

MONTANA REGISTERED  
**APPRENTICESHIP**  
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# Apprenticeship Works for Montana



Montana Department of  
**LABOR & INDUSTRY**

# Apprenticeship Works for Montana

NOVEMBER 15, 2021

## STATE OF MONTANA

Greg Gianforte, Governor  
Kristen Juras, Lieutenant Governor

## MONTANA DEPARTMENT OF LABOR & INDUSTRY

Laurie Esau, Commissioner

## AUTHOR

Nick Holom, Economist

## CREATED BY

Research & Analysis Bureau  
P.O. Box 1728  
Helena, MT 59624-1728  
(406) 444-4100  
[www.lmi.mt.gov](http://www.lmi.mt.gov)



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# Montana Registered Apprenticeship Overview

Apprenticeships are a time-honored tradition of passing on craftsmanship, knowledge, and skills to the next generation. While traditional apprenticeable occupations remain a large part of the program, the apprenticeship program has evolved to meet the needs of Montana's economy. Today's apprentices study in fields such as information technology and healthcare, in addition to plumbers, carpenters, electricians, and other trades. Apprenticeships require college-level learning to keep up with the science, computing, and technologies needed for modern-day success.

The Montana Department of Labor & Industry's Registered Apprenticeship Program partners with union and non-union sponsors to establish registered apprenticeship programs across the state. A registered apprenticeship program provides the on-the-job and classroom training required to meet the national requirements for an industry-recognized certificate using a curriculum customized to meet the employer's needs. Once an apprentice completes a registered apprenticeship program, they obtain an industry-recognized credential demonstrating to employers in all 50 states that they are qualified and trained.

Since 2000, the Montana Registered Apprenticeship Program has coordinated approximately 11,100 apprenticeships in 110 different occupations. These apprenticeships involved 9,600 individuals and over 1,300 businesses. The demand for apprenticeships is expected to continue to grow. Over the next ten years, approximately 49% of projected worker demand will be in apprenticeable occupations. Employers can contact Montana's Registered Apprenticeship program to start their own apprenticeship training.

The apprenticeship option offers a way for workers to earn while they learn, allowing an individual to remain in the labor force and earn a paycheck while obtaining certification in their career field. Apprentices who completed a program earned an average wage of \$59,000 in the first year after graduation, nearly \$11,700 more than the statewide average wage. Over the last five years, the program has graduated an average of

260 apprenticeships per year, providing a considerable contribution to Montana's trained workforce. Sponsors are helped financially with lower recruitment costs and through the apprenticeship tax credit which started in 2018.

### **Highlights include:**

- Over 2,600 apprentices were active in 2021, with growth over the last five years.
- Apprenticeship graduates earn high wages. One year after graduation, apprentices earned an average annual salary of \$59,000—over \$11,700 higher than the statewide average wage.
- Apprenticeships help retain skilled workers in Montana. Approximately 85% of apprentices who graduated before 2017 were still working for a Montana employer five years later.
- In 2021, there were 686 programs with an active apprentice during the year, 59 of which were new programs.
- Although apprenticeships over the past five years have been hosted in 49 out of 56 counties, five counties hosted 58% of the new apprenticeships in the state: Lewis and Clark (768 new apprenticeships), Gallatin (474), Flathead (354), Yellowstone (330), and Silver Bow (297).
- Apprentices were trained in 85 different occupations since 2020. Montana Registered Apprenticeship staff assists interested employers in establishing apprenticeships in new fields.
- Apprenticeship programs help meet the high demand for many healthcare-related occupations. In 2020, the Montana apprenticeship program had 239 apprenticeships in the healthcare industry -- 9% of all apprenticeships.
- Apprenticeship continues to primarily serve workers in the early stages of their careers. In 2021, 84% of apprentices were between the ages of 16 and 34.

For additional information on the statistics provided in this report, please see the full apprenticeship data report for 2020 available at: [lmi.mt.gov/publications](https://lmi.mt.gov/publications).

# How Does the Montana Registered Apprenticeship Program Work?

Registered apprenticeships involve an apprentice worker participating in a structured work-based learning program with both technical instruction and on-the-job practical training. The on-the-job practical training is



supervised by a journeyman or experienced worker in the field. MTDLI is currently seeking public comment on the number of apprentices that can be supervised by a single worker, with the changes intended to expand apprenticeship opportunities in the state. Comments on this rule change can be submitted to [DLIRatioComments@mt.gov](mailto:DLIRatioComments@mt.gov).

