

Percentage Change in Average Hourly Earnings (AHE) for Workers in Construction Sectors, 2007-June 2010

(not seasonally adjusted except where indicated in italics)

NAICS Code	Industry	Number of Employees 6/10	All Employees						Production and Nonsupervisory Employees							
			Percent Change in AHE						Current AHE 6/10	Percent Change in AHE						Current AHE 6/10
			12 mo. through Dec.--			to June 2010 since--				12 mo. through Dec.--			to June 2010 since--			
			2007	2008	2009	5/10	3/10	6/09	2007	2008	2009	5/10	3/10	6/09		
23	Construction	5,784,000	4.0	4.8	1.9	-0.6	-1.3	1.1	\$24.92	4.2	5.4	2.1	-0.1	0.0	2.3	\$23.03
23	<i>Construction (seasonally adjusted)</i>	5,584,000	4.1	4.7	2.1	-0.1	-0.3	1.3	\$25.15	4.2	5.4	2.3	0.2	0.2	2.4	\$23.22
236	Construction of buildings	1,295,700	2.0	4.3	4.1	-1.0	-2.4	0.6	\$26.14	2.9	6.4	3.3	-0.6	-1.2	2.2	\$22.64
2361	Residential building	601,700	-0.3	1.6	2.7	-2.2	-3.5	-1.4	\$22.82	2.9	3.0	1.0	-1.3	-2.3	1.2	\$19.63
236115	New single-family general contractors	315,600	-2.3	0.3	4.8	-1.8	-3.2	-1.9	\$23.36	1.4	0.8	0.6	-0.9	-2.3	0.7	\$19.58
236116	New multifamily general contractors	24,400	14.5	19.0	-0.6	-2.7	2.3	7.8	\$29.63	1.4	15.6	10.4	-1.1	2.1	15.4	\$26.51
236117	New housing operative builders	22,600	-0.5	-5.1	8.5	-3.5	-1.9	-5.4	\$26.92	1.6	13.7	2.6	-2.0	-7.2	-8.3	\$20.63
236118	Residential remodelers	239,100	4.0	4.1	-0.9	-2.1	-4.1	-1.2	\$20.88	6.3	4.8	-0.4	-1.4	-1.9	0.6	\$18.92
2362	Nonresidential building	694,000	3.2	5.0	4.4	0.1	-1.2	1.9	\$28.74	1.9	7.9	4.9	0.2	-0.1	2.9	\$25.12
23621	Industrial building	172,000	0.9	9.1	8.9	1.9	-2.7	0.1	\$28.50	-0.7	15.0	2.9	1.7	1.6	2.5	\$25.62
23622	Commercial building	522,000	3.9	3.8	3.2	-0.6	-0.6	2.6	\$28.83	2.9	5.6	5.6	-0.3	-0.8	2.9	\$24.92
237	Heavy and civil engineering construction	854,300	3.7	3.8	2.3	0.0	0.1	2.4	\$25.22	4.5	6.0	3.6	0.4	2.3	2.5	\$23.48
2371	Utility system construction	406,300	4.5	5.8	1.3	0.5	0.6	4.1	\$25.16	3.0	9.2	3.0	0.1	1.0	2.4	\$23.75
23711	Water and sewer system construction	166,900	6.2	11.9	2.9	-0.1	-2.2	0.6	\$25.45	4.0	14.6	2.8	0.7	-1.4	1.0	\$24.07
23712	Oil and gas pipeline construction	111,900	1.8	5.1	-5.8	3.3	2.6	4.1	\$24.53	3.6	11.9	-8.0	1.7	4.3	0.5	\$23.00
23713	Power and communication system construction	127,500	3.8	-1.2	6.7	-1.2	1.7	9.2	\$25.37	0.0	0.1	15.8	-1.9	0.0	6.2	\$24.14
2372	Land subdivision	57,300	-3.1	3.0	2.9	-3.0	-3.1	-1.8	\$28.26	6.7	1.1	12.9	-3.7	0.3	17.8	\$23.01
2373	Highway, street, and bridge construction	301,800	3.9	3.5	4.6	0.1	0.8	1.8	\$25.22	5.1	1.8	4.3	0.8	5.4	1.7	\$23.69
2379	Other heavy construction	88,900	5.9	-0.6	-0.1	-0.2	-1.4	-0.3	\$23.92	10.6	3.6	-1.0	2.1	0.4	-0.1	\$21.53
238	Specialty trade contractors	3,633,800	5.0	5.2	0.9	-0.5	-1.3	1.0	\$24.41	4.5	5.0	1.5	0.0	-0.3	2.3	\$23.04
	Residential specialty trade contractors	1,598,800														
	Nonresidential specialty trade contractors	2,035,000														
2381	Building foundation and exterior contractors	731,300	6.2	4.4	0.6	-0.4	-0.6	0.6	\$22.69	3.1	3.5	1.1	0.0	0.3	0.4	\$20.90
	Residential building foundation and exterior contractors	351,900														
