

Sectoral Skills Assessment Construction

October 2026



First launched in 2017, Sectoral Skills Assessments (SSAs) provide a robust and consistent evidence base to support strategic skills investment planning. Skills Development Scotland (SDS) has worked with key partners and stakeholders to produce SSAs, ensuring an inclusive approach to their development, dissemination and utilisation.

SSAs include published datasets. Inevitably, when using published data there is a time lag, but the data contained is the most up-to-date available at the time of writing. SSAs also include forecast data commissioned through Oxford Economics.

The Technical Note¹ provides full detail on the caveats that must be applied when using forecast data, but broadly, it should be noted that:

- Forecasts are based on what we know now and include past and present trends projected into the future.
- The more disaggregated they become, especially at smaller geographical units, the less reliable they are likely to be.
- Their value is in identifying likely directions of travel rather than predicting exact figures.
- The forecasts do not account for national or sectoral activities, initiatives or investments that are planned.

Industries and occupations used in the SSAs are defined by Standard Industrial Classifications (SIC)² and Standard Occupational Classifications (SOC).³

Throughout this report, Scotland is used as the comparator to provide context for sector-specific data. The Scotland figure represents the aggregate across all industries combined.

This SSA report is for the Construction sector.

The sector underpins Scotland's economy, providing housing for Scotland's population; developing the transport infrastructure; and making a significant contribution to the sustainability of the built environment. Please see Appendix 1 for the SIC definition used in this report.

The SSAs are part of a suite of Labour Market Insight publications by SDS. Other products in the suite include:



Regional Skills Assessments provide a coherent, consistent evidence base to inform future investment in skills, built up from existing datasets and forecasts for College regions, Rural Scotland and all City and Growth Deals regions. These are published annually.



Scotland's Labour Market Drivers report provides an overview of the drivers expected to have the greatest influence on Scotland's labour market outlook. It is updated annually.



The **Data Matrix** is an interactive tool, offering more detailed data from a variety of sources in a visually engaging format. It is updated frequently.

Alongside the suite of Labour Market Insight publications, SDS also produces a wide range of reports such as statistics on Modern Apprenticeships and the Annual Participation Measure for 16-19 year olds. This includes a wide range of data related to equalities. Further information can be found on the [Publications and Statistics](#) section of the SDS website.

The forecasts used in this Sectoral Skills Assessment are policy and investment neutral.



They represent a baseline but don't reflect investment or policy that is unconfirmed.

Readers are encouraged to use them in conjunction with other sources alongside their own sectoral knowledge.

1. SSA Technical Note (2026).

2. Office for National Statistics UK Standard Industrial Classification (SIC) 2007.

3. Office for National Statistics UK Standard Occupational Classification (SOC) 2020.

The Context for Scotland's Labour Market¹

Scotland's labour market continues to evolve against a backdrop of subdued economic growth and global uncertainty. Although ongoing conflicts, disruption to energy markets, demographic change, and persistent barriers to employment continue to pose challenges, the Scottish economy has demonstrated resilience. Technology and the transition to net zero are also reshaping jobs and skills needs, creating opportunities for growth and innovation. This section explores these interconnected drivers and their implications for Scotland's labour market and skills system.

The Economy

Scotland's economy grew by 1.4% in 2025. Growth is forecast to remain modest, the labour market shows signs of loosening, and ongoing geopolitical uncertainty and rising energy prices may intensify inflationary and cost-of-living pressures. However, against this challenging backdrop, the potential productivity benefits of new technologies, alongside investment opportunities linked to Scotland's natural capital and energy transition, could support future economic growth.



Demographic Change

Scotland's population reached a record 5.55 million in mid-2025, with growth largely driven by migration. The population is also ageing, with around 21.0% aged 65 or over in mid-2025, compared to 16.3% in 2005. Demographic trends vary across Scotland, but, overall, are expected to increase pressure on labour supply, particularly in sectors like health and social care. Migration is likely to remain important in sustaining Scotland's workforce, meaning changes to UK immigration policy could have implications for the availability of skills and labour in Scotland.



Inclusion and Equality

Improving access to fair work and reducing inequality remain Scottish Government priorities. Poor health and disability continue to limit labour market participation, while childcare costs and limited access to flexible and secure employment create barriers for parents and carers, particularly women. Poverty and housing insecurity compound these challenges, and employment access varies across Scotland. Tackling these barriers could help more people enter and remain in good-quality work, reducing poverty while supporting the economy.



