
Iceland

VET in Europe – Country report

2013

This country report is part of a series of reports on vocational education and training produced for each EU Member State plus Norway and Iceland by members of ReferNet, a network established by Cedefop (European Centre for the Development of Vocational Training).

The opinions expressed in this report are not necessarily those of Cedefop.

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The preparation of this report has been co-financed by the European Union

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CHAPTER 1.

External factors influencing VET

The Icelandic population is one of the smallest in Europe and is thinly scattered over a relatively large area. More than half of the population lives in and around the capital, Reykjavík, and this makes it possible to offer a wide variety of education and training to people all ages there. In other areas, this is much more difficult due to the small size of the population in each region.

The population is one of the youngest in Europe, both because Icelandic women have more children (2.2 in average in 2012 according to Eurostat) than most other European women (the EU 27 average for the same year was 1.27 also according to Eurostat) and because the large wave of immigrants that came to Iceland between 2006 and 2008 is of a relatively young age. This means that in 2012 the old age dependency ratio⁽¹⁾ in Iceland was only 18.9 whereas in EU-27 it was 26.7 (Eurostat, 2012).

Table 1. **Key demographics statistic relevant for education and training, January 1st 2013**

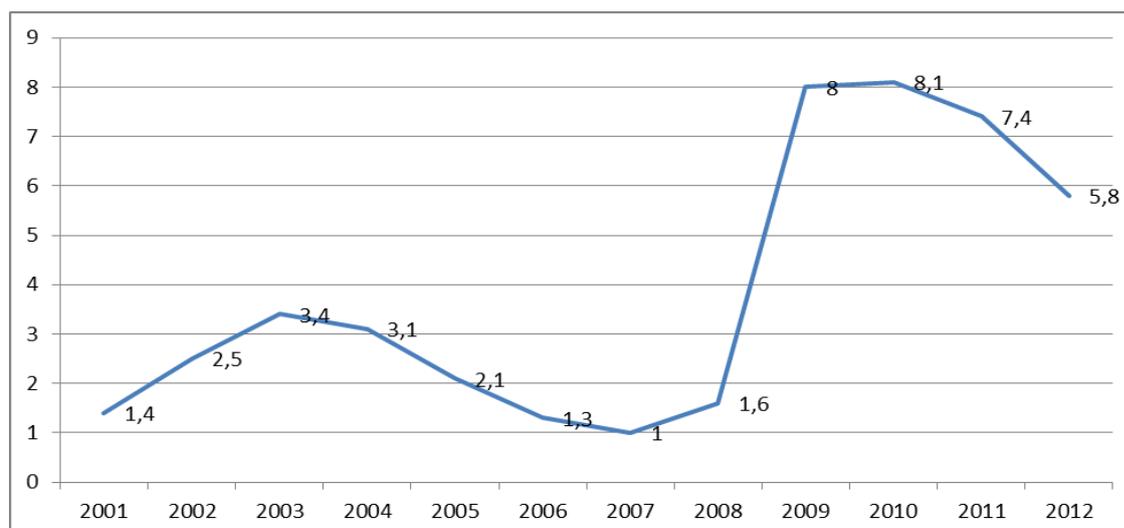
Country size	103.000 km ²
Total population	321.857
Average age	37.1
Percentage of population born outside Iceland	8

Source: Hagstofa Íslands (Statistic Iceland).

Until late 2008, unemployment in Iceland had been an almost unknown factor for a long time. However, after the collapse of the country's three major banks that year and the following severe cutbacks both in the public and private sectors, unemployment has been around the European average.

⁽¹⁾ The ratio between the total number of elderly persons of an age when they are generally economically inactive (aged 65 and over) and the number of persons of working age (from 15 to 64). The EU data is provisional.

Figure 1. **Registered unemployment rate as a % of the total labour force in Iceland 2001-2012.**



Source: Statistic Iceland.

One of the main reasons for the sharp fall in unemployment in recent years is that there were several initiatives to activate people registered as unemployed, either towards education or work (see further below).

Unemployment differs between areas and age groups, and is highest in the southwest corner of the country (the Reykjanes peninsula), among people with vocational education and training and among immigrants. In 2011 the group with only compulsory education was one of the groups with highest unemployment but this changed in 2012, probably due to all the initiatives by the Directorate of Labour to offer new possibilities for this group. The high unemployment rate among people with VET has been more or less constant since 2009, probably due to an almost complete collapse of the building sector. The sector seems to be slowly recovering and the unemployment rates will hopefully fall gradually.

Table 2. **Key statistic on the labour force, December 2012**

Active labour as a percentage of all of "working age" (16-74 years)	80.5%
Unemployment rate	6%
Youth (16-24) unemployment	4.8%
Unemployment in the Reykjanes peninsula	10.2%
Unemployment among foreign citizens	8.25%
Unemployment among people with vocational education and training	10.3%

Sources: Hagstofa Íslands (Statistic Iceland) and Vinnumálastofnun (Directorate of Labour).

There is a considerable mismatch in the educational attainment levels of the Icelandic population; around 30% of the population has only completed compulsory education but at the same time, the percentage of people with university education is higher than in most other European countries. The percentage of people with VET and additional education is therefore lower than in most of Europe.

Table 3. Educational attainment of people aged 25-62, 2012

Compulsory education	29,3%
Upper secondary education	35,8%
University education	35,0%

Source: Hagstofa Íslands.

