

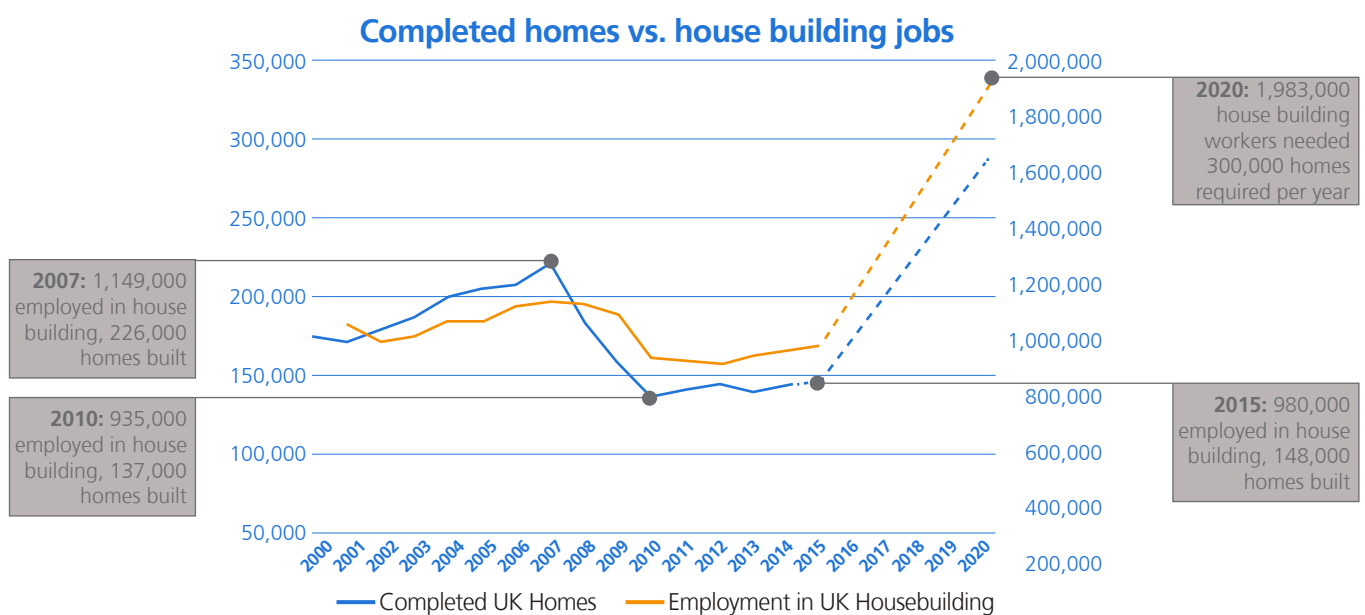
'Age of house building' will demand a million more construction workers

- To build enough new homes per year, the UK's housebuilding workforce will need to hit 1.98 million
- Challenge demands a million more construction jobs in 5 years, to build 300,000 homes a year by 2020
- Existing construction workers are ageing – with 12% already 60+ and 4.3% considering retirement
- A new strategic policy could cut unemployment in half – if it could hit such new homes targets

A million extra workers need to join the house building industry if the country is to build new homes at the necessary rate, according to new analysis from specialist recruiter Randstad CPE.

By 2020 the UK will need a total of 1.98 million house building workers – to build the necessary 300,000 homes per year. This means the creation of over a million new construction jobs by the end of the decade.

As of 2015 there are 0.98 million people working in the UK's house building trades and professions, who are involved in the likely completion of 148,000 new homes this year. This will need to grow to 1.98 million workers in order to reach 300,000 homes per year – which means an additional one million workers by 2020.



Building homes is also becoming more labour-intensive. In 2007, UK house building peaked at 226,000 completed homes per calendar year, while at the time there were over a million (1,149,000) people working in related construction jobs. This implies just more than five (5.07) such workers per completed home – a figure that has since deteriorated towards seven (6.61) workers per completed home in 2014.

On this basis, hitting an output of 300,000 homes per year will require 102% growth in the housebuilding workforce (or 1,003,000 extra jobs) to reach a total UK-wide headcount of 1,983,000. Even with a steady pace of recruitment over five years and starting immediately, this means finding at least 200,000 extra house building workers every single year if the target is to be reached by the end of the current decade.

Construction jobs by selected trades:

Construction jobs	Extra workers needed
Labourers	110,000
Carpenters	98,000
Plumbers	87,000
Project Managers	60,000
Quantity Surveyors	30,000
Architects	27,000
Bricklayers	27,000
Scaffolders	22,000
Roofers	13,000
Planners	13,000
Floorers	9,000
Plasterers	7,000

Construction jobs by specialism

Skilled trades will be particularly vital – requiring the creation of 27,000 bricklayer jobs, 89,000 jobs for plumbers and 100,000 carpenter jobs.

Moreover, hitting house building targets will also demand large numbers of more office-based workers. This means 13,000 jobs for planners, 28,000 architect jobs, 30,000 quantity surveyor jobs – and 61,000 project manager jobs.



