

**Report 10-12
September 2010**

An Evaluation

Minorities and Women in Construction Trade Apprenticeships

Department of Workforce Development

2009-2010 Joint Legislative Audit Committee Members

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Response

From the Department of Workforce Development



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State Auditor

September 8, 2010

Senator Kathleen Vinehout and
Representative Peter Barca, Co-chairpersons
Joint Legislative Audit Committee
State Capitol
Madison, Wisconsin 53703

Dear Senator Vinehout and Representative Barca:

At the request of the Joint Legislative Audit Committee, we have completed an evaluation of participation by minorities and women in construction trade apprenticeships, which are regulated by the Department of Workforce Development (DWD). An apprenticeship is a contract between DWD, the apprentice, and a local trade committee made up of employer and employee representatives. In exchange for his or her labor, an apprentice receives paid on-the-job training and classroom instruction. An apprenticeship must last at least one year but typically lasts four to five years.

The number of minorities participating in apprenticeships increased from 431 in fiscal year (FY) 1999-2000 to 568 in FY 2008-09, but the number of women decreased from 228 to 136. Many minorities and women have been unable to find employment as apprentices, even though local trade committees have determined them to be eligible.

We identified several concerns with DWD's oversight. For example, while DWD approves local trade committees' affirmative action plans, which are required to detail efforts to increase participation, it has allowed committees to develop plans that do not describe specific activities. In addition, DWD has not always reviewed committees' affirmative action efforts consistently or in a timely manner.

Executive Order 108 requires apprentices to be employed on certain state construction and highway projects. We found that enforcement action was taken against only one firm for noncompliance with the order from 2006 through 2009. We include a recommendation for increased attention to this issue.

We appreciate the courtesy and cooperation extended to us by DWD. Its response follows the appendices.

Respectfully submitted,

Janice Mueller
State Auditor

JM/DS/ss

Report Highlights ■

Many eligible minorities and women are unable to find apprenticeships.

DWD's oversight of local trade committees needs improvement.

DWD did not decide appeals of apprenticeship contract cancellations in a timely manner.

Additional efforts are needed to enforce an Executive Order requiring apprentices on state construction projects.

The Department of Workforce Development's (DWD's) Bureau of Apprenticeship Standards employs 16 staff statewide to regulate apprenticeships for various skilled trades, including 22 construction trades such as carpentry and plumbing. In fiscal year (FY) 2008-09, there were 11,744 apprentices statewide, and the Bureau spent \$2.0 million—primarily in federal funds—for its regulatory efforts.

An apprenticeship is a contract between three parties: an apprentice; a local trade committee, which assigns the apprentice to an employer that provides on-the-job training and classroom instruction in exchange for the apprentice's paid labor; and DWD, which defines and enforces all apprenticeship contracts. An apprenticeship typically lasts four to five years. Upon its successful completion, the apprentice is authorized to work for any employer in the trade as a skilled journeyworker.

Some legislators have expressed concerns that relatively few minorities and women participate in apprenticeships and that there has been inconsistent enforcement of Executive Order 108, which requires apprentices to be employed on certain state construction and highway projects. Therefore, at the request of the Joint Legislative Audit Committee, we analyzed:

- the extent to which minorities and women worked as apprentices in the construction trades, which employed the most apprentices from FY 1999-2000 through FY 2008-09;

- affirmative action efforts of local trade committees and DWD's oversight of the committees; and
- enforcement of Executive Order 108.

Participation Levels

Statewide, 94 local trade committees operate apprenticeship programs in the construction trades. DWD requires the committees to maintain information on the number of applicants for apprenticeship positions, as well as the number determined eligible by the committees, but it collects this information only sporadically. DWD provided us with the most recently collected information on 72 of the 94 committees.

Men and women who are racial or ethnic minorities accounted for 25.9 percent of all applicants for apprenticeships in the construction trades, and 22.7 percent of those who were determined eligible. Minority and non-minority women accounted for 4.5 percent of all applicants and 4.6 percent of those determined eligible.

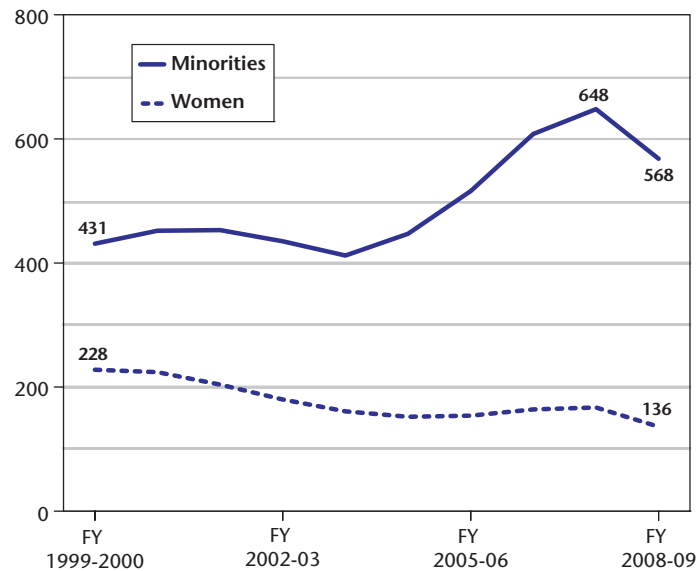
Many minorities and women have been unable to find employment as apprentices, even though they have been determined to be eligible. Minority participation peaked at 8.8 percent in FY 2007-08, when 648 of the 7,400 construction trade apprenticeships in Wisconsin were held by racial or ethnic minorities of either sex, as shown in Figure 1. In contrast, female participation peaked at 2.8 percent in FY 1999-2000, when 228 of 8,164 construction trade apprenticeships were held by minority and non-minority women.

In FY 2008-09—the most recent year for which data are available—there were 568 minority apprentices and 136 female apprentices in the construction trades statewide. Over a ten-year period, the total number of construction trade apprentices decreased by 16.5 percent, likely in part as a result of the recent recession.

We found that 48.2 percent of minorities and 65.7 percent of non-minorities who contracted to be apprentices from FY 1999-2000 through FY 2003-04 had completed their apprenticeships by December 2009. Completion rates were 55.3 percent for women and 64.8 percent for men. However, on average, minorities and women completed their apprenticeships in 4.0 years, while non-minorities and men did so in 4.4 years.

Figure 1

Minority and Female Participation in Construction Trade Apprenticeships



Oversight of Local Trade Committees

DWD requires each local trade committee with five apprentices or more to develop an affirmative action plan detailing outreach and recruiting activities for minorities and women, but it has not consistently required plans to be updated or to describe specific activities for increasing minority and female participation in construction trade apprenticeships.

We reviewed 18 affirmative action plans. Although most had been adopted within the last five years, one local trade committee's plan was more than 14 years old, and the statewide plan for Associated Builders and Contractors—which is used by all member committees outside of Madison—was created in 1987 and not updated until August 2010.

Only 4 of the 18 plans described efforts to track whether employers actually hired eligible minorities and women, and only 3 described retention activities such as tutoring, other educational support services, or exit interviews to determine why individuals left apprenticeships.

DWD is required to regularly determine whether each local trade committee is operating in accordance with its affirmative action plan, but neither administrative rules nor DWD's policies specify how often these compliance reviews should occur. DWD completed

57 compliance reviews within the last three years and 84 within the last six years. Six inaccurate or incomplete reviews were returned by DWD's central office to regional staff for correction and completion, and four committees were not reviewed.

DWD's most recent compliance reviews indicated that no local trade committees had met their minority and female participation goals but that 59 had made good-faith efforts to do so. DWD is required to either initiate legal action or deregister a committee that is not operating in accordance with its plan, which revokes the committee's authority to sponsor apprentices. DWD has not deregistered any noncompliant committee, in part because it is reluctant to harm apprentices as a result of doing so.

Complaints and Appeals

Administrative rules stipulate that apprentices have 180 days to file discrimination complaints with DWD. However, DWD recently implemented procedures requiring complaints to be filed within 60 days, which conflicts with administrative rules. We note no discrimination complaints were filed in 2008 or 2009.

If a local trade committee asks DWD to cancel an apprenticeship contract, including for reasons related to work performance, the apprentice may object by appealing to the Bureau of Apprenticeship Standards. In 2008 and 2009, the Bureau decided 14 appeals, including 5 filed by minorities and 1 by a woman. Resolution time averaged 152.6 days, or approximately five months. Neither statutes nor administrative rules specify time limits for deciding appeals, but in May 2010, DWD modified its policies to specify that appeals should be resolved within 21 days.

One of the 14 appeals, as well as a second appeal that has not yet been resolved, involved allegations of discrimination that apprentices made after they had appealed their contracts' proposed cancellation. We found that DWD does not handle such complaints consistently.

Apprenticeship Requirements in State Contracts

Executive Order 108 directs the departments of Administration (DOA) and Transportation (DOT) to require contractors and subcontractors to employ apprentices on certain state building construction and highway projects. Before awarding a contract subject to the order, DOA and DOT must ensure that the projects' contractors and subcontractors have either been authorized by DWD

to train apprentices or have applied to train them. However, they notify DWD only after awarding contracts.

From 2006 through 2009, DWD determined that firms working on 47.6 percent of state construction and highway contracts complied with Executive Order 108. Noncompliance has increased in each year and was found in a total of 223 contracts and subcontracts, including 132 administered by DOA and 91 administered by DOT.

If DWD determines a firm has not complied, DOA and DOT may terminate the applicable contract, withhold contract payments, or make a firm ineligible for future contracts. DOA took action against only one firm for noncompliance with the order from 2006 through 2009, and DOT has never taken action, in part because DWD has not been timely in determining noncompliance and took an average of 305 days to make a determination. In five instances, firms that DWD had previously determined to be noncompliant subsequently worked as subcontractors on projects subject to Executive Order 108.

Recommendations

Our report includes recommendations for DWD to report to the Joint Legislative Audit Committee by December 1, 2010, on:

- ☑ the cost of centrally tracking and reporting, by race and gender, on the number of individuals who apply for apprenticeships and the number who are determined to be eligible for them ([p. 25](#));
- ☑ its efforts to strengthen oversight of local trade committees by requiring each committee, at least every five years, to submit an affirmative action plan that contains specific activities; by sanctioning committees that are found to be noncompliant with their plans; and by standardizing how it handles allegations of discrimination that arise during appeals ([p. 38](#)); and
- ☑ its efforts to improve compliance with Executive Order 108 ([p. 44](#)).

We also recommend that DWD modify its procedures to specify that apprentices are allowed 180 days to file discrimination complaints, as required by administrative rules ([p. 34](#)).

Introduction ■

DWD determines the trades that can involve apprenticeships and has adopted standards.

Wisconsin's first apprenticeship law was passed in 1911, to standardize and regulate the training programs for various skilled trades. DWD determines the trades that may employ apprentices and has adopted minimum standards for training requirements, employer and apprentice qualifications, and the duties of local trade committees.

In FY 2008-09, there were 11,744 apprentices statewide, including:

- 6,818 in 22 construction trades, such as carpentry and plumbing;
- 1,527 in 10 industrial trades, such as tool and die making; and
- 3,399 in 8 service trades, such as barbering and cosmetology.

In the construction trades, 94 local trade committees each operate an apprenticeship program.

An apprenticeship program for the construction trades, which train the largest number of apprentices, is operated by 94 local trade committees, including:

- 83 joint advisory committees, whose membership is equally divided between representatives of employers and employees who typically belong to trade unions;

- 7 committees operated by Associated Builders and Contractors, whose members include representatives of nonunionized employers and employees; and
- 4 advisory committees, whose members are primarily representatives of employers, although some represent employees.

Trade associations and labor unions nominate local trade committee members, who are approved by DWD. A committee is responsible for all apprentices in its trade and geographic area. Section 106.001(4), Wis. Stats., requires DWD to approve each committee's plan for recruiting individuals to become apprentices, determining whether individuals meet minimum qualifications, assigning apprentices to employers, and overseeing apprentice training. Section DWD 295.04(1), Wis. Adm. Code, requires each committee to establish a graduated apprenticeship wage scale that averages 60.0 percent of the wage rate for journeyworkers in a given trade.

Section 106.01, Wis. Stats., stipulates that any individual 16 years or older may enter into an apprenticeship contract, which must last at least one year. With DWD's approval, a local trade committee assigns apprentices to employers that DWD has authorized to employ apprentices and that agree to honor the contracts. Apprentices may be reassigned with DWD's approval, as long as the new employer agrees to honor the existing contract. DWD establishes a maximum apprentice-to-journeyworker ratio for firms in each trade, which is designed to ensure proper training and supervision.

During the first two years of an apprenticeship, an employer is statutorily required to provide at least 144 hours of classroom instruction related to the trade. If an apprenticeship lasts longer than two years, an employer must pay for at least 400 hours of classroom instruction, which technical colleges typically provide.

