

**CONSTRUCTION
INDUSTRY
FEDERATION**

CIF Construction Outlook Survey

Quarter 1 2026

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 (Q4: October to December 2025) and the likely future performance of the sector in the next 3-month period (Q1: January to March 2026)

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
- Public works projects

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

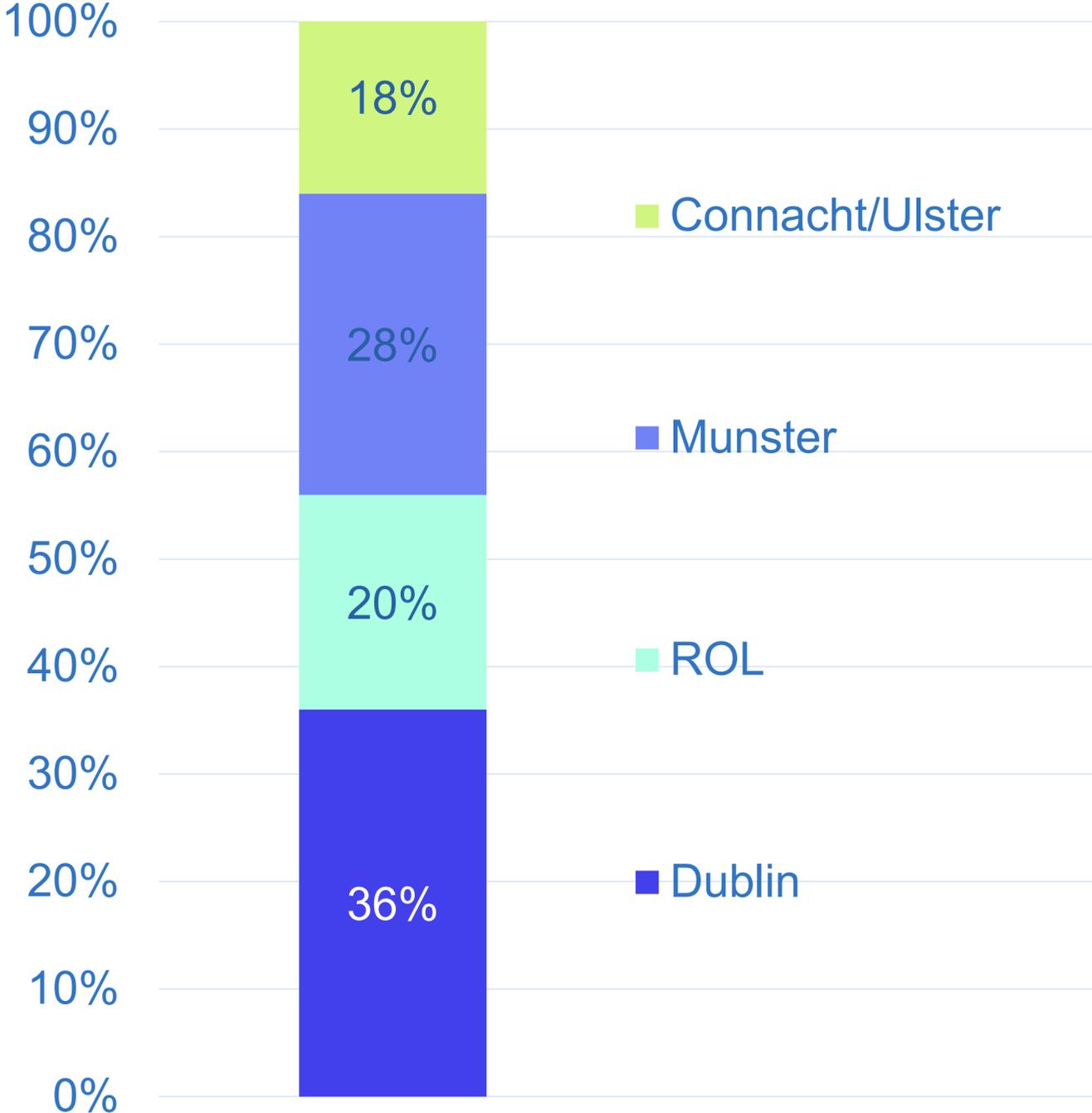
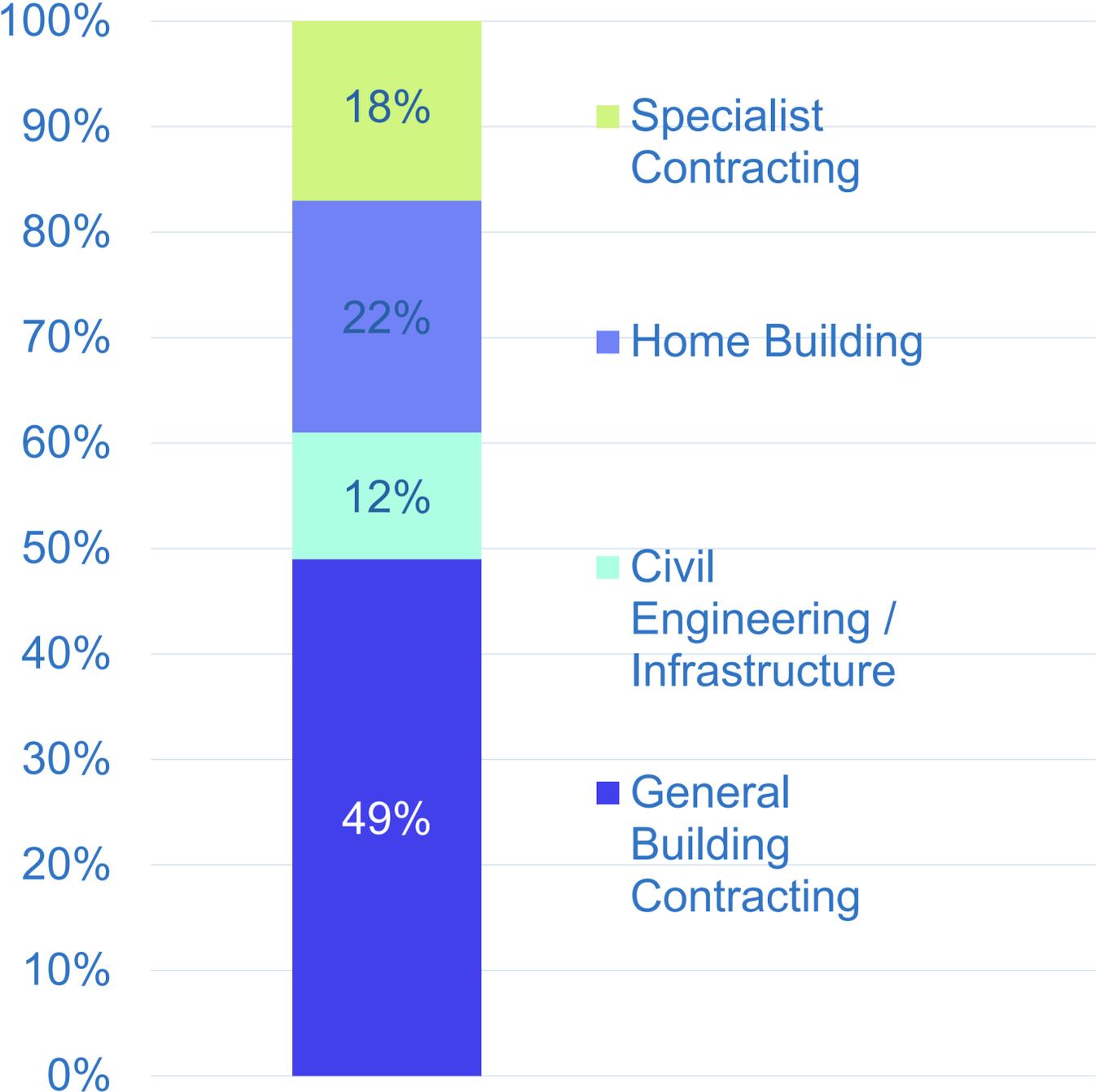
Methodology

- **Research was conducted via an online survey with 200 CIF members**
- **A sample of 200 companies was achieved which delivers a margin of error of approximately (+ or – 6.5%)**
- **All surveys were conducted between 30th January – 24th February 2026**

Key Findings

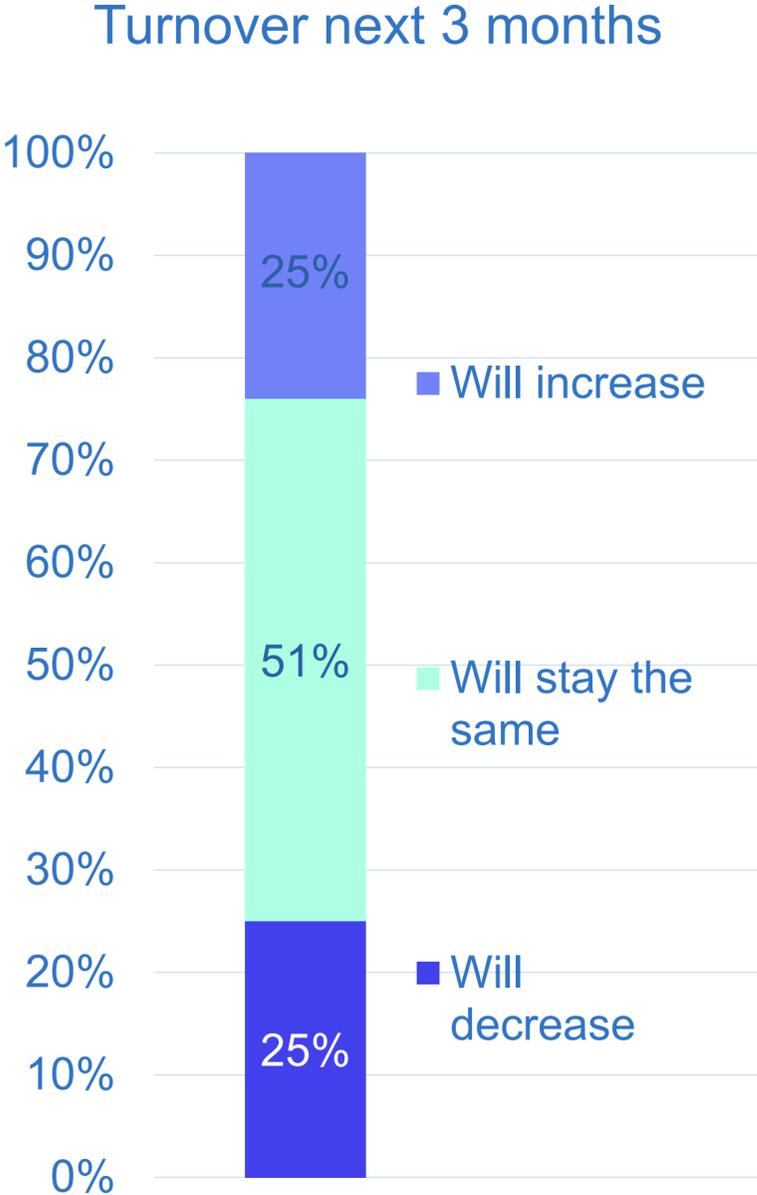
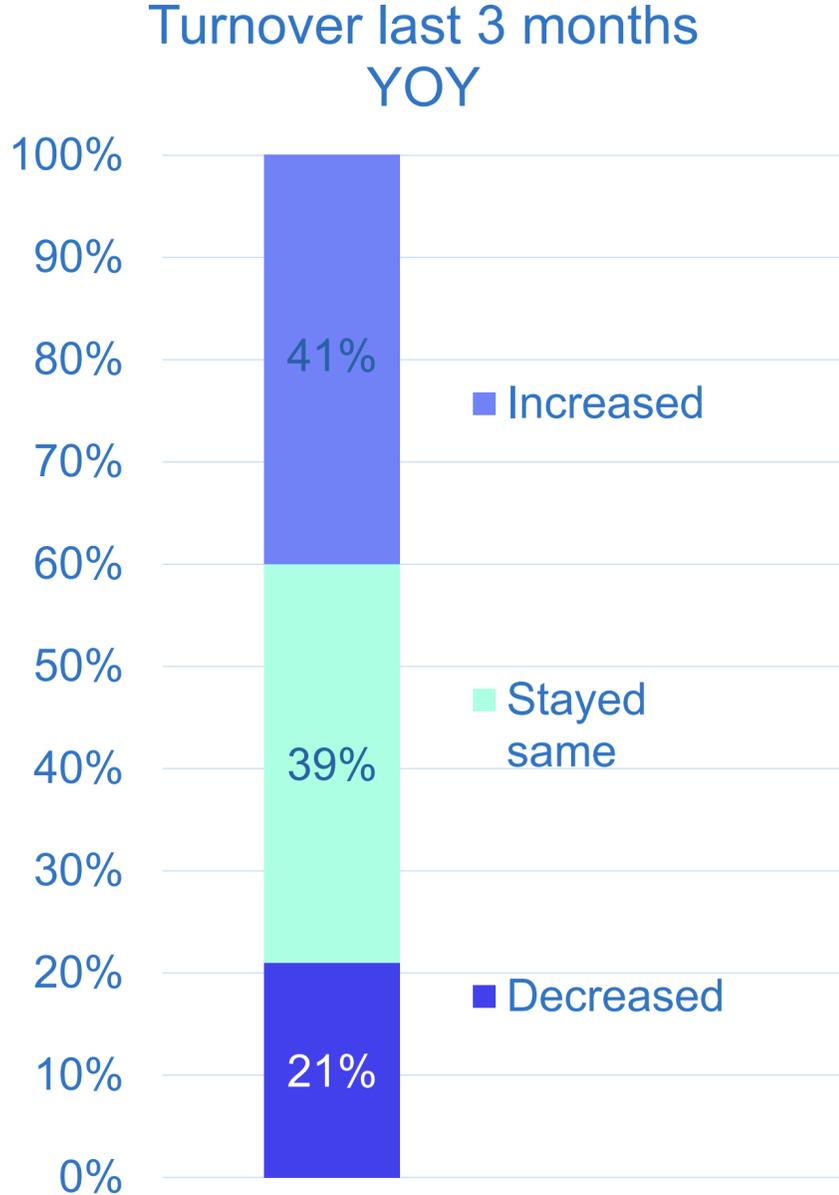
The background features a solid blue area on the left side. On the right side, there are several overlapping, semi-transparent geometric shapes in various shades of green and teal, creating a layered, abstract effect.

