



G20-OECD-EC Conference on Quality Apprenticeships
for Giving Youth a Better Start in the Labour Market
OECD Conference Centre, April 9, 2014

IMPROVING ACCESS AND MAKING APPRENTICESHIPS VALUABLE FOR YOUTH AND ATTRACTIVE TO EMPLOYERS

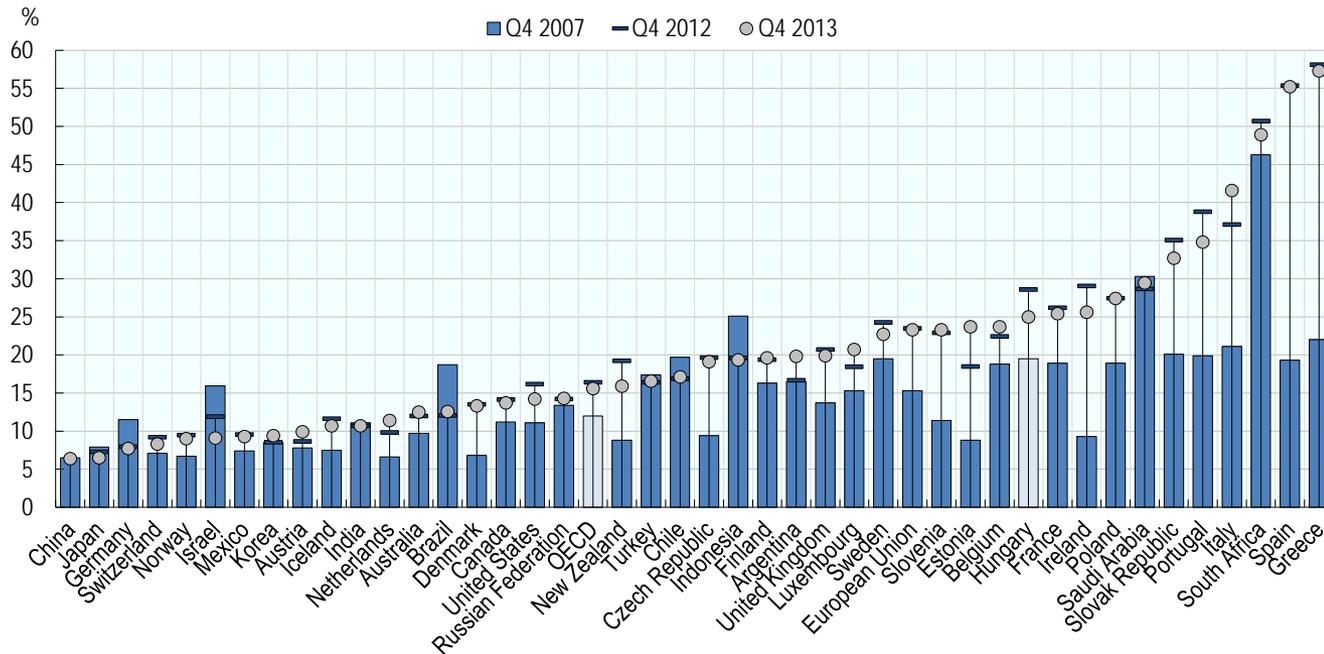
Mark Keese
Head of Employment Analysis and Policy
Directorate For Employment Labour
and Social Affairs



Giving youth better job prospects is a key policy priority in all countries

Youth unemployment remains stubbornly high in many countries

Youth unemployment as a percentage of the youth labour force^{a,b}



a) The data for Q4 2007 refer to 2007 for China; 2007/08 for India; Q3 2007 for Indonesia and Saudi Arabia; Q2 2007 for Switzerland; and Q1 2008 for South Africa.

b) The data for Q4 2013 refer to 2010 for China; 2011/12 for India; Q2 2013 for Argentina; and Q3 2013 for the Russian Federation and Saudi Arabia.

Source: OECD Short-Term Labour Market Statistics Database and the ILO's online database, ILOSTAT..

