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AUGUST 2006 CONSTRUCTION AT \$1,200.7 BILLION ANNUAL RATE

The U.S. Census Bureau of the Department of Commerce announced today that construction spending during August 2006 was estimated at a seasonally adjusted annual rate of \$1,200.7 billion, 0.3 percent ($\pm 1.8\%$)* above the revised July estimate of \$1,196.8 billion. The August figure is 4.4 percent ($\pm 2.4\%$) above the August 2005 estimate of \$1,150.3 billion.

During the first 8 months of this year, construction spending amounted to \$793.2 billion, 7.2 percent ($\pm 1.8\%$) above the \$739.9 billion for the same period in 2005.

PRIVATE CONSTRUCTION

Spending on private construction was at a seasonally adjusted annual rate of \$929.1 billion, 0.1 percent ($\pm 1.4\%$)* above the revised July estimate of \$927.9 billion. Residential construction was at a seasonally adjusted annual rate of \$617.0 billion in August, 1.5 percent ($\pm 1.3\%$) below the revised July estimate of \$626.2 billion. Nonresidential construction was at a seasonally adjusted annual rate of \$312.0 billion in August, 3.4 percent ($\pm 1.4\%$) above the revised July estimate of \$301.7 billion.

PUBLIC CONSTRUCTION

In August, the estimated seasonally adjusted annual rate of public construction spending was \$271.6 billion, 1.1 percent ($\pm 2.7\%$)* above the revised July estimate of \$268.8 billion. Educational construction was at a seasonally adjusted annual rate of \$70.7 billion, 0.7 percent ($\pm 3.2\%$)* above the revised July estimate of \$70.2 billion. Highway construction was at a seasonally adjusted annual rate of \$77.9 billion, 0.4 percent ($\pm 6.7\%$)* above the revised July estimate of \$77.6 billion.

September 2006 data will be released on November 1, 2006 at 10:00 A.M. EST.

For more detailed data and methodologies, go to our website:

<http://www.census.gov/constructionspending>

EXPLANATORY NOTES

In interpreting changes in the statistics in this release, note that month-to-month changes in seasonally adjusted statistics often show movements which may be irregular. It may take 2 months to establish an underlying trend for total construction and as long as 8 months for specific categories of construction. The statistics in this release are estimated from several sources and surveys and are subject to sampling variability as well as nonsampling error including bias and variance from response, nonreporting, and undercoverage. Estimates of the standard errors are provided in Table 3. Whenever a statement such as "2.3 (± 3.1) percent above" appears in the text, this indicates the range (-0.8 to +5.4 percent) in which the actual percent change is likely to have occurred. All ranges given are 90 percent confidence intervals and account only for sampling variability. If a range does not contain zero, the change is statistically significant. If it does contain zero, the change is not statistically significant; that is, it is uncertain whether there was an increase or decrease. Statistics for the current month are preliminary estimates subject to revision in following months as additional data become available. The average absolute percent changes from preliminary estimate to first revision for the major seasonally adjusted components are as follows: total construction, 0.5 percent; private construction, 0.7 percent; and public construction, 1.1 percent.

Beginning with the December 2006 release on January 31, 2007, the Construction Spending press release will be released on the last workday of the month. Go to the Press Release menu on our website for a complete 2007 schedule.

* 90% confidence interval includes zero. The U.S. Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Table 1. Value of Construction Put in Place in the United States, Seasonally Adjusted Annual Rate
(Millions of dollars. Details may not add to totals due to rounding.)

