Vocational education and training in Hungary

Short description
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Short description
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The European Centre for the Development of Vocational Training (Cedefop) is the European Union’s reference centre for vocational education and training. We provide information on and analyses of vocational education and training systems, policies, research and practice. Cedefop was established in 1975 by Council Regulation (EEC) No 337/75.
The Government of the Hungarian Republic is aware that high quality vocational education and training is indispensable to increase the international competitiveness of the Hungarian economy and ensure sustainable development as it contributes to an increase in the wellbeing of citizens through developing individual competences, preparing young people for successful careers, and providing adults with the knowledge needed to maintain their vocational careers and obtain new skills.

1057/2005. (VI.31.) Government Decree on measures necessary to implement the strategy for the development of vocational education and training, 2005

In a chapter entitled “For a competitive education and training”, the government programme set a goal that the structure of vocational education and training and the number and preparation of VET graduates should be better and more flexibly adjusted to the demands of the economy and the labour market, that it should provide students with marketable knowledge and enable them to start their own businesses and continuously renew their skills and competences. The increasing involvement of economic chambers in VET will contribute to achieving these goals. Economic chambers play a prominent part in strengthening dual training, increasing the role of enterprises in VET, and thus providing real life work experience for students participating in practical training.

Framework agreement between the Government of Hungary and the Hungarian Chamber of Commerce and Economy on the transfer of VET-related tasks

11 November 2010
Foreword

This short description of Hungary's vocational education and training (VET) is published at an interesting point in time. Europe has set a strategy for smart, sustainable and inclusive growth until 2020 (1). VET is central to this strategy. Its headline targets include EU-level benchmarks for education and training but countries have also been invited to define and implement their own. Ambitious objectives for VET in 2020 and a range of activities for the period 2011-14 support this strategy.

Technological, political and societal developments call for flexible VET relevant to the needs of the labour market. By 2020, more than a third of jobs will require higher-level qualifications, half the jobs will require upper secondary or post-secondary attainment. Many of these are VET qualifications. Generally, jobs – including elementary occupations – are becoming more skills-intensive. But currently, Europe faces high youth unemployment. Still too many young people leave education and training without being sufficiently qualified to secure employment. To be attractive to (potential) learners and employers, VET needs to be of high quality and relevant to their needs.

Hungary’s VET policy developments exemplify these challenges and countries’ responses. As an interface between education, employment, social and economic policies, VET cannot be looked at in isolation. Changing to a market economy affected the role of VET in Hungary. Enterprises largely retreated from training provision. The picture has changed again since the beginning of the millennium, as their role in VET decision-making and training has increased.

A quick glance at Hungary’s initial VET suggests similarities to other countries. Hungary has different tracks at upper secondary level. One leads directly to vocational qualifications. But progression is not easy. The other track allows direct access to higher education, but is pre-vocational, as acquiring vocational qualifications was shifted to post-secondary level in the 1990s. So, while other countries’ VET might look similar, programme outcomes and progression opportunities can be quite different.

To prevent young people from leaving education and training early is a challenge Hungary shares with many countries. Reinforcing workplace learning is a general European trend. It is supported by the EU’s flagship initiative ‘Youth on the move’ (European Commission, 2010a). By 2012, at least five million young people in Europe should do an apprenticeship-type training.

Another challenge all countries share is to ensure that people acquire an adequate mix of generic and specific (occupational) skills which allow them to move smoothly into first jobs, enable them to change jobs, if necessary, and take up further learning during their working lives. By combining vocational skills with the chance to build on their basic skills, Hungary’s current approach follows the European trend.

As the skills people acquire in initial education and training and the jobs they have are in general no longer for a life time, learning for adults is becoming more important. The education and training 2020 framework (Council of the European Union, 2009a) sets an EU benchmark of at least 15%. Participation in Hungary is still very low, despite its training levy system and despite the formal and non-formal education and training options presented in this description. Again, challenges and potential policy interventions need to be understood in their socioeconomic contexts.

This short description of the current state, achievements and objectives of Hungary’s VET shows that increasing employer involvement is one of the main policy responses. A route that other countries have also taken, not least in their efforts to alleviate the impact of the global economic crisis.

As part of a series of regular Cedefop reports, this description responds to increasing demand for information on VET in the countries that hold the EU Presidency. By linking the characteristics of Hungary’s VET with information on its major challenges and policy objectives, we hope that this text will contribute to a better understanding and support common learning.

Christian Lettmayr
Acting Director
Acknowledgements

This short description of Hungary’s vocational education and training system is the result of collaboration between Cedefop and the Hungarian ReferNet team, Cedefop’s European network for VET.

Sylvie Bousquet, manager of the short descriptions project, coordinated this report and commented on the text by the Hungarian contributor with the strong support from Cedefop experts Eleonora Schmid and György Ispanky.

The initial report was prepared by Eszter Bukki, Krisztina Domján, György Mártonfi, Lídia Vinczéné Fekete and Dr Tamás Köpeczi Bócz (professional supervisor).

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Finally, thanks go to our colleague at Cedefop Catherine Wintrebert for her support.
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CHAPTER 1.

General policy context

1.1. Political and socioeconomic context

Hungary has been a parliamentary republic since 1989. Its main legislative body is the parliament (Országyűlés) with 386 members elected by the people for four years. The parliament elects the president, the representative head of the State, and the prime minister, the head of the government who has executive power.

The 19 counties and the capital city of Budapest, the traditional mid-level public administration units, have less administrative power than the more than 3 000 local governments whose wide-ranging rights and responsibilities include education and training. For planning and statistical purposes, seven NUTS II level regions (2) subdivided into altogether 174 regional development and statistical units were created in 1999 in line with EU requirements.

The regions main decision-making bodies are their development councils (regionális fejlesztési tanács). However, the recent restructuring of public administration has again reinforced the counties’ role. As a result, the previous regional offices of several State agencies, including those of the Educational Authority (Oktatási Hivatal), have been integrated into new county/capital government offices (3). Nevertheless, in vocational education and training (VET), regional development and training committees (regionális fejlesztési és képzési bizottságok, RFKB) play an increasingly important role (see Chapter 3).

(2) The EU nomenclature of territorial units for statistics divides its economic territory up to collect regional statistics, carry out socioeconomic analyses and frame regional policies. Regions eligible for aid from the structural Funds (Objective 1) have been classified at NUTS 2 level.


(3) Since 1 January 2011.
1.2. Population and demographics

Hungary is 93,030 km$^2$ and has around 10 million inhabitants ($^4$). Approximately 98% of the people speak Hungarian as their native language. The majority are ethnically Hungarian (magyar), The largest minority group are Roma (approximately 600,000 or 6%). German, Croatian, Slovakian, Romanian and others comprise at most 2% of the population. Although decreasing in line with general trends, the birth rate among Roma is significantly higher than that of other groups. Among school-aged children the share of Roma is higher than other age groups.

In line with European trends Hungary’s population is ageing (see Table 1). Since 1981, owing to low birth rates and relatively high mortality rates, it has also been decreasing (see Figure 1).

The old-age dependency ratio is expected to rise from 24.22% (EU: 25.9%) in 2010 to as much as 34.06% (EU: 38.04%) in 2030. An increasing share of people over the age of 50 in the working-age population concurs with a declining number of school-aged children. This indicates a further decrease of learners in initial vocational education and training (IVET) and increasing demand for continuing vocational education and training (CVET) and other forms of adult learning.

To a small extent, immigration has offset the population decline since the early 1990s. Most immigrants are well-qualified Hungarian-speaking citizens from neighbouring countries. In international comparison their absolute number and proportion is low and declining (especially since Romania joined the EU). Immigration from developing countries is insignificant. Emigration of qualified people – college/university graduates and skilled workers – to western Europe is, however, accelerating.

$^4$ 10,014,324 inhabitants on 1 January 2010.
Table 1.  **Population structure by age in Hungary and EU-27 in 2010 and projections to 2030 (%)**

<table>
<thead>
<tr>
<th></th>
<th>0-24</th>
<th>25-64</th>
<th>65+</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hungary</td>
<td>EU-27</td>
<td>Hungary</td>
</tr>
<tr>
<td>2010</td>
<td>27.3</td>
<td>27.7</td>
<td>56.1</td>
</tr>
<tr>
<td>2015</td>
<td>26.2</td>
<td>26.6</td>
<td>56.1</td>
</tr>
<tr>
<td>2020</td>
<td>25.1</td>
<td>25.9</td>
<td>55.1</td>
</tr>
<tr>
<td>2025</td>
<td>24.7</td>
<td>25.6</td>
<td>53.9</td>
</tr>
<tr>
<td>2030</td>
<td>24.2</td>
<td>25.2</td>
<td>53.8</td>
</tr>
</tbody>
</table>

Source: Cedefop’s calculations, based on Eurostat, population projections (EUROPOP2008 – convergence scenario, national level) [cited 15.2.2011].

Figure 1.  **Population in Hungary, 1990-2020 (millions)**

NB: Data refer to 1 January population for the respective years.

Source: Eurostat, demographic statistics, total population and population projections (EUROPOP2008 – convergence scenario, national level) [cited 11.2.2011].

1.3.  **Economy and labour market indicators**

The Hungarian economy had been steadily growing at an annual rate of over 4% real GDP on average until the middle of the past decade (see Table 2). As a result, the GDP per capita reached 63.6% of the EU average in 2006, from less than 50% 10 years before. However, the growing budget deficit and national debt combined with austerity measures the government introduced since late 2006 halted economic development even before the global financial crisis. Following an economic contraction of 6.7% in 2009, the economy recovered in 2010 with a big boost from exports, and growth of more than 2.5% is expected in 2011.
Table 2. **Real GDP growth rate in Hungary and EU-27, 2000-10** (% change on previous year)

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary</td>
<td>4.9</td>
<td>3.8</td>
<td>4.1</td>
<td>4</td>
<td>4.5</td>
<td>3.2</td>
<td>3.6</td>
<td>0.8</td>
<td>0.8</td>
<td>-6.7</td>
<td>1.1</td>
</tr>
<tr>
<td>EU-27</td>
<td>3.9</td>
<td>2</td>
<td>1.2</td>
<td>1.3</td>
<td>2.5</td>
<td>2</td>
<td>3.2</td>
<td>3</td>
<td>0.5</td>
<td>-4.2</td>
<td>1.8</td>
</tr>
</tbody>
</table>

(*) Projection.

**NB:** Gross domestic product (GDP) is a measure of economic activity, defined as the value of all goods and services produced less the value of any goods or services used in their creation.


The economy of Hungary is small and open with mainly micro enterprises (94.7%); 4.4% are small and 0.7% medium-sized enterprises. Together, in 2009, they employed 71.0% of the workers but only produced half of gross value added.

In 2009, the largest share of the workforce (28.0%) was employed in the distribution and transport sector, followed by non-market services (5) (22.5%), and manufacturing (21.0%). The primary sector and utilities (7.1%), as well as construction (7.8%) and business and other services (13.7%) accounted for 28.6% of employment. Constant shortage of skilled workers in certain sectors, occupations and regions and inadequate skills have hampered economic development. Participation in CVET is low and correlates strongly with company size.

Employment rates are exceptionally low, especially among the low qualified, disadvantaged, women, young and elderly (see Table 3). In 2009, only 55.4% of the population aged 15-64 were employed (61.1% males and 49.9% females), lagging far behind the EU-27 average rate of 64.6%. Hungary’s inactivity rate is one of the highest in the European Union.

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(5) Non-market services comprise, for instance, general public services, education and research and health services provided by general government and private non-profit institutions, and domestic services (Eurostat, concepts and definitions database [CODED], available from Internet http://ec.europa.eu/eurostat/ramon/index.cfm?TargetUrl=DSP_PUB_WELC [cited 5.3.2011]).
Table 3. Employment rates of the population aged 25-64 by highest level of education attained, 2004, 2006, 2008 and 2009 (%)

<table>
<thead>
<tr>
<th>ISCED levels</th>
<th>2004</th>
<th>2006</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary 0-2</td>
<td>38.5</td>
<td>38.2</td>
<td>38.7</td>
<td>37.4</td>
</tr>
<tr>
<td>Hungary 3-4</td>
<td>71.1</td>
<td>70.4</td>
<td>68.7</td>
<td>67.0</td>
</tr>
<tr>
<td>Hungary 5-6</td>
<td>82.9</td>
<td>81.8</td>
<td>79.9</td>
<td>78.8</td>
</tr>
<tr>
<td>Hungary All</td>
<td>64.5</td>
<td>65.3</td>
<td>64.7</td>
<td>63.6</td>
</tr>
<tr>
<td>EU-27 0-2</td>
<td>55.3</td>
<td>56.6</td>
<td>56.7</td>
<td>54.7</td>
</tr>
<tr>
<td>EU-27 3-4</td>
<td>72.2</td>
<td>73.7</td>
<td>74.9</td>
<td>73.7</td>
</tr>
<tr>
<td>EU-27 5-6</td>
<td>84.0</td>
<td>84.8</td>
<td>85.3</td>
<td>84.5</td>
</tr>
<tr>
<td>EU-27 All</td>
<td>69.0</td>
<td>70.8</td>
<td>72.2</td>
<td>71.1</td>
</tr>
</tbody>
</table>

Source: Eurostat, labour force survey [cited 11.2.2011].

Unemployment has been increasing in recent years (see Table 4). Of the total population aged 15-64, 10.1% were jobless in 2009, 10.3% among males, 9.8% among females. Youth unemployment is higher than the EU average (2009: 26.5% 15-24 year-olds versus 19.7%) and particularly high among those with the lowest level of educational attainment (ISCED 0-2): 45.9%. This is 20 percentage points higher than the EU-27 average.

Table 4. Unemployment rates of the population aged 25-64 by highest level of education attained, 2004, 2006, 2008 and 2009 (%)

<table>
<thead>
<tr>
<th>ISCED levels</th>
<th>2004</th>
<th>2006</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary 0-2</td>
<td>11.0</td>
<td>14.8</td>
<td>17.3</td>
<td>21.0</td>
</tr>
<tr>
<td>Hungary 3-4</td>
<td>4.7</td>
<td>6.1</td>
<td>6.3</td>
<td>8.2</td>
</tr>
<tr>
<td>Hungary 5-6</td>
<td>1.9</td>
<td>2.2</td>
<td>2.3</td>
<td>3.5</td>
</tr>
<tr>
<td>Hungary All</td>
<td>5.1</td>
<td>6.5</td>
<td>6.9</td>
<td>8.8</td>
</tr>
<tr>
<td>EU-27 0-2</td>
<td>10.6</td>
<td>10.0</td>
<td>9.8</td>
<td>12.8</td>
</tr>
<tr>
<td>EU-27 3-4</td>
<td>8.4</td>
<td>7.2</td>
<td>5.6</td>
<td>7.1</td>
</tr>
<tr>
<td>EU-27 5-6</td>
<td>4.7</td>
<td>4.1</td>
<td>3.4</td>
<td>4.5</td>
</tr>
<tr>
<td>EU-27 All</td>
<td>8.0</td>
<td>7.1</td>
<td>6.0</td>
<td>7.7</td>
</tr>
</tbody>
</table>

Source: Eurostat, labour force survey [cited: 15.2.2011].

In Hungary, labour market status correlates strongly with educational attainment. Individual returns to education are also very high. Significant disparities between regions and communities and low sectoral and geographical mobility are further important characteristics of the economy and the labour market.
1.4. **Educational attainment of the population**

Most students (around 98.5%) complete eight years of primary school (általános iskola, ISCED 1A-2A) by the age of 16. A significant expansion of secondary and tertiary education began in the early 1990s. Enrolment in upper secondary schools awarding a secondary school leaving certificate (érettségi bizonyítvány, ISCED 3A), the prerequisite for entry into colleges and universities, has grown considerably. ‘Vocational schools’ (szakiskola, SZI, ISCED 2C or 3C) (⁶), however, do not offer their students the option of taking the exam. As a result, they have lost out both in prestige and student numbers to grammar schools and ‘secondary vocational schools’ (szakközépiskola, SZKI) (⁷). While the number of people with tertiary level qualifications has been rising continuously, the rate of the working-age population is still lower than in most EU Member States, especially among men.

