



## The Economic Impact of Construction in Minnesota

### The Economic Impact of Stimulus Investment in Minnesota:

- An additional \$1 billion in nonresidential construction spending would add about \$2.4 billion to the state's Gross Domestic Product (GDP), about \$760 million to personal earnings and create or sustain 21,000 jobs.
  - 7,100 jobs would be *direct* construction jobs located within Minnesota.
  - 3,400 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.
  - 10,500 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 202,000 jobs were supported by the direct and indirect outlays associated with the state's nonresidential construction spending.
- The construction industry (residential plus nonresidential) employed 94,200 workers in April 2009, a decrease of 38,000 (29%) from February 2006 when construction employment in Minnesota peaked.

### Nonresidential Construction Spending:

- Nonresidential construction spending in Minnesota totaled an estimated \$9.7 billion in 2007.
- This direct construction spending in the state contributed a total of \$23 billion (9.1%) to state GDP of \$255 billion.
- Direct construction spending in the state added \$7.4 billion in additional personal earnings to the benefit of Minnesota residents working in the state.

### Construction Industry Pay:

- In 2007 annual pay of all construction workers in Minnesota averaged \$50,600, 13% more than the average for all private sector employees.

### Small Business:

- Minnesota had 18,000 construction firms in 2006, of which 94% were small businesses employing fewer than 20 workers.