



AGC
THE CONSTRUCTION
ASSOCIATION

October 2022

U.S. Construction Outlook: Recession or Resurgence?

Ken Simonson

Chief Economist, AGC of America

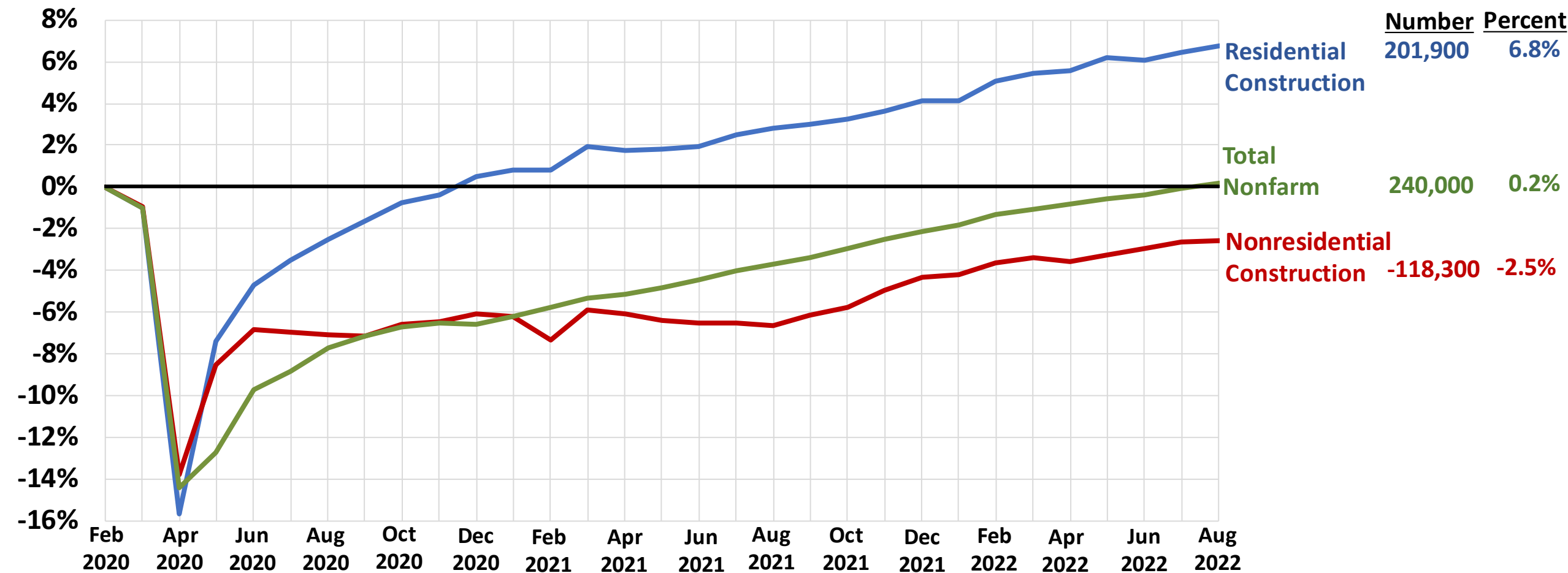
ken.simonson@agc.org

Total Nonfarm & Construction Employment, Feb. 2020 - Aug. 2022

cumulative change (seasonally adjusted)



