9 May 2023

Construction output further decreased

Construction – March 2023

The construction output decreased by 6.0%, year-on-year (y-o-y), in real terms, in March. In the month-on-month (m-o-m) comparison, it was by 0.9% lower. The planning and building control authorities granted by 13.3% less building permits, y-o-y. The approximate value of permitted constructions decreased by 6.3%, y-o-y. The number of started dwellings decreased by 21.0%, y-o-y. The number of completed dwellings decreased by 22.7%, y-o-y.

*“Construction output decreased by 6.0%, year-on-year, in March. In the month-on-month comparison, there was also a decrease, which was, however, smaller than the one in February. Whereas the m-o-m decrease was fully owing to the building construction while the civil engineering construction was increasing, both the segments contributed the same to the y-o-y decrease,”* Petra Cuřínová, Head of the Construction Statistics Unit of the Czech Statistical Office (CZSO), says. The building construction output was by 4.1% lower, compared to the corresponding month of the previous year. The civil engineering output dropped by 12.0%, year-on-year.

The planning and building control authorities granted 6 805 building permits; it was by 13.3% less, y-o-y. The approximate value of the permitted constructions reached CZK 44.1 billion and it decreased by 6.3%, year-on-year.

Construction of 3 306 dwellings started and the number dropped by 21.0%, year-on-year. The number of completed dwellings amounted to 2 549 dwellings. *“The number of completed dwellings decreased by 22.7%, y-o-y, partly due to the influence of a higher comparison basis of March 2022. Both family houses and multi-dwelling buildings were decreasing with the similar pace and the total decrease was attenuated by roof extensions mainly to multi-dwelling buildings,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department of the CZSO, explains.

The average registered number of employees in construction decreased by 1.5%, y-o-y. Their average gross monthly nominal wage increased by 12.1%, y-o-y.

According to Eurostat, construction output in the EU27 in February 2023 increased by 2.1%, year-on-year. Building construction increased by 2.0% and civil engineering increased by 2.9%. According to a preliminary release calendar, Eurostat will release data for March 2023 on 22 May 2023.

More detailed information on the development in construction can be found in the [supplementary information to the News Release on Construction](https://www.czso.cz/documents/11350/189570874/asta050923_komentar.pdf).

Notes:

The year-on-year development of construction output (production) has been adjusted for the influence of the number of working days. Month-on-month rates have also been seasonally adjusted.

Methodology: <https://www.czso.cz/csu/czso/sta_m>

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*Method of data acquisition: direct surveys of the CZSO (*Stav 1–12 *and* Stav 2–12*)*

*End of data collection: 3 May 2023*

*Related outputs:* [*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)

 *international comparison in EU countries:* [*Eurostat*](https://ec.europa.eu/eurostat/web/short-term-business-statistics/publications)

*Next News Release will be published on: 6 June 2023*

Annexes:

Supplementary information to the News Release on Construction

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

Table 2 Construction production index, construction orders, building permits granted, and housing construction (year-on-year indices for a quarter of the year)

Chart 1 Construction production indices (year-on-year indices for the month)

Chart 2 Construction production indices (base indices)

Chart 3 Construction production indices, international comparison (base indices)