



DEVELOPMENT THROUGH PARTNERSHIP

cidb - SME Business Conditions Survey

Quarter

4

2014



University of Stellenbosch

cidb Survey Results: 2014Q4

November 2014

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Summary

Building Contractors

In the final quarter of 2014, the proportion of building contractors who were satisfied with current business conditions increased from 40 to 56. An increase in confidence, combined with an improvement in all the key underlying indicators, suggest that the building industry may have started to turn the corner. This view is furthermore supported by respondents' positive outlook for 2015Q1.

All the grades registered an increase in business confidence and building activity improved across the board. In Grades 5 & 6 and Grades 7 & 8, the acceleration in building activity was associated with less keen tendering competition. Furthermore, the proportion of respondents who cited insufficient demand for building work as a constraint declined for all the grades.

Across all four provinces the rating of business conditions as satisfactory increased. Tendering competition provided relief in all the provinces. The Eastern Cape was the only province where the moderation in competition did not result in an improvement in profitability.

Civil Contractors

Business confidence among civil contractors fell from an index level of 50 to 44 in 2014Q4. The fall in confidence was underpinned by a slight deterioration in business conditions and tougher tendering price competition. However, confidence fell despite respondents having registered a marginal improvement in construction activity, employment and profitability.

Business confidence remained unchanged for Grades 3 & 4 (44 index points), while confidence levels of Grades 5 & 6 and Grades 7 & 8 declined to 50 and 34 index points respectively.

Confidence levels in all the provinces declined. KwaZulu-Natal was the only province with a confidence level above 50. Furthermore, the proportion of respondents who cited inadequate access to credit as a constraint increased across all the provinces.

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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 2014Q4 survey was carried out during the period 20 October 2014 and 19 November 2014.

The analysis that follows provides a synopsis of the survey responses received in 2014Q4, 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.

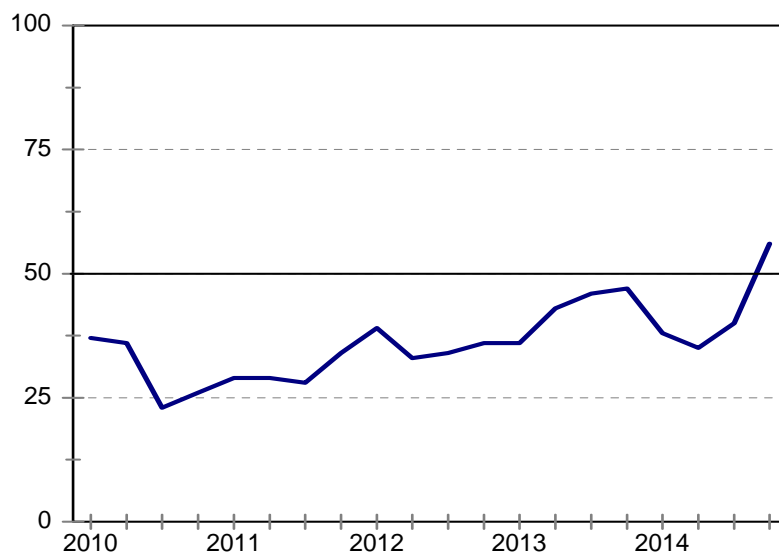
2014Q4 cidb Survey Results

Building Industry

Total

After rising by 5 index points to 40 in 2014Q3, business confidence increased by a further 16 points to 56 in 2014Q4. This marks the highest level in six years and is its first time above 50 since 2009Q2. The rise in confidence was driven by an improvement in business conditions, building activity, employment and profitability. More importantly, respondents are relatively upbeat about the outlook for 2015Q1.

Figure 1: Total
Business confidence



The percentage of building contractors who cited poorer business conditions fell from a net 31% in 2014Q3, to a net 3% in 2014Q4.

Compared to a net 47% in 2014Q3, a net 25% indicated that profitability was lower than the same quarter a year ago.

The improvement in profitability was likely due to less keener tendering competition. A net 28% of respondents indicated that tendering price competition was tougher than the corresponding quarter a year ago, down from a net 46% in 2014Q3.

The proportion of respondents that registered lower employment fell from a net 33% in 2014Q3 to 12% in 2014Q4.

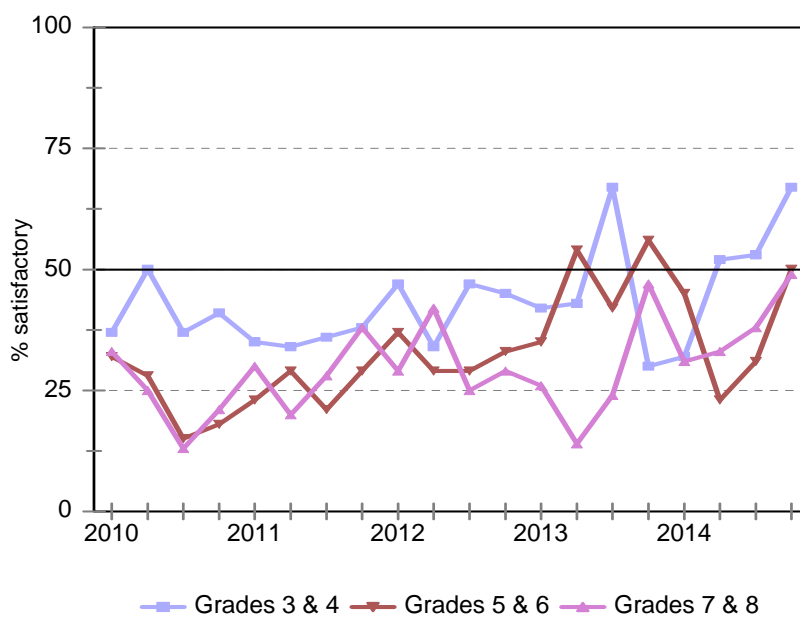
Building activity looked better for the first time this year. The net percentage of respondents who reported lower building activity decreased from a net 35% in 2014Q3 to 18% in 2014Q4. Respondents expect this to improve even more in the next survey quarter.

Furthermore, the proportion of respondents who cited insufficient demand for building work as a constraint declined from 73% to 64%. Although still relatively high, this marks its lowest level since 2009Q1.

Grades comparison

For the second consecutive quarter all the grades registered an increase in business confidence. As shown in Figure 2, Grades 7 & 8 were the only grades with a confidence level below 50.

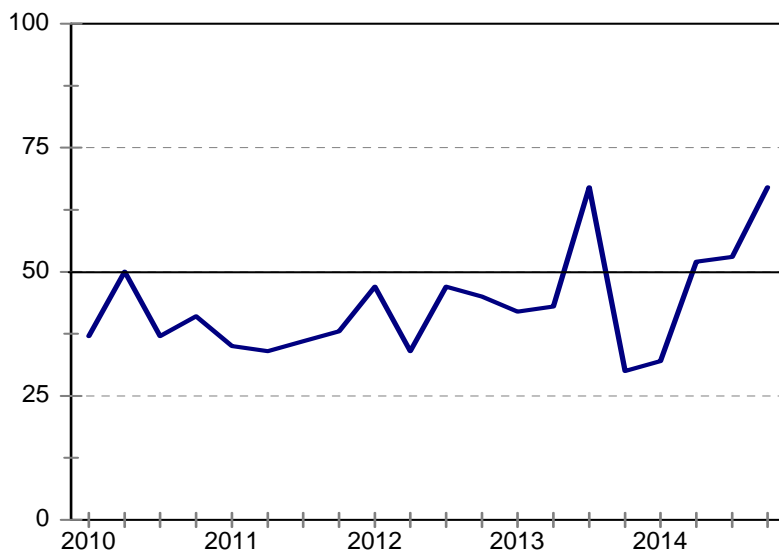
Figure 2: Business confidence per grade



Grades 3 & 4

In 2014Q4, business confidence for building contractors in Grades 3 & 4 was more than double compared to a year ago. On a quarterly basis, the number of building contractors who reported satisfactory business conditions increased from 53 to a level of 67. This marks the fourth consecutive quarterly increase.

Figure 3: Grade 3 & 4
Business confidence



Business conditions improved considerably. In 2014Q3, a net 27% indicated that business conditions deteriorated compared to the same period a year ago; in this survey quarter, a net 13% indicated that business conditions had improved.

Building activity picked up. A net 20% of respondents reported lower building activity levels during the survey period. This is an improvement compared to a net 36% that reported poorer activity levels during 2014Q3.

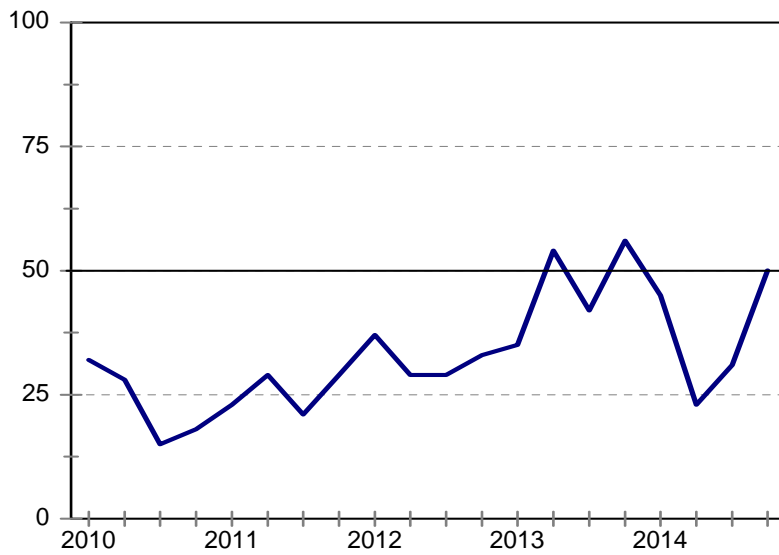
Employment levels increased. The percentage of respondents that reported lower employment levels improved from a net 28% in 2014Q3, to a net 7% in this survey quarter.

Pressure on profitability subsided somewhat. Compared to a net 39% in 2014Q3, a net 24% indicated that profitability was lower than during the same period last year.

Grades 5 & 6

Business confidence for building contractors in Grades 5 & 6 increased by 19 index points to a level of 50 in 2014Q1. The increase in confidence was underpinned by an improvement in business conditions, building activity, employment and profitability.

Figure 4: Grade 5 & 6
Business confidence



The percentage of respondents that reported poorer business conditions improved from a net 31% in 2014Q3, to a net 15% in this survey quarter.

A net 20% of the building contractor respondents reported lower building activity levels during the survey period, down from a net 38% in 2014Q3.

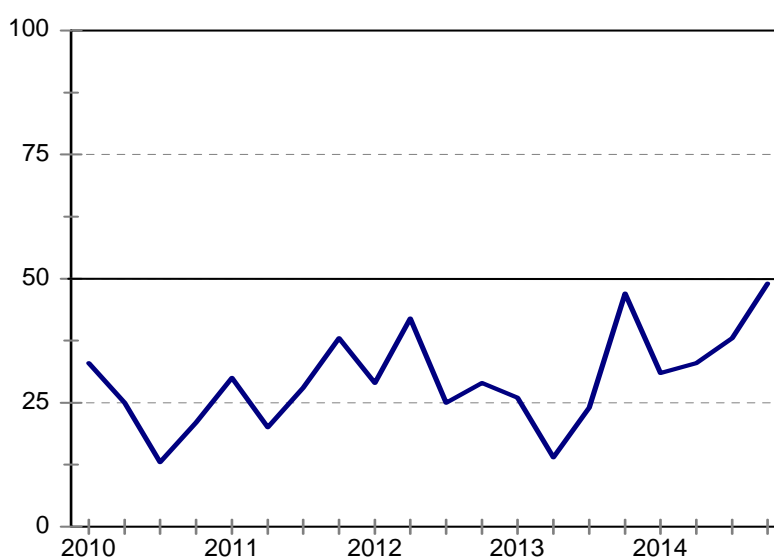
In 2014Q4, a net 15% of the building contractor respondents reported lower employment levels. This is an improvement compared to a net 38% in the previous survey quarter.

Compared to a net 55% in the previous survey quarter, only 28% cited increased pressure on profitability in 2014Q4. The improvement in profitability was likely as a result of an easing in tendering competition. The proportion of respondents who indicated that competition was keener than during the same period last year fell from a net 61% in 2014Q3 to 20% in 2014Q4.

Grades 7 & 8

The percentage of building contractors in Grades 7 & 8 that were satisfied with business conditions increased from 38 to 49 in 2014Q4. This marks the third consecutive quarterly increase. Despite the increase, business confidence has now been below 50 since 2009Q2.

Figure 5: Grade 7 & 8
Business confidence



The proportion of respondents who reported poorer business conditions fell from a net 41% in 2014Q3, to a net 9% in this survey quarter.

A net 6% of respondents reported lower building activity levels during 2014Q4. This is an improvement compared to a net 23% that reported poorer activity levels during the previous survey quarter.

The percentage of building contractors that reported lower employment levels improved from a net 29% in 2014Q3, to a net 14% in this survey quarter.

Compared to a net 41% in the previous survey quarter, a net 20% indicated that profitability was lower than during the same period last year.

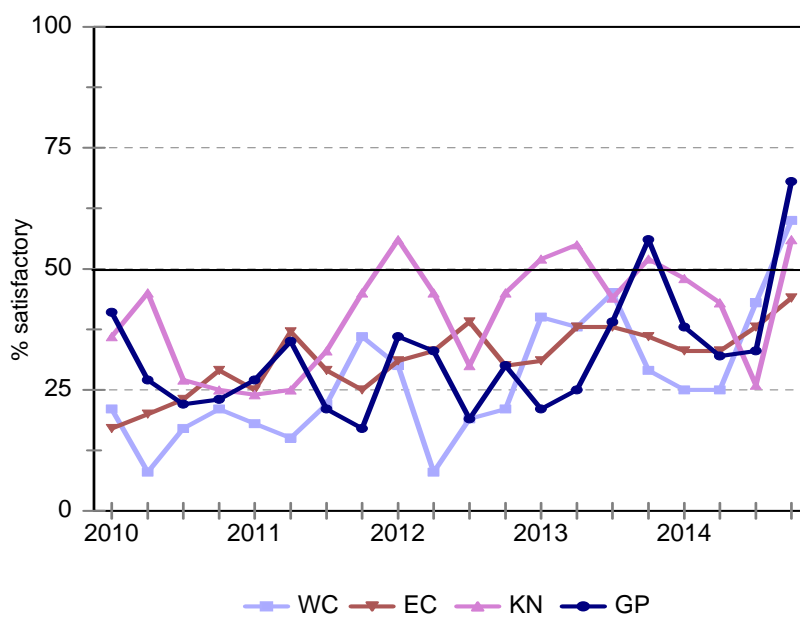
The uptick in building activity resulted in an easing in tendering competition. A net 37% of respondents stated that tendering competition has intensified compared to the same quarter last year, whereas 47% stated the same in 2014Q3.

