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Building Boom Hoists Construction Employment, Wages

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BY [JOHN JORDAN](#)

NEW YORK CITY—The ongoing building boom in New York City has lifted construction industry employment numbers here to heights not seen in more than 40 years.

In a report released today, the New York Building Congress also notes that construction industry wages rose 3% in 2015, the highest year-to-year increase since 2008, when wages increased 5%.

New York City produced 138,200 construction jobs in 2015, a 7% percent increase from 2014, when 129,100 jobs were created. Last year marked the fourth consecutive year of job growth and the highest level of

construction employment in the city since at least 1975, the Building Congress stated. The previous high water mark was 131,800 jobs in 2008.

Based on an analysis of New York State Department of Labor jobs data from the first half of this year, the Building Congress estimates construction employment will climb to 147,100 jobs in 2016, which would calculate out to be a 6.4% increase from 2015 levels.

The specialty trades sector, which includes plumbers and electricians, accounted for 89,500 jobs in 2015, up from 84,300 jobs in 2014. Workers involved in the construction of buildings accounted for 40,300 jobs last year, up from 36,500 in 2014. The heavy construction and civil engineering sector produced 8,400 jobs, a slight increase from 8,300 jobs gained in 2014.

“Each of the cranes currently dotting the New York City skyline represents thousands of jobs for local construction workers, three-quarters of whom live in one of the five boroughs,” says Building Congress President Richard T. Anderson. “With nearly \$40 billion in construction spending last year and the Building Congress forecasting more of the same this year and next, we should expect the construction industry to be a major driver of jobs for the foreseeable future.”

Earlier this month, the NYBC issued a report stating that the [building boom in New York City generated](#) \$61 billion in total economic output in 2015 alone.

The Building Congress estimates that wages earned by New York construction workers averaged \$76,300 last year, up from \$74,100 in 2014. Industry workers overall earned an average of \$73,000 in 2013, \$71,800 in 2012, and \$71,200 in 2011. The largest one-year increase over the past decade occurred during the final stages of the previous building boom, when average annual wages rose from \$65,000 in 2007 to \$68,300 in 2008, NYBC states in its report.

While wage increases adds cost for developers, the good news is that the rate of wage increase in 2015 does not equal the hikes during the previous building boom prior to 2009, Anderson says. He attributes the lower rate of increase now to the growing number of union apprentices and the fact that the current boom is being fueled principally by residential construction, which is increasingly being built by less expensive non-union labor.

The heavy and civil engineering workforce continues to be the highest paid sector in the industry. Based on the Building Congress’ estimates, workers in this sector averaged \$120,700 in pay in 2015, up from \$111,200 in 2014, \$107,900 in 2013 and \$101,600 in 2012.

Average wages for the New York City workforce involved in the construction of buildings increased to \$73,300 in 2015, from \$71,200 in 2014. Workers employed by specialty trade contractors experienced a modest increase, earning on average \$73,800 in 2015, up from \$71,700 in 2014.