

Contractors Optimistic Despite Navigating Materials Shortage and Worker Shortage



Today, the U.S. Chamber released Q2 findings from the [Commercial Construction Index](#). Overall, the Index score improved, jumping up three points to 65—its highest score since 74 in Q1 2020 ahead of the pandemic. Contractors’ outlooks on revenue, new business opportunities, hiring plans, and equipment spending all improved.

Between the lines: Despite the optimism, contractors are [facing some tough challenges](#) right now.

- **Most are having trouble finding skilled workers.** 88% report moderate to high levels of difficulty finding skilled workers. Of those experiencing difficulty, 35% have turned down work because of it.
- **Materials shortages are having an impact.** 84% of contractors are facing at least one material shortage, up from 71% in Q1.
- **Costs are rising.** 94% contractors say cost fluctuations are having a moderate to high impact on their business, up 12 points from Q1 and up 35 points year-over-year.

- **Tariffs are causing concern.** This quarter, 45% say steel and aluminum tariffs will have a high to very-high degree of impact over the next three years, up from 35% in Q1.

Why it matters: The commercial construction industry is an indicator for what's taking place across the broader economy. Like in many other industries right now, contractors continue to struggle to find enough skilled workers. That's why the U.S. Chamber is calling on elected leaders at the federal and state level to take action to address the [workforce crisis](#).

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