

The Irish Construction Industry continues in recovery mode and there is currently a strong demand for skills across the trades and professions. The Construction Industry Federation (CIF) recently commissioned DKM to produce a report, titled "Demand for Skills in Construction to 2020" the report warns of the skills shortages and the challenges the industry will face.

Demand for Skills in Construction to 2020 - Addressing the Challenges



Irish building magazine spoke to the CIF's Tom Parlon, Dermot Carey, and Robert Butler about the recommendations of the DKM report and to find out how the challenges can be addressed. CIF Director of Communications Shane Dempsey told us about www.CIFjobs.ie – a new website which aims to attract Irish construction workers back to Ireland. We also spoke with Sisk, Kirby Group and recruitment and training experts to learn what the skills demands are and what they are doing to meet those demands. The State, CIF and the construction industry are developing solutions to address the challenges.

DKM Director, Annette Hughes, who authored the report stated: "The construction industry has been through an unprecedented period in its history – with the volume of construction output contracting by almost two-thirds between 2007 and 2012. It lost almost a quarter of firms in the industry in the six years to 2014. Although the industry has been recovering since early 2013, it needs to catch up with an economy that has expanded strongly."

In 2015 the value of turnover in the construction industry was around €13 billion, representing 6.2 per cent of economic activity (GNP), down from almost one-quarter of the economy at the height of the last boom. There were 136,900 persons directly employed in Q2 2016, 6.8 per cent of the total employed workforce.

The severity of the construction recession saw the numbers working in construction decline by almost 180,000 by Q1 2013 to just 35 per cent of the numbers employed at the peak (2007).

The industry is concerned that as activity ramps up quickly there will be a lag in the necessary skilled workers in the labour market and amongst those coming out of full-time education and training to meet the demand over the medium-term."

The industry now faces many skills demands in the coming years with increased activity

due to Rebuilding Ireland, the Public Capital Programme, and commercial construction and the demand for BIM, Lean, and Green construction practices. The DKM report gives recommendations that Government and industry should collaborate to improve skills capacity in the industry so to deliver the demands placed on it over the medium-term.

The recommendations include establishing a Construction Skills Forum to monitor progress and address barriers in the education and training system; improve the industry image; deliver an international recruitment drive to target the Irish Diaspora; refine apprenticeships and develop innovative methods of apprenticeship; engage with SOLAS and the Education and Training Board (ETB) network to deliver skills courses nationally that can take people with construction skills off the Live Register; deliver to a wider range of management functions within construction companies; refocus CIF Training and its Construction SME Skillnet on driving modern building techniques, and green skills.

Tom Parlon, CIF Director General

Irish building magazine spoke with Mr Tom Parlon and asked him about the image of construction and what can be done to deliver to a wider range of management functions within construction companies.

The image of construction is regularly discussed. We asked Tom if there is a problem with the image of the industry when it comes to attracting young people to careers. He said, "All industries are in a war for talent and have been for the last few years. The construction industry is no different. Recent CAO applications for construction and related courses are the fastest growing in the country. We're hiring at a rate of 1,000 people per month since 2013. We forecast that the industry can sustain another 100,000 jobs up to 2020 and beyond. Salaries are increasing every year and are likely to continue to do so in the coming 5 year cycle, especially as housebuilding starts to come online, along with the continuing surge in activity in commercial and specialist FDI-related buildings."

"So the basics for attracting young people into the industry are in place. The CIF is now working to highlight the fact that construction can now provide globalised and innovation driven careers. The traditional crafts are in high demand but increasingly technology and innovation are producing new careers within the construction field. Many Irish companies internationalised, building infrastructure and commercial buildings in London, Dubai, China and many other global centres. These companies are now recognised as global



L-R: CIF Director General, Tom Parlon with Michael Stone, Designer Group, CIF Past President & Minister Paschal Donohoe T.D. at the CIF Conference.

leaders - the PM group is building the largest pharma plant in the world in China at the moment. Recently Enterprise Ireland hosted an event where the commercial director of the UK's £55 billion new rail network sought to recruit Irish companies for help build Europe's biggest infrastructure mega-project."

