NATIONAL REPORT OF THE REPUBLIC OF BELARUS

TORINO PROCESS 2012

Prepared by:
Eduard Kalitski
Olga Sinelnikova

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INTRODUCTION AND EXECUTIVE SUMMARY OF THE REPORT FROM THE AUTHORS AND THE ETF

The first (2010) and the second (2012) Belarus reports under the Torino Process were prepared in the form of a self-assessment by the lead experts of the national VET agency – Republican Institute for Vocational Education, in close collaboration with the Ministry of Education of the Republic of Belarus. The choice of a self-assessment format was very important since it fosters a gradual application of the key principles of the Torino Process concept to the national vision building and decision making in VET system's modernization. Evidence-based approach to policy making, monitoring and evaluation represents a fundamental value of the Torino Process.

Both reports have been discussed at the final stage of their preparation with representatives of the Government - Ministries of Education, Economy and Labour - and with non-government stakeholders: education institutions, employer organizations, non-for-profit and business support organizations. All of them suggested improvement points and proposed additional evidence for consideration by the authors. In the course of preparation of both self-assessment reports, experts of the European Training Foundation (ETF) provided comments on the drafts, mainly looking at ensuring the quality of data analysis in the reports and consistency of the presented evidence with the overall Torino Process analytical framework. ETF experts also joined the Torino workshops in the country which attracted a lot of interest among stakeholders and provided a platform for broader discussions over the national challenges of human capital development and VET modernization strategies.

While the objective of the first report, prepared in 2010 and disseminated in 2011, was to implement a stock-taking analysis and establish a monitoring baseline of the VET system in the country, the most recent, 2012 report intends to reflect on the progress, key developments and policy trends during the interim period.

Overall, the two rounds of the Torino Process have contributed to the stakeholder dialogue around the priorities of VET quality and relevance to the labour market demand, national skills’ development strategies and building partnerships responsive to the challenges of modern, competitive economy, the importance of introduction of competence-based curricula and the new teaching standards, availability of life-long learning opportunities, entrepreneurship development and validation of non-formal and informal learning.

At the same time, worsening of the country's economic, social and demographic situation in the recent years presented new challenges to the national policy makers who are now looking for new sources of and instruments for boosting the national economic growth, employability, prosperity and competitiveness. During the two-year period between the rounds of Torino Process, the country was hit by the second after its independence economic crisis, revealing the problems of macroeconomic and fiscal indicators of the past two decades. Until recently, one of the largest economies among the post-Soviet countries, Belarus has been steadily demonstrating low levels of poverty, high employment rates and a stable annual economic growth averaging 5%.

Belarus is a country with a state dominated, still highly centralised economy and with 70% of GDP generated by large state-owned enterprises. As a result of deteriorating situation in the national economy, the country now faces a need to implement structural reforms and economic liberalization, increase the quality and productivity of its human capital, stimulate foreign trade and investment. In order to foster national growth and competitiveness the national policies need to be improved to enable and boost private initiative, support SME creation and make entrepreneurship development and support one of the priority policy objectives.

The new Programme of Social and Economic Development for 2011–2015 sets priorities of innovative development and competitive growth, and therefore puts great emphasis on the role and quality of education. Support to the development of high-technology industries presents new quality requirements to the human resources – the young generations need to possess flexible skills, be adaptable, mobile, technologically competent and capable to implement innovation.

At the same time, the country's labour force policies require upgrading with the view of the current demographic realities, revealing continued depopulation and aging of human resources – on the one hand, and – decreasing labour force, severe lack of modern and flexible skills' in the sectors of economy with the greatest competitive potential – on the other. The population, having reached its maximum of 10,243.5 mln in 1994, decreased to 9,465.2 mln in 2012 (7.6% decrease). Working age population numbers are also declining. This trend will persist because the population born in early 90-s and
characterized by a low birth rate is now entering into employment. The share of employed in industry and agriculture decreases, while the growth is seen in construction and services.

The labour demand forecast and the job placement of graduates in state enterprises are based on the "planned economy" traditions. The rise of a private sector – however slow – and the evident need to stimulate competitiveness, innovation and productivity of the public sector's in the overall context of economic modernisation both call for new approaches in matching the human resource supply and demand. There's also an increasing urban-rural gap due to the growing job offer in the service sector, which increases the inflow of working age population to the cities.

Special attention is needed to the policy measures closing the quality gap between supply of qualified specialists and labour market demand. A mismatch of skills and the requirements of modern jobs is widening both in the public and in the private sector, worsened by the oversupply of graduates with tertiary degrees. While the official figures do not demonstrate great differences in unemployment between graduates of different levels of education, the structural and territorial imbalances in the labour force demand and supply require urgent attention. The greatest demand of the labour market (77.6% of all vacancies) is registered with regard of worker occupations.

More and more, the key competences such as initiative taking, operational independence, digital competence, entrepreneurship, etc. are mentioned by employers as required. The potential of small and medium size business is not fully unlocked. In 2010, 28% of the total number of employed in SME sector were producing 20% of the country's GDP. The results of the SBA Policy Assessment conducted in the Eastern Partner region in 2011-2012, urged Belarus to create supportive policies for SMEs and open up new business opportunities for private entrepreneurs.

The current Torino Process report urges Belarus to deploy comprehensive policies and measures supporting the development of qualified, mobile workers, capable of implementing innovations, taking initiative and able to learn throughout their lives.

While the overall literacy numbers in Belarus remain high (according to the three last rounds of the national census 1989, 1999 and 2009, the literacy remained at the level of 99.6%), the issues of quality, relevance and efficiency are coming to the front. The education system is starting to respond to these challenges posed by the labour market, by the new realities of the globalized world and the demands of a knowledge economy calling for application of new concept of education and training quality, and first of all the concept of relevance in VET. Implementation of state programmes for Vocational Education and Training (VET) and Secondary Specialist Education (SSE) development should address these issues in the coming years.

On a broader scale, the Code of Education of the Republic of Belarus states the objective of support the development of continuing vocational training (CVT) and establishes the legislative conditions for the development of new, flexible education pathways opening access to SSE and HE for the VET graduates. This will, over the longer period, contribute to the increased attractiveness of VET, the introduction of modern occupations and promotion of intellect intense and innovative enterprises.

The 2010 Torino Report has recognised an evolutionary nature of the reform process in Belarus, characterised by systematic, government-led modernization steps targeting the state-dominated, state-regulated, state-financed, centralised education system, with highly educated population and high enrolment rates. Recent years, however, demonstrated that the new vision of the vocational education system is urgently needed in the new conditions. Moreover, such a vision should be developed jointly by policy makers, education system experts, practitioners, teachers, students, while a critical role should be played by the social partners, and first of all employers, both from public and private sectors.

Such cooperation would allow to link the supply of specialists with the realities of today's economic development and labour market, as well as connect up with the broader agenda of national initiatives related to the national qualifications framework development, elaboration of the new occupational and qualification standards, introduction of the national system for evaluation of learning outcomes, validation of non-formal and informal learning, etc. All these initiatives require strengthening of cooperation and coordination between the world of work and the world of education, thus considering social partnership as a key success factor for all these reforms. The pilot initiative of introducing the concept of the Sector Skills' Councils is taking off in 2012 with ETF support and aims at institutionalising the Councils during the coming years. Another example of emerging partnership is the recent development of joint actions plans between the Ministry of Education and sectoral ministries focused on improvement of regular labour force training, retraining and skills upgrading, with attention to new institutional arrangements. Such plans have
been developed in cooperation with the Ministry of Agriculture and Food, the “Bellegprom” Concern, the Ministries of Trade, Architecture and Construction, as well as the Association of International Road Carriers “BAMAP”.

With the process of development, adoption and monitoring of the implementation of the Code of Education of the Republic of Belarus, discussions on quality and relevance of education and training started to drive the VET modernisation discourse, posing the new challenges with regard of systems and tools for quality assurance in VET, and in the education system as a whole. Step-by-step introduction of competence-based approach in selected HE and VET curricula, new approaches to teacher development and a growing focus on definition of learning outcomes represent both a new trend in the education system modernisation in Belarus and a great challenge for policy makers, experts and practitioners for many years ahead. The government also focuses on transforming traditional VET and SSE schools into the modern multi-profile and multi-functional education and training institutions called to respond flexibly to the labour market needs.

