



The Economic Impact of Construction in the United States and Alabama

Economic Impact of Construction:

- U.S. gross domestic product (GDP)—the value of all goods and services produced in the country—totaled \$19.5 trillion in 2017; construction contributed \$781 billion (4.0%). In Alabama, construction contributed \$7.4 billion (3.5%) of the state’s GDP of \$211.2 billion, less than the industry’s 4.0% share of U.S. GDP.
- Construction wages and salaries in 2017 totaled \$436 billion in the United States, including \$4.6 billion in Alabama.

Nonresidential Construction Spending:

- Nonresidential spending in the U.S. totaled \$714 billion in 2017 (\$438 billion private, \$277 billion public).
- Private nonresidential spending in Alabama totaled \$2.8 billion in 2017. State and local spending totaled \$2.8 billion.
- Nonresidential starts in Alabama totaled \$5.6 billion in 2018 and \$5.5 billion in 2017, according to ConstructConnect.

Construction Employment (Seasonally Adjusted):

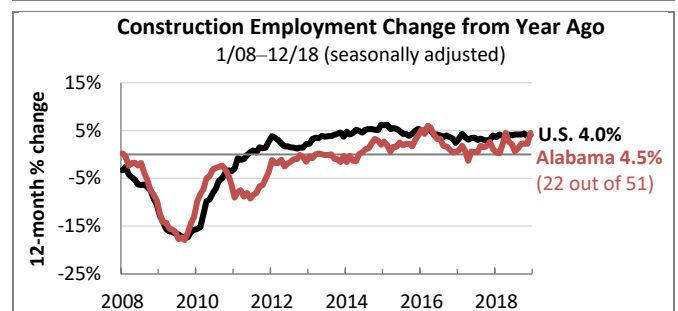
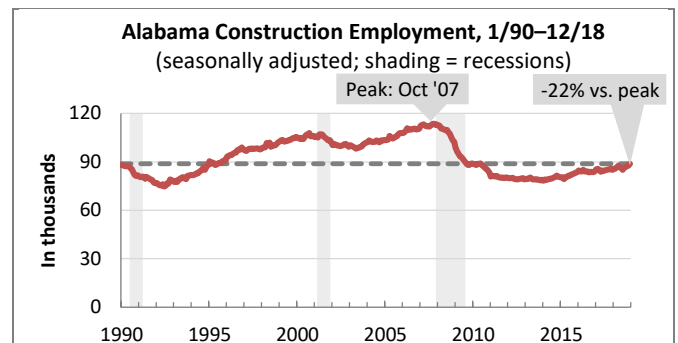
- Construction (residential + nonresidential) employed 7.3 million workers in December 2018, an increase of 282,000 (4.0%) from December 2017, but 4.8% less than in April 2006, when U.S. construction employment peaked.
- Construction employment in Alabama in December 2018 totaled 88,900, an increase of 4.5% from December 2017, but 22% less than the state's peak in October 2007.
- Construction unemployment is near a series low. In AGC’s 2019 Hiring and Business Outlook Survey, 78% of firms in the U.S. and 74% in Alabama reported difficulty filling salaried and hourly craft worker positions.

Construction Industry Pay:

- In 2017, pay for all construction *industry* employees in the U.S. averaged \$60,700, 10% more than the average (mean) for all private-sector employees. Pay for construction industry employees in Alabama was \$52,200 in 2017, 16% more than the state average for all private-sector employees.
- Four out of the five most numerous construction *occupations* in Alabama had higher median pay than the median for all employees in the state. (Half of workers earn more than the median; half earn less.)

Small Business:

- The United States had 669,000 construction firms in 2015, of which 92% were small (1 to 19 employees). Alabama had 7,200 construction firms in 2015, of which 88% were small.



Empl. Change by Metro (not seasonally adjusted)		Rank
Metro area or division	12/17–12/18	(out of 358)
Statewide (Construction)	4%	
Statewide (Mining, logging, and construction)*	4%	
Anniston-Oxford-Jacksonville*	0%	274
Auburn-Opelika*	12%	28
Birmingham-Hoover	2%	239
Decatur*	0%	274
Dothan*	-4%	344
Florence-Muscle Shoals*	6%	113
Gadsden*	0%	274
Huntsville*	0%	274
Mobile*	3%	205
Montgomery*	2%	239
Tuscaloosa*	0%	274
Columbus, GA-AL*	4%	177

*The Bureau of Labor Statistics combines construction, mining and logging employment for metro areas in which mining and logging have few employers. To allow comparisons between states and their metros, not seasonally adjusted statewide data is shown for both construction-only and combined employment change.

5 most numerous construction jobs and median annual pay in Alabama (2017 data)			
Occupation	Number of employees	Median annual pay	Pay relative to median
All occupations	1,922,570	\$32,800	
First-Line Supervisors of Construction Trades and Extraction Workers	11,060	\$55,540	+69%
Electricians	8,670	\$44,440	+35%
Construction Laborers	7,900	\$28,200	-14%
Carpenters	7,270	\$37,360	+14%
Operating Engineers and Other Construction Equipment Operators	6,000	\$38,340	+17%