

Building and Construction

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Building and Construction

- The number of new houses granted planning permission increased by over 89% from 1998 to 2005.
- Planning Permissions granted for new apartments more than tripled from 1998 to 2005.
- The value of total construction output at current prices increased by 58% between 2001 and 2005.
- Turnover value increased by 160% in private firms with 20 or more persons engaged between 1998 and 2004, while gross value added more than trebled over the same period.
- Between 1998 and 2004 public capital expenditure on housing more than trebled.

Introduction

This chapter contains information on the construction sector. The information is drawn from the annual Census of Building and Construction, various short-term releases of the CSO, the Quarterly National Household Survey (QNHS) as well as from publications of the Department of the Environment, Heritage and Local Government.

Construction statistics are compiled by the CSO using inquiries to construction firms or, in the case of planning permissions data, to the planning authorities. The most detailed inquiry is the Census of Building and Construction, which is an annual census of medium and large firms designed to provide information on the structure of the sector.

A measure of new orders in the sector is provided by the CSO inquiry on planning permissions.

These CSO inquiries are complemented by data published by the Department of the Environment and Local Government, which are derived partly from administrative sources. These data provide measures either in value or in quantities of the output of the sector.

The tables

Table 11.1 from the Census of Building provides a sub-sector breakdown for the most recent year. The Census covers firms with 20 or more persons engaged.

Table 11.2 from the Census of Building provides aggregates over a seven year period.

Table 11.3 shows persons aged 15 years and over employed in construction classified by broad occupational categories.

Table 11.4 gives, for recent years, indicators of housing output such as dwellings completed, housing grants approved and new loans approved. The 2005 estimate of 86,188 dwellings completed includes an upward adjustment by the CSO of about 5,200 units. The adjustment takes account of work in progress which had not been included in the Department of Environment, Heritage and Local Government estimates for 2005.

Table 11.5 shows for recent years the amount of public capital expenditure on housing.

Table 11.6 gives a price index for house building costs.

Table 11.7 gives data on planning permissions granted for new dwellings, houses and apartments. It is derived from a quarterly CSO series.

Table 11.8 shows the value of construction output broken down into various categories. This is produced by the Department of the Environment, Heritage and Local Government. The data in respect of 2005 is provisional

and incorporates an upward adjustment by the CSO to the value of residential output.

The results

Table 11.2 shows that turnover value increased by 160% and gross value added in firms covered by the Census increased by 235% between 1998 and 2004. The number of persons engaged rose by 95% in the period.

Table 11.4 shows that the number of local authority houses completed increased by 71% from 1998 to 2005, with the biggest annual increase in 2001 of 54.5%. The number of non-local authority houses completed increased by 106.2% from 1998 to 2005, with the biggest annual increase in 2003 of 21%.

Between 1998 and 2004 public capital expenditure on housing as described in table 11.5 more than trebled in value terms. There was a decrease of almost 10% between 2003 and 2004.

The rise in the house building cost index is illustrated in table 11.6. The index rose by 49.6% between 1998 and 2005. In 2005 the index was 86.9% higher than in the base year 1991. This index relates solely to labour and material costs and does not include items such as overheads, profit, interest charges, land development etc. It should not be regarded as an index of house prices.

Planning permissions granted for new dwellings, as shown in table 11.7, rose by 52% from 16,719 in 1998 to 25,334 in 2005. There was a 8% annual decrease in the number of planning permissions granted for new dwellings in 2005. The number of new houses involved increased by 89% from 1998 to 2005, and in 2004, there was an annual increase of 9% in the number of houses granted permission. The number of new apartments more than trebled from 7,431 in 1998 to 23,702 in 2005.

Table 11.8 shows that at current prices the value of total construction output increased by 167% between 1998 and 2005 from €11,837 million to €31,555 million. The increase in new construction was 200% while that in repair and maintenance was 80%. In 2005 new non-residential accounted for 33% of total new construction and new residential accounted for the remaining 67%. Of the new residential construction the vast bulk is private residential construction. From 2004 to 2005 in new non-residential construction, there were marked increases in Roads (20%) and Airport development (36%).