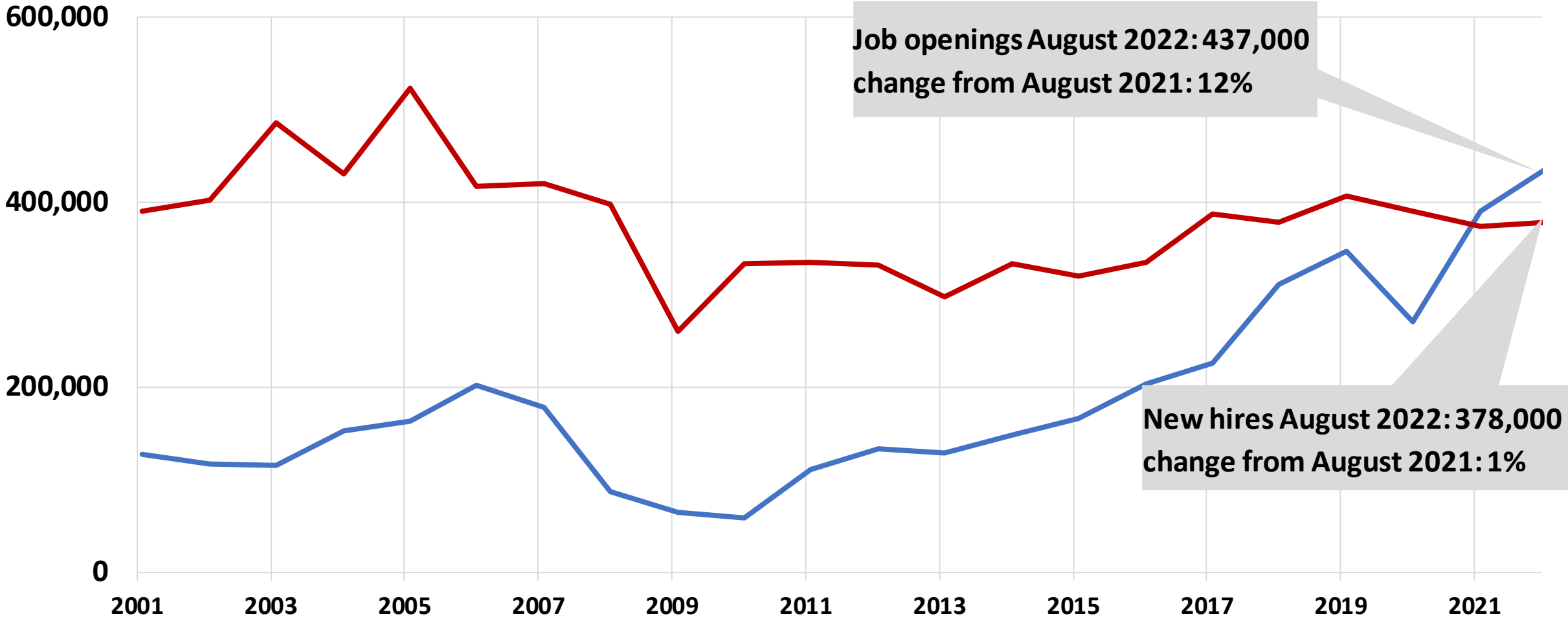
Change since Feb. 2020:



