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DECEMBER 2008 CONSTRUCTION AT \$1,053.7 BILLION ANNUAL RATE

The U.S. Census Bureau of the Department of Commerce announced today that construction spending during December 2008 was estimated at a seasonally adjusted annual rate of \$1,053.7 billion, 1.4 percent ($\pm 1.3\%$) below the revised November estimate of \$1,068.8 billion. The December figure is 3.6 percent ($\pm 1.9\%$) below the December 2007 estimate of \$1,093.5 billion.

The value of construction in 2008 was \$1,078.9 billion, 5.1 percent ($\pm 1.3\%$) below the \$1,137.2 billion spent in 2007.

PRIVATE CONSTRUCTION

Spending on private construction was at a seasonally adjusted annual rate of \$737.1 billion, 1.7 percent ($\pm 1.1\%$) below the revised November estimate of \$749.6 billion. Residential construction was at a seasonally adjusted annual rate of \$319.2 billion in December, 3.2 percent ($\pm 1.3\%$) below the revised November estimate of \$329.9 billion. Nonresidential construction was at a seasonally adjusted annual rate of \$417.9 billion in December, 0.4 percent ($\pm 1.1\%$)* below the revised November estimate of \$419.7 billion.

The value of private construction in 2008 was \$770.4 billion, 9.4 percent ($\pm 1.8\%$) below the \$850.0 billion spent in 2007. Residential construction in 2008 was \$358.4 billion, 27.2 percent ($\pm 2.2\%$) below the 2007 figure of \$492.5 billion and nonresidential construction was \$412.0 billion, 15.3 percent ($\pm 1.8\%$) above the \$357.5 billion in 2007.

PUBLIC CONSTRUCTION

In December, the estimated seasonally adjusted annual rate of public construction spending was \$316.6 billion, 0.8 percent ($\pm 2.1\%$)* below the revised November estimate of \$319.3 billion. Educational construction was at a seasonally adjusted annual rate of \$86.2 billion, 0.9 percent ($\pm 2.9\%$)* below the revised November estimate of \$87.0 billion. Highway construction was at a seasonally adjusted annual rate of \$82.1 billion, 2.4 percent ($\pm 5.4\%$)* below the revised November estimate of \$84.2 billion.

The value of public construction in 2008 was \$308.5 billion, 7.4 percent ($\pm 1.8\%$) above the \$287.1 billion spent in 2007. Educational construction in 2008 was \$85.5 billion, 7.9 percent ($\pm 3.5\%$) above the 2007 figure of \$79.3 billion and highway construction was \$80.5 billion, 6.5 percent ($\pm 3.8\%$) above the \$75.6 billion in 2007.

