



The Economic Impact of Construction in Iowa

The Economic Impact of Stimulus Investment in Iowa:

- An additional \$1 billion in nonresidential construction spending would add about \$2.2 billion to the state's Gross Domestic Product (GDP), about \$680 million to personal earnings and create or sustain 23,000 jobs.
 - 7,800 jobs would be *direct* construction jobs located within Iowa.
 - 3,700 jobs would be *indirect* jobs from supplying construction materials and services. The majority of these jobs would be located within the state but there would be some out of state jobs supported.
 - 11,500 jobs would be *induced* when workers and owners in construction and supplier businesses spend their incomes locally and nationwide.

Construction Employment:

- In 2007, a total of 166,000 jobs were supported by the direct and indirect outlays associated with the state's nonresidential construction spending.
- The construction industry (residential plus nonresidential) employed 65,900 workers in April 2009, a decrease of 10,500 (14%) from February 2006 when construction employment in Iowa peaked.

Nonresidential Construction Spending:

- Nonresidential construction spending in Iowa totaled an estimated \$7.4 billion in 2007.
- This direct construction spending in the state contributed a total of \$16 billion (13%) to state GDP of \$129 billion.
- Direct construction spending in the state added \$5 billion in additional personal earnings to the benefit of Iowa residents working in the state.

Construction Industry Pay:

- In 2007 annual pay of all construction workers in Iowa averaged \$42,200, 20% more than the average for all private sector employees.

Small Business:

- Iowa had 9,000 construction firms in 2006, of which 93% were small businesses employing fewer than 20 workers.