



The Economic Impact of Construction in the United States and Rhode Island

Economic Impact of Investment in Nonresidential Construction:

- An additional \$1 billion invested in nonresidential construction would add \$3.4 billion to Gross Domestic Product (GDP), \$1.1 billion to personal earnings and create or sustain 28,500 jobs.
 - About one-third (9,700) of these jobs would be on-site construction jobs in the state of investment.
 - About one-sixth (4,600) of the jobs would be indirect jobs from supplying construction materials and services. Most jobs would be in-state, depending on the project and the mix of in-state suppliers.
 - About half (14,300) of the jobs would be induced jobs created when the construction and supplier workers and owners spend their additional incomes. These jobs would be a mix of in-state and out-of-state jobs. Conversely, investments elsewhere would support some indirect and induced jobs in Rhode Island.

Nonresidential Construction Spending:

- Nonresidential spending in the U.S. in 2009 totaled \$654 billion (\$346 billion private, \$307 billion public).
- Private nonresidential spending in Rhode Island totaled \$831 million in 2009. (Public spending is not available by state.)
- Nonresidential starts in Rhode Island totaled \$459 million in 2009, according to Reed Construction Data.

Construction Employment (Seasonally Adjusted):

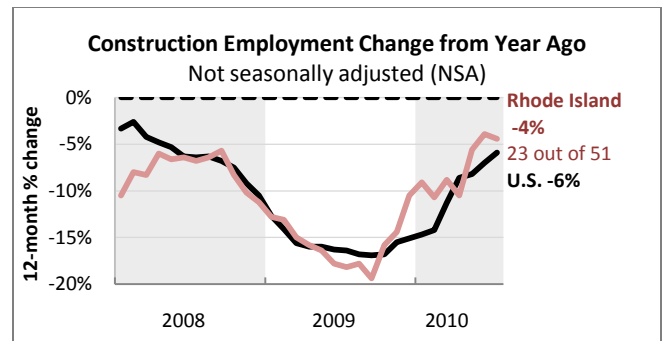
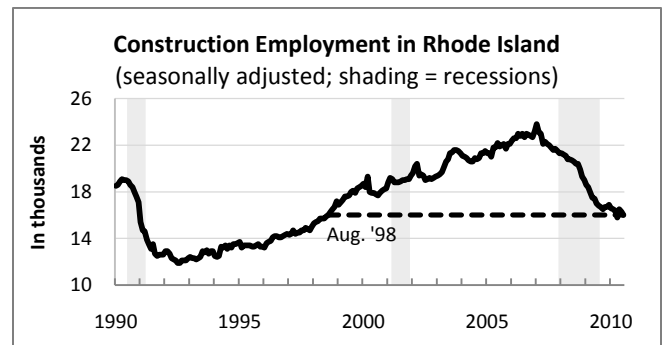
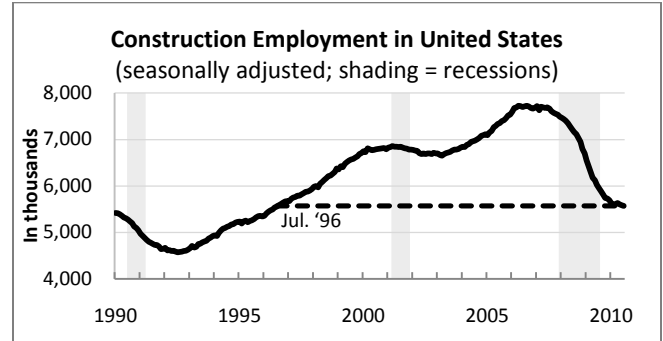
- Construction (residential + nonresidential) employed 5.6 million workers in July 2010, a decrease of 376,000 (6.3%) from July 2009 and a decrease of 2.2 million (27.9%) from August 2006 when U.S. construction employment peaked.
- Construction employment in Rhode Island in July totaled 16,000, a decrease of 4.8% from July 2009 and a decrease of 33% from the state's peak in January 2007.

Construction Industry Pay:

- In 2009, annual pay of all construction workers in the United States averaged \$49,312, 9% more than the average for all private sector employees.
- Construction workers' pay in Rhode Island averaged \$52,238, 26% more than all private sector employees in the state.

Small Business:

- The United States had 773,600 construction firms in 2008, of which 91% employed fewer than 20 workers.
- Rhode Island had 3,500 construction firms in 2008, of which 95% were small (<20 employees).



Metro area or division	12-mo. empl. change (NSA)	Rank (out of 337)
Statewide	-4%	-
Providence-Fall River-Warwick, RI-MA NECTA	-9%	246

*Mining and logging included with construction
NECTA= New England City and Town Area