Skills beyond School
OECD Review of Postsecondary Vocational Education and Training

Background Report from Hungary

January 2012

This report was prepared by the Hungarian Ministry for National Economy as an input to the OECD Review of Postsecondary Vocational Education and Training, Skills beyond School. The document was prepared in response to guidelines the OECD provided to all countries. The opinions expressed are not necessarily those of the Hungarian Ministry for National Economy, the OECD or its member countries. Further information about the OECD review is available at: www.oecd.org/education/vet
Skills beyond School
The review of postsecondary vocational education and training

Introduction

Recent decades have witnessed accelerated technical advancement through the extensive use of new technologies. Workplace requirements are changing rapidly, and transformations in work organisation are taking place. The share of people employed in research and development, education, and the service sector is showing an upward trend, while employment in direct production is in decline. The international division of labour is transforming, the criteria of competitiveness are shifting fast.

In the contemporary workplace, key competences, command of foreign languages and proficiency in information technology, independence, problem analysing and problem solving skills, as well as collaboration in team work are becoming pivotal criteria of required knowledge. The same holds true in relation to aptitude for acquiring new knowledge, i.e. for learning on an ongoing basis. The economy is likewise demanding an ever-higher level of general education.

In recent decades, vocational education and training (VET) in most European countries was anchored in upper-secondary education, and in many countries this continues to be the case even today. The development of national educational systems was not shaped solely by politics, however. It was also shaped by families’ and students’ choices. Dissatisfied with upper-secondary qualifications, the latter aspired to additional, more demanding qualifications. Current European educational policy likewise adapts to changing conditions and demand. Whereas the 2001 Lisbon objectives prioritised boosting the share of students with upper-secondary qualifications, 2020 objectives aim even higher, naming a higher ratio of students with higher educational, university/college qualifications among its goals.

It was over twenty years ago that initiatives were launched in Hungary to transform maturity examination-linked secondary level VET. Their objective was to shift training for a specific occupation to post-secondary education. In 1993, an occupational register suited to the new model was approved, with vocational and examination requirements drawn up in 1994-1997. Commencing 1 September 1998, vocational education and training in secondary vocational schools could only begin upon completion of grade 4, or after the maturity examination. Between 1998 and 2003, the phasing-out and the new system functioned concurrently, with data of disparate content mingling in statistics. With the legal opportunity to acquire a second vocational qualification free of charge and the mandating of the certificate of maturity examination for certain civil servant groups, as well as owing to greater demand on the part of more populous age cohorts, the number of participants in part-time adult education and training was likewise comparatively high.

Besides development policy, labour market demand and conditions, social needs, and demographic conditions, the economy’s level of development, and the availability of financial resources also impact VET policy and institutional development.

Recent decades witnessed a transformation of the employment and wage structure in Hungary. The number of people employed in manufacturing has plunged to half its previous level. The wage level of persons with secondary level educational attainment is very low compared with the level of those who hold a certificate of maturity examination and higher education degree qualifications. Those with higher levels of qualification have far better job prospects and employment rates. The wage disadvantage of Hungarians with lower and secondary level educational attainment is one the highest among OECD member states.
Young people have accurate information about the wage level and employment security of jobs offered to people with upper-secondary educational attainment. In consequence, they were primarily interested in qualifications requiring higher educational attainment that held the promise of greater independence and higher wages. Accordingly, they strove to acquire ever-newer educational attainments deemed competitive. The expansion of tertiary education as well as adult education and training was geared to this demand. In adult education and training, too, the share of persons who hold a certificate of maturity examination is significant.

Employment indicators do not reflect the efforts to gain higher educational attainment. Hungarian youth’s employment ratio is among the lowest in Europe.

The number of students of appropriate age is a significant determinant of the development of vocational education and training. Subsequent to the petering out of a short demographic wave that peaked during the mid-1970s, the birth rate fluctuated around 11-12 per thousand in the 1980s, slowly declined in 1991-1997, then fell at below 10 per thousand in the post-1997 era. In 1975 there were 194,240 live births, 97,597 in 2000, with the same figure for 2011 not expected to reach even 88,000\(^2\). The decline in student numbers resulted in two consequences: institutions indiscriminately admitted almost every student who met rudimentary formal requirements, and part of the capacities that became redundant, or were deemed to have become redundant were handed over to private schools, which were fast growing in number. In 2010, institutions maintained by private and church entities delivered 80.9 per cent of advanced vocational programmes run by secondary vocational schools, and 47.6 per cent of post-(intermediate) maturity examination education and training\(^3\). Given that only normative budgetary financing is available to private schools, which receive no supplementary funding, it can occasionally happen that these schools strive to reduce costs rather than improve the quality of training and education. Additionally, in recent years budgetary funding has not increased even in nominal terms. In fact, in real terms it has declined.

The preparedness and motivation of students in secondary vocational school VET grades reveals a rather mixed picture. Their successful education and training would require differentiated pedagogical tools, which, however, are not available.

Collaboration between schools and the economy is particularly important in relation to the advancement of vocational education and training. This is necessary not only to boost the effectiveness of practical training, but also to improve student motivation, to gain positive experiences, and to corroborate career decisions. An oversupply in educational and training

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1. http://www.oecd.org/document/52/0,3746,en_2649_39263238_45897844_1_1_1_1,00.html
Institutions has led to students interrupting their studies with relative ease to enter another institution. It is a comparatively new phenomenon that students at certain institutions tend to “use” the school as a university preparatory course, neglecting preparation for vocational examinations.

In adult education and training, the number of students with secondary school educational attainment, holding a certificate of maturity examination, perhaps possessing prior vocational qualifications or a college/university degree, who are studying for occupations — and pass related examinations —, the earning of which is contingent on secondary school qualifications or the completion of 8 or 10 grades in public education, is highly significant.

It is possible that, based on the responses to the questions, attention will be directed to the difficulties of the post-secondary school education and training sector. The massive number of people — hundreds of thousands — participating and passing exams in adult education is indicative, however, of a state of affairs that youth and young adults are harnessing the potential of the post-secondary system for their own benefit.

Sources:

The publications of the Ministry of National Resources, the government agency in charge of education, and that of the Hungarian Central Statistical Office about the functioning of secondary vocational schools and adult training outside the school system provide important information. The same holds true to the initial summaries of successful vocational examinations compiled by the Career Monitoring Programme established under the aegis of the National Institute of Vocational and Adult Education.

The Ministry of National Resources’ Statistical Yearbook of Education contains lengthy data series and the header of the tables displays English language information as well.

REFERNET Office publications are quite useful. A case in point is the 2011 country report (Hungary: VET in Europe – Country Report 2011). A few months ago, the National Institute of Vocational and Adult Education also contributed in-depth background information to the country report.

Former REFERNET country reports are likewise quite useful. These provide information about topical developments in the given years. Mention must also go to the national research report. (National Research Report Hungary 2009).

Two noteworthy publications that came out in 2011 are a short description of the Hungarian vocational education and training system (Vocational education and training in Hungary, Short Description, Luxembourg 2011) and the publication entitled “A bridge to the future: European policy for vocational education and training 2002-2010 - National Policy-Report Hungary 2010”, which presents development between 2002 and 2010.

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Since the information material accompanying the OECD questionnaire recommends that where “the pertinent information is electronically accessible in English or French, it is sufficient to prepare a short description and provide a hyperlink to the pertinent material, or to append it in electronic form,” the above enumerated publications will also be used and presented accordingly.


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Responses to the Survey Questions

I. 1. Which programmes would you define as post-secondary VET in your country?

In Hungary, the National Qualifications Register (OKJ) lists vocational educational attainments recognised by the state. Vocational qualifications are contingent on specific formal school educational attainment, vocational qualifications, or – since 2006 – input competences. Training level is indicated by the first and second digits of the vocational qualification identification number. The classification of post-secondary vocational qualifications, valid since 2006, is the following:

51 Secondary level vocational qualification providing eligibility for jobs typically requiring manual labour based on input competences specified in the vocational and examination requirements, prior vocational qualifications, or completion of the final year of secondary school (4CV)
52 Secondary level vocational qualification providing eligibility for jobs requiring manual or intellectual labour based on input competences specified in the vocational and examination requirements, prior vocational qualifications, or the maturity examination (4CV)
54 Advanced level vocational qualification providing eligibility for jobs typically requiring intellectual labour based on input competences specified in the vocational and examinational requirements, prior vocational qualifications, or the maturity examination (4CV)
55 Post-maturity examination advanced VET qualifications (5BCV)

Levels 51-54 VET qualifications can be earned both within and outside the formal school system. Level 55 advanced VET qualifications can exclusively be earned within the formal school system, in secondary vocational school VET grades and at institutions of higher education.

2. Which fields of study do they cover and what types of career do they lead to?

Post-secondary VET programmes listed in the National Qualifications Register (OKJ) can be conducted in the following areas:

1. Health
2. Social services
3. Education
4. Art, cultural education, communications
5. Mechanical Engineering
6. Electrotechnology-electronics
7. IT
8. Chemical engineering
9. Architecture
10. Light industry
11. Wood industry
12. Printing industry
13. Transport
14. Environmental protection – water management
15. Economics
16. Administration
17. Commerce-marketing, business administration
18. Catering-tourism
19. Other services
20. Agriculture
21. Food industry
A young person acquiring post-maturity examination VET qualifications can choose between the following four possibilities:

- Study for a higher level ("built-on") OKJ vocational qualification built on the already acquired vocational qualification
- Study for a different OKJ vocational qualification
- Continue his/her studies in higher education
- Take a job

Actual job prospects vary significantly by vocational qualification, sector, and region. Prior to the 2008 economic crisis, employment opportunities were comparatively favourable in Western Hungary and the capital city, Budapest. Finding a job is rendered difficult by common employer expectations of work experience, which a majority of youth lack, however. Youth who find it hard to get a job strive to improve their labour market position by continuing their studies and acquiring additional vocational qualifications.

II.1. Institutions: What types of institutions provide these programmes?

Levels 51-54 post-secondary and post-maturity examination VET can take place in secondary vocational schools’ post-maturity examination VET grades and at institutions of adult education. Level 55 advanced VET is delivered by tertiary education institutions and secondary vocational schools cooperating with a tertiary educational institution. The OKJ as well as the vocational and examination requirements of a given vocational qualification determine the length of education and training. In school-based training, the training period is typically one or two years. Secondary vocational schools’ secondary school grades can also provide vocational orientation and training in basic vocational education and skills. The school has the option to recognise the training in basic vocational education and skills and to reduce the number of VET grades.

The institutional structure of school-based VET has undergone major change in recent years in the wake of the establishment of the regional vocational integrated training centres (TISZK). Over 90 per cent of VET schools rally under the TISZK umbrella and belong to one of currently 86 TISZKs. Among their maintainers one finds local (i.e. county or settlement) governments, state bodies, churches, foundations, businesses, etc.

Providing school-based adult education is the responsibility of local governments, churches, private maintainers, as well as tertiary educational institutions.

