



**Testimony of Deputy Secretary Sheila Ireland,
Department of Labor & Industry, Workforce Development
Before House Labor & Industry Committee Subcommittee on
Employment and Unemployment
June 2, 2021**

Good afternoon, Chairwoman Klunk, Chairman Dellosso, and members of the Labor & Industry Committee's subcommittee on employment and unemployment. Thank you for the opportunity to speak with you today about the Department of Labor & Industry's Apprenticeship and Training Office (ATO) and apprenticeships and pre-apprenticeship opportunities in Pennsylvania. I look forward to our conversation about the ATO's critical role in building the skilled workforce that Pennsylvania needs. With me today is Tara Loew, Director of the ATO.

REGISTERED APPRENTICESHIPS

It is important, first, to get a sense of what we mean when we talk about registered apprenticeships.

Registered apprenticeships are innovative training programs that allow employers to develop and prepare their future workforce, while providing individuals with an learn-while-you-earn approach to career development. Apprenticeships include five key components:

- **Paid Job** - Apprentices are paid employees who produce high-quality work while they learn skills that enhance their employers' needs.
- **On-the-Job Learning** - Develops skilled workers through structured learning in a work setting.
- **Classroom Learning** - Improves job-related skills through education in a classroom setting (virtual or in-person).
- **Mentorship** - Provides apprentices with the support of a skilled worker to assist and enhance critical hands-on learning.
- **Credentials** - Offers a portable, nationally-recognized credential to be issued at the completion of the program.

Benefits to Employers

Registered apprenticeships offer a range of benefits to employers, including improved recruitment, lower turnover, increased productivity, and a retainment of a company's knowledge and expertise. Apprenticeship programs attract a broader range of candidates, allowing employers to fill vacancies that otherwise couldn't be filled due to

skills gaps among available workers. Investing in workers through registered apprenticeships improves employee morale and loyalty, and 94% of apprentices stay at the job where they received training. Apprenticeship creates highly skilled employees trained to the employer's standards using the employer's equipment and protocols, shortening the amount of time before new employees are productive. Additionally, the structured mentorship inherent to registered apprenticeships ensures that the knowledge and experience of aging and retiring employees is transferred to the next generation of workers.

Benefits for Jobseekers

Registered apprenticeships also offer many benefits to jobseekers. First, and most obviously, it provides a path to employment. Apprentices start working on day one, earning a paycheck while they advance their skills. Registered apprenticeship programs open up new career pathways for those who can't afford the time or cost of an advanced degree. Second, job seekers increase their skills through apprenticeships. Apprentices learn both conceptual knowledge in the classroom and practical skills while learning on-the-job. Many apprenticeship programs offer college credit for those wishing to pursue further training. Third, apprenticeships put workers on a path towards higher wages. As apprentices advance through their training and their productivity increases, their wages increase as well. Fourth, workers gain Industry-Recognized Credentials through their registered apprenticeships. Successful apprentices receive a national industry-recognized credential that certifies them as an expert journeyman in the apprenticed occupation.

Registered Pre-Apprenticeships

Pre-apprenticeship programs are designed to prepare individuals to enter and succeed in a Registered Apprenticeship program, and ultimately a career. They can be delivered by a range of entities as sponsors including employers, community-based organizations, high schools, labor organizations, workforce agencies, or community colleges. For educational institutions, the programs are often integrated directly into their existing curriculum and structure. Pre-apprenticeship programs are linked with existing apprenticeship programs and provide the instruction, preparation, and supports to advance participants to apprenticeship programs or other careers. High quality pre-apprenticeship programs include these five elements:

- Connection to existing apprenticeship programs into which successful pre-apprentices will advance and potentially gain advanced standing in.
- Approved training and curriculum
- Hands-on learning with a career focus
- Opportunity to earn an industry-recognized credential.
- Access to support services and career counseling.

Benefits of Pre-Apprenticeships

Pre-apprenticeship programs expands participants' career pathway opportunities with industry-based training and classroom instruction, preparing individuals to enter and

succeed in registered apprenticeships and other career pathways. Pre-apprenticeship training is a great way for participants to build the literacy, math, English, and work-readiness skills employers desire, and potentially gain advanced standing in partnered registered apprenticeship programs.

For registered apprenticeship program sponsors, pre-apprenticeship training is a great way to recruit and pre-screen qualified, job-ready apprentices likely to complete their apprenticeship program. They are also a great way to connect with individuals with diverse backgrounds.

