



The Economic Impact of Construction in the United States and Pennsylvania

Economic Impact of Construction:

- U.S. gross domestic product (GDP)—the value of all goods and services produced in the country—totaled \$19.3 trillion in 2017; construction contributed \$826 billion (4.3%).
- In Pennsylvania, construction contributed \$34 billion (4.5%) of the state’s GDP of \$752 billion, more than the industry’s 4.3% share of U.S. GDP.
- Construction wages and salaries in 2017 totaled \$427 billion in the United States, including \$16 billion in Pennsylvania.

Nonresidential Construction Spending:

- Nonresidential spending in the U.S. in 2017 totaled \$714 billion (\$438 billion private, \$277 billion public).
- Private nonresidential spending in Pennsylvania totaled \$8.0 billion. State and local spending totaled \$7.4 billion. (Spending on federal projects is not available by state.)
- Nonresidential starts in Pennsylvania totaled \$23 billion in 2017 and \$14 billion in 2016, according to ConstructConnect.

Construction Employment (Seasonally Adjusted):

- Construction (residential + nonresidential) employed 7.2 million workers in July 2018, an increase of 308,000 (4.4%) from July 2017, but 6.3% less than in April 2006, when U.S. construction employment peaked.
- Construction employment in Pennsylvania in July 2018 totaled 251,900, an increase of 1.0% from July 2017, but 5% less than the state’s peak in January 2007.

Construction Industry Pay:

- Pay for all construction industry employees in Pennsylvania averaged \$64,800, 21% more than the average (mean) for all private-sector employees.
- Four out of the five most numerous construction occupations in Pennsylvania had higher median pay than the state’s median worker.

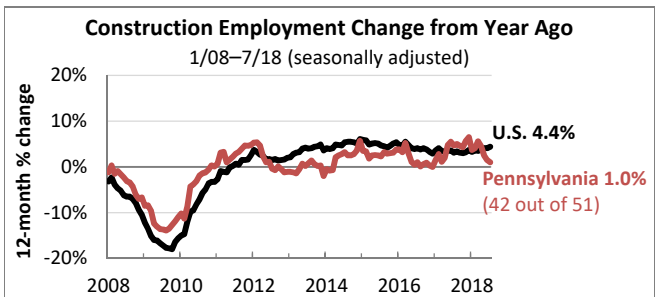
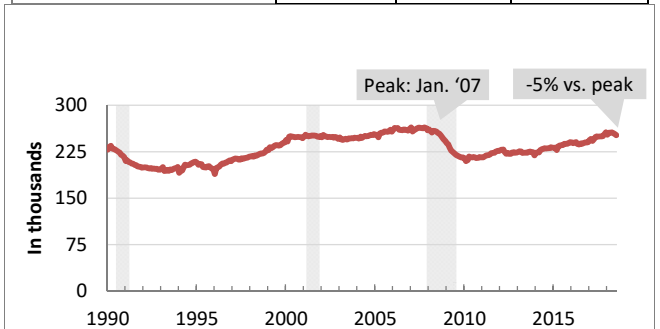
Small Business:

- The United States had 669,000 construction firms in 2015, of which 92% were small (1 to 19 employees).
- Pennsylvania had 26,100 construction firms in 2015, of which 92% 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. To allow comparisons between states and their metros, the table shows combined employment change for these metros. Not seasonally adjusted statewide data is shown for both construction-only and combined employment change.

Pennsylvania Construction Employment, 1/90–7/18
 (seasonally adjusted; shading = recessions)

5 most numerous construction jobs and median annual pay in PA, 2017			
Occupation	Number of employees	Median annual pay	Pay relative to all employees
All occupations	5,781,610	\$37,540	
Construction Laborers	41,150	\$36,190	-4%
Carpenters	28,440	\$46,510	+24%
Electricians	21,580	\$56,890	+52%
Operating Engineers and Other Construction Equipment Operators	20,560	\$46,850	+25%
First-Line Supervisors of Construction Trades and Extraction Workers	20,160	\$67,500	+80%



Empl. Change by Metro (not seasonally adjusted)		Rank (out of 358)
Metro area or division	7/17–7/18	
Statewide (Construction)	2%	
Statewide (Mining, logging, and construction)*	2%	
Allentown-Bethlehem-Easton, PA-NJ	4%	183
Altoona, PA	3%	223
Bloomsburg-Berwick, PA	-8%	352
Chambersburg-Waynesboro, PA	0%	282
Delaware County, PA	6%	117
East Stroudsburg, PA	5%	150
Erie, PA	7%	89
Gettysburg, PA	5%	150
Harrisburg-Carlisle, PA	3%	223
Johnstown, PA	0%	282
Lancaster, PA	5%	150
Montgomery County-Bucks County-Chester County Div.*	1%	266
Philadelphia, PA Div.	6%	117
Pittsburgh, PA	3%	223
Reading, PA	6%	117
Scranton--Wilkes-Barre--Hazleton, PA	1%	266
York-Hanover, PA	-1%	319
Newark, NJ-PA Div.	-5%	347
Youngstown-Warren-Boardman, OH-PA	5%	150

Source: Ken Simonson, Chief Economist, AGC of America, simonsonk@agc.org, from Bureau of Economic Analysis (GDP); Census Bureau (spending, small business); ConstructConnect (formerly CMD) (starts); Bureau of Labor Statistics (jobs, pay).