**Figure 2. Educational attainment of the Hungarian population, 1930, 1960, 1970, 1980, 1990, 2001 and 2005 (%)**

Source: Halász and Lannert, 2006, p. 46.

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(⁶) SZI: upper secondary programmes (ISCED 3C) which start at the age of 14 and lead to vocational qualifications. See also Glossary (Annex 3) and Chapter 4.

(⁷) SZKI: vocationally-oriented upper secondary programmes (ISCED 3A) which start at the age of 14 and prepare for higher education access and then offer post-secondary programmes (ISCED 4) that lead to vocational qualifications. See also Glossary (Annex 3) and Chapter 4.
The proportion of young people leaving education and training early is lower than the EU average (see Table 5). This can partly be explained by expansion of secondary education and the opportunity to acquire the first (and from 1999 to 2005 also the second) vocational qualification free of charge in full-time education until the age of 23. The fact that 95% of students pass the secondary general or the vocational examination should also be considered. Nevertheless, the high number of drop-outs is a serious problem in ‘vocational schools’ (szakiskola, SZI) which students choose only as a last resort (see Chapter 4).

Table 5. Early leavers from education and training, 2003-09 (%)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary</td>
<td>12.0</td>
<td>12.6</td>
<td>12.5</td>
<td>12.6</td>
<td>11.4</td>
<td>11.7</td>
<td>11.2</td>
</tr>
<tr>
<td>EU-27</td>
<td>16.6</td>
<td>16.1</td>
<td>15.8</td>
<td>15.5</td>
<td>15.1</td>
<td>14.9</td>
<td>14.4</td>
</tr>
</tbody>
</table>

NB: Early leavers from education and training: percentage of the population aged 18-24 with at most lower secondary education and not in further education or training.

Source: Eurostat, labour force survey [cited 15.2.2011].

Despite various measures in recent years to increase participation in adult education and training (see Chapter 5 and Section 9.2.), rates have remained far below the EU average, with a downward trend since 2003 (see Table 6). The national target by 2013 – as opposed to EU targets of 12.5% for 2010 and 15% for 2020 – is 8%.

Table 6 Lifelong learning – Adult participation in education and training, 2003-09 (%)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary</td>
<td>4.5</td>
<td>4</td>
<td>3.9</td>
<td>3.8</td>
<td>3.6</td>
<td>3.1</td>
<td>2.7</td>
</tr>
<tr>
<td>EU-27</td>
<td>8.5</td>
<td>9.3</td>
<td>9.8</td>
<td>9.7</td>
<td>9.5</td>
<td>9.4</td>
<td>9.3</td>
</tr>
</tbody>
</table>

NB: Lifelong learning refers to persons aged 25 to 64 who stated that they received education or training in the four weeks preceding the survey.

Source: Eurostat, labour force survey [cited 15.2.2011].
CHAPTER 2.
Policy development

The move to a new political system and a market economy 20 years ago affected VET heavily. Until then, most training workshops were run by enterprises. Following collapse of the economy in the early 1990s, these workshops gradually came under the control of schools.

Since the millennium, VET’s reputation has been low among learners and stakeholders. Young people prefer general education which promises better life chances. For most who end up in skilled workers’ training, it is only a last resort. Drop-out rates are high but job prospects for people without vocational qualifications are much lower than the average in developed countries.

A high proportion of learners at ‘vocational schools’ (szakiskola, SZI) (8), and especially drop-outs are Roma. This requires linking education and training to social policies. As improving educational attainment of the Roma population is not just a national issue, it is one of the objectives on the Hungarian 2011 EU Presidency agenda.

Hungary’s employment rate is among the lowest and youth unemployment is among the highest in Europe. At the same time, employers report shortages of qualified skilled workers depending on sector and region. They criticise that VET graduates do not have adequate knowledge, skills and competences. This might explain the trend back to a VET where enterprises get increasingly involved in training from a VET mainly controlled by schools.

2.1. Objectives and priorities

In 1998, a significant reform was launched which introduced the present structure of VET schools but it was bound to fail, as it was neither adequately designed nor did it succeed in reconciling differing interests. Innovations intended to address problems – such as the vocational school development programme (szakiskolai fejlesztési program) launched in 2003 – have proven insufficient and did not even

(8) SZI: upper secondary programmes (ISCED 3C) which start at the age of 14 and lead to vocational qualifications. See also Glossary (Annex 3) and Chapter 4.
get consistent government support. The aim of the vocational school development programme was to ease access to skilled workers’ training and reduce drop-out rates by tailoring programmes and methodology to learners’ previous knowledge and needs. Although its concept was up-to-date, it had only limited impact on the 160 schools – more than a third of all ‘vocational schools’ (szakiskola, SZI) – that took part. Following cuts in financial and moral support by the government in 2006, it was discontinued in 2009 for budgetary reasons.

Extending VET by one or two years did not help to prepare graduates better for their occupations. Drop-out rates from SZI remained high. While the share of VET learners who participate in enterprise training based on a student contract has increased sharply (see 4.2.3), the duration of practical training is still rather short. These weaknesses gave rise to a wide-ranging nostalgia for the earlier VET structure that had been deemed outdated – not unrelated to stakeholders’ daily interests and narrow horizons.

The new approach that emerged in recent years aims to retain young people in education and training and ensure supply of skilled workers by starting VET at an earlier age, at 14, as before 1998, not at 16 (see Chapter 4). Although experts’ and policy-makers’ views differed on this issue, parliament amended the law in 2009 to introduce such three-year VET programmes in 86 occupations in parallel to the existing VET structure (see 4.1).

To attract more learners to VET, a scholarship scheme was introduced in February 2010 for training at SZI in occupations that face skills shortages. The amount learners receive depends on their performance and may range from EUR 37 to EUR 110 (HUF 10-30 000) per month. It is complemented by student contract benefits they receive for enterprise-based training (see 9.2.1). Regional development and training committees (regionális fejlesztési és képzési bizottságok, RFKB) define the list of shortage occupations in line with labour market demand (see Chapter 3). First feedback suggests that applications to SZI have indeed increased, but it is too early to assess if this incentive also helps to prevent learners from dropping out and leads to better performance.

The government, formed in 2010, intends to raise the share and prestige of VET. In future VET should be less theoretical and include more work-based learning, with more training in enterprises moving towards a dual system (inspired by countries with a strong apprenticeship system such as Germany). To this end, the prime minister and the president of the Hungarian Chamber of Commerce and Industry (Magyar Kereskedelmi és Iparkamara, MKIK), signed a framework agreement in November 2010.

The MKIK will play a key role, as it will take on VET-related tasks currently performed by the State, financed from the State budget (see Chapter 3). Its objective is to replace current skilled-worker training programmes at ‘vocational
schools’ (szakiskola, SZI) as of 2012 by a three-year programme which learners can enter after completion of primary and lower secondary level (year 8 in általános iskola) similar to those introduced in 2010 (see above and 4.1). However, as this report goes to press, discussions between the ministry and the chamber are still ongoing. A debate has started about a ‘bridge programme’, a ‘grade 0’ for those not ready to enter VET, which might be the majority of learners.

VET professionals have differing views on these measures. Some think the envisaged new VET structure, which is shorter and includes more work-based training, will not allow enough time for key competences development. This could result in even more young people with poor reading and learning skills who leave education and training early and risk being excluded from the labour market. The gap between SZI and programmes leading to higher education entry level risks becoming even wider. What seems also unclear is whether the responsibilities of the State and the economy with respect to VET provision will be more clearly defined and which businesses could become the pillars of this new dual system.

2.2. System developments 2004-10

The period 2004-10 saw two large-scale, system-wide developments: modular renewal of the qualification structure, and an integration/merging process of IVET institutions.

2.2.1. Modular renewal of the qualifications structure

The VET Act, endorsed in 1993 (9), provided the basis for developing a single national register (Országos Képzési Jegyzék, OKJ) which listed the vocational qualifications recognised by the State and grouped them by various aspects including ISCED levels. Supported by EU funding, the OKJ was revised in 2004-05 and issued in February 2006, based on extensive analysis of the Hungarian employment structure and job profiles. The main objectives were to strengthen the links between VET and the labour market and introduce a modular qualifications structure which would focus on competences. The new modular structure makes the OKJ and possible training routes more flexible. Module matrixes explain the composition of the different qualifications.

(9) This was the first legislation regulating specifically the sector of VET (see 3.1).
Between 2005 and 2008, new vocational and examination requirements (szakmai és vizsgakövetelmények, SZVK) were developed. They include: access requirements to training programmes; occupational task profile and vocational, social, personal and methodological competences for each qualification module to be developed during training; access requirements to exams; what is examined and in what way (10). Framework curricula were also revised through the social renewal operational programme (társadalmi megújulás operatív program, TÁMOP).

Since 2007, the modular structure has been mandatory for newly-launched adult training programmes, since 2008/09 for school-based VET. This innovation is in principle widely supported, but some elements difficult to put into practice are being debated (such as the relationship of modules and subjects in school-based VET, the excessively long examination period and related increased costs).

2.2.2. Integration of IVET institutions

The other large-scale development addressed the excessively fragmented institutional system. Until 2008, there were over 1 000 VET establishments which made it difficult to rationalise finances and improve quality. To improve effectiveness and efficiency, VET schools were encouraged, or rather obliged, to join into regional integrated vocational training centres (térségi integrált szakképző központ, TISZK). TISKZs were created on the Dutch ROC model (11). The process started in 2004 and was supported by the European Social Fund (ESF). The increase of these sources for the planning period 2007-13 made it possible to complete development of the TISZK system. For the time being, more than 90% of VET schools belong to one of 85 TISZKs.

However, the current institutional system is at least as heterogeneous as it was before the reform, if not even more incoherent. TISZKs differ not only by size, school attendance areas and profile, but also in the way they operate. Some are greatly centralised. Usually, though, cooperation between schools belonging to the same TISZK is restricted to the most essential activities, or those prescribed and/or funded from EU sources. In fact, around 20-25% of TISZKs have not been organised on a regional basis. This constitutes a major barrier to planning and shaping programme offers, which normally has to be done in line

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(10) See Glossary (Annex 3).
(11) ROC: multisectoral training centres (regionale opleidingscentra) which offer a range of vocational upper secondary education courses for students aged 16-18/20, and adult education courses for those aged 18 or over.
with decisions of regional development and training committees (regionális fejlesztési és képzési bizottságok, RFKB).

While developing a coherent and equitable TISZK policy and regulation is a considerable challenge, the government has no intention of abandoning the TISZK system. This would also be difficult, as EU support requires five-year maintenance. It is essential to ensure the investment of EUR 220-230 million (HUF 60-65 billion) already made is efficiently used until all projects end (in 2012).

2.3. Developments in European tools

Since the late 1990s, well before Hungary acceded to the EU, Hungarian VET policy consistently regarded EU priorities and frameworks as tools to help modernise VET.

In 1997, at the earliest possible time, Hungary joined the Leonardo da Vinci programme. Participation in this programme encouraged Leonardo-type mobility initiatives organised and funded at national level. As indicators suggest, Europass is widely known and extensively used.

Based on the criteria agreed at EU level (Council of the European Union, 2004), a national VET quality assurance framework was established by 2006 (Szakképzési Minőségbiztosítási Keretrendszer, SZMBK). Using ESF assistance, the aim is that by 2013 at least 95% of all IVET institutions further develop and use quality assurance systems in line with the European quality assurance reference framework (EQAVET) (European Parliament and Council of the EU, 2009).

ESF is also used to help develop a national qualifications framework (Országos képesítési keretrendszer) based on the European qualifications framework (European Parliament and Council of the EU, 2008). Hungary aims to develop a comprehensive framework for lifelong learning that embraces all national qualifications and all education and training subsystems. The competence-based OKJ and SZVK and the shift towards outcomes in higher education, are elements that contribute to establishing such an overall national qualifications framework. A government decree of 2008 provides the legal basis for this work done jointly by the different education sectors. Given the remits of the different ministries, it is the Ministry of National Resources, in charge of
education, and not the Ministry of the National Economy, which is responsible for VET and adult training, which has the lead. Introduction of the national qualifications framework is envisaged to take place in 2013 \(^{(12)}\).

### 2.4. Impact of the crisis on VET

As a result of the economic crisis, Hungary’s already low employment rate decreased further. VET graduates are facing greater challenges than before when trying to find employment. In its yearly student survey \(^{(13)}\), the Institute for Economic and Enterprise Research (Gazdaság- és Vállalkozáselemzési Intézete, GVI) of the Hungarian Chamber of Commerce and Industry (Magyar kereskedelmi és iparkamara MKIK) registered a higher share of young people unemployed nine months after obtaining their qualifications in shortage-jobs in 2010 (24.1%) than in 2009 (19.9%). The proportion of graduates continuing their studies – either to train for another occupation or to obtain a higher qualification – also increased (from 29.0% to 32.4%), while the share of those in employment decreased from 44.6% to 38.8%. Among those who found jobs, however, about a third were working in the occupation they had trained for as opposed to 30.2% in 2008.

As the crisis hit Hungary when major policy decisions were being implemented, estimating how it might have affected demand for VET and certain programmes is impossible. The fact that regional development and training committees (RFKB) could define vocational programme offers and relative shares of TISZK student enrolment (see 3.2), as well as policies concerning shortage-jobs and introduction of vocational school scholarships (see 2.1, 7.2 and 9.2.1), may all have contributed to statistical changes.

Only in a few enterprises did the crisis affect provision of on-the-job training. The total number and proportion of learners in enterprises on a student contract continued to increase during the crisis.

Neither VET policy-making nor discourse on the role and objectives of VET have changed as a result of the crisis. Potential changes in labour market demand or in the economic structure after recovery, have not been discussed. The arguments used by various interest groups are virtually the same as before.

\(^{(12)}\) Information on the national qualifications framework is partly based on Cedefop's work on national qualifications frameworks (Cedefop, 2010d).


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CHAPTER 3.
Institutional framework

3.1. Legislative framework for vocational education and training

(See Annex 4 for the main legislative provisions)
VET is governed by six main laws amended over time and supplemented by a series of decrees and other regulations.

The Public Education Act (LXXIX of 1993) covers all levels and types of formal education and training from pre-primary to post-secondary. Allocating responsibility to the State, it stipulates the right for everyone to participate free-of-charge. County or municipal governments have to provide these education services. Also church and business entities, foundations, associations, etc., can set up their own education institutions. All maintainers are eligible to receive support from the central government budget based on the number of students and the type of tasks undertaken (see 9.2.1). Hence, the Public Education Act regulates how institutions are operated, administered and financed for secondary and post-secondary VET. For advanced vocational programmes at ISCED 5B (see 4.3) in higher education institutions, these aspects are controlled by the Higher Education Act (CXXXIX of 2005).

The VET Act (LXXVI of 1993) regulates provision of VET, whether initial (IVET) or continuing (CVET), within or outside the formal education system (see Chapters 4 and 5). However, it does not cover ISCED 5A and ISCED 6 higher education programmes and ‘training regulated by public authorities’ (hatósági jellegű képzés) for adults.

In Hungary, enterprises have to pay a VET tax. In fact, training levies originated in the 1970s. The act on vocational training contribution and support for development of training (Act LXXXVI of 2003) stipulates payment conditions, its possible use and allocation of development funds from the training subfund of the labour market fund (Munkaerő-piaci Alap, MPA, see 9.4). It applies to IVET and CVET.

The concept of adult training and its administrative and institutional system is defined in the act on adult training (Act CI of 2001). It outlines requirements for accreditation of institutions and programmes and adult training contracts, and sets out State-support schemes. The act on facilitating employment and
provisions to the unemployed (Act IV of 1991) regulates State-supported training for this and other target groups.

