

Other useful facts

Construction

- Accounts for around 9% of GDP
- Has a turnover in excess of £120 billion
- Employs three times as many people as both automobile and aerospace combined
- Some 3.1 million employed in construction's value chain (11% of UK workforce)
- Over 350,000 firms work in construction in the UK, most of which are SMEs
- Imports less than 8% of its resources
- Productivity in 2012 reached the highest levels since records began

Construction Product Manufacturing and Supply

- Accounts for 4.5% of GDP and 15% of goods manufactured in the UK
- Has a turnover of £50 billion
- Provides the largest volume of goods moved around the transport network of the UK
- Factories are closing, manufacturing capacity and skills are being lost
- Most major manufacturing groups are owned by companies outside the UK
- Future investment decisions will be made on a global basis

Economy

The Government is committed to its deficit reduction plan yet - overall, total Government spending is rising from £633 billion in 2010/11 to £709 billion in 2016/17 due to increasing current spending which goes on wages, welfare, interest debt payments and pensions etc. However, capital investment, which covers spending on construction, is falling from £62 billion in 2010/11 to £48 billion in 2016/17.

This is despite independent research highlighting that for every £1 spent on construction, the whole economy benefits by £2.84. Furthermore, although the Autumn Statement showed an additional £3.7 billion public spending on infrastructure, 85% of this additional investment is scheduled to occur from 2013/14.

With the economy in recession now, it is vital that Government brings forward spending from later years in the comprehensive spending review and get the work done now, when it is most needed.

Housing

New build – We now have the lowest number of housing starts since 1923. The number of homes built last year was still less than half the number needed to meet the number of households that Government itself estimates will be created each year. Government needs to stimulate housing provision.

- Medium and smaller house builders are excluded from the market due to lack of bank lending
- House building is largely focused in the South East and particularly London
- The average age of a first time buyer is now 38 years old

There is a requirement to build 240,000 homes per annum. In 2012, we expect to deliver less than 100,000 homes. 5 million people are currently on the waiting list for public rented homes. The capital grant has been cut by 63% resulting in a 40% cut in affordable housing.

Over half of the 175,000 affordable homes program is scheduled to be delivered in 2015 which is the final year.

Existing Homes – in order to meet the Government's ambitious carbon reduction targets by 2050 the UK will need to refurbish the bulk of its existing homes in order to bring them up to an acceptable level of energy efficiency.

Localism and Planning

Localism could negatively impact on levels of new housing and other developments, whether it is in the hiatus between the new and old system or in the longer term.

The UK's planning system is regularly cited by overseas companies considering investing in the UK as one of the principle factors that makes the country a less attractive place for investment than other parts of the world. Culture in the UK is too often viewed by outsiders as anti-development.

The NPPF (National Planning Policy Framework) is an important step in helping to redress the current imbalance; Government must ensure that its implementation allows for a more positive planning system.

Transport Infrastructure

In international comparisons the UK is a poor 28th for the overall quality of its infrastructure (France is 3th and Germany 10th) and transport infrastructure is frequently cited as one of the UK's major weaknesses.

Unemployment

- 22% of young people are unemployed
- More than 1 million people have lost their jobs in the construction sector since 2008
- 3.3 million people are under-employed in the UK, equating to more than one in ten of the country's workers

Industry Campaigns

Get Britain Building is an industry wide portal promoting jobs and growth. We are united in our support of other industry led campaigns including "Creating Britain's Future" "Bridging the Gap" and "Construction4Growth".



Get Britain

Building
www.jobsandgrowth.co.uk

A close-up, slightly blurred view of the Union Jack flag, showing the red, white, and blue stripes and the white saltire on a red field. The flag is draped and folded, creating deep shadows and bright highlights.

**Great Britain
needs **Gold** for
Jobs and Growth**

Get Britain Building for jobs and growth

The solution is building

The construction industry employs 3 million people and 28.5 new jobs are created for every £1million invested.

Create 2.5 million real jobs

Every £1 spent in construction generates £2.84 in economic activity. 92p of every £1 spent on construction is retained in the UK supporting the manufacturing and skill base we will need for the future.

Grow GDP

Every 100,000 new homes constructed adds 1% GDP.

ROI

For every £1 of public investment in housing and construction, Government gets 56p back in the form of reduced benefits expenditure and increased tax income.



www.jobsandgrowth.co.uk

How to build your way out of recession

Housing

- Build 25,000 public rented homes
- Challenge lenders to reduce borrowing costs and make them more competitive and accessible to all
- Reduce interest rates on the NewBuy scheme
- Cut 106 agreements
- Stop planners imposing unreasonable conditions
- Release more public land
- Get banks lending to SME building companies
- Remove barriers and cut red tape



Home Improvement

- Encourage banks to lend to SME building companies and take advantage of the new Bank of England scheme set up for this purpose
- Direct all Eco Funding to facilitate a major loft and wall insulation program
- Release privately held funds and encourage responsible borrowing by cutting VAT to 5% on the labour for all home improvements for 12 months
- Promote home extensions and responsible refurbishment

Infrastructure

- Make full use of the new Government Guarantee scheme
- Remove the barriers to bring forward projects
- New investment to build schools, prisons and hospitals
- Introduce a new PFI model

Create real jobs throughout the UK for...

design; professional and technical services; builders and allied crafts and trades; mining and quarrying; manufacturing and distribution; fixtures and fittings and installers; building material supply chain, contractors and sub contractors and plant equipment; conveyancing and estate agencies; social housing providers and maintenance...