Employees

Employees are persons who are paid a fixed wage or salary. Persons at work or temporarily absent because of illness, holidays, strike etc are included. Persons working on a labour only sub-contract basis are excluded.

Production value

Production value represents the net selling value of work done during the year whether sold or not.

Intermediate consumption

This represents the value of building materials, fuel, industrial services and other goods and services used in production.

Gross value added

This is the difference between production value and intermediate consumption and represents the value added by firms.

Wages and salaries

This is the gross amount paid to employees before deduction of income tax, employees' social security contributions etc plus payments to labour only subcontractors. Overtime pay, bonuses, holiday pay and sick pay are included.

Acquisitions and sales of capital assets

Capital assets are defined as new and second-hand goods with an expected life of more than one year intended for use by the firm itself. Acquisitions include both purchases and construction by the firm itself of capital goods for its own use.

NACE Activity classification

45.1

Site preparation, demolition and wrecking of buildings, earth moving, test drilling and boring.

45.2

Building of complete constructions or parts thereof; civil engineering, construction of highways, roads, water projects and other construction work involving special trades.

45.3

Building installation, installation of electrical wiring and fittings, insulation, plumbing and other installation.

45.4

Building completion, plastering, joinery installation, floor and wall covering, painting and glazing and other building completion.

45.5

Renting of construction or demolition equipment with operator.

Table 11.4

The 2005 estimate of 86,188 dwellings completed includes an upward adjustment by the CSO of about 5,200 units. The adjustment takes account of work in progress which had not been included in the Department of Environment, Heritage and Local Government estimates for 2005.

Table 11.8

The data in respect of 2005 is provisional and incorporates an upward adjustment by the CSO to the value of residential output.



Table 11.1 Private building and construction firms with 20 or more persons engaged, 2004

	Unit	NACE 45.1	NACE 45.2	NACE 45.3	NACE 45.4	NACE 45.5	Total
Number of firms	No.	23	484	166	47	16	736
Total employees	No.	1,333	32,638	11,879	1,505	727	48,083
Total persons engaged	No.	1,478	47,055	13,620	2,105	765	65,024
Wages and salaries	€000	57,998	2,065,920	522,912	73,738	24,084	2,744,653
Total labour costs	€000	70,476	2,358,582	605,607	84,477	28,161	3,147,303
Total turnover	€000	321,316	10,266,245	1,487,099	192,579	86,431	12,353,670
Total purchases (excluding VAT)	€000	94,197	2,653,612	593,619	76,242	29,904	3,447,575
Total value of stocks at end of year	€000	33,399	3,242,082	168,178	32,053	3,557	3,479,269
Total value of stock changes	€000	-866	730,543	6,053	15,710	2100	753,540
Acquisition of capital assets	€000	10,347	369,465	34,730	4,004	30,553	449,099
Sales of capital assets	€000	3,829	93,372	2,781	1497	5,909	107,388
Production value	€000	320,309	10,968,157	1,480,234	199,980	87,611	13,056,292
Intermediate consumption	€000	223,671	6,535,027	778,658	80,894	32,916	7,651,188
Gross value added	€000	96,639	4,433,130	701,576	119,086	54,695	5,405,104

Source: CSO

Table 11.2 Private building and construction firms with 20 or more persons engaged

