A growing policy focus on apprenticeships

Apprenticeships can be defined as ‘Initial Vocational Education and Training (IVET) that formally combine and alternate company based training (periods of practical work experience at a workplace) with school-based education (periods of theoretical/practical education followed in a school or training centre), and whose successful completion leads to nationally recognised IVET certification degrees’. Apprentices are often contractually linked to an employer (sometimes via a training institution) and receive a wage or allowance. The employer typically assumes responsibility for directly providing a substantial portion of the training. As such, apprenticeships are closely associated with offering practical, relevant skills and knowledge to new labour market entrants.

Interest in apprenticeships has increased in recent years and there has been substantial expansion of apprenticeship programmes in a number of countries. In England, for example, the number of apprenticeship starts grew from 181,800 in 2006-2007 to 504,200 in 2012-2013.

In January 2012, the European Council agreed that Member States should ‘substantially increase the number of apprenticeships and traineeships’. The European Commission has sought to promote high-quality apprenticeships as an effective tool for integrating young people into the labour market. The European Alliance for Apprenticeships (EAlA) has been set up to promote apprenticeships through a network of ambassadors drawn from business and pledges from organisations. The Youth Opportunities Initiative (2011), the Youth Employment Package (2012) and the Youth Employment Initiative (2013), which introduced the Youth Guarantee, put forward a number of key actions with significant ESF support. The Youth Guarantee plans also seek to increase apprenticeship availability for young people who are not in education, training or employment.
One system of apprenticeships, or many?

The term ‘apprenticeship’ is used to describe quite different schemes at the national level. All Member States, except for the Czech Republic, Spain and Poland, have some kind of formal vocational education and training (VET) akin to an apprenticeship, under which more than half of the training takes place within a company.

Across the EU, around 3.7 million people were estimated to be enrolled in apprenticeship schemes in 2009 (according to national definitions) and another 5.7 million people were estimated to be enrolled in school-based VET, where compulsory work-based training is part of the curriculum.

Data from the OECD shows the share of students enrolled in vocational programmes with a work-based learning element. Even among the relatively few countries for which data is available, it highlights substantial variation in the use of vocational programmes combining school and work-based learning (see Figure 1).

Significant differences are apparent in apprenticeship programmes at national level, relating to:

• The parity of esteem with school-based VET and general secondary education. This is changing in some countries, especially those characterised by high youth unemployment, where the good employment prospects and regulated structure of apprenticeships are improving perceptions.

• The age of apprentices when they start their training. Generally, apprenticeships are available to students who have graduated from compulsory education or lower secondary education. However, apprenticeship training starts at lower-secondary level in some countries, while adult apprenticeships are common in countries such as Finland and the Netherlands.

• The type of qualifications that can be achieved via an apprenticeship are generally at the ISCED 3 level, but also at higher education level in countries such as France and England (where 40 higher-level frameworks were introduced up to 2014 as a ‘new work-based route into professions which have traditionally been the preserve of graduates’).

Well-developed apprenticeship training systems are found in countries with ‘dual training’ systems, such as in Germany, where around two thirds of young people per cohort are apprentices, as well as in Austria and Denmark. Some countries, such as the Netherlands and France, have a recognised apprenticeship system in place, but it is not the main mode of VET delivery. Other countries, such as Croatia and Ireland, have apprenticeship systems confined to some sectors and occupations (typically trades, crafts or technical occupations).

In some cases, apprenticeship systems remained small-scale until recent years or were sometimes regarded as a pathway of ‘last resort’ for young people or low-achievers. This includes countries such as Belgium, Greece, Estonia and Lithuania.

Although apprenticeship models vary considerably, common success factors have been identified across all Member States (see Figure 2).

Policy developments at national level

The interest in apprenticeship programmes has increased significantly in recent years. In some Member States, new apprenticeship programmes have been introduced or are planned, as in Estonia and Lithuania. In Cyprus, the New Modern Apprenticeship programme is expected to be fully implemented in 2015. This initiative, co-financed by ESF, targets 14-21 year olds and includes a preparatory and core levels.

In some countries, the focus is on increasing the number of apprenticeship placements to match demand. The Ministry of Education and Research in Norway formed an agreement with Norwegian labour organisations aiming to increase the number of apprenticeships by 20% between 2012 and 2015. Financing instruments are used to motivate employers to offer apprenticeship training (reductions in social security contributions or special bonuses when hiring or retaining apprentices) or training contracts in countries such as France, Spain and parts of the United Kingdom.