Type of Construction	Aug 2006 ^P	Jul 2006 ^r	Jun 2006 ^r	May 2006	Apr 2006	Aug 2005	Percent change Aug 2006 from -	
							Jul 2006	Aug 2005
Total Construction	1,200,686	1,196,755	1,209,249	1,209,192	1,214,449	1,150,316	0.3	4.4
Residential	625,615	634,603	648,862	656,629	667,288	659,018	-1.4	-5.1
Nonresidential	575,071	562,152	560,387	552,562	547,161	491,298	2.3	17.1
Lodging	21,062	20,468	20,060	19,831	18,848	12,815	2.9	64.4
Office	56,274	54,853	52,964	52,138	51,081	45,980	2.6	22.4
Commercial	84,751	80,810	80,100	79,826	79,243	73,802	4.9	14.8
Health care	43,238	42,164	41,527	40,796	40,677	38,399	2.5	12.6
Educational	84,011	83,552	83,101	82,674	82,646	79,032	0.5	6.3
Religious	8,220	8,095	8,275	8,389	8,132	7,551	1.5	8.9
Public safety	10,483	10,391	10,661	10,907	11,071	10,064	0.9	4.2
Amusement and recreation	22,766	22,338	22,265	21,451	22,595	18,342	1.9	24.1
Transportation	29,967	30,442	30,128	29,595	29,543	27,141	-1.6	10.4
Communication	15,375	15,012	15,313	14,955	15,190	13,483	2.4	14.0
Power	42,288	40,868	41,751	39,612	40,157	32,583	3.5	29.8
Highway and street	78,354	78,037	77,921	78,447	74,770	66,552	0.4	17.7
Sewage and waste disposal	19,231	18,995	19,168	18,846	18,144	16,384	1.2	17.4
Water supply	13,074	12,920	13,140	13,077	12,212	12,038	1.2	8.6
Conservation and development	5,233	5,453	5,818	5,729	5,493	5,353	-4.0	-2.2
Manufacturing	40,744	37,754	38,196	36,288	37,359	31,779	7.9	28.2
Total Private Construction ¹	929,051	927,949	937,190	939,186	948,467	902,729	0.1	2.9
Residential	617,006	626,212	639,426	647,205	657,807	650,776	-1.5	-5.2
Nonresidential	312,045	301,737	297,765	291,980	290,661	251,954	3.4	23.8
Lodging	20,494	20,135	19,724	19,594	18,673	12,421	1.8	65.0
Office	45,435	44,086	42,045	41,203	40,207	35,639	3.1	27.5
Commercial	80,950	76,954	76,440	75,977	74,915	69,102	5.2	17.1
Health care	33,620	32,606	32,035	31,432	31,463	29,338	3.1	14.6
Educational	13,346	13,349	13,244	13,680	13,457	12,801	0.0	4.3
Religious	8,197	8,085	8,275	8,343	8,121	7,544	1.4	8.7
Amusement and recreation	9,456	9,024	8,801	8,407	9,671	7,185	4.8	31.6
Transportation	8,389	9,006	8,492	9,143	9,002	7,294	-6.9	15.0
Communication	15,297	14,936	15,273	14,879	15,115	13,402	2.4	14.1
Power	34,730	34,566	33,771	31,570	31,516	24,333	0.5	42.7
Manufacturing	40,542	37,472	38,034	36,111	37,078	31,567	8.2	28.4
Total Public Construction ²	271,635	268,806	272,059	270,006	265,981	247,586	1.1	9.7
Residential	8,609	8,390	9,437	9,424	9,481	8,242	2.6	4.5
Nonresidential	263,026	260,415	262,622	260,582	256,500	239,344	1.0	9.9
Office	10,838	10,767	10,919	10,935	10,874	10,341	0.7	4.8
Commercial	3,802	3,856	3,661	3,849	4,328	4,699	-1.4	-19.1
Health care	9,618	9,558	9,492	9,364	9,215	9,061	0.6	6.1
Educational	70,664	70,203	69,858	68,995	69,189	66,231	0.7	6.7
Public safety	10,059	9,911	10,214	10,517	10,660	9,640	1.5	4.3
Amusement and recreation	13,310	13,314	13,464	13,045	12,924	11,157	0.0	19.3
Transportation	21,578	21,436	21,636	20,452	20,542	19,847	0.7	8.7
Power	7,558	6,303	7,980	8,042	8,641	8,250	19.9	-8.4
Highway and street	77,917	77,644	77,474	77,979	74,462	66,238	0.4	17.6
Sewage and waste disposal	18,996	18,771	18,902	18,567	17,871	16,158	1.2	17.6
Water supply	12,803	12,599	12,780	12,656	11,840	11,810	1.6	8.4
Conservation and development	5,010	5,353	5,705	5,645	5,414	5,216	-6.4	-3.9

^P Preliminary ^r Revised

¹ Includes the following categories of private construction not shown separately: public safety, highway and street, sewage and waste disposal, water supply, and conservation and development.

² Includes the following categories of public construction not shown separately: lodging, religious, communication, and manufacturing.

