



May 27, 2021

The Honorable Martin J. Walsh
Secretary of Labor
U.S. Department of Labor
200 Constitution Ave, N.W.
Washington, DC 20210

Dear Secretary Walsh:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 69 chapters representing more than 21,000 company members, I am writing to share with you the exceptional results of our 2021 Workforce Development Survey.

ABC and its members are working hard to recruit, educate and upskill the nation's future construction workforce through a network of more than 800 apprenticeship, craft training and safety programs across the country. ABC's commitment to creating a safe, skilled and productive workforce is evident from the all-of-the-above strategy contractor members employ to develop the craft workers of the future, including both government-registered and industry-recognized apprenticeship programs.

In 2020 alone, ABC contractor members invested \$1.3 billion in workforce development initiatives, providing craft, leadership and safety education to 500,000 course attendees to advance their careers in commercial and industrial construction, according to the 2021 ABC Workforce Development Survey. ABC members invested an average of 8.4% of payroll on workforce development in 2020, up from 7.9% in 2019.

Safety education accounted for 71% of total annual workforce education spending, averaging \$2,369 per employee, to keep workers safe during the COVID-19 pandemic. This was roughly double the \$1,147 per-person investment in 2019.

ABC's commitment to helping all contractors, including nonmembers, achieve world-class safety centers on its STEP Safety Management System. STEP dramatically improves safety performance among participants regardless of company size or type of work and proves that world-class safety is achievable with a company-wide commitment to safety as a core value.

ABC's 2021 Safety Performance Report documents the dramatic impact of using STEP to reduce recordable incidents by up to 85%, making the best-performing ABC member companies 655% safer than the U.S. Bureau of Labor Statistics industry average. The report is based on data gathered from STEP participants that recorded nearly one billion hours of work in construction, heavy construction, civil engineering and specialty trades in 2020.

In other survey findings, the percentage of contractor members reporting a severe labor shortage declined 3% between 2019 and 2020, while those reporting a moderate labor shortage increased 5%. In 2021, construction companies will need to hire 430,000 more workers than they employed in 2020, according to an ABC analysis of BLS data. Every \$1 billion in extra construction spending generates an average of at least 5,700 construction jobs.

The 2021 ABC Workforce Development Survey also revealed that women in management/supervisory roles ticked up to 17% of the workforce in 2020 from 16% in 2019, and approximately 70% of contractors reported partnerships with high school and college career and technical education internship programs.

America's economic engine is fueled by a workforce equipped with durable and transferable skill sets, and ABC members are dedicated to investing in essential education and professional development for craft and management professionals. Apprenticeship and career technical education provide the right tools to our nation's workforce to not only build the places where Americans live, work, heal, play and learn, but also to cultivate long-lasting and rewarding career opportunities.

ABC looks forward to working with you and your staff to advance policies that keep workplaces safe and healthy, create jobs for all Americans and help the U.S. economy continue to rebound from the COVID-19 crisis.

I would welcome the opportunity to meet with you to share more details about the work of our organization and its members and discuss ways we can collaborate to advance the interests of the construction industry and all of the people it benefits and serves across America. To that end, for your review, I have included copies of ABC's 2021 Workforce Development Survey and 2021 Safety Performance Report.

I look forward to hearing from you regarding a meeting. Please feel free to reach out to me directly at any time at mbellaman@abc.org.

Sincerely,

A handwritten signature in black ink that reads "Michael D. Bellaman" with a stylized flourish at the end.

Michael D. Bellaman
President and Chief Executive Officer