Institutions conducting adult education outside the formal school system whose functioning is subject to the provisions of Act CI of 2001 on Adult Education can be classified into three groups:

1. Budgetary or state funded bodies, institutions:
   - Secondary vocational schools, institutions of tertiary education, state institutions, which conduct adult education as a supplementary activity;
   - Regional education and training centres, whose main, central budget funded activity includes the training and retraining of diverse target groups (e.g. adult and new graduate unemployed persons, those threatened by unemployment).

2. Private enterprises engaged in adult education and training:
   - educational enterprises;
   - non-profit organisations (foundations, associations, companies operating as non-profit organisations).
3. Employers who provide company (internal) training for their own employees.

Delivery of training by adult education institutions is conditional on registration in line with the provisions of the Adult Education Act. Their access to government funding is contingent on also possessing institutional and programme accreditation.

II.2. What is the mix of private vs. public institutions? (data)

The ratio of private and church institutions in school-based post-secondary VET is very high. In 2009, institutions maintained by private entities and churches provided 80.9 per cent of advanced VET conducted in secondary vocational schools, and 47.6 per cent of post-(intermediate) maturity exam education and training.\(^{10}\) (In 2009, 18,511 students participated in advanced VET at institutions of tertiary education.\(^{11}\))

Table 5.17
Student numbers and share in post-maturity examination VET, by maintainer (full-time and tertiary education), 2009

<table>
<thead>
<tr>
<th>Maintainer</th>
<th>In advanced VET</th>
<th>In non-advanced VET</th>
<th>Post-maturity Examination VET</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Student numbers</td>
<td>Student share (%)</td>
<td>Student numbers</td>
</tr>
<tr>
<td>State</td>
<td>3,559</td>
<td>19.1</td>
<td>40,723</td>
</tr>
<tr>
<td>Church</td>
<td>937</td>
<td>5.0</td>
<td>1,184</td>
</tr>
<tr>
<td>Private</td>
<td>14,123</td>
<td>75.9</td>
<td>23,944</td>
</tr>
<tr>
<td>Total</td>
<td>18,619</td>
<td>100.0</td>
<td>65,851</td>
</tr>
</tbody>
</table>

Source: Gábor Tomasz’s calculations based on KIRSTAT

The ratio of private maintainers is even higher outside the formal school system. This is because even though schools are entitled to simplified institution accreditation, they are, for various reasons, not sufficiently flexible and cannot eke out a suitable position for themselves in the training market.

\(^{10}\) *Jelentés a magyar közoktatásról 2010* [Education in Hungary 2010] Budapest, OFI, 2011, p. 435

\(^{11}\) *Jelentés a magyar közoktatásról 2010* [Education in Hungary 2010] Budapest, OFI, 2011, p. 451
III. Statistical overview

Please provide summary statistics showing i) the current position, and ii) trends over the last 10 years in:

1. Student numbers in different postsecondary VET programmes

1. School-based programmes
Post-secondary VET programmes can be school-based, organised in secondary vocational schools’ full time and part time education classes and in institutions of tertiary education.
The Hungarian Central Statistic Office and the Ministry of National Resources (NEMFI) Statistical Yearbook of Education publish data series on school-based education. Data series can be misleading, however. The post-1998 era witnessed a transformation of VET’s institutional structure in Hungary. Under the previous model, students entered skilled-worker training school, grammar school, secondary vocational school subsequently to the completion of the 8th grade of primary school. Students attending secondary vocational school graduated with a maturity examination cum vocational qualification or obtained a technician’s certificate in the course of four or five years of study.
Subsequently to 1998, secondary vocational schools’ first four “secondary school” grades provided vocational orientation, training in basic vocational education and skills, with VET provided in post-maturity examination VET grades. Statutory provisions allowed for training in basic vocational education and skills to be credited to VET and for reducing the number of VET grades.

After 1995, following the publication of the National Qualification Register (OKJ) and of the vocational and examination requirements, post-maturity examination VET appeared in adult education; and, in the wake of the publication of the central programmes, in school-based education as well, albeit partially under an experimental framework.
As of 1 September 1998 secondary vocational schools could only start VET grades for secondary school graduates, more precisely for those who passed the maturity examination. Students who had started under the old model on 1 September 1997 acquired vocational qualifications in 2001 or 2002. In the 1998-2002 period, data for full-time students studying under the old and the new system became mingled. Only after the issuance of the occupational and examination requirements for part time education and training and the issuance of the central programmes did post-maturity examination VET commence for those who obtained a certificate of maturity examination or acquired vocational qualifications earlier. The amendment of the Public Education Act in 1999 provided that acquiring a second state-recognised vocational qualification would also be free of charge (effective until 2006). In consequence, the number of students passing their examinations under the old and the new model appear side-by-side in relation to the given years.

It was in 2004 that the new model reached the second grade of post-secondary education and training. Subsequently to 2004 the content of the available data is unified.
Hungarian Central Statistical Office (KSH) data show the numbers at the post-secondary education and training level. NEFMI’s Statistical Yearbook of Education\[13\] does not separate VET in post-secondary grades and in secondary vocational school’s secondary school grades. Accordingly, full time student numbers for VET grades also incorporate student numbers for vocational artistic education and training in secondary vocational schools’ secondary school grades. KSH statistics are organised by grade, NEFMI statistics are shown by students’ age. Taking this into account, the ratio of participants in full-time education is 2-4 per cent lower.

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Secondary Vocational School</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grade 13</td>
<td>Grades 14-16</td>
</tr>
<tr>
<td>2003/2004</td>
<td>42,866</td>
<td>22,276</td>
</tr>
<tr>
<td>2004/2005</td>
<td>40,924</td>
<td>22,594</td>
</tr>
<tr>
<td>2006/2007</td>
<td>38,579</td>
<td>23,316</td>
</tr>
<tr>
<td>2007/2008</td>
<td>37,711</td>
<td>23,885</td>
</tr>
<tr>
<td>2008/2009</td>
<td>35,118</td>
<td>24,390</td>
</tr>
<tr>
<td>2009/2010</td>
<td>36,677</td>
<td>23,424</td>
</tr>
<tr>
<td>2010/2011</td>
<td>37,201</td>
<td>25,343</td>
</tr>
</tbody>
</table>

Hungarian Central Statistical Office data

In 2009, the number of part-time students in the secondary vocational school VET grades was 19,000, while 3,500 students studied under tertiary education programmes in 2009.

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12 Our own calculation based on Hungarian Central Statistical Office data, Annex: Tables 3-8
The number of students taking the maturity exam was the prime determinant of student numbers in school-based VET after graduation from secondary school. An increased share of students entering advanced VET signalled a significant change.

Institutions of tertiary education and secondary vocational schools entering into agreements with these institutions organised level **55 advanced VET**. The legal status of those participating in education and training is likewise diverse: in secondary vocational schools they have secondary school student status, in institutes of tertiary education they wield tertiary education student status. Statistics classify advanced VET as ISCED 5B; however, educational and training experience, contents and requirements, as well as the fact that a majority of those participating in the programme consider preparing for ISCED 5A type tertiary education as their primary goal rather than acquiring vocational qualifications gives weight to the opinion that advanced VET in Hungary stands close to the ISCED 4C category as well.

Advanced VET organised by institutions of tertiary education has siphoned off potential students of post-secondary vocational school VET programmes. In fact, nearly 40 per cent of students studying for levels 51-55 VET qualifications currently participate in advanced vocational education and training.

*(An expected result of the legislative changes due at the end of 2011 will be the measure that in advanced vocational education only persons with a kind of higher education student status can participate, therefore this subsector of education will definitely belong to higher education in terms of control, legal relations and financing.)*

2. Programs organised in adult education and training outside the formal school system

Act CI of 2001 sets forth the training requirements of adult education and training outside the formal school system. Training institutions must be registered and accreditation is available for institutions and programmes. Those participating in training enter into an adult education training agreement with the given institution; it is the students who bear the cost of training, with the exception of labour market trainings for specific target groups. Since a majority of those participating in this training have prior work experience and, frequently, prior professional qualifications, it is possible to shorten training time.

In recent years the institutional system of data provision has changed a number of times. In consequence, coherent data series are not available. Two years ago a Career Monitoring System was established under the aegis of the National Institute of Vocational and Adult Education, which began to collect vocational examination data commencing 1 January 2010. With a view to comparability, data on examinations taken between 1 September 2010 and 31 August 2011 *in the school-based system and in training outside the formal system* have been aggregated.

It can be established that upon commencement of training, persons holding a certificate of maturity examination or tertiary educational attainment (diploma), or a certificate of maturity examination cum vocational qualifications studied not only for vocational qualifications contingent on the completion of secondary school/maturity examination but also for traditional qualifications, the acquiring of which does not require the completion of the 8th grade (0.77 per cent), or the acquiring of which is contingent on the completion of the 8th grade (23.31 per cent) or on the completion of the 10th grade (9.07 per cent). The career monitoring system data also allows for disaggregating data by training level and economic sector for students who have passed their exams. In the given time period, 61.48 per cent of the 180,000 persons who took a state recognised vocational examination in the school-
based system and in adult education acquired vocational qualifications not contingent on secondary school qualifications; 37.56 per cent of the same persons acquired vocational qualifications contingent on secondary school qualifications, with 0.95 per cent acquiring vocational qualifications contingent on a college/university degree.

Among the persons who acquired post-secondary VET qualifications outside the formal school system, 20,731 completed secondary education/held a certificate of maturity examination; 7,419 had tertiary educational qualifications, and 4,239 held both certificates of maturity examination and vocational qualifications. In training outside the formal school system, 32,389 persons acquired post-secondary VET qualifications, while 33,343 persons did so within the formal school system.\(^{15}\)

This figure in relation to the formal school system is higher than the number of persons who acquired educational attainment in the formal school system in previous years. This could be due to the wider utilisation of new opportunities proffered by a new modular training system, or to the problems in the previous data provision system.

A surprisingly large number of persons who held certificates of maturity examination studied for vocational qualifications requiring a lower general educational attainment: 2,116 persons within the formal school system and 31,342 outside the formal school system passed their examinations. Also available are data disaggregated by economic sector and occupational groups in relation to those who have passed examinations within the formal school system and in training outside the formal school system. In line with international trends, in Hungary, too, there is a high ratio of persons who take examinations in service, administrative, commerce, health, and social welfare fields; but in adult education, adjusting to the economy’s needs, manufacturing and construction also account for a significant ratio (Annex: table 11-12).

**III.2. The share of students enrolled in post-secondary VET programmes**

We can compare the number of full-time students in the first year of post-secondary VET programmes with the number of 19 year-olds in the given year. The number of 19 year-olds can be determined based on the Hungarian Central Statistical Office Demographic Research Institute’s population projection programme: that of students in the secondary vocational school’s first VET grade based on the KSH publication; and that of first year students in advanced VET based on the Education Ministry higher education statistics. Student numbers for secondary vocational school VET grades also incorporate student numbers in advanced VET organised in secondary vocational schools. First year student numbers also incorporate the number of students who repeat the school year. The ratio of school year repeaters or of students transferring from a different vocational training programme in the first year of full-time advanced VET is estimated at nine per cent, and is likely to be similar in relation to corresponding grades of secondary vocational schools. The ratio of students studying for a “second vocational qualification” is probably approximately 10 per cent. When interpreting “second vocational qualification”, account must be made for the fact that the Hungarian vocational system has a high ratio of short, one-year training programmes, and that students studying for a second vocational qualification are compelled, both within the formal school system and in adult education and training, to acquire additional qualifications to boost their competitiveness.

