

CITY NEWS

Building Boom Fuels Job Growth

By JOSEPH DE AVILA

New York City's construction industry continues its postrecession climb, bringing with it thousands of new jobs.

The industry employed an average of 138,200 people in 2015, surpassing its last high mark of 131,800 in 2008, according to an analysis of job figures by the New York Building Congress, a construction-industry group. The group said that is the most people working in the industry since at least 1975.

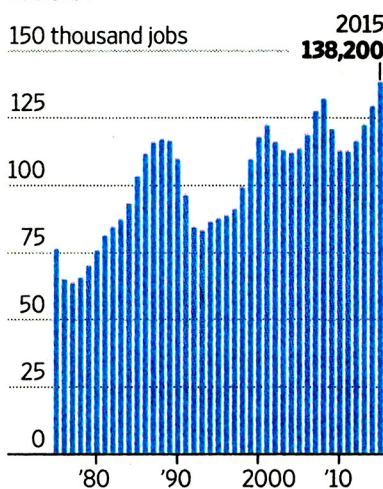
"The construction market is even stronger than we all thought," said Richard Anderson, president of the New York Building Congress, which estimates that construction jobs will reach an average of 147,100 jobs this year.

Last year's job figures marked a 7% increase from 2014, when the city averaged 129,100 jobs in the construction industry.

"The boom in construction employment is directly correlated to one of the biggest residential development booms in modern history with several years of new product still in the pipeline," said Jonathan Miller, an appraiser and president of Miller Samuel Inc. "It would appear this elevated job

Going Up

Construction industry jobs in New York City hit a 40-year high in 2015.



Source: New York Building Congress
THE WALL STREET JOURNAL.

picture for this sector of the market is going to continue for a few more years."

The one area in the residential market where there could be a slowdown in construction is the ultraluxury category, Mr. Miller said. He said most high-end properties are scheduled to be finished in 2017 and 2018, and that there might not be many projects following that.

Residential projects alone haven't fueled the city's construction industry growth.

Also contributing are construction projects for health-care facilities, some public infrastructure and commercial projects, said James Parrott, chief economist for the Fiscal Policy Institute, a New York-based economic research organization. He also noted that the residential projects can be found throughout the city, not just in Manhattan.

Mr. Parrott said it appears there is no slowdown on the horizon, agreeing with the Building Congress that the 2016 job figures will likely exceed those from last year.

"It's a pretty promising overall picture for the construction sector in New York," Mr. Parrott said.

Wages in the industry are also improving. Construction workers in the city averaged \$76,300 in 2015, compared with \$74,100 in 2014, according to the New York Building Congress. That is about a 3% increase. Average annual wages in 2008 were \$68,300.

Mr. Parrott said the construction industry's increase in wages is in line with the broader improvement in wages across New York City.

"When we get 2016 figures, that will show continued improvement" for the construction industry's wages, he said.