Submission to the
Apprenticeship Review Group
Department of Education and Skills
on the
Apprenticeship Review

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Introduction

The Small Firms Association (SFA) is the largest small business organisation in Ireland representing over 7,500 companies and 7 affiliated organisations. As the voice of small business, the SFA exclusively represents companies employing less than 50 people.

The SFA welcomes the opportunity to input to the review of the apprenticeship system and believe this review to deliver an updated model of training is timely.

There is a universal agreement that investment in education has resulted in a skilled and flexible workforce which has been a key contributor to Ireland’s economic success; driving private sector growth and increasing productivity. Public and private investment in human resource development, together with a commitment to excellence at all stages of the learning process, is essential to achieving a competitive and socially inclusive society.

The changes in the world environment both on a local and international level, challenge the way we approach policy and investment in workforce development. It is important to recognise that a substantial proportion of learning takes place outside the formal system, notably in the workplace. A new paradigm in the way we view skills development in terms of content, organisation and investment is required.

Apprenticeships and other work based training has the potential to play a key role in increasing skills across the economy and to provide individuals with sustainable careers. In order to succeed, Government and industry must work together to identify practical measures for harnessing the needs of the different sectors, in the current climate and into the future.

Apprenticeship models and work based learning have proven to be among the most valuable education and training forms of gaining knowledge, skills and competences required on the labour market. It is also a good vehicle to tackle the high youth unemployment in Ireland by improved matching of skills offer and demand.
Current System

Some of the challenges in the current Irish apprenticeship model are well documented, these include:

- Limited occupations focusing mainly on the construction, engineering, electrical and print sectors, which do not reflect the broader skill needs of the economy.

- Inflexibility within the system, does not allow for the system to adapt or respond quickly to changing business, technological and economic needs.

- Low take up of apprenticeships and a low female involvement in the apprenticeship system. Other countries offer a wide range of apprenticeship options and therefore have a more balanced participation rate of both male and females.

- Costs of the Irish system are higher than in other countries.

- Apprenticeships do not share parity of esteem with traditional higher education options for many people within Irish society.

Enterprise Led Model

When reforming the apprenticeship system a review of existing models must be undertaken. In this case the well established dual system in Germany and Austria have been very successful, and while we can learn from these systems, it must be borne in mind that these systems have been built over years and the models have been adapted over time.

Greater synergies between the world of work and education should be promoted, as a skills workforce is essential for Irish competitiveness. Labour market needs should be at the centre of education and apprenticeships. Practical professional experience needs to be added to the knowledge acquired in the classroom – mismatch between skills supply and demand must be reduced.
The SFA believes that an enterprise-led model offers the greatest potential on which to build a modern apprenticeship system. Small firms are ready to engage in apprenticeship training, if it is shaped according to their needs. This means a certain level of “co-ownership” and involvement of the company in determining the skills content.

Existing business organisations and professional bodies should be responsible for the development of standards; frameworks; curricula and delivery mechanisms. This will allow for the relevant sector enterprise body to shape and structure the model suitable to their sector demands and requirements.

Moreover, uncertainties linked with frequent policy or legislative changes bears the risk of small firms disengaging with apprenticeships. Therefore, information through the existing bodies will ensure consistency and compliance and may encourage greater participation.

The business organisation will also play a crucial role in supporting small firms in the governance and functioning of the apprenticeship programmes. Focused support for small firms will strengthen the provision of apprenticeships, by ensuring the curriculum is designed to meet specific limitations within a small business.

The State should retain oversight of the trainee process and criteria against which qualifications are approved. Standards set by the State in relation to design, delivery and award qualifications must be met by the awarding organisations. The State should also monitor the awarding organisations.

**Curriculum and Duration**

One of the challenges of the current apprenticeship system is that most of the programmes have a fixed time period, i.e. four years. In the current working environment this time period is too long and is not matched by the learning outcomes. Businesses do not require detailed occupational standards; or the description of every task which a job role may entail. It is the outcome that matters and therefore the new model must reflect different packages of work and learning.
The new model should not be over detailed in specifications, or have an over bureaucratic focus, as this may constrain innovation and flexibility in the curricula and teaching methods and therefore can deter from the real meaning or outcome of the apprenticeship.

The new model must also:

- Provide training that is relevant and meaningful to employers, which in turn will provide the individual with a sustainable career prospect.

- Have buy in from all sectors of business, including small firms.

- Include transferable skills that are relevant and valuable to both the individual and businesses.

Another prerequisite is that individuals are equipped with adequate basic skills. Employers should not be expected to compensate for the failure of the school system resulting in insufficient reading, writing and numerical abilities of young people. In not having adequate literacy and numeracy skills an individual may not receive the support they require and therefore may not complete the training.

While employers should be given greater control over the apprenticeship process, the main training providers must be at the heart of the curriculum design and delivery. The training providers will also play a key role in providing assistance and support to employers and business organisations. This is especially important for small firms, who may not have the expertise or be equipped to transfer knowledge; design learning plans or know best practice within the training world.

Assessment of the apprenticeships should be across a number of bodies, including employers and training experts, to ensure that the standards set are met and maintained. Assessment should consider the practical learning and the usefulness of the qualification in the labour market to provide a high earning potential and career sustainability for individuals.
**Funding**

Any apprenticeship system has to make economic sense, the new model must deliver quality; expand the apprenticeship opportunities and deliver skills that support business needs and ensure sustainable careers. The funding system should be simple and accessible for small firms, with as little bureaucracy as possible. Distribution of the costs should be between Government, employers and apprentices.

While it is important that employers contribute to the cost of training, consideration should be given to the ability and level of contribution that an employer can make, i.e. small firms relative to a large organisation. Employers already contribute 0.7% of payroll costs through the National Training Fund Levy. They also provide on site training; supervision; equipment/tools and facilities during the period of the apprenticeship.

Government must recognise the social and economic benefits that quality apprenticeship can offer, particularly for young people. Therefore, Government must continue to contribute to the cost of apprenticeship training, otherwise there is a risk of firms unwilling to undertake and offer training.

While employers should contribute to the cost of training, it should not reduce the Government investment. Government funding should be a more targeted and direct investment to ensure a better outcome for all. The level of focused funding should reflect the workplace in which the apprenticeship is being undertaken. Small business could be funded more generously, as they proportionately take a bigger risk in employing apprentices and they often have less finance.

**Promoting a Training Culture**

Apprenticeships in the past may not have been viewed as a key career option for individuals. Some of the foundations upon which to build a stronger apprenticeship model are culture and education. Ideally, they should be mutually re-enforcing and complementary in engaging individuals in the apprenticeship system.
However, the contribution of education to the apprenticeship system is much deeper than reinforcing a positive culture. It must provide the skills required to ensure a pool of talented people is available so they can enter the apprenticeship system, if they wish. A well functioning school system should develop personal skills/traits and where possible integrate work based learning.

Fostering a training culture should also encourage firms engage in apprenticeships. By educating smaller employers on the benefits of high quality workplace training, will provide individual with relevant skills as well as good earning potential and career opportunities.