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THE CHARTERED INSTITUTE OF BUILDING



# SOCIAL MOBILITY AND CONSTRUCTION

**Building routes to opportunity**

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# EXECUTIVE SUMMARY

This report seeks to highlight the importance of increasing social mobility and how the wider construction industry can work to promote greater equality of opportunity for young people and those already in employment.

It seeks to unpick the complexities in what we mean by social and economic mobility and how we measure it. The findings from this report clearly point toward construction having a huge and growing potential role in driving greater opportunities for those less privileged and releasing their talents.

The policy challenge is made plain. In the eyes of many, including the international economics body OECD, the UK sits near or at the bottom of the league for social mobility among the world's advanced nations.

As this report highlights, the social fluidity of society is not simply down to having picked the right social policies, although they clearly matter. Long-term structural shifts in the economy have a profound impact on the ability of people to move up and down the metaphorical social and economic ladders. For most of the twentieth century, these economic shifts were more favourable to upward social mobility. The past few decades have seen a profound change within the labour market that has created strong headwinds to progress.

The once swelling numbers of middle-status jobs that fuelled upward social mobility are now in decline. Job creation increasingly is at the top or the bottom of the income scales. An hourglass economy is forming which expands the divide between classes of people. This restricts social mobility and in turn spills over into political unease.

A key factor in the development of the hourglass economy is the rapid decline in well-paid skilled trades occupations, which provided for many a route from manual jobs into management and professional careers. There is one prominent industry where this decline has not occurred – construction. Unlike other industries, the diverse range of construction's

products, and consequently tasks, has meant the drive towards automation has been limited and so has had relatively little impact on the shedding of craft skills.

The construction industry is now the dominant sector for skilled trades occupations, overtaking manufacturing at the turn of the century. In the UK, it now accounts for a third of all employment in this occupation group and a greater proportion of new job opportunities.

But it is not just the labour market that determines social mobility. Where we live and the opportunities made available greatly impact on our life chances. The shaping of the built environment plays a big part in how these opportunities are distributed.

This report shows how both as an employer and through what it builds, construction has a profound impact on the life chances of UK citizens.

The research shows how construction is seen to stand above most other industries as a driver in the economic mobility of those it employs. This is recognised not just through analysis of data, but by British working adults at large, as a specially commissioned survey for this report clearly illustrates.

The report also highlights that what construction builds is considered to have a huge impact on the population and on its social and economic mobility. Better transport, better schools and better neighbourhoods improve the life chances of many, and especially those of children born to poorer parents.

But the industry can do more, as can all industries. And this report presents recommendations ([in full on page 28](#)) on how construction businesses, the wider industry, professions and government might work to increase social mobility.

# Summary of recommendations

## Construction businesses

- Focus on better human resource management
- Introduce and/or expand mentoring schemes
- Boost investment in training
- Develop talent from the trades as potential managers and professionals
- Engage with the community and local education establishments

## Industry

- Rally around social mobility as a collective theme
- Promote better human resource management and support the effort of businesses
- Promote and develop the UK as an international hub of construction excellence
- Support diversity and schemes that widen access to management and the professions
- Emphasise and spread understanding of the built environment's impact on social mobility

## Professional bodies and institutions

- Drive the aspirations of Professions for Good for promoting social mobility and diversity
- Support wider access to the professions and support those from less-privileged backgrounds
- Promote and develop the UK as an international hub of construction excellence
- Emphasise and spread understanding of the built environment's impact on social mobility
- Provide greater routes for degree-level learning among those working within construction

## Government

- Produce with urgency a plan to boost the UK as an international hub of construction excellence, as a core part of the Industrial Strategy
- Provide greater funding to support the travel costs of apprentices
- Support wider access to the professions and support those from less-privileged backgrounds
- Place greater weight in project appraisal on the impact the built environment has on social mobility

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# INTRODUCTION

Social mobility is fast becoming a defining issue of our time. Within the UK and in other developed nations, growing numbers of people sense that their life chances are decaying compared with those enjoyed by their parents. The data increasingly support this view.

The Great Recession brought the issue into starker relief. What had been growing frustration has spilled over into protest and increasingly fractured politics.

Movements such as Occupy sprang up pointing to social inequality and the overbearing power of an elite 1%. Donald Trump, in his successful presidential campaign, tapped into the frustration amongst blue-collar middle classes in the US, hitting out at “the establishment” which he blamed for holding Americans back. A similar case took place in the UK in the run up to the EU referendum where the views and advice of “experts” was questioned and even dismissed.

As a political narrative this is potentially very destabilising, undermining trust. We see across the developed world parties and personalities that hitherto would have been regarded as on the fringes of politics gaining support. And while their places on the political spectrum may vary, the common thread in their rhetoric is the notion of a group of “elites” in a league with “the establishment”.

There are of course a myriad of factors stoking recent discontent, including migration. But underlying the swelling public frustration and political fragmentation is a loss, or sense of loss, of personal progress and control. The golden age of upward social and economic mobility for the majority appears to be at an end, certainly in the UK and the US, and instead is now going in reverse.

Theresa May recognised this in her first speech as Prime Minister with these words: *“When it comes to opportunity, we won’t entrench the advantages of the fortunate few. We will do everything we can to help anybody, whatever your background, to go as far as your talents will take you.”*<sup>21</sup>

This is not a direct pledge to improve social mobility. But it recognises frustration latent in the population

where too many people see their paths to self-improvement restricted.

The effects of social and economic mobility play out over relatively long periods of time. To gain an understanding requires looking back many years.

When the world’s eyes fell on the UK 50 years ago, it epitomised a class-ridden society, albeit under attack. Class differences may have been mocked and satirised, but they were widely accepted. Many people saw them as providing certainty and stability. Then, universities educated about 7% of the UK’s young adults.

Contrast that with today. University is a reasonable aspiration for half if not more of the country’s young adults. More than 40% enter higher education by the age of 19 while many others choose to take a degree later in life. Today, the political mood is to find it unacceptable that a child’s life-chances should be a heavily determined by the social class of their parents. Aspiration is applauded.

To a casual observer the UK today may appear more socially and economically fluid. That would be to misinterpret the undercurrents. In 1966 the national flow was towards more social mobility. This led to where we are now and the expectations we hold. The evidence suggests the flow has turned, taking us back to a state where the fortunes of a child’s parents are an increasing determinant of that child’s life chances. There is a growing consensus among leading academics and politicians that social mobility in the UK is in reverse.

Today, as a recent Resolution Foundation report warned, for the first time in modern history the current generation in the early years of their career face being poorer than the previous generation.

Many political, economic and social factors drive social mobility over long time frames. It can be easy

to miss the obvious and, in turn, misunderstand the forces at work. A major reason why social mobility in 1966 was increasing is simply down to shifts within the economy. There was a decreasing demand for elementary skills and a growing demand for higher skills. The pace of a longstanding process that had been swelling the middle classes for generations raised ever more people into high social and economic status. It was a rising tide raising most if not all boats – absolute social mobility. Even with little or no relative social mobility, most would have seen their life-chances and social trajectory improving.

In the latter quarter of the twentieth century, this process changed. There is now a growing separation in the labour market, with a simultaneous increase in low-paid, low status jobs and high-paid, high-status jobs; a movement towards what is described as an “hourglass economy”. This inevitably forces some people down the social and economic ladder.

A particular feature of this change has been a major loss of skilled trades. These trades did not simply provide social status and solid earnings in themselves, they provided for many an opportunity and a platform for progression within a career, from the trades to management and professional roles.

The decline in skilled trades appears to have worsened social mobility. Certainly this is a narrative that is vexing many politicians in the US; a country which has always regarded itself as a land of opportunity.

This divergence of the labour market does not necessarily mean that greater social rigidity is inevitable. Similar labour market effects will be happening across developed nations. Yet the UK still scores near, or at the bottom, on social mobility measures compared with other advanced nations.

So what does all this have to do with construction?

The quick answer is that it has a powerful role to play in supporting greater social fluidity both as an industry and through what it creates.

This report shows how among the UK industries, construction ranks near the top for social mobility. Getting to the top of the tree in construction relies far less on who your parents were or what they did. This is in stark contrast to professions such as law and medicine. Construction can be seen as a motor for social mobility.

While other industries, such as manufacturing, have shed skilled workers, the construction industry still maintains a high proportion of those trade skills within the workforce. Skilled trades have offered a route to social and economic advancement.

Less well understood is that the built environment that construction creates has a major bearing on the life chances of our children. Through building schools, homes and hospitals, the industry can influence the well-being and life-chances of everyone. Less obviously, new research suggests that the way we build our cities and connect populations has a strong bearing on how socially mobile those communities are.

There are pockets of the wider construction industry, notably the professional services such as architecture, surveying and engineering, where the record of social mobility is weaker than in the statistically defined sector of construction. This is understandable.

Professional bodies within the industry are aware of this and through education, access, creating connections and mentoring, they are looking to smooth the often rougher passage experienced by the less-privileged in aspiring to meet their potential.

So why should the construction industry and its businesses care about social mobility? It makes the industry a better place to work. It makes firms more productive. It raises the image of construction within the wider world. And it can help to make the nation fairer and more prosperous.

Ultimately it is the right thing to do.



# WHAT IS SOCIAL MOBILITY AND WHY DOES IT MATTER?

Compared with the world's advanced nations, the UK scores near or at the bottom on most measures of social mobility. That at least is the view of the international economics body OECD.<sup>3</sup>

The British Social Attitudes survey report, based on 2015 data, states: *"We find Britain divided along class lines. Nearly 8 in 10 of us think that the divide between social classes is wide or very wide. We are less likely now to think it possible to move between social classes than in the past, reflecting, perhaps, the fact that social mobility is not what it once was."*<sup>4</sup>

And as far back as 2005 research from the London School of Economics (LSE) suggested that, as well as being low, social mobility in Britain was actually falling.<sup>5</sup>

This concern has been reinforced by a report from the Resolution Foundation in July 2016 which found: *"In contrast to the taken-for-granted promise that each generation will do better than the last, today's 27 year olds (born in 1988) are earning the same amount that 27 year olds did a quarter of a century ago."*<sup>6</sup>

Such research – combined with related concerns such as the fact that increasing numbers of young adults are burdened with debt and unable to buy homes – has projected social mobility up the agenda of all political parties. There is now cross-party support to tackle the issue, which is well illustrated by the appointment of Alan Milburn, a former Labour Secretary of State, as the chair of the Government's Social Mobility and Child Poverty Commission (now the Social Mobility Commission) under a Conservative Prime Minister.

