



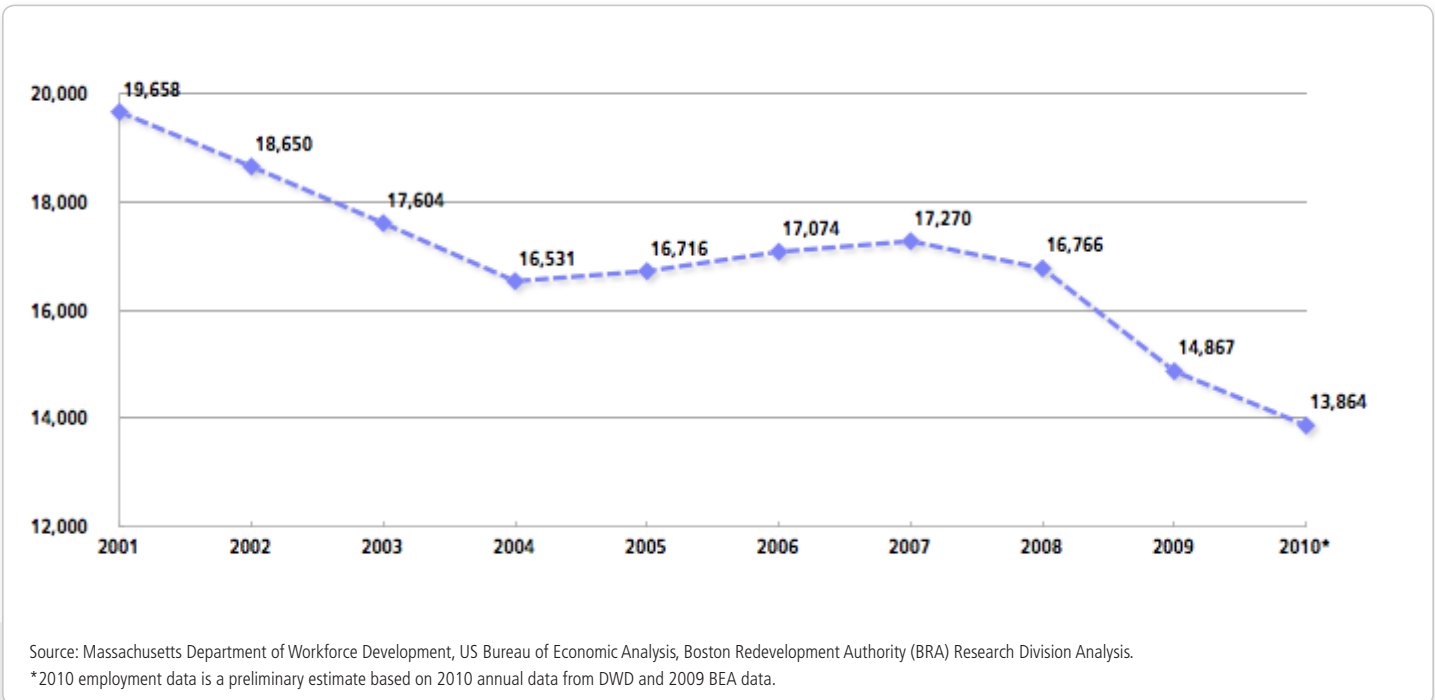
Construction Industry

Construction is one of the smaller industries in Boston, making up 2.1% of total employment in 2010. This ranks construction 14th amongst the 20 major industrial sectors identified by the Bureau of Labor Statistics (BLS)¹. The construction industry includes business activities such as residential and non-residential building construction, specialty trade contractors, and building equipment contractors.

Employment

Today, Boston's construction industry employs close to 14,000 people. Overall, construction industry employment has experienced significant job losses over the last decade. Since 2001, construction industry employment in Boston has decreased by over 25%. This industry was hit particularly hard by the 2008 economic recession. While the construction industry lost nearly 3,000 jobs between 2001 and 2008, it lost an additional 2,900 jobs in the two following years.

