



DEVELOPMENT THROUGH PARTNERSHIP

cidb - SME Business Conditions Survey

Quarter

2

2015



University of Stellenbosch

cidb Survey Results: 2015Q2

June 2015

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Summary

Building Contractors

In 2015Q2, business confidence among general builders remained unchanged at a level of 51. Although confidence is still above 50, the underlying indices indicated that business conditions deteriorated and building activity slowed for the second consecutive quarter.

Across the grades the following changes in confidence levels came about, Grades 3 & 4 (+5), Grades 5 & 6 (-2) and Grades 7 & 8 (-8). The drop in confidence among general builders in Grades 7 & 8 was largely driven by a slowdown in building activity and increased pressure on profitability.

All the provinces except for the Western Cape registered an uptick in confidence. Despite the drop in confidence, the Western Cape was the only province that reported higher building activity.

Civil Contractors

The number of civil contractors that reported satisfactory business conditions increased from 45 to a level of 53 in 2015Q2. All the underlying indices supported the higher confidence. More important, respondents are relatively upbeat about the prospects for next quarter.

Business confidence among civil contractors in Grades 3 & 4 declined (-11), whereas Grades 5 & 6 and 7 & 8 registered increases of 13 and 19 index points respectively.

Regionally, the following changes came about, Western Cape (+17), KwaZulu-Natal (+11), Gauteng (+11) and Eastern Cape (-11). The Western Cape was also the only province that registered positive growth in construction activity.

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Introduction

The cidb has contracted the Bureau for Economic Research (BER) at Stellenbosch University to conduct a business tendency survey among registered cidb contractors (Grades 3-8) operating in the building and civil engineering industries.

The 2015Q2 survey was carried out during the period 4 May to 1 June 2015.

The analysis that follows provides a synopsis of the survey responses received in 2015Q2, according to region and grades from participating cidb registered building and civil contractors. The detailed survey results are to be found at the end of this report.

The main indicator used for analysis purposes is **business confidence**. The business confidence index is based on the number of survey sample respondents indicating that they find current business conditions satisfactory. It is calculated as a percentage. For example, a business confidence index of 90 implies that 90% of the survey respondents regard prevailing business conditions as satisfactory. The data series can therefore vary between 0 and 100, with 50 seen as neutral. Business confidence, as measured by qualitative opinion surveys, has proved both globally and domestically to be a reliable leading indicator of business activity. Similar to business confidence, the responses relating to **constraints** are presented as percentages. For example, 50% of respondents rated a shortage of skilled labour as a constraint on their activities.

The rest of the responses are converted into net balances. For example, if the percentage of respondents rating building activity higher / the same / lower than a year ago is as follows;

Higher	Same	Lower
70	10	20

then we can conclude that the majority of participants experienced an acceleration in building activity. A net majority (i.e. the percentage of respondents rating activity higher, less the percentage rating activity lower) of 50% is registered in the above example. A net majority of -10%, for example, indicates a slowdown in building activity compared to a year ago. A value of zero therefore indicates no change, between 0 and 100 reflects a rise (or improvement) and between 0 and -100 a decline (or deterioration) compared to the same quarter a year ago.

Note: A low number of responses cause the survey results to vary noticeably between consecutive quarters. We recommend that users base their views on the trend and not on a single data point.

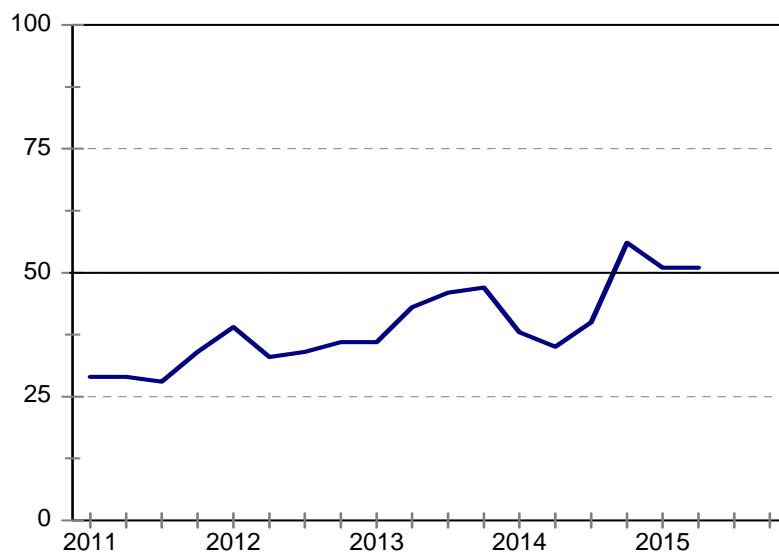
2015Q2 cidb Survey Results

Building Industry

Total

In 2015Q2 business confidence among general builders remained unchanged at a level of 51. Confidence stayed the same even though the underlying indices point to a slowdown in building activity.

Figure 1: Total
Business confidence



The percentage of respondents who cited lower building activity increased from a net 22% in 2015Q1, to a net 26% during 2015Q2.

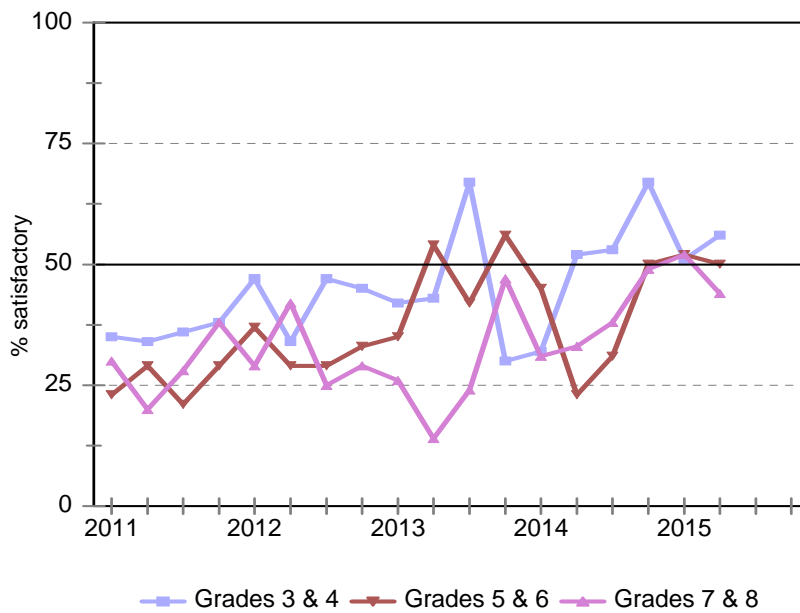
Due to lower levels of building activity, the proportion of respondents who rated insufficient demand for building work as a constraint increased marginally from 65% to 67% in 2015Q2.

Compared to a net 14% in 2015Q1, a net 22% indicated that business conditions have deteriorated compared to the same quarter a year ago.

Grades comparison

Grades 3 & 4 (+5) reported an uptick in business confidence, whereas Grades 5 & 6 and 7 & 8 registered declines of 2 and 8 index points respectively.

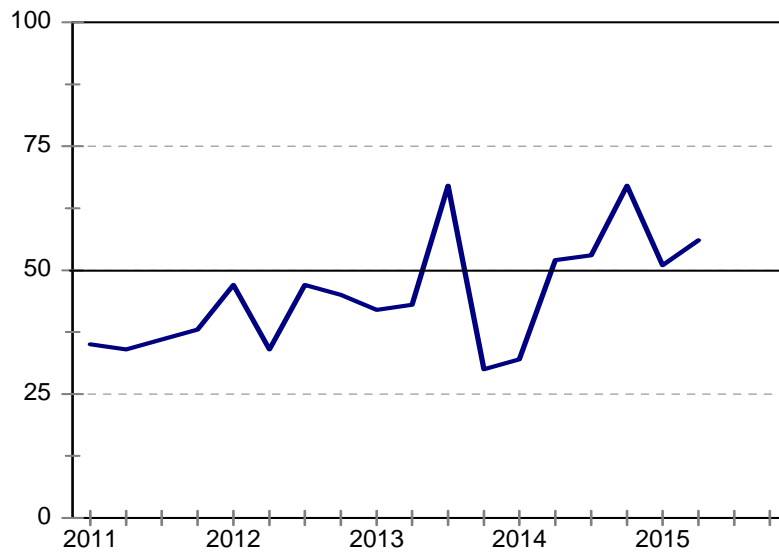
Figure 2: Business confidence per grade



Grades 3 & 4

After falling by 16 index points to a level of 51 in 2015Q1, business confidence increased to 56 in 2015Q2. This was largely driven by an improvement in profitability.

Figure 3: Grade 3 & 4
Business confidence



General builders registered a marginal improvement in activity. The proportion of respondents who reported lower activity declined from a net 30% in 2015Q1, to 26% in 2015Q2.

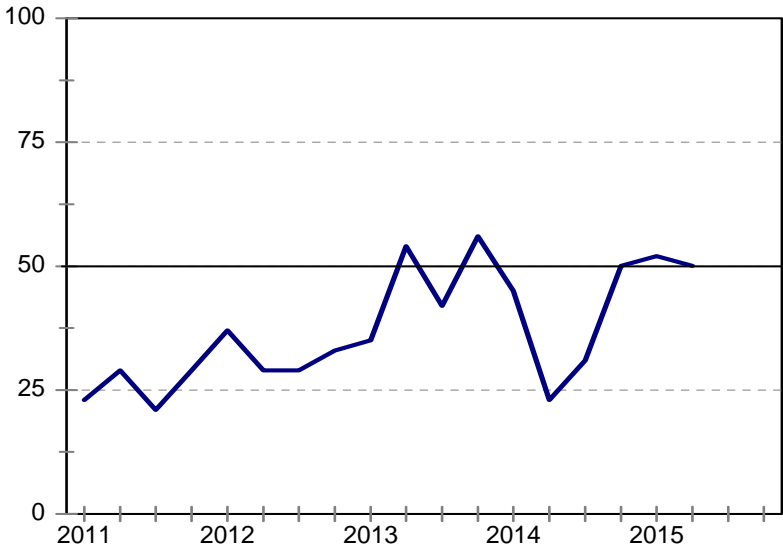
Due to the slight uptick in activity, profitability improved. In 2015Q2, a net 28% of respondents noted that profitability was lower compared to the same period last year, down from a net 39% in the previous quarter.

Higher confidence levels among general builders in Grades 3 & 4 led to a slowdown in job losses during this quarter. The percentage of respondents who reported lower employment levels fell from a net 25% in 2015Q1, to 15% in this survey quarter.

Grades 5 & 6

After three consecutive quarterly increases, business confidence fell back to a level of 50. Despite the marginal drop, business confidence is still more than double what it was this time last year. In other words, twice as many respondents were satisfied with business conditions in 2015Q2 than in 2014Q2.

Figure 4: Grade 5 & 6
Business confidence



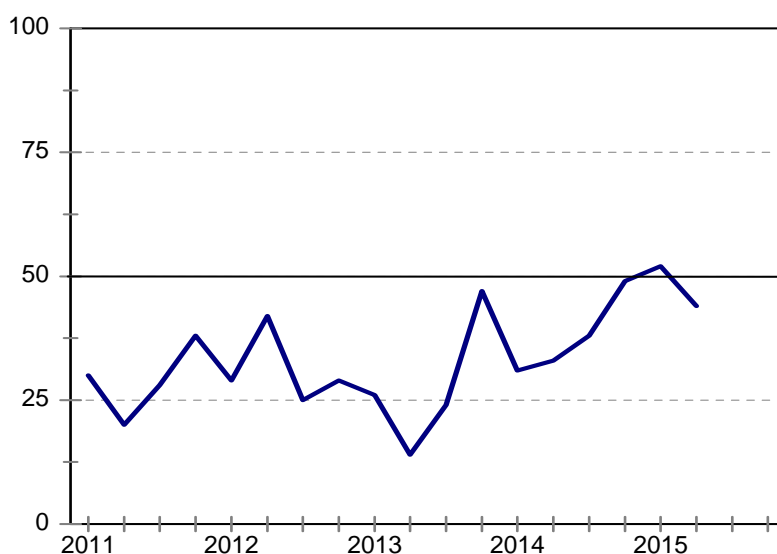
Confidence was lower even though pressure on profitability subsided somewhat. The percentage of general builders that reported lower profits declined from a net 37% in 2015Q1, to a net 29% in 2015Q2.

The improvement in profitability was likely as a result of a notable easing in tendering competition. Compared to a net 35% in 2015Q1, a net of only 19% indicated that competition was tougher than during the corresponding quarter last year

Grades 7 & 8

Business confidence increased for four consecutive quarters. However, in 2015Q2 it fell to a level of 44 index points. The drop in confidence was largely driven by a slowdown in building activity and increased pressure on profitability.

Figure 5: Grade 7 & 8
Business confidence



The net percentage of general builders who reported lower activity increased from a net 9% in 2015Q1 to 32% in 2015Q2.

As a result of the lower activity, profitability suffered. Compared to a net 23% in 2015Q1, a net 50% stated that profitability was lower compared to the same quarter a year ago.

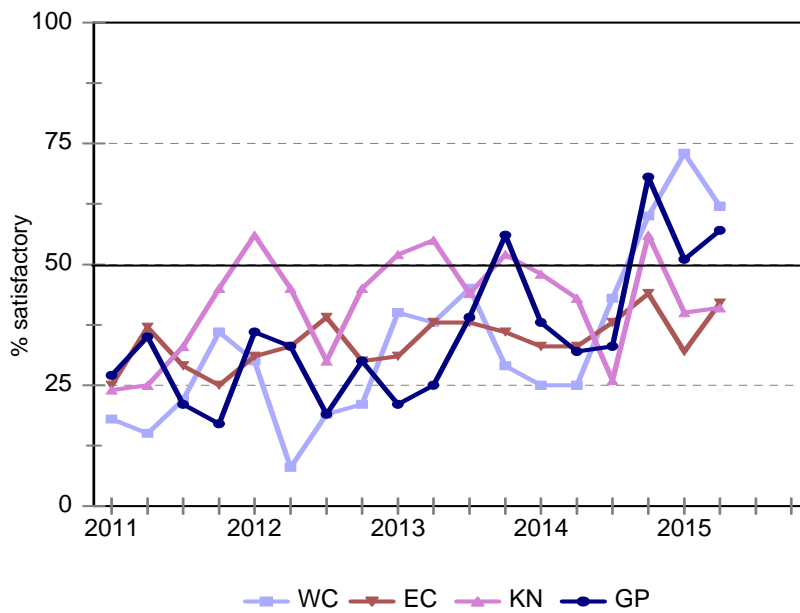
The weaker profit margins were exacerbated by tougher tendering competition. The proportion of respondents who indicated that tendering competition was higher than the same quarter last year increased from 42% to 61% in 2015Q2.

