

# Indicator

An Update of Northern Ireland Construction Industry Performance Indicators

## Construction Employment



- Construction employment in NI in 2011 was just over 70,000 and is expected to continue to decline at an annual average rate of 1.5% over the next five years, to a total of just over 64,000 in 2017.
- The continued decline in employment is in part due to the current level of underemployment created by the recession, which will need to be used up before employment starts to rise. However, there is still an annual average recruitment requirement of 660 from 2013 to 2017, mainly to replace those leaving the sector.
- Since 2011 there has been a general decline in the number of construction related unemployed claimants, from 13,390 in January 2011 to 11,310 in January 2013, although seasonal fluctuations are evident with small increases in the number of claimants during the winter period<sup>1</sup>.

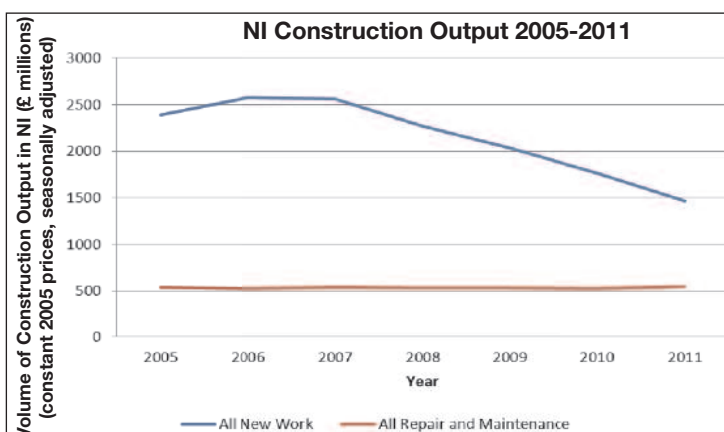


Source: Construction Skills Network, Experian

## Construction Output



- The decline in construction output in NI has continued in 2012, although at a much lower rate than in the previous few years. Construction output for the first three quarters of 2012 was 3% lower than the same period in 2011.
- There is a substantial difference in performance between the new work and repair and maintenance (R&M) sectors – whilst new work declined by 17% in 2011, R&M grew by 4.5%. See chart for further details<sup>2</sup>.



- Construction output is finally expected to stabilise in 2013, with very small levels of growth anticipated from 2014 onwards. Between 2013-2017, NI construction output is forecast to grow at a modest annual average rate of 1.7%.

<sup>1</sup> Department of Enterprise Trade and Investment – February 2013

<sup>2</sup> NI Construction Bulletin, Q3, 2012, published 23/01/13, Department of Finance and Personnel

## New House Prices and Sales<sup>3</sup>

- The downward trend in new house sales and prices has continued in 2012, with new lows recorded for both in the third quarter of 2012. The number of new house sales remains very fragile with only 262 new house sales recorded for the quarter ending September 2012, 24% down on the same quarter in the previous year.
- The average selling price of new houses has continued to fall year on year since 2007-08. For the quarter ending September 2012 the average selling price of a new house in NI was £139,300, 36% down from its peak in Q3 2007 (£216,400) and 9% less than the same quarter the previous year.

### Average Yearly Selling Price of a New House in NI (£)



**2007-08:**  
**£210,700**



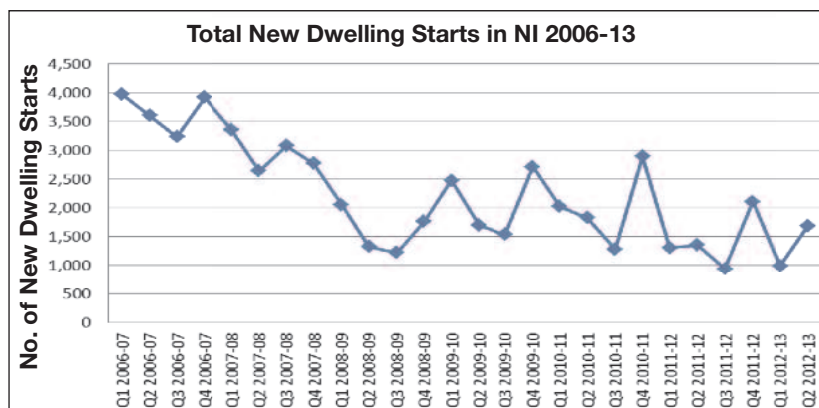
**2009-10**  
**£164,700**



**2011-12**  
**£148,600**

## New Dwelling Starts and Planning Applications

- The total number of planning applications received in NI in 2011/12 was 13,680, down 18% from those received in 2010/11<sup>4</sup>, however both commercial and residential applications had much greater declines of 55% and 32% respectively over the same period. In contrast the total number of renewable energy applications received in NI increased by 17%, from 696 in 2010/11 to 816 in 2011/12<sup>5</sup>.



- The number of new dwelling starts in NI peaked in 2005/06 and has fallen year on year since then, with the exception of 2009/10. For the quarter ending September 2012, there were 1,681 new dwelling starts, a 25% increase on the same period in 2011.

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<sup>3</sup> House prices, sales and new dwelling starts data from the NI Housing Bulletin, Department for Social Development 1st July – 30th Sept 2012.

<sup>4</sup> Year runs from April to March

<sup>5</sup> Planning Development Management Statistics NI – 2011/12 Annual Statistical Bulletin, Department of the Environment