



AMERICAN JOB TRAINING INVESTMENTS:

Skills and Jobs to Build a Stronger Middle Class

Goals

To create new opportunities for all hard-working Americans to get ahead, the President has asked the Vice President to lead an initiative to help individuals get trained with skills businesses need now and then placed in good, middle class jobs. Training America's workers with the skills they need for a good job can help middle class families feel more secure in their jobs and help American businesses grow our economy. But too many businesses can't find skilled workers for jobs they want to fill, while too many people looking for a job may be ready to learn new skills but may not be certain that there's a job waiting for them on the other end. Community colleges are one of the best ways to train workers with the skills they need for a job, and hands-on apprenticeships are one of the clearest paths to a good, secure middle class job. In fact, 87 percent of apprentices are employed after completing their

programs and the average starting wage for apprenticeship graduates is over \$50,000.

Today, as part of this effort, the President and Vice President are announcing new federal investments using existing funds to support job-driven training, like apprenticeships, that will expand partnerships with industry, businesses, unions, community colleges, and training organizations to train workers in the skills they need. Employers, unions, and foundations are joining these efforts with new commitments to support job-driven training. These steps are part of President Obama's commitment to make 2014 a year of action, acting with Congress when possible but also using his pen and his phone - calling on businesses, philanthropy, non-profits, states, and local communities to act.

American Job Training Executive Actions

Partnering Local Businesses with Community Colleges to Put Americans Back to Work Through a Nearly \$500 Million Job Training Competition.

Today, the Department of Labor is releasing the application for partnerships of community colleges, employers and industry to develop training programs that are job-driven - that is - designed to respond to the demands of employers so people get placed in jobs. As part of a nearly \$500 million competition, all grantees will be required to identify sectors with open jobs to fill, partner with the public workforce system and employers in that sector to address the skills needed for these open jobs, and create pathways from entry level positions to more advanced positions to ensure room for growth for employees with even the lowest starting skills levels. This program is a part of the Trade Adjustment Assistance and Community College and Career Training (TAA-CCCT) competitive grant program that has, over the last three years,

supported community colleges preparing dislocated workers and other adults for jobs available in their regional economies. For the first time, this year's funding will prioritize three key goals by providing larger grants to applicants who propose to address them:

- **Scale In-Demand Job Training Across the Country through National Industry Partnerships.** Grants will incentivize partnerships to include national entities - such as industry associations - that commit to help design and implement job training programs based on industry-recognized credentials, and replicate these with other education and training institutions across the country where industry also needs to hire workers with those skills.
- **Advance Education & Training to Ensure a Seamless Progression from One Stepping Stone to Another.** In order to make it easier for individuals to progress through their careers and build one degree on top of another,

this competition prioritizes applicants that are increasing state-wide alignment of the training investments made by employers, educators and the workforce system. For example, communities will work to ensure accelerated degree paths and credentials that incorporate prior learning, provide credit based on demonstrated skills rather than seat time, and other innovative strategies that will pave the way for making college more affordable for adult workers and all kinds of students.

- **Improve Statewide Employment and Education Data Integration and Use.** In order to better assess the effectiveness of education and job training programs over time and continue to improve job placement rates, these grants encourage applications that commit States to further integrate their employment and education data systems.

Deadline for applications is July 7th, and grants will be awarded to community colleges in every state.

Expanding Apprenticeships for Good Middle Class

Jobs. The Department of Labor is making \$100 million in existing H-1B funds available for American Apprenticeship Grants to reward partnerships that help more workers participate in apprenticeships. This competition will help more Americans access this proven path to employment and the middle class: 87 percent of apprentices are employed after completing their programs and the average starting wage for apprenticeship graduates is over \$50,000.

The new American Apprenticeship Grants competition – which will be launched in the fall – will focus on partnerships between employers, labor organizations, training providers, community colleges, local and state governments, the workforce system, non-profits and faith-based organizations that:

- **Launch apprenticeship models in new, high-growth fields:** Many fast-growing occupations and industries with open positions, such as in information technology, high-tech services, healthcare, and advanced manufacturing, have an opportunity to adopt and adapt apprenticeship programs, to meet their skilled workforce needs.
- **Align apprenticeships to pathways for further learning and career advancement:** Apprenticeships that embed industry-recognized skills certifications or reward workplace learning with college credit provide an affordable

educational pathway for those who need to earn while they learn, and apprenticeships linked to pre-apprenticeship programs can help more Americans access this training and get on an early pathway to a good career.

- **Scale apprenticeship models that work:** Across the country, there are pockets of excellence in apprenticeship, but all too often these successful models are unknown in other regions or to other employers. These grants will build from strength and invest in innovations and strategies to scale apprenticeships – including to market the value of apprenticeships, make them more attractive to women and other Americans who have been underrepresented, increase the return on investment for workers and, or build national and regional partnerships to expand apprenticeships.

Making Apprenticeships Work for More Americans.

The Departments of Labor, Education, and Veteran Affairs are reforming their programs to enable the use of education benefits for apprenticeships:

- **Streamlining GI Bill benefits for apprentices.** Through a new partnership between the Departments of Veterans Affairs and Labor, employers now have a fast-track for their veteran employees to access their GI Bill benefits for registered apprenticeships, helping thousands more veteran apprentices receive the benefits they have earned.
- **Connecting apprentices with college credit.** The Registered Apprenticeship College Consortium (RACC), a partnership among community colleges, national accreditors, employers, and major apprenticeship sponsors, will make it possible for apprenticeship graduates to earn credits that will transfer to any community college in the consortium they attend. Founding members include large state systems like Ohio and Wisconsin. Since it was launched last week by the Vice President, 33 more colleges and systems have started the process, including the state system of North Carolina, to join the consortium.

