7 October 2016

Buildings Mitigated the Decline in Construction Output

Construction – August 2016

In August 2016 the construction output declined by 5.9% year-on-year (y-o-y), in real terms. The planning and building control authorities granted by 5.2% less building permits, y-o-y, and the approximate value of permitted constructions fell by 2.9%, y-o-y. The number of started dwellings increased by 5.1%, y-o-y, and the number of completed dwellings dropped by 12.3%, y-o-y.

In August 2016 the **construction output** decreased by 5.9%, y-o-y, in real terms. If working days adjusted the construction output fell by 8.4%. August 2016 was by two working days longer compared to August 2015. The seasonally adjusted construction output in August 2016 was by 0.8% higher, month-on-month (m-o-m). The production in building construction increased by 1.1% (contribution +0.7 percentage points (p.p.)), y-o-y. The production of civil engineering construction dropped by 18.2% (contribution -6.6 p.p.), y-o-y.

The **average registered number of employees\***), in construction enterprises with 50+ employees fell by 2.5%, y-o-y, in August 2016. Their **average gross monthly nominal wage** increased by 8.2%, compared year-on-year, and reached CZK 32 561.

In August 2016 the **number of building permits granted** fell by 5.2%, y-o-y; the planning and building control authorities granted 6 702 building permits. The **approximate value** of the permitted constructions attained CZK 25.0 billion and declined by 2.9% compared to the same period of 2015.

The **number of dwellings started** in August 2016 increased by 5.1%, y-o-y, and attained 2 539 dwellings. The number of dwellings started in family houses jumped up by 22.6% and that of dwellings started in multi-dwelling buildings dropped by 9.0%.

The **number of completed dwellings** decreased by 12.3%, y-o-y, in August 2016 and was 1 834 dwellings. The number of completed dwellings in family houses dropped by 14.4%. The number of completed dwellings in multi-dwelling buildings soared by 40.4%.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** increased by 1.0%, y-o-y, **in July 2016**. Buildings grew by 1.8% and civil engineering works fell by 2.7%. According to the preliminary schedule Eurostat shall release the data for August 2016 on 19 October 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).*

*Responsible head at the CZSO: Radek Matějka, phone: (+420) 274052894,
e-mail:* *radek.matejka@czso.cz*

*Contact person: Petra Cuřínová, 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: 3 October 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: 8 November 2016*

Annex:

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