



APPRENTICESHIP REVIEW MALTA

In pursuit of quality and relevance:
revitalising apprenticeship



MALTA

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revitalising apprenticeship

THEMATIC COUNTRY REVIEWS

Please cite this publication as:
Cedefop (2015). *Apprenticeship review: Malta.*
In pursuit of quality and relevance: revitalising apprenticeship.
Luxembourg: Publications Office.
Thematic country reviews.

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Luxembourg:
Publications Office of the European Union, 2015

ISBN: 978-92-896-1914-1
doi:10.2801/039164

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Designed by adam@artdirector.gr
Printed in the European Union

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Cedefop was established in 1975
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Foreword

Apprenticeships, and similar forms of work-based learning, are regarded as an important part of countries' answers to high rates of youth unemployment. Vocational education and training (VET) systems that use work-based learning – including apprenticeships – tend to be more effective in aiding the transition of young people into jobs. By alternating between school and work, apprentices develop the practical knowledge and skills employers seek. Apprenticeships also support the development of the soft skills of an apprentice, which employers often refer to in discussions about mismatches in the labour market: these types of skills are difficult to acquire in a traditional school setting. In short, high-quality apprenticeships are about preparing individuals and aiding development of knowledge, skills and competences that are attractive to the labour market.

Developing policies and programmes to ensure the availability of high-quality apprenticeships is currently broadly promoted at European and Member State level, aiming to help young people get a foothold in the labour market.

The Bruges communiqué of 2010 called upon Member States to increase the attractiveness, quality and efficiency of their VET systems through a number of strategic objectives and short-term deliverables. Apprenticeships and other forms of work-based learning were part of the set of measures proposed.

To address the problem of persistently high youth unemployment in many EU countries, the Commission launched a European alliance for apprenticeships (EAfA) at the beginning of 2013 as a part of its Rethinking education initiative and Youth employment package. The EAfA aims to mobilise key EU and national stakeholders around a number of initiatives focusing on improving the quality of apprenticeships and promoting their benefits. Apprenticeships are also one of the key actions included in the 2013 implementation plan of the European youth guarantee initiative.

It is in this policy context, and specifically to support the EAfA, that Cedefop decided to launch a series of thematic country reviews (TCRs) on apprenticeships. Cedefop cooperates with different countries undertaking reforms of their apprenticeship systems or developing such systems as part of their formal education and training, upon the request of the relevant national

authorities. With the TCRs on apprenticeships, Cedefop acts as a critical friend, facilitating dialogue and exchanges of views and opinions among the representatives of national public authorities in charge of apprenticeships, representatives of the labour market side, and representatives of education and training. It also adopts a participatory, bottom-up approach where the views of those directly involved implementing (VET teachers, in-company trainers, students in compulsory education as potential apprentices, current and former apprentices, beneficiaries of pilot apprenticeship projects or other projects involving placements in companies) are collected and brought forward to the attention of policy-making forums.

In 2014, Cedefop started cooperation with Member States and in May 2014, organised, together with the European Commission, a conference to steer countries towards new partnerships on development of apprenticeships. Between May 2014 and May 2015, Cedefop piloted two TCRs on apprenticeships in two volunteer countries, Lithuania and Malta. In 2015-16 three more volunteer countries (Greece, Italy, and Slovenia) will benefit from the review.

The TCRs on apprenticeships produce detailed country-specific knowledge on apprenticeships as part of the formal systems of education and training. This is expected to help national policy-makers, social partners, and practitioners improve the quality of apprenticeships, promote them as a form of work-based learning within national qualifications frameworks and ultimately contribute to job creation and growth. Cedefop and the European Commission will ensure that this specific knowledge be shared between countries via specific policy learning forums on apprenticeships where such knowledge is disseminated and countries may learn from each other.

James J. Calleja
Director

Acknowledgements

This report is the result of cooperation between Cedefop and the Maltese steering group, coordinated by the Ministry of Education and Employment in Malta (MEDE). Special thanks go to the members of the group for their contributions.

The analyses largely rely on information collected by Consulting Services Limited (ICF) ⁽¹⁾ over a period of five months (September 2014 to February 2015). ICFI also carried out the preliminary analyses and provided valuable input to this report.

Cedefop expert Ramona Carmen David Craescu drafted this report; Irina Jemeljanova (Cedefop expert) and Antonio Ranieri (Head of Department for Learning and Employability, Cedefop) provided valuable assistance throughout.

⁽¹⁾ Work was carried out under European Commission's framework contract No EAC-02-2010-Lot 1, order No 2014-0062.

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EXECUTIVE SUMMARY

Executive summary

Apprenticeship in Malta is changing, reforming the system ⁽²⁾ to increase quality and attract higher numbers of companies and learners, and to improve responsiveness to the needs of the labour market. There is a sound base and great potential to expand and validate the system.

Apprenticeship is viewed positively by chambers, social partners, learners, companies, and education and training institutions. Many learners find the idea of practical training in a company very attractive. There is a good pool of companies that understand their social responsibilities and assume them in relation to training apprentices. Companies that train report positive experiences, and apprentices are usually taken into employment.

Consultation with stakeholders raised a number of issues, plus understanding of the causes that led finally to the proposals for action included in this report. The most important are summarised in Table 1.

Table 1. **Key issues, causes and recommendations**

Key issues	Causes	Suggestions for action
Apprentices do not benefit from rights in relation to social security and injury at the workplace.	Inconsistency in two legal acts.	Consultation with trade unions and revision of the Employment and Industrial Relations Act.
On-the-job training and ratio with off-the-job training is not guaranteed by law.	Gap in the legal framework.	The minimum share of the on-the-job training in the overall apprenticeship programme should be indicated and guaranteed by law.
There is no holistic approach to a qualification following apprenticeship.	Not all employers are ready to 'own' apprenticeship. To fill the gap, vocational schools take the lead.	Sustainable apprenticeship should aim at being holistic: • companies have formal responsibility for learning; • companies should help define learning content;

⁽²⁾ In place since the early 1990.

Key issues	Causes	Suggestions for action
		• in-company training cannot be replaced by learning at school; • learners in apprenticeship are also employees.
Apprenticeship programmes follow a non-integrated approach.	Non-holistic approach to apprenticeship.	There should be one distinct curriculum for apprenticeship which includes learning at school and learning at the company.
Apprentices undergo two assessments and receive two certificates.	Non-integrated/ non-holistic approach to apprenticeship.	There should be one single certificate linked to the MQF.
There is an accumulation of functions on the education side: strategy, provision, administration, assessment, certification.	The governance structure is weak.	Strategy, provision and quality assurance should function autonomously and interdependently.
There is mismatch between apprenticeship offer and labour market needs.	No involvement of labour market representatives in defining the apprenticeship offer.	The governance structure should formally invest the labour market side with such responsibility, in addition to the education side.
	No mechanism for strategic labour market response.	Strategy design needs to rely on input from the labour market.
	No estimation of numbers of apprenticeship placements.	
	Sector fragmentation.	Appropriate mechanisms need to be put in place.
Apprenticeship is offered as a general alternative for learners, in addition to other forms of VET in the same occupational sectors.	No mechanism for strategic labour market response.	Apprenticeship needs to be offered as a VET option when it corresponds to the demands of specific occupations.

Source: Cedefop.

One of the first steps is to set governance structures to ensure cooperation and equal partnerships between the VET systems and employment/labour market systems. This should include cooperation between the learning venues (companies and colleges); and involvement of the labour market side at relevant levels. While recent reforms improve communication and cooperation between the two learning venues with education taking the lead, they do not address the system-level relationships, and the role of labour market representatives.

Governance structures should enable a quick reaction to changes in the employment and the professional world. It is necessary to tackle the current mismatch between apprenticeship offer and labour market needs: slow response of apprenticeship in updating the current offer, no offer/insufficient numbers in certain occupations with shortages of skilled workers (digital gaming, maritime, aviation), offer in certain occupational sectors that may not be appropriate for apprenticeship.

Additional action would be to clarify the place of apprenticeship in education and training. Currently, school-based VET and apprenticeship in Malta exist in parallel in the same occupational fields and so there is a certain competition between school and apprenticeship training (two certificates, longer duration of apprenticeship than school-based, leading to the same qualification). Reform could also take into account restricting school and apprenticeship to occupation fields that are clearly demarcated from each other, and offering apprenticeship as a VET option when it corresponds to the demands of specific occupations.

For apprenticeship to be sustainable, it is necessary in the medium term to convince the bulk of business, especially micro and small companies, of its value and the collective contribution to the skilled labour force at national or sector levels that can benefit all employers. Most companies in Malta are small or micro businesses and survive in a very competitive environment, including competition for a skilled workforce. Poaching and free riding are common in some sectors and businesses, so employers are willing to invest in apprenticeship as long as the apprentices stay in employment with them after graduation. Employers value apprenticeship from an enterprise and not from a national or sector perspective. Balance needs to be achieved between long-term interest in developing a skilled workforce and short-term interest of employers. Business (employers' organisations) should be driving this, in dialogue with sector organisations, education institutions and workers' organisations.



1. INTRODUCTION

Introduction

In May 2014, the Maltese Minister for Education and Employment, Hon. Evarist Bartolo, and Director of Cedefop, James Calleja, launched a thematic country review on apprenticeships in Malta. The objective of the review has been to develop high-quality apprenticeship programmes as part of formal education and training leading to formal qualifications referenced to the Malta national qualifications framework (MQF). As stated in the meeting, the Maltese government considers apprenticeship as an excellent transition between the world of education and the world of employment and takes the view that apprenticeship should be the product of solid partnerships between VET institutions, labour market, and civil society.

One of the reasons why the Maltese government engaged in the review is that Malta is currently experiencing a problem in supplying enough skilled workers to the labour market. During a youth unemployment event held in April 2014, the Minister Hon. Evarist Bartolo said that ‘unemployment is not Malta’s main issue, but conversely, matching the skills to jobs is proving to be a major task and the biggest stumbling block to economic growth in Malta’ (Mizzi, 2014, p. 9). According to the minister, the fact that young people lack the necessary skills to meet job standards leads to mismatch between the supply of jobs and the availability of labour. In the national reform programme 2014, apprenticeship is seen as a means to address these skills shortages, and raise skills levels among young people (Malta Ministry of Finance, 2014, p. 18, 20).

In its pledge in the framework of the European alliance for apprenticeships (EaFA), Malta has formalised its commitment to increase the quantity, quality and supply of apprenticeships. The Malta College of Arts, Sciences and Technology (MCAST), which submitted the pledge on behalf of the Ministry of Education and Employment, commits to:

- (a) focus reform of apprenticeship, in a manner that brings apprenticeship training to the core of local industry;
- (b) root the reform in collaborative practice between MCAST and local industry which provides apprentices with high-quality underpinning knowledge indispensable for the growth of the local industry and economy;
- (c) increase the number of vocational pathways offered on apprenticeship

while also increasing the quality of work-based training and learning through formal accreditation of work-based modules; increase the exposure of apprentices within industry through a multidisciplinary approach in which companies benefit from engagement of apprentices from training courses not traditionally offered on apprenticeship; base reform on greater collaboration with both local and international stakeholders which have impact on education and the economy.

The review took place in the above context and was carried out between May 2014 and April 2015. It was led jointly by Cedefop and an ad hoc steering group set up at national level ⁽³⁾ which validated the project findings (Chapter 4 of this report). A broad range of relevant stakeholders were surveyed during the review, as part of an extended primary data collection exercise ⁽⁴⁾.

The statements selected in Box 1 reflect opinions of selected stakeholders (labour market side, and learners) and best capture the state-of-play and the challenges ahead.

Box 1. Selection of key messages from the labour market side and learners

According to representative of the Maltese Council for Economic and Social Economic Development (MCESD), apprenticeship has been pushed aside as there is not enough hands-on experience in VET. MCESD partners are insisting on improving apprenticeship. They are interested in learning more and willing to be proactive.

The Malta Employers' Association (MEA) underlines that there is a barrier to overcome: to look at apprenticeship not at the enterprise level but from a national/sectoral perspective. If all employers contribute to the training force at national level, than everybody benefits. In relation to governance, this should include labour market representatives with roles in course design and course update.

Malta Chamber of Commerce, Enterprise and Industry (MCCEI) wants a bigger say and involvement at strategic level.

MCESD, companies, and even teacher representatives raised the issue of 'academisation' of the technical schools in an attempt to shake off the image of trade schools.



⁽³⁾ The exact composition of the steering group is given in Chapter 2.

⁽⁴⁾ An overview of the main groups of interviewees and number of interviews is provided in Annex 2.

Apprenticeship companies declared they are not disposed to investing time and resources in work placements within school-based programmes because of uncertain relationship durability; companies are willing to invest in a long-term relationship with a learner such as an apprentice to develop his/her commitment and sense of belonging, so he/she is less likely to leave at the end of the training period. Companies stated that students following a full-time course at a VET institution and who are placed on short periods in industry for work experience are given administrative work to do as opposed to apprentices.

Ex-apprenticeship companies stated that the main reason why they withdrew or do not offer apprenticeship placements was fear of not recovering the investment.

According to interviews with apprentices (awardees and current apprentices), as well as representatives of student organisations, apprenticeship is a good option for acquiring a qualification and getting a job immediately after graduation. Perception is quite good, with good experiences as well as bad ones. Complaints about exploitation are not systematic and need to be treated with care.

