

National HRD-Policy Example of Austria

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28.04.2005

National HRD-Policy in Austria?

- ✓ **Diversity of vocational education and training tracks**
 - Initial vocational education and training system (dual system and school based VET)
 - Continuing vocational education and training; Second chance schools; Different programs related to active labor market policy (AMS and ESF)

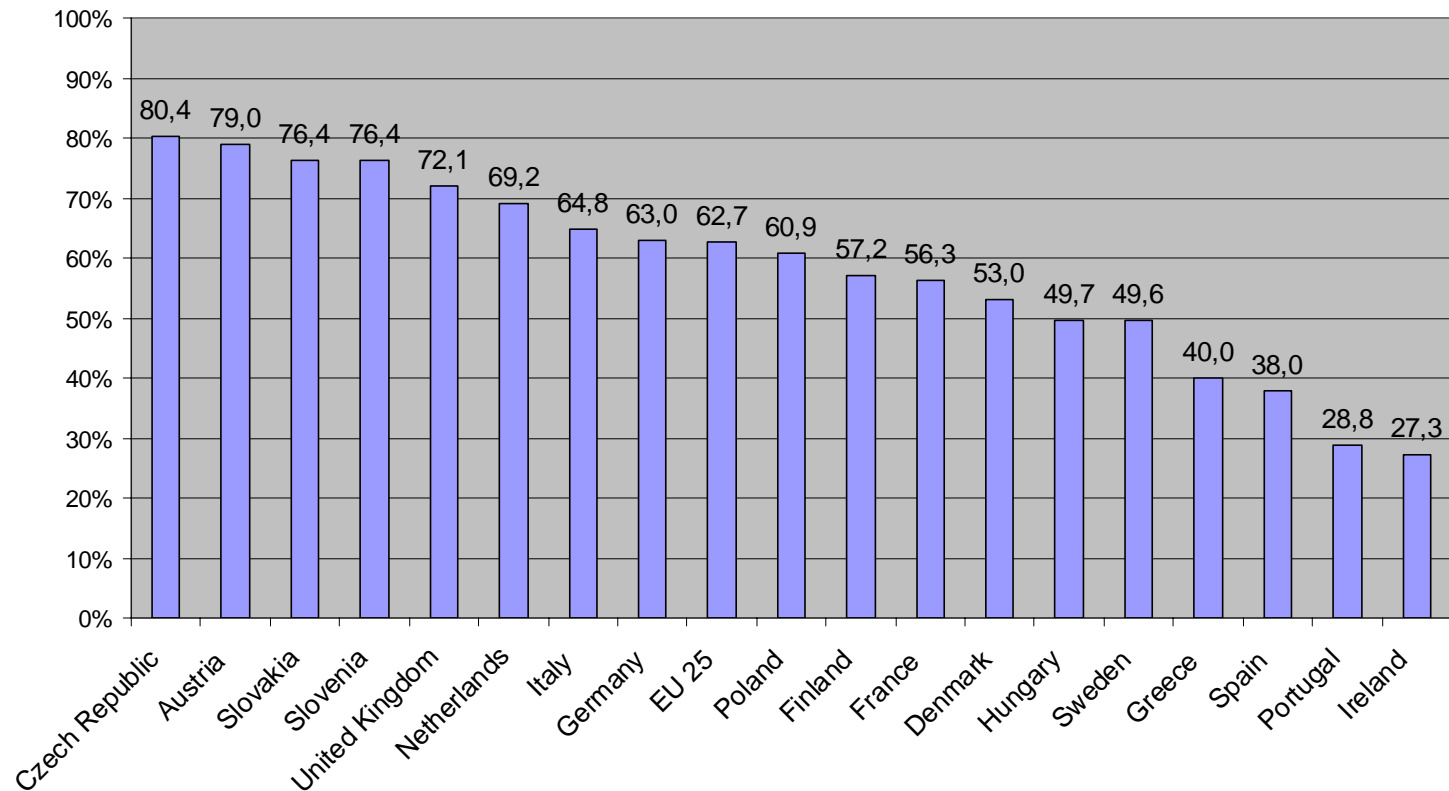
- ✓ **An overall strategy to fully link these fields has yet to be developed.**

- ✓ **Favorable economic situation, relatively low unemployment and no sustained skill gaps**

- ✓ **Success factors**
 - Attractive IVET system
 - High involvement of Social Partners in the development and provision of IVET and CVT
 - Certain reliance on market forces in the provision of CVT

Attractive IVET system

Students in initial VET as % of all students at ISCED Level 3



Diverse initial vocational training system

- **Austria has a long tradition of highly diversified upper secondary education**
- **80 % of 15-year olds choose vocational education and training:**
 - 40% begin apprenticeship training (dual system)
 - 40 % begin school based vocational training
- **250 professional profiles in the dual system**
- **Different types of full time vocational schools**
- **Up-to-date curricula through well-integrated links to the world of work**
- **Access to tertiary education via VET**