The needs for increased efficiency of the education system and the lack of finance for maintaining a extensive, requiring optimisation VET schools’ network all present another challenge that becomes more critical. Education expenditures in the 2012 state budget account for 4.7% of GDP, while the total budget for education, including extra budgetary funds reaches 6.0% of GDP. However, modernisation needs are huge. To enhance the external efficiency of vocational education system at the republican and regional levels, measures to optimise both VET and SSE networks of institutions, and to balance the volumes and structure of supply of specialists by HE, VET and SSE schools are carried out in the country. In addition, Ministry of Education merges VET and tertiary institutions to increase attractiveness and efficiency of VET and creates the network of Centres of Excellence with the aim to improve quality and flexibility of the VET response to the needs of the labour market by supplying modern equipment and offering flexible training programmes for adult population. 21 Centre has been established as of September 1, 2012, with further 10 to be set in the future. Another reform started recently and envisages conducting a pilot activity for gradual introduction of per capita financing in education.

Thus, the key priorities of the VET system that come from the present (2012) Torino process analysis are:

1. Improving labour market relevance of skills and competences of human resources, with the focus on the establishment of Sector Skills Councils and the introduction of the National Qualifications’ Framework, as well as modernisation of standards, upgrading curricula and teacher training to meet the demand of innovative economy;
2. Enhancement of quality, effectiveness and efficiency of the VET system, with special attention given to capacity development for evidence based policy making, monitoring, evaluation, as well as implementation of quality assurance measures and tools both at the VET system and VET institution level;
3. Introduction of a key competence approach across all levels of formal education and non-formal learning in life-long perspective, with the aim of developing flexible, adaptable, motivated and innovative human resources, and with particular attention given to entrepreneurship and sustainable economic development.

A. VISION OF VET SYSTEM DEVELOPMENT

Human capital in the context of economic development. The new Programme of Social and Economic Development of the Country for 2011–2015 has been adopted. According to the Programme the major goal of the national development is the growth of welfare and improvement of living conditions of the population based on the innovative development and competitive growth of the economy. In order to meet this challenge, the priority areas of the national policy were pointed out. The most important of them is the human capital development as the basis for an innovation-driven economy. Therefore the major goal of the education system development consists in enhancing the quality at all levels of training and upbringing of students.

Effective use of labour force will be one of the important factors of GDP growth for Belarus in the near future. According to the average annual rate of GDP growth Belarus became the 25th among 183 countries of the world. The major input into the GDP growth is made by the industry, trade, transport and communication. Gradual renewal of domestic demand and easing of monetary policy can be a potential GDP growth factor.
Role of education and training. Mechanisms have been developed to meet this challenge, notably state programmes for development of corresponding levels of education have been adopted. Implementation of the three 5-year state programmes for TVET, SSE and HE development started in 2011. The Programmes make provisions for enhancement of education content, for improvement of material and technical as well as financial provision, renewal of laboratory-and-training as well as scientific equipment of educational institutions, and for skills upgrading and retraining of the staff.

To maintain innovative development of the economy and country’s focus on development of high-technology productions (belonging to the technological mode V and VI), higher requirements to the content and quality of the staff training are needed. To meet the current and long-term requirements of the labour market, the following has been foreseen: extension of training of specialists with HE for the sphere of information technologies, nanotechnologies and biotechnologies, as well as for providing new kinds of services; development of innovative infrastructure and export capacity of educational institutions; extension of training of workers with SSE; increase up to 30% in the share of TVET graduates with a higher skills level. Measures have been worked out to organise educational process to study foreign languages. Special attention is directed at creation of adaptive learning environment for children with special needs.

To provide training of specialists and workers according to the priority areas of the development of economy and social sphere, the Ministry of Education carries on the work on forecasting the labour demand and optimization of the structure and volumes of training in TVETIs, SSEIs and HEIs.

The efforts of the Ministry of Education, the Ministry of Labour and Social Protection, the Ministry of Economy, employer associations as well as of public associations are in process of consolidation for the modernization of the National System of Qualifications to establish modern mechanisms for management of the demand for staff qualifications from the labour market side and of the qualifications supply from the side of the education and training system.

Objectives of VET development. The following major objectives of VET development in 2011–2015 have been defined across various Government policies and legislative documents:

- to optimize the structure and volume of workers (employees) and training of specialists;
- to strengthen targeting of staff training to demand of economic sectors and individual enterprises, with special attention given to staff training for the priority sectors of economy, namely biotechnological, chemical, information-and-communication, electron-optical sectors;
- to provide training to more than 800,000 workers (employees), specialists, including 207,000 people with TVET, 256,000 people with SSE, 147,500 specialists with HE for the economy sectors and the social sphere out of the state budget during a period of 5 years.
B. EXTERNAL EFFICIENCY: ADDRESSING CHALLENGES IN DEMOGRAPHY, ECONOMY AND LABOUR MARKET

Aging of labour force, depopulation and the causes. Till around 1993 the population was increasing due to the previously accumulated demographic potential. In 1993 mortality exceeded the birth rate for the first time, however the natural loss was compensated by migration gains. In 1994 the depopulation began and the total population size having reached its maximum of 10 243 500 people in 1994, started to decrease and by the beginning of 2012 amounted to 9 465 200 people (by 7.6%, Figure 1).

FIGURE 1. POPULATION SIZE
(as of the beginning of the year, thousand people)


Birth rates increased, however in 2011 almost half of the births were in families with second, third and following children.

According to the UNICEF report “The State of the World’s Children 2012”, Belarus heads the list of 11 countries with the lowest premature birth rate (4.1%) and belongs to the 7 countries, which have reduced this indicator two-fold during the last 10 years.

In 2011 a continuing decrease in the number of abortions has been registered. If in 2000 the number of abortions per 1000 women at the age of 15-49 years made up 46.2 cases, during the last 11 years the value of this indicator has decreased substantially and in 2011 made up 13.2.

At the same time the existing level of birth rate is not sufficient even for a simple reproduction of the population and ensures replacement only by 70%. The population census data are also indicative of this. The average number of children, born by women at the age of 15 and older has grown significantly as the age of women increases. Each woman born in pre-war and first post war years gave birth to 2.2 children in the average, and those born in the 60-s – to 1.7 children. This indicator for women from the generation of those born in the 80-s, today hardly exceeds 0.6 children.

High employment of women in the public sector, high level of their education and qualification together with traditional division of parental responsibilities and a worsening quality of life, could be among the reasons of low level birth rates. According to the population census data of 2009, women make up to 57% of those having a higher education level and 69% of specialists with higher qualification and are often reluctant to interrupt their professional careers.

In 2011, gross mortality rate decreased in comparison with the previous year and made up 14.3 persons per 1,000 of population:
TABLE 2. GROSS MORTALITY RATE
(per 1,000 people of the population)

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Belarus</td>
<td>13.5</td>
<td>14.7</td>
<td>14.4</td>
<td>13.9</td>
<td>14.1</td>
<td>14.2</td>
<td>14.4</td>
<td>14.3</td>
</tr>
</tbody>
</table>


At the same time more than 32 000 people, or one out of four, are people in active working age, besides men make up more than 80% of them. Among the deceased persons at this age 1/3 die of diseases of the circulatory system and almost as much of external causes, not connected with the morbidity.

In 2011 the life expectancy made up 70.6 years and in comparison with the year 2010 increased by 0.2 per year.

A gap in life expectancy between men and women reached 12 years in 2011: 64.7 years for men and 76.7 respectively for women. The probability of death is higher for men at all ages reaching its maximum at a working age.

According to the UNICEF report “The State of the World’s Children 2012”, Belarus has achieved the lowest child mortality rate at the age under 5 years in CIS. In 2011 it made up 3.9 deceased persons per 1000 quick-born against 4 in 2010. In this indicator Belarus came close to such countries as Canada, New Zealand, and Poland, and surpasses Latvia, Lithuania, Slovakia, and USA.

According to the report data, Belarus has the lowest index of the infant mortality rate in CIS (children at the age under 1 year), equal to the indexes of such developed countries as Australia, Austria, Belgium, Spain, the Netherlands, Switzerland and takes the lead over Great Britain, Hungary, Canada, New Zealand, Poland, Slovakia, and USA.

External and internal migration of the population greatly influences the size and composition of the population, as well as many social and economic indicators.

The population loss due to natural causes made up 743 500 people during the period of 1994 – 2010. If it was not for a positive migration balance, the population would have decreased by the year 2010 up to 8 756 500 people or by 14.5% in comparison with the beginning of the depopulation in 1994. As a matter of fact, the population size as of January 1, 2012 made up 9 465 200 people or (taking into account the positive migration balance in 2011 which made up 9 900 people) more by 143 700 people.

