

# Data Digest

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Vol. 23, No. 34 Sept. 18-22, 2023

## Employment rises in 45 states over 12 months; starts tumble year-over-year, ConstructConnect finds

Seasonally adjusted **construction employment** rose from August 2022 to August 2023 in 45 states and the District of Columbia and declined in five states, according to AGC's [analysis](#) of data the Bureau of Labor Statistics (BLS) [posted](#) on Tuesday. Texas added the most construction jobs (21,100 jobs or 2.7%), followed by California (15,600, 1.7%), Ohio (11,600, 5.0%), Georgia (10,600, 5.0%), and Pennsylvania (10,500, 4.1%). Wyoming had the largest percentage increase (13%, 2,700 jobs), followed by Arkansas (9.9%, 5,800), Kentucky (9.2%, 7,700), West Virginia (8.6%, 2,600), and New Mexico (7.3%, 3,600). Missouri lost the most jobs (-2,700 jobs, -1.9%), followed by Colorado (-2,500, -1.4%), North Dakota (-1,000, -3.8%), Vermont (-200, -1.3%), and North Carolina (-100, -0.04%). North Dakota had the largest percentage loss, followed by Missouri, Colorado, and Vermont. Construction employment rose in August in 32 states and D.C., fell in 15 states, and was flat in Montana, Oklahoma, and Utah. California added the most jobs over the month (4,700, 0.5%), followed by Arizona (3,500, 1.8%), Pennsylvania (3,300, 1.2%), South Carolina (2,600, 2.3%), and Nevada (2,600, 2.3%). Wyoming had the largest percentage gain (3.5%, 800 jobs), followed by Kentucky (2.5%, 2,200) and 2.3% increases in South Carolina, Nevada, and New Mexico (1,200 jobs). (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.)

The **value of construction starts** in current dollars (not adjusted for inflation) tumbled 15% from August 2022 to last month, data firm ConstructConnect [reported](#) on Tuesday. **Residential starts** plunged 35%, with single-family down 7.4% and apartments down 66%. **Nonresidential building starts** climbed 5.0%, with the largest component—institutional starts—down 10%, commercial up 20%, and industrial (manufacturing) starts down 6.5%. **Engineering (civil)** starts declined 7.6%, with roads/highways down 3.6%, water/sewage up 11%, dams/marine down 17%, bridges down 41%, power and miscellaneous civil down 12%, and airports up 30%.

**Total construction starts** in current dollars rose 6% from July to August at a seasonally adjusted annual rate, Dodge Construction Network [reported](#) on Wednesday. “**Nonresidential starts** rose 40% thanks to a large pickup in manufacturing and transportation buildings....Commercial starts rose 8% in August led by gains in parking structures and hotels, and institutional starts rose 35%, with all sectors but dormitories increasing. Manufacturing starts rose 285% from July to August, fueled by two large projects....**Residential building starts** fell 1%....Single family starts gained 2%, while multifamily starts lost 5%.” **Nonbuilding construction starts** fell 14%, following “a strong July, which saw the start of a \$12 billion LNG project. Nonbuilding starts increased 12% in August when excluding the utility/gas plant category, which fell 45% during the month. Miscellaneous nonbuilding starts shot 39% higher, and highway and bridge starts gained 19%. However, environmental public works starts shed 1%.”

The **Architecture Billings Index (ABI)** registered a score of 48.1, seasonally adjusted, in August, the lowest reading since February and down from 50.0 in July, the American Institute of Architects (AIA) [reported](#) on Wednesday. The ABI is derived from the share of responding architecture firms that report a gain in billings over the previous month less the share reporting a decline in billings, presented on a 0-to-100 scale. Thus, any score below 50 means more firms reported decreased billings than increased billings compared to the month before. AIA calls the index “a leading economic indicator that leads nonresidential construction activity by approximately 9-12 months.” Readings for practice specialties (based on three-month averages) varied: commercial/industrial, 51.7 (up from 51.1 in July); institutional, 49.4 (down from 50.9); mixed practice, 46.9 (up from 46.3); and residential (mainly multifamily), 44.1 (down from 45.2). The **new design contracts** index slipped from 50.0 in July to 47.9, the first sub-50 reading in four months.

**Housing starts** (units) in August decreased 11% from July and 15% year-over-year (y/y) at a seasonally adjusted annual rate, the Census Bureau [reported](#) on Tuesday. Single-family starts slid 4.3% for the month but rose 2.4% y/y. Multifamily (five or more units) starts plunged 26% and 41%, respectively. **Residential permits** rose 6.9% for the month but fell 2.7% y/y. Single-family permits rose for the seventh-straight month, by 2.0% from July, 7.2% y/y, and 27% since bottoming out in January. Multifamily permits jumped 15% from July but sank 18% y/y. There were 995,000 multifamily units under construction, just 2,000 units below the July total, which was the highest in the 54-year history of the series.

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

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