

Comparison between Swiss and Australian Vocational Education and Training (VET) Systems

The Swiss VET system is regarded as the gold standard VET system across the world. Australia has a good VET system, but has much to learn from the Swiss example. The Swiss VET system is recognised as the powerhouse of the economy, and is often cited as one of, if not the key reason for Switzerland's economic success.

Key features of the Swiss System

- Employer/job demand driven. The system is co-designed with employers, ensuring that places are offered to students on the basis of projected employment needs.
- Streaming into VET vs academic education occurs early (end of year 8), allowing four years of (paid) VET training while still at school.
- VET training covers white-collar (engineering, business, banking) as well as blue-collar (traditional trades and crafts) careers.
- **70%** of students go through the VET system.
- No government subsidies are paid to employers who take on apprentices, as businesses view it as an investment in the future work pool.
- Following VET training, young people can go straight into the workforce, or do further study at a college or University of Applied Sciences.
- They can return to higher education (University of Applied Sciences) at any point.
- Many Swiss CEOs and Chairmen started their career through the VET system.
- Unemployment rate average of **2.6%** in 2018.
- Extremely low youth unemployment.
- High median income (higher than Australia).
- Consistently ranked **number 1** in INSEAD Global Talent Competitiveness Index.
- Inequality – **top 20% earn 4 times** as much as bottom 20%.

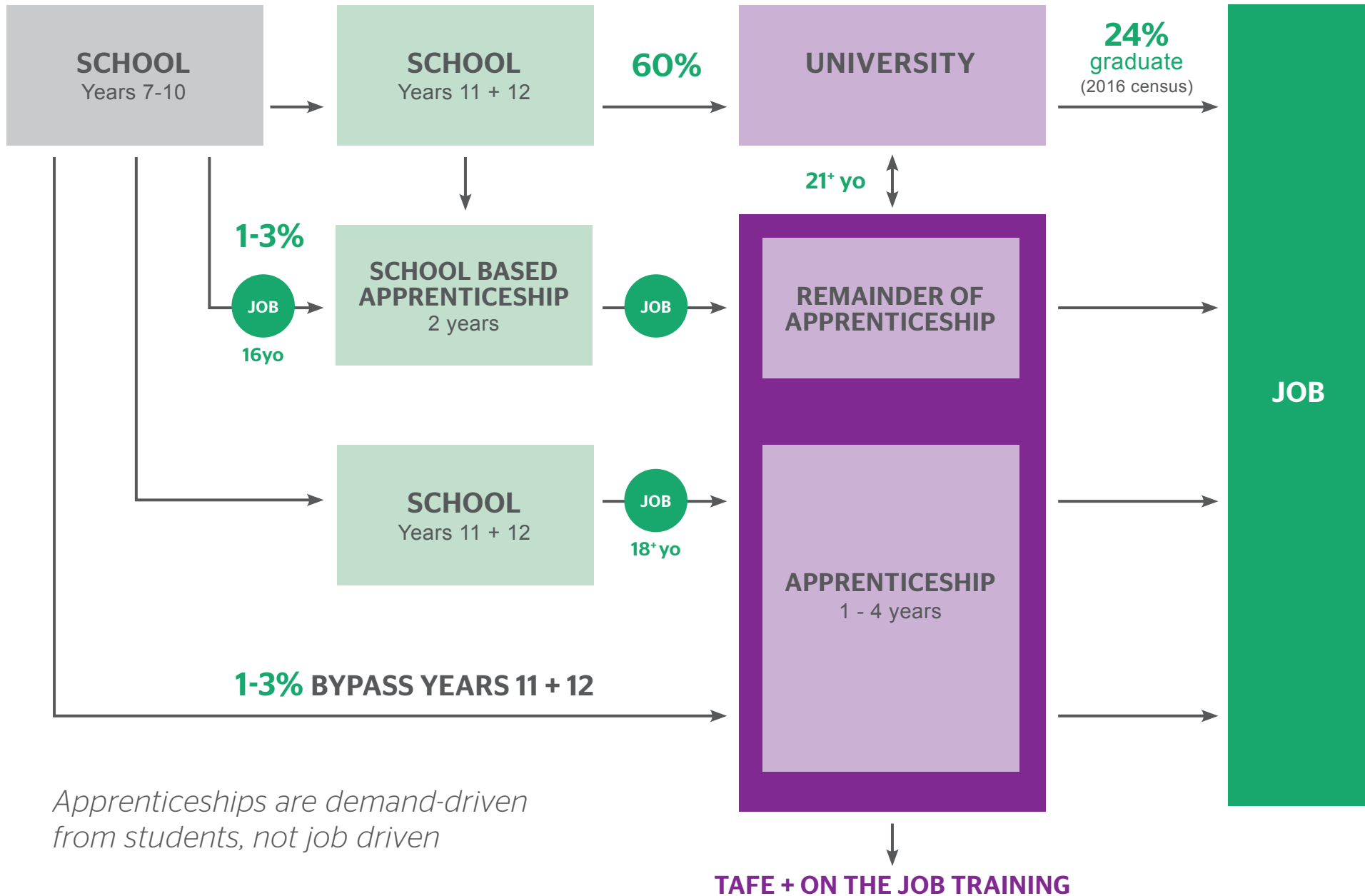
Key features of the Australian System

- Student demand driven. The system is predicated on the idea that students will be able to find roles in their chosen industry once their training is complete, leading to gluts in certain areas and insufficient trained workers in others.
- A choice to go into VET is made by students at the end of compulsory schooling (year 10). Little career counselling or support is provided through school to assist choice.
- VET training predominantly covers blue-collar or traditional trade careers.
- **46.1%** in 2017 entered the VET system.
- Government assists in covering the cost of training the apprentice.
- Following VET training, young people can go straight into the workforce, or do further study at a University.
- They can return to further study at any point in their career.
- Apprenticeships can be seen as a 'second choice' after a traditional university degree.
- Unemployment rate consistently at or above **5%**.
- Higher youth unemployment (approx. **12%**).
- High median income.
- Increased from number 12 to **number 10** in INSEAD Global Talent Competitiveness Index.
- Inequality – **top 20% earn more than 5 times** as much as bottom 20%.