Number of Construction Jobs



1. Industry sectors were selected according to their 2-digit North American Industry Classification System (NAICS) codes. LINK: <http://www.census.gov/eos/www/naics/>

The largest occupations in the construction industry in Boston include carpenters, construction laborers, electricians, plumbers, pipefitters, and steamfitters, and supervisors/managers. Below is a list of the top ten construction occupations in Boston by employment. These ten occupations make up approximately 57% of the construction industry.

Top Ten Construction Occupations in Boston by Employment

Job Title:	Total
Carpenters	1,714
Construction Laborers.....	1,206
Electricians	1,044
Plumbers, Pipefitters, and Steamfitters	875
First-Line Supervisors/Managers of Construction Trades and Extraction Workers	736
Bookkeeping, Accounting, and Auditing Clerks	450
Office Clerks, General	433
Cost Estimators.....	406
Construction Managers	354
Painters, Construction and Maintenance	351

Source: Labor Market Assessment Tool 2.0, (BRA) Research Division Analysis.

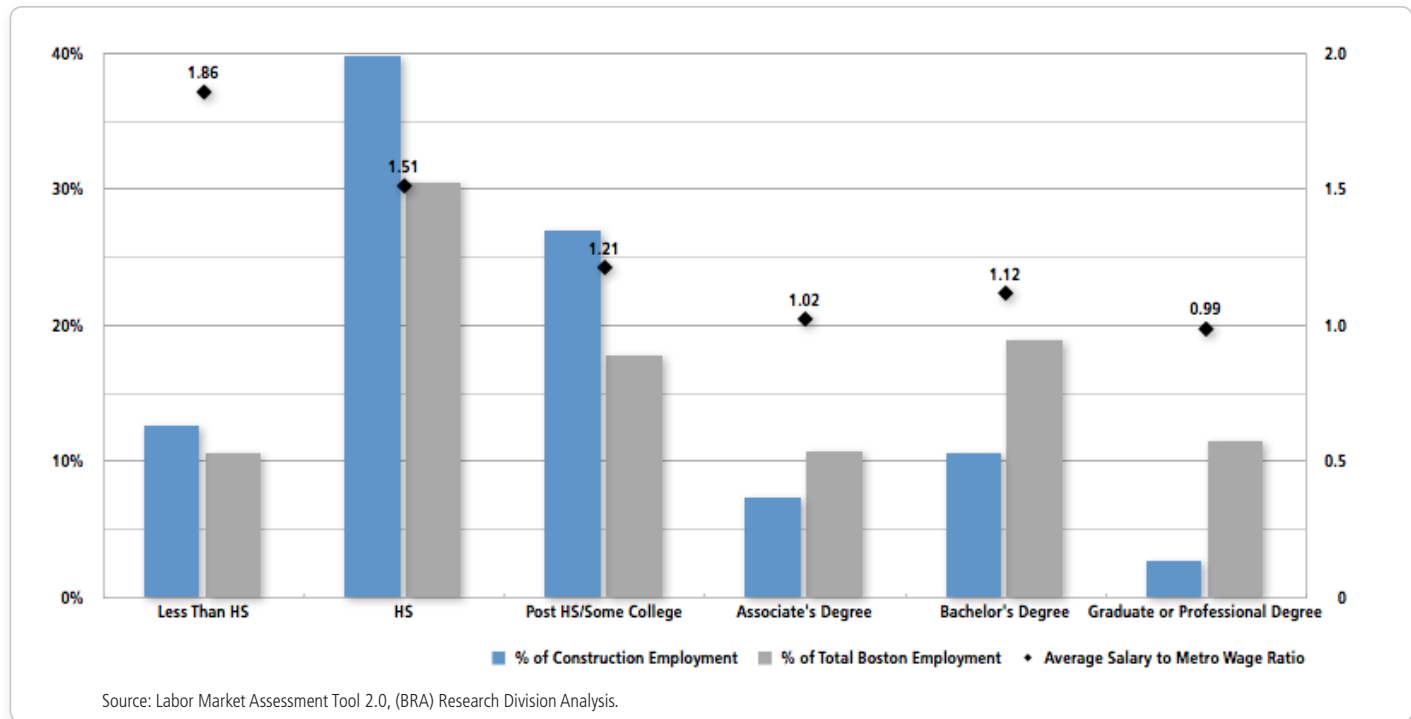
Major Employers in Construction

The city's largest employers in the construction industry include Suffolk Construction, Shawmut Design & Construction, Turner Construction, and McCourt Construction. Construction establishments are scattered across the city, in particular their concentrations are in Downtown and South Boston. The attached map depicts construction establishments by size in Boston.

