

Overview

An introduction to the Industry Picture 2026

Construction is central to the UK's economic future, yet the industry faces a workforce challenge that is becoming more pressing each year. Not enough people are entering the sector, too many experienced workers are leaving and productivity has not improved at a sufficient rate to plug the gap. As a result, the industry's capacity to deliver on housing, infrastructure and retrofit commitments, is under increasing strain.

The Industry Picture 2026 presents a wide body of evidence as a clear picture of what is happening, why the challenge persists, and where targeted action can make the greatest impact.

The workforce pressures shaping construction



Recruitment is becoming more difficult

A shortage of skilled people to meet workforce demand is not unique to construction. The ageing workforce and low birthrate mean many sectors are struggling to recruit despite huge numbers of working-age people not in employment. A lack of exposure to the workplace creates additional recruitment challenges, and is a key reason why the unemployed and young people talent pools are underused.

Demand is rising faster than supply

If government ambitions for housing, infrastructure and retrofit are to be achieved, the gap in the workforce could exceed 153,000 additional workers each year*. Without action to simplify the routes in and enable a greater diversity of new entrants to have a career in construction, the gap between the available skilled labour and demand will only widen.

Too many people are leaving the industry

Many young entrants leave construction early because their first experiences are poor. A lack of career progression, amongst other life stage pressures, encourage those who are mid-career to look elsewhere; and, later in life, inflexible working patterns and physically demanding roles can push people out unnecessarily. With more people expected to leave the workforce than enter it, improving retention is as critical as expanding the inflow of new talent.

Productivity gains are insufficient to plug the gap

Despite pockets of innovation, overall productivity across construction has barely improved in two decades, and off-site construction, often hailed as a key driver of productivity gains, is not yet widely adopted. Improving productivity is challenging, but incremental gains are an essential part of narrowing the gap in the skilled workforce.

> Incremental changes are essential to help **plug the gap in the skilled workforce.**

* Projection calculated using CITB Labour Forecasting Tool and Construction Workforce Outlook projections. Further details available upon request.

The opportunity ahead

The evidence is undeniable: one organisation cannot solve the workforce challenge alone. But if industry, government, training providers, and CITB work together the path forward becomes clearer and actionable. **The Industry Picture identifies four areas where co-ordinated action will have the biggest impact:**

Attract wider

Improve perceptions of construction as an appealing and accessible career, and reach beyond traditional talent pools. Strengthen routes for a more diverse range of new entrants to gain experience and see the industry at its best.

ACTION

Increasing the appeal of a career in construction, coupled with easier access to high-quality, real-world experience, will benefit new entrants and employers alike.

Connect better

Directly link training to real-world job. Speed up skills development, increase work placements, and ensure training reflects what the work is really like.

ACTION

The current system is too often not fit for purpose. We need faster paced, better targeted and more accessible and flexible training pathways to meet future demand.

Retain longer

Improve early support by developing clearer career pathways and introduce more flexible working options to help retain valuable skills in the industry.

ACTION

Retention is critical. If we don't retain the younger workforce of today, we lose the experienced workforce of tomorrow. But we also need to retain workers for longer at every stage of their career by offering different or more flexible work options.

Modernise faster

Accelerate the adoption of smarter ways of working. Improving productivity is essential for the construction industry to deliver more with the workforce it has, at greater pace and with consistent quality.

ACTION

Making use of modern technologies and finding ways to work more efficiently are critical in building capacity and bridging the gap in the skilled workforce.

Real-world impact

An undersized and insufficiently skilled workforce leads to tangible consequences:

- Projects are delayed or cancelled, meaning homes, schools and hospitals don't get built when needed
- Costs rise due to labour demand outstripping supply
- Quality suffers, leading to an increase in rework
- Productivity gains remain untapped and difficult to achieve

These pressures will compound over time, placing sustained strain on employers, supply chains and project delivery.

A shared responsibility

The construction workforce challenge is real and urgent but it is solvable. Industry, government, training providers and CITB each has a role to play in shaping a stronger, resilient workforce.

By attracting more people and helping them develop the right skills for industry; linking training to real-world jobs; helping workers stay and progress; and improving productivity, the sector can make the biggest difference to reducing the skills gap.

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To find out more, visit: citb.co.uk/the-industry-picture