

# ALASKA APPRENTICESHIP PROGRAMS

## ADDRESSING WORKFORCE NEEDS

HOUSE & SENATE LABOR AND COMMERCE COMMITTEES  
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ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT  
Cathy Muñoz, Commissioner

## STATE OF APPRENTICESHIPS IN ALASKA

- Overview of current apprenticeship programs and their impact in Alaska
- Importance of addressing workforce demands through skilled training
- Collaboration with employers and educational institutions is crucial



## WHAT IS REGISTERED APPRENTICESHIP?

- Always a Paid Position: Includes on-the-job training and related instruction
- Led by Experts: Guided by industry professionals and offers nationally recognized credentials
- Mentored Training: Personalized guidance and support
- Debt-Free Training: No financial burden for participants
- Career Advancement: Clear paths for wage progression
- Industry-Recognized Curriculum: Meets established standards for apprenticeship programs



# ADDRESSING WORKFORCE DEMANDS & ECONOMIC IMPACT

## **Meeting Workforce Needs:**

- Closing Skill Gaps
  - Hands-on training and classroom instruction tailored to employer needs
- Industry-Specific Skills
  - Focus on high-demand sectors: Construction, Healthcare, Energy, and Education
- Economic Growth
  - Increases productivity, reduces turnover, and lowers recruitment costs

## **Supporting Underserved Populations:**

- Accessible training opportunities for Alaska Native populations, rural residents, women, and disadvantaged youth

## APPRENTICESHIP BENEFITS EMPLOYERS

- Highly skilled workers tailored to employers' needs
- Higher productivity and knowledge transfer
- Payroll and training cost savings
- A pipeline of skilled workers
- A systematic approach to training
- Increased employee retention
- Lower recruitment costs
- Support from DOLWD and their partners

## STRATEGIC ALIGNMENT WITH LABOR MARKET NEEDS

- Strategic Alignment of Apprenticeship Programs
  - Addressing current and future workforce challenges
  - Ensuring programs meet regional demands
- Partnerships for Effective Programs
  - Collaborating with industry leaders
  - Involving educational institutions
  - Engaging government agencies
- Supporting Key Industries
  - Targeting apprenticeship programs to support key sectors
- Driving Workforce Development
  - Fostering long-term workforce growth
  - Promoting economic development

## KEY STATISTICS FROM FY2025

- Total Number of Apprentices
  - 2292 (44<sup>th</sup> total apprentices in the US)
- Employer Participation
  - 418 (Per April 2024 R&A Report)
- Average Wage
  - \$23.36 (4<sup>th</sup> in the US)
- Top Three Industry Breakdown
  - Construction: 1,571
  - Education Services: 325
  - Health Care and Social Assistance: 141
- Top Three Occupation Breakdown
  - Electricians: 720
  - Plumbers: 256
  - Carpenters: 141



## KEY COMPLETER STATISTICS FROM FY2024

- Apprentice Completer Data
  - Total apprentices: 361
  - Increase of 9.06% compared to FY2023
- Average Wage
  - \$36.83
- Industry Breakdown
  - Construction: 204
  - Education Services: 64
  - Health Care and Social Assistance: 64
- Occupation Breakdown
  - Electrician: 97
  - Plumber: 38
  - Carpenter: 28



## FEDERAL AND STATE APPRENTICESHIP GRANT AWARDS

- Federal State Apprenticeship Expansion Equity and Inclusion (SAEEI)
  - Grant Period: FY2022 to FY2025
  - Grant Award Amount: \$3,991,501
  - Focus: Expand RAPs in all industries
- Federal State Apprenticeship Expansion Formula Grant (SAEF) Two – Base
  - Grant Period: FY2025 funding award
  - Grant Award Amount: \$427,539 – Awarded yearly
  - Focus: Career pathways for secondary school to apprenticeship
- Federal State Apprenticeship Expansion Formula Grant (SAEF) Two – Competitive
  - Grant Period: FY2025 to FY2028
  - Grant Award Amount: \$5,285,678
  - Focus: First year on K-12 Teacher Apprenticeship, subsequent years to expand all RAPs
    - AWIB is partnering with DEED to expand K-12 Teacher Apprenticeships in the State
- State Training and Employment



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**ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT**

- FY2024
- Federal funding provided nearly \$604,000 in financial assistance to 283 apprenticeships
- State Employment and Training Program (STEP) provided nearly \$1.9 million in financial assistance to 360 Alaskans
  - Note: not all of these were apprentices, but STEP is largely used to support apprentices

# CHALLENGES

- Recruitment Challenges
  - Difficulty in attracting diverse candidates
  - Geographic vastness and dispersed population
  - Limited access to training facilities
  - Lack of outreach to underrepresented groups
- Retention Barriers
  - Geographic isolation and travel requirements
  - Lack of mentorship and support systems
  - Job placement challenges in seasonal industries
- Resource Constraints
  - Limited funding for program expansion
  - High costs of infrastructure in rural areas
- Limited Funding
  - Insufficient resources for program expansion
  - Geographic and infrastructure costs
  - Employer participation barriers