January 2009 data will be released on March 2, 2009 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, 0.6 percent; and public construction, 0.7 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	Dec 2008 ^P	Nov 2008 ^r	Oct 2008 ^r	Sep 2008	Aug 2008	Dec 2007	Percent change Dec 2008 from -	
							Nov 2008	Dec 2007
Total Construction	1,053,717	1,068,837	1,082,279	1,089,381	1,085,743	1,093,521	-1.4	-3.6
Residential	326,877	337,739	351,422	358,226	360,953	420,919	-3.2	-22.3
Nonresidential	726,840	731,098	730,857	731,155	724,790	672,602	-0.6	8.1
Lodging	37,939	38,014	37,963	38,874	39,896	32,216	-0.2	17.8
Office	73,106	73,627	73,982	75,261	73,557	68,263	-0.7	7.1
Commercial	78,451	79,646	81,261	81,491	85,121	88,678	-1.5	-11.5
Health care	48,561	48,186	48,559	48,197	46,643	44,499	0.8	9.1
Educational	104,814	105,596	105,689	105,704	106,242	100,606	-0.7	4.2
Religious	7,568	7,496	7,637	7,000	6,740	7,165	1.0	5.6
Public safety	14,478	14,377	12,836	12,412	12,629	11,021	0.7	31.4
Amusement and recreation	21,831	22,439	22,534	22,706	23,091	23,120	-2.7	-5.6
Transportation	34,906	35,572	36,046	35,980	35,429	34,699	-1.9	0.6
Communication	22,453	21,405	22,299	23,193	23,194	28,753	4.9	-21.9
Power	73,691	76,378	74,092	77,014	73,975	58,047	-3.5	27.0
Highway and street	82,260	84,329	83,811	82,599	83,621	78,343	-2.5	5.0
Sewage and waste disposal	26,833	27,071	26,893	26,024	25,289	25,520	-0.9	5.1
Water supply	17,955	17,820	17,525	17,662	17,827	14,082	0.8	27.5
Conservation and development	6,259	5,607	5,232	4,936	5,751	6,013	11.6	4.1
Manufacturing	75,734	73,536	74,501	72,101	65,785	51,576	3.0	46.8
Total Private Construction ¹	737,102	749,566	766,915	777,025	769,061	797,545	-1.7	-7.6
Residential	319,195	329,863	343,800	350,165	352,936	413,878	-3.2	-22.9
Nonresidential	417,908	419,703	423,116	426,860	416,126	383,666	-0.4	8.9
Lodging	37,717	37,814	37,768	38,624	39,473	31,225	-0.3	20.8
Office	56,222	57,753	58,243	59,684	58,222	56,103	-2.7	0.2
Commercial	75,512	76,431	77,812	78,408	81,627	85,143	-1.2	-11.3
Health care	39,573	39,515	39,354	39,466	37,552	36,014	0.1	9.9
Educational	18,573	18,570	19,420	19,791	18,738	18,612	0.0	-0.2
Religious	7,568	7,471	7,637	6,925	6,706	7,165	1.3	5.6
Amusement and recreation	9,804	10,474	10,868	10,786	11,122	11,620	-6.4	-15.6
Transportation	10,384	10,469	10,196	10,389	10,103	9,875	-0.8	5.2
Communication	22,338	21,276	22,093	22,989	22,986	28,658	5.0	-22.1
Power	63,201	64,941	63,491	66,089	62,190	46,039	-2.7	37.3
Manufacturing	75,303	73,127	73,998	71,580	65,260	51,193	3.0	47.1
Total Public Construction ²	316,615	319,271	315,364	312,356	316,681	295,976	-0.8	7.0
Residential	7,683	7,876	7,622	8,062	8,017	7,041	-2.5	9.1
Nonresidential	308,932	311,395	307,742	304,294	308,664	288,936	-0.8	6.9
Office	16,884	15,874	15,738	15,578	15,335	12,160	6.4	38.8
Commercial	2,939	3,215	3,448	3,083	3,494	3,535	-8.6	-16.9
Health care	8,988	8,671	9,205	8,731	9,090	8,485	3.7	5.9
Educational	86,241	87,026	86,269	85,913	87,503	81,995	-0.9	5.2
Public safety	13,973	13,862	12,286	11,899	12,014	10,445	0.8	33.8
Amusement and recreation	12,027	11,965	11,666	11,920	11,969	11,500	0.5	4.6
Transportation	24,522	25,103	25,850	25,590	25,326	24,824	-2.3	-1.2
Power	10,490	11,436	10,602	10,925	11,785	12,008	-8.3	-12.6
Highway and street	82,145	84,169	83,631	82,450	83,474	77,871	-2.4	5.5
Sewage and waste disposal	26,456	26,509	26,111	25,317	24,696	25,123	-0.2	5.3
Water supply	17,275	17,227	16,854	16,970	17,105	13,557	0.3	27.4
Conservation and development	6,225	5,574	5,177	4,869	5,681	5,963	11.7	4.4