Seventy-three per cent of general builders rated insufficient demand for building work as a constraint, up from 68% in 2015Q1.

Provincial comparison

As shown in Figure 6, business confidence improved in all the provinces except for the Western Cape (-11). Business confidence remained above 50 for the Western Cape and Gauteng.

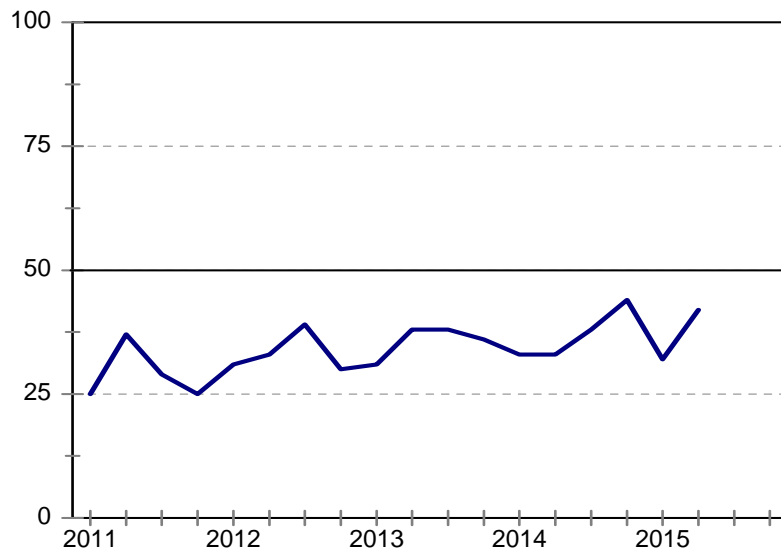
Figure 6: Business confidence per province



Eastern Cape

In 2015Q2, business confidence for general builders in the Eastern Cape increased by 10 index points to a level of 42. Business confidence has now been below 50 since 2009Q1. In contrast to the increase in confidence, respondents registered another slowdown in building activity.

Figure 7: Eastern Cape
Business confidence



Compared to a net 58% in 2015Q1, a net 70% of respondents indicated that building activity was lower than the same period a year ago.

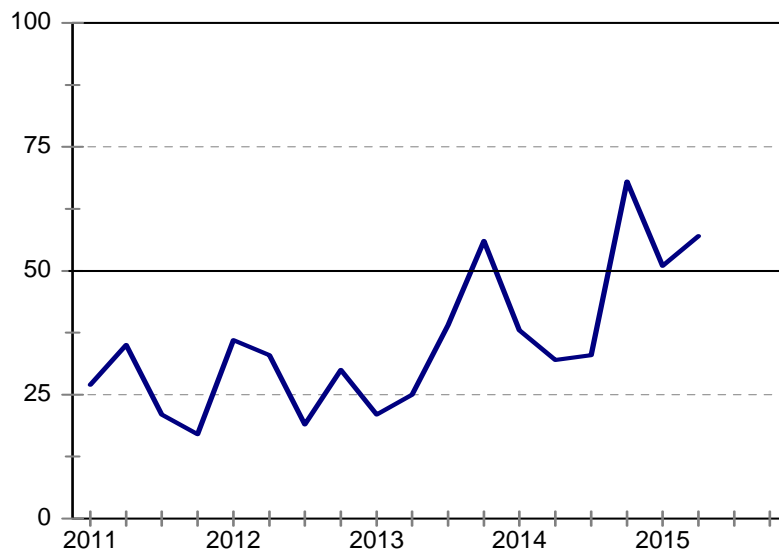
The slowdown in building activity coincided with tougher tendering competition. In 2015Q2, a net 71% of respondents stated that tendering competition has intensified compared to the same quarter last year, up from 60% in 2015Q1.

Due to lower levels of building activity, the proportion of respondents who rated insufficient demand for building work as a constraint increased from 71% to 80% in 2015Q2.

Gauteng

Business confidence for general builders in Gauteng increased from 51 to 57 in 2015Q2. This was likely as a result of an improvement in general business conditions.

Figure 8: Gauteng
Business confidence



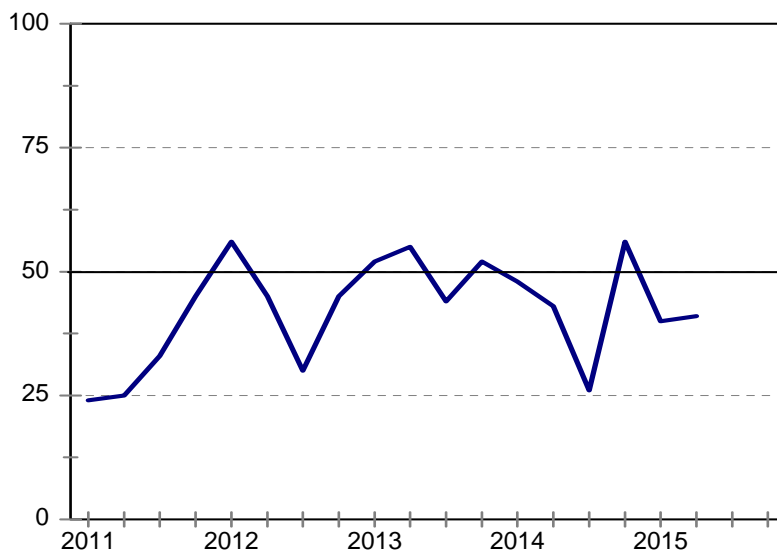
The percentage of general builders who cited poorer business conditions fell from a net 13% in 2015Q1, to a net 10% in 2015Q2.

The increase in confidence led to an improvement in employment. A net 3% indicated that employment was lower in 2015Q2; this is an improvement compared to a net 11% of respondents who found this to be the case in 2015Q1.

KwaZulu-Natal

The proportion of general builders who reported satisfactory business conditions increased marginally to 41 in 2015Q2. Despite the slight improvement in confidence, building activity continued to slow in this quarter.

Figure 9: KwaZulu-Natal
Business confidence

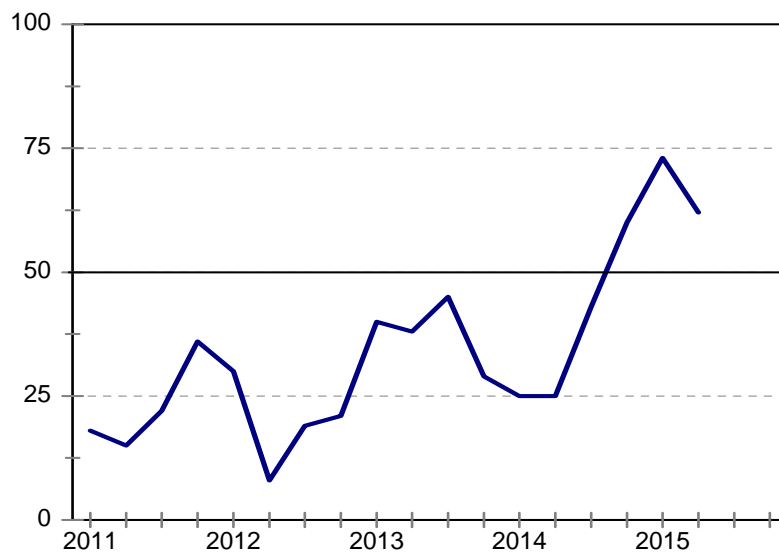


The net percentage of general builders who reported lower building activity increased from a net 34% in 2015Q1 to 42% in 2015Q2.

Western Cape

After reaching a historical high of 73 in 2015Q1, business confidence fell back to 62 in 2015Q2. However, despite the drop in confidence, all the underlying indices improved, especially profitability.

Figure 10: Western Cape
Business confidence



General builders in the Western Cape were the only respondents that registered positive growth in building activity. In 2015Q2, a net 3% experienced an uptick in building activity, up from a net 0% in the previous quarter.

Due to the increase in activity, pressure on profitability subsided somewhat. The percentage of general builders that reported lower profitability declined from a net 18% in 2015Q1, to 3% in 2015Q2.

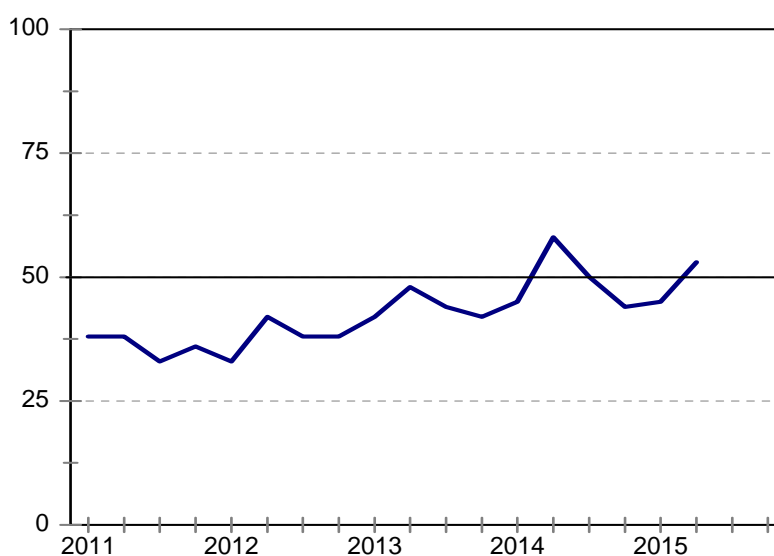
The improvement in profitability and building activity was likely as a result of a considerable easing in tendering competition. Compared to a net 34% in 2015Q1, only 14% of respondents indicated that competition was tougher than during the corresponding quarter last year.

Construction Industry

Total

Business confidence increased from a level of 45 in the first quarter of 2015, to 53 in 2015Q2. The increase in confidence was reflected in several key underlying indices.

Figure 11: Total
Business confidence



General business conditions improved marginally. The net percentage of civil contractors who cited poorer business conditions fell from a net 26% in 2015Q1, to 22% in 2015Q2.

Construction activity picked up. A net 26% of respondents reported lower construction activity levels in 2015Q1; this is a marginal improvement from the net 29% in 2015Q1.

As a result of the uptick in construction activity, pressure on profitability subsided somewhat. Compared to a net 51% in 2015Q1, 40% indicated that profitability was lower than the same quarter a year ago.

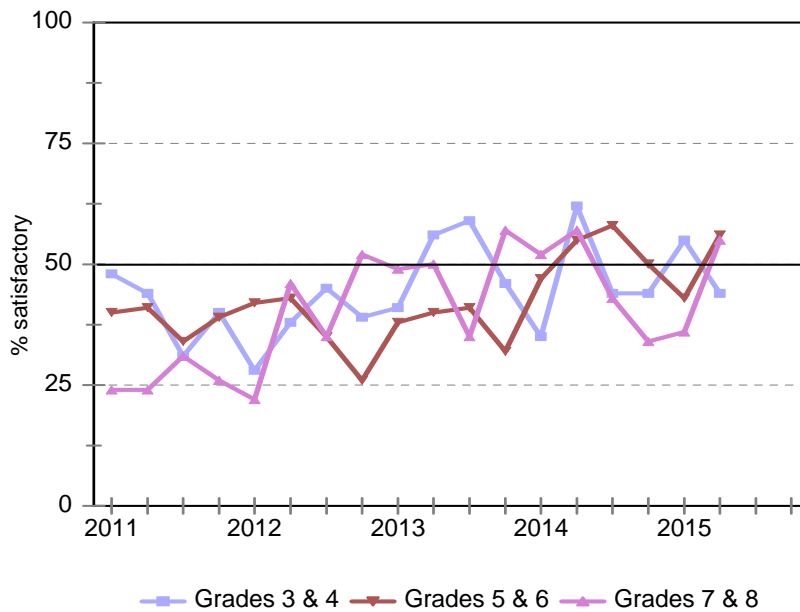
The improvement in profitability and construction activity was likely as a result of a moderation in tendering competition. A net 36% of respondents indicated that tendering price competition was tougher than the corresponding quarter a year ago, down from 41% in 2015Q1.

Due to the increase in confidence, the pace of job losses slowed during this quarter. The proportion of respondents who registered lower employment fell from a net 28% in 2015Q1 to 18% in 2015Q2.

Grades comparison

As shown in Figure 12, business confidence among both Grades 5 & 6 (+13) and 7 & 8 (+19) increased to above 50, whereas Grades 3 & 4 were the only grades that registered a decline (-11).

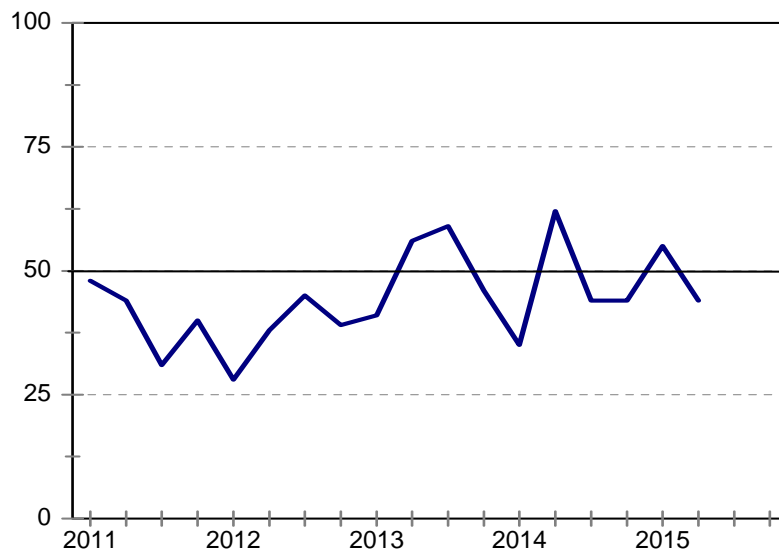
Figure 12: Business confidence per grade



Grades 3 & 4

Business confidence among civil contractors in Grades 3 & 4 declined from 55 to 44 in 2015Q2.

Figure 13: Grade 3 & 4
Business confidence



During 2015Q2, civil contractors in Grades 3 & 4 experienced a worsening in general business conditions. Compared to a net 15% in the previous quarter, a net 38% indicated that general business conditions are worse than the same period a year ago.

