

LEARNING AND WORK TRANSITION POLICIES IN A COMPARATIVE PERSPECTIVE: CANADA AND GERMANY

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It is complicated to compare education and training policies in different countries because their institutional structures are quite different. Comparing participation rates and durations in various transition paths from education to work and the outcomes in North America¹ and Europe directs our attention to multiple causes and different social institutions. Main differences concern the duration of primary and secondary education, and the access to and duration of secondary and postsecondary pathways. Differences also concern the age of entry into post-secondary education, the duration of academic studies, and last but not least, the degree to which linkages between the education system, the labor market and careers are regulated by institutions of the welfare state. Concerning transition policies, for example, in Canada, provincial and territorial governments have jurisdiction over education although the federal government does play a role in youth unemployment programs. Transition issues therefore “lie at the crossroads of several policy jurisdictions” (OECD, 1999, p. 33). As in Germany, Canadian policy-makers share a concern about the need to enhance the skills of workers in a more competitive labor market. The German system has to be analysed at additional levels: There are the policy frameworks developed by the European Union, the training and education-to-work legislation of the Federal Government, the education responsibilities of the state (provincial) governments, and the regional and local education administrations. Thus, school-to-work transitions in Germany are embedded in European federalism, which translates globalization and its effects into an increased competition for maintaining and attracting a highly qualified workforce.

In response to the volatility of market responses to globalization in the last decade, there has been substantial political uncertainty and risk concerning education, training and employment in both countries. This has reinforced the recognition in Germany that the proportion of highly skilled employees in the labor force is an important public good which requires the coordination of business, unions and governments at all levels of decision-making. In Canada,

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there is also growing realization at federal and provincial levels that organized intervention is required to ensure the responsiveness of education and training systems to changing skill requirements (OECD, 1999). In the following, we document recent developments in transition policies in these two G-7 countries and discuss their implications for young people.

Economic and Labour Market Trends in Canada and Germany

Canada

Different authors (Krahn, 1991; Livingstone, 2002; OECD, 1999) have described economic trends in Canada and in other industrialized countries in recent decades that include the shift from goods-producing to service-sector work, a steady increase in female labor force participation, growth in the proportion of non-standard work forms, an increase in use of computer based technologies in the workplace, the gradual upskilling of work, and increasing polarization between “good” and “bad” jobs in terms of security, working conditions and pay. In 2002, almost three-quarters of workers in Canada were employed in the services-producing sector.² Female labour force participation in 2002 was 60.7% for women over 15 years of age (and 81.2% for 25 to 44 year olds) – more than double the 1960 rate. Part time employment accounted for 18.7% of employment, up from 15.6% in 1986.

Some of these changes particularly affect youth, making their transitions more complex and extended (OECD, 2000). For example, the unemployment rate for young Canadians between 15 and 24 years of age has been approximately double the adult rate in recent years (OECD, 1999). In 2002, the adult rate was 7.7% while the rate for 15 to 24 year olds was 13.6%. When employed, young people are disproportionately engaged in non-standard work in the form of part time, short term and self-employment (Felstead, Krahn, & Powell, 1999). As students, they most often find low paid clerical, sales and service positions (Krahn, Lowe, & Lehmann, 2002) and their average earnings have declined since the early 1980s (OECD, 1999). In addition, some of the most highly qualified young graduates have difficulty finding jobs that they believe match their educational credentials and experience (Kelly, Howatson-Leo, & Clark, 2000). Canadian surveys suggest that around 20% of the entire employed workforce and larger proportions of younger, more highly educated workers are underemployed in terms of having a higher credential than their job requires for entry (Livingstone, 1999, p. 75).

More generally, the average duration of youth transitions from the end of high school to work increased by nearly two years across fifteen OECD countries between 1990 and 1996 (OECD, 2000). Young people who experience barriers related to race/ethnicity, region, disability, and poverty have even more difficult transitions (Krahn, 1996; Levin, 1999). For example, while Canadian youth overall were reported to have an unemployment rate of 16% in 1991, the unemployment rate was 25% for First Nations youth, 19% for other visible

minorities, 21% for those with disabilities, and 17% for youth in rural areas (OECD, 1999, p. 4). Youth in different regions of the country also face different employment opportunities. For example, while the unemployment rate in Newfoundland in 16.9% in 2002, it was 5.7% in Alberta. The employment situation for youth who had completed high school or less has worsened dramatically over the past twenty years. The unemployment rate for those without a high school diploma in the late 1990s was between two and three times that of university graduates (OECD, 1999).

