



Road Pavement Forum

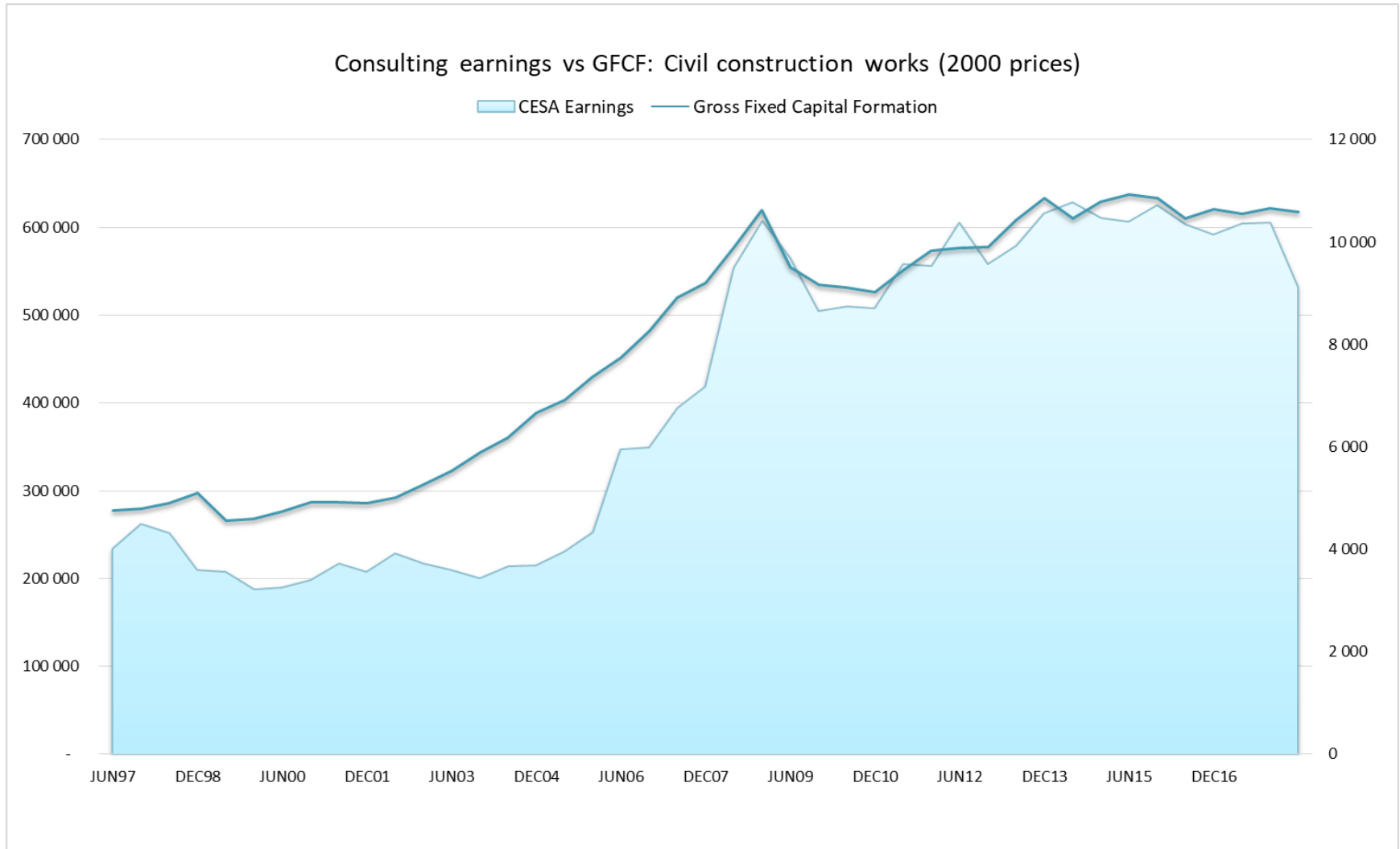
State of the Consulting Engineering Industry