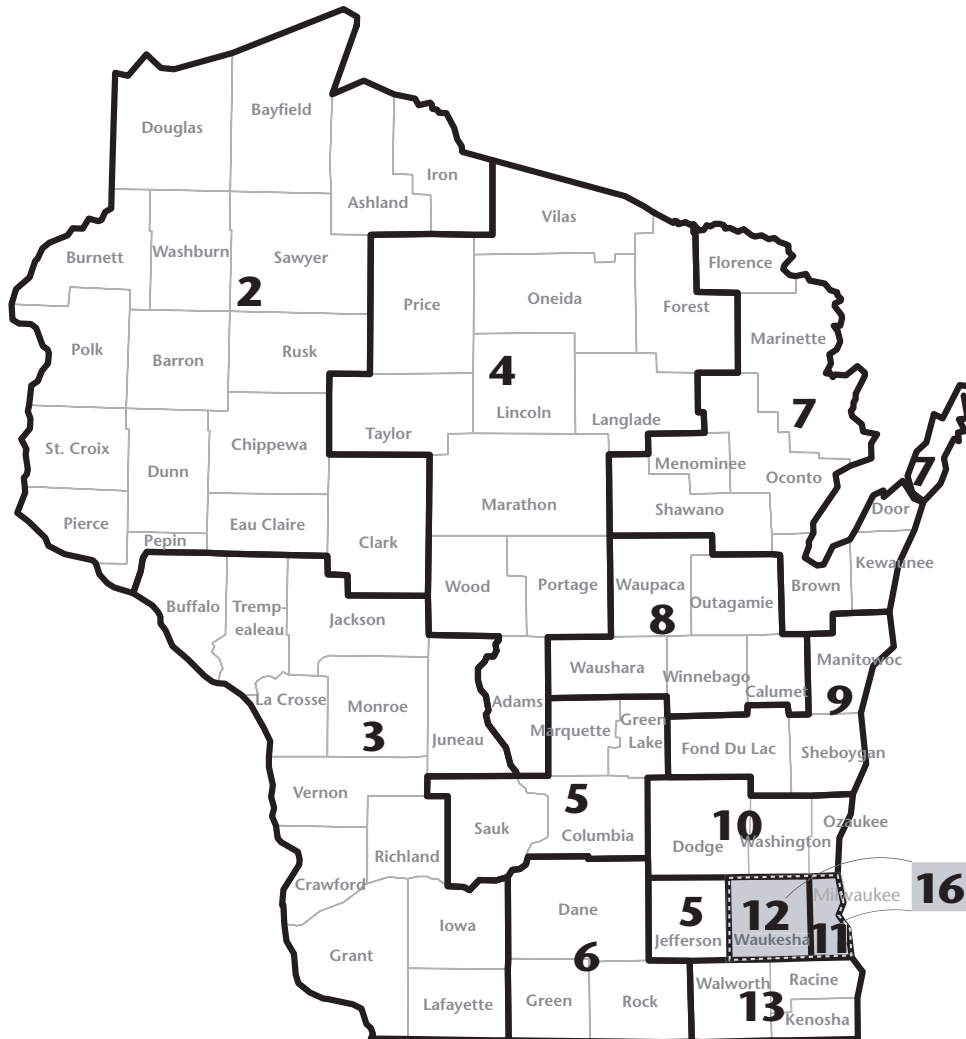
Until recently, statutes also required the contracts to specify the number of hours apprentices were to work; the process and methods by which they were to be taught and the approximate amount of time to be spent on each area; and apprentice compensation. 2009 Wisconsin Act 291, which was enacted in May 2010, removed these provisions, which DWD then incorporated into a revision of administrative rules that was submitted to the Legislature's standing committees on Labor and Workforce Development in July 2010. The revisions also reflect various changes in federal regulations that pertain to apprenticeships.

Thirteen DWD regional staff monitor apprenticeships and ensure that contracts are followed.

Thirteen DWD staff work in the Bureau of Apprenticeship Standards' regions, which are shown in Figure 2. They monitor apprenticeships and ensure that contracts are followed, in part by attending the regular meetings of local trade committees and approving or disapproving committee decisions to qualify individuals as apprentices, assign apprentices to employers, and help to address contract terminations. Regional staff typically work out of technical colleges, Workforce Development Board job centers, or DWD regional offices.

Figure 2

Regions of DWD's Bureau of Apprenticeship Standards¹



¹ There are 13 regions designated by number. The former regions 1, 14, and 15 have been consolidated into other regions. Region 16 includes some local trade committees in Milwaukee County and some in Waukesha County. Regions 11 and 12 include other local trade committees in either Milwaukee or Waukesha county.

The Wisconsin Apprenticeship Advisory Council advises DWD on apprenticeship policies. 2009 Wisconsin Act 291 increased its membership and modified its appointment process to include 9 employer and 9 employee representatives appointed by DWD's Secretary, 2 public members appointed by DWD's Secretary, 1 member appointed by the director of the Wisconsin Technical College System, 1 member appointed by the State Superintendent of Public Instruction, and a DWD staff member appointed by DWD's Secretary and serving as the nonvoting chairperson.

This is our third evaluation of apprenticeships. In April 1984, we found low levels of minority and female participation and reported that the Department of Industry, Labor and Human Relations, which then regulated apprenticeships, had not used its authority to sanction local trade committees that did not comply with affirmative action requirements. In December 1992, we found that minorities held only 3.9 percent of apprenticeship contracts in five construction trades, and women held only 1.6 percent, and we identified a number of committees that had not completed statutorily required affirmative action plans.

Some legislators have again raised concerns about the continued low level of minority and female participation in construction trade apprenticeships, DWD's oversight, and compliance with Executive Order 108, which was first applicable in January 2006 and requires apprentices to be employed on certain state building and highway projects.

In conducting this evaluation, we:

- determined minority and female participation in apprenticeships from FY 1999-2000 through FY 2008-09, which was the most recently completed fiscal year during our audit;
- contacted 20 of the 94 local trade committees, selected for geographic distribution and to include those with relatively high or low minority and female participation levels, and reviewed their affirmative action activities;
- interviewed DWD staff and reviewed policies and procedures on DWD's oversight of local trade committees' affirmative action efforts;

- interviewed members of the Wisconsin Apprenticeship Advisory Council, officials of 15 associations and other groups interested in and involved with apprenticeships, staff in the U.S. Department of Labor (which operates the apprenticeship programs in 25 states, including Illinois, Indiana, Iowa, and Michigan), and apprenticeship officials in Minnesota (which operates its own program);
- reviewed appeals that apprentices filed after committees had requested their contracts be cancelled; and
- analyzed the extent to which state agencies and private firms complied with Executive Order 108 from 2006 through 2009.

Funding and Expenditures

DWD's Bureau of Apprenticeship Standards is funded primarily by federal revenue.

As shown in Table 1, DWD's Bureau of Apprenticeship Standards is funded primarily by federal Reed Act revenue. A small amount of program revenue is provided from registration fees for DWD's biennial statewide apprenticeship conference, which offers workshops for local trade committees, trade unions, and trade associations. The Bureau of Apprenticeship Standards has not been funded with general purpose revenue since FY 2006-07.

Table 1

Funding Sources of DWD's Bureau of Apprenticeship Standards
(in millions)

	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
Federal Revenue	\$1.6	\$1.7	\$1.8	\$2.1	\$1.9
General Purpose Revenue	0.1	<0.1	0.1	–	–
Program Revenue	0.1	<0.1	0.1	<0.1	0.1
Total	\$1.8	\$1.7	\$2.0	\$2.1	\$2.0

The Bureau of Apprenticeship Standards' expenditures are approximately \$2.0 million annually.

As shown in Table 2, salaries and fringe benefits account for almost two-thirds of the Bureau of Apprenticeship Standards' expenditures, which are approximately \$2.0 million annually. In addition to the 13 regional staff, there are 3 staff in the Bureau's central office, and 2 authorized positions are vacant. The Bureau also has two project positions. Professional and contractual services include costs incurred by various DWD administrative offices and allocated to all DWD programs, and the costs of services provided to the Bureau by DWD's information technology programmers.

Table 2
Bureau of Apprenticeship Standards Expenditures
 (in millions)

	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
Salaries	\$0.9	\$0.8	\$0.9	\$0.8	\$0.9
Fringe Benefits	0.4	0.4	0.4	0.4	0.4
Professional and Contractual Services	0.3	0.2	0.5	0.6	0.4
Travel and Training	0.1	0.1	0.1	0.1	0.1
Other ¹	0.1	0.2	0.1	0.2	0.2
Total	\$1.8	\$1.7	\$2.0	\$2.1	\$2.0

¹ Includes supplies, rent, printing, telecommunications, maintenance and repairs, and advertising.

In March 2010, the Joint Committee on Finance approved DWD's request to spend \$6.0 million in federal funds provided by the American Recovery and Reinvestment Act of 2009. DWD plans to use these funds as part of a three-year effort to upgrade and expand apprenticeship programs in renewable energy and energy efficiency industries, such as energy-efficient construction, renewable electric power, and biofuels. DWD expects more than 2,500 individuals, or approximately 20.0 percent of all apprentices in FY 2008-09, to complete these apprenticeships and find employment related to their training. The Joint Committee on Finance is requiring DWD to report annually, beginning in January 2011, on the use of these funds, including the number of participating apprentices and the number of jobs created.

Participation of Minorities and Women ■

During the past 25 years, relatively few minorities and women have participated in construction trade apprenticeships in Wisconsin. In order to better understand factors affecting participation levels in the most recent ten-year period for which data were available, we analyzed the number of minority and female applicants for apprenticeships, the number of applicants determined eligible by local trade committees, the number of apprentices, and the number who completed their apprenticeships from FY 1999-2000 through FY 2008-09.

Application and Eligibility for Apprenticeships

Administrative rules require local trade committees to maintain information on the number of individuals who apply to become apprentices and the number determined eligible. Criteria vary by committee. Most committees require individuals to have at least a high school diploma or a General Educational Development certificate, to be physically able to perform the trade, to have a valid driver's license and reliable transportation, and to pass an aptitude test. Some committees have additional requirements. For example, electrical committees require individuals to have completed an algebra course and earned at least a C grade. DWD sporadically collects application and eligibility information from committees and maintains it in paper files.

DWD had application and eligibility information for only 72 of 94 local trade committees.

In response to our request for the most recent application and eligibility information collected from each of the 94 local trade committees, DWD provided information on:

- 64 committees for a recent 12-month period that often, but not always, coincided with the calendar year;
- 7 committees for periods that varied from 13 to 23 months; and
- 1 committee for a 1-month period.

As shown in Table 3, 25.9 percent of the 6,630 individuals who applied to be apprentices were minorities, and 4.5 percent were women. Of the 3,406 applicants who were determined to be eligible for apprenticeships, 22.7 percent were minorities and 4.6 percent were women.

Table 3

Applicants and Their Eligibility for Construction Trade Apprenticeships¹

	Applicants		Eligible for Apprenticeships	
	Number	Percentage of Total	Number	Percentage of Total
Minorities	1,715	25.9%	773	22.7%
Non-Minorities	4,915	74.1	2,633	77.3
Total	6,630	100.0%	3,406	100.0%
Women	301	4.5%	155	4.6%
Men	6,329	95.5	3,251	95.4
Total	6,630	100.0%	3,406	100.0%

¹ Based on information for 72 of 94 local trade committees and periods that ranged from 1 to 23 months, although 64 of the 72 committees' information was for a 12-month period.

Considerably more minorities and women applied to joint advisory committees than to Associated Builders and Contractors committees, which resulted in more minorities and women being eligible for apprenticeships through joint advisory committees than Associated Builders and Contractors committees. We found that:

- Joint advisory committees had 6,091 applicants, of whom 27.1 percent were minorities and 4.8 percent were women.
- Associated Builders and Contractors committees had 510 applicants, of whom 12.7 percent were minorities and 1.6 percent were women.
- Joint advisory committees determined that 2,981 individuals were eligible for apprenticeships, of whom 24.5 percent were minorities and 4.9 percent were women.
- Associated Builders and Contractors determined that 415 individuals were eligible for apprenticeships, of whom 10.1 percent were minorities and 1.9 percent were women.

No minorities applied to 23 of 72 local trade committees, and no women applied to 33 committees.

Appendix 1 shows the number of minority applicants to each local trade committee and the number determined eligible for apprenticeships. Appendix 2 shows female applicants and their eligibility. No minorities applied to 23 of the 72 committees for which information was available, and no women applied to 33 committees. However, some committees had a large proportion of minority or female applicants. For example:

- the Southeast Wisconsin Construction Craft Laborers committee had 676 minority applicants, who represented 75.9 percent of its total applicants; and
- the Madison Area Carpentry committee had 30 female applicants, who represented 10.5 percent of its total applicants.

No minority applicants were determined to be eligible for apprenticeships by 33 local trade committees, and no female applicants were determined to be eligible by 42 committees. However, some committees determined that relatively large proportions of minority and female applicants were eligible for apprenticeships. For example:

- the Wisconsin Operating Engineers committee determined that all 64 minority and all 11 female applicants were eligible;

the Southeast Wisconsin Construction Craft Laborers committee determined that 452 of 676 minority applicants, or 66.9 percent, were eligible; and

- the Milwaukee Area Electrical committee determined that 21 of 71 minority applicants, or 29.6 percent, and 3 of 12 female applicants, or 25.0 percent, were eligible.

Participation Levels

Minority participation in construction trade apprenticeships generally increased in the past decade but decreased in FY 2008-09.

Unlike application and eligibility information, which is incomplete and from varying time periods, DWD regularly collects information on minority and female participation in construction trade apprenticeships from all 94 committees. As shown in Table 4, the total number of apprentices decreased from 8,164 in FY 1999-2000 to 6,818 in FY 2008-09, or by 16.5 percent, likely in part as a result of the recent recession. Minority participation generally increased from FY 1999-2000 to FY 2007-08 but decreased to 568 individuals and 8.3 percent of all construction trade apprentices in FY 2008-09. Minorities currently make up approximately 12.0 percent of Wisconsin’s labor force.

Table 4

Minority Participation in Construction Trade Apprenticeships

Fiscal Year	Total Apprentices	Minority Apprentices ¹	Percentage of Total
1999-2000	8,164	431	5.3%
2000-01	8,724	452	5.2
2001-02	8,618	453	5.3
2002-03	8,175	435	5.3
2003-04	7,561	412	5.4
2004-05	7,303	447	6.1
2005-06	7,317	516	7.1
2006-07	7,441	608	8.2
2007-08	7,400	648	8.8
2008-09	6,818	568	8.3

¹ Includes men and women.

Appendix 3 shows minority participation levels for each local trade committee, while Appendix 4 shows minority participation in each of 22 construction trades in FY 2008-09. We found that 492 of 5,298 apprentices with joint advisory committees, or 9.3 percent, were minorities, while 56 of 1,386 apprentices with Associated Builders and Contractors committees, or 4.0 percent, were minorities.

The number of women in construction trade apprenticeships has generally decreased in the past decade.

As shown in Table 5, the number of women in construction trade apprenticeships has generally decreased since FY 1999-2000 and was 136, or 2.0 percent of the total, in FY 2008-09. Women are approximately one-half of Wisconsin’s labor force but historically have not worked in construction trades. Appendix 3 shows female participation levels for each local trade committee, and Appendix 4 shows female participation levels in each of 22 construction trades in FY 2008-09.

Table 5

Female Participation in Construction Trade Apprenticeships

Fiscal Year	Total Apprentices	Female Apprentices ¹	Percentage of Total
1999-2000	8,164	228	2.8%
2000-01	8,724	224	2.6
2001-02	8,618	204	2.4
2002-03	8,175	180	2.2
2003-04	7,561	161	2.1
2004-05	7,303	152	2.1
2005-06	7,317	154	2.1
2006-07	7,441	164	2.2
2007-08	7,400	167	2.3
2008-09	6,818	136	2.0

¹ Includes minorities and non-minorities.

With 122 female apprentices, joint advisory committees had higher female participation levels than Associated Builders and Contractors committees. Joint advisory committees had a female participation rate of 2.3 percent. In comparison, Associated Builders and Contractors committees had 14 female apprentices, or a 1.0 percent female participation rate.

