



## Construction Industry Round Table

## Economic News

*A force for positive change in the design / construction industry*

### 11/01/11 – Construction Spending for September Holds at \$787.2 Billion Annual Rate

The U.S. Census Bureau of the Department of Commerce announced today that construction spending during September 2011 was estimated at a seasonally adjusted annual rate of \$787.2 billion, 0.2 percent **above** the *revised* August estimate of \$786.0 billion. [NOTE: the Bureau’s revisions appear to have increased over the past few years, for instance the August “revised” number is down: 1.5% which more than wipes out any supposed “growth” for September]. Notwithstanding, the September figure is 1.3 percent below the September 2010 estimate of \$797.3 billion. During the first 9 months of this year, construction spending amounted to \$580.9 billion, 3.5 percent below the \$602.0 billion for the same period in 2010, albeit a slight shift back to the private sector markets away from public spending.

**PRIVATE CONSTRUCTION:** Spending on private construction was at a seasonally adjusted annual rate of \$501.8 billion, 0.6 percent **above** the revised August estimate of \$499.0 billion. Residential construction was at a seasonally adjusted annual rate of \$228.3 billion in September, 0.9 percent **above** the revised August estimate of \$226.3 billion. Nonresidential construction was at a seasonally adjusted annual rate of \$273.5 billion in September, 0.3 percent **above** the revised August estimate of \$272.8 billion.

**PUBLIC CONSTRUCTION:** In September, the estimated seasonally adjusted annual rate of public construction spending was \$285.4 billion, 0.6 percent below the revised August estimate of \$287.0 billion. Educational construction was at a seasonally adjusted annual rate of \$73.3 billion, 0.9 percent below the revised August estimate of \$73.9 billion. Highway construction was at a seasonally adjusted annual rate of \$80.3 billion, 1.4 percent **above** the revised August estimate of \$79.2 billion. The relative “size” of the increase may be partially explained by the fact the federal fiscal year ended on September 30<sup>th</sup>, and it is not uncommon for projects to be obligated before year-end books close.

#### BY THE NUMBERS:

<b>TOTAL in millions:</b>	<b>September 2011 \$787,211</b>
<b>Private Sector:</b>	\$ 501,845 (63.75% of total)
Residential	\$ 228,312 (29.00%) <b>Lowest % of 2011</b>
Nonresidential	\$ 273,534 (34.75%)
<b>Public Sector:</b>	\$ 285,366 (36.25% of total)
State/Local	\$ 257,911 (32.76%)
Federal	\$ 27,455 (03.49%) <b>Ninth monthly \$ decline in 2011</b>