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EN

Developments in vocational education and training policy in 2015–17

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Cedefop monitoring and analysis of VET policies

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http://www.cedefop.europa.eu/en/publications-and-resources/country-reports/vet-policy-developments-iceland-2017

This report was produced by Cedefop and reflects contributions from Cedefop's VET policy and systems team, and Cedefop experts working on common European tools and principles for education and training, and statistics. It is based on detailed information on VET policy implementation submitted by Cedefop's European network of expertise on VET (ReferNet) and other sources.

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Aspects of vocational education and training context in 2015

At the beginning of the reporting period, the proportion of upper secondary students enrolled in vocational education and training (VET) programmes in Iceland was below the EU average: 33% in 2015 compared to 47% in the EU ([1]). The employment rate of initial vocational education and training (IVET) graduates (20- to 34-year-olds) was higher than in the EU: 92.4% in 2015 compared to 72.2% on average in the EU (Cedefop, 2017, p. 147). Adult participation in lifelong learning was also high: 28.1% in 2015 compared to 10.7% on average in the EU (Cedefop, 2017, p. 147) (Table 1).

VET in the country faced the challenges of gaining attractiveness, tackling early school leaving, and increasing the labour market relevance of programmes. In 2014, the Education Ministry issued a white paper on education reform ([2]) stating the need for measures to promote and strengthen VET. Attention was given to reducing the complexity and diversity of the VET offer, a challenge to potential and actual learners, and accordingly improving guidance; better aligning programmes to developments in occupations; improving cooperation with companies and making workplace learning systematic while updating the related quality assurance framework; opening up pathways for VET at the tertiary level; and streamlining the fragmented public administration of the VET sector.

([1]) Eurostat, data for 2015.

([2]) Ministry of Education, Science and Culture, 2014.

Table 1. **Framework data: score on VET indicators in Iceland and in the EU: 2010, last available year and recent trend**

Indicator label	2010		Last available year			Recent trend (per year)		
	IS [f]	EU [f]	Yr	IS [f]	EU [f]	Range	IS	EU
Access, attractiveness and flexibility								
IVET students as % of all upper secondary students	A	A	'14	[b]	48.0 [b E1]			
IVET work-based students as % of all upper secondary IVET	A	A	'14	[b]	34.0 [b E2]			
IVET students with direct access to tertiary education as % of all upper secondary IVET			'14		69.2 [E3]			
Employees participating in CVT courses (%)		38.0 [e]	'10		38.0 [e]			
Employees participating in on-the-job training (%)		20.0 [e]	'10		20.0 [e]			
Adults in lifelong learning (%)	25.4		'15	28.1	10.7 [b]	'13-'15	↗ 0.9	→ 0.0
Enterprises providing training (%)		66.0 [e]	'10		66.0 [e]			
Female IVET students as % of all female upper secondary students	A	A	'14	[b]	42.7 [b E1]			
Employees of small firms participating in CVT courses (%)		25.0 [e]	'10		25.0 [e]			
Young VET graduates in further education and training (%)			'15	33.8 [b]	33.0 [b]	'14-'15	▪ 2.8	▪ -0.3
Older adults in lifelong learning (%)	18.7	5.3	'15	20.3	6.9	'10-'15	↗ 0.2	↗ 0.4
Low-educated adults in lifelong learning (%)	16.1		'15	17.9 [C]	4.3 [b C]	'13-'15	→ 0.0	↘ -0.1
Unemployed adults in lifelong learning (%)	27.3		'15	33.7	9.5 [b]	'13-'15	↗ 0.8	↘ -0.4
Individuals who wanted to participate in training but did not (%)	B	9.5 [e B]	'11		9.5 [e]			
Job-related non-formal education and training (%)	B	80.2 [e B]	'11		80.2 [e]			
Skill development and labour market relevance								
IVET public expenditure (% of GDP)			'13	0.56 [b]	0.56 [b E4]	'12-'13	▪ 0.00	▪ -0.03
IVET public expenditure per student (1 000 PPS units)			'13	[b]	6.4 [b E5]			
Enterprise expenditure on CVT courses as % of total labour cost		0.8 [e]	'10		0.8 [e]			
Average number of foreign languages learned in IVET			'14	[b]	1.0 [b E6]			
STEM graduates from upper secondary IVET (% of total)	A	A	'14	[b]	30.0 [b E7]			
Short-cycle VET graduates as % of first time tertiary education graduates			'14		9.3 [E8]			
Innovative enterprises with supportive training practices (%)		41.5 [E9]	'12		41.6 [E9]			
Employment rate for IVET graduates (20- to 34-year-olds)			'15	92.4 [b]	77.2 [b]	'14-'15	▪ 1.6	▪ 0.3
Employment premium for IVET graduates			'15	5.8 [b]	5.3 [b]	'14-'15	▪ -1.1	▪ -1.0

