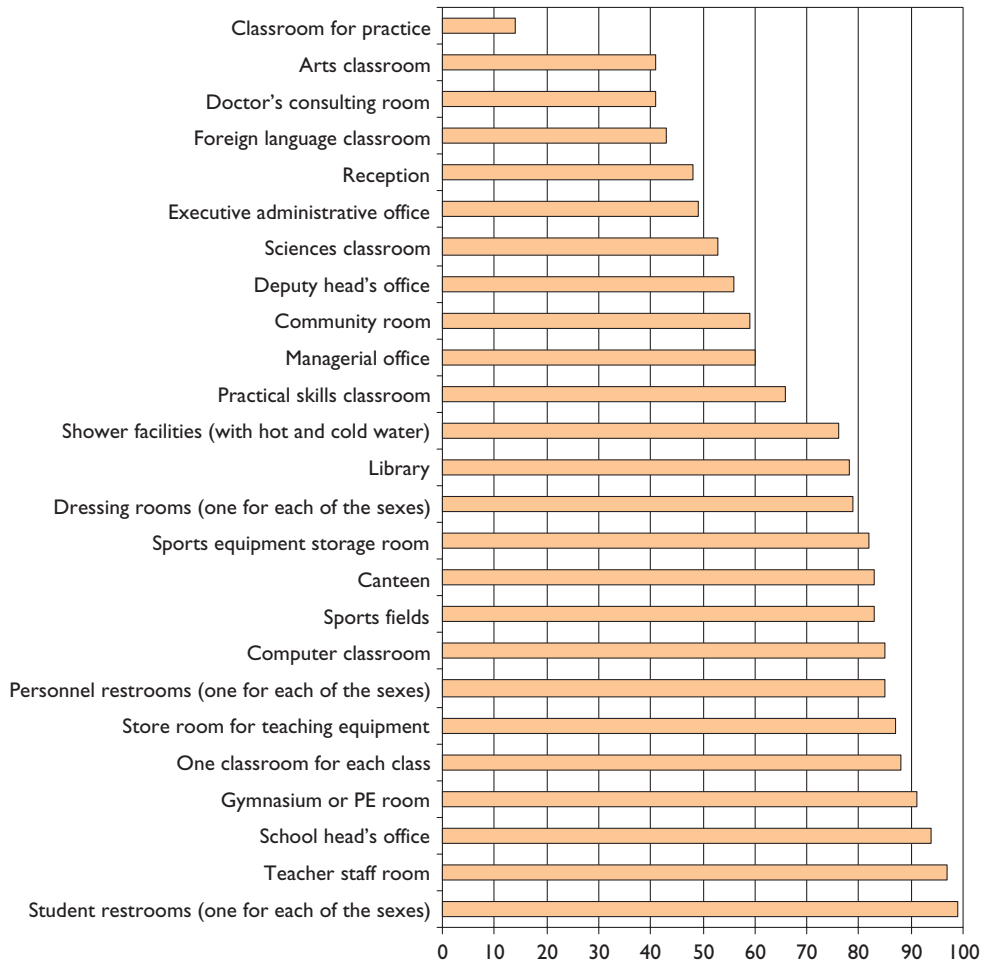
5.5. The infrastructure of education

5.5.1. The physical environment of education

The buildings used for education in Hungary are extremely heterogeneous. As a result of the demographic decline, there were hardly any public educational institutions constructed at the millennium. Most of the buildings require renovation, 40% of these were built before World War II, another 42% between 1946 and 1979. Barely more than half of the nearly 14 thousand buildings used in public education are in a satisfactory technical state. Due to the decreasing amounts of capital expenditure, 9.2% of pre-school and school buildings require urgent renovation, while 40% require modernization in the near future. The most immediate task, apart from the renovation and preservation of school buildings, is the construction of the premises specified in the Ministerial decree on compulsory teaching aids and equipment of educational institutions required by all pre-schools and schools. According to surveys, nearly two thirds of the institutions lack the necessary premises. When the Ministry of Education recognised the impossibility presented by the deadline of 1 September 2003, a certain group of institutions were given an extension until 2008 for major investments.

Based on the results of the PEB programme of the OECD, the Ministry announced a large-scale loan programme for the reconstruction of school buildings and modernization: 'Schools of the 21st century'. Simultaneously, the EU-funded PHARE programme 'Information technology in general schools' was launched with a HUF 6.5 billion budget. The framework of the programme allows for the renovation of approximately one hundred educational buildings.

Figure 5.4.
Availability of compulsory premises determined by Ministerial decree in the opinion of school heads, 2002 (percentage of positive answers)



Source: Horn, 2003

Question asked: "Do you have the following premises in your school?"

5.5.2. Textbooks

In contrast to developed European countries, in which new educational equipment are beginning to play a key role in education and learning through the dissemination of work methods based on student activity, in Hungary, textbooks still perform the leading role in the presentation of educational content. There is an increasing number of teachers and textbook publishers expecting the importance and role of textbooks to change with the widespread use of ICT tools, yet according to the latest studies, only 58% of teachers believe the time students spend searching for information on the web is not wasted. International experience suggests that the importance of textbooks offering a similar pace

for all students will not be diminished by the use of ICT, but rather by student-centred educational approaches replacing curriculum-oriented teaching – a shift of paradigm, which has yet to present itself in the system of Hungarian public education.

The textbook market

Despite significant financial support following the abolishment of the state monopoly on textbook publishing, the market of textbook evolved in the field of educational publications related to all but vocational education. In the field of vocational training the state still assumes full responsibility for the supply of textbooks, similarly to other smaller segments of public education (special needs and minority education). The smaller, private publishers with weak financial positions only began to accumulate capital by satisfying the need for the large volumes of textbooks for general school students. Recently, some publishers are involved in impressive developments, by designing and publishing complete series and groups of textbooks covering school grades (offering supplementary materials such as workbooks, practice books, collection of tests, etc.). Others focus their activity on the currently preferred fields of educational policy or on various ministerial tenders (textbooks for special educational needs, for example). The steadily increasing textbook demand of public education, worth approximately HUF 10 billion, had been distributed for years between 10 to 12 publishers. The market of general school textbooks is practically shared between two market-leading companies, the state-owned National Textbook Publisher, and the private Apáczai Publishing Ltd.

Textbook allowance, accreditation and selection of textbook

As a consequence of the increasing educational expenditure of families, there are recurring debates over textbook prices at the beginning of every school year. According to a public opinion poll conducted at the end of 2002, 63% of families reported a considerable increase in their education-related expenses, 26% sensed a small increase in prices, and only 11% of those questioned considered these burdens to have lessened. Despite such opinions, facts indicate that the textbook-expenditure of the majority of families has considerably decreased in the past five years. The educational administration seeks to reduce the level of textbook expenditure by depreciating prices and by supporting additional forms of textbook allowances.

The Ministry of Education provides for a registry of public education textbooks on a yearly basis, including only those textbooks which do not exceed the prescribed price limit, and which have undergone accreditation procedures for quality assurance. Yet publishers are allowed to freely distribute and recommend to schools textbooks which are not included in the registry, and teachers are also allowed to make use of such teaching aids. Teachers have nearly unlimited rights in the choice of textbooks. The 2003 Amendment to the Public Education Act partly limits this right by requiring teachers to carefully consider the financial background of families making decisions affecting their expenditure, forbidding them to change textbooks in the course of the school year, and allows for school boards to impose restrictions in issues related to the costs of textbooks, school equipment, clothing and other equipment.

The prices of Hungarian textbooks are fairly low in an international comparison, which is partly due to state subsidies. In EU-countries, the average cost of a student's textbook

package is 1.5% of the annual gross average income. Since the average annual income in Hungary is above HUF 1 million, a normal textbook package, taking the same ratio into account, should be approximately HUF 15,000. Publisher prices are far below this level, and if we also consider the amount of textbook allowances, it is clear that Hungarian parents only pay half or one third of this amount on average.

5.6. Programmes and funds for development

The development funds and programmes of the EU and Hungary play a vital role in the renewal of the content of public education, and in the promotion of learning, adaptation, and development activities, as well as in supporting efforts to obtain the equipment required in a modern educational environment.

County public foundations for the development of public education

The 1996 Amendment to the Public Education Act called for the establishment of county public foundations with the aim to support the local, regional, and national level development of public education. Since 2000, the budgetary law has specified the amount of earmarked grants for such support as well as the prescribed expenditure for each target group, expressed in the percentage of available funds. In 2001, the law prescribed 50% of this amount for purchases based on the national school equipment register, 20% for the support of educational counselling services, and 30% for the cost of the development tasks of the public foundations. Although the earmarked allocation of funds limited the financial scope of action for the county public foundations to 30%, both the amount of available funds and the amounts for handling regional problems show a modest annual increase.

The Public Foundation for the Modernization of School Education

All the objectives specified in the foundation charter of the Public Foundation for the Modernization of School Education (KOMA) are related to the promotion of the modernization of educational content in different fields. The KOMA promotes to explore and disseminate modern knowledge and products developed in professional co-operations, the initiation of innovations in accordance with central content regulations, as well as the encouragement of research and innovation concerning the development of public education. Following the publication of the frame curricula, the activity of the KOMA was dominated by developments related to their implementation. Other new activities included active participation in a series of events focused on different fields of education ('European Year of Languages', 'Year of Reading', etc.), and the establishment of tenders in co-operation with other Ministries, such as 'Co-operation of the family and the school' (with the Ministry of Health, Social and Family Affairs), or 'Promotion of sports for the disabled I, II.' (with the Ministry of Children, Youth and Sports), or 'Better health for schoolchildren' (with the Ministry of Health, Social and Family Affairs).

The Soros Foundation

The Soros Foundation had essentially discontinued its involvement in the development of Hungarian public education by the end of the decade. Important exceptions to this were the programmes for the improvement of the educational opportunities of Roma students. The Soros Foundation is currently trying to convince the educational administration to continue with their well-tried models developed and tested in the course of the years and to promote the dissemination of their experiences. The PHARE funds have established favourable conditions for the state to adopt the previously experienced Roma programmes of the Soros Foundation. In 2002, the self-developing school programme¹, incorporating a significant group of Roma self-developing schools², was successfully handed over to the Ministry of Education.

Programmes of the European Union

The Socrates and Leonardo programmes of the European Union play an essential role in the field of professional co-operation and development. Hungary has participated in both of these programmes since 1997. In the framework of the PHARE programme, the EU provided substantial support for Hungarian educational development, primarily to promote the social integration of disadvantaged groups. These programmes play an indispensable role in the preparation for the EU integration in Hungary, in the harmonization of national and European educational and developmental priorities, in connecting local schools to international networks, in the acquisition of competencies required to compete for international funds and to successfully manage the related projects, and in the development of foreign language skills – thus maintaining the competitiveness of Hungarian public education.

¹ The programme, launched in 1996 with the help of the Soros Foundation, involved 151 schools and 513 teachers until 2002. The aim was to make self-development educational practice applied in everyday teaching, and integrated into the objectives of the schools. In the course of the programme, teams of teachers participated in programme development and in-service training activities. The programme also supported the infrastructural development of the schools.

² The Roma self-developing schools programme is based on the principle of inclusive education. Teaching staffs as well as professionals of local minority governments and local social affairs experts were involved in the training programmes.

Chapter 6

The Inner World of Schools

The ethos of schools, their hidden curriculum and their effectiveness are essentially determined by the internal organization of the school, the school climate and the formal and informal relations and communication between teachers and students, as well as by the social expectations projected towards the school by the narrowly and broadly defined social environment.

6.1. Institutional structures and their operation

The operation of educational institutions is determined by five fundamental school level documents, namely: the school foundation charter, the school educational programme, the collective agreement, the organisational and operational statutes and the school rules. The first of these documents is defined by the maintainer of the school, whilst the others – keeping in mind certain obligations to negotiate and agree with their partners – are worded by the school staff.

6.1.1. School management

Hungarian schools are fairly autonomous. In matters determining the inner world of schools, the role of school heads is particularly important concerning the internal relations of the institution. School heads questioned in a survey described their function as one largely concerning human relations, teacher support and managerial activities. At the same time, most of their time is spent on dealing with financial matters, documentation and the daily routine tasks of school management. There is little time left for strategic planning, human resource development, monitoring activities at institutional and individual level, or evaluation. The market of school head training programmes emerged in the mid-1990s as part of educational management and leadership training programmes. Accredited university level training programmes soon appeared, as well as programmes offered by private enterprises. Heads of institutions in public education are required to have a post-graduate professional qualification. According to the 2003 Amendment to the Public Education Act, school heads may be appointed for a second term on condition that they are fully qualified as institutional heads (this qualification

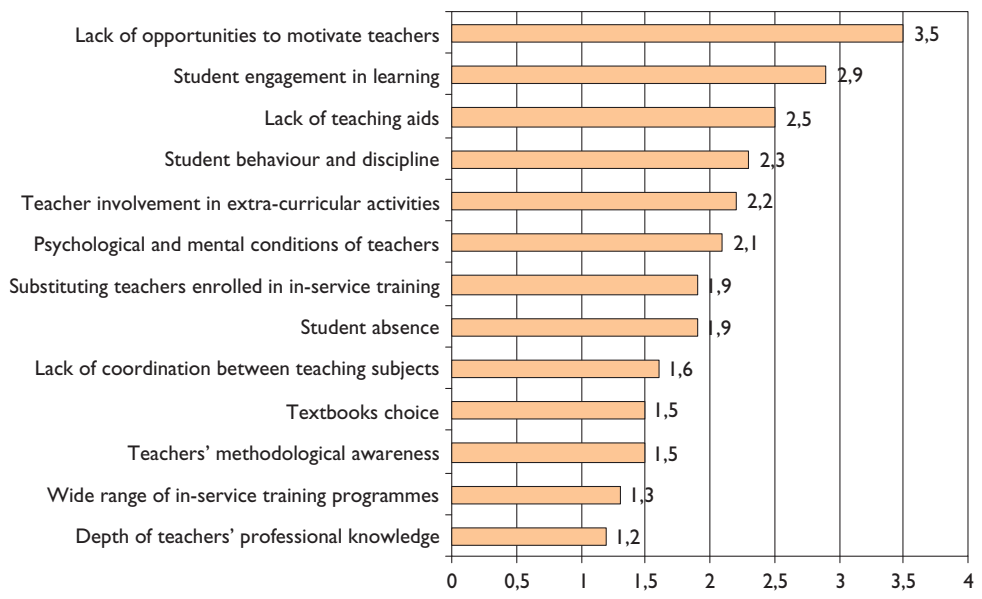
can be obtained by taking a post-graduate professional qualification). As a result, in the field of such training programmes an increasing dominance of higher education is to be expected, since appointment to institutional leader positions explicitly requires a formally acquired higher-level qualification.

6.1.2. Development of organization, organizational learning

Efforts to improve quality and effectiveness of school education in particular the Comenius 2000 programme have had a major impact in the recent years on the internal life of schools. In many institutions that joined the programme, new internal units evolved and a number of teachers directly involved in the implementation of the programme acquired new professional skills. The newly formed internal units are deliberate attempts to erase the traditional division between heads and staff, and to increase the level of professionalism of school leadership. In schools taking part in the Comenius 2000 Programme more favourable conditions evolved, which promotes the development of organizational learning, self-diagnostics, and self-management. Participation also opened up new dimensions for teaching careers within the school. Whether these elements will be integrated into the routine work of schools after the completion of the programmes is yet to be seen. Hungarian and international programmes of in-service training for teachers, institutions providing teacher training, and educational services, associations and professional interest groups all play an important role in school-level development and innova-

Figure 6.1.

Problems in school by opinion of school heads and deputies, 2001/2002 (averages on a scale of five)



Source: Simon, 2002

Question asked: "How problematic are these issues in your school? Please use a scale of five. 0 = not problematic, 1 = minor problem, 5 = major problem".

tion. The success depends on whether the schools themselves accept and initiate such innovation. According to a 2002 survey, head teachers and their deputies consider teaching staff to be open-minded and progressive, rather than rigid and less innovative. However, the lack of teacher motivation is still a major problem, as well as the lack of teaching aids.

6.1.3. Evaluation and Development of Schools

The inspection system in Hungary was abandoned in the mid-1980s. New criteria, procedures and methods for internal and external monitoring and evaluation more applicable to school and local governmental autonomy are now in the centre of attention of educational policy. In the recent years the self-evaluation of schools – as well as the organizational development based on such procedures – was enhanced by school educational programme development, drawing up various project proposals and tenders, making the planning of in-service training programmes for a five-year period compulsory as well as the duty of self-evaluation when school heads resign. The self-evaluation of schools, however, remained largely formal and failed to become an integral part of school development.

