THE IMPACT OF CONSTRUCTION ON THE WISCONSIN ECONOMY

2024 Study

AGC WISCONSIN
Associated General Contractors

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EXECUTIVE SUMMARY

The Construction industry in the state of Wisconsin helps drive economic growth and provides many jobs throughout the state. The industry directly produced $20.8 billion in annualized nominal GDP Q3 2024, accounting for 4.6% of total state GDP. Industry real (inflation-adjusted) GDP grew at a 10-year compound annual growth rate (CAGR) of 1.4%. Employment in the industry increased 2.8% to 142,000 in December 2024, accounting for 4.7% of total covered employment in the state, and average annual wages in the industry were $76,391 in 2023, 25% higher than the state average of $61,073 for all industries and comparable to the national construction industry average of $77,171.

The labor and capital intensiveness of construction projects translate to local expenditures, primarily on labor, as well as on design, engineering, and other local goods and services. As such, spending permeates into other sectors in the economy, producing a multiplied economic impact throughout the state's economy. The economic impact of Wisconsin's Construction industry totaled an estimated $62.7 billion in economic output and directly and indirectly contributed $39.3 billion to the state's GDP. The industry also supported an estimated 331,554 jobs over the year and contributed $27.3 billion in labor income.

TABLE 1: ECONOMIC IMPACT ON THE STATE OF WISCONSIN, 2019

Impact	Employment	Labor Income (in Millions)	Value Added (in Millions)	Output (in Millions)
Direct Effect	184,484	$18,250	$22,944	$34,452
Indirect Effect	49,255	$3,218	$5,973	$10,850
Induced Effect	97,815	$5,811	$10,401	$17,425
Total Effect	**331,554**	**$27,279**	**$39,318**	**$62,727**

The economic impact of the Construction industry has the following multiplier effects within the state of Wisconsin:

- Every $1 spent directly within the Construction industry produces an overall economic impact of approximately $1.82.
- Every $1 million spent within the Construction industry supports approximately 10 jobs on average over the year across the state economy. Approximately half of these jobs are within the Construction industry and half are within other sectors of the economy.
- Approximately $82,000 in labor income is generated per job created.

PROJECT OVERVIEW

The Business Research Division at the University of Colorado's Leeds School of Business conducted a study of the economic benefits of the construction industry on the state of Wisconsin. This study estimates direct industry sales, employment, wages, and locations of activity in the state. Input-output analysis is used to illustrate the supply chain impacts of the industry and demonstrate the scope and reach of the industry within Wisconsin.

The purpose of this study is to provide nonbiased, third-party research to the Associated General Contractors (AGC) of Wisconsin Industry Advancement Program and its constituents, including governments, residents, and businesses, about the economic contributions of the construction industry to the state of Wisconsin.

The construction industry helps drive Wisconsin's economy. The industry plays a role in providing jobs, wages, and contributing to Wisconsin's gross domestic product. The labor and capital intensiveness of construction projects translate to local expenditures, primarily on labor, as well as on design, engineering, and other local goods and services. As such, spending permeates into other sectors in the economy, producing a multiplied economic impact throughout the state's economy.

METHODOLOGY

This study was conducted in cooperation with the Associated General Contractors (AGC) of Wisconsin Industry Advancement Program. Data was collected from secondary sources including the Bureau of Labor Statistics (BLS), the Bureau of Economic Analysis (BEA), the U.S. Census Bureau (Census), and ConstructConnect. Personal income by industry was sourced from the BEA and used in the economic impact model, but the employment data that was historically available from the BEA have been discontinued.[1] Employment data were sourced from the BLS Current Employment Statistics (CES)[2], BLS Quarterly Census of Employment and Wages (QCEW)[3], and the Census Nonemployer Statistics.[4] The BLS data provides a count of covered jobs, represented employees of companies within the economy. The Census nonemployer data provides an estimate of sole proprietors within the state by industry. The BEA was the source for GDP by industry.

Data were reorganized by function and applied to a 528-sector IMPLAN input-output model (data year 2023). This model quantified the economic impacts of the construction industry on the state of Wisconsin.

[1] Note about discontinued series: "Selected state data tables were discontinued Sept. 27, 2024, and selected county tables were discontinued on Nov. 14, 2024, due to budget constraints. Discontinued tables are archived." Bureau of Economic Analysis, https://www.bea.gov/itable/discontinued-data-tables, retrieved March 5, 2025.

[2] U.S. Bureau of Labor Statistics, Current Employment Statistics, https://www.bls.gov/web/empsit/cesprog.htm, retrieved March 5, 2025.

[3] U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, https://www.bls.gov/cew/overview.htm, retrieved March 5, 2025.

[4] Census Nonemployer Statistics, https://www.census.gov/programs-surveys/nonemployer-statistics/about.html, retrieved March 5, 2025.

Direct industry employment, wages, and expenditures were the basis for economic impact estimates and for subsequent multiplier analysis to illustrate ripple effects of industry spending within the Wisconsin economy.

Multipliers refer to the interindustry relationships within a study area in terms of input-output (I-O) economic impacts.[5] Multipliers are useful for analyzing project decisions to understand the incremental impacts that such activities have on the local economy. IMPLAN multipliers are static and thus do not consider large-scale disruptive impacts on the economic fabric without calculating specific infrastructure changes. This study uses IMPLAN multipliers aggregated specifically for the state of Wisconsin.

For example, a construction project uses inputs from many other industries that are purchased from suppliers within Wisconsin. These suppliers also use inputs to create their products and are purchased from other firms in other sectors. Additionally, the incomes of workers along the supply chain generates other spending on goods and services within the economy. Each of these steps along the supply chain creates additional spending, income, and employment. To estimate the overall impact of the Construction industry on Wisconsin's economy, these "ripple effects" are accounted for.

For the purpose of this study, all multipliers are comprised of direct, indirect, and induced effects. *Direct* refers to direct spending or employment in the Construction industry or firm. *Indirect* is the spending or employment in related industries impacted by spending or employment in the Construction industry or firm. *Induced* refers to changes in household expenditures impacted by spending or employment in the Construction industry or firm.

DEFINITIONS

Gross Domestic Product (GDP): A measure of economic activity, GDP is the total value added by resident producers of final goods and services.

Gross Output (Output): The total value of production is gross output. Unlike GDP, gross output includes intermediate goods and services. Output can generally be summarized as synonymous with sales.

Employment: The economic impact summary employment data include employees and sole proprietors and should be viewed as a headcount (not an FTE).

Economic Benefits: The dollars generated and distributed throughout the economy due to the existence of an establishment. The sources of impacts that sum to economic benefits include capital expenditures, operating expenditures, off-site employee effects, secondary effects, and visitor impacts.
Labor Income: This includes employee compensation (wages, salaries, and benefits) and proprietor income.

[5]Bureau of Economic Analysis, Regional Multipliers, https://apps.bea.gov/regional/pdf/rims/rimsii_user_guide.pdf, retrieved March 5, 2025.

Value Added: Total value added equals gross output, net of intermediate input costs. Value added can generally be summarized as synonymous with GDP.

ECONOMIC OVERVIEW

The following section provides an overview of the economy, with a focus on the construction industry, through evaluating GDP, employment, and wages, and construction indicators. Data were collected from multiple sources, including the Bureau of Economic Analysis (BEA), the Bureau of Labor Statistics (BLS), the U.S. Census Bureau, IMPLAN, and ConstructConnect for the state of Wisconsin.

Wisconsin has demonstrated relatively stable economic growth over the short-run as well as the long-run. Growth rates are presented between 2008 and 2013 (Table 2) and for 2024 (Table 3). The 15-year compound annual growth rate was 1.1% for state real GDP and 0.7% for employment. Personal income, per capital personal income, and home prices posted growth exceeding 3% over the long-term period.

Real GDP for the state of Wisconsin grew 4.4% in Q3 2024 year-over-year to $357 billion, according to the BEA, marking the 4th consecutive year of GDP growth for the state since the pandemic. In terms of real GDP, Wisconsin has the 22nd largest economy in the nation, behind Missouri and ahead of Connecticut. Annual real GDP growth rates have varied over the last decade, with the state observing a high of 3.7% in 2021, and a low of -3.2% in 2020, due to the pandemic. From 2013 to 2023, state real GDP has expanded 14.3%, and has observed a 10-year CAGR of 1.3%; slightly lower than the 10-year CAGR of 2.4% observed nationally.

TABLE 2: WISCONSIN ECONOMIC INDICATORS, 2008-2023

Metric	1-year	3-year CAGR	5-year CAGR	10-year CAGR	15-year CAGR
Real GDP Growth	0.2%	1.4%	0.5%	1.1%	1.1%
Employment Growth	0.9%	1.7%	0.3%	0.6%	0.7%
Population Growth	0.4%	0.4%	0.4%	0.3%	0.3%
Personal Income Growth	5.2%	5.5%	5.3%	4.6%	3.8%
PCPI Growth	4.8%	5.4%	5.2%	4.3%	3.5%
Labor Force % Growth	1.3%	0.4%	0.1%	0.2%	0.1%
FHFA Home Price Index Growth	8.8%	11.9%	9.2%	6.7%	3.7%

CAGR is the compound annual growth rate.
Data Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, U.S. Census Bureau, Federal Housing Finance Agency All Transactions Index, BRD calculations.

