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5. Industrial Action
1. Introduction

The cidb Quarterly Monitors focus on the following themes per quarter:

- Quarter 1: Supply & Demand;
- Quarter 2: Contractor Development;
- Quarter 3: Employment; and
- Quarter 4: Empowerment.

This cidb Construction Monitor – Employment (Quarter 3) examines employment in the construction industry and the factors affecting employment.

Details of employment are obtained from the Quarterly Labour Force Survey\(^1\), the Quarterly Employment Statistics\(^2\), the cidb SME Business Confidence Survey\(^3\) and the Consulting Engineers South Africa (CESA) Bi-Annual Economic and Capacity Survey report\(^4\). The employment data includes details of formal and informal construction employment, as well as employment at the national and provincial levels.

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2. **Employment in the Construction Industry; Overview**

2.1 **Context**

South Africa has a challenge of high unemployment and skills shortages, the unemployment rate currently stands at 27.7%\(^5\), and one of main goals that South Africa has set itself in the National Development Plan is to cut the unemployment rate to 6% by 2030\(^6\). South Africa has an abundance of low and unskilled labour, a profile of the unemployed presented by Statistics South Africa shows that the unemployment rate is higher amongst the following groups; the youth, individuals that did not complete their secondary education, individuals that completed matric over the period 2009 and 2015, and those without experience. The construction industry is an important player in job creation, not only in the construction sector but in other sectors of the economy. The construction industry uses a wide range of inputs (such as construction materials) from many other industries to produce its goods and services\(^7\), and as a result the construction industry also contributes indirectly to the jobs that are created across a number of sectors. Sectors that benefit from construction output include manufacturing, mining, transportation, real estate and business services.

The direct job creation multiplier in the construction industry is currently around 2.4 jobs in the formal sector per R1 million invested and 1.1 jobs in the informal sector per R1 million of investment – or around 3.5 jobs in total per R1 million of investment. In addition, several thousand jobs are created in the materials manufacturing, mining (quarring) and transport sectors which are directly attributable to investment in infrastructure. The total direct job creation multiplier in the construction, materials sector, mining (quarring) and transport sector is estimated to be exceeding 4.7 persons for every R1 million of investment!

According to Stats SA\(^8\), total employment in South Africa has risen from 14.2 million to 16 million between the period 2009 to 2016 and the construction industry is one of the eight industries that has contributed to this increase by creating 215 000 jobs over this period. However, the increase in employment in the construction and other industries has not been enough to accommodate the new entrants in the labour force over this period.

2.2 **Employment in the Construction Industry**

Since 2008, construction has contributed around 8% to total formal and informal employment in South Africa. By comparison, construction Gross Fixed Capital Formation (GFCF) has accounted for 9.6% on average of GDP between 2008 and 2016.

Trends in infrastructure investment (GFCF) and total formal employment is illustrated in the following figure in which GFCF is shown in real terms (2010 Rands), together with the total formal employment obtained from the Quarterly Labour Force Survey (QLFS). It is seen that the total construction works spend in 2016 amounted to about R305 billion in 2010 Rands (or R420 billion in nominal Rands), and as at 2016Q4 the sector employed 1 004 000 people in the formal sector and a further 479 000 in the informal sector (i.e. total employment of 1 483 000 people). However, by 2017Q2 the sector had shed labour, and employed around 965 000 people in the formal sector and a further 430 000 in the informal sector (i.e. total employment of 1 395 000 people) – see Section 2.3. The South African economy is currently experiencing low economic growth, in 2017Q1 the economy was in a technical recession and the construction industry was also in a technical recession in 2017Q2. The Stats SA GDP statistics showed that the construction industry contracted by 0.8% and 0.5% quarter-on-quarter in 2017Q1 and 2017Q2, this deficiency in economic activity has resulted in decline in construction employment\(^9\).

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A close correlation between GFCF and employment is observed in the above figure.

