

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

For Release at 10:00 A.M. EST, Friday, December 1, 2006

Michael Davis, Joe Huesman or Linnet Holland
(301) 763-1605

CB06-176

OCTOBER 2006 CONSTRUCTION AT \$1,178.4 BILLION ANNUAL RATE

The U.S. Census Bureau of the Department of Commerce announced today that construction spending during October 2006 was estimated at a seasonally adjusted annual rate of \$1,178.4 billion, 1.0 percent ($\pm 1.6\%$)* below the revised September estimate of \$1,190.0 billion. The October figure is 0.5 percent ($\pm 2.4\%$)* above the October 2005 estimate of \$1,172.6 billion.

During the first 10 months of this year, construction spending amounted to \$1,008.4 billion, 5.9 percent ($\pm 1.8\%$) above the \$952.5 billion for the same period in 2005.

PRIVATE CONSTRUCTION

Spending on private construction was at a seasonally adjusted annual rate of \$905.3 billion, 1.5 percent ($\pm 1.6\%$)* below the revised September estimate of \$919.0 billion. Residential construction was at a seasonally adjusted annual rate of \$597.1 billion in October, 1.9 percent ($\pm 1.3\%$) below the revised September estimate of \$608.8 billion. Nonresidential construction was at a seasonally adjusted annual rate of \$308.2 billion in October, 0.7 percent ($\pm 1.6\%$)* below the revised September estimate of \$310.2 billion.

PUBLIC CONSTRUCTION

In October, the estimated seasonally adjusted annual rate of public construction spending was \$273.1 billion, 0.8 percent ($\pm 2.4\%$)* above the revised September estimate of \$271.0 billion. Educational construction was at a seasonally adjusted annual rate of \$70.7 billion, 0.2 percent ($\pm 3.4\%$)* above the revised September estimate of \$70.6 billion. Highway construction was at a seasonally adjusted annual rate of \$76.2 billion, 0.3 percent ($\pm 5.9\%$)* above the revised September estimate of \$76.0 billion.

November 2006 data will be released on January 3, 2007 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.

* 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	Oct 2006 ^P	Sep 2006 ^F	Aug 2006 ^F	Jul 2006	Jun 2006	Oct 2005	Percent change Oct 2006 from -	
							Sep 2006	Oct 2005
Total Construction	1,178,370	1,190,007	1,199,926	1,200,230	1,209,249	1,172,559	-1.0	0.5
Residential	605,231	616,728	625,622	635,904	648,862	667,840	-1.9	-9.4
Nonresidential	573,139	573,279	574,305	564,326	560,387	504,719	0.0	13.6
Lodging	23,323	21,605	21,196	20,914	20,060	13,711	8.0	70.1
Office	58,599	59,200	58,931	56,494	52,964	47,893	-1.0	22.4
Commercial	82,210	83,127	81,701	80,734	80,100	76,243	-1.1	7.8
Health care	43,775	43,466	43,371	42,059	41,527	37,855	0.7	15.6
Educational	84,651	84,373	82,617	83,327	83,101	79,422	0.3	6.6
Religious	7,968	7,978	8,031	8,076	8,275	7,526	-0.1	5.9
Public safety	11,031	10,862	10,479	10,727	10,661	10,766	1.6	2.5
Amusement and recreation	23,297	23,316	23,283	22,744	22,265	18,732	-0.1	24.4
Transportation	30,701	29,902	30,394	30,854	30,128	27,644	2.7	11.1
Communication	16,190	16,427	15,435	14,933	15,313	13,124	-1.4	23.4
Power	38,921	39,203	42,332	41,354	41,751	37,920	-0.7	2.6
Highway and street	76,631	76,334	77,799	77,418	77,921	66,294	0.4	15.6
Sewage and waste disposal	20,003	19,694	19,226	19,624	19,168	17,271	1.6	15.8
Water supply	12,426	12,748	12,856	12,908	13,140	11,807	-2.5	5.2
Conservation and development	5,817	6,197	5,899	5,575	5,818	5,282	-6.1	10.1
Manufacturing	37,595	38,847	40,757	36,584	38,196	33,230	-3.2	13.1
Total Private Construction ¹	905,284	919,006	929,571	930,276	937,190	924,011	-1.5	-2.0
Residential	597,103	608,778	617,457	627,305	639,426	659,259	-1.9	-9.4
Nonresidential	308,181	310,228	312,114	302,971	297,765	264,752	-0.7	16.4
Lodging	22,542	20,682	20,494	20,365	19,724	13,412	9.0	68.1
Office	46,852	47,637	47,643	45,464	42,045	36,992	-1.6	26.7
Commercial	77,611	78,737	77,314	76,854	76,440	71,692	-1.4	8.3
Health care	33,377	33,653	33,733	32,489	32,035	28,504	-0.8	17.1
Educational	13,902	13,743	13,501	13,275	13,244	12,918	1.2	7.6
Religious	7,958	7,974	8,014	8,068	8,275	7,524	-0.2	5.8
Amusement and recreation	9,886	9,941	9,801	9,341	8,801	7,664	-0.6	29.0
Transportation	8,493	8,541	8,428	9,132	8,492	7,684	-0.6	10.5
Communication	16,152	16,396	15,355	14,858	15,273	13,030	-1.5	24.0
Power	32,334	32,634	35,555	35,137	33,771	30,710	-0.9	5.3
Manufacturing	37,417	38,606	40,545	36,319	38,034	32,981	-3.1	13.5
Total Public Construction ²	273,086	271,001	270,355	269,954	272,059	248,548	0.8	9.9
Residential	8,128	7,950	8,164	8,600	9,437	8,581	2.2	-5.3
Nonresidential	264,958	263,052	262,191	261,355	262,622	239,967	0.7	10.4
Office	11,748	11,563	11,288	11,031	10,919	10,901	1.6	7.8
Commercial	4,600	4,391	4,388	3,880	3,661	4,551	4.8	1.1
Health care	10,399	9,813	9,638	9,571	9,492	9,351	6.0	11.2
Educational	70,748	70,631	69,116	70,053	69,858	66,504	0.2	6.4
Public safety	10,579	10,433	10,091	10,261	10,214	10,382	1.4	1.9
Amusement and recreation	13,411	13,374	13,482	13,403	13,464	11,067	0.3	21.2
Transportation	22,208	21,361	21,966	21,722	21,636	19,960	4.0	11.3
Power	6,587	6,569	6,778	6,218	7,980	7,210	0.3	-8.6
Highway and street	76,208	75,970	77,276	77,035	77,474	65,887	0.3	15.7
Sewage and waste disposal	19,739	19,413	18,961	19,346	18,902	16,854	1.7	17.1
Water supply	11,998	12,242	12,394	12,455	12,780	11,463	-2.0	4.7
Conservation and development	5,726	6,092	5,803	5,485	5,705	5,192	-6.0	10.3

