

Leaving education early:

putting vocational education and training in centre stage



Introduction

This is one of the 15 country fiches that have been developed as background material to the Cedefop study:

Leaving education early: putting vocational education and training centre stage.

Volume I: investigating causes and extent

Volume II: evaluating policy impact

The publication was produced by Cedefop, Department for learning and employability, under the supervision of Antonio Ranieri.

Irene Psifidou, Cedefop expert, was responsible for the publication and research conducted under the 'Early leaving from education and training' project from October 2013 to July 2016.

Country fiches have been developed and drafted on the basis of desk research and interviews conducted between 2014-15 by ICF consulting services with national stakeholders, social partners, companies, VET providers and practitioners as well as learners who provided country-specific information. They have been validated by selected interviewees (1).

Country fiches are available for: Austria, Belgium-Fr, Germany, Denmark, Estonia, France, Hungary, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal and United Kingdom.

Work was carried out under Cedefop's framework contract 2013-FWC25/AO/ECVL/IPS-ARANI/EarlyLeaving/OO5/1 3

Please note that this is an unedited version.

rena.psifidou@cedefop.europa.eu

⁽¹) The detailed methodology as well as an anonymous list of all interviewees, including information on country, organisation and job position/role, is available on request. Please contact Cedefop expert in charge Irene Psifidou:

Table of contents

1.	Defii	nitions applying in national and regional context	3	
2.	Rates of early leaving from VET during last five years			
3.	National/regional strategy to tackle ELET			
4.	Rece	ent policy initiatives	15	
5.	Stak	eholder cooperation	19	
6.	Mon	itoring systems	20	
7.	Effe	ct of the economic crisis	22	
8.	Factors positively contributing to the effectiveness of VET in reducing ELET24			
	8.1.	National factors	25	
	8.2.	Systemic features of the (VET) education system	25	
	8.3.	The labour market	25	
9.	Fact	ors constraining the effectiveness of VET to reduce ELET	26	
	9.1.	National factors	26	
	9.2.	Systemic features of the (VET) education system	26	
	9.3.	The labour market	27	

1. Definitions applying in national and regional context

Questions	Answers
What is the national definition(s) of early leavers from education and training:	Hungary uses the EU definition of early leavers from education and training: 'people aged 18-24 who have only lower secondary education or less and are no longer in education or training'.
Who are classified as early leavers from education and training?	The primary source of calculating school drop-out statistics is the Hungarian education information database (KIR). For further details on the education information database, see monitoring systems. The estimation of drop-out rates has for many years followed the simple rule of taking the number of students who completed a certain programme and deducting the number of students who entered that very same programme x years earlier (²). More precise estimation methods have started to be developed in recent years, but these statistics are still in short supply.
What is the national definition of early leaving from VET? (Does it include those in apprenticeships?)	It's not different from the definition above. VET schools also have reporting obligations in the KIR database. While spending their apprenticeship, VET students maintain their student status, therefore dropouts would be registered in these training periods as well.
What are the data used to inform this definition and who is responsible for it? (i.e. which data set(s) provide information that is used to compute ELET indicators and who sponsors the collection and collects these data).	The KIR database serves as the primary source for calculating drop-out statistics. All schools are required to fill in this dataset with various information, including the number of students entering a specific school year and the number of them completing it. The Educational Authority (OH) is responsible for the operation of the database.

2. Rates of early leaving from VET during last five years

Due to the difficulties obtaining accurate early leaving from education and training (ELET) statistics, this chapter presents statistics on drop-out and other related indicators of different sources in order to present a comprehensive picture about ELET trends in Hungary.

The Eurostat database presents the official ELET statistics for Hungary in a simplistic breakdown (source EU labour force survey: based on 36 thousand households (³)). The first table shows the most up-to-date data on ELET, while the second table describes the evolution of ELET rates between 2008 and 2014.

⁽²⁾ György Mártonfi (2014). *Early leaving from vocational education and training Hungary*. Budapest: Observatory Centre for Educational Development.

⁽³⁾ György Mártonfi (2014). Korai Iskolaelhagyás - Hullámzó Trendek [early school leaving - varying trends]. *Educatio 2014/1*, pp. 36-49.

In general, it can be said that ELET rates lie at 10-12% in Hungary with no clear sign of a long-term improvement in the past few years. (4)

		Year of (data coll	ected: 20)14
	Type of ELET	Cohort or age range	Male	Female	Total
<u>4</u>	% ELET altogether	18-24	12.5	10.3	11.4
(2014)	% ELET among the employed	18-24	6.1	2.4	4.3
Eurostat	% ELET among the non-employed	18-24	6.4	8.0	7.2
Eure	% NEET among those with ISCED 0-2 (less than primary, primary, lower secondary)	18-24	5.5	6.8	6.1

	Type of ELET	Cohort or age range	2008	2010	2012	2014
Eurostat	% ELET altogether	18-24	11.7	10.8	11.8	11.4b

b: break in time series

The official estimation method of early leaving from education and training in Hungary has for many years followed the simple rule of deducting the number of students completing a certain programme from the number of students who started the same programme x years earlier. This method does not account for factors such as grade-repetition, new entrants in the programme students entering a programme after its first year) or between-school mobility. This indicator could therefore, only be used as a very rough proxy of ELET statistics.

Based on our expert interviews, the emergence of more precise calculation methods and statistics of ELET are under way. The drop-out rates of school year 2011/12, shown in the table below, are estimated with a more accurate method, taking into account the grade-repeaters, and the new students into a specific programme. However, this estimate does not reflect movements between schools. The numbers, therefore, can only be interpreted as rough estimates. The numbers have been prepared by the Ministry of Education, based on the KIR database.

⁽⁴⁾ The participation rate in education and training covers participation both in formal and in non-formal education and training as well. In the recent years, a significant share of the unemployed persons in Hungary participated in public works programmes. Since these programmes are occasionally complemented with some kind of training, young people in these programmes do not show up in the ELET statistics.

