



Rialtas na hÉireann
Government of Ireland

Project Ireland 2040

Build

Construction Sector
Performance and
Prospects 2019



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Summary

Investment and Output

1. Total investment in Building and Construction in Ireland is projected to increase to €30 billion in 2019 or 14 percent as a share of GNI*.
2. The share of investment accounted for by housing is forecast to increase from 26 percent in 2019 to 45 percent in 2023.
3. In 2018 there were 18,072 new dwelling completions. This was a 25 percent increase on 2017. Of the new dwelling completions in 2018, 13 percent were in an Apartment Scheme.
4. The overall public capital allocation for 2019 is €7.3 billion. This is a €1.4 billion (24 percent) increase on 2018.
5. The Government's latest Investment Projects and Programmes Tracker includes 271 major projects and programmes with 25 major infrastructure projects commencing in 2019.

Costs

1. The construction tender price index, which covers non-residential construction, is estimated to have increased by 7.4 percent in 2018.
2. Construction costs for new residential buildings have remained relatively constant between Q3 2010 and Q3 2018, with annual average growth of less than 1.5 percent over that period.
3. In the year to December 2018 there was a 0.3 percent increase in the wholesale price index for building and construction materials.
4. The average hourly earnings for all construction employees increased by 6.2 percent on an annual basis in Q4 2018 to stand at €21.43.

Employment and Enterprise

1. Employment in the construction sector stood at 145,500 in Q4 2018, representing an annual increase of 8 percent.
2. This represents 6.4 percent of total employment in the Irish economy.
3. In 2016, there were 50,673 construction enterprises, with over 95 percent of these classified as Micro (0-9 persons engaged).
4. The average gross value added per person engaged in the large construction enterprises (250+ persons engaged) is €98,000, almost double the average gross value added per person engaged in the small and micro enterprises (0-49 persons engaged).

Skills and Knowledge

1. There was a total of 3,398 new construction apprentice registrations in 2018, representing an annual increase of 15 percent. However, in 2018 new apprentice registrations in bricklaying and plastering were at 12 percent and 9 percent of their peak in 2004.
2. There were 4,746 undergraduate new entrants in engineering, manufacturing and construction in 2017/18, representing a decrease of 4 percent compared to the previous year.
3. The number of new entrants in building and civil engineering in 2017/18 was 57 percent of the 2009 level.

Productivity

1. There has been little to no productivity growth in the Irish construction sector between the years 2000 and 2016.
2. Had the construction industry kept pace with productivity growth in the other domestically dominated sectors, gross value added would be some €3.1 billion higher.
3. Ireland's construction sector is ranked fourteenth in the Euro Area for labour productivity.

Section 1:

Overview

1.1 Policy Context

Embedding the Irish construction industry as a sustainable and innovative sector of the Irish economy is essential, not only for the successful delivery of Project Ireland 2040, but also in order to provide diversified employment and long-term construction careers across Ireland's regions.

The purpose of this report is to give a comprehensive overview of the performance of and prospects for the Irish construction sector, based on the available data.

This report will aid in the monitoring of trends across the sector, ranging from output and investment to employment and cost inflation, so that risks and performance issues can be identified and addressed where necessary.

Following the economic downturn, public infrastructure that had been put in place over the past two decades played an important role in supporting the resilience and recovery of the Irish economy. However, in the years following the crisis, public investment was significantly reduced to safeguard the provision of essential public services.

Project Ireland 2040 represents a decisive response to these deficits and identifies strategic priorities for public capital investment for all sectors.

Project Ireland 2040 sets out the investment priorities that will underpin the successful implementation of the new National Planning Framework (NPF). This will guide national, regional and local planning and investment decisions in Ireland over the next two decades and is designed to cater for an expected population increase of over 1 million people.

The Plan sets out a very substantial commitment of resources and is expected to move Ireland close to the top of the international league table for public investment, demonstrating the Government's commitment to meeting Ireland's infrastructure and investment needs over the next ten years.

A modern, innovative and resilient construction sector is central to delivering on the Plan and to ensuring maximum value for money. In order to support the development of the sector, the Government has established the Construction Sector Group (CSG), comprising industry leaders and relevant Government Departments (See Box overleaf). This report has been developed with the

input of industry leaders through the CSG and will be published on an annual basis to improve monitoring and evaluation of progress in the sector.

1.2 The CSG and Project Ireland 2040 implementation structures

A number of new structures have now been put in place to ensure the efficient, coordinated and timely implementation of Project Ireland 2040:

- The Project Ireland 2040 Delivery Board made up of the Secretaries General of the key infrastructure departments has been established in order to monitor and oversee implementation and performance.
- The Investment Projects and Programmes Office (IPPO) has been established in the Department of Public Expenditure and Reform to drive value-for-money reforms in relation to areas such as project appraisal and selection, and to improve the portfolio management of the overall public capital programme.
- The Land Development Agency has been established to coordinate the use of appropriate State-owned lands for regeneration and development – primarily for new housing.
- A new and improved Investment Tracker has now been published to incorporate the investments detailed in the Project Ireland 2040. It contains over 270 projects and programmes and includes details on estimated costs, project status, commencement dates, completion dates etc.
- The four Project Ireland 2040 Funds, which will focus on the implementation of the central objectives, were launched during the summer. Announcements were made in December 2018 and February 2019 on the first round of successful applications.

Of particular relevance to the substance of this report, the Construction Sector Group has been established, bringing together industry leaders and senior public sector management.

Box 1: The Construction Sector Group

The CSG has been established in order to ensure regular and open dialogue between Government and the construction sector. The group is focusing on issues that may impact on the successful delivery of Project Ireland 2040 and to consider wider developments in the construction sector. Its remit includes:

- Working with industry and government bodies to (a) benchmark and improve productivity and environmental sustainability and (b) to modernise public works delivery.
- Considering opportunities to introduce reforms within the sector that will help in controlling construction price inflation, improving efficiency and delivering value for money for investment.
- Assessing the supply of necessary skills and measures enhancing capacity (including potential use of overseas contractors, for example through joint ventures with local contractors).
- Issues arising from inadequate or ineffective regulation, poor performance and systemic poor quality.

The industry bodies represented are:

- Construction Industry Federation
- Irish Congress of Trade Unions
- The Building Materials Federation
- Engineers Ireland
- Society of Chartered Surveyors Ireland
- Royal Institute of the Architects of Ireland
- Association of Consulting Engineers of Ireland
- Irish Planning Institute

The CSG operates under the Transparency Code.¹

1.3 Format and Scope of BUILD

Irish Government Economic and Evaluation Service (IGEES) within the Investment Projects and Programmes Office in DPER.

This report is a wide-ranging analysis of trends across five broad thematic components of the construction sector:

1. Investment and Output
2. Costs
3. Employment and Enterprise
4. Skills and Knowledge
5. Productivity

In the past a Construction Industry Review and Outlook was commissioned by the then Department of the Environment, Heritage and Local Government (DEHLG), with the last edition published in 2009. BUILD will therefore primarily focus on examining trends covering a ten year rolling period from 2009-2018 or as much of this time period as the data available covers.

The report also incorporates official figures and projections for 2019 and future years where available.

The report will be published annually in Q1 based on outturn data for the previous year and latest projections for the coming years.

The report has been drafted by members of the

¹ <https://www.lobbying.ie/help-resources/information-for-public-bodies/transparency-code/>

Section 2:

Investment and Output

2.1 Overview

This section charts trends in construction sector output and investment in Ireland over the past decade. Trends in output are detailed by subsector, with a particular focus on housing output, along with the latest official projections for the sector. This section provides an overview of the anticipated construction pipeline by incorporating the latest data on planning permissions, confidence indices and planned project delivery under Project Ireland 2040.

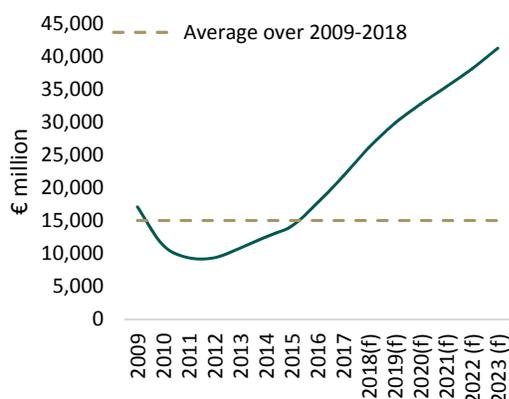
Key findings are as follows:

- Investment in building and construction in 2018, as measured by Gross Fixed Capital Formation (GFCF), was estimated at €26 billion, an increase of 20 percent in comparison to 2017.
- Investment in the construction sector was estimated at 13 percent of GNI* in 2018 and is forecast to increase to 14 percent in 2019.
- The most recent data shows that investment in building and construction in Ireland was higher than the EU27 average.
- In 2018 there were 18,072 new dwelling completions. This was a 25 percent increase on 2017.
- Of the new dwelling completions in 2018, 13 percent were in an Apartment Scheme.
- According to the latest official forecasts, the share of GFCF accounted for by residential dwellings will increase from 26 percent in 2019 to 45 percent in 2023.
- Analysis of the pipeline of development suggests that the increasing trend in output will continue, with the total floor area for which planning permission was granted rising by 33 percent in the first three quarters of 2018 compared to the same period in 2017.
- As detailed in Budget 2019, the overall public capital allocation for 2019 is €7.3 billion. Investment in 2019 will reach 3.5 percent of national income (GNI*) compared to an EU average in recent years of 2.7 percent (GDP).
- The latest edition of the Investment Projects and Programmes Tracker includes 271 major projects and programmes in total, with 25 projects to be commenced in 2019.

2.2 Trends in Total Construction Investment

The official measure of construction investment, Gross Fixed Capital Formation (GFCF – See Box 2) in Building and Construction, was estimated at €26 billion in 2018. This was an increase of 20 percent on 2017. GFCF by the construction sector in Ireland (covering housing, commercial building and civil engineering) has been volatile over the past 20 years. The total value of construction GFCF in the Irish economy peaked at €38 billion in 2006, decreasing by 76 percent to €9 billion in 2011 during the downturn and thereafter steadily increasing.

