



**CONSTRUCTION
INDUSTRY
FEDERATION**

CIF Construction Outlook Survey

Quarter 2 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 (Q1 2026) and the likely future performance of the sector in the next 3-month period (Q2 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

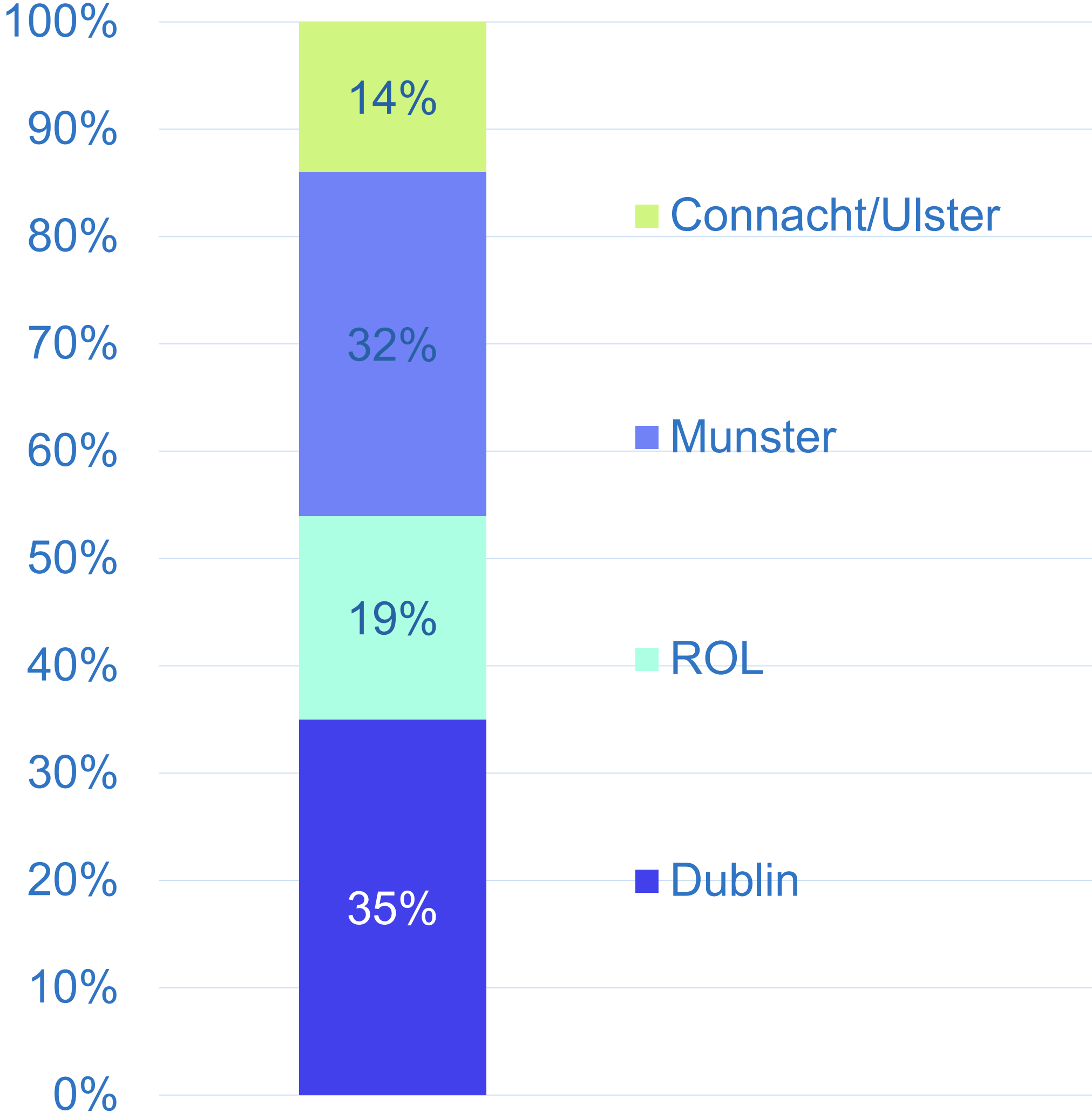
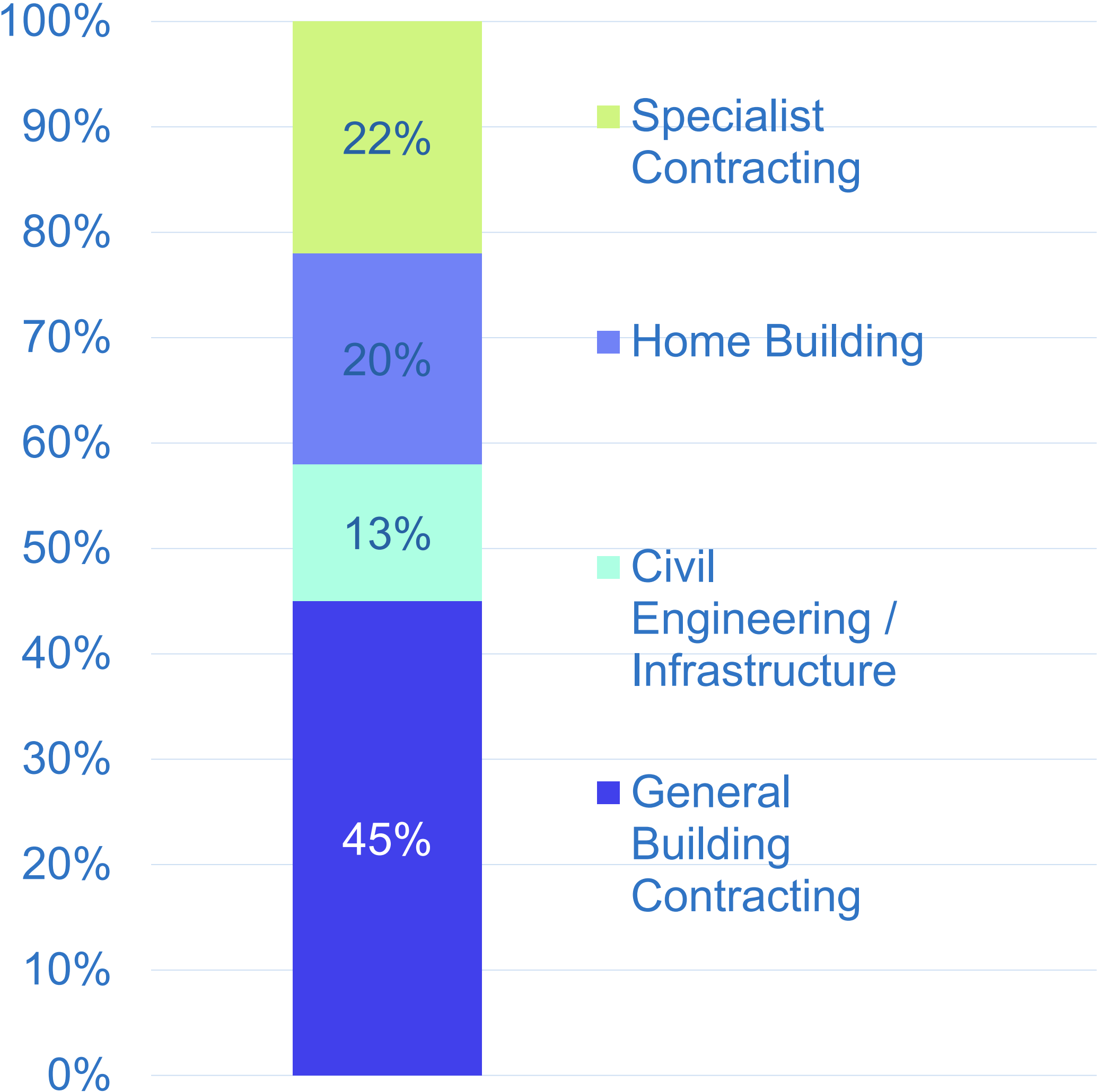
Methodology

- **Research was conducted via an online survey with CIF members**
- **A sample of 138 companies was achieved which delivers a margin of error of approximately (+ or – 8.5%)**
- **All surveys were conducted between 16th – 30th April 2026**

Key Findings

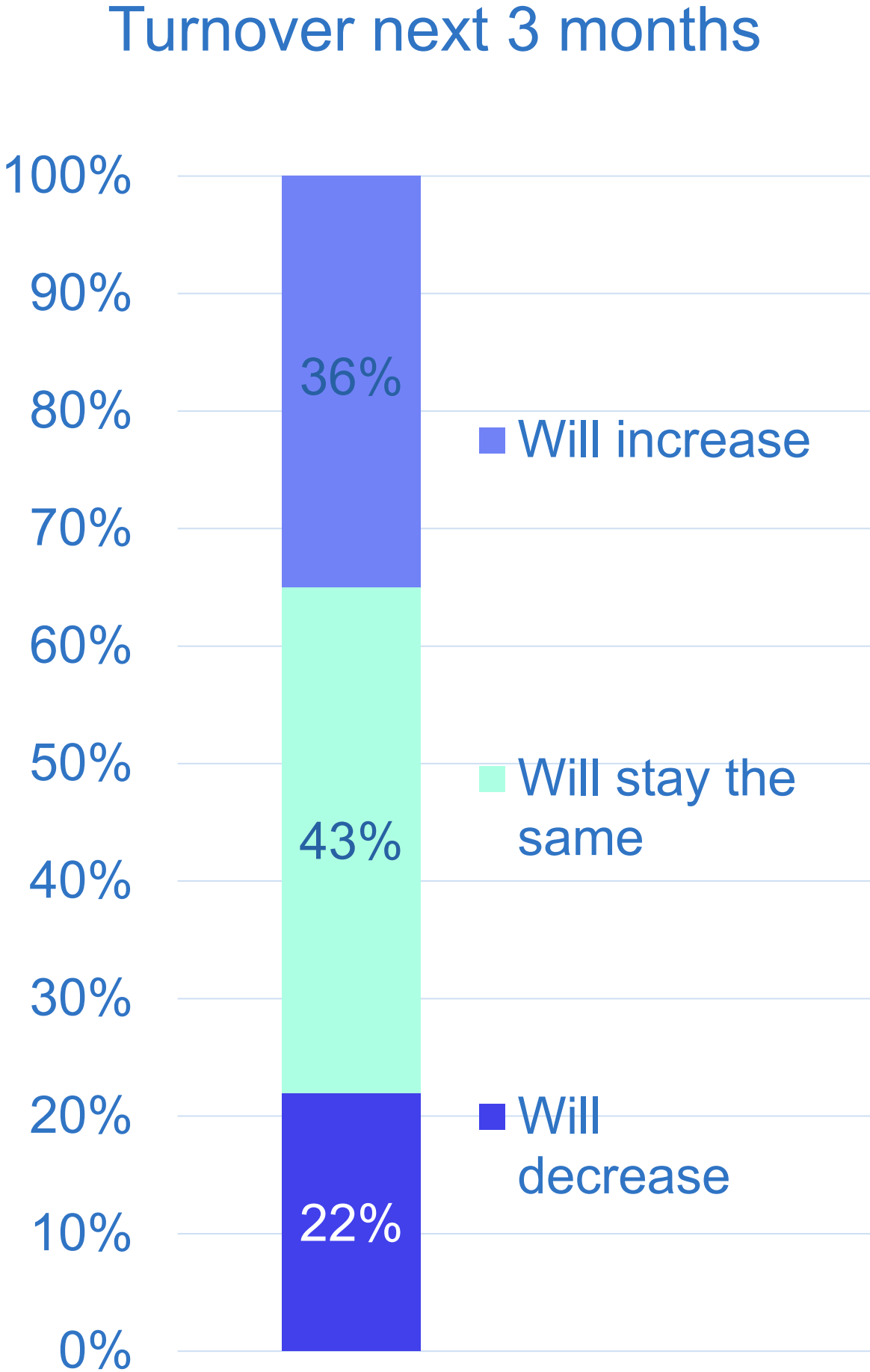
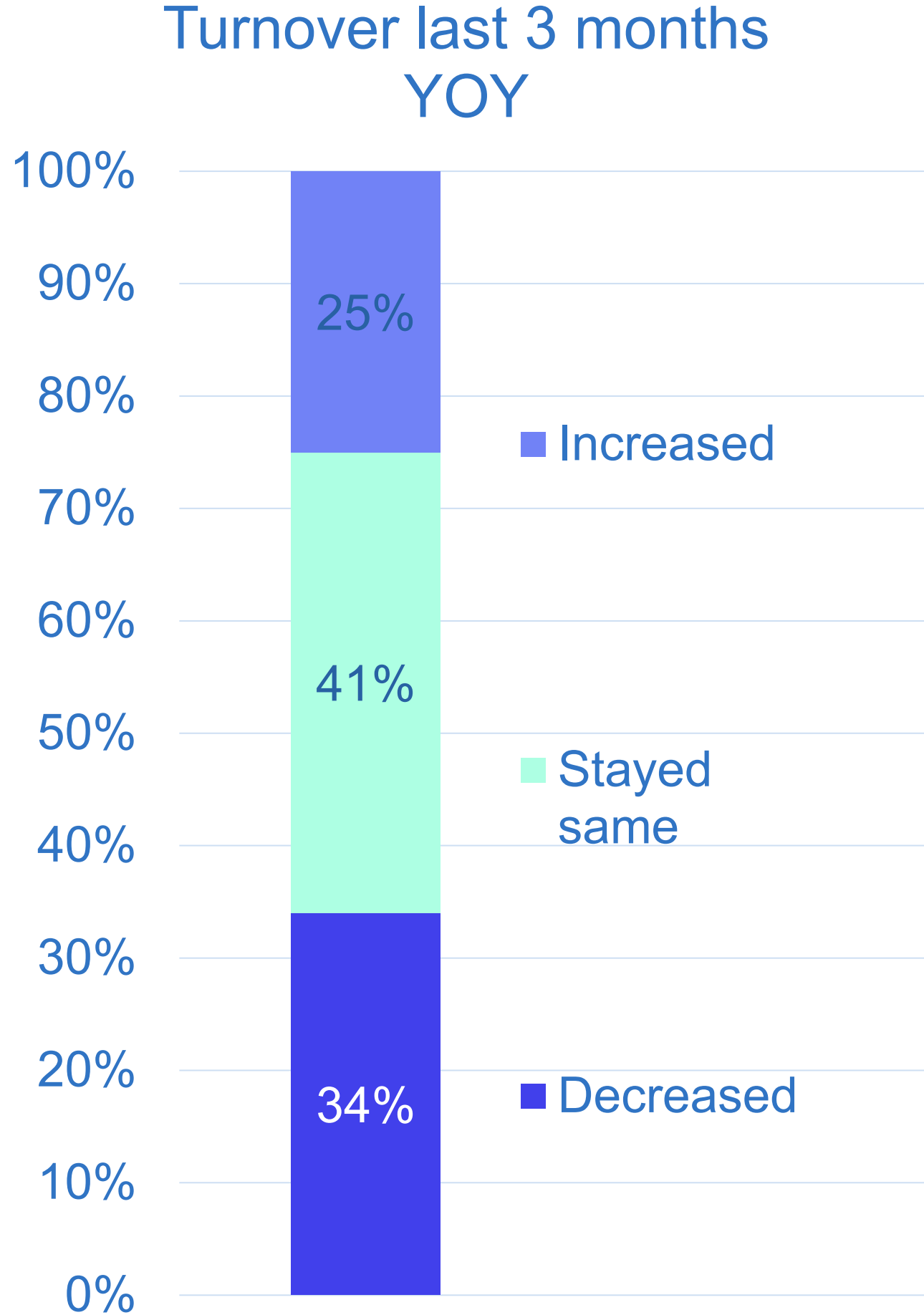
The background features a solid blue area on the left side. On the right, there are several overlapping, semi-transparent geometric shapes in various shades of green and teal, creating a layered, abstract effect.

