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THE CONSTRUCTION
ASSOCIATION

August 2024

US Construction Outlook: Transportation Estimators Association

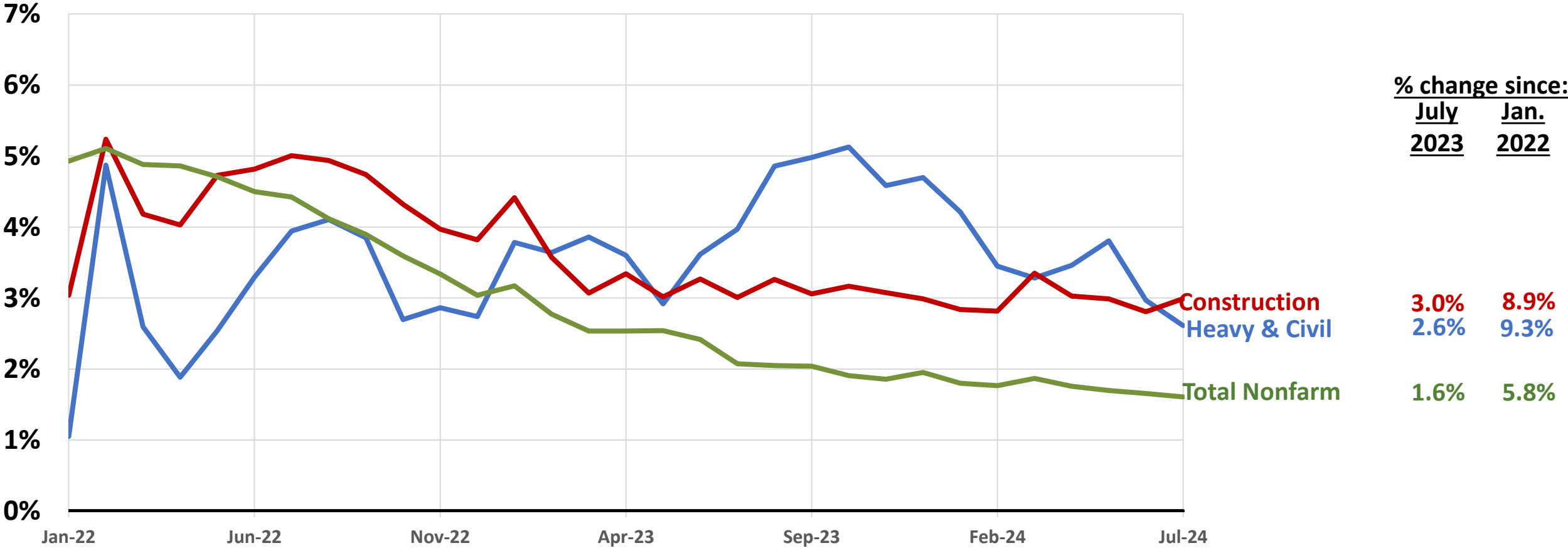
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Total nonfarm, construction, heavy & civil engineering employment