The Icelandic economy is, like most economies in Europe, categorised by the large service sector. However, the primary sector accounts for a bigger percentage of the economy than in most European countries and industry a smaller percentage. Most companies in Iceland are very small. According to a survey made by the Confederation of Icelandic employers in 2013, 90% of companies employ 9 people or fewer, 7% 10-50, 2% 51-250 and only 1% more than 250 people⁽²⁾.

Table 4. Percentage of employed people according to sectors, 2012

Agriculture and fisheries	5.8%
Industry	18.2%
Services	76.0%

Source: Hagstofa Íslands (Statistic Iceland).

Iceland's contribution towards the greening of the economy has been in the development of renewable energy. Most homes and industries use either geothermal or hydroelectric energy, the big exceptions being the fishing fleet and all means of transportation. Several experiments are under way in developing new sources of green energy also for cars and ships. For students of electricity and electronics, green energy already forms the basis of their studies so new energy sources will probably not change their working environment. Car

⁽²⁾ The survey as a whole has not been published, but this information is from the Facebook page of a new association of small companies, called Little Iceland <https://www.facebook.com/LittleIceland> [accessed 20.10.2014].

and ship mechanics may, on the other hand, have to learn to deal with new electrical cars/ships and cars/ships powered by methane gas.

Many parts of the labour market are bound by regulations, e.g. employees' right to belong to a labour union, length of working hours per day or week, minimum working age and the right to old age or disability pensions. Other factors are more left to each individual company, e.g. shops can be open any time day or night and there is still a considerable number of jobs available to people who have little formal education and training.

In many professions (the so-called 'certified trades') a journeyman's exam is a necessary precondition for being hired as a VET professional. In times of too much demand for people with certain professional skills, people without them may be hired temporarily, but then need to work under the supervision of a trained professional.

Despite the explicit goal of the government of maintaining a Nordic welfare society in Iceland, the past three year have called for drastic cutbacks in the health and social system. This has meant laying off many people, cutting services and closing down health and welfare institutions. Many of those losing their jobs have been highly trained professionals and there has been a considerable brain-drain from their group, especially to Norway. This may discourage young people to train for jobs within the health and social sector but so far, no such movement can be detected.

For most VET graduates, getting a job is relatively easy. The big exception is the building industry, where jobs are hard to find, both for professionals and unskilled people.

According to a survey carried out by IDAN Training Centre, the overall majority of VET professionals (more than 90%) were proud of their professions and almost 87% of respondents were satisfied with their work. Almost three out of every four stated that they would recommend their profession to young people³.

As can be seen in the table below, VET professionals receive on average salaries which are a bit lower than those of technical and specialised people but considerably lower than what specialists receive. There is, of course, a big variation within each group over time and between different professions.

⁽³⁾ The survey (in Icelandic), is available upon request by emailing Idan (idan@idan.is).

Table 5. **Gross monthly medium salaries for employees in the private sector,**
2012

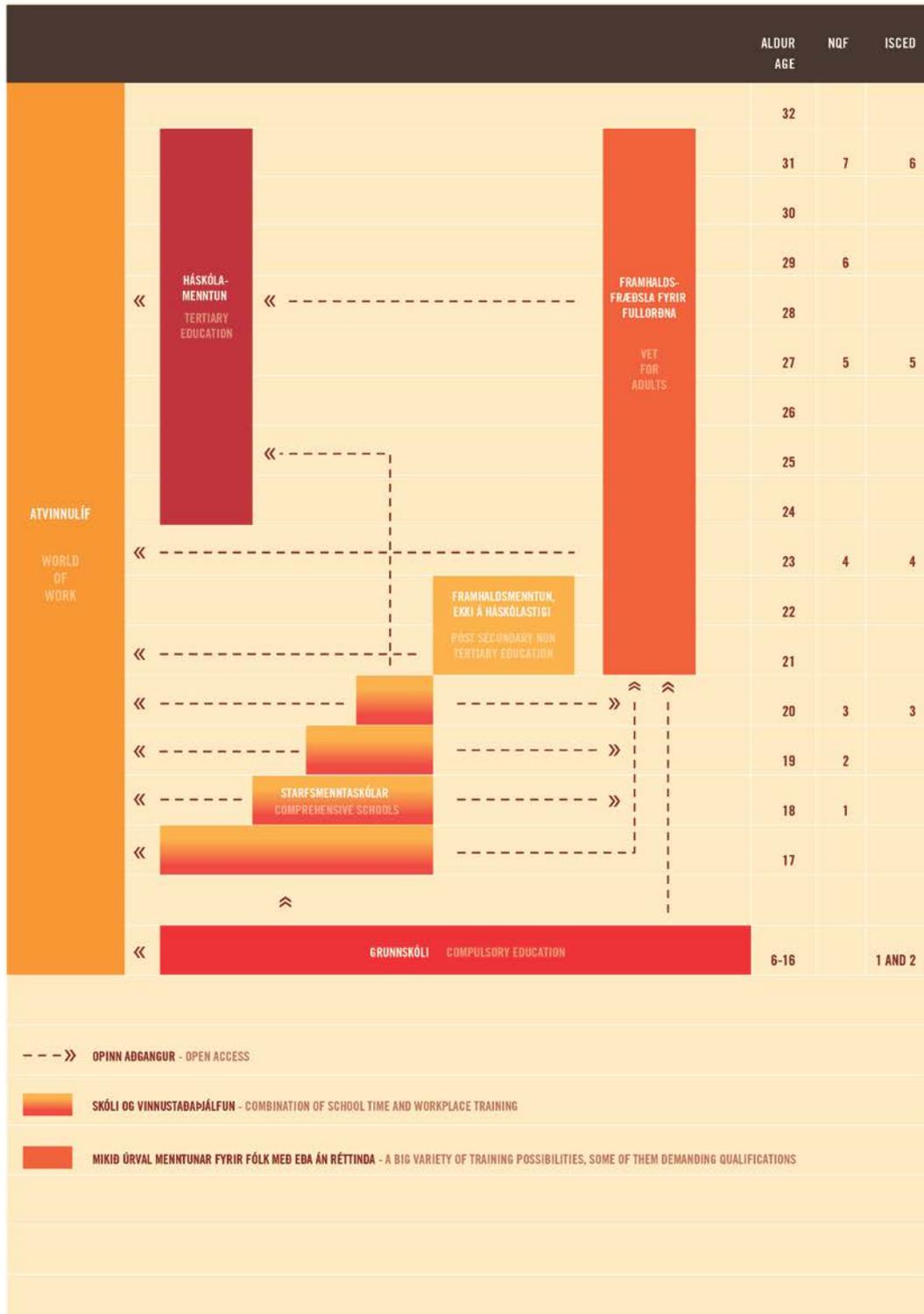
	IKR	€ (1€=160 IKR)
Total	390 000	2 438
Supervisors	817 000	5 106
Specialists	650 000	4 063
Technical and specialised people	489 000	3 056
Office workers	363 000	2 269
Service, sales and other expedients	286 000	1 788
VET professionals	389 000	2 431
Unskilled workers	287 000	1 794

