



Australian Government
Department of Foreign Affairs and Trade

Education Learning and
Development Module



**Diplomatic
Academy.**



TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING

Practitioner Level
2019



CONTENTS

Acronyms.....	3
1 Introduction	4
2 Development partner support for national TVET policy	4
3 TVET structures and systems	12
4 Support from development partners to strengthen TVET	20
5 Test your knowledge.....	23
References and links.....	27



ACRONYMS

APTC	Australia Pacific Training Coalition
AQF	Australian Qualifications Framework
CCTs	Conditional cash transfers
GNP	Gross National Product
HDI	Human Development Index
LMIS	Labour market information systems
M&E	Monitoring and Evaluation
NQFs	National Qualifications Frameworks
NSDS	National Skills Development Strategy
ODE	Office of Development Effectiveness
PNG	Papua New Guinea
PSET	Post–School Education and Training
SWGs	Sector Working Groups
SQA	Samoa Qualifications Authority
TVET	Technical and Vocational Education Training



1 INTRODUCTION

This Practitioner level module is designed to inform staff members about issues to consider when supporting partner government reforms in the Technical and Vocational Education and Training (TVET) sub-sector related to policy, structures and systems.

It is recommended that staff complete the *Technical Vocational Education and Training: Foundation Level* module as background information to this Practitioner level module.

2 DEVELOPMENT PARTNER SUPPORT FOR NATIONAL TVET POLICY

An activity for you

Consider the following scenario as a context for the questions presented in this module.



The Minister of Education has called a meeting of development partners to discuss the inclusion of TVET as part of an existing education sector program that currently supports primary and lower secondary education (basic education). The Australian aid program represents the biggest development partner in the sector and has played a key role in supporting the government's education sector priorities. You have been asked to call an informal meeting of development partners to discuss coordinated support to the TVET sector.

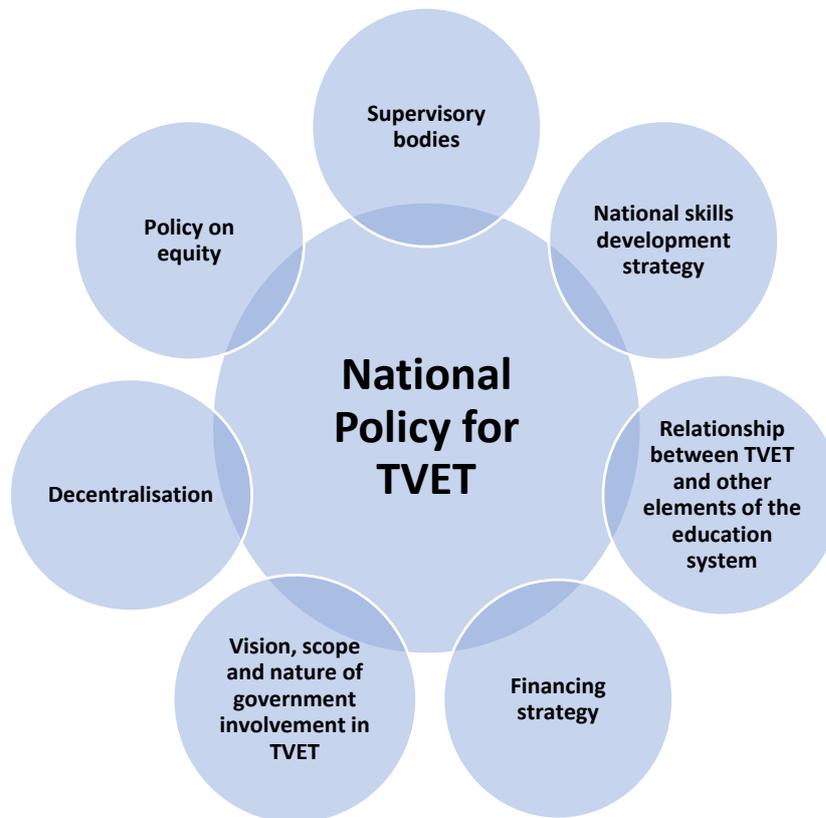
Your supervisor has asked you to prepare a brief for her to review, showing how development partners could collectively support TVET reform, in the context of the sector program.

Policy Issues concerning TVET Reform

Figure 1 presents a framework of policy issues that affect TVET reform. The following discussion provides an analytical framing and provides guidance on how to assess these policy areas.



Figure 1 - Policy Issues concerning TVET Reform



Policy Issue 1: Understanding the vision, scope and nature of government involvement in TVET

A strong TVET system has clearly articulated vision, scope and nature of government involvement. Skills needs for TVET will depend upon the country's growth needs and national priorities. For example:

- Is the key issue raising living standards for marginalised groups, who are mainly reliant on employment in the informal sector?
- Is the overall driver to progress the country's economic development aspirations, such as transforming from a low-income to a middle-income country?
- Is the key issue the development of high-level skills and retraining for an emerging modern sector and 21st century skills?
- Some other set of priorities?

Understanding how to best position TVET requires analysis of the roles of the formal and informal employment sectors and how formal and informal workers contribute to a nation's economic growth. This will define whether TVET interventions would be more effective catering to the formal or informal sectors.

Developing countries are frequently characterised by the co-existence of formal and



informal employment. Often informal and insecure employment makes up the majority of employment, especially and amongst women, making workers are susceptible to shocks.

[International Labour Organization \(ILO\)](#) has defined informal employment as "all remunerative work (i.e. both self-employment and wage employment) that is not registered, regulated or protected by existing legal or regulatory frameworks, as well as non-remunerative work undertaken in an income-producing enterprise. Informal workers do not have secure employment contracts, workers' benefits, social protection or workers' representation.

Source: ILO 2003.