Education, Skill Requirements, and Wages

Overall, the educational requirements for the construction industry are modest. Close to 80% of jobs in construction require some college or less. This is higher than Boston as a whole, where approximately 58% of jobs require some college or less. The Industry-to-Metro wage ratio shows how wages by educational requirement look different between an industry and the Metro Boston average for the same education level. In general, the average wages for jobs in construction are higher than for all jobs in the region by educational requirement.

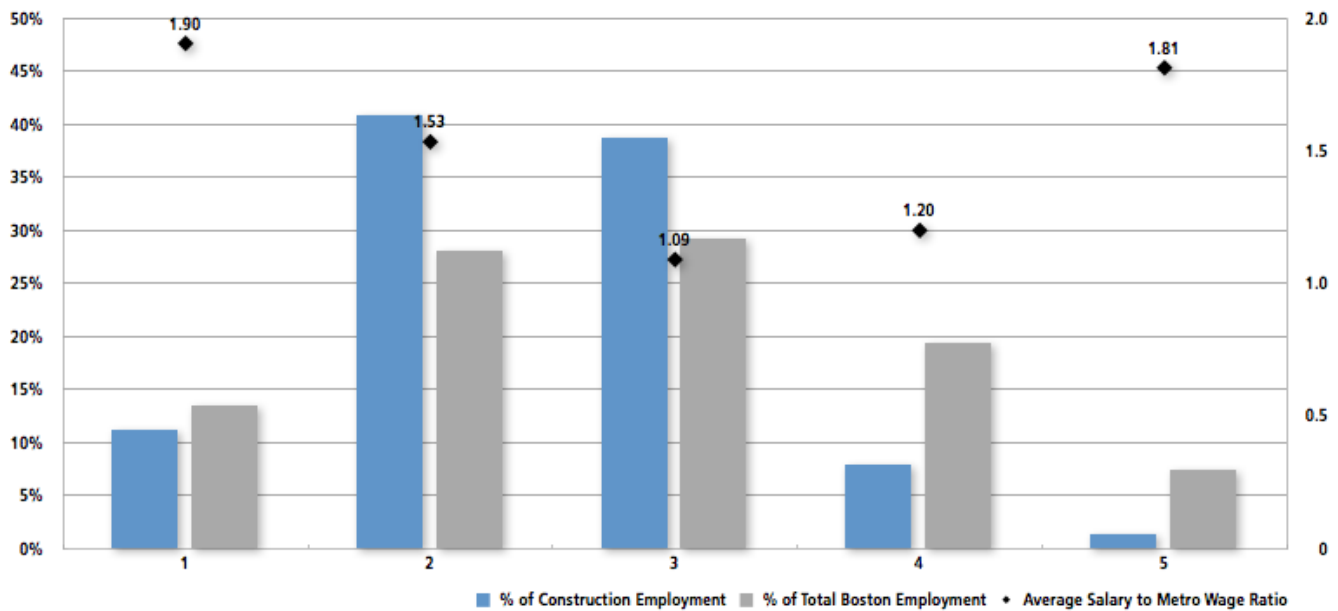
Education Requirements and Wages



The Boston Redevelopment Authority’s Labor Market Assessment Tool (LMAT)² also has different measures for job training, called job zones. The lower the job zone number, the less training, education, and previous work experience needed to perform the job. Overall, close to 91% of jobs in construction are in job zones 1, 2, and 3. This indicates the industry overall requires modest skills. Most occupations in construction require some preparation, such as a high school diploma and previous construction-related skills.