^P Preliminary ^F 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	Oct 2006 ^P	Sep 2006 ^r	Aug 2006 ^r	Jul 2006	Jun 2006	Oct 2005	Year-to-date		Percent change
							Oct 2006	Oct 2005	
Total Construction	105,323	108,907	114,180	110,629	110,785	105,396	1,008,414	952,493	5.9
Residential	54,464	55,918	60,265	59,839	60,228	60,572	543,674	542,829	0.2
Nonresidential	50,859	52,989	53,915	50,790	50,557	44,824	464,740	409,664	13.4
Lodging	1,944	1,800	1,766	1,743	1,672	1,143	16,063	10,718	49.9
Office	5,029	5,210	5,075	4,752	4,590	4,021	45,174	39,780	13.6
Commercial	7,239	7,566	7,387	7,049	7,080	6,795	67,173	61,064	10.0
Health care	3,743	3,695	3,674	3,536	3,599	3,222	34,532	30,421	13.5
Educational	7,157	7,696	8,296	8,191	7,850	6,698	70,173	66,223	6.0
Religious	712	716	734	699	722	677	6,765	6,529	3.6
Public safety	983	1,003	925	903	910	958	9,002	8,235	9.3
Amusement and recreation	2,071	2,098	2,066	1,944	1,963	1,648	18,572	15,353	21.0
Transportation	2,853	2,841	2,879	2,754	2,675	2,577	24,754	22,154	11.7
Communication	1,486	1,353	1,397	1,192	1,353	1,139	12,697	11,069	14.7
Power	3,281	3,617	3,836	3,482	3,544	3,306	33,412	30,350	10.1
Highway and street	7,648	8,295	8,868	8,211	7,955	6,651	64,501	55,571	16.1
Sewage and waste disposal	1,807	1,870	1,829	1,733	1,771	1,557	16,025	13,505	18.7
Water supply	1,148	1,152	1,179	1,103	1,140	1,090	10,526	9,511	10.7
Conservation and development	465	681	546	469	499	416	4,849	4,178	16.1
Manufacturing	3,295	3,397	3,458	3,030	3,235	2,926	30,522	25,003	22.1
Total Private Construction ¹	80,522	82,388	87,030	84,901	85,247	82,916	782,953	747,340	4.8
Residential	53,772	55,177	59,544	59,095	59,389	59,827	536,344	535,980	0.1
Nonresidential	26,750	27,212	27,487	25,806	25,858	23,089	246,609	211,360	16.7
Lodging	1,879	1,724	1,708	1,697	1,644	1,118	15,712	10,501	49.6
Office	4,058	4,131	4,093	3,843	3,646	3,163	35,956	30,578	17.6
Commercial	6,868	7,095	6,991	6,727	6,756	6,417	63,646	57,203	11.3
Health care	2,864	2,856	2,878	2,739	2,776	2,447	26,691	23,043	15.8
Educational	1,146	1,164	1,271	1,223	1,221	1,067	11,413	10,759	6.1
Religious	712	716	732	698	722	677	6,755	6,515	3.7
Amusement and recreation	862	854	842	791	752	671	7,642	6,386	19.7
Transportation	776	769	773	799	773	710	7,273	5,934	22.6
Communication	1,483	1,351	1,390	1,186	1,350	1,131	12,658	11,013	14.9
Power	2,668	3,008	3,189	2,940	2,848	2,628	27,190	23,404	16.2
Manufacturing	3,280	3,377	3,440	3,008	3,222	2,905	30,307	24,864	21.9
Total Public Construction ²	24,801	26,519	27,150	25,727	25,538	22,480	225,461	205,153	9.9
Residential	693	742	722	744	839	745	7,330	6,849	7.0
Nonresidential	24,108	25,777	26,429	24,984	24,699	21,736	218,131	198,304	10.0
Office	971	1,078	982	909	944	857	9,218	9,202	0.2
Commercial	371	471	396	323	324	379	3,527	3,861	-8.7
Health care	879	839	796	797	823	775	7,841	7,378	6.3
Educational	6,011	6,532	7,025	6,968	6,629	5,631	58,761	55,463	5.9
Public safety	942	962	888	861	870	922	8,639	7,924	9.0
Amusement and recreation	1,209	1,243	1,224	1,152	1,211	977	10,931	8,967	21.9
Transportation	2,077	2,072	2,106	1,955	1,903	1,868	17,481	16,219	7.8
Power	612	608	647	542	696	679	6,222	6,945	-10.4
Highway and street	7,611	8,260	8,814	8,171	7,911	6,614	64,162	55,276	16.1
Sewage and waste disposal	1,784	1,845	1,803	1,710	1,747	1,518	15,803	13,288	18.9
Water supply	1,102	1,094	1,124	1,060	1,110	1,053	10,159	9,290	9.4
Conservation and development	457	672	538	462	490	409	4,773	4,063	17.5