Source: Hagstofa Íslands – Statistics Iceland.

CHAPTER 2.

Providing VET in a lifelong learning perspective

2.1. Chart of the national education and training system



No vocational education and training takes place at compulsory school. At upper secondary level, there are a few schools that do not offer any form of VET but the most common form of education at this level is at comprehensive schools which offer both general studies and VET.

Compulsory education is classified as ISCED 2, upper secondary at ISCED 3, post-secondary at ISCED 4 and tertiary as ISCED 5 and 6 (PhD). The Icelandic National Qualifications Framework (NQF) termed Icelandic National Qualifications Framework (ISQF) was referenced in December 2013 and has now reached an early operational stage⁴. The ISQF for upper secondary has been published as a part of the national curricula and the ISQF for tertiary education has been in use for some years. When completed, the ISQF will have the following comparison with the EQF:

Table 6. **Reference process of the Icelandic proposed NQF (ISQF) and the EQF**

ISQF 1	EQF 1 and 2
ISQF 2	EQF 3
ISQF 3	EQF 4
ISQF 4	EQF 5
ISQF 5	EQF 6
ISQF 6	EQF 8
ISQF 7	EQF 8

Source: Referencing the Icelandic National Qualification Framework to the European Qualification Framework.

Almost all VET takes place at upper secondary school level, which means that it is at ISQF level 3 and EQF level 4. A few possibilities exist at post-secondary non-tertiary level, e.g. masters of crafts (where journeymen with at least one year working experience learn how to start a company and train apprentices). Examples are captains and ship engineers at the highest level, and tour guides.

2.2. Government-regulated VET provision

Almost all Initial VET in Iceland is built on a dual system, where most part of the education takes place in schools but training in a workplace is also necessary. The duration of the school time and the time spent at the workplace varies between programmes. There are a

⁽⁴⁾ The draft ISQF referencing report in English is available at http://brunnur.stjr.is/mrn/utgafuskra/utgafa.nsf/xsp/.ibmmodres/domino/OpenAttachment/mrn/utgafuskra/utgafa.nsf/A2127FCE8ADA7E3600257B7B004AA6F5/Attachment/Icelandic_reference_report.pdf [accessed 16.10.2014].

few programmes where all the education and training takes place at schools, but as they are such a minority, they will not be further discussed here.

2.1.1. ACCESS

Anyone who has completed compulsory or equivalent education or is at least 16 years old has the right to enter upper secondary school, regardless of whether they have met the minimum requirements at compulsory school or not, where almost all VET takes place (the few exceptions being VET at post-secondary non-tertiary level). The duration of study programmes varies between two semesters and four years. School time is often divided into a basic part, which is common for several studies in similar sectors, and specialisation in a number of trades. For example, training for the building sector starts with combined courses for house builders, furniture makers, painters, masons, wall-papering and technical drawing students. After the first term of such common studies, students specialise. In other words, students can start with taking only general subjects which are more or less the same for all trades, they can start at a broad basic part or they can enter straight into a specialised field of their choice. The entry points are many but their number varies across the years. In programmes where there are only a few students it may not be possible to enter every year and some students may therefore have to wait for a year or two.

Access to VET taught at post-secondary non-tertiary level depends on the completion of an upper secondary level degree in the relevant subject and requires work experience (the length is different from one profession to another).

2.1.2. CURRICULA

The Ministry of Education, Science and Culture (mennta- og menningarmálaráðuneyti) validates the curricula for all upper secondary education and training. The curricula for certified trades (see further below) are developed in cooperation with social partners in each profession, through the Occupational Councils, and regularly revised. Individual schools will gradually take on more responsibilities in this field, once the new Upper Secondary School Act is fully implemented (in 2015). According to the Act, they can develop new pathways, suggest changes to existing ones and develop or change the relevant curricula. The changes still have to be validated by the Ministry, after consultations with the relevant Occupational Council, but the aim of the Act is that this should be relatively easy.

