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CONSTRUCTION CAREERS STACK UP FAVORABLY, ACCORDING TO NEW ECONOMIC STUDY

Milwaukee, Wis. (September 21, 2005) – With school in full swing and many area students, parents and taxpayers spending thousands of dollars on education, a new economic study makes a compelling case for construction careers as an attractive option.

The study, conducted by Madison-based Northstar Economics and funded by the Construction Labor Management Council of Southeast Wisconsin (CLMC), reveals short- and long-term benefits of construction careers. In the four years it typically takes to complete an apprenticeship program or a college degree, apprentices will have a net positive financial impact of \$114,644 while University of Wisconsin System students will have a net financial impact of negative \$43,888 – a difference of \$158,532.

Chris Kachelski, a carpenter apprentice in Milwaukee, illustrates the study's findings. While many of Chris' high school friends are paying thousands of dollars to attend college, Chris is learning a skilled trade and earning thousands of dollars. When Chris' friends graduate college, they'll likely be thousands of dollars in debt for their education. Chris will be debt free for his education with a secure job that can't be outsourced overseas.

The study also found that journeyworkers will have higher starting salaries. Average journeyworkers can expect to earn \$42,582 per year. The national average for first year bachelor's degree graduates is \$28,567 for men and \$21,590 for women, according to the U.S. Department of Education.

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Building Advantage page 2 of 4

Like most apprentices, Chris plans to stay in Wisconsin at the end of his training, unlike many college graduates who leave for out-of-state jobs. “I’m earning a decent salary now and it’s going to get even better,” he said. “I get to work outside doing something I enjoy.”

The study also found a significant difference in the expense to taxpayers. State taxpayers subsidize each University of Wisconsin student’s education at more than \$8,354 per year, but do not currently subsidize the cost of a union construction apprenticeship training.

Building Advantage, an initiative by local building trades unions and contractors spearheaded through the CLMC, has formed a Workforce Development Committee comprised of local construction industry leaders to focus on attracting and retaining a strong workforce.

“We obviously need people who go to college and we also need people who enter careers in the trades,” said Mike Fabishak, CEO of the Associated General Contractors of Greater Milwaukee. “For those who are interested, the building trades offer tremendous jobs that have an enormous impact on the state and local economy.”

How big is the impact? The study found that the 30,000 construction journeyworkers in Southeastern Wisconsin contributed more than \$2.3 billion to the Wisconsin economy in 2004. Southeastern Wisconsin construction journeyworkers annually generate more than \$160 million in state income and sales tax revenue. Loyal to the state, 82 percent of journeyworkers spending activity flows into private business in Wisconsin.

Many young people don’t realize the career possibilities or don’t know how to enter the industry. Findings from industry focus groups studies with local men and women ages 18 to 25 reinforce this belief. “We heard recent college graduates who couldn’t find decent jobs say things like ‘I wish I would have known about the apprenticeship program five years ago,’” said John Topp, Executive Director of the Construction Labor Management Council. “It’s a frustrating situation for them and for our industry because we need smart, hardworking people. We just need to do a better job of matching up with one another.”

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Building Advantage page 3 of 4

Building Advantage has launched a career section on its Web site (www.buildingadvantage.org) that gives students, parents and educators information, including contact information and a “career map” that shows the many routes a career can take, from apprentice to company CEO to union leadership.

Lyle Balistreri, president of the Milwaukee Building Trades Council said the construction industry is reaching a critical stage with several large construction projects coming down the pipeline, like the WE Energies Oak Creek power plant and the Park East redevelopment. “Finding qualified journeymen to do the work in some of the trades will be a wonderful but difficult challenge,” Balistreri said. “Couple this with the large number of tradespeople who are approaching retirement age and leaving in the next few years, our challenge will be exponentially multiplied.”

An important goal of the Building Advantage Workforce Development Committee is hiring minority workers. The committee is working closely with BIG-STEP, an industry advancement program that recruits minority workers and helps them get the skills they need to qualify for apprenticeship programs. Earl Buford, BIG STEP executive director, said the Northstar Economics study should help encourage minority workers to consider careers in the trades.

Jim Macejkovic of Building Services, Inc., one of several area contractors who participates in the Building Advantage Workforce Development Committee, said the apprenticeship program is a win for everyone. “Our company hires apprentices every year because we benefit and the apprentices benefit” Macejkovic said.

“Growth in construction industry careers is among the highest in the state, increasing by 43 percent in a decade” said Ed Hayden, executive vice president of the Allied Construction Employers Association. “Our hope is that school counselors and teachers share this kind of information so young men and women understand their options.”

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ABOUT BUILDING ADVANTAGE

The Building Advantage campaign is jointly sponsored by construction contractors and union tradespeople in southeastern Wisconsin through the Construction Labor Management Council of Southeast Wisconsin, Inc, working with five employer associations and 20 skilled trade unions. Its mission is to promote the benefits of union construction to the construction industry and consumers, and to attract a strong future workforce. To learn more, go to the Building Advantage Web site at www.buildingadvantage.org.
