



MONTANA CONTRACTORS ASSOC.
THE CONSTRUCTION ASSOCIATION

MAY 4, 2021

FOR IMMEDIATE RELEASE

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Montana Contractors Association Supports Ending Short-Term Unemployment Benefits

The Montana Contractors Association applauded Gov. Greg Gianforte's Tuesday announcement that Montana will end federal pandemic-related unemployment benefits.

"The weekly federal benefits have hurt contractors, which are in full throttle for summer work," said David Smith, MCA executive director. "Contractors will train anyone with a strong work ethic, and they will be making \$20/hour with benefits almost immediately. We're ready to hire today."

With more than \$1 billion in public construction work approved by the 67th Legislature, there is no shortage of work available.

"When we bid work now, one of the main risks we have to consider is will we be able to find the people to perform the work," said Hal Fuglevand, General Manager for Knife River in Billings. "We have declined to bid some jobs this year because we knew we could not find the people."

Construction laborers earned an average annual salary of \$52,000. A year after graduation, apprentices earn an average wage of \$58,000 (both union and non-union).

"The number of applications at the beginning of this construction season are about half of what we have seen in previous seasons," said Hal Fuglevand, VP-General Manager for Knife River in Billings. "In Billings, we have for the last 30 days had a job posting for a laborer position. We just got the first application last week. This position pays over \$20/hour plus full benefits paid 100% by Knife River. Normally, we would have seen 20 – 30 applicants for this job."

Construction was declared an essential industry during the Pandemic – employees in construction were working through the pandemic in safe environments, earning more than those staying home. Their benefits were not interrupted.

Gov. Greg Gianforte announced Montana will offer return-to-work bonus incentives and end federal pandemic-related unemployment benefits on June 27.

“At some of our locations, we will have trucks and equipment parked but no one to drive and operate them,” Fuglevand added. “We are currently recruiting high school seniors who are about to graduate for entry level positions. I do not remember ever doing this.”

Smith noted that construction looks different today than it did in the past.

“Technology is growing faster in construction than any other field, through use of drones, 3D imaging, robotics, and estimating. Young people find it much more interesting than they thought they would.”

The Montana Contractors Association is a chartered chapter of the Associated General Contractors of America. The MCA represents contractors in highway, building, heavy/civil and suppliers of products and services.

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