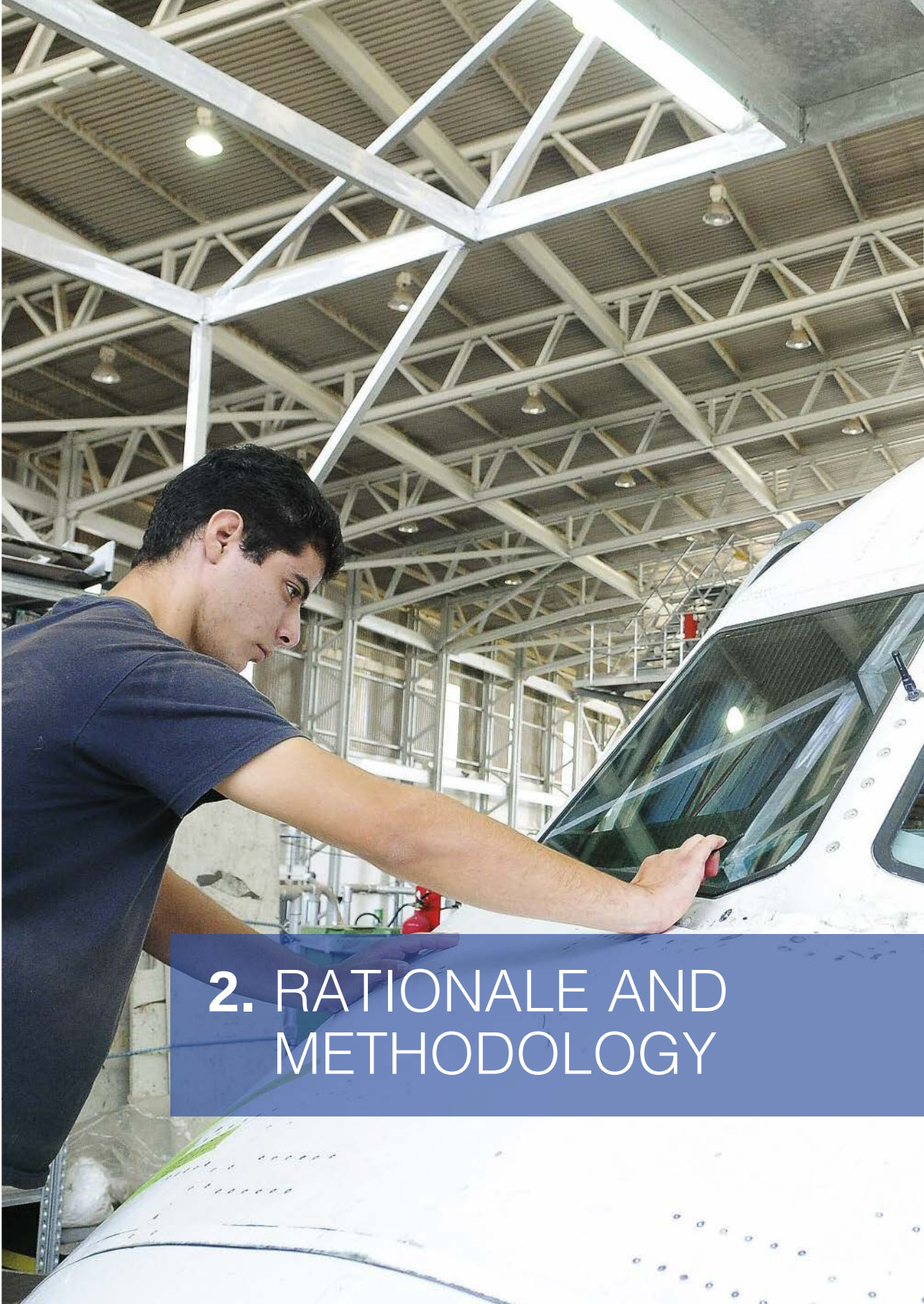
Apprentices want experience in real companies not workshops within colleges.

Source: Cedefop, interviews with stakeholders.

This is the final report which is largely based on information collected from stakeholders and includes areas for future reforms and suggestions for action. Malta will decide whether and how these would be taken forward.

The report is organised as follows:

- (a) Chapter 2 is an overview of the methodology applied both in Malta and in Lithuania;
- (b) Chapter 3 sets the country's socioeconomic and VET context;
- (c) Chapter 4 contains information on the state-of-play of the apprenticeship system, including strengths and weaknesses and the main issues related to participation by companies and learners. Apart from the description of the apprenticeship system which relies on desk research, all the other information in this chapter comes from the interviews with the different stakeholders;
- (d) Chapter 5 includes the areas of interventions and suggestions for action, formulated by the authors based on information presented in Chapter 4.



2. RATIONALE AND METHODOLOGY

Rationale and methodology

Cedefop has developed a methodology for the TCRs on apprenticeships, which was piloted for the first time in Lithuania and Malta. The methodology is applied in all countries participating in the review and supports its main objectives:

- (a) at national level, with cooperation between Cedefop and national stakeholders, to identify their specific strengths and challenges and present a set of suggestions for action for ensuring quality apprenticeship;
- (b) at European level, to increase the evidence base which can support policy- and decision-makers in European countries at different levels in designing and implementing policies and measures for developing/ improving quality apprenticeships; also to support learning across countries.

With findings from each country participating in the project, the TCRs on apprenticeships will gradually expand the knowledge on apprenticeships across Europe and enrich it with a high level of detail, including factors determining or hampering success of apprenticeship initiatives in different national contexts.

To attain the above objectives, the review methodology relies on:

- (a) a common analytical framework;
- (b) an inclusive, participatory and collaborative approach and policy learning;
- (c) an evolving and iterative approach.

The analytical framework (Annex 1) was used as a tool throughout the review; it served as a frame of reference for data collection instruments and process, analysis and reporting. It will be refined to take into account lessons from the pilot reviews.

Although apprenticeships are relatively well defined compared to other forms of work-based learning ⁽⁵⁾, the way they are implemented varies

⁽⁵⁾ Work-based learning comprises:

- (a) alternance schemes or apprenticeships. These are fundamentally based on cooperation between companies as training providers and VET schools or other education and training institutes;
- (b) school-based VET which includes on-the-job-training periods in companies (covering internships, work-placements, or traineeships that are incorporated as a compulsory or optional element of VET programmes);

considerably across different national contexts. For the TCRs, the analytical framework identifies a number of features that distinguish apprenticeships from other forms of work-based learning:

- (a) systematic long-term training alternating periods at the workplace and in an education and training institution or training centre;
- (b) an apprentice is contractually linked to the employer and receives remuneration (wage or allowance);
- (c) an employer assumes the responsibility for the company-based part of the programme which leads to a qualification confirmed by a final certificate.

Following the distinguishing features, the analytical framework comprises 10 areas of analysis, as follows ^(e):

- (a) place in the education and training system;
- (b) governance structures;
- (c) training content and learning outcomes;
- (d) cooperation between learning venues;
- (e) participation of and support to companies;
- (f) requirements and support to teachers and in-company trainers;
- (g) financing and cost-sharing mechanisms;
- (h) quality assurance;
- (i) apprentices' working and learning conditions;
- (j) responsiveness to labour market.

They are further translated into more detailed explanatory statements. The analytical framework includes some characteristic features that are present to a different extent and in different combinations in existing (well-functioning) systems of apprenticeship. The framework does not represent a model of apprenticeship (objectives to be achieved by a country) but a frame of analysis. The specific strengths, challenges, and suggestions for action take into account the context of the country.

The inclusive, participatory and collaborative approach was organised on two levels:

(c) WBL that is integrated in a school-based programme through on-site labs, workshops, kitchens, restaurants, junior or practice firms, simulations or real business/industry project assignments, with the aim to create 'real life' work environments.

(e) The complete analytical framework is available in Annex 1.

- (a) steering of the review and validation: in Malta, a steering group was composed of representatives of a number of main national stakeholders:
- (i) Ministry of Education and Employment (MEDE);
 - (ii) Malta College of Arts, Science and Technology (MCAST);
 - (iii) Institute of Tourism Studies (ITS);
 - (iv) Employment and Training Corporation (ETC);
 - (v) Malta Chamber of Commerce, Enterprise and Industry (MCCEI);
 - (vi) Malta Union of Teachers (MUT);
 - (vii) Gozo Business Chamber Council (GBCC).

The steering group was actively involved in all the activities helped deliver results, and identified priority areas for review.

The steering group also had a validation role of the review findings and ensured the relevance of the results (Chapter 4). During validation workshops, the steering group members discussed and achieved common understanding of the main approaches, findings and possible solutions identified in the process of the review.

The first validation workshop was held before the data collection started. It resulted in preliminary analysis of the main strengths and challenges of the Maltese apprenticeship system, and in defining priority areas for the review.

The second validation workshop was held after the first and second rounds of surveys (see (b) below). The findings were discussed.

The third validation workshop was held at the project end, and the findings of the present report were discussed;

- (b) stakeholder involvement.

At different stages of the review, a broader range of stakeholders in the country was involved. More specifically, individual and groups of stakeholders took part in in-depth discussions on the strengths, challenges, possible solutions and policy, institutional, and organisational implications for the apprenticeship system.

The review was based on data collection rolled out over five months (September 2014 to February 2015): 72 persons were interviewed and seven focus groups were carried out in three rounds (Annex 2).

An iterative and evolving approach was applied where each round had its own objectives and informed and fed the following one(s).

The first two rounds of surveys had a fact-finding character, designed to gather comprehensive information on the Maltese apprenticeship system

(challenges and possible solutions), and latest developments from different angles:

- (a) the first round of surveys addressed those directly involved in implementing the apprenticeship system (VET teachers, employers, in-company trainers, students in compulsory education (potential apprentices), current and former apprentices);
- (b) the second round addressed system-relevant stakeholders with roles in governing the apprenticeship system (VET institutions managers, employers' organisations, sectoral organisations, chambers of commerce and industry, teachers' trade union);
- (c) the third round of interviews focused on solutions and again addressed system-relevant stakeholders.

The stakeholders' views and ideas were integrated into this report. Annex 2, provides an overview on the main groups of interviewees and number of interviews carried out.





3. CONTEXT

Context

3.1. Labour market

Key labour market characteristics (employment, unemployment, and activity rates of the population aged 15 to 64) correlated to level of education show that Malta performs better than the EU-28, having higher employment and lower unemployment levels for all population groups. Unemployment rates are considerably lower in comparison with the rest of the EU countries. However, similar to the European trends, Malta is also facing increased unemployment accompanied by low education attainment compared to the active population.

Table 2. Employment, unemployment and activity rates of population aged 15 to 64 by level of education (2014)

Education level	Employment rate		Unemployment rate		Activity rate	
	Malta	EU-28	Malta	EU-28	Malta	EU-28
Low (less than primary, primary and secondary education ISCED 0-2)	50.3	43.3	9.3	18.9	55.4	53.4
Medium (upper secondary and post-secondary non-tertiary education ISCED 3-4)	69.6	68.4	3.7	9.4	72.3	75.6
High (tertiary education ISCED 5-8)	86.7	82.1	2.6	6.1	89.0	87.4
Total	64.9	62.3	5.9	10.3	72.3	66.3

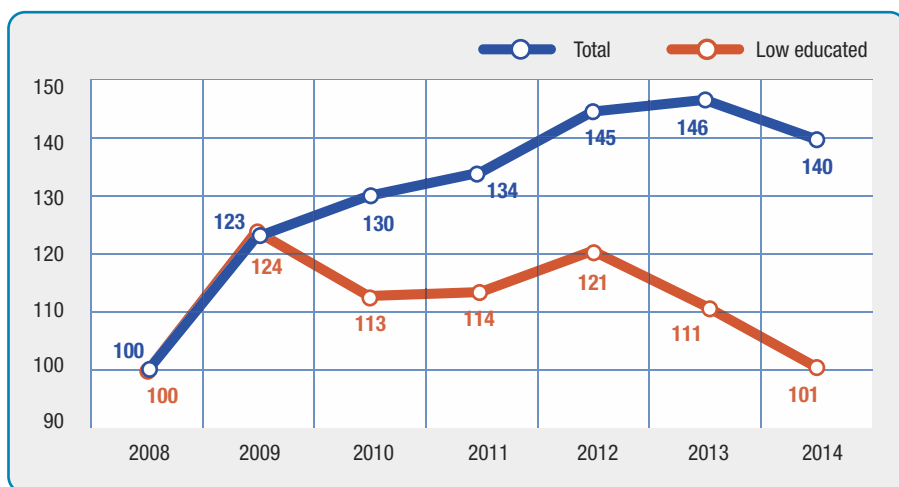
Source: Eurostat, EU labour force survey, 2014.

Unemployment particularly affects those with low educational attainment, across all groups. However, if we take a close look at the 15 to 24 age groups, we see that the problem is more acute among young people. Figure 1 shows

the youth unemployment trends from 2008 to 2014, using index number 2008 = 100. According to the calculations, unemployment rates among all young people increased abruptly from 2008 to 2009. From 2009, this trend continued to increase among the low-educated until 2013.

In contrast, unemployment rates among the young population as a whole decreased by 10 points from 2009 to 2010, the trend stabilised between 2010 to 2011, then increased slightly until 2012. Since 2012, the trend has been decreasing and reached the pre-crisis levels.

Figure 1. Youth unemployment rate 2008-14 (index number 2008=100)



Source: Eurostat, EU labour force survey, 2014.

Mirroring European trends in youth unemployment, the rate for the low-educated are still significantly higher than the pre-crisis levels.

3.2. Enterprise size

Malta is a small Mediterranean island with a total population (July 2014) of 412 655 persons ⁽⁷⁾. Most Maltese enterprises are 'micro' businesses (95%) with only around 350 companies classified as medium or large enterprises.

⁽⁷⁾ Central Intelligence Agency: *The world factbook: Malta*.

<https://www.cia.gov/library/publications/the-world-factbook/geos/mt.html> [accessed 4.6.2015]

Table 3. **Number of enterprises in Malta**

Type of enter- prices	Number of enterprises			Number of employees			Value added		
	Malta		EU-28	Malta		EU-28	Malta		EU-28
	No	%	%	No	%	%	Billion	%	%
Micro	28 905	94.6	92.4	43 576	34.7	29.1	1.0	32.8	21.6
Small	1 298	4.2	6.4	26 029	20.7	20.6	0.6	21.0	18.2
Medium	291	1.0	1.0	28 476	22.7	17.2	0.6	19.3	18.3
SMEs	30 494	99.8	99.8	98 081	78.0	66.9	2.2	73.2	58.1
Large	54	0.2	0.2	27 637	22.0	33.1	0.8	26.8	41.9
Total	30 548	100.0	100.0	125 718	100.0	100.0	3.0	100.0	100.0

NB: Estimates for 2013 produced by DIW Econ, based on 2008-11 figures from the structural business statistics database (Eurostat). The data cover the 'business economy', which includes industry, construction, trade, and services (NACE Rev. 2 sections B to J, L, M and N).

Source: European Commission, 2014a.

