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'Skilled workers will be in demand'

John O'Connor | Post News Staff 13 hrs ago

The number of H-2B workers on Guam has dwindled month over month while local and military construction projects have remained plentiful in the face of the impending military buildup.

Guam Department of Labor statistics show 6,430 workers in the construction industry as of March. This included most of about 1,500 temporary foreign workers at that time, who tend to fill positions related to construction. By July, about 1,260 temporary workers were on Guam, with the vast majority – about 1,080 – working in construction. That number has since dropped with the exodus of about 380 temporary workers from Core Tech International Corp. last week.

Temporary labor is said to supplement Guam's existing local work force, which, according to GDOL, not able to meet construction needs at the moment.

"Although there is a sizable core U.S. workforce of highly skilled workers in the construction trades, the volume of projects currently available exceeds the capacity of the core U.S. workforce," the department stated. "Attempts to draw U.S. workers from the U.S. mainland have been unsuccessful in the past, primarily due to our location, climate and wages – in relation to union level wages in the mainland."

Upgraded training

But with virtually no approval of H-2B visa petitions since January, and the number of temporary

workers anticipated to drop below 100 by the end of the year, Guam can expect more demand for skilled local workers.

"Because of the H-2 denials ... U.S. workers are going to be in demand – at least skilled workers (are)," according to Greg Massey, administrator of the Guam Department of Labor's Alien Labor Processing and Certification Division.

"People who want training or want to upgrade their training to get better jobs in construction, we need them to come in to the American Job Center," Massey said.

The job center, located at the third floor of Bell Tower Plaza, facilitates training and provides other services for residents looking for employment. There has always been an aggressive push to train U.S. workers in the construction trade, according to GDOL. Federal funding, through initiatives like the Workforce Innovations and Opportunities Act, are used in conjunction with local funds to facilitate various training programs. However, GDOL also stated that it is difficult to find a large number of local workers who desire to work in the construction industry.

Guam Community College also partners with various companies to train workers through its apprenticeship program. According to program statistics from January to March, and from April to June, most employees received training in automobile work, customer service, telecommunications, law enforcement, electrical work and administrative services. There were more than 500 employees in the program from January to June.

Statistics from the Guam Contractors Association Trades Academy from 2011 to 2015 show most students completing modules in safety, electrical work, heating ventilation and air conditioning (HVAC) work and core construction work. Half of these students are enrolled through their employer while the other half tend to become employed within nine months of starting classes, according to the academy's Education Director Bert Johnston.

"Most U.S. workers in the skilled construction trades want to do electrician, HVAC and equipment-operator type jobs," according to GDOL. "They have shied away from carpentry, masonry and metalworker type jobs, which tend to be more physically difficult."

Reliability

But training is only one part of the equation. Employees also have to be reliable. Arnel Oscianas,

assistant general manager for Polyphase System Inc. – a small company involved in electrical work, said most qualified local workers are already working in larger companies, requiring temporary labor for smaller companies to compete. Polyphase has about 70 local workers and about 21 H-2B workers, which make up most of their skilled labor. Its local workers are mostly helpers.

Larger companies are able to entice skilled local labor through wages and benefits, Oscianas said. Improvements to the local workforce can come through training and "attitudes," he added.

The vice president of another small contracting company, who did not want to be named, stated that he has had to terminate the employment of a number of local workers because of poor attendance and reliability. Some workers also declined to work more hours possibly to reduce their salary and maintain federal assistance, such as the Supplemental Nutrition Assistance Program or food stamps. SNAP beneficiaries are required to report if their monthly income exceeds 130 percent of federal poverty levels for their household sizes, according to the Department of Public Health and Social Services.

Public assistance information is private and company officials cannot inquire about it, according to the vice president. However, he stated that he is aware that some workers were receiving assistance. H-2B workers, in his opinion, were more reliable.

Nelia Bangayan, vice president of J&B Modern Tech, stated that her company also had to handle unreliable workers in the recent past. Most of the issues rose from absenteeism, she said. Through more stringent attendance policies, the company was able to iron out problems. At the moment, the company has about 31 local workers – mostly skilled – and few H-2B workers, although Bangayan said larger contracts would require more temporary hires.

Competition

Black Construction Corp., one of the larger contractors on Guam, has a workforce comprised largely of local hires, according to Senior Vice President and General Manager Leonard Kaae. Mark Mamczarz, the company's vice president of accounting and finance, previously predicted an impending labor shift, where military construction projects would see more temporary workers while companies compete for remaining local workers. As it is now, strict entrance policies push companies into using U.S. workers for military projects rather than foreign labor.

A provision in the in the House of Representatives version of the Fiscal 2017 National Defense

Authorization Act could provide some labor relief next year for companies engaged in military projects. Non-military project contractors may still experience difficulty getting temporary workers approved. While the situation would pose a challenge to smaller companies, Kaae said it was still possible a large company like Black Construction would need to compete for local workers.

"It's the wages that will dictate whether you keep people employed," Kaae said. "So no guarantees."

John O'Connor

Reporting on utilities, healthcare, education and other topics.