

CONSTRUCTION JOBS IN NEW HAMPSHIRE YET TO REBOUND



During the recession, the state of New Hampshire lost close to one-third of its construction jobs and they have yet to return. In May of 2006, employment in construction peaked at 31,000, but then dropped to 21,000 in 2009. There was a slight spike in 2010 when the tax credit for new home buyers was active, according to The New Hampshire Union Leader. "It's been a very long four or five years of struggle for the construction industry nationwide as well as here in New Hampshire," Kendall Buck said. Buck is the executive vice president of the Home Builders Remodelers Association of New Hampshire. "I'm pleased, however, that in 2012 we seem to have bottomed out and we are beginning to see some slight increases in activity." Buck has noted his optimism comes from two trends, membership increasing in the HBRA-NH and an increase in residential building permits. When the recession was in full swing, the association lost 35 percent of its members. Membership was dropping for four consecutive years and hit bottom at 610. Now there are 638 members, but is still much lower than the high of 1,000. For the nine months ending in September 2012, building permits passed the 2011 number by six percent for all types. According to Buck, the trend for single-family homes is better as permits issued increased by 18 percent for the 10 months that ended on October 31 when compared to the same 10 months in 2011. "I think the single-family permits are the best indicator for the industry in a small market like we have here in New Hampshire," Buck said. "We've been going down steadily since 2004, with the exception of 2010 (because of the temporary first-time home-buyer tax credit), but we are now starting to turn the corner a little bit." New Hampshire is not the only state to show improvement. The National Association of Home Builders has reported that construction spending in the residential sector hit a four-year high back in October. "Private residential construction spending surged 3 percent on a month-to-month basis in October 2012," according to the NAHB "Eye on Housing Newsletter" for Dec. 11. "Following increases in 14 of the last 15 months, total spending on private residential construction activity is at its highest dollar value since late 2008. In addition, spending has risen 32 percent above the trough registered during the third quarter of 2010." In the December 7 report from the National Association of General Contractors, a decline in construction employment across the country was mentioned along with a 12.2 percent unemployment rate in construction. "It's discouraging that construction employment is still struggling after more than three years of expansion in the overall economy," said Ken Simonson, the association's chief economist. "As disappointing as these numbers are, they will only get worse if Congress and the White House allow huge tax increases and spending cuts to occur on Jan. 1."