6 September 2021

Building construction slowed down growth of construction output

Construction – July 2021

In July 2021, the construction output increased by 0.5%, year-on-year (y-o-y), in real terms. It the month-on-month (m-o-m) comparison, it was by 2.6% lower. The planning and building control authorities granted by 2.9% more building permits, y-o-y. The approximate value of permitted constructions increased by 128.9%, y-o-y. The number of started dwellings increased by 30.2%, y-o-y. The number of completed dwellings increased by 11.8%, y-o-y.

The **construction output1** in July 2021 was by 2.6% lower, m-o-m, in real terms. In the year-on-year comparison, it increased by 0.5%. Compared to the corresponding month of the previous year, the production in building construction decreased by 2.2% (contribution −1.5 percentage points (p. p.)). The production of civil engineering construction increased by 6.8%, y-o-y (contribution +2.0 p. p.).

The **average registered number of employees2** in construction decreased by 1.3%, y-o-y, in July 2021. Their **average gross monthly nominal wage** increased by 5.3%, y-o-y, in July 2021.

The planning and building control authorities granted 7 635 **building permits** in July 2021; it was by 2.9% more, y-o-y. The **approximate value** of the permitted constructions reached CZK 87.9 billion and compared to the corresponding period of 2020 it increased by 128.9%. *“The approximate value of the permitted constructions increased more than two times. It is thanks to the granting of the construction permit for the construction of line D od Prague’s metro; however, even after subtraction of the value of constructions that cost billions the approximate value would increase,“* Petra Cuřínová, Head of the Construction Statistics Unit, explains.

The **number of dwellings started** increased by 30.2%, y-o-y, in July 2021 and reached the number of 3 548 dwellings. The number of dwellings started in family houses increased by 6.4%. The number of dwellings started in multi-dwelling buildings increased by 143.1%.

The **number of completed dwellings** increased by 11.8%, y-o-y, in July 2021 and amounted to 2 993 dwellings. The number of completed dwellings in family houses decreased by 18.3%; the number of completed dwellings in multi-dwelling buildings increased by 136.3%.

According to Eurostat, **construction output in the EU27 in June 2021** increased by 3.5%, y-o-y. Buildings increased by 3.8% and civil engineering works increased by 2.6%. *“Performance of Czech construction was above the EU average in both the segments. The highest year-on-year growth was reported by Hungary; also Austria and Poland were successful; Slovakia reported stagnation and in Germany there was a decrease in construction output due to building construction,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department, says. According to a preliminary release calendar, Eurostat will release data for July 2021 on 17 September 2021.

*Notes:*

1 The year-on-year development of construction output (production) is adjusted for working days unless otherwise stated. Month-on-month or quarter-on-quarter rates are also seasonally adjusted. Contributions to an increase or to a decrease are calculated from data that are adjusted for working days.

2 Indicators related to employment in construction apply to the whole population of enterprises the principal (prevailing) activity of which is construction. The indicator of the registered number of employees does not include persons working under various contracts for work (an agreement on work performance and an agreement on work activity), working owners of enterprises and contributing family workers (cooperating household members) who do not have contracts of employment. The piece of data on the registered number of employees in construction also excludes agency workers who have contracts of employment within economic activities of services (CZ-NACE 78.2).

*Data for April to June 2021 have been revised in accordance with the revision policy of the CZSO.*

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*Method of data acquisition: direct surveys of the CZSO (*Stav 1–12 *and* Stav 2–12*)*

*End of data collection: 31 August 2021*

*Related outputs:* [*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 October 2021*

Annexes:

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

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

Chart 2 Construction production indices (base indices)

Chart 3 Construction production indices, international comparison (base indices)