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Labor Force Characteristics in Construction and All Industries, 2011-2022

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OVERVIEW

Labor force estimates, alongside measures of employment and unemployment, provide key economic indicators of labor market performance. A better understanding of persons currently in the labor force, as well as those *not in the labor force*, can be used for recruitment and retainment efforts in construction and can help guide health and safety interventions.

This Data Bulletin provides information on the labor force composition for those in construction and all industries from 2011 to 2022. It also examines demographics of workers by employment status (e.g., *employed*, *unemployed*, and not in the labor force). All estimates were obtained from the U.S. Bureau of Labor Statistics (BLS) Current Population Survey (CPS)² downloaded through IPUMS. The basic monthly sample was used for all charts. The Annual Social and Economic Supplement (ASEC) was examined for information on those workers not in the labor force who wanted a job. Percentages shown may not sum to 100% due to rounding.

The labor force structure was first examined for construction and all industries in 2022 (chart 1; see page 2). From 2015 to 2022, the civilian labor force in construction increased 15.8%, from 10.6 million (M) to 12.3M (data not shown). For all industries during the same period, the civilian labor force increased 4.6% (157.1M to 164.3M), while those not in the labor force increased 6.4% (93.7M to 99.7M). Of the limited number of people not in the labor force who reported an industry in 2022, 108.7K were usually employed in construction.

In 2022, *construction workers* accounted for 7.5% of the civilian labor force. A majority of those in construction were employed (95.5%; n=11.8M), with 4.5% (n=549.6 thousand (K)) unemployed. In comparison, 96.4% (n=158.3M) of all workers in 2022 were employed and 3.6% (n=6.0M) were unemployed. A slightly higher unemployment rate in construction is consistent with both recent and historical findings.



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THIS ISSUE

This issue examines the labor force in construction compared to all industries, as well as demographics of workers by employment status.

KEY FINDINGS

Construction workers accounted for 7.5% of the civilian labor force in 2022.

Chart 1

A majority (95.5%) of construction workers were employed.

Chart 1

From 2021 to 2022, employment in construction increased 4.6%, while the number of unemployed workers decreased 28.2%.

Chart 2

Almost one-third of construction workers were Hispanic among employed (34.2%) and unemployed (31.8%).

Chart 3

From 2021 to 2022, the number of construction workers working overtime grew 6.7%, while those working part-time and full-time increased 4.4 and 4.6%, respectively.

Charts 7, 8, and 9

A quarter (24.7%) of construction workers reported working parttime for an economic reason. A majority (89.1%) of workers who usually worked full-time but were working part-time due to economic reasons reported slack work or business conditions.

Chart 10

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Safety Measures Reported Among Construction Contractors In 2022, a majority (76.9%; n=9.1M) of those employed in the construction industry were *wage-and-salary* rather than *self-employed* (23.1%; n=2.7M). In comparison, 89.5% of those employed in all industries (n=141.7M) were wage-and-salary and 10.4% (n=16.5M) were self-employed. Consistent with prior findings, construction had a higher percent of self-employment than all industries. An overwhelming majority of wage-and-salary workers were private for both construction (95.5%; n=8.7M) and all industries (85.0%; n=120.5M), while a majority of self-employed workers were *unincorporated* in both construction (62.2%; n=1.7M) and all industries (59.7%; n=9.9M).

1. Type of labor force and class of workers, construction and all industries, 2022



Source: Integrated Public Use Microdata Series (IPUMS), 2022 Current Population Survey.

* Reported industry not available for a majority of those not in the labor force.

Construction employment and unemployment were then analyzed (chart 2). From 2011 to 2019 the number of employed construction workers increased 25.8% (9.0M to 11.4M), while the number of unemployed decreased 67.8% (1.6M to 506.8K). From 2019 to 2020, construction unemployment increased 91.7% (506.8K to 971.5K), while employment decreased 5.1% (11.4M to 10.8M) due to the <u>COVID-19 pandemic</u>. From 2021 to 2022, construction employment increased 4.6% (11.3M to 11.8M) while unemployment decreased by 28.2% (765.6K to 549.6K) returning to pre-pandemic levels.

