U.S. Census Bureau News

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

For Release at 10:00 A.M. EDT, Tuesday, August 1, 2006

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

CB06-117

JUNE 2006 CONSTRUCTION AT \$1,217.3 BILLION ANNUAL RATE

The U.S. Census Bureau of the Department of Commerce announced today that construction spending during June 2006 was estimated at a seasonally adjusted annual rate of \$1,217.3 billion, 0.3 percent ($\pm 1.6\%$)* above the revised May estimate of \$1,213.8 billion. The June figure is 6.8 percent ($\pm 2.4\%$) above the June 2005 estimate of \$1,139.9 billion.

During the first 6 months of this year, construction spending amounted to \$569.3 billion, 8.5 percent ($\pm 1.9\%$) above the \$524.8 billion for the same period in 2005.

PRIVATE CONSTRUCTION

Spending on private construction was at a seasonally adjusted annual rate of \$944.7 billion, 0.1 percent $(\pm 1.4\%)^*$ above the revised May estimate of \$943.6 billion. Residential construction was at a seasonally adjusted annual rate of \$641.6 billion in June, 1.0 percent $(\pm 1.3\%)^*$ below the revised May estimate of \$648.4 billion. Nonresidential construction was at a seasonally adjusted annual rate of \$303.1 billion in June, 2.7 percent $(\pm 1.4\%)$ above the revised May estimate of \$295.2 billion.

PUBLIC CONSTRUCTION

In June, the estimated seasonally adjusted annual rate of public construction spending was \$272.5 billion, 0.8 percent $(\pm 2.4\%)^*$ above the revised May estimate of \$270.3 billion. Educational construction was at a seasonally adjusted annual rate of \$68.9 billion, 0.4 percent $(\pm 3.2\%)^*$ below the revised May estimate of \$69.2 billion. Highway construction was at a seasonally adjusted annual rate of \$77.8 billion, 0.1 percent $(\pm 6.2\%)^*$ above the revised May estimate of \$77.7 billion.

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

Geographic data for Private Nonresidential Construction (1993 – 2005) are available. Go to the Private Construction menu on our website.

^{* 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		May 2006 ^r	Apr 2006 ^r	Mar 2006	Feb 2006	Jun 2005	Percent change Jun 2006 from -	
	Jun 2006 ^p						May 2006	Jun 2005
Total Construction	1,217,250	1,213,849	1,214,449	1,212,385	1,199,873	1,139,889	0.3	6.8
Residential	650,785	657,294	667,288	673,641	671,588	650,668	-1.0	0.0
Nonresidential	566,466	556,556	547,161	538,745	528,285	489,221	1.8	15.8
Lodging	20,891	19,226	18,848	17,071	15,659	12,206	8.7	71.2
Office	52,605	51,352	51,081	49,625	50,025	47,436	2.4	10.9
Commercial	82,148	81,342	79,243	78,325	76,855	72,052	1.0	14.0
Health care	41,994	41,912	40,677	39,856	39,698	35,922	0.2	16.9
Educational	82,152	82,768	82,646	82,988	82,647	80,985	-0.7	1.4
Religious	8,428	8,358	8,132	8,457	8,161	7,872	0.8	7.1
Public safety	11,551	11,419	11,071	11,322	11,248	10,302	1.2	12.1
Amusement and recreation	23,177	22,592	22,595	21,020	20,605	18,149	2.6	27.7
Transportation	30,339	29,769	29,543	29,244	28,163	26,144	1.9	16.0
Communication	15,400	14,972	15,190	15,323	15,590	13,614	2.9	13.1
Power	42,054	40,615	40,157	39,880	37,972	36,827	3.5	14.2
Highway and street	78,170	78,117	74,770	72,711	71,405	65,207	0.1	19.9
Sewage and waste disposal	19,317	18,903	18,144	18,858	19,103	16,534	2.2	16.8
Water supply	13,459	13,275	12,212	12,700	11,905	11,344	1.4	18.6
Conservation and development	5,211	5,347	5,493	5,684	5,449	5,230	-2.5	-0.4
Manufacturing	39,571	36,591	37,359	35,679	33,800	29,399	8.1	34.6
Total Private Construction ¹	944,709	943,573	948,467	948,697	940,334	891,479	0.1	6.0
Residential	641,602	648,386	657,807	664,234	662,557	642,194	-1.0	-0.1
Nonresidential	303,107	295,187	290,661	284,464	277,777	249,285	2.7	21.6
Lodging	20,633	18,984	18,673	16,879	15,504	11,604	8.7	77.8
Office	41,315	40,553	40,207	39,332	39,508	36,681	1.9	12.6
Commercial	78,344	77,465	74,915	73,853	72,753	67,472	1.1	16.1
Health care	32,572	32,369	31,463	30,811	30,711	27,043	0.6	20.4
Educational	13,221	13,554	13,457	13,972	13,403	12,870	-2.5	2.7
Religious	8,398	8,334	8,121	8,450	8,154	7,853	0.8	6.9
Amusement and recreation	9,638	9,671	9,671	8,486	8,580	7,312	-0.3	31.8
Transportation	9,218	9,129	9,002	9,124	8,957	7,263	1.0	26.9
Communication	15,324	14,896	15,115	15,323	15,572	13,394	2.9	14.4
Power	33,475	32,144	31,516	31,228	29,820	27,352	4.1	22.4
Manufacturing	39,408	36,441	37,078	35,340	33,430	29,254	8.1	34.7
Total Public Construction ²	272,542	270,277	265,981	263,688	259,539	248,410	0.8	9.7
Residential	9,183	8,908	9,481	9,407	9,031	8,474	3.1	8.4
Nonresidential	263,359	261,369	256,500	254,281	250,508	239,937	0.8	9.8
Office	11,290	10,799	10,874	10,294	10,517	10,755	4.5	5.0
Commercial	3,804	3,877	4,328	4,472	4,102	4,580	-1.9	-16.9
Health care	9,422	9,543	9,215	9,046	8,987	8,878	-1.3	6.1
Educational	68,931	69,213	69,189	69,016	69,244	68,115	-0.4	1.2
Public safety	11,161	10,994	10,660	10,887	10,834	9,910	1.5	12.6
Amusement and recreation	13,539	12,921	12,924	12,534	12,025	10,837	4.8	24.9
Transportation	21,121	20,640	20,542	20,121	19,206	18,881	2.3	11.9
Power	8,579	8,471	8,641	8,652	8,152	9,475	1.3	-9.5
Highway and street	77,751	77,686	74,462	72,266	71,123	64,944	0.1	19.7
Sewage and waste disposal	19,056	18,616	17,871	18,571	18,879	16,287	2.4	17.0
Water supply	13,084	12,862	11,840	12,289	11,525	11,233	1.7	16.5
Conservation and development	5,095	5,257	5,414	5,595	5,364	5,057	-3.1	0.8

