

Water heaters	\$ 12.1
Builders hardware	\$ 9.3
Glass products	\$ 5.8
Aluminium products	\$ 4.5

#### 4. END USERS

The Mexican construction industry represents a very important economic activity, as measured by a 5% participation in the country's total GDP. Additionally, it is one of the most important employment generating activities, since it accounts for 10% of total employment. In the area of construction, there are close to one million workers registered with the National Institute for Social Security (IMSS), which by law covers all workers in private companies. The construction industry has a multiplier effect over 34 of the total 72 sectors of the economy, from which, as a whole, it purchases 7.6% of production, while it contributes with 20.4% of purchases to industrial sectors.

The growth of the construction sector is procyclical, since it tends to grow with the economy as a whole but at more pronounced rates. This sector decreased by 10.3% in 1986, at the time of the economic crisis, then recovered by 2.8% in 1987, remained the same in 1988 and grew by 2.1% in 1989. In 1990, it grew at increasingly high rates to reach a global growth of 7.7%, placing itself as the most dynamic sector of the economy during that year. This growth was basically the response to a 9% increase in public investment and 5.4% in private investment.

According to the Secretariat for Programming and Budgeting (SPP), as cited in the 1991 CIHAC construction catalog, in 1990, total gross formation of fixed capital amounted to approximately \$34 billion. The construction industry accounted for 56% of this total (or \$19 billion) and can itself be divided as follows: 50% in residential buildings, 24% in non residential construction, and 26% in self-construction. Additionally, total fixed capital formation by the construction industry can be divided into private construction (60%), of which close to 80% corresponds to residential construction, and public construction (37%).

##### 4.1 PUBLIC SECTOR

Public construction, which amounts to approximately \$7 billion, can itself be divided as follows:

##### 34%: buildings

(incl.	office buildings	11.6%
	industrial & commercial buildings	8.7%
	hospitals	6.9%
	schools	5.0%
	housing	2.0%)