Due to the increase in building activity, the proportion of respondents who cited skilled labour shortages as a constraint increased from 52% to 66% - its highest level in six years.

Provincial comparison

As shown in the graph below, all the provinces registered an increase in business confidence in the fourth quarter of 2014. The Eastern Cape was the only province with a confidence level below 50.

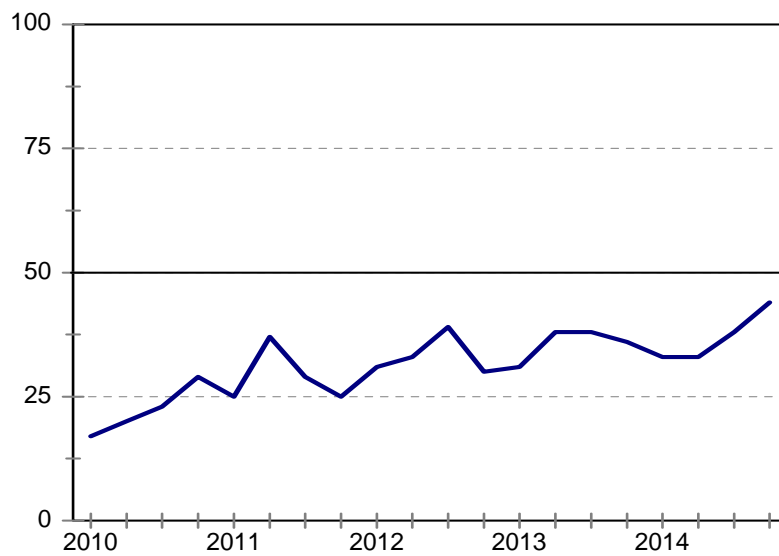
Figure 6: Business confidence per province



Eastern Cape

Business confidence for building contractors in the Eastern Cape increased from 38 to 44 in the final quarter of 2014. Business confidence has now been below 50 since 2009Q1.

Figure 7: Eastern Cape
Business confidence



The increase in business confidence was supported by an improvement in business conditions and a noticeable moderation in tendering competition.

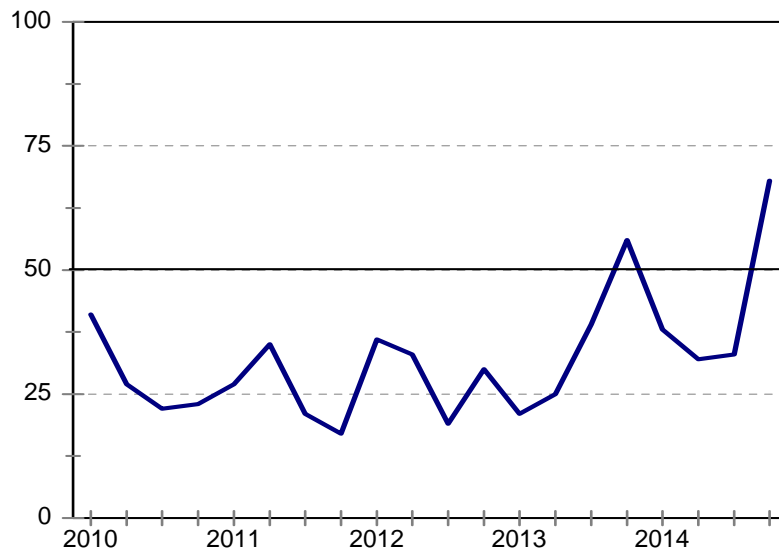
The proportion of respondents who reported poorer business conditions fell from a net 39% in the previous quarter, to a net 22% in 2014Q4. In terms of tendering competition, a net 30% indicated that tendering competition was tougher than the same quarter last year – down from 92% in 2014Q3.

Furthermore, 70% of respondents cited insufficient demand for building work as a constraint. This is an improvement from 81% who reported the same experience in 2014Q3.

Gauteng

In 2014Q4, business confidence increased by 35 index points to a record high of 68. This was underpinned by a recovery in several key underlying indicators, most notably an improvement in business conditions.

Figure 8: Gauteng
Business confidence



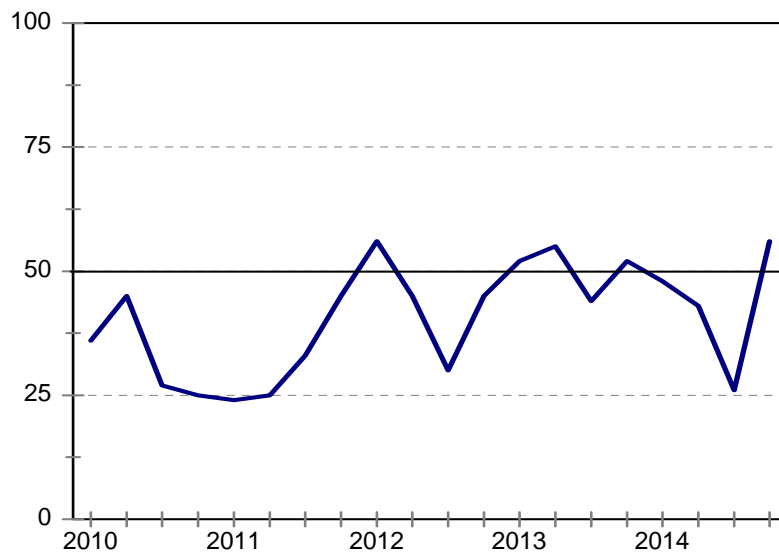
In 2014Q3, a net 56% of respondents indicated that business conditions deteriorated compared to the same period a year ago; in this survey quarter, 20% indicated that business conditions had improved.

Furthermore, the proportion of respondents that cited insufficient demand for building work as a constraint on their business fell from 84% to 54% - its lowest level in six years.

KwaZulu-Natal

After three consecutive quarters of declines, business confidence increased by 30 index points to 56 in 2014Q4.

Figure 9: KwaZulu-Natal
Business confidence



Business conditions improved. In 2014Q3, a net 32% of respondents reported poorer business conditions compared to the same period a year ago, this improved to 1% during this survey quarter.

The percentage of respondents who experienced a slowdown in building activity compared to the same quarter last year, fell from a net 39% in 2014Q3 to 11% in 2014Q4.

In 2014Q3, a net 32% of respondents reported lower employment levels compared to the same period a year ago, this improved to a net 20% in the survey quarter.

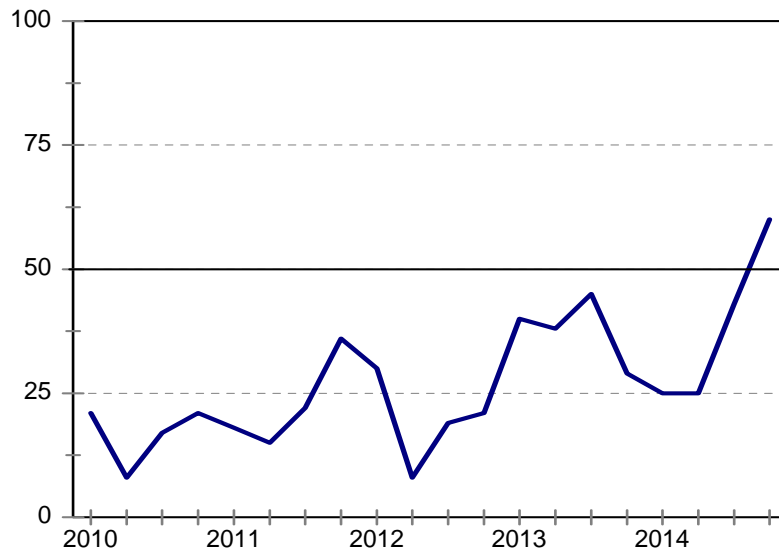
Pressure on profitability subsided during this survey quarter. Compared to a net 54% in 2014Q3, a net 27% indicated that profitability was lower than the same quarter a year ago.

The improvement in profitability was likely as a result of an easing in tendering competition. In 2014Q4, a net 20% of respondents indicated that competition was keener than during the corresponding quarter last year, down from a net 32% in 2014Q3.

Western Cape

Business confidence of building contractors in the Western Cape increased from 43 to 60 in the final quarter of 2014.

Figure 10: Western Cape
Business confidence



The increase in confidence was likely due to an improvement in profitability. Compared to a net 40% in the previous survey quarter, a net 24% indicated that profitability was lower than the same quarter a year ago.

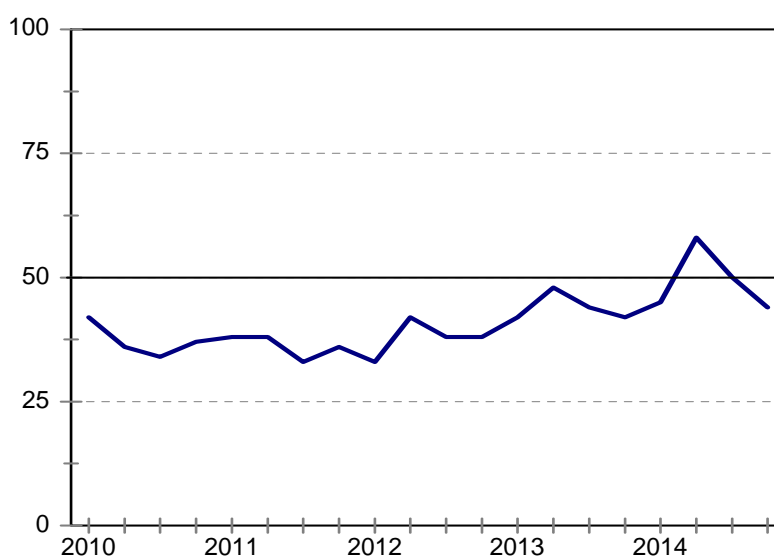
The improvement in profitability was associated with less competition in tendering. A net 24% of respondents indicated that tendering price competition was tougher than the corresponding quarter a year ago, down from a net 67% in 2014Q3.

Construction Industry

Total

The number of civil contractors who reported satisfactory business conditions fell from an index level of 50 to 44 in 2014Q4.

Figure 11: Total
Business confidence



The lower business confidence was likely due to a slight deterioration in business conditions and tougher competition in tendering. A net 26% reported poorer business conditions in this survey quarter, up from a net 23% who reported this experience during 2014Q3. The proportion of respondents who indicated that price competition in tendering was tougher compared to the corresponding quarter a year ago increased from a net 36% to 47%.

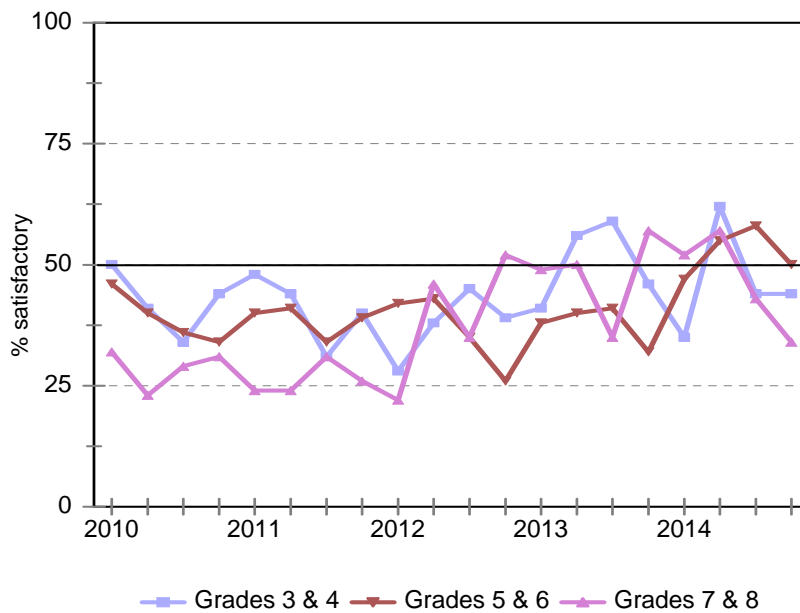
Confidence fell despite a marginal improvement in construction activity, employment and profitability.

After construction activity reached record lows in 2010Q2, it gradually accelerated until 2014Q2. In 2014Q3 it declined noticeably. However, in the final quarter of 2014, respondents registered another marginal improvement in construction activity. The percentage of respondents citing lower construction activity fell from a net 30% in 2014Q3, to a net 27% in 2014Q4.

Grades comparison

Business confidence remained unchanged for Grades 3 & 4, whereas confidence levels among Grades 5 & 6 and Grades 7 & 8 declined by 8 and 9 index points respectively.

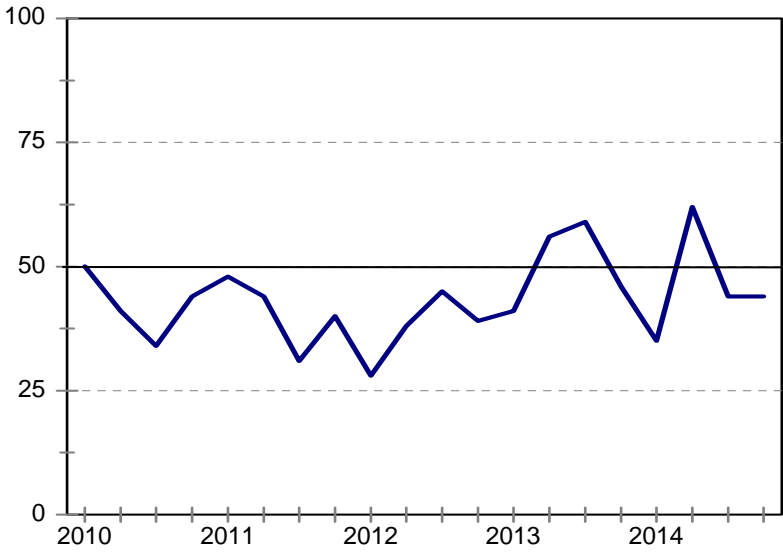
Figure 12: Business confidence per grade



Grades 3 & 4

In 2014Q4, business confidence for building contractors in Grades 3 & 4 remained unchanged at 44 index points. Confidence remained the same despite an improvement in business conditions, employment and profitability.