3.2. Institutional framework for IVET

3.2.1. Decision-making (policy and legislative)
Bodies responsible for decision-making in IVET include:
(a) the central government;
(b) county governments;
(c) various national, regional and local advisory and decision-making bodies involving the social partners.

In 2006, the central administration of VET and adult training was unified and placed under the supervision of the Minister for Social Affairs and Labour (szociális és munkaügyi miniszter) who was also responsible for employment and social policy. From 2010, (following change of government) these areas have been under the remit of the Minister for the National Economy (nemzetgazdasági miniszter). The minister is responsible for regulating provision of VET, but shares responsibility with Ministers for Health, Tourism and other economic sectors that require VET and the Minister for National Resources (until 2010 the Minister for Education and Culture) for defining framework curricula and learning outcomes of VET and school-based VET.

The county (and capital city) governments are charged with medium-term planning and coordination tasks of ‘public education’ (schools and programmes that come under the Public Education Act) (14) where IVET is primarily offered.

Social partners are also involved in the policy- and decision-making processes of IVET and CVET through various advisory councils set up under the law. The most significant national consulting bodies are:
(a) the national interest reconciliation council (Országos Érdekegyeztető Tanács, OÉT), a tripartite forum for strategic VET issues;
(b) the national vocational and adult training council (Nemzeti Szakképzési és Felnőttképzési Tanács, NSZFT), a consultative-advisory body to the minister in charge, which involves representatives of responsible ministries and various stakeholders, and participates in OKJ development and allocation of the MPA training subfund resources;

(14) See 3.1 and Glossary (Annex 3).
The seven regional development and training committees (regionális fejlesztési és képzési bizottságok, RFKB) also include the social partners and, in fact, are dominated by representatives of the economy. Their original purview has been considerably expanded to ensure coordinated development and provision of IVET (school-based VET) in line with regional labour-market demands. Since 2008, in addition to preparing regional VET strategies, tendering development funds and defining the regional lists of shortage-jobs, the RFKBs:

(a) decide on the goals of regional VET development and support from the decentralised section of the MPA training subfund;
(b) define the regional demands for VET, desired vocational programme offers and relative shares of student enrolment;
(c) suggest the regional volume of development funds and propose purpose and allocation of development subsidies (fejlesztési támogatás) among schools (such as develop practical training infrastructure, focus on specific qualifications).

At local level, each regional integrated vocational training centre (térségi integrált szakképző központ, TISZK, see 2.2.2) has a consultative board with most representatives from the economy.

3.2.2. Implementation
Bodies implementing IVET include:
(a) national agencies assisting ministries with central administration tasks;
(b) two economic chambers;
(c) school and training providers.

The National Institute of Vocational and Adult Education (Nemzeti Szakképzési és Felnőttképzési Intézet, NSZFI) assists the minister responsible for VET and adult training in tasks related to development, coordination, research, information and counselling. The NSZFI also manages registers of vocational examinations, accredited adult training institutions and programmes and TISZKs.

The Educational Authority (Oktatási Hivatal) and its county offices organise national examinations and surveys and perform quality assurance functions and other public authority tasks in public education (15) and higher education.

(15) See Glossary (Annex 3).
The Hungarian Chambers of Commerce and Industry (Magyar Kereskedelmi és Iparkamara, MKIK) and Agriculture (Magyar Agrárkamara) contribute to defining learning outcomes required for OKJ qualifications and participate in organising IVET examinations – in cooperation with national economic interest representation organisations. They also perform quality assurance functions related to school-based VET (monitoring apprenticeship and other forms of work-based training). Following the 2010 agreement between the government and MKIK (see 2.1), the chamber will be responsible for developing core curricula and examination procedures for 125 occupations instead of the former 27.

The institutional structure of IVET has undergone a major concentration process in the past years, resulting in creation of TISZKs (see 2.2.2). VET providers include local (county and municipal) governments, State agencies, churches, foundations, enterprises, etc. They are responsible for lawful operation of schools and approve their internal regulations and programmes.

The county (and capital city) governments offer education services that municipalities (local governments of cities and villages) are not obliged to provide, including upper and post-secondary VET.

In higher education, the provider (the State, churches, foundations, etc.) monitors management, legal operation, efficiency and effectiveness of institutions, which otherwise enjoy wide-ranging autonomy in both administrative and pedagogical matters.

3.3. Institutional framework for CVET

3.3.1. Decision-making (policy and legislative)
Decision-making bodies in CVET regulated by the Adult Training Act include central government and various advisory councils which involve social partners (for their roles, see 3.2). In addition, regional labour councils (munkaügyi tanács) serve as tripartite forums to reconcile different interests related to training the unemployed and other target groups supported by the labour organisation.

3.3.2. Implementation
Bodies implementing CVET that comes under the Adult Training Act include:
(a) the Adult Training Accreditation Body (Felnőttképzési Akkreditáló Testület), which involves the social partners and accredits institutions and programmes;
(b) county labour centres (megyei munkaügyi központ) of the National Employment Service (Nemzeti Foglalkoztatási Szolgálat, NFSZ), which
register adult training providers and programmes and inspect their legal operation;

(c) two economic chambers, which organise master craftsman examinations (mestervizsga), defining required learning outcomes and assisting labour centres in inspecting the practical training part of OKJ programmes.

Adult training providers are free to develop and provide their training programmes if registered at the county labour centre.
Figure 3. The Hungarian education and training system
CHAPTER 4.
Initial vocational education and training

Formal education and training from pre-primary to post-secondary non-tertiary level is referred to as ‘public education’ (közoktatás) (16), whether the institution has been set up by a public or a private entity. Its operation and regulation is the duty of the State and it receives funding from the central government budget (see 3.1 and 9.2.1).

Initial vocational education and training (IVET) is primarily offered in (upper) secondary, post-secondary and higher education, although young people can also obtain their first vocational qualification in adult training (felnőttképzés, see 5.3). The vocational qualifications that learners can acquire are those listed in the national qualifications register (Országos Képzési Jegyzék, OKJ) (see 2.2 and 4.2.4) and entitle them to exercise respective occupations. Progression in people’s educational careers depends on the type of school and certificates acquired.

Reform in the second half of the 1990s aimed to develop a more comprehensive education system with an exam after year 10 and shifted possible entry into VET from 14 to 16. However, this concept was soon dropped by the following administration and considerable uncertainties remained regarding the role and objectives of years 9 and 10 in ‘vocational schools’ (szakiskola, SZI). The reform led to the current structure of upper and post-secondary education and training and has also changed the features of IVET.

While several other countries tend to combine general education and vocational subjects throughout VET programmes, Hungary’s IVET is made up of two parts: the first focuses on general education and some pre-vocational training, so-called ‘general education grades’; the second focuses on vocational training to acquire a qualification and is referred to as ‘VET grades’. The 1990s reform transformed ‘secondary vocational schools’ (szakközépiskola, SZKI) into an upper secondary pre-vocational pathway with similar content and objectives to grammar schools, but with a post-secondary vocational training component added on (ISCED level 4C).

(16) See Glossary (Annex 3).
4.1. Background

The structure of the education and training system is presented in Figure 3.

As this report goes to press, schooling is compulsory from age five to 18. Kindergarten (ővoda) may begin at age three and is compulsory from age five.

Eight years of primary and lower secondary general education are mainly provided in primary schools (általános iskola, ISCED 1A-2A). Alternatively, some special types of grammar school also provide lower secondary education (grades 7-8 or 5-8; ISCED 2A). Typically, better performing pupils, often of middle class background, are admitted to these schools.

Upon completion of primary and lower secondary education, learners can choose between three different upper secondary education tracks. Two provide higher education access, one does not:
(a) grammar schools (gimnázium, ISCED 3A) offer four (or in bilingual schools five) years of general education and award a secondary school leaving certificate (érettségi bizonyítvány), the prerequisite for admission to higher education; graduates can also move on to post-secondary VET (see below);
(b) ‘secondary vocational schools’ (szakközépiskola, SZKI) offer four (or in bilingual schools five) years of general and pre-vocational education (ISCED 3A) leading to a secondary school leaving certificate; afterwards learners are free to choose if they want to participate in one to three years VET (ISCED 4C) to obtain a vocational qualification or move to higher education. The duration of VET depends on the qualification to be acquired. For most students it is one year, as their pre-vocational training is recognised (17);
(c) ‘vocational schools’ (szakiskola, SZI) provide general and pre-vocational education and training in the first two years; they are followed by one to three years of VET at ISCED 2C or 3C to obtain a vocational qualification (18).

(17) A special type of secondary vocational school programme that trains students in one of the arts actually provides vocational training in parallel with general education and may already start at lower secondary level (grades 5 or 7).

(18) There are also some special types of vocational school programmes: (a) vocational schools of art provide vocational training in parallel with general education and may already start at lower secondary level (grades 5 or 7); (b) ‘special vocational schools’ (speciális szakiskola) and ‘special skills development vocational schools’ (készségfejlesztő szakiskola) which train students with special needs, may also award ISCED 2 level OKJ qualifications, or may only provide the skills necessary to start working and begin an independent life.
Graduates can enter the labour market. To progress to higher education they need to pass additional programmes (see below).

In September 2010 (19), ‘early VET programmes’ (előrehozott szakiskolai képzés) were introduced which offer three years of vocational training right after completion of primary and lower secondary education (see 2.1).

As Figure 4 illustrates, participation in these different types of schools has changed markedly over time. The share of learners in ‘vocational schools’ (szakiskola, SZI) has shrunk significantly to 30% of all students enrolled in upper secondary programmes. Conversely, enrolment rates in ‘secondary vocational schools’ (SZKI) have increased and risen substantially in grammar schools. The share of SZKI with their focus on general and prevocational education exceeds those of grammar schools.

![Distribution of learners in year 9 by school type 1990-2010 (%)](image)

*Source: Ministry of National Resources, 2010.*

As indicated above, post-secondary non-tertiary level VET (ISCED 4C) corresponds to the ‘VET grades’ of SZKI.

Higher education (see 4.3) offers:
(a) non-degree ‘advanced vocational programmes’ (felsőfokú szakképzés, ISCED 5B) which award vocational qualifications (szakképesítés) of the OKJ;
(b) ISCED 5A and ISCED 6 programmes leading to a degree and a qualification.

4.2. IVET at secondary and post-secondary levels

As indicated earlier, the change to a market economy and education reform in the 1990s influenced the structure, content and outcomes of VET at upper secondary level.

At the age of 14, learners decide whether they will take up VET and which VET pathway and field of study they will choose.

As Table 7 shows, in 2009/10, around two thirds of full-time students at upper secondary level were enrolled in the two VET pathways. Given the programme structure, only around 15% of all learners at upper secondary level were in ‘VET grades’, around 50% in the ‘general education grades’ of both types of VET schools.

The unclear objectives of grades 9 and 10, drop-out rates and labour market outcomes of ‘vocational schools’ (szakiskola, SZI), have led to a revival of the pre-reform approach and launch of ‘early VET programmes’ in 2010 (see 2.1 and 4.1).

By shifting the vocational training component of SZKI to post-secondary level, acquiring an upper secondary leaving certificate plus a vocational qualification (ISCED 3A/4C) can take until age 21.

Table 7. Number and distribution of students in grammar schools and IVET programmes by school type (2009/10)

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>% of total upper secondary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vocational school</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(SZI) (*)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) General education grades (9-10)</td>
<td>55 138</td>
<td>11.5</td>
</tr>
<tr>
<td>(b) VET grades (11, 11-12, 11-13)</td>
<td>73 536</td>
<td>15.3</td>
</tr>
<tr>
<td>Total</td>
<td>128 674</td>
<td>26.8</td>
</tr>
<tr>
<td><strong>Secondary vocational school</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(SZKI)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) General education grades (9-12/13)</td>
<td>177 020</td>
<td>36.8</td>
</tr>
<tr>
<td>(d) VET grades (post-secondary non-tertiary level)</td>
<td>64 984</td>
<td>–</td>
</tr>
<tr>
<td>Total</td>
<td>242 004</td>
<td>–</td>
</tr>
<tr>
<td><strong>Grammar school</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(e) General education (grades 9-12/13)</td>
<td>175 259</td>
<td>36.4</td>
</tr>
<tr>
<td><strong>Total upper secondary level (a)+(b)+(c)+(e)</strong></td>
<td>480 953</td>
<td>100.0</td>
</tr>
<tr>
<td>Total including post-secondary VET</td>
<td>545 937</td>
<td>–</td>
</tr>
</tbody>
</table>

(*) Excluding ‘special vocational schools’.

Table 8. **IVET programmes at secondary and post-secondary levels**

<table>
<thead>
<tr>
<th>Type of educational programme</th>
<th>Main economic sectors</th>
<th>ISCED levels</th>
<th>Balance general/vocational subjects</th>
<th>Balance school-based/work-based training</th>
<th>Duration</th>
<th>Permeability: possible horizontal transfer and progression</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vocational school (szakiskola, SZI) (†)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General education grades (years 9-10)</td>
<td>In all sectors/occupational fields of OKJ, except business (see Table 11)</td>
<td>3C</td>
<td>General education subjects (min. 50%); pre-vocational education (max. 50%)</td>
<td>School-based</td>
<td>2 years</td>
<td>Horizontal: secondary vocational school (SZKI) and grammar school</td>
</tr>
<tr>
<td>VET grades (years 11, 11-12, 11-13)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot;Early VET&quot; programme (előrehozott szakiskolai képzés) (years 9-11)</td>
<td>Manufacturing, construction, agriculture, business and other services</td>
<td>3C (†)</td>
<td>1/3 general education subjects (around 1 000 hours)</td>
<td>First year: school-based; grades 10-11: primarily work-based</td>
<td>3 years</td>
<td>Horizontal: none; upon completion entry into the labour market Progression to higher level studies: only after three years full-time or part-time general education to acquire secondary school leaving certificate</td>
</tr>
</tbody>
</table>

Notes:

† Indicates programmes established in Hungary in 2002.
### Secondary vocational school (szakközépiskola, SZKI) (*)

<table>
<thead>
<tr>
<th>General education grades (years 9-12, 9-13)</th>
<th>VET grades (years 13, 13-14, 13-15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All sectors</td>
<td></td>
</tr>
<tr>
<td><strong>3A</strong></td>
<td></td>
</tr>
<tr>
<td>Primarily general education, trade group-based pre-vocational subjects are provided in max. 16-26% of mandatory teaching hours</td>
<td>Vocational training</td>
</tr>
<tr>
<td>School-based</td>
<td>Depends on the qualification, the school and the student’s decision, but typically school-based (see ‘practical training provision’ below)</td>
</tr>
<tr>
<td>4 years (5 in bilingual schools)</td>
<td>1-3 years, depending on the qualification (*)</td>
</tr>
<tr>
<td><strong>Horizontal:</strong></td>
<td><strong>Horizontal:</strong></td>
</tr>
<tr>
<td>Grammar school, vocational school (szakiskola, SZI) or (in grade 9 or 10) an SZKI programme in another occupational field</td>
<td>none; upon completion entry into the labour market</td>
</tr>
<tr>
<td>Progression: SZKI VET grades (ISCED 4C) or higher education (ISCED 5A/B)</td>
<td>Progression: see general education grades above</td>
</tr>
</tbody>
</table>

(*) Vocational schools of art (művészeti szakiskola) programmes provide parallel vocational and general education that may already start in grades 5 or 7.

(†) Special’ and ‘special skills development vocational schools’ (speciális szakiskola, készségfejlesztő speciális szakiskola) target learners with mental or other disabilities and award ISCED 2C or 3C levels vocational qualifications, or provide them with the skills necessary to start working and begin an independent life.

(‡) Currently most students participate in three-year programmes.

(§) Introduced in September 2010, ‘early VET’ programmes are not yet classified officially.

(¶) Secondary vocational schools of art (művészeti szakközépiskola) programmes provide parallel vocational and general education that may start in grades 5, 7 or 9.