Business and Philanthropic Investments in Job-Driven Training

Business, Union, and Non-Profit Efforts to Expand Apprenticeships: Today, the President and Vice President will recognize efforts by employers, unions, and training institutions to expand apprenticeships, helping more Americans access this proven path to employment and middle class earnings.

- **The President's Advanced Manufacturing Partnership (AMP) is developing scalable apprenticeship models in high need advanced manufacturing.** Spearheaded by AMP members Dow, Alcoa, and Siemens, a coalition of employers is partnering with community colleges in Northern California and in Southern Texas on apprenticeships in advanced manufacturing occupations – like welders who can fabricate equipment using high-performance alloys and technicians to maintain the complex equipment found in today's factories. Led by South Central College in southern Minnesota, a coalition of 24 community colleges and employers is pioneering a statewide apprenticeship model in mechatronics. And Harper College, in suburban Chicago, is establishing an apprenticeship program linked to college credit for veterans in advanced manufacturing specialties, including logistics and supply chain management. To scale these models and meet the demand for a projected 40,000 employees with advanced skills in machining, welding, and industrial maintenance over the next decade, coalition members will release a "How To" manual documenting concrete steps other employers, community colleges, training organizations and states can follow to replicate the model.
- **The United Auto Workers, in partnership with employers such as Ford, General Motors, Chrysler, John Deere and many others, plans to add nearly 2,000 apprentices.** The apprentices, who will be added in the next year, represent the largest expansion in the apprenticeship program in more than a decade and an example of employers and workers joining together to strengthen our workforce. Together, the Big Three domestic automakers, John Deere, and suppliers such as American Axle, International Automotive Components, Gerdau Special Steel, and Tower Automotive, among others will employ apprentices with starting annual wages between \$40,000 and \$60,000, presenting a solid path to the middle class.
- **UPS will add 2,000 new apprentices, including drivers and apprentices in new programs like IT, operations, and automotive repair.** Over the next five years, UPS is committed to expanding their existing apprenticeship program for drivers and to expand their apprenticeship programs to include apprentices in other growing fields such as information technology, operations, and automotive repair. This expansion builds on UPS' longstanding commitment to apprenticeships and its historic partnership with the Teamsters.
- **The SEIU Healthcare Northwest Training Partnership (Training Partnership), in partnership with its employers ResCare, Addus, Chesterfield, the State of Washington, and others, is expanding its novel apprenticeship program for home care aides to train 3,000 apprentices a year.** The Training Partnership's innovative online pre-apprenticeship and apprenticeship program for home care aides in Washington state currently trains 300 apprentices a year for jobs as home care aides. The Training Partnership is pleased to announce that it and its employer and labor partners are expanding the program nationwide with a goal of reaching 3,000 apprentices a year within five years for fast-growing jobs in healthcare and, through new online technologies, scaling its other healthcare training programs to reach more than 10x more workers over five years.
- **North America's Building Trades Unions pledge to add 25,000 new apprentices over the next five years.** In addition to the more than \$1 billion the Building Trades Unions invest annually in registered apprenticeship training for their members and employers, over the next five years, through new and emerging industry partnerships, North America's Building Trades Unions will build on the strengths of their existing programs by adding 25,000 apprentices over the next five years.

Philanthropic and Non-Profit Support to Generate Stronger Community College-Industry Partnerships: Philanthropic and non-profit commitments to provide technical assistance and disseminate best practices for applications for the Job-Driven Training Grants, to support the goal of replicating successful programs across the nation.

- **Philanthropic Support for Potential Applicants and Grantees.** Six national foundations will join together to assist grantees to succeed. The Bill & Melinda Gates Foundation, Lumina Foundation, ACT Foundation, Joyce Foundation and Wadhvani Foundation will each make investments to develop strong partnerships among community colleges, employers, and industry associations that lead to the creation and adoption of industry-recognized credentials. The goal of technical assistance will focus on training and supporting awardees and their partners to develop strategies to scale their efforts, improve collection and sharing of data, and share proven practices and early successes to strengthen competency-based training and credentialing. Some of the foundations will also support convenings and other outreach to inform potential applicants about the program.
- **Best Practices Website for Community Colleges and Employers to Develop Job-Driven Training Partnerships.** Skills for America's Future (SAF) will launch a new website with strategies for community college applicants to develop strong partnerships needed to apply for and implement successful grants. SAF will work to source information from employers and community colleges who have been involved in previous rounds of TAA-CCCT as well as national resource organizations so that the site will stay updated with relevant information going forward.

Continuing to Call on Congress for Further Action

Expanding Apprenticeships and Investing in Community Colleges. Over 4 years, this fund would create competitive grants to partnerships of community colleges, industry and employers, to reform job training curricula and launch new programs to deliver skills for in-demand jobs and careers. This fund will help to spur the development and adoption of common, industry-recognized credentials and skill assessments to allow employers to more easily identify and hire qualified candidates. \$2 billion will be set aside for an Apprenticeship Training Fund that would provide grants for comprehensive expansion strategies that can combine small incentives and guidance to employers with a statewide marketing effort to drive apprenticeship adoption as well as innovative regional consortia to create new apprenticeships and increase participation in existing apprenticeship programs. With support for comprehensive state strategies and regional innovations from Congress, we could double the number of U.S. Registered Apprenticeships within five years.



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