Figure 2.1: GFCF in Building and Construction (Current Prices)



Source: 2009-2017 from the CSO and 2018-2023 from Department of Finance

GFCF (at current prices) in Building and Construction is now above the average for the period 2009-2017 which stood at €15 billion. The latest official forecasts² anticipate that output in the sector will increase to €41 billion by 2023, above the previous peak in 2006.

Box 2: Measuring the Construction Sector

According to Eurostat's NACE Statistical classification of economic activities the definition of Construction includes:

- Development of building projects
- Construction of residential and non-residential buildings
- Construction of roads and railways
- Construction of utility projects
- Construction of other civil engineering projects
- Demolition and site preparation
- Electrical, plumbing and other construction installation activities
- Building completion and finishing
- Other specialised construction activities

Construction sector employment includes three types of employees:

1. Managers, professionals and associated professionals
2. Clerical, sales and service employees
3. Production, transport, craft and other manual workers

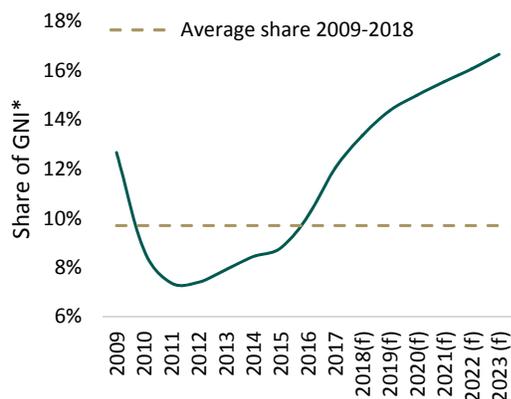
Gross Fixed Capital Formation (GFCF) in Building and Construction is the official measure of investment for statistical and accounting purposes as defined by the European System of Accounts (ESA 2010).

GFCF is defined as acquisitions less disposals of fixed assets.

GFCF in Building and Construction includes all new building and major reconstruction of existing buildings as well as all construction work such as roads, harbours, airports, electricity infrastructure, drainage and reclamation of agricultural land, and forestry development.

GFCF in building and construction was estimated at 13 percent as a share of GNI* in 2018. This share has been increasing since the low point of 7.4 percent in 2011. The average over the period 2000-2017 was 14.7 percent. Based on the latest forecasts GFCF in the sector will surpass this average by 2020.

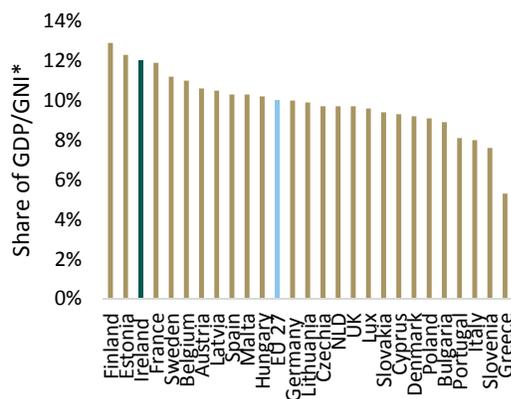
Figure 2.2: GFCF in Building and Construction as a share of GNI*



Source: 2009-2017 from the CSO and 2018-2023 from Department of Finance

In 2017, the most recent year for which international data is available, GFCF in Building and Construction in Ireland stood at 12 percent of the GNI*, higher the EU 27 average of 10 percent of GDP.

Figure 2.3: Construction GFCF as a share of GDP/GNI* (2017)

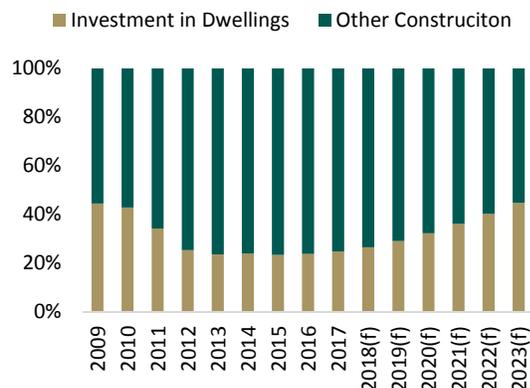


Source: Eurostat and CSO

² Department of Finance, *Budget 2019 Economic and Fiscal Outlook*

According to the latest official forecasts, the share of GFCF in Building and Construction accounted for by dwellings will increase from 26 percent in 2019 to 45 percent in 2023 as shown in Figure 2.4.

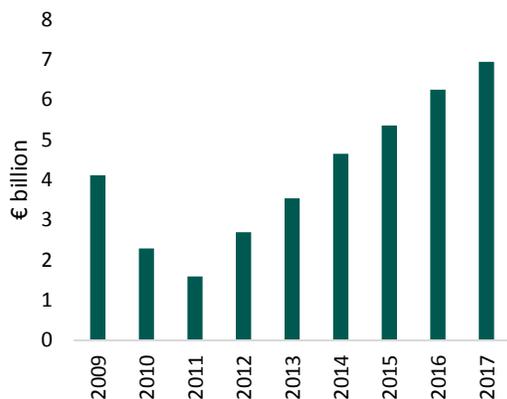
Figure 2.4: Forecast Split of Construction GFCF



Source: 2009-2017 from the CSO and 2018-2023 from Department of Finance

The gross value added (See Box 3 in Section 6) by the Irish construction sector was €6.9 billion in 2017. This was an increase of 11 percent in comparison to 2016 and was the sixth straight year of growth.

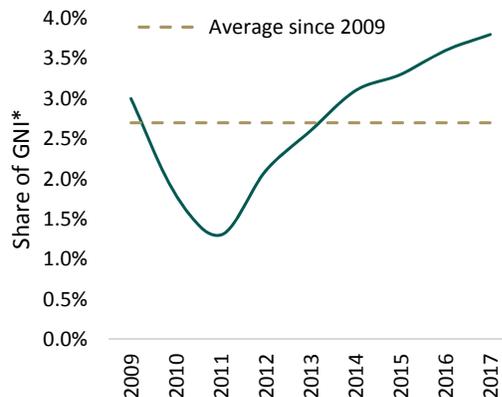
Figure 2.5: Gross Value Added by the Construction in Ireland (Current Prices)



Source: CSO

As a proportion of GNI*, gross value added by the construction sector was 3.8 percent in 2017. This was above the average since 2000 of 2.7 percent.

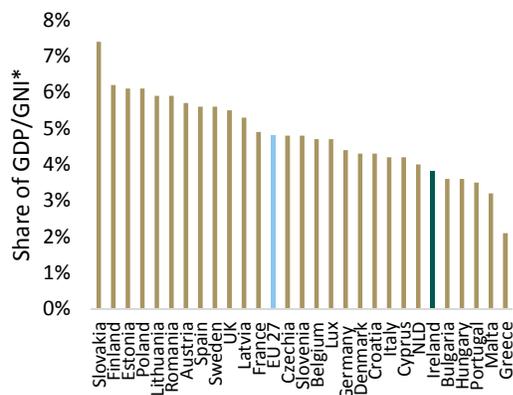
Figure 2.6: Gross Value Added from Construction in Ireland as a share of GNI*



Source: CSO

Gross value added by the Irish construction sector of 3.8 percent of GNI* in 2017 was below the EU 27 average of 4.8 percent as shown in Figure 2.7. This is in contrast to above average investment in building and construction in Ireland compared to the EU as highlighted in Figure 2.3. This is examined in further detail in Section 6 of this report.

Figure 2.7: Gross Value Added by Construction as a share of GDP/GNI* (2017)



Source: Eurostat and CSO

2.3 Trends in Housing Output

In 2018 there were 18,072 new dwelling completions. This was a 25 percent increase on 2017.

Over this period 13 percent of new dwelling completions were in an Apartment Scheme, 61 percent were in a House Scheme and 26 percent were classified as a Single House.

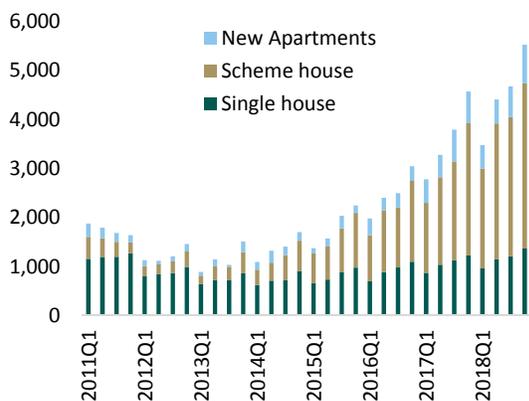
Table 1: New Dwelling Completions by Type

Type	No.	Share
Apartment Scheme	2,372	13%
Scheme House	11,001	61%
Single House	4,699	26%
Total	18,072	100%

Source: CSO

The share of new dwelling completions in an Apartment Scheme has remained relatively constant with an average of 12 percent of total output since 2011.

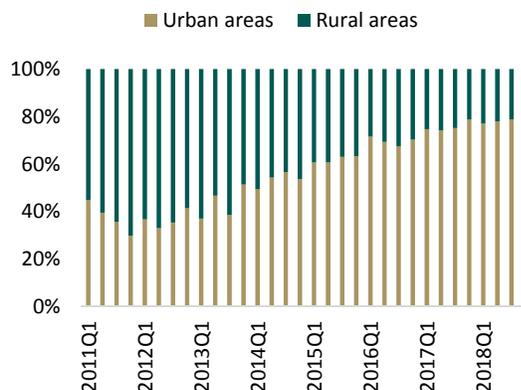
Figure 2.8: New Dwelling Completions by Type



Source: CSO

In 2018, 78 percent of new dwelling completions were in urban areas. This is reflective of an upward trend since 2011. This is a particularly positive trend given the strategic objective of compact growth in the National Planning Framework (NPF) which is “targeting a greater proportion of future housing development to be within and close to the existing ‘footprint’ of built-up areas”.

