

Data Digest

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Construction jobs increase from year ago in 42 states; Dodge, ConstructConnect converge on starts

Seasonally adjusted **construction employment** rose from April 2022 to April 2023 in 42 states and the District of Columbia, declined in seven states, and held steady in Hawaii, according to AGC's [analysis](#) of data BLS [posted](#) on Friday. Texas added the most (28,000 jobs, 3.6%), followed by New York (13,400, 3.5%), Indiana (11,200, 7.3%), and Florida (8,600, 1.4%). Arkansas had the largest percentage increase (9.8%, 5,500 jobs), followed by Rhode Island (7.6%, 1,600), Indiana, and Nebraska (6.8%, 3,900). California lost the most jobs (-5,100 jobs, -0.6%), followed by Connecticut (-1,900 jobs, -3.1%), and West Virginia (-1,200 jobs, -3.7%). West Virginia had the largest percentage loss, followed by Connecticut and Alaska (-2.5%, -400 jobs). For the month, construction employment increased in 24 states and D.C. and declined in 26 states. Washington added the most jobs over the month (4,300 jobs, 1.8%), followed by Illinois (2,700, 1.2%), Wisconsin (2,600, 2.0%), and California (2,100, 0.2%). The largest percentage gain occurred in South Dakota (2.7%, 700 jobs), followed by Wisconsin, Washington, and Arkansas (1.8%, 1,100 jobs). Texas lost the most construction jobs in April (-8,500 jobs, -1.1%), followed by New York (-4,000, -1.0%). Alaska had the largest percentage loss for the month (-4.2%, -700 jobs), followed by Rhode Island (-3.4%, -800). (For D.C., Delaware, and Hawaii, which have few mining or logging jobs, BLS posts combined totals with construction; AGC treats the changes as all from construction.)

Two reports on construction starts show similar overall trends but differ on details regarding the first four months of 2023 compared January-April 2022. **Total construction starts** in current dollars (i.e., not inflation-adjusted) declined 4%, seasonally adjusted, from March to April and 7% year-to-date, Dodge Construction Network [reported](#) on Thursday. Year-to-date **residential starts** plummeted 27%, with single-family down 34% and multifamily down 10%. **Nonresidential building starts** rose 7% year-to-date, with institutional starts up 14%, manufacturing starts up 4%, and commercial starts up 2%. **Nonbuilding starts** increased 16% year-to-date, with utility/gas plants up 37%, miscellaneous nonbuilding starts up 36%, environmental public works up 10%, and highway and bridge starts up 9%.

The **value of construction starts** in current dollars decreased 5.7% year-to-date, data firm ConstructConnect [reported](#) on Friday. **Residential starts** plunged 32%, with single-family down 33% and apartments down 31%. **Nonresidential building starts** leaped 40%, with the largest component—institutional starts—up 18%, industrial (manufacturing) starts up 27%, and commercial starts down 10%. **Engineering (civil)** starts jumped 27%, with increases for all segments: roads, 25%; water/sewage, 23%; power and miscellaneous civil, 40%; bridges, 1.3%; dams/marine, 102%; and airports, 89%.

Housing starts (units) in April increased 2.2% at a seasonally adjusted annual rate from the March rate but tumbled 22% year-over-year (y/y), the Census Bureau [reported](#) on Wednesday. Single-family starts rose 1.6% for the month but fell 28% y/y. Multifamily (five or more units) starts climbed 5.2% for the month to an annual rate of 542,000 units but slipped 2.2% y/y. **Residential permits** declined 1.5% for the month and 21% y/y. Single-family permits increased for the third-straight month, by 3.1% from March to the highest annual rate since September, suggesting starts may soon recover. Multifamily permits sank 9.7% from March to an annual rate of 502,000, down 23% y/y. While an annual rate of 959,000 multifamily units were under construction, the declining y/y trends in starts and permits suggest spending may soon shrink.

Multifamily homebuilders are equally split between those reporting **current conditions** are good or poor, according to the redesigned Multifamily Production Index that the National Association of Home Builders [released](#) on Thursday. "The index and all its components are scaled so that a number above 50 indicates that more respondents report conditions are good than report conditions are poor. For the first quarter, the component measuring garden/low-rise units had a reading of 57;" mid/high-rise units, 41; subsidized units, 51; and built-for-sale units, 42.

"Fort Worth, Texas, the third largest-gaining city [in **population increase**] since 2018, ranked first in 2022 with a numeric increase of 19,170 from 2021," followed by Phoenix, San Antonio, Seattle, and Charlotte, Census [reported](#) on Thursday. "San Antonio and Georgetown, Texas; Phoenix...; and Port St. Lucie and Cape Coral, Florida, showed notably larger increases in 2022 than in 2021—possible signs of population rebound. The "rate of population losses from 2021 to 2022...were more in line with pre-pandemic patterns...For instance, Jackson, Mississippi, with the largest percentage (2.5%) drop [in 2022], would have made the list of fastest-declining cities in 2019 but not in 2021."

Data Digest is a weekly summary of economic news. Sign up [here](#). Editor: Ken.Simonson@agc.org, Chief Economist, AGC. Go here for [Ken's PPT](#) or more [construction data](#).

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