In all upper secondary schools, it is obligatory to pass some courses in Icelandic, English and mathematics. The bulk of VET curricula, however, consists of subjects relevant to each vocation, both theoretical and hands-on. The emphasis is assisting students with acquiring necessary key competences relevant to their future professions. All upper secondary school programmes are divided up into credits, which are gradually being defined according to

learning outcomes. Before the end of 2015 this work must be completed and then one learning credit will be equal in learning outcomes to one ECVET credit unit.

2.1.3. TRAINING CONTRACTS

According to the Upper Secondary School Act 92/2008 two contracts are necessary for the workplace training:

- a training contract between the workplace and the student, stipulating the rights and obligations of the work place and the student respectively as well as the objective of the training, quality control and the handling of possible disputes. The student's/employee's salaries and working hours (which are in line with labour market agreements) form a part of that contract (Upper Secondary School Act 92/2008 Article 28)⁽⁵⁾.
- a contract between the school and the workplace on the training content.

Regulation number 840/2011, issued by the Minister for Education, Science and Culture, contains provisions concerning contracts for on-the-job training⁶ (for several trades, the Ministry of Education, Science and Culture has allocated the overall management of the training contracts to Iðan, an institution which offer continuous education for seven VET sectors. There, the training contracts have been streamlined and modularised and guidelines have been issued to the workplaces. Each student gets a logbook where his/her trainer certifies that individual parts of the training have taken place.

The length of the workplace training varies from 3 to 36 weeks, depending on the subject. The reasons for this difference are first and foremost two: the overall length of the programme on the one hand and the tradition in each sector on the other.

2.1.4. INNOVATION

Teaching methods and material are under constant development. There is:

- innovation in curricula (for general as well as for specific skills);
- innovation in teaching and learning methods (changes in pedagogy and the utilisation of ICT for example); and
- innovation in education settings (not just schools but also training centres and companies).

In VET there has been a great development in all these aspects during the last two decades as new technology has been used in all areas of the industry. This development has been

⁽⁵⁾ Available in English at http://eng.menntamalaraduneyti.is/media/MRN-pdf_Annad/Upper_secondary_school_Act.pdf [accessed 16.10.2014].

⁽⁶⁾ Available in Icelandic at <http://www.reglugerd.is/interpro/dkm/WebGuard.nsf/key2/840-2011> [accessed 16.10.2014].

increasing in speed and, since the beginning of this century and there has been a great progress in the access to education for adults who need to update their skills.

2.1.5. ASSESSMENTS

Each course or workplace training module finishes with some sort of an assessment, either theoretical or hands-on. Students complete their overall studies with a VET exam. They can also choose to take a matriculation exam, granting access to university. In that case, the studies may take slightly longer, because they must add general subjects to their list of VET courses. Those who do not take the Matriculation exam, can take a bridging course which also grants access to university. This is a simpler and easier route and therefore more commonly taken. With the Upper Secondary School Act from 2008 the state aims at making VET students' access to university more on par with general students but it remains to be seen how this will work in reality (some of the universities have stated that they will not admit students who have less general education than the present Matriculation exam guarantees). The most common VET exam is the journeyman's exam, in which students demonstrate their hands-on skills and receive exclusive formal rights to work in the chosen trade. In the health care sector, there is also a formal exam at the end of the training period, which takes place at a hospital or other health centre.

2.1.6. STATISTICS

Table 7. **Number of students in upper secondary education and training 2011**

	Total	Male	Female
Total	27 118	13 574	13 544
General studies 3AG	13 991	6 340	7 651
General studies 3CG	3 430	1 633	1 797
Pre-vocational studies 3BP	201	99	102
Pre-vocational studies 3CP	435	299	136
VET 3AV	75	25	50
VET 3CV	8 021	4 572	3 449
VET 4CV	965	606	359

Source: Statistics Iceland (Hagstofa Íslands).

Table 8. **ISCED-07 classifications for education and training used in Iceland**

	Possible further studies		Emphasis with pathway
A	General university education (5A)	G	Not aimed at training for specific jobs or trades or the preparation for vocational studies. VET content is less than ¼ of the curricula
B	Vocational studies at university (5B)	P	Mainly aimed at introducing the labour market to students and prepare them for further VET. Does not give occupational rights. At least ¼ of the curricula is VET related
C	Not aimed at university. Leads to jobs on the labour market, further studies (ISCED4) or further upper secondary school studies	V	Preparation for the labour market, without further studies. Gives certain job rights.

Source: ReferNet Iceland. Summary and translation of <http://www.hagstofa.is/lisalib/getfile.aspx?itemid=8432> [accessed 16.10.2014].

As can be seen from these two tables, there is a much greater interest in general studies than VET. This is especially the case among female students where interest in VET has been limited for a long time. There may be several reasons for this:

- there is a great interest in university education, especially among girls (who in 2011 were 62.4% of university students (Statistics Iceland)). In general, girls do better in schools, from the earliest classes in compulsory schools through upper secondary schools and therefore have greater possibilities for a university education;
- general education has a higher social esteem than VET;
- many of the traditional women's subjects (e.g. nursing and social care) have been moved from upper secondary to tertiary level, which means that they are no longer classified as VET. However, new VET pathways have been created e.g. for assistant nurses and social service assistants, where women form the majority.