Indicator label	2010		Last available year			Recent trend (per year)		
	IS [f]	EU [f]	Yr	IS [f]	EU [f]	Range	IS	EU
(over general stream)								
Employment premium for IVET graduates (over low-educated)			'15	9.5 [b]	23.7 [b]	'14-'15	▪ -2.6	▪ -0.1
Workers helped to improve their work by training (%)			'15		83.7			
Workers with skills matched to their duties (%)		55.2	'15		57.3			
Overall transitions and labour market trends								
Early leavers from education and training (%)	22.6	13.9	'15	18.8 [C]	11.0 [C]	'10-'15	↘ -0.6	↘ -0.6
30- to 34-year-olds with tertiary attainment (%)	40.9	33.8	'15	47.1 [C]	38.7 [C]	'10-'15	↗ 1.1	↗ 1.0
NEET rate for 18- to 24-year-olds (%)	8.4	16.6	'15	5.6	15.8	'10-'15	↘ -0.5	↘ -0.1
Unemployment rate for 20- to 34-year-olds (%)	11.3	13.1	'15	4.9	12.9	'10-'15	↘ -1.2	↗ 0.1
Employment rate of recent graduates (%)	83.8	77.4	'15	92.0 [C]	76.9 [C]	'10-'15	↗ 1.3	↘ -0.2
Adults with lower level of educational attainment (%)	33.5	27.3	'15	25.0 [C]	23.5 [C]	'10-'15	↘ -1.5	↘ -0.8
Employment rate for 20- to 64-year-olds (%)	80.4	68.6	'15	86.5	70.0	'10-'15	↗ 1.3	↗ 0.3
Employment rate for 20- to 64-year-olds with lower level of educational attainment (%)	74.9	53.4	'15	79.5 [C]	52.6 [C]	'10-'15	↗ 1.1	↘ -0.2
Medium/high-qualified employment in 2020 (% of total)			'16	66.6 [D]	82.8 [D]			

([A]) UOE (UNESCO OECD Eurostat) back reconstruction of 2010 values based on ISCED 2011 not yet available.
([B]) AES (adult education survey) 2011, used as proxy for 2010 baseline.
([C]) 2014 b flags in Eurostat online tables ignored on the basis of other relevant Eurostat metadata.
([D]) Forecast made in 2016.
([E1]) Based on 28 countries; partial information for NL.
([E2]) Based on 25 countries (missing: ES, PL, RO); partial information for NL.
([E3]) Based on 27 countries (missing: NL); partial information for EL, IT.
([E4]) Based on 19 countries (missing: BE, DK, IE, EL, FR, HR, IT, PT, SK).
([E5]) Based on 21 countries (missing: DK, IE, EL, FR, HR, IT, PT).
([E6]) Partial information for NL.
([E7]) Based on 25 countries (missing: HR, IT, UK).
([E8]) Based on 23 countries (missing: BE, IE, FR, CY, UK).
([E9]) Based on 22 countries (missing: DE, IE, EL, NL, SI, UK).
([b]) Break after 2010, therefore baseline data not included.
([u]) Eurostat: 'low reliability'.
([z]) Eurostat: 'not applicable'.
([e]) Eurostat: 'estimated'.
NB: EU refers to EU-28, unless otherwise specified. Arrows ↗ or ↘ signal a positive or negative trend based on more than two data points and of magnitude 0.1 per year or more. Trends based on more than two data points but of smaller magnitude are indicated by →; trends based on two points only are marked ▪. Trends are estimated by means of regression models.
Source: Cedefop, 2017, p. 147.

CHAPTER 1.