12 November 2018

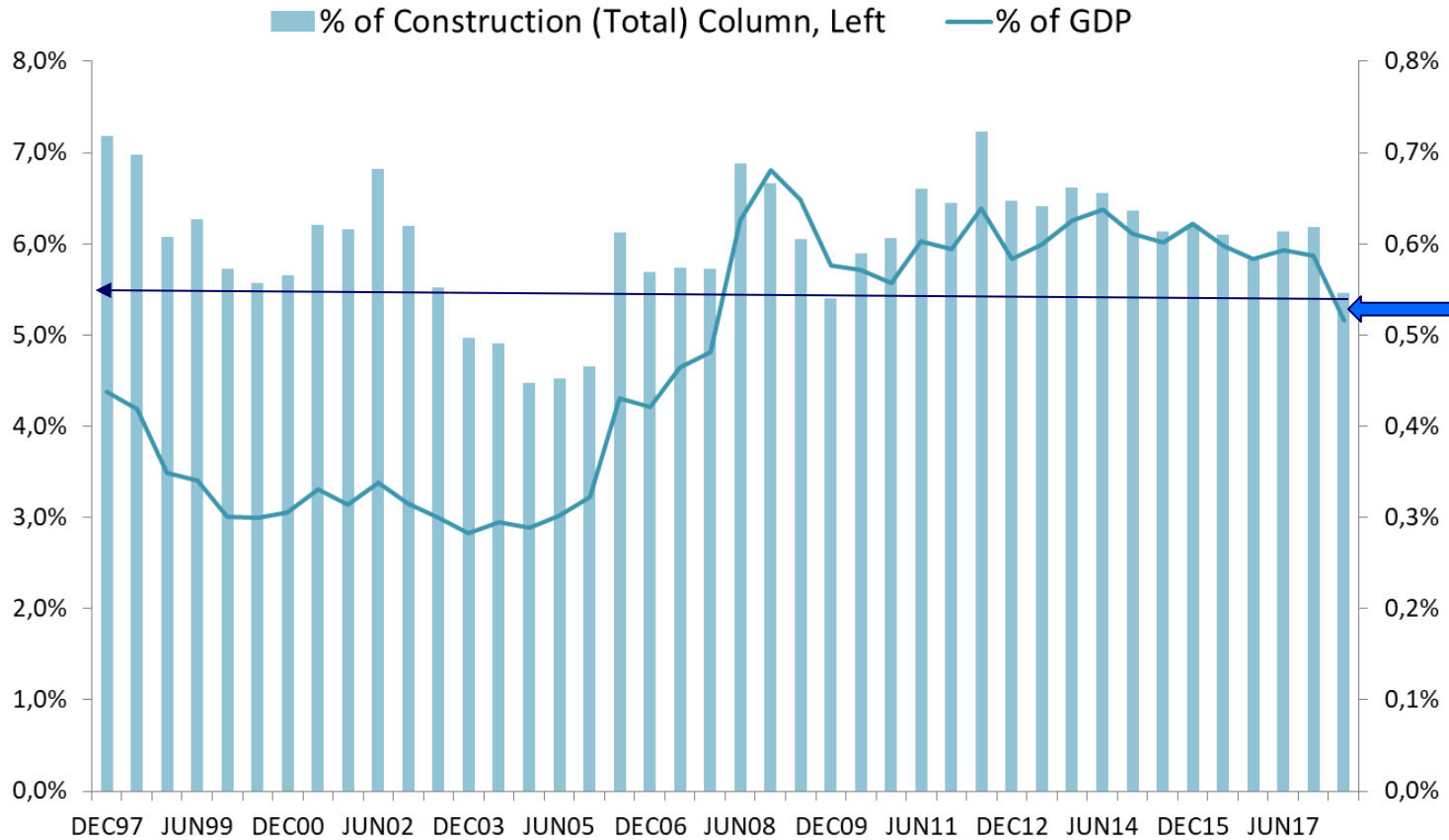
C Campbell Pr. Eng
CEO

There was positive news, that the construction sector has seen growth for the first time in six quarters, which was also unexpected given the dire state the industry is in. We hypothesize that this growth was driven almost predominantly by the private sector, with an improvement in both private building plans passed and completed in the second quarter, according to Stats SA, with the civil engineering industry in disarray/survival mode. On the civil engineering side of things, the only explanation could be in renewable energy, in which there has been a backlog of connecting projects to the grid. But new energy minister Jeff Radebe has vowed to move this process along, and this could explain the uptick, which we believe may not be sustained against all other competing needs.

Fee earnings vs Gross Fixed Capital Formation (Res, Non-Res, Construction works) | Rbn, Constant 2010 prices