Year-over-year change, Jan. 2022 – July 2024, seasonally adjusted



Source: BLS current employment statistics, <https://www.bls.gov/ces/>

35 states **up**, 1 state unchanged, 14 states & DC **down**

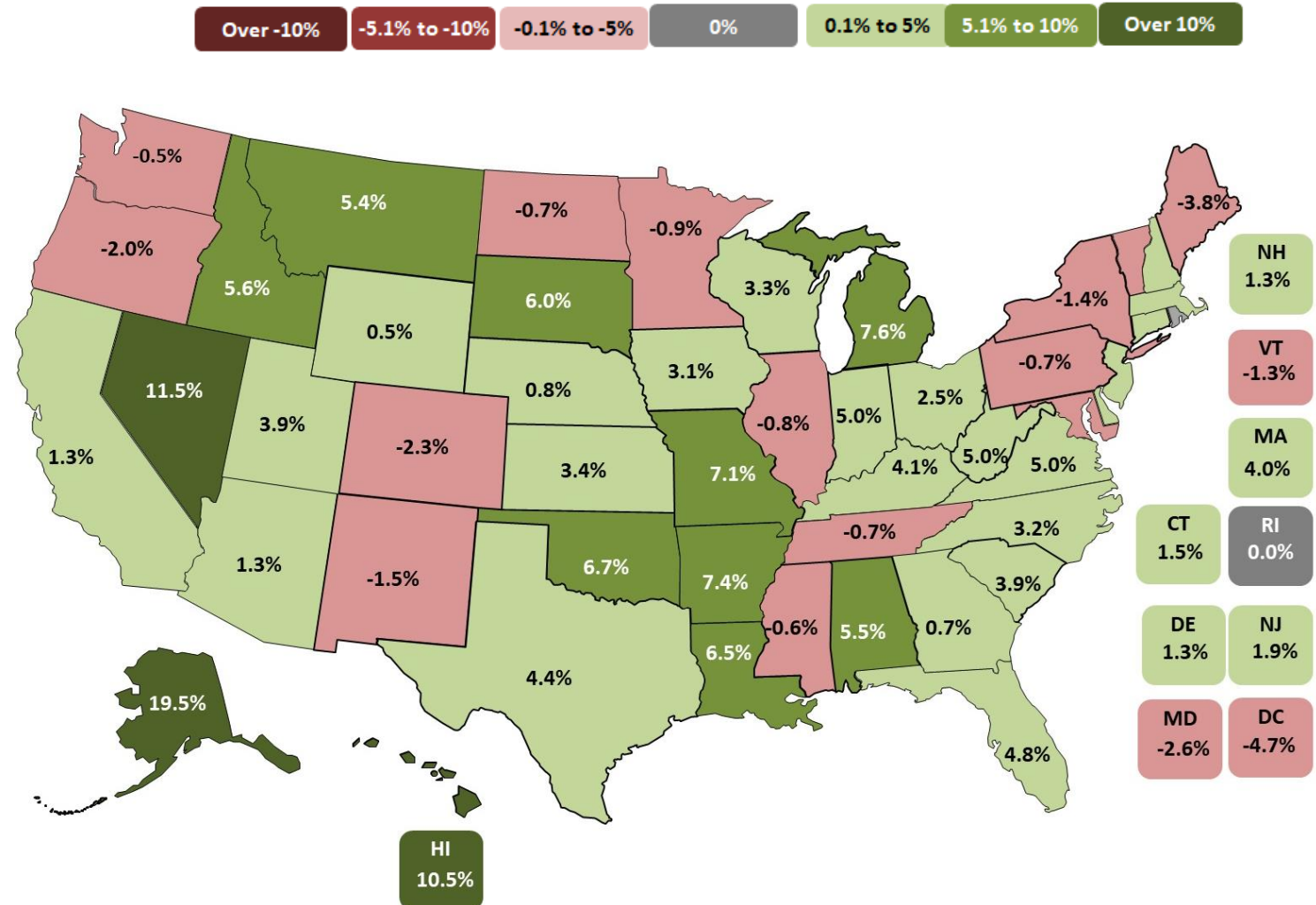


Top 5

AK	19.5%
NV	11.5%
HI	10.5%
MI	7.6%
AR	7.4%

Bottom 5

DC	-4.7%
ME	-3.8%
MD	-2.6%
CO	-2.3%
OR	-2.0%



