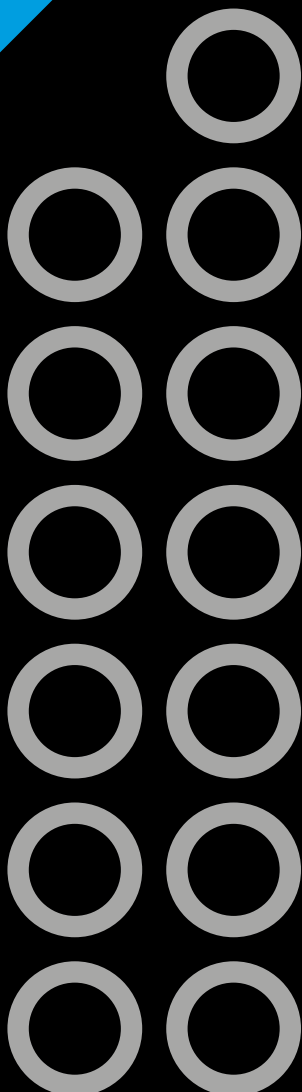




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Observatory on Vocational Education and Training in Spain

2021 report

Executive summary



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VET as key to development and sustainability



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INSTITUTO VASCO
DE COMPETITIVIDAD
FUNDACIÓN DEUSTO

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2021 report

VET as key to development and sustainability

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Executive summary

Educational offering

General education system

- **VET's position in post-compulsory education continues to improve**
 - In the 2020–21 academic year (provisional figures), VET student numbers increased by 9.2%, well above the figure taking the baccalaureate (1.6%), university degrees (3.4%) or post-compulsory education courses in general (4.8%).
- **The improvement in VET's position in the education system is not yet reflected in an improvement in its efficiency**
 - Around 62% of VET students complete their studies (up 0.4 p.p.) versus 75% of those taking the baccalaureate (up 3 p.p.).
- **The population with no formal qualifications beyond compulsory education still accounts for more than one third of people aged 25–64**
 - Increasing educational attainment among the population with no formal qualifications beyond compulsory education remains a key challenge despite the decrease of 1.65 p.p. in their number since 2019 and the increases in the population holding VET (0.7 p.p.) and university (0.7 p.p.) qualifications.
- **Participation in lifelong learning is increasing, exceeding the EU-27 average**
 - In 2020, participation in training among the population aged 25–64 (11%) was higher than in 2019 (10.6%) and for the first time exceeded the EU-27 average (9.2%).
- **The share of public expenditure on secondary education and VET is increasing**
 - The share of spending on these areas rose in 2019 (0.8 p.p.), increasing by slightly more than the growth in these courses' share within the overall education system (0.7 p.p.).

Initial Vocational Education and Training

- **Initial VET is becoming increasingly attractive to young Spaniards**

- In the last academic year, the total number of young people enrolled in VET grew by 6.5%. This means that cumulative growth since 2015–16 stands at 18.6%, amounting to almost 900,000 students.

- Greatest growth in the number of enrolments in the last academic year was recorded in Higher VET, with 8.1%; Intermediate VET grew by 5.2% and accounted for 41.3% of the total number of students.

- Basic VET lost ground, growing at a slower rate (3.6%) and accounting for 8.6% of all students enrolled in VET in the 2019–20 academic year.

- **Female participation in VET remains largely unchanged, with no narrowing of the gender gap in the industrial and STEM occupational groups**

- Currently, 44.7% of enrollees are female, up 7.3% on the previous academic year.

- Areas with a predominantly female presence include Personal Appearance (88.1%), Social, Cultural and Community Services (86.7%) and Healthcare (75.6%). At the other end of the scale, Mining and Quarrying (4.3%), Equipment Installation and Maintenance (3.1%) and Electricity and Electronics (4.4%) have fewest female enrollees. The share held by women is also low in the industrial (12%) and STEM (11.8%) occupational groups.

- **Most Higher VET graduates opt for Business Services while Intermediate VET graduates tend towards Healthcare**

- The breakdown of qualifications by sector shows Business Services (26.5%) and Personal, Social, Cultural and Community Services (20.6%) to be the most popular. Women account for the majority in three areas: Healthcare (76.5%), Personal, Social, Cultural and Community Services (69.9%), and Hospitality (50%); in all the other sectors male graduates outnumber their female counterparts.

- **Distance VET is growing steadily, as is the number of households with broadband internet access**

- The number of students enrolled on distance Higher VET courses has grown by 28% in the last academic year, accounting for 17% of the total. Distance Intermediate VET has also grown (up 16% over the same period), though it accounts for a lower proportion of total enrolments (8.7%).

