



FOR IMMEDIATE RELEASE
Friday, June 6, 2014

CONTACT: Brian Turmail
(703) 459-0238; turmailb@agc.org

**CONSTRUCTION INDUSTRY ADDS 6,000 JOBS IN MAY AS SECTOR'S UNEMPLOYMENT RATE
DECLINES TO 8.6 PERCENT, LOWEST MAY LEVEL IN SIX YEARS**

*Residential and Nonresidential Construction Firms Added Jobs in May, but Thousands of Highway
Construction Jobs Are At Risk Because of Possible Halt in Federal Transportation Funding Later this Summer*

Construction employers added 6,000 workers to payrolls in May as the industry's unemployment rate dropped to 8.6 percent, its lowest May level in six years, according to an analysis of new government data by the Associated General Contractors of America. However, association officials cautioned that gains remain spotty and that thousands of highway construction jobs are at risk because of a pending halt in federal transportation funding later this summer.

“Even with five straight months of construction employment gains, the industry remains vulnerable to sudden shifts in demand,” said Ken Simonson, the association's chief economist. “Unless lawmakers act in the next few weeks to head off an expected disruption in highway funding, the sudden loss of billions of dollars worth of demand would cost many construction workers, as well as workers from other segments of the economy, their jobs.”

Construction employment totaled 6,004,000 in May, the highest total since June 2009 and an increase of 188,000 or 3.2 percent from a year earlier, Simonson noted. Residential construction employers added 3,300 jobs in May and 105,600 (4.9 percent) over 12 months. Nonresidential construction firms added 2,700 employees since April and 82,000 (2.2 percent) since May 2013.

The unemployment rate for workers actively looking for jobs and last employed in construction declined from 10.8 percent a year earlier to 8.6 percent in May—the lowest May rate since 2008. Simonson noted that the unemployment rate for construction workers had fallen by more than half since May 2010, when it reached 20.1 percent. During that time, the number of unemployed workers who last worked in construction declined by over one million, but industry employment increased by only 480,000.

Association officials urged Congress and the Obama administration to work together to find a way to keep the federal Highway Trust Fund from running short of money, as forecast, later this summer. They cautioned that disrupting payments from the Fund would force many states to halt or cancel outright billions of dollars worth of highway projects during the middle of the busy construction season.

“Forcing a sudden halt to thousands of highway projects across the country will undermine much of the growth the construction industry has recently experienced,” said Stephen E. Sandherr, the association's chief executive officer. “Such a shutdown would cost thousands of construction jobs and force commuters and shippers in many parts of the country to pay for the lost construction season through pothole damages and shipping delays.”

Sandherr added that over 8,000 construction employees have already contacted Congressional delegations from 48 states to urge their support for a fix to the Highway Trust Fund as part of the [Hardhats for Highways](#) program. That program, which is being organized by the [Transportation Construction Coalition](#), will continue next week when thousands of construction contractors will fly to D.C. to meet with members of Congress to press the case for new federal highway funding.

###