2.3 Employment by Industry Sector

Data from the Quarterly Labour Force Survey (QLFS) shows that the formal sector (excluding agriculture and private households) employs around 11.2 million people, of which the construction sector accounts for 10% of total employment. The informal sector employs around 2.7 million people, the largest contributor of jobs in the informal sector are trade (41%), community and social services (17%) and construction (16%). In the construction industry, formal employment accounts for 69% while informal employment accounts for 31% of total construction employment. The contribution of the construction sector to informal employment is significant, at the end of 2017Q2 around 430 000 people were employed.
For the 2nd Quarter of 2017, 113 000 jobs were lost quarter-on-quarter, the biggest job losses occurred in the construction industry (-110 000), other industries that contributed to the job losses are as follows; agriculture (-40 000), mining (-13 000), transport (-11 000), community services (-9000) and private households (-8 000). The industries that had job gains are as follows; trade (58 000), finance and business services (17 000), manufacturing (10 000) and utilities (2 000).

The year-on-year growth in the construction industry’s informal employment is shown in the following figure. Although significant fluctuations are seen on a year-on-year basis, overall there has been a significant growth in informal employment in the construction industry between 2009 and 2016.

The construction informal sector accounts for around 16% of total informal employment. Over the long term, the contribution of the construction sector to informal sector jobs has grown significantly, in 2008Q4 informal sector jobs in construction were 342 000 and at the end of 2017Q2 there were 430 000 people employed in informal sector – an increase of 88 000 jobs or 26% in the construction industry informal sector. In the shorter term, the construction informal sector contributed 430 000 jobs in 2017Q2, this is a decrease of -6% or 26 000 jobs shed from 2017Q1. There was a slight increase of 8 000 in the number of jobs created year-on-year from 2016Q2 to 2017Q2. The expansion of the construction informal sector is not unique to South Africa, and the following conditions have led to the expansion of the informal sector elsewhere in the world; rapid urbanisation combined with low economic growth has increased the number of people unable to access formal jobs, increased competition for work, declining demand and restrictive employment regulations that have led registered contractors to shed permanent employees and replace them with temporary or casual workers10

Construction informal employment has grown at a higher rate than formal employment, the average growth rate for informal and formal employment from 2010Q1 to 2017Q2 is 2% and 1% respectively. The informal sector includes the self-employed in micro-businesses that are not registered for income tax or VAT registered, employees with regular employment in formal or informal enterprises who do not receive benefits such as medical aid and pension funds, those that do not contribute to UIF and who do not have written employment contracts, short term employees and casual employees. In the construction industry, the majority of the informal self-employed could be mostly micro and small enterprises registered in Grade 1 and 2 contractors. The informal self-employed are predominantly in rural provinces such as Limpopo, Mpumalanga and the Eastern Cape, which is attributed to the following;
• the high unemployment rate in these provinces, the individuals located in these provinces may not have the experience and skills to be absorbed by the formal enterprises therefore people have to find alternative means other than formal employment to generate an income and to gain experience; and
• informal sector construction activities such as individuals building, maintaining and repairing their own houses is common in rural areas.

The informal sector is lower in the Western Cape which has the lowest unemployment rate (20.7%) in comparison to other provinces. Of interest, the Register of Contractors also reflects that there are much more Grade 1 and 2 contractors registered in the three above mentioned provinces than in the Western Cape. The informal sector enterprises comprises mostly of subcontractors and labour only contractors, some of these businesses have linkages with enterprises in the formal sector through subcontracting and providing labour-only services. In terms of skill requirements, the subcontractors and labour only contractors that perform common tasks in the informal sector utilises mostly low skilled and unskilled labourers.

