

SIPTU submission to the Apprenticeship Review Group on Apprenticeship Training in Ireland

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WORKING GROUP

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Introduction:

Ireland is currently undergoing a period of unprecedented economic and financial crisis which is having a deep impact on individuals, families and communities across the country. Over 300,000 persons were unemployed at the end of the second quarter of 2013¹. Furthermore, under-employment is becoming an increasingly pressing issue, rising as high as 25.2% in Q2 2012².

Some 200,000 people have left the country since 2008. Young people have been badly affected by a lack of job opportunities. The rate of unemployment among those aged 15-24 years in Ireland stood at 29.6% in Q2 2013³. Ireland is among the countries worst affected by youth unemployment, although the situation is somewhat less severe than in Spain and Greece where up to 60% are without a job. In contrast, the rate of youth unemployment in Germany in 2012 was 8.1%⁴. It is particularly worrying that the rate of long-term unemployment among young people without a job under 25 years here was 48.3% in 2012, compared to 23.3% in Germany⁵. The proportion of young people in Ireland not in employment, education or training (the so called NEETs category) is also elevated, reaching 18.7% in 2012.

In this context, it is critical to ensure policies are in place to maintain and foster employment and to ensure people have the appropriate skills to gain work. The extension of apprenticeship-type instruction to other areas of the economy, such as the services sector, has the potential to deliver a pool of job-ready and motivated workers.

SIPTU believes that apprenticeships should be introduced for young people seeking to develop a career in childcare, the hospitality industry, administration and the green economy. SIPTU also believes that these apprenticeships should be developed in line with the successful 'dual system' model of 'on the job' and classroom training employed in Germany and Denmark which is examined in this paper.

“We need to pull together and act now to ensure that our young people get the skills they need to succeed in their personal and professional lives,” Commissioner Vassiliou said.



Androulla Vassiliou, EU Commissioner for Education, Culture, Multilingualism, Sport, Media and Youth

“Given the unacceptable levels of youth unemployment there is an urgent need for those responsible for education and employment to work together to facilitate the transition of young Europeans from school to the world of work,” Commissioner Andor said.



László Andor, EU Commissioner for Employment, Social Affairs and Inclusion

¹ Quarterly National Household Survey, Q1 2013, CSO

² NERI Quarterly Economic Facts, Autumn 2012

³ Ibid

⁴ Eurostat

⁵ Ibid

EU Context:

The urgent requirement for a review and improvement of the quality and supply of apprenticeships was reaffirmed by EU Education Commissioner, Androulla Vassiliou and Employment Commissioner Laszlo Andor when they launched the European Alliance for Apprenticeships in Leipzig, Germany in early July 2013. They called for a broad partnership of key employment and education stakeholders to identify the most successful apprenticeship schemes in the EU and apply appropriate solutions in each member state in order to combat the scourge of youth unemployment.

They argued that countries with strong vocational education and training (VET) systems such as Germany, Denmark, The Netherlands and Austria tend to have less youth unemployment and recognised that apprenticeships and traineeships are often a stepping stone to a permanent job. In this paper we examine successful apprenticeship schemes in other EU countries in order to draw on the lessons that can be applied in a revised system of classroom and workplace based education and training in this country. In particular, the success of the apprenticeship/dual system of education in Germany and Denmark will be highlighted as models that can be of relevance to this country.

This submission also sets out an assessment of how the current model of apprenticeships is working, along with recommendations for change. In addition, training channels such as traineeships and vocational education are examined. Areas suitable for development of qualifications through an apprenticeship-type process are identified, including in the childcare, hospitality, administration and green economy sectors. The issues of funding and costs are addressed. Finally, a number of recommendations are put forward.

I. The Current Apprenticeship System

There are 24 designated apprenticeships in a variety of crafts within the construction, electrical, print and automobile industries⁶. Female participation is low which may be linked to negative conditioning at second-level.

SIPTU believes that apprenticeships should be developed across a range of other employments, including in the hospitality, child care, administration and green economy sectors in order to provide quality, skilled work and career progression for young people. They will also provide greater opportunities for young female workers to progress their careers.

Key Strengths

The Background document for the present review states⁷: “It is evident from Ireland’s track record in the World Skills competitions that the current system compares favourably with the best internationally, and the quality of our apprenticeship training is therefore rightly recognised”.