But what is social mobility and why is it seen as so important?

At its core, the notion of social mobility is one we all appear to appreciate within the broad consensus that people should have an equal opportunity in life. In terms of its importance, it plays strongly to a sense of fairness and "the right thing to do". But understanding it, measuring it and gauging its implications is not straightforward.

A useful place to start with when seeking a definition and an understanding of the importance of social

mobility is the discussion paper on the subject produced in April 2001 by the Performance and Innovation Unit within the Government's Cabinet Office. This paper coincided with a resurgent interest in social mobility within government.

It describes social mobility as *"the movement, or opportunities for movement, between different social groups, and the advantages and disadvantages that go with this in terms of income, security of employment, opportunities for advancement etc."*<sup>7</sup>

- The report suggests it matters because:
- Equality of opportunity is an aspiration across the political spectrum. Lack of social mobility implies inequality of opportunity;
- Economic efficiency depends on making the best use of the talents of everyone; and
- Social cohesion and inclusion may be more likely to be achieved where people believe they can improve the quality of life they and their children enjoy through their abilities, talents and efforts.

As with many sociological issues, it gets more complicated the more consideration it receives. This starts with the fact that social mobility, as a term, covers a number of related but separate trends. Furthermore, measuring social mobility can be fraught and open to a range of interpretations.

Boiled down, social mobility is regarded as a measure of how easily people can move socially, and by implication economically, up and down a hierarchy. It is inextricably linked to issues of equality and fairness, in opportunity if not in outcomes. The box on page 10 provides a guide to some of the generally accepted ways to view and assess social mobility.

Social mobility, or rather the lack of it, is a longstanding and deep-running issue in the UK, as it is in many countries. It tells us much that the famous Class Sketch, aired on The Frost Report in 1966 – a satire of the



British class system, featuring John Cleese, Ronnie Barker and Ronnie Corbett – continues to resonate with the public and remains hugely popular.<sup>8</sup>

However simply or starkly it may be portrayed or appear, discussion of social mobility raises thorny issues. As the Class Sketch illuminates, when we shift focus from economic or income status towards social status, we enter deeper into debates relating to class. Here we have to take account of factors such as social connections, social assumptions, gender, race and religion, which inevitably widen discussion well beyond an individual's merit, as might be measured by academic, professional or, for that matter, sporting performance.

The issue of social mobility also takes on a different hue when looked at in relative, rather than absolute, terms. In relative terms, the upward mobility of some requires downward mobility by others. Importantly too, social mobility has close links, indeed close negative correlation also, with wider issues of inequality. The "Great Gatsby Curve" appears to sum this up well. The term was coined by the chairman of the White House Council of Economic Advisers and leading US economist, Alan Krueger, in a speech in 2012.<sup>9</sup> It plots inequality against intergenerational mobility and points to a strong correlation between unequal countries and lack of social mobility.

## the built environment plays its part in shaping the opportunities everyone has to get on in life

Unsurprisingly it is a topic that can attract controversy, not just within academic circles, but in politics. In forming policy, understanding areas of academic and political consensus and conflict matter greatly.

If we look for consensus, there is one thing most people agree on. If the dice in the system that determine people's lives are loaded, it can lead to social division. This consensus appears to have hardened in the wake of the EU referendum (see [Chart 7 of the fact file](#)). Furthermore, across the economy, social immobility clearly can lead to less optimal outcomes if an unfairly weighted system means potential talent is excluded in favour of the less talented.

It would, of course, be careless to ignore the potential of genetic or inherited traits for creating some difficulties in social mobility – certainly in the case of intergenerational social mobility. This brings us into a controversial arena. But the consensus suggests that whatever effects inherited traits may have, they do not explain the low level of income mobility in the UK today.

There may be dispute over details and importance, but broadly what causes social immobility has been well explored. From social and cultural environments, social networks, gender, ethnic origin, age, access to institutions, family income and wealth to education, health, transport and housing, the list is long.

The influences of these factors naturally overlap and interweave, leading people to differing behaviours and choices. In turn, these factors influence attitudes, aspirations, expectations and appetites to risk taking, which ultimately shape the economic and social positions in which people find themselves.

Turning to the construction industry, why it should have a major role to play in this debate may not be at once obvious. But it does.

Firstly, construction is a major employer. Those that deliver and maintain the built environment represent about 10% of nation's working population. The wider construction industry directly influences their social mobility and can be a powerful vehicle for greater social mobility or a restraint.

Secondly, the built environment plays its part in shaping the opportunities everyone has to get on in life. Through the provision of transport systems, workplaces, hospitals and health centres, schools or homes, our built environment determines who we know, who we meet, how well we learn, how we get to work, our working environment and our physical and mental state. Each of these, along with many other factors, influences our life chances and mobility within society.

Thirdly, for professional bodies such as the CIOB there is a particular responsibility. Through access to a profession, professional bodies can either lift people into better roles or, conversely, limit their opportunities to rise to meet their aspirations or ability.

It is not without reason that the Social Mobility Commission has within its terms of reference: “... *making the case for organisations across wider society to play their part in improving life chances and challenging them to continue to make progress (for example considering the role of the professions, other employers, universities and the voluntary sector in improving social mobility).*”<sup>10</sup>

For the CIOB, the above three reasons are strong causes to seek a better understanding of the issues of social

mobility and how both construction and professional bodies can best play an active part in making the UK a more socially mobile and vibrant nation.

For the industry at large there is every reason to support greater social mobility and appreciate the benefits that it brings, if only because it helps make the most of the talents of those who choose construction as a vocation. Taking a positive approach to improving social mobility will enhance the reputation of the construction industry.



## Viewing and assessing social mobility

### **Social mobility used in general terms tends to cover a number of related concepts.**

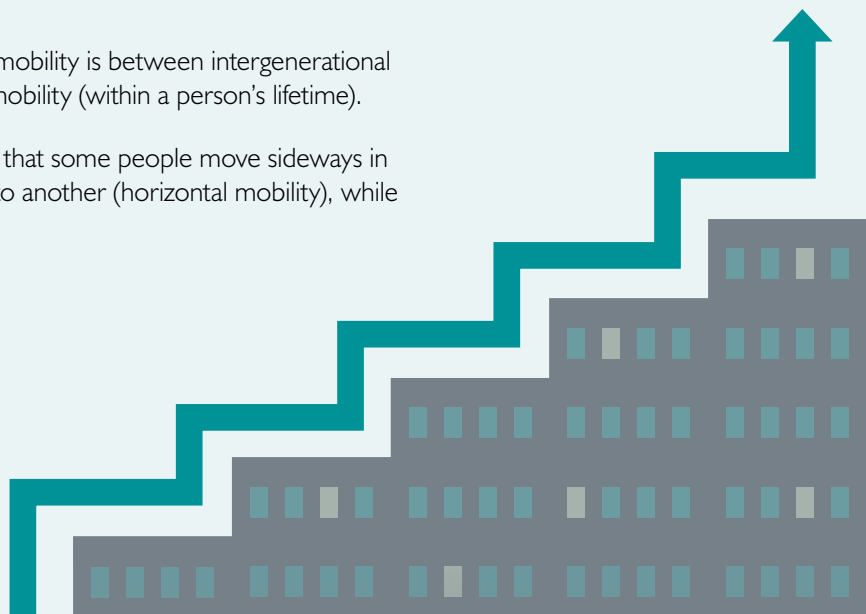
Firstly, we need to know whether we are talking about social or occupational status or mobility of income, sometimes described as economic mobility. They may be related but they are not necessarily the same thing. Although much research into social mobility relates to income, the social strata, or class, matter. These carry other values, such as levels of power, wealth and social connections.

There is also an important distinction to be made between absolute and relative social mobility. Absolute social mobility is a measure of a rise or fall in income or social status. It is not a zero-sum game. Relative social mobility is a rise relative to others, which might be seen as a zero-sum game. It is a measure of the chances people from different backgrounds have of attaining different social positions.

That a child enjoys upward social mobility compared with his or her parents could be a result of absolute or relative social mobility, a bit of both, or the positive effects of one and the lesser negative effects of the other. So, for instance, an expansion of the middle classes may mean absolute social mobility for many, but lead to little or no increase in relative social mobility. Indeed, relative mobility could actually fall while absolute mobility rises, one disguising the other. The distinction is important.

A further important distinction when looking at social mobility is between intergenerational mobility (from parent to child) and intra-generational mobility (within a person's lifetime).

Given that the issue is mobility, we need to appreciate that some people move sideways in the social hierarchy from one equally-ranked position to another (horizontal mobility), while others move up or down (vertical mobility).



# WHAT INFLUENCES SOCIAL MOBILITY?

The list of factors that influence social mobility is long. The aim here is to provide pointers to those influences that might help us understand how the construction industry, its policy makers, businesses, institutions and the built environment it helps create, could support greater social mobility.

Firstly, though, a warning. When interpreting changes in the measures of social mobility, and the data that underpins policy making and monitoring of its effectiveness, it is extremely important to keep in mind what is being actually being measured.

It is very easy to jump to false conclusions on the basis of statistical quirks and misreading of data. There are huge numbers of inter-related influences on social mobility and numerous ways we might measure changes. Finding relationships is far from easy, not least because the time frames over which social mobility is inevitably measured are long.

Simple things can be overlooked leading to misinterpretation and in turn bad policy choices.

Let's consider population change. As with any statistic, it is important to be aware of changes in the population. Often this particular change is front of mind, as this is what is being measured. But it can be overlooked and result in misinterpretation.

By way of example, think of the impact of an asymmetric birth rate between rich and poor. Assuming the occupational structure remains the same and there is an equal proportion of top, middle and lower-level jobs in the social structure, if those of lower social status have more children, there will be upward absolute social mobility as more of the poor are drawn into the higher ranked jobs to maintain a consistent social structure. There may be, however, very low relative social mobility, with higher social groups almost guaranteed higher social status jobs, but still little hope of the same for those from less fortunate backgrounds.

A similar effect would be seen with immigration. If the migrants are of low social status, we might expect increased upward social mobility in absolute terms. Interestingly if they were migrants of high social status the reverse effect could happen and there might be downward absolute social mobility.

These are highly stylised examples to illustrate a statistical point. Numerous other factors influence social mobility that are themselves connected with birth rates and migration. The lesson is to be cautious in interpretation.