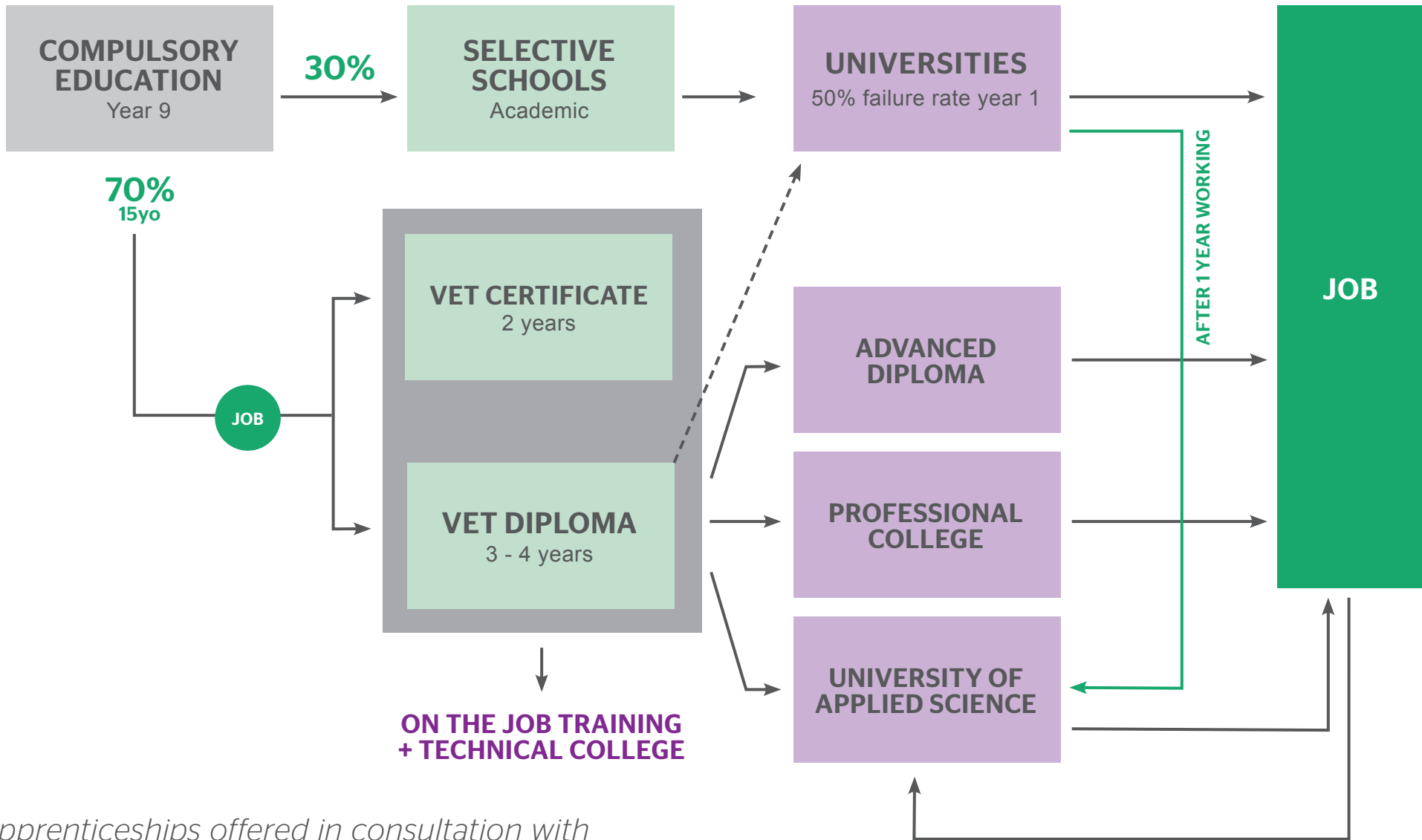
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	Swiss System	Australian System
Age at entry into VET system	Year 9 (aptitude measured over schooling), following 2-4 years are still compulsory schooling	Year 11 (following compulsory education) or, following completion of year 12, or later
Percentage that enter VET system	70% of students	46.1% in 2017
Unemployment rate	Average of 2.6% in 2018	Consistently at or above 5%
Global Talent Competitiveness Index (INSEAD)	Remained at No 1 from 2014-2016 and 2017-2019	Increased from No 12 to No 10 from 2014-2016 and 2017-2019
Median income (Per year OECD average is USD 30,563)	High – average household net-adjusted disposable income per capita is USD 36,378	High – average household net-adjusted disposable income per capita is USD 33,471
Inequality	Top 20% earn 4 times as much as bottom 20%	Top 20% earn more than 5 times as much as bottom 20%

AUSTRALIA



SWITZERLAND



Apprenticeships offered in consultation with employers to ensure adequate jobs are available.