Student numbers in first grade secondary vocational school VET and in the first year of advanced VET in tertiary educational institutions and their ratio in comparison with the 19 year-old cohort

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\(^{15}\) Annex: Table 10
<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Studies in grade 13 of secondary vocational school</th>
<th>Studies in first year of advanced VET in tertiary education</th>
<th>Total</th>
<th>Number of 19 year-olds</th>
<th>“Total” as percentage of 19 year-olds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004/2005</td>
<td>40,924</td>
<td>4,807</td>
<td>45,731</td>
<td>128,151</td>
<td>36.68</td>
</tr>
<tr>
<td>2005/2006</td>
<td>40,417</td>
<td>4,480</td>
<td>40,417</td>
<td>133,902</td>
<td>30.18</td>
</tr>
<tr>
<td>2006/2007</td>
<td>38,579</td>
<td>4,434</td>
<td>43,013</td>
<td>130,064</td>
<td>33.07</td>
</tr>
<tr>
<td>2007/2008</td>
<td>37,711</td>
<td>5,671</td>
<td>43,382</td>
<td>125,152</td>
<td>34.66</td>
</tr>
<tr>
<td>2008/2009</td>
<td>35,118</td>
<td>7,195</td>
<td>42,313</td>
<td>124,299</td>
<td>34.04</td>
</tr>
<tr>
<td>2009/2010</td>
<td>36,677</td>
<td>8,017</td>
<td>44,694</td>
<td>123,385</td>
<td>36.22</td>
</tr>
<tr>
<td>2010/2011</td>
<td>37,201</td>
<td>9,407</td>
<td>46,608</td>
<td>126,345</td>
<td>36.89</td>
</tr>
</tbody>
</table>

Based on the above, and also taking the ratios of year repetition and the second vocational qualification into account, it can be established that over the past eight years approximately 30 per cent of students of the appropriate age enrolled in post-secondary VET in the framework of full-time school-based education.

Hungarian Central Statistical Office
III.3. The make-up of the student population in terms of age/gender, educational background, field of study, and social background

Statistical publications of the Ministry of National Resources (NEFMI), in charge of education, provide information on the make-up of the student population in terms of age in full-time school-based education and adult training. The majority of students enter post-secondary education and training at age 18/19. Section 52 of the Public Education Act stipulates that the last time students in full-time education may start a school year is the one in which they become 22 years of age. This age limit can be raised by one year if the student in question commenced his/her primary school studies at the age of seven, attended a foreign language preparatory class in secondary school, or postponed his/her education for a year for health reasons. Owing to the age limit restriction on participation in full-time education, in the academic year 2009/2010 approximately 90 per cent of students in full-time post-secondary VET were aged 18-21, with 10 per cent aged 22 or older. The majority of students in school-based part-time education and training is 22-45 years of age; their numbers among 22-30 year-olds is slightly higher, but is distributed comparatively uniformly among the grades. Page 17 of the Statistical Yearbook of Education provides detailed data on the make-up of secondary vocational school students by gender. Tables 11-13 in Annex 2 provide detailed information on the distribution of students passing their exams by occupational group/economic sector, age, and educational attainment. The division of labour by gender prevalent in Hungary mirrors that of most European countries in manufacturing, engineering, technology, electrotechnology, or service, commerce, and administrative training. Accordingly, no table thereof is appended to this document. Tables on sectoral distribution aggregating vocational school and secondary vocational school data are available on pages 117-120 of the Statistical Yearbook of Education. Youth with secondary school qualifications with a certificate of maturity examination enter post-secondary education and training. As in most other EU member states, minorities and youth with multiple disadvantaged are under-represented among students who hold a certificate of maturity examination.

III.4. Drop-out or completion rates (and how these are defined)

The statistical system does not collect data on drop-out rates. It is hard to follow such processes. The Career Tacking System created at the National Institute of Vocational and Adult Education (NSZFI) could facilitate the understanding of processes; for various reasons, however, e.g. data protection considerations, it has not been possible to launch data tracking. Student numbers for full-time secondary vocational school VET grades and for students who have passed their exams are also available.

The table on page 19 of the Statistical Yearbook of Education does not incorporate the number of students with advanced VET qualifications acquired in secondary vocational schools in the number of students who have passed their exams in vocational secondary school VET grades. Based on data accessible on the NEFMI Website, the number of students acquiring level 55 qualifications in full-time secondary vocational school VET grades can likewise be determined.

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Student numbers in full-time secondary vocational school VET grades and the number of students who passed their exams, 2003-2010

<table>
<thead>
<tr>
<th>Academic year</th>
<th>Secondary Vocational School</th>
<th>Year of exam</th>
<th>Number of students who passed their exams in secondary vocational school VET grades</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grade 13</td>
<td>Grades 14-16</td>
<td>Copyright</td>
</tr>
<tr>
<td>2004/2005</td>
<td>40,924</td>
<td>22,594</td>
<td>2005</td>
</tr>
<tr>
<td>2006/2007</td>
<td>38,579</td>
<td>23,316</td>
<td>2007</td>
</tr>
<tr>
<td>2007/2008</td>
<td>37,711</td>
<td>23,885</td>
<td>2008</td>
</tr>
<tr>
<td>2009/2010</td>
<td>36,677</td>
<td>23,424</td>
<td>2010</td>
</tr>
<tr>
<td>2010/2011</td>
<td>37,201</td>
<td>25,343</td>
<td>2011</td>
</tr>
</tbody>
</table>

Our own calculation based on Hungarian Central Statistical Office and Statistical Yearbook of Education data

Differences between student numbers are due to the following:

- Some students study for vocational qualifications involving a one-year-long training period. This is unequivocally corroborated by the fact that the number of students who pass their exams is higher than student numbers for grades 14-16;
- The school acknowledges contents learned in secondary school grades (training in basic vocational education and skills) and reduces the number of VET grades;
- Some of the students – primarily in advanced VET – leave the programme and continue their studies in college;
- Dropping out;
- The difference in numbers between students enrolling in training and between students passing their exams is particularly high in advanced VET. Recently conducted studies show that a majority of students use training to prepare for higher education, and, leaving after the first year, continue their studies in college. The ratio of students who successfully complete their studies is barely 40 per cent. This ratio justifies a review of the objectives and means of this form of education and training.

The ratio of students who pass their exams is similarly low in advanced VET in higher education institutions.

---

Student numbers in advanced VET by students’ legal status, 2001/2002-2009/2010

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Number of Learners</th>
<th>Number of Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001/02</td>
<td>5,085</td>
<td>4,475</td>
</tr>
<tr>
<td>2002/03</td>
<td>8,893</td>
<td>6,128</td>
</tr>
<tr>
<td>2003/04</td>
<td>13,100</td>
<td>7,219</td>
</tr>
<tr>
<td>2004/05</td>
<td>14,501</td>
<td>9,122</td>
</tr>
<tr>
<td>2005/06</td>
<td>14,541</td>
<td>10,498</td>
</tr>
<tr>
<td>2006/07</td>
<td>15,224</td>
<td>10,842</td>
</tr>
<tr>
<td>2007/08</td>
<td>16,011</td>
<td>12,398</td>
</tr>
<tr>
<td>2008/09</td>
<td>16,646</td>
<td>15,677</td>
</tr>
<tr>
<td>2009/10</td>
<td>18,619</td>
<td>18,511</td>
</tr>
</tbody>
</table>


The number of those enrolled and the number of students who have passed their exams in advanced VET in a higher education institution

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Enrolled</th>
<th>Students who have passed their exams</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/2001</td>
<td>2,488</td>
<td>611</td>
</tr>
<tr>
<td>2001/2002</td>
<td>2,546</td>
<td>981</td>
</tr>
<tr>
<td>2002/2003</td>
<td>4,153</td>
<td>1,304</td>
</tr>
<tr>
<td>2003/2004</td>
<td>4,070</td>
<td>1,688</td>
</tr>
<tr>
<td>2004/2005</td>
<td>5,825</td>
<td>1,799</td>
</tr>
<tr>
<td>2005/2006</td>
<td>5,821</td>
<td>2,266</td>
</tr>
<tr>
<td>2006/2007</td>
<td>5,701</td>
<td>2,231</td>
</tr>
<tr>
<td>2007/2008</td>
<td>6,756</td>
<td>2,402</td>
</tr>
<tr>
<td>2008/2009</td>
<td>9,276</td>
<td>2,681</td>
</tr>
<tr>
<td>2009/2010</td>
<td>10,089</td>
<td></td>
</tr>
</tbody>
</table>

Hungarian Central Statistical Office

When we consider certain relations in advanced vocational education (the list is incomplete), we can see the following trends:

- According to the National Qualification Register effective from 26 July 2011. 07. 26, the number of full qualifications is 30, however their number, including partial qualifications, branch qualifications and build-on qualifications, taking every learning outcome into consideration, is the multiple of this 30 qualifications.
- Regarding the popularity of fields of study, the ranking is the following:
  - Economics (Trade group nr. 15)
  - Horeca-tourism (Trade group nr. 18)
  - Trade-marketing-business administration (Trade group nr. 17)
  - Administration (Trade group nr. 16.)
  - Arts, popular education, communication (Trade group nr. 4)
  - etc.

One determinant of negative phenomena in the functioning of VET institutions is the decline in the number of students available for enrolment. The consequences were two-fold: institutions indiscriminately admitted almost anyone who met rudimentary formal requirements; and a part of capacities that became redundant, or were deemed to have become redundant were handed over to private schools. In 2010, 80.9 per cent of advanced VET in secondary vocational schools and 47.6 per cent of education and training following intermediate level maturity examination were provided by privately owned and church-maintained institutions. In view of the fact that private schools can only access normative central budgetary financing, and do not receive supplementary funding, it sometimes happens that they strive to reduce costs rather than improve the quality of education and training. Additionally, due to cost-efficiency measures, in recent years budgetary funding has not increased even in nominal terms. In fact, its real value has declined, however in itself this did not endanger entire vocational education and training.

The preparedness and motivation of students studying in secondary vocational schools VET grades is quite heterogeneous. To train them successfully would require differentiated pedagogical tools, for which conditions are lacking, however.

---

III.5. Labour market outcomes from postsecondary VET programmes

Small-scale research studies and employment statistics provide information on labour market outcomes from post-secondary VET programmes. Typically, a majority of youth do not enter employment upon attaining vocational qualifications, but continue their studies. Hungary’s segmented labour market shows major regional disparities. Job prospects are better in the West Hungary and Central Hungary regions, with young people commanding higher wages. In Hungary sixty per cent of youth in full-time education take the maturity examination, with another ten percent in adult education doing likewise. In consequence, the maturity examination and post-secondary VET must be subjected to scrutiny not only as an outcome rewarded in the labour market. Today the situation is reversed, and the labour market punishes those who lack the certificate of maturity examination with low wages and insecurity of employment. It is an international trend that the time between graduating from secondary school and integration in the labour market is becoming longer. Frequently, negative labour market information rather than actual labour market demand determines young people’s choice of career.