The points made above, however, lead to a related factor. Shifts in the structure of occupations can have huge impacts on social mobility. If the number of lower status occupations fall and the number of higher status occupations rise, absolute social mobility rises, but not necessarily relative intergenerational social mobility.

Many, if not most, of the people we come across day to day seem to have “done better” than their parents. This is a sign of improved absolute social mobility. Much will be down to major structural shifts in the economy and occupations over recent decades. But perhaps a more intriguing thing is why we seem to come across so few that have “done worse” than their parents. To what extent is this a sign of lower relative social mobility? This naturally raises questions of fairness and equal opportunities, which lie at the heart of the social mobility debate.

Naturally, a major factor influencing social mobility is the varying quality of support children receive from their parents and the immediate community within which they live. The support takes many forms: education, social connections, financial assistance, health and experiences. Such support helps shape children's attitudes, expectations, ambition, readily-available opportunities, their social networks and their skills and abilities when entering employment. Children with parents that can offer more of these advantages – generally those from higher social backgrounds – tend to end up in better jobs relative to their innate talents than those from less supported backgrounds. This reinforces intergenerational social immobility.

There are limits to the amount that policy makers may wish to intervene in relationships between parents and their children. There is, however, a perceived legitimate role for governments in levelling the playing field. But how? This demands a clear understanding of what factors influence social mobility so that they can be successfully and appropriately addressed through policy interventions.

As mentioned, the factors influencing social mobility are many. The scope is wide and the choices are political and not without potential controversy. For example, as we have stated, research suggests that nations with greater income equality are more socially mobile. This might suggest to some policy makers the need for a more progressive taxation regime or other interventions to reduce pay gaps between those in employment. There is a link between deprivation and social mobility; given the factors that describe deprivation, this is not surprising. This might suggest to others the need for greater social interventions within the family. There are links with gender, race, religion and social mobility that might lead some to conclude the need for quotas.

If we look at issues uppermost in the minds of policy makers currently addressing social mobility, topping the list tend to be early years development and education. This is to be expected in a world increasingly reliant on education as a route to occupational opportunity. Indeed, much of the debate on social mobility across the political spectrum focuses on education, access to education and educational opportunities.

**It is evident that education is central to the thinking, but issues such as health, deprivation in the local environment and social support clearly feature**

The thrust of thinking can be seen clearly in the list of social mobility indicators created by the UK Government in 2013 and last updated in March 2015.<sup>11</sup>

- Low birth weight
- Early child development, by social background
- School readiness
- School readiness - phonics screening check
- Attainment at age 11 by free school meal eligibility
- Attainment at age 11: Disadvantaged Pupils Attainment Gap Index
- Attainment at age 16 by free school meal eligibility
- Attainment at age 16: Disadvantaged Pupils Attainment Gap Index
- Attainment at age 16 by deprivation level of school
- Attainment by age 19 by free school meal eligibility
- High A level attainment by age 19 by school or college type
- 18 to 24 participation in education by social background
- 18 to 24 participation in employment by social background
- Progression to higher education by age 19, by free school meal eligibility at age 15
- Higher education participation in the most selective institutions by type of school or college attended
- Higher education – graduate destinations
- Access to the professions
- Proportion of the lowest earning 25 to 30-year-olds that experience wage progression 10 years later
- Second chances

It is evident that education is central to the thinking, but issues such as health, deprivation in the local environment and social support clearly feature.

Looked at from the perspective of the construction industry, the last four in this list of indicators probably hold most interest. That the government is seeking to measure access to the professions is a clear signal of how important policy makers see the role of professional bodies, such as the CIOB, in regard to social mobility.

However, these indicators only hint at what actually influences social mobility. They certainly do not explicitly highlight how construction might influence things. This requires a further step.

We might consider deprivation and its impact on health, education and general well-being and, in turn, the effects on social mobility. Here construction clearly has a role through the regeneration of the

built environment. This can improve the quality of schools and health facilities, raise well-being within neighbourhoods and communities and, if well deployed, provide employment and opportunities for progression.

The construction industry also has great potential to contribute to education more broadly through engagement with schools, training those from less privileged backgrounds and in providing mentoring and support to assist in building confidence and aspiration. Furthermore, it opens opportunities for progression for budding entrepreneurs with a passion to set up new businesses.

One issue that must be considered, especially in the case of intra-generational social mobility, is the effect of economic cycles, recessions and unemployment. If an individual is unemployed for a lengthy period at a pivotal point in their career this may have a disproportionate impact on that individual's prospects compared with the population as a whole. One issue with construction is its volatility. This would increase the potential for periods of unemployment. However, there may be other factors that mitigate this problem. Research by Essex University's Institute of Social and Economic Research, for example, found recessions do impact on social mobility.<sup>12</sup>

Construction's professional bodies evidently have a major role to play in ensuring that they act as conduits to talent. Their role in setting educational standards, ensuring ethical conduct and serving the public interest is essential in acting as counterbalance to influences that could hinder social mobility and unfairly restrict access and opportunity within the industry.

There are, in addition to those suggested by the measures, influences on social mobility that tend to receive less attention, but may be of great potential interest to the construction sector.

Access to good transport plays a major part in access to opportunity. This could be in reducing the burden of travel, especially to the less privileged or hard-pressed, to existing jobs or, importantly, potential higher-status opportunities. Lack of good transport restricts access

to culture, to libraries, to education establishments, to other services and to a wider spectrum of people. Better access to suitable transport is inevitably extremely pertinent to disabled people. What is true in the physical world is becoming increasingly relevant in respect of access to the digital world, where access to good internet services is influencing opportunities.

Urbanisation also has an influence on social mobility. More urban environments seem to be more socially mobile, but recent work in the United States has found a link that suggests cities that sprawl more have lower social mobility.

The quality of buildings and the general public realm have a huge impact on people's view of themselves and in turn on their aspirations. Better design can, for instance, reduce neighbourhood crime, improve health and help to liberate residents from less obvious constraints on their social mobility. "*Social, cultural and economic inequalities are still being literally built into new places...*" according to the 2008 report *Inclusion by Design*, produced by the Commission for Architecture and the Built Environment (CABE).<sup>13</sup>

It is critical to note that social mobility links inevitably to issues of diversity. Any understanding of social mobility can only be partial if it presumes that gender, race, religion, disabilities, age and a host of other differences between people do not play a part in determining both opportunities and outcomes.

The network of factors that influence the degree of social mobility within any nation is clearly complex. There is inevitably the potential for making highly contentious, controversial and politically divisive policy choices in seeking to increase social mobility, widen opportunities and create fairer access to the top jobs and the upper reaches of the social structure.

This may lead many working within the construction industry or representing it to shy away from the issue. But it cannot be said that construction does not have an important role to play.



# THE CONSTRUCTION INDUSTRY AND SOCIAL MOBILITY

More than 2.2 million people are employed directly in UK construction. The number rises to around 3 million if you take account of those related jobs in the professional and support services sectors and in manufacturing that are dedicated to construction. That is about one in ten of those employed in the UK.<sup>14</sup>

Furthermore, as an employer, construction takes in more people from less-privileged backgrounds than many other sectors. That means its potential to facilitate greater social mobility is magnified.

Simply looking at construction as it is today, it is obvious that as a major employer it has a huge role in providing opportunities for talent to flourish on merit rather than background. That it can be a powerful machine for social mobility should be evident from the number of highly-successful business leaders who lifted themselves from relatively humble backgrounds, such as Ray O'Rourke of Laing O'Rourke, or Tony Pidgley of Berkeley Group.

Other industries can point to similar examples and social mobility should not be debased simply to rags-to-riches stories. But these examples might help to spark aspiration among those entering the industry who otherwise may be resigned to falling short of the potential their talents suggest.

One major factor in seeing construction as a key driver – above other industry sectors – in delivering greater social and economic mobility is its high proportion of skilled trades occupations. These occupations have historically provided a route for those from less-privileged background to access to high-status managerial and professional jobs.

While other industries, such as manufacturing, have shed skilled workers, the construction industry still maintains a high proportion of those trade skills within the workforce. It now accounts for a third of all skilled occupations as we can see in [Chart 3 of the fact file](#). And, for young people entering employment over the next decade, construction will offer more than 40% of new opportunities for a career in a skilled trades occupation.

The data appears to support the view that construction ranks highly as an industry for intergenerational social and economic mobility. [Chart 5 in the fact file](#),

based on the Labour Force Survey data, shows the proportions of those in senior management or professional occupations within construction are higher than for most other industries. This is not proof of social mobility as the number of positions and what constitutes senior management and professional occupations will vary, but it is supportive.

If we look beneath the more high-profile cases we do see powerful evidence that construction does provide opportunities for those with lower qualifications in formal education to rise into management roles.

Assessing the effectiveness of individual industries in promoting greater social mobility is limited, however, work by the Construction Industry Training Board (CITB) does provide a guide to the fluidity of movement within construction. Its 2013 report *Career and Training Progression Routes in the Construction Industry* paints a reasonably positive picture in regards of social mobility, albeit from a small sample given the complex pattern of employees within construction.<sup>16</sup>

The survey revealed the high proportion of those in the industry who have limited qualifications. 34% of the sample had no qualifications at the age of 16 and the average for those with qualifications was five GCSE passes at grades A to C. The perception of progress among those surveyed was high, with more than half describing their progression as “strong”.

The more detailed numbers suggest the movement from craft skills to higher status roles is again impressive. There were 55 cases out of 131 of those within the sample who had moved from craft to technical, professional or managerial roles. Furthermore, 10 out of 29 of those starting out as semi-skilled or unskilled workers had moved into professional or managerial roles.

One of the industry's strengths in fostering greater social mobility is that it does take those with lower formal qualifications and nurture them as they build highly successful careers.

There is a tension between an industry that takes in those with low formal education and an industry, for its own ends, that seeks to attract those judged more by their formal qualifications i.e. “the brightest and best”. Given the diversity of people the industry does and can employ, these objectives may provide less conflict than they initially suggest.

Furthermore, the notion of second chances must also be taken into account. If the UK is to encourage and provide opportunity for all its citizens to reach their full potential it must provide routes for people to get “back on track”. This is particularly important for those from troubled backgrounds who understandably lack confidence.

The industry’s flexibility with how and who it recruits has become very evident as it has stepped up to tap into the talent leaving the Armed Forces, providing jobs in both trades and management roles, through collaborative initiatives such as BuildForce.

The willingness and ability of the construction industry to take people from a wide range of backgrounds should rightly be viewed positively in terms of social mobility. This social value should be weighed against the inevitable negative narrative, that this openness reinforces construction’s poor image in failing to attract the best candidates with the highest qualifications. And the opportunity for second chances that construction provides should also be recognised and rewarded, not penalised.

