Dear Ladies and Gentlemen,

Thank you very much for the invitation to join this important panel. Making apprenticeships more attractive to employers is an urgent task. If governments are serious about the aim to promote apprenticeships as a highly effective measure to address youth unemployment, it is imperative to design apprenticeships systems in a way which encourages employers to hire as many apprentices as possible.

Apprenticeships systems are very different between countries. I won’t go into the exercise of giving country-specific recommendations. Let me instead give you eight general principles which make apprenticeships systems conducive for encouraging companies to hire apprentices.

1. Employers through their representative organisations want to be involved in the design and the development of vocational education and training (VET) systems. Proper involvement not only ensures that the requirements of the labour market are adequately taken into account when designing VET systems, but proper involvement also creates ownership and commitment for the system by employers. Companies must not be seen as an “add-on” to the system but as being at the heart of the system. We know through a recent IOE-BIAC survey that in too many G20 countries employers and trade unions are not sufficiently involved.

2. Success creates success. If apprenticeships systems are effective and efficient in training the people with the skills which are needed by companies, more companies will see the point to engage. If curricula, however, are not in line with labour market needs, if the quality of vocational schools is low and their equipment out-dated, companies will be less easily inclined to offer apprenticeships.
3. Apprenticeships must be affordable. In too many countries, economic framework conditions are preventing the establishment of functioning apprenticeships systems because of for example, high upfront costs. For instance, only 8% of economies in Eastern Europe and Central Asia, and only 5% in the Middle East and North Africa allow for special apprenticeship wages. The B20 and L20 clearly acknowledged in the B20-L20 statement on quality apprenticeships that apprenticeship systems need their own contractual arrangements.

4. Administrative procedures must be as simple and easy as possible. If it takes weeks to register an apprentice and/or to understand the system, small and medium-sized companies which do not have a special human resource department especially, won’t hire apprentices.

5. To lower the burdens for SMEs especially, innovative approaches should be considered. For instance, group apprenticeships should be made possible in order to facilitate the participation of SMEs who cannot train across the whole apprentice skills set on their own.

6. In many countries the status of apprenticeships should be elevated, so that they are seen as positive pathways towards a satisfying career. If youngsters do not see apprenticeships as an attractive option, why should companies do so and bother? Often, the problem of low status is linked to the fact that apprenticeships systems are limited to traditional trades and do not encompass modern professions.

7. A good primary and secondary education system, which includes literacy and numeracy, as well as other core competencies, is a precondition for smooth integration into the labour market. Only if young people leave school with the skills that meet the requirements of companies will their integration into the apprenticeship systems be smooth and rapid.

8. Governments, societies and celebrities should give recognition to the training efforts of companies through rewards, media campaigns, etc. Such activities will raise awareness among companies, strengthen commitment, create pride and increase motivation.
Dear Ladies and Gentlemen,

Business is excited about high quality apprenticeships systems. That is the reason why we created the Global Apprenticeships Network and engaged with the L20 in this discussion. That is also the reason why we are here today with 20 people instead of the six seats which were given to us. Advertising apprenticeships to companies is in most cases like carrying coal to Newcastle. Governments should make full use of this excitement and should make the necessary reforms at national level which will enable and encourage companies to hire and train as many apprentices as quickly as possible.

Let me finally be clear on another point. Employers do not see apprentices as cheap labour. Systems which deprive apprentices of their rights, of decent working conditions, and of appropriate remuneration will not produce the high skilled workforce which companies are looking for. That is the reason we clearly stressed in the B20-L20 joint understanding that compliance with core labour standards, appropriate remuneration and linkage with social benefit and occupational health and safety systems should be important elements of any apprenticeship programme.

Thank you very much for your attention.