



# Press Release

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## CECA: UK Recession Shows Cuts Have Consequences

Civils contractors today said that news that the UK entered a technical recession in the last quarter of 2023 show that cuts have consequences and have called on all parties to redouble their commitment to building for growth.

Figures published today show that UK GDP shrank by 0.3 per cent in the final quarter of 2023, following a 0.1 per cent decline in the previous quarter.

In output terms all three main sectors of the economy fell in 2023 Q4, with the construction sector falling most, as output dropped 1.3 per cent.

Commenting, Director of Operations for the Civil Engineering Contractors Association (CECA) Marie-Claude Hemming said: “Last year, Prime Minister Rishi Sunak pledged to grow the economy, while at the same time putting the brakes on infrastructure spending - not least with the catastrophic decision to axe the second leg of HS2.

“Today’s figures show that cuts have consequences. In the year to November 2023 the highest number of construction firms fell into insolvency in a twelve-month period since the Global Financial Crisis.

“This represents not just statistics in a spreadsheet, but peoples’ businesses and livelihoods. Failing to support the construction and infrastructure sector will always feed through to a decline in growth.

“Conversely, strong backing for our industry will secure recovery, by driving growth in the economy, creating jobs, and delivering the infrastructure that communities and businesses rely upon to thrive.

“CECA members are calling on all parties to adopt a sustainable and positive approach to the UK’s infrastructure that prioritises long-term investment in projects and skills to deliver sustainable growth for all our benefits.

“2023 may have been an annus horribilis for the UK economy, but we believe that by working with industry government can seize the opportunity to turn a corner by refusing to repeat the mistakes of the past and investing in a prosperous future - for all parts of England, Scotland, and Wales.”

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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.

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