

The Economic Impact of Construction in the United States and California

Economic Impact of Construction:

- U.S. gross domestic product (GDP)—the value of all goods and services produced in the country—totaled \$20.6 trillion in 2018; construction contributed \$840 billion (4.1%). In California, construction contributed \$111 billion (3.8%) of the state's GDP of \$3 trillion.
- Construction wages and salaries in 2018 totaled \$468 billion in the United States, including \$62.3 billion in California.

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 California totaled \$30.1 billion in 2018. State and local spending totaled \$30.3 billion. (Totals are not available for residential or federal construction spending).
- Nonresidential (building and heavy/civil) starts in California totaled \$43 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 California in July 2019 totaled 900,700, an increase of 4.3% from July 2018, but 5% less than the state's peak in June 2006.
- Construction unemployment is near a series low. In the 2019 AGC-Autodesk Workforce Survey, 78% of firms in the U.S. and 68% in California reported difficulty filling hourly craft worker positions.

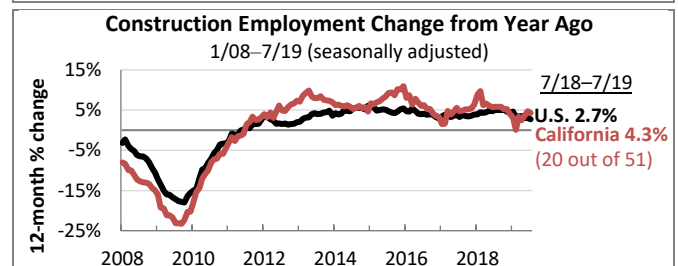
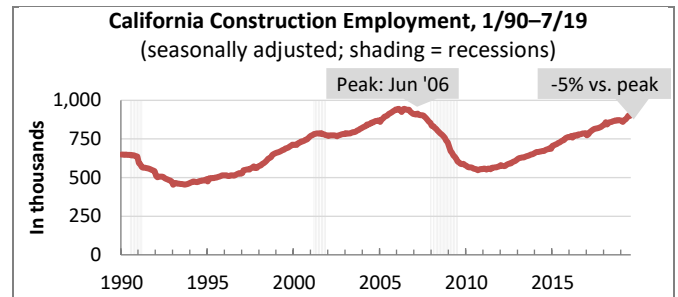
Construction Industry Pay:

- 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 California averaged \$70,084 in 2018, 3% more than the state average for all private-sector employees.
- The five most numerous construction *occupations* in California 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 810,295 construction firms in 2016, of which 92% were small (1 to 19 employees). California had 80,657 construction firms in 2016, of which 91% were small.

*The Bureau of Labor Statistics reports employment for construction, mining and logging combined 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.



Empl. Change by Metro (not seasonally adjusted)		Rank
Metro area or division	7/18–7/19	(out of 358)
Statewide (Construction)	4%	
Statewide (Mining, logging, and construction)*	4%	
Anaheim-Santa Ana-Irvine Div.	3%	172
Bakersfield	2%	212
Chico*	8%	43
El Centro*	0%	256
Fresno	6%	70
Hanford-Corcoran*	10%	18
Los Angeles-Long Beach-Glendale Div.	8%	43
Madera*	5%	103
Merced*	12%	8
Modesto*	2%	212
Napa*	6%	70
Oakland-Hayward-Berkeley Div.	6%	70
Oxnard-Thousand Oaks-Ventura	4%	128
Redding*	5%	103
Riverside-San Bernardino-Ontario	-0.3%	305
Sacramento--Roseville--Arden-Arcade	6%	70
Salinas	5%	103
San Diego-Carlsbad	3%	172
San Francisco-Redwood City-South San Francisco Div.	9%	31
San Jose-Sunnyvale-Santa Clara	1%	229
San Luis Obispo-Paso Robles-Arroyo Grande*	-5%	338
San Rafael Div.	8%	43
Santa Cruz-Watsonville*	2%	212
Santa Maria-Santa Barbara	7%	54
Santa Rosa	7%	54
Stockton-Lodi	7%	54
Vallejo-Fairfield	-3%	321
Visalia-Porterville*	3%	172
Yuba City*	7%	54

5 most numerous construction jobs and median annual pay in California (2018 data)

Occupation	Number of employees	Median annual pay	Pay relative to median
All occupations	17,007,690	\$42,430	
Construction Laborers	104,150	\$43,930	+4%
Carpenters	100,570	\$56,770	+34%
Electricians	66,260	\$64,260	+51%
First-Line Supervisors of Construction Trades and Extraction Workers	55,920	\$78,440	+85%
Plumbers, Pipefitters, and Steamfitters	48,040	\$56,270	+33%