

Briefing Sheet May 2013

How Modern is the Modern Apprenticeship in Scotland?

This briefing paper aims to explore levels of female participation in the Modern Apprenticeship (MA) programme since 2008 and identify whether patterns of occupational segregation perpetuate within the MA programme.

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Introduction

The Modern Apprenticeship (MA) is a publicly funded training programme in Scotland which gives individuals the opportunity to combine employment and training by following an industry designed training framework. Introduced in 1994 to address a perceived lack of intermediate skills in the UK economy, it is aimed at 16-19 year olds but has been available to all ages since 2002 (those aged over 19 are known as Adult MAs).

Following a review in 2001 of MAs in Scotland, commissioned by the (then) Scottish Executive, (SQW 2001) the Scottish Women's Budget Group (SWBG) highlighted the fact that MAs were heavily male dominated (SWBG 2002). At that time only 20% of modern apprentices were female. Furthermore, the review indicated that female apprentices were concentrated in a small number of non-traditional frameworks, such as hospitality, retail, early years care and business administration, which were associated with low participation and high dropout rates. SWBG was concerned that the review had failed to undertake any gendered analysis of these issues, particularly given the Scottish Government's explicit commitment to the promotion of equality which was enshrined in the Devolution Statement in 1999 (Consultative Steering Group, 1998). In September 2003 the (then) Equal Opportunities Commission (EOC) launched a General Formal Investigation (GFI) into the segregation of women and men in training and work. Under the Sex Discrimination Act (1975) the EOC had the power to investigate issues of gender inequality and discrimination. Following a GFI, the EOC can make recommendations

to any person or organisation, including government, to change their practices and procedures in order to promote equality of opportunity. The GFI chose to focus on the MA programme to explore issues of gender segregation and concentrated on five of the most gender segregated employment sectors - childcare, construction, plumbing, engineering and information and communications technology (ICT). When the GFI into occupational segregation was launched, in view of the specific concerns about MAs in Scotland, the case was made to the EOC for a separate study to be undertaken in Scotland alongside the GFI in England (see Thomson et al, 2004). Separate research projects under the terms of the GFI were carried out in England and Scotland, to reflect the different institutional structures and modes of delivery in the two countries. Findings which came from the GFI research supported the view that occupational segregation has significant economic, as well as social costs to the Scottish economy. Occupational segregation refers to the tendency of men and women to cluster in different occupational categories and types of jobs. It represents an inefficient use of the workforce with negative implications on productivity and is a major contributor to the gender pay gap (EOC 2006). Challenging the levels of occupational segregation within the MA programme was therefore argued to be crucial to delivering on the (then) Scottish Executive's targets for economic growth as outlined in 'Smart, Successful Scotland' (Scottish Executive, 2001). This briefing paper intends to update the GFI analysis and explore whether entrenched occupational segregation within the MA programme still remains.

Background

Successful completion of the MA results in the award of accredited work based qualification (a level 2 or 3 Scottish Vocational Qualification (SVQ)) and a set of 'core' skills including; communication, working with others, numeracy, information technology, and problem solving. MAs include frameworks located in 'traditional' sectors where the notion of apprenticeship training is established, such as construction and engineering, and in 'non-traditional' sectors where the concept of apprenticeship training is relatively new; mainly in service sector occupations, such as hospitality, retail and early years care. All MAs have employed status meaning that, if not in employment already, potential candidates must find a suitable vacancy with an apprenticeship attached. From 1st October 2010 a National Minimum Wage (NMW) rate for apprentice was introduced. The apprentice rate is lower than the NMW for workers of the same age group. For example the current NMW for apprentices under 19 is £2.65 per hour in comparison to £3.68 for workers under the age of 18 (HM Revenue and Customs, 2013).