Educational attainment in North America has also increased significantly in recent decades. For example, while individuals who had not completed high school made up around half of the Ontario workforce in 1978, they made up only a quarter in 1996 (Livingstone, 1999). In addition, enrolment in tertiary education (expressed in relation to the 20 to 24 year old cohort) was the highest in Canada of all the G7 countries. However, governments and employers are concerned about the ability of education and training systems to respond to particular areas of skill shortages and to reduce education-labor market mismatches. The distinctive North American combination of high formal educational attainment, increasing demand for adult education, and employers' reticence to pay for training has resulted in the expansion of general certification and a labor force "without some of the specific technical vocational skills that may be immediately required to do some specific jobs" (Livingstone, 1999, p. 29).

Concerns about Canada's ability to compete within a globalized economy are evident in the analysis of problems and solutions identified recently by federal policy makers in the report "Knowledge Matters" (Government of Canada, 2002). The shift toward a knowledge-based economy is said to require an ever-increasing number of well-educated and skilled workers in all parts of the economy across the country. In particular, people who can combine strong technical skills with "essential skills" such as communications and teamwork and management skills are said to be in short supply, as are skilled tradespersons in several occupations (Government of Canada, 2000). However, meeting areas of demand may be made difficult by a looming demographic crunch caused by an aging population coupled with slower population growth rates and a smaller cohort of youth workers.

In keeping with human capital ideas, the solution is seen to lie in part in strengthening the "learning system" in order to meet skill and labor force demand in future decades. For example, a report of the Expert Panel on Skills recommended that work experience programs be made more widely available at elementary and secondary school levels, that teachers be prepared to deliver essential skills and monitor their acquisition, and that efforts be made to attract more young people to apprenticeship programs (Government of Canada, 2000, pp. 7-8).

Other necessary actions identified by the federal government to address the education and training of the workforce in Canada include improving academic and computer literacy of young people, assisting youth in labor market entry, increasing access to post-secondary education, upgrading the skills of

adults currently in the workplace, and attracting highly-skilled immigrants (Government of Canada, 2002). Difficulties in achieving goals have also been acknowledged, including the lack of recognition of foreign credentials and prior learning, labor market barriers faced by marginalized groups, and a lack of sponsorship of training by employers.

Germany

Germany is experiencing a shift towards an “industrialized service society”³ too. Data from a longitudinal survey, the socio-economic panel (SOEP-group, 2001) document that the skill structure in Germany has improved in the past 15 years. The proportion of people (age-group 16 to 64) without a vocational training certificate has declined substantially, while the proportion of those with intermediate and higher-level qualifications has increased. Concerning the matching process between qualifications and jobs, there still is a stable link between the occupation a person was trained for and her actual job assignment. In 1998, 60% of the respondents in the longitudinal study report that they work in an occupation that they were originally trained for (BIBB, 2002).

These upgrading trends are also reflected in an increase of skill requirements for getting and keeping a job. Nevertheless, 10% of the certified skilled employees worked as semi-skilled workers in 1998, and 25% of so-called “foreign workers” with a German training certificate were in such a form of underemployment. Despite fairly close matches, there is substantial job mobility in Germany: 46% of the adult employed population changed its occupation at least once, out of which 52% left their job category, 28% moved within their job category, 12% from manufacturing to service, and 8% from service to manufacturing (BIBB, 2002).

The higher the level of education and vocational qualification, the less is the risk that a job shift will lead to a de-evaluation of a person’s skill profile. Thus, there are more voluntary shifts among the better qualified and more enforced job changes by less qualified employees. Because of its long observation window from 1984 to 1998, the results of the German Socio Economic Panel (SOEP, 2001) document that in Germany job mobility occurs in the context of a relatively stable occupational structure and its feeding institutions in the systems of vocational education and training (VET) and academic (university) education. Job changes occurred mainly in occupations that are linked to organizational business and distributive services, while they occur very rarely in the public service occupations.

Having acquired a vocational qualification results in a higher protection against unemployment: In 1999 the unemployment rate for men with a VET-certificate was 6.9%, without VET the rate was 17.7%. These data for West Germany are comparatively low in view of the unemployment rates in East Germany, where 17.3% of men with vocational qualifications were unemployed and 32.8% of those without VET. The situation is even worse for women in East Germany, where for qualified women the unemployment rate was 22.1%

and without vocational qualification it was 39.2%. In the wake of declining economic growth and monetary transfers to East Germany, the unemployment rate for young persons in Germany has reached a hitherto unknown level. Dramatic increases in unemployment with regional variations are reported for the age group 20 to 25: 8.7% are unemployed in West Germany (much higher in Berlin with 20.6%, much less in Bavaria with 6%), and again, we find the highest rate of unemployment in East Germany with 19.6%.