^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	Dec 2008 ^P	Nov 2008 ^r	Oct 2008 ^r	Sep 2008	Aug 2008	Dec 2007	Year-to-date		
							Dec 2008	Dec 2007	Percent change
Total Construction	81,197	88,422	96,868	99,247	101,687	82,884	1,078,858	1,137,152	-5.1
Residential	23,952	27,324	31,613	31,889	35,100	30,642	365,891	499,650	-26.8
Nonresidential	57,245	61,098	65,256	67,358	66,588	52,241	712,966	637,502	11.8
Lodging	3,162	3,168	3,164	3,240	3,325	2,685	37,091	28,728	29.1
Office	5,783	6,112	6,434	6,714	6,252	5,336	72,714	64,731	12.3
Commercial	6,049	6,664	7,212	7,428	7,663	6,909	85,598	88,777	-3.6
Health care	3,972	4,129	4,215	4,179	3,960	3,574	46,583	42,882	8.6
Educational	7,812	8,411	9,043	9,626	10,725	7,397	104,314	96,348	8.3
Religious	608	661	684	630	608	568	7,138	7,447	-4.1
Public safety	1,201	1,232	1,134	1,166	1,104	900	12,560	9,899	26.9
Amusement and recreation	1,728	1,868	1,983	2,028	2,022	1,825	22,914	21,719	5.5
Transportation	2,837	3,127	3,328	3,395	3,226	2,805	35,243	32,420	8.7
Communication	2,208	1,740	2,015	1,979	1,884	2,604	24,899	27,040	-7.9
Power	6,009	6,364	6,347	6,786	6,497	4,661	70,798	53,371	32.7
Highway and street	5,245	6,958	8,644	9,385	9,223	4,934	80,707	76,021	6.2
Sewage and waste disposal	2,085	2,385	2,558	2,387	2,329	1,957	25,770	24,665	4.5
Water supply	1,372	1,490	1,591	1,617	1,615	1,082	16,959	15,583	8.8
Conservation and development	564	465	412	560	485	483	5,364	5,226	2.6
Manufacturing	6,611	6,325	6,492	6,239	5,672	4,521	64,315	42,644	50.8
Total Private Construction ¹	57,809	62,052	67,888	68,310	70,430	61,361	770,392	850,009	-9.4
Residential	23,325	26,686	30,970	31,105	34,394	30,080	358,351	492,499	-27.2
Nonresidential	34,484	35,365	36,918	37,205	36,037	31,282	412,041	357,510	15.3
Lodging	3,143	3,151	3,147	3,219	3,289	2,602	36,663	27,503	33.3
Office	4,455	4,844	5,126	5,195	4,897	4,385	57,911	53,377	8.5
Commercial	5,811	6,396	6,929	7,112	7,362	6,622	82,272	84,999	-3.2
Health care	3,233	3,393	3,460	3,393	3,223	2,887	37,827	34,776	8.8
Educational	1,421	1,493	1,639	1,678	1,749	1,420	18,771	17,071	10.0
Religious	608	659	684	624	605	568	7,107	7,429	-4.3
Amusement and recreation	797	864	941	926	938	943	11,041	10,352	6.7
Transportation	868	915	913	924	879	830	10,208	9,444	8.1
Communication	2,199	1,730	1,998	1,962	1,867	2,596	24,726	26,947	-8.2
Power	5,248	5,475	5,428	5,784	5,398	3,784	59,432	41,481	43.3
Manufacturing	6,575	6,291	6,451	6,195	5,628	4,489	63,817	42,229	51.1
Total Public Construction ²	23,388	26,370	28,981	30,937	31,257	21,522	308,465	287,143	7.4
Residential	627	638	643	784	706	563	7,540	7,151	5.4
Nonresidential	22,761	25,732	28,338	30,153	30,551	20,960	300,925	279,992	7.5
Office	1,328	1,268	1,308	1,519	1,355	952	14,802	11,353	30.4
Commercial	239	268	283	317	301	287	3,326	3,778	-12.0
Health care	739	736	755	786	737	687	8,757	8,106	8.0
Educational	6,391	6,918	7,404	7,948	8,976	5,977	85,543	79,278	7.9
Public safety	1,165	1,189	1,083	1,119	1,047	856	11,874	9,404	26.3
Amusement and recreation	931	1,004	1,043	1,103	1,083	882	11,874	11,367	4.5
Transportation	1,969	2,212	2,415	2,471	2,348	1,975	25,035	22,976	9.0
Power	761	889	919	1,002	1,099	877	11,366	11,890	-4.4
Highway and street	5,236	6,942	8,627	9,371	9,209	4,899	80,497	75,563	6.5
Sewage and waste disposal	2,054	2,334	2,494	2,327	2,279	1,922	25,164	24,282	3.6
Water supply	1,323	1,446	1,527	1,549	1,539	1,046	16,247	15,122	7.4
Conservation and development	561	463	407	554	479	479	5,311	5,120	3.7

