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policy brief

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Learnerships and apprenticeships: Key mechanisms for skills development and capability building in South Africa

It is now widely accepted that the skills of the workforce are a critical determinant of global competitiveness…
(Kruss et al. 2012: ix)

Introduction

In post-apartheid South Africa, skills development policy, learnerships and apprenticeships are key policy mechanisms intended to enhance employability in an inclusive manner, to equip unemployed young school leavers with skills, and to upgrade the capabilities of those already employed. Learnerships are an integrated programme of theoretical and workplace learning across all skills levels and occupations, while the apprenticeship system is a specific mechanism meant to produce intermediate level artisanal skills.

To date, many young people have perceived these skills development interventions to be of a low status. The data on pathways into these systems show that they are not perceived as a preferred post-school certification option that will open up job and life opportunities (Kruss et al. 2012). Their perceived value in the labour market is highly variable, with some arguing that learnerships are untested and that apprenticeships are outdated and still need to be modernised. Research has tended to emphasise the market failures accompanying their implementation in the context of an economy driven by racial inequalities and high unemployment (Akoojee et al. 2005; Badroodien & McGrath 2005; Kraak 2008a, 2008b).

Contrary to these widespread negative perceptions of learnerships and apprenticeships, research on access, success and labour market transition highlights positive achievements with the potential to be up-scaled. This policy brief focuses on the positive performance and potential of the learnership and apprenticeship systems, based on a large-scale longitudinal study covering the period of the National Skills Development Strategy II (NSDS II) – 2005 to 2010. The study adopted a framework and methodology of pathway systems (Kruss et al. 2012). Full details of the methodology, samples, data sets and analysis of data trends for the period of NSDS II are available in a set of technical reports (Wildschut et al. 2011; Janse van Rensburg et al. 2012).

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Using a pathways approach, the research yielded evidence of the positive extent to which these systems equip young people with the kinds of skills required to access the labour market, albeit in small numbers relative to total youth unemployment. The policy brief goes on to highlight ongoing systemic blockages. It furthermore proposes policy interventions that will allow for future expansion of enrolment, access and success, so that learnerships and apprenticeships can become viable institutional routes in the national post-school education and training system.

Learnerships and apprenticeships have high completion rates and lead to employment

Learnership and apprenticeship systems reach official targets for enrolment and completion

Aggregated across the system, we found that official targets set by Sectoral Education and Training Authorities (SETAs) and the Department of Labour for learnership and apprenticeship enrolment have in general been met, and in some cases even exceeded.[1] Participants are also successful in completing these programmes. Around two-thirds (65%) of a sample of those who registered for a learnership in the first year of NSDS II in 2005 had completed the qualification by 2007. By 2010, 86% of the cohort had completed the qualification. These completion rates are high, particularly in comparison with the higher education sector, where, according to a Council on Higher Education (CHE) report on curriculum structure, drop-out rates are high and completion may take extended periods (CHE 2013). We conclude that a high proportion of participants saw sufficient value in their learnerships and apprenticeships such that they completed the qualification. The question remains whether these young people were misguided in such an assumption: Do these skills development programmes lead to employment or other opportunities?

Learnership and apprenticeship systems lead to employment

We tracked the trajectories of individuals after they completed these qualifications, with a hypothesis that it might be difficult for them to access the labour market. In fact, it was evident that the majority of apprenticeship and learnership participants (70% and 86% respectively) who completed their qualification experienced a smooth transition directly into stable employment. For example, 90% of those who completed a learnership reported that they were employed in permanent positions. Most were absorbed by the formal sector in large private firms or by the public sector. Just over half were employed at the same workplace as their experiential training.

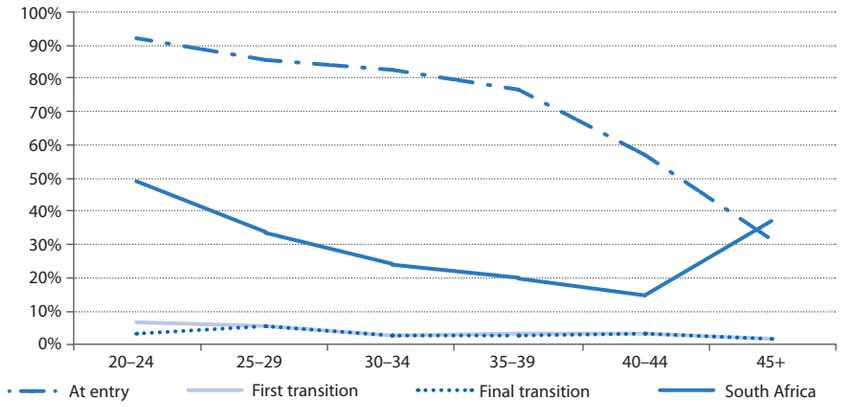
We found on aggregate that participation in both systems decreased the unemployment rate of young participants, although the learnership system has a more significant impact. Figures 1 and 2 show the unemployment rate relative to the national age norm for three groups – those who entered a learnership or apprenticeship as unemployed (Section 18.2), those unemployed after their first transition on completion of the learnership or apprenticeship, and those unemployed as their final labour market outcome at the time of our survey in 2010. In general, it is evident that these skills development systems are producing employable individuals – or at least, equipping individuals to enter employment.

