

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

Economic Impact of Construction:

- U.S. gross domestic product (GDP)—the value of all goods and services produced in the country—totaled \$29 trillion at a seasonally adjusted annual rate in the 2nd quarter of 2024; construction contributed \$1.3 trillion (4.5%).
- In New York, construction contributed \$67 billion (2.9%) of the state’s GDP of \$2.3 trillion.
- There were 943,000 construction establishments in the U.S. in the 1st quarter of 2024, including 52,600 in New York. (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 \$1.1 trillion in 2023 (\$706 billion private, \$440 billion public).
- Residential construction spending in the U.S. totaled \$878 billion (\$400 billion single-family, \$136 billion multifamily, \$331 billion improvements, \$11 billion public).
- Private nonresidential spending in New York totaled \$30 billion in 2023. State and local spending totaled \$28 billion. (Totals are not available for residential, railroad, power, communication, or federal construction.)

Construction Employment (Seasonally Adjusted):

- Construction (residential + nonresidential) employed 8.3 million workers in August 2024, an increase of 228,000 (2.8%) from August 2023 and an increase of 8.7% from February 2020, the peak pre-pandemic month.
- Construction employment in New York in August 2024 totaled 385,600 a decrease of 4,700 (-1%) from August 2023 and a decrease of 24,000 or -6% from February 2020.

Construction Industry Pay:

- Construction jobs pay well. In New York, 4 out of the 5 most numerous construction occupations had median annual pay exceeding the median for all employees in 2023. (Half of workers earn more than the median; half earn less.)

