

Abstract

The objectives of the 2012 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 2012. The survey period covered from January 1, 2012 through December 31, 2012. Stratified random sampling was used to select samples and face to face interviews were conducted. 2,480 samples were interviewed. The survey results are summarized as follows:

1. There were 14,412 construction companies at the end of 2012, an increase of 528 from the year 2010 (13,884).

Analyzing based on grade level, we found that the compositions of construction industry were about the same between 2012 and 2010. At the end of 2012, the “Grade C Construction Companies” had more number of companies, 5,553 companies (38.5%) than any other grades, and increased 104 from the year of 2010, followed by “Civil Engineering Contractors”, 5,483 (38.0%), and increased 303 from the year of 2010, and then “Grade A Comprehensive Construction Companies” (1,872) and “Grade B Comprehensive Construction Companies” (1,118) accounted for 13.7% and 7.8% respectively.

In addition, at the end of 2012, there were 286 specialty construction companies, and increase of 4 from the year of 2010.

2. The number of employees (excluding those hired by subcontractors) in the construction industry was around 140,129. 49.5% of the total employees were blue collar workers (skilled and unskilled workers) and 46.9% were white collar (technical professionals, supervisors and assistances). In addition, most often, there were 16,185 dispatched laborers per month hired.
3. The 2010 annual expenditures on labor costs in the construction industry amounted to NT\$90,249,000,000, decreased from the year 2010 (NT\$93,000,000,000). The average 2012 annual expenditures on labor costs per specialty construction company was the highest, NT\$31,101,000.

4. The 2012 total revenue of the construction industry was NT\$563,843,000,000, decreased from the year 2010 (NT\$586,925,000,000). Among the total revenue, NT\$551,315,000,000 was the business revenue (excluding subcontracting cost), accounted for 97.8% of the total revenue. Grade A Comprehensive Construction Companies accounted for 61.2% of the total revenue of the industry.
5. The 2012 annual total expenditures of the construction industry were NT \$529,378,000,000, increased from the year 2010 (\$552,943,000,000). The business expenditures were NT \$520,758,000,000, accounted for 98.4% of the total expenditures. Grade A Comprehensive Construction Companies accounted for 60.9% of the total expenditures of the industry.
6. The net value of actual assets in operation in the construction industry at the end of 2012 was NT\$1,918,816,000,000, increased from the year 2010 (NT\$1,906,258,000,000). The current assets accounted for 83.6% of the net value of actual assets in operation. Grade A Comprehensive Construction Companies accounted for 78.4% of the net value of actual assets in operation of the industry.
7. The 2012 annual total amount of liabilities and net worth was NT\$1,830,070,000,000 with 80.3% liabilities and 19.7% net worth. The average amount of liabilities and net-worth per company was NT\$126,982,000.
8. The 2012 annual total value of production was NT\$575,091,000,000, decreased from the year 2010 (NT\$590,739,000,000). Among the 2012 annual total value of production, NT\$535,408,000,000 was the revenue (excluding subcontracting cost) from construction contracts, accounted for 93.1% of the 2012 annual total value of production. A Comprehensive Construction Companies accounted for 60.0% of the total value of production of the industry. Northern Areas accounted for 53.4% 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 2012 was 1,871,130 square meters. The average area of the land used by each company was 129.8 square meters and average area of land used by each employee was 13.4 square meters.
10. The total floor area of the buildings used by the construction industry was 2,001,838 square meters at the end of 2012. The average floor area of buildings used by each company was 138.9 square meters and used by each employee was 14.3 square meters.

11. The 2012 annual total value of construction work (including direct construction revenue, estimated value of materials provided by owners or other construction companies) was NT\$687,448,000,000, increased from the year 2010 (NT\$671,873,000,000). The Grade A Comprehensive Construction Companies accounted for the highest proportion (62.7%) of it.
12. The total revenue of all direct construction work was NT\$660,822,000,000. Among the total the revenue, 32.9% were from public work construction and 31.9% from residential construction.
13. The 2012 annual actual value of materials used by the construction industry was NT\$343,127,000,000, decreased from the year 2010 (NT\$349,602,000,000). The average annual actual value of materials used per company was NT\$23,808,000.
14. The total stock and unused materials of the construction industry at the end of 2010 was NT\$1,131,976,000,000. The stock turnover rate for the construction industry was 41.5% which decreased from the year 2010 (44.5%).
15. As for the 2012 annual financial structure of the construction industry, liquidity ratio was 113.7% ; the liability ratio was 80.3% ; the fixed assets adequacy ratio was 25.6% ; the self-capital ratio was 19.7% ; Total Equity/Capital was 106.1%. Comparing with 2010, all items were not much different from that of the year 2010. (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 2012 annual net profit margin of the construction industry was 5.8%, decreased from 6.1% of the year 2010.
17. The 2012 annual total asset turnover rate for the construction industry was 30.1% which decreased slightly from the year 2010 (30.8%). And the total asset turnover rate decreased when the net value of actual assets in operation amount increased.

18. The 2012 annual labor facility rate for the construction industry was NT\$ 13,693,000 which was more than that of the year 2010 (NT\$ 12,833,000). The labor facility rate of Grade A Comprehensive Construction Companies was NT\$26,391,000 which was much more than other grades of construction companies.
19. The 2012 annual labor productivity for the construction industry was NT\$4,104,000. The Grade A Comprehensive Construction Companies had the top labor productivity in the whole construction industry.
20. The 2012 annual total value of production on every dollar spent in labor cost for the construction industry was NT\$6.4, and for the specialty construction companies was NT\$8.0, the highest among of the construction industry.
21. The capital composition of the construction industry for the year of 2012 was not much different from that of 2010. The 2012 annual self-owned assets accounted for 95.4% of the actual assets in operation in the construction industry, not much different from that of the year 2010(94.8%).
22. The 2012 annual capital productivity for the construction industry was 30.0%. The higher net value of actual assets in operation amount are the lower the capital productivity.
23. The 2012 annual profit rate of actual assets in operation for the construction industry was 1.7%, not much different from that of the year 2010(1.8%). The Civil Engineering Contractors with 6.3% profit rate of actual assets in operation was the highest among all grades of construction companies.
24. The main difficulty of Construction Industry in 2012 was the competition in bids with the lowest price and the persistently price increasing of construction materials. The top priority the industry needed from the government assistance was price control in construction materials.