1 For 2009/10, the targets for learnership registration and completion were 28 019 and 17 002 respectively, of which totals of 43 569 (155%) and 28 410 (167%) were achieved. For apprenticeships, the 2009/10 registration target was set at 10 540 and 9 316 (88%) was achieved; the completion target was set at 6 688 and 3 432 (51%) was achieved.

Participants in learnerships and apprenticeships have successfully shifted from a disproportionately high unemployment rate to a rate of employment higher than the equivalent national population. This is despite the context of global recession and economic downturn in South Africa by 2010. It stands in contrast to low formal employment rates (48%) recorded in 2009 for individuals completing a qualification in the FET College sector (Gewer 2010).

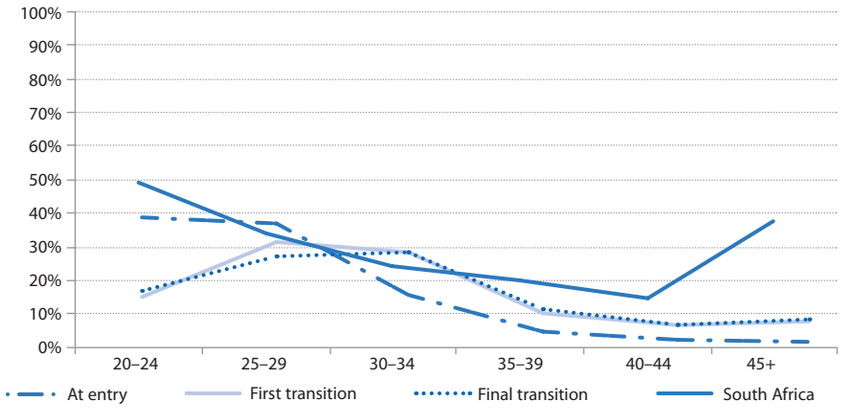
These positive outcomes highlight the potential value of extending the scale of learnerships and apprenticeships to offer substantive skills development pathways to a larger proportion of the youth than at present.

Figure 1: Comparative unemployment rates: learnership participants



Source: Kruss et al. (2012)

Figure 2: Comparative unemployment rates: apprenticeship participants



Source: Kruss et al. (2012)

Limited reach of opportunities

The evidence is not all positive. Indications are that currently the learnership system caters for a total enrolment ranging between 44 000 (2010) to 55 000 (2005) learners, while the apprenticeship system is much smaller, catering for approximately 9 000 to 12 000 new learners per year. The total registration for the two systems per year is insubstantial if we compare it with the total enrolment in public higher education institutions (approximately 840 000 for the same year). These figures underscore how small the learnership and apprenticeship systems

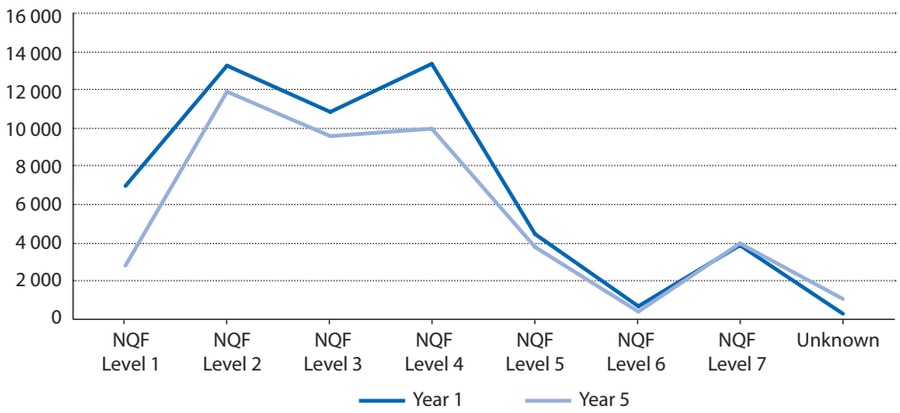
still are relative to the mass demand from young people for training and certification to enhance labour market access.

