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# **Iceland**

## **VET in Europe – Country report**

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**2012**

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## CHAPTER 1

### 1. External factors influencing VET

The Icelandic population is one of the smallest in Europe and is thinly scattered over a relatively large area. More than half of the population lives in and around the capital Reykjavík, and this makes it possible to offer a wide variety of education and training to people all ages. In other areas, this is much more difficult due to the small size of the population in each region.

The population is one of the youngest in Europe, both because Icelandic women have more children than most other European women and because the large wave of immigrants came to Iceland between 2006 and 2008 is of a relatively young age.

<b>Table 1: Key demographics statistic relevant for education and training, January 1st 2012</b>	
Country size	103.000 km <sup>2</sup>
Total population	319.575
Average age	36.9
Percentage of population born outside Iceland	6.6
Source: Hagstofa Íslands (Statistic Iceland)	

Until late 2008, unemployment in Iceland had been an almost unknown factor for a long time. But after the collapse of the country's three major banks, severe cutbacks both in the public and private sectors, unemployment has been around the European average. It differs between areas and age groups, is worst in the southwest corner of the country (the Reykjanes peninsula), among young people with limited education and training and among immigrants.

<b>Table 2: Key statistic on the labour force, December 2011</b>	
Active labour as a percentage of all of "working age" (16-74 years)	81.1%
Unemployment rate	7.6%
Youth (16-24) unemployment	15%
Unemployment in the Reykjanes peninsula	12.3%
Unemployment among foreign citizens	10.5%
Unemployment among people with only compulsory education	14.6%
Sources: Hagstofa Íslands (Statistic Iceland) and Vinnuálfstofnun (Directorate of Labour)	

There is a considerable mismatch in the educational attainment levels of the Icelandic population; the biggest percentage of the population has only completed compulsory education but at the same time, the percentage of people with university education is higher than in most other European countries. The percentage of people with VET and additional education is therefore lower than in most of Europe.

<b>Table 3: educational attainment of employed people, 2011</b>	
Compulsory education	38.4%
VET and additional education	35.6%
University education	26.1%
Source: Hagstofa Íslands	

The Icelandic economy is, like most economies in Europe, categorised by the large service sector. However, primary production is a bigger percentage of the economy than in most European countries and industry a smaller percentage. Most companies in Iceland are very small. Unfortunately the latest statistics available is from 2005, where almost 29% of companies employed only one person and an additional 33% employed between 2 and 9 people. Source: Hagstofa Íslands (Statistic Iceland). Several big companies have been established since then and, especially since 2009, many small companies have gone bankrupt. Therefore it is likely that a bigger percentage of people work in larger companies than was the case in 2005.

<b>Table 4: Key economic statistics, 2010</b>	
Agriculture and fisheries	5.8%
Industry	18.6%
Service	75.6%
Source: Hagstofa Íslands (Statistic Iceland)	

Iceland's contribution towards the greening of the economy has been in the development of renewable energy. Most homes and industries use either geothermal or hydroelectric energy, the big exceptions being the fishing fleet and the vehicles used on land. Several experiments are under way as this report is being written in developing new sources of green energy also for cars and ships. For students of electricity and electronics, green energy already is the point of departure in their studies so new energy sources probably will not change their working environment. Car and ship mechanics may on the other hand have to learn to deal with new electrical cars and cars driven by methane gas.

Many parts of the labour market are bound in regulations, e.g. employees' right to belong to a labour union, length of working hours per day or week, minimum working age and the right to old age or disability pensions. Other factors are more left to each individual company, e.g. shops can be open any time day or night and there is still a considerable number of jobs available to people who have little formal education and training. In many professions (the so-called certified trades) a journeyman's exam is a necessary precondition for being hired as a VET professional. In times of too much demand for certain skills for professional people to be able to meet them, people without it may be hired temporarily but then need to work under the supervision of a trained professional.

Despite the explicit goal of the government of maintaining a Nordic welfare society in Iceland, the past three year have called for drastic cut back in the health and social system. This has meant laying off many people, cutting services and closing down health and welfare institutions. Many of those losing their jobs have been highly trained professionals and there has been a considerable brain-drain in their group to Norway. This may discourage young people to train for jobs within the health and social sector but so far, no such movement can be detected.

For most VET graduates, getting a job is relatively easy. The big exception is the building industry, where jobs are hard to find both for professionals and unskilled people. The unemployment rate among VET professionals in 2011 was 5.6%, which is lower than among the total population. Source: Hagstofa Íslands (Statistic Iceland).