- In the last academic year, the percentage of households with computers and broadband internet access increased to 81.4% and 95.3%, respectively.

- **Internationalisation is advancing in terms of mobility but remains unchanged as regards language skills**
 - There were almost 11,000 participants in the Erasmus+ mobility programme across Intermediate and Higher VET in 2017, an increase of 8% on 2016.
 - Nevertheless, despite the progress made, currently only one in every three students is studying English as a second language (31% in Intermediate VET and 30.4% in Higher VET).
- **Most of Spain's VET schools do not solely provide VET**
 - There are currently 1,290 schools exclusively providing VET (29% of the total). This represents a small increase on the year before (27.6%).
 - As regards integrated schools, the situation has changed very little since 2020, as currently only 4.9% fall into this category.
- **The number of enrollees is growing faster than the number of teachers**
 - The number of instructors rose by 3.2% in the last year while, as already mentioned, enrolments across all VET options grew by 6.5% over the same period.
- **New future scenario for VET under Spain's draft organic law on the planning and integration of vocational education and training**

Dual Vocational Education and Training (within the education system)

- **Dual VET enrolment levels remain low**
 - Although the number of students taking Dual VET has increased year after year, growing by 61.7% in the last four academic years to reach 32,000 students in 2019–2020 and rising by 25% in the last year alone, these students still only account for 3.7% of total VET enrollees.
 - Growth in the last year by level of education was led by Basic VET (65%), followed by Intermediate VET (28%) and, finally, by Higher VET (22%).
 - The proportion of students enrolled in Dual VET is greatest towards the upper end of the scale, accounting for 4.5% of enrollees in Higher VET, 3.3% of those enrolled in Intermediate VET and 1.1% in the case of Basic VET.
- **Industrial and STEM occupational groups predominate in Dual VET**
 - Occupational groups linked to industry and STEM account for a high proportion of Dual VET enrolments, making up around 60% of enrollees and recording growth of close to 28% in the last year.

— Female enrolment in Dual VET (39% of the total) is lower than in VET overall and is characterised by low levels of representation in the industrial (13.5%) and STEM (12.1%) occupational groups.

- **There are fewer female graduates in Dual VET than in VET**

— Only 40% of Dual VET graduates are female, a figure below the average across the rest of the VET system (48%).

— Three out of every four female Dual VET graduates (68.4%) hold Higher VET qualifications, reflecting the attraction these have among both female and male students (67% of Dual VET graduates hold higher VET qualifications).

- **Dual VET qualifications are concentrated in a small number of sectors**

— Just four sectoral occupational groups account for 84% of all Dual VET graduates: Industry (30.6%), Business Services (22.4%), Personal, Social, Cultural and Community Services (15.6%) and Vehicle Trade, Transport and Repair (15.3%).

— The sectoral occupational groups with the highest number of Dual VET graduates versus the total number of VET graduates are those targeting industry (8.8%) and agriculture, fisheries, mining and energy (7%).

- **The number of VET schools providing Dual VET continues to rise**

— The 1,147 schools that provided Dual VET in the 2019–2020 academic year accounted for 30.5% of total VET schools, up 15.7% on the 991 schools in operation the previous academic year.

— State schools (72.1%) accounted for a larger percentage of Dual VET provision than private ones (27.9%), although both types grew (by 18% and 10%, respectively) year on year.

VET for Employment

- **Participation in VET for Employment among Spain's unemployed remained unchanged**

— Although still far from the EC targets for 2025 (20%), in 2019 the participation rate among the unemployed remained at around 5%, recording a slight decrease in participants versus 2018 (-1.7%).

- **COVID-19 has had a negative impact on subsidised VET for Employment**

— In 2020, the health crisis caused a significant decline in the percentage of enterprises participating in subsidised training (-12.3%), especially among smaller firms (-14.4%) and those in the hospitality (-19.5%) and construction (-12.5%) sectors.

- **Employee participation in subsidised VET for Employment decreased**

- The number of participants in subsidised VET for Employment fell by 16.6% in 2020.

- The percentage of employees participating in subsidised VET for Employment decreased by 4.3 p.p. in 2020 to 30,1%, falling by five p.p. among males to 30,5% and by 3.4 p.p. among females to 29.6%.

- With the exception of the occupational group Safety and Environment (+9.7%), the number of participants in subsidised VET for Employment fell among all occupational groups.

