



**CONSTRUCTION
INDUSTRY
FEDERATION**

Construction Industry Federation Outlook Survey

Quarter 3 2023

Background & Objectives

- ▶ To provide the CIF with an ongoing tracker of members' sentiment towards the current and future performance of the construction sector
- ▶ The survey measures the performance of the sector in the previous quarter (Q3: July-September 2023) and the likely future performance of the sector in the next 3-month period (Q4: Oct-Dec 2023)

Key sectoral issues benchmarked per quarter include:

- Business turnover
- Revenue generated by new orders
- Employment levels
- Cost of labour
- Cost of raw materials
- Pricing charged for goods and services
- Key challenges facing employers

In addition, the survey examined members attitudes towards a number of issues impacting the sector

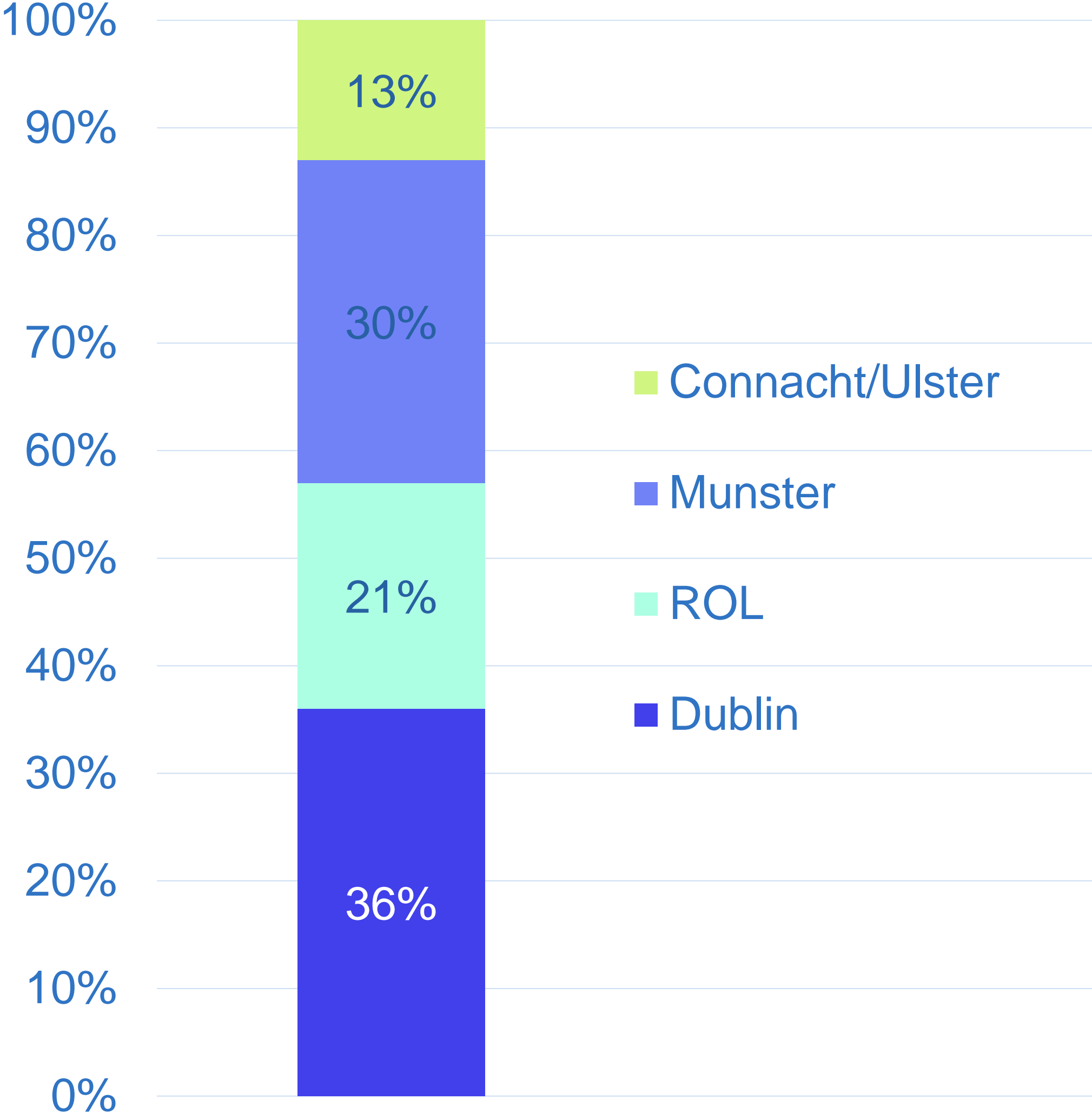
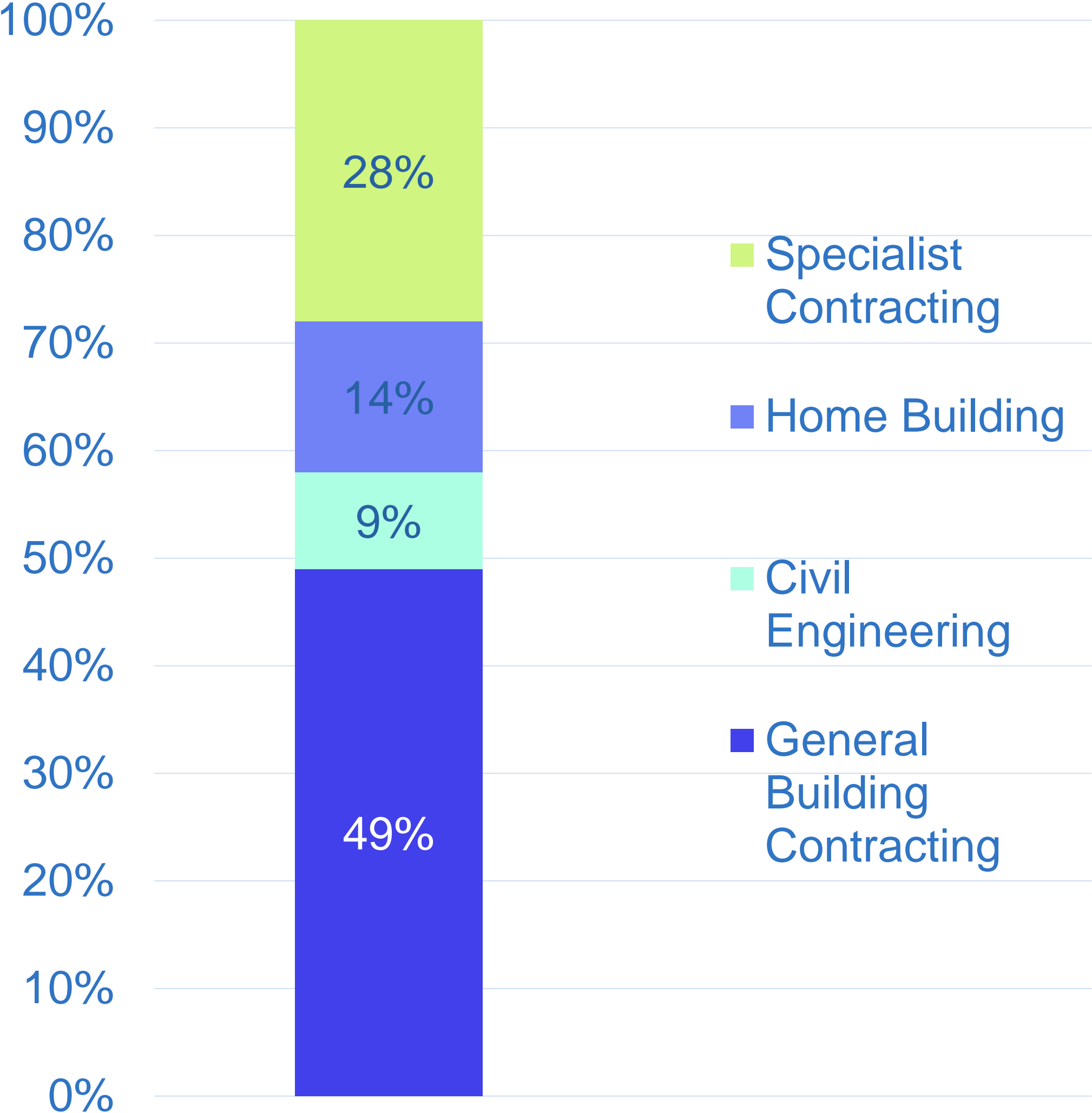
Methodology

- **Research was conducted via an online survey with 220 CIF members**
- **A sample of 220 companies was achieved which delivers a margin of error of approximately (+ or – 6%)**
- **All surveys were conducted between 11th- 26th October 2023**