The migration’s positive impact on the population size is evident. Its compensatory role for the period of 1994 – 2010 taken as a whole equals to 15.4%, while in 2011 it made up 38.5%. At present, migration is the only factor restraining the population size reduction, i.e. directly influences its demographic safety (Figure 2).
Measures to mitigate the demographic risks. According to the estimates, to stop the depopulation it is necessary to ensure the so-called “zero option” (full cover of the natural loss by the migration gain). The “zero option” refers to positive migration balances of about 28 000–30 000 people per annum\(^1\), or 140 000 – 150 000 people per 5 years, equalling to the total volume of migration gain for the period of 1994 – 2010. It is difficult to achieve these figures in such a short period taking into account the existing demographic tendencies\(^2\).

Over a long period of time, the flows of internal migration have been directed from rural areas towards cities, being determined by the development of industry and services in cities. During 2011 the growth in the urban population size made up about 40 000 people migrating from rural areas. The majority migrants from rural areas are young people who have moved to the city with a view to continue education or for employment. The population of Minsk has increased by 18 000 people thanks to the migration inflow, and also due to the population inflow from other districts by 17 500 people. In 2011, all regions (with the exception of Minsk city) have recorded a negative migration balance. Demographic processes determine to a large extent the current state of the labour forces and perspectives of their development.

One of the quantitative indicators reflecting the problem field of the labour potential is the number of working-age population (men - 16-59 years, women - 16-54 years) and the number of population under working age (0-15 years). At present these indicators demonstrate unfavourable trends for sustainable development.

In the last few years, the working age population has decreased, being the main holder of the labour potential of the society. As of the beginning of 2012 the population of this age group made up 5 748 900 people or 60.7% of the total population size and during the year decreased by 55 000 people (Figure 3). The working age population tends to decrease due to small population groups born in early 90-s and characterized by low birth rate.

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1 In 2011 migration gain made up 25 700 people.
At working age population – resident population at working age (men - 16-59 years, women – 16-54 years), except non-employable people at working age.


As of the beginning of 2012 the number of population below the working age was of 1 522 300 people or 16.1 % of the total population size. During the year it increased by 9 100 people. This increase is related to the entry into childbearing age of the women born in 80-s, with the level of birth rate being high enough.

There is an on-going growth in the number of population over the working age (men 60 years and older, women - 55 years and older). As of the beginning of 2012 the population of this age group made up 2 193 900 people or 23.2 % of the total population size and during the year it increased almost by 30 000 people.

These factors influence the change of the structure of the load on working-age population: the load made by people below working age since 2000 decreased from 356 to 265 people per 1000 people at working age. During the same period the demographic load made by people over working age increased from 370 to 382 people (Figure 3).

The decrease in the number of working age population has determined the labour force reduction encompassing employable people at working age\(^3\), as well as people employed in the economy below and over working age.

\(^3\) The number of people at dependent age per 1000 working age population.

\(^4\) Able-bodied working age population – resident population at working age (men - 16-59 years, women – 16-54 years), except non-workers, receiving a I and II disability group pension (including disability pensioners from among military population); long service pension; old age pension.
In 2007, as compared with 2006, there has been recorded a decrease in the number of working age population, though the decrease in the labour force did not take place because of an essential increase in the number of people over working age employed in the economy. Consequently, the number of labour force having reached the amount of 6 109 900 people in 2007 began to decrease and in 2011 made up 6 031 400 people (Figure 4).

**FIGURE 4. LABOUR FORCE**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Working age population</th>
<th>People over working age employed in the economy</th>
<th>People under working age employed in the economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>5997.0</td>
<td>5703.7</td>
<td>292.3</td>
<td>1.0</td>
</tr>
<tr>
<td>2005</td>
<td>6106.1</td>
<td>5838.2</td>
<td>267.7</td>
<td>0.2</td>
</tr>
<tr>
<td>2006</td>
<td>6107.7</td>
<td>5838.2</td>
<td>269.3</td>
<td>0.2</td>
</tr>
<tr>
<td>2007</td>
<td>6109.9</td>
<td>5825.0</td>
<td>284.7</td>
<td>0.2</td>
</tr>
<tr>
<td>2008</td>
<td>6108.0</td>
<td>5804.4</td>
<td>303.5</td>
<td>0.1</td>
</tr>
<tr>
<td>2009</td>
<td>6081.4</td>
<td>5777.8</td>
<td>303.5</td>
<td>0.1</td>
</tr>
<tr>
<td>2010</td>
<td>6078.5</td>
<td>5742.0</td>
<td>336.4</td>
<td>0.1</td>
</tr>
<tr>
<td>2011</td>
<td>6031.4</td>
<td>5694.9</td>
<td>336.4</td>
<td>0.1</td>
</tr>
</tbody>
</table>


The number of population employed in the economy during 2005–2010 increased from 4 414 100 people to 4 665 900 people (Figure 4). In 2011, a decrease in the number of population employed in the economy has been registered. It happened for the first time in recent years due to the decrease in population size, deterioration of the age structure as well due to the labour migration of the population.

The share of employed population in the total number of labour resources has grown from 72.3% in 2005 to 76.8% in 2010 (Figure 5). Positive dynamics of this indicator has also continued in 2011 in spite of the decrease in the volume of employment in the country. It is due to the involvement in employment of a greater number of the unemployed employable, working age population.

**Employment structure in the structure of national economy.** There is an on-going redistribution process of the employed population from the state to the private sector in the country. The share of people employed at enterprises and organizations of the state form of property decreased from 51.8% in 2005 to 43.4% in 2011 (Figure 6).
Meanwhile, the number of people employed in the private sector is increasing: while in 2005 this sector covered 46.9% of the working population, in 2011 already 54.5%. The growth in the number of people employed in the private sector happened thanks to joint stock companies with the state-owned majority.

Statistical data on the number of employed population by main economic activities in 2005-2011 represented minor changes in the employment structure.
There is a decrease in the share of people employed in the industry and agriculture in favour of construction and service sector. So, the share of people engaged in agriculture has decreased from 11.9% in 2005 to 10.3% in 2011, in the industry respectively from 27.5 to 25.5% (Figure 7). On the contrary, the share of people employed in the construction has increased from 7.2 to 8.6%, in the trade, auto service, personal and household goods repair and maintenance – from 12.4 to 13.5%.

As of the beginning of 2012, 28 200 people were registered as unemployed in Belarus. That is lower than in all analysed periods.

The tension coefficient at the labour market is very low. This indicator amounted to 0.5 unemployed person per vacancy, as of January 1, 2012. Moreover, tension coefficient at the labour market constantly declines: as of January 1, 2011 there was 0.7 unemployed per vacancy, and in 2005, 2.0. The number of vacancies increased from 48 800 as of January 1, 2011 to 51 700 as of January 1, 2012 (by 5.9%).
At the same time, structural and territorial imbalance remains between demand and supply of the labour force, thereby the labour market is oriented to worker professions which made up 77.6% of the total number of vacancies.

### TABLE 5. PROVISION OF EMPLOYMENT FOR CITIZEN BY THE LABOUR, EMPLOYMENT AND SOCIAL PROTECTION BODIES

<table>
<thead>
<tr>
<th>The number of citizens, seeking for employment</th>
<th>Applied for employment since the beginning of the year, People</th>
<th>Employed during the year</th>
<th>People expressed as percentage to the number of applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>297 701</td>
<td>187 143</td>
<td>62.9</td>
</tr>
<tr>
<td>2009</td>
<td>335 198</td>
<td>196 226</td>
<td>58.5</td>
</tr>
<tr>
<td>2010</td>
<td>328 560</td>
<td>204 088</td>
<td>62.1</td>
</tr>
<tr>
<td>2011</td>
<td>313 295</td>
<td>200 846</td>
<td>64.1</td>
</tr>
</tbody>
</table>

of them:

- recognized as unemployed
  - 2005: 206 419
  - 2009: 212 631
  - 2010: 205 826
  - 2011: 188 387

<table>
<thead>
<tr>
<th>People</th>
<th>144 390</th>
<th>129 878</th>
<th>135 645</th>
<th>130 507</th>
</tr>
</thead>
<tbody>
<tr>
<td>expressed as percentage to the number of applicants</td>
<td>69.9</td>
<td>61.1</td>
<td>65.9</td>
<td>69.3</td>
</tr>
</tbody>
</table>


The challenge of women’s unemployment continues to be relevant in spite of its decrease. As of January 1, 2012 women made up more than a half of all those registered as unemployed (54.1%) (Figure 9).

