



The Economic Impact of Construction in Virginia

The Economic Impact of Stimulus Investment in Virginia:

- An additional \$1 billion in nonresidential construction spending would add about \$2.3 billion to the state's Gross Domestic Product (GDP), about \$690 million to personal earnings and create or sustain 20,000 jobs.
 - 6,800 jobs would be *direct* construction jobs located within Virginia.
 - 3,200 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.
 - 10,000 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 408,000 jobs were supported by the direct and indirect outlays associated with the state's nonresidential construction spending.
- The construction industry (residential plus nonresidential) employed 194,100 workers in April 2009, a decrease of 57,700 (23%) from March 2006 when construction employment in Virginia peaked.

Nonresidential Construction Spending:

- Nonresidential construction spending in Virginia totaled an estimated \$21 billion in 2007.
- This direct construction spending in the state contributed a total of \$47 billion (12%) to state GDP of \$383 billion.
- Direct construction spending in the state added \$14 billion in additional personal earnings to the benefit of Virginia residents working in the state.

Construction Industry Pay:

- In 2007 annual pay of all construction workers in Virginia averaged \$43,800, 3.8% less than the average for all private sector employees.

Small Business:

- Virginia had 25,000 construction firms in 2006, of which 90% were small businesses employing fewer than 20 workers.