

## 2024 Workforce Survey Analysis

### SUMMARY

The Associated General Contractors of America and Associated Builders and Contractors conduct an annual survey of construction firms to measure the state of the industry's labor market. This survey, the 2024 Workforce Shortage Survey, is designed to measure the severity of construction workforce shortages and the impacts those shortages have on construction firms and projects. It is also designed to measure what construction firms are doing in response to those shortages to cope and help bring more people into the industry.

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. These impacts include higher costs, longer construction schedules and a significant number of delayed and/or canceled projects.

Overwhelming shares of contractors are both seeking more workers and having difficulty filling those openings. Ninety-four percent of respondents report having openings for craft workers and 85 percent have openings for salaried workers. Ninety percent of firms with craft worker openings report those positions are hard to fill. Similarly, 92 percent of firms with openings for salaried workers report they are hard to find.

One reason it is so difficult for firms to find people is because federal officials have not properly invested in construction workforce training and education. A recent report the association released in partnership with the Progressive Policy Institute found that federal officials invest

Contractors' survey responses highlight the impacts of these investment shortfalls. Sixty percent of firms report that available candidates are not qualified to work in the industry because they lack essential skills or do not have an appropriate certificate or license for the position.

At the same time, the survey results show how difficult it is for construction firms to take advantage of the very few visa programs available to the industry. Only 7 percent of firms use the H2B visa program or other temporary work visa programs to secure either salaried or hourly craft employees.

The workforce shortages being created by federal education, training, and immigration policies are undermining the country's ability to build infrastructure and construction programs. A majority—54 percent—of respondents reports experiencing project delays due to shortages of their own or subcontractors' workers. And 80 percent of firms report experiencing at least one project that has been canceled, scaled back, or postponed.

The construction industry is, however, taking a range of steps to address these shortages based on

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## SURVEY ANALYSIS

**It has become even more difficult than a year ago to find workers to fill open positions.**

Ninety-four percent of respondents report having open positions for craft workers, an increase from the 2023 survey, in which 85 percent reported having openings. Similarly, 79 percent have openings for salaried positions, compared to 69 percent a year ago. Among the firms with openings, 94 percent report it is hard to fill craft positions and 92 percent report difficulty in filling salaried openings.

**Nearly all craft positions are hard to fill.** The survey asked about difficulty in filling 18 specific crafts. For every craft, more than 60 percent of respondents whose employees that

**Firms haven't given up on trying to find workers.** Fifty-seven percent of firms report they added online strategies, such as using social media or targeted digital advertising, to connect better with younger applicants. About half (51 percent) engaged with a recruiting program, at high schools, colleges, or career and technical education programs. Twenty percent of firms used an executive search firm or professional employer organization. Twenty percent each reported a craft staffing firm or engaged with a government workforce development or unemployment agency. One out of five firms added or increased use of specialty contractors (20 percent) implemented software to distribute job postings and manage applications (20 percent). Just 7 percent applied for employment-based visas, such as H-1B or H-2B. The share using each of these approaches is similar among shop and union contractors, as was the case in 2013. The share using each of these approaches is similar among shop and union contractors, as was the case in 2013. The share using each of these approaches is similar among shop and union contractors, as was the case in 2013.

implemented a new learning program (27 percent) or technology to deliver and track training (25 percent).

**Opinions are split and evolving as to the impact AI and robotics will have on construction jobs in the next five years.** Fewer respondents than a year ago expect positive negative impacts, while more respondents expect no impact. Twenty-nine percent, down from 33 percent last year,

Impressive as those efforts are, they are not enough to counter the massive federal funding imbalance when it comes to workforce development. The most likely path to addressing construction workforce shortages is for the federal government to adopt better workforce policies.

## BACKGROUND

AGC conducted the survey of its members in July and August 2024. A total of 1,496 individuals from a broad range of firm types and sizes completed the survey. Among responding firms that identified their market segments, 66 percent are involved in building construction, 34 percent perform federal construction projects, 33 percent are involved in highway and transportation construction, and 32 percent work on utility infrastructure projects. Among firms that identified their revenue size, 56 percent performed \$50 million or less worth of work in the preceding 12 months, 35 percent performed between \$50.1 million and \$500 million, and 8 percent performed over \$500 million worth of work. Fifty-nine percent of firms always or primarily operate as open-shop contractors, while 27 percent primarily always operate as union contractors; the remaining 14 percent do not perform or directly hire craft personnel. Respondents were not paid or otherwise compensated for their responses.