This information package looks at the methods of financing vocational education and training (TVET), especially in European countries. The first section examines categories of training, who should pay for training, possible fund-raising or revenue-generating mechanisms, financing mechanisms, and limitations of financing TVET. In the second part, a few real-world examples of TVET in France, Latin America, Korea, Singapore, and England are discussed. The third part examines development projects, including income-generation by training providers, cost savings, cost recovery, local fund-raising, new financing mechanisms, funds, output-oriented financing, and voucher systems. The concluding part is an annotated list of 12 resources for further reading. (KC)
Information Package No. 2

Financing TVET

Part 1: Introduction to the Topic

Part 2: Real-world Examples

Part 3: Financing Experiences in SDC Projects

Part 4: Annotated Bibliography

Authors: Matthias Jäger
Tobias Bührer

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1. Introduction

In this information package, we look at the financing modes of VET activities. Knowledge of these modes is gaining importance against the background of the changing task distribution between State and civil society in many developing countries and is changing the conditions in which training providers operate.

There is no one single model that works best for financing VET activities. In most countries, a combination of fund raising, revenue generating and financing mechanisms is used for different types of training. The combination depends on economic, political and cultural factors, in particular on training and employment cultures.

The first part of this package attempts to reduce this variety to a number of basic mechanisms. In the second part, a few real-world examples are discussed. In the third part, we look at experiences of development projects. The concluding part lists a number of resources for further reading.

This package has been elaborated as part of the preparations to the SDC VET (vocational education and training) workshop 2000 that will take place in early July. The theme of the 2000 workshop is "institutional development of training providers".

2. Categorisation of Training

VET comprises different training types or categories which do not necessarily follow the same logic. For the use of this paper, VET training types are broken down into the four following categories.

2.1 Types of Training

2.11 Initial or Pre-Employment Training

Prepares a person for future employment, employability, or simply for income generation. The person has normally completed compulsory primary or secondary education. In many developing countries a large number of school dropouts also belongs to this group.

2.12 Continuing Training

This category can be further sub-divided into refresher training and up-grading training. Continuing training of employed or self-employed persons has the following aims:

- Continuing training keeps a person up-to-date in his/her present position, and helps him/her keep the job.
- Employers expect that their employees will perform better after continuing training.
- Up-grading training prepares a person for taking over new challenges and responsibilities, whether they are caused by technical or organisational changes.

2.13 Re-training

Due to technical and/or organisational changes, occupational skills of a person might become obsolete. Thus, re-training prepares a person for any new challenges that may be caused by technical and/or organisational changes.
2.14 Training for specific target groups

Training for special target groups is carried out for many reasons, be it political, social, equality considerations, etc. Such training aims to qualify people for the employment market, without being primarily demand or market driven. Such specific target groups can be:

- Ex-military personnel
- Disabled persons
- Minorities
- Less privileged groups
- Early school leavers
- Unemployed persons
- Women (in certain cases only)
- etc.

Such training can take place as initial, continuing or re-training. The special needs of these groups make it a slightly different category than the others.

3. Who should pay for Training?

We will concentrate on one of the most critical issues, which is the financing of initial training programmes. VET always has a two-fold purpose, in that it ought to benefit both the individual trainee and the employers. Moreover, VET also has an educational component; at least as far as initial training is concerned. Thus, financing of vocational training is invariably to be considered within the Employer-Trainee-Public Interests triad. Government financing may be complemented and/or substituted in part through community financing (direct or fund raising) or, in development work, through donor financing. Each player in this triad contributes according to its own vested interest.

3.1 Trainees

The skills of trainees improve with training. This improves their position on the labour market. They can expect higher earnings after training. Thus, it is logical that they ought to pay for training. However, the level of this future additional income depends on how relevant that training is to the labour market, and for social status. Because there is always a certain degree of uncertainty about how labour markets evolve over time, there is no satisfactory measure on how high the individual contribution should be. This holds true even in developed countries. Trainees contribute either through paying training fees, or by accepting reduced earnings during training periods.

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1 Gasskov, p. 3
2 UNEVOC, p. 6
3 Kau, p. 225
3.2 Employers

The benefits that enterprises reap from a better-trained workforce come in the form of higher productivity, better quality, and higher profits. Such profits can be either short-term or long-term, and employers can view expenses for training either as a cost factor, or as an investment.

Many traditional crafts apprenticeships are a typical example of the short-term benefits for employers. Enterprises pay the salaries of trainees and their in-house instruction, but receive more additional value from trainees' work than these costs.

Another typical example for short-term investment in training is company-specific and tailor-made training.

Profits can also be long-term. The availability of a well-trained workforce secures the recruitment base in the long run, and in-house training reduces the costs and risks associated with recruitment. This may explain why big enterprises in Germany train apprentices even if apprentice training in the short run costs more than the additional value of that which the apprentices produce.

Smaller enterprises, particularly in developing countries, typically can not afford long-term planning. Thus, their willingness to pay for training depends largely on what they can see as the potential short-term benefits of training. Only larger enterprises or sector groups of enterprises can perceive training as an investment with long-term benefits.

As a general trend, the motivation of enterprises to participate in workplace-based training and apprenticeship schemes is increasingly difficult.

3.3 State

Some costs of insufficient investment in education and training can not be attributed to individual trainees, enterprises or industries only. In particular, vocational education and training, as far as initial training is concerned, is expected to convey transferable qualifications, not just directly marketable skills alone. Transferable vocational qualifications may be considered a quasi-collective good, much like general education. Since the public benefits are higher than those that individual trainees, enterprises or industries can expect to gain, the State should pay for this difference. To a certain degree, investments in education and training are infrastructure investments that will only pay off in the long run. In the long term, a higher qualification level improves the relative position of a country in international competition.

For similar reasons, the State deals with issues of equality in making vocational education and training accessible. The economic rationale is that inequalities deteriorate the social fabric of a society and thus increases the likelihood of violent conflict, which could result in high costs (e.g. the negative effects of an unstable business environment, high crime rates or even civil war).

If the general level of education in a society increases, then existing knowledge and experience becomes obsolete and must be "written off": this may lead to a need for retraining programs, early retirement, support for the unemployed, and other social transfers. Therefore, investments in the expansion of education may lead to over-education and produce negative returns for the society as a whole.