In recent years, DWD has attempted to address barriers hindering minorities and women from participating in construction trade apprenticeships. For example, it has developed an orientation guide to provide apprentices with information on how to respond to harassment issues at the work site and how to file complaints if they are subjected to inappropriate behavior. In anticipation of apprentices becoming journeyworkers, individuals in the final year of their apprenticeships are also provided with training that emphasizes the importance of creating a positive work environment for everyone. In addition, Bureau of Apprenticeship Standards staff note they have visited job fairs, high schools, and correctional institutions to promote apprenticeships and to stress the importance of diversity in the workplace.

We attempted to compare Wisconsin's minority and female participation levels to those of other midwestern states but were unable to obtain comparable data from Minnesota and Ohio, which operate their own apprenticeship programs but do not report data for minority and female apprentices in the construction trades, or from the federal Department of Labor, which operates the apprenticeship programs in four other midwestern states.

Many eligible minorities and women have been unable to find apprenticeships, yet one-half of employers reported difficulty in receiving applications from them.

Even though many eligible minorities and women have been unable to find apprenticeships, some employers have reported difficulty in receiving applications from them. In October 2008, the Wisconsin Apprenticeship Advisory Council reported on the results of its survey of 2,165 construction and manufacturing firms that employed apprentices. The survey was created with the help of seven construction and manufacturing employer associations. Among the 483 responding firms, 51.4 percent reported having "rarely or never" received apprenticeship applications from minorities, while 69.6 percent reported having "rarely or never" received applications from women. Responding firms suggested several ways for DWD and the Council to improve diversity, including by increasing awareness of apprenticeship opportunities among minorities and women, particularly those who have not yet graduated from high school.

Some advocates have asserted that even though discrimination is prohibited by state and federal laws, it plays a role in the relatively low levels of minority and female participation in apprenticeship programs. A November 2006 DWD report notes that some minority and female apprentices reported experiencing excessive scrutiny and isolation at job sites, which they attributed to their race or gender, and some indicated there was insufficient mentoring to help them cope with work demands and issues they faced. Others have noted that minorities and women may be more affected when transportation options to construction sites are limited, and low

female participation is sometimes attributed to perceptions that some construction trades are inappropriate for women. Local trade committees have noted that some construction firms prefer to hire family members and friends of existing employees, who have historically tended to be non-minorities. In addition, some firms encourage their employees to enter apprenticeship programs and then hire them as apprentices.

However, some local trade committees operate programs that seek to increase the number of minority and female applicants who obtain apprenticeships. For example, pre-apprenticeship programs provide trade-specific training before individuals apply for apprenticeships. Some committees also refer applicants who have been determined ineligible to test preparation or tutoring services and encourage them to reapply after completing the services.

The method local trade committees use to assign apprentices to employers may influence participation levels. In FY 2008-09:

- 24 committees, including all 15 electrical committees and 9 other committees operating primarily in Milwaukee or Madison, each created a “rank-order” list of eligible apprentices based on their scores on an aptitude test given to all applicants, and required employers seeking apprentices to generally choose the highest-ranked individual, subject to their committees’ approval; and
- 70 committees certified individuals who met eligibility requirements and provided each with a letter of introduction for presentation to potential employers, which select the apprentices they want to hire subject to their committees’ approval. It should be noted that individuals with letters of introduction may have already identified specific employers that want to hire them.

Some believe that the rank-order method tends to increase participation levels because an employer must select the highest-ranked individual, regardless of race or gender. Others disagree, because the rank-order method relies in part on oral interviews that they believe could affect scores negatively if local trade committee members are unfamiliar with the potentially different experiences and perspectives of minorities and women.

Participation rates differed based on how apprentices were assigned to employers.

As shown in Table 6, we found that Milwaukee-area local trade committees that used the rank-order method had lower minority and female participation rates than committees that used letters of introduction. In contrast, committees in the remainder of the state that used the rank-order method had higher minority and female participation rates than committees that used letters of introduction.

Table 6

**Participation in Construction Trade Apprenticeships Based on Method for Assigning Apprentices to Employers
FY 2008-09**

	Rank-Order Method			Letter of Introduction Method		
	Local Trade Committees Using Method	Apprentices Assigned	Percentage	Local Trade Committees Using Method	Apprentices Assigned	Percentage
Milwaukee Area	8	1,205	100.0%	9	1,481	100.0%
Minorities		135	11.2		304	20.5
Women		29	2.4		45	3.0
Remainder of State	16	682	100.0	61	3,404	100.0
Minorities		26	3.8		84	2.5
Women		28	4.1		34	1.0

Completion of Apprenticeships

Minorities were less likely than non-minorities to complete their apprenticeships, and women were less likely to do so than men.

Most construction trade apprenticeships are intended to be completed within five years, but they may be extended if, for example, an apprentice is laid off for an extended period. We therefore analyzed the extent to which individuals who entered into apprenticeship contracts at any time from FY 1999-2000 through FY 2003-04 had completed their apprenticeships by or before December 2009. As shown in Table 7, minorities were less likely than non-minorities to complete their apprenticeships, and women were less likely to do so than men. Appendix 5 shows completion rates for apprentices at each local trade committee by minority status, and Appendix 6 shows completion rates by gender.

Table 7

Completion of Construction Trade Apprenticeships¹

	Began Apprenticeships	Completed Apprenticeships	Completion Rate
Minorities	535	258	48.2%
Non-Minorities	8,016	5,263	65.7
Women	188	104	55.3
Men	8,363	5,417	64.8

¹ Individuals who began apprenticeships at any time from FY 1999-2000 through FY 2003-04 and completed them by or before December 2009.

Minorities and women contracting with joint advisory committees were more likely to complete their apprenticeships than those contracting with Associated Builders and Contractors committees. We found that:

- 49.4 percent of minority apprentices completed their apprenticeships with joint advisory committees, compared to 40.0 percent with Associated Builders and Contractors committees; and
- 56.9 percent of female apprentices completed their apprenticeships with joint advisory committees, compared to 42.9 percent with Associated Builders and Contractors committees.

Minorities and women completed their apprenticeships in less time than non-minorities and men.

Minorities and women completed their apprenticeships in less time than non-minorities and men, as shown in Table 8.

The federal Department of Labor also calculates completion rates, using a method that allows only one extra year for apprenticeships that exceed their expected completion date because, for example, of an extended layoff or maternity leave. By this method, Wisconsin's FY 2008-09 minority completion rate exceeded rates in Michigan, Indiana, Iowa, and Ohio but was less than the rate in Illinois. Wisconsin's female completion rate exceeded the rates in Michigan and Ohio but was less than the rates in Illinois, Indiana, and Iowa. Comparative completion rates based on the federal Department of Labor data are shown in Appendix 7.

Table 8

Average Years to Complete Construction Trade Apprenticeships¹

	Apprentices	Average Years
Non-Minorities	5,263	4.4
Minorities	258	4.0
Men	5,417	4.4
Women	104	4.0

¹ Individuals who began apprenticeships at any time from FY 1999-2000 through FY 2003-04 and completed them by or before December 2009.

In June 2008, DWD made \$25,000 in federal indirect cost reimbursement funds available for a pilot program to retain more minority apprentices in the Milwaukee area. Through May 2009, a nonprofit workforce development organization provided ten hours of training to prospective mentors, who were matched with 29 active apprentices (including 13 minorities and 16 non-minorities) and made presentations about the benefits of mentorships to 200 employers, employer associations, and local trade committees. Because DWD believes the program increased the construction industry’s interest in mentoring and may have helped to retain African-American apprentices, it plans to use another \$51,000 in federal Workforce Investment Act funds for a year-long mentoring program targeted to African-American apprentices in the Milwaukee area. The program is expected to begin in October 2010.

Improving Management Information

DWD should collect and maintain application and eligibility information related to apprenticeships.

Because a new federal regulation requires states to evaluate completion rates for all apprentices no later than December 31, 2010, DWD submitted revisions to its administrative rules to the Legislature’s standing committees on labor and workforce development in July 2010. As DWD takes steps to comply with the federal regulation, it could also take steps to improve its management of related apprenticeship information. As noted, it maintains incomplete, inconsistent information on individuals, including minorities and women, who apply for apprenticeships and on those who are determined to be eligible. While regularly collecting application and eligibility information from all local trade committees and entering it into an

electronic database would involve additional costs, it would also allow DWD to better assess the efforts of individual local trade committees to increase minority and female participation, as well as to identify committees that need to improve their efforts.

Recommendation

We recommend the Department of Workforce Development report to the Joint Legislative Audit Committee by December 1, 2010, on the cost of centrally tracking and reporting the race and gender of individuals who apply for apprenticeships and those who are subsequently determined to be eligible.

■ ■ ■ ■

Affirmative Action Efforts and Oversight ■

DWD’s administrative rules require each local trade committee with five apprentices or more to develop an affirmative action plan that details the outreach and recruiting efforts it will take to ensure minorities and women have equal opportunities. DWD approves all plans, and it is required to “regularly” review each committee’s apprenticeship program and determine whether the committee is acting in accordance with its plan. Apprentices who believe that their local trade committee or employer has discriminated against them may file formal complaints with DWD, which is statutorily allowed to investigate both complaints and on its own initiative. DWD may terminate any contract that it determines has been breached or cannot be fulfilled by the apprentice.

We examined DWD’s oversight of the outreach and recruitment process and contacted 20 committees, including 4 operated by Associated Builders and Contractors, about their affirmative action plans, as well as its policies and procedures for resolving apprentices’ discrimination complaints and appeals of apprenticeship contract terminations.

Affirmative Action Plans

DWD requires most local trade committees to develop affirmative action plans.

DWD requires each of the 83 joint advisory committees and 4 advisory committees to complete its own affirmative action plan. Associated Builders and Contractors completes one plan on behalf of six of its seven committees, while Associated Builders and Contractors of Madison completes its own plan.

We reviewed 18 affirmative action plans, including 16 developed by local trade committees and the 2 used by Associated Builders and Contractors committees. We found that:

- 14 plans had been approved by DWD;
- 2 plans had never been submitted for approval;
- 1 plan had not been approved by DWD because it was incomplete, and there was no record of a modified plan ever having been resubmitted for approval; and
- 1 plan did not indicate whether it had been approved.

DWD approved the plans at various times during the past 15 years. Approval required from 26 to 557 days. The average approval time was 269 days.

DWD does not require local trade committees to update their plans after a specific time period, although its training materials for regional staff indicate that plans should be updated every five years. Some advocates are concerned that all plans have not been consistently updated, despite the relatively low levels of minority and female participation. We found that 14 of the 18 plans were adopted within the last five years, but 1 local trade committee's plan was more than 14 years old, and the plan for Associated Builders and Contractors committees outside of Madison had never been updated since 1987, when the organization's involvement in apprenticeships was first approved. In August 2010, DWD approved an updated plan for Associated Builders and Contractors committees statewide.

Most of the 18 affirmative action plans we reviewed did not list specific activities.

Advocates have also raised concerns that some plans are vague, which hinders effective analysis of committees' affirmative action efforts. We found that most of the 18 plans we reviewed did not list specific outreach and recruiting activities, only 4 described efforts to track whether employers actually hired eligible minorities and women, and only 3 described retention activities such as tutoring, educational support services, or exit interviews to determine why individuals left apprenticeships. For example:

- only 2 plans identified specific career fairs as part of the outreach activities, while 15 indicated only that local trade committees would participate in unspecified outreach events, and 1 did not address career fairs; and

- only 4 plans identified specific community groups with which local trade committees would cooperate to provide preparatory tutoring and pre-apprenticeship services, while 11 indicated only the establishment of such services would be encouraged but did not describe strategies, and 3 did not address pre-apprenticeship services.

Ten plans did identify specific community groups to which information on apprenticeships would be provided, six plans included only a general statement that the committees would distribute such information, and two plans did not address this activity.

Compliance Reviews

DWD must regularly review each local trade committee's outreach and recruiting efforts.

Administrative rules require DWD to:

- regularly complete a compliance review of each local trade committee's outreach and recruiting efforts;
- determine whether it is operating in accordance with its affirmative action plan; and
- institute proceedings to either deregister or initiate legal action against a committee that is not operating in accordance with its plan.

Administrative rules do not specify how often reviews should occur, and DWD has not created a policy to address their frequency.

DWD completed compliance reviews of 57 local trade committees within the last three years.

As shown in Table 9, DWD completed compliance reviews of 57 local trade committees within the last three years, including 18 reviews that were completed after we requested them. Six reviews that were inaccurate or incomplete were returned by DWD's central office to regional staff for correction and completion, and four committees that began operation in 2000 or earlier have not yet been reviewed. While examining the most recently completed compliance reviews, we noted that 29 committees had operated for at least ten years before being reviewed for the first time.

Table 9

**Years Since DWD Completed Compliance Reviews
of Local Trade Committees**
As of December 2009

	Committees	Percentage of Total
Less than 3 Years ¹	57	60.6%
3 to 5 Years	17	18.1
5 to 6 Years	10	10.6
Subtotal	84	
Review was Inaccurate or Incomplete ²	6	6.4
No Review Completed	4	4.3
Total	94	100.0%

¹ Includes 18 compliance reviews that were completed after we requested them.

² DWD's central office returned these reviews to regional staff for correction and completion.

DWD's most recent compliance reviews indicated that no local trade committee met its own participation goals.

Moreover, as shown in Table 10, DWD's most recent compliance reviews indicated that no local trade committee had met both its minority and female participation goals, although 59 committees were found to be compliant based on good-faith efforts. Statewide, 25 committees involved with a variety of trades were found to be noncompliant, but DWD did not deregister any noncompliant committee, in part because it is reluctant to harm apprentices by doing so.

Table 10

Results of Compliance Reviews

	Milwaukee Area Local Trade Committees	Local Trade Committees Outside Milwaukee	Total
Compliant			
Met Participation Goals	0	0	0
Made Good-Faith Efforts	16	43	59
Noncompliant	1	24	25
Total	17	67	84

Central office staff indicated that if a local trade committee does not meet its participation goals and does not demonstrate good-faith efforts, a corrective action plan is created and the committee receives annual compliance reviews until it is compliant. However, we found that at least one year had passed since 12 of the 25 committees were found to be noncompliant, and none had subsequently received an annual compliance review.

Good-Faith Efforts to Meet Participation Goals

Administrative rules require each local trade committee to base its participation goals on an analysis that compares the proportions of minority and female apprentices already in the committee's trade to the proportions of minorities and women in the labor force of the area served by the committee. If this analysis indicates there are fewer minority and female apprentices than could be expected, the committee's affirmative action plan must include participation goals it could reasonably be expected to achieve from good-faith efforts to implement the plan. However, DWD allows committees to establish lower, interim goals if their actual participation rates are significantly lower than their goals.