Table 2. Value of Construction Put in Place in the United States, Not Seasonally Adjusted

(Millions of dollars. Details may not add to totals due to rounding.)

Type of Construction	Aug 2006 ^P	Jul 2006 ^r	Jun 2006 ^r	May 2006	Apr 2006	Aug 2005	Year-to-date		Percent change
							Aug 2006	Aug 2005	
Total Construction	113,869	109,978	110,785	104,760	97,285	109,642	793,222	739,877	7.2
Residential	59,902	59,501	60,228	57,534	53,857	63,211	432,591	421,648	2.6
Nonresidential	53,967	50,477	50,557	47,226	43,428	46,431	360,632	318,229	13.3
Lodging	1,755	1,706	1,672	1,653	1,571	1,068	12,271	8,451	45.2
Office	4,830	4,592	4,590	4,526	4,286	3,938	34,531	31,509	9.6
Commercial	7,650	7,068	7,080	6,820	6,457	6,683	52,650	47,531	10.8
Health care	3,648	3,522	3,599	3,500	3,401	3,232	27,055	23,871	13.3
Educational	8,491	8,175	7,850	6,973	6,400	8,073	55,499	52,384	5.9
Religious	751	703	722	698	652	690	5,358	5,163	3.8
Public safety	930	871	910	881	887	907	6,990	6,231	12.2
Amusement and recreation	2,036	1,915	1,963	1,879	1,870	1,632	14,345	12,056	19.0
Transportation	2,797	2,732	2,675	2,532	2,364	2,573	18,956	16,989	11.6
Communication	1,400	1,203	1,353	1,265	1,147	1,216	9,871	8,796	12.2
Power	3,822	3,411	3,544	3,268	3,239	2,965	26,430	23,585	12.1
Highway and street	8,887	8,222	7,955	7,014	5,297	7,589	48,588	41,475	17.2
Sewage and waste disposal	1,829	1,677	1,771	1,638	1,418	1,559	12,292	10,364	18.6
Water supply	1,196	1,102	1,140	1,104	1,004	1,098	8,242	7,354	12.1
Conservation and development	481	458	499	464	427	497	3,627	3,162	14.7
Manufacturing	3,465	3,121	3,235	3,013	3,008	2,713	23,929	19,309	23.9
Total Private Construction ¹	86,609	84,427	85,247	81,545	76,846	84,650	619,147	581,569	6.5
Residential	59,140	58,773	59,389	56,723	53,097	62,471	426,670	416,298	2.5
Nonresidential	27,469	25,653	25,858	24,823	23,749	22,179	192,477	165,271	16.5
Lodging	1,708	1,678	1,644	1,633	1,556	1,035	12,091	8,280	46.0
Office	3,894	3,710	3,646	3,575	3,376	3,032	27,434	24,172	13.5
Commercial	7,310	6,743	6,756	6,495	6,097	6,251	50,019	44,506	12.4
Health care	2,854	2,727	2,776	2,708	2,613	2,471	20,936	18,061	15.9
Educational	1,280	1,228	1,221	1,208	1,125	1,206	9,116	8,575	6.3
Religious	749	702	722	694	651	689	5,349	5,150	3.9
Amusement and recreation	813	764	752	719	816	614	5,869	5,037	16.5
Transportation	763	802	773	823	748	663	5,721	4,556	25.6
Communication	1,393	1,196	1,350	1,259	1,141	1,209	9,839	8,753	12.4
Power	3,102	2,865	2,848	2,574	2,532	2,181	21,351	18,080	18.1
Manufacturing	3,448	3,098	3,222	2,998	2,984	2,695	23,748	19,221	23.6
Total Public Construction ²	27,260	25,552	25,538	23,215	20,439	24,992	174,076	158,308	10.0
Residential	762	728	839	812	760	740	5,921	5,350	10.7
Nonresidential	26,498	24,824	24,699	22,403	19,679	24,252	168,155	152,958	9.9
Office	937	882	944	950	911	906	7,097	7,337	-3.3
Commercial	340	325	324	325	360	432	2,632	3,024	-13.0
Health care	794	795	823	791	788	761	6,119	5,811	5.3
Educational	7,212	6,947	6,629	5,765	5,276	6,867	46,383	43,809	5.9
Public safety	888	828	870	846	852	865	6,702	5,994	11.8
Amusement and recreation	1,223	1,151	1,211	1,159	1,053	1,018	8,476	7,019	20.8
Transportation	2,034	1,930	1,903	1,709	1,617	1,910	13,235	12,433	6.5
Power	720	546	696	694	707	784	5,079	5,504	-7.7
Highway and street	8,845	8,182	7,911	6,974	5,276	7,559	48,332	41,240	17.2
Sewage and waste disposal	1,806	1,658	1,747	1,616	1,398	1,537	12,127	10,204	18.8
Water supply	1,165	1,072	1,110	1,071	978	1,072	8,016	7,200	11.3
Conservation and development	462	450	490	457	421	485	3,557	3,067	16.0

