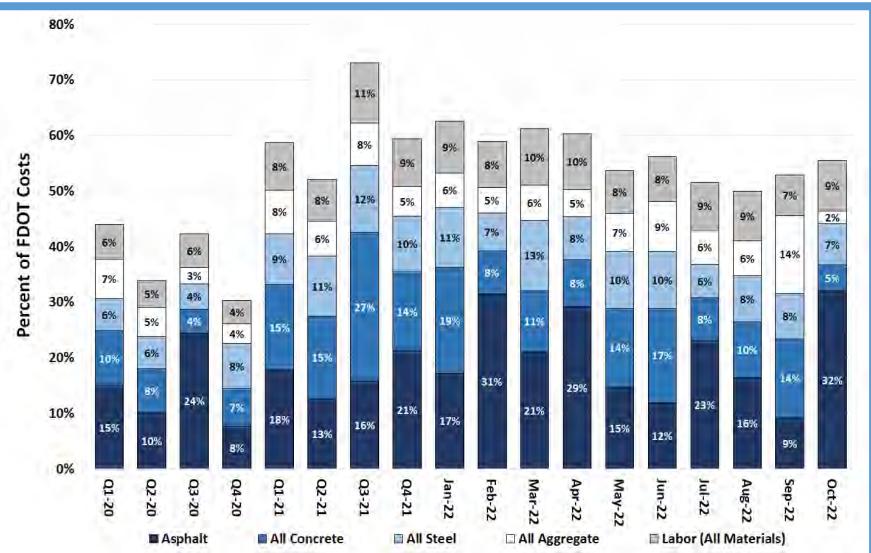
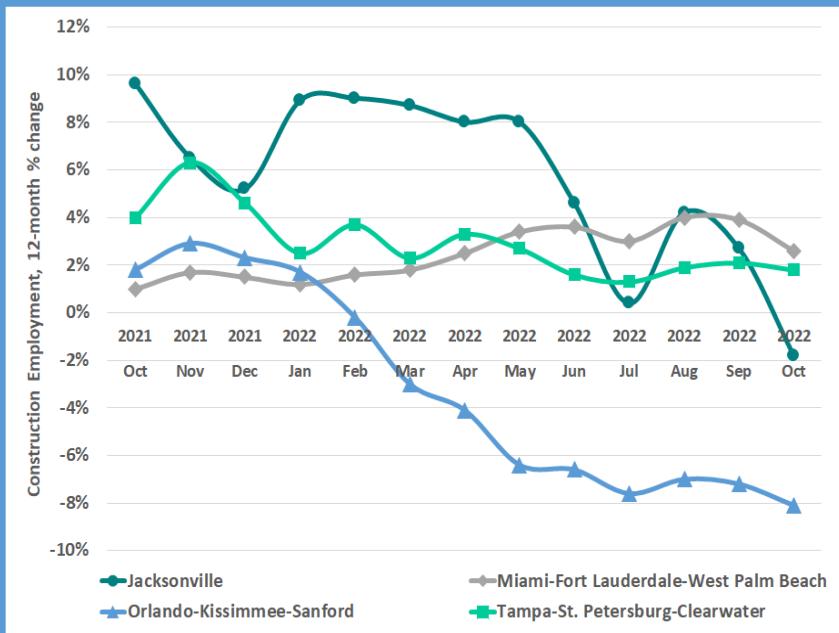


November 2022: Costs and Employment Slowing

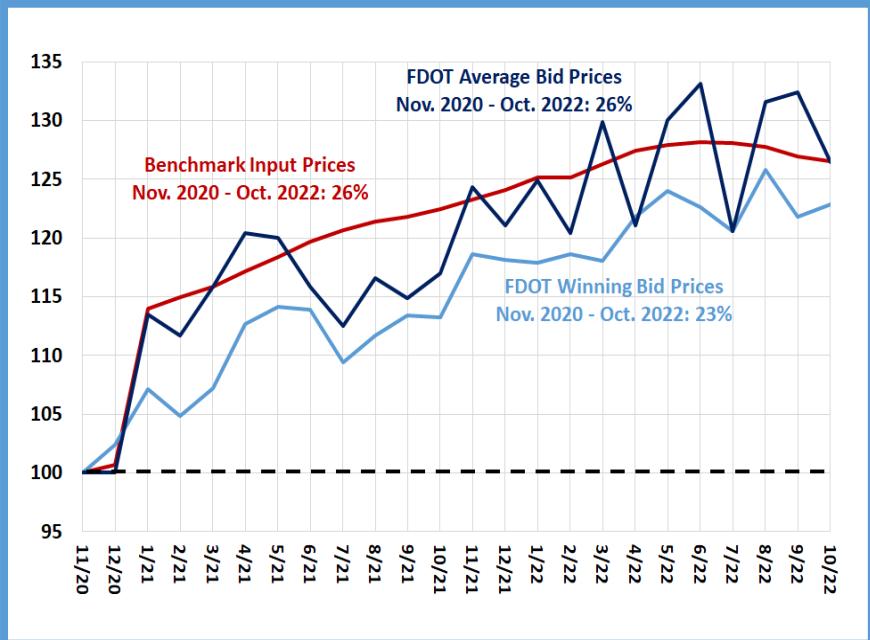


Construction employment growth slowed in several major Florida markets in October. However, downward pressure on wages is not expected to occur in the short-term, barring a major recession. The statewide labor market remains tight due to record infrastructure demand. In addition, rebuilding efforts on the Gulf Coast due to Hurricane Ian will likely spur additional competition for workers. There has been some relief in highway construction material costs in the last month, especially in the U.S. steel market (see monthly steel report for more). Declines are not yet reflected in FDOT bids, however. Asphalt binder prices are falling as well, albeit at a slower rate than steel. Aggregate and concrete costs remain high according to industry and FDOT bid data.

- Construction employment growth stalled in Jacksonville for the first time in more than a year, declining -1.8% in October 2022, year-over-year.
- Tampa and Miami metro areas rose by 1.8% and 2.6%, respectively, last month.
- Orlando construction employment declines hit -8.1% in October, y-o-y.
- Statewide construction employment was 4.3% higher in Oct. 2022 compared to Nov. 2019 pre-pandemic levels.
- Total Florida non-farm employment growth continued in October, hitting 5.9% over Nov. 2019 levels.
- The statewide unemployment rate remained 2.7% in October 2022.



- Updated data for Aug. and Sep. shifted the composition in those months, most notably in September, where aggregate costs tied with concrete for the largest share of dollars.
- According to preliminary October 2022 data, asphalt costs led last month. Aggregate and concrete costs declined as a share of total costs.
- Steel costs continued to track close to historical trends in October.
- Labor costs remain elevated; wage pressure likely to continue barring a major recession.



- Industry prices are beginning to decline for some steel products, but remain high in other materials markets.
- Compared to Nov. 2020, industry benchmark input prices remain 26% higher in October 2022.
- FDOT indices were updated with final 2022 data for August and September and preliminary data for October.
- For winning bids, FDOT prices ran 23% higher than November 2020 levels in October.
- On average, FDOT bids are 26% higher in October compared to the baseline, a marked improvement from previous reports.