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# Construction industry, 2020

Embargoed until:  
27 June 2022

11:00

Report No. 50-02-01 (2020)

Statistics South Africa

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**Construction industry, 2020 / Statistics South Africa**

Published by Statistics South Africa, Private Bag X44, Pretoria, 0001

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Stats SA Library Cataloguing-in-Publication (CIP) Data

**Construction industry, 2020 / Statistics South Africa.** Pretoria: Statistics South Africa, 2022

**Report No. 50-02-01 (2020)**

**38 pages**

**ISBN:** 978-0-621-50396-8

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## 1. Introduction

This publication presents estimates in respect of the 2020 construction industry large sample survey (LSS). The data for the number of employees were provided for the last pay period ended on or before 30 June 2020.

The last construction LSS was conducted in 2017 (Report No. 50-02-01 (2017)).

### 1.1 Scope and coverage

The 2020 construction industry LSS covers enterprises registered for value-added tax (VAT) that are mainly engaged in the following activities classified according to the January 1993 edition of the Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, Report No. 09-90-02:

- Site preparation (SIC 5010);
- Construction of buildings (SIC 5021);
- Construction of civil engineering structures (SIC 5022);
- Construction of other structures (SIC 5023);
- Construction by specialist trade contractors (SIC 5024);
- Plumbing (SIC 5031);
- Electrical contractors (SIC 5032);
- Shopfitting (SIC 5033);
- Other building installation (SIC 5039);
- Painting and decorating (SIC 5041);
- Other building completion (SIC 5049); and
- Renting of construction or demolition equipment with operators (SIC 5050).

The following activities are included

- The South Africa-based activities of enterprises which operate in multiple countries.

The following activities are excluded

- Activities of South Africa-based companies in other countries.

### 1.2 Data items

The following categories of data items were collected: industrial classification, employment, trading income, expenditure, profit or loss, inventories, capital expenditure on new assets, services rendered, purchases and client base.

### 1.3 Reference period

The questionnaires were completed for the financial year of the enterprise **ending on any date between 1 July 2019 and 30 June 2020**, according to the usual reporting schedule of the enterprise.

#### *For example, (2020)*

- 1 October 2018 – 30 September 2019
- 1 January 2019 – 31 December 2019
- 1 February 2019 – 31 January 2020
- 1 March 2019 – 29 February 2020
- 1 July 2019 – 30 June 2020

### 1.4 Current prices

The rand values are at current prices.

### 1.5 Reliability of data

All estimates compiled for this industry are subject to non-sampling errors.

The following are some of the likely sources of non-sampling errors: sampling frame not up to date, wrong definitions and classification, phrasing of questions, non-response, processing and estimation. Every effort is made to minimise non-sampling errors by careful design of questionnaires, testing them with a sample of respondents, editing reported data and implementing efficient operating procedures. Non-sampling errors occur in both sample surveys and censuses.

### 1.6 Confidentiality

According to section 17 of the Statistics Act, 1999 (Act No. 6 of 1999), completed questionnaires remain confidential to Statistics South Africa (Stats SA). Individual business information is never disclosed. Results are presented in aggregated form only.

### 1.7 Reporting unit

The statistical unit for the collection of 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 activities. Each industry is classified to an industry that reflects its predominant activity.

## 2. Summary of findings

### 2.1 Income

**Table A – Income in the construction industry, 2011–2020**

| Type of service  | 2011           |                | 2014           |                | 2017           |                | 2020           |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | R million      | % contribution | R million      | % contribution | R million      | % contribution | R million      | % contribution |
| Site preparation   | 6 376          | 2,4            | 6 024          | 1,5            | 7 188          | 1,5            | 7 461          | 1,7            |
| Construction of buildings                                      | 61 860         | 23,0           | 84 354         | 21,4           | 115 923        | 24,7           | 134 157        | 30,7           |
| Construction of civil engineering structures                   | 116 651        | 43,4           | 162 466        | 41,1           | 186 740        | 39,7           | 127 958        | 29,3           |
| Construction of other structures                               | 3 146          | 1,2            | 7 878          | 2,0            | 7 139          | 1,5            | 8 362          | 1,9            |
| Construction by specialist trade contractors                   | 10 131         | 3,8            | 20 119         | 5,1            | 22 353         | 4,8            | 19 318         | 4,4            |
| Plumbing   | 3 419          | 1,3            | 5 957          | 1,5            | 6 724          | 1,4            | 7 573          | 1,7            |
| Electrical contractors   | 18 272         | 6,8            | 24 017         | 6,1            | 20 640         | 4,4            | 26 257         | 6,0            |
| Shopfitting  | 1 320          | 0,5            | 2 111          | 0,5            | 3 095          | 0,7            | 2 984          | 0,7            |
| Other building installation                                    | 19 799         | 7,4            | 27 114         | 6,9            | 32 394         | 6,9            | 29 307         | 6,7            |
| Painting and decorating  | 2 464          | 0,9            | 4 073          | 1,0            | 4 078          | 0,9            | 4 667          | 1,1            |
| Other building completion                                      | 14 432         | 5,4            | 33 076         | 8,4            | 41 157         | 8,8            | 48 336         | 11,1           |
| Renting of construction or demolition equipment with operators | 11 096         | 4,1            | 17 892         | 4,5            | 22 716         | 4,8            | 20 325         | 4,7            |
| <b>Total</b>   | <b>268 966</b> | <b>100,0</b>   | <b>395 081</b> | <b>100,0</b>   | <b>470 147</b> | <b>100,0</b>   | <b>436 705</b> | <b>100,0</b>   |

Source: Report No. 50-02-01

The total income for the construction industry in 2020 was R436,7 billion. The total income represents a decrease of 2,4% per annum over the income reported in the corresponding survey of 2017 (R470,1 billion). Comparing 2017 and 2020, a large decrease was reported for 'construction of civil engineering structures' (-R58,8 billion). However, large increases were reported for 'construction of buildings' (R18,2 billion) and 'electrical contractors' (R5,6 billion) over the same period.

Between 2011 and 2020, 'construction of civil engineering structures' lost the biggest percentage share of income (-14,1 percentage points) (from a percentage contribution of 43,4% in 2011 to 29,3% in 2020). 'Construction of buildings' gained the biggest percentage share of income over the same period (+7,7 percentage points) (from 23,0% in 2011 to 30,7% in 2020).

**Table B – Concentration ratio for total income in the construction industry, 2011–2020**

| Concentration ratio | 2011 | 2014 | 2017 | 2020 |
|---------------------|------|------|------|------|
|                     | %    |      |      |      |
| CR5                 | 15,6 | 13,2 | 9,8  | 6,8  |
| CR10                | 20,5 | 19,4 | 14,6 | 9,5  |
| CR20                | 25,8 | 25,2 | 19,3 | 13,9 |
| CR50                | 33,0 | 32,8 | 27,1 | 21,1 |
| CR100               | 39,8 | 40,0 | 34,4 | 28,1 |

Sources: Report No. 50-02-01

In 2020, the top 100 enterprises in the construction industry contributed 28,1% to the total income. This is the lowest concentration ratio of the top 100 enterprises (CR100) in the four periods shown. The concentration ratios of the top 5, 10, 20 and 50 were the highest in 2011 at 15,6%, 20,5%, 25,8% and 33,0%, respectively. In all five categories (CR5 to CR100), the concentration ratios are lower in 2020 compared with the other three periods.



**Table C – Profit margin in the construction industry, 2011–2020**

| Type of service  | Net profit/loss after tax |               |               |              | Turnover       |                |                |                | Profit margin |            |            |            |
|--|---------------------------|---------------|---------------|--------------|----------------|----------------|----------------|----------------|---------------|------------|------------|------------|
|  | 2011                      | 2014          | 2017          | 2020         | 2011           | 2014           | 2017           | 2020           | 2011          | 2014       | 2017       | 2020       |
|  | R million                 |               |               |              | R million      |                |                |                | R million     |            |            |            |
| Site preparation   | 378                       | 558           | 429           | 421          | 6 365          | 5 939          | 7 027          | 7 309          | 5,9           | 9,4        | 6,1        | 5,8        |
| Construction of buildings                                      | 2 525                     | 2 883         | 5 509         | 3 507        | 66 817         | 82 113         | 113 011        | 130 746        | 3,8           | 3,5        | 4,9        | 2,7        |
| Construction of civil engineering structures                   | 2 484                     | 1 864         | 5 238         | -306         | 103 689        | 156 895        | 175 651        | 117 878        | 2,4           | 1,2        | 3,0        | -0,3       |
| Construction of other structures                               | 34                        | 420           | 655           | 257          | 2 858          | 7 725          | 7 006          | 7 718          | 1,2           | 5,4        | 9,3        | 3,3        |
| Construction by specialist trade contractors                   | 355                       | -918          | 296           | 164          | 13 655         | 19 695         | 21 689         | 18 950         | 2,6           | -4,7       | 1,4        | 0,9        |
| Plumbing   | 50                        | 317           | 343           | 300          | 3 490          | 5 872          | 6 545          | 7 396          | 1,4           | 5,4        | 5,2        | 4,1        |
| Electrical contractors   | 815                       | 1 305         | 748           | 589          | 16 882         | 23 550         | 20 184         | 25 826         | 4,8           | 5,5        | 3,7        | 2,3        |
| Shopfitting  | 33                        | 184           | 151           | 4            | 1 272          | 1 955          | 3 078          | 2 932          | 2,6           | 9,4        | 4,9        | 0,1        |
| Other building installation                                    | 1 007                     | 802           | 1 540         | 828          | 19 412         | 26 331         | 31 965         | 28 715         | 5,2           | 3,0        | 4,8        | 2,9        |
| Painting and decorating  | -36                       | 116           | 176           | 144          | 2 445          | 4 009          | 4 007          | 4 595          | -1,5          | 2,9        | 4,4        | 3,1        |
| Other building completion                                      | 381                       | 1 494         | 586           | 2 291        | 14 211         | 32 610         | 40 002         | 46 701         | 2,7           | 4,6        | 1,5        | 4,9        |
| Renting of construction or demolition equipment with operators | -400                      | 1 052         | 136           | 846          | 10 552         | 17 281         | 22 025         | 19 562         | -3,8          | 6,1        | 0,6        | 4,3        |
| <b>Total</b>   | <b>7 626</b>              | <b>10 077</b> | <b>15 807</b> | <b>9 045</b> | <b>261 648</b> | <b>383 975</b> | <b>452 190</b> | <b>418 328</b> | <b>2,9</b>    | <b>2,6</b> | <b>3,5</b> | <b>2,2</b> |

Source: Report No. 50-02-01

The profit margin for the construction industry was 2,2% in 2020. 'Site preparation' had the highest profit margin at 5,8%, followed by 'other building completion' at 4,9%. 'Construction of civil engineering structures' had the lowest profit margin with a loss of 0,3%.

