

# Vocational Education and Training in Hungary

## Strengths, Challenges and Recommendations

### STRENGTHS

- Since 1989, Hungary has made significant efforts to restructure its VET system to face the challenges of the market economy. It has implemented major reforms to improve the ability of VET to meet labour market needs.
- The training levy provides a significant and reliable source of funds for VET and played a crucial role during the transition years.
- The Hungarian VET system can rely on a strong national qualifications framework.
- The number of 15-to-19- year-olds is set to decline sharply; this presents both an opportunity and a challenge for the Hungarian VET system.
- Policy makers' strong commitment to reform shows Hungary's will to address the challenges faced by VET.
- In the medium term, Hungary's GDP per capita is expected to converge to the EU average (ECB, 2008), and its economy is expected to grow by around 4% even though the current economic context is difficult.

### CHALLENGES

- The current VET system is strongly school-based with relatively few links to the labour market.
- The Hungarian school system's early tracking and multiple selection mechanisms potentially raise problems of both efficiency and equity.
- Data available are insufficient in several important respects, such as the labour market outcomes of different VET programmes, the various funding sources of VET and the use of funds from the training levy.
- Many trainers are approaching retirement and there are few young trainers.
- VET has relatively low status and many students are oriented to VET because of poor academic performance.
- Hungary's employment rate is low by international standards. Compared to other European countries, the economic inactivity rate of young people is particularly high.

### RECOMMENDATIONS

1. Standardise the transition to all types of secondary school after the 9th grade, rather than the 8th grade, a including in vocational training schools and start practical training in the 10th grade rather than in the 11th grade. These two elements should be implemented as a package.
2. Collect and publish Information on the labour market outcomes of VET on a school and programme basis, starting with a pilot survey of students leaving VET programmes.
3. Adequately prepared advisers should provide systematic career guidance in all elementary schools on the range of secondary level programmes available and their respective outcomes. Students in vocational training and vocational secondary schools should receive comprehensive, impartial and reliable information on all the occupations available to them.
4. All VET programmes should provide a substantial amount of practical training in the workplace or in an environment closely related to a workplace.
5. Regularly publish information about the rules of the levy in a form comprehensible to employers and collect and publish data about the revenues collected through the levy, how it is spent and the outcomes achieved. This would provide an essential basis for reviewing the operations of the levy.

## FURTHER READING

Vocational education and training (VET) has a key economic function in up-skilling and integrating young people into the labour market and in providing high quality technical skills. But in recent decades, VET has been a neglected part of initial education: education policy research and reform have tended to focus primarily on school and tertiary education.

The OECD's policy review of vocational education and training (VET), *Learning for Jobs*, comprises a programme of analytical work and individual country reviews and is designed to help countries make their VET systems more responsive to labour market needs.

[Learning for Jobs, OECD Reviews of Vocational Education and Training Policies, Hungary](#) (OECD, 2008) was released in December 2008 and assesses the main challenges faced by the VET system and presents an interconnected package of five policy recommendations. For each recommendation, the report describes the challenge, the recommendation itself, supporting arguments, and issues of implementation.

Further information about the policy review and reports on VET systems in other countries is available on the OECD website [www.oecd.org/edu/learningforjobs](http://www.oecd.org/edu/learningforjobs)