However, if we set this perception against the latest survey of graduate labour market data produced by the then-Department for Business, Innovation and Skills (BIS), we see in table 1 that median salaries for graduates aged 21 to 30 and 16 to 64 in construction compare very well with other main industries.<sup>17</sup> The notion that the industry offers a second-class and low-paid career for graduates is evidently mistaken.

**Table 1**

INDUSTRY	21 to 30	16 to 64
Manufacturing	£25,000	£36,000
Construction	£26,000	£37,000
Distribution, Hotels & Restaurants	£18,000	£22,000
Transport and Communication	£26,000	£39,000
Banking & Finance	£25,000	£35,000
Public Admin, Education & Health	£24,000	£30,000

This positive view of construction should, however, be tempered by recognising that the industry workforce lacks diversity relative to most other industries. Construction is dominated by white males and those with physical disabilities are relatively rare. Weighting for these biasing factors would bring down the median earnings.

The industry’s fragmentation is often regarded as a problem, for example in terms of productivity and training. However, the very fragmented nature of construction may also be acting as a facilitator of greater social mobility.

There are more than 300,000 construction enterprises in the UK and, of those, 94% are microbusinesses employing fewer than 10 people. These provide a platform for budding entrepreneurs coming from trade-skills backgrounds to establish themselves and potentially grow a substantial business.

It is generally accepted that the huge number of small firms is in large part a reflection of the tax regime and the low threshold to entry given the relatively small capital intensity of contracting. But it should be recognised that these firms may well offer a potential degree of fluidity in terms of social mobility for aspirational people with lower formal qualification who may, at least initially, struggle to progress in more formerly structured corporate environments.

Progression through smaller companies may also provide the necessary confidence and track record needed for “second chancers” to catch up and later progress into professional occupations within larger companies.

Data is thin on the ground in comparing social mobility in construction with that of other industry sectors. As mentioned above, analysis of data from the Labour Force Survey ([Chart 5 in the fact file](#)) does point to construction providing more social fluidity than most other industry sectors.

To gain more insight, the CIOB commissioned ComRes to undertake a survey of 1,094 working adults in Great Britain. Encouragingly, the survey shows that working adults see construction as among the best industry sectors for offering people from less well-off backgrounds opportunities for upward economic mobility. A full breakdown and analysis of the results can be found on page 23.



# THE LINKS BETWEEN THE BUILT ENVIRONMENT AND SOCIAL MOBILITY

In the debate over social mobility, the term “postcode lottery” is highly likely to pop up somewhere. Research that shows the life chances of a child are determined by where you live rather than the talents they were born with unsettles policy makers across the political divide and across large parts of the developed world.

As the Government’s own Social Mobility Commission report, *Bridging the Social Divide*, states: “That gulf [between the haves and have-nots] is not just between rich and poor or young and old but between one part of Britain and another. There is a postcode lottery in opportunity and in outcome.”<sup>18</sup>

The Government’s Social Mobility Index suggests opportunities are very far from evenly spread. It will surprise few to hear that the communities in which we live and are brought up shapes our likely futures and significantly determines our opportunities. But the role of the built environment is often overlooked or underplayed.

That there is postcode lottery is, in part, down to a lack of good communication and transport links between places. The built environment can act to connect communities or segregate them. Lynsey Hanley, author of *Estates: An Intimate History*, speaking about social mobility at the Bristol Festival of the Future City in November 2015 stressed how a lack of physical access to culture and barriers to being able to mix in wider circles places shackles on the aspiration of those living in many large estates. This was a point emphasised in the same meeting by Marvin Rees, now Mayor of Bristol.

Here construction can provide solutions through improved transport and a better designed built environment that makes seemingly inaccessible places more connected and encourages social mingling to flourish.

Improved health and education also boost life chances of those from less-privileged backgrounds. Again the built environment is central to improvements. The number, quality and design of buildings makes a huge difference to the effectiveness with which the doctors and teachers and their patients and students perform.

The recent Better spaces for learning report by the Royal Institute for British Architects (RIBA) states: “Good school design also has a positive impact on school staff’s productivity, with the most comfortable and well-designed schools demonstrating a 15% increase.”<sup>19</sup>

Similar data is available for hospitals, where design has a major impact on both the productivity of the health professionals and the outcomes of patients.

## There is significant research that shows how poor housing impacts on both health and education

A study into green buildings, published in the Building and Environment journal, details a comparative longitudinal assessment in the United States of a paediatric healthcare facility compared with its predecessor. It found statistically significant improvements in productivity, staff satisfaction and quality of care, including a 19% decrease in actual mortalities despite an 11% increase in expected mortalities.<sup>20</sup>

We spend most of our time in buildings. They influence our health and well-being at work and at home. There is significant research that shows how poor housing impacts on both health and education. The quality of housing also influences crime, another neighbourhood factor that is linked with poor social mobility.

A Glasgow Centre for Population Health briefing paper entitled *The built environment and health: an evidence review*, clearly illustrates that what we build and how we

build impacts on health. It points to air quality related to transport, water quality, noise, as well as the quality of the buildings themselves and how they influence neighbourhoods through connectivity, density and land use mix.

Particularly pertinent to social mobility, the briefing states: *“The density of the built environment can impact upon levels of trust and social capital, and lower density forms of development can stratify communities into distinct social class groups.”*<sup>21</sup>

This chimes with growing evidence emerging from studies in the United States looking directly at the impact of neighbourhoods on social mobility that is throwing up some intriguing results. Recent academic papers both point to a link between urban sprawl and lower social mobility, illustrating the power of the built environment to shape people’s opportunities.

Recent analysis by Raj Chetty and Nathaniel Hendren of Harvard University, strongly suggests that neighbourhoods have a profound effect on social mobility. In a 2014 paper entitled *Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States* they show how *“areas with less urban sprawl (shorter commutes) have significantly higher rates of upward mobility; the correlation between commute times and upward mobility is 0.605.”*<sup>22</sup>

Meanwhile, in *The Impacts of Neighborhoods on Intergenerational Mobility Childhood Exposure Effects and County-Level Estimates*, Chetty and Hendren suggest that every extra year a child spends in a better environment improves their own outcomes, as measured by the outcomes of children already living in that area.<sup>23</sup>

Inevitably a combination of social and economic, as well as built environment issues, come into play. But the important message is that what the construction industry builds matters when it comes to social mobility.

How people connect socially is of course changing as the digital world expands rapidly. How this will influence what we build and how in turn this will influence social mobility is yet to be realised.

However, as things stand and for the foreseeable future, those who commission, plan, design and construct the built environment will continue to shape the life chances of our children.



# THE PROFESSIONS AND SOCIAL MOBILITY

“Some of the top professions are increasingly being filled by individuals who look less different to the average in terms of ability and more different to the average in terms of family income.”

That concerning finding from research undertaken by the Centre for Market and Public Organisation at the University of Bristol is part of an analysis that should place professional bodies at the heart of the social mobility debate.<sup>24</sup>

It shows that some professions, such as law and medicine, are seeing the top positions filled more and more by people from substantially richer families who are generally no greater in terms of ability at their job than the average of others in their profession. Policy makers fear professional bodies are hindering rather than supporting fairer access to the top jobs in the country.

Much of what leads to bias in the membership of professions towards the children of the better-off (and by implication their easier access to higher-status employment) lies outside the direct control of the professional bodies themselves. But as a critical gateway to many higher-status jobs, there is a duty not to stand back as if powerless to act. Professional bodies have a public interest duty.

Professional bodies can promote more equality of opportunity through taking account of and adjusting for the bias manifest in, for example, educational outcomes and the attainment of qualifications that favours those from privileged background. Through their admission policy and through the type of support they provide, professional bodies have the ability to act not only to avoid inadvertently reinforcing inequalities of opportunity in an aspiring professional's younger life, but also as a counterbalance. This is certainly the view of policy makers.

The degree to which professional bodies can influence social mobility and the most appropriate actions they might take will vary, profession to profession. For some professions the required competencies are highly correlated with specific academic qualifications at university, less so for others.

For example, having a degree in a subject other than law is seen by some as an advantage in pursuing a career as a barrister. Compare this with becoming a medical doctor. For some professions a degree may not be essential. The competencies required in some professions or roles within professions may weigh more heavily towards interpersonal skills than technical knowledge.

This suggests that professional bodies will need to tailor their strategies to ensure fair access and support greater social fluidity.

In his foreword to the 2009 Cabinet Office paper on fair access to the professions, the Chair of the Social Mobility Commission, Alan Milburn, wrote: *“It is their role as a creator of opportunities that has made the professions so important to the UK's past and that makes them so central to our country's future. The huge growth in professional employment that took place after the Second World War was the engine that made Britain such a mobile society.”*<sup>25</sup>

The report noted that there were more than 130 different professional sectors in the UK, with around 11 million people in the labour force working in professional and managerial occupations. Given that construction professionals work across a range of industries and that other professional work within the construction industry it is hard to pin down a meaningful definition and number of “construction professionals”.

However, an approximation of half a million is not unreasonable and this is expected to grow markedly over the next 10 years according to forecasts by the UK Commission for Employment and Skills (UKCES).<sup>15</sup>

In response to the increasing focus on professional bodies, various initiatives have emerged. Among them is the Social Mobility Toolkit which brought together thinking from various experts and professional bodies. It also provides best practice advice for employers and

institutions on how to diversify the socio-economic profile.<sup>26</sup>

It makes plain that advancing social mobility is not just about access to professions but also progression within the careers that access enables.

Part of the value of professional bodies is that it provides a network, which can be supportive. In observations titled Pitfalls on the path to social mobility, the Institute of Fiscal Studies (IFS) noted that in adult life, interventions to improve cognitive skills are tricky to find.

However, the observations added: *“There is emerging evidence that later interventions targeted at improving non cognitive skills (such as time management, teamwork, leadership skills, self-awareness and even self-control) may be more effective. Certainly there is clear evidence that such non cognitive skills are highly valued in the labour market.”*<sup>27</sup>

This supports the view that professional bodies can play an active role, through, for example, continuous training and mentoring, to improve not just intergenerational, but also intra-generational mobility. This will be particularly pertinent within professions where interpersonal skills are highly valued.

