



# KEY INDICATORS ON VOCATIONAL EDUCATION, TRAINING AND EMPLOYMENT

## NEW MEMBER STATES, CANDIDATE COUNTRIES AND SOUTH EASTERN EUROPE

### ETF STAFF WORKING PAPER

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This report is published in the framework of the ETF Key Indicators Project conducted in 2003. It presents a selection of the indicators collected through the network of the National Observatories. Additional information is available in the Key Indicators database <http://www.etf.eu.int/kid.nsf>

Participants in the 2003 ETF Key Indicators Project:

**New Member States (NMS):** Cyprus (CY), Czech Republic (CZ), Estonia (EE), Hungary (HU), Latvia (LV), Lithuania (LT), Poland (PL), Slovak Republic (SK), Slovenia (SI). Malta has not participated in the Key Indicators project.

**Candidate Countries (CC):** Bulgaria (BG), Romania (RO), Turkey (TR)

**South Eastern Europe (SEE):** Albania (AL), Bosnia-Herzegovina (BA), Croatia (HR), former Yugoslav Republic of Macedonia (MK), Serbia (SR), Montenegro (CG), Kosovo (KS)

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## List of acronyms

NMS – The 10 new European Union Member States

CC – The 3 Candidate Countries

SEE – The South Eastern European countries/territories

EU – European Union

ETF – European Training Foundation

LLL – Lifelong Learning

IVET – (Initial) Vocational Education and Training

LFS – Labour Force Survey

ISCED – International Standard Classification of Education

GDP – Gross Domestic Product

PES – Public Employment Service

ALMM – Active Labour Market Measures

PLMM – Passive Labour Market Measures

## FOREWORD

Regular collection and publication of key indicators has been developed by the ETF since 1996. It is now a finely honed tool for analysis and measurement, focusing on access and participation in education and initial vocational education and training, labour market developments and educational and labour market programmes spending patterns.

This edition of *Key Indicators* present the data collected in 2003 for the new Member States, Candidate Countries and South Eastern European countries through the ETF's network of National Observatories. Some of the data (including the EU averages) were supplemented by those collected by Eurostat.

The publication focus on the access to and participation in education and initial vocational education. As the process of enlargement will modify the characteristics of the EU labour market, the publication also looks at the main aspects of the national labour markets. The spending patterns on educational and labour market programmes are also reviewed. As a step towards improving the quality of data and to show the limitation of some indicators a series of measurement issues are also addressed and explained in this publication. The annexes provide the full set of data used in this publication as well as important information on the definitions and methods underlying these data.

Data on education and labour market are compiled by ETF from official responses to the questionnaires or from reports provided by education authorities in each country and are mainly used for comparative analysis. While it is difficult to assess the effectiveness of the different policy options on a common basis, the information presented in this report shows that comparative analysis could be in any case a useful instrument for informing the debate. To advance the debate further, reliable and relevant information of good quality is needed.

The provision of good quality data remains one of the most important objectives for the ETF *Key Indicators* project. The Foundation will continue to support the partner countries in the field of data collection, to assist them in identifying and filling data gaps and to make better use of the international comparative analysis for informing the debate on vocational education and training.

## THE ECONOMIC AND DEMOGRAPHIC CONTEXT

In 2002 the demographic changes had a continuing impact on key education and employment statistics in all surveyed countries. The slowdown in population growth over the last years, which was a common trend in many of the New Member States, continued in 2002. Based on Eurostat data, in 2002 only Cyprus and Malta and have reported sizeable increases in the total population (9.3 and 4.2 per 1000 inhabitants respectively) while in Slovenia a slight increased (1.1 per 1000 inhabitants) of the total population was noted.

*In 2002 the combined population of the 10 new Member States represented one-fifth of the population of the EU whereas the population of the 3 Candidate Countries represented one-quarter of the population of the EU*

The 10 new Member States<sup>1</sup> have a total population of about 75 million – equivalent to one-fifth of the population of the EU. The other three Candidate Countries<sup>2</sup> have a combined population of nearly 100 million – or more than one-quarter of the population of the EU today<sup>3</sup>. The total population of the South Eastern European participants was estimated at 23.7 million<sup>4</sup>. The ex-Yugoslavian republics have a combined population of 20.6 million – which represent one million less than the total population of Romania.

In the enlarged Europe the net migration would be the main factor to conduct to the population increase. In 2002 three new Member States (Cyprus, Malta and Hungary) have reported net migration rates (respectively 4.9, 2.3 and 1.9 per 1000 inhabitants). Recent estimates<sup>5</sup> however played down the speculations related to the EU migration. Over the next five years, about 220.000 people (which represent only 1% of the working population of the 10 new EU Member States) can be expected to migrate to all 15 EU Member States. Among the young people (aged 15-24) only 2-3% have indicated a firm intention to move but a third of these people for study purposes.

*Albania, Turkey and Kosovo have a young age structure of the population*

<sup>1</sup> Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Malta, the Slovak Republic and Slovenia

<sup>2</sup> Bulgaria, Romania and Turkey

<sup>3</sup> Source: Eurostat, Statistics in Focus, Theme 3 – 25/2002, *First demographic estimates for 2002*

<sup>4</sup> Population data in SEE must be treated with care given the high mobility during the war

<sup>5</sup> European Foundation for the Improvement of Living and Working Conditions, *Migration trends in an enlarged Europe (January 2004)*

The structure of population should be seen broader. The next few years will offer a window of opportunity in countries where reduced cohort ease the demand for school places and allow access and quality issues to be addressed more easily. On the contrary in Albania, Turkey or Kosovo where the population under 15 years of age represent almost 30% of the total population more investment will be needed simply to maintain current participation rates for a growing youth cohort (Table 1b).

*The economies of most countries have been expanding at fast rates*

The economies of most countries have been expanding at fast rates in 2003. It should be further noted that in some countries (Romania or Croatia) the growth was achieved on a decreasing trend of the employment rates. This is rather inappropriate for countries experiencing rapid economic growth, which need to increase labour supply in order to consolidate the benefits of growth (see also the part on labour market in this publication).

## THE INITIAL VOCATIONAL EDUCATION

In 2002, changing labour market and economic and social conditions have resulted in a clear demand for more and better education and training. Most national policy-makers see the main challenges facing the education systems lying at the secondary and tertiary levels, reflecting the growing need to enhance human capital by raising levels of skills among the population.

*Changes in participation rates of the population provide a picture of how countries have responded to increasing demands for education and training*

Participation rates in education towards the end of compulsory schooling for the new Member States and Candidate Countries are in most cases at EU-15 levels. Exceptions are Bulgaria, Romania and the Slovak Republic where participation rates amongst the over-18s are substantially lower than most other countries<sup>6</sup>. In South Eastern Europe the situation looks very different. ETF data shows particularly low levels of participation in education of the population aged 17 years in Albania (35% in the school year 2000/01) and Kosovo (37% in the school year 2001/02).

*In countries like Czech Republic or Slovak Republic young people are more likely to follow a predominantly vocational programme*

In Czech Republic as well as in Slovak Republic in the school year 2002/03 a high proportion (almost 80%) of completers of basic education entering secondary VET while in countries like Croatia or Bosnia-Herzegovina the proportion was over 70%. In Albania or the 3 Baltic States the participation rates are much lower (Table 2a).

In the last years some countries have introduced legislation to raise the school leaving age usually by one year or even more (in the case of Hungary). With a view to increase participation the Czech Republic has set itself national targets to increase participation in post-secondary and tertiary education. The Slovak Republic it too has itself ambitious plans to increase participation in tertiary education suggesting that current levels of participation are lower.

Growing diversity in vocational educational provision has been one of the policy responses to increasingly variable demands for skills. Data on educational attainment levels suggest that with the exception of Turkey and Albania all the other countries perform well at the upper secondary compared to the EU averages though generally less well at the tertiary level (Table 2f). In many countries in the last few years there has been a shift away, in provision and participation, from lower level vocational programmes towards programmes in secondary vocational and grammar schools leading to *Matura-type* qualifications. However, in some countries (Albania, Estonia or Romania) the figures hide the fact that some of the upper secondary attainment is in low level vocational programmes leading only to the labour market and giving no direct access to higher levels of education.

