

## Construction industry ready to hire; where are the workers?

By Marcia Heroux Pounds  
Sun Sentinel

JANUARY 21, 2015, 5:53 PM

**M**ost of Florida's contractors plan to add workers this year, according to a construction forecast released Wednesday.

In 2014, Florida contractors saw their employee count swell by 47 percent, contractors reported in The Associated General Contractors' 2015 industry outlook.

This year, 95 percent say they plan to hire. Of those, 24 percent said they'll hire more than 25 workers, with 18 percent adding six to 15 workers and 47 percent adding one to five. Six percent don't expect their head count to change, but none expect to decrease their workforce.

"The outlook for 2015 is generally quite positive," Ken Simonson, chief economist for the Associated General Contractors, said on a conference call Wednesday. He said retail, warehouse and hotel construction is expected to be particularly strong.

But finding new professional and skilled trades workers is a growing challenge, the survey indicates.

Florida contractors are paying more in base pay, overtime and benefits to retain and attract both professional and skilled trade workers.

The industry lost workers during the housing crisis and economic downturn, when many turned to the oil industry for jobs.

"I think the industry will start recapturing some of those workers," Simonson said.

South Florida contractors report a struggle between rising business, worker shortages and increased costs.

"Labor is getting more expensive, both operators and professional staff," said Bob Schafer, executive vice president of Ranger Construction in West Palm Beach, whose firm does commercial projects and Department of Transportation roadwork, and expects residential construction work in 2015.

Costs for both labor and material are increasing about 10 percent annually, Schafer said.

In the survey, 41 percent of Florida contractors said they have trouble filling both professional and skilled trades workers while 35 percent said they have no trouble finding professionals but do have difficulty finding skilled trade workers.

As a result, 71 percent said they were increasing base pay for professionals and 59 percent for skilled trades workers. For skilled workers, 35 percent also are increasing overtime.

Florida contractors reported their dollar volumes ramping up in projects for new offices, manufacturing operations, water and sewer construction, highways, and retail, warehouse and hotel construction.

Work also remains steady in marine construction, K-12 schools, energy and public buildings, the report indicates.

"The market is very busy, and we see that trend continuing," said Andy Allen, project director of Skanska USA. Skanska's hottest markets have been in health care, higher education and infrastructure.

"Those markets are all growing," said Allen, whose firm had \$645 million in revenue in Florida last year and employed about 300 construction professionals.

Allen sees potential work on large bridge projects in Broward County this year, as well as continued work at Broward Health North in Pompano Beach, where it is completing an operating suite and emergency department expansion.

Nationally, 80 percent of construction firms plan to expand their payrolls in 2015 while only 7 percent expect to reduce head counts according to the AGC survey. More than 900 construction firms nationwide completed the survey.

*mpounds@sunsentinel.com or 561-243-6650*

Copyright © 2015 Sun Sentinel