

# Silver Bullet or Fools' Gold?

Vocational education and the modern labour  
market

Alison Wolf

King's College London

# Decades of public consensus

- We need and should have ‘parity of esteem’ for vocational and academic routes and qualifications
- The major drag on UK productivity is a lack of skills
- If skill levels are increased this will lead to higher employment – if people are unemployed, the crucial thing to do is educate/train

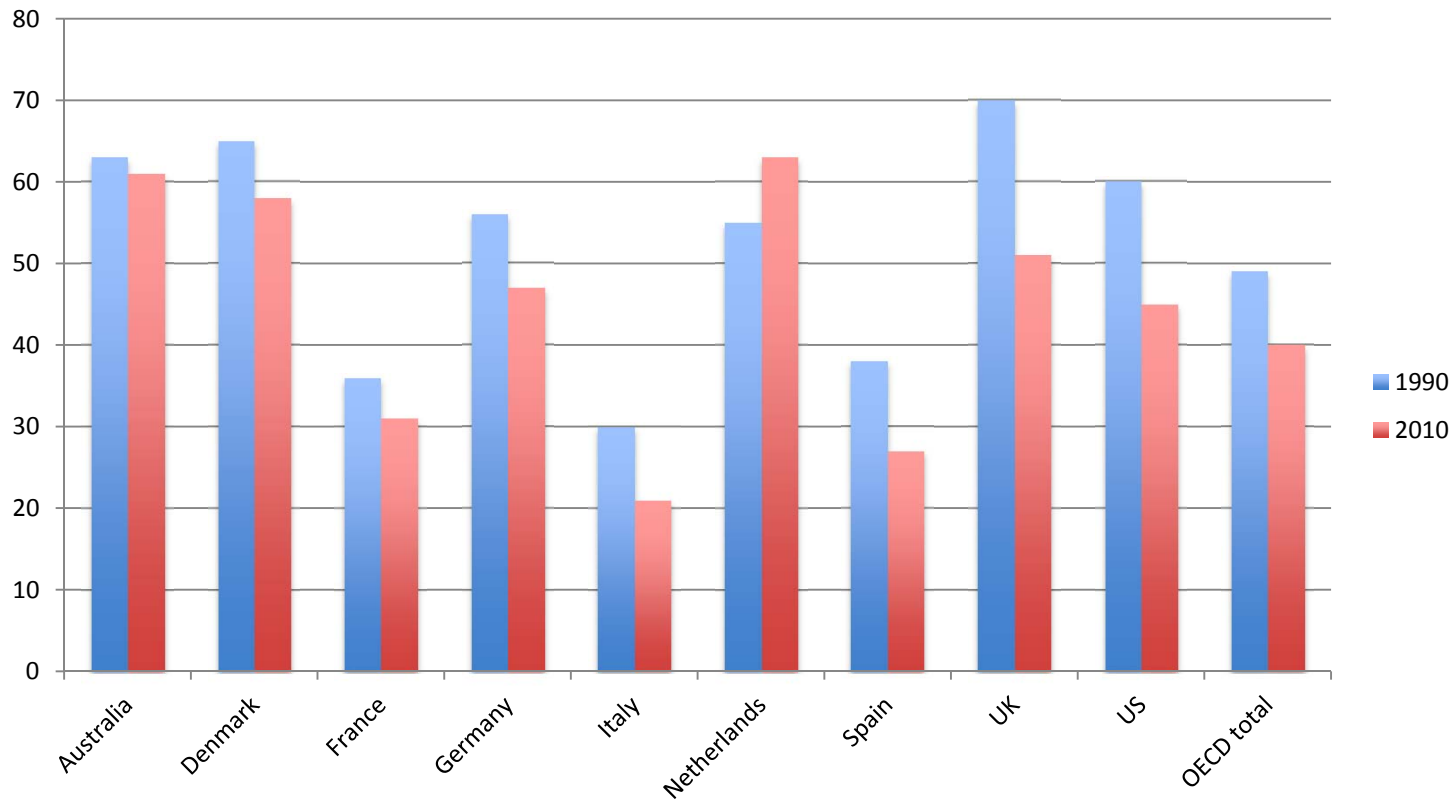
Unfortunately there is little truth  
in any of this

Education does not create a labour  
market but it does need to be aware  
of it..