Unfortunately, evolution data cannot be presented in this format. On the one hand, in the previous years, this estimation method had not been applied yet. On the other hand, more up-to-date data are not appropriate for the purposes of comparison either, due to the wide-scale structural changes of the vocational education system undergoing in 2012-13 (for details, see Section 3).

Brief description of the different school types in the Hungarian secondary education system. Where necessary, the situation both prior and after the change in the Vocational Education and Training Act of 2011 (5) is described (6)

Upon completion of the primary school (eighth grade), pupils can choose from the following school types:

- (a) grammar schools (gimnázium) last for eight, six or four years (elementary school pupils can transfer to grammar schools at three different grades) and their curriculum comprises only of general education content (no vocational content). Students finishing a grammar school receive a secondary school leaving certificate (ISCED 3A) entitling them for entering a tertiary education institution;
- (b) secondary vocational schools (szakközépiskola): up until 2012, secondary vocational schools offered students a four-year-long general education track. Upon completion, students received a secondary school leaving certificate (ISCED 3A), after which students had the option of pursuing a vocational training of one to three years (ISCED 4C). Since 2013, vocational education content is taught parallel to the general education content. Upon completion of the fourth year, students receive a so-called 'vocational secondary school leaving certificate' and a certificate that qualifies them for working in at least one occupation in the sector of their training. At this stage, students are free to choose between pursuing a shortened (usually one year-long) post-secondary vocational track (ISCED 4) and entering the tertiary education;
- (c) vocational schools (szakiskola): Up until 2012, these schools provided fouryear programmes with general educational content in the first two years, which in general meant about 30 to 40 per cent vocational content and exclusively vocational content in the third and fourth years of the

⁽⁵⁾ Act CLXXXVII of 2011 on vocational education and training [2011. évi CLXXXVII. törvény - a szakképzésről].

⁽⁶⁾ György Mártonfi et al. (2013). Vocational education and training in Europe – Hungary. Observatory Centre for Educational Development, Türr István Training and Research Institute (TKKI). http://www.observatory.org.hu/wpcontent/uploads/2013/04/HU 2012 CR EN FINAL.pdf [accessed 2.5.2017].

programme. Since 2013 vocational schools offer a shorter, three-year-long programme in which students start learning the vocational content already in the first year. In addition, the share of general education content within the whole programme has been reduced to one third from one half. Upon completion of a vocational school, students attain a vocational certificate (ISCED 3C). In case students wish to enter tertiary education, they can complete a two-year long programme providing them with the necessary secondary school leaving certificate;

(d) special vocational schools (speciális szakiskola) or special skills development vocational schools are designed for children in need of special educational needs due to mental or other disabilities. Students finishing this school type obtain a vocational examination (ISCED 3C).

	Year of data collected: 2017	1/2012
Type of ELET	Official age range of students	Total
% drop-out rate in vocational school (ISCED 3C V), GE track*	14-17	31
% drop-out rate, vocational school V track? (ISCED 3C V)	14-17	N.A.
% drop-out rate, special vocational school for children with special educational needs (ISCED 3C) GE track	14-18	14
% drop-out rate, special vocational school for children with special educational needs (ISCED 3C), V track	14-18	45
% drop-out rate, secondary vocational school (ISCED 3A, 4C) GE track	18-19	19
% drop-out rate secondary vocational: post- secondary level OKJ* course requiring a high school leaving diploma (4C V) (parallel training programme at grades 9th-12th as well)	14-18	16
% drop-out rate secondary vocational: higher level OKJ** training requiring high school leaving diploma (5B) (parallel training programme at grades 9th-12th as well)	18-	45
% drop-out rate, grammar school (ISCED 3A)	10-18 (transition to grammar schools can take place at the 5th, 7th or 9th grade)	11
% drop-out rate, secondary education GE track	10-18	18
% drop-out rate, secondary education, VET track	14-19	27
% drop-out rate, all secondary school-types	10-19	19

^{*} GE= general education; V = vocational

Source: Ministry of Human Capacities (EMMI) via Mártonfi (2013).

^{**} OKJ = National Qualifications Register (Országos Képzési Jegyzék)

The table below shows evolution data of the database recently published by the Hungarian Institute for Educational Research and Development (OFI). The data describes:

- (a) the drop-out rate;
- (b) the share of grade-repeaters; and
- (c) the share of students with a disadvantaged socio-economic background across the different school types.

It is apparent that the share of these more vulnerable groups among vocational school students is the highest of all school types (except for special vocational schools, which are specifically designed for students with special educational needs). For instance in 2010, 30 percent of the vocational school students had a disadvantaged background, while this share was only 14 per cent in secondary vocational schools. 2007 to 2012, there is an increase in almost all categories in the different groups. By 2013, the increase slows down or reverses. This change in the trend is likely to be influenced by the systematic changes in the vocational education sector.

Evolution of the drop-out rate, the share of grade-repeaters and of those with disadvantaged background across different school types between 2007 and 2013

		Grammar school	Secondary vocational	Vocational school	Special vocational	All
2007	dropped out	N/A	N/A	N/A	N/A	N/A
	grade-repeaters	1.84%	3.07%	5.16%	4.30%	2.10%
	disadvantaged	5.27%	8.86%	21.63%	27.34%	20.42%
2010	dropped out	0.64%	0.33%	0.90%	1.29%	0.29%
	grade-repeaters	2.72%	3.71%	8.60%	6.94%	2.57%
	disadvantaged	8.32%	14.00%	30.00%	33.00%	27.23%
2012	dropped out	1.21%	0.53%	1.72%	3.50%	0.41%
	grade-repeaters	3.40%	4.02%	10.87%	8.40%	2.87%
	disadvantaged	8.98%	14.26%	29.00%	29.18%	26.78%
2013	dropped out	0.88%	0.45%	2.49%	3.91%	0.46%
	grade-repeaters	3.27%	4.01%	9.61%	6.69%	2.63%
	Disadvantaged*	7.16%	11.17%	24.38%	23.98%	22.85%

