



Built environment and construction
sector overview

Evolving Together

Flourishing in the
age-diverse workforce



Built environment and construction

Now is the moment for sector leaders to consider what the coming decades look like for built environment workers and how to upskill them in response

As a sector where many roles are manual (although not all) it is perhaps unsurprising that the built environment faces specific pressures as worker demographics shift, at least in some economies, prompting concerns around skills gaps or reliance on migrant labour. Businesses now have the chance to seize the opportunity of technology to fundamentally shift how work is undertaken in the sector and alleviate some of these pressures.

Globally, the picture is mixed. Whereas in India the relative youth of the population offers what one report termed “a demographic advantage” for the growing built environment and construction sector¹²², in Germany, for example, predictions suggest it will face a shortfall of 100,000 workers by 2030¹²³. In Japan, 2019 figures suggested the construction workforce had shrunk by 27% in 20 years¹²⁴, while data also suggests only just over a tenth of workers in the sector in Japan are under 30¹²⁵.

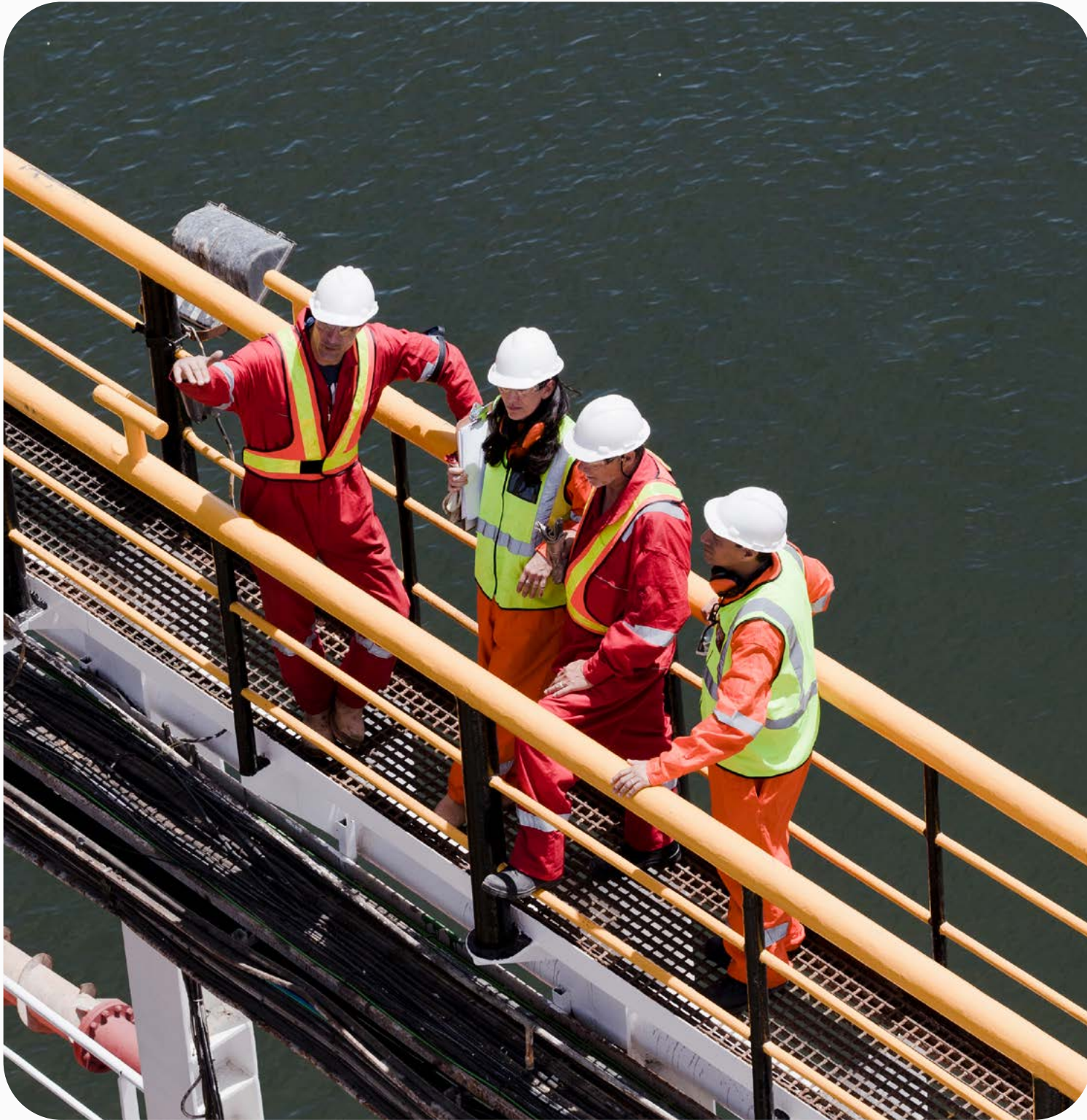
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According to one survey of UK construction workers, only 15% of workers intended to keep working beyond retirement age, compared to 29% overall. That research also found that nearly three fifths (58%) of those in the sector expect to retire between 61 and 65¹²⁶. The Chartered Institute of Building (CIOB) noted in a recent report¹²⁷ that “given the ageing construction labour force, retirements from the industry are likely to be high for a while. The combined impact is likely to exacerbate skills shortages in the future.”

