

major factors: (1) price increase, which makes the increase in dollar volume overstate the actual increase in physical volume and (2) the increased productivity which has greatly reduced both the on-site and off-site labor requirements.

In 1947 a little less than half (45 percent) of the employment required was in the construction industry. In 1965 the construction industry proportion had dropped to 40 percent, largely reflecting the increased use of prefabrication. It is estimated that a little over half of the employment outside of the construction industry is engaged in making, selling, and transporting the material used to the construction site. The balance of the other employment is utilized in all other sectors of the economy in supplying the raw materials and services required by the construction materials and equipment manufacturing industries. The figures do not include any estimate of resulting government employment or employment generated by the responding of wages and profits which is generally called the "multiplier effect."

In general, the total employment effect of various types of construction do not vary to any great degree. At present, \$1 million of almost any type of construction expenditure gives 1 year of employment to approximately 100 men. The only substantial differences in employment effect of various types of construction are in the industries and occupations affected. (See table 2.)

The construction industry gets the majority of the employment only in a few types of construction such as dredging and public housing. In most types of construction the employment created by the manufacture and distribution of the materials is greater, generally by about 25 percent or more.

The principal differences in the employment effect of various types of construction are in the manufacturing industries affected. The lumber industry, for example, is affected twice as much by school construction as for hospital construction. The three manufacturing industry groups most greatly affected by construction are: stone, clay, and glass products; primary metal industries; and fabricated metal products.

Construction trade occupations are also affected in varying degrees by type of construction. For example, three times as many plumbers are used in hospital construction as in an equal amount of home construction.