It is mainly young people without VET qualifications who face a high risk of becoming socially marginalized by not getting a chance of employment. Most of the young people under 20 are still in the education system; this is preventing much higher unemployment rates that are found in most other OECD countries, where the obligatory school leaving age is lower than in Germany. Despite changing employment circumstances and job shifts in Germany, specific occupations continue to be the dominant principle for organizing labor markets, industrial relations and vocational education and training curricula (Kocka & Offe, 2000).

Concerning the expenditures for education and training, Germany (with 4.3% of its GNP) ranks below Canada, which spends 5.3% of its GNP. In addition to these state expenditures, we also find private spending for education and training in both countries. In Germany, most of these expenditures concern the company-based part of vocational education and training. This indicates that education policy in Germany is confronted with finding a balance between public and private investment in both its systems of vocational and academic education (OECD, 2001).

Vocational Education and Training Systems in Canada and Germany

Canada

Unlike Germany and certain other European countries, vocational education initiatives in North America have not been institutionalized and Canada lacks a tradition of social partnership comparable to many European countries (Heinz, 2003; OECD, 1999). Employers in North America have underinvested in long-term employee training programs and are less active in education programs compared to those in most other OECD countries (Marquardt, 1998). Canada has historically relied heavily on passive labor market programs, for example, favoring immigration over training to increase the supply of skilled labor (Krahn, 1991).

Historically, provincial governments have given little attention to secondary vocational programs compared to most European OECD countries. Comprehensive schools, which attempted to provide broad opportunities for academic, general, and vocational education without segregating them by program, became predominant in most provinces in Canada in the 1960s and early 70s (Manzer, 1994). These schools were consistent with the North American goal of attempting to provide large numbers of students with a general education

and the possibility of studying at the post-secondary level. A credit system with individual timetables and promotion by subject was introduced, making streaming of students more difficult to describe and assess (Gaskell, 1991). The move toward comprehensive schools was partly a response to the recognition that previous vocational programs were class-specific and class-defining and had become a “dumping ground” for students without a place in the educational system (Lazerson & Dunn, 1977).

Across Canada, the current structure of education includes an elementary education of between five and eight years, followed by secondary education which ends at grade 12. In the province of Quebec, secondary education ends after grade 11 and students go to general and vocational colleges (CEGEPs) where they follow a two-year pre-university program or a three-year technical program (OECD, 1999). Most secondary schools offer a mixture of academic and vocational courses although there has been a marked decrease in student enrolments in vocational courses in recent decades (Smaller, 2003). A “market-based model” has developed in the absence of institutions linking schools and the workplace, and there has been limited government spending on secondary school-to-work transition programs (Krahn, 1996).

The community college system, developed in the late 1960s, has been more effective in providing vocational and technical programs in particular areas, and this, combined with the high aspirations of young people in Canada suggests that the future expansion of vocational schooling programs is more likely to occur at the post-secondary level (Livingstone, 1999). However, high youth unemployment rates, an interest in raising high school completion rates, concerns about the effects of an academic bias on the “neglected majority” of students in schools, and perceived demand for intermediate skills (Smith, 2001) have focused policy attention also on vocational programs within secondary schools.

In Canada, there is agreement that the preparation of a skilled labor force requires the state to play a role “which it has not played very efficiently in the past” (Schuetze, 2003, p. 88). The federal government has identified the need for a “Canada-wide skills and learning agenda” (Government of Canada, 2002, p. 4). Efforts have also been made by the federal government and by the Conference Board of Canada (an organization representing some of the largest corporations in the country) to identify essential or employability skills that are required in the workplace and to communicate these to educators. Members of the policy community agree that further developing forms of education that combine practical skill development in the workplace with the acquisition of organized theoretical knowledge in formal education sites is key to more effective school-work pathways (Schuetze & Sweet, 2003). The main focus of recent Canadian education and training policy intended to improve the transition has been on “encouraging high school completion, encouraging participation in post-secondary education, expanding vocational and technical education as well as cooperative education and internship programmes, providing career development courses, orientation and counselling, and in some provinces, developing youth apprenticeship” (OECD, 1999, p. 7).

Policy makers are interested in making career pathways more transparent so that young people can make more informed choices in their initial transitions. Currently most Canadian high school students aspire to middle-class white collar occupations with far less interest in the trades (Krahn, 1996). However, these aspirations do not match available career opportunities, and a national survey of 22,000 young people aged 18 to 20 conducted in 2000 indicates that transitions from secondary school to full-time employment are currently “complex and circuitous” (Bowlby & McMullen, 2002, p. 19). This survey found that many young people aged 18 to 20 were attending post-secondary institutions, some were working full time, others combined school and work, and a small number were still completing high school (Bowlby & McMullen, 2002).

