

# THE CONSTRUCTION WORKFORCE OUTLOOK THE UNITED KINGDOM

**Labour Market  
Intelligence Report**

**2025-2029**

**citb**



OXFORD  
ECONOMICS

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# FOREWORD

Can we build it? Yes, with investment in training that leads to jobs now.

**The construction industry is facing a crucial choice. To continue to recruit, train and develop its workforce as it has done in recent years, or to change and rethink how it attracts, trains, and retains talent.**

If industry doesn't change it will stay on a path where job vacancies are difficult to fill, losing aging workers will lead to an increasing loss of valuable expertise, and CITB will continue to highlight the need for around 240,000 extra workers over the next five years. It also means that the opportunities identified in this report to build new homes, infrastructure and improve the energy efficiency of buildings will not be realised. Employers will struggle to find skilled, site-ready individuals, leading to project delays and increased costs.

If construction can change and rethink how it attracts, trains and retains its people, this could lead to an even more capable and diverse workforce that is better equipped for the scale of future demand.

Training is key to having the workforce needed for the future, and profound changes in the way that it is delivered are already underway. In November 2024 new Homebuilding Skills Hubs were announced, with government, CITB and the National House-Building Council (NHBC) working together to deliver fast-track training to local areas that need more housing.

In March 2025, government committed £600m investment into construction skills with reforms planned for new Technical Excellence Colleges, better funded apprenticeships and expanded Skills Bootcamps. £100 million of this funding, alongside a £32 million contribution from CITB, will fund more than 40,000 industry placements each year for all Level 2 and 3 learners (NVQ, BTEC, T-levels and advanced apprenticeships). Along with the funding investment, a new Construction Skills Mission

Board was established to support the industry to attract, recruit and train the workers it needs. CITB has also committed to double the size of its New Entrant Support Team (NEST) programme to support SMEs in recruiting, engaging, and retaining apprentices.

Although there is a wide range of training that already takes place, the fact that the construction industry continually struggles to fill vacancies points towards a training system that isn't making a good enough link to jobs.

For construction to have the workforce it needs in the future, investment in training that supports people into jobs is crucial. This is at the heart of CITB's Strategic and Business Plans.

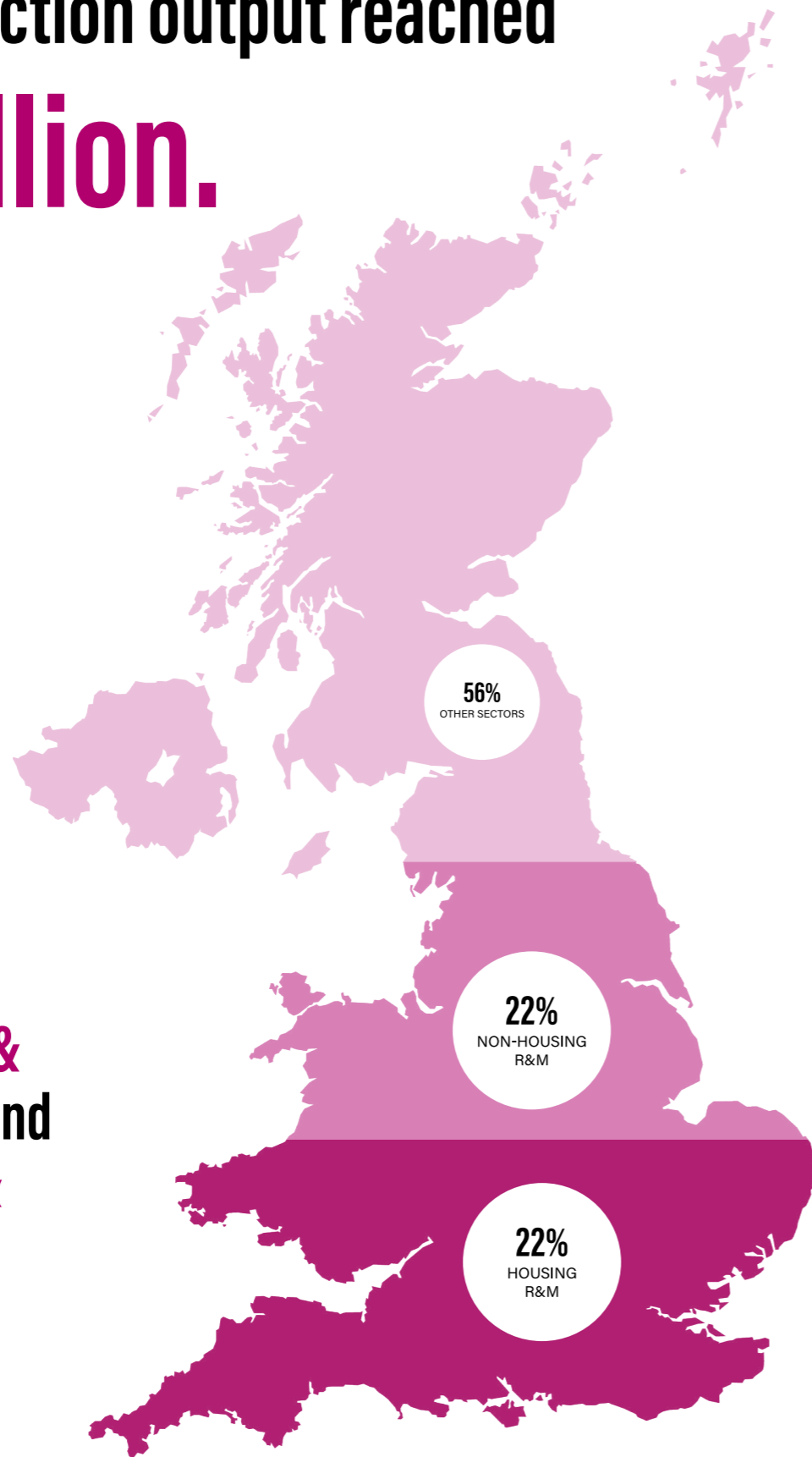
This outlook shows that there are opportunities ahead. Successfully achieving them requires a long-term commitment from construction employers, government, training providers, CITB and other partners to support investments in training that lead to jobs. If we don't train more people and ensure that they can join the construction industry, we will not have the skilled, capable, productive workforce needed to build the homes, hospitals, schools, power and water networks of the future.



