



2025 WORKFORCE SURVEY RELEASE

Virtual Media Event Talking Points

Thursday, August 28, 2025

Ken Simonson Remarks

Hello and thank you for joining us today. My name is Ken Simonson and I am the chief economist for the Associated General Contractors of America. With me today are Boyd Worsham, the president and CEO of NCCER, the National Center for Construction Education & Research; Hasting Sykes, the founder and principal at Sykes-Weaver General Contractors in Vestavia Hills, Alabama; Mike Scarborough, vice president for pre-construction at Rabren General Contractors in Auburn, Alabama and Steve Levy, the chief operating officer for McCownGordon Construction in Kansas City, Missouri.

The Associated General Contractors of America and NCCER—the National Center for Construction Education and Research—conduct an annual survey of construction firms to measure the state of the industry’s labor market. The 2025 Workforce Survey is designed to measure the severity of construction workforce shortages and the impacts those shortages have on construction firms and projects. It is also designed to measure what construction firms are doing in response to those shortages to cope and help bring more people into the industry.

Before I continue, I would like to share a message from Jeff Shoaf, AGC of America’s CEO...

-Play Shoaf video here-

As Jeff alluded to in his remarks, this year’s survey was conducted against a backdrop of drastic and abrupt policy upheavals that have caused many owners to pause project starts and, in some cases, to cancel, shrink, or redesign projects. As a result, construction spending and employment are not growing as robustly as in the recent past.

Despite the slowdown in activity, 88 percent of firms that directly employ craft workers report having openings for craft workers, while four-fifths of firms have openings for salaried workers. Ninety-two percent of contractors that are hiring report having a hard time finding qualified workers. These percentages haven’t changed much from a year ago or even the past several years.

One reason it is so difficult for firms to find people is because federal officials have failed to properly invest in construction workforce training and education. Contractors’ survey responses highlight the impacts of these investment shortfalls. Fifty-seven percent of firms report that available candidates are not qualified to work in the industry because they lack essential skills or do not have an appropriate certificate or license for the position.

At the same time, the survey results show how difficult it is for construction firms to take advantage of the very few visa programs available to the industry. Only 10 percent of firms use the H-2B visa program or other temporary work visa programs to secure either salaried or hourly craft employees.

Worker shortages are respondents' most commonly listed reason for project delays. Forty-five percent of respondents report experiencing project delays due to shortages of their own or subcontractors' workers. Overall, 78 percent of firms report experiencing at least one project that has been delayed—that's down just slightly from 80 percent a year ago.

The construction industry is, however, taking a range of steps to address these shortages. Seven out of eight firms raised base pay for workers as much or more than they did a year earlier, whereas pay increases have been getting smaller in most industries. And 42 percent of firms initiated or increased spending on training and professional development in the past 12 months.

The industry is also looking to technological solutions to help overcome workforce shortages. A majority, 55 percent, of firms added online strategies like social media and targeted digital advertising to connect better with younger applicants. A similar share, 52 percent, engaged with career-building programs at high school, college, or career and technical education institutions.

As in our past surveys, many owners have postponed or scaled back projects. This year, about two-thirds of firms report at least one project in the previous six months has been postponed, canceled, or scaled back. What is new this year is that 16 percent of firms identified changes in demand or need due to tariffs as a reason for project disruptions. In addition, 26 percent cited changes in demand or need due to other government policy changes such as federal spending, taxes, and regulations.

Respondents' firms have resorted to a variety of strategies to cope with increased or proposed tariffs. Roughly two-fifths of firms raised prices (41 percent) and/or accelerated purchases in anticipation of higher materials costs (39 percent). Nearly one in four (23 percent) added price-sharing adjustments or other terms to contracts. But another one-fourth (26 percent) said they had not been affected.

Another policy change that has begun to affect contractors is stepped-up immigration enforcement. Twenty-eight percent of respondents report their firm has been affected directly or indirectly. Specifically, 5 percent report a jobsite or offsite was visited by immigration agents. Ten percent say workers left or failed to appear because of actual or rumored immigration actions. And 20 percent report subcontractors lost workers. I'd note that the survey was conducted immediately after passage of the reconciliation bill that contains huge increases in funding and resources for immigration enforcement. It's likely even more firms will be affected in the coming months.

Forty-five percent expect robotics and AI will positively impact construction jobs by automating manual, error-prone tasks. And 44 percent expect robotics and AI will improve the quality of construction jobs and make workers safer and more productive. The share that expects robotics and AI will negatively impact the construction job market by eliminating jobs fell to 12 percent from 14 percent in 2024 and 17 percent in 2023.

Now I would like to hand things over to Boyd Worsham to share some of his insights from the survey results...

Boyd Worsham Remarks

Thanks Ken.

And now I would like to turn things back to Ken to wrap up our analysis of this year's survey results.

Ken Simonson Remarks

Thank you, Boyd, for sharing your insights into the survey results.

As the survey results show, construction workforce shortages aren't just a problem for the construction industry. Construction projects of all types are being delayed because there aren't enough qualified workers available for firms to hire. This means public infrastructure projects, private-sector economic developments and countless other projects are taking longer, and costing more, to build. The longer it takes, and the more expensive it is, to build, the harder it becomes for the economy to grow.

Fortunately, there are policy measures that can be put in place that will go a long way in addressing construction workforce shortages. The most important thing policy makers at every level of government must do is boost funding and support for construction education and training programs. Today, four-fifths of all federal workforce development dollars go to supporting students who are pursuing a four-year college degree. Yet only 38 percent of adults have such a degree.

At the federal level, Congress and the Trump administration should at least double current funding levels for high school career and technical education programs. And Congress should pass a new Workforce Innovation and Opportunity Act that allocates at least 50 percent of funds for workforce training programs. Today, only 10 percent of funds spent through this law go to training programs.

Rebuilding the domestic workforce development program will take time. Boosting funding and supporting more training programs focused on construction will expose more people to career opportunities in construction and provide them with the basic skills they need to be employable. But it will take at least a few years before any new investments translate to significant numbers of new, qualified workers.

In the meantime, Congress and the Trump administration must provide more lawful pathways for people to enter into, or remain in, the country to work in construction. This should include establishing a new, construction-specific temporary work visa program. And it should also include a pathway for people already in the country – whether they are here via the Temporary Protected Status program, seeking asylum or are undocumented – to lawfully remain in the country and continue to contribute to the American economy.

Policy makers should continue taking steps to eliminate the economic uncertainty that is contributing to declining demand for certain types of construction projects. Federal officials took an important first step when they established long-term tax rates earlier this year. But there remains a lot of uncertainty about

future tariff rates. The Trump administration should quickly resolve trade disputes with major U.S. trading partners, including Canada, Mexico and China, to eliminate the threat of punitive tariffs. Eliminating market uncertainty will help boost demand for many types of construction projects.

AGC of America will continue to advocate for workforce development measures, including new investments in construction education and training programs. We will continue pushing to establish more lawful ways for people to enter, or remain in, the country to work in construction. And we will continue to educate our members about the potential impacts of tariffs even as we urge federal officials to resolve those outstanding trade disputes.

Our goal is to make sure the construction industry remains a driver of economic growth in this country. The best way to do that is to ensure it has the workforce, and the demand, needed to continue building the American economy.

Before we open things up to questions, I would like to ask the contractors on the call to share their observations on the labor market in their area and talk about some of things they are doing to get more people into the industry.

Let's start with Hasting Sykes...

Next, let's hear from Mike Scarborough...

And then from Steve Levy...

And now we would be happy to answer any questions you might have...

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