CONSTRUCTION
Going ahead

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FOR THE CONSTRUCTION industry, 2012 left much to be desired. Nevertheless, the programs and packages the federal government announced in the second half of the year have rekindled optimism in the sector, which in 2013 is expected to grow between 3% and 4%, compared to an estimated 2.5% in 2012, according to the Brazilian Chamber of the Construction Industry (CBIC).



"This year could have been better, but considering factors such as the decline in investments, the temporary stoppage of work at the National Department of Transport Infrastructure (DNIT) due to its restructuring, and the performance of the Growth Acceleration Program (PAC) below what was expected, we cannot complain," said José Carlos Martins, CBIC vice president, pointing out the momentum that characterizes this industry and ensures some level of activity despite the slowdown in hiring.

The measures announced, however, suggest that in 2013 the construction industry will have a better year. The initiative to accelerate the pace of concessions for construction of transportation infrastructure; the changes last October in the government housing program, such as the higher ceiling for real estate financing and the reduction in interest rates; and the stimulus packages for investments [in the construction industry], including the reduction in the payroll and working capital credit line, justify optimism," Martins said. All the government signs are that it will be stimulating investment, and almost half of investment is devoted to the construction sector.

For Martins, the sector may also benefit from an improvement in the qualifications of labor: "Since 2007, we have increased employment from 1.3 million workers to about 3.1 million. When you hire more workers, inevitably [at first] productivity suffers. But businesses are investing in technology and training, and we're getting to the point of reversing this situation."

Martins also said that the major challenge is to improve the business environment. "Today that's what increases costs and delays works. I'm talking about what happens in the city halls, registries, environmental licensing. Today, our production process has changed a lot, and public agencies have not changed at the same speed."