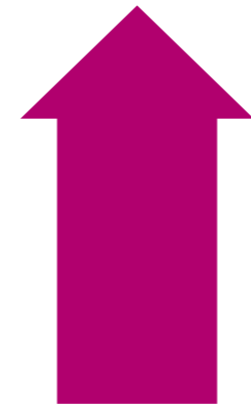
**Tim Balcon**  
Chief Executive

# KEY FACTS & FIGURES

In 2024, construction output reached **£215.7 billion.**



The largest sectors were **housing repair & maintenance (22%)** and **non-housing repair & maintenance (22%)**.



2025 to 2029 average annual output growth:

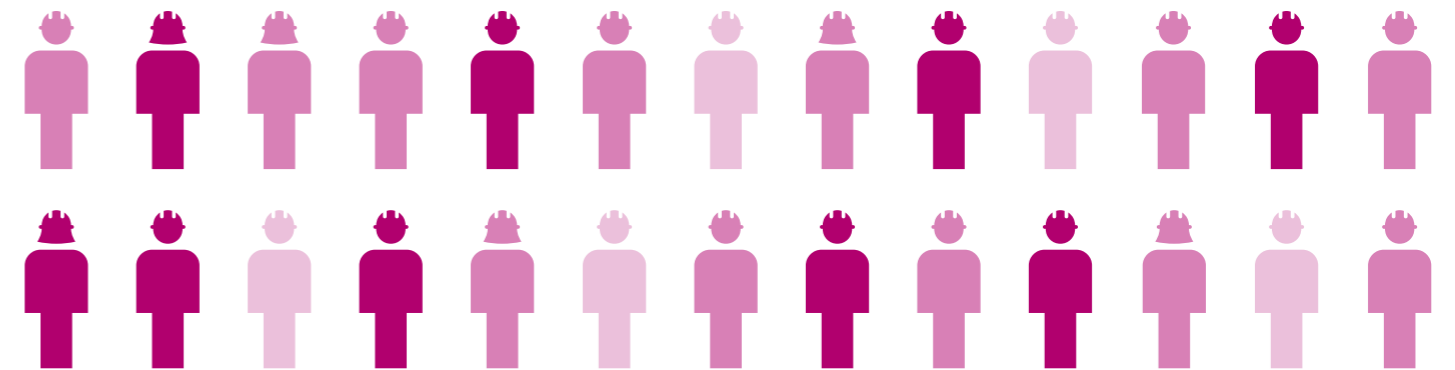
**2.1%**

2029 workforce:

**2.75 million**

Extra workers needed per year:

**47,860**



# ECONOMIC OVERVIEW

## Economic growth is weakening due to ongoing uncertainty in global trade, which is creating a less stable outlook.

The UK economy expanded in 2024, growing by 0.9% compared to 2023. However, most of the GDP increase was recorded in the first half of the year, with growth stalling in the second half. Employment followed a similar trend, growing more rapidly in the first half of the year before stabilising, and it is estimated that close to 270,000 net new jobs were created throughout 2024. The economic outlook looks increasingly uncertain following the tax rises announced in the Autumn Budget and increased global uncertainty linked to US tariffs.