Local trade committees' minority participation goals varied widely.

Minority participation goals in the 18 affirmative action plans we reviewed ranged from 3.4 percent for the Eau Claire Area Electrical local trade committee to 22.6 percent for the Milwaukee Area Electrical local trade committee. We found that:

- 8 plans include a goal that is the same as or similar to the proportion of minorities in the labor force of the area where the committee operates;
- 5 plans include a goal that is higher than the proportion of minorities in the labor force of the area where the committee operates;
- 4 plans include a goal that is lower than the proportion of minorities in the labor force of the area where the committee operates; and
- the Associated Builders and Contractors' statewide plan in effect until August 2010 included a goal of 5.5 percent, which was based on the statewide proportion of minorities in the workforce when the plan was created in 1987. Currently, minorities make up approximately 12.0 percent of Wisconsin's workforce.

DWD allows local trade committees to establish a female participation goal of 20.0 percent, although we note that s. DWD 296.05(6), Wis. Adm. Code, indicates that committees are generally expected to establish goals that are not less than the actual participation rate of women in the prior year. According to the federal Department of Labor, the expectation is that participation rates, and thereby goals, will increase over time.

Most of the affirmative action plans we reviewed likely contain female participation goals that are too high, given actual participation levels and the provision in administrative rules. Our review of the 18 affirmative action plans found that:

- 3 plans include a goal that ranged from 5.0 to 7.0 percent;
- 13 plans include a goal of 20.0 percent; and
- 2 plans include a goal that ranged from 21.0 to 25.0 percent.

DWD was inconsistent in determining whether local trade committees demonstrated good-faith efforts.

In its most recent compliance reviews of 20 committees, DWD found 16 committees to be compliant as a result of good-faith efforts, and 4 to be noncompliant. We attempted to assess the good-faith efforts of the committees that DWD found compliant, but 5 of its 16 reviews included only minimal information on efforts taken and referenced attached documents that were not provided to us. We also found inconsistencies in DWD's determinations of whether good-faith efforts had been demonstrated in the remaining 11 compliance reviews.

For example, DWD allows the Associated Builders and Contractors' statewide committee to adopt a single affirmative action plan but conducts separate compliance reviews of the organization's local trade committees, which do not themselves conduct outreach and recruiting activities. DWD determined that four Associated Builders and Contractors committees were compliant based on good-faith efforts, although available information indicates:

- no efforts had been made in the area where one committee operates;
- 1 affirmative action activity had been conducted in the area where a second committee operates;
- 6 activities had been conducted in the area where a third committee operates; and
- 15 activities had been conducted in the area where a fourth committee operates.

We also noted inconsistencies in other DWD compliance reviews. For example, the reviews indicated that four local trade committees that DWD found to be compliant either had not completed the activities described in their affirmative action plans, had completed few of those activities, or did not indicate whether the activities described in their plans had been completed. The compliance review of one joint advisory committee that was found to be compliant indicated the committee did not distribute its affirmative action policy to all employers or have minority journeyworkers conduct outreach activities as its plan indicated it would do.

It is important that DWD regional staff complete compliance reviews accurately and consistently. In addition, the reviews contain the information we used to determine minority and female apprentice application and eligibility rates, and this information was incomplete, inaccurate, or not provided for 22 committees. DWD trains new staff in how to complete compliance reviews, but it last provided training to all staff in May 2004.

Discrimination Complaints

Administrative rules stipulate that apprentices have 180 days to submit complaints alleging discrimination to DWD. If DWD's investigation indicates reasonable cause to conclude that an apprentice suffered discrimination, DWD may sanction the local trade committee with a forfeiture of \$100 to \$1,000 or by de-registration, which prevents the committee from operating an apprenticeship program. DWD indicated that a committee has been assessed a forfeiture only once in the past 15 years, in part because until May 2010 the maximum forfeiture allowable by statutes was \$100. DWD has never deregistered a committee because to do so would harm all of the committee's apprentices, whose contracts would be cancelled.

No discrimination complaints were filed by apprentices in 2008 or 2009.

No discrimination complaints were filed by apprentices in either 2008 or 2009. DWD encourages apprentices to try to resolve problems with their employers and local trade committees before filing complaints, but some advocates believe apprentices are reluctant to file discrimination complaints because they fear retribution or retaliation from employers and co-workers. A November 2006 DWD report recommended that a telephone hotline for recording complaints be established, but DWD has not done so, in part because of the cost.

In May 2010, DWD implemented new procedures for handling all types of complaints, including those alleging discrimination. Under the new procedures:

- apprentices must file complaints within 60 days of an incident;
- a DWD regional staff member must complete an initial investigation within 30 days of a complaint’s receipt and then recommend a decision to central office staff within 15 days; and
- DWD central office staff must issue a final decision within 40 days of receiving the regional staff member’s recommendation.

DWD’s new complaint procedures do not comply with administrative rules or federal regulations.

DWD’s new complaint procedures do not comply with the requirement in s. DWD 296.11(1)(b), Wis. Adm. Code, that allows apprentices 180 days to file discrimination complaints. We also note that federal regulations, upon which DWD has based its rules, specify that the typical 60-day deadline for filing complaints does not apply to discrimination complaints.

Recommendation

We recommend the Department of Workforce Development modify its complaint procedures to specify that apprentices are allowed 180 days to file discrimination complaints.

Contract Termination Appeals

Apprentices may appeal requests by local trade committees to cancel their contracts.

DWD may terminate an apprenticeship contract for reasons related to the apprentice’s work performance. If the local trade committee requests termination, administrative rules require DWD to send the apprentice a written notice of its intent to cancel the contract. If the apprentice does not respond within 20 days, DWD cancels the contract. Otherwise, it remains in effect and DWD investigates the committee’s allegations. If a contractual issue such as the apprentice not making satisfactory progress in training or schooling is substantiated, DWD must cancel the contract and notify the apprentice, who has 20 days to request a hearing with DWD. However, a hearing cannot be requested if the cancellation resulted from issues such as absenteeism, tardiness, an apprentice’s use of drugs or alcohol at work or school, or insubordination.

Under DWD's procedures for handling appeals, the local trade committee is first directed to reconsider its contract cancellation request. If the request is reiterated, it is reviewed by the DWD regional staff member who oversees the committee. If the DWD regional staff member supports the request, the contract is cancelled, although the apprentice may appeal to the Bureau of Apprenticeship Standards' central office. If the regional staff member opposes the request, the Bureau of Apprenticeship Standards' central office investigates and makes a final determination. If central office staff cancel a contract because of contractual issues such as a lack of satisfactory progress in training or schooling, the apprentice may request a hearing with a DWD hearing officer.

Although approximately one-half of minority and female apprentices do not complete their apprenticeships, few have filed appeals. In 2008 and 2009, central office staff made final determinations of 14 appeals filed by apprentices who had received contract cancellation notices for a variety of reasons, including:

- excessive absence from the job, which resulted in local trade committees requesting that three contracts be cancelled;
- insufficient progress in required classroom instruction, which resulted in a local trade committee requesting that one contract be cancelled; and
- failure to attend a mandatory training event or submit time cards in a timely manner, which resulted in a local trade committee requesting that one contract be cancelled.

Central office staff cancelled 9 of 14 contracts for which final determinations were made in 2008 and 2009.

As shown in Table 11, central office staff cancelled 9 of the 14 contracts for which the Bureau of Apprenticeship Standards' central office made final determinations in 2008 and 2009. Cancellation rates for white males and minorities were similar, although too few appeals were decided to make meaningful comparisons. None of the 14 apprentices requested a hearing.

Table 11

**Contracts Cancelled by Central Office Staff in
the Bureau of Apprenticeship Standards
2008 and 2009**

	Appeals	Contracts Cancelled	Percentage Cancelled
White Males	8	5	62.5%
Minorities	5	3	60.0
Women	1	1	100.0
Total	14	9	64.3

DWD took 152.6 days, on average, to resolve 14 appeals in 2008 and 2009.

Although a contract remains in effect during the appeal process, timely resolution is important because the apprentice may have been dismissed from employment for issues that resulted in the appeal, and the local trade committee may not be successful in helping the apprentice find another employer. Neither statutes nor administrative rules specify time limits for deciding appeals after they are filed. However, we found that DWD took an average of 152.6 days, or approximately five months, to resolve the 14 appeals we reviewed. Three appeals were resolved within 60 days, but eight took more than 120 days, including one that took more than 300 days. The available information does not always indicate when regional staff members began their investigations but suggests that central office staff may have waited for multiple appeals to accumulate before resolving them.

In May 2010, DWD implemented policies to specify that no more than 21 days should elapse from the time a local trade committee begins to reconsider its cancellation request until the central office makes a final determination. It is unclear whether DWD will be able to resolve appeals this quickly, given the time required to resolve appeals in 2008 and 2009.

Allegations of Discrimination During Appeals

One of the 14 appeals that DWD resolved, as well as a second appeal that has not yet been resolved, involved allegations of discrimination that were made by apprentices after their contracts' proposed cancellation. In both instances, which involved the same local trade committee, the apprentices were alleged to have been repeatedly tardy and absent from work.

Both apprentices alleged that the DWD regional staff member responsible for overseeing their local trade committee was not objective and requested that another staff member investigate their appeals. In one case, a civil rights officer within DWD's Division of Employment and Training investigated and concluded that because the employment records of the committee and employer did not match, the contract should not be cancelled. Subsequently, the committee provided the apprentice with a "last-chance agreement" that clarified its policies regarding absenteeism and tardiness, and agreed to find the apprentice another employer.

In the second case, the DWD regional staff member completed an initial investigation and recommended the contract's cancellation. After the apprentice again appealed, DWD's chief legal counsel investigated and recommended the contract's cancellation. The apprentice subsequently filed a claim of discrimination with DWD's Equal Rights Division, which found probable cause that the Bureau of Apprenticeship Standards, the local trade committee, and the employer may have violated Wisconsin's Fair Employment laws, and it certified the case for a hearing. The case has not yet been resolved.

DWD handles discrimination complaints raised during the appeals process on a case-by-case basis. However, such allegations must be consistently and clearly handled so that all apprentices are treated similarly and can have confidence that their complaints are handled appropriately. In addition, the allegations must be handled by impartial staff who are not involved with the appeals process.

Improving Oversight

Regulating almost 12,000 apprenticeship contracts and 94 local trade committees is challenging for 16 Bureau of Apprenticeship Standards staff with an annual budget of approximately \$2.0 million. Because Wisconsin has chosen to administer the apprenticeship program, rather than allow the federal Department of Labor to do so on its behalf, effective regulation and oversight is important.

We identified a number of areas in which DWD's oversight of construction trade apprenticeships could be improved. DWD has not required all local trade committees to submit regularly updated affirmative action plans, and it has allowed some submitted plans to contain insufficient information on the committees' planned affirmative action activities. In addition, committees that are found to be noncompliant with their plans have not been sanctioned. Finally, DWD has not consistently handled allegations of discrimination that arise when apprentices appeal the cancellation of their contracts.

Recommendation

We recommend the Department of Workforce Development report to the Joint Legislative Audit Committee by December 1, 2010, on its efforts to strengthen oversight of local trade committees by:

- *requiring each committee, at least once every five years, to submit an updated affirmative action plan that contains specific activities;*
- *sanctioning committees that are found to be noncompliant with their affirmative action plans; and*
- *standardizing its process for handling allegations of discrimination that arise during appeals.*

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Apprenticeship Requirements in State Contracts ■

Executive Order 108 requires apprentices to be employed on certain state construction and highway projects.

Although statutes do not require firms working on state construction projects to employ apprentices, state agencies were directed by the Governor in 1971 to include provisions for employing apprentices in their construction contracts. In January 2006, this earlier order was updated by Executive Order 108, which reaffirmed the State's commitment to employing apprentices on state construction projects and was intended to help ensure a trained workforce for the future. Executive Order 108 directs the departments of Administration and Transportation to require contractors and subcontractors to employ apprentices on state building construction and highway projects that cost more than the threshold for applying prevailing wages, which is \$25,000 as of January 2010. DWD told us that since Executive Order 108 became effective in January 2006, almost 200 employers have been certified to train apprentices and approximately 950 apprenticeship opportunities were created. However, some legislators and others have raised questions about state agency compliance with the order.

Compliance with Apprenticeship Requirements

Before awarding state construction or highway contracts, DOA and DOT are required by Executive Order 108 to ensure that the projects' contractors and subcontractors have either been authorized by DWD to train apprentices or have applied to train them. The contracts must require that firms employing five or more workers in a trade

involving apprentices meet one of the following requirements, unless they are exempt for a reason specified in the order or based on a determination by DWD:

- currently employ, or have employed at any time during the current or prior calendar year, the maximum allowable ratio of journeyworkers to apprentices, which is a trade-specific proportion designed to ensure apprentices are properly trained;
- currently employ, or have employed at any time during the current or prior calendar year, a skilled workforce consisting of at least 10.0 percent apprentices on state construction projects, or at least 5.0 percent on highway projects;
- employ at the contract job site the maximum ratio of journeyworkers to apprentices, or ensure that apprentices work at least 10.0 percent of the total hours on a state construction project or at least 5.0 percent on a highway project; or
- agree that apprentices newly hired for the project will be engaged at the maximum ratio of journeyworkers to apprentices.

We found, however, that DWD does not receive contractor information from DOA and DOT until after contracts have been awarded. DWD then determines whether the contractors are qualified to train apprentices or have applied to train them, asks the contractors to specify all subcontractors, and seeks information from contractors and subcontractors indicating how they plan to comply with the order's requirements.

Compliance that is based on a firm's prior employment of apprentices can be determined immediately, but if compliance will be based on its work on the current project, DWD cannot make a determination until that work has been completed. In February 2010, during our fieldwork, DWD began meeting with DOA and DOT to consider ways for it to ensure that firms are qualified to train apprentices or have applied to train them before contracts are executed.

Noncompliance with Executive Order 108 has increased in each year since 2006.

As shown in Table 12, DWD determined that firms working on 47.6 percent of recent state construction and highway contracts and subcontracts complied with Executive Order 108, and that firms working on 45.0 percent of the total contracts were exempt from the order's requirements. However, noncompliance has increased in each year and was found in a total of 223 contracts and subcontracts, including 132 administered by DOA and 91 administered by DOT.

