European Centre for the Development of Vocational Training

BRIEFING NOTE

World class competition in training: advanced economies

Some of Europe's vocational education and training policy priorities are shared by Australia, Canada, Japan and the United States. How are they responding?

Cedefop has recently completed its latest analysis of progress by European Union (EU) Member States in implementing common European policy priorities for vocational education and training (VET) ([1]).

This note looks at some European VET priorities, namely raising the image and attractiveness of VET, making VET more responsive to labour market needs and identifying and anticipating skills needs and takes some selected examples of policies in those areas in Australia, Canada, Japan and the United States. Some broad comparisons with the EU are then made.

Like the EU, Australia, Canada, Japan and the United States, are advanced economies, facing the challenges of global competition and of developing a knowledge-based economy. Australia and Canada have economies based on exploiting resources and agriculture. Japan, lacking natural resources, has a strong manufacturing base. The US has both rich mineral resources and a manufacturing base. However, in each country services account for a high share of GDP and employment (see Table 1). In all four countries VET is mainly school-based, but Australia and Canada have significant (though marginal) apprenticeship systems.

Table 1: Sector distribution of GDP (2008) and Employment (2005)

Primary		
Country	**GDP%**	**Labour force %**
Australia	2.5	3.6
Canada*	2.0	2.0
Japan	1.4	4.4
United States	1.2	0.6
European Union	2.0	4.3
Secondary		
Country	**GDP%**	**Labour force %**
Australia	26.4	21.1
Canada	28.4	22.0
Japan	26.4	27.9
United States	19.6	22.6
European Union	26.8	26.4
Tertiary		
Country	**GDP%**	**Labour force %**
Australia	71.1	75.3
Canada	69.6	76.0
Japan	72.1	66.4
United States	79.2	77.4
European Union	71.1	69.3

*2006

Source: https://www.cia.gov/library/publications/the-world-factbook/geos/us.htm

Raising the image and attractiveness of VET

Although providing skills for the labour market is a weakness in all four countries a negative image of VET persists. As in most European countries VET has low status, being seen as a second-best option and for low achievers. Consequently, most students in the four countries opt for general education and the proportion of graduates from VET is lower than the average of 50% in the EU (see Table 2).

([1]) Further information: www.cedefop.europa.eu/etv/Information_resources/Bookshop/publication_details.asp?pub_id=528.

Table 2: Upper secondary education graduates pre-vocational and vocational programmes all ages, 2004-06

Year		2004	
Country		Total	% of graduates from all programmes
Australia		148 284	44
Canada		29 574	9
Japan		340 922	26
United States		N/a	
European Union		N/a	
Year		2005	
Country		Total	% of graduates from all programmes
Australia		100 364	25
Canada		31 616	9
Japan		329 951	25
United States		N/a	
European Union		N/a	
Year		2006	
Country		Total	% of graduates from all programmes
Australia		113 594	37
Canada		32 791	9
Japan		313 640	25
United States		N/a	
European Union (excludes UK)		2,874,532	49

Source: Eurostat/OECD

To tackle this problem, as in the EU, these countries have aimed to make learning pathways more flexible.

The 'VET-in-schools' programme in Australia allows students to start VET as part of their school curriculum. The Australian system increasingly provides opportunities to switch from general education to VET and vice-versa. Higher level qualifications offered by VET institutions have also improved VET's image. More and more people are using VET as a bridge to access higher education.

However, many are moving from higher education to VET. In Australia, Canada and Japan an increasing number of university graduates attend VET courses to improve their job prospects after leaving university. In Japan, some 80% of graduates from full-time post-secondary non-university vocational schools (*senmongakkou*) find a job, compared to around 60% for male university graduates. However, universities and *senmongakkou* remain strictly separated. Switching from one to the other is difficult; only under certain conditions can vocational courses at *senmongakkou* be part of a four-year university degree.

The US has a flexible modular system making it easy to change types of education. One of the US's most successful measures to improve VET's image was to rebrand it, renaming vocational courses 'career education', 'technical education', 'industrial technology education' or 'school-to-career programmes'. Institutions and programmes providing these courses have names like 'tech prep', 'career academies' and 'service learning internships'.

One aim of the European qualifications framework is to improve mobility between general education and VET and there is a dialogue between the EU and Australia and Canada on qualifications frameworks. The Australian qualifications framework (AQF) was fully implemented in 2000. It covers all national qualifications in schools, VET and higher education. VET qualifications are based on competence standards with eight core VET qualifications. It also provides for a 'statement of attainment' to be issued when a qualification is partly completed. In 2006, 70% of students in the Australian VET system undertook courses that were part of the AQF.

In Canada, the Ontario qualifications framework aims to improve the quality, accessibility and accountability of its post-secondary education system. It includes all post-secondary certificate, diploma and degree programmes offered by Ontario Province. British Columbia is also developing a qualifications framework. There is an ongoing debate in Canada on developing a federal qualification framework, perhaps along the lines of the European qualifications framework.

Making VET more responsive to labour market needs

VET's negative image among young people in these four countries corresponds with reservations of

companies have concerning vocational schools, which often have a bad reputation. The EU is addressing the problem of making VET more responsive to the needs of the labour market through closer cooperation between enterprises, social partners and the VET system, especially on local and regional levels. The aim is to increase dialogue to improve quality, curricula and delivery.