2.4 Employment Index; Contractors

The cidb SME Employment Index and activity Index obtained from surveying Grades 3 to 8 cidb registered contractors is shown below. The QLFS and the QES both show a decline in construction employment, this is supported by the cidb SME Employment Index which shows a negative net balance – i.e. more contracting enterprises surveyed indicated that they are reducing staff than employing staff. Construction workers get laid off due to a decline in construction activity, the deficiency of demand for their services has created job losses. The rate of labour shedding has been increasing for both General Building (GB) and Civil Engineering (CE) contractors and construction activity has been declining.

2.5 Employment in the Consulting Engineering Sector

The provision of professional services such as planning, architecture and design, quantity surveying, project planning and management are part of the construction industry value chain. Occupations in the consulting engineering sector include managers, professionals, technicians and associate professionals and clerical

support workers. The Consulting Engineers South Africa (CESA) currently reflects the majority of the larger consulting enterprises, but many small and micro-enterprises are not members of CESA. As illustrated below, CESA members currently employ around 23,349 people\textsuperscript{12}. On a year-on-year basis, 966 or (-4\%) jobs were shed by CESA members from 2015Q4 to 2016Q4.

The correlation between employment in the professional services and GFCF and fee income is seen in the figures above.

2.6 Employment Forecasts

The close correlation between GFCF and employment in the contracting and the professional services sectors has been highlighted in Sections 2.2 and 2.6. Of concern is that most economic projections forecast a decline in real terms in GFCF over the short to medium term\(^{13}\) – which will result in job losses over this period. The job losses in the contracting sector could amount to around 240 000 in 2017.

<table>
<thead>
<tr>
<th>GFCF; Rand (Million) 2010</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019f</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction-Total</td>
<td>289 484</td>
<td>302 592</td>
<td>300 544</td>
<td>290 479</td>
<td>289 626</td>
<td>295 067</td>
</tr>
<tr>
<td>% change</td>
<td>4,7%</td>
<td>4,5%</td>
<td>-0,7</td>
<td>-2,6%</td>
<td>-1,6%</td>
<td>1,9%</td>
</tr>
<tr>
<td>Building</td>
<td>107 458</td>
<td>109 839</td>
<td>106 828</td>
<td>102 574</td>
<td>103 599</td>
<td>105 693</td>
</tr>
<tr>
<td>% change</td>
<td>3,3%</td>
<td>2,2%</td>
<td>-2,7%</td>
<td>-4,0%</td>
<td>1,0%</td>
<td>2,0%</td>
</tr>
<tr>
<td>Residential-Building</td>
<td>52 409</td>
<td>56 749</td>
<td>55 330</td>
<td>53 394</td>
<td>53 928</td>
<td>55 276</td>
</tr>
<tr>
<td>% change</td>
<td>2,8%</td>
<td>8,3%</td>
<td>-2,5%</td>
<td>-3,5%</td>
<td>1,0%</td>
<td>2,5%</td>
</tr>
<tr>
<td>Non-residential Building</td>
<td>55 049</td>
<td>53 090</td>
<td>51 497</td>
<td>49 180</td>
<td>49 672</td>
<td>50 417</td>
</tr>
<tr>
<td>% change</td>
<td>3,9%</td>
<td>-3,6%</td>
<td>-3,0%</td>
<td>-4,5%</td>
<td>1,0%</td>
<td>1,5%</td>
</tr>
<tr>
<td>Construction Works</td>
<td>182 026</td>
<td>192 753</td>
<td>193 717</td>
<td>187 905</td>
<td>186 026</td>
<td>189 375</td>
</tr>
<tr>
<td>% change</td>
<td>5,6%</td>
<td>5,9%</td>
<td>0,5%</td>
<td>-1,8%</td>
<td>-3,0%</td>
<td>2,0%</td>
</tr>
</tbody>
</table>

2.7 Underspending by Government Results in Lost Employment Opportunities

An analysis of municipal and provincial capital expenditure for South Africa is given below\(^{14}\), in which the variance against phased linear capital budget is shown for provincial departments and municipalities.