6.2. School – internal relations

6.2.1. Mental hygiene in schools

Conditions for mental hygiene in schools are essentially determined by the composition of the teaching staff, the psychological well-being of teachers, and the attitude of students towards learning and their overall relationship with the school. There are even more women among teachers now than a few years ago, and the average age of teachers has further increased. According to a survey conducted in 2000, teachers have become less co-operative, more performance-oriented, whilst the attention they direct towards maintaining their social relations has deteriorated. According to the opinion of school heads, the greatest problems are: lack of motivation for teachers, lack of opportunities for direct success, and the low level of financial reward and prestige.

An indirect sign of the uneasiness of students at school is given by the fact that 38% of 15-year old students interviewed in the PISA survey expressed their unwillingness of going to school. Hungary performed the highest rate in all OECD countries in this respect. Another survey concluded that about one third of students consider school as being difficult, and this proportion has even been growing among higher-grade students. Other surveys have shown that student-teacher communication in schools is limited to the learning issues focused on actual school matters. Schools are perhaps the premises of, but not integrative homes to child and youth culture. The cultural gap between teachers and students hinders not only out-of-class communication, but in-class communication as well, which makes their co-operation inefficient.

6.2.2. Student rights and conflicts within schools

The report of the Commissioner for Educational Rights published on a yearly basis identifies the loss of human dignity as the most frequent case of student right violations. Students are often humiliated, or treated unfairly. Student unions should be important tools of in-school conflict management. Teachers, however, only seek the assistance of student unions in cases that present a problem for them, but do not consider most of the problems students are concerned with as ones that require student-teacher dialogue, so student unions are often not invited to be involved in the resolution of problems at all.

6.2.3. Youth and child protection

According to provisions of the Public Education Act, public education institutions have many obligations which cannot be fulfilled only by the teachers and the schools themselves. Counselling for education in general and for early childhood development as well as speech therapy are provided by local educational counselling services at 129 locations in Hungary. Other services such as conductive pedagogical provisions, remedial exercise lessons or career advisory services are mostly organized and coordinated by county-level educational institutions. Catering for special educational needs is geographically uneven. In small settlements professional child and youth protection services as well as special educational support is generally provided by travelling experts providing assistance in varying environments of different infrastructural conditions.

6.3. Socialization, teaching and learning

6.3.1. Student workload in school and out-of-school activities

The in-school and out-of-school workload of students and its relation to student performance has become an increasingly important public issue, which is highlighted by the conclusions of the PISA survey. Of all the countries surveyed, the 15-year old students of Hungary spent the second longest period of time on completing their homework, and were second to Greek students in this respect. Almost every second Hungarian student requires one-to-one fee-paying private tutoring, on a regular or occasional basis. This rate is double the amount of the OECD average, while the average level of student performance is far below the OECD average.

In a representative survey conducted by OKI in 2002 2,700 students and their parents were interviewed on the workload of students. According to the findings, three quarters of pupils in the fourth grade of primary school (10-year olds) take out-of-school, private tutoring, and 23% of these pupils require such lessons in as many as three different subjects. 77% of 10th-graders in general secondary school (16-year olds) and 53% in vocational secondary school participate in out-of-school lessons. While one out of five students in general secondary schools participate in out-of-school lessons in as many as three subjects, this rate is only 6% among students in vocational secondary schools. On the other hand, the workload of students in vocational training schools seems to be too

low – neither their school nor their families are capable of providing a sufficient amount of useful activities for them. On average, general school students (7-14 years of age) are bound to work 8 hours a day in a fixed way¹, whilst in the case of secondary school students (15-18 years of age) this amount may increase to 10 hours a day. 83% of 10th-graders (16-year olds) in general secondary schools, and 68% of those in secondary vocational schools, have more than 45 working hours per week.

The highly selective Hungarian school system relies heavily on students' out-of-school learning in fulfilling educational requirements. Students with highly qualified parents study extremely hard in elite schools, with a highly questionable effectiveness in the light of the PISA findings.

Table 6.1.

Distribution of out-of-school activities by content, school grades and educational programme, 2002 (percentage of mentioned categories)

	Grade	Shadow education		Sports	Extracurricular classes for personal mastery complementing in-school education		Proportion of students taking out-of-school lessons
		A	B		R.E.	Fine arts/Music	
General school	4th	15	29	30	13	27	75
	6th	27	21	34	13	22	74
	8th	29	43 (preparatory course for entrance exam: 25)	35	6	18	74
General secondary school	8th	35	26	40	4	22	79
	10th	35	31	33	1	17	77
	12th	47	63 (preparatory course for entrance exam: 39)	21	2	15	83
Secondary Vocational school	10th	21	28	19	1	8	53
	12th	31	51 (preparatory course for entrance exam: 25)	20	2	10	70
Vocational training school	10th	8	10	18	1	3	34

Source: Student Workload Survey, OKI FKK – Medián, 2002

A: Out-of-school lessons improving labour market competitiveness (related to foreign languages, computer science, driving)

B: Out-of-school lessons with remedial or specialization purposes (remedial lessons, specialization, preparatory courses, private tutoring)

Getting access to next level of education and progression to next grade in the school system is highly influenced by the opportunities for students to develop their skills and knowledge in out-of-school learning activities. In some social strata, out-of-school learn-

¹ Fixed way of working time includes the time that students spend with travel to school, presence in class, preparation for lessons and extracurricular activities as well as private tutoring.

ing is so intensive that the formation of a system of shadow education is being generated. There are sharp inequalities between families in out-of-school learning activities of their children with respect to their income, cultural capital and location. For the children of disadvantaged families practically the only chance for learning foreign languages or mastering computer skills is exclusively at school. 75% of children from multiply disadvantaged families are involved in no out-of-school learning activities at all, and if so, they benefit from the free-of-charge afternoon study circles offered by the schools themselves.

Table 6.2.

Percentage of children learning foreign languages, computer skills and attending out-of-school lessons by households, 2001

Foreign language learning	Of children in the household		Those who learn a foreign language do so ...			Total
	None	One or more	... at school	... at school as a specialisation subject	... with a private tutor	
Multiply disadvantaged*	29.6	70.4	96.5	2.7	0.8	100.0
Disadvantaged	20.9	79.1	91.6	6.4	2.0	100.0
Middle-class	12.2	87.8	82.1	10.6	7.3	100.0
Privileged	11.0	89.0	71.2	17.5	11.4	100.0
Total	13.9	86.1	83.2	10.2	6.7	100.0

Use of computer	Of children in the household		Those who use a computer do so ...			Total
	None	One or more	... at school only	... at home as well	... elsewhere	
Multiply disadvantaged	59.2	40.8	91.6	8.4	0.0	100.0
Disadvantaged	40.6	59.4	81.9	17.2	0.8	100.0
Middle-class	21.8	78.2	49.7	49.8	0.5	100.0
Privileged	8.6	91.4	12.4	87.6	0.0	100.0
Total	24.9	75.1	51.9	47.6	0.5	100.0

Out-of-school lessons	Of children in the household		Those who take out-of-school lessons do so ...				Total
	None	One or more	... with no tuition fee	... with a tuition fee	... as a favour by a friend	Other	
Multiply disadvantaged	75.9	24.1	77.4	12.9	0.0	9.7	100
Disadvantaged	61.9	37.9	76.7	20.9	0.7	1.7	100
Middle-class	43.0	56.9	58.2	38.9	0.6	2.3	100
Privileged	27.6	72.4	37.9	59.9	0.6	1.5	100
Total	46.1	53.9	59.1	38.1	0.6	2.2	100

Source: Family in transition 2001, KSH, 2002

* Disadvantaged families have three or more children, none of the family members have completed their secondary education, none of the family members are employed, the family considers themselves poor and their home is classified as 'impoverished' by the surveyor. Families are classified as multiply disadvantaged if three of the above criteria are simultaneously present.

6.3.2. Making use of leisure time

Findings of the way of life/time-scale surveys of the KSH also prove that the workload of students has increased, at the expense of other useful activities, excluding the time spent on watching television. The time dedicated to reading by students of apprenticeship training has decreased the most. An additional survey shows that young people do not favour television programmes over other leisure activities, however many do their homework in front of the television. 81% of 14-year-olds watch TV for 121 minutes a day on average, with a further 15 minutes spent at the weekends – on the other hand; only 61% of 17-year-olds watch TV on a daily basis.

Organizational activity of young people

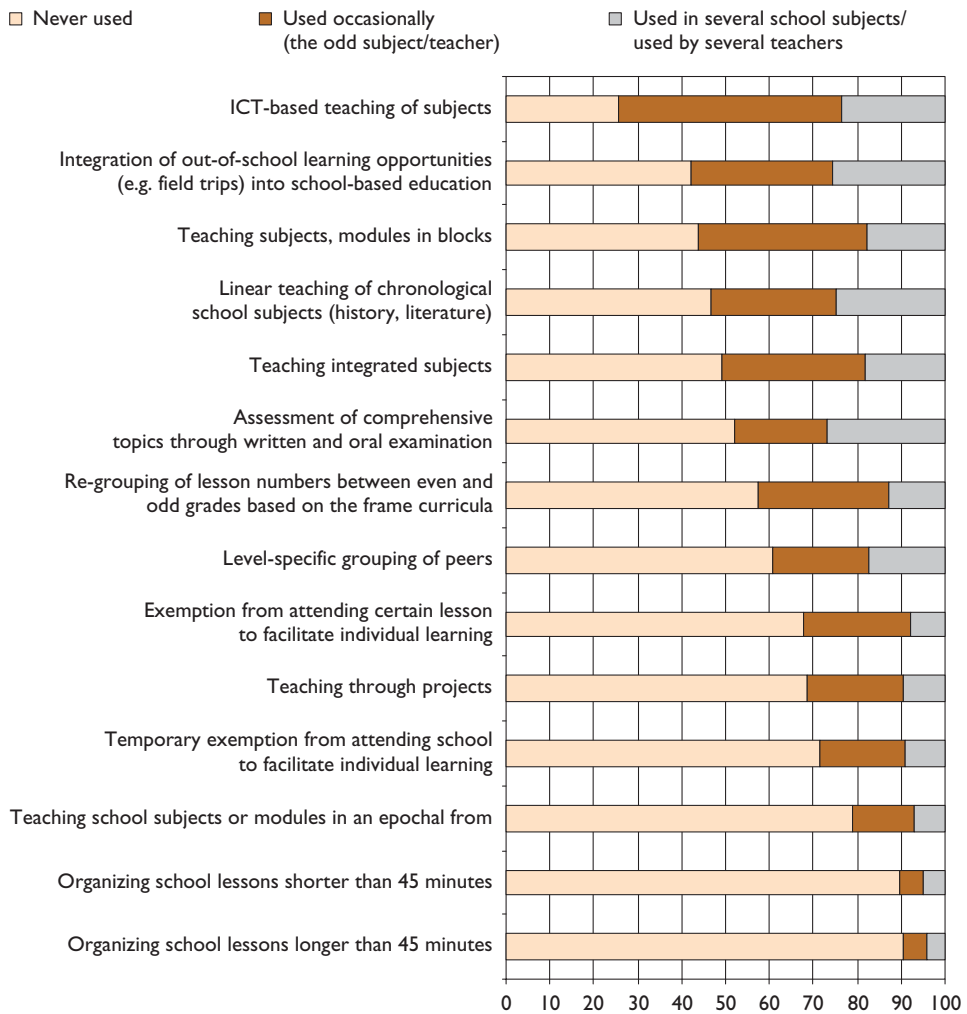
81.8% of the 585 registered youth organizations offer sport activities, 46.2% are dedicated to cultural programmes, and 28.8% offer professional programmes and approximately a quarter of all organizations represent some sort of professional interest. In 1999, these organizations had a total of 27,964 members; with 36.8% of these were below the age of 14, and 20.1% were aged 14–18. Membership is tied to a school-based student sports club in one third of the cases.

6.3.3. Organizing teaching and learning

Most educational institutions make use of their freedom. Students are streamed into classes with advanced programmes or remedial classes based on their performance or interest in a given subject. This leads to the assumption that teaching/learning is more efficient in homogeneous groups. As a result, especially in the case of disadvantaged students, isolation feature becomes stronger rather than being provided with additional help. Differentiation in teaching and learning usually provides separate treatment for gifted students and to disadvantaged students and those who lag behind. This is achieved by grouping the students into separate classes and by providing extra lessons, remedial courses, study circles and courses preparing them for entrance exams and school contests.

According to the needs and requirements of a knowledge-based society, the development of skills and competencies must play a key role in education. Recent findings of Hungarian and international surveys show that Hungarian schools are not thoroughly effective in this regard. There are multiple reasons for this, but from the point of view of the organization of teaching/learning, the most important causes are perhaps: lack of custom-tailored education, lack of learning strategies, co-operative methods and ICT skills training. More and more schools make use of up-to-date educational methodology, nevertheless, new methods such as project work, epochal teaching or individual ways of learning are scarcely used in Hungarian schools.

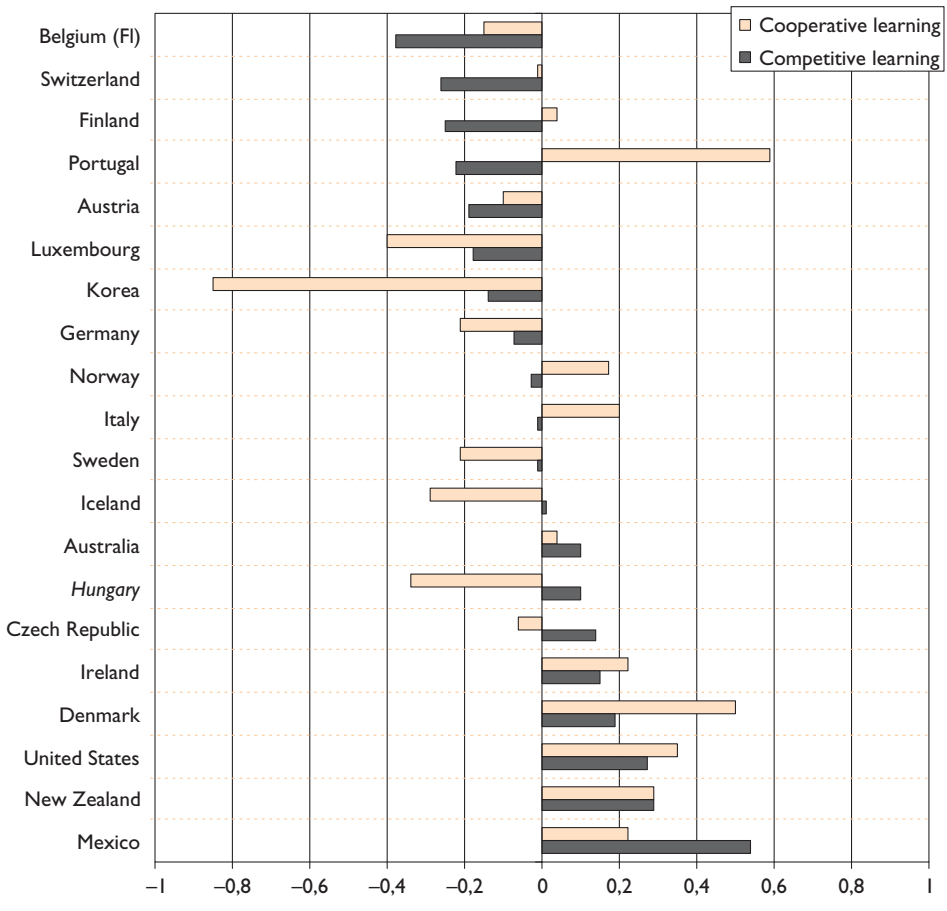
Figure 6.2.
School policy of organizing teaching and learning, 2002 (%)



Source: Simon, 2002

The findings of the PISA survey show that two thirds of the 15-year old Hungarian students use a memorization-based strategy in studying. The elaboration and linking of various items and their application in different contexts are strategies seldom used by students. Co-operative learning strategies are similarly used to a lesser extent. The reason perhaps may be found in the traditions of the prevalent classroom management, which displays a dominance of frontal teaching. This leads to a competitive, performance-oriented environment – in addition to the process of individualization also perceptible at societal level – in which the youth display less solidarity towards each other and less cohesion is shown amongst schoolmates, according to the findings of empirical research.

Figure 6.3.
Competitive and co-operative learning index in OECD countries, 2000 (OECD-average=0)



Source: Knowledge and Skills for Life, 2001

Note: Positive figures refer to values above OECD average, negative figures to those below.

Alternative educational views and methods

In the second half of the 1980s the unique innovations leading to the dissemination of alternative educational approaches attempting to redefine learning included the work initiated by such pioneers as Tamás Varga, Klára Kokas, Márta Winkler, László Gáspár, and József Zsolnai. In the past decade the number of alternative or independent institutions has grown considerably. The majority of private and foundation schools claim to be alternative, since their values, educational objectives and methods are *unconventional*, or considerably different from those of traditional schools. Independent schools were founded by innovative, open-minded and flexible teachers. The educational practices of alternative schools are rather diverse, but their values underlying their practice and school concepts as such have fairly similar elements, such as a child-centred approach, or an emphasis on personality development and skills development noticeable in the educa-

tional objectives, in the organization of teaching and learning or in the day-to-day operation of the school. Some of the methods introduced by alternative schools have been adapted by schools maintained by local authorities, however, many factors hinder the dissemination of their child-oriented philosophy and practice, since project methods and initiatives aimed at flexible timing, as well as the introduction of new content require a radically unconventional practice of organizing a school.

