

Tuesday, June 4, 2019

Good Morning Chairman Crow, Ranking Member Balderson and Members of the Subcommittee

It is a pleasure to be here this morning. My name is Ronald Marlow, and I serve as Vice President for Workforce Development at the National Urban League.

Founded in 1910, the National Urban League (NUL) is the nation's oldest and largest civil rights organization devoted to empowering African Americans to enter the economic and social mainstream. NUL is a nonprofit, nonpartisan, community-based movement headquartered in New York City. The Urban League movement reaches nearly 2 million people, nationwide, through direct services, programs, and research through its network of 90 professionally staffed affiliates serving 300 communities in 36 states and the District of Columbia.

The mission of the National Urban League is to enable African Americans (and other disadvantaged urban residents) to secure economic self-reliance, parity & power and civil rights. Utilizing policies and tailored services, we carry out our mission by closing the equality gaps in education, the economy, health and quality of life, civic engagement, and civil rights. In 2010, to commemorate our 100th anniversary, NUL launched I AM EMPOWERED, an initiative focusing on four aspirational goals for empowering communities in education, employment, housing, and healthcare, the cornerstones of the organization. Today, leveraging this platform, NUL works to ensure that:

1. **Jobs:** "Every American has access to jobs with a living wage and good benefits."
2. **Education:** "Every American child is ready for college, work, and life."
3. **Housing:** "Every American lives in safe, decent, affordable and energy efficient housing on fair terms."
4. **Health:** "Every American has access to quality and affordable health care solutions."

Mr. Chairman, as I understand the purpose of this hearing, the Subcommittee is interested in exploring three inter-related topics:

1. The so-called “skills gap,” and the challenges the skill gap create for employers, large and small, but in particular small;
2. The changing nature of work and how the changing nature of work will impact current and future employees; and,
3. The role of Apprenticeships in meeting the existing and evolving demand for workers

It is this last topic which compels my participation in this morning’s hearing; however, please note that as the Subcommittee explores the other matters, it is my hope that you will continue to involve the National Urban League especially as the Subcommittee seeks to bring forward public policy responses to meet and overcome the challenges associated with investing in this country’s most important economic asset – its citizens, and maintaining (and yes, improving) the environment for continued economic growth and expansion.

History of Apprenticeships:

According to the Encyclopedia of Britannica, the practice of “apprenticeship”¹ can be traced back to ancient Egypt and Babylon. In these countries, training in craft skills was organized to maintain an adequate number of craftsmen. In fact, the Code of Hammurabi of Babylon required artisans to teach their crafts to the next generation. In Rome, craftsmen began to organize into independent collegia intended to uphold the standards of their trades. Craft guilds emerged in the 13th century in Western Europe. Guild members supervised the product quality, methods of production, and work conditions for

¹ See <https://www.britannica.com/topic/apprenticeship>

each occupational group in a town. Master craftsmen controlled the guilds. Recruits entered the guilds after completing training as an apprentice.

Over time, local governments were forced to contend with the exclusionary practices of the guilds, whose members could monopolize their trades in each town. Guilds could levy high fees against outsiders to prevent them from entering a trade. Guilds restricted access to apprenticeships with preference given to the sons of guild members or the sons of wealthy acquaintances. In response, the English government defined the conditions of apprenticeship with the Statute of Artificers of 1563. This statute sought to limit exclusionary practices and to ensure adequate labor. Apprenticeship, in the form of indentured apprenticeship existed in colonial America.

As the industrial revolution took hold and assembly-line methods of production, which increased efficiency, expanded the number of unskilled or semiskilled jobs, the rise of such jobs was incompatible with the time required to complete apprentices

In 1911, the first legislation in the United States to promote an organized system of apprenticeship was enacted in Wisconsin. The law placed apprenticeship under the jurisdiction of an industrial commission and this followed the enactment of state legislation requiring all apprentices to attend classroom instruction for a set number of hours per week. In the 1920s, national employer and labor organizations, educators, and government officials began a concerted effort to bring about a national, uniform apprenticeship system. The effort led in 1934 to the participation of the Federal Government in the national promotion of apprenticeship, and in 1937, the creation of the Bureau of Apprenticeship and Training² within the U.S. Department of Labor. Today, the system of registered apprenticeship is available in each of the 50 states through a combination of federal and local (state) responsibility. In about one-half of the states, registered apprenticeship is governed by a State

² No the Office of Apprenticeship

Apprenticeship Agency (SAA); and, in the other half, registered apprenticeship is governed via the Department of Labor's Office of Apprenticeship.

Opportunities:

For much of the 80+ year history of registered apprenticeship has been the province of the skilled trades and a few other industries. As such, the number of registered apprentices has remained fairly constant over the years. However, the demand for a viable source of labor and increasing pressures to remain economically competitive, from a global perspective, have spurred a renewed interest in the apprenticeship model.