III.6. Trends in demand and supply for different skills (disaggregated by level and type of study (post-secondary, tertiary, VET vs. general education) and field of study

In recent years the Hungarian Chamber of Commerce and Industry (MKIK) and other employer organisations, for instance the National Federation of Hungarian Contractors (ÉVOSZ) have conducted extensive surveys in relation to demand for different qualifications. The findings of the surveys revealed that in VET the ratio of those with qualifications in the construction, metal industry, electrotechnology fields was very low compared with demand. Labour market experience shows highly favourable job prospects for entry-level engineers and professionals with higher education level information technology and economics qualifications. According to Hungarian domestic statistics and international comparative surveys, the number and ratio of persons acquiring technical, natural sciences and mathematical qualifications in Hungarian higher education is very low.

Chapter 4 of the publication entitled “A bridge to the future: European policy for vocational education and training 2002-2010 - National Policy-Report Hungary 2010” contains an English language summary of the surveys conducted by the Hungarian Chamber of Commerce and Industry.  

THEME 4: STRENGTHENING THE LINKS BETWEEN VET AND THE LABOUR MARKET.....32
4.1 Identifying and anticipating skill needs..........................................................32
4.1.1 Surveys conducted by MKIK GVI.................................................................33
4.2 Integrating skill needs of the labour market into VET provision.......................35

Chapter 8 of the REFERNET 2001 country report analyses the issue from a different perspective:  

8. MATCHING VET PROVISION (SKILLS) WITH LABOUR MARKET NEEDS (JOBS) ..................86
8.1. Systems And Mechanisms For The Anticipation Of Skill Needs (In Sectors, Occupations, Education Level) ............................................................. 86
8.2. Practices to Match VET Provision (skills) with Skill Needs (jobs)..................... 87

III.7. Transitions into other educational programmes including academic tertiary programmes.

NSZFI Career Monitoring System data for the period between September 2010 and 31 August 2011 show that 14,929 persons out of 101,047 who took a vocational examination possessed post-secondary vocational qualifications.

In 2009, 67.9 per cent of students newly enrolled in tertiary education had grammar school qualifications, 24.5 per cent secondary vocational school qualifications, and 0.93 per cent technician qualifications. Statistics do not distinguish between the group of those with a secondary vocational school certificate of maturity examination and the group of those with vocational qualifications.  

---

26 http://db.okm.gov.hu/statisztika/fs09_fm/
IV. Mix of provision

IV.1. How do you determine the mix of provision of post-secondary VET (which programmes, how many places in each programme)? What role does evidence on labour market needs play in determining the mix of provision and how is this information acquired?

The determination of the mix of provision of post-secondary VET fits into a unified system of VET regulation; it does not deviate from the determination of the mix of provision for vocational school education and training.

Topical English language information on the issue is available in Chapter 8.4. of the publication entitled “A bridge to the future: European Policy for Vocational education and training 2002-2010 - National policy report Hungary 2010”.

8.4 Improving VET governance........................................................................................................104
8.4.1 Establishment of the Regional Development and Training Committees (Regionális Fejlesztési és Képzési Bizottság, RFKB).....................................................................................105

IV.2. Which stakeholders are involved in determining the mix of provision? Through which institutions are their views expressed?

Regional development and training committees (RFKB) are currently responsible for determining the mix of provision. The committee comprises representatives (one for each region) of national employer and employee federations and their organisations, regional economic chambers, the minister in charge of education, the minister in charge of VET and adult education and training, the state employment body, the regional development council, and the educational office acting in its public education capacity, as well as the (three) representatives of maintainers of institutions providing VET, all of whom are represented in the National Interest Reconciliation Council.

The committee chair and – based on a joint proposal by the economic chambers – co-chair, as well as its members, are requested by the minister in charge of VET and adult education and training to serve for a three-year-long term. The representative of the minister in charge of VET qualifications can participate in the committee’s work with a right of consultation.

Managing the organisation of the committee’s work, the National Employment Service is responsible for preparing and implementing decisions, proposals, resolutions related to the committee’s functioning. It also attends to duties in conjunction with the utilisation of its operational expenditures.

V. Workplace training

V.1. What role does workplace training play in the delivery of these programmes?

Integrating training and practice


5.4. Alternance Training (Incl. Apprenticeship)….52

A mere 10 per cent of students studying in secondary vocational school VET grades have a student contract, with 17 per cent receiving practical training under the framework of a co-operation agreement between the school and the venue of practical training.

Table 22: Distribution of full-time students in ‘VET grades’ by school type, venue and legal form of practical training in 2010/11 (%)

<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>44.60</td>
<td>72.75</td>
</tr>
<tr>
<td>Outside based on a cooperation agreement</td>
<td>4.95</td>
<td>17.18</td>
</tr>
<tr>
<td>Outside based on a student contract</td>
<td>50.45</td>
<td>10.07</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.


The primary cause of the low share is that the ratio of practical training is low in secondary vocational school training programmes, which does not make student contracts possible. It is primarily in the technical field that co-operation between schools and workplaces is possible. However, currently effective vocational and examination requirements also mandate summer workplace practice in multi-year education and training programmes.

Policy to facilitate student contracts (2003-)

Upping the share of student contracts has been a defining objective of the past decade. The pivotal steps are documented in-depth in Chapters 4.2-4.4 of the publication entitled “A bridge to the future: European policy for vocational education and training 2002-2010 - National Policy Report Hungary 2010” http://libserver.cedefop.europa.eu/vetelib/2010/vetpolicy/2010_NPR_HU.pdf

4.2 Integrating skill needs of the labour market into VET provision..................................................35
4.2.1 Scholarship for vocational school students training in occupations high in demand (national)........................................................................................................................................36
4.2.2 Local VET scholarship programmes..................................................................................................................37
Zalaegerszeg................................................................................................................................................38
4.3 Involving labour market actors in VET.................................................................................................39
4.3.1 Delegation of state functions to the Hungarian Chamber of Commerce and Industry (Magyar Kereskedelmi és Iparkamara, MKIK) (2004-)........................................................................40
4.4 Promoting workplace learning.................................................................................................................41
4.4.1 Promotion of student contracts (2003 -).................................................................................................42

V.2. Are there any forms of quality assurance in place in workplace training?

In-depth information concerning further development of quality assurance systems in VET is available in Chapters 6.1-6.2 of the publication entitled “A bridge to the future: European policy for vocational education and training 2002-2010 - National Policy-Report Hungary 2010”.

Further development of quality assurance systems primarily targets formal school education. Monitoring enterprise-based training is the remit of the economic chamber. In line with German practice, the Chamber sets technical and personnel criteria of practical training and monitors them. The chamber organises an intermediate exam for students subsequently to the completion of the first training year; in turn, this is a prerequisite, in specific occupations, for moving forward or being allowed to take exams.

The Chamber is responsible for organising vocational competitions for students, which likewise impacts quality of practical training.

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30 A bridge to the future: European policy for vocational education and training 2002-2010 - National Policy-Report Hungary 2010  
VI. Access routes, second chance opportunities and equity

VI.1. Do barriers exist that prevent students from moving between different levels of education?

Above all, the lack of secondary school qualifications is the barrier that prevents students from moving between levels of education – in relation to the completion of secondary school or in post-maturity examination education and training. In Hungary today, approximately 60 per cent of the youth take their maturity examination at age 18/19 in the framework of full-time education. An additional approximately 10 per cent take their maturity examination in the framework of part-time adult education. Fluctuation in student numbers and shares of students have been influenced by changes like, for instance, the introduction of foreign language preparatory classes, which four years later led to a drop in the number of students passing their exams.

Going forward, the regulation in the new VET bill provides for the introduction of flexible new programmes to prepare students with vocational school qualifications for the secondary vocational school maturity examination. Accordingly, vocational qualifications may be accepted in place of the vocational exam requirement of the maturity examination. The bill also provides for a more flexible regulation that facilitates joining the VET grade. Currently, the number of places available for post-secondary VET exceeds demand. Today, the option of learning an occupation is open to all who hold a certificate of maturity examination. Another barrier preventing students from moving freely between levels of education are RFKB (or county development and training committee) decisions cutting the number of places in post-secondary or post-maturity examination training. A further barrier is that free of charge full-time training is currently available up to age 23; older students taking part in school-based adult education pay fees, tuition fees, and, in adult education, training fees.

VI.2. What role does the post-secondary VET system play in providing second chance opportunities to students who want to re-enter the system?

In Hungary today, post-secondary VET is a “second chance” institution – despite the fact that with its popularity disadvantaged youth also take the maturity examination. At the same time, in light of the employment data, it is obvious that acquiring professional qualifications is clearly an unavoidable condition of labour market entry and long-term employment. Youth who have taken the maturity examination and have dropped out of a training programme or do not wish to complete a previously chosen training, can, up to age 23, participate in full-time education free of charge.

VI.3. What kind of equity function does post-secondary VET play with regard to integrating disadvantaged groups?

Today, poor and average performing learners account for a very high ratio of secondary vocational students. Hungary has a two-tier maturity examination requirement: students can take the examination at intermediate and advanced levels. The majority of secondary vocational school students takes the exam at intermediate level, albeit they still have the opportunity to take part in the exam again later. When applying for admission to higher education, the results of the re-sit examination will be taken into consideration. Technician qualifications acquired in post-maturity examination VET, levels 54

31 http://www.parlament.hu/irom39/04919/04919.pdf Section 24
and 55 qualifications, and foreign language examinations likewise provide additional admission points. Post-maturity examination training thus provides knowledge and additional points required for continuing education at college/university even for those students who, owing to their social welfare situation, performed poorly at their maturity examination.
VII. Transition to the labour market

VII. Please provide data, if available, on return

There is no reliable data on returns to different types of education. In 2010 the employment rate of

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>15–19 year-olds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Male</td>
<td>Female</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>8.4</td>
<td>58.9</td>
<td>82.6</td>
<td>8</td>
<td>45.9</td>
<td>56.8</td>
</tr>
<tr>
<td>2005</td>
<td>4</td>
<td>43.6</td>
<td>81.9</td>
<td>2.6</td>
<td>34.7</td>
<td>59.8</td>
</tr>
<tr>
<td>2010</td>
<td>2.1</td>
<td>36.8</td>
<td>73.1</td>
<td>1.9</td>
<td>30.3</td>
<td>59.8</td>
</tr>
</tbody>
</table>

In examining returns to different types of education, a comparison is made between the individual’s training expenditures and income not earned during the training period with the extra income achieved via higher qualifications.

Given that unskilled youth and young adults face limited job prospects, the issue of lost income by youth under 20 or young people aged 20-22 in full-time post-secondary education is negligible. For the majority, involvement in VET is not the path to higher income, but a prerequisite of labour market entry.

An attempt could be made to compare the training costs of persons with vocational school qualifications and those entering post-secondary training with the loss of income experienced while studying.