6.4. Schools and their social environment

6.4.1. Schools and parents

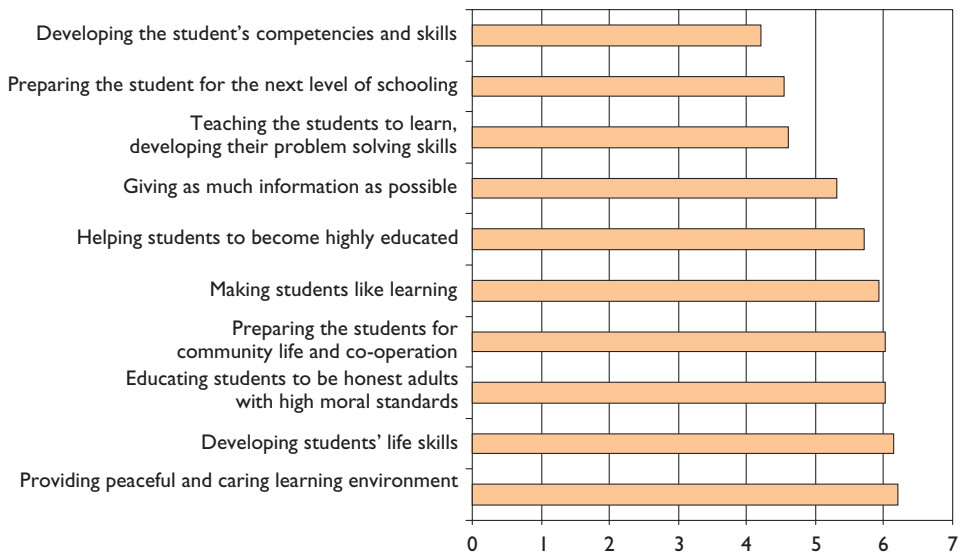
The rights and duties of parents are detailed in the Public Education Act. The most important forum for the reconciliation of interests is the school board. Another, several decade-old forum is the school level Parent Association, which – unlike the school board – may be found in all schools. Schools make good use of the Parent-Teacher Association when organizing the out-of-school activities of students. Hungary has a surprisingly high number of parent associations unaffiliated with schools. Most of them belong to the organization of The National Association of Hungarian Parents (MSZOE), which is a gathering of parent associations and a coordinating body of local member organizations.

In the course of the modifications made to their educational programmes due to the changes in the national curriculum, most educational institutions made efforts to receive parental feedback on school issues. Surveys on parental satisfaction are becoming more and more frequent. According to the findings of the surveys, schools primarily meet the requirements of the school maintainer, but generally speaking, parents are also satisfied with their children's school.

In a national survey conducted in 2000, approximately one third of the parents thought they had a great influence on the school or pre-school education of their child. The majority, however, thought they have little or no influence on their children's in-school socialization, since they are not invited to get involved in this process. On the other hand, there are also *negative* instances of parental interest groups and grass-root initiatives. Such an event in the examined period included a highly publicised incident when the well-to-do parents of a village tried to ensure a quality education for their children by separating them from disadvantaged children by establishing a foundational school of their own, thereby increasing segregation and putting weak interest groups in a far less favourable position.

Parents generally expect schools to make their children be fit for the competition on the labour market, to develop their competencies and prepare them for the next level of schooling. Compared to these needs, the mental hygiene or the development of life skills of children are of secondary importance.

Figure 6.4.
Parents' expectations of school, 2002 (average ranking)



Source: Student Workload Survey, OKI FKK – Medián, 2002

6.4.2. Schools and other partners

Strengthening the relationship between schools and local communities is noticeable all across Europe. Schools are more attached to local social and educational networks, and members of the local community are getting more involved in the life of the educational institutions. One of the most important school partners is the school maintainer. Almost half of all schools reported no change in their relations with members of their local community in the past five years. One third of the schools reported the intensification of their relations with local entrepreneurs, 22% experienced the same in relation to churches and 16% in relation to local politicians. Only few educational institutions have international partners – yet it is promising that 21% reported the intensification of their international relations. The overall aim of these relations built up through various joint projects is to gain experience and co-operate in development work. International projects play an important role in improving partnership relations.

6.4.3. Relations among schools: competition and co-operation

Due to the feature of the financing system of education and the decreasing number of school-age children, the importance of competition amongst schools has increased. This explains why many schools have been trying to form their own image, or profile, which may easily be distinguished from other schools. The positive effects of this rivalry include the increase in quality and innovation and the encouragement of innovations, while among the negative outcomes we may observe the increasing selectivity of the Hungarian school system. Such competition has not benefited co-operation between schools.

National educational policy initiatives have tried to provide for the conditions necessary for the strategic co-operation among schools with various legal and financial means – such as the encouragement of co-operation between local authorities in the so-called ‘small regions’ as well as the enhancement of regional planning and with various tenders tied to these initiatives. As a result, there is an increasing number of initiatives aimed at providing professional administrative and educational services in public education in small regions. However, according to various findings, most examples of such co-operation were motivated by short-term practical considerations such as the receipt of state subsidies or the solution of various timely matters.

An exemplary initiative of co-operation building on French experiences is the establishment of the three experimental educational regions brought about by the support of the Phare programme, aiming at improving the quality and efficiency of local administration and educational institutions. The network of co-operation generated by the programme may serve as an efficient framework for innovation as well as a new form of educational administration.

Chapter 7

Teachers

7.1. Number and employment of teachers

7.1.1. Number of teachers

Unlike most developed countries of the world, Hungary does not experience a shortage of teachers today, nor will it have to face a situation in the near future where the demand for teachers is higher than the available supply. A number of measures introduced recently indirectly prevent shortage of teachers, such as increasing the retirement age, increasing salaries, reducing the number of teaching-hours. At the same time, however, there are indications of a teachers' shortage in certain underdeveloped regions of the country as well as in certain school subjects like computer science, foreign languages and music. In comparison with other countries, teachers represent a significant proportion of the total workforce in Hungary. In 1999, the total of school teachers in public education amounted to 3.6% of the total number of employees. Part-time employment of teachers is far below the level found in OECD countries.

Table 7.1.

Percentage of teachers of the total labour force in OECD-countries, 1999 based on headcounts

Country	Employment of general and secondary school teachers in percentage of the total labour force	Part-time teachers at all levels of education
Australia	2.3	N/A
Austria	2.6	23.9
Canada	1.7	23.3
Czech Republic	2.1	N/A
Denmark	2.8	22.9
Finland	2.4	6.0
Germany	1.9	42.5
Greece	N/A	19.2
Hungary	3.6	11.0
Ireland	2.8	17.2
Japan	1.5	25.0
Korea	1.4	17.4
Netherlands	2.8	N/A

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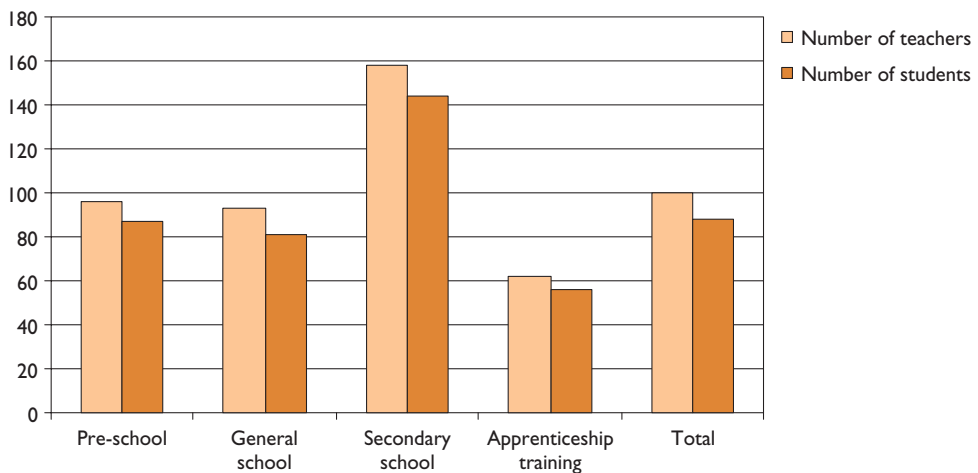
Country	Employment of general and secondary school teachers in percentage of the total labour force	Part-time teachers at all levels of education
Norway	3.7	30.8
Spain	2.7	13.7
Sweden	2.8	23.3
Switzerland	2.3	54.1
United Kingdom	2.4	26.8
United States	2.2	17.1
OECD average	2.6	22.8

Source: Education at a Glance, 2001

Due to low birth rates, the school-age population per teacher has been decreasing since the mid-1990s. While the number of teachers basically remained the same between 1990 and 2001, the number of students dropped by more than 10%. As a result of the structural changes in the school system, the number of teachers has changed also in various programmes.

Figure 7.1.

Changes in the number of teachers and students by programme type 1990/1991-2001/2002
(1990/1991=100%)



Source: Calculations by Erika Garami based on Education in Hungary 2000 and the statistical databases of OM

In relation to international standards, Hungary's student per teacher ratio is relatively low. As far as primary and lower secondary (ISCED 1,2.) education is concerned, Hungary is at the second lowest rank, followed only by Denmark. In 2000, the number of students per teacher was 10.9, with an OECD average of 17.7. Hungary's student per teacher ratio of 11.4 in secondary education (ISCED 3) is somewhat closer to the OECD average of 13.9. On the other hand, Hungary has an average position as far as the typical size of classes is concerned. In the first four grades of single structure school education, teachers on the average have 21 students per class, which approximates the OECD

average of 21.9 students/class. However, there are certainly great deviations from the average, partly due to various groupings in certain school subjects and partly due to the size of schools in smaller settlements.

7.1.2. Employment of teachers

In the field of education, there are signs of over-employment, as well as a shortage of qualified teachers in certain subjects. This is a recurring phenomenon as the relative proportion of old and new cultural domains and school subjects in the curriculum are in a state of continuous change. According to a school-level survey in the academic year of 2001/2002, the majority of general schools had failed to create new teaching positions in the previous five years. As a result of expansion in the field of upper secondary education, the majority of secondary schools created new teaching positions, but at the same time, nearly one fifth of school heads – in primary, lower and upper secondary education – reported a loss of teaching positions. Still, there was a total of 5,376 unfilled positions in 2001. However, the number of vacant positions does not denote a shortage of teachers because in 2002 the national unemployment rate amongst teachers was 2%, with 3,658 teachers registered as unemployed. Lack of flexible employment and relatively low wages may be the cause of this phenomenon. There are instances when maintainers would not advertise vacant positions; rather the already employed teachers are paid for the extra teaching hours.

Job rotation is low amongst teachers, with relatively few new graduates starting a teaching career. In 2001, more than 4% of all teachers were employed after retirement and career-starters represented less than 2% of all teachers. According to a survey on new graduates entering the labour market, those in possession of primary school and secondary school teacher diploma are less likely to be unemployed than those with other degrees. Of all qualified teachers, university graduates have worse chances to find their first job than college graduates; on the other hand, a university degree is more likely to guarantee a permanent job or a long-term contract.

In 2001, 3% of all full-time teachers and 6.8% of subject-teachers were unqualified. The proportion of unqualified teachers was 3-4% among teachers of History, Mathematics

Table 7.2.

Number of teachers and the relative proportion of teachers without full qualification, by type of settlement, 2001/2002

Type of settlement	Number of teachers		Teachers with no appropriate qualifications	
	N	%	N	%
Capital	31,565	16.0	721	2.3
County town	50,747	25.8	1282	5.7
Town	61,015	31.0	3624	5.9
Village	11,793	6.0	1271	10.8
Small village	41,712	21.2	6646	15.9
Total	196,832	100.0	13544	6.8

Source: Calculations by Erika Garami, based on the statistical databases of OM

Note: accumulation may be observed in the total number of teachers as well as in the number of teachers with no appropriate qualification, as one teacher may teach one or more subjects, with or without qualification

and Hungarian Language and Literature, and 6% among teachers of Science. In foreign language teaching the proportion of unqualified teachers was 9-10% among teachers of the two most popular languages, German and English. The proportion of unqualified staff is the greatest in subjects like Music – nearly 13% and Arts and Crafts – 14.5%. The proportion of unqualified teachers is considerably higher in small settlements.

Working time of teachers

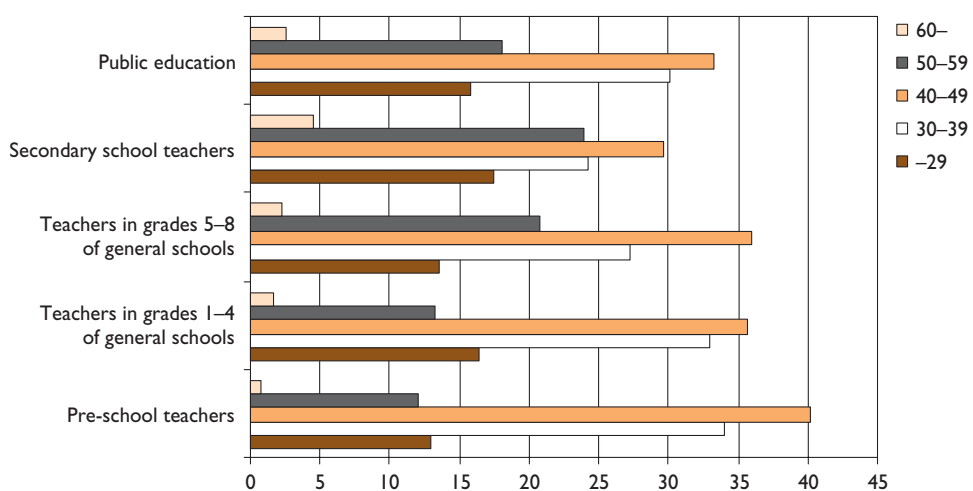
The Public Employee Act determines the number of working hours of full-time teachers. The working hours of teachers include both teaching hours and the time teachers spend on non-teaching activities such as preparing for lessons, marking tests, etc. either inside or outside educational institutions. In comparison with other OECD countries, teachers in Hungary have relatively few teaching hours. In 2000, teachers in lower and upper secondary education were required by law to teach an average of 555 teaching hours annually (converted into 60-minute classes). This figure does not include substitutions or optional afternoon sessions generally expected from teachers, which partly explains the difference between the Hungarian and OECD findings.

7.2. Composition and stratification of the profession

The average age of teachers and the proportion of women among teachers have both increased in the past decade. The average level of qualification, on the other hand, has decreased, as among young teachers the proportion of those having only a college degree has increased. The relative proportion of teachers under 30 years of age dropped from 17% to 12% between 1992 and 2000, while the proportion of teachers over 40 showed an increase. The age distribution of teachers is more favourable in non-local governmental

Figure 7.2.

Age distribution of teachers on various levels of education in 2001 (%)



Source: Calculations by Erika Garami, based on the the statistical databases of OM

schools than in schools maintained by local governments. There is a higher proportion of teachers under 40 years of age in denominational and foundation schools. According to statistics calculated in 2001, on the basis of all educational institutions, nearly 16% of publicly employed teachers were under 30 years of age, 30% were in their 30s, 33% aged 40-49, 18% between 50 and 60 and 2.6% were over sixty years of age (after retirement age). Secondary educational institutions showed the most balanced distribution in age cohorts, while primary school teachers showed the most favourable distribution, with nearly half of the primary school teachers less than 40 years of age. In comparison with the actively employed population, it is noteworthy that almost twice as many teachers work over 60 years of age (2.6%) as employees of other professions, which hinders the rejuvenation of the teaching profession. This percentage, however, shows no deviation from other white-collar professions, where the distribution of those over 40 years of age is quite similar.

The age distribution of teachers in Hungary is more favourable than that of many Western European countries, but the gender composition is less advantageous. In Hungary, the relative proportion of women is higher than the OECD average (1999) at all educational levels. The most significant difference can be seen in lower secondary education, where the proportion of women is 85.5% in Hungary and 62.7% in OECD member states. In upper secondary education this proportion is 58.8% in Hungary and 48.9% in OECD-countries. In 1992, 75% of teachers were female at schools maintained by state or local governments; in 2000 this ratio was 82%. In general school education the ratio of women increased from 85.4% to 88%, in secondary education from 46.9% to 61.1%.