The employer works with Montana's Registered Apprenticeship program to establish the program and curriculum, ensuring the training is customized to the employers needs while also meeting national standards for curriculum and training. MTDLI's Registered Apprentice Program is a recognized State Apprenticeship Agency by the U.S. Department of Labor, allowing the Department to monitor the apprenticeship and award apprenticeship credentials.

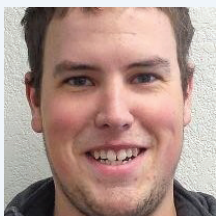
The Registered Apprenticeship Program works with nonunion and union employers to help them set up customized programs that follow the recommended curriculum, then monitors program progress to ensure program goals are met. MTDLI can help businesses find potential workers to fill apprenticeship positions, but the employer completes the hiring process. Approximately 644 Montana businesses were serving as active apprenticeship sponsors in 2020.

After completing a registered apprenticeship, the participant receives a national industry-recognized credential. Many states, including Montana, require a registered apprentice certification for state licensing in trade

occupations such as plumbers or electricians. In many instances, the participant may also earn a simultaneous post-secondary degree.

The expected completion time of most apprenticeships is approximately four years. However, the training for some occupations can be as short as one year. Apprenticeships can be cancelled by either the employer or the apprentice if the job match is unsuitable. The training costs, such as tuition payments, books, or supplies, are typically paid by the apprentice, although sponsors can also meet these needs. Sponsors must pay the apprentice a wage, create a mentorship with existing staff to provide on-the-job guidance, and allow additional time for training while completing a job. In exchange, employers benefit from having a specifically trained worker to meet the exact needs of their business. Starting in the 2018 tax year, eligible sponsors can also receive a tax credit for sponsoring an apprentice.

## **PROFILES IN APPRENTICESHIP**



### **Meet Caleb Reynolds** **Detailed Construction - Helena, MT**

Caleb is a fourth-year apprentice working for Detailed Construction. He says, “through the apprenticeship classes and on-the-job training, I have learned a lot of valuable skills and broadened my knowledge of carpentry.

Some of the most beneficial classes I have been able to take are blue-print reading, framing, and even concrete. It is always fun going to class and having a chance to learn from both a book and real-life experiences as well as my classmates’ experiences. Before I entered my apprenticeship, if you would have handed me a set of plans and asked me to build a house I would have been lost. Now I feel like anything is possible and I have more to offer.”

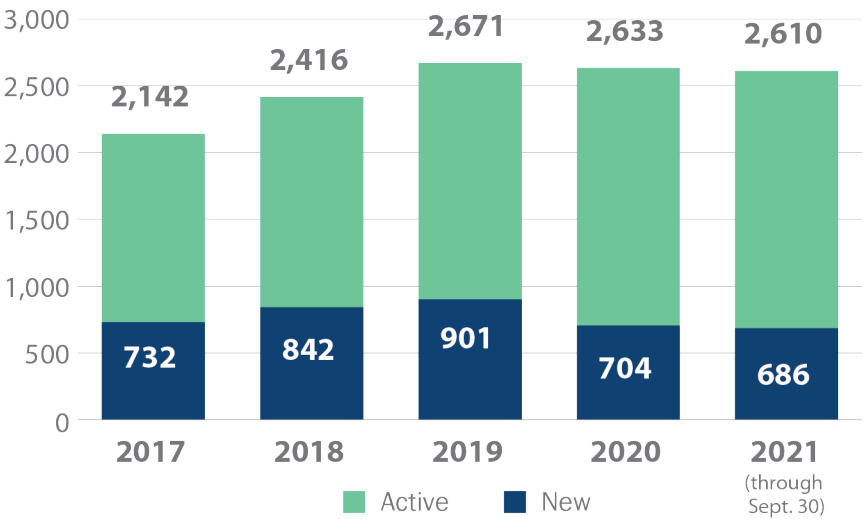
“When I began my new career path, I had no idea the places it would take me and the people I would meet. Through the great pay of skilled trades, I have been able to buy our first home, buy a new camper, a new truck and live a very comfortable lifestyle.”



# Apprenticeships Steady Through the Pandemic

Apprenticeship has grown in the last five years, as shown in **Figure 1**. However, the number of new apprenticeships fell in 2020 as both workers and employers mitigated the uncertainty of the global pandemic, leading to an overall decrease in the number of apprentices in ongoing training. Thankfully, ongoing active apprenticeships remained relatively steady in 2020. The stable employment among ongoing apprentices was likely due to the high number of apprenticeships in the construction industry (which had fewer job losses during the pandemic).