Sample Breakdown by Company Category



(Base: All respondents = 200)

Business Turnover Last 3 Months v Next 3 Months



41%

of companies report a YOY increase in turnover in Q4 2025

25%

of companies anticipate turnover will increase in Q1 2026

Home Building and Specialist Contracting are showing the biggest increase in turnover YOY in Q4. Q1 2026 looks to be more positive for General Building Contracting and Specialist Contracting but less so for Civil Engineering and Home Building.

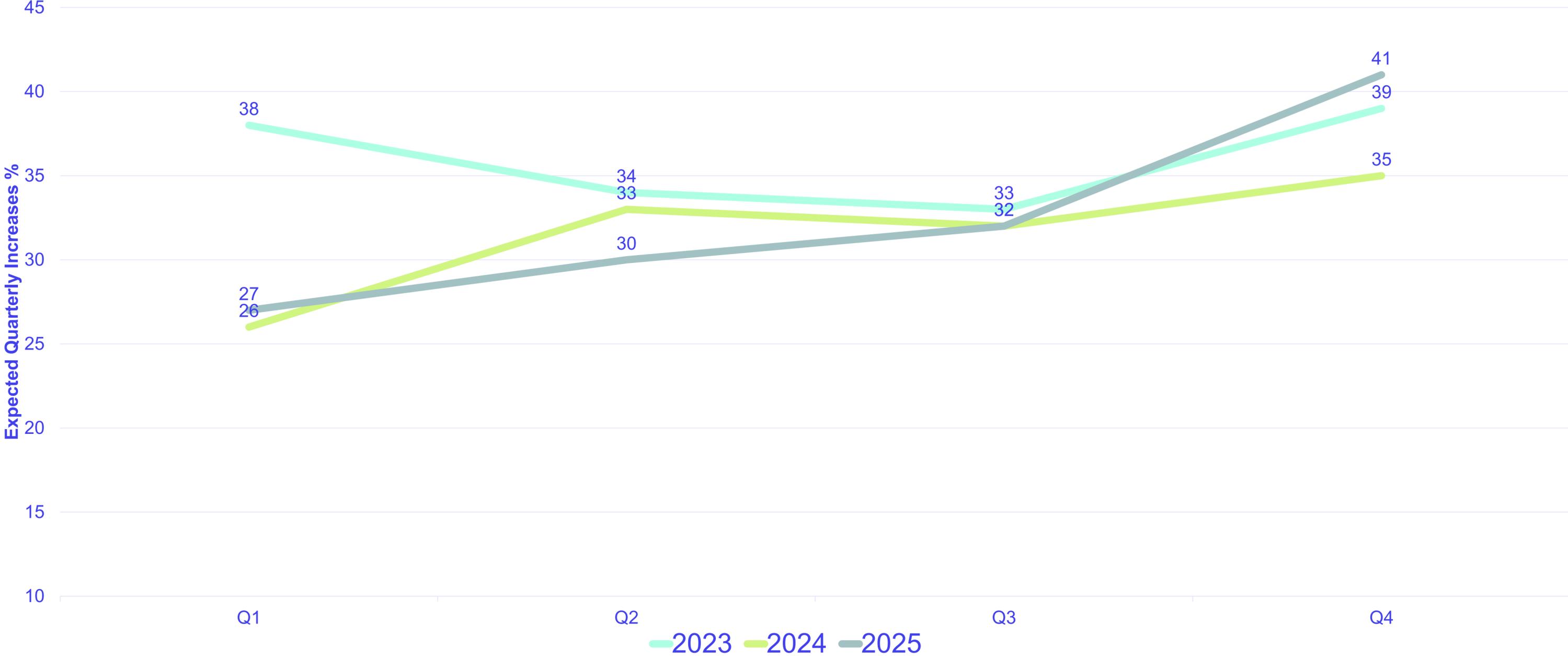
(Base: All respondents = 200)

Q3. In the last 3 months has the total business turnover for your company increased, decreased or stayed the same compared with the same period in 2024?

Q4. Thinking now about the next 3-month period (Jan - Mar 2026), do you expect total business turnover for your company to increase, decrease or stay the same compared with the last 3 months?

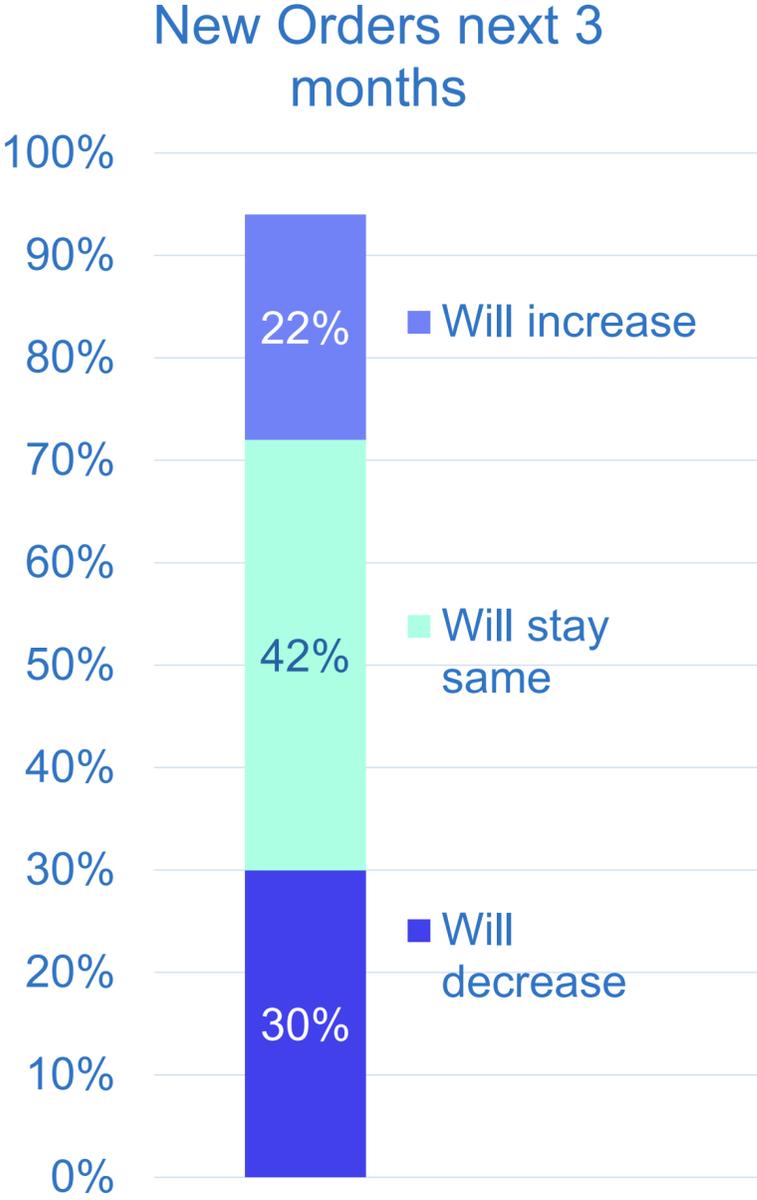
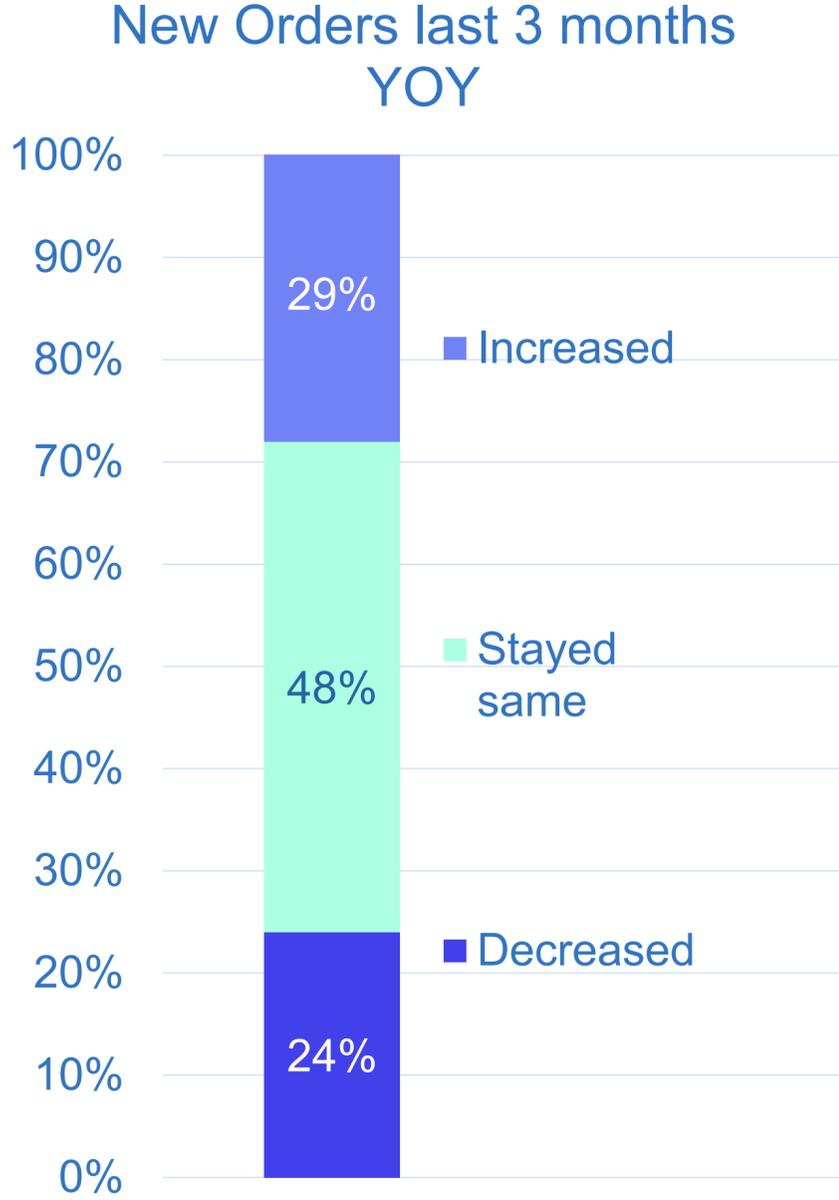
Expected Business Turnover Growth by Quarter (Survey Results)

Percentage increase expected by respondents in each quarter by year (non cumulative)



Each data point reflects respondents' expected percentage increase for that quarter only; values do not compound across quarters.

