9 December 2019

Construction Production Slightly Declined

Construction – October 2019

In October 2019 the working days adjusted construction output decreased by 0.3% year-on-year (y-o-y), in real terms. The seasonally adjusted construction output fell by 0.6%, month-on-month (m-o-m). The planning and building control authorities granted by 0.2% less building permits, y-o-y, and the approximate value of permitted constructions soared by 40.9%, y-o-y. The number of started dwellings jumped by 21.9%, y-o-y; and the number of completed dwellings plunged by 20.0%, y-o-y.

In October 2019 the **construction output**1 decreased by 0.6%, m-o-m, in real terms. From annual point of view, it fell by 0.3%. The production in building construction decreased by 1.2% (contribution -0.8 percentage points (p.p.)), y-o-y, compared to the same month of the last year. The production of civil engineering construction grew by 1.8% (contribution +0.5 p.p.), y-o-y. The working days unadjusted construction output was down by 1.7%, y-o-y. October 2019 was by one working day shorter than October 2018.

The **average registered number of employees**2 in construction grew by 1.3%, y-o-y in October 2019. Their **average gross monthly nominal wage** increased by 7.4%, y-o-y, in October 2019.

In October 2019 the number of building permits granted decreased by 0.2%, y-o-y. The planning and building control authorities granted 7 590 **building permits**. The **approximate value** of the permitted constructions attained CZK 51.1 billion and soared by 40.9% compared to that of the corresponding period of 2018.

The **number of dwellings started** in October 2019 jumped up by 21.9%, y-o-y, and attained 3 388 dwellings. The number of dwellings started in family houses fell by 9.5%. The number of dwellings started in multi-dwelling buildings soared by more than two times.

The **number of completed dwellings** plunged by 20.0%, y-o-y, in October 2019 and was 2 911 dwellings. The number of completed dwellings in family houses fell by 17.7%. The number of completed dwellings in multi-dwelling buildings decreased by 14.4%. Yet this decline was partly caused by a high comparison base of 2018..

According to Eurostat the WDA (working days adjusted) **construction output in the EU28** increased by 0.3%, y-o-y, **in September 2019**. Buildings remained at the level of September 2018 and civil engineering works grew by 2.4%. According to the preliminary schedule Eurostat shall release the data for October 2019 on 18 December 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).*

*In accordance with the CZSO revision policy the data on building permits and building construction were revised for the period from January through September 2019 and the data on construction production were revised for the period from July through September 2019.*

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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 December 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: 10 January 2020*

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