

Wednesday, 10 January 2018

Construction Output Set to Drag on GDP Growth

ONS figures published today show that construction output in November rose by 0.4% in both monthly and annual terms. However, monthly data are volatile and on a rolling three-month basis, output declined 2.0%. This was the largest fall since August 2012.

Rebecca Larkin, Senior Economist at the Construction Products Association, commented: “Today’s data confirm what has been signalled by early indicators and industry surveys – that construction ended 2017 on a weak note. Past falls in new orders, particularly in the commercial and public non-housing sectors, now appear to filtering through into lower volumes of work. On a three-month basis, commercial output fell 5.4%.

“It now looks impossible that the industry avoided a full quarter of contraction in Q4, with the £30 billion private housing sector contributing the only positive story. Therefore, construction is set to have caused a drag on overall UK economic growth during the quarter.

ENDS

NOTE TO EDITORS:

The data for construction output and new orders from the ONS can be found [here](#).

The [Construction Products Association](#) represents the UK’s manufacturers and distributors of construction products and materials. We are committed to raising the profile of our industry and members’ businesses, helping grow the market and reducing regulatory risk. The sector directly provides jobs for 333,000 people across 23,000 companies and has an annual turnover of more than £56.5 billion. The CPA is the leading voice to promote and campaign for this vital UK industry.

The CPA produces a range of economic reports including the quarterly Construction Industry Forecasts, Construction Trade Surveys and the State of Trade Surveys. All are available to members or subscribers via our website.

Much of the CPA’s work is focused on serving as the first point of contact for politicians and policy makers requiring advice and information about matters that affect construction products or the wider construction industry. This includes understanding the need for investment into manufacturing or the built environment, new housing and energy-saving retrofitting of the existing housing stock; helping to develop effective, UK and EU legislation, regulations and product standards; and promoting the role of manufacturers in delivering a resource efficient built environment.

FOR FURTHER INFORMATION CONTACT:

Rebecca Larkin, Senior Economist

Tel: 020 7323 3770

E-mail: rebecca.larkin@constructionproducts.org.uk

Emma Salmon, Senior Communications Executive

Tel: 020 7323 3770

E-mail: emma.salmon@constructionproducts.org.uk

Follow the Construction Products Association on Twitter: https://twitter.com/CPA_Tweets.