

Abstract

The objectives of the 2017 Economic Survey of Construction Industry in Taiwan were to collect data on revenue and expenditures, value of completed construction work, value of materials used, tangible assets and inventory changes of the construction industry. The population of the survey included all R.O.C. Comprehensive Construction Companies, Specialty Construction Companies and Civil Engineering Contractors which registered with the supervisory organization and continued to do business at the end of 2017. The survey period covered from January 1, 2017 through December 31, 2017. Stratified random sampling was used to select samples and face to face interviews were conducted. 2,446 samples were interviewed. The survey results are summarized as follows:

1. There were 15,829 construction companies at the end of 2017, an increased of 894 from the year 2015 (14,935).
2. The number of employees (excluding those hired by subcontractors) in the construction industry was around 133,472. Among the total employees, 55.4% were white collar (technical professionals, supervisors and assistances) and 40.6% were blue collar workers (skilled and unskilled workers). Most of employees are around 30-49 years old. In addition, most often, there were 9,932 dispatched laborers per month hired.
3. The 2017 annual expenditures on labor costs in the construction industry amounted to NT\$94,246,000,000, increased from the year 2015 (NT\$91,613,000,000). The average 2017 annual expenditures on labor costs per Grade A Comprehensive Construction Companies was the highest, NT\$26,117,000.
4. The 2017 total revenue of the construction industry was NT\$547,540,000,000, decreased from the year 2015 (NT\$571,689,000,000). Among the total revenue, NT\$535,453,000,000 was the business revenue (excluding subcontracting cost), accounted for 97.8% of the total revenue. Grade A Comprehensive Construction Companies accounted for 60.3% of the total revenue of the industry.
5. The 2017 annual total expenditures of the construction industry were NT\$520,449,000,000, decreased from the year 2015 (\$554,077,000,000). The business expenditures were NT\$512,156,000,000, accounted for 98.0% of the total expenditures. Grade A Comprehensive Construction Companies accounted for 61.0% of the total expenditures of the industry.

6. The net value of actual assets in operation in the construction industry at the end of 2017 was NT\$2,611,527,000,000, increased from the year 2015 (NT\$2,296,968,000,000). The current assets accounted for 83.7% of the net value of actual assets in operation. Grade A Comprehensive Construction Companies accounted for 77.7% of the net value of actual assets in operation of the industry.
7. The 2017 annual total amount of liabilities and net worth was NT\$2,469,548,000,000 with 81.9% liabilities and 18.1% net worth. The average amount of liabilities and net-worth per company was NT\$156,014,000.
8. The 2017 annual total value of production was NT\$567,102,000,000, decreased from the year 2015 (NT\$591,630,000,000). Among the 2017 annual total value of production, NT\$517,832,000,000 was the revenue (excluding subcontracting cost) from construction contracts, accounted for 91.3% of the 2017 annual total value of production. Grade A Comprehensive Construction Companies accounted for 60.6% of the total value of production of the industry. Northern Areas accounted for 49.2% of the total value of production of the industry.
9. The total area of the land used by the construction industry at the end of 2017 was 1,745,928 square meters. The average area of the land used by each company was 110.3 square meters and average area of land used by each employee was 13.1 square meters.
10. The total floor area of the buildings used by the construction industry was 1,920,823 square meters at the end of 2017. The average floor area of buildings used by each company was 121.3 square meters and used by each employee was 14.4 square meters.
11. The 2017 annual total value of construction work (including direct construction revenue, estimated value of materials provided by owners or other construction companies) was NT\$710,347,000,000, decreased from the year 2015 (NT\$731,265,000,000). The Grade A Comprehensive Construction Companies accounted for the highest proportion (63.2%) of it.
12. The total revenue of all direct construction work was NT\$676,944,000,000. Among the total the revenue, 32.4% were from residential construction.
13. The 2017 annual actual value of materials used by the construction industry was NT\$318,462,000,000, decreased from the year 2015 (NT\$347,183,000,000). The average annual actual value of materials used per company was NT\$20,119,000.

14. The total stock and unused materials of the construction industry at the end of 2017 was NT\$1,618,467,000,000. The stock turnover rate for the construction industry was 28.1% which decreased from the year 2015 (34.5%).
15. As for the 2017 annual financial structure of the construction industry, liquidity ratio was 115.7% ; the liability ratio was 81.9% ; the fixed assets adequacy ratio was 21.4% ; the self-capital ratio was 18.1% ; Total Equity/Capital was 130.0%. Comparing with 2015, the fixed assets adequacy ratio was decreased from the year 2015, Total Equity/Capital was increased from the year 2015, and other items were not much different from that of the year 2015. (The more the liquid asset higher than the liquid liability is the better ability for a company to pay off short term liability. Liability ratio is used to measure the ratio of total liabilities to the total assets; the higher the liability ratio is the more the risks of a company. The higher the self-capital ratio is the larger portion of the capital provided by stockholders, hence, the stronger capital structure.)
16. The 2017 annual net profit margin of the construction industry was 5.0%, decreased from the year 2015 (5.2%).
17. The 2017 annual total asset turnover rate for the construction industry was 21.7% which decreased slightly from the year 2015 (25.5%). And the total asset turnover rate decreased when the net value of actual assets in operation amount increased.
18. The 2017 annual labor facility rate for the construction industry was NT\$ 19,566,000 which was more than that of the year 2015 (NT\$ 17,615,000). The labor facility rate of Grade A Comprehensive Construction Companies was NT\$36,027,000 which was much more than other grades of construction companies.
19. The 2017 annual labor productivity for the construction industry was NT\$4,249,000. The Grade A Comprehensive Construction Companies had the top labor productivity in the whole construction industry.
20. The 2017 annual total value of production on every dollar spent in labor cost for the construction industry was NT\$6.0, and for Civil Engineering Contractors was NT\$9.1, the highest among of the construction industry.
21. The capital composition of the construction industry for the year of 2017 was not much different from that of 2015. The 2017 annual self-owned assets accounted for 94.6% of the actual assets in operation in the construction industry, not much different from that of the year 2015(95.0%).

22. The 2017 annual capital productivity for the construction industry was 21.7%. It also showed that the higher net value of actual assets in operation the lower the capital productivity.
23. The 2017 annual profit rate of actual assets in operation for the construction industry was 1.1%, was not much different from that of 2015 (1.3%). The Civil Engineering Contractors with 7.3% profit rate of actual assets in operation was the highest among all grades of construction companies.
24. The main difficulty of Construction Industry in 2017 was labor shortage. The top priority the industry needed from the government assistance was solve the problem of labor shortage.