The expansion of employment in public education resulted in increasing the number of non-teaching positions most significantly. In the early 1990s, more than 67% of employees at schools maintained by state or local governments were in teaching positions, a proportion that fell to 59% by 2001. The number of leadership positions increased the most, almost fourfold, while the non-teaching service staff (kitchen staff, maintenance workers, drivers etc.) doubled in amount. Those directly assisting education (nannies, child and youth protection officers, special needs assistants, recreational organizers, teaching assistants, swimming instructors, etc.) amounted to 3.5% of all employees. Similarly to Western-European countries, the proportion of the support staff is expected to increase in Hungary. The 1999 Amendment to the Public Education Act requires the full-time employment of an organizer of recreational activities in schools with more than 300 students, as well as the employment of child and youth protection officers in general school dormitories. However, the need for these positions had emerged before a fully qualified workforce was readily available, therefore, schools were not required to fill the position of recreational organizers until 1 September 2003.

7.3. Employment conditions and wages

Due to low salaries in the field of education, teachers were losing prestige. In international comparison, in 2002 the salaries of Hungarian teachers were far below the OECD average. Hungary had the second lowest annual salary for teachers, followed only by the Czech Republic, in proportion of the per capita GDP. Calculating salary on purchasing power parity, Hungary had the lowest salary-level of all teachers. In 2000, first job-holder lower secondary school teachers had an annual income of USD 6,086, which is roughly

one third of the OECD average. Teachers in the same position in the Czech Republic earned USD 7,043. The fact that the teachers of the Czech Republic earned more based on purchasing power parity than their colleagues in Hungary while at the same time this order is reversed in the salaries of teachers in proportion to the per capita GDP shows, on one hand that Hungary – considering its economic strength – spends more on teachers' salaries than the Czech Republic, while on the other that the low student per teacher ratio and relatively low workload of teachers in Hungary indicate cost-effectiveness problems.

7.3.1. Income trends

The growth rate of real income in public education differed from that of the national economy. Before 1995, real income in the whole of the national economy decreased by a lesser degree than in public education. Due to various changes in waging in 1997 and 1999, the growth of real income in public education was greater than the national average, yet by the end of the period under review, the relative position of salaries in public education deteriorated. In 1992, the average gross income of those employed in public education was 8% lower than the national economy average, whilst in 2001 this percentage was 21% lower than this rate. When wages on the national level are compared to those in public education, broken down by the level of education attained, it is clearly shown by the data that employees working in public education earned less than the national average. The greatest difference was noticeable among those with university degrees. The pay rise of public employees at the end of 2002 is likely to compensate these differences to some extent.

Table 7.3.

Average income of those employed in public education in percentage of the national average according to the level of education attained, 1992–2000

	1992		1997		1999		2000	
	Gross average income (HUF)	In percentage of national average	Gross average income (HUF)	In percentage of national average	Gross average income (HUF)	In percentage of national average	Gross average income (HUF)	In percentage of national average
8 grades of general school or less	12,089	74.2	28,009	73.4	36,210	75.7	39,609	87.1
Apprenticeship training school or vocational training school	16,074	85.1	32,094	69.3	40,793	68.6	45,023	80.4
Vocational secondary school	–	–	40,656	70.4	48,518	64.8	52,912	75.0
General secondary school	17,756*	73.2*	41,398	72.6	46,150	61.3	51,135	70.7
College	–	–	57,856	73.0	78,623	74.8	83,603	87.6
University	24,951**	68.4**	71,505	56.5	100,449	58.9	109,291	71.6
Total in public education	21,033	95.4	48,876	84.2	67,218	87.0	72,768	86.1

Source: Varga, 2002

* Secondary level qualification (general secondary school and vocational secondary school) in total.

** Tertiary qualification (college and university) in total.

7.3.2. Teachers' salaries

The average first job-holder with a university degree earns twice as much as teachers with university degrees in their first job. After approximately 10 years of employment (around the age of 35) this difference is approximately threefold. Due to the regulations governing the income of civil servants, this margin is slowly diminishing with the increase in the duration of employment. Women with a college degree employed as teachers with over ten years of experience suffer the smallest loss, if the benefits of teaching positions such as job security, longer summer holidays and benefits for public employees are taken into consideration.

Between 1992 and 2001 the respective salaries of secondary teachers and teachers working in general school converged. The difference dropped from 27% to 10%. At the same time, wage differences increased between pre-school teachers and non-qualified teachers and primary school teachers and lower secondary school teachers employed in general school (this difference increased from 5.5% to 16%, and from 0.4% to 18%, respectively). In this period, differences in salaries remained the same amongst teachers according to the size of the settlement maintaining the school. Teachers employed in the capital earned approximately 7% more than teachers in county seat towns, and 15% more than teachers in villages.

In addition to their basic salary, teachers receive various bonuses and additional payments. The basic salaries of teachers amount to three quarters of their total income. The amount of bonuses increases in proportion with the terms of employment and higher qualifications.

In recent years, educational policy-makers in Hungary took major steps to increase teacher salaries. In 2002, there was a 50% pay rise of public employees, aimed at improving the rewarding of teachers. There are only forecasts and estimates available on how this increase of basic salaries affected the total income of teachers. According to these estimates, women possessing a college degree employed in public education will experience the greatest advantages. After 9-10 years of employment their income will exceed even the income of their similarly qualified peers employed in other fields. Men possessing university degrees will only be able to earn twice as much – as opposed to three times as much – in fields other than public education. Yet still the youngest group of women with university degrees and men with college degrees suffer the greatest loss by working in public education instead of seeking employment elsewhere, although this difference is less than before. This simulation thus shows that women with college degrees and over 10 years of experience gain the most from this rise in salaries, whilst women with university degrees and 15-20 years of experience suffer the smallest loss. Considering the relative waging position, a teaching career has failed to become an attractive alternative for young men and women, especially for those with university degrees. All in all, the pay rise of teachers in September 2002 is unlikely to halt the unfavourable trends among teachers by gender, age group and qualification.

7.4. Public opinion on teachers

In 2002, 31% of the Hungarian population thought teachers would determine and 48% thought teachers would greatly influence Hungary's future in the decades to come. At the same time, outstanding student performance was primarily attributed to the abilities of students and their families, whilst outstanding teachers were only listed as the third source of such achievements. Recently, more people consider a teaching career to be an attractive alternative, and fewer consider it to be unattractive for young people. The pay rise of public employees in 2002 must be one of the reasons why teaching careers became generally more attractive. A further indication is that fewer people think the rewarding of teachers is lower than it need be. In 2002, over 40% of the adult population thought teachers earned what they deserved. Those with higher qualifications tend to believe that teachers are underpaid and that educational standards are falling.

7.5. Teacher training and continuous development of teachers

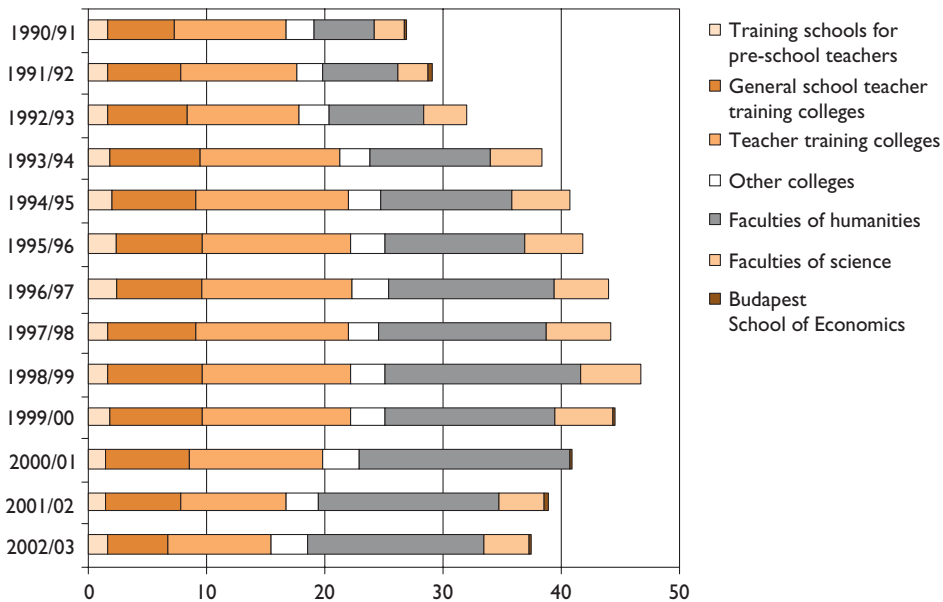
7.5.1. Changes in initial teacher training

Number of students in initial teacher training

The interest in teacher training is an indirect sign of the prestige of the teaching profession. The expansion of higher education in the early nineties affected teacher training to a similar extent. The increase halted in the late nineties and since then the number of teacher trainees has continuously decreased. In 1990/1991, 35% of all higher education students were teacher trainees; in 2002/2003 less than one fifth (19%) of the total number of students participated in such programmes. The ratio of teacher trainees is still exceedingly high in international comparison. In 2000, 18.2% of all higher education students were teacher trainees in OECD countries, with a higher ratio of 24.4% in Hungary. The internal proportions of teacher training by different branches in Hungary reveal a decrease in the 'less convertible' fields of the profession (pre-school teacher training, primary school teacher training), while university-level teacher training continuously increased. Today one half of all teacher trainees are university students, of which 40% continue their studies at a faculty of humanities intending to receive a degree with teacher's qualification.

Figure 7.3.

Teacher trainees by type of training, 1990/1991–2002/2003 (thousand students)



Source: Calculations by Emőke Máriás-Csécsi based on Education in Hungary 2000 and the databases of OM

Institutional changes

The most important change affecting higher education, and teacher training itself, was the merging of higher education institutions in the late 1990s. In the academic year of 2002/2003, 33 of the 65 Hungarian higher education institutions were involved in teacher training – with a total of 68 faculties and 444 graduate programmes. This heterogeneous structure and diverse content was unified and regulated by a government decree. There are separate decrees regulating the requirements of teachers' professional training according to programme type (liberal arts, science, fine arts, physical education), the training requirements of vocational subject teachers (agriculture, health, economics and technology) and teachers of children with special needs, as well as primary school teachers and pre-school teachers. The structure of training programmes for vocational subject teachers differs from that of traditional teacher training (concurrent model). Education takes place in four major fields, i.e. agriculture, health, economics and technology and professional training is mostly based on a consecutive model.

Training programmes, institutions and qualification requirements are all of a highly diverse nature. Teacher training involves the contribution of many independent units with different functions, i.e. different branches, methodology units, practice schools. However, the conditions necessary for financing this co-operation are not provided. Actors involved in training programmes receive various per student capita grants, which differ from one institution to the next. There is no assigned responsible body for co-ordinating the whole process and making decisions including the details of teacher training. We may find various institutional solutions in organizing teacher training, for

example, in the form of teacher training centres associated with several faculties, teacher training integrated into a faculty, independent teacher-training faculties, etc.

The organization of institutions involved in teacher training does not allow for a common strategy. The Rectors' Conference and the Director Generals' Conference (representing universities and colleges, respectively) are structured according to the faculties, therefore an overall responsibility for teacher training may not manifest itself, only incidentally.

Changes in content

The standardization of Hungarian teacher training has been ongoing since the mid-1990s. The unified qualification requirements of teacher training have greatly strengthened the professional character of the teaching profession. The requirements for a practice-oriented approach are, however, often missing. Although the regulations of such an approach are clear, the weak ties, and the lack of co-ordination between public and higher education hinder the implementation. The flow of the workforce is practically unidirectional, from higher education to public education. It is only in exceptional cases that a university career allows for one to return to higher education after gaining a few years of experience in public education. Teachers employed in public education cannot be enlisted in higher education without the risk of losing their jobs. In certain areas of professional training future teachers are only taught by lecturers who began their career as researchers without having teaching experience in schools. This presents an educational paradox – although these lecturers may be highly qualified experts in their respective fields of research, from the point of view of the teaching profession, they are considered to be unqualified. Profession and pedagogy do not represent an integral unity in academic thinking. New training content appears mainly in the form of in-service training programmes, which appear as market-oriented services, responding to the changing needs of public education and teachers in schools.

7.5.2. Transition to the teaching profession

Recently, there has been an increasing interest to introduce an induction phase facilitating the transition to the profession of career starters. Educational policymakers in the government of 1998–2002 unveiled their 'Teachers' career model' in 2001, which envisioned the induction of beginning teachers to be conducted by so-called 'mentor teachers' in the actual educational institutions. Additionally, the status of the mentor was designed to be a way of raising the prestige of outstanding teachers. The career-life model was removed from the agenda by the new government and a new concept redesigning the practical training of teachers through integrating the career start into initial teacher training has been developed.

7.5.3. In-service teacher training

In the late 1990s, a new, coherent system of in-service training was introduced. Aside from passing necessary regulations and developing a financial scheme, an institution responsible for providing professional support was established (Methodology and Information Centre for In-service Teacher Training – PTMIK), along with a professional body

responsible for quality assurance (Accreditation Board of In-Service Training). The educational administration became responsible for the continuous monitoring of the system of in-service teacher training required by the law. The Amendment to the Public Education Act 1999 modified the financing of in-service training programmes. Previously 3% of the educational budget had been earmarked for this purpose, whilst according to the new regulation the amount for in-service training per teacher is determined by budget negotiations. The real value of earmarked funds available for schools decreased in the period between 1999–2002.

Demand and supply

The introduction of a new in-service training system created a supply market. Higher education institutions and educational service-providers offer almost 60% of all properly licensed and accredited in-service training programmes. The relative proportion of accredited programmes offered by higher education institutions was 35.6% in 2001. More than half of the accredited programmes are of short duration – comprising of 30-40 contact hours. Unlike other training programmes, 30% of those offered by higher education institutions are of 120 or more contact hours. Two fifths of the accredited programmes may be classified as being school subject-oriented (or pertaining to the methodology of teaching a school subject). 56% of the programmes offered by higher education institutions are of such nature.

Licensing of programmes is conducted in two steps. In order to be listed in the register of in-service training programmes, all programmes must be fully accredited. By the end of 2001 1,905 programmes had been accredited. The number of school subject-oriented and subject methodology-oriented programmes dropped in the past three years. The number of ‘school development’ programmes increased the most. These are mostly quality assurance ones and their popularity may be explained by the fact that the Ministry of Education covers the total costs of participation in such programmes.

The first overall survey of the system of in-service training took place in 1999. The conclusion was that the content of the offer is not in line with the demand. The demand for school subject-oriented courses, subject methodology-oriented courses and courses preparing teachers for post-graduate examination was well below what could be expected on the basis of the supply of such programmes, which is another indication of the lack of dialogue between higher education and public education.

In the 2000/2001 academic year nearly 68 thousand teachers enrolled in some sort of in-service training programme¹, with 14% of the teachers receiving a certificate or a further qualification. According to a representative national survey in spring 2003, 65% of teachers fulfilled their obligation of in-service training participation required every 7 years, 13% were participating in such training at the time and 10% were exempt, due to their age. In summary, approximately 10% of the surveyed teachers failed to fulfil their legal obligation of in-service training.

¹ This figure is to be interpreted with special attention because if a teacher participated in more than one training programme, then it had to be counted several times.

