

The Mexican construction industry employs 2 million workers in approximately 18,000 companies. The industry is dominated by a few large companies with the largest 300 accounting for more than half of the value of total production. A few of the largest firms have annual sales in the order of US \$1 billion and operate internationally as well as domestically.

The largest construction companies are the most important buyers of imported construction materials. They are likely to purchase the most sophisticated products and the widest variety of materials. Acrylic paint, polyvinyl chloride (PVC) plumbing and plastic finishings are examples. In recent years, their influence over purchasing decisions has grown as the role of government has changed. Traditionally, the federal and state governments functioned as general contractors for public works projects. But increasingly, private sector contractors are taking over total project responsibility, while governments focus on financing and project promotion.

The largest construction companies are highly diversified. They provide engineering and contracting services and also produce many of the building materials they use. It is not uncommon for them to create separate divisions to manufacture products in high demand. This makes them ideal candidates for technology alliances or other joint ventures with Canadian producers.

THE CONSTRUCTION INDUSTRY, 1992

Class Size (US \$ millions)	Number of Companies	Percentage of Companies	Value of Production	Percentage of Production (US \$ millions)
up to 1	14,527	80.49	3,500	32
1 to 3.3	2,609	14.46	900	8
3.3 to 6.7	614	3.40	500	5
over 6.7	299	1.66	6,100	55
Total	18,049	100	11,000	100

Source: Cámara Nacional de la Industria de la Construcción (CNIĆ), National Chamber of the Construction Industry.