Establish the balance of priorities

Normally, the vision will include a blend of priorities. For example, the Government of Papua New Guinea (PNG) articulated various aspirations, through Vision 2050, for Human Development, Gender, Youth and People Empowerment, noting specific priorities for the tertiary education sector:

- improve PNG's Human Development Index (HDI) ranking to 50 from 148 amongst the United Nations member countries
- improve PNG's access to services and basic infrastructure
- improve life expectancy of Papua New Guineans from 57.9 to 77 years of age
- access to industry and sector-based applied education for the adult population in the informal sector
- increase the role of churches in vocational schools (from the current 41 per cent)
- establish technical or polytechnic colleges in each province by 2020 to decrease the drop-out rate at the end of Grade 12 and improve the competence of PNG human resources.

Ask scoping questions

In understanding the TVET context, some scoping questions may include:

- What is the scope and vision of government involvement in supporting those in the formal and informal economies? For instance, are the interests in replacing foreign workers in the formal sector, or upskilling and professionalizing farmers in the agricultural sector?
- Is government attention on expanding access in the provision of training? Or is the main objective to raise the quality and efficiency of the TVET sector?
- Will government prefer targeted initiatives or a focus on a broad, sectoral approach to TVET reform?
- Will a changed vision imply changes to the ministries responsible for TVET, possibly including some renaming or a reallocation of responsibilities?



Policy Issue 2: Determine the relationship between TVET and other sub-sectors of the education system

An education system includes pre-primary, primary, secondary and higher education, plus the development of related knowledge and skills through adult education. Key relationship issues that will need to be considered include:

- the extent to which vocational subjects are offered in secondary education
- the inclusion of general education knowledge and skills within TVET programs
- the degree of movement allowed between general education pathways and TVET pathways, including between TVET and Higher Education.

Note: EDC learning modules on *Education Sector Inter-connections* and *Education Pathways* provide further information on whole-of-education system structures.

Do secondary schools offer TVET?

Secondary schools have traditionally included craft subjects such as woodworking, or home economics. As many secondary students in developing countries seek or need to enter the labour market directly after leaving school, there has been value in including vocational subjects in the secondary curriculum as preparation for the world of work. It may also encourage students (and their families) to value and prepare for occupations that require technical qualifications.

Are there vocational secondary schools?

Vocational secondary schools tend to offer a parallel vocational education stream, separate from an academic secondary education stream. These schools usually focus on vocational education, and will include some form of entry requirement, for example minimum academic level. There may be valuable returns to supporting vocational schools that are well regarded, have good employment outcomes for school graduates and provide pathways to further study. If this type of information is not readily available and is important to understanding education system dynamics in a country of interest, it may be necessary to commission a study.

Policy Issue 3: National skills development strategy

The development of a national strategy for TVET is an important starting point in undertaking systemic TVET reform. Assessing the status of a national strategy is critical as it forms a basis for dialogue between all ministries involved, and a wide range of involved stakeholders. The national strategy should elaborate how its objectives will be achieved, including an identification of the main constraints and how they can be addressed.

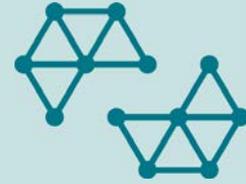
Strategy development should:

- be based on close consultation with all key stakeholders
- use credible data and information (e.g. to make supply and demand projections and planning decisions)
- ensure accurate costing and budget estimates are provided



- include a rigorous monitoring, evaluation and reporting framework.

Case study: Samoa’s Post School Education and Training (PSET) Strategic Plan 2016 – 2020

