Data Bulletin

THIS ISSUE

This issue focuses on the economic impact of COVID-19 on the construction industry through September 2020, examining construction spending, new residential construction, and the well-being of small businesses.

KEY FINDINGS

U.S. GDP dropped 31% in the second quarter of 2020 and increased 33% in the third quarter, the largest quarterly fall and rise ever recorded.

Chart 1

Residential construction was hit harder than other construction subsectors: spending dropped by \$49.5 billion from January to May and surged by \$71.3 billion from May to September. Over 60% of the fluctuation was in single-family home construction.

Charts 2,4

The impact of COVID-19 on construction businesses reduced after lockdowns lifted, with 16% reporting a large negative effect in October compared to 33% in April.

Chart 7

Construction businesses with less than five employees were more likely to report a large negative effect of COVID-19, yet less likely to receive federal financial assistance.

Charts 10-11

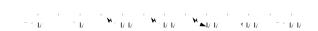
NEXT DATA BULLETIN

Trends of nonfatal occupational injuries and illnesses in the construction industry

The impact of the COVID-19 pandemic on private new residential construction can be further observed through trends in and . The number of housing starts for decreased by one-third (-34.3%) from February to April, but increased 63.2% from April to September (chart 5). The number of housing starts for £ve or more units was halved (-53.3%) from February to April, doubled from April to July, and

5. Number of private residential housing starts, September 2019 - September 2020

declined 39.2% from July to September.



Construction businesses were more likely than those in all nonfarm industries to receive any federal Łnancial assistance, yet less likely to receive Economic Injury Disaster Loans (chart 9). Furthermore, the

ACCESS THE CHARTS & MORE

View the <u>charts</u> (including supplement charts) in PowerPoint and the <u>data</u> underlying the charts in Excel. Downloading will start when you click on each link.

DEFINITIONS
Building permit –
Construction spending –
Housing start –
Real gross domestic product (GDP) – Infation-adjusted value
Seasonally adjusted annual rate – typical seasonal fuctuations and is shown as an annual total.
Single-family unit –
Small business –
DATA SOURCE
U.S. Bureau of Economic Analysis. Gross Domestic Product. 2019Q1 ó 2020 Q3. https://www.bea.gov/data/gdp/gross-domestic-product
U.S. Census Bureau. Construction Spending, Monthly Value