*Early school leaving is a matter of concern in countries like Romania or Bulgaria*

National figures<sup>7</sup> suggest that dropout rates are higher in vocational programmes than in general ones. However, school dropout is often difficult to measure as so many actions<sup>8</sup> can be regarded as "drop-out". Used as a proxy for dropout, the early school leavers' rates (the percentage of 18-24 year olds who have, at most, lower secondary education and who are not in education or training) are generally lower than the

<sup>6</sup> Compulsory education lasts at least 9 years in all countries ending at age 15 or 16 in most cases

<sup>7</sup> Available for some countries only through the annual reports prepared for ETF by the National Observatory network

<sup>8</sup> Leaving a programme before the end; taking time off during a programme; transferring to another programme (whether "better" or "worse"); transferring to another institution (whether to the same programme or not); finishing the programme but failing the final examinations; succeeding in the final examinations but not entering the next level of education; etc

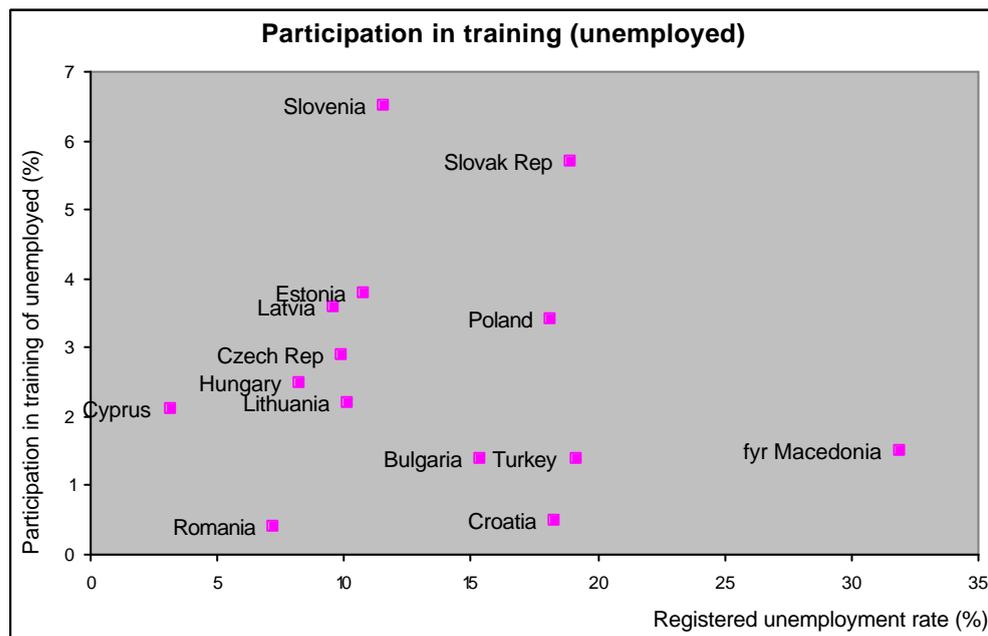
EU-15 average of 18.1%. Exceptions are Bulgaria and Romania with the rates over 20%. Among SEE countries for each data exists the early school-leaving rate is very high (over 60%) in Albania (Table 2b).

The early school-leaving rate should be also seen in the context of the reference levels of European average performance (or European benchmarks) set up by the EC in 2003. As can be seen in the above figure all the 10 New Member States have reported rates of early school leaving which are below the EU-15 average and in some countries (Slovenia, Poland, Czech Republic and Slovak Republic) even below the agreed level of less than 10% by 2010.

In many countries there is less information available about youths that have left education but remain inactive in the labour market. As opposed from the information requested through the LFS, the “safety-net” typically aim to track down young people who have left education and are neither employed nor registered with the public employment services or receiving social assistance. In countries where the non-student inactivity is high this information is valuable and can complement the data about people who are registered with the public employment service or receiving any other kind of benefits.

*Some differences are still likely to exist between the training patterns for adults*

Participation by adults in training and in life-long learning is generally at lower levels than in the EU. ETF data suggest that in 10% or less of adults aged 25-64 participated in education or training in the four weeks prior to being surveyed with Slovenia (9.1%) and in the Slovak Republic (8.5%). The EU-15 average is around 9% but the best performing countries reported more than 18% in 2002. The EU has recently set itself the target<sup>9</sup> of achieving an EU-15 average of at least 15% by 2010, with no country below 10% by that date – which suggests the Candidate Countries have much catching up to do. In SEE countries data for 2003 shows rather high participation rates (5.3% in Croatia and 4.7% in fyr of Macedonia (Table 1c). Youth participation in training and in life-long learning for both employed and unemployed persons is at higher levels in Latvia (30.3% and 33.9% respectively), Poland (31.1% and 26.3% respectively) and Estonia (27.5% and 21.1% respectively) (Table 3a). ETF data suggest that in Romania and Croatia less than 1% of unemployed adults aged 25-64 participated in education or training.



A very important issue for most countries is the allocation of resources for education, training and labour market programmes. The issue of resource allocation for education needs to be seen in a broader context. Countries unable to match increases in participation especially at the post-secondary levels with increases in resources will be faced with difficult choices as to how to adjust the national educational systems provided so as to meet the demands of a larger student population.

*The New Member States, candidate and SEE countries allocate between 6.9% and 2.7% of GDP to education*

Public spending on education as a percentage of GDP is often seen as the commitment, which governments make to the provision of education. The NMS and CCs allocate a percentage of GDP for

<sup>9</sup> European Commission Communication on *European benchmarks in education and training: follow-up to the Lisbon European Council COM (2002) 629*

educational expenditure ranging from 7% in Estonia to less than 3% in Romania. Among SEE countries for which data exists, Croatia is the best positioned in an international context with 4.2% of GDP allocated in education in 2002. A better measure of governments' commitment to education is the proportion of total public expenditure devoted to education. Some countries allocate a high percentage, as is the case in Lithuania where public spending on education accounts for more than 26% of total public expenditure with 1.8% allocated in IVET (Table 5a).

Although both indicators can offer a picture of a country's financial commitment to education, each of them takes into consideration different factors such as number of students and national wealth. Thus, even though some countries may spend less on education as a proportion of GDP, the percentage of total public expenditure devoted to education may be substantial.

The expenditure from public sources on education and training as a percent of GDP is often seen as an indicator of the commitment, which governments make to the provision of education. But in dividing the expenditure by GDP to arrive at a measure of relative investment in education, we need to compare the countries on a comparable footing. This qualifies any comparison, which focuses on changing shares of GDP spent on education as well as one particular measure of national wealth. Some countries recorded a large fast growth in GDP over the last years. For example, in Romania, total spending on education grew by 19% between 2000 and 2001 whereas the GDP grew by almost 30%. The result is that the ratio fell notwithstanding the sizeable growth in absolute spending. The change in the levels of public expenditure on education as a percentage of GDP has, in many countries, more to do with large fluctuations in the level of GDP itself than sizeable changes in actual expenditures on education.

*ETF data shows that spending patterns across education level is different*

As previously mentioned in this publication in many countries the demand for education, especially at secondary and tertiary levels, has continued to grow. The distribution of expenditure across levels of education roughly indicates the policy priorities in a country with the rationale for public support of basic education quite strong. For example, in Albania, Bosnia-Herzegovina or Kosovo, the majority of resources (over 60%) are focused on basic education where the majority of students are found (Table 5b).

