

The 'Dual System' in Germany (and Switzerland)

*Key success factors and approaches to
translate the model to South Africa.*

Presented at:



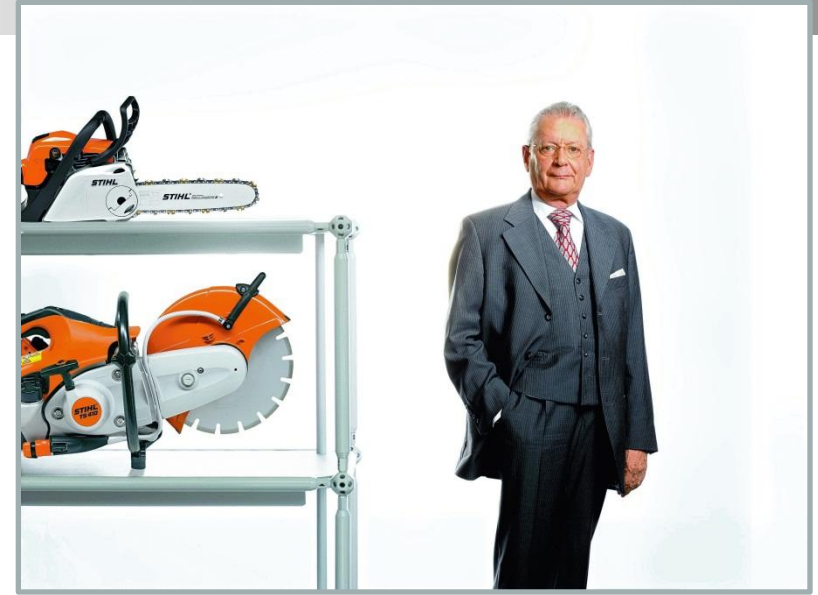
SASSETA Summit, 30.-31. October 2013

- **A German view:**

“The key reason for maintaining our operations in Germany is the dual training system.

No other system will develop the same level of technical /artisan skills required for quality and innovation”.

- **Internationally only Austria, Switzerland and to some extent Denmark have implemented the “dual model” with a similar success. Many attempts to export the approach => iMove**



Hans Peter Stihl on his 80th Birthday

Undisputed world leader in chainsaws for over 30 years, a workforce of more than 11,000 worldwide. Turnover of over €2.3 billion in 2012.

The ‚Dual System‘ in Germany

Some facts and figures:

- **344 nationally acknowledged trades and occupations** available through the vocational training system (Status: End 2012)
- **Between 500.000 to 600.000 school leavers per year** apply for, enter and complete a qualification through the dual system of vocational training (551 271 registered VET training contracts in 2012)
- **Around 66% of school leavers access VET**, the rest enters higher education (23% only as compared to OECD average of 39%) or other forms of further education or work.
- **VET offers: 33 153 vacancies in 2012; more than 80% of these offers from SMMEs;**
- **A paid training contract with an employer** is the entry requirement (industry-driven) => Chambers (IHKs), Public & Private Providers
- **Average training duration:** 2-3 ½ years
- **Employment: 60%-70%** remain with their employers