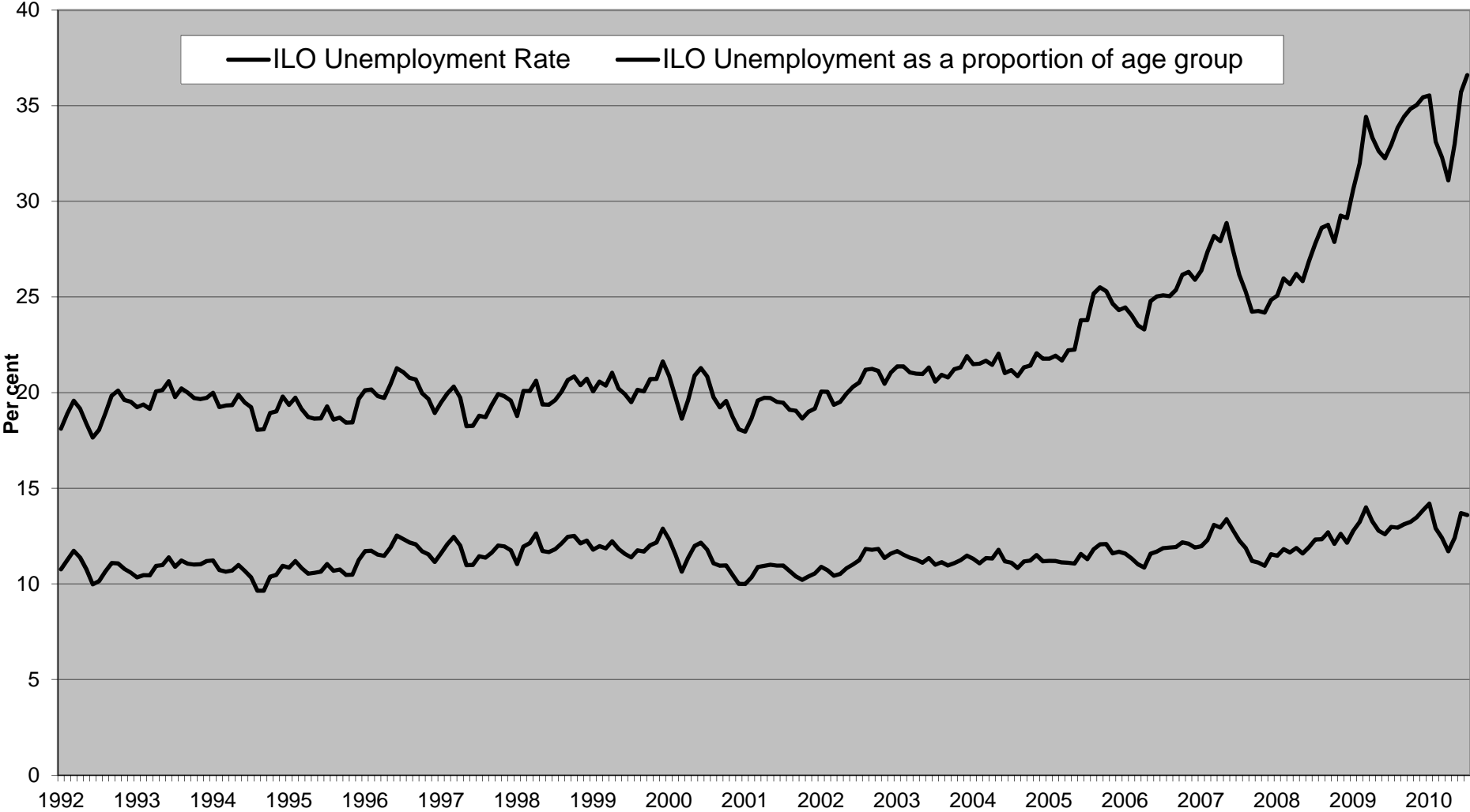
# Disappearance of the youth labour market for 16-18 year olds

Recent in the UK which maintained teenage employment at high levels longer than most other European countries