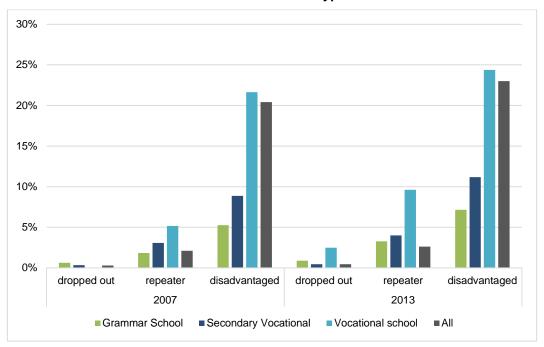
^{*} The eligibility conditions for obtaining the disadvantaged status have been more strictly regulated since September 2013. The change explains - at least partly – the sharp drop in the share of disadvantaged students in 2013. (7)

⁽⁷⁾ Before 2013, children obtained the disadvantaged status if the parents' monthly income has not reached a certain threshold. Since 2013, in addition to the monetary

NB: drop-out statistics differ from the statistics in the tables above due to the differing computation methodology used. The label dropped-out refers to those students who left the education system without a qualification obtained after they had exceeded the official school-leaving age. The label grade-repeaters refers to the share of students, who had to repeat a certain school year because they failed one or more subjects. The label disadvantaged refers to students with a disadvantaged socio-economic background.

Source: Institute for Educational Research and Development, http://edumap.ofi.hu/ [accessed 2.5.2017].

Share of students who have dropped out, repeated a class or who were disadvantaged in socio-economic terms across different school types in 2007 and 2013



Source: Institute for Educational Research and Development, http://edumap.ofi.hu/ [accessed 2.5.2017].

An empirical paper that explores secondary school attendance and grade retention among Roma (8) and non-Roma students based on individual level data (the Hungarian Life Course Survey from 2006 through 2009) in Hungary (9) finds the following results on school drop-out rates.

condition, parents have to fall under at least one of the following categories to be eligible for the disadvantaged status: low-educated, long-term unemployed or living under poor housing conditions (Act XXVII of 2013).

- (8) The Roma are an ethnic minority in Hungary making up approx. 6% of the population, who face widespread prejudice and whose socio-economic status is, on average, markedly worse than that of the non-Roma.
- (9) Kertesi, G.; Kézdi, G. (2010). Iskolázatlan szülők gyermekei és roma fiatalok a középiskolában: Beszámoló az Educatio Életpálya-felvételének 2006 és 2009 közötti hullámaiból [Children of Roma and Uneducated Parents in Hungarian Secondary Schools]. Budapest: Labour Research Department, Institute of Economics, Hungarian Academy of Sciences.

http://www.econ.core.hu/file/download/bwp/bwp1003.pdf [accessed 2.5.2017].

		Year of	data collec	ted: 2006-2	2009	
				Low-educat	ed parents	
Type of ELET	Cohort or age range	Roma children	Non-Roma children	Roma children	Non-Roma children	Total
% of those who moved downwards within the edu. system from vocational schools (ISCED 3C V)*	Started school in 2006	2.2	2.3	2.4	1.8	1.1
% drop out rate, vocational schools (ISCED 3C V)**		42.5	13.8	45.7	25.7	19.0
% of those who moved downwards within the edu. system from secondary vocational schools (ISCED 3A, 4C)		43.0	14.0	53.8	36.5	15.8
% drop out rate, secondary vocational schools (ISCED 3A, 4C)		2.4	1.0	4.0	1.5	1.1
% of those who moved downwards within the edu. system from grammar schools (ISCED 3A)		25.7	6.8	36.2	18.6	7.1
% drop out rate, grammar schools (ISCED 3A)		1.0	0.6	0.0	0.0	0.7

^{*} downward movement within the education system implies i) transfer to distant education in case of vocational school, ii) transfer to vocational school in case of secondary vocational school and iii) transfer to either secondary vocational or vocational schools in case of grammar school studies.

The Act on National Public Education 2011 lowered the school leaving age from 18 to 16. This part of the act entered into force in September 2012. The preliminary results of an empirical study (using EU LFS and KIR data (10)) measuring the effect of lowering the school leaving age show the following (11):

- (a) the descriptive statistics show that the change resulted in an elevated dropout level among the 16-18 year old students (in the sense that the rate of those leaving the formal education system increased):
 - the same holds for the participation rates in all school-types.
 Participation rates have dropped especially markedly in vocational schools (ISCED 3C V);
 - (ii) the increase in the rate of drop-out affects those with disadvantaged socio-economic background adversely: the growth rate in drop-out is

(10) Please see section 'Definitions applying in national and regional context' for a description of the KIR (or KIR-stat) database.

^{**} dropping out in this case means leaving the education system as a whole *Source*: Kertesi and Kézdi (2009).

⁽¹¹⁾ Zoltán Hermann (2014). A Tankötelezettségi Korhatár Változásainak Hatása - Leíró Elemzés [The effect of the change in the school leaving age – descriptive analysis]. http://econ.core.hu/file/download/Szirak2014/Hermann.pdf [accessed 2.5.2017].

- much higher among children with low-educated parents or Roma background;
- (b) The regression analysis shows that even when controlling for individual characteristics, reaching the 16-year-old threshold increases the likelihood of dropping out significantly.

3. National/regional strategy to tackle ELET

The Hungarian government accepted the 'mid-term strategy tackling early school leaving' in 2014. In addition to this strategy, there have been a number of agreements, documents and legislative changes in the recent years that directly or indirectly influence early leaving from education and training in Hungary. This chapter provides a brief overview of these changes.

Scope	Description
National and/or regional strategy/action plan to reduce ELET	Hungary – along with the other Member States – adopted the EU 2020 targets of lowering the early school leaving rate in 2011. In 2010, the early leaving rate in Hungary stood at 10.5% and Hungary committed to lowering this value by 2020 to 10 per cent. This commitment was viewed by some experts as an indication of a relatively weak willingness to tackle ELET (¹²).
Elements of the strategy are explicitly linked to VET	No specific element but the 10% target applies to all schools, including vocational schools.