Starting a Registered Apprenticeship Program

Currently, more than a thousand occupations have already been apprenticed in industries including manufacturing, healthcare, transportation & logistics, information technology, and the building trades. And since registered apprenticeships are a proven model for workforce training, an increasing amount of State and Federal support is available to help organizations launch and maintain apprenticeship programs.

The Apprenticeship and Training Office (ATO) within the PA Department of Labor & Industry is responsible for guiding and promoting the expansion of apprenticeship programs across the state. Our staff of experts help interested organizations build and register their new programs and connect them with resources to help it succeed.

For individuals interested in finding a pathway to secure and stable career, local PA CareerLink® office are able to connect those interested to apprenticeship and pre-apprenticeship opportunities, and may be able to provide additional funding and other resources to support further training.

Funding for Registered Apprenticeships and Pre-Apprenticeships

As a proven model for workforce training, an increasing amount of State and Federal support is available to apprentices and program sponsors.

Workforce Innovation and Opportunity Act (WIOA)

The Workforce Investment and Opportunity Act (WIOA) provides a variety of support for apprenticeship, including wage reimbursements to employers or wrap around services for apprentices. Support for apprenticeship that can be obtained through your local PA CareerLink® office includes:

- Individual Training Accounts (ITAs) – ITA funds can be used to support the related classroom instruction component of an RA program, including tuition, fees, books, equipment, and other training-related costs.
- On-the-Job Training (OJT) – OJT contracts with employers can support on-the-job learning component of RA through wage reimbursements. OJT may be used with both job seekers and current (incumbent) workers already employed by the business, depending on the funding available in your region.

- Incumbent Worker Training – Local regions may also have additional WIOA, Rapid Response or Industry Partnership funds available to support incumbent worker apprentices.
- Customized Training - Supports RA by meeting the special requirements of an employer or a group of employers.
- Support Services - WIOA-eligible individuals can receive additional services that help them participate in an apprenticeship, including registration fees, books, supplies, child care, transportation, tools, and uniforms.

Apprenticeship State Expansion (ASE) Initiative

With funding from the US Department of Labor, the PA Apprenticeship and Training Office (ATO) is able to make available up to \$1,500 per apprentice to support the classroom and on-the-job training of diverse apprentices, including women, minorities, veterans and young adults (ages 16-24). Contact Apprenticeship@pa.gov to learn more.

Other Funding Resources

In addition to these funding sources, the Department and ATO offers various discretionary grant awards that can support the development and kick-off of new apprenticeship and pre-apprenticeship initiatives.

- Pell Grants - If the RA is connected to a post-secondary institution, apprentices may be eligible for \$3,000 on average to support tuition, books and lab fees. The post-secondary institution may also choose to provide a Federal Work Study grant which averages \$2,000 per apprentice.
- GI Bill - Those who qualify can receive a tax-free monthly stipend in addition to the wages they receive as an apprentice. Veterans also receive tuition and fee payments for classroom instruction.
- WEDnet - Workforce and Education Development Network of PA (WEDnet) supports apprenticeship with up to \$2,000 per employee, and up to \$100,000 per entity.

Who We Are at the Apprenticeship and Training Office (ATO)

I have provided you with an overview of what registered apprenticeships and pre-apprenticeships are, what benefits they offer employers and jobseekers, and how they are funded. To further inform your understanding, I think it is important to give you a sense of the responsibilities and work of the ATO office itself.

The ATO, which of course is part of L&I, is responsible for guiding and promoting the expansion of apprenticeship programs across the state. As a State Apprenticeship Agency (SAA), it is responsible for overseeing the development and approval of programs, agreements, and policy that support apprenticeship, and is working to embed

a focus on apprenticeships within the State's workforce system and PA CareerLink® offices. While the Commonwealth of Pennsylvania accepts and supports the Federal Standards of Apprenticeship and works closely with the federal office, the ATO has developed PA's own set of apprenticeship standards that are specific for the Commonwealth. It supports sponsors with the resources they need to implement high quality apprenticeship programs, including through the PAsmart grant program.

The work of the ATO is directed by several goals:

- To increase the number of Registered Apprenticeship opportunities in Pennsylvania.
- To expand apprenticeship into non-traditional occupations that serve underrepresented populations.
- To expand awareness about the benefits of Registered Apprenticeship and how to access them.
- To advocate for apprenticeship as a premier solution to meeting workforce needs.
- To provide programs the support and resources needed to align with PA standards and practices.
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In service to these goals, ATO provides a number of services to individuals and organizations currently in or interested in becoming part of the apprenticeship and pre-apprenticeship ecosystem.