By age 20, 85% of respondents had graduated from high school. Just over a third (37%) were not pursuing further education; of this group, 12% had not graduated from high school. More young men than young women (almost 15% compared to 9%) had dropped out of high school (Bowlby & McMullen, 2002, p. 24). Of those attending post-secondary institutions, about a third were attending university and just over half were attending community colleges, university colleges, or in Quebec, collèges d’enseignement général et professionnel (CEGEPs). This compares to the 7% who attended a technical, trade or vocational school and less than 5% who attended a private business or training school (p. 56). These figures provide a contrast with the German system, where far greater numbers of students pursue a VET certificate and fewer pursue other forms of post-secondary education.

Although the German system has been criticized for promoting the selection of students into a system that reproduces social divisions such as gender, class, and ethnicity, Canadian data also indicate stratification of outcomes. For example, while almost a quarter of the population over 25 year old held a university degree by 1994; nearly half of these degree holders came from professional family origins while only 13% came from families where fathers were industrial workers (Livingstone, 1999, p. 58). Similarly, in comparing Canadian high school dropouts to high school graduates, Bowlby and McMullen (2002, p. 16) found that the proportion of dropouts who had parents who had not completed high school was three times that of graduates. Furthermore, young people from less affluent backgrounds continue to be overrepresented in vocational programs (Krahn, 1996).

Although young women are more likely to graduate from high school, education and career choices are gendered and women continue to be hired into jobs that pay less. As in adult apprenticeship, where women represented 3.6% of persons enrolled in such programs in Canada in 1997/98 (Sharpe, 2003), very few participants in high school apprenticeship programs are female. The numbers of students more generally in high school apprenticeship programs are also very low – less than 5% of eligible students in Ontario and Alberta (Taylor & Lehmann, 2002; Taylor & Spevak, 2003). Dropout rates for Aboriginal youth have been much higher than the national average and very few go on to obtain formal post-secondary credentials. More generally, whites are at least twice as

likely as blacks, Hispanics, and Aboriginals to obtain university degrees. Therefore, despite the “openness” of the North American education system, the talents of large numbers of young people continue to be wasted in school systems (Livingstone, 1999, p. 56).

Another presumed advantage of the North American education and training system vis-à-vis more regulated systems in Europe concerns its flexibility and responsiveness to labor market changes. Perhaps for this reason, policy-makers have been reluctant to develop a legislative framework to coordinate secondary school vocational education and training, instead relying on voluntary partnerships with the private sector and devolving responsibility for providing school-to-work transition programs to local communities. Authors examining secondary transition initiatives in Nova Scotia and Quebec suggest that a disadvantage of promoting partnerships involving a multiplicity of players is that it can lead to an uncoordinated maze of initiatives and programs (OECD, 1999). Recent research in Ontario suggested that representatives from organizations involved in secondary school programs also held this perception (Taylor & Spevak, 2003).

Another challenge associated with an unregulated VET system and lack of corporatist partnership is the difficulty in mobilizing employers to provide placements and invest in youth. A “market” system also makes it difficult to ensure that young people who are most at risk of exclusion are assisted. Like other OECD countries, governments in Canada are finding it difficult to reconcile their “public mission of equality of access to education and training for all citizens with increased responsiveness to rapidly changing demands for new skills and knowledge and higher standards for all” (OECD, 1999, p. 30). Finally, secondary and post-secondary vocational programs tend not to be well articulated.

Germany

School-to-work transition is still a “regulated adventure” (Solga, 1998), an adventure that consists of generally successful, but increasingly precarious landings at the shores of the German labor market. Comparing OECD countries, we find on the formal level that there are five main transition routes from school to work: Neither education nor training; episodes of work experience, some education and training; apprenticeship (VET); college and private training providers; and university education (see figure 1.1 in Schuetze & Sweet, 2003, p. 11).

The relative importance of these transition routes varies between OECD countries. In Germany, the main route still is the VET which is travelled by about two thirds of each school-leaving cohort. This distinguishes Germany from Canada, where we find a general lack of public acceptance of apprenticeships as a promising transition to employment. This lack is based on a preference for academic education and a general distaste of vocationalism, which is regarded as the transition context for low achievers (see Schuetze & Sweet, 2003). In contrast to Germany, the institutional gatekeepers in the high schools are less

favorably inclined towards vocational education and training, a route which tends to be the most accepted and popular one in the German transition system.