	Unit	1998	1999	2000	2001	2002	2003	2004
Number of firms	No.	417	497	524	546	646	682	736
Total employees	No.	24,404	29,641	33,003	34,776	39,401	41,692	48,083
Total persons engaged	No.	33,300	40,162	44,910	46,371	51,738	56,556	65,024
Wages and salaries	€000	832,529	1,081,947	1,344,787	1,539,312	1,864,031	2,143,250	2,744,653
Total labour costs	€000	953,397	1,239,852	1,548,897	1,766,147	2,168,487	2,513,781	3,147,303
Total turnover	€000	4,745,455	5,608,109	6,805,775	7,612,441	8,849,068	10,307,642	12,353,670
Total purchases (excluding VAT)	€000	1,612,550	1,861,375	2,082,609	2,330,373	2,727,587	3,205,503	3,447,575
Total value of stocks at end of year	€000	710,166	944,111	1,372,849	1,678,046	1,876,876	2,607,086	3,479,269
Total value of stock changes	€000	81,803	212,306	357,878	364,885	84,953	504,021	753,540
Acquisition of capital assets	€000	264,590	248,785	341,676	187,045	221,923	380,438	449,099
Sales of capital assets	€000	105,485	31,589	35,307	37,837	39,353	196,051	107,388
Production value	€000	4,814,795	5,811,224	7,164,574	7,959,872	8,934,859	10,700,952	13,056,292
Intermediate consumption	€000	3,200,763	3,849,056	4,642,318	5,213,917	5,789,932	6,607,206	7,651,188
Gross value added	€000	1,614,032	1,962,167	2,522,256	2,745,956	3,144,926	4,093,745	5,405,104

Source: CSO

Table 11.3 Construction employment classified by broad occupational categories

	1999	2000	2001	2002	2003	2004	2005
Managers and Administrators	8.0	7.7	10.6	11.7	11.3	13.7	12.1
Professional	4.9	6.2	7.9	8.2	8.4	9.5	10.8
Associate Professional and Technical	2.7	2.4	3.4	3.3	2.8	3.9	5.0
Clerical and Secretarial	4.8	5.0	5.2	6.1	6.1	6.6	8.0
Craft and Related	80.3	96.5	103.7	104.3	114.8	125.1	146.7
Sales	0.9	0.8	1.0	1.2	0.8	1.3	2.1
Plant and Machine Operatives	13.3	16.1	17.3	15.8	17.5	16.0	20.4
Other	27.2	31.5	30.9	31.7	29.7	29.9	37.3
Total	142.1	166.2	180.0	182.2	191.4	206.0	242.4

Source: CSO

Table 11.4 Annual housing indicators

	1998	1999	2000	2001	2002	2003	2004	2005
Dwellings completed								
Number of local authority dwellings completed	3,256	3,488	3,155	4,875	5,763	6,133	5,146	5,559
Number of non-local authority dwellings completed	39,093	43,024	46,657	47,727	51,932	62,686	71,808	80,629
Total number of dwellings completed	42,349	46,512	49,812	52,602	57,695	68,819	76,954	86,188
Number of new house grants approved	10,023	9,469	10,203	10,913	12,564	12,795	n/a	n/a
Number of home improvement grants approved	825	1,082	1,181	1,280	1,089	1,018	n/a	n/a
Number of new loans approved	68,925	78,572	80,856	69,062	93,136	97,888	104,305	120,037

Source: Department of Environment, Heritage and Local Government

Table 11.5 Public capital expenditure on housing

	1998	1999	2000	2001	2002	2003	2004
House purchase and improvement loans and local authority grants	25.3	29.3	38.6	49.2	89.2	96.0	74.8
Grants from Department of the Environment	46.9	46.3	59.4	70.3	80.4	93.2	60.3
Local authority housing	341.8	401.6	613.16	969.9	1,164.6	1,128.4	1,115.5
Shared ownership	63.7	141.7	149.4	204.3	200.0	212.0	127.8
Affordable housing	n/a	25.9	5.5	22.1	50.0	139.0	120.7
Other	6.3	7.6	11.6	12.6	13.1	13.6	17.9
Total	484.0	652.4	877.6	1,328.4	1,597.1	1,682.1	1,517.0