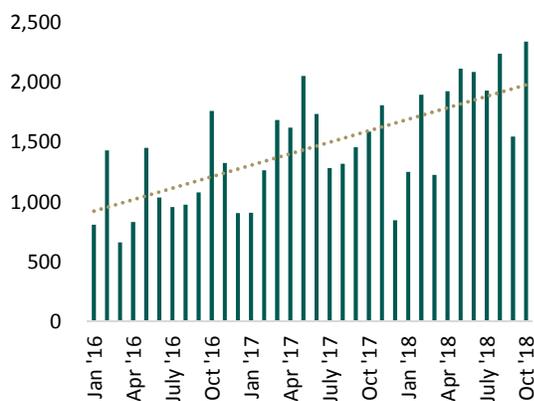
Figure 2.9: Share of New Dwelling Completions by Urban and Rural and Quarter



Source: CSO

There were 18,556 commencement notices in the first ten months of 2018. This was a 24 percent increase on the same period in 2017. There is a strong seasonal impact on commencements with lower levels of commencements usually seen in July/August and January/December. However, there has been a clear upward trend in commencements in recent years as shown in Figure 2.10.

Figure 2.10: Number of Residential Units Commenced



Source: Department of Housing Planning and Local Government

2.4 Anticipated Construction Pipeline

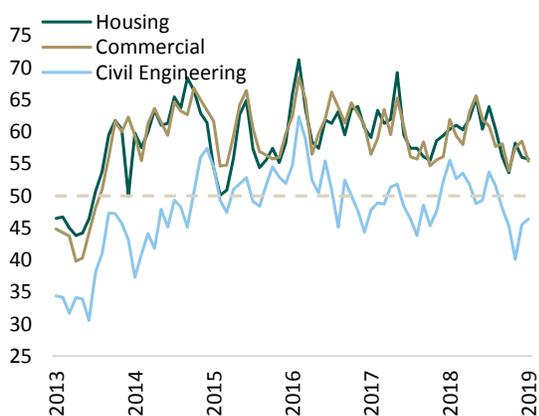
This section gives an overview of the anticipated construction pipeline by incorporating the latest data on confidence indices, planning permissions, and planned construction under Project Ireland 2040, with a particular focus on 2019.

2.4.1 Trends in Confidence and Planning Permissions

Purchasing Managers Indices use survey techniques to provide an advance indication of confidence and wider trends. A reading of >50 indicates an increase in activity on the previous month while a reading of <50 indicates contraction.

The Ulster Bank Construction PMI stood at 54.6 in January 2019 above the 50 breakeven level and indicates that firms continue to report gains in activity. Commercial activity stood at (55.4) followed by strong growth in housing activity (55.7). Civil engineering activity increased to 46.4 but remains below 50 indicating contraction in the sector compared to the previous month.

Figure 2.11: Ulster Bank Construction Purchasing Managers Index

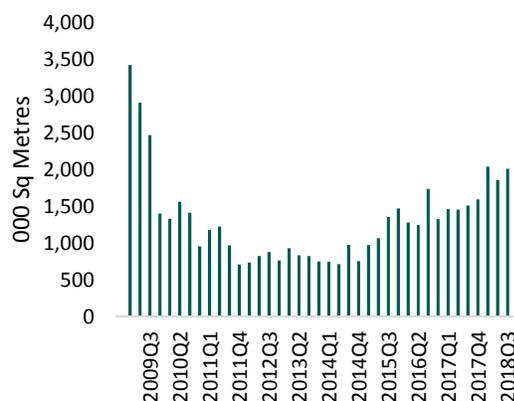


Source: Ulster Bank

Planning permissions data can act as a short-term indicator of anticipated levels of construction sector activity.

The total floor area for which planning permission was granted (which includes dwellings as well as other construction) in the first three quarters of 2018 was 5.9 million sq. metres. This was a 33 percent increase on the same period in 2017.

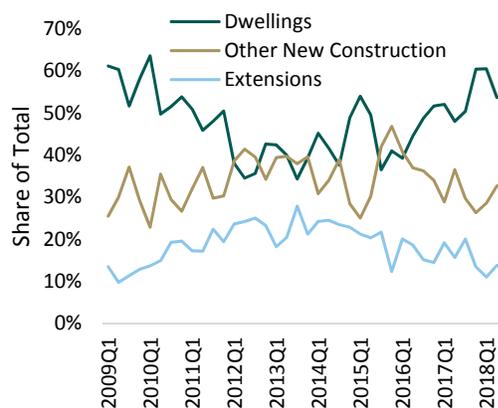
Figure 2.12: Total Floor Area for which Planning Permission Granted



Source: CSO

Residential dwellings represent 55 percent of the total floor area for which planning permission was granted in the third quarter of 2018. The share of total floor space permissions accounted for by dwellings has been on a general upward trend since late 2015. Other new construction (excluding dwellings) represented 32 percent of total floor area granted planning permission in the third quarter of 2018.

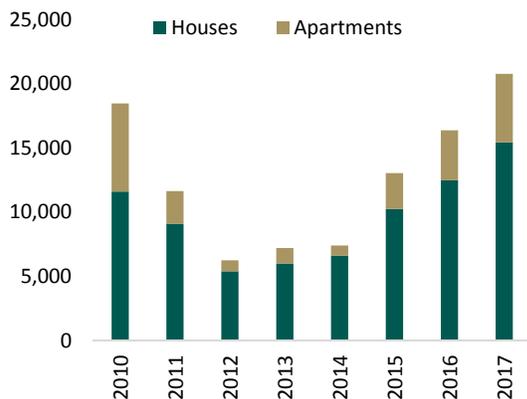
Figure 2.13: Total Floor Space Granted Planning Permission by Type



Source: CSO

In 2017 a total of 20,776 houses and apartments were granted planning permission. That was a 27 percent increase on 2016. Apartments made up 26 percent of total permissions granted for dwellings in 2017. In the first three quarters of 2018 planning permission has been granted for 22,561 new houses and apartments.

Figure 2.14: Planning Permissions for Houses and Apartments (Units)



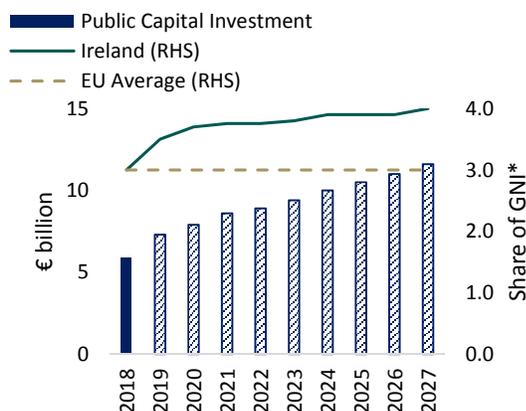
Source: CSO

2.4.2 Public Investment Priorities

Project Ireland 2040 – the National Development Plan (NDP) and the National Planning Framework (NPF) - was launched by the Government in February 2018. The NDP sets out a strategic vision for Ireland’s public capital infrastructure priorities over the next 10 years strictly aligned with the National Strategic Outcomes (NSOs) for Ireland’s new spatial strategy contained in the NPF.

As detailed in Budget 2019, the overall public capital allocation³ for 2019 is €7.3 billion. This is a €1.4 billion (24 percent) increase on the 2018 projected outturn of €5.9 billion. Investment in 2019 will reach 3.5 percent of national income (GNI*) compared to an EU average in recent years of 2.7 percent (GDP). This is expected to place Ireland in the top ten in Europe for the level of public investment.

Figure 2.15: Ireland’s Planned Public Capital Investment under the NDP 2018-2027



Source: National Development Plan 2018-2027

The latest update of the Government’s Investment Projects and Programmes Tracker (published in September 2018 on the website of Department of Public Expenditure and Reform) includes 271 projects and programmes, including 34 individual projects with estimated costs in excess of €100 million.

The three largest infrastructure projects are:

- Metro Link
- Busconnects Dublin
- Water Supply Project – Eastern and Midland Region

The three largest infrastructure programmes are:

- The Social Housing Programme
- The Schools Building Programme
- Irish Water Capital Programme

Table 2 gives a breakdown of projects and programmes by National Strategic Outcome.

The Tracker is due to be updated shortly.

³ As measured by Gross Voted Capital Expenditure

Table 2: Number of Investments under each National Strategic Outcome of Project Ireland 2040

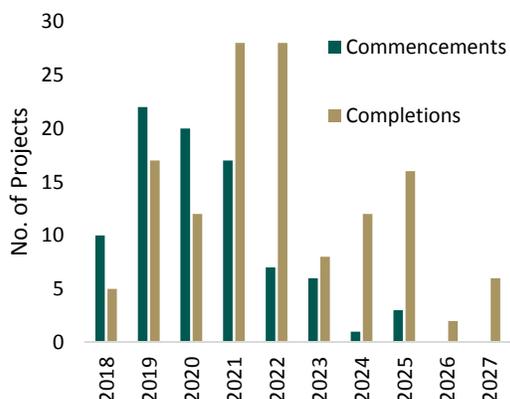
	Infrastructure Projects	Infrastructure Programmes	Investment Programmes
1. Compact Smart Growth	8	8	-
2. Enhanced Regional Accessibility	16	6	-
3. Strengthened Rural Economies and Communities	12	9	12
4. Sustainable Mobility	3	5	1
5. A Strong Economy, supported by Enterprise, Innovation and Skills	12	9	15
6. High-Quality International Connectivity	n/a*	1	1*
7. Enhanced Amenity and Heritage	2	7	4
8. Transition to a Low-Carbon and Climate-Resilient Society	13	5	7
9. Sustainable Management of Water and other Environmental Resources	24	5	3
10. Access to Quality Childcare, Education and Health Services	41	15	3
11. Other Sectors	10	6	6

Source: DPER Investment Projects and Programmes Tracker

*Projects for this NSOs are largely carried out by semi-state companies e.g. Dublin Airport and Port Companies. It is intended to capture these projects in the next edition of the tracker which is due to be published later in Q1 2019.

