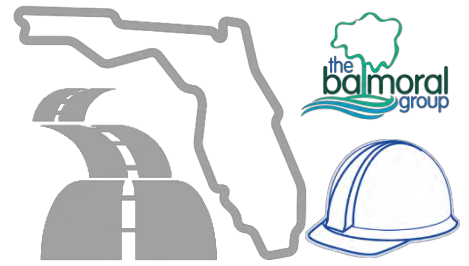
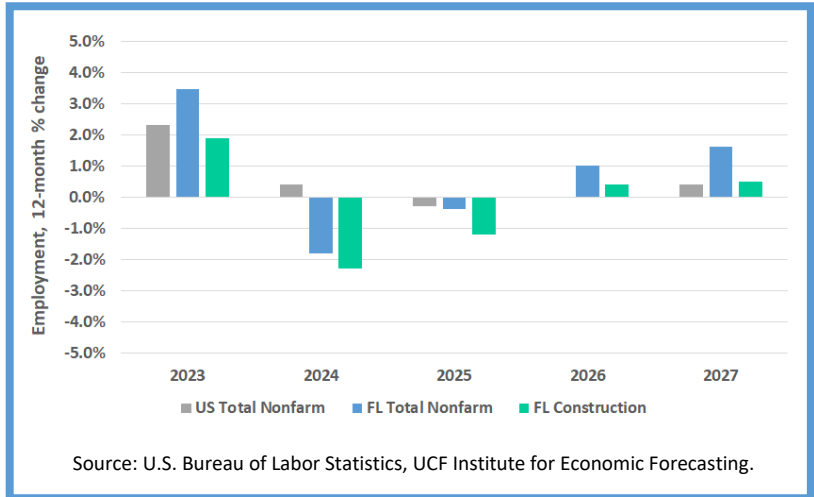


February 2024: Employment Outlook

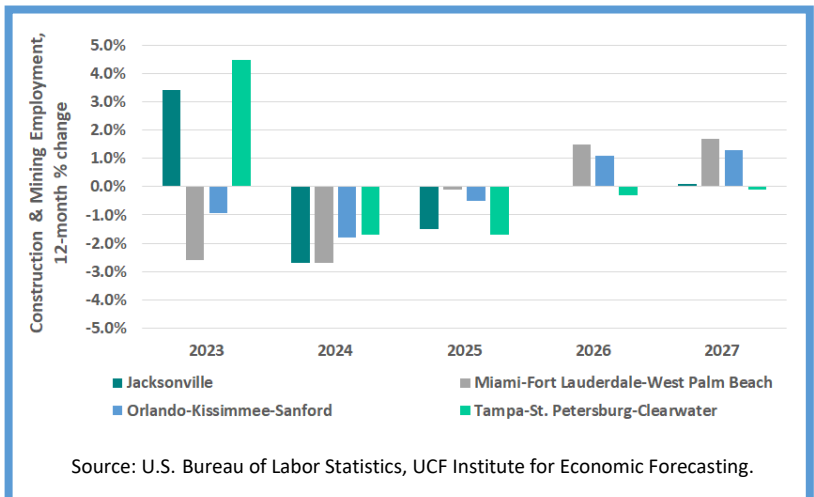


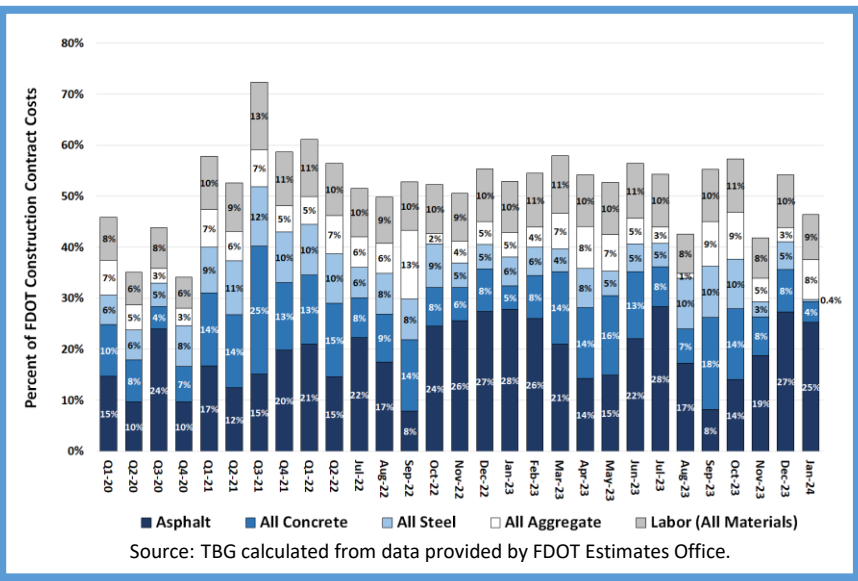
Florida construction employment growth is forecasted to stall in 2024 across major metro markets as wages rise and demand stretches labor availability thin. The overall Florida job opening rate (job openings divided by total employment) improved from 6.0% in December 2022 to 4.7% in December 2023, but remains higher than the 10-year average of 3.2% preceding the 2020 pandemic. With this in mind, labor costs could become a higher share of FDOT construction costs. An analysis of FDOT bid data shows that record high material costs continue to impact FDOT bids. Benchmark input price changes held at about 29% in January 2024. This price level has been maintained for more than a year, indicating the level of “normal” pricing activity going forward in the southeastern states. In January 2024 the index for FDOT awarded bids fell slightly below the regional benchmarks at 25%, while the average of all bids remained elevated at 38% higher than benchmark input costs over the same period according to preliminary data. As Florida wages rise and labor availability declines, FDOT awarded bid prices are likely to approach or exceed regional benchmark input prices.