In the past ten years, vocational school education and training took 2+2 or 2+3 years. People who acquired secondary vocational school VET grade qualifications spent 4+2 or 4+1 years in education. The Hungarian Chamber of Commerce and Industry (MKIK) surveys show that compared with the entire age cohort graduating in 2010, barely 30 per cent of vocational school graduates entered employment in their learned occupations within nine months of graduation. Accordingly, the loss of earned income of students with secondary school-based vocational post-secondary qualifications was presumably not significant. 2007 survey data provide information on the wage levels of people with diverse qualifications.

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33 http://portal.ksh.hu/pls/ksh/docs/hun/xstadat/xstadat_eves/i_qlf016b.html?42
<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>Public Sector</th>
<th>Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average wage HUF/capita/month</td>
<td></td>
</tr>
<tr>
<td>Primary school grades 0-7</td>
<td>131,923</td>
<td>124,461</td>
</tr>
<tr>
<td>Primary school grade 8</td>
<td>108,499</td>
<td>110,326</td>
</tr>
<tr>
<td>Vocational school</td>
<td>130,960</td>
<td>117,784</td>
</tr>
<tr>
<td>Skilled-worker training school</td>
<td>120,206</td>
<td>130,830</td>
</tr>
<tr>
<td>Secondary vocational school</td>
<td>161,699</td>
<td>170,750</td>
</tr>
<tr>
<td>Technical school</td>
<td>152,056</td>
<td>179,292</td>
</tr>
<tr>
<td>Grammar school</td>
<td>175,020</td>
<td>214,216</td>
</tr>
<tr>
<td>College</td>
<td>223,531</td>
<td>348,651</td>
</tr>
<tr>
<td>University</td>
<td>331,107</td>
<td>501,688</td>
</tr>
<tr>
<td>Total</td>
<td>194,365</td>
<td>183,017</td>
</tr>
</tbody>
</table>

The majority of students in the “secondary vocational school” row of the table acquired secondary vocational school educational attainment between 1972 and 2003. Most of them acquired their vocational qualifications in tandem with their certificate of maturity examination at age 18. During the given period, technician training lasted longer than “secondary vocational school” training.

Based on the table, it seems that a slight expenditure in full-time education and a substantial income boost can be inferred – provided the person acquiring VET qualifications can find a job. This holds especially true when comparing the wage of a young employee with post-secondary educational attainment with the minimum wage accessible to an unskilled youth of similar age.

It must, however, also be taken into account that higher educational attainment also enhances the security of employment. Another fact to be considered is that key competences and social welfare parameters of people who have taken the maturity examination are rapidly gaining importance in today’s labour market.

In adult education, lost wages are measurable as cost and reimbursement cost payable for training. This is, however, generally compensated by improved job prospects, higher wages, and improved employment conditions.

---

**VIII: Steering and governance**

**VIII.1 Please describe the steering arrangements for post-secondary VET programmes and institutions**

Regardless of whether training is provided in the vocational grades of vocational schools (upper secondary level) or of secondary vocational schools (post-secondary level), education in the vocational grades of VET institutions is invariably governed by Act LXXVI of 1993 on vocational education, Act LXXIX of 1993 on public education and the Decree on the vocational and examination requirements and the central programmes of qualifications, and the organisation of vocational examinations.

Post-secondary vocational programmes categorised under ISCED 5B are subject to the legislation on vocational education and public education if they are delivered in a secondary vocational school, and are governed by the Act on Higher Education and its implementation decree if such programmes are provided in the framework of higher education.

In the meantime, the regulation described here will change according to the new Act on Vocational Education and Training and the new Higher Education Act passed in Parliament recently that universities and colleges will be held solely responsible for advanced vocational qualifications, and the studies can only be pursued by persons with special student status.

Where training is delivered by an adult education institution – in the case of programmes coming under levels 51–54 –, the legislation relevant to adult education applies.

Refer to Chapters 4, 5 and 6 of the Country Report of 2011 to find detailed information concerning the operation and governance of the institutional framework.\(^{36}\)

**VIII.2 How are responsibilities shared between central and regional levels of government?**

The central government lays down the laws and the conditions applicable to the financing and operation of the institutions, and it also issues the curriculum and provides the major part of budgetary funds. Under the legislation in effect, at present the operation of VET institutions falls under the competence of the counties and local governments (Article 85 of the Public Education Act). A new public education act replacing the old one has been published, according to which state involvement in the operation of vocational training institutions will increase.

The Regional Development and Training Committees established by the amendment of the Public Education Act in 2007 cooperate in the harmonisation of labour market demands and the development of VET in public education, in particular:

- as part of the concept for the long and medium-term development of the region and its development programme, they determine the course for the development of VET within the formal school system;
- they cooperate in creating consistency between VET within and outside the formal school system and VET in public education and higher education;
- they set the course for the development of VET and its schooling rates in the region;
- they participate in the preparation and implementation of calls for applications related to the development of formal VET as well as of development programmes;

they participate in the operation of the career monitoring system;
they initiate the establishment of associations for VET organisation at local governments in the regions.

According to the new Act on Vocational Education and Training approved in December 2011, these committees will be converted into county development and training committees, and can only propose directions and proportions in training, which will be transformed into regulations via state decrees. Their proposals and the state decrees confirming (or slightly modifying them) will affect state-funded adult education in the county to a greater extent.

Any local government maintaining a school which performs tasks related to vocational education may join a associations for VET organisation. **Joining an association for VET organisation is conditional on the acceptance of the decisions of the Regional Development and Training Committee with regard to VET development.**

The major pillars for VET financing are the per capita state contribution and the subfund of the labour market fund earmarked for vocational training. With effect from 2008, the rules of financing have changed in that only those institutions are entitled to support from the training subfund that are members of an association for VET organisation or the Regional Integrated Vocational Training Centre. Subsequently, the majority of local governments have surrendered their authorisations for framing training provision, and so the planning of VET as well as the determination of the course of development and schooling rates have been remitted to the competence of the Regional Development and Training Committees.

For current information on the Committees in English, see Chapter 8.4 of the publication “A bridge to the future: European Policy for Vocational Education and Training 2002-10 - National policy report Hungary 2010”. 37

**VIII.3 How are the different forms of institution governed? What degree of autonomy do they have in selecting their staff and determining education offers and the use of resources?**

Institutions having joined an association for VET organisation have limited autonomy in determining their education offer because of the Regional Development and Training Committees. The institutions’ scope for determining staff and resources is regulated by the maintainer. A decisive means of regulation is financing. (See: Question IX.)

Private schools enjoy autonomy in respect of their operation, and as legally independent institutions they function separately from the municipal education system, but their financing and educational activity are regulated by the state. If they engage in the execution of municipal tasks, they may conclude an agreement for public education with the local or county government (or the minister if the institution performs regional or national tasks).

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a) Areas of decision effected by the governing entities: only schools and the central level have the right to decide in matters concerning the organisation of instruction. The local and the regional levels play an insignificant role here (e.g. local authorities are not entitled to examine directly the professional content of school programmes);

b) with regard to planning and structures, governing rights are shared between the various levels (the foundation of schools is a purely local issue, examinations are centrally regulated, and schools have a say in defining the subjects taught);

c) schools and local authorities play a relatively major part in the decisions affecting staff as there are only general rules defined at the national level. The school decides which teachers to employ and the headmaster is appointed by the local authority, their promotion and their salaries are determined locally in conformity with the national rules;

d) resource allocation, that is, drawing up the budget and determining the payroll budget. In this regard, important characteristics of the governance of the Hungarian public education can be described as follows: the local level plays a decisive role in resource allocation, however, most of the schools have some degree of autonomy in financial management.
 IX: Funding and incentives

IX.1 What is the balance between public funding, employer-provided and individually purchased post-secondary VET? (data)

The following statistics on successful examinations passed between 1 September 2010 and 31 August 2011 provide an insight into the rates of the different funding forms of VET. (Table 10)

The number of examinees studying within and outside the formal school system broken down by former educational attainment and the level of education (1 September 2010 – 31 August 2011)

<table>
<thead>
<tr>
<th>Former educational attainment</th>
<th>Certificate of maturity examination</th>
<th>Higher education degree</th>
<th>Vocational graduate holding a certificate of maturity examination</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Within the formal school system</td>
<td>Outside the formal school system</td>
<td>Within the formal school system</td>
<td>Outside the formal school system</td>
</tr>
<tr>
<td>21</td>
<td>3</td>
<td>498</td>
<td>0</td>
<td>101</td>
</tr>
<tr>
<td>31</td>
<td>647</td>
<td>15,353</td>
<td>16</td>
<td>2,766</td>
</tr>
<tr>
<td>33</td>
<td>1,244</td>
<td>5,224</td>
<td>14</td>
<td>1,003</td>
</tr>
<tr>
<td>51</td>
<td>983</td>
<td>1,407</td>
<td>2</td>
<td>217</td>
</tr>
<tr>
<td>52</td>
<td>9,160</td>
<td>10,263</td>
<td>123</td>
<td>2,292</td>
</tr>
<tr>
<td>54</td>
<td>10,952</td>
<td>9,060</td>
<td>182</td>
<td>4,910</td>
</tr>
<tr>
<td>55</td>
<td>7,711</td>
<td>1</td>
<td>183</td>
<td>0</td>
</tr>
<tr>
<td>61</td>
<td>0</td>
<td>36</td>
<td>0</td>
<td>1,621</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30,700</td>
<td>41,842</td>
<td>520</td>
<td>12,910</td>
</tr>
</tbody>
</table>

Students in the formal school system can pursue their studies in full-time, evening or correspondence programmes.

Number of students in full-time education and adult education in academic year 2009/2010

<table>
<thead>
<tr>
<th></th>
<th>Secondary school</th>
<th>Vocational education</th>
<th>Higher education institution</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Level 51-54</td>
<td>Level 55</td>
<td>Level 55</td>
<td></td>
</tr>
<tr>
<td>Full-time education</td>
<td>49,514*</td>
<td>12,314</td>
<td>14,875</td>
<td>76,703</td>
</tr>
<tr>
<td>Adult education</td>
<td>13,013</td>
<td>6,081</td>
<td>3,536</td>
<td>22,630</td>
</tr>
<tr>
<td>Altogether</td>
<td>62,527</td>
<td>18,395</td>
<td>18,511</td>
<td>99,433</td>
</tr>
</tbody>
</table>

*including the number of students in arts education in the secondary school grades of secondary vocational schools

Studying for the first qualification in full-time formal education is free of charge.

Training programmes individually purchased:

• training within the formal school system leading to the award of a second or any additional qualification;
• formal VET organised in adult education (evening, correspondence courses, distance learning);
• VET in adult education provided in accordance with an adult education contract.

Based on the above, it can be concluded that 22.76 percent of the students in formal VET participated in adult education, where the charges payable for the first qualification are relatively low, whereas the tuition charged for a second qualification equals the actual training cost.

There are no data available on the ratio of students acquiring a second qualification in full-time training.

A considerable part of students in adult education pays a tuition fee, which covers the cost of the training. Primarily, it is unemployed people and disadvantaged minorities who can enrol for free or subsidised training courses. However, the duration of the majority of training courses supported by the labour organisation is short, and these do not lead to a post-secondary qualification.