Continuing education and training is even more diverse

- **Continuing vocational training**
 - Training providers of the Social Partners (Wifi, Bfi, LFI)
 - For-profit training providers
 - Company based training
- **Continuing general education**
 - Non-profit providers (folk-high schools etc.)
- **„Formal“ continuing education and training**
 - 2nd chance schools
 - University and Fachhochschule programs
- **Training related to active labor market policy**
 - Training for unemployed administered by the Public Employment Service AMS
 - Programs for special target groups to secure employment

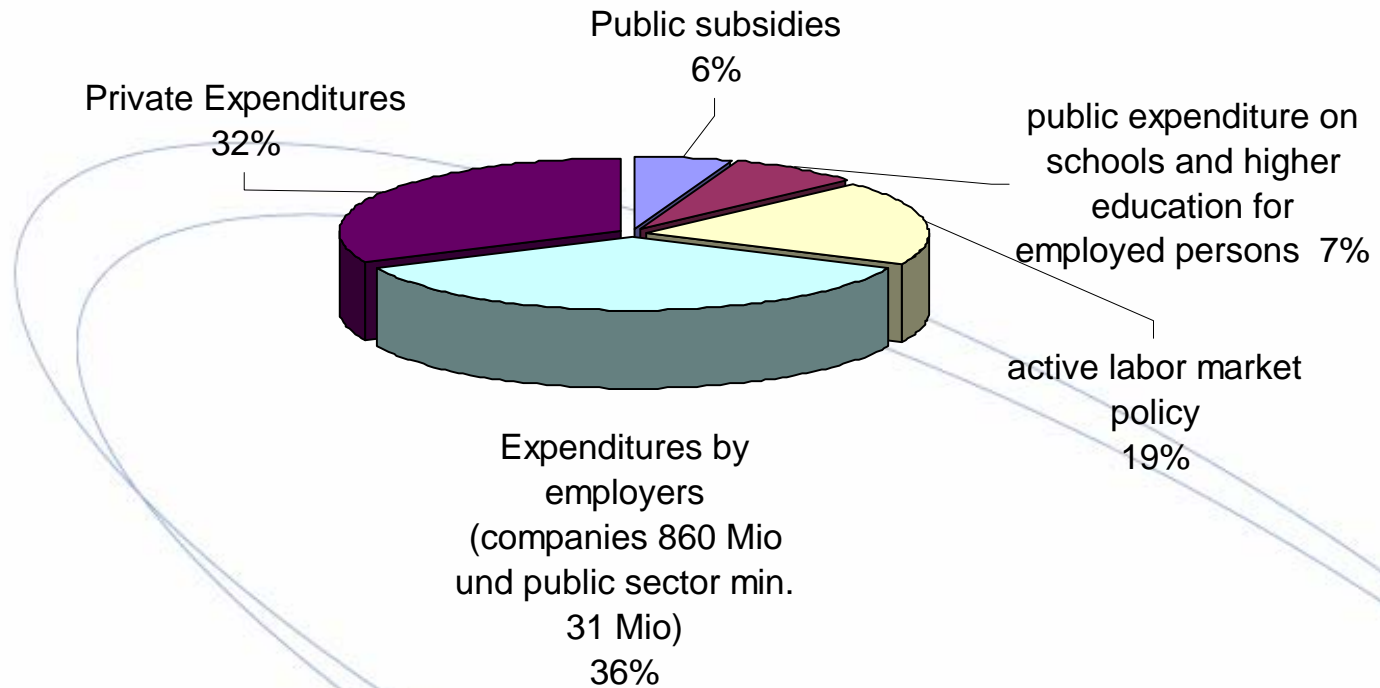
Different forms of public subsidization of continuing training

- **Direct funding**
 - Programs within the formal education system (2nd chance schools, Fachhochschule and some university programs)
 - Training of the unemployed: tendered by Public Employment Service (AMS) to training providers
- **Supply-side subsidies**
 - Direct subsidies to non-profit training providers; especially those in general education
- **Demand side subsidies and incentives**
 - tax incentives for training: 20% tax allowance to companies and tax write-offs for individuals
 - Training vouchers („learning accounts“) in different provinces and by the Chamber of Labor
 - Subsidies by AMS to companies for the training of special at-risk groups

Type of training	Main source of finance	Form of public subsidization
Continuing vocational training	Employers	<ul style="list-style-type: none">• Tax incentives for companies and individuals• Subsidies to individuals
Continuing general education	Individuals	<ul style="list-style-type: none">• Subsidies to education providers• Subsidies to individuals
„Formal“ continuing education and training	Government	<ul style="list-style-type: none">• Funded as part of public education system
Labor market programs	AMS (including ESF-funds)	<ul style="list-style-type: none">• Training of unemployed: Administered and funded by AMS• Subsidies to companies for training of special target groups

