# INDUSTRY WORKFORCE CHALLENGES

# **SPPA Advanced Development Summit**



Presented by: R.Lynn Pingol, CEO November 8, 2023

# The NEED to address workforce

- 3,620 NEW jobs for every \$1 billion in construction
- 546k+ additional workers on top to meet the demand for labor.





# LABOR SHORTAGE CONTRIBUTIONS

Reference: "Construction Labor Shortage Statistics in 2023" Accessed November 1, 2023

https://www.workyard.com/research/construction-laborshortage

Bureau of Labor Statistics, Industries at a Glance, Construction: NAICS 23, Accessed on October 15, 2023 https://www.bls.gov/iag/tgs/iag23.htm

#### Pandemic

- Nearly 8 million skilled-labor jobs were lost
- Half have been filled, but about 4 million vacancies remain

#### Age & Retirement

- U.S. Bureau of Labor Statistics, the average age for construction workers is 42.4 years old.
  - With nearly 1 in 4 construction workers older than 55
- Over 40% of the current US construction workforce is expected to retire in the next 10 years

#### Risk

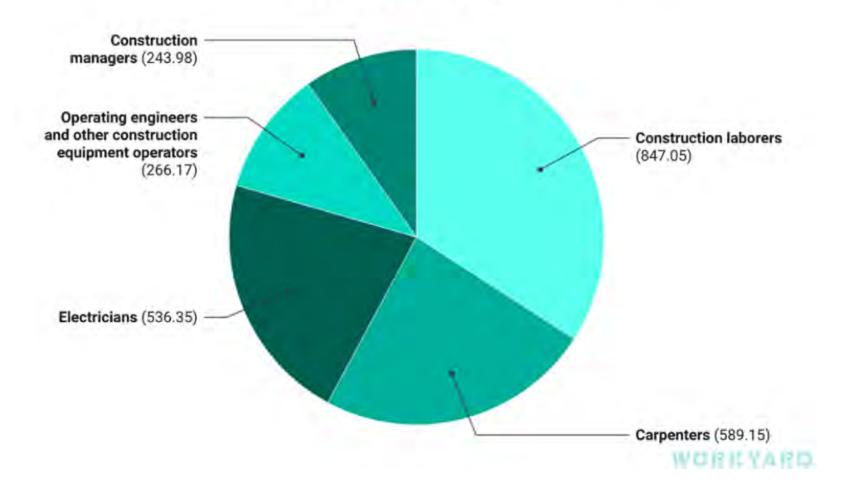
- Injuries and fatalities, which are work-related
- Targeted for ransomware attacks between January 2020 and January 2022.

#### Lack of Interest for the Next Generation

- 1969, there were 8 million students enrolled in postsecondary institutions
- 2019 19.6 million were enrolled.



# CONSTRUCTION INDUSTRY EMPLOYMENT BY OCCUPATION IN THE UNITED STATES (2022, IN THOUSANDS)



### **WHERE THE JOBS ARE**

Reference: "Construction Labor Shortage Statistics in 2023" Accessed November 1, 2023

https://www.workyard.com/research/construction-labor-shortage



# **IS IT ENOUGH?**

- Wages in construction will likely continue to go up
- JLL is predicting a 5% to 7% annual increase

Reference: Bureau of Labor Statistics, Industries at a Glance, Construction: NAICS 23, Accessed on October 15, 2023 https://www.bls.gov/iag/tgs/iag23.htm

