

Pathways to Youth Employment - Apprenticeships and Work-Based Training Conference

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ISSUES PAPER

Quality Apprenticeship and Work-Based Training Programmes for Youth in Southern and Eastern Africa

KEY ISSUES¹

Apprenticeships, work-based learning and work readiness programmes can play an important role in helping young people make a successful transition from school to work and in providing employers with the skills they need. Accordingly, in their Beijing Declaration on 12-13 July 2016, G20 Ministers of Labour and Employment agreed to the G20 Initiative to Promote Quality Apprenticeships. This initiative builds on the outcomes of two previous G20-OECD international conferences on quality apprenticeships in Paris in 2014, under the Australian Presidency of the G20 (together with the European Commission), and in Antalya in 2015, under the Turkish Presidency of the G20, and the B20-L20 joint statements on quality apprenticeships in 2013 and 2015. The purpose of this note is to set out the key issues for taking forward the G20 initiative on apprenticeships in Southern and Eastern African countries, given their specific economic and social circumstances. In common with other countries, these countries face major challenges in: providing good access to quality apprenticeship training; improving the attractiveness of apprenticeships for both young people and employers; and ensuring good governance and a fair sharing of the costs involved. However, they also face their own unique challenges arising from a labour market where informal work is widespread and where public funding is severely constrained.

Both formal and informal apprenticeships need to be promoted

It is important to make a distinction between formal and informal apprenticeships, as typically both systems co-exist in African countries. In **formal apprenticeships**, training takes place in the workplace, which is usually complemented by classroom-based instruction. There is usually some form of formal training agreement between the apprentice and firm providing the apprenticeship as well as an employment contract. In **informal apprenticeships**, the apprentice acquires skills in mostly small informal enterprises by working side by side with an experienced craftsperson. There may be only an oral agreement as to the nature and conditions of the training received and no formal employment contract. Informal apprenticeships encompass “traditional” apprenticeships which involve parents or relatives passing down their craft skills to their (related) children. Funding arrangements also differ between the two systems. Informal apprentices may receive some compensation for their work during their apprenticeship, although this will be very low, and in some instances they may have to pay a fee for the training they receive. In formal apprenticeships, employers will often pay some form of agreed wage or training stipend and there may be some form of public subsidy available to co-finance the training involved.

While only patchy data are available, more young people are likely to be engaged in informal apprenticeships than formal apprenticeships in Southern and Eastern African countries.

1. This note has been prepared by the OECD Secretariat based on a background report prepared by Salim Akoojee, Adjunct Assoc. Professor, University of the Witwatersrand, Johannesburg, South Africa and Hon. Lecturer, University of Nottingham, United Kingdom.

Both formal and informal apprenticeships can provide valuable skills and pathways for young people into the world of work. Therefore, it is important that measures are taken to strengthen the quality of both systems of apprenticeships as well as their accessibility and attractiveness. Informal apprenticeships should not be considered as being less important as an education and training form even though there may be a longer-term objective of bringing the informal sector, or elements considered important, into the ambit of the formal economy.

Wider policy setting are important for fostering better youth employment outcomes

With regard to formal apprenticeships and the provision of Technical Vocational Education and Training (TVET) more generally, a key objective for most countries has been to promote their use to enhance employment prospects for young people. For the region as a whole, young people aged 15-29 account for over 50% of the working-age population (15-64), which is much higher than in Western Europe (under 30%) and even higher than in India (around 40%). Employment outcomes for youth are generally poor, with high rates of under-employment and informal work endemic throughout the region, and several countries also recording very high rates of youth unemployment of 30% or more (Botswana, Lesotho, Mozambique, Namibia and South Africa). A significant lack of employment opportunities in the formal sector is a powerful constraint on any attempt at expanding the quantity, quality and diversity of apprenticeships. Low educational outcomes are another constraint, with a substantial proportion of young students performing poorly on international student assessments of literacy and numeracy. Thus, wider policy settings are important. This includes policies to foster employment growth by removing barriers to the creation of quality jobs. Some countries in the region have sought to link skills development explicitly with national economic development initiatives, e.g. the Ethiopian Cobblestone initiative. For apprenticeship systems to flourish, they need a vibrant and strong business sector that relies on the skills of workers to be innovative and competitive. They also require young people with good foundation skills in literacy and numeracy.

