



INTERNATIONAL UNION OF OPERATING ENGINEERS

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Testimony on Creating Jobs in Connecticut's Construction Industry

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Good afternoon, Honorable members of the Commerce, Finance and Labor Committees. My name is Nate Brown and I am the Referral Manager and Government Community Relations Director for International Union of Operating Engineers Local 478, a labor organization that represents over 2,700 active members and their families in Connecticut.

I'm here today to testify on employment and job creation in the construction industry in Connecticut over the last few seasons. This testimony can be summed up in one word, and that word is bleak. I can only give you figures from my own union, Operating Engineers Local 478, but from talking with the rest of the construction unions across the state, I am sure they are in the same position as Local 478.

Over the past few years we have averaged around 25% to 30% unemployment. As of today we have 515 members out of work and believe it or not that is the lowest we have been in the last 3 years at this time. With 515 not working and I assure you that that number will begin to climb out of 2,700 active members and the construction season soon coming to a close we could be in for a very long winter for a number of our members and their families.

The construction industry in Connecticut is reacting to the unemployment the way it usually does that's by shrinking. The least senior workers, those not used to the boom and bust cycles of the industry, usually give up on construction and find other types of careers that are not as cyclical. The main difference in this cycle is that there are not many jobs in other lines of work available at this time. In October of 2007, the peak of the building boom, there were 69,400 construction workers in Connecticut. In June 2009, there were 51,300. That number is the lowest in 10 years, 8300 workers less than the previous low of June 1999. This means the

industry has shed over 18,000 workers, or 26% of our workforce. According to other statistics from the Connecticut Department of Labor, in June 2009 over 9700, or 19%, of the 51,300 construction workers left in the industry were unemployed and has continued to shrink since then.

The Operating Engineers believes that the state needs to continue to step up to the plate and begin releasing the work they have planned and ready to go. Connecticut finally has a Governor that gets it. Governor Malloy realizes that now is the time to invest in infrastructure and that just about all of Connecticut's infrastructure needs improvement. Public civil construction can be an economic driver during these down times. We realize that revenue is down, but bonding to rebuild our infrastructure pays off in so many ways. It will help to relieve the constant traffic woes our state is suffering from, improve our mass transit systems, and furnish new schools for our children. Build The Jackson Laboratory; start construction on the busway, tackle the hundreds of smaller projects that need doing also. Fix the obsolete and deficient bridges, repave the disintegrating highways and improve our railway and mass transit facilities. It will cost money, but it will help get the economic engine running again, create a strong tax base and put thousands of Connecticut construction workers back to work at good paying prevailing wage jobs to support their families and Connecticut's economy.

All we are really asking for is for our state leaders to step up and provide bipartisan leadership to coherently attack the two problems of the construction industry. First, is to reverse the construction depression here in Connecticut and second fix our crumbling infrastructure. The state should, as it has in the past, step forward and use its resources to improve the lives of all Connecticut citizens by rebuilding our roads, bridges and mass transit and, in doing so, creating jobs and putting Connecticut's residents back to work. Thanks to all of you for your time today.