



LOOKING UP

After an agonizing crawl through recession, finally some signs of improvement

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uring the height of the Great Recession construction jobs took a devastating hit. Although the financial crisis technically ended in 2009, there has been a lingering effect for those who make a living on construction sites. In 2011, two years after economic experts declared an end to the recession, joblessness in the industry hit 23%; more than double the national unemployment rate. And the recovery has been painfully slow.

"We were slower to get into the decline when the economy started turning south. It took us a while to burn off the backlog that was in place," said Randy Bredar, senior vice president with JE Dunn Construction. "We were slower to suffer but we've also been slower to recover."

The Kansas City-based general contractor, one of the largest in the country, has compiled data offering an outlook on what 2015 holds in store for construction workers. A mixed bag would be an accurate description - some good news, some bad.

In the crippled economy, when jobs were much harder (in some cases impossible) to come by, many tradespeople decided to leave the industry or take early retirement. That has left a gaping hole now that business is starting to pick up again. The term workforce shortage has become a rallying cry, impossible to ignore when discussing the state of construction. Sensing a manpower problem - and proving that necessity is the mother of invention - many companies are getting creative in finding labor-saving machinery and tools.

Bredar doesn't necessarily see this as a disaster. "There is a real opportunity here. A lot of people left the industry or retired early but there are still a lot of good jobs and people out there who can fill them."

Researching data from AGC of America, the Bureau of Labor Statistics, American Institute of Architects and other sources, JE Dunn identifies residential construction, particularly multi-family housing, as the first segment to have recovered from the downturn. A strong demand for jobs is predicted to continue, in part, because so many workers have left. "Meeting demand is going to mean training and identifying those people that we want to bring into the business, making certain they're exposed to it and trained for it. This is a chance to bring a new generation into the workforce," said Bredar.

With 38 states seeing construction growth in the past year, all indicators point to brighter days ahead. And a less plentiful pool of tradespeople also means tighter competition among employers wanting the brightest and best trained, which affects what they are willing to pay.

Looking ahead, Bredar sees a lot of reason for optimism. "We have a unique opportunity right now to be proactive about reaching out to schools and the community, particularly to urban communities, and showing this as an option for those people who may not be interested or capable of attending college. It's a chance to get trained for a well-paying profession."

—Matt Murphy



Randy Bredar
JE Dunn