

## Georgia's Commercial Construction Industry Generates \$80.9 Billion in Economic Output and Supports Over Half a Million Jobs

## New report commissioned by ABC-Georgia shows impact of one of the state's largest industries

**ATLANTA (Sept. 5, 2025)** — Georgia's commercial construction industry plays a commanding role in powering the state's economy, generating a staggering **\$80.9 billion in total economic output**, according to a comprehensive new economic impact report commissioned by <a href="Associated Builders and Contractors of Georgia">Associated Builders and Contractors of Georgia</a> (ABC of Georgia).

The impact report highlights the industry's critical role in creating jobs, generating revenue for associated businesses, and putting revenue into the state's coffers.

The commercial construction sector directly and indirectly **supported 549,347 full-time equivalent (FTE) jobs** and generated **\$49.2 billion in earnings** for Georgia workers alone.

"This report clearly demonstrates that commercial construction is not just building structures—it's building Georgia's economy," said <u>Bill Anderson</u>, president and CEO of ABC of Georgia. "In fact, in 2024 our national organization named Georgia the #1 state for construction. Because commercial construction has such an important impact in Georgia, we're focused on policies that support infrastructure development and workforce expansion so that we can keep our work going."

Economic Research Services, Inc., produced the report, which is based on data from 2022, and prepared by Dr. M. Keivan Deravi.

Key highlights from the 2022 data include:

- \$80.9 billion in total economic output, combining payroll and non-payroll expenditures
- **\$17.1 billion in gross payroll**, which in turn generated \$37.4 billion in output when multiplier effects are considered
- **\$21.8 billion in non-payroll spending**, supporting local suppliers and generating \$43.5 billion in output
- **\$2.7 billion in state tax revenues**, including \$1.47 billion from income taxes and \$1.22 billion from sales and use taxes

The industry's impact reaches far beyond construction itself. The largest beneficiaries include Georgia's **manufacturing**, **services**, **trade**, **and transportation** sectors, which are deeply connected to commercial development activities.

Several high-profile projects exemplify this impact:

- Google's new data center in Douglas County would be <u>larger than the Mall of</u> Georgia
- Savannah Port's \$4.5 billion expansion will keep the Georgia port strong

- The Battery Atlanta, a \$1.1 billion mixed-use development continues to create a source of economic opportunity for the region
- Infrastructure projects like the Atlanta Beltline, Stitch and PATH 400 keep construction and engineering teams busy.

Anderson said he's hearing from ABC of Georgia members that despite the industry's strength, there are potential challenges and headwinds ahead. Two of the most uncertain challenges are tariffs and immigration. Companies typically don't like uncertainty and while tariffs are being negotiated around the globe, it is impacting the cost of construction goods, from lumber to steel to specialty items locally. The uncertainty can also cause fear which delays projects, while the higher costs mean tighter margins. And immigration issues loom large over an industry where the workforce already can be too small for demand.

Construction segments that have slowed down are multifamily projects as well as privately funded developments, like new corporate headquarters. What isn't slowing down so far are data center projects, though the cost of power for them brings up other issues. Government projects, from higher ed to healthcare to college sports facilities, are still getting started. As the projects that are getting greenlit change, development companies might be willing to take on riskier projects so they can keep busy.

Still, with Georgia's pro-business climate, Sun Belt population growth and infrastructure investments continuing to rise, the report underscores the pivotal role commercial construction plays in shaping the state's economic trajectory.

"This sector is a foundational pillar of growth for communities across Georgia," Anderson says. "Supporting and sustaining this industry is key to ensuring long-term economic vitality."

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## **About ABC of Georgia**

Associated Builders and Contractors of Georgia (ABC of Georgia) is a network of companies and professionals within the develop-design-build industry. Founded by a group of contractors in 1971, ABC of Georgia was established to unite the local construction industry and promote the merit shop philosophy throughout Georgia. The organization is committed to supporting the growth of construction professionals, in both the field and office, and strengthening the industry and the local economy. For more information, visit <a href="https://www.abcga.org/">https://www.abcga.org/</a>.

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