

While those changes may ultimately be beneficial, the other impact of construction workforce shortages, as this survey finds, is that it now takes longer and costs more to build many types of

Most firms are paying more to attract and recruit workers. Sixty-two percent of construction firms report they have increased base pay rates for craft workers because of the difficulty in filling positions, 24 percent have improved employee benefits for craft workers and one-in-four report they are providing incentives and bonuses to attract craft workers. In addition, 56 percent of firms report they have increased pay to attract salaried employees, while 34 percent are providing bonuses and 24 percent are providing improved employee benefits to attract salaried workers.

Firms are also adjusting their operations to be able to do more with fewer workers. Forty-six percent of firms report they have initiated or increased in-house training because of workforce shortages, while 33 percent report they have hired interns, 30 percent report they are

Workforce shortages are impacting union and open-shop construction firms alike. More than three-quarters (76 percent) of firms that exclusively use union craft labor report difficulty filling hourly craft positions, compared to 88 percent of firms that use only non-union labor. Union-only firms reported greater difficulty filling salaried positions: 60 percent, compared to 53 percent for non-union firms.

CONCLUSIONS

Construction workforce shortages have become so widespread they are impacting virtually every aspect of the construction industry. Construction firms are changing the way they recruit, train, schedule, charge and staff as they struggle to cope with labor shortages that make it increasingly difficult for them to keep pace with demand. In one sense the changes workforce shocp4 (nf)-2 (f)3 (or)2 12 (a)-

BACKGROUND

AGC conducted the survey of its members in late June, July and early August 2018. Over 2,500 individuals, from a broad range of firm types and sizes completed the survey. Among responding firms, 65 percent are involved in building construction, 29 percent are involved in highway and transportation construction, 22 percent perform federal construction projects and 20 work on utility infrastructure projects. Twenty-nine percent of responding firms perform \$10 million a year or less worth of work, 32 percent perform between \$10.1 million and \$5