Table 9. **Graduation from upper secondary school, 2010-2011, percentages**

	Total	Males	Females
Basic exam, general	1,35	1,40	1,31
Basic exam VET	0,10	0,03	0,16
Basic exam from a VET field	1,22	2,40	0,12
Upper secondary school exam	-	-	-
Skills tests	15,13	9,56	20,33
VET exam giving some qualifications	9,63	7,80	11,35
VET graduation exam	11,11	17,49	5,16
Journeymen's exam	9,01	14,90	3,51
Matriculation exam for VET students	10,20	9,96	10,41
Matriculation exam for general students	42,25	36,45	47,65

Source: Statistics Iceland (Hagstofa Islands).

In light of the above, it comes as no surprise that the greatest number of graduates has completed the matriculation exam for general students. This is more apparent among females than males.

No statistics has been gathered on dropout of VET students versus general students from upper secondary education and training since 2003. At that time, dropout among young people (16-24) is higher in VET than in general studies, where it changes completely with students' age, for dropout among older cohorts is much higher in general studies than in VET. This could indicate that some maturity is desirable before students start VET and/or that people who have been a few years on the labour market know better what jobs are available and have found their study of choice. Since VET is hardly taught in compulsory schools, graduates may find it difficult to imagine themselves in some field whereas general studies are something they know very well. The average age of VET students is higher than of students in general subjects

2.1.7. FUNDING OF IVET

The main principle for funding of VET is that the Ministries of Education, Science and Culture pays the VET schools for each student who sits for an exam at the end of each term. This applies both to public and private schools.

Students pay a small fee for enrolling each semester (6.000 IKR, around € 40) and, according to temporary article number V of the Upper Secondary School Act, also pay for the material they use during their class hours which amount varies between subjects (e.g. goldsmiths have to pay more than e.g. carpenters) but can never exceed 50.000 IKR (around € 300) per school year.

On-the-job training is funded by companies which train students but they can apply for a subsidy from the newly established Workplace Training Fund, which is financed by the state. All apprentices are entitled to salaries during their training periods, which are a percentage of the salaries of fully qualified staff. Only certified masters of craft can train apprentices and it goes without saying that they must dedicate some hours per day to the students and in the meantime the company may lose out. The costs of training apprentices tend to be the biggest in the beginning but as students become better skilled, they will gradually contribute to the income of the company.

Table 10. **Funding for initial vocational education and training (IVET)**

Types of IVET	Institutions responsible for funding	Pay for*
Certified professions	Ministry of Education, Science and Culture (mennta- og menningarmálaráðuneyti)	Education and training at schools and a subsidy towards workplace training
	Employers who train apprentices at workplaces	Apprentices' salaries
	Individuals	School fees and study material
Health and welfare professionals	Ministry of Education, Science and Culture	Education and training at schools
	Ministry of Welfare (velferðarráðuneyti)	Salaries for trainees at hospitals
	Individuals	School fees and study material
Police officers	Ministry of the Interior (innanríkisráðuneyti)	Education and training at schools plus salaries of trainees
Pilots	Individuals	Pay all costs
Non-certified professions	Ministry of Education, Science and Culture	Education and training at schools
	Individuals	School fees and study material

*Precise information is not available on each partner's share of funding contribution.

Source: Compilation from different sources by ReferNet Iceland.

2.1.8. TEACHERS AND TRAINERS

Teachers in schools are responsible for selecting teaching material, giving lessons and carrying out assessments of learning outcomes according to the curricula of each course.

Teachers in VET schools mainly have two different backgrounds:

- general subject teachers (for e.g. languages, mathematics, etc.) have a M.Ed. degree from a university;
- teachers of vocational subjects are masters of craft in the relevant profession and have taken 60 ECTS (European Credit Transfer and Accumulation System) in pedagogy at a university.

Trainers at workplaces, who are responsible for training apprentices, must be masters of craft in the relevant profession. The trainers are responsible for making sure that the apprentices learn about the correct use of material, working techniques and working culture.

2.1.9. PRESENT CHALLENGES

In VET, as in many other public services, the main challenge since 2009 has been the cutback of funding, due to the financial crisis. Funding to schools has been reduced, even though they are asked to enrol a greater number of students. This has meant that they have to teach a greater number of students in each class and that some subjects where traditionally only a few students enrol are not taught every year. The schools have shown an amazing will to work under these conditions and have participated in special initiatives to enrol young unemployed people into VET. According to the draft Financial Act for 2014, further cuts are not to be made to upper secondary education and training.

2.3. Other forms of training

2.1.10. ADULT LEARNING

Even though adult learning is classified here as other forms of training (as opposed to government regulated education and training), some regulations apply to most of it, i.e. courses which give formal credits, which are recognised in the formal system and give study points, which can be used for further training at upper secondary schools. In order to obtain a licence to teach such courses, training providers must be formally accredited by the Ministry of Education, Science and Culture. According to article 7 of the Adult Education Act number 27/2010, “[t]he accreditation shall be based on evaluation of the following:

- a. teaching and learning facilities,
- b. organisation and supervision of studies,
- c. curricula or course descriptions,
- d. the competences of adult education providers, with regard to their knowledge and experience,
- e. financial issues and insurance, and
- f. the existence of a quality control system focused on adult education.

The Minister's accreditation cf. paragraph 2 entails a confirmation that the operation of the relevant education and training provider fulfils the requirements of this act and regulations thereof, at the time when the accreditation is granted.

The accreditation does neither entail commitment for public funding to the education provider in question nor responsibility for the education and training provider's liabilities" (The Adult Education Act, 27/2010)⁽⁷⁾.