A further observation supports the case for professional bodies working with schools to engage more young

**Professional bodies  
can address the issue  
through engaging better  
with potentially talented  
youngsters well in  
advance of entry into  
the profession**

adults. The IFS observes: *“...interventions that change students’ decisions at key points (e.g. the decision about whether to stay in full-time education beyond age 16), rather than their skills directly, could still have a positive impact on education outcomes and hence social mobility. These will be most productive where they also increase subsequent educational attainment.”*

These above points highlight that the potential for professional bodies to influence social mobility is not just at the point of entry. Professional bodies can address the issue through engaging better with potentially talented youngsters well in advance of entry into the profession, aspiring professionals at the point of entry and with practicing professionals throughout their careers.

A recent LSE Sociology Department working paper, *Introducing the Class Ceiling*, found: *“...even when the upwardly mobile are successful in entering the higher professions they often fail to achieve the same levels of success (in terms of earnings, at least) as those from more privileged backgrounds. Social origins are thus predictive not only of occupational destinations but they also predict earnings within those destinations...”*<sup>28</sup>

This appears to reinforce the argument that the scope of professional bodies in addressing social mobility should go well beyond the point of entry.

Of greater note to the professions, the research also found that while higher managers earn more and are considered in socio-economic classifications to be more “elite”, the results indicate that in general the higher professions are significantly more “elitist” in terms of restricting access for those from working class backgrounds.

Perhaps encouragingly, from the perspective of the construction sector, the LSE study identified a set of technical professions in the form of engineering, IT and the built environment that contain a higher than average proportion of those who have been upwardly mobile. And our own analysis found that, as an industry, construction appears to offer more scope than the average for social progression.

This does not suggest that construction is extremely socially mobile, but as an industry it appears less socially immobile than others. However, some of its professions, notably architecture and its associated high cost of training, are seen as much tougher to access for those not from well-to-do backgrounds. This is an issue recognised and being addressed by its professional body, the RIBA.

The RIBA Equality & Diversity Forum *Architects for Change* was established in 2000 to challenge and support the RIBA in developing policies and action that promote improved equality of opportunity and diversity in the architectural profession.

Other industry bodies are taking similar action to increase the inclusiveness of their membership. In 2015, the Royal Institution of Chartered Surveyors (RICS) launched a voluntary standard known as the Inclusive

Employer Quality Mark, designed to encourage a more diverse workforce within the profession.

Both of these initiatives seek to underpin actions with measurement, testing a range of diversity measures which ultimately relate strongly to social and economic mobility.

Professional bodies are by their very nature exclusive bodies, including only those who make the grade. This is their purpose. They provide public confidence. Lowering their standards is not in the public interest. This presents a three-fold challenge: firstly, weeding out policies and procedures that might act to exclude potentially talented people. Secondly, adopting policies and procedures that foster and encourage talented people into membership. And thirdly, providing policies and procedures that support and promote talent within membership.





# CONSTRUCTION'S GROWING IMPORTANCE AS ROUTE TO SKILLED TRADES OCCUPATIONS

Interpreting “facts” is never straightforward. They should be treated with caution and consideration and, moreover, in light of the context. This is particularly important when considering facts related to social mobility.

Central to the current debate is the view that social mobility is, or at least probably is, in reverse. This is now widely held within political and media circles. This is in large part founded on the work undertaken by economists at the LSE.

But it is not an uncontested fact. It is questioned notably by Professor John Goldthorpe, a highly-regarded Oxford University sociologist. Goldthorpe argues that the economists failed to make sufficient distinction between absolute and relative mobility.<sup>29</sup>

It is not the role of this report to seek to determine where the weight of evidence points in this debate. Much results from the difference in the traditions of sociology and economics. But the weight given to each fact has clear implications for policy, not necessarily in terms of whether the UK needs to be a more socially fluid society, but in terms of the policy prescriptions. Certainly, from a policy perspective, clarity over effects and changes in absolute versus relative social mobility is critical.

An economy hungry for middle-status, skilled jobs as seen in the first half of the twentieth century draws youth from lower social groups to fill roles previously associated with higher social status. Absolute social mobility is to all intents and purpose inevitable, with children from lower social groups doing better, indeed much better, than their parents.

The stagnation of middle-status employment opportunities and the increasing divergence and polarisation of the labour market into high-status and low-status jobs, as it is argued began to occur in the latter part of the twentieth century, suppresses this process, tending to push increasing numbers of those in the middle either up or, most often, down.<sup>30</sup>

While absolute mobility in these circumstances might be high, it is feasible for relative mobility to be reducing, stable or increasing. This raises the question of what matters: relative or absolute social mobility. The policy prescriptions would be different.

When examining social mobility and seeking to frame policy options it is critical to avoid assuming that shifts seen in the whole will be reflected in similar shifts in each part of the whole.

To illustrate this point it is worth assessing income inequality. There is a close connection between income inequality and social mobility, not least because the rungs of the metaphorical social ladder are widened by increased income inequality.

Chart 6 shows how income inequality has shifted over time. It appears now to be relatively stable having leapt in the 1980s. The impression from the data (notably the blue line representing the GINI coefficient before housing costs) might lead to the assumption that the level of income inequality has been stable over recent years.

It would be easy to apply this view across the piece. But it fails to look below the surface. The chart gives a clue to one factor that might influence a sense of growing inequality, the gap between the before housing cost GINI measure and after housing cost measure. However, as the IFS notes in its report published in July 2015, entitled *Living Standards, Poverty and Inequality in the UK*: “The relatively stable level of income inequality since 1990 is the result of two counteracting trends – a continued (albeit slower) increase in inequality among non-pensioners in working households, offset by lower inequality between pensioners and non-pensioners and between working and workless households.”<sup>31</sup>



In assessing all facts when seeking to use them to inform policy, caution is necessary, especially when examining aggregate data and averages.

Numerous facts help us understand social mobility and the positive role construction can play. Presented here are a small selection that hopefully provide food for thought, help inform on the policy background or are particularly pertinent to construction's role.

### Relative social mobility in decline

There appears to have been a decline in relative social mobility. 31% of children born in 1958 to a family in the bottom quarter based on income remained among the poorest 25% based on income as adults. For those born in 1970 to a family in the bottom quarter, there was a bigger change they stayed within the poorest 25% as an adult, at 38%.

For those born in 1958 to families in the richest income quartile, 35% remained there as adults. For children born in 1970 within families with incomes in the top quarter 45% stayed within that income bracket as adults. On this basis there appears to be less movement between income brackets. Put simply, the link between parental and child income seems to be stronger for those born in 1970 compared with those born in 1958.

For those born after 1970, most experts believe that mobility did not deteriorate further, but neither did it improve.<sup>32</sup>

### Intergenerational economic mobility stalls

*"In contrast to the taken-for-granted promise that each generation will do better than the last, today's 27 year olds (born in 1988) are earning the same amount that 27 year olds did a quarter of a century ago."<sup>36</sup>*

### Urban sprawl reduces social mobility

Research suggests areas of less urban sprawl (shorter commutes) have significantly higher rates of upward mobility; the research found a strong correlation between the fraction of individuals who commute less than 15 minutes to work and upward mobility. The measured correlation was 0.605.<sup>22</sup>

### Impact of recessions on social mobility

Research indicates that social mobility may have stalled for thousands of teenagers because the recession affected their educational attitudes and aspirations. The study found when youth unemployment increased greatly there was a sharp drop in the probability of wanting to go to university among children with low educated parents. This was not the case with children with high-educated parents.<sup>33</sup>



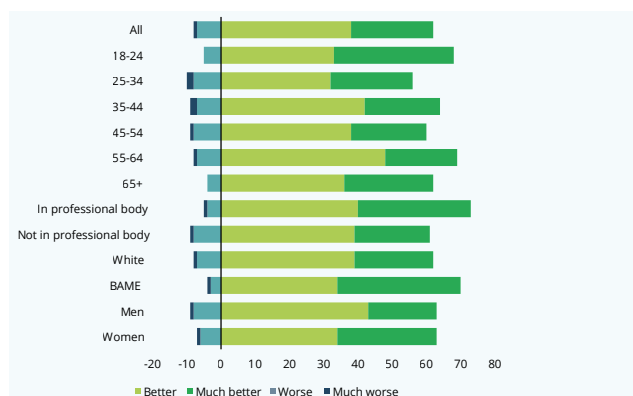
# WHAT THE POLLING SHOWS

ComRes undertook for this report a survey of 1,094 working adults in August 2016 to ascertain their views on aspects relating to social and economic mobility.<sup>i</sup>

Patterns emerge in the survey that suggests that construction can be force for social and economic mobility. The survey also supports the view that economic mobility is slowing.

One very evident finding from the survey is that most working adults across all age groups believe that their level of education is better than that of their parents when they were their age. This might be seen as one marker of upward social mobility, if only in absolute rather than relative terms.

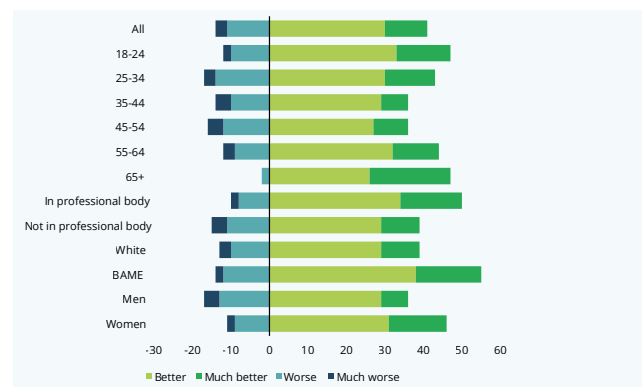
**Level of education compared with parents**



The intergenerational improvement in education appears more noticeable among those in professional bodies and non-white ethnic groups. These would all seem positive indicators of change. Interestingly, the improvement in education above that of their parents appears more marked in those employed in construction than the population as a whole, although account should be made that the construction sample is relatively small.

The survey data also shows a perceived improvement in social status among working adults compared to their

**Social status compared with parents**



parents at their age. However, the perceived benefits are less pronounced than for education, with similar proportions saying that they think their social status is about the same or better than their parents. Regardless, we see similar patterns as in the perceived improvement in education, if not more distinct. The intergenerational improvement in social status appears much more noticeable among those in professional bodies, non-white ethnic groups and women. And, again, we see those surveyed who work in construction scoring higher on this measure than the population as a whole.

Across the age bands it is clear that younger and older working adults report a more marked improvement in their social status relative to their parents than those in mid-career.