VET in Germany is a training arrangement which consists of a combination of company-based on-the-job training and school-based vocational education. This “dual system” is regulated by the German Vocational Training and Education Act which defines the rights and responsibilities of the social partners: employers, unions, and government, and a federal VET agency for developing, reforming and evaluating guidelines for more than 300 crafts, technical, commercial, and service occupations at present. The occupation-centered transition is built on the traditional German three-tier school system and produces social inequality based on social origin, gender and ethnicity. This inequality begins with the early tracking decisions at school, decisions that predetermine to a large extent the likelihood to enter one of the five transition routes.

There are three thresholds or turning points that characterize the transition from school to work in Germany. Following elementary school, this three-step sequence starts with the tracking of students into lower, middle or higher secondary schools. Upon their completion of 9, 10 or 13 years respectively, the next turning point involves either moving into an apprenticeship or enrolling in a polytechnical college or a university. The last and most important threshold is the entry into the labor market after having acquired a VET certificate or an academic degree. In the 1990s, about 80% of each youth cohort in Germany managed to attain either a vocational certificate or a higher education degree, the vast majority obtaining a VET certificate.

According to the yearly Federal Vocational Training and Education Report (BMBF, 2002), one third of all apprentices in 2000 came from lower secondary schools and mainly entered craft and blue-collar occupations; 40% came from middle secondary schools, most of them will be trained for occupations in commerce, services and technology, and less than 20% came from upper secondary schools which provide university entry exams. Young people with upper secondary exams enter careers after graduation in professions, business and public services. This distribution of transition outcomes has been widely criticized because it reflects the high segmentation between levels of education and access to occupations and training opportunities (Heinz, 2000).

With its roots in the history of industrial Germany and its contemporary embeddedness in the system of social partnership between state, unions and business, the VET system is regarded as a collective good from which not only young people but also employers and civic society will benefit. The training tradition in the crafts and in commerce became a component of the German welfare state and its corporatist labor policy after World War II with the aim of serving not only the economy but also the socialization and social integration of young people. A combination of in-company work experience and theoretical instruction in vocational schools over a regulated period of three to four years has been the trademark of the so-called “dual system” in Germany. This transition arrangement is based on the cooperation of two learning sites: the work-site (craftshop, plant, office or department store) and the vocational school.

Federal training guidelines define the practical and theoretical learning requirements in the firm and in the vocational school. This provides orientation for individual learning processes as well as for examinations that define the core of occupational knowledge and skill profiles.

In summary, the VET system is creating career prospects by providing work-integrated and nationally recognized skill profiles as well as links with the occupational labor market through the training firm. The drawback, however, is that this system still separates the graduates of lower and middle secondary schools from higher education and the professional labor market. The VET system is an example of a transitional arrangement that emphasizes formal qualifications and develops standardized and portable occupational skills, whereas Canada tends to rely on a model that consists mainly of learning-on-the-job which fits the skill requirements and the employability and flexibility demands of the enterprise (Shavit & Müller, 1998).

An increasing number of different pathways in vocational and academic transitions systems have been developed in Germany in response to the lasting labor market crisis of the 1990s. These pathways include young people who finished neither an apprenticeship nor a postsecondary degree. They are offered state-sponsored training and upgrading programs and participate in job-creation schemes. Therefore, the urban underclass of unemployed young people is much smaller in Germany than in other European countries and in North America. The German welfare state still attempts to build bridges or escape routes for youth at risk. Instead of welfare there is the strategy of “trainingfare” programs – for initial and continued VET instead of social assistance.

Because of the embeddedness of the VET in the German system of industrial relations and its supervision by a central Federal administration, time-consuming negotiations are required for introducing and certifying new training occupations. Another point of criticism is that VET in Germany not only separates apprentices from the university-bound students, but that it is also stratified according to gender. Furthermore, this popular transition route still reflects the social dynamics of labor-market segmentation that discriminates against women (Krüger, 1999), lower-class youth and children of immigrant workers.

In contrast to co-op arrangements, consortia and training initiatives in North America, which are initiated to improve the passage from education to employment, the German training system is embedded in a legislative framework that brings together vocational schools and firms in a training partnership. It is important to note that this framework sets universal standards for training companies and apprentices alike by defining the rights and duties of the firms, the content of curricula taught at vocational schools, their duration, the salary levels of apprenticeships (which differ widely by industrial sector) and the form of VET contracts. This institutional fabric leads to much lower proportions of unskilled workers among school leavers in Germany than in North America. The outcome of the unregulated North American transition process is early employment without training or with some on-the-job training for relatively undemanding jobs in youth labor markets – the well-known “McDonald-jobs”.

In contrast, the German VET system extends the transition and leads to late entry into the labor force, as skilled blue and white-collar workers.