The nature of capability building leading to employment

Policy concerns around a skills crisis – that South Africa is not producing enough of the right levels and kinds of skills to support global competitiveness and economic development – have intensified over the past five years. 'Skills shortages' have been recognised as a critical constraint on firms' responses to new technological challenges and hence to global competitiveness. While there is acknowledgement of the need to increase the overall skills levels of our entire populace in the long term, it is also increasingly recognised that in the South African context, a multi-level skills strategy is required (Kraak 2005). In other words, it is not simply the case that more individuals should have qualifications at higher levels, but that at each level of the workforce, new kinds of skills are required for technological advancement and moving the economy as a whole to higher levels of development (Lall 2001). Hence, what is equally important is whether learnerships and apprenticeships are developing new kinds of skills and capabilities through the integrated training offered, at basic, intermediate and/or high level skills.

Here the trends are more negative. Our analysis reveals that these qualifications are not spread across skills levels, in relation to firm demand for skilling and upskilling across all levels of the workforce. The majority of learnership enrolments are at the basic and intermediate skills levels and there is a shift towards enrolment at lower National Qualifications Framework (NQF) levels. Figure 3 reflects the pattern of enrolments in 2005 and 2010, Year 1 and Year 5 of NSDS II respectively. A previous assessment during the period of NSDS I found similarly that individuals take part in learnerships at lower skills levels than they may already have attained (HSRC 2007). The learnership system thus provides more basic skills level certification opportunities.

Figure 3: Shifts in learnership participation over time, by NQF level



Source: Janse van Rensburg et al. (2012)

A better match between firm demand and apprenticeship provision could be expected. The study confirmed that the overwhelming majority of apprenticeship programmes are in the national priority areas, clearly aligned to artisanal skills needs. However, if the total artisan-related training during NSDS II was estimated at 37 800 (Elliot 2009), apprenticeships contributed roughly a quarter of the training. The apprenticeship system thus remains small and is not yet capable of attracting or registering sufficient numbers annually to meet the projected

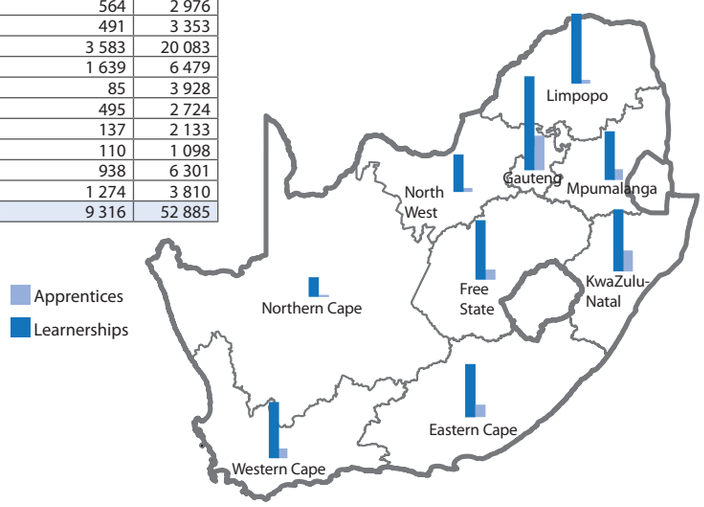
critical shortage of 50 000 to 60 000 artisans by 2010 (JIPSA 2010).

A poor focus on vulnerable constituencies

A major limitation in the implementation of the learnership and apprenticeship systems is that they do not enable equal labour market access for all participants, particularly vulnerable constituencies and those who experience social inequality on the basis of race, gender and class. In this regard, the data confirmed a limited geographical spread of learnership and apprenticeship opportunities, concentrated in metropolitan areas in three more densely populated and affluent provinces. Almost 60% are provided in Gauteng, Western Cape and KwaZulu-Natal (see Figure 4). There is very little provision of or access to programmes in the poorer provinces where they may be needed most, in order to contribute to regional, and particularly rural, economic development.

Figure 4: Distribution of enrolment in learnerships and apprenticeships across South Africa: 2010

Province	Learnership registrations	Apprenticeship registrations	Total
EC	2 412	564	2 976
FS	2 862	491	3 353
GT	16 500	3 583	20 083
KZ	4 840	1 639	6 479
LP	3 843	85	3 928
MP	2 229	495	2 724
NW	1 996	137	2 133
NC	988	110	1 098
WC	5 363	938	6 301
Other	2 536	1 274	3 810
Total	43 569	9 316	52 885



Source: Janse van Rensburg et al. (2012)

The survey confirmed that those participating in high-level skills learnerships and those employed at registration are more likely to be white and male, and gender and racial differentiation between sectors still largely reflects traditional occupational patterns. African learnership participants complete a qualification at a significantly lower rate and have more complex trajectories than other race groups, and socioeconomic status continues to be closely related to earnings potential.