MTD 1 – All forms of work-based learning with special attention to apprenticeships

The 2014 White Paper on education reform by the Ministry of Education pointed to the need for further developing practical training, underlining the extreme variability of workplace training in upper secondary VET (from three to 126 weeks depending on the programme) and the low share of apprenticeship in upper secondary VET. At the beginning of the reporting period, workplace training was carried out subject to two contracts: the first, between the employer and the student, defining salary and working hours as well as the respective rights and obligations; the second, between the employer and the school, dealing with the training content. Companies offering training places could apply for and receive financial support to cope with training costs. Social partners participated in the occupational councils with the role of advising on the curricula for all VET programmes.

For 2015-17, the main emphasis in the Ministry of Education, Science and Culture has been setting out proposals that a specific working group delivered in 2015. According to these proposals (main ideas):

(a) the school should be responsible for training students throughout their studies, including workplace training;
(b) basic education at the commencement of VET needs to be broader and more subjects need to be offered for those who have not yet decided what they would like to study;
(c) there should be offers for starting VET at the workplace rather than at schools only;
(d) the logbook system needs to be improved and, with it, assessments of learning outcomes throughout the studies;
(e) the education offered should be more relevant to the needs of the labour market;
(f) the Icelandic national qualifications framework should be finalised;
(g) VET in the countryside needs to be improved;
(h) workplace training should not happen at just one place of work but at several;
(i) better continuous training in relation to workplace needs to be ensured;
(j) more funding for the workplace training fund is needed;
(k) VET at university level needs to be investigated further;

(l) VET governance needs to be improved;
(m) compulsory school students should be given more insights into the possibilities of VET.

The social partners have been asked to present their views on these proposals as part of a formal consultation process. They have not chosen to do so yet, so officials at the ministry have been drafting different options. A time frame for the finalisation of these proposals has not yet been set.

CHAPTER 2.

MTD 2 – Quality assurance mechanisms in line with EQAVET and continuous information and feedback loops to IVET and CVET

The Directorate for education was established in 2015. In Article 1 of the Act for the Directorate, it is stipulated that its role is to improve the quality and progress of education in line with existing laws and international standards. This has still not been further elaborated through regulations or formal procedures. In the meantime, external and internal quality assessments of upper-secondary education (including VET) continue unchanged. Logbooks are increasingly used in workplaces for assessing training quality. Making them obligatory for all VET programmes is being discussed at the Ministry of Education, Science and Culture. The logbooks may then be linked to an Icelandic database on job descriptions and the *Europass certificate supplement*.

CHAPTER 3.

MTD 3 – Access to VET and qualifications for all through more flexible/permeable systems, guidance and validation of non-formal and informal learning

In the proposals of the working group mentioned in Section 1, three main target groups are listed as needing specific measures to improve the access to VET:

(a) young students who do not know exactly what they want;
(a) older students with experience;
(b) students from the countryside.

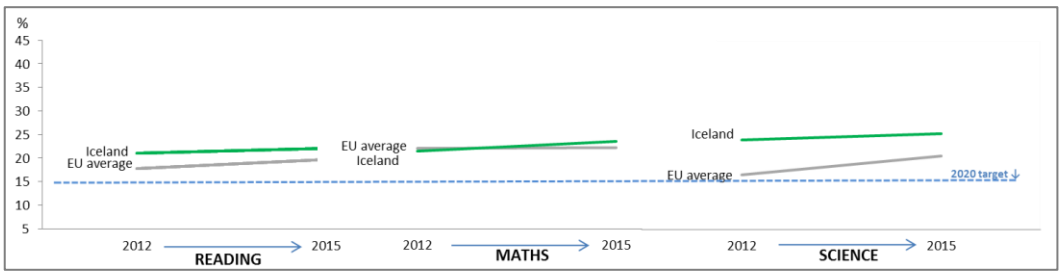
As well as these target groups, many schools are giving specific attention to students with an immigrant background: as of September 2017, 13% of the population living in Iceland was born somewhere else. An action plan for the reception of immigrants was approved by the Parliament in 2016, stating that students with a foreign background should have the same opportunities for education as those born in Iceland. However, funding for the actions listed in this action plan has not yet been provided.

CHAPTER 4.

MTD 4 – Key competences in both IVET and CVET

The context of key competences in 2015 was mainly characterised by an increasing share of young low achievers in reading, maths and science compared with 2012 (Figure 1). The share of low achievers in Iceland was higher than the EU average, where the trend is similar.