(†) Typically it is one year, since the two-year programme is reduced by one or two terms for those who did years 9-12 or 13 at SZKI and had pre-vocational training.
4.2.1. Admission
To be admitted to IVET, students must have completed eight years of primary and lower secondary education (általános iskola, ISCED 1A-2A). Schools may also specify further requirements (performance at a previous school or an entrance examination) but usually only the more popular ‘secondary vocational schools’ (SZKI) do so. For certain occupational fields/qualifications, aptitude tests or certain medical requirements may be required as laid down in the vocational and examination requirements (szakmai és vizsgakövetelmények, SZVK).

For learners without a primary and lower secondary education certificate, so-called ‘catching-up’ programmes (felzárkóztató oktatás) have been organised in ‘vocational schools’ (szakiskola, SZI) since 2003. There they can obtain the competences necessary to enter ‘VET grades’ (as of year 11). In 2009/10, 17.5% of SZI offered such preparatory courses for altogether 3 099 (2.4%) students (20).

The general admission requirement for ‘VET grades’ of SZKI, is a secondary school leaving certificate (érettségi bizonyítvány, ISCED 3A); de facto VET grades are post-secondary and also open to students from upper secondary general education (gimnázium, ISCED 3A).

4.2.2. Curricula
The first years (see Table 8) focus on general education and pre-vocational training combined with career orientation. They are referred to as general education grades. General subjects are taught in compliance with requirements of the national core curriculum (nemzeti alaptanterv) and recommendations of framework curricula issued by the Minister for Education. Pre-vocational training is in line with framework curricula developed for each of the 21 occupational fields (see Table 11).

Curricula for vocational training (in ‘VET grades’) are based on the SZVK for the respective qualifications and the ‘central programme’ (központi program) which provides guidelines for vocational subjects or modules. The minister for the relevant sector issues both of these documents.

Key competences are allocated a prominent place in the regulations for general as well as vocational education, but the competence-based or learning outcome-oriented approach has been more central to VET. The national qualifications register (Országos Képzési Jegyzék, OKJ) and related SZVKs define learning outcomes based on scope of activity and type of competence

(20) NEFMI statistics 2010 (Ministry of National Resources).
OKJ qualifications are classified into 21 occupational fields (see Table 11). Competence profiles for each occupation specify not only the professional knowledge and skills necessary to perform the various tasks of a given occupation/job, but also the methodological (thinking, problem-solving and work style), social (communication, cooperation and conflict-resolution) and personal (flexibility, creativity, independence, personality traits and capabilities) competences.

4.2.3. Practical training provision

Whether the practical training component of an IVET programme is organised in a school workshop and/or at an enterprise – in whole or in part – depends on the availability of external training places and a decision of the student and the school. Following the political and economic changes of 1989, as a consequence of the closure of most company workshops, the school workshop became the primary practical training venue. Since the early 2000s education policy has introduced various incentives to increase the willingness of enterprises to participate in practical training provision.

The VET Act of 1993 recognises two possible (legal) forms of practical training in enterprises. The form that both the law and education policy prefer is a kind of apprenticeship training based on a ‘student contract’ (tanulószerződés, see below). Alternatively, under certain conditions, a VET school may conclude a cooperation agreement (együttműködési megállapodás) with an enterprise to provide practical training for its students. In the latter case learners are not contractually linked to the employer, neither do they receive remuneration (only for the duration of their practice during the school summer holidays).

In the past decade, various financial incentives have been introduced – especially in vocational school programmes for skilled manual jobs – to encourage practical training first to be provided in a school workshop (to practise basic vocational skills) and at a workplace in following years (see 9.2). Currently, while most ‘secondary vocational school’ (SZKI) students still have their practical training at school, most ‘vocational school’ (szakiskola, SZI) students participate in practical training at an enterprise, usually based on a ‘student contract’ (see Table 10). Since 2001 the number of student contracts has quadrupled.
Table 9. Distribution of full-time students in ‘VET grades’ by school type, venue and legal form of practical training in 2009/10 (%)

<table>
<thead>
<tr>
<th>Practical training venue</th>
<th>Vocational school (SZI) (*)</th>
<th>Secondary vocational school (SZKI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>School workshop</td>
<td>40.91</td>
<td>76.55</td>
</tr>
<tr>
<td>Outside school based on a cooperation agreement</td>
<td>6.30</td>
<td>13.67</td>
</tr>
<tr>
<td>Outside school based on a student contract</td>
<td>52.80</td>
<td>9.78</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

(*) Including ‘special vocational schools’.

NB: Depending on the training duration, ‘VET grades’ in SZI are years 11, 12, 13; in SZKI they refer to years 13, 14 and 15.


Apprenticeship training based on a ‘student contract’ can in theory be organised in any IVET programme offered within the school system. However, its availability varies by sector/occupational field/occupation. In 2009, student contract-based training took place in 277 professions. Almost 90% of apprentices, however, were training for a qualification at ISCED 3 in only 10 occupations, as illustrated in Table 10.

Table 10. Number and distribution of apprenticeships by qualification/occupation, 2009

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Number of students</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and household retailer</td>
<td>5 800</td>
<td>12.69</td>
</tr>
<tr>
<td>Retailer/garment retailer</td>
<td>400</td>
<td>0.88</td>
</tr>
<tr>
<td>Cook</td>
<td>8 481</td>
<td>18.55</td>
</tr>
<tr>
<td>Hairdresser</td>
<td>5 066</td>
<td>11.08</td>
</tr>
<tr>
<td>Painter and wallpaper</td>
<td>3 244</td>
<td>7.10</td>
</tr>
<tr>
<td>Waiter</td>
<td>6 014</td>
<td>13.16</td>
</tr>
<tr>
<td>Carpenter/furniture carpenter</td>
<td>3 362</td>
<td>7.35</td>
</tr>
<tr>
<td>Bricklayer</td>
<td>3 879</td>
<td>8.49</td>
</tr>
<tr>
<td>Body ironer</td>
<td>1 581</td>
<td>3.46</td>
</tr>
<tr>
<td>Beautician</td>
<td>1 480</td>
<td>3.24</td>
</tr>
<tr>
<td>Subtotal</td>
<td>39 307</td>
<td>85.99</td>
</tr>
<tr>
<td>Total</td>
<td>45 713</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Hungarian Chamber of Commerce and Industry (Magyar Kereskedelmi és Iparkamara).

The preconditions and content of the ‘student contract’ are regulated by the VET Act of 1993. The ‘student contract’ establishes a legal relationship between the student and the enterprise. While it provides various advantages to learners, it does not alter their status as students. The practical training provider has to pay
a regular monthly allowance to the student, including holiday periods. Students
are also entitled to social security benefits through their apprenticeship contract.
The time in apprenticeship training is counted as a period of employment when
calculating pensions. Training based on a ‘student contract’ is supervised by the
appropriate territorial economic chamber.

4.2.4. Assessment, qualifications and progression
The secondary school leaving examination (érettségi vizsga) – that awards an
ISCED 3A level certificate which is the prerequisite for higher level studies – is
conducted in ‘secondary vocational schools’ (SZKI), at the end of the last ‘general
education grade’ but not in ‘vocational schools’ (SZI). Following that, students
can either enter higher education or stay in post-secondary level ‘VET grades’ to
obtain an OKJ qualification. As their pre-vocational training is recognised, it
typically reduces the duration of their VET programme by one to two terms.

In both ‘vocational’ (SZI) and ‘secondary vocational’ (SZKI) schools, OKJ
qualifications are awarded after the vocational examination (szakmai vizsga) at
the end of ‘VET grades’. The exam is held in front of an independent examination
committee but usually takes place at the training institution. Approximately 95%
of students pass it. The OKJ (see 2.2) allows to obtain partial vocational
qualifications (at the level of ISCED 2C), which later can be complemented with
the missing modules to obtain a complete vocational qualification, either within
the school system or in adult training. Students can obtain their first OKJ
qualification free of charge in full-time training (up to the age of 23).

OKJ qualifications entitle their holders to practise the occupations specified
in the respective vocational and examination requirements (SZVK), but they do
not allow direct entry to further/higher level education. As a result, those who
have completed ‘vocational school’ (SZI) have to complete another three years in
full-time or part-time formal general training to obtain a secondary school leaving
certificate to be able to enter higher level studies. About every third ‘vocational
school’ graduate takes this three-year programme and acquires a secondary
school leaving certificate.
Table 11. Occupational fields of the OKJ

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Health</td>
</tr>
<tr>
<td>2.</td>
<td>Art, cultural education, communication</td>
</tr>
<tr>
<td>3.</td>
<td>IT</td>
</tr>
<tr>
<td>4.</td>
<td>Light industry</td>
</tr>
<tr>
<td>5.</td>
<td>Transport</td>
</tr>
<tr>
<td>6.</td>
<td>Administration</td>
</tr>
<tr>
<td>7.</td>
<td>Other services</td>
</tr>
<tr>
<td>8.</td>
<td>Social services</td>
</tr>
<tr>
<td>9.</td>
<td>Mechanical engineering</td>
</tr>
<tr>
<td>10.</td>
<td>Chemical engineering</td>
</tr>
<tr>
<td>11.</td>
<td>Wood industry</td>
</tr>
<tr>
<td>12.</td>
<td>Environmental protection-water management</td>
</tr>
<tr>
<td>13.</td>
<td>Commerce-marketing, business administration</td>
</tr>
<tr>
<td>14.</td>
<td>Agriculture</td>
</tr>
<tr>
<td>15.</td>
<td>Education</td>
</tr>
<tr>
<td>16.</td>
<td>Electrotechnology- electronics</td>
</tr>
<tr>
<td>17.</td>
<td>Architecture</td>
</tr>
<tr>
<td>18.</td>
<td>Printing</td>
</tr>
<tr>
<td>19.</td>
<td>Economics</td>
</tr>
<tr>
<td>20.</td>
<td>Catering and tourism</td>
</tr>
<tr>
<td>21.</td>
<td>Food industry</td>
</tr>
</tbody>
</table>

4.3. IVET in higher education

Tertiary level education offered by higher education institutions includes:

(a) ‘advanced vocational programmes’ (felsőfokú szakképzés, ISCED 5B) which award vocational qualifications (szakképesités) of the OKJ;

(b) higher education degree programmes (felsőfokú végzettséget adó felsőoktatási programok) which lead to a degree and a professional qualification (szakképzettség) which entitles the holder to pursue a specific profession; however, these programmes are not considered to be part of VET.

4.3.1. Advanced vocational programmes

Advanced vocational programmes (felsőfokú szakképzés, FSZ) were introduced in 1998. The initial goal of ISCED 5B programmes awarding a higher level vocational qualification but no higher education graduation degree, was to offer shorter modular training that can quickly respond to the demands of a changing labour market. FSZ prepare for high quality professional work and at the same time, through transferability of credits, they help transition from VET to tertiary level education.

FSZ programmes can only be run by colleges (főiskola) or universities (egyetem). However, training can also be provided – and is in fact provided in half the cases – by secondary vocational schools (szakközépiskola, SZKI), under the supervision of a higher education institution based on cooperation agreements. Thus both the legal status of participants and the administration and financing of the training vary, depending on the type of institution where training is actually organised.

Provision of VET is regulated by the VET Act of 1993; other aspects of advanced vocational programmes are governed by the Higher Education Act of 2005 (see Chapter 3). Higher education institutions may be established and
maintained by the State, local governments, church and business entities or foundations. They all receive State support per capita (see 9.2.1).

There are full-time and part-time FSZ courses available, which can be either State-supported or fee-charging. The duration of FSZ training is four or five terms.

Applicants for FSZ programmes must hold a secondary school leaving certificate (érettségi bizonyítvány, ISCED 3A), and may also have to meet specific professional, medical, etc., requirements according to the OKJ qualification they intend to pursue. If FSZ training takes place at a higher education institution, results of the secondary school leaving examination (érettségi vizsga) and grades obtained in the course of secondary school studies count towards admission, as specified in a government decree. If FSZ training is provided in a secondary vocational school (SZKI), it is the school that sets the admission requirements. Prior formal studies in VET of the same content can be recognised from 30 up to 60 credit points.

The curricula of FSZ programmes are developed by higher education institutions in accordance with SZVK and the ‘central programme’ (curriculum) of the particular OKJ qualification, both issued by the minister for the relevant sector. Curricula are modular, and consist of the following components: basic education/development of competences, mandatory vocational and optional (specialisation) modules.

Practical training may be provided in similar forms to those described in Section 4.2, both in school workshops and at enterprises. ‘Student contracts’ (hallgatói szerződés) have also been available since 1 January 2006 provided practical training is provided in a block for at least 25% of the total training duration.

OKJ qualifications awarded upon passing the vocational examination (szakmai vizsga) in an ISCED 5B programme do not provide a higher education degree. However, they entitle the holder to practise the occupation specified in the respective SZVK. Acquiring this qualification is free of charge for learners who have already obtained a lower level OKJ qualification.

FSZ students have the opportunity – and many take it – to transfer their credits (minimum 30, maximum 60) to a bachelor programme in the same field, thus reducing the length of their training period typically by one or two terms. They can obtain their first higher education degree free of charge in State-supported training (see 9.2.2).
4.3.2. Participation in higher education

Most students participating in higher education in Hungary are enrolled in programmes that award a higher education degree and a qualification (ISCED 5A). There are several reasons for this number being higher compared to the EU average than the number of students participating in ISCED 5B training. Although the number of participants in FSZ programmes (ISCED 5B), has risen continuously since it was introduced in 1998, the labour market is not particularly enthusiastic towards – let alone informed about – this type of qualification (see Table 12). The prestige and labour market returns from ISCED 5A degrees are significantly higher; graduates with a higher education degree have a better chance of landing a good job with a higher salary.

<table>
<thead>
<tr>
<th></th>
<th>Total ISCED 5</th>
<th>ISCED 5A (number)</th>
<th>ISCED 5A (%)</th>
<th>ISCED 5B (number)</th>
<th>ISCED 5B (%)</th>
<th>Total ISCED 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>HU</td>
<td>423 788</td>
<td>378 153</td>
<td>93.0</td>
<td>28 409</td>
<td>7.0</td>
<td>7 153</td>
</tr>
<tr>
<td>EU-27</td>
<td>18 359 029</td>
<td>16 067 395</td>
<td>86.7</td>
<td>2 471 162</td>
<td>13.3</td>
<td>499 259</td>
</tr>
</tbody>
</table>

Source: Unesco/OECD/Eurostat database; [cited 1.2.2011].
CHAPTER 5.
Continuing vocational education and training for adults

5.1. General background

Adult education and training takes the form of:
(a) school-based adult education (iskolai rendszerű felnőttoktatás) within secondary, post-secondary and higher education under the respective legislation (see 3.1); it is financially supported by the State (see 9.3); participants are considered students in terms of their legal status;
(b) adult training outside the school system (iskolarendszeren kívüli felnőttképzés) provided by private as well as public institutions; its legislative and administrative structure and financing is defined by the Adult Training Act; often it awards a State-recognised vocational qualification listed in the national qualifications register (Országos Képzési Jegyzék, OKJ).

In both forms – except for ISCED 5A/6 higher education programmes and ‘training regulated by public authorities’ (hatósági képzés) – provision of VET is governed by the VET Act.

To ensure labour market relevance, representatives of the economy participated in defining the competence profiles of OKJ qualifications renewed in 2006 (see 2.2.1). Social partner organisations are also involved in the formal process of OKJ development. The chambers of economy define the outcome requirements of and also organise the master craftsmen examinations (see 5.3.).

5.1.1. Measures/instruments fostering access to CVET

Adults without any previous background in VET can enter VET programmes that award an OKJ qualification either in a VET school within the public or higher education systems (see 5.2) or in a course offered in adult training (see 5.3).

