Remarks for David Etzwiler CEO, Siemens Foundation American Apprenticeship Initiative Fourth Annual Grantee National Meeting Crystal Gateway Marriott, Arlington, VA August 1, 2019

Thank you for that warm introduction. And, thanks to NGA, the Labor Department and all of you, the AAI grantees, for having me here today. It's a great pleasure to speak with you.

It's my privilege to join the other speakers this morning in welcoming you to the Fourth Annual AAI Grantee National Meeting. Welcome to Washington, DC!

It's hard to believe we're almost at the end of our AAI journey together. The Siemens Foundation is proud to have supported your work since the beginning. The same year the American Apprenticeship Initiative launched in 2015, the Siemens Foundation launched its first workforce development programming. And, we knew right away that we wanted to be a part of this critical effort to expand registered apprenticeship in the United States. We understand the immense value high-quality registered apprenticeship programs have for workers and for industry, so supporting NGA in their efforts to help you reach your goals was a no-brainer. We're honored to be your partner.

Why is your work so important?

A skilled workforce means success for employers and businesses across this country. And, quality jobs for America's workers leads to economic security and a sense of dignity that only work and providing for one's family can offer. Unfortunately, too many workers don't have that opportunity because they need the skills and credentials that quality jobs require.

And, apprenticeships are part of the solution to addressing this problem. Workers earn while they learn on the job and grow in their skills. Employers reap the benefits of increasing productivity and workers who understand their specific needs. Families and communities see the benefits immediately too. Bills get paid and families thrive. Apprentices earn recognized, portable credentials that move with them, supporting their personal economic mobility. It's really a win for all involved.

As I mentioned, 2015 was a big year for both of us.

The Labor Department awarded a historic \$175 million to 46 public-private partnerships – that's you - to grow and expand registered apprenticeships, particularly for non-traditional occupations and populations. Even though we were new to workforce development investments at the Siemens Foundation, launching our first funding the same year, our partners at Siemens knew first-hand the value of apprenticeship as a

talent development tool abroad in Germany and right here at home in the U.S. In fact, our business partner launched its first U.S. apprenticeship program at the Siemens Energy Facility in Charlotte, North Carolina in 2011.

We knew right away that AAI represented a milestone in U.S. education and training, and we wanted to be a part of it. It seemed that apprenticeship was finally getting its due in this country.

There was a buzz in the air. More and more folks were talking about its value as a HR tool – attracting and retaining new, skilled talent – and a recognized postsecondary education pathway, helping more workers, particularly those left out of traditional higher education, also achieve their college dreams while earning a living.

When it launched, AAI set some very ambitious goals:

- Solidify public and private partnerships between employers, educators, government, unions, and non-profits to expand Registered Apprenticeship to new industries, building an ecosystem for future apprenticeships to flourish.
- Increase the diversity of apprentices in the U.S., particularly for women and minorities.
- Expand the number of high-growth, high-tech industries utilizing the Registered Apprenticeship model, including health care, manufacturing and IT.
- Train and hire more than 34,000 new apprentices.

No small task, but you've proved to be up to the challenge. As of May of this year, the grantees in this room had already made significant progress toward these goals:

- Collectively, you've served more than 24,000 pre-apprentices and apprentices through your partnerships;
- More than two-thirds of the new apprentices you've enrolled are from underrepresented populations, including women, people of color, veterans and people with disabilities;
- And, big name employers from across the country and a variety of industries have jumped on board, including names like Aon, Caterpillar, CVS, IBM, JP Morgan Chase, Hershey, Ford, GM, Fiat Chrysler, and Zurich North America.

That's remarkable, tangible progress.

Your efforts have also shaped the framework for success for any future apprenticeship, identifying the building blocks of <u>sustainability</u>:

- Industry engagement;
- Partnership building and maintenance;
- Engaging underrepresented populations, making equity real for apprenticeship;
- Leveraging resources from every possible source;
- Making data-informed decisions to support labor market demand for workers and employers;
- And, aligning key policy initiatives across workforce, education and economic development to support apprenticeship.

Your work has quite literally built the foundation for the future of apprenticeship in this country. You should be very proud.

As I reflected on many of your individual successes, I couldn't help but be drawn to my home state of Minnesota.

As of Summer 2018, Minnesota's Department of Employment and Economic Development and the state's Department of Labor, through the Minnesota Apprenticeship Initiative had already:

- Registered 221 apprentices, with 83 percent being from underrepresented populations;
- Developed 24 programs across five high-demand industries;
- Created apprenticeship programs in 15 new occupations with 34 employers;
- Identified a particular area of success in healthcare, with over 160 apprentices in companies of all sizes, including two of our largest healthcare employers – Fairview Health Services and Health Partners.

It's exciting to see your progress. I'm so proud of my home state's determination to open new doors to economic security for those who need it most while building a strong, diverse talent pipeline. Minnesota is just one of many states working to build an ecosystem where apprenticeships can thrive.

It's also been exciting to see the growth of community colleges in developing and managing registered apprenticeship programs with their public and private partners. From colleges like Macomb and Harper and more, to states systems like South Carolina, your success demonstrates the capacity of community colleges to serve local employers and students far beyond the traditional classroom setting.

But states and community colleges haven't been the bright spots. We've seen success with city and county partnerships, non-profits, labor unions and management partnerships, workforce development boards, industry associations and more.

What's that tell us? Public and private partnerships of all shapes and sizes can build a successful apprenticeship if it's built on the framework of the six success factors I mentioned earlier. It's an incredibly adaptable model that works across industries, populations, and geographies to expand postsecondary and career success.

And, now that we're close to closing out this journey together, I hope you'll take a moment to take stock of your successes and ensure your plan for a sustainable future is in place. Your efforts will leave an indelible mark on your states, cities, industries and institutions, enshrining new pathways to economic opportunity for workers and deeper, more diverse talent pipelines for America's employers. Take a moment to appreciate how your efforts are strengthening the very threads of opportunity that make up the American dream, our collective story of hope.

Congratulations. And, don't lose steam now. Finish strong and know your work will have a lasting impact.

Let me again express my gratitude to our partners at NGA and the Labor Department. This has been tremendous opportunity for us and we appreciate being a part of the journey.

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