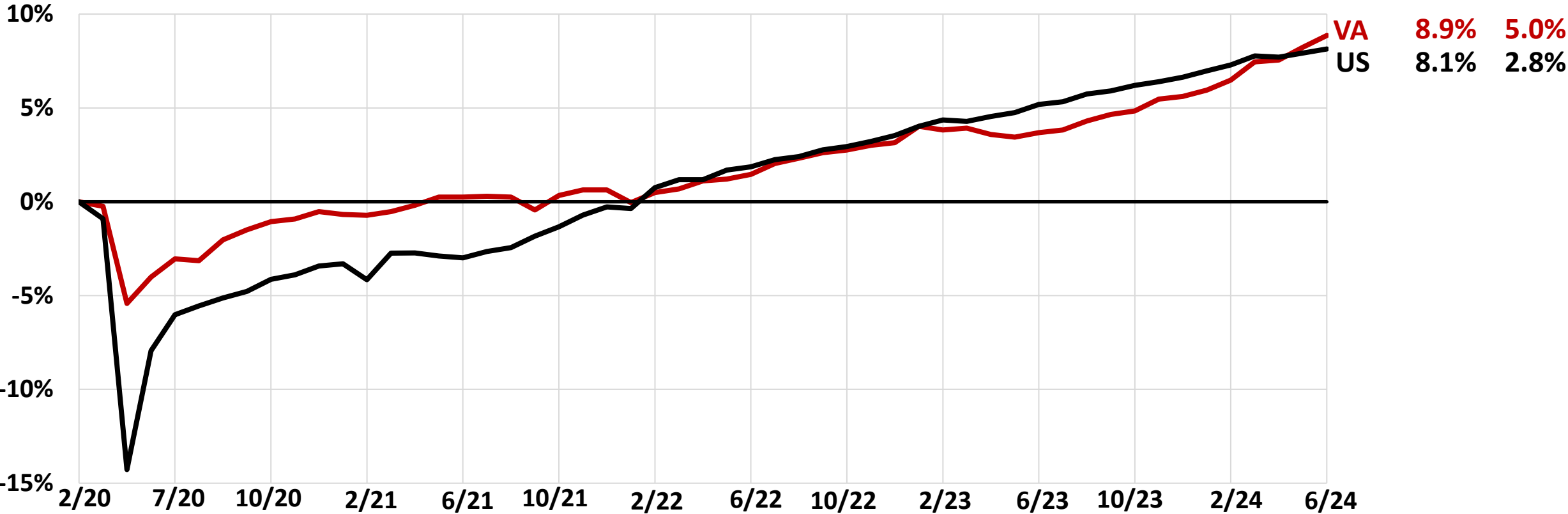
US & VA Construction Employment

Cumulative change, Feb. 2020- June 2024, seasonally adjusted



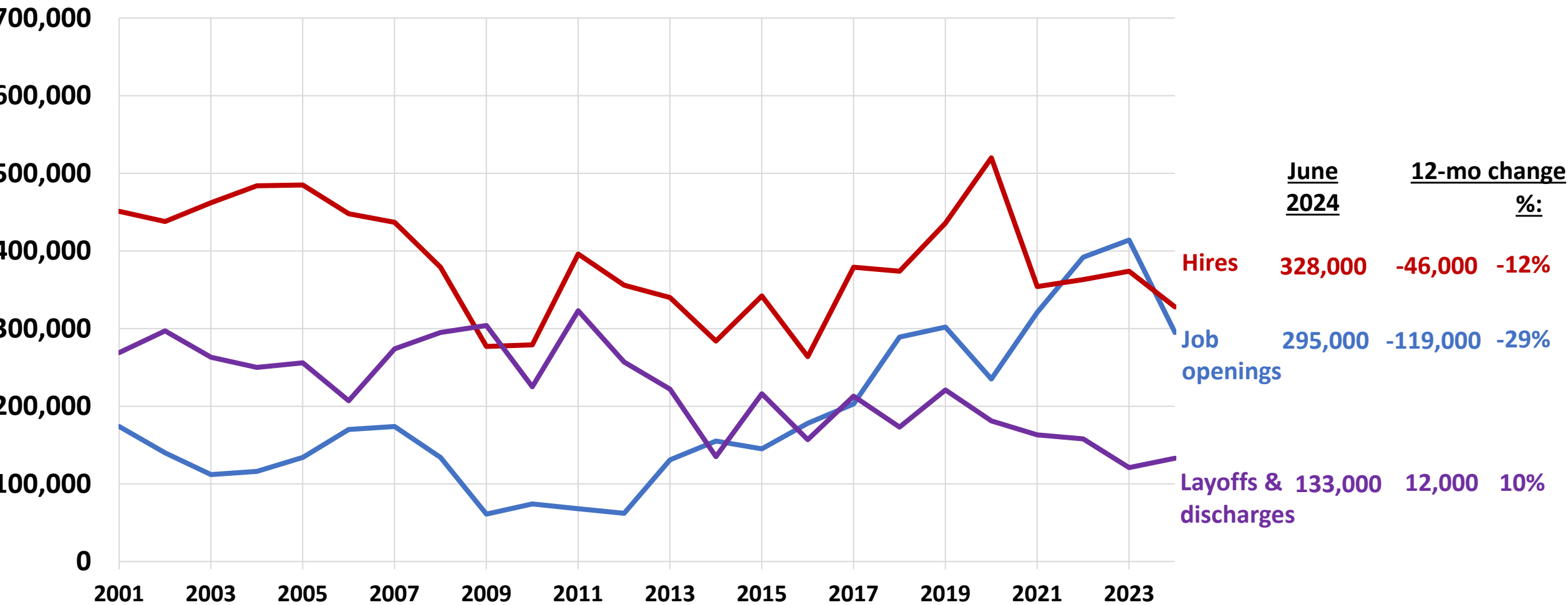
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% change
Feb. 2020- June 2023-
June 2024: June 2024:



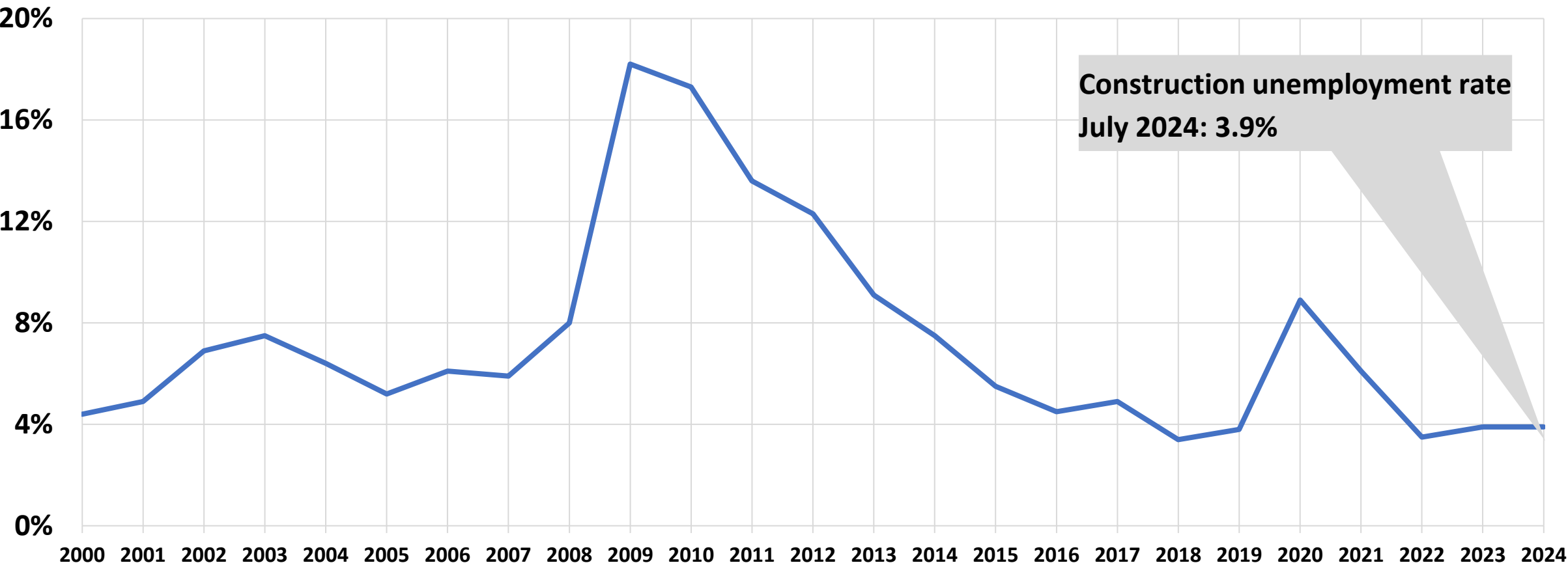
Construction job openings, hires & layoffs

