



**Statistics  
South Africa**

**Statistical release  
P5001**

ipalopalo tsa Aforika Borwa • Statistieke Suid-Afrika • Tistatistiki ta Afrika-Dzonga • Ukuqokelelwa kwamanani eNingizimu Afrika

## **Construction industry 2004**

**Embargoed until:  
01 December 2005  
11:00**

Private Bag X44 • Pretoria 0001 • South Africa

tel: +27(12) 310 8911  
email: [info@statsa.gov.za](mailto:info@statsa.gov.za)

170 Andries Street, Pretoria 0002

fax: +27(12) 321 7381  
website: [www.statssa.gov.za](http://www.statssa.gov.za)



## Contents

Page

<b>Key findings for the year 2004</b> .....	1
---	---

### Tables

Table 1	Principal statistics in the construction industry : 2004 .....	2
Table 2	Income in the construction industry : 2004 .....	3
Table 3	Income by enterprise size in the construction industry : 2004 .....	4
Table 4	Expenditure in the construction industry : 2004 .....	5
Table 5	Expenditure by enterprise size in the construction industry : 2004 .....	8
Table 6	Details of purchases in the construction industry : 2004 .....	9
Table 7	Purchases by enterprise size in the construction industry : 2004 .....	11
Table 8	Company tax, dividends, current assets, liabilities in the construction industry : 2004 .....	12
Table 9	Book value of assets by asset type in the construction industry : 2004 .....	13
Table 10	Book value of assets at the end of the financial year by enterprise size in the construction industry : 2004 .....	14
Table 11	Total employment in the construction industry : 2004 .....	16
Table 12	Administration employment by enterprise size in the construction industry : 2004 .....	17
Table 13	Construction employment by enterprise size in the construction industry : 2004 .....	18
Table 14	Total salaries and wages by enterprise size in the construction industry : 2004 .....	18

<b>Explanatory notes</b> .....	19
--------------------------------	----

<b>Glossary</b> .....	23
-----------------------	----

<b>General information</b> .....	25
----------------------------------	----

## Key findings for the year 2004

### Income, expenditure and net profit

The total income for the construction industry in 2004 was R100 442 million. The main contributors to the total income were 'construction of buildings' with R33 117 million (33,0%), 'construction of civil engineering structures' with R27 478 million (27,4%), 'other building completions' with R10 625 million (10,6%) and 'other building installations' with R8 992 million (8,9%), (see table 1, page 2).

The total expenditure in the construction industry in 2004 was R96 375 million. The main contributors to the total expenditure were 'construction of buildings' with R32 037 million (33,2%), 'construction of civil engineering structures' with R26 746 million (27,8%), 'other building completions' with R10 221 million (10,6%) and 'other building installations' with R8 127 million (8,4%), (see table 1, page 2).

The net profit before tax in the construction industry in 2004 was R3 968 million. The main contributors to the net profit before tax were 'construction of buildings' with R1 083 million (27,3%), followed by 'construction of civil engineering structures' with R825 million (20,8%), 'other building installations' with R584 million (14,7%), 'other building completions' with R451 million (11,4%) and 'electrical contracting' with R253 million (6,4%), (see table 1, page 2).

### Employment, salaries and wages

The total number of people employed by the construction industry in 2004 was about 403 000. The major employers were 'construction of buildings' with about 126 000 employees (31,3%), followed by 'construction of civil engineering structures' with 89 000 (22,1%), 'other building completions' with 56 000 (13,9%) and 'electrical contracting' with 29 000 (7,2%), (see table 11, page 15).

The total gross salaries and wages paid to employees in the construction industry in 2004 was R16 162 million. The main contributors to the total gross salaries and wages were 'construction of civil engineering structures' with R4 537 million (28,1%), followed by 'construction of buildings' with R4 009 million (24,8%) and 'other building completions' with R1 757 million (10,9%), (see table 4, page 5).

### Capital expenditure on new assets

The capital expenditure on new assets in the construction industry in 2004 amounted to R2 248 million. The major contributors to the total capital expenditure on new assets were 'construction of buildings' with R 567 million (25,2%), followed by 'construction of civil engineering structures' with R509 million (22,6%), 'renting of construction or demolition equipment with operator' with R372 million (16,6%), and 'other building completions' with R264 million (11,7%), (see table 1, page 2).

**PJ Lehohla**  
**Statistician-General**

**Note:**

1. Since the last census of construction was conducted in 1994, the comparative figures are not informative. This survey serves as a benchmark for the construction industry and will be conducted every three years.
2. For changes compared to the previous year (2003), please refer to the 2004 economic activity survey's publication (P0020).

