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Issue Brief

Training Today's Youth for Tomorrow's Jobs

Dr. Robert I. Lerman was one of three speakers at the 34th Wisconsin Family Impact Seminar on *Training Today's Youth for Tomorrow's Jobs*. He is Emeritus Professor of Economics at American University, Institute Fellow at the Urban Institute, and Research Fellow at IZA in Bonn, Germany. He recently established the American Institute for Innovative Apprenticeship. This issue brief summarizes his seminar presentation and briefing report chapter.

Dr. Lerman's Family Impact Seminar presentation video and briefing report chapter can be downloaded at wisfamilyimpact.org/fis34.

The Wisconsin Family Impact Seminars are an initiative of the University of -Madison Chancellor's Office and School of Human Ecology, with financial support from Phyllis M. Northway.

For more information, contact Professor Karen Bogenschneider, Director, at (608) 262-4070 or karen.bogen@wisc.edu, or Associate Director Heidi Normandin at (608) 263-2353 or hjnorman@wisc.edu.

Apprenticeships:

Helping Youth Develop the Skills Needed by Today's Employers

Why are policymakers interested in youth apprenticeships? Youth joblessness is at its highest since the 1950s. Today's youth are exposed to less vocational education and employers are complaining youth don't have the skills they need. Policymakers find apprenticeships appealing because they combine serious work experience and classroom learning at modest cost. Yet they make up only 0.2% of the U.S. labor force.

What are youth apprenticeships and how do they work? Apprentices are employees who earn while they learn and apply what they learn under close mentoring by professionals. Unlike on-the-job training, apprentices learn skills in formal classes and apply their learning at the workplace to gain occupational mastery. Unlike internships, registered apprentices remain with the firm for four to six years and youth apprentices for one to two years.

Apprentices can begin at age 16, but typically begin after high school when youth are in their 20s. Community colleges often provide the academic instruction required of apprenticeships. Apprentices generally earn the equivalent of a year of college credits.

What are the benefits of apprenticeships to youth, employers, and taxpayers? Young people find apprenticeships motivating because they learn by doing. Adults mentors help young people develop independence, self-confidence, and employability skills such as cooperation and teamwork. Apprenticeships can be a gamechanger for youth who have trouble entering or staying in the workforce. Because apprentices earn while they learn, they avoid amassing student debt.

Most employers recoup their first-year investments during the training period. In studies, nearly all employers report that apprentices help them meet their labor demands by providing the exact skills the firm

needs. For nearly 3 of 4 employers, apprentices improve productivity and 4 in 10 say they helped secure new business. Also, apprentices well-trained in a firm's products and processes are better positioned to produce innovation.

Government costs for apprenticeships are modest in comparison to full-time schooling. In one cost-benefit analysis of registered apprentices in Washington state, by the time the apprentices reached age 65, taxpayers received \$23 in return for each dollar invested.

What programs does Wisconsin offer? Wisconsin is one of only a few states that offers a Youth Apprenticeship Program. Currently, one- to two-year options are offered to more than 2,500 high school juniors and seniors. Youth who complete the program receive a Certificate of Occupational Proficiency in the relevant field.

Youth apprenticeships fall under 10 career clusters with the largest enrollment in the manufacturing cluster and the lowest in STEM; architecture and construction; IT; and the arts, A/V, and communications clusters. Wisconsin's youth program is operated by 32 local partnerships at an annual cost of about \$2 million and an average per-student cost of \$850.

Wisconsin employers train about 10,000 registered apprentices in about 200 different occupations. Wisconsin received a recent grant to register new apprenticeships in 12 high-growth occupations. South Carolina recently expanded its registered program to 4,000 new apprenticeships at a cost of about \$1,250 each.

Apprenticeships are a cost-effective approach to build opportunity for youth and generate economic growth. The chapter includes several policy options for expanding apprenticeships. When young people secure good-paying jobs, they are more apt to form strong families. Strong families benefit society by raising responsible children who become productive workers and committed family members. ●