



**PREPARING THE NEXT GENERATION OF
SKILLED CONSTRUCTION WORKERS:
WORKFORCE DEVELOPMENT PLAN**

2016

While the nation once had a thriving public vocational-technical educational program that provided training for a host of skills, including construction, many of those programs have been closed over the past several decades. One reason is that federal funding has largely shifted to promoting college-preparatory programs on the misguided theory that everyone should, can and wants to attend college. During the past eight years alone, federal funding for career and technical education has declined from over \$1.3 billion a year to a 2015 level of just over \$1.12 billion. That is a 29 percent decline after taking inflation into account.

In the wake of declining support for secondary career and technical education training, many remaining programs have struggled to find sufficient support to fund not only operations, but to acquire the often-costly equipment needed to provide meaningful skills training. Many program operators report having to get creative about seeking private-sector funding and donations to acquire needed equipment and materials. Federal, state and local funding cuts for career and technical education are occurring despite the fact these programs have higher graduation rates

Vocational & Adult Education) than college-preparatory education programs.

Another factor contributing to the dismantling of the construction education pipeline is increasing focus on, and demand for, college preparatory programs. As the U.S. economy shifts from manufacturing to knowledge-based, there has been a corresponding shift in interest in establishing educational programs designed to prepare students for college. The consequence has been the overwhelming impression among youths, their parents and teachers that career and technical education is unacceptable, despite the fact construction jobs often pay better than many post-college options, especially post-downturn.

As institutions continue to dismantle public career education programs, changing labor trends have diminished participation in union-based apprenticeship training programs. The number of construction workers who chose union representation shrank by 19 percent, from 1.195 million in 2008 to 968,000 in 2014 membership data. As a result, the reach of union apprenticeship training programs has become increasingly limited.

Unfortunately, federal and often state rules make it difficult for open-shop contractors to create similar apprenticeship programs. Federal antitrust rules, for example, make it more difficult for multiple open-shop employers to work together to create apprenticeship training programs. As a result, many firms are hesitant to pay the cost of training on their own, knowing other firms may hire away their newly-trained staff and underbid them for new projects.

Why an Industry that Shed Two Million Jobs has a Hard Time Finding Workers

new young construction workers available to meet growing demand, different factors explain why construction workers currently seeking employment has tumbled from 2.2 million in January 2010 to 525,000 in August 2015 – the lowest amount for the month since 2001, according to the Bureau of Labor Statistics. Meanwhile, construction consultancy FMI estimates that the construction industry will need to add 1.5 million new workers to keep pace with demand and replace retirees by the end of the year.

Many laid-off construction workers likely opted to return to work in other sectors of the economy. Many of those workers may now be driving trucks, operating heavy equipment or doing other jobs in the energy sector. Other unemployed construction workers may lack the skills needed to qualify for in-demand positions, like pipefitters.

Other laid-off construction workers simply decided to hang up their tool belts and retire. According to the 3 Current Population Survey, roughly 40 percent of the construction workforce is 45 years of age or older. That means there are 3.7 million construction workers who will be approaching retirement within the next 10 years.

Reform and Reinvigorate the Perkins Act. Congress and the administration must work together to make a number of reforms to the Carl D. Perkins Career & Technical Education Act – the primary federal funding vehicle for career and technical education programs. For example, the act should be amended to give states increased flexibility to select and fund high-quality training programs in response to labor

Make it Easier for Veterans to Get Training and be Hired. Congress should enact measures to allow veterans participating in pre-apprenticeship training programs to receive the same amount of educational assistance as individuals participating in apprenticeship programs. This will make