"So we've a good story to tell. Career prospects are increasing. The CIF is working with its members to promote this positive story and to highlight the global opportunities in construction."

We asked what he thought can be done to adapt initiatives such as 'Leadership for Growth' and deliver to a wider range of management functions within construction companies of all sizes. "The construction industry is currently in growth phase and Government strategies such as Rebuilding Ireland and the Public Capital Programme show a strong pipeline of work over the next decade. Our industry is traditionally fragmented with a vast number of SME companies involved, as these companies expand to meet the demand of Ireland's growing population and expanding economy and some seek to internationalise, it's critical that these companies are supported in developing management capability across a range of functions. The CIF is engaging with Enterprise Ireland and other state bodies to ensure that sufficient funding is allocated to the construction industry - the biggest direct employer in the state - to support companies on this journey. The CIF also has a role to promote the concept of scaling, technology uptake, innovation and, not just the adoption of new technologies but the development of same to the industry and indeed the third-level and research communities."

Tom gave his opinion on the DKM report's recommendation to establish a Construction Skills Forum within the current National Skill Strategy Group between the Departments of Education and Skills and Jobs, Industry and Innovation, to monitor progress and address barriers in the education and training system which are impeding the delivery of the required skilled employees. "We think this type of coordinated approach between industry and

the State is absolutely vital as the industry is so critical to employment and economic growth. We have had excellent engagement with the many Government departments concerned with skills demand in the industry. However, bringing these bodies together is vital to coordinate efforts to optimal return in terms of producing skilled employees. The DKM Report, that SOLAS contributed to, establishes the baseline for skills requirements in the industry and a target for all agencies to work towards together. Failure to hit this target runs the risk of stymying Government's ambitious targets in terms of job creation, housebuilding, infrastructure, regional development and the attraction of FDI."

Dermot Carey, CIF Head of Safety Services

Dermot Carey heads up the Safety, Health & Manpower Department within the CIF and has responsibility for developing and guiding the CIF's policy in this area. He also manages the CIF's interest in the provision of trade skills training (apprenticeships) and the policy development and of Safety & Manpower Policy / Safe-T-Cert Scheme Manager. Irish building spoke to him about the skills demand and the report's recommendations.

Dermot gave us his overview of the work that has been and is being done in providing construction skills training. Dermot said a lot of good things have been done in skills training and construction education in Ireland. He said, "The training in Ireland helped prepare graduates for working abroad during the recession, and good work was done by the State in helping young people get through their training programmes when the recession hit, especially redundant apprentices." The construction industry is going through a revolution, and Dermot acknowledged the great work being done in the industry to cultivate BIM and Construction IT, Lean, and Green building knowledge and skills and praised the third-level colleges.

Construction requires a diverse range of skills. Irish graduates and trades are regularly recognised for their abilities at international competitions and in industry. We asked what

were his opinions of the current composition of skills in construction. "I think we are in a strong position, we have good courses and programmes in the third-level colleges. One area we are weak in is in the provision of courses for semi-skilled roles, such as in steel fixing. We are working in developing a programme in this at present. Working with education and training boards, we have had a lot of success. We have been working to meet the demands of industry."

The education and training system is equipping graduates/employees with the correct skillsets is critical. We asked if he had identified any weaknesses. "One of the areas that CIF members have identified a weakness in graduates' skill sets is in their soft skills. Graduates are technically gifted, but need to work on their communication skills, negotiation and dealing with people. These skills are needed for working in every industry, not just construction."

Dermot outlined for us the essential skillsets required in the modern construction industry. "We need problem solvers, who have initiative, who are innovative, persistent, positive and have an eye for quality. Communication is a skill we need to muster in young people – soft skills. We have problems each day in construction and reasoning ability is critical for problem solving."

We asked what should be done with regards international recruitment drives to target the Irish Diaspora, to attract skilled people back to Ireland. He said, "The CIF has identified three specific areas for potential talent: those on the unemployed register, second-level students, and the Diaspora. We and a lot of other organisations are developing programmes to attract people back. These people could solve our skills problems quickly with their return. We will work with others, and do our own work to get people to return. The CIF has launched an online portal (CIFjobs.ie) to connect with the Diaspora, and get people to sign up to newsletters and we will send them information regularly on what is available here and current information on the construction sector."