From the analysis of the municipal and provincial expenditure, it can be seen that

- as at the end of the 2016/17 provincial financial year (2017Q1), the total underspend by provincial departments against linear phased budget amounted to around R 1,4 billion;

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\(\text{Board. www.cidb.org.za}\)
• at the end of the 2016/17 municipal financial year (2017Q2), the total underspend by municipalities against linear phased budget amounted to around R15 billion\textsuperscript{15} – amounting to around 36 000 lost job opportunities.

In total, municipalities and provincial departments under spend by around R16 billion per year, municipalities were the main contributors to the underspending, this results in significant lost employment opportunities. The construction industry has been experiencing high lack of demand, underspending also contributes to the lack of demand in the industry.

2.8 Expanded Public Works Programme (EPWP)

The Expanded Public Works Programme (EPWP) was launched in 2004 as one of the policies aimed to reduce unemployment, with a specific focus on women and the youth. The EPWP programme is also aimed at equipping unemployed youth with skills and experience needed in the labour market, according to Stats SA a higher percentage of individuals without matric (65,6%) and with matric (23,6%) participate in government job creation programmes such as EPWP, only 10,5% of people with tertiary education participated on these programmes in 2015\textsuperscript{16}. The EPWP currently operates in four sectors, namely infrastructure, environment, culture and social and non-state (non-profit organisations and community work). Within the infrastructure sector, work opportunities are created largely through increasing the labour intensity of government funded infrastructure projects. A work opportunity in infrastructure has an average period of four (4) months. It is seen from the table below that the EPWP is currently creating around 723 000 job opportunities in the infrastructure sector per year, or around 173 000 full-time equivalent opportunities\textsuperscript{17}. On a year-on-year basis, there was a significant increase of 65% in the number of job opportunities created by the EPWP programme in the construction industry. Noting that total formal and informal employment is currently around 1 395 000, the EPWP full-time equivalent opportunities equates to around 1% of total construction employment.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Work Opportunities</th>
<th>Youth %</th>
<th>Women %</th>
<th>People with Disabilities %</th>
<th>Year on Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>109 712</td>
<td>39%</td>
<td>35%</td>
<td>0,4%</td>
<td></td>
</tr>
<tr>
<td>2005-06</td>
<td>108 365</td>
<td>38%</td>
<td>49%</td>
<td>0,2%</td>
<td>-1%</td>
</tr>
<tr>
<td>2006-07</td>
<td>146 974</td>
<td>32%</td>
<td>45%</td>
<td>1,9%</td>
<td>36%</td>
</tr>
<tr>
<td>2007-08</td>
<td>250 104</td>
<td>39%</td>
<td>40%</td>
<td>0,8%</td>
<td>70%</td>
</tr>
<tr>
<td>2008-09</td>
<td>397 984</td>
<td>46%</td>
<td>36%</td>
<td>1,1%</td>
<td>59%</td>
</tr>
<tr>
<td>2009-10</td>
<td>263 457</td>
<td>45%</td>
<td>25%</td>
<td>0,6%</td>
<td>-34%</td>
</tr>
<tr>
<td>2010-11</td>
<td>277 100</td>
<td>46%</td>
<td>47%</td>
<td>0,1%</td>
<td>5%</td>
</tr>
<tr>
<td>2011-12</td>
<td>374 591</td>
<td>47%</td>
<td>49%</td>
<td>0,1%</td>
<td>35%</td>
</tr>
<tr>
<td>2012-13</td>
<td>340 676</td>
<td>47%</td>
<td>47%</td>
<td>0,1%</td>
<td>-9%</td>
</tr>
<tr>
<td>2013-14</td>
<td>391 555</td>
<td>44%</td>
<td>47%</td>
<td>0,3%</td>
<td>15%</td>
</tr>
<tr>
<td>2014-15</td>
<td>409 209</td>
<td>49%</td>
<td>50%</td>
<td>0,2%</td>
<td>5%</td>
</tr>
<tr>
<td>2015-16</td>
<td>438 675</td>
<td>43%</td>
<td>52%</td>
<td>1,0%</td>
<td>7%</td>
</tr>
<tr>
<td>2016-17</td>
<td>723 228</td>
<td>38%</td>
<td>62%</td>
<td>0,7%</td>
<td>65%</td>
</tr>
</tbody>
</table>

EPWP Job Opportunities: Infrastructure Sector

EPWP Job Opportunities in Infrastructure Sector
A breakdown of formal and informal employment by province obtained from the StatsSA Quarterly Labour Force Survey (QLFS) is given in the table below.

