



TORINO PROCESS 2016-17

FORMER
YUGOSLAV
REPUBLIC OF
MACEDONIA
EXECUTIVE SUMMARY

Executive summary of the Torino Process 2016–17 former Yugoslav Republic of Macedonia report.
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Acronyms

CVET	Continuing vocational education and training
ETF	European Training Foundation
ILO	International Labour Organisation
IVET	Initial vocational education and training
MoES	Ministry of Education and Science
NQF	National Qualifications Framework
VET	Vocational education and training

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1. Introduction

Vocational education and training (VET) is one of the fundamental elements in the development of society. VET has three key functions: preparation for active citizenship; training of competent individuals for the labour market; and preparation for continuing education.

The Torino Process 2016–17 report is in three parts: Executive Summary, Analytical Framework and Annexes. The answers to the questions included in the Analytical Framework constitute the main part of the report. They are based on official data, indicators and observations in relevant strategies, concepts and analyses, questionnaires completed by institutions involved in the Torino Process, etc.

The Analytical Framework has been elaborated in five main parts:

- review of the VET subsystem and the new socioeconomic context;
- effectiveness and efficiency in the recognition and fulfilment of economic and labour market demands;
- efficiency in recognising and addressing demographic, social and inclusion requirements;
- internal efficiency of the VET system;
- management practices and policies in the VET system.

These have been covered in sub-sections encompassing issues that are of essential significance for the country's development.

The report is important for several reasons.

- It reflects the actual situation in different VET segments and the labour market.
- It analyses data, since VET reforms will be vulnerable if they are not justified and supported by relevant data and indicators.
- It provides information for a comprehensive analysis and definition of the country's situation with regard to VET and the labour market.

- It supports further research in this field to establish the developmental changes required.
- Preparation of the report promotes collaboration between the parties involved.

The background to the report emphasises that learning outcomes should be the joint responsibility of all stakeholders, both from education and from the labour market.

2. Main findings

Effectiveness and efficiency in the recognition and fulfilment of economic and labour market demands

Technical and technological progress, the reorganisation of production processes, globalisation and the ageing of the population have all significantly changed the demand for skills over the past few decades, thus contributing to the high unemployment rate in the country.

The Macedonian population profile is ageing progressively. In the period 2005–15, the share of young people (0–14 years) in the total population decreased from 18.2% to 16.7%, and the share of elderly people (65+ years) increased from 11.1% to 13.0%¹.

Official data show that a large share of the active population has a low level of education. The figure is 38.32%, made up of 2.03% without education, 5.75% without primary education and 30.54% with only primary education².

With regard to the transition from education to employment, as of 31 December 2015, 38.2% of individuals waited for up to 11 months to gain employment, 42.4% waited for one to three years and 19.4% waited for four or more years³.

Long-term unemployment is a serious factor that has a negative effect on employment. It results in competences becoming obsolete, i.e. a decrease in the working capacity of individuals. The most worrying factor is that approximately 20% of unemployed people wait for more than four years before gaining employment.

As of 31 December 2015, the Employment Service Agency recorded 114 979 unemployed active job seekers. The share of unemployed persons up to 29 years of age in the total unemployed population was 24.4% (47 066).

In 2015 the activity rate of the workforce in the working-age population (aged 15 years and above) was 57.0%. For the age group 15–24 years, the rate was 32.8%.

According to State Statistical Office data⁴, in 2015 the employment rate in the working-age population (aged 15 years and above) was 42.1% and the unemployment rate was 26.1%. For young people aged 15–24 years the employment rate was 17.3% and the unemployment rate was the highest, at 47.3% (49.7% for men and 43.3% for women).

¹ State Statistical Office, *Macedonia in numbers*, Skopje, 2016.

² State Statistical Office, 'Labour market', Announcement as of 2015, No 2.4.16.02/843.

³ Employment Service Agency, *Annual report 2015*, Skopje, 2016.

⁴ State Statistical Office, 'Workforce survey 2015', *Statistical review: Population and social statistics*, No 2.4.16.02/843, Skopje, May 2016.

A third of young people in the country are not in employment, education or training⁵. Of these, two-thirds are not students and are not employed, although they are active, and a third are not students and not active.

With regard to the level of education, 62% of new employees are individuals with completed secondary education and 10% are individuals with higher education.

In addition to professional competences, employers value key skills such as communication in the mother tongue, knowledge of foreign languages, technical and scientific competences, civil awareness, information technology skills, entrepreneurship, learning how to learn, and cultural expression, as well as certain soft skills, such as loyalty, teamwork, trouble shooting and dedication.

There is no single system or database that integrates all labour market information from institutions, employers' organisations, chambers of economy, local self-government units, and other stakeholders that produce statistics and conduct research in this field. Furthermore, there is no system to monitor the destination of graduates.