1. Apprentices follow a uniform curriculum which is based on agreed industry standards and the qualification is recognised internationally.
2. Irish economic development has been facilitated through the availability of skilled and productive workers from the apprenticeship system.
3. Completion rates are high at 61% in 2011 with a further 16% still in training⁸.
4. Employers that can provide access to a good range of tasks allow apprentices to gain the skills required in a ‘real work’ environment in a way that is difficult to re-create in a simulated learning situation.
5. Feedback from FÁS instructors confirms that the capacity for adaptability, flexibility and lateral ability is nurtured within the Irish system of apprenticeships to cater for the small size of the Irish economy.
6. For students who do not wish to initially pursue a purely academic course of study and/or who have a specific occupational interest, the option of doing an apprenticeship can

enhance their prospects for progression into employment. The style of learning, which has a practical focus, can be more suitable for people who otherwise would not be inclined to pursue a qualification. **Apprenticeships can generate opportunities for progression to further technical or third-level education for those who wish to do so.**

7. Under the current system, employers are obliged to recognise and respect the rights of apprentices by ensuring that proper structures for 'on the job' and classroom training are in place and that rates of remuneration are appropriate as skills are improved over the course of the apprenticeship. **However, as a consequence of the economic downturn many employers are not meeting their responsibilities in this regard.**



⁶ <http://www.fas.ie/en/Training/Apprenticeships/Apprenticeship+Listings/default.htm>

⁷ Apprenticeship Review - Background Issues Paper, May 2013

⁸ *Ibid*

⁹ Hilary Steedman, 2010, <http://eprints.lse.ac.uk/47516/1/CEPSP22.pdf>

II. Lessons from other countries



The German 'Dual System'

Youth unemployment in Germany was 8.1% in 2012, in stark contrast to the current rate of 26.7% in Ireland. The German 'Dual System' of education is identified as playing a positive role in the integration of young people within the workplace, enhancing their job prospects.

The key features of the system are set out below :

- **'Dual System':** Combines education provided in vocational schools with structured work-place training (akin to an apprenticeship). Students must spend at least one day per week in vocational school, following a Federal syllabus which includes general education and technical knowledge. Work-place training is delivered according to specified Training Regulations for the particular occupation.
- **Social partner involvement:** Trade unions and employers determine the content of apprenticeship occupations, including the syllabus, the examination and assessment process.
- **Duration:** Normally 3 years and leading to full employment.
- **Progression:** Pathways to university and other third level institutions are established. (In Ireland this would mean that credits could be given to apprentice students to allow them to progress outside the normal 'points system'.)
- **Compensation:** Apprentices in firms receive a wage/training allowance.
- **Broad coverage:** The system provides training for over 348 distinct occupations. The most popular are HGV Mechanic, Retail Sales, Office Administration, Business Administration,

Mechanical Engineering, Cook, Medical Administration, Hairdressing, Wholesale and Export Sales.

- **Requirements:** Companies must have adequate equipment and facilities and trained personnel to supervise apprentices. It is possible to join together with other employers to establish a Group Training Centre financed from private and public funds.
- **Outcomes:** According to information from the German trade union confederation, DGB, the number of students currently pursuing an apprenticeship through the dual system is about 1.6 million, with 600,000 new starts each year. While completion rates vary by sector, the norm is about 85 to 90%.
- The German system shows the potential for a comprehensive approach to vocationally-oriented education and training. The number and range of occupations covered is very substantial, providing defined career paths for the many thousands who participate. Ireland would have a long distance to travel to emulate this situation. However, there is a clear opportunity to take initial steps in this direction under the current review. Proposals in this regard are set out in the following sections.
- An important component of the success of the system in Germany is the hands-on involvement of the social partners. Employers in Ireland must recognise the need to invest at company-level to develop competence within the workforce. While in-house training and initiatives under the Skillsnet programme are in place, an industry-wide approach to skills development is lacking. The availability of more diverse apprenticeship opportunities should be part of a systematic approach to optimising training and education outcomes in Ireland. Building on experience with regard to the crafts, trade unions should be central to the process to ensure decent terms and conditions at work and to assist in the roll-out of workplace learning.

The Danish Model



Youth Unemployment in Denmark stood at 11.80% in June 2013. The Danish apprenticeship model has been praised for ensuring youth unemployment has remained low in recent decades and for producing a highly skilled workforce. The key features of the Danish apprenticeship model include:

- **‘Dual system’:** In Denmark, apprenticeships are operated on a dual basis with apprentices undertaking training in the workplace and in third level colleges. The assessment arrangements in Denmark are flexible and adapt to the needs of different occupations/trades.
- **Partnership approach:** At a local level publicly-funded vocational colleges provide business intelligence and advice as well as being responsible for finding and advising new apprentice employers, liaising with current apprentice employers and administering apprentice contracts and examinations. Union and employer representatives sit on the boards of vocational colleges that provide off-the-job training for apprentices and appoint the school Director.
- **Older apprentices:** In Denmark substantial numbers (45%) of apprentices are aged 30 or over and over 40% are women. Apprenticeships are of three to four year duration and in 2011 accounted for approximately 27 positions per 100 people employed (nearly three times the number in Ireland). All employers, both public and private, pay an amount into a fund called the employers' reimbursement scheme regardless of whether or not they provide training placements.
- **Employer contribution:** In 2012, all employers are obliged to pay an annual contribution based on the number of full time workers they employ which goes towards the cost of the national apprenticeship scheme. These funds are then allocated to the places of work taking in apprentices so they do not bear the cost of training alone.