<table>
<thead>
<tr>
<th>YYYYQQ</th>
<th>SA</th>
<th>EC</th>
<th>GP</th>
<th>KZ</th>
<th>WC</th>
<th>NC</th>
<th>FS</th>
<th>MP</th>
<th>LP</th>
<th>NW</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017Q2</td>
<td>1395</td>
<td>139</td>
<td>387</td>
<td>235</td>
<td>229</td>
<td>24</td>
<td>61</td>
<td>105</td>
<td>131</td>
<td>84</td>
</tr>
<tr>
<td>2017Q1</td>
<td>1505</td>
<td>168</td>
<td>452</td>
<td>228</td>
<td>228</td>
<td>26</td>
<td>56</td>
<td>112</td>
<td>150</td>
<td>87</td>
</tr>
<tr>
<td>2016Q4</td>
<td>1483</td>
<td>185</td>
<td>402</td>
<td>228</td>
<td>237</td>
<td>22</td>
<td>54</td>
<td>113</td>
<td>170</td>
<td>72</td>
</tr>
<tr>
<td>2016Q3</td>
<td>1491</td>
<td>180</td>
<td>405</td>
<td>203</td>
<td>242</td>
<td>31</td>
<td>55</td>
<td>130</td>
<td>167</td>
<td>79</td>
</tr>
<tr>
<td>2016Q2</td>
<td>1388</td>
<td>150</td>
<td>383</td>
<td>218</td>
<td>211</td>
<td>34</td>
<td>56</td>
<td>111</td>
<td>148</td>
<td>77</td>
</tr>
<tr>
<td>2016Q1</td>
<td>1362</td>
<td>142</td>
<td>374</td>
<td>240</td>
<td>204</td>
<td>28</td>
<td>57</td>
<td>99</td>
<td>158</td>
<td>59</td>
</tr>
<tr>
<td>2015Q4</td>
<td>1438</td>
<td>166</td>
<td>408</td>
<td>240</td>
<td>216</td>
<td>33</td>
<td>53</td>
<td>123</td>
<td>131</td>
<td>69</td>
</tr>
<tr>
<td>2015Q3</td>
<td>1460</td>
<td>175</td>
<td>391</td>
<td>283</td>
<td>196</td>
<td>36</td>
<td>61</td>
<td>104</td>
<td>151</td>
<td>63</td>
</tr>
</tbody>
</table>

According to Stats SA the provincial unemployment rate currently is as follows; EC (34.4%), GP (29.9%), KZ (24%), WC (20.7%), NC (30.5%), FS (34.4%), MP (32.3%), LP (20.8%) and NW (27.2%). The rural provinces have a higher unemployment rate compared to the urban provinces. Of the nine provinces in South Africa, four provinces stand out in terms of their contribution to employment, namely Eastern Cape, Gauteng, KwaZulu Natal and Western Cape which collectively account for around 71% of total formal and informal construction employment. Of these, Gauteng alone accounts for close to 28% of total construction employment, but Gauteng experienced significant job losses of (-65 000) quarter-on-quarter in 2017Q2.
At the end of 2017Q2, 1 395 000 people were employed in the construction industry. In 2017Q2 the construction industry was the biggest contributor to job losses in the economy, shedding 110 000 jobs quarter-on-quarter. Construction employment decreased by 7% quarter-on-quarter but there was also a year-on-year minor increase of 1%. The quarter-on-quarter decrease in employment was due to a substantial decreases in Gauteng, Eastern Cape and Limpopo of 14% (-65 000), 17% (-29 000) and 13% (-19 000) respectively, the other provinces, Mpumalanga, North West and Northern Cape reported marginal decreases. There were marginal job increases in construction employment that were reported in Free State 9% and KwaZulu Natal 3%. On a year-on-year basis, 7 000 jobs were added to construction employment. The provinces that reported the largest increases were Western Cape and KwaZulu Natal, 9% (18 000) and 8% (17 000) respectively whilst Limpopo and Eastern Cape reported substantial job declines of -11% (-17 000) and -7% (-11 000) respectively. Details of employment for the provinces with the major contributions to construction employment in South Africa are shown in the following graphs.

