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This is one of a series of briefing papers produced by the Brotherhood of St Laurence Research and Policy Centre to provide an overview of the key aspects of Australia's Vocational Training and Education system, from the 1970s to early 2019.

Others in the series include: *Australia's VET sector since the mid-1970s*; *Participation and transitions*; *The architecture of Australia's VET sector*; *Funding regimes in Australia's VET sector*; *Emerging skills and competencies*, and *VET's response*; *Apprenticeships and traineeships*.

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8. VET: the international context

Key points

- **VET needs to adapt:** the challenge for all governments is to ensure their vocational training systems remain relevant and responsive to technological, economic, social and demographic changes and changing expectations.
- **Skills and jobs are the main measure of success:** The success or otherwise of vocational training is measured with reference to labour market outcomes, and less to non-utilitarian benefits.
- Successful reforms in countries comparable to Australia include:
 - making vocational training more accessible to all cohorts
 - rebranding vocational education to enhance its status in the general community
 - embedding vocational streams in secondary schooling and giving those pathways equal worth to university pathways
 - involving industry and society in the policy-making—determining standards, curriculum content and course design—and practice of vocational training, with an emphasis on place-based responses
 - exposing students to a wider variety of learning environments and workplaces, and particularly to state-of-the-art technologies
 - a neo-corporatist long-term commitment to excellence, continual improvement and benchmarking against exemplary models
 - ensuring the apprenticeship model becomes a stepping stone rather than an end point.
- **Dependence on employers is problematic:** For all its strengths, the dual-system approach—with its combination of paid employment and apprenticeships, workplace-based learning and school-based learning—is not a panacea. Its reliance on investment from employers makes it vulnerable to economic downturn.

Aims of vocational training

The underlying aims of training, and the purposes of qualifications, vary greatly between nations. Comparisons between systems in varying contexts and stages of development are problematic (Wheelahan & Moodie 2016; Murray & Polesel 2013; Cedefop 2018). One important feature is the country's orientation to the market. Liberal market economies of the Anglosphere, for example, place greater emphasis on 'academic' rather than technical skills attainment, and regard vocational training as a second-tier system. Countries adopting a more coordinated approach—for example those in northern Europe—embrace an 'employment logic' which sees vocational training embedded within a purposeful, targeted and high-status transition to work system. Between these two broad 'types' are a host of variations. Further distinctions can be made between 'transition systems', which rely to a greater or lesser degree on vocational training to act as a bridge between general education and employment.

Nevertheless, it is possible to discern common challenges faced by OECD member governments overseeing systems of vocational training. Such challenges are listed here, as are some valuable lessons and country vignettes.

Challenges and responses

A major review of vocational training systems in Europe—and Australia—points to the following specific challenges facing governments (Cedefop 2018):

- developing the capacity to meet the needs of the labour market in changing technological, economic and demographic conditions
- increasing the status and ‘attractiveness’ of vocational training across the community
- ensuring that workforce development within the training system keeps pace with and addresses the demands of the changing landscape and particularly new technologies
- striking a balance between narrow ‘vocational’ training and a broad education incorporating foundational and ‘life’ skills
- maintaining quality when pressures on public finances threaten funding to vocational training.

Reforms adopted elsewhere, and how Australia compares

We distil here some common (European) government responses to these challenges, with reflections on the corresponding Australian experience. The responses include:

- broadening vocational training’s appeal to older cohorts, and incorporating recognition of prior skills. In Australia, programs for mature cohorts are quite ad hoc, and mainly used as responses to regional workforces that have experienced major and sudden industrial downturns (e.g. Skilling Australia Fund priorities)
- greater emphasis on competency-based training (CBT) and shortening the duration of some training. This resonates with the Australian experience, which invests heavily in CBT, in spite of its limitations. Micro-credentialing and accelerated training have proven contentious in the context of profit-driven provision
- promotion of apprenticeships as a means of linking training to the needs of the labour market. Ongoing efforts to promote apprenticeships in Australia have had limited success, with participation stagnant. Traineeships continue to decline, with little proactive reform evident
- improving alignment between, and recognition of, vocational and tertiary qualifications. Even though qualifications hitherto associated with vocational training (e.g. diplomas and advanced diplomas) are now frequently provided by universities, there is little alignment between pathways in the two sectors. Universities and vocational training providers remain competitors for market share in a highly marketised environment.