*The teaching conditions can differ largely from one country to another*

In vocational education and training, ETF data shows that the ratio of students to teaching staff (based on FTE) differs widely, from 18.5 in FYR of Macedonia to 8.1 in Lithuania (Table 2d). Differences in student-teacher ratios between levels of education or for different educational pathways indicate differences in the priority given to particular levels of education but they may also reflect delays in matching the teaching force to changing student populations. Teachers' workload is a very important factor to be taken into account when comparing teaching conditions. One can make teaching attractive by the different working hours permitting more or less overtime hours or other activities. In some countries (Turkey or Bosnia-Herzegovina) the number of teaching hours is over 900 or close, while in others (like Cyprus or Albania) the teaching load is considerably lower (Table 2f). However raising the enrolments has important implications especially for the teacher training and recruitment of new teachers but lowering student-teacher ratios must be weighed against other policy goals such as investment in school infrastructure and equipment or competitive salaries for teachers.

## THE LABOUR MARKET

Labour market performance in 2002 has been less encouraging than the economy in almost all countries and especially in SEE countries. It should be however note that in 2002 in countries like Romania or Croatia, the economic growth was substantial and was achieved on a decreasing trend of the employment rates.

The process of economic restructuring continued in 2002 in almost all CCs but the changes in the structure of employment by economic sectors was minimum compared with previous year. Among them comparatively high number of people working in agriculture can be found in Turkey (37%) and Romania (36%). In countries like Albania more than 50% of the employment is in agriculture, much of it based on subsistence nature, which often includes many unpaid family members (Table 4c).

In most of the countries employment rates are falling (or barely rising). This is in contrast with nearly all Member States and is inappropriate for countries experiencing rapid economic growth, which need to increase labour supply in order to consolidate the benefits of such growth. Only in Cyprus and Hungary are employment rates rising noticeably – though in the latter case from a very low initial level. In 2002 almost all SEE countries faced a dramatic decrease in their productive capacities, economic output and employment rates. Employment rates have continued to decline.

One of the very important issues in almost all NMS and CCs is the employment rate of older (aged 55-64) workers. The rate should be seen in the context of the EU employment targets set up in 2003. Some countries have introduced legislation to raise the retirement age (usually by more than one year). As a result of promoting the active ageing, in 2002 in many countries the activity rates of population aged 55-64 went up. At present only Estonia meets the target and Cyprus is well above the EU average. Three new Member States (CZ, LT, LV) have the rate above the EU-15 average of 40%. The other countries have to catch-up with the agreed level of 50% by 2010 ([Table 4a](#)).

But the issue of greatest concern in the NMS but especially in SEECs is the very high – and, until recently, rising – level of unemployment in some countries ([Table 4b](#)). In 2002 there were more than 5 million people unemployed in the New Member States (equivalent to nearly 40% of the unemployed in the Member States). The problem is particularly severe in Poland where the unemployment rate is 20%. Unemployment rates are also close to 20% in the Slovak Republic, and have been very high in Estonia and Lithuania but in all three cases appear now to be declining. In two of the three Candidate Countries (BG and RO), there were a further 1.4 million unemployed in 2002 (equivalent to 10% of the unemployed in the EU). In Turkey, where the unemployment rate was around 10% in 2002, estimates for 2003 suggest that as many as 2.8 million people are unemployed<sup>10</sup>. Among the SEE countries, the registered unemployment is very high in Kosovo (60%) and Bosnia-Herzegovina (43.8%).

One important issue in almost all NMS and SEECs is the youth unemployment. Rates of youth unemployment are also substantially higher in most countries and rising compared to the EU. Only Cyprus and Hungary have youth unemployment rates below the EU-15 average whilst Bulgaria, Poland and the Slovak Republic have rates well in excess of the poorest performing Member States. Despite this, youth unemployment rates are typically about twice those of the adult population as a whole (which is similar to the EU-15 ratios). Furthermore, in 2002, in the Czech Republic, Cyprus, Romania and Slovenia youth unemployment rates were substantially more than double the overall unemployment rates. Youth unemployment is particularly high in FYR of Macedonia (65.7%) and Montenegro (47.6%).

*In all countries the Public Employment Service have started an extensive process of modernisation*

In the NMS and CCs the Public Employment Services are generally less well developed and less well-resourced than in Member States and the range of measures available is rather limited in most of the countries. In SEE countries the main role of the employment services remains primarily the implementation of passive measures. The target groups for the PES are active job seekers aged 16 and above and prospective employers but the range of services shows large differences by group of countries. In SEE countries traditionally the PES were responsible for job mediation, guidance and orientation. In the last years their main role is limited to the payment of unemployment benefits and to issuing the certificates for social benefits to the unemployed. The client-staff ratios are higher in SEE countries efficiency of employment services is influenced by the high numbers of registered unemployed (approximately 1000 to 2000 unemployed per employee)<sup>11</sup>.

The differences in reporting practices often lead to problems with employment indicators at both national and international levels. In all countries the information on registered unemployed persons, usually held by public employment offices differs in coverage and definition from those used in LFSs. As a result of differences between national laws governing the entitlement of job seekers to benefits and other assistance (which normally form the basis for defining the coverage and definition of the registered unemployed) it is difficult to harmonise the two measures of the unemployed. In some countries the figures can differ considerably, as can be seen in [Table 4b](#). Both measures of unemployment must be used with care because neither gives a full picture of the shortage of jobs of the sorts in which policy-makers are interested. However, the LFS offers useful comparable information above and beyond the unemployment rate, including indicators of under-employment, job-search activity and the extent to which individuals in various LM situations (ie inactive, discouraged workers, “safety-nets”).

PES-based unemployment rates are influenced by institutional factors, especially the rules about unemployment compensation, which can have a determining influence on individuals’ decisions to register with the PES. One likely result of these rules is that the urban occupational groups, who are most often insured, are more prone than rural workers to register at the PES when they are out of work. Evidence<sup>12</sup> shows that in some countries, up to about 50% of the rural workers whom PES treated as unemployed were actually employed by LFS definitions, though often under-employed in the sense of working shorter hours than they would like. The urban PES-unemployed, on the other hand, are often “not in the labour force” according to LFS – that is, they neither work nor seek jobs. Some may only want to

<sup>10</sup> See the Background Study on Labour Market and Employment in Turkey (2003) prepared for ETF

<sup>11</sup> Such data was not made available through country reports. The reported data on client-staff ratio may lack comparability due to different definitions applied.

<sup>12</sup> Made available through national reports. The national indicators may lack comparability due to different definitions applied.

claim unemployment benefits, others may want to work but have given up job search (ie are discouraged workers).

*In 2002 public expenditure on labour market programmes accounted for less than 1% of GDP*

Expenditures on PES administration (including the training of PES staff) and on active labour market measures are well-below EU levels in almost all countries. The public expenditure on PES administration is generally around or less than 0.1% of GDP. Only in the Slovak Republic (with one of the highest unemployment levels) are expenditures on PES administration close to EU levels (at 0.2% of GDP). SEE countries for which data exists shows even a lower level. The gaps in expenditures on active labour market measures are generally even greater than on PES administration – especially where unemployment rates are highest. In most countries the level of resources devoted to ALMM does not seem appropriate given the levels of unemployment (Table 5c).

Not only are expenditures on active labour market measures relatively low, the range of measures available is rather limited in most of the surveyed countries. In several countries at least half the expenditure on active labour market measures is for employment subsidies and public works. Expenditures on labour market training are often low or inadequate. Only EE reported that training accounts for 50% or more of spending on active labour market measures – but the country devote very small share of GDP to active measures (less than 0.1% of GDP) (Table 5d).

## CONCLUSIONS

The new Member States and candidate countries have all made substantial improvements in their labour markets and training systems since 1990. These are now unrecognisable from those prevailing in 1989. Except in Bulgaria and Romania where the economy contracted between 1995 and 1999, growth rates have been higher on average since the mid-1990s than in the EU Member States. Since 2000, however, growth rates in all countries have been much higher than on average in the EU. Also GDP per capita has improved considerably. However, the benefits of economic growth have not been distributed evenly and, in fact, unemployment has often increased substantially during the same period. The situation looks different in SEE countries. In the last decade they faced a decrease in their growth strongly related with the war.