- BLS calendar year-end data shows that U.S. and Florida total non-farm employment grew by 2.3% and 3.4%, respectively, between 2022 and 2023.
- Statewide construction employment grew by 1.9% over the same period according to BLS.
- UCF’s Fall 2023 Florida & Metro Forecast currently predicts a decline in Florida non-farm and construction employment in 2024 and 2025 before picking back up in 2026 and 2027.

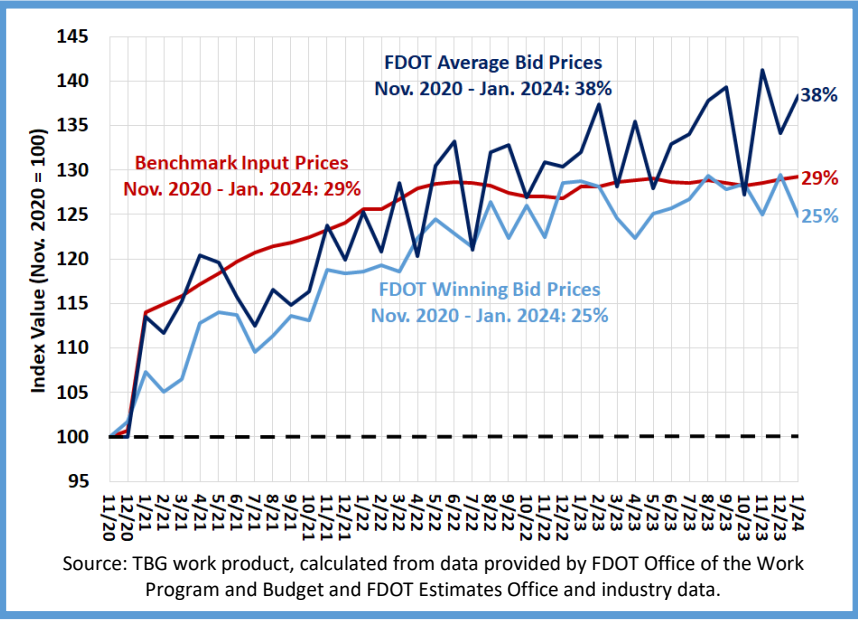


- At the metro level, BLS year-end data shows that the Tampa and Jacksonville areas saw construction employment growth of 4.5% and 3.4%, respectively, in 2023 compared to the previous calendar year.
- Construction employment fell in 2023 in both the Miami (-2.6%) and Orlando (-1.0%) metro areas.
- UCF forecasts construction employment declines in all four metro areas in 2024 and 2025. Miami and Orlando are forecast to see 1% - 2% gains in 2026 and 2027.





- Monthly bid data was provided by FDOT Estimating Systems Support.
- Updated December 2023, asphalt bids accounted for the largest share of total costs. Preliminary January 2024 data shows similar results.
- Aggregate costs are up in January 2024 due to large bid price increases.
- Lower bid activity drove steel and concrete costs as a share of totaled costs down in January 2024 according to preliminary data.
- Labor costs remain 9-10% of total costs.



- Updated December and preliminary January bid data was provided by FDOT Estimating Systems Support.
- Industry benchmark input costs were 29% higher in January 2024 compared to November 2020.
- For winning bids in January 2024, FDOT costs were 25% higher than November 2020 according to preliminary data.
- On average, FDOT bids were 38% higher in January 2024 compared to the baseline (all bids, not just awarded).
- Costs remain elevated due to high asphalt and aggregate bids.