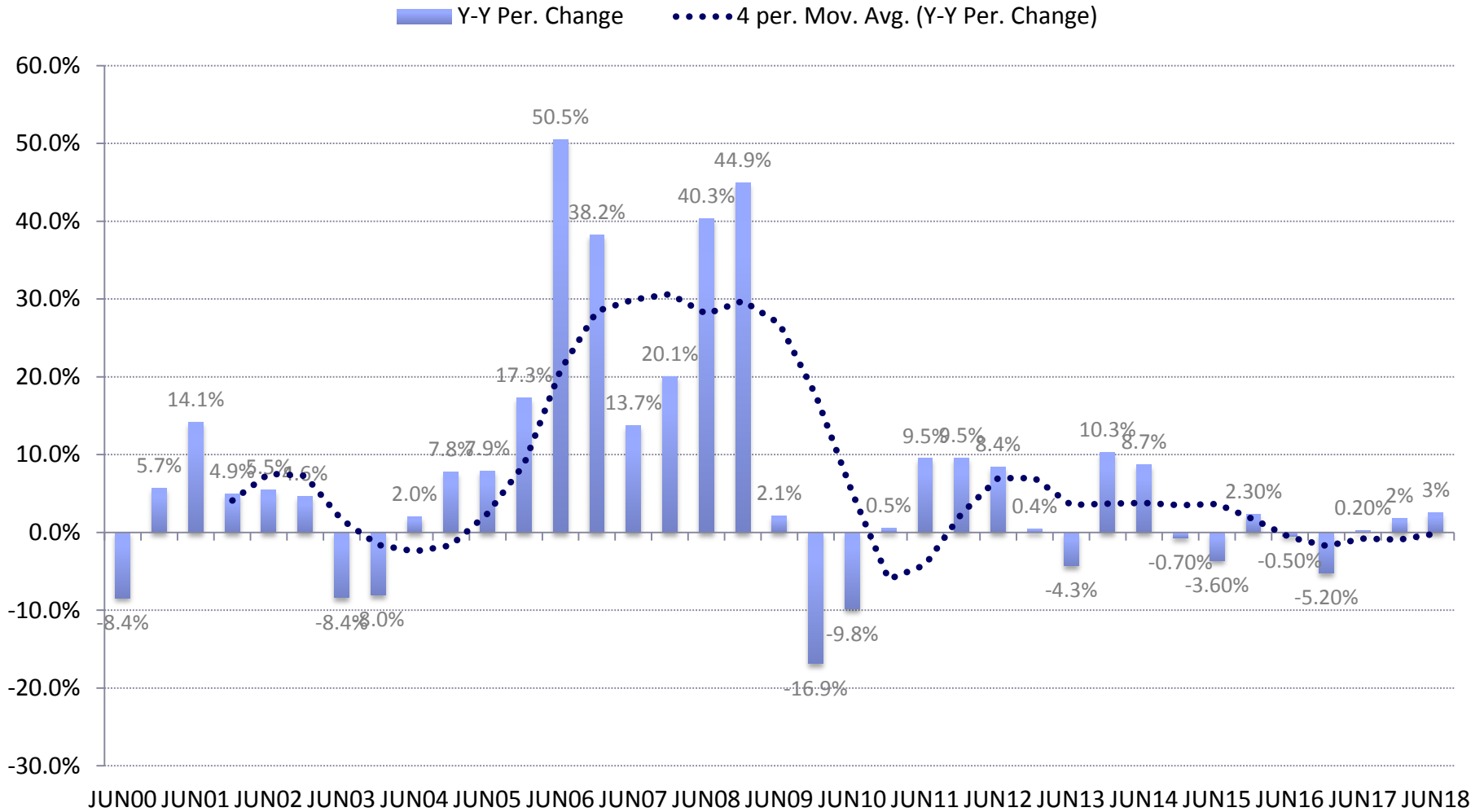


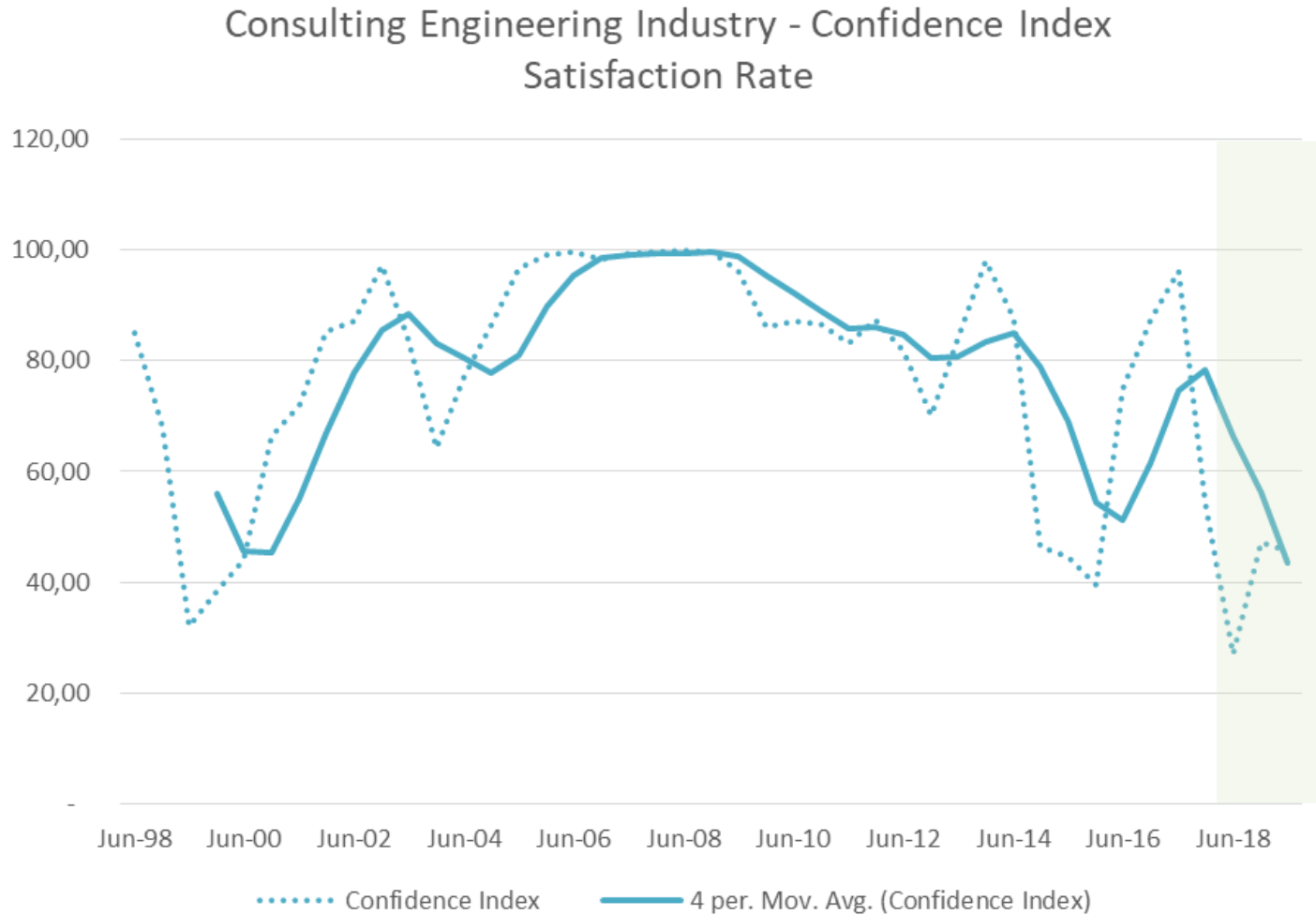
Consulting Engineering Fee Earnings: Percentage contribution