According to a survey carried out by IDAN Training Centre, the overall majority of VET professionals (more than 90%) were proud of their professions and almost 87% of respondents are satisfied with their work. Almost three out of every four stated that they would recommend their profession on young people<sup>1</sup>.

As can be seen in the table below, VET professionals receive in average salaries which are a bit lower than technical and specialised people but considerably lower than specialists receive. There is of course a big variation within each group from one time to another and between different classes.

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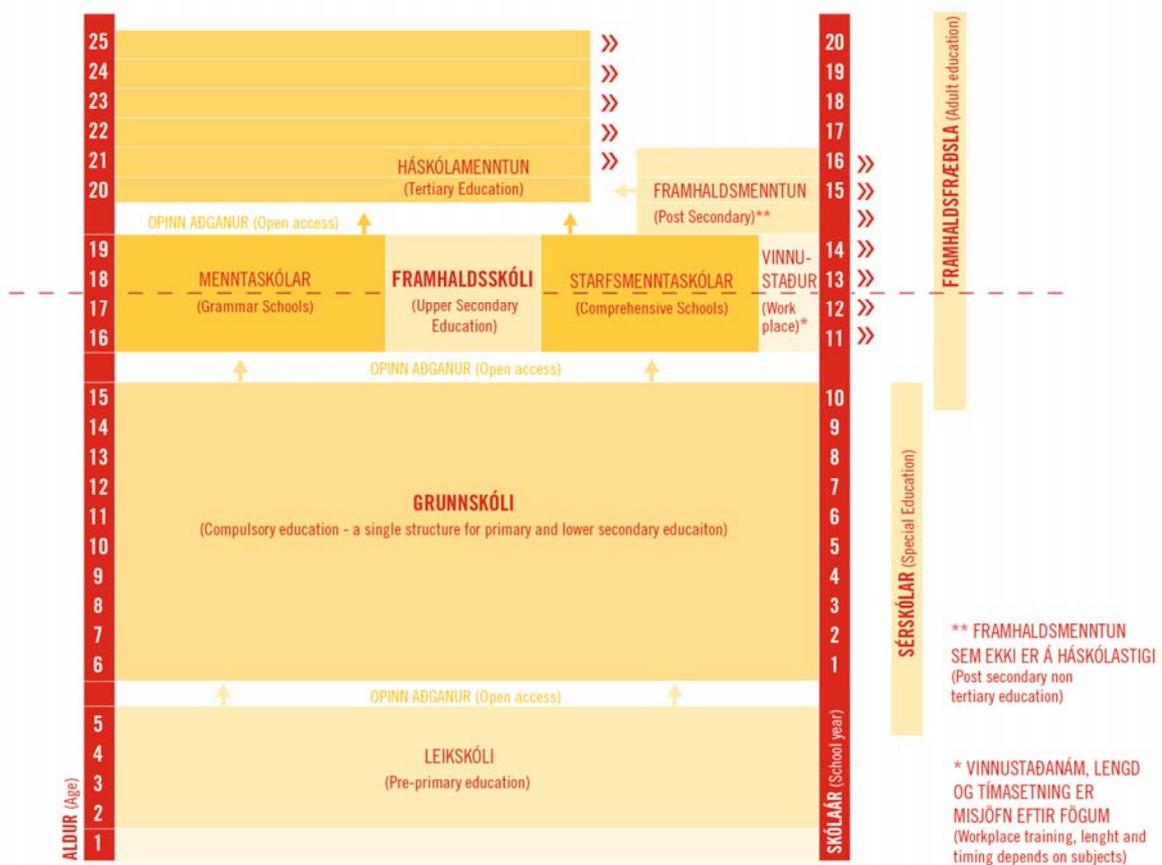
<sup>1</sup> The survey (in Icelandic), is available upon request by emailing Idan ([idan@idan.is](mailto:idan@idan.is)).

