



Press Release

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CECA: Infrastructure-led Recovery, But Growing Cost Pressures

Civil engineering contractors today reported that the infrastructure-driven economic recovery in Britain continues but that growing demand is driving costs up.

Results from the Civil Engineering Contractors Association (CECA)'s Workload Trends Survey for the first quarter of 2021 showed that contractors' workloads rose in annual terms in Q1, according to 29 per cent of British firms, the highest balance in six years.

Order books increased for 26 per cent of British firms, and 47 per cent expect increased workloads during the next twelve months, the highest balances in six years.

This encouraging indication of recovery is offset by the 29 per cent of British firms who cited issues with the supply of materials and products, the highest proportion in recent years.

81 per cent of survey respondents reported that their costs had increased compared to 12 months ago, up from 76 per cent in 2020 Q4, and was the highest balance in nearly two years.

Commenting, CECA Chief Executive Alasdair Reisner said: "There has been a strong recovery in construction since the collapse in activity precipitated by start of the COVID-19 pandemic in March of last year, which is to be welcomed as we seek to recover from the economic impact of the crisis.

"This has fuelled global demand for construction products and materials, along with supply issues. For instance, our members tell us that the annual inflation rate for timber and fabricated steelwork have risen to an eleven year high this year.

"With increased demand and a healthy pipeline of work in key construction sectors, supply and demand imbalances are likely to continue.

"That why we are calling on the UK Government and all industry stakeholders to continue to work together to ensure the construction-led recovery is not held back by an insufficient supply of materials, and to carefully monitor and meet the ongoing needs of the sector as we build back better from the coronavirus pandemic."

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Notes to Editors

1. The Civil Engineering Contractors Association (CECA) represents over 300 contractors of all sizes, covering approximately 80% of the civil engineering market in Great Britain. Our members build infrastructure that provides the basis for economic sustainability and quality of life in communities across the country.

For more information, please contact Huston Gilmore on 0207 340 0450 or e-mail hustongilmore@ceca.co.uk

Civil Engineering Contractors Association (CECA)

1 Birdcage Walk, London, SW1H 9JJ • enquiries@ceca.co.uk • tel. 020 7340 0450 • @CECANational