TABLE 3: WISCONSIN ECONOMIC INDICATORS, 2024

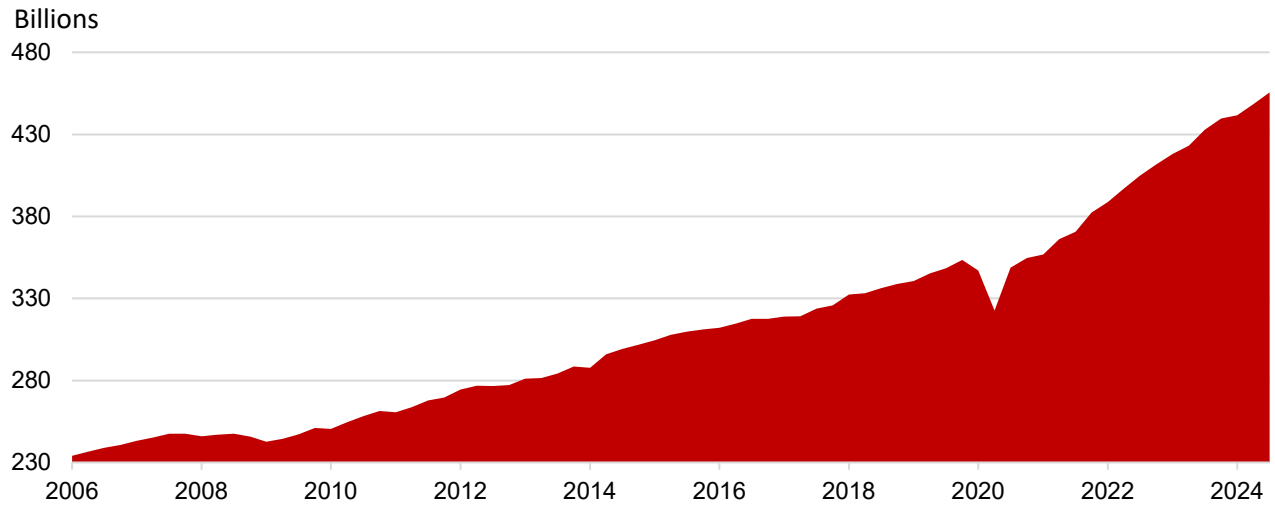
Metric	1-Year Change/Current Level		1-Year Rank
Real GDP Growth	1-Year Change	3.1%	17
Employment Growth	1-Year Change	0.7%	45
Population Growth	1-Year Change	0.5%	37
Personal Income Growth	1-Year Change	4.7%	35
PCPI Growth	1-Year Change	4.3%	31
PCPI	Current Level	$68,099	29
Average Hourly Wage % Growth	1-Year Change	5.2%	27
Average Annual Pay % Growth	1-Year Change	2.9%	28
Average Annual Pay	Current Level	$62,306	32
Unemployment Rate	Current Level	3.0%	6
Labor Force % Growth	1-Year Change	0.6%	29
LFPR	Current Level	65.9%	11
FHFA Home Price Index Growth	1-Quarter Change	1.5%	10
FHFA Home Price Index Growth	1-Year Change	6.4%	13
Job Openings Rate	Current Level	4.5%	38
Worker Shortage Ratio	Current Level	1.6	17

Data Sources: Bureau of Economic Analysis (Q3 2024), Bureau of Labor Statistics (12/24), U.S. Census Bureau (2024), Bureau of Labor Statistics
(12/2024), Federal Housing Finance Agency All Transactions Index (Q3 2024), BRD calculations. *Unemployment rate for the last month.

Gross Domestic Product

Gross domestic product (GDP) is a measure of total value added, less the intermediate inputs to production. Wisconsin's nominal (not inflation-adjusted) GDP grew to nearly $456 billion in Q3 2024, the 21st-largest state economy in the U.S. The unadjusted growth of 5.2% year-over-year ranked the nominal growth rate 22nd. The construction industry represented 4.6% of state nominal GDP in Q3 2024 (slightly above the national average of 4.5%), totaling an annualized $20.8 billion.

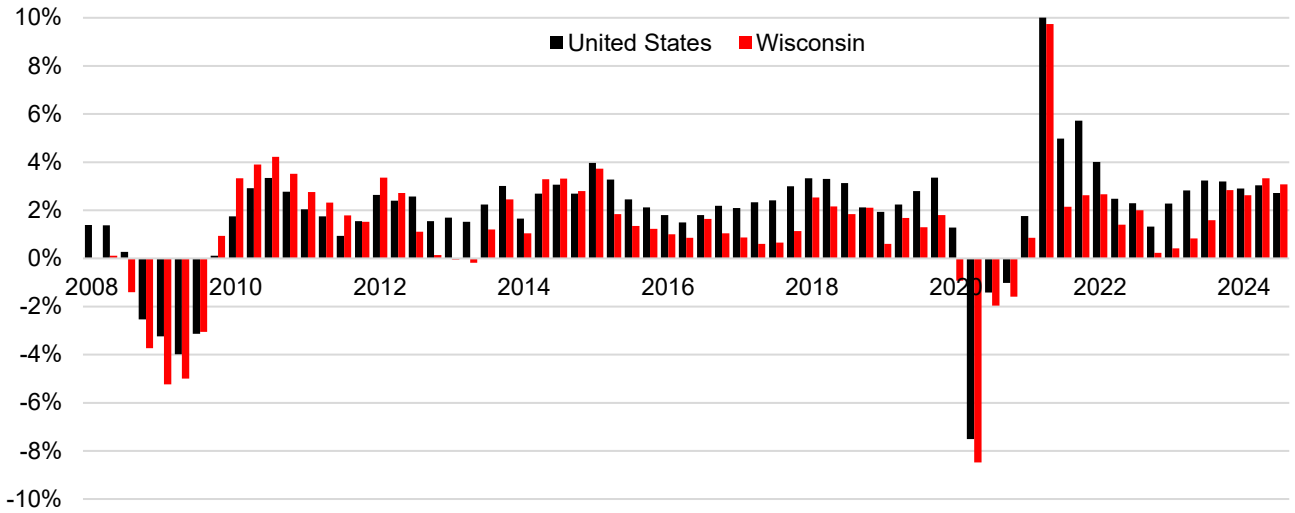
FIGURE 1: WISCONSIN QUARTERLY NOMINAL GDP, BILLIONS ($)



Source: Bureau of Economic Analysis.

Real (inflation-adjusted) GDP grew at an annualized rate of 4.4% from Q2 to Q3 2024 (8th-fastest), and 3.1% year-over-year (17th-fastest).

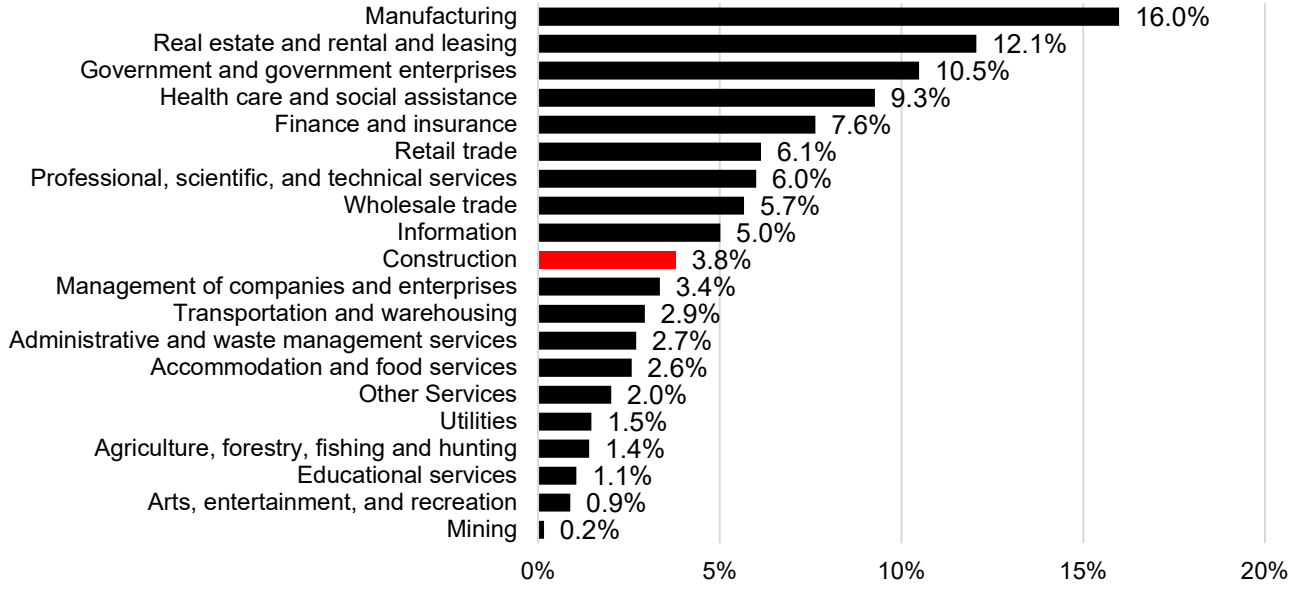
FIGURE 2: WISCONSIN REAL GDP GROWTH, QUARTERLY, PERCENT CHANGE (SAAR)



Source: Bureau of Economic Analysis.