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4 Gasskov, p. 3
5 Van Lith, p. 182
6 UNEVOC, p. 28
7 Kau, p. 197
8 Kau, p. 226
The fact that many developing countries rely on comparatively simple production technologies has been used as an argument against State vocational education. A solid programme of general education would be a sufficient foundation for building job-related skills, while State investment in higher levels of education would be a waste of scarce resources.\textsuperscript{9}

This argument neglects the typically high stratification of developing countries' economies. A relatively small but important part of them will use the latest scientific and technical knowledge for their production processes. This knowledge has become available throughout the world, but can only be used when the work force is able to understand, process, develop and use it practically.\textsuperscript{10}

States are seldom administratively homogeneous entities. Most are subdivided into provinces, regions, etc. Different levels may have different roles with regard to financing vocational education and training activities. The subsidiarity principle is regarded as producing the most cost-effective results\textsuperscript{11}: The (more) central level should only control what cannot be done effectively at a lower level\textsuperscript{12}. This is obviously different in every country. In particular, the costs of power struggles between different levels of authorities may offset the gains in efficiency. Another aspect of decentralisation is that it is likely to increase differences between different regions. The extent to which this is corrected depends on political decisions.

3.4 \textit{Community financing}

Local, religious, ethnic and other communities may substitute the State partially or completely in financing education and training activities. This may have different reasons:

- The State doesn't have or provide enough resources. An example at the secondary level is Uganda in 1994, where household contributions were estimated at 70\% of total costs in government-aided schools.\textsuperscript{13}
- The particular interest of certain communities. Religious communities often run their own institutions.
- Community participation is encouraged by the State. This may be done in recognition of the fact that communities are well placed for increasing interest in and commitment to educational processes. The primary schools of ethnic communities in Singapore are a case in point.\textsuperscript{14}

A likely consequence of community financing is that regional and other disparities will be widened. The State faces the difficult task of finding the balance between reducing such disparities and discouraging community initiatives by rewarding those who do nothing.

3.5 \textit{International Donor Organisations}

International development co-operation tends to bear a part of those VET costs that are normally State responsibility. The project-based approach may lead to problems because VET systems take a long time (decades) to mature. This calls for long-term support, which is contrary to the institutional rules of many donor agencies.\textsuperscript{15}

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\textsuperscript{9} Gasskov, p. 7
\textsuperscript{10} Van Lith, p. 160
\textsuperscript{11} Gasskov, p. 131
\textsuperscript{12} UNEVOC, p. 28
\textsuperscript{13} Cited in Bray, p. 7
\textsuperscript{14} Bray, p. 3 ff.
\textsuperscript{15} UNEVOC, p. 21
4. Possible fund raising or revenue generating mechanisms

Funds for financing training can be raised through different channels and from different stakeholders. Possibilities for raising such funds can be summarised as follows:

| Governments       | • General tax revenue  
|                   | • Revenue-generating levy systems |
| Communities       | • Fund-raising through various means |
| Employers         | • Paying levies  
|                   | • Sponsoring training  
|                   | • Providing employer-based training by voluntary or compulsory arrangements |
| Trainees          | • Training fees  
|                   | • Low wages during training period |
| Training providers| • Revenue generation through various means, e.g. production, consultancy services, or renting out equipment and facilities. |

5. Financing Mechanisms

Training can be financed unilaterally, i.e. exclusively by one of the stakeholders, be it the State, the employers, or the individual trainees themselves. Unilateral financing works best for types of training that give the payer clear and immediate benefits. As opposed to such specific training, financing of national, regional or sector-specific training systems is usually considered from a co-financing perspective.

5.1 Unilateral Financing Mechanisms

5.11 Input-oriented financing

In input-oriented financing systems, the amount that the State contributes to training providers is calculated on the basis of the use of production factors. It may be a fixed proportion of the budget of an institution, paying the educators' salaries, investments in infrastructure, etc. It does not depend on the services effectively rendered, such as the number of students (successfully) trained or the training quality.

The advantages of such a system are that it gives security to the providers. As State contributions are known beforehand and relatively independent of training demand and success, they can easily budget for training programmes that need expensive equipment or take a long time to develop. The State can easily adapt the offer to its priorities in economic and social policies.

The disadvantage is the absence of built-in incentives for efficiency or response to shifts in training and labour market demand.

More often than not, people within State administrations are not rewarded for achieving savings. Rather, their power and influence depends on the height of the budget they manage. Therefore, they have every incentive to allocate the total budget at their disposal without attaching importance to results.

The same is true for any non-profit institution. As they are not allowed to make profit, their leaders receive little rewards for making savings. Their reward consists in prestige, comfortable
working conditions, etc. This may lead to over-equipped laboratories, luxurious offices and other unnecessary expenses.\(^{16}\)

As there is no built-in control over the results of the services provided, even a training program that is of poor quality and/or no longer in demand by the economy may remain offered.

5.12 Tendering
The State may also invite several training providers to compete for certain training courses and then select the best offer. This is expected to lead to efficiency gains as providers are forced to try to be cheaper than their competition. The prerequisite to this is that contents and quality criteria be defined beforehand, and later controlled while being carried out. The procedure also supposes that there are several institutions within a given territory that are able to offer training on the same subjects.

5.13 Output-oriented financing
In output-oriented financing systems, the amount of the public contribution depends on the "product" of the training process. There are different criteria to measure this, such as:
- Number of students who successfully complete a training program (and receive their diploma)
- Number of students who find employment within a certain time after concluding a training program. It would be interesting to measure the relevance of training with respect to the labour market, but this cannot be easily done because labour markets vary considerably over time and employment is not necessarily a result of training. Moreover, because it is not practically feasible to base funding on the long-term employability of a training programme, undesired signals may be sent to providers.\(^{17}\) For example, they might prefer to train specifically for one particular company that has job openings rather than enable their trainees to adapt to a variety of different circumstances.
- Number of students at a certain time. This takes into consideration that even uncompleted training is likely to have a value to the trainee and society at large. It has been suggested that these outcomes should also be measured differently, as these criteria would give providers an incentive to retain students for unnecessarily long periods.\(^{18}\)

These measures may be adapted to estimated cost differences in training for different jobs or different training complexity. Otherwise, providers will tend to offer the cheapest possible training.