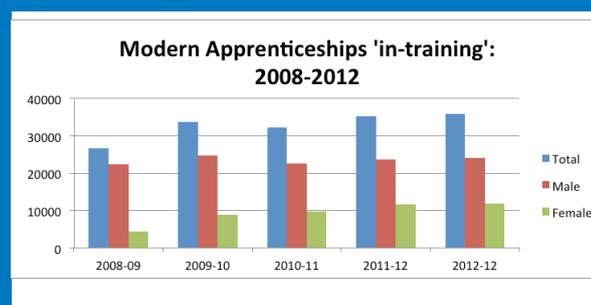
In Scotland, education and training are devolved matters and a range of agencies are involved in the design and delivery of MAs however the Scottish Government and Skills Development Scotland (SDS) have ultimate responsibility for MAs and are in a position to take the lead on Equality and Diversity issues. SDS and the Scottish Government are both committed to mainstreaming equality and diversity issues (see Skills Development Scotland 2011a). The following section will outline the nature of women's participation in MA programme in Scotland and explore whether patterns of occupation segregation within the MA programme have changed since 2008.

Women's Participation in the MA programme

In 2008, 16% of MAs in Scotland were women. This proportion was lower than levels in 2002 when SWBG first highlighted concerns about the lack of female MAs and challenged the lack of concrete proposals to address occupational segregation. Figure 1 indicates that from 2008 onwards, the proportion of female participation in MA's increased to a peak of 33% in 2011-12 and has remained at this level. The increase from 2008/09 to 2009/10 was driven by 367% growth in the numbers of female adult MAs. Further expansions in the number of female 16-19 year old MAs from 2009/10 to 2010/11 led to additional rises in levels of female participation in the MA programme.

Figure 1 shows that the total number of MAs 'in-training' (both male and female) has fluctuated from 2008 to present, with a marked increase in numbers from 2008/09 to 2009/10 compared to slower expansion experienced in the following years. In terms of the number of female MAs, there was significant growth in the amount of females 'in-training' between 2008/09 to 2009/10, an increase of 110% to 8932 women. However this sizeable increase has not been seen since, with growth in number of female apprentices averaging 10% per annum over the remaining period to 11823 currently. In short, since 2008 there has been growth in number of female MAs 'in-training' compared to the number of males 'in-training' remaining fairly stable.

Figure 1: MA Programme Participation by Gender: 2008-2012



(Source: Skills Development Scotland: Modern Apprenticeship Statistics – All Ages 2009, 2010, 2011b, 2012a, 2012b)

Although numbers and proportion of female apprenticeships have improved from significantly low levels in 2008 to present, what is much more important to note is that the gendered nature of participation within the different MA frameworks has persisted since 2008. 2008 there has been growth in number of female MAs 'in-training' compared to the number of males 'in-training' remaining fairly stable.

Table 1: The 12 Largest MA Frameworks: 2008-2012

Framework	2008-09	2009-10	2010-11	2011-12	2012-2012
Construction	7644	6698	5801	5488	5254
Engineering	3627	3611	3541	3498	3840
Electrotechnical	3236	2807	2279	2000	1388
Vehicle Maintenance & Repair	2269	2123	2089	1290	910
Plumbing	1775	1424	1156	918	906
Business & Administration	989	954	1365	1608	1832
Hospitality	626	1870	2396	3093	3096
Hairdressing	371	641	1516	1791	911
Health & Social Care	322	2323	2221	2373	2131
Retail	262	1930	878	1258	1377
Early Years Care & Education	952	1121	1311	1468	774
Management	416	949	1140	1591	1446

(Source: Skills Development Scotland: Modern Apprenticeship Statistics – All Ages 2009, 2010, 2011b, 2012a, 2012b)

Table 1 shows that Construction remains the largest MA framework across the years in terms of numbers. As would be expected, numbers of MAs in Construction have reduced by 30% in 2008-09 following the great recession, as is the case with Vehicle Maintenance (-60%) and Electrotechnical (-57%). Frameworks which have experienced dramatic growth from significantly low levels in 2008/09, are Business & Administration (+85%), Hairdressing (+146%), Management (+248%), Hospitality (+395%), Retail (+426%) and Health & Social Care (+562%). Early Years Care & Education framework has seen fluctuations with initial increases from 2008/09 to 2011/12 and severe contractions in numbers the following year.

