



JOINT ECONOMIC COMMITTEE DEMOCRATS

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U.S. Senator Martin Heinrich • Ranking Member

Expanding Registered Apprenticeships

Increasing access to registered apprenticeships and quality work-based learning programs leads to career success and good-paying jobs. By doubling federal investments in apprenticeship programs, millions of Americans could fill the middle and high-skilled job openings that exist today and that will need to be filled in the future. Despite their proven track record of success only approximately 505,000 apprentices are utilizing existing Department of Labor registered programs.¹ We must expand that number.

In order to achieve this, we must:

- Recognize that not all Americans are pursuing a college degree and that we ***need more options*** for pathways to successful careers.
- Expand our existing ***apprenticeship programs*** into new, high-growth and in-demand fields to provide long-term job stability for apprentices of all ages.
- Attract more businesses to participate in ***work-based learning programs*** and apprenticeships.

Democrats are committed to providing the opportunity for millions of individuals to find a pathway to successful careers. By making apprenticeship programs a national priority we can help do this and ensure that the economic gains reach every part of the American economy.

Apprenticeship Quality Matters

An apprenticeship is an agreement between a worker and a company, union, or nonprofit organization where the worker spends part of their time working and learning on-site, and part of their time in a classroom learning the skills needed to progress as an employee. The worker benefits by earning an income while learning, achieving industry-recognized credentials, and having a clear path towards career advancement. The company benefits by ending up with a skilled worker who has the expertise they are looking for.

As apprenticeships are expanded, it is important to focus on maintaining the quality of the programs. The Department of Labor currently does this through the registration process. By registering an apprenticeship program, employers signal to prospective candidates that the program will help them build skills and lead to a promising career. Plans that degrade the quality of the registration process, like that put forward by President Trump, threaten to undermine the effectiveness of these programs and diminish the ability of apprenticeships in helping workers set themselves up for success.²

Apprenticeships Lead to Good-Paying Careers and Return Initial Investment

A 2012 review of registered apprenticeship programs in ten states found that individuals who complete a registered apprenticeship see substantially more earnings over their careers when compared to similar workers who did not participate in an apprenticeship. Over their lifetimes, these workers earned \$240,000 more than their peers.³ Even workers who did not complete but still participated in a registered apprenticeship saw increased earnings, making nearly \$100,000 more over their lifetime compared with workers who never participated in apprenticeships.⁴ Apprenticeships also return initial investment for businesses, with some programs paying for themselves within the first few years in part by lowering hiring cost.⁵

America Has Room for More Apprenticeships

Currently, the United States has about 505,000 workers in registered apprenticeships.⁶ This number has grown in recent years, as the Obama administration launched several initiatives to facilitate the creation of new apprenticeships.⁷ There is plenty of room to grow, however. Other countries have had great success in developing apprenticeship models. If the United States had the same rate of apprenticeships as Germany, there would be more than five million apprentices.⁸

Reaching the level of apprenticeships in Germany would take decades and require a major shift in culture, but there are lessons that can be learned from other countries. While apprenticeships in the United States are largely concentrated in traditional sectors like construction and skilled trades, other countries have had success in building apprenticeships into new growing sectors. A blended classroom and on-the-job model could be effective in training and getting workers interested in careers in high-growth technology and health care sectors. Further, these foreign models demonstrate the need to bring employers and labor together, to ensure that both parties are working together towards a common goal—creating a pipeline for workers to fill jobs that are in-demand and provide a good-paying job.

¹ <https://www.dol.gov/newsroom/releases/eta/eta20170119-0>

² <http://www.politico.com/story/2017/06/15/trump-apprenticeship-executive-order-239590>

³ <https://www.mathematica-mpr.com/our-publications-and-findings/publications/an-effectiveness-assessment-and-costbenefit-analysis-of-registered-apprenticeship-in-10-states>

⁴ *Ibid.*

⁵ <https://www.esa.gov/sites/default/files/the-benefits-and-costs-of-apprenticeships-a-business-perspective.pdf>

⁶ https://doleta.gov/oa/data_statistics.cfm

⁷ https://doleta.gov/oa/data_statistics.cfm

⁸ <https://www.frbatlanta.org/community-development/publications/partners-update/2016/03/160505-promise-reality-of-apprenticeship-programs.aspx>