Sample Breakdown by Company Category



(Base: All respondents = 138)

Business Turnover Last 3 Months v Next 3 Months



25%

of companies report a YOY increase in turnover in Q1 2026

36%

of companies anticipate turnover will increase in Q2 2026

Home Building and Civil Engineering experienced the largest year-on-year increase in turnover in Q1 2026, with the rise more pronounced among smaller companies.

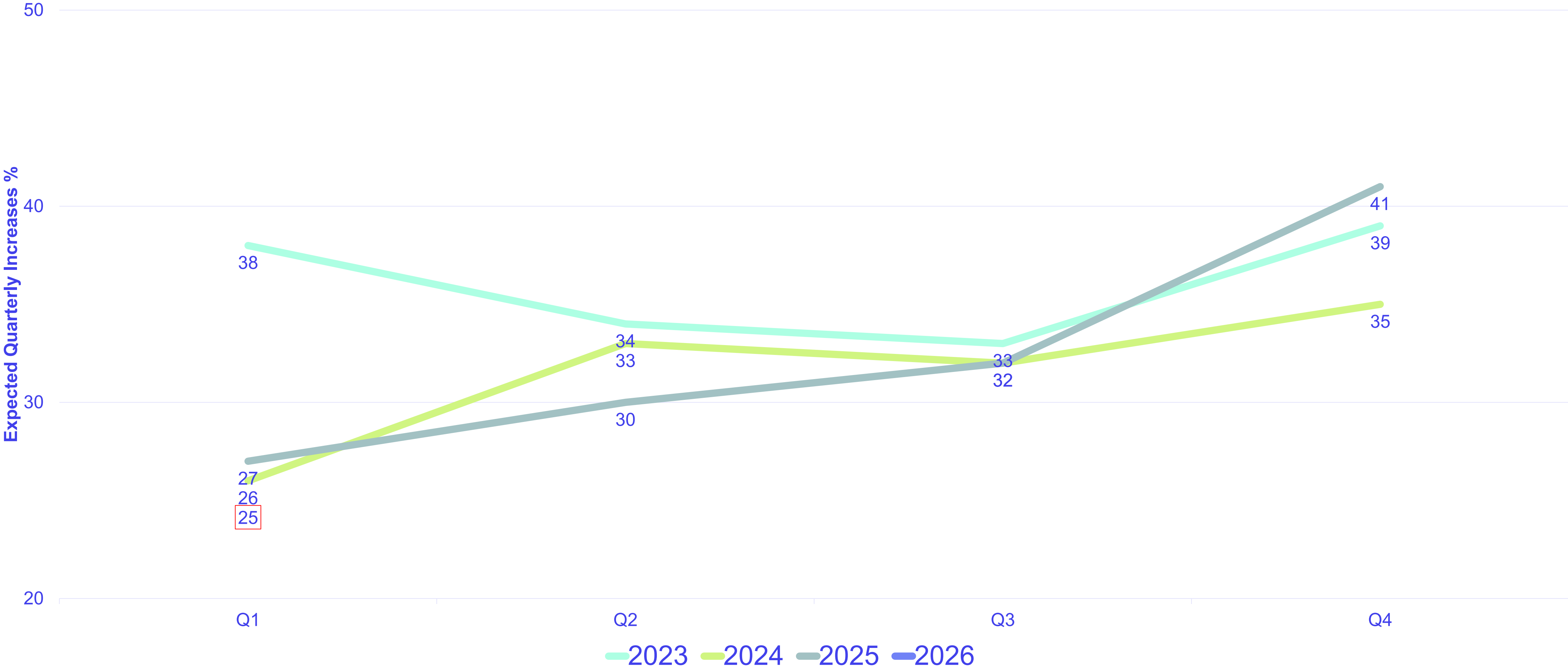
(Base: All respondents = 138)

Q3. In the last 3 months (Jan–Mar 2026) has the total business turnover for your company increased, decreased or stayed the same compared with the same period in 2025?

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

Business Turnover Growth by Quarter (Survey Results)

Percentage increase 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

28%

of companies report a YOY revenue increase from new orders in Q1 2026

32%

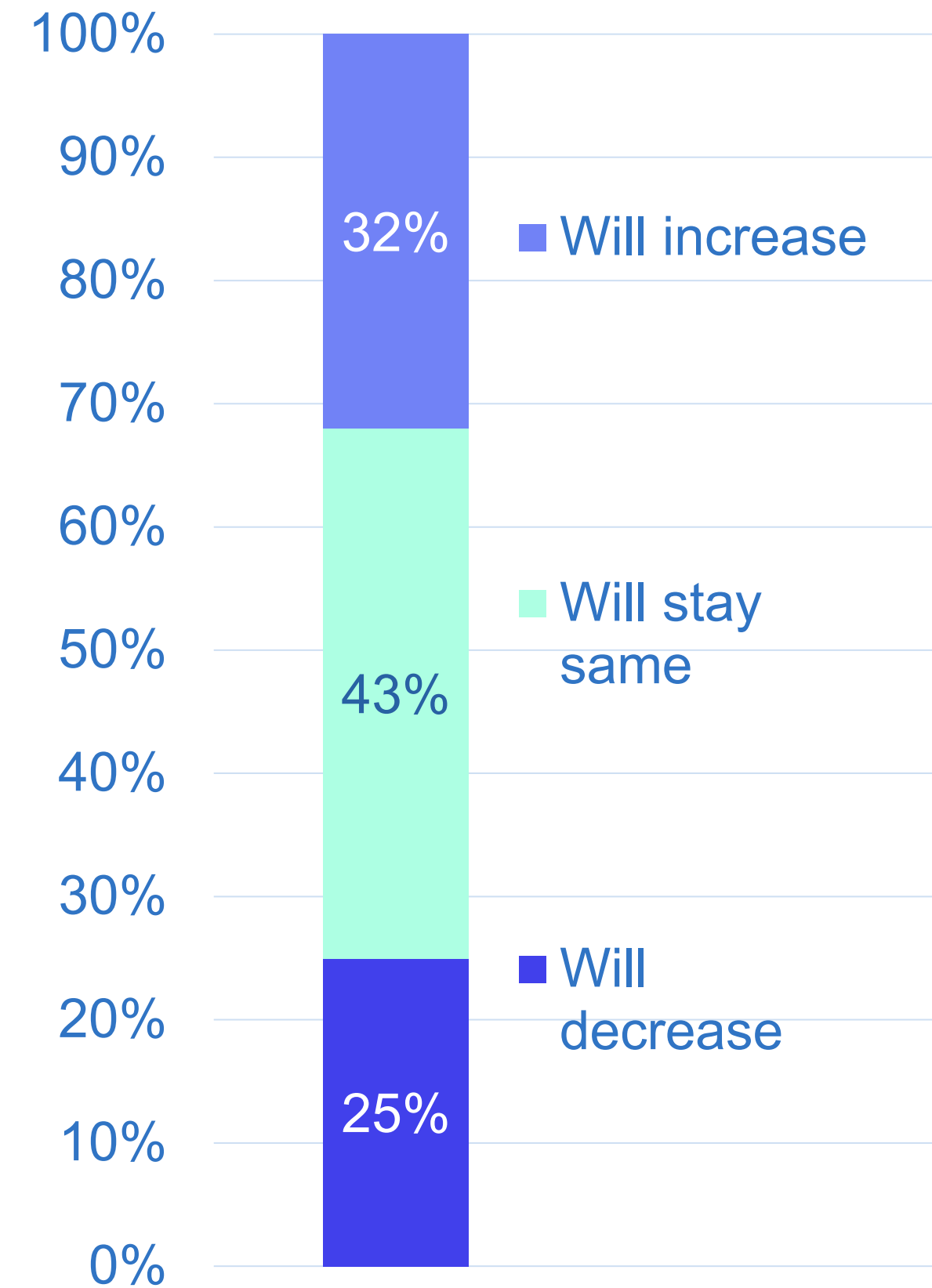
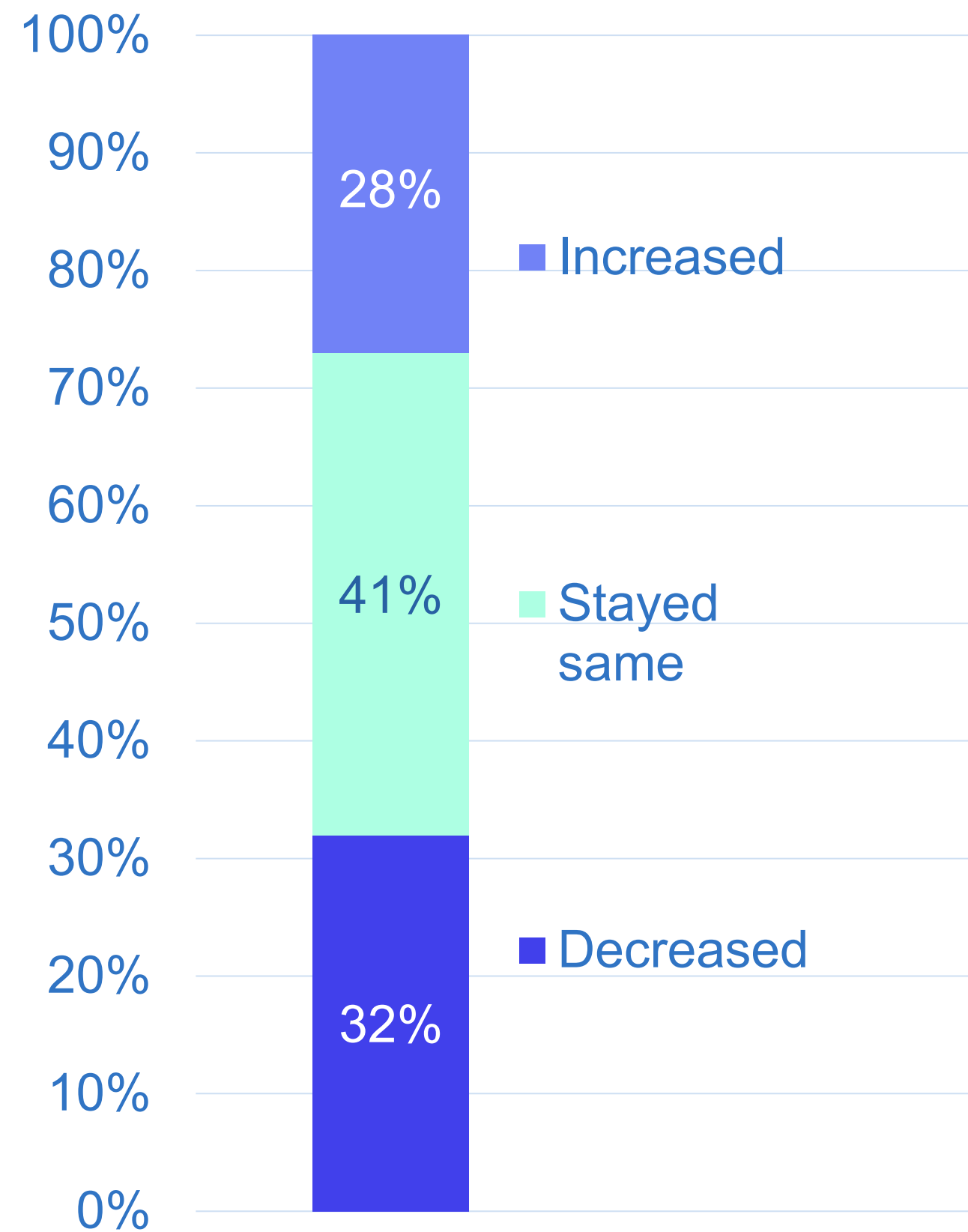
of companies expect revenue from new orders to increase in Q2 2026