Percentage of population aged 15-24 employed: selected OECD countries

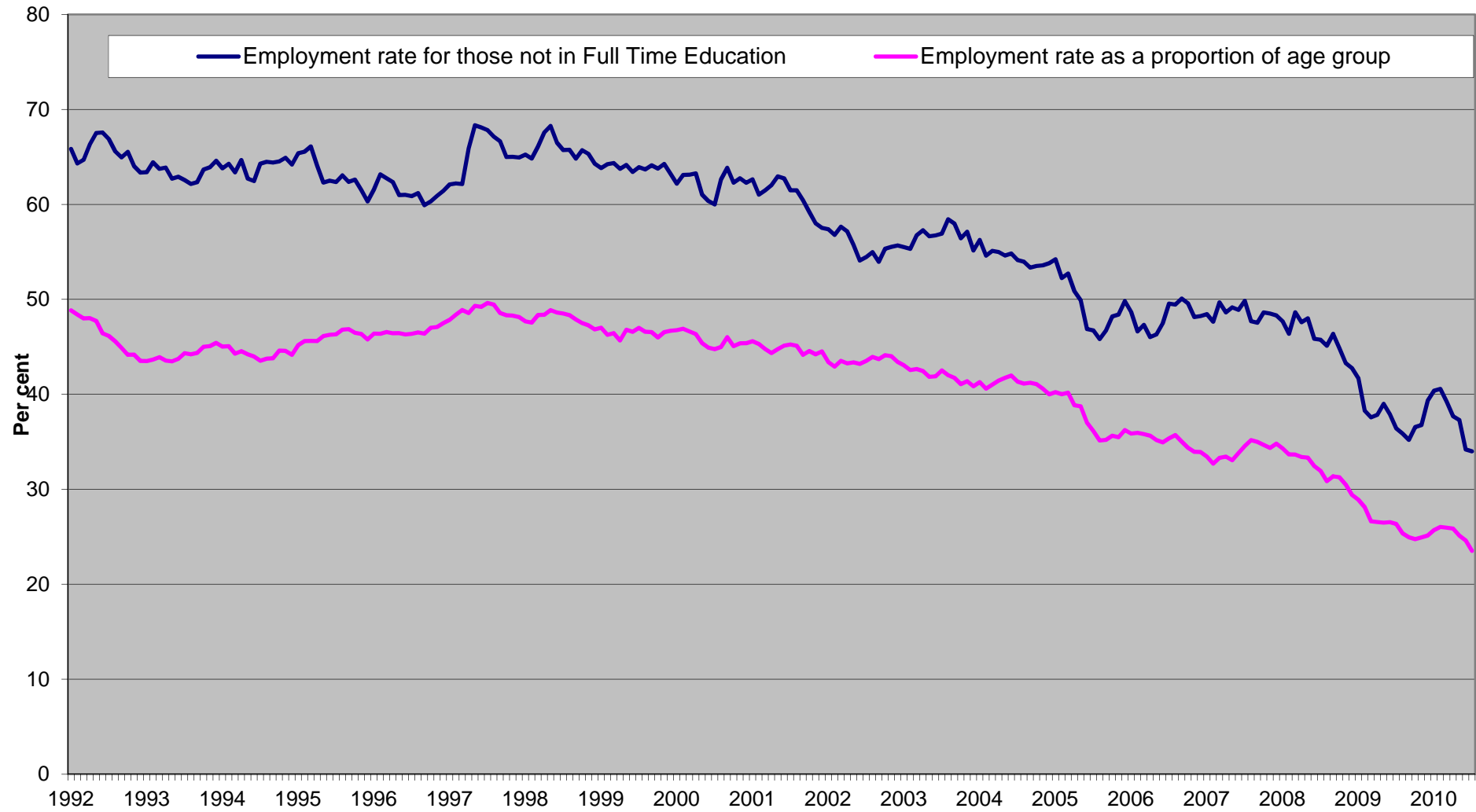


# 16-17 unemployment



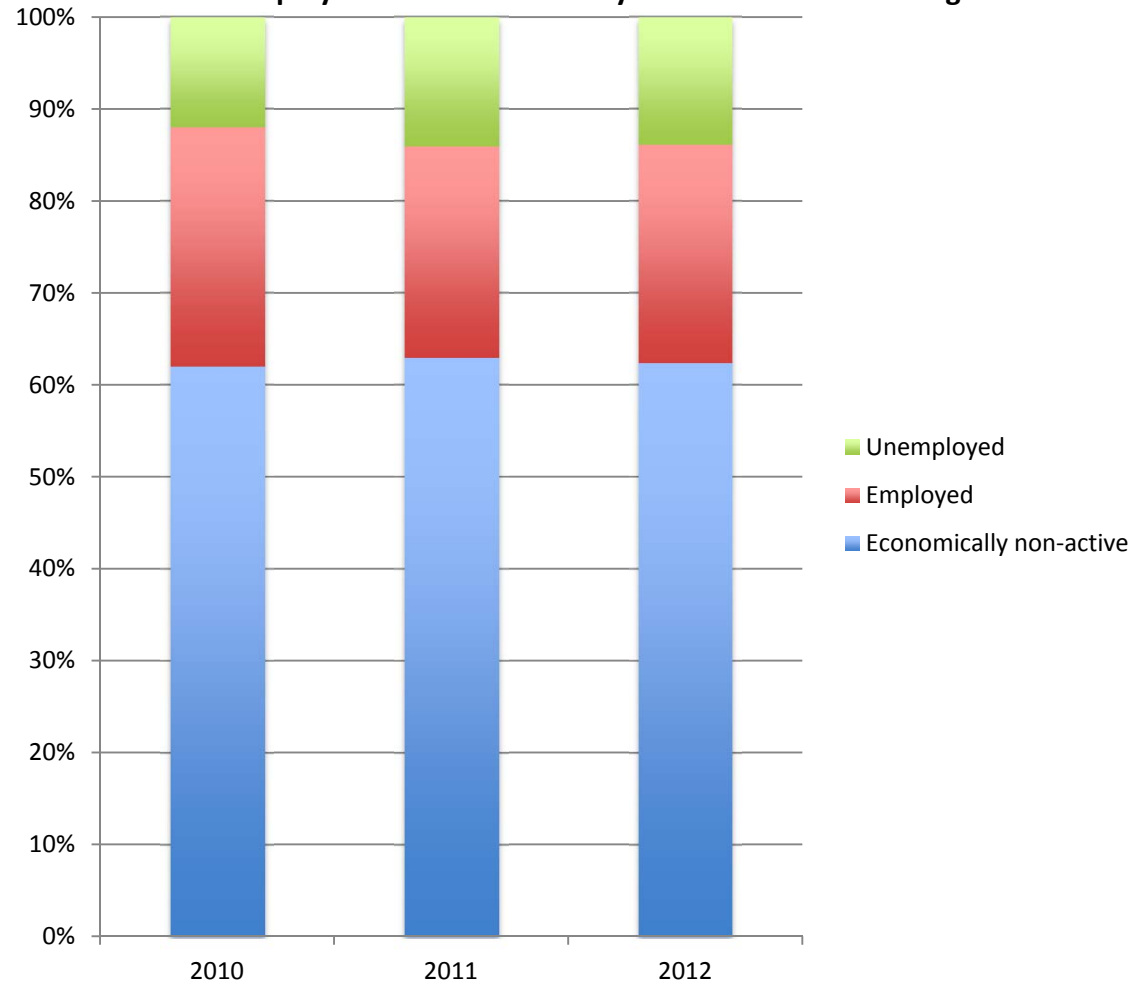
Source: ONS

## 16-17 employment



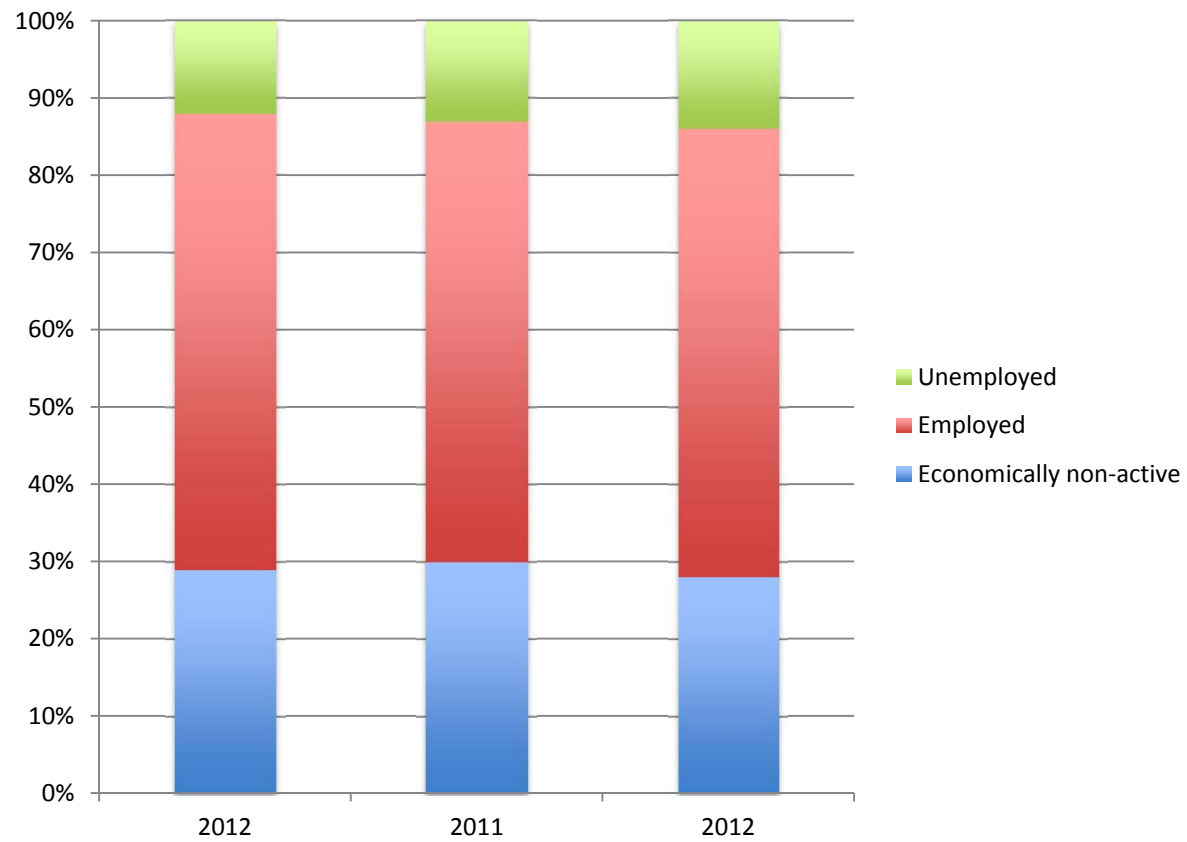
Source: ONS

Employment status of 16-17 year olds 2010-12: % of age cohort





