7 May 2021

Enterprises opened the construction season

Construction – March 2021

In March 2021, the construction output decreased by 3.1%, year-on-year (y-o-y), in real terms. It was higher by 3.1%, month-on-month (m-o-m). The planning and building control authorities granted by 19.5% more building permits, y-o-y. The approximate value of permitted constructions increased by 25.8%, y-o-y. The number of started dwellings decreased by 2.1%, y-o-y. The number of completed dwellings increased by 51.9%, y-o-y.

The **construction output1** increased by 3.1%, m-o-m, in real terms in March 2021. In the year-on-year comparison, it decreased by 3.1%. Compared to the corresponding month of the previous year, the production in building construction decreased by 5.7% (contribution −4.5 percentage points (p. p.)). The production of civil engineering construction increased by 6.5%, y-o-y (contribution +1.4 p. p.). *“After the freezing February, enterprises opened the construction season in March and the construction output has seen a respectable outcome. The comparison basis from the previous year has not yet been significantly affected by the epidemic; in building construction, March was the most successful month of 2020 and civil engineering works reported even double-digit growth,”* Petra Cuřínová, Head of the Construction Statistics Unit, says.

The **average registered number of employees2** in construction decreased by 2.0%, y-o-y, in March 2021. Their **average gross monthly nominal wage** increased by 4.6%, y-o-y, in March 2021.

The area of building permits and housing construction was partially influenced by a low comparison basis from March 2020, when due to the epidemic it had to cope with a restricted activity of some planning and building control authorities as well as with lower interest of building investors/contractors. The planning and building control authorities granted 7 437 **building permits** in March 2021; it was by 19.5% more, y-o-y. The **approximate value** of the permitted constructions reached CZK 36.6 billion and compared to the corresponding period of 2020 it increased by 25.8%.

The **number of dwellings started** decreased by 2.1%, y-o-y, in March 2021 and reached the number of 2 881 dwellings. The number of dwellings started in family houses increased by 21.9%. The number of dwellings started in multi-dwelling buildings decreased by 31.8%.

The **number of completed dwellings** increased by 51.9%, y-o-y, in March 2021 and amounted to 3 450 dwellings. The number of completed dwellings in family houses increased by 45.1%; the number of completed dwellings in multi-dwelling buildings increased by 51.0%.

According to Eurostat, **construction output in the EU27 in February 2021** decreased by 5.4%, y-o-y. Buildings decreased by 4.1% and civil engineering works decreased by 9.8%. According to a preliminary release calendar, Eurostat will release data for March 2021 on 17 May 2021.

**Construction in the Q1 2021**

In the Q1 2021, the **construction output** was by 2.1% higher in real terms compared to the Q4 2020. The construction output decreased by 6.1%, y-o-y. The production in building construction decreased by 8.5%, y-o-y (contribution −6.7 p. p.) and the production of civil engineering construction grew by 3.2%, y-o-y (contribution +0.6 p. p.).

The **average registered number of employees** in construction decreased by 1.5%, y-o-y, in the Q1 2021. Their **average gross monthly nominal wage** increased by 2.9%, y-o-y, in the Q1 2021.

In the Q1 2021, the number ofconstruction orders of construction enterprises with 50+ employees increased by 15.9%, y-o-y; the enterprises received and concluded 14 974 **construction orders** in the Czech Republic. The **total value** of the orders increased by 29.9%, y-o-y, and was CZK 65.7 billion. The building construction orders were for CZK 27.3 billion (growth by 13.9%) and those for civil engineering constructions were for CZK 38.4 billion (growth by 44.3%). The average value of a newly concluded construction order was CZK 4.4 million and was by 12.1% higher, y-o-y. *“Increase in both the number and volume of new construction orders was partially influenced by a low comparison basis from the Q1 2020, when some tenders were suspended due to the beginning epidemic,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department, says.

In the Q1 2021, the number of building permits granted increased by 0.8%, y-o-y; the planning and building control authorities granted 19 625 **building permits**. The **approximate value** of constructions permitted in the Q1 2021 accounted for CZK 102.5 billion and increased by 13.4%, compared to the same period of 2020.

The **number of dwellings started** in the Q1 2021 decreased by 7.5%, y-o-y, and amounted to 8 451 dwellings. The number of dwellings started in family houses decreased by 13.6% and that in multi-dwelling buildings dropped by 2.5%.

The **number of completed dwellings** in the Q1 2021 increased by 12.6%, y-o-y, and was 9 047 dwellings. The number of completed dwellings in family houses increased by 15.8%, y-o-y, and the number of completed dwellings in multi-dwelling buildings increased by 1.8%.

*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).

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*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)

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Annexes:

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

Table 2 Construction production index, constructions orders, building permits granted, and housing construction (seasonally unadjusted, year-on-year indices for a quarter of the year)

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)