6 August 2019

Numbers of Dwellings Started and Completed Grew

Construction – June 2019

In June 2019 the working days adjusted construction output increased by 2.4% year-on-year (y-o-y), in real terms. The seasonally adjusted construction output increased by 1.1%, month-on-month (m-o-m). The planning and building control authorities granted by 4.2% more building permits, y-o-y, and the approximate value of permitted constructions grew by 22.4%, y-o-y. The number of started dwellings increased by 8.3%, y-o-y; and the number of completed dwellings jumped up by 29.0%, y-o-y.

In June 2019 the **construction output**1 increased by 1.1%, m-o-m, in real terms. From annual point of view, it grew by 2.4%, y-o-y. The production in building construction increased by 2.8% (contribution +2.0 percentage points (p.p.)), y-o-y. The production of civil engineering construction grew by 1.5% (contribution +0.4 p.p.), y-o-y. The working days unadjusted construction output increased by 1.1%, y-o-y. June 2019 was by one working day shorter than June 2018.

The **average registered number of employees**2 in construction grew by 0.4%, y-o-y in June 2019. Their **average gross monthly nominal wage** increased by 5.5%, y-o-y, in April 2019.

In June 2019 the number of building permits granted increased by 4.2%, y-o-y. The planning and building control authorities granted 7 390 **building permits**. The **approximate value** of the permitted constructions attained CZK 39.5 billion and grew by 22.4% compared to the same period of 2018.

The **number of dwellings started** in June 2019 increased by 8.3%, y-o-y, and attained 2 850 dwellings. The number of dwellings started in family houses declined by 2.4% and that of dwellings started in multi-dwelling buildings soared by 51.0%.

The **number of completed dwellings** jumped up by 29.0%, y-o-y, in June 2019 and was 3 032 dwellings. The number of completed dwellings in family houses grew by 9.3%. The number of completed dwellings in multi-dwelling buildings soared by 71.4%.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** increased by 2.5%, y-o-y, **in May 2019**. Buildings increased by 2.0% and civil engineering works grew by 4.7%. According to the preliminary schedule Eurostat shall release the data for June 2019 on 20 August 2019.

**Construction in Q2 2019**

In Q2 2019, compared to Q1 2019, the **construction output** was by 0.5% lower, quarter-on-quarter, in real terms. The construction output increased by 3.5%, y-o-y. The production in building construction increased by 2.3% (contribution +1.7 p.p.), y-o-y, and the production of civil engineering construction grew by 6.8% (contribution +1.8 p.p.), y-o-y. The working days unadjusted construction output increased by 3.0%, y-o-y. Q2 2019 was by one working day shorter than Q2 2018.

The **average registered number of employees** in construction increased by 0.3%, y-o-y in Q2 2019. Their **average monthly nominal wage** increased by 7.6%, y-o-y in Q2 2019.

In Q2 2019, the **number of building orders** of construction enterprises with 50+ employees declined by 10.4%, y-o-y; the enterprises received and concluded 16 643 **building orders** in the Czech Republic. The **total value** of the orders decreased by 11.2%, y-o-y and was CZK 63.3 billion. The building construction orders were for CZK 27.7 billion (decline by 9.7%) and those for civil engineering constructions were for CZK 35.6 billion (drop by 12.3%). The drop was strongly affected by a high comparison base of Q2 2018 when the value of new construction orders was the highest in the recent ten years. The average value of a new concluded building order was CZK 3.8 million and was by 0.8% lower, y-o-y.

At the end of Q2 2019 construction enterprises with 50+ employees had 21.2 thousand orders contracted (decrease by 0.4%) and these orders represented the inventory of still unimplemented construction works of the total value of CZK 184.1 billion (increase by 6.9%).

In Q2 2019 the **number of building permits granted** increased by 4.5%, y-o-y; the planning and building control authorities granted 22 639 **building permits**. The **approximate value** of constructions permitted in Q2 2019 accounted for CZK 107.0 billion and grew by 19.5%, y-o-y, compared to the same period of 2018.

The **floor area** of new buildings permitted in Q2 2019 was 1 905 thousand m2, which means a decline by 3.8%, compared y-o-y. The floor area of permitted residential buildings grew by 6.4%, and that of non-residential buildings dropped by 13.3%.

The **number of dwellings started** in Q2 2019 increased by 6.7%, y-o-y and accounted for 9 536 dwellings. The number of dwellings started in family houses fell by 3.7%, and that in multi-dwelling buildings jumped up by 36.6%.

The **number of completed dwellings** in Q2 2019 increased by 4.1%, y-o-y and attained 8 330 dwellings. The number of completed dwellings in family houses decreased by 0.9%, y-o-y, and the number of completed dwellings in multi-dwelling buildings jumped up by 22.3%.

*Notes:*

1 The year-on-year trend in construction production is published as a working days adjusted value, unless otherwise stated. Month-on-month and quarter-on-quarter indices are also seasonally adjusted. Increments of a growth or decline are also calculated on the basis of working days adjusted figures.

*2 Indicators on employment in construction are for the whole population of enterprises having construction as a dominant activity. The indicator of 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).*

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

*End of data collection: 31 July 2019*

*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: 6 September 2019*

Annexes:

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

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

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

Graph 2 Construction production indices (base indices)

Graph 3 Construction production indices, international comparison