The rights of an employee to participate in any kind of training are specified in the Labour Code. Employers and employees may conclude study contracts (tanulmányi szerződés). Employers can support the education and training of employees by paying tuition fees, travel and accommodation expenses, allowing training leave, etc. The Labour Code also guarantees training leave for employed adults provided training takes place within the school system or training is mandatory in that job or required by the employer. In the former case, employees
are entitled to four days leave for each examination. Employers grant further leave, based on a certificate issued by providers on the duration of training.

Increasing participation in CVET in enterprises is encouraged by the State primarily through financial incentives (part of the vocational training contribution can be spent on training employees) and direct financial support for further training available through tendering (see 9.2). Several programmes cofinanced by the ESF also aim to foster access to CVET by supporting development of new curricula, more flexible modes of delivery and new learning venues (such as e-learning, involving public cultural institutions in vocational adult training).

5.1.2. **Mechanisms to accredit non-formal/informal learning**
Currently, assessment and recognition of prior non-formal/informal learning is common practice only in a few areas of adult education and training: primarily in certain types of examination which award State-recognised qualifications but where participation in preparatory training is not a prerequisite. Examples include the master craftsman examination, some exams related to ‘training regulated by public authorities’, European computer driving licence examinations, or language proficiency examinations.

The Adult Training Act refers to the possibility of validating and recognising prior learning. It states that ‘the adult applying for a training programme may request that the level of her/his knowledge be assessed, that the training provider has to do so and take the results into account’. However, the procedure of this assessment and recognition is not regulated, and the actual assessment methods are heterogeneous. In fact, profit-oriented adult training institutions have little interest in recognising their students’ prior learning since this would reduce demand for training.

According to the 2007 amendment of the VET Act, the SZVK of each OKJ qualification must specify whether competences obtained in non-formal and informal learning and previous work can be recognised. Pursuant to the 2007 vocational exam regulation, also those who have not participated in training can take the module completion exam (modulzáró vizsga) as well as the vocational exam (szakmai vizsga).

Making recognition of non-formal and informal learning a widespread practice would still require uniform regulation and development of measuring tools. Also, training providers would need encouragement to outweigh their current conflicting interests.
5.2. Adult education within the school system

The main objective of adult education provided within the school system is to offer full and part-time learning opportunities for adults who:
(a) could not obtain a formal school graduation certificate; and/or
(b) could not obtain a vocational qualification during their compulsory schooling, or
(c) want to attain a higher level or more specialised qualification.

These programmes can only be provided in public and higher education institutions, typically as evening or correspondence classes. They provide education at primary (ISCED 1-2), upper secondary (ISCED 3C and 3A), post-secondary (ISCED 4C) and tertiary (ISCED 5B, 5A and 6) levels. In general they do not differ from regular full-time courses in terms of objectives, admission criteria, structure, main characteristics of curricula, or the awarded State-recognised qualifications (see Chapter 4).

5.2.1. Adult education at secondary and post-secondary levels

The main function of adult education is to provide participants a 'second chance' to continue their studies and the primary target groups include:
(a) disadvantaged youth who dropped out of initial education or need to continue their studies in part-time education;
(b) graduates of vocational schools (szakiskola, SZI, ISCED 2C or 3C) who aim to obtain a secondary school leaving certificate (érettségi bizonyítvány, ISCED 3A) which pays better in the labour market and is a precondition of pursuing higher level studies;
(c) grammar school (gimnázium, ISCED 3A) graduates who received only general education through their initial training and aim to obtain a vocational qualification.

Schools usually have special departments/groups/classes for their adult programmes, but some schools have been established specifically to train adults. Most people attend evening classes, only a few participate in distance learning or ‘other’ forms.

Contrary to those for young people, part-time general and VET programmes charge some fees to cover part of the training costs. The most disadvantaged students and those with disabilities can also obtain their second vocational qualification free of charge.

However, as Table 13 shows, only very few adults with at most ISCED 0-2 qualification participate in school-based education. Programmes are often inadequate to reintegrate this group into education. The lower-qualified, older
population are offered specifically designed programmes within adult training supported by the State (see 5.4).

5.2.2. Adult education in higher education
Higher education institutions currently offer the following learning opportunities for adults:
(a) non-degree programmes also available as part-time education to obtain an ISCED 5B OKJ advanced level vocational qualification (*felsőfokú szakképesítés*, see 4.3);
(b) bachelor and master level programmes (ISCED 5A, see 4.3) also available in part-time education and distance learning to obtain the first or a new degree and qualification;
(c) postgraduate specialisation programmes (*szakirányú továbbképzés*), usually two- to four-term courses typically offered in correspondence delivery mode awarding a new specialised ISCED 5A qualification, built on the degree and qualification obtained in undergraduate training;
(d) six-term ISCED 6 doctoral degree programmes (typically offered in full-time education, most in State-financed forms).

The first advanced level OKJ qualification and higher education degree can be obtained free of charge in every delivery mode, although State-supported training opportunities are less frequent in part-time education (see 9.2).

5.2.3. Participation
Participation in adult education and training in Hungary is significantly lower than the EU average. Although compared to non-formal education/training (including adult training, see 5.3.3), the difference concerning adult education is relatively smaller, the trends are the same: participation strongly correlates with educational attainment and age.

<table>
<thead>
<tr>
<th>ISCED 0-2</th>
<th>ISCED 3-4</th>
<th>ISCED 5-6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU-27</td>
<td>2.4</td>
<td>5.6</td>
<td>12.1</td>
</tr>
<tr>
<td>HU</td>
<td>0.4</td>
<td>2.5</td>
<td>5.5</td>
</tr>
</tbody>
</table>

*Source: Eurostat adult education survey [cited on 3.3.2011].*
5.3. Adult training outside the school system

Adult training provided outside the formal school system offers a wide range of learning opportunities, including:

(a) vocational training programmes that award a State-recognised vocational qualification listed in the national qualifications register (Országos Képzési Jegyzék, OKJ);
(b) courses preparing for the master craftsman examination (mestervizsga) that awards a higher level qualification based on the OKJ qualification obtained in IVET, organised by the economic chambers;
(c) ‘training regulated by public authorities’ (hatósági jellegű képzés) awarding nationally- or internationally-recognised qualifications or licences not included in the OKJ, primarily in the fields of road, water and air transportation, plant and veterinary health inspection or food hygiene;
(d) courses of various types and duration that do not award a nationally-recognised qualification.

Participation in CVET can be mandatory by legislation, or initiated and financed by individuals and/or their employers. For the unemployed and other target groups it can be initiated and financed by the State (see 5.4).

Mandatory further training regulated by legislation exists in both the public and private sectors. In the public sector this comprises ‘uniform-wearing’ occupations, civil servants, teachers, health, cultural and social workers and some large public companies, for example the National Railway and the Postal Service. In the private sector some areas require mandatory training for safety reasons or because of changes in regulations, as in occupations related to gas production and services, commerce in plant and animal health chemicals, professional drivers, bookkeepers and auditors, professional hunters, etc. Such CVET programmes are typically organised as adult training courses, in the public sector often by specialised agencies and institutions.

In addition to CVET opportunities offered at the workplace, which especially in large multinational companies are often available as e-learning, there are other initiatives to bring learning closer to learners. One of the government initiatives supported by ESF resources for example, involves public cultural institutions in vocational adult training.

Adult training providers include:

(a) public and higher education institutions engaging in adult training as a supplementary activity and other budgetary or State-supported institutions (such as regional training centres, see 5.4);
(b) private training companies;
(c) NGOs (non-profit organisations, professional associations, etc.);
(d) employers providing in-company (internal) training for their employees.

Pursuant to the Adult Training Act providers have to be registered at a county labour centre (megyei munkaügyi központ), but otherwise they are free to develop and provide their (vocational, general or language education) courses. The law prescribes only that they have to conclude a training contract with the participant and prepare a training programme.

Accreditation of adult training institutions and programmes is not mandatory. However, it is a prerequisite for receiving public funding. It is awarded by the adult training accreditation body (felelőtteképzési akkreditációs testület) for a definite period of time (four years in institutional, two to five years in programme accreditation), based on the evaluation of an expert committee.

According to adult training statistics – in terms of both number of training programmes and participants – the three most typical types of training programmes are:
(a) further training, including training preparing for the master craftsman exam;
(b) courses awarding an OKJ qualification (typically one at ISCED 3C level);
(c) a qualification required for a job/occupation but not listed in the OKJ (such as fisher or hunter).

Most participants attend programmes that require at most a primary school graduation certificate. Usually these training programmes last for less than a year, with at most 200 course hours.

The standards required for master craftsman examinations are defined by the Hungarian Chambers of Commerce and Industry (Magyar Kereskedelmi és Iparkamara) and Agriculture (Magyar Agrárkamara), in cooperation with the social partners, professional associations and other interest groups. The exam consists of three parts: an oral exam in entrepreneurial studies, a written and an oral exam in vocational theory, and a practical task. As master craftsmen can also train people, the exam also includes pedagogical issues. The local chambers also organise preparatory training programmes, although participation is not a precondition for taking the exam. The only requirements are a relevant OKJ qualification and professional experience.

5.3.1. Participation
Participation rates in non-formal education/training in Hungary are the lowest among all EU Member States (see Tables 14 and 15). Similar to adult education provided within the school system, participation in adult training correlates strongly with educational attainment and age.
Participation is significantly higher among employed and unemployed than among inactive people. Most unemployed people participate in non-formal education which is only supported by the National Employment Service (Nemzeti Foglalkoztatási Szolgálat, NFSZ) and most State programmes.

Table 14. **Participation rate in non-formal education and training by highest level of education attained (%), 2007**

<table>
<thead>
<tr>
<th>ISCED97</th>
<th>0-2</th>
<th>3-4</th>
<th>5-6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU-27</td>
<td>15.9</td>
<td>31.6</td>
<td>51.9</td>
<td>31.5</td>
</tr>
<tr>
<td>HU</td>
<td>2.3</td>
<td>6.4</td>
<td>14.6</td>
<td>6.8</td>
</tr>
</tbody>
</table>

*Source: Eurostat adult education survey [cited on 3.3.2011].*

Table 15. **Participation rate in non-formal education and training by labour status (%), 2007**

<table>
<thead>
<tr>
<th>Labour status</th>
<th>Employed</th>
<th>Unemployed</th>
<th>Inactive</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU-27</td>
<td>39.1</td>
<td>20.1</td>
<td>12.5</td>
<td>31.5</td>
</tr>
<tr>
<td>HU</td>
<td>9.6</td>
<td>4.5</td>
<td>1.6</td>
<td>6.8</td>
</tr>
</tbody>
</table>

*Source: Eurostat adult education survey [cited on 3.3.2011].*

The government has introduced various measures in recent years to increase participation in adult education and training (see 5.1, 5.4 and 9.3), but participation rates are only slowly increasing. Studies (Török, 2006) found that adults have a generally positive attitude towards training and many also need to renew their qualifications. But there are considerable barriers that government policies still need to address:

(a) perceived lack of benefits: in a country where formal school qualifications determine social status, about a third of adults, and especially the lower qualified, are undermotivated, as they believe that the benefits of non-formal learning are smaller than its costs;
(b) inflexibility of the training system and services: programmes are too long, there are only very few opportunities to get one’s previous work experience and other forms of non-formal/informal learning recognised, etc.;
(c) high workload of employees: the number of hours worked per year is significantly higher than in western Europe, while the proportion of adults in part-time employment is the second smallest in OECD countries (OECD, 2009).
5.4. Measures to help job-seekers and people vulnerable to exclusion from the labour market

There is no uniform national definition of ‘groups vulnerable to exclusion on the labour market’. The most significant include the low educated, people with disabilities or with altered work capacity, the Roma, the older with outdated vocational qualifications and women (especially those on or after maternity leave).

Disadvantaged people are offered programmes supported by the National Employment Service (Nemzeti Foglalkoztatási Szolgálat, NFSZ), centrally managed State programmes and training provided by contractors (selected through public tenders) to help them secure employment.

5.4.1. Training support by the NFSZ

The NFSZ may support training of the following target groups:

(a) job-seekers;
(b) young people under the age of 25 (or 30 for higher education graduates) who are not entitled to unemployment benefits;
(c) those who receive childcare support or permanent support for caring for sick or disabled people;
(d) those who receive rehabilitation allowance;
(e) those whose employment is expected to be terminated within one year;
(f) those who participate in public utility work;
(g) employed people whose regular employment cannot be ensured without training,
(h) others as defined by the Governing Board of the Labour Market Fund (Munkaerő-piaci Alap Irányító Testület, MAT, involving representatives of the social partners).

Training support might include reimbursement of training costs and related expenses and provision of supplementary/compensatory payment. It can be given for participating in VET courses, preparatory skills-developing training, career orientation and job-seeking skills development, as well as foreign language education provided outside the school system (see 5.3). Labour centres (munkaügyi központ) define annually the fields of study which can be supported, based on labour market forecasts and recommendations by the labour councils (munkaügyi tanács) which involve the social partners.

Participants are selected by the centres, which also assist them in choosing the specific field of training. On average, courses supported last 538 hours and five-and-a-half months. The majority (around two thirds) award OKJ qualifications.
Training courses are offered by State regional training centres (regionális képző központ) and accredited private adult training providers. Centres compile their registers annually, participants then choose a training provider.

5.4.2. Centrally-managed State programmes and training by contractors selected through public tenders

The National Employment Foundation (Országos Foglalkoztatási Közalapítvány) has supported labour market integration of disadvantaged unemployed people since 1992 through innovative pilot programmes. It develops programmes which include training and employment elements and involve labour market and psychosocial support services. Some programmes offer preparatory training developing the competences needed to enter a VET programme. But most contain a course leading to an OKJ qualification. In addition to work placements, each includes a training element for participants’ employability by developing their key competences.

One measure of the social renewal operational programme (TÁMOP) helps to disseminate successful methodologies and programmes developed and/or piloted by National Employment Foundation contractors and ESF programmes. Another of its measures temporarily supports alternative programmes which assist disadvantaged job-seekers in securing permanent employment. These projects focus on providing individual tailor-made services to help low-qualified participants obtain an OKJ qualification.

From 2007 to 2009, the One step forward (Lépj egyet előre) programme, coordinated by the NFSZ and cofinanced by ESF, helped 20,391 low-qualified, often under-motivated adults, to obtain a primary school certificate (ISCED 2A) or a vocational qualification in a shortage-job. Successful participants received a monthly minimum wage. In the second stage of the programme, people with at most a primary school certificate also received a living allowance of the same amount on completion of every 150 hours of training.
CHAPTER 6.
Training VET teachers and trainers

6.1. Types of teachers and teaching occupations in VET

The types of teachers and trainers working in VET are specified in various laws regulating the relevant education sector. VET schools (see Chapter 4) and adult training (see 5.3) distinguish between teachers of general education, vocational teachers and vocational trainers. In higher education, teaching positions are based on academic performance.

Generally, the prestige of the teaching profession is very poor not least because salaries are very low. Low salaries and poor image make the profession unattractive. Most are paid around the minimum amount of the appropriate grades in the public sector salary scheme, around EUR 390 (HUF 109 000) net wage per month in 2009. The career of VET teachers/trainers is even less attractive than that of general education teachers. This leads to little interest among highly qualified and motivated young people. Often, young people who do not succeed in getting into other programmes take up a teaching career. As a result, this also leads to quality problems (Varga, 2007). As the current VET teaching population is ageing, a considerable shortage of vocational teachers and trainers is expected in the next decade.

VET teachers and trainers are trained in higher education institutions. The quality of training is evaluated by the Hungarian Accreditation Committee (Magyar Felsőoktatási Akkreditációs Bizottság).

The structure of teacher/trainer training was fundamentally transformed by the 2005 Higher Education Act in the context of the Bologna process. As a result, in teacher training there are now only master courses (trainers are trained in bachelor level programmes). More emphasis is put on learning outcomes which are defined as competences. Content and structure follow uniform ‘training and outcome requirements’ (képzési és kimeneti követelmények). They are published as decrees by the Minister for Education. Based on these, curricula of a given programme are developed by specific teacher training departments. Teaching practice has been extended to include six months at an external training site.