New orders were broadly flat to slightly negative over the past three months, but expectations are more positive for the next quarter, with overall increases anticipated.

Over the next three months, new orders are expected to increase overall, with growth strongest in Specialist Contracting and Civil Engineering, while Home Building remains largely stable.

New Orders last 3 months
YOY

New Orders next 3
months



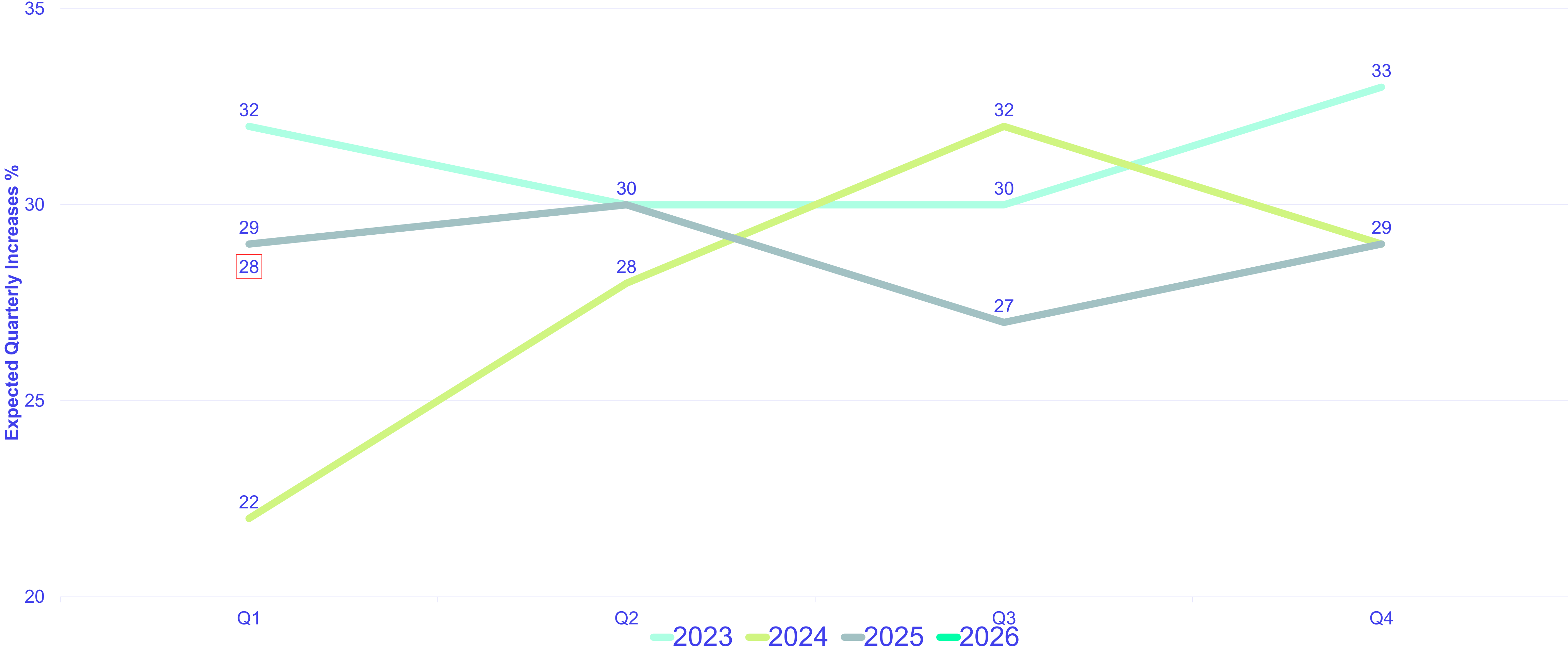
(Base: All respondents = 138)

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 2025?

Q6. In the next 3-month period (Apr-Jun 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?

New-Order Growth by Quarter (Survey Results)

Percentage increase in each quarter by year (non cumulative)



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Employment Last 3 Months v Next 3 Months

22%

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

22%

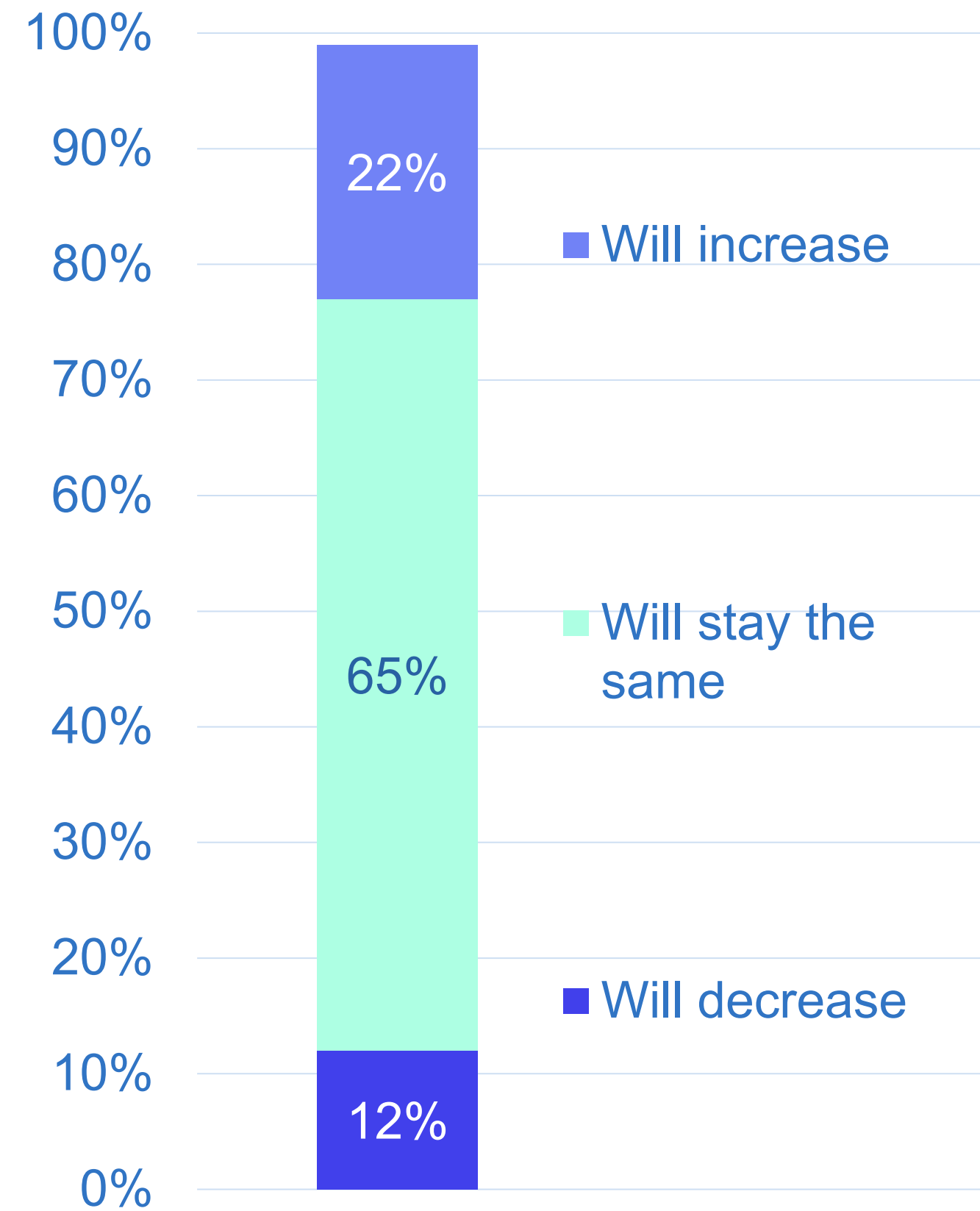
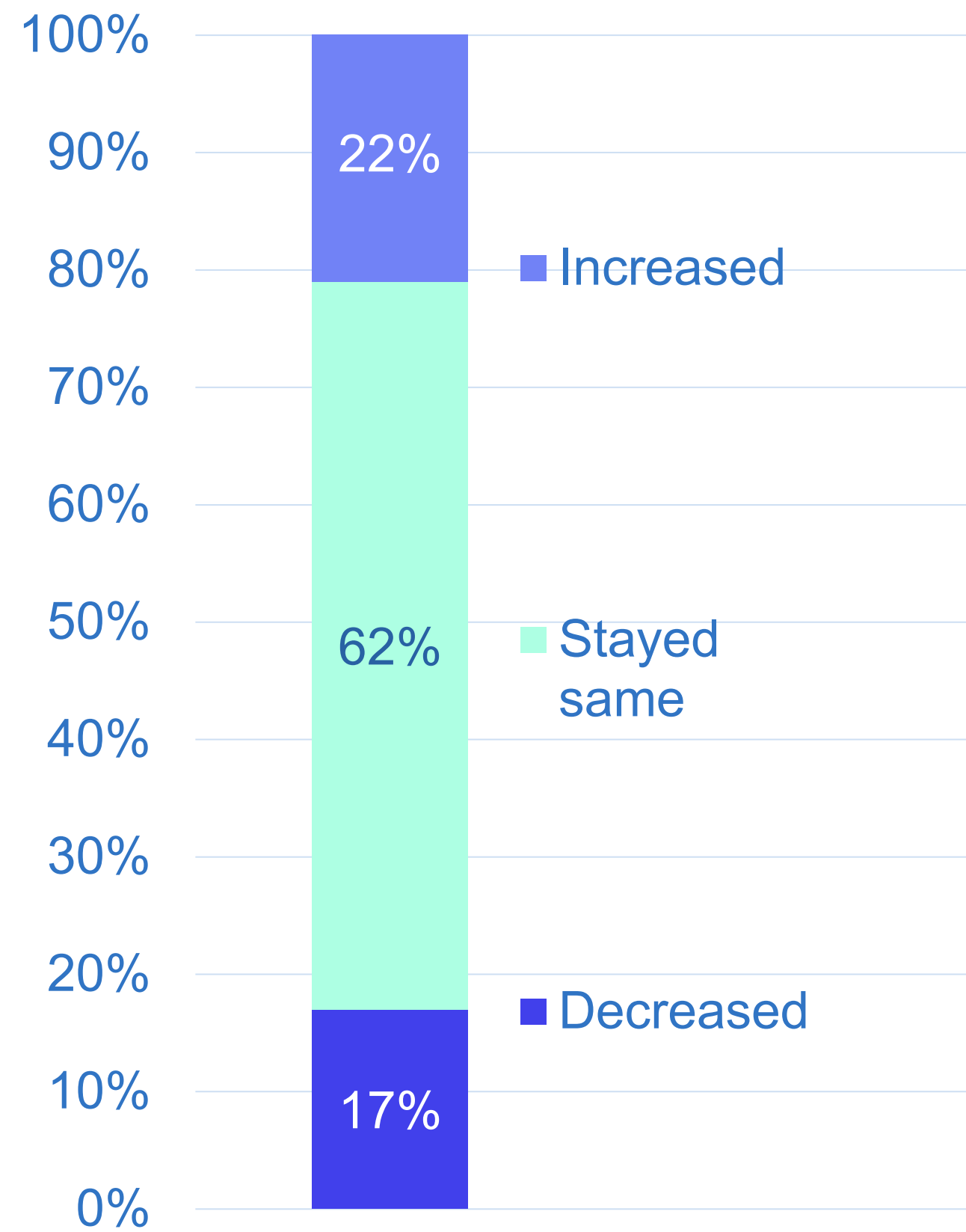
of companies also expect to employ more staff in the coming months, with 65% expecting no change

Employment was broadly stable over the past three months, with most firms reporting no change despite a slight net increase overall. Looking ahead, employment is expected to remain largely steady, with modest growth anticipated, particularly in Specialist Contracting.