Between 2011 and 2020, the construction industry recorded the highest overall profit margin of 3,5% in 2017. The highest profit margin by type of service was 'shopfitting' and 'site preparation', each at 9,4% in 2014.

**Table D – Details of services in the construction industry, 2017 and 2020**

| Type of service   | 2017           | 2020           | 2017           | 2020         | Annualised<br>% change |
|---|----------------|----------------|----------------|--------------|------------------------|
|   | R million      |                | % contribution |              |                        |
| Rental of construction equipment with driver/operator                         | 22 536         | 17 492         | 5,2            | 4,3          | -8,1                   |
| Construction of residential buildings   | 37 847         | 44 263         | 8,8            | 10,9         | 5,4                    |
| Construction of non-residential buildings                                     | 40 677         | 47 505         | 9,5            | 11,7         | 5,3                    |
| Civil engineering works   | 111 296        | 95 770         | 25,9           | 23,7         | -4,9                   |
| Construction by specialist trade contractors                                  | 21 686         | 18 796         | 5,0            | 4,6          | -4,7                   |
| Building installation and completion  | 88 064         | 90 394         | 20,5           | 22,3         | 0,9                    |
| Other activities  | 27 979         | 32 093         | 6,5            | 7,9          | 4,7                    |
| <b>Total income from services rendered (excluding work subcontracted out)</b> | <b>350 085</b> | <b>346 313</b> | <b>81,4</b>    | <b>85,4</b>  | <b>-0,4</b>            |
| Work subcontracted out  | 80 083         | 59 427         | 18,6           | 14,6         | -9,5                   |
| <b>Total income from services rendered</b>                                    | <b>430 168</b> | <b>405 740</b> | <b>100,0</b>   | <b>100,0</b> | <b>-1,9</b>            |

Source: Report No. 50-02-01

The total income from services rendered for the construction industry in 2020 was R405,7 billion. The total income from services rendered represents a decrease of 1,9% per annum over the income reported in the corresponding survey of 2017 (R430,2 billion). Large decreases were reported for 'work subcontracted out' (-R20,7 billion), 'civil engineering works' (-R15,5 billion) and 'rental of construction equipment with driver/operator' (-R5,0 billion).

## 2.2 Employment

Table E – Employment for the last pay period ended on or before 30 June in the construction industry, 2011–2020

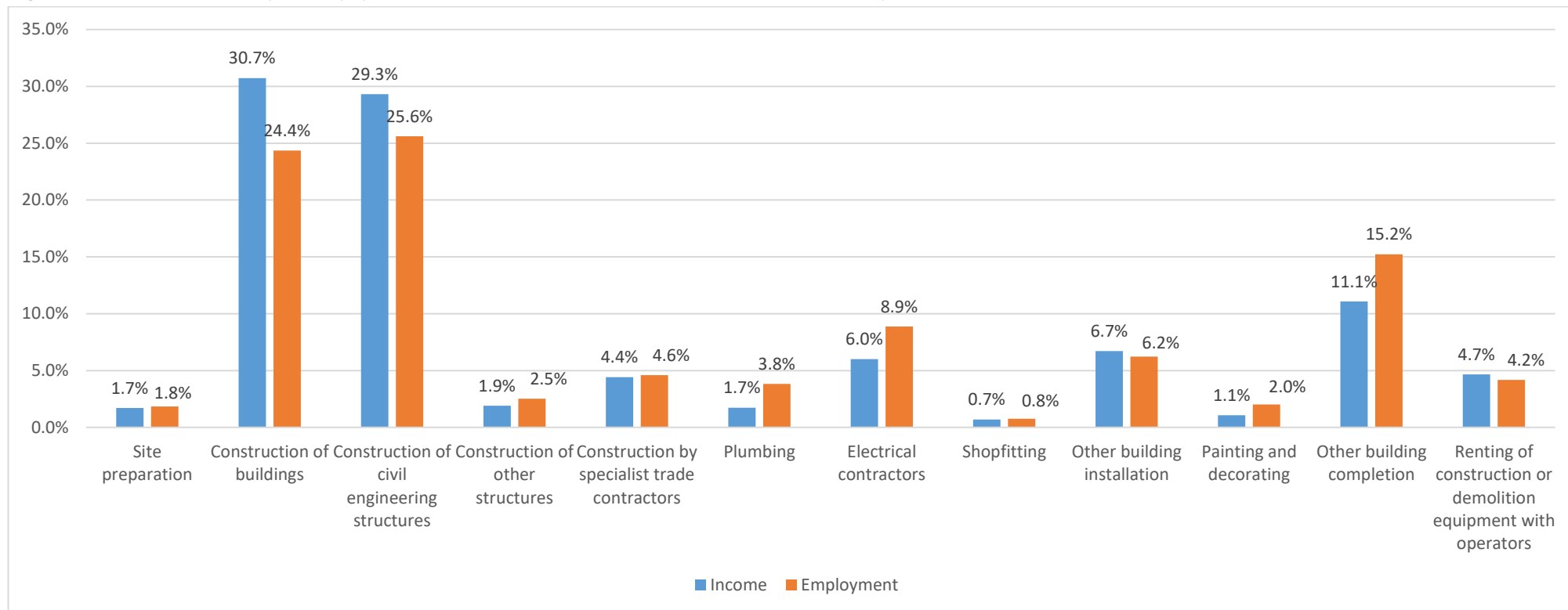
| Type of service  | 2011           |                         | 2014           |                         | 2017           |                         | 2020           |                         |
|--|----------------|-------------------------|----------------|-------------------------|----------------|-------------------------|----------------|-------------------------|
|  | Number         | % contribution to total | Number         | % contribution to total | Number         | % contribution to total | Number         | % contribution to total |
| Site preparation   | 18 161         | 3,8                     | 9 349          | 1,9                     | 8 536          | 1,4                     | 8 713          | 1,8                     |
| Construction of buildings                                      | 120 311        | 24,9                    | 109 328        | 21,8                    | 133 201        | 22,5                    | 115 229        | 24,4                    |
| Construction of civil engineering structures                   | 152 337        | 31,5                    | 165 582        | 33,1                    | 210 167        | 35,5                    | 121 157        | 25,6                    |
| Construction of other structures                               | 10 420         | 2,2                     | 12 723         | 2,5                     | 7 480          | 1,3                     | 11 942         | 2,5                     |
| Construction by specialist trade contractors                   | 25 304         | 5,2                     | 26 351         | 5,3                     | 32 264         | 5,4                     | 21 784         | 4,6                     |
| Plumbing   | 14 792         | 3,1                     | 16 987         | 3,4                     | 17 945         | 3,0                     | 18 089         | 3,8                     |
| Electrical contractors   | 39 873         | 8,2                     | 43 986         | 8,8                     | 34 246         | 5,8                     | 41 933         | 8,9                     |
| Shopfitting  | 3 313          | 0,7                     | 2 889          | 0,6                     | 4 269          | 0,7                     | 3 630          | 0,8                     |
| Other building installation                                    | 30 045         | 6,2                     | 27 568         | 5,5                     | 37 961         | 6,4                     | 29 456         | 6,2                     |
| Painting and decorating  | 12 740         | 2,6                     | 9 980          | 2,0                     | 9 988          | 1,7                     | 9 494          | 2,0                     |
| Other building completion                                      | 33 259         | 6,9                     | 55 171         | 11,0                    | 71 064         | 12,0                    | 72 042         | 15,2                    |
| Renting of construction or demolition equipment with operators | 23 096         | 4,8                     | 20 538         | 4,1                     | 25 004         | 4,2                     | 19 745         | 4,2                     |
| <b>Total</b>   | <b>483 651</b> | <b>100,0</b>            | <b>500 452</b> | <b>100,0</b>            | <b>592 125</b> | <b>100,0</b>            | <b>473 214</b> | <b>100,0</b>            |

Source: Report No. 50-02-01

The total number of persons employed in the construction industry as at end of June 2020 was 473 214. This represents a decrease of 7,2% per annum over the employment reported in the corresponding survey of 2017 (592 125). Comparing 2017 and 2020, large decreases were reported for 'construction of civil engineering structures' (-89 010 jobs), 'construction of buildings' (-17 972 jobs), 'construction by specialist trade contractors' (-10 480 jobs) and 'other building installation' (-8 505 jobs).

Between 2017 and 2020, 'construction of civil engineering structures' lost the biggest percentage share of employment (-9,9 percentage points) (from a percentage contribution of 35,5% in 2017 to 25,6% in 2020).

