



October 10, 2016

The Honorable Brian Sandoval  
Governor of Nevada  
101 North Carson Street  
Carson City, Nevada 89701

Dear Governor Sandoval:

On September 19, 2016, The Governor's Workforce Development Board (GWDB) Industry Sector Council on Construction held its first meeting since the reorganization of the Industry Sector Councils authorized by [Executive Order 2016-08](#).

The first meeting was informational. Therefore, no recommendations were proposed and no actions were taken. The meeting provided members with context of the Sector Council's purpose, duties, goals and objectives. Construction labor market data was shared, focusing on top occupations, industry trends, state and national economic comparisons to serve as a foundation for future meetings when members will provide data-driven recommendations and insights. A common meeting structure was also shared to promote effective and efficient meetings.

The attached page below contains key takeaways from the Sector Council meeting. The Council will revisit issues on occupations, skills, and educational needs of the construction sector in December 2016. I will provide a report and share any recommendations and insights from the Council members following the December meeting.

While minutes of the meeting are not finalized, I have prepared a summary of key takeaways below. No action is required. The meeting summary below is condensed for succinctness. Thus, the summary may include additional content that I overlooked, but such changes will be transmitted in the final meeting minutes.

On behalf of the Council members, thank you for providing Nevadans with this forum.

Respectfully submitted,

*Manny Lamarre*

Executive Director  
Governor's Office of Workforce Innovation

## **Key Takeaways from September 2016 Construction Sector Council Meeting**

- A chair and vice chair was elected
- A common meeting structure was established

### **Data Presented by DETR and GOED**

- At its height, construction accounted for 11% of employment in Nevada, compared to a national average of 4%. Nevada lost about 100,000 construction jobs during the recession and has recaptured about 20,000 since.
- Employment in construction is currently around 74,389 jobs in 2016 and is projected to remain level at 73,698 jobs in 2024.
- The construction industry sector has an employment concentration 27% above the national average.
- Top three construction industry occupation groups based on GOED consensus rankings:
  1. Construction Trades Workers
  2. Other Installation, Maintenance, and Repair Occupations
  3. Business Operations Specialists
- Seven occupations ranked in the top 25 high demand occupations list by GOED's consensus ranking also appeared in the top 25 when sorted by "jobs below national average".

### **Sector councils discussed in-demand occupations, emerging industry trends, and human capital needs as it relates to education, skills, and experience:**

- Members shared there is a pressing need to better market the construction industry and "better tell their story", especially to younger individuals. Employers shared concerns that millennials are not considering construction as a viable career option because of negative perceptions even though construction is one of the highest average paid industries with many opportunities.
- Members expressed concern over an "experience gap", where many middle-term construction employees left the state during the recession and did not return. The current labor pool of qualified workers consists largely of very experienced employees and those who are just entering the industry.
- Members explained the historical methods of training in the construction sector, where apprenticeships are the predominant form of training for employees and was based on a group of employers coming together to train workers knowing that potential employees for competitors would be trained.
- Members mentioned that training should be more proactive versus reactive. Employees will need to learn emerging technologies to make buildings better, more economical, more environmentally sound, and more advanced, and being ahead of the curve will make Nevada more competitive in the recruitment of large scale projects and the recruitment of companies looking to develop or expand.
- Members explained that the hiring process and the demand for employees matches the timeline of construction projects, where demand for first stage employees is heavy in the beginning of a project but diminishes as the project continues and those employees have to reenter the labor pool.
- Architects and engineers are a leading indicator of construction demands.
- Members expressed concerns over matching Occupation Information Network (O\*NET) descriptions of occupations to education requirements due to the occupation descriptions being so broad. An example mentioned was that of roofers, where the skills needed could vary from installing shingles to solar panels.

### **Next steps**

OWINN will share an *Industry Occupations Insight survey* with Sector Council members and a broader list of employers. The survey will focus on top consensus occupations and skills within the industry and capture information that complements the Sector Council meeting discussions. Recommendations will be developed from that reported information for the Council's consideration during a meeting tentatively scheduled for early December.