^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	0.9	0.5	0.8	0.8	1.2
Residential	3.2	1.7	5.1	2.7	4.6
Nonresidential	0.9	0.5	0.8	0.8	1.2
Lodging	1.9	1.4	2.2	0.9	2.9
Office	2.5	2.0	2.4	1.3	2.7
Commercial	2.9	2.0	2.2	2.0	2.6
Health care	1.9	1.4	1.7	1.5	2.7
Educational	2.1	1.3	1.9	1.6	3.1
Religious	4.5	3.1	3.6	3.5	7.2
Public safety	3.0	1.8	3.4	2.8	4.6
Amusement and recreation	3.3	2.2	3.0	2.2	3.8
Transportation	2.7	1.6	2.6	3.4	4.6
Communication	NA	NA	NA	NA	NA
Power	1.3	0.9	1.0	0.6	1.3
Highway and street	3.4	1.6	2.3	3.4	6.3
Sewage and waste disposal	3.7	2.0	2.8	2.7	4.9
Water supply	3.9	2.4	3.6	3.0	6.2
Conservation and development	5.1	2.8	4.0	5.1	8.1
Manufacturing	1.6	1.5	2.2	0.5	2.1
Total Private Construction	1.0	0.8	1.1	0.7	1.2
Residential	5.0	1.1	1.4	0.8	1.4
Nonresidential	1.0	0.8	1.1	0.7	1.2
Lodging	1.9	1.4	2.3	0.9	3.0
Office	3.1	2.3	2.8	1.4	2.8
Commercial	3.1	2.1	2.2	2.1	2.7
Health care	2.2	1.7	2.0	1.8	3.2
Educational	3.5	2.5	3.4	2.2	4.6
Religious	4.5	3.1	3.6	3.5	7.2
Amusement and recreation	4.4	2.9	3.5	2.4	4.5
Transportation	6.1	4.4	7.0	5.9	5.9
Communication	NA	NA	NA	NA	NA
Power	1.1	0.8	0.7	0.4	0.9
Manufacturing	1.7	1.5	2.3	0.5	2.1
Total Public Construction	1.3	0.7	1.1	1.3	2.1
Residential	3.2	1.7	5.1	2.7	4.6
Nonresidential	1.3	0.7	1.1	1.3	2.2
Office	3.4	2.7	3.5	2.9	7.3
Commercial	6.0	4.4	6.0	5.7	6.0
Health care	3.0	2.3	2.7	2.6	4.0
Educational	2.4	1.5	2.2	1.8	3.6
Public safety	3.1	1.9	3.6	2.9	5.0
Amusement and recreation	4.8	3.2	4.9	3.5	6.1
Transportation	2.8	1.7	2.8	3.6	5.2
Power	8.3	5.8	6.4	4.3	13.4
Highway and street	3.4	1.6	2.4	3.4	6.3
Sewage and waste disposal	3.7	2.0	2.9	2.7	4.9
Water supply	4.0	2.5	3.7	3.0	6.5
Conservation and development	5.1	2.8	4.1	5.1	8.2

NA Not applicable

Table 4. Annual Value of Construction Put in Place in the United States
(Millions of dollars. Details may not add to totals due to rounding.)

Type of Construction	2008 ^P	2007	Percent change	Coefficient of Variation
Total Construction	1,078,858	1,137,152	-5.1	0.5
Residential	365,891	499,650	-26.8	1.7
Nonresidential	712,966	637,502	11.8	0.5
Lodging	37,091	28,728	29.1	1.4
Office	72,714	64,731	12.3	2.0
Commercial	85,598	88,777	-3.6	2.0
Health care	46,583	42,882	8.6	1.4
Educational	104,314	96,348	8.3	1.3
Religious	7,138	7,447	-4.1	3.1
Public safety	12,560	9,899	26.9	1.8
Amusement and recreation	22,914	21,719	5.5	2.2
Transportation	35,243	32,420	8.7	1.6
Communication	24,899	27,040	-7.9	NA
Power	70,798	53,371	32.7	0.9
Highway and street	80,707	76,021	6.2	1.6
Sewage and waste disposal	25,770	24,665	4.5	2.0
Water supply	16,959	15,583	8.8	2.4
Conservation and development	5,364	5,226	2.6	2.8
Manufacturing	64,315	42,644	50.8	1.5
Total Private Construction ¹	770,392	850,009	-9.4	0.8
Residential	358,351	492,499	-27.2	1.1
Nonresidential	412,041	357,510	15.3	0.8
Lodging	36,663	27,503	33.3	1.4
Office	57,911	53,377	8.5	2.3
Commercial	82,272	84,999	-3.2	2.1
Health care	37,827	34,776	8.8	1.7
Educational	18,771	17,071	10.0	2.5
Religious	7,107	7,429	-4.3	3.1
Public safety	686	495	38.6	5.4
Amusement and recreation	11,041	10,352	6.7	2.9
Transportation	10,208	9,444	8.1	4.4
Communication	24,726	26,947	-8.2	NA
Power	59,432	41,481	43.3	0.8
Sewage and waste disposal	605	383	58.0	21.3
Water supply	712	460	54.8	6.8
Manufacturing	63,817	42,229	51.1	1.5
Total Public Construction ²	308,465	287,143	7.4	0.7
Residential	7,540	7,151	5.4	1.7
Nonresidential	300,925	279,992	7.5	0.7
Office	14,802	11,353	30.4	2.7
Commercial	3,326	3,778	-12.0	4.4
Health care	8,757	8,106	8.0	2.3
Educational	85,543	79,278	7.9	1.5
Public safety	11,874	9,404	26.3	1.9
Amusement and recreation	11,874	11,367	4.5	3.2
Transportation	25,035	22,976	9.0	1.7
Power	11,366	11,890	-4.4	5.8
Highway and street	80,497	75,563	6.5	1.6
Sewage and waste disposal	25,164	24,282	3.6	2.0
Water supply	16,247	15,122	7.4	2.5
Conservation and development	5,311	5,120	3.7	2.8

NA Not Applicable ^P Preliminary

¹ Includes the following categories of private construction not shown separately:
highway and street, and conservation and development.

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