- **Technical Assistance:** We assist sponsors during every step of the program building and registration process and offer continued capacity building to help maintain and enhance programs.
- **Strategic Planning and Ecosystem Building:** We help local areas create strategic plans and establish a regional approach to growing apprenticeship, and help plan and facilitate meetings among partners, employers, training providers as needed.
- **Knowledge Dissemination, Education, and Advocacy:** This includes the creation and distribution of knowledge products specific to PA, sharing of best practices, and continuous advocacy in the form of formal support, representation, and presentations.
- **Funding Opportunities:** We provide access and information related to federal and state funding opportunities available to support apprenticeship.
- **Local Support:** The ATO supports local areas as they do all of the above, including connecting potential sponsors and apprentices to local contacts to offer an added layer of support.

The ATO can report many successes in pursuit of these goals. Pennsylvania continues to lead in the six-state region (PA, WV, VA, DE, MD, DC) in total number of programs,

apprentices, and completions. The Commonwealth of Pennsylvania and the PA Apprenticeship and Training Office (ATO) currently supports

- **877** unduplicated program sponsors: organizations, that operate in some cases multiple programs and assume the responsibility for administration and operation of such programs
- **1,584** Registered Apprenticeship Programs and Occupation or Trade Additions across the Commonwealth.
- **17,504** registered apprentices currently active.

Despite the effects of COVID-19, the ATO has continued to further develop an apprenticeship model that includes educators, state agencies, employers, Local Workforce Development Boards (LWDBs), and PA CareerLink® offices to ensure that resources align on a local basis. The ATO has focused especially on expanding apprenticeship to non-traditional occupations and serving traditionally underserved populations. For example, since the ATO's inception in 2016, Apprenticeships in the Education sector have grown by 83%, the Healthcare sector by 71%, and in Technology by 64%. The ATO continues to educate individuals and organizations on the benefits of pre-apprenticeship in helping individuals prepare for an entry-level Registered Apprenticeship and other positive employment outcomes, supporting continued growth with a current total of 101 registered Pre-apprenticeship programs.

Apprenticeships and Integrated Workforce Development

Apprenticeship continues to be a key strategy in addressing workforce needs across our state by giving job seekers the chance to earn as they learn and progress in their career without accumulating crippling debt. Apprenticeship also gives businesses a chance to develop a highly skilled workforce through customized training with reduced turnover rates, increased productivity and lowers the cost of recruitment by creating a consistent pipeline of qualified workers

Importantly, the efforts of the Apprenticeship and Training Office directly ties into each one of Pennsylvania's five broad goals for the workforce development system: Career Pathways and Apprenticeship, Sector Strategies and Employer Engagement, Youth, Continuous Improvement of the Workforce Development System, and Strengthening the One-Stop Delivery System.

To those ends, the ATO has been hard at work over the past six months:

- We have updated the PA apprenticeship and pre-apprenticeship standards acceptance and registration process and developing all new registration paperwork, making it inclusive of all program types and much more user friendly by using fillable forms.

- We are enhancing our digital footprint by totally redoing our L&I and PA CareerLink® web pages to be true landing pages for all things apprenticeship, house all of our newly created resources and highlight best practices.
- We have developed the “Registering a Program in PA- Guide for Sponsors and Employers” for both apprenticeships and pre-apprenticeships. These guides go over the basics of program structure and how to build, launch, and maintain programs along with details on filling out the paperwork.
- We are developing several PA-specific knowledge products including one-pagers (Jobseeker focused, Sponsor/Employer Focused and a Funding Guide)
- We are offering workshops and training for workforce development staff, as we want these individuals to know the who, what, when, where why, to connect their jobseeker or employer clients to apprenticeship.
- Finally, we are also creating a Desk Guide for those in our PA CareerLink® offices on how to link jobseekers to apprenticeship and funding using the PA Case management system and WIOA funds.

Thank you for the opportunity to share with you the work, goals, successes, and work in progress of the Apprenticeship and Training Office. I look forward to your questions about the ATO and registered apprenticeships and pre-apprenticeships in Pennsylvania.