Dermot Carey

Apprenticeships and their structure were covered extensively this year in the media, we asked what changes should be made to the way apprenticeships are delivered. "Apprenticeships have served us well. We do have problems in the wet trades and getting people into the wet trades. We may have to be more innovative with regards how the apprenticeships operate. We have a programme whereby contractors share apprentices and the apprentices get a broader experience. The duration of apprenticeships is an issue in some cases; maybe not all of them have to be four years. The image of apprenticeships is a big thing. We need to improve the image of apprenticeships and make them attractive career choices for students. We have launched www.apprentices.ie to promote apprenticeships and are working with teachers to promote the opportunities available to those who choose this career path."

Finally, we asked Dermot how industry and Government could work together to get people off the Live Register to meet the emerging skills demand. "One of the core areas we can get people into the industry is through the Live Register, we are working with SOLAS and the Department of the Social protection and ETBs with this in mind. We have pilot programmes around the country on steel fixing and shuttering. These are short courses and are certified by City & Guilds. The goal is for people to get jobs at the end of the training."

Robert Butler, CIF Head of Learning & Development

Part of Robert's role at the CIF is operating the Construction SME Skillnet as the Network Manager. The Skillnet provides funding for CIF member companies to assist in developing members' employees future training needs. It enables the CIF to provide high-quality training at a significantly subsidised price to its members. Robert talked to us about how the CIF Training and the Construction SME Skillnet can be focused on delivering modern building techniques, green construction and professionalism across the industry. He said



Robert Butler



Shane Dempsey

"The Skillnet is enterprise led. It is based on what the industry is calling for. There is a steering group there that would look for us to provide programmes through the Skillnet. There is an annual plan where we would look for supports to investigate green construction, lean and modern methods of construction; these are all areas of growth."

Shane Dempsey, CIF Director of Communications

Shane Dempsey tells us about CIFJobs.ie. The website will offer the construction industry and the Irish construction Diaspora. "CIFJobs.ie is a resource for those in the Diaspora with construction experience looking to return to Ireland to build a career. Ireland's population is the youngest and fastest growing in the EU. The Irish economy is one of the fastest growing in the EU. People need houses. Communities need hospitals, schools and amenities. Economies require motorways, airports, water infrastructure and rail. Companies like Google, Facebook, LinkedIn, Janssen and Shire all require specialist buildings. The Irish Construction Industry has to deliver and to do so it probably requires around 100,000 additional employees up to 2020. So this website is designed to connect those in the Diaspora thinking of returning to Ireland with Ireland's leading construction companies looking for skilled employees."

We asked who the main stakeholders are in this resource. "The main stakeholders are leading construction companies who are members of the CIF and potential job seekers. The CIF's Manpower Committee has developed the concept from discussions with CIF membership who are predicting potential skills shortages and experiencing pressure to find skilled works in particular trades. We would hope that state agencies like SOLAS, the Department of Jobs and the Department of Foreign Affairs and others will support this initiative where they can. We're partnering with a number of organisations focused on recruiting from the Diaspora such as Hays Recruitment, ICDS and Back4Good.ie to promote

our site. We are also grateful to publications such as Irish building magazine for supporting this initiative aimed at securing a sustainable skills pipeline in the industry."

Shane told us how the resource will operate. "CIFJobs.ie is a simple concept. CIF members can post jobs and jobseekers can apply for those jobs. All a jobseeker needs to do is fill in a short application form. Initially, the service will be free to CIF members."

We asked if there will be a charge for delegates as well as employers. "There will be no charge to the delegates and it's initially free for CIF Members. We're seeking to encourage members to post as many jobs as possible to give the site gravity when we promote it amongst the Diaspora." Shane said CIFJobs.ie, launched in early December, will be supported through a series of campaigns at particular points throughout 2017.

Winifred Ryan, Training Manager at John Sisk & Son (Holdings) Ltd

Irish building spoke to Winifred Ryan, and asked what the major skills shortages are for main contractors. She said, "There is a shortage of engineers and quantity surveyors with up to 5 years' experience. For the supply chain, there is a shortage of those working in the wet trades and semi-skilled operatives e.g. steel fixing and formwork." Winifred said with the rise in construction, it will be a challenge to fill the vacancies with people with the relevant experience.

