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# Robert Halfon – 2023 Speech at the German Industry UK Panel Discussion on Apprenticeships and Skills

[March 27, 2023](#)

*The speech made by Robert Halfon, the Minister for Skills, Apprenticeships and Higher Education, in London on 27 March 2023.*

## **Introduction**

Thank you, Ambassador [Miguel Berger, German Ambassador and Patron of German Industry UK] for that introduction. I'm delighted to be here today, in such good company, to talk about my favourite subjects: apprenticeships and skills education. I want to explain why they are valuable to the United Kingdom and to me – and what we are doing to ensure their value is widely recognised.

## **German technical education**

Let me start by saying that I love German technical education – whether that's the dual system or full-time vocational schools. Presenting technical routes alongside academic ones from adolescent means there is no false hierarchy between the two. There is less snobbery

about studying for a technical or vocational role, one that will advance industry and, by extension, the economy. And there is no hesitancy about showing the world of work to younger teenagers – an environment they are expected to take seriously, but where they're also taken seriously too.

When I visited Germany in 2018 I found it inspiring. 14 year olds on placements with local companies, getting their first taste of the real working world and the respect that comes with skilled labour. Being shown the iterative process of building their understanding and technical abilities simultaneously.

I remember asking businessmen at the Chamber of Commerce why they were providing placements. After all, there was no financial incentive to host these youngsters.

I was met with incredulity.

“What do you mean, why?”

“We must do this, it's for the next generation!”

So ingrained is the German sense of civic duty to pass on an understanding and respect for industry, they didn't understand the question.

I truly admire that meshing of business and education culture.

“Eine Symbiose” you might say.

A common acknowledgement that one feeds the other, and both benefit.

The figures speak for themselves.

More than 40% of young Germans' highest qualification is a vocational one. And more than a third of these are Higher Technical Qualifications. Around a quarter of our young adults have a vocational qualification as their highest, with only a quarter of these being a Higher Technical Qualification.

Just 8% of your young people are classified as not in education, employment or training. And the German vocational education system opens up many more career paths than equivalents in other OECD countries, because it's been developed hand-in-glove with local industries for many decades. This results in your exceptionally low unemployment rate for school leavers, of just 3%. Overall youth unemployment in Germany was just 5.7% in January this year, the lowest in the EU.

I want the United Kingdom to have a piece of this pie. I have championed apprenticeships throughout my time in Parliament – for their social good as much as what they can give to commerce. Having been Minister at the start of our skills reforms in 2016, it's great to be back in government to see them bearing fruit.

**Apprenticeships and the Skills Revolution**

In the last half decade we have revitalised the apprenticeships system in England, alongside establishing Institutes of Technology to provide prestigious Higher Technical Qualifications. We've also introduced T Levels, a new high-quality Level 3 qualification for 16 year olds. With time spent in the classroom and on industry placement, these new courses emulate some aspects of your dual system. Responsibility for education is devolved to the governments of Scotland, Wales and Northern Ireland, and they too are committed to delivering high quality skills education and apprenticeships.

Whenever I talk about skills education, I present my vision through the Ladder of Opportunity. It's a framework for what we need to build a robust technical education system, to raise skills levels and boost economic growth. Crucially, the ladder must bring progression opportunities to the most disadvantaged in society, so they can reach the top to enjoy sustainable, skilled, high-waged employment.

I won't take you through the whole framework, but I'll focus on those parts that have driven our reforms and my enthusiasm for apprenticeships.

Social justice is a key pillar of the Ladder of Opportunity, one that holds the whole thing up. I don't know what the discourse is like in Germany, but here we can spend too much time talking about 'social mobility'. I think this can have class connotations, suggesting that those who are 'mobile' can pull themselves up by their bootstraps to get on in life. Social justice is about bringing opportunities to the people who need them most.

The most disadvantaged, who may not have done well at school, and may not have good connections at home – or even a steady homelife. People to whom the education system must bring opportunities, because no one else will. The bottom line is that no one should feel their circumstances leave them unable to improve their skills and employment prospects.

Apprenticeships are an excellent conduit of social justice. They have a clear progression path, which can be built on to reach degree-level expert roles. Apprentices earn while they learn, without acquiring student debt. And as well as introducing learners to an industry, apprenticeships also introduce them to an employer. In Germany, 74% stay on at the firm where they did their apprenticeship. This rises 82% in manufacturing, 87% in construction, and a whopping 96% in public administration.

I think this is an often overlooked part of apprenticeships' unique value. For those without guidance or connections to where they want to work, it is so important. That is why we provide additional funding to employers and providers who take on apprentices who are young, have disabilities, or were cared for by the state. And this year we'll raise the apprenticeships bursary we provide to care-leavers to £3,000, to help cover living costs that are usually met by family.

One rung of the Ladder of Opportunity is the quality of skills education – something we set-out to raise with our reforms. In the early 2010s we had lots of people doing 'apprenticeships' that weren't worth the name, devaluing the brand for both learners and employers.

