The Economic Impact of Construction in the United States and New Mexico

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 New Mexico, construction contributed $4.0 billion (3.8%) of the state’s GDP of $104.0 billion.
- There were 706,000 construction firms in the U.S. in 2017, including 4,303 in New Mexico.

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 New Mexico totaled $1.3 billion in 2019. State and local spending totaled $1.6 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 New Mexico in July 2020 totaled 46,100, a decrease of 9.1% from July 2019, and 23% less than the state’s peak in June 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 New Mexico, 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.)

### Median Pay for Selected Construction Occupations, 2019

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Median Pay (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Occupations</td>
<td>$35,420</td>
</tr>
<tr>
<td>First-Line Supervisors</td>
<td>$58,730</td>
</tr>
<tr>
<td>Plumbers</td>
<td>$44,260</td>
</tr>
<tr>
<td>Electricians</td>
<td>$49,040</td>
</tr>
<tr>
<td>Carpenters</td>
<td>$38,430</td>
</tr>
<tr>
<td>Laborers</td>
<td>$33,130</td>
</tr>
</tbody>
</table>

### New Mexico Construction Employment, 1/2000–7/2020

- (seasonally adjusted; shading = recessions)
- Employment: 46,100

### Construction Employment Change from Year Ago

- 1/11–7/20 (seasonally adjusted)
- U.S. -4.1%
- New Mexico -9.1%

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