<b>Table 5: gross monthly medium salaries for employees in the private sector, 2011</b>		
	IKR	€ (1€=150 IKR)
Total	469.000	3.127
Supervisors	843.000	5.620
Specialists	666.000	4.440
Technical and specialised people	517.000	3.447
Office workers	382.000	2.547
Service, sales and other expedients	376.000	2.507
VET professionals	495.000	3.300
Workers	366.000	2.440
Source: Hagstofa Íslands – Statistics Iceland		

## CHAPTER 2

### 2. Providing vocational education and training in a lifelong learning perspective

#### 2.1. Diagram of the national education and training system



**Diagram 1: The Icelandic system of education and training**

In compulsory education, there is a slight difference between the first seven years (grunnstig – primary education) and the last three (unglingastig – lower secondary education). The main difference is in the latter that more subjects are taught by subject teachers instead of a single teacher teaching all subjects.

At upper secondary level, there are a few schools that do not offer any form of VET but the most common form of education at this level is at comprehensive schools which offer both general studies and VET.

Compulsory education is classified as ISCED 2, upper secondary at ISCED 3, post-secondary at ISCED 4 and tertiary as ISCED 5 and 6 (PhD). The work on the Icelandic NQF is well under way and is likely to be completed in 2012. The NQF for upper secondary has been published as a part of the national curricula and the NQF for tertiary education has been in use for some years. When completed, the NQF will follow have the following comparison towards the EQF:

NQF 1	EQF 1 and 2
NQF 2	EQF 3
NQF 3	EQF 4
NQF 4	EQF 5
NQF 5	EQF 6
NQF 6	EQF 8
NQF 7	EQF 8

All VET is at upper secondary school level, which means that it is at NQF level 1 and EQF level 2.

## 2.2. Government-regulated VET provision

Almost all Initial VET in Iceland is built on a dual system, where most part of the education takes place in schools but training in a workplace is also necessary. There are a few degrees where all the education and training takes place at schools but as they are such a minority, they will not be further discussed here.

Anyone who has completed compulsory or equivalent education or is at least 16 years old has the right to enter upper secondary school where almost all VET takes place. The duration of study programmes is between two semesters and four years. School time is often divided into a basic part, which is common for several studies in similar sectors, and specialisation in a number of trades. To take an example, training for the building sector starts with combined courses for house builders, furniture makers, painters, masons, wall-papering and technical drawing. After the first term of such common studies, students specialise.

The Ministry of Education, Science and Culture (mennta- og menningarmálaráðuneyti) regulates the all curricula for all upper secondary education and training. The curricula for certified trades is developed in cooperation with social partners in each profession, through the Occupational Councils, and regularly revised. Individual schools will gradually take on more responsibilities in this field, once the new Upper Secondary School Act is fully implemented (in 2015).

In all upper secondary schools, it is obligatory to pass some points of Icelandic, English and mathematics. The bulk of VET however consists of relevant vocational subjects, both theoretical and hands-on. The emphasis is assisting students with acquiring necessary key competences relevant for their future professions.

According to the Upper Secondary School Act 92/2008 a training contract is to be made at the beginning of the work-place training which stipulates the rights and obligations of the work-place and the student as well as the objective of the training, quality control and the handling of possible disputes. A specific contract is also signed between the student and employer, stipulating the student's/employee's salaries and working hours (which are according to labour market agreements) (Source: Upper Secondary School Act 92/2008 article 28, available in English at: [http://eng.menntamalaraduneyti.is/media/MRN-df\\_Annad/Upper\\_secondary\\_school\\_Act.pdf](http://eng.menntamalaraduneyti.is/media/MRN-df_Annad/Upper_secondary_school_Act.pdf)). A regulation, issued by the Minister for Education, Science and Culture, contains provisions concerning contracts for on-the-job training.

Teaching methods and material are under constant development. There is:

- innovation in curricula (general as well as specific skills);
- innovation in teaching and learning methods (changes in pedagogy and the utilisation of ICT for example); and
- innovation in education settings (not just schools but rather training centres and companies).

In VET there has been a great development in all these aspects during the last two decades as new technology has pushed forward in all areas of the industry. The development has been increasing in speed and since the beginning of this century there has been a great progress in the access to education for adults.

Each course/training module finishes with some sort of an assessment, either theoretical or hands-on. The training ends with a skills demonstration test (the journeyman's exam).

Students can choose to complete their studies with a Matriculation exam, granting access to university, as well as their journeyman's exam (which may take a slightly longer time). For those who do not take the Matriculation exam, it is possible to take a bridging course which grants access to university. With the Upper Secondary School Act from 2008 the state aims at making VET students' access to university more on par with general students

but it remains to be seen how this will work in reality (some of the universities have stated that they will not admit students who have less general education than the present Matriculation exam guarantees). Apprenticeship training finishes with the journeyman's exam, which gives formal rights (monopoly) to work in the trade in question.