Level of VET investment by companies: OECD Country comparison

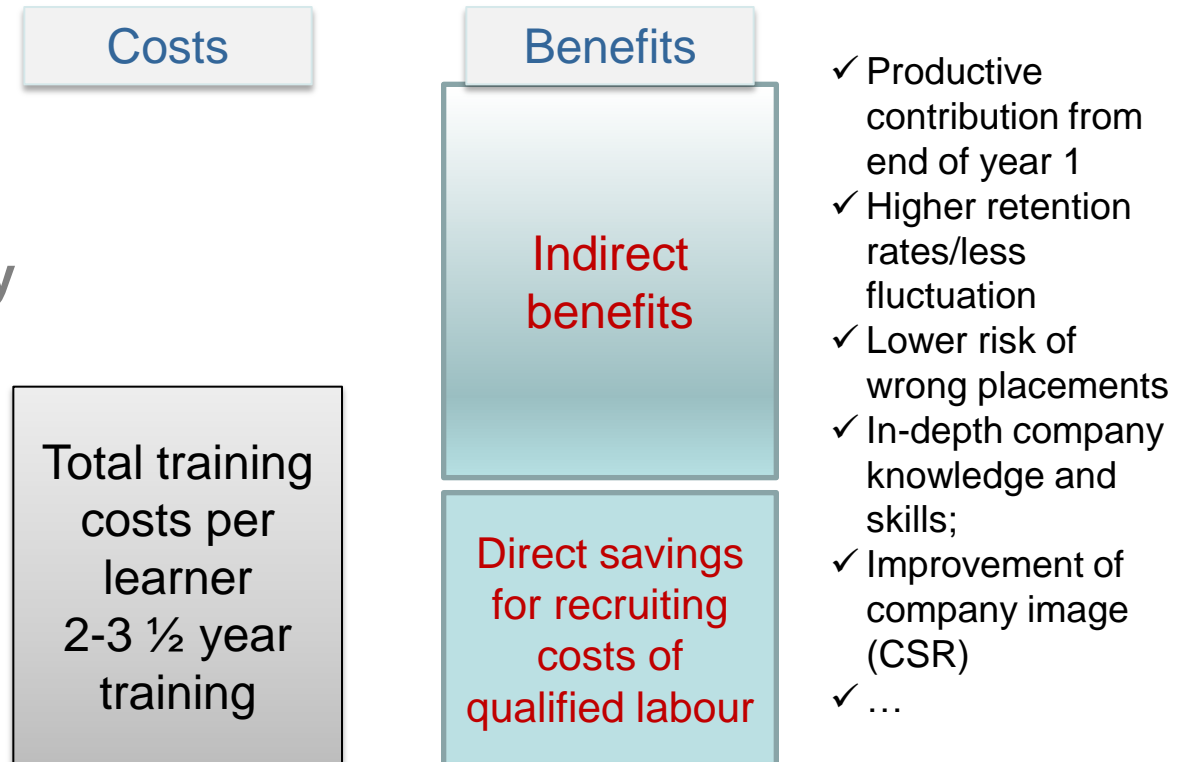
Level of investment by firms* in upper secondary VET programmes with a work-based component (low, medium, high) (horizontal axis) relative to the share of students (low, medium, high) enrolled in these programmes (vertical axis)

Share of dual/part-time VET to all pupils	Importance of investment by firms		
	LOW	MEDIUM	HIGH
HIGH (> 30%)	the Czech Republic, Denmark, Estonia	Austria	Germany, Switzerland
MEDIUM (6-30%)	Australia, Finland, Iceland, Norway, the Slovak Republic	France, Hungary, Luxembourg, the Netherlands, the Russian Federation, the United Kingdom	
LOW (< 6%)	Belgium, Brazil, Canada, Chile, Greece, Ireland, Israel, Italy, Japan, Korea, Mexico, New Zealand, Poland, Portugal, Slovenia, Spain, Sweden, Turkey and the United States		

The importance of investment by firms is an index that reflects the time that trainees spend in the workplace, the intensity of training (weekly instruction time) at the workplace, and controls for public reimbursement of such expenditure. OECD, 2010

- **VET is mainly Company-funded:** German companies invest roughly 28 billion Euro per year on VET, government adds an average of 5.2 billion Euro only through public TVET college training provision. **No levy funding mechanism;**

