



## The Economic Impact of Construction in North Carolina

### The Economic Impact of Stimulus Investment in North Carolina:

- 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 24,000 jobs.
  - 8,200 jobs would be *direct* construction jobs located within North Carolina.
  - 3,800 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.
  - 12,000 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 477,000 jobs were supported by the direct and indirect outlays associated with the state's nonresidential construction spending.
- The construction industry (residential plus nonresidential) employed 196,800 workers in April 2009, a decrease of 59,000 (23%) from March 2007 when construction employment in North Carolina peaked.

### Nonresidential Construction Spending:

- Nonresidential construction spending in North Carolina totaled an estimated \$20 billion in 2007.
- This direct construction spending in the state contributed a total of \$47 billion (12%) to state GDP of \$399 billion.
- Direct construction spending in the state added \$15 billion in additional personal earnings to the benefit of North Carolina residents working in the state.

### Construction Industry Pay:

- In 2007 annual pay of all construction workers in North Carolina averaged \$38,900, 0.8% more than the average for all private sector employees.

### Small Business:

- North Carolina had 28,000 construction firms in 2006, of which 91% were small businesses employing fewer than 20 workers.