Based on the estimates provided by the 2014 *Small Business Act: fact sheet on Malta* (European Commission, 2014a), the number of small and medium-sized enterprises (SMEs) in Malta constantly increased over the past few years by 4 800 (almost 20%), while the EU average remained relatively steady. However, this positive trend should not give rise to complacency. Despite this high increase in small businesses, the number of people employed in SMEs in Malta grew only by slightly more than 10% over the period 2008-15, possibly indicating that SMEs in Malta struggle to recruit employees with the right skills and competences. While 78% of employees in Malta work in SMEs, Maltese SMEs account for 73% of value added.

A recently published MEDE report (MEDE, 2014a, p. 15) highlights that not only is Malta's average labour productivity lower than the EU-28 average, but the gains in output from an additional labour hour worked (marginal productivity) are also below the equivalent gains in other Member States.

The high share of employment in SMEs together with low labour productivity highlights the risk of a low-skilled equilibrium in the Maltese economic development model.

3.3. Major economic sectors

Despite the predominant role of the tourism and maritime sectors in Malta – which together account for 45% of Malta's GDP – other economic sectors such as remote gaming, information and communications technology (ICT) and financial services also play a key role in Malta's economy.

3.3.1. Tourism

According to the Malta country report from March 2014 (European Commission, 2014b), tourism is a key sector of the economy, representing 30% of gross domestic product (GDP). Some 8.5% of the Maltese workforce is employed in the tourism industry, the highest of all European countries. The National Commission for Further and Higher Education (NCFHE) indicates that tourism in Malta can potentially provide up to 5 467 additional jobs in the sector in 2015. The NCFHE adds that the composition of the workforce to fill these vacancies should include 29% employees with high qualifications, 50% medium and 21% with low qualifications.

3.3.2. Marine/maritime

In a speech given during the 2014 Maritime careers day (Herrera, 2014), Dr José Herrera, Parliamentary Secretary for Competitiveness and Economic Growth, highlighted the importance of the maritime sector for Malta: 'More than 15% of Malta's economy is dependent on the marine environment. [...] Currently there are some 20 000 jobs depending on maritime, with a value of EUR 600 million directly injected into our economy.' Despite its importance to the economy, in its *Report on skills for the future* from February 2009 (NCFHE, 2009, p. 31), the NCFHE in Malta identified skills shortages in the marine and maritime sector:

- (a) vertical skills for growth areas: researchers in marine science and technology, researchers in applied culture fisheries research, researchers in marine biology and cell/molecular, biology research, environmental education specialists, engineers, technicians, ship building/repair personnel, port workers;
- (b) transversal skills for all areas: qualified management, technology, bio-informatics, marine environmental management, marine service-oriented skills, operational oceanography skills, financial management and administration, human resources management, port management.

The NCFHE also foresees a potential to create 659 jobs in the marine sector by 2015.

3.3.3. I-gaming and remote gaming

According to Legal Malta ^(e), the I-gaming sector was characterised by rapid growth over the past few years, notably due to a favourable tax regime. Remote gaming is, according to the portal, ‘the most dynamic and the fastest growing gaming sector in Malta’. According to the Parliamentary Secretary for Competitiveness and Economic Growth, the remote gaming industry accounts for approximately 11% of GDP (Lewis, 2014). In 2004, Malta became the first EU Member State to regulate remote gaming (Government of Malta, 2004).

More than 450 gaming firms are located in Malta; they employ approximately 7 000 people, mostly foreign workers. As highlighted by the Minister for Education and Employment during a youth unemployment seminar held in April 2014, ‘non-Maltese nationals are taking up jobs, particularly in the gaming industry, where 66% of jobs are taken by foreigners’ (Mizzi, 2014).

In 2012, a strategy focusing specifically on the development of i-gaming (Games Audit, 2012) was published. This strategy promotes the development of more courses at the University of Malta, Malta College of Arts, Science and Technology (MCAST) – the biggest VET college in Malta – and in private institutions to provide a wider range of courses at tertiary level in ICT which can cater for the growing i-gaming sector.

3.3.4. ICT

The Maltese government is giving due importance to the digital economy, which is considered the backbone to Malta’s future economy.

In 2014 Malta published a *National digital strategy 2014-20* (Government of Malta, 2014) which includes the role of ICT and developing ICT skills. The strategy reflects government’s commitment to promoting ICT within education through investment in a comprehensive ICT infrastructure for educators, students and parents, encouraging a digital mind-set and widening learning opportunities.

The strategy emphasises the need to highlight and encourage more students, highlighting the opportunities which careers in ICT offer in the labour market. It also underlines the need to offer more pathways for learning and developing ICT skills to attract more students to the sector.

^(e) Legal Malta, the Malta law, finance and business portal: *Gaming in Malta*.
<http://www.legal-malta.com/gaming> [access 3.5.2015].

3.4. Maltese VET

At the end of compulsory education (at 16 years of age) Maltese students can choose either a general path or a vocational education path. VET qualifications in Malta range from MQF/EQF levels 1 to 6, with a focus on MQF/EQF levels 3 and 4. Apprenticeship is offered at levels 3 and 4. The 2013 National reform programme (NRP) for Malta indicates that the VET offer between levels 4 and 5 should be upgraded to 'meet the demand for skills by industry [...] and the increased need for learning-outcomes-based courses that are comparable with their European and international equivalents' (Malta Ministry of Finance, 2013, p. 142).

The MQF differentiates between further and higher education, related to MQF levels: further education comprises all qualifications on MQF levels 1 to 4, and higher education comprises all qualifications on MQF levels 5 to 8. Within further education, the MQF differentiates between a general education (academic) pathway and a VET-pathway (vocational).

Qualifications for MQF level 5 are regarded as higher education. Yet, at MQF level 5, there is still a differentiation between an academic diploma (undergraduate diploma/certificate) and a vocational qualification (foundation degree or VET higher diploma).

At MQF level 6, just one type of degree is offered, the bachelor degree (as shown in Table 4) though alongside the University of Malta, both public VET colleges ITS and MCAST offer a range of courses leading to a level 6 qualification.

Table 5 highlights the total student population in further and higher education in Malta, over 2008-14. It shows that the number of students in further academic education had steadily increased (except for 2012 when there was a slight decline as compared to the previous year), and exceeded the numbers of students in further vocational education where the overall trend was decreasing for the same period. In further vocational education, 2012 and 2013 registered the lowest levels of participation since 2010. Even though there was an increase in 2014, participation in further vocational education is still below the peak reached in 2011.

Similar to the general trends in VET, participation in apprenticeship also fell year on year, as Table 6 shows. For 2014, MCAST reports increasing participation also for apprenticeship but data are not official/validated and so not provided in the table.

Table 4. **Maltese qualifications framework**

MQF level	General education pathway (academic)		VET pathway (vocational)	Classification
8	doctoral degree			higher education
7	master degree (postgraduate degree/diploma)			
6	bachelor			
5	undergraduate diploma undergraduate certificate	foundation degree higher VET diploma		
4	matriculation certificate advanced level intermediate level	VET diploma		further education
3	general education level 3 (SEC grades 1-5)	VET level 3		
2	general education level 2 (SEC grades 6-7)	VET level 2		
1	general education level 1 (school leaving certificate)	VET level 1		

Source: National Commission for Further and Higher Education (NCFHE): Malta qualifications framework.
<http://www.ncfhe.org.mt/content/home-malta-qualifications-framework/5963805/> [accessed 18.5.2015].

Table 5. **Total student population in further and higher education in Malta**

	Further academic	Further vocational	Higher
2008	5 711	6 163	9 747
2009	6 457	6 661	10 177
2010	6 531	7 773	10 737
2011	6 734	9 321	11 714
2012	6 609	6 454	14 718
2013	6 756	6 810	16 678
2014	8 189	7 167	15 038

Source: National Commission for Further and Higher Education (NCFHE). *About us*.
<http://www.ncfhe.org.mt/content/home-about-us/1343488/> [accessed 10.6.2015].

Table 6. Total number of apprenticeships by December in the period 2010-13

Year	Number
End December 2010	776
End December 2011	661
End December 2012	624
End December 2013	545

Source: Employment and Training Corporation (unpublished).

Vocational education is provided by two State colleges in Malta, the Malta College of Arts, Science and Technology (MCAST), offering about 170 courses a year from level 1 to 6 on MQF, and the Institute of Tourism Studies (ITS), offering about 20 courses per year from level 2 to 6. They are autonomous and self-regulating institutions that provide further and higher education programmes, funded by the Maltese government ⁽⁹⁾. ITS used to provide apprenticeship until 2013, while MCAST is still providing apprenticeship as part of its regular offer. MCAST has also regularly used European Social Fund (ESF) and funding from the Lifelong Learning Programme to accelerate reforms, as in establishing the European transparency tools and principles ⁽¹⁰⁾.

MCAST was established in 2001, and is the country's VET institution with 10 different sectoral institutes in Malta and the Gozo Centre. ITS was established in 1987 and consolidated by the *Education Act No XIII* of 2006 of the Laws of Malta (Government of Malta, 2006). Currently, ITS is governed by the Ministry of Tourism, as its main responsibility is to provide vocational education in the tourism sector.

Besides these two colleges, the state-run Employment and Training Corporation (ETC) – set up in 1990 and also acting as a public employment service – manages VET in the form of active labour market policies (ALMP) and other services for the unemployed. Until 2014, this organisation was also responsible for the organisation of apprenticeship.

⁽⁹⁾ MCAST falls under the Ministry of Education and Employment, while ITS falls under the Ministry of Tourism.

⁽¹⁰⁾ These include: the European qualifications framework (EQF), the European credit system for vocational education and training (ECVET), Europass, the European quality assurance in VET (EQAVET) and validation of non-formal and formal learning (see weblinks section at the end of this document.)

The MEDE informs ETC of any school dropouts, which can then be followed up. ETC works with MCAST and ITS to ensure that young people are aware of the services offered. Supporting the government's Youth Agency ⁽¹¹⁾ – and, more specifically, Youth.inc ⁽¹²⁾ – ETC is actively involved in the alternative learning programme (MEDE, 2014b), which targets hard-to-reach young people and those at risk of becoming early school leavers, with assistance to gain skills relevant to the labour market.

ETC is also involved in implementing the Maltese youth guarantee scheme, and offers a number of employment and training schemes which target youth participation in the labour market: Youth champions; enhancing employability through training; traineeships; work trial scheme; and the work and training exposure scheme.

Alongside these VET institutions, the NCFHE supports 'the development and achievement of excellence in further and higher education in Malta through research, effective licensing, accreditation, quality assurance and recognition of qualifications established under the MQF' ⁽¹³⁾.

NCFHE is the official regulating body for further and higher education. It acts as broker between the government and relevant VET and higher education institutions, and has established a structured dialogue through regular consultations with stakeholders. NCFHE encourages the government to take on suggestions, recommendations and address concerns raised for the sector, such as input into the development of national strategies.

NCFHE also oversees the implementation of the MQF, quality assurance and qualifications recognition as part of the Bologna and Copenhagen processes. It also acts as the national coordination point for the European qualifications framework, ReferNet and forms part of the ENIC-NARIC Network (NCFHE, *About us*).

3.5. Addressing the skills gap in Malta

The 2014 NRP indicates that 'addressing skills shortages and skills gaps in the labour market is one of the Government's highest priorities so as to ensure the demand for skills generated by the economy is met by the supply of skills

⁽¹¹⁾ Youth Agency (Aġenzija Żgħażaġh): <http://www.agenzijasghazagh.gov.mt/> [accessed 10.6.2015].

⁽¹²⁾ Youth Agency (Aġenzija Żgħażaġh): *Youth. Inc*: http://www.agenzijasghazagh.gov.mt/Categories/937/Youth_inc/ [accessed 10.6.2015].

⁽¹³⁾ National Commission for Further and Higher Education (NCFHE): *About us*: <http://www.ncfhe.org.mt/content/home-about-us/1343488/> [accessed 3.6.2015].

coming on stream from education institutions. Educational entities are continuously ensuring that the courses offered are attractive, relevant and are continuously addressing the needs of the labour market' (Malta Ministry of Finance, 2014, pp. 14-15).

As highlighted by the 2013 Malta VET in Europe Country report, 'there is no particular institutional mechanism dedicated specifically for anticipation of skills needs in Malta', despite the rapidly changing labour market environment, which makes it difficult to forecast future skills needs in the country. The report mentions some tools, which may be used to forecast skills needs at national level, although this is not their main aim, and it proves 'difficult to use them to extrapolate to predict long-term future needs' (Cedefop ReferNet Malta, 2013, p. 19). These tools include:

- (a) labour market statistics, labour force surveys and employment-related administrative data from the National Statistics Office. As mentioned in the report, 'although these instruments do not forecast future skills needs, they reflect the current situation of economic activity' (Cedefop ReferNet Malta, 2013, p. 19);
- (b) quarterly surveys among employers carried out by the Central Bank of Malta, which forecasts the short-term employment needs of different economic sectors;
- (c) the monthly industry trends survey published by the MCCEI;
- (d) Malta's annual attractiveness survey (EY Malta, 2013), which collects data from foreign-owned companies in Malta;
- (e) one-off and ad hoc studies on skills needs in specific sectors, such as the ICT sector study run by the Ministry of Investment, Industry, and Information Technology in 2007 or environment sector study run by ETC in 2007.

Efforts are made to reduce the existing skills mismatch in Malta and bring the worlds of education and work closer together, mainly at project level.





4. EXISTING APPRENTICESHIP(S) AND STAKEHOLDER VIEWS

Existing apprenticeship(s) and stakeholder views

4.1. Overview of the apprenticeship system

This section provides an overview of the apprenticeship system in Malta by several areas of analysis. For each of the areas, the section describes:

- (a) apprenticeship under the current legislation;
- (b) the strengths and challenges of the regulated apprenticeship as seen by the stakeholders surveyed during the review;
- (c) the developments carried out or foreseen by MCAST, as described by the surveyed MCAST representatives, and some possible implications ⁽¹⁴⁾.

There is currently (May 2015) incongruence between the apprenticeship as regulated by law and what has been put in place as of 2014 ⁽¹⁵⁾.

The main legal documents relevant to apprenticeship during the review include:

- (a) the *Employment and Training Services Act*, which includes the general terms and conditions for apprenticeship: Part VI of this act is dedicated to apprentices and trainees and was last updated in 2007;
- (b) subsidiary legislation 343.22, which regulates the general terms and conditions for the technician apprenticeship scheme (TAS) for persons starting on an apprenticeship in any of the trades set on or after the first January, 1990;
- (c) subsidiary legislation 343.25, which regulates the general terms and conditions for the extended skill training scheme (ESTS) and was first published in 1998.

