



The Economic Impact of Construction in the United States and Arizona

Economic Impact of Investment in Nonresidential Construction:

- An additional \$1 billion invested in nonresidential construction would add \$3.4 billion to Gross Domestic Product (GDP), \$1.1 billion to personal earnings and create or sustain 28,500 jobs.
 - About one-third (9,700) of these jobs would be on-site construction jobs in the state of investment.
 - About one-sixth (4,600) of the jobs would be indirect jobs from supplying construction materials and services. Most jobs would be in-state, depending on the project and the mix of in-state suppliers.
 - About half (14,300) of the jobs would be induced jobs created when the construction and supplier workers and owners spend their additional incomes. These jobs would be a mix of in-state and out-of-state jobs. Conversely, investments elsewhere would support some indirect and induced jobs in Arizona.

Nonresidential Construction Spending:

- Nonresidential spending in the U.S. in 2009 totaled \$654 billion (\$346 billion private, \$307 billion public).
- Private nonresidential spending in Arizona totaled \$5.8 billion in 2009. (Public spending is not available by state.)
- Nonresidential starts in Arizona totaled \$3.1 billion in 2010, according to Reed Construction Data.

Construction Employment (Seasonally Adjusted):

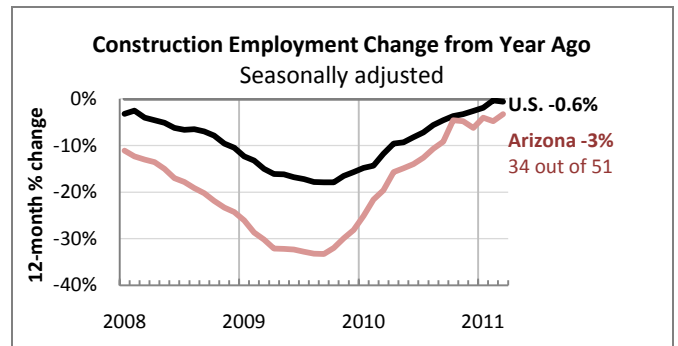
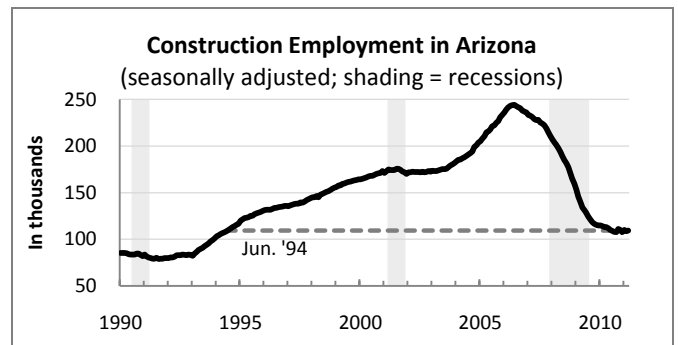
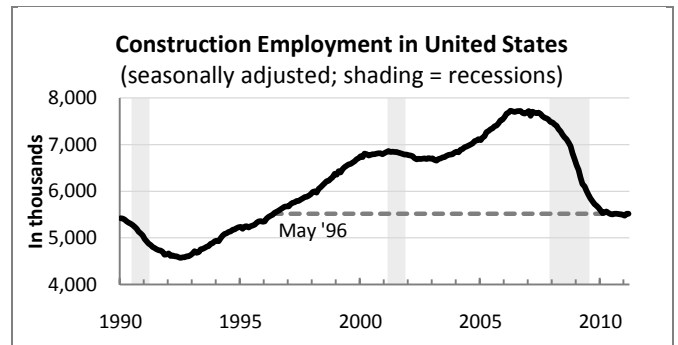
- Construction (residential + nonresidential) employed 5.5 million workers in March 2011, a decrease of 36,000 (0.6%) from March 2010 and a decrease of 2.2 million (29%) from April 2006 when U.S. construction employment peaked.
- Construction employment in Arizona in March totaled 109,400, a decrease of 3% from March 2010 and a decrease of 55% from the state's peak in June 2006.

Construction Industry Pay:

- In 2009, annual pay of all construction workers in the United States averaged \$49,312, 9% more than the average for all private sector employees.
- Construction workers' pay in Arizona averaged \$44,110, 5% more than all private sector employees in the state.

Small Business:

- The United States had 773,600 construction firms in 2008, of which 91% employed fewer than 20 workers.
- Arizona had 15,600 construction firms in 2008, of which 86% were small (<20 employees).



Empl. Change by Metro (not seasonally adjusted)		Rank (out of 337)
Metro area or division	3/10-3/11	
Statewide	-2%	
Flagstaff*	24%	2
Lake Havasu City-Kingman*	-12%	329
Phoenix-Mesa-Glendale	-3%	218
Prescott*	-11%	323
Tucson*	2%	114
Yuma*	-12%	329

*Mining and logging included with construction