

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

Benjamin Schraven

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

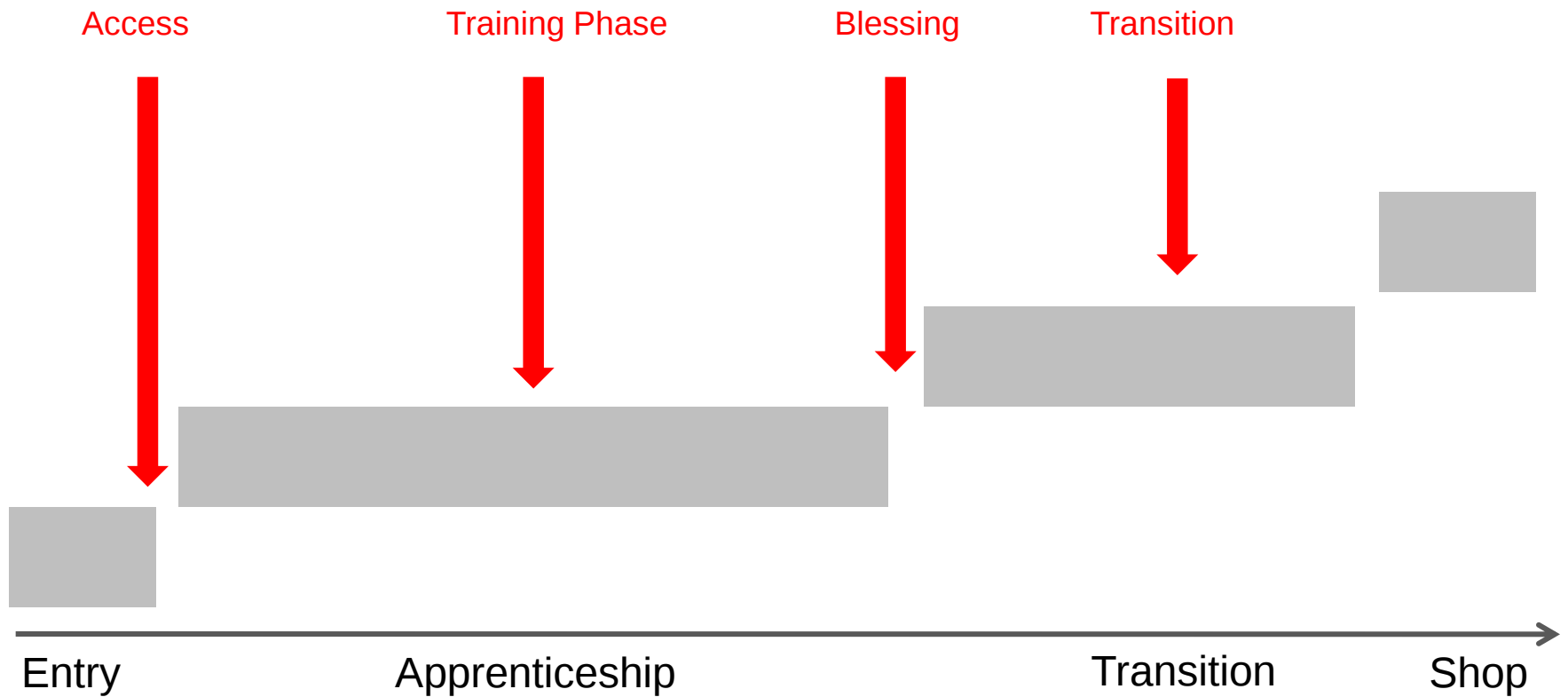
III. Research approach and methodology



- 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!

**German Development Institute /
Deutsches Institut für Entwicklungspolitik (DIE)**

www.die-gdi.de