

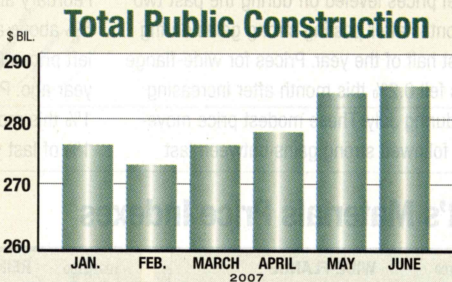
# Construction Economics

## Public Works Growth Helps Offset Housing Drop

Public construction is contributing its share to help offset a 19% decline in private residential construction through the first half of this year, according to the U.S. Dept. of Commerce data for construction put-in-place through the first half of this year. In 2006, private home building accounted for 54% of the dollar volume of all construction put-in-place. While public construction accounted for only 21% of all construction last year, it has grown 11% above the total for the first half of last year.

Through the first six months of this year, public construction totaled \$284 billion, including double-digit gains in 9 of 13 major categories tracked by Commerce. This includes year-to-year gains of 28% for public health-care works, 24% for public power construction and 21% for the public safety market, which includes prisons and courts.

The largest public sector, education, was up 10%, to \$36 billion, during the first six months of the year. The second largest public market, highways, was up 6%.



SOURCE: U.S. DEPT. OF COMMERCE, CONSTRUCTION PUT-IN-PLACE, SEASONALLY ADJUSTED RATE IN CURRENT DOLLARS.

## Public Construction

MARKET: YEAR-TO-DATE	2007	2006	% CHG.	% CHG.
\$ BIL	JUNE	JUNE	MONTH	YEAR
<b>TOTAL PUBLIC CONSTRUCTION</b>	127.78	115.07	+9.0	+11.1
Residential	3.31	2.98	+3.0	+11.1
Office	4.54	3.96	+4.0	+14.7
Commercial	1.73	1.49	-2.5	+16.1
Health care	3.89	3.05	-1.2	+27.5
Educational	36.40	33.01	+14.3	+10.3
Public safety	4.17	3.44	+7.2	+21.2
Amusement and recreation	5.09	4.21	+3.5	+20.9
Transportation	9.51	8.43	+9.0	+12.8
Power	5.35	4.33	-2.9	+23.6
Highway and street	32.14	30.21	+11.0	+6.4
Sewage and waste disposal	11.14	10.45	+5.3	+6.6
Water supply	7.43	6.92	+6.8	+7.4
Conservation and development	2.47	2.41	+3.2	+2.5

SOURCE: DEPT. OF COMMERCE, CONSTRUCTION PUT-IN-PLACE.