<b>Table 7: Number of students in upper secondary education and training 2011</b>			
	Total	Male	Female
Total	27 118	13 574	13 544
General studies 3AG	13 991	6 340	7 651
General studies 3CG	3 430	1 633	1 797
Pre-vocational studies 3BP	201	99	102
Pre-vocational studies 3CP	435	299	136
VET 3AV	75	25	50
VET 3CV	8 021	4 572	3 449
VET 4CV	965	606	359
Source: Statistics Iceland (Hagstofa Íslands)			

As can be seen by this table, there is a much greater interest for general studies than VET. This is especially the case among female students where interest in VET has been limited for a long time. There may be several reasons for this:

- there is a great interest in university education, especially among girls (who were in 2010 62.2% of university students (source Statistics Iceland). Girls do much better in schools, from the earliest classes in compulsory schools through upper secondary schools and therefore have greater possibilities for a university education;
- general education has a higher social esteem than VET;
- many of the traditional women's subjects (e.g. nursing and social care) have been moved from upper secondary to tertiary level, which means that they are no longer classified as VET.

	Total	Male	Female
Total	6 515	3 188	3 327
Basic exam, general	109	61	48
Basic exam VET	8	0	8
Basic exam from a VET field	120	111	9
Upper secondary school exam	65	32	33
Skills tests	946	266	680
VET exam giving some qualifications	661	285	376
VET graduation exam	778	585	193
Journeyman's exam	644	516	128
Matriculation exam for VET students	597	305	292
Matriculation exam for general students	2 587	1 027	1 560
Source: Statistics Iceland (Hagstofa Íslands)			

In the light of the above, it comes as no surprise that the greatest number of graduates has completed the matriculation exam for general students. This is more apparent among females than males.

No statistics has been gathered on drop out from upper secondary education and training since 2003. At that time, drop out among young people (16-24) is higher in VET than in general studies, there it changes completely and drop out among then older cohorts is much higher. This could indicate that some maturity is desirable before students start VET and/or that people who have been a few years on the labour market know better what jobs are available and have found their study of choice. Because VET is hardly taught at all in compulsory schools, graduates may find it difficult to imagine themselves in some field whereas general studies are something they know very well.

### **2.2.1 Funding of IVET**

The main principle for the funding of VET is the Ministries of Education, Science and Culture paying a certain amount to the VET schools for each student who sits for an exam at the end of each term. This applies both to public and private schools.

Students pay a small fee for enrolling each semester (6.000 IKR, around € 40) and, according to temporary article number V of the Upper Secondary School Act, also pay for the material they use during their class hours. According to a temporary clause in the Upper Secondary School Act (valid until 2014) this amount varies between subjects (e.g. goldsmiths have to pay more than carpenters) but can never exceed 50.000 IKR (around € 300) per school year.

On the job training is funded by the state (through the newly established Workplace Training Fund) and by the companies which train students. All apprentices are entitled to salaries during their training periods, which are a percentage of the salaries of fully qualified staff. Only master craftsmen can train apprentices and it goes without saying that they must dedicate some hours per day to the students and in the meantime the company may lose out. The costs of training apprentices tend to be biggest in the beginning but as students become better skilled, they will gradually contribute to the income of the company.

<b>Table 9: Funding for initial vocational education and training</b>		
Types of IVET	Institutions responsible for funding	Pay for*
Certified professions	Ministry of Education, Science and Culture (mennta- og menningarmálaráðuneyti)	Education and training at schools and a subsidy towards workplace training
	Employers who train apprentices at workplaces	Apprentices' salaries
	Individuals	School fees and study material
Health and welfare professionals	Ministry of Education, Science and Culture	Education and training at schools
	Ministry of Welfare (velferðarráðuneyti)	Salaries for trainees at hospitals
	Individuals	School fees and study material
Police officers	Ministry of the Interior (innanríkisráðuneyti)	Education and training at schools plus salaries of trainees
Pilots	Individuals	Pay all costs
Non-certified professions	Ministry of Education, Science and Culture	Education and training at schools
	Individuals	School fees and study material
*Precise information is not available on each partner's share of funding contribution.		

### **2.2.2. Teachers and trainers**

Teachers are responsible for selecting teaching material, giving lessons and the assessment of learning outcomes according to the curricula of each course.