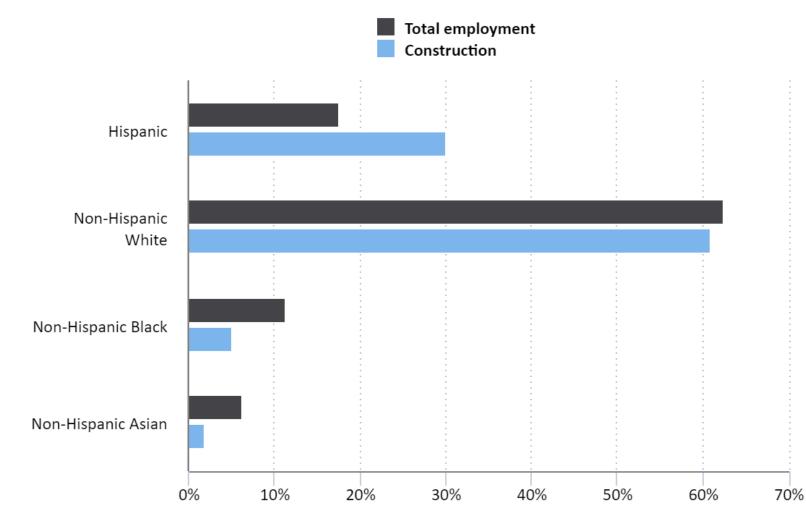
#### **Construction Industry Pay:**

Construction jobs pay well. In Minnesota, 4 out of the 5 most numerous construction occupations had median
annual pay exceeding the median for all employees in 2022. (Half of workers earn more than the median; half
earn less.)



Source: Macrina Wilkins, Senior Research Analyst, AGC of America, macrina.wilkins@agc.org, from Bureau of Economic Analysis (GDP); Census Bureau (spending); Bureau of Labor Statistics (national and state employment, median wages); AGC (outlook survey). September 18, 2023





#### Construction and total employment by race and ethnicity, 2020

## **VIEW OF THE WORKFORCE**

Hispanic: 30% Non Hispanic Blacks: 5.1% Non-Hispanic Asians: 1.8%

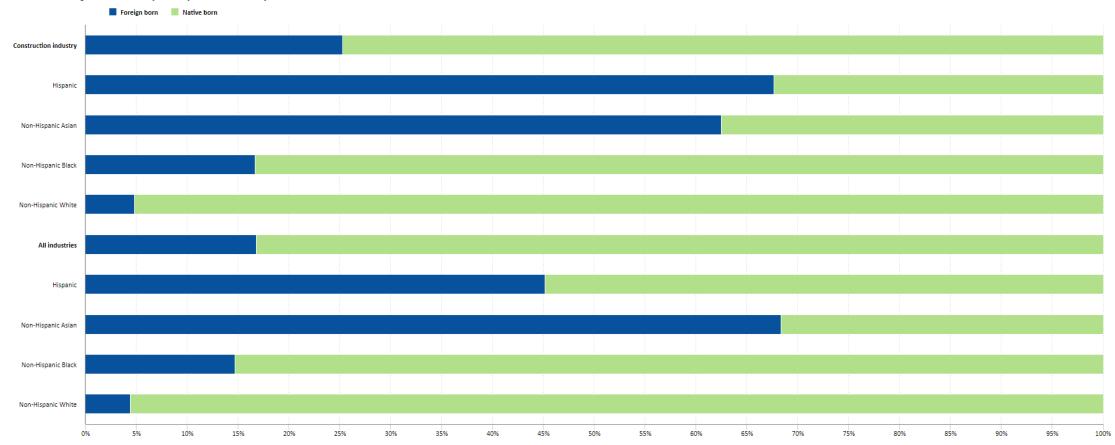
### Only ONE in TEN construction workers is a WOMAN

Reference: Gallagher , Claire McAnaw "The Construction Industry: Characteristics of the Employed, 2003–20" April 2022 US Bureau of Statistics Bureau of Labor Statistics, Industries at a Glance, Construction: NAICS 23, Accessed on October 15, 2023 https://www.bls.gov/spotlight/2022/theconstruction-industry-labor-force-2003-to-2020/home.htm



## **25.3 PERCENT OF CONSTRUCTION INDUSTRY WORKERS WERE FOREIGN BORN**

#### Native- and foreign-born workers by industry, race, and ethnicity, 2020



Reference: Bureau of Labor Statistics, Industries at a Glance, Construction: NAICS 23, Accessed on October 15, 2023 https://www.bls.gov/iag/tgs/iag23.htm



