**Firm distribution based on Annual Turnover**  
(based on responses received)

### January – June 2019  
*Full survey*

<table>
<thead>
<tr>
<th>Category by gross annual income</th>
<th>% of firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – R1,5m</td>
<td>49,2%</td>
</tr>
<tr>
<td>R1,5m – R11,5m</td>
<td>33,8%</td>
</tr>
<tr>
<td>&gt; R11,5m</td>
<td>16,9%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

### July – December 2018  
*Full survey*

<table>
<thead>
<tr>
<th>Category by gross annual income</th>
<th>% of firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – R1,5m</td>
<td>41,0%</td>
</tr>
<tr>
<td>R1,5m – R11,5m</td>
<td>38,5%</td>
</tr>
<tr>
<td>&gt; R11,5m</td>
<td>20,5%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

**Firm distribution based on turnover**

Source: CESA BECS
Profile of respondents — by firm size

Based on full and part time employment

- Large (>100) 17%
- Medium (20 - 100) 34%
- Small (10 - 20) 28%
- Micro (< 10) 21%

Source: CESA BECS
Consulting earnings vs GFCF: Civil construction works (2000 prices)

Source: RBQN, CESA BECS, Industry Insight
Fee income, R billions Real 2000 prices
Annualised | Deflator = CPI

Source: CESA BECS
Real Fee income, Real prices
Annual Change | Deflator = CPI

Source: CESA BECS
CESA Labour Cost Indicator vs CPI
Year on Year percentage change

Source: CESA BECS
Employment vs REAL fee income (Rbn)
(Deflated using the CPI & LCI)

Source: CESA BECS

• CPI: Consumer price index
• LCI: Labour Cost Indicator
Salary and wage vs Employment

Source: CESA BECS
Salary and wage bill | Percentage of gross fee earnings

Source: CESA BECS
Average Discounting rate

BY FIRM CATEGORY

A: 29  
B: 21  
C: 25  
D: 23

Source: CESA BECS
Fee income earned by Sub-disciplines: % Share

Source: CESA BECS
Fee income earned by Sub-disciplines: % Share

Change in market share in the last 6 months

Town planning
Structural
Quantity Surveying
Project Management
Mining
Mechanical
Marine

Information Systems / Technology
Hydraulics
GIS
Industrial Process / Chemical
Geotechnical
Facilities
Environmental
Electrical / Electronic
Civil

Mechanical building Services
Architecture
Agricultural

Source: CESA BECS
Fee income earned by TOP THREE disciplines: R bn Real 2000 prices
Moving average (2 survey period): 2002-June 2019

Source: CESA BECS
Fee income earned by economic sector
Percentage market share

Source: CESA BECS
Profile of earnings by sector

- Water (Full water cycle) 21%
- Transportation (land, air, road, rail, ports) 25%
- Energy (electricity, gas, hydro) 6%
- Commercial 14%
- Housing (residential inc. land) 9%
- Agriculture / Forestry / Fishing 1%
- Tourism/Leisure 0%
- Education 1%
- Mining / Quarrying 11%
- Health 6%
- Other 6%
<table>
<thead>
<tr>
<th></th>
<th>JUN 07</th>
<th>DEC 07</th>
<th>JUN 08</th>
<th>DEC 08</th>
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<th>DEC 09</th>
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</thead>
<tbody>
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<td>Water</td>
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<td>1,3</td>
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<td>0,5</td>
<td>0,6</td>
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<td>0,7</td>
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<tr>
<td>Commercial</td>
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<td>1,7</td>
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<td>2,1</td>
<td>1,5</td>
<td>1,2</td>
<td>1,2</td>
</tr>
</tbody>
</table>

Source: CESA BECS
Fee income (Rm annualised, Real prices) earned by key economic sectors

Source: CESA BECS
Fee income earned by province (Rbn, real prices)
High Capacity economies | TREND Annualised smoothed, average over 2 past surveys

Source: CESA BECS
Fee income earned by province
June 1999 – December 2016 | Rm real prices

Source: CESA BECS
Fee income earned (Real 2000 prices)
High Capacity vs lower capacity provincial economies | Smoothed

