

TG31 - Macroeconomic Information on the Construction Sector

Status report on activities

Coordinator Les Ruddock took the opportunity at the Task Group Meeting on 9th September 1999 in Cape Town to report on the two major activities which had been agreed at the inaugural meeting in June 1998.

He reminded the 18 members present of the project to institute an international survey of macro-information on the construction sector, to critically assess the availability of data, their sources, processes and accessibility.

By way of implementation, a questionnaire had been sent to experts on the construction sector in 76 States whose contents were partly based on factual material and partly an opinion survey.

The original plans had been to complete the survey by March 1999 but due to the late return of questionnaires, the survey was in fact completed by June 1999 and was successful in eliciting a response of 42 questionnaires.

It was hoped that the database formed from the responses would be ready for the Cape Town meeting but this had not been possible.

He said that the initial findings had produced some very interesting results and the compiled database would now be sent to members of TG31 in October 1999 with the aim of obtaining a consensus analysis of the findings by the end of 1999.

Workshop - A Success

Les Ruddock then announced that the themed Workshop in Cape Town had turned out to be a successful event attracting a good attendance.

The subject had been Macroeconomic Issues, Models and Methodologies for the Construction Sector and a volume of papers had been produced (CIB Publication 240).

Recalling that one of the stated aims of the Task Group was "...to discuss and develop appropriate macroeconomic models and methodologies for the study of the sector ... including consideration of sector policy and state support issues, viewing construction industry development in the context of the national economy of the country" he said that the papers presented at the Workshop, together with the others in the volume, covered a range of topics concerning policy and development issues and with contributions from five different continents, they did genuinely depict an international perspective.

A brief description of the topics confirmed this.

- **Birgonul and Ozdogan** examined the two-way interaction between the construction sector and national economy of Turkey, examining ways of improving construction output and maximising government objectives.
- **Carassus** proposed a 'new method' of analysing the construction sector in terms of stocks and flows relative to this stock based on a stock optimisation process. This method could have far ranging applicability in many developed countries.
- **De Valence** considered the issue of productivity growth in the Australian construction industry and compared measurements based on national accounts data with those based on construction surveys.
- **Dorfman** had made a comparative analysis of the construction industries of Brazil and South Africa, countries with similar potential for economic development and facing similar problems in

the construction sector.

- **Lopes** had looked into the problems involved in finding 'hard' data for countries in which the scarce and erratic data provided by national account must be supplemented by qualitative data. This study was based on Angola and Mozambique.
- **Ruddock** had addressed macroeconomic issues affecting the construction industries of Central and Eastern European countries after initially considering the wider picture of the construction activity-economic growth relationship globally.
- **Sloan et al** had explored the development of a construction industry model for Lithuania, looking at specific development for the country but also drawing on expertise from the countries of the European Union.
- **Snyman** had focussed on the issues of the establishment of data requirements to enhance planning for the South African construction industry.

Added Les Ruddock:

Our hope is that this Volume (CIB Publication No. 240) will contribute effectively to the creation of an international community of research and practice in the study of macroeconomic aspects of the construction sector and, at the same time promote world-wide exchange of knowledge across continents.

Future Work Programme

Members discussed the future directions for the Task Group's work and identified the following basic issues on which attention should be focussed:

- To assess the current state of macro-data based on the questionnaire survey
- To assess the extent to which the construction industry (professions, clients and organisations) utilise the available data
- To develop a comprehensive information system based on a benchmarking process

Next Meeting

The next meeting of TG31 will be at Reading, United Kingdom in September 2000 and will be held in conjunction with W055 and W065.