Australia's national VET strategy document for 2004-10 'Shaping our future' places employer and individual needs at the centre of VET. Further, it integrates VET into employment, regional, environmental and social issues. Despite a rich tradition of cooperation between business and high schools and community colleges, in Canada and the US VET policy at the federal level in both countries is relatively weak. Canada, however, has, through its sector council programme, brought the Canadian government together with sector interest groups. The aim is to extend sector councils to cover 50% of the Canadian labour market.

EU Member States are developing recognition of non-formal and informal learning to combine work experience with qualifications. Australia has two types of recognised prior learning (RPL); institutional and individual. Institutional RPL is a mutual recognition of qualifications. It recognises qualifications or 'statements of attainment' issued by other registered training organisations under the Australian quality training framework. Credits from previous studies can be used for related studies in other states or territories. Individualised prior learning validates non-formal and informal learning applying industry standards. As in Europe, despite its advantages, some criticise prior learning processes as complicated and bureaucratic. The Australian quality training framework (AQTF) has some similarities with the quality framework being developed in the EU. It sets out the standards training providers must meet to become registered training organisations, which must pass regular quality audits to retain their status. Competition and choice among training providers is also expected to stimulate better quality and more provision. The AQTF also administers standards for bodies that regulate and accredit training.

Canada established prior learning assessment and recognition in some provinces more than 30 years ago. It assesses individuals' knowledge and skills in relation to certain predefined criteria. It is used in Alberta, British Columbia, Ontario, Quebec and New Brunswick, but implementation varies considerably. In most provinces verification of prior learning is assessed based on the amount of time an individual has previously spent in an occupation. In the US, there are attempts to recognise informal learning and relevant structures. The Council for Adult and Experiential Learning established in 1974, has a process 'prior learning assessment' to evaluate and accredit non-formal and informal learning.

Japan is different. The Japanese system of securing lifelong employment and career development within the company has placed VET and human resource development firmly in the hands of employers, with the focus strictly on the needs of the company. Prior learning is interpreted as years of experience in the company and seniority is the major criteria for promotion. Qualifications have, therefore, had a relatively weak role in determining employment and career prospects. However, Japan in 2005 launched, as a pilot scheme, a dual-system. It combines three days a week in school with two days practical training in the workplace. The scheme is targeted at high-school students, unemployed high-school graduates and other young people and underemployed or young school graduates working part-time. Course duration ranges from five months to two years.

Identification and anticipation of skill needs

Australia, Canada and the US all have systems to identify and anticipate skill needs. The US focuses on quantitative information, which individuals can use to guide their career and employment decisions. Australia and Canada put more emphasis on the qualitative skills aspects of emerging occupations. Although both countries have nationwide, largely standardised, forecasting systems, forecasts are conducted at different levels (state or province, territory) using different methodologies.

In Australia, state governments review projected employment growth by occupation, labour market turnover, skill shortages and skill gaps, and consult industry, community groups and training providers to ascertain needs. They also use national and regional data analyses. In Canada, one initiative to forecast skill needs is sector councils (sector

organisations which include partners from business, labour, education, government and other stakeholders). The goal is to determine future human resources, skills and learning challenges and develop sustainable sector-specific human resource strategies. Based on the results of sector studies, skill standards are developed to provide the basis for subsequent VET curricula development.

US forecasts on labour market requirements and educational needs are made by the Department of Labour. Forecasts are available online and serve as a guideline for the various career education institutions to develop programmes to meet the needs of the future workforce. Forecasts of the number of new jobs expected nationwide over the next 10 years in each of over 240 occupations are made every two years. Forecasts anticipate population and labour force growth, the overall economy, the demand for particular goods and services, and the number of workers it will take to produce them. These factors are estimated using a model of demand and an analysis of past trends and future developments. Many state governments develop forecasts of job growth based on national ones.

Similarities and differences with European VET policy

European challenges to raise the status of VET, make it more relevant to labour market needs and to improve forecasting of skill needs are shared by Australia, Canada, Japan and the US. However, there are only limited similarities between the EU and these four countries and, indeed between the four countries themselves, in how they tackle these challenges.

Federal systems in Australia, Canada and the US have some parallels with the EU's system of pooling sovereignty. However, only Australia has developed a nationwide strategy for VET that compares with the European VET priorities agreed by Member States. In looking to attract more students into VET, Australia, like Europe has sought to integrate general education and VET, making it easier to switch between the two. To some extent in Australia and Canada, but more so in Japan, VET has become an option to go on to study after completing general education at any level, including university

The US has sought to address this issue by blurring distinctions between general education and VET, in particular by renaming VET courses.

As in Europe, steps are being taken to make VET more relevant to labour market needs. Again, Australia seems closest to the EU by creating partnerships at all levels, in particular to influence quality and curricula development. Canada has adopted a sector approach to complement initiatives in its provinces and territories, while the US prefers various local arrangements of cooperation between education and industry. This type of debate seems strange to Japan's system of human resource and career development within the company, although its experiments with a dual system hint that some fundamental changes may be underway. Having nationwide systems, Australia, Canada and the US are well ahead of the EU in skill forecasting, where efforts to develop pan-European forecasts of skill supply and demand are just beginning, with the support of Cedefop.

What are the lessons for Europe? Some of Europe's major competitors are not standing still. They are striving to make their VET systems the best in the world. Apart from what we may learn from individual policy approaches and initiatives in the four countries, the most important lesson is that Europe's reforms must continue if its VET systems are to be world class.

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