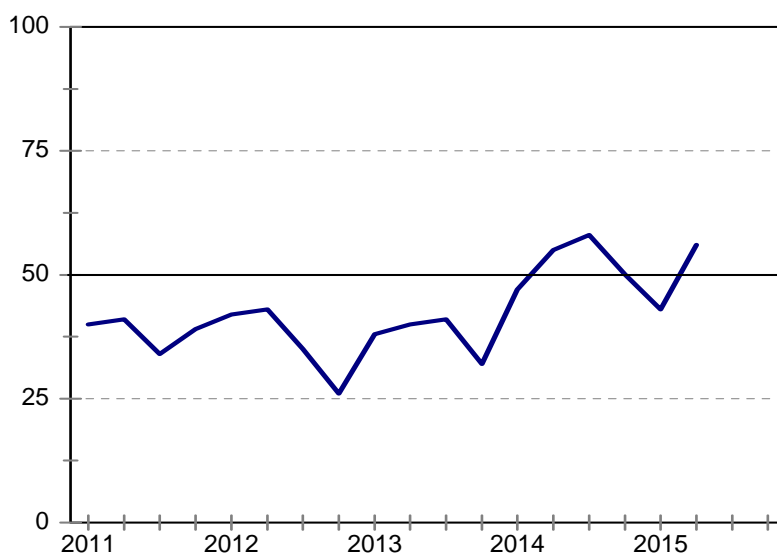
Grades 3 & 4 furthermore reported a sharp slowdown in construction activity. The percentage of respondents who cited lower construction activity increased from a net 21% in 2015Q1 to a net 48% during 2015Q2.

Due to lower construction activity, the proportion of respondents that cited inadequate supply of construction materials as a constraint declined from 35% to 24%.

Grades 5 & 6

After two consecutive quarterly declines, business confidence increased by 13 index points to a level of 56. The increase in confidence was reflected in a number of the underlying indices.

Figure 14: Grade 5 & 6
Business confidence



In 2015Q2, a net 10% indicated that general business conditions were worse than the same quarter in 2014; this is an improvement compared to the net 27% who found this to be the case in 2015Q1.

The net percentage of civil contractors who reported lower construction activity decreased from 31% in 2015Q1 to 11% in 2015Q2.

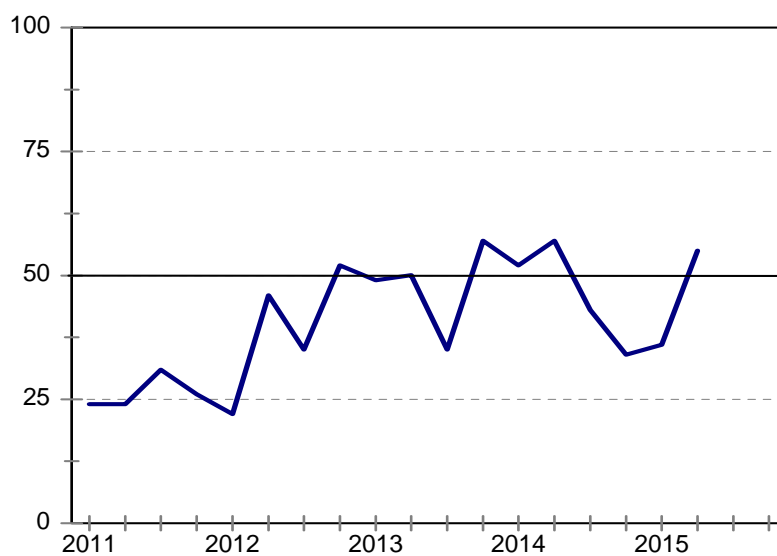
Due to the uptick in activity, pressure on profitability subsided somewhat. Compared to a net 50% in 2015Q1, a net 35% of respondents noted that profitability was lower compared to the same period last year.

The increase in confidence and activity furthermore led to a slowdown in job losses. In 2015Q2, a net 4% of respondents noted that employment was lower compared to the same period last year, down from a net 22% in the previous quarter.

Grades 7 & 8

Business confidence among civil contractors in Grades 7 & 8 increased from 36 to a level of 55 in 2015Q2. This was likely due to an improvement in profitability.

Figure 15: Grade 7 & 8
Business confidence



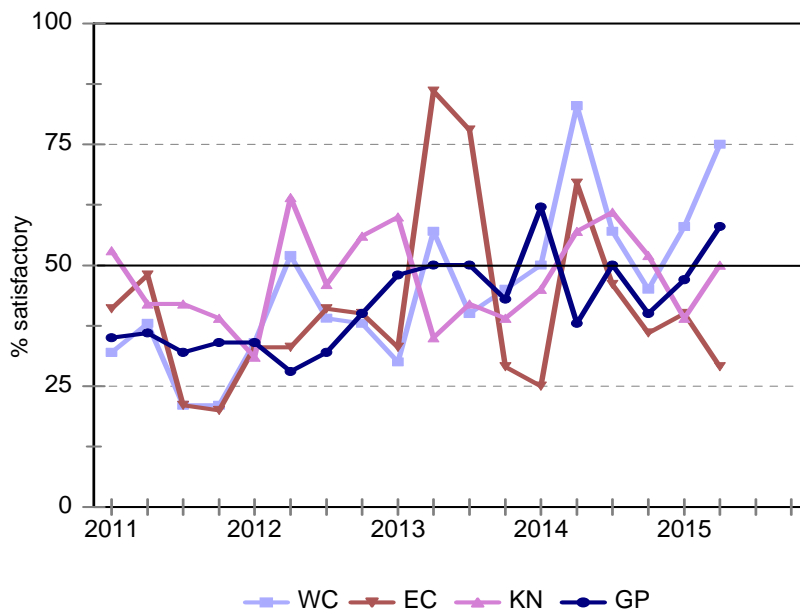
Compared to a net 59% in 2015Q1, a net 40% reported pressure on profitability.

Due to the rise in confidence, the pace at which civil contractors retrenched workers eased somewhat. The proportion of respondents that registered lower employment fell from a net 31% in 2015Q1 to 21% in 2015Q2.

Provincial comparison

Regionally, the following changes in confidence levels came about, Western Cape (+17), KwaZulu-Natal (+11), Gauteng (+11) and Eastern Cape (-11). As shown in Figure 16, the Eastern Cape was also the only province that registered a confidence level below 50.

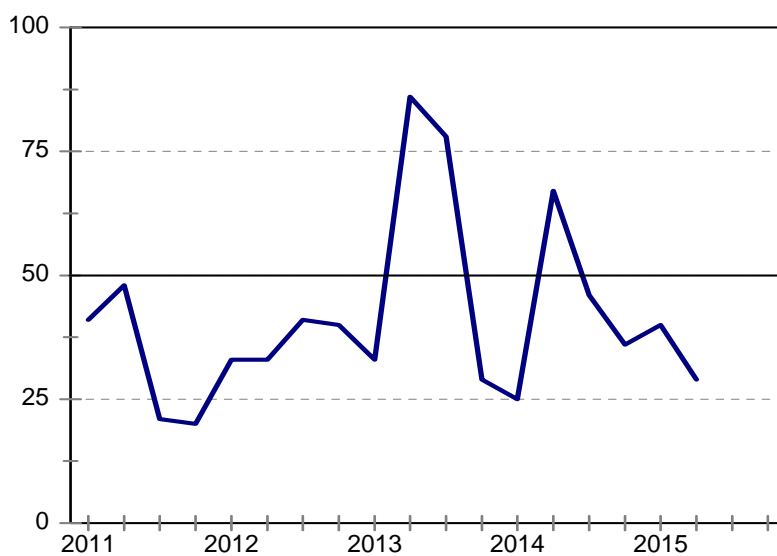
Figure 16: Business confidence per province



Eastern Cape

Business confidence fell from 40 in the previous quarter, to a level of 29. This implies that more than 7 out of 10 respondents find current business conditions unsatisfactory.

Figure 17: Eastern Cape
Business confidence



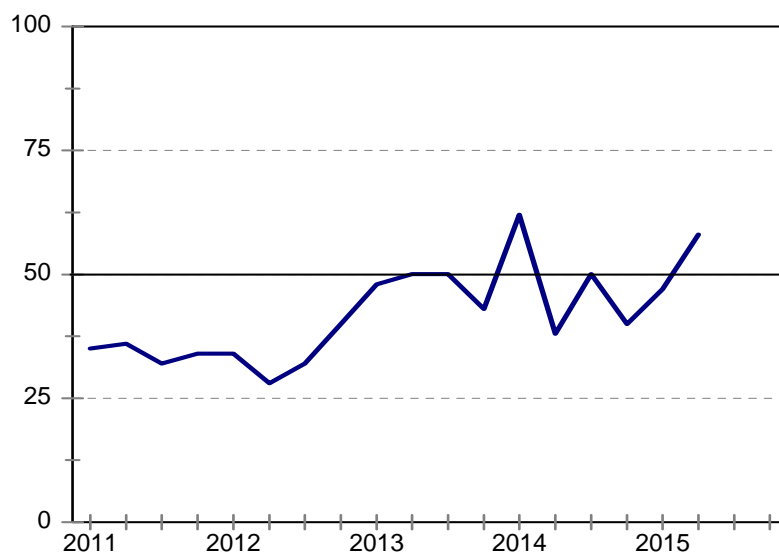
Business conditions deteriorated during this quarter. Compared to a net 10% in 2015Q1, a net 44% of respondents indicated that general business conditions were worse compared to the same period a year ago.

The drop in confidence led to a decline in employment. In 2015Q2, a net 18% of respondents noted that employment growth was lower compared to the corresponding period in 2014, whereas 0% indicated the same during 2015Q1.

Gauteng

In 2015Q1, business confidence rose to 47 index points. In 2015Q2, business confidence improved further to 58.

**Figure 18: Gauteng
Business confidence**



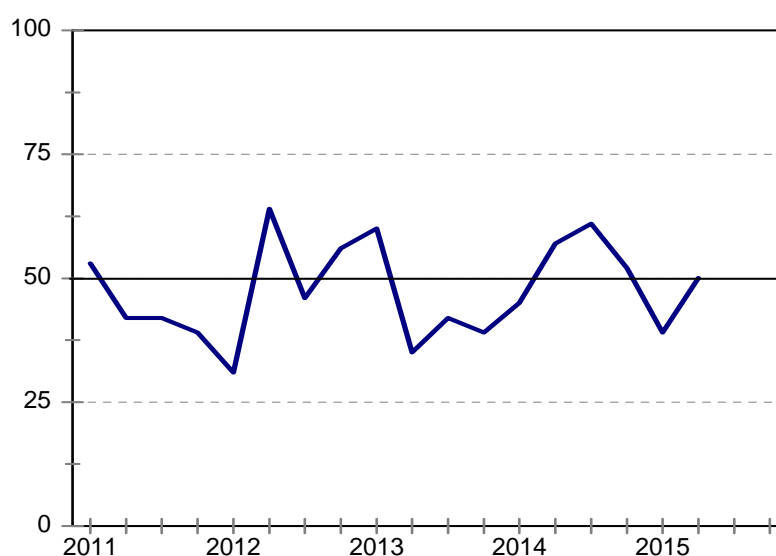
The tempo of job losses slowed during the survey quarter. A net 8% of respondents indicated that employment was lower when compared to the same quarter of last year, down from 35% in 2015Q1.

Pressure on profitability subsided somewhat. The percentage of civil contractors that reported lower profits declined from a net 69% in 2015Q1, to a net 31% in 2015Q2.

KwaZulu-Natal

After falling for two consecutive quarters, business confidence increased from 39 in 2015Q1 to 50 in this survey quarter. Confidence was higher despite construction activity and overall profitability coming under more pressure during this quarter.

Figure 19: KwaZulu-Natal
Business confidence



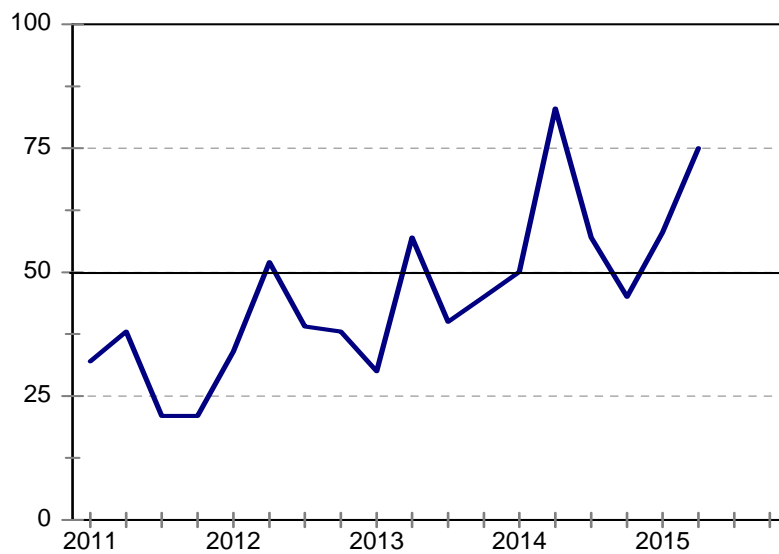
Compared to a net 33% in 2015Q1, a net 38% reported a slowdown in construction activity in this survey quarter.

As a result of lower construction activity, profitability suffered. In 2015Q2, a net 60% indicated that overall profitability was lower compared to the same quarter in 2014; this is a deterioration compared to the net 49% who found this to be the case in 2015Q1.

Western Cape

Business confidence increased by 17 index points and registered a level of 75 in 2015Q2. Business conditions improved; pressure on profitability eased; construction activity picked up and the number of people employed increased.

Figure 20: Western Cape
Business confidence



In 2015Q1, a net 10% indicated that business conditions deteriorated compared to the same period a year ago; in this quarter, a net 20% indicated that business conditions had improved.

Compared to a net 5% in the previous quarter, 25% of respondents reported positive growth in construction activity – the Western Cape was the only province that experienced this.

The uptick in construction activity led to an improvement in profitability. The proportion of respondents that cited lower profitability fell from 25% in 2015Q1 to 15% in 2015Q2.

The improvement in business conditions encouraged civil contractors to grow their number of employees. In the previous quarter, a net 30% reported lower employment; in 2015Q2 a net 5% indicated that employment was higher than the same quarter in 2014.

Due to the uptick in construction activity, the proportion of respondents that experienced insufficient demand for construction work as a constraint fell from 65% to 50% in 2015Q2.

Ms Mia Slabber

Ms Ntombizanele Bakaqana

cidb Building Contractor: Survey Results

Building Contractors : Total

	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1</i>	<i>15Q2</i>	<i>15Q3*</i>
Business confidence ³	40	56	51	51	
Change in business conditions ¹	-31	-3	-14	-22	-1
Growth in building activity ¹	-35	-18	-22	-26	-5
Growth in number of people employed ¹	-33	-12	-21	-17	-8
Growth in profitability of the business ¹	-47	-25	-34	-33	-13
Tendering competition ¹	46	28	33	31	
Percentage rating shortage of skilled labour a constraint ²	54	56	56	52	
Percentage rating inadequate supply of building materials a constraint ²	35	37	29	30	
Percentage rating insufficient demand for building work a constraint ²	73	64	65	67	
Percentage rating firm's inadequate access to credit a constraint ²	35	41	40	39	

* Expected.