Key Findings

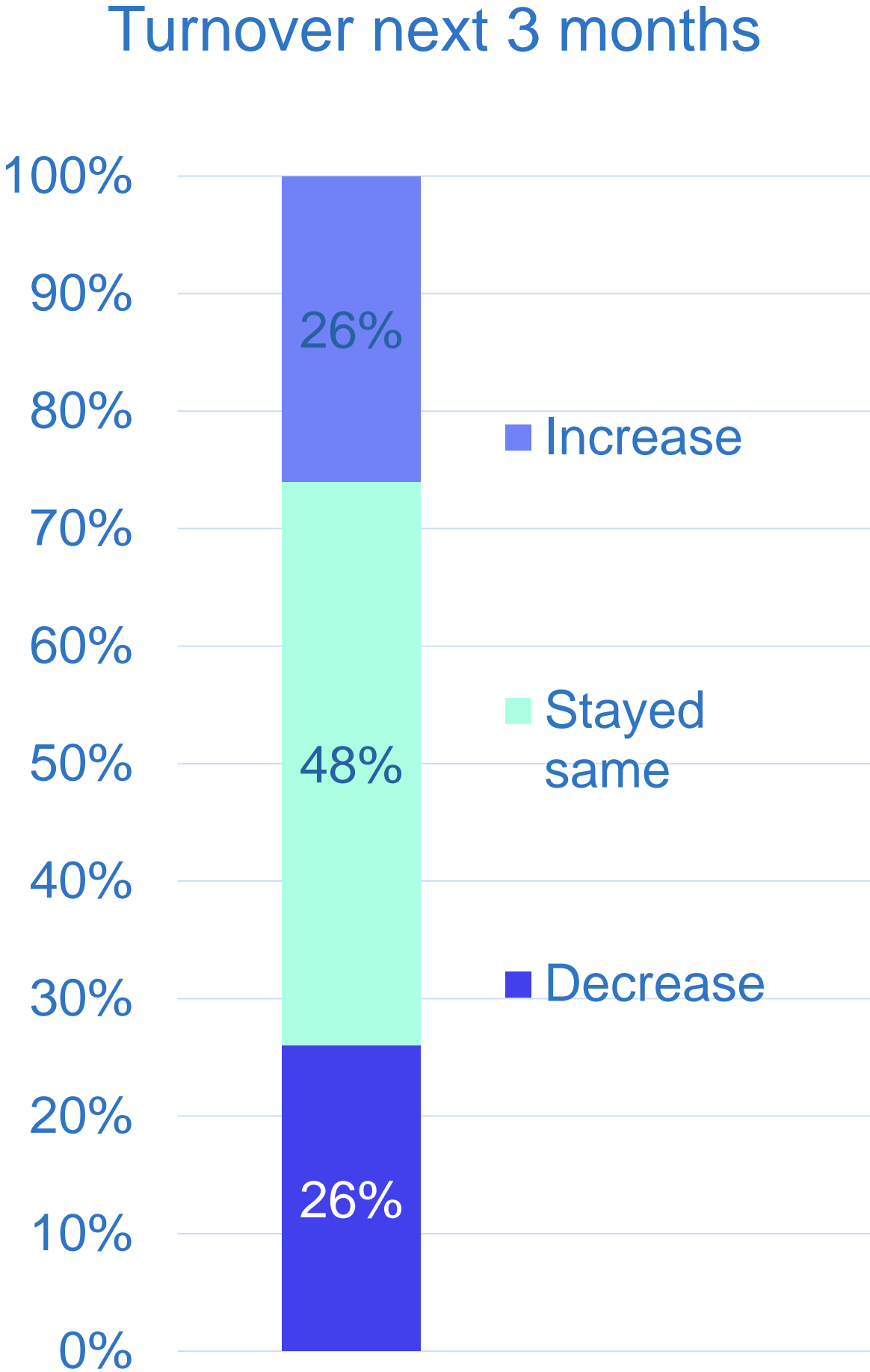
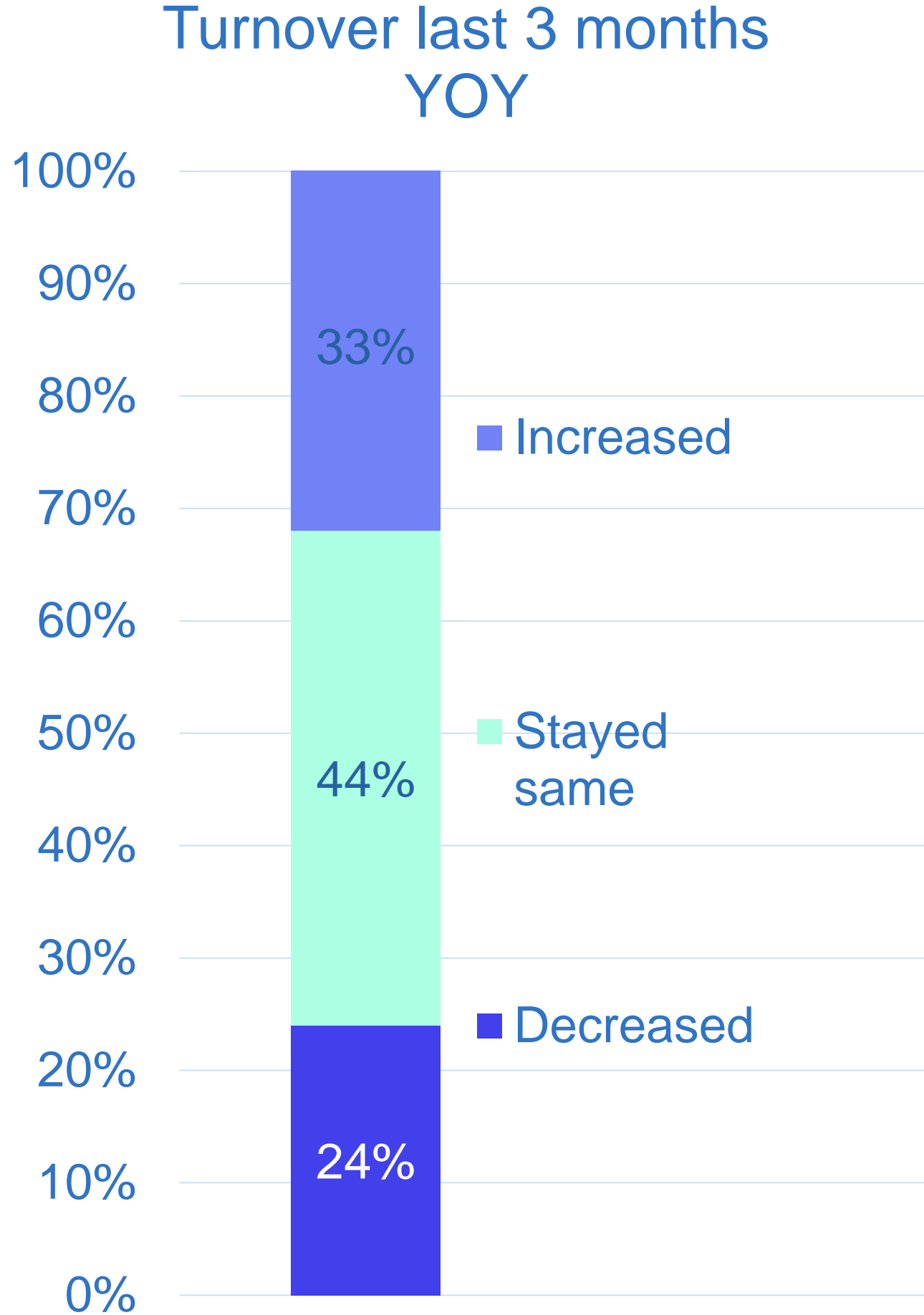
The background features a solid blue area on the left side. On the right, there are several overlapping, semi-transparent geometric shapes in various shades of green and teal, creating a layered, abstract effect.