There is a certain risk that schools will refuse students when they consider them weak and requesting above-average inputs. Thus, it may be necessary that external bodies define entry requirements. Another possibility is the use of "value-added" measures - comparing the characteristics of trainees before and after training with some kind of indicator.\(^{19}\) Similarly, the providers themselves should not determine whether the training programs are successfully completed or not, if this is the financing criterion. Even with other measures, there is room for fraudulent behaviour, such as inventing courses or trainees, placing trainees with "friendly" employers for a short periods of time, etc.\(^{20}\)

5.14 Market-oriented financing: Voucher Systems
Under a voucher system, public or private bodies make payments to students (and to small and micro entrepreneurs through small industry promotion programmes) that enable them to enter public or private training providers of their choice. The payments can be made directly to the trainees or indirectly to the selected providers. Often, providers need to meet minimum quality

\(^{16}\) Frick, p. 40 - 41
\(^{17}\) Felstead, p. 20
\(^{18}\) Felstead, p. 16
\(^{19}\) Felstead, p. 19
\(^{20}\) Felstead, p. 38
criteria in order to be selectable. Examples of such criteria include a requirement that teachers have a government license, or that the provider be operating for a minimum time.

It is expected that the resulting competition between providers will reduce costs, increase the overall quality and lead to more innovation.

Vouchers may enable students to access private providers that they could not afford otherwise. Selective vouchers can be made available to families receiving less than a given income level only.\textsuperscript{21}

Even more than in output-oriented systems, the State will have to take measures so that difficult-to-educate "expensive" children are not rejected by providers.\textsuperscript{22}

Voucher systems work under certain conditions:
- There must be a choice between several training institutions offering training for similar qualifications. Sparsely populated areas may lack the critical mass of students for setting up several training institutions within reachable distance.
- TSP's themselves must be free to choose the educational packages they offer.
- Unbiased information on the different offers must be easily accessible. Young people are inexperienced buyers and may require a great deal of vocational counselling. This adds to the public cost of maintaining the new training market\textsuperscript{23}.
- Vouchers work best if they are the main finance source for selectable training programs. Otherwise, the penalty for poor training offers is not significant enough.\textsuperscript{24}

Voucher systems under small industry promotion programmes normally only subsidise part of the costs, and own contributions from entrepreneurs are also required.

A disadvantage of voucher systems is that they make long-term planning for providers relatively difficult. However, it will be an entrepreneurial decision whether a training provider will offer the cheapest possible training with little focus on future demand --- the most likely option when voucher periods are tested during a limited period of time\textsuperscript{25} --- or invest in gaining a long-term reputation.

\textbf{5.15 Employer Sponsoring}
Employers can arrange for in-house training for their employees, or sponsor selected employees to participate in institutional training. Such training arrangements are generally directly linked to the immediate interest of the enterprise, e.g. introducing new machinery or procedures, adapting to organisational changes, preparing staff for transfers or promotion.

\textbf{5.16 Individual Sponsoring}
As regards individual financing of training, training fees and subsistence allowances during training periods must be considered. Funds can be raised individually, through student loans, fellowships, scholarships or grants. In many developing countries, there is no formal system for educational loans.\textsuperscript{26} Where they do exist, the better-off usually have enough power to reap the benefits.\textsuperscript{27}

Under fellowship or scholarship systems, the State subsidises students on the basis of their own financial capacity and/or academic achievement. These are mainly equity measures, substituting

\textsuperscript{21} West, p. 3
\textsuperscript{22} West, p. 5
\textsuperscript{23} West, p. 2
\textsuperscript{24} Frick, p. 54
\textsuperscript{25} Gasskov., p. 17 / 18
\textsuperscript{26} UNEVOC, p. 16
\textsuperscript{27} UNEVOC, p. 22
5.2 Cost-sharing and Co-Financing Mechanisms

5.21 Traditional Apprenticeship Schemes
In apprenticeships, costs are usually shared between the trainee and the employer. The trainee accepts lower wages than what he or she could earn elsewhere. In some cases, the trainee even pays for the apprenticeship position. The employer bears the costs of providing training and the apprentice allowance, while keeping the income from the sales of trainee-made products and services.28 The above obviously doesn't apply to the school component of dual-type apprenticeships.

5.22 Dual Systems as a particular form of an apprenticeship scheme
Dual systems as practised in Germany, Switzerland and to a certain extent some developing countries, have emerged from traditional apprenticeship schemes. They have been formalised, and comprise a school component. In addition to the direct contributions of employers and trainees, the school component is normally financed by the State, while other components (e.g. common courses or skill tests) are organised and/or financed by employer associations.

5.23 Employer Training Incentives
A series of financial mechanisms intends to increase the volume of enterprise training. The problem with incentives is that they may end subsidising programmes that firms would have otherwise provided.29 They all require that the criteria for eligible training be defined.

Training cost reimbursement schemes
Enterprises may apply for reimbursement of a part of their in-house training costs once the training has been completed. They will then receive the corresponding amount either from general government or special training funds.

Income tax rebate incentives
Enterprises are allowed to deduct part or all of their training expenses from their tax revenue. This works only when the income tax system is really functional. It provides subsidies to profit-making enterprises only, thus penalising new firms.30 In India and Pakistan, similar schemes have been attempted with lower taxes on imported goods, but they have met very limited success.

Payroll-levy exemption
Employers can choose whether they prefer to provide training themselves or pay a training levy31

Levy-grant and rebate schemes raise the relative price of labour towards capital. In the long run, more investment in capital-intensive modes of production than in those without such schemes can therefore be expected, leading to job losses.32
5.24 Matching Grants

Under such a system, the level of the public contributions does not depend on the projected use of production factors, but rather on the contributions a training provider can raise elsewhere. The government contribution will be calculated at a fixed proportion of these third-party contributions. The proportion may vary according to regional differences or types of school. This system forces providers to adapt their services to the priorities of their donors. Given that these are often private enterprises and local communities, it is a likely incentive for increasing the effectiveness of their offer. Therefore, some kind of performance control is introduced at comparatively little cost for the State.

However, this is based on the assumption that funds are granted in proportion to the quality and efficiency of training, which is not guaranteed. If we take for example a soft drink manufacturer who pays for the exclusive right to advertise and sell their product on a school's premises, there is probably very little sincere interest in training issues. Marketing objectives of sponsoring companies may even be in contradiction with educational objectivity and quality, for example company-provided curricula and materials.

5.25 Self-financing of training institutions

TSP's can earn income by selling their training services to individuals or enterprises. They may rent out equipment and laboratories when these are not needed for training purposes.