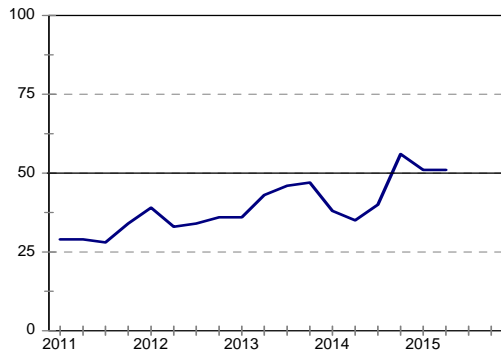
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

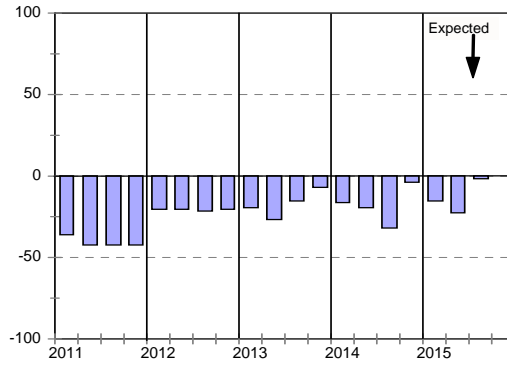
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

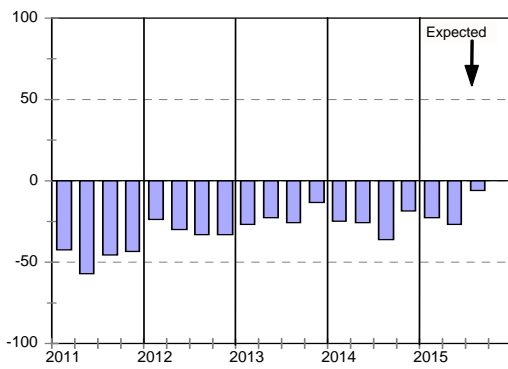
Business confidence



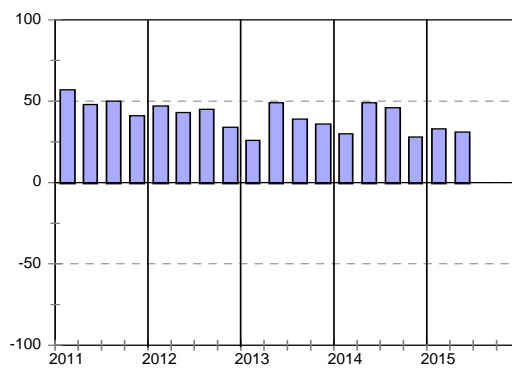
Change in business conditions



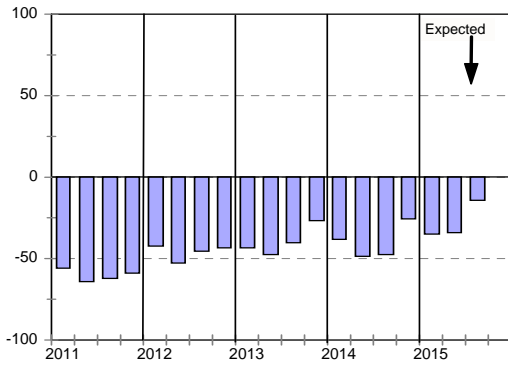
Growth in building activity



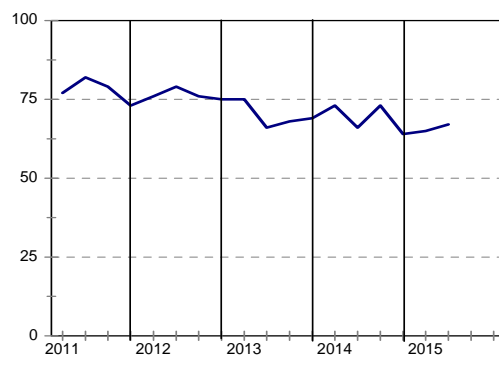
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Grades 3 & 4

	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1</i>	<i>15Q2</i>	<i>15Q3*</i>
Business confidence ³	53	67	51	56	
Change in business conditions ¹	-27	13	-21	-17	8
Growth in building activity ¹	-36	-20	-30	-26	0
Growth in number of people employed ¹	-28	-7	-25	-15	-10
Growth in profitability of the business ¹	-39	-24	-39	-28	-3
Tendering competition ¹	22	30	25	28	
Percentage rating shortage of skilled labour a constraint ²	61	48	54	51	
Percentage rating inadequate supply of building materials a constraint ²	39	34	29	29	
Percentage rating insufficient demand for building work a constraint ²	67	63	66	66	
Percentage rating firm's inadequate access to credit a constraint ²	35	43	46	47	

* Expected.

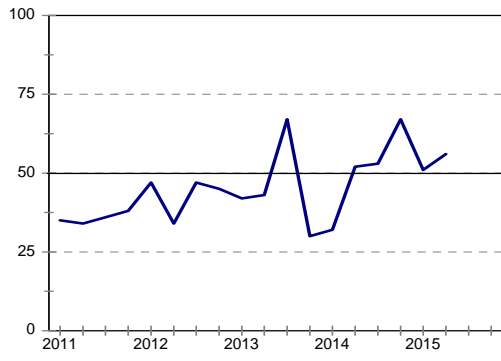
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

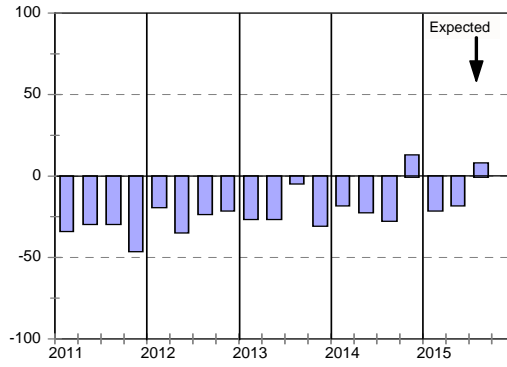
³ Percentage gross rating prevailing business conditions as satisfactory.

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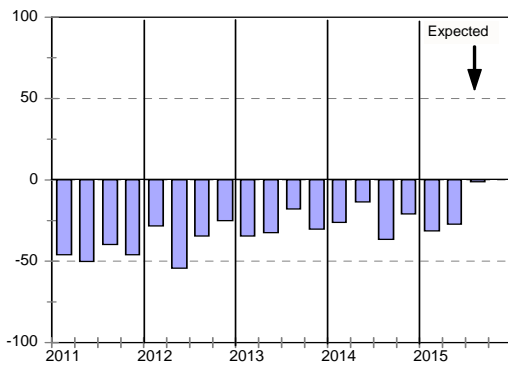
Business confidence



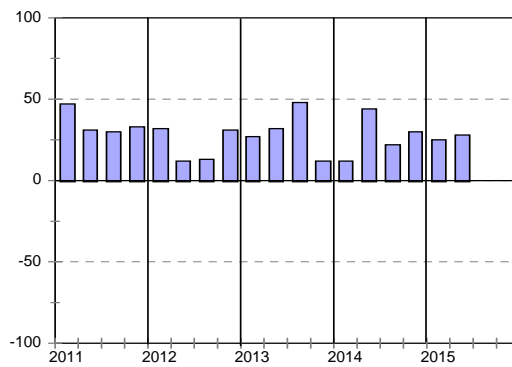
Change in business conditions



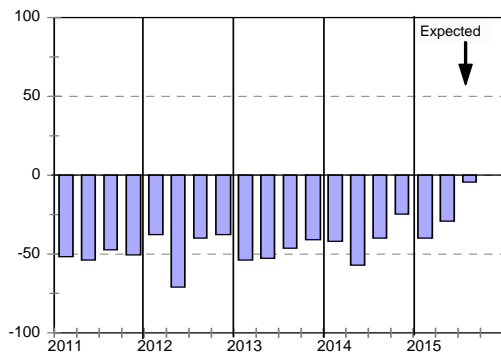
Growth in building activity



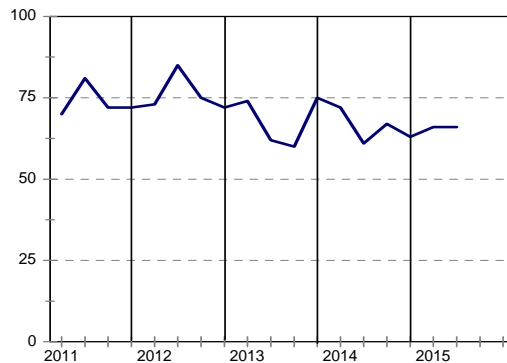
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Grades 5 & 6

	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1</i>	<i>15Q2</i>	<i>15Q3*</i>
Business confidence ³	31	50	52	50	
Change in business conditions ¹	-31	-15	-9	-20	-3
Growth in building activity ¹	-38	-20	-21	-22	-4
Growth in number of people employed ¹	-38	-15	-16	-12	-7
Growth in profitability of the business ¹	-55	-28	-37	-29	-18
Tendering competition ¹	61	20	35	19	
Percentage rating shortage of skilled labour a constraint ²	51	59	54	50	
Percentage rating inadequate supply of building materials a constraint ²	31	38	26	23	
Percentage rating insufficient demand for building work a constraint ²	79	66	62	64	
Percentage rating firm's inadequate access to credit a constraint ²	37	43	38	32	

* Expected.

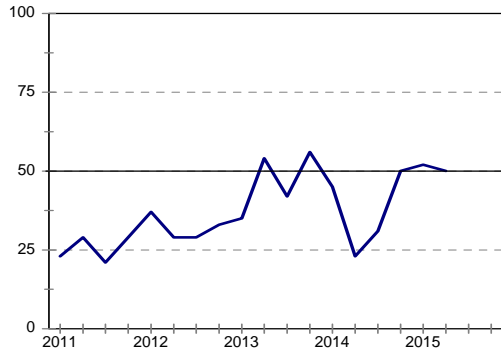
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

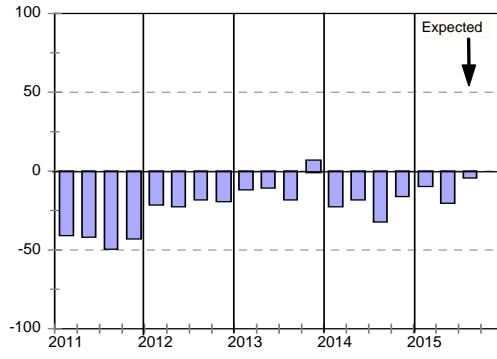
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

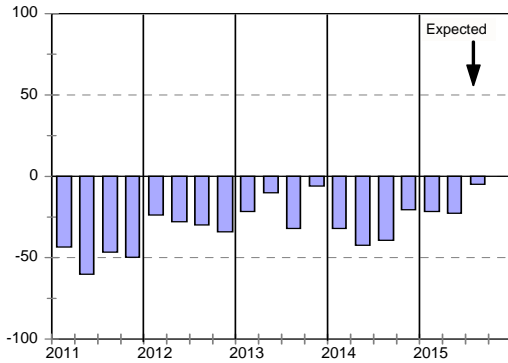
Business confidence



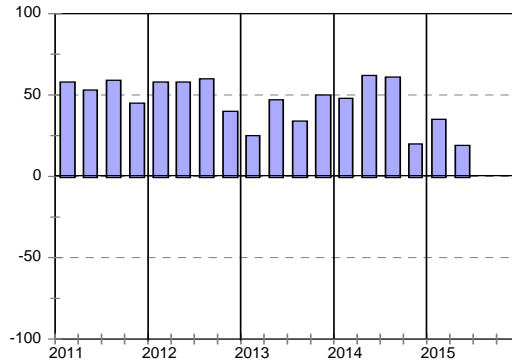
Change in business conditions



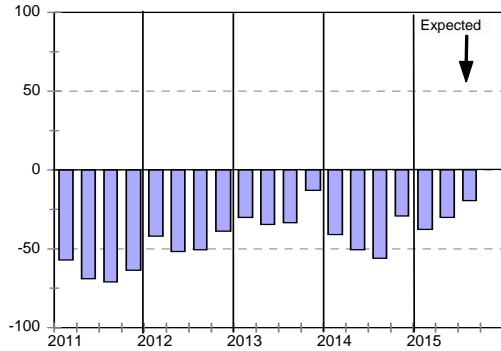
Growth in building activity



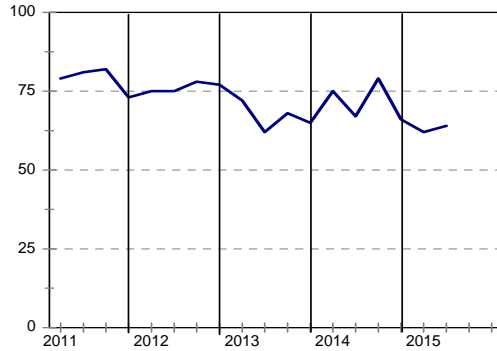
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Grades 7 & 8

	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1</i>	<i>15Q2</i>	<i>15Q3*</i>
Business confidence ³	38	49	52	44	
Change in business conditions ¹	-41	-9	-13	-36	-11
Growth in building activity ¹	-23	-6	-9	-32	-15
Growth in number of people employed ¹	-29	-14	-22	-29	-4
Growth in profitability of the business ¹	-41	-20	-23	-50	-23
Tendering competition ¹	47	37	42	61	
Percentage rating shortage of skilled labour a constraint ²	52	66	63	61	
Percentage rating inadequate supply of building materials a constraint ²	38	40	35	44	
Percentage rating insufficient demand for building work a constraint ²	67	62	68	73	
Percentage rating firm's inadequate access to credit a constraint ²	29	36	33	38	

* Expected.