Figure 13: Grade 3 & 4
 Business confidence



Compared to a net 33% in 2014Q3, a net 27% indicated that business conditions were worse than the same quarter in 2013.

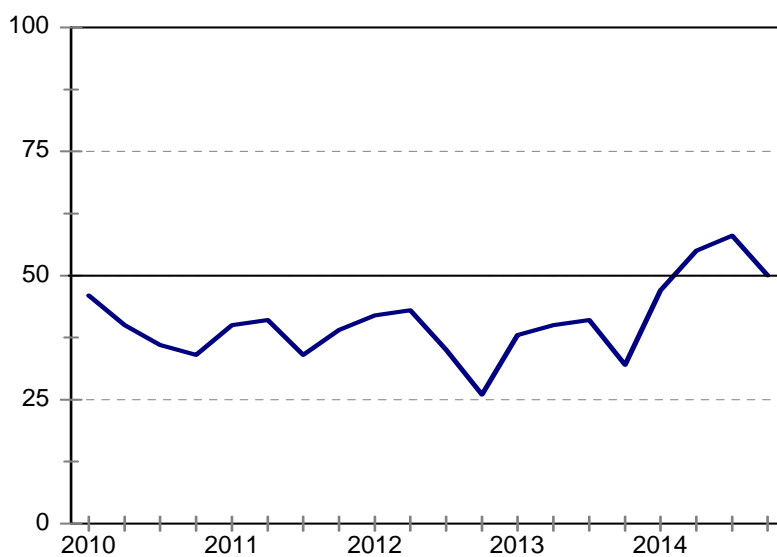
The percentage of respondents that reported lower employment levels improved from a net 32% in 2014Q3, to a net 25% in this survey quarter.

In 2014Q4, a net 43% of respondents registered lower profit levels, down from a net 56% who reported the same during 2014Q3.

Grades 5 & 6

After three consecutive quarters of increases, business confidence for civil contractors in Grades 5 & 6 declined by 8 index points to a level of 50.

Figure 14: Grade 5 & 6
Business confidence



The slowdown in business confidence was mainly driven by poorer business conditions and tougher tendering competition.

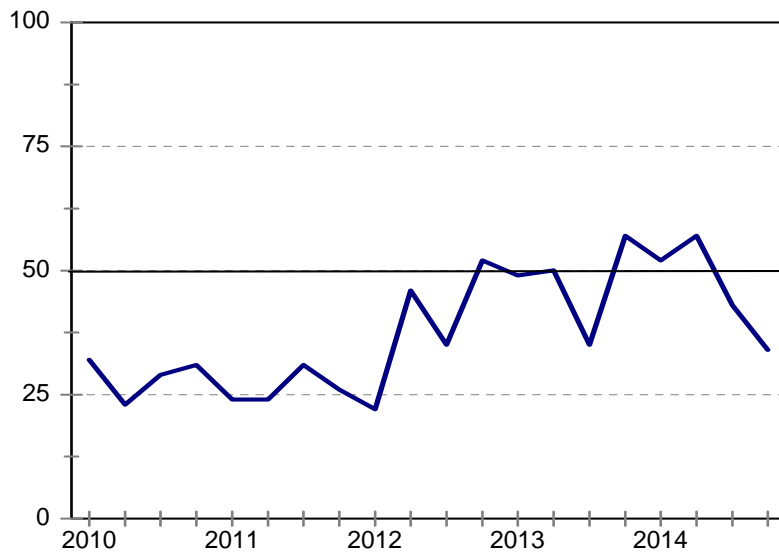
A net 28% of respondents indicated that business conditions were harder compared to the corresponding period last year, up from 18% during 2014Q3.

In 2014Q4, a net 45% of respondents stated that tendering competition had intensified compared to the same quarter in 2013, up from 37% that reported similar findings during 2014Q3.

Grades 7 & 8

Business confidence for civil contractors in Grades 7 & 8 fell from 43 to 34 index points in the final quarter of 2014 – its lowest level since 2012Q2. The fall in confidence was likely due to lower employment.

Figure 15: Grade 7 & 8
Business confidence

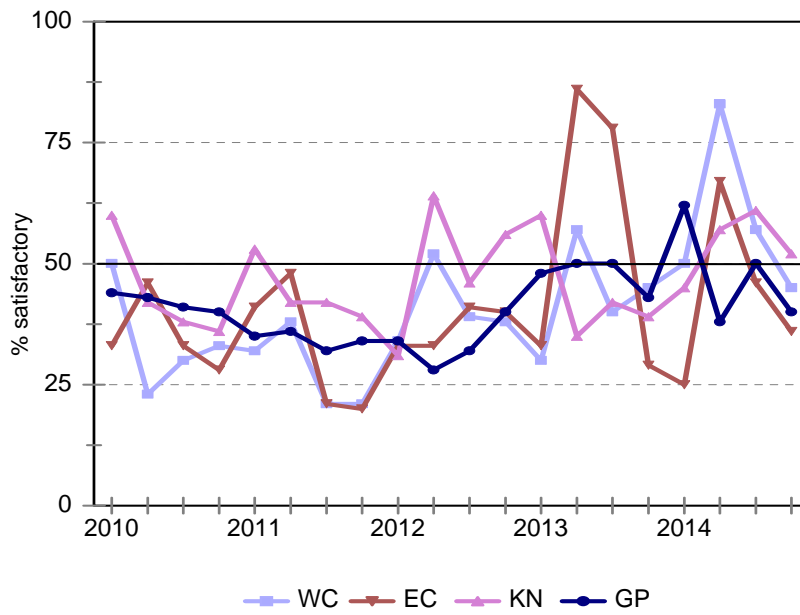


In 2014Q4, a net 26% indicated that employment was lower compared to the same quarter in 2013; this is a deterioration compared to a net 9% who found this to be the case in 2014Q3.

Provincial comparison

As shown in Figure 16, all the provinces registered a fall in business confidence in the final quarter of 2014. KwaZulu-Natal was the only province with a confidence level above 50.

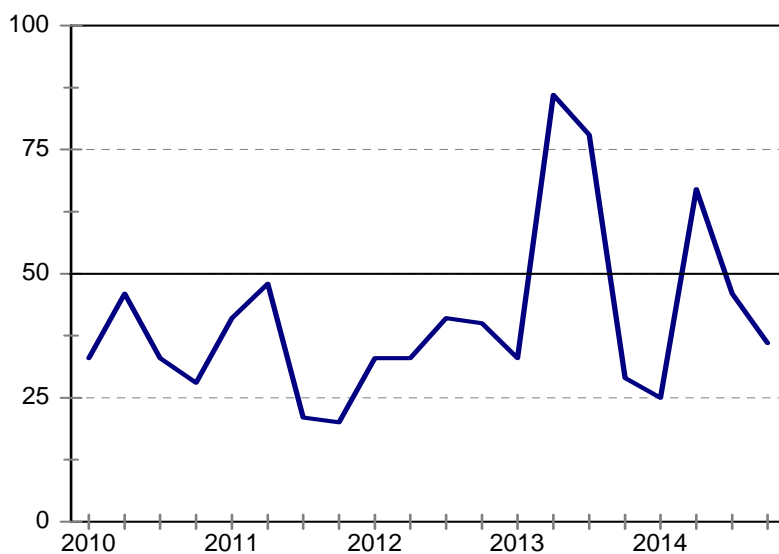
Figure 16: Business confidence per province



Eastern Cape

The overall business confidence of civil contractors in the Eastern Cape declined from 46 index points in 2014Q3 to 36 in 2014Q4. The fall in confidence was likely due to poorer business conditions and tougher tendering competition. .

Figure 17: Eastern Cape
Business confidence



A net 46% of respondents indicated that business conditions were tougher compared to the corresponding period last year, up from 36% during the previous quarter.

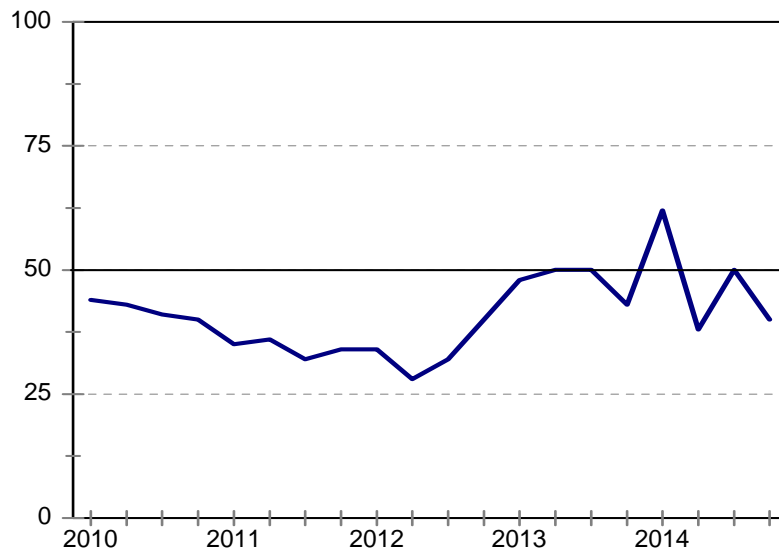
The proportion of respondents who indicated that tendering competition was higher than the same quarter last year increased from 22% to 35% in 2014Q4.

Furthermore, 73% of respondents cited insufficient demand for construction work as a constraint on their business conditions, up from 57% in 2014Q3.

Gauteng

The proportion of respondents who were satisfied with current business conditions fell from 50 in 2014Q3 to 40 in 2014Q4. The drop in confidence was underpinned by lower employment levels and increasing pressure on profitability.

Figure 18: Gauteng
Business confidence



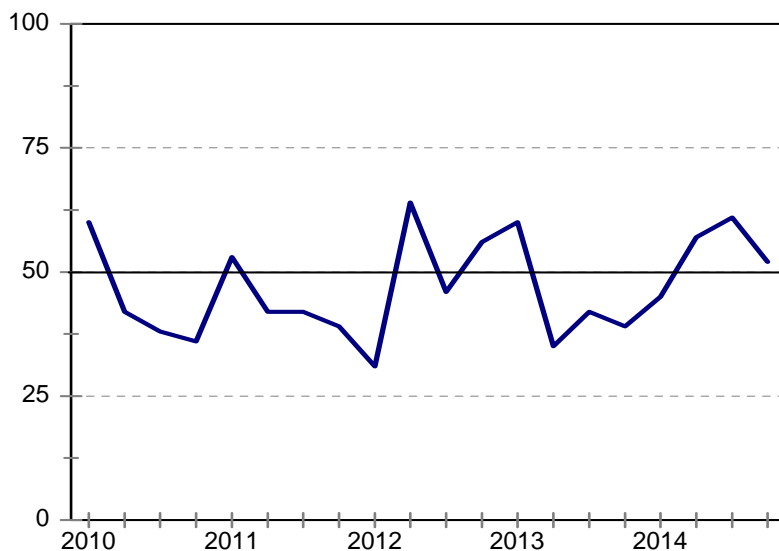
The proportion of respondents that registered lower employment increased from 6% in 2014Q3 to 36% in 2014Q4.

Compared to a net 19% in 2014Q3, a net 28% cited increased pressure on profitability in 2014Q4.

KwaZulu-Natal

After increasing for three consecutive quarters, business confidence in KwaZulu-Natal fell by 9 index points to register a level of 52 in 2014Q4. The underlying indices did not support the drop in confidence.

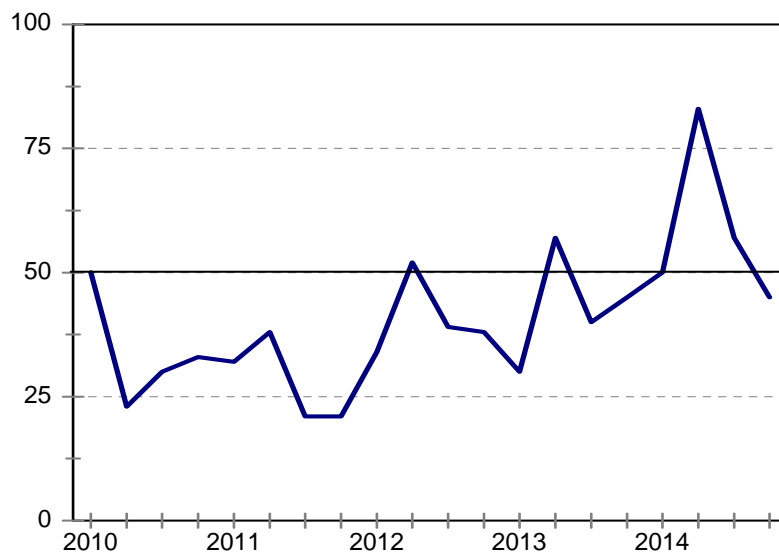
Figure 19: KwaZulu-Natal
Business confidence



Western Cape

The proportion of respondents who were satisfied with current business conditions fell from 57 in 2014Q3 to 45 in 2014Q4. Civil contractors in the Western Cape were challenged by poorer business conditions, a slowdown in construction activity, lower employment levels and increasing pressure on profitability.

Figure 20: Western Cape
Business confidence



In 2014Q4, a net 21% reported poorer business conditions compared to the same period a year ago. This is worse than the net 6% of the previous quarter.

The net percentage of civil contractors who reported lower construction activity increased from a net 6% in 2014Q3 to 26% in 2014Q4.

During this survey quarter, a net 21% of respondents indicated that employment levels were lower compared to the same period a year ago; whereas a net 6% registered employment growth in 2014Q3.

Compared to a net 13% in 2014Q3, a net 15% registered lower profit levels than a year ago.

Ms Mia Slabber

Ms Ntombizanele Bakaqana

cidb Building Contractor: Survey Results

Building Contractors : Total

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	38	35	40	56	
Change in business conditions ¹	-15	-19	-31	-3	28
Growth in building activity ¹	-24	-25	-35	-18	11
Growth in number of people employed ¹	-23	-18	-33	-12	8
Growth in profitability of the business ¹	-37	-48	-47	-25	5
Tendering competition ¹	30	49	46	28	
Percentage rating shortage of skilled labour a constraint ²	49	56	54	56	
Percentage rating inadequate supply of building materials a constraint ²	28	30	35	37	
Percentage rating insufficient demand for building work a constraint ²	73	66	73	64	
Percentage rating firm's inadequate access to credit a constraint ²	32	40	35	41	

* Expected.

