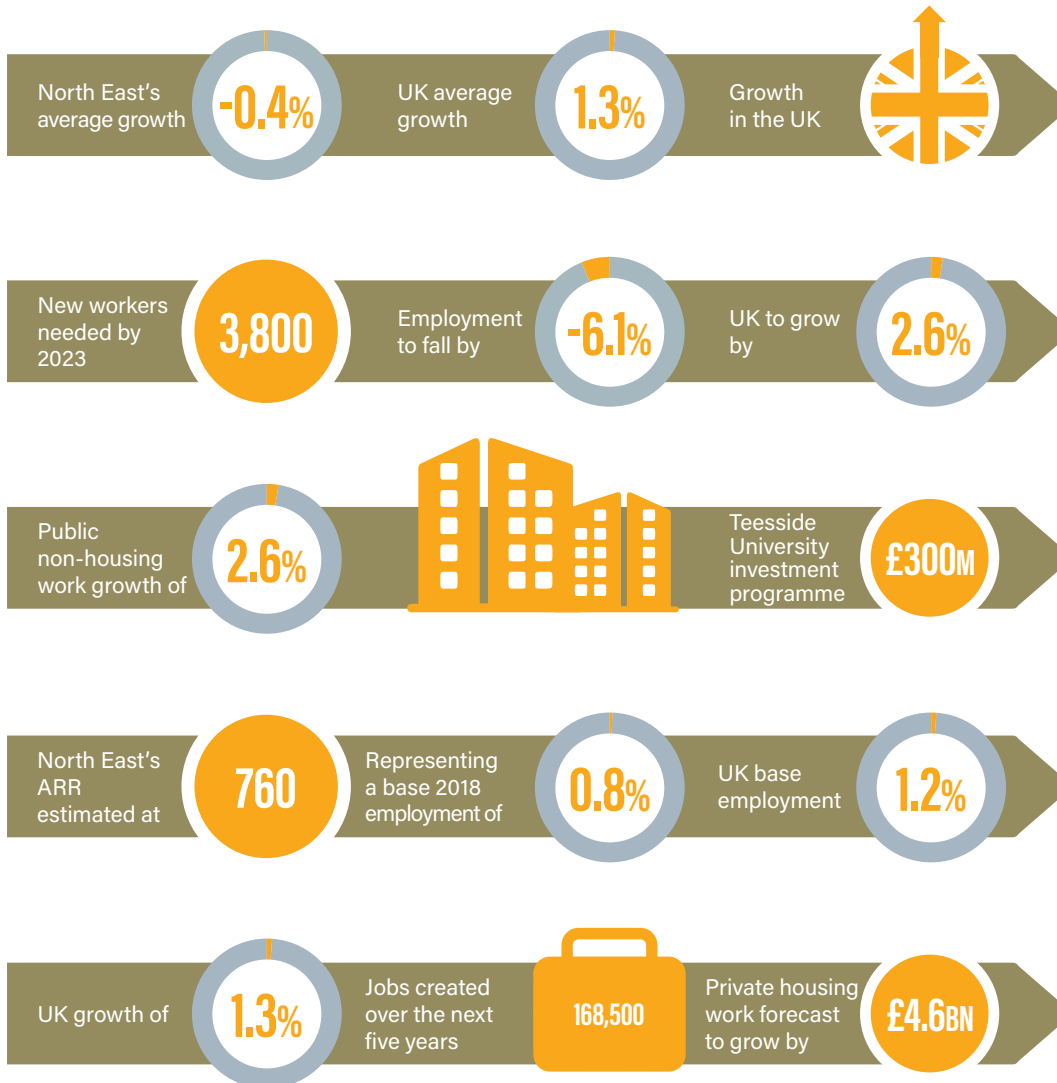
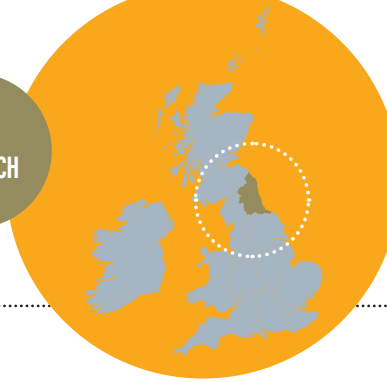


CONSTRUCTION SKILLS NETWORK NORTH EAST 2019-23

CITB
RESEARCH



Although output will decline, the North East region will need 3,800 new workers from 2019-23.

GROWTH RATE

The North East is the only region predicted to see output decline between 2019 and 2023, with an annual average growth rate of -0.4%. The main impact is likely to be in 2019 with output stabilising in 2020 and then showing growth until 2023. Underlying demographics in the region aren't driving housing demand and a lack of large infrastructure projects means that year-on-year growth is modest.

JOB CREATION

With output declining, construction employment in the region is also forecast to decline at an average rate of -1.2% per year. This means that construction employment in the North East of just over 94,000 at the end of 2018 is expected to reduce to nearly 89,000 by 2023. Skilled trades roles such as roofers, specialist builders and electricians could be hardest hit.

ANNUAL RECRUITMENT REQUIREMENT (ARR)

Although output and employment are forecast to decline, the North East still has an average ARR for 760 new workers each year, which is equivalent to 0.8% of the base 2018 workforce.

MAIN GROWTH DRIVERS/CONTRACTS

The industrial sector is expected to see the biggest average increases per annum, with a number of projects currently ongoing or scheduled to start this year, including plans for a £70m mineral processing plant on Teesside. Public Non-Residential output should also fair well, supported by Teesside University's £300m ten-year investment programme, Durham University's new £105m student complex and a £39m teaching building for Newcastle University. MGT Power's £650m Tees Renewable Energy Plant at Teesport remains the largest infrastructure project at present, with commissioning planned to start this year. The region's biggest sector, private housing, is anticipated to reach a new high of £1.52bn by 2023 (2016 prices).