

LEGAL BRIEFS

– VITAL LEGAL INFORMATION YOU NEED TO KNOW –

Help Wanted: What is driving labor shortages on construction sites in Virginia?

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A “Help Wanted” sign hangs over Virginia’s construction industry.

With job openings outnumbering job seekers, construction firms are experiencing a real pinch when it comes to finding available labor. The Associated General Contractors of America (AGC) reports that 300,000 new jobs were created nationwide in the past year, bringing unemployment to an all-time low. But work in the surging economy is coming in faster and contractors are struggling to find workers to fill backlogs.

Gerald Burr of Canterbury Enterprises in Chesterfield County confirms the impact of this labor shortage in Virginia. “We’re getting the work. But we need more people to do it.” Burr’s experience isn’t unique. In fact, over 80 percent of AGC members and U.S. Chamber of Commerce members report having trouble finding skilled laborers.

Much of the problem appears to be the workforce itself. Millennials show little interest in replacing retiring blue-collar workers, according to BuildZoom, which reports that the younger share of construction workers declined nearly 30 percent between 2005 and 2016. It didn’t help that many high schools cut vocational training programs during the last recession, and students leave without the essential skills for and exposure to these types of jobs. Instead, millennials appear to be turning their attentions to technology-based jobs that require less sweat.

Still, reluctance on the part of millennials is surprising because construction jobs pay. Through apprenticeships, young workers can get a jump start into the marketplace over their



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college counterparts, while ducking college debt. The Georgetown University Center on Education and the Workforce estimates that construction workers earn a median salary of \$59,000. Many skill up and climb quickly to a management position, which fetches a median income of \$91,000.

Employers are adapting. Two-thirds of construction firms in the U.S. Chamber report they are investing in workers with higher pay, retraining, and robust safety programs. The National Association of Home Builders’ Home Builders Institute places 86 percent of its trainees in construction jobs, often despite criminal backgrounds. And technological advances in prefabricated housing is reducing construction times by half, contributing to 60,000 more homes built over the last year,

according to NAHB. The White House joined a dozen industry leaders and associations in a July “Pledge to America’s Workers,” vowing to educate and develop at least 500,000 new construction workers over the next five years. These efforts may convince millennials to rethink construction jobs.

For additional information about workplace law in your area, contact Courtney Malveaux at Courtney.Malveaux@JacksonLewis.com or the Jackson Lewis attorney with whom you regularly work.

Jackson Lewis P.C. represents management exclusively in workplace law and related litigation. Our attorneys are available to assist employers in their compliance efforts and to represent employers in matters before state and federal courts and administrative agencies.



Courtney M. Malveaux (Principal, Richmond) represents employers in employment, regulatory and government affairs matters throughout Virginia. Recognized by Virginia Business among the “Legal Elite” since 2014, Malveaux enforced the Occupational Safety and Health Act and other workplace laws as Virginia’s Labor Commissioner until 2013, and he approves OSHA regulations on the Virginia Safety and Health Codes Board today.

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