Each country has important categories of population that have been unable to access new opportunities. The decline and restructuring of traditional industries, changes in regional economic structures and shifts in the demand for skills have not always been accompanied by appropriate labour market adjustments. Specific interventions are required to ensure that labour market policies provide these sub-groups of the population with the skills relevant to available employment opportunities. These interventions need to encourage the use of ALMM over PLMM and to develop further the PES, which are commonly the major support provider to the disadvantaged and unemployed.

In addition, despite important reforms (often of a pilot nature) in the initial Vocational Education and Training systems of each country, lack of resources constrain and delay a comprehensive implementation and the system-wide dissemination of the benefits of the reforms.

Similarly, the countries remain substantially behind the EU in provision of continuing training. Unless this is addressed, not only will it be difficult to achieve productivity gains from a deepening of the skill base of those in employment, but it will also inhibit the growth of lifelong learning opportunities for employees at a time when the Member States are developing comprehensive lifelong learning strategies.

To address these difficulties each country will need to take appropriate measures like capacity building in PES, Initial and Continuing VET and support for ALMM.

## ANNEX 1 - GLOSSARY OF MAIN DEFINITIONS

**ACTIVE POPULATION** (also called the LABOUR FORCE) consists of all individuals aged 15 and over in the population who are either EMPLOYED or UNEMPLOYED.

**DIRECTED-STUDY HOURS** include classroom lessons, lectures, seminars, tutorials and other similar sessions delivered by a teacher or lecturer (usually in person) to groups of pupils or students.

**EARLY SCHOOL LEAVERS** is a proxy for drop-out and comprise all persons aged 18-24 who have at most lower secondary education (ISCED levels 0-2) and are not in any form of education or training.

The **FTE CONVERSION FACTOR** for students (or teachers) is the number of PART-TIME STUDENTS (or PART-TIME TEACHERS), which equate to one full-time student (or FULL-TIME TEACHER). For example, if PART-TIME STUDENTS receive only half the DIRECTED-STUDY HOURS of full-time students, we can say that 2 PART-TIME STUDENTS equate to one full-time student and so the FTE CONVERSION FACTOR for the students in this example is 2. A similar comparison between the working hours of teachers can be made in order to determine the FTE CONVERSION FACTOR for teachers.

**EMPLOYED** The employed comprise all persons who during a specified period, usually one week, did any work for pay or profit for at least one hour, or were not working but had jobs from which they were temporarily absent. Employees, the self-employed and family workers are all included in this category. The **EMPLOYMENT RATE** is the number of employed as a percentage of the corresponding age group population.

**FULL-TIME EQUIVALENT NUMBERS** of students (or teachers)

$$= \text{Number of full-timers} + (\text{number of part-timers})/(\text{FTE conversion factor})$$

**FULL-TIME TEACHERS** are teachers who normally work over an academic year at least as many hours as full-time teachers are contracted to do even if they do not have such a contract (eg a teacher who teaches in several schools may not have a full-time contract at any school but may still work as many hours over an academic year as someone who teaches full-time in one school).

**GENERAL EDUCATION** includes educational programmes which:

- have little (ie less than 25%) or no vocational content; AND
- do not prepare participants for direct entry, without further training, into specific trades or occupations.

**GROSS DOMESTIC PRODUCT** refers to the producers' value of the gross outputs of resident producers, including distributive trades and transport, less the value of purchasers' intermediate consumption plus import duties. GDP is expressed in national currency.

**INACTIVE** refers to persons who are neither in employment nor unemployed.

**LABOUR FORCE** (see definition of ACTIVE POPULATION above).

**PARTICIPATION RATE IN EDUCATION/LABOUR MARKET** is the number of persons who are enrolled in education (ie had followed any kind of education), respectively are in the labour force (ie are either employed or unemployed). A person is regarded as participating in education or training (respectively in

the labour force) if they participated in some form of education or training (respectively were either employed or unemployed) in the four weeks prior to being questioned in the Labour Force Survey (LFS).

**PART-TIME STUDENTS** are students who receive fewer DIRECTED-STUDY HOURS over an academic year than full-time students. They may study for the same number of weeks as full-time students but for fewer hours per week; or they may study for the same number of hours per week but fewer weeks; or both fewer hours per week and fewer weeks.

**PART-TIME TEACHERS** are teachers who normally work fewer hours over an academic year than the contracted hours of a full-time teacher.

**PUBLIC EXPENDITURES ON LABOUR MARKET PROGRAMMES** includes only the expenditure targeted on particular labour market groups. *Active labour market programmes* includes all social expenditure (other than education), which is aimed at the improvement of the beneficiaries' prospect of finding gainful employment or to otherwise increase their earnings capacity. This category includes spending on public employment services and administration, labour market training, special programmes for youth when in transition from school to work, labour market programmes to provide or promote employment for unemployed and other persons (excluding young and disabled persons) and special programmes for the disabled. *Passive or income maintenance programmes* in the context of labour market programmes consist of unemployment compensation programmes and programmes for early *retirement* for labour market reasons.

**PUBLIC EXPENDITURE ON EDUCATION** includes expenditure by all public agencies at local, regional and central levels of government. No distinction is made between the education authorities and other government agencies (i.e. include not only central education authorities like the ministries of education but also local/regional authorities such as school inspectorates).

**SCHEDULED TEACHING TIME** (of teachers) refers to the number of hours (60 minutes) a full-time teacher teaches a group or class of students per year according to the formal policy in that country.

**SCHEDULED WORKING TIME** (of teachers) refers to the number of hours that a full-time teacher is expected to work, *excluding* overtime, non-specified preparation time, and days that the school is closed for holidays, according to the formal policy of the country. To account for non-specified working time in countries where teachers are also subject to other labour regulations (eg regulations for public employees), the working time of the relevant part of the labour force is also measured (statutory working time of public employees). Teachers' working time can be divided into teaching time and non-teaching time.

**TEACHERS** are people whose professional activity involves the transmission of knowledge, attitudes and skills to students who are enrolled in an educational programme. This definition does not depend on the qualifications held by the teacher nor the delivery mechanism. It is important to note that teachers only include those who have active teaching or lecturing duties AND whose profession it is to teach AND whose responsibility it is to deliver an educational programme to students. The following categories of staff should be excluded: Head teachers or Principals who have no active teaching duties; people who teach on a voluntary or very occasional basis; and supervisors, organisers and assistants who do not provide formal instruction to students.

**TOTAL PUBLIC EXPENDITURE** includes the current and capital expenditures of all levels of government. *Current expenditure* includes expenditure on staff salaries and benefits, teaching materials, and other current expenditure such as equipment, minor repairs, telecommunications, etc. *Capital expenditure* are expenditure for assets that last longer than one year. They include expenditure for construction, renovation and major repairs of buildings and the purchase of heavy equipment or vehicles.

**TRAINING, INITIAL TRAINING or RE-TRAINING PROGRAMMES** are all oriented towards the specific needs of the labour market or work place. They can be extremely variable in duration, level and educational content. They should only be included if they take place at least part of the time at an educational institution (eg a school, college or university). Training programmes, which take place entirely on an employer's premises, should be excluded.

**UNEMPLOYED (ILO definition)** refers to a person aged 15 and over who is:

- without work, that is, not in employment or self-employment;
- currently available for work, that is, available for employment or self-employment; and
- actively seeking work, that is, had taken specific steps to seek employment or self-employment.

The **UNEMPLOYMENT RATE** is the number of unemployed as a percentage of the labour force.

**VOCATIONAL EDUCATION** includes educational programmes, which prepare participants for direct entry, without further training, into specific trades or occupations. Such programmes lead to qualifications, which are widely recognised in the labour market. Many vocational education and training programmes cannot be easily classified and the contents of a specific ISCED level may differ between countries, and even within countries over time between different age groups. However in many countries the following types of vocational education exists:

- **Vocational with qualification** refers to programmes that lead to a labour market-relevant qualification, which does not give access to tertiary education.
- **Vocational education with Matura examination** refers to programmes whose successful completion give access to tertiary education. Such programmes typically lead to the upper secondary general education diploma, which gives access to tertiary education (often called the Matura). They may, in addition, lead to a vocational qualification.