New Orders Last 3 Months v Next 3 Months



29%

of companies report a YOY revenue increase from new orders in Q4

30%

of companies expect revenue from new orders to decrease in Q1 2026

The YOY increase in revenue from new orders by Specialist Contracting companies is double that of any other sector. Overall larger companies (€9m+) performed best.

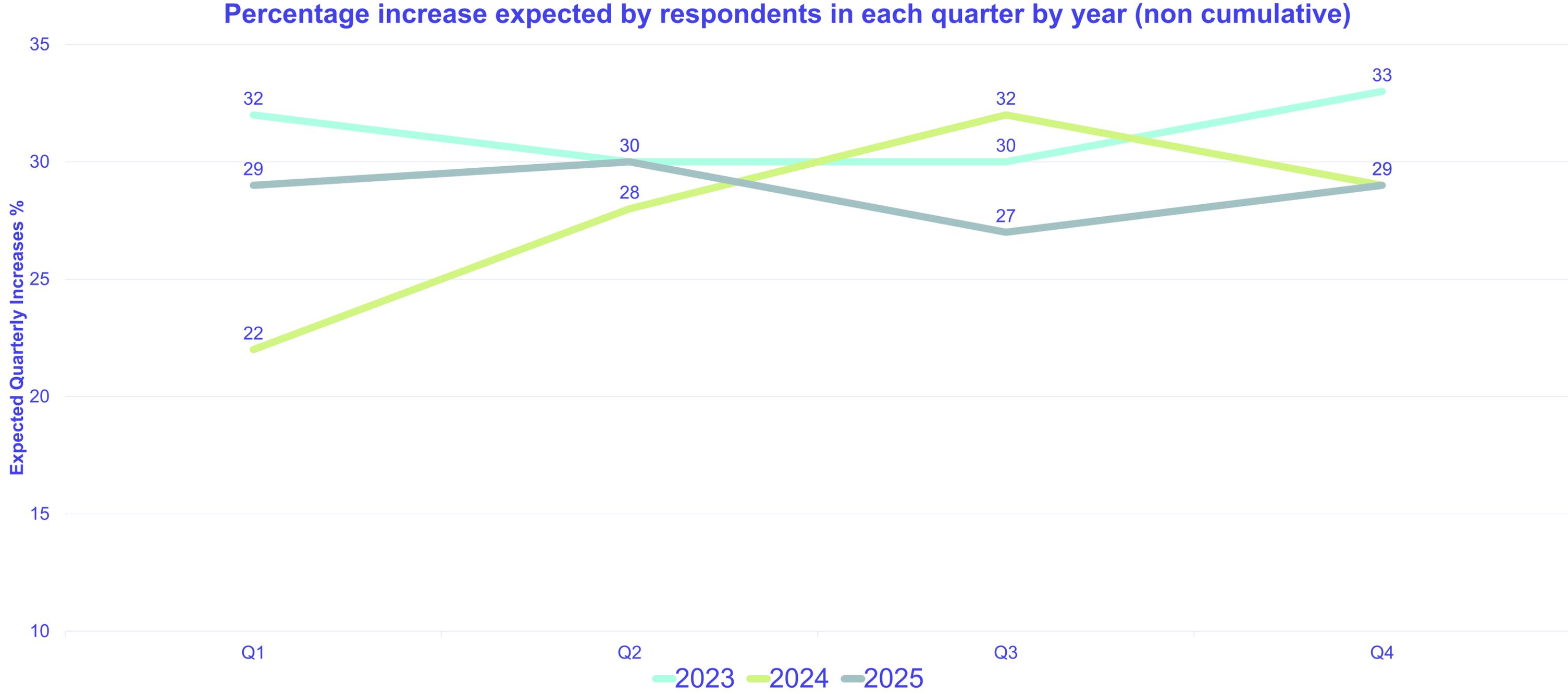
All sectors except for Civil Engineering/Infrastructure expect an uplift in Q1 2026. 43% of Civil Engineering Infrastructure companies expect new orders to decrease in Q1 2026.

(Base: All respondents = 200)

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 2024?

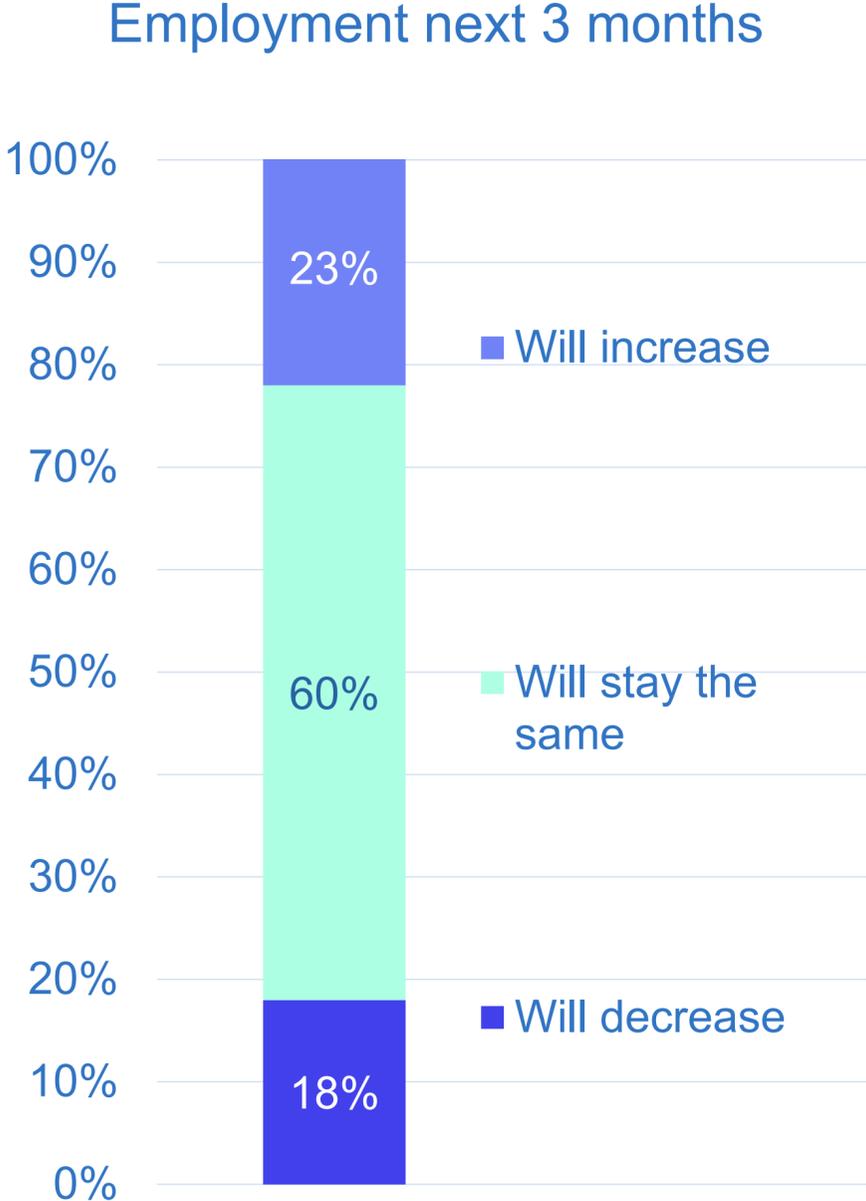
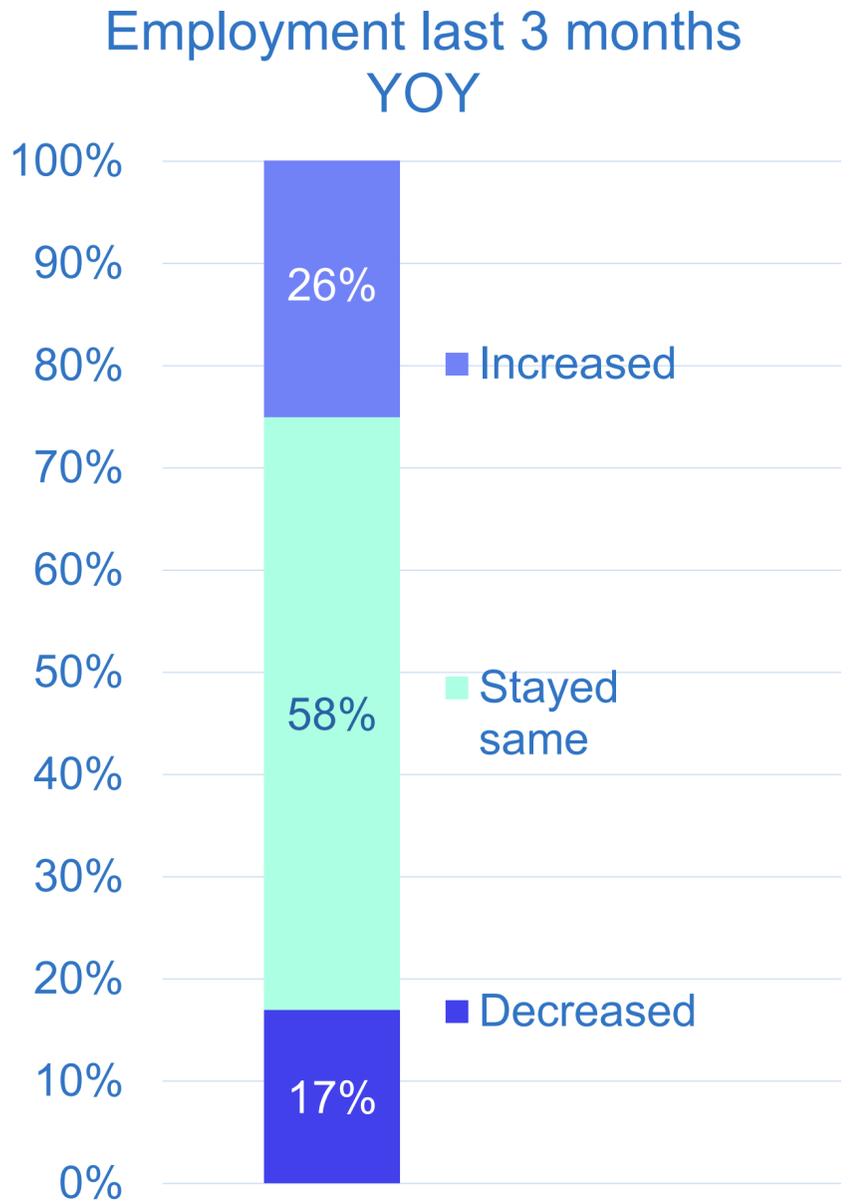
Q6. In the next 3-month period (Jan – Mar 2026), do you expect the total revenue generated by new orders for your company to increase, decrease or stay the same compared with the last 3 months?

Expected New-Order Growth by Quarter (Survey Results)



Each data point reflects respondents' expected percentage increase for that quarter only; values do not compound across quarters.

Employment Last 3 Months v Next 3 Months



26%

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

23%

of companies also expect to employ more staff in the coming months, with 60% expecting no change

Q4 employment levels have increased across all sectors, especially companies of €9m+.