Participation in all forms of adult education and training has multiplied in the past decades. Numerous private education and training institutions and non-profit institutions owned by social partners have been established, aiming specifically at adults. The main training providers of adult education are:

- upper secondary schools where adults can either enrol in regular classes with younger students or in evening classes aimed specifically at adults. In the latter case, the number of teaching hours is only half of the regular school hours;
- the state co-finances nine Lifelong Learning Centres, which offer a wide scope of training possibilities, such as Icelandic for foreigners, university degrees through distance studies in cooperation with universities and courses found to be relevant to their local communities (e.g. in tourism or fisheries). In many cases they offer the possibility of adding on to qualifications through distance learning and a combination of on-campus and distance learning;
- institutions owned by social partners which offer upgrading of skills (see below);
- private institutions which offer e.g. language learning, hobby classes or IT training. These course normally do not give study points which can be used for upper secondary schools;
- workplaces where employees are trained in e.g. safety measures or the utilization of new equipment.

2.1.11. UPGRADING OF SKILLS

Each sector sets its own demands for the continuous upgrading of skills which vary a lot. Mostly, the market regulates the supply of training, where courses on e.g. new technology, materials and tools are regularly on offer. Each training course leads to award of a diploma. It is possible for craftsmen to get financial support from the social partners' training funds for these courses so there is a strong encouragement to do so.

The two main training centres are operated by social partners, with some funding from the state:

⁽⁷⁾ Available in English at <http://eng.menntamalaraduneyti.is/media/MRN-PDF-Althjodlegt/Adult-Education-Act.pdf> [accessed 16.10.2014].

- Iðan, fræðslusetur (the Vocational Education and Training Centre)⁽⁸⁾ is the largest continuous training institution in Iceland. It offers courses for a variety of sectors (food and catering; metal and machines; building and construction; printing technology; auto mechanics; computer supported design and hair styling). Each year, Iðan contacts representatives from each of the sectors and asks about training needs for the following semesters and the courses are planned accordingly;
- Rafiðnaðarskólinn (the Retraining and Technical Training Centre for Electric and Electronic Technicians)⁽⁹⁾ offers continuous training for electricians and electronic specialists.

Other continuous training centres are much smaller and offer more specialised training:

- The private company Síni Research Centre⁽¹⁰⁾ offers job-related courses for people working in the food industry, from people with very little formal training to managers;
- Nýsköpunarmiðstöð Íslands (the Icelandic Innovation centre)⁽¹¹⁾, a public institution under the Ministry of Industries and Innovation, offers courses in e.g. project management or personal leadership. Students at these courses tend to be university graduates who feel the need of adding to their degrees.

Special vocational schools, offering both initial VET and continuous training, are e.g.

- Lögregluskólinn (the National Police College)⁽¹²⁾, an independent institution at upper secondary level under the Minister for the Interior Affairs, is responsible for CVET (Continuing education and training) for the police;
- Brunamálaskólinn (The Iceland Fire Authority runs the Fire Service Technical College)⁽¹³⁾, which is responsible for CVET for fire fighters;
- Þjálfunardeild Flugstoða (School for Air Traffic Controllers) is operated by the Icelandic Civil Aviation Administration;
- Flugskóli Íslands (the Icelandic Flight Academy)⁽¹⁴⁾ and Keilir, (Keilir, the Atlantic Centre of Excellence)⁽¹⁵⁾ offer training for pilots but the airlines are responsible for their own CVET and that the training of personnel follows European standards (JAR);
- Fisktækniskólinn (the Icelandic College of Fisheries)⁽¹⁶⁾ offers CVET in fish processing;

⁽⁸⁾ www.idan.is [accessed 20.10.2014]

⁽⁹⁾ <http://www.raf.is/> [accessed 20.10.2014]

⁽¹⁰⁾ <http://syni.is/> [accessed 20.10.2014]

⁽¹¹⁾ <http://www.nmi.is/english> [accessed 20.10.2014]

⁽¹²⁾ <http://www.logreglan.is/> [accessed 20.10.2014]

⁽¹³⁾ <http://www.mannvirkjastofnun.is/brunamalaskolinn/> [accessed 20.10.2014]

⁽¹⁴⁾ <http://www.tskoli.is/flugskoli-islands/> [accessed 20.10.2014]

⁽¹⁵⁾ <http://www.keilir.net/flugakademia> [accessed 20.10.2014]

⁽¹⁶⁾ <http://fiskt.is/> [accessed 20.10.2014]

- Slysavarnarfélagið Landsbjörg (ICE-SAR) operates a special school for seamen with the aim of teaching them various security measures. It is obligatory for all registered seamen to take a course there before being registered on a boat/ship and at least once every five years after that (Slysavarnarfélagið Landsbjörg, Slysavarnarskóli sjómanna⁽¹⁷⁾).

As can be expected from the variety of these training institutions, the curricula vary a lot. In most cases, the focus is on new technology and hands-on training is very common, even though the studies may require the reading of e.g. manuals. The duration of training is equally different but in most cases, courses are short and concentrated. Distance training is usually not on offer.

2.1.12. TRAINING AT WORKPLACES

Annually the Statistical Office (Hagstofa Íslands) carries out a survey among employees where they are e.g. asked about their participation in education and training during four weeks prior to the survey. Around 31% of all employees seem to participate in some form of training but they have not been asked where this training takes place. According to Starfsafl, the social partners' training fund for low skilled people, an increasing part of the training takes place at the workplace. This training can be on security, environmental protection, new working techniques or other aspects, which involve all employees at a certain workplace.

