

# YOUTH APPRENTICESHIP

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# ABOUT



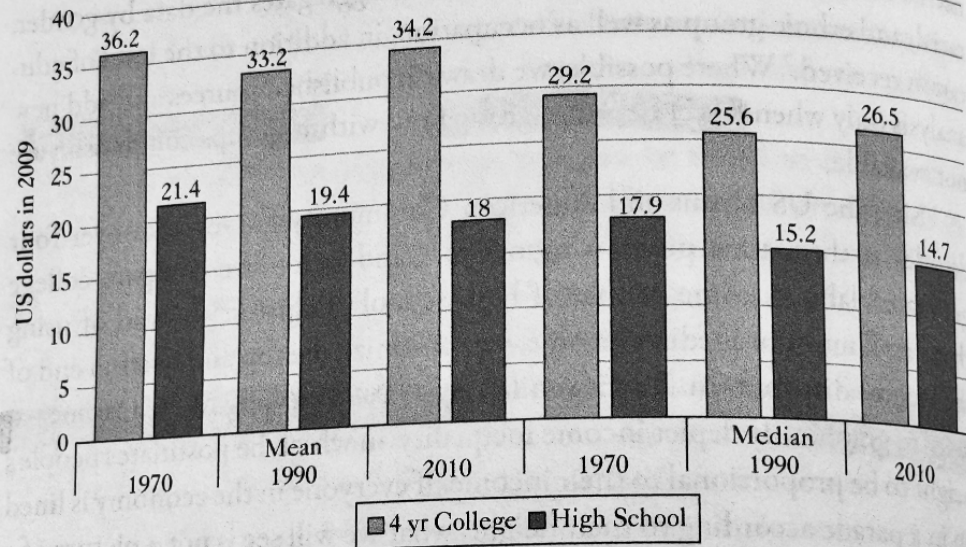
**Tom Bewick** is Visiting Professor in Skills and Workforce Policy at Staffordshire University and a fellow of the Royal Society of Arts. He was a skills policy adviser to the UK Labour Government (1997-2001); Director of Skills, Thames Gateway, Learning and Skills Council (2002-03); Chief Executive of the Sector Skills Council for the Creative & Cultural Industries (2004-2010); Chief Executive, International Skills Standards Organisation(2011-2015); International TVET consultant (2015-18); Chief Executive, Federation of Awarding Bodies (2018-23). His academic and research interests include apprenticeship policy; human capital theory; social policy and skills ecosystems.



**Professor Lerman** conducts research and publishes on employment, income support, and youth development, especially as they affect low-income populations. In the 1970s, he worked on reforming the nation's income maintenance programs and on youth employment policies as staff economist for both the Congressional Joint Economic Committee and the U.S. Department of Labor. He was one of the first scholars to examine the patterns and economic determinants of unwed fatherhood and to propose a youth apprenticeship strategy in the U.S. He is currently an Institute Fellow at Urban Institute and a Research Associate at IZA in Bonn, Germany. Dr. Lerman is the current Chair of Apprenticeships for America.

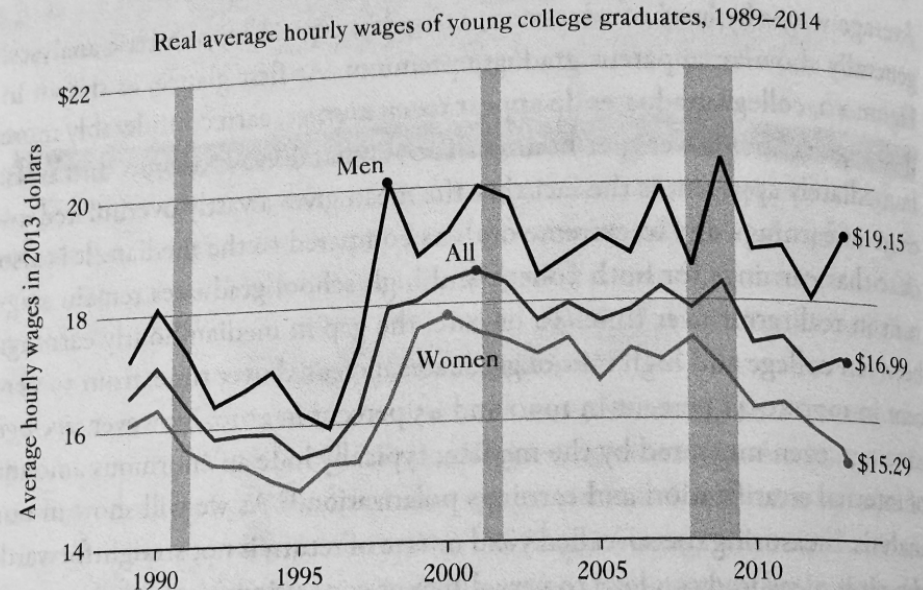
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# WAGE RETURNS TO US COLLEGE GRADS



**FIGURE 4.1** Mean and median hourly earnings (in 2009 USD) for college and high school graduates.

Sources: IPUMS USA US census 1970, 1990 1% metro sample; the American Community Survey (ACS) 2010, (weighted), Ages 18–64.