They can also sell other products and services that are produced by their trainees. The latter scheme is known as the "production school" or "school enterprise". It allows schools to be linked closer with particular product/service markets or sub-markets (formal or informal) and should make it easier for their graduates to enter the respective labour markets. Typically, this effect will be more important than the actual income derived from the job. Such schools must be allowed to operate relatively autonomously in order to allow them to seize market opportunities.

Production schools will have to find a balance between economic and educational goals. This places high demand on school organisation. It is likely to demand higher inputs in the form of personnel trained not only for education, but also for production, marketing, etc. Equipment, infrastructure and material costs are probably higher than in "education-only" institutions. Therefore, school enterprises that offer long-term vocational education and are able to finance training costs fully from the income of their sales are few and far between. In general, self-financing and cost-recovery methods should therefore be seen only as supplementary options, rather than as alternative sources to public or community financing.

6. Limitations of Financing VET under Market Conditions

Why are government interventions and VET policies necessary at all, why can’t we fully trust the "market" for training to take place? Apart from what has already been discussed above, i.e. the benefits of training for the society as a whole, the VET training market has a number of imperfections and particular conditions.

Both individual trainees and enterprises have a tendency to pay only for training with immediate and visible benefits.

33 UNEVOC, p. 8
34 Lankard Brown, p. 2
35 Singh, p. 6 ff.
36 Greinert, p. 91
37 Singh, p. 30
38 Singh, p. 51
39 Singh, p. 56
The need for Government intervention is very obvious in the training of the unemployed. The need for intervention comes only partially from the demand side of the labour market. During periods of unemployment, employers generally have only minor vacancy problems, so they don't need to hire or train unemployed persons who are not fully suited for the jobs offered. As the need of the labour market is probably limited, Government intervention in the training of the unemployed is needed to support equal opportunities on the labour market, and to reduce costs for social support. The unemployed normally have no or only limited financial resources available for training.

Mid-level technical training in training institutions at the secondary level is usually considerably more expensive than general education at the same level. At the same time, the target population is normally less privileged, and the diplomas earned are not as highly valued in society as general education diplomas. This leads to the situation where the target population would be ready to pay less for training that is more expensive.

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Gelderblom, p. 4
Part 2: Real-world Examples

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6. OUTPUT-RELATED FUNDING: THE FUNDING MECHANISM FOR INITIAL VOCATIONAL TRAINING IN ENGLISH FURTHER EDUCATION COLLEGES .................. 20
1. The French apprenticeship tax

In France, the majority of initial vocational training is fully school-based (735,000 pupils in 1991). This type of training is almost completely State-funded.

Apprenticeship is served under an employment contract between an apprentice and an approved employer. It includes training both by the employer and a defined minimum number of hours at an apprenticeship-training centre. In compensation, the apprentice is paid a wage, which is lower than the national minimum wage. Apprenticeship generally lasts two years and leads to a recognised diploma. Although it traditionally had lower social status, it is gaining importance (317,000 contracts in 1996 compared to 220,000 in 1992).

Enterprises’ share in financing apprenticeship has been quite stable and stands at a little more than 1/3 of total costs. Enterprises contribute by means of the apprenticeship tax (taxe d’apprentissage). The mechanism works as follows: All enterprises and legal persons engaged in commercial, industrial, craft or similar activities pay a 0.5% apprenticeship tax on their payroll. The tax is collected by chambers of commerce or other bodies that are authorised by either the Ministry of Education or the representative of the central government in a Region (the “Préfet”). Generally, the competent body is set forth in collective agreements. If not, enterprises are free to choose one. Enterprises may also make direct payments. 16% of this tax is used for financial assistance to Apprenticeship Training Centres. 4% is paid into a national fund, which makes payments to the regions in proportions set by law. The remaining 80% are used to provide supplementary funding for institutions of any type that offer technological and vocational education, and to promote apprenticeships through direct aid (grants and subsidies for apprentices, funding of schemes for apprenticeship masters, etc.).

The typical features of this levy system are:

- Participation is compulsory.
- The State sets general rules for the allocation of funds, but leaves the selection of beneficiary institutions to private sector institutions.
- The State maintains some quality control over the distribution institutions in that they need government authorisation.
- Enterprises can choose the institution that will redistribute their contribution, or allocate it themselves.
- Collective agreements play an important role.
- There is a redistribution mechanism to increase equity between regions of different economic power.

The apprenticeship tax is only one of several levy-systems in France. There is also an "alternance training levy" used for different training schemes for young people with difficulties entering the labour market, and several compulsory levies and a tax deduction scheme for continuing vocational training.

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41 Willems, p. 38. Numbers are for "Lycées professionnels" (secondary trade schools) and thus did not account for preparation courses for higher education and specialist tracts in the medical field.
42 Michelet, pp. 27 - 33.
2. The "Latin American Model" - SENAI Brazil

The common features of the VET systems in a number of Latin American countries are that VET is assigned to institutions that are distinct from the school system and financed by a payroll tax. This has become known as the "Latin American Model". Brazil pioneered this system by establishing SENAI in 1942. Other Latin American countries established similar organisations (see Table 1), but only SENAI, SENAC (for commercial professions in Brazil) and SENATI operate under private law. Typically, these institutions were established in the context of import-substitution industrialisation policies. Because of this history they are geared towards the manpower needs of the modern sector.

Argentina abolished the payroll tax in 1991 and replaced it by contributions from the central budget. While this is considered the most efficient solution by public finance theory, the Argentine VET budget has tended to diminish. Brazilian and Peruvian employers insist that the tax should be maintained, but SENAI and SENATI training centres also rely increasingly on supplementary income from specific agreements with industry and international donors.

