

## CONSTRUCTION EMPLOYMENT IN U.S. STALLS IN JUNE



New federal data was released on July 6 by the Associated General Contractors of America. The data shows that construction employment in the United States hit a stalemate in the month of June. A larger number of former construction workers left the industry last month, according to the new data. Construction officials warned that the lack of job openings and the departure of experienced workers could lead to a shortage of skilled laborers. "Employment in the construction industry has fluctuated within a very narrow range— one per cent above or below the June level of 5.5 million— for more than two years now," said Ken Simonson, the chief economist for the Associated General Contractors of America. The latest data released was 14,000 higher than the figure from June of 2011 but it was only 2,000 higher than May and June of 2010. "Construction employment has essentially been stagnant for much of the past two years." In June, the unemployment rate for former construction workers dropped to 12.8 percent, which is the lowest number since 2008 and better than the 15.6 percent from June of 2011 and the 20.1 percent from June of 2010. Simonson said that over the previous two years close to 750,000 experienced workers found jobs in other industries, went back to school, retired or left the workforce completely. "It will be hard for construction firms to get those skilled workers back when demand picks back up." Simonson said that there was almost no difference between construction sections. For example, residential construction added only 1,700 jobs in June and just 8,900 jobs over the span of 12 months. In June there were 600 jobs added in non-residential construction and just 4,300 added over a span of 12 months. In the residential section, residential specialty trade contractors added 7,600 jobs for June and 14,100 jobs over the past 12 months. The increase shows strength in multi-family construction. In June, there were 5,900 jobs lost in residential builders and 5,200 lost over 12 months. Residential builders primarily construct single-family homes. The jobs gains for the past year in nonresidential jobs were focused in the nonresidential building contractor segment. This section lost 1,000 jobs in June but was able to add 4,300 over the past 12 months. There were 2,000 jobs lost in heavy and civil engineering and 1,800 over the past 12 months. Contractors in non-residential trade increased employment by 2,400 since May and increased by just 1,800 from June. Officials from the association noted that a bright spot for the construction industry was the 27-month highway and transit bill. The officials said that the bill includes reforms that allow existing transportation funds to be invested in construction projects for highways and transit.

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