Table 7.4.
Proportion of in-service teacher training programmes by type of training provider and content of programme, 1998-2001

	Subject-related		Pre-school		Initial vocational training		Computer science		Pedagogical methods		Other educational		School development		Other		Total	
	num.	%	num.	%	num.	%	num.	%	num.	%	num.	%	num.	%	num.	%	num.	%
Higher education institutions	457	56.4	18	2.2	25	3.1	67	8.3	114	14.1	66	8.1	43	5.3	21	2.6	811	100.0
Public education institutions	28	20.3	5	3.6	14	10.1	48	34.8	16	11.6	19	13.8	7	5.1	1	0.7	138	100.0
Educational service providers	155	31.2	31	6.2	41	8.2	33	6.6	110	22.1	75	15.1	42	8.5	10	2.0	497	100.0
Other organizations	61	43.6	2	1.4	2	1.4	9	6.4	25	17.9	29	20.7	10	7.1	2	1.4	140	100.0
Profit-oriented organizations	83	25.8	8	2.5	11	3.4	61	18.9	55	17.1	39	12.1	59	18.3	6	1.9	322	100.0
Non-profit organizations	102	33.0	16	5.2	7	2.3	20	6.5	85	27.5	53	17.2	15	4.9	11	3.6	309	100.0
Private individuals	11	19.0	7	12.1	1	1.7	3	5.2	25	43.1	5	8.6	4	6.9	2	3.4	58	100.0
Total	897	39.4	87	3.8	101	4.4	241	10.6	430	18.9	286	12.6	180	7.9	53	2.3	2275	100.0

Source: Polinszky, 2003

Chapter 8

Quality and Effectiveness of Education

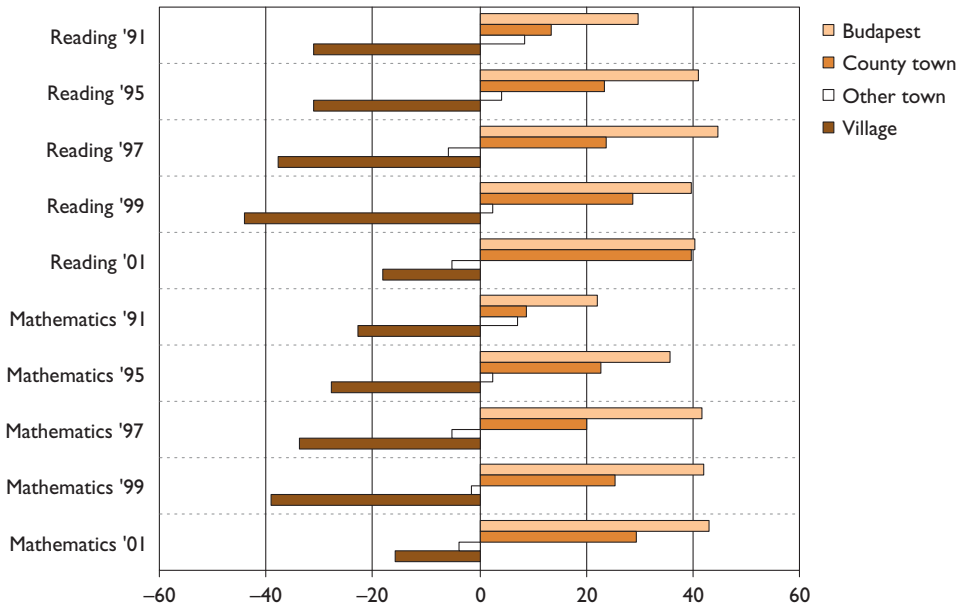
A key objective of the European Union is to ensure the quality and increase the effectiveness of education. In Hungary, this field has received particular political and professional attention since the mid-nineties. The issues concerning quality and effectiveness are closely related to efficiency, which primarily refers to the relation between financial expenditures and result. The outcome of education is a highly debated issue, whether it is the knowledge of students, better opportunities on the labour market, or the value of the social capital increased by education, etc. The definition of quality is also a hot issue. We may observe three definitions that coexist simultaneously and are complementary in Hungarian education: (1) compliance to national standards, (2) adherence to local standards defined by the individual institutions, and their maintainers (3) satisfaction of stakeholders. All these refer to the quality of educational outcomes or 'products'. The notion of quality is also applied to the entirety of the institutional operation, which may be tied to efficiency in management and to organizational culture. The effectiveness instruments are gaining significance in the quality assurance evaluation processes. Evaluation is no longer focused exclusively on student performance. The assessment of quality and effectiveness now involves a growing number of fields and activities, and there are increasing efforts in finding a link between the process of assessment and school development, educational management and planning.

8.1. Effectiveness in Hungarian public education

Student performance indicators still play a crucial role in the evaluation of educational quality and effectiveness. Hungary took part in several international assessment programmes and also conducted a series of national evaluations. The evaluations based on standardised tests reveal the actual knowledge behind school marks, showing that identical marks cover great differences in knowledge levels. National analyses of the PISA survey found that the performance of urban learners is on the average 8-9% higher than that of students in rural schools with the same marks. Such differences between urban and rural student performance have also been observed in the course of national monitor surveys. This gap had ceased to widen and actually substantially decreased by the millennium. According to the findings of a 2001 monitor survey, the differences between the two categories dropped below the levels measured in 1995.

Figure 8.1.

Deviation from the national average in the mathematics and reading performance of 8th-graders by settlement type (standardized score)



Source: Calculations by Péter Vári based on data from Monitor surveys

8.1.1. Reading literacy

In the PISA 2000 survey, performance of the 15-year-old Hungarian students on the combined reading literacy scale was ranked 22nd. The average performance of Hungarian students was 480 points, which is significantly lower than the 500-point international average. 48% of Hungarian students performed below the third proficiency level, which means that nearly half of them failed to reach the level of reading comprehension necessary for successfully entering the labour market. While 10% of students in OECD countries achieved the highest (5th) level, this rate in Hungary was 5%. To some extent the overall picture of the reading literacy of Hungarian students based on the PISA survey may be complemented with the findings of the 2001 IEA assessment (PIRLS) conducted among 4th-graders (9 to 10-year-olds). The survey aimed to assess the transitional stage in learning, during which students progress from the acquisition of reading skills to the completion of reading tasks as required by their educational needs. According to the initially published international report, the performance of Hungarian 4th-graders far exceeded the international average by attaining the 8th position, out of 35 participating countries. Based upon the PIRLS-survey and earlier national evaluations it seems that primary (ISCED 1) education in Hungary provides for the development of key learning abilities, one of which is the development of the reading comprehension of students. A complex analysis has begun to explore the reason behind the poor results of 15-year-olds in the PISA tests. The unusual nature of evaluation methods and test types, compared to the previously used methods (used for example by the IEA), and the type of

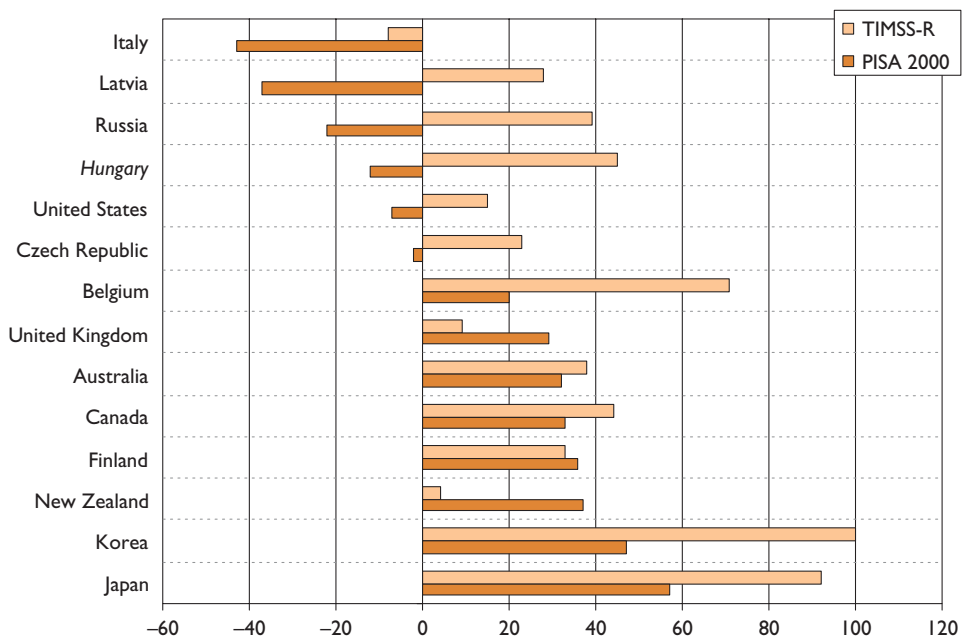
curricular attainment targets in Hungarian education are crucial factors of consideration when assessing the results.

8.1.2. Mathematical literacy

According to the IEA-studies (TIMSS 1995, TIMSS-R 1999), the performance of Hungarian 8th-graders was not only above the international average, but even improved from 1995 to 1999. At the same time the gap between the best and worst performance levels increased. This may explain why the lower than average values of the Hungarian students in mathematical performance came as a surprise in the course of the PISA-assessment, producing scores significantly below the international average. Experts believe the main reasons for the poor performance levels may be attributed to the differences between the content and practice of Hungarian education and the approach of the PISA assessment. This view is in line with the opinion of teachers who thought that a large part of the PISA tasks were missing from the list of common tasks used in Hungarian schools. It is worth pointing out that Hungarian students provided a higher than average performance in the same tasks as their Czech, Polish, Korean and Japanese peers did, which goes to show that students with a similar knowledge-structure are capable of levels of performance far above the Hungarian results. However, students from countries such as Sweden, Norway and Finland displayed a higher level of performance in tasks where the Hungarian students performed poorly.

Figure 8.2.

Deviation from the international average in mathematics for various countries in the 1999 TIMSS-R (8th graders) and the 2000 PISA (15-year-old) surveys (standardized score)



Forrás: Vári et al., 2001

8.1.3. Scientific literacy

Scientific literacy of Hungarian students has received feedback from two international surveys, providing a varied picture, similar to the performance feedback of mathematics. According to the results from IEA's 1995 TIMSS and 1999 TIMSS-R studies, Hungary has shown significant progress in the comparison of the two evaluations, finishing second behind Canada. 15-year-old Hungarian students displayed an average level of performance in the PISA assessment, a level far below the previous performance levels of the IEA surveys. As opposed to the tasks of the PISA assessment, in the Hungarian course of science education and to a large extent in the practice of the TIMSS, students are expected to utilise known algorithms or their combinations to calculate exact results. From the teacher's point of view, the most unusual feature of the PISA tasks is that, in contrast to the Hungarian practice, students are expected to understand the scientific concepts of phenomena, notice evidences and make decisions based on probability, usually requiring the extrapolation of conditions.

8.1.4. Civic education

In 1999, the IEA conducted a civic education survey in 28 countries to assess the levels of civic knowledge, engagement, and the attitudes of 14-year-olds. Hungary was also involved in this survey. The performance of Hungarian students was on an average level in cognitive questions related to civic knowledge. They performed above average in the field of factual knowledge, yet their ability to interpret was merely average. These results are also supported by the opinions of teachers teaching subjects of civic education. 71% of teachers agree that the dominant form of education is delivering information. Generally speaking, students believe that patriotism has a key place in school education, but feel that insufficient attention is paid to the application of knowledge, to familiarising with other countries, and to understanding different viewpoints.

8.1.5. Information technology

In the past decade the competencies related to information and communication technology have become a key priority in educational policy. According to a survey¹, almost half of all Hungarian students lack the infrastructure for doing homework, which requires the use of information technology equipment at home, while most school libraries lack the sufficient resources and staff in order to provide an appropriate source of knowledge on the matter. Based upon the findings on ICT in the PISA survey, one of the reasons why the situation of Hungarian students differs from the OECD average is that Hungarian students show a higher use of computers at school than at home.

¹ In the framework of the programme for 'Information and communication technologies and the quality of education' the ICT culture and computer-related habits, attitudes and skills of 17-year-olds were studied in 4 OECD countries.

Table 8.1.

Frequency of computer use at home and at school among 15-year-olds in some OECD countries, 2000 (%)

	Computer use at home					Computer use at school				
	Almost daily	Once or twice a week	From once a week to once a month	Less than once a month	Never	Almost daily	Once or twice a week	From once a week to once a month	Less than once a month	Never
Belgium	38	26	13	7	17	5	26	32	12	25
Czech Republic	31	15	8	4	41	4	24	34	11	26
Denmark	44	25	14	7	9	23	36	26	11	4
Finland	45	22	10	5	18	6	41	30	16	7
Germany	43	23	14	7	14	4	14	25	20	37
Hungary	29	14	7	4	46	7	58	19	5	10
Ireland	32	23	10	5	30	4	22	25	14	35
Norway	53	22	11	6	9	6	22	33	28	11
Sweden	60	21	9	3	6	16	29	27	17	11
Switzerland	39	25	17	7	12	5	17	37	20	21
USA	49	18	12	6	15	18	19	23	23	17
Average	37	20	11	5	27	10	27	26	16	22

Source: Education at a Glance, 2002

Hungarian students performed well in information handling skill-tests. The majority of students are able to study alone in an environment aided both by IT tools and printed resources. There is no significant difference between the information handling skills of girls and boys. Students performed well in knowledge assessment tests, showing a reliable level of basic knowledge. However, the content of their knowledge is problematic: numerous activities indispensable in the workplace are missing from the school curriculum, and if included, are insufficiently presented.

8.1.6. Foreign language

In 2000, the English and German language skills of 6th, 8th and 10th-graders were assessed, based on a national representative sample. The results indicate that the majority of students have acquired at least one foreign language at a level comparable to the attainment targets of the curriculum for the given age group. However, it is important to stress that the active writing skills in the foreign languages in question are considerably below the levels of reading and listening comprehension skills among students in their final year at general school, while according to all indicators, the results of girls in this age group are better than the results of boys. Similar to performance levels in other fields, the language learner's command of a foreign language is strongly linked to the educational attainment of the parents.

Table 8.2.

Foreign language test results of 8th-graders by educational attainment of the mother
(% of performance)

Educational attainment of the mother	English			German		
	Reading	Listening	Writing	Reading	Listening	Writing
Completing general school (8 grades)	45.6	56.1	14.5	52.5	50.6	13.9
Skilled worker qualification	48.2	57.7	17.9	55.2	51.9	14.8
Secondary school-leaving certificate	61.0	64.8	28.4	60.8	53.1	22.6
College degree	71.1	72.5	42.0	67.6	54.7	30.7
University degree	75.7	75.5	49.4	65.2	53.0	28.1
Total	60.8	65.4	30.1	59.6	52.7	21.0

Source: Csapó, 2001

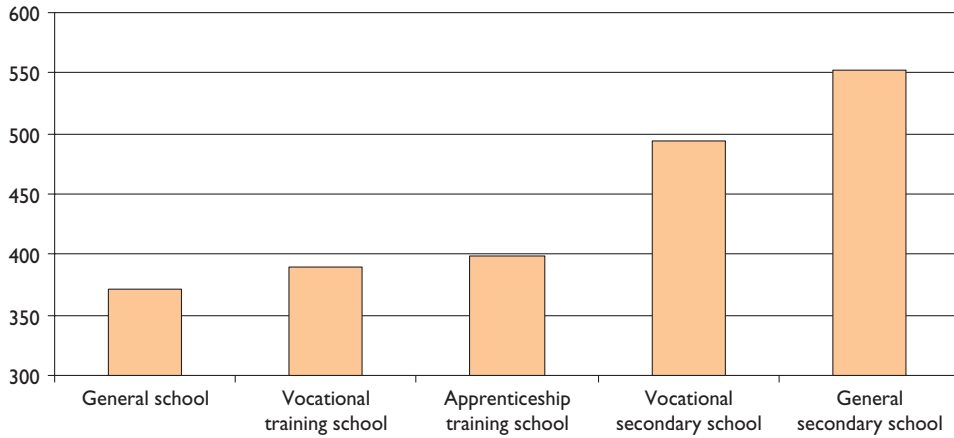
One of the indicators of the success of language education is the number of language exam certificates obtained in the course of secondary education, which also plays a key role in progression to higher education. An average 44.9% of those secondary school graduates admitted to higher education and 29.7% of all applicants possessed a language proficiency certificate in 2001. Most of these were gained by taking intermediate level exams. There are significant differences in the language proficiency of secondary school graduates, based on the type of the language programme in which they have participated and the duration of the study programme. The rate of secondary school graduates without a language proficiency certificate is below 40% in 8-grade general secondary schools, 47.4% in 6-grade programmes, and 83.7% in 4-grade general secondary schools. This rate is even worse among school graduates from secondary vocational schools, while only 10–12% of students participating in economics programmes possess such a certificate before taking the secondary school-leaving exam.

8.2. Factors behind the success of learning

The results of the PISA survey indicated that Hungarian students prefer to study on their own, and compared to students in other OECD countries, they do not prefer co-operative learning. In contrast to the majority of OECD countries, the students in Hungary who adopt learning strategies built on memorisation achieve far better results than their peers. One of the strongest factors behind the different scores of student performance is interest and engagement in the given learning activity. Hungary belongs to a group of countries defined by the PISA survey as one in which student performances are influenced above the international mean by the socio-economic status of the student family and by the presence of classical cultural assets. The success of learning is influenced far above the international average by the school type on the one hand, and by the differences between settlement types on the other, which may also provide an explanation for the differences in performance levels of students attending different school types with different curriculum requirements.

Figure 8.3.

Average reading performance of 15-year-old students by school type, in PISA 2000 survey (standardized score)



Source: Vári (ed.), 2003

8.3. Additional indicators and evaluation instruments for effectiveness

While educational policy-makers have strongly emphasized content development and curricular regulations in the past 15 years, the assessment of student performance and evaluation of institutional operation only began in the last one or two years. The reform of the examination system in public education began in 1997, when the examination regulations for the basic examination and the two-level secondary school-leaving examination were published. Having undergone several amendments, these regulations will come into effect in 2008 and 2005, respectively.

8.3.1. The examination system

Although the primary function of the examination system is to evaluate and certify the achievement of the individual students it is also an important source of feedback on the performance of an institution or the educational system as a whole. Generally speaking, examinations in Hungary either conclude an educational/training phase (secondary school-leaving exam, vocational examination), or form the basis of admission to the next educational level (secondary school and higher education entrance exams).

The role of the *secondary school entrance exam* gained particular importance in the case of 6- and 8-grade general secondary schools, which are forced to adopt a selective procedure due to the large number of applicants. In 2000, a central entrance examination was introduced in these institutions. The aim of this initiative was to replace the system of heterogeneous and wide-range examinations organized by schools with an instrument capable of revealing the learning abilities and attitudes of students, producing results

which are the least dependant on the socio-economic background of the students. The central examination prevents students from having to sit for several entrance exams at different locations even when applying for entrance to more than one school.

