



HUDSON VALLEY CONSTRUCTION MARKET 2024 REVIEW & WHAT IS AHEAD FOR 2025 AND BEYOND

Construction Industry Council
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Hudson Valley Construction Market 2024 Recap

- Not a bad year, not a momentous year, projects started slow the overall year did not live up to expectations.
- The activity level finished stronger than it started.
- Private market construction slowed down but has not fallen off a cliff.



HUDSON VALLEY LABOR MARKET



LABOR MARKET BRIEFING HUDSON VALLEY

December 2024

WE ARE YOUR DOL



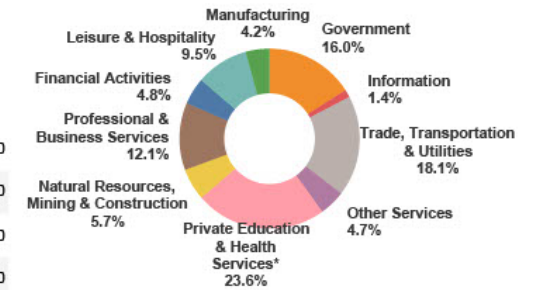
Hudson Valley Jobs

➤ In December 2024, there were 833,800 private sector jobs and 992,200 nonfarm (private + government) jobs in the region.

➤ Four industry sectors make up 70% of total nonfarm jobs:

Private Education & Health Services*	233,800
Trade, Transportation & Utilities	179,500
Government	158,400
Professional & Business Services	120,000

The region's most significant industry is Private Education & Health Services*
Regional Industry Mix, December 2024



Job Gains

➤ The region gained 13,000 nonfarm jobs over the past year, including 9,700 private sector jobs and 3,300 government jobs.

➤ 12,000 of the recent job gains occurred in Private Education and Health Services & Other Services.

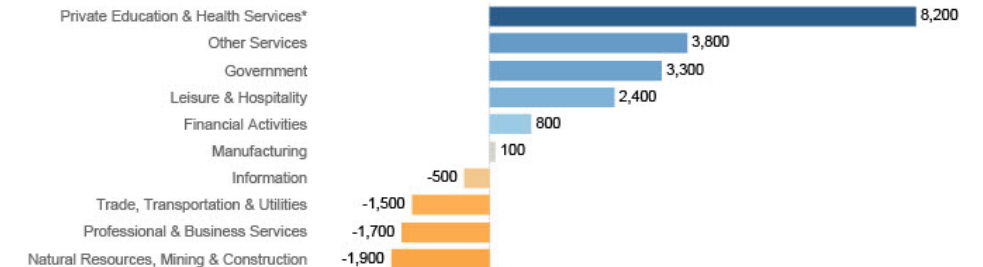
Private sector employment increased by 1.2% over the past year

Over-the-Year Change in Jobs, December 2024

	December 2024	Net Change	% Change
Total Nonfarm	992,200	13,000	1.3%
Total Private	833,800	9,700	1.2%
Government	158,400	3,300	2.1%

Most job gains have occurred in Private Education & Health Services*

Over-the-Year Change in Jobs, December 2024



*Private education & health services is in the private sector. Government includes public education and public health services.

Hudson Valley Construction Market 2025 & Beyond

- 2025 Construction Season will start with a better activity level than 2024 and should remain at an improved activity level at least through 2026.
- Governor Hochul's 2025 New York State Executive Budget Proposal includes a proposed increase of \$800M to the NYS DOT Core Program.
- The New York State Senate and Assembly need to include the Governor's proposed increase in their respective One House Budget Proposals
- The Industry is pushing the NYS Senate and Assembly to also include a proposed \$250M increase for the Local Roads Program called CHIPS
- Sewer & Drinking Water Project funding remains a challenge but there is positive movement on the Drinking Water side through funding of Engineering Planning Grants for municipal projects.



“SWOT“ Analysis

- **Strengths**
- **Weaknesses**
- **Opportunities****
- **Threats****





An Aging and Shrinking Construction Workforce for The Future

Is this an Opportunity or a Threat ?