Employers have the possibility to channel a part of their vocational training contribution into the training of their own employees. These funds are usually spent on short, special training courses, language and IT courses, and not on post-secondary training. (The automatic access to this form of funding was eliminated, and the subsidy has become application-based as from January 1, 2012, in accordance with the statutes of the new Act on Vocational Education and Training approved at the end of 2011.)

IX.2 Is there a difference in government funding of post-secondary vocational as opposed to academic programmes?

Budgetary support for VET within the formal school system in a given economic year is determined by the Budget Act. Until 2006 support was entirely headcount-based with predefined per capita quotas allotted to vocational-theoretical and practical training. This amount was supplemented by the maintainer, principally by the local government. Secondary vocational schools could apply for additional support from the vocational training fund or receive direct support from employers and companies.

At present a basic contribution is allocated for vocational-theoretical training in schools, which in theory covers the pay of teachers. This basic contribution is awarded for a group of students of a specific headcount as laid down in the Public Education Act in respect of the given institution and the number of classes defined in the Public Education Act. In the case of smaller groups and number of classes this amount decreases. Support for practical training is determined on the basis of the number of students. Over the past five years, both the amount of contribution from the fund and that of additional support for practical training decreased.

39 Annex to the budget acts for the specific years
<table>
<thead>
<tr>
<th>Name of per capita grant/year</th>
<th>Contribution from the public education fund (HUF/performance indicator/year)</th>
<th>Additional support for practical training (HUF/head/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-2008</td>
<td>2,550,000</td>
<td>112,000</td>
</tr>
<tr>
<td>2009</td>
<td>2,540,000</td>
<td>106,000</td>
</tr>
<tr>
<td>2010-2011</td>
<td>2,350,000</td>
<td>98,000</td>
</tr>
</tbody>
</table>

Per capita grants for higher education institutions are established as a function of academic programmes and the areas of training and are laid down in a government decree (HUF 1000/year/head). The amount of the support (per capita training grant) is defined for, and differentiated between, the categories of master programmes, bachelor programmes, one-tier programmes, university education and college education.

The table shows that support for higher education institutions is higher in the case of natural sciences, technical, healthcare and arts programmes, while for programmes in economics, social sciences and teacher training support is at a similar but lower level. Based on their scientific activity, higher education institutions are eligible for additional support the assessment and consideration of which is irrelevant when comparing grant amounts. (See: Table 14 in the Annex.) (Due to the acts passed recently and lower level regulations in preparation the strategy of financing will change in public education as well as in vocational education and training and higher education.)

**IX.3 What financial incentive mechanisms encourage individuals, employers and providers to engage in post-secondary VET? (data)**

The detailed rules for the funding of vocational-theoretical and practical training in vocational schools are laid down in the Public Education Act and the Budget Act. The obligation of economic organisations to contribute to practical training is regulated in the Act on vocational training contribution and support for the development of the training system (hereinafter referred to as the ‘Contribution Act’).

For a detailed description of the funding of vocational training, see pages 95–101 of the Country Report of 2011.

The possibility for individuals to pursue studies free of charge or in certain cases for relatively moderate charges, and that training institutions are eligible for a per capita grant or may be entitled to support from the vocational training fund are decisive factors. Involvement in the training of students enables employers to ensure a labour force that matches their demands on the one hand; and, on the other hand, it allows them to use their vocational training contribution as they find fit. (From January 1, 2012 employers can only set the practical training of the student against their VET contribution levy automatically, every other earlier form of subsidy shall become application-based concerning VET institutions, higher education practical training programmes and own employees.)

**IX.4 What kind of student funding arrangements are in place? Are student fees subsidised? (data)**

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Under the Public Education Act, studying for the first qualification in post-secondary VET – up to the age of 23 in full-time education – is free of charge. For certain disadvantaged groups training is always free. Charges are payable for the second qualification and the first qualification in adult education. Tuition must be paid for any other training. The rate of the charges and the amount of the tuition can decrease in consideration of academic results and social conditions.

Formal VET is delivered in the framework of vocational-theoretical and practical training in accordance with the vocational and examination requirements defined for the given qualification listed in the National Qualifications Register and on the basis of the central programme (curriculum) drafted for that specific qualification. Practical training provided in vocational schools or at an economic organisation in full-time education is free as per the provisions of the Public Education Act. Students who conclude an apprenticeship contract receive remuneration from the economic organisation providing the practical training, the amount of which – in the first semester of the training – equals at least twenty percent of the currently effective minimum wage defined by law. For the term of their practical training, students are entitled to meals at a discounted rate, work clothes, personal protective equipment (protective clothes), sanitary facilities and the reimbursement of travel expenses.

Students are also eligible for these benefits during their compulsory apprenticeship period in the summer, or in the case of advanced vocational programmes (tertiary level) during their internship period.
X: Social partners

X.1 What roles do social partners (employers and trade unions) play in the system? Through which institutions?

For current information on the role of social partners in English, see Chapters 4 and 8.4 of the publication “A bridge to the future: European Policy for Vocational Education and Training 2002-10 - National policy report Hungary 2010”.41

XI: Qualifications framework

XI: Does a national qualifications framework exist? If yes, how is it structured and how does it impact on these programmes?

For a brief summary on the qualifications framework, see Chapter 9.1.1 of the VET policy report42

XII: Teaching

XII.1 What are the qualifications requirements for teachers and trainers in post-secondary VET programmes and institutions? How are these persons prepared for the job? What kinds of teacher quality assurance mechanisms are in place?

The qualification requirements of trainers in post-secondary VET are governed by Articles 17(1) and 128(5) of Act LXXIX of 1993 on public education. General subjects are taught by holders of a relevant master level teacher’s degree, while subjects in the field of arts, physical education and technical-practical instruction are delivered by holders of a corresponding teacher’s degree. Vocational theory or vocational preparatory subjects as well as knowledge related to vocational foundations and career orientation are taught by holders of a relevant teacher’s degree or a relevant higher education degree as is the case with trainers overseeing practical training.

In secondary art schools, teachers of art subjects are required to hold a teacher’s degree in the corresponding field, and from grade 11 on, if university education in the relevant field is available, teachers are required to hold a master level teacher’s degree which corresponds to the art subject taught or hold a relevant art degree and qualifications.

Based on the provisions of Article 128(5) of the Act, under certain circumstances those who do not possess the qualification stipulated in Article 17 may also be employed. Accordingly, those with a certificate of maturity examination and a technical or vocational trainer’s certificate awarded after the completion of a qualifying course or holding a technician teacher’s certificate may continue to be

employed and engaged as teachers overseeing practical training. Vocational theory subjects in secondary vocational schools and vocational preparatory subjects in grades eleven to thirteen may be taught by holders of a relevant bachelor level teacher’s degree or a relevant higher education degree and qualification if as of 1 September 1996 the person concerned acquired at least seven years of experience as a teacher in the given position since the award of the certificate and the conferral of the degree. The period spent as an instructor at an enterprise qualifies as experience gained as a technical or vocational trainer.

Teachers are trained at colleges and universities. Professionals with a corresponding higher education degree who teach vocational theory and practical subjects are prepared for instruction by the pedagogy departments of higher education institutions of technology, economics, etc., generally as part of a two-year-long full-time or correspondence programme.

Chapter 7 of the Country Report of 2011 provides detailed information on the training and further training of teachers and trainers working in VET institutions. Please, refer to Chapters 7.1 and 7.2 of the VET policy report to read about quality development and the measures to improve the efficiency of education.

Quality assurance is facilitated by the system of compulsory in-service teacher training, which is stipulated in Article 19(8) of the Public Education Act. Teachers attend in-service training at least on one occasion every seven years. Teachers participating in in-service training and successfully completing their studies should be awarded financial recognition. Employment or the public employee status of a teacher can be terminated if, due to his or her own fault, he or she fails to participate in in-service training or to successfully complete his or her studies. Teachers having passed the post-graduate professional examination or any examination specified by law are not required to attend in-service training for seven years following the examination.

The conditions of in-service training are regulated by Government Decree No. 277/1997 (XII. 22.) on in-service teacher training, post-graduate professional examinations and the allowances and benefits of teachers undertaking in-service training. The post-graduate professional examinations of teachers, which is taken at the end of a four-semester-long programme pursued in a higher education institution, is a precondition of fulfilling certain teaching positions.

XII.2 Are there any problems of teacher/trainer shortage? (data) If yes, how are they tackled?

According to statistical data in 2009, the number of teachers in secondary vocational schools was 19,772 and within this, the number of trainers overseeing practical training equalled 4,755 on the whole. Based on the data of the flash report of 30 November 2010, there are 13.8 students per teacher in secondary vocational schools (the Hungarian average is 11.5 students/teacher), which can be regarded favourable in a European comparison.

Demand for vocational education is determined by the number of those entering training. Over the past twenty years demographic indicators have continuously been deteriorating in Hungary. The number of those enrolling for post-secondary training will drop in the coming years, therefore education policy mainly focuses on the problems of those teachers who become redundant and lose their job. Employment concerns are likely to accumulate due to efforts of cost cuts, the rational organisation of education and the increase of class headcounts and group sizes.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>20</td>
<td>123,771</td>
<td>126,629</td>
<td>126,215</td>
<td>121,085</td>
<td>116,389</td>
<td>114,229</td>
<td>111,890</td>
<td>105,716</td>
<td>99,977</td>
</tr>
<tr>
<td>19</td>
<td>126,345</td>
<td>125,939</td>
<td>120,806</td>
<td>116,107</td>
<td>113,946</td>
<td>111,605</td>
<td>105,400</td>
<td>99,624</td>
<td>97,315</td>
</tr>
<tr>
<td>Total</td>
<td>250,116</td>
<td>252,568</td>
<td>247,021</td>
<td>237,192</td>
<td>230,335</td>
<td>225,834</td>
<td>217,290</td>
<td>205,340</td>
<td>197,292</td>
</tr>
</tbody>
</table>

At the same time, besides previous research results, interviews with school leaders often call attention to the fact that the average age of vocational teachers and trainers increases, and that there is a shortage of them with regard to certain qualifications sought on the labour market.

In Hungarian higher education, interest in technical and natural sciences qualifications has waned over recent years and the replacement of teachers and trainers in these fields may also be in jeopardy in the next years. Hence, the government considers it a priority to increase the rate of participation in mathematics, technology and natural sciences programmes.

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45 https://teir.vati.hu/rqdist/main?rq_app=icsszm&rq_proc=demof_init
XIII: Career guidance

XIII.1 Please, describe arrangements to provide career guidance for students in the course of their post-secondary VET programmes, and for those potentially choosing such programmes.

Secondary vocational schools are dominant players of post-secondary VET. These schools have 4 general secondary school grades preparing students for the maturity examination and 1 to 3 VET grades. The programme (framework curriculum) of secondary vocational schools completed in 2001 created the opportunity for providing career guidance in grades 9 and 10, in other words, it created possibilities for students to get acquainted with the qualifications of several trade groups, their typical activities and requirements. In the coming years, the programmes were modified so that orientation became limited to one trade group.