APPENDIX

Registered Apprenticeship Outcomes

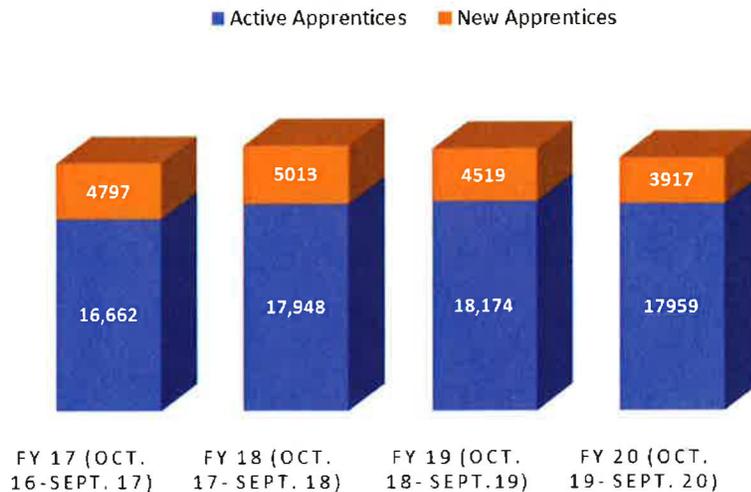
Registered Apprenticeship Program Totals by Industry (parentheses contain since 2016 numbers)

- Building Trades: 592 (56)
- Agriculture: 10 (4)
- Education: 30 (25) 83% growth
- Healthcare: 49 (35) 71% growth
- Hospitality/Tourism: 41 (7)
- Manufacturing: 715 (158)
- Technology: 14 (9) 64% growth
- Transportation: 34 (10)
- Other: 98

Since its inception in 2016, the ATO has registered over 300 Registered Apprenticeship Programs and Occupation or Trade Additions across the Commonwealth.

- 2020: 52 Programs
- 2019: 64 programs
- 2018: 68 programs
- 2017: 79 programs
- 2016: 59 Programs

PA APPRENTICE GROWTH



Registered Apprenticeship & Pre-Apprenticeship

Fact Sheet for Employers & Sponsors

2021

Employers across Pennsylvania struggle to find workers with the right skills due to the growing skills gap in the workforce. Automation or technical innovation alone can't overcome these challenges. Pennsylvania workers need to upgrade their skills and PA's businesses must become producers of the talent they need to thrive.

Apprenticeship and pre-apprenticeship programs can help!

WHAT IS APPRENTICESHIP?

Registered apprenticeships (RA) are innovative work-based training programs that allow employers to develop and prepare their future workforce, while providing individuals with an learn-while-you-earn approach to career development. There are **five key components** of an apprenticeship that differentiates the approach from other types of workplace training programs, and business involvement is central to each.



1. PAID JOB

Apprenticeships are jobs! Apprentices earn a competitive wage from their employers that increases during training, providing a reward for skill gain.



2. WORK-BASED LEARNING

Programs provide structured on-the-job learning to prepare apprentices for a successful career.



3. CLASSROOM LEARNING

Apprentices are provided classroom instruction that supports their on-the-job training.



4. MENTORSHIP

Apprentices receive on-the-job learning under the instruction of an experience mentor.



5. CREDENTIALS

Apprentices earn a portable nationally-recognized credential within their industry.

BENEFITS FOR EMPLOYERS

➤ Improved Recruitment

Apprenticeship programs attract a broader range of candidates, allowing employers to fill vacancies that otherwise couldn't be filled due to skills gaps among available workers.

➤ Lower Turnover

Investing in workers improves employee morale and loyalty, and 94% of apprentices stay at the job where they received training.

➤ Increased Productivity

Apprenticeship creates highly skilled employees trained to the employer's standards using the employer's equipment and protocols, shortening the amount of time before new employees are productive.

➤ Retaining Your Company's Knowledge & Expertise

Structured mentorship ensures that the knowledge and experience of aging and retiring employees is transferred to the next generation of workers.

WHAT IS PRE-APPRENTICESHIP?

Pre-apprenticeship (Pre-RA) programs provide the instruction, preparation, and supports to help individuals gain the skills they need to succeed in a full apprenticeship program. Pre-RA programs are linked with existing apprenticeship programs, creating a pipeline of qualified workers to fill open positions. They can be delivered by a range of entities including community-based organizations, high schools, labor organizations, workforce agencies, or community colleges. Employers and other RA sponsors are often involved in creating and facilitating the programs, ensuring that the training is applicable to existing apprenticeship programs.