Teachers in VET schools mainly have two different backgrounds:

- general subject teachers (for e.g. languages, mathematics, etc.) have a M.Ed. degree from a university;
- teachers of vocational subjects are masters of trade in the relevant profession and have taken a 1-2 year training course at a university in pedagogy.

Trainers at workplaces who are responsible for training apprentices must be masters of trade in the relevant profession. The trainers are responsible for making sure that the apprentices learn the correct use of material, working technique and working culture.

The final assessment of apprentices takes place during the journeyman's exam, where both the skills learned at schools and at the workplace are assessed.

### **2.2.3. Present challenges**

In VET, as in many other public services, the main challenge since 2009 has been the cutback of funding, due to the financial crisis. Financial allocation to schools has been reduced, even though they are asked to enrol a greater number of students. This has meant that they have to teach a greater number of students in each class and that some subjects where traditionally only a few students enrol are not taught every year. The schools have shown an amazing will to work under these conditions and have participated in special initiatives to enrol young unemployed people into VET. The minister of education, science and culture has now announced that in 2013 the upper secondary schools will be exempted from further financial cuts and may even receive increased funding, if there is any space available in the financial act.

## **2.3. Other forms of training**

### **2.3.1 Adult learning**

Even though adult learning is classified here as other forms of training (opposed to government regulated education and training), some regulations apply to parts of it, i.e. courses which give formal credits which are recognised in the formal system and give study points which can be used for further training at upper secondary schools. In order to obtain a licence to teach such courses, training providers must be formally accredited by the Ministry of

Education, Science and Culture. According to article 7 of the Adult Education Act number 27/2010, the accreditation shall be based on evaluation of the following:

- a. teaching and learning facilities,
- b. organisation and supervision of studies,
- c. curricula or course descriptions,
- d. the competences of adult education providers, with regard to their knowledge and experience,
- e. financial issues and insurance, and
- f. the existence of a quality control system focused on adult education.

The Minister's accreditation cf. paragraph 2 entails a confirmation that the operation of the relevant education and training provider fulfils the requirements of this Act and Regulations thereof, at the time when the accreditation is granted.

The accreditation does neither entail commitment for public funding to the education provider in question nor responsibility for the education and training provider's liabilities." (Source: The Adult Education Act, 27/2010. Available in English at:

<http://eng.menntamalaraduneyti.is/media/MRN-PDF-Althjodlegt/Adult-Education-Act.pdf>).

Participation in all forms of adult education and training has multiplied in the past decades. Numerous private education and training institutions and non-profit institutions owned by social partners have been established, aiming specifically at adults. The main training providers are:

- upper secondary schools where adults can either enrol in normal classes with younger students or in evening classes aimed specifically for adults. In the latter case, the number of teaching hours is only the half of the day school hours;
- the state co-finances nine Lifelong Learning Centres, which offer a wide scope of training possibilities, such as Icelandic for foreigners, university degrees through distance studies in cooperation with universities and courses found relevant to their local communities (e.g. in tourism or fisheries). In many cases they e.g. offer the possibility of adding on to qualifications through distance learning and a combination of on campus and distance learning;
- institutions owned by social partners which offer upgrading of skills (see below);
- private institutions which offer e.g. language learning, hobby classes or IT training. These course normally do not give study points which can be used for upper secondary schools;
- workplaces where employees are trained in e.g. safety measures or the utilization of new equipment.

### 2.3.2 Upgrading of skills

Each sector sets its own demands for the continuous upgrading of skills which vary a lot. Mostly, the market regulates the supply of training where courses on e.g. new technology, materials and tools are regularly on offer. Each training course is credited by a diploma. It is possible for craftsmen to get financial support from the social partners' training funds for these courses so there is a strong encouragement to do so. The two main training centres are operated by social partners, with some funding from the state:

- Iðan, fræðslusetur (the Vocational Education and Training Centre) is the largest continuous training institution in Iceland. It offers courses for a variety of sectors (food and catering; metal and machines; building and constructions; printing technology; auto mechanics; computer supported design and hair styling). Each year, representatives from each of the sectors are contacted and asked about training needs and the courses are planned accordingly.
- Rafiðnaðarskólinn - Retraining and Technical Training Centre for Electric and Electronic Technicians offers continuous training for electricians and electronic specialists.