There will be 25 major public infrastructure projects commencing construction in 2019 and a further 9 projects which have already commenced will be ongoing throughout 2019. As shown in Figure 2.16, commencements of projects are front loaded in the earlier years of the plan with completions rising thereafter. There are a number of major projects due to be completed in the second half of the plan.

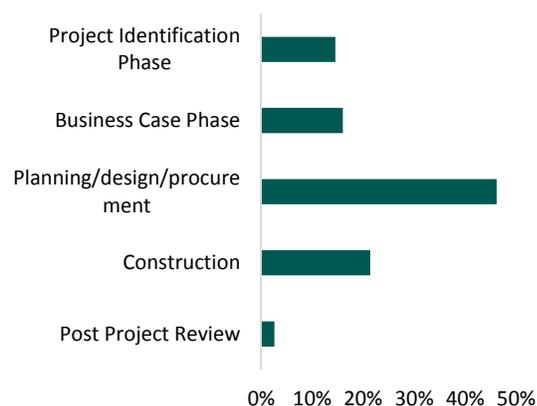
Figure 2.16: Major Project Commencements (2018-27)



Source: Investment Projects and Programmes Tracker (Sept 2018)

As shown in Figure 2.17, 31 percent of projects are at appraisal stage, 46 percent are at planning and design and 21 percent are at implementation/ construction.

Figure 2.17: Public Investment in the Project Lifecycle



Source: DPER Investment Projects and Programmes Tracker (Sept 2018)

Table 3 sets out the 25 major infrastructure projects due to commence in 2019. These include a range of projects across Health, Education, Transport, Water, Flood Defences and Sport.

Table 3: Major Public Infrastructure Projects due to Commence in 2019

Name of Project	Commencement	Completion
Luas Green Line Capacity Enhancement	Q1 2019	2023
Upper Liffey Valley Sewerage Scheme Phase 3 Contract 2A	Q1 2019	2021
Sligo Western Distributor Road	Q1 2019	2020
Skibbereen Regional Water Supply Scheme - Water Treatment Plant & Network	Q1 2019	2021
Blanchardstown Sewerage Scheme	Q2 2019	2022
Maritime Patrol Aircraft Replacement	Q2 2019	2022
N4 Collooney to Castlebaldwin	Q2 2019	2021
Cork City Water Supply Scheme - Upgrading Shanakiel Rising Main	Q2 2019	2022
Blackpool Flood Relief Scheme	Q2 2019	2021
Ballyshannon Regional Water Supply Scheme - Water Treatment Plant and Network	Q3 2019	2022
Upper Liffey Valley Sewerage Scheme - 2B	Q3 2019	2022
Listowel Bypass	Q3 2019	2021
Ardee bypass	Q3 2019	2021
Glashaboy Flood Relief Scheme	Q3 2019	2021
N5 Westport to Turlough	Q3 2019	2023
N22 Ballyvourney to Macroom	Q3 2019	2022
National Train Control Centre	Q3 2019	2023
M8/N4/N25 Dunkettle Interchange	Q3 2019	2021
Athlone Sewerage Scheme	Q4 2019	2022
Coonagh to Knockalisheen Road	Q4 2019	2022
Leixlip Transfer Pipeline	Q4 2019	2021

Source: DPER Investment Projects and Programmes Tracker

Table 4 sets out the largest Public Infrastructure Programmes over the period 2018-2022, with Social Housing Delivery having the highest funding allocation of €5.35 billion.

The next update of the Investment Tracker will be published later in Q1 2019. This will include an interactive map which illustrates the distribution of major projects throughout Ireland.

More generally, the Department of Public Expenditure and Reform will consider how the

Investment Tracker can be further developed to promote greater transparency and public engagement with the process of monitoring the implementation of Project Ireland 2040.

Additional information which could be collected in the future may include performance indicators, results of CBAs, mapping features and impact indicators.

Table 4: Largest Public Infrastructure Programmes over the period 2018-2022

Name of Project	Brief Description	Forecast Exchequer Allocation € m
Large Scale Schools Programme	In total 400 Large Scale Projects are planned for delivery over the next number of years.	3,046
Social Housing Delivery	52,000 additional new social housing units will be delivered over the period 2018-2022.	5,350
Regional and Local Roads	Providing for ongoing maintenance of the regional and local road network.	2,052
Infrastructure Manager Multi-Annual Contract (IMMAC) - Heavy Rail Programme	Funding maintenance and safety projects needed to maintain safety and service levels in railway operations.	1,090
Irish Water Capital Programmes	Targeted at equipment and process level improvements across multiple sites.	1,084
Irish Water Infrastructure	Individual Water and Wastewater capital projects < €20m (Treatment and Network).	1,040
National Roads Capital Programme	Providing for ongoing maintenance of the national road network.	965
Other/Additional Housing Capital Schemes	A range of Housing capital programmes, e.g. Private housing adaptation grants for older people and people with a disability.	864
Urban Regeneration and Development Fund	The fund will target compact, sustainable growth in Ireland's five cities and other large urban centres.	550
Water Networks Programmes	Targeting reduction in leakage, water main rehabilitation and leakage monitoring and control.	393

Source: DPER Investment Projects and Programmes Tracker

Note: More detailed information can be found on the Investment Projects and Programmes Tracker on the DPER website.

As this section has shown, the increase in public and private investment forecast in 2019 will assist in addressing the infrastructure deficits which have emerged in recent years. A continued focus will be

placed on ensuring value for money. The next section of this report sets out trends in relation to costs which will inform policy development in this area.

Section 3:

Costs

3.1 Overview

This section examines the overall trends in residential and non-residential construction costs, tracking developments in recent years.

Key findings are as follows:

- The construction tender price index, which covers non-residential construction, is estimated to have increased by 7.4 percent in 2018.
- The construction costs index for residential buildings in Ireland increased by 3.8 percent on an annual basis to Q3 2018.
- Construction costs for new residential buildings have increased moderately between Q3 2010 and Q3 2018, increasing by an annual average of less than 1.5 percent over the period⁴. This was largely in line with the EU average for the same period.
- The Wholesale Price Index for Building and Construction Materials increased by 0.3 percent on an annual basis in December 2018.
- Average hourly earnings for all construction employees increased by 6.2 percent on an annual basis in Q4 2018 to stand at €21.43.
- As of Q4 2018 the average weekly paid hours for all construction employees stood at 37. This represented an increase of 1.9 percent in comparison to the same period in 2017.

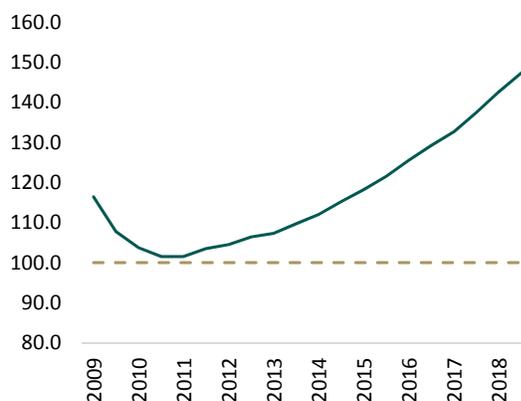
3.2 Trends in Non-Residential Construction Costs

The construction tender price index is based on tender returns for non-residential projects. It is based on predominately new build projects with values in excess of €500,000.

The index increased by 7.5 percent in the twelve month period to June 2018. Inflation for the entire year of 2018 is forecast at 7.4 percent.

Construction tender prices in 2018 are expected to have returned close to the level of the previous peak in the first half of 2007.

Figure 3.1: Construction Tender Price Indices (1998=100)



Source: Society of Chartered Surveyors Ireland

⁴ This data relates to 'pure' construction costs and excludes elements such as land costs, VAT and professional fees.

3.3 Trends in Residential Construction Costs

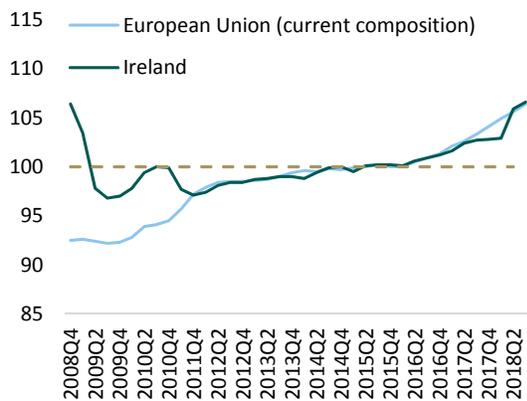
Turning to residential construction projects, the cost index in Figure 3.2 shows the trend of costs incurred by the contractor to carry out the construction process, in other words the cost of labour, materials and plant.

This measure does not include costs to the client or final owner such as VAT, Site Cost, and Professional Fees.⁵

Construction costs for residential buildings in Ireland increased by 3.8 percent on an annual basis in Q3 2018.

Construction costs for new residential buildings have seen low rates of inflation between Q4 2011 and Q3 2018, increasing by an average of less than 1.5 percent over the period. This was largely in line with the EU average for the same period.

Figure 3.2: Construction Cost Index for Residential Buildings (2015=100)



Source: Eurostat

3.4 Trends in Cost of Materials

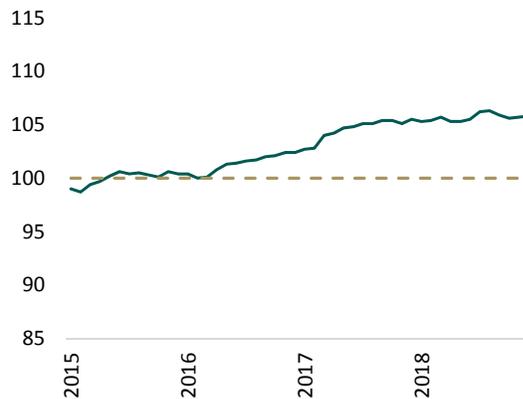
Tender prices and construction costs have increased considerably in the past year. The price of materials is one element of these increases.