⁽¹⁷⁾ <http://www.landsbjorg.is/category.aspx?catID=153> [accessed 20.10.2014]. Some information in English can be found at <http://www.icesar.com/> [accessed 20.10.2014].

Table 11. **Percentage of people having undergone some kind of education and training in the last four weeks selected years 2006-2012**

Year	Labour market participation	%
2006	Total	33,1
	Unemployed	47,1
	Employed	32,1
2008	Total	30,3
	Unemployed	47,2
	Employed	28,8
2010	Total	31,4
	Unemployed	38,8
	Employed	28,9
2012	Total	32,1
	Unemployed	41,9
	Employed	30,9

Source: Hagstofa Íslands (Statistics Iceland).

2.1.13. EDUCATION FOR IMMIGRANTS

Immigrants from the European Economic Area have all the same rights to education and training in Iceland as does the rest of the population. Individuals who seek permanent residence permits must prove that they have attended some courses in Icelandic⁽¹⁸⁾. Immigrants from areas outside the EEA (European Economic Area) must have an Icelandic residence permit before applying for upper secondary or tertiary education. Icelandic for foreigners is offered at:

- upper secondary schools, which, according to the Upper Secondary School Act, must all have a plan on how to receive non-Icelandic speaking people;
- the Lifelong Learning Centre; and
- non-governmental institutions, sometimes related to different municipalities.

There is a big variety of offers, from the most elementary up to a university degree in Icelandic. Immigrants who have been working on the Icelandic labour market for at least six months can apply to their social partners' training fund for funding of Icelandic lessons. Some companies also pay the training costs directly.

⁽¹⁸⁾ Source: Immigration Act, available in Icelandic at <http://www.althingi.is/lagas/140b/2002096.html> [accessed 16.10.2014]

2.1.14. SPECIFIC TRAINING MEASURES FOR THE UNEMPLOYED

In recent years, two mayor initiatives have been launched to assist unemployed people improving their education and training. These initiatives are:

- Youth to Action (Ungt fólk til athafna) which started in 2010. People aged 16-24 could apply to take part in both formal and informal training, both in schools and at workplaces;
- Education can Work (Nám er vinnandi vegur) which commenced in 2011. There was no age limit, anyone who was registered as being unemployed could apply and use his or her unemployment benefit to study at upper secondary school or university. On-the-job training was also offered.

The latter initiative is still on-going and therefore statistics on participation in the two initiatives is not complete. The main results of all the initiatives are summarized in a report published by the Directorate of Labour:

Table 12. **Participation in initiatives offered by the Directorate of Labour 2009-2012**

	2009	2010	2011	2012
Unemployment %	8,0%	8,1%	7,4%	5,8%
Number of registered unemployed people	33.678	29.737	26.855	22.828
Unemployed people who participated in some initiative	5.364	9.626	10.567	8.003
Percentage of participation	16%	32%	39%	35%
Result	37%	32%	37%	47%

Source: Directorate of Labour 2013.

Here, the term 'result' means that the people are no longer unemployed. Most likely, they have either been employed or they have continued studying.

When individual initiatives are analysed, it turns out that the best results are from training at workplaces. Up to 76% of those who have participated in that initiative are no longer registered as being unemployed. Studying gives the second best result, there up to 64% of people are no longer unemployed.

2.1.15. FUNDING MECHANISMS

There are basically four main mechanisms for funding adult education and training, training for immigrants and training for unemployed people:

- the state pays for parts of or the whole training. This applies to training for the unemployed and the training of immigrants where the state subsidises courses in Icelandic;

- learners pay all costs. This applies when the training is not directly related to the learner's work and is in no way requested by the employer;
 - employers pay all costs. This applies when the training is deemed necessary for the workplace, e.g. when new technology is introduced or working procedures changed;
 - learners and employers share costs. This can be done directly, so that learners spend some of their free time in work-related training, which is paid by the employer.
- The more usual form is that either the company or the employee applies to the social partners' training fund for a subsidy to the training. In several labour market agreements between labour unions and employers signed since 2000, it has been decided that each employee on the labour market is obliged to pay 0.05% of his/her salaries towards an education and training fund and all employers must pay 0.15% of the same amount. The state contributes to these funds through the Unemployment Security Fund (Atvinnuleysistryggingarsjóður). Several such funds exist, classified according to occupations and/or skills. Employees can apply for financial support for training according to certain rules and employers can also apply for support to give specific courses at the work-place. The funds have not only given a colossal boost towards continuous training but also made it an accepted fact that people resume their education and training at any age.

Table 13. **Overview of social partners' training funds**

Name	For whom	Web address
Landsmennt	Unskilled workers outside the capital area	http://landsmennt.is
Starfsafl	Unskilled workers in the capital area	www.starfsafl.is
Starfsmenntasjóður verslunar- og skrifstofufólks	Office and shop employees	www.starfsmennt.is
Starfsmennt fræðslusetur	State employees in the capital area	http://smennt.is/
Sjómennt	Seamen	www.sjomennt.is
Ríkismennt SGS	State employees outside the capital area	www.rikismennt.is
Sveitamennt SGS and LN	Municipalities' employees outside the capital area	www.sveitamennt.is

Source: Compilation from different sources by ReferNet Iceland.