When we look at the difference in perceived economic status of working adults compared with their parents a very different picture emerges. Perceived intergenerational improvement in economic status is more evident among those in professional bodies – and to an extent among non-white ethnic groups and women – than the population as a whole, but it is less pronounced than for social mobility.

It is, however, much more pronounced for those surveyed who work in construction. This supports the

<sup>i</sup> Methodology Note

ComRes interviewed 1,094 working adults in Great Britain online between the 17th and 18th August 2016. Data were weighted to be representative of all working adults in Britain by age, gender, region, socio-economic grade and working status (full-time/part-time). ComRes is a member of the British Polling Council and abides by its rules. Data tables are available on the ComRes website, [www.comresglobal.com](http://www.comresglobal.com)

**Economic status compared with parents**



view that construction can be a driver, as far as career choices go, of upward economic mobility. Combined with the other results it suggests the sector is driving social mobility.

A further finding evident in the results is that younger working adults are far less likely to see themselves as better off than their parents compared with older working adults. Just 5% of those above pensionable age say they feel economically worse off than their parents at the same age, compared to 30% of 18 to 24 year olds.

This illustrates the growing issue of slowing intergenerational economic upward mobility, which is at the heart of much of the political urgency being given to the issue. The results, it must be noted, tell us nothing about relative mobility, but suggest a lot about slowing absolute economic upward mobility in Britain today.

Digging deeper into the data provides us with a clue as to how jobs have changed over time and how this may have influenced economic and social mobility. The chart below the occupational grades of working adults

**Spread of occupations of respondents and their parents (All)**

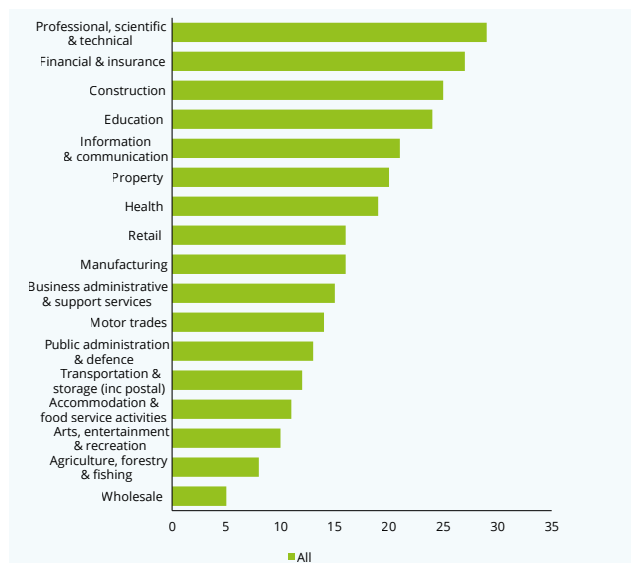


and that of their parents when they were their age. The noticeable shift has been the move away from skilled trades and the increase in administration. There has also been a decline in elementary and process type jobs, and a rise in customer service roles.

Much of the debate surrounding the slowing of social mobility and the squeeze on those on middle incomes, seen in both Britain and other developed nations such as the United States, has focused on the decline in well-paid manual and skilled jobs. If these jobs have been a factor in promoting economic and social mobility, then this would in part explain why construction appears to continue to be seen as a big driver of economic mobility.

When we look at British working adults’ perception of which industries drive economic mobility for those from poorer backgrounds, we see that there is a strong

**Industry perceived to most help poorer people to improve their economic status**



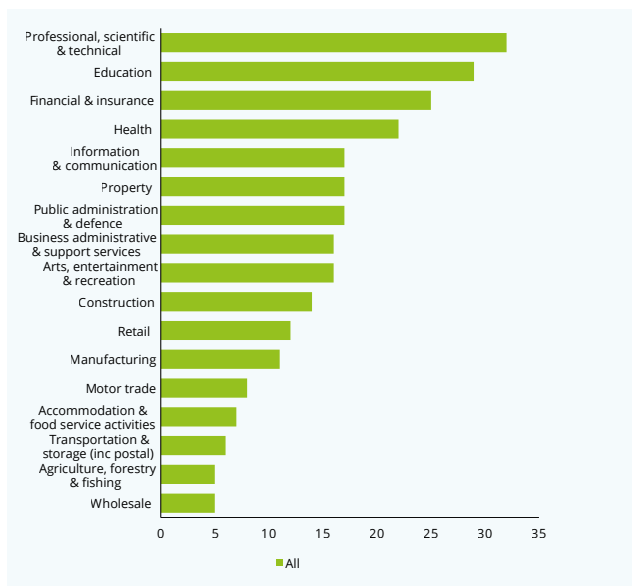
view among working adults that construction ranks highly. Those in construction have a much stronger view on power of their industry to improve economic mobility, ranking it well above all others.

This gap illustrates an important difference in perception, at least among working British adults, between social mobility and economic mobility, which may not match the academic measures. It is worth noting that librarians are paid relatively lowly, but the percentage of those working in this role that come from well-to-do families is pretty much on a par with those in health and legal professions (see Chart 4 in the fact file).

Interestingly too, the gap between the view of working adults in Britain and those surveyed within the construction industry on the power of construction to drive social mobility is very different. For those surveyed within the industry it ranks top on this measure, compared to around middle for working adults overall.

Inevitably there will be issues of bias in the mix, with those within an industry perceiving it more worthy than those outside. But the gap we see between how working adults view the social status of construction and its economic status supports the widely held view that the industry has an undeserved poor reputation in the eyes of working adults in Britain.

**Industry perceived to most help poorer people to improve their social status**

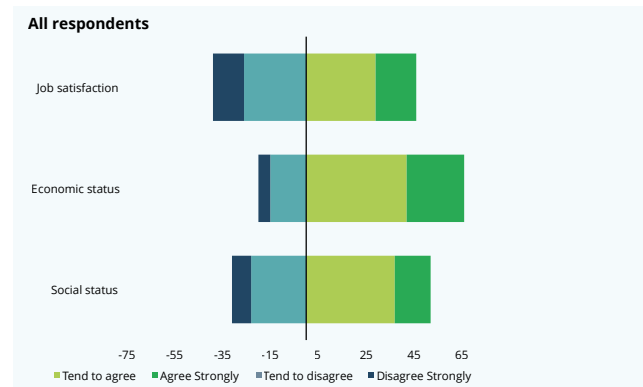


The survey also points to another longstanding tendency, that those working in construction are on average more satisfied with their profession than the average. The findings show that working adults are more likely to agree than disagree that a different career to the one they had would have improved their job satisfaction (46% vs 39%). Among those surveyed in construction the reverse is true.

Indeed, of the broad industry categories sampled, those in construction were more positive than most, and

were more likely than many others to recommend their current occupation to someone else.

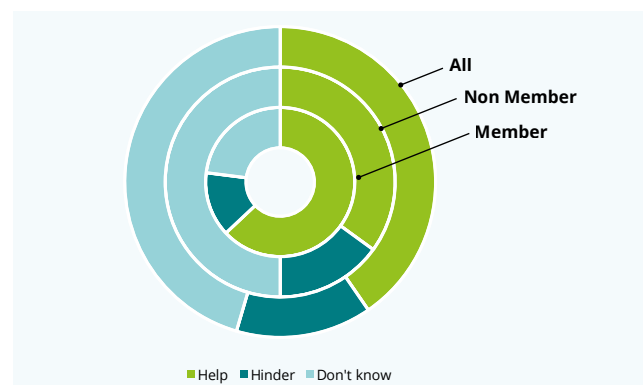
**How choosing a different career would have improved their:**



Interestingly, when the wider working population is asked about the effectiveness of the construction sector in supporting those from less well-off backgrounds the scores were high. But again working adults' view is that it is much more likely to improve salary than social status (47% vs 26% see it as helpful).

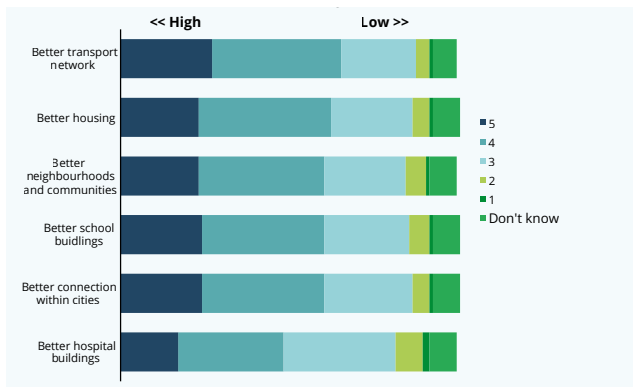
Respondents were also asked about the effectiveness of professional bodies. This clearly is important for the CIOB in its efforts to improve social mobility. The responses suggest that there is a high level of uncertainty among working adults, particularly among those who are not members of a professional body. Only half of those not a member of a professional body proffered a view (50% say they 'don't know'). Those who did offer an opinion were more likely to say that professional bodies helped rather than hindered job progression (35% vs 15%). Members of professional bodies were far more positive, with 63% stating they believed professional bodies helped job progression, against 14% who felt they hindered it.

**Whether professional bodies in your industry help or hinder progress into senior management roles?**



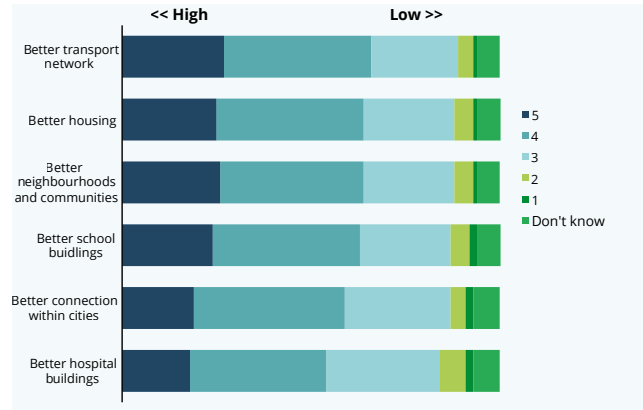
Turning to the impact of the built environment on social and economic mobility, the clear view among those surveyed is that it has a high impact (that is to say 4 or 5 on a scale 1 to 5). Of those who offered an opinion, between 49% and 65% saw the tested aspects of the built environment have a positive impact on economic mobility and equal opportunities for all. Transport was seen as the most impactful (65%), followed by housing (62%). While they may be valued, hospitals were not seen as potent in their effects on economic mobility; fewer than half (49%) report it as being impactful.

