

# THE APPRENTICESHIP ADVANTAGE

*An Overview of Washington's Apprenticeship System and Strategic Opportunities for Success*



## THE STRATEGIC APPRENTICESHIP ADVANTAGE



- Apprenticeship is a strategic growth tool in Washington's Comprehensive Plan for Workforce Development (High Skills High Wages)
- TEGL 07-02 – Integrating Registered Apprenticeship
- A win-win proposition – Apprenticeship can help Workforce and Economic Development partners achieve their goals.
- Apprenticeship needs help and support from Workforce and Economic Development partners to achieve its own goals.

## APPRENTICESHIP



- What is Registered Apprenticeship
- Apprenticeship in Washington State
- How Does Apprenticeship Work?
- Apprenticeship by the Numbers
- Benefits of Apprenticeship for Employers
- What does the data show about apprenticeship?
- Opportunities to pursue with partners

## WHAT IS APPRENTICESHIP

**An apprenticeship is two different things**

It's a job



It's school



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## WHAT IS REGISTERED APPRENTICESHIP?

- Employer or industry sponsored occupational training programs combining classroom instruction with paid on-the-job training.
- Reviewed, approved and monitored by the Washington State Apprenticeship and Training Council and the Department of Labor & Industries
- Graduates receive a state-issued, nationally-recognized occupational credential.



## APPRENTICESHIP IN WA BY THE NUMBERS

- In the US, there are 468,000 registered apprentices.
- Currently there are 14,415 active apprentices in Washington State.
  - If the apprenticeship system was a university, it would be the 4<sup>th</sup> largest in the state, right behind UW, WSU, and WWU.
- There are 240 apprenticeship sponsors in the state that administer 553 different occupational training programs.
- Approximately 6,000 employers in Washington State train their workforce through registered apprenticeship.



## Apprenticeship in Washington State

- **WSATC** - Seven member regulatory board
  - 3 Labor – Al Link, Pete Crow, David Johnson
  - 3 Business – Melinda Nichols, David D'Hondt, Pat Toulou
  - 1 Public – Susan Crane
  - Several ex-officio – HECB, WFTECB, OSPI, ESD
- **Labor & Industries Office of Apprenticeship**
  - Annual budget: \$1.2 million
  - 1 program manager – Elizabeth Smith
  - 6 central office customer service, processing and technical staff
  - 8 Apprenticeship Consultants stationed around the state
    - Create new training programs for WSATC approval
    - Monitor compliance and assist existing programs
    - Promote apprenticeship to potential applicants and employers
- **US Department of Labor Office of Apprenticeship Training**
  - State Director, Anne Wetmore

So how does  
Registered  
Apprenticeship  
work?



## STRUCTURED TRAINING

- Supervised, structured, paid on-the-job training provided by sponsor/employer:
  - The job is the most basic component
  - Represents 93% of the program
  - Supervised by a skilled journey worker/professional



## EXAMPLES OF CURRENT APPRENTICESHIPS

- Bricklayer
- Carpenter
- Cement Mason
- Cosmetologist
- Culinary Arts
- Dispensing Optician
- Educational Assistant (K-12)
- Electrician
- Firefighter/medic
- Healthcare Worker
- Machinist
- Manufacturing technician
- Meat Cutter
- Plumber/Pipefitter
- Tree Trimmer
- Utility Wire Worker



## CLASSROOM INSTRUCTION

- Related (classroom) instruction
  - Minimum of 144 hrs/year
  - Primarily through WA State Community and Technical College System
  - Many large programs have their own state of the art training facilities.
  - Employer typically does not pay apprentice wages while attending school although apprentices can qualify for UI benefits.
  - Apprentice typically pays for tuition and books (eligible for 50% reduced tuition rate with SBCTC)



## WHERE ELSE COULD APPRENTICESHIPS WORK?

- Biotechnology lab assistant
- Information technology
- Long term care worker
- Correctional officer
- Social/family services worker
- Drug/alcohol counselor
- Auto maintenance and repair
- Dental laboratory technician
- Surveying technician
- Legal clerk
- Hazardous materials removal worker
- Film technician



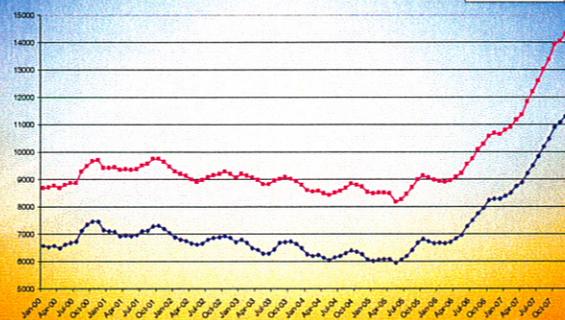
## HOW DO EMPLOYERS BENEFIT?