⁽¹⁴⁾ The implications do not necessarily reflect the opinions of the stakeholders surveyed, but the considerations of the authors of this report.

⁽¹⁵⁾ To ease the readability of the information, the authors decided to describe the system as regulated by law outside of the boxes. The information presented in the boxes refers to what has been put in practice by MCAST since 2014.

According to these legal documents, TAS and ESTS are the two apprenticeship schemes in Malta within which apprenticeship callings ('any skill, trade, craft or other occupation or section thereof', Government of Malta, 2009) are offered. These callings are listed in the two subsidiary legislations.

As of the academic year 2014, MCAST was requested by MEDE to make the changes necessary to improve apprenticeship quality and to boost participation by companies and learners (increase numbers) ⁽¹⁶⁾. To do this, MCAST has taken on roles with which ETC is vested by law. At the same time, MCAST has been working towards introducing work placements for all its school-based courses, in an attempt to provide all its learners with the opportunity of acquiring a number of learning outcomes in a real work environment.

In 2013 ITS decided to stop provision of apprenticeship in the tourism sector and provide work placements for its school-based programmes.

4.1.1. Definition of apprenticeship in Malta

Apprenticeship in Malta is distinct from other forms of work-based learning.

An apprentice is contractually linked to the employer and receives remuneration (wage or allowance), and the employer assumes responsibility for the on the job training of the programme leading to a qualification.

The *Employment and Service Training Act* defines an apprentice as 'a person over the age of fifteen years who is bound by a written agreement to serve an employer for a determined period with a view to acquiring knowledge, including theory and practice, of a calling in which the employer is reciprocally bound to instruct that person' (Government of Malta, 2009). The apprentice receives wage from the employer and an allowance from the State.

The act also defines the general conditions for the apprenticeship contract (agreement) between the employer and the apprentice (the parties, registration, transfer, termination) and the civil rights of apprentice and employer. ETC also signs the apprenticeship contract together with the

⁽¹⁶⁾ During the interviews carried out for this review, social partner representatives (including MCESD, and Malta Union of Teachers), as well as company representatives stated they were not adequately consulted on the changes led by MCAST.

apprentices and the company. Subsidiary legislation defines the hours of work, and the maintenance grants and wages.

However, the status of apprentices (whether employee or not) is not totally clear. Apprentices do not fall under the *Employment and Industrial Relations Act* (Government of Malta, 2002) and/or collective agreements, as signalled by trade union representatives. ETC reports that apprentices used to be included in the *Employment and Industrial Relations Act* but, with the latest reform (2002), they were excluded from this law, as their status was seen as 'exceptional'. However, in the *Employment and Training Services Act*, apprentices are referred to as a type of employee. Due to this inconsistency in the two legal acts, interpretation of the status of apprentice is unclear and creates uncertainties for employers and inconsistencies in industrial relations. For instance, in the hospitality sector, if an employer engages apprentices on a part-time basis (such as weekends), he has to adhere to labour law and pay minimum wages while apprentices are not covered by this specific law.

Another result of the above situation is that apprentices seem not to be covered by social security in case of injuries at the workplace.

An apprenticeship has to include systematic long-term training, alternating periods on the job with periods of learning in an education and training institution or training centre, which leads to a formal qualification (linked to the MQF).

The subsidiary legislation 343.22 for TAS and 343.25 for ESTS stipulate that the period of apprenticeship shall not be less than two years and more than four years, and four consecutive years, respectively. However, practice shows that the period did not exceed three years. ESTS leads to a trade or skill at craftsman level (level 3 according to the MQF level descriptors) whereas TAS leads to an occupational competence at technician level (level 4 according to the MQF level descriptors).

The minimum duration of on-the-job training or the ratio between on- and off-the-job training is not defined in the legal framework. Such duration is set by the college for each apprenticeship calling, but it is not based on any cost-benefit analysis of apprenticeship. It may not guarantee that a substantial part of the learning takes place on the job, needed to enable a minimum set of skills to be learned and/or to be practised to achieve the desired level of competence on the job.

**Box 2. The TAS and ESTS apprenticeship schemes:
MCAST-led developments**

The TAS and ESTS apprenticeship schemes offered at MQF levels 3 and 4 have been gradually discontinued and replaced by MCAST apprenticeship courses at the same levels but of two years duration (this is the length of the VET school-based programmes at these MQF levels). Apprenticeship courses were longer than school-based ones (Section 4.1.2.).

The contract between the company and apprentice will continue to exist. MCAST will also sign the contract (replacing ETC).

MCAST has put a specific regulation in place that ensures apprentices are covered by insurance in case of injuries at the workplace. This would not be needed if laws were clear.

Source: Cedefop.

4.1.2. Place in the education and training: a mixed system

In Malta, there are no national standards for occupational competence. As a result, and in line with the distribution of roles and responsibilities in the apprenticeship governance structure (Section 4.1.4), the learning outcomes of an apprenticeship programme are defined as follows:

- (a) the colleges are in charge of learning outcomes for off-the-job training in the apprenticeship programme which is accredited by the college itself. The content and volume of these learning outcomes are the same as for school-based programmes leading to the same qualifications;
- (b) with the support of the trade testing boards (TTB), ETC is in charge of defining the learning outcomes for the on-the-job part of the apprenticeship. This part of the programme is not accredited either by the college or by NCFHE, which has accreditation functions.

Since an apprenticeship programme is made up both of an accredited and a non-accredited part, it could be described as a non-integrated/non-holistic approach to apprenticeship.

As a result of the above:

- (a) apprentices receive two certificates: the journeyman's certificate and the MCAST award.

The journeyman's certificate is the apprenticeship certificate issued by ETC following the final assessment carried out by the TTBS (Section 4.1.4.). It attests successful completion of ESTS or TAS and certifies all

learning outcomes, achieved both in the company and at college. Even though issued by an awarding body ⁽¹⁷⁾, the journeyman certificate does not offer progression opportunities, as it also certifies the non-accredited part of the apprenticeship programme. However, it is pegged to MQF and is well received by the labour market as proof of hands-on experience, as confirmed by all interviewees, representatives of companies, social partners, chambers, and apprentices.

Evolution even prior to the MCAST-led developments (Box 3) resulted in apprentices also receiving a MCAST award for the learning outcomes achieved in college. This is possible since apprentices in colleges need to achieve the same volume of learning outcomes as their peers in school-based programmes studying for the same qualifications. The award gives apprentices the opportunity to progress to higher qualification levels, as it certifies the accredited part of the apprenticeship programme;

- (b) apprentices stay longer in education and training as compared to their peers in school-based programmes leading to the same qualification.

According to the above practice, apprentices need one year more to get the college certificate than their peers in school-based VET programmes, leading to (mostly) parent complaints about the duration of apprenticeship programmes. There is no common position among apprentices according to views stated by youth organisation representatives.

Box 3. Place in the education and training: MCAST-led developments and some implications

For all its programmes, MCAST is planning to define (self-)accredited work-based learning that may be achieved on the job, either through apprenticeship or school-based programmes with work-based learning (Box 7), if there are companies willing to provide apprenticeship placements or placements for work-based learning. Alternatively, the learning outcomes falling under accredited work-based learning may also be achieved in colleges, in labs or simulated work-environments.

What distinguishes apprenticeship from school-based programmes with work-based learning is that in apprenticeship learners achieve both a higher



⁽¹⁷⁾ Only awarding bodies may issue certificates that provide the conditions for horizontal and vertical permeability. ETC is the awarding body of the journeyman's certificate as legally empowered by Article 40 of the *Employment and Training Services Act* (Government of Malta, 1990).

volume of learning outcomes from accredited work-based learning, but also a number of learning outcomes that are not foreseen within accredited work-based learning in the company (spend more time in the company).

The MCAST-led developments do not address the lack of integrated/holistic approach in apprenticeship as described above. Further, there are questions over the distinction between the two types of work-based learning (apprenticeship and school-based programmes with work-based learning).

MCAST will issue the MCAST awards for the accredited part of the apprenticeship programme, but these will not certify those learning outcomes achieved by the apprentices on the job and not accredited under accredited work-based learning. MCAST will also be in charge of their final assessment. Permeability to higher levels will be guaranteed.

Apprentice graduates may also sit an assessment to get the journeyman certificate which would certify those learning outcomes achieved outside accredited work-based learning. However, it is unclear whether the TTBs will still be in charge of the assessment and on what basis they will organise it (what learning outcomes they will assess and certify, who will define these learning outcomes).

Source: Cedefop.

4.1.3. Cost-sharing

The apprentice receives a wage from the employer and maintenance grants from the State. Apprentices are also entitled to half the annual statutory bonus payable by the employer ⁽¹⁸⁾.

Wages and grants are quantified in subsidiary legislation 343.22 of 1990 for all TAS apprentices, and subsidiary legislation 33.25 of 1998 for all ESTS apprentices. The direct cost (salaries) is not an issue for companies as it is not considered high: some companies have suggested increasing remuneration, at least for the better performing apprentices.

⁽¹⁸⁾ Employers in Malta are obliged to pay annual statutory bonuses to every full-time employee or a *pro rata* amount in the case of part-time employees that work at least 20 hours per week. The full statutory bonus payable every six months is as follows: end of June: EUR 135.10; from 15 to 23 December: EUR 135.10. Hence apprentices are entitled to get half of this and employers are legally obliged to pay.
<https://dier.gov.mt/en/Employment-Conditions/Wages/Pages/Bonus-and-Weekly-Allowances.aspx> [accessed 17.6.2015].

Companies also cover indirect costs (materials and tutors, who are high-level managers and/or experienced workers). According to representatives of companies interviewed, indirect costs may become a financial burden (especially for SMEs) when an apprentice is weak and companies cannot recover the investment through work or by keeping the apprentice graduates in employment. Difficulty in recovering investment is one of the main reasons why companies decide not to take apprenticeship placements or withdraw (Section 4.2.1).

There are tax incentives to encourage companies to take on apprentices but most companies are not aware of them.

Box 4. Cost-sharing: MCAST-led developments and some implications

There are no direct changes. However, since MCAST will discontinue the ESTS and TAS, it is unclear whether the wages and cost-sharing obligations in general, as defined by ESTS and TAS subsidiary legislation would continue to apply to MCAST apprenticeship courses.

Source: Cedefop.

4.1.4. Governance structures

The governance structure of apprenticeship in Malta is designed by the *Employment and Training Services Act* (Government of Malta, 1990) which provides the following:

- (a) the Employment and Training Corporation (ETC) is responsible for managing apprenticeship schemes: defining and publishing the callings under the apprenticeship schemes (ESTS and TAS); identifying the skills and competences for on-the-job training of apprenticeship callings; the selection of the apprentices and drawing up the contract; identification of companies for apprenticeship placements; monitoring; certification (journeyman certificate), based on assessment carried out by the TTBs (see below); and keeping records of companies and apprentices;
- (b) TTBs are appointed by the Minister for Labour ⁽¹⁹⁾, in consultation with ETC, for each of the callings. By law, they are in charge of conducting the final assessment of apprentices to ascertain their proficiency or competence in a calling. TTBs can exercise their rights in law and examine apprentices for all competences achieved irrespective of the learning

⁽¹⁹⁾ In the meantime, the Ministry of Labour functions together with the Ministry of Education under one institution.

- venue. However, they acknowledge the learning outcomes achieved by the apprentices in college and validated by the VET colleges themselves, and opt not to examine them;
- (c) education side (any officer of the Department of Education authorised by the Director General to act on his/her behalf), in cooperation with ETC, may set standards of proficiency and certification in the various callings for off-the-job training. It also decides on the number of days the apprentice needs to spend in the college;
 - (d) the companies offer apprenticeship places under the different callings, and ensure that the apprentice is provided with the relevant training. They also keep records for each apprentice.

ETC establishes and maintains direct contact with companies: colleges are not expected to communicate or cooperate with them.

MEDE has decision-making powers and control. Delegation of power from the MEDE gives the ETC decision-making power and control for the publication of apprenticeship callings, and the corresponding on-the-job-training; the colleges (MCAST and ITS) have decision-making power and control for off-the-job training for the different callings. However, if the colleges discontinue the provision of training for the off-the-job part of an apprenticeship calling, the calling is also discontinued. For instance, ITS decided to discontinue the apprenticeship in the tourism sector in 2014 and replace it with school-based programmes that included work-based learning. No formal mechanisms for mediation are in place between ETC and the colleges.

The labour market side is not formally invested with specific roles and responsibilities under the current governance framework. However, some institutions are consulted in their capacity as members of the management boards of the colleges. For example, MCCEI sits on the board of governors at MCAST. However, they are consulted on all courses offered at MCAST (overall provision). In practice, cooperation and the functioning of the system depended on the good will of many players. NCFHE does not have any role in apprenticeship within the current system.

The current governance structure seems not particularly supportive of:

- (a) cooperation and equal partnerships between the VET systems and employment/labour market systems;
- (b) involvement of the social partners, and chambers at the different levels;
- (c) cooperation and equal partnerships between the learning venues (such as communication between company and colleges, involvement of company in definition of the learning).

Box 5. Governance structures: MCAST-led developments and some implications

To be able to revise the system, MCAST has taken over all former ETC responsibilities, except for cooperation with the TTB and issuing a journeyman certificate.

This should lead to improvement in cooperation between the two learning venues and also to an accumulation of functions on the education side: strategy, provision, administration, assessment, and certification. Given that MCAST is a self-accredited institution, the accumulation of all the above functions also raises concerns of conflict of interest.

While acknowledging the value of the efforts made by MCAST, concerns arise in relation to its human resource capacity to carry out all these functions, while maintaining quality and increasing participation in apprenticeship (the main policy objectives MCAST is expected to deliver not far from now).

Source: Cedefop.

4.1.5. Responsiveness of apprenticeship to labour market needs

Interviewees generally agree that there is mismatch between apprenticeship offer and labour market needs. Concern has been expressed about:

- (a) slow response of apprenticeship in updating the current offer and no offer and/or insufficient placements in certain sectors with shortages of skilled workers: two of the main economic sectors in Malta, digital gaming and maritime, were used as examples by interviewees of apprenticeship failing to catch up with skill needs;
- (b) misuse of apprenticeship, where offers in certain sectors may not be appropriate for apprenticeship (such as where workforce fluctuation is high or highly competitive sectors);
- (c) no offer in specific areas (as in Gozo).

