

Benefits of Michigan Apprenticeship Programs

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What Are Apprenticeships?

- Involve on-the-job training and classroom instruction
- Used in 250 occupations—many in the construction trades
- Take one to six years to complete
- Involve written agreement between apprentice and joint-apprenticeship committee
- Can be registered or nonregistered
- **Provide workers an opportunity to earn while they learn**



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Value of Registered Programs

- Provides a nationally recognized credential
- Offers Stronger marketing
- Allows apprentices to on Davis-Bacon Act projects



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Benefits to the State

- Grows the skilled workforce without requiring public funds
- Reduces use of unemployment insurance and social welfare programs



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Benefits to Employers

- Employers have access to a skilled workforce
- Credentials help employers identify workers with the correct skills for a job
- Cooperative programs, such as union apprenticeships, can help ensure employers get a return on their training investment



Benefits to Workers

- Programs provide a widely recognized postsecondary credential
- Workers receive formal classroom instruction and practical hands-on training
- Employees earn wages during training
- Apprentices have no debt after education



Apprentices—Michigan Snapshot

- 31,703 apprentices over 15 years
- Biggest construction trades
 - Electrician: 22 percent
 - Construction craft laborer: 17 percent
 - Roofer: 7 percent
 - Pipefitter: 7 percent
- Apprenticeships are available in communities across Michigan



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Half of Apprentices Start Before Age 25

Age at Start of Registered Apprenticeship

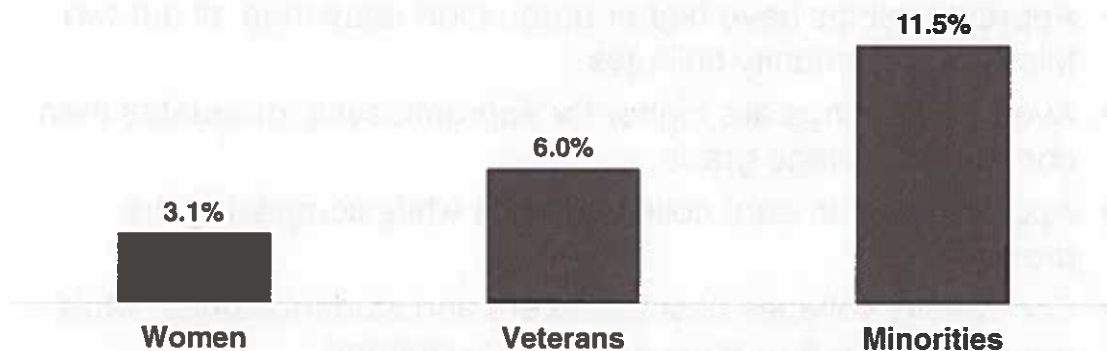
Age	Percentage in Age Bracket
25 and under	49.9%
26 to 35	33.5%
36 to 45	12.3%
46 to 55	3.7%
Over 55	0.5%

SOURCE: Registered Apprenticeship Partners Information Data System
(RAPIDS) data for 2000 to 2014.



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Women, Minorities, and Veterans



SOURCE: Registered Apprenticeship Partners Information Data System (RAPIDS) data for 2000 to 2014.



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Apprentice Wages Grow 50 Percent



SOURCE: Registered Apprenticeship Partners Information Data System (RAPIDS) data for 2000 to 2014.



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Apprenticeships Programs vs. Community Colleges

- Apprenticeships have higher graduation rates than all but two Michigan community colleges
- Average earnings are higher for apprenticeship graduates than community college grads
- Apprentices can earn college credits while completing the program
- Community colleges cost taxpayers and students funds, while apprenticeship programs are privately funded



Costs to Students and Taxpayers

Cost to Students and Taxpayers

	State Appropriation	Property Taxes	Tuition	Total
Community College Per Full-time-equated Student	\$2,294	\$3,970	\$4,807	\$11,071
Registered Apprenticeship	\$0	\$0	\$0	\$0

SOURCE: Michigan Workforce Development Agency, 2016: Activities Classification Structure Data Tables 2014-2015. <http://www.michigancc.net/acs/dt2015/>



Mathematica Study

- Study examined programs in ten states
- Data showed lifetime earnings of completers, including benefits, increased by \$301,533 on average
- Also found societal benefits of \$124,057 on average from reduced use of unemployment insurance and social welfare programs



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Conclusion

- Apprenticeship programs increase the skills of Michigan's workforce at no cost to taxpayers
- Apprentices can earn while they learn
- Wages are good for graduates
- Completion rates are better than community college completion rates
- Registered programs provide workers with a nationally recognized credential



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