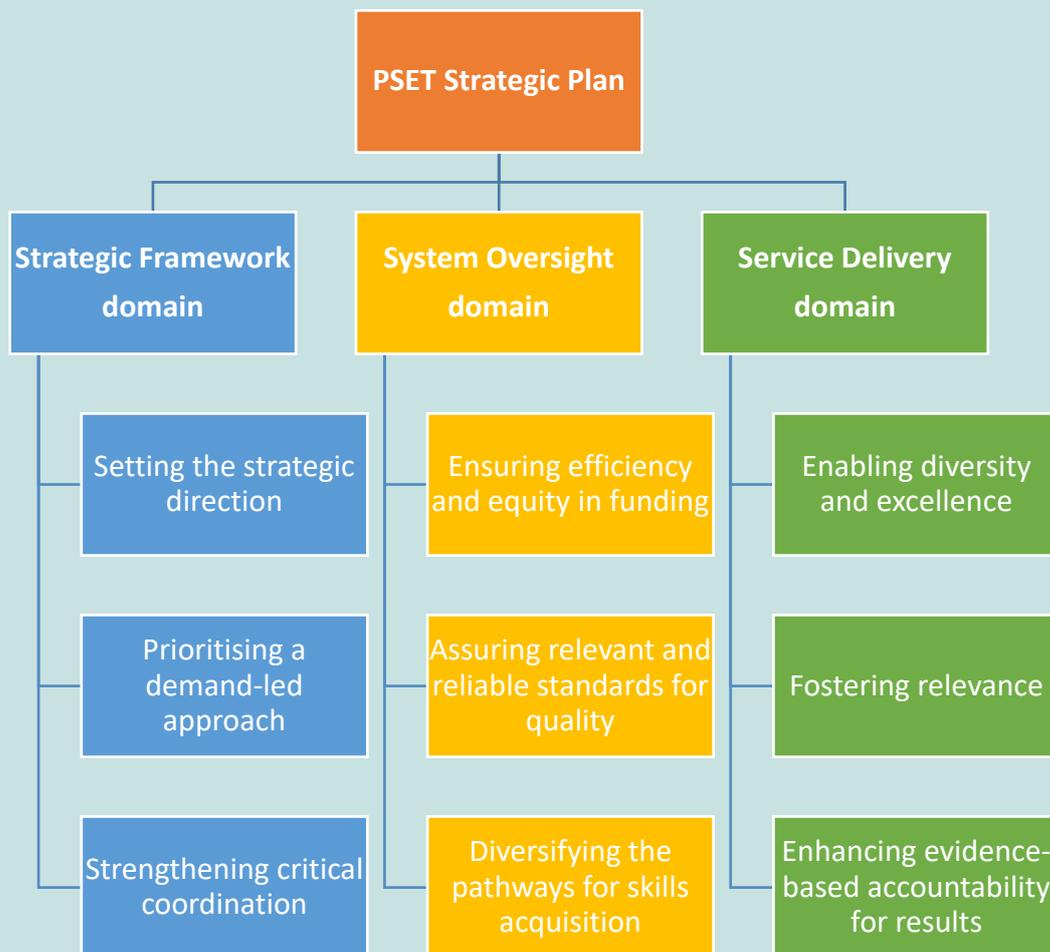


Samoa’s second Post School Education and Training (PSET) Strategic Plan (2016 – 2020) is aligned to the goals and priorities in the UN Sustainable Development Goals 2016 - 2030, Strategy for the Development of Samoa 2016 – 2020 and the Education Sector Plan 2013 - 2018.

The Samoa Qualification Authority (SQA) and post-secondary education stakeholders implemented a first PSET Strategic Plan (2008-2016) while establishing the Authority to provide advice, regulate, quality assure and coordinate the PSET sub-sector.

The second PSET Strategic Plan establishes Goals, Strategies and the Outcomes to maximize the contribution of PSET to the achievement of national, economic and social development goals. A SQA Board of Directors oversees Plan implementation and supports and monitors the development of key partnerships across the subsector.

The PSET has nine goals, structured around three domains and nine policy areas, developed against World Bank identified essential characteristics of an effective national workforce development system.



Source: Samoa Qualifications Authority 2017.



Policy Issue 4: What system oversight bodies exist?

Where a government has decided to establish or renew a national TVET strategy, a process is required to oversee its implementation. This may require the review of existing structures to reflect new priorities or procedures, or it may be necessary to establish new oversight bodies or quality assurance institutions.

Key questions include:

- Will the TVET strategy be overseen by existing structures, or will a new agency be responsible? If the latter, will it be under an existing ministry and is it affordable?
- Will the oversight authority serve as a coordinating, monitoring and advisory body, or will it exert executive leadership?
- Will a separate National Qualifications Agency be established or reviewed? Is a separate body affordable? What will its scope of functions be (e.g. registration of providers; accreditation of courses; periodic quality assurance activities)?
- Will there be subsidiary sub-national Training Boards or Qualifications Councils?
- Will there be a national employment agency, e.g., under the jurisdiction of the National Training Board or a labour agency?

This is a complex area, but there are many good practice precedents, including Australia's.

Note: You can read a summary of the [Australian Qualifications Framework \(AQF\)](#), including supervisory bodies, at the AQF website.

Policy Issue 5: Is the strategy well resourced?

Resources for TVET can come from a number of sources, including student fees, budget appropriations through the relevant ministries and private sector contributions. In some countries development partner funds, through aid funding or loans, form a major component of TVET sector resourcing. TVET resourcing questions that should be considered include:

- What is the policy towards fee regulation?
- What are the policies for budget allocations? Are they equitable? Are they performance-based?
- What proportion of the budget allocation is provided by development partners? How long is this support expected to continue?
- What fiduciary oversight and reporting mechanisms are in place?

Some countries have established a National Training Fund, sometimes supported by a 'training levy'. Decisions on whether and how to establish such funds and levies and how to disburse the funds can be technically complex, and politically sensitive. Many training providers obtain additional resources from industry in the form of donations or loans of equipment and staff, sometimes with firms continuing to benefit from the equipment. The following questions assist in determining sector and institutional level resourcing:

- What is the government policy on training providers undertaking income-



generating activities?

- How much flexibility do training providers have in adjusting fee-rates for courses?
- How much control do training providers have over their own (institutional) budgets?
- Does government support public-private partnerships?
- What is government policy on scholarships for training, both for international and domestic training, including scholarships to private sector providers?

Policy Issue 6: Does decentralisation policy have an influence?

In many developing country contexts, oversight and service delivery has occurred through centralised national agencies. Increasingly, developing countries are adopting policies to decentralise responsibility to the sub-national level. In considering decentralisation policy, the following questions should be considered:

- Will all TVET strategy development, planning and implementation be conducted at the national level, or will it be decentralised to sub-national agencies?
- What are the roles and responsibilities of each agency at the national and sub-national level?
- What will be the role, if any, of sub-national government in basic level vocational training centres and vocational secondary schools?
- What will be the role, if any, of sub-national governments in regulating private training providers?
- What degree of institutional autonomy will be given to TVET providers at each level?

Policy Issue 7: Is there adequate consideration of inclusion?

Most countries are signatories to international agreements on equitable access to education and training, including gender equality, social, economic and geographical equity, and disability inclusion. Most countries also have their own policies in these areas, and many collect disaggregated enrolment and performance data to monitor their implementation. Nevertheless, there are still high levels of gender inequality and other forms of inequity in post-primary education and training, particularly in TVET.

Possible policy-specific actions

One policy issue common to many TVET systems is whether to use affirmative, gender-specific action to attract and enrol disadvantaged students. This might involve, for example, a focus on income-generating courses for women in the informal sector, or providing training scholarships (or training vouchers) specifically for girls and women from disadvantaged backgrounds, marginalised groups and people with disabilities.

