



Construction Industry Round Table

Business News

A force for positive change in the design / construction industry

2/01/2022 – Construction Spending Finishes 2021 Strong

The U.S. Census Bureau announced that construction spending during December 2021 was estimated at a seasonally adjusted annual rate of \$1,639.9 billion, 0.2 percent **above** the *upward revised* November estimate of \$1,636.5 billion. The December figure is a substantial 9.0 percent **above** the December 2020 estimate of \$1,504.2 billion. The value of construction in 2021 was \$1,589.0 billion, 8.2 percent **above** the \$1,469.2 billion spent in 2020 (which is somewhat tempered by a 7.0 inflation level for the year). The overall numbers, particularly the private sector increase in “residential” masked the poor performance of nonresidential spending for the year, which was actually slightly down. Meanwhile, public sector funding struggled finishing below 2020 numbers, where even highway spending saw only a slight bump from a year prior, given how late the infrastructure bill passed.

PRIVATE CONSTRUCTION:

Spending on private construction was at a seasonally adjusted annual rate of \$1,292.9 billion, 0.7 percent **above** the *revised* November estimate of \$1,283.8 billion. Residential construction was at a seasonally adjusted annual rate of \$810.3 billion in December, 1.1 percent **above** the *revised* November estimate of \$801.1 billion. Nonresidential construction was at a seasonally adjusted annual rate of \$482.6 billion in December, virtually unchanged from the *revised* November estimate of \$482.7 billion. The overall [value of private construction in 2021 was \$1,242.8 billion, an impressive 12.2 percent **above** the \$1,107.9 billion spent in 2020. Most of that growth was driven by residential construction in 2021 which was \$774.9 billion, a *monstrous* 23.2 percent **above** the 2020 figure of \$628.9 billion; with nonresidential construction at only \$467.9 billion, a disappointing 2.3 percent below the \$479.0 billion in 2020.

PUBLIC CONSTRUCTION:

In December, the estimated seasonally adjusted annual rate of public construction spending was \$347.0 billion, 1.6 percent below the *revised* November estimate of \$352.7 billion. Educational construction was at a seasonally adjusted annual rate of \$81.0 billion, 1.4 percent below the *revised* November estimate of \$82.2 billion. Highway construction was at a seasonally adjusted annual rate of \$103.5 billion, 0.1 percent **above** the *revised* November estimate of \$103.4 billion. The value of public construction in 2021 was \$346.2 billion, 4.2 percent below the \$361.2 billion spent in 2020. Educational construction in 2021 was \$82.4 billion, 7.6 percent below the 2020 figure of \$89.1 billion and highway construction was \$99.7 billion, 0.2 percent **above** the \$99.5 billion in 2020.

BY THE NUMBERS:

TOTAL in millions:	December 2021 \$ 1,639,864
Private Sector:	\$ 1,292,587 (78.84% of total) Highest percentage in nearly 20 years.
Residential	\$ 810,288 (49.41%)
Nonresidential	\$ 477,299 (29.35%)
Public Sector:	\$ 347,007 (21.16% of total)
State/Local	\$ 321,711 (19.62%)
Federal	\$ 25,296 (1.54%)