Sample Breakdown by Company Category



(Base: All respondents = 220)

Business Turnover Last 3 Months v Next 3 Months



33%

of companies report a YOY increase in turnover in Q3

26%

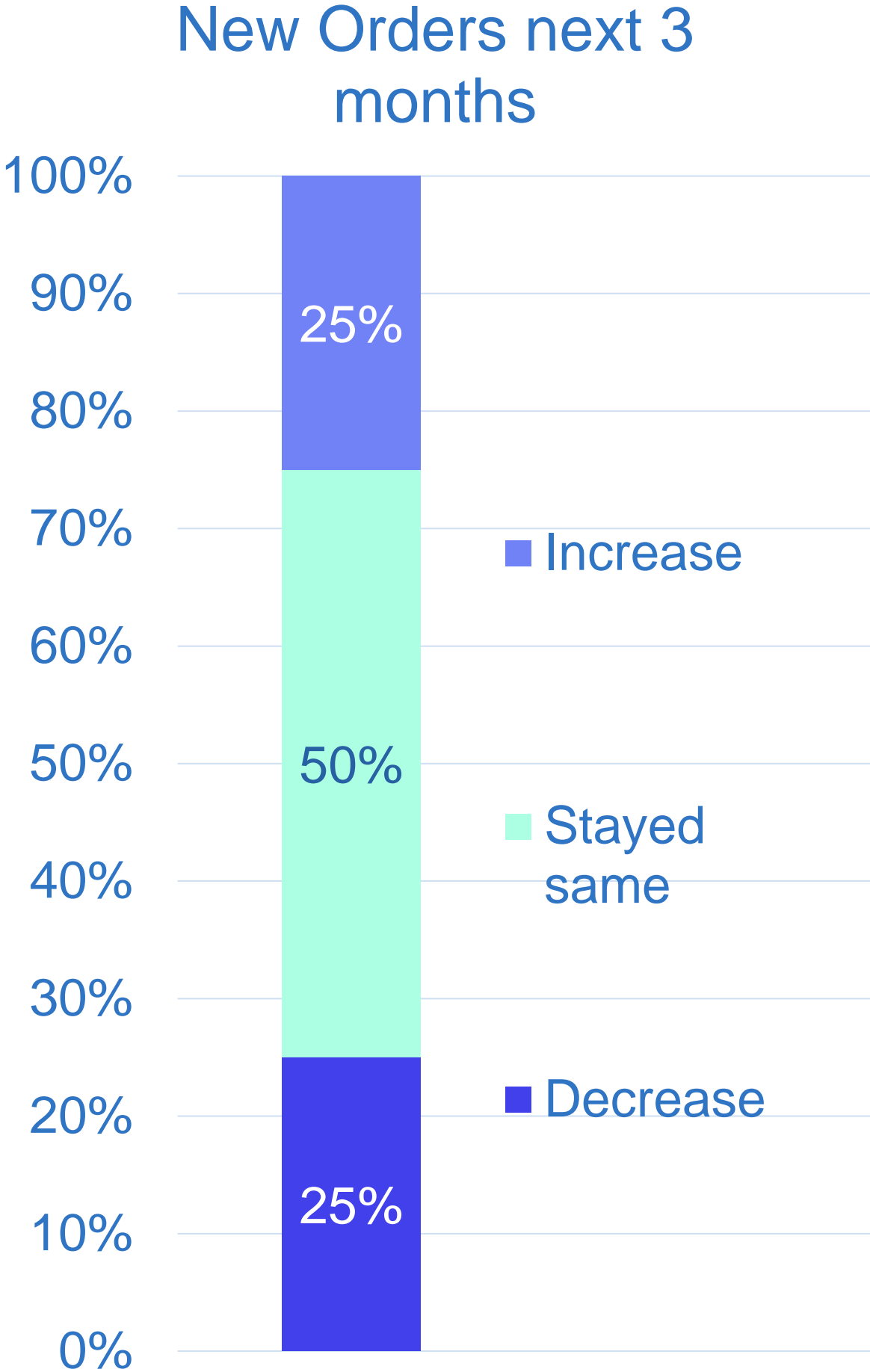
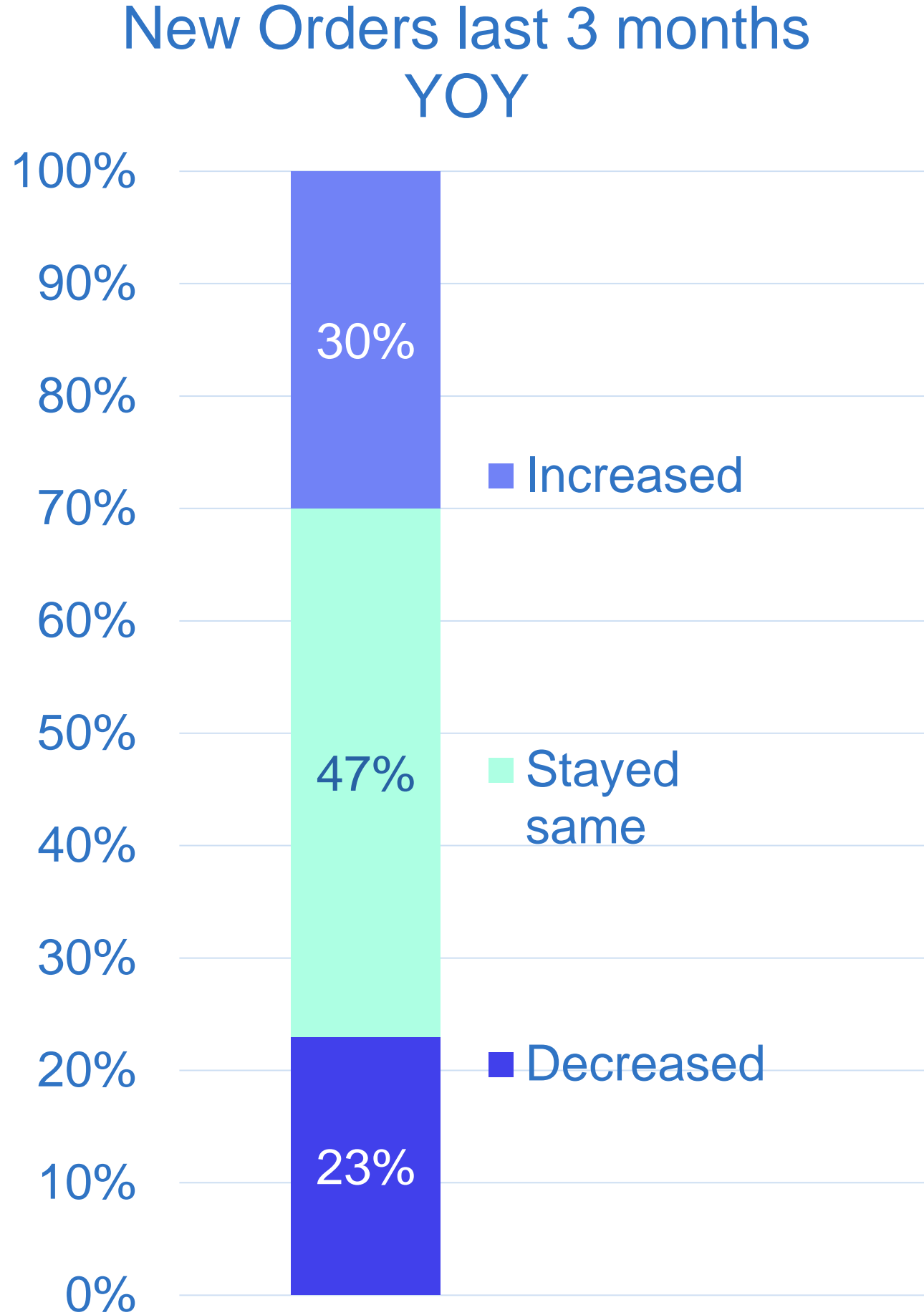
of companies anticipate turnover continuing to increase in Q4

(Base: All respondents = 220)

Q3. In the last 3 months (July-Sept 2023) has the total business turnover for your company increased, decreased or stayed the same compared with the same period in 2022?

Q4. Thinking now about the next 3-month period (Oct-Dec 2023), do you expect total business turnover for your company to increase, decrease or stay the same compared with the previous 3 months of 2023?