**Table 1: Principal statistics in the construction industry: 2004**

	<b>Total income</b>	<b>Closing inventories</b>	<b>Opening inventories</b>	<b>Total expenditure</b>	<b>Capital expenditure on new assets</b>	<b>Net profit/ Loss</b>	<b>Book value at the beginning of the year</b>	<b>Book value at the end of the year</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	2 306	33	28	2 113	205	198	584	642
Construction of buildings	33 117	2 581	2 579	32 037	567	1 083	2 514	2 574
Construction of civil engineering structures	27 478	1 155	1 062	26 746	509	825	2 817	2 662
Construction of other structures	1 515	38	40	1 446	48	67	288	305
Construction by specialist trade constructors	4 079	137	128	3 951	58	137	604	618
Plumbing	2 112	105	94	2 013	37	113	246	244
Electrical contracting	5 642	192	189	5 392	85	253	664	683
Shop-fitting	825	45	39	774	11	58	98	107
Other building installations	8 992	750	1 032	8 127	74	584	570	579
Painting and decorating	1 611	29	24	1 578	18	38	155	156
Other building completions	10 625	541	493	10 221	264	451	1 337	1 314
Renting of construction or demolition equipment with operator	2 140	19	21	1 977	372	161	1 221	1 202
<b>Total</b>	<b>100 442</b>	<b>5 625</b>	<b>5 729</b>	<b>96 375</b>	<b>2 248</b>	<b>3 968</b>	<b>11 098</b>	<b>11 086</b>

**Table 2: Income in the construction industry: 2004**

	Principal contractor	Sub - contractor	Sales of building purchased and transfer-out of materials	Other sales	Rental and leasing of buildings and other structures	Interest received	Dividends, royalties and copyrights	Subsidies from government	Profit from redemption, revaluation at a value lower than the book value	Profit from sale or realisation for cash or revaluation of assets at a value higher than book value	Other income	Total
Type of construction	R million	R million	R million	R million	R million	R million	R million	R million	R million	R million	R million	R million
Site preparation	1 985	179	0	6	23	49	21	0	0	23	20	2 306
Construction of buildings	30 372	1 414	93	379	103	192	29	187	11	49	288	33 117
Construction of civil engineering structures	24 306	1 642	36	7	235	211	226	0	84	128	603	27 478
Construction of other structures	1 349	113	3	10	9	9	1	0	1	3	17	1 515
Construction by specialist trade contractors	3 064	915	24	8	7	15	3	1	1	6	35	4 079
Plumbing	1 782	293	5	11	2	5	1	0	0	2	11	2 112
Electrical contracting	4 749	794	11	4	9	30	0	0	1	12	32	5 642
Shop-fitting	758	60	0	0	0	2	0	0	0	1	4	825
Other building installations	7 800	829	19	224	3	56	1	0	2	10	48	8 992
Painting and decorations	1 277	314	5	3	0	6	1	0	0	2	3	1 611
Other building completions	9 293	1 126	9	35	24	33	7	0	2	24	72	10 625
Renting equipment with operator	832	74	6	12	1 083	12	1	0	0	63	57	2 140
<b>Total</b>	<b>87 567</b>	<b>7 753</b>	<b>211</b>	<b>699</b>	<b>1 498</b>	<b>620</b>	<b>291</b>	<b>188</b>	<b>102</b>	<b>323</b>	<b>1 190</b>	<b>100 442</b>

**Table 3: Income by enterprise size in the construction industry : 2004**

	<b>Large</b>	<b>Medium</b>	<b>Small</b>	<b>Micro</b>	<b>Total</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	1 754	428	98	26	2 306
Construction of buildings	17 629	8 028	3 153	4 307	33 117
Construction of civil engineering structures	22 396	4 201	363	518	27 478
Construction of other structures	165	485	323	542	1 515
Construction by specialist trade contractors	1 233	1 517	559	770	4 079
Plumbing	357	591	374	790	2 112
Electrical contracting	1 039	1 700	985	1 918	5 642
Shop-fitting	169	335	202	119	825
Other building installations	5 870	1 992	503	627	8 992
Painting and decorating	403	355	309	544	1 611
Other building completions	3 071	3 363	1 519	2 672	10 625
Renting of construction equipment with operator	1 099	694	194	153	2 140
<b>Total</b>	<b>55 185</b>	<b>23 689</b>	<b>8 582</b>	<b>12 986</b>	<b>100 442</b>

