

Construction Occupational Employment Trend, 2005-2013

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The bursting of the housing bubble hit certain areas of the economy harder than others. Though Connecticut was not an epicenter of the housing bubble and bust, its impact can be seen when examining construction occupational employment. This article uses data from the Census Bureau's American

Community Survey (ACS) as it provides estimates of labor market variables not captured in other datasets, including unemployment by occupation and prior occupation of those not in the labor force. From this we can get a generalized idea of how construction occupations in Connecticut have fared during the recession and recovery.

During this range, the unemployment rate was at a low of 6.9 percent in 2006 and peaked in 2009 at 20.3 percent. It has steadily decreased since 2011's rate of 19.8 percent and was 14.2 percent in 2013. As of 2013, overall construction occupational employment remained at 12.3

Electricians, and Supervisors make up 63.4 percent of overall employment for the Construction Occupations in the state. In 2013, **Construction laborers** was up 13.5 percent over the 2007 peak, while **Carpenters, Electricians, and Supervisors** were respectively at 71.4, 98.5, and 77.7 percent of 2007 employment levels.

Chart 2 shows occupational employment from 2005 to 2013, therein certain occupations exhibit a pronounced year-over-year increase (**Construction Laborers and Electricians**) whereas other occupations show little or flat year-over-year growth after peak 2007 levels, including **Pipelayers, Plumbers, and Steamfitters**, as well as **Painters and paperhangers** and **Supervisors**. The largest 2007 to 2013 employment decline occurred in the **Carpenters** occupation, which fell 28.6 percent, and also peaked a year earlier in 2006.

Of the major construction occupations, **Construction Laborers** had the highest occupational unemployment rate, 18.5 percent in 2013, down from a 2010 high of 35.3 percent and a slight 1.8 percentage point year-over-year increase from 2012. That slight increase coincides with 59.7 percent labor force increase for that occupation since 2012. Other major construction occupations, **Carpenters** and **Supervisors** respectively had unemployment rate decreases of 0.2 and 2.7 percentage points to 14.2 and 8.3 percent. **Electricians** had a significant decrease in unemployment rate, falling from 24.6 to 8.1 percent. That significant decrease corresponds with 57.5 percent year-over-year increase in employment.

The ACS dataset shows that Connecticut construction occupational employment is up 16.3 percent from 2012 to 2013, while experiencing steady unemployment rate decline from 2011.

Construction Laborers and **Electricians** gains correspond with overall construction growth. Overall trends for construction occupation employment in recent years show that though unemployment is still significantly above pre-recession levels, employment gains in recent years indicate things are moving in the right direction. ■

CHART 1. CT Construction Occupational Employment 2005 to 2013

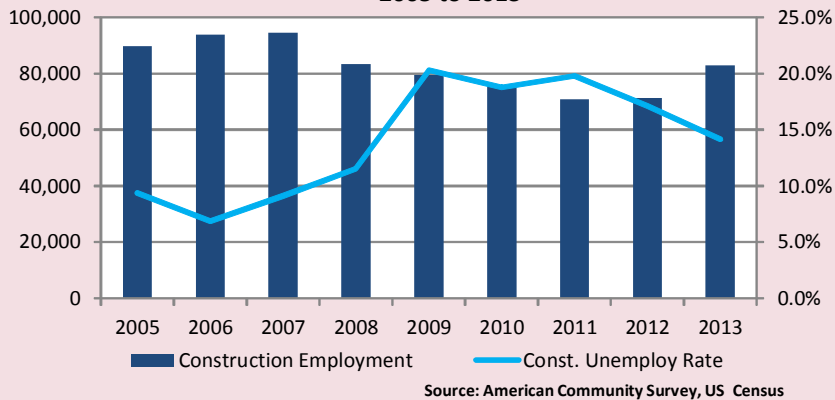
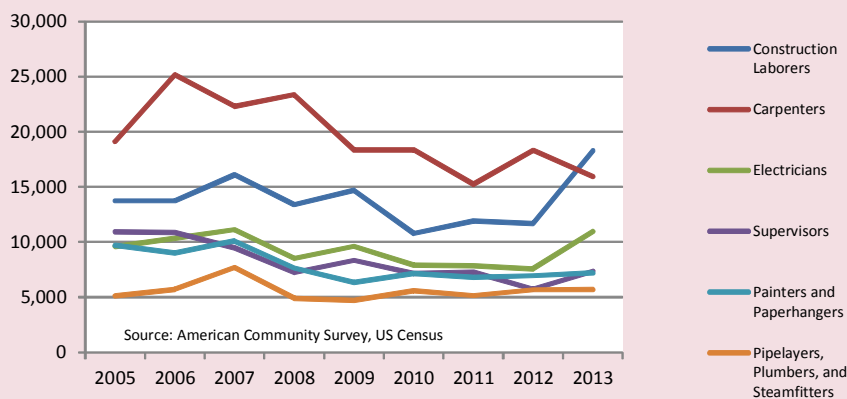


CHART 2. CT Construction Occupations, 2005-2013



percent below peak 2007 levels. Strong year-over-year gains in construction employment from 2012 to 2013 amid a falling (though still high) occupational unemployment rate indicate that the employment prospects for workers in that occupation is improving.

The construction occupational employment highlighted in Chart 1 is a summation of detailed construction occupations available in the ACS survey. The ten largest of these occupations in 2013 encompassed 90.6 percent of overall construction occupational employment. Among those occupations, the four largest, **Construction Laborers, Carpenters,**

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Chart 1 shows that **statewide Construction occupational employment** peaked in 2007 at 94,517 workers and troughed at 70,874 in 2011. In 2012 and 2013 occupational employment has increased to levels greater than was had in 2009, but currently is 11,643 workers below the 2007 peak.