While the construction sector also expanded in 2024, it was slower than the economy-wide average, with output growing by 0.5%. Construction output is dominated by repair & maintenance activities (both housing and non-housing), which in 2024 accounted for 44% of total output. These activities also provided much of the growth in the construction sector last year, and along with public non-housing, they were the only sectors that expanded in 2024. Together, public and private housing accounted for 21% of total output in 2024, followed by infrastructure (14%) and commercial (12%).

In 2024, the UK had an estimated 193,885 construction businesses employing people, accounting for 13.6% of all employers in the country. Most construction employers are very small, 90% are classified as micro, with fewer than 10 employees. Just 9.2% are classified as small (10 to 50 employees), and 1.2% classed as medium or large businesses (over 50 employees). Overall, the number of construction employers declined by 1.2% in 2024 compared to 2023.

The construction labour market continues to face challenges, with companies struggling to recruit due to a persistent shortage of skilled and

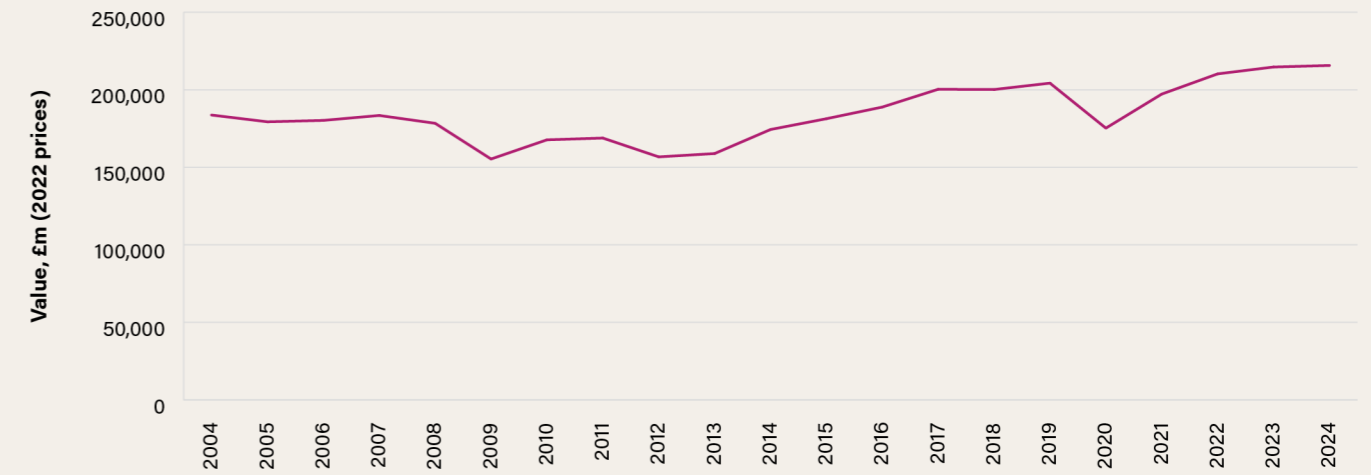
experienced workers. Construction employment declined by 2.3% in 2024, equivalent to the loss of 63,700 workers. Meanwhile, job vacancies remained high. By the end of the year, the ONS recorded 2.5 vacancies per 100 employee jobs, a slight increase compared to 12 months before. Construction was one of the only sectors to record an increase in job vacancies in early 2025 compared to 12 months before.

Construction wages grew in 2024 by 6.1%, slightly below the all-industry average of 6.8%. Yet, at £18.50, median gross hourly pay was higher than the economy-wide average of £17.10.

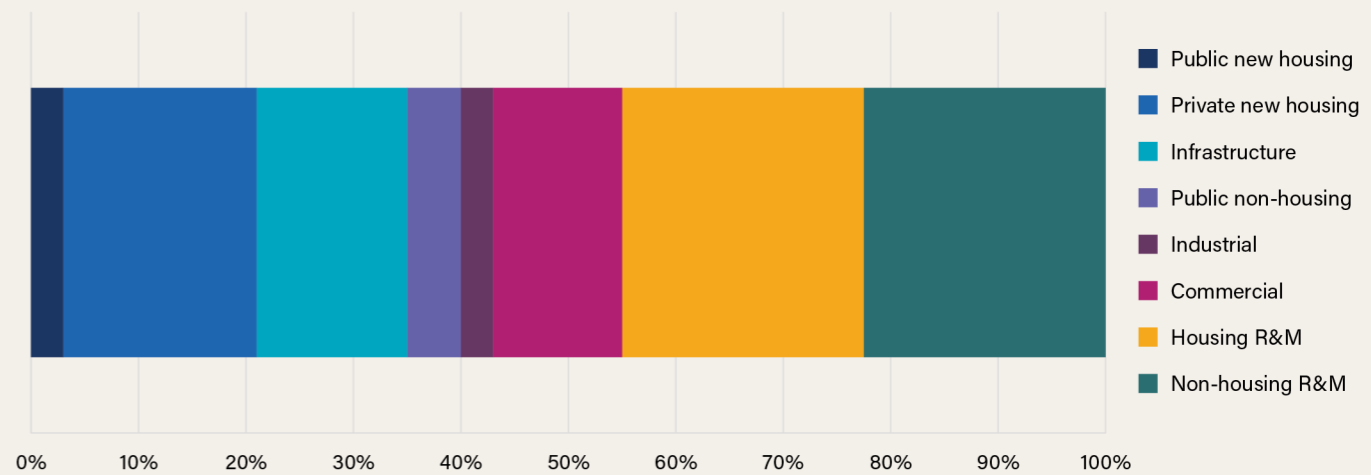
Construction output and employment varied widely across UK nations and regions in 2024. Northern Ireland saw the fastest construction output growth (6.1%) in 2024, although overall output gains were modest due to the sector's relatively small size. Scotland (4.0%) and England (0.9%) followed, with England recording the largest absolute increase, while output fell sharply in Wales (-17.8%). In terms of employment, Scotland saw an expansion in its construction sector, increasing by 1.8%, compared to both England (-2.7%) and Wales (-4.8%) which saw declines last year.