**Table 4 : Expenditure in the construction industry : 2004**

	<b>Purchases</b>	<b>Salaries and wages</b>	<b>Payments to sub-contractors</b>	<b>Interest paid</b>	<b>Depreciation provided for during the financial year</b>	<b>Rental of land, buildings and other structures</b>	<b>Operating, leasing and hiring of plant, machinery, equipment and vehicles</b>	<b>All repair and maintenance expenditure</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	697	591	169	34	122	9	164	152
Construction buildings	15 930	4 009	8 166	394	369	233	334	320
Construction of civil engineering structures	14 883	4 537	2 639	320	498	147	1 087	522
Construction of other structures	771	267	85	26	46	25	18	47
Construction by specialist trade contractors	1 888	761	451	36	77	50	70	89
Plumbing	979	442	231	17	47	19	24	35
Electrical contracting	3 051	1 055	394	48	105	54	55	87
Shop-fitting	405	177	64	3	13	17	6	9
Other building installations	4 294	1 739	877	48	106	119	131	70
Painting and decorations	797	400	117	15	35	18	23	28
Other building completions	4 778	1 757	1 796	110	220	92	284	218
Renting of construction or demolition equipment with operator	269	427	104	119	389	19	129	253
<b>Total</b>	<b>48 742</b>	<b>16 162</b>	<b>15 093</b>	<b>1 170</b>	<b>2 027</b>	<b>802</b>	<b>2 325</b>	<b>1 830</b>

**Table 4 : Expenditure in the construction industry : 2004 (continued)**

	<b>Insurance premiums paid</b>	<b>Paper, printing and stationery</b>	<b>Postal, mail and courier services</b>	<b>Telecommunication Services</b>	<b>Traveling, accommodation and entertainment</b>	<b>Municipal payments, water and electricity</b>	<b>Property tax</b>	<b>Regional services council levies</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	20	5	2	14	11	3		4
Construction buildings	153	38	15	156	74	54	22	49
Construction of civil engineering structures	160	37	16	119	157	49	2	36
Construction of other structures	22	4	1	25	9	8		3
Construction by specialist trade contractors	42	10	5	41	25	12	1	6
Plumbing	31	6	3	34	9	8	1	4
Electrical contracting	68	14	5	71	45	21	2	12
Shop-fitting	8	2		10	9	5		2
Other building installations	77	22	9	87	80	22	1	17
Painting and decorations	23	5	1	26	10	4	1	2
Other building completions	97	21	6	97	64	30	3	15
Renting of construction or demolition equipment with operator	41	4	2	17	13	6		4
<b>Total</b>	<b>742</b>	<b>168</b>	<b>65</b>	<b>697</b>	<b>506</b>	<b>222</b>	<b>33</b>	<b>154</b>



**Table 4 : Expenditure in the construction industry : 2004 (concluded)**

	<b>Bank charges</b>	<b>Security services</b>	<b>Railage and transport-out</b>	<b>Advertising</b>	<b>Fees to architects, engineers and quantity surveyors</b>	<b>Losses from the redemption, revaluation of liabilities at a value higher than book value</b>	<b>Losses on assets or investment sold or revalued</b>	<b>Other expenditure</b>	<b>Total</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	4	3	2	2	11	4	6	82	2 113
Construction buildings	66	25	33	45	98	4	30	1 386	32 037
Construction of civil engineering structures	26	23	38	185	36	25	19	1 207	26 746
Construction of other structures	8	2	7	9	3	1	1	61	1 446
Construction by specialist trade contractors	12	5	9	13	13	6	2	328	3 951
Plumbing	10	3	4	10	7	1	1	98	2 013
Electrical contracting	27	6	5	10	7	2	3	243	5 392
Shop-fitting	3	2	3	3				38	774
Other building installations	18	9	13	18	9	22	5	333	8 127
Painting and decorations	7	2	3	6	2	1	1	55	1 578
Other building completions	33	11	13	23	36	14	18	484	10 221
Renting of construction or demolition equipment with operator	4	4	3	3	3	4	3	151	1 977
<b>Total</b>	<b>218</b>	<b>95</b>	<b>133</b>	<b>327</b>	<b>225</b>	<b>84</b>	<b>89</b>	<b>4 466</b>	<b>96 375</b>