	Nonresidential building foundation and exterior contractors	379,400														
23811	Poured concrete structure contractors	168,600	8.2	3.9	1.4	0.4	-2.3	-1.7	\$21.77	4.1	0.6	2.8	1.5	-2.1	-0.7	\$19.81
23812	Steel and precast concrete contractors	64,700	8.9	0.2	4.7	1.5	1.1	6.6	\$27.04	10.2	-2.6	9.1	1.4	1.8	7.6	\$25.99
23813	Framing contractors	56,300	3.8	0.8	-6.4	0.0	-3.2	-3.6	\$20.75	-0.9	-3.0	-2.4	-1.8	-4.6	1.2	\$18.57
23814	Masonry contractors	151,000	3.7	10.2	2.1	-0.8	1.2	2.0	\$24.05	3.4	11.6	-1.7	-2.4	1.4	-0.4	\$22.50
23815	Glass and glazing contractors	46,900	5.4	3.5	1.5	-0.4	4.1	4.5	\$24.53	-4.4	10.8	5.1	1.5	5.6	-2.2	\$23.42
23816	Roofing contractors	169,100	6.5	3.7	1.6	-1.0	-2.1	-0.1	\$21.80	2.9	3.5	2.8	1.3	2.4	1.4	\$19.53
23817	Siding contractors	30,800	9.1	5.7	3.3	-0.7	1.2	8.9	\$21.35	2.5	11.9	-4.3	0.8	1.4	6.0	\$18.77
23819	Other building exterior contractors	43,900	2.3	1.4	-4.3	1.1	4.7	-2.6	\$20.25	-2.2	-5.3	-0.3	3.1	6.4	-1.4	\$19.41
2382	Building equipment contractors	1,683,300	5.0	4.6	1.9	-0.9	-1.0	1.4	\$26.02	4.7	4.0	2.6	-0.1	0.2	2.1	\$24.85
	Residential Building equipment contractors	660,100														
	Non residential Building equipment contractors	1,023,200														
23821	Electrical contractors	756,600	3.8	5.2	1.4	-1.1	-0.6	1.4	\$26.61	4.5	4.8	1.6	0.0	0.2	1.8	\$25.31
23822	Plumbing and HVAC contractors	812,900	5.2	5.2	3.6	-0.5	-1.2	1.5	\$25.61	4.6	4.1	4.9	0.0	-0.1	3.1	\$24.61
23829	Other building equipment contractors	113,800	11.3	-3.1	-4.7	-1.6	-2.7	0.4	\$25.07	4.8	-3.1	-4.2	-2.1	1.3	-1.9	\$23.40
2383	Building finishing contractors	652,700	2.6	4.2	-1.2	0.0	-0.6	0.5	\$23.20	2.6	5.9	-0.7	-0.2	0.2	3.3	\$21.91
	Residential building finishing contractors	355,100														
	Nonresidential building finishing contractors	297,600														
23831	Drywall and insulation contractors	212,400	4.0	3.2	-1.6	0.3	-0.7	0.2	\$24.82	6.2	3.4	1.3	-1.3	-1.0	2.6	\$23.56
23832	Painting and wall covering contractors	166,600	3.4	-0.6	0.4	0.3	2.1	-0.7	\$19.81	0.6	2.5	0.4	0.6	2.7	0.7	\$19.09
23833	Flooring contractors	58,100	4.7	0.4	-7.4	1.0	-0.8	2.8	\$23.33	3.6	8.1	-10.5	2.6	2.0	4.2	\$21.40
23834	Tile and terrazzo contractors	40,600	1.2	8.5	4.4	3.1	1.1	2.5	\$23.78	2.0	1.6	10.3	5.2	3.0	5.4	\$21.98
23835	Finish carpentry contractors	113,100	-0.7	10.1	0.6	-0.5	-0.6	-0.5	\$23.78	-0.3	13.4	-5.6	-2.3	-0.2	1.4	\$21.64
23839	Other building finishing contractors	61,900	1.9	6.9	-2.6	-0.8	-0.2	3.1	\$25.60	-2.7	14.0	3.0	2.0	2.6	16.7	\$25.07
2389	Other specialty trade contractors	566,500	4.6	8.1	-1.6	0.2	-1.5	0.3	\$23.01	6.1	6.8	-2.0	1.3	0.1	3.5	\$21.77
	Other residential specialty trade contractors	231,700														
	Other nonresidential specialty trade contractors	334,800														
23891	Site preparation contractors	288,400	4.7	10.7	-4.5	0.6	-1.3	-2.8	\$22.81	5.1	6.4	-3.5	1.9	1.1	1.7	\$21.67
23899	All other specialty trade contractors	278,100	4.5	4.6	2.5	-0.3	-1.9	3.8	\$23.22	7.5	7.1	0.2	0.6	-1.3	5.5	\$21.89
	Construction total compensation (pay + benefits)		3.9	3.1	0.7		0.2	1.0								
	Construction wages and salaries		4.0	3.1	0.7		0.1	0.7								