There are several external and internal causes underlying the above situation. The main internal causes highlighted during the interviews concern:

- (a) no involvement of labour market representatives in defining the apprenticeship offer, which is a weakness of governance;
- (b) legislation restricts apprenticeship to defined sectors with two subsidiary legislations listing the callings offered under the ESTS and TAS schemes ⁽²⁰⁾.

⁽²⁰⁾ The subsidiary legislation 343.22 for TAS dates back to 1990, and 343.25 for ESTS dates back to 1998.

The callings defined are outdated and no longer in line with the labour market needs;

- (c) no mechanism for strategic labour market response; besides restricting apprenticeship to defined sectors, legislation does not foresee any mechanism for strategic market response. There is no coordinated strategic planning, and no clear mechanisms to establish new apprenticeship programmes, or to modify or discontinue existing ones (ex-ante and/or ex-post impact evaluation of apprenticeship is not in place; no tracking or mechanisms).

The main external issue is sector fragmentation. Industry sector representatives point to the fact that there is a high degree of fragmentation within sectors, making it difficult to have a coherent picture of skill needs at sector level.

The labour market side underlines the fact that decision-making in relation to provision of apprenticeship (what, how many, at what levels) is not transparent and not evidence based.

4.1.5.1. *Planning apprenticeship placement numbers*

The interviews suggested that the numbers of apprenticeship placements in various occupations is not adequately estimated/anticipated to respond to current and future labour market needs. What happens in practice is that:

- (a) a learner must first secure a place at a VET institution to qualify for apprenticeship. The number of learners accepted in a course is determined by the total number of applications received by the VET institution and the places available at the institution;
- (b) companies provide placements on the basis of their manpower needs, but some larger companies may have greater demand for new entrants than they have apprentices.

Thus, current lack of strategic planning tends to create the following consequences:

- (a) mismatch between placement supply and demand: this may result in insufficient or excessive demands compared to the supply of placements;
- (b) at sector, or national level, there are not enough skilled workers for turnover, and companies are deterred from provision of apprenticeship placements (they withdraw from apprenticeship or have never provided placements) for fear of poaching (Section 4.2.1).

In both cases, this lack of planning has a negative impact on apprenticeship participation (Section 4.2).

**Box 6. Responsiveness of apprenticeship to labour market needs:
MCAST-led developments and some implications**

MCAST plans to offer apprenticeship across the board for all its qualifications and increase the number of apprentices. When comparing the offer promoted through the MCAST prospectus of the previous and current years, the total number of courses available also as apprenticeship increased from 30 to 34. Of these 34, 11 are former TAS courses (MQF level 4), and 23 are former ESTS courses (MQF level 3). It was stated in interviews that more courses (in a pilot phase) are offered as apprenticeship if students are able to find a sponsor. MCAST expects to have around 800 to 1 000 apprentices per year.

This does not solve the core strategic problems related to the current mismatch between apprenticeship offer and labour market needs:

- in which sectors does apprenticeship work better than other types of VET?
- what is the skill shortage at sector and/or national level?

Sustainable growth in company participation in apprenticeship requires strategic interventions, including proper analysis and planning, and input from the labour market. In the absence of such interventions, existing issues will persist.

Source: Cedefop.

4.1.6. Training content and learning outcomes

Colleges, self-regulatory bodies, are in charge of the learning outcomes for off-the-job training in apprenticeship. Apprentices need to achieve the same volume of learning outcomes in the college part of the apprenticeship as their peers in school-based programmes studying for the same qualifications.

According to most interviewees, much room is allocated in the school curriculum for theory: social partners, chambers, companies, and even teacher representatives alike raised the issue of ‘academisation’ of technical schools in an attempt to shake off the image of trade schools. The proportion of theory/academic learning is higher than technical, also in assessment. Apprentices indicate that the level of teaching for general subjects is too high for actual needs. However, college representatives claim this is necessary to ensure a solid basis for future learning: upskilling and reskilling. Despite this, apprentices lack the basic generic (literacy, numeracy) and the basic technical skills when they go to companies, according to company representatives, and TTBs.

Curricula are considered by TTBs, chamber, sector representatives and companies, as well as apprentices, as outdated in their technical components, underlining the mismatch between curriculum and industry.

From the curricula, ETC, in consultation with TTBs and MCAST, provides a handbook for each calling destined for companies providing apprenticeship placements. The handbook explains what apprenticeship is and involves, as well as the companies' obligations in terms of training delivery. Although the handbook gives a general indication of the learning outcomes the apprentices need to achieve on the job, these are not well defined. As companies are not involved or consulted in defining handbook content, they do not have clear understanding of what is expected from them in terms of learning outcomes.

Given that there is no distinct or coherent curriculum for apprenticeship programmes, which largely follows the curriculum for the school-based programmes, the timetable (balance between on-the-job and off-the-job training), targets for learning to achieve and for assessment are unclear both to apprentices and companies. Apprentices complain they are overloaded (also linked to the curriculum which is considered too vast), and that there are too many learning objectives for the school part for the time allocated.

Box 7. Training content and learning outcomes: MCAST-led developments

To define its 'self-accredited work-based learning' for all its courses, MCAST expressed its intention to put together sector committees [LN295 of 2012 on validation of non-formal and informal learning (Government of Malta, 2012) already provides for the setting up of sector skills units by NCFHE to do this function]. The cooperation is between MCAST and sector experts (individuals with proven capacity in the sector) and does not involve institutional cooperation between MCAST and sectoral or employer and employee organisations, chambers of commerce, and other relevant stakeholders.

Through the procedure envisaged for defining learning outcomes that may be achieved on-the-job, MCAST wants to avoid a situation where general learning content is downscaled and course content becomes narrowly focused on companies' immediate needs (i.e. MCAST intends to keep the balance between sector and company-specific training needs). Therefore, the procedure will be as follows:

- define a large number of sector-specific learning outcomes to be accredited as work-based learning;



- agree with each employer a subset of learning outcomes from the sector-specific ones. For both apprenticeship and school-based programmes with a work-based component, MCAST and the company will identify the learning outcomes to be achieved by the learner at the company from sector-specific accredited work-based learning.

Source: Cedefop.

4.1.7. Quality of the learning experience: monitoring, accreditation and mentoring, teachers and trainers

4.1.7.1. Monitoring

As foreseen by the *Employment and Training Services Act*, ETC manages the relationship with the apprenticeship companies, and mediates the relationship between the company and the apprentice, including monitoring apprentice performance, and his/her experience at the workplace. However, the ETC supervisors carrying out the monitoring at the workplace are not adequately trained in the field in which the apprentice is receiving training so they are not in a position to determine whether the apprentice is progressing in learning. There is a general agreement among interviewees that, while the monitoring is good from an administrative point of view, it is not very efficient in preventing or tackling cases where apprentices had no or little exposure to training during on-the-job training. Colleges say they experienced problems and pitfalls with some training companies where apprentices were treated like normal employees, with no mentoring available. However, according to representatives of youth organisations, there are more complaints related to motivation of apprentices than reports of abuses from apprentices.

The logbook, a tool for monitoring apprentice performance in the company and for final assessment:

- (a) is developed by the TTBs for each apprenticeship calling, and is designed for apprentices to carry out self-assessment during learning in the company. The apprentice keeps the logbook, but this needs to be verified by the employer;
- (b) is checked by the TTBs: they are formally requested to check the logbook once, on the occasion of the final assessment. However, there were instances when interim assessment was also carried out.

Though it has potential, and it is known among employers, the logbook is not used properly as a formative assessment and monitoring tool. Apprentices and companies are not guided sufficiently on how to fill it in and TTBs have recently introduced apprentice induction on how to use it.

4.1.7.2. *Accreditation and mentoring*

Companies do not receive formal accreditation and do not have a formal obligation to assign a qualified staff member (tutor) to mentor/accompany apprentices. In practice, however, companies assign one person to follow apprentices. Incapacity to nominate mentors is among the reasons why companies (especially SMEs) withdrew from apprenticeship (Section 4.2.1).

4.1.7.3. *Teachers and trainers*

Neither MCAST nor ITS is involved, as per the legal framework, in monitoring apprentices at the workplace; cooperation and exchange between the teachers in the VET colleges and the trainers at the workplace is not usual. Representatives from the education side and apprenticeship companies confirm that there is not enough communication between college and company (at the start and during the apprenticeship).

Apprentices, companies, and teachers themselves have concerns over how little experience teachers have in industry. Apprentices, in particular, see teachers who do not have experience in industry as less helpful, and supportive.

Box 8. **Quality of the learning experience: MCAST-led developments**

MCAST will take the leading role in cooperation with the companies, in a move welcomed by social partners, chambers and companies themselves as bringing the two learning venues closer together. To formalise it, MCAST will sign a memorandum of understanding with company.

MCAST is also planning to introduce the obligation for companies to appoint in-company tutors. MCAST plans to define requirements for such tutors (such as level 4 qualification, work experience and journeyman qualification) and also to support companies through organisation of good training for company tutors.

Monitoring apprentice progress in the company will be carried out by specially appointed teachers with experience in industry. Teachers' union representatives raise concerns over the 'academic freedom' of teachers as well as their responsibility for any injuries apprentices may sustain while learning on the job.

The number of monitoring visits will increase from two to four times per year. Ideally two lecturers should visit and communicate with mentors. Monitoring responsibilities will be counted as contact hours. Companies welcome that monitoring will be carried out by teachers as they are seen as technical and



pedagogical experts. One other positive effect is that teachers will improve contact with companies and in-company tutors, and communication on apprentice behaviour and progress at school. Teachers' links with the industry will be improved through their new monitoring responsibilities.

The accredited learning outcomes, identified by MCAST and the training company for the on-the-job training, will be a basis for the logbook which will be kept and filled in online. The logbook will help MCAST and the company to monitor progress, and apprentices to do their self-assessment.

Source: Cedefop.

4.2. Apprenticeship participation

One of the major reasons for revising apprenticeship in Malta is the low level of participation by companies and learners. This section mainly describes:

- (a) the obstacles to participation, as identified by interviewees based on their experiences with the system as regulated by law;
- (b) the solutions being developed by MCAST to boost participation.

4.2.1. Supply of placements (participation of companies)

There is a high level of competition among companies for a skilled workforce, with micro and small companies at a particular disadvantage compared to medium and large ones in attracting and keeping a skilled workforce, including apprenticeship graduates. It is not surprising that companies confirm their main reason for withdrawing or not offer apprenticeship placements is fear of not recovering the investment:

- (a) apprentices may not stay in employment with the sponsor company after graduation, raising fear of poaching among employers. Micro and small enterprises have particular problems in retaining apprentices as they usually prefer working in larger companies. This implies that, at sector level, there are not enough skilled workers for turnover, and that some larger companies may have greater demand for new entrants than they have apprentices;
- (b) they cannot recover the investment during the apprenticeship period, either because of the length of the placement (too short) or because apprentices are not motivated and they leave before the end of the apprenticeship period. Bad experiences with students deter companies from offering placements again. According to interviewees, there are more complaints

about motivation of apprentices than reports of abuses from apprentices.

Further:

- (a) for certain sectors, there is fear of competition from former apprentices, especially in those sectors/businesses where the job involves a personal relationship with the client (such as hairdressing, legal, and financial businesses);
- (b) there is a lack of human resources to provide mentoring to apprentices, especially for micro and small businesses.

Though companies are given the possibility to select apprentices from a list of those looking for placement, some companies consider that the procedure for distribution of apprentices is not transparent enough and is unbalanced. They do not feel they have enough information to make a selection; they are provided with a list of persons whom they have to contact and invite to send applications.

Box 9. Supply of placements: MCAST-led developments and implications

One of the main objectives of MCAST is to increase the number of apprenticeship placements. Attracting companies is in full swing: MCAST has taken over the database of companies from ETC, and is in direct contact with possible sponsors to attract them via yellow pages and phone contacts. 'Since its inception in August 2014, the apprenticeship reform has achieved a highly positive response from the industry with over 350 industrial entities offering over 600 apprenticeship posts in various fields such as finance and marketing, electronics and mechanical engineering, agriculture, construction, applied science, hairdressing and beauty and sports'.

Formal recognition of partner apprenticeship companies has recently been introduced; MCAST gives them certificates authorising them to use the MCAST apprenticeship partner logo on their company's letterheads, websites and other official corporate material. This corresponds to the need for formal recognition of those companies that provide apprenticeship placements, as requested by companies and representatives of industry sector organisations.

However, unless the underlying causes for companies to withdraw from apprenticeship or not provide placements are addressed, the positive results may not be sustainable.

Source: Cedefop.

4.2.2. Demand for apprenticeship

Apprentices, and companies alike feel that apprentices need to be better informed and prepared before they go on placement, either by the colleges or by ETC. Many of them may not be aware of the new learning environment, companies' expectations (such as behaviour), and do not have minimum knowledge of the occupation/job, according to the apprentice graduates. Apprentices and youth organisation representatives also stress that apprentices need to have a certain level of maturity to understand and be able to perform in the new learning environment.

As employers have high expectations, apprentices may be discouraged from continuing if not aware and well prepared; apprentices themselves confirm this. They also say that salary is not a decisive factor when selecting to enrol for apprenticeship. Prospective apprentices place more value on experience gained than monetary rewards.

According to interviews with apprentices (awardees and current apprentices), as well as representatives of student organisations, apprenticeship is perceived as a good option for acquiring a qualification and getting a job immediately after graduation. However, the perception is also that progression to higher levels may be difficult as apprentices are hired immediately after graduation and currently cannot combine study and work. Complaints about exploitation have also been reported, although these are not systematic and need to be treated with caution.

Despite positive perceptions among apprentices and student representatives, career services at schools tend not to present technical schools as an equally valid option to general education ones, according to the labour market side and college representatives; parents also have reservations about apprenticeship. Further, information available on apprenticeship is perceived as vague, and potential apprentices usually learn about opportunities informally, mostly through word of mouth.

Concerns are expressed, mainly by parents, that apprenticeship is lengthy at one year longer than the school-based programmes leading to the same qualification. Apprentices continue to debate the issue, according to representatives of youth organisations and apprentices themselves with some feeling they need more experience even if at the end of their programme.

Box 10. Demand for apprenticeship: MCAST-led developments and some implications

Apprenticeship will have the same length as the school-based programmes, two years.

