8 September 2014

Construction Output Decreased

Construction – July 2014

In July 2014 the construction output decreased by 3.7% year-on-year (y-o-y), in real terms. The planning and building control authorities granted by 2.8% more building permits, y-o-y, and the approximate value of permitted constructions decreased by 2.2%, y-o-y. The number of started dwellings grew by 22.9%, y-o-y, and the number of completed dwellings increased by 4.5%, y-o-y.

In July 2014 the **construction output** decreased by 3.7% year-on-year (y-o-y), in real terms. The working day adjusted construction output in July 2014 was by 5.2% lower, y-o-y. July 2014 was by one working day longer compared to July 2013. The seasonally adjusted construction output in July 2014 was by 3.0% lower, month-on-month (m-o-m). The production in building construction decreased by 7.8% (contribution -5.5 percentage points (p.p.)), y-o-y. This drop was in part caused by a very high comparison basis of the previous year July when after floods there were intensive repairs ongoing. The production of civil engineering construction grew by 6.2% (contribution +1.8 p.p.), y-o-y. Compared to the same period of 2008, the year of boom, the construction output dropped by 26.2% in the period from this year beginning to the end of July 2014.

The **average registered number of employees\***), in construction enterprises with 50+ employees fell by 4.0%, y-o-y, in July 2014. Their **average gross monthly nominal wage** increased by 1.8%, compared year-on-year, and reached CZK 30 975.

In July 2014 the **number of building permits granted** increased by 2.8%, y-o-y; the planning and building control authorities granted 7 576 building permits. The **approximate value** of the permitted constructions attained CZK 21.4 billion and decreased by 2.2% compared to the same period of 2013.

The **number of dwellings started** in July 2014 grew by 22.9%, y-o-y, and attained 2 629 dwellings. The number of dwellings started in family houses decreased by 1.8% and that of dwellings started in multi-dwelling buildings jumped up by 62.8%.

The **number of completed dwellings** increased by 4.5%, y-o-y, in July 2014 and was 1 634 dwellings. The number of completed dwellings in family houses increased by 9.6%. The number of completed dwellings in multi-dwelling buildings dropped by 19.2%.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** decreased by 0.5%, y-o-y, **in June 2014**. Buildings decreased by 0.2% and civil engineering works fell by 2.7%. According to the preliminary schedule Eurostat shall release the data for July 2014 on 17 September 2014 (at 11:00 a.m.).

*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).*

*In accordance with the CZSO revision policy data for April to June 2014 were revised simultaneously with the processing of data for July 2014.*

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

*End of data collection: 2 September 2014*

*Following outcomes:* [*http://www.czso.cz/csu/redakce.nsf/i/sta\_cr*](http://www.czso.cz/csu/redakce.nsf/i/sta_cr)[*http://www.czso.cz/csu/redakce.nsf/i/bvz\_cr*](http://www.czso.cz/csu/redakce.nsf/i/bvz_cr)

*Next News Release will be published on: 7 October 2014*

Annex:

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