



The Key Role of Construction in Michigan's Economy

The industry **employed 152,000 workers** in May 2008, 4% of the state's nonfarm employment of 4,205,000 and a decrease of 8.8% from one year before. Nationally, construction accounted for 5% of nonfarm employment but fell 5.1% over the year as homebuilding shrank.

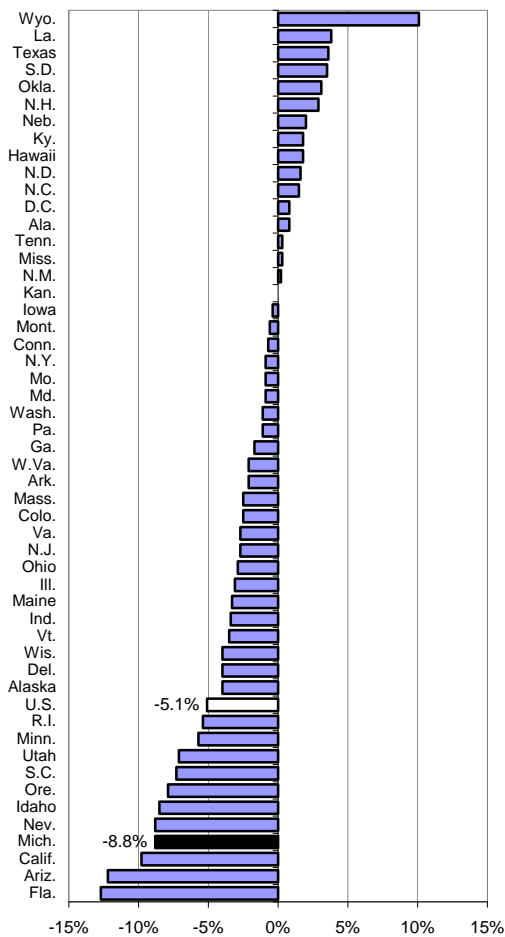
Construction **contributed \$13 billion to state GDP** of \$382 billion in 2007.

Annual pay in 2006 in construction averaged \$46,561, 11% more than than the private sector average of \$41,943. Nationally, construction pay averaged \$44,496, 5% more than the national private sector average of \$42,414.

Small business is big in construction. Michigan had 26,000 construction firms in 2005, of which 94% employed fewer than 20 workers. In addition, Michigan had 85,000 construction firms without employees, mainly sole proprietorships, in 2005.

Michigan's **population** fell 0.3% from July 2006 to July 2007, 50th fastest of all states; the national growth rate was 1%. Population growth affects the demand for many types of construction.

**Percent Change in Construction Employment
(May 2007 – May 2008)**



2006 Average Annual Pay in Construction