Employment status of 18-24 year olds 2010-12: % of age cohort



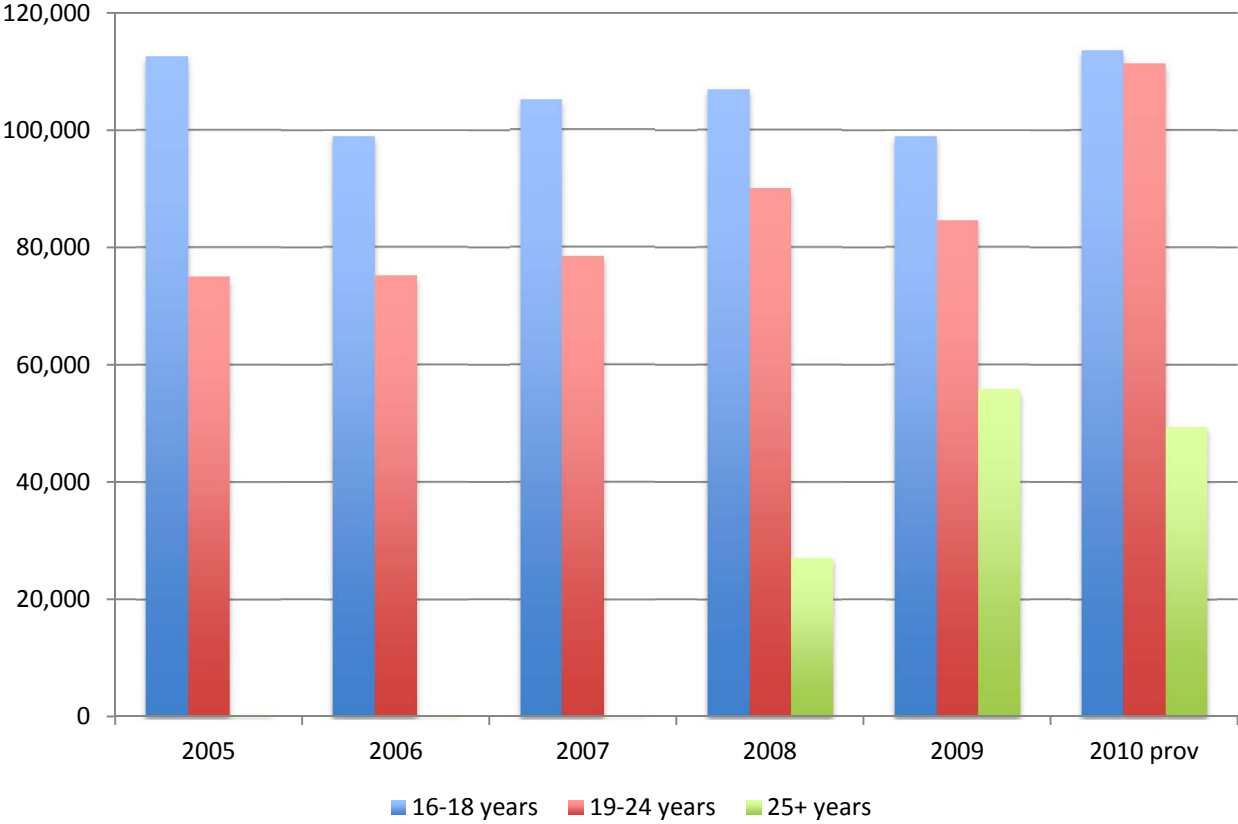
# The decline of apprenticeship

- Once the majority destination for male school-leavers
- Decline from the 1980s, actively encouraged by government
- 'Brand' revived from mid-1990s but with little resemblance to traditional apprenticeship