The Wholesale Price Index for Building and Construction Materials, provides a general indication of price trends in the sector.

Actual transaction prices are collected for materials purchased by construction and civil engineering firms. The price indices reflect an 'average' over a basket of products. They also reflect prices for both long-term and short-term contracts and for high and low volume civil engineering works.

As of December 2018 the Wholesale Price Index for Building and Construction Materials indicates an increase of 5.8 percent in the price of materials over the 2015 to 2018 period.

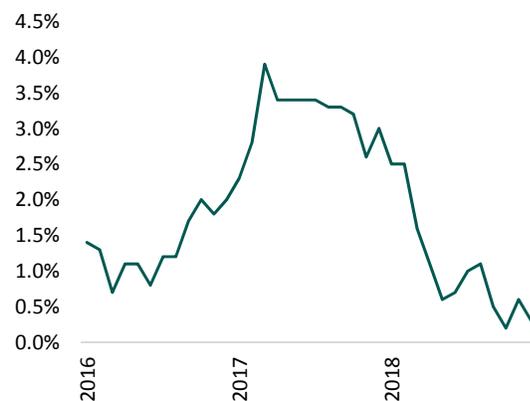
Figure 3.3: Wholesale Price Index for Building and Construction Materials (2015=100)



Source: CSO

As shown in Figure 3.4, the annual rate of inflation in the Wholesale Price Index for Building and Construction Materials has been on a general downward trend since 2017 and has remained below 1% since May 2018.

Figure 3.4: Annual Rate of Inflation of Building and Construction Materials



Source: CSO

Table 5 sets out the three highest and lowest ranked materials from within the Wholesale Price Index for Building and Construction. As of December 2018, the building and construction material with the largest annual increase was bituminous emulsions (8.9 percent), followed by other timber (7.9 percent) and paints, oils and varnishes (7.9 percent).

⁵ For further detail see Eurostat's "Methodology of Short Term Business Statistics".

A number of types of materials have also experienced price decreases, including sand and gravel (-16.4 percent) and glass (-18.5 percent).

Table 5: Highest and Lowest ranked materials from the Wholesale Price Index (December 2018)

Materials	Annual Increase
Bituminous emulsions	+ 8.9%
Other timber (excluding windows and doors)	+7.9%
Paints, oils and varnishes	+7.9%
Stone	-4.2%
Sand and Gravel	-16.4%
Glass	-18.5%

Source: CSO

3.5 Trends in the Cost of Labour

As detailed in Figure 3.5, average hourly earnings for all construction employees increased by 6.2 percent on an annual basis in Q4 2018.

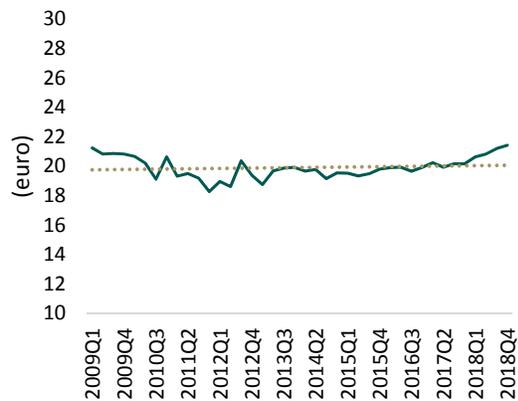
Figure 3.5: Annual Change in Average Hourly Earnings in Construction



Source: CSO

Average hourly construction earnings increased to €21.43 in Q4 2018.

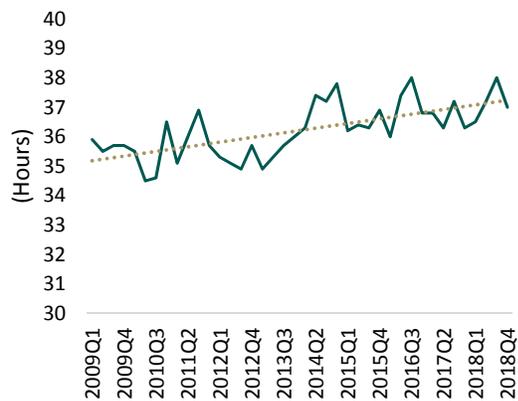
Figure 3.6: Average Hourly Earnings for All Construction Employees



Source: CSO, Seasonally Adjusted

As of Q4 2018, average weekly paid hours for all construction employees stood at 37. This represented an increase of 1.9 percent in comparison to the same period in 2017.

Figure 3.7: Average Weekly Paid Hours in Construction



Source: CSO

The next section develops this analysis by charting overall developments in employment and enterprise.

Section 4: Employment and Enterprise

4.1 Overview

This section examines trends in construction sector employment and enterprise.

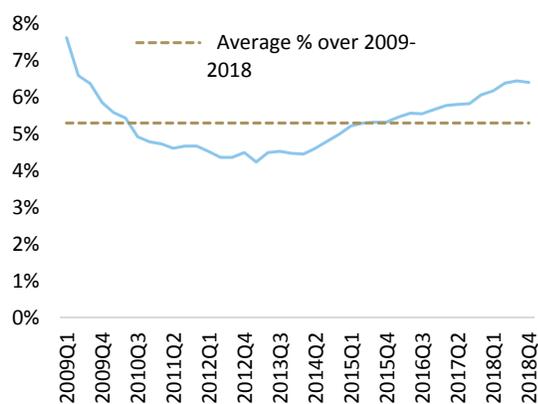
Key findings are as follows:

- Employment in the construction sector increased by 8 percent in the year to Q4 2018 to stand at 145,500.
- Construction sector employment represents a 6.4 percent share of total employment in the Irish economy, slightly below the EU average in 2017 of 6.8 percent.
- In Q4 2018 there were 6,300 unemployed persons who had previously worked in construction, down from a high of 81,900 in Q4 2009.
- Workplace fatalities in the construction sector have been on a downward trend since 2013 and were at their lowest recorded level in 2018 at 3.4 deaths per 100,000 workers.
- In 2016 there were 50,673 construction enterprises, with this figure remaining relatively stable since 2010.
- In 2016 over 95 percent of construction enterprises were classified as having 0-9 persons engaged, with less than 5 percent of enterprises having 10-49 persons engaged and less than 1 percent of enterprises having more than 50 persons engaged.
- The average gross value added per person engaged in large construction enterprises was €98,000 in 2016, almost double the average gross value added per person engaged in the small and micro enterprises.
- New lending to construction sector SMEs has been on an upward trend since Q4 2013.

4.2 Trends in Employment

Employment in the construction sector increased by 8 percent in the year to Q4 2018 to stand at 145,500. Construction sector employment represents a 6.4 percent share of total employment in the Irish economy, above the average of 5.3 percent since 2009. The share of total employment has been increasing since the low of 4.2 percent in Q1 2013.

Figure 4.1: Share of Employment in the Construction Sector



Source: CSO, Seasonally Adjusted

Table 6 shows that while construction sector employment in 2018 exceeded the level of employment in the year 2000, the number of new dwellings completed in 2018 is approximately 60 percent, over 30,000 units, lower than in the year 2000.

Table 6: New Dwelling Completions and Construction Sector Employment

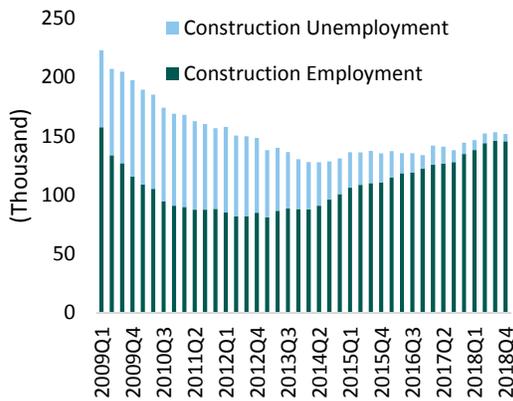
	2000	2018
Total New Dwelling Completions	49,412	18,072
Construction Sector Employment	138,625	143,375

Source: CSO

One likely implication of this data is that a much higher share of workers is engaged in commercial and engineering projects in 2018 compared to 2000.

In Q4 2018 there were 6,300 unemployed persons who had previously worked in construction, representing 5 percent of total unemployed persons. This is down from a high of 81,900 in Q4 2009.

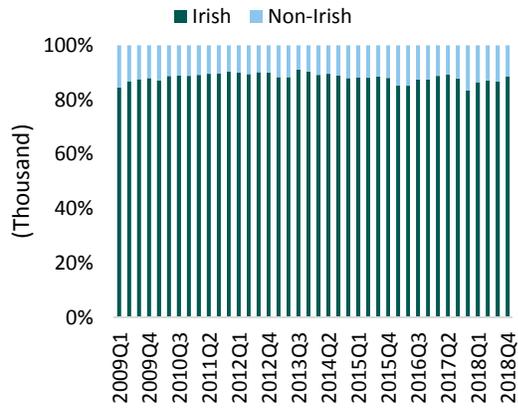
Figure 4.2: Construction Sector Employment and Unemployment



Source: CSO

Figure 4.3 shows that in Q4 2018 there were 16,400 Non-Irish people employed in the construction sector. Non-Irish construction sector employees made up 13 percent of employment in the sector in Q4 2018. In the period leading up to the downturn there were approximately 40,000 Non-Irish construction sector workers representing 20 percent of employment in the sector.

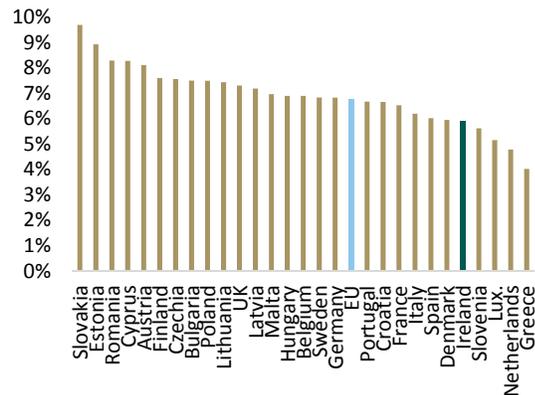
Figure 4.3: Share of Construction Sector Employment by Nationality



Source: CSO

In 2017 employment in the construction sector in Ireland stood at 5.9 percent of total employment. This was the fifth lowest share in the EU and below the EU average of 6.8 percent. As detailed earlier in this section, employment in the Irish construction sector has since risen to 6.5 percent in Q3 2018.

