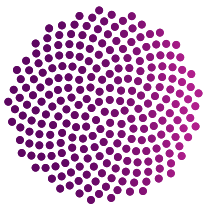


# Supporting the property and construction sector



**Property  
Industry Ireland**  

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## Supporting the Irish property and construction sector

### The impact of the crisis on the Irish property and construction sector

As we experienced with the financial crisis of 2008, global economic shocks can have a serious impact on construction and housing. However, a health crisis coupled with an economic shock could have even more severe implications. While the media and Government's primary focus, at present, may no longer be on housing and homelessness or Project Ireland 2040, the demand for housing and the need for investment in infrastructure has not gone away. Annual housing demand in Ireland before COVID-19 hit was 35,000. Last year we built 21,000 homes. With the effect of COVID-19 we are forecasting only 15,000 completions in 2020.

### Phase 1 Actions to support the Irish property and construction sector in the next 100 days

- 1. Fully re-open construction sites:** All sites should be re-opened on the sole basis that safe social distancing practices can be exercised. Urgent action is required to ensure Ireland continues to tackle its housing and homelessness crisis.
- 2. Ensure that the planning system can continue functioning during this period:** The planning system must adopt practices to enhance business continuity and resilience to respond to changed work practices. This includes facilitating community engagement and consultation in the planning system through wholly electronic means.
- 3. Avoid fiscal policy that deters institutional investment:** There is a lot of uncertainty already being posed by COVID-19 and Ireland needs investment to continue where possible in construction of new homes for both rent and sale.

## **Phase 2 Actions to support the Irish property and construction sector by end of 2020**

- 1. Introduce a Shared Equity scheme:** The State co-purchases up to 20% of a home, to support affordable home ownership. This will ensure that demand for housing is retained and certainty provided for new private home construction.
- 2. Change housing design guidance to allow greater density of new home development:** This will facilitate greater density house, rather than apartment, development for those locations where apartment development is unviable and not desired by purchasers.
- 3. Continue investment/capital spend on social housing by Government:** The demands for purpose-built social housing have not dissipated and only been exacerbated by the economic shock brought on by COVID-19.

### **Phase 3 Actions to support the Irish property and construction sector by 2023**

**1. Encourage the use of modern methods of construction:**

Government should support innovation in the sector by using modern construction methods as part of social housing public procurement.

**2. Be ambitious with infrastructure investment:** Establish a national infrastructure commission to advise on infrastructure priorities and provide sufficient financial support to allow state utility providers to carry out their functions, in particular Irish Water.

**3. Prepare a long-term housing plan in collaboration with industry and civil society:** This will result in a more informed response in the supply of social and affordable housing.

### **Impact of phased action on the Irish property and construction sector**

Housing, commercial and infrastructure construction will be allowed to return to activity, albeit at a reduced level to facilitate social-distancing. This will go some way to ensuring that the housing demands are met, that Ireland progresses in meeting the targets of Project Ireland 2040, and that important infrastructure is maintained.

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‘Ireland still does not have enough homes to meet demographic demand. Houses need to be built. It is important for homebuilding to get back to work in a safe and sustainable manner.’

**David O’Connor**

Chair of Property Industry Ireland



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