

ALABAMA CONSTRUCTION JOBS DROP



Over the past year, roughly 6,100 construction jobs have been eliminated in the state of Alabama. From October 2010 to October 2011, there was a seven percent decrease in construction jobs, which is one of the highest numbers in the country. This information is provided by The Associated General Contractors of Alabama. "I'm by nature a very positive person, but the commercial construction industry in Alabama is still struggling," said Jay Reed, president of Associated Builders and Contractors of Alabama. The largest loss of construction jobs in the country was in Georgia, which lost 9.5 percent, accounting for 13,800 jobs according to The Associated General Contractors of Alabama. Across the country, 25 states saw an increase in construction employment. According to the Associated General Contractors of Alabama, this shows improvement in apartment and private nonresidential construction that was offset by the public market and the single-family market. "Construction employment gains are likely to remain spotty for months to come," Ken Simonson, the association's chief economist, said in a written statement. "Local factors, rather than regional or industry trends, seem to dictate whether a state has rising or falling construction employment in a given month." A decrease in new home construction and increasing empty retail space are the causes for the loss in construction jobs in Alabama. "Due to financial regulations being what they are, people are definitely looking to rent rather than (build a new home)," Reed said. The decrease in construction jobs in Alabama only accounts for one-third of the 20,300 jobs lost between October of 2009 and October of 2010 in the state. Alabama's unemployment rate recently dipped, with Governor Robert Bentley claiming construction to rebuild destroyed homes from the tornado outbreak in April as a reason for the dip. Reed argues against that point, saying that because of the widespread destruction, cleanup and construction is still in their infancy stages. "That (rebuilding) time frame is certainly the longest we've ever seen," Reed said. "Across the board, I've heard just gloom and doom," said Phillip Pouncey, of Phillip Pouncey Builder Inc. "I'm hearing from subcontractors who we haven't heard from in 10 years looking for work." Phillip Pouncey Builder Inc. is renovating a commercial building on Dexter Avenue after finishing a high-end home six months ago. Pouncey says that customers are buying homes instead of building because of the tough economy. Reed is hoping for a turnaround in the early months of 2012, with new home construction increasing, which would require trained workers. "The average construction worker is aging," Reed said. It takes roughly four years to train a plumber and an electrician properly. Roughly 2,800 jobs in construction open up each year in Alabama. These numbers were provided by the Go Build Alabama campaign. This is a television advertising campaign that encourages Alabama residents to learn a skilled construction trade. "We don't want to be caught with a void of workers," Reed said.

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