New Orders Last 3 Months v Next 3 Months



30%

of companies report a YOY revenue increase from new orders in Q3

25%

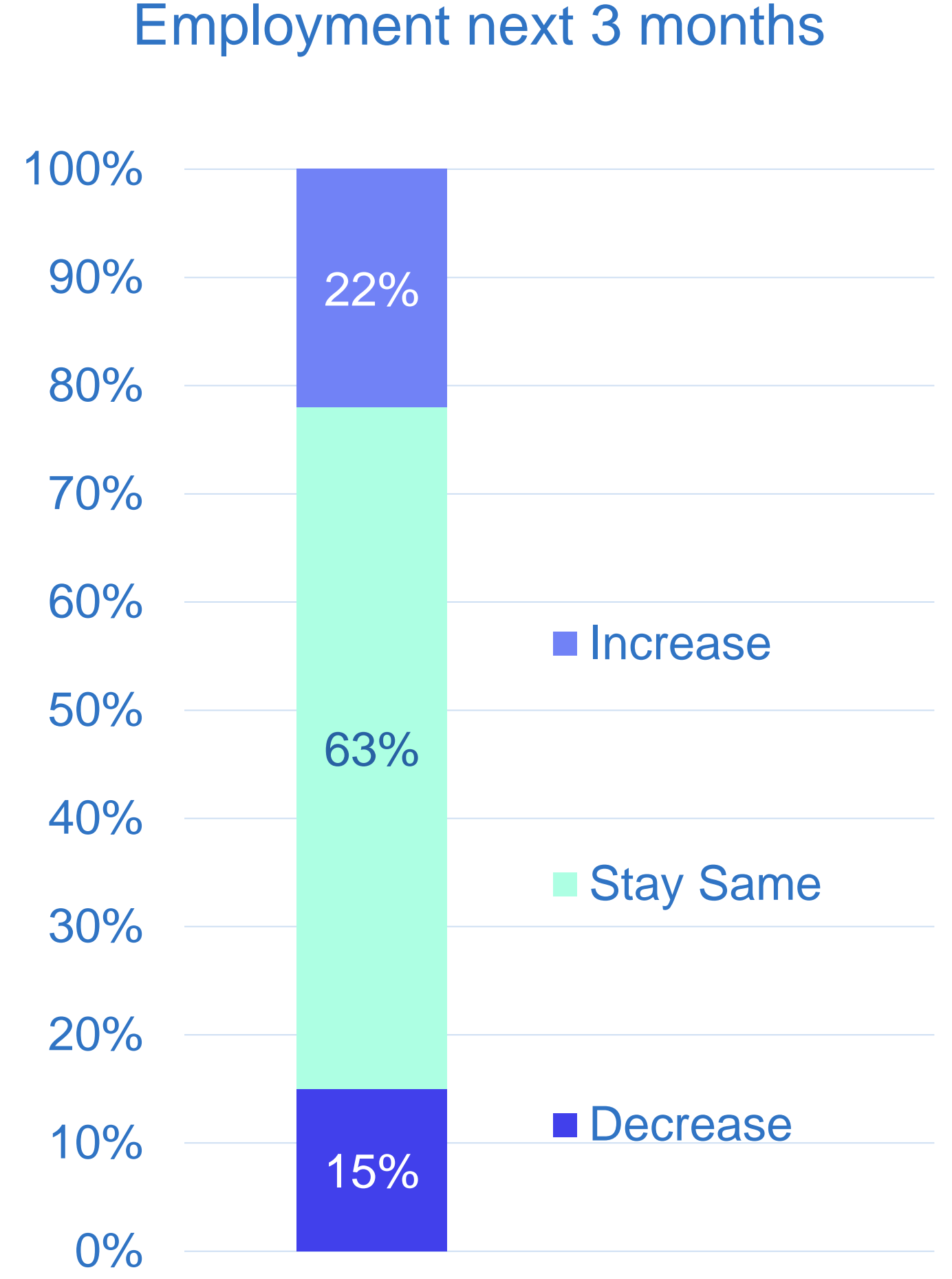
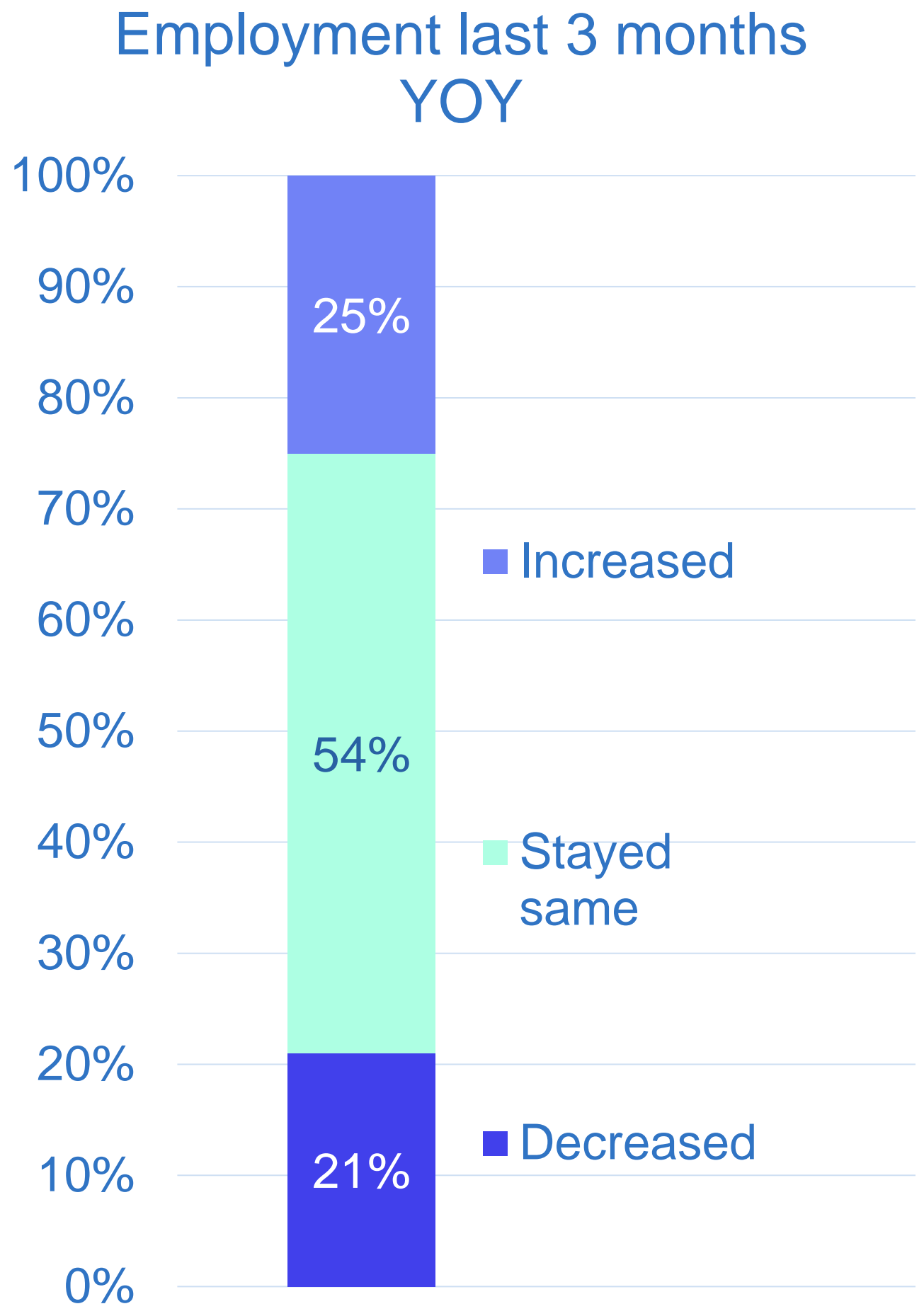
of companies expect revenue from new orders to continue to increase in Q4

(Base: All respondents = 220)

Q5. In the last 3 months has the total revenue generated by new orders for your company for the period increased, decreased or stayed the same compared with the same period in 2022?

Q6. In the next 3-month period (Oct-Dec 2023), do you expect the total revenue generated by new orders for your company to increase, decrease or stay the same compared with the previous 3 months of 2023?