# OPPORTUNITIES FOR GROWTH

- Expansion and Growth into Emerging Industries
  - Construction
  - Healthcare
  - Education Services
  - Natural Resource Development
- Enhanced Collaboration
  - Partnerships with educational institutions, employers, and community organizations
- Improved Access and Equity
  - Expanding Apprenticeship Opportunities
    - Alaska Native Populations
    - Rural Residents
    - Women and Minorities
    - Youth and Disadvantaged Populations
- Leveraging Funding for Growth
  - Federal and State Grants
  - Public-Private Partnerships
  - Support for Rural and Underserved Areas



# TRANSITION TO THE STATE APPRENTICESHIP AGENCY (SAA) MODEL

## RELATIONSHIP BETWEEN USDOL OA AND DOLWD

- U.S. Department of Labor Office of Apprenticeship (USDOL OA):
  - Approves and registers apprenticeship programs and provides federal oversight and standards for registered apprenticeships
- Alaska Department of Labor & Workforce Development (DOLWD):
  - Works directly with employers to meet workforce demands and align training programs with industry needs
  - Offers financial incentives and grants to employers to support the creation and expansion of apprenticeship programs
  - Conducts outreach to educate and engage employers, helping them understand the benefits of apprenticeships and how to establish them
- Employers & Industry Partners:
  - Collaborate with DOLWD to establish apprenticeship programs, providing hands-on training and employment opportunities

## CURRENT STATUS AS AN OFFICE OF APPRENTICESHIP (OA) STATE

- Federal Oversight of Apprenticeship Programs
  - Ensures programs meet U.S. Department of Labor standards
  - Maintains quality and consistency
- Support for Partnerships
  - Collaborates with employers, educational institutions, and workforce organizations
  - Streamlines program registration and compliance processes
- Access to Resources
  - Provides technical assistance
  - Offers funding opportunities

# ADDRESSING FEDERAL OVERSIGHT CHALLENGES

- Federal OA's One-Size-Fits-All Approach
  - Limits flexibility
  - Delays program development
- Lack of Collaborative Relationship
  - Creates barriers for businesses
  - Hinders apprentices
- Existing Workforce Gaps
  - Expected to grow with large-scale infrastructure projects
  - Require immediate, proactive state-led solutions
- Transition Efforts
  - Aim to rectify workforce gaps



## BENEFITS OF TRANSITIONING TO AN SAA

- Greater Autonomy and Control
  - Customized apprenticeship standards and policies
  - Regulatory flexibility for economic and labor-market-specific regulations
  - Control over program registration, oversight, and administration
- Enhanced Responsiveness to Local Needs
  - Collaboration with state and local employers, industry groups, and educational institutions
  - Development of industry-specific programs
- Improved Coordination and Integration
  - SAA status integrates apprenticeship programs with state workforce initiatives for streamlined service delivery
  - Encourages partnerships with businesses, educational institutions, and community organizations to enhance workforce development efforts
- Increased Access to Funding and Resources
  - SAA states gain greater access to federal and state funding
- Innovation and Program Expansion
  - SAA status provides the flexibility to innovate and expand apprenticeship offerings
- Enhanced Stakeholder Engagement
  - Engage closely with local employers to design apprenticeship programs that address specific needs
  - Improved integration with workforce development systems, including job training and community college initiatives

# STRATEGIC WORKFORCE ALIGNMENT

- Establishing an SAA
  - Provides flexibility in workforce development
  - Creates robust apprenticeship pipelines
- Tailored to Alaska's workforce demands
  - Addresses current workforce needs
  - Prepares for future workforce requirements
- Ensures state readiness
  - Supports economic growth
  - Facilitates large-scale projects

## STEPS TO TRANSITION

- Collaboration with Federal OA
  - Meet recognition standards for an SAA
- Draft Legislation and Policies
  - Comply with 29 CFR Part 29 and Part 30
- Establish Legislative and Regulatory Framework
  - Align with federal requirements
  - Address Alaska's workforce priorities
  - Address legislative needs
  - Consider regulatory impacts
- Further Consultation
  - Engage with industry partners
  - Collaborate with educational institutions
  - Involve workforce stakeholders

**Map of OA and SAA States**

■ Office of Apprenticeship (OA) ■ Recognized State Apprenticeship Agencies (SAA)

Legend:

- Office of Apprenticeship (OA)
- Recognized State Apprenticeship Agencies (SAA)

States with OA (Blue): CA, NV, ID, UT, WY, ND, SD, NE, MN, WI, MI, IL, IN, OH, WV, VA, NC, SC, GA, MS, AL, LA, TX, AK, HI.

States with SAA (Dark Blue): WA, OR, MT, CO, KS, OK, NM, AZ, NV, MT, ND, SD, NE, MN, IA, MO, AR, TN, KY, PA, NY, VT, ME, NH, MA, RI, CT, NJ, DE, MD, VA, NC, SC, GA, FL.

DC, PR, VI are also shown.

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## SUMMARY OF KEY POINTS

- Apprenticeship - Addressing Workforce Needs
  - Structured, hands-on training and classroom instruction
  - Equips individuals with industry-specific skills
  - Aligns closely with employer demands
  - Reduces skill gaps in high-demand occupations
- Transition to an SAA Model
  - Establish a State Apprenticeship Agency
  - Empower Alaska to take local control of programs

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