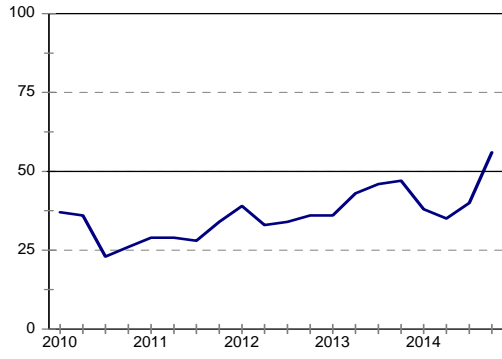
¹ Net balance.

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.

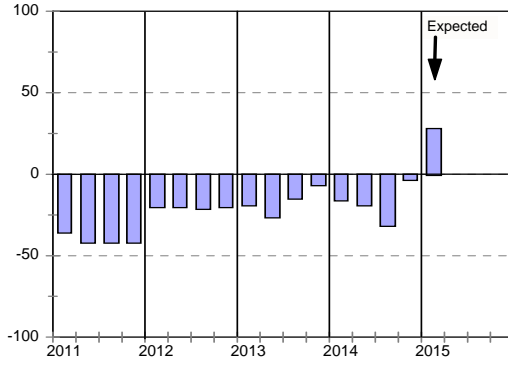
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

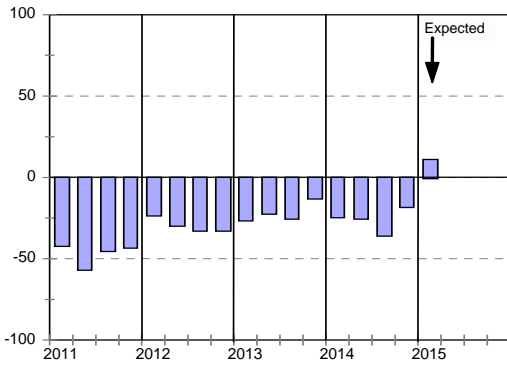
Business confidence



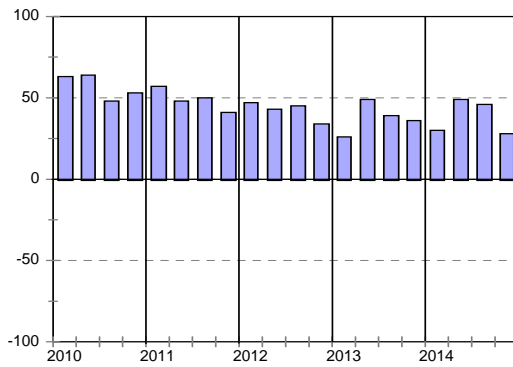
Change in business conditions



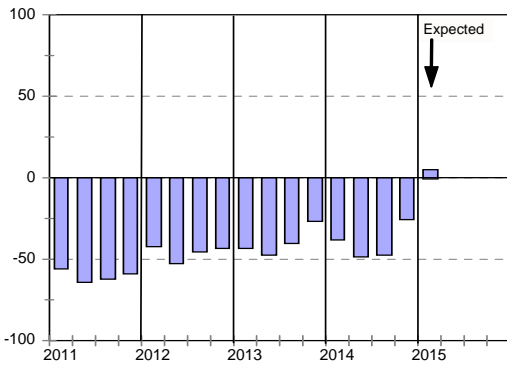
Growth in building activity



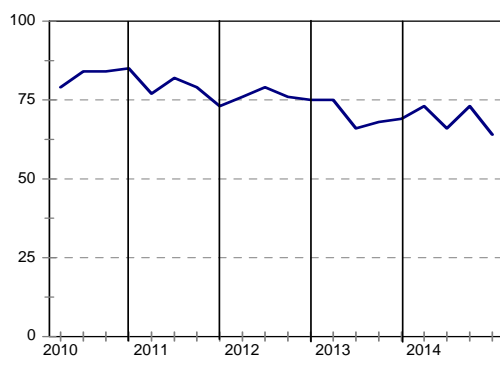
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Grades 3 & 4

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	32	52	53	67	
Change in business conditions ¹	-17	-22	-27	13	28
Growth in building activity ¹	-25	-13	-36	-20	1
Growth in number of people employed ¹	-17	-26	-28	-7	2
Growth in profitability of the business ¹	-41	-56	-39	-24	-2
Tendering competition ¹	12	44	22	30	
Percentage rating shortage of skilled labour a constraint ²	42	58	61	48	
Percentage rating inadequate supply of building materials a constraint ²	26	30	39	34	
Percentage rating insufficient demand for building work a constraint ²	72	61	67	63	
Percentage rating firm's inadequate access to credit a constraint ²	32	37	35	43	

* Expected.

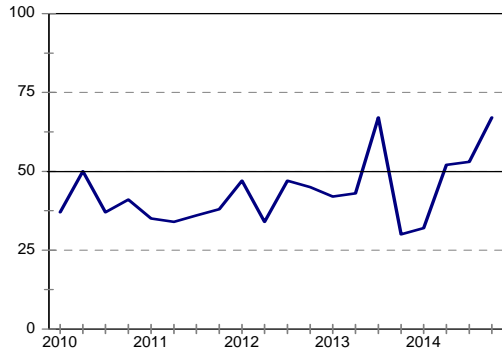
¹ Net balance.

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.

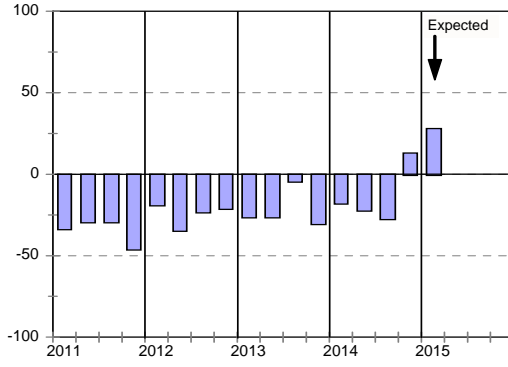
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

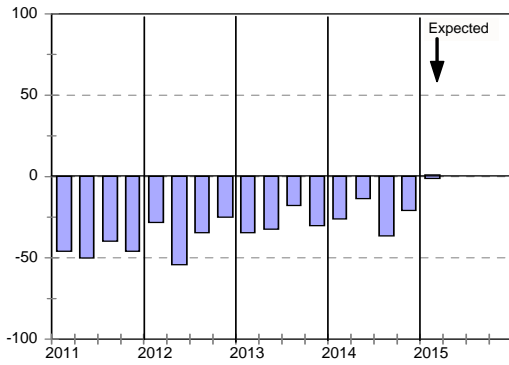
Business confidence



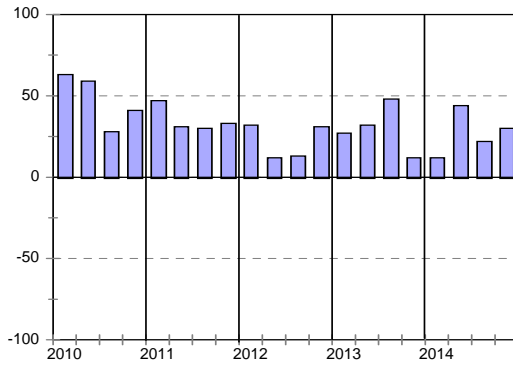
Change in business conditions



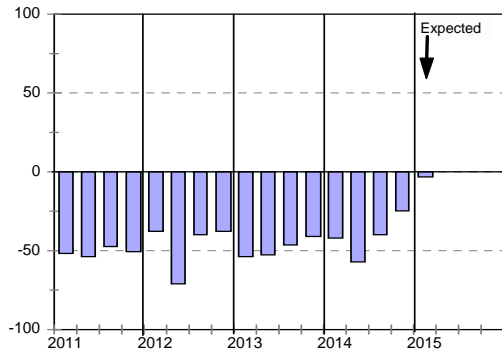
Growth in building activity



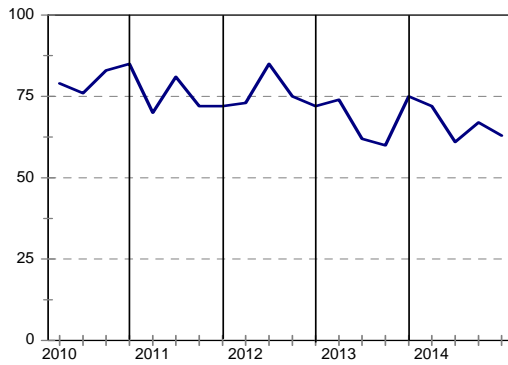
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Grades 5 & 6

	<i>14Q1</i>	<i>14Q2</i>	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1*</i>
Business confidence ³	45	23	31	50	
Change in business conditions ¹	-22	-17	-31	-15	22
Growth in building activity ¹	-31	-41	-38	-20	9
Growth in number of people employed ¹	-29	-18	-38	-15	10
Growth in profitability of the business ¹	-40	-50	-55	-28	5
Tendering competition ¹	48	62	61	20	
Percentage rating shortage of skilled labour a constraint ²	51	54	51	59	
Percentage rating inadequate supply of building materials a constraint ²	24	32	31	38	
Percentage rating insufficient demand for building work a constraint ²	75	67	79	66	
Percentage rating firm's inadequate access to credit a constraint ²	32	41	37	43	

* Expected.

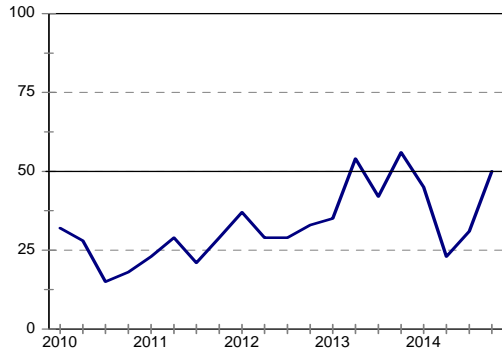
¹ Net balance.

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.

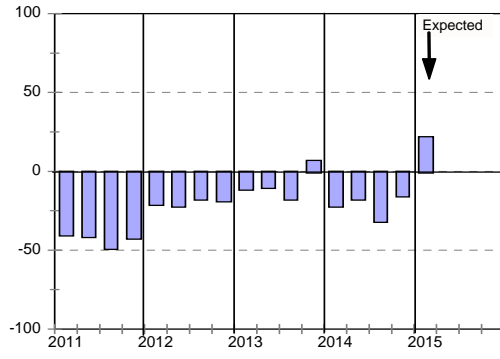
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

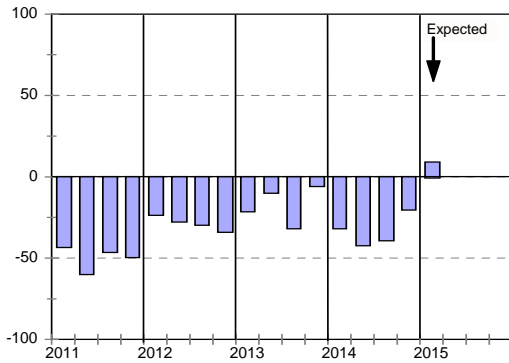
Business confidence



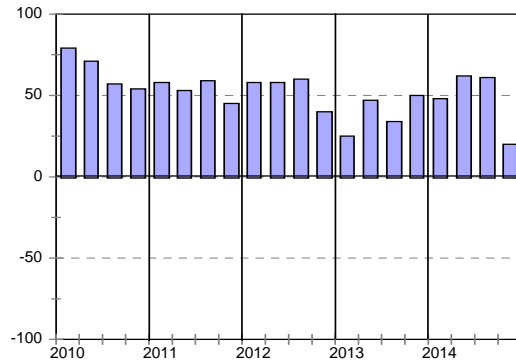
Change in business conditions



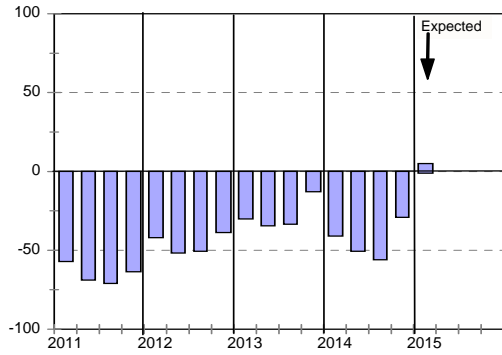
Growth in building activity



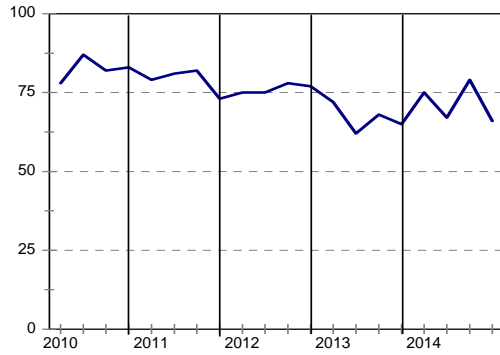
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Grades 7 & 8

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	31	33	38	49	
Change in business conditions ¹	6	-17	-41	-9	39
Growth in building activity ¹	-7	0	-23	-6	30
Growth in number of people employed ¹	-13	0	-29	-14	12
Growth in profitability of the business ¹	-26	-25	-41	-20	17
Tendering competition ¹	13	25	47	37	
Percentage rating shortage of skilled labour a constraint ²	57	54	52	66	
Percentage rating inadequate supply of building materials a constraint ²	41	25	38	40	
Percentage rating insufficient demand for building work a constraint ²	69	73	67	62	
Percentage rating firm's inadequate access to credit a constraint ²	31	46	29	36	

* Expected.

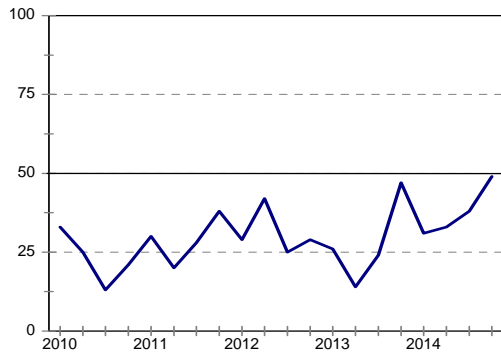
¹ Net balance.

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.

