## V. Suggestions

This study was conducted to analyze the costs and benefits of national technical qualifications. The following are suggested to reinforce the operation of the vocational qualification system.

First, financial support for national technical qualification should be ensured.

Second, the cost of national technical qualification should be invested in response to needs arising from industrial and technological changes.

Third, a cost-benefit analysis of national technical qualification should be conducted periodically to collect information about the effectiveness of the national technical qualification system.

Fourth, development of task-oriented items within national technical qualifications is needed in order to enhance the effectiveness and usage of qualifications in the industrial area.(seoch@krivet.re.kr)

# Adult Retraining and Reskilling in Korea and Australia RR 00-23

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This study explores the mechanisms utilized by adults in Australia and Korea to keep their skills current or enhance their range of skills.

The study identifies areas of the vocational education and training systems in the two countries, which are providing positive outcomes for adults who are

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retraining and upskilling, and highlighted areas of the sector inadequately servicing the needs of this group. Synergies were identified between the Korean and Australian training systems to assist each country in improving their delivery of vocational education and training to adults who wish to improve their skills.

## I. Adult education and training

There has been increasing demand for adult training in Australia and Korea over the last decade. The shift in growth of employment in the service sectors of both economies has resulted in increased demand for skilled workers, and a decline in the demand for unskilled workers. The demand for skilled workers has increased due to changes that have taken place in the manner and mode of employment. Demographic changes taking place in Australia and Korea have also influenced the training needs of older workers.

Over the coming years, it is anticipated that participation in formal education or study will continue to increase among Australian and Korean adults. Adults will be required to upgrade their skills and learn new skills throughout their lives to keep up-to-date. The training sector will need to be more flexible in their provision of training, and adapt to the changing requirements associated with the growth of nonstandard employment, such as the shift to part-time, casual, outsourced or home-based work, downsizing, occupational changes and the development of new occupations.

Furthermore, as the proportion of young people in the Australian workforce declines, employers will need to look towards older people as a source of labor. The skill requirements of employers, currently being met by training young people who are entering the labor force will, by necessity, need to be partially met by reskilling older workers.

### II. Implications from the Australian and Korean experiences

Although there are differences in the economic and enterprise structures and industry profiles of the Australian and Korean economies, both economies are currently facing changes of a similar nature, particularly in the growth of employment in the service sector, and in the nature of work.

Therefore, the vocational education and training systems in both countries need to be responsive to economic change. Both countries need to give more attention to adult retraining and reskilling as the proportion of young people in the working age population declines.

#### 1. Implications from the Korean experience

#### Outcomes from training provided by employers

Although the proportion of employers providing training to employees is comparable in Australia and in Korea, the types of training provided and outcomes for employees differ between the two countries. Korean employers are much more likely to provide training that will assist employees to gain higher-level skills that enable them to gain a promotion. On the other hand, training undertaken by Australian employees is usually relevant to the tasks performed in the current job. Australia could do well by developing a training culture that encourages employer sponsorship of training in higher-level skills.

#### Encouragement of enterprise training: the employment insurance scheme

The Korean government introduced the Employment Insurance Scheme(EIS) in 1995. This plan has had limited success in increasing the amount of training provided by small firms. Large firms have been the main beneficiaries of the

training programs, and not all firms that contribute to the fund actually provide training for their workers.

Nevertheless, the number of workers trained in 'advanced' courses has increased since the implementation of the new training policy under the EIS. Therefore, Australia could consider a training plan, such as the EIS, as a means to encourage firms to provide higher-level training for their employees. However, the Korean experience suggests that, to be successful, the plan should include part-time and casual workers, as well as older workers.

#### Lifelong learning

The results of the study indicated the value of high school completion and post-school qualifications for lifelong learning. In both Korea and Australia, people who are better educated were more likely to participate in training throughout life. Thus, the low rates of attrition from schooling before the completion of secondary school would suggest that Korean students are better prepared for operating in a lifelong learning environment than Australian students whose school attrition rates are higher.

#### 2. Implications from the Australian experience

#### VET through lifelong learning

Over the past two decades, Australia has developed a VET system that is very broad in its coverage. Adult education is an integral part of the Australian VET system and barriers restricting access to adults retraining and reskilling have been removed.

Today, most VET participants are adults who are trained or retrained for job related purposes. One quarter of all VET participants in Australia are over 40 years of age. In fact, a VET student/trainee is far more likely to be an adult who is already employed and upgrading his or her job skills, than a young person who is studying in VET to gain an entry-level vocational qualification.

#### Publicly funded training

The hallmark of the Australian system of VET over the past 30 years has been a policy of successive governments to establish and develop a comprehensive system of public TAFE colleges and institutes across the nation.

Australia's current VET system, involving a very diverse offering of VET training at different levels to such a high proportion of the total population, would simply not be possible without a strong system of public TAFE institutes and other public VET providers.

#### Flexible delivery and the modularization of training delivery

The modularization of VET programs involves breaking longer courses into shorter programs(such as subjects) that are capable of assessment, as each element or subject is completed. This has promoted the environment of a more diverse range of students in VET, particularly adults who are already employed. Modules have encouraged people to take shorter training episodes to meet a particular skill acquisition need, without requiring them to immediately enroll in a full VET course leading to a qualification.

#### The Australian Qualification Framework

The AQF was designed to provide consistent recognition of the outcomes achieved from education and training across all sectors of senior secondary schooling and universities. The AQF system in the VET sector is designed around a set of competency standards that need to be achieved in different training programs, rather than qualifications being set according to the amount of time taken to study. Thus, different people will take different amounts of time to complete any given VET qualification.

Students who successfully complete the requirements of a recognized course or qualification training package with a registered training organization are entitled to a certificate or diploma under the AQF. Status or credit for subjects or units of competency completed with another training provider, or through recognition of prior learning, should be taken into account when determining entitlement to a recognized qualification. In most instances, the certificate is issued by the registered training organization on application by the student.

The Korean government is trying to integrate workplace learning into the VET system through the amendment of the vocational qualification system. The Australian experience suggests that the reforms take place in the broader context of the VET systems in Korea.(yhlee@krivet.re.kr)

## Promoting Human Resources Development in Companies RR 00-24

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#### I. Overview

This study analyzes the state of human resources development(HRD) in private enterprises to identify the problems at hand. Based on this results, measures to promote and strengthen in-firm HRD are suggested.

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