Employment was largely stable across all firm sizes with a slight uplift overall and stronger growth among the largest firms. Looking ahead, employment is expected to remain broadly steady, with modest increases, though larger mid-sized firms show some risk of declines

Employment last 3 months
YOY

Employment next 3 months

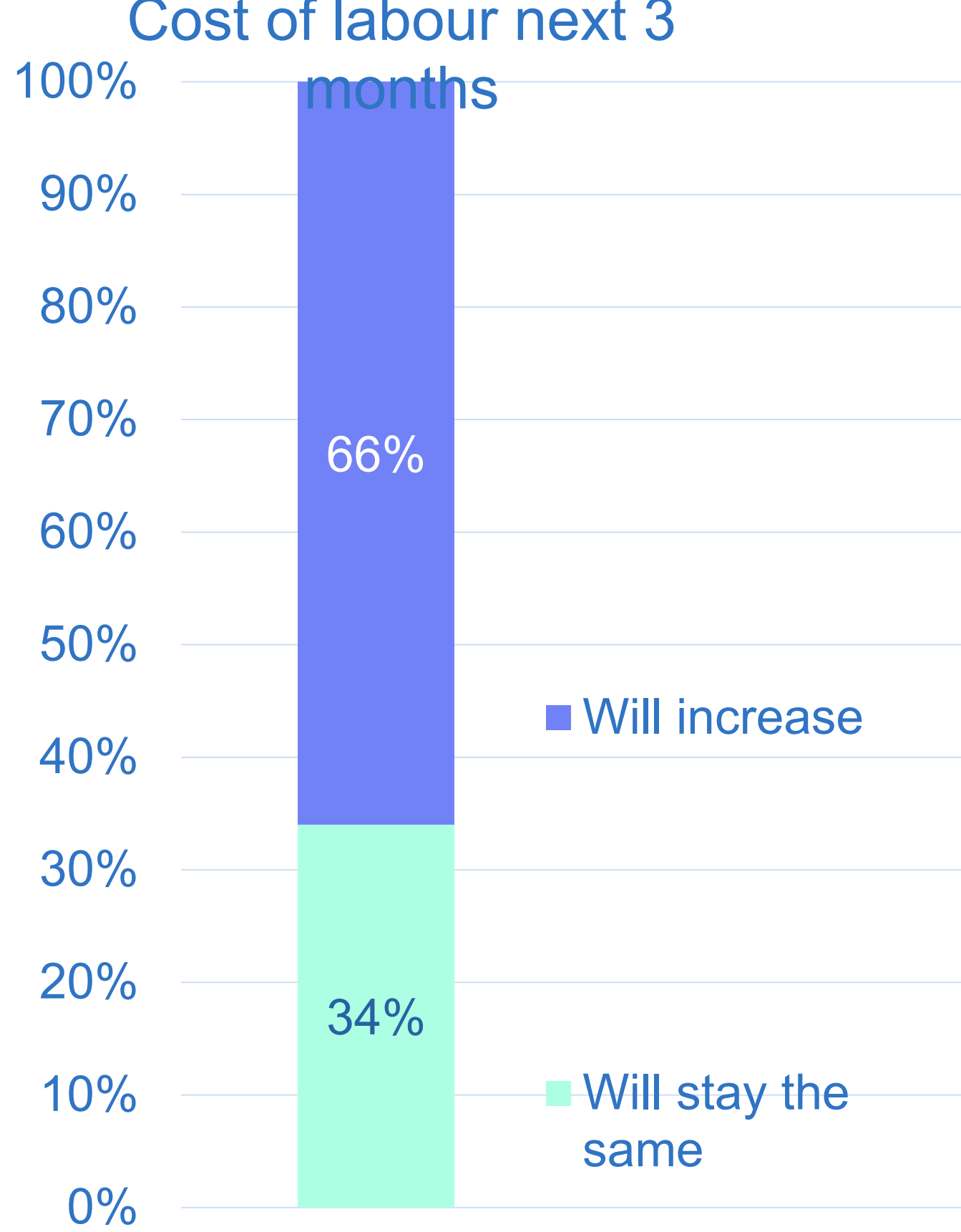
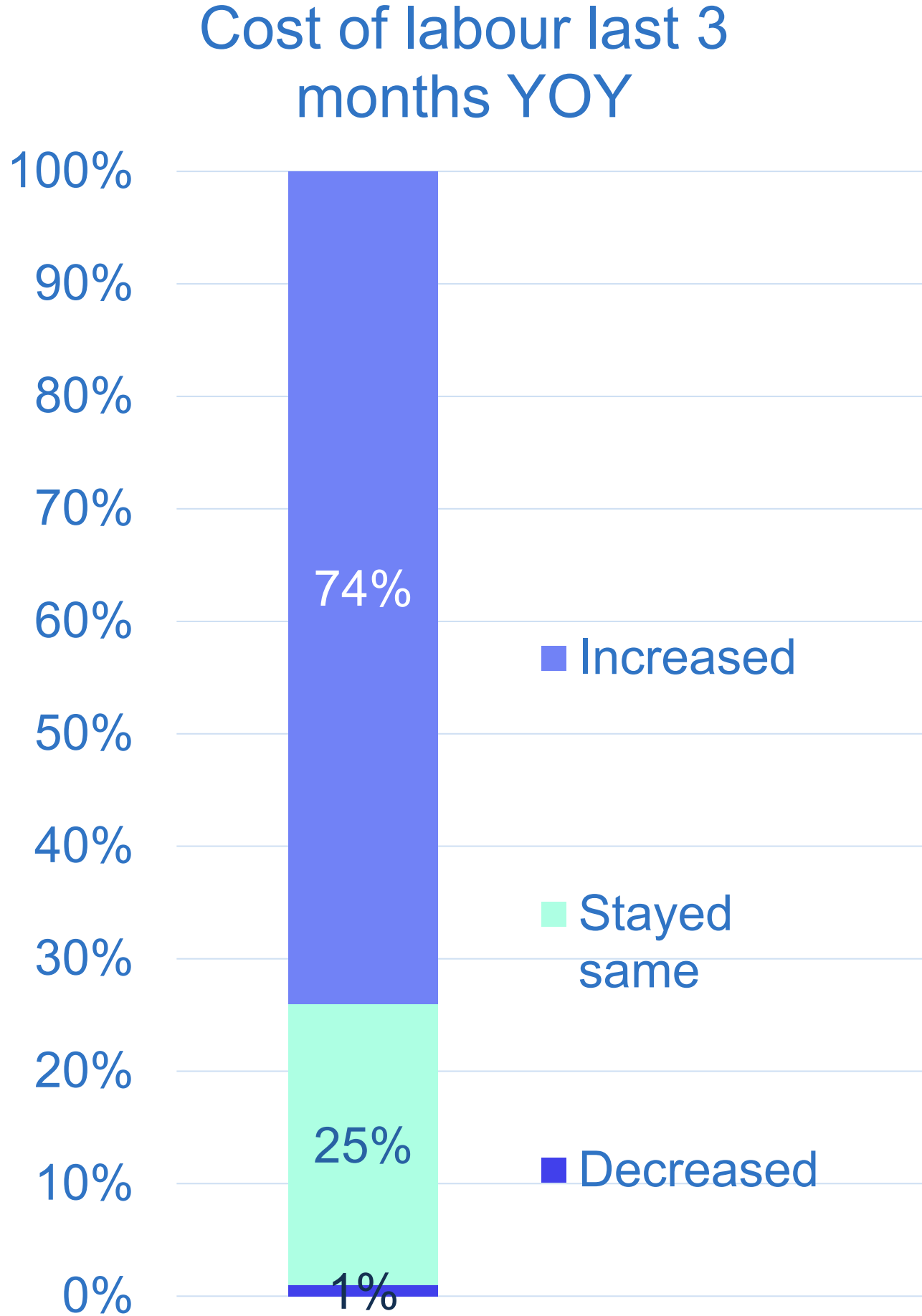


(Base: All respondents = 138)

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 2025?

Q8. In the next 3-month period (Apr-Jun 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



