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## Construction Workforce

# Breaking: Construction Jobs Rebound in May, Recoup Half of Huge April Losses

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Construction employment bounced back strongly in May from April's mammoth losses, adding 464,000 jobs during the month, the Bureau of Labor Statistics has reported.

The bureau's [latest monthly employment report](#), released on June 5, also shows that construction's unemployment rate improved, but still stands at a worrisome 12.7%.

Construction's added jobs contributed to a surprisingly large 2.5 million increase in overall employment in May.

Construction economists viewed the numbers as positive news but cautioned that economic clouds could gather down the road.

The BLS report indicates that construction's April jobs numbers were even worse than the bureau initially estimated. In its new report, BLS revised the industry's April job losses downward by 20,000, to 995,000. That reflects the sharp downturn in the economy from the coronavirus.

The jobs added in May recoup 47% of the April losses.

Moreover, construction's May jobs gains were significant across all industry sectors.

The specialty trade contractors segment led the way, adding 325,300 positions.

Buildings construction gained 104,900 and heavy and civil engineering construction saw its workforce expand by 33,700, the bureau's numbers show.

Construction's May jobless rate declined from April's 16.6%, the worst in decades, to 12.7%. But that still was more than three times worse than the year-earlier level of 3.2%.

Ken Simonson, the Associated General Contractors of America's chief economist, said in a [statement](#), "The huge pickup in construction employment in May is good news and probably reflects the industry's widespread receipt of Paycheck Protection Program loans and the loosening of restrictions on business activity in some states."

But Simonson added, "Nevertheless, the industry remains far short of full employment and more layoffs may be imminent."

As most states and localities approach the July 1 start of new fiscal years, they face major shortfalls in tax revenue. Simonson said more public construction projects are likely to be canceled unless an infusion of aid from the federal government is approved. In particular, AGC urged Congress to approve significant infrastructure funding measures.

Anirban Basu, the Associated Builders and Contractors' chief economist, has a more bullish view about the May numbers for the overall economy and construction. "For contractors, this is purely good news," Basu said in a [statement](#).

He added, "With the economy beginning its recovery sooner and more dramatically than anticipated, fewer projects are likely to be postponed or canceled." That could lead to increased state and local tax revenue, with some of that, he predicts, available for infrastructure projects.

Even so, Basu said, "Make no mistake—these remain treacherous times," with construction's jobless rate still high, state and local budgets continuing to be "in tough shape" and increased infections possible as more businesses reopen.