2. Construction employment and unemployment, 2011-2022



Source: Integrated Public Use Microdata Series (IPUMS), 2011-2022 Current Population Survey.

The demographics of construction workers by labor force status were then examined (chart 3). Of those not in the labor force, 35.4% were 55 years or older, compared to 22.0% and 19.7% for those employed and unemployed, respectively. Hispanic construction workers made up 34.2% of the employed population, 31.8% of those unemployed, and 29.8% of those not in the labor force. The findings for the employed are similar to prior work.

3. Demographics of construction workers* by labor force status, 2022



Source: Integrated Public Use Microdata Series (IPUMS), 2022 Current Population Survey.

*Construction worker was defined by current job for those employed or based on most recent job for those classified as unemployed or not in the labor force. ^Estimate is based on a low frequency, interpret with caution.

Of those employed in construction in 2022, 30.2% were *foreign born*, compared to 22.2% of those not in the labor force (chart 4).

4. Percent foreign-born construction workers* by labor force status, 2022



Source: Integrated Public Use Microdata Series (IPUMS), 2022 Current Population Survey.

*Construction worker was defined by current job for those employed or based on most recent job for those classified as unemployed or not in the labor force.

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The distribution of employed construction workers based on worker class was then examined (chart 5). The number of employed construction workers increased by 18.7% from 9.9M in 2015 to 11.8M in 2022. From 2015 to 2022, private wageand-salary workers on average accounted for 73.0% of employed workers (data for averages not shown in paragraph). The number of private wage-and-salary workers increased 21.6% (7.1M to 8.7M), while the proportion increased 2.5% (71.7% to 73.5%). On average, public wage-and-salary workers accounted for 3.5% of employed workers from 2015 to 2022. The number of public wage-and-salary workers increased by 4.9% (385.3K to 404.2K), while the proportion decreased 12.8% (3.9% to 3.4%). Unincorporated self-employed workers on average accounted for 15.0% of workers, increasing 5.7% by number (1.6M to 1.7M) and decreasing 10.6% in proportion (16.1% to 14.4%). On average, incorporated self-employed workers accounted for 8.5% of the employed workforce, increasing 25.2% (820.0K to 1.0M) and 4.8% in proportion (8.3% to 8.7%).

5. Distribution of class of worker in the construction workforce, 2015 and 2022



Source: Integrated Public Use Microdata Series (IPUMS), 2015 and 2022 Current Population Survey.

Self-employment in construction and in all industries were then compared (chart 6). From 2011 to 2022, the proportion of self-employed construction workers decreased 11.8%, (26.2% to 23.1%), while all industries hovered around 10.4%, with small fluctuations during the period.

6. Proportion of self-employed workers in construction vs. all industries, 2011-2022



Source: Integrated Public Use Microdata Series (IPUMS), 2011-2022 Current Population Survey. Employment was then examined by reported work schedule. From 2011 to 2019, the number of *full-time* employees (e.g., 35 to 40 hours a week) increased 37.4% (4.6M to 6.3M) in construction and 21.0% (68.4M to 82.8M) in all industries (chart 7). Those working full-time in construction decreased 8.2% (6.3M to 5.8M) from 2019 to 2020. From 2021 to 2022, there was a 4.6% (6.4M to 6.7M) increase in full-time employment in construction.

7. Full-time employment, construction vs. all industries, 2011-2022



Source: Integrated Public Use Microdata Series (IPUMS), 2011-2022 Current Population Survey.