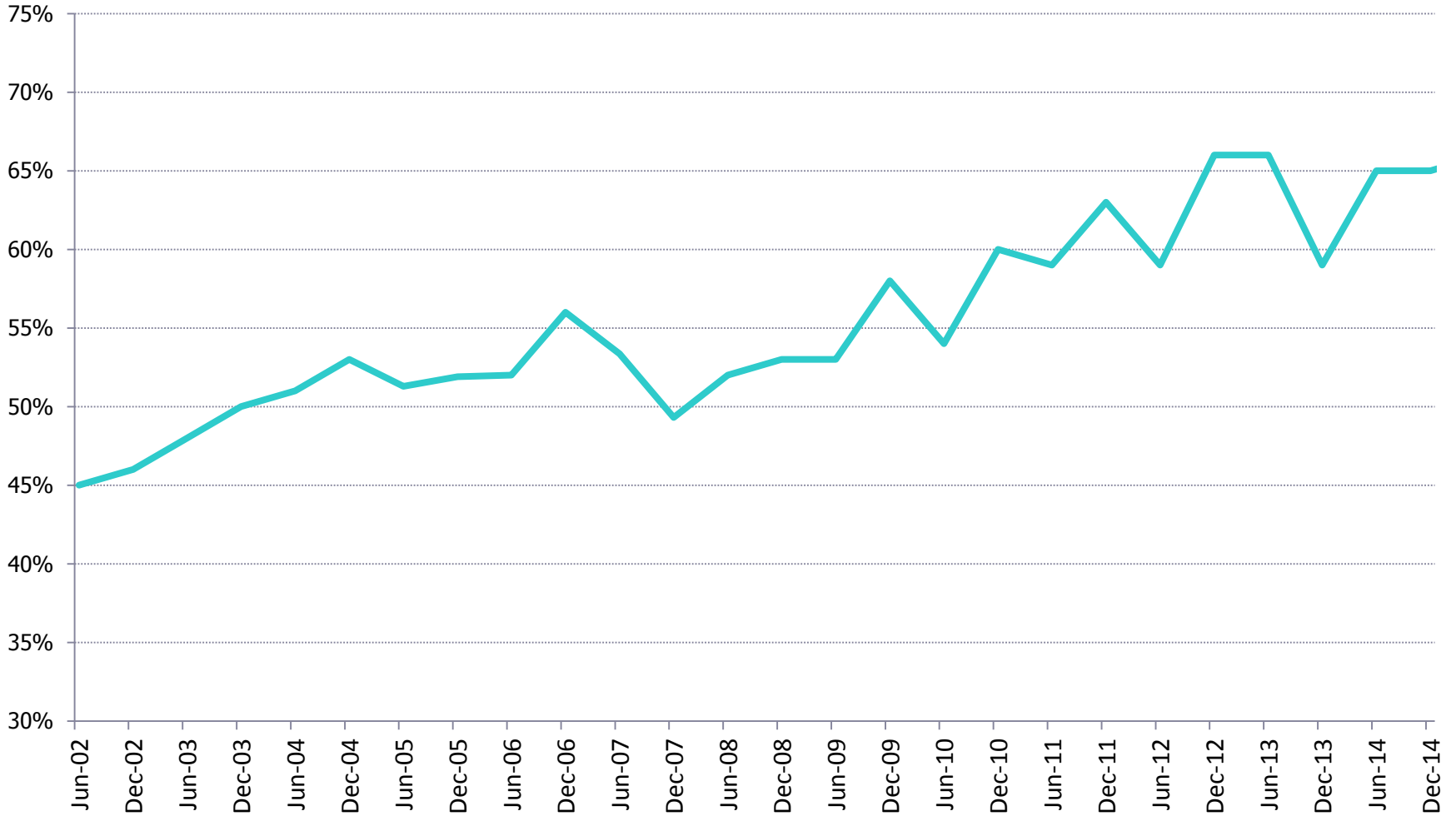


Real Fee income, Real prices

Annual Change | Deflator = CPI

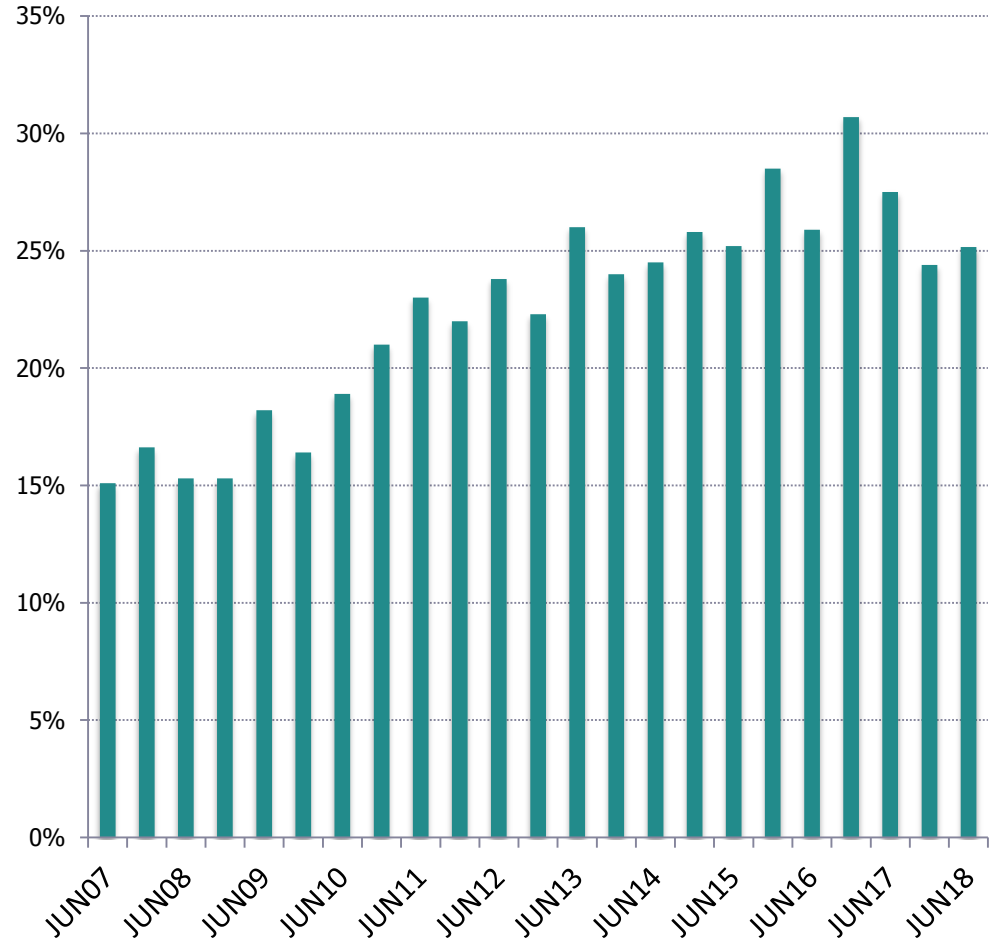
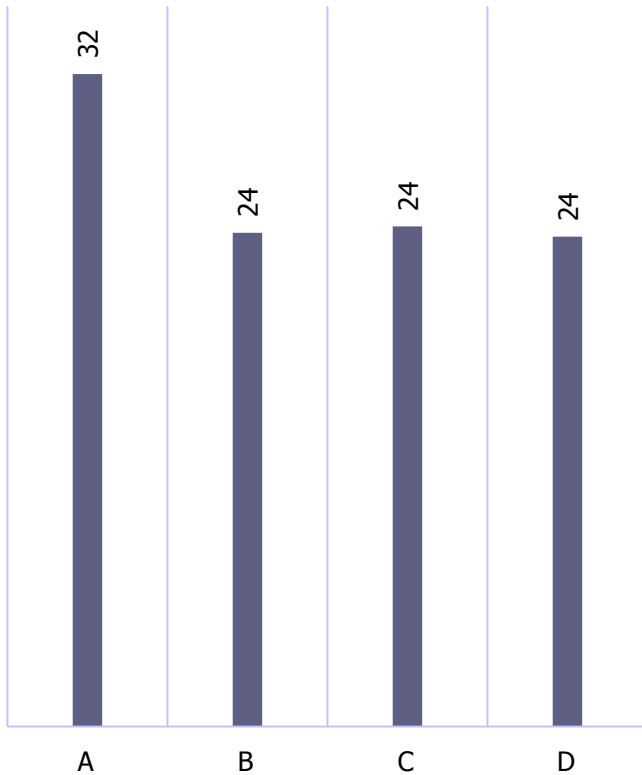