The secondary school-leaving examination

The secondary school-leaving examination is the most important exam in the Hungarian system, which concludes the secondary school studies of students and provides the right for admission into higher education. The uniformity of the Hungarian secondary school-leaving examination is guaranteed only by the central assignment of written tasks, and by the standard instructions for correction and marking. As a result, identical marks might cover great differences in the actual performance. The development of a uniform national school-leaving examination as well as the standardization of the requirements and marking criteria has been an oft-expressed need. It was partly because of this demand that the Ministry of Education ordered for the exam papers in mathematics and Hungarian language and literature, previously marked only at school level, to be re-marked on a nation-wide basis. There were hardly any differences shown between the marks given by teachers in the schools and by national experts in the case of mathematics. In the case of the language and literature exam papers, however, the second marking showed a more significant difference. For some of the papers, the appointed national experts gave one mark lower than the school teachers.

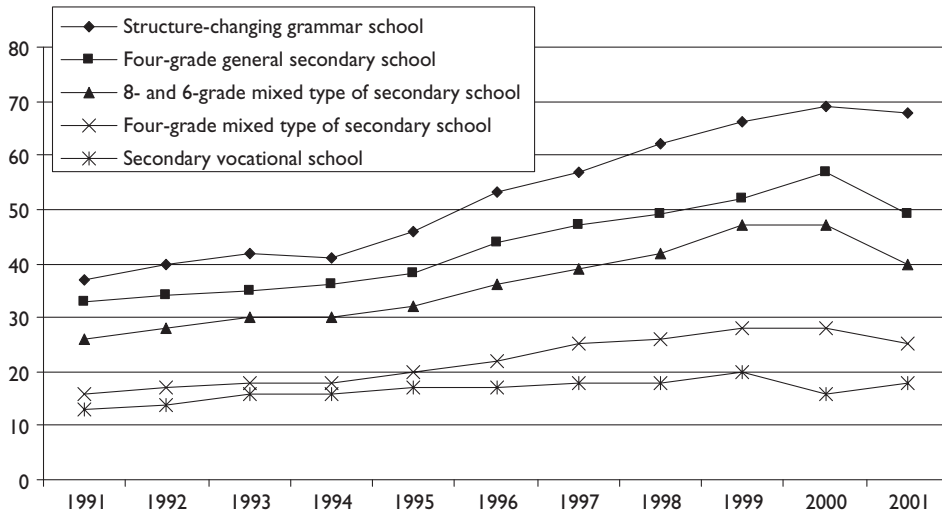
The development of the school-leaving examination has been an ongoing process for several years in Hungary. The requirements of the examination were reviewed and amended in 2003 together with the frame curricula, and, as a consequence, the level of requirements has been reduced and skills development has received a greater emphasis. In all exam subjects, there is two-level (intermediate, advanced) specification of requirements. From 2005, the secondary school-leaving examination of levels specified by the given higher education institution will replace entrance examinations. The students themselves will have the right to choose the subject and the level of the exam to be taken. Secondary schools will have to provide opportunities for students to prepare for either of the exams, while all written exams will be uniform and centralised. The assessment of exam results will be based on standardized marking criteria. The intermediate level exam will remain school-based, while the advanced level exam will be organized externally.

8.3.2. Progression into higher education

The number of applicants and admitted students to higher education has been used for years as an indicator for the effectiveness of secondary schools. These schools are ranked according to this indicator. There is a close relationship between admission rates and the social composition of students in a school, therefore such findings provide just as much information on the social characteristics of schools than on the actual effectiveness of education. The expansion of higher education was accompanied by an increasing gap between the group of secondary schools with the best admission results and the group of those with the worst admission rates.

Figure 8.4.

Admission rates from different secondary school programmes to higher education, 1991–2001 (%)



Source: Calculations by Judit Lannert based on Neuwirth, 2002

Inequalities seem to be increasing in many dimensions. The gap between counties, towns and different sized settlements has further increased. While in 2001, for example, 40% of 12th-graders studying in towns with a population over 100 thousand were admitted to higher education, the same rate in settlements with 25 to 50 thousand inhabitants was 33%, in settlements with 5 to 10 thousand inhabitants this amount was 26%, and in settlements with fewer than 5 thousand inhabitants it was 19%.

8.3.3. Value added by educational institutions

The latest studies on the measurement of school effectiveness attempt to assess a kind of *added value*. In an analysis including 424 secondary schools, the various institutions were ranked according to the background of students (the educational attainment of parents, the rate of unemployed parents, marks in different subjects received in general schools) and then compared to the school's rank according to the indicators of educational effectiveness (rate of students admitted to higher education/secondary school graduates, rate of students with language proficiency certificates, points scored at entrance exams). Based on the comparison of the two ranking positions, schools that were ranked higher according to their effectiveness indicators rather than by their social composition may be said to have 'greater added value'. The analyses indicated that approximately 6-10% of schools had significantly better or worse effectiveness indicators than what their social composition might suggest. These value-added analyses provide useful information not only for the school maintainer, but also for educational development. Furthermore, they offer a chance of revealing educational, school management, organizational and economic factors that may lead to exceptionally good or poor performance.

8.4. External evaluation of schools

The external and self-evaluation of schools is an exceptionally important device of assuring quality and effectiveness. In Hungary the task of carrying out regular external evaluation (compliance with the procedural regulations of the operation, management, educational supervision) is the responsibility of the maintainer. The schools and maintainers can choose evaluation specialists from the 'National Expert List'. Unfortunately, reliably operating methods and procedures for assuring and continuously monitoring the quality of education in the current decentralised institutional structure have not yet been developed. This is equally true concerning the external evaluation of schools: there is no guarantee that there will be regular institutional evaluations conducted in every school according to professional standards, and that, based on its results, the appropriate measures will be taken at the school or maintainer level.

It is characteristic of the nature of evaluation and supervision that according to a 1999 survey, 87% of the evaluation of school maintainers focused on the observance of economic and managerial regulations, 78% on the observance of legal provisions, and only 38% evaluated educational work from a professional point of view. Local governments often use the instruments of evaluation and supervision without real commitment to professional development. It seems that some of the school-maintaining local governments conducted evaluations merely to fulfil their legal obligations. According to a 2001-2002 survey, involving 507 *general school* maintainers, 390 (76.8%) conducted pedagogical assessments between 1996 and 2001 in at least one of their schools. The proportion of local governments who fail to perform this task is exceedingly high in smaller settlements. As for the evaluation of maintainers, the non-governmental sector deserves special attention. Standardized institutional evaluation techniques have been used by foundational and private schools since the early 1990s.

In 1999, the Ministry of Education created the SZAK system of tenders, which partly served school level evaluations. In the course of three years (from 1999 to 2002), the Ministry produced a financial framework of HUF 3 billion for local governments, in order to employ independent experts for the evaluation of their institutional system and in the development of local managerial skills.

8.5. Involving new stakeholders and tools in developing quality and effectiveness

The increasing number of stakeholders, a widening range of tools, and a growing number of training programmes on the know-how of quality and effectiveness management all indicate that there is an increasing interest in educational quality and effectiveness on the level of educational policy whilst the related activities are becoming increasingly professionalised. In the period under review, a new national centre was established for the co-ordination of the tasks of evaluation (National Public Education Evaluation and Examination Centre – OKÉV), whilst this proved to be the most dynamically developing

field of all pedagogical services. The Kiss Árpád National Service Office of Public Education (KÁOKSZI), one of the background institutions of the Ministry of Education has been reinforced and specifically endowed with the task of pedagogical assessment. The Office is responsible for the Monitor programme and other assessments, the organization of the implementation of international research projects (IEA, TIMSS, PISA) and also plays a key role in developing different national diagnostic knowledge assessment tests. The Hungarian universities also play an important role in developing tools for quality assessment and evaluation, especially the University of Sciences in Szeged, where an experienced research group is developing up-to-date assessment tools and conducting national representative surveys.

8.5.1. Quality assurance and the Comenius 2000 quality improvement programme

The most significant measure taken in the field of quality and effectiveness development and evaluation has been the establishment of the Comenius 2000 quality improvement programme. The programme was introduced after the 1999 Amendment to the Public Education Act, following several years of professional preparation.

The Comenius 2000 Quality Improvement Programme for Public Education

The Comenius 2000 quality improvement programme for public education included 3 models both on the level of institutions and maintainers, however, only two institutional models were piloted and implemented. The *Comenius I* is an institutional model aimed at the creation of a *partnership focused operational* method. To achieve this, the institution drafted an overview of the current situation, identified its stakeholders, and then examined their needs and degree of satisfaction. Needs analysis results had to be contrasted with the internal and external institutional self image, developed in the course of open self-evaluation, whilst taking into account the objectives of the particular educational programme. The result of the analysis served as a point of departure for the specification of objectives and priorities. The institution either modified earlier objectives, or specified new objectives, stating the priorities in the establishment of these short, medium and long-term objectives, which were to be made public after their adoption. The written summary of the steps leading to the achievement of these objectives constituted the action plan itself, which included the available resources, the statement of responsibilities, the proposal of a time schedule, the expected results and the methods of their assessment and evaluation. The implementation of the model was concluded by a so-called guided self-evaluation, during which the institution had to present its activities based on facts, to evaluate the applied methods and the achieved results as fully as possible, to specify strengths and weaknesses, as well as to plan necessary interventions.

The *Comenius II* model, entitled *Implementation of total quality management* is based on the above-mentioned self-evaluation. The aim of total quality management is to

empower the organization to deal with problems which cannot be solved with the Comenius I model. In the course of the model's implementation, progress had to be shown in three areas: (1) *the ability to control processes* (identifying the processes necessary for educational activities and creating internal regulations based on these in the following fields: (a) responsibility and commitment of the management of the institution; (b) improvement of partnerships; (c) ensuring and developing human resources; (d) providing other resources and their efficient utilization; (e) operation of the institution; (f) security of the institution; (g) questions concerning the content of education; (h) assessment, analysis and improvement); (2) *the ability to develop organizational culture*, and (3) *the ability to achieve continuous development*.

The aim of the *Comenius III* institutional model was co-operation and the transfer of experiences to others.

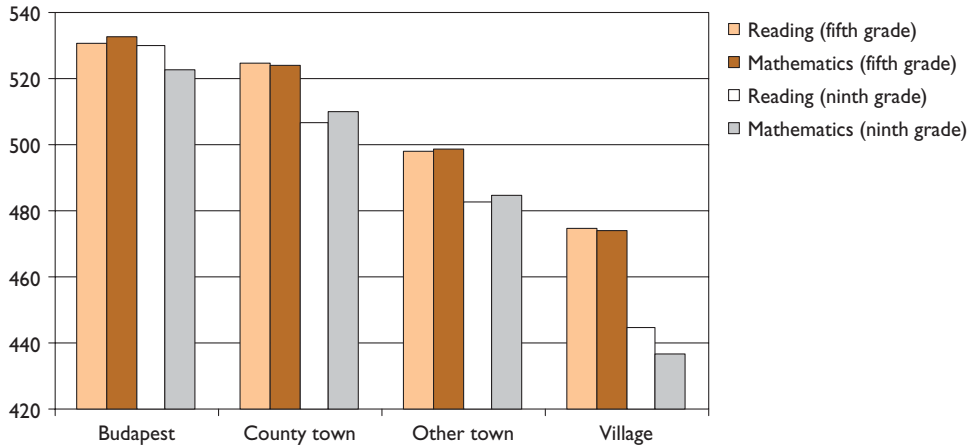
It is not easy to apply the quality assurance techniques in schools that were employed in the economy. The Comenius 2000 programme resulted in spectacular organizational development in some of the institutions, whereas in many cases strict regulation of the institutional processes remained formal, strengthening the bureaucratic character of the organization. After the 2002 general elections, the Ministry of Education initiated the review of the Comenius programme. The new administration recommends the programme only as an optional quality assurance model for institutions. However, in order to ensure the dissemination of the practice of quality assurance, a law was passed obliging all public education institutions to build their own quality improvement system and to define it in an individual document approved by the maintainer.

8.5.2. The system of national diagnostic knowledge assessment

With the implementation of the new national diagnostic knowledge assessment test, the Ministry of Education wishes to achieve two basic goals. Firstly, the idea is that the content of the tests and methods of the evaluation used in the assessments will convince schools to react to the need for new content development. Secondly, they intend to develop the culture of assessment and its methodological background at the institutional level. Although the assessments naturally yield findings that could be used to evaluate schools and the system of education, these were not intended for external institutional assessment. The aim of the survey was to improve and disseminate the assessment culture, to create a database and establish a method with which self-images become comparable with real images, to make the educational added value measurable and to diagnose student performance and related developments. Based on experiences with tests used in international surveys, a series of up-to-date questionnaires have been developed for these assessments, which were conducted in the first, fifth and ninth grades of all schools. The findings reinforced the earlier results concerning regional inequalities, and showed how this inequality varies in the fifth and ninth grades. On a standard scale with an average of 500, the greatest difference was measured between the mathematical literacy of ninth graders studying in the capital and those attending village schools, showing a difference of 73 points. In contrast, the results of the assessments in

the first grade did not show significant regional differences similar to those of the upper grades. In other words, schooling does not diminish initial differences, but rather increases them.

Figure 8.5.
 Performance on reading and mathematical literacy in the fifth and ninth grades by settlement type, 2001 (standardized score)



Source: National competence assessment 2001. OM – KÁOKSZI

Chapter 9

Inequalities and Special Needs in Education

In Hungary, student performance is strongly influenced by the cultural capital of families. In the selective education system social inequalities are reflected in the path of progression as well as in access to the different levels and programmes of education. The range of local educational institutions accurately mirrors the social structure of the communities. According to various researches, if there are sizeable differences in educational attainment and income in the local community, the range of local institutions tends to be characterized by selectivity, the frequent use of entrance exams, and by various forms of segregation. Such differences are noticeable in the access to different educational programmes, and in the access to high quality educational services.

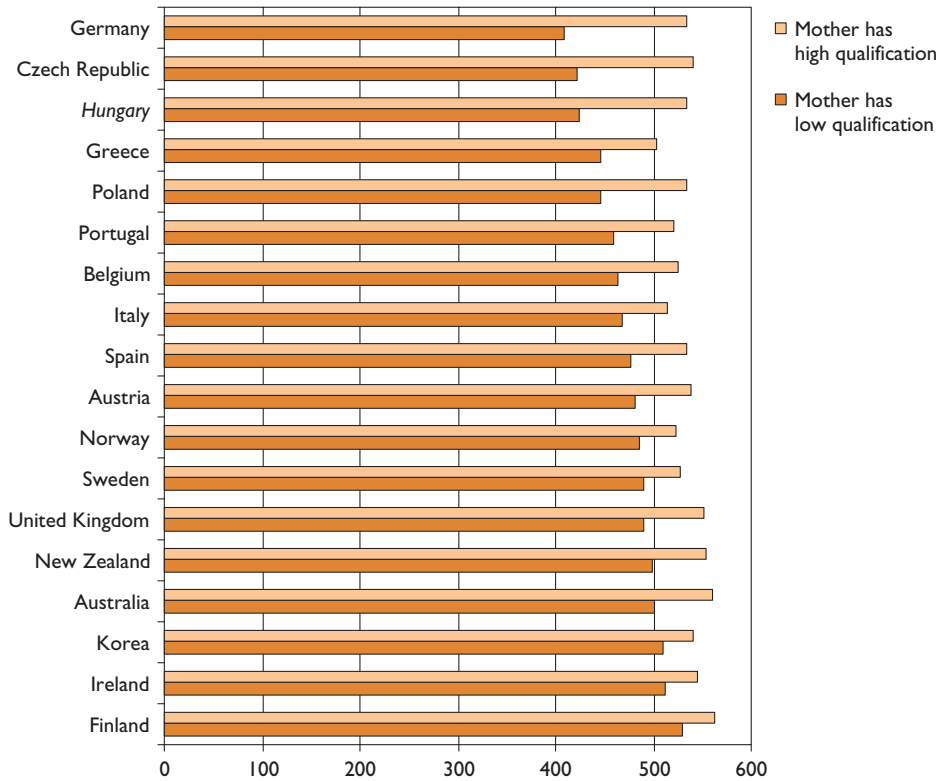
9.1. Differences in student performance

9.1.1. The effects of family background and selectivity on performance

In Hungary, family background and the differences between schools prove to be fairly decisive factors concerning the performance of students. Due to the homogeneous composition of students, the importance of the socio-economic background of families are increased; consequently, instead of the family background factors of the individual students, the socio-economic status of the schools is a more decisive factor in educational performance. While in OECD countries 36% of the differences in reading performance are explained by inequalities among schools, the same rate is 71% in the case of Hungarian students. The findings of the PISA survey suggest that there is a strong correlation between the labour market status of parents and the reading performance of their children. The higher the occupational status of the parent is, the better the reading performance of the student. Hungary belongs to a group of countries defined by the PISA survey in which the differences of performance between children of mothers with high and low socio-economic status are exceptionally large.