**Table 5: Expenditure by enterprise size in the construction industry: 2004**

	<b>Large</b>	<b>Medium</b>	<b>Small</b>	<b>Micro</b>	<b>Total</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	1 592	400	97	24	2 113
Construction buildings	17 037	7 766	2 986	4 249	32 037
Construction of civil engineering structures	21 871	4 016	358	501	26 746
Construction of other structures	155	462	316	514	1 446
Construction by specialist trade contractors	1 217	1 451	535	748	3 951
Plumbing	348	563	353	748	2 013
Electrical contracting	1 000	1 646	933	1 813	5 392
Shop-fitting	152	325	190	106	774
Other building installations	5 194	1 907	427	599	8 127
Painting and decorations	400	339	318	522	1 578
Other building completions	3 029	3 251	1 471	2 516	10 221
Renting of construction or demolition equipment with operator	1 001	650	175	151	1 977
<b>Total</b>	<b>52 996</b>	<b>22 776</b>	<b>8 159</b>	<b>12 491</b>	<b>96 375</b>

**Table 6: Details of purchases in the construction industry: 2004**

	<b>Sand, stone and building lime</b>	<b>Cement</b>	<b>Ready mix cement</b>	<b>Bricks, building blocks and tiles</b>	<b>Textiles ( mats and carpets )</b>	<b>Plastic and other artificial resin products</b>	<b>Sheets (corrugated and flat), pipes, tubs and fittings</b>	<b>Reinforcing steel and steel reinforcement</b>	<b>Structural steel</b>	<b>Doors, windows, ceiling, door handles, kitchen cupboards and baths</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	10	4	1	0	0	10	4	5	12	6
Construction buildings	1 366	1 077	929	1 611	134	234	300	438	437	633
Construction of civil engineering structures	1 162	818	510	366	22	360	380	3 303	1 597	188
Construction of other structures	51	34	24	127	2	44	71	17	12	5
Construction by specialist trade contractors	64	38	95	51	5	44	252	120	177	53
Plumbing	11	9	1	11		364	123	35	11	37
Electrical contracting	16	5	13	12	1	28	9	4	28	12
Shop-fitting	2	6	2	2	2	1	58	19	5	23
Other building installations	152	24	9	8		76	246	30	370	9
Painting and decorations	1	1	1	2	11	2	4			2
Other building completions	352	222	318	393	331	100	265	194	119	225
Renting of construction or demolition equipment with operator	10	2	1	2		2	0	0	0	0
<b>Total</b>	<b>3 197</b>	<b>2 240</b>	<b>1 904</b>	<b>2 585</b>	<b>508</b>	<b>1 265</b>	<b>1 712</b>	<b>4 165</b>	<b>2 768</b>	<b>1 193</b>

**Table 6: Details of purchases in the construction industry: 2004 (concluded)**

	<b>Insulated cables and wire</b>	<b>Lighting and switch equipment</b>	<b>Other electrical materials and equipments</b>	<b>Wood products</b>	<b>Glass</b>	<b>Paint and lime washes</b>	<b>Fuel ( Petrol, diesel, gas and steam)</b>	<b>Prefabricated gypsum, cement, asbestos and earthen-ware products</b>	<b>All other materials, including consumables and maintenance stores</b>	<b>Total</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	7	16	5	6	0	1	149	3	458	697
Construction of buildings	223	145	225	392	149	344	343	213	6 737	15 930
Construction of civil engineering structures	296	105	113	45	9	98	397	369	4 745	14 883
Construction of other structures	14	5	11	7	0	4	47	1	295	771
Construction by specialist trade contractors	21	5	43	102	11	29	95	16	667	1 888
Plumbing	8	3	48	3	1	8	53	18	235	979
Electrical contracting	1 302	811	407	33	1	4	118	2	245	3 051
Shop-fitting	3	3	6	112	12	10	18	17	104	405
Other building installations	333	174	411	2	1	29	115	23	2 282	4 294
Painting and decorations	0	1	34	6	1	496	32		203	797
Other building completions	76	57	102	245	94	142	244	211	1 088	4 778
Renting equipment with operator	7	0	19	0	0	0	132	0	94	269
<b>Total</b>	<b>2 290</b>	<b>1 325</b>	<b>1 424</b>	<b>953</b>	<b>279</b>	<b>1 165</b>	<b>1 743</b>	<b>873</b>	<b>17 153</b>	<b>48 742</b>