### FIGURE 9. REGISTERED UNEMPLOYMENT BY GENDER

(as percentage to the total number of the unemployed)


The decrease trend in young unemployed (age of 16-29 registered in the labour, employment and social protection bodies remains stable. From 2012, the number of the unemployed of this age group amounted to 10 800 people or 38.4 % of the total number of people registered as unemployed, and during the year it has decreased by 1 800 people (Figure 10).

Since 2005 citizens assigned to public works are not included into the number of people placed in a job. Into the number of people placed in a job are included those citizens registered in the labour, employment and social protection bodies as of the beginning of the reporting year and placed in a job in the course of the year.
Difficulties with the youth employment are due to the lack of hands-on experience, and in some cases also due to having no qualification.

Changes have also applied to the structure of the unemployed by level of education. So, if in January 1, 2005 the share of unemployed with secondary special education made up 18.2% of the total amount of people registered as unemployed, then at the beginning of 2012 it has decreased up to 14.5% (Figure 11). On the contrary, the share of the unemployed with higher education increased over the specified period from 10.3 to 12.0%, with technical vocational – from 22.4 to 24.9%.

Employment of those who have been out of work for a long period of time, claims constant attention. In 2011 the average duration of unemployment amounted to 3.7 months. Thereby, duration of unemployment for men amounted to 3.1 months, for women – 4.2 months, for young people – 3 months (for reference only: in 2005 the average unemployment duration amounted to 5.8 months, for men – 4.9 months, for women – 6.2 months, for the youth – 5.1 months).

In the context of the economic modernization, the priorities of employment policy are moving towards promotion of effectiveness in use of labour force ensuring not only full, but also economically effective
employment. Effective use of labour force will be one of the important factors of GDP growth in the near future.

The gross domestic product (GDP) has been growing steadily since 1996: annually by 6.3% in 1996-2000 and by 7.5 and 7.3% during the next 10 years.

In 2000–2011 the GDP increased 2.1-fold, and the GDP in purchasing power parity dollars per capita increased threefold (Figure 12). With respect to the annual average GDP growth rate (107%) Belarus was the 25-th out of 183 world countries.

The effectiveness of the economy has been growing at the same high rates - in 2000-2011 the labour productivity in the country increased 2.06-fold.

FIGURE 12. DYNAMICS OF LABOUR PRODUCTIVITY AND GDP PER CAPITA IN PURCHASING POWER PARITY IN 2000-2011


In January–April 2012, the GDP increased by 2.9% in comparable prices (Figure 13). The GDP growth by 2.9% is ensured as to the period of maximal growth of this indicator in the previous year (April-May).

FIGURE 13. GROSS DOMESTIC PRODUCT (%)

Source(s): Official data of the Ministry of Economy of the Republic of Belarus.

The main contribution to the GDP growth is made by the industry (2.2%), trade (0.8%), transport and communication (0.6%) (Figure 14).

Results in the construction had a negative impact on the GDP growth (“minus” 1.1%). Index of revenues from net taxes on products (100.8%) left a zone of negative values, registered in previous months,
providing a positive contribution to GDP in the amount of 0.1% according to the results of January–April 2012.

**FIGURE 14. INPUT OF THE MAIN ECONOMIC ACTIVITIES INTO GDP GROWTH RATE FORMING (as percentage)**

<table>
<thead>
<tr>
<th>Activity</th>
<th>January-April 2011 (GDP growth rate - 112.3%)</th>
<th>January-April 2012 (GDP growth rate - 102.9%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, hunting and forestry</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Industry</td>
<td>4.0</td>
<td>0.8</td>
</tr>
<tr>
<td>Construction</td>
<td>1.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Trade; auto service, personal and household goods repair and maintenance</td>
<td>1.0</td>
<td>0.1</td>
</tr>
<tr>
<td>Transport and communication</td>
<td>-0.2</td>
<td>-1.1</td>
</tr>
<tr>
<td>Other types of economic activities</td>
<td>2.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Net taxes on products</td>
<td>2.2</td>
<td>0.6</td>
</tr>
<tr>
<td>Other types of economic activities</td>
<td>0.8</td>
<td>0.1</td>
</tr>
<tr>
<td>Other types of economic activities</td>
<td>0.1</td>
<td>0.1</td>
</tr>
</tbody>
</table>

*Source(s): Official data of the Ministry of Economy of the Republic of Belarus.*

In the current year the government policy has been reoriented to GDP growth, representing an obvious alteration of the course in comparison with the second half of the year 2011, when the key aim of the implemented policy was stabilization of the macroeconomic situation, and the growth targets were pushed to the side lines. It is expected that in 2012–2013 the GDP growth rates will be more moderate – 3-4%.

Potential GDP growth factors in the current year can be as follows: gradual renewal of domestic demand, stimulated by the Government’s efforts to return the real income of the population (to prevent mass labour force migration), as well as some easing of monetary policy and a positive input into GDP from net exports against the background of cheaper gas and a considerable growth in exports of oil products to the EU. On the other hand, potential for growth in exports can be limited by depletion of the devaluation effect and, according to expectations, by the growth rate reduction in Europe and Russia. An official forecast foresees higher GDP growth rates in 2012 at the level of 5.0–5.5%.

**SMEs as underutilised growth and employment factor.** According to the results of the regular survey of business environment, conducted in 2008 by the International Financial Corporation (IFC), there were 6.1 small enterprises (legal entities) per 1000 citizens in Belarus, while the average rate for the EU countries is 39.1 enterprises. After adding individual entrepreneurs registered in taxation bodies to the number of small enterprises (technically speaking individual entrepreneurs meet the definition of a micro organization, used by Eurostat), the gap is slightly decreasing – 22.3 against 39.1. (The majority of the old EU member states have the density of small enterprises at the level of 30 – 55 enterprises per 1,000 citizens).

Analysis of the modern state shows that the small and medium business has not became a significant economy sector yet and its potential is not fully unfolded.

As of January 1, 2012, according to taxation data, 94 108 legal small business entities of all forms of ownership were registered, and their number has increased more than twice during 5 years. The number

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8 Draft of the “Concept of the State Support to Small and Medium Business in the Republic of Belarus” 03.08.2012
of acting individual entrepreneurs as of January 1, 2012 made up 219,285 people and increased by 14.3% as compared to 2006.

During the last years, there has been positive dynamics in the share of people employed in small business as to the total number of people employed in the economy. The share of people working in the sphere of small business according to the results of 2011 made up 18.4% of the total number of people employed in the economy, according to the results of 2006—15.4%.

In spite of the progressive growth during the last few years, the small business input into the main economic indicators is still insignificant. According to the results of 2011 the share of small business entities – legal entities in GDP made up 15.7%, in the industrial output – 11.8%, in the export of goods – 34%. The input of legal small business entities into the total retail sales turnover made up 27.4% in trade, about 23% in public catering, 29.6% into the volume of foreign trade turnover according to the results of 2011.

80 business support centres and 16 small business incubators have been registered (as of June 15, 2012) to provide services on the relevant issues of an entrepreneurial activity organization and implementation, including improvement of the financial literacy of the population.

C. EXTERNAL EFFICIENCY: MEETING SOCIAL NEEDS IN VET AND DISSEMINATION OF THE SOCIAL INTEGRATION PRINCIPLES

Labour market policies and employment support measures. The government follows labour market regulation policy in two main forms: active and passive, with priority given to active measures of employment policy.

Active labour market policies, as opposed to passive ones consisting in the payment of unemployment benefits, aim to develop the capacity of workers and their adaptation to the real needs of the economy. For the unemployed, it means promoting the development and maintenance of motivation and skills needed to engage them in existing jobs and appearing new jobs, by means of training, retraining, support of self-employment, job referral, vocational guidance, etc.

For this purpose the state carries out the following measures:

- a unified system of available information on job vacancies has been created (vacancies are being posted on the website of the Ministry of Labour and Social Protection in the public domain; citizens having no access to the Internet, can get the required information in the district employment agencies);
- the system of training (retraining, skills upgrading) for unemployed people has been organized by professions (specialties) in demand on the labour market;
- provision of assistance in business organization and in relocation to a new place of residence and work; stimulation of employers creating jobs and carrying out training in their companies for new employees, getting the first job and having no profession; there are a special programs for employment of target groups with special difficulties in employment (people with disabilities, young people, etc.).