Even where unemployment is low, many youth face a succession of fixed-term jobs or hold informal jobs with little social protection.



The benefits of a good apprenticeship system

Quality apprenticeships are effective policy tools

Promote skills acquisition

Facilitate the transition from school to work

Improve employment opportunities for youth

Contribute to reduce drop-out rates

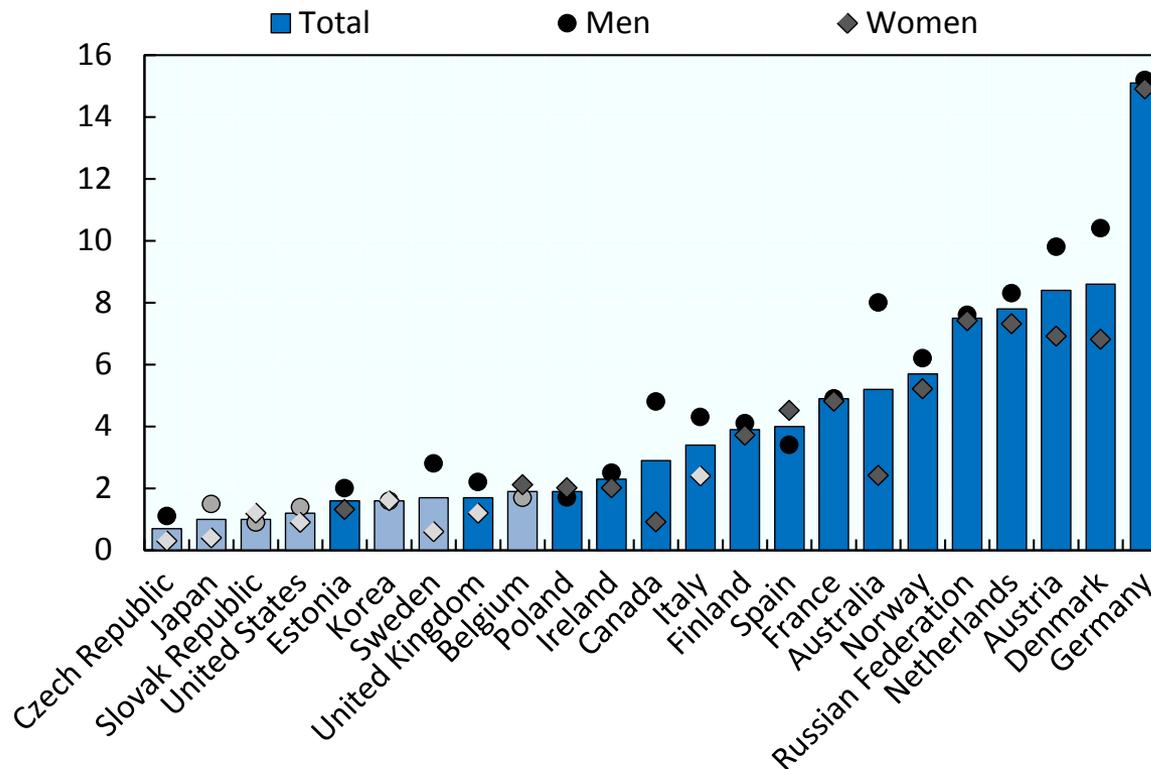
Yet, their effectiveness depends on

- Ensuring **access** to high quality programmes
- Making apprenticeships valuable to **youth**
- And attractive to **employers**



Despite the known benefits, the use of apprenticeships varies considerably across countries

Participation in apprenticeship programmes
Percent of youth aged 16-29 who are apprentices, 2012^{a,b}



a) The estimates are shown in a lighter colour for each country where they are based on less than 30 observations for the total and less than 15 observations by gender. These estimates should be interpreted with caution.

b) The results for Belgium and United Kingdom refer to, respectively, Flanders and England and Northern Ireland.

The data for the Russian Federation are preliminary and exclude the population of the Moscow municipal area.

