

BUSINESS

Colorado in the throes of worst shortage of skilled landscaping workers since 2009

Firms tap schools, visa program for help

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Golden-based B&D Landscape Inc. already has work booked into July, so owner Bill Goings knows he'll need at least two three-person crews to meet his customers' demands through the busy fall. If he doesn't, his balance sheet could take a hit again this season.

Last year, he had only one crew and couldn't hire more to handle accounts that wanted work ranging from mowing and edging to reinventing residential landscapes.

He thinks he turned away as much as \$400,000 in new business.

Colorado is in the throes of the worst shortage of skilled landscaping workers since 2009, the state's landscape contractors association says.

And much like the state's construction industry — in which **builders expressed similar laments** last year — the perceived shortages couldn't come at a worse time: Demand is booming.

"For smaller companies, it's just needing labor positions," Goings said. "That's the dilemma, finding labor positions that people will fill and be happy doing. It's a job that requires a steady work ethic."

But landscaping has become a job that people are less inclined toward, Goings said. The job starts at \$13.64 an hour.

To help fill the gaps, B&D Landscape and others have turned to foreign labor programs, notably the H-2B Visa, which allows for foreign workers to fill temporary and seasonal jobs in the United States. A limited number of H-2B Visas are available annually.

Under the rules of the H-2B program, Goings and other applicants must place help-wanted ads in local publications. Those advertisements, and postings on regional workforce centers, netted zero queries for B&D, Goings said.

"Not one," he said. "I haven't seen one applicant. Not even a phone call or an e-mail."

Economic growth and **population growth** that have fueled a **red-hot residential construction market** in Colorado also has set off a feeding frenzy among metro-area landscaping firms.

"It is harder to find employees that are motivated and want to really make a career out of it," said Lauren Bloom, who founded Lakewood-based Bloom Concrete & Landscape in 2009.

Bloom and other members of the Associated Landscape Contractors of Colorado are putting their weight behind a newly launched **Career Pathways Program**, which is designed to spark interest in the trade among high school and college students by teaching them technical skills such as building and maintaining a sprinkler system. The association also is supporting a slate of **"Ready to Work" bills** that would bolster training and internship opportunities.

Earlier this year, Bloom shared her background with a roomful of Colorado high school teachers who attended a Career Pathways training session.

The teachers, who came from around the state, received training on how to build a working sprinkler system with the intention of bringing the "Sprinkler System in a Box" curriculum back to their classrooms.

"I couldn't afford a four-year degree," Bloom said before she spoke to the teachers. "It wasn't in the cards for me."

After graduating in 2001, Bloom built off her high school gig in floral design, landed with a landscaping company, and then launched her own company in 2009.

"One of the problems is there's a perception that the only people who work in our industry are on the business end of the shovel," said Becky Garber, president of the Associated Landscape Contractors of Colorado.

The association is working to promote the fact that employees can move up through the industry after starting as entry-level laborers, she said.

"With the economy being stronger and the growth in Colorado, in terms of construction, there's more work," she said. "And when there's more work, there's more of a need for people. We, like many industries, see the importance of creating a pipeline or a pathway into jobs.

"We want young people to be aware that this is a viable career path."

However, B&D Landscape's Goings worries that the job fairs and academic pushes benefit only higher-rung positions, such as designers or technicians.

"But not for labor," he said. "I haven't been able to find high school or college kids to do it. They're there for three months, if that, and then I get them trained and they're gone."

Brian Lewandowski, associate director of the Business Research Division at the University of Colorado at Boulder's Leeds School of Business, said he often hears anecdotally about worker shortages in construction and landscaping. But the pinch is felt more widely.

"The fact is, we are hearing this much more broadly from industries in Colorado given the 3.5 percent unemployment rate in the state," he said. "I have talked about impending wage growth as we reach full employment and employers begin competing more aggressively for workers."

To the extent that wages can serve as a proxy for the tight labor market, he said, pay went up for construction and landscaping workers in 2013 and 2014.

However, the increases began to taper in the first half of 2015, Lewandowski said.

During the first two quarters of 2014, average weekly wages for landscaping jobs in Colorado rose 7.5 percent to \$561 for the first quarter and 6.9 percent to \$590 for the second quarter, according to Bureau of Labor Statistics data.

Last year, the first-quarter average weekly wage for landscapers clocked in at \$587, up 4.6 percent, and the second quarter wage ticked up 1.5 percent to \$599.

Meanwhile, the number of landscaping jobs hit a 13-quarter high during the second quarter of 2015.

In 2014, the H-2B Visa program certified 3,701 openings in Colorado, representing just under 4 percent of the total positions certified nationwide, according to the U.S. Department of Labor.

Most of the jobs were for landscaping and groundskeeping work, offering an annual wage of \$22,518, or about \$10.83 per hour, labor data show.

The number of certified positions in landscaping has increased from the prior three years, and offered wages are up \$1 per hour from 2011.

"Landscaping is typical of what's happening in a lot of other industries. They can't find workers, so what they're doing is maybe looking for sources outside of the U.S. and in Mexico," said Kevin Duncan, a professor of economics at the Colorado State University-Pueblo's **Malik & Seeme Hasan School of Business**. "The wages are low, and they're

not high enough to attract U.S. workers back in the industry."

The construction industry was slaughtered during the recent recession. Several businesses closed shop, and workers left the field altogether, Duncan said.

Some contractors are still shell-shocked and so are reluctant to spend money on training workers who might move along to other work.

"There's a training gap in the industry that's not being filled," he said. "If wages are low, it's not going to attract dedicated workers that are going to seek a career in construction. It's not worth it because it's unstable."

Younger workers are going to seek out career paths and training that lead to higher pay and benefits, he said.

When Colorado industries such as construction and landscaping seek workers from outside the state or country, the effects could be detrimental to the state's economy in the long haul.

"Some of that construction spending is going to leak out of the state," he said. "They're going to spend some of their money in Colorado and take the rest back home."

Boulder-based **Native Edge Landscapes** is in "serious growth mode" and expects to add 10 to 15 people to its 50-person workforce by summer, lead landscape architect Becky Hammond said. Native Edge has added about 10 to 12 new workers each year and now runs eight crews, up from five.

But there are plenty of growing pains to accompany that trajectory.

"(Fellow firms) are all talking about the difficulty in finding and holding hardworking, competent and motivated people," she said. "(Retaining employees) is more important than it's ever been."

To keep workers, Native Edge places emphasis on the culture of the company, she said. Pay and benefits have to dovetail with what the marketplace is willing to pay, she added.

"It has to be real — that you're going to grow people from entry level to as high as they can rise," she said. "We've got lots of examples of people who started out on the lowest level of construction and two of those guys are now construction managers."

"When the workers see that their supervisor started out here and is now their supervisor," she said, "they believe that they can (accomplish that), too."

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