



# eu Talent

Business in Europe Hosting Apprenticeships for Youth

## National Policy Recommendation Report

Identification and removal of  
policy obstacles to engage  
SMEs



## Introduction- National context/ background

Small and medium enterprises play a very important role in today's economy. Malta, which is a very small country with limited natural resources, and its economy are very dependent on these types of companies, especially when considering the fact that more than 95% of the country's businesses are SMEs.

Eurostat figures show that SMEs, which number around the 30,000 mark, account for around 82% of total value added, which is 25% higher than the average in the European Union. Moreover, almost 80% of workers are employed by SMEs, which is almost 13 percentage points higher than the EU average. It must be mentioned that the value added, as well as SME employment is constantly increasing in Malta, proving how important these businesses are for the country's economy and growth.

Currently, almost 800 SMEs are engaged in apprenticeship programmes and are taking on apprentices. There are around 1000 contracts that have been signed between the college that provides the apprenticeship programmes – MCAST, companies, most of which are SMEs, and apprentices. In less than two years, the figures have increased by 250 and we are expecting the number to go up even more in the coming months and years.

When it comes to policy framework, before June of 2018, there was no proper law that would clearly state the rights and obligations of apprentices, VET providers, and employers. Following this date, however, a new Work-based learning and Apprenticeship Act was enacted. Thus, with this new law, these rights and obligations became more clearly defined. Moreover, with the new law, apprentices are to now receive income equal to the national minimum wage per hour of work.

Thus, the policy in Malta now aims at strengthening work-based learning and apprenticeship programmes "through definitions and operational parameters for work placements, apprenticeships and internships". Apart from highlighting rights, roles, and duties, the new apprenticeship system reduced unnecessary bureaucracy and complications by introducing a single apprenticeship qualification rather than a dual certificate system, as it was before, as well as a training register to simplify data collection and policy analysis.

All of the above is helping to bring out even more the importance of having quality apprenticeship programmes in place and is definitely aiding in reducing the gap between industry and education in the country.

## Challenges



- SMEs are not yet fully aware of the importance of apprenticeship schemes and the benefits that are linked to taking on apprentices.
- SMEs believe it is a waste of time and resources to take on apprentices, which is the same reasoning they have for when it comes to implementing CSR initiatives in their company.
- SMEs fear that if they do take on apprentices, they believe that they will lose the apprentice after training him or her or, even worse, that the apprentice will become their competitor.
- SMEs do not know how they could become engaged in apprenticeship programmes and what to do if and when problems arise concerning their apprentices.
- Being so small, SMEs usually have fewer staff dedicated to doing particular roles within the company. Therefore, sometimes, the apprentice might end up doing work that is not necessarily related to his or her field of study.
- The quality of the apprenticeship scheme might not be of high standard within an SME resulting in poor outcomes and poor experiences emerging from the programme.
- Commitment from SMEs is still lacking and, in fact, it becomes very difficult to try engaging these companies in a project that addresses the subject. Thus, it also becomes an uphill battle to encourage SMEs to attend events such as stakeholder meetings, workshops, webinars, or even to take tests and fill in questionnaires relating to apprenticeship programmes.
- There is still a lack of quality training provided to employers and even “in-company trainers”, which can heavily contribute to a lack of quality in apprenticeship programmes.

## Activities



### Activities organised to build the business case for providing apprenticeships and their impact

- An online campaign that raised awareness and interest in the project and that informed people of the project activities, events, and developments.
- The online campaign made use of social media, namely Facebook, to engage more businesses, the creation of a webpage on CORE Platform’s website, as well as the dissemination of project material and updates, including presentations and publications, to the organisation’s contacts via email.
- An online tool, created by CSR Europe, was also used to engage more SMEs and get them thinking of why they should improve the quality of apprenticeship programmes within their company.
- The organisation and hosting of two stakeholder meetings that brought SMEs and other stakeholders together to share their views on the subject of apprenticeships. These meetings also served to raise awareness and interest in the project and inform people of project developments and activities, see the outcomes of current apprenticeship schemes, and look at the ways forward.
- Face-to-face meetings also served to engage more businesses and inform SMEs of the importance of apprenticeship schemes.
- Webinars also helped businesses become more engaged in apprenticeship programmes. Webinars involved the participation of apprentices as well as key stakeholders such as VET providers to get the full picture of how the apprenticeship programmes work, what works, and what is missing.

## Policy



## Recommendations

### Recommendations to the business community

- Attend seminars and workshops and other events concerning apprenticeship programmes and schemes to increase their knowledge and knowhow on matters relating to taking on apprentices.
- Consult with VET providers on how best to proceed and act in order to provide good quality apprenticeship programmes.
- Have an open mind so that businesses can see how apprenticeship programmes not only benefit the apprentice, but the company as well.
- Maintain communication with not only the VET provider, but also with the apprentices the SME takes on. This will help the employer understand better what is working and what is not, as well as how to improve the quality of the apprenticeship programme.
- Encourage other businesses, especially SMEs, to take on apprentices by promoting the benefits an apprenticeship programme had in your company.

### Recommendations to the education departments and to the VET providers

- A focus on providing training for mentors and employers is a good way of improving the quality of the apprenticeships.
- Maintaining a constant communication with the apprentice and the employer is vital. Only like that can gaps be identified and solutions found.
- Work with NGOs and other entities that are interested in promoting CSR initiatives, including apprenticeship schemes. Working in isolation and duplicating efforts is never beneficial.

