9 May 2019

Growth Recorded in Construction Production
and in Housing Construction as Well

Construction – March 2019

In March 2019 the working days adjusted construction output increased by 11.6% year-on-year (y-o-y), in real terms. The seasonally adjusted construction output grew by 2.4%, month-on-month (m-o-m). The planning and building control authorities granted by 11.2% more building permits, y-o-y, and the approximate value of permitted constructions soared by 41.7%, y-o-y. The number of started dwellings soared by 62.4%, y-o-y; and the number of completed dwellings increased by 0.2%, y-o-y.

In March 2019 the **construction output**1 increased by 2.4%, m-o-m, in real terms. From annual point of view, it grew by 11.6%, y-o-y. The production in building construction increased by 9.9% (contribution +8.0 percentage points (p.p.)), y-o-y. The production of civil engineering construction jumped up by 18.5% (contribution +3.6 p.p.), y-o-y. The working days unadjusted construction output increased by 11.6%, y-o-y. March 2019 had the same number of working days as March 2018.

The **average registered number of employees**2, in construction in March 2019 grew by 0.6%, y-o-y. Their **average gross monthly nominal wage** increased by 7.2%, y-o-y, in March 2019.

In March 2019 the number of building permits granted increased by 11.2%, y-o-y. The planning and building control authorities granted 7 224 **building permits**. The **approximate value** of the permitted constructions attained CZK 35.1 billion and soared by 41.7% compared to the same period of 2018.

The **number of dwellings started** in March 2019 soared by 62.4%, y-o-y, and attained 4 224 dwellings. The number of dwellings started in family houses jumped up by 27.4% and that of dwellings started in multi-dwelling buildings shoot up by 148.8%.

The **number of completed dwellings** increased by 0.2%, y-o-y, in March 2019 and was 2 393 dwellings. The number of completed dwellings in family houses fell by 3.8%. The number of completed dwellings in multi-dwelling buildings declined by 3.9%. The number of completed extensions of residential houses grew.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** increased by 4.9%, y-o-y, **in February 2019**. Buildings increased by 3.2% and civil engineering works grew by 12.8%. According to the preliminary schedule Eurostat shall release the data for March 2019 on 17 May 2019.

**Construction in Q1 2019**

In Q1 2019, compared to Q4 2018, the construction output was by 4.2% higher, quarter-on-quarter, in real terms. The construction output increased by 2.3%, y-o-y. Q1 2019 had the same number of working days as Q1 2018. The production in building construction increased by 1.4% (contribution +1.1 p.p.), y-o-y, and the production of civil engineering construction grew by 6.5% (contribution +1.2 p.p.), y-o-y.

The **average registered number of employees** in construction increased by 0.7%, y-o-y in Q1 2019. Their **average monthly nominal wage** increased by 5.4%, y-o-y in Q1 2019.

In Q1 2019, the **number of building orders** of construction enterprises with 50+ employees increased by 2.4%, y-o-y; the enterprises received and concluded 11 380 **building orders** in the Czech Republic. The **total value** of the orders increased by 17.4%, y-o-y and was CZK 59.4 billion. The building construction orders were for CZK 25.9 billion (growth by 12.2%) and those for civil engineering constructions were for CZK 33.5 billion (increase by 21.8%). The average value of a new concluded building order was CZK 5.2 million and was by 14.7% higher, y-o-y.

At the end of Q1 2019 construction enterprises with 50+ employees had 19.7 thousand orders contracted (increase by 1.0%) and these orders represented the inventory of still unimplemented construction works of the total value of CZK 177.2 billion (increase by 15.4%).

In Q1 2019 the **number of building permits granted** increased by 7.3%, y-o-y; the planning and building control authorities granted 19 399 **building permits**. The **approximate value** of constructions permitted in Q1 2019 accounted for CZK 91.6 billion and grew by 18.1%, y-o-y, compared to the same period of 2018.

The **floor area** of new buildings permitted in Q1 2019 was 1 544 thousand m2, which means a growth by 6.5%, compared y-o-y. The floor area of permitted residential buildings jumped up by 31.8%, and that of non-residential buildings dropped by 18.6%.

The **number of dwellings started** in Q1 2019 jumped up by 25.6%, y-o-y and accounted for 9 566 dwellings. The number of dwellings started in family houses grew by 10.6%, and that in multi-dwelling buildings soared by 83.1%.

The **number of completed dwellings** in Q1 2019 increased by 17.5%, y-o-y and attained 8 114 dwellings. The number of completed dwellings in family houses increased by 6.1%, y-o-y, and the number of completed dwellings in multi-dwelling buildings jumped up by 32.1%.

*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).*

*Responsible head at the CZSO: Radek Matějka, Director of the Industrial, Construction, and Energy Statistics Department, phone: (+420) 274052894,
e-mail:* *radek.matejka@czso.cz*

*Contact person: Petra Cuřínová, Head of the Construction Statistics Unit, phone: (+420) 274054199, e- mail:* *petra.curinova@czso.cz*

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

*End of data collection: 30 April 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 June 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