

The Economic Impact of Construction in the United States and Vermont

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 Vermont, construction contributed \$1.2 billion (3.5%) of the state’s GDP of \$36.2 billion.
- There were 872,000 construction establishments in the U.S. in 2021, including 2,900 in Vermont. (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 Vermont totaled \$295 million in 2021. State and local spending totaled \$723 million. (Totals are not available for residential, railroad, power, communication, or federal construction.)

Construction Employment (Seasonally Adjusted):

- Construction (residential + nonresidential) employed 7.8 million workers in November 2022, an increase of 248,000 (3.3%) from November 2021, and an increase of 1.7% from February 2020, the peak pre-pandemic month.
- Construction employment in Vermont in November 2022 totaled 15,300, an increase of 500 (3.4%) from November 2021 and unchanged from February 2020.
- Contractors are having trouble filling positions, impeding the industry’s recovery. In the January 2023 AGC-Sage Construction Hiring & Business Outlook Survey, 80% of firms in the U.S. reported difficulty filling positions.

Construction Industry Pay:

- Construction jobs pay well. In Vermont, 4 of the 5 most numerous construction occupations had median annual pay exceeding \$50,000 in 2021. (Half of workers earn more than the median; half earn less.)

