The Economic Impact of Construction in the United States and Florida

Economic Impact of Construction:

- U.S. gross domestic product (GDP)—the value of all goods and services produced in the country—took 20.6 trillion in 2018; construction contributed $840 billion (4.1%). In Florida, construction contributed $55.7 billion (5.4%) of the state’s GDP of $1.0 trillion.
- Construction wages and salaries in 2018 totaled $468 billion in the United States, including $29 billion in Florida.

Construction Spending and Starts:

- Nonresidential spending in the U.S. totaled $761 billion in 2018 ($461 billion private, $301 billion public).
- Residential construction spending in the U.S. totaled $546 billion ($290 billion single family, $60 billion multifamily, $190 billion improvements, $7 billion public).
- Private nonresidential spending in Florida totaled $16.5 billion in 2018. State and local spending totaled $12.7 billion. (Totals are not available for residential or federal construction spending).
- Nonresidential (building and heavy/civil) starts in Florida totaled $28.7 billion in 2018, according to ConstructConnect.

Construction Employment (Seasonally Adjusted):

- Construction (residential + nonresidential) employed 7.5 million workers in July 2019, an increase of 177,000 (2.7%) from July 2018, but 3% less than in April 2006, when U.S. construction employment peaked.
- Construction employment in Florida in July 2019 totaled 563,800, an increase of 3.9% from July 2018, but 18% less than the state’s peak in April 2006.
- Construction unemployment is near a series low. In the 2019 AGC-Autodesk Workforce Survey, 78% of firms in the U.S. reported difficulty filling hourly craft worker positions.

Construction Industry Pay:

- In 2018, pay for all construction industry employees in the U.S. averaged $62,727, 10% more than the average (mean) for all private-sector employees. Construction industry pay in Florida averaged $51,286 in 2018, 4% more than the state average for all private-sector employees.
- Four out of the five most numerous construction occupations in Florida 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 U.S. had 810,295 construction firms in 2016, of which 92% were small (1 to 19 employees). Florida had 70,819 construction firms in 2016, of which 92% were small.

*The Bureau of Labor Statistics combines construction, mining and logging employment for metro areas in which mining and logging have few employers. Construction-only employment change is shown for a metro if BLS posts that data.

Source: Ken Simonson, Chief Economist, AGC of America, ken.simonson@agc.org, from Bureau of Economic Analysis (GDP); Census Bureau (spending, small business); ConstructConnect (starts); Bureau of Labor Statistics (jobs, pay, occupations); AGC (rankings, workforce survey). September 17, 2019