

Construction jobs increase in 52% of metros in February; housing starts rebound in March; pay cools

Construction employment, not seasonally adjusted, rose year-over-year (y/y) from February 2025 to February 2026 in 187 (52%) of the 360 **metro areas** (including divisions of larger metros) for which the Bureau of Labor Statistics (BLS) [posts](#) construction employment data, fell in 135 (38%), and was unchanged in 38, according to an analysis AGC [released](#) on Wednesday. (For most metros, BLS posts only combined totals for mining, logging, and construction; AGC treats these totals as construction-only.) Houston-Pasadena-The Woodlands, Texas added the most construction jobs (11,200 jobs or 4%), followed by St. Louis, Mo.-Ill. (4,700, 6%); Austin-Round Rock, Texas (4,700, 5%); Charlotte-Concord-Gastonia, N.C.-S.C. (4,500, 6%); and the Fort Worth-Arlington-Grapevine, Texas metro division (3,500, 4%). The largest percentage gain—17%—occurred in Eau Claire, Wis. (600 jobs), followed by 16% increases in Bloomington, Ind. (500 jobs) and Bloomington, Ill. (400), and 15% gains in Sandusky, Ohio (300 jobs) and Kenosha, Wis. (300 jobs). The largest decrease was in New York City (-6,600 jobs, -5%), followed by the Jersey City-White Plains, N.Y.-N.J. metro division (-5,200, -8%); the Los Angeles-Long Beach-Glendale division (-4,800, -3%); and Riverside-San Bernardino-Ontario, Calif. (-4,600, -4%). The largest percentage loss occurred in Lawton, Okla. (-18%, -300 jobs), followed by Houma-Bayou Cane-Thibodaux, La. (-14%, -900); and Fairbanks-College, Alaska (-300, -12%).

Housing starts (units) in March increased by 10.8% both from February and y/y at a seasonally adjusted annual rate, following steep declines in February, the Census Bureau [reported](#) on Wednesday. Single-family starts climbed 9.7% for the month and 8.9% y/y. Multifamily (five or more units) starts rose 9.6% for the month and 13.5% y/y. **Residential permits** slumped 10.8% in March and 7.4% y/y. Single-family permits were down 3.8% for the month and 7.9% y/y. Multifamily permits fell 23.5% in March and 5.3% y/y. **Multifamily units under construction** fell by 1.5%, and 12.0% y/y. The number of multifamily units under construction at the end of March was down 34% from the peak in July 2023.

Construction industry **compensation** (wages, salaries, and benefits including required employer contributions) rose 0.6%, seasonally adjusted, in the first quarter (Q1) of 2026 and 3.2% over four quarters (vs. 3.9% from Q1 2024 to Q1 2025), BLS [reported](#) on Wednesday. **Wages and salaries** increased by 0.2% in Q1 and 3.1% over four quarters (vs. 4.3% from Q1 2024 to Q1 2025). The latest increases were less than those in the overall private sector, where compensation rose 0.9% in Q1 and 3.4% over four quarters and wages rose 0.7% in Q1 and 3.4% over four quarters.

At the end of Q1, “there are 6,020 [**hotel**] projects with 705,825 rooms in the pipeline, reflecting sustained development activity across the country,” consultancy Lodging Econometrics (LE) [reported](#) on Monday. “Of those, 1,071 projects comprising 132,016 rooms are under construction. Another 2,164 projects with 249,465 rooms are scheduled to start construction within the next 12 months, while projects in the early planning stage stand at 2,785 projects and 324,344 rooms. Meanwhile, Q1 construction starts totaled 140 projects with 15,546 rooms, and new project announcements totaled 166 projects and 20,864 rooms.” The number of projects under construction fell by 17 (-1.6%) from Q4 2025. Dallas had the most projects under construction (37), followed by Phoenix (36), and New York (26), LE reported on Tuesday.

Inflation-adjusted **gross domestic product** (real GDP) rose 2.0% in Q1 at a seasonally adjusted annual rate, the Bureau of Economic Analysis [reported](#) on Thursday. Real **private nonresidential structures investment** fell 6.7% (commercial and health care, -1.5%; manufacturing structures, -22.7%; power and communication, 1.0%; other structures, -5.3%; and mining exploration, shafts, and wells, 1.6%), after falling 6.5% in Q4 2025. Real **residential fixed private investment** in permanent site structures fell 5.9% (single-family, -8.0%; multifamily 1.9%), after dipping 1.8% in Q4. The **price index** for real private fixed structures investment rose at a 3.2% seasonally adjusted annual rate in Q1 (5.3% in Q4).

Highway contractor readers are encouraged to fill out the 2026 AGC/HCSS **Highway Work Zone Awareness Survey** by **May 8**. The survey collects information on the frequency, severity, and impacts of work zone crashes, along with potential solutions. AGC will use the results to support a national media and public education campaign launching ahead of Memorial Day to encourage safer driving during the busy summer travel season. The data will also help strengthen advocacy efforts for tougher work zone safety laws and enforcement. Results will be released the week of May 18.

Note: There will be no Data DIGest the week of May 4-8. The next issue will be the week of May 11-15.

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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