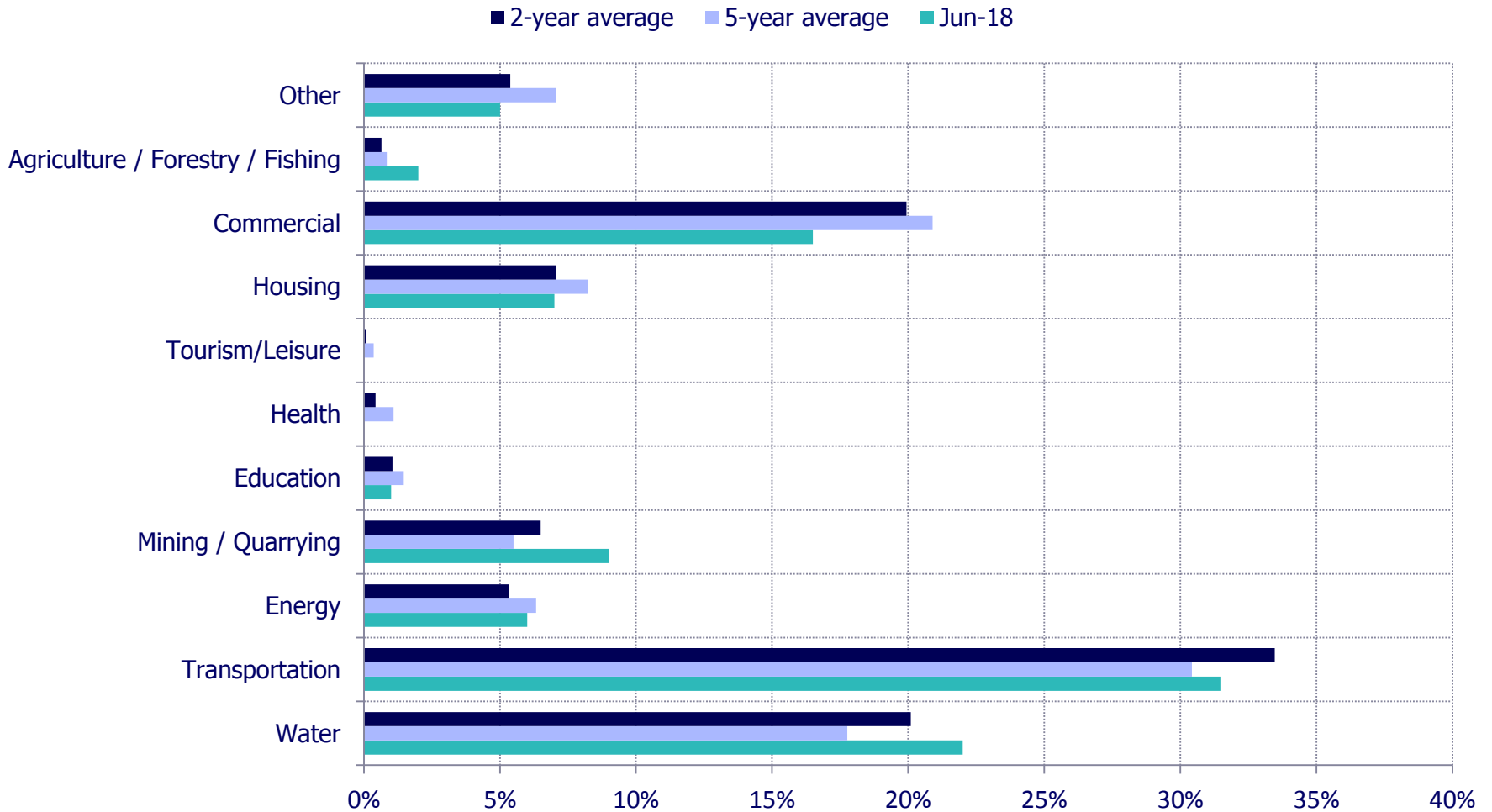
Average Discounting rate

BY FIRM CATEGORY

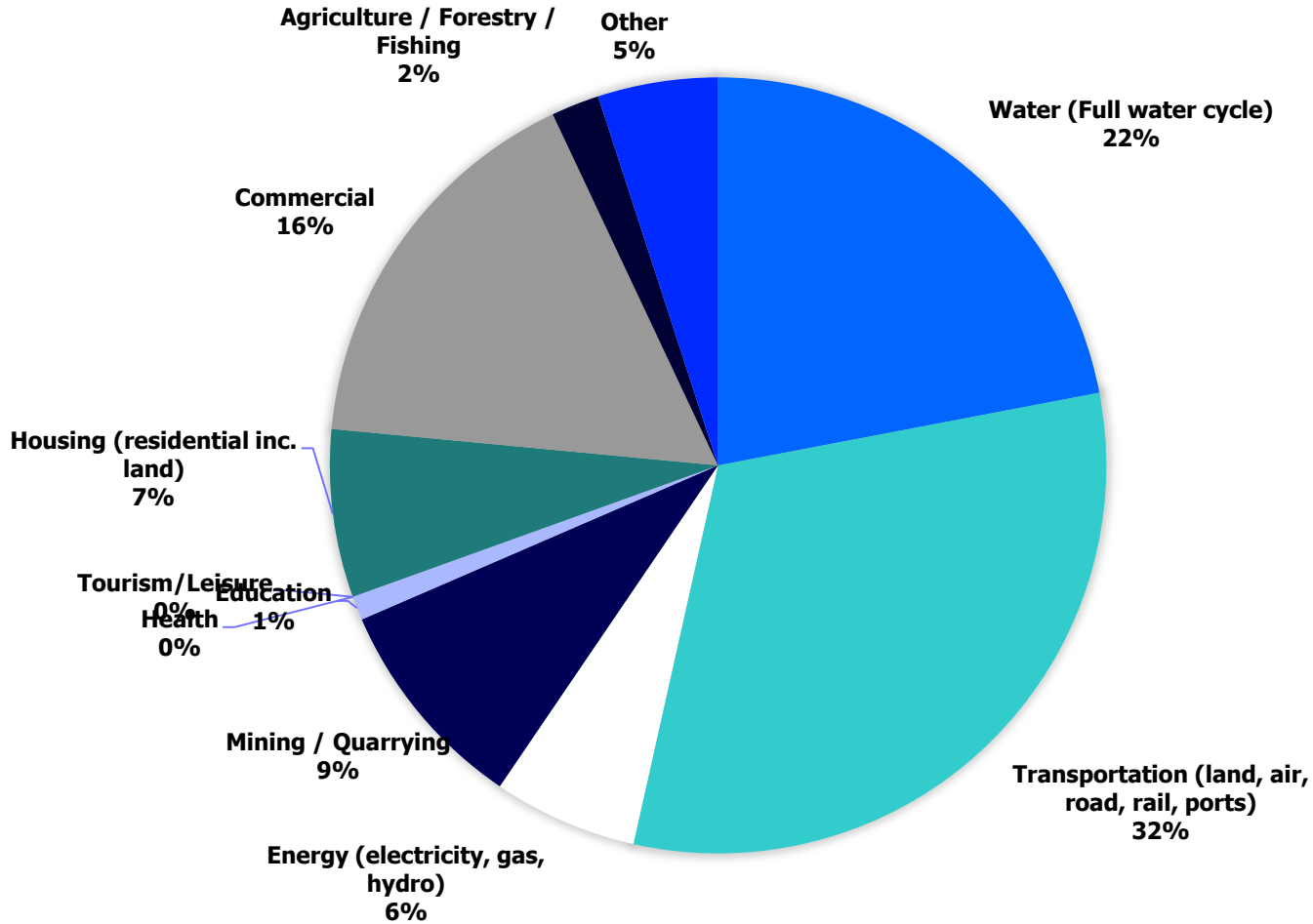


Fee income earned by economic sector

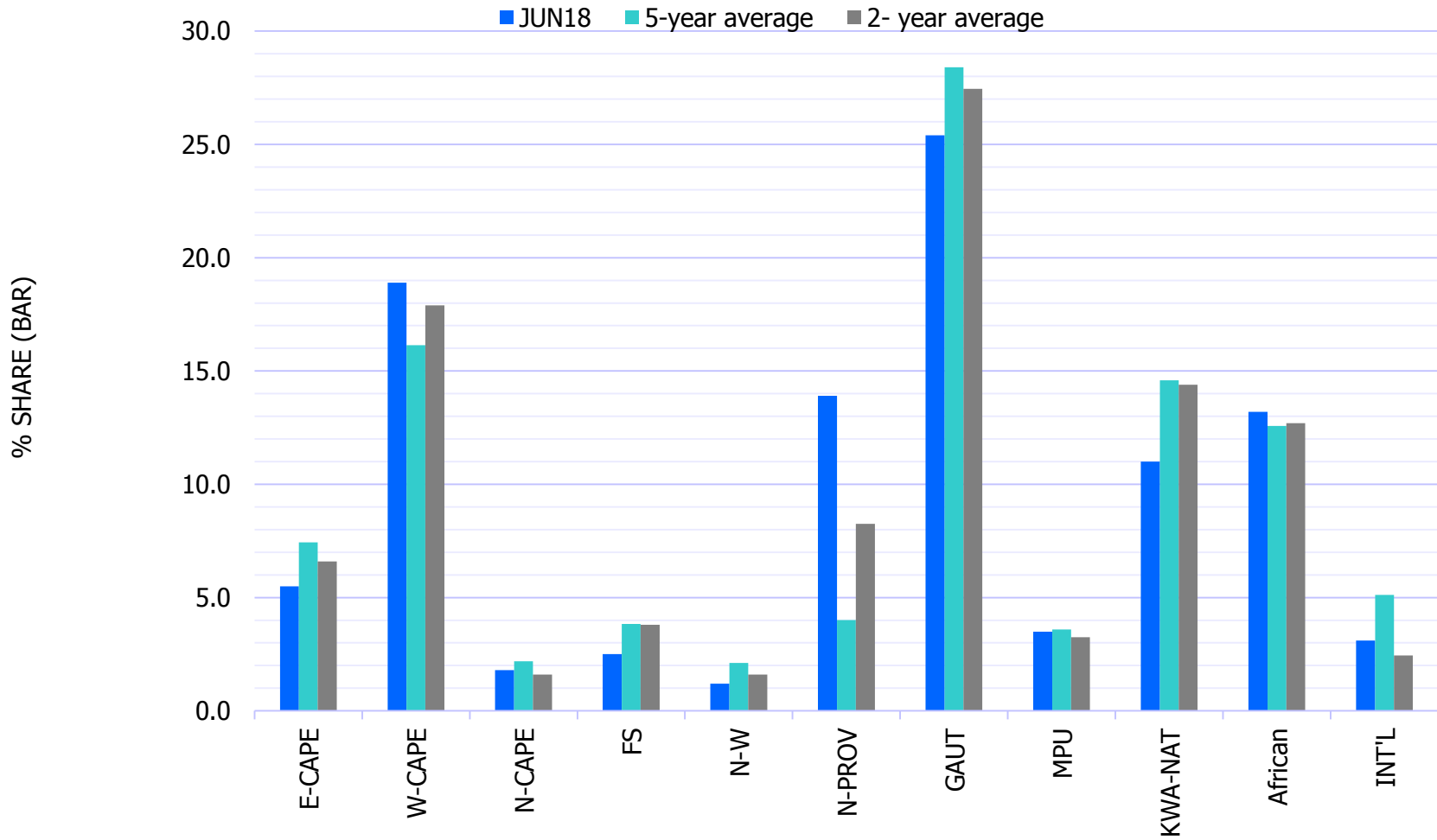
Percentage market share



