

Press Release
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New Economic Task Force emphasises importance of delivering public spending commitments

The Strategic Forum for Construction has set up an Economic Task Force to provide a platform from which to consider the current economic situation as it affects the construction industry. Under the chairmanship of Nick Raynsford MP, this task force will gather information and then present to Government recommendations on practical mitigation strategies to counter the effects of the present steep downturn.

The first meeting of the Economic Task Force took place on 6 November 2008. Following a presentation of current output forecasts from the Construction Products Association (CPA), the group noted that the CPA forecast in relation to this recession was for a 7% downturn over three years in contrast to much greater falls in previous recessions. This arises from the fact that despite sharp slides in private housing, industrial and commercial outputs, the relatively large programmes of expenditure on infrastructure and on the Olympics may serve to moderate the effects of recession provided that current expenditure plans are implemented.

The group emphasised the importance of delivering these public spending commitments and also suggested that a strategy focussed on boosting the repair, maintenance and improvement sector would serve to assist small builders and spread the benefit of this spending throughout the nation. The potential work of the Homes and Communities Agency, Building Schools for the Future, the Olympic Delivery Authority and Crossrail as a means of prioritising investment where it is needed was also discussed. Other recommendations included that the HCA should consider acquiring land since the current period presents good opportunities for a major social housing initiative.

Drawing expertise from the Construction Umbrella Bodies, leaders of major client and industry businesses and key figures representing a range of construction specialisms and sector specific knowledge, this group recognises the importance of effectively targeted public investment. Given that resources are limited in a time of constrained economic circumstances, the group seeks to provide best advice on the most effective means of directing investment to produce maximum long-term benefit as well as short term stimulus.

Future meetings of the task force will consider the regional impact and procurement problems within specific sectors.

Commenting on the new task group Chairman Nick Raynsford said “The Task Force has got off to a good start with a wide-ranging analysis of the impact of the current downturn on the construction industry. It is vital that we have the best and most up to date understanding of the effect on all sectors of the industry, and that we use this to help develop appropriate responses. So over the coming weeks we will be refining our analysis and looking carefully at measures most likely to have a positive impact in mitigating the effects of the downturn and in maintaining capacity in the industry”.

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Notes for editors:

1) The principal role of the Strategic Forum for Construction is to coordinate, monitor, measure and report on progress under 4 key agendas. The Health and Safety Group is a sub-committee of the Strategic Forum, working in collaboration in delivering on the health and safety agenda.

2) The Strategic Forum for Construction is the only construction forum that seeks to represent the whole of the construction community. It comprises senior members of the constituent organisations who are committed to addressing the health and safety issues of the construction industry through ownership, leadership and partnership. The forum’s activities are both proactive and reactive but at all times seek to work in partnership across the industry to achieve long term improvements.

Further information:

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