**Figure 1**  
**Active and New Apprenticeships**





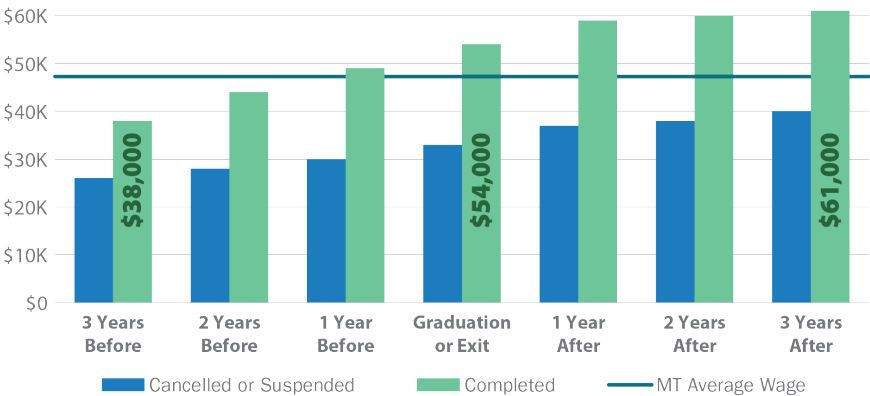
# Apprenticeship Wages and Graduation Outcomes

About 45% of apprentices complete at least one apprenticeship. On-time completion rates in apprenticeship are comparable to MUS 4-year graduation rates, with 28% of apprentices completing within program length compared to 24% of students graduating in four years.

The positive outcome of apprenticeship is best reflected in the high wages of program completers. **Figure 2** shows apprentice wages before, during, and after the program by completion status. One year following graduation, average wages for those completing apprenticeships are \$54,000 -- \$11,700 more than the state average wage. Including both the wage gains made during and after the program, apprentices make \$21,000 more one year after completion than when they started the program. Three years after completion, the average wage for completers is \$61,000, roughly \$13,700 above the state average wage.

Another benefit of the apprenticeship program is that apprentice graduates are more likely to stay with Montana employers in the years following graduation. Of those who completed an apprenticeship before 2016, 85% were still employed in Montana five years later, while only 73% of non-completers were still employed in Montana.

**Figure 2**  
**Wages Before and After Apprenticeship**

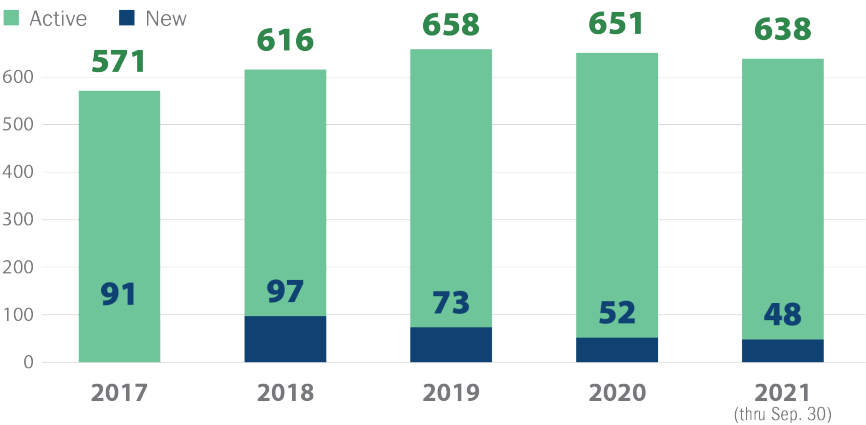


*Note: Wages inflated to 2020 dollars using CPI-U from BLS. Wages rounded to thousands.*

# Business Sponsors

Since 2017, 877 businesses have sponsored an apprenticeship. Some employers have training programs in multiple occupations, resulting in over 970 active programs since 2017. **Figure 3** lists the number of active and new sponsors by year since 2017. A total of 52 new sponsors were added in 2020. Most of these sponsors were in the construction industry (40), while others were in a variety of industries such as healthcare and social assistance (3), manufacturing (3), and other services (3).