Source: Ken Simonson, Chief Economist, AGC of America (simonsonk@agc.org) from Bureau of Labor Statistics Current Employment Statistics (www.bls.gov/ces) and Employment Cost Index (www.bls.gov/ect)

Updated August 12, 2010

Pay Trends in Construction

There are numerous sources of information about pay in construction. One of the most comprehensive and timely is data on **average hourly earnings** (AHE) from the Bureau of Labor Statistics (BLS)'s Current Employment Statistics website, www.bls.gov/ces. Every month, BLS collects information from most employers on number of employees, hours and total payroll. AHE for an industry equals payroll divided by hours worked by all employees or all "production and nonsupervisory employees," which in construction is roughly equivalent to craft workers. Data for the most recent month is reported for broad "supersectors," such as construction, as part of the monthly national employment and unemployment report. Data is posted at that time for the prior month for subsectors, such as roofing contractors.

Data for supersectors is available both seasonally adjusted and unadjusted. Seasonal adjustment takes into account changes caused by normal weather- or holiday-related variations and thus allows comparison across months. Subsector data is not seasonally adjusted. Unadjusted AHE can be affected by weather- or holiday-related changes in the mix of employees, such as winter layoffs in highway construction that may leave a firm with office personnel only. Therefore, the most reliable comparisons for unadjusted data are with the same month in prior years rather than across months. However, the attached table includes 1- and 3-month changes to reveal early indication of possible trends or changes in direction of average wages and salaries.

Each row in the table shows the industry code, name, number of payroll employees in the latest month and data relating to AHE, first for all employees, then for production and nonsupervisory employees. The first three columns in each employee grouping show the 12-month percentage change in AHE for years ending in December 2007, 2008 and 2009. The next three columns show the latest 1-, 3- and 12-month percentage change in AHE. The final column shows the latest monthly level of AHE in dollars per hour.

Employers report information separately for each establishment (permanent location, not short-term job site), using the NAICS (North American Industrial Classification System) code for that establishment that represents the sector in which the largest number of employees works. A two-digit code, such as 23 (Construction), represents a supersector. Construction includes industries 236 (Construction of buildings), 237 (Heavy and civil engineering construction) and 238 (Specialty trade contractors). Each additional digit represents a subdivision of that industry, and the industry name is indented further to show which industry it is part of. Thus, 23621 (Industrial building) and 23622 (Commercial building) make up industry 2362 (Nonresidential building), which along with 2361 (Residential building) constitute industry 236 (Construction of buildings). BLS also provides employment totals but not AHE for four groups of specialty trade contractors.

A look down any column shows considerable variation in wage changes from one subsector to another. For instance, the first AHE column shows that from December 2006 to December 2007, pay (average hourly earnings) for all employees in construction (NAICS code 23) rose 4.0%. Pay for employees of new single-family general contractors (236115) fell 2.3%, reflecting the declining in single-family homebuilding that began a year earlier. Pay for employees of poured concrete structure contractors (23811) climbed 8.2%, reflecting strong demand for multi-story nonresidential buildings. A few smaller industries had even higher increases.

By 2009, wage increases had slowed sharply, as shown by the 1.9% rise in pay for all construction (23) in the year ending in December 2009. In the latest 12 months, ending in June 2010, AHE increases slowed further, to 1.1% for all construction, with several sectors experiencing decreases.

A comparison of the identical columns for all employees with those for production and nonsupervisory employees shows that the latter had slightly larger average wage gains in 2007 (4.0% for all workers, 4.2% for crafts), 2008 (4.8% and 5.4%) and 2009 (1.9% and 2.1%) and considerably larger gains in the latest 12 months (1.1% and 2.3%). However, the relative changes vary by industry: among masonry contractors (23814), pay rose by an average of 2.0% in the 12 months through June 2010 for all employees but fell 0.4% for crafts.

AHE does not include benefits, which may grow by a larger or smaller amount than wages. But another BLS data source, the quarterly employment cost index (www.bls.gov/ect), showed modest increases for construction in both wages (0.7%) and total compensation (1.0%) for the 12 months through June.

Source: Ken Simonson, Chief Economist, AGC of America (simonsonk@agc.org)

Updated August 12, 2010