Construction Employment; South Africa (2014 Q4 to 2017 Q2)

Construction Employment; Eastern Cape

Construction Employment; Gauteng

Construction Employment; KwaZulu-Natal

Construction Employment; Western Cape
4. Composition of Construction Labour Force

4.1 Composition by Gender

According to Stats SA, the unemployment rate is higher amongst females (29.8%) compared to males (26%). The construction industry currently employs around 1.395 million people, of which 88% are male and 12% female. In comparison with other industries, the construction industry has the highest proportion of male employment. The employment of women in the construction industry has increased by around 60% (from 109,000 to 174,000) from 2008Q1 to 2017Q2. On a year-on-year basis, the number of females employed in the industry increased by 42,000, but there was a decrease of 25,000 on a quarter-on-quarter basis for 2017Q2. Male representation in the construction industry is high (88%) compared with the industry average of 56% for all industries.

Trends in the employment by gender are given below. The breakdown in the composition in employment by gender has remained reasonably consistent over the past 8 years or so, namely around 89% male and 11% female.

Male domination is also prevalent in the consulting engineering sector, 68% of the employees are male while 32% are female.

4.2 Youth Employment

South Africa’s youth unemployment rate currently stands at 55.9% for young people who are between 15 to 24 years and 32.8% for young people between 25 to 34 years. As at 2017Q2, 6.1 million young people were employed in South Africa, of which the trade, community services, finance and manufacturing sectors account for the largest employment of youth. At the end of 2017Q2 the construction industry accounted for 9.8% of the youth employed. It should also be noted that due to lack of skills and experience most of the youth is mainly employed in the low skilled occupations such as elementary occupations.

4.3 Composition by Skills Profile

An estimate breakdown of the labour force profile in the contracting sector is given below, obtained from the 2017 Workplace Skills Plan submissions and the CETA database.²⁰

<table>
<thead>
<tr>
<th>Occupational Major Group</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>9%</td>
</tr>
<tr>
<td>Professionals</td>
<td>8%</td>
</tr>
<tr>
<td>Technicians and Associate Professionals</td>
<td>11%</td>
</tr>
<tr>
<td>Clerical Support Workers</td>
<td>6%</td>
</tr>
<tr>
<td>Service and Sales Workers</td>
<td>2%</td>
</tr>
<tr>
<td>Trade Workers</td>
<td>14%</td>
</tr>
<tr>
<td>Plant and Machine Operators and Assemblers</td>
<td>13%</td>
</tr>
<tr>
<td>Elementary Occupations</td>
<td>37%</td>
</tr>
</tbody>
</table>

It is seen that the semi-, low and unskilled occupations of trade workers, plant and machine operators and assemblers, and elementary occupation account for around 70% of the total construction workforce and only around 28% account for the skilled workers such as managers, professionals, technicians and associate professionals. Of interest is that the construction worker skills profile aligns with the median skills profile of the country, namely 46% of the workforce is semi-skilled and 29% of the workforce is low- and un-skilled.