Measures providing employment have been defined in the State Programme for Employment Promotion of the Population in 2012, adopted by the Government. State funds are allocated from the country's GDP for measures promoting employment (Table 6).
### TABLE 6. FINANCING OF GOVERNMENT PROGRAMMES FOR EMPLOYMENT PROMOTION OF THE POPULATION IN 2008-2012

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Domestic Product (GDP), total, bln BYR</td>
<td>129790.8</td>
<td>137442.2</td>
<td>162963.6</td>
<td>274282.1</td>
<td>187422.7</td>
</tr>
<tr>
<td>State Programme promoting employment of the population of the Republic of Belarus, total, bln BYR</td>
<td>181.918282</td>
<td>175.035988</td>
<td>191.061461</td>
<td>174.806415</td>
<td>225.925690</td>
</tr>
<tr>
<td>% from GDP</td>
<td>0.14</td>
<td>0.13</td>
<td>0.12</td>
<td>0.06</td>
<td>0.12</td>
</tr>
</tbody>
</table>

*Note. The data are for January-May of 2012.

A considerable part of funds (48.9%) allocated in the framework of the State Programme for Employment Promotion has been assigned for the support of employers in restructuring of economy and self-employment of population, for the integration into the labour market of target groups needing social assistance - 32.3%; for staff training and retraining of personnel in accordance with the needs of economic development - 17.0%, for informational work and vocational guidance - 1.8%.

The job placement of the unemployed people and those, who applied to the labour, employment and social protection bodies, their vocational training and retraining, as well as support in organization of entrepreneurial activity, etc. is carried out in the framework of the active employment policy measures (Table 7). According to the legislation, the unemployed people under the age of 21 seeking employment for the first time and having no profession are assigned to vocational education on a first-priority basis. The priority is also reserved for orphaned children and the young men at military age.

The State Programme implementation will enable:
- to facilitate the permanent job placement for newly created or available vacancies for 188 100 citizens, including 125 300 unemployed;
- to organise paid social work with participation of 76 700 people, including 39 300 unemployed;
- to assign to vocational training, retraining and skills upgrading 15 200 unemployed people, among them not less than 45% on applications of employers;
- to facilitate 2 900 unemployed people in the organization of entrepreneurial activities with provision of financial support from the Fund of Social Protection of the Population;
- to provide social support for 120 300 unemployed people during the job search period.

**Social inclusion support measures.** A separate block of the Programme for Employment Promotion of the Population is devoted to measures supporting the employment of women, making provisions for employment assistance for the unemployed women-mothers being out of work for a long time due to childcare. Women, taking care of a child under 3 years, are given an opportunity to undergo vocational training out of the funds, allocated for measures to insure employment of the population, with a scholarship payment during the training period.

The demographic situation, structural changes in economy create conditions for development of the educational services market, oriented at adult population. In 2010, 12.7% of workers (300 918 people) engaged in economy underwent vocational training, retraining or probation. In 2009/2010 school years 28 061 workers and specialists underwent training in TVETIs. Among them 9569 people (34%) were trained by agreements with citizens, 9871 people (35%) - by agreements with the labour, employment and social protection bodies, by agreements with organizations – 8621 people (31%). Mostly employers (in descending order) of the service sector, construction, agriculture, industry upgraded their qualification in TVETIs.

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9 State Programme for Employment Promotion of the Population of the Republic of Belarus for 2012

One of the vulnerable groups of the population is people with special needs and children deprived of parental care. The national data bank on children with special needs, requiring special education and correctional pedagogical help, encompasses 130 759 children. 510 032 disabled people are registered in the labour, employment and social protection bodies, including 25 675 handicapped children under the age of 18. Training of people with special needs, including disabled people, is conducted in the framework of the main educational programmes of TVET. Over the recent years the number of people with special needs undergoing training in TVETIs varies within the range of 2 300 people. Most of them are people with intellectual inefficiency – more than 70%. Furthermore, training is provided for people with vision, hearing, and speech disorders as well as with musculoskeletal system diseases and disorders.

The National Classifier OKRB 011-2009 “Specialties and qualifications” includes 44 specialties and 112 qualifications for people with special needs, including 19 specialties and 43 qualifications for people with intellectual inefficiency. People with special needs are trained at the level of TVET mostly in qualifications for the organizations of construction, industry, agro-industrial complex, communal services, and service sector. There is a tendency towards increase in the number of offered training qualifications for people with special needs. In 2008/2009 school year TVETIs offered training in 23 qualifications for people with special needs, and in 2012/2013 school year there were already 31 qualifications available.

In the framework of creating special conditions, the training of people with special needs is conducted mainly in the training groups in which the educational process is organised only for people with special needs. The number of such groups is growing yearly. For example, in 2008/2009 school year there were 139 of them, and in 2011/2012, already 153 such groups, in which were trained 83% of the total number of students with special needs. Moreover, there were established vocational and social rehabilitation centres for people with special needs as structural subdivisions in TVETIs. In the current year 10 centres operate providing training more than 45% of the total number of students with special needs. In some of the centres operate medical departments, where such students can receive a competent assistance of specialists.

In the last few years, a new organizational form of training has been developed, namely in training groups, in which the process of training is simultaneously organised for people with special needs and other people. In 2011/2012 school year 211 people with special needs were trained in 85 such groups.

Furthermore, there exists an opportunity to gain TVET at home for people with special needs, who on medical indications temporarily or permanently are not able to attend educational institutions. This process is regulated by a number of NLAs, approved in 2011.

With a view to meet the social needs of students, covered by TVET, it is necessary to develop a set of measures for vocational guidance and attractiveness enhancement of this level of vocational education. It is required to continue the work aimed at creating special conditions for people with special needs, as well as to develop inclusive tendencies in education.

**The poverty dynamics and employment.** The crisis has significantly worsened the financial situation of the population. To a greater degree it affected the relatively wealthy population, while the poorest groups of the population were partially protected by the economic policy increasing the minimum wage and maintaining employment. As a consequence, the crisis led to a slight increase in the absolute poverty and reduction in the relative poverty, which is the reverse side of reduction in inequalities in income levels. These trends were most pronounced in the 4th quarter of 2011, when the impact of the crisis on household income peaked. According to expert estimates, the level of the absolute poverty in this period reached 11.2%, by the average annual value of 6.9%. Besides the increased scale of the absolute poverty, its depth increased, too. There was an increased need for a more active social support to these groups of population. At the same time there was a growing share of the population with incomes just slightly above the absolute poverty line.

Comparison of indexes of the relative poverty of Belarus with the European countries led to the conclusion on an unfavourable financial situation of women in the economic crisis. The gap in relative poverty of women and men in Belarus has increased significantly in 2011 and became one of the highest in Europe. On the one hand, this is due to the structure of employment of women, who predominate in low-paid “budget” sectors. On the other hand, there are more women among people above the working age, what also had a negative impact on the dynamics of income compared to that of men.

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Poverty and social exclusion in Belarus. Annual. 2012

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In the framework of the National Programme for the Accelerated Development of Services in the Field of Information and Communication Technologies in 2012 there is integration and development of electronic information resources and services through the creation of an information portal of the Employment Service. The development of the information portal will enable to establish an Electronic Employment Service in the country and ensure the development of operating informational resources and systems in this area and to create conditions for the electronic services and information provision.

D. INTERNAL QUALITY AND EFFICIENCY OF INITIAL AND CONTINUING VET PROVISION

Education profile of population. Census data allow considering actually complete literacy rate of the population. The latest censuses of 1989, 1999 and 2009 showed that this indicator stay stable at the level of 99.6%, and it may be considered to have reached the upper limit. Census data of the year 2009 for the level of education of the population are in the Table 8.

<table>
<thead>
<tr>
<th>TABLE 8. POPULATION OF THE REPUBLIC OF BELARUS BY LEVEL OF EDUCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total, thousand people</strong></td>
</tr>
<tr>
<td>men</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>The number of population at the age of 10 and above</td>
</tr>
<tr>
<td>higher</td>
</tr>
<tr>
<td>secondary special</td>
</tr>
<tr>
<td>technical vocational</td>
</tr>
<tr>
<td>general secondary</td>
</tr>
<tr>
<td>general basic</td>
</tr>
<tr>
<td>elementary</td>
</tr>
</tbody>
</table>


The level of education of women is slightly higher than that of men. For example, generally there are 179 people with HE per 1000 people at the age of 10 years and above; among women at this age 190 people have HE, among men - 166 people.

The level of education is higher among youth. The higher levels of education have those people, who are at the age of 25–29. At this age 311 people per 1000 people have HE. Furthermore, 305 people at this age have SSE and 128 people have TVET.