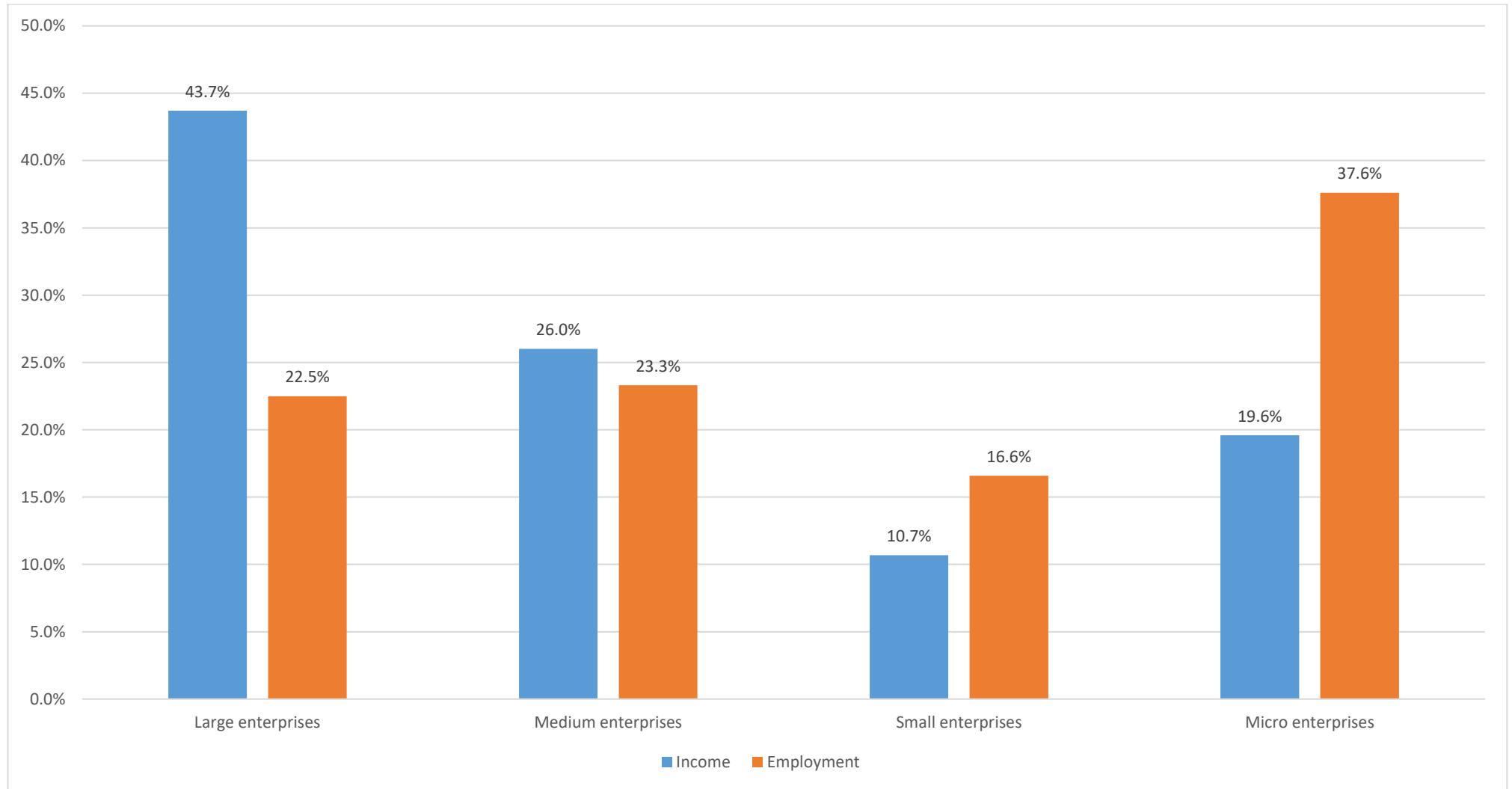
**Figure 1 – Income and employment by type of service (% contribution) in the construction industry, 2020**



The type of service with the highest proportion of income compared with its proportion of employment (based on the ratio of the two proportions) was ‘construction of buildings’ (30,7% of income and 24,4% of employment), followed by ‘construction of civil engineering structures’ (29,3% of income and 25,6% of employment).

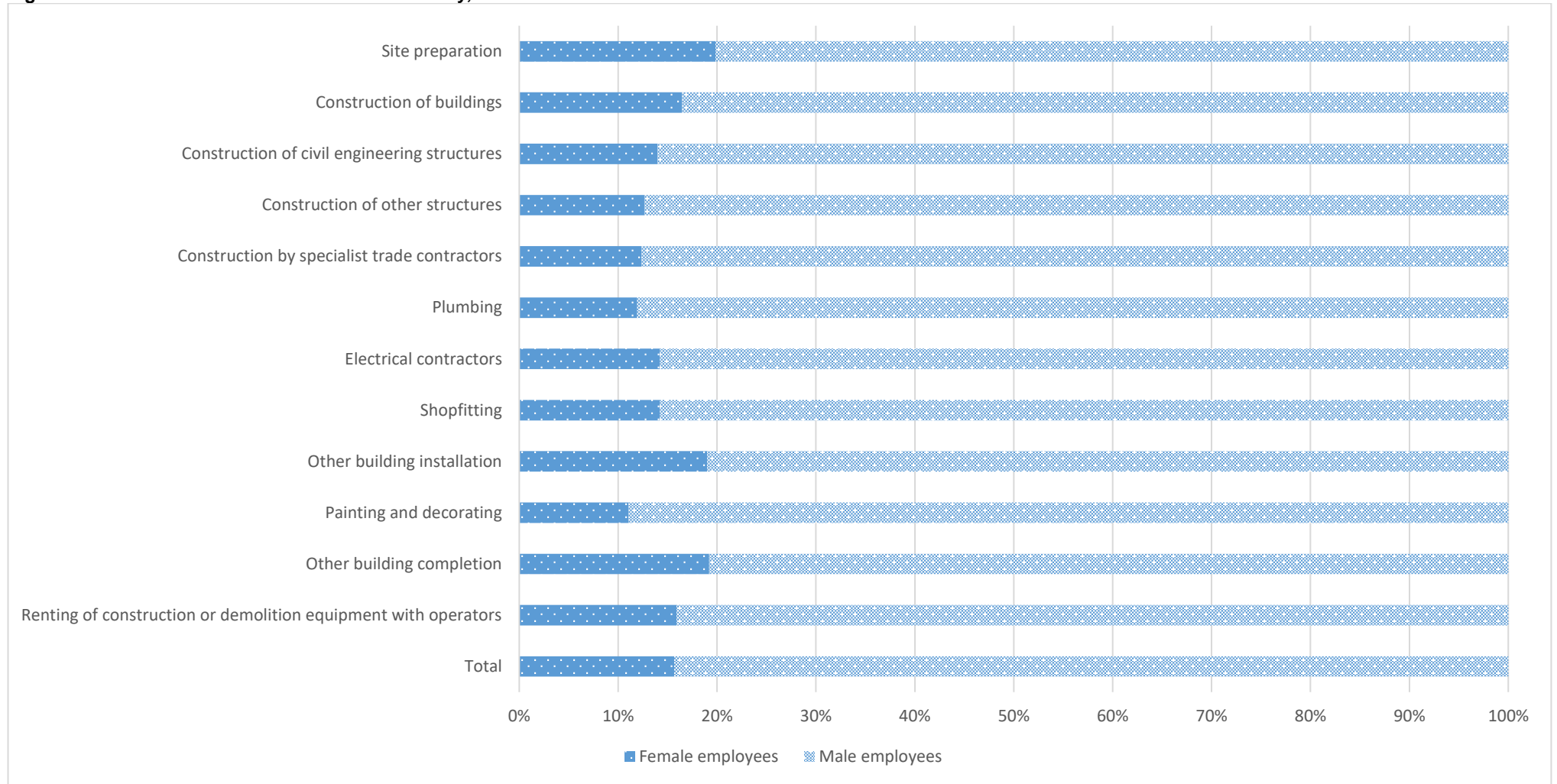
‘Plumbing’ had the highest proportion of employment compared with its proportion of income (3,8% of employment and 1,7% of income), followed by ‘painting and decorating’ (2,0% of employment and 1,1% of income).

**Figure 2 – Income and employment by enterprise size (% contribution) in the construction industry, 2020**



Whereas large enterprises contributed 43,7% of the total income of the construction industry in 2020, their contribution to employment was only 22,5%. Most (77,5%) of the employment in the industry was created by small, medium and micro enterprises (SMMEs).

**Figure 3 – Gender ratios in the construction industry, 2020**



The proportion of females out of the total persons employed was 15,7%. The sector with the highest proportion of females was 'site preparation' (19,9%) whilst 'painting and decoration' had the highest proportion of males employed (88,9%)

