8 February 2016

Construction Production Grew by 5.5% in 2015

Construction – December 2015

In December 2015 the construction output increased by 3.4% year-on-year (y-o-y), in real terms. The planning and building control authorities granted by 7.6% more building permits, y-o-y, and the approximate value of permitted constructions increased by 11.4%, y-o-y. The number of started dwellings jumped up by 27.7%, y-o-y, and the number of completed dwellings grew by 10.2%, y-o-y.

In 2015 the construction output increased by 5.5%, y-o-y, in real terms. The number of started dwellings increased by 8.3%, y-o-y, and the number of completed dwellings grew by 4.8%, y-o-y.

In December 2015 the **construction output** increased by 3.4%, y-o-y, in real terms. The working day adjusted construction output in December 2015 was by 2.0% higher, y-o-y. December 2015 was by one working day longer compared to December 2014. The seasonally adjusted construction output in December 2015 was by 0.3% lower, month-on-month (m-o-m). The production in building construction increased by 1.9% (contribution
+1.4 percentage points (p.p.)), y-o-y. The production of civil engineering construction grew by 7.1% (contribution +2.0 p.p.), y-o-y.

The **average registered number of employees\***), in construction enterprises with 50+ employees fell by 1.6%, y-o-y, in December 2015. Their **average gross monthly nominal wage** increased by 10.7%, compared year-on-year, and reached CZK 35 144.

In December 2015 the **number of building permits granted** increased by 7.6%, y-o-y; the planning and building control authorities granted 6 239 building permits. The **approximate value** of the permitted constructions attained CZK 22.8 billion and grew by 11.4% compared to the same period of 2014.

The **number of dwellings started** in December 2015 jumped up by 27.7%, y-o-y, and attained 2 432 dwellings. The number of dwellings started in family houses jumped up by 30.8% and that of dwellings started in multi-dwelling buildings soared by 50.1%.

The **number of completed dwellings** increased by 10.2%, y-o-y, in December 2015 and was 3 108 dwellings. The number of completed dwellings in family houses grew by 19.1%. The number of completed dwellings in multi-dwelling buildings declined by 12.8%.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** increased by 1.9%, y-o-y, **in November 2015**. Buildings increased by 2.0% and civil engineering works grew by 1.5%. According to the preliminary schedule Eurostat shall release the data for December 2015 on 17 February 2016 (at 11:00 a.m.).

**Construction in Q4 2015**

In Q4 2015 the **construction output** increased by 1.0%, y-o-y, in real terms. If working days adjusted it grew by 0.6%. Q4 2015 was by one working day longer compared to the same period of the previous year. Compared to Q3 2015 the seasonally adjusted construction output was by 3.3% lower, quarter-on-quarter. The production in building construction decreased by 3.0% (contribution -2.0 p.p.), y-o-y, and the production of civil engineering construction increased by 9.0% (contribution +3.0 p.p.), y-o-y.

The **average registered number of employees**1) in construction enterprises with 50+ employees fell by 2.3%, y-o-y in Q4 2015. Their **average monthly nominal wage** increased by 8.8%, y-o-y and reached CZK 35 063.

In Q4 2015 the **number of building orders** of construction enterprises with 50+ employees fell by 8.5%, y-o-y; the enterprises received and concluded 11 883 orders in the Czech Republic. The **total value** of the orders decreased by 4.3% and was CZK 45.1 billion. The building construction orders were for CZK 17.3 billion (growth by 6.7%) and those for civil engineering constructions were for CZK 27.8 billion (drop by 10.1%). The average value of a new concluded building order was CZK 3.8 million and was by 4.5% higher, y-o-y.

In Q4 2015 the **number of building permits granted** increased by 5.6%, y-o-y; the planning and building control authorities granted 20 572 building permits. The **approximate value** of constructions permitted in Q4 2015 accounted for CZK 66.6 billion and increased by 14.9% compared to the same period of 2014.

The **floor area** of new buildings permitted in Q4 2015 was 1 483 thousand m2, which means a growth by 28.4%, compared y-o-y. The floor area of permitted residential buildings increased by 6.1%, and that of non-residential buildings soared by 53.8%.

The **number of dwellings started** in Q4 2015 increased by 15.5%, y-o-y and accounted for 6 703 dwellings. The number of dwellings started in family houses increased by 22.6%, and that in multi-dwelling buildings grew by 2.2%.

The **number of completed dwellings** in Q4 2015 grew by 2.8%, y-o-y and attained 7 257 dwellings. The number of completed dwellings in family houses increased by 3.1%, y-o-y, and the number of completed dwellings in multi-dwelling buildings remained the same as in Q4 2014.

**Construction in 2015**

In 2015 the **construction output** increased by 5.5%, y-o-y, in real terms. If working days adjusted it grew by 5.6%, y-o-y. The year 2015 was by one working day shorter compared to the previous year. The production in building construction increased by 0.6% (contribution +0.4 p.p.), y-o-y, and the production of civil engineering construction grew by 16.4% (contribution +5.1 p.p.), y-o-y. Compared to the year 2008, the year of boom, the construction output in 2015 was by 16.1% lower.

The **average registered number of employees**1) in construction enterprises with 50+ employees fell by 2.3%, y-o-y in 2015. Their **average monthly nominal wage** increased by 6.6%, y-o-y and reached CZK 31 730.

In 2015 the **number of building orders** of construction enterprises with 50+ employees increased by 3.7%, y-o-y; the enterprises received and concluded 47 927 orders in the Czech Republic. The **total value** of the orders fell by 2.3%, y-o-y, and was CZK 181.7 billion. The building construction orders were for CZK 69.8 billion (growth by 1.1%) and those for civil engineering constructions were for CZK 111.9 billion (drop by 4.2%). In 2015 the average value of a newly concluded building order accounted for CZK 3.8 million and was by 5.7% lower, y-o-y.

At the end of 2015 construction enterprises with 50+ employees had 13.2 thousand orders contracted (drop by 0.2%) and these orders represented the inventory of still unimplemented construction works of the total value of CZK 123.5 billion (drop by 24.4%).

In 2015 the **number of building permits granted** increased by 1.4%, y-o-y; the planning and building control authorities granted 80 478 building permits. The **approximate value** of constructions permitted in 2015 accounted for CZK 254.9 billion and increased by 2.0% compared to that of 2014.

The **floor area** of buildings permitted in 2015 was 5 348 thousand m2, which means a growth by 16.2% compared y-o-y. The floor area of permitted residential buildings increased by 4.9%, and that of non-residential buildings jumped up by 29.9%.

The **number of dwellings started** in 2015 increased by 8.3%, y-o-y and accounted for 26 378 dwellings. The number of dwellings started in family houses increased by 10.3%, and that in multi-dwelling buildings grew by 2.9%.

The **number of completed dwellings** in 2015 grew by 4.8%, y-o-y and attained 25 094 dwellings. The number of completed dwellings in family houses fell by 0.7%, y-o-y, and the number of completed dwellings in multi-dwelling buildings grew by 14.7%.

*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 February 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: 15 March 2016*

Annex:

Table 1 Construction production index, construction permits granted, and housing construction (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)

Table 3 Construction production index, construction orders, construction permits granted, and housing construction (year-on year indices for the year)