Figure 9.1.

Distribution of student performance in reading by level of education completed by mothers in some OECD countries, 2000



Source: Knowledge and Skills for Life, 2001

Note: OECD average = 500

9.1.2. Regional and local inequalities

The regional inequalities in the system of education are particularly striking in terms of educational progression, access to opportunities for further education, and related aspirations. Regional differences may also be evidenced in the human resources and infrastructural conditions of education. There is a strong correlation between the performance of students and the type of settlement they live in. From an international perspective, the range of the variation of performance between students from settlements of different sizes is considerable. The difference between the performance of students attending schools in settlements with fewer than three thousand inhabitants and those studying in Budapest are far above the OECD average.

Table 9.1.

Average performance of 15-year-olds (in reading, mathematical, and scientific literacy) living in villages and larger cities in Hungary and in OECD countries

	Hungary			OECD average		
	Reading	Mathematics	Science	Reading	Mathematics	Science
Village with a population below 3000	359	365	371	481	482	480
City with a population above 1 million	484	490	494	510	510	514
Difference	125	125	118	29	28	34

Source: PISA 2000 database, OECD

Note: OECD average = 500

9.1.3. Gender differences

The gender ratio has reversed in higher education since 1995, since more girls are now enrolled in higher education than boys. We may also notice the differences between the achievements of girls and boys. There is also a significant difference in the average performance in reading literacy to the benefit of girls in Hungary. Boys show a minor advantage over girls in mathematical literacy, while there is virtually no difference in the field of sciences.

9.2. Language and culture differences

9.2.1. Minority education

The model for minority education is based on the notion of providing for the collective right to national minorities to organize their own education. The basic principle of national minority education is to secure the right to formal schooling for nationality groups living within the boundaries of the nation-state in order to preserve their mother tongue and their culture. This practice, however, is less sensitive to closing the cultural gap between the different groups. In the curricular content of mainstream education there is hardly any material on the language, history, and culture of national minorities, ethnic groups and immigrants. In Hungary, ethnic education has three forms: the language of instruction is the language of the minority, bilingual education, and the teaching of *minority languages* as a subject. The majority of national minorities have no secondary schools, and apprenticeship training is absent from minority education.

9.2.2. Immigrants

Following the transition, the number of permanently and legally settled foreigners increased significantly, yet the majority of schools accessible to foreigners only offered Hungarian language education. In schools maintained by local governments, Hungarian language is taught only as a mother tongue, which due to the level of requirements is an inefficient solution for foreigners. Foreigners are often forced to repeat a school grade due to language difficulties, thus attend classes grades below their age level. Most schools are unable to provide foreigners with education in their mother tongue. The situation is

better for students whose mother tongue is an international language or one taught in Hungary. For these students bilingual schools and national minority schools may provide an opportunity for public education.

9.2.3. The education of Roma students

The number of Roma students in secondary schools which prepare students for the school-leaving examination has increased in comparison to earlier years. However, due to the expansion of secondary education, the differences between Roma and non-Roma students have remained virtually unchanged. The increase in student numbers may be explained almost exclusively by the increase of Roma students in vocational education and related training programmes, while the rate of Roma students in general secondary schools has remained insignificant. According to a Roma survey carried out in 2000, the performance levels of Roma students show a nearly 10% decrease on average by the end of the sixth year in comparison to the levels of the first grade. The teachers questioned listed some of the following reasons for the weakening performance: lack of appropriate school equipment, inadequate home environments suitable for learning, restricted study time at home due to the division of labour in the family, a higher rate of absence and lack of parental support. The school results of Roma children living in larger cities, in the outlying parts of the country, in Roma settlements, and of those students whose parents have failed to complete general school education show a greater degree of deterioration than the average.

Table 9.2.

Access to education of the Roma population in Hungary, 1994, 1998/99 (%)

	Ratio of Roma students entering secondary education	
	1994	1998/99
No further education after completing general school	48.8	14.9
Vocational training school	9.4	9.4
Apprenticeship training school	31.2	56.5
Vocational secondary school	10.0	15.4
General Secondary school	0.6	3.6

Source: KSH data 1994; Liskó, 2002.

The most obvious form of negative discrimination against Roma students is presented in the form of segregated education, which is mainly a result of local segregation and general demographic trends. Due to these two tendencies, the ongoing concentration of Roma students is a significant factor in the Hungarian educational system. This process is reinforced by the migration of non-Roma students from schools where the number of Roma students exceeds a certain rate. According to a Roma study of 2000, involving 192 schools in which the rate of Roma students was 40% on average, there were 157 classes without any Roma students, and 311 attended only by Roma children. Another form of segregation is the transfer of Roma children to schools or classes for students with special educational needs.

9.2.4. Special needs education

According to the Public Education Act there are two categories of children entitled to additional state grants: (1) students with special educational needs: children with physical, sensory, mental disabilities and speech impediment, or other disabilities such as autism, and pupils with learning disorders such as dyslexia, hyperactivity etc.; (2) students with social, behavioural, and learning difficulties. In the first case the eligibility for additional support is determined by the National Committees for Assessing Learning Abilities and Rehabilitation, whilst in the second, the eligibility is determined by educational counsellors. The Public Education Act specifies additional groups of children who, despite the fact that they remain outside the scope of special educational and rehabilitative provisions, require additional grants. These groups are: (a) 1st to 4th-graders allowed to progress on an individual basis; (b) students over the schooling age in the 9th or 10th grades attending compensatory education; (c) socially disadvantaged students; (d) students who are potential drop-outs; (e) students in need of remedial teaching; (f) students belonging to national or ethnic minorities. These groups of students are not always separable from each other, while in some cases there is more than one reason for justifying the additional support. According to the law, the forms of additional provision must be included in the educational programme of the institutions. These may include the following: differentiation in teaching, the establishment of separate study groups; the use of obligatory and optional class time for special forms of provision; reducing class sizes as regulated by the law; allocating additional state support in a differentiated manner. Students may be divided into three categories according to the above. The first group includes students without any disabilities; they constitute up to 80-85% of all students. The second group includes students supported by additional funds provided for by the law in order to receive more efficient services and forms of provision. Approximately 10-15% of the students belong to this group. The third group, constituting 5-10% of the students, includes those entitled to receive special treatment and rehabilitative training.

The number of children involved in special education is outstandingly high in an international perspective. The international comparative study prepared by the OECD differentiates three major groups of special educational needs. *Category A* refers to educational needs related to organ disorders, *Category B* refers to educational needs not attributable to organ disorders, and *Category C* refers to educational needs primarily due to socio-economic, linguistic or cultural factors. In Hungary the rate of students classified into Category A is exceptionally high. It is also clear from the table below that there is no differentiation in special educational needs in Hungary which are not attributable to organ disorders. This high rate suggests that there is a considerable number of students in Hungary unnecessarily classified into Category A. Hungary belongs to the group of strongly segregating countries concerning the education of students with (Category A) special educational needs. Integration is mainly characteristic in the first cycle of general school education (ISCED 1), and is initiated by the parents in most cases. The curricular requirements of these students are identical to those of non-disabled students, which fail to take into consideration the special curricular requirements of disabled students.

Table 9.3.

Percentage of school children (ISCED 1,2) classified into special educational need categories in some European countries, 1996

Country	Category A	Category B	Category C
Greece	0.37	0.86	–
Turkey	0.41	–	–
Finland	1.04	13.26	1.70
The Netherlands	1.77	3.49	28.27
Italy	2.13	–	–
France	2.53	2.14	13.40
Spain	2.56	0.74	0.74
Ireland	2.57	6.68	10.48
Portugal	3.01	–	–
Hungary	5.01	–	11.08
Czech Republic	8.02	–	–

Source: Special Needs..., 2000

9.2.5. Support for gifted students

In Hungary, the various forms of support for gifted students in education may be divided into two large groups. These include, firstly, lesson-based organizational forms, such as classes with advanced programmes or groups for exceptionally gifted students, and, secondly, extra-curricular opportunities, such as self-study groups or subject interest groups. Student competitions also play an important role. There is a considerable delay in the application of an individual mentoring system, despite the fact that support for gifted students fails to be successfully employed without intensive individual training. There is an increasing number of institutions establishing special or complex programmes, and since information on how to support the gifted is absent from initial teacher training, the demand for in-service training programmes supporting everyday practical activities has been on the rise. Training of experts in this field began in 2002 at the University of Debrecen.

9.3. Reducing inequalities and the educational policy leverage

9.3.1. Public opinion on differentiation and selection

Public opinion is nearly undivided in the belief that it is important to grant equal opportunities to disabled students, and that the government should provide the necessary support for this. The public believes that through the use of adequate educational methods good results may be achieved with disabled students. The Hungarian society is more divided over the issue of Roma students. Most of those questioned only agreed on the idea that appropriate methods could also prove to be effective in the case of this group. Highly qualified individuals were more likely to accept this view than those less qualified. The population was noticeably less convinced of the importance of state

support for special programmes aimed at preventing Roma students from dropping out of school. According to the 2002 educational policy opinion polls, the Hungarian population had a different view on the general school education of disabled and Roma students. More than half of those questioned would choose to educate disabled students in separate schools, and only 15% believe in the need for educational integration. In the case of Roma students, however, 41% of those questioned believed they should be educated together with their non-Roma classmates, with Hungarian students also taking up minority subjects. According to the opinion of every fifth member of the adult population questioned, Roma children should be taught in separate general schools. A similar study revealed the views of parents and teachers on the education of the Roma. These two groups were more reluctant to accept the institutional separation of Roma children as a possibility than the rest of the general public – only 14% of parents and 7% of teachers opted for this solution. 65% of teachers and 42% of parents would support a non-selective but differentiated organizational method of education.

Table 9.4.

Views of parents and teachers on the general school education of Roma children, 2002 (%)

	Parent	Teacher
They should be educated in separate schools.	14.4	6.7
They should be educated in the same school with non-Roma children, but in separate classes.	12.7	7.6
They should be in the same class with non-Roma children, but they should be given special attention.	41.7	65.3
They should be in the same class (special attention is unnecessary).	16.4	6.0
Don't know.	14.9	14.5
Total	100.0	100.0
N	2009	449

Source: Equal Opportunity Survey, TÁRKI – OM, 2002

Question asked: "In your opinion, what would be the best solution for the general school education of Roma children?"

9.3.2. Programmes and good practices

Several important programmes were launched in the period under review concerning the reduction of inequalities. The 'Arany János Support Programme for the Gifted' of the Ministry of Education aims to facilitate the educational progression and provision of gifted but socially disadvantaged students coming from settlements with a population below five thousand. The programme is not merely directed at enhancing the access to education and developing adequate educational practices and methods of their adaptation into local programmes, but at also continuously providing the professional and supplementary support indispensable for its successful implementation as well as the appropriate educational expertise and institutional background. Students participating in the programme receive study grant, while the institutions receive double the amount of the per student capita grant. The programme is concerned with the successful preparation for higher education studies.

The Phare programme for the support of the social integration of disadvantaged youth with particular emphasis on the Roma minority was launched in 1999. The programme

aims at handling the problems of inequality that disadvantaged students are faced with in a complex manner, using different methods and tools on the different levels of the educational system. As a continuation of the programme, a new project was launched in 2002, with the intention of establishing Roma community houses in smaller, disadvantaged settlements, where trained regional development experts would help overcome the local difficulties.

The Public Education Act and the Equal Opportunities Act established the legal framework for inclusive education. The implementation and enforcement of these laws, however, requires decades of development and investment. Between 1999 and 2002, the National Public Foundation for the Remedial Education of Disabled Children and Students contributed to these objectives by providing a considerable amount of funds. Some noteworthy programmes supported by the Foundation include: training programmes for developing a supportive attitude for parents and day-care teachers; programmes facilitating early diagnosis and early development; improving the human and material resources of schools accommodating integrative educational programmes; support services, such as the development of a network of travelling special educational needs teachers; information exchange and the promotion of co-operation in the small regions; organizing integrated camps.

In 1999, the Budapest Public Foundation for the Development of Public Education launched its Mentor Programme for the progression of Roma students. The programme was aimed at helping seventh and eighth-grade Roma students to continue their studies in secondary school. In achieving this goal, the individual mentors provide after-school lessons to a maximum of five students. As a reward, teachers receive a monthly grant for each of their students. The Foundation gives support by the number of students taking part in extra-curricular activities, which may be freely used by the teachers.

The aim of the 'Roma Integration Programme' of the 'Ec-Pec Foundation' is to help disadvantaged Roma students achieve reasonable results in school. To achieve this goal, they have devised a special development programme, allowing students lagging behind in their studies due to their socio-economic disadvantages to provide a better performance in normal schooling conditions, regardless of whether they study in special school types or in the small-sized remedial education groups of normal school programmes. Roma teaching assistants support the work of teachers in the schools participating in the programme. The two-year pilot phase of the programme has proved that at least half of all Roma students attending special schools are able to meet normal curricular requirements if they are given appropriate support and care.

9.3.3. Educational policy spheres

The precondition for educational policy incentives aimed at decreasing the inequalities amongst students, is to have the information necessary for the identification of the student target groups and their educational institutions. The Hungarian educational information system does not allow for this in its present state, therefore the additional resources are not efficiently utilized. At the same time, the regular monitoring of these activities would increase the efficiency of their expenditures and the success of such programmes, including the study of their effects and the feedback on their results. It

would be important to develop and operate a system of assessment and evaluation offering feedback on the effectiveness and success of schools. In devising this system, the success of educating disadvantaged students, children at risk, or students with special educational needs must receive special attention. Another key educational policy tool is the systematic adoption of the expertise and knowledge accumulated in the course of pilot programmes and the working models of adaptable innovation. The most important precondition for this is the external evaluation of the different innovation programmes, which includes an assessment of their success and adaptability. The facilitation of horizontal learning between schools and the establishment of institutions which would adapt these programmes into their networks, as well as providing for the simultaneous access to the resources and professional support for such adaptation are not without precedent in Hungary. The next, inherently complex system of policy tools includes various policies for facilitating the transition from education to the labour market, which requires a more extensive use. These may include, for example, career counselling services or the introduction of a modular structure in vocational education. The extension of the range of adult education programmes, as well as an easy access to these programmes and the use of their incentives are closely tied to these activities. Additional social grants related to education should be used more effectively, whilst the concept of means testing should become more widespread, and the ties between educational goals and social objectives should be reinforced.