The largest sector in terms of real GDP in Wisconsin is Manufacturing, accounting for 16% of overall 2023 state output; followed by Real Estate, Rental, and Leasing (12.1%); Government (federal, state, and local) (10.5%); and Health Care and Social Assistance (9.3%) (Figure 3). These four largest sectors accounted for almost half (48%) of total output and 44% of total employment in the state.

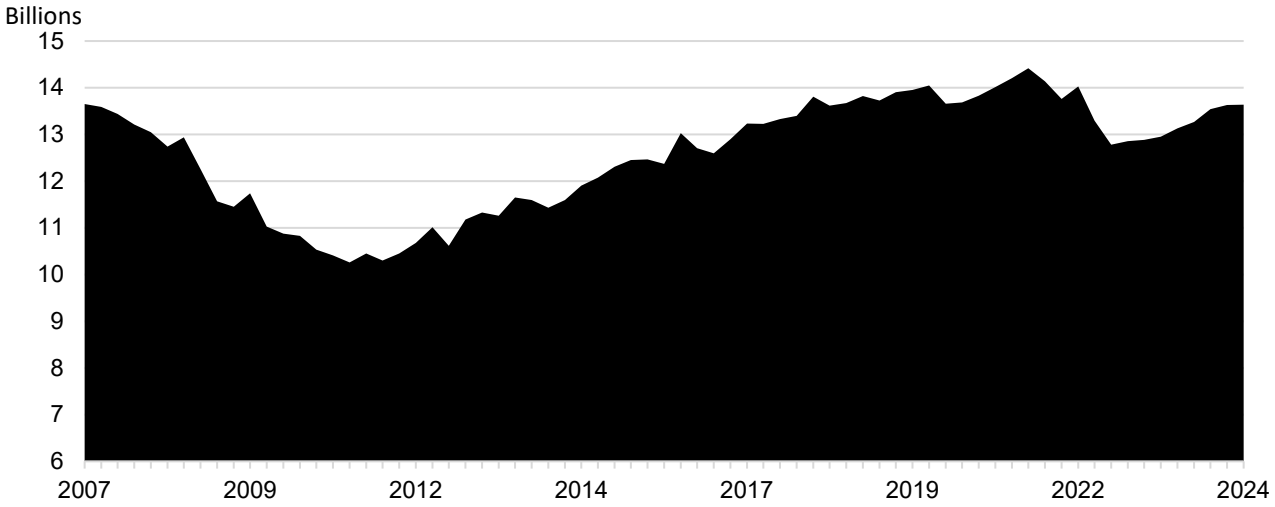
FIGURE 3: WISCONSIN INDUSTRY SHARE OF GDP, 2023



Source: Bureau of Economic Analysis.

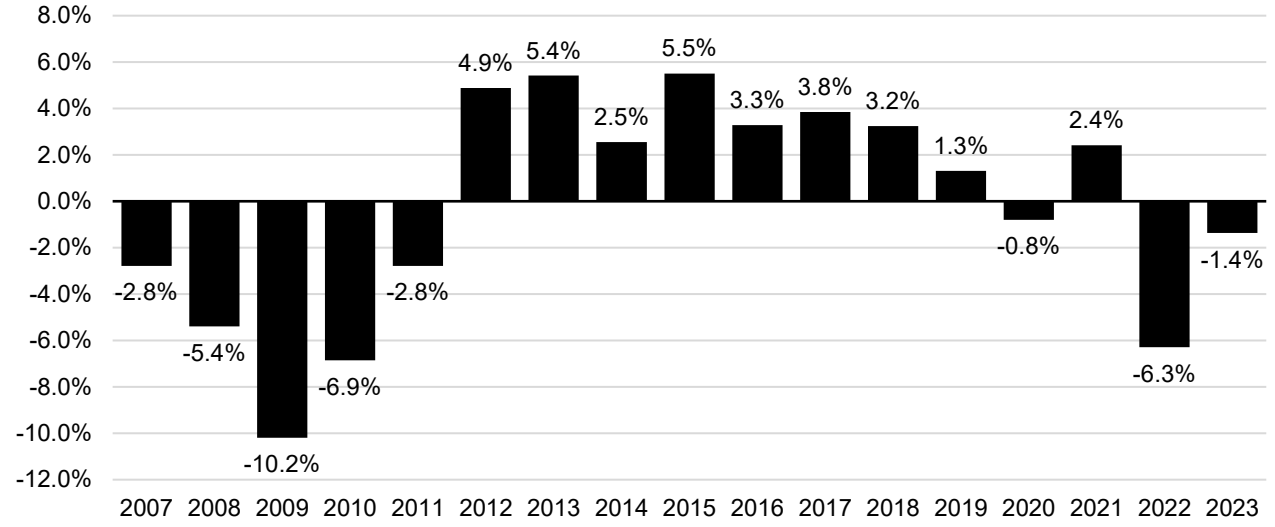
While Wisconsin's construction industry GDP surged in 2022 and 2023 9.1% and 10.5%, respectively, real GDP declined 6.3% in 2022 and 1.4% in 2024, illustrating how inflation weighed on growth over the two years. For comparison, U.S. construction industry real GDP declined 5.4% in 2022 and 2.3% in 2023. Inflation-adjusted industry GDP remained below levels set in 2021. The industry accounted for 3.8% of Wisconsin's total GDP in 2023. Annual GDP growth rates in the Construction sector have varied over the last 10 years, with the sector observing a high of 5.5% growth in 2015 and a low of -10.2% in 2009 during the Great Recession.

FIGURE 4: WISCONSIN CONSTRUCTION INDUSTRY REAL GDP, BILLIONS ($)



Source: Bureau of Economic Analysis (Quarterly)

FIGURE 5: WISCONSIN CONSTRUCTION INDUSTRY REAL GDP ANNUAL GROWTH-FORMAT



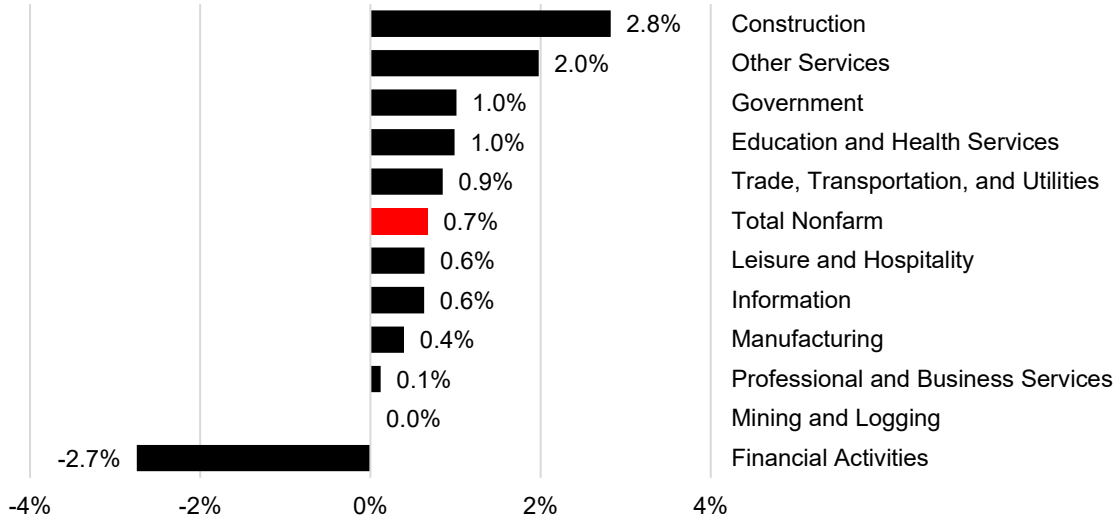
Source: Bureau of Economic Analysis.

Employment, Establishments, and Wages

Nonfarm employment in the state of Wisconsin totaled 3.04 million as of December 2024, according to the BLS Current Employment Statistics.[6] Employment in Wisconsin grew 0.7% in December 2024, year-over-year, compared to 1.3% across the United States. The industry that employed the largest share of Wisconsin was Trade, Transportation, and Utilities, coming in at 557,600 employees, or 18.7% of total nonfarm employees. Construction had 142,000 employees in December 2024 according to the BLS, or 4.7% of total nonfarm employees.

The Financial Activities industry continued a trend of decline and fell 2.7% in December 2024 on a year-over-year basis, according to the first estimates for December employment. All other industries experienced growth or a flat change in an employment, including construction, which grew 2.8% year-over-year.

FIGURE 6: WISCONSIN YEAR-OVER-YEAR EMPLOYMENT GROWTH BY SECTOR, DECEMBER 2024



Source: Bureau of Labor Statistics, CES.

