



# YOU'RE HIRED: WHITE HOUSE REAFFIRMS SUPPORT FOR

The notion of apprenticeships makes sense in many contexts.

# APPRENTICESHIPS BY FORMING NEW TASK FORCE

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**F**or decades, young people have been advised to prepare for college, take on debt as necessary, and then enjoy the ensuing and inevitable riches. There are a number of problems with this formula. First, while many college graduates in fact go on to have lucrative careers, many others have found themselves competing for the same jobs as high school graduates. This was particularly true during and shortly after the Great Recession.

Second, the calling for many people lies outside the realm of four-year degrees and jobs in the service sector. Somewhere out there is the world's greatest carpenter, welder, mechanic, bricklayer, electrician, or iron worker. Many of these would-be blue-collar workers, however, are never exposed to opportunities that lie beyond the domain of university education. Correspondingly, many people

go to a two-year or four-year college only to learn that they are unable to identify subject matters about which they are passionate.

There are also other issues. The cost of a college education continues to rise. According to the College Board, a nonprofit that seeks to expand access to higher education, the average cost of one year of tuition and fees at a private college is just shy of \$35,000. Public colleges offer a relatively more affordable option for in-state students, with tuition and fees totaling roughly \$10,000.<sup>1</sup> Spread out across four years, however, the price of a college degree is almost \$150,000 at a private college or \$40,000 at a public

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**ACCORDING TO THE BUREAU OF LABOR STATISTICS, THE MEDIAN WEEKLY EARNINGS OF HIGH SCHOOL GRADUATES WHO DID NOT ATTEND COLLEGE WAS \$718, WHICH EQUALS A MEDIAN ANNUAL WAGE OF SLIGHTLY MORE THAN \$37,000.**

one. There are, of course, schools that are far more expensive.

Still, that is only part of the story. When a high school graduate forgoes entering the workforce to obtain a two- or four-year degree, they are also foregoing whatever earnings they would have received during that period (opportunity cost). According to the Bureau of Labor Statistics, the median weekly earnings of high school graduates who did not attend college was \$718, which equals a median annual wage of slightly more than \$37,000.<sup>2</sup> According to the Society for Human Resource Management, the starting salary for 2017 college graduates was close to \$50,000.<sup>3</sup> Based on this, it takes years to recoup money that was not earned during the time spent in post-secondary education, and that is even in the absence of any student debt.

This is not intended to suggest that attending college is a bad idea. Whether or not it is a good idea depends almost completely on the individual. Many people in design/construction owe much of their success to their college educations, whether construction managers, architects, estimators, engineers, or chief financial officers. The point is that the goal of college preparedness often comes at the expense of career preparedness. In other words, there are other ways to enter the U.S. middle class.

Without question, there are other societies in which a college education, especially one earned in the United States, is deemed the preferred pathway to success. This appears to be especially true in societies like Japan, South Korea, and India.

But there are other societies that have come to appreciate the value of vocational training and career preparedness upon high school graduation. A recent National Public Radio piece notes that roughly 500,000 young Germans enter the workforce each year after successfully completing an apprenticeship program. This steady stream of workers has helped prop up the country's manufacturing sector, which currently makes up 25 percent of Germany's economy. The young men and women who complete these programs are trained in a variety of dis-

ciplines relevant to the contemporary industrial working environment.<sup>4</sup>

Felix Rauner, a professor at the University of Bremen, notes the differences between vocational training in the United States and Germany. In particular, vocational program-oriented occupations are unburdened by negative stigmas in Germany. Rauner notes that if "someone gets a *meister* title, it would be published in the local newspaper and there's a huge celebration. ... No one in Germany is interested if someone gets a master degree in a university."<sup>5</sup>

Although the United States may not be as advanced as Germany in terms of the level of support for vocational training or career/technical education, apprenticeship programs have been part of the U.S. scene for decades. In 1937, the federal government passed the National Apprenticeship Law, more commonly known as the Fitzgerald Act. The law's purpose has been to "promote the furtherance of labor standards of apprenticeship . . . to extend the application of such standards by encouraging the inclusion thereof in contracts of apprenticeship, to bring together employers and labor for the formulation of programs of apprenticeship, to cooperate with State agencies in the formulation of standards of apprenticeship."<sup>6</sup>

This helped lay the foundation for what has become the modern apprenticeship system in the United States. Unlike internships, apprenticeships combine instruction with paid work that typically leads to full-time employment. This structure deals aggressively with the opportunity cost issue that is attached to college education. This may help explain why a recently released survey by New America concludes that 88 percent of Americans have a favorable view of apprenticeships, and 83 percent indicate that they support additional government funding for them.<sup>7</sup>

When people consider the idea of apprenticeships, thoughts may immediately gravitate toward trades associated with construction. Indeed, the construction industry represents the primary driver of the majority of trades. Many do not see vocational training and

apprenticeship programs on par with attending college and obtaining a degree. That, unfortunately, is a view that is unique to the United States.