- **Apprentice wage:** In Denmark apprentices receive a training allowance and the employers are compensated for wages paid when apprentices are in off-the-job training.

III. Extension of the apprenticeship model remit to other sectors/occupations

SIPTU believes that apprenticeships should be developed in the hospitality, childcare, administration and green economy sectors. Currently a wide range of courses are offered by Vocational Education Colleges (VECs), Institute of Technologies (ITs) and certain specialised colleges.

1. Hospitality

During the 1980s/90s, 'CERT' was a stand-alone agency responsible for the development of courses within the hospitality sector. It acted as an industry standard for professional norms. However, this function was integrated within Fáilte Ireland and the industry-wide approach to qualifications has diminished. There has been a shift whereby the hospitality sector has, at least partly, been de-professionalised, with minimum wage and/or low-paid jobs more the norm and trained/qualified staff struggling to attract a premium for their skills.

The tourism sector is an important driver of economic activity and jobs in Ireland. It is important to ensure competent and interested personnel are enticed by the prospect of a sustainable career to take-up employment in this field so that the best possible image of the country is projected to both foreign visitors and domestic customers. A 3-year apprenticeship scheme supported by unions and employers in the sector would help to generate quality jobs which would allow for mobility for well-trained Irish hospitality workers at home and abroad.

A number of courses are currently funded by Fáilte Ireland for careers in the hospitality sector which are hosted in VECs, ITs or the specialised catering college in Killybegs, county Donegal. Unfortunately, many courses are not integrated into the workplace and to a career path

for students. Indeed, many studying these courses are employed in low and minimum wage jobs in order to cover their college fees and living costs and often in employments which bear no relationship to their area of study.

SIPTU proposes that apprenticeship courses which combine work on-site and in the classroom should be developed for those aspiring for the following occupations:

- Chef
- Cook
- Bar Worker
- Waiter/Waitress
- Front of House

The introduction of a range of apprenticeship training for the hospitality sector would assist in raising employment and professional standards. SOLAS is best positioned to provide policy oversight while a variety of providers (such as the ETBs and ITs) could be involved in delivery at various levels.

The move to an apprenticeship system could help arrest the further casualisation of roles such as bar staff, chef, waiter/waitresses etc. and would stand to benefit the industry through enhanced productivity and lower staff turnover. It would provide apprentices with a rate of pay on an incremental scale as training continues from year to year, improving their career prospects and providing the self-confidence and self-respect that comes from regular and paid employment and training. allowance and the employers are compensated for wages paid when apprentices are in off-the-job training.

SIPTU believes there is an urgent need for a 3-year apprenticeship scheme based on both classroom and 'on the job' practical learning for young people seeking a career in the hospitality industry.

2. Childcare

In order to avail of funding under the Early Childhood Care and Education Scheme (more commonly known as the Free Pre-School Year), employers must ensure that the responsible staff member should hold the FETAC Level 5 Certificate in Childcare. The Childcare Regulations 2006 stipulate that 50% of staff in a particular service must have a qualification in childcare. However, it is evident that many crèches and childcare facilities are not in compliance with these regulations which in turn are inadequately enforced by the relevant agencies. It is also evident that many of those employed in crèches on minimum wage rates do not receive any formal childcare 'on the job' training despite the huge responsibility that goes with caring for, feeding, changing, developing, educating and entertaining babies, infants, toddlers and other small children. There are currently a variety of CE, FÁS and other training courses which involve some on the job learning. Under current arrangements, there is no real incentive to gain qualifications beyond FETAC Level 5. A more comprehensive approach to training in the sector is urgently required.

It would be hugely beneficial for the development of standards in the childcare sector to provide for a transition to a full 'dual system' apprenticeship model which would allow participants to gradually deepen their knowledge and the practical application of learning in relation to early childhood education, allowing for certification beyond Level 5.



SIPTU believes there is an urgent need for a focused and developed child care assistant, 3-year apprenticeship scheme based on both classroom and 'on the job' practical learning. Under this scheme, child care assistants would only be permitted to carry out the sensitive tasks associated with this important role when they are trained to do so and would be supervised by experienced child care graduates.

3. Administrative/Secretarial Apprenticeship

SIPTU believes that there is an urgent need for a focused and dedicated apprenticeship scheme for those aspiring to careers in administration/secretarial occupations.