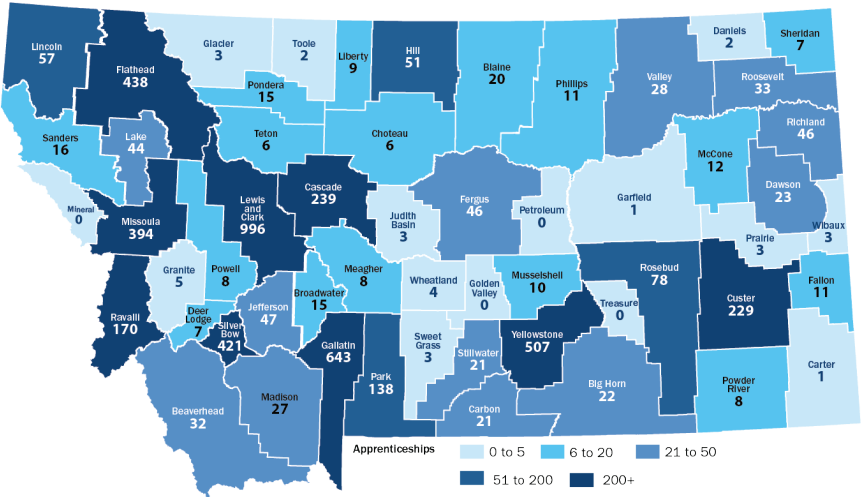
**Figure 3**  
**Active and New Business Sponsors by Year**



Source: MTDLI Registered Apprenticeship Program. Data from 2017 to September 30, 2021.

Sponsors have hosted Registered Apprenticeships in almost every county in Montana. **Figure 4** illustrates the number of new apprenticeships since 2017 by county. Though most new apprenticeships are in Montana’s most populous counties, many rural counties in Montana hosted 20 or more new apprenticeships since 2017, including Lincoln, Lake, Blaine, Valley, Dawson, Hill, Beaverhead, and other rural counties.

**Figure 4**  
**New Apprenticeships since 2017 by County**



# **PROFILES IN APPRENTICESHIP**



## **Meet Kristy Ferguson and Megan Reed Beyond the Box, Inc. - Billings, MT**

Kristy is an apprenticeship sponsor and CEO of Beyond the Box, Inc. located in Billings, MT. Her company specializes in kitchen and bath remodeling, new construction and design. Kristy credits the apprenticeship program

with helping her grow her business and retain excellent employees, including Megan.

Megan completed the apprenticeship program at Beyond the Box, Inc. and earned her certificate. She is now a full time designer with Beyond the Box, Inc. and assists in job supervision with onsite design projects.

Megan’s accomplishments have earned her a spot in the National Kitchen + Bath Association’s 30 Under 30, which honors young professionals in the kitchen and bath industry.



# Apprenticeships Occupations

Apprentices have trained in 110 different occupations since 2000, though not all are active each year. Apprentices were trained in 85 different occupations since 2020. The most common occupation by total apprenticeships is electrician, which make up 32% of new apprenticeships since 2017, followed by plumbing (22%), carpenters (8%), and nursing assistants (7%). **Figure 5** lists the top 20 occupations by new apprenticeships since 2017.

**Figure 5: Top 10 Occupations for New Apprenticeships**

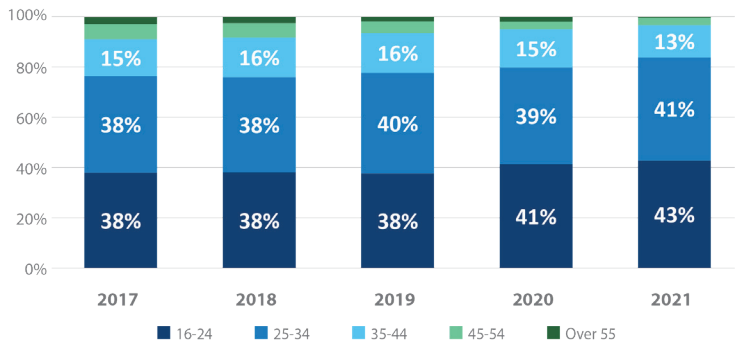
ONET	Occupation	2017	2018	2019	2020	2021*	New Since 2017
47-2111	Electricians	234	264	250	230	276	1,254
47-2152	Plumbers, pipefitters, & steamfitters	166	186	171	169	173	865
47-2031	Carpenters	39	79	56	83	40	297
31-1131	Nursing assistants	89	54	84	32	15	274
47-2221	Structural iron & steel workers	20	26	54	32	29	161
47-2211	Sheet metal workers	21	21	27	27	31	127
49-9021	HVAC mechanics & installers	22	27	23	15	16	103
39-9011	Childcare workers	14	15	9	12	10	60
29-2072	Medical records specialists	8	39	9	0	1	57
49-9051	Electrical power-line installers & repairers	18	8	9	11	9	55

