

## Speech

# Rising to the top: why the government is committed to apprenticeships

From: [Department for Business, Innovation & Skills](#) and [The Rt Hon Sajid Javid MP](#)  
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Business Secretary Sajid Javid launches National Apprenticeship Week 2016.



Thanks Lizzie.

As a minister I give a lot of speeches at a lot of venues.

Normally they're in dull conference centres or anonymous lecture theatres.

So this is really something else!

I'm a bit worried everyone's going to be concentrating on the view rather than on what I have to say. Although I'm sure some people would call it a welcome distraction!

I'm not a big guy, either, so this a rare opportunity for me to look down on Nick Boles!

He's down there somewhere...

The whole of London is spread out below us.

I can see everywhere I've worked in this great city, from the Square Mile to Westminster.

And when you were staring out of the windows before the event began, you could see all those tiny little trains and buses snaking their way through the capital.

They're carrying millions of people on their way to work, to school, to university.

And thousands more young Londoners will be on their way to an apprenticeship.

Now for too long, apprenticeships were seen as a second-best option.

A safety net for kids who didn't make it to A-levels or university.

But we know that's not true.

We know apprenticeships are real jobs, paying a real wage and providing a real education.

We know they're an excellent way for young people to gain the skills they need to compete and for employers to develop the leaders of tomorrow.

Some of the apprentices travelling to work down below will be heading to Google, or Burberry, or Pinewood Studios.

Others will be on their way to Nestle and John Lewis.

Further afield they'll be clocking on to maintain giant jet engines at Rolls Royce, or to build Typhoon fighters at BAE.

Today we're joined by Starbucks, Greene King, Deloitte, Prezzo, Fortnum & Mason and Goldman Sachs.

And all of them will be announcing significant plans to take on more apprentices of their own.

Apprenticeships are an incredible opportunity for people who want to achieve incredible things.

And that's why this government is giving them the respect they deserve.

In the last Parliament we saw more than 2.5 million people start apprenticeships.

In this one we're going to create at least 3 million more.

Think about what that means.

Millions of young people unlocking a new career.

Millions of young people gaining the experience, qualifications and business knowledge that can take them anywhere.

Millions of young people learning the skills they need to rise to the top of the 21st century jobs market.

And think about the hundreds of thousands of employers who will benefit.

The successful companies that can plug a skills gap with British workers rather than looking overseas.

The small businesses that can take on and train up the new staff they need in order to grow.

I mention small businesses for a reason.

Many larger employers have already recognised the benefits of offering apprenticeships.

But too many small and medium-sized firms, the backbone of our economy, are still missing out.

So I'm pleased to see the National Apprenticeship Service working closely with groups such as the Federation of Small Businesses and the British Chambers of Commerce.

In turn, they're asking their members to make a commitment to apprenticeships.

And together we're showing how every business, no matter how small, no matter how niche, can see a real return on investment when they take on an apprentice.

Larger employers, meanwhile, are getting set up for the new Apprenticeship Levy.

It's going to arrive next year and I know there's been a bit of concern about this.

Some people see it as an extra tax, an extra burden.

But it's really nothing to be afraid of.

For starters, it will only affect the very biggest companies, those with a pay bill of £3 million or more.

That's less than 2% of employers, those at the very top.

I know how hard it is to run a small business, how many demands you face.

How the last thing you need or want is someone from the government turning up with another bright idea!

But if that's you, don't worry – you're not going to be affected by the new levy at all.

And if you ARE in the top 2%, I don't want you to worry either!

The levy is simply a straightforward way of funding the increase in high quality apprenticeship training.

It will be set at 0.5% of your pay bill and will be collected via PAYE.

Control of the money it raises will be put in the hands of employers, so they can use it to deliver the training they need.

There won't be someone sat in Whitehall handing out grants or telling you how to spend it.

And if you're really committed to training you'll even be able to get back more than you put in.

The whole thing will be managed and run through the Digital Apprenticeship Service.

But it's a lot more than an online bank account.

Through the service, employers will be able to choose an apprenticeship training course, choose a training provider, even find the right candidate to take on.

And in future, all employers of all sizes will have access to the service – regardless of whether they're big enough to pay in to it.

Of course, if you're paying for something you want to know it's worth the money.

It would be easy for us to hit our 3 million target by piling up cheap but useless training courses.

But that's not going to help employers or apprentices.

We need apprenticeships that are relevant, challenging and fit for purpose.

And we need them to be respected, valued, and held in esteem by employers, individuals and wider society.

In short, we need apprenticeships that we are all proud of.

That's why quality has always been more important to us than quantity.

That's why we're protecting the term 'apprenticeship', so cowboy operators can't use it.

And that's why we're creating an Institute for Apprenticeships.

The Institute will support the development and delivery of high quality apprenticeship standards and assessment plans.

It will act as the guarantor of quality in the system. It will do this entirely independently of government.

And it will be up and running by around this time next year.

I grew up on Stapleton Road in Bristol, which a tabloid once dubbed 'Britain's most dangerous street'.

Sure, it wasn't exactly salubrious, but the people I knew around there weren't bad, or lazy, or stupid.

More often than not they just lacked the opportunities that many take for granted.

My school careers advisor told me I should set my sights no higher an entry-level job at Radio Rentals.

But he didn't say that because he thought I could learn a trade and get qualifications.

He was just telling me what kids from Stapleton Road were expected to do.

We didn't go to university – we simply left school at 16 and got ourselves a low-paid, low-skilled job.

In 2016, I'm not prepared to tolerate that attitude.

Every young person has the potential to succeed, and everyone should have the opportunity to succeed.

This Apprenticeship Week, I want to see government and business come together to make that happen.

I want us to deliver high-quality, employer-led training.

I want us to create the highly skilled workforce Britain needs.

And I want us to give ALL of Britain's young people the opportunity they need to rise to the top.

Thank you.

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**The Rt Hon Sajid Javid MP**

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