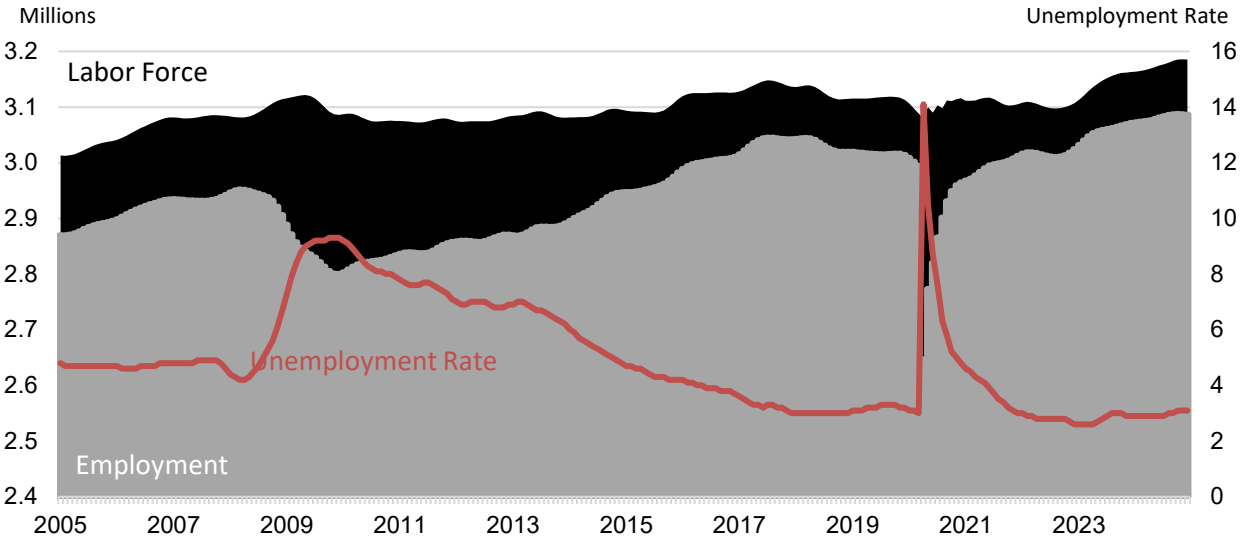
[6] Nonfarm employment is published by the Bureau of Labor Statistics, Current Employment Statistics (CES) program which covers workers on payrolls and excludes some government workers, private households, proprietors, and non-profit employees.

FIGURE 7: WISCONSIN YEAR-OVER-YEAR EMPLOYMENT GROWTH, MONTHLY, 2006 – 2024

Source: Bureau of Labor Statistics, CES.

The unemployment rate in the state of Wisconsin was reported at 3.1% in December 2024, according to the Bureau of Labor Statistics (Figure 8). The unemployment rate rose 0.2 percentage points year-over-year in December but remained below the national average. The state had the 6th-lowest unemployment rate in the nation as of December.

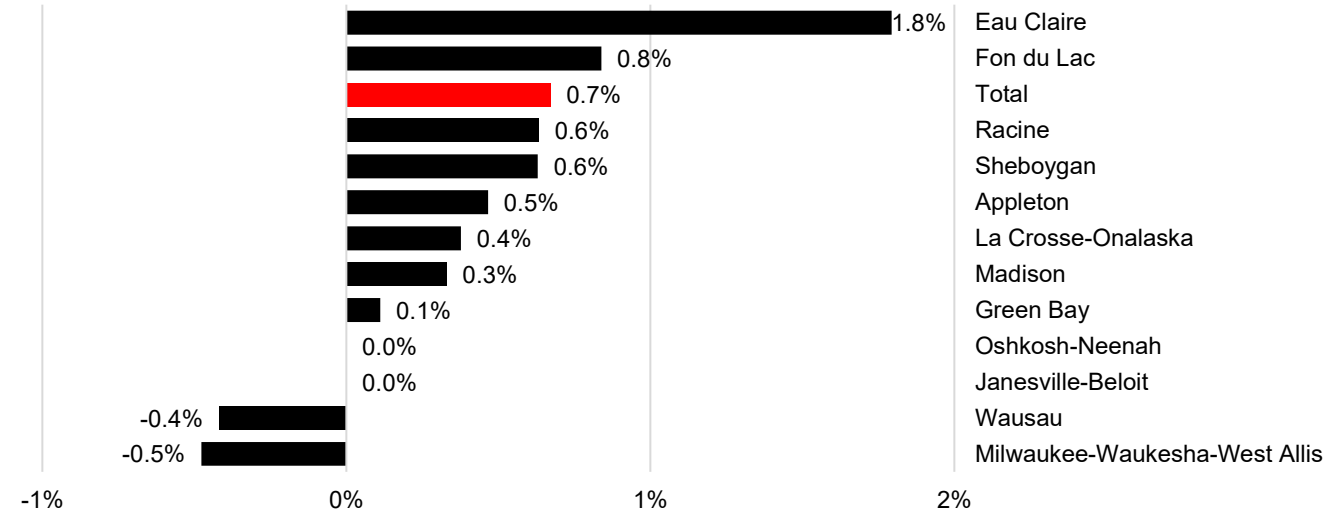
FIGURE 8: WISCONSIN LABOR FORCE AND UNEMPLOYMENT



Source: Bureau of Labor Statistics, LAUS.

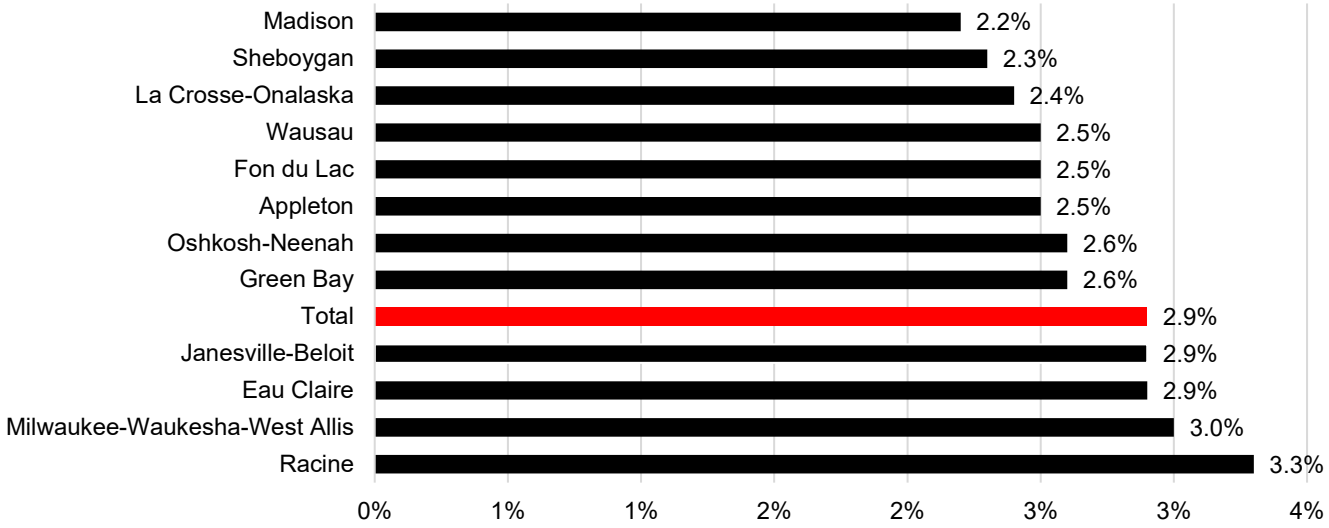
The largest Metropolitan Statistical Area (MSA) within Wisconsin is Milwaukee-Waukesha-West Allis (28.7% of state nonfarm employment), followed by Madison (13.9%), and Green Bay (6%). All but four MSAs in the state recorded job gains year-over-year in December 2024, with two MSAs observing larger employment gains than the state overall (Figure 16). The Racine MSA had the highest unemployment rate in the state in December 2024 at 3.3%, followed by the Milwaukee-Waukesha-West Allis MSA (3%), and the Eau Claire MSA (2.9%) (Figure 17). Madison had the lowest (2.2%), followed by Sheboygan (2.3%) and La Crosse-Onalaska (2.4%).

FIGURE 9: WISCONSIN YEAR-OVER-YEAR EMPLOYMENT GROWTH BY MSA, DECEMBER 2024



Source: Bureau of Labor Statistics, CES.

FIGURE 10: WISCONSIN UNEMPLOYMENT RATES BY MSA, DECEMBER 2024



Source: Bureau of Labor Statistics, LAUS (Not Seasonally Adjusted).

Total average employment for the state in 2023 was over 2.9 million across 186,717 firms, according to the BLS Quarterly Census of Employment and Wages (QCEW).[7] The largest industry in the state by employment in 2023 was Manufacturing with 16.3% of state employment, followed by Health Care and Social Assistance (13.9%), and Government (13%). Average annual wages for the state were $61,021, with the Utilities ($116,695) and the Management of Companies and Enterprises ($115,328) industries paying the highest wages. The state had six industries with a higher concentration of employment than the nation as measured by location quotient (LQ): Manufacturing (1.94), Management of Companies and Enterprises (1.34), Agriculture (1.20), Wholesale Trade (1.12), Finance and Insurance (1.06), and Retail Trade (1.01). The Construction industry employed 136,391 people across 14,890 firms with average wages of $76,391 in 2023.