Efforts are being made to improve the situation in this area, and in October 2015, work began on the development of the Skills Observatory. Through this, the Ministry of Education and Science (MoES) will conduct an analysis of the adequacy of the skills of students in secondary education in relation to labour market demand, for the purpose of the continuous improvement of teaching programmes in accordance with employers' requirements. Furthermore, the observatory will provide information on the employability of certain occupations, the expected time before employment is obtained and the level of earnings for each educational profile. Such information will help future students and their parents in deciding whether to enrol in certain high schools.

For the purposes of the Skills Observatory, research is being undertaken in cooperation with the European Training Foundation (ETF) to determine the employability of graduates and students (tracer study). Data is being collected on graduates and students for the school year 2014/15 in the field of VET and higher vocational education⁶.

The link between education and work is missing. There is no comprehensive system for professional orientation and guidance of students in vocational education, and students face difficulties in obtaining information regarding employment conditions and opportunities. A large number of graduates from vocational education continue to higher education, which negatively affects the labour market demand for qualified professionals with secondary vocational education. Thus, in the 2014/15 school year, 20 990 students⁷ completed vocational education and 18 942 of them (more than 90%)⁸ enrolled in higher education. The remaining 10% of graduates in that year were to enter the labour market, which is not enough to satisfy labour market demand.

A relatively low share of the total workforce is self-employed (14%). There is a significant gender gap in self-employment: 84% of those who are self-employed are men and 16% are women. Furthermore, the number of young people below the age of 30 years who are self-employed is insignificant.

⁵ Mojsoska-Blazevski, N. and State Statistical Office of Macedonia, Labour market transitions of young women and men in the former Yugoslav Republic of Macedonia: Results of the 2014 school-to-work transition survey, International Labour Office, Geneva, 2016.

⁶ World Bank, 'Information: Skills Observatory', Status 2017.

⁷ State Statistical Office, 'Primary and secondary schools at the end of the school year 2014/2015', *Statistical review: Population and social statistics*, No 2.4.16.06, Skopje, May 2016.

⁸ State Statistical Office, 'Enrolled students in the school year 2014/2015', *Statistical review: Population and social statistics*, No 2.4.15.18, Skopje, October 2015.

Efficiency in recognising and addressing demographic, social and inclusion requirements

VET must strengthen its function for the prevention of social exclusion. A large proportion of individuals in the country are without any qualifications, have low qualifications that are no longer in demand on the labour market, have completed secondary general education but have no vocational qualifications, have dropped out of school early, have lost their job and are searching for work, or are long-term unemployed; these individuals are not competitive in the labour market and find it difficult to integrate into the workforce. Hence, they are at great risk of both labour and social exclusion. In the future, this population must be the focus of development and implementation of policies for education and training, and employment⁹.

VET has consistently failed to attract a sufficient number of students (except for certain vocations in the field of health, economy and law). In 2001 the ratio between students in VET and those in general education was 70:30. This ratio has changed owing to an increased interest for general education; today 58.39% of students are in VET against 40.45% in general education¹⁰.

In terms of the horizontal and vertical movements of VET students, the knowledge and skills they have acquired by way of non-formal and informal learning are not recognised, and they have to go through the same syllabi and curricula regardless of whether they are regular or irregular students.

Internal efficiency of the VET system

Teaching is dominated by the traditional approach to the educational process, with a focus on the frontal form of teaching. In most cases, students are passive listeners while the teacher recites material from the textbook. Only teachers who have undertaken professional improvement or those who are more ambitious apply interactive methods of teaching. The dominant method is to ensure that students acquire facts and encyclopedic knowledge, based on the capacity to memorise information and not on the capacity to understand, compare and question acquired facts that are applied in practice. Accomplishing objectives that promote the development of skills, knowledge and capacity for critical thought, problem solving, learner satisfaction, finding meaning in what has been learnt, etc., is rare in the VET educational process. It has been observed that there is a significant lack of knowledge among teachers on the modern technologies related to school subjects, and this situation is complicated by teachers' low level of motivation and the inadequate career development system.

Entrepreneurship is not sufficiently developed and integrated in curricula regardless of occupations and educational profiles.

The network of secondary schools is complex and inefficient¹¹. There are schools without adequate premises, and with insufficient, inadequate or obsolete equipment for delivering lessons. Schools lack funding and do not have strategies for refurbishing or replacing equipment. Some schools complain that they cannot establish links with employers because there are few or no employers in the region in which the school is located. There are not enough teachers to implement teaching based on learning outcomes and work-based learning.

A relatively small proportion of adults take advantage of the opportunities offered by lifelong or second-chance learning. Through the efforts of the Operational Plan of the Government of the Former Yugoslav Republic of Macedonia for active labour market employment programmes and measures,

⁹ MoES, Strategy for vocational education and training in a lifelong learning context 2013–2020, with Action Plan 'Better skills for a better tomorrow' adopted in May 2013 and supported by the ETF.

¹⁰ State Statistical Office, *Announcement: Population and social statistics*, No 2.4.12.04/718, Skopje, 2012.