Employment Last 3 Months v Next 3 Months



25%

of companies report a YOY increase in the total number of people they employ

22%

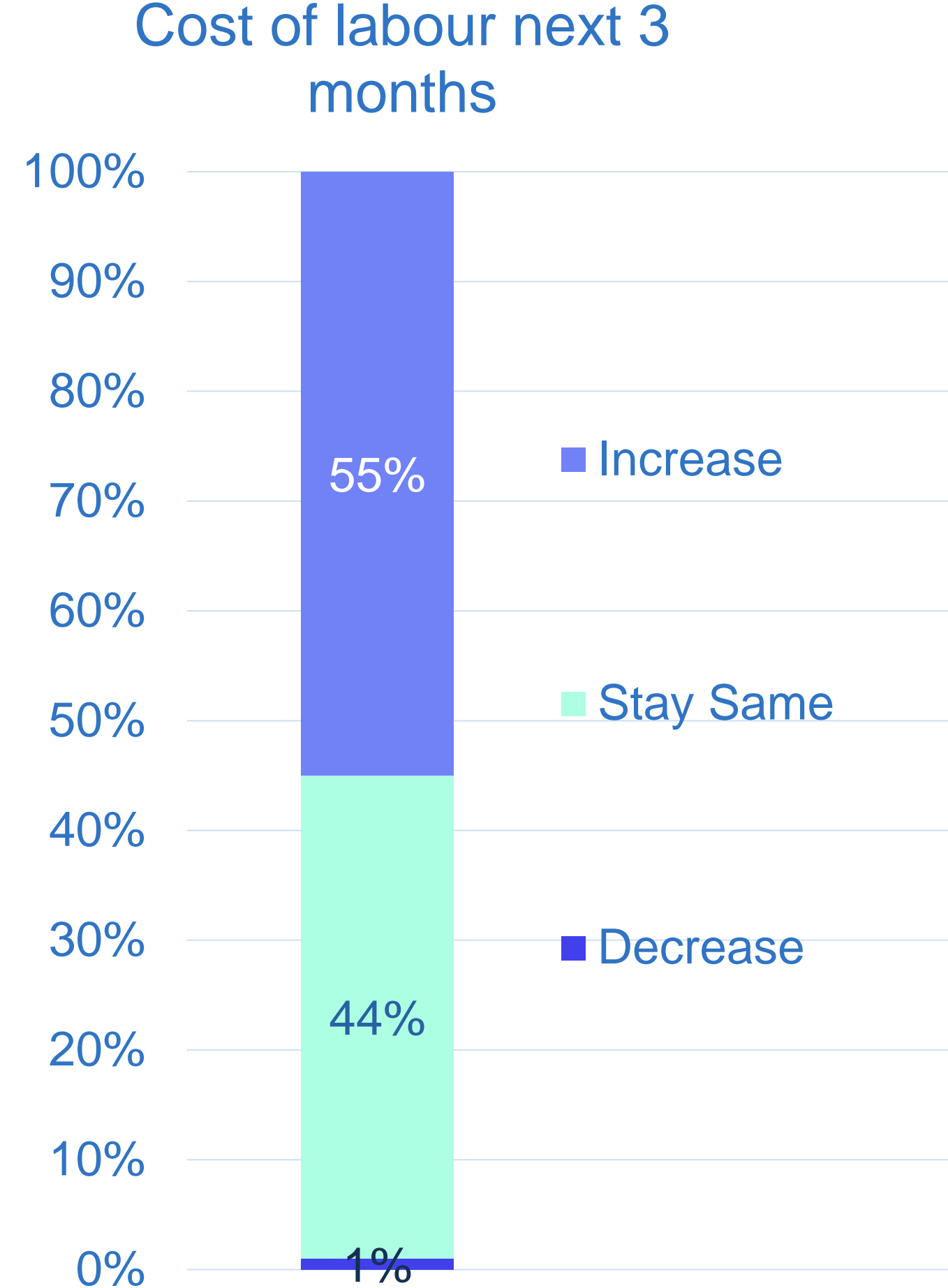
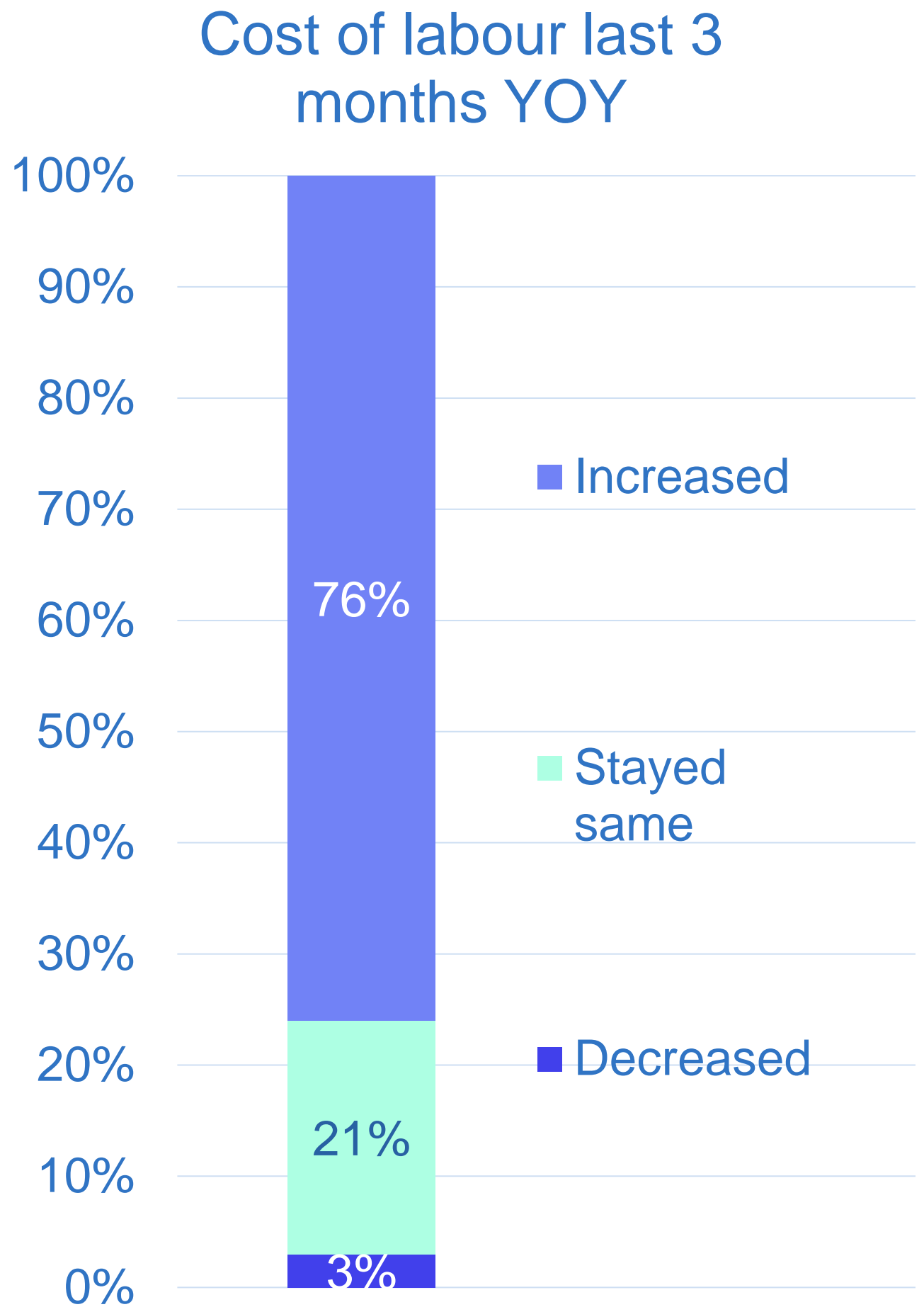
of companies expect to employ more staff in the coming months

(Base: All respondents = 220)

Q7. In the past 3 months has the total number of people you employ (directly or indirectly) increased, decreased or stayed the same compared with the same period in 2022?

Q8. In the next 3-month period (Oct-Dec 2023), do you expect the total number of people you employ (directly or indirectly) in your company to increase, decrease or stay the same compared with the previous 3 months of 2023?

