10 May 2017

Construction Production Increased

Construction – March 2017

In March 2017 the working days adjusted construction output increased by 2.0% year-on-year (y-o-y), in real terms; the unadjusted construction output rose by 6.2%. The planning and building control authorities granted by 8.9% more building permits, y-o-y, and the approximate value of permitted constructions soared by 98.8%, y-o-y. The number of started dwellings jumped up by 53.3%, y-o-y, and the number of completed dwellings decreased by 28.1%, y-o-y.

In March 2017 the seasonally adjusted, including working days, **construction output** increased by 1.9%, month-on-month, in real terms. The working days adjusted construction output in March 2017 was by 2.0% higher, y-o-y; the working days unadjusted grew by 6.2%, y-o-y. March 2017 was by two working days longer compared to March 2016. The production in building construction increased by 6.4% (contribution + 4.9 percentage points (p.p.)), y-o-y. The production of civil engineering construction grew by 5.5% (contribution + 1.3 p.p.), y-o-y.

The **average registered number of employees\***), in construction enterprises with 50+ employees fell by 2.6%, y-o-y, in March 2017. Their **average gross monthly nominal wage** increased by 3.7%, compared year-on-year, and reached CZK 32 330.

In March 2017 the **number of building permits granted** increased by 8.9%, y-o-y; the planning and building control authorities granted 6 944 building permits. The **approximate value** of the permitted constructions attained CZK 35.9 billion and soared by 98.8% compared to the same period of 2016.

The **number of dwellings started** in March 2017 jumped up by 53.3%, y-o-y, and attained 2 555 dwellings. The number of dwellings started in family houses jumped up by 35.7% and that of dwellings started in multi-dwelling buildings soared by 195.2%.

The **number of completed dwellings** decreased by 28.1%, y-o-y, in March 2017 and was 1 634 dwellings. The number of completed dwellings in family houses declined by 9.1%. The number of completed dwellings in multi-dwelling buildings dropped by 60.6%.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** increased by 5.2%, y-o-y, **in February 2017**. Buildings increased by 4.8% and civil engineering works grew by 5.6%. According to the preliminary schedule Eurostat shall release the data for March 2017 on 17 May 2017 (at 11:00 a.m.).

**Construction in Q1 2017**

In Q1 2017 the seasonally adjusted, including working days, **construction output** increased by 0.2%, quarter-on-quarter, in real terms, compared to Q4 2016. The working days adjusted construction output in Q1 2017 was by 2.1% lower, y-o-y; the working days unadjusted fell by 0.1%, y-o-y. Q1 2017 was by three working days longer compared to Q1 2016. The production in building construction increased by 3.9% (contribution + 3.0 p.p.), y-o-y, and the production of civil engineering construction dropped by 13.4% (contribution - 3.1 p.p.), y-o-y.

The **average registered number of employees**1) in construction enterprises with 50+ employees fell by 3.1%, y-o-y in Q1 2017. Their **average monthly nominal wage** increased by 3.2%, y-o-y and reached CZK 31 014.

In Q1 2017 the **number of building orders** of construction enterprises with 50+ employees increased by 3.1%, y-o-y; the enterprises received and concluded 12 046 orders in the Czech Republic. The **total value** of the orders increased by 18.1% and was CZK 39.5 billion. The building construction orders were for CZK 19.3 billion (growth by 13.4%) and those for civil engineering constructions were for CZK 20.2 billion (increase by 23.0%). The average value of a new concluded building order was CZK 3.3 million and was by 14.6% higher, y-o-y.

At the end of Q1 2017 construction enterprises with 50+ employees had 19.9 thousand orders contracted (increase by 12.2%) and these orders represented the inventory of still unimplemented construction works of the total value of CZK 135.8 billion (drop by 3.1%).

In Q1 2017 the **number of building permits granted** increased by 8.2%, y-o-y; the planning and building control authorities granted 18 861 building permits. The **approximate value** of constructions permitted in Q1 2017 accounted for CZK 79.8 billion and jumped up by 41.5% compared to the same period of 2016.

The **floor area** of new buildings permitted in Q1 2017 was 1 471 thousand m2, which means a growth by 39.4%, compared y-o-y. The floor area of permitted residential buildings increased by 35.3%, and that of non-residential buildings jumped up by 43.1%.

The **number of dwellings started** in Q1 2017 increased by 26.4%, y-o-y and accounted for 6 525 dwellings. The number of dwellings started in family houses increased by 29.5%, and that in multi-dwelling buildings grew by 42.0%.

The **number of completed dwellings** in Q1 2017 dropped by 5.9%, y-o-y and attained 5 810 dwellings. The number of completed dwellings in family houses decreased by 4.5%, y-o-y, and the number of completed dwellings in multi-dwelling buildings grew by 0.4%.

*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).*

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

*End of data collection: 3 May 2017*

*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: 7 June 2017*

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

Graph Construction production indices (base indices)

Graph Construction production indices, international comparison