This would include young people who wish to pursue a career in the administrative sector in such roles as legal secretary, medical secretary and a variety of administrative and/or secretarial support roles.

This would involve a modular based 'dual system' apprenticeship to include a mix of work experience combined with 'off the job' training. It would include learning in areas including:

- Word Processing
- Event Management
- Administration Practice
- Spreadsheet Methods
- Project Management
- Customer/Public Relations
- Work Experience
- Leadership
- Text Production
- Audio Typing
- Business Law

4. The Green Economy

The Green Economy has significant potential for jobs in the future. While work has contracted for craft workers as regards new house-building, it is feasible to adapt their skills base to growth areas in the construction industry. Plumbers and electricians can transfer their skills efficiently to wind energy, photovoltaic and bio-mass programmes. Carpenters and plumbers are up-skilling in rainwater harvesting and air-tightness; plasterers are engaging in energy saving insulating programmes for inside and outside of houses.

BER (Building Energy Regulation) upgrading is an interesting change of career for bricklayers and plasterers. Landlords must now register with their Private Residential Tenancies Board (PRTB) and the standard of accommodation offered in many cases requires upgrading of the property offered - again opportunities exist for craft workers capable of this type of work. Legislative requirements for Portable Appliance Testing have also generated additional jobs in the electrical trades. Stairlift installation and remodelling of homes for downstairs toilets/showers are another growth area for construction workers.

In the past number of years the emphasis on certification has been heightened by the Central Energy Regulator (CER). All gas installations must now be completed only by certified installers. In the electrical trades each completed installation must be certified by a competent person whose company is a member of RECI or ECSSA. This competency is now being rolled out to include a qualification in testing and assessment of electrical installations and it will be mandatory for all testers to hold this certification. The meter installation programme by Irish Water offers another opportunity for the development of an apprenticeship programme.

SIPTU believes there should be a dedicated 3-year apprenticeship scheme based on classroom and “on the job training” for young people wishing to pursue a career in the green economy sector.

IV. Current Traineeships

1. The various traineeship programmes differ in duration and in the extent of on-the-job training and the FETAC qualification awarded. The IT Support Specialist and Software Developer traineeships are at Level 6, lasting 48 weeks and 59 weeks respectively. The trainee jockey is at Level 4 for 42 weeks while the childcare practitioner is at Level 5 over 35 weeks. FÁS instructors are dissatisfied that the apprenticeship qualification is at Level 6 over 4 years while certain traineeships are accredited at the same level over a much shorter period. A case can be made to upgrade existing apprenticeship qualifications.
2. Transition from a traineeship needs to be considered. It would be beneficial to provide clear progression pathways from a traineeship to a suitable apprenticeship or to further training, offering enhanced qualifications and career opportunities.
3. The conversion of some or all of the above traineeships to full apprenticeship training should be examined, deepening teaching and training elements and facilitating defined occupational paths (drawing on the approach under the German 'dual system' of education). It is important to develop a traineeship/apprenticeship model to act as a signpost of quality jobs, particularly across low-paid sectors, raising industry standards and employment conditions.

V. Cost Implications

There are a variety of funding options that can be examined to expand the apprenticeship system beyond the occupations currently involved. Reconfiguring or redeploying an element of existing funding and/or incentives aimed at labour market activation offers opportunities in this regard.

Furthermore, it is important to utilise available funding sources at EU level. €6 billion has been allocated for the development of 'Youth Guarantee' schemes in countries affected by high levels of youth unemployment. Ireland's share is not yet known but may be up to €150,000,000. The provisions of the 'Youth Guarantee' commit to providing young people under 25 with a good quality offer of employment, further education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving school. With regard to implementation in Ireland, funding should be directed at the expansion of the 'dual system' apprenticeship model which encompasses 'on the job' and classroom training in the sectors we have proposed i.e. hospitality, child-care, administration and the green economy.

VI. Recommendations

1. SIPTU proposes that apprenticeships should be developed in the hospitality, childcare administrative and green economy sectors in order to provide greater opportunities for young workers to obtain quality skills and employment and to achieve a sustainable career progression.

2. SIPTU proposes that any new apprenticeship schemes should be based on the successful 'dual system' of 'on the job' and classroom training employed in Germany and Denmark and involving employers, trade unions and other stakeholders in their formulation and administration.

3. SIPTU proposes that employers should meet their obligations to recognise and respect the rights of apprentices by ensuring that proper structures for 'on the job' and classroom training are in place and that rates of remuneration are appropriate as skills are improved over the course of the apprenticeship.

4. EU funding under the Youth Guarantee programme should be directed at the expansion of the 'dual system' apprenticeship model which encompasses 'on the job' and classroom training in the sectors we have proposed i.e. hospitality, childcare, administration and the green economy.



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