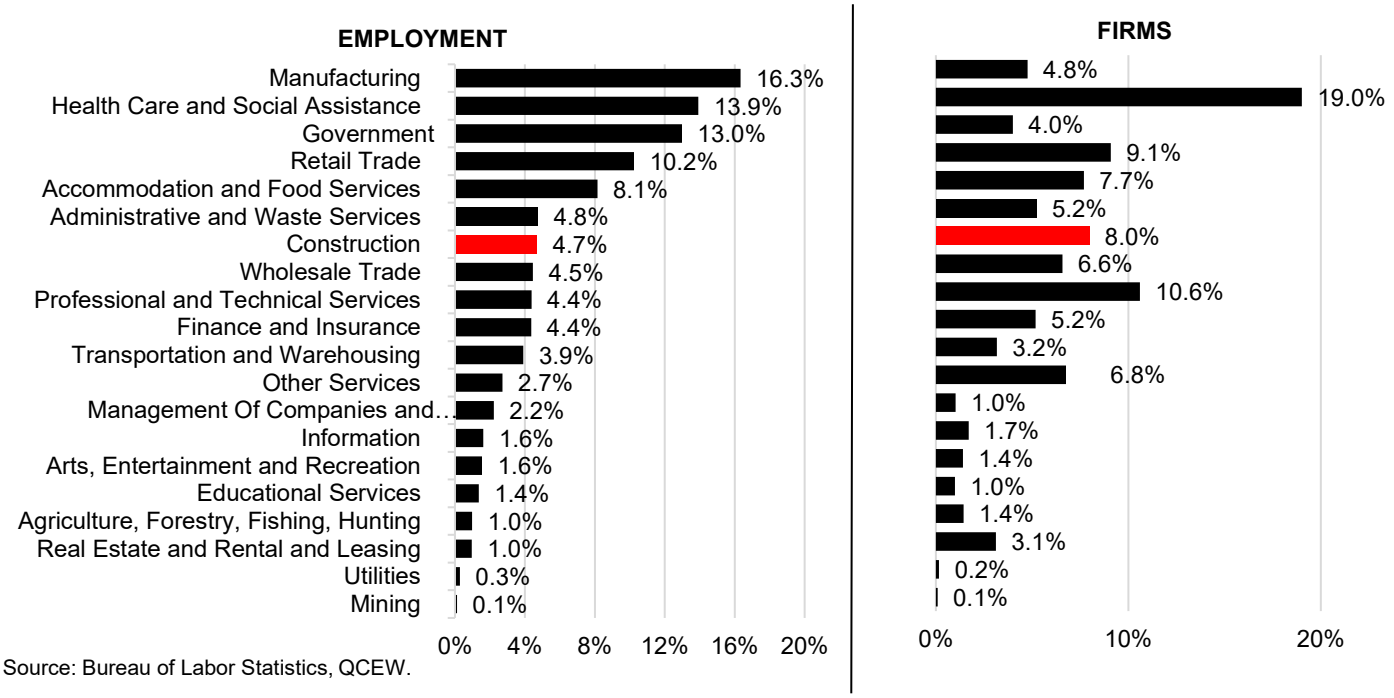
TABLE 4: WISCONSIN FIRMS, EMPLOYMENT, AND WAGES, 2023

NAICS	Industry	Firms	Employment	Average Annual Wages	Employment LQ
11	Agriculture, Forestry, Fishing, Hunting	2,692	28,626	$45,485	1.20
21	Mining	166	3,185	$80,129	0.29
22	Utilities	311	8,301	$116,695	0.76
23	Construction	14,890	136,391	$76,391	0.90
31-33	Manufacturing	8,897	474,437	$69,022	1.94
42	Wholesale Trade	12,278	129,739	$87,640	1.12
44-45	Retail Trade	16,967	297,598	$34,721	1.01
48-49	Transportation and Warehousing	5,917	113,642	$53,194	0.93
51	Information	3,183	47,084	$106,468	0.83
52	Finance and Insurance	9,677	126,731	$98,966	1.06
53	Real Estate and Rental and Leasing	5,816	28,149	$58,527	0.62
54	Professional and Technical Services	19,804	127,284	$93,673	0.62
55	Mgmt. Of Companies and Enterprises	1,925	64,641	$115,328	1.34
56	Administrative and Waste Services	9,751	138,061	$45,871	0.78
61	Educational Services	1,846	39,423	$60,471	0.67
62	Health Care and Social Assistance	35,512	404,436	$60,305	1.00
71	Arts, Entertainment and Recreation	2,614	45,179	$37,876	0.96
72	Accommodation and Food Services	14,360	236,713	$21,445	0.89
81	Other Services	12,632	79,067	$42,105	0.91
Gov't	Government	7,479	377,257	$58,526	0.91
Total	**All**	**186,717**	**2,905,944**	**$61,021**	**1.00**

Source: Bureau of Labor Statistics (QCEW).

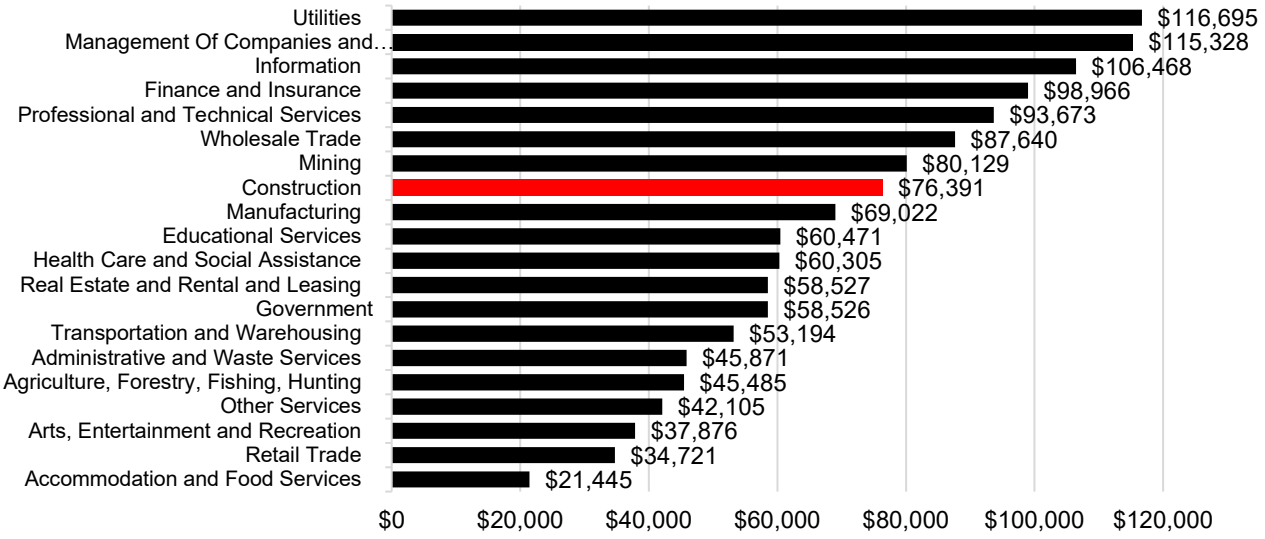
[7] The 2023 QCEW full-year data is available through 2023 as of February 2025. The full-year 2024 data will be released May 21, 2025.

FIGURE 11: WISCONSIN EMPLOYMENT AND FIRMS SHARE, 2023



Source: Bureau of Labor Statistics, QCEW.

FIGURE 12: WISCONSIN AVERAGE ANNUAL WAGES BY INDUSTRY, 2023



Source: Bureau of Labor Statistics, QCEW.

The Construction industry was the 7th largest employer in the state in 2023, had the 6th largest share of firms (14,890), and paid the 8th highest average annual wages ($76,391), according to the BLS. Wage growth in the Construction industry has been generally steady, with average annual wages increasing 2.1% in 2023 year-over-year, and exhibiting a 4.2% 5-year CAGR. Average annual wages in the Construction industry are 25% above the state average. The Construction industry had a location quotient of 0.90 in 2023 – a slightly lower concentration of construction employment than the nation.

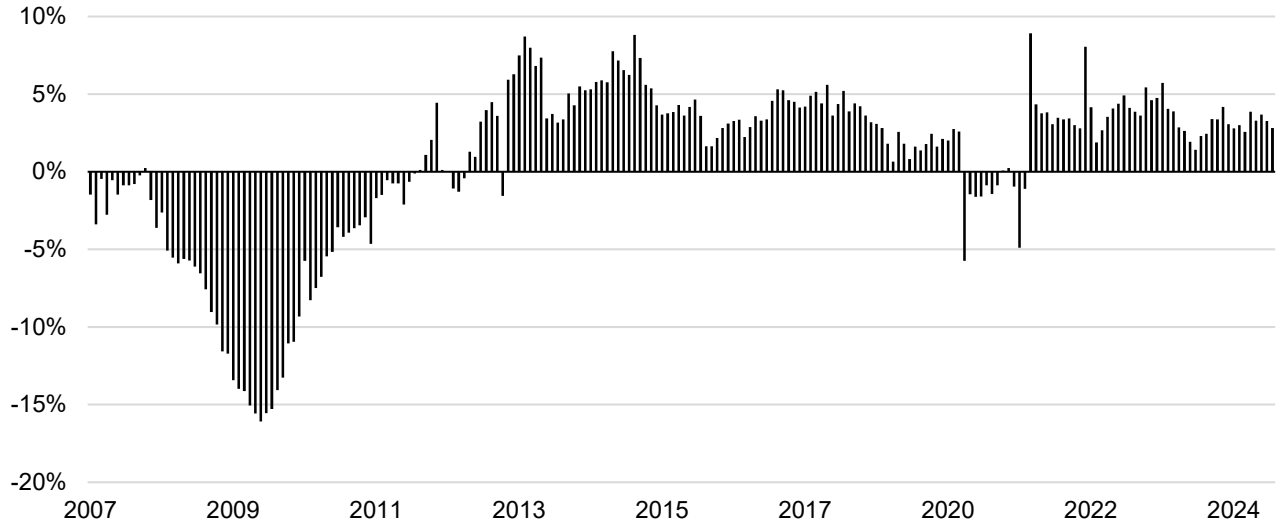
TABLE 5: WISCONSIN CONTRUCTION INDUSTRY EMPLOYMENT, FIRMS, AND WAGES (QCEW)

Year	Employment	Firms	Wages	Average Annual Wages
2014	102,612	13,144	$5,686,490,000	$55,417
2015	109,201	13,766	$6,250,780,000	$57,241
2016	112,279	13,731	$6,598,064,000	$58,765
2017	117,226	14,158	$7,049,533,000	$60,136
2018	122,396	14,814	$7,596,280,000	$62,063
2019	124,384	14,823	$7,944,870,000	$63,874
2020	123,846	14,760	$8,226,173,000	$66,423
2021	126,592	14,869	$8,767,548,000	$69,258
2022	130,826	14,775	$9,512,987,000	$72,715
2023	136,391	14,890	$10,419,046,000	$76,391

Source: Bureau of Labor Statistics, QCEW.