Note: Links were accessed on the 20.10.2014

Table 14. **Funding for CVET and adult learning**

Types of CVET	Institutions responsible for funding	Pay for*
Publicly provided CVET	Ministries of Education, Science and Culture (mennta- og menningarmálaráðuneyti)	Education and training at schools.
	Social Partners	Subsidies towards training offered at their own training centres.
	Individuals	School fees and study material.
Enterprise-based CVET	Social partners (employers or social partners' training funds)	Subsidies for employees towards training and employers' courses.
	Individuals	Pay the remaining costs.
*Precise information is not available on each partner's share of funding contribution.		

Source: Compilation from different sources by ReferNet Iceland.

CHAPTER 3.

Shaping VET qualifications

When assessing future skills needs¹⁹ the Occupational Councils (starfsgreinaráð) is the strongest link from the Ministry of Education, Science and Culture to the industry. Article 27 of the Upper Secondary School Act nr. 92/2008⁽²⁰⁾ stipulates that: “The role of the Occupational Committee shall be to advise the Minister for Education, Science and Culture regarding policy making and implementation of vocational education, to serve as platform for collaboration and coordination for the Occupational Councils, and to provide opinion of categorisation and division of occupations between Occupational Councils”.

Table 15. **Roles and responsibilities in designing and developing VET qualifications**

Body	Roles and responsibilities
Ministry of Education, Science and Culture	<ul style="list-style-type: none">• Appointment of representatives to Occupational councils• Formal liaisons with schools and training centres• Formal approval of pathways and curricula
Schools	Initiatives to establish new pathways
Individuals	Seek (necessary) training
Labour market	Indicating to occupational councils and schools the need for new or changed training
Occupational councils	<ul style="list-style-type: none">• Give formal opinions on drafts for new pathways suggested by schools• Suggest and approve changes for certified trades• Liaise with the Ministry of Education, Science and Culture

Source: Compilation from different sources by ReferNet Iceland.

Due to the small size of the labour market, most trades are based on a broad level of competences so that graduates have a wider possibility of employment. The exams at the end of each study validates whether this is indeed the case. Thus, the studies can rather be termed output based than input based, even though studies are defined in the hours it takes to complete them.

⁽¹⁹⁾ No statistical data exists on skills forecasting at any level.

⁽²⁰⁾ Available in English at http://eng.menntamalaraduneyti.is/media/MRN-pdf_Annad/Upper_secondary_school_Act.pdf [accessed 16.10.2014]

Table 16. **Types of VET qualifications**

Name of qualification	Awarding body	Necessary conditions
The journeyman's certificates, NQF 3, EQF 4. ISCED 3.	Ministry of Industries and Innovation	School based and workplace training and the journeyman's exam.
Other VET certificates at upper secondary level, NQF 3, EQF 4. ISCED 3.	VET schools	School based and workplace training and passing of necessary exams.
VET qualification at post-secondary, non tertiary level, NQF 5, EQF 6. ISCED 4.	Specialised VET schools	School based and workplace training and passing of necessary exams.

Source: Compilation from different sources by ReferNet Iceland.

Raunfærnimat (real competence validation) is a good example of an initiative to validate non-formal and informal learning. People who have acquired some skills at e.g. workplaces can get them validated through a formal process, which may shorten their study periods towards e.g. a journeyman's exam in a trade. They also get valuable assistance (counselling and study aid) if they face dyslexia or other learning problems. Real competence validations are available in several trades and social partners and the Ministry of Education, Science and Culture are working on expanding the offers.

CHAPTER 4.

Promoting participation in VET

Several incentives are in regular use to promote participation in VET. The list below is only on initiatives which exist on a permanent bases but several ad-hoc initiatives have also been initiated in recent years:

- Vinnustaðanámssjóður (Work-Place Training Fund) offers companies that train students a subsidy towards their wages. This makes a big difference, especially for small companies which would otherwise not be able to afford training costs;
- Lánasjóður íslenskra námsmanna (the Icelandic Study Loan Fund) offers subsidies loans to VET students after the first two years of studies;
- The Ministry of Education, Science and Culture has worked closely with Fræðslumiðstöð atvinnulífsins (the Education and Training Service Centre) and Iðan Training Centre in both the development of new study paths and in the validation of prior learning;
- There is a special development fund for VET (2012-1014) from which schools can apply for the development of new study paths or teaching material;
- In recent years, increased emphasis has been put on vocational and educational counselling to help students choose their study paths;
- All schools offering VET use a variety of methods to draw potential students' attention. They hold open houses, inviting students who are about to complete primary schools and even go so far as inviting them to participate in a few lessons in hands-on VET.

Several other initiatives are under preparation, for example:

- The Education and Training Service Centre recently received a € 1.875.000 IPA (Instrument for Pre-Accession Assistance) grant to speed the development of accreditation of prior learning, educational and vocational guidance and other projects. The grant is for a three year period which commenced in September 2012;
- In the NatLog (National Dialog) project, completed in 2012, supported by the EU, a great emphasis was placed on further promotion of VET through the publication of information material and on-line resources.

In the spring of 2013 (at the time of applications for upper secondary schools), an advertisement campaign promoting VET was launched under the slogan “Þetta getur þú” (You can do this), with “cool” photos of people in various professions. Other such initiatives are on the drawing board.

List of abbreviations

CVET	Continuing education and training
EEA	European Economic Area
ECTS	European Credit Transfer and Accumulation System
ISQF	Icelandic National Qualifications Framework
IVET	Initial vocational education and training
NQF	National Qualifications Framework
VET	Vocational education and training

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Statistics:

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Vinnumálastofnun = Directorate of Labour. <http://english.vinnumalastofnun.is/home/> [accessed 16.10.2014].

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