## Challenges



- Although some assistance to SMEs is offered from VET providers such as MCAST, there is still much to be done even from the country's authorities' side to help and support SMEs when they engage in apprenticeship programmes.
- A final challenge encountered is the fact that, being so small, SMEs often do not have the right structures in place to deal with the necessary paperwork and documentation that comes with taking on apprentices.

## Activities



- Other events like the 'CSR day' and 'Leaders for a Day' helped CEOs and managers of SMEs see the benefit of work-based learning and apprenticeship programmes.

### Results of the activities

- The activities yielded very positive results. Firstly, it did encourage many more SMEs to participate in apprenticeship programmes. Moreover, MCAST contacted us saying that following our project activities, new apprenticeship programmes were set up in SMEs that previously were not aware of the benefits of having an apprentice.
- The numerous consultations with business, apprentices, and VET providers contributed towards the creation of a new work-based learning and apprenticeship act, which set up proper and clear-cut guidelines for apprentices, employers and trainers/VET providers when it comes to apprenticeship programmes.
- Following the project activities, including the taking of the online tool, some SMEs actually increased the number of apprentices, as well as got in touch with CORE Platform and MCAST to see how their apprenticeship scheme can be improved.
- Overall it can be said that the activities greatly helped to increase awareness on apprenticeship programmes as well as increase the engagement of SMEs when it comes to participating in activities concerning apprentices. Moreover, they helped bring out issues that need to be worked on and even presented to government to further improve the quality of apprenticeship programmes and schemes in Malta.

## Policy



## Recommendations

- Work with foreign partners to learn from experiences of others outside Malta's borders.
- Try to focus resources and efforts on SMEs, which make the bulk of Malta's economy as they, unlike large companies, might not have the necessary structures in place to provide good quality apprenticeships.
- Generate more awareness on the value of apprenticeship programmes through the creation of more meetings, workshops, and information sessions.

### Recommendations to policy makers

- Increase communication with all stakeholders involved in apprenticeship programmes to better understand what needs to be done to have better quality apprenticeships.
- Ensure that the new Work-based Learning and Apprenticeship Act is enforced.
- Provide greater support to SMEs as the country's economy heavily depends on them and good quality apprenticeship programmes will help in increasing the productivity of these companies.
- Provide incentives to companies, as well as VET providers so that apprenticeship programmes remain a priority and so that businesses, particularly SMEs, become more inclined towards engaging in them.
- Help support initiatives, both in money and in kind, that encourage the improvement of apprenticeship schemes in Malta.
- Become involved in projects that concern apprenticeship schemes and endorse and support any initiative aimed at improving their quality.

## Conclusions

In conclusion, it must be said that most businesses are open to become engaged in CSR initiatives and projects related to apprenticeships as long as there is a clear plan in place. Businesses, particularly SMEs, cannot afford to waste time to brainstorm but they can support a project that is already carefully planned and structured.

This was the initial problem that we found. SMEs, not fully aware of how apprenticeship programmes worked, became very reluctant to attend events and engage in the project. Those that did take the step to increase their knowledge on the subject, however, immediately got in touch with CORE Platform and with MCAST to take on apprentices.

We found that face-to-face meetings, rather than having online seminars and webinars is much more effective, at least for the Maltese context. A lot more engagement was generated through physical meetings, keeping in mind that webinars and online calls is still quite a new thing for many locals. We also found that working with VET providers like MCAST, who are already doing a lot in terms of apprenticeships in the country, was the best way to ensure that the intended outcomes were reached. In fact, CORE Platform greatly believes in entities joining together to work on a common cause. This project is proof of this.

Another interesting conclusion that can be drawn is the fact that the main stakeholders – the apprentices – themselves should always be included in the discussions and consultations. Webinars were held with them and it was they that brought up a lot of the issues present. Moreover, their feedback greatly helped MCAST and other stakeholders design and draft a new law for the country. With this new law, the quality of apprenticeship programmes in the country is sure to increase. Having said this, however, it is crucial that both government, employers, and VET providers enforce the clauses of the law. Moreover, it is equally important for all these stakeholders, together with the apprentices, to maintain strong communication and correspondence to ensure that the apprenticeship programme is reaching its intended goals.

Finally, it must be said that projects such as 'EUTalent' and other initiatives definitely help in increasing awareness of issues such as apprenticeships and even encourage more people and businesses to get involved in the programmes being offered. However, more needs to be done. Undoubtedly, the number of apprenticeship contracts has increased, and great progress has been made towards setting up better quality apprenticeship programmes, but there are many more SMEs that have yet to come on board. Perhaps more support from the VET providers, together with more projects like this one can attract more engagement. Further support from government will also ensure that more SMEs take on apprentices due to more incentives, as well as, preferably, more technical and advisory support being offered to help the smaller companies cope with matters concerning the apprenticeship programmes and the apprentices themselves.

## Sources

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- <http://www.mcast.edu.mt/153>
- Conclusions from the various stakeholder meetings, webinars, face-to-face meetings, and events and activities linked to the project 'EUTalent' and apprenticeship schemes.
- Results compiled by the Malta College of Arts, Science, and Technology (MCAST).



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[www.eutalent.eu](http://www.eutalent.eu)

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