Conditional cash transfers (CCTs) have proved effective in some countries as a way to increase the enrolment of girls and disadvantaged groups in education. CCTs are grants to



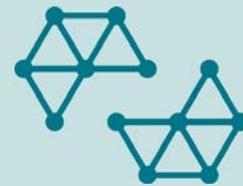
lower income families, given on condition that their children continue to attend their course of study, which can include TVET.

Source: Medgyesi, M 2016, Conditional cash transfers in high-income countries and their impact on human capital accumulation.

Another form of action is to regulate that new trainees and trainers, include a minimum proportion of girls and women and people from disadvantaged groups. The Australia Pacific Training Coalition (APTC) demonstrates the success of such an approach.

Opportunities for development partners to contribute to TVET reform

Case study: Changes in the Vanuatu TVET System 2005-2015



The [Independent Evaluation of the Vanuatu Technical and Vocational Education and Training Sector Strengthening Program \(Phase III\)](#) found that the Vanuatu TVET sector has become

demonstrably stronger in the past decade. While faster progress seems to have been made in improving the strategic framework for TVET and to improving TVET system oversight than in relation to TVET service delivery, the program made a substantial contribution to the strengthening of the TVET sector across all three dimensions, especially building national understanding and consensus about the scope and nature of a TVET system that is likely to work for Vanuatu.

The evaluation concluded that it is highly unlikely that the progress that has been made in developing the Vanuatu TVET system would have been as visible or significant without the program. It is highly likely that improvements would have been far slower and less focussed and consistent in their direction without the program.

The review found evidence of progress across five dimensions:

- Institutional strengthening of individual TVET providers, including national public providers and rural training providers.
- Reforming or establishing the TVET system architecture, i.e. policy management and oversight agents and organisational processes.
- Facilitating good working relations, and effective coordination and collaboration between all government, private and community sector stakeholders.
- Improving the quality of training (courses, delivery and assessment) through standard-setting, registration, accreditation and professional development strategies.
- Increasing access by men and women in both urban and rural areas to quality demand-driven training that is directly linked to productive activity.

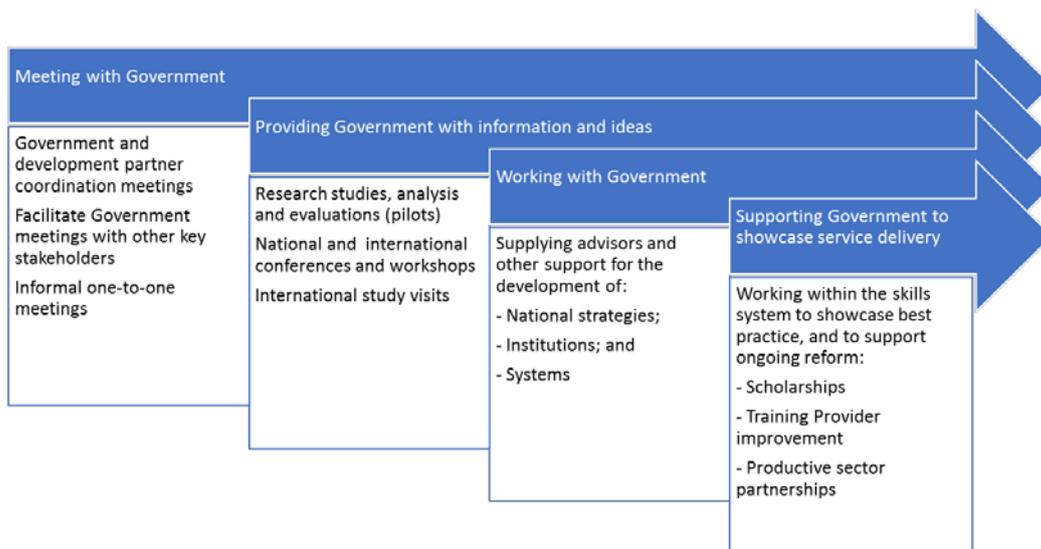
Source: DFAT 2015.



Understanding the policy issues outlined above will provide an understanding of the TVET sectors current operating contexts, as well as likely areas of future action. This information needs to be considered against opportunities that might exist for development partners to influence government action in sector reform.

The final section of this module explains some of the ways that development partners can assist governments by facilitating meetings, undertaking research, supporting access to relevant information sources and providing expertise to support TVET policies, capacity building and training programs. The following figure reflects these actions diagrammatically. Initiatives would require detailed investment designs for support, by agreement with the partner government.

Figure 2 - Opportunities for development partners to influence government action on TVET policies



3 TVET STRUCTURES AND SYSTEMS

There are multiple elements of a well-managed TVET sector. The key elements are:

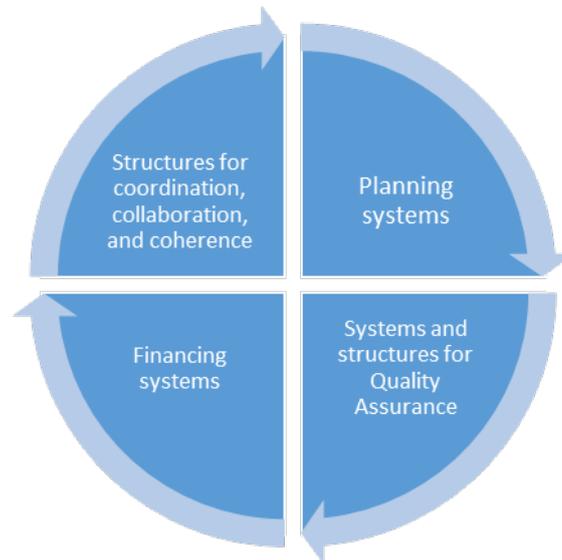
- structures for coordination, collaboration and coherence
- planning systems
- systems and structures for quality assurance
- financing systems.