Examining the more current monthly estimates from the BLS CES series, employment in Wisconsin's construction industry totaled 142,000 in December 2024 (seasonally adjusted), an increase of 2.8% year-over-year (3,900 jobs). This percentage growth rate outpaced all other industries in December 2024.

FIGURE 13: WISCONSIN CONSTRUCTION INDUSTRY YEAR-OVER-YEAR EMPLOYMENT GROWTH



Source: Bureau of Labor Statistics, CES.

Covered employment data (excluding sole proprietors) shows the concentration of construction jobs by type of construction. Within the construction industry, Specialty Trade Contractors make up the majority of employment (64%), followed by Construction of Buildings (24%), and Heavy Civil Engineering Construction (13%). Employment in the Construction of Buildings subsector increased 5.3% year-over-year in 2023, while Heavy Civil Engineering Construction increased 2.3%, and Specialty Trade Contractors increased 4.3%, according to the BLS.

TABLE 6: WISCONSIN CONSTRUCTION INDUSTRY BREAKDOWN, 2023 (QCEW)

Construction Sector	Employment	Firms	Wages
Total	**136,391**	**14,890**	**$10,419,046,000**
Construction of Buildings	32,136	3,963	$2,524,041,000
Residential Building Construction	14,934	3,268	$911,175,000
Nonresidential Building Construction	17,203	695	$1,612,866,000
Industrial Building Construction	1,820	68	$189,530,000
Commercial Building Construction	15,383	627	$1,423,335,000
Heavy and Civil Engineering Construction	17,408	831	$1,650,198,000
Utility System Construction	9,984	506	$902,652,000
Water and Sewer System Construction	2,994	252	$262,119,000
Oil and Gas Pipeline Construction	883	50	$96,779,000
Power and Communication System Construction	6,108	204	$543,753,000
Highway, Street, and Bridge Construction	5,762	150	$580,487,000
Other Heavy Construction	1,384	126	$143,047,000
Specialty Trade Contractors	86,846	10,096	$6,244,807,000
Building Foundation and Exterior Contractors	15,862	2,275	$1,052,107,000
Building Equipment Contractors	44,686	3,765	$3,439,737,000
Building Finishing Contractors	14,176	2,460	$838,404,000
Other Specialty Trade Contractors	12,122	1,596	$914,559,000

Source: Bureau of Labor Statistics, QCEW.

Combining private-sector covered employment and nonemployer (sole proprietor) data, there were an estimated 184,484 construction employees in the state in 2024. The average personal income per job in 2023 was $94,753. Growing average personal income by the 2024 national construction wage growth of 4.4%, 2024 industry personal income is estimated to average $98,923 per job. Thus, the 184,484 jobs support total personal income of $18.2 billion.

TABLE 7: WISCONSIN CONSTRUCTION INDUSTRY ESTIMATED TOTAL EMPLOYMENT

Construction Employment	2018	2019	2020	2021	2022	2023	2024
QCEW (Private-Sector)	122,396	124,384	123,846	126,592	130,826	136,391	139,687
Nonemployers	39,474	39,678	40,557	40,489	41,165	43,740	44,797
Total	161,870	164,062	164,403	167,081	171,991	180,131	184,484
QCEW	75.6%	75.8%	75.3%	75.8%	76.1%	NA	NA
Nonemployers	24.4%	24.2%	24.7%	24.2%	23.9%	NA	NA
Total	100.0%	100.0%	100.0%	100.0%	100.0%	NA	NA

Sources: U.S. Census Bureau, Bureau of Labor Statistics.

TABLE 8: WISCONSIN CONSTRUCTION INDUSTRY PERSONAL INCOME (THOUSANDS)

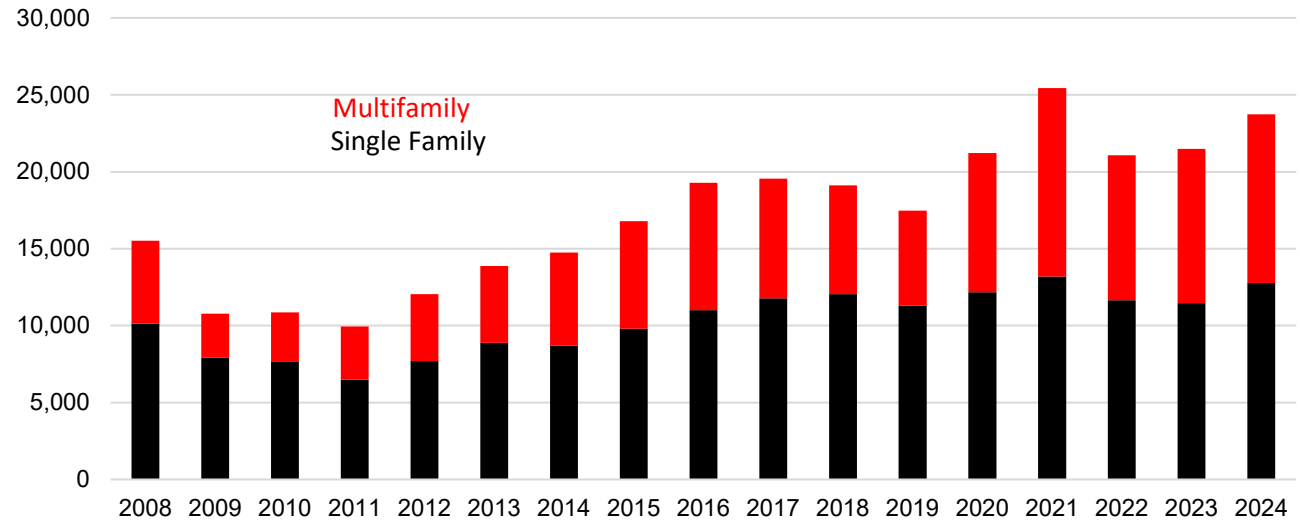
Industry	2019	2020	2021	2022	2023
Construction	13,870,131	14,051,144	14,780,211	15,840,586	17,068,043
Construction of buildings	3,586,618	3,593,549	3,674,200	3,974,075	4,343,247
Heavy and civil engineering construction	1,682,715	1,683,122	1,955,241	2,099,302	2,180,185
Specialty trade contractors	8,600,798	8,774,473	9,150,770	9,767,209	10,544,611

Source: Bureau of Economic Analysis, SAINC5N Personal Income by major component and earnings by NAICS industry.

Permits, Prices, and Value of Construction

Residential building permits have been volatile in recent years, growing 20% year-over-year in 2021 and declining 17% year-over-year in 2022. In 2024, residential building permits increased by 10.4% year-over-year to total 23,727 units.

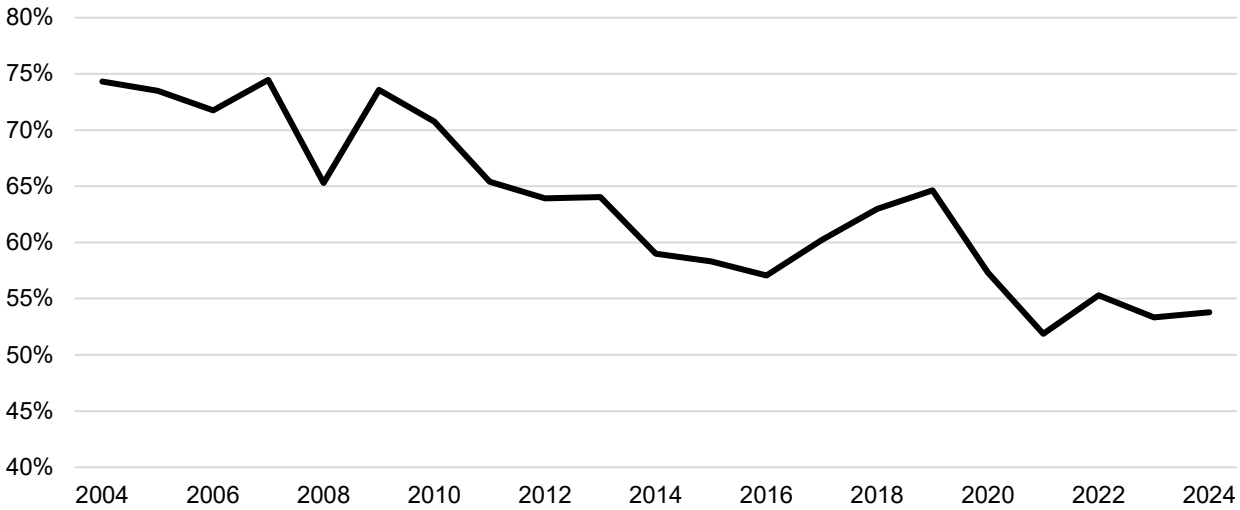
FIGURE 14: WISCONSIN RESIDENTIAL BUILDING PERMITS



Source: U.S. Census Bureau.