Table 12

**Compliance with Executive Order 108
on State Construction and Highway Contracts and Subcontracts
As Determined by DWD**

Status of Firms	2006 Contracts	2007 Contracts	2008 Contracts	2009 Contracts	Total Contracts	Percentage of Total
Compliant	1,334	1,647	1,749	2,369	7,099	47.6%
Exempt	1,568	1,762	1,801	1,585	6,716	45.0
Undetermined	0	6	65	801	872	5.9
Noncompliant	3	13	59	148	223	1.5
Total	2,905	3,428	3,674	4,903	14,910	100.0%

Moreover, during our audit fieldwork, DWD had not determined whether firms complied with the order in 801 instances in 2009. According to DWD, this total included 325 contracts and subcontracts involving firms that specialize in only one type of semi-skilled work, such as pavement marking or traffic control. DWD had previously exempted these firms because the nature of the work they performed did not enable them to provide on-the-job training in all aspects of the trade to apprentices. In May 2010, during our fieldwork, DWD implemented a policy to exempt only specialized firms that can demonstrate they receive more than 50.0 percent of their total revenues as a result of one type of work. Firms unable to do so must comply with provisions requiring them to employ apprentices or be found noncompliant. Late in August 2010, DWD indicated that it has now resolved 719 of the 801 contracts and subcontracts.

DOA has taken action against only one firm for noncompliance with Executive Order 108.

If DWD determines that a firm has not complied with Executive Order 108, DOA and DOT may terminate the applicable contract, withhold contract payments, or make the firm ineligible for future state construction or highway contracts. We found that no enforcement action was taken in any of the 223 instances of noncompliance. DOA temporarily withheld contract payments against one firm that did not comply with the order in 2006, but DOT has never taken any action, in part because DWD required an average of 305 days from the date a primary contract was awarded to make a determination of noncompliance. Available information did not indicate whether projects had been completed or firms had completed their project work by the time DWD made its determinations.

In five instances from 2006 through 2009, we found that firms DWD had previously determined to be noncompliant had subsequently worked as subcontractors on projects subject to Executive Order 108. All five instances occurred on DOA-administered projects. DOA

indicated that it allowed these firms to work on the projects because it has not yet promulgated administrative rules or policies for barring firms. In March 2010, during our audit, DOA began working with DWD to develop policies for sanctioning noncompliant firms.

DOT indicated to us that it would need information about the extent of a firm's noncompliance before it would consider barring the firm from future projects. For example, it might not bar a firm that had made good-faith efforts and barely missed complying. In March 2010, DOT began developing procedures for receiving compliance information from DWD.

Exemptions

Concerns have been raised about the extent to which DWD has exempted firms from Executive Order 108, which does not apply if:

- a firm cannot employ apprentices because the work it performs is not included in any apprenticeship program or is so specialized that the firm is unable to provide apprentices with the broad range of skills needed to become journeyworkers;
- a firm employs fewer than five skilled trade workers;
- a firm working for the first time on a project subject to the order indicates that it will comply on future projects;
- a firm is providing only construction materials to a project; or
- hiring the apprentices necessary to comply would displace current journeyworkers.

DWD granted firms a total of 6,716 exemptions from 2006 through 2009.

As shown in Table 13, DWD has granted firms 6,716 exemptions since 2006. Total exemptions declined from 2008 to 2009, in part because DWD made a limited number of determinations from October 2008 through May 2010 for firms that cannot employ apprentices because they provide only one type of semi-skilled labor and are therefore unable to offer training in the broad range of skills needed to become journeyworkers.

Table 14 shows the most common types of project work for which exemptions were granted when DWD determined that firms cannot employ apprentices. Work performed by general laborers, such as pavement marking, traffic control, concrete cutting, and fencing work, accounted for 51.3 percent of these exemptions. The number of exemptions granted for this type of work may decline in the future because of the new policy that DWD implemented in May 2010.

Table 13

Exemptions from Executive Order 108

	2006	2007	2008	2009	Total	Percentage of Total
Firm Cannot Employ Apprentices ¹	912	1,072	969	540	3,493	52.0%
Firm Employed Fewer Than Five Skilled Workers	291	431	426	616	1,764	26.3
Firm was Subject to the Order for the First Time	159	96	145	72	472	7.0
Firm Provided Construction Materials Only	54	51	72	141	318	4.7
Hiring Apprentices Would Displace Journeyworkers	38	31	33	24	126	1.9
Other ²	114	81	156	192	543	8.1
Total	1,568	1,762	1,801	1,585	6,716	100.0%

¹ Firms cannot employ apprentices when their work is not included in any apprenticeship program or is so specialized that the firms are unable to provide apprentices with the broad range of skills needed to become journeyworkers.

² Firms provided only program management services, apprentices were unavailable, or the project was not subject to prevailing wages.

Table 14

Work Performed by Firms that Could Not Employ Apprentices¹

	2006	2007	2008	2009	Total	Percentage of Total
Surveying/Engineering	134	161	147	207	649	18.6%
Pavement Marking	154	190	192	29	565	16.2
Traffic Control	125	155	124	24	428	12.3
Concrete Cutting	111	132	145	22	410	11.7
Fencing	126	142	118	1	387	11.1
Other ²	262	292	243	257	1,054	30.1
Total	912	1,072	969	540	3,493	100.0%

¹ Firms cannot employ apprentices when their work is not included in any apprenticeship program or is so specialized that the firms are unable to provide apprentices with the broad range of skills needed to become journeyworkers.

² Includes work such as landscaping, trucking, bridge painting, paving, and asbestos abatement.

Recommendation

We recommend the Department of Workforce Development report to the Joint Legislative Audit Committee by December 1, 2010, on:

- *its plans for determining firms' compliance with Executive Order 108 before the departments of Administration and Transportation execute contracts for state construction and highway projects; and*
- *how it resolved or intends to resolve the contracts and subcontracts for which compliance was undetermined in 2009.*

■ ■ ■ ■

Appendix 1

**Minority Applicants and Their Eligibility
for Construction Trade Apprenticeships¹**

Committee	Applicants			Eligible for Apprenticeships		
	Total	Minorities	Percentage of Total	Total	Minorities	Percentage of Total
Milwaukee Area						
Associated Builders and Contractors of Waukesha	141	35	24.8%	111	26	23.4%
Milwaukee Area Bricklaying	26	7	26.9	20	3	15.0
Milwaukee Area Cement Masonry	46	31	67.4	22	17	77.3
Milwaukee Area Electrical	264	71	26.9	126	21	16.7
Milwaukee Area Ironworking	160	55	34.4	54	12	22.2
Milwaukee Area Painting and Decorating	68	11	16.2	60	7	11.7
Milwaukee Area Plumbing	238	77	32.4	59	16	27.1
Milwaukee Area Sheet Metal	127	34	26.8	92	23	25.0
Milwaukee Area Tile Setters	6	0	0.0	6	0	0.0
Southeastern Wisconsin Area Carpentry	782	260	33.2	97	10	10.3
Southeastern Wisconsin Area Steamfitting	363	83	22.9	67	10	14.9
Southeastern Wisconsin Construction Craft Laborers	891	676	75.9	605	452	74.7
Southeastern Wisconsin Glazing	16	3	18.8	6	0	0.0
Wisconsin Operating Engineers ²	455	64	14.1	455	64	14.1
Subtotal	3,583	1,407	39.3	1,780	661	37.1
Remainder of State						
Associated Builders and Contractors of Fond du Lac	99	7	7.1	82	4	4.9
Associated Builders and Contractors of Green Bay	99	7	7.1	82	4	4.9
Associated Builders and Contractors of Madison	128	14	10.9	102	7	6.9
Associated Builders and Contractors of Marshfield	25	1	4.0	22	1	4.5
Associated Builders and Contractors of Rhinelander	18	1	5.6	16	0	0.0
Appleton Area Plumbing	31	1	3.2	23	0	0.0
Appleton Area Steamfitting	41	3	7.3	38	1	2.6
Appleton/Oshkosh Area Electrical	81	5	6.2	32	0	0.0
Central Wisconsin Area Carpentry Advisory Committee	3	0	0.0	2	0	0.0
Central Wisconsin Area Plumbing	12	1	8.3	11	0	0.0
Central Wisconsin Area Sheet Metal	23	0	0.0	9	0	0.0

Committee	Applicants			Eligible for Apprenticeships		
	Total	Minorities	Percentage of Total	Total	Minorities	Percentage of Total
East Central Wisconsin Area Sheet Metal	8	1	12.5%	7	0	0.0%
Eau Claire Area Carpentry	21	1	4.8	19	0	0.0
Eau Claire Area Electrical	59	2	3.4	42	0	0.0
Eau Claire Area Plumbing	20	0	0.0	17	0	0.0
Eau Claire Area Steamfitting	16	0	0.0	5	0	0.0
Eau Claire-Superior Sheet Metal	12	0	0.0	0	0	-
Fond du Lac Area Plumbing	8	1	12.5	7	1	14.3
Fox Valley Area Laborer	263	46	17.5	134	13	9.7
Fox Valley Area Sheet Metal	31	1	3.2	31	1	3.2
Fox Valley/Lakeshore Area Carpentry	23	0	0.0	15	0	0.0
Green Bay Area Steamfitting	45	4	8.9	44	3	6.8
Kenosha/Racine/Walworth Painters and Decorators	4	1	25.0	2	1	50.0
Kenosha/Racine/Walworth Plumbing	40	10	25.0	14	3	21.4
Kenosha/Racine/Walworth Steamfitting	52	9	17.3	12	2	16.7
La Crosse Area Carpentry	8	0	0.0	6	0	0.0
La Crosse Area Electrical	18	0	0.0	16	0	0.0
La Crosse Area Masonry	3	0	0.0	3	0	0.0
La Crosse Area Plumbing	24	3	12.5	21	2	9.5
La Crosse Area Sheet Metal	2	0	0.0	2	0	0.0
La Crosse Area Steamfitting	5	0	0.0	5	0	0.0
Madison Area Bricklaying	27	4	14.8	20	4	20.0
Madison Area Carpentry	285	45	15.8	117	10	8.5
Madison Area Cement Masonry	5	2	40.0	5	2	40.0
Madison Area Glazing	4	0	0.0	4	0	0.0
Madison Area Ironworking	133	21	15.8	49	4	8.2
Madison Area Painting and Decorating	55	10	18.2	33	3	9.1
Madison Area Plumbing	291	16	5.5	92	6	6.5
Madison Area Sheet Metal	171	10	5.8	37	4	10.8
Madison Area Steamfitting	85	13	15.3	23	2	8.7
Marshfield Area Plumbing	6	0	0.0	6	0	0.0
Northeastern Wisconsin Area Electrical	70	9	12.9	33	2	6.1
Northeastern Wisconsin Area Masonry	31	3	9.7	9	0	0.0
Northeastern Wisconsin Area Plumbing	27	0	0.0	20	0	0.0
Northern Wisconsin Area Heat and Frost Insulators	20	2	10.0	16	1	6.3
Northern Wisconsin Plumbing Advisory Committee	17	0	0.0	0	0	-
Rhinelander Area Plumbing	14	0	0.0	12	0	0.0

Committee	Applicants			Eligible for Apprenticeships		
	Total	Minorities	Percentage of Total	Total	Minorities	Percentage of Total
River Valley Area Electrical	197	8	4.1%	131	4	3.1%
River Valley Area Masonry	6	0	0.0	5	0	0.0
South Central Wisconsin Construction Craft Laborers	58	25	43.1	33	17	51.5
South Central Wisconsin Area Electrical	200	5	2.5	96	5	5.2
Southeastern Wisconsin Area Sheet Metal	69	15	21.7	25	5	20.0
Southwestern Wisconsin Area Construction Craft Laborers	17	0	0.0	15	0	0.0
Southwestern Wisconsin Area Plumbing Advisory Committee	9	0	0.0	8	0	0.0
Southwestern Wisconsin Area Electrical	1	0	0.0	1	0	0.0
Wausau Area Plumbing	20	0	0.0	10	0	0.0
Wausau Area Steamfitting	7	1	14.3	5	0	0.0
Western Wisconsin Area Plumbing	0	0	–	0	0	–
Subtotal	3,047	308	10.1	1,626	112	6.9
Total	6,630	1,715	25.9	3,406	773	22.7

¹ Based on information for 72 of 94 local trade committees and periods that range from 1 to 23 months, although 64 committees' information was for a 12-month period.

² DWD considers the Wisconsin Operating Engineers committee to be a Milwaukee-area committee, although it also operates in other areas.

Appendix 2

**Female Applicants and Their Eligibility
for Construction Trade Apprenticeships¹**

Committee	Applicants			Eligible for Apprenticeship		
	Total	Women	Percentage of Total	Total	Women	Percentage of Total
Milwaukee Area						
Associated Builders and Contractors of Waukesha	141	2	1.4%	111	2	1.8%
Milwaukee Area Bricklaying	26	0	0.0	20	0	0.0
Milwaukee Area Cement Masonry	46	8	17.4	22	5	22.7
Milwaukee Area Electrical	264	12	4.5	126	3	2.4
Milwaukee Area Ironworking	160	4	2.5	54	3	5.6
Milwaukee Area Painting and Decorating	68	10	14.7	60	10	16.7
Milwaukee Area Plumbing	238	5	2.1	59	2	3.4
Milwaukee Area Sheet Metal	127	5	3.9	92	2	2.2
Milwaukee Area Tile Setters	6	0	0.0%	6	0	0.0
Southeastern Wisconsin Area Carpentry	782	30	3.8	97	4	4.1
Southeastern Wisconsin Area Steamfitting	363	10	2.8	67	1	1.5
Southeastern Wisconsin Construction Craft Laborers	891	76	8.5	605	52	8.6
Southeastern Wisconsin Glazing	16	1	6.3	6	0	0.0
Wisconsin Operating Engineers ²	455	11	2.4	455	11	2.4
Subtotal	3,583	174	4.9	1,780	95	5.3
Remainder of State						
Associated Builders and Contractors of Fond du Lac	99	1	1.0	82	1	1.2
Associated Builders and Contractors of Green Bay	99	1	1.0	82	1	1.2
Associated Builders and Contractors of Madison	128	3	2.3	102	3	2.9
Associated Builders and Contractors of Marshfield	25	1	4.0	22	1	4.5
Associated Builders and Contractors of Rhinelander	18	0	0.0	16	0	0.0
Appleton Area Plumbing	31	2	6.5	23	1	4.3
Appleton Area Steamfitting	41	0	0.0	38	0	0.0
Appleton/Oshkosh Area Electrical	81	2	2.5	32	0	0.0
Central Wisconsin Area Carpentry Advisory Committee	3	0	0.0	2	0	0.0
Central Wisconsin Area Plumbing	12	0	0.0	11	0	0.0
Central Wisconsin Area Sheet Metal	23	0	0.0	9	0	0.0

