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Housing Supply and Affordability Will Improve with More Trained Workers *CEO: Worker Shortage Requires New Collaboration* *Between Industry and Labor Unions to Create Good-Paying Jobs*

Washington, DC --- A severe shortage of construction workers continues to weaken housing supply and affordability, according to a [new report](#) by the [Home Builders Institute \(HBI\)](#). The building industry can significantly mitigate the problem by working closely with unions to train and place thousands more in the skilled trades, says the organization's chief executive.

"The lack of skilled construction labor is a major challenge for the nation's home builders who are struggling to expand housing inventory and improve affordability," says [HBI CEO Ed Brady](#).

"More training means more pre-apprentice talent placed on job sites. More and better trained workers will result in greater productivity," Brady says. "Greater productivity will not only mean a boost to the housing supply but also an increase in home builders' ability to pay workers more, as the nationwide competition for nearly all categories of labor continues to be stiff."

To attract more people into the trades, the CEO calls for closer cooperation between the construction industry and building and trade unions.

"We are in a new era of need and opportunity that requires serious collaboration," the chief executive says. "The building industry, Labor, and the public and nonprofit sectors must work together to create good-paying jobs for a new generation of skilled workers in construction."

[The Spring 2022 HBI Construction Labor Market Report](#) finds the estimated worker growth required for the construction sector is approximately 740,000 per year. Meanwhile, the demand for construction workers remains strong, with 103,000 net residential construction jobs added over the last 12 months and a recent monthly average of almost 12,000 additions, the report states.

The report is compiled for HBI by the National Association of Home Builders (NAHB) Economics Department. Their analysis continues to show that the construction industry needs an additional 2.2 million new hires from 2022 through 2024 to keep up with demand. "That is a skilled labor shortage at crisis level," says Brady.

The need to improve housing affordability by shrinking the supply shortfall has garnered attention in recent days. The Biden Administration last month announced [a plan to ease housing costs and boost housing supply over the next five years](#).

“Boosting housing supply requires training and placing thousands more skilled workers in good-paying jobs,” says Brady. “That is urgently necessary as many of those in the trades have aged out or left the sector permanently for other opportunities.”

“We need to capture the imagination of more middle school and high school students who are planning their futures. We must build a more diverse and inclusive construction workforce. And we must find ways for the construction industry and the building and trade unions to work together to provide a robust pipeline of trade professionals,” says Brady.

“As a nation, we need to build the next generation of skilled tradespeople. That means recruiting more women. It means training and placing minority, lower income, and opportunity youth for good-paying jobs as an important way to fight against social inequity,” he says. “It means providing trade skills education to veterans and transitioning military. And it means reaching out to secondary school students, and those who influence their decisions, to change their perception of careers in the trades.”

The HBI CEO says these things can be achieved by expanding trade skills education in secondary schools and community colleges, and industry-sponsored facilities and community programs. “The valuable skills learned in training programs help graduates receive the dignity, respect, pay and benefits they deserve. In turn, training increases productivity which allows employers to meet the compensation requirements driven by today’s competitive labor market,” Brady says.

NAHB now is forecasting an economic downturn for 2023. But the long-term deficit of housing is expected to remain during any cyclical, interest-rate driven recession, according to NAHB Chief Economist Robert Dietz. “This research shows us that this housing and skilled labor shortage crisis is not going away,” says Dietz.

HBI trains and places thousands of skilled workers every year for the building industry. With a 200+ training team working in 46 states, HBI is the nation’s leading nonprofit provider of trade skills training in residential construction. Through the organization’s industry-recognized curriculum utilized in nearly 400 programs, HBI trains in a variety of skills including carpentry, electrical, plumbing, building construction technology, HVAC, and masonry. HBI provides pre-apprenticeship training and certification programs in secondary schools, community colleges, technical institutes and training academies for middle and high school students, veterans and transitioning military, underemployed, unemployed and displaced workers, low-income and opportunity youth, and justice-involved youth and adults.

For a copy of the Spring 2022 HBI Construction Labor Market Report, and for more information, visit: www.hbi.org