- Creates the opportunity to formally train employees, in their facility, on their equipment, with their own customers, to fit their specific needs.
- Allows a firm to effectively train and promote currently unskilled or less skilled incumbent workers.
- Captures expertise of experienced employees who pass knowledge on to new, less skilled apprentices.
- Train employees in a position at a lower starting wage, with the promise of higher wages as they learn and improve.



## Apprenticeship Opportunities on the Rise

Active Apprentices on last day of each month (January 2000 - December 2007)  
May 2005 low of 6,183 to December 2007 high of 14,305



Shows both total number of active apprentices and number of apprentices in SOC 47 occupational categories (construction and extraction)

## A Partnership That Works

Employers and industries get a reliable source of skilled labor and flexible training options

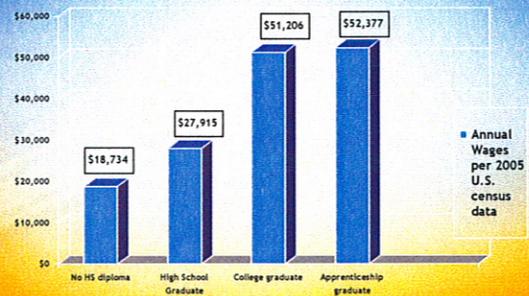
Employees get valuable training opportunity and a portable credential without leaving the workforce

Local workforce entities have an avenue to promote training opportunities in key industries

Educational partners can help provide industry training in a way that doesn't stretch capacity



## Apprentice graduates earn as much as 4-year college graduates



Source: US census wage data and WA State Workforce Board report "Workforce Training Results 2006"

## Earnings of Apprentices compared to completers of other workforce training programs



Source: WTECB Workforce Results 2006

These programs serve different populations and use a different mix of training and direct job placement strategies. No direct comparisons are not valid.

## Great things are happening...

Partnership building, public policy efforts and funding investments have made a difference:

- 2003 Investment of Governor's WIA 10% funding, \$1 million
  - This created many positive results statewide and initiated partnerships that paved the way for today's successes
- Apprenticeship Utilization requirements
  - 15% of all Public works, transportation projects, school construction projects (over a certain dollar amount)
- Running Start to the Trades - creating secondary pre-apprenticeships
  - 28 schools have received grants to encourage and support apprenticeship-focused CTE programs.
  - Excellent partnerships with OSPI and K-12 system
  - Navigation 101 includes discussion and awareness of apprenticeship options
- Community College High Demand Growth funding

## Benefit Analysis of WA Workforce Programs



- Participant benefits are comprised of earnings (minus taxes) and employee benefits and "transfers". Transfers include UI, TANF, Food Stamps, and medical benefits. For this measure all benefits are forecasts based upon individual earnings to age 65.
- Costs exclude foregone earnings, and program costs (tuition, etc.)
- Net Benefit = All benefits - all costs.
- All data from the 2006 Workforce Training Results study. These programs serve different populations and use a different mix of training and direct job placement strategies, so direct comparisons are not valid.

## Great things are happening - A few of the partnerships with local WDC's...

- Spokane - Skills panel, pre-apprenticeship staff, Business Solutions Team presentation encouraging apprenticeship as a training model
- Southwest WA - Organizing tours of local trades training centers for workforce and education partners
- Pacific Mountain - WIRED grant partnerships
- Northwest - Training for all Worksource staff on apprenticeship, now expanding that training to other WDC's.
- Snohomish - constant presence at WSATC meetings, referring candidates to apprenticeships and finding ways to fund.
- Pierce - Pre-apprenticeship program, Construction skills panel creating Pathways to Apprenticeship and Construction Career Fair

**REGISTERED APPRENTICESHIP**



**EDUCATING & TRAINING  
WASHINGTON'S FUTURE  
WORKFORCE**