74%

of companies acknowledged an increase in the cost of labour YOY in Q1 2026

66%

of companies expect the cost of labour to continue to increase in Q2

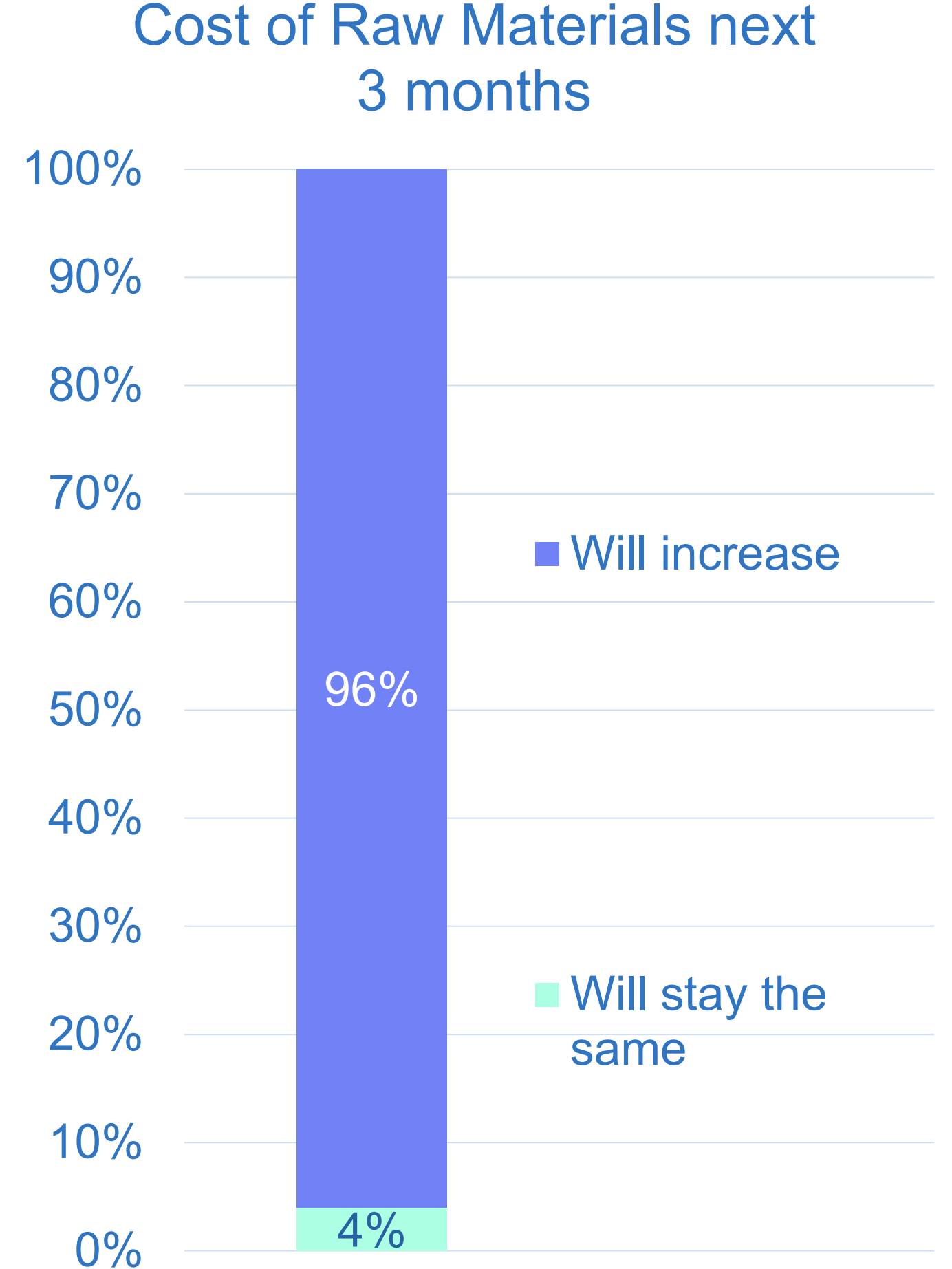
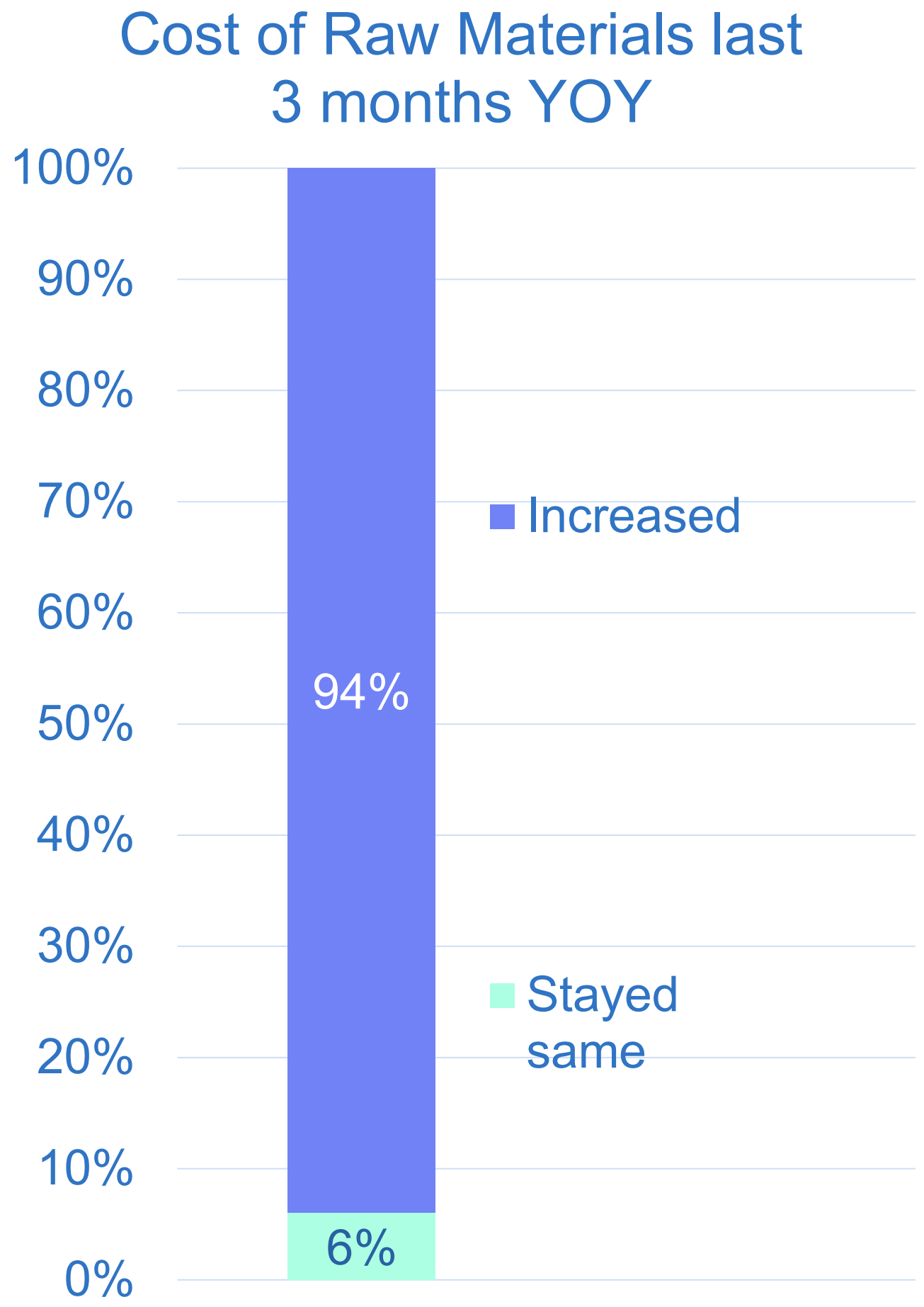
Labour costs rose sharply over the past three months across all sectors, with increases reported by a large majority of firms. Looking ahead, cost pressures are expected to remain elevated, with continued widespread increases anticipated, especially among mid- to large-sized firms.

(Base: All respondents = 138)

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 2025?

Q10. In the next 3-month period (Apr-Jun 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



94%

of companies reported a YOY increase in the cost of raw materials in Q1 2026

96%

expect the cost of raw materials to continue to increase in Q2

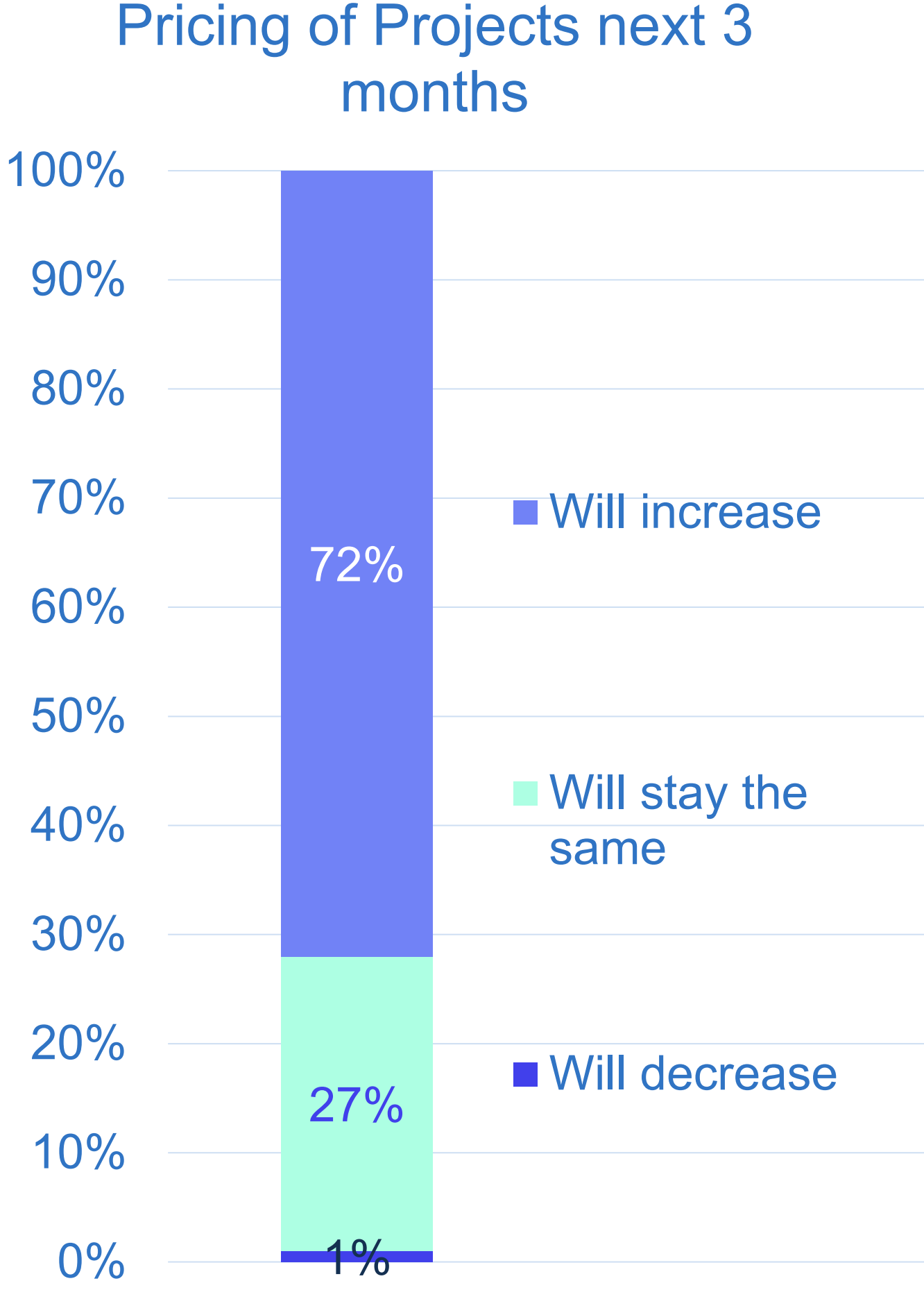
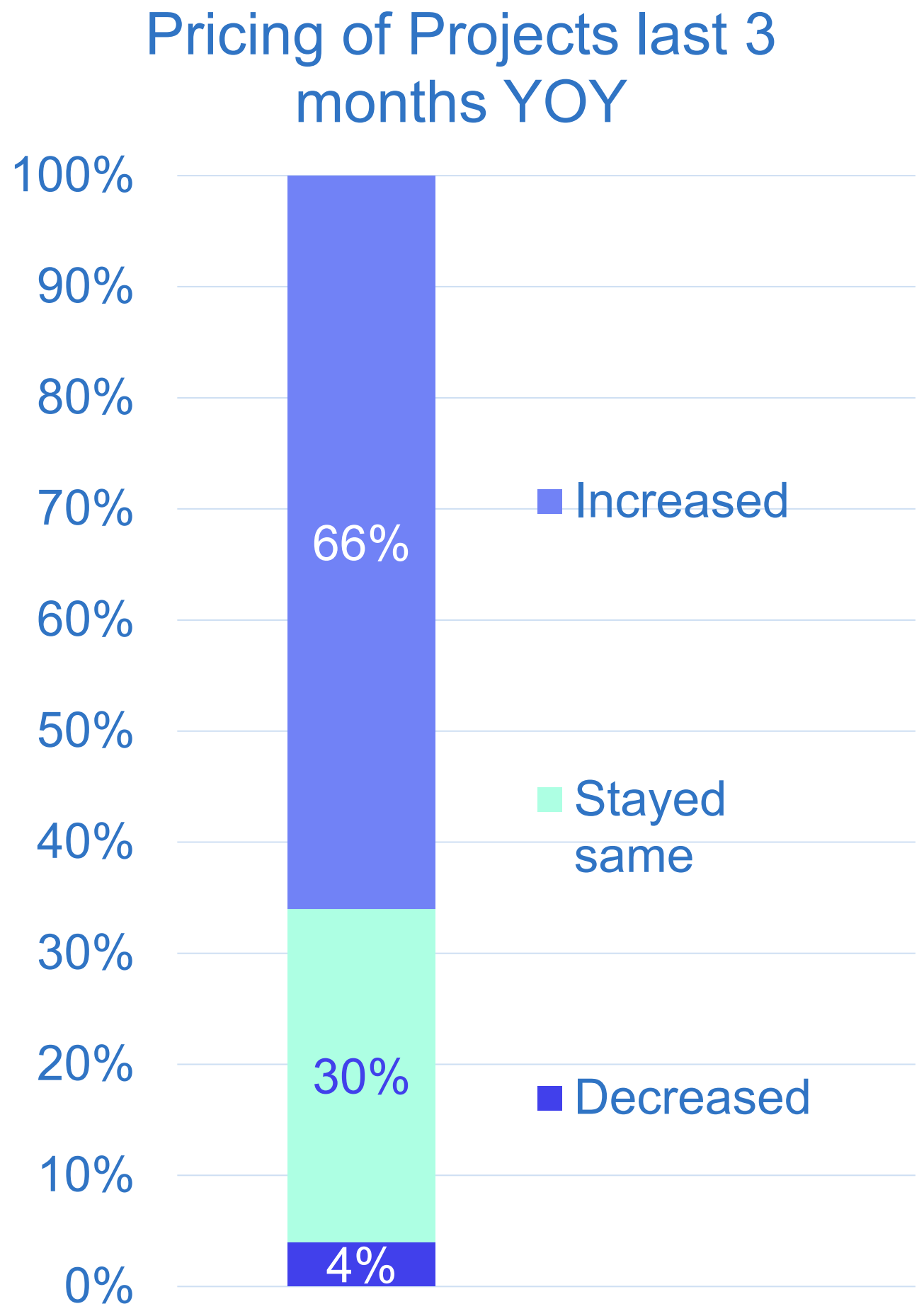
Raw material costs rose sharply across all sectors and across all firm sizes over the past three months, with near-universal increases - particularly among larger firms - the past three months, with nearly all firms reporting increases YOY. Looking ahead, cost pressures are expected to intensify further, with almost universal increases anticipated.

(Base: All respondents = 138)

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 2025?

