

# Data Digest

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Vol. 23, No. 31 Aug. 28-Sept. 1, 2023

## Construction job gains outpace overall economy in August; job openings, spending increase in July

**Construction employment**, seasonally adjusted, totaled 7,993,000 in August, a gain of 22,000 from July and 212,000 (2.7%) year-over-year (y/y), according to AGC's [analysis](#) of data the Bureau of Labor Statistics (BLS) [posted](#) today. The y/y growth rate of 2.7% outpaced the 2.0% increase in total nonfarm payroll employment. **Nonresidential construction employment** (building, specialty trade, and heavy and civil engineering construction firms) rose by 21,000 for the month and 169,700 (3.7%) y/y—the largest monthly and y/y gains since January. **Residential construction employment** (residential building and specialty contractors) rose by 1,400 in August and 42,400 (1.3%) y/y. Seasonally adjusted **average hourly earnings** for production and nonsupervisory employees in construction (craft and office) rose 5.7% y/y to \$34.40 per hour. The “premium” for nonsupervisory construction workers rose to 18.6% over the private sector average of \$29.00, still considerably below the average premium in 2000-2019 of 21.5%. The number of **unemployed jobseekers with construction experience** rose from 401,000, not seasonally adjusted, in August 2022 to 424,000 but the unemployment rate for such workers was unchanged from a year earlier at 3.8%.

There were 385,000 **job openings in construction**, not seasonally adjusted, at the end of July, matching the July record set in 2021 and an increase of 5,000 (1.3%) y/y, BLS [reported](#) on Tuesday in its monthly Job Openings and Labor Turnover Survey (JOLTS) release. **Hires** for the full month totaled 435,000, a decrease of 7,000 (-1.6%) y/y. The relative stability of both the unemployment rate and these numbers suggests that overall demand for workers—and difficulty in filling positions—has remained strong in the past year. In contrast, total private-sector openings declined by 11% y/y and hires by 14%, not seasonally adjusted, as employment gains have slowed.

**Construction spending** (not adjusted for inflation) totaled \$1.97 trillion in July at a seasonally adjusted annual rate, up 0.7% from the upwardly revised June rate and up 5.5% y/y, the Census Bureau [reported](#) today. However, without a deflator, it is impossible to say how much of the y/y gain is in units vs. price. **Private residential construction** increased 1.4% for the month, with single-family homebuilding up 2.8%, multifamily construction spending up 0.2%, and owner-occupied improvements up 0.3%. **Private nonresidential construction** spending was rose 0.5% for the month. The largest private nonresidential segment (based on the seasonally adjusted July rate)—manufacturing construction—rose 1.1% (including computer/electronic/electrical, up 1.4%, and chemical and pharmaceutical, up 3.9%). Commercial construction inched up 0.1% (consisting of warehouse, up 1.5%; retail, down 2.4%; and farm, up 1.5%). Power inched up 0.1% (with electric power up 0.5% and oil and gas field structures and pipelines down 1.6%). Private office and data center construction increased 0.3%. **Public construction** spending slid 0.4%. The largest public segment, highway and street construction, declined 0.6%. Public education edged up 0.1%. Public transportation construction slumped 1.9%.

**Construction employment**, not seasonally adjusted, rose from July 2022 in 226 (62%) of the 358 **metro areas** (including divisions of larger metros) for which BLS [posts](#) construction employment data, fell in 80 (22%), and was unchanged in 52, according to an [analysis](#) AGC released on Wednesday. (AGC treats as construction-only the totals for metros in which BLS reports only combined totals for mining, logging, and construction.) The Dallas-Plano-Irving division added the most jobs (18,100 combined jobs or 12%), followed by New York City (13,400 combined jobs, 9%) and Portland-Vancouver-Hillsboro, Ore.-Wash. (9,700 construction jobs, 12%). The largest percentage gains (13%) were in Corvallis, Ore. (200 combined jobs) and Yuba City, Calif. (400 combined jobs), followed by 12% gains in Dallas-Plano-Irving, Portland-Vancouver-Hillsboro, and Clarksville, Tenn.-Ky. (500 combined jobs). The largest loss occurred in Miami-Miami Beach-Kendall, Fla. (-3,300 construction jobs, -6%), followed by Nassau County-Suffolk County, N.Y. (-2,300 combined jobs, -3%); St. Louis, Mo.-Ill. (-2,100 combined jobs, -3%); and the Los Angeles-Long Beach Glendale division (-2,100 construction jobs, -1%). Kankakee, Ill. experienced the largest percentage job loss (-13%, -200 combined jobs), followed by 9% losses in Huntington-Ashland, W. Va.-Ky.-Ohio (-1,400 combined jobs); Binghamton, N.Y. (-400 combined jobs); and Pittsfield, Mass. (-200 combined jobs).