Other continuous training centres are much smaller and offer a more specialised training:

- The private company Sýni Research Centre offers job-related courses for people working in the food industry, from people with very little formal training to managers.
- Nýsköpunarmiðstöð Íslands (the Icelandic Innovation centre), a public institution under to the Ministry Industries and Innovation, offers courses in e.g. project management or personal leadership. Students at these courses tend to be university graduates who feel the need of adding their degree.

Special vocational schools are e.g.

- The National Police College (Lögregluskólinn), an independent institution under the Minister of the Interior, is responsible for CVET for the police;
- The Iceland Fire Authority runs the Fire Service Technical College (Brunamálaskólinn), which is responsible for CVET for fire fighters;
- School for Air Traffic Controllers (Þjálfunardeild Flugmálastjórnar) is operated by the Icelandic Civil Aviation Administration;
- The Icelandic Flight Academy (Flugskóli Íslands) and Keilir, Atlantic Centre of Excellence, offer training for pilots but the airlines are responsible for their own CVET and that the training of personnel follows European standards (JAR).
- Fisktækniskólinn (the Icelandic College of Fisheries) offers CVET in fish processing

- Slysavarnarfélagið Landsbjörg (ICE-SAR) operates a special school for seamen with the aim of teaching them various security measures. It is obligatory for all registered seamen to take a course there before being registered on a boat/ship and at least once every five years after that (Source: Slysavarnarfélagið Landsbjörg, Slysavarnarskóli sjómanna: <http://www.landsbjorg.is/category.aspx?catID=153>). (Some information in English can be found at <http://www.icesar.com/>).

As can be seen from the variety of these training institutions the curricula varies a lot. In most cases, the focus is on new technology and hands-on training is very common, even though the studies may require the reading of e.g. manuals. Duration of training is equally different but in most cases, courses are short and concentrated. Distance training is usually not on offer.

### **2.3.3 Training at workplaces**

Annually the Statistical Office (Hagstofa Íslands) carries out a survey among employees where they are e.g. asked about their participation in education and training during four weeks prior to survey. Around 31% of all employees seem to participate in some form of training but they have not been asked where this training takes place. According to Starfsafl, the social partners' training fund for low skilled people, an increasing part of the training takes place at the workplace. This training is e.g. on security, environmental protection, new working techniques or other aspects which involve all employees at a certain workplace.

<b>Table 10: % of people having undergone some kind of education and training in the last 4 weeks 2005-2011</b>		
Year	Labour market participation	%
2006	Total	33,1
	Unemployed	47,1
	Employed	32,1
2007	Total	32,7
	Unemployed	45,4
	Employed	31,8
2008	Total	30,3
	Unemployed	47,2
	Employed	28,8
2009	Total	31,0
	Unemployed	35,9
	Employed	28,5
2010	Total	31,4
	Unemployed	38,8
	Employed	28,9
2011	Total	31,3
	Unemployed	42,7
	Employed	28,7
Source: Hagstofa Íslands (Statistics Iceland)		

### 2.3.4 Education for immigrants

Immigrants from the European Economic Area have all the same rights to education and training in Iceland as does the rest of the population. If they seek permanent residence permit, they must prove that they have attended some courses in Icelandic (Source: Immigration act, available in Icelandic at <http://www.althingi.is/lagas/140b/2002096.html>). Immigrants from areas outside the EEA must have an Icelandic residence permit before applying for upper secondary or tertiary education. Icelandic for foreigners is offered at:

- upper secondary schools, which, according to the Upper Secondary School Act, must all have a plan on how to receive non-Icelandic speaking people,
- the Lifelong Learning Centre and
- non-governmental institutions, sometimes related to different municipalities.

There is a big variety of offers, from the most elementary up to a university degree in Icelandic. Immigrants who have been working on the Icelandic labour market for at least six months can apply to their social partners' training fund for funding of Icelandic lessons. Some companies also pay the training costs directly.

### **2.3.5 Specific training measures for the unemployed**

In recent years, two mayor initiatives have been launched to assist unemployed people improving their education and training. The main reason for these is that it has been discovered among the unemployed population the percentage of people with little formally recognition is much higher than in the total population. The two initiatives are:

- Youth to Action (Ungt fólk til athafna) from 2010. People aged 16-24 could apply to take part in both formal and informal training, both in schools and at workplaces. Further information on the initiative can be found at <http://www.vinnumalastofnun.is/atvinnuleitandi/urraedi/ataksverkefni/ungt-folk-til-athafna/>, where there are online slides both in Icelandic and English;
- Education can Work (Nám er vinnandi vegur) from 2011. There was no age limit, anyone who was registered as being unemployed could apply and use his or her unemployment benefit to study at upper secondary school or university. On-the-job training was also offered.