Figure 4.4: Construction Employment as a share of Total Employment (2017)



Source: Eurostat

As shown in Table 7 the age profile of those employed in the construction sector increased between Census 2006 and Census 2016. In 2006 47 percent of construction sector employees were over the age of 35. This had increased to 70 percent by 2016.

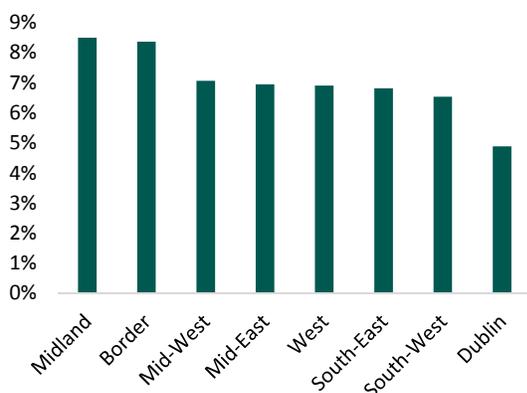
Table 7: Age Profile of those Employed in the Construction Sector

Age group	2006	2011	2016
15 - 19 years	5%	1%	1%
20 - 24 years	16%	7%	5%
25 - 34 years	31%	30%	24%
35 - 44 years	23%	28%	32%
45 - 54 years	16%	21%	23%
55 - 64 years	8%	12%	13%
65 years and over	1%	2%	2%

Source: CSO Census

Dublin is the region in which construction accounts for the smallest share of total employment at 4.9 percent in Q3 2018. The Midlands is the region in which construction accounts for the largest share of total employment at 8.5 percent.

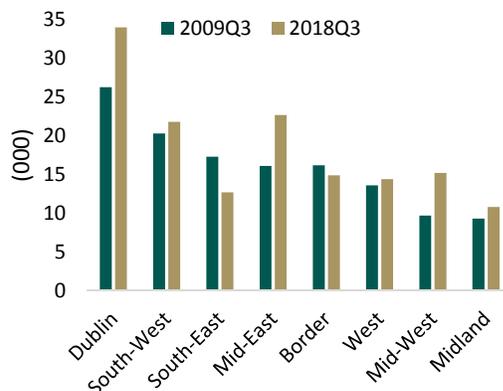
Figure 4.5: Construction as Share of Regional Employment in Q3 2018



Source: CSO

Construction sector employment has been increasing as a share of total employment across all regions since 2012. However, while the total number of people employed in the construction sector in Dublin, the Mid-East and Mid-West have now surpassed Q3 2009 levels, the numbers employed in the South-East and Border remain below their Q3 2009 levels.

Figure 4.6: Construction Sector Employment by Region

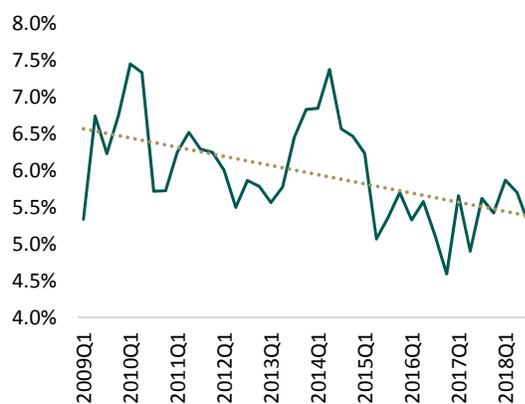


Source: CSO

Female employment in the construction sector stood at 7,700 as of Q3 2018. This represents 5 percent of total employment in the construction sector. While this is a relatively low share compared to wider participation levels across the economy, female participation has generally been trending upwards in the construction sector since 2000 when it stood at 3 percent.

It should be noted however, that as total employment in the construction sector has increased since 2012, the share of construction employment accounted for by females has fallen. This implies that the overall increase has been driven by growth in male employment.

Figure 4.7: Share of Female Employment in the Construction Sector



Source: CSO

In 2018 there were 3.4 construction workplace fatalities per 100,000 workers. Figure 4.8 shows that workplace fatalities in the construction sector have been on a downward trend since 2013 and are now at their lowest recorded level.

Figure 4.8: Workplace Fatalities per 100,000 Workers

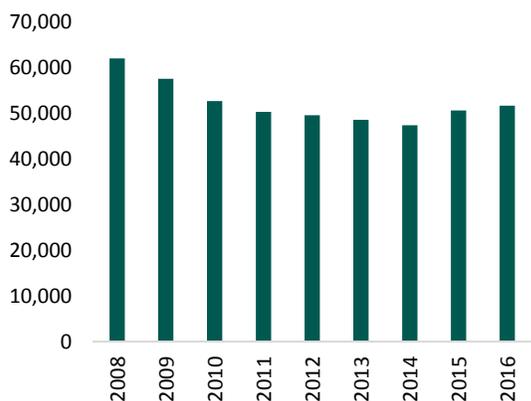


Source: Health and Safety Authority

4.3 Trends in Enterprise

In 2016 there were 50,673 active construction enterprises⁶. This level has remained relatively stable since 2010.

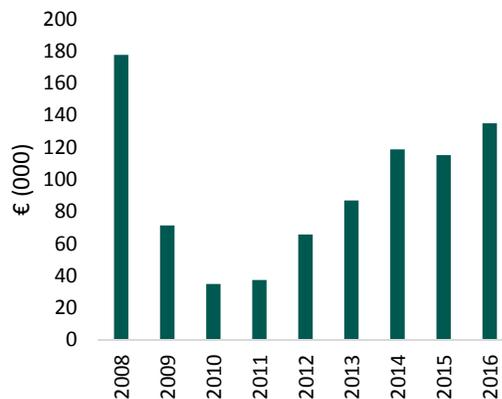
Figure 4.9: Number of Construction Enterprises



Source: CSO Business Demography

The average gross value added per construction company, broadly defined as company profits plus compensation of employees, has been on an upward trend since 2010.

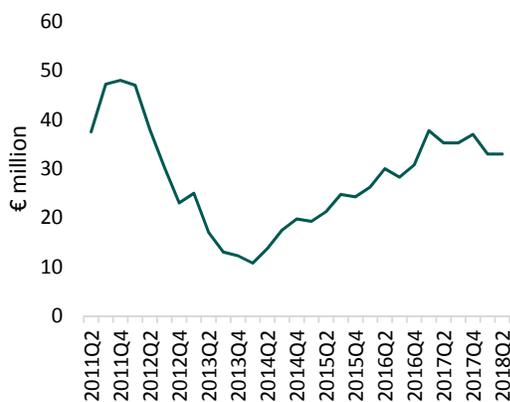
Figure 4.10: Average Gross Value Added per Construction Enterprise



Source: CSO

Figure 4.11 outlines the four-quarter rolling average of new lending to construction sector SMEs with a general increase in lending evident since Q4 2013. However in Q1 2018 there was an 11 percent decrease in lending to construction sector SMEs with the level then remaining constant in Q2.

Figure 4.11: New Lending to Irish Construction Sector SMEs

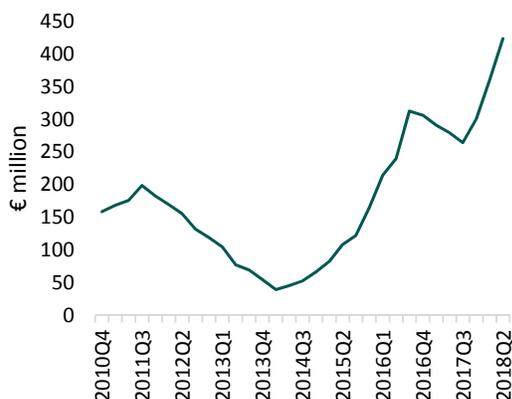


Source: Central Bank of Ireland, SME Credit Series, Table A.14.1.

At the same time the four-quarter rolling average of new lending to real estate sector SMEs increased by 41 percent in the first half of 2018. The statistical classification of real estate activities by Eurostat includes the buying, selling and renting of real estate as well as the maintaining and operating of real estate.

⁶ The CSO defines an enterprise as active in a period if it generates turnover, employs staff or makes investments.

Figure 4.12: New Lending to Irish Real Estate Sector SMEs

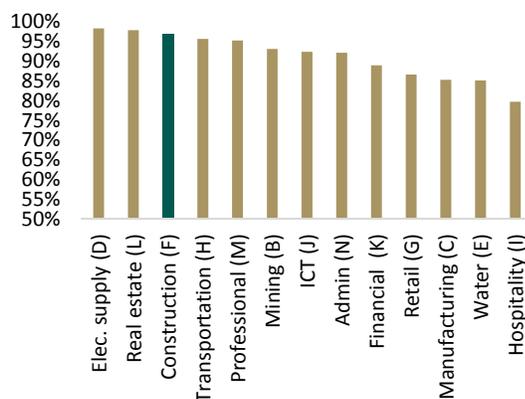


Source: Central Bank of Ireland, SME Credit Series, Table A.14.1.

In 2016 over 95 percent of construction enterprises were classified as having 0-9 persons engaged, with less than 5 percent of enterprises having 10-49 persons engaged and less than 1 percent of enterprises having more than 50 persons engaged. These shares of enterprise size by persons engaged have remained relatively constant since 2009.

As shown in Figure 4.13 the construction sector has the third highest share of micro-enterprises in comparison to other sectors of the Irish economy. Sectors of the economy which display higher levels of productivity per hours worked such as ICT and manufacturing have 5 and 12 percentage points lower shares respectively compared to the construction sector.

Figure 4.13: Share of Micro-Enterprises by Sector



Source: CSO

As detailed in Table 8, in 2016 there were 14 companies with more than 250 persons engaged and on average these companies engaged 485 persons.