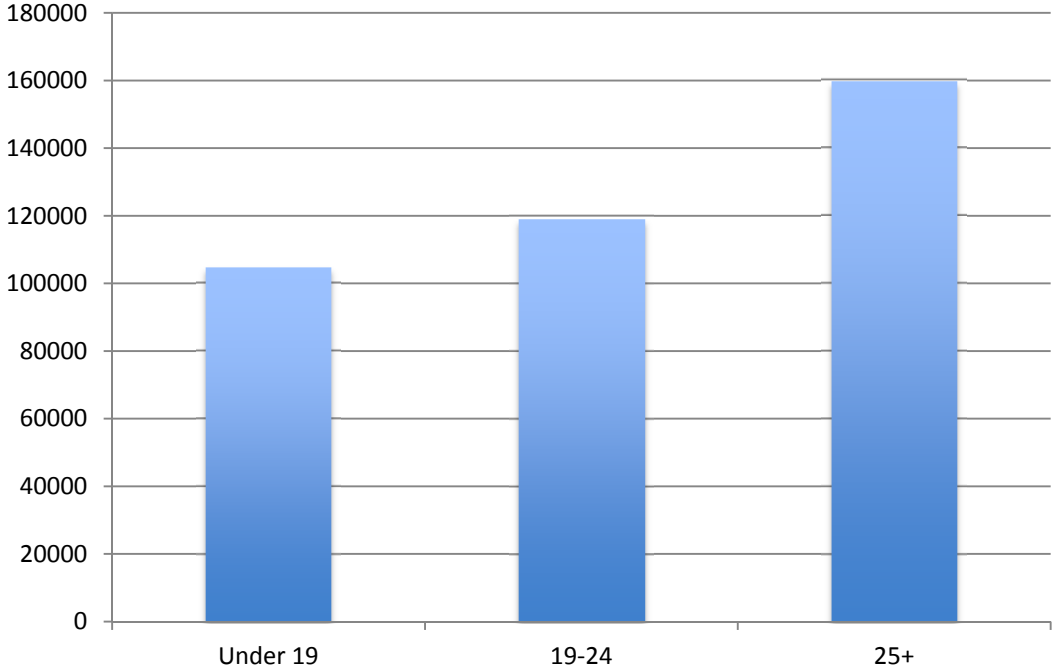
# Current apprenticeships

- Very small proportion of cohort – less than 5% of 16 year olds, about 7% of 18 year olds
- High returns to traditional craft (level 3) apprenticeships and evidence of positive returns generally when they are genuine workplace apprenticeships
- But level 3 a declining proportion of the whole

