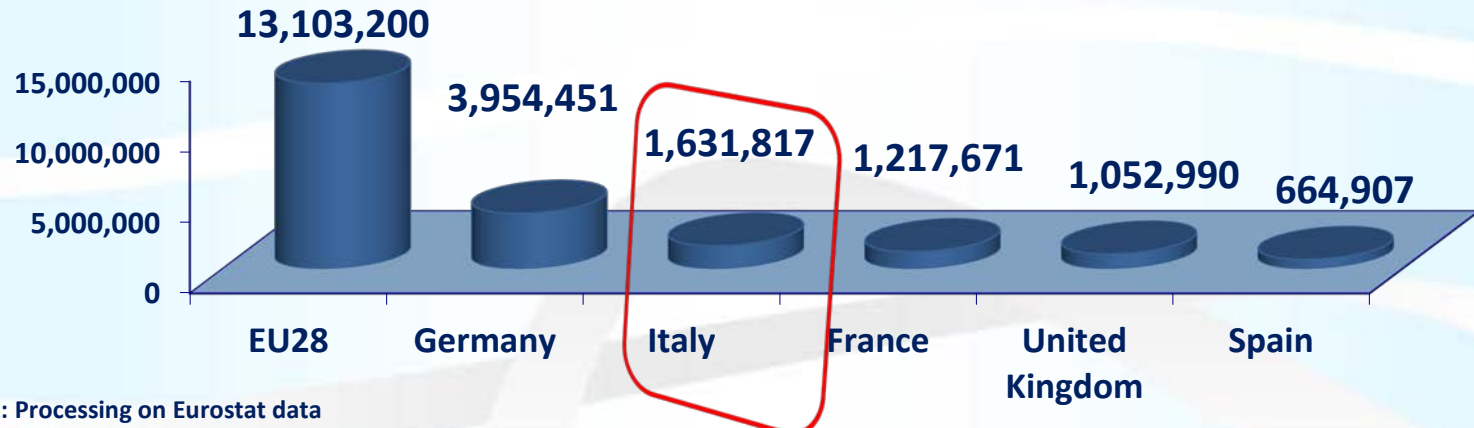


The cost-effectiveness of apprenticeship schemes: making the business case for apprenticeships

Spotlight on the Italian Metalworking Industry

17-18 September, Paris

Number of persons employed in metalworking sector in the EU



Number of apprentices employed in metalworking industry in Italy

Sub-sectors	2011	2012	2013	Variation 2011 → 2013
Metal mechanic and automotive	37.643	36.436	36.295	→ -3.58 %
Electrical and electronic	13.718	12.541	11.938	→ -12.98 %

SOURCE: ISFOL 2015

Number of students engaged in "alternance" programs

2011/2012	2012/2013	2013/2014
189.457	227.886	210.506

SOURCE: INDIRE

Italian framework

- Educational system: school-based
- Need for fostering the school-work cooperation, in order to bridge the gap between supply and demand of skills
 - Two different ways:
Apprenticeship and “Alternance”

Legislative framework for apprenticeship

Three types of contracts:

1. Apprenticeship for qualification and/or professional diploma or high school diploma (age from 15Y to 25Y)
2. Professional Apprenticeship (aimed at achieving a professional contractual qualification; age from 18Y to 29 Y)
3. Apprenticeship for higher education and research

Apprenticeship: weak points

- In Italy apprenticeship is a labour contract and it's expensive compared to the “Resource Countries”
- Lack of regional regulations
- Italy's educational system doesn't provide specific classes dedicated to apprentices
- Administrative difficulties for SMEs

JOBFACT

(Law 183/2014, Legislative Decree 81/2015)

- Changes in apprenticeship contracts aimed at achieving an educational qualification (1st and 3rd level) as a step towards dual system:
 - Payment received by apprentices during training periods:
 - at school (0%)
 - at the workplace (10% of the monthly wage)
 - Training at school:
 - 1st year – 60 % of the school time
 - 2nd and 3rd year – 50% of the school time
 - National regulatory intervention in absence of regional regulations

1st level apprenticeship: annual cost for the companies

	Before the reform	After the reform
<i>1° year</i>	€ 20.838	€ 8.943
<i>2° year</i>	€ 21.289	€ 10.281
<i>3° year</i>	€ 21.739	€ 10.499

SOURCE: Data elaboration provided by Federmeccanica

- The drop of the costs supported by companies is caused by:
- Training period are paid up to 0/10% of monthly wage
 - Social contribution has been reduced from 11.61% to 5%

Reflections about the JOBSACT reform

- The cost is still higher compared to other countries
- No actions towards the creation of:
 - specific school classes dedicated only to apprentices
 - training networks for SMEs
- Limited role of social partners
- To introduce dual system in Italy a reform of the entire educational framework is needed

Work-based learning: the “alternance” programs

- Law 107/2015 regarding the educational system:
 - Strengthening of “school-work alternance” (now it’s compulsory)
 - 400 hours on-the-job training during technical and VET instruction



Traineeship project

- It’s the 1st national “alternance” program after the Law 107/2015 (planned and carried out by Federmeccanica and Ministry of Education)
- Main Characteristics:
 - Firm-School planning of activities
 - Joint training of tutors
 - Certification of skills acquired