Job openings, hires, and layoffs June 2001-June 2024, seasonally adjusted



Construction unemployment rate

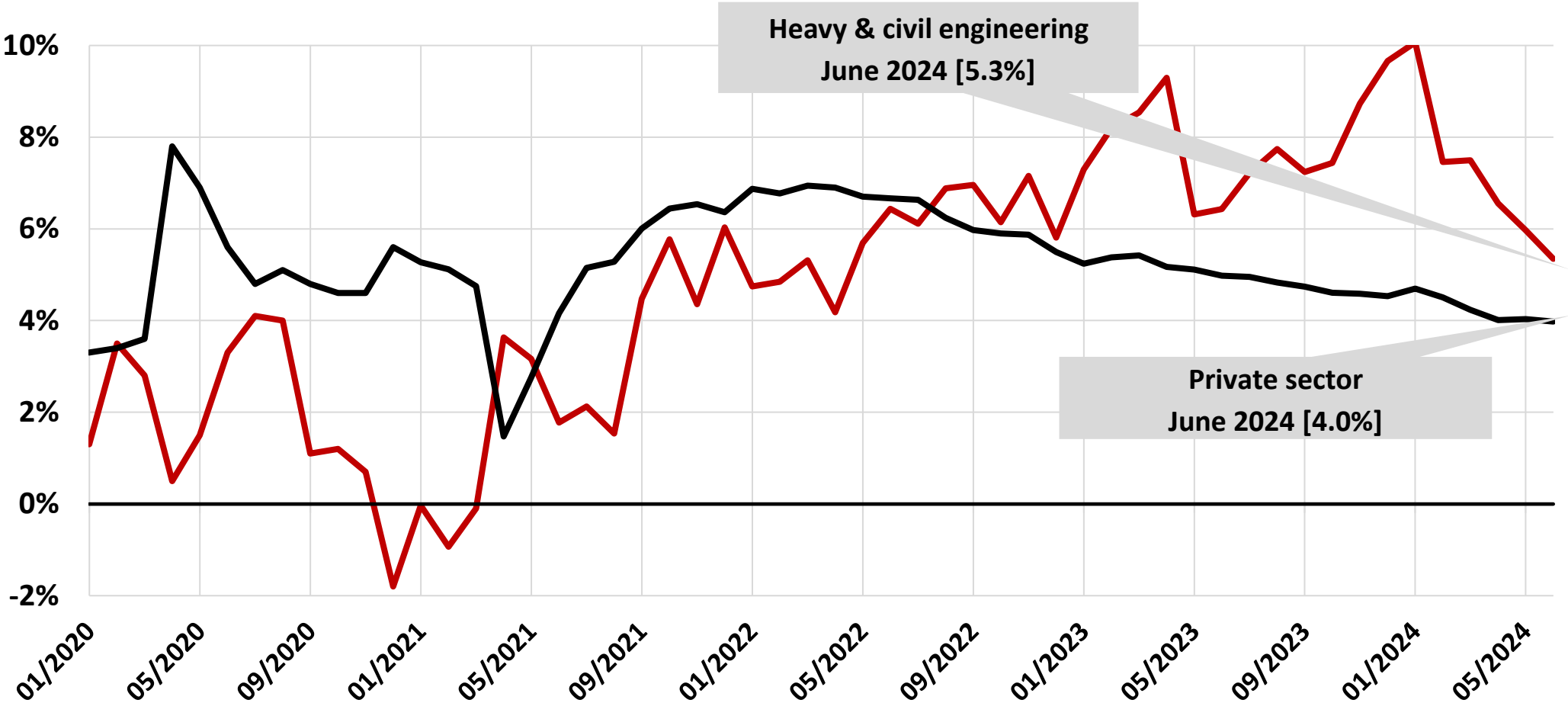
July 2000-July 2024, not seasonally adjusted





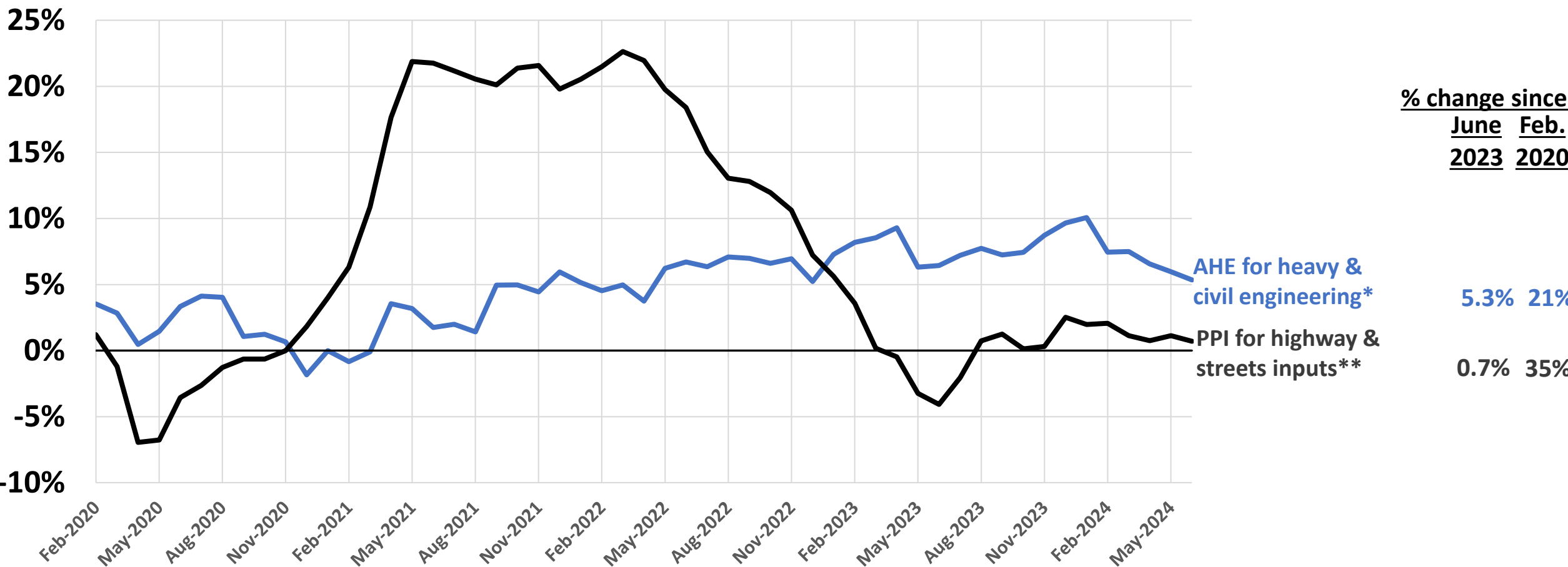
Construction subsector vs. total private sector