Source: Department of Environment, Heritage and Local Government

Housing indicators



Table 11.6 Annual house building cost index

Base year 1991=100

	1998	1999	2000	2001	2002	2003	2004	2005
Annual Index	124.9	131.0	141.0	161.5	171.8	176.5	181.5	186.9

Source: Department of Environment, Heritage and Local Government

Table 11.7 Total planning permissions granted for dwellings

Number

	1998	1999	2000	2001	2002	2003	2004	2005
Permissions for new dwellings	16,719	23,595	26,332	23,613	19,728	20,949	27,512	25,334
New houses for which planning permission was granted	39,958	63,795	73,828	60,666	51,055	49,605	69,576	75,650
New apartments for which planning permission was granted	7,431	12,801	17,415	17,780	18,259	28,749	32,077	23,702

Source: CSO

Planning permissions granted for new dwellings

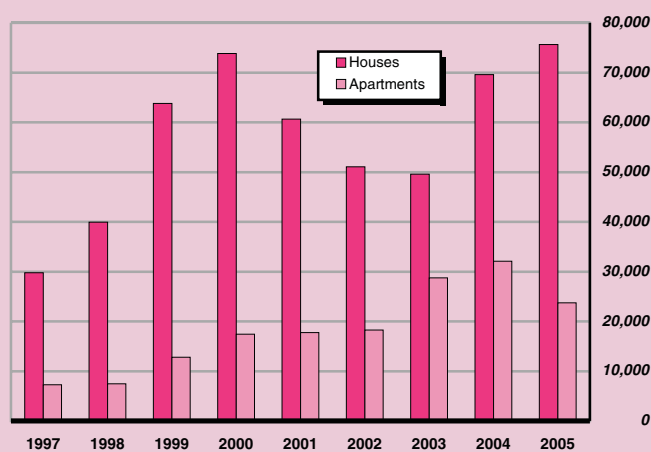


TABLE 11.6

TABLE 11.7

Table 11.8 Value of construction output at current prices

	€m							
	1998	1999	2000	2001	2002	2003	2004	2005
Residential construction								
New private	3,878.6	4,937.8	5,948.0	6,663.8	7,860.0	10,770.3	13,762.2	16,070.9
New social housing	260.7	305.9	475.5	762.1	942.3	933.2	910.1	1,145.1
<i>New voluntary</i>	36.7	52.2	98.5	145.2	166.6	212.9	184.8	239.4
<i>New local authority</i>	224.0	253.8	377.0	616.9	775.7	720.3	725.3	905.6
Repair, maintenance and improvement (RMI)	2,018.2	2,680.7	3,073.0	3,528.4	3,125.5	2,941.0	3,382.9	3,657.0
<i>RMI private</i>	1,917.3	2,565.8	2,945.8	3,391.2	2,954.2	2,735.9	3,175.2	3,434.3
<i>RMI social</i>	100.9	114.9	127.2	137.2	171.2	205.1	207.7	222.7
Total residential	6,157.6	7,924.5	9,496.4	10,954.3	11,927.8	14,644.5	18,055.2	20,873.0
New non residential construction								
New private non residential construction								
Industry	709.1	643.1	768.4	871.4	640.8	528.6	549.8	606.0
Semi-state industry	55.8	58.0	45.6	69.9	48.6	39.3	59.8	97.3
Commercial								
Office development	628.1	785.2	1,020.7	1,146.0	786.1	533.8	543.9	633.6
Retail, wholesale	279.6	335.5	419.4	480.0	446.9	450.8	492.3	588.9
Agriculture	244.3	166.0	221.4	155.7	143.4	128.4	171.1	187.7
Tourism	584.7	798.3	691.6	392.6	300.0	340.1	367.3	420.2
Worship	3.1	1.1	5.7	3.6	4.4	22.4	17.8	18.3
Total	2,504.9	2,787.1	3,172.8	3,119.1	2,370.3	2,043.4	2,202.1	2,551.9
New productive infrastructure								
Roads	546.1	724.9	856.4	1,131.5	1,363.2	1,444.2	1,442.1	1,732.0
Water and sanitary services	223.4	348.2	493.8	547.5	559.6	536.0	472.5	491.6
Airport development	81.1	130.9	75.0	102.4	68.9	46.8	82.2	111.5
Ports and harbours	36.5	50.3	58.3	37.5	71.5	61.2	43.6	53.0
Energy	347.5	471.1	618.7	796.3	1,178.1	1,103.6	1,316.6	1,397.7
Transport	85.9	136.1	250.3	326.0	399.6	554.4	353.4	264.4
Telecommunications	118.8	225.4	174.2	193.6	273.3	249.3	265.3	282.2
Total	1,439.4	2,086.9	2,526.7	3,134.8	3,945.9	3,995.4	3,975.6	4,332.3
New social infrastructure								
Education	231.3	311.4	390.4	440.6	577.1	478.8	520.9	672.5
Health	105.4	161.7	199.5	231.5	319.3	329.2	306.0	359.8
Public buildings	135.4	167.2	219.7	331.6	312.5	341.7	282.7	286.1
LA services	24.8	21.8	45.1	96.8	181.6	92.7	95.4	149.7
Sport					57.1	83.8	115.8	113.1
Gaeltacht	5.3	7.9	5.3	8.2	22.7	14.6	36.1	33.8
Total	502.2	670.0	859.9	1,108.6	1,426.7	1,340.9	1,356.8	1,615.1
TOTAL NEW NON RESIDENTIAL	4,446.5	5,544.0	6,616.5	7,362.5	7,742.4	7,379.7	7,534.5	8,499.4