Technology and Automation

Artificial intelligence (AI) and automation are reshaping jobs and skills needs, as well as recruitment practices. Scottish businesses are increasingly adopting AI, but the longer-term effects on employment and productivity remain uncertain. Automation is expected to change tasks within jobs, increasing demand for digital, analytical and interpersonal skills. Supporting workers to adapt and have the skills required will be important. Scotland's AI Strategy supports responsible adoption and helps prepare the workforce for these changes.



Climate Change and Net Zero

The transition to net zero will remain a driver of employment, skills demand and economic growth. Scotland's extensive renewable energy resources, a growing net zero economy, and a pipeline of planned energy investment offer opportunities for job creation. Challenges, such as declining oil and gas employment and skills availability, also exist. Upskilling and support will be important to help workers access new opportunities and meet employers' changing needs.



Read the full report on Scotland's Labour Market Drivers [here](#).

1. Sources and data correct as of October 2026. Please see the full Scotland's Labour Market Drivers report for detailed references.

Sectoral Insight¹

Sectoral insight is essential to show how planned investments, developments and emerging opportunities could shape future skills demand. It is important that this and other sectoral knowledge is considered alongside the forecasts included in this report, which are policy neutral and neutral to planned investment.

Workforce and skills challenges are becoming increasingly significant as construction and the built environment underpin delivery of Scottish Government priorities. The Scottish Government's [Infrastructure Delivery Pipeline 2026](#) identifies £11.1 billion of planned investment over four years across housing, transport, health, justice and public infrastructure, within a wider commitment of up to £30 billion capital investment by 2030. Further demand will be driven by the delivery of 36,000 affordable homes, offshore wind expansion, and policy development around heat decarbonisation and building performance.

The SDS and BE-ST (Built Environment Smarter Transformation) [Pathways to Productivity](#) report highlights structural characteristics that have contributed to a dysfunctional labour model. This encourages short-term, project-level fixes rather than longer-term workforce planning, intensifying shortages, recruitment challenges, rising wage costs and project delays.

Pressures are particularly evident in trades, civil engineering, site management, quantity surveying and building services engineering. However, sectoral workforce shortages and a strong project pipeline do not necessarily translate into greater investment in training, creating a risk that labour supply will not keep pace with future demand generated by planned investment and policy ambitions.

Future workforce growth is expected across quantity surveyors, project managers, site managers, civil engineers, building services engineers, digital construction specialists and retrofit-related roles, including installers, maintenance specialists and retrofit coordinators.

Sector stakeholders continue to advocate for support, including recruitment incentives to encourage employers to take on apprentices and trainees. Many employers are also seeking more flexible entry pathways and routes to competence across existing and emerging occupations.

Entry level opportunities are often over-subscribed and aspiring entrants can struggle to access meaningful entry-level roles. Informal recruitment can restrict access for those without industry connections. Participation from women, minority ethnic groups and other under-represented groups also remains low.

Despite the strong interest in construction careers,

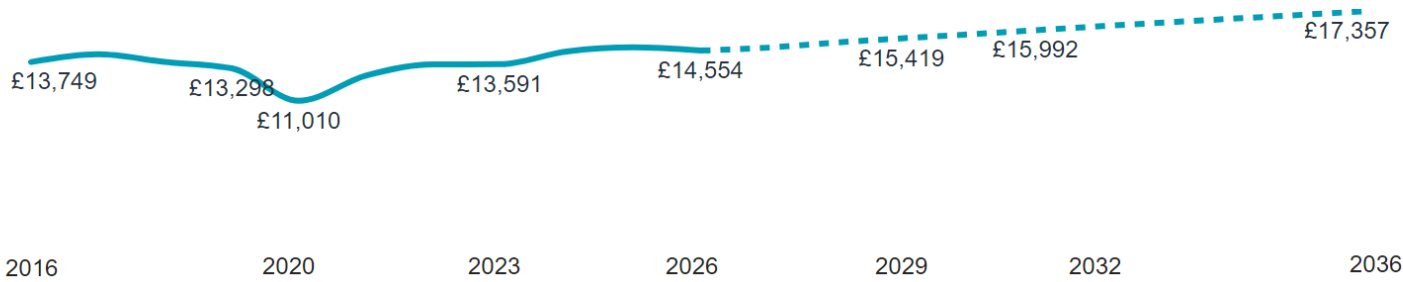
targeted talent attraction is important to widen talent pools, to support informed career choices and maximise retention. The sector retains a strong apprenticeship culture, with construction accounting for more than one-fifth of all Modern Apprenticeship starts in the latest [statistics](#), alongside significant participation in related FE and HE provision.