Year-over-year change in the average hourly earnings for production/ nonsupervisory employees in **heavy & civil engineering** vs. private sector



Change in construction materials and labor costs, 2020–2024

Year-over-year change in producer price index (PPI) for highway and street inputs and heavy & civil engineering construction, Feb. 2020 – June 2024



*Seasonally adjusted (SA)
**Not seasonally adjusted (BLS does not post SA data for this series)

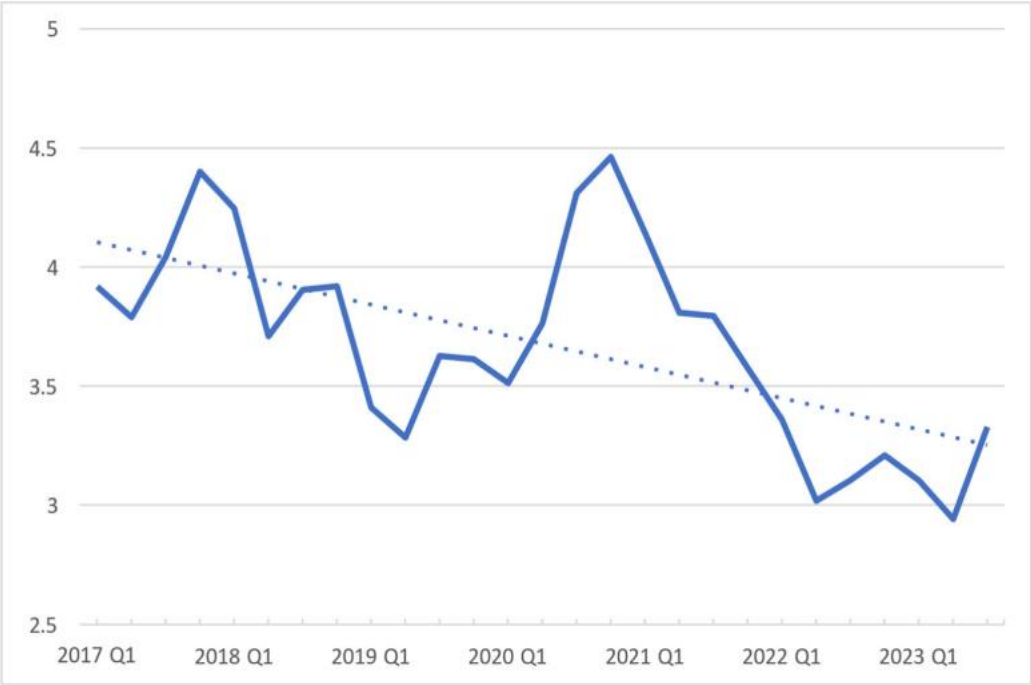
Construction costs



Table 2. Quarter to Quarter Growth Rate in Percent

Indexes	2020		2021				2022				2023		
	3	4	1	2	3	4	1	2	3	4	1	2	3
NHCCI	-3.8%	-1.6%	2.7%	6.5%	3.5%	3.5%	4.7%	11.9%	8.9%	0.1%	2.1%	4.4%	6.0%
PPI All Commodities	3.1%	2.1%	5.9%	6.6%	4.4%	3.4%	4.7%	7.9%	-1.1%	-2.9%	-1.3%	-1.5%	0.8%
PPI Construction Materials	3.2%	1.9%	8.0%	14.5%	3.3%	4.5%	5.0%	1.1%	-2.0%	-3.4%	-0.1%	1.9%	-0.8%
PPI Paving Mixtures and Blocks	-1.4%	-0.2%	9.9%	-5.8%	2.3%	1.1%	11.3%	1.8%	6.7%	-1.6%	6.7%	-5.8%	-0.4%
PPI Concrete Products	0.0%	-0.2%	1.4%	2.3%	2.3%	1.7%	3.5%	3.8%	4.2%	2.3%	3.4%	1.8%	1.6%
PPI Fabricated Structural Metal	0.5%	-1.0%	5.5%	14.8%	14.2%	5.1%	7.7%	7.4%	-1.2%	-3.1%	0.7%	0.1%	-0.3%
PPI Asphalt	16.3%	-9.8%	29.9%	21.1%	8.3%	1.9%	6.9%	39.5%	4.8%	-30.0%	-22.2%	20.5%	2.7%
PPI Concrete Pavers	0.2%	0.7%	1.0%	3.0%	0.7%	1.6%	6.0%	5.1%	2.0%	1.3%	4.7%	1.3%	0.0%
PPI Fabricated Structural Metal for Bridges	-1.8%	-4.0%	19.4%	8.6%	7.6%	3.2%	14.2%	3.1%	-2.9%	3.7%	-2.7%	0.4%	-3.1%
PPI Crude petroleum (domestic)	50.6%	8.7%	39.3%	15.9%	8.1%	10.5%	19.1%	17.7%	-13.7%	-9.9%	-11.2%	-1.4%	10.9%

