FOR IMMEDIATE RELEASE January 25, 2011

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CONSTRUCTION EMPLOYMENT DECLINES IN 36 STATES DURING THE PAST TWELVE MONTHS AND IN 37 STATES & THE DISTRICT OF COLUMBIA BETWEEN NOVEMBER AND DECEMBER

Latest Construction Employment Figures Underscore Need for New Infrastructure and Growth Measures the President is Expected to Announce During Today's State of the Union Address

Thirty-six states lost construction jobs in 2010 as the industry shrank by 93,000 employees nationally, the Associated General Contractors of America reported in an analysis of state employment data released today by the Labor Department. The figures underscore the challenges facing the construction industry and echo the results of the construction industry outlook the association released yesterday.

"While it is nice to see the industry adding jobs in the most states since February 2008, the challenges facing this industry are still very severe," said Ken Simonson, the association's chief economist. "Despite slight improvements in the construction employment picture, the industry is coping with weak demand, declining stimulus activity and a growing political aversion to investing in aging infrastructure."

Simonson noted that from November to December, seasonally adjusted employment rose in only 13 states and held steady in Connecticut, even while construction employment nationwide shrunk by 16,000 nationally. Delaware had the largest one-month percentage increase in employment (1.6 percent, 300 jobs), closely followed by Texas, which led in the number of jobs added (1.5 percent, 8,700 jobs). Virginia was next, adding 1,300 employees (0.7 percent).

The largest percentage losses between November and December occurred in West Virginia (-8.4 percent, 2,800 jobs), followed by North Dakota (-7.1 percent, 1,500 jobs) and Kentucky (-5.7 percent, 3,800 jobs). New York had the largest number of monthly job losses (8,900 jobs, -2.8 percent), followed by Florida (8,500 jobs, -2.5 percent) and Indiana (6,200 jobs, -5.4 percent). Simonson cautioned that the December monthly figures for many states may have been affected by exceptionally bad weather.

The largest year-over-year percentage gains occurred in Oklahoma (9.2 percent, 6,100 jobs), Texas (5.8 percent, 32,300 jobs) and Kansas (4.6 percent, 2,600 jobs). Texas and Oklahoma had the largest increases in the number of construction employees, followed by Maryland (3,600 employees, 2.5 percent).

The largest percentage drop in year-over-year construction employment occurred in Nevada (-19.1 percent, 13,500 jobs). Only two other states had double-digit percentage declines in 2010: Idaho (-11.7 percent, 3,700 jobs) and Kentucky (-10.4 percent, 7,200 jobs). Of the 35 states with construction job losses from December 2009 to December 2010 California had the largest number (32,900 jobs, -5.8 percent), followed by Florida (20,200 jobs, -5.6 percent) and Nevada. Construction employment was unchanged over the year in Vermont.

Association officials noted that, according to the new <u>outlook</u> released yesterday, more contractors expect demand to shrink than grow in every key market segment. And while slightly more firms expect to hire than lay off employees in 2011, most contractors do not expect the industry to recover until at least next year. New infrastructure commitments the President is expected to announce during the State of the Union would help improve the industry outlook if enacted.

"There's no doubt new infrastructure investments will help improve the construction employment picture," said Stephen E. Sandherr. "More important, those investments will help give the broader business community a much needed competitive advantage by cutting shipping delays and improving operating efficiency."

View construction employment figures by state and by rank.