However, meeting future demand linked to housing, infrastructure, net zero and wider economic priorities will require further action to increase the supply of skilled and competent workers through meeting employer demand for flexible entry level pathways, improved progression routes, better use of under-represented talent pools and sustained workforce investment.

Digital capability is becoming core across professional, technical and supervisory roles, with growing demand for Building Information Modelling (BIM), digital project management systems, data analytics and digital asset management. [Pathways to Productivity](#) identifies digitalisation and Modern Methods of Construction as key enablers of productivity improvement and workforce transformation. Alongside new entrants, substantial upskilling and reskilling will be required in areas including project management, commercial management, carbon reporting, building performance assessment, data management, digital collaboration, risk management and stakeholder engagement.

1. Insight for the sector gathered by Skills Development Scotland (2026).

Gross Value Added (GVA, £m) (2016-2036)^{1, 2}



In 2026, GVA in the Construction sector was estimated to be £14,554m, generating 7.7% of Scotland's total economic output. Between 2016 and 2026, GVA in the sector was estimated to have increased by 0.9% on average each year, in line with growth across Scotland (0.9%).

Looking ahead, GVA in Construction is forecast to grow on average by 1.8% each year between 2026 and 2036, which is slightly above Scotland's average (1.4%). In 2036, the sector is forecast to account for 7.9% of Scotland's total economic output.



Construction forecast GVA in 2029: £15,419m	Construction forecast GVA in 2036: £17,357m
↑ up 5.9% from 2026	↑ up 12.6% from 2029
Scotland forecast GVA in 2029: £198,506m	Scotland forecast GVA in 2036: £219,053m
↑ up 4.6% from 2026	↑ up 10.4% from 2029

Productivity (GVA per job)^{1, 3}

In this report, we have used Oxford Economics' measure of productivity, which is calculated by dividing total sectoral GVA by total sectoral employment (measured by jobs). Please note, there are different ways of calculating productivity, and caution is needed when interpreting productivity data presented in this report. It must be considered in the context of other data and insight.

In 2026, productivity in the **Construction** sector was estimated to be **£62,400**. In comparison, the Scottish average was £66,500.





Construction forecast productivity in 2029: £63,400	Scotland forecast productivity in 2029: £68,100
↑ up 1.5% from 2026	↑ up 2.3% from 2026



Construction forecast productivity in 2036: £67,800	Scotland forecast productivity in 2036: £73,500
↑ up 6.9% from 2029	↑ up 8.0% from 2029

1. SDS (2026). Oxford Economics Forecasts.
2. GVA is the measure of the value of goods and services produced within the economy and is an indicator of the sector's health.

3. Productivity is the measure of goods and services produced per unit of labour input. The Oxford Economics forecasts of productivity shown here have been calculated by dividing total sector GVA by total sector

employment (measured by jobs).

Current Demand



Workforce size 2026: **210,800** people¹

This was estimated to account for **7.8%** of Scottish employment.

The sector's workforce was estimated to have **declined** by **7.2%** (or **-16,400** people) between 2016 and 2026.

This compares to a Scotland wide increase of **5.1%** or **132,100** people between 2016 and 2026.