Figure 1. **Share of 15-year-olds with low achievement in reading, maths and science**



NB: Low achievement means failing level 2 on the PISA (programme for international student assessment) scale.

Source: OECD, 2014; OECD, 2016.

As VET enrols 33% of all upper secondary learners in the country ([3]), this trend is likely to be reflected in the key competences trained for in VET programmes. A national set of key competences (*Grunnþættir í menntun*) for all levels and types of education and training includes literacy, democracy and human rights, equality, health and welfare, education towards sustainability and creative work. The key competences are integrated in education and training curricula. In VET (excluding workplace learning), they are part of the curricula of VET schools, with a separate chapter devoted to key competences in the national curriculum guide ([4]).

The Directorate for education is leading a national campaign for literacy, where all schools at compulsory and upper secondary level are offered assistance. The main emphasis is on compulsory schools, managed by the municipalities, where many have already amended their policies. A movement to

([3]) Calculated from Eurostat, data for 2015.

([4]) For more information on key competences in VET see Stefánsdóttir, 2015.

assist students lacking competences is in progress. Many have to deal with dyslexia and get special assistance.

CHAPTER 5.

MTD 5 – Systematic initial and continuous professional development of VET teachers, trainers and mentors

According to the Act No 87 of 2008 ([5]) on the education and recruitment of teachers and administrators of preschools, compulsory schools and upper secondary schools, VET teachers must have a master of trade degree in their profession, or a similar technical exam and 60 ECTS (European credit transfer system) in teaching or pedagogical studies, or a diploma in the relevant technology or arts. Schools can apply for an exemption from this rule if fully qualified teachers cannot be found, but only for one semester at a time. Regulation No 872 of 2009 gives higher education institutions room to organise teacher education programmes.

The 2014 white paper on education reform referred teacher continuous professional development to a teacher education expert panel to propose views and develop new teaching methods. Consultations with teacher education institutions have started.

For in-company trainers, the person in charge of training must be fully qualified in the profession (for example holding a master of trade for certified trades) and have extensive experience in his or her field. Continuous training varies according to the profession in question. Courses for VET professional trainers tend to be short and concise. They do not give formal rights and are not obligatory.

An important challenge that the VET system in Iceland will face is a shortage of qualified teachers. In 2015, teachers received a substantial salary increase in the hope that more young people would see the profession as tempting and thereby reverse the rising age trend among teaching professionals. So far, this has not given the expected results and, with the boom in available jobs for many VET professionals in recent years, the teaching profession cannot compete. Therefore, the average age of teachers (including VET teachers) continues to rise and in the next five to 10 years, more than half will retire. Part of the need for

([5]) https://eng.menntamalaraduneyti.is/media/law-and-regulations/Act-on-the-education-and-recruitment-of-teachers-and-administrators-of-pre-,-compulsory-and-upper-secondary-schools-No.-87-2.pdf

teachers has been bridged by giving people exemptions for teaching without the necessary teacher training but it is obvious that other means will have to be investigated.

Conclusion

Since 2015, Iceland has been reflecting on reforming its workplace training. Further input to quality assurance has been initiated. An action plan for the access of migrants and students with foreign background to equal opportunities in education has been approved and a national literacy campaign is under way. Teachers' salaries have been increased to help make the teaching profession more attractive.

With respect to the Riga conclusions, information currently available to Cedefop suggests issues which could benefit from further consideration:

(c) supporting entrepreneurship education;
(d) making systematic use of European quality assurance in vocational education and training (EQAVET) indicators to monitor VET developments;
(e) monitoring labour market trends including forecasting skills needs;
(f) structuring the initial and continuing training of VET school teachers and in-company trainers and mentors.

Setting out policy priorities for all five medium-term deliverables of the Riga conclusions for the remaining period until 2020 could also be considered.

List of abbreviations

AES	adult education survey
CVET	continuing vocational education and training
DGVT	Director General for vocational education and training
ECTS	European credit transfer system
EQAVET	European quality assurance in vocational education and training
Eurostat	statistical office of the European Union
ISCED	international standard classification of education
IVET	initial vocational education and training
NEET	not in education, employment, or training
OECD	Organisation for Economic Cooperation and Development
PISA	programme for international student assessment
PPS	purchasing power standards
STEM	science, technology, engineering and maths programmes
UOE	UNESCO OECD Eurostat
VET	vocational education and training

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