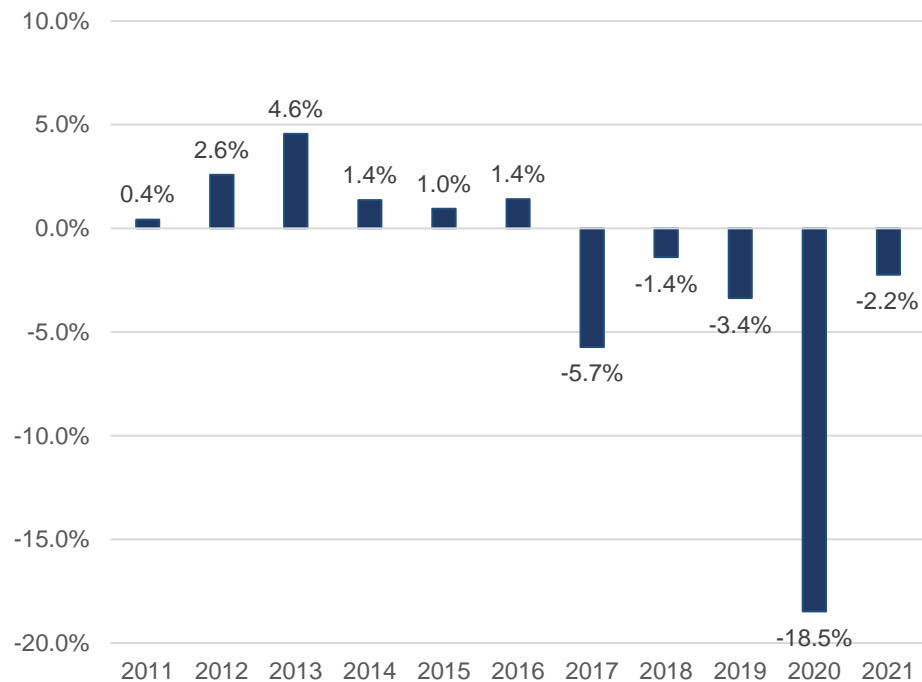
**Table F – Average salaries and wages in the construction industry, 2011–2020**

| Type of service  | 2011               |                 |                            | 2014               |                 |                            | 2017               |                 |                            | 2020               |                 |                            |
|--|--------------------|-----------------|----------------------------|--------------------|-----------------|----------------------------|--------------------|-----------------|----------------------------|--------------------|-----------------|----------------------------|
|  | Salaries and wages | Total employees | Average salaries and wages | Salaries and wages | Total employees | Average salaries and wages | Salaries and wages | Total employees | Average salaries and wages | Salaries and wages | Total employees | Average salaries and wages |
|  | R million          | Number          | Rands                      | R million          | Number          | Rands                      | R million          | Number          | Rands                      | R million          | Number          | Rands                      |
| Site preparation   | 1 040              | 9 686           | 107 371                    | 1 306              | 9 349           | 139 694                    | 1 134              | 8 536           | 132 849                    | 1 652              | 8 713           | 189 602                    |
| Construction of buildings                                      | 6 932              | 103 758         | 66 809                     | 9 093              | 109 328         | 83 172                     | 13 270             | 133 201         | 99 624                     | 15 750             | 115 229         | 136 684                    |
| Construction of civil engineering structures                   | 24 807             | 175 147         | 141 635                    | 27 558             | 165 582         | 166 431                    | 32 395             | 210 167         | 154 139                    | 21 910             | 121 157         | 180 840                    |
| Construction of other structures                               | 646                | 9 562           | 67 559                     | 1 082              | 12 723          | 85 043                     | 999                | 7 480           | 133 556                    | 2 357              | 11 942          | 197 371                    |
| Construction by specialist trade contractors                   | 1 564              | 21 313          | 73 382                     | 3 030              | 26 351          | 114 986                    | 4 136              | 32 264          | 128 192                    | 2 596              | 21 784          | 119 170                    |
| Plumbing   | 1 017              | 14 145          | 71 898                     | 1 283              | 16 987          | 75 528                     | 1 601              | 17 945          | 89 217                     | 1 824              | 18 089          | 100 835                    |
| Electrical contractors   | 4 599              | 41 664          | 110 383                    | 4 143              | 43 986          | 94 189                     | 4 112              | 34 246          | 120 072                    | 5 992              | 41 933          | 142 895                    |
| Shopfitting  | 252                | 2 730           | 92 308                     | 411                | 2 889           | 142 264                    | 561                | 4 269           | 131 413                    | 583                | 3 630           | 160 606                    |
| Other building installation                                    | 3 685              | 29 502          | 124 907                    | 4 873              | 27 568          | 176 763                    | 7 760              | 37 961          | 204 420                    | 5 940              | 29 456          | 201 657                    |
| Painting and decorating  | 704                | 17 138          | 41 078                     | 791                | 9 980           | 79 259                     | 1 066              | 9 988           | 106 728                    | 1 340              | 9 494           | 141 142                    |
| Other building completion                                      | 2 348              | 40 147          | 58 485                     | 4 280              | 55 171          | 77 577                     | 9 085              | 71 064          | 127 843                    | 6 872              | 72 042          | 95 389                     |
| Renting of construction or demolition equipment with operators | 2 203              | 20 675          | 106 554                    | 3 744              | 20 538          | 182 296                    | 4 988              | 25 004          | 199 488                    | 4 566              | 19 745          | 231 248                    |
| <b>Total</b>   | <b>49 797</b>      | <b>485 467</b>  | <b>102 575</b>             | <b>61 594</b>      | <b>500 452</b>  | <b>123 077</b>             | <b>81 107</b>      | <b>592 125</b>  | <b>136 976</b>             | <b>71 382</b>      | <b>473 214</b>  | <b>150 845</b>             |

The average value of salaries and wages in the construction industry in 2020 was R150 845, representing an annualised increase of 3,3% compared with 2017. In 2020, 'renting of construction or demolition equipment with operators' reported the highest average salaries and wages (R231 248). However, 'construction of other structures' reported the highest annualised increase between 2017 and 2020 (13,9%).

**2.3 Construction industry value added**

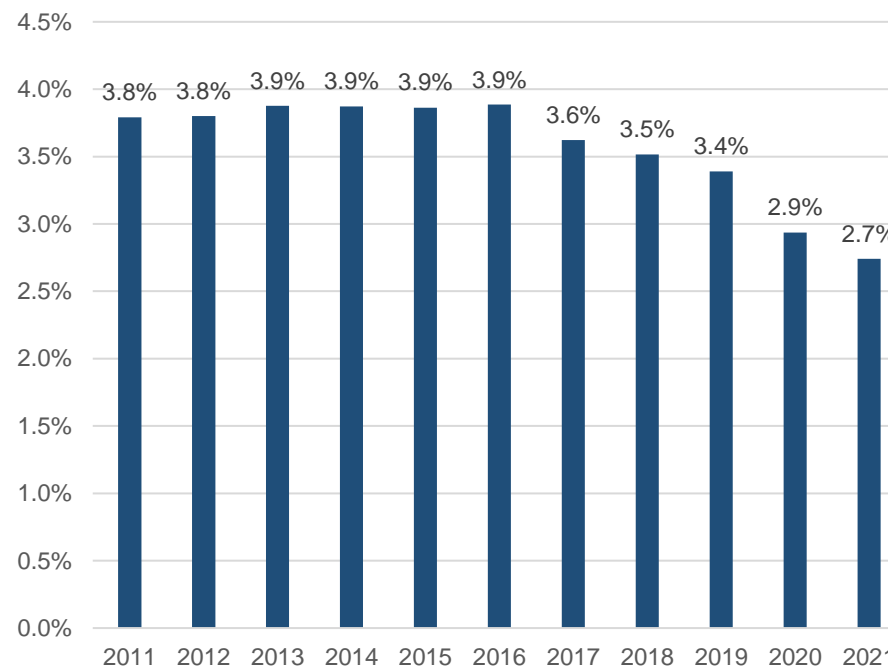
**Figure 4 – Construction industry value added, annual percentage change (constant 2015 prices), 2011–2021**



Source: P0441

The annual growth rate in the construction industry fell from 4,6% in 2013 to -18,5% in 2020, based on value added at constant prices. Between 2011 and 2021, the annual growth rate averaged -2,0%.

**Figure 5 – Percentage contribution of the construction industry to total value added (current prices), 2011–2021**



Source: P0441

Between the two survey years of 2017 and 2020, the contribution of the construction industry to total value added decreased from 3,6% to 2,9%. The decline of 1,1 percentage points between 2011 (3,8%) and 2021 (2,7%) was steeper.



## 2.4 Capital expenditure on new assets

Table G – Capital expenditure on new assets in the construction industry, 2011–2020

| Type of service  | 2011          |                | 2014          |                | 2017          |                | 2020          |                |
|--|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|
|  | R million     | % contribution | R million     | % contribution | R million     | % contribution | R million     | % contribution |
| Site preparation   | 771           | 6,8            | 2 007         | 15,5           | 378           | 2,8            | 848           | 7,6            |
| Construction of buildings                                      | 1 564         | 13,9           | 1 643         | 12,7           | 3 179         | 23,7           | 1 459         | 13,1           |
| Construction of civil engineering structures                   | 5 066         | 45,0           | 3 642         | 28,2           | 3 397         | 25,3           | 2 222         | 20,0           |
| Construction of other structures                               | 86            | 0,8            | 135           | 1,0            | 173           | 1,3            | 47            | 0,4            |
| Construction by specialist trade contractors                   | 338           | 3,0            | 711           | 5,5            | 955           | 7,1            | 321           | 2,9            |
| Plumbing   | 142           | 1,3            | 228           | 1,8            | 134           | 1,0            | 128           | 1,2            |
| Electrical contractors   | 829           | 7,4            | 1 121         | 8,7            | 1 023         | 7,6            | 602           | 5,4            |
| Shopfitting  | 30            | 0,3            | 36            | 0,3            | 109           | 0,8            | 38            | 0,3            |
| Other building installation                                    | 423           | 3,8            | 553           | 4,3            | 505           | 3,8            | 166           | 1,5            |
| Painting and decorating  | 65            | 0,6            | 97            | 0,8            | 95            | 0,7            | 46            | 0,4            |
| Other building completion                                      | 251           | 2,2            | 364           | 2,8            | 776           | 5,8            | 1 425         | 12,8           |
| Renting of construction or demolition equipment with operators | 1 699         | 15,1           | 2 374         | 18,4           | 2 697         | 20,1           | 3 800         | 34,2           |
| <b>Total</b>   | <b>11 264</b> | <b>100,0</b>   | <b>12 911</b> | <b>100,0</b>   | <b>13 421</b> | <b>100,0</b>   | <b>11 102</b> | <b>100,0</b>   |

The total capital expenditure on new assets in the construction industry in 2020 was R11,1 billion. The largest contributor to total capital expenditure was 'renting of construction or demolition equipment with operators' (R3,8 billion or 34,2%), followed by 'construction of civil engineering structures' (R2,2 billion or 20,0%) and 'construction of buildings' (R1,5 billion or 13,1%).