^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	1.0	1.5
Residential	6.2	5.6	6.3	2.6	4.7
Nonresidential	1.0	0.7	1.1	1.0	1.6
Lodging	3.2	2.7	4.0	2.2	6.6
Office	2.6	2.1	3.8	1.6	4.0
Commercial	2.6	2.1	2.8	2.4	3.5
Health care	2.6	1.9	3.0	1.6	3.5
Educational	2.2	1.5	2.1	1.8	3.4
Religious	4.3	3.4	4.7	2.6	6.0
Public safety	5.3	4.4	5.1	3.3	6.7
Amusement and recreation	4.4	3.0	3.8	3.2	4.5
Transportation	3.1	2.2	3.3	2.8	4.6
Communication	NA	NA	NA	NA	NA
Power	1.6	4.3	4.9	0.9	2.6
Highway and street	3.4	2.1	3.4	3.7	6.0
Sewage and waste disposal	3.6	2.3	3.5	2.6	5.2
Water supply	4.0	2.5	3.7	4.6	6.4
Conservation and development	5.6	2.9	5.5	2.2	6.6
Manufacturing	3.0	2.3	4.5	1.5	4.5
Total Private Construction	1.3	1.0	1.6	1.0	1.8
Residential	5.0	1.1	1.3	0.8	1.4
Nonresidential	1.3	1.0	1.6	1.0	1.8
Lodging	3.2	2.7	4.0	2.2	6.6
Office	3.2	2.4	4.6	1.8	4.5
Commercial	2.8	2.2	2.9	2.5	3.6
Health care	3.0	2.3	3.5	1.8	4.0
Educational	4.2	3.3	4.8	2.5	5.7
Religious	4.3	3.4	4.7	2.6	6.0
Amusement and recreation	7.3	4.6	6.2	4.2	7.5
Transportation	10.7	6.8	5.9	4.7	10.0
Communication	NA	NA	NA	NA	NA
Power	1.3	5.4	6.5	1.0	2.7
Manufacturing	3.0	2.3	4.6	1.4	4.6
Total Public Construction	1.4	0.9	1.3	1.5	2.4
Residential	6.2	5.6	6.3	2.6	4.7
Nonresidential	1.4	0.9	1.4	1.5	2.4
Office	4.2	3.1	3.3	2.8	5.7
Commercial	5.3	4.3	4.6	7.9	7.0
Health care	3.9	3.0	3.7	2.4	5.5
Educational	2.4	1.6	2.4	2.1	3.8
Public safety	5.5	4.6	5.4	3.4	7.0
Amusement and recreation	5.0	3.8	4.8	5.0	5.2
Transportation	3.1	2.3	3.6	3.0	5.0
Power	4.8	3.2	4.0	1.8	6.2
Highway and street	3.4	2.1	3.4	3.7	6.0
Sewage and waste disposal	3.6	2.3	3.5	2.7	5.3
Water supply	4.1	2.6	3.7	4.8	6.5
Conservation and development	5.8	2.9	5.8	2.2	6.7

NA Not applicable