Construction in Maine
Our Concerns

- Today vs Q3, Q4 and 2021
- Available Workforce Today vs Stable Workforce Tomorrow
- Private Work Today, Public & Private Work in 2021
Initial Challenges

- AGC America Surveyed Contractors Weekly Throughout Pandemic.
- In general projects slowed, production slowed.
- Maine vertical contractors first to report drop in private work.
- Four weeks into shutdown site work contractors report local planned projects halted.
- Nationally nearly one million construction jobs lost nationwide in April, and in Maine 1,200 construction jobs lost.
Job Numbers by Month

- March 2020: 29,800
- April 2020: 28,700
- May 2020: 29,400 (Compared to May 2019: 29,700)
  - What division had the bump, did losses continue in vertical?
- Rank 14th in the Country in 12 month gain or loss with -1% or 300 jobs
1. Did an owner (including a public owner regarding its own projects) direct you to halt or cancel work on any current or upcoming projects? (check all that apply) Responses: 71.

- No: 11%
- Halted project that was underway in April: 65%
- Halted project that was underway in May: 20%
- Canceled project that was scheduled to start in April: 18%
- Canceled project that was scheduled to start in May: 23%
- Canceled project that was scheduled to start in June or later: 37%
2. To the best of your knowledge, why did the owner halt construction? (check all that apply) Responses: 68.

- To comply with state/local order to halt "non-essential" activity: 66%
- Owner's concern about covid-19 danger surrounding project: 37%
- Owner's expectation of reduced demand for project: 22%
- Loss of private funding (for example, from owner/investor/lenders/donors): 18%
- Loss of current or expected tax/fee/toll revenue: 9%
- Don't know: 12%
- Other: 6%
Concerns by Division: Vertical

- Subcontractors reported project cancellations in April, allowing project availability.
- Some firms reported a 50% loss of anticipated projects.
- Private sector investment decreased in retail and hospitality construction.
- Projects halted and concerns with municipal projects such as public safety buildings, schools, and other city buildings.
- State-funded projects for 2021.
Concerns by Division: Site Work/Highway

- Locally funded Water/wastewater projects, how much revenue lost for districts? (Commercial use of systems)
- Vertical project drops in 2021.
- Culvert investment drops off in 2021.
- Loss of Gas Tax Revenue $125+/-
- Toll Revenue Drops
Open Questions for the Industry

❖ Recruiting is challenged today with new unemployment programs.
❖ Can the industry maintain in 2021?
❖ What programs can stimulate private investment?
❖ Will public infrastructure fill gap in private work in 2021?
Questions?

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