Figure 2. Average Number of Bids on Highway Projects



Construction cost are up 69% from December 2020, according to FHWA construction cost index

Input and bid price changes, June 2024

producer price indexes, 1 – & 12-mo. change (not seasonally adjusted)



June 2024 change from:
May 2024 June 2023
(1 month) (12 months)

Overall input costs and bid prices have moderated

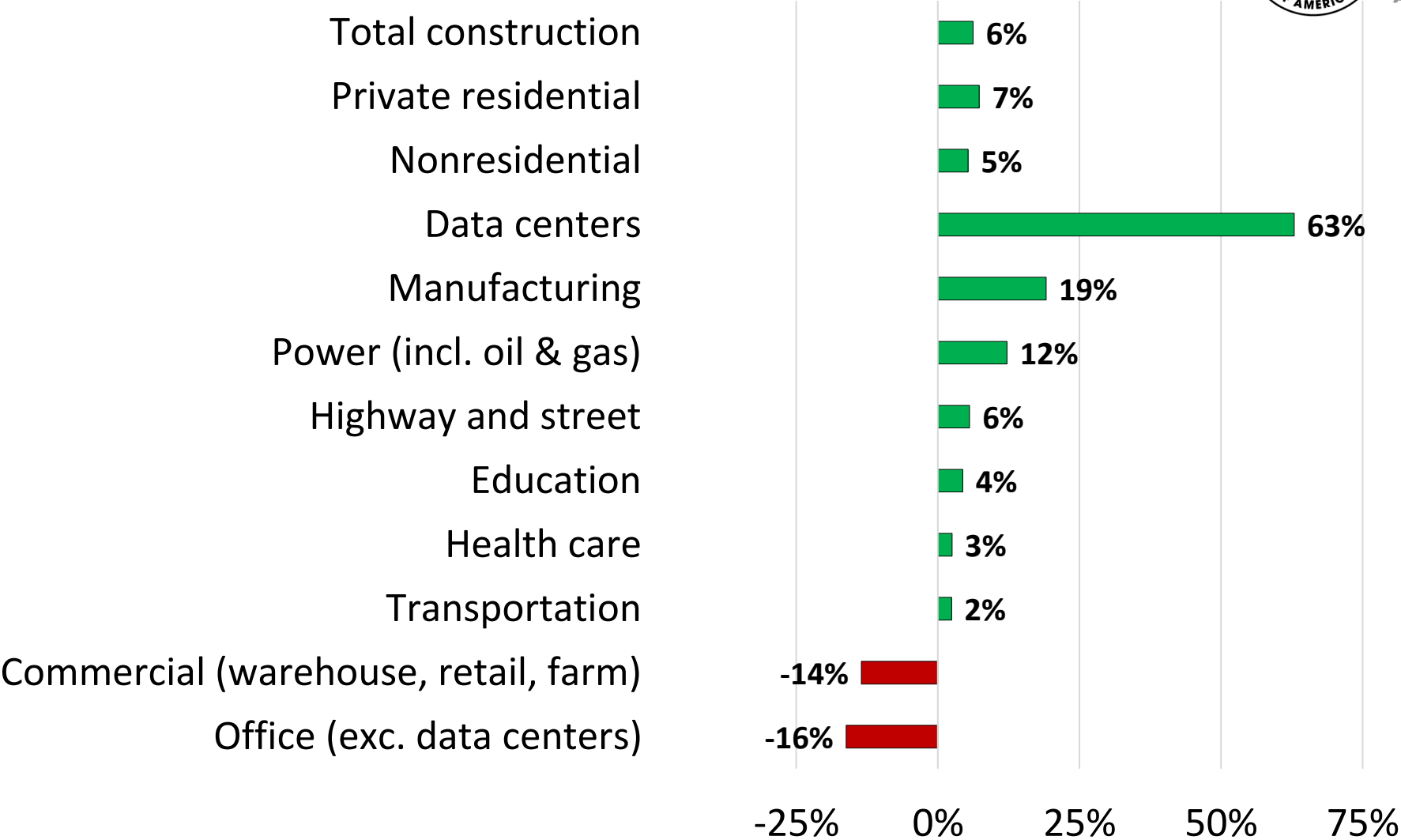
Inputs to highway and street construction		-0.2%	0.7%
Output (bid price) index for new nonresidential buildings		0.4%	-0.7%

...but some input prices remain volatile

Asphalt		2.1%	14%
Ready-mixed concrete		0.0%	6.5%
Steel mill products		-1.8%	-15%
Diesel fuel		-3.8%	-11%