Committee	Applicants			Eligible for Apprenticeship		
	Total	Women	Percentage of Total	Total	Women	Percentage of Total
East Central Wisconsin Area Sheet Metal	8	0	0.0%	7	0	0.0%
Eau Claire Area Carpentry	21	1	4.8	19	0	0.0
Eau Claire Area Electrical	59	4	6.8	42	2	4.8
Eau Claire Area Plumbing	20	0	0.0	17	0	0.0
Eau Claire Area Steamfitting	16	1	6.3	5	0	0.0
Eau Claire-Superior Sheet Metal	12	0	0.0	0	0	-
Fond du Lac Area Plumbing	8	0	0.0	7	0	0.0
Fox Valley Area Laborer	263	21	8.0	134	12	9.0
Fox Valley Area Sheet Metal	31	0	0.0	31	0	0.0
Fox Valley/Lakeshore Area Carpentry	23	2	8.7	15	0	0.0
Green Bay Area Steamfitting	45	0	0.0	44	0	0.0
Kenosha/Racine/Walworth Painters and Decorators	4	1	25.0	2	1	50.0
Kenosha/Racine/Walworth Plumbing	40	1	2.5	14	0	0.0
Kenosha/Racine/Walworth Steamfitting	52	0	0.0	12	0	0.0
La Crosse Area Carpentry	8	0	0.0	6	0	0.0
La Crosse Area Electrical	18	0	0.0	16	0	0.0
La Crosse Area Masonry	3	0	0.0	3	0	0.0
La Crosse Area Plumbing	24	0	0.0	21	0	0.0
La Crosse Area Sheet Metal	2	0	0.0	2	0	0.0
La Crosse Area Steamfitting	5	0	0.0	5	0	0.0
Madison Area Bricklaying	27	0	0.0	20	0	0.0
Madison Area Carpentry	285	30	10.5	117	12	10.3
Madison Area Cement Masonry	5	0	0.0	5	0	0.0
Madison Area Glazing	4	0	0.0	4	0	0.0
Madison Area Ironworking	133	3	2.3	49	2	4.1
Madison Area Painting and Decorating	55	5	9.1	33	4	12.1
Madison Area Plumbing	291	12	4.1	92	2	2.2
Madison Area Sheet Metal	171	5	2.9	37	0	0.0
Madison Area Steamfitting	85	4	4.7	23	2	8.7
Marshfield Area Plumbing	6	0	0.0	6	0	0.0
Northeastern Wisconsin Area Electrical	70	1	1.4	33	0	0.0
Northeastern Wisconsin Area Masonry	31	2	6.5	9	0	0.0
Northeastern Wisconsin Area Plumbing	27	0	0.0	20	0	0.0
Northern Wisconsin Area Heat and Frost Insulators	20	1	5.0	16	1	6.3
Northern Wisconsin Plumbing Advisory Committee	17	0	0.0	0	0	-
Rhineland Area Plumbing	14	2	14.3	12	2	16.7

Committee	Applicants			Eligible for Apprenticeship		
	Total	Women	Percentage of Total	Total	Women	Percentage of Total
River Valley Area Electrical	197	5	2.5%	131	5	3.8%
River Valley Area Masonry	6	0	0.0	5	0	0.0
South Central Wisconsin Construction Craft Laborers	58	7	12.1	33	3	9.1
South Central Wisconsin Area Electrical	200	5	2.5	96	3	3.1
Southeastern Wisconsin Area Sheet Metal	69	4	5.8	25	2	8.0
Southwestern Wisconsin Area Construction Craft Laborers	17	0	0.0	15	0	0.0
Southwestern Wisconsin Area Plumbing Advisory Committee	9	0	0.0	8	0	0.0
Southwestern Wisconsin Area Electrical	1	0	0.0	1	0	0.0
Wausau Area Plumbing	20	0	0.0	10	0	0.0
Wausau Area Steamfitting	7	0	0.0	5	0	0.0
Western Wisconsin Area Plumbing	0	0	–	0	0	–
Subtotal	3,047	127	4.2	1,626	60	3.7
Total	6,630	301	4.5	3,406	155	4.6

¹ Based on information for 72 of 94 local trade committees and periods that range from 1 to 23 months, although 64 committees' information was for a 12-month period.

² DWD considers the Wisconsin Operating Engineers committee to be a Milwaukee-area committee, although it also operates in other areas.

Appendix 3

**Minorities and Women Participating in Construction Trade
Apprenticeships by Committee**
FY 2008-09

Committee	Total Apprentices	Minorities		Women	
		Number	Percentage of Total	Number	Percentage of Total
Milwaukee Area					
Associated Builders and Contractors of Waukesha	264	41	15.5%	5	1.9%
Milwaukee Area Bricklaying	41	14	34.1	1	2.4
Milwaukee Area Cement Masonry	29	9	31.0	2	6.9
Milwaukee Area Electrical	265	30	11.3	16	6.0
Milwaukee Area Ironworking	196	31	15.8	3	1.5
Milwaukee Area Painting and Decorating	75	19	25.3	7	9.3
Milwaukee Area Plumbing	177	22	12.4	0	0.0
Milwaukee Area Sheet Metal	182	23	12.6	3	1.6
Milwaukee Area Sprinkler Fitting	70	7	10.0	0	0.0
Milwaukee Area Tile Setters	5	0	0.0	0	0.0
Southeastern Wisconsin Area Carpentry	352	70	19.9	5	1.4
Southeastern Wisconsin Area Steamfitting	190	14	7.4	3	1.6
Southeastern Wisconsin Construction Craft Laborers	103	55	53.4	5	4.9
Southeastern Wisconsin Glazing	63	3	4.8	0	0.0
Southeastern Wisconsin Roofing and Waterproofing	134	53	39.6	0	0.0
Southern Wisconsin Heat and Frost Insulators ¹	62	5	8.1	4	6.5
Wisconsin Operating Engineers ¹	478	43	9.0	20	4.2
Subtotal	2,686	439	16.3	74	2.8
Remainder of State					
Associated Builders and Contractors of Fond du Lac	195	2	1.0	0	0.0
Associated Builders and Contractors of Green Bay	257	1	0.4	1	0.4
Associated Builders and Contractors of La Crosse	63	0	0.0	1	1.6
Associated Builders and Contractors of Madison	427	10	2.3	4	0.9
Associated Builders and Contractors of Marshfield	161	1	0.6	2	1.2
Associated Builders and Contractors of Rhinelander	19	1	5.3	1	5.3
Appleton Area Plumbing	83	0	0.0	1	1.1
Appleton Area Steamfitting	87	0	0.0	0	0.0
Appleton/Oshkosh Area Electrical	42	0	0.0	1	2.4
Central Wisconsin Area Carpentry Advisory Committee	13	0	0.0	0	0.0
Central Wisconsin Area Plumbing	19	0	0.0	0	0.0
Central Wisconsin Area Sheet Metal	39	0	0.0	0	0.0

Committee	Total Apprentices	Minorities		Women	
		Number	Percentage of Total	Number	Percentage of Total
East Central Wisconsin Area Sheet Metal	37	0	0.0%	0	0.0%
East Central Wisconsin Steamfitting	23	0	0.0	0	0.0
Eau Claire Area Carpentry	33	1	3.0	0	0.0
Eau Claire Area Electrical	82	2	2.4	3	3.7
Eau Claire Area Masonry	9	0	0.0	0	0.0
Eau Claire Area Plumbing	61	0	0.0	0	0.0
Eau Claire Area Steamfitting	27	0	0.0	0	0.0
Eau Claire-Superior Sheet Metal	18	0	0.0	0	0.0
Fond du Lac Area Plumbing	30	0	0.0	0	0.0
Fox Valley Area Laborer	18	2	11.1	0	0.0
Fox Valley Area Sheet Metal	122	1	0.8	1	0.8
Fox Valley/Lakeshore Area Carpentry	124	2	1.6	2	1.6
Green Bay Area Carpentry	57	1	1.8	1	1.8
Green Bay Area Steamfitting	33	0	0.0	0	0.0
Kenosha Area Electrical	25	1	4.0	1	4.0
Kenosha/Racine/Walworth Painters and Decorators	17	2	11.8	1	5.9
Kenosha/Racine/Walworth Plumbing	54	0	0.0	0	0.0
Kenosha/Racine/Walworth Steamfitting	22	0	0.0	0	0.0
Kettle Moraine Area Electrical	20	1	5.0	2	10.0
La Crosse Area Carpentry	39	1	2.6	0	0.0
La Crosse Area Electrical	35	1	2.9	0	0.0
La Crosse Area Masonry	11	1	9.1	0	0.0
La Crosse Area Plumbing	65	1	1.5	0	0.0
La Crosse Area Sheet Metal	8	0	0.0	0	0.0
La Crosse Area Steamfitting	9	0	0.0	0	0.0
Lake To Lake Area Plumbing	25	0	0.0	0	0.0
Lakeshore Area Carpentry Advisory Committee	19	0	0.0	0	0.0
Lakeshore Area Masonry	14	0	0.0	0	0.0
Madison Area Bricklaying	26	0	0.0	0	0.0
Madison Area Carpentry	156	9	5.8	2	1.3
Madison Area Cement Masonry	21	1	4.8	0	0.0
Madison Area Electrical	146	14	9.6	10	6.8
Madison Area Electrical—Residential	5	0	0.0	0	0.0
Madison Area Electrical—Voice Data Video	8	1	12.5	0	0.0
Madison Area Glazing	15	2	13.3	0	0.0
Madison Area Ironworking	89	2	2.2	3	3.4
Madison Area Painting and Decorating	74	5	6.8	2	2.7
Madison Area Plumbing	156	3	1.9	0	0.0

Committee	Total Apprentices	Minorities		Women	
		Number	Percentage of Total	Number	Percentage of Total
Madison Area Sheet Metal	77	2	2.6%	1	1.3%
Madison Area Steamfitting	81	4	4.9	3	3.7
Marshfield Area Plumbing	25	0	0.0	0	0.0
Northeastern Wisconsin Area Electrical	58	1	1.7	3	5.2
Northeastern Wisconsin Area Electrical—Residential	3	0	0.0	0	0.0
Northeastern Wisconsin Area Masonry	22	2	9.1	0	0.0
Northeastern Wisconsin Area Plumbing	47	1	2.1	0	0.0
Northern Wisconsin Area Heat and Frost Insulators	14	1	7.1	1	7.1
Northern Wisconsin Plumbing Advisory Committee	27	1	3.7	0	0.0
Northern Wisconsin Roofing and Waterproofing	1	0	0.0	0	0.0
Northwest Wisconsin Construction Craft Laborer	49	4	8.2	3	6.1
Racine Area Electrical	15	0	0.0	0	0.0
Rhineland Area Plumbing	27	0	0.0	1	3.7
River Valley Area Electrical	67	1	1.5	2	3.0
River Valley Area Masonry	10	0	0.0	0	0.0
South Central Wisconsin Construction Craft Laborers	55	17	30.9	6	10.9
South Central Wisconsin Area Electrical	56	1	1.8	2	3.6
Southeastern Wisconsin Area Sheet Metal	32	2	6.3	1	3.1
Southwestern Wisconsin Area Construction Craft Laborers	7	0	0.0	0	0.0
Southwestern Wisconsin Area Electrical	17	0	0.0	0	0.0
Southwestern Wisconsin Area Plumbing Advisory Committee	29	0	0.0	0	0.0
Tri-City Area Steamfitting	26	0	0.0	0	0.0
Tri-County Area Trowel Trades	16	3	18.8	0	0.0
Wausau Area Carpenters	95	1	1.1	0	0.0
Wausau Area Plumbing	48	0	0.0	0	0.0
Wausau Area Steamfitting	21	0	0.0	0	0.0
Western Wisconsin Area Plumbing	23	0	0.0	0	0.0
Subtotal	4,086	110	2.7	62	1.5
Other²	46	19	41.3	0	0.0
Total	6,818	568	8.3	136	2.0

¹ DWD considers the Southern Wisconsin Heat and Frost Insulators committee and the Wisconsin Operating Engineers committee to be Milwaukee-area committees, although they also operate elsewhere.

² Includes 10 plumbing and steamfitting apprentices who contracted directly with employers, and 36 inmates in an apprenticeship program operated by the Department of Corrections.

Appendix 4

**Minorities and Women Participating in Construction Trade
Apprenticeships by Trade**
FY 2008-09

Trade	Total Apprentices	Minorities		Women	
		Number	Percentage of Total	Number	Percentage of Total
Bricklayer	136	31	22.8%	1	0.7%
Carpenter	1,000	88	8.8	10	1.0
Cement Mason/Concrete Finisher	95	17	17.9	3	3.2
Construction Craft Laborer	257	82	31.9	14	5.4
Electrician—Construction	1,486	60	4.0	42	2.8
Electrician—Residential	39	1	2.6	3	7.7
Electrician—Voice, Data, and Video Installation	38	1	2.6	3	7.9
Glazier	80	5	6.3	0	0.0
Heat and Frost Insulation Worker	80	7	8.8	5	6.3
Heating, Ventilation, and Air Conditioning Service and Installation	161	15	9.3	1	0.6
Heavy Equipment Operator/Operating Engineers	525	45	8.6	21	4.0
Ironworkers	285	33	11.6	6	2.1
Painter And Decorator	145	20	13.8	10	6.9
Pipe Trades Fabricator	11	0	0.0	0	0.0
Plasterer	8	2	25.0	0	0.0
Plumber	1,130	39	3.5	6	0.5
Roofer and Waterproofer	210	68	32.4	0	0.0
Sheet Metal Worker	488	23	4.7	5	1.0
Sprinklerfitter	98	7	7.1	0	0.0
Steamfitter	512	18	3.5	6	1.2
Taper and Finisher	21	6	28.6	0	0.0
Tile Setter	13	0	0.0	0	0.0
Total	6,818	568	8.3	136	2.0

