

# To Build the Housing California Needs We Must Rebuild our Construction Workforce<sup>1</sup>

During the 1970's, California was building lots of homes that working families could afford. Housing developers paid good wages with benefits and invested in apprenticeship programs to prepare the next generation of workers for demanding construction jobs.

## The Mercury News

**Could Gov. Newsom's ambitious housing goals be sidelined by a worker shortage?** 1/14/2019

**In the decades since, developers have been shortchanging their workers with low pay and no training.**

**Now we don't have enough construction workers or enough housing.**



Today California needs to build 3.5 million new housing units by 2025 in order to meet demand and improve affordability. But to do that much building, housing developers need to attract at least 200,000 new construction workers.

<sup>1</sup> Littlehale, Scott. "Rebuilding California: The Golden State's Housing Workforce Reckoning." 2019

<sup>2</sup> McKinsey Global Institute, "A tool kit to close California's housing gap: 3.5 million homes by 2025." McKinsey & Company, October 2016, accessed via <https://www.mckinsey.com/featured-insights/urbanization/closing-californias-housing-gap>

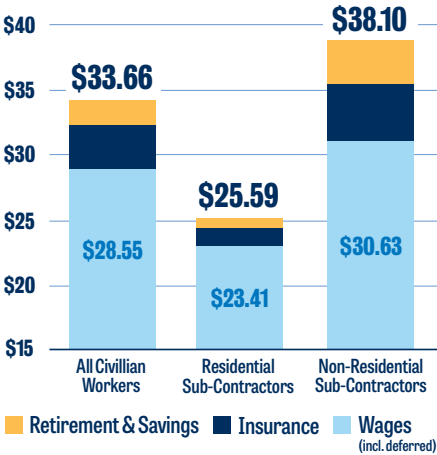
**JOIN US!** Tell legislators that housing developers must invest in the construction workforce California needs — with competitive wages and strong apprenticeship programs!

**SIGN THE PETITION AT**  
**SmartCitiesPrevail.org/RebuildingCalifornia**



# HOUSING CONSTRUCTION SECTOR PAY IS NOT COMPETITIVE<sup>3</sup>

## U.S. AVERAGE HOURLY COMPENSATION BY SUB-SECTOR



## NEW HOUSING CONSTRUCTION HELP WANTED!

### WE'RE OFFERING:

- ✓ Below average wages
- ✓ No health insurance
- ✓ Long commutes to work
- ✓ Higher risk of wage theft
- ✓ No training
- ✓ Dangerous, physically demanding work

**Would you want your son or daughter to apply for this job?**

### QUICK FACTS:

# California's Housing Workforce Reckoning<sup>4</sup>

**PAY IS NOT COMPETITIVE:** On average, residential construction workers make 33% less than non-residential construction workers, and 24% less than all other jobs.

**WAGE THEFT IS RISING:** Since the 1970's, the number of construction workers facing some form of wage theft has increased by 400%.

**DEMANDING WORK:** Construction work involves long commutes and irregular work hours. More than three quarters of career construction workers are injured on the job at some point.

**LESS STABLE JOBS:** Construction work is seasonal and vulnerable to economic downturns. During the last recession, 365,000 construction workers lost their jobs.

**SHRINKING LABOR FORCE:** The California housing industry's labor supply — primarily comprised of lower skilled immigrants and men without a college degree — has been shrinking since 2005.

**TRAINING:** California's housing sector has no formal apprenticeship system.

**IT ALL ADDS UP TO LESS BUILDING:** In California, the housing industry's productivity shrank by 13% between 1987 and 2016. It grew by an average of 31% in all other economic sectors.

<sup>3</sup> U.S. Bureau of Labor Statistics, National Compensation Survey, unpublished data

<sup>4</sup> Littlehale, Scott. "Rebuilding California: The Golden State's Housing Workforce Reckoning" 2019

**It's time for housing developers to invest in the construction workforce California needs — with competitive wages and strong apprenticeship programs!**

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