At the start of 2025, business sentiment was weak, and companies reported slowing growth in business activity at the end of 2024. Given the rising challenges, we expect overall UK growth to continue to be relatively lacklustre in 2025, with total GDP expanding by 1.0%. US tariffs could disrupt global trade and further affect growth prospects in the UK. We anticipate average annual construction output growth of 2.1% between 2025 and 2029, with employment expanding by an average 0.8% per year over the period.

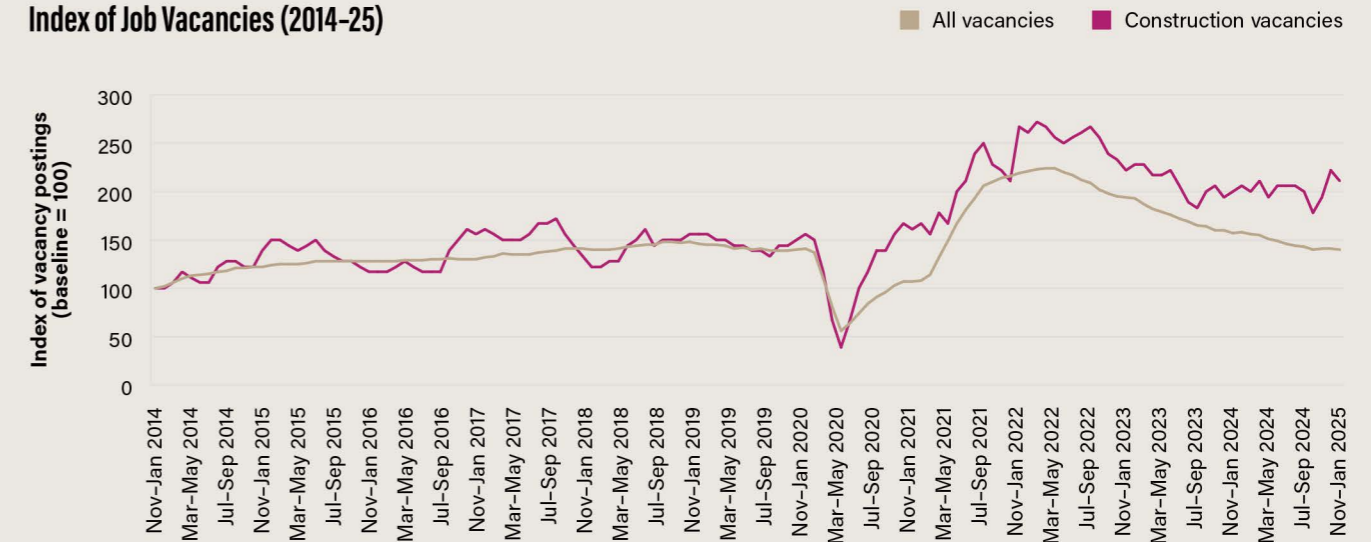
UK Construction Output (2004-24)



UK Construction Industry Structure by Sector (2024)



Index of Job Vacancies (2014-25)



# CONSTRUCTION OUTPUT

**Construction output is forecast to grow by 1.6% in 2025, before picking up pace over the medium term, to an average of 2.1% per year through to 2029. Infrastructure (4.2% per year on average), public new housing (3.4%), and private new housing (3.3%) are expected to record the fastest pace of growth over the five-year period.**

We forecast similar trends across UK nations, although with some variations. Northern Ireland is expected to record the highest output growth over the period, at an average annual rate of 2.3%. Growth in Scotland and Wales is anticipated to be slightly below the UK average, at 2.0% and 1.9% per year on average, respectively. England is forecast to grow at an annual average of 2.2%.

