**Apprenticeship Programmes (AP) and Skills Development Systems**

Apprenticeship Programs are “jobs that include structured on-the-job training combined with a share of related technical off-the-job training, to learn a skilled occupation that is certified and industry recognized” (Fazio et al. 2016 forthcoming). Apprenticeships are usually divided into two main types: (i) programs that are fully integrated into countries’ formal education systems (as in Austria, Germany and Switzerland) and (ii) programs that are targeted to out-of-school youth (as in the UK, Australia, Canada or the US).

In countries with well-established apprenticeship systems, the relationship between the apprentice and the employer is regulated by a formal job contract, which grants the apprentice very similar labor rights to those of a regular employee, including payment of a salary, workplace insurance, and vacations, among others. The apprentice receives a payment for the value of their productive contribution that varies over time as productivity increases and as more skills are acquired while learning on the job (Lerman, 2013, European Commission, 2015).[[1]](#footnote-1) The target age group for the apprentices varies across countries with a minimum age requirement (15 in Germany and Austria and 16 in most other cases) and without upper age limit for some countries (like the case of Australia, UK, Germany), while the average age is 20 years old in most countries.

Skills development programmes like apprenticeships - and pre-apprenticeships as part of AP- should be conceived within a broader strategy to strengthen countries' skills development systems. Different sources of analysis suggest that four critical functional areas are critical for successful skills development systems (Fieldsend, 2016): (i) labor market intelligence - especially with respect to the skills needs of the private sector - is collected systematically and acted upon; (ii) there is an 'unbroken thread' between the skills that employers need and the curriculum content of the education and training that is designed to meet those needs; (iii) the quality of all training provision can be relied upon and consistently meets the highest standards; and (iv) public funding is prioritized for skills training and contributes to a wider investment by society as a whole (including both employers and individuals).

One of the main elements of successful skills development systems is the active role that employers play in them, specifically in determining current skills needs, anticipating future skills needs, defining occupational standards, and shaping curricula, among other functions. Countries that successfully identify employers' skills needs develop mechanisms that allow a broad spectrum of employers to express and articulate their voice on skill requirements and in doing so generate inputs for decision-making. They also assess employer satisfaction in terms of how their skill requirements are incorporated and the results of this process (CEDEFOP, 2009a, 2009b; González-Velosa and Rucci, 2016). Many developed countries have carried out efforts to ensure the provision of skills at the sector level through Sector Skills Councils.

The establishment of quality assurance mechanisms within wider skills development systems is critical for the success of skills development programmes like apprenticeships and pre-apprenticeships. Comparative analyses of countries show that training systems for employment work best when incorporating the quest for quality at all levels: qualifications, institutions, instructors, training in the workplace, evaluation, accreditation and certification, and when the results are measured in terms of learning and performance in the labor market (IDB, 2013). Assessment may be summative (through a final examination or a practical project) or formative (through competence assessment as skills and knowledge is demonstratively acquired).

The methods of assessment and certification will be **in the context of the BH-L1037 for Bahamas** could be determined by the SSCs. An external body responsible for the assessment or moderation may issue the apprentice certificate. For example, this would be the case for an accredited qualification issued by City and Guilds (current examples in Bahamas in this process of external certification exist such as in the case of NTA/City and Guilds). Alternatively, the certificate may be issued by the Government via the Apprenticeship Board or the SSC. In all cases, the certifying body will be responsible for underwriting or guaranteeing the consistency and quality of the training and assessment.

**Further Evidence on the Effectiveness of Public Employment Services (PES)**

In LAC, several labour intermediation programmes have demonstrated the positive relationship between capacity building of PES and increased placement rates.[[2]](#footnote-2) PES have an important role in promoting labor productivity and reducing unemployment. By connecting job-seekers, employers, and other labour market actors (OECD, 2015), they allow companies to get workers with the right talent, and workers to find information about job opportunities. PES aim at making an effective match between job seekers and employers. While some jobs are low skilled and low waged (static), others require a wide range of skills that are constantly changing. As part of its functions, the PES give counseling to job seekers in order to find adequate measures to address skills challenges – including training programmes such as apprenticeships.