4.4 Skills Shortages; Contractors

Contractors report that access to skilled labour is becoming a significant constraint to business growth. This is illustrated below where the constraints of access for work and access to skills are compared (weighted index) for General Building (GB) and Civil Engineering (CE) classes of work.²¹ It is seen that access to work opportunities as a constraint is softening, but that access to skills is increasing as a constraint.

---

Constraints to Growth of Contractors; Access to Work and Skills

Note that the shortage of skills is also driving up the cost of labour, resulting in decreased profit margins for small and medium contractors. Small and medium size emerging contractors are likely to be bearing the brunt of these skills shortages, and are least able to attract and train skilled labour. According to Stats SA, unemployment rates are higher amongst individuals with less than matric (33,1%) and matric (27,5%) relative to graduates (7,3%), and it is also reported that long term unemployment occurs more amongst those individuals without experience. South Africa has an abundance of low and unskilled labour, there is a gap between the skills that the population has and the skills that the economy needs, this is also reflected by the high labour absorption rate for the individuals with tertiary education (81,5%), they are more likely to be absorbed or employed in the economy. This can also be seen from the building and construction vacancy index which shows a higher rate of vacancies in the skilled occupations compared to the semi-, low- and unskilled occupations.

Access to skilled labour is a constraint for the growth of small and medium contractors, but it is currently not a significant constraint as it was in 2008 when the construction industry was at its peak. Rather, contractors are currently experiencing that access to work is the most significant constraint to their growth.

4.4 Skills Shortages; Consulting Engineers

According to Consulting Engineers South Africa (CESA) the CESA member organisations are reporting that they are experiencing difficulties in their recruitment for engineers and technical occupations. This correlates with the career junction index which reflects that in the architecture and engineering sector, supply is less than demand. The percentage of firms experiencing difficulties in recruiting engineers has decreased significantly from 74% in 2015Q2 to around 44% in 2016Q2, as shown below.

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4.5 WorldSkills South Africa; Construction Chapter

WorldSkills International (WSI) is a not for profit membership association open to agencies or bodies which have a responsibility for promoting vocational education and training in their respective countries/regions. WSI operates worldwide and provides a unique means of exchange and comparison of world-class competency standards in the industrial trades and service sectors of the global economy. WSI was established in 1950 and its mission is to raise the status and training worldwide.

WorldSkills South Africa (WSZA) is a member of WSI which works in close cooperation with industry partners and sponsors to assist young South African’s by providing and supporting a model for excellence in industry training. WSZA’s main objective is to promote youth and skills by enhancing the status of all vocational educational channels, to organize sector and trade specific regional, provincial and national WorldSkills competitions and ultimately entering participants in the WSI competition held once every two years.

WorldSkills International (formerly known as the “Skill Olympics”) has come to symbolise the pinnacle of excellence in vocational training. Its principal activity is organising the WorldSkills Competition in a different Member country/region every two years where hundreds of young skilled people from around the world, accompanied by their teachers and trainers, gather to compete and test themselves against demanding international standards before the public in the skills of their various trades. These young skilled people represent the best of their peers drawn from regional and national skills competitions held currently in 52 countries/regions.

In December 2015, the cidb was appointed to become the Coordinating Body for the Construction Chapter within WorldSkills South Africa.

During 2016, the cidb facilitated regional and national competitions in one construction trade (namely bricklaying), which culminated in a young South African participating in the WorldSkills International competition in Abu Dhabi in October 2017. The cidb is planning to increase the number of construction trades to 3 by 2022, together with measurable increases in the quality of training at TVET colleges in South Africa.
5. **Industrial Action**

The largest number of worker days lost is associated with protected strikes\(^{25}\). Legal, union initiated strikes are usually more protracted leading to significant production delays due to the number of man-days lost. According to the 2016 Annual Industrial Action Report, the construction industry especially in comparison with other industry, was not highly impacted by industrial action. The construction industry lost 15892 working days due to strikes in 2016, on a year-on-year basis this represented a -84% decline in the number of days lost compared to 2015\(^{26}\).

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