Youths between urbanisation and poverty: Livelihood opportunities and challenges of informal apprenticeships in Ghana

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I. Background Accra/Ghana

- High economic growth
- Stable democracy
- „Donor-darling“
- Huge development disparities
- Ecological degradation
- High urbanisation and (internal) migration rates
- Urbanisation highly interrelated with a youth bulge and poverty ("Urbanisation of youth poverty?")
- Informal economy offers the only economic perspective
- But it is often characterised by precarious working conditions
II. Motivation for research

Opportunities and challenges in informal apprenticeships

Why addressing informal apprenticeship?

- apprenticeship is the only option for many youth from poor areas due to the low access to secondary education

Views on apprenticeship

- … an investment into one‘s future
- … independence
- … improved income
- … better working conditions
III. Research approach and methodology

- Livelihood perspective
- Semi-structured and life story interviews with apprentices, recent graduates, drop-outs, masters and other youths
- Expert interviews
- Three study sites with different population compositions
- Eight different occupations (car mechanics, seamstresses, etc.)
IV. Barriers in the IA system
IV. Barriers access and training phase

Entry requirements are low
- More than 2/3 of masters do not require a min. education level
- 60% of apprentices asked only one master/madam

Entry costs are high
- Vary between 50 and 600 GHC, average is 180 GHC (ca. 100 US$)
- 2/3 of apprentices have to pay own material/tools

➤ Overcoming this barrier is difficult, but not impossible

The training phase is a situation of high financial vulnerability
- 60% do not receive regular pocket money from master/madam
- 54% receive financial support from family to cover basic needs
- 35% of apprentices are forced to take up another regular job

High drop-out rates
- 30% drop-out according to masters’ experiences
- Masters/madams cite lack of interest as main reason
- Drop-outs cite financial difficulties as major cause
- Financial difficulties are often related to loss of family support

➤ Permanent hardship and shocks often lead to drop-out
IV. Barriers blessing and transition

The blessing ritual is essential
- Introduces apprentice into local informal market
- Not possible to work without it in trained occupation

The costs are high
- Vary between 40 and 500 GHC, average is 180 GHC (ca. 100 US$)
- Additional costs for ceremony

⇒ Many fully qualified apprentices fail at this barrier

High costs for an own shop
- Around 4000 GHC (>2300 US$) on average for basic start-up shop
- Poor access to loans

Increasing Challenges for start-ups
- 86% of masters/madams: challenges have increased
- Prices have drastically risen
- Severe shortage of land
- Growing competition

⇒ A successful completion of the IA by no means implies a successful transition
V. Strengths and weaknesses

Strengths of the IA system

• Positive flexibility of system
• Accessible due to low requirements for entry
• Suitable training and preparation for local market
• Potential way out of poverty

Weaknesses of the IA system

• The poorest excluded
• Strong reliance on family support
• Permanent threat of failure
• Open to exploitation by master/ madam
• Returns on investment uncertain
VI. Policy recommendations

- **Address all barriers!**
  - It’s not just the access ...
  - Focus on new innovative sectors
  - Increase the number of female apprentices in “male” occupations

- **Bless the trained!**
  - Effective and efficient strategy
  - Enable fully-trained to use potential

- **Target the poor!**
  - Disadvantaged are within reach
  - Include the motivated but financially-excluded youth
Thank you for your attention!

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