An evaluation in Mexico shows that these types of services help the unemployed find jobs with higher incomes relative to those using other search methods, but only found impact for men (Flores Lima, 2010).[[3]](#footnote-3) Another study found positive effects of LISs on the probability of finding formal work in Colombia (Pignatti, 2016) and yet others find that earnings for people who use LISs vs informal methods could be greater for workers with worse prospects in the labor market (Van den Berg and Van der Klaauw, 2006; Dolton and O'Neill, 1996). LISs are more effective in: (i) periods and areas where more vacancies are generated (Crépon, Duflo, Gurgand, Rathelot and Zamora, 2012; Flores Lima, Zamora and Contreras, 2013); and (ii) when they have a greater business-orientation, appointing specialized personnel to work with the private sector in order to capture vacancies (Behncke et al, 2007). LISs reduce the duration of unemployment and increases the rate of re-employment (Michaelides, 2013; Vikström, Rosholm and Savarer, 2011; Hägglund, 2011; Graversen and van Ours, 2008; Black, Smith, Berger and Noel, 2003). LISs need to be understood as a system including PES, private employment services (such as private employment exchanges or temporary placement agencies), and civil society organizations (CSOs) enabling linkages (ILO, 2012b). In this regard, PES benefit from strong labour market information systems that can enhance their ability to determine what skills are being demanded by an evolving labour market and diagnose when a worker is at a disadvantage.

PES are more efficient when integrated and coordinated. PES usually perform some combination of five different functions (The World of Public Employment Services, 2015):[[4]](#footnote-4) (i) job brokerage, (ii) provision of labor market information, (iii) design and implementation of ALMPs, (iv) management of unemployment benefits, and (v) management of labor migration. PES could strengthen the delivery of these functions by integrating and coordinating services. Many PES across G20 countries are delivered in "one-stop centres", where job brokerage, ALMPs, and the administration of unemployment benefits are integrated (OECD, 2015). The one-stop shop model has been implemented in developed countries as it has proven to increase efficiency in the provision of public employment services (Mazza, 2011).

**Further Evidence on the Labour Market Intelligence (LMI)**

Certain studies suggest that interventions geared towards informing young people and their families about returns to different educational options (for example, technical or general education, or which field to choose within technical education), providing vocational orientation, and providing information about earnings and employment rates per occupation, could be a cost-effective way of improving decision-making (Goux, Gurgand and Maurin, 2014; Jensen, 2010; Beyer, Hastings, Neilson and Zimmerman (2015).

The quality of LMI, and thus its ability to have a positive effect on skills development, has been shown to depend on country’s statistical capacity, which in turns has shown to be associated with government effectiveness. Countries that successfully identify employers' skills needs widely collect and disseminate different types of information about the current and future skills demand from a combination of data gathered from vacancy announcements records, questionnaires to companies, or quantitative prediction models (IDB, 2013). Moreover, countries with higher statistical capacity also enjoy higher quality government institutions, in addition to improved effectiveness on development outcomes.

1. **Skills development in The Bahamas**

In order to address its skills shortage, the country has recently advanced in designing and launching a public initiative called the National Training Agency (NTA), which works mostly with the unemployed population, in many cases for their placement into first job positions. The NTA, established in 2013, provides short-term job preparation skills for persons aged 16 to 26 by means of a 16 to 18 week programme that includes:

1. 4 weeks of mandatory soft skills training,
2. plus 10 weeks of specific skills training, and
3. 2 to 4 weeks of internship in select companies.