- **Expenditure on training continues to fall, meaning Spanish firms, especially SMEs, need to increase their spending per employee in the wake of the health crisis**

- Although average expenditure on training has been steadily declining since 2016, the health crisis brought a drastic reduction (28.3% less than in 2019), especially in the industrial sector (-31%).

Demand for qualifications and socioeconomic environment

Structural conditions within the socioeconomic context

- **The number of potential VET students will begin to shrink by the end of the decade after initially growing slightly**

- The proportion of the population aged 15–19 will increase over the next five years (rising by 5.5% by 2025), but is forecast to decline by 5.1% by 2030 and by 4.6% by 2035.

- **The impact of population ageing is becoming increasingly evident**

- The proportion of the population aged over 64 will continue to increase from 19.6% in 2020 to 26.5% by 2035.

- **Population highly concentrated around cities**

- Approximately 70% of the Spanish population lives in metropolitan areas that account for around 15% of the country's land area, a situation that may put access to services in sparsely populated areas at risk.

- **Sharp drop in GDP per capita**

- The 10.4% drop in GDP per capita in 2020 due to the health crisis was the largest downturn in the EU-27, well above the 4.4% drop seen in 2009 at the start of the financial crisis.

- **Minimal change in employment distribution across macro sectors, albeit with variations in specific service sectors**

— Although the overall share of employment in the Services macro sector remained stable in 2020 (75.4%), the health crisis produced significant changes in the share held by individual sectors like Hospitality (-1.2 p.p.) and Healthcare and Social Services (+0.7 p.p.).

- **Micro-enterprises, the mainstay of Spain's economy, were hit hard by the health crisis**

— Although these enterprises still account for 94.4% of all firms, their number shrank by 4% in 2020, the number of people employed by them fell by 4.5% and the added value they generate dropped by 16.3%.

- **Services SMEs fared worst in the health crisis**

— In 2020, the number of SMEs working in hospitality fell by almost 15% while those involved in transport decreased by almost 6%. Furthermore, their added value plummeted by around 50% and 30%, respectively.

- **SMEs in hospitality and manufacturing posted greatest job losses in 2020**

— Employment in the hospitality industry shrank by around 14% while in manufacturing it decreased by about 5%.

VET in the labour market

- **VET continues to gain in importance in the labour market**

— Despite the health crisis, the percentage of the working population with VET qualifications continued to gain ground on the other education options, reaching 23.5% of the working population in 2020 and being especially prevalent in the industrial sector (32.5%). After university studies (+1.2 p.p.), VET was the level of education that saw the greatest year-on-year gain (+0.7 p.p.).

- **VET is an asset in personal development and employability**

— VET qualifications act as a shield against unemployment and labour market crises. In 2020, having Basic or Intermediate VET qualifications provided a 14.3 p.p. advantage in terms of employment rates versus lower levels of education. Moreover, this advantage increased year-on-year by almost two p.p.

- **Furlough schemes had a massive impact on the Spanish labour market**

— In 2020, the employment rate among both VET graduates and the general population would be 8–9 p.p. lower if people on furlough schemes were not counted as employees. The VET level most affected would be Higher VET in the service sector. When people on furlough schemes are counted as employed,

these rates decrease by 2.4 p.p. (VET graduates) and 2.6 p.p. (general population) versus the year before.

- **The unemployment rate is increasing notably, though to a lesser extent among VET graduates**

- The impact of the health crisis on the unemployment rate has been uneven — while among the general population it rose by 1.5 p.p. in 2020 to 15.6%, across all VET graduates it rose by 1.3 p.p. to 14%.

- **The Recovery Plan will seek to correct labour market imbalances**

- The imbalance caused by overqualification among people with Higher VET qualifications (68.4%) is expected to reduce with the Plan's entry into force by expanding opportunities to take VET courses and, in particular, Intermediate VET. The aim is to increase the proportion of the working population with intermediate vocational qualifications from 25% at present to 50% in the future so as to meet expected demand for these skills.

- Urgent measures are needed to reduce underqualification versus job requirements among employees who have completed no more than primary education (74.4%).

- **The number of job offers for VET graduates is increasing despite the pandemic**

- Job offers for VET graduates rose from 38.8% of the total in 2019 to 41.3% in 2020.

- **Over the next decade, Spain will need to fill around 10 million vacancies**

- Based on the estimates made by Cedefop, the Spanish labour market is expected to expand by 1.3 million employees between 2020 and 2030 (an increase of 7%) and to generate a total of 9.6 million vacancies by 2030.