- Over 25% of today's workforce is between the ages of 55 – 65 years old
- Our workforce has never been this old through history
- Baby Boomers are aging in the workforce and are exiting the workforce in record numbers
- The construction workforce is exhibiting this same trend as the nation
- At the same time the demand for construction services is increasing due to the age of the United States Infrastructure

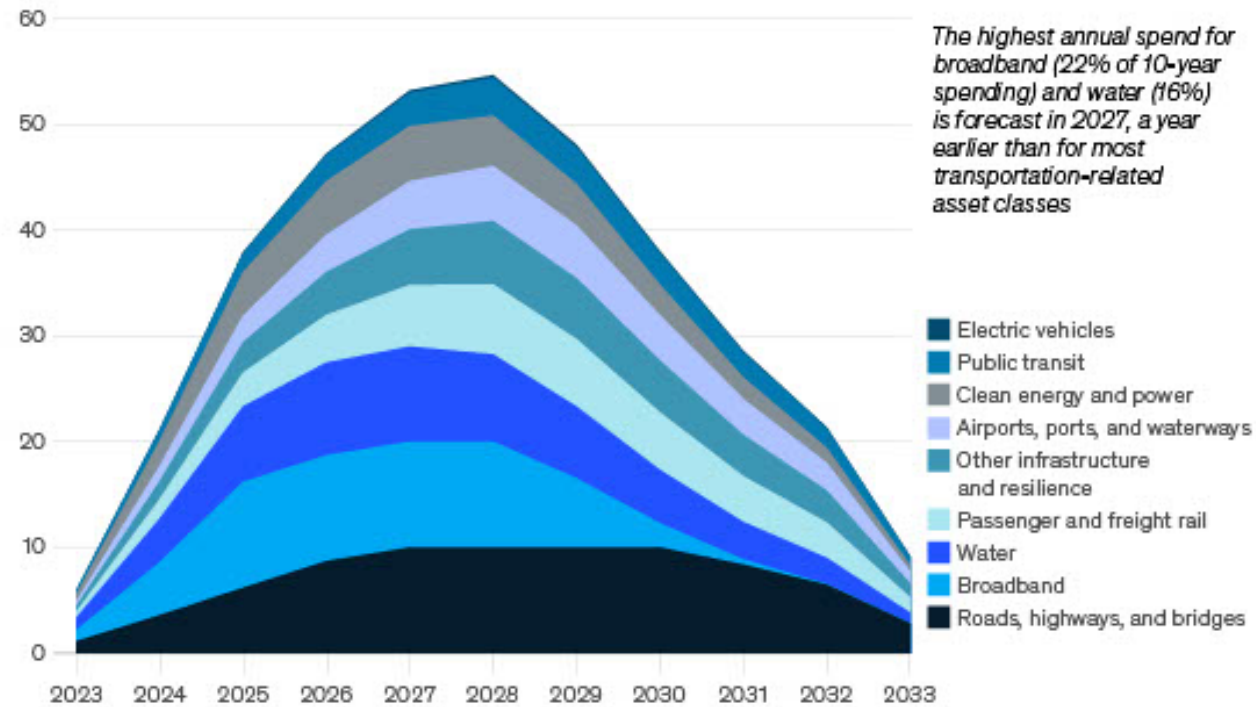


CONSTRUCTION NEED & WORKFORCE NEEDS IJA

Exhibit 1

Incremental Bipartisan Infrastructure Law spending and subsequent workforce needs could peak around 2027–28.