^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.)

							Y		
Type of Construction	Jun 2006 ^p	May 2006 ^r	Apr 2006 ^r	Mar 2006	Feb 2006	Jun 2005	Jun 2006	Jun 2005	Percent change
Total Construction	110,649	104,851	97,285	92,787	80,983	103,702	569,329	524,757	8.5
Residential	59,392	57,294	53,857	51,848	43,829	59,437	312,111	296,920	5.1
Nonresidential	51,257	47,557	43,428	40,939	37,154	44,265	257,218	227,837	12.9
Lodging	1,741	1,602	1,571	1,423	1,305	1,017	8,829	6,392	38.1
Office	4,584	4,466	4,286	4,115	3,840	4,102	25,042	23,741	5.5
Commercial	7,323	6,969	6,457	6,196	5,688	6,384	38,325	34,485	11.1
Health care	3,673	3,611	3,401	3,256	3,100	3,142	20,070	17,531	14.5
Educational	7,786	7,000	6,400	6,154	5,722	7,613	38,796	36,449	6.4
Religious	735	694	652	654	607	683	3,913	3,781	3.5
Public safety	991	926	887	860	830	882	5,315	4,467	19.0
Amusement and recreation	2,027	1,961	1,870	1,674	1,537	1,586	10,541	8,892	18.5
Transportation	2,662	2,535	2,364	2,087	1,899	2,329	13,417	12,064	11.2
Communication	1,357	1,265	1,147	1,291	1,104	1,201	7,272	6,496	11.9
Power	3,567	3,383	3,239	3,301	2,901	3,132	19,335	17,629	9.7
Highway and street	8,002	6,943	5,297	4,221	3,517	6,709	31,455	26,982	16.6
Sewage and waste disposal	1,778	1,639	1,418	1,407	1,274	1,522	8,793	7,314	20.2
Water supply	1,179	1,121	1,004	964	863	1,000	6,000	5,298	13.3
Conservation and development Manufacturing	433 3,420	425 3,019	427 3,008	470 2,865	402 2,566	440 2,524	2,583 17,533	2,231 14,085	15.8 24.5
Total Private Construction ¹	85,050	81,684	76,846	74,191	64,205	80,433	448,053	414,835	8.0
Residential	58,577	56,528	53,097	51,125	43,167	58,686	307,750	293,020	5.0
Nonresidential	26,473	25,156	23,749	23,066	21,038	21,747	140,303	121,815	15.2
Lodging	1,719	1,582	1,556	1,407	1,292	967	8,730	6,276	39.1
Office	3,604	3,538	3,376	3,260	3,055	3,178	19,751	18,195	8.6
Commercial	6,986	6,637	6,097	5,846	5,391	5,969	36,337	32,256	12.7
Health care	2,858	2,804	2,613	2,532	2,391	2,366	15,532	13,217	17.5
Educational	1,227	1,197	1,125	1,104	986	1,192	6,603	6,198	6.5
Religious	732	692	651	654	606	681	3,906	3,769	3.6
Amusement and recreation	817	825	816	694	683	627	4,462	3,836	16.3
Transportation	823	823	748	644	574	655	4,206	3,272	28.5
Communication	1,350	1,259	1,141	1,291	1,102	1,183	7,249	6,469	12.1
Power	2,812	2,659	2,532	2,679	2,330	2,315	15,433	13,678	12.8
Manufacturing	3,406	3,006	2,984	2,837	2,535	2,512	17,395	14,024	24.0
Total Public Construction ²	25,599	23,167	20,439	18,596	16,778	23,269	121,276	109,922	10.3
Residential	815	766	760	723	661	751	4,361	3,900	11.8
Nonresidential	24,784	22,402	19,679	17,873	16,116	22,518	116,915	106,022	10.3
Office	981	927	911	856	785	924	5,291	5,546	-4.6
Commercial	337	333	360	350	297	416	1,988	2,230	-10.9
Health care	815	807	788	724	709	776	4,538	4,314	5.2
Educational	6,559	5,803	5,276	5,050	4,736	6,422	32,193	30,251	6.4
Public safety	956	888	852	827	802	848	5,115	4,319	18.4
Amusement and recreation	1,210	1,136	1,053	980	854	959	6,079	5,056	20.2
Transportation	1,840	1,712	1,617	1,443	1,325	1,674	9,211	8,792	4.8
Power	756 7.064	723	707 5 276	623	571	817	3,901	3,951	-1.3
Highway and street	7,961	6,909	5,276	4,194	3,498	6,684	31,290	26,819	16.7
Sewage and waste disposal Water supply	1,754 1,149	1,616 1,090	1,398 978	1,386 933	1,258 841	1,500 991	8,670 5,835	7,189 5,186	20.6 12.5
Conservation and development	423	417	421	463	395	426	2,539	2,155	17.8