The **YOUTH UNEMPLOYMENT RATIO** is the number of youth unemployed (aged 15-24) as a percentage of the corresponding age group population.

## **ANNEX 2 – ISCED 97**

### **ISCED 0      Pre-primary Education**

This is the initial stage of organised instruction designed primarily to introduce very young children to a school-type environment. Such programmes are school- or centre-based (which distinguishes them from childcare programmes) and are designed for children aged at least 3 years.

### **ISCED 1      Primary Education (or the First Stage of Basic Education)**

This stage marks the beginning of systematic studies in reading, writing and mathematics. Programmes are normally designed on a unit or project basis (often with one teacher for all or most of the time) rather than on a subject basis (with different teachers for different subjects). The customary or legal entry age to this level is usually not less than 5 years and not more than 7 years.

### **ISCED 2      Lower Secondary Education (or the Second Stage of Basic Education)**

This stage usually marks the beginning of subject based teaching (with different teachers for different subjects). It is designed to complete the provision of basic education that began in ISCED 1 and to lay the foundation for life-long learning. The full implementation of basic skills occurs at this level. This stage is further sub-divided according to the destination for which the programmes have been designed:

ISCED 2A programmes are designed for direct access to ISCED 3 in a sequence that would ultimately lead to tertiary education.

ISCED 2B programmes are designed for direct access to ISCED 3C.

ISCED 2C programmes are designed primarily for direct access to the labour market. It is not possible for students in these programmes to progress to ISCED 3 unless they also complete ISCED 2A or 2B.

### **ISCED 3      (Upper) Secondary Education**

Even more specialisation is observed at this level than at ISCED 2. Teachers usually need to be more highly qualified than those teaching in ISCED 2. This stage often begins at the end of compulsory schooling. The entrance age is typically 15 or 16. The entrance requirement is usually successful completion of ISCED 2. This stage is further sub-divided according to the destination for which the programmes have been designed:

ISCED 3A programmes are designed for direct access to ISCED 5A.

ISCED 3B programmes are designed for direct access to ISCED 5B.

ISCED 3C programmes do not lead directly to tertiary education. It is not possible for students in these programmes to progress to either ISCED 5A or 5B unless they also complete ISCED 3A, 3B or 4A.

### **ISCED 4      Post-Secondary Non-Tertiary Education**

This stage captures programmes that straddle the boundary between upper secondary and post-secondary education. In some countries such programmes may be regarded as upper secondary education and in others post-secondary. The content of such programmes is not sufficient for them to be regarded as tertiary programmes. They are often not significantly more advanced than programmes at ISCED 3 but they serve to broaden the knowledge of students who have already completed an ISCED 3 programme. ISCED 4 includes programmes designed to prepare students for entry to tertiary education who may, for example, have completed an ISCED 3 programme that did not give access to the programme of their choice. It also includes programmes designed to broaden knowledge (often in a vocational area) gained at ISCED 3 but whose theoretical content is insufficient to be regarded as tertiary education. This stage is further sub-divided according to the destination for which the programmes have been designed:

ISCED 4A programmes are designed for direct access to ISCED 5.

ISCED 4B programmes are designed primarily for direct access to the labour market and do not give access to ISCED 5 (although, in some cases, the ISCED 3 qualifications of participants may give access to ISCED 5).

### **ISCED 5      First Stage of Tertiary Education**

This level consists of programmes whose educational content is more advanced than that offered at ISCED 3. Entry to these programmes requires the successful completion of programmes at ISCED 3A, 3B or 4A. This stage is further sub-divided according to the destination for which the programmes have been designed:

ISCED 5A programmes are largely theoretically based and are intended to give access either to the advanced research programmes found in ISCED 6 or to professions with high skills requirements (eg medical doctors). It may be necessary to take more than one qualification at ISCED 5A (eg a Bachelor's and then a Master's) before entering ISCED 6.

ISCED 5B programmes focus on occupationally specific skills geared for direct access to the labour market. They are often, but not always, shorter than programmes at ISCED 5A. Although their theoretical content is significantly beyond that offered at ISCED 3 it is usually insufficient to give access to advanced research programmes (without first completing a programme at ISCED 5A).

### **ISCED 6      Second Stage of Tertiary Education**

This level is reserved for programmes that lead to the award of an advanced research qualification (usually at the doctorate level or beyond). The programmes are devoted to advanced study and original research and are not based on course-work alone.

## ANNEX 3 – DATA USED IN THE PUBLICATION

### Coverage of the statistics

The European Training Foundation collects the indicators presented in this report on a regular basis through the network of National Observatories. In some cases they are supplemented by data collected by Eurostat. If not otherwise indicated data refer to the entire national education system regardless of the ownership or sponsorship of the educational institutions concerned and regardless of educational delivery mechanisms.

### Data sources

If not otherwise indicated, the data sources are the National Statistical Offices/Institutes, and the statistical units of different Ministries (i.e. education, labour and finance). Labour market indicators have been selected from the national Labour Force Surveys.

### International averages

Two types of average can be computed. The first is the **unweighted mean** of all data values for a particular group of countries for which data is gathered or estimated. Each country in the group contributes equally to the average and the purpose of this indicator is to illustrate how an indicator value for a country compares with the value of a typical or average country. The other is the **weighted mean** of the data values of all countries (ie for which a value can be assigned to a certain indicator). This type of average is often used to compare finance data (eg expenditure per student or as a percentage of GDP) to analyse the spending patterns in one country as against the group of countries where the latter is regarded as a single entity. One problem with weighted averages is that the extreme values or extreme weights can have a substantial effect on the value of the indicator constructed for a group of countries.

### Symbols used in the annex

**a** - data not applicable because the category does not apply

**b** – break in series

**e** – estimated data

**f** – forecasted data

**m** - data not available

**n** - nil or negligible

**p** – provisional data

**u** – uncertain data

**x** - data included in another category/column of the table

Table 1a GDP (average annual % change)

		2000-2003
<b>New EU Member States</b>	<b>AC</b>	
Cyprus	<b>CY</b>	3.3
Czech Republic	<b>CZ</b>	2.7
Estonia	<b>EE</b>	6.1
Hungary	<b>HU</b>	4.2
Latvia	<b>LV</b>	6.7
Lithuania	<b>LT</b>	6.0
Poland	<b>PL</b>	5.4
Slovak Republic	<b>SK</b>	3.4
Slovenia	<b>SI</b>	3.0
<b>Candidate countries</b>	<b>CC</b>	
Bulgaria	<b>BG</b>	4.7
Romania	<b>RO</b>	4.3
Turkey	<b>TR</b>	3.2

Source: Eurostat (Structural Indicators Webpage)

Table 1b Population aged less than 15 years

		as % of total population		2003
<b>New EU Member States</b>	<b>AC</b>			
Cyprus	<b>CY</b>	2		21.5
Czech Republic	<b>CZ</b>			15.5
Estonia	<b>EE</b>			16.6
Hungary	<b>HU</b>			16.1
Latvia	<b>LV</b>			16.6
Lithuania	<b>LT</b>			18.2
Poland	<b>PL</b>	2		18.0
Slovak Republic	<b>SK</b>	2		18.6
Slovenia	<b>SI</b>			15.3
<b>EU average</b>	<b>EU-15</b>			<b>16.8</b>
<b>Candidate countries</b>	<b>CC</b>			
Bulgaria	<b>BG</b>			14.6
Romania	<b>RO</b>	2		17.7
Turkey	<b>TR</b>			29.4
<b>South Eastern Europe</b>	<b>SEE</b>			
Albania	<b>AL</b>			29.3
Bosnia-Herzegovina	<b>BA</b>	2		14.8
Croatia	<b>HR</b>			16.8
fYR of Macedonia	<b>MK</b>			21.1
Serbia	<b>SR</b>	2		15.8
Montenegro	<b>CG</b>	1		21.3
Kosovo	<b>KS</b>			29.4

