



## The Key Role of Construction in Alaska's Economy

The industry **employed 17,000 workers** in May 2008, 5% of the state's nonfarm employment of 321,000 and a decrease of 4.0% from one year before. Nationally, construction accounted for 5% of nonfarm employment but fell 5.1% over the year as homebuilding shrank.

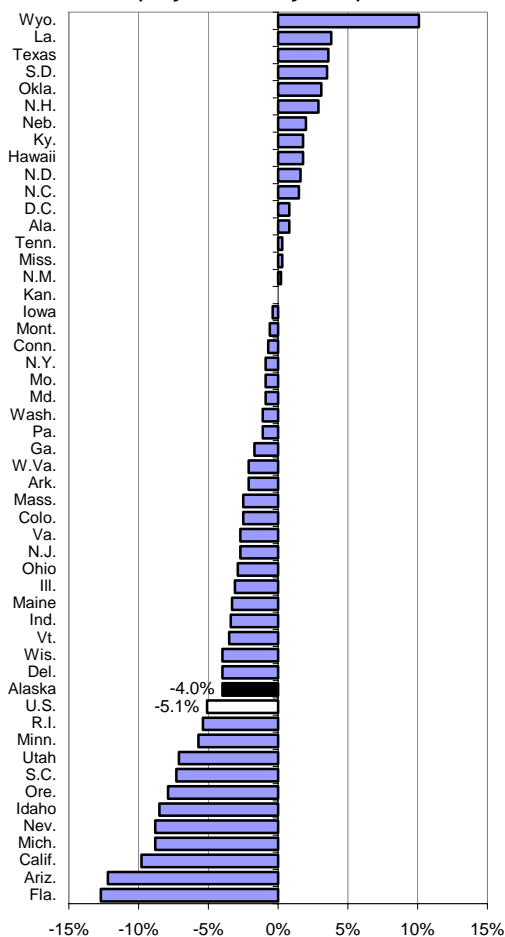
Construction **contributed \$2 billion to state GDP** of \$45 billion in 2007.

**Annual pay** in 2006 in construction averaged \$58,387, 44% more than than the private sector average of \$40,565. Nationally, construction pay averaged \$44,496, 5% more than the national private sector average of \$42,414.

**Small business** is big in construction. Alaska had 3,000 construction firms in 2005, of which 94% employed fewer than 20 workers. In addition, Alaska had 5,000 construction firms without employees, mainly sole proprietorships, in 2005.

Alaska's **population** grew 0.9% from July 2006 to July 2007, 23rd fastest of all states; the national growth rate was 1%. Population growth affects the demand for many types of construction.

**Percent Change in Construction Employment  
(May 2007 – May 2008)**



**2006 Average Annual Pay in Construction**