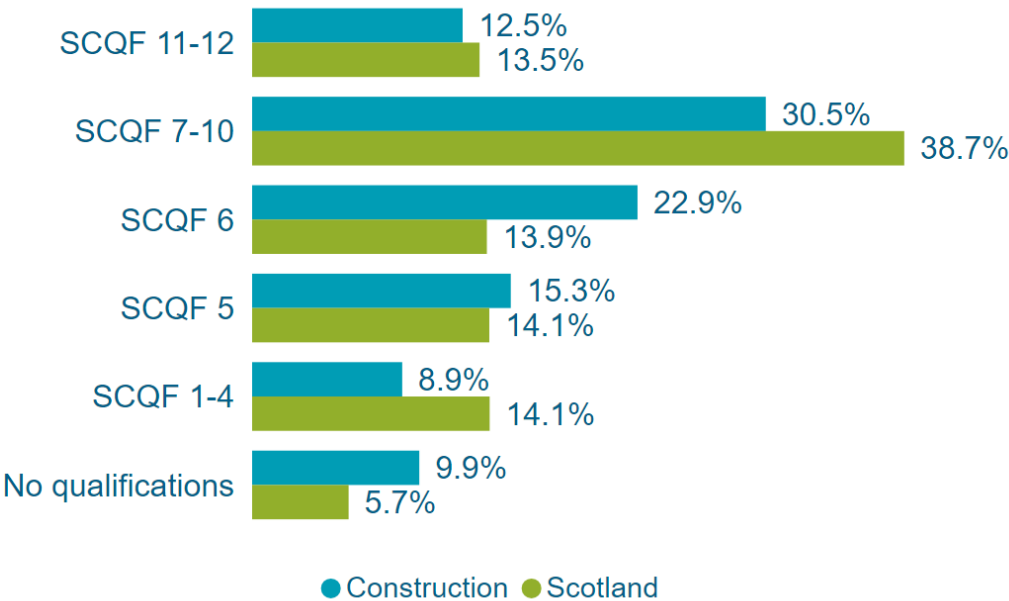
Employment by Region (people), 2026¹

The greatest number of people employed in **Construction** were estimated to be in:

Lanarkshire	Glasgow College Region*	Aberdeen City and Shire	Edinburgh, East and Midlothian
35,200	32,800	25,800	23,900

Workforce Qualifications, 2026¹

It was estimated that **Construction** had a lower proportion of the workforce educated to SCQF Level 7 and above, and a higher proportion educated to SCQF Levels 5 and 6 compared to Scotland.²



Top 10 Employing Occupations (people), 2026^{1,3}



1. SDS (2026). Oxford Economics Forecasts.

2. See [SCQF Framework](#) for further information on SCQF qualification levels.

3. See [CascotWeb](#) for examples of job titles linked to these occupation classifications.

*Glasgow College Region covers East Dunbartonshire, East Renfrewshire and Glasgow City local authorities.

Current Demand

The proportion of Local Authorities' workforce employed in Construction, 2026^{1, 2}

Scottish local authorities have sectoral strengths that make them unique. This means that the **Construction** sector may be more important to some local economies, as a higher proportion of the local workforce is employed in the sector.

The sector was most prominent in these local authorities:

North Lanarkshire
13.8%

Midlothian
12.2%

Aberdeenshire
12.2%

South Lanarkshire
11.4%



Real Living Wage and Gender Pay Gap³

Individuals earning Real Living Wage or more:

In April 2025, the real living wage rate for employees who did not work in London was £12.60.



Manufacturing
No data available

All sectors
2024: 88.5% 2025: 88.7%

Construction
2024: 91.4% 2025: 89.7%

Gender Pay Gap for median full-time hourly earnings:



Manufacturing
2024: 10.4% 2025: 13.2%

Scotland
2024: 2.0% 2025: 3.5%

Construction
2024: 5.7% 2025: 10.8%

Due to data availability, a 'best fit SIC code approach' has been used, so sector definitions here may not fully match key sector definitions.

Modern Apprenticeships⁴



MA starts for Construction & Related*:

Q4 2024/25: 6,526 Q4 2025/26: 6,745



MA in training for Construction & Related*:

Q4 2024/25: 13,155 Q4 2025/26: 13,067

For the latest quarterly MA statistics, please click [here](#).

* Based on SDS Occupational Groupings

For data on FAs and GAs please see the Publications section of our [website](#). For data on colleges and universities please see [Scottish Funding Council](#) and [Higher Education Statistics Agency](#).

1. SDS (2026). Oxford Economics Forecasts.

2. The proportion of the workforce in the Local Authority employed in the sector is calculated by dividing the sectoral employment in the area by total employment in the area.

3. Scottish Government, Annual Survey of Hours and Earnings (2025). Due to data availability, a 'best fit SIC code approach' has been used, so the sectoral definitions and totals in this section may vary from those we have used elsewhere.