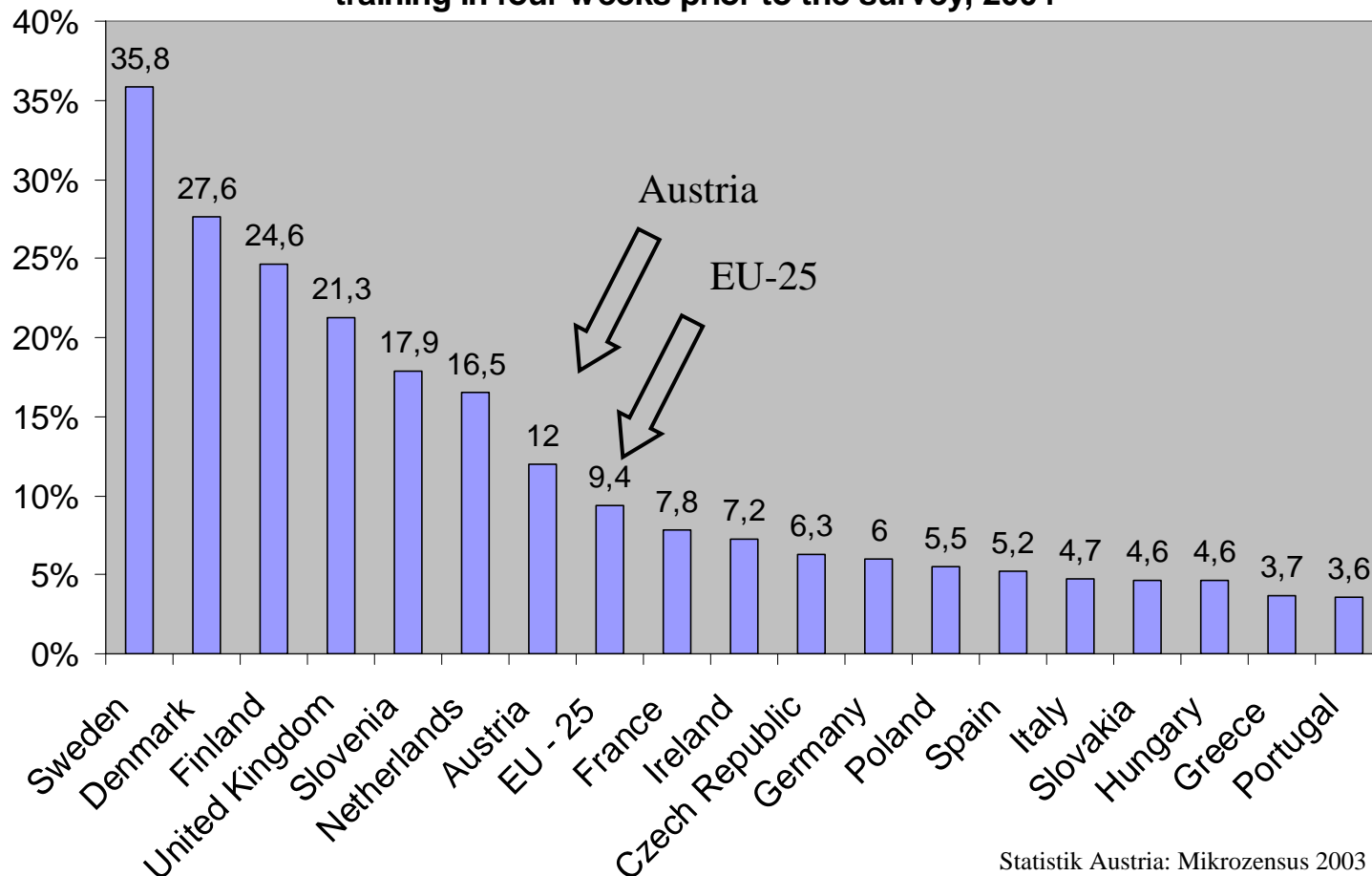
The financing of continuing education and training

Total volume: 2.470 Million Euro



LLL structural indicator

Percentage of population aged 25-64 participating in education and training in four weeks prior to the survey, 2004



Summary

Financing of continuing education and training

- 68% by employers and individuals
- 13% by federal and provincial governments
- 19% by AMS and ESF-funds

Context

- High qualification levels of population
- High degree of vocational training at initial level
- Important role of social partners

Outcome

- A sufficient supply of CVET (OECD)
- No serious and sustained skill shortages (OECD)

Challenges and Questions for the future

- Do we have enough CVT in order to cope with demography and structural economic change?
- Do we have enough general education (especially literacy programs)?
- What responsibilities for governments?
- How to prioritize public subsidies? Should we focus on demand side or supply side subsidies?
- How to attract private funds, especially for CVT?
- How to ensure a coherent public policy?
- How can the different types of training (e.g. labor market training and formal CVT) be better linked?
- How to make sure that policy is based on relevant evaluation and research?
- How to ensure social partner involvement in the conception and implementation of IVET and CVT?
- How to strengthen information and guidance?

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