Change in construction spending: June 2023-June 2024

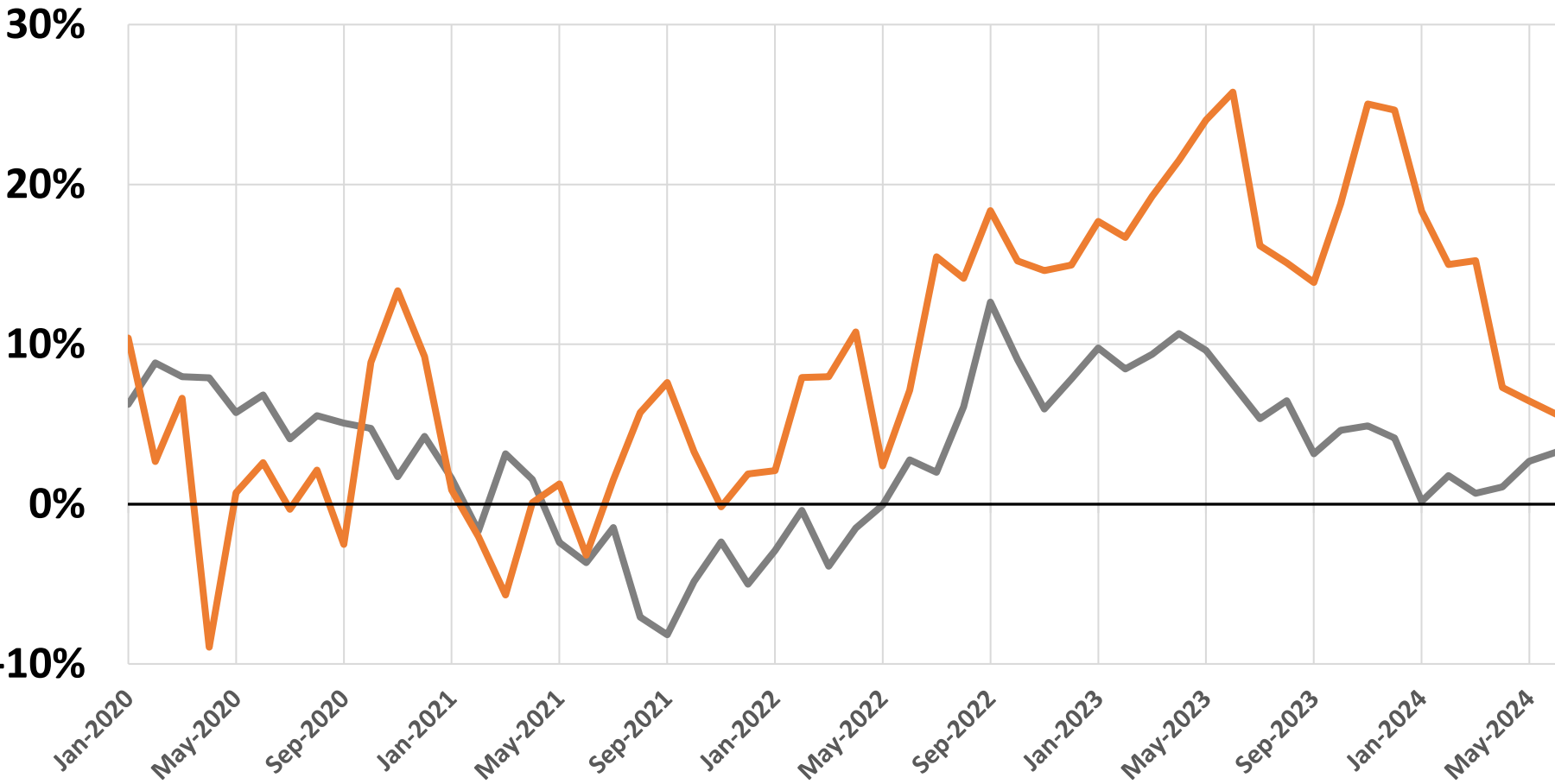
Year-over-year % change in current (not inflation-adjusted) dollars, seasonally adjusted



Transportation and highway & street construction, 2020–2024



Year-over-year change in transportation, & highway and street construction spending, Jan. 2020 – June 2024, seasonally adjusted annual rate



June 2024 % change since:			
Spending	June	Jan.	
(\$ billion):	2023	2020	
Highway & street	\$144	5.6%	39%
Transportation*	\$67	3.3%	11%

*- includes: Air, rail, bus, truck, transit, water

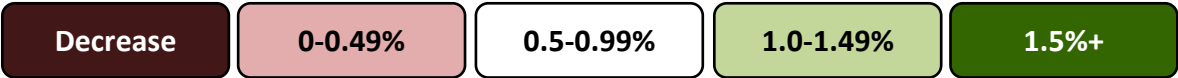
Medium-term outlook for construction



- Economic uncertainty: rising unemployment, sticky inflation, & interest rates
- Investment in infrastructure through legislative reform & government subsidies (Infrastructure Investment & Jobs Act, “Chips” Act, Inflation Reduction Act) which will give major boost to infrastructure, manufacturing, and power construction. BUT
 - money will be slow to turn into construction awards and spending
 - Buy America, labor, environmental strings may tie up project starts for years
- Materials costs & lead times: few problems (except electrical gear, some electronics)
- Labor availability remains the #1 challenge for many contractors

Population change by state, July 2022–July 2023

(U.S.: 0.49%)

