

NEW JERSEY STATE AFL-CIO

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October 14, 2010

Dear Members of the Assembly Education Committee:

Re: School Construction Projects

Thank you for the opportunity to appear before your committee and offer comments regarding New Jersey's school construction program.

The New Jersey State AFL-CIO was a staunch advocate in support of the \$2.9 billion in additional funding for the Schools Development Authority (SDA) passed during the summer of 2008. At the core of our efforts was the need to provide safe and modernized schools for children throughout the state, as well as providing much needed economic development and job creation in the construction industry. At about the same time the new law was passed, Rutgers University analyzed the effects of the school construction program on jobs, and estimated in July 2008 that \$5.4 billion translated into supporting or creating over 46,000 jobs over a five year period.

However, recent job numbers released in the July 15, 2010 SDA biannual report detailed actual employment headcounts on school facility projects over a six month period (October 1, 2009 – March 31, 2010) to be 2,044. Of these, only 27% or approximately 550 were categorized as construction jobs.

When looking at these numbers for 2010, and after talking with construction and labor officials, what we are being told most often is that pace of project approvals and the capital needed for them to advance has slowed dramatically. Simply stated, there are not a lot of "shovels in the ground," there are not a lot of construction jobs being created because new projects are not being approved.

We appreciate the complexity of the task at hand before the SDA to ensure efficient utilization of funds during their review of the 2008 Capitol Plan. However, we are all anxious for the project to move forward, because the timing for these much needed jobs due to continued high unemployment is critical – we need them now, and the children of the state need their facilities now.

"The Voice for Working Families in New Jersey"

We are constantly hearing from frustrated communities about the need for action on school construction in their towns. For example, in New Brunswick, children are currently attending school at a temporary facility on Jersey Avenue, while a lot for an elementary school on Livingston Avenue sits vacant for almost four years now, waiting for funding.

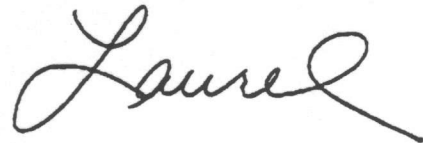
Because unemployment in the building and construction trades is at historic highs, waiting for jobs on school construction projects are creating significant economic hardship for our members. Furthermore, our children are attending schools that are in some cases over 100 years old and are in desperate need of modernization.

For these reasons, we respectfully stress the urgent need to expedite the process. Thank you and the New Jersey State AFL-CIO appreciates the opportunity to appear before your committee.

Sincerely,



Charles Wowkanech
President



Laurel Brennan
Secretary-Treasurer

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OPEIU:153