



*****UNDER STRICT EMBARGO UNTIL 9AM ON WEDNESDAY 18 JANUARY 2023*****

Demand for construction workers high despite economic uncertainty

Against a backdrop of economic challenge, rising materials and labour costs, new figures from the Construction Industry Training Board (CITB) reveal that almost 225,000 extra workers will be required to meet UK construction demand by 2027.

CITB's annual Construction Skills Network (CSN) report shows that:

- 224,900 extra workers (44,980 a year) will be needed to meet UK construction demand between now and 2027
- Construction output is set to grow for all nations and regions, however, recession is expected in 2023 with slow growth returning in 2024
- The major sectors for demand are:
 - private housing
 - infrastructure
 - repair and maintenance
- If projected growth is met, by 2027 the number of people working in construction will be 2.67m

The report highlights that construction is expected to remain a sector where there is demand for workers despite the current economic uncertainty. As a result, recruitment, training, development and upskilling remain major priorities for the industry for 2023 and beyond.

CITB is responding by investing in apprenticeships, launching a range of targeted initiatives and working collaboratively with industry, to help the construction sector have a skilled, competent, and inclusive workforce.

Tim Balcon, CITB Chief Executive said: “The latest CSN report clearly shows that despite current economic uncertainty, recruiting and developing the workforce remains vital to ensure the industry can contribute to economic growth.

“We know the next 18 months won't be easy, however, I remain inspired by the construction industry's resilience shown in the pandemic and throughout 2022.

“In short, it makes clear that the need to recruit and retain talent in the sector has never been greater. Whether that's for building the homes the country needs,

constructing energy and transport infrastructure or retrofitting the built environment to help drive down energy bills and meet net zero targets.

“To bolster industry’s resilience, CITB will strive to attract and train a diverse range of recruits for industry, equipping them with modern skills for rewarding construction careers. I look forward to working with and supporting industry and stakeholders in the challenging times ahead and to emerging stronger when the recession ends.”

To help directly address these challenges and maximise the opportunities which will arise, CITB has invested almost £50m of Levy to support over 22,000 apprentices to help them join the industry; while grants have helped support over 16,000 learners to complete their qualifications.

Direct funding has provided grants over 269,000 training courses and in total £97m has been invested in grant funding by CITB, to make it as easy as possible for employers to recruit and retain their skilled workforce.

CITB continues to provide targeted support to SMEs through grant and funding and through support in accessing training and funding. Since April 2022, CITB’s engagement team has supported SMEs on 26,976 occasions, supporting them to continue to train during the current economic uncertainty.

CITB also offers funding aimed specifically at smaller companies such as the Skills and Training Fund. Companies with fewer than 250 PAYE employees can access up to £25,000 annually (depending on their size). By the end of quarter two 2022, £3.9m had been invested in companies via this fund.

CITB’s Scottish Academy for Construction Opportunities (SACO) commission has awarded £1.3m across the Highlands and Islands; while England Construction Opportunities (ECO) commission has awarded a total of just over £1.8m. This investment will directly help address the construction industry’s skills gap, increase employment retention, and provide vital support to new starters at the beginning of their construction careers, by promoting work experience for new entrants to the industry.

Experience Hubs across England and Wales are creating a talent pipeline to meet the needs of local construction employers and to support construction career opportunities for people from local communities.

Further CITB initiatives range from localised solutions for funding and training like our employer network pilot project, available to more than 3,800 levy-registered construction businesses across five locations in England, Scotland and Wales; to a £10.5m Leadership and Management commission which will provide funded courses for businesses of all sizes to equip supervisors and managers with a recognised Leadership and Management qualification.

Training remains a key focus, which is why CITB has invested in National Construction College (NCC) sites, to meet the industry’s specialist training needs. By focusing the curriculum on unmet demand, we are looking to build capacity for the industry, which has resulted in a 25% increase in the number of people trained to

date. Our data shows that 96% of CITB apprentices have secured employment or progressed in education, with over 90% remaining in the sector.

Tim Balcon concluded: "This coordinated and comprehensive approach to helping recruit, train, develop and upskill talent, whilst continuing to work collaboratively with industry and stakeholders means CITB will continue to play a central role in supporting an industry that is a key driver of the UK economy through these challenging times."

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