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New Jersey Construction Industry Spending Increased in 2025, Projected Continued Growth in 2026

According to the ACCNJ-Otteau Q4 2025 Construction MarketCAST report, construction spending in New Jersey increased 13% in 2025, compared to a 1% decline nationwide.

Edison, NJ — The [Associated Construction Contractors of New Jersey](#) (ACCNJ), in partnership with Otteau Valuation Group, released the latest [MarketCAST report for Q4 2025](#), providing key data on New Jersey’s construction landscape and insights on economic growth in New Jersey compared to national trends. Total construction spending increased 13% in New Jersey and declined 1% nationally, compared to 2024, and spending is projected to rise 5% in 2026, according to Managing Partner and Chief Economist Jeffrey Otteau.

“New Jersey’s construction industry continues to play a critical role in driving economic growth and investment across the State,” said **Jack Kocsis, Jr., Chief Executive Officer of ACCNJ**. “The level of planned construction activity reflected in this report demonstrates strong confidence in New Jersey’s future. Our union workforce is proud to deliver the infrastructure, facilities, and development projects that support communities and strengthen the State’s economy.”

While construction jobs in New Jersey have decreased by more than 10,000 year-to-date, compared to the loss of 1,000 construction jobs nationally, there is approximately \$124.3 billion worth of future spending planned in New Jersey. This reflects a 29% increase compared to the \$90.6 billion reported at the end of 2023. Otteau noted future projects such as the \$1 billion Netflix Studios Fort Monmouth under development will add up to more than \$8 billion in economic output.

By volume, the Civil Sector saw the most construction starts at \$4.8 billion, followed by the Healthcare and Education Sector and the Single-Family Sector, both at \$2.9 billion. Spending in New Jersey is showing increases in all but one category, with Multi-Family about the same as 2024. The largest increase in spending occurred in the Government Sector.

“New Jersey experienced solid growth in the construction sector in 2025, and we see potential for strong future growth here in the State,” said **Jeffrey Otteau**. “While new project starts slowed modestly, increased construction spending, strong performance in the government and commercial sectors, and stabilized construction inflation are good indicators for continued

growth in the year ahead.” Otteau did note that geopolitical uncertainties have changed the inflation forecast for 2026, but said that construction cost increases in North and South Jersey at 2.9% and 4.1% respectively year-over-year are not near pandemic-level cost inflation which rose over 18%.

Finally, Otteau unveiled Economic Impact Modeling as a new feature in the quarterly reports. The latest issue examined the economic impact of constructing a multifamily building in the northern and southern regions of New Jersey. The northern region project projected 723 total jobs with \$63.9 million in labor income, while the southern project projected 559 total jobs with \$46.4 million in labor income. Both of these projects will generate significant economic benefits through both construction and ongoing operations.

Otteau added, “This modeling reveals the true economic impact of construction spending and the ripple effect it has across the New Jersey economy - creating jobs, income and tax revenue that strengthens communities and regions across the State. The construction industry is a powerful economic engine here in the Garden State.”

[The full report can be downloaded here.](#)

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ABOUT ACCNJ

ACCNJ represents general building contractors, construction managers, and heavy, highway, site development and utility contractors in New Jersey that employ tens of thousands of skilled union craftworkers each year. Members are responsible for billions of dollars in commercial, industrial, heavy, highway, utility, and institutional construction projects annually. The Association is committed to raising the standards of construction in New Jersey through quality, integrity, skill, and responsibility. To learn more about ACCNJ or becoming a member, visit accnj.org.

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