The Economic Impact of Construction in the United States and Arkansas

Economic Impact of Construction:
• U.S. gross domestic product (GDP)—the value of all goods and services produced in the country—totaled $21.4 trillion in 2019; construction contributed $887 billion (4.1%).
• In Arkansas, construction contributed $5.1 billion (3.8%) of the state’s GDP of $133.2 billion.
• There were 706,000 construction firms in the U.S. in 2017, including 5,382 in Arkansas.

Construction Spending:
• Nonresidential spending in the U.S. totaled $814 billion in 2019 ($486 billion private, $328 billion public).
• Residential construction spending in the U.S. totaled $551 billion ($280 billion single-family, $80 billion multifamily, $184 billion improvements, $6 billion public).
• Private nonresidential spending in Arkansas totaled $2.8 billion in 2019. State and local spending totaled $2.2 billion. (Totals are not available for residential or federal construction spending).

Construction Employment (Seasonally Adjusted):
• Construction (residential + nonresidential) employed 7.2 million workers in July 2020, a decrease of 306,000 (-4.1%) from July 2019, and 6.6% less than in April 2006, when U.S. construction employment peaked.
• Construction employment in Arkansas in July 2020 totaled 52,300, the same as in July 2019, but 9% less than the state’s peak in February 2006.
• Contractors are hiring. In the 2020 AGC-Autodesk Workforce Survey, 60% of firms in the U.S. had unfilled hourly craft positions on June 30, 2020.

Construction Industry Pay:
• Construction jobs pay well. In Arkansas, 4 out of the 5 most numerous construction occupations had higher median pay than the median for all employees in the state in 2019. (Half of workers earn more than the median; half earn less.)

Source: Ken Simonson, Chief Economist, AGC of America, ken.simonson@agc.org, from Bureau of Economic Analysis (GDP); Census Bureau (spending); Bureau of Labor Statistics (national and state employment, median wages); AGC (workforce survey). September 23, 2020