^P Preliminary ^r Revised

¹ Includes the following categories of private construction not shown separately: public safety, highway and street, sewage and waste disposal, water supply, and conservation and development.

² Includes the following categories of public construction not shown separately: lodging, religious, communication, and manufacturing.

Table 3. **Coefficients of Variation and Standard Errors by Type of Construction**
(Percent)

Type of Construction	Coefficient of variation		Standard error		
	Monthly estimate	Year-to-date estimate	Year-to-date change	Month-to-month change	Month-to-month change from prev. year
Total Construction	1.0	0.7	1.1	1.1	1.5
Residential	6.0	6.4	7.6	5.0	7.0
Nonresidential	1.0	0.7	1.1	1.1	1.6
Lodging	3.3	2.9	3.9	2.1	5.6
Office	2.8	1.9	4.0	1.8	4.1
Commercial	2.5	2.1	2.9	1.9	3.7
Health care	2.7	2.1	3.1	2.0	4.3
Educational	2.2	1.6	2.4	1.8	3.4
Religious	4.4	3.8	5.0	3.6	7.0
Public safety	5.1	4.4	5.6	3.1	6.0
Amusement and recreation	4.5	3.2	4.2	3.1	5.7
Transportation	3.3	2.3	3.4	2.6	4.5
Communication	NA	NA	NA	NA	NA
Power	1.5	5.2	6.1	2.3	2.2
Highway and street	3.4	2.1	3.6	4.2	5.4
Sewage and waste disposal	3.6	2.5	3.8	2.9	5.5
Water supply	4.0	2.8	4.2	4.9	5.6
Conservation and development	5.7	3.0	6.2	4.2	4.8
Manufacturing	3.0	2.2	4.8	1.7	5.7
Total Private Construction	1.3	1.0	1.7	0.9	1.9
Residential	5.0	1.1	1.3	0.8	1.4
Nonresidential	1.3	1.0	1.7	0.9	1.9
Lodging	3.3	2.9	3.9	2.1	5.6
Office	3.4	2.2	4.8	2.1	4.7
Commercial	2.6	2.2	3.0	1.9	3.9
Health care	3.1	2.4	3.6	2.3	5.0
Educational	4.2	3.4	5.0	3.3	6.2
Religious	4.4	3.8	5.1	3.6	7.0
Amusement and recreation	7.5	4.8	6.5	3.0	9.2
Transportation	11.2	7.7	7.9	2.5	6.1
Communication	NA	NA	NA	NA	NA
Power	1.1	6.6	8.0	0.7	1.7
Manufacturing	3.0	2.2	4.8	1.7	5.7
Total Public Construction	1.4	0.9	1.4	1.7	2.2
Residential	6.0	6.4	7.6	5.0	7.0
Nonresidential	1.4	0.9	1.4	1.7	2.3
Office	4.0	3.3	3.6	3.2	5.9
Commercial	5.0	3.7	3.9	4.5	6.1
Health care	4.1	3.4	4.1	2.3	4.6
Educational	2.5	1.8	2.6	2.0	3.9
Public safety	5.3	4.7	5.9	3.2	6.4
Amusement and recreation	5.2	4.3	5.4	5.2	7.3
Transportation	3.4	2.4	3.7	2.9	5.0
Power	4.6	3.5	4.7	12.4	5.5
Highway and street	3.4	2.1	3.6	4.2	5.5
Sewage and waste disposal	3.6	2.5	3.9	2.9	5.5
Water supply	4.0	2.9	4.2	5.0	5.7
Conservation and development	5.9	3.0	6.5	4.2	4.9

NA Not applicable