The work of secondary vocational schools was then guided by overarching modernisation programmes (the introduction of modular VET, the establishment of regional integrated vocational training centres, the expansion of the functions of regional development and training committees) and their resources were tied up with these development efforts.

Today there are different ways for students in secondary vocational schools to obtain information in their school or the regional vocational training centre about VET opportunities in the surrounding area of their respective schools. Education institutions usually designate a teacher who is in charge of career counselling and facilitates the transmission of information. The pedagogy institutes of the counties and the capital generally operate a career counselling working group, which, in addition to providing individual counselling and the further training of professionals offering career guidance in schools, compile the career guidance publications of the counties and the capital. These publications give information on training opportunities and usually reach each student.

Printed information materials are being increasingly replaced by thematic websites on the Internet, where students can learn about vocational qualifications, the typical activities and the entry requirements of training programmes.

The Hungarian career orientation model was constructed in the Framework of Programme 2.2.2 of the New Hungary Development Plan. The objective of the programme ‘The content and methodology development of the career orientation system’ was to work out the basic methodological principles of career orientation, to develop training materials, to produce films presenting different vocations, to organise further training courses and to set up a National Career Orientation Portal (http://eletpalya.munka.hu/palyavaltas).

Young people can select from a wide range of printed and on-line information carriers, which also extend to the programmes and opportunities offered in higher education.

XIII.2 How are the career guidance professionals prepared and trained for their work?

Within programme 2.2.2 of the New Hungary Development Plan, which was launched with the aim of creating the Hungarian career orientation model, two three-day-long further training courses were
organised for career guidance professionals in 10 different career orientation topics. These events were attended by a total of 2000 persons.

Teachers and trainers working in schools are required to do regular in-service training as stipulated by the Public Education Act. As part of compulsory in-service training, teachers who engage in career guidance also go through further training in career orientation.

XIII.3 What career information base is available to students and career counsellors?

Students can use the career guidance information available in the form of printed materials and on the Internet referred to in Point XIII.1. Besides the relevant literature career guidance professionals can access and use the databases containing offers provided by training institutions.
XIV: Quality assurance

XIV.1 Please, describe how quality is assured in post-secondary VET programmes (other than in workplace training).

Information in English concerning the most important steps taken in the field of quality development can be found in Chapter 6 of the VET policy report46 and Chapter 9.1.2 of the Country Report in 201147.

THEME 6: QUALITY, EXCELLENCE AND ATTRACTIVENESS OF VET.................................60
6.1 Improving the quality of VET.................................................................60
6.1.1 Efforts to introduce career monitoring into IVET (2007-).................................61
6.2 Promoting excellence in VET.................................................................63
6.2.1 Star of the Trade Festival..........................................................................64

9.1.2 Establishing a quality assurance system unified via CQAF-EQARF.........................111

XV.1 Please, briefly describe how policy in this field has evolved over the last 10 years.

The development of post-secondary VET has been influenced by demographic and economic conditions. Even though the GDP in the Hungarian economy grew by nearly 4 percent between 1997 and 2006, the rate of employment hardly changed and the employment rate of those aged 20–64 is still one of the lowest in the EU27. The employment rate of the age group between 15 and 24 years is especially unfavourable.48

<table>
<thead>
<tr>
<th>Year</th>
<th>15–19</th>
<th>20–24</th>
<th>15–19</th>
<th>20–24</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>years of age</td>
<td>years of age</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>2000</td>
<td>8.4</td>
<td>58.9</td>
<td>8</td>
<td>45.9</td>
</tr>
<tr>
<td>2005</td>
<td>4</td>
<td>43.6</td>
<td>2.6</td>
<td>34.7</td>
</tr>
<tr>
<td>2010</td>
<td>2.1</td>
<td>36.8</td>
<td>1.9</td>
<td>30.3</td>
</tr>
</tbody>
</table>

Due to the unfavourable employment situation, young people were mistrustful of the information provided by the economy. The numbers clearly indicate the worsening of the employment situation and the flight of young people into the shelter of training.

The number of persons aged 19 entering post-secondary training stagnated between 2003 and 2006 and then from 2007 it decreased by approximately 4 percent. However, the continuous deterioration of funding conditions – and pressure from the maintainers – compelled schools to increase group size and hence they perceived the stagnating headcount as negative development.

The most important steps in development policy in the last decade were the increase of the ratio of advanced vocational education (cf. Point III.1 on page 9), the development and introduction of modular training, the establishment of the regional integrated vocational training centres and the introduction of regional planning of training.

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See Point 5.7 of the Country Report of 2011 for detailed information in English about the development of advanced vocational education and the various chapters of the VET policy report on the modular development of the National Qualifications Register, the growth of the competences of employer organisations, the changes in financing and the new institutions of the regional planning of training.

XV.2 What developments and initiatives have taken place recently – or are in the stage of planning?

After the change of government in 2010, the Ministry for National Economy took over the governance of vocational education and after the comprehensive analysis of the situation it worked out a concept for the transformation of the VET system and its alignment with economic demands. In order to enhance the efficiency and effectiveness of VET and to create consistency between the training programmes and labour market demands, proposals have been made for the following steps:

- The number of those admissible to general secondary schools and secondary vocational schools must be limited in agreement with the minister responsible for education – in view of the criteria and the conditions developed in accordance with students’ abilities, and those with poorer educational performance should be directed to skilled worker training. Efficient career guidance has a major role to play in this.

- Admission to secondary vocational school should be subject to an entry examination or educational performance.

- Admission to the ninth grade of secondary vocational schools takes place by sector (20-30 sectors); in grades 9–12, in addition to general education provided in accordance with the framework curriculum, vocational-theoretical and practical education is delivered incorporating the content of the common elements of the post-secondary qualifications relating to the given sector.

- Expectation is that young people studying in secondary vocational schools graduate with a qualification that is useful on the labour market even if they do not continue to study a vocation after the vocational maturity examination. The certificate of the vocational maturity examination should therefore entitle its holder to take up specific jobs as defined on the basis of the proposals of the minister responsible for the qualification. Similarly to general secondary schools, students must pass the maturity examination in four general subjects and a maturity examination in one complex vocational subject, where the vocational maturity examination qualifies as an advanced-level maturity examination and the certificate certifies to certain jobs, but does not represent a qualification listed in the National Qualifications Register.

- The organisation of practical training in grades 9–12 takes place in the school workshop during the academic year, or where a cooperation agreement exists, at an out-of-school place.

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40
of practical training, whereas it is compulsory to undertake continuous summer apprenticeship at an out-of-school place of practical training.

- Students are and should be eligible for remuneration only for the continuous practical training – the enterprise can apply for the reimbursement of its costs, which is deducted from the vocational training contribution. Organisation of the practical training is the responsibility of the school, but if students find a place of practical training themselves, the school must support their decision.

- After the vocational maturity examination, young people can select from three options to continue. They can study for a vocation, which is conditional on holding a certificate of the maturity examination (this counts as a first qualification, and thus is free), that is, they can enrol for training leading to a qualification, they can enter higher education or in the possession of a certificate of the maturity examination, they can seek employment. The maturity examination taken in the vocational subject is an advanced-level examination and is considered for the purpose of examination when seeking admission to a relevant higher education programme.

Due to the new acts on education approved at the end of 2011 the presently heterogeneous regional integrated training centre structure will be simplified: in the long run, (following a 6-7 year transition period) only vocational schools maintained by municipalities, established on a regional level, integrated into one institution with a high number of students can maintain the status of a regional integrated training centre. Regional development and training committees will be organised at county instead of regional level, based on their proposition the decision concerning state-funded training courses will be issued in a government decree. The way the functions are shared between the ministries responsible for vocational education, qualifications and public education and the employer organisations will change and so will the regulation of the use and accounting of the vocational training fund. The transformation will start in January 2012, however decrees concerning certain transformation elements will become effective continuously, until the start of the schoolyear 2013-2014, the whole transformation process will be implemented in a longer period due to already started courses.
CHECKLIST

Self-assessment: strengths and challenges

1. Do the programmes on offer reflect labour market needs sufficiently?

The composition of the offer of post-secondary programmes in Hungary is determined by the conditions of training institutions and student demands to a greater extent than by labour market needs. Besides demographic conditions, this is caused by the uncertainty of labour market needs – the training offer is greater than the number of students wishing to study. Employer organisations keep reiterating professional shortage in vain while those holding the given qualification face a minimum wage and informal employment in certain sectors.

To influence the training offer, real employment opportunities and favourable experiences with placement, working conditions and salaries are needed.

As regards the relationship between vocational schools and employers, there are indeed favourable experiences as well. In skilled worker training more than 80 percent of the practical training provided was carried out in corporate apprentice workshops or at workplaces. In certain regions and sectors close cooperation between enterprises and training institutions is still typical, which has been promoted also by the accounting system used for the vocational training contribution. It is typical of training institutions and local governments in the regions to be contacted when major investments in the area are being prepared, and schools launch initial vocational training and adult education programmes that match the needs of the new workplaces.

Information concerning the gaps between training offer and labour market needs are often deficient or inaccurate. In the recent past the building industry kept calling attention to shortage in trained professionals. However, according to the survey of the career monitoring system of NSZFI, 23,000 people acquired qualifications in the building industry in 2010/11, and 22,000 persons were awarded a skilled worker qualification. Thus the problem in this sector is not the structure of the training offer, but the quality of training and the conditions of employment. (Annex: Table 13.)
2. Is high-quality workplace learning sufficiently well-integrated into the programmes on offer?

There is no single answer to this question. In the post-secondary sector, 60–70 percent of the training period is devoted to vocational theory and 30–40 is allotted to practical training. The time frame that can be dedicated to practice and the nature of the activities – laboratory practice for example – generally do not allow concluding student contracts for the majority of the qualifications.

In certain sectors, primarily in the areas of office work and administration, workplace training lacks tradition and experience.

The option of quality workplace training depends on the quality and the activity of the workplaces in the vicinity of the school. Where there are real employment opportunities with high expectations in the given region and if employers are willing to cooperate, the conditions for efficient workplace training are soon created.
3. Is there evidence of mismatch between the labour market skills provided by the education system and those required by the labour market? Could post-secondary VET programmes do more to fill the gaps?

The phrasing of this question is negative; there is no single answer to this question. The general view is that the proportion of white-collar qualifications in the training offer is very high, and, compared with employment needs, education, arts, communication, economics, administration, commerce and marketing, business administration, catering and tourism are over-represented. However, these ratios can only be read in the context of the structure of the economy, and the share of the above industries is on a steady rise in every post-industrial society.

According to others, the skills provided by the education system reflect the traditions, values and requirements of the school instead of labour market needs. If this is the case, development of the skills required by the labour market can only improve if the efficiency of cooperation by the economy increases and additional forms of cooperation emerge.

