



BURR ALERT

A Look Ahead at Construction in 2017

By Matthew J. DeVries
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On behalf of Burr's Construction Practice Group and the entire firm, I wish you, your family and your company continued success and the very best this Holiday Season. I think most of us can see that the growth in construction predicted last year for 2016 came to fruition in many instances. The question becomes...what is in store for 2017?

Most experts say that the construction industry will experience slow and continued growth throughout the new year. For example, according to [Dodge Data & Analytics](#), construction in 2017 is anticipated to see moderate job growth, real estate should remain generally healthy, and state and local bond measures will continue to be funded. According to the report, "[f]or 2017, total construction starts are forecast to rise 5% to \$713 billion. Gains of 8% are expected for both residential building and nonresidential building, while nonbuilding construction slides a further 3%."

On an industry basis, following is a breakdown of the expected trends:

Single Family Housing	12% rise in dollars and 9% rise in units
Multifamily Housing	Flat in dollars and 2% decline in units
Commercial Building	6% rise
Institutional Building	10% rise
Manufacturing Plant	6% rise
Public Works	6% rise
Electric Utilities/Gas	29% decline

According to Dodge, it looks like there will be continued slow growth in many industries in 2017. The only caveat is that Dodge's predictions came out prior to the recent presidential election, which will bring its own uncertainties. For example, during the campaign, then-candidate Donald Trump called for a \$1-trillion, 10-year infrastructure plan in his first 100 days in office. But a post-election posting on his transition web page cites a \$550-billion program. In any event, President-Elect Trump has indicated there will be significant investment in infrastructure, which will certainly please construction industry advocates.

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