The latter initiative is still on-going and therefore statistics on participation in the two initiatives is not complete. However, the following statistics has been published on the web of the Directorate of Labour on the number of people (of any age) taking part in one or more of the initiatives it has offered:

<b>Type of initiative</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Basic assistance <sup>2</sup>	828	639	224	384	1.379	2.662
Workshops and clubs	8	23	20	48	481	1.279
Language, computer and office work courses	395	280	230	338	1.196	2.679
Work related courses	128	92	78	113	668	1.243
Training contract	16	17	10	6	1.435	1.480
Workplace training and trial hiring	60	39	35	36	586	773
Special initiatives	96	51	19	33	514	638
Educational grants	87	37	50	69	245	766
Innovation programmes					151	431
Courses held by the Education and Training Service Centre					265	766
<b>Total<sup>3</sup></b>	<b>1.618</b>	<b>1.178</b>	<b>666</b>	<b>1.027</b>	<b>6 920</b>	<b>12.717</b>
Source: Vinnuálsstofnun (Directorate of Labour)						

### **2.3.6 Funding mechanisms**

There are basically four main mechanisms for funding adult education and training, training for immigrants and training for unemployed people:

- the state pays for parts of or the whole training. This applies to training for the unemployed and the former to training of immigrants where the state subsidises courses in Icelandic;
- learners pay all costs. This applies when the training is not directly related to the learner's work and is in no way requested by the employer;
- employers pay all costs. This applies when the training is deemed necessary for the workplace, e.g. when new technology is introduced or working procedures changed;
- learners and employers share costs. This can be done directly in the form that e.g. learners spend some of their free time in work-related training which is paid by the employer. The more usual form is that either the company or the employee applies to the social partners' training fund for a subsidy to the training. In several labour market agreements between labour unions and employers signed since 2000, it has been

<sup>2</sup> E.g. counselling, assistance in looking for a job or course, assistance in increasing people's self-image.

<sup>3</sup> The total number of people may include individuals who have used more than one of the initiatives.

decided that each employee is obliged to pay 0.05% of his/her salaries towards an education and training fund and all employers must pay 0.15% of the same amount. The state contributes to these funds through the Unemployment Security Fund (Atvinnuleysisstryggingarsjóður). Several such funds exist, classified according to occupations and/or skills. Employees can apply for training funds according to certain rules and employers can also apply for funds to give specific courses at the workplace. These funds have not only given a colossal boost towards continuous training but also made it an accepted fact that people resume their education and training at any age.

<b>Table 12: Overview of social partners' training funds:</b>		
Name	For whom	Web address
Landsmennt	Unskilled workers outside the capital area	<a href="http://landsmennt.is">http://landsmennt.is</a>
Starfsafl	Unskilled workers in the capital area	<a href="http://www.starfsafl.is">www.starfsafl.is</a>
Starfsmenntasjóður verslunar- og skrifstofufólks	Office and shop employees	<a href="http://www.starfsmennt.is">www.starfsmennt.is</a>
Starfsmennt fræðslusetur	State employees in the capital area	<a href="http://smennt.is/">http://smennt.is/</a>
Sjómennt	Seamen	<a href="http://www.sjomennt.is">www.sjomennt.is</a>
Ríkismennt SGS	State employees outside the capital area	<a href="http://www.rikismennt.is">www.rikismennt.is</a>
Sveitamennt SGS and LN	Municipalities' employees outside the capital area	<a href="http://www.sveitamennt.is">www.sveitamennt.is</a>

<b>Table 13: Funding for CVET and adult learning</b>		
Types of CVET	Institutions responsible for funding	Pay for*
Publicly provided CVET	Ministries of Education, Science and Culture (mennta- og menningarmálaráðuneyti)	Education and training at schools. Contributes to vocational training funds operated by social partners
	Social Partners	Training at their own training centres
	Individuals	School fees and study material
Enterprise-based CVET	Social partners (enterprises or vocational study funds that belong to the employees –see table 10)	Subsidise employees towards training and employers' courses
	Individuals	Pay remaining costs
*Precise information is not available on each partner's share of funding contribution.		