- Although in some sectors the total number of people employed will fall (primary sector, manufacturing, etc.), employment opportunities will be created across all sectors due to worker replacement (mainly due to retirement). The bulk of employment opportunities (80%) will occur in the service sector.

VET and social challenges

- **There is still an urgent need to reduce early school-leaving**

- Despite a reduction of 1.3 p.p. versus 2019, early school-leaving still stood at 16% in 2020, doubling the EU-27 average (8.4%) and exceeding the 15% threshold set by the ET 2020 strategy.

- **The pandemic has driven up the NEET rate after trending downwards for several years**

— The NEET rate (people neither in employment nor in education and training) stood at 13.9% in 2020, up 1.8 p.p. on the previous year.

- **Youth unemployment rocketed during the health crisis, increasing vulnerability among young people**

— In 2020, unemployment in the 15–24 age group climbed by 4.8 p.p. in Spain to reach 38.3%, more than 20 p.p. above the EU-27 average (16.8%).

- **Young people with disabilities continue to be under-represented in Intermediate and Higher VET**

— While this group accounted for 6.4% of young people in 2020, it represented only 1.8% of students enrolled in Intermediate VET and 0.5% of those taking Higher VET. This population did however have a greater presence in Basic VET (6.2%). Both the proportion of young people with disabilities in the population at large and their presence in Basic and Intermediate VET rose by around 0.1 p.p. year on year.

- **Young immigrants remain under-represented in Intermediate and Higher VET, a situation that needs changing given the programmes' potential to foster social and vocational integration**

— Although non-Spanish nationals account for 9.6% of the population aged 15–19 (0.5 p.p. more than in 2019), a lower proportion of them are enrolled in Intermediate VET (8.5%) and Higher VET (6.7%). This presence increased by 0.5 p.p. in the case of Higher VET and decreased by 0.1 p.p. in that of Intermediate VET compared to the previous academic year.

— Foreign nationals account for 14.1% of enrollees in Basic VET (0.2 p.p. less than the previous academic year), surpassing their share of the youth population.

- **Women continue to be a minority in the industrial and STEM VET groups despite their advantages in the labour market**

— Only about 12% of enrollees in these occupational groups are female (around 0.5 p.p. more than in the 2018–2019 academic year) even though 60–80% of female graduates find employment in these areas.

- **A large proportion of the population faces the risk of digital exclusion**

— Only 40% of the population has advanced digital skills, a percentage that falls even lower from the age of 45 onwards.

- **Lifelong learning among people aged 50–64 is increasing more slowly than the age-group's share of the working population**

— The number of people taking training courses increased by 0.4 p.p. versus 2019 to 6.2%, while greater emphasis needs to be placed on digital skills.

— The population aged 50–64 increased its share of the working population by 0.9 p.p. in comparison with 2019, highlighting the importance of increasing the group's involvement in training.

Vocational education and training as key to sustainability

- **Global, European and Spanish commitment to promoting the 2030 Sustainable Development Goals (SDGs) in education and training systems**

— Following the adoption of the SDGs in 2015, Education for Sustainable Development (ESD) has become one of the main focuses of the drive to accelerate and ensure their achievement. In the European and Spanish context, progress towards achieving these goals by 2030 is occurring at different speeds (Eurostat, 2021), which is why the aim is to accelerate these processes by increasing the focus on sustainability in education.

- **VET as an integral part of Education for Sustainable Development**

— Within the ESD framework proposed by the United Nations, VET is understood as lifelong learning (both for young people and adults) that enables participants to acquire and develop the 'knowledge, skills, values and attitudes to take informed decisions and make responsible actions for environmental integrity, economic viability and a just society' (UNESCO, 2020).

- **VET priorities within the ESD framework focus on accessibility and quality, on transitions to and within the world of work, and on competencies for sustainability**

— **The objectives are as follows:**

- to foster employment and entrepreneurship among young people;
- to promote equity and equality between men and women; and
- to facilitate the transition to green economies and sustainable societies.

- **Progress towards VET priorities is uneven, with need for greater focus on sustainability in VET**

— Efforts have mainly been made to promote greater, fairer and more equitable access to VET, as reflected in the increase in enrolments and qualifications. However, on the one hand the gender gap in vocational choices remains unchanged while, on the other, greater focus on sustainability as relates to syllabuses, processes and organisational arrangements is scarce, ad hoc and largely unmeasured.

- **Competencies for sustainability cut across all VET**

— These comprise 'systemic thinking', 'anticipation', 'understanding of regulatory matters', 'strategic capacity', 'collaboration', 'critical thinking', 'self-awareness' and 'problem-solving' (UNESCO, 2017).