Table 1: Payroll-tax financed VET institutions in Latin America

<table>
<thead>
<tr>
<th>Institution</th>
<th>Full Name</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>SENAC</td>
<td>Servicio Nacional de Aprendizaje Comercial</td>
<td>Brazil</td>
</tr>
<tr>
<td>SENAI</td>
<td>Servicio Nacional de Aprendizaje Industrial</td>
<td>Brazil</td>
</tr>
<tr>
<td>INACAP</td>
<td>Instituto Nacional de Capacitación Profesional</td>
<td>Chile</td>
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<td>SENA</td>
<td>Servicio Nacional de Aprendizaje</td>
<td>Colombia</td>
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<tr>
<td>INA</td>
<td>Instituto Nacional de Aprendizaje</td>
<td>Costa Rica</td>
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<tr>
<td>INFOTEP</td>
<td>Instituto Nacional de Formación Técnico Profesional</td>
<td>Dominican Republic</td>
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<tr>
<td>SECAP</td>
<td>Servicio Ecuatoriano de Capacitación Profesional</td>
<td>Ecuador</td>
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<tr>
<td>INSAFORP</td>
<td>Instituto Salvadoreño de Formación Profesional</td>
<td>El Salvador</td>
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<tr>
<td>INTECAP</td>
<td>Instituto Técnico de Capacitación y Productividad</td>
<td>Guatemala</td>
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<td>INFOP</td>
<td>Instituto Nacional de Formación Profesional</td>
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<td>INATEC</td>
<td>Instituto Nacional Tecnológico</td>
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<td>SENATI</td>
<td>Servicio Nacional de Adiestramiento en Trabajo Industrial</td>
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<td>INCE</td>
<td>Instituto Nacional de Cooperación Educativa</td>
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SENAI is financed by a 1% payroll tax paid by enterprises from the industrial, transportation, communication and fish-processing sectors. Enterprises with more than 500 employees pay an additional 2%, which is mostly used for their in-house training plans. The tax is collected by the Public Social Security Agency and then transferred to the central SENAI administration. SENAI is allowed to build up reserves. This has helped the institution over the economic crises of the 1980's when income from payroll taxes declined. While some government ministries are represented on the SENAI board, the majority come from industry who clearly retains ownership of the institution.

The central administration is responsible for overall normative guidance and policy issues. It has the power to channel and assign extra resources to disadvantaged regions or to fund priority programs. However, the mechanism has not succeeded in reducing differences in access to training between regions or from differently sized enterprises. There is a strong bias in favour of large companies.

Regional departments run training centres and provide in-company training and other training-related services to enterprises. Many training institutions and programs are joint ventures with industries. The system has lead to long-term training programs that are relevant to modern industry needs. It has not addressed training for the informal sector. A large proportion of the

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43 Vargas Zúñiga, p. 2
44 Ducci, p. 14
Brazilian workforce remains very poorly skilled. The system has also given SENAI a dominant position in the training market with the well-known problems of any quasi-monopoly: less efficiency and possibly less innovation.  

45 based on CINTEFOR 1996, pp. 24-32
3. The Korean training levy

Since the 1960's, the Republic of Korea has experienced rapid economic growth. As a consequence, the skill requirements of the labour market have increased rapidly.

In 1976, the Korean government introduced the requirement for all private companies with more than 300 employees to either provide in-plant training for a given number of their workers during a given period of time (in general, a minimum of six months), or to pay a training tax. In 1991, the system was extended to all companies with more than 150 employees. Companies have the alternative to pay a levy in the form of a payroll tax. The levy has no fixed rate but is calculated individually by local offices of the Ministry of Labour for each company. When training expenditures of a company are higher than the tax, the company may apply for training cost reimbursement or deduct the surplus from the following year’s levy.

The training levy is the major source of income of the government-administered Vocational Training Promotion Fund. The Fund's major expenditure is loans for establishing in-plant training centres. It subsidises or fully finances vocational training programs in areas considered a strategic priority and training for the unemployed. It also has curriculum development, instructor training and technical assistance (to training providers and VET research) responsibilities.

The measure is now considered to have been completely ineffective in raising the incidence and amount of training. Most companies (81% in the beginning of 1991) choose to pay the training levy, for two reasons:

- Companies see the minimum duration prescription as not adapted to their needs.
- The levy is cheaper than providing actual training. It is estimated that on average it equals about 2/3rds of training costs.

In addition, the number of in-plant training centres almost doubled between 1990 and 1992. As the establishment of such centres is helped by Vocational Training Promotion Fund loans, the levy works as a redistribution mechanism. It transfers funds from firms that do not train their workers to those that do invest in training.17

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17 example based on Gasskov, pp. 90 - 93 and Gill, p. 3
4. The Skills Development Fund of Singapore

In the late 1970’s, Singapore found itself in a situation of rapid economic growth. However, much of this had been based on labour-intensive, low-skill and low-wage industries. It was recognised that switching to higher-technology and more skill demanding activities was necessary in order to maintain growth.

The Skills Development Fund was established in 1979 as an instrument towards increasing the skill level of the Singapore workforce. The fund is financed by a compulsory payroll tax levied on low salaries only. The current levy rate is 1% on all salaries less than $1000. Since 1986, the Fund has been administered by the National Productivity and Standards Board, a statutory body under a Board of Directors comprising representatives from employers, unions, government, and academic and professional bodies.

The Fund awards grants in two main areas:

- Skill upgrading of under-educated and older workers in order to enhance their employability
- Skills acquisition in critical high-end areas

Grants for the first area make up the bulk of the subsidised training positions—over half of a million training positions were subsidised in this category in 1998/99 (one training position for every three employees in the low-wage category). About half of them were positions in company-based training. Grants are awarded to companies on the basis of a cost-sharing principle. Details depend on the type of training concerned. For example, in-house training leading to national or industry-wide certification is subsidised at $6 per hour, while course fees for external training leading to same type of certification is subsidised at 80%, but no more than $8 per trainee per hour. The amount of grants that a company can obtain is not tied to the levy contribution. The training must meet minimum quality criteria; for example it has to be conducted by qualified instructors.

Over the years, the fund has expanded its role in the development of national training policies. Examples are the current BEST and WISE programs aiming at increasing basic literacy and numeracy skills. At the high end, the ECS Development Grant Scheme subsidises training at the forefront of new technologies, which may even take place in other countries.

Initially, the Fund had difficulties reaching out to small and medium sized enterprises and promoting the training of older employees, but has since addressed these issues by successfully developing special programs. 49

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5. A Voucher scheme: "Youth credits" in England

The British Vocational Training Systems have undergone many reforms since the 1980's. They have moved towards a competency-based qualification assessment. On the funding side, the systems have moved towards separation of funding agencies and training providers, decentralisation and output-related funding. The introduction of "youth credits" in England was an attempt to move even further towards a market-based system, i.e. a system in which the clients (the students) of training providers are given a choice and directly influence the financial success of a training provider.

Training and Enterprise Councils (TEC's) are local, employer-based bodies. The 82 English TEC's are autonomous. Each covers an urban or rural area. One of their tasks is to allocate public funds to training providers according to perceived needs of local labour markets.