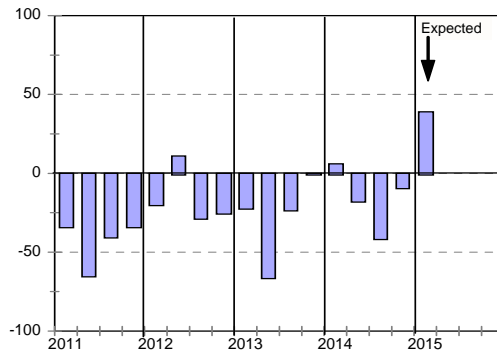
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

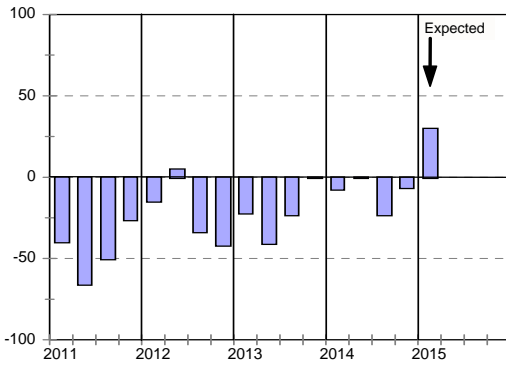
Business confidence



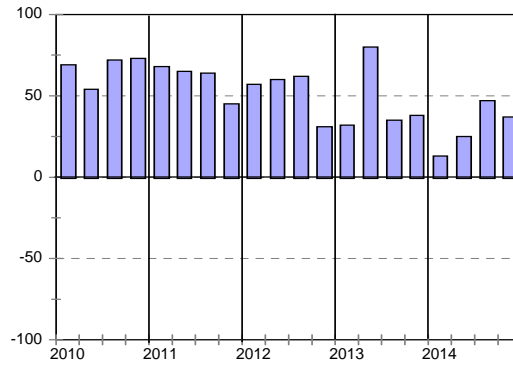
Change in business conditions



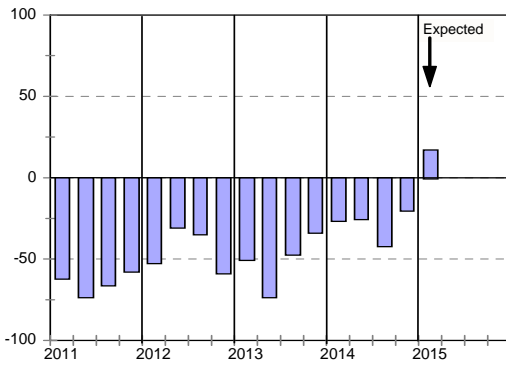
Growth in building activity



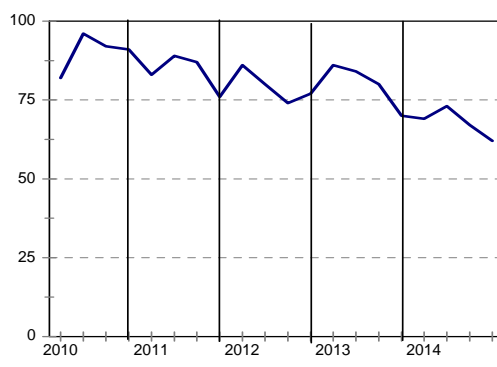
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Eastern Cape

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	33	33	38	44	
Change in business conditions ¹	-37	-67	-39	-22	34
Growth in building activity ¹	-23	-34	-31	-46	6
Growth in number of people employed ¹	-39	-33	-31	-37	3
Growth in profitability of the business ¹	-41	-67	-23	-43	-3
Tendering competition ¹	61	100	92	30	
Percentage rating shortage of skilled labour a constraint ²	61	67	58	56	
Percentage rating inadequate supply of building materials a constraint ²	27	33	46	35	
Percentage rating insufficient demand for building work a constraint ²	73	50	81	70	
Percentage rating firm's inadequate access to credit a constraint ²	31	33	34	31	

* Expected.

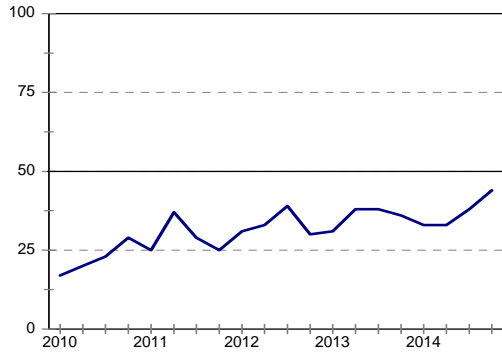
¹ Net balance.

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.

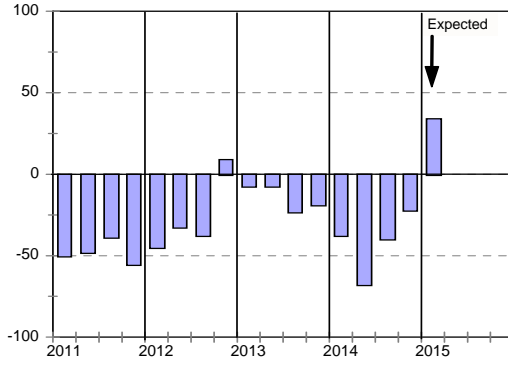
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

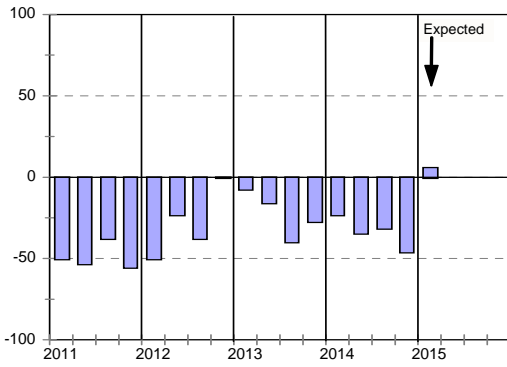
Business confidence



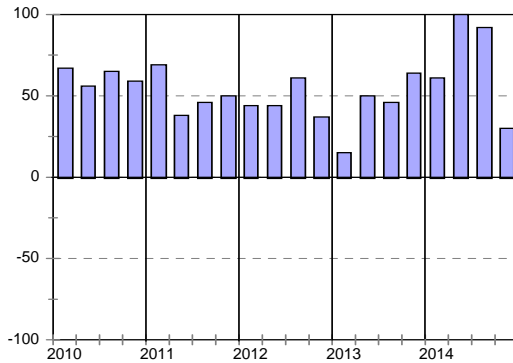
Change in business conditions



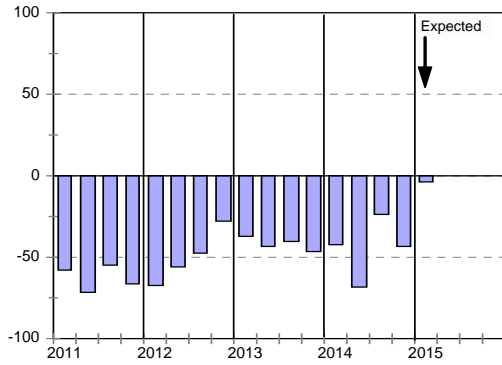
Growth in building activity



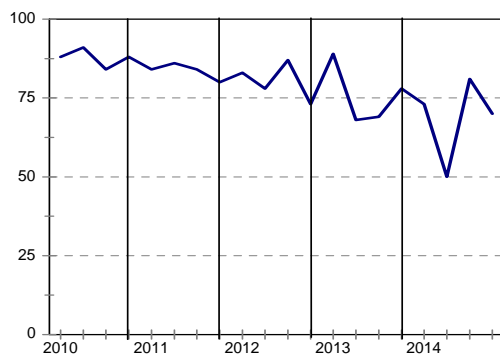
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Gauteng

	<i>14Q1</i>	<i>14Q2</i>	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1*</i>
Business confidence ³	38	32	33	68	
Change in business conditions ¹	7	-5	-56	20	34
Growth in building activity ¹	-6	-30	-44	-3	3
Growth in number of people employed ¹	-13	-16	-39	14	25
Growth in profitability of the business ¹	-33	-45	-45	0	10
Tendering competition ¹	7	25	33	30	
Percentage rating shortage of skilled labour a constraint ²	46	63	61	57	
Percentage rating inadequate supply of building materials a constraint ²	34	40	39	40	
Percentage rating insufficient demand for building work a constraint ²	73	74	84	54	
Percentage rating firm's inadequate access to credit a constraint ²	36	60	47	50	

* Expected.

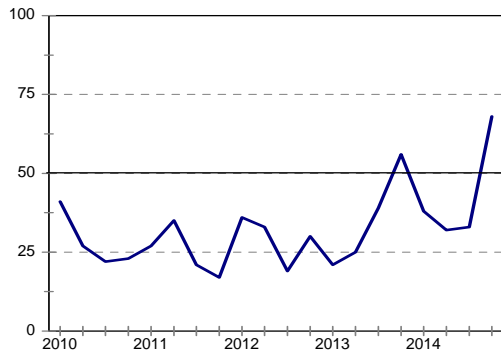
¹ Net balance.

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.

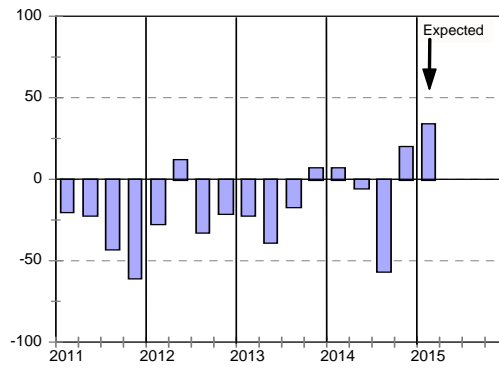
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

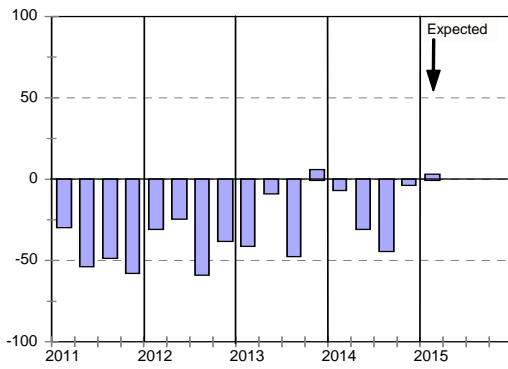
Business confidence



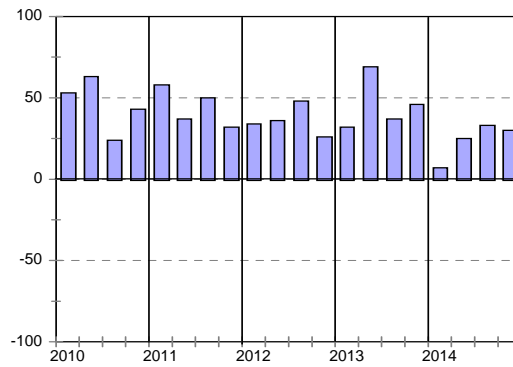
Change in business conditions



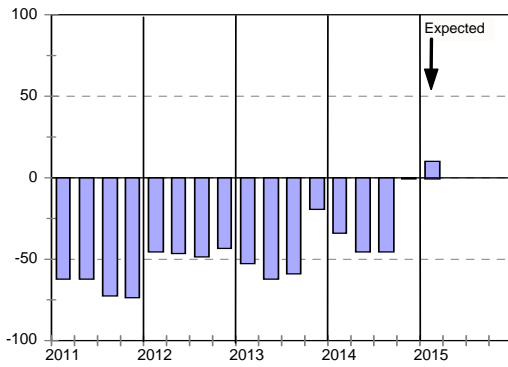
Growth in building activity



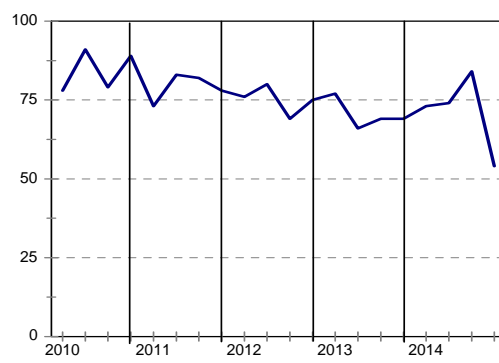
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : KwaZulu-Natal

	<i>14Q1</i>	<i>14Q2</i>	<i>14Q3</i>	<i>14Q4</i>	<i>15Q1*</i>
Business confidence ³	48	43	26	56	
Change in business conditions ¹	-17	-14	-32	-1	29
Growth in building activity ¹	-40	-27	-39	-11	19
Growth in number of people employed ¹	-33	-15	-32	-20	6
Growth in profitability of the business ¹	-42	-43	-54	-27	10
Tendering competition ¹	17	47	32	20	
Percentage rating shortage of skilled labour a constraint ²	46	64	52	60	
Percentage rating inadequate supply of building materials a constraint ²	32	32	29	45	
Percentage rating insufficient demand for building work a constraint ²	76	63	68	69	
Percentage rating firm's inadequate access to credit a constraint ²	33	43	34	48	

* Expected.

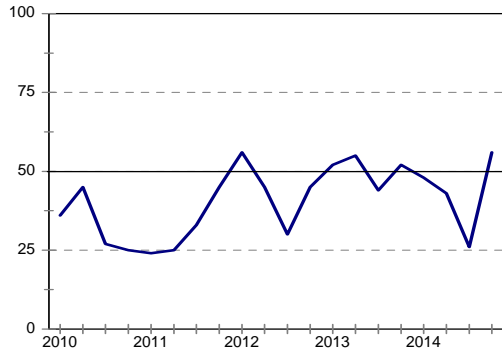
¹ Net balance.

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.