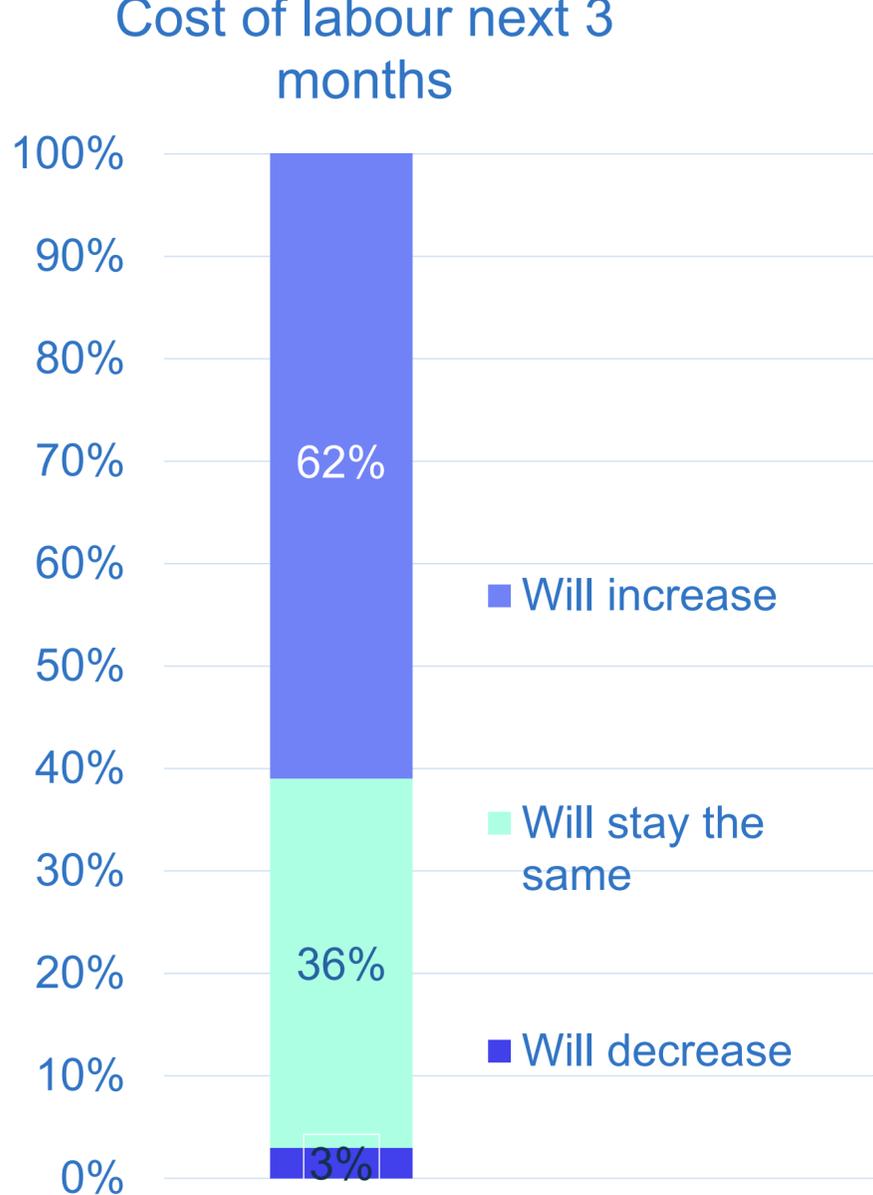
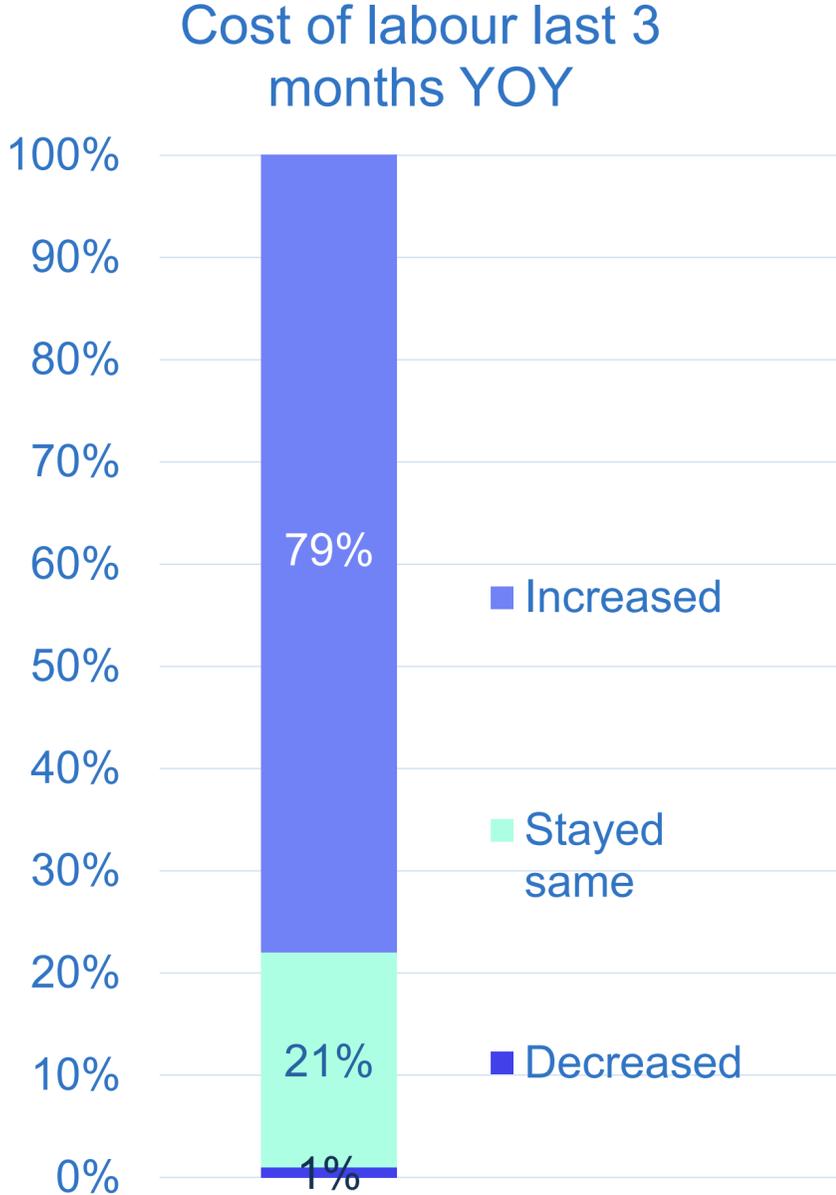
Employment levels are expected to grow across all company sizes in Q1 2026. A significant 42% of companies of €9m+ expect employment to increase in Q1.

(Base: All respondents = 200)

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 2024?

Q8. In the next 3-month period (Jan – Mar 2026), 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 last 3 months?

Cost of Labour Last 3 Months v Next 3 Months



72%

of companies acknowledged an increase in the cost of labour YOY in Q4 2025

62%

of companies expect the cost of labour to continue to increase in Q1 2026

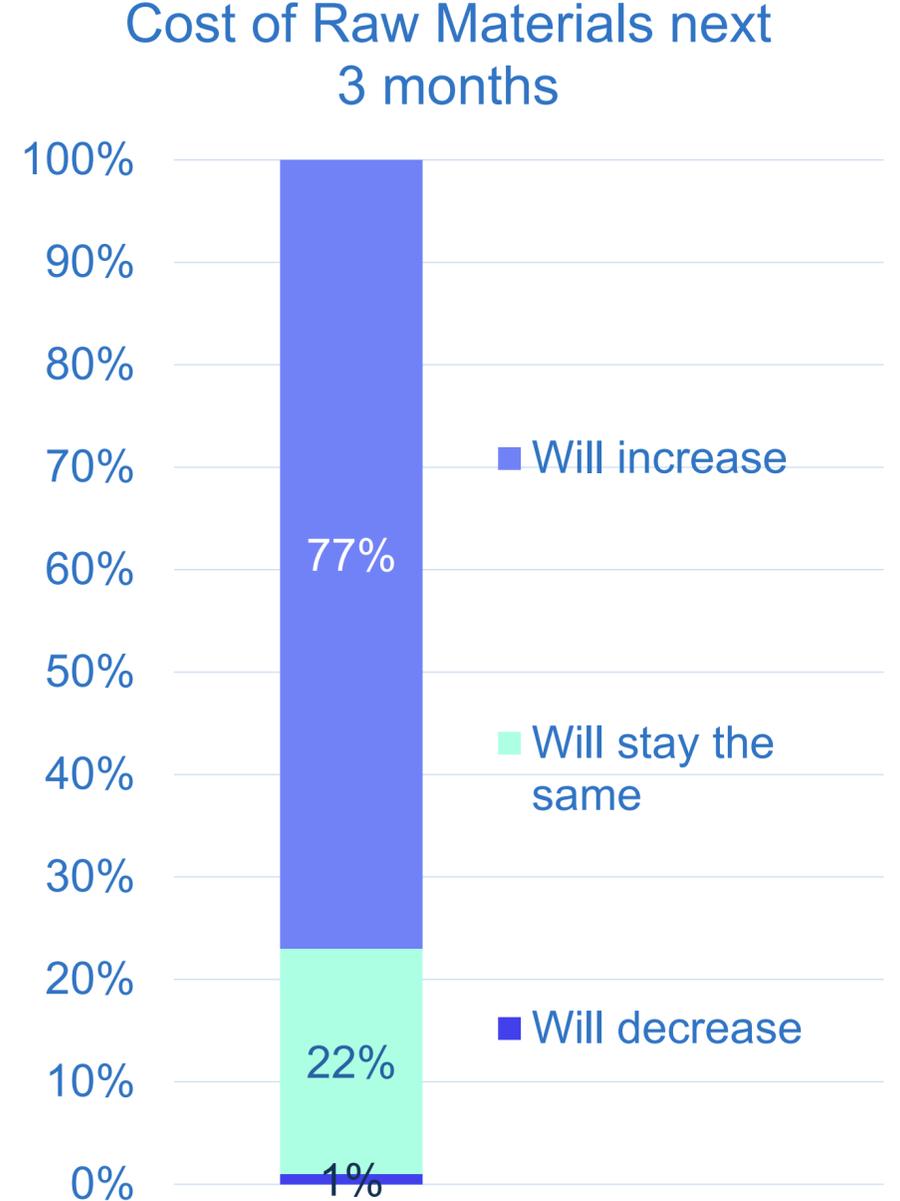
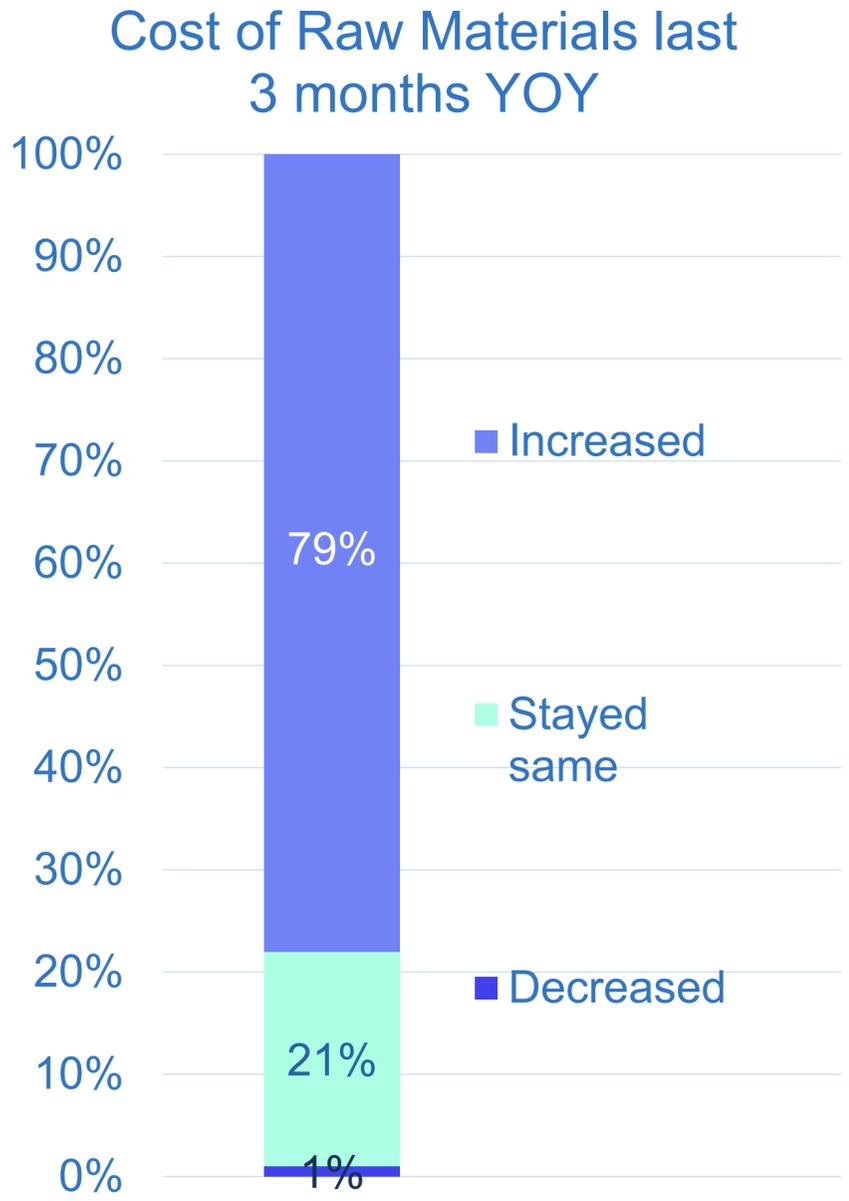
The cost of labour has increased for most companies regardless of size or sector and is expected to increase in Q1 2026.