Table 8 also details the average gross value added per person engaged for each category of enterprise.

Of particular note is the fact that the average gross value added per person engaged in large construction enterprises was €98,000, almost double the average gross value added per person engaged in the small and micro enterprises (which make up over 95 percent of the sector).

As shown in Figure 4.10 the average gross value added per construction enterprise has been on an upward trend since 2010, with the exception of a minor decrease in 2015.

Section 5 develops this analysis by examining trends in skills and knowledge in the sector.

Table 8: Irish Construction Enterprises by Persons Engaged and Statistical Indicator (2016)

	Micro (0 – 9)	Small (10-49)	Medium (50-249)	Large (250+)
Share of Construction Enterprises (EU)	94.2%	5.3%	0.5%	0.05 %
Share of Construction Enterprises	96.9%	2.8%	0.3%	0.03%
Construction Enterprises	49,968	1,454	132	14
Persons Engaged - Total	75,535	26,722	11,301	6,783
Average number of persons engaged per enterprise	2	18	86	485
Average Turnover (€ 000) per enterprise	234	2,672	13,919	145,193
Average Gross Value Added (€ 000) per enterprise	84	973	5,295	47,430
Average Gross Value Added (€ 000) per persons engaged	55	53	62	98

Source: CSO Enterprise Statistics on Construction

Section 5:

Skills and Knowledge

5.1 Overview

This section provides a high-level analysis of trends in skills and knowledge in the construction sector with a particular focus on participation in apprenticeships and higher level education in engineering, manufacturing and construction.

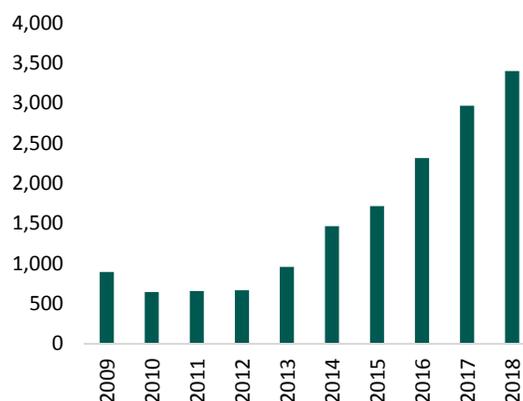
Key findings:

- There was a total of 3,398 new construction apprentice registrations in 2018. This represented an increase of 15 percent on 2017 and was the highest level of new construction apprentice registrations in over ten years.
- In 2018 apprenticeships in construction plant fitting and electrical were at 79 percent and 81 percent of the peak levels witnessed in 2006.
- In 2018 new apprentice registrations in bricklaying and plastering were at 12 percent and 9 percent of their peak in 2004.
- There were 4,746 undergraduate new entrants in engineering, manufacturing and construction in 2017/18, representing a decrease of 4 percent compared to the previous year.
- There were 863 building and civil engineering new entrants in 2017/18 representing an annual decline of 5 percent. The number of new entrants in building and civil engineering in 2017/18 was 57 percent of the 2009 level.

5.2 Trends in Apprenticeships

In 2018 there was a total of 3,398 new construction apprentice registrations. This represented an increase of 15 percent on 2017 and was the highest level of new construction apprentice registrations since 2007.

Figure 5.1: New Construction Apprentice Registrations



Source: SOLAS

The recovery in the level of new apprenticeship registrations since the low of 2010 has varied significantly across the different trades.

In 2018 apprenticeships in construction plant fitting and electrical were at 79 percent and 81 percent of the peak levels in 2006. From 2019 there will be new apprenticeships available in Scaffolding and for Senior Quantity Surveyor.

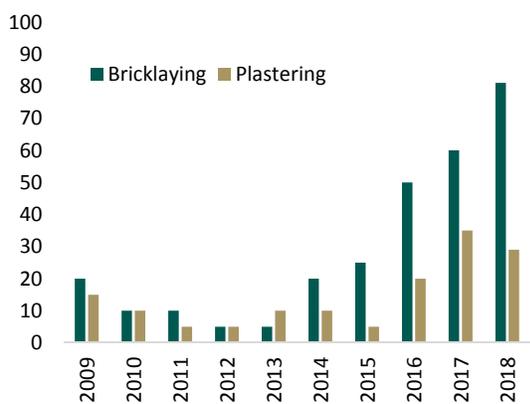
Table 9: Number of New Apprentice Registrations

Type	2006	2018
Bricklaying	475	81
Carpentry and joinery	1,905	591
Construction plant fitting	90	71
Electrical	2,270	1,841
Floor and wall tiling	30	
Painting and decorating	160	30
Plastering	220	29
Plumbing	1,500	653
Cabinet making	205	0
Wood machinists	15	0
Wood Manufacturing	0	95
Stonemasonry	0	7
Total	6,870	3,398

Source: SOLAS

There has been a more muted recovery in new apprentice registrations in the wet-trades – particularly bricklaying and plastering as shown in Figure 5.2. In 2018 new apprentice registrations in bricklaying and plastering were at 12 percent and 9 percent of their peak levels in 2004.

Figure 5.2: New Apprentice Registrations in Bricklaying and Plastering

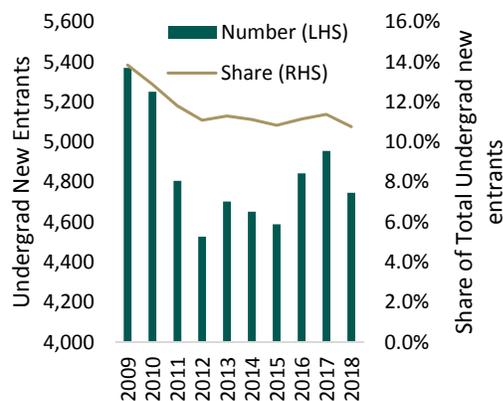


Sources: SOLAS

5.3 Trends in Undergraduates

There were 4,746 undergraduate new entrants in engineering, manufacturing and construction in 2017/18, representing 10.8 percent of all undergraduate new entrants in 2017/18. This was a decrease of 4 percent or 209 new entrants compared to the previous year.

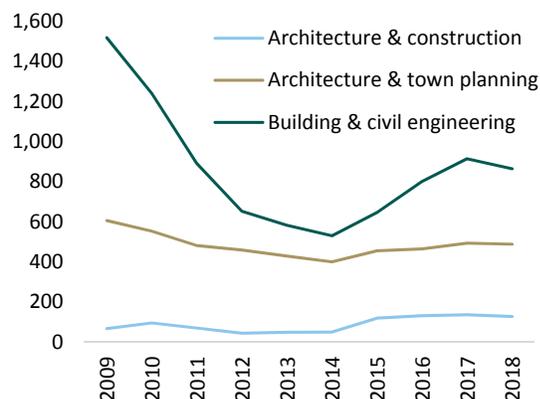
Figure 5.3: Undergraduate New Entrants in Engineering, Manufacturing and Construction



Source: Higher Education Authority (HEA)

Figure 5.4 shows new entrants to courses specifically related to building and construction. The number of new entrants in architecture has seen a slight increase while remaining relatively stable between 2009 and 2018. There were 863 building and civil engineering new entrants in 2017/18 representing an annual decline of 5 percent. The number of new entrants in building and civil engineering in 2017/18 was at 57 percent of the 2009 level.

Figure 5.4: Undergraduate New Entrants in Architecture and Civil Engineering



Source: HEA

Section 6 considers trends in productivity in the sector.

Section 6: Productivity

6.1 Overview

This section analyses trends in productivity in the construction sector since 2000 in comparison to other sectors of the Irish economy as well as other European countries.

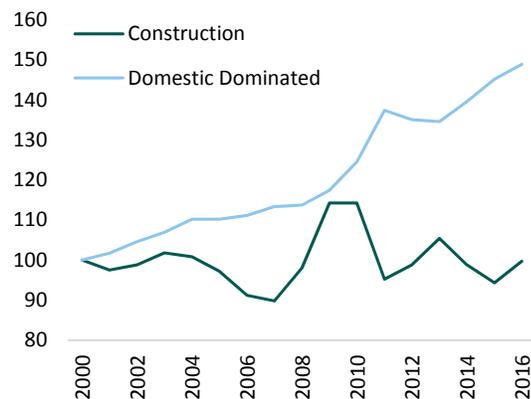
Key findings are as follows:

- As measured by official data, there has been little to no growth in value-added per worker in the Irish construction sector between the years 2000 and 2016.
- Had the construction industry kept pace with productivity growth in the other domestically dominated sectors, gross value added is estimated to have been some €3.1 billion higher.
- Labour productivity in the Irish construction sector was 24% below the Euro Area average according to the latest available data for 2015.
- Ireland's construction sector is ranked fourteenth in the Euro Area for labour productivity.

6.2 Trends in Productivity

Globally, the construction industry's productivity has trailed that of other sectors for decades. Similarly, Figure 6.1 shows that there has been little to no growth in value-added per worker in the Irish construction sector between the years 2000 and 2016. Over the same period, productivity in the domestic dominated sectors of the Irish economy grew by almost 50 percent while the productivity of the foreign dominated sectors of the economy grew by over 300 percent⁷. The gap in productivity growth rates since 2000 between the construction sector and the other domestic sectors of the economy can be valued at €3.1 billion in foregone value added to the construction sector by 2016.

Figure 6.1: Labour Productivity Index (Base 2000=100)



Source: CSO

⁷According to the CSO, Domestic refers to all sectors not categorised as Foreign sector. Foreign Sector refers to sectors dominated by foreign MNEs include the following: Chemicals and Chemical Products (NACE 20), Software and Communications (NACE 58-63), Reproduction of recorded media, Pharmaceutical products, Electrical equipment and Medical supplies (NACE 18.2, 21, 26, 27, and 32.5).

Box 3: Measuring Construction Sector Productivity

Gross Value Added (GVA)

GVA is defined as the value of output less the value of intermediate consumption. Intermediate consumption measures the value of the goods and services consumed as inputs by the process of production. GVA broadly corresponds to company profits plus compensation of employees.