Source: ETF Key Indicators database, Eurostat

[1] Year of reference 2001

[2] Year of reference 2002

Table 2a Vocational education and training indicators (2002/03)

		Participation rate (%)		Students in vocational	
		vocational programmes	3	programmes (%)	4
<b>New EU Member States</b>	<b>NMS</b>				
Cyprus	<b>CY</b>	1	7.7	14.3	
Czech Republic	<b>CZ</b>		33.8	79.5	
Estonia	<b>EE</b>	2	n	n	
Hungary	<b>HU</b>	2	a	12.8	
Latvia	<b>LV</b>	2	m	37.7	
Lithuania	<b>LT</b>		8.7	26.1	
Poland	<b>PL</b>		24.1	54.3	
Slovak Republic	<b>SK</b>	2	32.5	76.3	
Slovenia	<b>SI</b>	1	30.9	72.2	
<b>EU average</b>	<b>EU-15</b>		<b>m</b>	<b>55.3</b>	<b>5</b>
<b>Candidate countries</b>	<b>CC</b>				
Bulgaria	<b>BG</b>		34.6	55.0	
Romania	<b>RO</b>		17.6	e	59.0
Turkey	<b>TR</b>		9.8	32.3	
<b>South Eastern Europe</b>	<b>SEE</b>				
Albania	<b>AL</b>		2.6	14.8	
Bosnia-Herzegovina	<b>BA</b>		m	72.8	
Croatia	<b>HR</b>		27.8	74.1	
fYR of Macedonia	<b>MK</b>	2	m	61.5	

Source: ETF Key Indicators database, Eurostat (Structural Indicators Webpage)

[1] Year of reference 2001 (school year 2000/01)

[2] Year of reference 2002 (school year 2001/02)

[3] Full time students at ISCED levels 2, 3 and 4, aged 15-19, as % of corresponding age population

[4] As percentage of all full-time students in upper and post-secondary education (ISCED 3 and 4)

[5] Data refers only to ISCED 3 level students

**Table 2b Education and training indicators (2002/03)**

		Early school		Participation in education of	
		leaving rate (%)	3	population aged 18-24 (%)	4
<b>New EU Member States</b>	<b>NMS</b>	7.5	e	m	
	Cyprus <b>CY</b>	15.1		39.3	
	Czech Republic <b>CZ</b>	6.5		35.6	
	Estonia <b>EE</b>	12.9	2	56	
	Hungary <b>HU</b>	13.0	2	43.6	
	Latvia <b>LV</b>	17.1	2	54.7	
	Lithuania <b>LT</b>	15.4		64.1	
	Poland <b>PL</b>	5.7		51.5	
	Slovak Republic <b>SK</b>	6.9	2	21.7	
	Slovenia <b>SI</b>	4.8	1	56.0	5
<b>EU average</b>	<b>EU-15</b>	<b>18.1</b>			
<b>Candidate countries</b>	<b>CC</b>				
	Bulgaria <b>BG</b>	22.4		38.1	
	Romania <b>RO</b>	22.9	2	38.2	
	Turkey <b>TR</b>	14.6		33.2	
<b>South Eastern Europe</b>	<b>SEE</b>				
	Albania <b>AL</b>	61.9		25.7	
	Croatia <b>HR</b>	8.3		41.0	

Source: ETF Key Indicators database, Eurostat (Structural Indicators Webpage)

[1] Year of reference 2001 (school year 2000/01)

[2] Year of reference 2002 (school year 2001/02)

[3] 18-24 year olds who have low qualifications and are not participating in any education or training

[4] 18-24 year olds who have medium qualifications and are participating in some education or training

[5] Data may lack reliability due to the small sample size

**Table 2c Participation rates in education and labour market (2003)**

		Education	3	Activity rate	4
<b>New EU Member States</b>	<b>NMS</b>	5.6	e	65.8	
	Cyprus <b>CY</b>	3.7	2	72.9	
	Czech Republic <b>CZ</b>	5.4		71.2	
	Estonia <b>EE</b>	6.2		69.0	2
	Hungary <b>HU</b>	2.9	2	59.7	
	Latvia <b>LV</b>	7.2	2	68.8	
	Lithuania <b>LT</b>	4.5		71.8	
	Poland <b>PL</b>	3.7	2	64.4	
	Slovak Republic <b>SK</b>	8.5	2	70.0	
	Slovenia <b>SI</b>	9.1	2	67.8	
<b>EU average</b>	<b>EU-15</b>	<b>9.6</b>		<b>69.7</b>	
<b>Candidate countries</b>	<b>CC</b>				
	Bulgaria <b>BG</b>	1.3		62.8	
	Romania <b>RO</b>	1.0	2	63.9	
	Turkey <b>TR</b>	1.1		49.8	
<b>South Eastern Europe</b>	<b>SEE</b>				
	Albania <b>AL</b>	m	1	69.5	
	Croatia <b>HR</b>	5.3		64.2	
	fYR of Macedonia <b>MK</b>	4.7		62.0	
	Montenegro <b>CG</b>	m	2	55.1	

Source: ETF Key Indicators database, Eurostat

[1] Year of reference 2001

[2] Year of reference 2002

[3] 25-64 year olds who are participating in some education or training as % of corresponding age population

[4] Labour force participation rate (% of population aged 15-64)

**Table 2d Student teacher ratio (based on FTEs) at ISCED level 3 (2002/03)**

		All programmes	General programmes	Vocational programmes
<b>New EU Member States</b>				
	<b>NMS</b>			
Cyprus	<b>CY</b> 1	11.2	11.7	8.8
Czech Republic	<b>CZ</b>	11.0	13.0	10.5
Hungary	<b>HU</b>	13.1	21.7	3.7
Latvia	<b>LV</b> 4	21.0	13.1	m
Lithuania	<b>LT</b>	29.8	m	8.1
Poland	<b>PL</b>	14.4	14.2	14.6
Slovak Republic	<b>SK</b> 2	11.9	12.2	11.8
Slovenia	<b>SI</b> 1	13.8	15.1	13.3
<b>Candidate countries</b>				
	<b>CC</b>			
Bulgaria	<b>BG</b>	11.0	11.0	10.9
Romania	<b>RO</b>	15.8	15.9	15.7
Turkey	<b>TR</b>	20.5	26.9	13.7
<b>South Eastern Europe</b>				
	<b>SEE</b>			
Albania	<b>AL</b>	20.3	23.2	10.2
Bosnia-Herzegovina	<b>BA</b> 3	15.1	4	m
Croatia	<b>HR</b>	11.7	13.4	11.2
fYR of Macedonia	<b>MK</b>	18.4	18.4	18.5
Serbia	<b>SR</b> 4	12.2	m	m
Kosovo	<b>KS</b> 4	9.8	m	m

Source: *ETF Key Indicators database*

[1] Year of reference 2001 (school year 2000/01)

[2] Year of reference 2002 (school year 2001/02)

[3] Republica Srpska: Student teacher ratio based on headcounts (all programmes) is 18

[4] Student teacher ratio based on headcounts

[5] Data refers to pre-vocational programmes only

**Table 2e Teachers' working time at ISCED level 3, vocational programmes (2002/03)**

(Hours per annum)		Total	3	Teaching	4	Non-teaching
<b>New EU Member States</b>						
	<b>NMS</b>					
Cyprus	<b>CY</b> 1	1092		510		581
Czech Republic	<b>CZ</b>	1648		586		m
Estonia	<b>EE</b>	1400		573		827
Hungary	<b>HU</b>	m		610		m
Latvia	<b>LV</b>	m		640		m
Lithuania	<b>LT</b>	890		691		m
Slovak Republic	<b>SK</b>	1736		605		m
Slovenia	<b>SI</b>	m		357		m
<b>Candidate countries</b>						
	<b>CC</b>					
Bulgaria	<b>BG</b>	1440		792		648
Romania	<b>RO</b>	1440		637		803
Turkey	<b>TR</b>	1306		960		347
<b>South Eastern Europe</b>						
	<b>SEE</b>					
Albania	<b>AL</b>	1066		541		524
Bosnia-Herzegovina	<b>BA</b> 5	1750		875		350
Croatia	<b>HR</b>	1925		692		358
Serbia	<b>SR</b>	1760		740		1020
Kosovo	<b>KS</b>	1920		680		1240

