

May 12, 2023

Dr. Pam Eddinger
Chairperson, Advisory Committee on Apprenticeship
U.S. Department of Labor
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Washington, DC 20210

The Manufacturing Institute is proud to represent the manufacturing sector on the Advisory Committee on Apprenticeship. As the 501(c)3 workforce development and education affiliate of the National Association of Manufacturers, we lead critical research, build essential partnerships and provide innovative programs and solutions to address the toughest workforce issues facing manufacturers. Our goal is to empower individuals, promote community prosperity and support a competitive manufacturing industry, and our mission is to build, diversify and strengthen the manufacturing workforce of today and tomorrow.

A major part of that mission is sharing best practices and exploring how to expand the earn-and-learn model and apprenticeships to underrepresented populations. The MI supports scaling up apprenticeships, facilitating modern apprenticeship pathways, industry-recognized credentialing, military skills mapping and other earn-and-learn opportunities. Since 2019, the MI has stewarded the Federation for Advanced Manufacturing Education, or FAME, which is the premier advanced manufacturing workforce development and education program. Founded by Toyota in 2010, FAME (an earn-and-learn program) helps students become highly skilled, globally competitive, well-rounded and sought-after talent who can meet the unique needs and challenges of today's modern manufacturing workforce. Every year, FAME graduates transition into well-paying, diverse career pathways in critical disciplines across the manufacturing industry and across the country. FAME has graduated about 1,500 individuals into the manufacturing workforce; more than half of them have graduated since the MI took over management of the FAME program.

The ACA members and delegates have made many actionable and well-thought-out recommendations to the Department of Labor during this two-year term. Many of the ACA's interim recommendations are being implemented by the DOL already, with several others soon to be implemented. During the course of the two-year ACA term, the MI served on the Industry Engagement in New and Emerging Sectors subcommittee, focusing on how to attract new and emerging industries to register apprenticeships and strategizing ways to increase diversity, equity and inclusion in those registered apprenticeships. Since the interim report, and as the final issue paper was being developed, language was introduced requiring an apprentice to earn a "family sustaining" wage by completion of the registered apprenticeship program.

The MI had serious questions about this requirement, as there is no federal definition of what constitutes a "family sustaining" wage. After several discussions with members of the IENES subcommittee, the MI concluded that the lack of clarity on the term and the idea of requiring employers to pay this wage meant that we could not endorse this language; additional information, review and data are needed to understand the implications of this recommendation on existing apprenticeships and its potential impact on expanding apprenticeship opportunities.

We shared these questions and concerns with the subcommittee, and some members echoed our concerns. As we reviewed other subcommittee issue papers, the issue of an undefined "family sustaining" wage emerged. When it came time to submit recommended changes for other issue papers, the MI shared with the DOL that we are unable to support language requiring "family sustaining" wages by the end of an apprenticeship, or even as a requirement

for apprenticeability.

At the March ACA meeting, a resolution was proposed for the ACA to recommend a requirement that registered apprenticeships result in a “family sustaining” wage to be deemed apprenticeable. The MI abstained from this resolution for the reasons stated above. As a follow-up to this meeting and resolution vote, the IENES subcommittee was split in its support. The subcommittee decided to remove mention of wage requirements in the main issue paper and developed two non-consensus statements that were attached as addendums. The MI joined its subcommittee colleagues in drafting an addendum against the March ACA Committee meeting resolution.

At the May 2023 ACA meeting, there were several items that the MI voted no on that are elaborated on below:

Family Sustaining Wage Discussion

After a recap and discussion, a vote was taken on whether the ACA had enough information on this topic to move forward with a resolution. While the MI voted “no,” the majority voted “yes,” and the motion was approved to move forward with a resolution. The subsequent resolution included “living wage” language that, like “family sustaining” wage, does not have a federal definition or standard calculation. The MI believes it is unreasonable to make “living wage” a requirement for an occupation to be deemed apprenticeable without a clear and agreed upon definition and without more information, data and analysis on what that would mean for all types of industries. The result of making this a requirement to register an apprenticeship could lead to industry registering fewer apprenticeships, which is not in line with the DOL’s goal for the ACA to develop recommendations for expanding the number of registered apprenticeship programs. For the reasons stated, the MI voted no on this resolution.

Promoting DEIA in Registered Apprenticeship

The MI is committed to supporting manufacturers’ efforts to build diverse and inclusive workplaces and strengthen equal opportunity in the United States. Diversity, equity and inclusion make our workplaces stronger, and they also advance our country’s highest ideals. The MI continues to work actively on expanding DEI efforts within the manufacturing sector. The DEIA subcommittee made very thoughtful recommendations that the MI supports, including using leading indicators to proactively support a healthy culture of inclusion, initiating systematic assessments focused on people and programs, establishing data-driven feedback loops to measure progress and implement change and generally collecting more robust data on DEIA. However, given that the undefined concepts of “family sustaining” wage and “living wage” were embedded throughout this issue paper, the MI voted “no” on approving it as part of the final ACA Biennial Report.

Apprenticeship Pathways

The MI supports almost all recommendations made by the Apprenticeship Pathways subcommittee, except for the bullet point at the end of the “Miscellaneous Recommendations” section recommending registered apprenticeship programs should result in a “living” wage for the apprentice. For reasons stated above, the MI voted “no” on approving this issue paper as part of the final ACA Biennial Report. The work that went into this paper is very much appreciated, especially the detailed Appendix A highlighting special considerations for in-school versus out-of-school youth.

Apprenticeship Modernization

The MI supports the Onboarding New Programs and Marketing Apprenticeship issue papers that the Apprenticeship Modernization subcommittee put forth. After reviewing the Quality Standards issue paper, the MI felt that requiring a “family sustaining” wage for registered apprenticeship programs to deem them high quality is unreasonable. For that reason, the MI voted “no” on approving the issue paper.

Biennial Report

The MI voted “no” on three of the four subcommittee issue papers, and “no” on both votes during the Family Sustaining Wage discussion, and therefore deemed it necessary to vote “no” on the final Biennial Report.

Our industry is dedicated to overcoming workforce challenges and closing the skills gap, especially given that over the past 12 months, the manufacturing sector has had an average of more than 800,000 open positions, and 4 million manufacturing jobs will likely need to be filled by the end of the decade, according to our research with Deloitte. These are valuable career opportunities, as manufacturing jobs are some of the highest paid in the overall economy, with manufacturing workers earning \$95,990 on average in pay and benefits in 2021. We must continue expanding the abundant pathways into manufacturing careers, and work-based learning and apprenticeships will remain one of the most important of these pathways. Apprenticeships are essential to recruiting and developing manufacturing talent, especially from underrepresented populations.

The MI hopes that the next iteration of the ACA continues the momentum to bring new and emerging industries to the table for apprenticeship expansion, and that it does so using quantifiable, carefully studied terms and concepts that help create more pathways for well-paying jobs.

Sincerely,



Carolyn Lee
President and Executive Director
The Manufacturing Institute