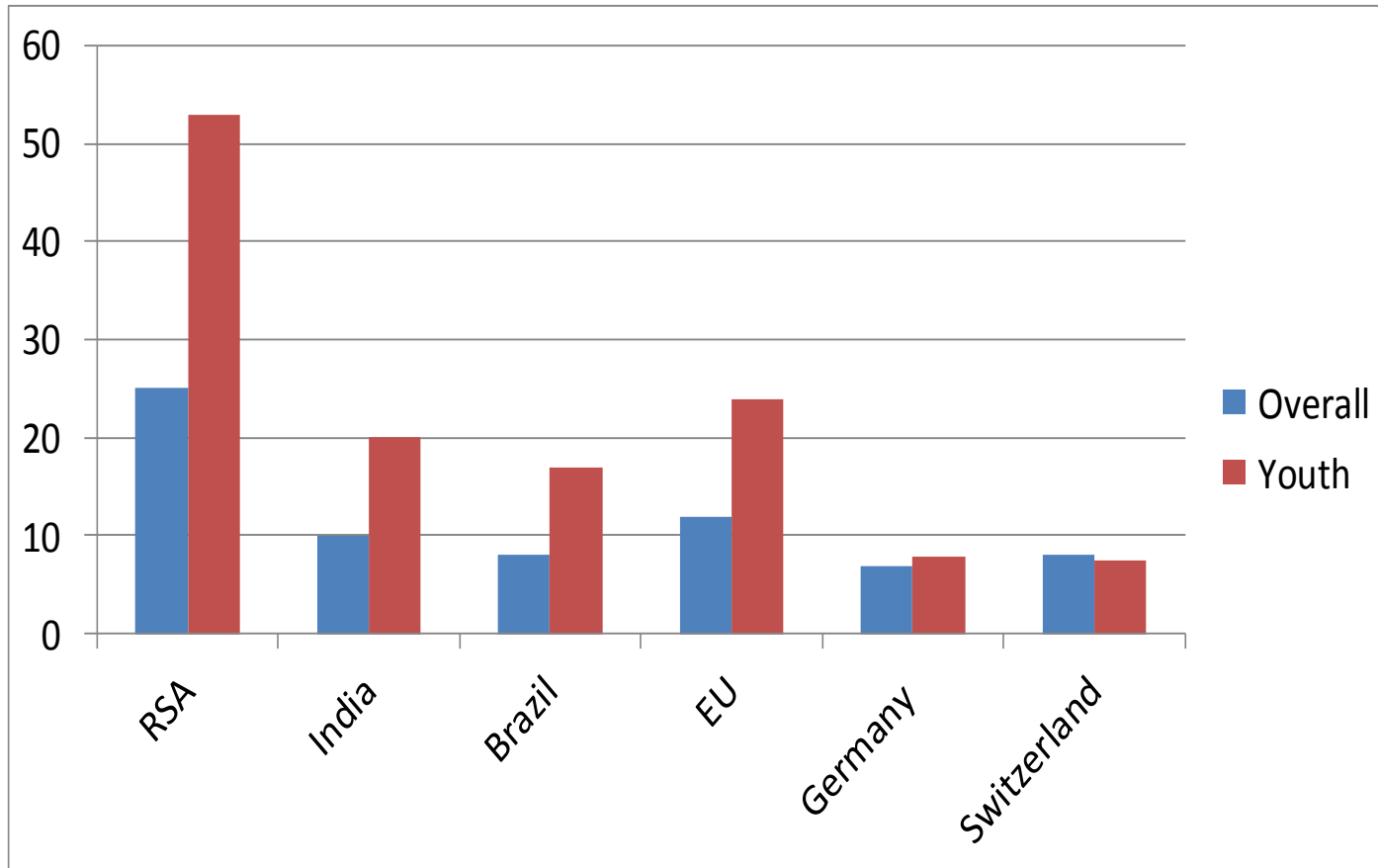
Lots of money, but still worth it, as many company studies have established.



Other key contributing factors to the success:

- Long-standing tradition: The dual model has been implemented in both countries since medieval times (“Zunftwesen”);
- It is deeply embedded in the German & Swiss culture of industry training.
- Among the general population VET is a well-recognised alternative to university education;

Unemployment rates compared:



[Figures represent averages for 2011 & 2012 from EuroStat & ILOStat websites]

Germany & Switzerland:

Lowest relative unemployment among youths

across OECD and EU countries

7.9% (Germany) and 7.5% (Switzerland) youth unemployment rate in 2012;

High Youth
Unemployment
52.9% (15-24)

Skills
Constraints

The South African perspective:

