

## 1. RISING COSTS STAFF SHORTAGES THREATEN CONSTRUCTION SECTOR

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**'IT IS NO LONGER A TIME TO BE WEIGHED DOWN BY BUREAUCRACY'**



Ongoing staff shortages continue to plague the construction sector, something which is partly attributed to young people's aversion towards manual labour and a shift towards technology roles and other corporate professions

# Rising costs, staff shortages threaten construction sector

By Kyriacos Nicolaou

CONSTRUCTION companies and other industry stakeholders continue to be faced with the persisting challenges posed by rising domestic inflation, as well as the adverse effects of global supply chain disruption and the war in Ukraine.

Building Contractors Associations of Cyprus (Oseok) president of land development Stylianos Gabriel echoed these thoughts during a roundtable discussion.

The discussion was part of the design and construction conference which took place on Wednesday in Nicosia.

Gabriel warned that if the above issues are not resolved then they will cause a chain reaction with dire consequences for both the construction sector and the Cypriot economy.

In addition, the Oseok president did not rule out the possibility that projects

will remain incomplete and a number of staff members will become unemployed.

"Inflation has risen to nine per cent and an increase in unemployment will cause further financial problems," Gabriel said.

What is more, he also stressed that the industry's main objectives remain the same, which are none other than the implementation of projects based on their original timelines and budgets.

"It is enough for the industry to adapt and adopt innovative practices and technologies and for the state to modernise the laws and conditions regarding the construction projects it carries out in cooperation with the private sector," he explained.

Gabriel reiterated that ongoing staff shortages continue to plague the construction sector, something which he partly attributed to young people's aversion towards manual labour and a shift to-

wards technology roles and other corporate professions.

However, he concluded by defending the construction sector as a chosen field of work, saying that "our industry is promising and there are prospects for the development of young people".

Meanwhile, Cyfield Group executive director Despina Chrysochou spoke on four trends that have been observed in the Cypriot construction sector and real estate market.

First is the increasing number of high-rise buildings, a reflection of the robust demand by certain companies which seek high-end services and the views offered by such buildings.

Chrysochou also spoke about the importance of technology, with clients now rendering advanced solutions as a minimum requirement, while she also noted the strong demand for green

buildings.

"Our customers are asking for buildings with less energy consumption and heat loss," Chrysochou said.

What is more, Chrysochou noted the return of office staff back to city centres, something which she attributed to people's inherent need to socialise.

She added that the return of staff to the office has proven beneficial to the economy.

Technical Chamber **Etek** president Constantinos Constanti said that the industry needs to view the challenges it currently faces as a means to evolve.

"We must utilise technology," Constanti said, explaining that "it is no longer a time to be burdening the environment or be weighed down by bureaucracy".

He went on to say that the construction industry, having suffered a number of blows from 2013 onwards, requires radical reforms to

compensate for all the negative effects that it has been experiencing.

"Licensing must be done in a quicker manner and time must be used more productively for the convenience of citizens," Constanti explained.

"On behalf of the chamber, we call for the utilisation of technology in all areas that offset the construction costs for the citizen," he added.

Constanti also said that the plans currently in place encourage scattered development and are not in favour of neither the taxpayer nor sustainable development.

"In a time of crisis, there are opportunities and measures to address the negative effects of external factors," he said.

"Local projects must encourage new, better developments and be friendlier to compact and beautiful cities that meet new challenges," Constanti concluded.