Profile of earnings by sector

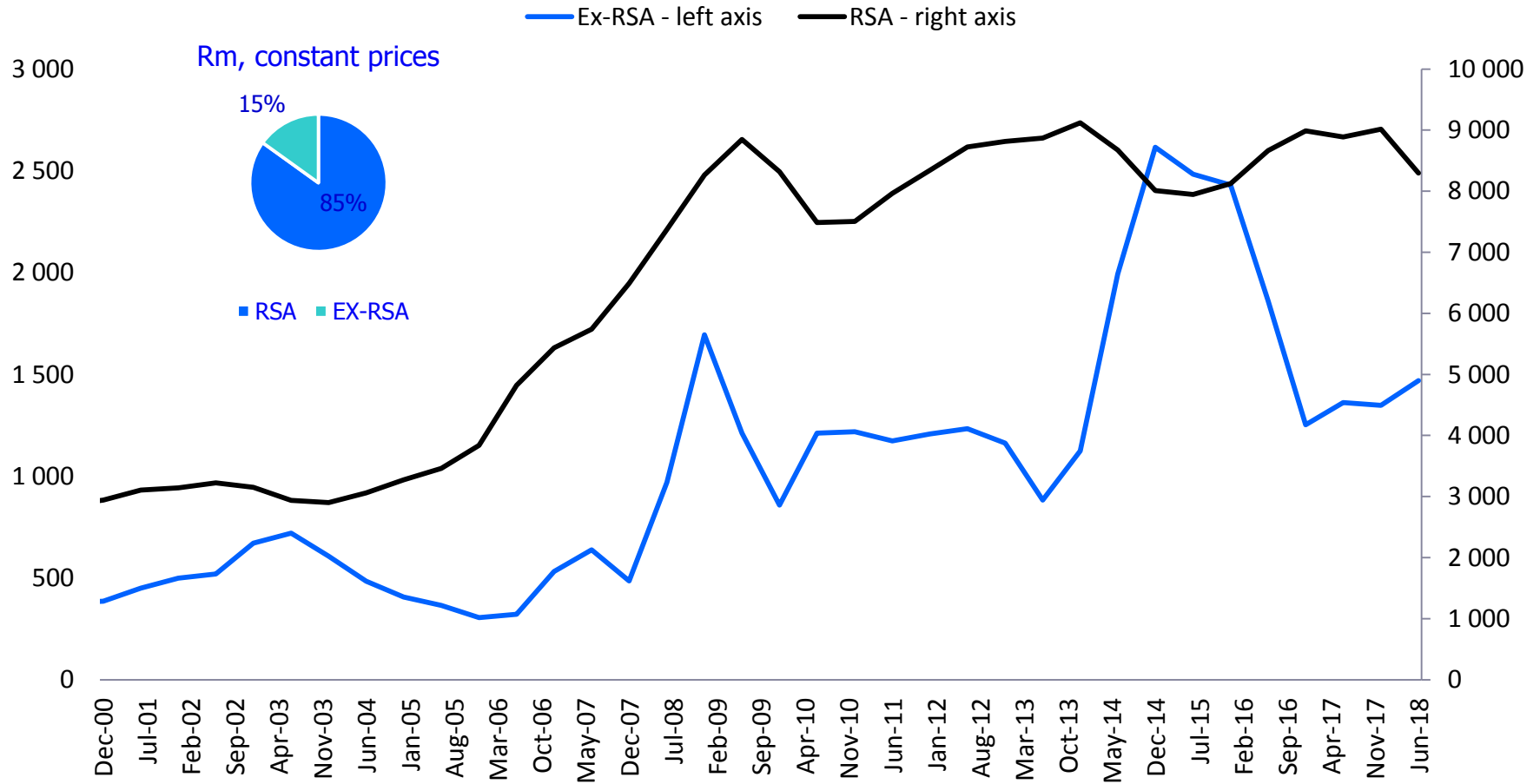


Provincial Market Share

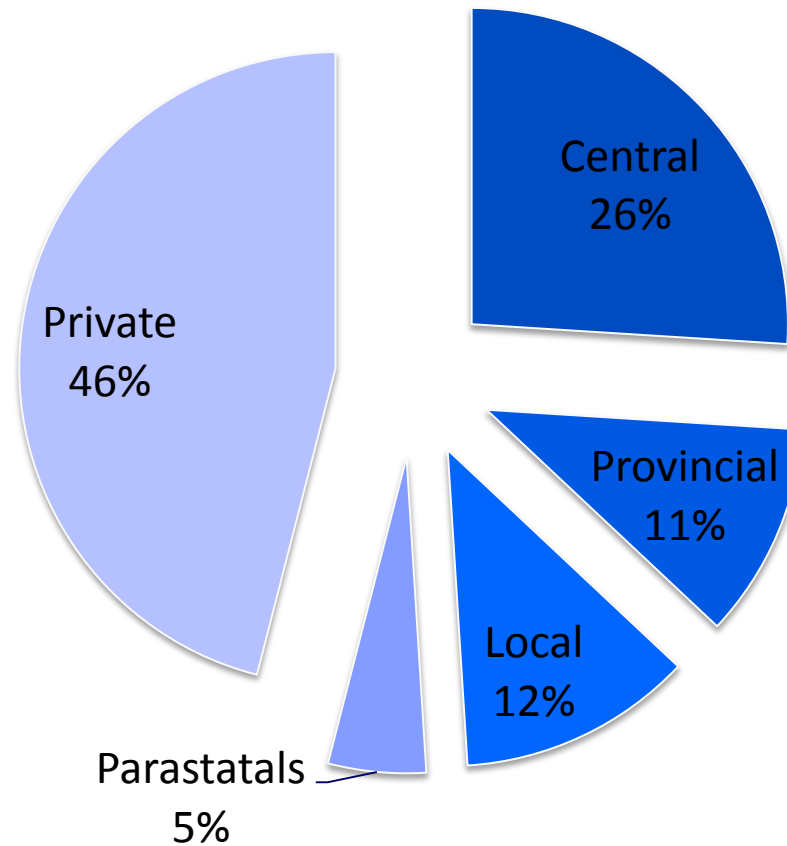


Fee income earned : RSA vs EX-RSA

R mill, Real 2000 prices | Annualised, smoothed