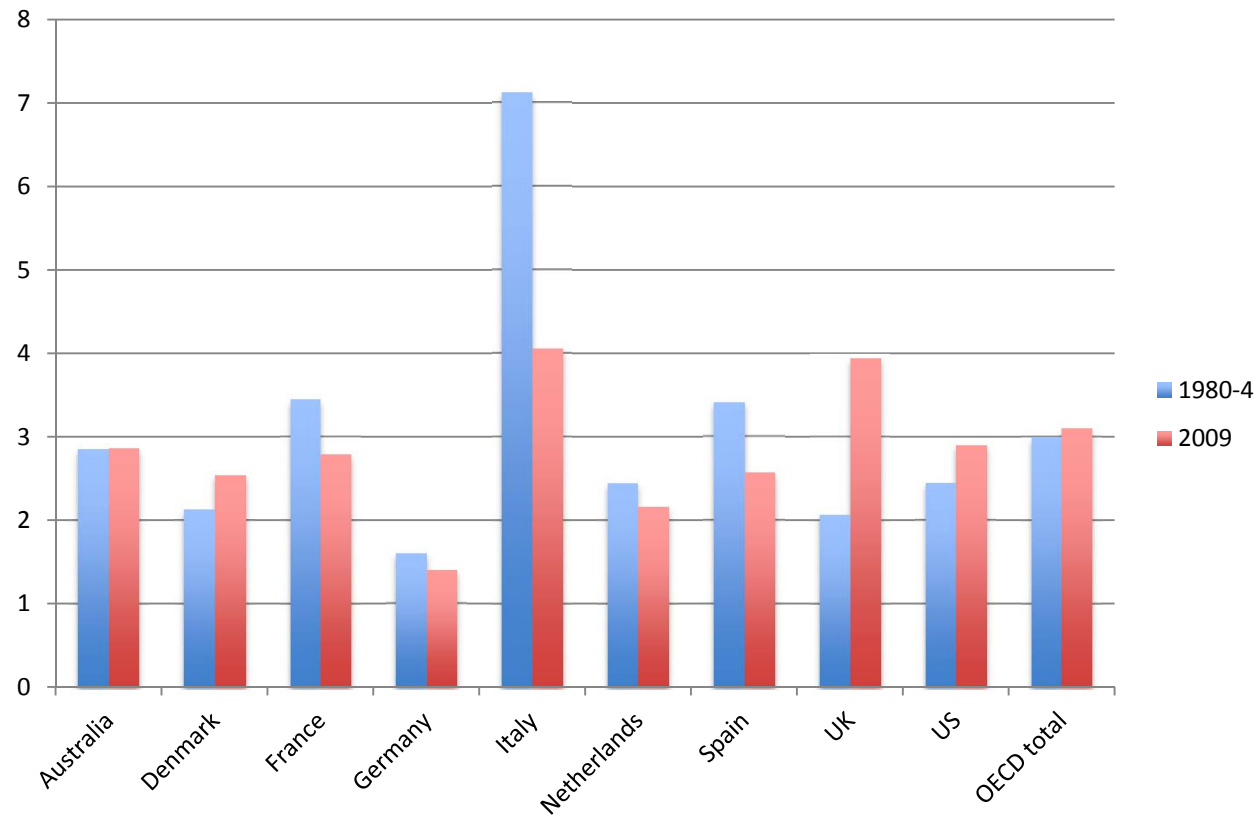
# Apprenticeship numbers



### Apprenticeship starts 2011-12



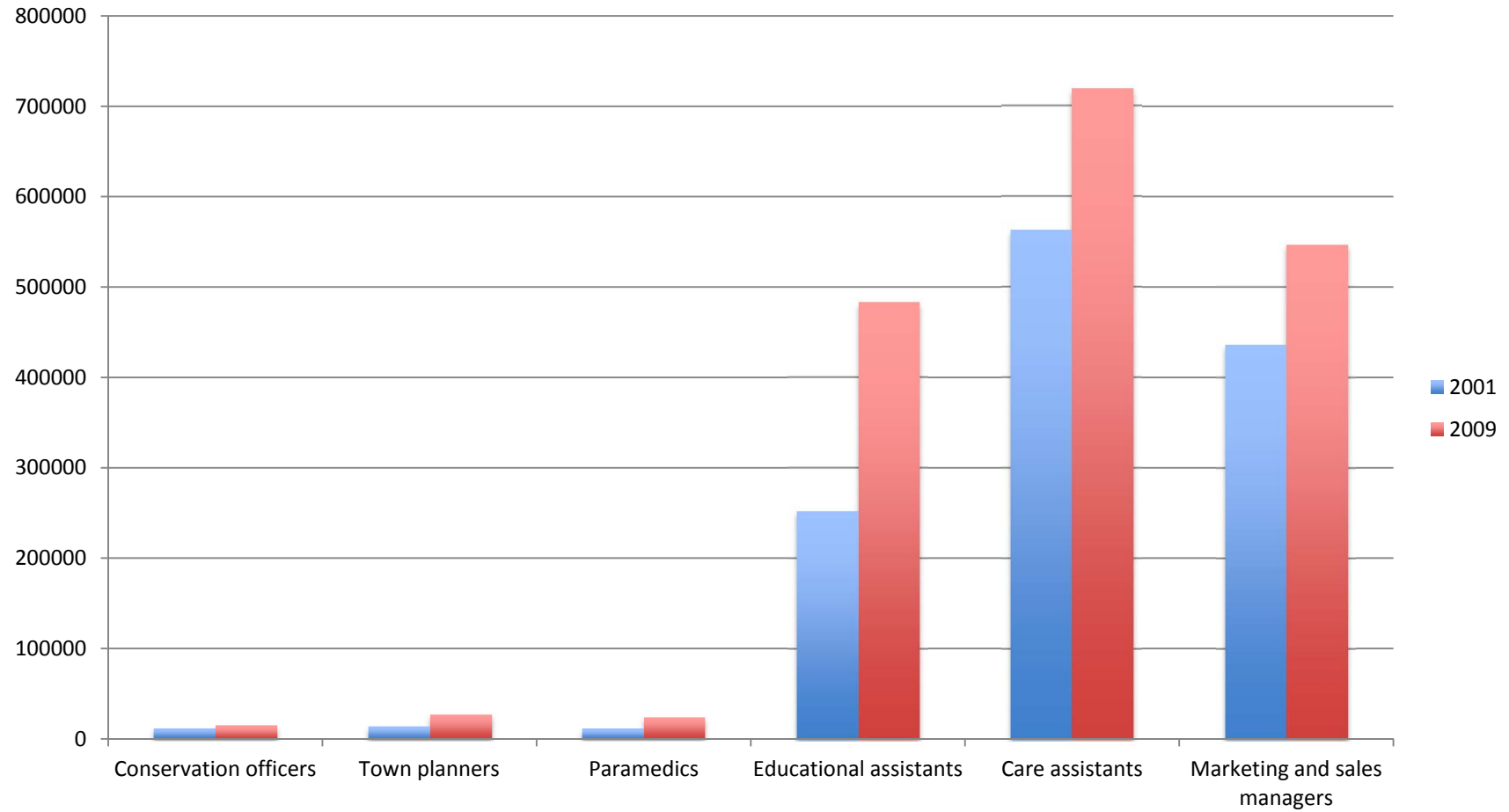
Ratio of youth unemployment rate to adult unemployment rate. (16-24 and 25-64)



