



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

The industry employed **147,000 workers** in May 2008, 5% of the state's nonfarm employment of 2,983,000 and a decrease of 3.4% from one year before. Nationally, construction accounted for 5% of nonfarm employment but fell 5.1% over the year as homebuilding shrank.

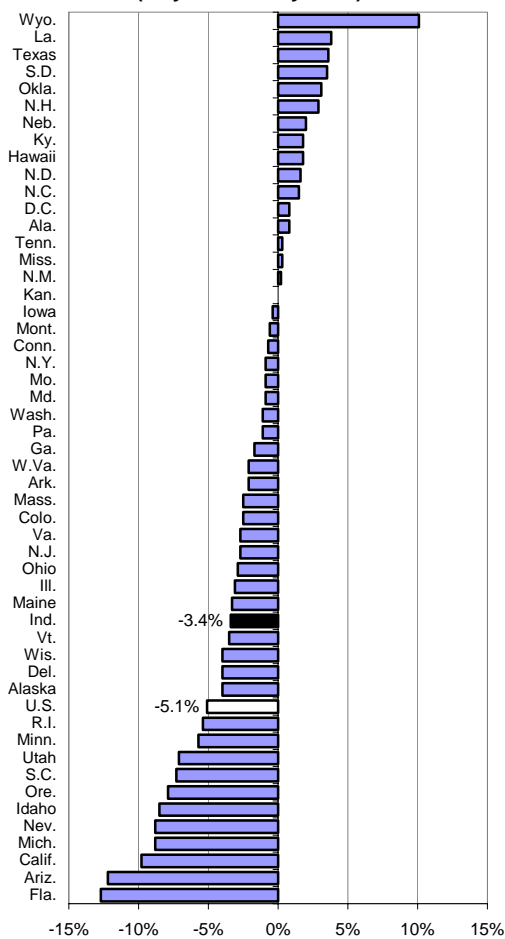
Construction **contributed \$10 billion to state GDP** of \$246 billion in 2007.

**Annual pay** in 2006 in construction averaged \$42,116, 15% more than than the private sector average of \$36,612. Nationally, construction pay averaged \$44,496, 5% more than the national private sector average of \$42,414.

**Small business** is big in construction. Indiana had 16,000 construction firms in 2005, of which 92% employed fewer than 20 workers. In addition, Indiana had 50,000 construction firms without employees, mainly sole proprietorships, in 2005.

Indiana's **population** grew 0.7% from July 2006 to July 2007, 31st 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**