Our analysis points to the possibility that access to the labour market is moving away from former race-based to a class-based form of discrimination, as the socio-economic status of participants is found to be a strong predictor of employment and labour market success. However, the continuing close intersection between race and socioeconomic status confounds a clearer assessment.

In sum, although many who obtain these qualifications are accessing the labour market, these skills development systems still appear limited in their reach and impact. They do not always function effectively and they need to be refined and better targeted if they are to be

extended to include more young people more effectively to support economic growth.

Conclusion

Our study can inform current national policy goals to create 'a skilled and capable workforce to support an inclusive growth path' (NPC 2011). The evidence and analysis illustrate the potentially valuable contribution these systems can make to skills development in the country, but equally paint the complexity of the relationship between qualifications and labour markets. Our research illustrates the dangers of simplistic policy assumptions, of an overemphasis on target setting as a policy mechanism, and of a reliance on aggregated measurement of performance and outcomes.

Taken as a whole, the learnership and apprenticeship pathway systems are meeting national aggregate performance targets set by SETAs. They have increased access to vocational training and skills development for females, members of the black community and individuals of low socioeconomic status, whose participation in these two systems is proportionately greater than their participation in FET or higher education systems. However, these national performance targets are limited – they do not take the demand for new kinds of skills and capabilities from specific sectors sufficiently into account. They also do not take into account the high demand for education and training on the part of very large numbers of young (potentially unemployable) school leavers. Aggregate measures across the system mask the complex patterns of access and success highlighted by an analysis of individual and group trajectories.

Our research suggests that there is value in extending the scale and reach of the skills development systems. To do so, the limitations and constraints of the learnership and apprenticeship systems will need to be addressed in order to encompass more young people on a more equitable basis and in a more effective way. The recommendations that follow in this brief propose critical areas for policy intervention based on our analysis.

A critical constraint is that positive employment outcomes are least likely and more complex 'zigzag' trajectories are most likely for

- women;
- those with low socioeconomic status;
- those who are African;
- those with low educational levels; and
- those in low-status occupations and sectors.

These constraints point to the importance of more nuanced and more strategically targeted interventions in specific sectors. Setting targets informed by analysis of sectoral, spatial and equity trends is required.

There also needs to be a stronger alignment between SETAs, education and training providers and companies in determining and regularly updating curricula frameworks and assessment standards so that they match industry demand and, particularly, keep pace with shifting global technological developments.

Our analysis illustrates that the institutional and structural arrangements between education and skills development, the labour market, the production system and other social and economic institutions do not always facilitate appropriate, responsive and up-to-date development of skills and capabilities. These trends point to the significance of strengthening labour market institutions and the interaction between them. Critically, the trends in learnership and apprenticeship participation emphasise the importance of identifying better mechanisms to support the labour market transitions of those who are most vulnerable in terms of race, gender and socioeconomic status in order to shift patterns of exclusion and enhance equity.

Recommendations

We recommend the following policy interventions to facilitate the expansion of the learnership and apprenticeship systems:[2]

1. Identify ways to extend the reach of SETAs into all nine provinces, to offer skills development opportunities on a more inclusive and decentralised basis.
2. Shift the balance of learnership programmes offered at basic and intermediate skills levels towards more opportunities at the intermediate and high skills levels, in order to facilitate better articulation in the post-school system.
3. Extend knowledge and shift general perceptions of young people, their parents and employers to promote learnership and apprenticeship as viable and valuable post-school vocational education and training options.
4. Enhance the capacity of SETAs to market skills development programmes more effectively, particularly a public interface for enrolment.
5. Strengthen shifts towards more equitable gender, racial and socioeconomic status patterns of enrolment, particularly in priority sectors.
6. Strengthen the mechanisms for the transition of qualified apprentices into stable labour market opportunities.
7. Identify mechanisms to support the labour market transitions of those who are most vulnerable in terms of race, gender and socioeconomic status in order to shift patterns of exclusion and enhance equity.
8. Strengthen the structures, frameworks and (internal and external) mechanisms that enhance interaction between SETAs, companies, education and training providers, and intermediary organisations to improve quality curriculum and assessment standards.

2 These recommended policy interventions are taken from the 2012 Kruss et al. research report.

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