22,400 NEW CONSTRUCTION JOBS ARE FORECAST FOR THE SOUTH WEST (SW) BETWEEN 2018–22.

GROWTH RATE:

SW's annual construction growth of 2% outpaces the UK average of 1.3%. The SW jointly tops construction growth in England with the North West.

JOB CREATION:

In-demand roles include: plasterers, process managers, bricklayers, roofers, glaziers and surveyors. The projected rate of SW employment growth of 1% a year between 2018–22 exceeds the UK average of 0.5%.

MAIN GROWTH DRIVERS/CONTRACTS:

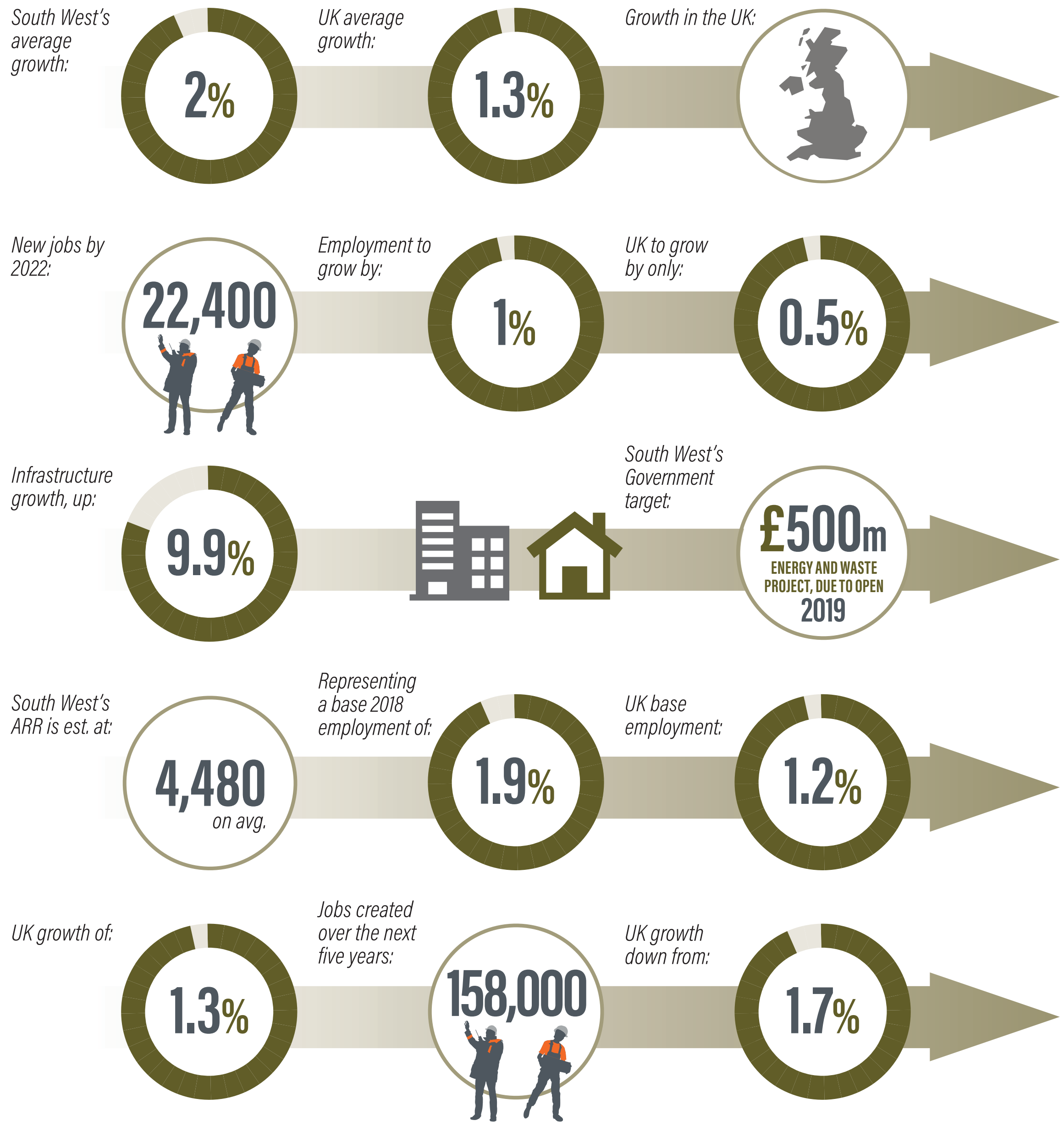
The rapid anticipated rise in infrastructure output is underlined by works on the Hinckley Point C nuclear power plant. The number of workers has risen to around 2,000, up from 1,600 in the spring. Work on a 1,500 bed 'Campus' accommodation for workers is underway, with 500 beds on the site and 1,000 in Bridgwater. Other large infrastructure projects include the new energy recovery facility in Avonmouth and the £500m Javelin Park energy and waste project. The facility is due to open in 2019. The SW also benefits strongly from the Army Basing Plan, which will provide accommodation for armed forces returning from Germany by 2020. Under the plan around 1,900 new family homes and more than 7,800 new rooms for single soldiers will be built across Salisbury Plain, as well as over 800 refurbished rooms for single soldiers and over 450 upgraded homes for families.

ANNUAL RECRUITMENT RATE (ARR):

The ARR is projected to be 4,480, representing 1.9% of base 2018 employment, compared to 1.2% for the UK as a whole.

IN A UK CONTEXT:

CSN predicts UK growth of 1.3% over the next five years, with 158,000 jobs to be created. Although UK growth is slightly down on the 1.7% predicted in 2017, the fall was expected and is not dramatic, when taking into account the economy slowing as a whole and uncertainty around Brexit.



OVERVIEW – SOUTH WEST

Total construction output in the South West rose by 5.5% in 2016 to £11bn in 2015 prices, the highest outturn since before the financial crisis. The annual gains in 2016 were driven by increases of roughly 50% in the public housing and industrial sectors. Public non-housing and private housing output also grew strongly, by 17% and 11%, respectively.

In 2017 construction output growth is estimated to have accelerated to 8%, taking output to £11.9bn in 2015 prices. This is driven by a very big increase in the public non-housing sector and a lesser but still double-digit rise in commercial construction activity.

Between 2018 and 2022 total construction output is projected to grow at an annual average rate of 2%. The gains in output in the forecast are skewed towards the short-term, largely due to a rapid rise and then levelling off in infrastructure output linked to construction of the Hinckley Point C nuclear power plant.

The private housing sector is anticipated to grow at close to 4% a year in the 2018–2019 period, making it a middling performer. Comparing the first half of 2017 with the same period of 2016 housing starts rose by 2.5%, which should help to support steady growth in the sector. In Taunton, Forward Swindon, the town council's redevelopment agency is to deliver 4,500 new homes as part of the Wichelstowe residential development.

However, growth towards the end of the forecast period is also expected to slow in the private housing, public non-housing, and industrial sectors. The completion of large projects and a lack of confirmed projects in the pipeline underlines the slowdown.

Total construction employment in the region is forecast to grow at an annual average rate of 1% from 2018–2022. This compares favourably to a projected gain of 0.5% nationally, and sees employment rise from an estimate of just over 230,000 in 2017, to nearly 242,000 in 2022. Of the 28 main construction job types, 22 are expected to register employment growth in this period.

This year's growth figure is a downgrade compared to last year's forecast for a 3.1% annual average increase in the five years to 2021.

The full report can be read here: www.citb.co.uk/csn