**Table 7: Purchases by enterprise size in the construction industry: 2004**

<b>Type of construction</b>	<b>Large R million</b>	<b>Medium R million</b>	<b>Small R million</b>	<b>Micro R million</b>	<b>Total R million</b>
Site preparation	535	120	34	8	697
Construction buildings	8 366	4 007	1 537	2 020	15 930
Construction of civil engineering structures	12 515	2 009	103	256	14 883
Construction of other structures	107	234	158	272	771
Construction by specialist trade contractors	520	782	289	297	1 888
Plumbing	110	305	179	385	979
Electrical contracting	598	1 005	556	892	3 051
Shop-fitting	75	165	110	55	405
Other building installations	2 676	1 174	139	305	4 294
Painting and decorations	292	146	147	212	797
Other building completions	1 161	1 639	772	1 206	4 778
Renting of construction or demolition equipment with operator	79	110	34	46	269
<b>Total</b>	<b>27 034</b>	<b>11 696</b>	<b>4 058</b>	<b>5 954</b>	<b>48 742</b>

**Table 8: Company tax, dividends, current assets, liabilities in the construction industry: 2004**

<b>Type of construction</b>	<b>Company tax R million</b>	<b>Cash dividends R million</b>	<b>Other dividends R million</b>	<b>Current liabilities R million</b>	<b>Long term liabilities R million</b>	<b>Owner's equity R million</b>
Site preparation	49	7	2	323	410	235
Construction of buildings	230	88	1	6 422	3 085	2 584
Construction of civil engineering structures	202	139	9	7 393	2 647	2 699
Construction of other structures	13	4	1	231	219	188
Construction by specialist trade contractors	40	7	3	558	271	487
Plumbing	17	2	0	259	162	137
Electrical contracting	57	17	0	764	502	467
Shop-fitting	12	1	4	89	94	88
Other building installations	84	30	4	1 599	346	1 066
Painting and decorations	15	0	0	239	93	97
Other building completions	104	34	50	1 495	976	784
Renting of construction or demolition equipment with operator	34	3	10	389	959	461
<b>Total</b>	<b>857</b>	<b>332</b>	<b>84</b>	<b>19 761</b>	<b>9 764</b>	<b>9 294</b>

**Table 9: Book value of assets at the end of the financial year by asset type in the construction industry: 2004**

	Land	Residential buildings	Non-residential buildings	Construction works, roads and parking areas	Computers and IT equipments	Motor vehicles and other transport	Plant, machinery and other office equipments	Computer software	Other intangible assets	Total
Type of construction	R million	R million	R million	R million	R million	R million	R million	R million	R million	R million
Site preparation	14	14	0	0	5	127	466	11	5	642
Construction buildings	276	221	291	10	89	733	743	5	206	2 574
Construction of civil engineering structures	133	28	108	3	24	319	1 941	37	69	2 662
Construction of other structures	11	20	24	0	3	98	139	1	9	305
Construction by specialist trade contractors	16	11	17	1	6	141	379	1	47	619
Plumbing	16	18	8	0	4	138	42	1	16	243
Electrical contracting	54	75	26	0	14	375	96	2	42	684
Shop-fitting	11	2	7	0	2	29	22	0	33	106
Other building installations	19	42	62	0	26	209	151	4	66	579
Painting and decorations	2	13	1	0	5	98	33	0	4	156
Other building completions	70	63	29	2	23	486	476	3	162	1 314
Renting of construction or demolition equipment with operator	5	6	9	10	3	141	1 012		16	1 202
<b>Total</b>	<b>627</b>	<b>513</b>	<b>582</b>	<b>26</b>	<b>204</b>	<b>2 896</b>	<b>5 500</b>	<b>65</b>	<b>675</b>	<b>11 086</b>

**Table 10: Book value of assets at the end of the financial year by enterprise size in the construction industry: 2004**

	<b>Large</b>	<b>Medium</b>	<b>Small</b>	<b>Micro</b>	<b>Total</b>
<b>Type of construction</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>	<b>R million</b>
Site preparation	480	119	34	9	642
Construction of buildings	1 241	576	273	484	2 574
Construction of civil engineering structures	2 096	430	36	100	2 662
Construction of other structures	93	54	55	103	305
Construction by specialist trade contractors	328	126	36	128	618
Plumbing	10	61	43	130	244
Electrical contracting	49	159	96	379	683
Shop-fitting	40	33	14	20	107
Other building installations	221	140	68	150	579
Painting and decorating	29	29	49	49	156
Other building completions	403	243	163	505	1 314
Renting of construction or demolition equipment with operator	741	301	82	78	1 202
<b>Total</b>	<b>5 731</b>	<b>2 271</b>	<b>949</b>	<b>2 135</b>	<b>11 086</b>



