APPRENTICESHIPS: EMPLOYERS IN ENGLAND LAG BEHIND

Numbers and completion rates of apprenticeships in England are at an all-time high. Yet the country has a significantly lower proportion of apprentices in the labour force (11 per 1,000 employees) than France (17), Austria (33), Australia (37), Germany (40) and Switzerland (43).

At the same time, fewer than one in ten employers in England offered apprenticeships in 2009, compared with a third of employers in Australia and a quarter in Austria, Germany and Switzerland. And in Germany, almost all very large firms (those with over 500 employees) took on apprentices in 2005, compared with under a third in England.

These are among the findings of a new report – ‘The State of Apprenticeships in 2010’ – by Dr Hilary Steedman of the Centre for Economic Performance, commissioned by the Apprenticeship Ambassadors Network (AAN), a group of senior business leaders committed to the expansion and development of apprenticeships.

The study also finds that England has the highest average apprenticeship wages and the shortest duration of training; that schools in England are often hostile to work-based learning and provide little or no assistance; and that funding arrangements, quality control and monitoring could be made much simpler and less burdensome.

The report looks at apprenticeship systems in Australia, Austria, England, France, Germany, Ireland and Switzerland. Sweden is also included because it plans to introduce apprenticeships to improve its vocational training arrangements.

The main findings are:

- England and Ireland have 11 apprentices per 1,000 employees. The comparable numbers for the other countries are France 17, Austria 33, Australia 37, Germany 40 and Switzerland 43.
- England has an untapped market in employer participation. Only 8% of employers offered apprenticeships in 2009, the lowest proportion in the study. Nearly a third did so in Australia and a quarter in Austria, Germany and Switzerland.
- Very large firms with over 500 employees make an important contribution to the demand for apprenticeships. In Germany, almost all such companies took on apprentices in 2005, compared with under a third here.
- Effective careers advice enables young people to understand what apprenticeships involve and better equips them in the application process. Schools play an important part in this, but in England and France schools are often hostile to work-based learning and provide little or no assistance.
- Paperwork and bureaucracy must be kept to a minimum and this is easier to achieve with simplified funding arrangements. This is not yet the case in England. Quality control and monitoring is also less burdensome if there is more of an emphasis on written and practical examinations.
- England has the highest average apprenticeship wages and shortest duration of training. In the other countries, longer periods of training help to offset the costs of such training. Other countries also have a higher proportion of apprentices training to level three.

Accordingly, the AAN commissioned this report on comparative apprenticeship systems in seven countries, which identifies the challenges and opportunities facing us if we are to be a world-class player.

The work is particularly relevant in view of the new government’s commitment to apprenticeships, the need for employers to recruit greater numbers and the need to achieve maximum value for money from investment in the initiative.

Sir Roy Gardner, Chairman of the AAN and Compass Group plc comments:

‘We can be proud of what we have achieved with apprenticeships in this country, but the message from this study is clear – we can and must do better.'
'Employers must be more involved and pro-active in planning and delivering apprenticeships. There must be less bureaucracy and better careers advice in schools.

'We will continue to work with employers in convincing them of the benefits of apprenticeships and helping them to increase numbers.

'We will also consult government and the National Apprenticeship Service (NAS) on what changes in administration, operations and planning will make it easier for employers to take part'.

ENDS

Notes for Editors:
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Copies of the report are available at: www.employersforapprentices.gov.uk/docs/research/Research_1_604.pdf

Apprenticeship Ambassadors Network
The Apprenticeship Ambassadors Network is an independent group of senior business leaders from FTSE100/250 companies, small and medium enterprises, representatives from the public sector and key stakeholders. It was established in 2005 to:

- Champion Apprenticeships to employers of all sizes to increase take up, particularly in sectors of poor penetration and to help promote diversity
- Advise and help employers to improve Apprenticeship outcomes
- Provide feedback to Government, LSC and the Sector Skills Development Agency (now subsumed into the Commission for Employment and Skills) on issues and policy which affect the quality and effectiveness of Apprenticeships

Centre for Economic Performance, London School of Economics
‘The State of Apprenticeships in 2010’ was researched and written by Dr Hilary Steedman, Senior Research Fellow of the Centre for Economic Performance (http://cep.lse.ac.uk), London School of Economics.

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