Owen Goodhead
MD, Randstad Construction,
Property & Engineering

“If expecting an ambitious output, Britain needs to be ambitious about employment. Despite various speeches being made on this topic, the targets remain seemingly out of reach. We need to think beyond the ‘what’, the ‘where’ and the ‘when’ and instead look into who will be building enough homes.”

“Doubling the rate of house building will mean at least doubling the workforce involved too. The housing crisis is a skills crisis too. That means a practical challenge for workers as much as it is a conceptual issue for politicians.”

Employers will need to prepare as carefully as planning departments, and we need to lay the foundations of a skilled workforce as much as we need foundations in concrete.”

“We are entering a new age of housebuilding – if we aren’t facing a generation of homelessness. This will take a new practical generation of men and women with the right skills and the colossal ambition needed.””

House builders are already feeling the skills squeeze

Such skills shortages are already being felt acutely by those in the house building industry. Randstad CPE's analysis also comprised a survey of over a thousand (1,170) construction workers in related jobs – of which 82% agree that there is already a shortage of skilled workers in the UK house building industry.

This is directly impacting output. Nearly three quarters of workers (72%) report a mismatch between the availability of work and the capacity to keep up, with a majority within this (43% of the total) specifying there is currently "far more" work than available workers to get jobs done. Only 15% report less work than available capacity – and just 13% say that the house building workforce is "well-matched" with current levels of demand.

Ageing workers add further emphasis on new recruitment

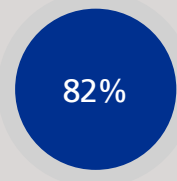
One in ten house building workers (10%) are currently more than sixty years old – while 4% of the total are actively considering retirement.

A further 9% of existing workers are currently aged between 56 and 60, and will therefore join the ranks of the 60+ by 2020.

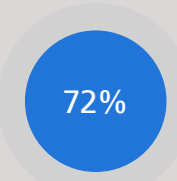
Beyond this, a full quarter (25%) of house building workers are in late middle age, between the ages of 46 and 55 – and will be in their fifties by 2020.

At the other end of the spectrum, 28% are between 26 and 35 years old – but just 7% of house building workers are aged between 16 and 24.

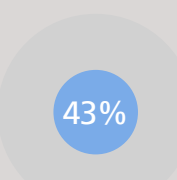
Age distribution of housebuilding workers



Agree that there is already a shortage of skilled workers



Report mismatch between availability of work and capacity to keep up



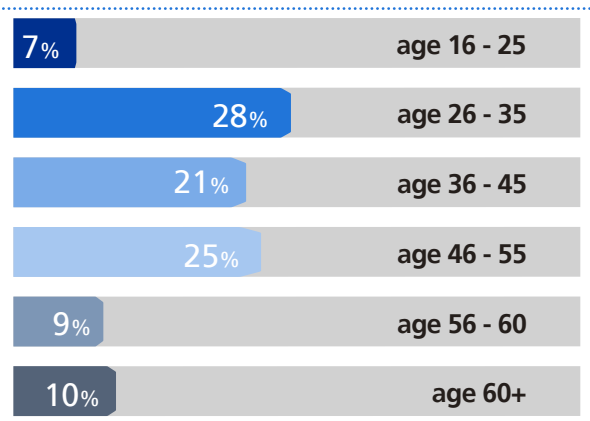
Believe "far more" work than available workers to get jobs done.



1 in 10 house building workers are 60+

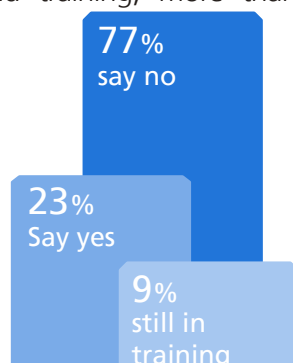


25% are in late middle age, between and will be in their fifties by 2020.



Investment in construction skills already struggling to keep pace

When asked if they believed the UK as whole is investing enough in house building skills and training, more than three quarters (77%) of those in the industry say 'no' – while only 23% think investment in such skills and training is sufficient to keep pace. Less than one-in-ten workers in the house building industry (9%) are still undergoing formal training as part of their present role.



Levels and types of qualification vary considerably. More than one in five construction workers (21%) involved in house building hold a bachelor's degree, and 15% a diploma. A further 7% have a postgraduate degree while 5% hold chartered status. However, just 12% of those in the house building industry have completed an apprenticeship.

Other workers in the housebuilding industry have less specialist qualifications. One in four (40%) have only school-level qualifications, out of which 17% finished school with GCSEs or Highers, 10% hold A-levels or Advanced Highers and 13% have NVQs or GNVQs.

Productivity gains marginal since 2010

Five years ago in 2010 there were 6.81 relevant construction workers employed in the UK per new home completed, which has since improved only marginally to 6.61 workers per finished home, as of 2014. This slight improvement is also overshadowed by a more significant decline in productivity compared to the previous peak of house building in 2007 (as discussed above, when just 5.07 workers were needed per new home).

