EMPLOYERS AND PUBLIC SECTOR TO CREATE
10,000 APPRENTICESHIP PLACES

At least 10,000 apprenticeships will be created in spite of the contraction in the economy, as the bill which launched the National Apprenticeship Service was announced last week by John Denham and Ed Balls. New Government commitments on procurement are expected to see upwards of 7,000 new apprenticeships in construction, while high street giants released plans for large-scale increases in the numbers of apprenticeships they offer.

Sainsbury’s, Tesco, Superdrug and Phones 4u have committed to expand massively their numbers of apprentices, to ensure they have the right skills to stay ahead of the competition. Sainsbury’s has recently quadrupled the number of apprentices across its stores to 465, Tesco will have a further 800, Superdrug plan a further 1,000 while Phones 4u intends to train at least 1,000 apprentices by next April.

Skills Secretary John Denham said:

“This shows that we are well on the way to making apprenticeships a mainstream option for young people who want to get on. We anticipate that one in five of all young people will be undertaking an apprenticeship by the end of the next decade.
“This Government has rescued and rebuilt apprenticeships and seen their numbers dramatically increase over the past 10 years. In 1996-97, just 65,000 people started an apprenticeship. That figure nearly trebled to 184,000 in 2006-07. But we need to go much further, which is precisely why we are investing £1 billion by 2010/11.

“It’s great that private sector employers are making such a commitment to and an investment in their workforce. We need to do the same in the public sector and must ensure that every pound invested by taxpayers not only helps deliver new infrastructure projects but will also help provide the skilled workers needed in the future and enable more people to build a strong career. Apprenticeships are an excellent way to do this.”

Skills Secretary John Denham will today highlight plans to ensure that Government-funded building projects are used to encourage construction firms to employ more apprentices. The plan is boosted by the recent decision to bring forward capital spending to help the economy recover from the downturn. This year alone, Government Departments and their Agencies will spend more than £7 billion on construction projects including schools, colleges, hospitals and roads.

Ministers want to bring that purchasing power to bear to increase the number of apprentices – by requiring successful contractors to have apprentices working on the project. It is thought that such a move could help deliver upwards of 7,000 apprenticeships in the next three years.

The Government has previously announced that unnecessary bureaucracy such as demands to store paperwork for up to six years, multiple inspection visits and monthly reporting requirements will be ditched at the earliest possible opportunity.

Schools Secretary Ed Balls said:

“Employers recognise that they need well trained staff to compete and succeed in the marketplace. This significant increase of available Apprenticeships will help ensure they
have the skilled staff they want. There is a great demand for Apprenticeship places from young people, which this will also go toward fulfilling.

“As we continue to drive forward the expansion of Apprenticeships the new National Apprenticeship Service will help ensure they are high quality and that employers and potential apprentices can be matched up.”

Supermarket giants Sainsbury’s and Tesco are also increasing their apprentice numbers. Sainsbury’s has been so pleased with its 20 pilot apprenticeships in craft bakery, butchery and fishmongery that it has quadrupled the number of apprentices.

Tesco has recently more than doubled the number of employees put through its Apprenticeships programme as a valuable way to enhance the skills and careers of its staff.

Mobile phone retailer Phones 4u has expanded its apprenticeship programme by 400 per cent following a successful trial of 200 apprentices in March, having committed to the Government’s Skills Pledge, a public declaration by an employer to train all of its staff. The company intends to train at least a thousand apprentices by April 2009. High street chain Superdrug is set to double its apprentices before August 2009 in a bid to boost business performance.

David Way, National Director of Skills at the Learning and Skills Council said:

“It's very encouraging to see such large companies increasing their apprenticeship programmes.

“This is proof that apprenticeships make things happen; helping businesses improve productivity, helping individuals to have successful and rewarding careers and ensuring that the country is able to compete in the global market.
“Hiring apprentices is an excellent way for a business to grow its own talent. They offer a great return on investment as the training is often fully-funded and businesses can be eligible for further financial support towards their apprentices’ wages.

