



CEOs Raise Wages, Train Americans for Construction Boom

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The need for more construction crews is forcing builders to compete for workers with offers of higher wages, training of young Americans, and advertising jobs in distant states, says an article in the *Wall Street Journal*.

The gain for working Americans is the flip side of CEO demands that the federal government import more foreign labor — via legal and illegal migration routes — to fill the many jobs that re-opened after the coronavirus crash. The demand for construction workers is also being spiked by the federal government’s \$1 trillion infrastructure spending bill, according to the [June 20 report](#):

In the remote Outer Banks and western mountains of North Carolina, bridge-builders are offering signing bonuses and housing allowances as they seek out skilled tradespeople ...

More companies are trying to improve their workplace culture to keep employees happy and clocking in. Large firms including Turner Construction have enhanced their wellness programs to tackle illness, injury and substance abuse among workers, and contractors are making sure their job-site break trailers are comfortable.

“The severity of the [construction] labor shortage means you’re paying workers more,” Brian Turmail, a spokesman for the Associated General Contractors of America, told the *Wall Street Journal*.

The labor shortage is a novel problem for construction companies, many of whom had become addicted to the cheap labor bubble of migrant workers that was temporarily deflated by President Donald Trump. Trump’s actions reduced the foreign workforce, prompting pleas by [business groups](#) — including [Goldman Sachs](#) — for the government to reopen the cheap labor pipelines.

“The wage pressure, especially among the building trade, is a function of a constrained supply,” Priya Kapila, a consultant on wages for FMI Corp., told the newspaper. “That has led companies to say, ‘What else can we do?’” she added.

One option is to recruit Americans from other states, so Tucson Asphalt Contractors advertised across the country to get hundreds of inquiries from U.S. workers, Ramon Gaanderse, chief information officer at Tucson Asphalt Contractors, told Breitbart News. Gaanderse said he hired four experienced workers, including a very experienced paving superintendent:

He brought in all sorts of new gadgets to help get a straight line on a [asphalt] paver when they're operating one. He's teaching them how to rake asphalt, which is much different than here. He has been absolutely worth every penny we did to recruit him to get here.

The company's new ability to train new workers is helping it to hire untrained workers from local landscaping companies and high-school graduations, Gaanderse said.

He is also touting careers in the construction industry, usually in cooperation with high-school managers and local Chambers of Commerce. "We do a physical hands-on event here in Tucson that tried to really shed light on our industry for the younger generation," he said.

"Rising wages for less-educated Americans is a wonderful outcome for two reasons," said Stephen Cmarota, the research director at the Center for Immigration Studies.

"It makes their lives better, and it helps to deal with the other disruptive fact of the dramatic increase in nonwork among the less educated ... we know that idleness is associated with a host of social problems, especially among men," Cmarota told Breitbart News.

A low-migration free market also raises productivity even as it also ensures fair wages, economist Alan Tonelson wrote on June 19

The reason mass immigration kneecaps productivity growth? Employers never need to respond to rising wages caused by labor shortages by buying labor-saving machinery and technology or otherwise boost their efficiency. Instead, they continue the much easier and cheaper approach of hiring workers whose pay remains meager because immigrants keep swelling the workforce.

Wage-boosting productivity grows when the labor market is tight, and it shrinks when the government imports labor, he wrote. For example, the productivity of the construction sector fell by almost five percent in the 1990s, as migrant labor flooded the market, and then fell by almost nine percent during the early and mid-2000s when George W. Bush was in power, he wrote.

Other countries have seen their productivity and wages rise together:

But business-backed groups downplay the benefits of a tight labor market.

"One common [argument against migration] is that immigrants are going to come here, they're going to take our jobs, lower wages, especially for the poor," Alex Nowrasteh at the business-backed Cato Institute told Richard Hanania, president of the Center for the Study of Partisanship and Ideology. He continued:

I would say that the evidence from the empirical academic literature on the economics of immigration — and from other labor economics — is ... that large increases in the supply of workers have very, very small impacts on wages.

Meanwhile, Democrats continue to favor a Democratic-run economy of migration and progressive-managed unions — despite the prior success gained in a national labor market where investors freely compete for American workers by raising wages and productivity.

The federal government policy of allowing outside labor to sneak into the U.S. across the southern border is threatening the tight labor market said Camarota.

Foreign workers can gradually get into the construction sector once they get work permits, or get hired by unscrupulous subcontractors, he said.

“Go talk to businesses in your communities, privately, and ask them what they want: Every single company is going to say we need immigration reform,” Labor Secretary Marty Walsh told the House Appropriations subcommittee on May 17, adding:

Big companies need it, small companies need it, people need it. We need more workers in this country. We’re a country that that constantly depends on immigrant workers. We always have. My parents were two of those workers that came to this country. We’re a country that if we want to continue to move forward as a country, we need to figure out some immigration laws and get some reform.

“Getting more Americans into that sector would seem to be a great idea, especially when we constantly consider all the less educated men who are not in the labor force,” he added.

Any “policy of trying to get more Americans back into the labor market runs directly into conflict with the administration’s extraordinarily permissive border policy,” he said.