This new system has raised substantiated concerns. The government that came into office in 2010 intends to review the Bologna structure in Hungarian higher education, which may imply restoring the previous one-tier system in teacher
training. In addition, the new ministry is expected to work out a career model to ensure better development and promotion prospects for teachers/trainers.

6.2. Teachers and trainers in IVET

6.2.1. Types of teachers, trainers and other learning facilitators in IVET
Teachers/trainers working in IVET within 'public education' (21) can be categorised based on what and where they teach:
(a) general subject teachers (közismereti szakos tanár);
(b) vocational teachers (szakmai tanár);
(c) vocational trainers (szakoktató) oversee practice conducted in school workshops;
(d) practice trainers (gyakorlati oktató) oversee practice conducted in an apprenticeship workshop or an enterprise.

Non-pedagogical staff, who assist teachers and support their educational work, include teaching assistants, child protection and youth workers, pedagogical inspectors, family social workers, child and youth work inspectors, special education assistants, specialist doctors (psychiatrists), recreation assistants, social workers, technical professionals, etc.

6.2.2. Training of teachers and trainers in IVET

6.2.2.1. Pre-service training
General subject and vocational teachers as well as vocational trainers must hold a higher education degree (ISCED 5A). Practical training instructors in enterprises are required to hold only a vocational qualification in the specific field (of at least the same level as they provide training in) and must have at least five years’ professional experience.

Previously, it was possible to obtain most vocational teaching qualifications after or in parallel with training in the given professional field. In the new multicycle training structure introduced in September 2006, vocational trainer qualifications are awarded in seven-term bachelor programmes. The entry requirement is, as before, holding a relevant vocational qualification listed in the national qualifications register (Országos Képzési Jegyzék, OKJ). These

(21) See Glossary (Annex 3).
programmes include a shorter teaching practice and a minimum of 12 weeks external practice as an employed teacher trainee.

General and vocational teacher qualifications are offered only in the master cycle for those holding a specific bachelor degree (ISCED 5A) defined in the ‘training and outcome requirements’ (képzési és kimeneti követelmények). However, as this report goes to press, this structure is expected to change.

The teacher training programmes are made up of three modules:
(a) subject-specific pedagogical/methodological competences (such as methodology for mechanical engineering);
(b) theoretical and practical training in pedagogy and psychology;
(c) teaching practice in schools or adult training institutions.

Assessment includes theory (examinations), assessment in seminars and a model lesson (zárótanítás) that concludes the school teaching practice. The teacher qualification may be obtained at the final examination (záróvizsga).

6.2.2.2. In-service training
In-service training is mandatory for teachers and trainers employed in institutions that come under the Public Education Act. It prescribes a minimum of 120 hours at least once every seven years. The State covers 80% of training costs. Alternatively, higher education studies (such as taking a pedagogical professional examination, pedagógus szakvizsga, in the framework of a postgraduate specialisation programme), and participation in international in-service teacher training programmes (study visits) may also count as fulfilment of this obligation.

6.3. Teachers and trainers in CVET

6.3.1. Types of teachers/trainers and other learning facilitators in CVET
Professionals working in adult training include teachers, trainers, instructors, tutors, mentors, etc. Relevant legislation differentiates teachers of general subjects, languages and vocational theory, as well as instructors overseeing vocational practice. Besides, there are several positions designed to support the training activity including that of training organiser and programme developer, manager, evaluator, animator and consultant.
6.3.2. Training of teachers and trainers in CVET

6.3.2.1. Pre-service training
Current legislation stipulates that teaching/training staff working with adults must possess a relevant higher education degree (ISCED 5A) or – provided they have certain years of professional experience – secondary qualifications of at least the same level as the training itself. Only those who work with learners from disadvantaged backgrounds are required to have qualifications in pedagogy (or psychology). Those who provide practical training must also have five years vocational/adult training practice. The majority of those working in adult training do not hold a degree in andragogy.

Training adult teachers/trainers takes place in the same higher education institutions as training IVET teachers (see 6.2.2). There are also other training programmes in higher education that prepare for various learning facilitator positions.

6.3.2.2. In-service training
In-service training for adult trainers is not mandatory. Accredited adult training institutions, however, have to have a human resource-development plan including in-service training regulations for instructors. Current practice shows great variety in this respect. State regional training centres (see 5.4) regularly offer organised in-service training to their instructors based on an internal training plan. Some private training companies, which hold an International Organisation for Standardisation (ISO) certification, develop internal training plans and offer their (full-time) employees further training either internally or by buying-in training from others. However, most adult training providers offer further training for their (full-time) instructors only occasionally.
CHAPTER 7.
Matching VET provision (skills) with labour market needs

7.1. Anticipating skill needs (for sectors, occupations, and education levels)

For the past years one of the main VET policy priorities related to skill needs anticipation was to ensure that training supply better corresponds to regional and local labour market demands.

Short-term labour market forecasts have been carried out since 1991. Originally, the labour organisation gathered and processed the data. Since 2005, the ministry responsible for employment policy has commissioned this work to the Institute for Economic and Enterprise Research (Gazdaság- és vállalkozáselemzési intézete, GVI) of the Hungarian Chamber of Commerce and Industry (Magyar Kereskedelmi és Iparkamara, MKIK). Forecasts are made once a year, for a period of one and a quarter years.

Every now and then mid-term (three to five years) and long-term (five to 10 years) forecasts are also prepared, usually commissioned by the ministry responsible for employment policy. Sectoral aspects of the labour market are explored only occasionally, on specific request.

However, precise and reliable information on the extent and type of labour shortage is not available – partly because shortage estimates made by employers should be treated with caution, as many experts point out (Kézdi et al., 2009; Mártonfi, 2006; Nagy, 2008). They claim that enterprises tend to overestimate the figures to increase State funding for VET in areas that suit their wishes (22). In other cases, experts attribute coexistence of simultaneous shortage and unemployment in certain occupations to methodological issues (Juhász et al., 2009).

(22) The State provides various financial benefits to students and enterprises which offer practical training in occupations that face skills shortages, and regional development and training committees (regionális fejlesztési és képzési bizottságok, RFKB) allocate development funds and define vocational programme offers based on the regional lists of shortage-jobs (see Glossary in Annex 3 and Chapter 2).
Since 2008, further surveys on regional labour market supply and demand for skilled workers have been carried out to assist regional development and training committees (regionális fejlesztési és képzési bizottságok, RFKB) to take well-founded decisions on school-based VET (see also 3.2 and 9.2). Approximately EUR 3.6 million (HUF 900 million) are allocated annually for this purpose from the training subfund of the labour market fund (Munkaerő-piaci Alap, MPA, see 9.1). The surveys are organised and carried out by MKIK, and GVI provides the research background. Lessons learned from the previous year were used to improve the methodology of the 2009 survey (Fazekas et al., 2009) and to gather data from a wider range of the economy, including the public sector.

Tracing the careers of school leavers systematically has become a priority of VET and employment policy in recent years. National and local initiatives are currently developed with ESF assistance (within the social renewal operational programme [társadalmi megújulás operatív program, TÁMOP]). One project aims to establish a national career tracking system of ISCED 3-4 school graduates or people who have acquired their qualification in adult training. The 2007 amendment of the Public Education Act stipulated the introduction of career tracking in VET. Its development is expected to be completed and piloted by 2011.

TÁMOP measures also support development of a higher education graduate career monitoring system (Diplomás Pályakövető Rendszer) and launch of career tracking systems at TISZK level (see 2.2).

The methodology is, however, criticised as being too simplistic with too much focus on training output and employment in specific occupations. Validity and reliability are also being questioned.

7.2. Matching VET provision with labour market needs (jobs)

With its modular structure the national qualifications register (Országos Képzési Jegyzék, OKJ, see 2.2.1), allows for more flexibility in adapting to changing demands of the labour market, at least in theory. Professionals delegated by the economic sector were involved in its development and they also play a significant role in ongoing elaboration of the training exemplar of 2 400 training modules. The OKJ Committee was also established in 2006 to monitor and evaluate development of the qualification structure and make recommendations for modifying the OKJ. Most of its members are delegated by economic and professional organisations.
Following earlier work on 27 occupations (since 2004 and 2008), the Hungarian Chamber of Commerce and Industry (Magyar Kereskedelmi és Iparkamara, MKIK) was recently commissioned by the ministry responsible for VET to develop occupational profiles as well as framework curricula for 125 occupations, practically for all skilled manual occupations (see 2.1). In addition, from 2011 the MKIK designates the chair of the vocational examination board. The chamber also conducts intermediate practical training examinations.

Before the economic crisis in 2008, skilled labour was missing in certain areas, in particular in construction and machinery. To encourage training provision in shortage occupations, special financial incentives were put in place (see 9.2). In addition, a scholarship programme was launched in February 2010 to support learners in ‘vocational schools’ (SZI) training for occupations in high demand on the labour market. The regional development and training committees (RFKB) prepare lists of 10 shortage jobs by region (see 3.2).
CHAPTER 8.
Guidance and counselling for learning, careers and employment

8.1. Strategy and provision

8.1.1. Policy and strategy design
As in several other countries, guidance activities and developments are overseen by the ministries responsible for employment policy and education. However, they do not share a long-term strategy on the issue, although the importance of, and need for, developing guidance and counselling has long been emphasised in policy documents. Cooperation between the various sectors involved in career guidance and counselling is rather poor. In fact, guidance services are not widely available and the current system is considered inadequate.

Most initiatives so far focused primarily on establishing information systems, labour-market information databases and websites, even though the 2005 national lifelong learning strategy set out important elements of career guidance activities.

Establishment of the European lifelong guidance policy network (ELGPN) propelled national developments forward. In 2008, the Hungarian lifelong guidance council (Nemzeti Pályaorientációs Tanács, NPT) was founded and a programme to develop a national guidance system was launched within the framework of the social renewal operational programme (társadalmi megújulás operatív program, TÁMOP, see below). The Hungarian lifelong guidance council prepared a respective policy document in 2010.

Data relevant to career guidance (on unemployment rates and skills shortages) are collected by the head office (National Employment Office, Foglalkoztatási Hivatal, FH) of the National Employment Service Nemzeti Foglalkoztatási Szolgálat, NFSZ) via labour centres and from several outsourced services. Data to be provided by the various career-tracking systems currently under development (see 7.1) are also envisaged to support guidance activities.

(23) For more information, see http://ktl.jyu.fi/ktl/elgpn.
The National Employment Office coordinates a large-scale integrated career guidance development programme supported by the ESF (EUR 7.3 million). As a result of cooperation and coordination between different government bodies, a Hungarian lifelong guidance portal was launched in September 2010 (http://www.eletpalya.munka.hu). It targets young people, adults and guidance staff, with the aim of providing integrated, up-to-date and user-friendly information related to education and the labour market. The project also created a new national lifelong guidance counsellor network of 50 professionals to provide career guidance and counselling services in 24 cities and towns. To ensure a uniform standard of operation, a set of unified guidelines was developed. In addition, seven regional networks have been set up to cover all who work in guidance-related roles. One of the main objectives is to encourage people working in different sectors to develop a common identity as lifelong guidance professionals.

As part of this measure, postgraduate specialisation programmes are also financed to train 85 guidance professionals at two universities, along with two three-day, free-of-charge training programme for 2 000 professionals already working in the field (teachers, social workers, etc.).

8.1.2. Major bodies providing guidance and counselling services

County pedagogical institutes (megyei pedagógiai intézet) and pedagogical services (pedagógiai szakszolgálatok) provide career counselling services to primary and secondary school students (aged 6-18 years). But they have very few staff, so that one or two counsellors serve a whole county. Some cultural centres at county seats as well as family and child protection offices also provide services related to career guidance.

Higher education institutions are obliged to provide free career information and counselling services to students (2005 Higher Education Act).

Pursuant to the Employment Act of 1991, labour centres (munkaügyi központ) of the NFSZ provide career guidance/counselling services. Their clients include adults – both employees and unemployed – as well as students in public education, primarily those in VET. However, in recent years most NFSZ career services have been outsourced to external providers.

Since 1994, labour centres have been operating a network of employment information and guidance centres (Foglalkozási Információs Tanácsadó bázisok, FIT). Euroguidance Hungary (Nemzeti Pályainformációs Központ, NPK), operated by the NFSZ, collects and disseminates information on learning and training opportunities in European countries, and maintains a training database – available over the Internet – on secondary and tertiary education. Both the 20 FIT sites and the national Euroguidance centre offer mainly self-service information.
Nine regional training centres (regionális képző központ) (since 2011 supervised by the Ministry of Public Administration and Justice, Közigazgatási és Igazságügyi Minisztérium) offer career orientation, guidance and counselling services, including career orientation training programmes to various disadvantaged groups.

Several adult training institutions (business as well as non-profit organisations) also offer career guidance/counselling services as part of or in addition to their training programmes. It is one type of ‘services related to adult training’ which accredited institutions are required to provide by the Adult Training Act.

8.2. Target groups and modes of delivery

In primary schools (általános iskola) career orientation is related to one of 12 domains, namely ‘career and practical skills’, which is supposed to make up 4 to 10% of training in years 5 to 8 (which corresponds to lower secondary education in many countries) (see Chapter 4). However, only very little attention is paid to this area.

In school-based VET, career orientation was first introduced as a subject area in the 1990s in local SZKI curricula with support from the World Bank. In 2001/02, a similar subject was introduced into framework curricula of SZI. Career orientation has been mandatory in year 9 of SZI since 2006. Some schools, however, use these two classes per week to provide pre-vocational training (see 4.2). Schools, in fact, have conflicting interests in career guidance, for it may lead students to choose another programme within the same occupational field at another school. To improve career orientation was another aim of the vocational school development programme (szakiskolai fejlesztési program, see 2.1).

On the whole, services and structure of career guidance at higher education institutions in Hungary are in line with their counterparts in other EU Member States. Nevertheless, 40% of them still do not operate a career guidance centre.

Labour centres (munkaügyi központ) of the National Employment Service (Nemzeti Foglalkoztatási Szolgálat, NFSZ) offer labour market and occupation-related information, work, career, job-search, rehabilitation counselling and related psychological services, local (regional) employment counselling, and job brokerage. Their FIT centres have developed and introduced several new tools assisting career choice and new services (such as job-search clubs, FIT-media database, computer programs).
Specific programmes are available to serve the needs of Roma. Others target people with disabilities. Several non-governmental organisations (NGOs) provide information and guidance for people with learning difficulties or mental health problems. As migration is not a key issue in Hungary (see 1.2), only a few NGOs offer special guidance services for them.

8.3. **Guidance and counselling personnel**

8.3.1. **Initial training**
Qualifications requirements of practitioners are regulated only for career orientation teachers and counsellors providing services supported by the labour organisation.

Pursuant to the Public Education Act, career orientation teachers should hold either a relevant teaching qualification or a relevant higher education degree and qualification. Bachelor level degree programmes were first introduced in 1992 to train guidance professionals. Psychologists may also attend a two-and-a-half-year course on career guidance. Career guidance teacher training as a two-year postgraduate specialisation programme has been available since 1999.

The Bologna process has fundamentally changed the training of counsellors. Colleges offer a bachelor qualification in andragogy with a specialisation in career guidance. University master programmes are available in human resources – career guidance. In the new system bachelor students in teacher training programmes are also required to take courses in career counselling.

Practitioners who provide services supported by the NFSZ are required to hold qualifications (mostly higher education degrees and qualifications) as specified in the 30/2000 (IX.15) Decree of the Ministry of Economy. The exact type of qualification depends on the type of services provided; in certain cases work experience is also required.

