

# Comparative Apprenticeships

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# Apprenticeship Governance in Maryland and Other States

*Federal Office of Apprenticeship (OA) and State Apprenticeship Agencies*

- *Maryland is one of 29 state agencies—SAAs*
- *OA governs other 23 states; <https://www.apprenticeship.gov/about-us/apprenticeship-system>*

*Governance involves registering programs, overseeing programs, and selling employers or employer groups on apprenticeship*

*Federal registration process—OA employees accept applications, provide tentative approval and send to the federal office for final approval*

*SAA registration process varies; some SAA states allow the director to approve applications; others require the apprenticeship council to do so*

*Apprenticeability—any occupation with an apprenticeship program*

*New occupations—very extensive process—Maryland has fewer apprenticeable occupations than the federal government*

# Apprenticeship in Maryland and Other States by the Numbers

***Similar scale in Maryland and the rest of the country***

*Latest figures show Maryland at 11,347 or 0.37% of employment, so well less than 1%; but 3,943 new apprentices in the year, or almost 5% of the potential coverage of a single age cohort*

*For the US as a whole, civilian apprenticeships (not in active military) reached 495,052; or 0.31% percent of employment; again, new apprentices are almost 5% of the potential coverage of an age cohort*

***Maryland's 84% concentration in construction is much higher than the 54% estimate for the US average***

TABLE 1

**Structure of Incentive Offered by Selected States for Registered Apprenticeship Programs**

State	Incentive types	Types of recipients	Administering agencies	Range of funding amounts
Arkansas	Subsidies, <sup>a</sup> tax credit	Sponsors, employers, intermediaries, education and training entities	Arkansas Office of Skills Development and Arkansas Department of Finance Administration	Subsidies: Dependent on program, up to \$15,500 per apprentice Tax credit: Up to \$2,000 per apprentice
California	Subsidies	Sponsors, employers, intermediaries, education and training entities, or workforce development boards	California Division of Apprenticeship Standards, California Community College Chancellor's Office, U.S. Department of Labor	Subsidies: \$3,500–\$15,000 per apprentice
Connecticut	Tax credit	Employers	Connecticut Department of Revenue Services	Tax credit: Up to \$7,500 per apprentice in the manufacturing trades, \$4,800 in the plastics trades, and \$4,000 in the construction trades.
Florida	Subsidies	Sponsors	Florida Department of Education	\$15 million total budget
Maryland	Subsidies, tax credit	Sponsors, employers, intermediaries, education and training entities	Maryland Department of Labor	Subsidies: \$1,000–\$4,500 per apprentice Tax credit: \$3,000 per apprentice for first five apprentices, and \$1,000 per apprentice for all apprentices after the first five
Michigan	Subsidies	Employers	The Michigan Department of Labor and Economic Opportunity-Workforce Development	Subsidies: \$2,232–\$12,500 per apprentice
Minnesota	Subsidies	Sponsors	Minnesota Department of Labor and Industry	Subsidies: \$300–\$1,000 per apprentice
Mississippi	Subsidies	Employers, community colleges	U.S. Department of Labor, Mississippi State Legislature	Subsidies for employers: up to \$1,500 per apprentice Subsidies for community colleges: \$200,000 to each recipient

Source: Information provided during the discussion group and follow-up information with participating apprenticeship administrators.

Note: See table A1 in the appendix for more detailed information on individual incentives.

<sup>a</sup>Subsidies include grants and reimbursements.

# International Comparison of Systems

*Competitive countries vary by approach; many achieve scale*

*All require apprenticeships to follow national skill standards for apprenticeships; most require external assessments of apprentices; and most provide support for the off-job training of apprentices*

