

Construction Industry Growth Trends

Qualified Workers Sought in Industry Surge

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In 2015, the construction industry grew, adding jobs and increasing in the number of projects across many sectors. This growth has continued into 2016. Consequently, with more and more companies seeking qualified construction workers and more work to be completed, up-to-date and comprehensive cost estimating data has become an indispensable asset to help plan, budget and bid for projects efficiently.

Specifically, the industry's rate of growth is slowing, but still growing. The rate of growth for 2016 is forecasted at 6% and is expected to reach \$1.6 trillion. [1] From March 2015 to March 2016, the construction sector in 44 states and Washington D.C. saw job growth. [2] Increased construction spending is anticipated to affect various industry sectors including highways, schools and universities, hospitals, water and sewer, public and private building, retail and manufacturing power. With such widespread growth, firms plan on expanding beyond their typical geographic markets, and perhaps target new market segments, as well. Just in March, nonresidential constructions starts rose 18%. [3]

The news for construction industry is great: more jobs, more projects and more revenue. From January through March of this year the construction industry saw an addition of 64,000 new jobs, and this demand for construction workers is expected to maintain. [4] But are the right people available to work? Many firms have reportedly struggled in finding craft workers to fill skilled labor positions. [5]

Industry growth and a changing market also means more competition and the need to ensure accurate budgeting and planning for the years ahead. Cost Data Engineers at RSMeans from The Gordian Group® have reported significant price changes for many building materials for 2016. In total, change in costs was 69.3%. Further, while some unit line item prices have dropped over 66%, others have increased 181%. With such expansive price fluctuations, those who have access to the latest cost data will gain an edge in this competitive market.

Contractors and A/E firms can set themselves apart and tap into industry growth by accessing trusted, up-to-date construction cost estimating data. RSMeans is the most up-to-date construction cost estimating information, and will help contractors make themselves more competitive in a growing market, by providing current cost data, A/E firms can deliver more exact data to their clients. Facility Owners can use this data to validate planning for budgets and lifecycle building costs more precisely. Using relevant and updated cost data, construction firms and individuals can demonstrate their competence and expertise in planning and budgeting. Each year, new line items are added to provide those in the construction industry with useful information to keep them competitive.

Armed with the right resources, construction firms can be part of this growth trend in the industry. Cost estimating data provides those in the construction industry with the right tool to plan, budget and bid for construction projects using timely and thorough information.

1. <http://www.fminet.com/news/FMIOutlook2016Q1>

2. http://www.builderonline.com/money/economics/construction-industry-adds-17-000-jobs-in-march_o

3. <http://www.forconstructionpros.com/news/12194980/march-nonresidential-construction-starts-climb-18>

4. <https://www.agc.org/news/2016/04/15/construction-employment-rises-44-states-and-district-columbia-over-latest-12-months>