(Base: All respondents = 200)

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 2024?

Q10. In the next 3-month period (Jan - Mar 2026), do you expect the cost of labour to increase, decrease or stay the same compared with the last 3 months?

Cost of Raw Materials Last 3 Months v Next 3 Months



79%

of companies reported a YOY increase in the cost of raw materials in Q4 2025

77%

expect the cost of raw materials to continue to increase in Q1 2026

The YOY increase in the cost of raw materials was reported across all sectors and companies regardless of size (87% of Civil Engineering/Infrastructure companies saw an increase in Q4) and these increases are expected to continue in Q1 2026.

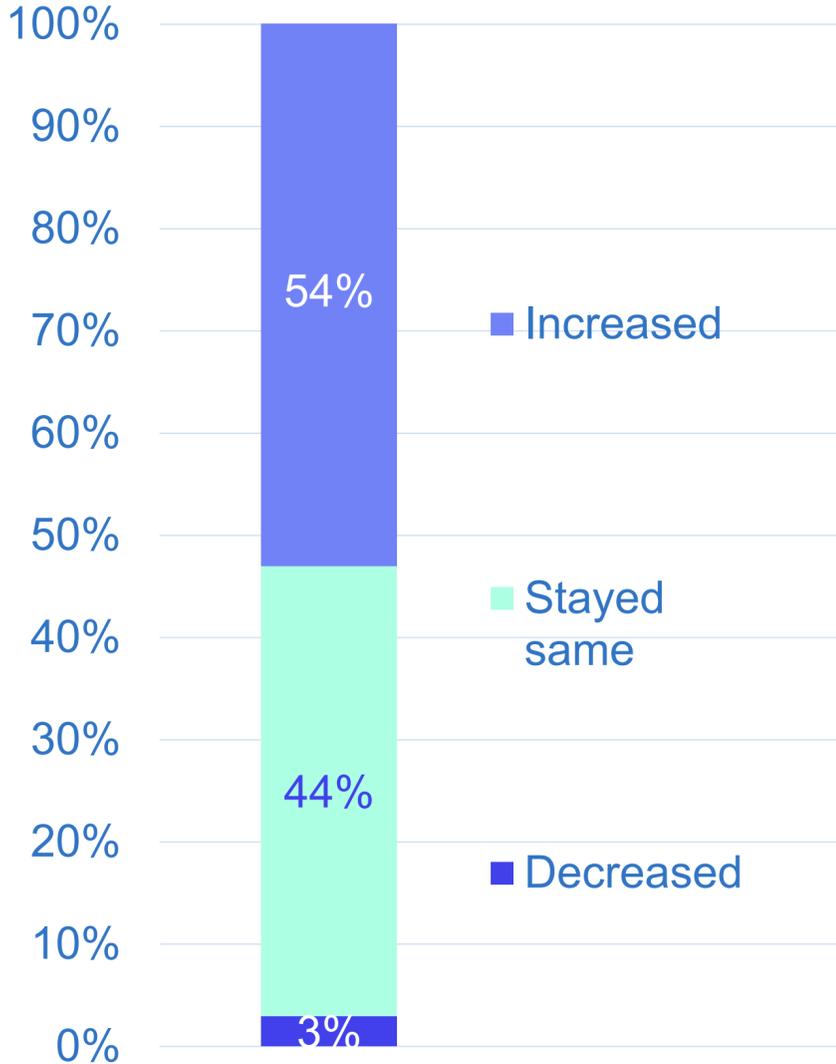
(Base: All respondents = 200)

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 2024?

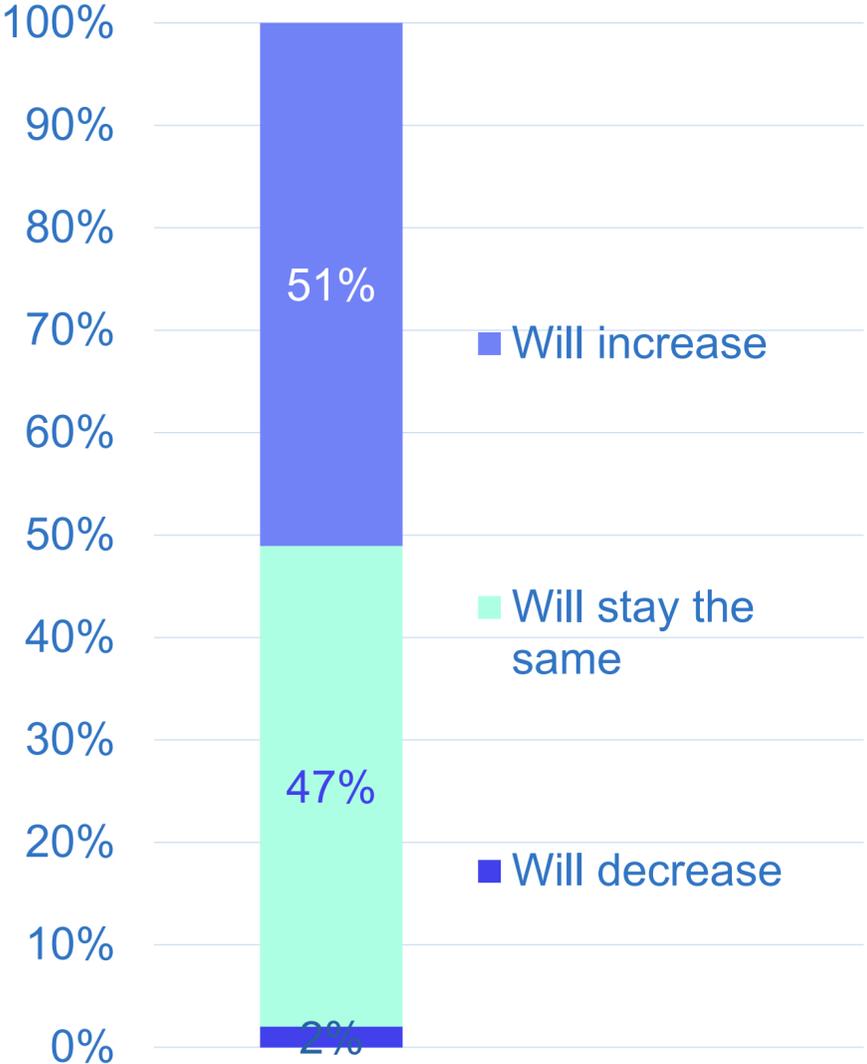
Q12. In the next 3-month period (Jan – Mar 2026), do you expect the cost of raw materials to increase, decrease or stay the same compared with the last 3 months?

Pricing of Projects Last 3 Months v Next 3 Months

Pricing of Projects last 3 months YOY



Pricing of Projects next 3 months



54%

acknowledge an increase in the pricing of projects compared with the same period in 2024

51%

expect the prices charged to increase in Q1 2026

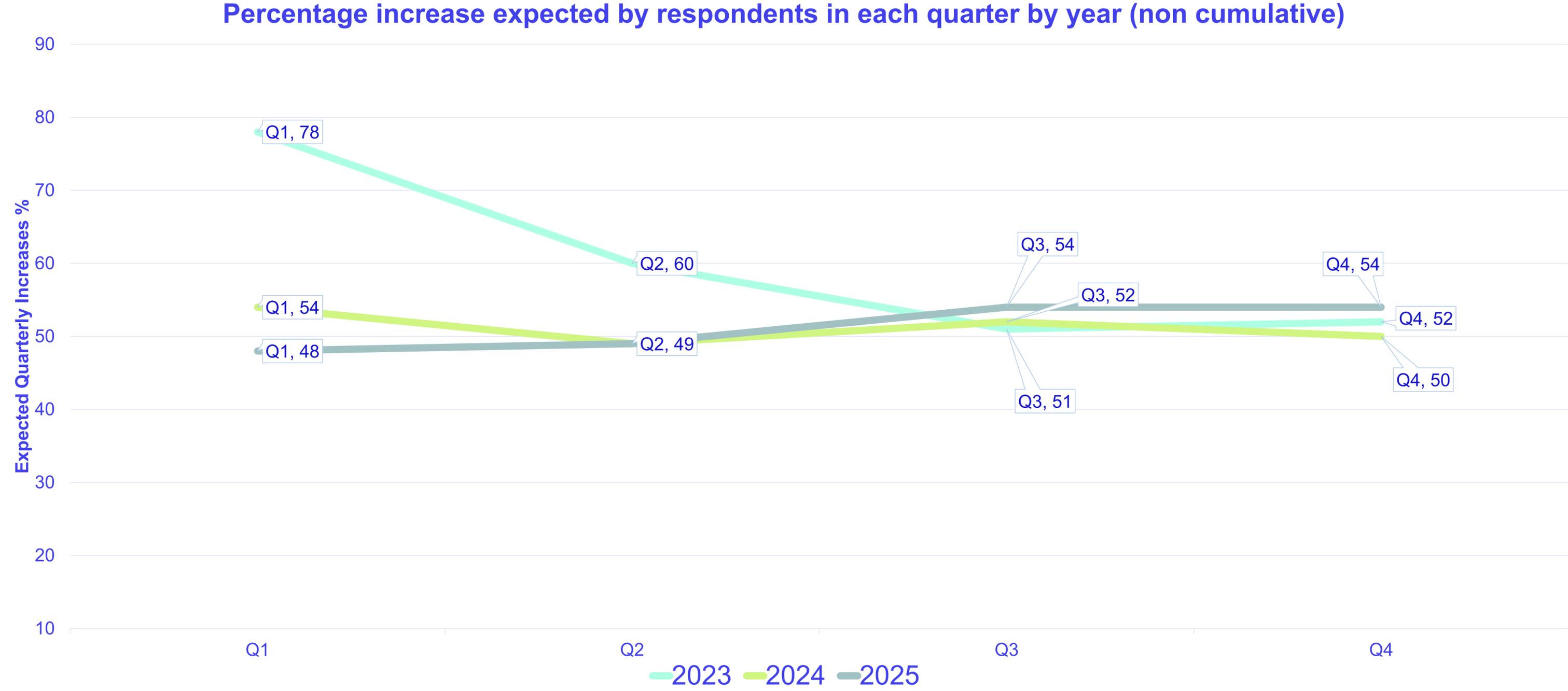
A YOY increase in the pricing of projects has been experienced for a significant number of companies across all sectors. The YOY increase in pricing appears more marked amongst companies with a turnover of €300k to €4.5M+. This trend appears likely to continue in Q1 2026.

(Base: All respondents = 200)

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 2024?

Q14. In the next 3-month period (Jan – Mar 2026), do you expect the price you charge for goods and services for your company to increase, decrease or stay the same compared with the last 3 months?