In Denmark, the ‘New Apprenticeship’ (Ny Mesterlære) was introduced in 2006 for students at risk of dropping out of VET. The Ministry of Education sought to expand the apprenticeship offer with 3,000 additional places in vocational schools and the establishment of apprenticeship centres at the vocational schools on a trial basis.
In Italy, the 2011 Consolidated Act on Apprenticeships introduced three new types of apprenticeships: ‘professional apprenticeships’; ‘advanced training and research apprenticeships’ for 18-29 year olds; and ‘training apprenticeships’.

In Ireland, the 2013 review of apprenticeships identified reforms to re-focus apprenticeship training as an alternative progression route to third-level education for school leavers. A key policy development in Ireland is the proposed expansion of apprenticeships into new priority subject areas, but only where there is a strong commitment from employers to identifying occupational needs, recruitment and payment of apprentices, and joint collaboration with education and training providers in programme delivery11.

In Germany, it is expected that demographic shifts will reduce the number of apprentices, leading to calls for a better integration of young people from educationally disadvantaged backgrounds into the ‘dual training’ system12. Pre-apprenticeship bridging schemes that combine work experience and vocational training are already offered to prepare young people who are not ready to complete a formal apprenticeship programme. Various countries offer specific support to young people who face obstacles in finding a placement or guaranteeing the availability of training places by creating additional training placements in simulated work environments, for instance via the ‘supra-company apprenticeship’ programme in Austria and the ‘redundant apprentice rotation scheme’ in Ireland.

The development of apprenticeship schemes is also taking place as part of broader VET reforms in some countries. In Greece, the September 2013 reform of upper secondary VET introduced an Apprenticeship Cycle or an optional, one-year programme starting in 2016-2017. In Portugal, recent reforms aim to reinforce apprenticeships and increase the supply of apprenticeship courses managed by the Employment and Vocational Training Institute13.

### The benefits of apprenticeships

Despite differences in the nature of apprenticeships, they are generally associated with positive labour market outcomes and smooth school-to-work transitions. Higher take-up of apprenticeships is associated with increased youth employment and lower youth unemployment rates14.

National studies provide consistent evidence that apprentices achieve better job matches, experience shorter periods of unemployment before finding a first job and spend longer in their first job compared to individuals with low educational attainment or those coming from school-based VET. In most apprenticeship programmes, the majority of apprentices secure employment immediately on completion15. There are also wage gains associated with apprenticeships compared to other routes into the labour market, although the comparative advantages enjoyed by former apprentices tend to be higher at the beginning of their careers. Furthermore, the positive effects of apprenticeships on labour market prospects are largely related to the quality of the training delivered, its duration, the level of training intensity and the occupational field16.

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1. European Commission (2012), Apprenticeship supply in the Member States of the European Union
2. European Commission (2012), Apprenticeship supply in the Member States of the European Union
3. The Data Service, England (2013): Apprenticeships starts and achievements
4. Poland has an apprenticeship system in place training around 90,000 young people per year outside the formal VET system. See Kabaj M., Projekt programu wdrożenia systemu kształcenia dualnego w Polsce, Instytut Pracy i Spraw socjalnych, Warszawa 2012.
5. European Commission (2012), Apprenticeship supply in the Member States of the European Union
7. European Commission (2013), Apprenticeships and traineeships in EU27: Key success factors
10. The German labour market in the year 2030: A strategic view on demography, employment and education

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Figure 2 – Checklist of key success factors for apprenticeships

- A robust institutional and regulatory framework
- Active social partner involvement
- Strong employer involvement
- Close partnership between employers and educational institutions
- Funding, including employer subsidies and other incentives
- Close alignment with labour market needs
- Robust quality assurance
- High-quality guidance, support and motoring of apprentices
- Appropriate matching of apprentice to host organisation (company)
- Combination of theoretical, school-based training with practical work-related experience
- Existence on an apprenticeship agreement
- Certification of acquired knowledge, skills and competences
- Tailored and flexible approaches to the needs of vulnerable young people

Source: European Commission (2013), Apprenticeships and traineeships in EU27: Key success factors