Private housing is expected to recover over the medium term after two years of decline, when it was affected by lower demand and higher borrowing rates. Mortgage affordability is predicted to improve as interest rates fall, albeit sluggishly, as a third of borrowers who secured cheap fixed-rate deals before mid-2022 have yet to re-fix. However, growth in household real disposable income and population growth are likely to support demand for new homes. While the government's plan to build 1.5 million homes in this parliament, through planning reform and increased investment, should also support both public and private housing output, delivering 1.5m homes will be challenging.

Infrastructure output will be boosted by increases in public capital investment, as announced in the Autumn 2024 budget. Meeting climate targets and supporting a growing population will require significant investment in greener infrastructure, including upgrades to electricity grids, water supply systems, and transport networks. Many of the largest current or planned infrastructure projects fall into this category, such as HS2 between London and the Midlands, new nuclear power stations

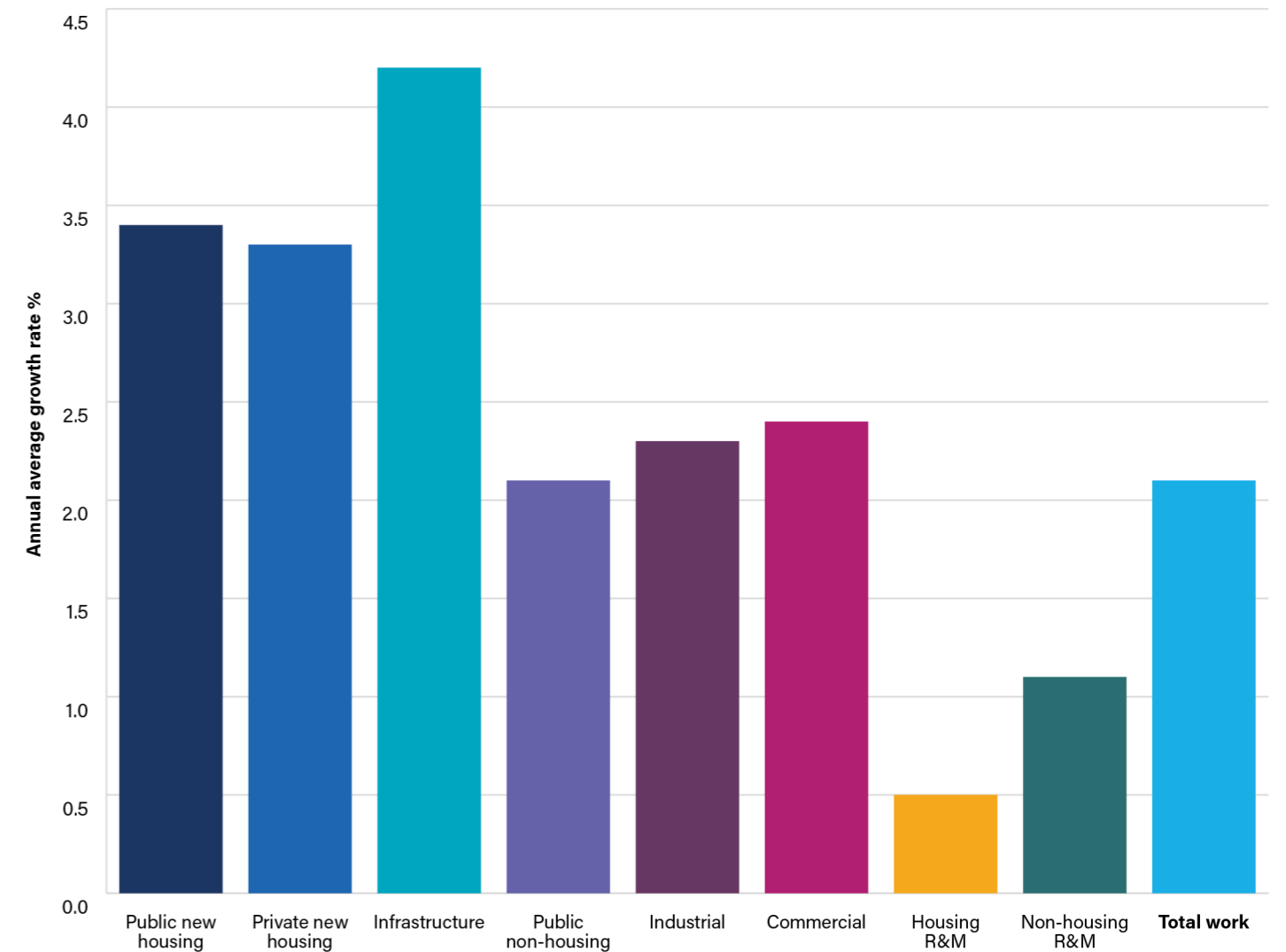
at Hinkley Point C in Somerset and Sizewell C in Suffolk, and the major expansion of the Dogger Bank wind farm off the coast of Middlesbrough. Infrastructure output is expected to grow fastest in Scotland, with work covering the CP7 rail electrification scheme, the ongoing dualling of the A9, and a range of utilities projects, including investments in water and renewables.

