CLOSING THE WORKFORCE SKILLS GAP: Apprenticeship Programs in the U.S. and the Fifth District

In February 2014, 47% of small businesses reported that they could find few or no qualified applicants to fill job openings.

Part of the reason is that job seekers require new training to fill in-demand positions. To improve training opportunities for workers, some governments, foundations, and workforce leaders are seeking to expand apprenticeship programs.

State Accelerator Grant

- $200,000 grants provided to 51 states and territories, plus the District of Columbia, to expand and integrate apprenticeship programs.

Active Apprentices in 5th District States from 2012 to 2016 (in 1,000s)

<table>
<thead>
<tr>
<th>Year</th>
<th>Maryland</th>
<th>Virginia</th>
<th>West Virginia</th>
<th>Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>2,200</td>
<td>2,400</td>
<td>400</td>
<td>600</td>
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<tr>
<td>2013</td>
<td>2,300</td>
<td>2,500</td>
<td>500</td>
<td>700</td>
</tr>
<tr>
<td>2014</td>
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</tr>
<tr>
<td>2016</td>
<td>2,600</td>
<td>2,800</td>
<td>800</td>
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</table>

What Are the Potentials and Shortcomings of Apprenticeship Programs?

- **Benefits:**
  - Improved employment opportunities for middle-aged workers.
  - Vocational training in countries with tight labor markets can lead to higher wages for apprentices.
  - Over 90% of apprentices find employment after completing program.

- **Downsides:**
  - Delayed return on investment: cost ranges from $25,000 to as much as $150,000.
  - State government receives almost $20,000 in government revenue as much as $3 in GDP growth.
  - Every $1 of federal support creates $7 in economic benefit.

What Other Recent Initiatives Are Promoting Apprenticeships in the 5th District?

- **District of Columbia**
  - In Sept 2017, Mayor Bowser launched Apprenticeship DC, which will expand the city’s apprenticeship grant programs in growing local industries.

- **Maryland**
  - In Oct 2015, Governor McAuliffe signed Executive Order 49, which instructed greater inter-agency collaboration and increased state funding to support new apprenticeship programs.

- **South Carolina**
  - In Oct 2016, the SC Technical College System used a $900,000 federal grant to fund the SC Apprenticeship Initiative Expansion, which promotes innovative apprenticeship models in the state.

- **Virginia**
  - In Sept 2017, Governor Northam signed Executive Order 64, which directed the Virginia Community College System to expand apprenticeship opportunities in high-growth industries.