Improving access, attractiveness, governance and funding

The challenges facing Southern and Eastern African countries in promoting quality apprenticeships can be grouped around the need to improve the access, attractiveness, governance and funding of apprenticeships and other forms of work-based learning whether in the formal or informal sector.

Issue1. Improving access

In all countries, improving access to quality apprenticeships and other forms of work-based learning remains a key challenge. This is not just an issue of more funding being required; a focus is also needed on those groups who are under-represented among apprentices and those engaged in work-based learning. Women are often under-represented because of a focus in both formal and informal apprenticeships on traditional occupations dominated by men. Young people with disabilities may also face greater barriers to becoming apprenticeships because of stigma and the possible impact of cost issues in accommodating their disabilities at the workplace. In the case of informal apprenticeships, master craftspersons, who play a key role in

choosing apprentices, may need to be targeted by public campaigns and community groups to encourage more diversified recruitment practices based on competence and behaviour rather than on criteria of age, gender and disability status.

In the case of formal apprenticeships, increasing the numbers of those in apprenticeships represents an important starting point in light of the overall lack of post-school learning opportunities and the frequent reports by employers in the formal sector of the skills deficits they face. Mechanisms to improve access include direct tax subsidies for companies that take on apprentices, bursaries for pre-employed students to cover their basic costs while on placement (transport, accommodation and meals). A more clearly defined work-related and apprenticeship provisioning agreement needs to be put in place and agreed upon at national level. Clearly, to ensure that both the needs of the country, sector and the requirements of youth are met, special attention needs to be paid to those from vulnerable communities to ensure that the system is both inclusive and responsive to social development prerogatives.

In keeping with a lifelong perspective of education and training, access also needs to be secured for those that have suffered as a result of employment losses because of firms shutting down or downsizing. For potential apprentices of all ages, some remedial education programmes may be required to improve their basic literacy and numeracy skills before or while they participate in, and complete, an apprenticeship.

Key issues: How can access to apprenticeships and work-based training be improved for under-represented group? How can stigma preventing some groups from being offered an apprenticeship or training be best overcome, through public information campaigns or through financial incentives? What are the current priorities for improving access at national and local levels?

Issue 2. Making apprenticeships and work-based learning more attractive for young people and employers

Improving access to apprenticeships and work-based learning also requires improving the attractiveness of these programmes both for young people and employers.

Choice of apprenticeship and work-based learning programmes needs to be widened

For young people, there are several factors limiting the appeal of these programmes. First, the choice of apprenticeships may be limited to a narrow range of occupations that may be of less interest to young people. Both for formal and informal apprenticeships, there has only been a slow move away from a focus on blue-collar, manual occupations. In South Africa and Zambia, the system of learnerships, has been designed to broaden the range of occupations through which work-based learning can be offered as well to increase flexibility in the way this learning is organised. In informal apprenticeships, this choice may be limited even further to training provided in small and very small enterprises.

The quality and image of apprenticeship and work-based learning programmes needs to be improved

Second, the quality and image of available apprenticeships and work-based training course may be poor. Formal apprenticeship systems in Southern and Eastern Africa face a number of challenges in this regard. Infrastructure and equipment available to training institutions are frequently lacking or outdated, and teaching materials, curricula and methods are equally in dire need of modernisation. Well-qualified teachers and mentors with the required theoretical knowledge and/or industry experience are scarce, and students often report receiving little supervision in the workplace.