The elderly population faces a different situation. For example, at the age of 65–69 only 159 people have HE, 198 people have SSE and 64 people have TVET per 1000 people. At the age of 70 and above this value amounts to 108, 127 and 36 people per 1000 people respectively.

Over a period of many decades the education level has been continuously changing towards growth of the share of people with a higher level of education. According to the census data of the year 1989, 843 200 people at the age of 15 and above had a completed HE, and according to the census of 1999 their number grew up to 1 133 500 (85%). According to the census of 2009 it increased up to 1 530 600 people.

The educational level of employed population has enhanced, i.e. the share of employees with HE, SSE and TVET increases, while the share of employees with GSE and having no GSE decreases.
Among the employed population the share of people with HE increased from 23.5% in 2006 to 25.4% in 2010, with TVET from 19.4% to 20.6% respectively (Figure 15).

In the educational structure of people engaged in the economy, only the share of people with SSE remains stable.

Acting in accordance with the constitutional provision, establishing the guarantee for citizens that TVET and GSE are accessible and free of charge, there have been conditions created and improved for getting GSE along with TVET at TVETIs by almost all students. This enhances TVET attractiveness and provides an access to SSE and HE for the most prepared graduates of TVETIs (Figures 17, 18), creates the basis for requalification in more complex professions in the future, when more considerable technological changes will take place at the enterprises.
For the time being, there is a continuous trend of population reduction in the age of 15-24 years, being the primary consumer of educational services. By the beginning of 2012, the population of this age group was 1,283,000, or 13.6% of the total population of the country, and within one year it decreased by 16 M people (Figure 19).

There is an imbalance in distribution channels of youth training. Higher education has become widespread (Figures 20, 21).

**Government measures to improve quality and relevance of education.** The Code of Education has been adopted. To ensure the effectiveness of the Legal Regulation of Education, the monitoring of the practical application of the Code has been prolonged till August 2013. The monitoring is executed by the Ministry of Education and its structures on behalf of the Council of Ministers of the Republic of Belarus.

Generally, the sectoral orientation of educational institutions has been preserved, as well as the orientation to large enterprise, first of all to the major GDP generating and city-forming enterprises by enacting the status of “base organization”.

Structural changes in the economy and existing demographic situation create conditions for diversification of educational services of TVET. TVETIs provide educational services to citizens in cooperation with labour, employment and social protection bodies, on applications of organizations (enterprises) and by agreements with individual citizens. In 2010, 12.7% of workers employed in the economy underwent vocational training, retraining and probation. In TVETIs in 2009/2010, 28,061 workers and specialists were trained. 34% of them - by agreements with individual citizens, by agreements with the labour, employment and social protection bodies – 35%, by agreements with organizations – 31%. Mostly workers of sector of services, construction, agriculture and industry upgraded their skills in TVETIs. There is a need for further work to provide educational services for adult population.

**The VET network modernisation.** The work is carried out to transform educational institutions into multi-field and multifunctional (they already make up almost 80%), as well as to make them focused on the needs of small and medium size business. These multi-field and multifunctional TVETIs are particularly needed in the rural areas, as well as in small towns and settlements having no sufficient amount of vocational education institutions in the region.

Nearly 1/3 of educational institutions have been enlarged, what made them more mobile. As a result almost all TVETIs response more flexibly to the labour force demand by the enterprises in particular regions, carrying out training of workers with a wide range of qualifications in the educational programmes of TVET as well as in the educational programmes of additional adult education. Decrease in the absolute
number of children, structural and institutional changes in the economy make it necessary to create conditions for vocational training and retraining of adults on the base of TVETIs and SSEIs. In 2011, 27 700 adult people received vocational training, retraining and skills upgrading in 168 educational institutions (more than 70% of the total number of institutions).

Centers of Excellence. As of September 2012, 21 centres of excellence were established in the system of TVET for training of learners to work with high-technology equipment. A network cooperation of institutions has been organised for providing training for such sectors of economy as machine building, agriculture, energy, construction, transport, light industry and public catering. The Ministry of Education approved the Concept for Centres of Excellence; a regulation and practical recommendations for their establishment have been developed. According to the State Programme for Technical Vocational Education Development for 2011–2015 it is planned to establish 10 more centres of excellence. For the time being the RIPO carries out the assessment of projects of TVETIs pretending to the status of centres of excellence.

FIGURE 20. DYNAMICS OF ENROLLMENT IN PUBLIC AND PRIVATE EDUCATIONAL INSTITUTIONS BY LEVELS OF EDUCATION
(% of the total enrolment at all the levels of education)
To enhance the external efficiency of vocational education system at national and regional levels, measures are planned to optimise the network of TVETIs and SSEIs. This process will be carried out on the basis of the regional demand for specialists with the corresponding level of vocational education.

The RIPO has implemented a pilot project on optimization of TVEIs and SSEIs network in Grodno region. Related methodological guidelines have been developed and published. Currently, education authorities have developed draft projects on optimization of regional TVE and SSE systems. The process of decentralization is in progress - a number of SSEIs pass from departmental, industry-specific subordination to the regional level. According to a decision adopted recently, there is a Training, Scientific and Production Centre to be set up at the Belarusian State University of Technology, bringing together educational (three levels of professional education), scientific and industrial organizations in the field of woodworking, printing, forestry.

Entrepreneurship promotion and support to entrepreneurial learning. The year 2011 was proclaimed the Year of entrepreneurship in the Republic of Belarus to form an entrepreneurial worldview as well as to promote entrepreneurship. Events were held in TVETIs and SSEIs (project competitions, tournaments, competitions of business projects, actions, etc.) with the view of popularisation of entrepreneurship among the youth as a behavioural model and life strategy.

In the framework of the draft State Programme for Employment Promotion for 2013, a number of activities aim at the development of entrepreneurial skills of students through the improvement of training programs for fundamentals of entrepreneurship in HEIs, SSEIs, TVEIs and additional adult education institutions.

The block of economic subjects has always been an integral part of TVET and SEE programmes. The subject “Fundamentals of Economics” is included in the curricula of all TVET specialties. The subject content encompasses topics, devoted to entrepreneurship. In SSEIs the economic issues are covered in the block of subjects, which encompasses such subjects as “Elementary Economics”, “The Economics of Organization”, “Fundamentals of Management”, etc. Students are given an opportunity to get additional knowledge at the elective classes on fundamentals of entrepreneurial activities.
Optimisation of VET supply structure and the demand for new competences. Optimisation of the volumes and structure of training of workers (employees) and specialists and the youth distribution by channels of training becomes especially relevant in the existing demographic situation (the number of general education graduates is decreasing; from 100,000 in 2008 to 75,400 in 2011. As predicted, in 2015 their number will amount to 54,000 people). Consequently, there will be growth of actual competition between HEIs, SSEIs and TVETIs in getting their enrollee.

The demographic situation and structural changes in the economy dictate the need to optimise the volumes and structure of training of specialists with HE and SSE, as well as of the regular labour force training.

National Qualifications System and new occupational standards’ development. There exists an understanding that structural changes in the economy will lead to emergence of new professions and specialties, as well as to changes in the labour content. It is required to review the content of educational programmes, as well as to develop a mechanism for recognition of qualifications, including those acquired in non-formal environments. There will be a need for further work to develop mechanisms of responsible social partnership in order to modernise the National System of Qualifications. In the framework of the draft State Programme for the Employment Promotion for 2013 there are planned activities for the improvement of the national qualification system Belarus in terms of updates and harmonization of UQGP and UTQG, taking into consideration the labour market needs.

According to the Code of Education (in effect since 2011) educational standards set requirements as to the education quality and the content of educational programmes. A wide range of experts participate in their development and discussion. At present all educational programmes of vocational education are standardised. New educational standards are being developed for the specialties newly introduced into OKRB 011-2009. The educational standards are the basis for the curricula documentation development and they set requirements as to the quality of training, carrying conditions and the content of the final attestation.

Modernisation of education content and the new curricula. To assure the quality of practical training, in the curricula of TVETIs the number of hours assigned to practical training makes up not less than 40% of the total number of hours, assigned to TVET programmes implementation. In the SSEIs the amount of time for practice for all specialties makes up not less than 20% of the total number of hours, assigned to mastering of the educational programme. With regard to the educational programme of SSE, that gives a qualification of worker with SSE, not less than 50% of the total number of hours foreseen for the vocational component and “Practice” component, are preserved for the classroom and workshop training.