2

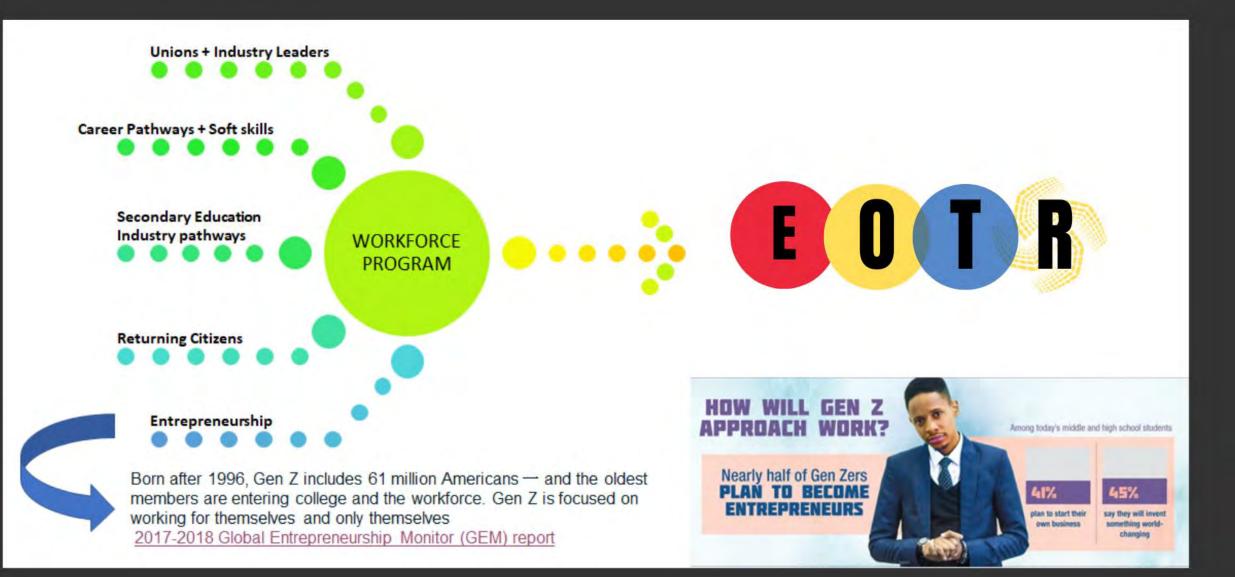
# WORKFORCE SOLUTIONS

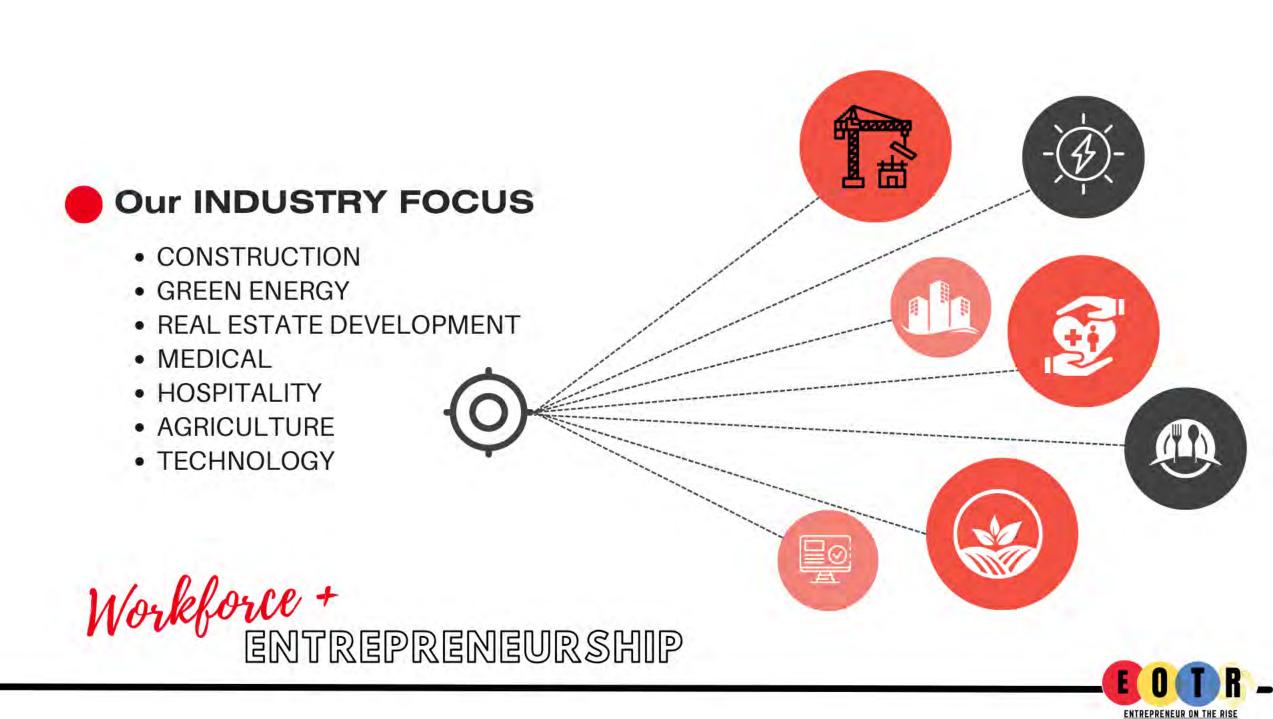
- Internal training in the industry
- Work with trade schools
- Collaborate with universities on adding workforce education programs in the trades
- Encourage union conversations
   OR

you can get involved with us!

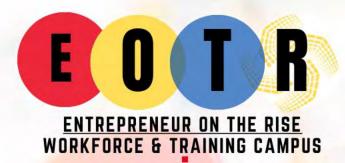