2. For more detailed information on LMAT, please see *Introducing the Labor Market Assessment Tool*-Boston Redevelopment Authority Research Division-publication 613.
 LINK: <http://www.bostonredevelopmentauthority.org/PDF/ResearchPublications/LMAT%20Introduction.pdf>

Job Zones and Wages

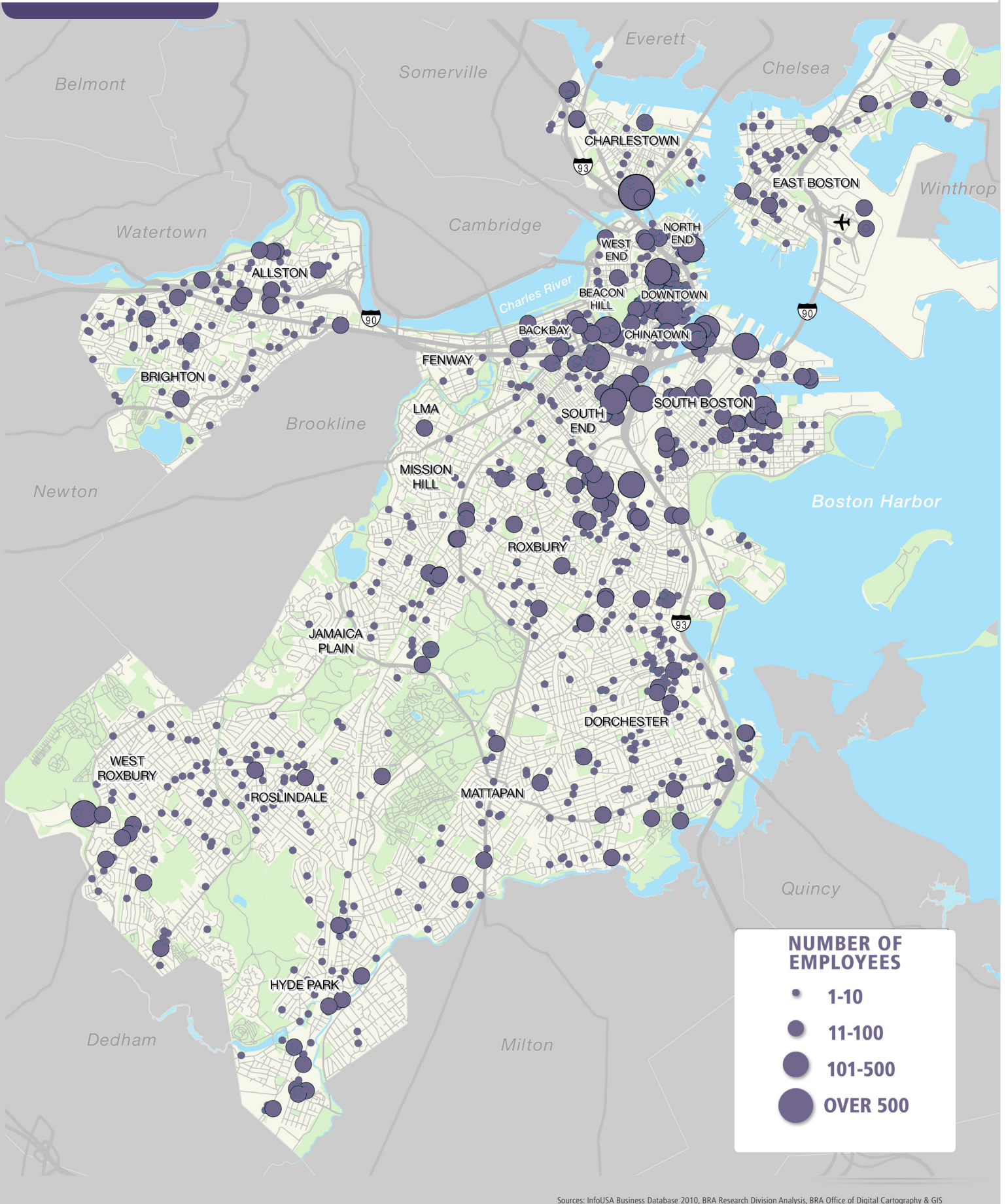


Source: Labor Market Assessment Tool 2.0, (BRA) Research Division Analysis.