Construction job openings & new hires

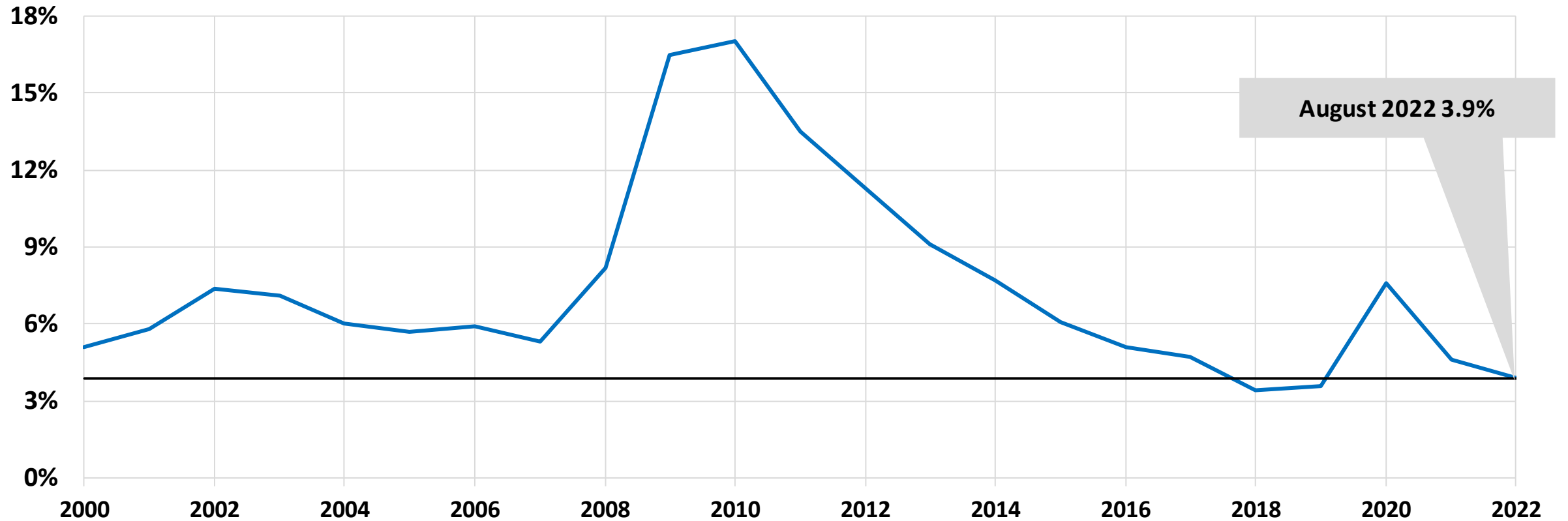


Job openings and hires, August 2001-August 2022, not seasonally adjusted



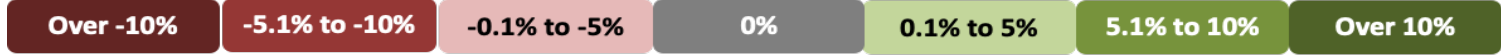
Construction unemployment rate

August 2000 - August 2022, not seasonally adjusted



Construction employment change by state, August 2021-2022

43 states + DC **up**, 5 states **down**, 2 unchanged (U.S.: 4.2%)