From 2011 to 2019, the number of workers working *overtime* (e.g., more than 40 hours a week) in construction increased 47.3% (2.0M to 2.9M), compared to 13.6% (30.1M to 34.2M) in all industries (chart 8). From 2019 to 2020, there was an 18.1% decline (2.9M to 2.4M) in the number of workers working overtime in construction compared to a 15.5% reduction (34.2M to 28.9M) for all industries. From 2021 to 2022, the number of workers working overtime rose 6.7% (2.6M to 2.8M) for construction and 1.9% (30.6M to 31.2M) for all industries.

8. Overtime employment, construction vs. all industries, 2011-2022



Source: Integrated Public Use Microdata Series (IPUMS), 2011-2022 Current Population Survey.

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The number of *part-time* workers (e.g., less than 35 hours a week) and reasons for part-time work were then examined. From 2011 to 2019, the number of part-time employees in construction decreased 14.9% (2.1M to 1.8M), compared to a 3.0% decrease (36.4M to 35.2M) in all industries (chart 9). From 2019 to 2020, the number of part-time construction workers increased 17.3% (1.8M to 2.1M). From 2021 to 2022, the number of part-time workers in construction increased 4.4% (1.8M to 1.9M), while increasing 4.9% (34.0M to 35.7M) in all industries. Of those working parttime in 2022, 13.7% reported normally working full-time but were currently part-time for economic reasons (e.g., unfavorable business conditions), and 11.0% reported working part-time normally for economic reasons (data not shown). A majority (89.1%) of those who usually worked full-time but were parttime reported *slack work* (e.g., reduction in hours) or business conditions as their economic reason, while 71.4% of those who usually reported working part-time for economic reasons reported the same cause (chart 10).

9. Part-time employment, construction vs. all industries, 2011-2022



Source: Integrated Public Use Microdata Series (IPUMS), 2011-2022 Current Population Survey.

10. Reasons worked part-time for construction workers reporting economic reasons, 2022



Source: Integrated Public Use Microdata Series (IPUMS), 2022 Current Population Survey.

LABOR FORCE CHARACTERISTICS

The reasons for construction workers not being in the labor force were then examined for 2022 (chart 11). Over a quarter were retired (25.6%), 11.1% were unable to work, and almost two-thirds (63.2%) were no longer in the labor force for another, unspecified reason. The ASEC sample, which examines if those not in the labor force wanted either a part-time or full-time job, found that over a quarter (26.8%) of construction workers in this category wanted a position in 2022 (data not shown).

11. Reasons construction workers* are not in the labor force, 2022



Source: Integrated Public Use Microdata Series (IPUMS), 2022 Current Population Survey.

* Construction worker was defined on most recent job.

In 2022, construction accounted for 7.5% of the U.S. civilian labor force, with approximately 12.3M workers. From 2011 to 2019, construction employment increased 25.8% and unemployment decreased 67.8%. While the COVID-19 pandemic reduced employment in 2020, data show that construction employment increased in recent years, consistent with prior findings.

While the number of full-time and overtime workers in construction has increased since 2011, the number of workers employed part-time has decreased. Of respondents who reported working part-time because of economic reasons in 2022, the majority cited slack work or business conditions as the reason. While more and more workers are being employed full-time in construction, the industry's labor shortage continues.

Of those no longer in the labor force, approximately one quarter (25.6%) reported being retired. As workers are staying in the workforce longer, addressing and supporting the needs of the aging workforce can help keep them safe and working longer, such as by transitioning to roles that reduce physical demands. Another 11.1% of workers no longer in the labor force reported being unable to work. Of these workers, some may have experienced work-related injuries, highlighting the importance of injury prevention efforts.

In addition to keeping current workers safe and transitioning older workers to roles that minimize physical demands, the construction industry may also find it helpful to identify more

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ways to recruit, train, and retain new workers. Monitoring the labor force and employment trends provides up-to-date information as well as context for those not in the labor force. The construction labor force is expected to rapidly change with the <u>Infrastructure Investment and Jobs Act (IIJA)</u> and the <u>Build Back Better Framework</u>. To address the evolving needs of the construction industry, <u>CPWR</u>, <u>NIOSH</u>, and <u>OSHA</u> have developed materials to address top and emerging concerns. CPWR also has a page dedicated to resources in Spanish.

