

Abstract

The objectives of the 2010 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 2010. The survey period covered from January 1, 2010 through December 31, 2010. Stratified random sampling was used to select samples and face to face interviews were conducted. 2,469 samples were interviewed. The survey results are summarized as follows:

1. There were 13,862 construction companies at the end of 2010, an increase of 247 from the year 2009 (13,615).

Analyzing based on grade level, we found that the compositions of construction industry were about the same between 2010 and 2009. At the end of 2010, the “Grade C Construction Companies” had more number of companies, 5,449 companies (39.3%) than any other grades, and increased 136 from the year of 2009, followed by “Civil Engineering Contractors”, 5,180 (37.4%), and then “Grade A Comprehensive Construction Companies” (1,836) and “Grade B Comprehensive Construction Companies” (1,137) accounted for 13.2% and 8.2% respectively.

In addition, at the end of 2010, there were 260 specialty construction companies, and an increase of 43 from the year of 2009.

2. The number of employees (excluding those hired by subcontractors) in the construction industry was around 148,540, increased from the year 2009 (138,261). 52.5% of the total employees were blue collar workers (skilled and unskilled workers) and 44.5% were white collar (technical professionals, supervisors and assistances). In addition, most often, there were 8,693 dispatched laborers per month hired.
3. The 2010 annual expenditures on labor costs in the construction industry amounted to NT\$93,000,000,000, increased from the year 2009 (NT\$85,307,000,000). The average 2010 annual expenditures on labor costs per specialty construction company was the highest, NT\$48,212,000.

4. The 2010 total revenue of the construction industry was NT\$568,925,000,000, increased from the year 2009 (NT\$522,848,000,000). Among the total revenue, NT\$555,944,000,000 was the business revenue (excluding subcontracting cost), accounted for 97.7% of the total revenue. Grade A Comprehensive Construction Companies accounted for 59.2% of the total revenue of the industry.
5. The 2010 annual total expenditures of the construction industry were NT \$552,943,000,000, increased from the year 2010 (\$496,936,000,000). The business expenditures were NT \$545,682,000,000, accounted for 98.7% of the total expenditures. Grade A Comprehensive Construction Companies accounted for 58.3% of the total expenditures of the industry.
6. The net value of actual assets in operation in the construction industry at the end of 2010 was NT\$1,906,258,000,000, increased from the year 2009 (NT\$1,678,790,000,000). The current assets accounted for 83.6% of the net value of actual assets in operation. Grade A Comprehensive Construction Companies accounted for 72.3% of the net value of actual assets in operation of the industry.
7. The 2010 annual total amount of liabilities and net worth was NT\$1,807,230,000,000 with 82.2% liabilities and 17.8% net worth. The average amount of liabilities and net-worth per company was NT\$130,371,000.
8. The 2010 annual total value of production was NT\$590,739,000,000, increased from the year 2009 (NT\$522,210,000,000). Among the 2010 annual total value of production, NT\$534,137,000,000 was the revenue (excluding subcontracting cost) from construction contracts, accounted for 90.4% of the 2010 annual total value of production. However, the revenue from construction contracts accounted only 68.7% of the total value of production for the specialty Construction Companies, compared with 89% and above for other grades of construction companies.
9. The total area of the land used by the construction industry at the end of 2010 was 1,844,465 square meters. The average area of the land used by each company was 133.1 square meters and average area of land used by each employee was 12.4 square meters.
10. The total floor area of the buildings used by the construction industry was 2,001,774 square meters at the end of 2010. The average floor area of buildings used by each company was 144.4 square meters and used by each employee was 13.5 square meters.

11. The 2010 annual total value of construction work (including direct construction revenue, estimated value of materials provided by owners or other construction companies) was NT\$671,873,000,000. The Grade A Comprehensive Construction Companies accounted for the highest proportion (58.2%) of it.
12. The total revenue of all direct construction work was NT\$653,397,000,000. Among the total the revenue, 39.0% were from public work construction and 23.7% from residential construction.
13. The 2010 annual actual value of materials used by the construction industry was NT\$349,602,000,000, increased from the year 2009 (NT\$320,919,000,000). Among the 2010 annual actual value of materials used, 94.7 % were purchased by construction companies themselves and 5.3% were provided by owners and construction partners. The average annual actual value of materials used per company was NT\$25,220,000.
14. The total stock and unused materials of the construction industry at the end of 2010 was NT\$1,113,650,000,000. The stock turnover rate for the construction industry was 44.5% which not much different from the year 2009 (45.6%).
15. As for the 2010 annual financial structure of the construction industry, liquidity ratio was 113.7% ; the liability ratio was 82.2% ; the fixed assets adequacy ratio was 26.0% ; the self-capital ratio was 17.8% ; Total Equity/Capital was 103.4%. Comparing with 2009, all items were not much different from that of the year 2009. (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 2010 annual net profit margin of the construction industry was 6.1%, increased from 4.3% of the year 2009.

17. The 2010 annual total asset turnover rate for the construction industry was 30.8% which decreased slightly from the year 2009 (31.9%). And the total asset turnover rate decreased when the net value of actual assets in operation amount increased.
18. The 2010 annual labor facility rate for the construction industry was NT\$ 12,833,000 which was more than that of the year 2009 (NT\$ 12,142,000). The labor facility rate of Grade A Comprehensive Construction Companies was NT\$23,483,000 which was much more than other grades of construction companies.
19. The 2010 annual labor productivity for the construction industry was NT\$3,977,000. The Grade A Comprehensive Construction Companies had the top labor productivity in the whole construction industry.
20. The 2010 annual total value of production on every dollar spent in labor cost for the construction industry was NT\$6.4, and for the Grade B Comprehensive Construction Companies was NT\$7.0, the highest among of the construction industry.
21. The capital composition of the construction industry for the year of 2010 was not much different from that of 2009. The 2010 annual self-owned assets accounted for 94.8% of the actual assets in operation in the construction industry, not much different from that of the year 2009(95.3%).
22. The 2010 annual capital productivity for the construction industry was 31.0%. The higher the construction company's grades (Grade A is the highest grade) and the net value of actual assets in operation amount are the lower the capital productivity.
23. The 2010 annual profit rate of actual assets in operation for the construction industry was 1.8%, increased from 1.3% of the year 2009. The Civil Engineering Contractors with 9.8% profit rate of actual assets in operation was the highest among all grades of construction companies.
24. The main difficulty of Construction Industry in 2010 was the persistently price increasing of construction materials and the competition in bids with the lowest price. The top priority the industry needed from the government assistance was price control in construction materials.