8.3.2. **In-service training**
In-service training is not compulsory for guidance practitioners. However, various courses and further training programmes, conferences and international study visits are available for counsellors. Specialised further training programmes for counsellors currently offered by universities include the following postgraduate specialisation programmes (szakirányú továbbképzés, ISCED 5A): career orientation teacher, learning and career counselling, psychology of counselling, student counselling, and social inclusion counselling.
CHAPTER 9.
Financing: investment in human resources

9.1. General funding arrangements and mechanisms

VET in Hungary is financed from four ultimate sources:
(a) the central government budget;
(b) the budget of school ‘maintainers’;
(c) the labour market fund (*Munkaerő-piaci Alap*, MPA, see below);
(d) non-State sources (employees’ and training participants’ contribution, and international – most importantly, ESF – assistance).

A particularly important source of VET funding (since the 1970s) is the vocational training contribution (*szakképzési hozzájárulás*, SZH), practically a VET tax levied on enterprises amounting to 1.5% of the total labour cost. The amount of SZH can be allocated by the enterprise more or less freely to:
(a) provide practical training for students at VET schools or participants in higher education (100% of their SZH can be spent on related expenses);
(b) provide training for their employees (up to 33% of their SZH, or 60% for micro and small enterprises, see 9.3);
(c) provide a development subsidy (see 9.2) for VET schools or to higher education institutions (maximum 60% or 30% of their SZH); or
(d) pay it into the MPA training subfund (maximum 100%).

The total amount of SZH has increased steadily in the past decade and reached EUR 3 million (HUF 83.6 billion) in 2009. Its allocation is presented in Table 16.

There are no sectoral training funds in Hungary. However, the national labour market fund plays an important role in financing VET – primarily its development (both IVET and CVET). Its income is derived from various compulsory contributions paid by employers and employees, budgetary support and privatisation.
Table 16. Distribution of the vocational training contribution by allocation purpose, 2001-09 (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Practical training provision for VET students in enterprises</th>
<th>Development subsidy for:</th>
<th>Training provision for employees</th>
<th>Payment into the MPA training subfund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>VET schools (SZI and SZKI)</td>
<td>higher education institutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>16.58</td>
<td>31.82</td>
<td>2.41</td>
<td>6.42</td>
<td>42.78</td>
</tr>
<tr>
<td>2002</td>
<td>15.79</td>
<td>28.60</td>
<td>5.26</td>
<td>7.78</td>
<td>42.56</td>
</tr>
<tr>
<td>2003</td>
<td>15.35</td>
<td>26.87</td>
<td>6.06</td>
<td>9.70</td>
<td>42.02</td>
</tr>
<tr>
<td>2004</td>
<td>15.07</td>
<td>23.35</td>
<td>6.21</td>
<td>10.17</td>
<td>45.20</td>
</tr>
<tr>
<td>2005</td>
<td>14.94</td>
<td>20.79</td>
<td>6.66</td>
<td>11.33</td>
<td>46.28</td>
</tr>
<tr>
<td>2006</td>
<td>16.22</td>
<td>18.14</td>
<td>6.49</td>
<td>11.50</td>
<td>47.64</td>
</tr>
<tr>
<td>2007</td>
<td>18.78</td>
<td>14.36</td>
<td>6.08</td>
<td>10.10</td>
<td>50.68</td>
</tr>
<tr>
<td>2008</td>
<td>19.83</td>
<td>13.18</td>
<td>5.54</td>
<td>9.61</td>
<td>51.78</td>
</tr>
<tr>
<td>2009</td>
<td>22.37</td>
<td>8.85</td>
<td>5.86</td>
<td>9.09</td>
<td>53.85</td>
</tr>
</tbody>
</table>

Source: Ministry of the National Economy.

The minister responsible for VET and adult training has the right to dispose of the MPA and exercises this right with the tripartite governing board of the labour market fund (Munkaerő-piaci Alap Irányító Testület, MAT) and the Minister for Education, as regards employment and rehabilitation and training subfunds, respectively. The former two subfunds support training of unemployed people and other disadvantaged target groups (see 9.4). The training subfund supports primarily the technological development of practical training provision. Its subsidies are allocated through tenders coordinated by regional development and training committees (regionális fejlesztési és képzési bizottságok, RFKB) or (as regards adult training) the National Institute of Vocational and Adult Education (Nemzeti Szakképzési és Felnőttképzési Intézet, NSZFI), or by individual decision of the minister responsible for VET and adult training, assisted by the national vocational and adult training council (Nemzeti Szakképzési és Felnőttképzési Tanács, NSZFT).

The primary policy objective of VET financing was to improve efficiency and quality of training. The most important challenges were the extremely fragmented and thus not cost-effective institutional system of IVET, the weakness of the role of social partners and territorial level decision-making, and the fact that the various financing structures did not adequately encourage training providers to consider labour market needs.
9.2. Funding for IVET

9.2.1. Funding for IVET at secondary and post-secondary levels

The primary sources of funding for operating VET schools are:
(a) the central government budget;
(b) the budget of school maintainers (local – county or municipal – governments, churches, foundations, etc.) (24).

The State contribution is provided to the school maintainer, in part automatically, while various earmarked subsidies are available through tendering procedures. Local governments are obliged to spend only dedicated per capita support and central allocations on educational purposes but, in fact, they typically have to supplement the State contribution from their other revenue.

Table 17. Number of students in IVET by ‘maintainer’ of the institution (excluding higher education), 2009

<table>
<thead>
<tr>
<th>Type of school/ programme</th>
<th>Student number</th>
<th>Maintainer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Public</td>
</tr>
<tr>
<td>Secondary vocational school (SZKI)</td>
<td>242 004</td>
<td>199 196</td>
</tr>
<tr>
<td>Vocational school (SZI)</td>
<td>128 674</td>
<td>108 061</td>
</tr>
<tr>
<td>Special vocational school and special skills development vocational school</td>
<td>9 968</td>
<td>9 392</td>
</tr>
<tr>
<td>Total</td>
<td>380 646</td>
<td>316 649</td>
</tr>
</tbody>
</table>

Source: Ministry of National Resources (2010).

Since 2007, the amount of the State contribution for general education and vocational theory was calculated by using a performance indicator. This indicator is based on parameters that determine the cost of education, for instance the average number of students per class as prescribed by law, weekly mandatory teaching hours, etc. To encourage practical training in a school workshop in the first and at the workplace in the final stage of a VET programme, the grant allocation was revised in 2004-05: for the first VET grade, schools are entitled to 140% of the grant foreseen for practical training in the annual budget acts; for the

(24) See 3.1 and Glossary (Annex 3).
final VET grade the amount is only 60%. So far, this measure seems to have stimulated the desired change (see 4.2.3).

Practical training in an enterprise is financed by the company, which can spend its vocational training contribution (szakképzési hozzájárulás, SZH, see 9.1) on related costs and can also claim further expenses from the MPA training subfund (see 9.1). In fact, practical training provision can also be profitable and many learners are, in fact, trained at companies specifically established for this purpose.

Technological and content development of IVET is supported by development subsidies (fejlesztési támogatás, equipment or money provided by enterprises to develop the practical training infrastructure, deductible from their SZH), the MPA training subfund, and ESF assistance.

In recent years, financial incentives have been introduced to encourage enterprises to offer apprenticeship training (see 4.2) (in addition to raising the student allowance and providing 20% of the per capita grant to schools). Range and amount of costs deductible from their SZH or reimbursable from the MPA have continuously increased. Since 2007, material costs up to 40% of the minimum wage have been deductible for training in jobs that face skills shortages.

Encouraging training in occupations that are high in demand on the labour market, was also the objective of a scholarship programme launched for ‘vocational schools’ (szakiskola, SZI) in February 2010 (see 2.1. and 7.2).

Distribution of development funds has changed fundamentally in recent years. Since 2008, development subsidies and investment support from the MPA training subfund were available only to: ‘maintainers’ of regional integrated vocational training centres (térségi integrált szakképző központ, TISZK) with at least 1,500 full-time VET students; ‘special’ and ‘special skills development vocational schools’ (SZI); and higher education institutions for advanced level VET and bachelor level programmes that require a considerable share of practical training. In 2008, most VET schools (SZI) joined a TISZK, thus currently with a few exceptions they are all eligible to receive development funds.

### 9.2.2. Funding for IVET provided in higher education

In higher education, students can participate in ‘State-supported training’ for 12 terms (including higher level VET studies, felsőfokú szakképzés). Considering labour-market needs, the government defines annually the maximum number of students who can be admitted to State-supported higher level VET, bachelor and one-tier programmes, by training field and delivery form. Maximum 35% of the number of new entrants defined three years earlier can be admitted to State-
supported master level training, and at most 10% of this number can be admitted to doctoral degree and postgraduate specialisation programmes (szakirányú továbbképzés).

Higher education is financed by:
(a) State support from the central government budget;
(b) institutional income (tuition fees, fees for services provided, income from entrepreneurial activities, etc.) and development subsidies, endowments, capital assets, etc.

The global amount of budgetary support was EUR 795 million (HUF 199 640 million) and EUR 129 million (HUF 32 387 million) in 2008 for State and non-State institutions respectively. The relative share of the State’s contribution was 74% in the former case (there are no data available on non-State institutions’ income).

9.3. Funding for CVET and adult learning

9.3.1. Funding for publicly provided CVET

Adult education offered within the school system is financed by the same sources as that for young people (see 9.2).

The central government budget-based per student funding of adult education (felnőttoktatás) organised in full-time programmes is equal to that of young people education (25), 50% in evening classes, and 20% in correspondence education. This is supplemented by tuition fees paid by participants and school maintainers’ contributions.

Programmes offered by higher education institutions can – in principle – be both State-supported and fee-charging. However, the total number of State-supported student places (see 9.1) in part-time education is limited to, at most, 10% of that in full-time training.

(25) This refers to mainstream education, as those above 16 can choose to participate in adult education.
9.3.2. **Funding for CVET in enterprises**

CVET outside the school system is financially supported by the State for certain target groups (see 9.4); otherwise it is financed by participants and/or by their employers.

CVET provided at the initiative of enterprises is financed by employers. For micro, small and medium-sized enterprises it is also supported by the State from national and EU funds. The measures applied by the State so far have focused on supply-led funding of CVET. These include various tendering programmes and a levy/fund scheme. Invitations to tender aiming to promote CVET in micro, small and medium-sized enterprises are regularly announced:

(a) by the Ministry of the Economy, funded from an earmarked budget allocation for small and medium-sized enterprises;

(b) by the National Employment Foundation (*Országos Foglalkoztatási Közalapítvány*), from MPA resources (see 9.1);

(c) within the framework of the TÁMOP and other operational programmes using ESF assistance.

The State also encourages employers to provide CVET by allowing them to spend up to 33% – or 60% since 2007 for micro and small enterprises – of their vocational training contribution (*szakképzési hozzájárulás*, SZH, a kind of VET tax, see 9.4) on financing (internal or external) vocational and foreign language training of their employees. In 2009, EUR 27.1 million (HUF 7.61 billion) were spent on training 110,923 employees from this source.

In 2005, the total cost of CVET courses provided by enterprises was 1.9% of the total labour cost, a little higher than the EU average (see Table 18) but considerably more than in 1999.

### Table 18. **Cost of CVT courses as % of total labour cost (all enterprises), 1999 and 2005**

<table>
<thead>
<tr>
<th>Staff</th>
<th>10-49</th>
<th>50-249</th>
<th>250+</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HU</td>
<td>1.3</td>
<td>1.1</td>
<td>1.3</td>
<td>1.0</td>
</tr>
<tr>
<td>EU-25</td>
<td>1.1</td>
<td>1.5</td>
<td>1.4</td>
<td>2.4</td>
</tr>
<tr>
<td>EU-27</td>
<td>1.1</td>
<td>1.5</td>
<td>1.4</td>
<td>2.4</td>
</tr>
</tbody>
</table>

Source: Eurostat continuing vocational training survey (CVTS2 and CVTS3); (19.3.2010).
9.4. Funding for training unemployed people and other groups excluded from the labour market

The main funding sources for training unemployed people and other disadvantaged target groups are:

(a) the central State budget for operating the National Employment Service (Nemzeti Foglalkoztatási Szolgálat, NFSZ);
(b) MPA employment, rehabilitation and training subfunds providing funding for training supported by the NFSZ and various central and tendering programmes;
(c) ESF assistance.

Labour centres (munkaügyi központ) of the NFSZ use the employment subfund of the MPA for training unemployed people and other target groups (see 5.4). Their support may include reimbursement of training costs and related expenses and supplementary/compensatory payments for the duration of training. The total amount of this support was nearly EUR 3.2 million (HUF 9 billion) in 2009.

ESF assistance is currently used primarily through measures of the social renewal operational programme (társadalmi megújulás operatív program, TÁMOP), including central programmes as well as invitations to tender coordinated by various national agencies (such as labour centres, National Employment Foundation, etc.).
Annex 1

Educational attainment of population in EU-27 in 2009

Table 19.  **Population aged 25-64 by level of education (%) in EU-27, 2009**

<table>
<thead>
<tr>
<th></th>
<th>ISCED 0-2</th>
<th>ISCED 3-4</th>
<th>ISCED 5-6</th>
<th></th>
<th>ISCED 0-2</th>
<th>ISCED 3-4</th>
<th>ISCED 5-6</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU-27</td>
<td>28</td>
<td>47</td>
<td>25</td>
<td>Lithuania</td>
<td>9</td>
<td>60</td>
<td>31</td>
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<tr>
<td>Belgium</td>
<td>29</td>
<td>37</td>
<td>33</td>
<td>Luxembourg</td>
<td>23</td>
<td>43</td>
<td>35</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>22</td>
<td>55</td>
<td>23</td>
<td>Hungary</td>
<td>19</td>
<td>61</td>
<td>20</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>9</td>
<td>76</td>
<td>16</td>
<td>Malta</td>
<td>72</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Denmark</td>
<td>24</td>
<td>42</td>
<td>34</td>
<td>Netherlands</td>
<td>27</td>
<td>41</td>
<td>33</td>
</tr>
<tr>
<td>Germany</td>
<td>15</td>
<td>59</td>
<td>26</td>
<td>Austria</td>
<td>18</td>
<td>63</td>
<td>19</td>
</tr>
<tr>
<td>Estonia</td>
<td>11</td>
<td>53</td>
<td>36</td>
<td>Portugal</td>
<td>70</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Ireland</td>
<td>28</td>
<td>36</td>
<td>36</td>
<td>Poland</td>
<td>12</td>
<td>67</td>
<td>21</td>
</tr>
<tr>
<td>Greece</td>
<td>39</td>
<td>38</td>
<td>23</td>
<td>Romania</td>
<td>25</td>
<td>61</td>
<td>13</td>
</tr>
<tr>
<td>Spain</td>
<td>49</td>
<td>22</td>
<td>30</td>
<td>Slovenia</td>
<td>17</td>
<td>60</td>
<td>23</td>
</tr>
<tr>
<td>France</td>
<td>30</td>
<td>42</td>
<td>29</td>
<td>Slovakia</td>
<td>9</td>
<td>75</td>
<td>16</td>
</tr>
<tr>
<td>Italy</td>
<td>46</td>
<td>40</td>
<td>15</td>
<td>Finland</td>
<td>18</td>
<td>45</td>
<td>37</td>
</tr>
<tr>
<td>Cyprus</td>
<td>28</td>
<td>38</td>
<td>34</td>
<td>Sweden</td>
<td>19</td>
<td>48</td>
<td>33</td>
</tr>
<tr>
<td>Latvia</td>
<td>13</td>
<td>61</td>
<td>26</td>
<td>United Kingdom</td>
<td>25</td>
<td>41</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: Cedefop’s calculations, based on Eurostat, labour force survey.

ISCED: International standard classification of education
ISCED 0-2: pre-primary education, primary education, lower secondary education, including 3c short (preparatory vocational and vocational education of less than two years duration).
ISCED 3-4: upper secondary education without 3c short, post-secondary non-tertiary education.
ISCED 5-6: tertiary education.

Unesco developed the ISCED to facilitate comparisons of education statistics and indicators of different countries based on uniform and internationally agreed definitions. First developed in the 1970s, the current version, known as ISCED 1997, was formally adopted in November 1997.


