

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 \$23.0 trillion in 2021; construction contributed \$959 billion (4.2%).
- In New Mexico, construction contributed \$4.2 billion (3.9%) of the state’s GDP of \$109 billion.
- There were 872,000 construction establishments in the U.S. in 2021, including 5,500 in New Mexico. (An establishment is a fixed business location; about 99% of construction firms have only one establishment.)

Construction Spending:

- Nonresidential spending in the U.S. totaled \$823 billion in 2021 (\$486 billion private, \$338 billion public).
- Residential construction spending in the U.S. totaled \$803 billion (\$423 billion single-family, \$101 billion multifamily, \$269 billion improvements, \$9 billion public).
- Private nonresidential spending in New Mexico totaled \$1.6 billion in 2021. State and local spending totaled \$1.5 billion. (Totals are not available for residential, railroad, power, communication, or federal construction.)

Construction Employment (Seasonally Adjusted):

- Construction (residential + nonresidential) employed 7.7 million workers in August 2022, an increase of 311,000 (4.2%) from August 2021, and an increase of 1.1% from February 2020, the peak pre-pandemic month.
- Construction employment in New Mexico in August 2022 totaled 54,600, an increase of 6,800 (14.2%) from August 2021 and an increase of 2,700 (5.2%) from February 2020.
- Contractors are having trouble filling positions, impeding the industry’s recovery. In the August 2022 AGC-Autodesk Workforce Survey, 93% of firms in the U.S. had unfilled hourly craft positions.

Construction Industry Pay:

- Construction jobs pay well. In New Mexico, 4 of the 5 most numerous construction occupations had median annual pay exceeding \$45,000 in 2021. (Half of workers earn more than the median; half earn less.)

