



# Research Brief

\* THE COMMONWEALTH'S OFFICIAL SOURCE OF POPULATION AND ECONOMIC STATISTICS \*

March 1, 2000

## **Pennsylvania's Construction Industry Ranks 6<sup>th</sup> In Number of Establishments**

MIDDLETOWN, PA—The Pennsylvania State Data Center reports that Pennsylvania ranks 6<sup>th</sup> in the nation with 27,046 establishments in the construction industry. This, according to the *1997 Economic Census*, is a 3.1 percent increase over the *1992 Economic Census*. The total number of construction establishments in the United States was reported at 639,482, an 11.6 percent increase since 1992. The U.S. Census Bureau defines an establishment as a single physical location at which business is conducted or services are provided. It is not necessarily identical to a company or enterprise that may consist of one or more establishments. In order to provide comparative numbers between the *1997 and 1992 Economic Censuses*, the Standard Industrial Classification System was used to determine the number of establishments at 27,046. The North American Industrial Classification Systems lists the number of establishments in Pennsylvania as 27,536 for 1997.

Pennsylvania also reported a 6.1 percent increase in the number of paid employees at 226,488 (SIC system used for comparative purposes) and a 27.5 percent increase in annual payroll. Pennsylvania construction workers were paid over \$7 billion in wages in 1997 (data is in current dollars and has not been adjusted for inflation).

### **1997 Pennsylvania Construction Industry Statistics**

The major sub-sectors of the construction industry are Building, Developing and General Contracting, Heavy Construction, and Special Trade Contractors. There were 8,476 Building, Developing and General Contracting establishments; 1,529 Heavy Construction establishments; and 17,558 Special Trade Contractor establishments in 1997.



**Table 1: Pennsylvania Construction Industry Statistics: 1997**

	Number of establishments	Number of employees all	Payroll \$ (1000s) all
Construction Industry	27,563	230,026	\$7,275,816
Building, Developing and General Contracting	8,476	54,712	1,687,500
Heavy Construction	1,529	35,654	1,252,564
Special Trade Contractors	17,558	139,660	4,335,753

Source: 1997 Economic Census

### The Value of Construction Work

The value of construction work is that which adds to the value or useful life of an existing building or structure or that adapts a building or structure to a new or different use. Major replacements are included in this category but an item such as repairing a hole in a roof is not. The industry total for 1997 was over \$33 billion. Building, Developing, and General Contracting provided over \$13 billion to the value of construction work. Heavy Construction did almost \$5 billion and Special Trade Contractors provided over \$10 billion.

### Employment Class Size

Of the 27,536 establishments in Pennsylvania, over 17,000 employed only 1-4 persons. There were 50 establishments listed as having more than 250 employees.

**Table 2: Employment Size Class, Pennsylvania 1997**

# of employees	# of establishments
<b>Total</b>	<b>27,563</b>
1-4	17,318
5-9	5,303
10-19	2,597
20-49	1,667
50-99	447
199-249	181
250-499	36
500-999	11
1000+	3

Source: 1997 Economic Census

## Background

The economic census is the primary source of facts about the condition of the nation's economy. The survey is conducted in years that end in a "2" or a "7". Data from the 1997 Economic Census are being published using the North American Industrial Classification System (NAICS) for the first time. Previous data was released using the Standard Industrial Classification System (SICS). The construction sector of the report will be listed under section 23 and may be viewed and/or downloaded from the Census Web site at [www.census.gov](http://www.census.gov).

Care should be taken when comparing SIC data with NAICS information. Many of the individual industries correspond directly to both systems, but in the case of the higher level groupings, they do not. In particular, retail trade, wholesale trade and manufacturing sectors have similar titles in both systems but cover somewhat different groups of industries. Less than half of the construction industries in NAICS have comparable classifications in SIC. Therefore, historical comparison of the two systems is difficult.

The Pennsylvania State Data Center is the Commonwealth's official source of population and economic statistics and services. It is based at Penn State Harrisburg's Institute of State and Regional Affairs. The Pennsylvania State Data Center is part of the U.S. Census Bureau's national State Data Center Program.

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Editors: For additional data, contact the Data Center's State Capital Office at 717.772.2710, or for faculty comment on this topic, contact Penn State Harrisburg's Public Information Office, 717.948.6029.

Source of Information:

U.S. Census Bureau, 1997 Economic Census

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