Similarly, US Bureau of Labor Statistics indicate that only 10% of the construction workforce is under 25, lower than average for the workforce. Conversely, the share of over 55s in the sector has grown radically in the last decade¹²⁸.

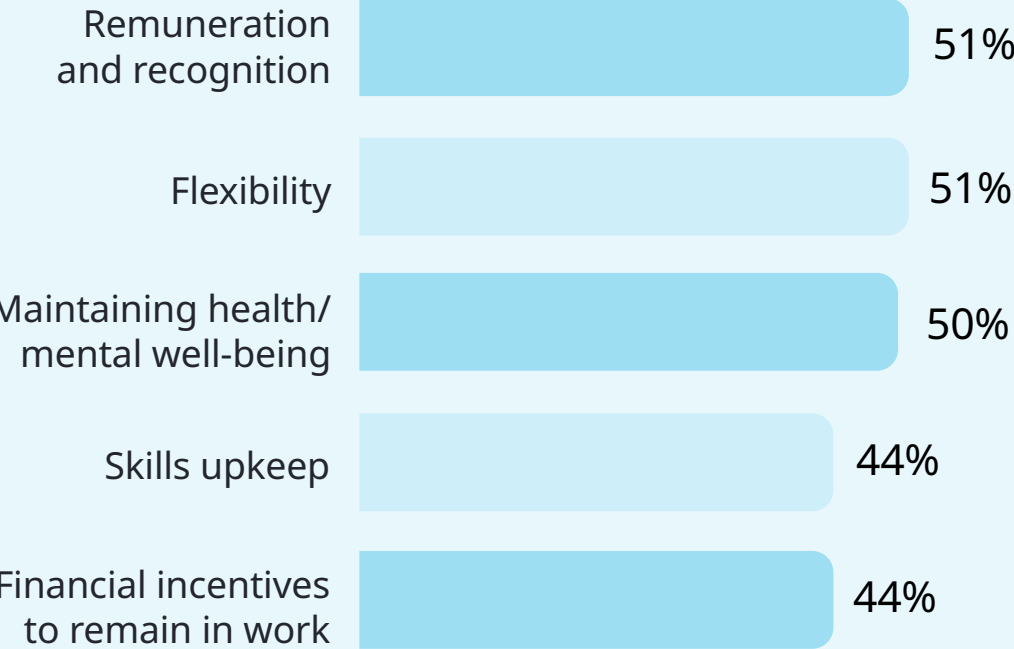
The availability of figures varies, but one study, zeroing in on Perth, drew on Australian Bureau of Statistics data showing a growth in the construction workforce aged over 35 and a fall in that group under 35 in the decade to 2021. Quyen Quach, Head of Research at Cygnet West, suggested the region’s construction sector was “possibly set to lose more than 18 per cent of its most skilled and experienced workers over the next five years as those workers progress towards retirement”.

The specific needs of the sector mean that in responding to the ageing workforce, a consideration of the role of technology – especially where it can relieve workers of physical roles - will be critical. The built environment also has a key role to play in responding to the challenges of an ageing workforce in the context of creating the infrastructure and accessible buildings that will be needed in the future.