The youth credits initiative was launched on as a pilot project in 1990 and was later used by a number of TEC's. While the underlying principle remains the same, details of implementation vary for each TEC - for example, some give the voucher in the form of a "credit card", others in the form of a chequebook. Youth credits are available to 16 and 17 year old school leavers, carry a nominal value and can buy approved training courses from colleges, employers and private TSP. There is no fixed value for the voucher: the TEC decides every individual case on the face value of the youth credit voucher, taking into account the type of training required and any special needs that a student may have. The student is then free to choose among the available approved training offers. The amount of the voucher's total value the training provider eventually receives depends on the success of trainees in acquiring the qualification.

There are several problems:

- The scheme does not seem to have increased the influence of trainees on the contents of training offered. This may be a temporary problem due to lack of information about the scheme and lack of experience on behalf of professional guidance personnel.
- Very few trainees falling under this scheme have negotiated training while unemployed. Under the economic situation, young people will tend to accept whatever employment there is and have limited negotiating power.
- The training providers show a tendency to enrol trainees in lower level courses than would be appropriate in order to make sure trainees will complete successfully and reduce their financial risk.
- The outcome evaluation is complex and demands a lot of paperwork.

Given these problems, the training credit initiative has declined. The use of similar vouchers for further education has been specifically rejected.

→ Part 3 (hints from the project documentation) contains some experiences of pilot (development) projects with voucher systems, showing that voucher systems present not only problems but also opportunities.

An extensive study on voucher systems has been commissioned by SDC. The results are expected to be available in early 2001.

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50 England, Northern Ireland, Scotland and Wales have separate systems. While they are very similar, we describe the English system.
51 according to UK Government Statistical Service, about one/fourth of an age cohort fall in this group.
53 Atkinson, p. 37
54 Gelderblom, pp. 12 - 13
55 Atkinson, p. 39
6. Output-related funding: The funding mechanism for initial vocational training in English further education colleges

In England, initial vocational training can take place in schools (8%), further education colleges (55%), or enterprises (45%). While traditionally schools taught non-vocational subjects and colleges vocational ones, this distinction has become blurred with the introduction of the National Vocational Qualification framework. Today, schools also offer vocational courses, while the largest proportion of college students follows academic courses.

The Further Education Funding Council (FEFC) is an intermediate government body responsible for ensuring that there are sufficient and adequate facilities for further education throughout England. Further Education Colleges are autonomous bodies run by boards of governors selected from the local community. They own their buildings, employ their own staff and are relatively free to decide on the training they offer. Technical colleges, art and design colleges and agricultural colleges all belong to this category.

The major source of income for colleges is FEFC funds, which they receive either directly or through the locally based TEC's (see above). In the case of direct funding, a partly output-related funding method is used. Each college earns "units of activity" for

1. enrolling each student
2. educating/training each student, based on the qualification(s) being studied and the regular attendance of the student. About 4/5th of units are gained for this part.
3. each student who gains their qualification(s)
4. each student receiving fee exemption
5. each student receiving assistance towards the cost of child care
6. each student who requires additional direct learning support, e.g. assistance for those with disabilities, problems with literacy and numeracy.

The units for each qualification are weighted according to a countrywide tariff that is based on the average time and resources needed for that qualification. Budgeted unit numbers are agreed upon between the colleges and FEFC mainly according to historical levels. The worth of a unit may vary from year to year depending on the total FEFC budget and the total number of planned units. If a college fails to reach the agreed number of units, its funding will be cut accordingly. However, funding is not increased if the agreed number of units is exceeded.

The mechanism has lead colleges to compete with each other, to improve retention and qualification successes. The cost efficiency of the system has increased.

However, there were also unintended consequences. Some colleges paid their students to enrol or stay enrolled. Colleges have sub-contracted part of the training to enterprises or community groups. In some cases, this franchising lead to public financing of in-house company training which was enterprise-financed before. When the government recognised the problem, it introduced stricter rules and a lower unit tariff for franchising agreements.

Funding mechanism for initial vocational training in schools and enterprises follow different but also partly output-related mechanisms.

56 Gelderblom, p. 12
57 based on Atkinson
Part 3: Financing Experiences in SDC Projects

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Introduction

The Project Documentation on Vocational Education and Training Projects analyses the written documents produced by 18 development projects and programmes and collects interesting experiences, as well as some other elements, into a computer database. A full description of this tool can be found at http://vetnet.ch/prodoc.htm. In this part, we give a summary of those experiences that are directly related to the subject of this information package.

Income generation of training providers

- The infrastructure of training providers is an important asset. Computers (IDEA Bolivia), seminar rooms (TITI Nepal) or machines (proposed in the Ecuador program) can all be rented out. TITI Nepal notes that the visual aspect can make an important difference - nice-looking premises are easier to rent.
- The experience of Durres Vocational School is that income generation activities other than the sale of training can at best cover costs of consumables.
- An important non-financial side-effect of such activities is the establishment of stronger links to local (small) enterprises, which helps find places for on-the-job training components.

Cost savings of training providers

- Equipment maintenance may be incorporated into the instruction of practical skill components, as done by TITI Nepal.
- As one project learned the hard way, safety expenses pay in the long run. That project particularly recommends:
  - Walls around schools with expensive equipment
  - Access controls
  - Separate entries for people living on school premises

"Cost recovery" means different target groups

Where training providers are pushed towards recovering all their costs by means of trainee and enterprise fees, disadvantaged and special needs groups tend to be excluded from the training offer:
- TITI Nepal notes that its fees would be unaffordable to private training providers (as living and replacement costs need to be added to course fees) and individuals. The relatively short experience in selling training shows that fee-paying customers are either government agencies or national and international NGO’s.
- The Ecuador program states that full cost-recovery for services provided to women entrepreneurs by its business development centres is in general not possible.
- The Pakistan program notes that becoming financially sustainable would imply moving to the corporate sector.
- A planning mission for the Pune project (India) cautions against commercial pricing as this might prevent the targeted disadvantaged groups from participating because they could not afford such prices.
"Cost recovery" means different training products

Where training is financed largely by fees, the offer tends to be courses with immediate benefits to the trainee or their enterprise. Longer-term technical courses are no longer offered, as they are beyond the time horizon of fee payers, and are also expensive to develop.

- The Vietnam project reports a preference for training institutions for income-generating courses such as driver’s education or computer classes, which have very little potential in terms of employment. In the extreme, production is simply declared as 'training', allowing extremely cheap production and generating income for the institution, all at the expense of generally female and poor 'trainees'.
- The Mali experienced that entrepreneurs are reluctant to pay for the literacy and management/administrative courses of their employees.
- The Nicaragua project partners offer longer-term technical training to informal sector employees in a co-operative form. The reports note several times that without State contributions, financial sustainability is unlikely to be reached as trainees and their employers (who both contribute fees) are at the limits of their financing possibilities.
- In all cases where this type of training is offered, "public interest" sources contribute to the financing while participants are normally required to pay training fees.