Implications for Young People's Pathways

Canada

The lack of institutions linking schools and the workplace in North America has meant that young people have been left largely on their own in making career choices and finding employment. The response of many young people to labor market instability has been to stay at school and home longer, combine school and work, and delay marriage and parenthood (Krahn, 1996). Transitions have become longer and more circuitous. Employment opportunities for those with high school or less have deteriorated and “post-secondary education is fast becoming the new educational standard” (Bowlby & McMullen, 2002, p. 19). On the other hand, there is substantial underemployment among young people, suggesting that the technical upgrading of jobs in recent decades may have been exceeded by the formal educational qualifications of the workforce – despite the claims of “knowledge economy” proponents (Livingstone, 1999). Given the generally high level of occupational aspirations, many young people are likely to be disappointed in their labor market outcomes. Still, those who are most at risk of social exclusion are likely to have the least education (e.g., Aboriginal youth), face limited local employment opportunity structures (e.g., rural youth) and face segregation or discrimination in the labor market (e.g., women and some visible minority groups).

Employers in Canada do not have a tradition of providing structured training for new employees. Economic restructuring has exacerbated the tendency for employers to take a short-term view and to expect the formal education system to provide job-ready, flexible entrants. Although there is variation, employers have invested in neither school- nor company-based programs. The range of apprenticeship opportunities is limited and apprenticeship tends to be regarded as very expensive for employers and potential apprentices (Krahn, 1996). Relationships between industrial unions and employers become more adversarial as work is restructured, and few secondary transition programs involve both employers and organized labor as partners. Therefore, local or regional partnerships, as a truncated form of corporatism have developed.

However, there is increased awareness of the need for expanded stakeholder involvement. For example, there have been efforts through sector councils – which bring together representatives from business, labour, education, and other professional groups within particular industries – to address skill requirements through training programs, some of which target youth. In Alberta, leaders from the resource industry have worked in partnership with government since the late 1980s to mobilize employers to provide apprenticeship and work experience opportunities for young people (Taylor & Lehmann, 2002). An industry-driven foundation called CAREERS the Next Generation has worked in partnership

with leaders in the health services sector in Alberta to provide summer work experience placements for high school students who are interested in potential careers in this area.

School districts have also developed Tech Prep programs, which attempt to better articulate high school and college curriculum with a focus on particular occupational clusters. Tech Prep was developed in Red Deer, Alberta in 1995 and since then has expanded to other parts of the province. In the US, Tech Prep is usually a tripartite program that includes school-based learning (integrated academic-vocational career education linked to college curriculum), a work based component, and connecting activities (Grubb, 1996). Similarly, in the Alberta model, it is an educational initiative that encourages students to select career pathways and to acquire integrated academic skills and industry based occupational competencies through work-based experiences. In Ontario, the government also recently launched a campaign to mobilize employers to provide career exploration and work experience opportunities for high school students (Taylor & Spevak, 2003). Similar initiatives involving partnerships between governments, employers, and educators are increasingly common in different provinces. However, as mentioned earlier, initiatives tend to be piecemeal and lack coordination across institutions.

There are also contradictions within policy approaches intended to better prepare young people for work. The “forgotten” half of secondary school students is not seen as well-served by the prevailing view that they should be “free to choose whatever education and work they wish” (Gallagher & Kitching, 2003, p. 170). Clearer streaming is desired by policy-makers to better prepare young people for their destinations and to reduce education-skills mismatches. However, in Ontario, the education ministry’s recent attempt to articulate school curriculum more clearly to workplace and further education destinations has been highly problematic, since early results indicate that high school graduation is becoming less attainable for many young people and students continue to enroll in courses in numbers disproportionate to their probable destinations. For example, although almost 40% of young people acquire high school education or less, fewer than 10% of students were enrolling in workplace destination courses in senior high school (King, 2002). In addition, over a quarter of students failed at least one component of a literacy test required for high school graduation in October 2002.

If a key goal of public policy is to help ensure that youth are not confronted with a limit on future options and that they have alternative pathways, there is a long way to go. Secondary vocational programs are lacking in terms of their numbers, quality, and integration with other streams (OECD, 1999; Sweet & Schuetze, 2003). The academic bias of schools has been reinforced both by government demands for school accountability and the development of quasi-education markets that promote the ranking of schools based on academic achievement on provincial tests. As a result, there are few incentives for schools to provide vocational programs – particularly when they are associated with low achieving students. Policy responses must therefore involve the integration

of academic and vocational subjects. Given the high educational and occupational aspirations of youth, secondary vocational pathways that link to post-secondary destinations are also critical.