Questions	Description
National and/or regional strategy/action plan to tackle ELET	The Hungarian general and vocational education system has undergone profound changes after the change of the government in 2010. The adoption of the Public Education Act in 2011 and the Act on Vocational Education and Training in 2011 resulted in the following changes that at least indirectly influence the vocational education and ELET in Hungary (¹³): elements of the Public Education Act (2011), the Act on VET (2011) and related legislations at least indirectly influencing ELET:
	(a) the formerly rather decentralised education system has undergone considerable centralisation processes. The centralisation concerns most importantly i) the teaching content together with the market of textbooks used in

⁽¹²⁾ Mártonfi, "Korai iskolaelhagyás - hullámzó trendek [Early school leaving – varying trends].

⁽¹³⁾ Act CXC of 2011 on National Public Education [2011. évi CXC törvény a nemzeti köznevelésről] and the Act CLXXXVII of 2011 on Vocational Education and Training [2011. évi CLXXXVII. törvény - a szakképzésről].

Questions	Description
	public education and ii) the management and maintenance of the schools (all schools have been taken over from local municipalities by the state-run Klebelsberg Institution Maintenance Centre (KLIK) (14); (b) the Public Education Act stipulates the launch of a teacher career programme, whose main purpose is the improvement of the attractiveness of the teacher career; (c) the official school leaving age threshold has been lowered from 18 to 16 years; (d) participation in nursery education has been made compulsory for children above three years, which is likely to positively affect disadvantaged children's potential to catch up with their peers.
Does this strategy have any elements that are explicitly linked to VET?	Elements of the Public Education Act (2011), the Act on VET (2011) and related legislations at least indirectly influencing VET and more specifically ELET: (a) vocational schools (along with most of public education) have been taken over from municipalities by the staterun KLIK (15); (b) the importance of vocational education as a whole has been reinforced, while the role of general secondary education was decided, in relative terms, to be given less stress; (c) considerable efforts have been made to adjust the VET structure to the labour market trends; (d) the vocational element of the VET education has been strengthened. The so-called dual vocational training system has been introduced and the chief role of the Hungarian Chamber of Industry and Commerce (MKIK) representing the enterprises has been formalised in a framework agreement between the MKIK and the Ministry of National Economy (NGM) in 2010 (16); (e) within VET education there has been a shift away from focusing on the general education elements towards stressing the vocational elements: Students can start the vocational part of the education at the age of 14 years (as opposed to 16 years under the former system) and the length of education in vocational schools has been reduced from four to three years. The share of general education courses has been fixed at 33% of the whole school programme. Although formal dead-ends do not exist anymore in the public education system, experts note that the increasing divergence of vocational and general education paths in terms of content is limiting

 $^(^{14})$ Following the Government Decree 202/2012 (VII. 27) on the foundation of the Klebelsberg Institution Maintenance Centre.

⁽¹⁵⁾ See above.
(16) Framework agreement between the Government of Hungary and the Hungarian Chamber of Commerce and Economy on the transfer of VET-related tasks [A Kormány és az MKIK közötti szakképzési keret-megállapodás] November 2010.

Questions	Description
	students' chances to change tracks within the education system (17).
	Elements of the Public Education Act (2011) and the Act on VET (2011) directly influencing VET and more specifically ELET:
	 (a) the Act on VET stipulates the introduction of the so-called Bridge-programme (Híd programme) that officially aims at helping students who had difficulty finishing primary education to enter vocational (or general secondary) education. The programme was intended to replace the earlier initiatives aiming at keeping disadvantaged children within the school system (e.g.: Springboard – Dobbantó, integrated pedagogical system – IPR, vocational development programme – Szakiskolai Fejlesztő Program). For further details of the Bridge programme, see Overview of policies/initiatives/measures below); (b) career guidance sessions in the final grades of primary schools have been allocated additional resources. The National Concept on VET (a preliminary version of the Act on VET) indicates that 'policy-makers believe that there is more room than desirable for modifying decisions related to career choice, resulting in longer and more costly education paths' (18); (c) scholarships have been launched to provide financial support to those students who decide to study a profession from the list of shortage occupations defined by the county-level development and training committees.

Questions	Description
Is there a national and/or regional strategy/action plan to tackle ELET?	Mid-term strategy tackling early school leaving in Hungary (<i>A végzettség nélküli iskolaelhagyás elleni középtávú stratégia</i>), 2014 (¹⁹).
	Brief description: the strategy was prepared by the Hungarian Institute for Educational Research and Development (OFI) and passed by the government in November, 2014. The development of this strategy was a prerequisite for receiving EU funds for the period 2014-20. The responsible institution for the implementation of the Strategy is the Ministry of Human Capacities. The Ministry of Human Capacities informed us that the Action Plan for 2015-17 related to the

⁽¹⁷⁾ Mártonfi. Early leaving from vocational education and training Hungary. (18) Ibid.

(19) OFI (2014). A Végzettség Nélküli Iskolaelhagyás Elleni Középtávú Stratégia [Midterm strategy tackling early school leaving in Hungary]. Budapest: Oktatáskutató és Fejlesztő Intézet.

http://www.kormany.hu/download/5/fe/20000/V%C3%A9gzetts%C3%A9g%20n%C3 %A9lk%C3%BCli%20iskolaelhagy%C3%A1s%20.pdf [accessed 2.5.2017].