The capital expenditure on new assets of R11,1 billion in 2020 represents a decrease of 6,1% per annum over the expenditure reported in the corresponding survey of 2017 (R13,4 billion). Comparing 2017 and 2020, 'renting of construction or demolition equipment with operators' shows the largest increase (+R1,1 billion) and 'construction of buildings' shows the largest decrease (-R1,7 billion).



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Statistician-General

## 3. Tables

Table 1 – Principal statistics in the construction industry, 2017 and 2020

| Type of service  | Total income      |                   |                        | Total expenditure |                   |                        | Total value of opening inventory |                   |                        |
|--|-------------------|-------------------|------------------------|-------------------|-------------------|------------------------|----------------------------------|-------------------|------------------------|
|  | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised<br>% change | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised<br>% change | 2017 <sup>1</sup>                | 2020 <sup>2</sup> | Annualised<br>% change |
|  | R million         |                   |                        | R million         |                   |                        | R million                        |                   |                        |
| Site preparation   | 7 188             | 7 461             | 1,3                    | 6 681             | 6 884             | 1,0                    | 92                               | 102               | 3,5                    |
| Construction of buildings                                      | 115 923           | 134 157           | 5,0                    | 110 339           | 128 388           | 5,2                    | 12 811                           | 15 466            | 6,5                    |
| Construction of civil engineering structures                   | 186 740           | 127 958           | -11,8                  | 178 654           | 126 502           | -10,9                  | 4 541                            | 5 488             | 6,5                    |
| Construction of other structures                               | 7 139             | 8 362             | 5,4                    | 6 372             | 8 756             | 11,2                   | 180                              | 296               | 18,0                   |
| Construction by specialist trade contractors                   | 22 353            | 19 318            | -4,7                   | 21 800            | 18 499            | -5,3                   | 554                              | 1 223             | 30,2                   |
| Plumbing   | 6 724             | 7 573             | 4,0                    | 6 470             | 7 269             | 4,0                    | 148                              | 277               | 23,2                   |
| Electrical contractors   | 20 640            | 26 257            | 8,4                    | 19 625            | 25 841            | 9,6                    | 963                              | 724               | -9,1                   |
| Shopfitting  | 3 095             | 2 984             | -1,2                   | 2 917             | 2 820             | -1,1                   | 47                               | 100               | 28,6                   |
| Other building installation                                    | 32 394            | 29 307            | -3,3                   | 30 717            | 27 790            | -3,3                   | 1 068                            | 1 520             | 12,5                   |
| Painting and decorating  | 4 078             | 4 667             | 4,6                    | 3 781             | 4 512             | 6,1                    | 55                               | 180               | 48,5                   |
| Other building completion                                      | 41 157            | 48 336            | 5,5                    | 40 146            | 46 486            | 5,0                    | 1 056                            | 1 574             | 14,2                   |
| Renting of construction or demolition equipment with operators | 22 716            | 20 325            | -3,6                   | 22 041            | 18 863            | -5,1                   | 209                              | 289               | 11,4                   |
| <b>Total</b>   | <b>470 147</b>    | <b>436 705</b>    | <b>-2,4</b>            | <b>449 543</b>    | <b>422 610</b>    | <b>-2,0</b>            | <b>21 724</b>                    | <b>27 239</b>     | <b>7,8</b>             |

<sup>1</sup>Revised figures<sup>2</sup>Preliminary figures

**Table 1 – Principal statistics in the construction industry, 2017 and 2020 (concluded)**

| Type of service  | Total value of closing inventories |                   |                     | Net profit or loss before tax |                   | Capital expenditure on new assets |                   |                     |
|--|------------------------------------|-------------------|---------------------|-------------------------------|-------------------|-----------------------------------|-------------------|---------------------|
|  | 2017 <sup>1</sup>                  | 2020 <sup>2</sup> | Annualised % change | 2017 <sup>1</sup>             | 2020 <sup>2</sup> | 2017 <sup>1</sup>                 | 2020 <sup>2</sup> | Annualised % change |
|  | R million                          |                   |                     | R million                     |                   | R million                         |                   |                     |
| Site preparation   | 102                                | 100               | -0,7                | 517                           | 575               | 378                               | 848               | 30,9                |
| Construction of buildings                                      | 14 378                             | 15 050            | 1,5                 | 7 151                         | 5 353             | 3 179                             | 1 459             | -22,9               |
| Construction of civil engineering structures                   | 3 311                              | 5 407             | 17,8                | 6 856                         | 1 375             | 3 397                             | 2 222             | -13,2               |
| Construction of other structures                               | 155                                | 1 003             | 86,3                | 742                           | 313               | 173                               | 47                | -35,2               |
| Construction by specialist trade contractors                   | 685                                | 810               | 5,7                 | 684                           | 406               | 955                               | 321               | -30,5               |
| Plumbing   | 337                                | 347               | 1,0                 | 443                           | 374               | 134                               | 128               | -1,5                |
| Electrical contractors   | 1 002                              | 1 147             | 4,6                 | 1 054                         | 839               | 1 023                             | 602               | -16,2               |
| Shopfitting  | 56                                 | 88                | 16,3                | 187                           | 152               | 109                               | 38                | -29,6               |
| Other building installation                                    | 1 459                              | 1 310             | -3,5                | 2 068                         | 1 307             | 505                               | 166               | -31,0               |
| Painting and decorating  | 17                                 | 204               | 128,9               | 259                           | 179               | 95                                | 46                | -21,5               |
| Other building completion                                      | 1 135                              | 2 816             | 35,4                | 1 090                         | 3 092             | 776                               | 1 425             | 22,5                |
| Renting of construction or demolition equipment with operators | 245                                | 471               | 24,3                | 711                           | 1 644             | 2 697                             | 3 800             | 12,1                |
| <b>Total</b>   | <b>22 882</b>                      | <b>28 753</b>     | <b>7,9</b>          | <b>21 762</b>                 | <b>15 609</b>     | <b>13 421</b>                     | <b>11 102</b>     | <b>-6,1</b>         |

<sup>1</sup>Revised figures<sup>2</sup>Preliminary figures

**Table 2 – Principal statistics by type of service in the construction industry, 2020<sup>2</sup>**

| Type of service  | Total income   | Total expenditure | Total value of opening inventories | Total value of closing inventories | Net profit or loss before tax | Capital expenditure on new assets | Total employees |
|--|----------------|-------------------|------------------------------------|------------------------------------|-------------------------------|-----------------------------------|-----------------|
|  | R million      |                   |                                    |                                    |                               |                                   | Number          |
| Site preparation   | 7 461          | 6 884             | 102                                | 100                                | 575                           | 848                               | 8 713           |
| Construction of buildings                                      | 134 157        | 128 388           | 15 466                             | 15 050                             | 5 353                         | 1 459                             | 115 229         |
| Construction of civil engineering structures                   | 127 958        | 126 502           | 5 488                              | 5 407                              | 1 375                         | 2 222                             | 121 157         |
| Construction of other structures                               | 8 362          | 8 756             | 296                                | 1 003                              | 313                           | 47                                | 11 942          |
| Construction by specialist trade contractors                   | 19 318         | 18 499            | 1 223                              | 810                                | 406                           | 321                               | 21 784          |
| Plumbing   | 7 573          | 7 269             | 277                                | 347                                | 374                           | 128                               | 18 089          |
| Electrical contractors   | 26 257         | 25 841            | 724                                | 1 147                              | 839                           | 602                               | 41 933          |
| Shopfitting  | 2 984          | 2 820             | 100                                | 88                                 | 152                           | 38                                | 3 630           |
| Other building installation                                    | 29 307         | 27 790            | 1 520                              | 1 310                              | 1 307                         | 166                               | 29 456          |
| Painting and decorating  | 4 667          | 4 512             | 180                                | 204                                | 179                           | 46                                | 9 494           |
| Other building completion                                      | 48 336         | 46 486            | 1 574                              | 2 816                              | 3 092                         | 1 425                             | 72 042          |
| Renting of construction or demolition equipment with operators | 20 325         | 18 863            | 289                                | 471                                | 1 644                         | 3 800                             | 19 745          |
| <b>Total</b>   | <b>436 705</b> | <b>422 610</b>    | <b>27 239</b>                      | <b>28 753</b>                      | <b>15 609</b>                 | <b>11 102</b>                     | <b>473 214</b>  |

<sup>2</sup>Preliminary figures

**Table 3 – Income in the construction industry, 2017 and 2020**

| Type of income            | 2017 <sup>1</sup> | 2020 <sup>2</sup> | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised % change |
|---------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
|                           | R million         |                   | % contribution    |                   |                     |
| Sales of goods            | 17 846            | 10 525            | 3,8               | 2,4               | -16,1               |
| Services rendered         | 430 168           | 405 740           | 91,4              | 92,9              | -1,9                |
| Rental and leasing income | 4 176             | 2 063             | 0,9               | 0,5               | -20,9               |
| Interest                  | 4 025             | 6 443             | 0,9               | 1,5               | 17,0                |
| Other                     | 13 932            | 11 934            | 3,0               | 2,7               | -5,0                |
| <b>Total</b>              | <b>470 147</b>    | <b>436 705</b>    | <b>100,0</b>      | <b>100,0</b>      | <b>-2,4</b>         |

