

Another great training robbery or a real alternative for young people?

Martin Allen and Patrick Ainley investigate the state of apprenticeships at the start of the 21st century

Introduction

The new emphasis placed on apprenticeships by the Coalition (1.5 million starts since coming to office) is a response to the increasing difficulties young people face entering the labour market, but also the need to provide alternatives to a higher education system fuelled by mountains of unpaid student debt and a generation of graduates who are 'overqualified and underemployed'. It is also a response to a long-standing perception of a UK skills crisis at 'intermediate' and 'technical' level.

Our report shows that much of this latest crop of apprenticeships have been low skilled and 'dead end', aimed at regrading existing workers as much as recruiting and upskilling young people. Forty years after Ivar Berg's 1973 *Education and Jobs, The Great Training Robbery* noted: 'America fools many of its young by linking job opportunities to diplomas and degrees from schools that provide sometimes pitifully inadequate – indeed appalling – experiences', the main benefactors of the latest *Great Training Robbery* have been private training agencies, rather than young workers.

UK apprenticeships today

To qualify for an apprenticeship an individual should be employed for 30 hours per week. There are almost 200 specific frameworks related to particular jobs covering ten areas of the economy. Apprenticeships are offered at Intermediate Level, where trainees work towards a level 2 National Vocational Qualification (considered a GCSE equivalent), and at Advanced level through level 3 NVQ (considered equivalent to A-level). More recently, Higher Level Apprenticeships have been established and linked to Foundation degrees at level 4 and to full degrees, at level 5 or above. From October 2012, apprentice frameworks have had to include Functional Skills certification in numeracy, literacy and ICT, if it is considered relevant to the jobs the framework applies to – though apprentices who have achieved a C grade at GCSE are exempt. There should also be coverage of the Personal Learning and Thinking Skills (PLTS) recently established in schools and colleges.

Apprenticeships are designed to be delivered in the workplace, DBIS having clamped down on 'programme apprenticeships' where young people

based at a training organisation complete work placements with different employers. Apprentices also have to be paid at least the relevant statutory minimum wage. Most employers are unable to provide the necessary training 'in-house' and rely on the growing number of private training providers, who have successfully sidelined FE colleges, being able to visit workplaces more easily. After serious concerns about quality and standards, training providers are now subject to regular monitoring and inspection through Ofsted.

According to the Richard Review (2012), commissioned by the Coalition to conduct a review of apprenticeships as a result of the concerns about quality, 27 per cent of employers said the main reason for taking on an apprentice was because of an approach from a training organisation, compared to only 12 per cent who identified a skills need. In fact, the latest UKCES skills survey report shows only 15 per cent of employers reporting skill deficiencies, with two-thirds of these the result of employees taking on new or changing roles.

Approaching 300,000 employees began apprenticeships during 2009-10, up from 160,000 on 2002-03. In 2010-11, there were 442,700 starts, a 58 per cent increase. The Coalition's first budget announced a target of 50,000 more apprenticeships and 250,000 more by 2015. By the summer of 2013 DBIS was claiming 1.5 million starts since 2010 (press release 17/10/13). The Skills Funding Agency claimed apprentice participation at 869,000 for 2012-13. Completion rates are comparatively high - 70 per cent for all levels and age groups. There are nowhere near enough apprenticeships compared to the level of demand however, and, as a result, the role of apprenticeships in reducing youth unemployment has been limited.

The greatest numbers of both applications and vacancies were in Business, Administration and Law, with 165,401 applications made during the period for some 15,550 Apprenticeships, though the sector with the highest ratio of applications to vacancies was Education and Training, which attracted an average of 27 applications per vacancy, followed by Arts, Media and Publishing (26). Even though ICT vacancies rose by 13 per cent over the year, there were 20 applicants for every position. The lowest ratio, 10 applications per vacancy, was to be found in Retail and Commercial Enterprise and Science and Maths. Meanwhile, Engineering apprenticeships are generally in short supply and those with British Gas are in such high demand that suitable applicants have only about a 1 in 15 chance of being accepted. In comparison, qualified applicants for engineering at Oxford University have a 1 in 3 chance of success.

Participation is concentrated at Intermediate Level, while Higher Level (Level 4 and above – considered as an equivalent alternative to university) remains around 2 per cent. The level of participation in Intermediate schemes should be considered against the overall recorded skill level of the population. According to the SFA, 80.6 per cent are already qualified to this level (up from 71.8 per cent in 2006) with 61.6 per cent qualified to at least Level 3 (up from 53.2 per cent) and 39.5 per cent to Level 4 or above (up from 33.0 per cent).

