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Welcome. My name is Andrew Baron and this is Well... It Depends! The podcast where I address financial decisions that can't be answered with a simple yes or no. This episode of Well... It Depends! will continue our Career Blueprint series where we discuss some of the goals, challenges and trade offs that different professions exhibit over a career. Today we're talking about the trades, electricians, plumbers, carpenters, mechanics, welders, and more.

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But before we begin, a short disclaimer, this is being recorded on August 19th, 2025. The contents of this podcast are strictly for informational purposes only, and nothing said should be taken as investment, tax or legal advice. It's important to consult with a professional before making any financial decisions, as the strategies discussed may not be suitable for you specifically.

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Why do people choose this career? Trades offer a very different path than traditional white collar jobs. There's no massive student debt, and many enter through apprenticeships or trade schools at a fraction of the cost of a four year degree. There will always be a need for people who can fix, build and maintain essential infrastructure. There's a hands on satisfaction that comes from these careers.

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Many in the trades enjoy seeing the tangible results of their work. While not always flashy, skilled trades can earn six figures with the right specialization or business ownership. As always, there are the trade offs. Physically demanding work can wear down the body,

meaning retirement at 65 may not be realistic for everyone. Inconsistent income may happen if the work is seasonal or dependent on construction cycles.

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There's also a self-employment risk, as many eventually start their own business, which comes with both higher earning potential and higher stress. There's a limited career ladder since you don't necessarily climb in rank the way corporate jobs allow. Instead, growth comes from mastering your craft, raising rates, or by running a crew.

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Let's look at the financial picture by stage of career. Early career, think 20s. Apprenticeships and entry level pay are modest, but without student debt many trades people start ahead of their college peers. Union memberships can provide solid benefits early on. Building skills and your reputation should be the focus. Mid-career 30s and 40s. Skilled trades people can earn low six figures depending on specialty and location.

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Many shift in self-employment, running their own contracting business or shop. Income volatility is common. Feast and famine cycles require careful budgeting. Retirement savings often lag in this industry unless intentionally prioritized. Late career 50s and 60s. Physically, some must transition into supervisory or teaching roles. Others keep working with reduced hours, sometimes on call for very specialized work. Those who built businesses may sell them or hand them down to future generations.

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Those who didn't save enough may find themselves working much longer than expected.

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Let's now walk through some examples.

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Example one. Sam, the electrician.

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Sam starts out as an apprentice at 19, gets licensed at 24, and starts running his own shop at 35. At 50, he grosses more than \$200K annually with several employees, but his income depends heavily on keeping up with projects and managing his overhead. The lesson is entrepreneurship in the trades can lead to wealth, but it comes with risk and constant hustle.

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Example two. Keith, the union plumber. Keith joined a strong union, worked consistently and retired at 62 with a pension and benefits. His pay never exceeded \$120K, but the stability and benefits gave him long term security. The lesson is union trade can provide a financial foundation similar to corporate jobs, but without the student loans.

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Example three. Michael, the independent contractor.

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Michael freelances doing everything from custom furniture to renovations. Some years he makes \$150,000. Some years he makes \$40. Without careful budgeting, he struggles to smooth out the ups and the downs. The lesson here is feast and famine income requires strong cash flow management and savings discipline.

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Key levers for tradespeople. Treat your career like a business. Even as a sole contractor, you need to track your expenses and income.

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Start retirement savings early without a corporate 401K to fall back on, it's easy to fall behind. Build an emergency fund. This is especially important with seasonal or project based work. Try and protect your body. Disability insurance is crucial since a major industry can take you out. Don't be afraid to raise your rates. Underpricing is a common trap in the trades.

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To recap. So how should someone in the trades save? Well... It Depends! It depends on whether you're a union or independent. Whether you invest in the business or yourself, and how you handle the feast or famine cycles that come with project based work. The trades can be one of the most rewarding career paths, financially and personally. But only if you plan for the physical, cyclical and business realities.