Finally, in policy attempts to articulate school curriculum with the workplace, it must be recognized that employers and professional employee groups may inflate credential requirements and that “the problem” may involve the lack of use of employee skills in the workplace as much as a mismatch or actual lack of employee skills (Livingstone, 1999). Therefore, policy must attend to demand-side as well as supply-side issues (Marquardt, 1998). Policy must also attend to differences in opportunity structures for youth based on their region, gender, race/ethnicity, social class, and education level. If the goal is in fact to raise the skill levels of all youth, then more attention must be given in transition policies to ensuring that all youth are supported in high school and have access to post-secondary education. For example, just under half of 18 to 20 year olds in a national survey reported facing barriers to going as far in school as they would like, and the most common barrier mentioned was financial (Bowlby & McMullen, 2002).

Germany

Results from longitudinal studies (Heinz, 1999) suggest that the restructuring of work has made transitions more dependent on the labor market and has intensified the trend towards higher-level credentials and social skills as well as continuing vocational education and training. Research documents an increasing influence of the educational level, work experience and the occupational structure on transition outcomes. Young adults must find out how to use their occupational competencies in their own ways, because they have to respond to the changing opportunity structures which offer far less job openings and career opportunities than a decade ago. Nowadays, the apprenticeship is slowly being transformed from an industrial model of vocational training into a launching pad for different career pathways; it is becoming an outfitter for individual expeditions into the more and more deregulated occupational territories of the labor market. But the VET system still manages to integrate non-college-bound young adults into society by offering them a culturally meaningful and economically rational transition to work – as an institutionalized context for acquiring basic and advanced occupational skills.

In view of the slowdown in economic growth and the rising unemployment rates since the 1990s, there is a growing number of problems which seem to be connected with the VET system. Some commentators even regard it as an obstacle to the modernization of the economy and the re-organization of work because it tends to socialize for occupation-based identities. Such identities tend to resist the flexible and collaborative types of work that are now required in restructured, decentralized and less bureaucratized organizations (cf. Herrigel & Sabel, 1999). This legacy is seen to stem from the German manufacturing industry, which is in decline as far as job growth is concerned. But this criticism

of the German crafts and industry tradition ignores the fact that the system of vocational and educational training occurs in all sectors of the German economy and is not just applicable for skilled manual work in small and medium enterprises. The reintegration of mental and manual aspects of work is an obvious solution in view of the increasing intellectual and social demands in the modern workplace.

The modernization of the German industry and the shift from manufacturing to services as well as the restructuring of work has not invalidated the basic structure of VET. It is obvious, however, that employers are becoming more reluctant regarding long-term investments in new training places and in designing new training occupations. This has created labor market mismatches, especially in the balance of demand and supply in new information and technology occupations. In the 1990s, the proportion of German companies which supply training places has declined in spite of the need to recruit and train experts in the fields of modern technology and services.

In response to globalization and intensified economic competition, employers have become more conscious of short term gains and cost-cutting. They demand more deregulation, decentralized bargaining and more flexibility in training, hiring and firing. This gives momentum to a movement from the occupational model of VET to a more flexible organizational model of promoting employability (Shavit & Müller, 1998). These trends accelerated in the late 1990s and tend to undermine not only the structure and continuity of the “dual system,” they also have been creating unintended effects. Though the majority of school leavers still enter the apprenticeship route in Germany, many young people are losing trust in this transition arrangement because the number of skilled young workers who do not find employment after graduating from VET is increasing. Overcoming the third threshold has become much more stressful than in earlier school-leaving cohorts. There are fewer job openings after apprenticeship and less job offers from the training firm, a problem that is more pronounced in East Germany, where less than 50% of young skilled workers are able to find employment (BMBF, 2002).

The restructuring of work has led to the creation of a series of newly designed training occupations where young people can acquire enlarged competence to cope with new labor market requirements in a more flexible way. Additional qualifications must be accumulated by participating in continuing education and training which also includes knowledge and skills about other occupations in order to broaden the employability of workers. The state must reclaim its role in education, training and employment policy in order to promote a highly educated and flexible labor force for demanding and competitive workplaces. In order to succeed, this social-democratic strategy depends on an increasing supply of training places for highly skilled occupations. This development poses a threat also to young skilled workers because they lack the work experiences and social skills that are required for succeeding in new work organizations. As the labor market becomes more deregulated and company downsizing continues, part-time, temporary and insecure jobs expand and thus reduce the employment opportunities even of the better qualified job starters.