Cost of Labour Last 3 Months v Next 3 Months



76%
of companies acknowledge an increase in the cost of labour YOY in Q3

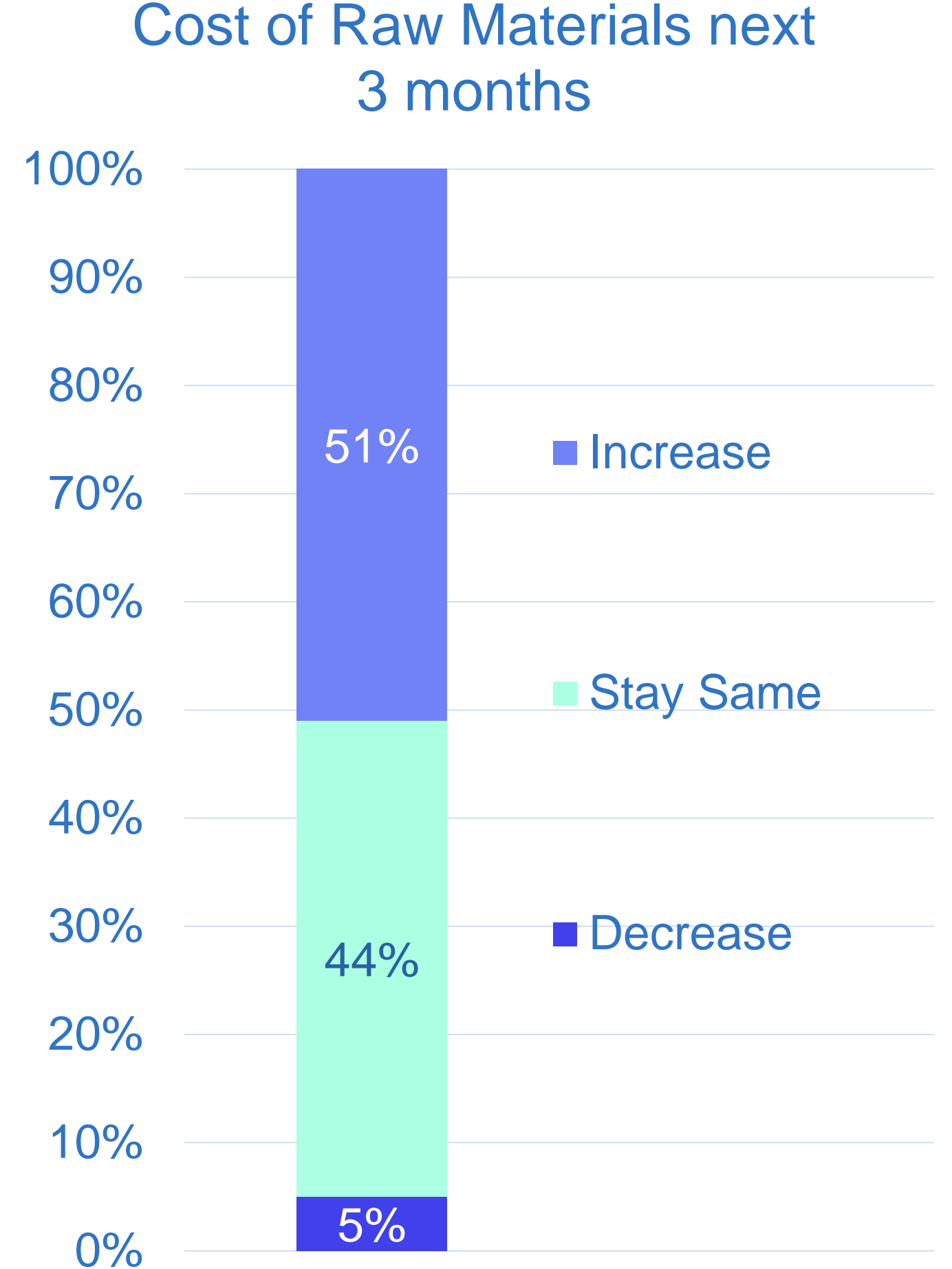
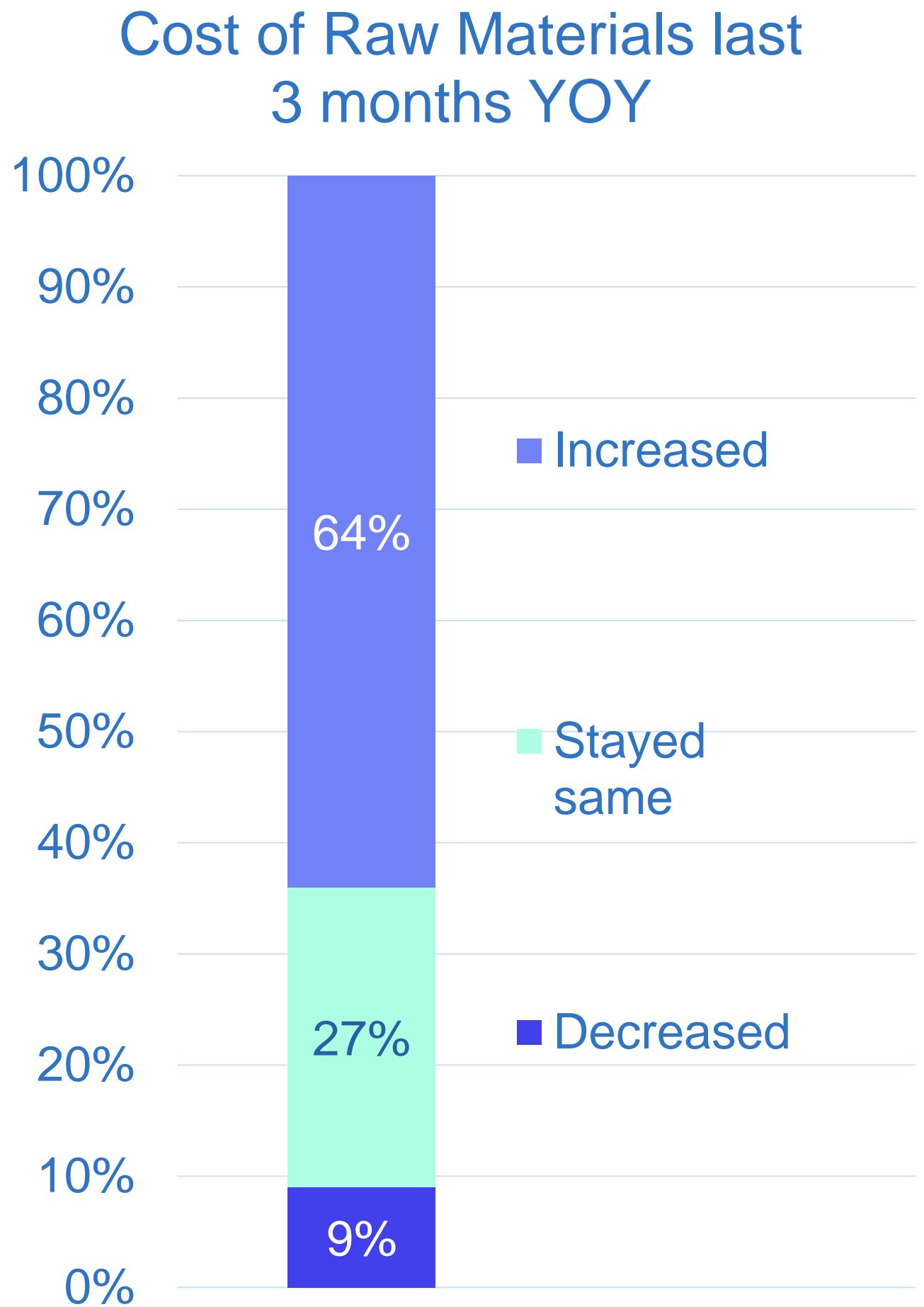
55%
of companies expect the cost of labour to increase in Q4

(Base: All respondents = 220)

Q9. In the past 3 months has the cost of labour in your company increased, decreased or stayed the same compared with the same period in 2022?

Q10. In the next 3-month period (Oct-Dec 2023), do you expect the cost of labour to increase, decrease or stay the same compared with the previous 3 months of 2023?