Appendix 5

**Completion Rates for Construction Trade
Apprenticeships by Minority Status¹**

Committee	Minorities			Non-Minorities		
	Began	Completed	Completion Rate	Began	Completed	Completion Rate
Milwaukee Area						
Associated Builders and Contractors of Waukesha	40	14	35.0%	308	187	60.7%
Milwaukee Area Bricklaying	10	7	70.0	67	34	50.7
Milwaukee Area Cement Masonry	13	8	61.5	32	21	65.6
Milwaukee Area Electrical	15	10	66.7	245	204	83.3
Milwaukee Area Ironworking	21	6	28.6	149	76	51.0
Milwaukee Area Painting and Decorating	36	13	36.1	107	51	47.7
Milwaukee Area Plumbing	23	15	65.2	182	139	76.4
Milwaukee Area Sheet Metal	16	6	37.5	146	92	63.0
Milwaukee Area Sprinkler Fitting	11	6	54.5	75	53	70.7
Milwaukee Area Steamfitting and Refrigeration	2	1	50.0	6	0	0.0
Milwaukee Area Tile Setters	1	0	0.0	14	8	57.1
Southeastern Wisconsin Area Carpentry	63	27	42.9	410	274	66.8
Southeastern Wisconsin Area Steamfitting	15	13	86.7	118	111	94.1
Southeastern Wisconsin Construction Craft Laborers	8	1	12.5	3	2	66.7
Southeastern Wisconsin Glazing	6	5	83.3	51	41	80.4
Southeastern Wisconsin Roofing and Waterproofing	45	16	35.6	87	27	31.0
Southern Wisconsin Heat and Frost Insulators ²	5	1	20.0	70	49	70.0
Wisconsin Operating Engineers ²	49	40	81.6	743	580	78.1
Subtotal	379	189	49.9	2,813	1,949	69.3
Remainder of State						
Associated Builders and Contractors of Eau Claire	1	0	0.0	78	45	57.7
Associated Builders and Contractors of Fond du Lac	10	7	70.0	339	228	67.3
Associated Builders and Contractors of Green Bay	2	2	100.0	305	159	52.1
Associated Builders and Contractors of La Crosse	0	0	–	42	20	47.6
Associated Builders and Contractors of Madison	7	2	28.6	455	254	55.8

Committee	Minorities			Non-Minorities		
	Began	Completed	Completion Rate	Began	Completed	Completion Rate
Associated Builders and Contractors of Marshfield	4	1	25.0%	97	60	61.9%
Associated Builders and Contractors of Rhinelander	1	0	0.0	28	13	46.4
Appleton Area Plumbing	2	2	100.0	95	71	74.7
Appleton Area Steamfitting	2	2	100.0	89	66	74.2
Appleton/Oshkosh Area Electrical	0	0	–	84	63	75.0
Appleton/Oshkosh Area Electrical—Voice Data Video	0	0	–	22	13	59.1
Beaver Dam Area Plumbing	0	0	–	6	1	16.7
Central Wisconsin Area Carpentry Advisory Committee	0	0	–	20	16	80.0
Central Wisconsin Area Plumbing	0	0	–	5	3	60.0
Central Wisconsin Area Sheet Metal	0	0	–	44	29	65.9
East Central Wisconsin Area Sheet Metal	0	0	–	51	45	88.2
East Central Wisconsin Steamfitting	0	0	–	30	25	83.3
Eau Claire Area Carpentry	0	0	–	30	11	36.7
Eau Claire Area Electrical	1	0	0.0	100	77	77.0
Eau Claire Area Masonry	1	0	0.0	26	15	57.7
Eau Claire Area Plumbing	1	0	0.0	77	49	63.6
Eau Claire Area Steamfitting	0	0	–	17	12	70.6
Eau Claire-Superior Sheet Metal	0	0	–	34	18	52.9
Fond du Lac Area Carpenters	0	0	–	2	0	0.0
Fond du Lac Area Plumbing	0	0	–	48	35	72.9
Fox Valley Area Laborer	0	0	–	2	2	100.0
Fox Valley Area Sheet Metal	1	0	0.0	127	99	78.0
Fox Valley/Lakeshore Area Carpentry	4	1	25.0	117	95	81.2
Green Bay Area Carpentry	15	4	26.7	142	82	57.7
Green Bay Area Steamfitting	1	1	100.0	52	45	86.5
Janesville Area Steamfitting	0	0	–	2	1	50.0
Kenosha Area Electrical	0	0	–	29	24	82.8
Kenosha Area Painting and Decorating	4	3	75.0	9	1	11.1
Kenosha/Racine Area Carpentry	6	4	66.7	30	21	70.0
Kenosha/Racine/Walworth Plumbing	7	3	42.9	81	51	63.0
Kenosha/Racine/Walworth Steamfitting	3	3	100.0	32	27	84.4
Kettle Moraine Area Electrical	0	0	–	25	21	84.0

Committee	Minorities			Non-Minorities		
	Began	Completed	Completion Rate	Began	Completed	Completion Rate
La Crosse Area Carpentry	1	0	0.0%	53	27	50.9%
La Crosse Area Electrical	0	0	–	45	32	71.1
La Crosse Area Masonry	0	0	–	27	10	37.0
La Crosse Area Plumbing	1	1	100.0	85	48	56.5
La Crosse Area Sheet Metal	0	0	–	11	5	45.5
La Crosse Area Steamfitting	0	0	–	8	3	37.5
Lake To Lake Area Plumbing	0	0	–	45	33	73.3
Lakeshore Area Carpentry	2	0	0.0	5	0	0.0
Lakeshore Area Carpentry Advisory Committee	0	0	–	27	22	81.5
Lakeshore Area Masonry	0	0	–	37	26	70.3
Madison Area Bricklaying	0	0	–	40	28	70.0
Madison Area Carpentry	10	1	10.0	262	132	50.4
Madison Area Cement Masonry	0	0	–	24	15	62.5
Madison Area Electrical	6	5	83.3	146	112	76.7
Madison Area Electrical—Residential	2	1	50.0	72	59	81.9
Madison Area Electrical—Voice Data Video	1	0	0.0	12	4	33.3
Madison Area Glazing	1	0	0.0	15	13	86.7
Madison Area Ironworking	6	2	33.3	84	58	69.0
Madison Area Painting and Decorating	7	2	28.6	56	23	41.1
Madison Area Plumbing	3	1	33.3	160	115	71.9
Madison Area Sheet Metal	4	1	25.0	76	48	63.2
Madison Area Steamfitting	5	3	60.0	44	36	81.8
Marshfield Area Plumbing	0	0	–	23	16	69.6
Northeastern Wisconsin Area Electrical	4	2	50.0	85	73	85.9
Northeastern Wisconsin Area Electrical—Residential	0	0	–	33	14	42.4
Northeastern Wisconsin Area Electrical—Voice Data Video	0	0	–	24	13	54.2
Northeastern Wisconsin Area Masonry	4	1	25.0	92	43	46.7
Northeastern Wisconsin Area Plumbing	3	0	0.0	97	57	58.8
Northern Wisconsin Area Heat and Frost Insulators	0	0	–	27	14	51.9
Oshkosh Area Plumbing	0	0	–	14	10	71.4
Racine Area Electrical	3	2	66.7	30	23	76.7
Racine Area Painting and Decorating	1	0	0.0	5	4	80.0

Committee	Minorities			Non-Minorities		
	Began	Completed	Completion Rate	Began	Completed	Completion Rate
Rhineland Area HVAC	0	0	–	10	4	40.0%
Rhineland Area Plumbing	0	0	–	42	26	61.9
River Valley Area Electrical	0	0	–	51	41	80.4
River Valley Area Electrical—Voice Data Video	3	3	100.0%	25	16	64.0
River Valley Area Masonry	0	0	–	14	8	57.1
South Central Wisconsin Area Electrical	1	0	0.0	40	37	92.5
South Central Wisconsin Construction Craft Laborers	2	1	50.0	5	3	60.0
South Central Wisconsin Roofing and Waterproofing	1	1	100.0	7	0	0.0
Southeastern Wisconsin Area Sheet Metal	5	4	80.0	61	44	72.1
Southwestern Wisconsin Area Electrical	0	0	–	22	14	63.6
Southwestern Wisconsin Area Plumbing Advisory Committee	0	0	–	42	21	50.0
Stevens Point Area Plumbing	0	0	–	9	4	44.4
Superior Area Bricklaying	0	0	–	2	0	0.0
Superior Area Carpentry	1	1	100.0	3	2	66.7
Tri-City Area Steamfitting	0	0	–	19	17	89.5
Tri-County Area Trowel Trades	2	1	50.0	25	11	44.0
Watertown Area Plumbing	1	0	0.0	2	0	0.0
Wausau Area Carpenters	2	1	50.0	103	58	56.3
Wausau Area Plumbing	0	0	–	45	32	71.1
Wausau Area Steamfitting	0	0	–	13	8	61.5
Western Wisconsin Area Electrical—Residential	0	0	–	38	14	36.8
Western Wisconsin Area Plumbing	1	0	0.0	50	22	44.0
Wisconsin Rapids Area Plumbing	0	0	–	7	6	85.7
Subtotal	156	69	44.2	5,171	3,301	63.8
Other³	0	0	–	32	13	40.6
Total	535	258	48.2	8,016	5,263	65.7

¹ Individuals who began apprenticeships from FY 1999-2000 through FY 2003-04 and completed them by or before December 2009. Some committees subsequently merged with others or changed their names.

² DWD considers the Southern Wisconsin Heat and Frost Insulators committee and the Wisconsin Operating Engineers committee to be Milwaukee-area committees, although they also operate elsewhere.

³ Includes plumbing and steamfitting apprentices who contracted directly with employers.

Appendix 6

Completion Rates for Construction Trade Apprenticeships by Gender¹

Committee	Women			Men		
	Began	Completed	Completion Rate	Began	Completed	Completion Rate
Milwaukee Area						
Associated Builders and Contractors of Waukesha	7	2	28.6%	341	199	58.4%
Milwaukee Area Bricklaying	0	0	–	77	41	53.2
Milwaukee Area Cement Masonry	2	2	100.0	43	27	62.8
Milwaukee Area Electrical	11	8	72.7	249	206	82.7
Milwaukee Area Ironworking	2	0	0.0	168	82	48.8
Milwaukee Area Painting and Decorating	18	6	33.3	125	58	46.4
Milwaukee Area Plumbing	3	3	100.0	202	151	74.8
Milwaukee Area Sheet Metal	2	1	50.0	160	97	60.6
Milwaukee Area Sprinkler Fitting	0	0	–	86	59	68.6
Milwaukee Area Steamfitting and Refrigeration	0	0	–	8	1	12.5
Milwaukee Area Tile Setters	1	1	100.0	14	7	50.0
Southeastern Wisconsin Area Carpentry	12	5	41.7	461	296	64.2
Southeastern Wisconsin Area Steamfitting	1	1	100.0	132	123	93.2
Southeastern Wisconsin Construction Craft Laborers	1	1	100.0	10	2	20.0
Southeastern Wisconsin Glazing	0	0	–	57	46	80.7
Southeastern Wisconsin Roofing and Waterproofing	2	1	50.0	130	42	32.3
Southern Wisconsin Heat and Frost Insulators ²	6	3	50.0	69	47	68.1
Wisconsin Operating Engineers ²	34	25	73.5	758	595	78.5
Subtotal	102	59	57.8	3,090	2,079	67.3
Remainder of State						
Associated Builders and Contractors of Eau Claire	0	0	–	79	45	57.0
Associated Builders and Contractors of Fond du Lac	2	2	100.0	347	233	67.1
Associated Builders and Contractors of Green Bay	3	0	0.0	304	161	53.0
Associated Builders and Contractors of La Crosse	0	0	–	42	20	47.6
Associated Builders and Contractors of Madison	7	3	42.9	455	253	55.6
Associated Builders and Contractors of Marshfield	2	2	100.0	99	59	59.6
Associated Builders and Contractors of Rhinelander	0	0	–	29	13	44.8
Appleton Area Plumbing	0	0	–	97	73	75.3

Committee	Women			Men		
	Began	Completed	Completion Rate	Began	Completed	Completion Rate
Appleton Area Steamfitting	0	0	–	91	68	74.7%
Appleton/Oshkosh Area Electrical	2	2	100.0%	82	61	74.4
Appleton/Oshkosh Area Electrical— Voice Data Video	1	1	100.0	21	12	57.1
Beaver Dam Area Plumbing	0	0	–	6	1	16.7
Central Wisconsin Area Carpentry Advisory Committee	0	0	–	5	3	60.0
Central Wisconsin Area Plumbing	0	0	–	44	29	65.9
Central Wisconsin Area Sheet Metal	0	0	–	20	16	80.0
East Central Wisconsin Area Sheet Metal	1	1	100.0	29	24	82.8
East Central Wisconsin Steamfitting	0	0	–	51	45	88.2
Eau Claire Area Carpentry	0	0	–	30	11	36.7
Eau Claire Area Electrical	2	1	50.0	99	76	76.8
Eau Claire Area Masonry	0	0	–	27	15	55.6
Eau Claire Area Plumbing	0	0	–	78	49	62.8
Eau Claire Area Steamfitting	0	0	–	17	12	70.6
Eau Claire-Superior Sheet Metal	0	0	–	34	18	52.9
Fond du Lac Area Carpenters	0	0	–	2		0.0
Fond du Lac Area Plumbing	0	0	–	48	35	72.9
Fox Valley Area Laborer	0	0	–	2	2	100.0
Fox Valley Area Sheet Metal	0	0	–	128	99	77.3
Fox Valley/Lakeshore Area Carpentry	0	0	–	121	96	79.3
Green Bay Area Carpentry	3	1	33.3	154	85	55.2
Green Bay Area Steamfitting	0	0	–	53	46	86.8
Janesville Area Steamfitting	0	0	–	2	1	50.0
Kenosha Area Electrical	1	1	100.0	28	23	82.1
Kenosha Area Painting and Decorating	0	0	–	13	4	30.8
Kenosha/Racine Area Carpentry	0	0	–	36	25	69.4
Kenosha/Racine/Walworth Plumbing	1	0	0.0	87	54	62.1
Kenosha/Racine/Walworth Steamfitting	0	0	–	35	30	85.7
Kettle Moraine Area Electrical	0	0	–	25	21	84.0
La Crosse Area Carpentry	2	0	0.0	52	27	51.9
La Crosse Area Electrical	2	1	50.0	43	31	72.1
La Crosse Area Masonry	0	0	–	27	10	37.0
La Crosse Area Plumbing	1	1	100.0	85	48	56.5
La Crosse Area Sheet Metal	0	0	–	11	5	45.5
La Crosse Area Steamfitting	0	0	–	8	3	37.5
Lake To Lake Area Plumbing	0	0	–	45	33	73.3
Lakeshore Area Carpentry	0	0	–	7	0	0.0