Expected Pricing Growth by Quarter (Survey Results)

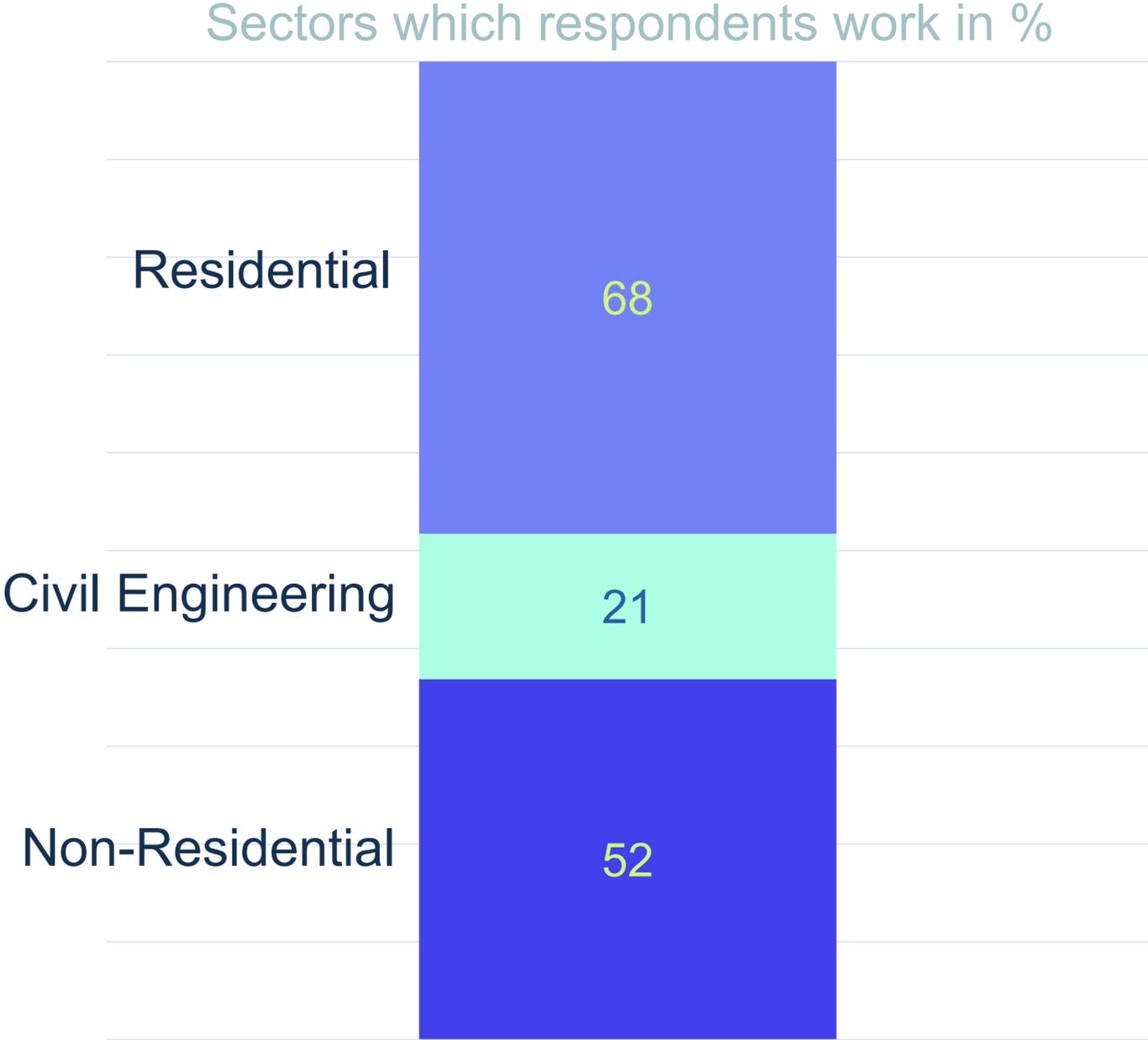


Each data point reflects respondents' expected percentage increase for that quarter only; values do not compound across quarters.

Sectoral Activity

The background features a series of overlapping, semi-transparent geometric shapes, primarily triangles and polygons, in various shades of blue and teal. The shapes are layered, creating a sense of depth and movement. The colors range from a light, airy teal to a deep, dark navy blue. The overall composition is modern and abstract, with sharp lines and clean edges.

Which sectors do companies currently work in? (Percentage)



(Base: All respondents = 200)

Q16. Which of the following sectors does your company work in? Note: tick all that apply.

There continues to be notable overlap between companies working across different sectors.

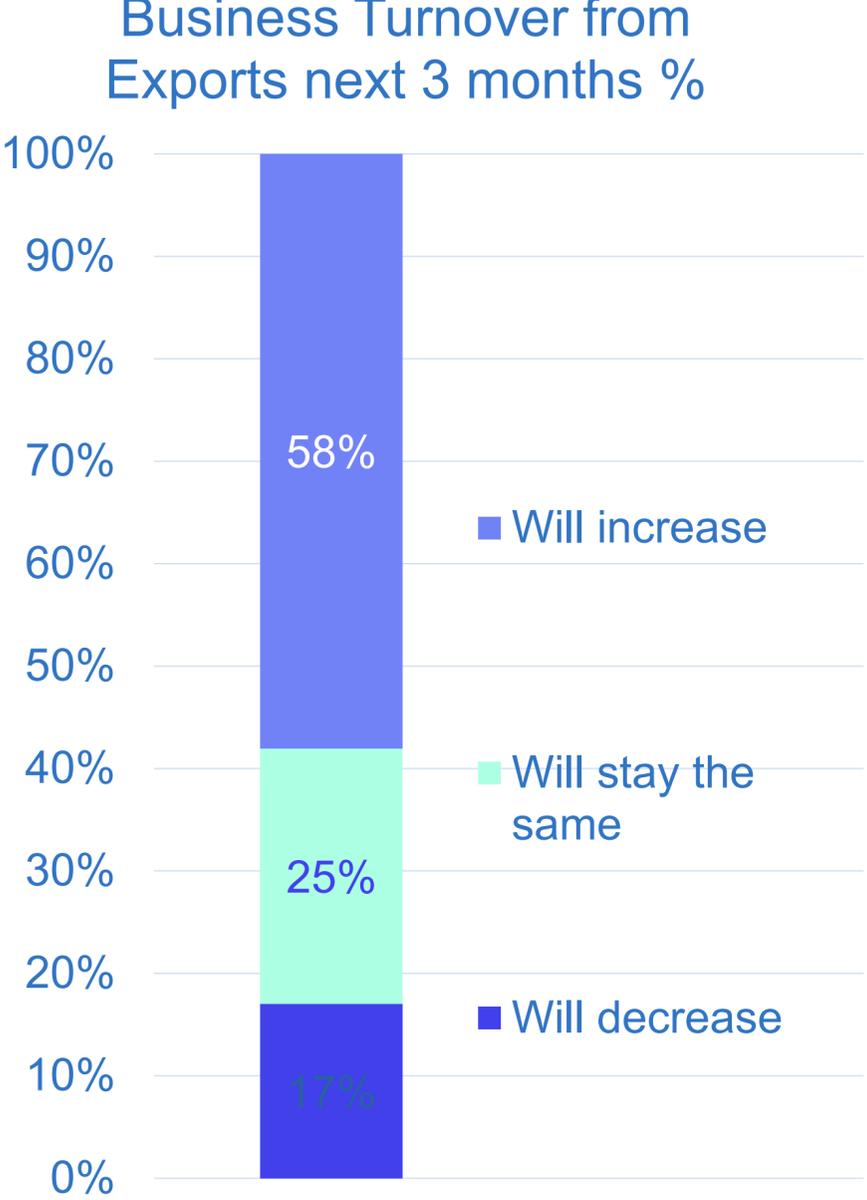
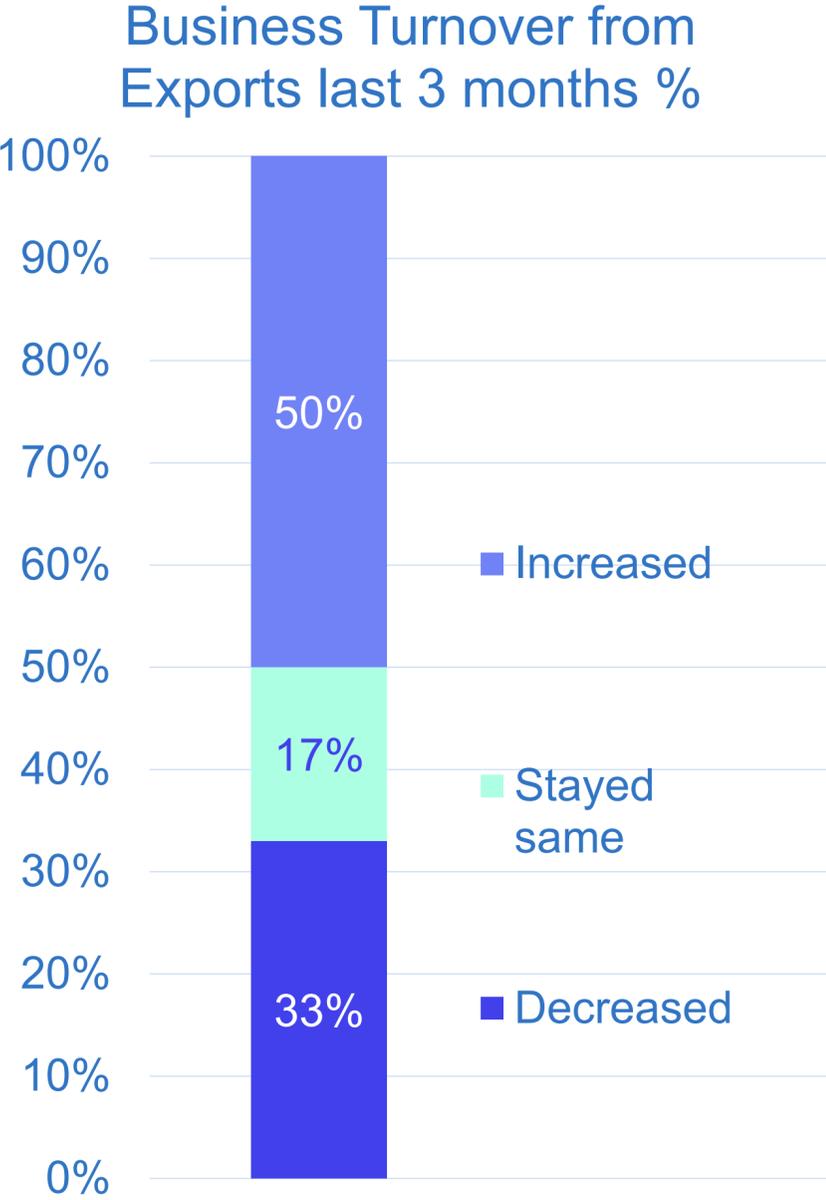
General Building Contractors and Specialist Contractors operate quite evenly across a residential and non-residential.

Which sectors do companies work in?				
Sector	General Contracting	Civil Engineering / Infrastructure	Home Building	Specialist Contracting
Residential	69%	26%	100%	51%
Non-Residential	65%	26%	9%	89%
Civil Engineering	13%	91%	5%	17%