**FIGURE 4.2** Falling rates of return to young college graduates since 2000.

Source: Economic Policy Institute, *The Top 10 Charts of 2014* (Washington, D. C., December 18, 2014), 8.<sup>11</sup>

Figure 4.1. shows that, on average, US College graduates earn more than High School graduates.

Figure 4.2. shows that the return to four-year-college degrees has been declining since 2010

Source: Brown, Lauder and Cheung (2020) 'The Death of Human Capital?': Oxford University Press



# COMPARING APPRENTICESHIP SYSTEMS

*‘MANAGED MARKET ECOSYSTEM’ versus ‘OPEN MARKET ECOSYSTEM’*

<b>INTERVENTION</b>	<b>ENGLAND</b>	<b>UNITED STATES</b>
<b>Apprentice Legislation</b>	Yes – (2009; 2022)	Yes – (1937)
<b>Apprenticeship / legally protected term</b>	Yes	No
<b>National Funding Pot for Employers to draw on (Levy)</b>	Yes 0.5% employer payroll >£3m	No Multiple sources
<b>Defined Industry Standards</b>	Yes Standards set by IfATE	No
<b>National Vacancy Matching Service</b>	Yes UCAS	No
<b>Minimum Off-Job-Training</b>	Yes – 20%	No
<b>External Inspection of Quality</b>	Yes – OfS/ Ofsted	No
<b>Independent End-Point Assessment</b>	Yes EPAOs	No
<b>Govt. Marketing Budget</b>	Yes	No
<b>Apprentice Employed Status</b>	Yes	Yes

# PATHWAYS FROM UPPER-SECONDARY EDUCATION - ENGLAND

Youth Apprenticeships (16-19 years-old) in England are offered at Level 2 and 3

The Institute for Apprenticeships and Technical Education has approved **470 Standards at this Level** (as of 4/9/24).  
Examples include:

1. **Dental Nurse** – Level 3 (18 months); £8000 max funding.
2. **Furniture Making Operative** – Level 2 (24 months); £18,000 max funding
3. **Craft Painter and Decorator** – Level 3 (24 months); £18,000 max funding
4. **Barbering Professional** – Level 2 (18 months); £9000

Level	Qualification / educational route				
8	Doctorate (PhD)		NVQ 8		
7	Masters degree (MA)		Degree apprenticeship / NVQ 5, 6, 7		
6	Bachelors degree BA or BSc				
5	Foundation degree FdA or FdSc	Higher National Diploma (HND)			
4		Higher National Certificate (HNC)	Higher apprenticeship / NVQ 4		
3	A levels Grades A-E	International Baccalaureate	T Levels	BTEC diploma BTEC certificate	Advanced apprenticeship / NVQ 3
2	GCSE Grades 4-9 (C, B, A or A*)			BTEC first diploma	Intermediate apprenticeship / NVQ 2
1	GCSE Grades 1-3 (D,E,F or G)			Foundation diploma / entry level qualifications	Traineeship / NVQ 1
	Academic route		Vocational route	Applied / work route	

In England, it is now possible to undertake Apprenticeship from entry Level 2, up to Degree Level 6 & 7

England has an 'all-age, all-levels' system. No 'class' ceiling.

# DECLINING YOUTH APPRENTICESHIP

Decline for all ages. Worse for Under-19. c. 70% decline in starts between 2015/2023

## Apprenticeship starts by age and level

England, 2015/16 to 2021/22

	Academic Year							
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total starts	509,400	494,900	375,800	393,400	322,500	321,400	349,200	337,100
By level								
Intermediate Apprenticeship	291,300	260,700	161,400	143,600	99,200	84,200	91,500	76,300
Advanced Apprenticeship	190,900	197,700	166,200	174,700	140,800	138,500	151,300	147,900
Higher Apprenticeship	27,200	36,600	48,200	75,100	82,500	98,800	106,400	112,900
By age								
Under 19	131,400	122,800	106,600	97,700	76,300	65,200	77,500	77,700
19-24	153,900	142,200	113,700	116,000	95,300	94,600	106,300	98,800
25+	224,100	229,900	155,500	179,700	151,000	161,700	165,300	160,600