<sup>1</sup>Revised figures<sup>2</sup>Preliminary figures

**Table 4 – Income by type of service in the construction industry, 2020<sup>2</sup>**

| Type of service  | Sales         | Services       | Rental       | Interest     | Other income total | Total income   |
|--|---------------|----------------|--------------|--------------|--------------------|----------------|
|  | R million     |                |              |              |                    |                |
| Site preparation   | 125           | 7 171          | 13           | 29           | 123                | 7 461          |
| Construction of buildings                                      | 1 070         | 128 756        | 920          | 1 734        | 1 677              | 134 157        |
| Construction of civil engineering structures                   | 1 056         | 116 430        | 392          | 3 730        | 6 350              | 127 958        |
| Construction of other structures                               | 199           | 7 505          | 14           | 65           | 579                | 8 362          |
| Construction by specialist trade contractors                   | 99            | 18 773         | 78           | 106          | 262                | 19 318         |
| Plumbing   | 29            | 7 365          | 2            | 50           | 127                | 7 573          |
| Electrical contractors   | 575           | 25 224         | 27           | 175          | 256                | 26 257         |
| Shopfitting  | 255           | 2 671          | 6            | 4            | 48                 | 2 984          |
| Other building installation                                    | 3 691         | 25 021         | 3            | 207          | 385                | 29 307         |
| Painting and decorating  | 1             | 4 590          | 4            | 25           | 47                 | 4 667          |
| Other building completion                                      | 3 119         | 43 567         | 15           | 132          | 1 503              | 48 336         |
| Renting of construction or demolition equipment with operators | 306           | 18 667         | 589          | 186          | 577                | 20 325         |
| <b>Total</b>   | <b>10 525</b> | <b>405 740</b> | <b>2 063</b> | <b>6 443</b> | <b>11 934</b>      | <b>436 705</b> |

<sup>2</sup>Preliminary figures

**Table 5 – Expenditure in the construction industry, 2017 and 2020**

| Type of expenditure                | 2017 <sup>1</sup> | 2020 <sup>2</sup> | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised<br>% change |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------|
|                                    | R million         |                   | % contribution    |                   |                        |
| Administration and management fees | 3 762             | 2 867             | 0,8               | 0,7               | -8,7                   |
| Salaries and wages                 | 81 107            | 71 382            | 18,1              | 16,9              | -4,2                   |
| Insurance premiums                 | 2 760             | 3 419             | 0,6               | 0,8               | 7,4                    |
| Interest paid                      | 4 120             | 6 196             | 0,9               | 1,5               | 14,6                   |
| Leasing and hiring                 | 9 917             | 5 690             | 2,2               | 1,3               | -16,9                  |
| Purchases                          | 193 381           | 210 224           | 43,0              | 49,7              | 2,8                    |
| Rental                             | 3 406             | 3 181             | 0,8               | 0,8               | -2,3                   |
| Repair and maintenance             | 5 042             | 3 759             | 1,1               | 0,9               | -9,3                   |
| Subcontractors paid                | 80 083            | 59 427            | 17,8              | 14,0              | -9,5                   |
| Motor vehicle expenses             | 7 076             | 5 882             | 1,6               | 1,4               | -6,0                   |
| Other expenses                     | 58 889            | 50 583            | 13,1              | 12,0              | -4,9                   |
| <b>Total expenditure</b>           | <b>449 543</b>    | <b>422 610</b>    | <b>100,0</b>      | <b>100,0</b>      | <b>-2,0</b>            |

<sup>1</sup>Revised figures<sup>2</sup>Preliminary figures

**Table 6 – Expenditure in the construction industry, 2020<sup>2</sup>**

| Type of service  | Purchases      | Salaries and wages | Subcontractors paid | Leasing and hiring | Motor vehicle expenses | Other expenses | Total expenditure |
|--|----------------|--------------------|---------------------|--------------------|------------------------|----------------|-------------------|
|  | R million      |                    |                     |                    |                        |                |                   |
| Site preparation   | 2 396          | 1 652              | 63                  | 259                | 189                    | 2 325          | 6 884             |
| Construction of buildings                                      | 60 953         | 15 750             | 32 434              | 1 186              | 1 585                  | 16 480         | 128 388           |
| Construction of civil engineering structures                   | 58 237         | 21 910             | 19 846              | 2 275              | 1 077                  | 23 157         | 126 502           |
| Construction of other structures                               | 3 821          | 2 357              | 113                 | 184                | 124                    | 2 157          | 8 756             |
| Construction by specialist trade contractors                   | 10 153         | 2 596              | 776                 | 290                | 326                    | 4 358          | 18 499            |
| Plumbing   | 4 028          | 1 824              | 41                  | 48                 | 301                    | 1 027          | 7 269             |
| Electrical contractors   | 14 844         | 5 992              | 380                 | 107                | 560                    | 3 958          | 25 841            |
| Shopfitting  | 1 606          | 583                | 60                  | 16                 | 91                     | 464            | 2 820             |
| Other building installation                                    | 16 242         | 5 940              | 1 511               | 347                | 421                    | 3 329          | 27 790            |
| Painting and decorating  | 1 851          | 1 340              | 429                 | 81                 | 135                    | 676            | 4 512             |
| Other building completion                                      | 29 558         | 6 872              | 3 249               | 342                | 782                    | 5 683          | 46 486            |
| Renting of construction or demolition equipment with operators | 6 535          | 4 566              | 525                 | 555                | 291                    | 6 391          | 18 863            |
| <b>Total</b>   | <b>210 224</b> | <b>71 382</b>      | <b>59 427</b>       | <b>5 690</b>       | <b>5 882</b>           | <b>70 005</b>  | <b>422 610</b>    |

<sup>2</sup>Preliminary figures



**Table 7 – Capital expenditure on new assets by type of asset in the construction industry, 2017 and 2020**

| Type of asset                               | 2017 <sup>1</sup> | 2020 <sup>2</sup> | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised % change |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|
|   | R million         |                   | % contribution    |                   |                     |
| Land, buildings and construction            | 1 210             | 1 204             | 9,0               | 10,8              | -0,2                |
| Vehicles                                    | 3 248             | 2 593             | 24,2              | 23,4              | -7,2                |
| Plant, machinery and capex work in progress | 8 188             | 6 763             | 61,0              | 60,9              | -6,2                |
| Other                                       | 775               | 542               | 5,8               | 4,9               | -11,2               |
| <b>Total</b>                                | <b>13 421</b>     | <b>11 102</b>     | <b>100,0</b>      | <b>100,0</b>      | <b>-6,1</b>         |

<sup>1</sup>Revised figures<sup>2</sup>Preliminary figures

**Table 8 – Capital expenditure on new assets in the construction industry, 2020<sup>2</sup>**

| Type of service  | Land and buildings and construction | Plant and machinery | Computers  | Vehicles     | Capex work in progress | Other      | Total         |
|--|-------------------------------------|---------------------|------------|--------------|------------------------|------------|---------------|
|  | R million                           |                     |            |              |                        |            |               |
| Site preparation   | 0                                   | 693                 | 5          | 145          | 3                      | 2          | 848           |
| Construction of buildings                                      | 500                                 | 569                 | 33         | 277          | 46                     | 34         | 1 459         |
| Construction of civil engineering structures                   | 46                                  | 1 435               | 86         | 507          | 136                    | 12         | 2 222         |
| Construction of other structures                               | 0                                   | 29                  | 1          | 15           | 0                      | 2          | 47            |
| Construction by specialist trade contractors                   | 39                                  | 88                  | 2          | 153          | 0                      | 39         | 321           |
| Plumbing   | 0                                   | 70                  | 1          | 53           | 2                      | 2          | 128           |
| Electrical contractors   | 54                                  | 90                  | 10         | 428          | 18                     | 2          | 602           |
| Shopfitting  | 0                                   | 18                  | 1          | 18           | 0                      | 1          | 38            |
| Other building installation                                    | 16                                  | 48                  | 18         | 62           | 0                      | 22         | 166           |
| Painting and decorating  | 2                                   | 15                  | 2          | 26           | 0                      | 1          | 46            |
| Other building completion                                      | 541                                 | 141                 | 63         | 660          | 0                      | 20         | 1 425         |
| Renting of construction or demolition equipment with operators | 6                                   | 3 362               | 14         | 249          | 0                      | 169        | 3 800         |
| <b>Total</b>   | <b>1 204</b>                        | <b>6 558</b>        | <b>236</b> | <b>2 593</b> | <b>205</b>             | <b>306</b> | <b>11 102</b> |

<sup>2</sup>Preliminary figures

**Table 9 – Employment in the construction industry as at the end of June, 2017 and 2020**

| Type of service  | Male employees    |                   |                     | Female employees  |                   |                     | Total employees   |                   |                     |
|--|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|
|  | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised % change | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised % change | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised % change |
|  | Number            |                   |                     | Number            |                   |                     | Number            |                   |                     |
| Site preparation   | 7 232             | 6 984             | -1,2                | 1 304             | 1 729             | 9,9                 | 8 536             | 8 713             | 0,7                 |
| Construction of buildings                                      | 117 096           | 96 258            | -6,3                | 16 105            | 18 971            | 5,6                 | 133 201           | 115 229           | -4,7                |
| Construction of civil engineering structures                   | 176 926           | 104 208           | -16,2               | 33 241            | 16 949            | -20,1               | 210 167           | 121 157           | -16,8               |
| Construction of other structures                               | 6 410             | 10 433            | 17,6                | 1 070             | 1 509             | 12,1                | 7 480             | 11 942            | 16,9                |
| Construction by specialist trade contractors                   | 28 855            | 19 087            | -12,9               | 3 409             | 2 697             | -7,5                | 32 264            | 21 784            | -12,3               |
| Plumbing   | 15 409            | 15 930            | 1,1                 | 2 536             | 2 159             | -5,2                | 17 945            | 18 089            | 0,3                 |
| Electrical contractors   | 29 695            | 35 970            | 6,6                 | 4 551             | 5 963             | 9,4                 | 34 246            | 41 933            | 7,0                 |
| Shopfitting  | 3 734             | 3 113             | -5,9                | 535               | 517               | -1,1                | 4 269             | 3 630             | -5,3                |
| Other building installation                                    | 32 090            | 23 858            | -9,4                | 5 871             | 5 598             | -1,6                | 37 961            | 29 456            | -8,1                |
| Painting and decorating  | 8 946             | 8 443             | -1,9                | 1 042             | 1 051             | 0,3                 | 9 988             | 9 494             | -1,7                |
| Other building completion                                      | 59 429            | 58 203            | -0,7                | 11 635            | 13 839            | 6,0                 | 71 064            | 72 042            | 0,5                 |
| Renting of construction or demolition equipment with operators | 23 323            | 16 601            | -10,7               | 1 681             | 3 144             | 23,2                | 25 004            | 19 745            | -7,6                |
| <b>Total</b>   | <b>509 145</b>    | <b>399 088</b>    | <b>-7,8</b>         | <b>82 980</b>     | <b>74 126</b>     | <b>-3,7</b>         | <b>592 125</b>    | <b>473 214</b>    | <b>-7,2</b>         |

