



Learning for Jobs: Meeting Labour Market Needs Pointers for policy development

VET PROGRAMMES MATTER FOR ECONOMIC COMPETITIVENESS

- To compete on the quality of goods and services, countries require a well-skilled labour force. This includes a range of mid-level trade, technical and professional skills as well as those high-level skills associated with university education.
- Although strong vocational programmes increase economic competitiveness, many vocational programmes currently:
 - fail to meet labour market needs
 - do not adequately prepare young people for jobs
 - are separated from the fast-changing world of modern economies
- Countries with strong initial VET systems have been relatively successful in tackling youth unemployment, even during the recent economic crisis.

BALANCE STUDENT PREFERENCES AND EMPLOYER NEEDS

- Three main factors determine the mix of VET programmes:
 - what students want to study
 - what employers need
 - what can be provided, given capacity constraints
- Reflect the benefits realised by both students and employers to achieve an effective VET system. The relative weight given to students versus employers in determining provision depends on:
 - who pays
 - age of student
 - breadth and orientation of programme
 - predictability of labour market outcomes
- Share the costs between student, employers and the government so as to achieve the optimal mix of programmes. Different approaches can be used but whatever approach is taken, VET funding needs to be consistent with the principles used to fund broader education.
- Use mechanisms to help in balancing student preferences and employer needs, such as:
 - linking programmes and places to employers' willingness to provide workplace training
 - assessing future skill needs through consultations with employers and unions and/or through systematic forecasts or assessments
 - providing effective career guidance that includes good information about labour market prospects
 - using financial incentives to encourage students to train in specific areas, to boost the amount of workplace training offered, or to expand off-the job training opportunities to address demand
- Ensure that VET providers have both the incentive and the means to respond to new and emerging labour market needs. Financial incentives or competition between providers can stimulate a quick response although obtaining new equipment and qualified staff may be expensive and take time.

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PROVIDE A BROAD RANGE OF SKILLS IN VET PROGRAMMES

- Ensure that VET students develop wider competencies alongside immediate job skills so they can more easily move from one job to another over their working life or shift to another career path.
- Blend school and workplace learning together, which is a powerful and effective method for:
 - developing many soft skills
 - preparing young people for jobs
 - smoothing initial transitions into the labour market
- Ensure sufficient attention is given to general academic skills as well as practical skills, since upper secondary vocational programmes often need to prepare students for further study as well as for jobs.
- Strengthen numeracy and literacy skills, which are often weak for students in vocational programmes and are increasingly important in the labour market.

PROVIDE THE RIGHT MIX OF SKILLS FOR THE LABOUR MARKET

- For vocational programmes beyond secondary level, share the costs between government, employers and individual students according to the benefits obtained.
- Provide a mix of VET training places that reflects both student preferences and employer needs. Achieve this through provision of workplace training and through planning and incentive mechanisms.
- Engage employers and unions in curriculum development and ensure that the skills taught correspond to those needed in the modern workplace.
- Provide young people with generic, transferable skills to support occupational mobility and lifelong learning, and with occupationally-specific skills that meet employers' immediate needs.
- Ensure all students in VET programmes have adequate numeracy and literacy skills to support lifelong learning and career development. Identify and tackle weaknesses in this area.

FURTHER READING

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

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