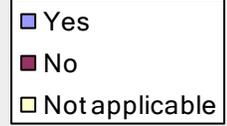
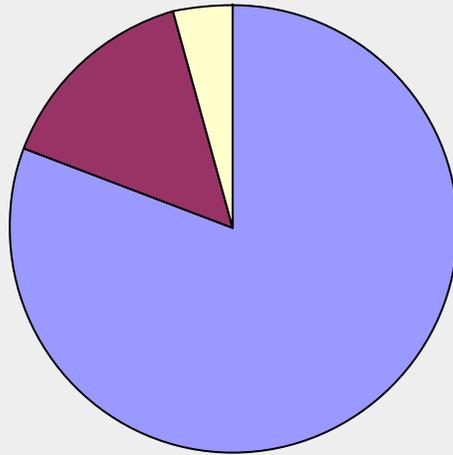


CONSTRUCTION CONFIDENCE INDEX



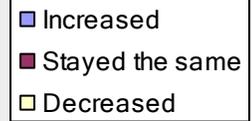
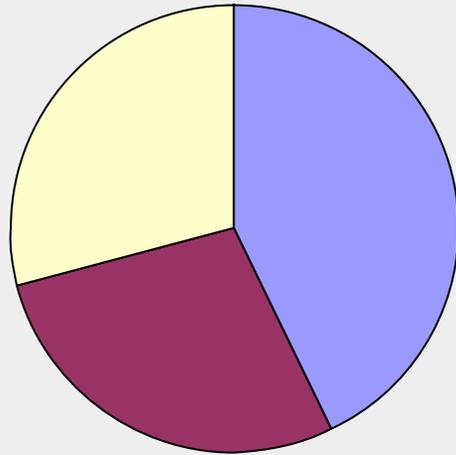
MAY 2014

Is your company currently carrying out any onsite construction activity?



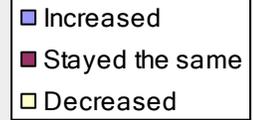
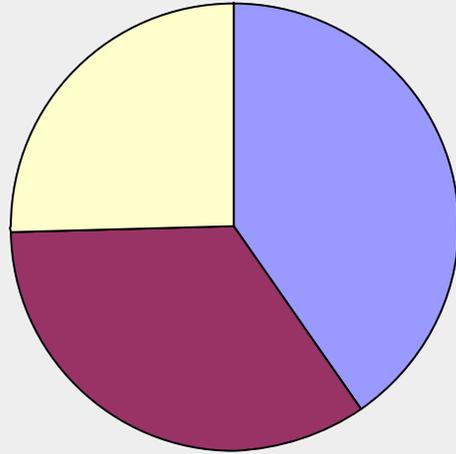
Answer Options	Response Percent
Yes	80.8%
No	15.1%
Not applicable	4.1%

Compared to this time last year has your company's level of activity...



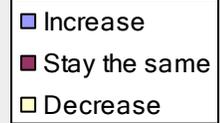
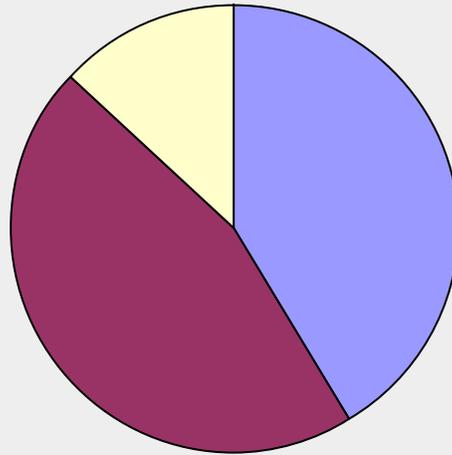
Answer Options	Response Percent
Increased	42.9%
Stayed the same	27.9%
Decreased	29.3%

Compared to this time last year has the number of tenders you have submitted...



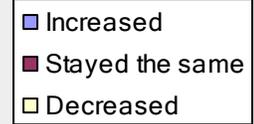
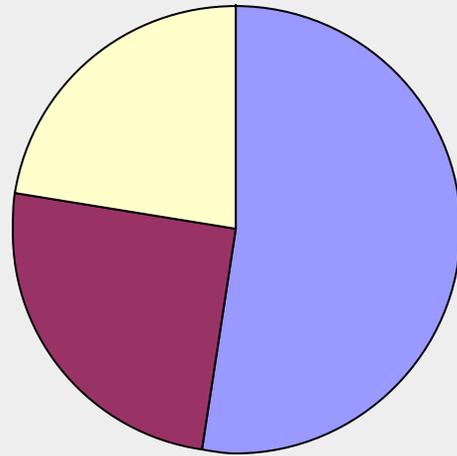
Answer Options	Response Percent
Increased	40.1%
Stayed the same	34.3%
Decreased	25.5%

In the next three months do you expect the number of tenders you submit to...