4. SDS (2026). Modern Apprenticeship Statistics.

Job Postings^{1,2,3}



Between July 2025 and June 2026, there were **570,700** job postings in Scotland across all sectors. Overall, job posting activity has cooled following a peak in 2022.



Spotlight on... Roofers, Roof Tilers & Slaters⁴

Between July 2025 and June 2026 there were **630 job postings** for Roofers, Roof Tilers & Slaters. The number of job postings has decreased by **10.3%** compared to the period between July 2024 and June 2025 (**12.1%** increase across all occupations comparatively).

Top Locations:

-  **Glasgow City**
130 job postings
-  **City of Edinburgh**
70 job postings
-  **West Lothian**
40 job postings
-  **Aberdeen City**
40 job postings

Specialised skills and knowledge included:

- Roofing
- Power Tool Operation
- Construction
- Hand Tools
- Lifting Ability



Median real-time advertised salary: **£37,600**



Spotlight on... Chartered Surveyors⁵

Between July 2025 and June 2026 there were **1,660 job postings** for Chartered Surveyors. The number of job postings has increased by **2.0%** compared to the period between July 2024 and June 2025 (**12.1%** increase across all occupations comparatively).

Top Locations:

-  **Glasgow City**
520 job postings
-  **City of Edinburgh**
240 job postings
-  **Aberdeen City**
120 job postings
-  **Highland**
110 job postings

Specialised skills and knowledge included:

- Surveying
- Construction Surveying
- Project Management
- Contract Management
- Construction



Median real-time advertised salary: **£44,900**

1. Lightcast 2026. Online job postings data provides a useful barometer for the health of the jobs market. It is important to note that the data does not capture all activity, so it should be considered as an estimate of activity.

2. Job postings are rounded to the nearest 10.

3. Data is for the period covering July 2025 – June 2026.

4. Data is based on SOC 5314 for the whole of Scotland. Median salary based on 75% of job postings.

5. Data is based on SOC 2454 for the whole of Scotland. Median salary

based on 54% of job postings.



Between July 2025 and June 2026, there were **570,700** job postings in Scotland across all sectors. Overall, job posting activity has cooled following a peak in 2022.



Spotlight on... Construction Project Managers & Related Professionals⁴

Between July 2025 and June 2026 there were **460 job postings** for Construction Project Managers & Related Professionals. The number of job postings has increased by **22.5%** compared to the period between July 2024 and June 2025 (**12.1%** increase across all occupations comparatively).

Top Locations:

-  **Glasgow City**
160 job postings
-  **City of Edinburgh**
40 job postings
-  **South Lanarkshire**
40 job postings
-  **Highland**
40 job postings

Specialised skills and knowledge included:

- **Design Management**
- **Construction**
- **Project Management**
- **Building Information Modeling**
- **Project Delivery**



Median real-time advertised salary: **£67,500**



Spotlight on... Construction Building & Trade Supervisors⁵

Between July 2025 and June 2026 there were **3,520 job postings** for Construction Building & Trade Supervisors. The number of job postings has increased by **24.2%** compared to the period between July 2024 and June 2025 (**12.1%** increase across all occupations comparatively).

Top Locations:

-  **Glasgow City**
700 job postings
-  **City of Edinburgh**
490 job postings
-  **Aberdeen City**
300 job postings
-  **Highland**
240 job postings

Specialised skills and knowledge included:

- **Subcontracting**
- **Construction**
- **Project Management**
- **First Aid**
- **Civil Engineering**



Median real-time advertised salary: **£55,200**

1. Lightcast 2026. Online job postings data provides a useful barometer for the health of the jobs market. It is important to note that the data does not capture all activity, so it should be considered as an estimate of activity.

2. Job postings are rounded to the nearest 10.

3. Data is for the period covering July 2025 – June 2026.

4. Data is based on SOC 2455 for the whole of Scotland. Median salary based on 27% of job postings.

5. Data is based on SOC 5330 for the whole of Scotland. Median salary

based on 37% of job postings.

Future Demand: Mid-term (2026-2029)¹

In the mid-term (2026-2029), **the number of people in employment is forecast to grow by 4.2% (8,800 people)** in the **Construction** sector. This is a larger percentage growth than is forecast overall across Scotland, where employment is anticipated to rise by 1.4% (37,500 people).

