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Oregon's Building Connections

Making construction a career, not 'just a job'

By: Garrett Andrews in Construction October 8, 2015 3:33 pm



David Oancea, an apprentice laborer with Cascade Bridge and student at the Northwest College of Construction, strips concrete forms from a support column while working on an on-ramp project on I-205 in Vancouver, Wash.

Something interesting has been happening in the construction industry over the past two decades: despite rising wages and rapidly increasing demand for new workers, contractors are having trouble filling positions.



Broad demographic and cultural explanations exist, according to a recent **Associated General Contractors** paper reporting the results of a national membership survey that had nearly 1,400 respondents.

Likely causes put forward by the **AGC** include an aging workforce, the residual effects of the **Great Recession**, and the rise of the four-year college degree in favor of what was once called “vocational training.” AGC warns that unchecked, this problem could lead to greater reliance on temporary employees and subcontractors, along with diminished workplace safety (though it has resulted in higher pay for highly-skilled workers and better benefits).

The average construction worker in Oregon earns \$56,000 annually.

“Our economy is creating a lot of good jobs, but will Oregon’s kids be able to fill those jobs?” asked John Rakowitz, top lobbyist for AGC’s Oregon-Columbia chapter. “By 2022, we are going to need 25,000 new employees. That is a serious challenge, to be able to sustain the recovery of our industry in our state.”

To restore a “pipeline” of skilled “hourly craft professionals,” the AGC proposes greater funding for career technical education at the high school and career college level, and even comprehensive immigration reform. In Oregon, many high school career tech courses are now considered “elective,” and don’t count as highly toward graduation. Schools also lack qualified instructors. Two bills passed in Oregon during the past legislative session – House bills 5016 and 3072 – took aim at these issues.

Rakowitz said his cause has broad bipartisan support. Homebuilders and unions are on board, he added. “We want people to think of (construction) as a career, not just a job,” he said.

Paul Grove of the **Home Builders Association of Metropolitan Portland** agreed. “It’s a career path that probably doesn’t get as much play as it should,” he said. Right now, the role of training the next generation of hourly construction workers has been partially outsourced to community colleges.

At **Portland Community College**, construction instructor and retired homebuilder Bob Steele said many of his students have already earned bachelor’s degrees in unrelated areas. Some “kick around” a few years after high school in the service or retail industries before becoming serious about the years-long process of learning a trade, he said. “The majority of my students come here looking for skills,” he said.

This is happening when the construction field is growing faster than all other sectors monitored by the **Oregon Employment Department**, with 29 percent growth predicted between 2012 and 2022. In September, unemployment in the construction sector was at its lowest point in 15 years. On Thursday, the Employment Department listed 93 current job openings for carpenters.

Many people who left the construction industry during the recession have not returned, according to AGC. And the **U.S. Bureau of Labor Statistics** predicts that one in three members of the labor force will be above 50 by 2016.

“One of the biggest problems in the industry is all the people getting to be my age,” said baby boomer David Zagorodney, president of the **Northwest College of Construction**. “And not only are people not entering this industry, but there’s a whole group of people that’s missing.”

Career technical institutions like the **NWCOC** and the **ACE Academy** charter school are helping fill the skills gap.

The NWCOC is funded primarily by a trust paid into by Portland-area contractors. It offers seven apprenticeship programs – two years to four years – such as brick masonry and heavy equipment operation. All begin with a “jump-start” crash course – several full days focusing on the “soft” skills of construction. These include punctuality, a good resume, proper attire, etc. Zagorodney said he wants graduates to begin contributing on day one.



Among the NWCOC's more than 250 current students is apprentice general laborer David Oancea, 20. He hopes to attend college one day and move into management. He has about 1,000 hours to go before he earns his journeyman card from NWCOC.

Following an abortive start with a demolition firm (he had trouble reaching the job site on time, he admits), Oancea has now been with Cascade Bridge for a year and a half. He says he's free of debt and earns three times what his friends make. He's started paying into a 401K.

"Being a grunt, you see where all the holes are and how to treat your men," he said. "When you have to do all the jobs that everybody has to do, it shows you how to do it all ... I'm pretty blessed."

Oancea's mother, Sarah, an administrator at NWCOC, pushed him to join the apprentice program after high school to "make him into a man." So far, she's seen many changes in him, all positive.

"Physically, his body has changed; but mentally, he's just a lot stronger," she said. "One other thing about him – he's a helper now."

Read more: <http://djcoregon.com/news/2015/10/08/making-construction-a-career-not-just-a-job/#ixzz3pQF56Upm>



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Construction Accounts for \$8 Billion of Oregon's Economy in 2014

Report from Associated General Contractors of America shows continued economic growth and rising wages in construction



Oregon's construction industry accounted for \$8 billion of the state's gross domestic product (GDP) in 2014, according to a new report from the Associated General Contractors of America. The report shows that the sector has slowly but surely regained over a third of the local jobs lost during the most recent recession.

Private nonresidential construction was a significant contributor to this increase, with statewide spending topping out at \$4.6 billion in 2014. This represents a huge leap compared to 2009 when it totaled a mere \$2.1 billion statewide.

"There is clear but uneven growth in our industry," said Mike Salsgiver, executive director of AGC's Oregon-Columbia Chapter. "Vertical construction is growing, but we need Congress and the state legislature to fund our transportation programs."

Overall, the report is good for Oregon jobs. In the past five years, construction employment has grown by over 13,000 jobs. Even with these gains, the job count remains 17 percent lower than the industry's pre-recession peak of 103,300 in August of 2007.

"It may sound counter intuitive, but even with 21,000 fewer workers than our industry had eight years ago, we're experiencing a tremendous shortage of skilled workers," Salsgiver said. "Contractors are having a tough time filling vacancies, and that's a problem we've got to address."

Due to this labor shortage, construction wages are up nearly 14 percent since 2009. The average wage within the state last year was \$53,300.

Construction accounted for 3.5 percent of Oregon's \$216 billion GDP in 2014. Nationally, construction contributed \$653 billion to the United States' \$17.3 trillion dollar GDP.

AGC's leaders say deferred maintenance on Oregon's transportation infrastructure is likely the biggest thing holding the industry back. "No one needs to drive very far to see how badly we need to invest in our transportation system," Salsgiver said. "Our roads, highways, and bridges have billions of dollars in deferred maintenance, and it's time for the state to put together a bipartisan plan to address those critical needs."

A full copy of the report can be [found here](#). Data was compiled by Ken Simonson, chief economist for the Associated General Contractors of America.