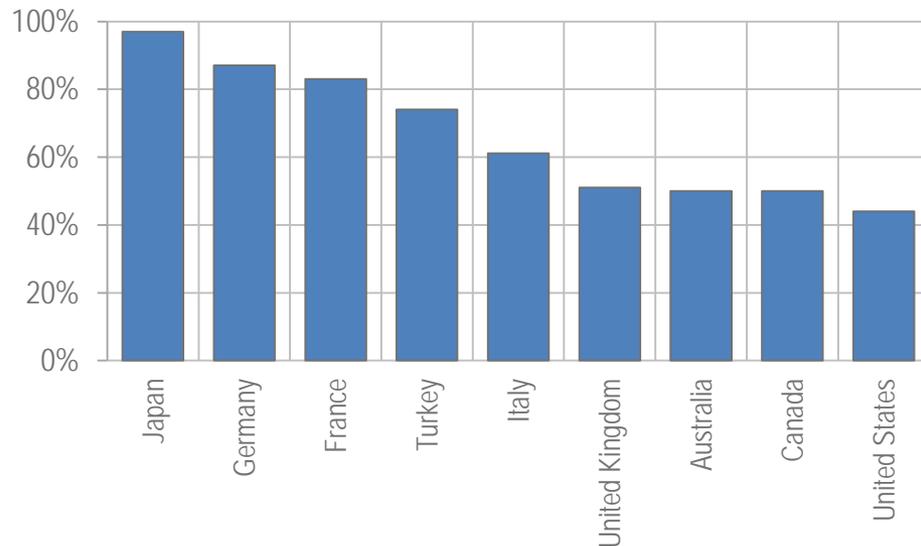
Source: OECD Survey of Adult Skills (PIAAC), 2012.



Apprenticeships can give youth a better start in work but completion rates vary considerably across countries

Apprenticeship completion rates, based on questionnaire replies
Percentage of starters who complete the programme, 2013 (or latest year available)

	Apprentices as a percentage of employed	Completion rate
Australia	2.21	50%
Canada	0.50	50%
France	1.06	83%
Germany	1.36	87%
Italy	1.18	61%
Japan	0.01	97%
Turkey	0.34	74%
United Kingdom	1.82	51%
United States	0.11	44%



Employability of those who complete apprenticeship programmes is generally high:

Brazil: 80% find a formal contract within two years

France: upon finishing the programme, 61% find work, 25% are looking, 14% inactive

Germany: dual system is one of the main reasons behind low youth unemployment

Japan: 97% of those who complete find work

United States: 88% of completers find work and 88% retain employment



The challenges for an effective apprenticeship scheme

Ensure coverage

Apprenticeships are usually limited:

- To youth aged 15-24
*excludes older workers
limits a second chance*
- To certain educational pathways
*excludes drop-outs and
vulnerable youth*
- To particular occupations
*may exclude innovative
and attractive occupations
and those facing skills
shortages
may exclude women if
underrepresented in those
occupations*

Enhance value to youth

Despite high quality, youth find little value if:

- Apprenticeships are selection-by-failure option to higher-prestige academic programmes
- Apprenticeships do not provide recognised qualifications
- Wages and working conditions are not attractive compared to other work options
- Skills acquired are too specific and not transferrable

Make them attractive to employers

Employers might not be willing to hire apprentices if:

- Youth lack basic skills
- Cost of apprenticeships is not equally shared among employers, the public sector and apprentices
- Apprenticeship contracts are too rigid (in duration, for example)
- Employers are not involved in the development of the programme



Overcoming these challenges: experience from across the world

Ensuring coverage, especially for disadvantaged youth

No age restrictions (Australia, Canada, Finland, Germany, New Zealand, Switzerland, the United States)

Loose age restrictions for sectors with skills shortages (Northern Ireland) or for individuals with disabilities (Brazil)

Replace educational requirements with **work experience** (England, Ireland)

Facilitate participation for **disadvantaged** youth (Australia, Germany)