Sector Trends

A location quotient (LQ) is used to assess the degree of regional specialization in an industry as compared to the national average. An LQ of "1" indicates that an industry is concentrated in a region's economy in a proportion similar to the US overall. An LQ over "1" indicates that the industry is an area of concentration for the region. With a location quotient of 0.41, the construction industry accounts for a much smaller proportion of total jobs in Boston than at the national level.

In the coming years, employment in the construction industry in Boston is not expected to change a great deal. Using New England Economic Partnership (NEEP) projections, we estimate the construction industry to grow 0.2%—or 28 jobs—by 2015³. This change would account for only 0.1% of the city's total employment change during the 5-year period.



Sources: InfoUSA Business Database 2010, BRA Research Division Analysis, BRA Office of Digital Cartography & GIS

City of Boston - Industry Profiles

Rank Industry:	# OF EMPLOYEES	CHANGE IN JOBS 2001-2010	% OF TOTAL EMPLOYMENT	LOCATION QUOTIENT	AVERAGE WAGES	JOBS ADDED BY 2015
1. Health Care and Social Assistance Industry	122,532	26,390	18.5%	1.67	\$67,333	13,117
2. Public Administration	78,354	(11,619)	11.8%	0.84	\$66,111	2,911
<i>State Government</i>	39,185	12,474	5.9%	1.95	-	1,456
<i>Local Government</i>	22,983	(19,428)	3.5%	0.42	-	854
<i>Federal Government</i>	16,184	1,354	2.4%	1.48	-	601
3. Finance and Insurance Industry	78,407	(5,993)	11.8%	2.28	\$170,624	1,695
4. Professional, Scientific and Technical Services Industry	73,897	1,692	11.2%	1.62	\$108,504	7,550
5. Educational Services Industry	50,247	6,585	7.6%	3.28	\$64,627	5,376
6. Accommodation and Food Services Industry	49,577	6,143	7.5%	1.06	\$25,956	4,622
7. Administrative and Support and Waste Management Remediation Services Industry	32,124	(7,675)	4.9%	1.01	\$46,005	3,286
8. Retail Trade Industry	30,477	(360)	4.6%	0.45	\$30,664	655
9. Other Services (except Public Administration)	29,279	2,967	4.4%	0.89	\$37,933	1,264
10. Real Estate and Rental and Leasing Industry	21,382	2,227	3.2%	0.75	\$80,999	465
11. Transportation and Warehousing Industry	18,537	(5,893)	2.8%	0.88	\$49,115	(426)
12. Information Industry	16,407	(5,844)	2.5%	1.28	\$88,463	1,583
13. Arts, Entertainment, and Recreation Industry	14,712	2,452	2.2%	1.00	\$79,502	1,383
14. Construction Industry	13,864	(5,794)	2.1%	0.41	\$90,825	28
15. Manufacturing Industry	9,545	(8,596)	1.4%	0.20	\$73,448	175
16. Wholesale Trade Industry	9,256	(1,672)	1.4%	0.41	\$79,231	283
17. Management of Companies and Enterprises	6,243	(4,022)	0.9%	0.86	\$122,906	643
18. Utilities Industry	2,441	(249)	0.4%	-	\$102,170	63
19. Agriculture, Forestry, Fishing and Hunting and Mining	180	(1)	0.0%	-	\$51,720	26
Total	657,461	(9,262)	99.3%	-	\$78,375	47,610

- Projections for 2010-2015 are based upon the New England Economic Partnership (NEEP) May 2011 forecast.
- 2010 employment data is a preliminary estimate based on 2010 annual data from DWD and 2009 BEA data.
- Because of low employment, Agriculture and Mining were combined for this table.

Produced by the Research Division, July 2012 | www.braresearch.org

Alvaro Lima, Director of Research
 Mark Melnik
 John Avault
 Nanette Dyer Blake
 Derek Shooster
 Nicoya Borella