In much of Southern and Eastern Africa, a particular challenge lies in how to improve the quality of informal apprenticeships. While informal apprenticeships can work very well, those trained and employed in the informal sector often find themselves in low-skilled jobs, exposed to inadequate and unsafe working conditions, with inadequate training opportunities, low wages, long working hours, and no social protection. Moreover, the terms and expectations of the training provided as part of informal apprenticeships may not always be clear and there may be a lack of innovation in the teaching of skills.

Many countries have paid considerable attention to qualifications systems within a competency-based perspective to ensure system-wide education and training coherence. Considerable challenges, however, still remain regarding coherence between the various components of the system, especially between TVET and higher education. For informal apprenticeships, training programmes have also been put in place and links made with the formal TVET system to upgrade the skills of master craftspersons who are training apprentices.

Key issues: Are quality frameworks sufficient to ensure quality? What can be done to ensure the quality of informal apprenticeships? What kinds of partnerships are necessary for ensuring quality systems? What kinds of improvements are needed in the provision of TVET? Does it matter that pathways between TVET and higher education are often not well articulated in the region?

Improving the attractiveness for employers to offer apprenticeships and work-based learning

Employers play a key role for the success of both the formal and informal apprenticeship system and other forms of work-based learning. Therefore, it is essential that it is attractive for them to offer apprenticeships and other opportunities for work-based learning. In addition to getting the balance right in terms of cost-sharing arrangements for the provision of training (discussed separately below), other factors are important such as the mandatory length of training, the readiness of young people to undertake an apprenticeship, the quality of the training offered in TVET institutions and the administrative burden associated with offering an apprenticeship or other forms of work-based learning.

The quality of the training undertaken in TVET institutions remains a key concern for employers. In Zambia, employers have reported that TVET graduates required considerable

upskilling before they could be usefully employed. In some cases the core skills that they needed were not available in the local training institutions, and consequently staff were sent to Mozambique for training. The poor literacy and numeracy skills of young people is also a concern.

Apprenticeships are traditionally time-based training forms, with the assumption that effective expertise will be gained through the time spent. In the case of formal apprenticeships, reference is made to pre-determined training or occupational standards, or professional profiles. Competency-Based Frameworks have become particularly useful as a move away from traditional time-based apprenticeships. These frameworks have taken various forms but they generally involve significant engagement between government representatives, educational experts, industry associations and representatives of employers' organizations and trade unions. While it does result in considerable and potentially costly bureaucracy, it does tend to result in outcomes that are mutually agreed and more responsive to the needs of stakeholders.

Key issues: What are the key factors preventing employers from offering apprenticeships and what can be done about this? What can be done to improve the recognition of the skills apprentices have obtained both in the formal and informal sectors while not unduly burdening employers?

Better information is also important

Improving the attractiveness of apprenticeship and other work-based learning programmes also requires better information for all stakeholders (governments, employers, trade unions, TVET providers, and potential apprentices and learners) about the range of programmes available as well as their outcomes in terms of sustained employment, pay and working conditions. The lack of readily available data and information related to work-based learning and apprenticeship development is a key challenge for the region. This hampers the ability of governments in the region to put in place appropriate quality assurance processes to monitor workplace learning. To measure quality, better information is needed, and efforts should be made to ensure that outcomes and not just inputs are measured. Further efforts are required to certify programmes through a system of nationally-recognised qualifications and competencies to certify programmes. But this requires the full participation and engagement of employers and trade unions in defining these qualification and competency standards. Finally, there is a need to ensure that apprenticeship systems are responsive to the needs of the labour market, which requires effective partnerships with labour market actors – both in the formal as well as in the informal sector.

Key issues: Is it necessary to establish a comprehensive information hub at the national level that captures work-related learning and apprenticeships? What is the role of governments, employers and trade unions in contributing to this hub? How can the skill needs of employers be measured and how can apprenticeship systems and work-based learning be made more responsive to these needs?

