



ALASKA DISTRICT COUNCIL OF LABORERS

Laborers' International Union of North America

2501 Commercial Drive • Suite 140 • Anchorage, Alaska 99501

907.276.1640 • Fax: 907.274.7289 • info@alaskalaborers.com

May 2, 2025

Joey Merrick

Business Manager
Secretary-Treasurer
District Council

Business Manager
Laborers' Local 341

House Transportation Committee

State Capitol Room 124

Juneau, AK 99801

Submitted via email: House.Transportation@akleg.gov

Subject: Support HB 186, Apprentice Labor in Public Projects

Jacob Howdeshell

President
District Council

Business Manager
Laborers' Local 942

Bill Meers

Vice President
District Council

Business Manager
Public Employees Local 71

Dear Committee Members:

The Alaska Laborers urge you to support HB 186, regarding apprenticeship utilization on large public projects. Under this bill, state projects of \$2.5 million or more would use, to the extent possible, apprenticeship labor to perform a minimum of 15% of the work hours. By setting this target, public construction projects would use these high quality, on-the-job training programs to support workforce development and excellence in construction. Investing in apprenticeship would contribute to cost savings for the State, growing our skilled workforce, higher lifetime earnings for workers, and a solid return on investment for employers.

The Alaska Laborers union is made up of over 5,000 Alaskans working across the construction, oil and gas, service, tourism, public, and healthcare sectors. Our members build and maintain our bridges and highways, work on critical energy infrastructure, and provide other public services that are essential for the safety and prosperity of our communities. Our apprentices are the next generation of Alaska construction workers.

A highly skilled workforce is vital to timely, cost-effective, and safe project completion in construction. That is why Governors Frank Murkowski and Bill Walker both issued Administrative Orders related to apprenticeship utilization on public construction projects. Apprenticeship utilization supports the State of Alaska in meeting goals such as cost savings, workforce development, and economic prosperity for workers and employers.

Cost Efficiency for State Projects

Based on the prevailing wage statutes, apprentices can be paid a lower rate than journey workers. Apprenticeship programs help prepare workers for higher lifetime earnings while saving the State of Alaska costs on public

construction. Apprenticeship also means an investment in rigorous training, which pays off with high productivity and safety standards.

Workforce Development

The Associated General Contractors released a 2024 Workforce Survey Analysis, stating “What this year’s survey makes clear is that our nation’s failure to invest in construction workforce education and training programs is having a real, measurable impact on the country’s ability to build infrastructure and other construction projects.”¹ In that survey, most participating contractors reported experiencing a shortage of qualified workers. Ninety-four percent reported it is even more difficult to fill open craft positions than a year ago. Using apprentices for public construction increases the number of Alaskans qualified to perform skilled labor on public construction.

Economic Prosperity for Employers and Alaska Workers

By increasing the technical qualifications of Alaska construction workers, this policy would increase on-the-job safety as well as contribute to higher wages and economic prosperity for working Alaskans. Graduates of registered apprenticeship programs earn higher wages after finishing the program than beforehand. According to a recent study, the average worker who finished their apprenticeship experienced a 49% increase in their income.² Employers also benefit from the registered apprenticeships through higher productivity, lower hiring costs, and better employee retention. Multiple studies have found that the benefits to employers amount to a 44% to 48% return on investment for using workers in registered apprenticeships.

Thank you for your leadership and for supporting training for excellence and workforce development in public construction.

Sincerely,

A handwritten signature in black ink that reads "A.J. Merrick II". The signature is written in a cursive, flowing style.

A.J. “Joey” Merrick II

¹ AGC, 2024 Workforce Survey Analysis,
https://www.agc.org/sites/default/files/Files/Communications/2024_Workforce_Survey_Analysis.pdf.

² U.S. Congress Joint Economic Committee, Broadening Registered Apprenticeships Can Boost America’s Workforce and Grow the Middle Class (Sept. 30, 2024),
<https://www.jec.senate.gov/public/index.cfm/democrats/2024/9/broadening-registered-apprenticeships-can-boost-america-s-workforce-and-grow-the-middle-class#:~:text=One%20recent%20study%20found%20that,and%20more%20reliable%20work%20schedules.>