

Construction

January 2007

Sector Profile

Overview

Summary The local construction industry has been growing steadily over the last 10 to 12 years. Total output is approximately £2.6 billion per annum.

Most of the recent growth in construction output has been in the private sector, which accounts for two thirds of total output. Productivity in the industry has grown in recent years by over 1.5% per annum.

See also the separate sheet on 'Professional Services in Construction'.

Employment Around 65,000, including the self employed. About 4,000 registered businesses are active in the local construction sector, of which 65% employ less than 5 people. It is estimated that less than 20 companies within the industry have turnover in excess of £50 million.

Key Markets The Republic of Ireland (ROI) and Great Britain (GB) are important markets for the industry. There has been particularly rapid growth and expenditure on infrastructure and domestic building within the ROI, although recent large scale construction projects have also attracted interest from European competitors.

Companies Local companies operating on the global stage include Mivan, the Lagan Group, McMullen Architectural Systems, Pressfold and MJM Marine.

Invest NI has a portfolio of 251 construction clients engaged in manufacture of products such as concrete, cabinet doors, specialist joinery, shopfitting, window and sealed glazed units, modular buildings, sawmilling and timber and structural steel.

The Future It is anticipated that Government's planned investment strategy for Northern Ireland will deliver spend in the region of £16 billion over the next 10 years. In tandem with estimated private sector demand employment within the sector is forecast to peak during 2010 at about 85,000.

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Our approach to the sector

Invest NI is engaged with companies that provide an exportable product or service for supply into the wider construction industry. We do not assist locally focused construction companies. Our strategy and objectives are to enhance the international competitiveness of our client bank by encouraging export, innovation, professional management techniques and process improvements.

Business Development Solutions

Invest NI offers an extensive portfolio of advice, assistance and support which can be tailored to meet the needs of companies either in particular sectors, or who are tackling specific challenges within their business. This covers areas such as strategy development, people development, research and development, exporting, energy management and e-business. Full details of our programmes and services are available from the [Business Development Solutions section](#).

Current Issues

- Skills Shortage
- Trend towards Off-Site Construction
- E-Business
- Procurement Routes
- Environmental and other Legislative Issues
- Research and Development and Innovation within the sector

Initiatives

- The “Construction Skills Working Group” led by the Department of Employment and Learning.
- Off-Site Construction Initiative to promote awareness of increasing trends towards prefabrication and standardization.
- Support for the implementation of the Construction Employers’ Federation portal project.

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Events

Off-Site Construction Exhibition, Dublin

Plan Expo, Dublin

See [Invest NI's Event Planner](#) for more events, and see also the [Trade Events Programme](#) for trade missions in your sector.

Industry Links

Building Research & Consultancy	www.bre.co.uk
Construction Employment Federation	www.cefni.co.uk
Construction Industry Federation	www.cif.ie
Construction Industry Training Board	www.citbni.org.uk
Department of Trade and Industry (DTI)	www.dti.gov.uk/construction/index.htm
Quarry Product Association	www.qpa.org
Forestry Service	www.forestserviceni.gov.uk

Useful Information Sources

Reviews Planned for 2006:

Cabinet Doors

Sealed Unit

Construction Statistics Annual 2005, DTI www.dti.gov.uk/construction/stats/csa2005.htm

Regional Development Strategy for Northern Ireland 2015, DRD
www.drdni.gov.uk/DRDwww_Strategies/current.asp?id=str16

Northern Ireland Housing Statistics 2004 – 05, DSD
www.dsdni.gov.uk/index/publications/housing_stats.htm

NHBC New House-Building Statistics
www.nhbc.co.uk/Newscentre/UKnewhouse-buildingstatistics

A study of the Northern Ireland Labour Market for Construction Skills, - Northern Ireland Skills Task Force Report 2005 - DEL – www.delni.gov.uk

A review of the All-Island Construction Sector – InterTradeIreland www.intertradeireland.com

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Guides to the market research sources which are available from Invest NI's Business Information Services can be downloaded from the Publications A – Z section of the website (under S for Sector Guides).

Contacts

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