Nine new occupations have been added in 2020 and 2021. The newest occupations added in 2020 and 2021 include food batch makers, registered nurses, glaziers, farm equipment mechanics, structural metal fabricators, paralegals and legal assistants, fine artists, cooks, and dental laboratory technicians.

# Age of Apprentices

The apprenticeship program continues to primarily serve younger workers in the early stages of their careers. **Figure 6** shows apprentices by age group. In 2021, 84% of new apprentices are between the ages of 16 and 34.

**Figure 3**  
**New Apprenticeships by Age Group**



## PROFILES IN APPRENTICESHIP



**Meet Ivan Jones**  
**R&R Construction - Bozeman, MT**

Ivan Jones, an employee at R&R Taylor Construction in Bozeman, is in his first year of the Carpentry Apprenticeship program.

Jones is also only a Junior at Belgrade High School. He overheard a few co-workers talking about the apprenticeship and decided that it would be a good career path.

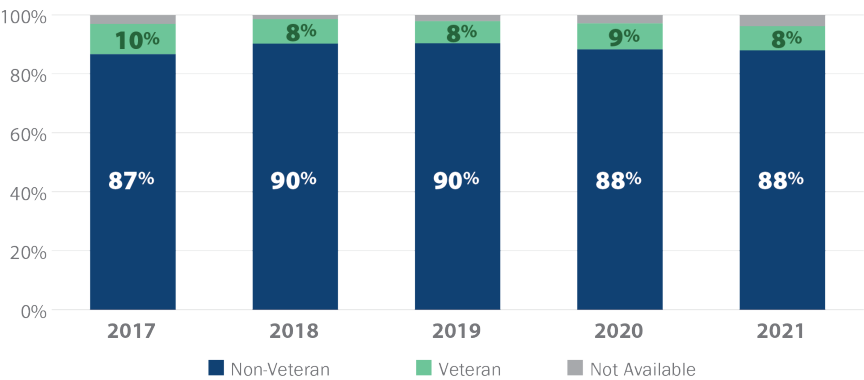
He felt by joining the apprenticeship program he could learn more than he could sitting at a desk job. He has been with R&R Taylor Construction for about 5 months.

Ivan hopes to learn the skills and tools to become a journeyman in carpentry. He says, “Learning to be an efficient carpenter while finishing up high school has been a great opportunity.”

# Veterans in Apprenticeship

Starting in 2018, sponsors were able to receive a tax credit for hiring an apprentice, with the size of the tax credit increasing if the apprentice is a veteran. The presence of the tax credit did not increase the share of new apprentices who were veterans. **Figure 7** shows the share of new apprenticeships by veteran status. The percentage has remained relatively consistent over time with veterans making up 8-10% of new apprentices.

**Figure 7**  
**New Apprenticeships by Veteran Status**



## Future Demand for Apprentices

Employment forecasts for the next ten years demonstrate continued demand for workers trained through apprenticeship. Approximately 48% of Montana’s projected job growth over the next ten years will be in occupations that could be trained through apprenticeships, or roughly 30,400 jobs per year. As Montana continues to train its future workforce, expansion of apprenticeship into new occupations may be one opportunity to prepare workers for in-demand jobs.

## Apprenticeship Tax Credit

The 2017 Legislature created a tax credit for employers that employ apprentices. The first year that businesses were eligible to claim this credit was in 2019 for apprentices hired in 2018. The credit is either \$750 or \$1,500 per apprentice, depending on the apprentice's veteran status, and is available to employers for apprentices that have completed their probationary training period.

In 2020, 458 businesses were eligible to claim the tax credit compared to 314 in 2019. A total of 1,335 apprentices were eligible, 100 of which were veterans. The combined tax credits available for all eligible employers was \$1,076,250 in tax year 2020.







## **For More Information Contact:**

Jay Reardon - State Director  
james.reardon@mt.gov  
(406) 444-3556

## **Visit our website at:**

[apprenticeship.mt.gov](http://apprenticeship.mt.gov)



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