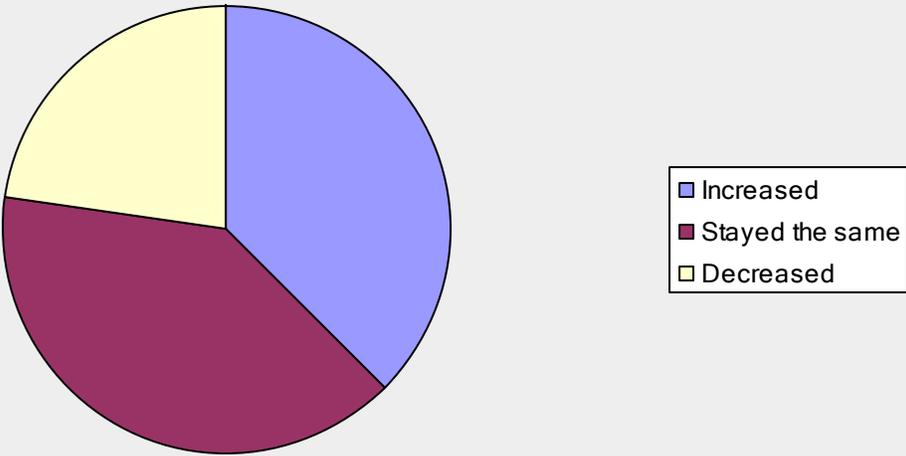
Answer Options	Response Percent
Increase	41.3%
Stay the same	45.7%
Decrease	13.0%

Compared to this time last year has your confidence in the state of the construction industry in Ireland...



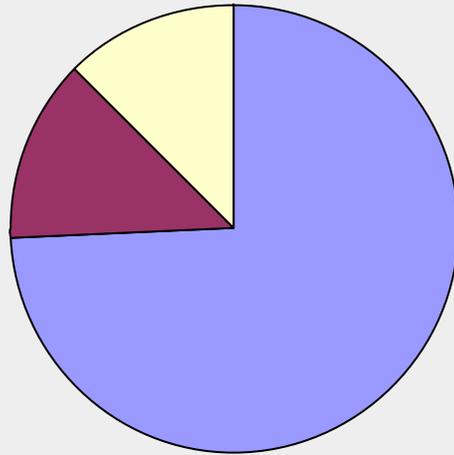
Answer Options	Response Percent
Increased	52.1%
Stayed the same	25.3%
Decreased	22.6%

Compared to this time last year has the number of people working for your company...



Answer Options	Response Percent
Increased	37.5%
Stayed the same	39.6%
Decreased	22.9%

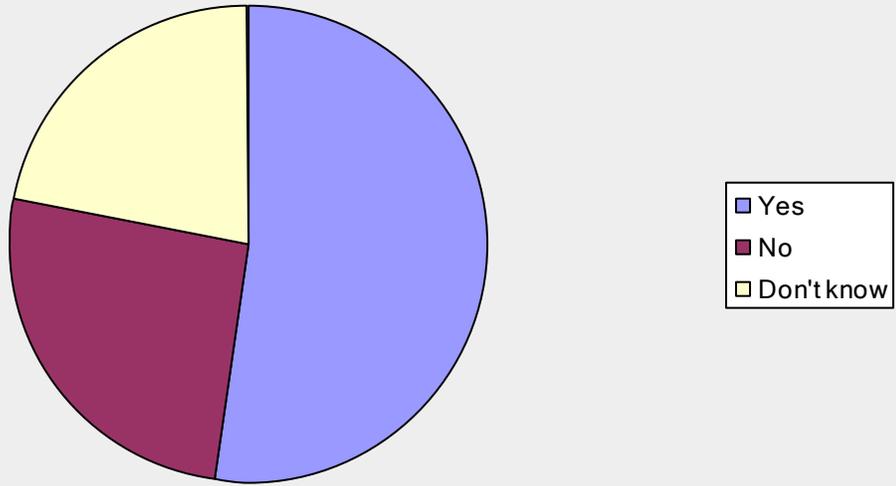
If your business was to increase revenue this year will you take on extra staff?