Questions	Description				
	Strategy is currently under development and expected to be completed by September, 2015.				
	The document covers general education and to some extent vocational education matters. It describes the goals on the level of the students and the schools throughout the three intervention phases (prevention, intervention, compensation) and highlights the importance of evidence-based policy making. The report envisages the implementation of a number of important measures associated with early-school leaving described in the international literature. According to official sources, the public consultation on the development of the Strategy was very limited. The European Commission's country report states that the strategy does not go far enough in addressing the challenges faced in vocational education and training and in less developed regions. Furthermore, it criticises that the acceptance of the Strategy was not preceded by a consultation period involving the relevant stakeholders. (20) Based on our interviews, stakeholders know little about the progress of the implementation of the strategy. However, the deadline of the development of a related action plan is				
	September 30, 2015.				
Does this strategy have any elements that are explicitly linked to VET?	The strategy acknowledges the important role of the VET system in containing the rate of early-school leaving. The following list includes the most important measures the strategy stresses in the designing of VET-related policies: (a) development of an educational and career path tracking system specifically designed for the VET students; (b) adjusting school-choice to labour market opportunities; (c) reinforcing the role of compensatory measures for those who had not completed primary education; (d) ensuring the possibility to return to VET for those previously dropped out; (e) stressing the role of career choice to avoid the training of students for professions with low labour market demand; (f) focusing on equal opportunities within the VET through reinforcing teaching methods aiming at the improvement of skills and key competences; (g) increasing the quality and quantity of compensatory institutions and (h) focusing on the modular approach to ensure the flexibility of educational pathways, cooperation among the stakeholders involved. (i) coherence of the recently implemented measures with the objectives outlined in the Strategy is in some cases clear (e.g.: reinforcing the role of career guidance, strengthening the link between education and the labour market); on the other hand, in others it is unclear or				

(²⁰) European Commission (2015). *Country report Hungary*.

Questions	Description
	missing (e.g.: reducing the share of the general education to one third of the curriculum in vocational schools and prioritising the role of vocational elements within the curriculum, as well as the role of vocational stakeholders in the field of VET policy; not providing the necessary institutional circumstances for schools to implement effective intervention measures against dropping out; transforming the national qualifications register's – OKJ - modular structure into a less interoperable, subject-based structure) (21).

A key institutional change, which has been formalised in the government decree 120/2015 (May, 2015) is under way now. September 2015 onwards, the Ministry of National Economy (NGM) is taking over the responsibility of the entire vocational educational sector from the Ministry of Human Capacities (EMMI) (22). Though not yet official, the conversion of the now eight year primary schools into nine year primary schools is under discussion. This change is expected – among others – to contribute to the general skills of children entering vocational education, and thus might lower ELET rates in the long-run (23).

4. Recent policy initiatives

Scope and questions	
New policy initiatives being undertaken that include a role for VET	The following programmes are (or will be in the case of planned measures) managed and financed by the Hungarian government (24):
to reduce ELET: either	(a) the Act on National Public Education stipulates the launch
(a) reduce ELET from	of an early-warning system complemented with
VET	pedagogical tools aiming at providing effective support to
(b) reduce ELET (in	the children threatened by dropping out. According to our

(21) The modular structure of the register was built out in the 2000's.

(²²) Government decree 120/2015. (V. 21.) on the transfer of education provider responsibilities of the VET institutions from the KLIK [Korm. Rendelet A Klebelsberg Intézményfenntartó Központ fenntartásában működő egyes szakképzési feladatot ellátó köznevelési intézmények fenntartóváltásával összefüggő intézkedésekről]

(23) "A Tananyag Radikális Csökkentésére van Szükség," [The national curriculum needs to be radically reduced], Interview with the State Secretary of Human Capacities for Public Education, Mrs. Judit Czunyiné dr. Bertalan, accessed July 24, 2015, http://index.hu/belfold/2015/07/24/interju_czunyine_kilencosztalyos_uj_nemzeti_alapt anterv/ [accessed 2.5.2017].

(²⁴) The order of the listed initiatives follows the following logic:

- (a) initiatives not yet in place (early-warning systems);
- (b) preventive measures (career guidance, scholarship shortage-qualifications, Integrated pedagogical system, on-the-road scholarship);
- (c) intervention and compensatory measures (bridge programme).

general) through VET

- interview experts, the implementation of the earlywarning system is under development (for details, see Monitoring systems), but as of today more specific implementation details are not available;
- (b) the Act on VET reinforces the relevance of career guidance provided in the final grades of elementary schools. The Act requires the institutions carrying out the guidance (mostly the Chamber of Industry and Commerce) to pay special attention to the children with disadvantaged socio-economic background. The aim is to help children make as good career (school-choice) decisions as possible so that these do not have to be modified later on (²⁵);
- (c) a scholarship programme has been introduced that provides financial support to those students who attend a school programme qualifying students for one of the 'shortage-qualifications'. The shortage qualifications are defined on a yearly basis by the county-level development and training committees;
- (d) within the framework of the integrated pedagogical system in its original form introduced in 2003, (*Integrációs Pedagógiai Rendszer*) schools that applied inclusive teaching methods were eligible for a state subsidy. The size of the subsidy (provided by the state) depended on the number of disadvantaged children participating in classes with the special teaching methods. Teachers participating in the programme were required to complete a training (financed from EU resources) that enabled them to apply the special teaching methods in an effective way. The programme's support has been reduced and today it operates in a limited capacities compared to its original shape;
- (e) there are two major programmes with a relatively long history (10-15 years) that support students and talented students with a disadvantaged background. The socalled On-the-road (Útravaló) scholarship is targeted at children with disadvantaged socio-economic background. The scholarship finances a mentorship-type support provided to the children by designated teachers (²⁶). The Arany János talent support programme has been in place for 15 years and it supports talented children with a disadvantaged socio-economic background and students living in remote areas. The programme aims at helping students obtain the secondary school leaving certificate and enter tertiary education. The programme works is operated by a network of grammar schools that provide extra-curricular support for the participating youth. The professional support of the programme is carried out by a

(25) Mártonfi (2011). Early leaving from vocational education and training Hungary. National concept on VET.

⁽²⁶⁾ Educatio, 'Summary – programmes for supporting disadvantaged students', Educatio XVII, No 4 (2008), pp.637-40.

group of experts in psychology from the University of Debrecen (²⁷). One of the most important initiatives launched with the aim of helping students threatened by dropping out are the Bridge programmes. The declared goal of the Programme is to integrate students who have dropped out or who had poor results in primary schools into the vocational education. Though no formal evaluation of the effectiveness of the Bridge programme is publicly available yet, based on our expert interviews, the programme potentially worsens primary schools' practices of 'outsourcing' low-performing students instead of addressing their problems within primary schools. Therefore, we expect that significant improvements in the methodology and content of the programme are imminent;

(f) there have been a number of further initiatives tackling early school leaving that have been running in the past decade. The state-run vocational school development programme (*Szakiskolai Fejlesztési* program) was a large-scale programme that was designed to modernise the entire VET system in Hungary. The Programme was launched with high hopes, however, in the end it did not achieve its original objectives (²⁸).