The following sections provide a more in-depth look at each of these elements, which is followed by case studies to illustrate these systems.



Note: World Bank – SABER (2013) ‘What Matters for Workforce Development: A Framework and Tool for Analysis – Working Paper Series Number 6’ provides useful discussion about TVET structures, systems and considerations.

Figure 3 - Key elements of a well-managed TVET sector



Structures for coordination, collaboration and coherence

National Training Council, Board or Agency

Many countries have set up a National Training Board or similar agency, often with a network of subsidiary and provincial agencies, to coordinate and steer TVET at a sectoral level. Besides enhancing sector-wide planning for and monitoring of TVET, they offer a support base for establishing a National Qualifications Framework and a means of registering course providers and accrediting their courses. Examples include the [Tertiary and Vocational Education Commission of Sri Lanka](#), the [Samoa Qualifications Authority](#), and the [National Qualifications and Accreditation Board of Tonga](#).

Source: Government of Sri Lanka 2017, Government of Samoa 2020, Government of Tonga n.d.

Collaborations with industry

A critical aspect for a well-functioning TVET system is that employers play a key role in identifying the scope and nature of demand for skills and the capabilities that TVET graduates need to have. Employer engagement helps ensure that provision is responsive to employer needs. Engaging employers is not automatic, and it usually requires formal agreements and sometimes requires financial incentives. Employer engagement normally occurs at the following levels:

- liaison with government in the development of a National Training Strategy
- representation on the governing bodies of many autonomous National Training Councils or similar agencies
- membership of sector panels or Industry Skill Councils, agreeing qualifications and standards in relation to occupational standards and needs



- in the delivery of training, including courses part-funded with government through a training fund or scholarships.

Development partner coordination:

Development partner coordination is vital for sectoral coherence. Individual development partners can have a strong influence in recipient countries. Without effective coordination, individual donor initiatives can lead to incoherent and even contradictory developments across the sector. Development partner coordination should be government led, in accordance with the [Paris Declaration on Aid Effectiveness](#) (and the subsequent Busan agreement), in order to be government owned and to have a sustainable impact. Such coordination can also play a role in furthering partner government coordination, to build information exchange and ensure governments aren't duplicating efforts within different ministries. .

Source: OECD 2005.

Planning systems

There is no consistent planning approach for TVET development as each country and regional context is different. Often there are existing country, regional or multilateral assets which may be drawn upon, and there is a value for money question before major planning exercises are embarked upon. Some of planning approaches used in our region are outlined below:

Workforce planning

Australia and many other OECD countries have taken two broad approaches to TVET planning. The 'manpower planning' approach used econometric models to project 'manpower' (or human resource) requirements at points in the future. This data-driven planning system was common in the 1970s and 1980s. There was recognition that in order to be effective, data should be complemented by an understanding of how change is enacted in workforce systems. A workforce development planning system, which has become popular over the last decade, focusses on preparing the TVET system to plan and respond to shifting trends and contexts, rather than try to accurately predict specific future labour market requirement.

Source: Shreeve, R, Gibb, J and Ribeiro, S, From TVET to Workforce Development, 2012

Labour market signalling

Labour market signalling is now used in many countries, together with labour market surveys, extrapolation from past trends, surveying present job opportunities and projecting requirements from national developments. Signals from labour market analysis and qualitative feedback from stakeholders are used to forecast economic changes and future demand for skills in the labour market.

Source: DFAT 2015.



Labour market information systems

Labour market information systems (LMIS) may be an effective way of storing and collating information to analyse changing demand and supply for different skills. ILO define an LMIS as a network of institutions, persons and information that have mutually recognised roles, agreements and functions with respect to the production, storage, dissemination and use of labour market related information and results in order to maximise the potential for relevant and applicable policy and program formulation and implementation. See [the Kiribati Skills for Employment program design](#) for an example of an LMIS.

Source: ILO 2020, DFAT 2015.

Systems and structures for quality assurance

Accrediting qualifications

TVET provision in most countries covers diverse qualifications from a wide range of awarding bodies. The establishment of nationally accredited qualifications provides a level of endorsement for the training provided. Accredited qualifications encourage trainee enrolment as they are recognised by employers, by training institutions for entry to their higher-level courses, by professional and trade organisations, and by other stakeholders. Accredited qualifications give confidence to trainees and future employers in the quality and relevance of the training, including confidence that the qualifications reflect the skills, knowledge, competencies acquired by the learner.

The criteria for accredited qualifications can, and should, ensure that they are competence-based, and reflect recognised occupational standards. In other words, they show that the holder is competent in performing the tasks required in the occupation for which the course is designed. In most cases, the criteria also include an assessment of practical experience as well as the required knowledge, skills and attitudes for workplace competence. When existing or new qualifications meet the regulatory requirements, they are listed as accredited qualifications along with the recognised awarding body.

National Qualifications Frameworks (NQFs)

NQFs bring together all accredited qualifications into a framework of national qualifications. These are typically organised:

- in a vertical structure of levels from, for example, basic craft level certificates through to advanced diplomas in technical trades
- horizontally into occupational sector groupings at the same level.

In this way, the framework shows the equivalence of qualifications and progression pathways for students taking successive qualifications. Many NQFs include education qualifications (such as school certificates), and show levels of equivalence and possible pathways between general education and TVET. These interconnecting pathways can form a powerful incentive for prospective trainees, especially where they potentially lead to degrees or degree-level qualifications.



Qualification levels are based on specific standards for knowledge, skills and competencies that define the learning outcomes required for an award at that level. These outcomes can be earned through a variety of means, for example at school, through full-time or part-time college attendance, at a training centre or on-the-job. The framework includes criteria for specifying, for example, qualification titles, purpose, statements of outcomes and credit values (notional learning hours – those that in an academic situation would be expected to a similar level of learning), and arrangements for assessment and moderation.