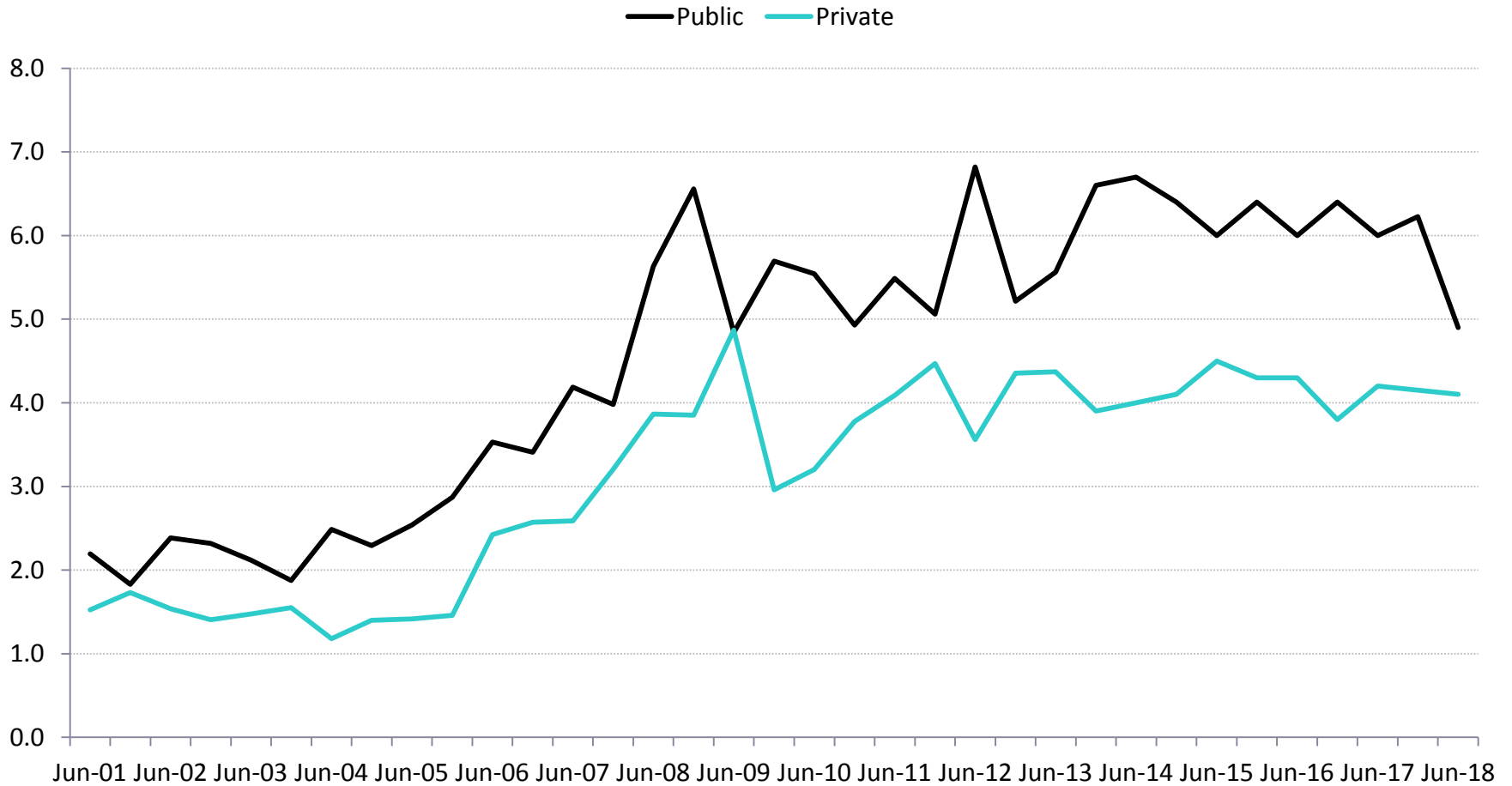


Fee income earned by type of client Percentage share as at June 2017



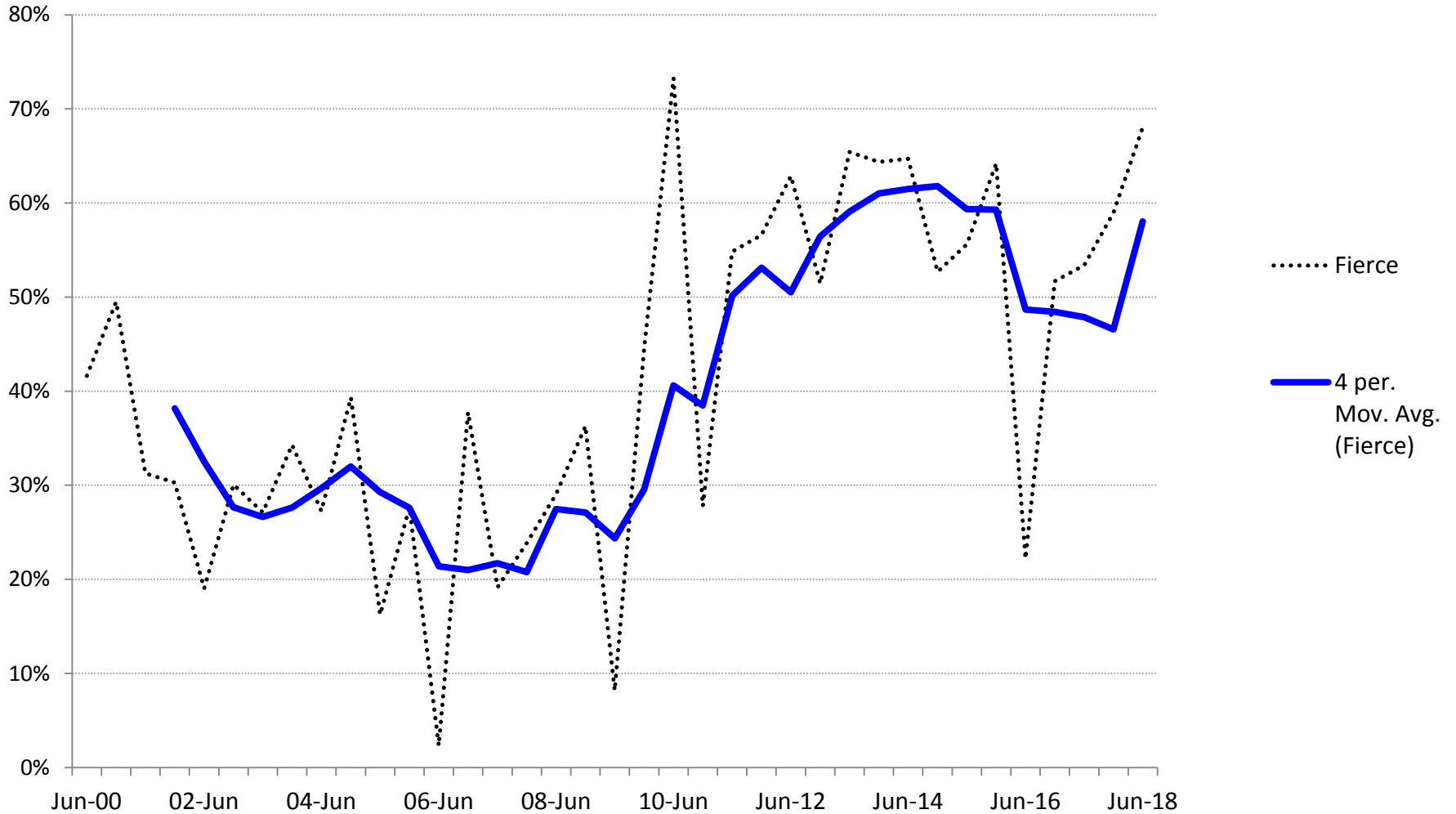
Fee income earned by type of client

R billions Real 2000 prices | Annualised, smoothed - average over 2 survey periods



Competition in tendering

Percentage of respondents that reported "Fierce" competition





CESA

Consulting Engineers South Africa

Thank you

www.cesa.co.za

Tel: 011 463 2022