Estimated new capital construction expenditures, by year and asset class, \$ billions



Source: Expert interviews; Lightcast, 2022; US Bureau of Economic Analysis; Bernard Yaros and Mark Zandi, "Macroeconomic consequences of the Infrastructure Investment and Jobs Act and Build Back Better framework," Moody's Analytics, November 4, 2021; McKinsey preliminary estimates based on Bipartisan Infrastructure Law, H.R. 3684, and White House state-specific information

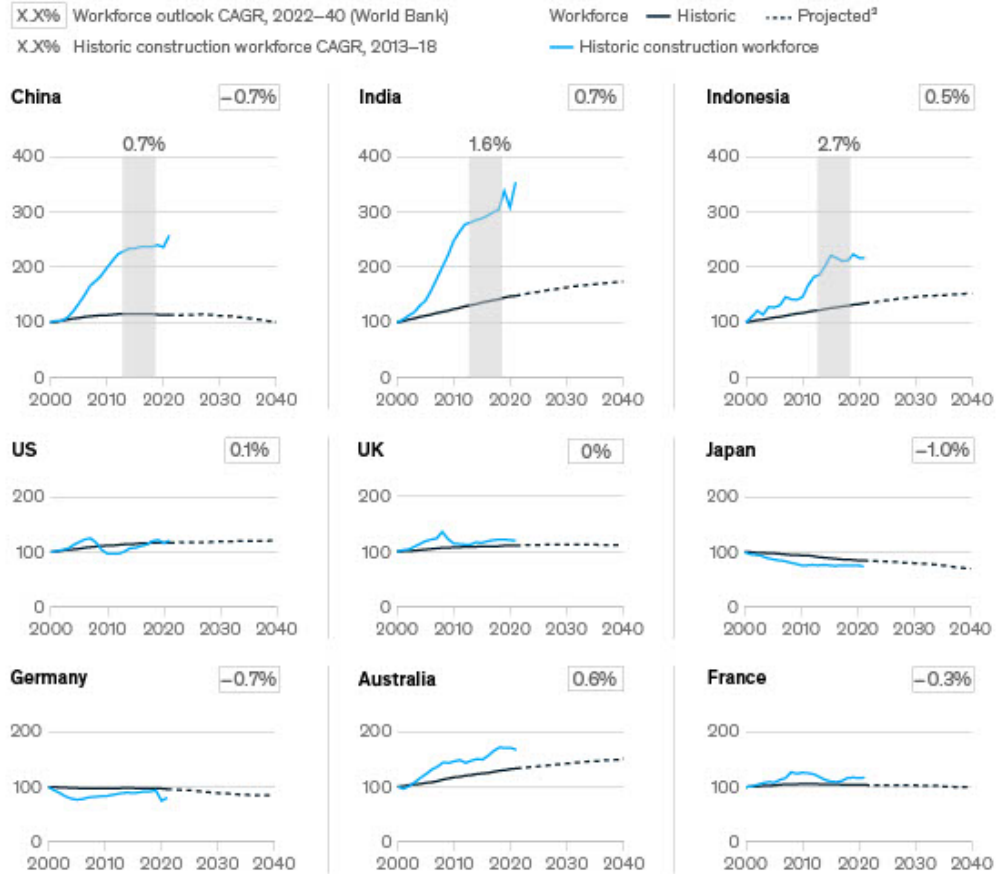


Work Force Growth Projections

Exhibit 4

In advanced economies and in China, workforce growth projections are near zero or negative.

Labor workforce (aged 15–64) growth,¹ 2000–40 (index: 2000 = 100)