Source: *ETF Key Indicators database*

[1] Year of reference 2001 (school year 2000/01)

[2] Year of reference 2002 (school year 2001/02)

[3] Number of hours a teacher teaches per school-year

[4] Number of scheduled non-teaching hours AT SCHOOL per school-year

[5] Republika Srpska: The number of teaching hours is 688 (non-teaching hours 1072)

Table 2f Educational attainment rate of the population aged 25-64 (2003)

		Low	3	Medium	4	High	5
<b>New EU Member States</b>	<b>NMS</b>	<b>2</b>	<b>19</b>	<b>66</b>		<b>15</b>	
Cyprus	<b>CY</b>	2	34	37		29	
Czech Republic	<b>CZ</b>		12	76		12	
Estonia	<b>EE</b>	2	12	57		31	
Hungary	<b>HU</b>	2	29	57		14	
Latvia	<b>LV</b>	2	18	63		19	
Lithuania	<b>LT</b>		17	60		23	
Poland	<b>PL</b>		18	66		18	
Slovak Republic	<b>SK</b>	2	14	75		11	
Slovenia	<b>SI</b>	2	23	62		15	
<b>EU average</b>	<b>EU-15</b>	<b>2</b>	<b>35</b>	<b>43</b>		<b>22</b>	
<b>Candidate countries</b>	<b>CC</b>						
Bulgaria	<b>BG</b>		29	50		21	
Romania	<b>RO</b>	2	30	60		10	
Turkey	<b>TR</b>		77	16		9	
<b>South Eastern Europe</b>	<b>SEE</b>						
Albania	<b>AL</b>	1	59	33		8	
Croatia	<b>HR</b>		30	54		16	

Source: ETF Key Indicators database

[1] Year of reference 2001

[2] Year of reference 2002

[3] Lower secondary or below (ISCED 0-2)

[4] Upper secondary or post secondary non-tertiary (ISCED 3 or 4)

[5] Tertiary education (ISCED 5 or 6)

Table 3a Participation in education and training (2003)

		Population aged 25-64		3	Population aged 15-24		4
		Employed	Unemployed		Employed	Unemployed	
<b>New EU Member States</b>	<b>NMS</b>						
Cyprus	<b>CY</b>	2	4.2	2.1	8.4	6.2	
Czech Republic	<b>CZ</b>	2	6.2	2.9	8.6	6.1	
Estonia	<b>EE</b>	2	5.8	3.8	27.5	21.1	
Hungary	<b>HU</b>	2	3.2	2.5	9.6	7.2	
Latvia	<b>LV</b>	2	9.3	3.6	30.3	33.9	
Lithuania	<b>LT</b>	2	3.4	2.2	17.9	20.7	
Poland	<b>PL</b>	2	4.4	3.4	31.1	26.3	
Slovak Republic	<b>SK</b>	2	10.4	5.7	11.4	10.8	
Slovenia	<b>SI</b>	1	8.1	6.5	5	26.6	20.6
<b>Candidate countries</b>	<b>CC</b>						
Bulgaria	<b>BG</b>	2	0.7	1.4	6.8	5.6	
Romania	<b>RO</b>	2	0.7	0.4	3.2	2.9	
Turkey	<b>TR</b>		1.4	1.4	5.0	6.9	
<b>South Eastern Europe</b>	<b>SEE</b>						
Croatia	<b>HR</b>		16.0	0.5	13.6	2.0	
fYR of Macedonia	<b>MK</b>		4.4	1.5	3.3	1.6	

Source: ETF Key Indicators database

[1] Year of reference 2001

[2] Year of reference 2002

[3] 25-64 year olds who are participating in some education or training as % of corresponding age population

[4] 15-24 year olds who are participating in some education or training as % of corresponding age population

[5] Data may lack reliability due to the small sample size

Table 4a Labour market indicators - Employment rates (2003)

		Total	Youth	Old
		(aged 15-64)	(aged 15-24)	(aged 55-64)
<b>New EU Member States</b>	<b>NMS 2</b>	<b>55.9</b>	<b>25.4</b>	<b>30.5</b>
	Cyprus <b>CY 2</b>	70.5	36.7	49.2
	Czech Republic <b>CZ</b>	65.8	31.8	42.1
	Estonia <b>EE 2</b>	61.7	27.8	51.3
	Hungary <b>HU 2</b>	56.2	28.5	25.6
	Latvia <b>LV 2</b>	60.5	30.9	42.1
	Lithuania <b>LT</b>	62.4	23.5	46.5
	Poland <b>PL</b>	51.7	19.0	29.2
	Slovak Republic <b>SK 2</b>	56.6	26.8	22.8
	Slovenia <b>SI 2</b>	63.4	30.6	24.5
<b>EU average</b>	<b>EU-15</b>	<b>64.3</b>	<b>40.6</b>	<b>40.1</b>
<b>Candidate countries</b>	<b>CC</b>			
	Bulgaria <b>BG</b>	54.1	21.3	30.7
	Romania <b>RO</b>	58.7	25.8	34.7
	Turkey <b>TR</b>	48	32.9	35.7
<b>South Eastern Europe</b>	<b>SEE</b>			
	Albania <b>AL 1</b>	53.7	38.6	27.5
	Croatia <b>HR</b>	55.1	24.2	27.9
	fYR of Macedonia <b>MK</b>	39.3	12.1	28.5
	Montenegro <b>CG 2</b>	41.6	15.2	14.9

Source: ETF Key Indicators database, Eurostat

[1] Year of reference 2001

[2] Year of reference 2002

Table 4b Labour market indicators - Unemployment rates (2003)

		Total	Youth	Youth ratio	Old	Registered
		15+	15-24	15-24	55-64	
<b>New EU Member States</b>	<b>NMS 2</b>	<b>14.8</b>	<b>31.9</b>	<b>12.1</b>	<b>m</b>	<b>a</b>
	Cyprus <b>CY 2</b>	3.3	7.7	3.1	3.5	3.2
	Czech Republic <b>CZ</b>	7.5	16.4	6.2	4.3	9.9
	Estonia <b>EE 2</b>	10.3	17.7	6.0	7.5	10.8
	Hungary <b>HU 2</b>	5.8	12.6	3.1	4.1	8.2
	Latvia <b>LV 2</b>	12.0	20.7	8.1	9.6	8.9
	Lithuania <b>LT</b>	12.9	26.6	8.5	14.1	10.1
	Poland <b>PL</b>	19.4	43.1	14.4	11.1	18.1
	Slovak Republic <b>SK 2</b>	18.5	36.1	16	15.2	18.9
	Slovenia <b>SI 2</b>	6.0	15.3	5.6	m	11.6
<b>EU average</b>	<b>EU-15</b>	<b>7.7</b>	<b>15.1</b>	<b>7.2</b>	<b>m</b>	<b>a</b>
<b>Candidate countries</b>	<b>CC</b>					
	Bulgaria <b>BG</b>	13.7	27.0	7.9	11.7	15.4
	Romania <b>RO</b>	8.1	21.7	7.2	1.9	7.2
	Turkey <b>TR</b>	9.4	19.8	8.1	3.5	19.2
	Albania <b>AL 1</b>	22.7	35.5	21.2	2.9	14.5
	Bosnia-Herzegovina <b>BA</b>	m	m	m	m	43.8
	Croatia <b>HR</b>	14.1	35.9	13.6	7.0	18.3
	fYR of Macedonia <b>MK</b>	36.7	65.7	23.2	20.5	31.9
	Serbia <b>SR</b>	18.2	m	m	m	m
	Montenegro <b>CG</b>	24.5	47.6	21.4	5.2	32.4
	Kosovo <b>KS</b>	m	m	m	m	60