<sup>1</sup>Revised figures<sup>2</sup>Preliminary figures

**Table 10 – Details of services in the construction industry, 2017 and 2020**

| Type of service  | 2017 <sup>1</sup> | 2020 <sup>2</sup> | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised % change |
|--|-------------------|-------------------|-------------------|-------------------|---------------------|
|  | R million         |                   | % contribution    |                   |                     |
| Site preparation   | 9 985             | 11 602            | 2,3               | 2,9               | 5,1                 |
| Rental of construction equipment with driver/operator                          | 22 536            | 17 492            | 5,2               | 4,3               | -8,1                |
| Construction of residential buildings  | 37 847            | 44 263            | 8,8               | 10,9              | 5,4                 |
| <b>Construction of non-residential buildings</b>                               |                   |                   |                   |                   |                     |
| Construction of commercial and industrial buildings                            | 29 613            | 32 503            | 6,9               | 8,0               | 3,2                 |
| Construction of other non-residential buildings                                | 11 064            | 15 002            | 2,6               | 3,7               | 10,7                |
| <b>Civil engineering works</b>   |                   |                   |                   |                   |                     |
| Construction, alterations and repair of highways (excluding elevated highways) | 41 330            | 43 482            | 9,6               | 10,7              | 1,7                 |
| Construction of mines and industrial plants                                    | 39 239            | 26 497            | 9,1               | 6,5               | -12,3               |
| Construction of harbours, waterways, dams, irrigation and other water works    | 3 307             | 2 776             | 0,8               | 0,7               | -5,7                |
| Construction of long-distance pipelines and communication and power lines      | 4 527             | 3 953             | 1,1               | 1,0               | -4,4                |
| Construction local pipelines, cables and related works                         | 7 025             | 10 155            | 1,6               | 2,5               | 13,1                |
| Other civil engineering works  | 15 868            | 8 907             | 3,7               | 2,2               | -17,5               |
| Construction by specialist trade contractors                                   | 21 686            | 18 796            | 5,0               | 4,6               | -4,7                |
| <b>Building installation and completion</b>                                    |                   |                   |                   |                   |                     |
| Plumbing   | 7 006             | 7 870             | 1,6               | 1,9               | 4,0                 |
| Electrical contracting   | 25 307            | 27 319            | 5,9               | 6,7               | 2,6                 |
| Shopfitting services   | 1 977             | 2 964             | 0,5               | 0,7               | 14,5                |
| Other building installation services   | 25 892            | 26 490            | 6,0               | 6,6               | 0,8                 |
| Painting and decorating  | 8 984             | 4 759             | 2,1               | 1,2               | -19,1               |
| Other building completion  | 18 898            | 20 992            | 4,4               | 5,2               | 3,6                 |
| Engineering services   | 8 749             | 10 772            | 2,0               | 2,7               | 7,2                 |
| Project management services for construction projects                          | 3 699             | 3 312             | 0,9               | 0,8               | -3,6                |
| Other activities   | 5 546             | 6 407             | 1,3               | 1,6               | 4,9                 |
| <b>Total income from services rendered (excluding work subcontracted out)</b>  | <b>350 085</b>    | <b>346 313</b>    | <b>81,4</b>       | <b>85,4</b>       | <b>-0,4</b>         |
| Work subcontracted out   | 80 083            | 59 427            | 18,6              | 14,6              | -9,5                |
| <b>Total income from services rendered</b>                                     | <b>430 168</b>    | <b>405 740</b>    | <b>100,0</b>      | <b>100,0</b>      | <b>-1,9</b>         |

<sup>1</sup>Revised figures<sup>2</sup>Preliminary figures

**Table 11 – Details of purchases in the construction industry, 2017 and 2020**

| Type of purchase  | 2017 <sup>1</sup> | 2020 <sup>2</sup> | 2017 <sup>1</sup> | 2020 <sup>2</sup> | Annualised % change |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|
|   | R million         |                   | % contribution    |                   |                     |
| Cement  | 9 242             | 8 809             | 4,8               | 4,2               | -1,6                |
| Sand, aggregate, gravel, pebbles, crushed stone                                 | 12 658            | 12 487            | 6,5               | 5,9               | -0,5                |
| Ready mixed concrete  | 16 849            | 15 051            | 8,7               | 7,2               | -3,7                |
| Walling, roofing and flooring material (including bricks and blocks)            | 43 098            | 53 985            | 22,2              | 25,7              | 7,8                 |
| Reinforcing steel products (gabions, re-bars, wire reinforcing mesh and strips) | 33 228            | 28 640            | 17,2              | 13,6              | -4,8                |
| Electrical fittings, equipment and supplies                                     | 31 209            | 33 581            | 16,1              | 16,0              | 2,5                 |
| Paint and lime washes (including pigments, binders and thinners)                | 4 992             | 4 025             | 2,6               | 1,9               | -6,9                |
| Asphalt and bitumen products  | 9 596             | 11 841            | 5,0               | 5,6               | 7,3                 |
| Fuel for off-road vehicles, machinery and trucks used in construction           | 10 248            | 9 552             | 5,3               | 4,5               | -2,3                |
| Other construction purchases  | 13 845            | 19 072            | 7,2               | 9,1               | 11,3                |
| Other purchases   | 8 416             | 13 181            | 4,4               | 6,3               | 16,1                |
| <b>Total purchases and transfers-in of materials</b>                            | <b>193 381</b>    | <b>210 224</b>    | <b>100,0</b>      | <b>100,0</b>      | <b>2,8</b>          |

<sup>1</sup>Revised figures<sup>2</sup>Preliminary figures

**Table 12 – Client base in the construction industry, 2020<sup>2</sup>**

| Type of service  | Businesses (including parastatals) | Individuals   | Government (national, provincial and local) | Total income from services |
|--|------------------------------------|---------------|---|----------------------------|
|  | R million                          |               |   |                            |
| Site preparation   | 6 836                              | 246           | 89  | 7 171                      |
| Construction of buildings                                      | 101 824                            | 8 369         | 18 563                                      | 128 756                    |
| Construction of civil engineering structures                   | 77 011                             | 823           | 38 596                                      | 116 430                    |
| Construction of other structures                               | 6 014                              | 410           | 1 081                                       | 7 505                      |
| Construction by specialist trade contractors                   | 14 625                             | 257           | 3 891                                       | 18 773                     |
| Plumbing   | 6 472                              | 833           | 60  | 7 365                      |
| Electrical contractors   | 19 166                             | 688           | 5 370                                       | 25 224                     |
| Shopfitting  | 2 172                              | 385           | 114   | 2 671                      |
| Other building installation                                    | 22 388                             | 722           | 1 911                                       | 25 021                     |
| Painting and decorating  | 4 355                              | 235           | 0   | 4 590                      |
| Other building completion                                      | 31 896                             | 3 827         | 7 844                                       | 43 567                     |
| Renting of construction or demolition equipment with operators | 17 960                             | 23            | 684   | 18 667                     |
| <b>Total</b>   | <b>310 719</b>                     | <b>16 818</b> | <b>78 203</b>                               | <b>405 740</b>             |

<sup>2</sup>Preliminary figures

**Table 13 – Information and communication technology usage by type of service in the construction industry, 2020<sup>2</sup>**

| Type of service  | Use computer | Use internet | Use fixed phone lines | Use fax machine | Use corporate mobile phone | IT outsourced |
|--|--------------|--------------|-----------------------|-----------------|----------------------------|---------------|
|  | %            |              |                       |                 |                            |               |
| Site preparation   | 40,6         | 40,2         | 38,3                  | 32,2            | 35,9                       | 24,4          |
| Construction of buildings                                      | 58,1         | 58,1         | 54,8                  | 46,8            | 53,2                       | 27,4          |
| Construction of civil engineering structures                   | 38,9         | 38,7         | 36,7                  | 31,5            | 32,8                       | 24,2          |
| Construction of other structures                               | 50,4         | 49,4         | 48,2                  | 40,2            | 44,5                       | 30,6          |
| Construction by specialist trade contractors                   | 30,9         | 30,9         | 30,9                  | 29,4            | 30,9                       | 17,6          |
| Plumbing   | 42,5         | 42,5         | 40,9                  | 29,1            | 39,4                       | 25,2          |
| Electrical contractors   | 31,8         | 31,8         | 28,5                  | 23,6            | 27,3                       | 17,8          |
| Shopfitting  | 41,6         | 40,4         | 37,6                  | 31,2            | 37,2                       | 27,6          |
| Other building installation                                    | 24,0         | 24,0         | 23,0                  | 19,0            | 24,0                       | 18,0          |
| Painting and decorating  | 53,4         | 53,4         | 52,5                  | 41,6            | 47,0                       | 29,7          |
| Other building completion                                      | 26,6         | 26,6         | 23,4                  | 17,7            | 24,2                       | 12,9          |
| Renting of construction or demolition equipment with operators | 25,9         | 25,9         | 24,5                  | 22,4            | 23,8                       | 13,3          |
| <b>Total</b>   | <b>55,2</b>  | <b>55,2</b>  | <b>51,0</b>           | <b>46,9</b>     | <b>50,3</b>                | <b>37,1</b>   |

<sup>2</sup>Preliminary figures

**Explanatory notes****Background**

The results presented in this publication have been derived from the 2020 construction industry 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 enterprises operating in the construction industry.

