

## More metros and states add jobs in latest year; Reed, MHC, AIA differ on starts

*Construction employment rose in 201 out of 339 metropolitan areas (including divisions of larger metros) in the 12 months through July (the largest number of gainers since March 2012), declined in 90 and was flat in 48, according to an analysis of Bureau of Labor Statistics (BLS) data that AGC released today. However, July 2013 employment exceeded prior July highs in only 19 metros, while 28 metros remained at least 50% below past July peaks. (BLS combines mining and logging with construction in most metros to avoid disclosing data about industries with few employers. Because metro data is not seasonally adjusted, comparisons with months other than July are not meaningful.) Houston-Sugar Land-Baytown added by far the largest number of construction jobs in the past year (13,000 construction jobs, 7%). Next were Boston-Cambridge-Quincy (8,400 construction jobs, 15%) and Phoenix-Mesa-Glendale (8,400 construction jobs, 9%). The largest percentage gains since July 2012 occurred in Pascagoula, Miss. (44%, 1,800 combined jobs), followed by Eau Claire, Wis. (27%, 900 combined jobs), Atlantic City-Hammonton, N.J. (26%, 1,100 combined jobs) and Fargo, N.D.-Minn. (23%, 1,900 combined jobs). Fargo exceeded its previous July peak (2008) by 17%, the most of any metro. The largest job losses from July 2012 to July 2013 were in Riverside-San Bernardino-Ontario, Calif. (-6,000 construction jobs, -9%). Despite strong job gains in the past year, the Phoenix area had the largest decline in construction employment since its peak in July 2006 (-86,500, -47%), followed by Las Vegas-Paradise (-73,900 construction jobs or -67% since July 2006). The largest percentage decline in the past year was in Pocatello, Idaho (-19%, -300 combined jobs), while the largest percentage declines from July peaks were in Lake Havasu City-Kingman, Ariz. (-74%, -5,600 combined jobs since July 2006) and Las Vegas-Paradise.*

In July, seasonally adjusted nonfarm payroll employment increased from a year earlier in 49 states and the District of Columbia, and decreased in Alaska, BLS reported on Monday. Seasonally adjusted construction employment climbed in 37 states and fell in 13 states and D.C., an AGC analysis showed. The largest year-over-year percentage increase in construction jobs occurred in Wyoming (16.7%, 3,500 jobs), followed by Mississippi (12.3%, 5,800 jobs) and Hawaii (11.6%, 3,400 jobs). Texas added the most jobs over the past 12 months (33,100, 5.7%), followed by California (17,800, 3.0%) and Florida (15,700, 4.6%). The steepest declines occurred in Indiana (-6.7%, -8,300 jobs) and South Dakota (-6.7%, -1,400 jobs). The biggest losses were in Indiana, followed by Ohio (-6,300, -3.5%). Only 18 states added construction employees between June and July on a seasonally adjusted basis, while 30 states and D.C. lost jobs. There was no change in Massachusetts or Texas. The steepest one-month percentage gains were in Kentucky (3.9%, 2,500 jobs), Hawaii (3.5%, 1,100 jobs) and Wyoming (3.4%, 800 jobs). Florida added the largest number of jobs for the month (3,700, 1.1%), followed by Georgia (2,600, 1.8%), Pennsylvania (2,600, 1.8%), Kentucky, and Colorado (2,400, 1.9%). The steepest one-month percentage decline occurred in Montana (-4.1%, -900 jobs), followed by Idaho (-3.1%, -1,000 jobs). The largest drop in employment for the month occurred in California (-7,300, -1.2%), followed by Indiana (-3,400, -2.8%) and Ohio (-3,100, -1.8%). (BLS combines mining and logging with construction in D.C., Hawaii, South Dakota and four other states.)

The value of nonresidential construction starts in July slumped 6.6%, not seasonally adjusted, from July 2012, Reed Construction Data reported on Wednesday, based on data it collected. Year-to-date starts from January through July combined "painted an even gloomier picture—down 19.5% from the same period in 2012." Year-to date, nonresidential building starts plunged 14%, with institutional starts down 19%, commercial starts down 6.2% and industrial (manufacturing) starts up 8.3%. Heavy engineering (nonbuilding) starts plummeted 28% year-to-date.

New construction starts, including residential starts, decreased 2% in July at a seasonally adjusted annual rate, McGraw Hill Construction (MHC) reported on Tuesday. "The nonbuilding construction sector, comprised of public works and electric utilities, pulled back [-18%] in July after being lifted in June by several very large projects. At the same time, nonresidential building strengthened [8%] in July, regaining some of the upward momentum that began to take hold in April and May, while residential building in July showed further growth [3%]. For the first seven months of 2013, total construction starts on an unadjusted basis were...up 1% from the same period a year ago. The year-to-date amount for total construction was restrained by a steep decline for new electric utility starts. If electric utilities are excluded, total construction starts for this year's January-July period would be up 11%, reflecting a substantial increase [29%] for housing as well as moderate improvement for commercial building" (but -3% year-to-date for all nonresidential building and -22% for nonbuilding).

More architecture firms reported rising than falling billings in July, the American Institute of Architects (AIA) stated on Wednesday in releasing its Architecture Billings Index. The index, which ranges from 0 to 100, with 50 indicating equal positive and negative responses, was at 52.7, following a reading of 51.6 in June.

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