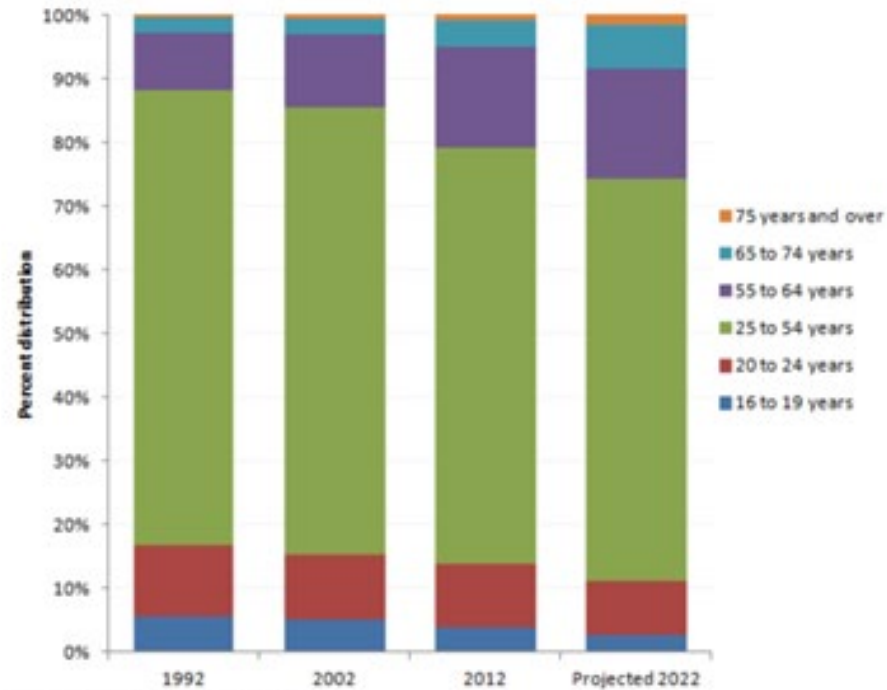
¹Workforce projection based on UN 80% upper-bound scenario, ages 15–64.
²Assumption that construction workforce follows same trend as total workforce projection.
 Source: “Population estimates and projections,” World Bank, 2022 (population aged 15–64 used as proxy for workforce); McKinsey analysis based on sources from IHS Markit, the International Labour Organization, OECD, the UN, and local statistical offices

McKinsey & Company



Labor Force Graphs BLS

Percent distribution of civilian labor force, by age, 1992, 2002, 2012, and projected 2022



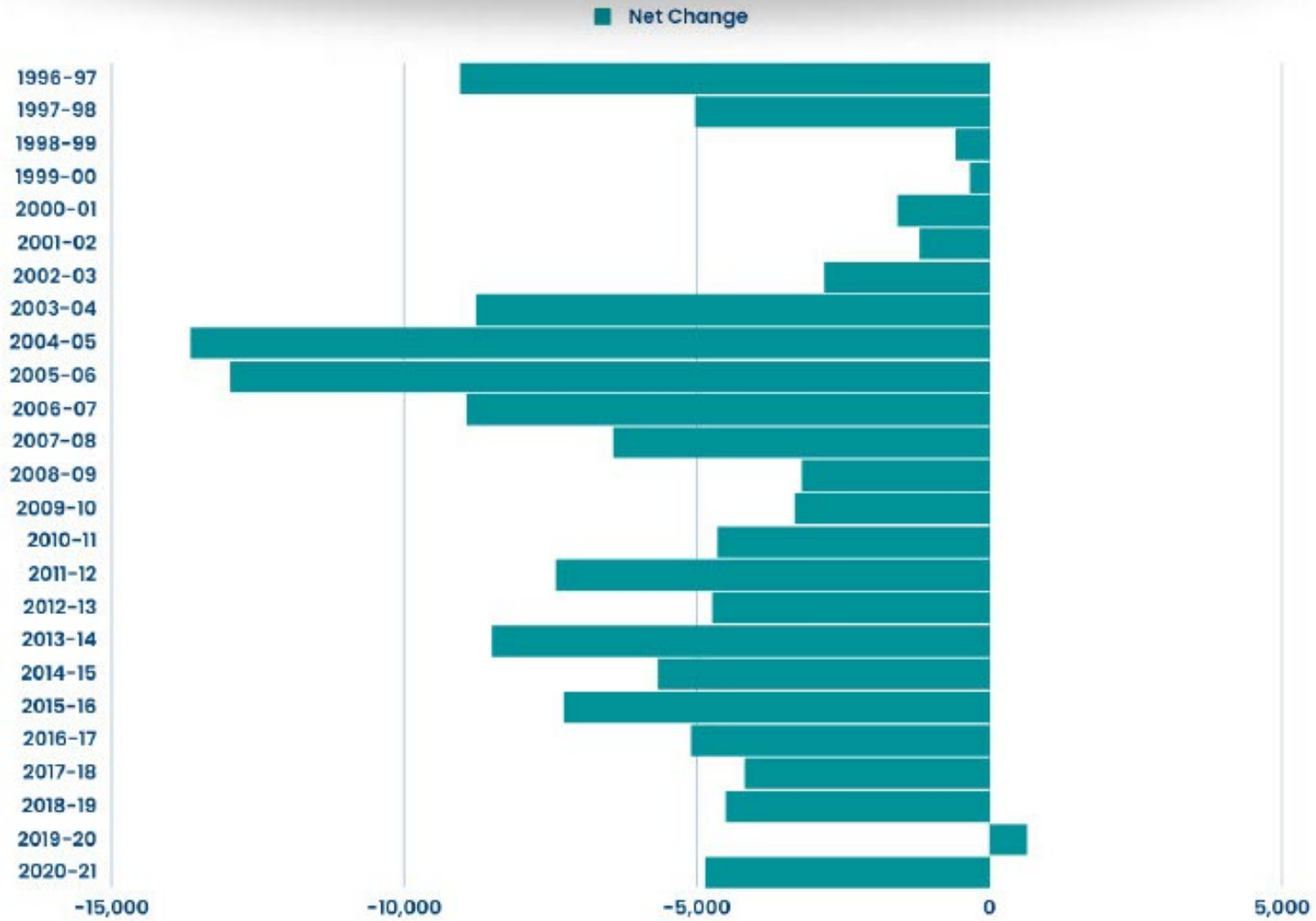
Source: U.S. Bureau of Labor Statistics.