Source: ETF Key Indicators database

[1] Year of reference 2001

[2] Year of reference 2002

[3] Republika Srpska: 38.8%

Table 4c Distribution of employment by economic sector (2003)

		Agriculture	3	Industry	4	Construction	5	Services	6	Other	7
<b>New EU Member States</b>	<b>NMS</b>	<b>2</b>	<b>13</b>	<b>32</b>		<b>x</b>		<b>55</b>			
	Cyprus	<b>CY</b>	2	6	14	10		70			
	Czech Republic	<b>CZ</b>		5	30	9		56			
	Estonia	<b>EE</b>	2	7	25	7		61			
	Hungary	<b>HU</b>	2	6	27	7		60			
	Latvia	<b>LV</b>	2	15	20	6		59			
	Lithuania	<b>LT</b>		19	20	7		54			
	Poland	<b>PL</b>		18	23	6		53			
	Slovak Republic	<b>SK</b>	2	6	30	9		55			
	Slovenia	<b>SI</b>	1	10	32	6		55		1	
<b>EU average</b>	<b>EU-15</b>		<b>4</b>	<b>25</b>		<b>x</b>		<b>71</b>			
<b>Candidate countries</b>	<b>CC</b>										
	Bulgaria	<b>BG</b>		11	27	5		57			
	Romania	<b>RO</b>		35	25	4		36			
	Turkey	<b>TR</b>		38	17	5		40			
<b>South Eastern Europe</b>	<b>SEE</b>										
	Albania	<b>AL</b>	1	51	7	6		36			
	Bosnia-Herzegovina	<b>BA</b>	8	3	31	6		60			
	Croatia	<b>HR</b>		17	22	8		53			
	fYR of Macedonia	<b>MK</b>		22	27	7		44			
	Serbia	<b>SR</b>		6	32	6		55		1	
	Kosovo	<b>KS</b>		6	17	9		68			

Source: ETF Key Indicators database

[1] Year of reference 2001

[2] Year of reference 2002

[3] Agriculture (NACE Rev.1.1, sectors A and B )

[4] Industry (NACE Rev.1.1, sectors C, D and E)

[5] Construction (NACE Rev.1.1, sector F)

[6] Services (NACE Rev.1.1, sectors G,H,I,J,K,L,M,N and O)

[7] Other sectors (NACE Rev. 1.1, sectors P and Q) or sector unknown

[8] Republika Srpska: Agriculture (4%), Industry (33%), Construction (5%), Services (58%)

Table 5a Public expenditure on education (2002)

			As % of total public expenditure		As % of GDP		
			All programmes	Vocational	3	All programmes	Vocational
<b>New EU Member States</b>	<b>NMS</b>						
Cyprus	CY	1	33.4	n	5.9		n
Czech Republic	CZ		10.0	2.2	4.7		1.0
Estonia	EE	1	19.2	m	6.9		m
Hungary	HU	1	24.1	m	5.1		m
Latvia	LV	1	17.0	m	6.4		m
Lithuania	LT		26.0	1.8	6.0		0.4
Poland	PL		12.3	1.4	5.3		0.9
Slovak Republic	SK	1	13.8	3.0	4.1		0.9
<b>EU average</b>	<b>EU-15</b>		<b>m</b>	<b>m</b>	<b>5.09</b>		<b>1e</b>
<b>Candidate countries</b>	<b>CC</b>						
Bulgaria	BG		9.6	1.4	4.8		0.6
Romania	RO	1	11.0	m	3.0		m
Turkey	TR	1	17.4	m	3.5		m
<b>South Eastern Europe</b>	<b>SEE</b>						
Albania	AL		8.4	0.5	2.7		0.1
Bosnia-Herzegovina	BA	4	15.8	m	4.1		m
Croatia	HR	1	15.6	2.8	4.2		0.8
Serbia	SR		11.9	2.4	4		0.8
Montenegro	CG	2	11.2	m	4.2		m
Kosovo	KS		7.5	m	3.6		m

Source: ETF Key Indicators database

[1] Year of reference 2001

[2] Year of reference 2000

[3] Total public expenditure on vocational programmes at ISCED levels 2, 3 and 4

[4] Data refers to Republika Srpska only

[e] Estimated data

Table 5b Public expenditure on education in primary and upper secondary education (2002)

				Primary and	Upper and post	Tertiary	Not allocated
				lower secondary	secondary		by level
<b>New EU Member States</b>	<b>NMS</b>						
Cyprus	CY	1	51%	26%	18%		
Czech Republic	CZ	4	45%	23%	20%		2%
Estonia	EE	4	46%	20%	19%		1%
Hungary	HU	1	37%	25%	22%		4%
Latvia	LV	1	46%	22%	21%		
Lithuania	LT	4	49%	13%	24%		
Poland	PL	4	45%	18%	17%		13%
Slovak Republic	SK	1	40%	26%	18%		4%
<b>Candidate countries</b>	<b>CC</b>						
Bulgaria	BG	4,p	32%	20%	27%		7%
Romania	RO	4	40%	24%	16%		10%
<b>South Eastern Europe</b>	<b>SEE</b>						
Albania	AL		63%	14%	17%		6%
Bosnia-Herzegovina	BA	3	61%	23%	16%		
Croatia [1]	HR	4	47%	23%	16%		1%
Serbia [1]	SR		48%	25%	27%		
Montenegro [1]	CG	2,4	53%	22%	15%		
Kosovo	KS	4	63%	19%	14%		

Source: ETF Key Indicators database

[1] Year of reference 2001

[2] Year of reference 2000

[3] Data refers to Republika Srpska only

[4] Data do not add to 100 (data for the pre-primary level is reported separately)

**Table 5c Public expenditure on labour market programmes as a % of GDP (2002)**

		Active measures	Passive measures
<b>New EU Member States</b>	<b>NMS</b>		
Czech Republic	<b>CZ</b>	0.2	0.3
Estonia	<b>EE</b>	0.1	0.1
Latvia	<b>LV</b>	0.1	n
Lithuania	<b>LT</b>	0.2	0.1
Poland	<b>PL</b>	n	0.1
Slovak Republic	<b>SK</b>	0.5	0.5
Slovenia	<b>SI</b>	0.4	0.5
<b>Candidate countries</b>	<b>CC</b>		
Bulgaria	<b>BG</b>	0.3	0.5
Romania	<b>RO</b>	0.1	0.6
<b>South Eastern Europe</b>	<b>SEE</b>		
Albania	<b>AL</b>	0.4	0.2
Croatia	<b>HR</b>	0.1	0.5
fYR of Macedonia	<b>MK</b> <sup>1</sup>	0.1	0.9
Serbia	<b>SR</b>	0.2	0.7
Kosovo	<b>KS</b>	0.3	m

Source: ETF Key Indicators database

[1] Year of reference 2001

**Table 5d Distribution of public expenditure on active labour market policies\* (2002)**

		PES and administration	Training	Youth measures
<b>New EU Member States</b>	<b>NMS</b>			
Czech Republic	<b>CZ</b>	33%	7%	7%
Estonia	<b>EE</b>	33%	58%	m
Latvia	<b>LV</b>	28%	33%	2%
Lithuania	<b>LT</b>	48%	24%	17%
Poland	<b>PL</b>	m	m	m
Slovak Republic	<b>SK</b>	34%	10%	2%
Slovenia	<b>SI</b>	26%	35%	x
<b>Candidate countries</b>	<b>CC</b>			
Bulgaria	<b>BG</b>	32%	3%	6%
Romania	<b>RO</b>	45%	3%	13%
<b>South Eastern Europe</b>	<b>SEE</b>			
Albania	<b>AL</b>	85%	3%	m
Croatia	<b>HR</b>	57%	m	6%
Kosovo	<b>KS</b>	53%	47%	x

Source: ETF Key Indicators database

[1] Year of reference 2001

[\*] Data do not add to 100%