New applications for qualifications to be accredited can be benchmarked against the national framework, and the review process is also included in the NQF.

Industrial/professional endorsement

Sector Working Groups (SWGs) or Industry Skill Councils for different occupational sectors usually feed in to the development of national qualifications. Each contains representation from the national industry, profession or community in the respective sector. The SWG ensures that the national qualifications are based on occupational standards, sectoral needs and current practice.

International recognition

Whilst institutions can use externally assessed international qualifications (e.g. qualifications from the Australian Qualification Framework - AQF), national qualifications can also be mapped against international qualification frameworks. International recognition enables labour mobility, allowing workers to move domestically (e.g. internal mobility to find better labour markets) and internationally (e.g. to seek better paying employment, for migration or to create a remittance flow). Mobility can be intra-regional and care is needed to ensure high level overseas training is designed to encourage return and to avoid a 'brain drain'.

Program registration

A formal TVET program is one that is registered by its National Training Council or equivalent, in accordance with its National Qualifications Framework where one exists. Where no such bodies exist, the institution is usually self-accrediting or its programs can be accredited by third parties as is the case with the Kiribati Institute of Technology.

In some countries, for example the Philippines, program registration is compulsory prior to offering national qualifications to ensure that TVET institutions comply with training regulation requirements. Registration includes the validation of courses, required standards in faculty and staff qualifications, physical sites and facilities, tools, equipment, supplies and materials.

The course provider applies to, and is inspected by, or on behalf of, the appropriate government body (e.g. National Training Board or Ministry of Education). There is usually a requirement for subsequent inspections for the course to remain registered, with the initial registration usually on a provisional basis with further inspections and compliance required.

For instance, the [Philippines Technical Education and Skills Development Authority](#) includes a system of accrediting providers as 'Centres of TVET Program



Excellence’. These are providers that significantly exceed the compulsory minimum requirements for registration, including having an institutional quality assurance system in place.

Source: Government of the Philippines, 2019.

Institutional quality assurance systems

Institutions should establish their own internal systems for monitoring and improving the quality of their program provision, including performance reviews of student achievement and graduate outcomes, review of feedback from stakeholder questionnaires, and effective systems staff development and appraisal. The international quality management standard ([ISO 9001](#)) is a good basis for this approach.

Source: ISO 2016.

Monitoring and evaluation (M&E)

M&E is needed at all levels of the system to ensure the maintenance of, and improvements in, quality standards. The degree of complexity will depend on the situation, resources and needs, but any M&E strategy must address:

- what is being measured
- what approaches will be used to collect and collate the data
- how this data is going to be utilised
- how often these processes need to take place. Disaggregation of data by gender and other equity issues (e.g. disability inclusion) is essential to plan for equitable participation, and to track progress in implementation.

Note: For further information, please refer to the *Monitoring and Evaluation* modules.

Financing systems

Budget appropriations

Budget appropriations are the main source of funds for government TVET institutions and programs. Given the relatively high cost of TVET as compared to primary and secondary education, such appropriations are rarely sufficient to cover the full training needs in any country. Other funding sources include:

- user fees
- market contributions
- institutional sales of goods and services
- training funds
- training levies.



User fees

Fees are often charged by government TVET programs to supplement their budgetary allocations. Fees are the main source of funds for private providers (with the exception of training provided by a firm for its employees). Course fees can make institutional management more accountable to trainees for results and can help control excess demand. However, fees can present a barrier to disadvantaged groups, including girls and women. This problem is sometimes addressed by the targeting of scholarships for these groups (for example at the APTC). Governments might also provide merit-based scholarships or subsidies for priority, high-fee courses, domestically or overseas.

The problem can also be tackled through conditional cash transfers (CCTs), a form of which is, for example, provided through the PNG program's in-country Australia Awards scholarship component.

Market contributions

These involve funding directly or in-kind by the private sector, by state-owned enterprises and by other organisations. The contributions include donations of equipment and the provision of expertise. Sometimes these are loaned and used occasionally by the firm providing them, for example, for sample testing and research and development (R&D). Some technical colleges generate income by selling services to industry, including bespoke courses.

Institutional sales of goods and services

Institutional facilities may be used to supplement income. This may involve the production of goods (furniture, agricultural produce, etc.) or services (e.g. tourism and hospitality services). Trainees get practice in actual production and the institution can finance needed equipment and consumable supplies. However, an excessive reliance of revenue from sales can lead to exploitation of trainees, can detract from teaching and can compete with local business.

Training funds

Many countries employ National Training Funds.

“National training funds are an increasingly common vehicle for financing training. A ‘training fund’ is a stock or flow of financing outside normal government budgetary channels dedicated to developing productive work skills. The overall purpose of training funds is to raise the productivity, competitiveness and incomes of enterprises and individuals by providing them with needed skills.”

Source: Johanson, R 2009, A Review of National Training Funds. Washington – World Bank.

Training funds have many potential benefits:

- Providing a base for mobilising additional resources to ministry budgetary appropriations, including donor resources.
- Providing pooled resources for support to national priority areas and those underfunded by the existing system; for example, the informal sector and



reducing unemployment.

- Fostering collaboration among stakeholders.
- Leveraging the improvement of standards by, for example, requiring course accreditation for receipt of the funds.
- Improving efficiency through economies of scale.
- Developing a competitive training market by allowing bidding for funds.

A key consideration of training funds is one of governance (who decides on the use of funds) and management (inefficient disbursement and heavy administrative overheads). Funds can have different funding windows. For example, an employment or pre-employment training fund, an 'enterprise training fund' to increase in-service training, and an 'equity training fund' to support disadvantaged groups.