Exporting Construction Services



Total Business Turnover generated from Exports



50%

Report a YOY increase in business turnover from exports

58%

expect turnover from exports to increase in Q1 2026

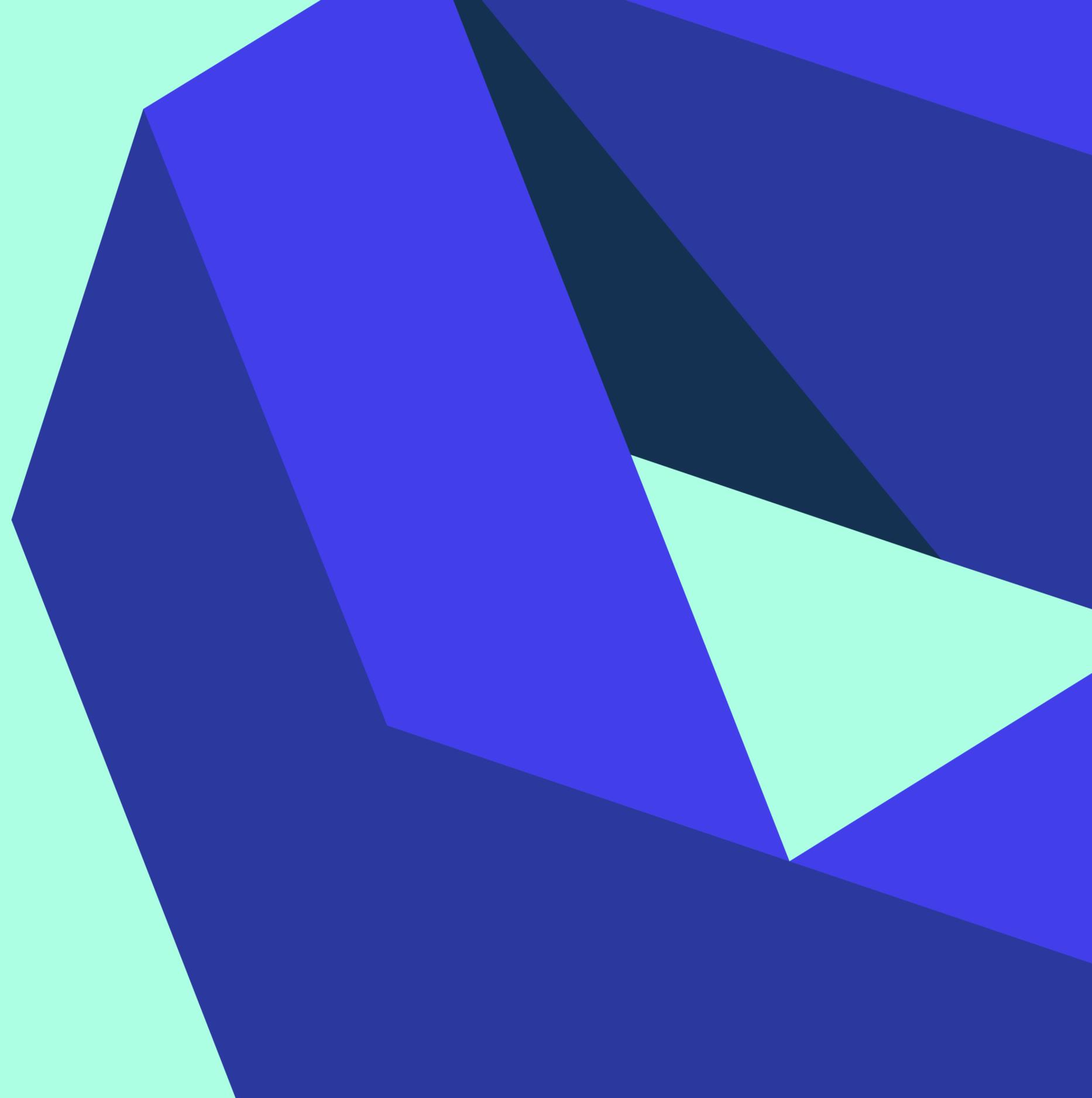
Data Centres, Pharmaceutical Plants, Roads and Transport and Healthcare were the most common projects delivered internationally in 2025 and will continue to be in 2026.

Approximately 1 in 4 larger companies (€9M+) are exporting.

Q18. Over the last 3 months, has the total business turnover for your company generated from exports increased, decreased or stayed the same compared with the same period in 2024?

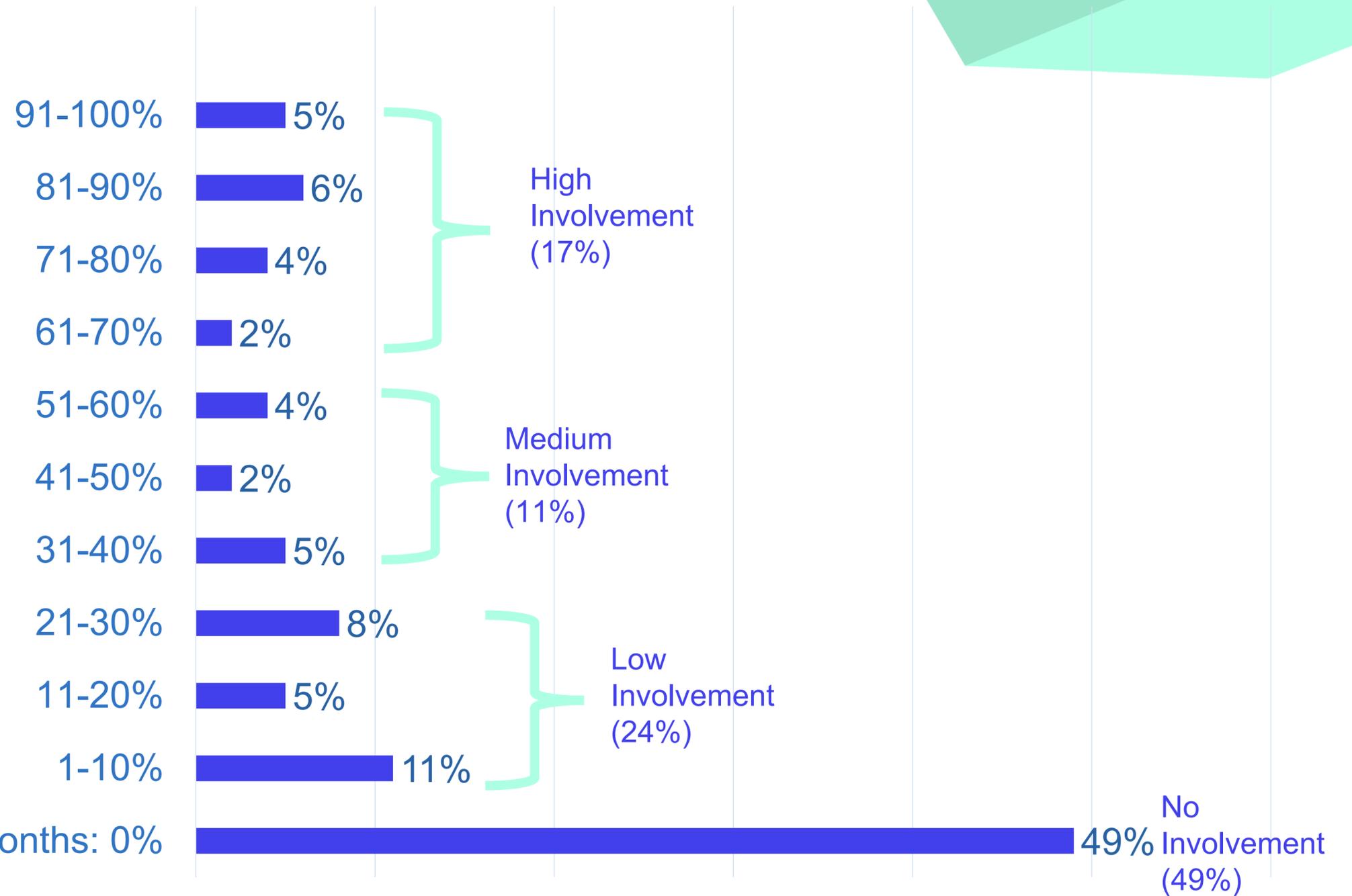
Q20. Over the next 3 months (Jan - Mar 2026), do you expect the total business turnover for your company generated from exports to increase, decrease or stay the same compared with Q4?

Public Works Contracts



Public Works Contracts as a % of Turnover Q4 2025

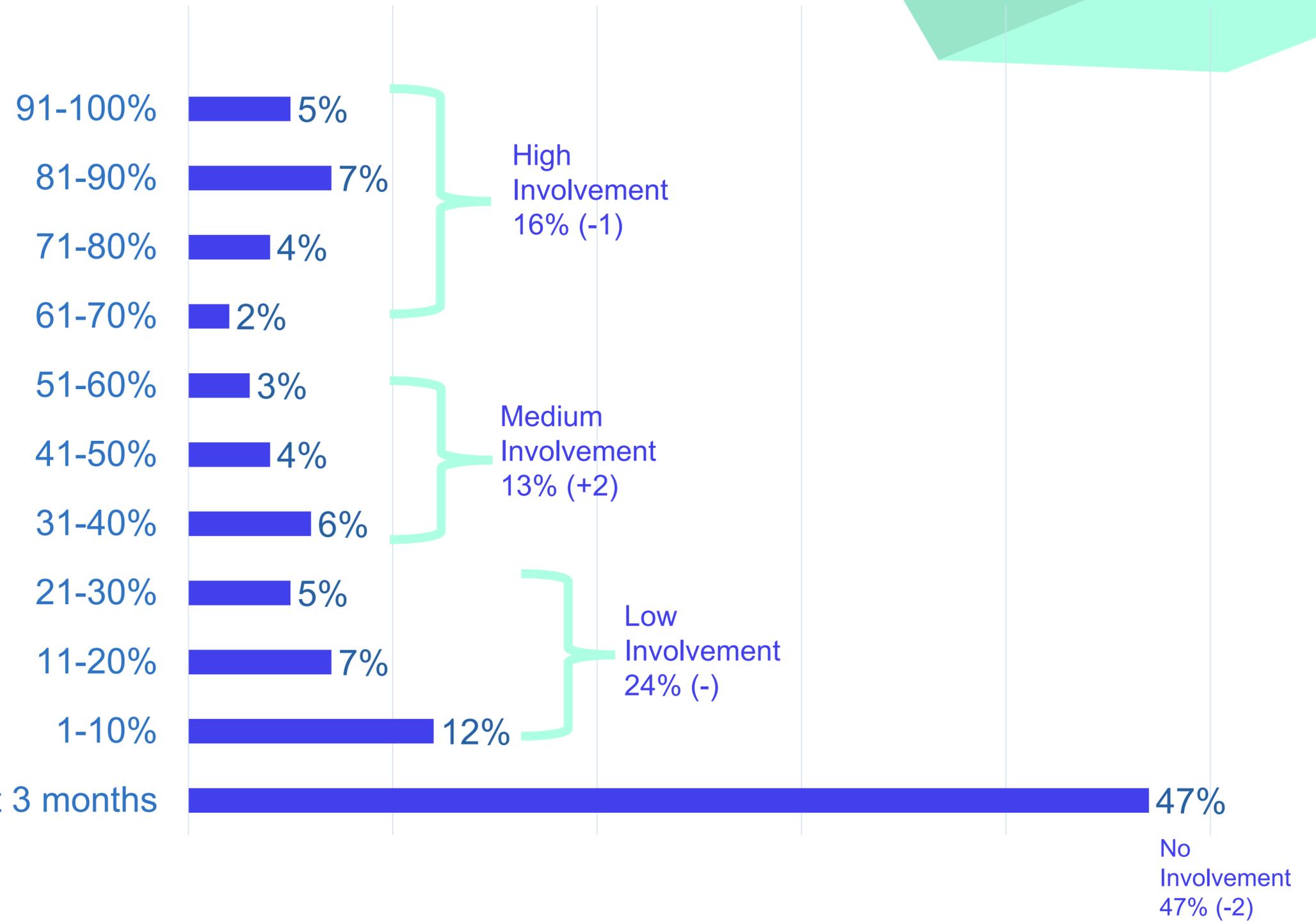
73% of companies had no/low involvement in Public Works Contracts in Q4 2025