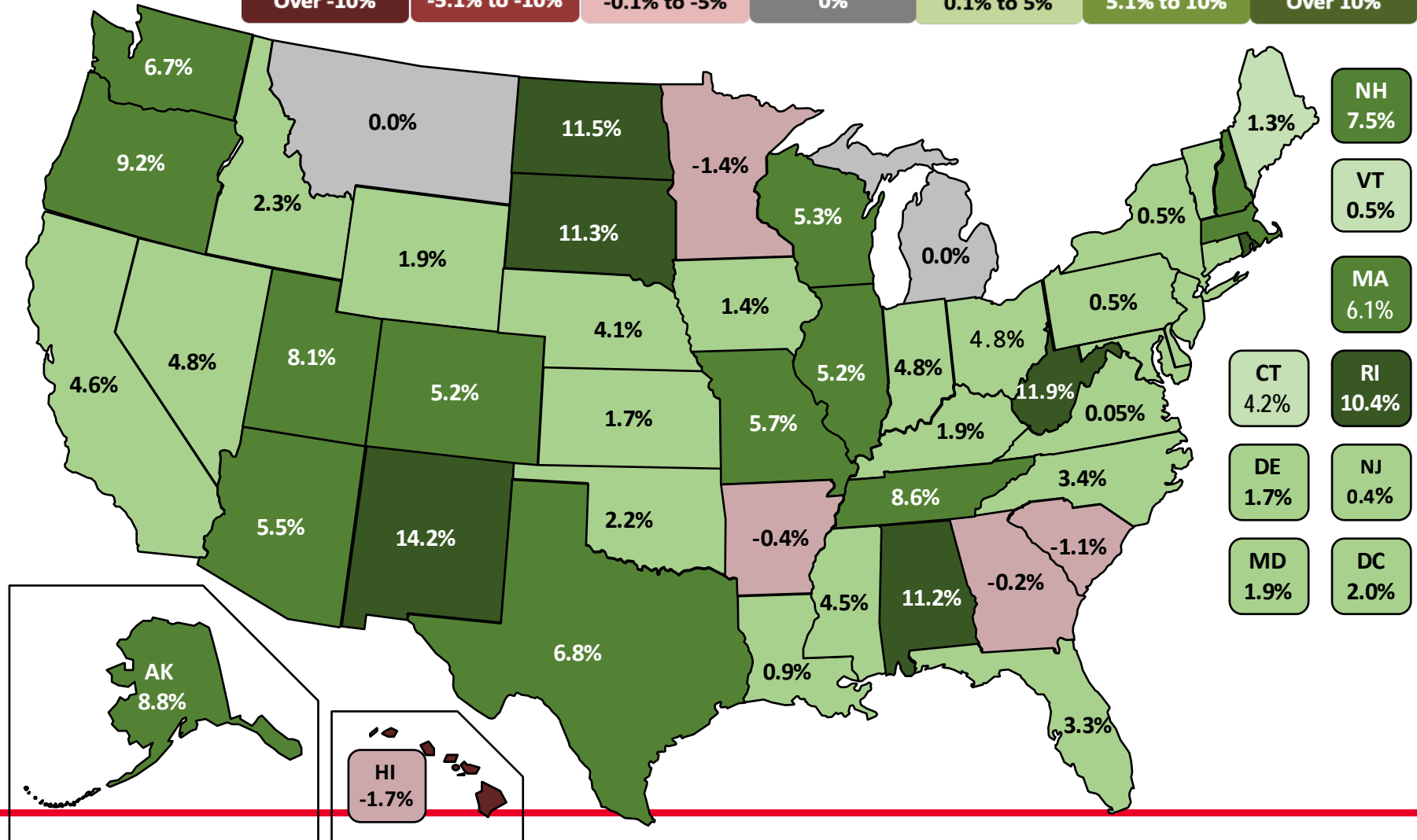


Top 5

NM	14.2%
WV	11.9%
ND	11.5%
SD	11.3%
AL	11.2%

Bottom 5

HI	-1.7%
MN	-1.4%
SC	-1.1%
AR	-0.4%
GA	-0.2%



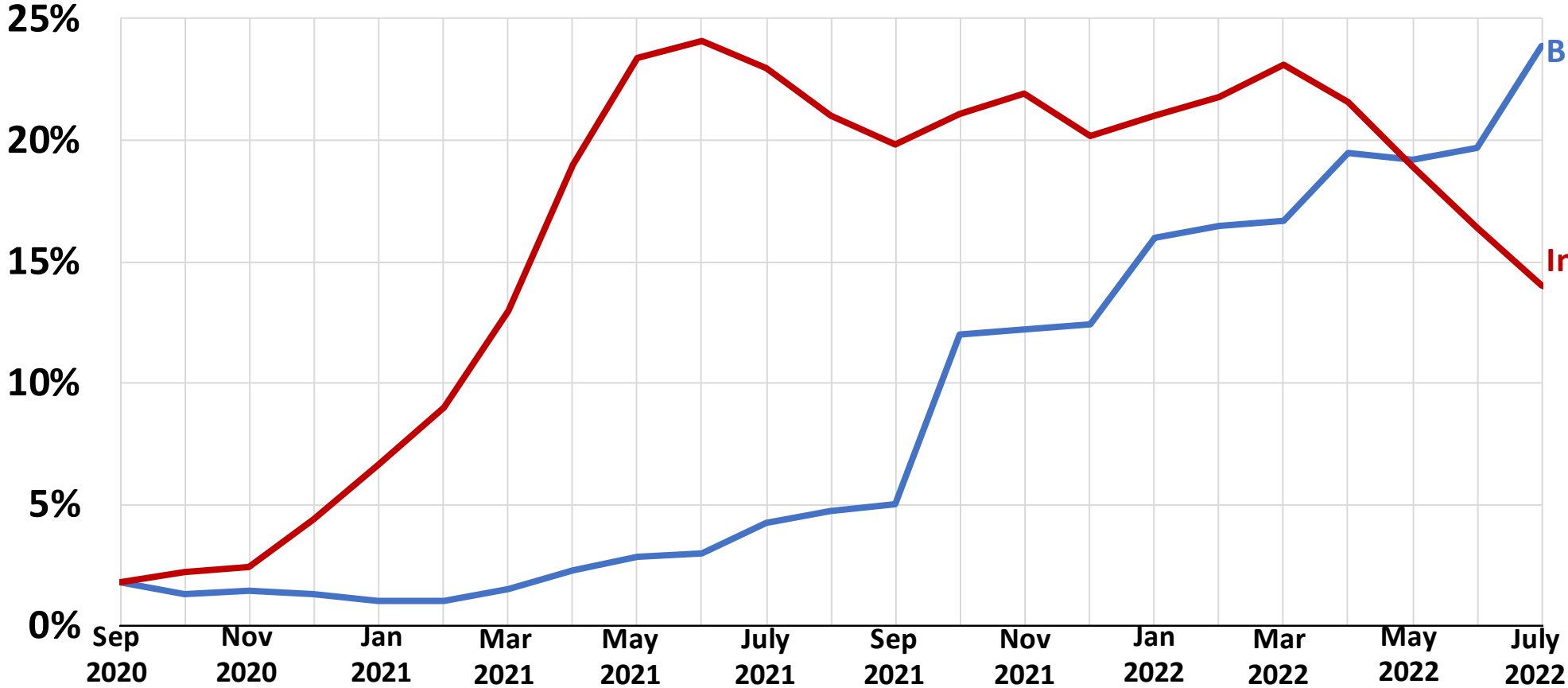
Costs vs. bid prices for new nonresidential construction