■ Yes
■ No
□ Don't know

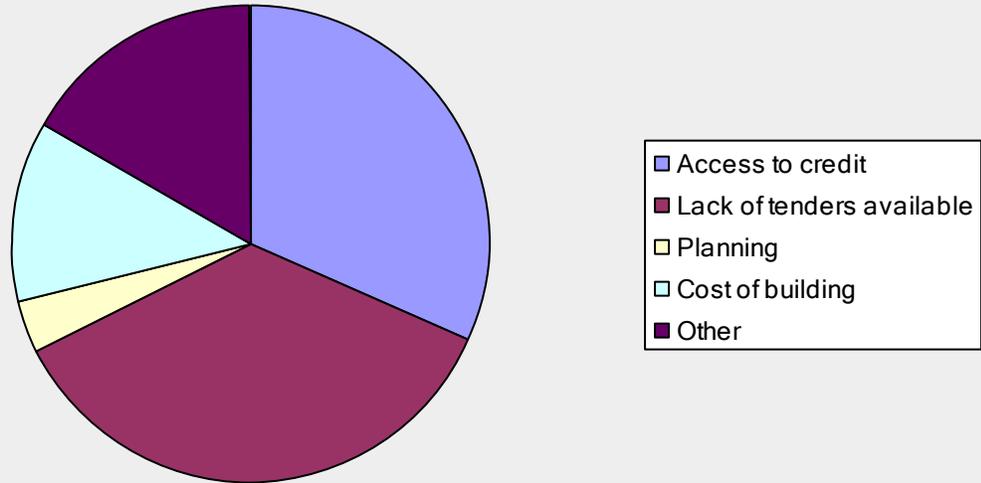
Answer Options	Response Percent
Yes	74.3%
No	13.2%
Don't know	12.5%

Do you expect your business to grow this year?



Answer Options	Response Percent
Yes	52.1%
No	26.0%
Don't know	21.9%

What is the main impediment to growing your business?



Answer Options	Response Percent
Access to credit	31.7%
Lack of tenders available	35.9%
Planning	3.4%
Cost of building	12.4%
Other	16.6%

COMMENTS

The following are additional comments supplied by various respondents to the survey on an anonymous basis.

"I think we are emerging from recession and things are improving but it is very gradual in the West of Ireland and will take some more time to become very apparent."

"The new Government Contract is the biggest problem. No contractor should sign up to it. It is 100% against the contractor if he try's to make a case to get variation or time for delay and get paid. Most of the design on drawing that are sent out now days are only good enough to get planning on they are still at stage C . The amount of paper work in trying to get onto a job is a joke now as well. These are the biggest issues in the market today."

"A long, long road back."

"More incentive for taking on employees - huge shortage of applicants for apprenticeships. Also as a sole trader, I am not entitled to any of the employee schemes with Fas."

"Need to get rates up Overheads are killing many employers even though employers have cut costs to the bone. Trying to keep bills paid wages paid keeping people employed there is very little help for an employer or government incentive to recruit or employ people."

"The costs and complexity of qualifying for and tendering for public authority projects are very high. It may be that the costs overall could be absorbing up to 5% of the Public Capital Programme."

"West of the Shannon nothing is happening."

"We find we just can not compete with the small amount of tendering, that we do tender for."

"In the civil sector, prices are as bad as ever and might actually be getting worse."

"We have not had any site work whatsoever since end of May 2013. We priced about 2 jobs but they were never done, so the only person who benefitted was our QS who sent us in a bill for around €3000.00. We are both in the building (my wife and myself) and since Christmas we have not been able to pay ourselves anything as the money isn't there."

"Below cost tendering still prevailing and clients prepared to accept tenders which are unrealistic despite the advice of Quantity Surveyors."

"Skills shortage all all levels greatest concerns for future - Trades, Graduates, Post Grad & Experience senior Management."

"As turnover has decreased it is becoming impossible to qualify for contracts comparable to those we have been working on for over 40 years."

"Nothing being done to stimulate activity in the West of Ireland."

"Nama & other financial institutions need to move faster to correct the imbalance they are currently making in the market, premises be it commercial or domestic are being sold at values below their construction cost by the various banks, we will not have a viable construction industry

until such a time as it shows value to the consumer, I know they have various reasons for selling cheap properties but if it could be completed sooner we could all move forward at true values.”

“Activity in Dublin/greater Dublin area should be noted separately in all building statistics like the yoy building statistics released over the last few days as it give a very false picture of what's actually happening in rural Ireland. The NAMA refurbishments/housing completions are severely distorting the fact that the building sector in rural Ireland is still actually declining. Being able to see what's actually happening in the rest of the country is by far a better mechanism for judging how the construction sector is actually doing.”

“From my perspective the increase in demand is largely a Dublin phenomenon Our research tells us that we can expect modest increases on a year by year basis going forward.”

“Whilst there is an uplift in the number of projects tender prices are remaining unsustainably low. Low prices and the ongoing difficulties with the Public Works Contracts makes contracting a very tough business.”

“Due to below cost tendering we won't be tendering for works here for a long time to come. Black economy and dodgy firms are destroying the industry. Companies are going into receivership and back with a new company a few months later having left a trail of destruction in their wake.”

“Local Authorities have no interest in seeing the construction industry, particularly residential, grow and are only slowing down progress in planning and on the ground, ie. services.”

“A lot of talk about work but not on the ground. A lot of enquiries but not turning into jobs.”

“Lack of credit together with lack of tenders and lack of pro- active government to provide housing projects.”

METHODOLOGY

The survey was conducted among CIF member companies in May. A total of 393 respondents completed the survey.