

# Construction

## Industry Highlight



Construction employment is seasonal; a notable number of workers are unemployed even during a good economic year.

If you like volatility, you'll like the construction industry employment data. Obviously, this industry remains extremely prone to the vicissitudes of the business cycle—the most recent example is just barely behind us. Employment fell from a high of almost 110,000 in August 2007 to a low of 59,200 in February 2010. Fortunately, survey data suggests that the industry has finally started to improve with a year-to-year increase of 0.6 percent in August 2011. In 2010, construction employment accounted for 5.5 percent of Utah's total nonfarm jobs. In 2007, its share of employment measured more than 8 percent of the total. However, it's important to note that the housing bubble and speculation "over-inflated" construction employment during the recent boom years.

In addition, construction employment (like the weather) is very seasonal in nature. (Note the chart that accompanies this article.) Employment is highest in the summer months and lowest in the coldest months. That means a notable number of construction workers are unemployed in the course of even a very good economic year.

In 2010, the average monthly wage for construction workers was \$3,500 compared to \$3,250 for all employment. However, seven major industries (including manufacturing) pay higher wages on average than construction. ①

### Utah Construction Employment