ACCESS THE CHARTS & MORE

View the <u>charts</u> in PowerPoint and the <u>data</u> underlying the charts in Excel. Downloading will start when you click on each link. These files can also be found under the Data Bulletin at: <u>https://www.cpwr.com/research/data-center/ data-reports/</u>. See our latest <u>Retirement in Construction</u> <u>dashboard</u>.

DEFINITIONS

• *Civilian labor force* – *individuals 16 years and older* who are working (employed) or actively looking for work (unemployed).

• *Employed* – *individuals* who are actively working or were temporarily absent the previous week due to illness, vacation, weather, or a labor dispute.

• **Unemployed** – individuals who were not working at the time of the survey but reported looking for work in the past four weeks.

- *Civilian noninstitutional population individuals 16 years* and older who are not active duty and not inmates of penal or mental facilities or homes for the aged.
- Construction worker defined based on current job for those employed or based on most recent job for those classified as unemployed or not in the labor force.
- *Economic reasons* reported working part time for economic reasons, such as slack work, business conditions, and no full-time work available.
- *Foreign born* reside in the United States but not a U.S. citizen at birth.
- *Full-time* reported working 35 to 40 hours at one's main job the week before the survey.
- *Labor force individuals 16 years and older who were employed or unemployed.*
- Not in labor force includes students, retired individuals, care takers, and those who are not seeking work.

- **Overtime** reported working more than 40 hours at one's main job the week before the survey.
- **Part-time** reported working less than 35 hours at one's main job the week before the survey.
- **Self-employed** individuals who work for themselves or their own legal corporation.

• *Incorporated* – who work for their own legal corporation (e.g., small business owners).

• Unincorporated – who work for themselves apart from an established corporation (e.g., freelancers, independent contractors, and independent consultants).

- *Slack work* a reduction in hours due to unfavorable business conditions.
- *Wage-and-salary* workers who receive wages, salaries, commissions, tips, or pay from their employer.
 - *Private* workers who work for individuals or private companies.
 - **Public** workers who work for the local, state, or federal government.

DATA SOURCES

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ABOUT THE CPWR DATA CENTER

The CPWR Data Center is part of CPWR–The Center for Construction Research and Training. CPWR is a 501(c)(3) nonprofit research and training institution created by NABTU, and serves as its research arm. CPWR has focused on construction safety and health research since 1990. The Data Bulletin, a series of publications analyzing constructionrelated data, is part of our ongoing surveillance project funded by the National Institute for Occupational Safety and Health (NIOSH).

Besides cpwr.com, visit CPWR's other online resources to help reduce construction safety and health hazards:

- Choose Hand Safety
 <u>https://choosehandsafety.org/</u>
- Construction Safety and Health Network
 <u>https://safeconstructionnetwork.org/</u>
- Construction Solutions
 <u>https://www.cpwrconstructionsolutions.org/</u>
- Construction Solutions ROI Calculator
 <u>https://www.safecalc.org/</u>
- COVID-19 Construction Clearinghouse
 <u>https://covid.elcosh.org/index.php</u>
- COVID-19 Exposure Control Planning Tool
 <u>https://www.covidcpwr.org</u>
- Electronic Library of Construction Occupational Safety and Health

https://www.elcosh.org/index.php

- eLCOSH Nano
 <u>https://nano.elcosh.org/</u>
- Exposure Control Database
 <u>https://ecd.cpwrconstructionsolutions.org/</u>
- Nano Safety Data Sheet Improvement Tool <u>https://nanosds.elcosh.org/</u>
- Safety Climate Safety Management Information System (SC-SMIS) www.scsmis.com
- Stop Construction Falls
 <u>https://stopconstructionfalls.com/</u>
- Work Safely with Silica https://www.silica-safe.org/



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