In the past decade, there have been several small-scale programmes initiated independently from the state. The following list provides an overview of the most important initiatives:

- (a) Crocoos Cross-sectoral cooperation focused solutions for preventing early school leaving: the Crocoos is a cross-border project that involves schools and experts from Denmark, Hungary, Serbia and Slovenia. The aim of the project is to identify effective elements of a comprehensive Early Warning System. The findings of the project are intended to be used in the development of the country-wide early warning system. The target group of the project is the 9th graders (first grade in secondary education) since they are affected the most by school drop-out. The proposed methodology will be piloted and consequently evaluated (²⁹);
- (b) Dobbantó Springboard programme: the programme's principal objective was to give a second chance to those young people who – after a series of failures and schoolyear repetitions – left education as soon as it was legally possible or failed to acquire the basic skills that would

17

^{(&}lt;sup>27</sup>) Fehérvári et al., (2015). Tehetséggondozó programok [talent support programmes] Oktatáskutató és Fejlesztő Intézet (OFI), Budapest.

⁽²⁸⁾ Hermándy-Berencz Judit, Szegedi Eszter, and Sziklainé Lengyel Zsófia (2013). PSIVET: Esélyteremtés szakképzéssel [equal opportunities through vocational education]. Budapest: Tempus Közalapítvány.

⁽²⁹⁾ For further information on the Crocoos project, see the project's website: http://oktataskepzes.tka.hu/cross-sectoral-cooperation [accessed 2.5.2017].

enable them to successfully complete vocational school. Disadvantaged background and learning difficulties are the two most common causes of school failure and Dobbantó was meant to tackle especially this sort of failure. The programme was built around the idea of creating a motivating learning environment and fill any skill gaps that may hinder students' performance when they (re)enter vocational school. The programme ran between 2008 and 2012 and was – according to the stakeholder responses and evaluations – very successful;

- (c) the Hungarian-Danish production schools (*Dán termelőiskolák*) have been operating as second-chance schools for more than a decade. They reach approximately 14 000 students each year. These schools successfully apply individual development plans and alternative pedagogical methods. The focus lies on 'smart work-therapy', while general education content appears only to a limited extent in these schools. Youth can enter these schools at any point of the school year, which is a great advantage, since these students have already dropped out: it is critical to start working with them as soon as possible;
- (d) the so-called 'Tanoda' extracurricular learning centres also have a relatively long history in Hungary. They were launched by civil society organisations (in part financed by EU funds) to fill the gaps of the public education provision mainly on the elementary level. They helped students of particularly disadvantaged background with their studies in the framework of afternoon-classes (³⁰) (³¹).

The IPR and the Dobbantó schemes are the best documented good practices we judge most worthy of emulation in the field of tackling ELET in Hungary.

IPR provided methodological support to establish an inclusive education culture in schools, which is a critical success factor of the education system in countries with a large share of disadvantaged children, like Hungary.

Dobbantó introduced innovative methodologies for dealing with students who had dropped out of schools. The programme focused on the development of skills and competences, providing individualised approach and an accepting environment within the vocational schools.

Based on the Hungarian experiences the following factors

18

⁽³⁰⁾ Szilvia Németh (2009). A Tanoda-Típusú Intézmények Működésének, Tevékenységének Elemzése [operation of the tanoda extracurricular learning centres - analysis]. TÁRKI - Tudok - Tudásmenedzsment és Oktatóközpont Zrt. http://www.t-tudok.hu/file/tanulmanyok/tanodaelemzes.pdf [accessed 2.5.2017].

⁽³¹⁾ Hermándy-Berencz Judit, Szegedi Eszter, and Sziklainé Lengyel Zsófia (2013). PSIVET: Esélyteremtés szakképzéssel [equal opportunities through vocational education]. Budapest: Tempus Közalapítvány.

	 appear to be the common features of successful initiatives: (a) flexibility in the pedagogical content and structure; (b) individualised and partnership-based approach; (c) alternative pedagogical methods; (d) inclusive learning environment; (e) continuity (which requires a stable and reliable financial background). These elements are very similar to the ones one can find based on the international experiences too (³²).
Is the role of VET in reducing ELET assuming greater or lesser importance? Why?	The policy developments in Hungary show that, since 2010, the government wishes to tackle ELET through strengthening the role of vocational education. This is in part intended to be achieved by: (a) improving the attractiveness of vocational qualifications, by: (b) a greater emphasis on vocational elements and involvement of the entrepreneurs in the VET and iii) by reducing the length of education (and the school leaving age).

5. Stakeholder cooperation

Which stakeholders are involved in the development and implementation of VET related policies to reduce early leaving from education and training?	What is their role or involvement
--	-----------------------------------

There is no regular forum for stakeholder-consultations in relation to VET policies to reduce ELET but the following main actors are shaping VET related policies.

^{(&}lt;sup>32</sup>) Anna Adamecz et al. (2014). *Nemzetközi Áttekintés a Korai Iskolaelhagyás Kezelésére Szolgáló Hátránykompenzációs Eszközökről* [prevention of early school leaving in Europe – review of good practices]. Budapest Institute. http://www.budapestinstitute.eu/uploads/BI_TEMPUS_201404021.pdf [accessed 2.5.2017].