Issue 3. Good governance arrangements are crucial

Quality apprenticeships also require good governance arrangements, which ensure that representatives of employers and workers are involved in the development, implementation and running of apprenticeship programmes (including in the definition of training content, in partnership with the relevant training institutions). This is important to make sure that the training content is regularly revised to keep pace with technological and organisational progress. It is particularly important for ensuring that employers have an active role and stake in promoting the success of apprenticeships and other forms of work-based learning. Good governance is also required to provide legislative protection to employers, while at the same time securing and guarding against the exploitation of learners.

While most countries in Southern and Eastern Africa have legislation in place for work-related and apprenticeship development, the governance arrangements of apprenticeship systems often leave much to be desired. Large numbers of initiatives are undertaken on an *ad hoc* basis by many different actors. The lack of a clearly defined work-based learning policy means that such action is frequently undertaken in a haphazard way, resulting in a wide range of different practices in place at any one time. This also makes it more difficult for governments to ensure the safety and protection of learners. A clearly articulated policy environment is essential to develop effective systems in the region. Governments should maintain over-arching responsibility and act as a coordinating entity to ensure that partnerships are established and sustained. But this must be buttressed by the active involvement and engagement of employers and trade unions.

These challenges are compounded by the fact that existing legislation and governance arrangements are largely focused on formal labour markets/apprenticeship systems only. While informal apprenticeships are regulated by informal rules such as local traditions and customs, there is much scope for developing stronger synergies between the two sectors. Each sector has its own potential, constraints and challenges, and an appreciation of these is necessary for the two sectors to work together for mutual benefit. Skills development in the informal sector can make the formal sector more dynamic, while the formal system can help address the deficiencies of work-based learning in the informal sector. Governments can help bring the two systems closer together through effective legislation which builds on existing practices and is designed in such a way as to foster collaboration between the various stakeholders.

Key issues: What governance arrangements are necessary for establishing and expanding quality apprenticeships? How can governance arrangements be redesigned to cover both the formal and informal sectors? How can the involvement of employers and trade unions in governance arrangements be strengthened?

Issue 4. Financing arrangements that work for all

The development of quality apprenticeships and other forms of work-based learning also relies on financing arrangements which ensure an equitable sharing of the costs among employers, the public authorities, and apprentices and learners themselves. These costs should

be shared in accordance with the private benefits that accrue to employers and apprentices and learners as well as the social benefits more generally.

In practice, funding has often been cited as a considerable constraint to effective apprenticeship development in Southern and Eastern Africa. On the one hand, employers have argued that their commitment to education and training has not been shared by government. On the other hand, the supply of apprenticeship places from employers has sometimes not met government expectations.

Some governments in the region have attempted to secure the commitment of the private (formal) corporate sector by instituting skills development levies. In the case of South Africa, for example, the skills levy has been used to enable private funding for national workplace-based learning. Different variants of this policy have been implemented in other countries, including Botswana and Namibia. Sometimes, however, such initiatives have not always been successful - either because governments have not honoured their funding commitments or because the initiative failed to get the buy-in from the private sector. Another challenge for apprenticeship funding in Africa is to reduce the current reliance on development funding and to make the existing system sustainable without such funding.

While informal apprenticeships may not be bound by written contracts, the norms and traditions of society often shape the obligations and incentives for master craftspersons to train others and for apprentices to seek training. Costs and benefits tend to be shared between the apprentice and the master craftsperson - for instance, the apprentice may pay the craftsperson a fee for training, or agree to work for a reduced rate while they are learning. It is understood that the apprentice will increasingly contribute to the business as they develop skills and begin to work independently. Informal apprenticeship systems are currently largely ignored by public sources of funding for training, and therefore remain largely self-financed. Another challenge is that informal financing arrangements may sometimes need to be improved – for example by strengthening contract rules and/or their enforcement.

Key issues: Do existing funding arrangements reflect a fair sharing of the costs between employers, apprentices, learners and society? What mechanisms and strategies can be used to ensure more effective and sustainable funding streams? How can public funding be extended to cover informal apprenticeship systems?