Q12. In the next 3-month period (Apr-Jun 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



66%

acknowledge a YOY increase in Q1 in the pricing of projects compared with the same period in 2025

72%

expect pricing to increase in Q2

Project pricing increased YOY for most firms over the past three months, with relatively modest declines. Looking ahead, price increases are expected to strengthen further, with a clear majority of firms anticipating rises with strongest upward pressure among small to mid-sized firms.

(Base: All respondents = 138)

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 2025?

Q14. In the next 3-month period (Apr-Jun 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?

Pricing Growth by Quarter (Survey Results)

Percentage increase in each quarter by year (non cumulative)

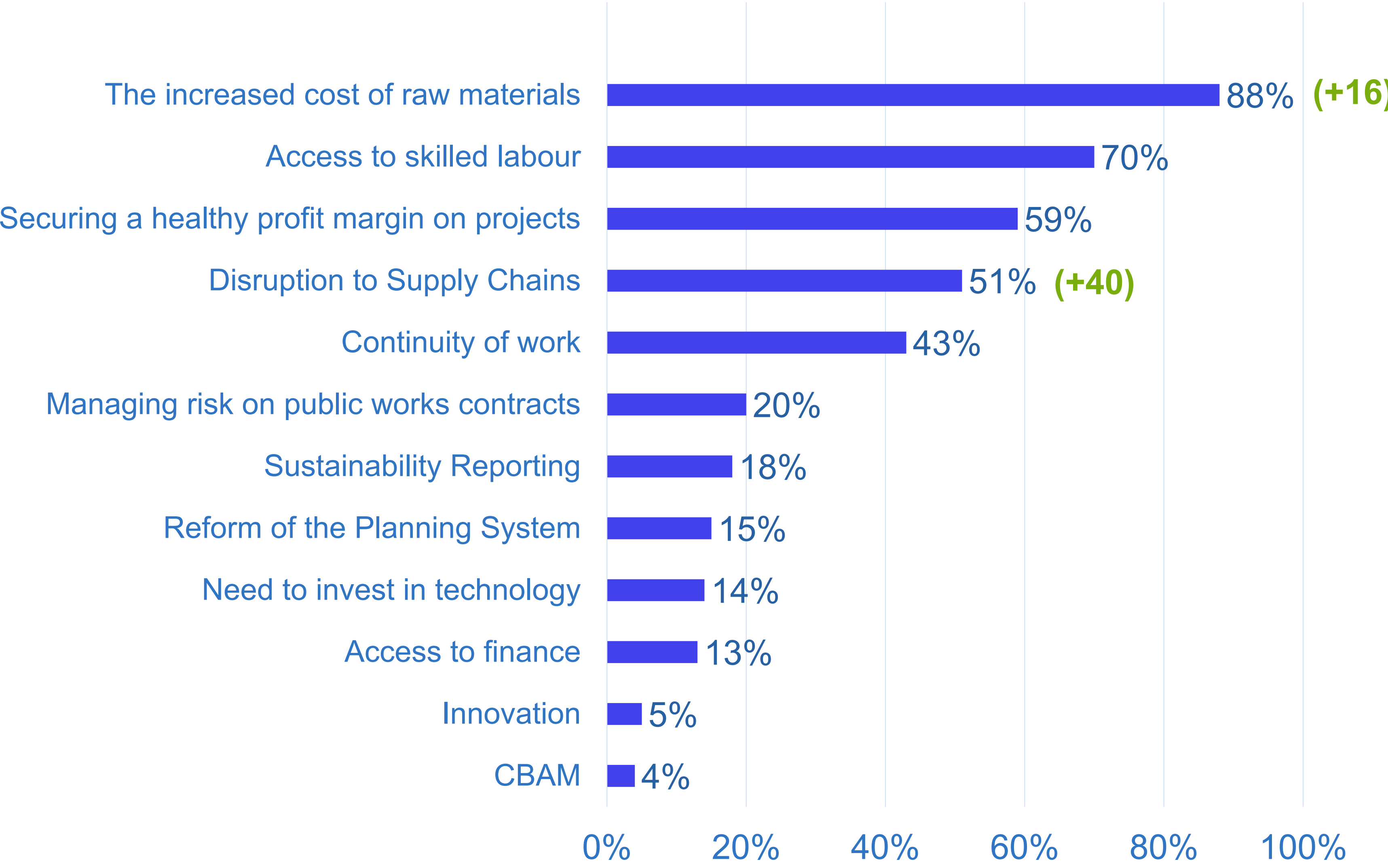


Each data point reflects respondents' expected percentage increase for that quarter only; values do not compound across quarters.

Key Challenges

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 minimalist.

Key Challenges

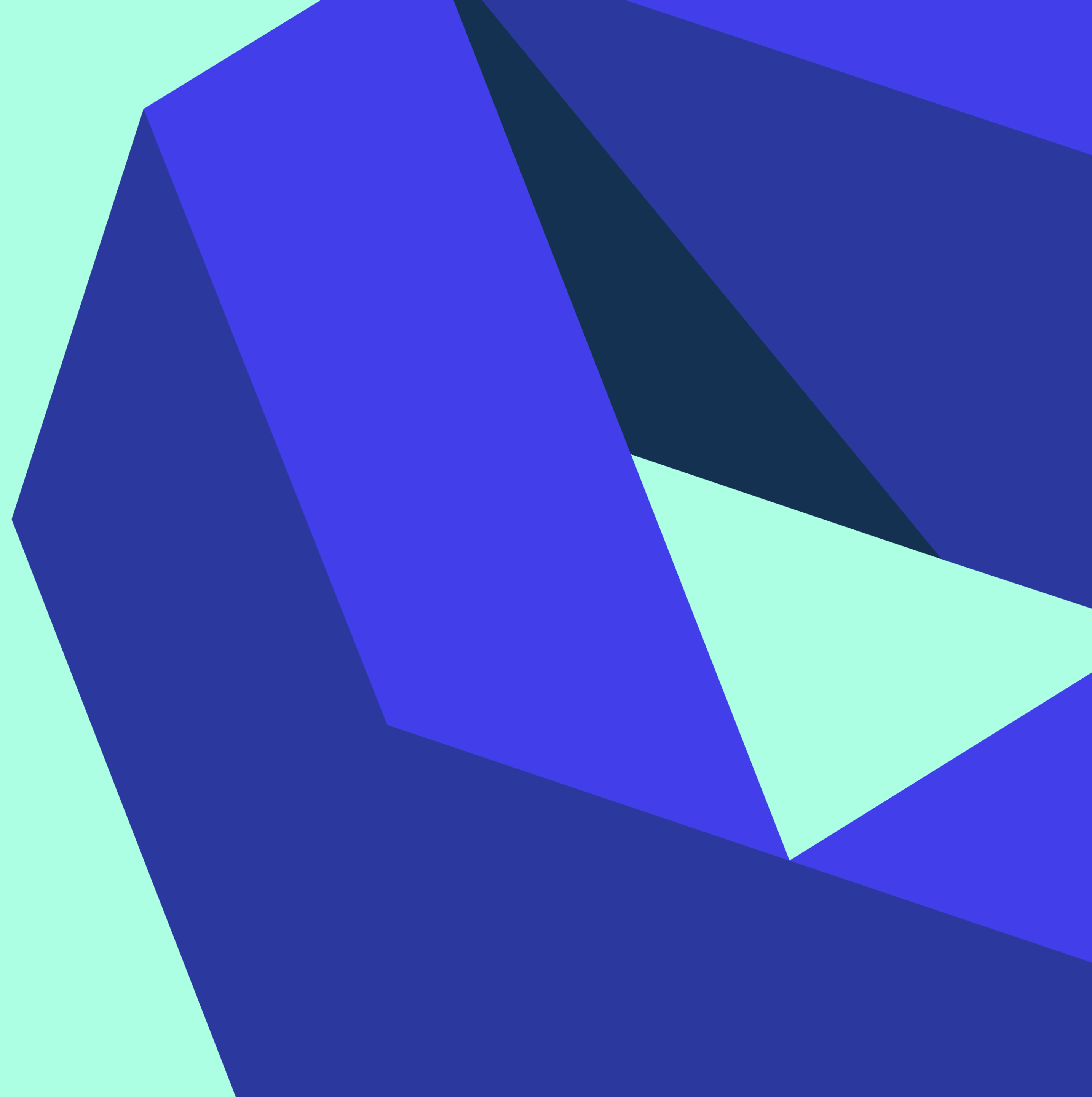


The increased cost of raw materials is the most significant issue facing companies in the short term.

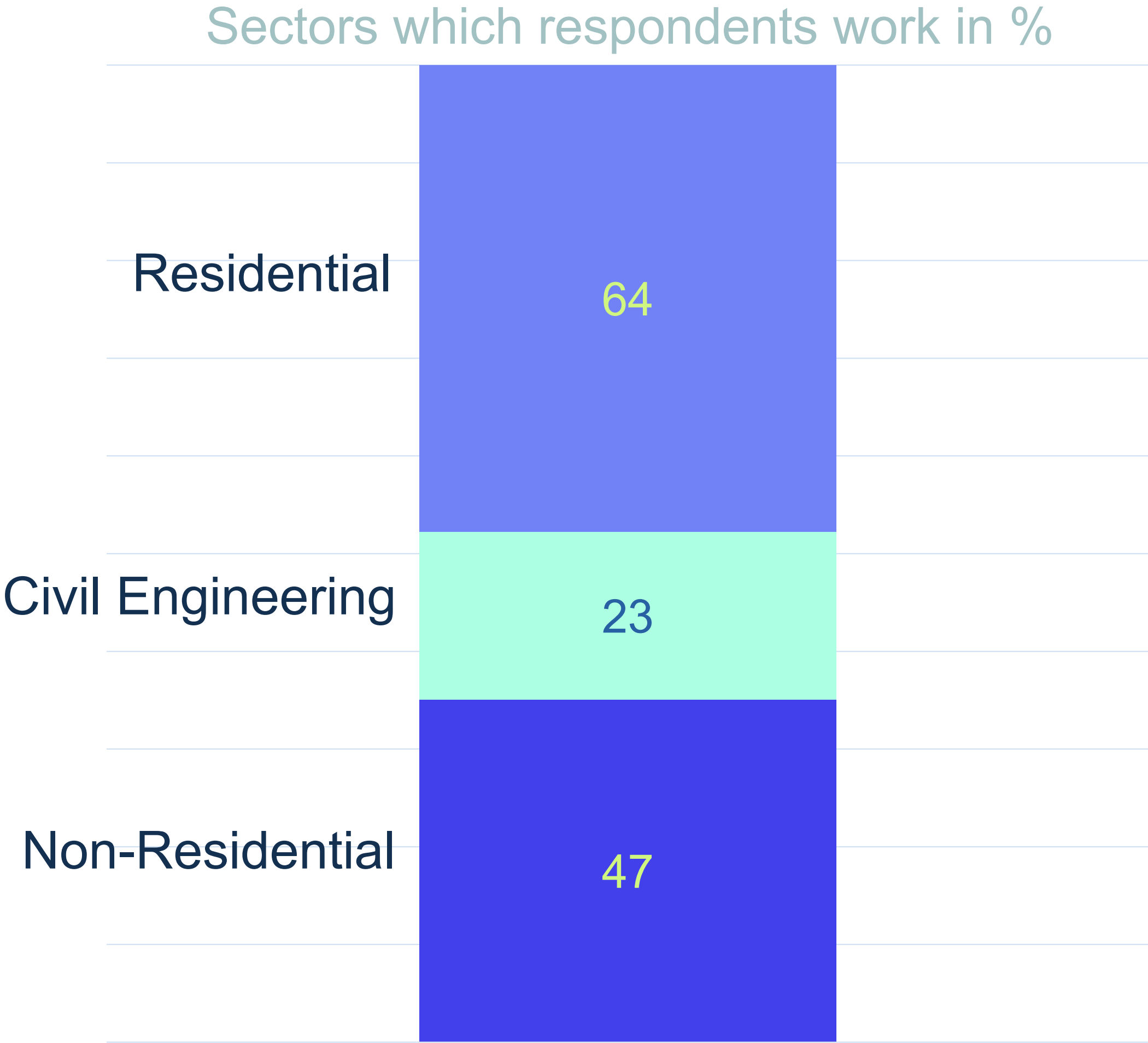
Disruption to supply chains (+40%) has emerged as an ongoing concern for companies heading into Q2.

Q15. What if any, are the key challenges facing your business over the next 3-6 months? (Base: All respondents = 138)

Sectoral Activity



Which sectors do companies currently work in? (Percentage)



Most firms operate across multiple sectors, with strong overlap between residential and non-residential work in General and Specialist Contracting, while Civil Engineering firms are highly concentrated in infrastructure activities and Home Building is almost exclusively residential.