**Extent to which these aspects of the built environment are considered to impact on economic mobility**



Working adults expressed a similar view of the impact the built environment has on social mobility and equal opportunities for all. However the emphasis was

**Extent to which these aspects of the built environment are considered to impact on social mobility**



different. Hospitals were still seen as the least impactful of the choices given (54% rate it as impactful), but neighbourhoods and schools were level with transport and housing (66% and 64% vs 64% and 63% respectively).

Taken as a whole, the research undertaken by ComRes does support the view that construction holds a pivotal role in advancing social and economic mobility. Not only does the desk research support this, but it also appears that working adults are aware of the potential of construction, both as a career and as the creator of the built environment, to make Britain a more socially and economically fluid nation.

# POLICY IMPLICATIONS

Even a cursory examination of the available research and literature illustrates the difficulty in measuring economic and social mobility and, in turn, understanding how a lack of mobility influences the quality of our society and our economy.

Naturally there are many moral, philosophical and political concerns about social rigidity. But as more research is undertaken the evidence increasingly points to a link between increasing social mobility and positive outcomes for both modern societies and modern economies. Meanwhile, shifts in the economy can have profound impacts on social mobility.

Despite these links and evidence that suggests lack of social mobility holds back the potential of an economy, for instance through restricting the opportunities for talent to flourish, the issue of social mobility tends to be viewed through the lens of social reform. The House of Commons Library, for example, in its briefing for MPs entering the new Parliament in 2010, put social mobility under the “social reform” headline and, in 2015, placed it under “social protection”.

This has the potential unintended consequence of downgrading the importance of social mobility and underplaying its economic significance. While addressing social mobility at a distance from economic performance may be understandable, it is unwise.

To provide a topical example, we need look no further than the recent vote for the UK to leave the EU for the interplay between social mobility and the economy – indeed, this was one of the most profound social, economic and political events of a generation. Comparing data from the Government’s Social Mobility Index and the EU referendum voting pattern reveals a striking correlation between areas regarded low in social mobility and votes to leave the EU (see [Chart 7 in the fact file](#)).

Less dramatically, but potentially as potent, low social mobility robs the nation of potential talent. It is akin to throwing grit in the cogs of the economy.

Social mobility is an economic issue. Therefore it would seem, in regards to policy options, significantly more weight should be given to the economic effects of social mobility, above and beyond the obvious moral issues of fairness.

From the perspective of construction, its ability to play a critical role in creating greater social fluidity needs to be recognised more widely. It is now the dominant industry for providing openings for skilled trade occupations, which provide a clearer route than most other occupations from lower status backgrounds to the boardroom or the professions. It provides an opportunity for those who stumbled in their early years to step up and make more of their lives. Beyond this, the very products of construction – roads, railways, homes, schools and an array of other buildings and infrastructure – have a direct impact on the life chances within the population.

Like all industries, construction and its businesses, organisations, professional bodies and trade bodies can do more to promote social mobility within its workforce. Furthermore, the industry’s professions are in a powerful position to play a starring role in ensuring the talent of the nation is given every opportunity to shine irrespective of their background. They can do more and they recognise this.

Ultimately it is the government that sets the overarching agenda that prompts collective action. If the government is serious about retaining and enhancing the improvements in social mobility seen in past, it should pay close attention to the hidden potential within construction, both as an industry and a shaper of the built environment.

# RECOMMENDATIONS

This report illustrates the importance, indeed the imperative, of greater social mobility. That social mobility is low in the UK is a concern across the political spectrum. There is broad support across the political parties for greater opportunity for all, irrespective of background. It is seen as highly desirable in strengthening both society and the economy. That view has been presented as a cornerstone of the visions presented by UK Prime Ministers and Prime Ministerial hopefuls for decades and was reprised powerfully by Theresa May in her first speech as Prime Minister in July 2016. The success of her predecessors has been poor, suggesting it presents a tough challenge.

This report also highlights the powerful role that construction and the built environment plays and can potentially play in making the UK a more socially mobile nation. Both in the prospects it provides and careers it opens up for its workforce and in the built environment it creates, construction can open up greater opportunities for those from less privileged backgrounds who have hitherto failed to realise their potential.

The issues surrounding social mobility are complex and interwoven. The path to greater social mobility is never ending, it is continuous and there is no one obvious correct route. Success is contingent on circumstance and change requires the agency of multiple forces.

Too often social mobility is reduced to an educational issue. Education is vital in enhancing life chances, yet too often it becomes a near proxy for action on social mobility. This is too narrow a position. The factors influencing the life chances of a young person go far beyond academic achievement. Furthermore, too often and too easily, academic achievement alone is used as the yardstick by which talent is graded.

For this reason, rather than make specific policy recommendations, this report seeks to point towards directions that construction businesses, the industry, the professions and Government might wish to head in pursuit of creating more intergenerational and intra-generational mobility in social and economic status and a fairer and more productive society.





## Construction businesses

### KEY POINTS:

- Focus on better human resource management
- Introduce and/or expand mentoring schemes
- Boost investment in training
- Develop talent from the trades as potential managers and professionals
- Engage with the community and local education establishments
- Good human resources management goes a long way to improve social mobility as well as bring direct benefits to the firm by boosting productivity and reducing recruitment costs. Productivity may be associated with delivering higher quality or improved working conditions.

It supports the less socially adept and confident to aspire to greater challenges. Better communication and feedback through well-structured appraisals engenders a greater level of certainty and confidence in employees and helps them better understand their strengths and limitations, throwing light on the most suitable path to improvement. Training refreshes, improves and enhances skills and opens new opportunities for employees to develop their roles and status within firms and the wider industry. Mentoring provides a strong framework within which employees, especially those from less advantaged backgrounds, can better judge their career decisions and so fulfil their potential. More engaged and happier staff are more productive and less likely to seek opportunities elsewhere, increasing value and reducing the cost to business.

Within a more developed human resources framework, positive action to increase diversity brings with it fresh ideas and a wider collective perspective on the world. This has positive benefits in helping businesses better understand their clients' needs, as well as meeting the broader aspirations of the communities within which they operate and improving their reputation.

Businesses are critically placed in judging potential talent. That potential will lie across the business. There is within most businesses a cohort of less academically qualified who have excellent aptitude, aspiration and attitude to become top professionals and managers. This talent should not be wasted. Artificial limits should not be placed on aspiration. Businesses should seek to provide resources to bring more management talent through the ranks, including preparing talented staff for the boardroom where possible. Where resources are constrained they should seek and lobby harder for resources from elsewhere to support this effort.

Beyond this, businesses can seek to engage more with their local communities. Tapping into education and talking to school children and young adults widens mutual understanding among students, businesses and the community as a whole. It can light the path to aspiration that the less fortunate or the less brave might otherwise dismiss as beyond them.





## Industry

### KEY POINTS:

- Rally around social mobility as a collective theme
- Promote better human resource management and support the effort of businesses
- Promote and develop the UK as an international hub of construction excellence
- Support diversity and schemes that widen access to management and the professions
- Emphasise and spread understanding of the built environment's impact on social mobility

The industry as a whole, through its businesses, trade associations and professional bodies, should seek to support and promote better human resources management. The industry has a collective interest in enhancing social mobility. The industry needs to be seen to be supportive not only of its own interests, but those of the wider community. Social mobility is a key political issue and construction, as this report highlights, has a pivotal role to play in increasing that mobility as well as much to gain. The case for the whole industry to rally around social mobility as a collective theme is great.

Absolute (as opposed to relative) social mobility is enhanced by an increase in the proportion of high-value-added jobs. However, part of the appeal of the construction industry as a motor of social mobility is its large intake of less technically and academically demanding roles. While other industries have risen technically, squeezing out lower value jobs, construction continues to provide openings for those less academically inclined. This provides them with an opportunity to develop and progress within work. So driving hard to increase the qualifications to enter the industry at the expense of lower-value-added, less academically demanding roles could adversely impact on the industry's ability to promote social mobility. Without policies in place providing wider social change this would simply exclude more people.

In the short run, the CIOB believes there is a case for lobbying hard to enhance the attractiveness of the UK as a global hub of construction excellence. The aim would be to focus on boosting opportunities for UK construction businesses to export built environment related services. We would reiterate the call made in our previous reports for incentives to promote construction hubs as beacons of excellence. This offers the opportunity to increase high-status employment which in turn provides more room at the top for new entrants into the UK construction industry.

This does not preclude the drive to continually enhance the technical and academic skills of those who enter construction. This should be pursued with vigour and work to widen access to management and the professions from a bigger pool of potential talent.

Turning to what is built, there has been ever greater focus on "place" and increasing recognition of the social impact of the built environment and the influence of the design of buildings, their associated spaces and how people move between them. The body of knowledge forming needs to draw on the evidence of how the built environment influences social mobility and embed it within best practice. A desire for greater social mobility should inform how the built environment is planned and delivered.



## Professional bodies and institutions

### KEY POINTS:

- Drive the aspirations of Professions for Good for promoting social mobility and diversity
- Support wider access to the professions and support those from less-privileged backgrounds
- Promote and develop the UK as an international hub of construction excellence
- Emphasise and spread understanding of the built environment's impact on social mobility
- Provide greater routes for degree-level learning among those working within construction

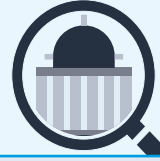
Professional bodies play a pivotal role in enhancing social mobility. For this reason the CIOB, together with other professional bodies in construction and other sectors, engaged in the past with the Professions for Good initiative. This initiative laid out the case for social mobility, made recommendations and provided a toolkit to guide best practice. Among the recommendations, Professions for Good advised that employers and professional bodies should collect data to establish how socially reflective their workforce or members are of the broader population and to track progress in supporting greater social mobility. While progress on Professions for Good has stalled, the CIOB supports this particular recommendation and will be seeking to collect data on our own membership and recommends that other bodies in the sector do the same.

One key element this report would seek to emphasise is the need for and value in increasing investment in mentoring. It is a process that is shown to have broad benefits, however in regard to social mobility it is notable that two professionals deemed equal in all but social background make unequal progress in their careers, with those from higher-social status background winning a higher share of the top jobs. The reasons may be complex, but one factor is thought to be soft skills and the confidence needed to negotiate career paths. Mentoring can help to redress this balance. The CIOB believes there is a strong case for government to find support for incentives for boosting mentoring.

The link between issues of diversity and social mobility is strong. The CIOB recommends that professional bodies should continue to institute, support and enhance diversity policy with vigour, sharing best practice with each other and collaborating on industry-wide initiatives.

