



The Economic Impact of Construction in the United States

The Impact of Nonresidential Construction on GDP, Earnings and Jobs:

- An additional \$1 billion in nonresidential construction spending would add about \$3.4 billion to the Gross Domestic Product (GDP), about \$1.1 billion to personal earnings and create or sustain 28,500 jobs.
 - 9,700 jobs would be *direct* construction jobs located in the state of investment.
 - 4,600 jobs would be *indirect* jobs from supplying construction materials and services. The majority of these jobs would be located within the state of investment but there would be some out of state jobs supported.
 - 14,300 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 17.9 million jobs were supported by the direct and indirect outlays associated with nonresidential construction spending. The construction industry (residential plus nonresidential) employed 6,148,000 workers in July 2009, a decrease of 1,589,000 (21%) from January 2007 when construction employment in the United States peaked.

Nonresidential Construction Spending:

- Nonresidential construction spending in the United States totaled an estimated \$715 billion in 2008. This direct construction spending contributed a total of \$1.5 trillion (10%) to the GDP of \$14.4 trillion.

Construction Materials, Supplies and Machinery:

- In 2008 U.S. manufacturers shipped \$520 billion in construction materials and supplies and \$30 billion in new equipment.

Construction Industry Pay:

- In 2008 annual pay of all construction workers in the United States averaged \$49,000, 8% more than the average for all private sector employees.

Small Business:

- The United States had 811,500 construction firms in 2007, of which 91% were small businesses employing fewer than 20 workers.