Fostering education–employer linkages

On the relationship between vocational training providers and employers, Cedefop found:

- There is a trend towards ensuring that training is more closely targeted to employer needs.
- This remains a challenge in Australia, due partly to the somewhat cumbersome and inflexible training products and the rigid qualifications accreditation regime.
- More countries are relying on stronger ties between industry and the VET system to anticipate emerging skills demands, often by giving industry (and social) partners greater input to design of courses and curricula.
- While it is a truism that Australia’s VET system is ‘industry-led’, this has not produced greater responsiveness. Ongoing debates on reform to training products point to this tension.
- More systems are using employers’ facilities and technologies that may not be available on site at vocational training providers.

- ‘Enterprise’ and ‘industry-specific’ private training organisations in Australia doubtless provide access to specialised technologies. The extent to which these training providers rely on industry for access to such technologies is unclear. Workplace-based training is more evident now, and this may help in providing such access.

The importance of employer involvement is affirmed by research conducted by dandolopartners (2011), and the National Center on Education and the Economy (Renold et al. 2018). They found that the strongest VET programs and systems were those with high levels of interaction and linkage between educators and employers (Renold et al. 2018).

Developments in regulation and quality control

Misko’s (2015) research focuses on how regulation and quality control are practised in and beyond Europe (in New Zealand, Finland, Sweden, United Kingdom, and some regions of Canada and the United States), and on the lessons for Australia. A distillation of her findings reveals the following issues resonating with the Australian setting:

- Industries, including employer and employee associations, are playing a more active role in developing qualifications, assessment for qualifications and providing workplace experience.
- Workforce development is now a widely acknowledged priority and imperative.
- External assessment, conducted by expert third parties with occupational knowledge, can bolster the image and integrity of the training.
- Where prospective students are given access to training providers’ performance data they are more likely to make informed decisions.
- Increasingly, the principles of responsive regulation and risk analysis are being embraced (including a ‘light touch’ approach to punitive measures).

While all of these are relevant to Australia, noteworthy is the importance of reaching consensus on what constitutes ‘quality provision’, high standards and the specific outcomes to be pursued across the system. Many bemoan the absence of such consensus in Australia.

Some overseas VET success stories

Switzerland

Over 70 per cent of young Swiss people choose the vocational path (Hoffman & Schwartz 2015). Vocational education encompasses a broad range of occupations, many of which would in other countries be within the preserve of universities (e.g. IT, banking, insurance). The Swiss system has a number of features that make it attractive for students:

- It immediately places young students alongside adults in workplace learning settings where they are given far more responsibility and receive close coaching and support.
- Academic concepts are explored through hands-on, applied and contextualised pedagogy.
- Students are initially paid up to \$700 per month while they are learning, and this increases to around \$1200 per month in the final year of the training.
- The apprenticeship award is a nationally recognised qualification that leads to full-time employment, *and/or* to further education.
- In spite of the divide between vocational and university education, there are many points of transfer between the two.
- There is a competency-based system of exams linked to most occupations that allow mature aged and experienced workers to upskill while continuing their employment.

All this is enabled through a strong tripartite system which is oriented towards quality, efficiency and competitiveness, and involves:

- high-level government representation (with direct involvement of the secretariat overseeing the entire education system, alongside a ministry with specific responsibilities for vocational training)
- autonomous cantons which maintain regional VET offices and oversee vocational colleges, funding, supports and local career guidance offices
- peak employer associations and constituent industries which play the principal role in shaping the content, standards and reforms of curricula in response to changing technologies and economic circumstances.

Fundamentally, the needs and interests of industry determine the nature and purpose of Switzerland's vocational training system (Hoffman & Schwartz 2015).

Singapore

According to Tucker (2016) the features of Singapore's much vaunted VET system include:

- a commitment to setting and reaching benchmarks aimed at surpassing exemplary VET systems elsewhere in the world
- stable government that is driven by a meritocratic ethos in appointments of ministers, senior bureaucrats and other decision-makers
- coherent, purposeful yet incremental cycles of reform and innovation towards alignment of all parts of the educational, societal and economic spheres
- clear long-term strategic intent linked to a national economic development strategy
- a strong foundation in the form of a compulsory education system that prepares young people for later phases of education, be it vocational or tertiary
- a 'factory school' approach involving learning settings that simulate state-of-the-art workplaces, and in which industry representatives have a constant, meaningful presence
- close ties with business, with training staff undergoing regular workplace-based upskilling, and industry partners providing input into assessments, standards and design of VET programs
- the commitment of significant resources to raising the status of vocational training, and to rebrand it in order to counter historical and cultural bias favouring the professions
- a commitment to meritocracy, manifesting in high expectations of students, allied with an equally strong commitment to providing the financial and learning supports needed by students of all backgrounds.

Denmark

Denmark's much praised approach is also characterised by a high degree of corporatism, with strong linkages between government, its education and training system, and employers—including chambers of commerce and industry bodies (HRSCEET 2018).