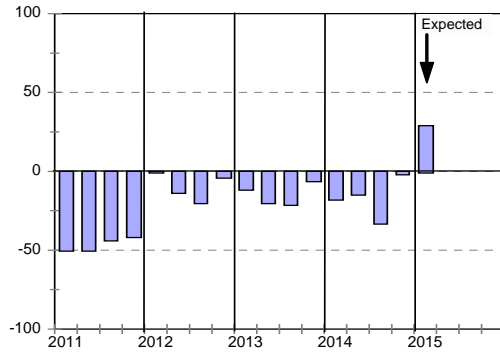
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

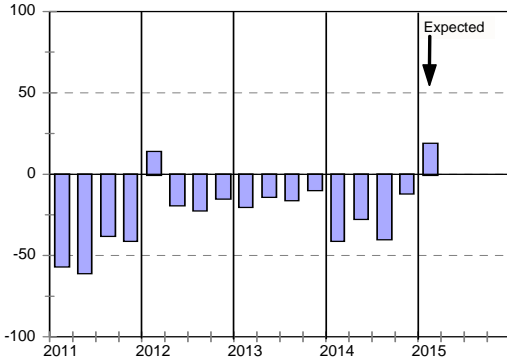
Business confidence



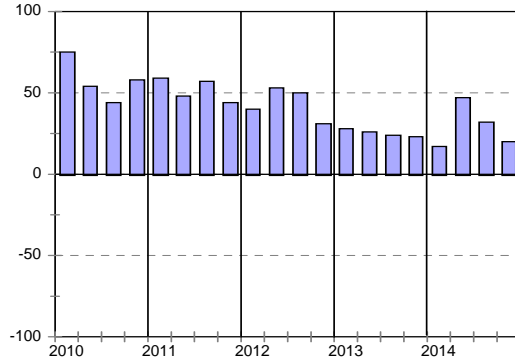
Change in business conditions



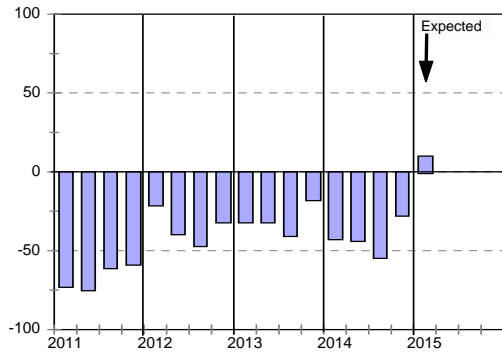
Growth in building activity



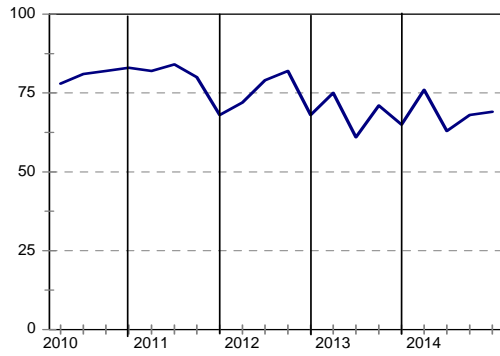
Tendering competition



Growth in profitability



Insufficient building work demand



Building Contractors : Western Cape

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	25	25	43	60	
Change in business conditions ¹	-8	-38	0	-11	28
Growth in building activity ¹	8	-23	-7	-15	17
Growth in number of people employed ¹	0	-30	-7	-5	11
Growth in profitability of the business ¹	-25	-69	-40	-24	10
Tendering competition ¹	42	62	67	24	
Percentage rating shortage of skilled labour a constraint ²	50	50	60	49	
Percentage rating inadequate supply of building materials a constraint ²	20	23	30	28	
Percentage rating insufficient demand for building work a constraint ²	78	70	70	63	
Percentage rating firm's inadequate access to credit a constraint ²	29	19	35	36	

* Expected.

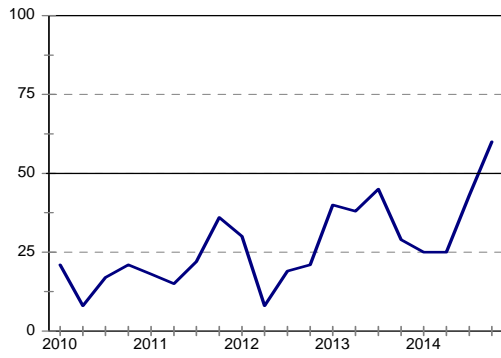
¹ Net balance.

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.

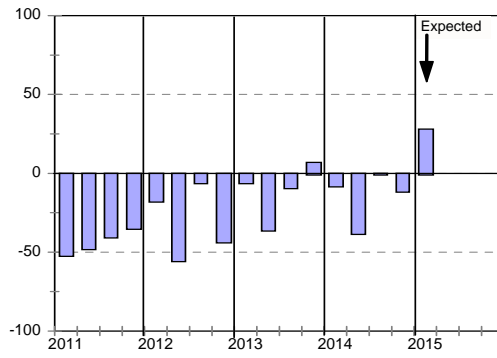
³ Percentage gross rating prevailing business conditions as satisfactory.

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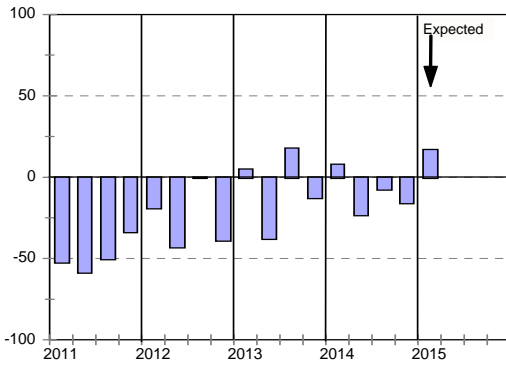
Business confidence



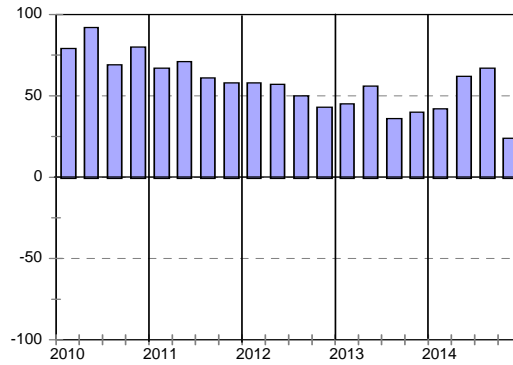
Change in business conditions



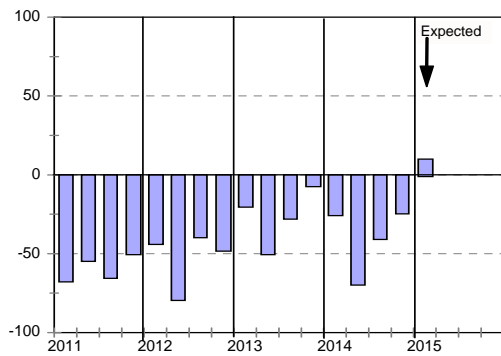
Growth in building activity



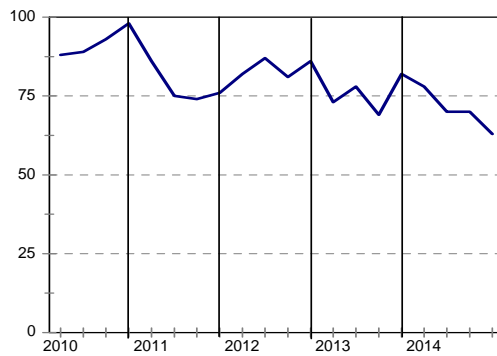
Tendering competition



Growth in profitability



Insufficient building work demand



cidb Civil Contractor: Survey Results

Civil Contractors: Total					
	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	45	58	50	44	
Change in business conditions ¹	-15	-17	-23	-26	-5
Growth in construction activity ¹	-16	-12	-30	-27	-4
Growth in number of people employed ¹	-18	-14	-23	-22	-12
Growth in profitability of the business ¹	-33	-28	-37	-29	-17
Tendering competition ¹	41	37	36	47	
Percentage rating shortage of skilled labour a constraint ²	47	43	49	52	
Percentage rating inadequate supply of construction materials a constraint ²	29	35	28	30	
Percentage rating insufficient demand for construction work a constraint ²	68	67	69	71	
Percentage rating firm's inadequate access to credit a constraint ²	28	31	29	39	

* Expected.

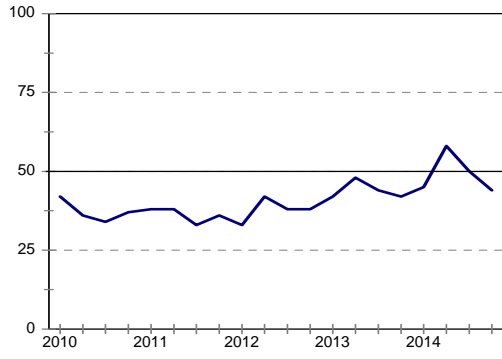
¹ Net balance.

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.

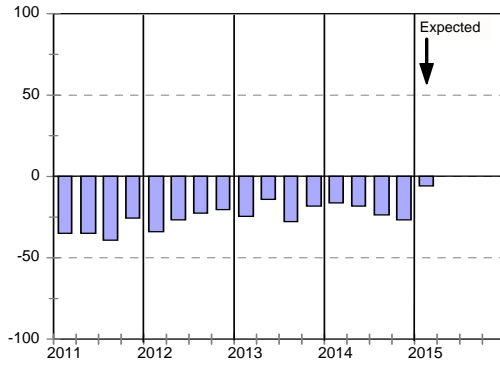
³ Percentage gross rating prevailing business conditions as satisfactory.

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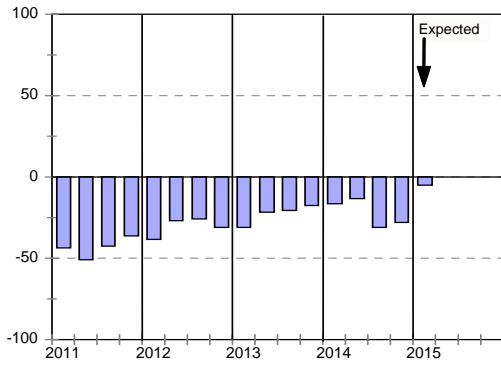
Business confidence



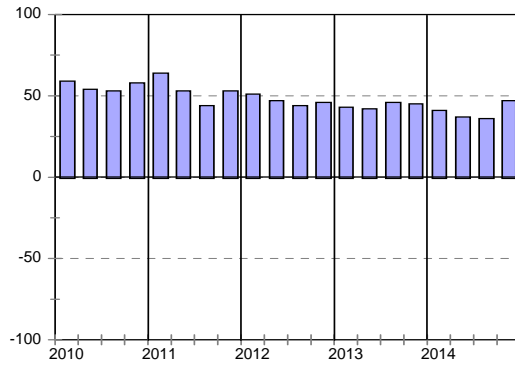
Change in business conditions



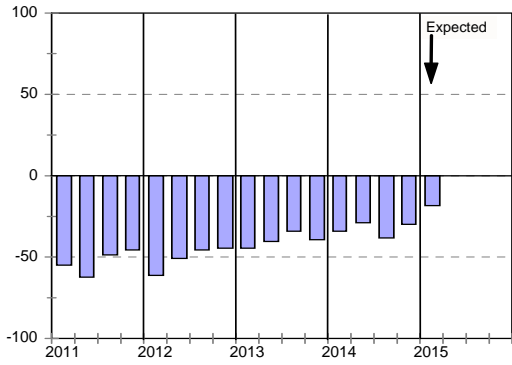
Growth in construction activity



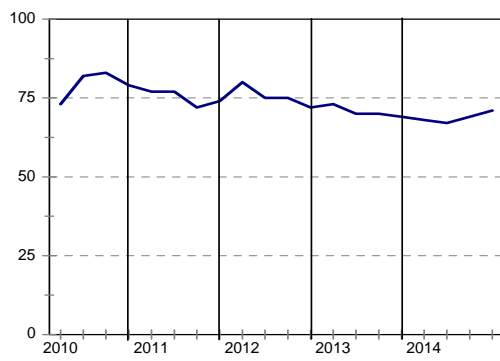
Tendering competition



Growth in profitability



Insufficient construction work demand



Civil Contractors : Grades 3 & 4

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	35	62	44	44	
Change in business conditions ¹	-36	-31	-33	-27	12
Growth in construction activity ¹	-25	-22	-36	-41	7
Growth in number of people employed ¹	-19	-19	-32	-25	-4
Growth in profitability of the business ¹	-52	-32	-56	-43	-14
Tendering competition ¹	15	22	12	46	
Percentage rating shortage of skilled labour a constraint ²	50	37	56	49	
Percentage rating inadequate supply of construction materials a constraint ²	31	35	30	30	
Percentage rating insufficient demand for construction work a constraint ²	65	58	73	69	
Percentage rating firm's inadequate access to credit a constraint ²	19	27	42	40	

* Expected.

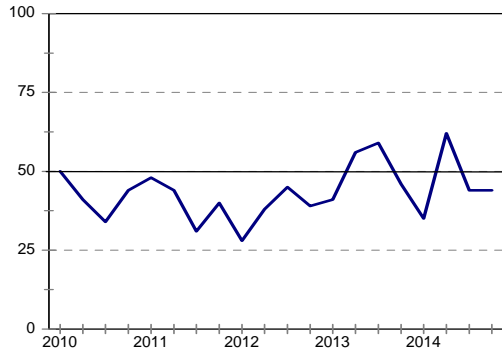
¹ Net balance.

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.

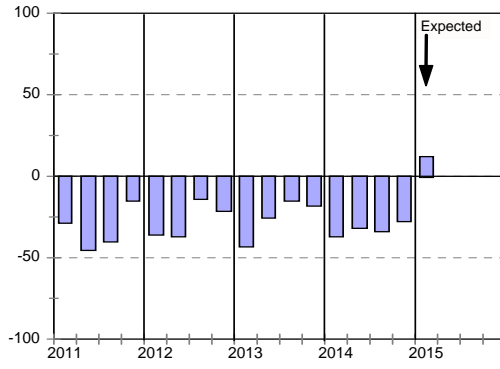
³ Percentage gross rating prevailing business conditions as satisfactory.