Which sectors do companies work in?				
Sector	General Contracting	Civil Engineering / Infrastructure	Home Building	Specialist Contracting
Residential	72%	6%	100%	50%
Non-Residential	56%	22%	7%	82%
Civil Engineering	11%	100%	4%	18%

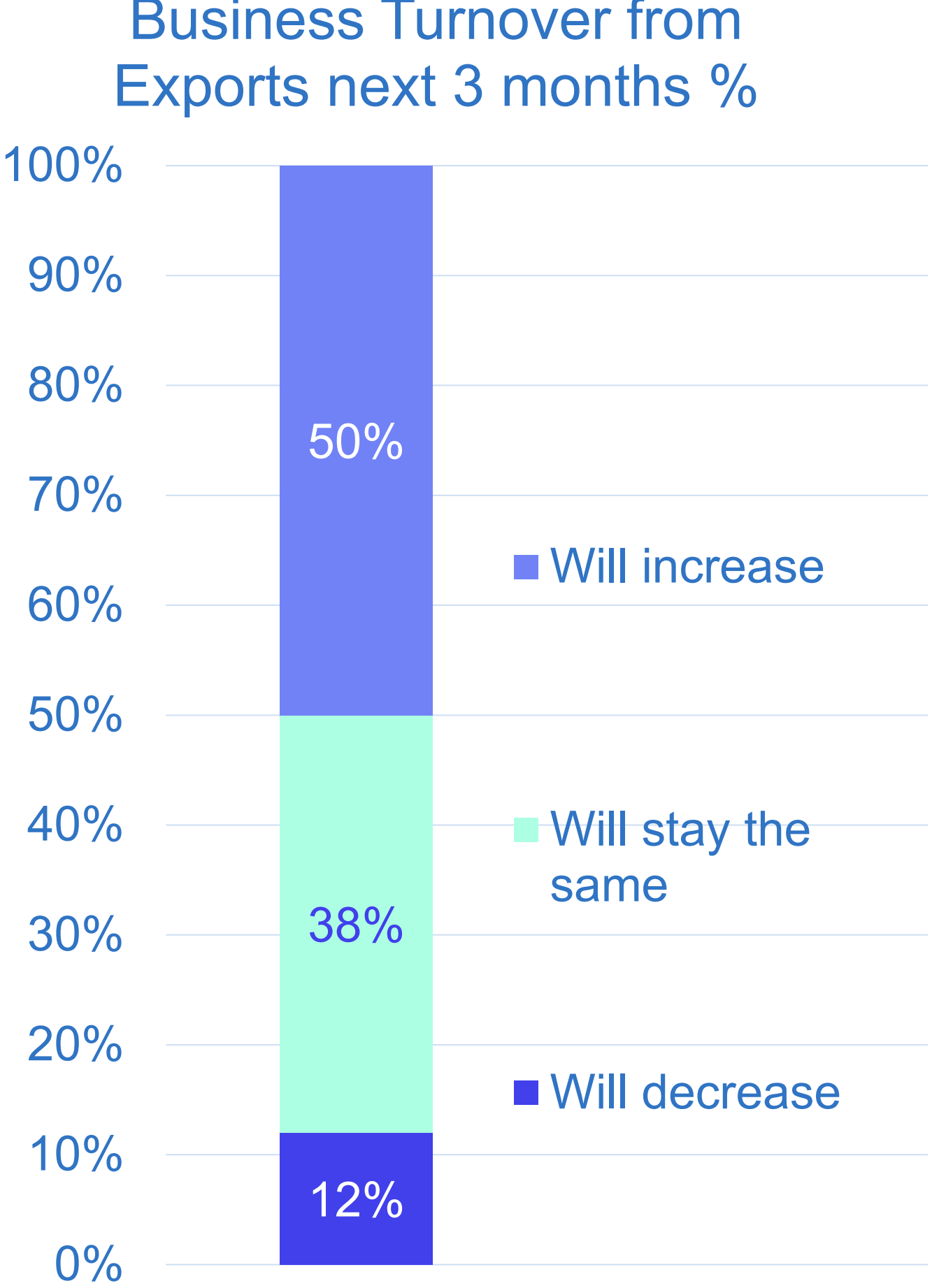
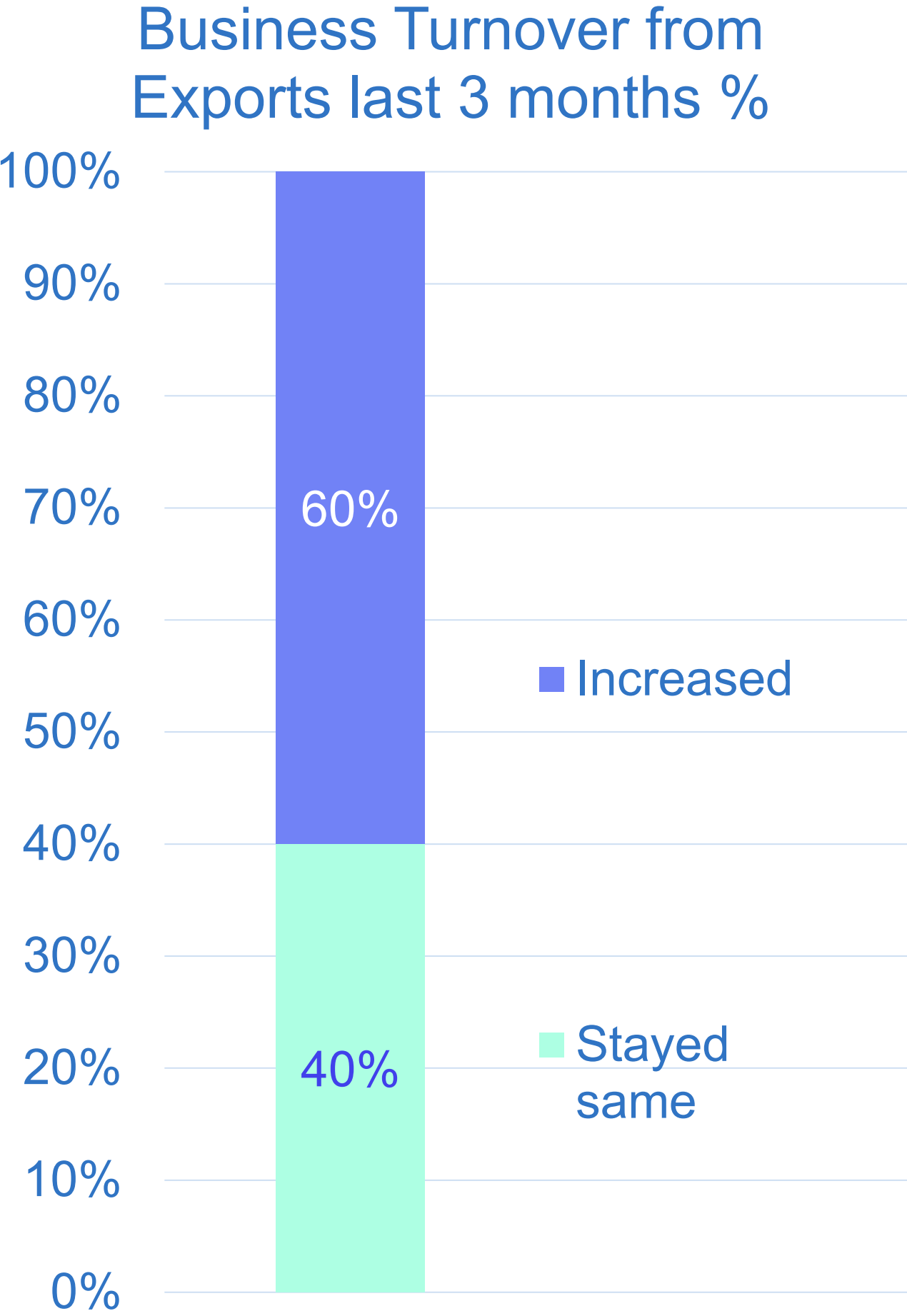
(Base: All respondents = 138)

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

Exporting Construction Services

The background features a series of overlapping, angular shapes in various shades of blue and teal. The shapes are layered, creating a sense of depth and movement. The colors range from a light, almost white teal to a deep, dark navy blue. The overall composition is modern and dynamic, with sharp lines and a clean, minimalist aesthetic.

Total Business Turnover generated from Exports



60%

Report a YOY increase in business turnover from exports in Q1 2026

50%

expect turnover from exports to increase in Q2 2026

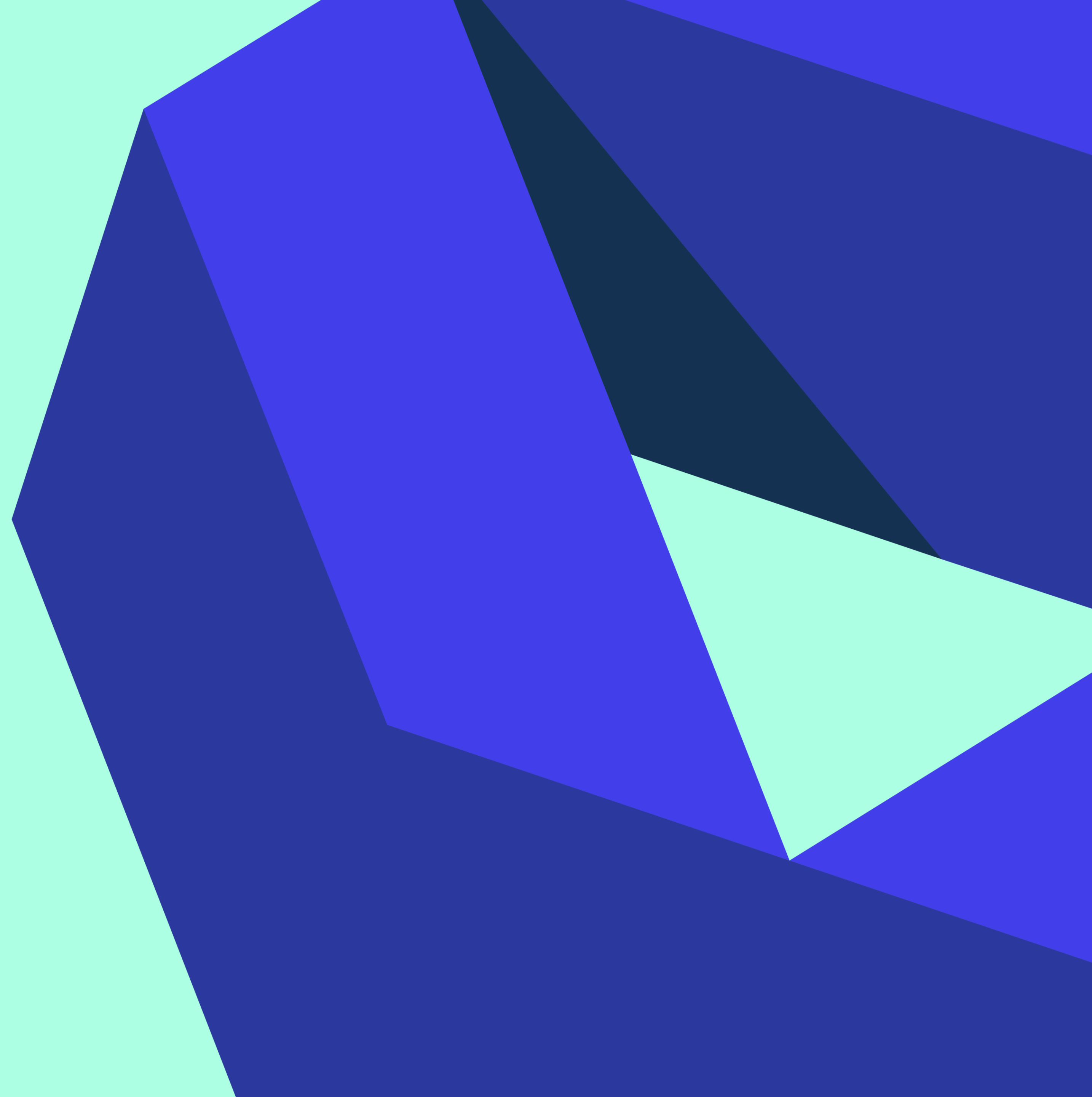
Retail, Pharmaceutical Plants, Apartments and Housing were the most common projects delivered internationally in Q1.

Data centres are expected to dominate international project delivery over the next 3-6 months, followed by pharmaceutical plants and roads & transport.

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 2025?

