

**Friday 13 July 2012**

## **Sharp Public Sector Falls in Construction During May Point to Difficult 2012**

The latest ONS construction figures released today highlight that output fell 6% in May compared to a year earlier and, overall, the outlook for construction during 2012 appears bleak.

Commenting on the figures, Noble Francis, Economics Director at the Construction Products Association said: 'Although the coalition has consistently made pronouncements of boosting UK construction and the economy, there is little sign of this in reality. Public sector housing output in May was 23% lower than a year earlier and in the three months to May was also 23% lower than a year earlier. Public non-housing output, which primarily covers education and health construction, during May was 20% lower than a year earlier and in the three months to May was 22% lower than a year earlier.'

'Private commercial, the largest construction sector, continues to be the key bright area of construction. Commercial output in May was 2% higher than a year ago and in the first five months of the year was 1.3% higher than one year ago. However, this is not enough to offset the public sector cuts and, overall, in the first five months of the year, construction output was 5.4% lower than a year earlier so prospects for the year as a whole are bleak.'

'If government is serious about recovery in UK construction and the economy, it clearly needs to focus on getting a replacement for PFI sorted out immediately, getting work on the ground now by focusing on repair and maintenance and ensuring that the Green Deal becomes a success by giving householders greater incentives to invest in energy-saving improvements.'

## 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 44% of total construction output.

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