By 2029, the regions forecast to have the greatest level of sectoral employment are **Lanarkshire and Glasgow College Region**, the same as in 2026. Between 2026 and 2029, the sector is forecast to see the greatest growth in **Skilled Construction and Building Trades (1,800 people)** and **Administrative Occupations (1,200 people)**.

Forecasts for the mid-term (2026-2029) suggest there could be demand for **31,400 people in the sector**, as a result of **the need to replace workers** leaving the labour market and **opportunities created** through expansion demand. Whilst positive, caution is needed as a wide range of factors may impact the labour market over this period.

Workforce (people), 2029¹



Workforce size 2029: **219,600** people



The sector's workforce is expected to **grow** by **4.2%** (or **8,800** people) between 2026 and 2029



Compared to a Scotland wide increase of **1.4%** or **37,500** people

Total Requirement^{1,2}



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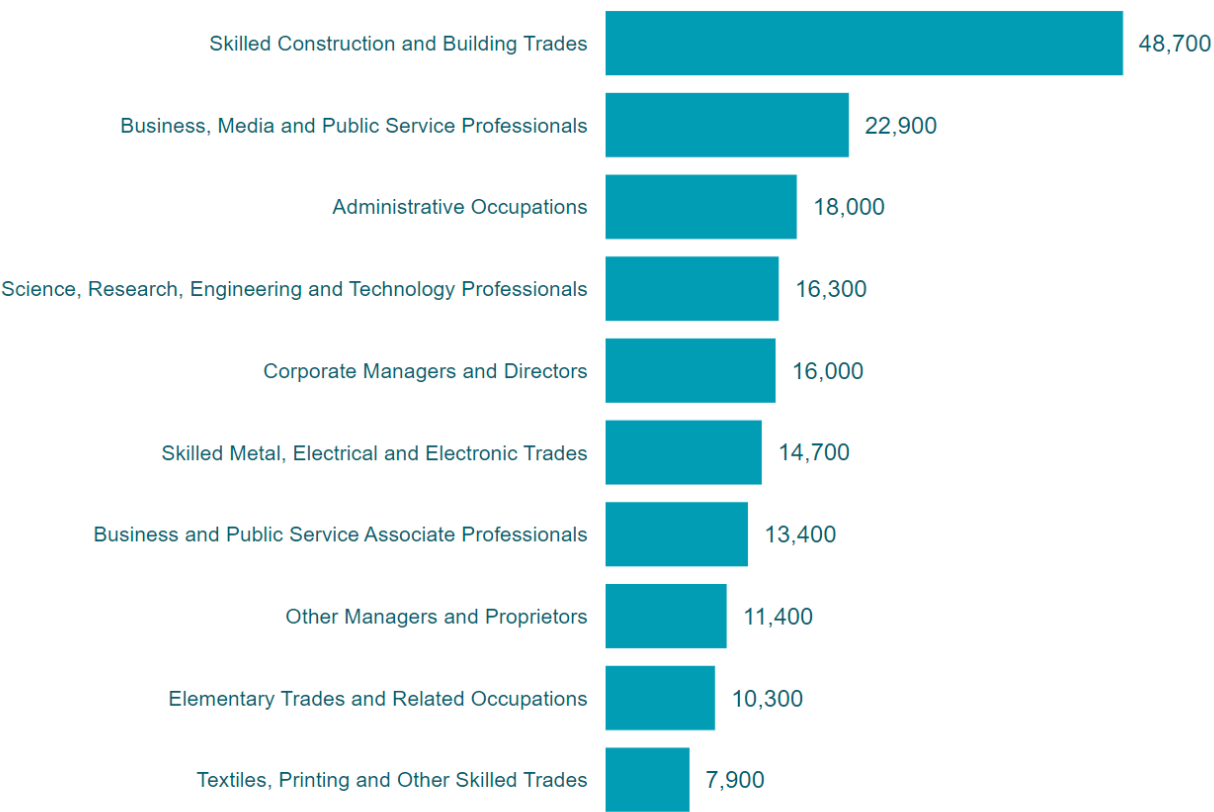
Total requirement:
31,400 people

Replacement demand:
22,600 people

Expansion demand:
8,800 people

Construction is forecast to account for **9.0%** of Scotland's total requirement for people in the mid-term (2026-2029)

Top 10 Employing Occupations (people), 2029¹



1. SDS (2026). Oxford Economics Forecasts.

2. Total requirement for people is made up of expansion and replacement demand.

The expansion demand is the number of people required as a result of economic growth or contraction.

