7 October 2019

Civil Engineering Construction Mitigated a Decline in Construction Production

Construction – August 2019

In August 2019 the working days adjusted construction output decreased by 2.4% year-on-year (y-o-y), in real terms. The seasonally adjusted construction output declined by 2.8%, month-on-month (m-o-m). The planning and building control authorities granted by 1.1% more building permits, y-o-y, and the approximate value of permitted constructions grew by 3.3%, y-o-y. The number of started dwellings increased by 3.1%, y-o-y; and the number of completed dwellings was up by 3.3%, y-o-y.

In August 2019 the **construction output**1 decreased by 2.8%, m-o-m, in real terms. From annual point of view, it declined by 2.4%, y-o-y, yet this drop was in part affected by a higher comparison base of August 2018. The production in building construction decreased by 3.8% (contribution -2.7 percentage points (p.p.)), y-o-y. The production of civil engineering construction grew by 1.1% (contribution +0.3 p.p.), y-o-y. The working days unadjusted construction output was down by 3.7%, y-o-y. August 2019 was by one working day shorter than August 2018.

The **average registered number of employees**2 in construction grew by 0.7%, y-o-y in August 2019. Their **average gross monthly nominal wage** increased by 5.2%, y-o-y, in August 2019.

In August 2019 the number of building permits granted increased by 1.1%, y-o-y. The planning and building control authorities granted 7 356 **building permits**. The **approximate value** of the permitted constructions attained CZK 35.0 billion and grew by 3.3% compared to the corresponding period of 2018.

The **number of dwellings started** in August 2019 increased by 3.1%, y-o-y, and attained 3 294 dwellings. The number of dwellings started in family houses grew by 3.3% and that of dwellings started in multi-dwelling buildings increased by 1.2%.

The **number of completed dwellings** increased by 3.3%, y-o-y, in August 2019 and was 3 013 dwellings. The number of completed dwellings in family houses grew by 0.3%. The number of completed dwellings in multi-dwelling buildings increased by 8.1%.

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** increased by 1.7%, y-o-y, **in July 2019**. Buildings increased by 1.3% and civil engineering works grew by 2.5%. According to the preliminary schedule Eurostat shall release the data for August 2019 on 17 October 2019.

*Notes:*

1 The year-on-year trend in construction production is published as a working days adjusted value, unless otherwise stated. Month-on-month and quarter-on-quarter indices are also seasonally adjusted. Increments of a growth or decline are also calculated on the basis of working days adjusted figures.

*2 Indicators on employment in construction are for the whole population of enterprises having construction as a dominant activity. The indicator of registered number of employees 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: 1 October 2019*

*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: 6 November 2019*

Annexes:

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

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

Graph 2 Construction production indices (base indices)

Graph 3 Construction production indices, international comparison