# But is large-scale apprenticeship a realistic goal?

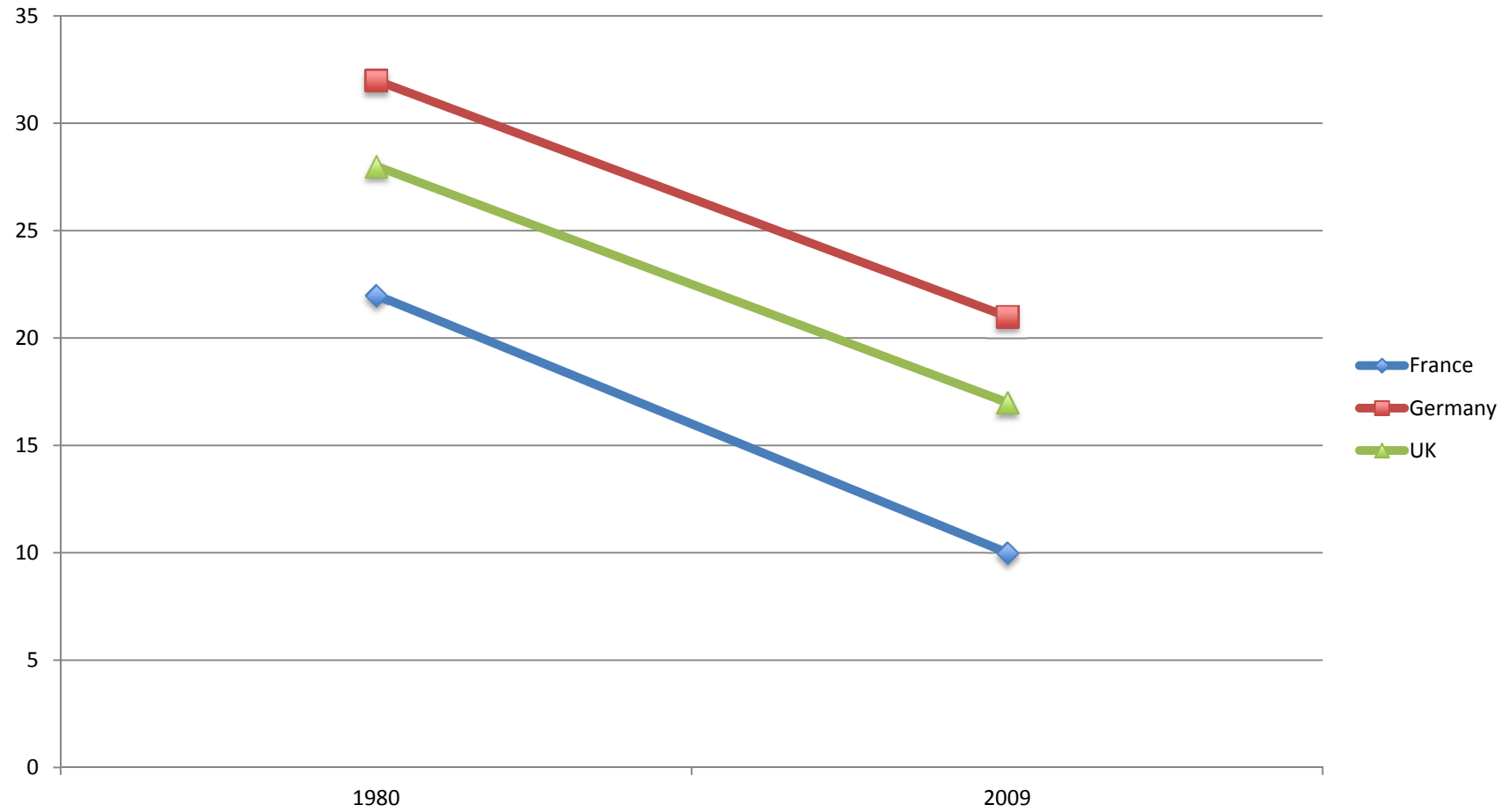
- Can certainly improve on the current set-up in quality and quantity
- No need to convince young people – hugely over-subscribed whenever quality is good
- But institutions have withered, and economy has changed: struggle to find places even in traditional high-apprenticeship countries