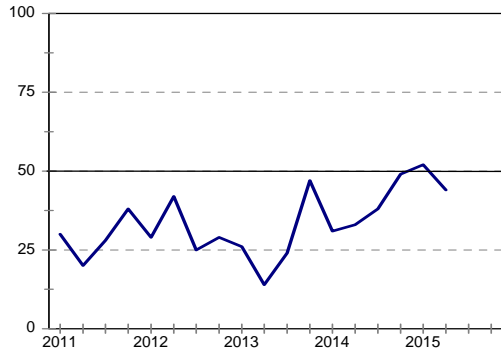
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

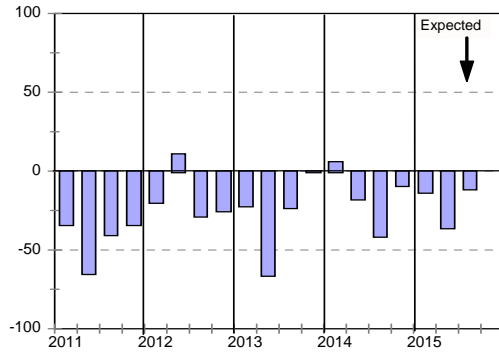
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

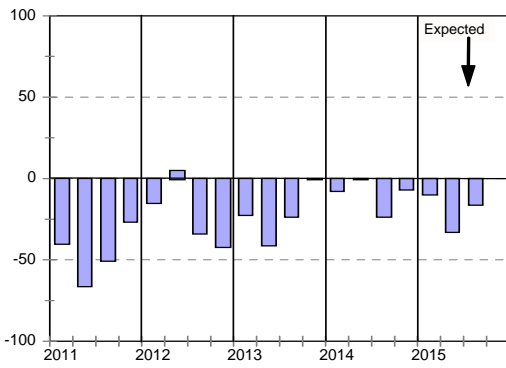
Business confidence



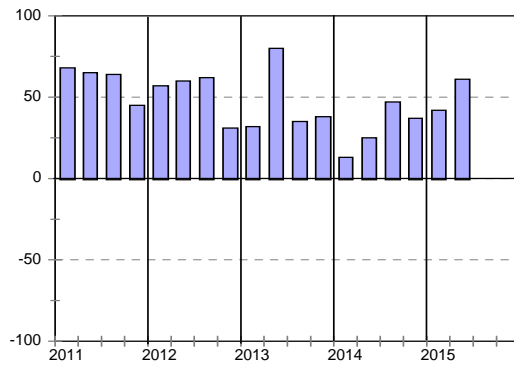
Change in business conditions



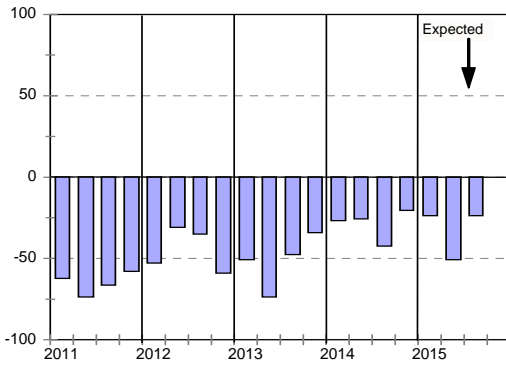
Growth in building activity



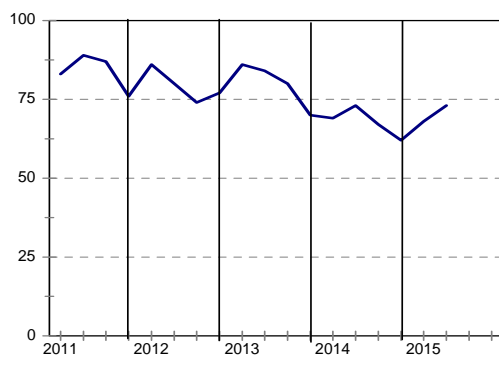
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Eastern Cape

	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1</i>	<i>15Q2</i>	<i>15Q3*</i>
Business confidence ³	38	44	32	42	
Change in business conditions ¹	-39	-22	-47	-66	-16
Growth in building activity ¹	-31	-46	-58	-70	-17
Growth in number of people employed ¹	-31	-37	-55	-35	-33
Growth in profitability of the business ¹	-23	-43	-78	-69	-45
Tendering competition ¹	92	30	60	71	
Percentage rating shortage of skilled labour a constraint ²	58	56	60	55	
Percentage rating inadequate supply of building materials a constraint ²	46	35	31	33	
Percentage rating insufficient demand for building work a constraint ²	81	70	71	80	
Percentage rating firm's inadequate access to credit a constraint ²	34	31	34	33	

* Expected.

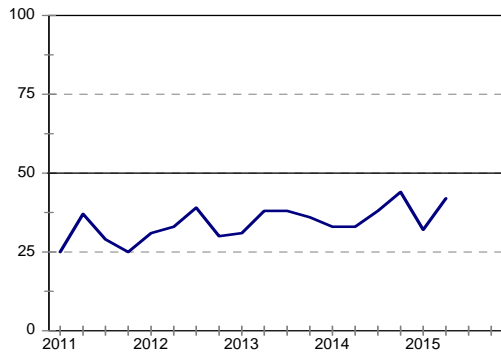
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

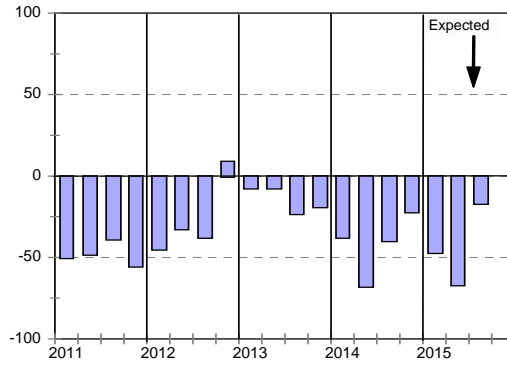
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

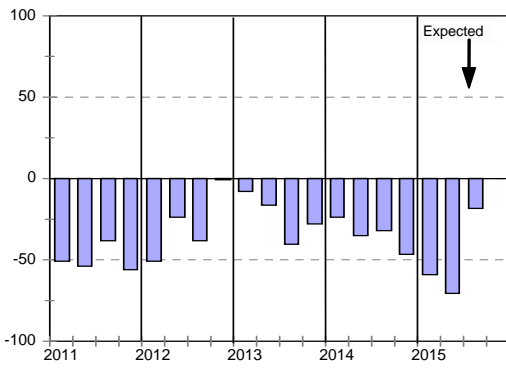
Business confidence



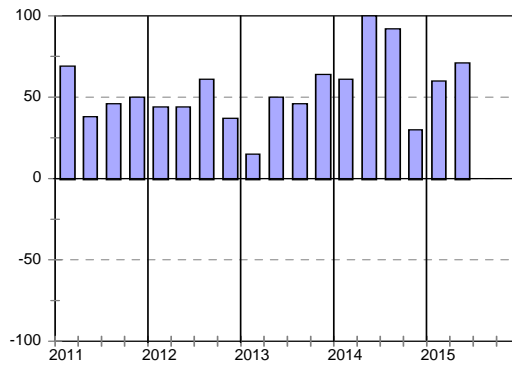
Change in business conditions



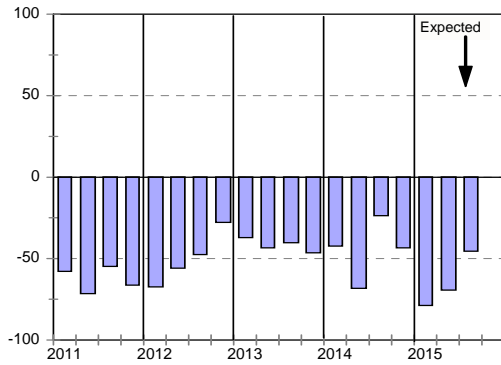
Growth in building activity



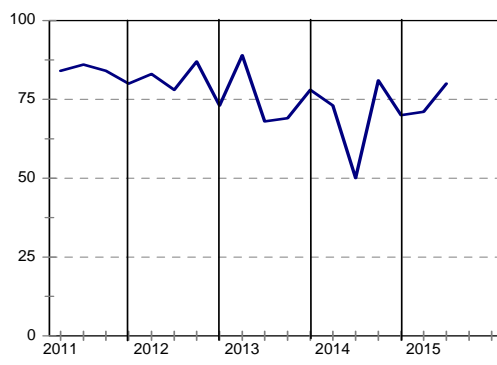
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Gauteng

	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1</i>	<i>15Q2</i>	<i>15Q3*</i>
Business confidence ³	33	68	51	57	
Change in business conditions ¹	-56	20	-13	-10	4
Growth in building activity ¹	-44	-3	-13	-13	-4
Growth in number of people employed ¹	-39	14	-11	-3	-7
Growth in profitability of the business ¹	-45	0	-19	-35	-11
Tendering competition ¹	33	30	16	33	
Percentage rating shortage of skilled labour a constraint ²	61	57	60	53	
Percentage rating inadequate supply of building materials a constraint ²	39	40	30	31	
Percentage rating insufficient demand for building work a constraint ²	84	54	61	60	
Percentage rating firm's inadequate access to credit a constraint ²	47	50	46	52	

* Expected.

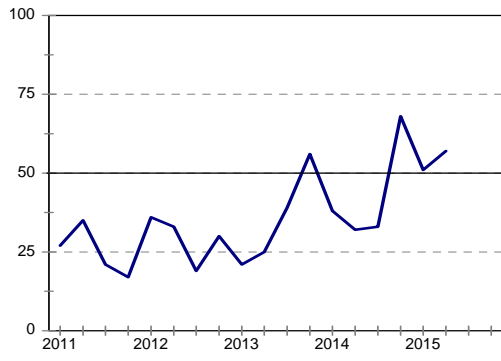
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

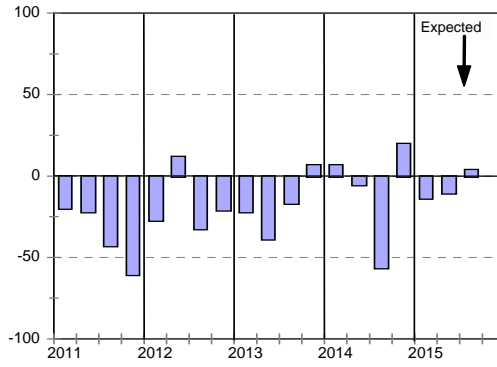
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

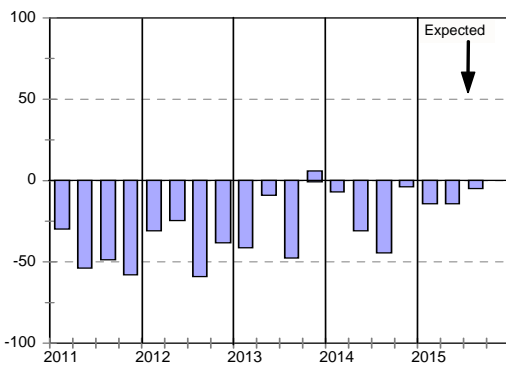
Business confidence



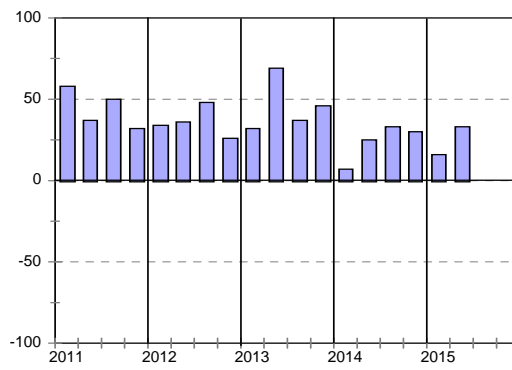
Change in business conditions



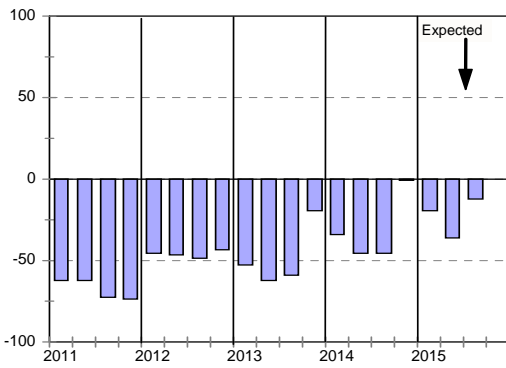
Growth in building activity



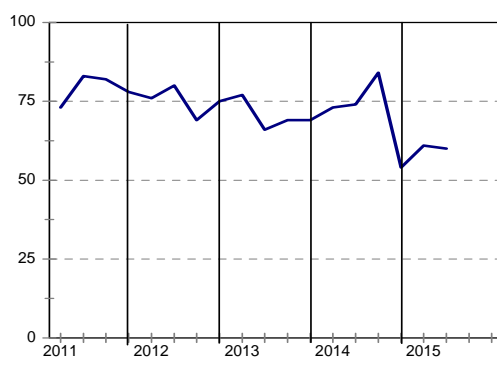
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : KwaZulu-Natal

	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1</i>	<i>15Q2</i>	<i>15Q3*</i>
Business confidence ³	26	56	40	41	
Change in business conditions ¹	-32	-1	-17	-38	3
Growth in building activity ¹	-39	-11	-34	-42	-3
Growth in number of people employed ¹	-32	-20	-40	-29	-3
Growth in profitability of the business ¹	-54	-27	-46	-43	-3
Tendering competition ¹	32	20	31	15	
Percentage rating shortage of skilled labour a constraint ²	52	60	60	52	
Percentage rating inadequate supply of building materials a constraint ²	29	45	35	31	
Percentage rating insufficient demand for building work a constraint ²	68	69	72	62	
Percentage rating firm's inadequate access to credit a constraint ²	34	48	49	39	

* Expected.

