



AGC
THE CONSTRUCTION
ASSOCIATION

Data Digest

WWW.AGC.ORG

Vol. 24, No. 47 December 9-13, 2024

AGC outlook survey closes today; input, bid PPIs are flat in November; federal spending awards lag

Contractors are invited to **complete the 2025 AGC/Sage National Construction Hiring and Business Outlook survey today. The survey will close at midnight EST tonight, Friday, December 13** and results will be released on January 8.

Input prices and bid prices for construction were flat from October to November and changed little year-over-year (y/y), according to data the Bureau of Labor Statistics (BLS) [posted](#) on Thursday. The **producer price index (PPI) for new nonresidential building construction**—a measure of prices that contractors say they would bid to erect a fixed set of buildings—rose 1.5% over 12 months. The **PPI for material and service inputs** to new nonresidential construction edged up 0.2% y/y. Despite relative stability recently, both indexes rose approximately 37% from February 2020 (just before the pandemic) until November 2024, far more than the 22% increase in the consumer price index. Inputs with notable 1- or 12-month changes include: diesel fuel, down 1.8% for the month and 21% y/y; steel mill products, down 1.2% and 7.1%, respectively; aluminum mill shapes, up 2.4% and 7.4%; and copper and brass mill shapes, up 2.2% and 15%. AGC [posted](#) tables of construction PPIs. Readers are invited to send information regarding materials costs to ken.simonson@agc.org

A Brookings Metro analysis of federal agency data, award announcements, and press releases, [posted](#) on December 3, tracks finds **“place-based industrial policies”** under four major bills enacted in 2020-2022 “have awarded just over half [(\$41 billion) of their authorizations [of \$80 billion.] Overall, we find that 169 of the U.S.’s 590 labor market areas (29%) have received (or are set to receive) at least one award from a place-based industrial program. In total, these labor markets generated nearly three-quarters of the nation’s economic output in 2023 and contained approximately 72% of the national population. By this metric, a relatively broad swath of communities across the country will likely benefit from these programs....Phoenix is set to receive nearly \$10 billion from place-based industrial programs, by far the highest concentration in the country. [Overall, 78%] of allocated funding is concentrated within 10 labor market areas receiving at least \$500 million from place-based industrial programs. Beyond Phoenix, these LMAs include Austin, Texas; Syracuse, N.Y.; Portland, Ore.; Columbus, Ohio; Albany, N.Y.; Boise, Idaho; Dallas; Salt Lake City; and Clarksville, Tenn.

“Tax receipts in most states declined for the second consecutive year in fiscal 2024—an extraordinary event outside a recession,” Pew Research Center [posted](#) on November 25. Because most states are required to balance their budgets annually, declining tax receipts are a threat to construction (and other) spending. “After two years of historically high growth in fiscal 2021 and 2022, total inflation-adjusted state tax collections declined by 9.2% in fiscal 2023. ...Preliminary monthly data from the Urban Institute shows that inflation-adjusted collections declined [y/y] in 36 states during the 12 months ending in June. ...Although total state collections for fiscal 2024 ticked up by 0.2%, this was significantly bolstered by California’s double-digit increase in collections during this period, linked in large part to a temporary shift in the state’s income tax filing deadline. Excluding California, total state tax revenue declined by 2.9% in fiscal 2024.”

“Available land in the U.S. for renewable energy sites is continuing to shrink, found a new report released by Paces, a renewable-energy project-planning software developer,” [pv magazine USA reported](#) on Tuesday. “Analyzing data from January 2024 through October 2024, Paces found decreases in the number of sites suitable for renewables, the average acreage of sites available and the average feeder capacity” across 12 states. “The number of suitable sites decreased by 21.9% from January to October 2024, and is expected to drop another 16.1% by mid-2025, the report said. While the number of sites available dropped in all states, the decline was the sharpest in Illinois, Oregon, and Connecticut.”

Immigrants accounted for 32.5% of **construction trades workers** in 2023, the National Association of Home Builders [posted](#) on Wednesday, using data from the Census Bureau’s 2023 American Community Survey. The post includes maps showing each state’s share of immigrant workers among all construction industry employees and among construction crafts, and graphs of the immigrant share in 12 trades. “Because immigrant workers are disproportionately concentrated within the construction trades, immigrant presence among craftsmen is higher than their overall representation in the industry across all states. In California and DC, immigrant workers account for more than half of all tradesmen in construction. In New Jersey and Texas, these shares are similarly high at 49%. In Maryland, Nevada, Florida, New York, and Georgia, between 40% and 47% of craftsmen are foreign-born. While most states draw the majority of immigrant foreign-born workers from the Americas, Hawaii relies more heavily on Asian immigrants. European immigrants are a significant source of construction labor in New York, New Jersey and Illinois.” The estimates are similar to those that Harvard’s Joint Center for Housing Studies recently [posted](#) (click on **“[their outsized role in the construction industry.](#)”**)

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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