

Tuesday, 10 July 2018

Construction Catch-up Continues

ONS figures published today show that construction output increased 2.9% month-on-month in May. This was the fastest monthly growth rate in two years, reflecting an uptick in activity following adverse weather conditions during the first quarter. Compared to a year earlier, output rose 1.6%, but contracted by 1.7% on a rolling three-month basis. This fall captures the £247 million drop in construction work in March during the Beast from the East, however.

Rebecca Larkin, Senior Economist at the Construction Products Association, commented: “The construction industry appears to have caught up with some of the work lost in February and March due to the freezing ground conditions and snow disruption. Month-on-month gains were evident across all sectors, but were strongest in private housing repairs, maintenance and improvement (RM&I), the third largest construction sector, due to warmer weather and longer days.

“Private housing new build was 8.4% higher than a year earlier, which points to strength in activity beyond basic catch-up as the industry enters the busier Spring and Summer selling season. However, for the year to date overall construction output remains 0.3% lower than a year earlier, with particular weakness in public non-housing (mainly education and health) and commercial, where a significant fall in new orders signals smaller pipelines of work.”

ENDS

NOTE TO EDITORS:

The data for construction output 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.

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