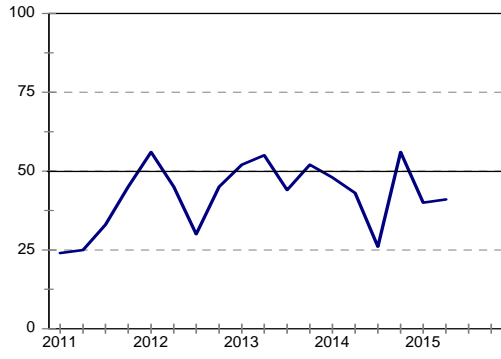
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

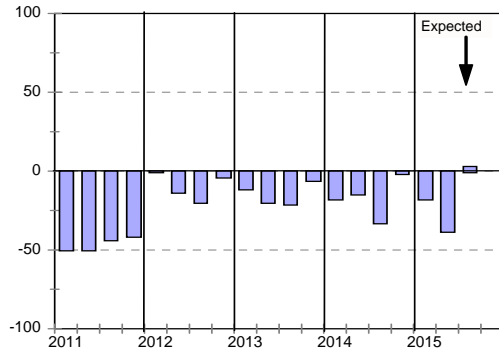
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

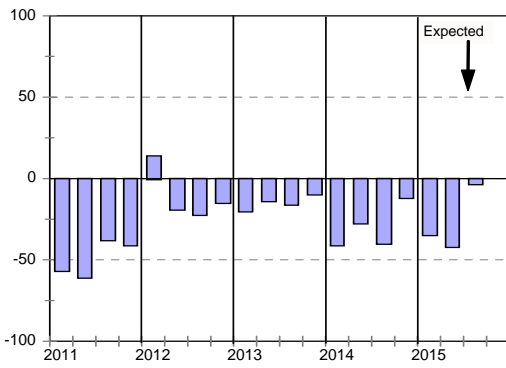
Business confidence



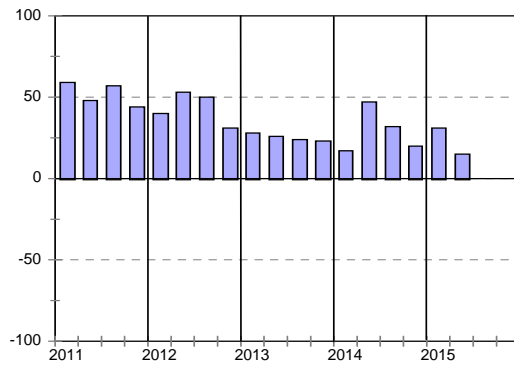
Change in business conditions



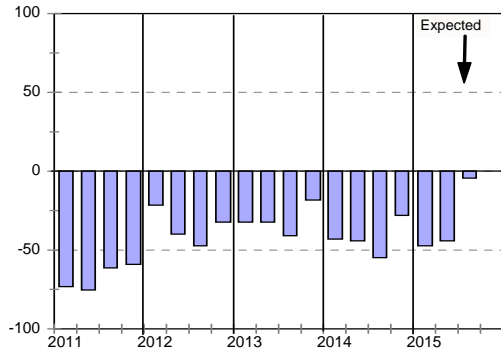
Growth in building activity



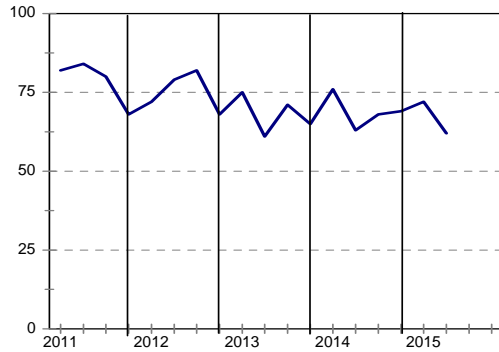
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Western Cape

	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1</i>	<i>15Q2</i>	<i>15Q3*</i>
Business confidence ³	43	60	73	62	
Change in business conditions ¹	0	-11	8	9	0
Growth in building activity ¹	-7	-15	0	3	0
Growth in number of people employed ¹	-7	-5	-3	2	6
Growth in profitability of the business ¹	-40	-24	-18	-3	-9
Tendering competition ¹	67	24	34	14	
Percentage rating shortage of skilled labour a constraint ²	60	49	49	53	
Percentage rating inadequate supply of building materials a constraint ²	30	28	21	24	
Percentage rating insufficient demand for building work a constraint ²	70	63	55	67	
Percentage rating firm's inadequate access to credit a constraint ²	35	36	32	36	

* Expected.

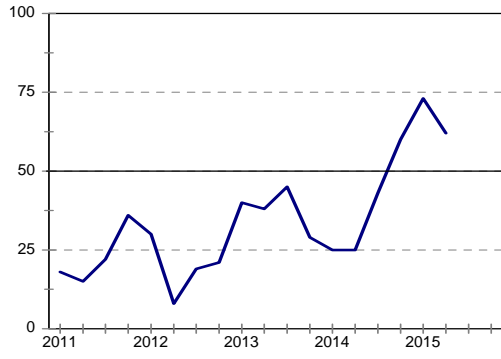
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

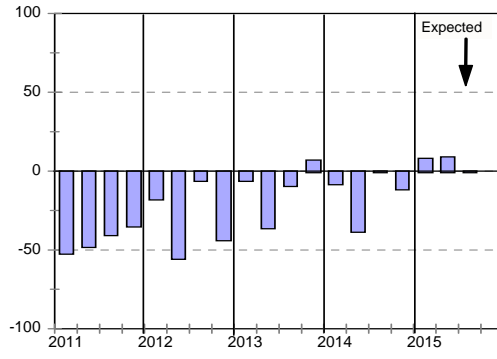
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

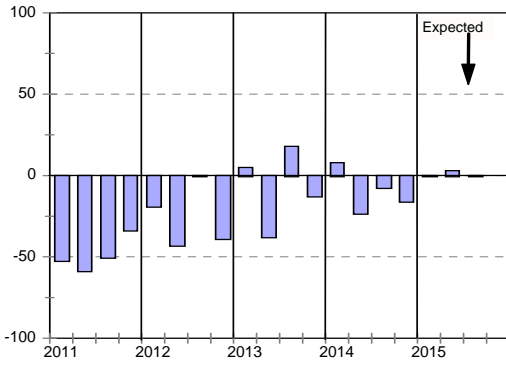
Business confidence



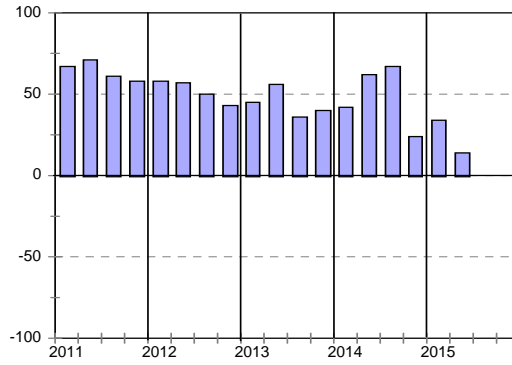
Change in business conditions



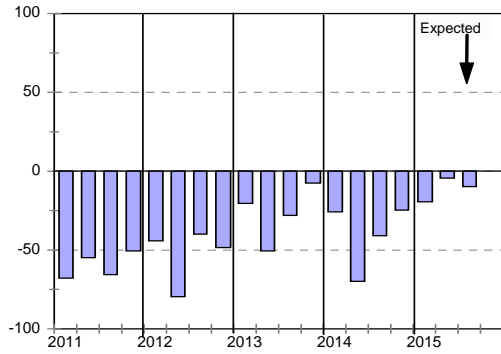
Growth in building activity



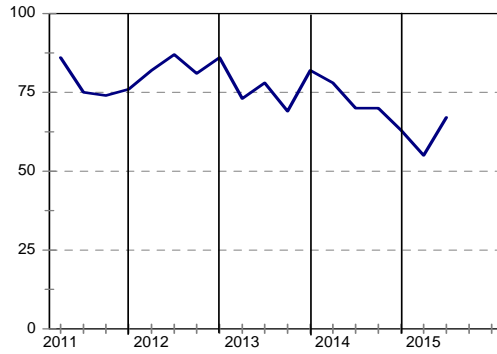
Tendering competition



Growth in profitability



Insufficient building work demand



cidb Civil Contractor: Survey Results

Civil Contractors: Total					
	14Q3	14Q4	15Q1	15Q2	15Q3*
Business confidence ³	50	44	45	53	
Change in business conditions ¹	-23	-26	-26	-22	-17
Growth in construction activity ¹	-30	-27	-29	-26	-17
Growth in number of people employed ¹	-23	-22	-28	-18	-24
Growth in profitability of the business ¹	-37	-29	-51	-40	-29
Tendering competition ¹	36	47	41	36	
Percentage rating shortage of skilled labour a constraint ²	49	52	49	48	
Percentage rating inadequate supply of construction materials a constraint ²	28	30	31	26	
Percentage rating insufficient demand for construction work a constraint ²	69	71	69	66	
Percentage rating firm's inadequate access to credit a constraint ²	29	39	42	34	

* Expected.

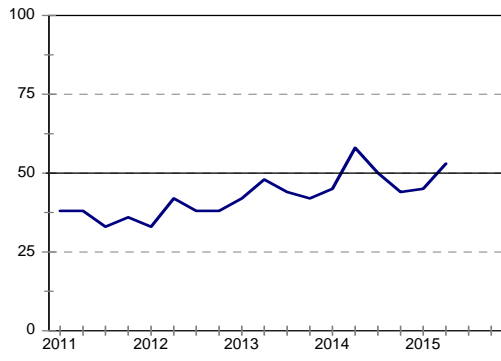
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

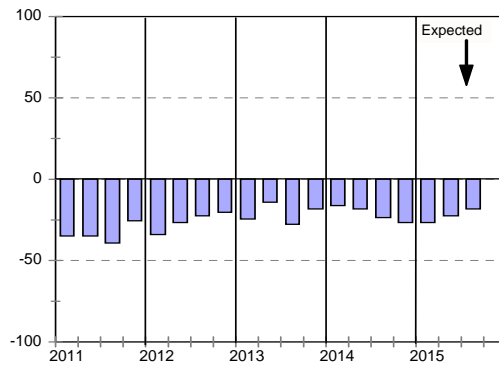
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

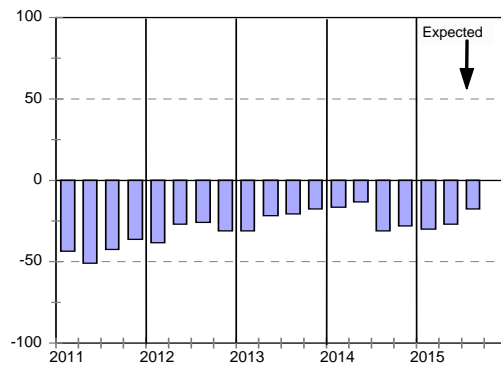
Business confidence



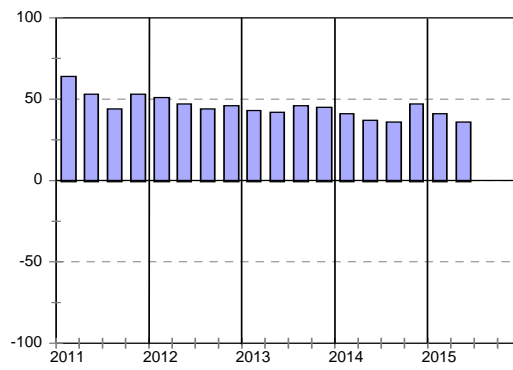
Change in business conditions



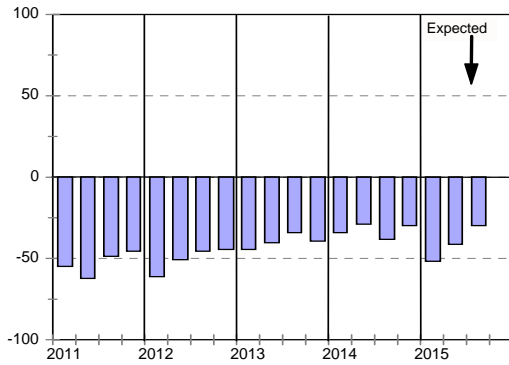
Growth in construction activity



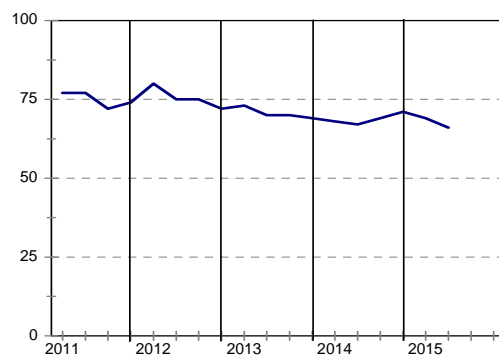
Tendering competition



Growth in profitability



Insufficient construction work demand



Civil Contractors : Grades 3 & 4

	14Q3	14Q4	15Q1	15Q2	15Q3*
Business confidence ³	44	44	55	44	
Change in business conditions ¹	-33	-27	-15	-38	-28
Growth in construction activity ¹	-36	-41	-21	-48	-34
Growth in number of people employed ¹	-32	-25	-38	-38	-42
Growth in profitability of the business ¹	-56	-43	-50	-52	-50
Tendering competition ¹	12	46	29	-4	
Percentage rating shortage of skilled labour a constraint ²	56	49	42	50	
Percentage rating inadequate supply of construction materials a constraint ²	30	30	35	24	
Percentage rating insufficient demand for construction work a constraint ²	73	69	68	68	
Percentage rating firm's inadequate access to credit a constraint ²	42	40	45	46	

* Expected.

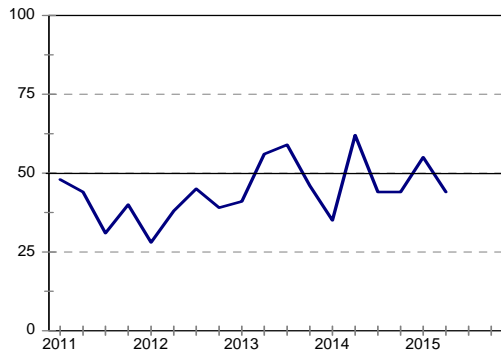
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

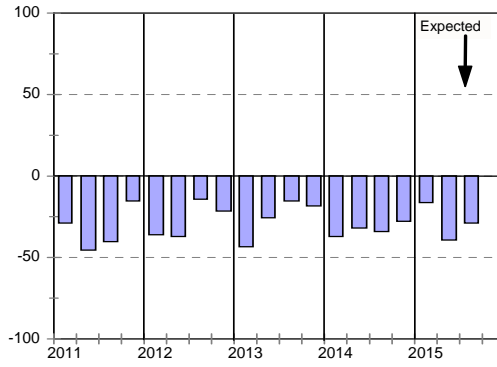
³ Percentage gross rating prevailing business conditions as satisfactory.