## WHY IT MAKES SENSE























LEASE OR SHARED OWNERSHIP OPPORTUNITIES





#### VERTICAL FARMING CENTRE



FARMERS MARKET PROGRAM



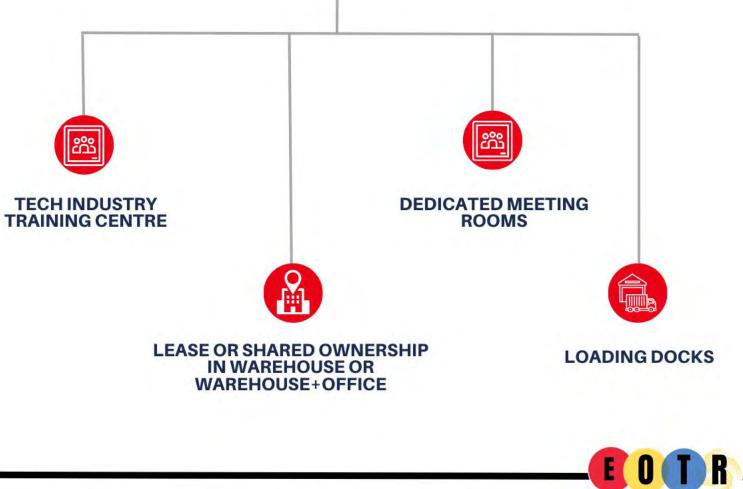
DEDICATED LEARNING HUBS











ENTREPRENEUR ON THE RISE WORKFORCE & TRAINING CAMPUS

# **THANK YOU!**

### LEARN MORE! R.Lynn Pingol, DBA CEO & Founder

MaKee Company/EOTR Campus

- rlynnp@makeecompany.com
- 651.348.8925
- Makeecompany.com
- Lynnpingol.com