**Table 11: Total employment in the construction industry: 2004**

Type of construction	Administration employees		Construction employees		Total
	Thousands		Thousands		Thousands
	Part time	Full time	Part time	Full time	
Site preparation	0	0	2	8	10
Construction of buildings	2	13	33	78	126
Construction of civil engineering structures	3	7	25	54	89
Construction of other structures	0	1	1	8	10
Construction by specialist trade constructors	0	2	3	12	17
Plumbing	0	2	3	11	16
Electrical contracting	1	4	4	20	29
Shop-fitting	0	0	0	3	3
Other building installations	1	4	7	15	27
Painting and decorating	0	1	3	8	12
Other building completions	1	6	11	38	56
Renting of construction or demolition equipment with operator	0	1	0	7	8
<b>Total</b>	<b>8</b>	<b>41</b>	<b>92</b>	<b>262</b>	<b>403</b>

**Table 12: Administration employment by enterprise size in the construction industry: 2004**

Type of construction	Large		Medium		Small		Micro		Total
	Thousands		Thousands		Thousands		Thousands		
	Part time	Full time	Part time	Full time	Part time	Full time	Part time	Full time	
Site preparation	0	0	0	0	0	0	0	0	0
Construction of buildings	1	3	0	2	0	3	1	5	15
Construction of civil engineering structures	3	6	0	1	0	0	0	0	10
Construction of other structures	0	0	0	0	1	0	0	0	1
Construction by specialist trade constructors	0	1	0	1	0	0	0	1	3
Plumbing	0	0	0	0	0	0	0	1	1
Electrical contracting	0	0	0	1	0	1	1	2	5
Shop-fitting	0	0	0	0	0	0	0	0	0
Other building installations	0	1	0	2	0	1	0	1	5
Painting and decorating	0	0	0	1	0	0	0	0	1
Other building completions	0	1	0	1	0	1	1	3	7
Renting of construction or demolition equipment with operator	0	0	0	0	0	0	0	1	1
<b>Total</b>	<b>4</b>	<b>12</b>	<b>0</b>	<b>9</b>	<b>1</b>	<b>6</b>	<b>3</b>	<b>14</b>	<b>49</b>

**Table 13: Construction employment by enterprise size in the construction industry: 2004**

Type of construction	Large		Medium		Small		Micro		Total
	Thousands		Thousands		Thousands		Thousands		
	Part time	Full time	Part time	Full time	Part time	Full time	Part time	Full time	
Site preparation	1	6	0	1	0	0	0	0	8
Construction of buildings	7	24	8	21	6	12	12	20	110
Construction of civil engineering structures	18	33	7	18	0	0	0	2	78
Construction of other structures	0	1	0	2	0	1	1	4	9
Construction by specialist trade constructors	1	2	1	4	1	2	1	5	17
Plumbing	0	1	1	3	1	2	1	5	14
Electrical contracting	1	2	1	5	1	4	2	10	26
Shop-fitting	0	1	0	1	0	1	0	1	4
Other building installations	4	7	1	4	1	2	0	2	21
Painting and decorating	0	1	0	2	1	1	2	4	11
Other building completions	2	7	2	8	2	6	5	17	49
Renting of construction or demolition equipment with operator	0	3	0	2	0	1	0	1	7
<b>Total</b>	<b>34</b>	<b>88</b>	<b>21</b>	<b>71</b>	<b>13</b>	<b>32</b>	<b>24</b>	<b>71</b>	<b>354</b>

**Table 14: Total salaries and wages by enterprise size in the construction industry: 2004**

<b>Type of construction</b>	<b>Large R million</b>	<b>Medium R million</b>	<b>Small R million</b>	<b>Micro R million</b>	<b>Total R million</b>
Site preparation	488	78	21	4	591
Construction of buildings	1 748	958	594	708	4 008
Construction of civil engineering structures	3 596	743	74	128	4 541
Construction of other structures	13	84	61	109	267
Construction by specialist trade constructors	219	235	99	208	761
Plumbing	39	125	93	185	442
Electrical contracting	145	267	192	450	1 054
Shop-fitting	55	60	40	21	176
Other building installations	1090	340	132	177	1 739
Painting and decorating	70	104	82	143	399
Other building completions	407	500	250	600	1 757
Renting of construction or demolition equipment with operator	224	140	32	31	427
<b>Total</b>	<b>8 094</b>	<b>3 634</b>	<b>1 670</b>	<b>2 764</b>	<b>16 162</b>