Single family building permits have been drifting downward as a percentage of total building permits. Approximately 54% were single family permits, while 46% were multifamily. For comparison, in 2004, 74% of residential building permits were single-family permits.

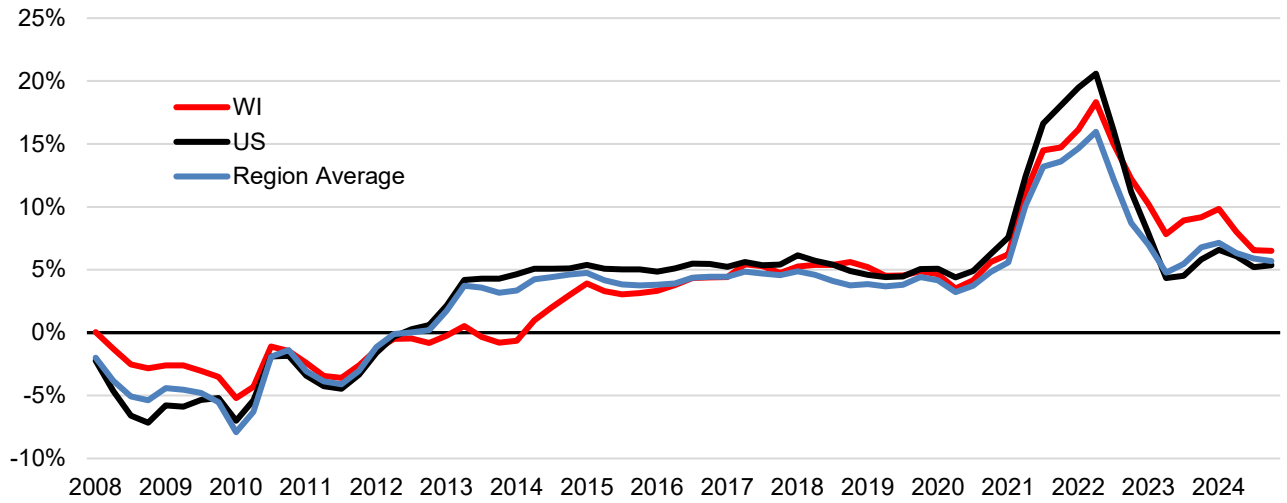
FIGURE 15: WISCONSIN SINGLE-FAMILY PERCENTAGE OF TOTAL RESIDENTIAL BUILDING PERMITS



Source: U.S. Census Bureau.

Home prices in Wisconsin increased 6.5% year-over-year in Q4 2024 compared to 5.4% for the nation, and an average of 5.7% for neighboring states, according to the FHFA All-Transactions Index.[8] Housing price growth increased in 2022 in Wisconsin, averaging 15.4% annual growth, before moderating in 2023. Although moderating in recent years, housing prices in the state have increased every quarter since Q2 2014 and have outpaced national growth every quarter since Q4 2022.

FIGURE 16: WISCONSIN FHFA HOME PRICE GROWTH, QUARTERLY, YEAR-OVER-YEAR CHANGE

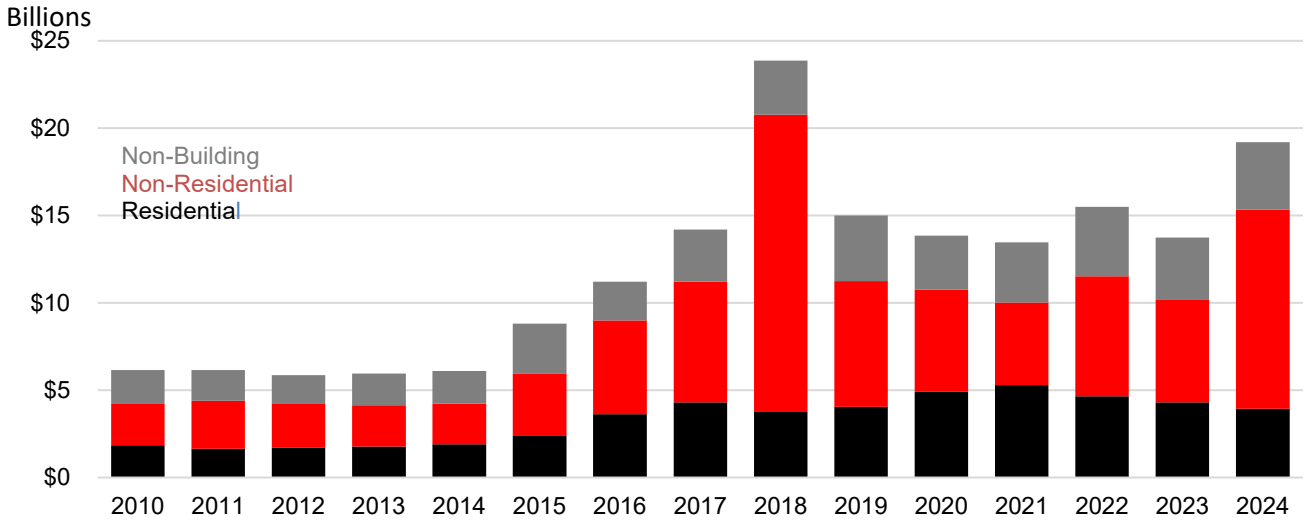


Source: FHFA All-Transactions Index, Quarterly.

The total value of construction in Wisconsin was approximately $19.2 billion in 2024, a significant increase of 39.8% year-over-year, according to data from ConstructConnect. After an observable surge in 2018, construction activity remained relatively stable between 2019 and 2023, averaging $14.3 billion on an annual basis over that period. The recent growth in construction activity was driven by a 94.3% increase in non-residential, which was primarily driven by the office subsector (office includes data centers). Between 2023 and 2024, total construction activity grew by $5.5 billion, with the office subsector accounting for 66.4% of that growth. The value of non-building grew at 8.4% year-over-year, while the value of residential construction, including single-family and multifamily, decreased by 8.5%, due to a decrease in both single-family and multifamily.

[8] Region includes the neighboring states: Minnesota, Michigan, Iowa, and Illinois.

FIGURE 17: WISCONSIN VALUE OF CONSTRUCTION, BILLIONS



Source: ConstructConnect.

ECONOMIC IMPACT

The economic impact of the construction industry is driven from direct expenditures on operations and labor for construction projects throughout the state. The following economic impacts are summarized for the state of Wisconsin for 2024.

In 2024, the economic impact of the Construction industry totaled an estimated $62.7 billion within the state of Wisconsin. This is composed of $34.5 billion in direct spending, $10.9 billion in indirect impact stemming from the supply chain, and $17.4 billion in induced impact related to spending by households that are impacted by operations. Every $1 spent directly within the Construction industry produces an overall economic impact of approximately $1.82 in the state.

The Construction industry also directly and indirectly supported approximately 331,554 jobs over the year and generated $27.3 billion in labor income in the state. Every $1 million spent within the Construction industry supports approximately 10 jobs on average over the year across the state economy. Approximately six of these jobs are within the Construction industry and four are within other sectors of the economy. Approximately $83,000 in labor income is generated per job created.

TABLE 9: ECONOMIC IMPACT ON WISCONSIN, 2024

Impact	Employment	Labor Income (in Millions)	Value Added (in Millions)	Output (in Millions)
Direct Effect	184,484	$18,250	$22,944	$34,452
Indirect Effect	49,255	$3,218	$5,973	$10,850
Induced Effect	97,815	$5,811	$10,401	$17,425
Total Effect	**331,554**	**$27,279**	**$39,318**	**$62,727**

Detailed Economic Impact

The sectoral distribution of the economic impact from IMPLAN allows for the observation of how the Construction industry impacts different industries in Wisconsin's economy. The $34.5 billion in direct output from the Construction industry ripples through the state economy and impacts every sector. Aside from the construction industry, the Real Estate and Rental and Leasing sector observes the largest overall impact on total output ($3.9 billion), followed by Retail Trade ($3.3 billion), and Health Care and Social Assistance ($3.1 billion), while the majority of this impact is due to household spending from employee wages (induced impact).

TABLE 10: DETAILED OUTPUT IMPACTS (IN MILLIONS)

NAICS	Industry	Direct	Indirect	Induced	Total
Total	**All**	**$34,452**	**$10,850**	**$17,425**	**$62,727**
11	Agriculture, Forestry, Fishing, Hunting	$0	$95	$100	$194
21	Mining	$0	$47	$8	$55
22	Utilities	$0	$172	$311	$483
23	Construction	$34,452	$75	$148	$34,674
31-33	Manufacturing	$0	$1,684	$608	$2,292
42	Wholesale Trade	$0	$2,117	$977	$3,094
44-45	Retail Trade	$0	$1,586	$1,711	$3,297
48-49	Transportation and Warehousing	$0	$685	$533	$1,218
51	Information	$0	$352	$815	$1,167
52	Finance and Insurance	$0	$572	$2,042	$2,614
53	Real Estate and Rental and Leasing	$0	$1,133	$2,732	$3,865
54	Professional and Technical Services	$0	$1,028	$764	$1,791
55	Management Of Companies and Enterprises	$0	$411	$303	$714
56	Administrative and Waste Services	$0	$500	$534	$1,034
61	Educational Services	$0	$3	$239	$241
62	Health Care and Social Assistance	$0	$0	$3,137	$3,137
71	Arts, Entertainment and Recreation	$0	$20	$263	$283
72	Accommodation and Food Services	$0	$77	$1,123	$1,200
81	Other Services	$0	$182	$802	$984
Gov't	Government	$0	$110	$277	$387

Examining the overall sectoral employment impacts provides another perspective on the contribution of the Construction industry to the state's economy. The employment effects of the Construction industry are also realized across the state economy but differ from the output impacts mainly due to differences in labor productivity across sectors.

