7 December 2015

Construction Production Declined

Construction – October 2015

**In October 2015 the construction output decreased by 1.3%, year-on-year (y-o-y), in real terms. The planning and building control authorities granted by 3.8% more building permits, y-o-y, and the approximate value of permitted constructions increased by 29.2%,   
y-o-y. The number of started dwellings rose by 17.6%, y-o-y, and the number of completed dwellings dropped by 16.9%, y-o-y.**

In October 2015 the **construction output** decreased by 1.3%, y-o-y, in real terms. The working days adjusted construction output in October 2015 remained at the level of October 2014. October 2015 was by one working day shorter than that of 2014. The seasonally adjusted construction output in October 2015 was by 1.6% lower, compared month-on-month. The production in building construction decreased by 5.8% (contribution -3.8 percentage point (p.p.)), y-o-y. The production of civil engineering construction grew by 7.6% (contribution +2.5 p.p.), y-o-y. Compared to the same period of 2008, the year of boom, the construction output in the period from this year beginning to the end of October 2015 was by 16.2% lower.

The **average registered number of employees\***), in construction enterprises with 50+ employees fell by 3.2%, y-o-y, in October 2015. Their **average gross monthly nominal wage** increased by 6.9%, compared year-on-year, and reached CZK 33 078.

In October 2015 the **number of building permits granted** increased by 3.8%, y-o-y; the planning and building control authorities granted 7 385 building permits. The **approximate value** of the permitted constructions attained CZK 24.4 billion and jumped up by 29.2% compared to the same period of 2014 due to a building permit for a reconstruction of an important environmental protection structure.

The **number of dwellings started** in October 2015 grew by 17.6%, y-o-y, and attained 2 270 dwellings. The number of dwellings started in family houses increased by 7.3% and that of dwellings started in multi-dwelling buildings fell by 2.4%.

The **number of completed dwellings** dropped by 16.9%, y-o-y, in October 2015 and was 1 794 dwellings. The number of completed dwellings in family houses fell by 10.3%. The number of completed dwellings in multi-dwelling buildings plummeted by 43.7%.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** increased by 0.6%, y-o-y, **in September 2015**. Buildings increased by 0.2% and civil engineering works grew by 3.1%. According to the preliminary schedule Eurostat shall release the data for October 2015 on 17 December 2015 (at 11:00 a.m.).

*Notes:*

\*) *The registered number of employees indicator 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 July to September 2015 were revised simultaneously with the processing of data for October 2015.*

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

*End of data collection: 2 December 2015*

*Following outcomes:* <https://www.czso.cz/csu/czso/sta_ts> <https://www.czso.cz/csu/czso/bvz_ts>

*Next News Release will be published on: 8 January 2016*

Annex:

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