



Press Release

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CECA: Industry ‘Disappointed’ At Infrastructure Cuts But Looking To The Future

Civil engineering contractors have said that the industry was ‘disappointed’ by infrastructure cuts announced by Chancellor Rachel Reeves, but that it is looking forward to working with the Government to drive economic growth.

In a speech to Parliament earlier today the Chancellor announced that a fiscal ‘black hole’ could only be addressed in part by cancelling planned works on the A303, the A27, and the previous government’s ‘Restoring Our Railway’ programme, as these schemes had not been properly funded.

Commenting, Director of Operations for the Civil Engineering Contractors Association (CECA) Marie-Claude Hemming said: “The Chancellor’s announcements are disappointing but will not come as a shock to industry, not least because a shortfall in funding for public projects has been evident for some time.

“The Labour Party rightly identified economic growth as its core mission, but as ever cancelling or pausing projects that will likely need to be delivered at a later date - and at higher cost - is putting off the potential for schemes to drive growth, create jobs, and meet the needs of businesses and communities.

“As the UK’s public finances are clearly in a weakened state it is all the more important that government works with industry to identify how to move schemes towards delivery, rather than mothballing these crucial sources of growth.

“What’s more, it is frustrating that firms are expected to bear the costs of delay without regard to their forward planning in terms of workload and skills.

“Our industry thrives on certainty of investment, which is what enables CECA members to plan and deliver world-class infrastructure, upskill the workforce to meet projected need, and to ensure sustainable and stable business models.

“That’s why we’re looking forward to working with our members and the UK Government to review schemes that have been put on hiatus and see how they might be brought back online in due course, and to identify other projects that can be unlocked in all parts of the UK.

“Whether unlocking this investment - and its integration with the new housing Britain so urgently needs - will require new funding models is an open question that must be explored.

“Moreover the Chancellor’s announcement that she will set a multi-year spending review to provide certainty over three year periods will be welcomed by industry as a statement of intent to deliver economic stability in the longer term.

“Yet we urge the Government not to repeat the mistakes of previous administrations in taking an axe to capital projects without regard to future growth, and to work with industry to identify opportunities for investment that will not only deliver value for money, but will form the backbone of a net zero UK economy for years to come.”

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Notes to Editors

1. The Civil Engineering Contractors Association (CECA) represents over 300 contractors of all sizes, covering approximately 80% of the civil engineering market in Great Britain. Our members build infrastructure that provides the basis for economic sustainability and quality of life in communities across the country.

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