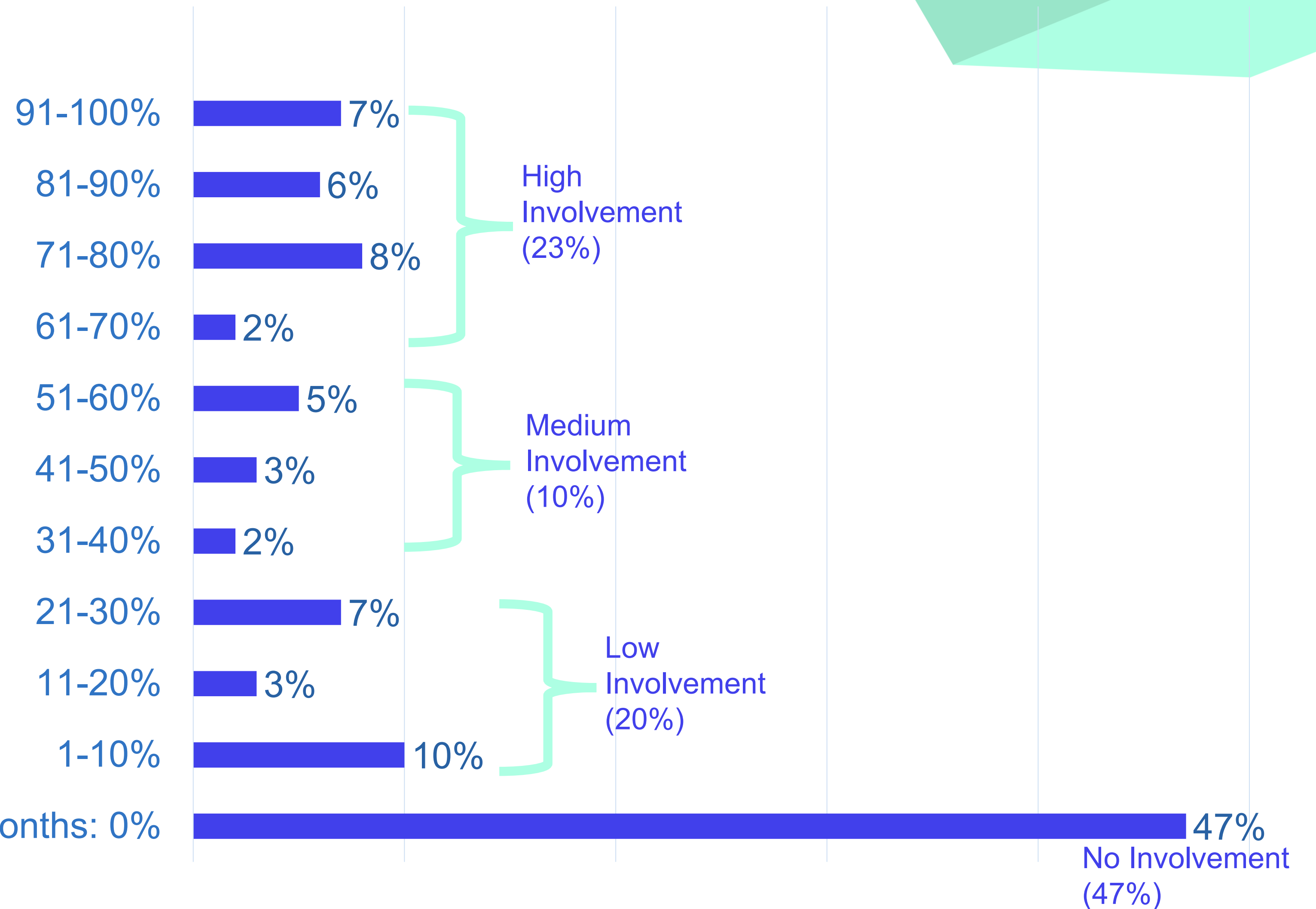
Q20. Over the next 3 months (Apr-Jun 2026), do you expect the total business turnover for your company generated from exports to increase, decrease or stay the same compared with Q1?

Public Works Contracts



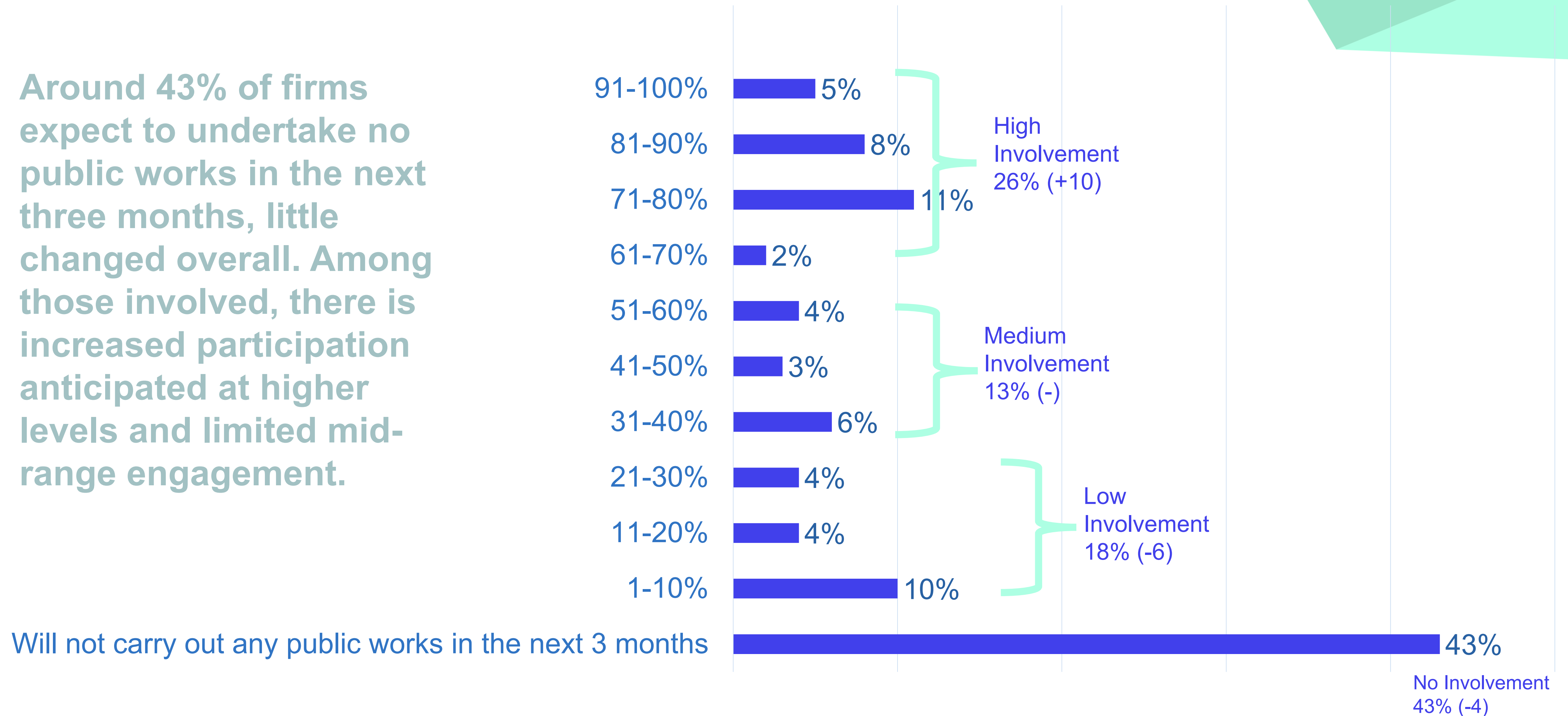
Public Works Contracts as a % of Turnover Q1 2026

Around half of firms (47%) did not carry out any public works in the past three months, while among those that did, involvement was generally polarised: either low (1–10%) or high (71–100%), with relatively fewer firms reporting mid-level participation

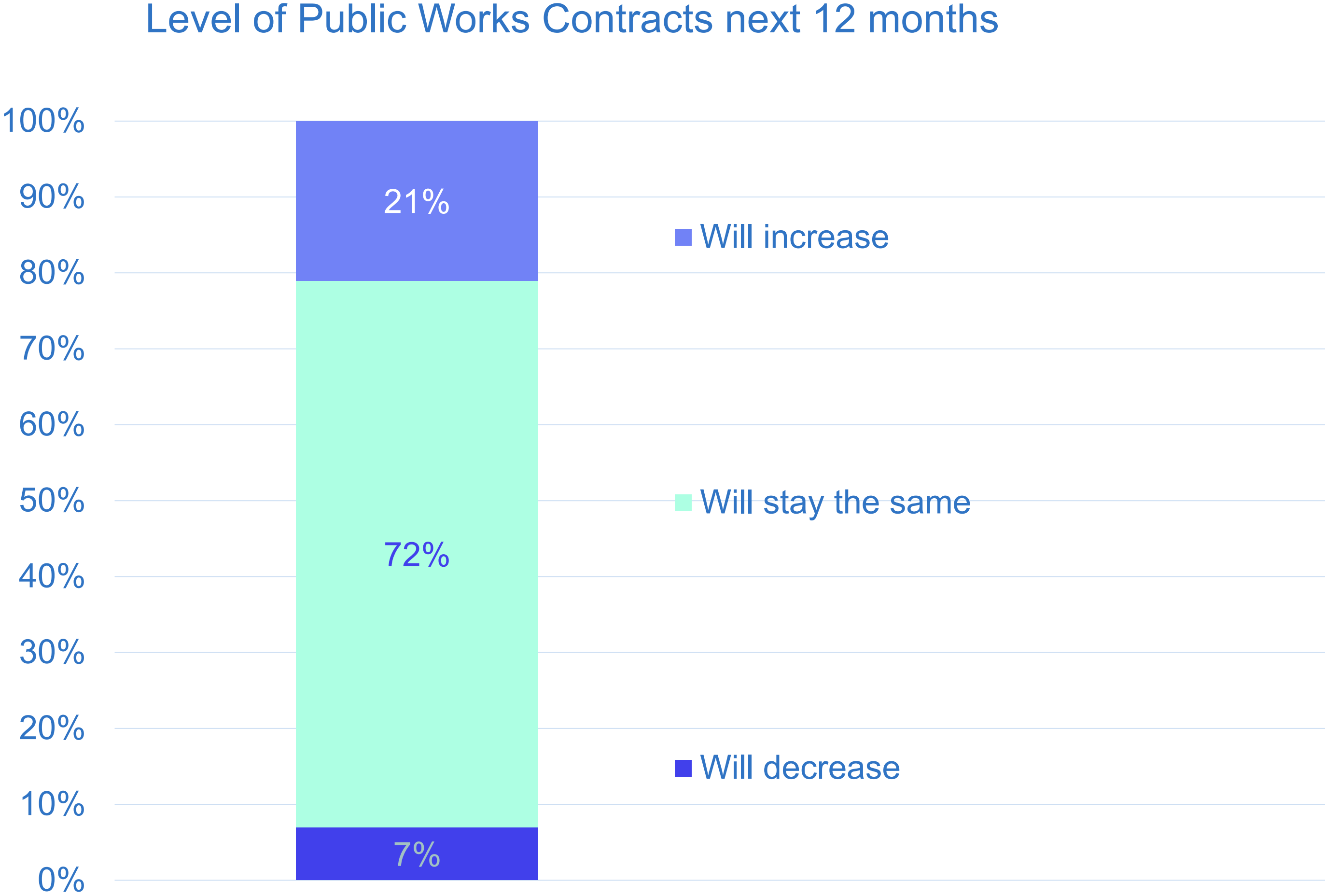


Public Works Contracts projected as a % of Turnover Q2 2026

Around 43% of firms expect to undertake no public works in the next three months, little changed overall. Among those involved, there is increased participation anticipated at higher levels and limited mid-range engagement.



Expected level of Public Works Contracts in the next 12 months



21%

of companies expect the level of their involvement in Public Works Contracts to increase in the next 12 months, of which: 20% General Contracting, 13% Civil Engineering, 18% Home Building, 30% Specialist Contracting

Around 7% expect a decline, with low margins, price-based tendering, and bureaucracy cited as key constraints.

(Base: All respondents = 138)

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 7% 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?

Conclusion – Market & Outlook

The sector shows stable performance with signs of growth, but cost pressures and structural constraints continue to limit expansion.

What the survey shows

- ▶ Activity remains stable with modest growth in turnover and new orders.
- ▶ Performance is uneven, with stronger momentum in Civil Engineering and Specialist Contracting.
- ▶ Export activity is limited but positive among participating firms.

What's constraining growth

- ▶ Labour and material cost inflation continues to drive pricing pressure.
- ▶ Public works participation remains mixed and polarised.

- ▶ Margins, procurement processes, and market structure constrain expansion.

What it means

- ▶ Firms remain cautiously optimistic, with expectations of stable to improving activity.
- ▶ Growth is likely to be uneven and gradual across sectors.
- ▶ Structural constraints will continue to weigh on pace and scale of expansion.

Thank You

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Research

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