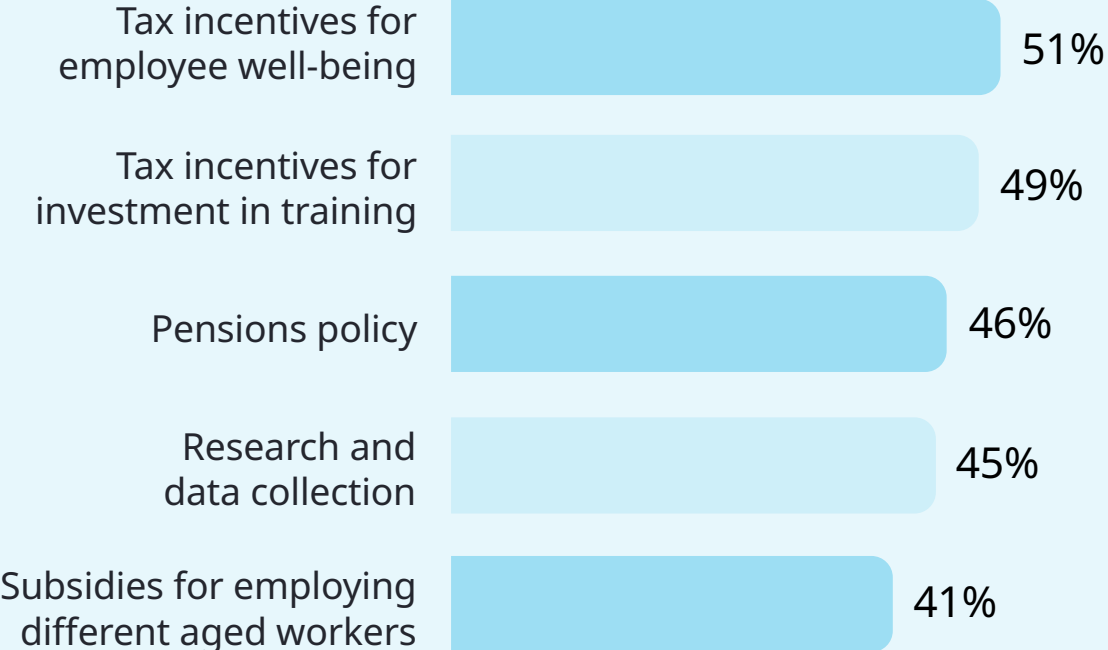


Built environment: priorities for success in a future age-diverse workforce*

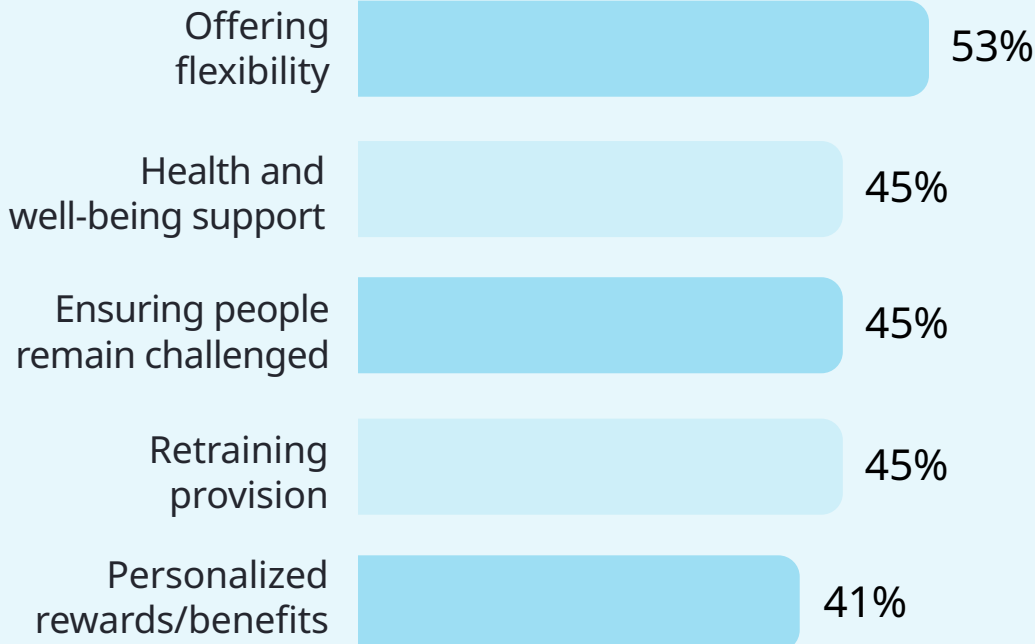
Priorities for individual career development



Priorities for government and societal action



Priorities for businesses to succeed



* Full question and answer lists can be found in the methodology section

Priorities for action

Notably, the built environment and construction was one of the few cohorts to prioritize data collection as a priority for government to enable a successful age-diverse workforce (45% against a global figure of 35%). This reflects the value of better information to guide the solutions.

More generally, business leaders in the built environment highlighted the importance of people feeling valued in their role as a key driver of a successful future of work. 45% of those in the sector specifically picked out ensuring people remain challenged by their work as an accelerating factor, above average. Equally financial compensation and structural considerations around making it economically advisable to remain in work were key.

There was clear appetite for policymakers to look at incentivizing the built environment sector to develop an age-diverse workforce via tax or financial incentives, whether these were aimed at health and well-being, skills development or simply choosing to employ people of different ages and stages.

Please access the **full report** to view the references referred to in this pdf.



Andy Butterfield, Managing Director, Global Built Environment, BSI

“The built environment and construction sector is far from alone in already having to address the implications of an ageing workforce. Skills development and training, attraction and retention of younger workers, and productivity have long been central to discussions about the sector’s future.”

“The data shows enthusiasm for business actions and government policies intended to shift the dial to make the built environment an attractive sector for people at all ages and stages. With that in mind, now is the moment for sector leaders to collaborate across society and consider what the coming decades look like for built environment workers. Technological innovation is already changing ways of working but this is one side of the conversation. The other is how to support people of all ages in the built environment workforce to succeed and contribute to their organizations’ growth.”



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