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Innovations in Apprenticeship

5 Case Studies That Illustrate the Promise
of Apprenticeship in the United States

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Introduction and summary

In 2007, spurred by a projected skills gap in South Carolina’s workforce, state policymakers and the South Carolina Technical College System established an innovative apprenticeship program called Apprenticeship Carolina.¹ Today—after just seven years—Apprenticeship Carolina consists of around 700 employer partners and over 10,400 current and former apprentices.² This is just one example of many innovative apprenticeship programs emerging across the United States. From Vermont to Michigan to Washington state, governments, employers, workforce planners, and education stakeholders are making important new investments in this critical workforce training tool.³

As detailed in the recent Center for American Progress report, “Training for Success: A Policy to Expand Apprenticeships in the United States,” apprenticeship is a workforce-training model that combines on-the-job training with classroom-based instruction and has been proven to benefit employers, employees, and the overall economy.⁴ Apprenticeships allow businesses to meet the growing demand for skilled workers, and they lead workers to higher wages and better employment outcomes. Furthermore, they are a smart public investment. A recent study in Washington state found that for every \$1 in state investment in apprenticeships, taxpayers received \$23 in net benefits, a return that far exceeds that of any other workforce-training program in the state.⁵

Although apprenticeships have proven to be an effective workforce-training tool, the United States has been slow to pick up the model. The Department of Labor, or DOL, through its Office of Apprenticeship, administers a small system of registered apprentices. Last year, the United States had about 375,000 registered apprentices, including 164,000 new apprentices who started programs in 2013.⁶ Per capita, these figures fall far below those of other nations, such as England, Switzerland, France, Germany, and Scotland.⁷ England, with a population one-sixth the size of the United States, had more than five times as many new apprentices as the United States in 2012.⁸ In England, a recent effort to expand apprenticeships has led to significant benefits for both workers and employers.

English apprenticeship completers earn an average weekly wage 10 percent higher than that of noncompleters. Businesses report that apprentices have increased productivity; supplied a consistent, skilled labor force; reduced recruiting costs; and boosted employee retention.⁹

There are a number of obstacles that have prevented the United States from establishing a larger apprenticeship system, not least of which is a lack of awareness among both businesses and workers about the value and promise that apprenticeships hold. Additionally, despite recent efforts by DOL to expand their reach, American apprenticeships are still largely dominated by traditional occupations, such as those in the building and construction trades.¹⁰ Unlike the governments of many other countries, the U.S. government offers little financial support to help employers offset the costs of sponsoring apprentices.¹¹

This may be changing, however, as U.S. policymakers increasingly look to apprenticeship as a key tool to develop a skilled workforce and to connect workers to good jobs. The Obama administration is investing in apprenticeship by making \$100 million available for American Apprenticeship Grants through the DOL.¹² These funds will support promising partnerships, launch new apprenticeships in high-growth fields—such as information technology, health care, and advanced manufacturing—and scale models that work.

This report examines a suite of innovative apprenticeship models from around the country. It provides detailed case studies of Vermont Healthcare and Information Technology Education Center, or Vermont HITEC; the Michigan Advanced Technologies Training program, or MAT2; the SEIU Healthcare NW Training Partnership; the National Institute for Metalworking Skills, or NIMS, Certified Registered Apprenticeship program; and Apprenticeship Carolina. From effective marketing and business engagement to financial incentives and thorough skills assessments, these models exemplify a number of compelling strategies to expand apprenticeships into new occupations and sectors and to increase overall apprenticeship enrollment.

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