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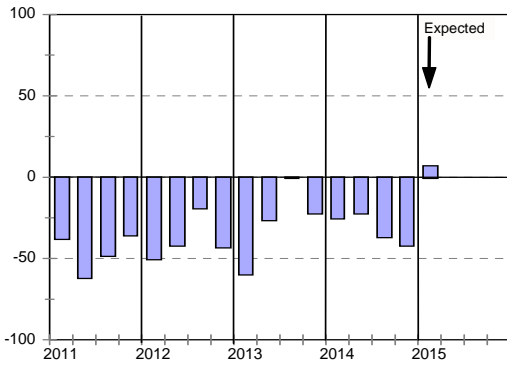
Business confidence



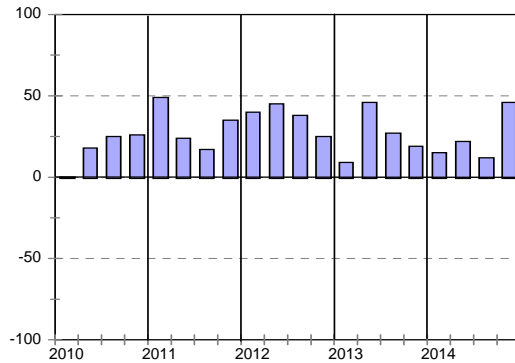
Change in business conditions



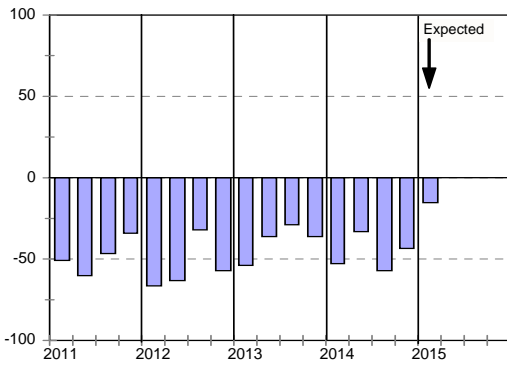
Growth in construction activity



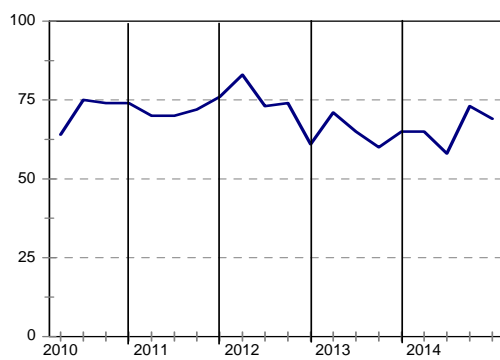
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : Grades 5 & 6

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	47	55	58	50	
Change in business conditions ¹	-23	-30	-18	-28	-9
Growth in construction activity ¹	-28	-19	-36	-26	0
Growth in number of people employed ¹	-26	-14	-25	-17	-10
Growth in profitability of the business ¹	-39	-24	-33	-22	-14
Tendering competition ¹	54	47	37	45	
Percentage rating shortage of skilled labour a constraint ²	45	45	47	54	
Percentage rating inadequate supply of construction materials a constraint ²	26	39	30	33	
Percentage rating insufficient demand for construction work a constraint ²	70	79	63	72	
Percentage rating firm's inadequate access to credit a constraint ²	38	36	24	40	

* Expected.

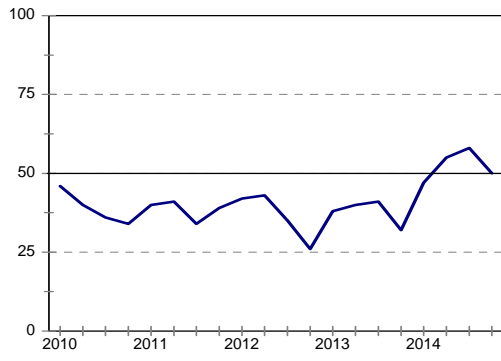
¹ Net balance.

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.

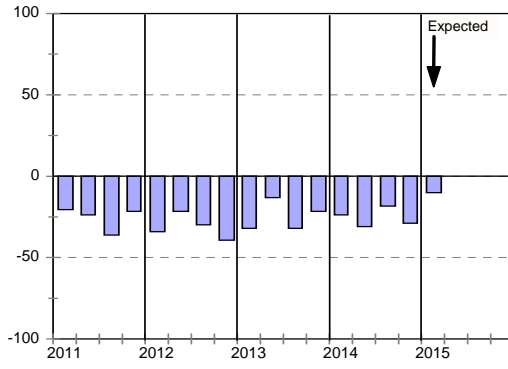
³ Percentage gross rating prevailing business conditions as satisfactory.

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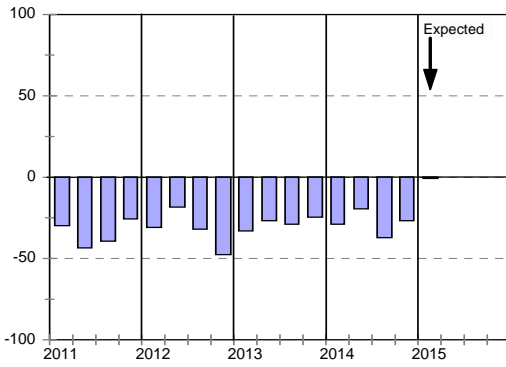
Business confidence



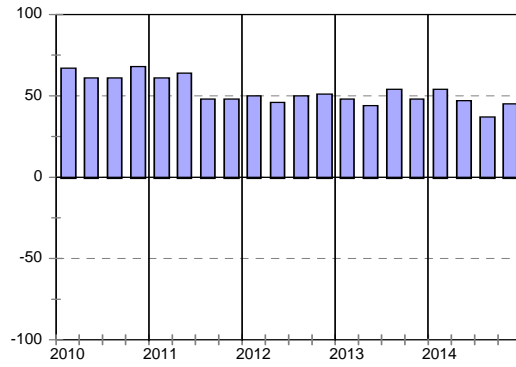
Change in business conditions



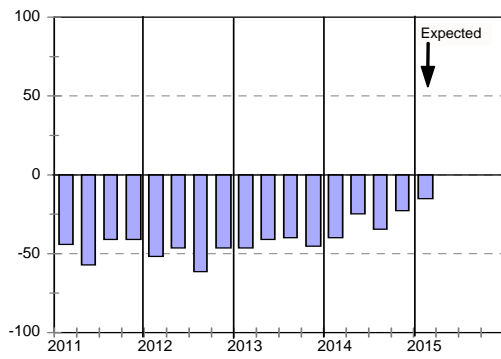
Growth in construction activity



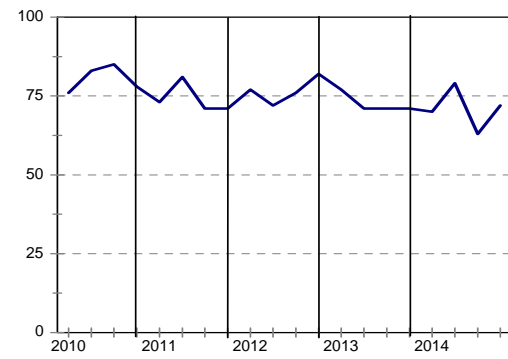
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : Grades 7 & 8

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	52	57	43	34	
Change in business conditions ¹	21	8	-22	-19	-16
Growth in construction activity ¹	17	4	-13	-13	-21
Growth in number of people employed ¹	-4	-8	-9	-26	-23
Growth in profitability of the business ¹	-4	-31	-26	-23	-27
Tendering competition ¹	48	46	61	52	
Percentage rating shortage of skilled labour a constraint ²	50	47	45	51	
Percentage rating inadequate supply of construction materials a constraint ²	33	34	24	25	
Percentage rating insufficient demand for construction work a constraint ²	68	66	74	71	
Percentage rating firm's inadequate access to credit a constraint ²	22	30	26	34	

* Expected.

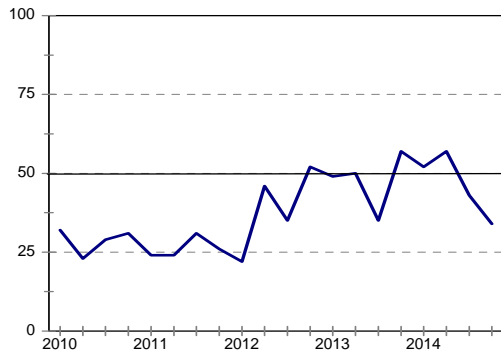
¹ Net balance.

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.

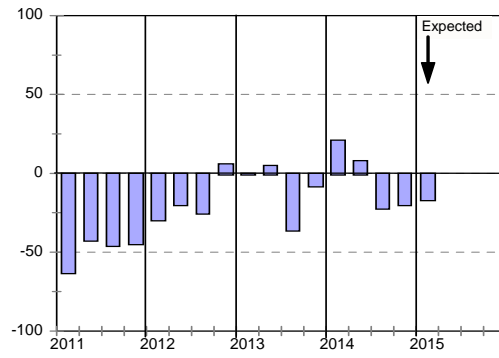
³ Percentage gross rating prevailing business conditions as satisfactory.

Blank spaces indicate data not available or not asked for.

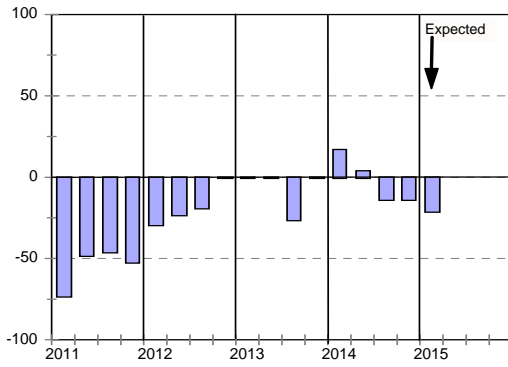
Business confidence



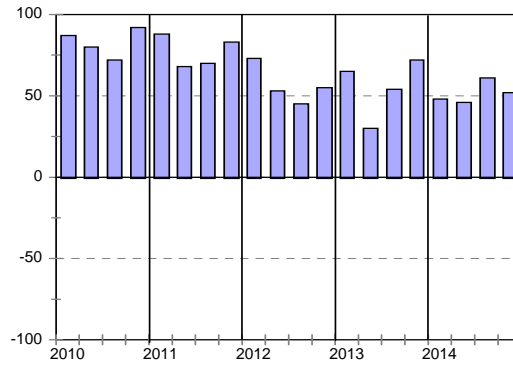
Change in business conditions



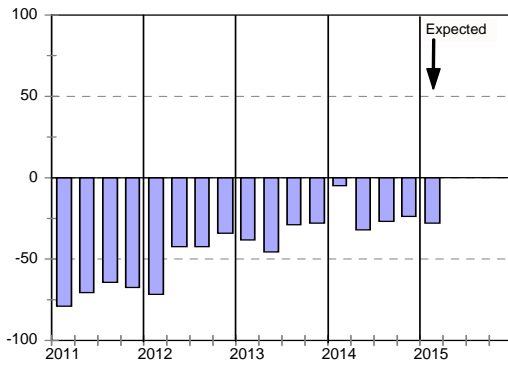
Growth in construction activity



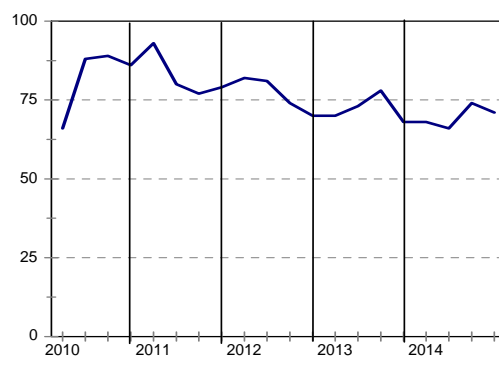
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors: Eastern Cape

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	25	67	46	36	
Change in business conditions ¹	-14	11	-36	-46	-4
Growth in construction activity ¹	-26	11	-50	-25	-8
Growth in number of people employed ¹	-25	0	-57	-22	4
Growth in profitability of the business ¹	-50	0	-50	-32	-8
Tendering competition ¹	38	50	22	35	
Percentage rating shortage of skilled labour a constraint ²	63	33	57	57	
Percentage rating inadequate supply of construction materials a constraint ²	25	33	28	27	
Percentage rating insufficient demand for construction work a constraint ²	75	73	57	73	
Percentage rating firm's inadequate access to credit a constraint ²	25	27	28	37	

* Expected.

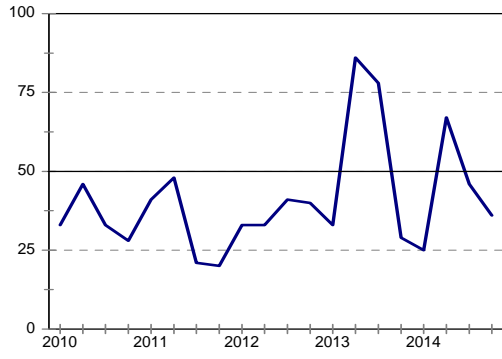
¹ Net balance.

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.

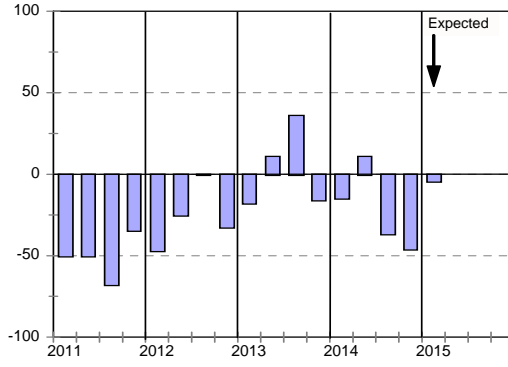
³ Percentage gross rating prevailing business conditions as satisfactory.

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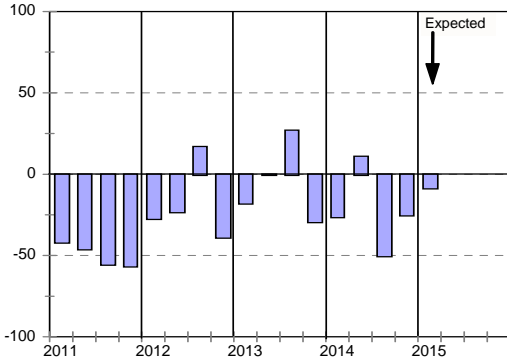
Business confidence



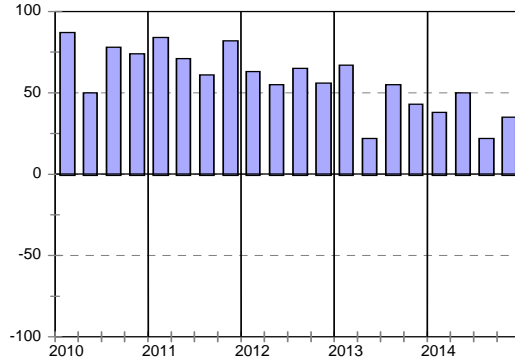
Change in business conditions



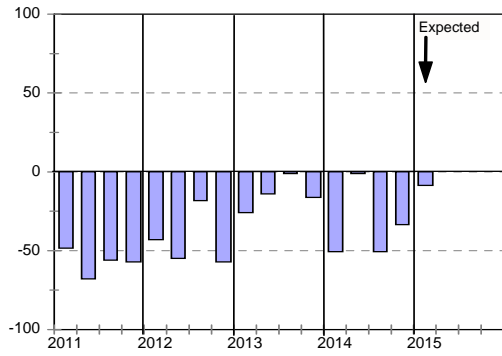
Growth in construction activity



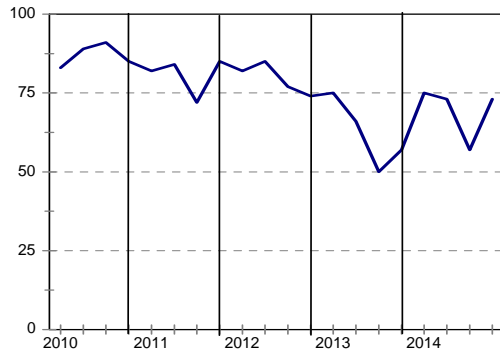
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : Gauteng

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	62	38	50	40	
Change in business conditions ¹	0	-27	-27	-22	-10
Growth in building activity ¹	-23	-25	-31	-25	-3
Growth in number of people employed ¹	-7	-13	-6	-36	-22
Growth in profitability of the business ¹	-16	-6	-19	-28	-29
Tendering competition ¹	41	40	50	38	
Percentage rating shortage of skilled labour a constraint ²	50	31	36	43	
Percentage rating inadequate supply of building materials a constraint ²	29	34	31	31	
Percentage rating insufficient demand for building work a constraint ²	69	64	72	69	
Percentage rating firm's inadequate access to credit a constraint ²	21	25	28	50	

* Expected.