Cost of Raw Materials Last 3 Months v Next 3 Months



64%
of companies report a YOY increase in the cost of raw materials in Q3

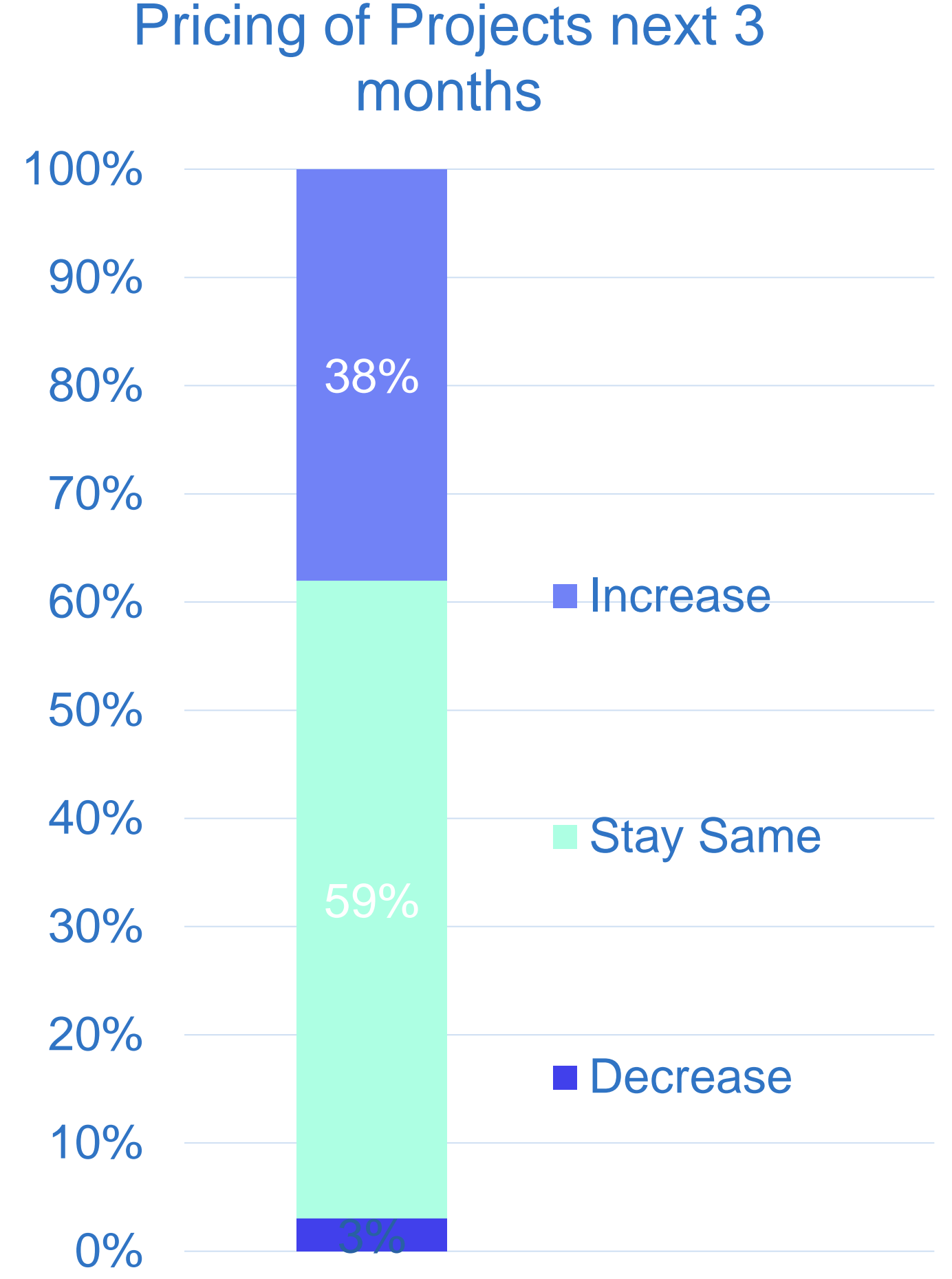
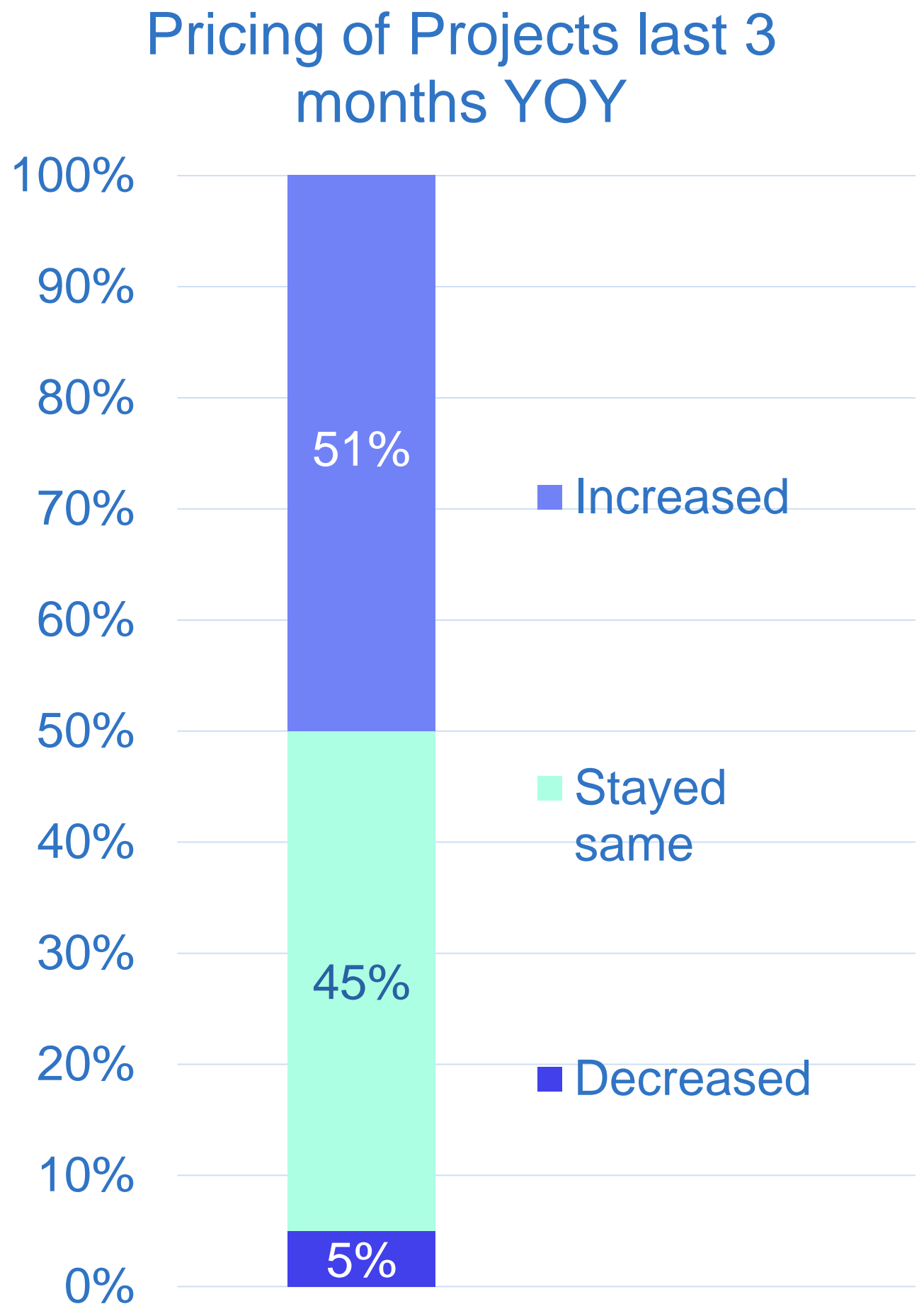
51%
expect the cost of raw materials to increase to continue to increase

(Base: All respondents = 220)

Q11. In the past 3 months has the cost of raw materials for your company increased, decreased or stayed the same compared with the same period in 2022?

Q12. In the next 3-month period (Oct-Dec 2023), do you expect the cost of raw materials to increase, decrease or stay the same compared with the previous 3 months of 2023?

Pricing of Projects Last 3 Months v Next 3 Months



51%

acknowledge an increase in the pricing of projects compared with the same period in 2022

38%

expect the prices charged to increase in Q4

(Base: All respondents = 220)

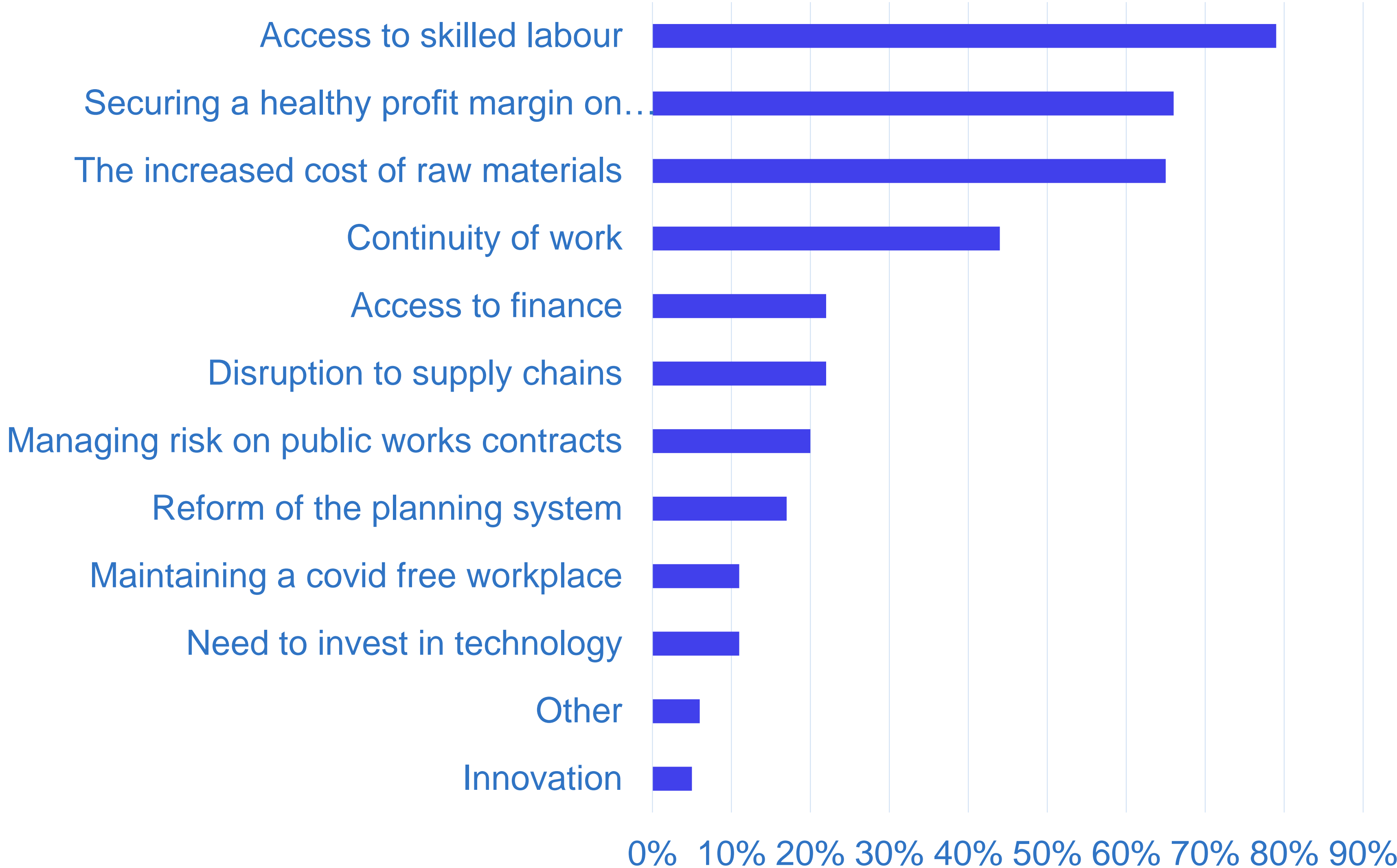
Q13. In the past 3 months has the price you charge for goods and services for the period increased, decreased or stayed the same compared with the same period in 2022?

Q14. In the next 3-month period (Oct-Dec 2023), do you expect the price you charge for goods and services for your company to increase, decrease or stay the same compared with the previous 3 months of 2023?