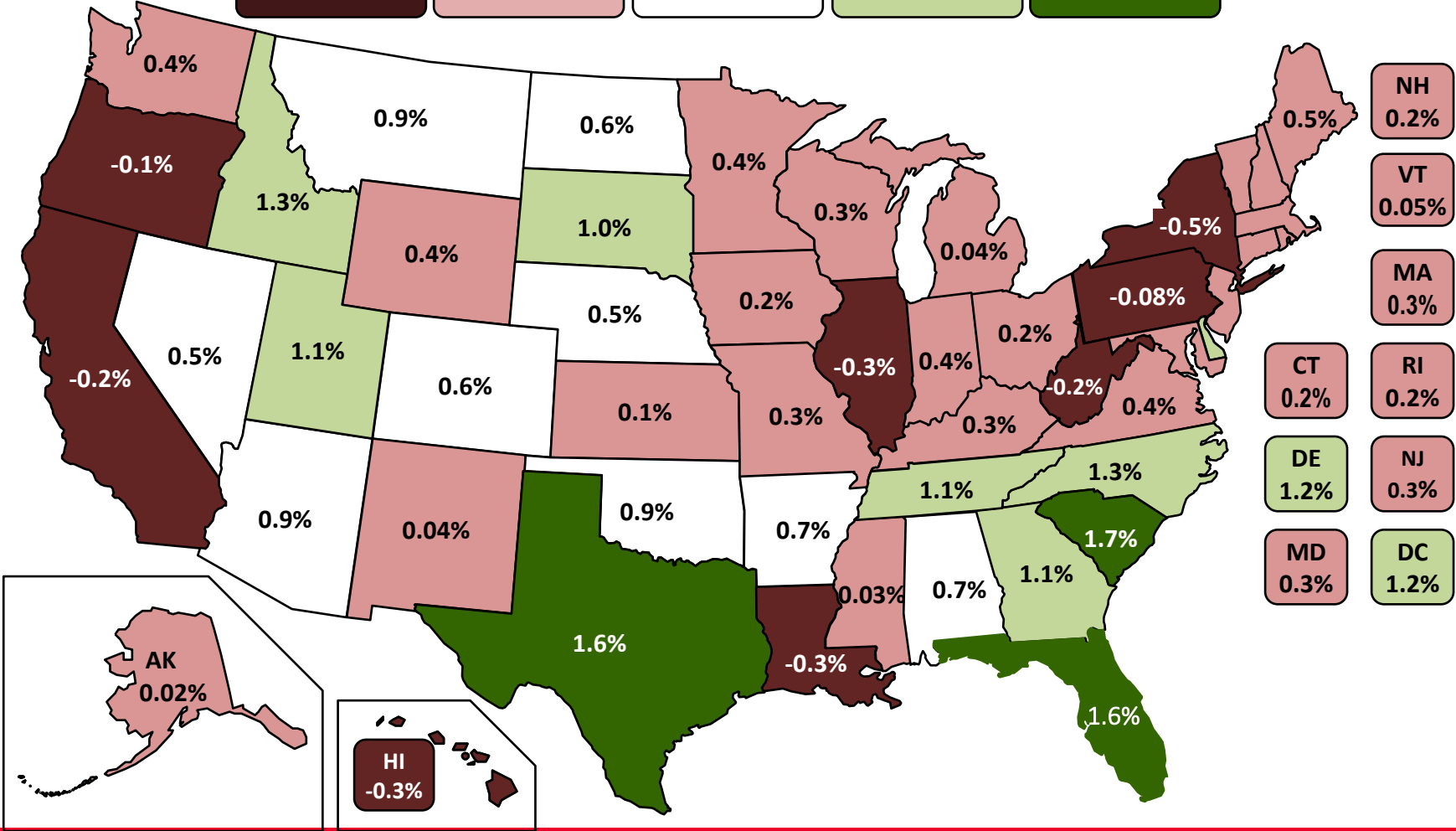


Top 5

SC	1.7%
FL	1.6%
TX	1.6%
ID	1.3%
NC	1.3%

Bottom 5

NY	-0.5%
LA	-0.3%
HI	-0.3%
IL	-0.3%
WV	-0.2%



AGC economic resources

(email ken.simonson@agc.org)

- *Data DIgest*: weekly email summary of construction economic news ([subscribe: https://marketplace.agc.org/Store/ItemDetail?iProductCode=4401&OrderLineId=901649fd-c733-4103-93e0-a251778cd084](https://marketplace.agc.org/Store/ItemDetail?iProductCode=4401&OrderLineId=901649fd-c733-4103-93e0-a251778cd084))
- Surveys, state and metro data, [fact sheets: www.agc.org/learn/construction-data](https://www.agc.org/learn/construction-data)
- Monthly [press releases](https://www.agc.org/newsroom): construction spending; producer price indexes; national, state, metro employment with rankings: <https://www.agc.org/newsroom>
- Construction impact model: <https://www.agc.org/agc-construction-impact-model>
- ConsensusDocs Price Escalation Resource [Center: https://www.consensusdocs.org/price-escalation-clause/](https://www.consensusdocs.org/price-escalation-clause/)



PPI for inputs rises in April but dips over 12 months; pay in construction tops U.S. median by 18%

Prices show mixed trends in April

The producer price index (PPI) for material and service inputs to new nonresidential construction rose 0.5% from March to April but declined 1.1% year-over-year (y/y), according to Bureau of Labor Statistics (BLS) data posted on Thursday.

[Read more](#)

Construction pay tops U.S. median by 18%

"Half of payroll workers in construction earn more than \$54,540," 18% more than the U.S. median wage of \$46,310, "and the top 25% make at least \$77,030," 4.9% higher than the U.S. top quartile base of \$73,460, the National Association of Home Builders reported on Tuesday, based on its analysis of May 2022 Occupational Employment and Wage Statistics posted by BLS...

[Read more](#)

Child counts decline in 35 states

In a trend with implications for school and other construction, "Thirty-five states have fewer children than they did five years ago, a situation caused by declining birth rates nationwide, but also by young families migrating across state borders in search of cheaper housing," Stateline reported on Thursday...

[Read more](#)

Results from RICS-AACE construction survey

Firms reporting declining profit margins outnumbered firms reporting rising margins by 27 percentage points (a net balance reading of -27%) in the first quarter (Q1) 2023 RICS-AACE USA Construction Monitor, covering 60 responses between March 8 and April 21 and posted by RICS on Monday...

[Read more](#)

AGC Highway safety survey closes tonight

Highway contractors are invited to complete AGC's annual highway work zone safety survey by tonight, May 12. Responses will be kept confidential.

[Read more](#)

Census of Construction reminder

The Census Bureau reminded firms in all industries, "The due date for responding to the 2022 Economic Census has passed, but it's not too late to respond."

[Read more](#)