A critical role for professional bodies is in setting the bar for qualifications. These need to be fair, pertinent and constantly developed to meet the competing priorities of the day. Access to education and development should be as wide as is practicable. Professional bodies should seek to explore new ways to provide high-level educational support that unlocks the talent inherent in those working in the trades. More access and support for degree-level learning and qualification for those at work would provide a strong push for both intergenerational and intra-generational social mobility.

In line with widening access to the qualifications needed to gain membership, professional bodies should look to reduce potential barriers inhibiting the talented but less privileged. This may be in financial assistance, through for example bursaries or in better tailoring routes to membership.



## Government

### KEY POINTS:

- Produce with urgency a plan to boost the UK as an international hub of construction excellence, as a core part of the Industrial Strategy
- Provide greater funding to support the travel costs of apprentices
- Support wider access to the professions and support those from less-privileged backgrounds
- Place greater weight in project appraisal on the impact the built environment has on social mobility

Global construction demand has rapidly expanded and continues to do so. This gives nations with an established track record and reputation a once-in-a-century opportunity to become a favoured global hub for built environment expertise. This would boost exports and strengthen the UK economy. It would provide high-value employment. As part of the development of an Industrial Strategy and in the context of Brexit, the Government should look with urgency at how this opportunity can best be seized. This could be a win for social mobility and a substantial win for the economy.

The construction sector is by its very nature mobile. The cost of travel is an issue acting as a disincentive for some budding starters to the industry, particularly those from less advantaged backgrounds. There are schemes providing apprentices discounts and support for the transport costs, such as the apprentice Oyster photocard in London and schemes in other metropolitan areas, but the pattern is far from even. CIOB believes a national scheme better supporting the travel costs of apprentices, especially in construction due to its nature as a mobile and flexible industry, should be explored by Government. This is of particular importance in the context of the upcoming Apprenticeship Levy.

The stop-start volatile nature of the construction industry greatly reduces the incentives of organisations to invest in human capital. It increases the need for a

flexible workforce and increases the need to support a local workforce with migrant labour. This bears down on social mobility, reduces the incentives to progress within the industry and wastes talent. The Government should take a longer-term view of construction as a strategic industry and a motor for social mobility and seek, through strategic investment, to reduce the volatility.

Furthermore, Professions for Good noted: *“Many of those consulted in the development of this project, however, noted the lack of clarity and consistency in policy between governments, which made it difficult to ensure the long-term success of various outreach, teaching or training programmes.”* This points to a more strategic and long-term approach to social mobility and the vesting of greater powers in bodies established with cross-party support that can deliver progress outside the volatility of day-to-day politics. The Social Mobility Commission has a role currently, but its role is broadly advisory.

As a client and as the shaper of the planning system, the Government should be responsive to the emerging evidence around the impact of the built environment on social mobility. It should seek to place greater emphasis on social mobility within the appraisal and design of projects, both as client and legislator.

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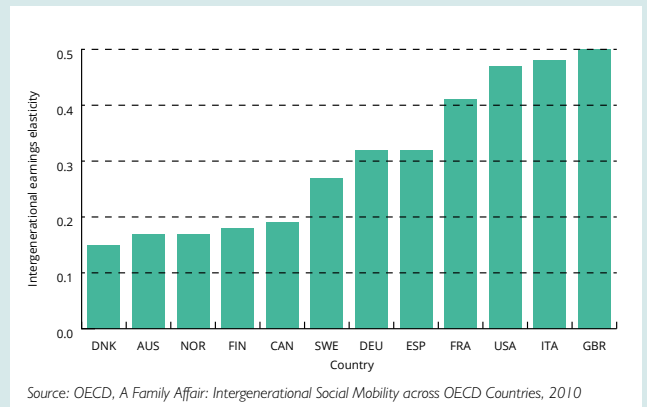
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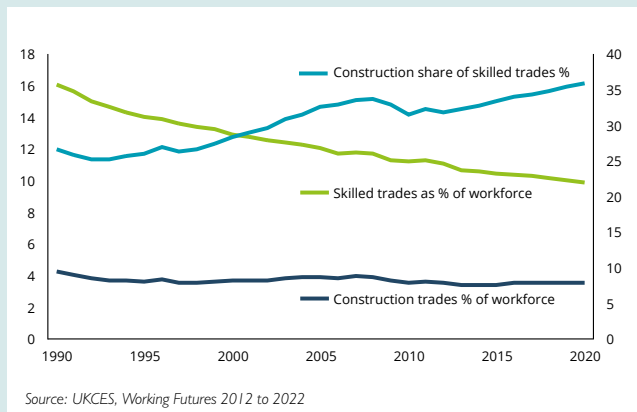
## CHART NOTES

- Chart 1** The height of each bar measures the extent to which sons' earnings levels reflect those of their fathers. The estimates are the best point estimate of the intergenerational earnings elasticity resulting from an extensive meta-analysis carried out by Corak (2006) and supplemented with additional countries from d'Addio (2007). The choice of empirical estimates in this meta-analysis is motivated by the fact that they are based on studies that are similar in their estimation technique, sample and variable definitions. The higher the value, the greater is the persistence of earnings across generations, thus the lower is the intergenerational earnings mobility.
- Chart 2** The right vertical axis refers to construction's share of skilled trades only; the left vertical axis refers to the other two datasets.'
- Chart 5** Proportion of those within each industry in senior manager or professional occupations whose parental main earner was from skilled trades; caring, leisure and other services; sales and customer services; process, plant & machinery operatives, or elementary occupations.
- Chart 6** Years up to 1992 are calendar years for Great Britain. Those after are for financial years display such that 1993-94 = 1993.
- Chart 7** This graph plots the Government's overall social mobility index score for each local authority against the percentage of votes to remain in the EU referendum.

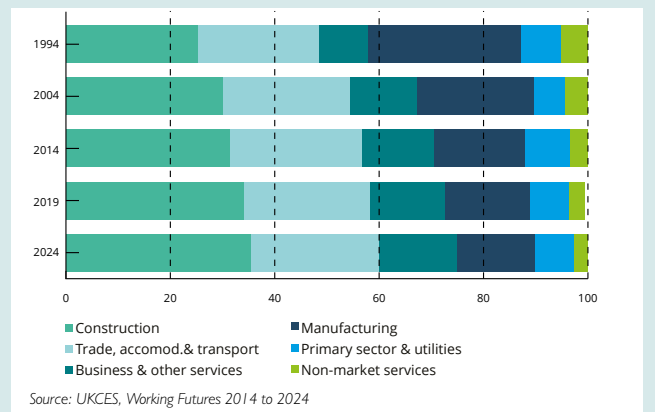
## CHART 1 How much a son's earnings are related to their father's earnings by country



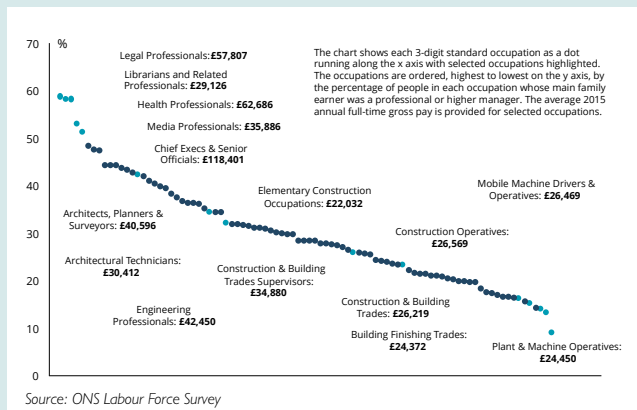
## CHART 2 Construction's growing importance as a route to skilled trades occupations



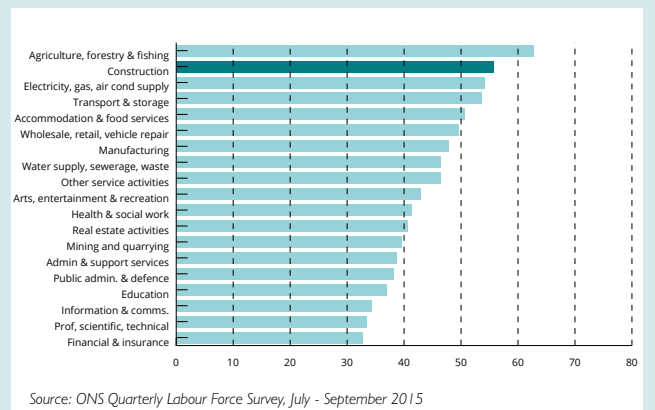
## CHART 3 Share of skilled trades occupations by sector



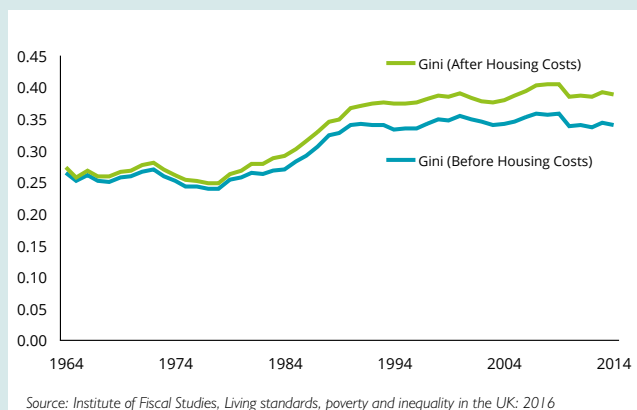
## CHART 4 Percentage of people in occupations whose main parental earner was a senior manager or professional



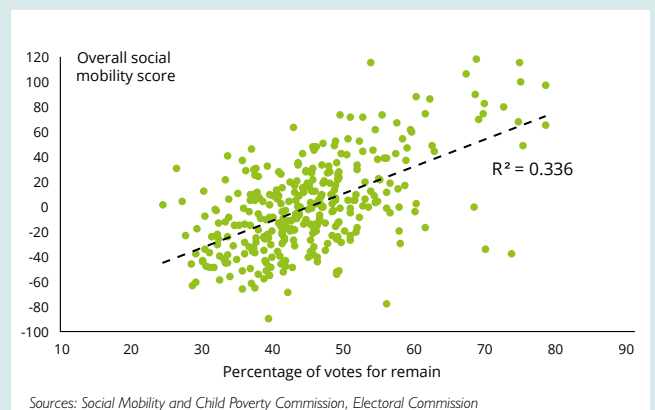
## CHART 5 Upward intergenerational mobility by industry



## CHART 6 Inequality as measured by GINI coefficient



## CHART 7 Social mobility and EU referendum voting











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