A national campaign is planned to address guidance teachers who do not have a good perception of apprenticeship.

The MCAST certificate gives apprentices the possibility to continue their studies at higher levels. However, the issue of combining study and work after graduation remains critical.

Source: Cedefop.



A close-up photograph of a woman with dark hair, wearing a black face mask and a black shirt. She is looking down at a tray of food, which appears to be a salad or a dish with white and dark ingredients. The background is blurred, showing other people and what looks like a kitchen or food service area.

5. AREAS FOR REFORM AND SUGGESTIONS FOR ACTION

Areas for reform and suggestions for action

Based on the reported findings, this chapter identifies areas for reform and suggestions for actions. These are formulated by the authors of this report, and do not necessarily reflect the opinions of stakeholders involved in the review.

The country itself will decide whether and how these would be taken forward.

5.1. Strategic design and regulation

There is consensus among interviewees that a revision of the legal basis of apprenticeship in Malta is needed, building on past achievements but also looking into the distant future. Clear guidelines emerged from the consultation for the revision of the legal base:

- (a) revision should concern not only the main legal documents relevant to apprenticeship (see introduction to Chapter 4), but also the *Employment and Industrial Relations Act, Cap. 452* (Government of Malta, 2002). It will require harmonisation with other relevant legislations, such as the *Employment and Training Services Act, Cap. 343* (Government of Malta, 1990); *Education Act, Cap. 327* (Government of Malta, 1988) and LN295 of 2012 on validation of non-formal and informal learning (Government of Malta, 2012);
- (b) revision of the legal basis needs to be carried out through wide consultation between labour market and education and training stakeholders;
- (c) the rights and obligations of apprentices should be revised in consultation with representatives of trade unions; the volume of work and the related challenges must not be underestimated.

The legal framework should be more enabling rather than prescriptive. There are three main areas that need to be addressed at the level of regulation:

- (a) streamline and reinforce the concept of apprenticeship, as well as the place of apprenticeship in the Maltese mixed education and training system;
- (b) revise the rights and obligations of apprentices, companies, and schools, and clarify the status of apprentices;
- (c) build a functional and flexible governance structure; include strong formal participation by labour market representatives, as well as representatives of education and training, to define qualifications and hold providers to account. Due attention needs to be paid to separating roles and responsibilities and avoiding accumulation of functions on one side and conflict of interest, putting in place cooperation and feedback mechanisms.

5.1.1. Clarify and reinforce the concept of apprenticeship

The three parameters that already exist in the main legal documents relevant to apprenticeship should be kept:

- (a) an apprentice is contractually linked to the employer, receives remuneration (wage or allowance) from the employer, and the employer assumes responsibility for the company-based part of the apprenticeship programme leading to a qualification;
- (b) apprenticeship includes systematic long-term training, alternating periods at the workplace and in an education and training institution or training centre, which leads to a formal qualification (linked to the MQF);
- (c) the minimum length of the apprenticeship studies is two years and the maximum is four years (currently indicated in the subsidiary legislation).

The minimum share of the on-the-job training in the programme should be indicated in the legislation (currently, in practice, it is 50%). Such a decision should take into account the need to enable structured and in-depth learning on the job, as well as for companies to recover their investment through apprentice contribution to productivity (based on cost-benefit analyses). This should not be stated as numbers of hours but as a principle of alternance, to help communicate the distinguishing features of apprenticeships to stakeholders, and guarantee a minimum period of time for training in the company.

More generally, there is a conceptual question in relation to the interpretation of apprenticeship (Section 4.1.2): should apprenticeship be treated holistically, with legally guaranteed learning outcomes for a given qualification that must be designed for and achieved through on-the-job training which is mandatory and in complementarity with learning outcomes achieved through school-based training? Or should the learning outcomes

achieved through apprenticeship be treated as ‘extra’ to the learning outcomes defined and designed to be delivered in schools (such as simulated learning environments, workshops, labs) where placements are not available?

In the first instance, there would be one single certificate and employers should be ready to take on responsibility and ‘own’ apprenticeships. Whereas some employers may already be equipped, for others it may take time to get ready.

In the second instance, the two certificates may be kept, and education and training institutions would keep control over apprenticeship.

While in the first instance, apprenticeship will be well defined, in the second it may be easily confused and replaced by school-based programmes with work-placements. Box 11 indicates the differences between these two types of VET.

The second instance should not be favoured on the grounds that employers may not be ready to take over apprenticeship. A future sustainable apprenticeship system should aim at creating a sense of social responsibility among Maltese companies in relation to apprenticeship (Section 5.4.1).

Box 11. What distinguishes apprenticeships from work placements within school-based VET

Both forms of VET are equally valid education and training solutions to providing learners with the possibility of combining study and work, allowing individuals to acquire work experience while improving their skills in line with employers’ requirements. However, each has distinguishing features which pose different policy challenges, with different approaches and solutions.

In apprenticeships:

- companies have formal responsibility for learning and are equal partners with vocational schools/training centres (shared responsibility and partnership as part of ‘good governance’);
- companies (or their associations) also jointly define learning content;
- in-company training has an important share within the overall training programme, cannot be replaced by learning at school, and is well regulated /defined at national/regional level (irrespective of the company where the training has been completed, training objectives and quality have attained a guaranteed level);
- learners in apprenticeship are also employees of the training company (so they have both rights and responsibilities towards the training company).



For work-placements within school-based VET:

- companies often do not take formal responsibility for learning and follow the vocational schools which take the lead;
- the in-company training part may vary in length and weight in the overall programme, may be replaced by learning at school if there are no companies to provide placements, and falls under the regulation of the school-based VET provision.

Depending on a country's circumstances, apprenticeship may be favoured over work-placements within school-based VET or *vice versa*. Both forms may also coexist, as is the case of Malta. However, in such circumstances, regulations should be clear.

Source: Cedefop.

While in the short run, Malta may need to cater, *de facto*, for both situations, the law should regulate and give direction on what model should prevail, as this may have implications on the governance structure and strategic stance of apprenticeship, not least on its survival.

Assuming future regulation will favour the holistic approach to apprenticeship, the actions illustrated in Table 7 may be envisaged.

Table 7. Actions to reinforce place of apprenticeship in education and training

Suggestions for action	Details
One certificate and progression of apprentices to higher levels	Apprenticeship should lead to one certificate (irrespective of the provider, level, and vocational fields). The certificate should be linked to MQF and provide access to higher level studies. An awarding body should be in charge of certification and issue the certificate.
Independent final assessment	Final assessment should be independent (e.g. external quality assurance (QA) by NCHFE). The body that will be in charge will be defined within the renewed governance structure for apprenticeship (Section 5.1.3).

Apprenticeship open to all MQF levels	The legal framework should not define the levels of programmes. It needs to be left at the level of implementation and open to other levels than the traditional MQF 3 and 4. In the future, there may be need for apprenticeship programmes at higher or lower levels.
Flexibility in admittance into apprenticeship	Admittance into apprenticeship is currently linked to specific certificates/qualifications. In VET, the nationally recognised standards of occupational competence, and in their absence the learning outcomes, should dictate the entry criteria and the content, and not vice versa. NCFHE, Sector Skills Committee or sector skills councils will eventually define levels (Box 13).
Exemption (reduction of the study period)	Exemption as a result of validation of prior learning is currently not possible in Malta. Nonetheless, the right of apprentices to have their prior learning validated with a view to exemption should be legally foreseen. The maximum period of study from which apprentices may be exempted and should also be indicated. The procedure for applying for the reduction, and the institution in charge of validation and recognition, should be indicated.

Source: Cedefop.

5.1.2. Revise and clarify rights and obligations for all

The relationship between companies, learners and schools – one of the main characteristic features of apprenticeship – needs to be formalised and the rights and responsibilities of each party clarified by law, but not overregulated.

5.1.2.1. Status of apprentice and right to social security

The apprentice should have the status of employee or his/her rights in relation to social security clearly indicated. This is particularly important in case of injury at the workplace. According to the Malta Union of Teachers (MUT), health and safety regulations also need to be discussed in relation to teachers' new monitoring responsibilities; as an example, teachers should not be held responsible for any accidents at the workplace.

Representative of trade unions want the labour code to include a section on apprentices. According to them, the law requires amendment to include the apprentice as a type of 'employee' within the workplace and to have legal protection for this group. This protection does not only refer to labour law and protection of workers, but also covers the quality of the learning experience provided. The minimum that needs to be done is to ensure that apprentices are covered by an insurance policy if they sustain injury at work.

Trade unions may have a role in contributing and commenting on the law when this is drafted, to highlight issues to government and to apprentices themselves.

5.1.2.2. *Remuneration as a principle*

The legal framework should not state a precise amount of remuneration as it may lose relevance in time and require adaptation. It should formulate a principle and criteria. It may also foresee increase of remuneration in time; as example first year 40% of minimum wages and second year 50%, reflecting increasing productivity of apprentices over time. According to employers' representatives this could happen if there is recognition of an increase in output, as a performance-related element of pay. It could also improve the work ethic of apprentices, one of the strong points of apprenticeships compared to other forms of WBL, according to MCCIE representatives.

Trade unions should be empowered to deal with wage/contract-related abuses.

5.1.2.3. *Obligations of companies to provide learning*

The legal framework should also link companies' obligations to the provision of learning. However, it should not be overprescriptive. For instance, it should not specify detailed criteria a company needs to fulfil to be accredited as a training company. These should be left to the level of implementation, and linked to appropriate support mechanisms.

5.1.2.4. *Obligations of schools to cooperate with companies*

The legal framework should formalise the cooperation between the two learning venues (schools and companies) for the definition and provision of learning.

5.1.3. **Ensure sustainable governance structures and cost-sharing**

If a holistic approach to apprenticeship is favoured (Section 5.1.1), social partners, chambers and companies need to become the carriers of

apprenticeship. This should also be reflected in the governance structure which should ensure:

- (a) cooperation and equal partnerships between VET systems and employment/labour market systems;
- (b) involvement of social partners, and chambers at all levels; chambers of commerce and sector organisations expressed their interest in learning more and willingness to take a more active role (more at strategic level than implementation); trade unions should be activated;
- (c) cooperation and equal partnerships between the learning venues (communication between company and colleges, involvement of company in definition of the learning).

5.1.3.1. Roles, responsibilities, and cooperation mechanisms

Identifying different levels of roles and responsibilities will help allocation among the different actors, as well as setting effective cooperation mechanisms between them.

Table 8. Indicative roles and responsibilities by levels of responsibility

Levels	Sublevels	Roles and responsibilities
Strategy	Approval (independent from provision)	• who issues standards of occupational competence for apprenticeship/specific apprenticeship callings, modifies them and discontinues them?
	Development	• who develops new standards of occupational competence for apprenticeship/callings? • who modifies existing ones?
Advice and research	N/A	• who provides inputs on new standards of occupational competence for apprenticeship/callings, updating, discontinuing the existing ones? • what numbers need to be provided?
Supervision and inspection of the education side	N/A	• who licenses education/VET providers? • who accredits courses? • who undertakes the quality assurance of educational/VET providers?
Accreditation of training company	N/A	• who accredits the training company?

Levels	Sublevels	Roles and responsibilities
Provision of learning (cooperation between VET providers and companies)	Content	• who defines the curriculum for the learning venues, based on the standards of occupational competence for apprenticeship?
	Support to companies	• who monitors apprentices' performance at the company? • who takes final responsibility for apprentice's learning? • who supports companies in further defining the training contents which have to be taught in the training company (minimum requirements are set in standards of occupational competence for apprenticeship)?
Administration	N/A	• who is in charge of the administration of the different aspects of apprenticeship training? (It should check suitability of the accredited training enterprise, technically and personnel, and be responsible for logging of apprenticeship contracts. It must, in principle, take care of all questions in the interest of the apprentice and the accredited training company, and ensure comprehensive consultation in this regard)? • who may provide support? • who is in charge of withdrawal of the authorisation to train, and cancellation of unlawfully registered apprenticeship contracts? • who is in charge of the registration of apprentices?
Final assessment (independent from provision) and exemption	N/A	• who is in charge of carrying out the final assessment which needs to be independent? • who certifies? • who validates apprentices' prior learning?
Monitoring and evaluation	N/A	• who is in charge of monitoring and evaluation of the system? • how often?
Recommending financing policies	N/A	• who recommends introduction of incentives, financing studies, etc.?

Source: Cedefop.

When the roles and responsibilities at different levels are allocated, and cooperation mechanisms between levels are defined, the following need to be considered to avoid conflict of interest, accumulation of power and overload on the education side:

- (a) strategy design that is superior to provision;
- (b) independence of final assessment;
- (c) independence of supervision and inspection;
- (d) separate administration from learning provision to avoid overload.

Box 12. Levels of responsibility in selected countries

Analysis of legal frameworks in Denmark, Germany, the Netherlands and Switzerland indicate at least four clearly distinct levels of responsibility:

- decision-making;
- advice and research;
- supervision and inspection;
- provision.

For each of them, legislation defines who does what and how the different institutions interact with each other. In most cases, they are only active at one level, although institutions that carry out research and provide advice, sometimes combine different roles or act at more than one level.

Source: Cedefop.

5.1.3.2. Sustainable and functional apprenticeship governance

The 'existing structures and traditions must not only be taken into account; the training structure must be derived and developed from these structures so that reservations and resistances, if any, in the traditional systems can be overcome' (Institut für Bildungsforschung der Wirtschaft, 2014, p. 30). Table 9 gives an overview of the roles directly relevant for apprenticeship as they are currently foreseen by different pieces of legislation and the institutions, structures responsible. The table indicates that there are currently overlaps of responsibilities between different institutions and structures: for instance, many of the contents of LN 295 of 2012 overlap with the duties currently vested by law in the ETC. This is adding to the confusion as to which entity is responsible for what.