“We urge employers to take on apprentices and start reaping the benefits.”

The new Children, Skills and Learning Bill announced last week in the Queen’s Speech will give all suitably qualified young people a legal right to an apprenticeship from 2013. It will put the apprenticeship programme on a legal footing and strengthen the programme by ensuring that in future apprentices and their employers have a jointly agreed contract. It also sets out in legislation the rights and responsibilities of the new National Apprenticeship Service, whose chief executive was announced today.

Alongside the Government’s construction initiative, Ministers have also committed to explore introducing a similar requirement for Government IT contracts. It is estimated the Government spends around £14 billion each year on IT contracts and will soon host a summit of Government IT suppliers to take this work forward.

Sainsbury’s Head of Retail Training Steven Davis, said:

“We are delighted with our apprenticeship programme, not only are there business benefits but it also gives our colleagues a great training programme with a well earned qualification at the end of the 18 months.

“In June 2007 Sainsbury’s was the first retailer to make the Skills Pledge and in May 2008 we announced that our industry-leading apprenticeship will enable us to have at least one apprentice in each of our 465 supermarkets and we are on track to deliver this by April 2010.”

Lorna Bryson, Tesco’s Head of UK Resourcing says:
“Since we launched the apprentice programme in 2004, a thousand members of staff have successfully completed their apprenticeship, with a further 800 enrolling this academic year.

“Apprenticeships allow us to provide great training and development to our staff, helping them to recognise their long-term career goals; half of our 2006/07 apprentices have progressed to become managers or team leaders. And Tesco benefits, too, by having hard working, dedicated, and talented individuals that are confident and satisfied in their roles.”

Jo Mackie, HR Director, Superdrug says:

“The apprenticeship programmes that we have in place have a direct commercial impact in our stores.

“The more highly skilled our team members are the better service they are able to deliver to our customers and that’s why we are looking to recruit over one thousand further apprentices before 31 July 2009 across our stores and distribution centres.

“In addition we have recently introduced a retail beauty qualification which is the first of its kind.”

Eric Gresswell, Head of Retail Training and Development, Phones 4u said:

“We’ve developed our business focusing on our customers, cutting through the confusion over which phone to choose. It is therefore vital that all our store staff have excellent customer service skills and an apprenticeship programme is the best way to achieve a consistently high standard.
“All new joiners going into our stores are required to complete an apprenticeship in either customer or sales service, while existing employees are also required to train for their qualifications. We’re currently finalising our plans for management apprenticeships across our 400 stores.”

Notes to editors

1. Construction Skills, sector skills council for the construction industry, estimate there should be a minimum of one apprentice per £1m of construction contract value. Others have a bigger estimate. The National Skills Academy for Construction projects that contractors aim to achieve two apprentices for each £1m of investment.

2. In the recent Pre-Budget Report Government committed that a requirement for apprentices to be part of the project workforce would be considered for every construction project funded by Government Departments and their Agencies. It is thought that such a move could help deliver 7,000 apprenticeships in the next three years, helping to offset the reduction in apprenticeship numbers that would otherwise happen as a result of the downturn. This builds on commitments to include training requirements for all new college and school building projects as part of the £2 billion ‘Building Colleges for the Future’ and £x billion ‘Building Schools for the Future’ programme.

2. In 1996/97 65,000 people started an apprenticeship and there was no central record of completions. In 2006/07, 184,000 people started an apprenticeship. Completion rates have nearly trebled from 24% to 63% since 2001/2, the year completion records began.

3. The National Apprenticeship Service (NAS) was announced as part of the apprenticeship review, World Class Apprenticeships in January 2008. The report can be viewed at www.dius.gsi.gov.uk. The NAS will be fully functional from April 2009. The appointment of a chief executive has been made in line with the Commissioner for Public Appointments’ Code of Practice for Ministerial Appointments to Public Bodies.
Any Press enquiries please contact Natasha Groocock: natasha.groocock@lsc.gov.uk 02476 82 3640 or San Jutla: san.jutla@lsc.gov.uk 02476 82 5793