Commercial output has reached its lowest point, and with moderate growth of 2.4% per year on average over the next five years, it is not forecast to recover to pre-Covid-19 levels by 2029. Commercial activity was particularly influenced by the pandemic, with flexible working patterns reshaping space needs, while investment activity in the sector remains weak. Industrial construction output is already above pre-Covid-19 levels, but growth is also expected to be modest (2.3%); demand has been affected by higher interest rates and given the energy crisis and difficult global trade conditions, there is little appetite from companies to expand their facilities.

Domestic repair & maintenance work was boosted significantly by Covid-19. Lockdown and subsequent work-from-home policies prompted many people to renovate their homes. Our forecast suggests this trend has largely run out of steam, providing little or no impetus to growth. High construction material costs for repair & maintenance, and rising wages for construction workers, which have grown by 5% in the last two years, could further deter spend.

**Output growth to average 2.1% per year through to 2029.**

UK Annual Average Output Growth Rate by Sector (2025-29)



UK Construction Output, £m (2022 prices) (2024-29)

Output sector	2024	2025	2026	2027	2028	2029
Public new housing	5,844	5,575	6,011	6,280	6,598	6,896
Private new housing	38,539	39,014	40,295	42,034	43,750	45,240
<b>All new housing</b>	<b>44,383</b>	<b>44,588</b>	<b>46,306</b>	<b>48,313</b>	<b>50,348</b>	<b>52,136</b>
Infrastructure	30,530	32,393	34,244	35,372	36,397	37,418
Public non-housing	11,582	12,361	12,583	12,738	12,801	12,873
Industrial	7,358	7,766	7,870	8,040	8,170	8,262
Commercial	25,942	26,347	27,305	27,996	28,631	29,175
<b>All new work</b>	<b>119,796</b>	<b>123,456</b>	<b>128,307</b>	<b>132,459</b>	<b>136,348</b>	<b>139,864</b>
Housing R&M	47,382	46,576	47,108	47,512	48,053	48,672
Non-housing R&M	48,491	49,097	48,849	49,659	50,491	51,283
<b>All R&amp;M</b>	<b>95,874</b>	<b>95,673</b>	<b>95,957</b>	<b>97,171</b>	<b>98,544</b>	<b>99,955</b>
<b>Total work</b>	<b>215,669</b>	<b>219,128</b>	<b>224,264</b>	<b>229,630</b>	<b>234,891</b>	<b>239,819</b>

# WORKFORCE

## Although the construction workforce declined by over 2% in 2024, it still employed over 2.6 million people.

With the increases in work identified in this report, we forecast that the construction workforce will grow to around 2.75 million by 2029, which is equivalent to an annual average growth rate of 0.8% over the five-year period.

While 2.75 million by 2029 is an overall increase of 103,600 when compared to the workforce in 2024, it is still lower than the construction workforce in 2019 (2.8 million).

In recent years, the strongest occupational growth has been seen in the professional and technical occupations, with weaker growth among skilled trades and operatives. This trend may be diminishing, as this report identifies that there is a growing requirement for skilled trades and operatives. Almost half (46%) of the total workforce increase by 2029 is forecast to be in skilled trades. The construction-specific occupations projected to see the strongest annual average growth over the five years to 2029 are:

- Steel and metal workers **(1.5% per year on average)**
- Plant mechanic/fitters **(1.3%)** and
- Scaffolders **(1.2%)**.

Demand for steel and metal workers is linked to growth in infrastructure and commercial output, with the creation of around 1,600 new roles by 2029. The need for plant mechanic/fitters (2,500 roles) and scaffolders (1,500) is broader, driven by expansion in most construction sectors over the period.

Among professional services, civil engineers are expected to see the highest growth (1.3%), along with surveyors (1.1%). Within managerial and support staff occupations, construction project managers are anticipated to be the most in demand,

with growth of 1.1% per year on average over the five-year period.

The largest absolute workforce increases are expected among non-construction professional and technical office-based staff, with an additional 11,800 jobs by 2029, and other professional and technical staff working in construction, with 11,200 additional jobs. Within skilled trades, the forecasts suggest the largest workforce increases are other construction and building trades (6,000), labourers (4,900), carpenters and joiners (4,800), and electrical installation trades (4,300).