The replacement demand is the number of people required to replace workers leaving the labour market (i.e. those who retire, move away or change jobs). Please note, figures are rounded to the nearest 100 and as a result totals may not equal the sum of the constituent parts.

Future Demand: Long-term (2029-2036)¹

Employment growth in the **Construction** sector is **forecast to continue, with an increase of 5.3% (11,700 people)** over the long-term (2029-2036). This is a larger percentage growth than is forecast overall across Scotland, where employment is anticipated to rise by 1.8% (48,300 people).

By 2036, the regions forecast to have the greatest level of sectoral employment are expected to remain **Lanarkshire** and **Glasgow College Region**. Between 2029 and 2036, the greatest growth is forecast to be in **Administrative Occupations (2,200 people)** and **Skilled Construction and Building Trades (2,100 people)**.

Forecasts for the long-term (2029-2036) estimate that **67,100 people** could be required in the sector. This will be driven by **the need to replace workers** leaving the labour market and **opportunities created** through expansion demand. Whilst positive, caution is needed as a wide range of factors may impact the labour market over this period.

Workforce (people), 2036¹



Workforce size 2036: **231,300** people



The sector's workforce is expected to **grow** by **5.3%** (or **11,700** people) between 2029 and 2036



Compared to a Scotland wide increase of **1.8%** or **48,300** people

Total Requirement^{1,2}



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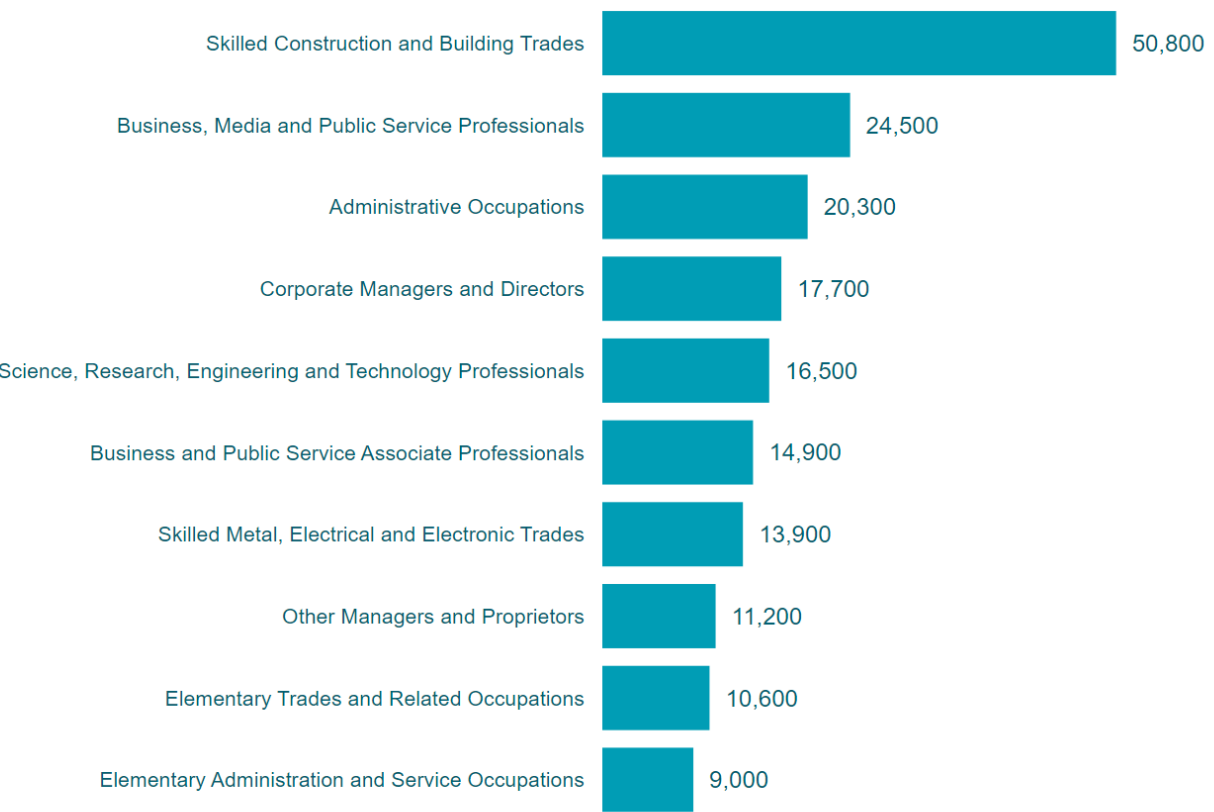
Total requirement:
67,100 people

