6 September 2016

Marked Decline in Civil Engineering Production

Construction – July 2016

In July 2016 the construction output dropped by 16.3% year-on-year (y-o-y), in real terms. The planning and building control authorities granted by 5.2% more building permits, y-o-y, and the approximate value of permitted constructions grew by 17.4%, y-o-y. The number of started dwellings dropped by 15.1%, y-o-y, and the number of completed dwellings increased by 14.0%, y-o-y.

In July 2016 the **construction output** decreased by 16.3%, y-o-y, in real terms. The working days adjusted construction output in July 2016 was by 12.6% lower, y-o-y. July 2016 was by three working days shorter compared to July 2015. The seasonally adjusted construction output in July 2016 was by 0.1% lower, month-on-month (m-o-m). The production in building construction decreased by 12.3% (contribution -7.9 percentage points (p.p.)), y-o-y. The production of civil engineering construction plummeted by 23.4% (contribution -8.4 p.p.), y-o-y.

The **average registered number of employees\***), in construction enterprises with 50+ employees fell by 2.4%, y-o-y, in July 2016. Their **average gross monthly nominal wage** increased by 6.0%, compared year-on-year, and reached CZK 34 901.

In July 2016 the **number of building permits granted** increased by 5.2%, y-o-y; the planning and building control authorities granted 7 013 building permits. The **approximate value** of the permitted constructions attained CZK 22.1 billion and grew by 17.4% compared to the same period of 2015.

The **number of dwellings started** in July 2016 decreased by 15.1%, y-o-y, and attained 1 910 dwellings. The number of dwellings started in family houses grew by 14.5% and that of dwellings started in multi-dwelling buildings plummeted by 65.2%.

The **number of completed dwellings** increased by 14.0%, y-o-y, in July 2016 and was 1 772 dwellings. The number of completed dwellings in family houses grew by 2.6%. The number of completed dwellings in multi-dwelling buildings soared by 132.0%.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** decreased by 0.6%, y-o-y, **in June 2016**. Buildings decreased by 0.1% and civil engineering works fell by 3.6%. According to the preliminary schedule Eurostat shall release the data for July 2016 on 19 September 2016 (at 11:00 a.m.).

*Notes:*

\*) *The indicator of the registered number of employees does not include persons working under various contracts for work, working owners of enterprises and cooperating household members, who do not have contracts of employment. Data on the registered number of employees in construction also exclude agency workers, who have contracts of employment, yet within activities of services (CZ-NACE 78.2).*

*In accordance with the CZSO revision policy the data for the period from April 2016 to June 2016 were revised.*

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*Method of data acquisition: the CZSO direct surveys of Stav 1-12 and Stav 2-12*

*End of data collection: 1 September 2016*

*Following outcomes:* [*https://www.czso.cz/csu/czso/sta\_ts*](https://www.czso.cz/csu/czso/sta_ts)

[*https://www.czso.cz/csu/czso/bvz\_ts*](https://www.czso.cz/csu/czso/bvz_ts)

*Next News Release will be published on: 7 October 2016*

Annex:

Table 1 Construction production index, construction permits granted, and housing construction (year-on-year indices for the month)