Moreover, young people still did not comprise a clear majority of those on apprenticeships. SFA data shows under-19 participation has flat-lined since 2008-9, with the 81,000 starts in 2012-13 representing a fall of almost 15,000 by those under 19 compared with 2011-12, even if the provisional data for 2013-14 indicates that under 19 participation may be rising once again. The fact that people aged 25 or over comprised a large proportion of apprentices revealed that it is those already in work who were benefiting from apprenticeships, rather than new workers being trained in new skills and new jobs being created.

There were also examples of other dubious practices. The supermarket chain Morrisons was investigated by the BBC's *Panorama* (02/04/12) to find that nearly 4 in 10 of Morrisons's entire workforce were classed as 'trainees', so that 1 in 10 of all apprenticeships in England during the previous year were the result of a regrading exercise by this single supermarket chain. Of nearly 18,000 new apprenticeships started in the academic year 2010-11 – mostly level 2 and in retail – only 2,200 were for those below 19, while in the same period Morrisons had started just 290 apprentices aged 16-18.

Decline

The continued decline of manufacturing means most apprenticeships are in services and also in sectors like Health, Public Services and Care, that generate low-grade, badly paid, insecure jobs predominantly undertaken by women. This explains why women already make up 50 per cent of Intermediate Level apprentices. The large number of women aged 25 and over currently on Intermediate Level programmes also reflects the large number of 'conversions' discussed earlier, with big increases after the abolition of *Train to Gain* funding. Meanwhile, women are significantly under-represented in sectors like Engineering.

In relation to younger women the situation is slightly different, with TUC research showing that under-19 more men than women start

apprenticeships. For 19-24 year-olds, however, women have overtaken men. This rise has been driven by substantial increases in women taking up Advanced Level Apprenticeships – 210,500 females compared with 166,500 males in total are participating at this level. At Higher Level also, women occupy almost two-thirds of the places – just as women outnumber men at university by around 60:40.

Only 3.2 per cent of apprentices are from minority ethnic groups (Newton and Williams 2013), though it is likely that apprenticeships are seen as low status by some ethnic groups now increasingly represented in Higher Education.

Putting employers in the driving seat

The 2011 Education Act created a duty on the Government to make ‘reasonable’ efforts to ensure employers provide Apprenticeship training in line with minimum standards. For example, all apprentices should spend at least 280 hours a year in ‘guided learning’, and 100 hours or 30 per cent (whichever is greater) of all guided learning must be delivered ‘off-the-job’. From August 2012 all apprenticeships were required to last for 6 months. Although all apprenticeships are supposed to provide technical knowledge and some general education, competence-based National Vocational Qualifications have remained central to assessment.

Following continued concerns about the organisation of apprenticeship training, the Coalition announced consultation on proposals that employers pay for the cost of an apprentice upfront, then reclaim the money through their tax returns. Unveiling the plans, Skills Minister Matthew Hancock said the reforms would encourage employers to take on more apprentices by giving them greater control over training. However, giving employers the initiative may reduce take-up. As Chris Jones, chief executive of the City & Guilds Group, told the website *Education Investor* (05/12/13), the reforms were ‘risky . . . It’s the assumption that employers have the time – and indeed the will – to cope with the additional bureaucracy these reforms will entail . . . rather than incentivising employers, I fear they’ll be put off by what’s been announced’. According to one training provider, the funding changes could lead to an 80 per cent drop in training numbers. According to another, ‘a clear majority of large and small businesses wish to keep the existing funding’ and are ‘uninterested in taking on apprentices if the changes are introduced’. This raises the question whether employers actually need that many apprentices.

This article is an abridged version of Martin and Patrick’s report, available in full as a free download from radicaledbks.

In Part 2, to be published in PSE 77, they consider ‘Why can’t we do it like the Germans?’ and come to a conclusion.

Where we stand:

Post-16 Educator seeks to defend and extend good practice in post compulsory education and training. Good practice includes teachers working with students to increase their power to look critically at the world around them and act effectively within it. This entails challenging racism, sexism, heterosexism, inequality based on disability and other discriminatory beliefs and practices.

For the mass of people, access to valid post compulsory education and training is more necessary now than ever. It should be theirs by right! All provision should be organised and taught by staff who are trained for and committed to it. Publicly funded provision of valid post compulsory education and training for all who require it should be a fundamental demand of the trade union movement.

Post-16 Educator seeks to persuade the labour movement as a whole of the importance of this demand. In mobilising to do so it bases itself first and foremost upon practitioners - those who are in direct, daily contact with students. It seeks the support of every practitioner, in any area of post-16 education and training, and in particular that of women, of part timers and of people outside London and the Southeast.

Post-16 Educator works to organise readers/contributors into a national network that is democratic, that is politically and financially independent of all other organisations, that develops their practice and their thinking, and that equips them to take action over issues rather than always having to react to changes imposed from above.