

# TEXAS BUILDER

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Home Builders Was Heard



## Tradesmen Are Cool...Tradesmen Are Real...Real Successful.



**Matthew Schumann**  
Owner: Schumann Granite - Fredericksburg, Texas  
Professional Firefighter - Chief - EMT  
9th Grade Education - GED Trades



## THE MANY FACES OF PHILANTHROPY *The Future of Our Industry is Up to You*

By Lorraine Urey

This year, the Texas Builders Foundation, the charitable arm of the Texas Association of Builders, celebrated its fifth anniversary. Over the past five years, the Foundation has awarded thousands of dollars in scholarships to students enrolled in construction programs in Texas schools, participated in building a home for a wounded warrior, helped the City of West, Texas rebuild following the fertilizer plant explosion, and raised funds to help victims of flooding in Central Texas rebuild their homes and their lives.

On behalf of the Board of Trustees of the Texas Builders Foundation, thank you to the hundreds of donors who have made it possible for the Foundation to support and work toward developing the future of Texas' construction workforce and facilitate the charitable activities of the residential construction industry.

The Foundation has also made workforce training, the growth of Texas' NAHB Student Chapters, and educating the public on the building industry as an estimable profession – one that is an economic driver that employs thousands of Texans, and singularly provides the skilled workforce that helps the citizens of our state achieve the American dream of homeownership.

### **WORKFORCE DEMANDS AND OPPORTUNITIES**

As you know, the residential building industry continues to face a shortage of skilled workers. During the recession, many craft professionals went to work in other industries, and with 20 percent of our electricians, plumbers, masons, carpenters, and other skilled workers reaching retirement age, it is critical that we grow our workforce. According to the Texas State Data Center, in 2014 an estimated 2,600 individuals moved to Texas



every day, and as additional individuals and companies continue to relocate to our great state, the need for quality, affordable housing – and a skilled workforce to build our homes – is essential for our future.

Demand for construction workers has spiked across Texas in the last five years as our economy grew with the state’s population explosion and business expansion. In 2014, the residential building industry in Texas represented over 702,500 jobs and more than \$31.1 billion in the Texas economy (Source: Comptroller of Public Accounts).

The occupations within the construction industry projected to add the most jobs and grow at the fastest rates over the next decade are listed on Table 1 (Source: Texas Workforce Commission).

Workers in these categories earned an average of \$55,862 in 2013. Employment in these areas is expected to increase an average of more than 5,300 workers per year through 2022, a total growth of 25.3%. From November 2013 to November 2014, the construction industry was the third fastest growing industry in Texas.

Table 1:

Occupational Title	Annual Average Employment - 2012	Annual Average Employment - 2022	Change - 2012-2022	Growth Rate - 2012-2022	Average Annual Wage - 2013 (Texas)
Cost Estimators	7,730	10,110	2,380	30.8%	\$64,546
Carpenters	24,300	30,930	6,630	27.3%	\$32,968
First-Line Supervisors of Construction Trades/Extraction Workers	36,470	46,350	9,880	27.1%	\$55,765
Operating Engineers & Other Construction Equipment Operators	22,670	28,460	5,790	25.5%	\$40,269
Construction Managers	23,360	29,240	5,880	25.2%	\$79,966
Heating, AC & Refrigeration Mechanics & Installers	15,010	18,780	3,770	25.1%	\$41,525
Electricians	33,300	41,020	7,720	23.2%	\$42,628
General & Operations Managers	17,640	21,740	4,100	23.2%	\$106,097
Welders, Cutters, Solderers & Brazers	8,270	10,190	1,920	23.2%	\$51,890
Plumbers, Pipefitters & Steamfitters	24,630	30,210	5,580	22.7%	\$42,515

## EDUCATING AND MENTORING OUR FUTURE WORKERS

In 2013, the Texas Legislature passed House Bill 5, the comprehensive education reform bill, that gives high school students a choice in their post-graduation path, allowing them to prepare for college, or choosing elective courses that prepare them for employment immediately upon graduation from high school by, for example, earning construction industry or trade certifications. This year, the 84th Texas Legislature passed and the Governor signed into law, House Bill 18 and House Bill 505 that removed the dual credits cap, thereby allowing students the opportunity to graduate from high school with not only an industry or trade certification, but with an Associate Degree.

The challenge that the building industry faces in this regard is that our high schools are not required to include construction courses in their curriculums; schools are mandated to choose at least one of five “endorsements.” The Business and Industry endorsement under which construction falls is *one* of the five choices.

Each year, the Texas Builders Foundation announces its scholarship application period to over 80 post-high school institutions in Texas that offer construction related training programs. In 2015, however, we were surprised that the interest from applicants for our scholarships was not what we expected, considering our industry’s demand for educated and skilled workers. (Qualified applicants must be enrolled in a building industry related program and indicate

a desire to enter the construction workforce upon graduation.) This clearly indicates that the residential building community must become an advocate for its industry by educating young people on the great career opportunities that exist in construction, the ability to earn a construction industry or trade certification or even Associates Degree in two years or less without the burden of excessive student loan debt, and the availability of well-paying jobs upon graduation.

Table 2 shows starting wages for many entry-level jobsite occupations, many of which have a critical shortage of skilled workers.