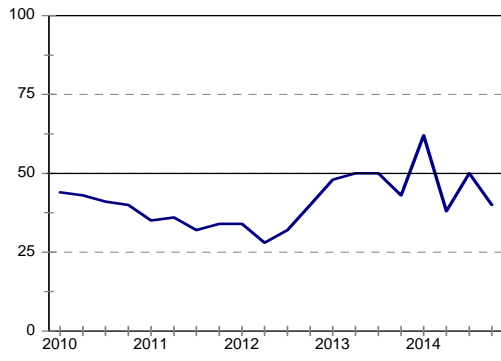
¹ Net balance.

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.

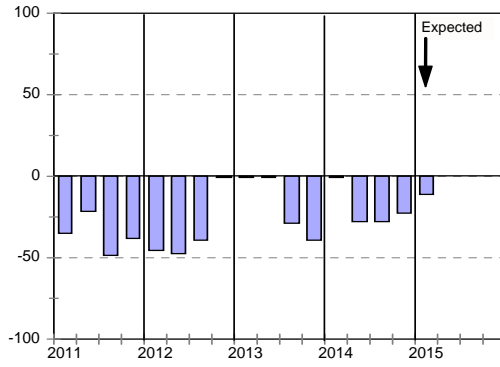
³ Percentage gross rating prevailing business conditions as satisfactory.

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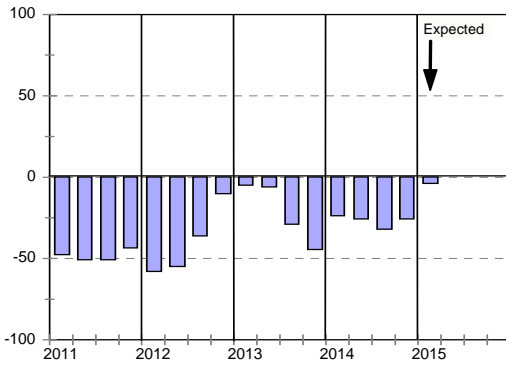
Business confidence



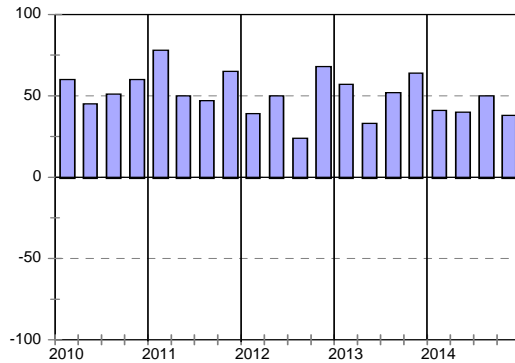
Change in business conditions



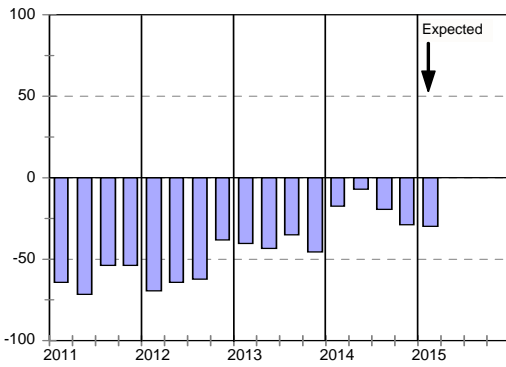
Growth in construction activity



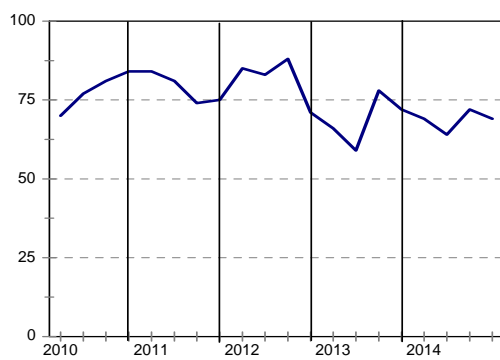
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : KwaZulu-Natal

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	45	57	61	52	
Change in business conditions ¹	-27	-36	-11	-20	0
Growth in construction activity ¹	-19	-20	-26	-22	8
Growth in number of people employed ¹	0	-22	-11	-11	-9
Growth in profitability of the business ¹	-33	-53	-58	-40	-7
Tendering competition ¹	71	50	48	37	
Percentage rating shortage of skilled labour a constraint ²	45	53	47	57	
Percentage rating inadequate supply of construction materials a constraint ²	45	34	23	35	
Percentage rating insufficient demand for construction work a constraint ²	69	72	73	69	
Percentage rating firm's inadequate access to credit a constraint ²	40	28	43	48	

* Expected.

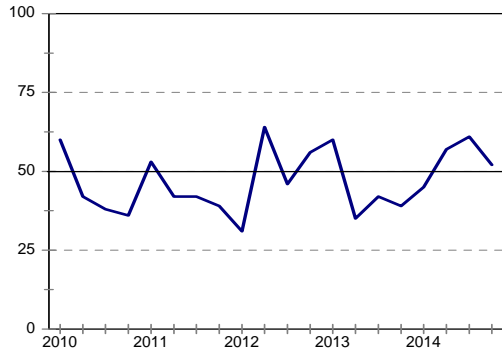
¹ Net balance.

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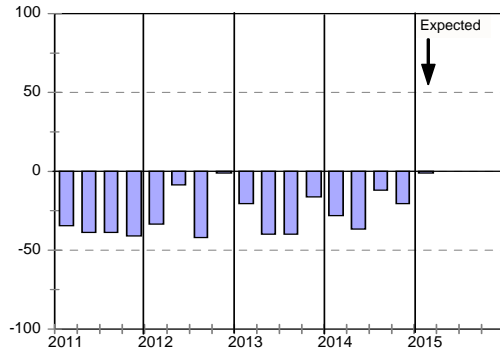
³ Percentage gross rating prevailing business conditions as satisfactory.

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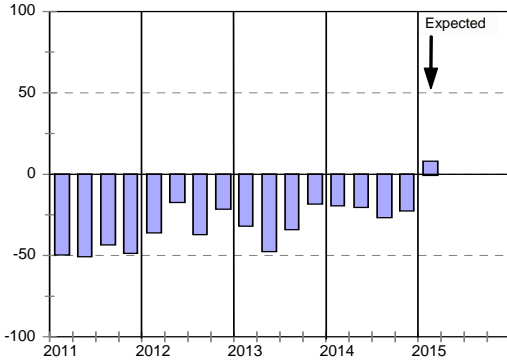
Business confidence



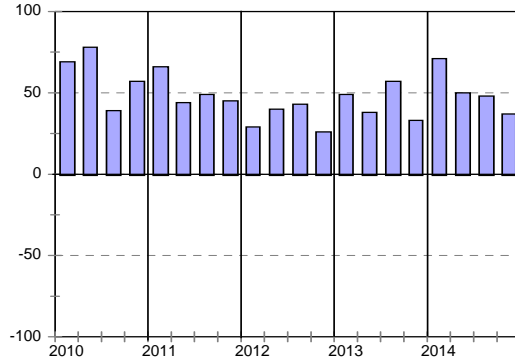
Change in business conditions



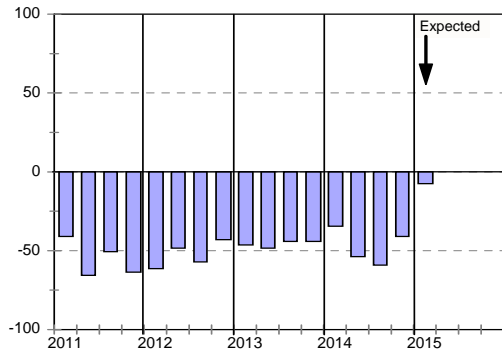
Growth in construction activity



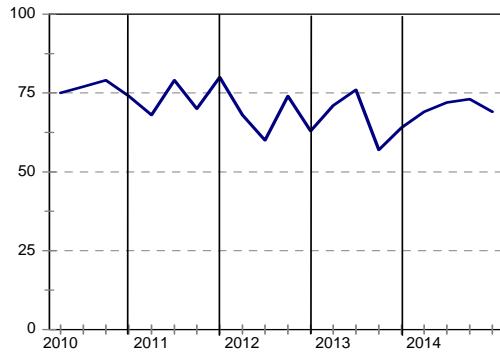
Tendering competition



Growth in profitability



Insufficient building work demand



Civil Contractors : Western Cape

	14Q1	14Q2	14Q3	14Q4	15Q1*
Business confidence ³	50	83	57	45	
Change in business conditions ¹	4	15	-6	-21	-9
Growth in construction activity ¹	9	23	-6	-26	-10
Growth in number of people employed ¹	-18	0	6	-21	-19
Growth in profitability of the business ¹	-13	-8	-13	-15	-23
Tendering competition ¹	29	31	57	63	
Percentage rating shortage of skilled labour a constraint ²	41	50	56	47	
Percentage rating inadequate supply of construction materials a constraint ²	29	20	21	27	
Percentage rating insufficient demand for construction work a constraint ²	61	50	73	73	
Percentage rating firm's inadequate access to credit a constraint ²	16	19	20	28	

* Expected.

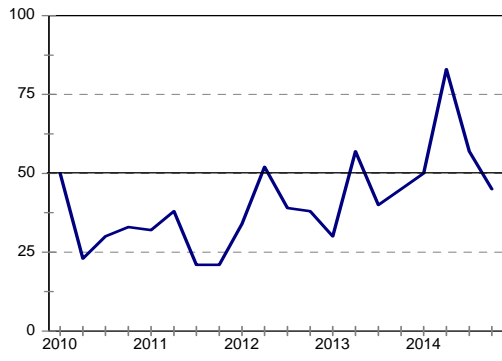
¹ Net balance.

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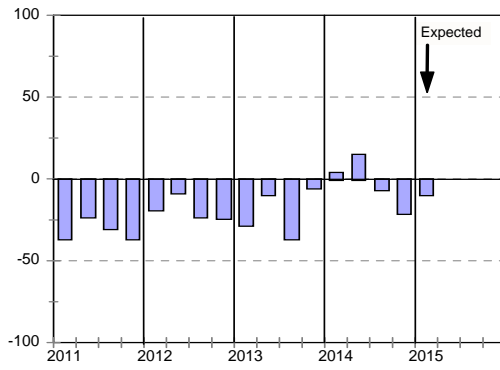
³ Percentage gross rating prevailing business conditions as satisfactory.

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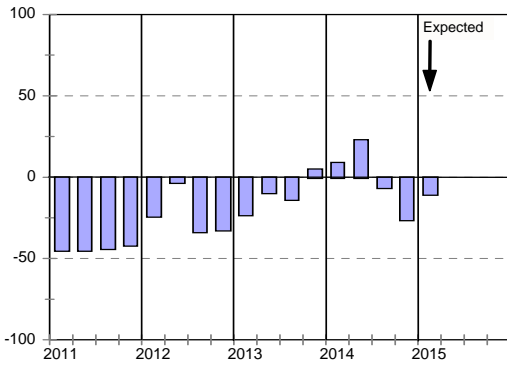
Business confidence



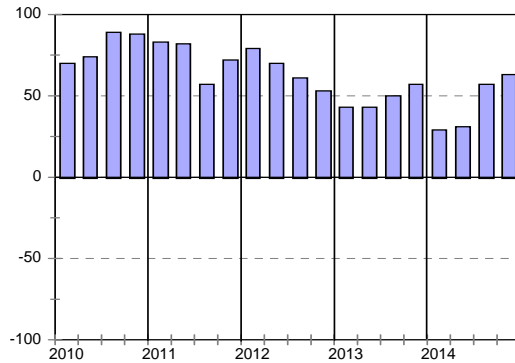
Change in business conditions



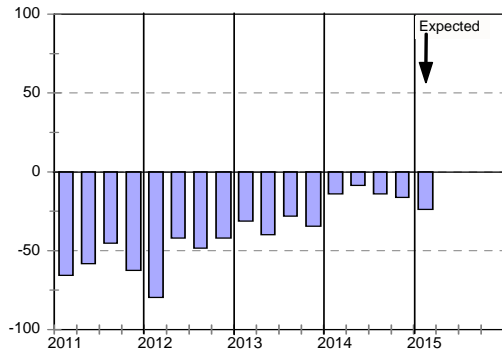
Growth in construction activity



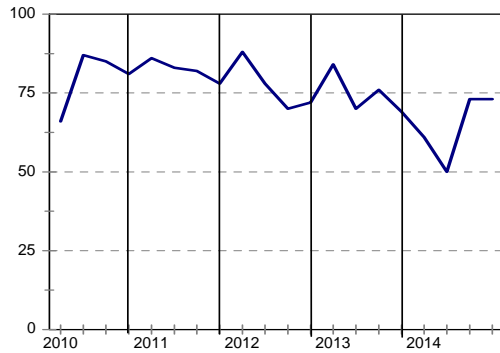
Tendering competition



Growth in profitability



Insufficient building work demand



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