^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.

 $^{^{\}rm 2}$ Includes the following categories of public construction not shown separately: lodging, religious, communication, and manufacturing.

 $\label{thm:condition} \mbox{Table 3. Coefficients of Variation and Standard Errors by Type of Construction} \ \ \mbox{(Percent)}$

	Coefficient of v	ariation	Standard error				
Type of Construction					Month-to-month		
	Monthly	Year-to-date	Year-to-date	Month-to-month	change from prev.		
	estimate	estimate	change	change	year		
Total Construction	1.0	0.7	1.2	1.0	1.5		
Residential	5.4	6.7	8.2	3.4	10.7		
Nonresidential	1.0	0.7	1.2	1.0	1.5		
Lodging	3.3	2.6	3.9	1.6	5.9		
Office	3.0	1.9	4.0	1.4	4.1		
Commercial	2.3	2.0	2.7	2.1	3.7		
Health care	2.8	2.3	3.3	1.7	4.1		
Educational	2.2	1.6	2.3	1.7	2.8		
Religious	4.4	4.1	5.1	3.1	7.1		
Public safety	4.9	4.7	6.2	3.4	5.5		
Amusement and recreation	4.6	4.2	4.8	2.7	5.2		
Transportation	3.8	2.3	3.6	2.1	5.7		
Communication	NA	NA	NA	NA	NA		
Power	1.4	6.7	8.6	1.9	2.5		
Highway and street	3.4	2.1	4.0	3.9	5.4		
Sewage and waste disposal	3.5	2.8	4.4	3.3	5.8		
Water supply	4.0	3.2	4.9	3.9	6.6		
Conservation and development	5.7 3.4	3.6 2.4	7.5 5.4	4.2	6.5 4.8		
Manufacturing		2.4	5.4	1.6	4.0		
Total Private Construction	1.3	1.1	1.8	0.9	2.0		
Residential	5.0	1.1	1.3	0.8	1.4		
Nonresidential	1.3	1.1	1.8	0.9	2.0		
Lodging	3.3	2.6	3.9	1.6	6.1		
Office	3.7	2.2	4.8	1.6	4.7		
Commercial	2.4	2.1	2.9	2.2	3.9		
Health care	3.3	2.6	3.9	1.9	4.9		
Educational	4.2	3.5	5.0	2.4	5.9		
Religious	4.4	4.1	5.1	3.1	7.1		
Amusement and recreation	7.6	7.2	7.5	3.7	8.2		
Transportation	11.3	10.1	11.3	10.7	10.3		
Communication	NA	NA	NA	NA	NA		
Power	0.9	8.4	11.5	1.9	1.6		
Manufacturing	3.4	2.4	5.4	1.6	4.8		
Total Public Construction	1.4	0.9	1.5	1.5	2.1		
Residential	5.4	6.7	8.2	3.4	10.7		
Nonresidential	1.4	0.9	1.5	1.5	2.1		
Office	3.7	3.6	3.9	2.5	5.1		
Commercial	5.0	3.9	4.1	3.8	5.1		
Health care	4.1	4.0	4.6	2.6	5.3		
Educational	2.4	1.8	2.6	2.0	3.2		
Public safety	5.1	4.9	6.4	3.6	5.7		
Amusement and recreation	5.2	4.4	5.9	3.6	6.8		
Transportation	3.9	2.3	3.8	1.9	6.2		
Power	4.0	4.0	5.3	5.2	6.2		
Highway and street	3.4	2.2	4.0	3.9	5.4		
Sewage and waste disposal	3.5	2.8	4.5	3.3	5.9		
Water supply	4.0	3.2	5.0	3.9	6.6		
Conservation and development	5.9	3.7	8.0	4.3	6.9		

NA Not applicable