Members of the Texas Association of Builders – builders, remodelers, developers, craftsmen and trades professionals – are in a unique position to make an impact on and a true investment in the future of our industry and your business by establishing mentoring and/or internship programs where experienced professionals can help grow the next generation of a skilled construction workforce. The average employee stays at their job for 4.4 years, but the expected tenure of the construction workforce’s younger employees is half that. It has been proven, however, that internships, training and mentoring programs are cost-effective solutions to retaining – and recruiting – young craft professionals (Source: U.S. Bureau of Labor Statistics).

## HOW OUR HBAS ARE MAKING A DIFFERENCE

The Hill Country Builders Association (HCBA) has begun a “Tradesmen Are Real” campaign, selecting their poster men and women from the volunteers that work on their Trades Committee. They are active throughout the HCBA, have come up through the trades, and they want to share their successes with future generations who can continue the legacy that tradesmen are cool, real and successful. The campaign is geared toward 8<sup>th</sup>–12<sup>th</sup> grade students and gives them a real view of the lives that the men and women in trades lead – fun, successful, profitable and meaningful lives.

Toy Wood, Vice President and CEO of the Greater Houston Builders Association (GHBA), GHBA volunteers and staff have visited with the vast majority of area community colleges and technical high schools within the local ISD systems. Most everyone they talked with would be willing to add construction trades programs to their curriculums, but there must be a commitment from the building industry to provide internships, participate in job fairs, and serve as guest speakers to talk about the industry as a professional career choice. “There is no magic bullet. This is a difficult, frustrating process, but we must begin, get organized, and get a program started where we are partnering with...willing institutions in a meaningful way,” said Wood. “This is a complex puzzle, and we are, or should be, a big part of the solution.”

Table 2:

<b>2014 Average Annual Wages for Construction Specialty Trade Contractors in Texas</b>	
Brickmasons & Blockmasons	\$39,291
Carpenters	\$32,968
Tile & Marble Setters	\$32,968
Cement Masons & Concrete Finishers	\$30,451
Construction Laborers	\$27,997
Equipment Operators	\$37,523
Drywall & Ceiling Tile Installers	\$31,741
Electricians	\$43,077
Glaziers	\$36,067
Insulation Workers, Floor, Ceiling & Wall	\$31,283
Painters	\$32,178
Pipelayers	\$34,424
Plumbers, Pipefitters & Steamfitters	\$42,515
Plasterers & Stucco Masons	\$36,650
Roofers	\$29,619

(Source: U.S. Bureau of Labor Statistics)

Early this year, Texas Builders Foundation Trustee Dan Markson, a member of the Greater San Antonio Builders Association (GSABA), had the opportunity to tour the Quintana Road Campus of St. Philip's College in San Antonio that houses the college's construction technology department that includes both classroom instruction and hands-on building labs. Subsequently, with the support of the leadership and staff of GSABA, a Student Chapter has been established at the college. To celebrate the new Student Chapter, a day-long event was held in August. High school students from the Northside ISD's Construction Careers Academy were invited to lunch with the college's construction students and guest speakers including State Senator José Menéndez, and a strategic planning session for the new Student Chapter took place in the afternoon. The 14 member Chapter had grown to 36 participants by the end of the day.

Dr. Adena Williams Loston, President of St. Philip's College, spoke to the Student Chapter and said best what the members of the Texas Association of Builders must convey to ensure our future workforce:

*"Anyone can be fired from a job, but no one can take away a skill or a trade that you have."*



Dr. Adena Loston, President, St. Philips College, addresses the new student chapter.

## INVESTING IN OUR FUTURE

The Texas Builders Foundation has been fortunate this year to receive several endowments that will provide scholarships to Texas students who are working toward earning construction industry trade certifications or degrees and who are planning to join the building workforce for generations to come.

On July 29 during the opening session of the Sunbelt Builders Show™ in Grapevine, Texas, Steve DeVoe, Chairman, CEO and President of Kelly-Moore Paint Company, Inc. announced the establishment of a \$125,000 scholarship endowment to the Texas Builders Foundation. DeVoe said, "We are committed...to help ensure the future of the professional construction workforce." The Kelly-Moore Paints Endowment will not only bring attention to the building industry as a professional career choice but will make a significant difference in providing opportunity for students who choose to work toward a trade certification or degree.

Texas Builders Foundation Trustees and members of the HBA of San Angelo, Mike Biggerstaff and Chad Decker, were instrumental in securing the Kelly-Moore Paints Endowment. Additionally, the \$25,000 Michael Biggerstaff Homes, Inc. Endowment, the HBA of San Angelo \$25,000 Associate Group Endowment, and the \$25,000 Water ReNu LLC Endowment were established this year through the efforts of Biggerstaff and Decker. "After 31 years, I still have a burning passion for what we do. My grandfather and my father loved the industry as well and naturally passed it on," said Biggerstaff. "I want to see my son and others like him experience the gratifications that come in our industry, and I care enough that I'll be there to make sure it happens for the next generation." ■

If you would like to become involved in the efforts of the Texas Association of Builders and the Texas Builders Foundation to help create local workforce training programs, offer internships, participate in job fairs, or assist in any way to foster partnerships between our industry and your community, please contact the Texas Association of Builders. If you would like to make a donation to help provide scholarships to our future workforce and to support building related charitable activities, visit [TexasBuildersFoundation.org](http://TexasBuildersFoundation.org).