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Annex 2

Acronyms and abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CVET</td>
<td>Continuing vocational education and training</td>
</tr>
<tr>
<td>ECTS</td>
<td>European credit transfer and accumulation system</td>
</tr>
<tr>
<td>ECVET</td>
<td>European credit system for vocational education and training</td>
</tr>
<tr>
<td>ESF</td>
<td>European Social Fund</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FIT</td>
<td>Foglalkozási Információs Tanácsadó bázisok [employment information and guidance centres]</td>
</tr>
<tr>
<td>FSZ</td>
<td>Felsőfokú szakképzés [advanced vocational programmes]</td>
</tr>
<tr>
<td>GVI</td>
<td>Gazdaság- és vállalkozáselemzési intézete [Institute for Economic and Enterprise Research]</td>
</tr>
<tr>
<td>HUF</td>
<td>Hungarian forint (EUR 1 = HUF 278 on 1.1.2011)</td>
</tr>
<tr>
<td>ISCED</td>
<td>International standard classification of education</td>
</tr>
<tr>
<td>IVET</td>
<td>Initial vocational education and training</td>
</tr>
<tr>
<td>MKIK</td>
<td>Magyar Kereskedelmi és Iparkamara [Hungarian Chamber of Commerce and Industry]</td>
</tr>
<tr>
<td>MPA</td>
<td>Munkaerő-piaci Alap [labour market fund]</td>
</tr>
<tr>
<td>NFSZ</td>
<td>Nemzeti Foglalkoztatási Szolgálat [National Employment Service]</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
</tr>
<tr>
<td>OKJ</td>
<td>Országos Képzési Jegyzék [national qualifications register]</td>
</tr>
<tr>
<td>RFKB</td>
<td>Regionális fejlesztési és képzési bizottság [regional development and training committee]</td>
</tr>
<tr>
<td>SZH</td>
<td>Szakképzési hozzájárulás [vocational training contribution]</td>
</tr>
<tr>
<td>SZI</td>
<td>Szakiskola [vocational school]</td>
</tr>
<tr>
<td>SZKI</td>
<td>Szakközépiskola [secondary vocational school]</td>
</tr>
<tr>
<td>SZVK</td>
<td>Szakmai és Vízsgakövetelmények [vocational and examination requirements]</td>
</tr>
<tr>
<td>TÁMOP</td>
<td>Társadalmi megújulás operatív program [social renewal operational programme]</td>
</tr>
<tr>
<td>TISZK</td>
<td>Térségi integrált szakképző központ [regional integrated vocational training centres]</td>
</tr>
<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organisation</td>
</tr>
<tr>
<td>VET</td>
<td>Vocational education and training</td>
</tr>
</tbody>
</table>
Annex 3
Glossary

**Adult education** (*felnőttoktatás*): general or vocational training programmes provided within the school system in what is considered public or higher education either as full- or part-time or distance education; it targets adults who did not obtain a formal school certificate of a certain level or an OKJ qualification during their compulsory schooling, or who want to attain a new qualification.

**Adult training** (*felnőttképzés*): pursuant to the Adult Training Act, it is general, language or vocational training provided outside the school system, based on a training programme (*képzési program*), with the aim to obtain a qualification or master specific competences. It covers many different types and forms of learning opportunities.

**Advanced vocational programmes** (*felsőfokú szakképzés*): two-year ISCED 5B level programmes introduced in 1998 awarding an advanced level OKJ qualification. They are organised by higher education institutions, although the training can also be (and in half of the cases is) provided in ‘secondary vocational schools’ (SZKI), based on an agreement between the two institutions. Credits obtained (minimum 30, maximum 60) can be transferred to a bachelor programme in the same field.

**Continuing vocational education and training**: whereas IVET is commonly equated with full-time VET provided within the formal school system, CVET takes place mostly in adult training; various CVET opportunities for adults are also available in higher education or as adult education in secondary and post-secondary schools, in public education.

**Cooperation agreement** (*együttműködési megállapodás*): agreement between a VET institution and an enterprise that allows learners to participate in enterprise-based training (for the complete duration of the training programme or part of it). In this kind of alternance training learners are not contractually linked to the employer, neither do they receive remuneration (only for the duration of their practice during the school holidays in summer). Such a cooperation agreement can be concluded only under special conditions. The basic form of training in an enterprise is a student contract.

**Higher education** (*felsőoktatás*): the sector of education that provides programmes at ISCED levels 5 and 6. The State is responsible for ensuring higher education, but local governments, church and business entities or foundations can also found and maintain their own colleges (*főiskola*) and universities (*egyetem*) and are entitled to State support provided they comply with certain regulations. Since 1998 higher education includes ISCED 5B level courses (see advanced vocational programmes). Otherwise, however, Hungarian
legislation does not classify ISCED levels 5A and 6 higher education programmes as VET.

**Initial vocational education and training**: Hungary differentiates between VET provided within the formal school system and outside, i.e. within the framework of adult training. IVET is commonly associated with full-time VET provided within the school system, offered in:
- vocational schools (SZI, ISCED levels 2C or 3C) and secondary vocational schools (SZKI, ISCED levels 3/4);
- higher education: advanced vocational programmes (ISCED level 5B).

The practical training part of these VET programmes can be provided by the school as well as by an enterprise (based on a student contract or a cooperation agreement). There are no separate enterprise-based IVET pathways.

**National qualifications register** (*Országos Képzési Jegyzék, OKJ*): the list of all State-recognised vocational qualifications (and basic data about them) that can be obtained in VET provided either within or outside the school system. It also specifies the ISCED levels of these qualifications.

**Post-secondary non-tertiary education** (*érettségi utáni szakképzés or posztszekunder, nem felsőfokú képzés*): VET programmes offered in ‘secondary vocational schools’ (SZKI) to learners who have completed a secondary school leaving certificate (moved from ISCED level 3 to ISCED level 4 in the 1990s).

**Pre-vocational education**: career orientation and basic vocational education and training in the first years of SZI (years 9 and 10) and SZKI (years 9 to 12). It also includes so-called catching-up years, often competence-based programmes offered in SZI, which prepare students without a primary school graduation certificate to enter VET.

**Public education** (*közoktatás*): the sector of education that provides training programmes at pre-primary, primary, lower and upper secondary as well as post-secondary non-tertiary level (including the period of compulsory schooling which is from age 5 to 18). The State is responsible for the operation of public education and ensures the right for everyone to participate free-of-charge. Local (county or municipal) governments are obliged to provide for public education services. However, not only local governments and the State, but also church and business entities, foundations, associations, etc., can found and maintain public education institutions (the term ‘public’ here refers to the idea of education for all, it does not refer to the type of maintainer; and private ‘maintainers’ can also provide public education services). In all instances, institutions get State support from the central government budget based on the number of students and the type of the tasks undertaken.

**Secondary school** (*középiskola*): *de facto* upper secondary level school (ISCED 3A) that awards a secondary school leaving certificate. It can be either a grammar school (*gimnázium*) that provides only general education or a ‘secondary vocational school’ (SZKI).
Secondary school leaving certificate (érettségi bizonyítvány): ISCED 3A level certificate awarded at the national secondary school leaving examination, organised at the end of year 12 in grammar schools and in SZKI (or 13 in bilingual schools). Currently, it can be taken at either intermediate or advanced level in five subjects, four of which are compulsory (mathematics, Hungarian language and literature, history and a foreign/minority language) and one is optional (can also be a vocationally-oriented subject).

Secondary vocational school (szakközépiskola, SZKI): provides general and pre-vocational education at upper secondary level, in years 9 to 12 (or 9 to 13 in bilingual schools), and leads to the secondary school leaving examination, the higher education entry qualification (ISCED level 3A). Following that, students can choose to stay in VET to pursue an ISCED level 4C OKJ qualification in post-secondary non-tertiary education.

Shortage jobs (hiányszakma): occupations that are in high demand on the labour market. Regional lists of shortage jobs are defined by regional development and training committees (regionális fejlesztési és képzési bizottságok, RFKB, see 3.2).

Special vocational school (speciális szakiskola): a special type of SZI that prepares students with special needs for an OKJ, possibly a partial qualification. Special skills development vocational schools (készségfejlesztő speciális szakiskola) prepare students with more severe disabilities for an independent life and transition to work.

Student contract (tanulószerződés): contract concluded between VET students and an enterprise; based on this contract the enterprise provides practical training to the learner (during part or whole of the VET programme) and pays them a regular allowance. Training based on a student contract does not constitute a separate IVET pathway. It is increasingly promoted by VET policy. Whenever enterprise-based training makes up more than 50% of practical training, it can only be provided in the student contract-based form.

Training regulated by public authorities (hatósági jellegű képzés): training programmes that award nationally or internationally recognised qualifications, licences which are not included in the OKJ, primarily in the fields of road, water and air transportation, plant and veterinary health inspection or food hygiene.

VET provided outside the school system (iskolarendszeren kívüli szakképzés): VET programmes whose participants do not have the legal status of students; their relationship to the provider is regulated by an adult training contract.

VET provided within the formal school system (iskolarendszerű szakképzés): VET programmes provided by SZI and SZKI (within public education) and by higher education institutes; participants have the legal status of students.

Vocational and examination requirements (szakmai és vizsgakövetelmények, SZVK): define the learning outcomes of programmes that award an OKJ qualification, published by the ministry of the relevant sector; they define
admission requirements, maximum duration of training programmes, the proportion of time devoted to theoretical and to practical training, professional, personal, social and methodological competences and requirements of the examination modules.

**Vocational school** *(szakiskola, SZI)*: VET school that provides general and *pre-vocational education* in years 9 and 10, typically followed by three or two years of VET; at the end students can acquire an OKJ qualification ISCED 2C or mostly 3C. Since SZI does not award a secondary school leaving certificate, its graduates can continue their studies at post-secondary non-tertiary level or in higher education only if they complete three more years of a full- or part-time general education programme to pass the secondary school leaving examination.
Annex 4

Legislative references

Act of 12 February 1991 on facilitating employment and provisions to the unemployed
1991. évi IV. törvény a foglalkoztatás elősegítéséről és a munkanélküliek ellátásáról

Act of 31 March of 1992 on the labour code
1992. évi XXII. törvény a Munka Törvénykönyvéről

Act of 12 July of 1993 on public education
1993. évi LXXIX. törvény a közoktatásról

Act of 12 July of 1993 on vocational education and training
1993. évi LXXVI. törvény a szakképzésről

Act of 18 December 2001 on adult training
2001. évi Cl. törvény a felnőttképzésről

Act of 10 November of 2003 on the vocational training contribution and support of the development of training
2003. évi LXXXVI. törvény a szakképzési hozzajárulásról és a képzés fejlesztésének támogatásáról

Act of 29 November of 2005 on higher education
2005. évi CXXXIX. törvény a felsőoktatásról

Official Journal: Magyar Közlöny (http://kozlony.magyarorszag.hu/)
Annex 5

Bibliography


Nahalka, István; Vass, Vilmos (2009). A szakképzés helye, szerepe a magyar oktatás rendszerében az esélyegyenlőtlenségek és a munkaerő-piaci igények szempontjainak figyelembevételével [The place and role of vocational education and training in the system of education in Hungary taking into account the inequalities of chances and the aspects of labour market needs]. Prepared for the 12 March 2009 meeting of the National Public Education Council (Országos Köznevelési Tanács).


Annex 6

Main organisations

**Government ministries and agencies**

Educatio Kht [Education Public Service Company]
http://educatio.hu

Egészségügyi Szakképző és Továbbképző Intézet

[Institute for Basic and Continuing Education of Health Workers]
http://www.eti.hu

Közigazgatási és Igazságügyi Minisztérium

[Ministry of Public Administration and Justice]
http://www.kim.gov.hu/

Központi Statisztikai Hivatal [Hungarian Central Statistical Office]
http://portal.ksh.hu

Nemzetgazdasági Minisztérium [Ministry of the National Economy]
http://www.ngm.gov.hu

Nemzeti Erőforrás Minisztérium [Ministry of National Resources]
http://www.nefmi.gov.hu/

Nemzeti Fejlesztési Ügynökség [National Development Agency]
http://www.nfu.hu

Nemzeti Foglalkoztatási Szolgálat [National Employment Service]
www.munka.hu

Nemzeti Szakképzési és Felnőttképzési Intézet

[National Institute of Vocational and Adult Education]
http://www.nive.hu

Oktatási Hivatal [Educational Authority]
http://www.oh.gov.hu

Oktatáskutató és Fejlesztő Intézet

[Hungarian Institute for Educational Research and Development]
http://www.ofi.hu

Országos Foglalkoztatási Közalapítvány [National Employment Foundation]
http://www.ofa.hu

Tempus Közalapítvány [Tempus Public Foundation]
http://tka.hu/

VM Vidékfejlesztési, Képzési és Szaktanácsadási Intézet

[Ministry of Rural Development Training and Advisory Institute]
http://www.vkszi.hu
Social partners

Gazdasági és Szociális Tanács [Economic and Social Council]
http://www.mgszt.hu

Ipartestületek Országos Szövetsége
[Hungarian Association of Craftsmen’s Corporations]
http://www.iposz.hu

Magyar Agrárkamara [Hungarian Chamber of Agriculture]
http://www.agrarkamara.hu

Magyar Kereskedelmi és Iparkamara [Hungarian Chamber of Commerce and Industry]
http://www.mkik.hu

Munkaadók és Gyárilaparosok Országos Szövetsége
[Confederation of Hungarian Employers and Industrialists]
http://www.mgyosz.hu

Országos Érdekegyeztető Tanács [National Interest Reconciliation Council]

Other organisations

Felnőttképzési Akkreditáló Testület [Adult Training Accreditation Body]
http://www.nive.hu/felnottkepzesi_akkreditacio/fat/index.html

Felnőttképzők Szövetsége [Association of Adult Trainers]
http://www.fvsz.hu

Magyar Akkreditációs Bizottság [Hungarian Accreditation Committee]
http://www.mab.hu/

Magyar Egyetemi Lifelong Learning Network (MELLearn)
[Hungarian higher education lifelong learning network]
http://www.mellearn.hu

Magyar Szakképzési Társaság
[Hungarian Association of Vocational Education and Training]
http://www.mszt.iif.hu/

Nemzeti Fenntartható Fejlődési Tanács
[National Council for Sustainable Development]
http://www.nfft.hu/

Nemzeti Szakképzési és Felnőttképzési Tanács
[National Vocational and Adult Training Council]
Országos Szociálpolitikai Tanács [National Council for Social Policy]
http://www.szmm.gov.hu/main.php?folderID=1255<articleID=5327&ctag=articlelist&iid=1&accessible=0

Pedagógus-továbbképzési Akreditációs Testületet
[Accreditation Body for In-service Teacher Training]
http://www.oh.gov.hu/kozoktatas/pedagogus-tovabbkepzes/pedagogus-tovabbkepzesi
Vocational education and training in Hungary

Short description

Luxembourg: Publications Office of the European Union

2011 – VI, 86 p. – 21 x 29.7 cm

Cat. No: TI-31-11-134-EN-C
doi: 10.2801/86647

Free of charge – 4103 EN –
Vocational education and training in Hungary has been in a state of flux since the political and economic changes of 1989. The 2000s brought two fundamental reforms: introduction of a competence-based, modular qualification structure and ongoing corresponding renewal of curricula, and concentration of the extremely fragmented institutional system into regional integrated vocational training centres. At the same time, however, mainly due to low prestige of blue-collar jobs and much higher returns to general education, young people only choose skilled workers’ training as a last resort. Adult learning rates are also persistently well below the EU average.

Actors in the economy have long expressed discontent with the quality and quantity of skilled workers. As a result, in the past decade VET policy has continuously strengthened the role of social partners and, in particular, the chambers. Since 2010, the new administration has been devoted to increasing the latter’s role further and now places more emphasis on practical training, while allowing VET to start at an earlier age. The ultimate goal is to increase the attractiveness of VET and raise the proportion of students studying in vocational programmes.