- **Major challenge facing Spanish VET's governing bodies in implementing the 2030 road map**

- The action framework will be implemented in phases (2020–2030) and act on 5 key dimensions:

- promotion of the ESD approach in public VET policies;
- transformation of learning environments (VET schools and business and/or work settings);
- strengthening of VET instructors' capabilities as regards sustainability;
- local mobilisation of students (particularly young people) to promote sustainable development;
- acceleration of sustainability actions in VET schools at local community level.

- **COVID-19 as an opportunity to strengthen VET for Sustainable Development**

- The Berlin Declaration on Education for Sustainable Development, adopted in May 2021, represents a determined intention to steer education systems towards sustainability in the context of COVID-19. The European Commission is working to draw up directives in this regard that will also address VET.

Conclusions and recommendations

Educational offering

General education system

- VET's position in the education system continues to improve, although it still suffers efficiency issues.
- The level of education among the working population continues to rise, although the pace needs to increase.
- Participation in lifelong learning is increasing but is not yet reflected in digital skill levels.
- State spending on education is growing, although the system still faces multiple challenges.

Initial Vocational Education and Training

- Educational option seeing a rise in enrolments and qualifications, albeit at differing rates depending on level of education.
- Challenge of increasing Initial VET efficiency.

- Challenge of closing the gender gap.
- Challenge of encouraging STEM vocations to meet the challenges presented by Industry 4.0.
- Spanish VET targets the country's predominant sector: services.
- Challenge of establishing integrated schools providing only VET.
- Commitment to excellence and innovation.
- Challenge of tackling the digital and green transitions.
- Institutional commitment to strengthening VET.

Dual Vocational Education and Training

- Dual VET in Spain: a minority alternance training option.
- Enterprises prefer older, more mature Dual VET students.
- Industry and sectors with a greater STEM component are more receptive to Dual VET.
- Business as an inevitable ally of Dual VET.
- Government commitment to 'dualisation' of the Spanish VET system.
- Opportunity to address innovation and sustainability through Dual VET.

VET for Employment

- Great opportunity for Next Generation funds and VET for Employment to address the challenges facing employees and enterprises.
- Number of unemployed participants in VET for Employment needs to increase significantly.
- Enterprises, especially SMEs, need to strengthen and encourage employee training and reskilling, especially in the sectors most affected by the crisis.
- Employee participation in subsidised training remains unchanged.
- Health crisis has boosted remote subsidised training options.
- Training in industrial occupational groups has decreased together with STEM.
- Enterprises' average annual expenditure on VET per employee continues to decrease.
- VET for Employment prices highlight the complexity of Spain's VET for Employment system.

Demand for qualifications and socioeconomic environment

Structural conditions within the socioeconomic context

- Spain's demographic challenge is becoming increasingly evident.

- Population highly concentrated in cities and metropolitan areas, producing potential difficulties in accessing education.
- Sharp fall in GDP per capita resulting from the health crisis highlights the productive fabric's weaknesses.
- Micro-enterprises, the mainstay of Spain's business fabric, have been hit hardest by the crisis.

VET in the labour market

- COVID-19 has exacerbated the Spanish labour market's problems, weaknesses and challenges.
- COVID-19 as a catalyst for change.
- Industry and the service sector are gaining ground among employed VET graduates.
- Industry-oriented VET has the potential to rejuvenate the sector.
- VET increases personal development and employability, acting as a shield against unemployment.
- Overqualification and underqualification remain two of the Spanish labour market's as yet unresolved issues.
- VET as a mechanism for driving development and adjusting to changes in the Spanish labour market.
- Retirement-driven replacement will be the main source of employment opportunities in the next decade and will need to be addressed.

VET and Spain's social challenges

- Reduce early school-leaving.
- Reduce the NEET rate.
- Reduce youth unemployment.
- Increase participation by young people with disabilities in Intermediate and Higher VET.
- Increase participation by non-Spanish students in VET.
- Increase female participation in industrial and STEM VET.
- Increase the population's digital skills.
- Encourage lifelong learning among older members of the working population.

Vocational education and training as key to sustainability

- Need to convert government declarations into action.

- Need to formulate and implement the road map for Spanish VET.
- In the Spanish context, VET for Sustainable Development requires a holistic, participatory and cross-cutting approach targeting several areas.
- Green alignment at European level: the challenge of developing a macro vision for European ESD.
- Challenge of making VET a systemic part of sustainability rather than just a tool for achieving it.