Year-over-year change in PPIs, Sep 2020- August 2022, not seasonally adjusted



12 months to:

<u>Sep</u>	<u>Aug.</u>
<u>2020</u>	<u>2022</u>

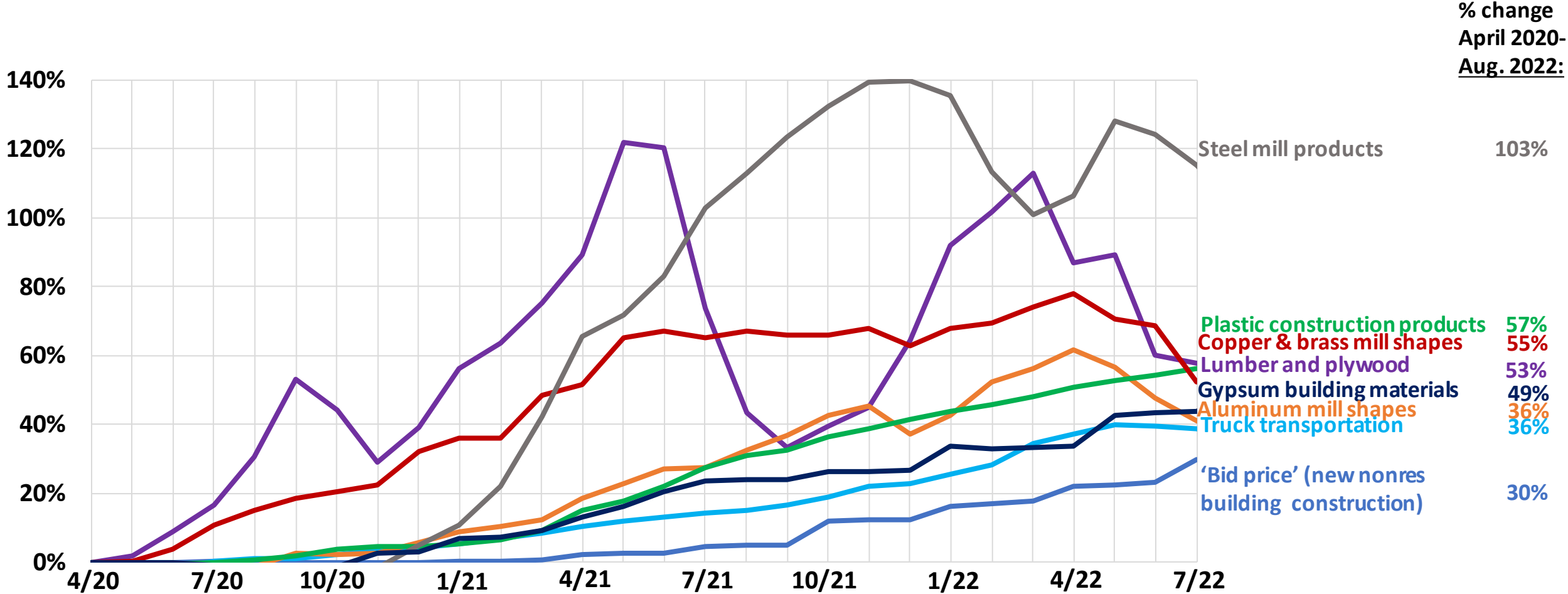


Bid price PPI: 1.8% 23.9%

Inputs PPI: 1.8% 13.0%

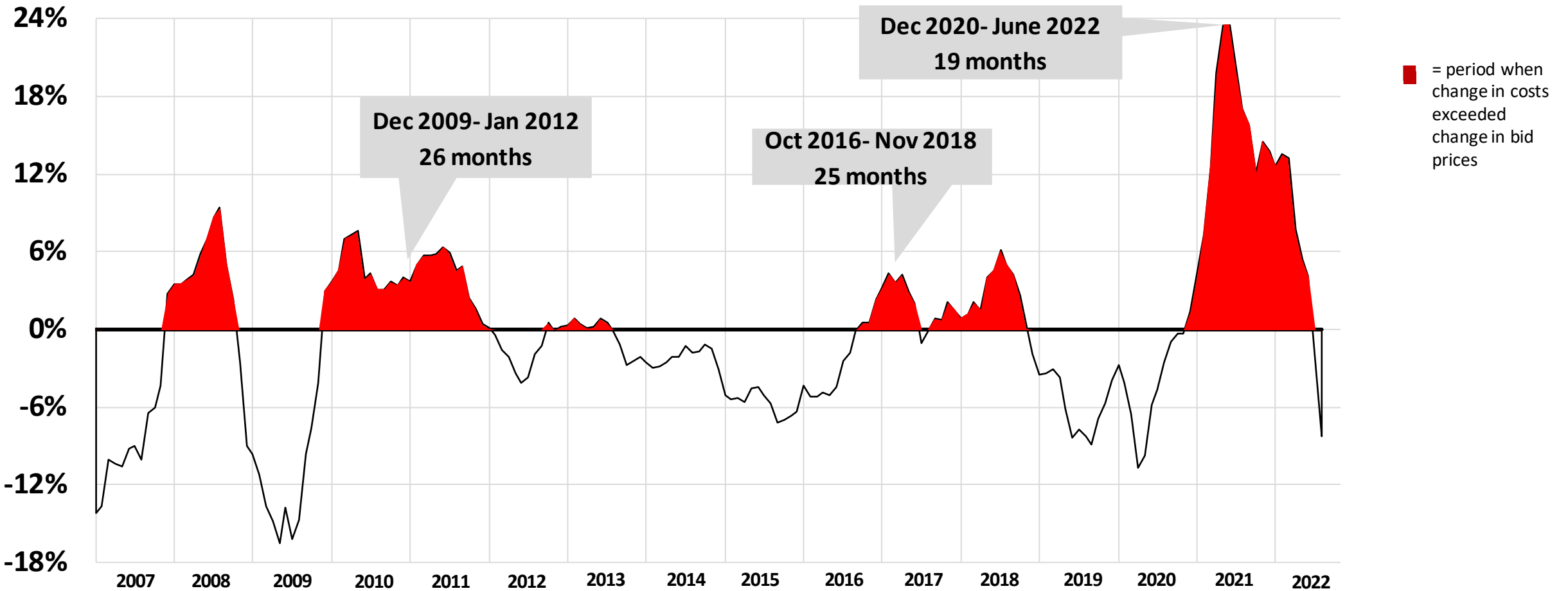
PPIs for construction bid prices and selected inputs

cumulative change in PPIs, April 2020- August 2022 (not seasonally adjusted)



Cost squeeze on contractors can last two years or more

Difference between year-over-year change in materials costs vs. bid prices, Jan 2007-Aug 2022



Source: Source: Bureau of Labor Statistics, www.bls.gov/ppi, producer price indexes for goods inputs to nonresidential construction (material costs) and new school building construction (bid prices)

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Change in construction spending: August 2022 vs. August 2021

