

Worker Shortage Survey Analysis

SUMMARY

The challenges firms are facing finding craft workers and professional staff are expected to get worse. Twenty-nine percent of survey respondents say they expect it will continue to be hard to find qualified professionals while another 43 percent report they expect it will become even harder to fill those positions over the coming 12 months. Meanwhile, 38 percent of firms say they expect it will continue to be hard to find skilled craft workers over the coming year. Another 48 percent of firms report they expect it will become harder to find craft workers.

Their concerns are based on a relatively low opinion of the quality and quantity of local construction training programs and pool of available workers. Sixty-five percent of firms report that the local pipeline for preparing new construction craft workers is below average or worse. Sixty-four percent say there are too few local high school skills and technical-based training programs.

Contractors appear less worried about the quality of the pipeline for new construction professionals. Seventy percent of responding firms say their local pipeline for preparing construction professionals is average or better. And 55 percent rate the quality and quantity of local college, trade school and apprenticeship programs as average or better.

Contractors are worried that the pool of available workers will not be sufficient when demand for construction increases. Nearly three quarters (74 percent) of contractors are concerned there will not be enough skilled construction workers in their area in the next 12 months. And 49 percent of contractors worry there will not be enough qualified construction professionals available in their area.

Competition for craft workers is heating up as firms report losing employees to other firms and other industries. Forty-nine percent of respondents report they are losing construction craft workers to other, higher paying jobs at other construction firms or in other industries. Meanwhile, 36 percent of respondents report they are losing construction professionals to other higher paying jobs with other construction firms or to other industries.

Worker shortages are already having an impact on pay and compensation in the construction industry.

CONCLUSIONS

Based on the responses to this survey, it is clear that many firms expect the challenge of finding skilled construction workers will only get worse. And while many construction contractors are taking steps to help prepare new workers, their efforts alone will not be sufficient to address the labor shortages so many in the industry anticipate. If elected officials are committed to avoiding costly delays in many construction projects due to labor shortages, they need to be prepared to take both short and long-term steps to ensure there are enough workers to meet future demand.

In the short term, Congress needs to rethink the arbitrary caps on construction workers that were included in immigration reform legislation the Senate passed earlier this year. Lifting these restrictions will go a long way to ensuring that construction jobs left vacant by the lack of sufficient domestic skilled workers do not go to undocumented workers, but instead to legal, tax-paying workers.

More important, elected and appointed officials at all levels of government must do more to ensure that public school students have an opportunity to participate in skills-based educational programs. These programs offer students – even those who may never work in construction – a more hands-on approach to learning vital 21st century skills such as math and science. They have been proven to reduce high school dropout rates and they will give significantly more students an opportunity to earn the higher pay and benefits that come with construction jobs as compared to average compensation and benefits for all other non-farm jobs.

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