

Remodeling Real Cost of Labour Calculator

What you pay a remodeling tech and what an hour of their time actually costs you are two different numbers. See your true cost per billable hour once payroll burden and non-billable time are in.

- FREE TOOL
- REMODELING
- PRINT OR FILL ON SCREEN
- BUILT BY FERVOR STUDIO

HOW IT WORKS

The math behind the number

What you pay a remodeling tech and what an hour of their time actually costs you are two different numbers. The real cost is the burdened wage, meaning pay plus taxes, insurance, and benefits, divided by the share of paid time that is actually billable. Non-billable hours spread the same cost over fewer billable hours, so the true number sits well above the wage.

THE DEFAULTS

Remodeling benchmarks for 2026

The worksheet starts from the sourced figures below, so the first number you see is realistic. You then replace each one with your own.

BENCHMARK	TYPICAL VALUE
Average job value	\$20,000
Gross margin	29.9%
Net profit margin	6.3%
Median field-tech wage	\$31.55/hr
Payroll burden	30%
Billable utilization	65%
Billed labour rate	\$45/hr

BENCHMARK	TYPICAL VALUE
Close rate	35%
Marketing % of revenue	8%

YOUR WORKSHEET

Fill in your own numbers

Write your figures into the blank column, on paper or on screen. The typical column is only a starting point, so replace it with what your business actually runs.

INPUT	YOUR NUMBER	TYPICAL
Hourly wage What you pay per hour		\$32
Payroll burden % Taxes, insurance, benefits, paid time off		30%
Billable utilization % Share of paid hours that are billable		65%
Overhead per billable hour Tools, vehicle, and admin allocated per hour		\$15

OUTPUT	HOW IT IS BUILT	YOUR RESULT
Burdened wage	$\text{wage} \times (1 + \text{burden} / 100)$	
True cost per billable hour	$\text{burdened} / (\text{utilization} / 100) + \text{overhead}$	

WORKED EXAMPLE

A Remodeling example

Hourly wage	\$32
Payroll burden %	30%
Billable utilization %	65%
Overhead per billable hour	\$15
Burdened wage	\$41
True cost per billable hour	\$78

WHERE THE DEFAULTS COME FROM

NAHB – Home Remodeling Profit Margin Jumps (Remodelers' Cost of Doing Business, 2026 edition; 2024 data: 6.3% net / 29.9% gross)

NAHB – Remodelers' Cost of Doing Business, 2026 Edition (BuilderBooks product / study source)

BLS – Occupational Employment and Wages, May 2025 (OEWS news release; Carpenters 47–2031 and Construction Laborers 47–2061 wages)

BLS OEWS May 2025 release summary – Carpenters median \$31.55/hr, Construction Laborers median \$25.02/hr

CountBricks – Residential Construction Labor Rates, U.S. (Feb 2026): carpenter/handyman billed labor rates

Angi – How Much Do General Contractors Charge Per Hour (2026): \$50–150/hr billed labor

SmartBarrel – Labor Burden in Construction (20–35% typical; remodels 35–45%)

Projul – What Your Workers Really Cost Per Hour (construction labor burden)

Hook Agency – What's a Good Closing Rate for Contractors (30–40% best-in-class; <15% poor; referrals 50%+)

InnerSpark Creative – 2025 Construction & Remodeling Marketing Benchmarks (marketing % of revenue)

ServiceTitan – Labor Rate Calculator / Billable Hours guide (trade utilization and billable-rate methodology)

Harvard JCHS – As the Remodeling Industry Has Expanded, So Has Contractor Specialization and Scale (project size context)

The default values are directional until source verification clears.

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