TVETIs take the regional labour market specificity into account by making use of time reserve and variable component of the curricula, which are agreed with the customer organizations. With the view of taking the regional labour markets’ interests into account, the educational standards of SSE also make provisions for the variable component, which includes the reserve of study time and can be partly distributed to the vocational component’s subjects as well as to practice when the curriculum is being developed. The remaining part of the hours is included into curriculum as a reserve. Depending on the specialty, the study time reserve makes up from 10 to 15.5 weeks in the approved educational standards.

Assessments, certification and accreditation trends. The Ministry of Education has indicated its interest in the application of the international student assessment (PISA). In the framework of the Union State of Russia and Belarus the discussions are being held on the development of the unified controlling and measuring materials for the schoolchildren’s educational achievements assessment starting from 2013. This is also an urgent problem for TVET and SSE system, i.e. the educational institutions of this level implement the educational programmes which allow getting GSE along with vocational education. At present the state of quality of GSE in TVETIs and SSEIs is studied by means of annual monitoring of the students’ level of proficiency in educational subjects.

The final attestation in the educational subjects of vocational component is carried out in the form of final qualification examination when mastering of the content of TVET educational programmes is completed. The final qualification examination encompasses the assessment of implementation of the test tasks by a student and passing the exam in subjects of the vocational component. The list of qualification (test) works according to the new requirements is to be agreed with the organizations, in which students do their practical training.
The examination in the vocational component’s subjects can be carried out not only in the form when students defend their examination papers, as it was done before, but also on the basis of the examination tasks. The examination form is decided by the educational institution.

The State Qualifying Commission takes decision on giving the marks for the final qualification examination, on awarding a corresponding level of qualification not only according to the performance results of the qualification (test) works, examination papers, answers to examination tasks, evaluation of student’s industrial work experience, but also taking into account the results of qualification exams upon completion of the training stages when organising the educational process in a stepwise manner.

A higher level of education than it is foreseen by the curriculum of an educational institution, can be awarded to the students, who have an award recommendation in the evaluation of students’ industrial work experience and who have successfully performed the qualification (test) works and passed the final qualification exam according to the requirements of the tariff qualification characteristics to this level of qualification in a particular profession (excluding the norm, taking into account the mark for the final qualification exam).

The SSEIs use mainly the following three forms of final attestation: the defence of a graduation project; the state examinations in educational subjects; the state examination in specialty (specialty’s direction). Particular attention is given to participation in the final attestation of the specialists of customer organizations, of other state body (organization) to which the educational institution is subordinate, as well as of HEIs’ pedagogical staff.

**Digital education resources and tools.** In 2010, in the framework of a comprehensive programme for education informatisation, a national educational Internet portal ([http://edu.by](http://edu.by)) was established and launched. The educational portal EDU.BY was established as a universal national educational resource, the aim of which was to ensure a free access to the integrated catalogue of educational Internet resources, educational and methodological, normative and reference materials for preschool education, GSE, SSE, HE as well as postgraduate education. In the system of TVET and SSE the main Internet resource is the Republican portal “Vocational Education” ([http://ripo.unibel.by](http://ripo.unibel.by)). The site of methodological support for vocational education ([http://profedu.unibel.by](http://profedu.unibel.by)) operates with a view to accumulate electronic resources of vocational education.

**New approaches to teacher training and development.** An important factor determining the quality of training of workers and specialists consists in enhancing the level of professional competence of the pedagogical staff. In 2011/2012, the educational process in public TVETIs was conducted by 4,169 staff teachers (Table 7) and 5,418 trainers. A special feature of the educational process in TVET system is a significant number of VET trainers making it difficult to estimate the number of students per one teacher in full-time and extramural forms of TVET compared with other levels of education (Figure 22).

**PICTURE 22. THE NUMBER OF TRAINEES OF FULL-TIME, PART-TIME AND EXTRAMURAL FORMS OF EDUCATION PER ONE TEACHER**

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<table>
<thead>
<tr>
<th>Year</th>
<th>TVET*</th>
<th>TVET**</th>
<th>SSEI</th>
<th>HEI</th>
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<td>2006/07</td>
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<tr>
<td>2011/12</td>
<td>24</td>
<td>18</td>
<td>18</td>
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</tbody>
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* This indicator takes into account TVET teachers and trainers

** This indicator takes into account only TVET teachers
In 2011/2012, in the TVET system student/teacher ratio was 24. If to take into account full-time trainers, this indicator drops to 10. For comparison, in the SSE system there is 15 students per teacher, in the HE system - 18 students. The calculation takes into account the total contingent of students of all forms of education (full-time, part-time, extramural) and all types of educational institutions (public, private). Higher and first qualification categories have 58.50% teachers of the vocational component, 68.25% teachers of the general education component and 49.65% of trainers.

In the last four years there are at the average 24 students per one teacher in TVET, what is much higher than in SSEIs (there are 11 students per one teacher in public SSEIs, 14 students per one teacher in private SSEIs ) and in HEIs (there are 9 students per one teacher in public and private HEIs). The problem of supplying the TVET system with skilled staff is actual. In 2010/2011, shortage of the vocational subjects’ teachers and trainers made up respectively 31.3% and 23.3%. In 2011/2012, the situation didn’t improve: the shortage of TVET teachers amounted to 33.4% and the shortage of TVET trainers to 23.2%.

The students dropout from TVETIs was insignificant and in 2011/2012 school year made up 4.1% of the students contingent (in 2010/2011 school year – 3.3 %), among whom roughly 1/3 were expelled due to absence of valid excuses, for example, disinclination to continue the training in the chosen profession, non-compliance with the requirements of the curricula and training programmes, non-compliance with the statute and rules of the educational institution.

In 2010, 71% of the total amount of graduates were employed, in 2011 – 73%. There exists the practice of targeted training of workers. In 2011, 96.16% of the total amount of the employed graduates was employed on applications and by agreements between organizations (enterprises) and educational institutions. 77.78% of the total number of graduated entitled to job placement were employed. 1 586 people (3.94%) exercised their right for an independent job placement. In 2010 these indicators made up 98.98%, 79.0% and 3.5% respectively.

A mechanism has been created in the vocational education system to response to the structural changes in staffing requirements. This happens thanks to close links with customer organizations, first of all by means of contractual system of training, as well as formation and specification of the order for training of workers (employees) by the state administrative bodies for a five-year period. This order, as well as other important indicators is represented in the state programmes for vocational education development for 2011 – 2015. At the present moment 94.3% of young workers in the TVET system are trained under contracts and applications. Employment of graduates with SSE, trained out of the republican budget, reached 95% in 2011 owing to contractual relations (in 2010 it amounted to 94%).

State policies on youth employment. In regulating the relationship of graduates and employers, a special attention is given to protection of the graduates’ interests. The state guarantees them provision of the first job placement. 96.1% of the TVETIs’ graduates who are liable to job placement get an assignment to job. This makes it possible to employ practically everybody in accordance with the required profession.

Taking into account the innovative development of the country, the goal to train the labour force with higher level of qualification is being carried out. The share of TVETIs’ graduates, who have obtained a high skill category (the 4th skill category and higher) based on the final attestation results is growing annually. In 2010/2011 school year the value of this indicator raised up to 35.61% (in 2009/2010 it amounted to 31.41%).

TVETIs' material and technical base remains a sore point. A significant part of machines and equipment for practical training don’t meet the requirements and have a considerable wear-and-tear. In some degree this problem can be solved with the creation of the Centres of Excellence.

Social partnership and cooperation with employers. The Ministry of Education, together with sectoral ministries, has developed plans of joint activities to improve the regular labour force training, retraining

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12 The calculation is made only for full-time students of SSEIs and full-time students of HEIs
and skills upgrading as well as the labour supply of organizations and enterprises. Such plans have been developed in cooperation with the Ministry of Agriculture and Food, the Concern “Bellegprom”, the Ministry of Trade, the Ministry of Architecture and Construction, the Association of International Road Carriers “BAMAP”.

The RIPO has carried out an in-depth study on issues of employment and career advancement of TVETIs graduates on the premises of the light industry concern “Bellegprom”, enterprises of the Ministry of Agriculture and Food, and the Ministry of Architecture and Construction. The outcomes of this study showed that not all organizations are able to forecast their needs for personnel in the long-term perspective (usually the time horizon is limited to three years). This causes difficulties in the formulation of demands for training.

Another acute problem is staff turnover. An important factor for the anchorage of workers and specialists in their workplaces is the development of their stable, positive attitude to their professional occupations. The lack of interest in the profession was revealed as one of the most significant causes of resignations. Based on this, the RIPO initiated another in-depth study on the motivation of professional choices of TVETIs students of the 1st and 3rd school years. This study showed a low-level of quality of vocational guidance (Figure 23).