*High Capacity: Gauteng, Western Cape, Eastern Cape, Kwazulu Natal
*Low capacity: North West, Free State, Northern Cape, Limpopo, Mpumalanga

Source: CESA BECS
Fee income earned (Real 2000 prices)
Contribution to Higher Capacity provinces (Gauteng, Western Cape, Eastern Cape and KZN)

Percentage of earnings

- High Capacity: Gauteng, Western Cape, Eastern Cape, Kwazulu Natal
- Low capacity: North West, Free State, Northern Cape, Limpopo, Mpumalanga

Source: CESA BECS
Fee income earned: RSA vs EX-RSA

R mill, Real 2000 prices | Annualised, smoothed

Source: CESA BECS
Fee income earned by type of client
Percentage share as at June 2019

- Private: 41%
- Local: 27%
- Parastatals: 14%
- Provincial: 10%
- Central: 8%

Source: CESA BECS
Fee income earned by type of client
Percentage share

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Central</td>
<td>4,7</td>
<td>13,0</td>
<td>25,4</td>
<td>13,8</td>
<td>43,1</td>
<td>40,3</td>
<td>41,0</td>
<td>33,0</td>
<td>49,0</td>
</tr>
<tr>
<td>Provincial</td>
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<td>19,9</td>
<td>20,8</td>
<td>13,1</td>
<td>16,0</td>
<td>40,3</td>
<td>41,0</td>
<td>33,0</td>
<td>49,0</td>
</tr>
<tr>
<td>Local</td>
<td>4,0</td>
<td>15,0</td>
<td>23,0</td>
<td>16,0</td>
<td>41,0</td>
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<td>Parastatals</td>
<td>10,0</td>
<td>14,0</td>
<td>25,0</td>
<td>18,0</td>
<td>33,0</td>
<td>40,3</td>
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<tr>
<td>Private</td>
<td>10,0</td>
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<td>49,0</td>
<td>40,3</td>
<td>41,0</td>
<td>33,0</td>
<td>49,0</td>
</tr>
</tbody>
</table>

Source: CESA BECS
Fee income earned by type of client
R billion Real 2000 prices | Annualised, smoothed - avg over 2 survey periods

Source: CESA BECS
Fee income earned by type of client
R billions Real 2000 prices | Annualised, smoothed - average over 2 survey periods

Source: CESA BECS
Competition in tendering
Percentage of respondents that reported “Fierce” competition

% of Respondents that reported Fierce Competition

Source: CESA BECS
Industry Capacity Utilisation
Of existing technical staff

Source: CESA BECS
# Labour unit cost indicator

**Year-on-Year % Change (Smoothed)**

<table>
<thead>
<tr>
<th>Date</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-12</td>
<td>17.60%</td>
</tr>
<tr>
<td>Jun-13</td>
<td>24%</td>
</tr>
<tr>
<td>Dec-13</td>
<td>7%</td>
</tr>
<tr>
<td>Jun-14</td>
<td>0%</td>
</tr>
<tr>
<td>Dec-14</td>
<td>9.30%</td>
</tr>
<tr>
<td>Jun-15</td>
<td>5.60%</td>
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<tr>
<td>Dec-15</td>
<td>-4.90%</td>
</tr>
<tr>
<td>Jun-16</td>
<td>-7.70%</td>
</tr>
<tr>
<td>Dec-16</td>
<td>-5.70%</td>
</tr>
<tr>
<td>Jun-17</td>
<td>0.90%</td>
</tr>
<tr>
<td>Dec-17</td>
<td>12.50%</td>
</tr>
<tr>
<td>Jun-18</td>
<td>20%</td>
</tr>
<tr>
<td>Dec-18</td>
<td>17%</td>
</tr>
<tr>
<td>19-Jun</td>
<td>2.30%</td>
</tr>
</tbody>
</table>

*Source: CESA BECS*
CESA labour costs outpace CPI

Change in CESA Labour costs vs CPI
Index 2000 = 100

Source: CESA BECS, Statistics South Africa
Thank you

www.cesa.co.za

Tel: 011 463 2022