

# Construction Sector urges Government to maximise potential of infrastructure investment in Wales

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The UKCG today urged government and local decision-makers to do more to ensure Wales does not lose out in the race to secure vital infrastructure investment.

The government has published a pipeline of national and local infrastructure projects worth over £250bn over the next decade. But just £2.3bn of this investment has been earmarked for local projects in Wales.

Investing in major construction projects boosts economic growth and supports job creation. UKCG research shows that every £1 invested in construction generates £2.84 in wider economic activity. And as a labour intensive industry, construction generates significant employment opportunities – vital at a time when the rate of unemployment in Wales is above the UK average, and has reached almost 9%.

The construction industry in Wales was hit hard by the recession but retains the ability to help kick-start regional economic growth. A recent UKCG report on the value of construction to local economies found:

- Construction contributes £7bn to the Welsh economy, accounting for 6.4% of Wales's GDP (UK average is 6.4%)
- The sector supports over 158,000 full-time equivalent jobs – which is 7.5% of the Welsh workforce
- 91p in every £1 spent on construction in Wales is retained within the region, stimulating local growth and jobs

UKCG director Stephen Ratcliffe said: "The construction sector is uniquely placed to support economic growth and social change. Investing in local transport, energy and water networks will create jobs and re-start the local economy. Projects such as the planned improvements to the electricity distribution network are welcome, but unless urgent action is taken Wales is in danger of falling behind when it comes to securing essential infrastructure investment".

## Notes for editors

**The UK Contractors Group (UKCG)** represents leading contractors operating in the UK on construction specific issues. Its mission is to represent contractors' interests to government and key clients and to encourage contractors to work together to promote change and best practice, especially on health and safety and environmental issues. UKCG also works closely with the CBI Construction Council to ensure that contractors' interests are properly reflected in the wider business agenda.

A full copy of the report “making the economic case for construction” is attached. It builds on previous research looking at the importance of construction and its potential to kick start growth.

UKCG published in 2009 (and revised in 2010) a report on “Construction in the UK economy: The economic benefits of investment. This report can be downloaded using the following link:

[http://www.ukcg.org.uk/fileadmin/documents/UKCG/pamphlets/LEK\\_report\\_Nov\\_2010.pdf](http://www.ukcg.org.uk/fileadmin/documents/UKCG/pamphlets/LEK_report_Nov_2010.pdf)