Denmark's dual system features clear vocational training options in a secondary schooling system that does not hold vocational and university pathways in opposition. The high-status vocational training system pivots on apprenticeship training, and there is a very strong alignment between the qualifications offered by the system and employment opportunities in the existing labour market. Chiefly because of its strong employment outcomes, the vocational pathway does not suffer lower status in comparison to the university pathway.

Denmark's 'employment logic'—akin to Singapore's 'factory school' approach—entails a strong utilitarian approach to vocational education, with employment the overriding imperative.

A smaller suite of around 100 programs are offered over four years, and delivered through four institutional modes: technical schools, trade schools, health/care providers and agricultural providers. Each adopts its version of school-based and workplace-based learning (Murray & Polesel 2013).

The Danish vocational training system contrasts with its Australia counterpart in significant ways, and primarily through its greater coordination between major societal stakeholders, and consequent focus on the employment needs of both learners and industry. It is evident that there are in Denmark stronger links between qualifications and employment opportunities and outcomes.

Germany

The German vocational training system—an exemplar of the dual system—also embraces an employment logic. It entails an apprenticeship component (3–5 days per week with an employer) and enrolment at schools where a combination of trade specific theory and conventional secondary curricula is covered. Teachers and trainers draw on diverse professional qualifications, with the vocational teachers required in most cases to possess a masters degree.

The system has for many years proved effective in preparing young people for the job market (Deissinger 2015). Much is expected of employers, with considerable investment in apprenticeships based training, and in all aspects of curriculum/program design and, ultimately, in assessment. A notable aspect of the German vocational training system is its purposeful and utilitarian employment logic, within an expanded curriculum that also incorporates education for citizenship, a strong non-vocational dimension, and broad theoretical knowledge associated with a given occupation (Wheelahan & Moodie 2016).

Challenges faced by the exemplars

As noted, all the above countries adopt a dual system (combining workplace and classroom learning), and this feature has contributed to the strong reputations of each country and their vocational training system. In essence, that approach entails an embedded apprenticeship stream married to both general education and workplace environments. While transplanting the dual system is an ideal, there exist complications and barriers.

Reliance on employers

Investing so heavily in the commitment of employers leaves VET systems open to fluctuating economic trends. Speculation about the significant declines in enrolments in vocational training and apprenticeships (particularly in Denmark and Germany) (Hoffman & Schwarz 2015) has focused on the varying commitment and capacity of employers to employ and support apprentices. This is not restricted to northern Europe: it is one of the factors attributed to the faltering levels of participation in Australia.

Modularised vs general education

Declines in apprenticeships in Australia and comparable countries are also attributed to the continuing appeal of academic university education, which carries significant cachet in the eyes of parents and students.

The German experience notwithstanding, most dual-system countries also struggle to find a balance between competency-based, modularised curricula and general occupational skills. Finally, the dual-system approach is heavily dependent on a stability in government, and in social and economic relations, that are not always evident.

The United Kingdom's overhaul of VET

Familiar challenges

Consultations and reviews of the UK's vocational education system conducted from 2015 found a number of shortcomings with strong resonances with the Australian setting. There were far too many qualifications; the system was too complex and confusing; it did not satisfy the skills shortages in either established or emerging sectors; it was held in low regard by employers and the general public; and it was very much the poor cousin to higher education.

Streamlining options and concentrating assessment

The consequent reforms—under way at time of writing—were designed to streamline the vocational training system, and to provide a seamless entry into that training, particularly for younger learners. Fundamentally, the reforms will result in two tracks for learners: an academic option and a technical (vocational) option.

The technical option will consist of 15 technical routes of entry (each with associated occupational pathways; with 11 via technical colleges, and 4 via apprenticeships). This streamlining will also introduce a single qualification-awarding body for each of the 15 routes, thus eliminating the problematic regime where providers conferred qualifications (Foster 2018).

The entry qualification for each technical route will be T Levels—a two-year, full-time program developing technical, employability, and literacy and numeracy skills, and including an industry placement. For those youngsters who are not prepared for the T Levels at 16, a transitional year is offered to bridge senior secondary and vocational training. It is envisaged that reforms, along with substantial funding increases, will enhance the system's image and status.

Concerns

While the planned reforms have been widely supported, some concerns have been expressed about a suite of routes/pathways that may be too narrow, excluding important options (e.g. creative arts and sports). Some also question whether those as young as 15 or 16 are equipped with the awareness and understanding to make the choice between an academic and technical path. Additionally, some have questioned whether the structural distinction between technical and academic is viable. It is not yet clear how the T Levels (aimed at the 16–19 years cohort) will be adapted for adult learners, though moves are under way to create the flexibility needed to deliver for those reskilling.

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