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CONSTRUCTION EMPLOYMENT SHRINKS OR STAGNATES IN ONE-THIRD OF METRO AREAS BETWEEN JULY 2015 AND JULY 2016 DESPITE WIDESPREAD JOB OPENINGS

Louisville/Jefferson County, Ky.-Ind. and Bloomington, Ill. Have Largest Declines as New Survey Shows Contractors Struggle to Fill Openings; Denver-Aurora-Lakewood, Colo., Boise, Idaho Top Growth List

Construction employment decreased or stagnated in 119, or one-third, of 358 metro areas between July 2015 and July 2016 despite a strong overall increase in demand for construction, according to a new analysis of federal employment data released today by the Associated General Contractors of America. The report coincides with the association's release of its latest construction <u>workforce survey</u>, which showed many firms are struggling to find qualified craft workers.

"Together, the metro employment report and the survey indicate that more contractors would be adding to their headcount if they could find the workers they need," said Ken Simonson, the association's chief economist. "In recent months, job openings have been at a 10-year high but hiring has stalled in many parts of the country. That mismatch is consistent with our survey, in which two-thirds of the respondents said their firms were having a hard time filling hourly craft positions and more than one-third were having trouble filling salaried positions."

Construction employment declined in 60 metro areas in the past year, held steady in 59 areas, and rose in 239 areas. The largest job losses from July 2015 to July 2016 were in Louisville/Jefferson County, Ky.-Ind. (-1,900 jobs, -6 percent), followed by New Orleans-Metairie, La. (-1,400 jobs, -4 percent), Birmingham-Hoover, Ala. (-1,300 jobs, -5 percent) and Anchorage, Alaska (-1,100 jobs, -9 percent). The largest percentage declines for the past year were in Bloomington, Ill. (-16 percent, -500 jobs); Lawton, Okla. (-15 percent, -300 jobs); Dothan, Ala. (-14 percent, -400 jobs); and Rocky Mount, N.C. (-13 percent, -300 jobs). Eighteen metro areas recorded their lowest July totals since the series began in 1990.

In two-thirds of the metro areas for which the government publishes construction employment data, contractors added to their headcount, although they may still have struggled to find enough workers with the right skills. Denver-Aurora-Lakewood, Colo. added the most construction jobs during the past year (11,700 jobs, 12 percent), followed by Phoenix-Mesa-Scottsdale (10,700 jobs, 11 percent); Orlando-Kissimmee-Sanford, Fla. (10,400 jobs, 17 percent); Anaheim-Santa Ana-Irvine, Calif. (9,900 jobs, 11 percent); and Atlanta-Sandy Springs-Roswell, Ga. (7,800 jobs, 7 percent). The largest percentage gains occurred in Boise City, Idaho (22 percent, 4,100 jobs); Monroe, Mich. (17 percent, 400 jobs); and Orlando-Kissimmee-Sanford. Employment in 37 metro areas set or tied the highest July level since the series began.

Association officials said the new employment figures and survey results underscore the importance of policy changes at the federal, state and local levels to improve the number and quality of workers entering construction. These measures include reforming and increasing funding for the Perkins Career and Technical Education Act, enacting comprehensive immigration reform and making it easier to set up charter schools and career academies that teach basic construction skills.

"It is time to stop signaling to children that the only path to success lies through college education," said Stephen E. Sandherr, the association's chief executive officer. "Establishing more career and technical education programs within our school systems will go a long way in changing these cultural perceptions."

View the state employment data by <u>rank</u> and <u>state</u>. View state employment <u>map</u>.