The Retail Trade sector observes the largest overall impact on total employment (30,537 jobs), followed by Health Care and Social Assistance (22,866), and Accommodation and Food Services (12,352). The Retail Trade and Other Services sectors pay below average wages, while the Health Care and Social Assistance sector pays above average.

TABLE 11: DETAILED EMPLOYMENT IMPACTS

NAICS	Industry	Direct	Indirect	Induced	Total
Total	**All**	**184,484**	**49,255**	**97,815**	**331,554**
11	Agriculture, Forestry, Fishing, Hunting	-	585	616	1,201
21	Mining	-	130	22	152
22	Utilities	-	116	209	325
23	Construction	184,484	394	780	185,658
31-33	Manufacturing	-	3,244	1,171	4,414
42	Wholesale Trade	-	5,866	2,707	8,573
44-45	Retail Trade	-	14,687	15,850	30,537
48-49	Transportation and Warehousing	-	4,840	3,765	8,605
51	Information	-	742	1,716	2,459
52	Finance and Insurance	-	1,838	6,559	8,397
53	Real Estate and Rental and Leasing	-	2,446	5,895	8,341
54	Professional and Technical Services	-	5,363	3,985	9,348
55	Management Of Companies and Enterprises	-	1,623	1,198	2,820
56	Administrative and Waste Services	-	4,224	4,505	8,729
61	Educational Services	-	33	2,863	2,897
62	Health Care and Social Assistance	-	1	22,866	22,866
71	Arts, Entertainment and Recreation	-	233	2,990	3,223
72	Accommodation and Food Services	-	791	11,561	12,352
81	Other Services	-	1,738	7,644	9,382
Gov't	Government	-	363	912	1,276

Examining the value added created due to the Construction industry also provides a look into the large impact the sector has on the state. The largest impacted sectors in terms of value added are similar to those discussed prior. Outside of the impacts on the Construction industry, Real Estate and Rental and Leasing sector observes the largest overall value added impact ($2.7 billion), followed by Retail Trade ($2.3 billion), and Health Care and Social Assistance ($2 billion).

TABLE 12: DETAILED VALUE ADDED IMPACTS (IN MILLIONS)

NAICS	Industry	Direct	Indirect	Induced	Total
Total	**All**	**$22,944**	**$5,973**	**$10,399**	**$39,316**
11	Agriculture, Forestry, Fishing, Hunting	$0	$42	$44	$86
21	Mining	$0	$19	$3	$22
22	Utilities	$0	$87	$157	$244
23	Construction	$22,944	$40	$80	$23,064
31-33	Manufacturing	$0	$473	$171	$644
42	Wholesale Trade	$0	$1,135	$524	$1,659
44-45	Retail Trade	$0	$1,118	$1,207	$2,325
48-49	Transportation and Warehousing	$0	$402	$313	$716
51	Information	$0	$183	$424	$607
52	Finance and Insurance	$0	$289	$1,030	$1,319
53	Real Estate and Rental and Leasing	$0	$790	$1,904	$2,694
54	Professional and Technical Services	$0	$630	$468	$1,098
55	Management Of Companies and Enterprises	$0	$262	$194	$456
56	Administrative and Waste Services	$0	$276	$294	$569
61	Educational Services	$0	$2	$168	$170
62	Health Care and Social Assistance	$0	$0	$2,010	$2,010
71	Arts, Entertainment and Recreation	$0	$12	$152	$164
72	Accommodation and Food Services	$0	$41	$600	$641
81	Other Services	$0	$121	$531	$651
Gov't	Government	$0	$50	$126	$176

CONCLUSION

The construction industry within the state of Wisconsin provides numerous jobs, abundant wages, and contributes significantly to the state's gross domestic product. Aside from the direct effects of the industry, the labor and capital intensiveness of construction projects translate to local expenditures, primarily on labor, as well as on design, engineering, and other local goods and services. As such, spending permeates into other sectors in the economy, producing a multiplied economic impact throughout the state's economy. The impact of the Construction industry on the state of Wisconsin totaled $62.7 billion in 2024. The industry also supported an average of 331,554 jobs over the year, generated $27.3 billion in labor income, and contributed over $39 billion in GDP to the state economy.

APPENDIX

TABLE 13: WISCONSIN CONSTRUCTION INDUSTRY EMPLOYMENT, FIRMS, AND WAGES BY COUNTY, 2023 (QCEW)

County	Employment	Employment Share	Firms	Wages
Statewide	**136,391**	**100%**	**14,890**	**$10,419,046,000**
Adams County	149	0.1%	45	$6,437,000
Ashland County	435	0.3%	59	$27,649,000
Barron County	670	0.5%	133	$39,485,000
Bayfield County	303	0.2%	61	$22,825,000
Brown County	7,644	5.6%	667	$573,502,000
Buffalo County	129	0.1%	36	$6,157,000
Burnett County	175	0.1%	45	$9,062,000
Calumet County	843	0.6%	103	$57,884,000
Chippewa County	1,759	1.3%	215	$126,415,000
Clark County	681	0.5%	113	$49,552,000
Columbia County	1,058	0.8%	186	$70,381,000
Crawford County	96	0.1%	40	$4,276,000
Dane County	17,391	12.8%	1,247	$1,408,033,000
Dodge County	2,711	2.0%	212	$237,537,000
Door County	714	0.5%	114	$47,944,000
Douglas County	1,097	0.8%	105	$105,029,000
Dunn County	829	0.6%	100	$60,762,000
Dau Claire County	2,155	1.6%	192	$149,910,000
Florence County	2,958	2.2%	246	$238,313,000
Fond Du Lac County	76	0.1%	23	$2,817,000
Forest County	797	0.6%	139	$44,102,000
Grant County	501	0.4%	120	$29,582,000
Green County	246	0.2%	46	$18,167,000
Green Lake County	464	0.3%	75	$28,413,000
Iowa County	200	0.1%	32	$10,256,000
Iron County	527	0.4%	26	$47,730,000
Jackson County	1,776	1.3%	265	$119,154,000
Jefferson County	289	0.2%	43	$15,314,000
Juneau County	2,014	1.5%	335	$134,451,000
Kenosha County	402	0.3%	68	$26,483,000
Kewaunee County	2,789	2.0%	301	$198,724,000
La Crosse County	365	0.3%	44	$25,171,000
Lafayette County	216	0.2%	43	$11,445,000
Langlade County	403	0.3%	71	$22,338,000
Lincoln County	1,327	1.0%	182	$89,407,000
Manitowoc County	2,757	2.0%	330	$194,293,000
Marathon County	653	0.5%	105	$39,627,000
Marinette County	77	0.1%	28	$3,491,000
Marquette County	149	0.1%	45	$6,437,000
Milwaukee County	12,809	9.4%	1,163	$1,060,452,000
Monroe County	746	0.5%	112	$52,164,000
Oconto County	490	0.4%	106	$26,180,000
Oneida County	884	0.6%	189	$55,827,000
Outagamie County	8,825	6.5%	628	$741,022,000
Ozaukee County	1,382	1.0%	248	$91,497,000
Pepin County	201	0.1%	24	$14,614,000
Pierce County	453	0.3%	98	$30,073,000
Polk County	606	0.4%	143	$36,476,000
Portage County	1,191	0.9%	160	$74,658,000
Price County	148	0.1%	30	$8,266,000
Racine County	3,220	2.4%	406	$235,301,000
Richland County	201	0.1%	44	$10,240,000

Rock County	3,710	2.7%	368	$288,577,000
Rusk County	128	0.1%	28	$7,838,000
St. Croix County	1,709	1.3%	289	$125,784,000
Sauk County	1,931	1.4%	216	$139,585,000
Sawyer County	348	0.3%	86	$16,604,000
Shawano County	416	0.3%	96	$24,866,000
Sheboygan County	2,455	1.8%	254	$169,904,000
Taylor County	225	0.2%	40	$16,320,000
Trempealeau County	332	0.2%	74	$18,304,000
Vernon County	415	0.3%	84	$22,164,000
Vilas County	627	0.5%	155	$41,117,000
Walworth County	1,842	1.4%	325	$111,976,000
Washburn County	213	0.2%	69	$10,262,000
Washington County	2,817	2.1%	474	$189,558,000
Waukesha County	18,901	13.9%	1,409	$1,582,852,000
Waupaca County	641	0.5%	124	$35,255,000
Waushara County	209	0.2%	52	$9,614,000
Winnebago County	5,865	4.3%	344	$494,876,000
Wood County	1,675	1.2%	165	$107,921,000

Source: Bureau of Labor Statistics (QCEW).