Local fundraising capacities do exist

Funding opportunities by international donors and other non-government "public interest" sources differ from country to country, but can be an important source of income for training institutions. As a staff member of TTTI notes, partner institutions are often highly successful fundraisers.

Some initially SDC-financed institutions have found other donors (Example: the "dual-type" training project in Nicaragua which is now financed by the Liechtensteinischer Entwicklungsdienst, or a growing part of the "Metashape" component of Swisscontact's Philippines program) and many finance part of their activities in this way.

In one case, (Palestinian expert team) fund raising activities are explicitly included in the SDC-supported activities.

The drawback is that competition for fee-paying customers can be highly distorted: FORPROF Bolivia reports that some of its partners' further training offer (which trainees had to pay in full) had to compete with offers that were subsidised at 80%.

Doubts on small enterprise associations' VET capacities

The attempts to hand over responsibility for VET training in their areas to small-scale enterprise association are met by sceptic comments by project staff in Mali, Nicaragua and the Philippines (Enterprise-Based Training program component). For one thing, their financial capacity is seen as too weak, thus threatening the continuity of the training offer. Moreover, course supervision, curriculum development, testing, certification, and defending these interests before national bodies may be expecting too much of poorly staffed associations. For their members, concern for the survival and growth of their business would always be primary to their interest in training issues.
SDC and other donors use new financing mechanisms

Training funds, output-oriented financing of different types and Voucher systems are increasingly used by SDC and other donors.

Funds

The World Bank has established or is in the process of establishing training funds in several places, for example in Mali and Palestine. In Mali, the fund finances 75%-90% of initial vocational training costs, depending on the age of trainees.

In Pune (India), SDC has established a fund for pilot activities in the area of vocational training for small industry. The purpose is to develop innovative and need-driven approaches for vocational training provision.

Output-oriented financing

In the Philippines, Swisscontact supports the METASHAPE skills training programs in the metal working sector based on the number of participant hours. In many projects, targets of different types were agreed upon (number of participants, number of courses offered, etc.).

Voucher systems

In Cochabamba (Bolivia), vouchers have been distributed for training in the textile sector. The value of these vouchers financed between about half and 2/3rds of total course costs.

The initial experience made it clear that this was a possible way to reach people for whom training otherwise would have been unaffordable. Some providers specially offered courses in the poorer outskirts of the city.

After the initial experience, the project draws attention to the importance of impartial and easily accessible information on eligible training opportunities and suggests that voucher-distributing organisations are paid according to the number of used (not the number of distributed) vouchers.

Another experience is being conducted in Indonesia. Some of the more interesting aspects of that program include:

- Vouchers are being distributed by telecommunication shops, which are mostly small and micro enterprises, thus making the programmes more accessible and ensuring a wider distribution.
- Big and medium-sized private companies and international donors were successfully targeted to become sponsors for voucher distribution.

⇒ SDC has commissioned an extensive study on voucher systems. The results are expected to be available in early 2001.
Part 4: Literature

Note: The URLs (Web site addresses) cited herein were valid at the time of going to print. As they tend to change frequently, some of them may not be valid any more.

This report is the UK contribution to CEDEFOP's series of portraits on the financing of vocational education and training within the EU Member States. Over the recent years, in the UK, the emphasis has been on designing funding mechanisms to create a more demand-oriented training market with diverse opportunities tailored to individual needs. For continuing training, the focus has been on maintaining a voluntary system with financial incentives for enterprises and individuals to participate. Current objectives include achieving a culture of lifelong learning and improving employability. This report describes the funding of vocational education and training between 1986-1998. It outlines the different funding sources and distribution mechanisms for initial and continuing vocational training and for training for unemployed people. Background information on the political, economic and administrative structure is provided and the trends in funding and future perspectives are discussed. The report gives a great deal of statistics on funding levels and is a useful guide to the way training is financed in the UK. (CEDEFOP Abstract)

ISBN 0-8213-3724-6
A discussion of the frequently volatile nature of community financing, which is broadly defined to encompass such cash substitutes as material, labour, expertise and land. This particular study focuses on balanced community financing at the formal primary and secondary education levels. It seeks to serve government policy makers, planners and project managers at national and subnational levels and their counterparts in non-governmental organisations, external agencies, and similar bodies. Community leaders may also find this particular perspective useful. (World Bank)

ISBN 0-08-042567-4
This book contains a number of essays on various effects of vouchers and school choice, such as which system will cost less, who will pay which part of costs, who will benefit, etc. The main focus is primary education in the United States. VET and other countries are marginally included. Many of the essays use advanced econometric methods and models for their analysis, making them hard to digest for anybody without training in that discipline. Some of the essays are theoretical considerations including a study on methodology itself, while others are based on case studies. It includes conflicting views on the same issues, showing that the debate on whether output-oriented or market-driven systems are "better" has no absolute solution. (TB)

This paper presents an overview of the financing of vocational training in Latin America. The paper is organised in six sections. The first section discusses diversification of vocational education funding as a response to crisis and a more favourable climate within businesses. In the second section, factors of
change in funding of vocational training are examined, including restructuring economies, the decline of the welfare state, and the new financial and public spending policies. Section 3 outlines the sources of funding for vocational training: tax rebates, grants and fellowships, subsidies, payroll taxes, withholding of production, contributions from the national treasury, sales of training services, sales of nontraining services, and co-financing agreements. In the fourth section, challenges and prospects for the future are suggested. These include the financial and institutional adaptations of vocational training institutes, financial scenarios for vocational training, and proposed agendas for finances and institutions. Financial management of vocational training institutes is examined in the fifth section, and the final section focuses on trends in financing (flexibility, efficiency, and equity). The report includes a glossary of acronyms, two tables, and two graphs. (KC/ERIC abstract)


Electronically available CEDEFOP Electronic training village at:

This report aims to provide information on the issues arising from and the practice of funding vocational education and training (VET) on the basis of programme outcomes rather than enrolment/attendance (i.e. switching the emphasis of funding from inputs to outputs). It outlines the policy issues that output-related funding (ORF) generates as well as a number of real-world examples of its use within and beyond the European Union (the Netherlands, the United Kingdom and the United States of America). The objective of this report, therefore, is to combine, within one document, discussion and evidence concerning ORF (CEDEFOP abstract).