The share of the youth labor force, those 16 to 24 years old, has been on a declining trend since 1992, when the youth labor force accounted for 16.9 percent of the labor force. Since then, the youth labor force made up 15.4 percent of the labor force in 2002, decreased to 13.7 percent in 2012, and is now projected to decrease even further—to 11.3 percent in 2022.

Those 25 to 54 years of age made up 71.4 percent of the labor force in 1992. Since then, their share of the labor force has decreased to 70.2 percent in 2002, 65.3 percent in 2012, and is now projected to fall to 63.1 percent in 2022.



NET CHANGE IN MIGRATION TO THE HUDSON VALLEY 1996-2021



Hudson Valley Demographics 2000 - Present

Workforce

Age Group	2010	2023	Change
Under 5 years	148,160	144,901	-3,259
5 to 9 years	160,378	149,885	-10,493
10 to 14 years	170,138	155,155	-14,983
15 to 19 years	177,397	170,240	-7,157
20 to 24 years	142,988	155,845	12,857
25 to 29 years	127,930	140,067	12,137
30 to 34 years	132,559	149,279	16,720
35 to 39 years	156,958	155,742	-1,216
40 to 44 years	188,775	160,838	-27,937
45 to 49 years	195,042	152,671	-42,371
50 to 54 years	179,335	164,606	-14,729
55 to 59 years	157,052	172,263	15,211
60 to 64 years	126,217	169,305	43,088
65 to 69 years	92,423	144,876	52,453
70 to 74 years	72,675	116,412	43,737
75 to 79 years	61,037	88,312	27,275
80 to 84 years	48,192	56,791	8,599
85 years and over	46,567	56,931	10,364

Loss of 35,892 kids and teens

25-44 = 605,926

45-64 = 658,845

Older workers outnumber younger by 52,919 ← This gap has gotten smaller because of shrinkage in 45-64