Replacement demand:
55,400 people

Expansion demand:
11,700 people

Construction is forecast to account for **8.5%** of Scotland's total requirement for people in the long-term (2029-2036)

Top 10 Employing Occupations (people), 2036¹



1. SDS (2026). Oxford Economics Forecasts.

2. Total requirement for people is made up of expansion and replacement demand.

The expansion demand is the number of people required as a result of economic growth or contraction.

The replacement demand is the number of people required to replace workers leaving the labour market (i.e. those who retire, move away or change jobs). Please note, figures are rounded to the nearest 100 and as a result totals may not equal the sum of the constituent parts.

Appendix 1: Construction Sector Definition (SIC 2007)

SIC	Name
02.2	Logging
08.11	Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate
08.12	Operation of gravel and sand pits; mining of clays and kaolin
16.23	Manufacture of other builders' carpentry and joinery
20.30/1	Manufacture of paints, varnishes and similar coatings, mastics and sealants
20.30/2	Manufacture of printing ink
22.11	Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres
22.19	Manufacture of other rubber products
22.23	Manufacture of builders' ware of plastic
23.32	Manufacture of bricks, tiles and construction products, in baked clay
23.41	Manufacture of ceramic household and ornamental articles
23.42	Manufacture of ceramic sanitary fixtures
23.43	Manufacture of ceramic insulators and insulating fittings
23.44	Manufacture of other technical ceramic products
23.49	Manufacture of other ceramic products
23.51	Manufacture of cement
23.52	Manufacture of lime and plaster
23.61	Manufacture of concrete products for construction purposes
23.62	Manufacture of plaster products for construction purposes
23.63	Manufacture of ready-mixed concrete
23.64	Manufacture of mortars
23.65	Manufacture of fibre cement
23.69	Manufacture of other articles of concrete, plaster and cement
25.11	Manufacture of metal structures and parts of structures
25.12	Manufacture of doors and windows of metal
25.21	Manufacture of central heating radiators and boilers
25.29	Manufacture of other tanks, reservoirs and containers of metal
25.3	Manufacture of steam generators, except central heating hot water boilers
26.11	Manufacture of electronic components
41.10	Development of building projects
41.20/1	Construction of commercial buildings
41.20/2	Construction of domestic buildings

SIC	Name
42.11	Construction of roads and motorways
42.12	Construction of railways and underground railways
42.13	Construction of bridges and tunnels
42.21	Construction of utility projects for fluids
42.22	Construction of utility projects for electricity and telecommunications
42.91	Construction of water projects
42.99	Construction of other civil engineering projects n.e.c.
43.11	Demolition
43.12	Site preparation
43.13	Test drilling and boring
43.21	Electrical installation
43.22	Plumbing, heat and air-conditioning installation
43.29	Other construction installation
43.31	Plastering
43.32	Joinery installation
43.33	Floor and wall covering
43.34/1	Painting
43.34/2	Glazing
43.39	Other building completion and finishing
43.91	Roofing activities
43.99/1	Scaffold erection
43.99/9	Specialised construction activities (other than scaffold erection) n.e.c.
46.13	Agents involved in the sale of timber and building materials
46.63	Wholesale of mining, construction and civil engineering machinery
46.73	Wholesale of wood, construction materials and sanitary equipment
71.11/1	Architectural activities
71.11/2	Urban planning and landscape architectural activities
71.12/1	Engineering design activities for industrial process and production
71.12/2	Engineering related scientific and technical consulting activities
71.12/9	Other engineering activities (not including engineering design for industrial process and production or engineering related scientific and technical consulting activities)
74.90/2	Quantity surveying activities

We value user feedback on the Sectoral Skills Assessments. If you'd like to provide feedback, you can do so [here](#).
Or, for any further information or queries on the SSAs or any of our other products, please contact: RSA@sds.co.uk