



SRI LANKA

ANNUAL SURVEY OF CONSTRUCTION

INDUSTRIES

2005

Department of Census & Statistics

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PREFACE

The first Survey of Construction Industry was conducted in 1993 with the assistance of Institute for Construction Training and Development (ICTAD). Thereafter this Department continues to conduct the survey annually to cater to the needs of National Planners and other data users.

This publication provides the Survey results for the year 2005 in which the reference period was 2004. The frame for this survey was the list of contractors registered with ICTAD.

Any suggestions to improve this survey are most welcome.

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Survey of Construction Industries – Sri Lanka 2005

1. Introduction

Survey of Construction Industry was conducted in 1993 for the first time in Sri Lanka mainly to furnish data regarding input, output and their trends to the Institute for Construction Training and Development (ICTAD). The Department of Census and Statistics continues to conduct the survey annually to cater to the requirements of the data users along with the rapid development of the construction industry in Sri Lanka. However, due to the unsettled conditions, the survey of construction industries could not be fully conducted in Northern and Eastern Provinces. Therefore, all information in this report is given only for the Provinces where the survey has been conducted.

2. Scope and Coverage

In this survey, all construction activities undertaken by the private contractors who are registered with ICTAD, government and semi-government agencies are covered. Therefore, construction activities undertaken by the international contractors and the informal construction activities are not presented in this survey.

Information is collected relating to the following sectors of the construction industry.

- i. Building construction
- ii. Highway construction
- iii. Bridge construction
- iv. Water supply & drainage
- v. Irrigation & land drainage
- vi. Dredging & Reclamation
- vii. Other constructions

All construction activities, except building construction, mentioned above are categorized under Civil Engineering activities.

3. Methodology

The Survey of Construction Industries was aimed to cover 1235 sample units in all provinces except some districts in northern and eastern provinces during the reference year 2004. The department introduced a very simple questionnaire for the survey from the year 2000 considering the difficulties to obtain the information of construction activities.

The questionnaire was posted to selected contractors and followed up by sending reminding letters in order to collect information such as, value of contract, value of work done, value of raw materials used, salaries and other services.

In addition, the employment statistics and value of subcontract given by the main contractors are also collected.

4. Frame

List of contractors registered with the ICTAD and among those who were engaged in construction activities in the year 2004 have been used as the frame for this survey.

5. Sample Design

Stratified Systematic Sampling method was used for the survey and the list of contractors registered with the ICTAD was divided into 2 strata according to the grading system which the ICTAD has devised based on the financial terms. Contractors categorized under grade 1 to grade 6 were canvassed 100% and a probability sample was selected from other grades of 7 to 10 as shown below.

Sample Frame	Strata	Sample fraction	Sample size
1. List of contractors registered with ICTAD	grade 1-6	100%	404
	grade 7-10	45%	600
	Northern & Eastern province	100%	231
Total			1235

6. Concepts & Definitions

(a) Reference Period

Data relating to construction activities carried out during the calendar year 2004 or financial year 2004 April to 2005 March.

(b) Employment

This refers to the average number of persons engaged in construction activity during the reference period, including skilled labourers, unskilled labourers, technical, professional and other paid workers.

(c) Salaries & Wages

Amount paid as salaries, wages or subcontract on work done during the period.

(d) Output

Value of work done during the year 2004.

(e) Input

Expenditure on goods (raw materials) & services = goods + services + other expenses.

(f) Value Added

Value added is the increment addition to the value of raw materials and services, that is contributed by the contractor. It is computed as follows.

$$\text{Output} - \text{Input} = \text{Value added}$$

7. Survey Results

The Survey of Construction Activities was not covered all construction activities carried out during the reference period in the island. The survey covers all the construction activities carried out by the contractors registered with ICTAD.

Therefore it is clear that ;

- a. The construction activities carried out other than by the ICTAD registered contractors such as construction of houses in the rural sector and urban sector;
- b. Large scale construction activities carried out by foreign contractors;

are not covered by this survey.

According to the Annual Survey of Construction Industries, the total estimated value of work done by all type of construction activities in Sri Lanka was Rs. 44,111 million in 2004. The highest contribution to this value has been made by the building construction sector which accounted for 51.3% of the total value of work done.

The major share of the value of work done of building construction sector (which amounted Rs. 22,636 million) has come from the private and public sector. The type of water supply and drainage construction was the second highest contributor to the value of work done, amounting to 18.7% of the total value.

It is evident in the Table 10 that the highest value of work done reported from Colombo district and it was 42.3% of the total output. Gampaha and Kandy districts contributed to 10.7% and 6.3% to the total value of work done respectively. The lowest value of work done was reported from Polonnaruwa district and it was 0.1% of the total output.