2026 WORKFORCE SURVEY RELEASE
Virtual Media Event Talking Points
Thursday, September 3, 2026

Jeff Remarks

Good morning, everyone, and thank you for joining us today.

For those of you I haven't had the opportunity to meet, my name is Jeff Shoaf, and I am the chief executive officer of the Associated General Contractors of America.

I'm pleased to be joined today by Ken Simonson, AGC's chief economist, who will walk us through the results of this year's workforce survey; Boyd Worsham, president and CEO of NCCER. Also with us today is Mindy Bates, the Human Resources Director for ACE Electric in Valdosta, Georgia; Aja Gower, Senior Manager with Holder Construction in Atlanta, Georgia, and Dr. Sammi Morrill, Vice Chancellor of Alamo Colleges District in San Antonio, Texas.

Every year, the Associated General Contractors of America and NCCER conduct a survey of construction firms to measure the state of the industry's labor market. This year more than 1,800 respondents from across the country participated in that survey.

The survey is designed to measure the severity of construction workforce shortages, the impacts those shortages are having on firms and projects, and what contractors are doing to recruit, train and retain workers.

What this year's results make clear is that construction workforce shortages remain acute, even as demand has softened in some parts of the industry.

Contractors continue to report difficulty finding enough qualified workers to fill open positions. At the same time, the challenges they face are becoming more complicated.

The rapid expansion of data center construction is increasing competition for skilled workers in many markets. Immigration enforcement is affecting labor availability for some firms. And too many applicants still lack the basic skills or construction-specific training needed to be successful in the industry.

These workforce challenges have real consequences. They contribute to project delays, make it harder for firms to keep pace with demand and increase the cost and difficulty of delivering construction projects.

The industry is doing a great deal to address these challenges. Contractors are increasing pay, investing in training, expanding their recruiting efforts and partnering with schools and workforce programs to bring more people into construction careers.

But contractors cannot solve the workforce challenge entirely on their own. We need a much stronger national commitment to career and technical education and construction workforce development, as well as immigration policies that provide lawful and workable pathways for people who want to build careers in industries like construction.

Ken is going to walk us through the survey results in much greater detail, including what contractors are telling us about hiring conditions, project delays, data centers, immigration enforcement and the steps firms are taking to build their workforce.

So with that, let me turn things over to AGC's chief economist, Ken Simonson. Ken…

Ken remarks

As Jeff alluded to in his remarks, this year's survey was conducted against a backdrop of uneven construction demand and continued uncertainty surrounding costs, financing and public policy.

There was a close split among firms that increased, decreased or held steady their headcount in the past 12 months. Thirty-seven percent of respondents report their firm's headcount declined by at least 5 percent, compared with 34 percent that increased headcount by at least 5 percent and 29 percent with little or not change in headcount. Yet those softer market conditions have done relatively little to ease the industry's longstanding workforce challenges.

Eighty-seven percent of firms report having openings for hourly craft workers, while 82 percent report openings for salaried positions. Among firms with craft openings, 88 percent say those positions are as hard or harder to fill than a year ago. Similarly, 87 percent of firms with salaried openings say those positions are as hard or harder to fill.

And contractors expect their need for workers to remain strong. Seventy-three percent of respondents expect to add employees during the next 12 months, while only 8 percent expect to reduce their headcount.

In other words, while some firms are adjusting to weaker demand, many contractors continue to compete for a limited supply of qualified workers.

One of the factors keeping labor conditions tight is the rapid growth in data-center construction.
Twenty-eight percent of respondents report performing construction work on a data-center project during the past 12 months. Among those firms, the availability of workers or subcontractors is the most commonly cited challenge to pursuing or delivering data-center projects.

The impact extends beyond the data-center projects themselves. Fifty-eight percent of respondents reporting on the workforce effects of data-center construction say those projects have increased competition for skilled workers. Forty-nine percent report increased wage pressure, 36 percent say data-center projects have made open positions harder to fill and 30 percent report increased turnover.

These findings suggest that rapidly expanding segments such as data centers can intensify competition for construction workers even as demand in other parts of the market is slowing.

Another factor affecting the construction workforce is enhanced immigration enforcement.
Seventy-one percent of respondents report no impact from immigration enforcement actions during the past six months, meaning roughly 29 percent report at least one direct or indirect impact. Six percent report that a jobsite or offsite location was visited by immigration agents, 12 percent say workers left or failed to appear because of actual or rumored immigration actions, and 16 percent report that subcontractors lost workers.

At the same time, contractors continue to struggle to find candidates with the qualifications they need.
Half of respondents 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. That is down from 57 percent last year but remains the most commonly cited reason contractors report difficulty filling positions.

And the challenge increasingly extends beyond finding workers to retaining them once they are hired.
Forty-two percent of firms say new hires fail to show up or quit shortly after starting. Eighty-three percent report at least some turnover among new field employees during their first 90 days. Respondents most often attribute those early departures to a mismatch between workers' expectations and the realities of construction work, followed by the physical demands of the job and travel or scheduling requirements.

These workforce shortages continue to have consequences for project delivery. Forty-two percent of respondents report that shortages of their own workers or their subcontractors' workers have delayed projects, making workforce shortages the most commonly cited cause of project delays. Overall, nearly three-quarters of firms report experiencing at least one significant project delay during the past year.