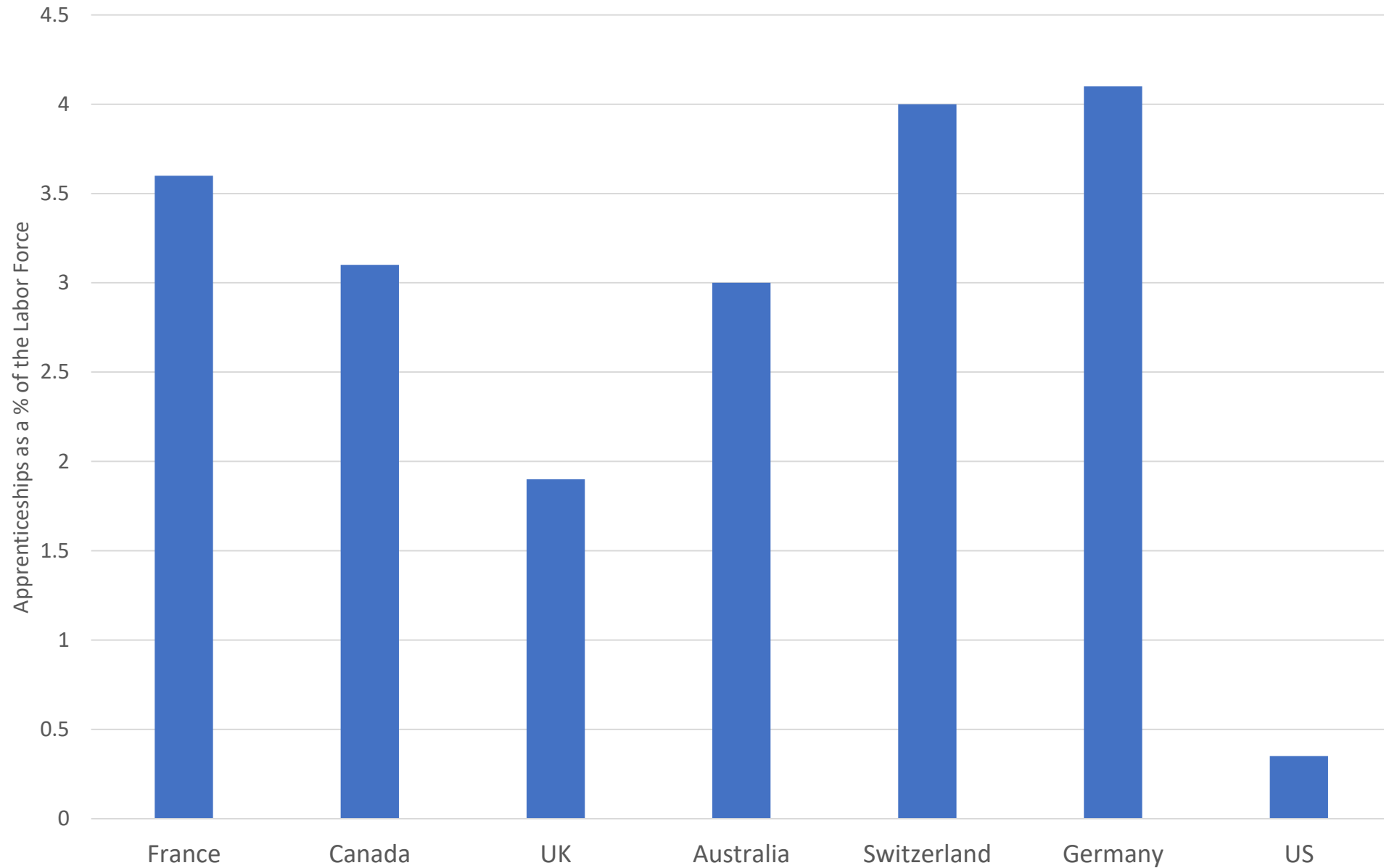
*Traditional apprenticeship countries in Austria, Germany and Switzerland all start apprentices at 16-17, use high quality secondary vocational teachers, and involve public-private governance; 45-70% of young people participate in an apprenticeship program*

*Anglo countries, including Australia, Canada, France, and England, place less emphasis on starting in high school; but manage to generate scale far behind the US system*

*Registration is simple, given skill standards, intermediaries, training firms*

Country	Process for Governmental Approval of Apprenticeship Program
Australia	The Labor Department contracts with seven Australian Apprenticeship Support Network (AASN) providers who give administrative support and consultation to trainers and extra support for individual apprentices in danger of failing to complete. An employer can find an apprentice one day, contact their local AASN and sign-up the next day, while following the skill standards for the relevant occupation.
Germany	Local Chambers are responsible for authorizing firms to train apprentices and overseeing their programs. The chamber determines whether an employer is qualified to train apprentices and gives advice to them and to apprentices. Training organizations that do not belong to chambers, such as government agencies and religious organizations are authorized and overseen by state and federal agencies. All programs follow one of 320 standards established by joint committees of employers, unions, the federal vocational training institute, states, education officials and two Ministries. Employers and apprentices sign contracts that describe the terms of the apprenticeship.
Switzerland	When an employer would like to begin training apprentices, they contact the cantonal agency for apprenticeship. Someone from that agency then explains what the employer is to do. After the employer agrees, the people who will work directly with apprentices receive a few days of training in how to carry out their responsibilities. The agency then supplies the contract forms that employers and their apprentices sign and the employer is set to bring on apprentices. The time from initial contact to completion is normally no more than two weeks. Employers and apprentices sign contracts that describe the terms of the apprenticeship.
England	Training organizations apply to the government to be on the list of approved apprenticeship training providers. The training organizations may be further education colleges (similar to US community colleges), nonprofit entities, or for-profit firms. Once on the list, the training organizations can sign up employers to hire and train apprentices for one of over 500 occupations approved by the Institute for Apprenticeship and Technical Education. Training organizations are subject to inspection every few years by Ofsted. See <a href="https://bud.co.uk/articles/what-are-ofsted-inspectors-looking-for">https://bud.co.uk/articles/what-are-ofsted-inspectors-looking-for</a> . Poor marks on the inspection can disqualify the training organization.
United States	A program sponsor (employer, group of employers, employer-union committee, or other organization) submits a proposal to register a program in an apprenticeable occupation to a state or federal apprenticeship office. The proposal includes entry requirements, skill standards (work process schedules), related instruction plan, wage progression, ratio of journeypersons to apprentices, and plans for assuring equal opportunity. The skills specified for each proposed occupational program are specific to the sponsor and subject to approval by state or federal officials, a process that often takes several months to complete. In cases involving a group sponsor that has already registered an occupation program, new employers can hire and train registered apprentices simply by signing an employer acceptance agreement, stating they will follow the provisions of the sponsor's registration document.

Figure 2: US Falls Far Behind in Apprenticeship Rates



# Examples of Intermediaries in US and Other Countries

## *Common functions of intermediaries*

- *Selling employers on apprenticeship*
- *Helping employers organize apprenticeship programs*
- *Delivering off-job training (England's AELP, <https://www.aelp.org.uk/>)*
- *Employer of record, coordinating training, Australia's Group Training Organizations [https://www.apprenticeshipsupport.com.au/more-information/Group-Training-Organisations-\(GTO\)](https://www.apprenticeshipsupport.com.au/more-information/Group-Training-Organisations-(GTO))*

*US intermediaries include union-management committees, non-profits, for-profits, community college systems*

*Germany emphasizes “chambers”, sectoral organizations employers must join*