Key Challenges

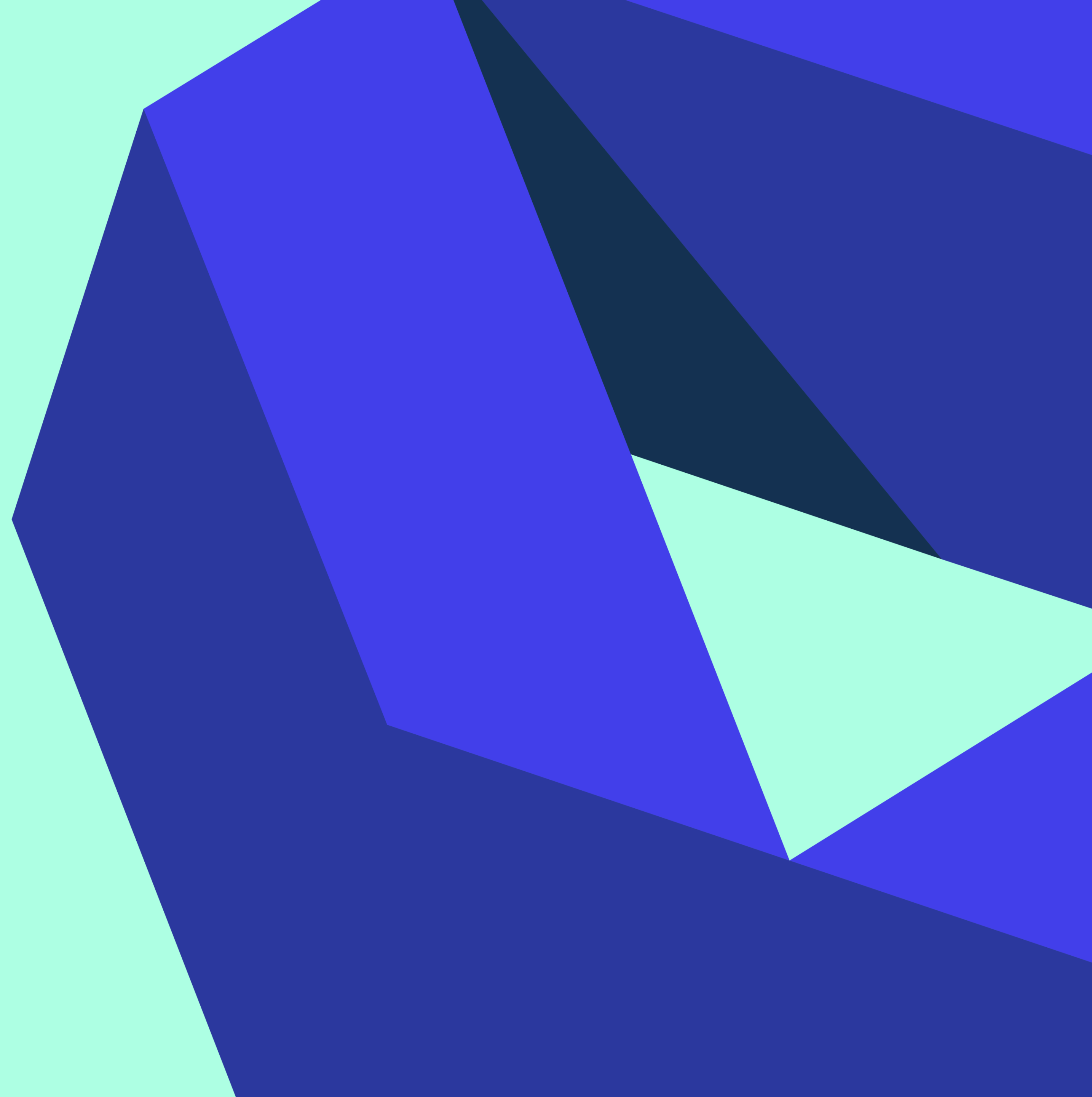
The background features a series of overlapping, angular shapes in various shades of blue and teal. A large, dark teal shape is prominent on the right side, partially overlapping a lighter teal shape. The overall composition is modern and abstract, with sharp lines and a clean, professional aesthetic.

Key Challenges

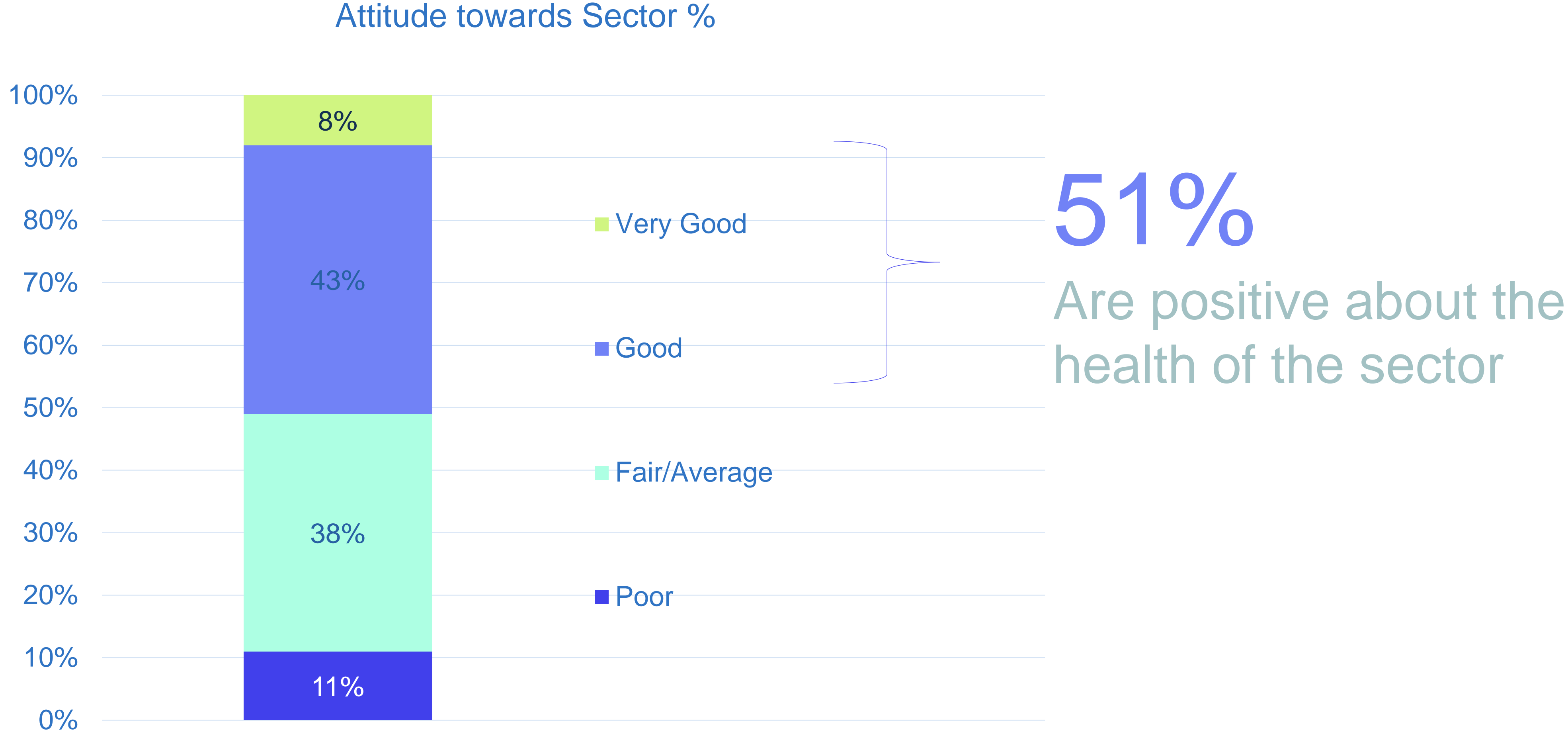


Access to skilled labour, securing a healthy profit margin on projects and the increased cost of raw materials remain the 3 most significant challenges

Attitudes towards the Health of the Construction Sector in Q4 2023



Attitude towards the Health of the Construction Sector in Q4



(Base: All respondents = 220)

Q16. How would you describe the overall health of the Irish construction industry as it enters the final quarter of 2023.

Conclusions

The background features a solid blue area on the left side. On the right side, there are several overlapping, semi-transparent geometric shapes in various shades of green and teal, creating a layered, abstract effect.

Conclusions

33%

acknowledge an increase in turnover YOY in Q3 with 26% expecting turnover to increase in Q4

25%

report an increase in the total number of people they employ, with 22% expecting the trend to endure over the next 3 months

76%

experienced a YOY increase in the cost of labour with 55% expecting the trend to persist

Conclusions

64%

Report a YOY increase in the cost of raw materials with 51% anticipating the trend to continue into Q4

51%

Are positive about the health of the sector going into Q4, with only approximately 1 in 10 (11%) negative

Increasing costs continue to impact on the pricing of projects with 51% acknowledging a YOY increase and 38% expecting continued increases in 2023

Conclusions

Access to skilled labour (79%), securing a healthy profit margin on projects (66%) and the increased cost of raw materials (65%) remain the 3 most significant challenges

Thank You

Get in Touch

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