

# The Economic Impact of Construction in the United States and Nebraska

## 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 Nebraska, construction contributed \$3.3 billion (2.7%) of the state’s GDP of \$123 billion.

- Construction wages and salaries in 2018 totaled \$468 billion in the United States, including \$2.8 billion in Nebraska.

### 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 Nebraska totaled \$2.1 billion in 2018. State and local spending totaled \$1.8 billion. (Totals are not available for residential or federal construction spending).
- Nonresidential (building and heavy/civil) starts in Nebraska totaled \$2.7 billion in 2018 and \$3.5 billion in 2019, according to ConstructConnect.

## Construction Employment (Seasonally Adjusted):

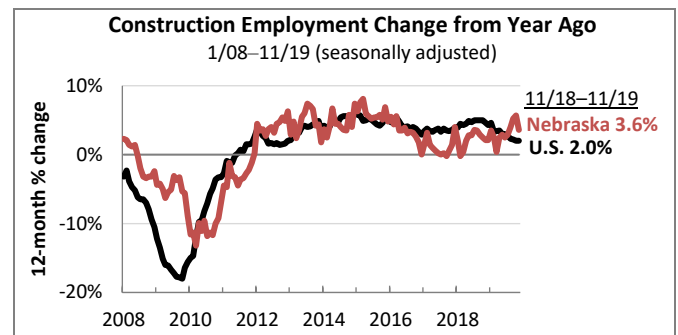
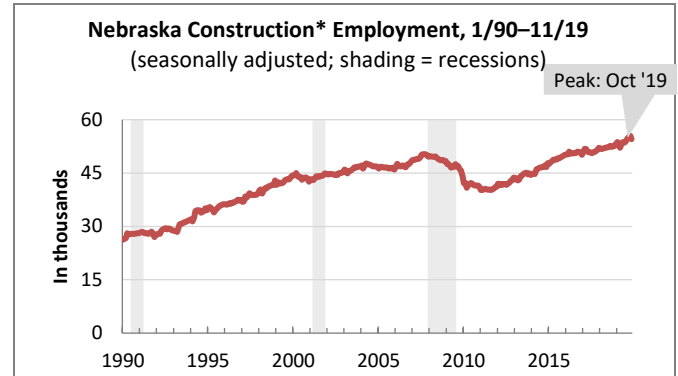
- Construction (residential + nonresidential) employed 7.5 million workers in November 2019, an increase of 147,000 (2.0%) from November 2018, but 3% less than in April 2006, when U.S. construction employment peaked.
- Construction employment in Nebraska in November 2019 totaled 54,500, an increase of 3.6% from November 2018.
- unemployment is near a series low. In the 2020 AGC-Sage Outlook Survey, 81% 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 Nebraska averaged \$51,657 in 2018, 13% more than the state average for all private-sector employees.
- Four out of the five most numerous construction *occupations* in Nebraska 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). Nebraska had 7,068 construction firms in 2016, of which 92% were small.



Empl. Change by Metro (not seasonally adjusted)		Rank (out of 358)
Metro area or division	11/18-11/19	
Statewide (Construction)	3%	
Statewide (Mining, logging, and construction)*	3%	
Lincoln*	2%	183
Omaha-Council Bluffs, NE-IA*	15%	2

\*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.

5 most numerous construction jobs and median annual pay in Nebraska (2018 data)			
Occupation	Number of employees	Median annual pay	Pay relative to median
All occupations	978,290	\$37,130	
Carpenters	7,350	\$37,180	+0%
Electricians	5,310	\$48,010	+29%
First-Line Supervisors of Construction Trades and Extraction Workers	4,510	\$59,140	+59%
Plumbers, Pipefitters, and Steamfitters	3,860	\$54,810	+48%
Construction Laborers	3,760	\$33,460	-10%