ELEMENTS OF PRE-APPRENTICESHIP

High quality pre-apprenticeship programs include:

- **Connection to existing apprenticeship programs** into which successful pre-apprentices will advance and potentially gain advanced standing in.
- **Approved training and curriculum**
- **Hands-on learning** with a career focus
- Opportunity to earn an **industry-recognized credential**.
- Access to **support services** and **career counseling**.

BENEFITS OF PRE-APPRENTICESHIP

Pre-apprenticeship programs expands participants' career pathway opportunities with industry-based training and classroom instruction, preparing individuals to enter and succeed in registered apprenticeships and other career pathways. Pre-apprenticeship training is a great way for participants to build the literacy, math, English, and work-readiness skills employers desire, and potentially gain advanced standing in partnered registered apprenticeship programs.

For registered apprenticeship program sponsors, pre-apprenticeship training is a great way to recruit and pre-screen qualified, job-ready apprentices likely to complete their apprenticeship program. They are also a great way to connect with individuals with diverse backgrounds.

GET STARTED

More than a thousand occupations have already been apprenticed in industries including manufacturing, healthcare, transportation & logistics, information technology, and the building trades. And as a proven model for workforce training, an increasing amount of State and Federal support is available to help you launch and maintain your apprenticeship program.

The **Apprenticeship and Training Office (ATO)** within the PA Department of Labor & Industry is responsible for guiding and promoting the expansion of apprenticeship programs across the state. Our staff of experts can help you build and register your new program and connect you with resources to help it succeed. Visit www.pacareerlink.pa.gov/jponline/Common/Apprenticeships to learn more, or contact Apprenticeship@pa.gov anytime to get questions answered or to first express your interest in apprenticeship. We look forward to working with you!



*Auxiliary aids and services are available upon request to individuals with disabilities.
Equal Opportunity Employer/Program*

Registered Apprenticeship & Pre-Apprenticeship

Fact Sheet for Job Seekers

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Apprentices are provided classroom instruction that supports their on-the-job training.

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Apprentices receive on-the-job learning under the instruction of an experience mentor.

5. CREDENTIALS



Apprentices earn a portable nationally-recognized credential within their industry.

BENEFITS FOR JOB SEEKERS

➤ Employment

Apprentices start working on day one, earning a paycheck while they advance their skills. RA programs open up new career pathways for those who can't afford the time or cost of an advanced degree.

➤ Increased Skills

Apprentices learn both conceptual knowledge in the classroom and practical skills while learning on-the-job. Many apprenticeship programs offer college credit for those wishing to pursue further training.

➤ Wage Progression

As apprentices advance through their training and their productivity increases, their wages increase as well.

➤ Industry-Recognized Credential

Successful apprentices receive a national industry-recognized credential that certifies them as an expert journeyman in the apprenticed occupation.

WHAT IS PRE-APPRENTICESHIP?

If you need to learn some additional skills before qualifying for a Registered Apprenticeship program, a pre-apprenticeship program might be for you! Pre-apprenticeship (Pre-RA) programs provide the instruction, preparation, and supports to help individuals gain the skills they need to succeed in a full apprenticeship program.

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BENEFITS OF PRE-APPRENTICESHIP

Pre-apprenticeship programs expands participants' career pathway opportunities with industry-based training and classroom instruction, preparing individuals to enter and succeed in registered apprenticeships and other career pathways. Pre-apprenticeship training is a great way for participants to:

- Explore and learn about exciting careers.
- Qualify to meet the minimum standards for selection to a registered apprenticeship program.
- Benefit from classroom and technology-based training.
- Build the literacy, math, English, and work-readiness skills employers desire.
- Gain advanced standing in partnered registered apprenticeship programs.

GET STARTED

More than a thousand occupations have already been apprenticed in industries including manufacturing, healthcare, transportation & logistics, information technology, and the building trades. And as a proven model for workforce training, an increasing amount of State and Federal support is available to support apprentices.

Your local PA CareerLink® office will be able to connect you to apprenticeship and pre-apprenticeship opportunities, and may be able to provide additional funding and other resources to support your training. Visit www.pacareerlink.pa.gov/jponline/Common/Apprenticeships to learn more.



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Funding Apprenticeships in Pennsylvania

Fact Sheet for Apprentices, Sponsors, and Workforce Intermediaries

2021

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