Special provisions and incentives for apprenticeships in **occupations with skills shortages** (Australia, Northern Ireland, the United States, Turkey)



Overcoming these challenges: experience from across the world

Enhance the value of apprenticeships to youth

Apprenticeships lead to **recognised certificates or qualifications** and offer training that is not too narrow in focus, offers training that is both on- and off-the job and is well articulated with the formal education system (Australia, Japan, the Netherlands, Switzerland)

Ensure **high completion rates** and high rates of employment after completion

Ensure apprentices receive a **decent pay and working conditions** relative to other people carrying out the same tasks and to other employment that does not offer training (Italy)



Overcoming these challenges: experience from across the world

Make apprenticeships attractive to employers

Ensure youth have basic skills through pre-apprenticeship programmes
(Germany, United States)

Share the training costs equally between employers, apprentices and the public sector and offer financial incentives to hire apprentices (Canada, Germany, France, Russian Federation)

Add flexibility to apprenticeship contracts (Australia)

Include employers and trade unions in the discussion, management and development of apprenticeship systems (Germany, the United States)

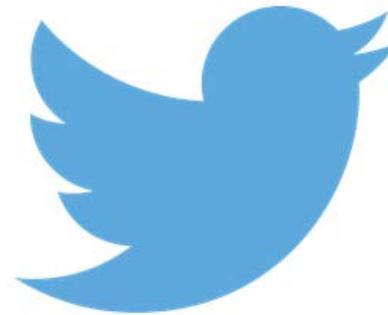
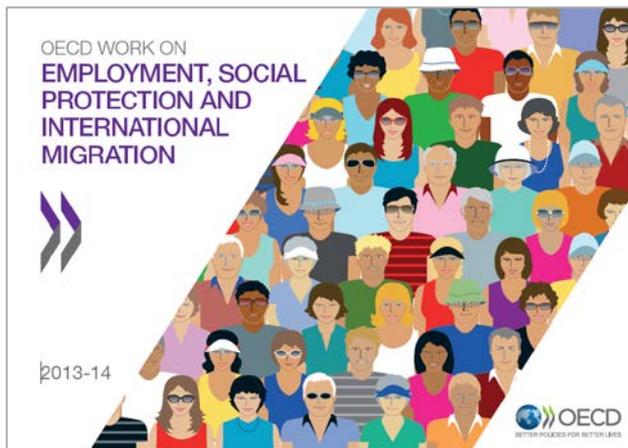


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OECD work on youth employment

www.oecd-ilibrary.org

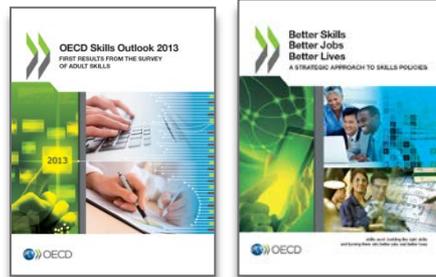
Country reviews on:

- Jobs for Youth
- Learning for Jobs
- Skills beyond School
- Investing in Youth in Emerging Economies
- Social Policies for Disadvantaged Youth



Work on skills:

- *OECD Skills Outlook*
- *OECD Skills Strategy*



Background reports for G20 on:

- Youth employment
- Activation strategies

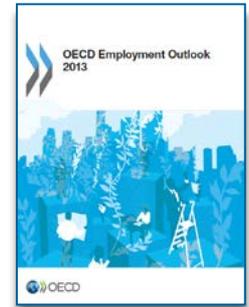




Other OECD work on labour market and social policy issues

www.oecd-ilibrary.org

- ❑ *OECD Employment Outlook* - monitors recent labour market trends and provides analysis of key policy issues



- ❑ Country reviews on:

- Mental health and work
- Displaced workers
- Older workers
- Activation
- Pension reform



- ❑ *Divided We Stand*



- ❑ *Pensions at a Glance*



- ❑ *Society at a Glance*



- ❑ *Closing the Gender Gap*



- ❑ *Doing Better for Families*