However, the notion of apprenticeships makes sense in many contexts. Accordingly, more industries are looking to apprenticeships to help supply them with human capital. A recent *Washington Post* article focuses on the growing number of white-collar industries that are sponsoring apprenticeships, including in high-tech segments.<sup>8</sup>

The Trump administration has also become closely wedded to the apprenticeship movement. Last June, President Trump signed an executive order entitled “Expanding Apprenticeships in America,” doubling the annual funding for apprenticeship grants from \$90 million to \$200 million in the process.<sup>9</sup>

Since that signing, there have already been a number of positive indications. Bloomberg Bureau of National Affairs reports that the Employment and Training Administration (ETA) has taken the lead on implementing the President’s plan. The ETA is working to streamline the processes third-party groups, including unions and trade groups, have to go through to initiate an accredited apprenticeship program.<sup>10</sup>

For its part, the Department of Labor has cobbled together a task force that will provide guidance in implementing future changes. Members of the task force range from state governors to CEOs, union presidents, and even John Ratzenberger (best known for his role as Cliff Clavin from the TV show *Cheers*), a major workforce training advocate.<sup>11</sup>

The presidential administration’s budget requests for 2019 indicate additional support for apprenticeships. The White House has pushed for more programs in high school, as well as increased emphasis on career and technical education.

Community colleges represent yet another promising avenue, evidenced by the fact that Walter Bumphus, president and CEO of the American Association of Community Colleges (AACC), was named a member of the aforementioned task force. An article published on the AACC website reports that Sinclair Commu-

nity College in Ohio has seen increased interest in their dual-enrollment program, which offers work experience opportunities to high school students. The article goes on to report that enrollment has increased from 500 students five years ago to 5,000 in 2018.<sup>12</sup> ■

## NOTES

<sup>1</sup> “What’s the price tag for a college education?” CollegeData. Available at: [https://www.collegedata.com/cs/content/content\\_payarticle\\_tmpl.jhtml?articleId=10064](https://www.collegedata.com/cs/content/content_payarticle_tmpl.jhtml?articleId=10064).

<sup>2</sup> “High school graduates who work full time had median weekly earnings of \$718 in second quarter,” TED: The Economics Daily. Bureau of Labor Statistics (July 21, 2017). Available at: <https://www.bls.gov/opub/ted/2017/high-school-graduates-who-work-full-time-had-median-weekly-earnings-of-718-in-second-quarter.htm>.

<sup>3</sup> Miller, S., “Starting salaries for 2017 college grads hit all-time high,” Society of Human Resource Management (May 12, 2017). Available at: <https://www.shrm.org/resourcesandtools/hr-topics/compensation/pages/2017-college-grads-salaries.aspx>.

<sup>4</sup> Ydstie, J., “Robust apprenticeship program key to Germany’s manufacturing might,” NPR (Jan 4, 2018). Available at: <https://www.npr.org/2018/01/04/575114570/robust-apprenticeship-program-key-to-germanys-manufacturing-might>.

<sup>5</sup> *Ibid.*

<sup>6</sup> “History and Fitzgerald Act,” Department of Labor. Available at: <https://doleta.gov/oa/history.cfm>.

<sup>7</sup> McCarthy, M.A., Palmer, I., and Prebil, M., “Eight recommendations for connecting apprenticeships and higher education,” New America. Available at: <https://www.newamerica.org/education-policy/policy-papers/eight-recommendations-connecting-apprenticeship-and-higher-ed/>.

<sup>8</sup> McGregor, J., Apprenticeships, long common in blue-collar industries, are coming to white-collar office work, *Washington Post* (Oct 20, 2017). Available at: [https://www.washingtonpost.com/news/on-leadership/wp/2017/10/20/apprenticeships-long-common-in-blue-collar-industries-are-coming-to-white-collar-office-work/?noredirect=on&utm\\_term=.de8178eb39dd](https://www.washingtonpost.com/news/on-leadership/wp/2017/10/20/apprenticeships-long-common-in-blue-collar-industries-are-coming-to-white-collar-office-work/?noredirect=on&utm_term=.de8178eb39dd).

<sup>9</sup> Kullgren, I, and Levine, M., Trump signs executive order on apprenticeships, *Politico* (June 15, 2017). Available at: <https://www.politico.com/story/2017/06/15/trump-apprenticeship-executive-order-239590>.

<sup>10</sup> Penn, B., Outlook 2018: Job training agency owns Trump apprenticeship push, *Bloomberg BNA* (Dec 28, 2017). Available at: <https://www.bna.com/outlook-2018-job-n73014473661/>.

<sup>11</sup> “U.S. Secretary of Labor Acosta announces membership of task force on apprenticeship expansion,” Department of Labor (Nov 16, 2017) (press release). Available at: <https://www.dol.gov/newsroom/releases/osec/osec20171016>.

<sup>12</sup> Dembrecki, M., Apprenticeship task force to submit recommendations in May, *Community College Daily* (April 29, 2018). Available at: <http://www.ccdaily.com/2018/04/apprenticeship-task-force-submit-recommendations-may/>.