Training levies

Some countries (notably Botswana, previously PNG) support their training fund through a training levy. This is a tax on companies with medium to large payrolls charged at between 0.5 per cent and 2.5 per cent of the payroll. The benefit for TVET is further strengthened by allowing employers to offset their tax by the costs of training that they provide. However, this offset can distort the training market as firms focus on their own training facilities, thereby stifling opportunities for other training providers.

Training levies can be disputed if the funds are used for activities that are not seen to be in the interests of the taxed organisations, for example, to support training for the informal sector. However, creative approaches can demonstrate strong tax/beneficiary linkages.



4 SUPPORT FROM DEVELOPMENT PARTNERS TO STRENGTHEN TVET

Sector-level strengthening typically focuses on the institutional development of the key sector-level TVET institutions, including the institutions responsible for oversight, coordination, planning, quality assurance and financing. They might include Training Boards, National Qualifications Authorities, and the body managing a training fund. Key sector-level TVET institutions would also include the departments responsible for TVET within the key ministries, such as Education and Labour (or Human Resources).

Developing the capacity of service providers

All potential reform and capacity-enhancing initiatives need to be built on a careful analysis of the special features and needs of the local situation. Every country has different skills requirements and the political, geographical, historical and other considerations that need to be taken into account in a sectoral approach to TVET reform. TVET systems do not easily transfer between countries without significant adaptation. But lessons can be learnt from other countries. Harmonisation with Australian education systems can also promote Australian TVET frameworks and products to strengthen Australia's international education markets.

Support for strengthening TVET agencies in partner countries could include leadership training for senior staff and the development of skills in monitoring and evaluation. Training could focus on any key themes arising from TVET policy, such as developing digital and 21st century skills. Throughout, there should be a focus on gender equality and enhancing provision for disadvantaged groups and individuals.

The ultimate aim is to upgrade the skills of trainer providers, and preferably establish a system for their on-going professional development. TVET trainers should receive both pre-service and in-service instructional design and delivery, as well as be supported to update their technical skills through refresher courses, preferably with an industrial attachment.

Trainer training should include cross-cutting issues, such as the development of entrepreneurial skills, and on how to enhance gender equality, disability inclusion and provision for disadvantaged groups and individuals.

Training should include leadership training in the context of establishing a system and for quality assurance within institutions. There should be training in general and financial management, and training in relation to working with industry to improve program relevance.

Training for TVET managers

It is important that training for TVET managers reflects the good practice that is to be built into the overall TVET system. Training should be:

- competency-based, building skills in accordance with occupational standards and job specifications



- demand-driven and adapted in response to regular feedback
- based on an assessment of on-the-job practice
- formally recognised with accredited qualifications where appropriate
- part of the institutional development of the department or organisation in which the manager is employed.

The individual's time spent in training needs to balance against their workload, with an emphasis on work-based training. It also means that the trainee should, where possible, share their skills with others in the department or organisation.

Advisory support or temporary staffing

Where technical assistance is employed, it needs to be designed to ensure sustainability. Support should be demand-driven, ensuring that any advice is fully owned by the manager and department or organisation, and that the advice encourages, rather than replaces, local initiative and action.

Gender equality and inclusion of disadvantaged groups

Gender equality and other forms of equity should be planned for and monitored. Given the existing high levels of gender and other inequity in TVET systems, opportunities should be considered for affirmative action (e.g. equity focused scholarships).

Coherence of training in other sector programs

Programs in other sectors that make use of or interact with TVET should consider how they can advance the principles of high quality TVET



Case study: Effectiveness of support for skills development: Lessons from Australia's Pacific experience



The reality is that effective TVET program design is difficult, even with the support of internationally knowledgeable and experienced experts.

Office of Development Effectiveness' (ODE) 2019 meta-evaluation of DFAT's support for skills development in the Pacific identified key lessons to improve Australia's support to the skills sector. ODE found that better use of labour market analysis would help to ensure Australia's investments in skills training align with changing national and international labour market needs. Equally, that a better understanding of local context and capacity, including for example the capacity of local employers to provide appropriate work experience, would help Australia deliver tailored skills investments.

ODE's findings also confirmed the fundamental importance of good aid management, such as strong design, implementation and monitoring and evaluation skills, for skills development and aid investments more generally.

What this case study highlights

The case study highlights that there are various elements of effective TVET planning that development partners need to consider when making decisions and formulating TVET programs.

Source: Office of Development Effectiveness 2019, 'Skilling-Up in Timor-Lest and Pacific Island countries: Meta-evaluation of DFAT's support for skills development'.



5 TEST YOUR KNOWLEDGE

Assessment questions

Answer the following questions by ticking 'True' or 'False'. Once you have selected your answers to all the questions, turn the page to 'The correct answers are...' to check the accuracy of your answers.

Question 1

A country's vision for skills development will normally be a balance between meeting the needs of those seeking employment, those engaged in life-long learning, the needs of employers and enterprises and providing the skills needed for industrial development.

Is this statement true or false?

True

False

Question 2

The practice of establishing vocational secondary schools is now rarely used.

Is this statement true or false?

True

False

Question 3

All countries use manpower planning as the basis for future training provision.

Is this statement true or false?

True

False

Question 4

A training levy is a contribution all firms are required to make towards government-provided TVET.

Is this statement true or false?

True

False

Question 5

Monitoring and evaluation will only contribute to quality assurance if used as part of the ongoing planning process for TVET.



Is this statement true or false?

True

False

Question 6

Scholarships and conditional cash transfers are means of increasing the funds for training providers.

Is this statement true or false?

True

False

Question 7

Donor support to training of TVET providers and sector management agencies should build on existing systems.

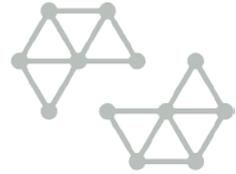
Is this statement true or false?

