



The Key Role of Construction in Arkansas' Economy

The industry **employed 55,000 workers** in May 2008, 5% of the state's nonfarm employment of 1,207,000 and a decrease of 2.1% from one year before. Nationally, construction accounted for 5% of nonfarm employment but fell 5.1% over the year as homebuilding shrank.

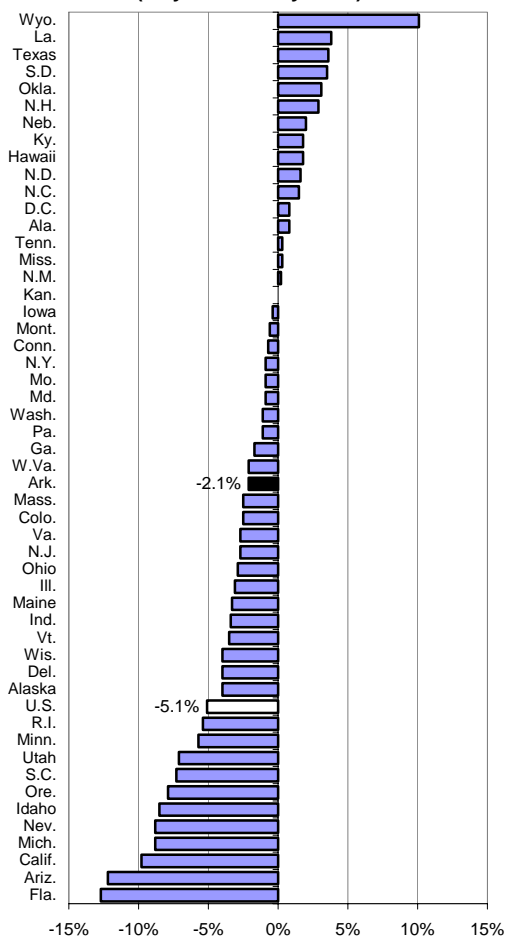
Construction **contributed \$4 billion to state GDP** of \$95 billion in 2007.

Annual pay in 2006 in construction averaged \$33,928, 7% more than than the private sector average of \$31,835. Nationally, construction pay averaged \$44,496, 5% more than the national private sector average of \$42,414.

Small business is big in construction. Arkansas had 6,000 construction firms in 2005, of which 91% employed fewer than 20 workers. In addition, Arkansas had 36,000 construction firms without employees, mainly sole proprietorships, in 2005.

Arkansas' **population** grew 0.9% from July 2006 to July 2007, 22nd 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