current (not inflation-adjusted) dollars, seasonally adjusted

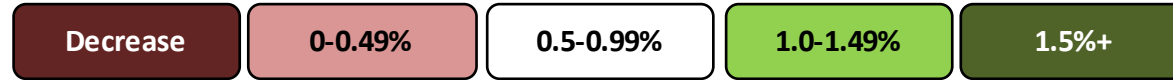


- Total 9%: private res 12% (single-family 0%; multi -0.2%; improvements 37%); priv. nonres 6%; public 3%

Largest segments (in descending order of August 2022 spending)

- Commercial 19% (warehouse 21%; retail 21%; farm 10%)
- Power -13% (electric -13%; oil/gas fields & pipelines -11%)
- Highway and street 2%
- Mfg. 19% (computer/electronic 179%; chemical -13%; food/beverage/tobacco -1%; transp. equip. -10%)
- Education 0.3% (primary/secondary -4%; higher ed 5%)
- Office -1%
- Transportation -0.4% (air -11%; freight rail/trucking 8%; mass transit 4%)
- Health care 8% (hospital 5%; medical building 7%; special care -6%)
- Sewage and waste disposal 12% (wastewater 15%; sewage/dry waste 7%)
- Water supply 23%

Population change by state, July 2020–July 2021 (U.S.: 0.12%)

