

# Broadening Registered Apprenticeships Can Boost America's Workforce and Grow the Middle Class

Registered Apprenticeships (RAs) are partnerships between employers, unions, educational institutions, and the federal government that provide paid employment, on-the-job training, and classroom learning. These programs offer clear pathways to careers that do not require a traditional four-year college degree, yet provide wages that can support families, all while providing a 44.3% return on [investment](#) for employers. By expanding, strengthening, and diversifying different career paths, the United States can strengthen worker pipelines for industries facing high demand or workforce shortages. Democrats in Congress and the Biden-Harris administration are working to accomplish this through investments in infrastructure and the clean energy transition.

## Registered apprenticeships have benefits for workers and employers

The U.S. Department of Labor (DOL) helps ensure apprentices in RA programs have worker safety protections and are adequately paid using a [schedule](#) that progressively increases their wages as they go through the program. The entry wage is required to be at the federal minimum wage, or even higher in some cases if required by another law or collective bargaining agreement. Apprentices earn [wages](#) while training and studies show their wage growth typically outpaces that of comparable workers. RA programs also typically result in the worker [staying](#) on with the employer, often leading to a position in a [high-demand](#) industry. One recent study found that, on average, workers who completed an apprenticeship saw a 49% [increase](#) in their earnings. These positions also help [connect](#) them with unionized positions in the future, which generally [entail](#) higher wages, more workplace benefits, and more reliable work schedules. RA programs can also help [employ](#) women in male-dominated industries, like skilled trades.

Employers [benefit](#) from RA programs both directly through higher output and reduced hiring costs and indirectly through higher employee retention, an improved talent pipeline, and better company culture. One study found that over the course of five years after an apprentice completes their training, these direct and indirect benefits [amount](#) to about **\$35,728 per apprentice, representing a 44.3% return on investment**. Another [study](#) similarly found employers' return on investment in an Industrial Manufacturing Technician RA was 48%.

Earnings Increase After RA by Apprentice Characteristics, 2022	
Apprentice Characteristic	Earnings Increase, One Year Before RA to One Year After
Men	43%
Women	65%
Black	37%
Hispanic	50%
White	45%
Other race	86%
Construction industry	22%
Health Care industry	97%
IT industry	174%
Manufacturing industry	24%
Incumbent worker	17%
New worker	126%
<b>All Apprentices</b>	<b>49%</b>

Source: Urban Institute analysis of U.S. Department of Labor data.

### Expanding registered apprenticeships to industries like health care and child care can help address persistent workforce shortages

The United States is facing a nationwide health care worker shortage, especially in [rural](#) communities. Yet, less than 3.2% of active apprentices that list their industries are in the [health care](#) and social assistance [industry](#), and many within the health care industry are in low-wage [occupations](#). Expanding health care RA programs can help address worker shortages and open opportunities for more apprentices to work in high-wage health care occupations. RAs can also help address persistent workforce shortages in [child care](#) by training or upskilling workers.

Because of persistently low [wages](#), limited wage growth, and slow recovery from the pandemic, there are expected to be over 160,000 child care job [openings](#) annually over the next decade. Only approximately 13% of active apprentices that list their industries are in the [educational services](#) industry; however, several states are using federal funding to [expand](#) early childhood education apprenticeship programs and the industry’s worker [pipeline](#). Santa Fe Community College in [New Mexico](#), for example, offers both a pre-apprenticeship [program](#) (PA)—which sets young people up for success in RAs—and an apprenticeship program. As a result, the school prepares people outside of the industry to be assistant teachers and those within the industry to receive an associate’s degree to become lead teachers.

## Wraparound services and pay equity efforts can help broaden the scope of workers in registered apprenticeship programs

Diversifying and strengthening RAs can help broaden the talent pipeline for industries that critically need more workers. Currently, apprentices are overwhelmingly male (84%) and white (nearly 61%). In industries that are currently [booming](#), like construction and manufacturing, the disparity is even greater—over 93% of apprentices in [construction](#) are male and over 68% are white. Some [barriers](#) to participating in or completing RAs for women include inadequate child care, lacking pay during the classroom portions, missing full information about career paths, and experiencing harassment and exclusion in male-dominated worksites. Others may face unreliable [transportation](#) or other [financial](#) hurdles to participating or completing programs.

The median hourly [wage](#) for women who completed RAs was only 64.3% of the hourly wage of their male counterparts (\$22.00/hour compared to \$32.20/hour). Addressing pay inequities and providing wraparound and retention services like child care, transportation, or [mentorship](#) can help [strengthen](#) worker pipelines. Federal funding from DOL's Women in Apprenticeship and Nontraditional Occupations grant [program](#) can help support these efforts.

## Congressional Democrats and the Biden-Harris Administration are working to expand registered apprenticeships

Historic federal investments passed by Congressional Democrats and the Biden-Harris administration have created an important opportunity for RAs to grow the middle class. With the increasing [demand](#) for clean energy workers, expanding RAs can create more skilled workers crucial to the energy transition, like electricians, pipefitters, and water treatment specialists. Provisions in the Bipartisan Infrastructure Law and Inflation Reduction Act are helping to expand the availability of apprenticeships and provide good [wages](#) through investments in the energy transition and critical infrastructure.

Bipartisan bills introduced by JEC Chairman Heinrich, like the [Apprenticeships Pathways Act](#) and the [Pre-Apprenticeships to Hardhats Act](#), would also expand access to RAs and PAs, strengthen career pipelines for workers across the country, and address workforce shortages.

The federal government also provides [funding](#) streams for RAs and PAs. For example, state workforce development boards can use funds from the Workforce Innovation and Opportunity Act (WIOA) to support RAs and PAs. WIOA funding can help reimburse employers or other sponsors for apprentices' wages and help cover costs of the instructional portion of the program. Additionally, [YouthBuild](#), a grant program through WIOA, provides funding for PAs for those ages 16 to 24 who are neither working nor in school, otherwise known as [opportunity youth](#). The GI Bill benefits can also be used to help cover housing costs for participants in approved apprenticeship programs.