



**FOR IMMEDIATE RELEASE**

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## **Labor Shortage Hindering Michigan's Homebuilding Recovery**

(Lansing, MI) – Labor shortages for new housing projects are creating obstacles for Michigan's strengthening housing market. A recent survey showed that one in three HBA Michigan builder members have already experienced difficulty finding workers this year.

“We knew of pockets in and around Grand Rapids and Detroit that were experiencing labor shortages, but the survey showed that this pressure is starting to be felt across the entire state,” said Robert Filka, HBA Michigan CEO.

Earlier this month the HBA Michigan Housing Index was conducted, depicting a stronger housing market in 2013. Highlights of the survey related to labor shortage include:

- 34.3% of builders and 24% of remodelers are having trouble finding workers
- 15.4% of builders and 50% of remodelers are having difficulty finding general laborers
- 46.2% of builders and 83.3% of remodelers are struggling to find carpenters
- 46% of builders and 33.3% of remodelers cannot find framers
- 38.5% of builders and 16.7% of remodelers are having trouble finding plumbers and workers who lay tile, drywall and roofing

“Many individuals who used to work in the construction business here in Michigan have joined other professions, retired or moved out-of-state—to places like Texas where the building industry wasn't hit as hard during the downturn,” noted Clyde Alcox, president of HBA of Michigan. “The majority of these folks aren't coming back to the industry.”

The economy has affected business in terms of finding people to handle the smaller, inner jobs of the homebuilding process. Many contractors are having trouble finding individuals that handle jobs such as carpentry, finishing, and flooring.

“We have been fortunate enough to be able to form two crews instead of just one and we are

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staying busy,” states John Vito, a builder from Delton, Michigan. “Special orders and certain supplies are certainly taking longer, though. And this along with labor availability can play a part in whether or not a project is completed on time or how closely the budget is met.”

Filka believes that the long-term solution to these shortages falls under the responsibility of the homebuilding industry to foster the growth of partnerships with vocational education programs for prospective workers across the state.

“Unfortunately, many programs like this have to turn away students because for various reasons those students might not be able to complete the state-mandated merit curriculum requirements and graduate on time if they were enrolled,” states Filka. “That is why we support legislation [HB 4465 and HB 4466] that would provide greater flexibility to students, parents and schools in determining whether or how all the current curriculum requirements should be achieved by students who have an inclination for construction or other trade.”

### ***About the HBA Michigan Housing Index:***

*The Michigan Housing Index combines results of a quarterly survey of Michigan builders and remodelers along with a series of economic statistics including single family home permits, crude oil prices, automobile production and unemployment. The HBA Michigan Housing Index is intended to provide an accurate projection of the future direction of the building and remodeling housing market in Michigan.*

### ***About the Home Builders Association of Michigan:***

*The Home Builders Association of Michigan is a professional trade association comprised of 27 local homebuilder associations around the state and their builder, subcontractor and supplier members. HBAM works to positively promote the building industry and impact legislative, regulatory and legal issues affecting housing affordability.*

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