

Heidi Drygas
Commissioner

www.labor.alaska.gov



P.O. Box 111149
Juneau, AK 99811-1149
907.465.2700

commissioner.labor@alaska.gov

Press Release

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For more information: Heidi Drygas, Commissioner
907-465-2700

Governor Walker Signs Administrative Order on Apprenticeship Utilization *State uses Registered Apprentices to improve vocational training and workforce readiness*

November 9, 2015 ANCHORAGE – Governor Bill Walker signed [Administrative Order 278](#) last week, expanding state apprenticeship utilization standards. [AO 278](#) requires at least 15% of project hours on state projects be completed by Registered Apprentices, and sets a 15% target for future oil and mineral development on state lands. Apprenticeship utilization will expand the supply of highly trained Alaskans and help ensure the state's workforce can tackle large, complex projects like the gasline.

“Registered Apprenticeships expand our supply of highly trained workers and give Alaskans the training they need to earn good middle class wages,” said Governor Walker. “This is truly a win-win for the state and for working families.”

Apprenticeship utilization helps the state meet several policy objectives, ranging from workforce readiness to Alaska Hire:

- **Cost Savings for the State:** While contributing to workers' economic prosperity in the long term, apprenticeship utilization can provide cost savings to the state on construction projects. Under prevailing wage laws, apprentices can be paid lower wages than journeymen workers, meaning that workers set themselves up for higher lifetime wages while saving the state money on construction projects.
- **Workforce Development:** Apprenticeship utilization expands the number of Alaskans qualified to perform technical construction projects, including those in priority oil and gas occupations. Apprenticeship utilization helps meet gasline-related workforce development goals articulated in the 2009 gasline occupational study and in the 2013 oil and gas workforce plan. As the current construction workforce ages, apprenticeships can ensure younger Alaskans can fill skilled construction jobs.
- **Alaska Hire:** By expanding the number of technically qualified Alaska workers, apprenticeship utilization helps meet Alaska Hire policy objectives by ensuring businesses have an ample supply of workers for skilled construction tasks. It

addresses the supply side of the Alaska Hire equation, while the recent Alaska Hire determination addressed the demand side. More than 90% of apprenticeship program graduates have work in Alaska.

- Strong Middle Class: Apprenticeship utilization directly contributes to high wages and economic security for working Alaskans. Department of Labor and Workforce Development data indicate that graduates of Registered Apprenticeship programs earn nearly three times more money after finishing their apprenticeship program than before their program.

[Administrative Order 278](#) supersedes Administrative Order 226, representing an affirmation and expansion of apprenticeship utilization standards developed under the Murkowski Administration in 2005.

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