Appendix

Description of Hungarian education and training programmes according to ISCED-97 classification

Institutional setting of programme	Programme destination and orientation	Notes
Pre-school	0	School-based programme for children aged 3-7. Includes basic skills development, pre-reading, drawing, singing and school preparation.
General school	1AG	General school primary level, Grades 1–4.
	2AG	General school lower secondary level, Grades 5–8.
Vocational training school (Apprenticeship training)	2BG	Remedial programme for drop-outs and low achievers that provides a second chance for further education
	2CV	Vocational training school programmes preparing qualifications for trades identified in the National Training Register that do not require the completion of 10 years of general education for entry
	3CG	Vocational training school, Grades 9–10. General subject courses with vocational guidance preparing students for entering into programmes that require 10 years of general education
	3CV	3-year apprenticeship training programmes according to the Education Act of 1985 starting after grade 8 of the general school. 1997/98 was the last year of new enrolments, because the new law does not allow dual-system vocational education before age 16.
	4CV	Post-secondary vocational programmes where the entry requirement is the completion of secondary education
Special vocational training school	2CP	Basic skills and labour market oriented development programme for students with special educational needs
General secondary school	2AG	Grades 5–8, and 7–8 of the eight-grade and six-grade general secondary school
	3AG	general secondary education, grades 9–13 preparing students for secondary school leaving examination

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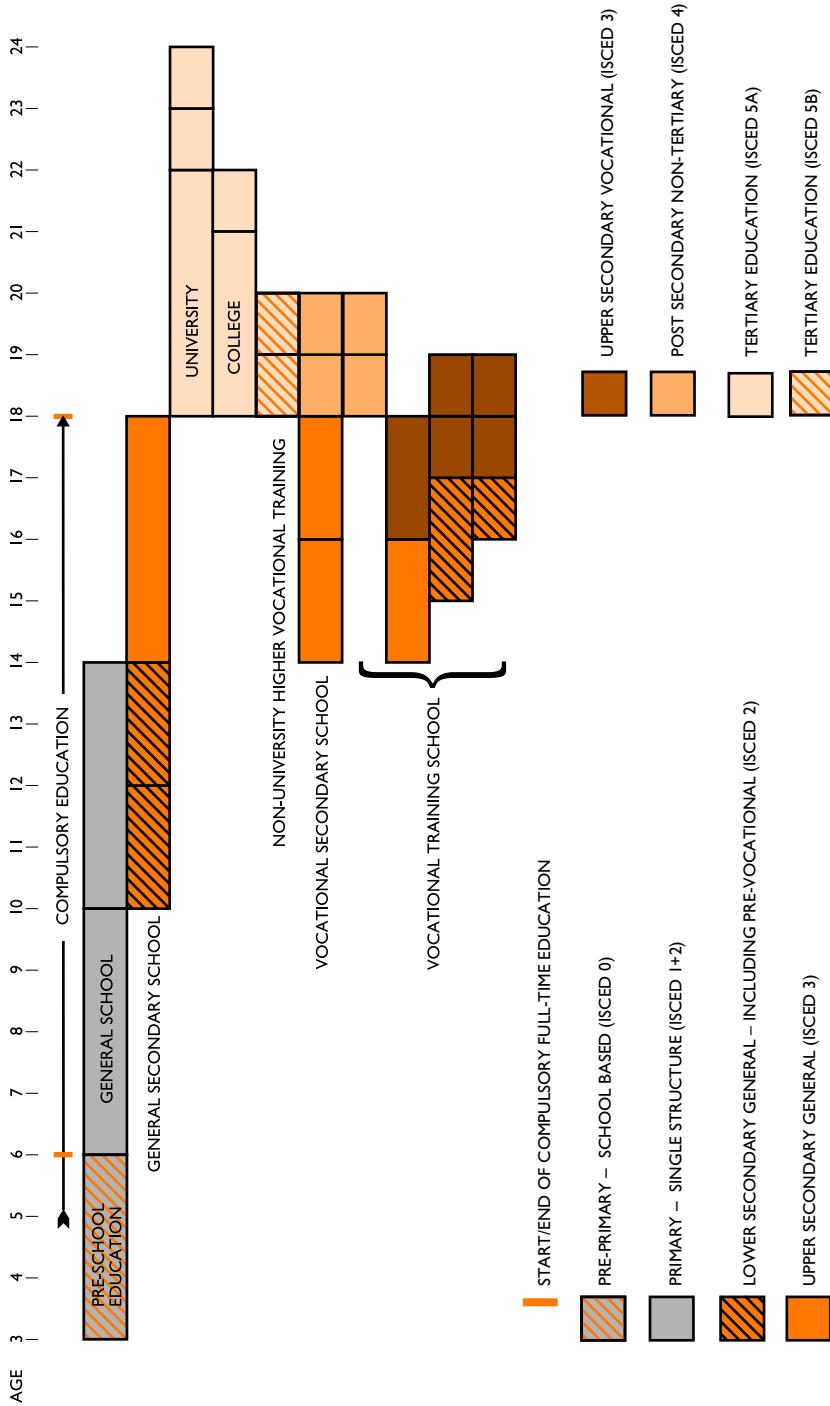
Institutional setting of programme	Programme destination and orientation	Notes
Vocational secondary school	3AP	Vocational secondary school programmes preparing students for secondary school leaving examination with pre-vocational elements, Grades 9–12 (13).
	3BP	Vocational secondary part-time programmes, Grades 9–12 (13) preparing for secondary school leaving examination with pre-vocational programme elements
	4AG	General secondary programme preparing for secondary school leaving examination for vocational training school graduates (3CV)
	4CV	Post-secondary vocational programmes where the entry requirement is possessing secondary school-leaving certificate
	5B	Non-university higher vocational training programmes leading to non-graduate vocational qualifications with credit courses acknowledged in higher education
College, university	5A	College graduate education and post-graduate specialisation programmes, University graduate education, University supplementary (Master) programme for college graduates, Supplementary teacher training programme for engineers graduated in college education, University post-graduate specialisation programme for university graduates
University	6	PhD courses, research work and dissertation DLA, doctoral degree in liberal arts

Source: Statistical Yearbook of Education 2002/2003, OM, 2003.

Notes: Destination for which the programmes have been designed to prepare students: A=access to further general education, B=access to further vocational education, C=access to the labour market.

Orientation category is based on the degree to which content of programme has been specifically designed: G=general, P=pre-vocational, V=vocational.

Structure of Public Education in Hungary



Effective legal provisions concerning education

	No.	Year of last amendment
Acts		
Local Government Act	LXV of 1990	2001
Act on Public Education	LXXIX of 1993	2003
Act on Vocational Training and the National Qualification Register	LXXVI of 1993	2003
Higher Education Act	LXXX of 1993	2003
Textbook Act	XXXVII of 2001	2002
Adult Education Act	CI of 2001	2002
Government decrees		
On requirements in the training of primary schoolteachers, teacher-conductors and pre-school teachers	158/1994. (XI. 17.)	
On the National Guideline of Pre-school Education	137/1996. (VIII. 28.)	
On the Exam Code of secondary school-leaving exam	100/1997. (VI. 13.)	2002
On in-service teacher training, the post-professional exam and the payments to participants of in-service training and their exemptions	277/1997. (XII. 22.)	2002
On the National Public Education Evaluation and Examination Centre	105/1999. (VII. 6.)	2000
Ministerial decrees		
On providers of professional services and on the conditions of involvement in the provision of educational service	MKM Decree 10/1994. (V. 13.).	2001
Guidelines on the pre-school and in-school education of children with special needs	MKM Decree 23/1997. (VI. 4.)	2000
On the Guidelines of Education in Dual Language Schools	MKM Decree 26/1997. (VII. 10.)	2001
On the Office of the Commissioner of Educational Rights and its charter	OM Decree 40/1999. (X. 8.)	
On the introduction and implementation of frame curricula	OM Decree 28/2000. (IX. 21.)	2003
On the detailed requirements of the secondary school-leaving exam	OM Decree 40/2002. (V. 24.)	

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List of Abbreviations

ÁNTSZ	Állami Népegészségügyi és Tisztiorvosi Szolgálat Public Health and Health Officer's National Service <i>http://www.antsz.hu/</i>
BGR	belső gondozási rendszer Internal Tutoring System
BM	Belügyminisztérium Ministry of Interior <i>http://www.b-m.hu/</i>
ESZCSM	Egészségügyi, Szociális és Családügyi Minisztérium Ministry of Health, Social and Family Affairs <i>http://www.eszcsm.hu/</i>
FH	Foglalkoztatási Hivatal National Employment Office
FIT	Foglalkoztatási Információs Tanácsadók Job Counselling Network
FKT	Fejlesztési és Képzési Tanács Council for Development and Training
FMM	Foglalkoztatáspolitikai és Munkaügyi Minisztérium Ministry of Employment and Labour <i>http://www.fmm.gov.hu/</i>
GYISM	Gyermek-, Ifjúsági és Sportminisztérium Ministry of Children, Youth and Sports <i>http://www.gyism.hu/</i>
HEFOP	Humán erőforrás-fejlesztés Operatív Program Human Resources Development Operational Programme <i>http://www.nfh.hu/</i>
KÁOKSZI	Kiss Árpád Országos Közoktatási Szolgáltató Intézmény Kiss Árpád National Service Office of Public Education <i>http://www.om.hu/oksz/</i>
KIFIR	Középiskolai Felvételi Információs Rendszer Information System on Secondary School Entrance Exams

KIR	Közoktatási Információs Rendszer Public Educational Information System <i>http://www.kir.hu/</i>
KOMA	Közoktatási Modernizációs Közalapítvány Public Foundation for the Modernisation of School Education <i>http://www.koma.hu/</i>
KOMT	Közalkalmazottak Országos Munkaügyi Tanácsa National Labour Committee of Civil Servants
KÖÉT	Közoktatási Érdekegyeztető Tanács Council for the Reconciliation of Interests in Public Education
KSH	Központi Statisztikai Hivatal Hungarian Central Statistical Office <i>http://www.ksh.hu/</i>
KT	Közoktatás-politikai Tanács National Council for Public Education Policy
KüM	Külügyminisztérium Ministry of Foreign Affairs <i>http://www.kum.hu/</i>
MeH	Miniszterelnöki Hivatal Prime Minister's Office <i>http://www.meh.hu/</i>
MKM	Művelődési és Közoktatási Minisztérium (1998-ig) Ministry of Culture and Education (until 1998)
MSZOE	Magyarországi Szülők Országos Egyesülete National Association of Hungarian Parents <i>http://www.iskolaszek.hu/</i>
MTA	Magyar Tudományos Akadémia Hungarian Academy of Science <i>http://www.mta.hu/</i>
MüM	Munkaügyi Minisztérium (ma: FMM) Ministry of Labour (currently FMM)
NFI	Nemzeti Felnőttképzési Intézet National Institute for Adult Education <i>http://www.nfi.hu/</i>
NFT	Nemzeti Fejlesztési Terv National Development Plan <i>http://www.nfh.hu/</i>
NIKI	Nemzeti Ifjúságkutató Intézet The Hungarian Youth Research Institute <i>http://www.ifjusagkutato.hu/</i>

NSZI	Nemzeti Szakképzési Intézet National Institute of Vocational Education http://www.nive.hu/
OÉT	Országos Érdekegyeztető Tanács National Council for the Reconciliation of Interests
OFkT	Országos Felnőttképzési Tanács National Council for Adult Education http://www.nfi.hu/
OI	Oktatókutató Intézet Hungarian Institute for Educational Research http://www.hier.iif.hu/
OKB	Országos Kisebbségi Bizottság National Committee for Minorities
OKÉT	Országos Közszolgálati Érdekegyeztető Tanács National Council for the Reconciliation of Interests in Public Services
OKÉV	Országos Közoktatási Értékelési és Vizsgaközpont National Public Education Evaluation and Examination Centre http://www.om.hu/okev/
OKI	Országos Közoktatási Intézet National Institute of Public Education http://www.oki.hu/
OKI FKK	OKI Felnőttoktatási és Kisebbségi Központ National Institute of Public Education, Centre for Adult and Minority Education http://www.oki.hu/
OKI KK	OKI Kutatási Központ National Institute of Public Education, Research Centre http://www.oki.hu/
OKI PTK	OKI Program- és Tantervfejlesztési Központ National Institute of Public Education, Centre for Programme and Curriculum Development http://www.oki.hu/
OKJ	Országos Képzési Jegyzék National Training Register
OKNT	Országos Köznevelési Tanács National Council for Public Education
OM	Oktatási Minisztérium Ministry of Education http://www.om.hu/
OPKM	Országos Pedagógiai Könyvtár és Múzeum National Pedagogical Library and Museum http://www.opkm.hu/

OSZT	Országos Szakképzési Tanács National Vocational Training Council
PTMIK	Pedagógus-továbbképzési Módszertani és Információs Központ Kht. Methodology and Information Centre for In-service Teacher Training <i>http://www.ptmik.hu/</i>
TÁH	Területi Államháztartási Hivatalok Regional Offices of Public Finances
TKA	Tempus Közalapítvány Tempus Public Foundation <i>http://www.tpf.iif.hu/</i>

List of Terms

English	Hungarian
Additional per pupil capita grant	kiegészítő normatív támogatás
Additional state support	kiegészítő támogatás
Apprentice	szakmunkás tanuló
Apprenticeship training	szakmunkásképzés
Apprenticeship training school	szakmunkásképző iskola
Apprenticeship workshop	tanműhely
Assessment and evaluation system	mérési-értékelési rendszer
Basic examination	alpműveltségi vizsga
Basic skills/core competencies	alapkészségek
Child and Youth Prevention	gyermek- és ifjúságvédelem
Civil servant	köztisztviselő
Class head	osztályfőnök
College	főiskola
Commissioner for Educational Rights	oktatási jogok biztosa
Compensatory education / remedial teaching	felzárkóztató oktatás
Compulsory education	Kötelező oktatás
Compulsory schooling	tankötelezettség
Continuing vocational training	felntt képzés
Co-ordinator for Out of School (or: Extra-curricular) Activities	szabadidő-szervező
Counselling	szaktanácsadás
County Public Administrational Office	Megyei Közigazgatási Hivatal
County Public Foundation for Development of Public Education	Megyei Közoktatás-fejlesztési Közalapítvány
Cross-curricular theme	keresztntantervi téma
Cultural domains (in the National Core Curriculum)	műveltségi területek (NAT-ban)
Day-care service teacher	napközis tanár
Denominational school	egyházi és felekezeti iskola
Dormitory	kollégium
Early childcare/Nursery care	bölcsőde
Early childhood education and care	kora gyermekkori gondozás és nevelés
Early development and special tutoring	korai fejlesztés és fejlesztő felkészítés

Educational and pedagogical counselling service	pedagógiai szakmai szolgáltatások
Educational attainment	(iskolai) végzettség
Professional/educational qualification	szakmai végzettség
Educational counselling service	nevelési tanácsadó (intézmény)
Educational counsellor	nevelési tanácsadó
Foundation school	alapítványi iskola
Frame curricula	kerettantervek
Further Education and Career Guidance Counselling	pályaválasztási tanácsadás
General school	általános iskola
General school education (primary education)	általános iskolai oktatás (alapfokú nevelés és oktatás)
General secondary school	gimnázium
Graduate education	alapképzés (felsőoktatásban)
Higher education entrance examination	felsőoktatási felvételi vizsga
Initial Teacher Training	pedagógusképzés
Initial vocational education and training (IVET)	szakoktatás
In-service Teacher Training	pedagógus-továbbképzés
Learning Support Assistant /Teaching Assistant	pedagógiai asszisztens
Local curricula	helyi tanterv
Local governments maintaining institutions	az intézményfenntartó önkormányzatok
Mainstream school	többségi iskola (típus)
Municipality	települési önkormányzat
National Committees for Assessing Learning Abilities and Rehabilitation	Országos és a Tanulási Képességet Vizsgáló Szakértői és Rehabilitációs Bizottságok
National Core Programme for Dormitories	Kollégiumi Nevelés Országos Alapprogramja
National Core Programme of Pre-primary Education	Óvodai Nevelés Országos Alapprogramja
National Public Foundation for the Compensatory Education of Disabled Children and Students	Fogyatékos Gyermekek, Tanulók Felzárkóztatásáért Országos Közalapítvány
National Public Foundation of Student Dormitories	Nemzeti Kollégiumi Közalapítvány
Non-university higher vocational training	felsőfokú szakképzés
Normative per pupil grant and Earmarked grant	normatív támogatás és céltámogatás
On-the-job training	munkahelyi képzés
Parent association	szülői munkaközösség
Post-secondary education and training	érettségi utáni (nem felsőfokú) szakképzés
Practical training	gyakorlati képzés
Pre-primary education	iskola előtti nevelés
Pre-school education	óvodai nevelés
Pre-school institution	óvoda

Pre-school teacher	úvodapedagógus
Pre-vocational education by trade group	szakmacsoportos alapozó képzés
Primary school teacher	tanító
Professional training	szakmai képzés (szűkebben)
Public employee	közalkalmazott
Pupils/students with social, behavioural and learning difficulties	beilleszkedési, tanulási és magatartási nehézséggel küzdő gyermekek
Pupils' progression	tanulói továbbhaladás
Quality assurance (Comenius 2000 quality improvement programme)	minőségbiztosítás (a Comenius 2000 program esetében)
Regional Development and Training Committees	Regionális Fejlesztési és Képzési Bizottság
School educational program	helyi pedagógiai program
School maintainer	iskolafenntartó
School maintainer local governments	iskolafenntartó önkormányzatok
School rules	házi rend
School head	iskolaigazgató/intézményvezető
Secondary education	középfokú oktatás
Secondary school	középiscola
Secondary school entrance examination	középiscolai felvételi vizsga
Secondary school-leaving examination	érettségi vizsga
Secondary school-leaving certificate	érettségi bizonyítvány
(Association of) Self-Developing Schools	önfejlesztő iskolák (szövetsége)
Skilled worker qualification	szakmunkás végzettség
Special educational needs assistant	gyógypedagógiai asszisztens
Special educational provision	különleges gondozás
Special educational provision for disabled pupils/students	gyógypedagógiai ellátás
Special vocational training school	speciális szakiskola
State-financed places in higher education	államilag finanszírozott képzési hely
Students/pupils with special educational needs	sajátos nevelési igényű tanuló
Support for gifted students	tehetséggondozás
SZAK system of funds	SZAK-pályázat
Teacher	subject teacher
Teacher's post-graduate professional examination	pedagógus-szakvizsga
Teaching aids	taneszköz
Tertiary education	felsőoktatás
Trade group	szakmacsoport
Two-level secondary school-leaving examination regulations	kétszintű érettségi vizsgaszabályzat
University	egyetem
Vocational certificate	szakmunkás-bizonyítvány
Vocational examination	szakmai vizsga

Vocational guidance	pályorientáció
Vocational qualification	szakképesítés
Vocational secondary school	szakközépiskola
Vocational training contribution	szakképzési hozzájárulás
Vocational Training Development Programme	Szakiskolai Fejlesztési Program
Vocational Training Fund	Szakképzési Alap
Vocational training school	szakiskola

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<http://www.oki.hu>
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