



## **Associated General Contractors of America: Construction employers add 11,000 jobs in October as sector's employees hits 50-month high following five consecutive months of job growth**

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Construction employment hit a 50-month high as employers added 11,000 jobs in October, the fifth consecutive month of sector job gains, and the industry unemployment rate fell to 9%, according to an analysis of new government data by the Associated General Contractors of America. Association officials said that the new employment figures indicate there was little nationwide short-term impact from the federal government shutdown and cautioned that skilled worker shortages are likely to grow as the industry continues to expand.

"After some very dramatic declines and years of sluggish growth, the construction industry is slowly adding jobs," said Ken Simonson, the association's chief economist. "The federal government shutdown did not appear to have undermined construction job growth in the short term probably because it did not significantly impact projects that were already underway."

Construction employment totaled 5.834 million in October, an increase of 185,000 from a year earlier, and is now at the highest level since August 2009. Simonson noted that the October increase was the fifth consecutive month of construction job growth. Meanwhile, the unemployment rate for workers actively looking for jobs and last employed in construction declined from 11.4% in October 2012 to 9% last month.

Nonresidential construction firms added 6,600 new jobs in October while residential firms added 4,800 jobs. Within the nonresidential sector, heavy and civil engineering firms - which are most likely to perform federal construction work - added only 200 jobs. The modest increase for that sector was likely caused by declining public sector demand and not the federal shutdown, Simonson said.

As the industry continues to add new jobs, many firms report they are having a hard time finding qualified workers to fill key positions. The number of unemployed construction workers has declined at a faster rate than the industry has added jobs as laid-off workers either retire or found work in other sectors. During the past three years, the number of unemployed construction workers has declined by 712,000 while construction firms have added 323,000 new jobs, the association's chief economist said.

Association officials said another reason construction employers were worried about finding enough qualified workers is the limited number of career and technical education and training programs that exist. They noted that many school districts have eliminated vocational education programs, during the past several decades. They said they were preparing a series of proposals to increase the number of career and technical education and training opportunities that they will release later this year.

"While we have a long way to go before construction employment hits pre-recession levels, we need

to take steps now to keep up with growing demand," said Stephen Sandherr, the association's chief executive officer. "The last thing we want is for the lack of qualified workers to undermine the sector's recovery."

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