To reinvigorate apprenticeships we went back to basics. What skills were employers seeking? What training had fallen away, and what was newly needed? We worked closely with industry to answer to these questions and design new apprenticeship standards. We now have over 600, carefully constructed to meet employers' needs. They are rigorous and challenging

for learners, to build respect on all sides for the programme. As in your technical education routes, the standards are complemented by a thorough end-point assessment, where apprentices must demonstrate full competence in their role.

Training is now delivered by registered providers that are regularly inspected to ensure quality is prioritised. And we've put apprenticeship funding on a sustainable footing through the Apprenticeship Levy, increasing investment to £2.7 billion by 2024-25.

Another a key rung on the Ladder of Opportunity is to champion apprenticeships and the skills employers need. We still have to get the word out about what we're doing and why. While some established companies have a fine tradition of nurturing apprentices (much like the civic duty I mentioned earlier) many newer businesses don't recognise their relevance. It's key that we engage these, so the programme can fulfil its purpose to supply people with the skills needed right now.

We're particularly keen to get small and medium enterprises (or SMEs) onboard, who are more likely to employ younger apprentices and those from disadvantaged areas. We're doing this by heavily subsidising the costs of training and assessment for their first 10 apprentices, exempting those below age 25 from National Insurance employment tax, and reducing these companies' administrative hiring burden.

### **Future challenges**

I believe our skills education reforms were long-over due. Skilled workers drive productivity, a problem we have struggled to solve. Your economy remains 19% more productive than ours.

But the need for an alert, flexible education system, that responds to the shifting jobs market, has become ever more acute. We are all part of a more competitive, global skills market. The way we work has changed, particularly in the last two years. The Fourth Industrial Revolution has already created new jobs and rendered others obsolete, making career change inevitable. The skills required today may not be the same as the skills needed tomorrow.

We want our apprenticeship standards to keep pace with what's required of workers. So we've asked the Institute for Apprenticeships and Technical Education to prioritise developing and reviewing the standards most crucial to meeting our future skills needs. This includes apprenticeship roles that support our target to decarbonise all sectors of the UK economy by 2050, so we can become 'net zero'. By the end of this month [March 2023] about 15 per cent of published standards will have been revised to reflect these needs.

We're also keen to promote new solutions for workers wishing to change careers, and employers wishing to retrain or upskill employees to fill skills shortages. Our Skills Bootcamps are free, sector-specific courses that last up to 4 months, with a job interview at the end. In the 2021-22 financial year, 16,000 people participated in Bootcamps. They are a different approach for matching workers to skills gaps, and cover training in construction, digital, and green economy skills – such as heat pump engineering. We hope to expand these opportunities through the skills devolution measures just announced in the Spring Budget.

Just as we're still refining our apprenticeships programme, I know you are not resting on your heels either. A key solution for both of our countries in this new, dynamic system is reforming the careers advice we provide.

Careers empowerment is the first rung on the Ladder of Opportunity – the first step into the world of work. We owe it to young people to arm them with good information on what they can expect at the end of their schooling.

I know that in Germany, job coaches from the local Agency for Employment get to know pupils in the technical lower secondary schools from age 12-14. This helps them, with the school, to build a path forward for each pupil, be that full time TVET [technical and vocational education and training] or an apprenticeship.

I am determined that careers information here becomes quality-assured, and always includes work experience, apprenticeships and other skills options. To help students find their path in life, we need to engage with them early, as you do, clearly presenting their routes and requirements for heading onwards and upwards.

We're also reforming the structures that have previously siloed technical and academic education. In a couple of years students will be able to apply for apprenticeships on the same online platform as university courses. From 2025, our Lifelong Loan Entitlement will allow flexible, modular student finance that facilitates lifelong learning, to respond to the economy's changing demands. Our broader vision is to develop a one-stop-shop, where citizens can explore all their career and training options at any point in their lives.

## **Conclusion**

As you can tell, we still have a way to go to build a globally competitive UK skills education system. But we are grateful for the useful example and generosity of spirit you have shown us. Whatever waves have crashed around Britannia in the last few years, those interested in this area have never lost sight of the work to be done, and of what we can learn from our neighbours. Most recently a group of our officials visited North-Rhine Westphalia to discuss technical education implementation with the regional Chamber of Commerce.

You'll be hearing shortly from Sir Michael Barber, who has been advising our government on the skills reform programme. I was delighted to [read recently](#) that Sir Michael sees this is as a moment when the stars are aligning for apprenticeships. We have a Prime Minister, Chancellor of the Exchequer, Education Secretary (the first to hold a degree level apprenticeship) and a Skills Minister (yours truly) who genuinely want to prioritise skills education across government. I'm glad to be in the right place at the right time to see this through, and will continue to look to your country's globally-recognised "gute Praxis" in order to do so.