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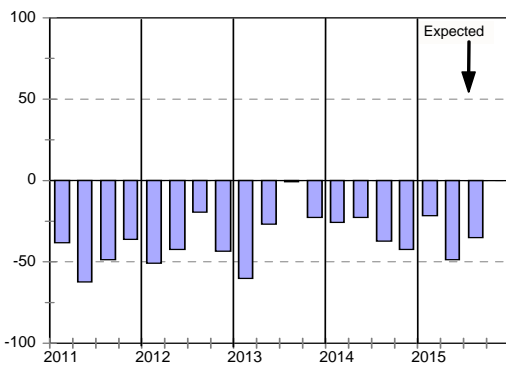
Business confidence



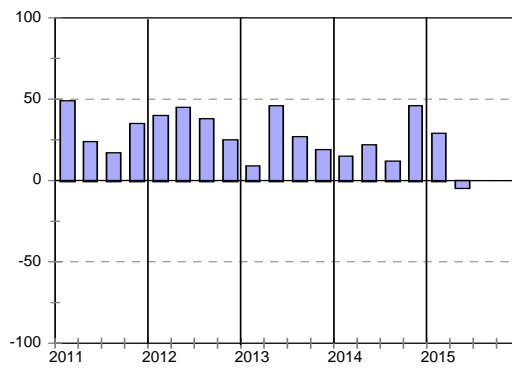
Change in business conditions



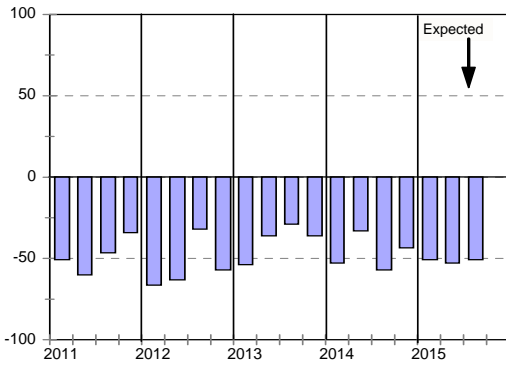
Growth in construction activity



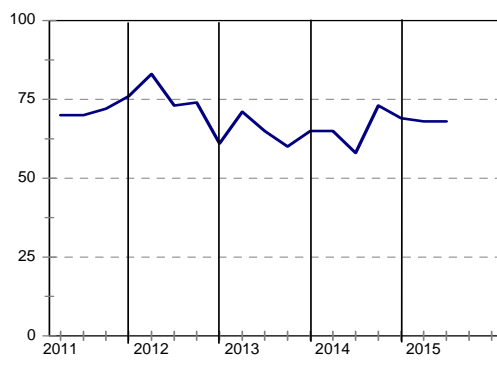
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : Grades 5 & 6

	14Q3	14Q4	15Q1	15Q2	15Q3*
Business confidence ³	58	50	43	56	
Change in business conditions ¹	-18	-28	-27	-10	-22
Growth in construction activity ¹	-36	-26	-31	-11	-16
Growth in number of people employed ¹	-25	-17	-22	-4	-20
Growth in profitability of the business ¹	-33	-22	-50	-35	-25
Tendering competition ¹	37	45	45	43	
Percentage rating shortage of skilled labour a constraint ²	47	54	53	51	
Percentage rating inadequate supply of construction materials a constraint ²	30	33	30	29	
Percentage rating insufficient demand for construction work a constraint ²	63	72	69	65	
Percentage rating firm's inadequate access to credit a constraint ²	24	40	44	35	

* Expected.

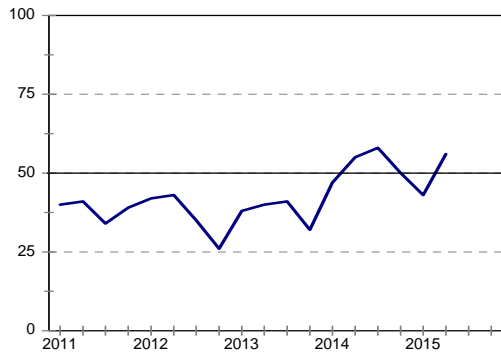
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

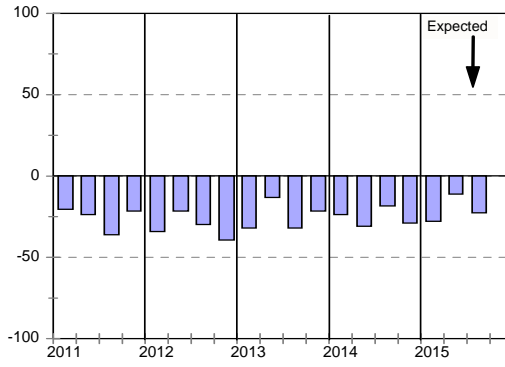
³ Percentage gross rating prevailing business conditions as satisfactory.

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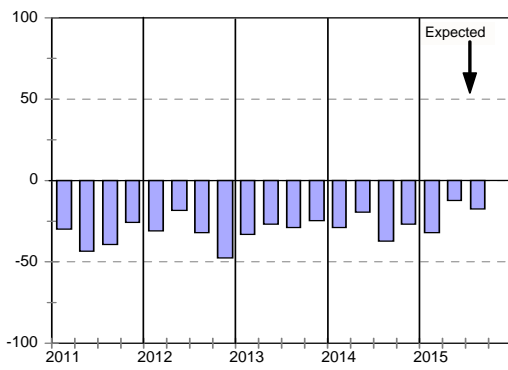
Business confidence



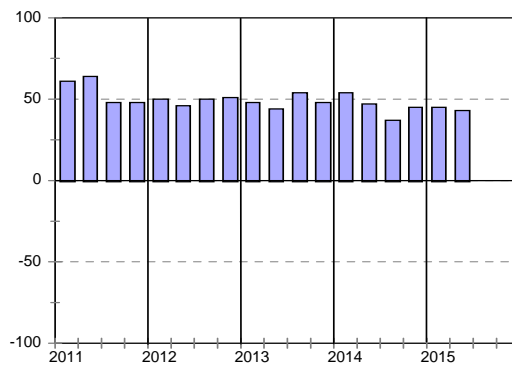
Change in business conditions



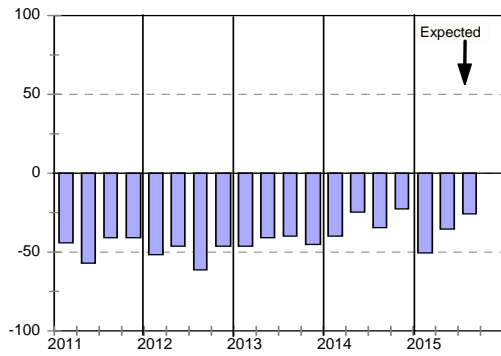
Growth in construction activity



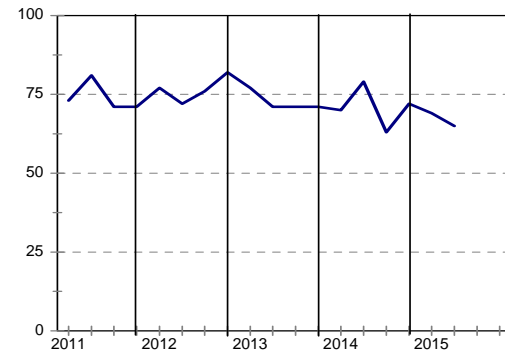
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : Grades 7 & 8

	14Q3	14Q4	15Q1	15Q2	15Q3*
Business confidence ³	43	34	36	55	
Change in business conditions ¹	-22	-19	-31	-27	0
Growth in construction activity ¹	-13	-13	-38	-30	-6
Growth in number of people employed ¹	-9	-26	-31	-21	-15
Growth in profitability of the business ¹	-26	-23	-59	-40	-19
Tendering competition ¹	61	52	48	59	
Percentage rating shortage of skilled labour a constraint ²	45	51	52	42	
Percentage rating inadequate supply of construction materials a constraint ²	24	25	31	22	
Percentage rating insufficient demand for construction work a constraint ²	74	71	66	65	
Percentage rating firm's inadequate access to credit a constraint ²	26	34	34	21	

* Expected.

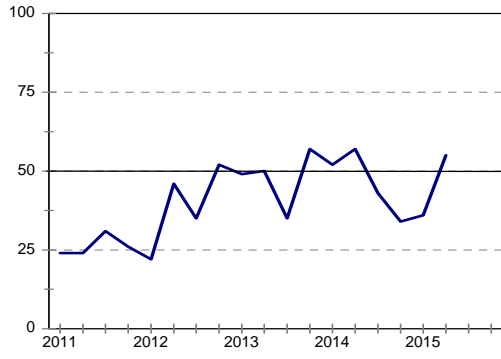
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

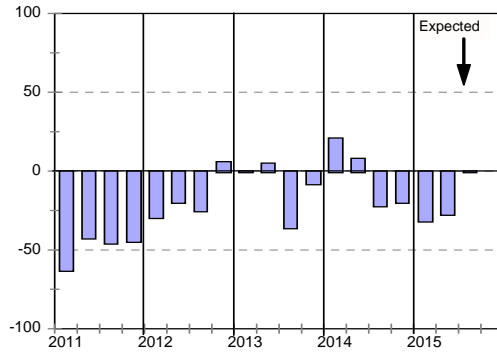
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

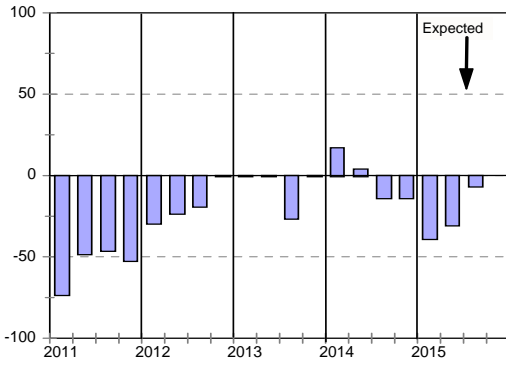
Business confidence



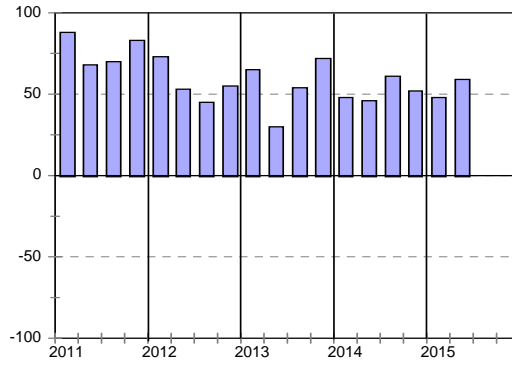
Change in business conditions



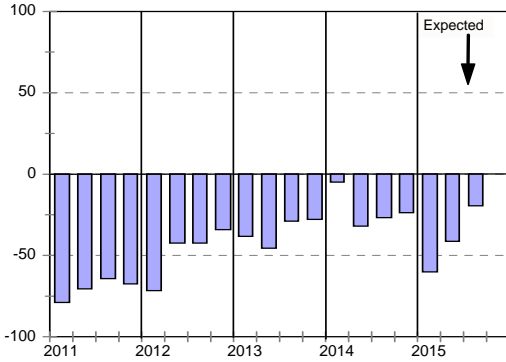
Growth in construction activity



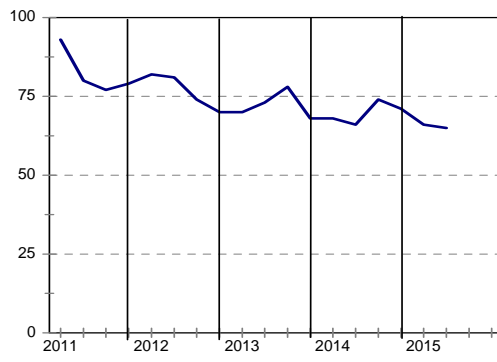
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors: Eastern Cape

	14Q3	14Q4	15Q1	15Q2	15Q3*
Business confidence ³	46	36	40	29	
Change in business conditions ¹	-36	-46	-10	-44	-22
Growth in construction activity ¹	-50	-25	-30	-33	-22
Growth in number of people employed ¹	-57	-22	0	-18	-23
Growth in profitability of the business ¹	-50	-32	-67	-34	-27
Tendering competition ¹	22	35	50	33	
Percentage rating shortage of skilled labour a constraint ²	57	57	65	61	
Percentage rating inadequate supply of construction materials a constraint ²	28	27	35	25	
Percentage rating insufficient demand for construction work a constraint ²	57	73	85	75	
Percentage rating firm's inadequate access to credit a constraint ²	28	37	45	36	

* Expected.

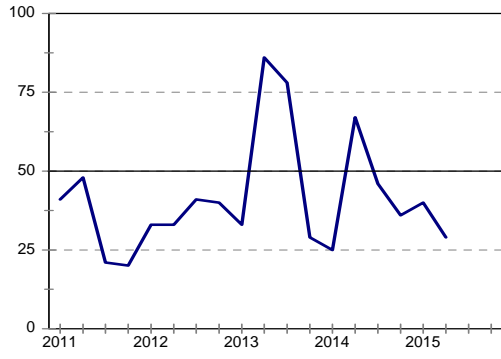
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

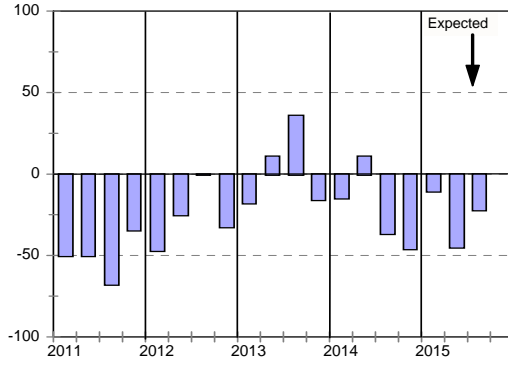
³ Percentage gross rating prevailing business conditions as satisfactory.

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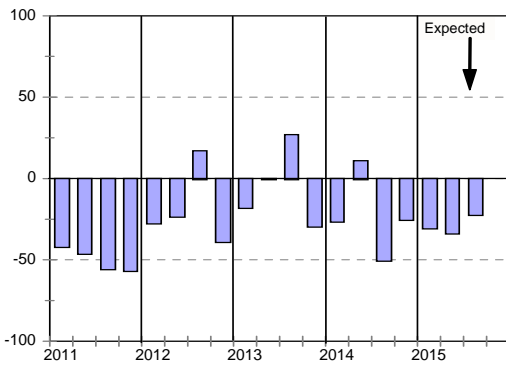
Business confidence



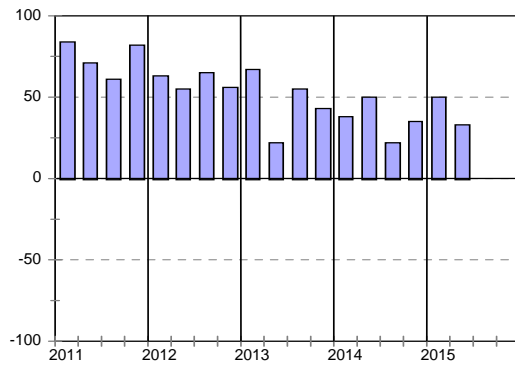
Change in business conditions



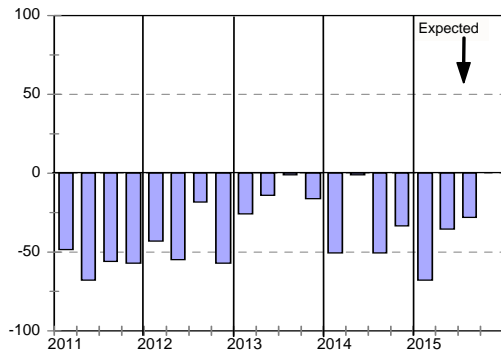
Growth in construction activity



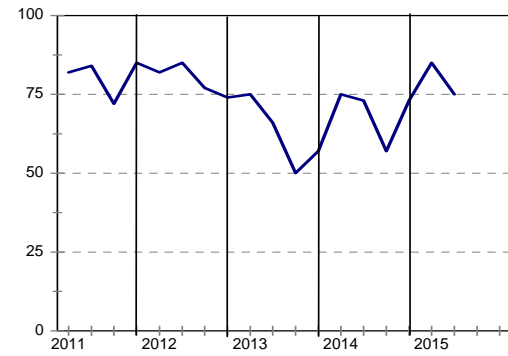
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : Gauteng

	14Q3	14Q4	15Q1	15Q2	15Q3*
Business confidence ³	50	40	47	58	
Change in business conditions ¹	-27	-22	-21	-11	-4
Growth in building activity ¹	-31	-25	-50	-37	-8
Growth in number of people employed ¹	-6	-36	-35	-8	-12
Growth in profitability of the business ¹	-19	-28	-69	-31	-20
Tendering competition ¹	50	38	33	32	
Percentage rating shortage of skilled labour a constraint ²	36	43	41	32	
Percentage rating inadequate supply of building materials a constraint ²	31	31	35	16	
Percentage rating insufficient demand for building work a constraint ²	72	69	68	73	
Percentage rating firm's inadequate access to credit a constraint ²	28	50	47	30	

* Expected.

