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## Construction Shrinks by Almost 10% in a Year – ONS Figures Confirm

The ONS construction output figures for Q2, which have been published today, confirm that nearly every sector of construction activity, from private to public and from housing to infrastructure, has shrunk considerably over the last year and that overall, construction activity across GB has contracted by 9.5% in a year.

The figures reinforce a number of recent construction indicators but there is growing concern that long term damage is now being inflicted upon the industry, which has for sometime been predicting this decline and yet is recognised by government as an essential part of our economic recovery.

Commenting on these figures, Noble Francis, Construction Products Association Economics Director said: 'Looking at these figures, it is very hard to find anything positive to say in any part of construction. Across the 12 different construction indices, only one, non housing repair and maintenance, shows any growth at all and that at just 0.8% year on year and 0.1% quarter on quarter.

'However, what is most concerning is that private sector activity has also fallen sharply, implying that not just activity but also confidence is sadly lacking.

'This situation is rapidly becoming a crisis and at this rate I wouldn't be surprised if manufacturers begin to shut down their operations and lay people off.

'There is an urgent need for government to address this situation by immediately embarking on a programme of repair and maintenance across all areas of the country, especially for housing and roads, clarifying the model by which private finance will be attracted to enable

investment in major infrastructure projects and deciding government priorities for the amount of capital investment the country needs to stimulate growth. Without these measures recovery is unlikely to happen anytime soon.'

**ENDS**

**NOTE TO EDITORS:**

The Construction Products Association represents the UK's manufacturers and suppliers of construction products, components and fittings. The Association acts as the voice of the construction products sector, representing the industry-wide view of its members. The sector has an annual turnover of £50 billion and accounts for 40% of total construction output.

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