

First National Meeting of American Apprenticeship Initiative Grantees
Remarks for David Etwiler, CEO
Siemens Foundation
Tuesday, April 19, 2016
U.S. Department of Labor

Thanks for the warm introduction, Martin. It's great to be here with you all today.

Imagine a place where 5.6 million young adults aren't in school or working....a number slightly larger than the population of Minnesota.

...Where the unemployment rate for 16-19 year olds is triple the rate for the entire country.

...Where the unemployment rate for African American 16-19 year olds is five times that of the national rate.

...Where millennials have fallen behind the global competition in numeracy skills so significantly they rank dead last.

Unfortunately, you don't have to imagine it. Sadly, that's the state of play for too many young people in this country.

And, if that was the end of the story, that would be a tragedy...for them, for their families, and for the future of our country.

But, that's not the end of the story. We're here today because we all believe in the potential of apprenticeships to forge a new path....

...a path to economic prosperity for the very real people behind the statistics I mentioned.

...a path to a highly skilled workforce for employers to grow their business.

...and, a path to economic strength and global competitiveness for the U.S. economy.

We at the Siemens Foundation are so pleased to support you in this journey. We'd like to thank our partners at the National Governors Association and the U.S. Department of Labor for their dedication to your success and to the expansion of apprenticeships. It's a goal we share.

You'll hear from Siemens' President and CEO, and our board chairman, Eric Spiegel, later today about Siemens' experience with apprenticeships in Germany and in the U.S. And, it's that experience that feeds our passion for scaling this earn and learn model in the U.S. Siemens knows firsthand how valuable apprenticeships can be for growing the workforce you need to be successful. And, to be honest, they've also experienced the particular challenges that many employers face when building an apprenticeship program in this country. Most of all, they know how this credible pathway to postsecondary education and a career can make a real difference in the lives those who have the chance to experience it.

And therein lies the problem with apprenticeship, and work-based learning in general, in the United States....only a select group get to participate in it.

Even though we know they're effective, they've been fairly limited to a few occupations and industries. Youth, women and minorities are underrepresented in them. Traditional higher education institutions may not understand how to work with them. States may not have developed a strong enough infrastructure to support their growth. And, employers may not know how to leverage them.

That's why the Siemens Foundation decided to support the expansion of apprenticeships in the United States. When we designed our workforce development program, the STEM Middle-Skill Initiative, we knew one of our primary objectives had to be scaling training models that work. And apprenticeships were at the top of that list.

I think many of you in this room will agree that while we've all been familiar with the value of apprenticeships for a long time, the rest of the country seems to be waking up to the potential of this model.

Whether it's the:

- integration of the registered apprenticeship system into the nation's broader workforce development system through the Workforce Innovation and Opportunity Act of 2014, or
- the historic investment by the Obama Administration of \$175 million in federal funds to add 34,000 new apprentices over the next five years through the projects represented in this room, or
- the commitment of more than 140 business LEADERS, including Siemens, to expanding this model, or
- the game-changing new federal appropriation to support additional registered apprenticeship programs in the U.S.,

apprenticeships are in the air.

We at the Siemens Foundation believe this is a pivotal moment for apprenticeships in the United States. It's a time for action, building state systems to allow more employers, labor unions, and other program sponsors to start new programs or expand existing ones more efficiently and effectively. It's a time for public and private partnerships in our cities and counties to blossom as they develop programs that meet a targeted industry need while building a solid platform to the middle-class for their community. And, it's a time for steadfastness from our public leaders in their commitment to expanding this model.

Everyone in this room is a part of this historic moment. And, we are proud to support you in that work.

Let me close by leaving you with a very different picture than the one I started with. In 2015, the Siemens Energy facility in Charlotte, North Carolina graduated three apprentices who began the program as high school students.

Hope Johnson, Douglas Rodriguez, and Rebeca Espinal, not only completed their registered apprenticeship program, they received a valuable associate's degree in mechatronics, gained an international certification of their skills, and became Siemens employees with the earning potential of more than \$50,000.

That's a picture of a bright future for those young people, the industry they work in, and their families. And, it's an opportunity we need more Americans to have access to. With your hard work and dedication, we can realize that vision.

Before I end, let me challenge you to make the most of this moment in time for apprenticeships in the U.S. For the grantees in the room, work hard and don't give up on making your projects the biggest success they can be. Your investment will not only reap benefits for your participants and for your communities, but it will brand apprenticeships with the positive limelight they deserve. You're part of the story now, writing the chapter on how America advanced apprenticeships into the 21st century making them accessible to everyone and viable for almost every industry.

And, don't forget the importance of touting your own horns every now and again. The world around you needs to hear about the work you're doing and why apprenticeships should be a priority. That means communicating with your educators, your employers, the parents in your communities, and your elected leaders. Get your elevator pitch down about what you're doing and how it will shape the future of your workforce and America's brand of apprenticeship...and then share it with anyone who will listen.

Thanks for your time.