

Building L.A.'s Economy One Project at a Time



The Transportation Construction Industry in Greater Los Angeles

Introduction

The **Southern California Contractors Association (SCCA)** represents the union contractors who build and maintain the highways, bridges, transit, airports, and waterways that keep the greater Los Angeles region moving. As the region prepares to host the 2028 Olympic and Paralympic Games, a proposal is under consideration that **would pause transportation construction across the five-county region for roughly three months during the Games**, halting active road and infrastructure work at the height of the summer building season in order to manage Games traffic.

Before a shutdown of that scale moves forward, it is worth understanding the magnitude of the transportation construction industry in Southern California. The **American Road & Transportation Builders Association (ARTBA)** measured the economic footprint of the L.A. transportation construction industry. This report lays out those numbers and what a three-month shutdown would put at risk.

An Economic Engine for Southern California

\$15 billion

in transportation construction work in the L.A. region in 2026

AT RISK

\$2.4 billion

in construction work threatened by a proposed three-month LA28 Games shutdown

Every \$1 invested generates \$2.06

in economic activity throughout the region

\$30.9 billion

in total economic activity supported

\$16.8 billion

contributed to state GDP (gross state product)

\$8.9 billion

earned in wages by local workers each year

45%

of all California transportation construction activity

120,000

private-sector jobs supported across the L.A. economy

16,500

employees on the payroll of private construction firms

41% bid exclusively in the L.A. market

of the contractors bidding on Caltrans projects in the region

The Bottom Line

What the numbers mean for Southern California, and what a three-month shutdown would put at risk.

An Economic Engine

Transportation construction is one of the most powerful economic engines in Greater Los Angeles, reaching every sector of the regional economy.

Built by Local Hands

The work is done overwhelmingly by small, local, union businesses that build here and nowhere else, and cannot simply move when the work stops.

At Risk

A proposed three-month construction shutdown during the LA28 Games would halt this activity at the busiest time of year, threatening billions in work and thousands of paychecks.

Small, Local Businesses

Two-thirds of construction firms are small businesses with 20 or fewer workers, and nearly two-thirds rely on the L.A. region for 66% or more of their highway and bridge work.

Methodology

This fact sheet summarizes *Economic Impact of the Transportation Construction Industry in the Greater Los Angeles Region*, prepared by the American Road & Transportation Builders Association (ARTBA) for the Southern California Contractors Association. The greater Los Angeles region is defined as Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties.

The total value of transportation construction activity is estimated for 2026 based on historical state and local government contract awards and the value of construction put in place. Data sources include the U.S. Census Bureau 2022 Economic Census, the Census Bureau Annual Survey of State and Local Government Finances and Value of Construction Put in Place, state and local contract awards from Dodge Data Analytics, and the Federal Highway Administration's Highway Statistics series. The broader economic impact, including direct, indirect, and induced effects, is calculated using U.S. Bureau of Economic Analysis RIMS-II multipliers.

The analysis was conducted by **Dr. Alison Premo Black**, ARTBA's Senior Vice President and Chief Economist, who holds a Ph.D. in economics from The George Washington University and has led ARTBA's economics and research team since 2000.