Ministry of Human Capacities (EMMI)	The Ministry of Human Capacities is responsible for the entire public education sector in Hungary (September, 2015 onwards, the Ministry of National Economy takes over the responsibility over the VET sector). The Ministry developed and is responsible for the implementation of the mid-term strategy tackling early school leaving in late 2014. The Action Plan for 2016-20 related to the strategy is currently under development. The Ministry has been criticised for not having involved the relevant stakeholders in the consultation process prior to the adoption of the strategy (³³).
Hungarian Institute for Educational Research and Development (OFI)	The OFI is a background research institution of the Ministry of Human Capacities. The Institute supports policy-making, tracking and evaluation in the field of education policy.
Educational Authority (OH)	The primary task of Hungarian Equivalence and Information Centre is the recognition of certificates and degrees obtained abroad, but it also provides information about the Hungarian and the foreign education systems, and issues certificates about Hungarian qualifications to be used abroad. The OH also operates the KIR and KIR-stat databases.
Ministry of National Economy (NGM)	The Ministry of National Economy has been given an ever- increasing role in the development of VET policies in the past few years, and it is officially taking over the maintenance of the VET schools in 2015. This transfer of responsibilities reinforces the recent years' strong trend of increasing role of vocational education in Hungary.
National Vocational and Adult Training Authority (NSZFH)	The authority is a background agency of the Ministry responsible for the VET sector. This is a national body supporting policymaking, tracking and -evaluation through recommendations and assessments.
Hungarian Chamber of Commerce and Industry (MKIK)	Since 2010, the Chamber has become one of the most dominant actors shaping VET policies but also influencing questions within the general education sector.
County-level Development and Training Committees (MFKB)	These Committees are responsible for the continuous mapping of the labour market trends and for the adjustment of the VET to the labour market needs. The Committees regularly develop the list of 'shortage qualifications'.

6. Monitoring systems

Question	Answers
What specific early leavers monitoring systems exist?	The public education information system (KIR) assigns each student with a unique identification code and contains individual-level information (personal, family and school-related information). The KIR is the administrative register for all educational institutions in Hungary, run by the Educational Authority (<i>Oktatási Hivatal</i>). The use and especially the linking of different data tables in the database is considered

^{(&}lt;sup>33</sup>) European Commission (2015). *Country report Hungary*.

Question	Answers
	to be highly complicated. Therefore, the KIR has undergone various development projects in the recent years with the aim of preparing an individual level database that tracks students' educational and graduate tracks. According to education policy experts, motivating schools to provide data in a more accurate and timely manner should also play a central role in the upgrading of the system (34).
	Despite the existence of this dataset, a large-scale operation of an early-warning system is not yet in place. Based on our expert interviews, there are currently running projects that work on developing the legal environment, which enables the use of a monitoring system. The Crocoos project's findings will serve as a basis for the design of the monitoring system. Year introduced/planned: The KIR itself was launched in 2005. The monitoring system built on it is to be introduced in the coming years (no exact introduction date is available as of today).
	Coverage: the database covers the entire public education spectrum in Hungary. The database contains information on various aspects of the education system (e.g. register of school-books, institutional information, student-level characteristics, such as achievement, family background or special educational needs, etc.).
What information is monitored/collected?	According to the Ministry, the following indicators are planned to be monitored in the system: (a) numbers of drop outs; (b) reasons for dropping out; (c) background characteristics of drop outs/those at risk grade point average changes; grade-repetition; truancy; migrant/disadvantaged/private-student status; students with special educational needs; moves within the school system.
What are the data used for? How it is used by VET institutions/ providers?	The KIR is partly used for administrative and partly for research purposes. For instance, the national level education statistics published on a yearly basis by the Ministry of Human Capacities are based on this database. In theory, there should not be a distinction between general and VET schools in their data provision practices. Currently, schools do not use this database for monitoring students threatened by drop-out. Schools mainly just enter information into the database but do not themselves use it.
How is the monitoring system linked with offering support measures? (i.e. is it being used to contact those who have dropped	The monitoring system is not yet in place.

^{(&}lt;sup>34</sup>) Anikó Fehérvári (2013). KIR a Kutatás Szemszögéből [The KIR database from the research perspective]. OFI Konferencia "XXI. századi közoktatás (fejlesztés, koordináció). Budapest.

Question	Answers
out to provide support to find employment, education or further training?)	
What role is/has the monitoring system played in the design, development or implementation of the policies, strategies and initiatives?	The system is not used for monitoring purposes as of now.

7. Effect of the economic crisis

Question	Answers
What has been the effect of the economic crisis on ELET?	The ELET rates in Hungary in the past decade are shown in the table below. In 2010, the ELET declined to 10.8 per cent but since then it has increased, reaching its peak in 2013. The other Visegrad countries have experienced comparable trends; their initial level of ELET, though, was much lower. It is next to impossible to separate the effect of the crisis from the broad reforms in the VET sector. Nevertheless, one can draw some general conclusions about the potential effects of the crisis. The employment rate of those with primary education or less is very low in Hungary in general (30% for men and 22 for women). The situation is considerably better for those with vocational degrees (68.4 for men and 56.4 for women). However, once can see that those with tertiary education are still much more likely to be employed than those with only vocational degrees. The employment rate of those without secondary school leaving exam between 2006 and 2013 dropped by approximately 8% for men and by approximately 6-8% for women. In contrast, in case of those with secondary school leaving exam, the drop in employment rate is 4% for men and 6% for women.
What impact has this had on VET? (e.g. are there more young people enrolled in VET or wanting to return to VET? Has returning to VET been made easier for early school leavers?)	The number of students in VET education and with a student contract (employed and trained on a temporary basis by a company – and not by the school itself - during the vocational track of a vocational school programme) has increased substantially (see table below: number of students in VET education and with student contracts). However, that can have happened thanks to the increased support of the VET schools by the government as well.

ELET in Hungary and the Visegrad countries 2004-14

GEO/TIME	Czech Republic	Poland	Slovakia	Hungary
2004	6.3	5.6	6.8	12.6
2005	6.2	5.3	6.3	12.5

2006	5.1	5.4	6.6	12.5
2007	5.2	5.0	6.5	11.4
2008	5.6	5.0	6.0	11.7
2009	5.4	5.3	4.9	11.5
2010	4.9	5.4	4.7	10.8
2011	4.9	5.6	5.1	11.4
2012	5.5	5.7	5.3	11.8
2013	5.4	5.6	6.4	11.9
2014	5.5	5.4	6.7	11.4

Source: Eurostat.