ISBN 92-2-109188-0

There is a growing interest in both industrialised and development countries to study and reform national systems of financing technical and vocational education and training (TVET). Based on examples of countries and industries that have developed innovative arrangements, this book addresses several issues related to financing TVET, including co-financing by governments, employers and workers. Many diverse TVET financing mechanisms exist, and each sends selective signals to its beneficiaries. The study examines both successful and unsuccessful examples of new practices, including schemes for funding public education and training, as well as apprenticeships, various types of levy-based schemes and income tax rebate incentives. The case studies contain technical details which will help policy-makers to make better decisions. The book ends with a checklist for evaluating your own system of financing TVET. (author's abstract, IAB-Doku)

This report was written for the Dutch government. It gives a short overview on financial and fiscal incentives to stimulate VET in France, the UK, Korea and Malaysia and then makes a number of recommendations for the Netherlands. The various country studies underlying the report are included in the annex, which forms the main part of this report. (TB)

(Country study summary)

(Studien zur Vergleichenden Berufspädagogik; Bd. 2)
Die Publikation stellt ein Gutachten dar, mit dem im internationalen Rahmen eine Auseinandersetzung über Ziele, Strategien und Instrumente der Berufsbildungshilfe in Form von Produktionsschulen geführt wird. Dabei geht es vor allem um drei Schwerpunkte: (1) Wie kann die Berufsausbildung zur Armutsbekämpfung und zu einer eigenständigen sozialökonomischen Entwicklung in den Entwicklungsländern beitragen? (2) Mit welchen Strategien und Instrumenten lässt sich die Entwicklung von Ausbildungssystemen unterstützen? (3) Wie lassen sich die Kosten für die Berufsausbildungssysteme aufbringen und was ist für deren Praxisnähe zu tun? Es ist Aufgabe des Gutachtens zu prüfen, ob das Produktionsschulprinzip wirklich den Ausweg für die Entwicklungsländer bedeutet oder als risikobehaftetes Modell verworfen werden muss, weil z.B. im europäischen Bildungswesen dieses Modell aufgrund der erforderlichen Rahmenbedingungen und personellen Voraussetzungen nur eine Randstellung einnimmt. Aus den konträren Auffassungen von Experten über die Produktionsschule wird gefolgert, dass Überlegungen darüber notwendig sind, wie sich in den Entwicklungsländern ein homogener Binnenmarkt entwickeln und wie sich die technologische Kluft in den gesellschaftlichen und Produktionsbereichen schliessen kann. Gefordert wird eine Doppelstrategie in der Berufsbildungshilfe, die zum einen den Aufbau und die Entwicklung von massenwirksamen Ausbildungsmöglichkeiten zur Folge hat, und zum anderen ist die gleichzeitige Nivellierung formeller Berufsausbildung zu vermeiden. Im ersten Teil des Gutachtens werden Fragen zu Strategie, Organisationsformen, ökonomischer Effizienz und Qualifikationsanforderungen des Produktionsschulprinzips als Berufsbildungshilfe für die Entwicklungsländer untersucht; im zweiten werden beispielhafte Produktionsschulen in Deutschland, Dänemark, der Schweiz und die durch diese Länder in Ostasien geförderten Produktionsschulen beschrieben. (BIBB)

ISBN 3-7253-0587-0

Von den Gesamtkosten der Schweizer Lehrlingsausbildung steuern die Lehrbetriebe rund einen Viertel bei, die öffentliche Hand über 40% und die Lehrlinge selbst knapp ein Drittel. Die Untersuchung zeigt, wie die Ausbildungskosten, aber auch die Erträge je nach Grösse und Branche der ausbildenden Unternehmen variieren, wer drauflegt und wer verdient. Sie stellt auch die Motivation der Unternehmen und den Erfolg der Lehrlingsausbildung im Vergleich zu anderen Ausbildungstypen dar. (KN 3/98)

Der Autor untersucht die Kosten-Nutzen-Relation für die Aus- und Weiterbildung in Deutschland. Er stellt diese Ergebnisse der Situation in den anderen EU-Mitgliedsländern gegenüber. Insbesondere vergleicht er die Prioritäten der Bildungsausgaben in Österreich, dem Vereinigten Königreich, Frankreich, Spanien und den Niederlanden. (BIBB)

Lankard Brown, Bettina: Corporate / School Partnerships: Learner Centered or Business Centered / Bettina Lankard Brown. Ohio State University; 1999. - 6 pages. (Myths and Realities, No. 5)
Available (soon): http://ericacve.org/fulltext.asp
Attempts to answer three questions: Do corporate financial contributions reflect commitment to education? Does corporate support help prepare students to meet workplace demands? Is negotiation the key to effective partnering? (TB)

Verfügbarkeit: Bei Amt für Bildungsforschung, Erziehungsdirektion des Kantons Bern, Sulgeneckstr. 7, 3000 Bern. Tel. 031 / 633 85 07.

ISBN 92-827-9326-1
In France, vocational training is organised in two separate ways: 1) Initial vocational training, that includes upper secondary education and short forms of higher education, and 2) Continuing vocational training, that aims to help workers to adapt to changes in working conditions and techniques, to promote their social advancement by providing access to the various levels of vocational education and to help them to participate in the social, cultural and development. One characteristic feature of the French system is the employer's compulsory contribution to vocational training, which is on average 3.26% of payroll. Against a background of high unemployment, particularly among young people, the social partners and the government have launched initiatives to help vulnerable groups. Funding provided by the State, the unemployment insurance scheme and, since 1994, the Regions. (CEDEFOP abstract)

UNESCO Document Nr. ED/1UG/015.
This document starts with a discussion of different types of production schools. Focus is on their bridging function between education, communities and the work situation. There is little general discussion on the degree of self-financing attainable except for a short note stating that school enterprises would provide a good alternative for matching operating costs by means of production for
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Printed Name/Position/Title: MATTHIAS JAEGE

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Send this form to the following ERIC Clearinghouse: Cheryl Grossman
Processing Coordinator
ERIC Clearinghouse on Adult, Career, and Vocational Education
Center on Education and Training for Employment
1900 Kenny Road
Columbus, OH 43210-1090

However, if solicited by the ERIC Facility, or if making an unsolicited contribution to ERIC, return this form (and the document being contributed) to: