

# SUMMARIUM

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## TRAINING AND LABOR MARKET

Vocational training in Hungary has undergone significant transformation over the past 10-15 years, partly due to economic and partly to educational processes. In line with the specificities of the industrial era, vocational training used to be connected to the industrial demands, being fairly concentrated, well calculable, more or less foreseeable and possible to be organized centrally. The content of the training was based on scientifically well-framed technical and technological knowledge. Following the 1990's political change, the economic transformations accelerated, the labor force demands of the tertiary sector became dominant in the market, and all these created serious obstacles to vocational training organized based on the old patterns. The present-day labor market needs highly qualified, well-trained and trainable professionals. This urges vocational education to adopt new strategies, accompanied by content renewal. As a consequence, a wider vocational pre-education will replace the former, deeper, narrower and practice-oriented vocational training.

Now, when trainings last longer due to the real or supposed effects of knowledge society, vocational training is slowly losing ground in the public education system. Its place is being taken up by the colorful cavalcade of open/market or on-the-spot trainings outside the formal educational system. In the meantime, the massification of the education has already passed through the lower secondary level, reached the upper secondary school and we can already speak about mass higher education.

The described processes, characterizing many developed countries, occurred during the special circumstances connected to political and economic changes. The laws with new approach have created new roles for the old actors of education, while new actors and new interests have also emerged. The supporters of the school-system, as well as the financial system have changed. A colorful educational market has evolved, while the socialist heavy industry that provided the basis and ideology, and the county-level coordination of the previous training system have collapsed – just to mention the most influencing factors of change.

Restructuring the educational system – radical massification of higher education on one side, and narrowing demand for secondary vocational education on the other – as well as the quality issues raised have resulted in conflicts between the economic sphere and educational policy.

The current volume of *Educatio* tries to review the above mentioned issues, using a variety of studies, and adding a historical outlook to them.

At the very beginning of his article Professions, occupations and economic demands on the changing labor market, György Mártonfi states that the concepts in the title play a bridging role between the educational and the economic systems. The categories of profession and occupation already served as a link between the two sectors several decades ago. Making reference to the economic demands has provided a continuous ground for complaints and an instrument of pressure, since it is widely supported in its general form. The question is what the role of these categories might be now, after the turn of the economic paradigm, in the so-called knowledge economy. What do they mean, how do they direct the actors, how efficient are they? First, the article gives a short historic overview about the operation of the mediator between education and labor market, and explains why this traditional mechanism failed to fulfill its task. The second part examines how certain basic concepts like profession and occupation have changed their meanings, losing their guiding role.

The following part is about economic demands, and how these can be explicit and used by various actors. Finally, the author adds to the explanations and interest-relations of labor force shortage. He also outlines a few characteristics of the knowledge-based society and its labor-market demands, and tries to grasp the essence of the transition from school to work. He summarizes the typical educational-vocational career-paths of the last half a century in three tables.

Péter Tibor Nagy begins his article *Labor-market forces in public and vocational education policy (1867-1945)* by saying that although it has already become a commonplace in social sciences, the judgment of the labor market is crucially important in disputes about the length of education, or school types. The aspects of the labor market become more important in education as capitalist regimes emerge, therefore their influence was restricted in the precapitalist societies as well as in the decades of “post capitalist” political experiments. Its partial role is a function of prevalence of capitalist elements in the given society governed by traditional or planned bureaucracy. The study gives an insight into the classical era of Hungarian capitalism, heavily burdened by post feudal elements and state overpower, discussing the extent to which we can talk about the relationship between education and the labor market. The article reviews this relationship from the aspect of primary and secondary education, and the effects of the industrial and agrarian sector on educational policy.

In the study *Prestige loss of vocational schools*, Ilona Liskó finds that children are faced with an abundance of opportunities in their choice of school after lower secondary school. Meanwhile, the number of those who opt for schools offering baccalaureate has increased over the past decade, with fewer students choosing vocational training. Analyzing students' family background, the author concludes that children belonging to groups from urban areas, with stable family background, highly educated, profitable occupational categories, with higher incomes, tend to attend traditional and so-called “structure-changing” schools. Children with disadvantaged background who study further will attend vocational classes. Thus, the composition of vocational classes will add to the prestige-loss of this type of education. According to the data, secondary schools of various types reinforce the ambitions of students to reproduce the advantageous social position of their parents, while the opportunities to pursue occupational positions offered by vocational secondary schools are proportionate with the students' differences in social background. However, vocational institutions are not able to fulfill their educational goals, since only 16% of their graduates intend to work in the profession that they were trained for, 29% hope to become entrepreneurs, and more than one third of them are totally insecure about their future. The data reflect, therefore, that gymnasiums (and especially the structure-changing ones) measure up to the expectations of parents who want their children to continue their studies, because these institutions guide their students towards higher education. However, more than half of students graduating from vocational schools, who mostly prepare for work, are forced to supplement their training if they want to succeed at work. Among them, graduates with disadvantaged family background will most probably fail to find employment. Only one third of vocational school graduates find adequate work for their expectations and training, one third have to learn a new profession, and one fifth start their careers as unemployed. If we add the fact that the average salary of skilled workers is less than half of the wage of non-physical professionals, the opinion according to which the prestige-loss of vocational schools is related to the labor-market situation of young skilled workers seems well-founded.