Committee	Women			Men		
	Began	Completed	Completion Rate	Began	Completed	Completion Rate
Lakeshore Area Carpentry Advisory Committee	0	0	—	27	22	81.5%
Lakeshore Area Masonry	0	0	—	37	26	70.3
Madison Area Bricklaying	0	0	—	40	28	70.0
Madison Area Carpentry	11	5	45.5%	261	128	49.0
Madison Area Cement Masonry	0	0	—	24	15	62.5
Madison Area Electrical	9	8	88.9	143	109	76.2
Madison Area Electrical—Residential	2	2	100.0	72	58	80.6
Madison Area Electrical—Voice Data Video	0	0	—	13	4	30.8
Madison Area Glazing	0	0	—	16	13	81.3
Madison Area Ironworking	2	1	50.0	88	59	67.0
Madison Area Painting and Decorating	6	0	0.0	57	25	43.9
Madison Area Plumbing	0	0	—	163	116	71.2
Madison Area Sheet Metal	4	1	25.0	76	48	63.2
Madison Area Steamfitting	1	1	100.0	48	38	79.2
Marshfield Area Plumbing	0	0	—	23	16	69.6
Northeastern Wisconsin Area Electrical	1	1	100.0	88	74	84.1
Northeastern Wisconsin Area Electrical—Residential	0	0	—	33	14	42.4
Northeastern Wisconsin Area Electrical—Voice Data Video	2	0	0.0	22	13	59.1
Northeastern Wisconsin Area Masonry	3	1	33.3	93	43	46.2
Northeastern Wisconsin Area Plumbing	0	0	—	100	57	57.0
Northern Wisconsin Area Heat and Frost Insulators	2	2	100.0	25	12	48.0
Oshkosh Area Plumbing	0	0	—	14	10	71.4
Racine Area Electrical	3	2	66.7	30	23	76.7
Racine Area Painting and Decorating	1	1	100.0	5	3	60.0
Rhineland Area HVAC	0	0	—	10	4	40.0
Rhineland Area Plumbing	1	0	0.0	41	26	63.4
River Valley Area Electrical	1	1	100.0	50	40	80.0
River Valley Area Electrical—Voice Data Video	1	1	100.0	27	18	66.7
River Valley Area Masonry	0	0	—	14	8	57.1
South Central Wisconsin Area Electrical	2	0	0.0	39	37	94.9
South Central Wisconsin Construction Craft Laborers	0	0	—	7	4	57.1
South Central Wisconsin Roofing and Waterproofing	0	0	—	8	1	12.5
Southeastern Wisconsin Area Sheet Metal	1	0	0.0	65	48	73.8
Southwestern Wisconsin Area Electrical	0	0	—	22	14	63.6
Southwestern Wisconsin Area Plumbing Advisory Committee	0	0	—	42	21	50.0

Committee	Women			Men		
	Began	Completed	Completion Rate	Began	Completed	Completion Rate
Stevens Point Area Plumbing	0	0	—	9	4	44.4%
Superior Area Bricklaying	0	0	—	2	0	0.0
Superior Area Carpentry	0	0	—	4	3	75.0
Tri-City Area Steamfitting	0	0	—	19	17	89.5
Tri-County Area Trowel Trades	1	0	0.0%	26	12	46.2
Watertown Area Plumbing	0	0	—	3	0	0.0
Wausau Area Carpenters	1	1	100.0	104	58	55.8
Wausau Area Plumbing	0	0	—	45	32	71.1
Wausau Area Steamfitting	0	0	—	13	8	61.5
Western Wisconsin Area Electrical— Residential	0	0	—	38	14	36.8
Western Wisconsin Area Plumbing	1	1	100.0	50	21	42.0
Wisconsin Rapids Area Plumbing	0	0	—	7	6	85.7
Subtotal	86	45	52.3	5,241	3,325	63.4
Other³	0	0	—	32	13	40.6
Total	188	104	55.3	8,363	5,417	64.8

¹ Individuals who began apprenticeships from FY 1999-2000 through FY 2003-04 and completed them by or before December 2009. Some committees subsequently merged with others or changed their names.

² DWD considers the Southern Wisconsin Heat and Frost Insulators committee and the Wisconsin Operating Engineers committee to be Milwaukee-area committees, although they also operate elsewhere.

³ Includes plumbing and steamfitting apprentices who contracted directly with employers.

Appendix 7

Completion Rates for Construction Trade Apprenticeships
Calculated by the U.S. Department of Labor¹
 FY 2008-09

	Minorities			Women		
	Apprentices	Completed Apprenticeships	Completion Rate	Apprentices	Completed Apprenticeships	Completion Rate
Illinois	1,430	597	41.7%	133	59	44.4%
Indiana	289	80	27.7	54	18	33.3
Iowa	29	7	24.1	16	7	43.8
Michigan	342	78	22.8	60	10	16.7
Ohio	356	85	23.9	101	30	29.7
Wisconsin	166	57	34.3	28	9	32.1

¹ Excludes apprenticeships cancelled during probationary periods; Wisconsin's rate was calculated by DWD, using the federal Department of Labor's method of calculation.

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**State of Wisconsin
Department of Workforce Development**
Jim Doyle, Governor
Roberta Gassman, Secretary

September 1, 2010

Janice Mueller
State Auditor
Legislative Audit Bureau
22 E. Mifflin Street, Suite 500
Madison, WI 53703

Dear Ms. Mueller:

Thank you for the opportunity to respond to the Legislative Audit Bureau's 2010 evaluation of participation by minorities and women in construction trade apprenticeships. The Department of Workforce Development (DWD) recognizes the significant work that the Audit Bureau invested in producing this report. We appreciate the recommendations included in the report and we are already working on their implementation. We look forward to reporting to the Joint Legislative Audit Committee by December 1, 2010, on our follow-up actions regarding each of the recommendations. I offer the following comments on the apprenticeship program in Wisconsin and on some of the broad findings included in the report.

Apprenticeship in Wisconsin

Today in Wisconsin, about 10,000 adults participate in the apprenticeship program annually, about half of whom are in the construction trades. Apprenticeships allow these workers to earn a paycheck while learning valuable skills in their trades.

Apprenticeship is a proud and strong tradition in Wisconsin. Almost a century ago, in 1911, our state was the first in the nation to pass an apprenticeship law. Wisconsin's law soon became a model for other states, and for the federal government, in developing their own systems. Other states continue to look to Wisconsin today for leadership on apprenticeship and the program continues to be one of our department's top priorities.

A key focus of Wisconsin's apprenticeship program has been to expand the opportunities created by the program for women and minorities and DWD has undertaken a number of efforts to improve diversity in apprenticeship. As your audit shows, progress has been made towards that goal in recent years, although the challenges before Wisconsin and all states remain ongoing, requiring continued vigilance and hard work.

The Effect of the National Recession

The national recession substantially impacted employment and apprenticeship opportunities in Wisconsin. The construction industry in Wisconsin, and in the nation, was especially impacted by the recession. Employment in the construction industry fell 13.8 percent between 2008 and 2009 in Wisconsin, compared to a drop in total state employment of 4.6 percent. That reduced the number of apprentices, particularly within the construction industry.

DWD's Administrative Action Steps Already Underway Related to LAB Findings

We appreciate the very helpful observations and recommendations from the Audit Bureau about our ongoing work in promoting diversity in the apprenticeship program. We take these findings very seriously and are already working on new action items. I have directed DWD staff to:

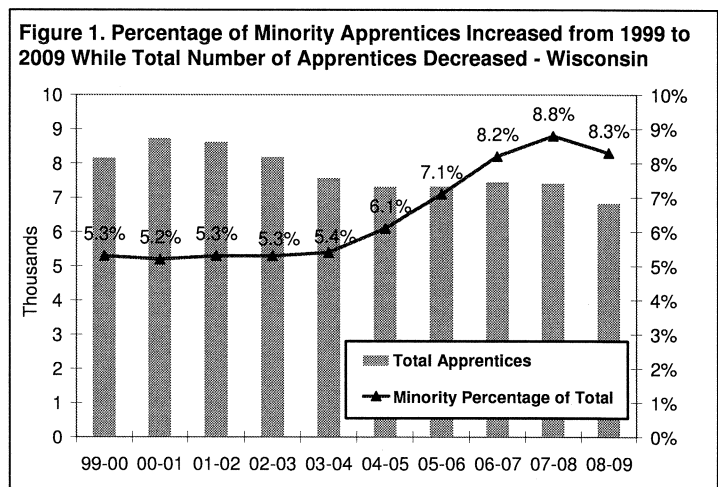
- Develop and implement a budget plan for a new apprenticeship applicant tracking and reporting system. To do this, we are reallocating existing department IT funds and we will begin implementation by September 30, 2010.
- Strengthen protocols and standardized procedures by November 30, 2010, regarding the oversight of local joint apprenticeship committees. These protocols and procedures will include uniform requirements of all joint apprenticeship committee affirmation action plans (and the approval process of those plans), corrective action plans, enforcement actions, community outreach and sharing of best practices.
- Complete ongoing work with the Wisconsin Departments of Administration (DOA) and Transportation (DOT) by November 30, 2010, to implement changes in work processes and automated systems regarding enforcement of EO 108, ensuring that primary compliance determinations occur before contract execution and that a contract penalty structure by DOA and DOT is implemented.
- Modify complaint procedures and publish new policy guidance by September 30, 2010, to ensure that all related apprenticeship complaint filing deadlines comply with other DWD discrimination complaint requirements.
- Allocate \$100,000 of Wisconsin's discretionary U.S. Department of Labor funds by December 30, 2010, to establish an outreach program through which BAS will contract with statewide and regional women's and minority advocacy groups to promote the recruitment and retention of women and minorities in apprenticeship.

DWD's Commitment to Diversity in the Apprenticeship Program

Despite a decline in the overall number of apprentices in Wisconsin between 1999 and 2009, the share of construction trade apprentices that are minority group members rose by more than half, from 5.3% to 8.3% during that period (Figure 1).

In terms of the diversity among those entering the apprenticeship program, minorities comprised 17 percent of all new apprentices in 2009, compared to 14 percent in 2002 and 9 percent in 1998.

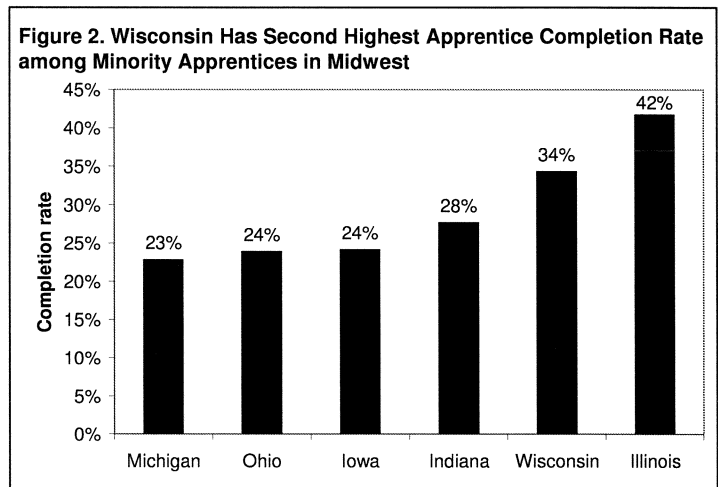
Wisconsin ranks second among Midwestern states (those with available data) in terms of completion rates among minority apprentices (Figure 2, next page). We are committed to further improve our standing through our ongoing work.



These trends, as well as others presented in the audit, demonstrate the notable progress Wisconsin has made in promoting diversity within the apprenticeship program. Even so, there is no room for complacency, underscoring the value of DWD's initiatives to promote greater diversity in apprenticeship.

Additional DWD Initiatives to Promote Diversity in the Apprenticeship Program

DWD and our dedicated apprenticeship staff have been aggressive in promoting new and innovative ways to increase diversity within this important program. That includes new outreach efforts to encourage greater minority and female participation in apprenticeship, as well as new ways to boost apprenticeship completion rates.



One of the most important of these efforts is mentioned in the audit: the upcoming launch of the Skilled Trades Apprentice Mentoring Project in October 2010. This project was developed by DWD based on the findings of a DWD minority retention pilot program conducted in 2009 in consultation with the Milwaukee chapter of the NAACP and other community advocates. It represents an innovative effort to increase minority completion rates by pairing apprentices with mentors to help guide and support apprentices on their way to becoming journey workers.

Along with the Skilled Trades Apprentice Mentoring Project, DWD has implemented numerous other innovative efforts to promote greater diversity in the apprenticeship program. In particular, DWD:

- Created an Apprentice Orientation Guide in 2010 for new apprentices that includes diversity information such as strategies for addressing harassment and filing a grievance;
- Updated its Local Committee Technical Assistance Guide for local construction committees to assist them in understanding the importance of diversity in apprenticeship and clarifying their role in promoting diversity;
- Participated in over 350 events since 2003 to promote diversity in apprenticeships, including providing information at career fairs, job fairs, high schools, and correctional institutions;
- Partners with local programs such as the Tools for Tomorrow Program located in Madison, and the Milwaukee Women in Trades program, to give women information about apprenticeship opportunities and to promote female participation in apprenticeship;
- Conducted focus groups in 2006 with female and minority journey workers and introduced new informational tools based on the findings;
- Updated the Transition to Trainer course, which is mandatory for final year apprentices, to include a diversity section which emphasizes the importance of creating a positive work environment in which everyone is treated with respect;
- Posts data on our Web site on apprentices, including by race and gender, that is updated every month, and in 2010, data were expanded to include cancellations by race;

- Developed and implemented a statewide financial literacy class for apprentices to help them achieve greater financial stability and avoid cancellations caused by financial problems; and,
- Conducted a survey in 2010 of cancelled apprentices in order to obtain additional information about their cancellation and for development, by late 2010, of an early warning system for apprentices who may be at risk of cancellation.

Together, these initiatives represent a significant, multi-pronged effort to increase minority and female participation within the apprenticeship program. DWD's actions related to the Audit Bureau's recommendations will further strengthen these efforts.

The Growth in Apprenticeship Under Executive Order 108

In 2006, Governor Doyle reaffirmed the state's commitment to the employment of apprentices on state construction projects signing Executive Order 108. The goal of EO 108 is to have the state's construction projects "create opportunities for training and experience that will help ensure a trained workforce for the future." The effect of EO 108 has been significant. Since its enactment, nearly 200 new employers have been added as trainers of apprentices and 953 apprenticeships were created as a result of EO 108. Even during the downturn in the national economy, 70 new Wisconsin employers added apprentices in 2009. This growth in apprenticeship under EO 108 offers expanded opportunities for women and minorities in Wisconsin.

Continuing to increase diversity within the apprenticeship program remains a top priority at DWD. Despite the challenges involved, including the effects of a deep national recession, we believe we are on the right path to recruiting more minorities and women into apprenticeship and increasing the retention rates of those in the program.

Thank you again for the opportunity to comment on the Audit Bureau's report and for the professionalism of your staff throughout the audit process.

Sincerely,



Roberta Gassman
Secretary