## CHAPTER 3

### 3. Shaping VET qualifications

When assessing future skills needs the Occupational Councils (starfsgreinaráð) is the strongest link from the Ministry of Education, Science and Culture to the industry. Article 24 of the Upper Secondary School Act nr. 92/2008 (available in English at [http://eng.menntamalaraduneyti.is/media/MRN-pdf\\_Annad/Upper\\_secondary\\_school\\_Act.pdf](http://eng.menntamalaraduneyti.is/media/MRN-pdf_Annad/Upper_secondary_school_Act.pdf)) stipulates that: “The Minister of Education, Science and Culture shall appoint, for four years at a time, Occupational Councils for occupational groups or individual occupations”. Article 27 states that: “The role of the Occupational Committee shall be to advise the Minister of Education, Science and Culture regarding policy making and implementation of vocational education, to serve as platform for collaboration and coordination for the Occupational Councils, and to provide opinion of categorisation and division of occupations between Occupational Councils”.

Curriculum development in IVET is under the responsibility of the Ministry of Education, Science and Culture. According to article 23 of the Upper Secondary School Act, upper secondary schools formulate descriptions of their study programmes and submit to the Ministry’s approval. Upon this approval, the programmes become part of the National Curriculum Guide. When formulating ideas for new study paths, the schools cooperate closely with the Occupational Councils and the Ministry always ask for their official opinion when receiving such drafts. By looking at the big variety of courses and diploma available in ICT, it is obvious that there is great liberty in the field and in the end it is the number of customers which determines which curricula lives and dies.

In certified trades, the curricula are aimed at providing students with the necessary skills for their trades. Due to the small size of the labour market, most trades are based on a broad level of competences so that graduates have a wider possibility of employment. The journeyman’s exam at the end of the studies validates whether this is indeed the case. Thus, the studies can rather be termed output based than input based, even though studies are defined in the hours it takes to complete them.

<b>Table 14: Types of VET qualifications</b>		
Name of qualification	Awarding body	Necessary conditions
Journeyman's certificate – NQF 1, EQF 2. ISCED 3.	Ministry of Industries and Innovation	School based and workplace training, journeyman's exam.
Other VET certificates at upper secondary level NQF 1, EQF 2. ISCED 3.	VET schools	School based and workplace training.
VET qualification at post-secondary, non-tertiary level NQF 2, EQF 3. ISCED 4.	Specialised VET schools	Lower VET degree, school based and workplace training.

Raunfærnimat (Real competence validation) is a good example of an initiative to validate non formal and informal learning. People who have learned some skills at e.g. workplaces can get them validated through a formal process, which may shorten their study periods towards a journeyman's exam in a trade. They also get valuable assistance (counselling and study aid) if they e.g. deal with dyslexia. Real competence validations are available in several trades and social partners and the Ministry of Education, Science and Culture are working on expanding the offers.

## CHAPTER 4

### 4. Promoting participation in VET

Several incentives are in regular use to promote participation in VET. The list below is only initiatives which are on a permanent bases but several ad-hoc initiatives have also been initiated in recent years:

- Vinnustaðanámssjóður (Work-Place Training Fund) offers companies that train students a subsidy towards their wages. This makes a big difference, especially for small companies which would otherwise not be able to afford training costs;
- Lánasjóður íslenskra námsmanna (the Icelandic Study Loan Fund) offers subsidies loans to VET students after the first two years of studies;
- The Ministry of Education, Science and Culture has operated closely with Fræðslumiðstöð atvinnulífsins (the Education and Training Service Centre) and lðan Training Centre in both the development of new study paths and in the validation of prior learning;
- There is a special development fund for VET from which schools can apply for the development of new study paths;
- In recent years, increased emphasis has been put into vocational and educational counselling to help students choose their study paths.
- All the schools offering VET use a variety of methods to draw potential students' attention. They hold open house, invite students about to complete primary schools and even go so far as inviting them to participate in a few lessons in hands-on VET.

Several other initiatives are under preparations, e.g.:

- The Education and Training Service Centre recently received a € 1.875.000 IPA (Instrument for Pre-Accession Assistance) grant to speed the development of accreditation of prior learning, educational and vocational guidance and other projects. The grant is for a three year period which commenced in September 2012;
- A new website is under development at the Ministry of Education, Science and Culture which will make it easier for potential students to see what study paths are on offer, what they contain, length, etc.
- In the NatLog (National Dialog) project supported by the EU, a great emphasis was placed to further promotion of VET through the publication of information material and on-line resources. Work on this is in preparation.

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