The article entitled *Young graduates' position in the labor market 1999-2003* by Péter Galasi and Gyula Nagy gives an outline of the major labor-market changes between two observations (the first in 1999 and September 2000, and the second in February 2004) of the cohorts graduating in 1998 and 1999, based on the data of the *Research of Young Graduates' Lifepaths*. The authors examine the major tendencies in labor-market status, occupation, and earnings, and draw conclusions about the labor-market situation of the two observed cohorts. The data imply that the majority of young graduates are employed, and although many of them are overqualified, their earnings grow considerably over time.

József Meyer's article, *Expectations of the labor-market and formal adult education*, describes the modernization process of the formal adult education over the past decade, based on two researches. The article focuses on the justification of the core curriculum elaborated for adult education, and the analysis of institutional changes following its implementation. It is obvious that a set of institutions tried to accommodate the new conditions, therefore several valuable innovation processes started, while a number of less innovative schools tried to solve the adaptation process by minimizing their programs. As for the future, a good solution for the schools concerned seems to be to try and elaborate school programs by drawing near different labor-market demands, and linking them to professional and methodological innovation, facilitating and strengthening adult learners' school success.

In his study *Stop-gap role of NGO's – lessons drawn from an experimental program*, Zoltán Györgyi points to a major shortcoming of the Hungarian educational system. He notes that the second chance-type institution system is only formally available, it reaches few, and not primarily those with incomplete education. The lessons learnt from a recently completed experimental project point to the necessity of a radically new approach, the frameworks of which have been outlined by a program supported by the National Employment Public Foundation. The program aimed to support NGO's which undertook the task of reorienting young people (aged between 16 and 25) with incomplete education towards school, or directly integrating them into the labor-market. They supported development programs with complex (K) instrument package, based on integrated (I) cooperation of institutions operating in different horizontal fields, and implemented in a differentiated (D) way, according to individual and collective needs. The initials of the triple approach gave the name of the program – KID – and the English meaning of the word is no coincidence. The study intends to identify the social, economic and integration opportunities provided by this institutional system, which offers its services to disadvantaged social categories.

According to Éva Tóth's study, *The gray zone of learning*, the concept of learning is too closely attached to schooling, creating the impression that relevant knowledge can only be transmitted through formal education. At the same time, the knowledge and skills which can be learnt outside formal schooling are gaining importance in the labor-market. The article discusses the labor-market role of learning processes outside formal education. It provides a review of the possible interpretations and concrete manifestations of formal learning, and then summarizes the results of a recent empirical research. Informal learning is characterized by strong social distribution, while the knowledge transmitted through family relations reflects a specific era of the social history. The last part of the work discusses the possibilities of using knowledge depreciated by the labor-market.

The article of Balázs Török, *Adult learning – aims and obstacles*, overviews the learning objectives, obstacles and motivations of the Hungarian population aged over 18, based on a research done on a national representative sample in December 2005. The research data demonstrate that adult learning can be understood as an adaptation to the labor-market, nevertheless, they also indicate several obstacles to learning. One third of respondents say that learning has a lower return than the input needed, 39.5 % agree that courses and trainings take too much time, and 48.4 % of those employed full-time state that they did not improve their knowledge while doing their work in the last 12 months, meaning that they work in positions with stagnant skill and knowledge demands. The study enumerates a few obstacles based on international comparisons: the yearly workload of Hungarian employees highly exceeds the usual workload in Western Europe, while the ratio of part-time employees is much lower than the European average. The author proposes a planning methodology which, in order to widen the learning activities of the population, takes into consideration not only the needs of the education system and the labor-market, but also the adults' pragmatic and utilitarian individual deliberations.

In her article *Financing vocational education*, Zsófia Szép emphasizes that the financial support of vocational training by the state has been complemented over the past one and a half decades by the regulation and supplementary support of adult training, oriented mainly towards vocational education. Although the array of regulations covers all segments of teaching, they do not compose

a single, coherent system. The primary state support of vocational education comes from the government budget, the system of vocational allowance, and the Unemployment Fund. Corporations contribute to the training of their employees beyond paying the obligatory vocational contribution, and individuals also undertake a substantial role in their training, at the expense of their earnings. The level of the undertakings is determined by interests and – in line with state support – the level of indigence (e.g. support for training the unemployed).

In the study *Shaping vocational education in Hungary*, the author István Polónyi first emphasizes that vocational school-system education underwent a crisis in Hungary after the social transformation. The content reform of vocational schools according to the new market economy conditions did not take place. Postsecondary education also has its problems, and we can see problems at the higher postsecondary level as well, which channels a part of the masses from higher education, after the latter's massification. This educational form has gained little respect in Hungary up till now. Nevertheless, in terms of the training and labor-market relationships, marked and well-definable transformations are taking place in Hungary and in Europe at the turn of the millennium. Secondary and higher formal education are both characterized by decreasing depth and a shift towards more general vocational pre-training. One reason for this lies in the massification of education, while the other one in the post-industrialization of developed countries. In the European Union, this problem is tried to be solved by a radical central control exercised upon the educational market. One of the instruments is the European Qualification Framework (EQF), which exercises a kind of control over the content of vocational education. The other important instrument for strengthening controlled connections between education and labor-market is the Bologna Process, which by its essence tries to replace the narrow vocational training already in crisis because of the massification of higher education by tertiary, basic graduate education as vocational pre-training. A narrower and deeper vocational training, the Masters' studies will only follow later on, after employment.

*(Text of Zoltán Györgyi and István Polónyi – translated by Ágota Szentannai)*