Employment rate of population aged 15-64 by level of education, males, %

Year	Eight grades of primary school or less	Vocational school	Secondary school	College, university	Total
1993	35.6	75.8	71.8	86.3	60.0
1998	35.0	75.3	67.0	84.9	60.4
1999	33.6	76.8	68.3	86.8	62.4
2000	33.6	77.4	67.9	87.1	63.1
2001	33.0	77.6	67.3	87.4	62.9
2002	32.0	77.6	67.1	85.8	62.9
2003	32.4	76.5	67.8	86.4	63.4
2004	31.0	75.7	67.3	87.1	63.1
2005	31.6	74.7	66.9	86.9	63.1
2006	31.5	75.2	67.5	85.7	63.8
2007	31.6	74.6	67.5	85.9	64.0
2008	31.3	72.6	66.5	84.7	63.0
2009	29.0	69.9	65.1	83.1	61.1
2010	28.7	68.1	64.6	82.1	60.4
2011	29.6	68.4	64.6	83.8	61.2

Source: The Hungarian labour market - review and analysis 2013.

Employment rate of population aged 15-64 by level of education, females, %

Year	Eight grades of primary school or less	Vocational school	Secondary school	College, university	Total
1993	30.8	65.0	64.0	79.2	49.3
1998	26.6	60.5	58.1	76.9	47.3
1999	26.1	61.4	59.0	77.5	49.0
2000	26.0	61.0	59.3	77.8	49.7
2001	26.1	60.8	59.2	77.8	49.8

2002	26.0	60.4	58.6	77.9	49.8
2003	25.3	59.7	59.5	78.3	50.9
2004	25.0	58.8	58.1	78.1	50.7
2005	25.1	57.6	57.9	78.9	51.0
2006	24.5	58.2	57.5	77.6	51.1
2007	24.0	57.8	57.2	75.4	50.9
2008	23.9	55.5	56.4	75.5	50.6
2009	23.0	54.3	54.9	74.4	49.9
2010	23.6	56.4	54.3	74.6	50.6
2011	22.5	56.4	54.2	74.4	50.6

Source: The Hungarian labour market - review and analysis 2013.

Number of students in VET education and with student contracts

School year	Number of students in VET education	Number of students with a student contract	share
2001/2002	70 224	8 931	13%
2002/2003	70 688	9 788	14%
2003/2004	70 572	11 619	16%
2004/2005	70 712	16 554	23%
2005/2006	70 486	26 878	38%
2006/2007	68 734	30 777	45%
2007/2008	73 879	36 191	49%
2008/2009	74 352	38 362	52%
2009/2010	79 443	40 427	51%
2010/2011	86 385	41 047	48%
2011/2012	96 782	45 391	47%
2012/2013	98 729	41 225	42%
2013/2014**	107 290	42 840	40%

Source: Ministry of Human Capacities via Observatory Centre for Educational Development .

Factors positively contributing to the effectiveness of VET in reducing ELET

We mark (+) the ones we deem beneficial from the point of view of decreasing drop out from VET, (-) the ones that are detrimental and (+/-) where it is difficult to tell.

8.1. National factors

+/- Broad and speedy reforms in the education system as a whole since 2010 have generated an environment favouring radical systemic changes, even without the unanimous support of stakeholders, often entailing adjustment costs. This makes specific measures tackling ELVET easier to pass and implement (+), but drains resources from it and makes the environment for such measures more changeable and less predictable (-).

8.2. Systemic features of the (VET) education system

B.1 General features of the Education system

(+/-) The presence of useful individual-level data and a strong research tradition in the Sociology and Economics of Education contributing to evaluation (generating useful studies that strategies against ELVET can be based on, +), but a lack of effective and reliable monitoring systems for indexes beyond general aggregate statistics, esp. as far as dropout is concerned (-).

B.2 General features of the VET system

(+/-) Since 2010, the emphasis on vocational training leading to a job and VET in general has increased, whereas that general competences has decreased. The increased emphasis on VET can make VET institutions a more attractive option for students (+), but measures stressing general education in VET (like Dobbantó) have less chance to be taken (-)

8.3. The labour market

(+/-) Large-scale public works – the main policy response to unemployment – is seen by labour economists as costly, palliative in nature and crowding out more targeted and more effective active labour market policies (-). At the same time, public works make it possible to reach (with the purpose of intervention) those dropped out earlier (+).

Factors constraining the effectiveness of VET to reduce ELET

9.1. National factors

(-) Consultation with and involvement of stakeholders is often selective or pro forma, leading to reform initiatives lacking trust among and appeal for stakeholders (-).

In general, there is a limited tradition and culture of maintaining monitoring/tracking systems based on large individualised datasets and of policy evaluation, be it ex-ante, interim or ex-post. Targeted ELVET policies are difficult to develop in the absence of such tools (-).

The culture of cross-agency cooperation is rather fragmented and often lacks trust, making anti-ELVET interventions that would require such cooperation less likely to succeed (-).

9.2. Systemic features of the (VET) education system

B.1 General features of the Education system

- (-) An education system that is weak in terms of equal opportunity and as a vehicle of upward social mobility, school types sorting children by socioeconomic status at a young age (early tracking) and recurring patterns of ethnic segregation against the Roma. That makes ELVET an especially hard challenge in 'bad' schools and classes.
- (-) A pedagogical culture still to a large extent built upon frontal, one-sizefits-all methods, which hinders the development of effective measures tackling ELET.
- (-) Short termism often prevails in policy and decision making (also as far as labour market needs and opportunities are concerned).

B.2 General features of the VET system

- (+/-) Relatively high drop-out rates in VET (q.v. above in detail), a potential signal of systemic problems (-) but a motivation as well to address the problem (+).
- (-) Educational pathways in VET are inflexible and can seldom lead back to mainstream education, which makes certain efforts to fight ELVET hard to realise.

9.3. The labour market