Nationally, England is expected to record the fastest growth in construction employment over the next five years, on par with the UK-wide average, at 0.8%. This represents an additional 91,100 workers by 2029. Scotland is expected to follow, with average growth of 0.7%, equivalent to 7,400 additional construction workers by 2029. Northern Ireland and Wales are forecast to see slower growth, at 0.6% and 0.5%, respectively.

**The construction workforce will grow to around 2.75 million by 2029.**

## UK Construction Workforce (2024-29)

Occupational group	2024	2029	Annual extra workers	Extra as a % of 2024 workforce
<b>Manager &amp; supervisor</b>				
Directors, executives and senior managers	285,020	295,580	5,600	2.0
Construction project managers	56,540	59,770	1,350	2.4
Construction trades supervisors	48,100	50,300	1,030	2.1
<b>Skilled trades &amp; site based</b>				
Electrical installation trades	152,800	157,130	2,080	1.4
Carpenters and joiners	166,440	171,250	2,280	1.4
Plumbing and HVAC trades	135,140	139,290	1,900	1.4
Labourers	129,840	134,760	2,020	1.6
Painters and decorators	72,140	73,310	800	1.1
Bricklayers and masons	65,240	68,370	1,150	1.8
Plasterers	47,320	48,690	650	1.4
Logistics	38,900	41,150	760	2.0
Plant operatives	42,390	44,810	830	2.0
Roofers	42,460	43,930	630	1.5
Plant mechanics/fitters	38,230	40,760	820	2.1
Floorers and wall tilers	35,740	36,900	510	1.4
Groundworkers	29,970	31,200	480	1.6
Scaffolders	24,110	25,600	490	2.0
Road and rail construction operatives	24,360	25,560	440	1.8
Glaziers and window trades	23,190	23,780	300	1.3
Steel erectors and metal workers	20,300	21,900	490	2.4
Other construction and building trades	182,260	188,220	2,640	1.4
Non-construction trades and operatives	38,060	39,950	680	1.8
<b>Professional &amp; technical</b>				
Surveyors	68,100	72,010	1,710	2.5
Civil engineers	54,780	58,380	1,470	2.7
Architects	39,750	41,420	870	2.2
Other professional and technical staff working in construction	268,530	279,750	5,890	2.2
<b>Office based</b>				
Non-construction professional and technical office based staff	295,920	307,690	5,840	2.0
Other non-construction office-based staff	223,580	231,330	4,170	1.9
<b>TOTAL</b>	<b>2,649,220</b>	<b>2,752,790</b>	<b>47,860</b>	<b>1.8</b>

# EXTRA WORKERS

## The modelling supporting the forecast looks at the expected employment growth against the flow of people moving in and out of the construction workforce.

These flows are illustrated on the diagram and show that, in a typical year, the construction industry needs to replace around 8% of its workforce due to natural churn.

When calculating the number of extra workers needed to meet expected demand, the process takes account of the fact that there will be a level of inflow and outflow of workers between different industries, unemployment, and inactivity. The figure for the number of extra workers is therefore based on:

- The difference between the number of people that leave or join the industry
- Replacement of workers who will be retiring and
- Estimate of workers needed for additional growth.

The number of extra workers needed for the 2025–2029 period is estimated at 47,860 per year. This means the industry needs to recruit the equivalent of 239,300 extra workers over the next five years.

In absolute terms the highest extra worker values for occupations are:

