

The background of the slide is a faded, high-angle photograph of a large-scale construction project. Several tall tower cranes are visible against a bright sky. In the foreground and mid-ground, there are complex structures of steel scaffolding and wooden formwork, indicating the construction of a multi-story building. The overall scene is one of active industrial development.

Stephen Ratcliffe
Director
UK Contractors Group



Members

Balfour Beatty



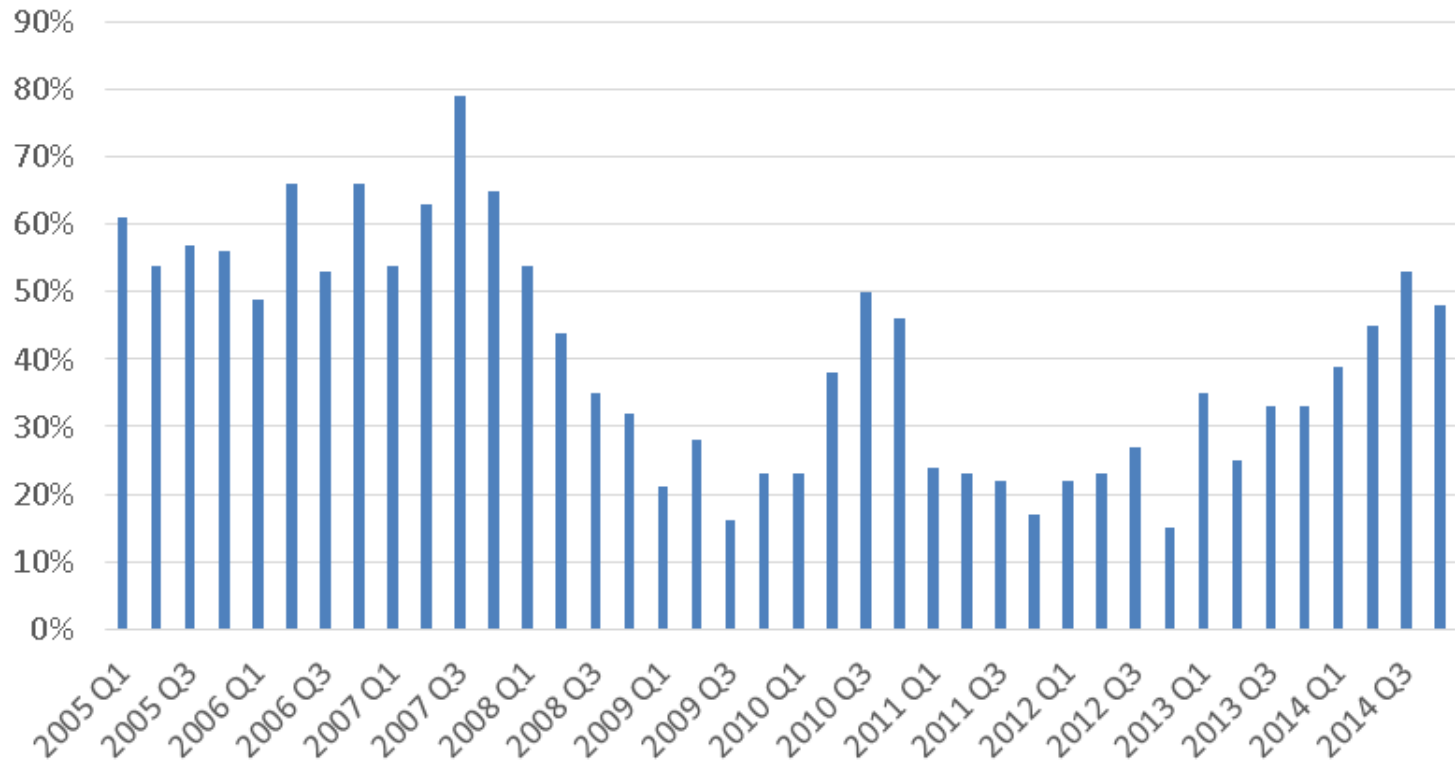


Impact of recession

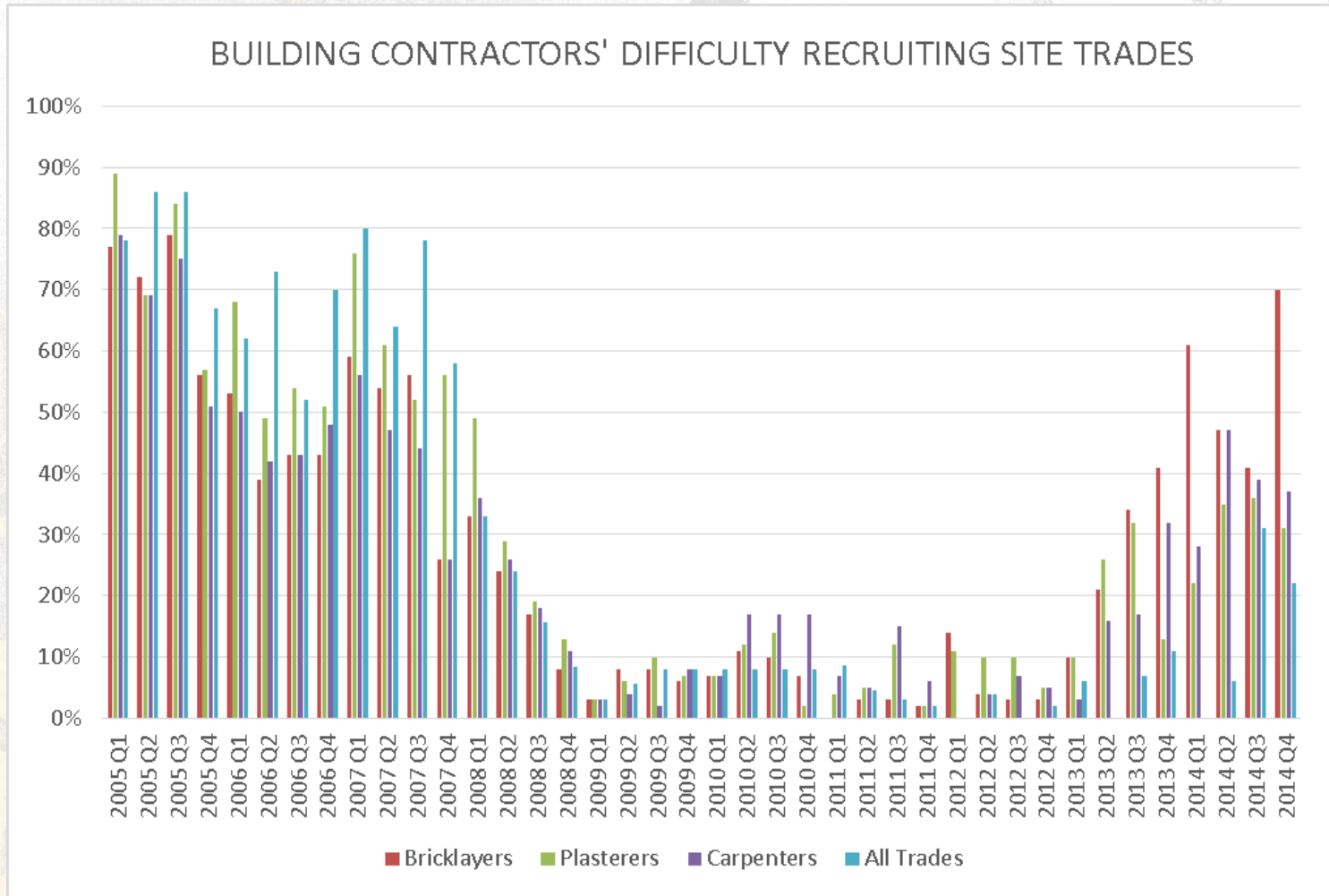
- Shrunken construction market
- 400,000 job losses
- reduced number of specialist contractors in the supply chain
- reduced manufacturing capacity on construction materials
- weaker contractors' balance sheets.

Capacity

% of BUILDING CONTRACTORS WORKING AT NEAR TO FULL OR FULL CAPACITY



Skills shortages





Short term fixes

- Foreign labour from abroad;
- Adapt designs
- Use sub- contractors who would not normally be in the preferred supply chain.



Skills

- Campaigning to attract more people to the industry
- Providing work experience
- Increasing up take of apprenticeships



Procurement

- Better information on pipeline of future work
- Early involvement of whole supply chain in planning the project
- Action to streamline procurement procedures



Business model

- A 2% return in the good times and worse in the bad is fundamentally flawed
- Clients will need to pay more to create sustainable capacity/better capability