The programme, certified and assessed by City and Guilds, has presence in New Providence, Grand Bahama, Exuma and Eleuthera. The Bahamas could benefit from strengthening the role of the NTA in the country's skills development by building on the NTA's current programme and expanding it into a nationally recognized pre-apprenticeship programme designed to support entry-level jobs and underpin apprenticeships.

Vocational skills development in The Bahamas has also been supported by the Bahamas Technical and Vocational Institute (BTVI). The BTVI is the country's main technical and vocational training provider whose facilities are located in Nassau and Grand Bahama. It delivers occupational training to young high school graduates, non-completers, and adults. The bulk of students fall between 19-23 years of age and the institute enrolls about 1,700 students each year and graduates about 150 to 440 persons a year on average. These efforts are complemented by those of the College of The Bahamas (COB), NTA, University of the West Indies (UWI) - which offers a range of distance learning programmes -and a number of small private colleges which tend to focus on business, law and administration. Large employers from the hotel and tourism industry, like Atlantis, also have their own training institutes that cater to the needs of the industry.

The Bahamas has put in place governance mechanisms to support the delivery of the pre-apprenticeship and apprenticeship programmes. The Apprenticeship Act of the Bahamas, which is the legal framework to regulate apprenticeships nationally, came into effect on January 1, 1983. It establishes the creation of an Apprenticeship Board, which “shall consist of a Chairman and seven members who shall be appointed by the Minister and who shall hold office for such period, not exceeding three years”. The Board has among its functions to investigate and make recommendations to the Minister on any matters connected with the Act and on stipulations for apprenticeships in the country. The Apprenticeship Board, which is currently being re-vitalized, provides a central pillar for establishing the technical aspects of the programme and making decisions at the policy level. Any new programme needs to be underpinned by an amended version of the Apprenticeship Act.[[5]](#footnote-5)

The existence of strong private sector organizations is a first step in creating spaces for dialogue between employers in the same industry to identify current and future skills needs and contribute to the creation of curricula to address those needs. There is "strong private sector organization through sector-specific representative bodies", particularly in the country's mainstay sectors (PSAR, 2014). However, as expressed by private-sector representatives in the Bahamas during the Compete Caribbean consultations in November 2012, it is clear that currently, skills shortfalls in the workforce are not being effectively addressed by either private or public training institutions (IDB, 2014). There is still a need to establish formal mechanisms to drive employer engagement with training providers and to translate the results of this engagement into occupational standards, curricula and adequate training delivery based on real market-needs.

1. In most countries wages are set as a percentage of the minimum wage (i.e. in Germany wages are first set as 60% of minimum wage), especially at the beginning of the contractual relationship and increase over time as productivity increases. [↑](#footnote-ref-1)
2. González-Velosa, Rosas Shady, and Novella (2015) found that, in Peru, the strengthening of PES led to an increase in the share of registered individuals who were registered as “placed” through one-stop shop services from 19% in 2012 to 53% in 2013. [↑](#footnote-ref-2)
3. Evidence of the Mexican public employment services shows that these types of services can improve labour conditions of those who find a job. Men achieved higher earnings, worked more hours per week and had a higher probability of a structured job. Lessons learned from the Mexican case indicate that higher effectiveness of the PES services can be reached through the following: (i) better monitoring and information systems, (ii) staff training aimed at enhancing links with the private sector, (iii) better capacity to analyze the labor market, and (iv) a better gender focus (Flores Lima, 2010). [↑](#footnote-ref-3)
4. This book was prepared jointly by the teams of the Labor Markets Division of the IDB, the World Association of Public Employment Services and the OECD. This publication provides systematic and comparative information to help understand the development of PES around the world as well as the challenges and opportunities they face today. The publication is the most comprehensive analysis undertaken to date of the current situation and development of PESs, covering 73 organizations on all continents. [↑](#footnote-ref-4)
5. GoBH has expressed that initial work for the Apprenticeship Programme can be started via an MOU while an amended version of the Act is approved. This is a condition prior to first disbursement. [↑](#footnote-ref-5)