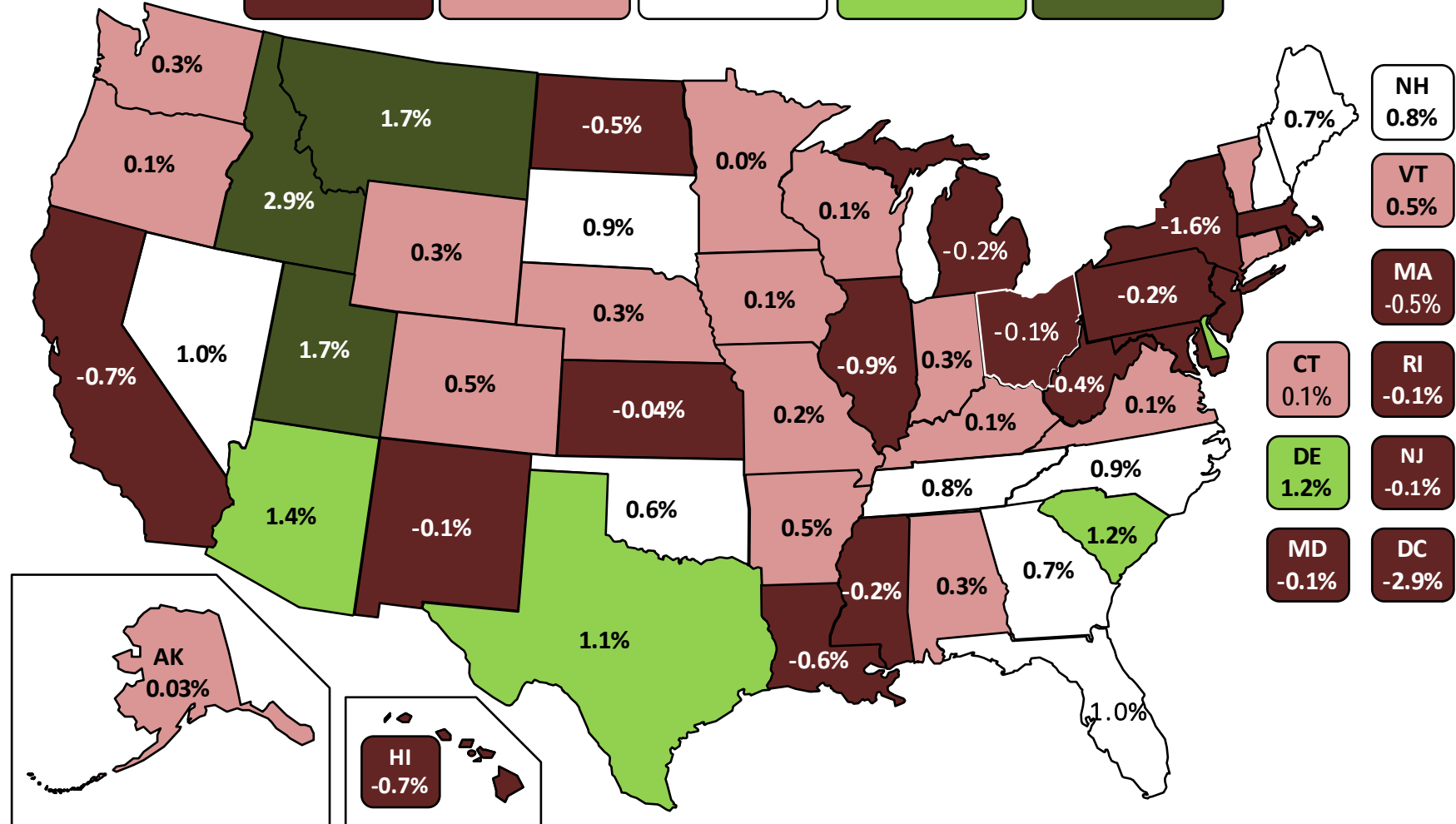


Top 6

ID	2.9%
UT	1.7%
MT	1.7%
AZ	1.4%
SC, DE	1.2%

Bottom 5

DC	-2.9%
NY	-1.6%
IL	-0.9%
HI	-0.7%
CA	-0.7%



AGC economic resources

(emailken.simonson@agc.org)



- *The Data DIGest*: weekly 1-page email (subscribe at <http://store.agc.org>)
- *Construction Inflation Alert*:
<https://www.agc.org/learn/construction-data/agc-construction-inflation-alert>
- ConsensusDocs Price Escalation Resource Center:
<https://www.consensusdocs.org/price-escalation-clause/>
- Surveys, state and metro data, fact sheets: www.agc.org/learn/construction-data
- Monthly press releases: construction spending; producer price indexes; national, state, metro employment with rankings:
<https://www.agc.org/newsroom>

