

# THE WALL STREET JOURNAL.

## DONALD TRUMP SIGNS ORDER SEEKING TO EXPAND APPRENTICESHIP PROGRAMS

*Initiative aimed at allowing industry groups, companies develop own apprentice guidelines*

By Eric Morath  
June 15, 2017

President Donald Trump signed an executive order Thursday to reduce barriers to apprenticeships, testing whether a system that has long delivered good-paying jobs to American construction workers [might help other businesses bridge skills gaps](#).

The White House is making apprenticeships the cornerstone of its workforce-training efforts, arguing that hands-on learning is the best approach to prepare Americans for in-demand jobs. Worker shortages are causing businesses to slow investment, the administration says. Apprenticeships combine on-the-job training and classroom education, with participants earning a credential recognized by the federal government.

The order directs the Labor Department to allow companies, trade associations and unions to develop their own apprenticeship-program guidelines. Those would be reviewed for quality, but the government would generally take a lighter touch than it does with current programs.

"We're empowering these companies, these unions, industry groups, federal agencies to go out and create new apprenticeships for millions of our citizens," Mr. Trump said just before signing the order in the White House. "Apprenticeships place students into great jobs without the crippling debt of traditional four-year college degrees."

The order also directs additional funds to apprenticeship programs, roughly doubling spending to \$200 million a year, senior administration officials said Thursday. The increase in apprenticeship funding [stands in contrast to the president's budget](#), which proposes to cut the department's overall funding for training and employment services by \$1.27 billion.

The bulk of the cost of apprenticeships is paid for by employers or labor unions, which benefit from workers' specialized training. The Labor Department provides oversight of programs and has provided funding to start new ones, such as a restaurant-manager training apprenticeship under development by the National Restaurant Association.

Apprentices, who are typically paid a training wage that averages \$15 an hour, face a strong job market. The average starting salary of apprentices is about \$60,000 a year, and nine in 10 who complete programs are offered jobs, according to the Labor Department.

But apprenticeships haven't been applied widely. About two-thirds of apprentices work in construction or manufacturing, and there are only about half a million Americans in active programs, compared with more than 13 million enrolled four-year colleges.

Mr. Trump can create an environment where high-school students look to apprenticeships as good career options, said Judy Marks, chief executive of Siemens USA, a division of the German industrial giant. The company has apprenticeship programs in four states and is expanding to four more.

"We're changing the narrative to show instructional and vocational training leads to valid, needed and respected careers," she said in an interview.

Thursday's order is the latest government effort to promote apprenticeships, with programs spanning back to the Franklin Roosevelt administration. In 2015, President Barack Obama launched a program to [award \\$175 million in apprenticeship grants](#) and his administration entered a deal with German counterparts to collaborate on workforce development.

Germany's system is viewed by many as a model, but translating it to the U.S. is a challenge. Germany has two-track educational system where 17-year-old students choose whether to pursue a college degree or a vocational degree and apprenticeship. Educational institutions are separate, and few students switch tracks.

The Trump administration's push has been welcomed by business groups, including the Business Roundtable, and labor unions, including the American Federation of Teachers and North America's Building Trades Unions.

Wes Bush, chairman and chief executive of [Northrop Grumman](#) Corp., pointed to apprenticeships and summer internships for students in two- and four-year colleges as a way to increase the ranks of workers who have requisite skills, especially for jobs that require sophisticated science, technology, engineering and math abilities. The aerospace and defense company works with universities in Maryland to train workers for cybersecurity careers.

"It enhances the ability of students to understand the real-world need for the skillsets they are developing," he said in an interview.

Existing federally registered apprenticeship programs would continue, administration officials said. The new programs developed by industry could have expedited access to gain that federal recognition.

Under existing apprenticeship rules, the Labor Department closely dictates how programs are administered, including the minimum length and how many hours of classroom instruction are required. The National Restaurant Association, which won a contract last year to develop its program for restaurant managers, negotiated with the department for months to allow it to count prior work experience toward the two-year program, said Rob Gifford, executive vice president for the association's educational foundation.

"If there was less flow-through of federal regulations, I think that would increase the enthusiasm of businesses around apprenticeships," he said.

Rep. Bobby Scott of Virginia, the ranking Democrat on the House education and workforce committee, said expanding apprenticeships has broad support among both parties, but he's concerned industry-led programs will result in less oversight.

"You have a system that works now," said Mr. Scott, who attending the signing of the order.

The executive order would also require federal agencies to review the effectiveness of job-training programs and look to consolidate. While the administration is proposing large cuts to job training, it says many existing programs overlap or are ineffective. There are 43 job-training programs across 13 agencies.

The president's direction comes after a 2015 law Republicans in Congress crafted and Mr. Obama signed, which sought to streamline programs, ease federal mandates and establish performance measures.

Those measures went into effect less than a year ago, and members of Congress are still awaiting the initial results, said Rep. Virginia Foxx (R., N.C.), chairwoman of the house workforce committee.

"It is reassuring to see the White House join House Republican efforts to educate Americans for the future," she said Thursday.

Last week, she called on the administration to implement the 2015 law "as Congress intended." The administration proposed a nearly 40 percent cut to programs authorized under that act.

*-Paul Beckett contributed to this article.*