

FAS STUDY FORECASTS RECORD 60,000 HOMES WILL BE BUILT IN 2003

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FAS study forecasts record 60,000 homes will be built in 2003 Jim Aughney THE Irish construction industry is expected to complete a record 60,000 new houses this year as favourable factors combine to result in peak activity levels for the private home sector of the industry. A report by the Expert Group on Future Skills Needs has concluded that the outlook for the industry is relatively positive with an average of 50,000 new home completions per year forecast between now and the year 2010. "This study is predicting a relatively positive outlook for the industry despite the slowdown in economic growth," said Dr Danny O'Hare, chairperson of the Expert Group. The predictions formed a central part of the report on the skills requirements of the construction industry over the period 2003-2010. "The analysis was particularly useful from policy perspectives as it provides a detailed assessment of the probably level of activity," Construction Industry Federation director general Liam Kelleher said. "It's important to consider the medium to longterm outlook when evaluating the appropriateness of current training and education provision for the industry," he added. Factors underpinning the positive outlook for construction include demographic factors, low interest rates and Government policy. FAS manager John McGrath said construction activity will be concentrated in the first half of the period and that house building will decline from an anticipated 60,000 completions in 2003 to roughly 48,000 in 2010. As a direct result of this decline, employment in the industry will decline by roughly 20,000 people to 165,000. Mr McGrath emphasized that this forecast figure is equivalent to twice the level of employment provided by the industry in 1993. The report points out that there was a 130pc increase in the number of young people entering construction apprenticeships between 1996 and 2001. The report called for an increase in the number of students studying architecture at degree level. It also recommends that a study on the role of project management in the industry should be considered as this role has become more complex and critical.