And labor shortages are occurring at the same time contractors face other pressures on project demand.
Fifty-five percent of respondents report having at least one non-data-center project canceled, postponed or scaled back during the previous six months. Increasing costs are the most commonly cited reason, reported by 34 percent of firms, while 27 percent cite financing that is unavailable or too expensive. Ten percent cite changes in demand or need due to tariffs, down from 16 percent last year.

The construction industry is taking a range of steps to address its workforce challenges.

Fifty-five percent of firms increased base pay for hourly craft workers by more than they did a year earlier, while another 29 percent increased pay by approximately the same amount. For salaried workers, 53 percent increased base pay by more than they did a year earlier and another 31 percent increased pay by about the same amount.

Thirty-five percent of firms initiated or increased spending on training and professional development during the past year, while 25 percent implemented or increased in-person, onsite craft training programs.

Contractors are also expanding their recruiting efforts. Forty-nine percent added or increased online recruiting strategies such as social media and targeted digital advertising, while 48 percent increased engagement with career-building programs at high schools, colleges and career and technical education institutions.

And contractors increasingly see technology as another tool for addressing workforce challenges. Fifty-one percent of respondents expect artificial intelligence and robotics to have a somewhat or very positive impact on construction during the next five years, compared with only 8 percent that expect a somewhat or very negative impact.

Rather than viewing these technologies primarily as replacements for construction workers, contractors most often expect them to automate repetitive or error-prone tasks, increase worker productivity and improve worker safety. Within their own firms, contractors expect AI to have the greatest impact on estimating and bidding, document and contract review, scheduling and planning, and project management.

Taken together, the survey results show that softer construction demand has not translated into a broadly softer construction labor market.

Most contractors continue to have open positions, nearly nine in 10 firms with openings say those positions remain as hard or harder to fill than a year ago, and nearly three-quarters expect to add employees during the coming year.

At the same time, data-center construction is intensifying competition for skilled workers in some markets, enhanced immigration enforcement is affecting labor availability at some firms, and contractors continue to struggle to find and retain qualified workers.

Those challenges are why the industry continues to increase pay, invest in training, expand recruiting efforts and adopt technologies that can make its existing workforce more productive.

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

Boyd Remarks

Jeff Remarks

Thank you, Ken, and thank you, Boyd.

What we have heard today makes clear that construction firms are not standing still when it comes to addressing workforce shortages.

Contractors are boosting pay and benefits, increasing investments in training, expanding their recruiting efforts and working with schools and workforce programs to attract more people into construction careers.

AGC and our chapters are working alongside them. Across the country, our chapters operate training and apprenticeship programs, partner with local school districts and career and technical education programs, host construction career fairs and help connect students and job seekers with opportunities in the industry.

Those efforts are making a difference. But this year's survey makes clear these efforts are not enough to overcome the fundamental shortage of qualified workers available to the construction industry.
And the challenge is becoming more complicated.

Even as demand has softened in some parts of the construction market, firms continue to struggle to find qualified workers. At the same time, rapidly growing demand for data center construction is increasing competition for skilled workers. Fifty-eight percent of firms performing data center work report that those projects have increased competition for skilled labor.

Immigration enforcement is also affecting the availability of workers for some construction firms. Just under one-third of respondents report being affected directly or indirectly by immigration enforcement actions.

Together, these findings reinforce the need for a more comprehensive approach to construction workforce development.

Congress and the administration need to significantly increase investments in career and technical education and construction-focused workforce training. For too long, federal workforce policy has devoted far more resources to encouraging students to pursue traditional four-year degrees than to preparing people for high-paying careers in fields like construction.

We need to make it easier for students to learn about construction careers, gain the skills employers need and enter apprenticeship and other industry-based training programs.

But rebuilding the domestic workforce pipeline will take time. That is why federal officials also need to create more lawful and workable pathways for people to enter the country and work in industries like construction.

The goal should be to enforce the nation's immigration laws while also recognizing the very real workforce needs of industries that are essential to the economy.

Policymakers must also address the economic uncertainty affecting construction demand. Contractors continue to face elevated materials costs and uncertainty surrounding trade policy. Resolving outstanding trade disputes and providing greater predictability about tariff rates would allow contractors and project owners to plan and invest with greater confidence.

Congress and the administration can also help address market uncertainties by acting quickly to enact a new multi-year surface transportation bill. Putting a new transportation bill in place, before the current law expires at the end of September, will provide transportation officials with the certainty they need to plan for and fund significant new infrastructure improvement projects. Allowing the current transportation law to lapse and replacing it only with temporary funding will inject new uncertainty into the construction market at a time when demand for many other sectors remains soft.

And we need a more rational, responsible process for approving vital technology infrastructure projects, like data centers. Having a clear process for approving these facilities will address many community concerns while also securing a significant source of demand for construction employers around the country.

The survey results also send a broader message. Workforce shortages are not simply a construction-industry problem. When contractors cannot find enough qualified workers, projects take longer to complete, costs increase and communities have a harder time building the infrastructure and facilities they need.

AGC of America will continue working with policymakers, educators and industry partners like NCCER to make sure the construction industry has the workforce it needs to keep building.

Before we open things up for questions, I would like to turn things over to the contractors joining us today so they can share what these workforce challenges look like on the ground and some of the steps they are taking to recruit, train and retain workers.

Let’s start with Mindy Bates down in Valdosta…

Next, let’s hear from Aja Gower with Holder…

And finally from Dr. Morrill in San Antonio…

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

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