The sample was drawn from Stats SA's business register. The business register is mainly based on the value added tax (VAT) database of the South African Revenue Service (SARS). Stats SA continuously updates its business register, based on units registered in the taxation system at SARS.

The previous survey of the construction industry, namely 'Construction industry, 2017' was conducted for the year 2017. All figures exclude value added tax (VAT).

**Reference period**

The information was collected from enterprises for their financial year which ended on any date between 1 July 2019 and 30 June 2020.

**Purpose of the survey**

Results of the survey are used within stats SA for benchmarking national accounts (e.g. the gross domestic product (GDP)) and compiling supply-use tables. These statistics are also used by government to develop and monitor policies and plans to grow the economy and create jobs. The private sector uses the data to analyse comparative businesses.

**Scope and coverage**

This survey covers enterprises registered in the taxation system that are mainly engaged in construction. It includes the following groups within its scope:

- Site preparation (SIC 5010);
- Construction of buildings (SIC 5021);
- Construction of civil engineering structures (SIC 5022);
- Construction of other structures (SIC 5023);
- Construction by specialist trade contractors (SIC 5024);
- Plumbing (SIC 5031);
- Electrical contractors (SIC 5032);
- Shopfitting (SIC 5033);
- Other building installation (SIC 5039);
- Painting and decorating (SIC 5041);
- Other building completion (SIC 5049); and
- Renting of construction or demolition equipment with operators (SIC 5050).

**Classification by industry**

The 1993 edition of the *Standard Industrial Classification of all Economic Activities* (SIC), Fifth Edition, Report No. 09-90-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 *International Standard Industrial Classification of All Economic Activities* (ISIC) with suitable adaptations for local conditions. Each enterprise is classified to an industry which reflects its predominant activity.

**Statistical unit**

The survey's data were collected at an enterprise level. 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.



**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 turnover of R156 million and more. Table 14 presents the size groups as defined using the Department of Trade and Industry (DTI) cut-off points multiplied by 6.

**Table 14 – Size groups for the construction industry, 2020**

| Size Group | Turnover                                  |
|------------|---|
| Large      | ≥ R156 000 000                            |
| Medium     | R36 000 000 ≤ VAT turnover < R156 000 000 |
| Small      | R18 000 000 ≤ VAT turnover < R36 000 000  |
| Micro      | < R18 000 000                             |

**Survey methodology and design**

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

A sample of 3 191 enterprises was drawn using cluster stratified simple random sampling. The enterprises were stratified at 4-digit level according to the SIC and then by size of enterprise. All large and medium enterprises were completely enumerated. Business register turnover was used as the measure of size for stratification.

**Collection rate**

Collection rate = ((collected enterprises + finalised investigations)/ sample size)\*100. The collection rate was 82,9%.

**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 were calculated and then aggregated with the completely enumerated stratum to form group 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).

**Revisions to previous results**

Revisions were made to previous results due to new information obtained after the publications.

**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 error likely to have accrued due to sampling.

**Table 15 – Income in the construction industry within 95% confidence limit, 2020<sup>2</sup>**

| Type of service  | Lower limit    | Total income   | Upper limit    | Relative standard error (RSE) |
|--|----------------|----------------|----------------|-------------------------------|
| Site preparation   | 7 232          | 7 461          | 7 690          | 1,6                           |
| Construction of buildings                                      | 119 818        | 134 157        | 148 496        | 5,5                           |
| Construction of civil engineering structures                   | 120 434        | 127 958        | 135 482        | 3,0                           |
| Construction of other structures                               | 7 311          | 8 362          | 9 413          | 6,4                           |
| Construction by specialist trade contractors                   | 15 307         | 19 318         | 23 329         | 10,6                          |
| Plumbing   | 6 857          | 7 573          | 8 289          | 4,8                           |
| Electrical contractors   | 23 244         | 26 257         | 29 270         | 5,9                           |
| Shopfitting  | 2 342          | 2 984          | 3 626          | 11,0                          |
| Other building installation                                    | 26 706         | 29 307         | 31 908         | 4,5                           |
| Painting and decorating  | 4 074          | 4 667          | 5 260          | 6,5                           |
| Other building completion                                      | 37 188         | 48 336         | 59 484         | 11,8                          |
| Renting of construction or demolition equipment with operators | 18 043         | 20 325         | 22 607         | 5,7                           |
| <b>Total</b>   | <b>416 064</b> | <b>436 705</b> | <b>457 346</b> | <b>2,4</b>                    |

<sup>2</sup>Preliminary figures

**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 censuses.

**Rounding off of figures**

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 and the totals shown.

**Symbols and  
abbreviations**

|                 |   |
|-----------------|---|
| <b>DTI</b>      | Department of Trade and Industry  |
| <b>GDP</b>      | Gross domestic product  |
| <b>ISIC</b>     | International Standard Industrial Classification of all Economic Activities |
| <b>IT</b>       | Income tax  |
| <b>RSE</b>      | Relative standard error   |
| <b>SARS</b>     | South African Revenue Service   |
| <b>SE</b>       | Standard error  |
| <b>SIC</b>      | Standard Industrial Classification of all Economic Activities               |
| <b>SNA</b>      | System of National Accounts   |
| <b>Stats SA</b> | Statistics South Africa   |
| <b>VAT</b>      | Value added tax   |
| <b>0</b>        | Nil or less than half the final digit shown                                 |

**Glossary**

|                                      |   |
|--------------------------------------|---|
| <b>Casual employees</b>              | Employees who fall neither within the 'permanent employees' category nor the 'temporary employees' category. Such employees are typically working daily or hourly.  |
| <b>Concentration ratio</b>           | The ratio of the income of the <i>n</i> largest enterprises to the total income.  |
| <b>Construction worker</b>           | A professional, tradesperson or labourer who is directly involved in actual construction activity.  |
| <b>Employees</b>                     | Persons employed by a business or organisation and who receives payment (in salaries, wages, commission, piece rates or payments in kind).  |
| <b>Enterprise</b>                    | A legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its activities.   |
| <b>Industry</b>                      | An industry consists of a group 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</i> , Fifth Edition, Report No. 09-90-02 of January 1993 (SIC).   |
| <b>Net profit or loss before tax</b> | Net profit or loss before tax is derived as:<br><br>Total income<br><i>plus</i> closing inventories<br><i>minus</i> total expenditure<br><i>minus</i> opening inventories   |
| <b>Other building installation</b>   | Includes:<br><br>The installation of heating and air-conditioning systems, antennas, alarm systems, elevators and escalators. Also included are insulation work (water, heat, sound), industrial process piping work, commercial refrigeration work, the installation of illumination and signalling systems for roads, railways, airports, harbours, etc. and the installation of certain plants such as manufacturing plants, electric power and transformer plants, telecommunication and radar plants, etc. |
| <b>Other building completion</b>     | Includes:<br><br>Glazing, floor and wall tiling, carpet laying, floor sanding, finish carpentry, acoustical work, the cleaning of exteriors, etc.   |

|                            |   |
|----------------------------|---|
| <b>Other expenditure</b>   | <p>Includes:<br/>Accommodation; advertising; amortisation, <i>excluding depreciation</i>; bank charges; bursaries for own employees (staff bursaries); computer expenditure (when not part of non-current assets); donations, sponsorships and social investment for <i>non-employees</i>; entertainment; excise and customs duty; losses on foreign exchange as a result of variations in foreign exchange rates; losses on financial and other liabilities: redemption, liquidation or revaluation; paper, printing and stationery; postal and courier services; property taxes paid; provisions; railage and transport-out; research and development; security services; severance, termination and redundancy payments; skills development levy; staff training; subscriptions; travelling; water and electricity; payments to labour brokers; and other expenditure.</p> |
| <b>Other income</b>        | <p>Includes:<br/>Capital transfers received (only from the South African government); customs duty received; dividends received; excise duty received; mineral rights leases; net profit on foreign loans as a result of variations in foreign exchange rates; royalties, franchise fees, copyright, trade names and patent rights received; profit on financial and other liabilities: redemption, liquidation and revaluation of liabilities; provisions; government subsidies and incentives received (only from the South African government); and other income.</p>  |
| <b>Profit margin</b>       | <p>Profit margin is derived as:<br/>Net profit or loss after tax<br/><i>divided by</i> turnover<br/><i>multiplied by 100</i></p>  |
| <b>Statistical unit</b>    | <p>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.</p>   |
| <b>Stratum</b>             | <p>A stratum is constructed by concatenating the SIC classification and size group variables.</p>   |
| <b>Subcontractors</b>      | <p>A subcontractor is a person who is hired by a general contractor (or prime contractor, or main contractor) to perform a specific task as part of the overall project and is normally paid for services provided to the project by the originating general contractor.</p>  |
| <b>Turnover</b>            | <p>Turnover includes:<br/>the value of sales of good;<br/>amounts received for work done;<br/>amounts received for services rendered;<br/>rent and or lease payments received for land and buildings; and<br/>rent, leasing and hiring received for machinery, vehicles and other equipment.</p> <p>Turnover excludes:<br/>value added tax (VAT);<br/>net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange);<br/>export freight charges;<br/>interest received; and<br/>excise duty.</p>  |
| <b>Working proprietors</b> | <p>Owners, members or partners actively engaged in the work of the enterprise, excluding silent or inactive partners whose principal activity is outside of the enterprise.</p>   |

