

PRESS RELEASE



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CIC Chief calls for more support to help those who can't find jobs in the sector

The Construction Industry Council (CIC), with its sector skills council partner ConstructionSkills, today launches new research highlighting the issues facing the professional services sector within the construction industry, as the impact of the economic recession continues. The project combines a view of the effects of the recession to date in relation to recruitment, training and employment and also examines future prospects.

It seems clear that economic recovery will be slow and the fall-out for construction professional services will be felt for some years ahead. The industry may well find itself facing considerable over-supply in the short term and therefore must find ways to support the large numbers of the newly qualified who otherwise may be lost to the industry altogether. Some headlines from the research are:-

- The recession in the construction industry has hit the construction professional services (CPS) sector hard. Of 300 practices surveyed, 54% of firms have seen decreases in their fee incomes.
- Indications are that 46% of CPS firms have made redundancies over the period surveyed and this was backed up by claimant count data from the Office for National Statistics, which saw a 400% rise for construction professionals between November 2007 and November 2009.
- The recovery process will be slow and by 2012 employment is still projected to be 10% below its 2008 peak.
- There is a significant level of 'underemployment' among construction professionals at present. The survey indicates that 27% of firms have resorted to shorter working hours.
- 46% of respondents in the survey have cut back on the recruitment of graduates and newly qualified staff.
- With at least one more year of graduate inflow, and possibly two, before employment starts to grow again, this raises the prospect of significant levels of graduate unemployment going forward.

Graham Watts, Chief Executive of CIC, said "Businesses in the construction industry are looking for work but they will be looking for people again in the not-too-distant future. It would be ironic if a lack of coordinated action now results in a reprise of the skills shortages we have faced in the past as we face the immediate prospect of losing many qualified construction professionals who will leave to find work elsewhere, leaving us with a hole that cannot be filled in a few years' time. The industry lost half a million people in the last recession and we spent the next 18 years bemoaning the lack of capacity that this void created. How foolish to allow history to repeat itself. Demand is growing for new skills needs to create the low carbon economy of the near-future and here is an ideal opportunity for employers, education providers and the professional institutions to act cohesively in creating a programme that maps skills need to people who want to work in the built environment, thus securing an equitable future for the sector."

Notes to the editor

1. CIC is the representative forum for the professional bodies, research organisations and specialist trade associations in the construction industry. It provides a single voice for professionals in all sectors of the built environment through its collective membership of 560,000 individual professionals and 25,000 firms of construction consultants.

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