463,322 people over 65 → growth of 142,428 people

Change in regional population = 2.38 million to 2.5 million



Hudson Valley School Enrollment

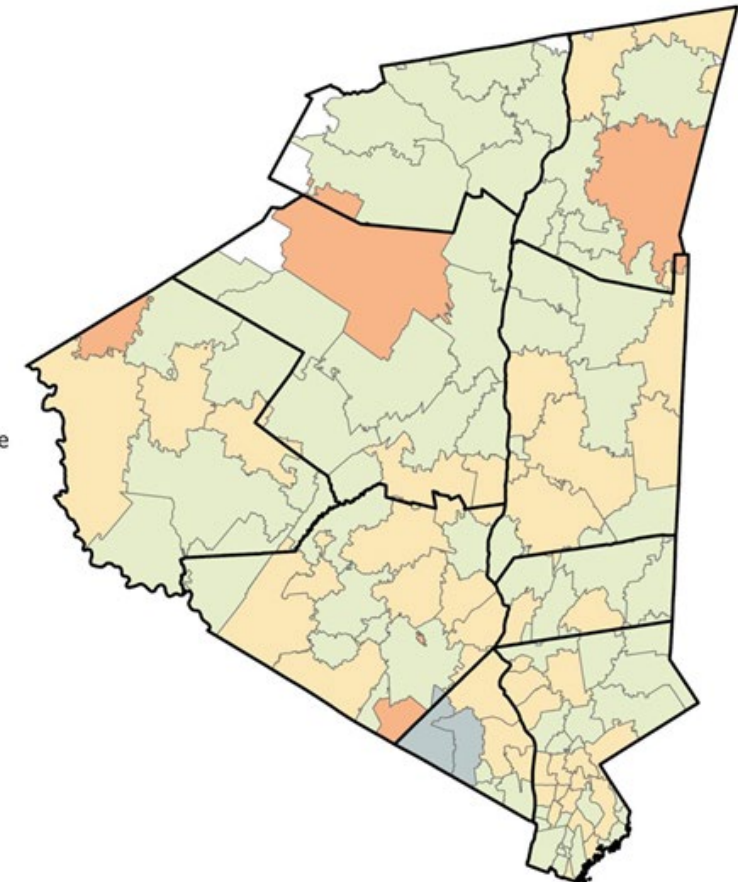
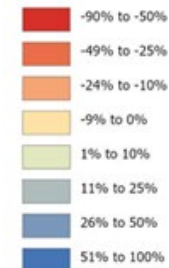


PUBLIC SCHOOL ENROLLMENT IN THE HUDSON VALLEY

County	2002-03	2021-22	2022-23	2023-24	02-03 to 23-24 % Change
Columbia	9,602	6,185	6,118	6,061	-58%
Dutchess	47,299	37,354	37,029	37,009	-28%
Greene	7,709	5,274	5,242	5,204	-48%
Orange	66,047	57,430	57,549	57,426	-15%
Putnam	16,838	13,126	13,048	13,040	-29%
Rockland	42,192	41,483	42,019	42,716	+1%
Sullivan	11,507	9,157	9,144	9,033	-27%
Ulster	28,665	21,018	20,639	20,761	-38%
Westchester	147,161	140,468	140,415	140,371	-5%

School Enrollment Change

2021 to 2024



What can we,
Management & Labor,
do to attract our
workforce for
the future?

- **Expose a larger amount of school age kids (elementary, junior high school and high school) to a future in the trades.**
- **Educate the parents of school age kids regarding career pathways in the trades.**
- **Promote the industry to women and actively recruit them into the trades.**
- **Targeted recruitment of minorities by minorities in minority communities.**



What can we,
Management & Labor,
do to attract our
workforce for
the future?

- **Pre apprentice programs localized in the Hudson Valley that mirror the NYC program.** ✓
- **Target employees in moderate to lower skill jobs that can be attracted to the trades by the union wage and benefit package. These individuals will be moving up in income while building increased skills.** ✓
- **Continue to poach non-union trades people.** ✓
- **Immigration legal – illegal** ✓
- **Industry Public Image “A World of Opportunity“**

**What can we,
Management &
Labor, do to attract
our workforce for
the future?**

- **Union and Management Trustees please go back and have your pension fund actuary present your average member age distribution, along with average age of your retirees over a ten-year period.**
- **The industry, Labor, and Management have already upped their game in recruiting, we will need to continue to improve.**
- **To make this an “Opportunity” not a “Threat” we need to out play and out hustle the open shop contractors.**
- **We have the scale, the skill, and the hustle to make this a win.**





**These shoes
were meant for
walking...**

for you!



Thank You!

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