2010 CONSTRUCTION INDUSTRY EMPLOYMENT AND BUSINESS FORECAST MEDIA CONFERENCE CALL REMARKS

for Stephen E. Sandherr January 20, 2010

Hello everyone, and thank you for making the time to dial in today. While 2009 was a difficult year for much of the U.Scenomy, it was simply devastating for the construction industry.

Construction spending declined last ybar137 billion dollars, and is now at the lowest level in six years. And while only five percent of the U.S. workforce, construction workers shedulde twenty percent of no farm layoffs last year. As the latest federal employment figures make clear, the depression

Meanwhile, there is a great deal of uncertaintyhie employment picture for this year. While 73 percent of firms reported laying off employees last year average of 39 layoffs per firm – almost 60 percent of firms say they are unsure whether they will add or lay off employees this year. Perhapshey can't imagine who else tet go.

There are some relative bright spots in our outlook, however, most of which are related to the federal stimulus package. The approximately 135 billion dollars istruction funds included in last year'spackage areow beginning to have a measurable, libraited, impact on the construction industry. Unfortunately, the full impact of those investments has been tempered by the inability of Congress to put multivier asstructure funding plans place

For example, 31 percent of spondents said theorem awarded istitulus funded contracts in 2009. Of these, 46 percent say the stimulus helped them to cretation yees – an average of 24 employees each. Another 15 percent say stimulus ded work helped them to add an average of 10 new employees each. Twelve percent cite the stimulus as driving new equipment purchases total an average of 550,000 dollars last year.

You can see the stimulus in contractors' expectations for this year. Sixtypercent of contractors feel highway construction will improve or stay stable this year-osexty
percent say water and sewer construction will improve or stay stable. five percent say
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Just as county governments appreciate the benefits of investing in construction now, so too should the federal government. That is why today we are sending a letter urging leaders in Congress and key administration officials to take advantage of the "litimited ale" for construction services. If they act now, they can save tax payers millions of costs while immediately boosting employment and economic activity. Our chief economist, Ken Simonson, will explain.

Before I turn things over to Ken, however, like to introduce the other people we have with us on the line today.

Kristine Young is President of Des Moines, Iolowased Miller the Driller. Don Weave, rsenior vice president of El Paso, Arkanshassed Weaver Bailey Contractors, a road construtition, is on the line.

Jack Parkeis the President and CEO of Woolwich, Malmased Reed and Reed, a long time road and maritime contractor who lately has been doing quite a lot of work constructing wind turbine facilities.

Maryanne Guido is the CEO-of