

2024 WORKFORCE SURVEY RELEASE Virtual Media Event Talking Points Wednsday, August 28, 2024

Jeff Shoaf Remarks

Hello and thank you for joining us today. My name is Jeff Shoaf and I am the chief executive officer for the Associated General Contractors of America. With me today are Ken Simonson, AGC's chief economist; Carrie Gardenhire, Arcoro's Director of Association Partnerships; Latoya Goree Smith, principal with Kansas City, Missouri-based Rhys Ivy Construction, Jami Klomp, human resources manager for Hardman Construction is Ludington, Michigan; Gita Murthy, the Founder and CEO of RORE, a San Diego-based construction firm; and Zach Fields, who is the vice president of Atlanta, Georgia-based Construction Ready, a group that works with schools to create construction education programs.

The Associated General Contractors of America and Arcoro conduct an annual survey of construction firms to measure the state of the industry's labor market. This 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 numb(num)untr (l)-> d1 Tw T*k T* [n()untr ,rs One reason it is so difficult for firms to invest in construction workforce training and education. A recent report we released in partnership with the Progressive Policy Institute found that federal officials invest four times as much each year encouraging students to earn four-year degrees than they do supporting workforce development programs for fields like construction.

Federal officials not only fail to invest in construction workforce development, they also make it difficult for construction firms to take advantage of the very few visa programs available to the industry.

The workforce shortages being created by federal education, training and immigration policies are undermining the country's ability to build infrastructure and construction programs. The industry is, however, taking a range of steps to address these workforce shortages. With that setup, let me hand things over to Ken Simonson to walk us through some of the key results from this year's survey. Ken...

Ken Simonson Remarks

Thank you, Jeff.

As you noted, an 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

Thanks Ken.

And now I would like to turn things back to Jeff Shoaf to wrap up our analysis of this year's survey results.

Jeff Shoaf Remarks

Thank you, Carrie and Ken, for sharing your insights into the survey results.

As this year's Workforce Survey makes clear, the impacts of our nation's current workforce policies are having a significant impact on many construction projects.

Construction firms are taking a range of steps to cope with labor shortages. So too are AGC of America and its network of 89 chapters working to address workforce shortages. We have partnered with AGC chapters to run more than a dozen targeted digital advertising campaigns designed to reach and recruit new workers. We have created and shared recruiting resources, including a template for a recruiting website for our chapters.

Our Culture of Care program that we make available to the entire industry is designed to help firms retain workers by teaching them how to create more welcoming and inclusive jobsites. And we regularly host virtual and in-person gatherings to share workforce development success stories and encourage their replication.

Our chapters, meanwhile, run a host of training and recruitment programs. They have partnered with local school districts to create new construction academies. They have created pre-apprenticeship and registered apprenticeship programs. They have built and supported networks of career and technical education teachers. And they host dozens of construction career fairs each year, among many other workforce efforts.

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.

Congress and the White House need to significantly boost funding for construction-focused education and training programs. They have two opportunities available to do just that this year alone. They can increase the amount of money in the Workforce Innovation and Opportunity Act allotted to training, as a House-passed version already does, when they reauthorize the program this year. They can also increase the amount of money dedicated to in-school construction education programs when they set spending levels for the Perkins Vocational and Technical Education Act.

It will take time, however, for those new funds to rebuild the domestic pipeline for preparing future construction professionals. That is why Washington officials also need to enact programs that will allow more people to lawfully enter the country to work in construction. This will offer firms a way to keep pace with current demand for construction while the domestic workforce pipeline is being rebuilt.