Period Youth  
Wage Subsidy  
Operated

## REASONS FOR DECLINE

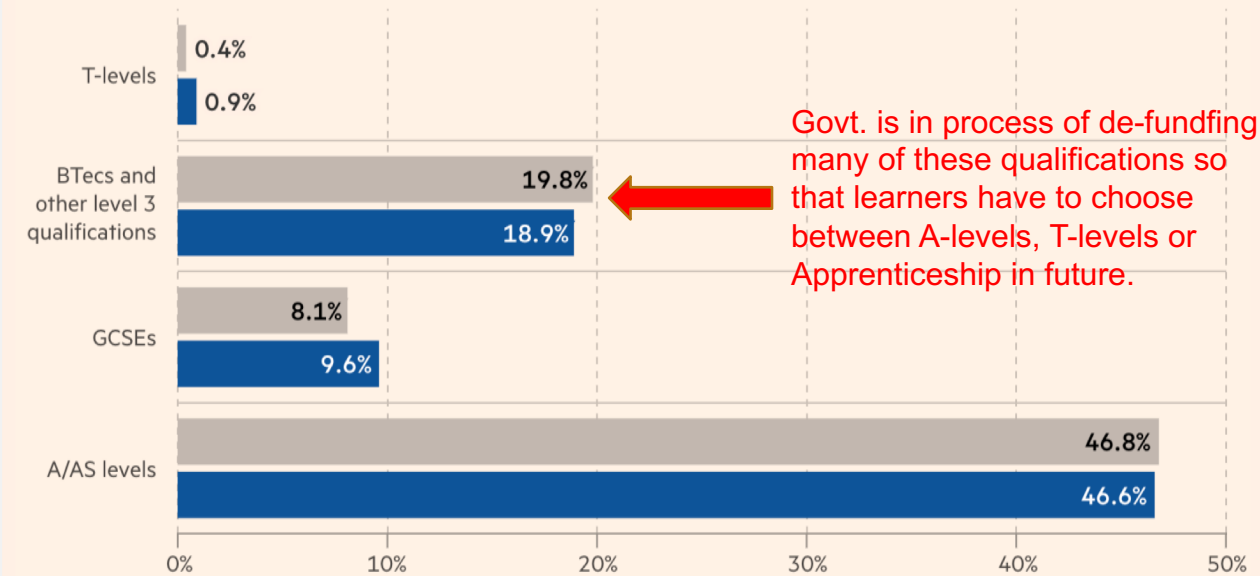
- Since 2017, when the Levy & Standards came in, employers have “purchased” apprentice training using their “digital accounts” – they have increasingly preferred to “buy” higher level Standards, to train existing and older workers (aged 25+)
- Govt. policy of introducing full-time study program T-levels for students 16-19 years old with aim of *redirecting* young people from full-time (paid) work-based apprenticeship, & other voc. qualifications like BTECs, to these new (unpaid) govt. backed T-level courses.
- A temporary ‘wage subsidy’ aimed at *youth apprentices (under-24)* during the pandemic did increase numbers, but was terminated by the Treasury.
- A skeptical person might conclude that this was deliberately engineered by policy-makers to redirect more resources into the FE (community) college system, since they are monopoly providers of T-levels and other study programs.
- Recent election of a Labour Government has pledged to reverse this trend, by setting up a new body called *Skills England*. But it is unclear how this can be achieved while focus remains on channeling about 300k students into T-levels and the other half of the age cohort into A-levels. Youth Apprenticeship remains *squeezed* in this scenario.

# ARE 16-19 YEAR OLD STUDENTS VOTING WITH THEIR FEET?

Only a tiny fraction of students in England are studying T-levels

Share of 16- and 17-year-olds in full-time education

■ 2021 ■ 2022



FINANCIAL TIMES

Source: Department for Education



## ROLE OF INTERMEDIARIES

- Training Providers and Community Colleges ‘create demand’ by ‘selling’ apprenticeship model to Employers.
- Intermediaries draw up an Apprenticeship Agreement, which sets out the Standard to be trained on and the Assessment methodology to be followed.
- Employer pays 5% towards the Related Instruction (Levy paying employers it is free).
- The Intermediary receives the RI subsidy directly from the government (mediated via a secure online ‘digital account’).
- All Apprentices must go through an ‘end-point test’ or exam, undertaken by an End-Point Assessment Organization (EPAO).
- This is to ensure that providers do not ‘mark their own homework’, so is seen as a quality assurance matter.
- Only 57% of Apprentices who start on program in England successfully ‘achieve’ their EPA. Drop-out rates are high compared to full-time academic courses.

## CONSIDERATIONS

- **Wage subsidy** for Youth Apprentices to incentivize employers, in addition to 100% tuition costs?
- What is the most effective **delivery infrastructure** from K10-12 into Maryland Youth Apprenticeship?
- Set up a **dedicated intermediary / agency** to undertake the Employer interface and 'selling' role? (e.g. Apprenticeships Carolina).
- Consider **Group Training Model(s)**. This entity acts as the employer of the apprentices. It provides a better chance of placing apprentices with firms. Safeguarding and other quality assurance issues can be addressed within this model in a standardized way (England and Australia operate apprentice (GTAs)

## PUBLICATIONS

- Bewick, T. (forthcoming) 'Skills Policy in Britain: A historical-political analysis', Bristol University Press
- Bewick, T. and Gosling, M. (2023) 'Running to Stand Still: UK Productivity & Investment in Training', London: Federation of Awarding Bodies
- Craig, R. and Bewick, T (2018) 'Making Apprenticeships Work: Five Policy Recommendations', USA, Inside Higher Education
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- Bewick, T. (2015) 'World-Class Apprenticeships: are they the answer to the age of stagnation? London: City & Guilds
- Bewick, T. et al. (2013) 'Transnational Skills Standards: tackling the global talent gap', London: INSSO; Foreword by Rt. Hon Gordon Brown, former British Prime Minister and UN Global Envoy for Education.