The Ministry of Education considers it necessary to develop and implement a special programme for skills upgrading of VET trainers with a view to make them competent in the business engineering issues in the contexts of an educational institution, to provide constant counselling for the heads and specialists engaged in education regarding the economic issues, including business planning, using not only the system of retraining and skills upgrading, but also the Internet portal of the Ministry and the departmental mass media.

**New forms of partnerships – Sector Skills Councils.** To enhance the quality and effectiveness of vocational education, it is necessary to establish and organise the work of cross-sectoral skills councils for vocational education with participation of employers and trade unions. It is important to develop the practice of a sound forecast of the needs for staff towards the timely provision of enterprises with manpower with required qualifications. The praxis of holding final qualification examinations by independent commissions should be extended, in which customer organizations play a decisive role in the training quality assessment. It is necessary to work out measures to provide TVETIs with qualified pedagogical and to reinforce the material and technical base of TVETIs.

**State support to talented youth.** A permanent systematic work with the talented and promising students has been organised. In the TVETIs and SSEIs there has been established a record keeping system of winners of the national events: “Olympiads”, competitions, decorative and applied arts festivals; the career development of students is monitored. The special fund of the President for social support for gifted students, created by the President’s Decree, facilitates activation of work with gifted students of TVETIs and SSEIs, achievement of good results in training and creative work, mastering of a profession at a high level. The national databank “Gifted youth” has been established and is developing. Essential preferences have been set for the students included in the data bank: the priority of job placement, the priority right for holding vacant seats, an out-of-turn providing of a place at a hostel for the period of training. Financial support out of the special fund is being provided for winners of the national events, creative associations of students, which have received public recognition thanks to advanced developments and achievements.
Annually the TVETIs’ students participate in 3–4 competitions of professional skill, decorative and applied arts festival or gathering of inventors and innovators. In 2012, 123 students of SSEIs and TVETIs participated in the national olympiad in the general subjects in specialty “Foreign language”, national competitions of professional skill in the qualification “Tractor operator-machinist of agricultural production”, “Plasterer”, in specialty “Welding works technology”. Pedagogical support for the gifted students is carried out through their involvement in the work of scientific societies, associations of common interests.
E. GOVERNANCE AND FUNDING OF INITIAL AND CONTINUING VET SYSTEM AND INSTITUTIONAL CAPACITY FOR CHANGES INTRODUCTION

The state governance in the sphere of education is carried out by the President, the Government, the state bodies, subordinated and (or) accountable to the President, the National Academy of Sciences, republican state administration bodies, other state organizations, subordinated to the Government, local executive and regulatory bodies, within their power.\(^{14}\)

**Education system governance structure.** The governance of the national system of education has three levels: the 1\(^{st}\) level is the Ministry of Education, other ministries and agencies under the jurisdiction of which are individual educational institutions; the 2\(^{nd}\) level is made up by the educational authorities of the regional executive bodies and The Education Committee of Minsk City Executive Committee; the 3\(^{rd}\) level – educational departments of the regional, city executive and regulatory bodies. The dominant element in this governance hierarchy is the Ministry of Education, which forms and implements the state educational policy.

**Quality management steps.** The work is being carried out on the establishment and certification of the systems for education quality management in order to enhance the quality of governance in the educational institutions (on the basis of the international standard ISO 9001, the certificates have been received almost by 30 HEIs and SSEIs, 1 TVETI).

**State budget funding of the education system.** The main directions of the state policy in the sphere of funding are as follows: improvement of costs planning for running-maintenance of educational institutions; intensification of independence of educational institutions in the issues of budgetary funds planning and disposal, as well as of the incomes from different types of gainful activity; pricing improvement; tax optimisation.

Stable funding of the educational system is being ensured. Public expenditures for education made up 6.2% of GDP in 2005 and in 2009 they amounted to 4.9%, in 2010 – to 5.1%, in 2011 – to 5.0%.\(^{15}\)

Budgetary expenditures for education in 2012 have been defined in scope of 23.8 trillion roubles and will make up 4.7% of GDP. Budgetary funding of the State Programme for Secondary Special Education Development in 2012 made up 1.1 trillion roubles and of the State Programme for Technical Vocational Education Development – 1.5 trillion roubles. It fully covers all budgetary expenditures for the maintenance and development of the corresponding institutions.\(^{16}\) With account of extra-budgetary funds the expenditures for education amount to 6.0% of GDP, what corresponds to the UNESCO recommendations.

Traditionally, the government assigns a big share of budgetary funds to the higher education, the share of funds allocated for SSE decreases. The share for TVET makes up about one per cent (Table 9).

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\(^{14}\) The Code of Education of the Republic of Belarus, p. 106

\(^{15}\) According to the data from the Ministry of Finance of the Republic of Belarus

\(^{16}\) minfin.gov.by
<table>
<thead>
<tr>
<th></th>
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<td>2007</td>
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<td>EDUCATION</td>
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<td>Preschool education</td>
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<td>2.6</td>
<td>0.7</td>
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<tr>
<td>Technical vocational education</td>
<td>1.6</td>
<td>1.4</td>
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<td>Secondary special education</td>
<td>1.0</td>
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<td>Higher and postgraduate education</td>
<td>23.5</td>
<td>21.6</td>
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<td>Applied research in the field of education</td>
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<tr>
<td>Other expenses in the field of education</td>
<td>2.8</td>
<td>3.3</td>
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1 The law of the Republic of Belarus of 30.06.2008 N 364-3 “On approval of the report on the republican budget implementation for the year 2007”
2 The law of the Republic of Belarus of 30.06.2009 N 29-3 “On approval of the report on the republican budget implementation for the year 2008”
3 The law of the Republic of Belarus of 28.06.2010 N 140-3 “On approval of the report on the republican budget implementation for the year 2009”

First steps in introduction of per capita financing. To enhance the effectiveness of public expenditures for education, work has started to study the issues and perform an experiment on transition in funding of education on the basis of the norm of the budgetary funds allocated for training and upgrading of one student.

Extra-budgetary funding in education. The role of extra-budgetary funding sources which can be attracted by educational institutions is growing in the context of lack of budgetary funds. The legislation in the sphere of education has given an opportunity to perform almost all types of gainful activity, with the exception of directly forbidden. In the educational institutions in recent years have gained development not only the study-for-fee forms of education as well as provision of a wide range of educational services, but also other types of activity not directly connected with the educational process. Among them are different paid services, advisory activity, renting public facilities assigned to an educational institution and others.

To stimulate extra budgetary activity and to develop entrepreneurship, educational institutions are granted a remission of taxation on the income from gainful activity (the corresponding norm was introduced into the Tax Code).

Besides, the amendments introduced into the Tax Code, extended the opportunities for sponsor help from profit-making organizations in favour of budget-funded institutions of the social sphere, which includes education (therefore the maximum size of the grant tax allowance has been increased from 5 to 10% of the total profit).

Solution to the sector funding problems in the medium term is connected with retention of a leading role of the budgetary funding, with stimulation of attraction of extra budgetary resources and investments in the sphere of education, as well as with the development of paid educational and other services, including increase in exports of educational services.
<table>
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<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>APE</td>
<td>State educational institution “Academy of Postgraduate Education”</td>
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<td>Belkoopsoyuz</td>
<td>Belarusian Republican Union of Consumer Societies</td>
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<td>Belstat</td>
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<td>Bln</td>
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<tr>
<td>EUROSTAT</td>
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<td>GIAC</td>
<td>General Informational and Analytical Centre of the Ministry of Education of the Republic of Belarus</td>
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<td>GBE</td>
<td>General basic education</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GSE</td>
<td>General secondary education</td>
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<td>HE</td>
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<td>Higher education institutions</td>
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<td>IFC</td>
<td>International Financial Corporation</td>
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<td>Mln</td>
<td>million</td>
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<td>NIE</td>
<td>The scientific and methodological institution “The National Institute of Education”</td>
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<td>NLA</td>
<td>Normative legal acts</td>
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<td>OKRB</td>
<td>The National Classifier of the Republic of Belarus</td>
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<td>PISA</td>
<td>Programme for International Student Assessment</td>
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<td>RIPO</td>
<td>Educational institution “Republican Institute for Vocational Education”</td>
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<td>RIVSH</td>
<td>State educational institution “Republican Institute of Higher Education”</td>
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<td>SSTC</td>
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<td>Ths</td>
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<td>UNESCO</td>
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