¹¹ MoES, Skills development and innovation support project, 'Modernisation of vocational education in Macedonia', Structural and functional analysis of vocational education, Draft, Skopje, 2016.

results have been achieved in terms of increasing the employability of unemployed individuals. However, there is still room for improvement in this field, including by increasing the programmes for requalification and additional qualification, increasing the budget for the preparation and implementation of programming documents, and improving training conditions and the motivation of participants. Furthermore, most of the trainers working with adults lack andragogic training, despite the fact that this is prescribed by the Law on Adult Education.

The quality of VET requires the establishment of a quality assurance system, which would entail a sustainable monitoring and evaluation system based on VET processes and outcomes. This will evaluate the state of VET and the effect of new programmes on students, the labour market and higher education. It will also promptly record and respond to feedback of the users of VET, namely students, employers, universities, schools and other stakeholders.

Changes are required in the assessment of VET outcomes, especially assessment of outcomes for key competences. Since the country has decided to develop the new qualifications and hence, programmes, based on the learning outcomes, and introduced and increased work-based learning in the VET subsystem, it is vital to integrate employers in the monitoring, recording and assessment of learning outcomes.

Management practices and policies in the VET system

The legal regulations contain certain overlaps in terms of institutional competences, and with the introduction of the Law on National Qualifications Framework there were certain discrepancies in relation to other laws regulating VET.

The main source of funding for schools is the state budget. There is a lack of diversity in additional funding sources for the work and implementation of VET, and a lack of models for cost sharing among the different partners in VET – including the state, the business sector, individuals, foundations, associations and the local self-government units – that could contribute to complementary funding.

3. Recommendations for action

The challenges, trends and recommendations discussed in the strategic documents drafted in the country for different fields, and which are presented in this document, highlight the bottlenecks and points of intervention where action is required to increase the quality of VET and its connection to the labour market. If VET is to be raised to the desired level, and if it is to produce educated and skilled young people who can adapt to an unpredictable future reality and bring about change and innovation, the priority areas for action are:

1. to ensure that VET strengthens social cohesion and inclusion;
2. to ensure the attractiveness of VET;
3. to ensure the quality and relevance of VET as a warranty for competitiveness;
4. to establish good governance, resources, capacity and responsibility in the future VET system.

VET to strengthen social cohesion and inclusion

Actions required by 2020 in this priority field include the following:

- establishing a system for monitoring students after they complete VET;
- strengthening guidance services in initial and continuing VET (IVET and CVET);
- establishing mechanisms to detect students at risk of dropping out;

- continuing training for VET teachers to work with students with special educational needs in regular schools;
- establishing a system for the validation of non-formal and informal learning.

Attractiveness of VET

Actions required by 2020 in this priority field include the following:

- establishing mechanisms for the improvement of students' skills, i.e. strengthening work-based learning in all its forms;
- minimising the burden on students, i.e. removing unnecessary subjects from curricula and syllabi;
- revising the concept of the state matriculation exam in terms of VET and undertaking measures to consider the specifics of technical secondary education in this exam;
- modernising material and technical working conditions and the conditions for implementation of VET in IVET and CVET;
- building different and flexible learning and professional guidance pathways in the context of lifelong learning;
- further developing careers centres in IVET and CVET;
- developing post-secondary education;
- developing key competences for lifelong learning, with special emphasis on entrepreneurship, which would be realised cross-culturally and would be an integral part of the work of all teachers, regardless of the educational subsystem or the manner of implementation.

Quality and relevance in VET as a warranty for competitiveness

Actions required by 2020 in this priority field include the following:

- establishing a system and framework for VET quality assurance that will integrate internal and external mechanisms and include stakeholders (in line with the European Quality Assurance in VET (EQAVET));
- redefining quality assurance indicators in accordance with the European Qualifications Framework (EQF), the European Quality Assurance Reference Framework (EQARF) and the National Qualifications Framework (NQF);
- preparing instruments for the monitoring, assessment and recording of the implementation of practical training, with a focus on work-based learning conducted with employers;
- further operationalising the career development system for teachers and VET instructors;
- modernising information and communication technologies in teaching to reflect or simulate the reality of students' future destinations in jobs to which they aspire;
- developing models for the assessment of students' achievements in IVET and CVET, taking into consideration student competences that reflect the objective of VET and that are linked to the labour market;
- developing a model and establishing courses for teachers in companies;
- further developing training for mentors from companies that provide practical training for students from IVET and CVET;

- further developing the NQF;
- optimising the network of secondary vocational schools and training providers;
- strengthening the capacities of and cooperation between institutions relevant to VET.

Good governance, resources, capacity and responsibility in the future VET system

Actions required by 2020 in this priority field include the following:

- strengthening social dialogue and social partnership;
- creating and introducing a peer review model;
- establishing vocational councils in the context of development of the NQF;
- establishing a national observatory;
- harmonising the legislation on VET;
- strengthening andragogic training for trainers;
- building models to enable costs to be shared among different partners in VET (including the state, the business sector, individuals, foundations, associations and the local self-government units).

MORE INFO

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