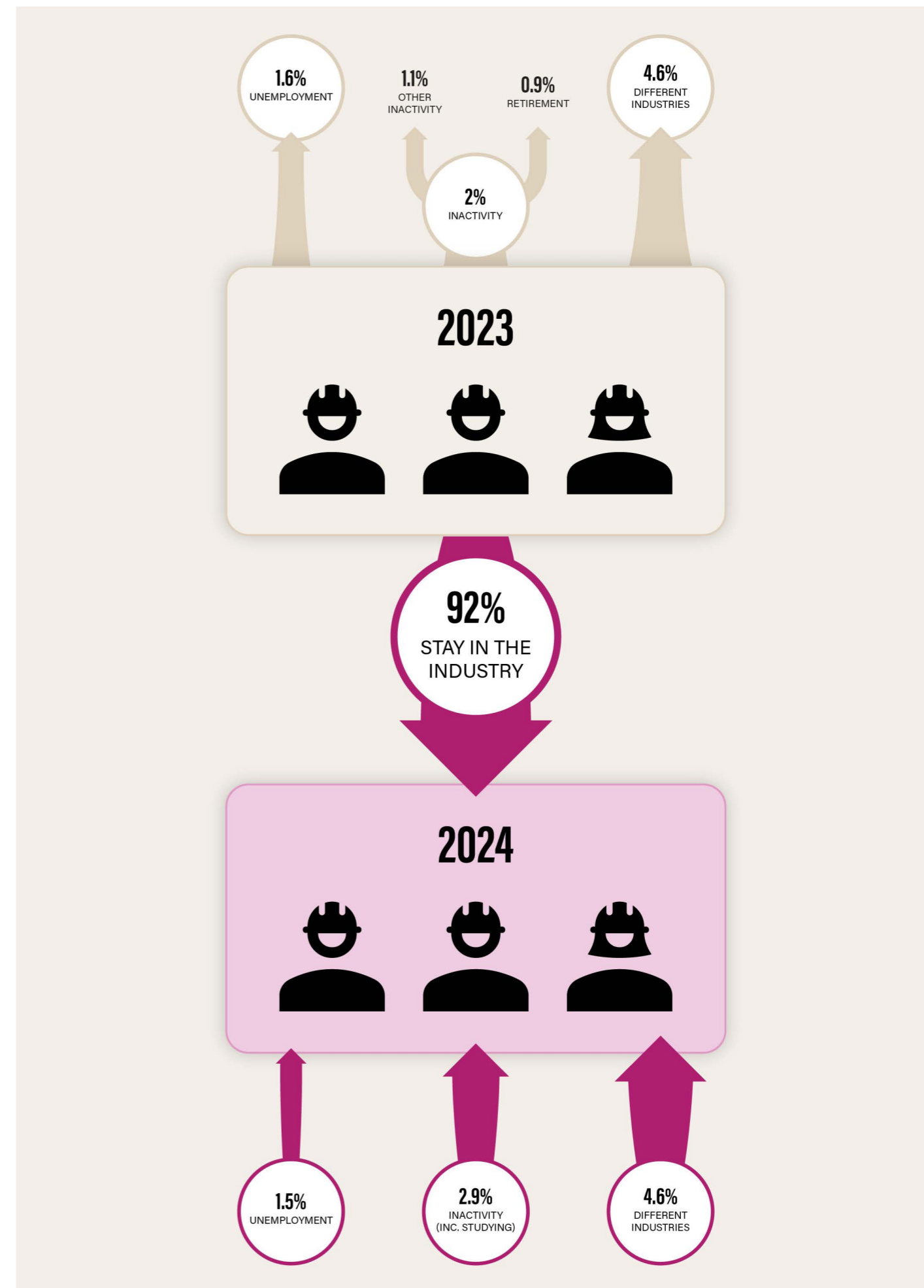
- Other professionals and technical staff, such as engineering technicians and environment professionals **(5,900)**
- Non construction professionals and technical, such as financial account managers and business sales executives **(5,800)**
- Director, executives and senior managers **(5,600)** and
- Other non-construction office-based, such as office managers and other administrative occupations **(4,200)**.

Occupational groups that account for a larger share of the workforce may have larger extra worker values. Viewing extra workers as a percentage of the workforce for each group helps to show occupations that are likely to have stronger demand, such as:

- Civil engineers **(2.7%)**
- Surveyors **(2.5%)**
- Steel and metal workers **(2.4%)**
- Construction project managers **(2.4%)** and
- Architects **(2.2%)**.

As the report sets out, there is a clear demand for workers in the coming years and meeting it needs sustained investment in training that supports people into jobs. This will be a challenge, however, changing how the construction industry looks to attract, train, and retain its people will lead to a more capable workforce that is better equipped for the scale of future demand.

**47,860 extra workers needed per year.**

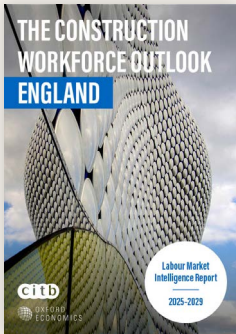


Source: ONS LFS longitudinal, 2024.  
Note: results might not sum to 100 due to rounding.

# THE CONSTRUCTION WORKFORCE OUTLOOK

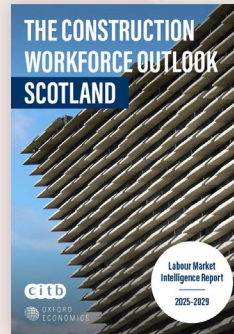
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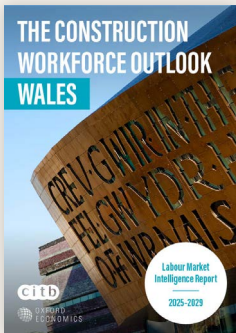
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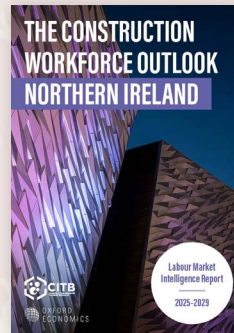
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FOR MORE INFORMATION ABOUT THIS REPORT:

CONTACT:

IAN HILL

[IAN.HILL@CITB.CO.UK](mailto:IAN.HILL@CITB.CO.UK)

VISIT:

[CITB.CO.UK/CWO](https://CITB.CO.UK/CWO)



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