# The fastest-growing – and the largest growth





# Manufacturing as a share of GDP



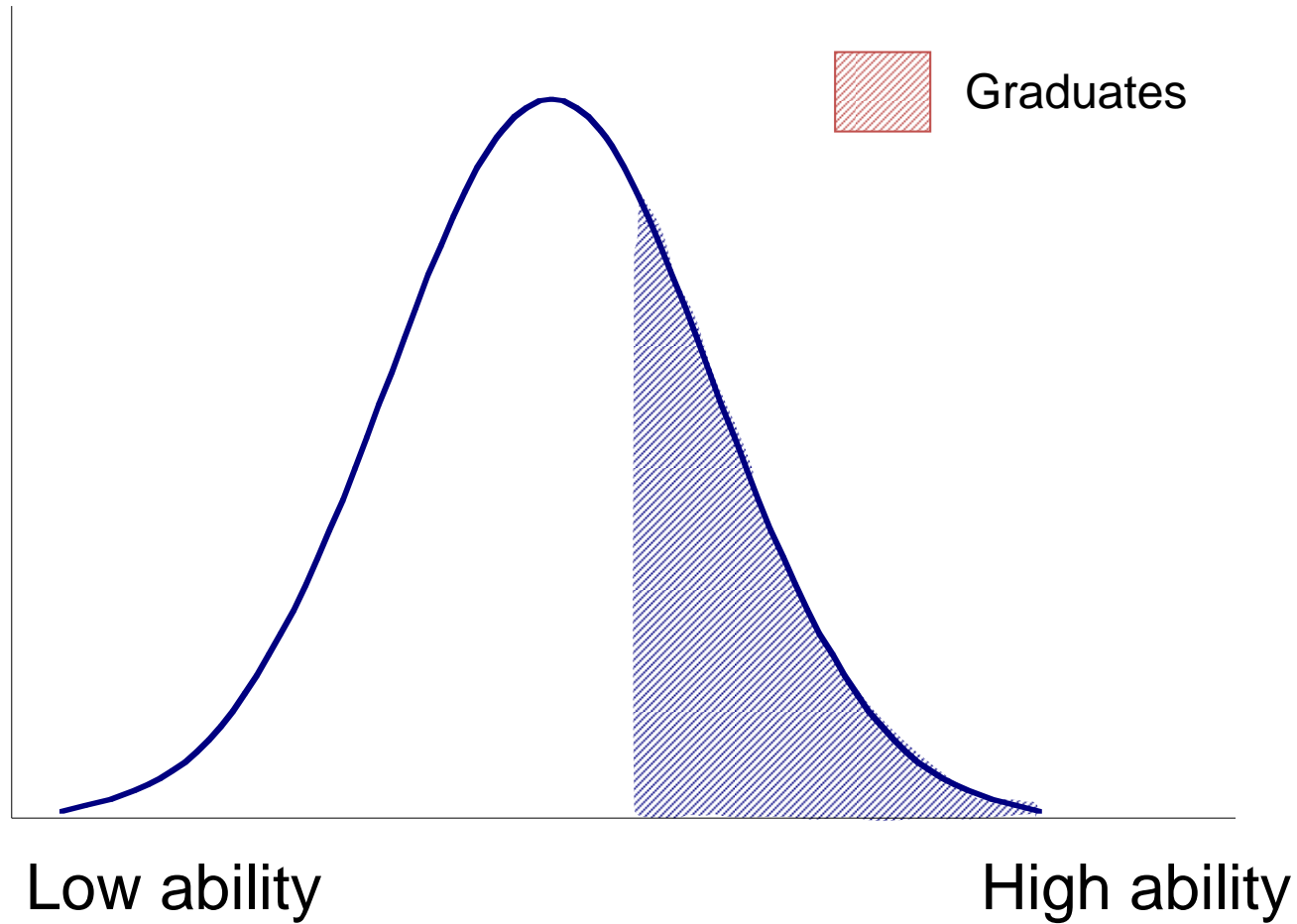
In this economy, how realistic is it to see 'traditional' high-return and prestigious apprenticeship as a growth sector (let alone an economic saviour)?

Not very.....So is school-based/college-based 'vocational education' the answer?

# The skills in demand

- Maths and English
- **'Soft skills' as demonstrated by experience**
- General intelligence/quickness

# Employers' view of where the formally qualified are to be found: 1970



With every further expansion of higher education, it becomes more and more rational for employers to use education as a sifting mechanism. More and more occupations become graduate entry.

Modern workplaces change rapidly, and people shift roles and jobs rapidly too. The idea that employers want highly specialised, restricted skills is demonstrably incorrect: otherwise NVQs would have been the success their proponents predicted.

# Today's world

- A hierarchy of school-based qualifications is inevitable (and universal)
- Work experience is crucially important – with the decline in jobs for young people, this becomes something schools and colleges have to become involved in facilitating
- Apprenticeship has an important place but a restricted one
- And the failure, everywhere, of adult training schemes shouldn't surprise us either...