Table 9. Existing structures according to relevant legislations

Roles	Institution(s) responsible
Employment policy-making Education policy-making	Minister for Employment Minister for Education
Advice to government on further and higher education	NCFHE
Strategy for further and higher education	NCFHE
Competent authority for licensing, accreditation, quality assurance, recognition of providers and programmes (but UoM and MCAST self-accredit themselves)	NCFHE
Maintain MQF	NCFHE
Develop national standards of competence	NCFHE through sector skills units (SSUs) set up by Sector Skills Committee (SSC)
Approve national standards of competence	NCFHE upon recommendation by SSC
Validate informal and non-formal learning	NCFHE through SSC which sets criteria and standards, guidelines for assessment, guidelines for quality assurance, develop and approve national standards of competence
Recommend financing policies	NCFHE ETC
Propose policies for financial support to students/persons	NCFHE ETC for persons available for work
Guidance and counselling to persons in reference to validation process	NCFHE through SSUs
Conduct assessments for determining that persons attained the required standards of proficiency	NCFHE through SSUs TTBs set up by the Minister responsible for employment
Issue certificates to persons who attained the required standards of proficiency	NCFHE or through SSUs

Roles	Institution(s) responsible
Reduce skills gaps and skills shortages and improve the skills and productivity of their sector's workforce	NCFHE SSUs set up by SSC ETC
Advise on, and promote, the benefits of validation of non-formal and informal learning	NCFHE or through SSUs
Advise on the state, operation, needs and prospects of the sector from an education and training perspective	NCFHE through SSC through SSUs

Source: Steering group, based on *Employment and Training Services*, Cap 343 (Government of Malta, 2009); *the Education Act*, Cap. 327 (Government of Malta, 1988); LN295 of 2012 on validation of non-formal and informal learning (Government of Malta 2012).

The above overview shows there is room for the NCFHE, Sector Skills Committee (SSC) and sector skills units (SSUs) to take over some roles and responsibilities related to apprenticeship.

Table 10. **Possible roles of NCFHE, SSC, SSUs**

Roles	Level
Issues, modifies, and discontinues standards of occupational competence for apprenticeship	Strategy
Develops new standards of occupational competence for apprenticeship/callings and modifies existing ones	Strategy
Licenses education/VET providers; accredits courses; undertakes quality assurance of education/VET providers	Supervision and inspection of the education side
Supervises final assessment Validates non-formal and informal learning	Final assessment and exemption
Carries out monitoring and evaluation studies (such as annual evaluation, tracing studies) directly or via outsourcing	Monitoring and evaluation
Recommends introducing incentives, financing studies to support advice and research, etc.	Recommending financing policies Cost-sharing

Source: Cedefop.

However, their capacities need to be assessed against a potential mandate on apprenticeship. While they have powers on VET in general, they were not conceived to play a central role in apprenticeship. Their composition, as well, needs to be appropriate for apprenticeship (Section 5.2.1).

The mandate and role on apprenticeship need to be clearly stipulated in law. Such a mandate may include such functions as indicated in Box 13.

Box 13. Functions to be envisaged specifically for apprenticeship

According to the recommendations for the creation of an Apprenticeship Committee in Ireland, such functions could include:

- ‘advise on the design, duration, entry levels and ongoing provision of apprenticeship programmes at further and higher education level, in line with national skill needs and ensuring optimum quality, efficiency and effectiveness;
- advise on the introduction of apprenticeships in additional occupations promoting an enterprise-led approach, supported by evidence of labour market needs and sustainable demand;
- promote a seamless continuum and progression within occupational pathways and between further and higher education and training for participants in apprenticeship programmes;
- devise a strategy to assist in providing alternative placement for apprentices in the event of redundancy;
- advise on an ongoing basis on the number of apprenticeship places needed in various occupations to respond to current and future labour market needs;
- advise on the cessation of State education and training input to apprenticeships in occupations where the level of demand is no longer viable to justify continued provision;
- undertake scoping studies, evaluation, data gathering and research and manpower forecasting necessary to support the work of the Committee;
- carry out additional functions relating to apprenticeships as may be deemed necessary’.

Source: Review group (2013, p. 99).

5.1.3.3. Formalise the role of the labour market

NCFHE, SSC, and SSUs may be invested with responsibilities related to strategy, supervision and inspection of the education side, final assessment and exemption, monitoring and evaluation and recommending financing policies as per Table 10. The labour market side will most probably be

represented on the SSC and its corresponding SSUs (Section 5.2.1). However, they may be involved formally at other levels such as advice and research, accreditation of training company, and administration. The labour market needs to have an important say on advice and research (Section 5.2.2).

5.2. Putting strategy design into practice

A consistent and clear legal framework, including a functional and flexible governance structure, favouring participation of social partners and chambers, and cooperation between school and companies, will establish the ground for an improved system. However, all actors need to be activated through appropriate composition of the bodies in charge, guidelines and procedures.

5.2.1. Ensure the labour market is well represented

LN295 of 2012 (Government of Malta, 2012) which sets the basis for the creation of SSC and SSUs is still to be implemented, with both bodies still to be created. If they receive strategic roles and responsibilities specifically for apprenticeship, it is crucial that their composition includes education and labour market, and they have sufficient powers to ensure flexible and quick strategy design. They need to make apprenticeships attractive to employers.

Apprenticeship attractiveness and sustainability is determined by its flexibility and adaptability. Ideally, it could even anticipate future qualification requirements and qualification demand trends. No or weak representation of the labour market in any body invested with strategic functions for apprenticeship (SSC, SSUs or other) will not serve such an objective.

5.2.2. Advice and research from the labour market

NCFHE, SSC and SSUs, or whichever body is invested with strategic functions for apprenticeship, need to rely on input from the labour market in devising strategy and in creating new occupational competences for apprenticeship. They may rely on:

- (a) research-based approaches (analyses of qualification requirements, company surveys, sector commissioned studies;
- (b) use of ad hoc work groups and advisory boards.

The challenge of sector fragmentation needs to be taken into account with appropriate mechanisms, such as setting up clusters of players within the sector. Provision and feasibility of apprenticeship should be analysed against the needs of a specific occupational sector.

Looking at the Irish experience, input to strategy design may seek to include the following information parameters (Irish Department for Education and Skills, 2013, p. 105):

- (a) numbers to be trained;
- (b) extent to which the proposers are representative of the industry;
- (c) continuing demand for apprenticeships into the future;
- (d) evidence of labour market need and future strategic economic priorities, supported by evidence-based studies;
- (e) capacity to support quality training, as in facilities, participation in training of trainers, capacity to provide required range of experience, coordination with other employers;
- (f) willingness of employers to recruit and meet costs associated with apprenticeships;
- (g) willingness of employers and education and training providers to engage collaboratively in development and delivery of apprenticeships;
- (h) a marketing plan to promote apprenticeships.

5.2.3. Standards of occupational competence for apprenticeship

Several attempts have been made in Malta since 2000 to develop standards of occupational competence, but progress has been slow: in 15 years, standards have been developed in only five occupations.

Resources and efforts to develop standards for occupational competence could be directed towards apprenticeship during its relaunch. This would allow testing of governance structures and the procedures for strategy design and advice and research.

5.2.3.1. *Launch pilots*

Based on input from the labour market, a few occupations could be identified where apprenticeship is the most valid VET solution for skills formation. Development of standards will follow and may be piloted in two ways:

- (a) develop standards from scratch using direct input from the labour market;
- (b) enter into a partnership with a qualifications authority in any other EU Member State that will allow Malta to obtain the already developed standards of competence with the right to adapt them to its needs.

5.2.4. Clear procedures for accreditation of learning outcomes

A holistic approach to apprenticeship (Section 5.1.1), requires a legally guaranteed proportion of learning outcomes for a given qualification to be designed for and achieved through compulsory on-the-job training, in

complementarity with the learning outcomes achieved through school-based training. Thus all learning outcomes need to be accredited and procedures need to be defined. Development of standards of occupational competence for apprenticeship would be the basis.

5.2.5. Licensing providers and accrediting programmes and curricula

A holistic approach also requires programmes and corresponding curricula to be specific for apprenticeship, and consistent and coherent for the two learning venues. They need to guarantee apprenticeship programmes lead to the same learning outcomes irrespective of the provider.

If provision of apprenticeship is open to all VET providers, the criteria under which they may provide such programmes need to be clearly specified.

Specific criteria for accreditation of companies should be introduced, though due attention needs to be paid not to overload companies, especially micro and small ones. Support mechanisms should be put in place to set off potentially deterring effects that such criteria may have on the companies.

5.2.6. Targeted development strategy

Meeting skills needs should not rely on apprenticeships alone but also on other forms of VET provision, which should include some form of on-the-job training experience. Apprenticeship may not be the best education and training solution for all occupations and in all sectors. For instance, sectors where workforce fluctuation is high and highly competitive sectors tend to see apprenticeships as a way of recruiting low-skilled labour to respond to seasonal demands (as in the hospitality sector), and find they are not able to fulfil the training function.

A targeted strategy to developing apprenticeship for certain occupations and in certain sectors will also help to design and channel resources, financial and non-financial, in a cost-effective way. For instance, apprenticeship could be targeted to:

- (a) trades that are declining, as long as there is market demand (such as blacksmiths);
- (b) strategic low-productive economic sectors where an adequate workforce needs to be better qualified;
- (c) sectors facing important skill shortages.

5.2.6.1. Strategy for apprenticeship in Gozo

Within the overall strategy, Gozo needs to have a specific focus, and tailored (financial and non-financial) support mechanisms. Gozo is facing skill

shortages and problems in retaining young people on the island. The Gozo Business Chamber Council (GBCC) and companies in Gozo pledge for sustainable development of apprenticeship on the island is a way of addressing these problems. The education side needs to find solutions to the provision of off-the job training. Stimuli would also be necessary for the provision of placements in the company.

The GBCC may play a very important role.

5.3. Bringing learning venues closer together

The role of VET teachers in providing support both to companies and apprentices must not be underestimated. Whereas the legal framework will set the basis for cooperation between the learning venues, good practice should enable communication between teachers and companies and encourage exchanges on apprentice behaviour and progress at school.

5.3.1. VET teachers with background in industry

Teachers that come from industry have good links with employers and are more supportive towards apprentices; this was confirmed by apprentices themselves who stated that teachers that do not come from practice are less helpful. Their involvement in apprenticeship should be given priority.

5.3.2. VET teachers to stay in touch with industry

VET teachers should be encouraged and supported to gain experience in industry and stay connected with it:

- (a) formalise that monitoring be carried out by teachers;
- (b) teachers may benefit from placements in industry at specified times;
- (c) teachers may be invited to attend training organised by employers for their employees.

5.3.3. VET teachers in monitoring

Monitoring of apprentices during on-the-job training should be done by technically competent personnel. Given the limited human resources available, VET teachers should conduct monitoring visits within industry. This ensures that apprentices are progressing in learning according to the programme, while enabling the school to obtain information about the skills needs of employers and update its programmes to retain their labour market relevance.

5.4. Participation and support to companies

Sustainable apprenticeships need, in the medium term, acceptance by the bulk of business, most of them being micro and small enterprises. Having a large share of micro companies is not necessarily detrimental to the system: much will depend on the quality of a support system that allows them to participate and benefit. Financial incentives are not necessarily the most important support for companies taking on apprentices. Other forms of practical assistance and a 'supportive infrastructure' seem to have a greater impact.

5.4.1. Social responsibility among Maltese companies

As apprentice awardees may not be legally or otherwise obliged to stay in employment with the apprenticeship company, it is important that there is a pool of skilled workers that the apprenticeship company may recruit in exchange (enough turnover of skilled workforce). This means that the companies need to provide more placements than their immediate or medium-term human resource needs. A balance between the long-term interest of developing a skilled workforce and the short-term interest of employers needs to be achieved. When lack of skilled workers is increasing, (as with Malta in economic sectors such as maritime, gaming, ICT), it should be possible to persuade companies of the positive effects of apprenticeship.

5.4.1.1. Supportive governance structures and company empowerment

Involvement of SMEs cannot be achieved by public authorities alone. A coordinated approach to implementing SME support strategies is essential to maximise the effect on SMEs and their potential. Chambers of commerce, employers and trade unions organisations, sectoral organisations, VET providers, and public employment services need to be committed to promoting and developing a culture for apprenticeships in which their respective roles and responsibilities are clearly defined.

Companies could also be encouraged to organise themselves as a community, and establish links to education and training. This will help to create a favourable environment for apprenticeship.

5.4.1.2. Employers and sector organisations leading communication

Business representatives believe that they are in a better position to market apprenticeship and develop solutions. Their involvement, perhaps with chambers having a leading role, can help to ensure Maltese apprenticeship responds to labour market demands and contributes to closing the skills gap.

5.4.1.3. *Sectoral agreement on number of apprentices*

Numbers to be trained must inform strategy design (Sections 4.1.5.1 and 5.2.2). This will guarantee that apprenticeship supplies an adequate workforce and also inform specific strategies to attract companies.

5.4.1.4. *Collective financing*

This is applied in a number of European countries. The social partners may agree – through collective bargaining – to introduce sector-specific contribution, with companies in the sector paying a percentage of their payroll costs into the sectoral fund used to compensate (partly) companies for training costs and/or wages paid to apprentices.

Funds may also be collected via the chambers, with some inter-company training activities financed by contributions from associated companies.

However, employer representatives expressed concern that this may not work in the Maltese context.

5.4.2. **Productive work early in apprenticeship**

‘The cost-benefit ratio is a legitimate goal. Information on costs and benefits are of central importance in working against any potential decline in the attractiveness of the dual system for companies’ (Institut für Bildungsforschung der Wirtschaft, 2014, p. 10). Cost-benefit analysis is needed to inform decisions on the length of apprenticeship and proportion of on-the-job training within the overall apprenticeship programme. As well as ensuring there is enough time for attainment of learning objectives in the on-the-job training, duration also needs to be considered from two perspectives relevant for the recovery of investment:

- (a) return on productivity;
- (b) commitment: companies and apprentices need time to increase levels of loyalty and build relationships, so that they are less prone to leave (this is why companies value apprenticeship over work placements within school-based VET); apprentices identifying strongly with the company results in reduced turnover and lowers the costs of this fluctuation.

5.4.3. **Address fear of competition**

Provision of apprenticeship for selected occupations and sectors (Sections 5.2.2 and 5.2.6.) should already tackle this issue.

5.4.4. **Provide financial incentives**

Vouchers and grants (and other subsidies) appear suitable to reach specific

types of companies (SMEs), or purposes (increase quality, counter the effect of crisis, encourage creation of new apprenticeship places, activation or reactivation of companies to provide apprenticeships). In most cases, both State and social partners channel their financial resources through such mechanisms.