## Explanatory notes

- Background** The results presented in this publication have been derived from the 2004 construction large sample survey. This is a periodic survey, which measures economic activity in the construction industry of the South African economy. This survey is based on a sample of private and public enterprises operating in the construction industry.
- The sample was drawn from the new business register. The new business register is based mainly on the income tax (IT) and value-added tax (VAT) databases. All enterprises are legally bound to register for either VAT or IT or both. That is, enterprises that are registered for tax are included on the new business register, and hence were given a chance of selection in the sample for the survey.
- Reference period** The information was collected from enterprises for their financial year, which ended on any date between 1 July 2003 and 30 June 2004. The last census of construction was conducted for the year 1994.
- Purpose of the survey** The construction large sample survey is a periodic survey. It examines the construction activities within both the private and public businesses/organisations in the South African economy. Results of the survey are used in the compilation of South Africa's national accounts, e.g. the Gross Domestic Product (GDP) and gross fixed capital information. These statistics are also used by the private sector in analysis of comparative business and industry performance.

<b>Scope and coverage</b>	<p>This survey covers private and public construction enterprises conducting activities in -</p> <ul style="list-style-type: none"><li>(i) Site preparations</li><li>(ii) Construction of buildings<ul style="list-style-type: none"><li>- Construction of homes, and</li><li>- Construction of other buildings</li></ul></li><li>(iii) Construction of civil engineering structures</li><li>(iv) Construction of other structures</li><li>(v) Construction by specialist trade contractors</li><li>(vi) Plumbing</li><li>(vii) Electrical contracting</li><li>(viii) Shop-fitting</li><li>(ix) Other building installations</li><li>(x) Painting and decorating</li><li>(xi) Other building completions</li><li>(xii) Renting of construction or demolition equipment with operators</li></ul>
<b>Classification industry</b>	<p><b>by</b> The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities</i>(SIC), Fifth Edition, Report No. 09-09-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of all Economic Activities</i> (ISIC) with suitable adaptations for local conditions. Statistics in this publication are presented at SIC division (4-digit) level. Each enterprise is classified to an industry, which reflects its predominant activity.</p>
<b>Statistical unit</b>	<p>The statistical unit for the collection of the information is an enterprise. An enterprise is a legal unit (or a combination of legal units) that includes and directly controls all functions necessary to carry out its production activities.</p>

**Size groups**

The enterprises are divided into four size groups according to the value of their ‘business register’ turnover. Large enterprises are enterprises with an annual ‘business register’ turnover of R26 million and more. Table A presents the size groups defined using the Department of Trade and Industry (DTI) cut-off points,

**Table A: Size groups for the construction industry**

Size Group	Turnover
Large	Turnover > R 26 000 000
Medium	R 6 000 000 < Turnover < R 26 000 000
Small	R 3 000 000 < Turnover < R 6 000 000
Micro	Turnover < R 3 000 000

**Survey methodology and design**

The survey was conducted by mail, fax, telephone and personal visits.

A sample of approximately 8000 enterprises was drawn using stratified simple random sampling. The enterprises were first stratified at 4-digit level according to the SIC and then by size of enterprises. All large enterprises are completely enumerated. ‘Business register’ turnover was used as the measure of size for stratification.

**Weighting methodology**

For those strata not completely enumerated, the weights to produce estimates are the inverse ratio of the sampling fraction, modified to take account of non-response in the survey. Stratum estimates are calculated and then aggregated with the completely enumerated stratum to form division estimates. These procedures, which are in line with international best practice, are described in more detail on the Stats SA website at [www.statssa.gov.za/publications/publicationsearch.asp](http://www.statssa.gov.za/publications/publicationsearch.asp).

**Relative standard error**

Data presented in this publication are based on information obtained from a sample and are, therefore, subject to sampling variability; that is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the construction industry in South Africa.

One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of enterprises was used. The relative standard error (RSE) provides an immediate indication of the percentage errors likely to have occurred due to sampling, and thus avoids the need to refer to the size of the estimate.

Relative standard error (continued...)

**Table B: Relative standard errors of total income in the mining industry: 2004**

Division	Lower limit	Estimate	Upper limit	RSE
	R million	R million	R million	
Site preparation	2 242	2 306	2 370	1.4
Construction of building	31 631	33 117	34 603	2.3
Construction of civil engineering structures	26 563	27 478	28 393	1.7
Construction of other structures	1 438	1 515	1 592	2.6
Construction by specialist trade contractors	3 855	4 079	4 303	2.8
Plumbing	1 997	2 112	2 227	2.8
Electrical contracting	5 436	5 642	5 848	1.9
Shop-fitting	729	825	921	6
Other building installations	8 626	8 992	9 358	2.1
Painting and decorating	1 389	1 611	1 833	7
Other building completions	10 136	10 625	11 114	2.3
Renting of construction or demolition equipment with operator	2 052	2 140	2 228	2.1
<b>Total</b>	<b>98 266</b>	<b>100 442</b>	<b>102 060</b>	<b>1.0</b>

**Non-sampling errors**

Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Non-sampling errors occur in both sample surveys and census.