Table 2: Female Participation within Largest 12 MA Frameworks: 2008-2012

Framework	2008-09 % Female	2009-10 % Female	2010-11 % Female	2011-12 % Female	2012-2012 % Female
Construction	1%	1%	2%	1%	2%
Engineering	2%	2%	3%	3%	3%
Electrotechnical	1%	1%	1%	1%	1%
Vehicle Maintenance & Repair	1%	2%	1%	2%	2%
Plumbing	2%	2%	2%	2%	2%
Business & Administration	84%	81%	74%	74%	75%
Hospitality	46%	50%	51%	53%	52%
Hairdressing	95%	95%	93%	93%	93%
Health & Social Care	86%	87%	86%	85%	87%
Retail	68%	50%	66%	62%	58%
Early Years Care & Education	99%	98%	98%	97%	98%
Management	45%	47%	45%	42%	45%

(Source: Skills Development Scotland: Modern Apprenticeship Statistics – All Ages 2009, 2010, 2011b, 2012a, 2012b)

Table 2 illustrates that occupational segregation persists in the majority of the 12 largest MA frameworks, and those highlighted by the GFI from 2008 to 2012. Of the top twelve MA frameworks, in terms of numbers, over half (7) are severely segregated i.e. more than 90% of one gender. Five of these are male dominated – Construction, Engineering, Electrotechnical, Vehicle Maintenance & Repair and Plumbing. Two are female dominated – Hairdressing and Early Years Care & Education.

Why does occupational gender segregation in training matter?

Occupational segregation implies a failure to make the most efficient use of the workforce which contributes to persistent skills deficits and impacts negatively on overall levels of productivity. Gender stereotyping and discrimination constrain individual occupational choices and opportunities. Where individuals are unable to make free choices with respect to their training and careers, the market fails to allocate workers to jobs and/or training places efficiently, creating major labour market rigidities.

The GFI in 2005 found a correlation between the most segregated industries and those facing skills shortages. This indicates that action to reduce gender segregation could help these sectors meet skills challenges by making the best use of all the available talent, as well as providing a better mix of skills and aptitudes through increased workforce diversity. Productivity is a key indicator of competitiveness which in turn underpins economic growth. Hence, if economic growth is to be achieved, full use of the productive capacity of the workforce must be achieved.

Occupational segregation is associated with the concentration of women in jobs with low pay and low status and, as such, is a major contributor to the gender pay gap. It has been convincingly argued that addressing the position of women with respect to pay inequalities and occupational segregation could bring extensive productivity gains to the UK economy (Walby and Olsen 2002, Women and Work Commission 2006). The report of the Women and Work Commission estimated that removing barriers to women working in traditionally male jobs and increasing the labour market participation of women could be worth between £15 billion and £23 billion to the UK economy – between 1.3% and 2% of GDP (WWC 2006:vii). Removing the segregation of jobs would lead to more efficient use of the skills of the workforce leading to improvements in productivity and therefore increased economic growth.

Occupational segregation means that there are unequal outcomes for male and female MAs, such as the

apprenticeship gender pay gap, and the programme overall appears to have more 'value' for males than for females (Fuller and Unwin 2005, Fong and Phelps 2008, Learning and Skills Council 2009 and Walker and Zhu 2007). Evidence suggests that men may benefit more from MA training because traditional MAs take longer to complete, are regarded more highly by employers and industry and command a higher wage 'premium' on completion (Canning and Lang 2004, Gallagher et al 2004, McIntosh 2007 and SQW 2001). For example it was found that an apprenticeship qualification increases the average wage of an individual working in the male dominated construction sector by 32% whereas in retail completing an apprenticeship has no observed effect on wages (McIntosh 2007). Research undertaken by Walker and Zhu (2007) indicates that men in Scotland can expect a wage increase of over 20% on obtaining an MA qualification but women in Scotland can expect less than half that at just under 10% (Walker and Zhu 2007). There is currently no available data on the pay rates of Scottish MAs but analysis of the Scottish Executive School Leaver Destination Statistics undertaken by the (then) EOC found that for those aged 17 in 2003 who were working in jobs associated with Skillseekers or MAs, men earned an average of £115 per week (after deductions) and women earned £80 per week on average. This represents a gender pay gap in Skillseekers/MA jobs of 31% (EOC 2006). Furthermore, because traditional MAs take longer to complete and are often more resource intensive, they cost more. Given that they are overwhelmingly accessed by men, even a most basic gendered analysis of public spend on MAs suggest the potential for significant male bias (Campbell et al 2009).