5.4.5. Tackle lack of human resources

Avoiding overregulation in relation to company accreditation (Section 5.1.2.3) was seen as important by interviewees along with other specific needs:

- (a) provision of formal trainer/mentor training (potentially by VET provider);
- (b) support by VET provider to help company to qualify (as MCAST is already envisaging);
- (c) provision of an external tutor;
- (d) having experts visiting;
- (e) grouping the sector;
- (f) practical tips on the job on how to coach;
- (g) train experts to train the trainers; give practical tips, guidelines;
- (h) certificate to acknowledge the mentors (help in career advancement and CV).

Employer representatives suggested an ESF project on capacity building in SMEs to develop professionals in the industry to support micro and small enterprises through training coaches and make up for the time lost.

5.4.5.1. Partnerships between complementary SMEs

Partnerships and cooperation between SMEs can follow different models. A lead enterprise can bear overall responsibility and provide most of the training, while other parts are conducted in various partner enterprises. SMEs may also form a training consortium where they train their apprentices independently but if one enterprise is unable to cover specific content this will be acquired in another partner enterprise. Resource pooling may also involve larger enterprises offering periods of training in their own workshops, contributing to the training and learning needs of their own supply chain partners. SMEs may offer a joint apprenticeship programme, where all partner enterprises share the responsibility for the apprenticeship programme and each provides a specific aspect of training and learning content (European Commission and Cedefop, 2013).

5.4.6. Enable/support companies to take up responsibility for learning

There is general agreement that companies need to be encouraged and supported to take up responsibility for learning:

- (a) companies need to be involved in curriculum design, selection and development of courses;
- (b) meetings between college, employer, and apprentice are necessary at the offset;
- (c) support SMEs through technological applications;
- (d) development of a database of companies and skills they can offer;
- (e) publicise good practices among companies, such as MEA is a networking hub conducive to positive take-up. MEA broadcasts TV material on apprenticeship;
- (f) introducing awards for companies and rewards (MCAST is already doing this).

5.5. Learners participation and support

Motivated young persons are as much a part of a sustainable apprenticeship as a functional, responsive and quality system and company participation.

5.5.1. Targeted number of placements

5.5.1.1. *Selection*

Apprentices need to go through a minimum selection process, companies suggest. Experience shows that some are not prepared to enter the world of work, are not motivated, and do not have the inclination for the job or sector. Companies suggest that apprentices be tested before going to the company: physical ability, inclination and other factors. Companies also indicate that medical tests are necessary for certain occupations.

This selection process would also have positive effects on student motivation. Final selection should continue to be done by companies.

5.5.1.2. *Probation period at company*

This should continue to be part of the system and should be paid, according to companies.

5.5.2. Apprentice guidance and counselling before placement

Before arrival, companies would like apprentice to have minimum/basic practical skills, an idea of what the job involves, as well as minimum level of literacy, knowledge of work ethics and behaviour. Interviewees believe that induction at school is necessary.

Apprentices experience a 'culture shock' when they start their placements

in a company, according to both apprentices and companies. They need to be made aware of the challenges of the new learning environment before they are sent on placement. This will have positive returns on the level of preparation and ‘readiness’ of apprentices.

5.5.3. Exposure to learning in the company and monitoring progress

As all interviewees agreed, companies (especially micro and small enterprises) need to give enough exposure to learning in the company, potentially through:

- (a) rotation of apprentices to more than one company (experience with two sponsors an advantage according to apprentices who had this experience), possibly with flexibility in the employment contract;
- (b) communicating the learning objectives to employers.

Investment in quality monitoring helps prevent and correct abuses:

- (a) frequent monitoring by VET provider (once every two weeks) and communication with the apprentices when they come to the school-based part about the experience in the company, the skills they are learning;
- (b) the logbook should be used to its full potential (building on MCAST developments); A mid-term exam should be introduced, with a log book review. This could be linked to a pay increase;
- (c) better communication/guidance addressing both companies and apprentices on how to fill in the logbook. The TTBs introduced meetings with apprentices in 2013 on how to make entries; this could be continued, also inviting companies to take part in the meetings.

5.5.4. Possibility to progress in learning

In addition to the formal right to progress to higher levels, apprentice awardees need to be empowered in practice through:

- (a) possibility to attend university in part-regime (possibility for apprentice graduates to combine work and study);
- (b) provision of apprenticeships for higher level qualifications.

5.5.5. Better marketing communication among students

Parents and students need to be informed that VET is not second best to the academic route and, subsequently, that apprenticeship is not second best to a full-time VET course in an education institution.

Youth organisations suggested that information sessions would be useful towards the middle of the final academic year at secondary school level. The information prospective students are looking for includes:

- (a) negative and positive experiences from apprentices, apprentice awardees;
- (b) levels of success in finishing and finding work;
- (c) type of work;
- (d) odds of being selected by employers;
- (e) number of working days/week;
- (f) why certain apprentices do not get employed by the sponsor.

5.5.6. Give better exposure for trades to students

This may be done through placements or visits to the industry, orientation visits or vocational tasters (hands-on experience before the students make their choices). These are important for students to understand and make an informed choice. This will have positive returns on the level of preparation and 'readiness' of apprentices.





6. CONCLUDING REMARKS

Concluding remarks

Apprenticeship programmes in Malta are going through their second cycle of development. There was an attempt during 1990-2014 to create a 'culture' for apprenticeship to attract an important segment of learners who otherwise would have lost their employability. Apprenticeship programmes with VET provision of the off-the-job and the on-the-job learning provided separately often resulted in disconnected learning experiences. This review illustrated that a serious attempt is being made to bring the world of learning and the world of employment closer together through apprenticeship. This is being accomplished by giving MCAST an overarching role.

It is apparent that apprenticeship governance needs to be revisited so that strategy design, provision and quality assurance are interdependent and act through a clearer legal framework, clear guidelines and procedures. The world of employment needs to be given formal responsibilities and treated on equal footing with the world of education in strategy design and provision.

If these objectives are achieved, apprenticeship in Malta will improve its image among all stakeholders and learners will be attracted to this form of learning at all levels of the MQF. In accomplishing this culture change, guidance and counselling services will play a vital role in portraying new learning pathways towards quality jobs, career prospects, and a better quality of life.

List of abbreviations

ALMP	active labour market policies
EAfA	European alliance for apprenticeships
EQF	European qualifications framework
ESF	European Social Fund
ESTS	extended skill training scheme
ETC	Employment and Training Corporation
GBCC	Gozo Business Chamber Council
GDP	gross domestic product
ICT	information and communications technology
ITS	Institute of Tourism Studies
MCAST	Malta College of Arts, Sciences and Technology
MCCEI	Malta Chamber of Commerce, Enterprise and Industry
MCESD	Maltese Council for Economic and Social Economic Development
MEA	Malta Employers' Association
MEDE	Ministry of Education and Employment
MQF	Malta national qualifications framework
MUT	Malta Union of Teachers
NCFHE	National Commission for Further and Higher Education
NRP	national reform programme
QA	qualification assurance
SME	small and medium-sized enterprise
SSC	Sector Skills Committee
SSU	sector skills unit
TAS	technician apprenticeship scheme
TCR	thematic country review
TTB	trade testing board
VET	vocational education and training
WBL	work-based learning

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European qualifications framework (EQF)
<http://www.cedefop.europa.eu/en/events-and-projects/projects/european-qualifications-framework>

European quality assurance in vocational education and training (EQAVET)
<http://www.cedefop.europa.eu/en/events-and-projects/projects/quality-assurance-vet>

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Validation of non-formal and formal learning
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<http://www.agenzjazghazagh.gov.mt/>

Youth Agency (Aġenzija Żgħażaġh): *Youth.inc*
http://www.agenzjazghazagh.gov.mt/Categories/937/Youth_inc/

ANNEX 1

Cedefop's analytical framework for the thematic country reviews on apprenticeships

Areas of analysis	Operational descriptors
Place in the ET system	Apprenticeship is defined and regulated in a legal framework (a legally regulated and recognised learning path)
	Apprenticeship leads to a formally recognised qualification, covering both learning in the education and training institution and in the company.
	Apprenticeship offers both horizontal and vertical pathways to further specialisation or education at higher levels.
Governance structures	Roles and responsibilities of the key players (the state, social partners, schools, VET providers, companies) at national, regional, local levels are clearly defined and distributed: decision-making, implementation, advisory, control.
	One coordination and decision-making body is nominated.
	Social partners understand and recognise the importance of apprenticeship for the formation of skilled labour force.
	Employers and employees' representatives are actively engaged at all levels.
Training content and learning outcomes	Curricula and programmes are developed based on existing qualification standards and/or occupational profiles.
	Standards are broader than the needs of companies and are expressed in learning outcomes.
	The content and expected outcomes of company and school-based learning are clearly distributed and form a coherent sequence.
	Qualification standards/occupational standards/curricula are regularly evaluated and updated.

Areas of analysis	Operational descriptors
Training content and learning outcomes	Curricula define the alternance between learning venues and duration.
	(Minimum) requirements to access apprenticeship programmes are stipulated.
	Final assessment is common for both learning venues and independent.
Cooperation between learning venues	There is cooperation, coordination and clear distribution of responsibilities among venues as well as established feedback mechanisms.
	A school, a company and an apprentice develop in cooperation a training plan, based on the curriculum and qualification standard.
	A training plan ensures that learning in the company covers the full set of practical skills and competences required for a qualification.
	There are mechanisms to ensure continuity of learning in both venues, including in case of a company's failure to provide training during the course.
	One of the venues takes (is designated by law) the coordinating role in the process.
Participation of and support to companies	Rights and obligations of companies providing training are legally stipulated.
	There are strategies, initiatives of marketing apprenticeship and informing companies of benefits of taking apprentices, related responsibilities and of available incentives.
	There are minimum requirements for companies willing to provide apprenticeship places and/or an accreditation procedure.
	There is a system of support (non-financial) to companies (especially the SMEs).
	There is recognition and, even award, for companies that provide quality apprenticeships.
	Employers' organisations play a key role in engaging and supporting companies.
Requirements and support to teachers and in-company trainers	Companies have to assign a qualified staff member (tutor) to accompany apprentices.

Areas of analysis	Operational descriptors
Requirements and support to teachers and in-company trainers	There are stipulated requirements to qualification and competences of an apprentice tutor.
	An apprentice tutor in company has to have a qualification in the vocation he/she trains for.
	An apprentice tutor in company has to have some proof of pedagogical/didactic competence.
	There is a provision of training for in-company trainers to develop and update their pedagogical/didactic and transversal competences.
	There are mechanisms for cooperation and exchange between in-company trainers and VET teachers in schools.
	There is a clear indication who (teacher or trainer) has the ultimate responsibility for apprentices' learning.
Financing and cost-sharing mechanisms	Apprenticeship companies pay wages as defined in the contractual agreement between the company and the apprentice and/or indirect costs (materials, trainers' time).
	The State is responsible for financing VET schools and/or paying grants to engage apprentices.
	The duration and organisation of apprenticeships is such that it allows companies to recuperate the investment through apprentice work.
	There are incentives (subsidies, tax deductions) to encourage companies to take on apprentices, overall; and/or in specific sectors or occupations.
	Social partners cover part of the costs (direct and/or indirect).
Quality assurance	Quality assurance mechanisms exist at system level as well as at the level of training companies and schools.
	The responsibilities for quality assurance are shared. It is clear who is in charge of what aspects of quality assurance.
Apprentice working and learning conditions	Rights and obligations of apprentices are legally stipulated.
	Apprenticeship is an attractive option for learners.
	There is a reference point (responsible body) that informs the apprentice of rights and responsibilities of all parties and supports him/her in case of problems.

Areas of analysis	Operational descriptors
Apprentice working and learning conditions	An apprentice has an employment contract with the company and enjoys all rights and benefits of an employee and fulfils all responsibilities.
	A training contract is signed between a company, a school (training centre) and an apprentice that defines the training programme.
	An apprentice is protected in case of company's failure (such as bankruptcy) to provide training.
	An apprentice has access to guidance and counselling services.
Responsiveness to labour market	There are institutional procedures that allow apprenticeship to respond to or to anticipate the needs of the labour market.
	Outputs and outcomes of apprenticeship are regularly monitored and evaluated.
	Ex-ante and/or ex-post impact evaluation of apprenticeship are in place.

ANNEX 2

Main interviewee groups and number of interviews

Table A2:1. **Breakdown of interviews and focus groups by groups of stakeholders**

Education and training representatives	Companies	Social partners and chambers	Students	Youth organisations
MCAST: 11 interviews, one focus group with VET teachers	9 interviews with companies offering apprenticeships	2 interviews with industry sector organisations and other employer organisations; 2 interviews with Chambers of Commerce	12 interviews with apprentices and graduates from MCAST, plus one focus group with apprentices	2 interviews with youth organisations
ETC: 4 interviews	6 interviews with companies that withdrew from offering apprenticeships	One interview with Chairperson of Malta Council for Economic and Social Development (MCESD)	7 interviews with apprentices and graduates from ITS	
ITS: 4 interviews	2 interviews with companies that never offered apprenticeships	3 interviews with Members of the Industry Committee	One focus group with level 3 students at MCAST	
One focus group with trade testing boards	4 interviews with companies in Gozo	Focus group with trade unions		
NCFHE: one interview	2 interviews with NGOs (not offering apprenticeships) One focus group with companies (both offering apprenticeships and not offering apprenticeships)	Focus group with employer organisations		

Table A2:2. Total numbers of interviews and focus groups

	Education and training representatives	Companies	Social partners and chambers	Students	Youth organisations	TOTAL
Total interviews	20	23	8	19	2	72
Total focus groups	2	1	2	2	0	7





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APPRENTICESHIP REVIEW

MALTA

In pursuit of quality and relevance:
revitalising apprenticeship



The report explores the major features, strengths and weaknesses of apprenticeship in Malta (in place since the early 1990s). The analyses also show how the Malta College of Arts and Technology has been making efforts over the past year to improve the system and boost participation of learners and companies. It is the final report of the thematic country review on apprenticeships which Cedefop carried out in Malta between May 2014 and April 2015 at the request of the Ministry of Education and Employment. The analyses largely rely on information collected from different categories of stakeholders at different levels; they are accompanied by suggestions for action and may contribute to ongoing apprenticeship reform. It is up to the national authorities whether, and how, to take them further.

4139 EN – TI-04-15-573-EN-N – doi:10.2801/039164

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Publications Office



ISBN: 978-92-896-1914-1



9 789289 619141