We asked what she would recommend for the industry to develop its skills base. She responded giving us an example of what Sisk are doing. "There are a number of things that can be done, and Sisk are involved in a few different areas at the moment. Sisk have started looking at this and are involved in a number of initiatives, currently we have 5 trainee quantity surveyors who are attending college 1 day a week in DIT Bolton Street, and working with Sisk the other 4 days. This is a great opportunity for a young person to work and study; it is over



Winifred Ryan



Fergus Barry

5 years and is working out very well. We are also engaging with the schools, Sisk are working with the Technoteachers association (teachers of construction subjects) to encourage young people to consider a career in construction. We have been doing school visits and tours of our joinery / training centre. Sisk are supporting the ETB training programmes to upskill those from a construction background on the Live Register in those areas which have a skills gap at the moment. These training programmes have been very successful in Mount Lucas and Ballyfermot."

Fergus Barry, Group Head of Human Resources and Associate Director at Kirby Group

Irish building asked Fergus what are the major skills shortages for Kirby, and he gave us his concerns with regards recruitment. "The main challenge I am seeing is in the commercial end, specifically with senior project quantity surveyors and junior quantity surveyors with mechanical and electrical experience. With regards to craft professionals, it can be challenging to recruit craft professionals given the limited recruitment pool. However, we identified this potential shortfall some time ago and took a number of measures to ensure a sustained pipeline of talent."

We asked what his main concerns were for recruiting personnel over the coming years. He said, "We have invested heavily in apprenticeships. We have upped our recruitment to fifty apprentices per annum. We are improving our skills base as we are aware of potential shortages going forward. We take on electrical, instrumentation and mechanical apprentices."

In our graduate programme, we are taking in fifteen engineers and quantity surveyors, straight from college. We will develop these into competent young professionals. We have a site management programme and development plan in place which will help craft professionals to go on to become site managers, and then project managers. We work closely with third level institutions. Most recently, we were

involved in the development of a new Level 7 Bachelor of Engineering in Industrial Electrical Engineering programme at Limerick Institute of Technology. This new two-year programme has been developed for qualified electricians who wish to progress up the qualifications ladder. We are currently sponsoring two employees on this course and intend to increase this number year-on-year.

Dealing with a tight labour market requires thinking ahead and the definition and delivery of a genuine employee value proposition. We aspire to develop all our graduate and craft professional talent to become technical, commercial and people leaders." Fergus said.

Amy Bradley, Construction Recruiter at Servisource Recruitment

Amy Bradley is a Construction Recruiter at Servisource Recruitment where she deals with staffing requirements in the construction and engineering industries in Ireland.

Amy told us about the skills shortages and what Servisource are doing to help fill positions in Ireland. "As a construction recruitment agency and like most construction industry bodies, we are experiencing skill shortages across the Irish Construction Industry. We need to look outside the box. In particular, quantity surveyors at all levels are quite sought after. Most clients I speak to are on the lookout for junior quantity surveyors to project quantity surveyors. Some other shortages are in Health & Safety and estimating and procurement and trades. We have recently targeted the UK in a campaign to attract Irish expats back home and the response was overwhelming. A lot of people are interested in returning home to family; however, it does boil down to the job opportunity and what the company is offering."

Amy explained where she sees problems in the industry in the next few years, up to 2020. "Problems I see for the Irish Construction Industry up to 2020 include a continued skills



Annette Hughes, DKM Director, speaking at the CIF Conference



shortage as construction output continues to increase. As construction activity grows each year we must meet the needs of this sector and continue to encourage our young people to pursue a career in the construction, engineering and trades sectors, attract our experienced professionals back home and also upskill our current workforce. There has never been a better time to return home as the opportunities are certainly there."

In our Irish Abroad series, Irish building have been asking Irish construction professionals working abroad what knowledge, skills, and experiences the Irish construction workers are getting and what can be done to get them to return and meet the skills demand. This series will continue in 2017. ■



Amy Bradley