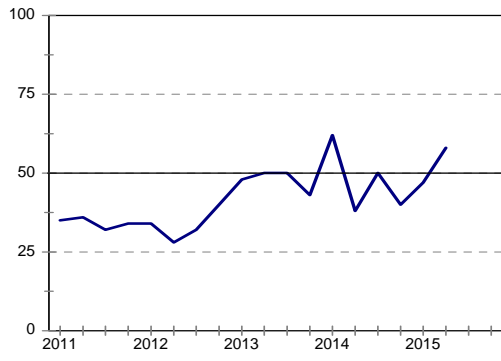
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

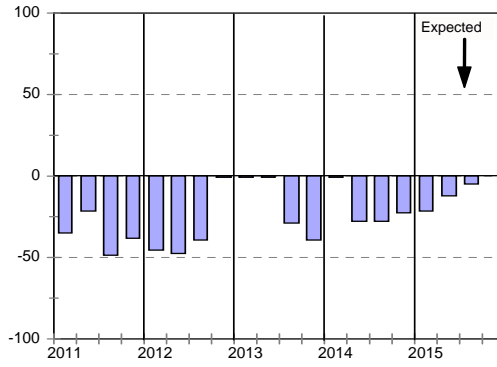
³ Percentage gross rating prevailing business conditions as satisfactory.

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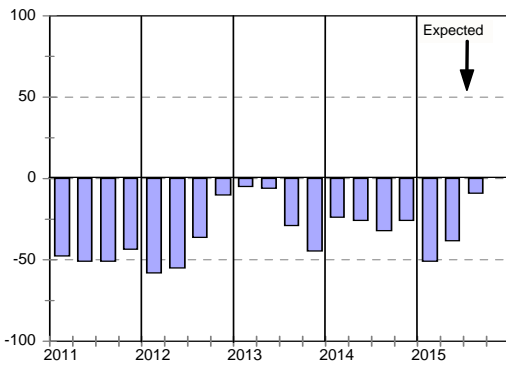
Business confidence



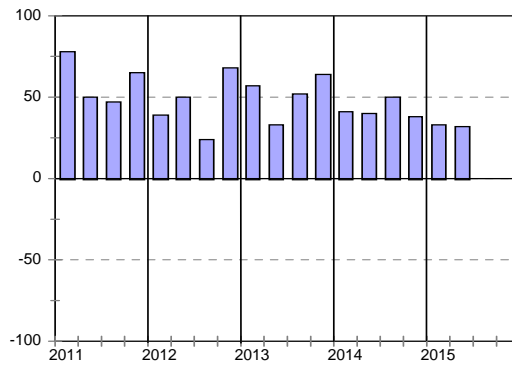
Change in business conditions



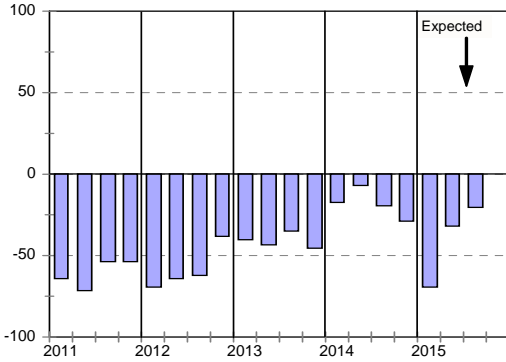
Growth in construction activity



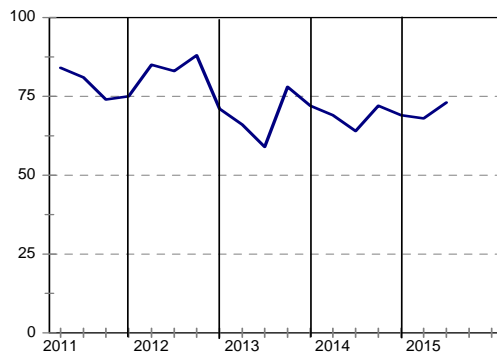
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : KwaZulu-Natal

	14Q3	14Q4	15Q1	15Q2	15Q3*
Business confidence ³	61	52	39	50	
Change in business conditions ¹	-11	-20	-38	-31	-34
Growth in construction activity ¹	-26	-22	-33	-38	-34
Growth in number of people employed ¹	-11	-11	-28	-31	-42
Growth in profitability of the business ¹	-58	-40	-49	-60	-45
Tendering competition ¹	48	37	46	35	
Percentage rating shortage of skilled labour a constraint ²	47	57	54	58	
Percentage rating inadequate supply of construction materials a constraint ²	23	35	34	36	
Percentage rating insufficient demand for construction work a constraint ²	73	69	69	61	
Percentage rating firm's inadequate access to credit a constraint ²	43	48	43	47	

* Expected.

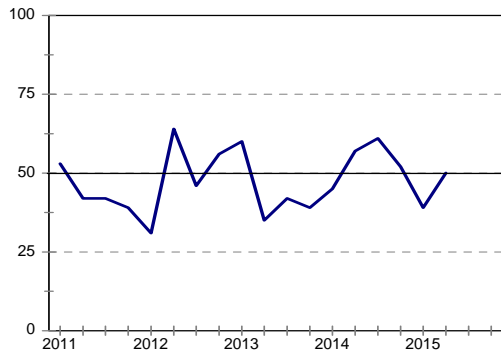
¹ Net balance.

² The index is calculated as follows: The answers of respondents rating a particular constraint as "serious" is weighted by 0,67%; those rating it as "slightly" by 0,33% and those rating it as "not a constraint at all" is discarded. The results are then multiplied by $100/67 = 1,49$ to convert it to an index that can vary between 0 and 100.

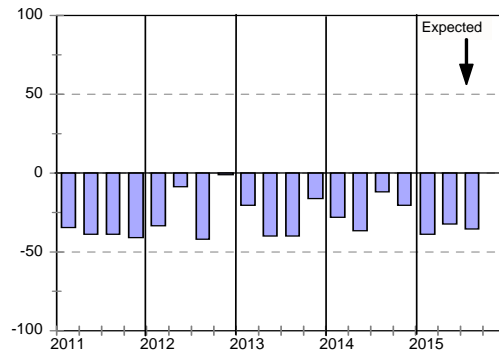
³ Percentage gross rating prevailing business conditions as satisfactory.

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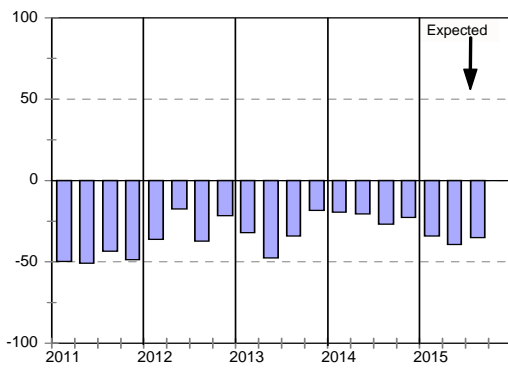
Business confidence



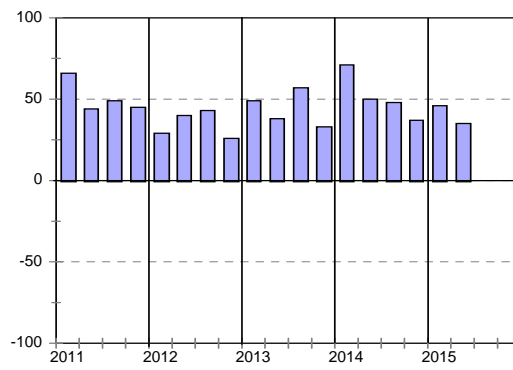
Change in business conditions



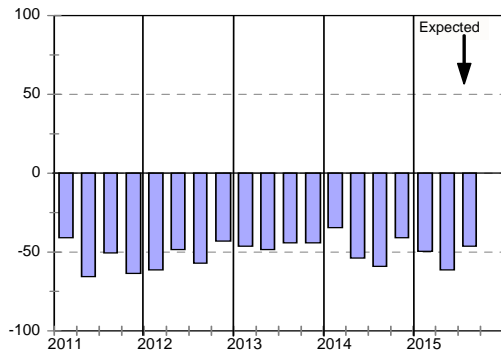
Growth in construction activity



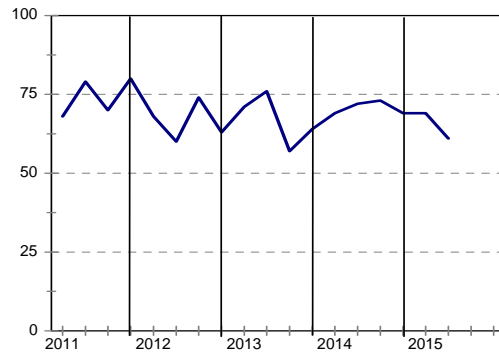
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : Western Cape

	14Q3	14Q4	15Q1	15Q2	15Q3*
Business confidence ³	57	45	58	75	
Change in business conditions ¹	-6	-21	-10	20	-5
Growth in construction activity ¹	-6	-26	5	25	-6
Growth in number of people employed ¹	6	-21	-30	5	-16
Growth in profitability of the business ¹	-13	-15	-25	-15	-22
Tendering competition ¹	57	63	30	35	
Percentage rating shortage of skilled labour a constraint ²	56	47	47	47	
Percentage rating inadequate supply of construction materials a constraint ²	21	27	17	25	
Percentage rating insufficient demand for construction work a constraint ²	73	73	65	50	
Percentage rating firm's inadequate access to credit a constraint ²	20	28	22	15	

* Expected.

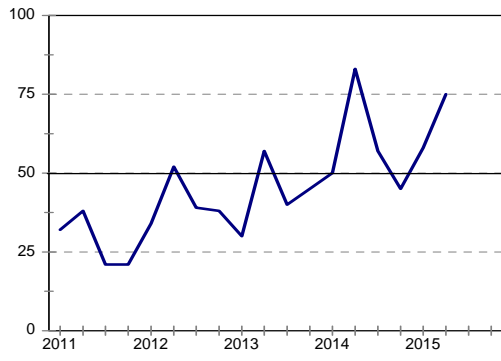
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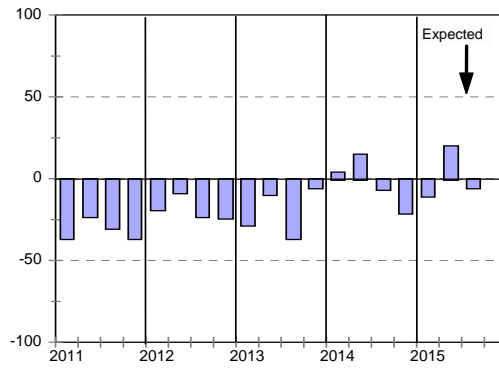
³ Percentage gross rating prevailing business conditions as satisfactory.

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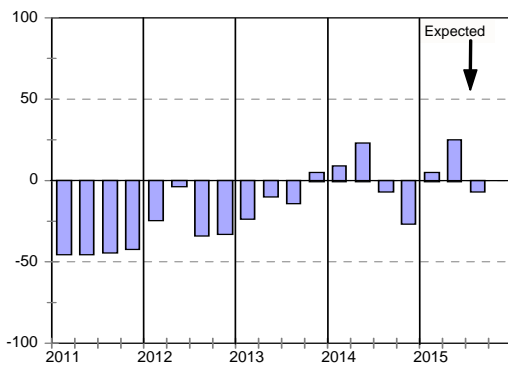
Business confidence



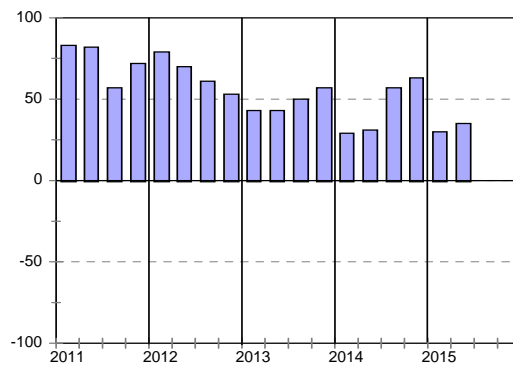
Change in business conditions



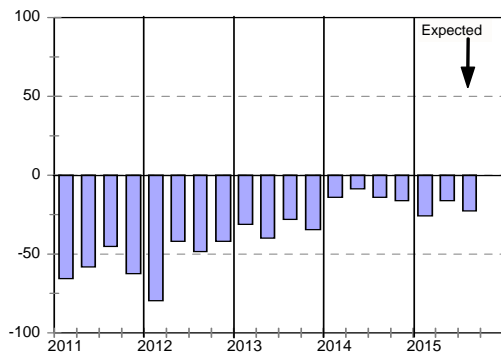
Growth in construction activity



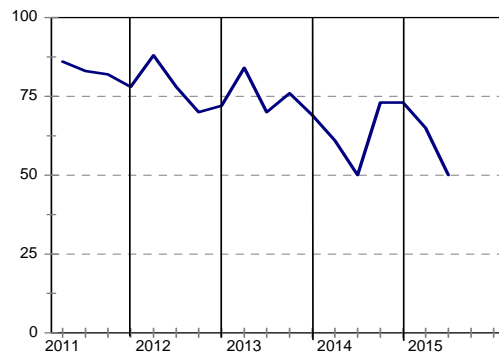
Tendering competition



Growth in profitability



Insufficient building work demand



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