In terms of perception, most house building workers agree with the trend since 2010, reporting some increase in productivity over the last five years (77%). However one in ten (10%) say they are actually less productive than in 2010 – and 13% report no change in productivity.

Owen Goodhead continues...

"Productivity, productivity, productivity – as the Chancellor emphasises with almost every speech. The more we can produce per worker the better, and this could mitigate some of the recruitment challenges when it comes to building enough homes, and a more prosperous economy overall.

"Action is needed too, not just rhetoric. While productivity has become a political buzzword, the reality on the ground is one of running to keep up with a quickening skills shortage and an ageing workforce.

"Practical training and development need to be embedded in the education system. School pupils and school leavers need to know they can earn more than £40,000 as a bricklayer and upwards of £60,000 in a project manager job – then young people need the means to get there. That means a real revolution in how we provide courses, and apprenticeships in far larger numbers."



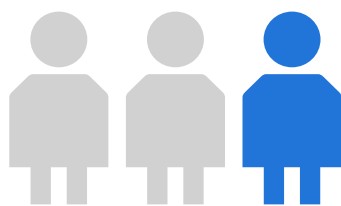
Necessary house building workforce equates to halving unemployment

According to the latest figures from the Office for National Statistics, UK unemployment currently stands at 1,774,000. This means that the 1,003,000 workers needed to build enough homes in the UK would equate to 57% of the UK's unemployment count.

While practicalities would be another matter entirely, this means solving the housebuilding conundrum would be at least consistent with cutting UK unemployment comfortably in half.

Employers and UK Government must act to provide training

Workers on the ground say that the biggest reason for people not choosing to join the house building industry is a lack of training opportunities – with almost one in three (31%) putting this as number one cause.



1 in 3 workers say lack of training is to blame for people **not choosing to join the industry**

Following this, more than a quarter (26%) say there is a lack of awareness about job opportunities, while a further 26% say there is a perception among some candidates that house building and construction jobs are poorly paid without basis in reality. Meanwhile a more general lack of prestige is the chief perception putting off candidates, according to 17%.

The vast majority within the industry (81%) believe young people have the capacity to supply the necessary skilled workforce to solve Britain's house building dilemma.

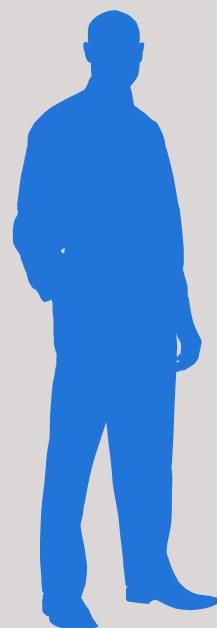
However, 60% of the same home builders also believe young people do not have sufficient access to training and apprenticeships to make the most of this potential. When asked who in practical terms should address this, potential employers were the focus for the greatest proportion of the industry (26%), followed closely by the UK Government as identified by 23%.

Owen Goodhead continues...

"Tackling unemployment is never trivial, precisely because of the underlying causes. Productive work is all about finding the right workers for the right jobs – so it would never be simple in practice to take one group of people and put them in another set of jobs."

"Yet these numbers underline a simple fact. Britain isn't facing a shortage of people, it is facing a shortage of skills. This means the solution lies in training, in opportunities – and in a belief in what is clearly possible. A radical expansion of apprenticeships would provide a starting point. And if this could happen, then it would amount to killing two birds with one brick."

81% believe young people have the capacity to solve Britain's house building dilemma



Trade bodies (such as the CITB) should also take more of a lead in promoting training and apprenticeships, according to 21% of workers – while 17% say job candidates themselves should take on responsibility for their own training. Local and devolved government is seen as less important – only 13% of current house building workers believe local authorities or the devolved administrations hold prime responsibility for construction skills.

Misconception and prejudice have built barriers

Almost one in three construction workers currently involved in housebuilding (32%) say there is a prejudice against the construction industry as a career path emanating from parents, teachers and careers advisers.

A third of today's house building industry (33%) also believe there is a more general prejudice among parents, teachers, careers advisers – and young people themselves – against the idea of apprenticeships, in favour of steering young people towards more traditional qualifications or more 'academic' routes.

Gender prejudice also remains an issue. Across the construction industry women make up one in five workers, which is mirrored in the house building industry more specifically, with women filling 20% of roles in 2015. However if the UK is to hit the necessary output of 300,000 homes per year then this provides a theoretical opportunity to level the gender balance in UK house building.

Since the total number employed in related jobs would need to more than double, women could make up 50% of the new industry. This would need female recruits to make up 80% of new hires at the necessary rate – though this would take the training of 160,000 women construction apprentices per year for half a decade.

Despite these issues there is a wider optimism in UK house building. More than three quarters (78%) of today's workers believe the industry will learn the lessons of the last recession, and invest sufficiently and more consistently in new skills over the current economic cycle.

Owen Goodhead continues...

"In order to fill the need for homes in the UK, we need to address the skills gap. This needs to start with a reform in our education system making the construction industry more appealing to younger minds and all backgrounds."

"Through the right structure and reform, we can help solve these house building difficulties in order to provide the next generation with the jobs and housing they will need."