A good example of innovative policy concerns basic and continuous training in the information and technology sector. A major goal of this training policy is that young skilled workers find bridges to develop their occupational competence in the IT sector by obtaining nationally recognized and certified, as well as internationally comparable competence profiles. For the VET-route, there are now curricula for new IT occupations which have been introduced with much public marketing and a target of 60,000 training places over a period of several years. These demanding VET profiles attract 50 to 60% apprentices with higher secondary level degrees. About 30% of the apprentices are 22 years and older which signals that these young people have already been in other training routes or training occupations. The share of women in IT occupations, however, does not exceed 11% which documents the highly gendered nature of this occupational sector. Another important training route for these new job profiles is flexible retraining and upgrading of adult workers. This strategy is part of the active labor-market policy of the social democratic/green government which covers about 50,000 persons who are unemployed or at risk of becoming unemployed with substantial success in reintegrating them in the labor market (BIBB, 2002).

Conclusion

We can see that deindustrialization, growing unemployment, corporatist or market-driven education and employment policies and the degree of supranational employment and education guidelines are important institutional frames that contribute to a change in the number, shape and duration of school-to-work transition routes and the employment opportunities of each generation of school leavers. As our review has documented, transitions to employment in Canada and Germany mirror the contradictions that are arising from the transformation from an industrial to a service society in the context of a globalized economy. Educational and training policies focus on strengthening human capital by upgrading the skill structure of the population. At the same time, there are skill shortages and a growing credentials-jobs gap due to rising underemployment and non-standard work. While Canada has been responding to the trends by focusing on an expansion of post-secondary education in community colleges and universities, Germany tends to upgrade its skill structure by modernizing its well established vocational education and training system with a focus on new occupations, without fundamentally changing its education-to-employment institutions.

Culture and social institutions seem to prescribe the most convincing (and popular) solutions to the transition issue: In Canada there is a lack of sponsorship of training by employers and little public support for vocational compared to academic education. In Germany, there is an institutionalized social partnership for strengthening the system of vocational education and training and belief that the working life course can be managed with a skill profile acquired through attending vocational school and in-company training. In view of the rising social costs of youth unemployment and in order to reduce the effects of social origin

on transition outcomes, there have been provincial initiatives in Canada to curb the unregulated transitions from school to work by establishing local or regional partnerships between schools and employers. The success of these initiatives is limited by institutional and motivational factors: there is little coordination between local, provincial and federal levels of educational decision making concerning the standardization and financing of training and most young people have high expectations concerning post-secondary education with little interest in vocational education.

In Germany, there has been a debate about the effects of the restructuring of work on the VET with an emphasis on employability that focuses on greater flexibility and social competence in combination with vocational skills. This “bounded deregulation” puts more responsibility on the shoulders of young people to manage their transitions by acquiring and changing skill profiles according to labor market opportunities, albeit in the context of a well developed system of curricula and standardized credentials. It remains to be seen whether this policy of institutional flexibilization of the school-to-work transition will continue to succeed in preparing non-college bound youth for a volatile labor market. Therefore, there is some evidence of convergence in policy approaches, with Canada displaying an interest in strengthening social partnerships while Germany is seeking to increase the flexibility of its VET system.

In both countries, the role of the state has become critical in helping young people. In Canada, the market model has spawned concerns about the need for greater coordination and partnership among educators, government, employers, and organized labor. In Germany, the welfare state has played an important role in regulating school-to-work transitions and appears committed to maintaining and expanding the VET system. At the same time, governments face many challenges related to the institutional context and existing values. The German education system streams students early but involves a highly regulated and coordinated VET system. The Canadian school system defers streaming but pays insufficient attention to the group of young people that goes directly to work after high school; its VET system lacks transparency and coordination and is more market-driven. Not surprisingly then, the most popular transition route for young people in Canada is post-secondary education while the main route in Germany is the VET. There are both higher proportions of students attending university and of unskilled workers among school leavers in Canada compared to Germany. The outcomes for young people are therefore tied not only to individual preferences and “choices” but also to cultural and institutional differences that must be addressed in policy deliberations.

Notes

1. Although this paper focuses on Canada, educational policy in the US has taken a similar direction. For example, a series of reports in the 1980s and 90s led to the Carl Perkins Vocational and Applied Technology Education Act (1990), the School to Work Opportunities Act (1994) and Goals, 2000: Education America Act (1994). These Acts were intended to provide more effective forms of vocational education and training for young people.

- Information about labor force participation, part time work, ice sector employment, and unemployment are available from Statistics Canada CANSIM II tables 282-0002 and 282-0008 accessed on June 18, 2003 at: www.statcan.ca/english/Pgdb/labor10a.htm, and www.statcan.ca/english/Pgdb/labor12.htm.
- Information about labor force participation, employment outlook and VET in Germany are available from www.iab.de and www.bibb.de

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