- In 2009/10, there was a total registration of 43 569 learnership and 9 316 apprenticeship qualifications, offering approximately **53 000 skills development opportunities**.
- 19% decline in learnership registration in 2009, suggesting an average annual growth rate of -4%. 26% decline in apprenticeship registrations – despite JIPSA.
- On average 76% or 86% of participants, who complete an apprenticeship or a learnership end up in employment.
- Generally, a smooth and linear transition into work => Largely driven by large-sized companies; Government is also a significant employer.
- **Where are SMMEs and school leavers and in VET?**

Enrolment in VET: 12 Grade learners

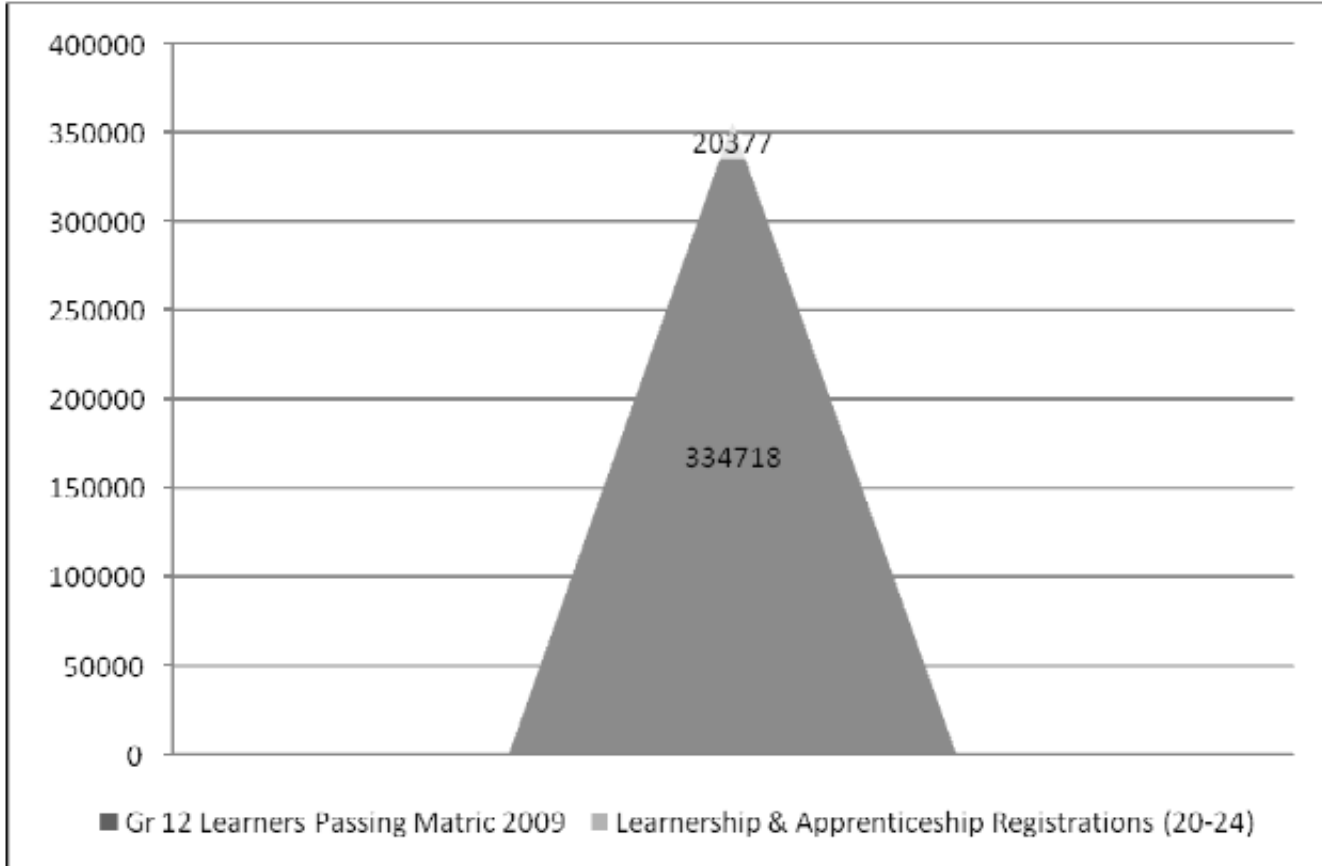


Figure 34: Contrasting a Single Grade 12 Cohort to LAQ Registrations by the 20-24 Age Cohort

South Africa: Grade 12 learners

Only 6% are entering dual training options with industry participation.