Students with a certificate of maturity examination obtaining their first qualification in VET per trade group (academic year 2010/2011)

<table>
<thead>
<tr>
<th>Trade group</th>
<th>Within formal system</th>
<th>Outside formal system</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Healthcare</td>
<td>1,922</td>
<td>4,123</td>
</tr>
<tr>
<td>2. Social services</td>
<td>1,627</td>
<td>1,615</td>
</tr>
<tr>
<td>3. Education</td>
<td>1,025</td>
<td>1,607</td>
</tr>
<tr>
<td>4. Art, general culture, communication</td>
<td>2,174</td>
<td>803</td>
</tr>
<tr>
<td>5. Mechanical engineering</td>
<td>1,336</td>
<td>1,712</td>
</tr>
<tr>
<td>6. Electric technology – electronics</td>
<td>954</td>
<td>588</td>
</tr>
<tr>
<td>7. Information technology</td>
<td>2,383</td>
<td>1,683</td>
</tr>
<tr>
<td>8. Chemical industry</td>
<td>269</td>
<td>395</td>
</tr>
<tr>
<td>9. Architecture</td>
<td>595</td>
<td>3,008</td>
</tr>
<tr>
<td>10. Light industry</td>
<td>71</td>
<td>40</td>
</tr>
<tr>
<td>11. Wood industry</td>
<td>290</td>
<td>62</td>
</tr>
<tr>
<td>12. Printing industry</td>
<td>107</td>
<td>49</td>
</tr>
<tr>
<td>13. Transportation</td>
<td>1,892</td>
<td>155</td>
</tr>
<tr>
<td>14. Environmental protection – water management</td>
<td>434</td>
<td>126</td>
</tr>
<tr>
<td>15. Economics</td>
<td>2,531</td>
<td>6,384</td>
</tr>
<tr>
<td>16. Administration</td>
<td>1,651</td>
<td>580</td>
</tr>
<tr>
<td>17. Commerce-marketing, business administration</td>
<td>4,604</td>
<td>6,263</td>
</tr>
<tr>
<td>18. Catering-tourism</td>
<td>3,706</td>
<td>2,472</td>
</tr>
<tr>
<td>19. Other services</td>
<td>2,011</td>
<td>7,962</td>
</tr>
<tr>
<td>20. Agriculture</td>
<td>916</td>
<td>2,053</td>
</tr>
</tbody>
</table>

Career Monitoring System, NSZFI, Table 11
4. Are career guidance arrangements adequate?

Development of the career counselling system is necessary partly because of the large proportion of career switchers and occupation switchers and partly because of high dropout rates. The development process commenced with the construction of the institutional model of career guidance, the development of training materials and the training of career counsellors. It is reasonable to define new areas as well, e.g. orientation in the final phase of primary school or the strengthening of initial vocational education and training in the secondary school grades of secondary vocational schools. Also, it is reasonable to develop short programmes for youth and young adults, which facilitate career selection and, at the same time, integrate remedial arrangements and the accumulation of professional experience.

5. Do funding arrangements provide the right incentives for the different stakeholders?

The per capita grants provided from the budget do not entirely cover the costs associated with the conditions necessary for the operation of the institutions today. Institutions that do not receive additional support from maintaining local governments or are not eligible for support from the vocational training subfund of the labour market fund are in a particularly adverse situation. Currently, support from the vocational training subfund is too bureaucratic and over-regulated.

Due to the upper age limit of full-time education provided free of charge, young people without an income from labour are also compelled to pay charges/tuition. Certain forms of training, e.g. technician training can only operate efficiently in full-time education. The provision of both the conditions for practical training and the related funds creates problems in part-time training. Where training can only be organised as part-time education for age limit reasons, the training form concerned could be lost also for the labour market.

6. Are teachers and trainers in post-secondary VET sufficiently well-prepared both in terms of pedagogical skills and practical industry experience?

Post-secondary VET usually employs teachers with a master’s degree and vocational trainers who hold a relevant bachelor’s degree and a teaching qualification. Many of them also have many years of workplace experience. General statements about the degree of their preparedness cannot be made. The need of educators to acquire workplace experience and to get familiar with new technologies has been recognised in all EU member states, but creating real opportunities for quality experience accumulation is the task and responsibility of not only education policy but also that of the economy. We encounter many instances of ‘best practice’ cooperation in Hungary as well; such cooperation takes place between companies using state-of-the-art technologies and the schools with which they cooperate. Current VET policy, which promotes cooperation between the economy and VET, will probably further the expansion of cooperation.

Over the past years we implemented a pilot project under subproject 2.2.1.6 of the Social Renewal Operational Programme in the topic ‘Providing vocational trainers with out-of-school workplace experience and enriching their practical knowledge’. In the framework of the pilot project, 81 vocational trainers from 56 VET institutions went through further training at 72 host organisations for a duration (1 to 5 months) corresponding to their vocational programme. In addition to gaining experience and inspiration in a rewarding way, the aim of the pilot programme was to incorporate vocational trainers’ experiences and suggestions (after their assessment) in the system documents.
Another result of the project is the various final assignments compiled by the vocational trainers, which they will utilise in their teaching activities when they return to their institutions. In the last years, modular and competence-based training was introduced. This was supported by wide-ranging further training programmes that focus on education organisation, the alignment of theoretical and practical training, the transfer of methods facilitating the development of competences and the acquisition of new forms of evaluation.

7. **Do the programmes grant sufficient access to all those who could benefit?**

At the moment, the places available in post-secondary VET is higher than the number of applicants. Everybody who possesses a certificate of maturity examination can study for a vocation. Free movement between the different levels of education can be limited by the decisions of the regional development and training committees (and the county development and training committees), according to which they can reduce the number of available places in training following secondary school education or maturity examination. A further barrier is the fact that at present free full-time training is available up to the age of 23, while older students pay charges or tuition in formal adult education and a training fee in adult education.

8. **Are employers and unions sufficiently engaged, nationally, locally and sectorally, in the planning and delivery of provision?**

Representatives of employer and employee organisations in the consultative bodies established in line with the Act on vocational education and training of 1993 have been entrusted with tasks as in the German model. The role became ever more formal during the 90’s. After the millennium the role of the Hungarian Chamber of Commerce and Industry strengthened, and over the last years it has been assigned duties of utmost importance in the survey of labour market needs, in regional development and training committees. The participation of employee representation organisations is poor. This is a consequence of general social and labour market conditions rather than that of VET policy. Based on the experiences, the institutional system of regional planning will change in the coming years through defining smaller planning units, counties and expanding the scope of institutions affected by committee decisions.
9. Do stakeholders regularly use data to evaluate programmes?

Data can be classified into three groups:

1. data related to the operation of education institutions, the number of students, successful examinations and the movement of students between institutions;
2. results of student performance measurements;
3. documents of scientific research, sociological surveys and education policy analyses.

Data categorised under the first group are available in a database. Based on the data, the Ministry for National Resources issues the Statistical Yearbook on Education which, however, does not contain detailed information on VET, e.g. on the number of students studying for specific qualifications, the number of students in the first, second, third vocational grades, the distribution of students in a given grade by age, etc.

Data on the placement of young career starters are also absent, although the IT conditions for career monitoring have been created.

It can be concluded that data under the first group are not available to decision-makers or can be obtained only upon individual request.

Data in the second and third groups are accessible. These data influence education policy decisions, but they are only considered by decision-makers to an extent they find this fit for the purpose of their preconceptions. Hence the former education government, which was committed to the implementation of the 10-grade elementary school and the introduction of a national core curriculum covering 12 grades, disregarded the recommendations concerning the structure of primary school put forward in the OECD proposals in December 2008.52

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Self-assessment summary

What, in your view, are the most important strengths of the post-secondary VET system? Are there examples of particularly good practice or innovative approaches worth sharing with other countries?

- Nearly one third of students born in the same year enter post-secondary VET today.
- VET relies on a broad network of schools and is available in most towns in the country.
- Even today it has a surplus capacity, which can be well utilised in adult education and adult training.
- The prestige of post-secondary training is high.
- Some of the institutions have been renovated from different funds available under calls for applications, and now these offer modern technical conditions.
- A significant part of teachers working in post-secondary VET hold both a master’s degree and a teaching qualification.
- Schools have been integrated into regional integrated vocational training centres, which enables cooperation and the efficient sharing of tasks between the institutions.
- Advanced vocational education (tertiary level) is a new option and it awards credits that are recognised for the purpose of higher education programmes.
- Technician qualifications, qualification under levels 54 and 55, earn extra points for those seeking admission to higher education.

What are the main challenges confronting the post-secondary VET system?

- Approximately 60 percent of young people in Hungary pass their maturity examination in full-time education and another 10 percent of them sit for these exams as part of evening/correspondence education. General and vocational secondary schools have become sites of mass education, but despite the introduction of the two-tier maturity examination, the curriculum and the requirements have not been adopted to reflect the change in the circle of students.
- In the secondary school grades of secondary vocational schools (upper secondary level, grades 9–12), the curriculum treats general education and vocational subjects as an extra, a part of the students fulfil the requirements formally.
- The teaching of vocational foundation provided in the secondary school grades of secondary vocational schools is inefficient, the vocational identity of the students is not consolidated, they fail to acquire appropriate work experience in the vocations taught in the given trade group, and their career choice decisions are unfounded.
- Funding for vocational grades is not differentiated between more cost-intensive technical and less cost-intensive office qualifications.
- The ratio of private schools is high, these have not joined the regional integrated vocational training centres and also teach vocations that were not supported by the regional development and training committees.
The share of advanced vocational education is very high: it admits nearly 40 percent of those enrolled in post-secondary training.

The rate of vocation switchers, early school leavers, dropouts and students who use advanced vocational education as preparation for a bachelor programme is also high.

Information – necessary for making decisions – on the distribution of students in vocational grades per qualification and grade, the movement of students between institutions and their integration in the labour market are not available to decision-makers.

What directions of policy development are needed?

Evidence-based VET policy tools can help tackle the problems listed above. Suggested steps:

• Instead of the additive curriculum model used in the secondary school grades of vocational secondary schools, vocational knowledge should be regarded as equivalent to general education and a higher proportion of general elements related to the vocation should be made available.

• Vocational identity should be consolidated by strengthening vocational training, expanding the scope for gaining workplace experience and providing qualifications – parallel to the certificate of maturity examination – that can be utilised on the labour market.

• The curriculum of the secondary school grades in secondary vocational schools can be worked out only after the concept of the new model of the maturity examination and of the vocational qualification that can be awarded parallel has been clarified. Analysis of international experience is also advisable. (Austrian and Scandinavian models.)

• The transformation of the training offer of post-secondary training should be built on cooperation with the economy, the recognition of real employment opportunities and the workplace experience of students. Cooperation between schools and workplaces enables the transformation of school programmes in order for students to acquire the skills required by the economy during their training.

• Institutions of advanced vocational education – which students often ‘use’ as a pre-university programme – should also be transformed: on the one hand by strengthening the vocational identity of students to create a need for the transfer of marketable qualifications of a high standard, and, on the other hand, by offering short programmes with a smaller number of contact hours which prepare students for university studies.

• The available capacities of secondary vocational schools should be utilised in adult education and training. The conditions of funding and the launch of training programmes should be clarified, and the in-service training of teachers/trainers as well as the development of model programmes must be ensured.

The majority of the proposed steps are included in the new VET Act enacted by Parliament in December of 2012.