Labour Productivity

Labour productivity measures output in the economy relative to hours worked. It is calculated as Gross Value Added divided by hours worked.

Why Labour Productivity in Construction Matters*

An increase means:

- higher value can be provided to customers with the same or fewer inputs;
- higher-quality structures at lower cost for owners;
- higher profitability for contractors; and,
- higher wages for workers.

High labour productivity often also goes hand in hand with shorter and more reliable construction schedules.

*Source: Reinventing Construction (2017) McKinsey Global Institute

Figure 6.2: Percentage Change in Construction Sector Labour Productivity, GVA and Hours

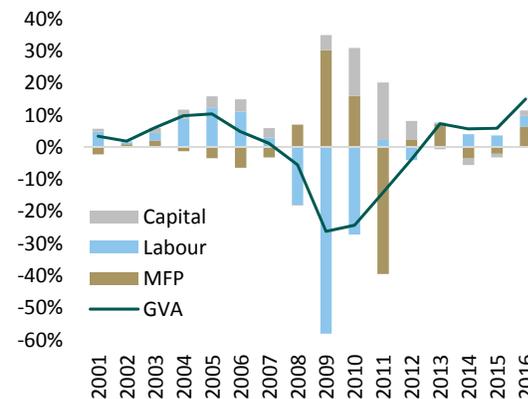


Source: CSO

Figure 6.3 decomposes output growth in the construction sector over the period 2000 to 2016 into labour and capital inputs and to multifactor productivity (MFP is an alternative measure of productivity which takes into account the contribution of both labour and capital to production.)

Growth in the GVA of the construction sector averaged 1.2 percent per annum over the 2000-2016 period. Most of this output growth is accounted for by increases in capital inputs. Labour input growth contributed negatively over the period on average.

Figure 6.3: Decomposition of annual GVA growth in Construction Sector



Source: CSO

As Figure 6.2 shows, changes in labour productivity in Ireland's construction sector have been driven by fluctuations in both gross value added and hours worked.

As explained by recent Department of Finance research⁸, the halving of hours worked in the construction sector in 2009 were in low productivity roles, while GVA saw a smaller decline relative to hours worked, leading to a spike in labour productivity.

In 2016 gross value added by the construction sector in Ireland increased by 15 percent while hours worked increased by 7 percent, resulting in labour productivity growth of 5 percent.

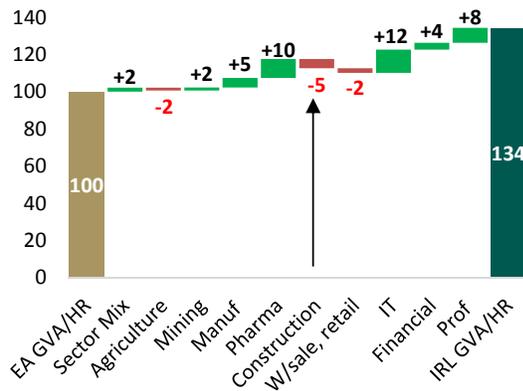
⁸ Papa, Rehill and O'Connor (2018)

6.3 International Comparisons

Eurostat data shows that the Irish economy considerably outperforms the euro area average in terms of value added per hour worked – the standard measure of productivity. However, the construction industry acts as a drag on average productivity and performs worse than the euro area average.

Figure 6.4 shows that Ireland’s overall labour productivity is 34 percent higher than the euro area average. Over half of this gap is explained by higher than average productivity in the Pharma and IT sectors. However, a negative productivity gap exists between Ireland and the euro area average in a number of sectors, the largest of which is in the construction sector which reduces Ireland’s productivity by 5 percent.

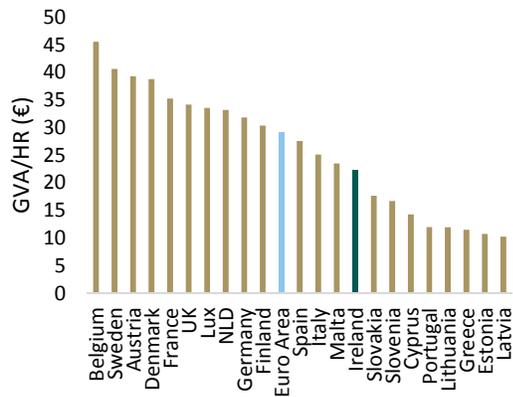
Figure 6.4: Sectoral Composition of Productivity Gap (2014)



Source: EU KLEMS

Figure 6.5 compares the productivity of the Irish construction sector to those across Europe in 2015. The GVA per hours worked by persons engaged in the Irish construction sector was €22.3, 24% below the Euro Area average. Ireland’s construction sector is ranked fourteenth in the Euro Area for labour productivity.

Figure 6.5: GVA per hours worked in Construction (2015)



Source: EU KLEMS

Given that the sector has recovered further since 2014 and 2015, this may be expected to have improved.

In any case, the challenge posed by the Irish construction sector’s poor productivity performance – in both an international and domestic context – should not be understated.

The imperative of improving productivity is underscored by the tight labour market conditions detailed in Section 4, a thinner pipeline of key skills in the short-term as detailed in Section 5 and the emergence of inflation across the supply chain detailed in Section 3.

Supported by public policy, the sector must embrace new delivery mechanisms and overhaul its approach to the adoption of technology and next generation building techniques.

Section 7:

Conclusions and Next Steps

7.1 Overview

This report provides an important evidence base for policy makers and the industry on the key trends in the Irish construction sector. Investment and output levels in building and construction in Ireland will continue to increase at pace in 2019. However, potential risks and constraints are present in the form of cost inflation, limited sources of additional labour supply and stagnant productivity growth. Both Government and industry have initiated a number of measures to address these risks.

The information detailed in this report will play a critical role in informing decisions over the coming year to help ensure the successful delivery of Project Ireland 2040 through the creation of a sustainable and innovative construction sector.

The economic recovery experienced in recent years has led to an increase in the level of public and private investment in building and construction. As outlined in Section 2 of this report, total investment in building and construction in Ireland is projected to increase to €30 billion in 2019, or 14 percent as a share of GNI* (above the EU average of 10 percent).

Output from the sector has also been increasing. There were 18,072 new dwelling completions for the full year of 2018 representing a 25% increase on the previous year. In terms of public infrastructure, there will be 13 major project completions in 2019, with a further 25 major projects commencing.

While there has been good progress implementing Project Ireland 2040 there are clear risks. This report has highlighted a number of trends which pose a risk to the construction sector. A key concern is the risk of excessive cost inflation which may occur. As detailed in Section 3 of this report, the Wholesale Price Index for Building and Construction Materials increased by 0.3 percent on an annual basis in December 2018. In terms of labour, the average hourly earnings in construction increased by 6.2 percent in the year to Q4 2018. The highest level of inflation appears in the non-residential sector with the construction tender price index estimated to

have increased by 7.4 percent in 2018.

Furthermore, labour supply may be a constraint in the future. As shown in Section 4 of this report, employment in the construction sector stood at 145,500 in Q4 2018. This compares to peak employment of 241,300 in Q2 2007. The level of unemployed construction workers has dropped to 6,300, suggesting that the pool of available labour may be in short supply.

While there was a total of 3,398 new construction apprentice registrations in 2018, representing an annual increase of 15 percent, new apprentice registrations in bricklaying and plastering remained subdued. Meanwhile at third level the number of new entrants in building and civil engineering in 2017/18 was 43 percent below the 2009 level.

Finally, another major constraint facing the Irish construction sector is the fact that productivity was largely stagnant over the period 2000 to 2016. The level of labour productivity in the Irish construction sector is below the EU average for construction sectors as well as being lower than other sectors of the Irish economy.

7.2 Policy Responses

In response to the potential risks and constraints detailed in this report the Government has undertaken an ambitious programme of actions and reform.

As detailed earlier, a number of structures have been put in place to oversee implementation of, and deal with a range of risks faced by Project Ireland 2040, including risks from the

construction sector. These structures include:

- The Project Ireland 2040 Delivery Board
- The Investment Projects and Programmes Office (IPPO) in DPER
- The Land Development Agency
- A new and improved Project Ireland 2040 Investment Tracker
- The Construction Sector Group (CSG)

7.3 CSG Actions in 2019

In particular the CSG will play an important role in highlighting the risks and constraints faced by the sector and designing actions to be undertaken by industry and Government Departments and Agencies.

The CSG has agreed a work programme for 2019 with key priorities identified following a broad consultation. It is proposed to deliver a programme of work that focuses on the priorities outlined below.

1) Communicating for industry confidence

Project Ireland 2040 Investment Tracker provides a clear signal to those involved in the delivery of infrastructure on what construction is in the pipeline. This can imbue the industry with the confidence to plan, invest and hire to expand capacity.

Government will further develop the Investment Tracker and industry bodies will disseminate this and further promote key information to the sector.

2) Securing the skills pipeline

The Expert Group on Future Skills Needs will undertake a detailed skills foresight exercise with input from CSG members.

Industry bodies will work together to promote the construction sector as an attractive, modern and technology-centric industry.

3) Driving productivity improvement

A wide-ranging analysis of productivity will be produced in order to inform new industry approaches for improvement. This research will be designed in close consultation with the CSG.

The CSG will advance proposals for tackling the industry's productivity challenge, increasing technology adoption and learning from best international practice. This can ensure a more sustainable sector and drive value for money.

This work programme will be progressed and developed over the course of 2019. By focusing on these priorities the CSG is seeking to enable the construction sector to sustain viable companies and rewarding careers in order to produce high quality construction output, thereby delivering better value for money and key national priorities.

The CSG operates under the Transparency Code and therefore the full work programme along with the minutes and agendas of all meetings are published on the DPER website.

Taken together these actions can help improve the vitality and sustainability of the construction industry in Ireland. This can aid the security and prosperity of firms and workers while helping to deliver the objectives of Project Ireland 2040.

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