

2022 Industry Trends for Contractors



Five Things That Will Affect Your Business in 2022

Goodbye 2021! Moving into the new year, contractors will face an all new set of challenges and opportunities. The watchdogs at Trane are keeping an eye on construction industry influencers. Here's our Top 5 for 2022.

#1 CURRENT EVENTS EFFECTING THE CONSTRUCTION OUTLOOK

Sources: [Dodge Construction Network](#), [Dodge Construction Network News](#)

- ✓ The construction industry is highly susceptible to the whims of the world. Prepare for these headwinds.
 - Lingering pandemic effects on buildings and occupancy
 - Advancing innovation and technology
 - Cybersecurity
 - Climate change... and more.



Good News:
Non-residential construction starts were up 29% from September to October 2021.

#2 INFLATION, SUPPLY & LABOR

Source: [ForConstructionPros.com](#)



Rising material prices, material shortages and a notable decline in the workforce (causing increased labor costs) suppressed construction growth—and contractor profit margins—in 2021. Experts expect the same challenges to continue into 2022.



Pro tips from Marcum's® national construction leader:

- Lock in material purchases further out than normal.
- Account for rising costs in future bids.

#3 WOMEN IN THE CONSTRUCTION INDUSTRY

Sources: [National Association of Women in Construction](#), [U.S. Bureau of Labor Statistics](#)



The push is on to diversify the trades to help alleviate labor shortages.



Did you know... The construction industry has one of the lowest gender pay gaps.



"Women in the U.S. earn on average 81.1 percent of what men make. The gender pay gap is significantly smaller in construction occupations, with women earning on average 99.1 percent of what men make."

—National Association of Women in Construction

#4 BUILDING DECARBONIZATION

Source: [ASHRAE](#)

**100%
CARBON-FREE**

President Biden has set a goal to achieve 100% carbon-free electricity by 2035 and a net-zero-carbon economy by 2050.



New regulations and incentives will speed the move to **building electrification**.

**ALL-ELECTRIC HEATING AND HOT WATER
+ RENEWABLE OR CARBON-FREE ELECTRICITY SOURCES
NET ZERO BUILDINGS**



Expect more projects using Variable Refrigerant Flow (VRF) systems and Heat Pumps.

#5 BIPARTISAN INFRASTRUCTURE BILL/ NEW DOE REQUIREMENTS

Sources: [Department of Energy \(Energy.gov\)](#), [Forbes](#)



Its more than roads and bridges. Grants and funding will "usher in a clean energy future"—for buildings, too. New energy efficiency and SEER requirements for air conditioners and heat pumps will be in place effective 2023.

\$ BILLIONS have been earmarked for energy efficiency and renewable energy projects in public schools and government buildings at the state and municipality levels.



Watch for opportunities with your local school district, state and municipality.