**Comparability with previously published information**

The information in this statistical release and previous construction surveys is not strictly comparable. This large sample survey was conducted from a sample drawn from a new business register of **all** enterprises registered for either VAT or IT or both.. The new register has better coverage of the small and micro enterprises.



**Rounding-off figures** of The figures in the tables have, where necessary, been rounded off to the nearest final digit shown. There may therefore be slight discrepancies between the sums of the constituent items of the totals shown.

**Symbols and abbreviations**

DTI	Department of Trade and Industry
GDP	Gross Domestic Product
ISIC	International Standard Industrial Classification of all Economic Activities
IT	Income tax
RSE	Relative standard error
SE	Standard error
SIC	Standard Industrial Classification of all Economic Activities
SNA Stats SA	System of National Accounts
VAT	Statistics South Africa
0	Value-added tax
	Nil or less than half the final digit shown

## Glossary

<b>Employees</b>	Employees are those people employed by the business or organisation who received payment (in salaries, wages, commission, piece rates or payments in kind) for the last pay period ended on or before 30 June 2004.
<b>Enterprise</b>	The enterprise is a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.
<b>Full-time employees</b>	Full-time employees are those employees (permanent, temporary or casual) who usually work for the agreed-upon hours for a full-time employee in a specific occupation. If agreed hours do not apply, employees are regarded as full-time employees if they work 35 hours or more per week.
<b>Industry</b>	An industry is made up of enterprises engaged in the same or similar kinds of economic activity. Industries are defined in the <i>System of National Accounts (SNA)</i> in the same way as in the <i>Standard Industrial Classification of all Economic Activities, Fifth Edition, Report No. 09-90-02 of January 1993 (SIC)</i> .
<b>Net profit or loss before tax</b>	Net profit or loss before tax is derived as: Total income <i>plus</i> Closing stocks <i>minus</i> Total expenditure <i>minus</i> Opening stocks
<b>Part-time employees</b>	<b>Part-time employees</b> are those employees (permanent, temporary or casual) who are not full-time employees as defined above or who normally work less than 35 hours per week.
<b>Statistical unit</b>	A statistical unit is a unit about which statistics are tabulated, compiled or published. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.
<b>Salaries and wages</b>	Salaries and wages are payments for ordinary time, standard or agreed hours and overtime hours during the financial year for all permanent, temporary, casual, managerial and executive employers and employees, before taxation and other deductions.
<b>Stratum</b>	A stratum is constructed by concatenating the SIC classification and size group variables.

## General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data wherever they process, apply, utilise, publish or distribute the data; and also that they specify that the relevant application and analysis (where applicable) result from their own processing of the data.

### Stats SA products

A complete set of Stats SA publications is available at the Stats SA Library and the following libraries:

National Library of South Africa, Pretoria Division  
 National Library of South Africa, Cape Town Division  
 Natal Society Library, Pietermaritzburg  
 Library of Parliament, Cape Town  
 Bloemfontein Public Library  
 Johannesburg Public Library

Eastern Cape Library Services, King William's Town  
 Central Regional Library, Polokwane  
 Central Reference Library, Nelspruit  
 Central Reference Collection, Kimberley  
 Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

### Electronic services

A large range of data are available via on-line services, diskette and computer printouts. For more details about our electronic data services, contact (012) 310 8600/8390/8351/4892/8496/8095.

You can visit us on the Internet at: [www.statssa.gov.za](http://www.statssa.gov.za)

### Enquiries

Telephone number: (012) 310 8600/ 8390/ 8351/ 4892/ 8496/ 8095 (user information services)  
 (012) 310 2971/ 310 8191 (technical enquiries)  
 (012) 310 8161 (orders)  
 (012) 310 4883/ 4885/ 8018 (library)

Fax number: (012) 310 8310 (technical enquiries)

email address: [molefem@statssa.gov.za](mailto:molefem@statssa.gov.za) (technical enquiries)  
[itanim@statssa.gov.za](mailto:itanim@statssa.gov.za) (technical enquiries)  
[info@statssa.gov.za](mailto:info@statssa.gov.za) (user information services)  
[distribution@statssa.gov.za](mailto:distribution@statssa.gov.za) (orders)

Postal address: Private Bag X44, Pretoria, 0001

*Produced by Stats SA*