WHAT ARE THE COMPONENTS OF A REGISTERED APPRENTICESHIP PROGRAM?

1. Business involvement: Employers register, design curricula, and recruit participants
2. Structured on-the-job learning: Apprentices work on-site with an experienced mentor for at least one year
3. Related technical instruction: Apprentices receive technical education at community colleges, technical schools, or apprenticeship training schools
4. Rewards for skill gains: Apprentices receive higher wages as they gain skills
5. Nationally recognized occupational credential: On completion, apprentices receive a DOL credential that is portable (recognized by industry’s employers) and stackable (apprentice can build on its foundation in other programs)

WHAT ARE THE POTENTIAL BENEFITS AND DOWNSIDES OF APPRENTICESHIP PROGRAMS?

### Benefits
- Improved employment opportunities: 91% of apprentices find employment after completing program
- Livable wages: Average starting wage: $15/hr, average salary: over $60,000
- Accrued lifetime benefit: On average, program completers earn $302,000 more than similar non-participants over time
- Increased productivity and reduced costs over time: For every dollar spent on an apprenticeship program, employers get back an estimated $1.47
- Increased economic growth: Every $1 spent on apprentice training may produce as much as $3 in GDP growth
- Increased tax revenue: The government receives almost $20,000 in tax revenue for every registered apprentice’s career, or $27.68 per government dollar invested
- Potential benefits may decrease with age: Vocational training in countries with apprenticeship programs may be less beneficial for middle-aged workers than general education alone

### Downsides
- Potentially high upfront cost: Total cost ranges from $25,000 to as much as $250,000 per apprentice
- Delayed return on investment: In the first year, workers receive more in wages than they produce
- High attrition rate: 59% percent of apprentices cancel their enrollment before graduating
- Short-term measure: May not provide for long-term growth in productivity
- Has not been a solution for all workers: Over 90% of apprentices are male and most programs train for male-dominated fields

WHO IS TYPICALLY INVOLVED IN ESTABLISHING A REGISTERED APPRENTICESHIP PROGRAM?

- Workforce intermediaries: Community organizations, industry associations, or labor groups
  - Provides businesses with expertise
  - Manages administration
- Educational institutions: Four-year institutions, community colleges, career and technical education
  - Develops curriculum for instruction
  - Provides instruction to apprentices
- Business partners: Company or consortium of businesses
  - Coordinates partners and designs program
  - Recruits and hires apprentices
  - Provides training
  - Pays wages to apprentices
- Public workforce system: Workforce Development Board, American Job Center
  - Develops career pathway strategies
  - Directs applicants to employers
  - Provides pre-apprenticeship preparation
- Apprenticeship system: State office of apprenticeship
  - Provides technical assistance
  - Directs sponsors to funding sources

OCCUPATIONS WITH THE HIGHEST APPRENTICE ENROLLMENT

- **Electrician**
  - Active Apprentices: 41,489
  - Median Hourly Wage: $25.35
- **Plumbers, Pipefitters, and Steamfitters**
  - Active Apprentices: 23,094
  - Median Hourly Wage: $24.18
- **Carpenters**
  - Active Apprentices: 20,159
  - Median Hourly Wage: $20.96
- **Construction Laborers**
  - Active Apprentices: 14,089
  - Median Hourly Wage: $16.07
- **Heavy and Tractor-Trailer Truck Drivers**
  - Active Apprentices: 7,890
  - Median Hourly Wage: $19.87

IN FEBRUARY 2018, 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 government, foundation, and workforce leaders are seeking to expand apprenticeship programs.
HOW MANY FEDERALLY REGISTERED APPRENTICES ARE IN THE 5TH DISTRICT?2

<table>
<thead>
<tr>
<th>State</th>
<th>Registered Apprentices</th>
</tr>
</thead>
<tbody>
<tr>
<td>District of Columbia</td>
<td>7,541</td>
</tr>
<tr>
<td>South Carolina</td>
<td>5,297</td>
</tr>
<tr>
<td>West Virginia</td>
<td>5,413</td>
</tr>
<tr>
<td>Virginia</td>
<td>12,342</td>
</tr>
<tr>
<td>Maryland</td>
<td>11,821</td>
</tr>
</tbody>
</table>

HOW HAVE THE FEDERAL GOVERNMENT SUPPORTED REGISTERED APPRENTICESHIPS IN THE 5TH DISTRICT?4

<table>
<thead>
<tr>
<th>State</th>
<th>Grant Funded FY2015/FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>District of Columbia</td>
<td>$200K</td>
</tr>
<tr>
<td>South Carolina</td>
<td>$9.7M $200K</td>
</tr>
<tr>
<td>Virginia</td>
<td>$9.6M</td>
</tr>
<tr>
<td>Maryland</td>
<td>$4.9M $900K</td>
</tr>
<tr>
<td>West Virginia</td>
<td>$1.05M $200K</td>
</tr>
</tbody>
</table>

WHAT OTHER RECENT INITIATIVES ARE PROMOTING APPRENTICESHIPS IN THE 5TH DISTRICT?5

Federal
- In 2017, President Trump signed Executive Order 13801, which will redirect $200M from existing federal job training programs to fund new apprenticeship grants.

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 April 2017, the state legislature passed the Preparing Our Workers Education and Readiness (POWER) Apprenticeship Act, which required contractors for public work projects to use apprentices.

North Carolina
- North Carolina’s 2017 budget moved the state’s Apprenticeship NC program to the North Carolina Community College System, encouraging closer coordination between industries and local schools.

South Carolina
- In Oct 2016, the SC Technical College System used a $500,000 federal grant to fund the SC Apprenticeship Initiative Expansion, which promotes innovative apprenticeship models in the state.

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

West Virginia
- The WV Department of Education implemented random drug testing in all Career and Technical Education programs as part of the Simulated Workplace Initiative.

Footnote Sources
2 "ApprenticeshipUSA Grant Funding in the 5th District, FY2015-FY2017.
3 District of Columbia Agency Budget Chapters, FY2012-FY2016; Chris Maclarion, Director of Apprenticeship and Training, G cervi Communications, SC Technical College System; Jane Daffron, FOIA Coordinator, Virginia Department of Labor and Industry.