



The Economic Impact of Construction in the United States and Alabama

Economic Impact of Investment in Nonresidential Construction:

- An additional \$1 billion invested in nonresidential construction would add \$3.4 billion to Gross Domestic Product (GDP), \$1.1 billion to personal earnings and create or sustain 28,500 jobs.
 - About one-third (9,700) of these jobs would be on-site construction jobs.
 - About one-sixth (4,600) of the jobs would be indirect jobs from supplying construction materials and services. Most jobs would be in-state, depending on the project and the mix of in-state suppliers.
 - About half (14,300) of the jobs would be induced jobs created when the construction and supplier workers and owners spend their additional incomes. These jobs would be a mix of in-state and out-of-state jobs. Conversely, investments elsewhere would support some indirect and induced jobs in the state.

Nonresidential Construction Spending:

- Nonresidential spending in the U.S. in 2010 totaled \$555 billion (\$293 billion public, \$262 billion private).
- Private nonresidential spending in Alabama totaled \$5.7 billion in 2010. (Public spending is not available by state.)
- Nonresidential starts in Alabama totaled \$3.0 billion in 2010, according to Reed Construction Data.

Construction Employment (Seasonally Adjusted):

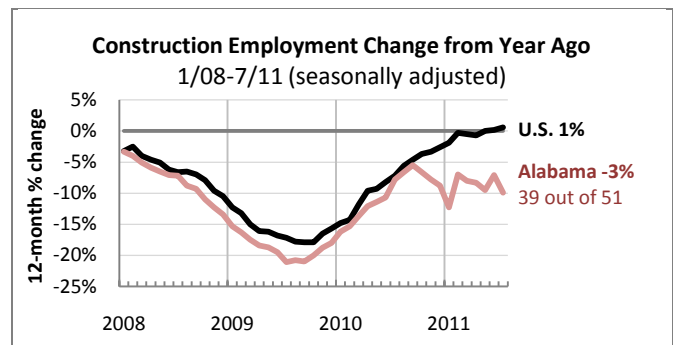
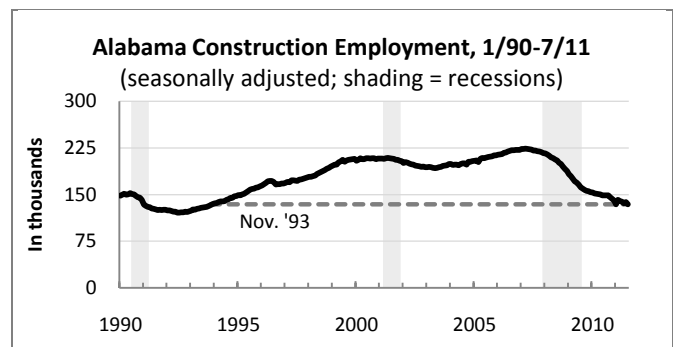
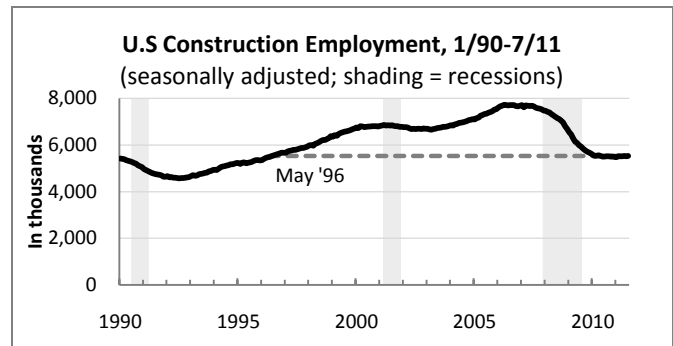
- Construction (residential + nonresidential) employed 5.5 million workers in July 2011, an increase of 32,000 (1%) from July 2010 and a decrease of 2.2 million (28%) from April 2006 when U.S. construction employment peaked.
- Construction employment in Alabama in July totaled 85,600, a decrease of 3% from July 2010 and a decrease of 25% from the state's peak in October 2007.

Construction Industry Pay:

- In 2010, annual pay of all construction workers in the United States averaged \$49,588, 7% more than the average for all private sector employees.
- Construction workers' pay in Alabama averaged \$43,422, 11% more than all private sector employees in the state.

Small Business:

- The United States had 713,000 construction firms in 2009, of which 92% employed fewer than 20 workers.
- Alabama had 8,900 construction firms in 2009, of which 89% were small (<20 employees).



Empl. Change by Metro (not seasonally adjusted)		Rank
Metro area or division	7/10-7/11	(out of 337)
Statewide (construction only)	-4%	
Statewide* (const/mining/logging)	-3%	
Anniston-Oxford*	-9%	310
Auburn-Opelika*	0%	137
Birmingham-Hoover	-1%	191
Decatur*	-5%	256
Dothan*	3%	91
Florence-Muscle Shoals*	3%	91
Gadsden*	-8%	303
Huntsville*	0%	137
Mobile*	-4%	239
Montgomery*	-10%	317
Tuscaloosa*	0%	137

*The Bureau of Labor Statistics reports employment for construction, mining and logging combined for metro areas in which mining and logging have few employers. To allow comparisons between states and their metros, the table shows combined employment change for these metros. Not seasonally adjusted statewide data is shown for both construction-only and combined employment change.