The Economic Impact of Construction in the United States and South Dakota

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 South Dakota, construction contributed $2.1 billion (3.8%) of the state’s GDP of $53.3 billion.
- There were 706,000 construction firms in the U.S. in 2017, including 3,371 in South Dakota.

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 South Dakota totaled $1.2 billion in 2019. State and local spending totaled $1.5 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 South Dakota in July 2020 totaled 26,300, an increase of 10.5% from July 2019, but 1% less than the state’s peak in June 2020.
- Contractors are hiring. In the 2020 AGC-Autodesk Workforce Survey, 60% of firms in the U.S. and 81% of firms in South Dakota had unfilled hourly craft positions on June 30, 2020.

Construction Industry Pay:
- Construction jobs pay well. In South Dakota, 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</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Occupations</td>
<td>$34,750</td>
</tr>
<tr>
<td>First-Line Supervisors</td>
<td>$61,410</td>
</tr>
<tr>
<td>Plumbers</td>
<td>$41,100</td>
</tr>
<tr>
<td>Electricians</td>
<td>$45,680</td>
</tr>
<tr>
<td>Carpenters</td>
<td>$36,100</td>
</tr>
<tr>
<td>Laborers</td>
<td>$32,010</td>
</tr>
</tbody>
</table>

### South Dakota Construction Employment, 1/2000–7/2020

- Employment in South Dakota increased by 10.5% from July 2019 to July 2020, reaching 26,300.
- Employment was below the peak of 26,900 in June 2020 by 1%.

### Construction Employment Change from Year Ago

- South Dakota: 10.5% increase from 2019 to 2020.
- U.S.: -4.1% decrease from 2019 to 2020.