It is clear then that occupational segregation in the apprenticeship system has a potentially negative impact on economic growth coupled with serious negative implications for women apprentices' earnings in and after training, as well as potential male bias in the allocation of public resources for training and investment in skills.

Discussion

The promotion of gender equality has been a clear objective of various Scottish Governments since 2000 after the publication of the Scottish Government's Equality Strategy. In addition, the Scottish Government's Economic Strategy since 2007 supports a commitment to ensuring opportunities for all citizens to benefit from Scotland's economic prosperity. Since 2006 under the Gender Equality Duty, ministers within the Scottish Government have long established priorities for the advancement of equality of opportunity between men and women on issues such as tackling occupational segregation. This commitment to equality was highlighted in the 2012/13 Equality Budget Statement, the Scottish Government.

“...recognise that equality is an important driver of economic growth and inequality detracts from our economic performance and social wellbeing” (Scottish Government, 2011a:10).

In partnership with the Scottish Trade Union Congress (STUC) the Scottish Government hosted the first Women's Employment Summit in September 2012.

“This [Women's Employment Summit] highlighted the importance of women's role in Scotland's labour market and in the economy. It flagged the current pressures on women's employment and the limitations of economic models which fail to reflect the contribution of women's paid and unpaid employment” (Scottish Government, 2012:6).

All of the above reinforce the Scottish Governments' continued commitment to promoting equality and to tackling gender inequalities in the work place.

The MA concept could be a force for positive change with respect to tackling gender-based inequalities in the world of paid work. Providing a framework for young men and women to access meaningful training and skills across all sectors of the economy reflects an overall commitment to invest in Scotland's people and promote real 'opportunities for all' (Scottish Government, 2011b:4). Given that the Scottish Government have prioritised tackling occupational segregation within the context of the Scottish Ministers' specific duties to promote gender

equality it would seem that there is a real commitment to delivering equal opportunities for young men and women in Scotland:

“ The Scottish Government is working with others to ensure that Scotland is a country where girls and boys and women and men no longer face barriers and discrimination which prevent them from being the best that they can be. We are committed to creating a more successful country, with opportunities for all of Scotland to flourish. This is at the heart of our Economic Strategy and underpins the national performance framework” (Scottish Government, 2010: i).

However, as the evidence in Figure 1 and Table 2 indicates, the MAs in Scotland continue to reflect entrenched notions of gender norms. Young men and women are located in jobs associated with cultural and social attitudes about the kinds of jobs they should be doing as opposed to could be doing. In this regard the MA does not appear to be very modern. If we are to move beyond this position, there is a need for more robust gender analysis of the design and delivery of the MA programme and the outcomes associated with it. This would be consistent with an overall commitment to gender mainstreaming and a duty to promote greater gender equality. However, perhaps more crucially, it would be good for Scotland's economy. Prioritising a capital investment strategy through 'shovel ready' projects, within current labour market structures and processes, will effectively create more jobs for young men. Unless we simultaneously take action to break down barriers to entry and participation in male dominated sectors for young women then the MA programme will do little to address gender-based segregation. Indeed, the MA programme could be criticised for being gender biased in that prioritising spending in sectors dominated by men implies that the programme supports the skills needs of young men over women. Surely what is more desirable is that the MA acts in ensuring that the skills and expertise of Scotland's labour force are enhanced via publicly supported training programmes that provide equal opportunities for all of Scotland's people. Eradicating gender bias from the programme is thus considered essential if the MA is to be considered truly modern.

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