HSRC, 2012

VET not a 1st choice, still considered low status qualification.

Transferring the model to South Africa: **The Dual System Apprenticeship Pilot (DSAP) Project**

- * **High level visit** of Minister of DHET, Dr. Blade Nzimande to Germany and Switzerland for a review of “dual-system” approaches;

Key learnings:

1. **Dual training with close integration** between public TVET/FET colleges and industry is possible;
2. **High success rates** of German and Swiss system on various levels:
 - ⇒ Youth unemployment rates;
 - ⇒ Top three at World Skills Contest;

Call for establishing a similar pilot in the South African context, which would include Public TVET colleges and artisan-related employers: **The DSAP Project;**

Transferring the model to South Africa: **The Dual System Apprenticeship Pilot (DSAP) Project**

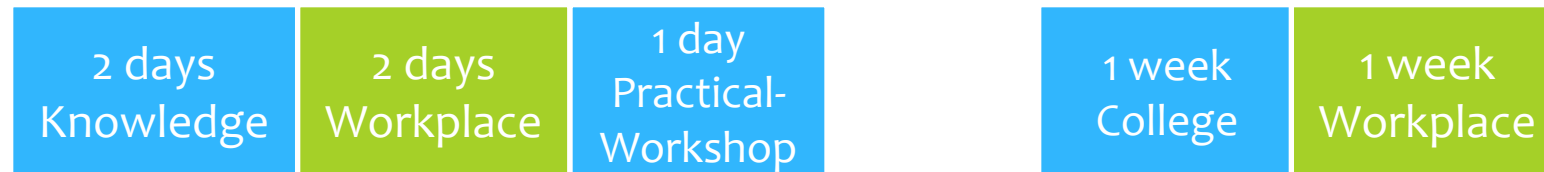
- * **Three pilot TVET colleges and three pilot trades** selected to test the approach:

West Coast College (Saldanha Bay)	Port Elizabeth College	Umfolozi College (Richards Bay)
Welders	Mechatronics	Electrician

- * **DSAP Steering Committee:** DHET, NSF, participating SETAs (merSETA, CHIETA, FP&M SETA, MQA), Project Management The Swiss-South African Cooperation Initiative (SSACI) to oversee and support project implementation;
- * **Linking existing NCV Level 2 candidates to work-based apprenticeship learning** during their three year NCV programme => **Result NCV 4 and trade test certificate (Time and cost saving!);**

Transferring the model to South Africa: **The Dual System Apprenticeship Pilot (DSAP) Project**

- * Implement integrated learning programme for each training week/weekly rotation as per German/Swiss best practice model (TVET college and Host employers in close cooperation):



- * All college holidays spent in workplace for further exposure;
- * **Benchmark emerging occupational competence** against international apprentices (COMET testing through merSETA and University of Bremen);
- * **TVET colleges and Host employers to work in close partnership:** Curriculum integration/further development and instruction methods;
- * **SETA funded training, planned commencement from: 1 December 2013;**

Key success factors for a successful dual VET system in South Africa:

- **Early Career Guidance and VET Marketing** to school leavers to turn around negative image of vocational education and training; improved access to information on available VET training pathways. **Absolutely critical!**
- **Urgently revise out-dated VET training curricula with industry participation** impacting on quality of VET outcomes;
- **SETA support and guidance to medium and small-sized companies for offering learnership and apprenticeship training => get rid off red tape and focus on implementation support/guidance and real quality assurance = Partnership approach!**
- **Establish distinct research and scholarship on VET** in order to ensure informed and evidence-based policy making.

THANK YOU!

- ***Your questions?***