

TOUGH TIMES FOR

If there was ever
a time in U.S.
history when the
labor movement
was needed,
that time is now.



Every day, we hear that the U.S. economy is in its worst condition since the Great Depression. Job losses are soaring, home foreclosures threaten more and more families, credit is tightening, and savings are decimated. Working families who were holding on and getting by as recently as a year ago now are wracked by fear and uncertainty. In times like these, the solidarity and community sustained by our trade unions are more important than ever. We must remember that, throughout the rough times ahead, the labor movement we belong to will be there for us and for our families.

And make no mistake about it—times are indeed rough.

HERE ARE THE NUMBERS

Construction employment in the U.S. declined by more than 120,000 in March and 110,000 in April, as the industry leads the country in unemployment.

According to a report from the Bureau of Labor Statistics, construction job losses have averaged 120,000 per month over the past six months, compared with 46,000 per month from December 2007 through October 2008. Overall, employment in construction has fallen by 1.3 million since peaking in January 2007, with nearly half of the total job loss occurring in just the last five months.

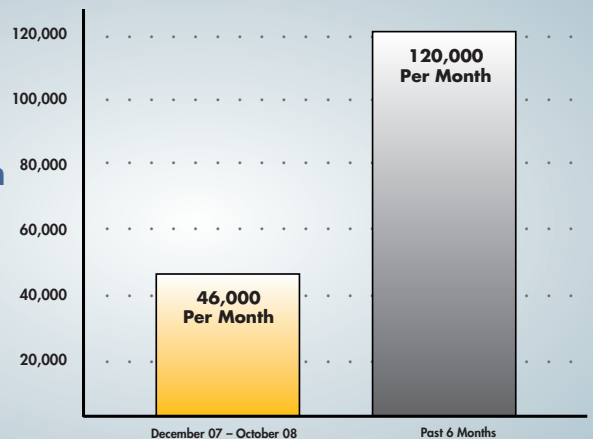
The seasonally adjusted total for construction job losses over the past 12 months is a staggering 928,000. This year, the construction unemployment rate has shot up 9.1 percent.

The *Engineering News-Record* (ENR) and McGraw-Hill Construction Research & Analytics have introduced a new quarterly industry survey to measure industry sentiment about the construction market, including market sectors, expectations and trends.

According to the new Construction Confidence Index, the consensus is that the construction market will face tough times for awhile.

Average Job Losses in the Construction Industry

BUREAU OF LABOR STATISTICS



THE ECONOMY

The index reports that, on a scale of 0 to 100, with 50 being “stable,” industry members rate the current state of the construction industry at a low of 25. Nearly 90 percent of the respondents believe a turnaround is at least a year away. Two-thirds of the firms reported layoffs in the past six months and at least one-third expect more layoffs to follow.

AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 WILL BENEFIT THE CONSTRUCTION INDUSTRY

Will President Obama’s economic recovery package turn things around? With \$6 billion to \$9 billion of stimulus funds targeted for school modernization and repairs, we can already see construction jobs on the horizon and, ideally, more are on the way.

According to IUPAT General President James Williams, “The stimulus package is going to address infrastructure needs that have been far too long overlooked. President Obama knows there are critical, shovel-ready jobs that are ready to start up. This approach is vital for our economy, and will directly benefit working families.”

An important part of the stimulus, as well as the overall economy, is the growing concept of “green” building, which has taken the construction industry by storm. It is estimated that this industry will grow by 60 percent in 2009 and will affect everything from residential to commercial developments. One of the leading sectors in the green building boom is the glass industry. Natural daylight is the most efficient way to light a building’s interior, experts say, and the skilled trade workers of IUPAT will be more in demand than ever.

Still, there isn’t much “daylight” in the current economic forecast overall and, for IUPAT, the short-term priority is to hold the line and safeguard members’ interests as best we can. Will we make it through this crisis? Without a doubt—thanks to union solidarity, and the hard work and dedication of individual members.

POLITICAL ACTION PROTECTED OUR FAMILIES

The federal government’s swift and meaningful actions to support working families during this economic crisis shows that political action pays a real dividend. The hard work that IUPAT members, along with sisters and brothers across the labor movement, contributed to ensure Barack Obama won the presidential election last fall was a sound investment in our families’ futures. And, when this recession is well behind us, our economy will have changed for the good, with more economic fairness, opportunities for workers, workplace organizing, and good union jobs. That’s the backbone of our economy, in good times and bad.

We may not be able to see the light at the end of the tunnel just yet—but, when we do, we’ll usher in a new era of prosperity and strength for America’s working families.

THE CONSTRUCTION CONFIDENCE INDEX

The Construction Confidence Index reports that, among its survey responders—including general contractors, subcontractors, and designers:

- 86 percent see a continued decline in the industry, with most believing the market turnaround is at least 12 to 18 months away;
- 62.3 percent of firms have laid off people in the past six months;
- One in 10 had cut more than 20 percent of all staff; and
- 35 percent expect further cutbacks.

—AND WHAT HAPPENS NEXT?