True

False



The correct answers are...



Question 1

A country's vision for skills development will normally be a balance between meeting the needs of those seeking employment, those engaged in life-long learning, the needs of employers and enterprises and providing the skills needed for industrial development.

This statement is true. The vision will also be a balance between, for example, expanding access and improving the quality and efficiency of TVET provision.

Question 2

The practice of establishing vocational secondary schools is now rarely used.

The statement is false. There are many arguments against having vocational secondary schools, but they are still present and valued in many countries. There is growing interest towards including vocational subjects in general secondary schools.

Question 3

All countries use manpower planning as the basis for future training provision.

The statement is false.

TVET planning usually involves market signalling with labour market surveys, and in some cases plans for industrial and commercial development, rather than the traditional 'manpower planning' based on economic modelling.

Question 4

A training levy is a contribution all firms are required to make towards government-provided TVET.

The statement is false. A training levy is a tax, not a contribution. It typically applies only to firms over a certain level of payroll, and can be used for private as well as government training, including (as a tax deduction) the firm's own training.



Question 5

Monitoring and evaluation will only contribute to quality assurance if used as part of the ongoing planning process for TVET.

The statement is true. Monitoring and evaluation are the mechanisms for lesson learning and identifying changes that should be made to TVET provision and management.

Question 6

Scholarships and conditional cash transfers are means of increasing the funds for training providers.

The statement is false.

Scholarships and conditional cash transfers are used to cover the normal training fees for students from, for example, poorer communities who could not otherwise pay the fees. The only way scholarships and conditional cash transfers could increase the funds for training providers would be by increasing enrolment (and thereby government funding on the basis of overall enrolment figures).

Question 7

Donor support to training of TVET providers and sector management agencies should build on existing systems.

The statement is true. This is necessary to enhance the sustainability and ownership of activities or reforms affecting the provider/agency.



REFERENCES AND LINKS

All web references were correct as of October 2020

Australian Government. 2019. Australian Qualifications Framework. Canberra. <https://www.aqf.edu.au/>

DFAT. 2012, Vanuatu TVET Sector Strengthening Program Phase II Final Evaluation Report. <https://dfat.gov.au/about-us/publications/Documents/vanuatu-tvet-phase2-final-eval-report.pdf>

2015. Independent Evaluation of the Vanuatu Technical and Vocational Education and Training Sector Strengthening Program. <https://dfat.gov.au/about-us/publications/Documents/vanuatu-tvet-independent-evaluation.pdf>

2015. Kiribati Skills for Employment Program Design Document. Kiribati. <https://www.dfat.gov.au/sites/default/files/kiribati-skills-for-employment-program-2016-19-investment-design.PDF>

Government of the Philippines. 2019. Philippines Technical Education and Skills Development Authority. <http://www.tesda.gov.ph/About/TESDA/26>

Government of Sri Lanka. 2007. Tertiary and Vocational Education Commission of Sri Lanka. Sri Lanka. <http://www.tvec.gov.lk/>

Government of Samoa. 2020. Samoa Qualifications Authority. Samoa. <https://www.sqa.gov.ws/>

Government of Tonga. n.d. National Qualifications and Accreditation Board of Tonga. Tonga. <http://www.tnqab.com/>

International Labour Organization. 2003. 17th International Conference of Labour Statisticians (17th ICLS). https://www.ilo.org/global/topics/wages/minimum-wages/beneficiaries/WCMS_436492/lang--en/index.htm

2020. Labour Market Information Systems. <https://ilostat.ilo.org/resources/labour-market-information-systems/>

International Organization for Standardization. 2016. ISO 9001 What does it mean in the supply chain? Switzerland. <https://www.iso.org/files/live/sites/isoorg/files/store/en/PUB100304.pdf>

Johanson, R. 2009. A Review of National Training Funds. Washington – World Bank. <http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Labor-Market-DP/0922.pdf>

Medgyesi, M. 2016. Conditional cash transfers in high-income countries and their impact on human capital accumulation. New York - United Nations Department of Economic and Social Affairs (DESA). <https://www.un.org/esa/socdev/egms/docs/2016/Poverty-SDGs/Tarki-paper.pdf>



OECD. 2005. Paris Declaration on Aid Effectiveness. <https://www.oecd.org/development/effectiveness/34428351.pdf>

Samoa Qualifications Authority. 2017. PSET Strategic Plan 2016-2020. https://www.sqa.gov.ws/wp-content/uploads/2018/02/pset-strategic-plan-2016-2020_final.pdf

Shreeve, R, Gibb, J & Ribeiro, S. 2012. From TVET to Workforce Development. https://link.springer.com/chapter/10.1007/978-94-007-5937-4_7

World Bank. 2013. What Matters for Workforce Development: A Framework and Tool for Analysis. Systems Approach for Better Education Results. Washington – SABER. <http://documents.worldbank.org/curated/en/608191468326178977/What-matters-for-workforce-development-a-framework-and-tool-for-analysis>

Learn more about...

- 🔗 DFAT Skills for Prosperity Strategy at this website: <http://dfat.gov.au/about-us/publications/pages/australian-aid-promoting-prosperity-reducing-poverty-enhancing-stability.aspx>
- 🔗 DFAT's Research into the Financing of Technical and Vocational Education and Training (TVET) in the Pacific at this website: <http://dfat.gov.au/about-us/publications/Pages/research-into-the-financing-of-technical-and-vocational-education-and-training-in-the-pacific.aspx>
- 🔗 The Australia-Pacific Training Coalition at this website: <https://www.aptc.edu.au/>
- 🔗 The Australian Government's VET international engagement strategy 2025 at this website:
<https://www.employment.gov.au/international-skills-engagement>