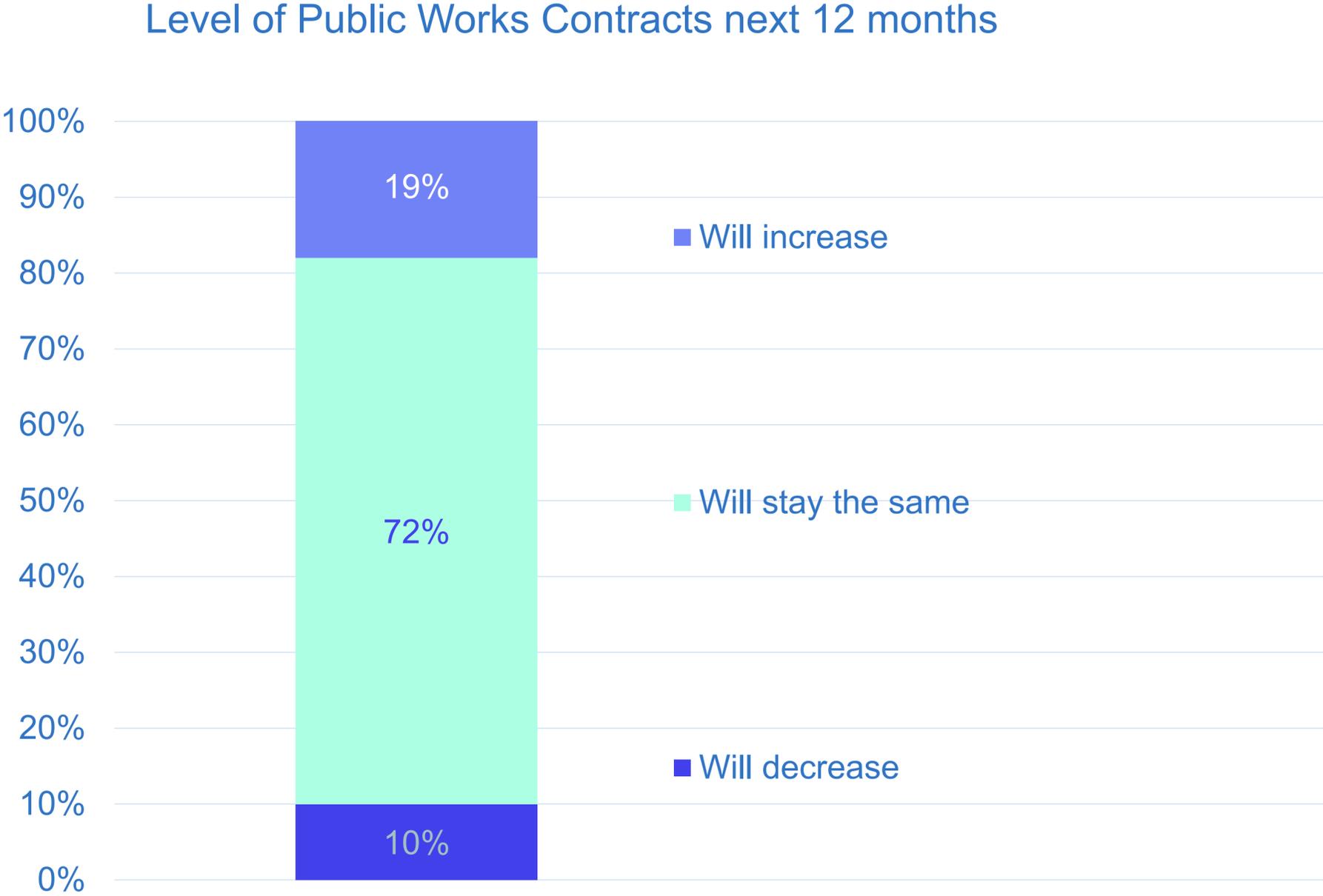
Public Works Contracts projected as a % of Turnover Q1 2026

We can see this trend continuing into Q1 2026 with 71% of companies expecting no / low involvement in Public Works Contracts

Will not carry out any public works in the next 3 months 47%



Expected level of Public Works Contracts in the next 12 months



19%

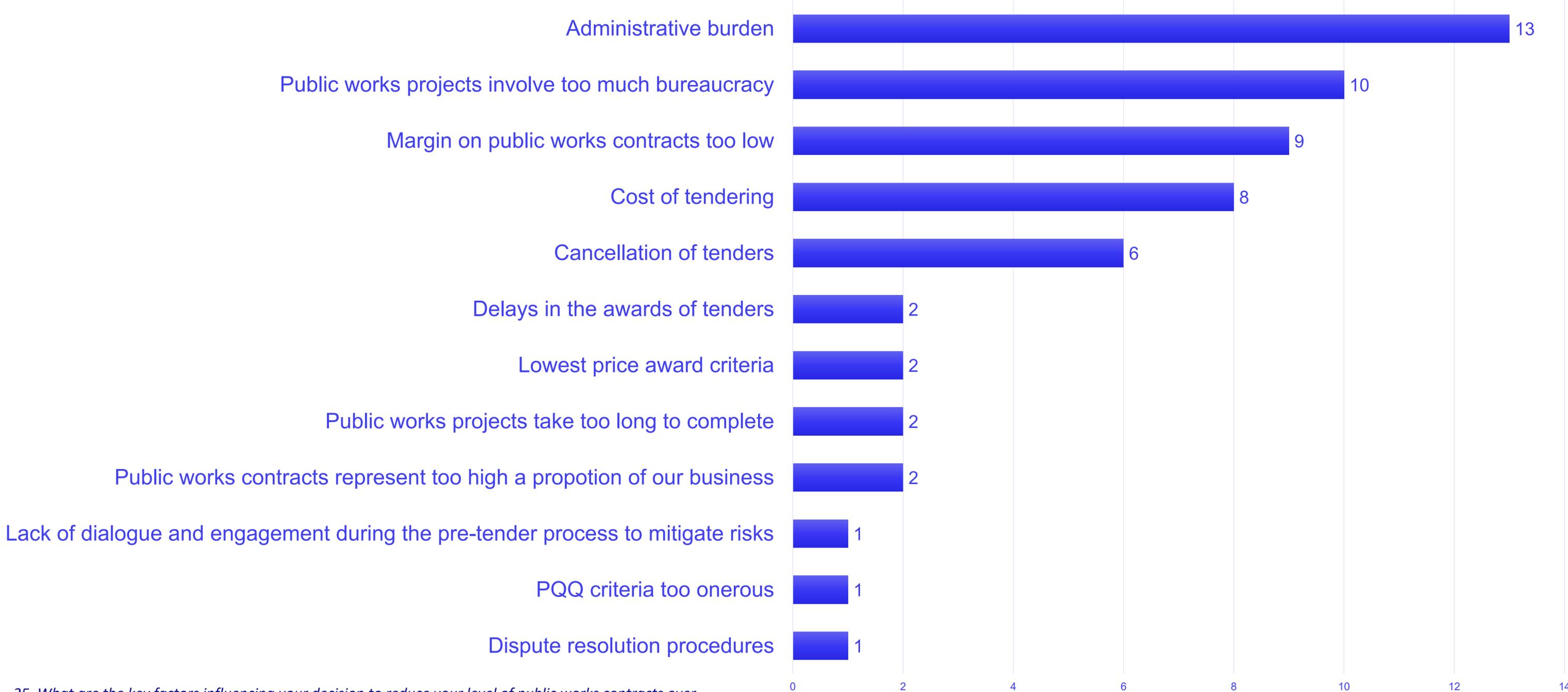
of companies expect the level of their involvement in Public Works Contracts to increase in the next 12 months, of which: 22% General Contracting, 17% Civil Engineering, 9% Home Building, 22% Specialist Contracting

The administrative burden, bureaucracy, and the low margin on public works contracts are the biggest issues for those expecting to reduce PWC in the next 12 months.

(Base: All respondents = 200)

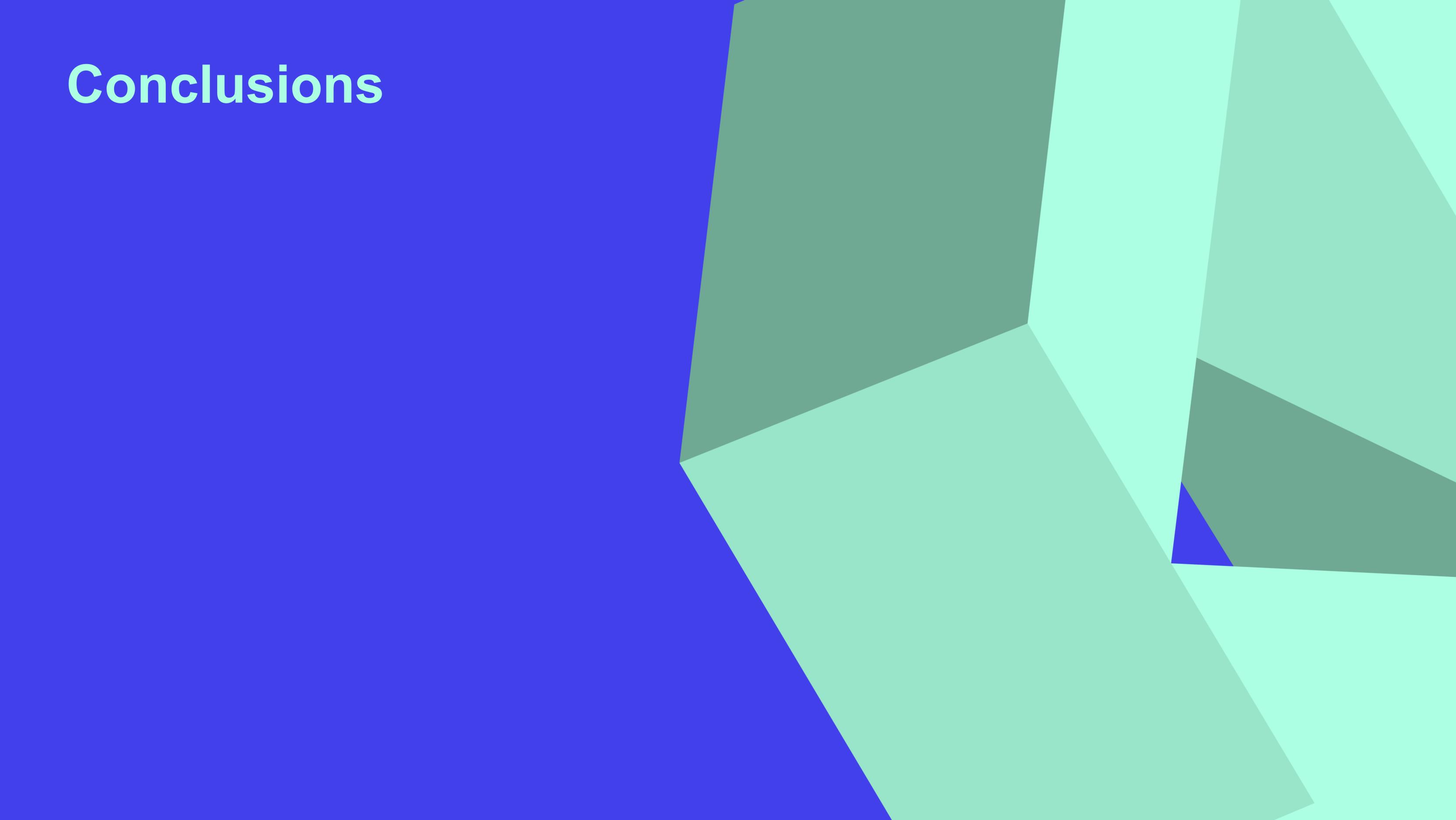
Q24. Do you expect the level of Public Works Contracts on your order book to increase, decrease, or stay the same over the next 12 months?

Key Factors Influencing Reduction in Public Works Contracts for 10% of companies surveyed (raw numbers)



25. What are the key factors influencing your decision to reduce your level of public works contracts over the next 12 months?

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 cyan, creating a layered, abstract effect.

Conclusions

Construction Outlook Survey Q1 2026

- ▶ **Q4 2025 Momentum:** Residential and Non-Residential sectors dominated activity (68% and 52% respectively). Specialist Contracting outperformed on YOY turnover and new order revenue.
- ▶ **Diverging Forecasts:** While General Building and Specialist Contracting expect a strong Q1, Civil Engineering faces headwinds with 43% anticipating order volume decreases.
- ▶ **Significant YOY price increases** persist, most notably among companies with €300k - €4.5m turnover.
- ▶ **Employment levels:** rose in Q4, particularly in large-scale firms (€9m+). Broad-based growth is anticipated for Q1 2026.
- ▶ **Exports remain a growing contributor:** 50% of companies reported a YOY increase in export turnover in Q4 2025, and 58% expect export gains in Q1 2026. Around **one in four larger companies (€9M+)** are currently exporting.
- ▶ **International project demand:** concentrated in Data Centres, Pharmaceutical Plants, Roads and Transport and Healthcare.
- ▶ **Engagement with Public Works Contracts (PWC):** remains limited. **73% of companies reported no or low involvement in Q4**, with 71% expecting no or low involvement in Q1 2026.
- ▶ Despite this, **19% of companies expect their PWC involvement to increase over the next 12 months.** For those anticipating reduced involvement, **the administrative burden, bureaucracy, and the low margin on public works contracts** are cited as the primary challenges.

Conclusions

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29%

of companies report a YOY revenue increase from new orders in Q4 2025

26%

of companies report a YOY increase in the total number of people they employ in Q4 2025

25%

of companies anticipate turnover will increase in Q1 2026

28%

of companies expect revenue from new orders to continue to increase into Q1 2026 with 42% expecting no change

23%

of companies also expect to employ more staff in the coming months, with 60% expecting no change

Conclusions

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of companies report a YOY increase in the cost of raw materials in Q4 2025

54%

acknowledge an increase in the pricing of projects compared with the same period in 2024

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expect the cost of raw materials to continue to increase in Q1 2026

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Thank You

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