The Obama Administration, in recognition of these twin challenges, launched a concerted effort to understand how western European countries have used the apprenticeship model both to respond to a need for industry access to labor and individual's desires to enter into the labor market successfully. These efforts led to the Administration placing an emphasis on promoting registered apprenticeship to industries for whom it remained a foreign (and thus risky) concept and making investments, in partnership with the Congress, to invest in expanding participation both by way of incentivizing state and local action, industry participation and other "access to opportunity" efforts.

And while public commentary seeks to identify the any number of ways in which the Trump Administration has differed from the Obama Administration relative to policy initiatives, apprenticeship represents one policy area in which Presidents Obama and Trump have found common ground, at least with respect to strategy even if differences have appeared by way of tactics.

In 2017, President Trump took executive action that led to the formation of a Task Force on Apprenticeship Expansion, whose was to "identify strategies and proposals to promote apprenticeships, especially in sectors where apprenticeship programs are insufficient."³ In May of 2018, the Task Force

³ See <https://www.dol.gov/apprenticeship/task-force.htm>

submitted final recommendations to the President. The final report and recommendations supported the creation of an Industry-recognized Apprenticeship Program or IRAP, which as its name implies, would rely on industry trade organizations to take on the responsibility of sponsoring of designing and implementing industry led apprenticeship programs that would operate parallel to the registered apprenticeship system but that would also be free from the regulatory requirements that undergird the operation of the registered apprenticeship system. Thus, the industry-recognized apprenticeship system would be largely self-regulating, and, presumably, more nimbly responsive to industry and occupation needs.

The National Urban League and Apprenticeship

In September of 2016, the United States Department of Labor awarded a contract to the National Urban League. The National Urban League, performing as an Equity Contractor, is working to promote access and opportunity within registered apprenticeships to women, African Americans and other populations who have historically been under-represented among the ranks of apprentices. In this role, the National Urban League, working with 12 of its Urban League Affiliates and the Multicultural Media, Telecom and Internet Council has recruited over 1,000 individuals into registered apprenticeship, pre-apprenticeship and preparatory training opportunities. These individuals have joined programs operating across a number of occupations in the following industries: construction, telecommunications, information technology, manufacturing, transportation, and healthcare.

The National Urban League was a named member of the Task Force on Apprenticeship Expansion. We were proud to have pushed for recommendations that urged the Secretary of Labor to take meaningful steps to update and improve the system of registered apprenticeship even as it embraced the IRAP model. The legacy system has served the country well; and, while it may be in need of refinements in response to well-intended industry constructive criticisms as to how it could better

meet industry and occupation needs, no one should interpret the advent of the new system as abandonment of the legacy system.

Additionally, the National Urban League is proud of its role in encouraging the Department of Labor to develop clear and expectations and policy dictates relative to economic and safety protections to be afforded apprentices and expectations of access and equal opportunity to be afforded to all individuals in particular women and persons of color.

Lessons Learned:

The apprenticeship model has been and can continue to be a viable, alternative means of affording access to educational and skills training that leads to employment, this is especially true for individuals for whom higher education is neither a necessary nor a viable path to the labor market. The fact that both the Obama and Trump administrations have embraced apprenticeship as an effective strategy to meet industries' needs is proof of apprenticeships' continuing viability.

The registered apprenticeship model would benefit from a single system of common and shared expectations and requirements relative to registering an apprenticeship program. Companies that operate regionally and/or nationally have rightfully identified that local (i.e. – state) licensing requirements, which differ from state to state introduce a degree of uncertainty and additional administrative burden to operating registered apprenticeships across their regional and/or national footprints. It is my understanding that, in response to this challenge and consistent with a Task Force recommendation relative to improving the legacy system, the Secretary of Labor and/or his appropriate designees have initiated discussions with the National Governors Association to explore how commonality in state requirements might be achieved.

History has demonstrated that self-regulation is likely to lead to practices that exclude various populations. I need not call into question the history of challenges encountered by women and persons

of color in this country; instead, one only need look to the history of the old guilds and how they operated to see that self-regulation is an implicit invitation to the implementation of practices that will limit access and opportunity.

Moving Forward:

The two approaches to apprenticeship available to industries – registered and industry-recognized, represent a viable alternative to meeting the needs and demands of employers and would be employees. I use the term “alternative” advisedly. No single strategy should be adopted wholesale to the exclusion of other policy options that remain available.

The National Urban League, consistent with its historic mission of connecting African Americans and other disadvantaged urban residents to economic opportunity, stands ready, willing and able to play a meaningful role in bridging the gap between those seeking to employ individuals and individuals seeking access to employment. This is true for the strategy that is apprenticeship – registered and industry-recognized as well as for more traditional workforce development activities.