Construction: work on hand and work done P5042

June 1998

Embargo: 11:00

Date: 22 October 1998

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ABRIDGEMENT OF RELEASE

Due to budget constraints, the survey in respect of Work on hand and Work done was terminated. The utilitarian value of the information was discussed with users. To accommodate the users, limited important questions regarding work on hand and work done were incorporated in the quarterly financial questionnaire. The results regarding work on hand and work done are published in this release. Therefore, detail information regarding residential and "other buildings" and "other construction and works" is no longer available.

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VALUE OF WORK DONE BY CONSTRUCTION FIRMS INCREASES DURING SECOND QUARTER OF 1998

The seasonal adjusted value of work done by construction firms during the second quarter of 1998 increased by 3,2% (+R231,0 million) to R7 359,0 million compared with the first quarter of 1998. However, the seasonal adjusted value of work on hand at the end of the second quarter of 1998 remained at the same level as at the end of the first quarter of 1998.

The total value of work done (not seasonally adjusted) during the second quarter of 1998 amounted to R7

431,8

million. This represents an increase of 14,3% or R931,9 million compared with the first quarter of 1998. Increases were reported by both the building contractors (+14,9% or R516,6 million) and the civil engineering and other contractors (+13,7% or R415,4 million). Of the R7 431,8 million work done during the second quarter of 1998, 53,6% or R3 981,4 million was done by building contractors and 46,4% or R3 450,4 million by civil engineering and other contractors.

The actual value of work on hand at the end of the second quarter of 1998 amounted to R15 974,7 million. Large decreases in the actual value of work on hand between the end of the second quarter and the end of first quarter of 1998 were reported by civil engineering firms (-5,9% or R487,8 million) and by building contractors (-4,1% or R305,2 million).

2. EXPLANATORY NOTES

2.1 GENERAL

This statistical release contains estimates in respect of work on hand and work done by private construction firms. The estimates are based on quarterly data collected from a representative sample of construction firms.

The 1991 Construction Census provided the frame for the selection of a revised sample which was implemented as from December 1995. Establishments which commenced operations after the date of the census have also been taken into account. The raising factors are calculated on basis of work done as reported in the 1991 Construction Census.

The value of work on hand and work done were calculated by raising the sample data to represent the tota of the industry.

Historical data for the period January 1985 to December 1995 regarding work on hand and work done by construction firms was published in a separate statistical release P5042.1 (entitled **Construction work on hand and work done, January 1985 to December 1995**).

The information of the former TBVC states is included in this statistical release for the period covered in this release. Information available to Stats SA indicates that the total value of construction activities of the states for December 1995 amounted to approximately 1,9% of the total.

In order to improve timeliness, some information for the current quarter may have been estimated due to late response. These estimates will be revised as soon as better information is available.

2.2 NOTES TO TABLES

Revaluations resulting from contract price adjustment provisions in contracts have been taken into account.

Ordinary repair and maintenance work is excluded, but reconstruction work of a capital nature is included.

3. DEFINITIONS

- 3.1 <u>Client/Employer</u> is a person or authority for whom building, construction, demolition, excavation or installation work is done/must be done.
- 3.2 An establishment acts as a <u>contractor or principal contractor</u> if it executes or handles the contract for the client/employer directly.
- 3.3 An establishment acts as a <u>subcontractor</u> if it performs activities directly for or under the direct control of the principal contractor. Subcontractors also include nominated subcontractors and selected (non-nominated) subcontractors.

TABLE 1 - WORK ON HAND AND WORK DONE HISTORICAL TABLE

	Work on hand		Work done	
Year and quarter ended	R million			
	Actual	Seasonally adjusted	Actual	Seasonally adjusted
1994 - Mar.	10 550	10 422	4 469	4 867
Jun.	10 543 10	10 344	5 023	5 074
Sept.	874	11 193	5 950	5 523
Dec.	11 827	11 873	5 544	5 482
1995 - Mar.	12 666	12 382	5 555	6 053
Jun.	12 695	15 594	5 994	6 021

Sept.	12 694	13 130	6 469	5 990
Dec.	13 332	13 329	6 075	6 049
1996 - Mar.	13 609	13 173	5 529	6 031
Jun.	13 212	13 219	6 704	6 698
Sept.	13 073	13 578	7 128	6 595
Dec.	14 184	14 145	7 053	7 049
1997 - Mar.	15 281	14 696	6 356	6 951
Jun.	14 663	14 749	7 024	6 979
Sept.	13 529	14 063	7 502	6 954
Dec.	15 385	15 339	6 807	6 799
1998 - Mar.	16 811	16 133	6 500	7 128
Jun.	15 975	16 090	7 432	7 359

TABLE 2 - WORK ON HAND AND WORK DONE BY PRINCIPAL CONTRACTORS AND SUBCONTRACTORS

	Contractors and pr	Subcontractors			
Type of construction and quarter/ year ended	Total value of work on hand Total value of all work done during quarter/year		Total value of all work done during quarter/year (already included under column 2)		
R1 000					
	1	2	3		

2.1 - CONSTRUCTION - TOTAL

1996	14 183 874	26 414 215	3 854 773
1997	15 385 161	27 688 516	4 282 717
1997 - Jun.	14 663 321	7 024 074	1 174 222
1998 - Mar.	16 811 213	6 499 837	1 009 148
1998 - Jun.	15 974 709	7 431 764	1 251 559

2.2 - BUILDING CONSTRUCTION

1996	7 383 683	16 212 261	2 052 087
1997	6 278 037	16 091 696	2 291 435
1997 - Jun.	6 875 348	4 149 323	626 539
1998 - Mar.	7 487 345	3 464 824	542 329
1998 - Jun.	7 182 114	3 981 389	715 130

2.3 - CIVIL ENGINEERING CONSTRUCTION AND CONSTRUCTION, NOT ELSEWHERE CLASSIFIED

1996	6 800 192	10 201 953	1 802 685
1997	9 107 124	11 596 818	1 991 286
1997 - Jun.	7 787 973	2 874 751	547 683
1998 - Mar.	9 323 869	3 035 013	466 819
1998 - Jun.	8 792 595	3 450 375	536 429

2.3.1 - CIVIL ENGINEERING CONSTRUCTION (ALREADY INCLUDED UNDER 2.3)

1996	6 096 988	8 398 137	1 212 719
1997	7 963 554	9 528 189	1 466 360
1997 - Jun.	6 462 420	2 410 502	384 099
1998 - Mar.	8 210 619	2 534 059	420 922
1998 - Jun.	7 722 806	2 754 100	501 719

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