Table 11.8 Value of construction output in current prices (continued)

€m

	1998	1999	2000	2001	2002	2003	2004	2005
Non residential repair and maintenance								
Private non residential								
Industry	103.5	117.0	133.3	115.6	110.7	171.5	179.6	199.2
Semi-state industry	17.7	18.8	22.7	22.3	14.1	11.5	12.8	13.9
Commercial	164.2	200.8	240.1	271.7	275.1	333.5	355.0	419.6
<i>Office development</i>	113.6	140.7	170.2	191.5	175.4	180.8	186.3	217.5
<i>Retail, wholesale</i>	50.6	60.1	69.9	80.2	99.7	152.7	168.7	202.1
Agriculture	69.4	77.4	76.6	66.9	74.5	74.6	79.3	82.7
Tourism	116.9	127.0	138.3	78.5	61.3	68.0	83.7	99.2
Worship	18.4	21.8	36.4	36.0	57.0	28.0	46.0	55.0
Total	490.1	562.8	647.3	591.0	592.6	687.2	756.5	869.5
Productive infrastructure								
Roads	154.8	183.3	203.9	255.5	255.3	252.8	266.9	287.5
Water and sanitary services	131.1	144.6	152.3	172.2	194.6	214.3	266.1	294.9
Airport development	18.2	17.4	21.4	21.0	24.8	26.4	26.1	29.5
Ports and harbours	0.4	2.5	1.0	2.3	5.0	8.9	7.1	6.6
Energy	56.1	58.5	56.6	44.1	85.4	133.4	179.0	168.9
Transport	42.4	59.1	55.1	63.0	47.6	113.9	96.2	98.2
Telecommunications	24.9	34.4	45.7	51.6	22.3	16.6	14.2	15.8
Total	427.9	499.7	536.0	609.6	634.9	766.1	855.6	901.3
Social infrastructure								
Education	93.3	115.0	151.2	168.4	144.6	83.5	138.3	140.1
Health	101.8	99.1	106.5	124.7	135.0	130.2	154.0	150.1
Public buildings	88.5	64.6	71.4	91.8	96.1	109.0	90.7	110.4
Sport					4.3	14.5	8.3	8.2
LA services	31.3	31.3	18.3	23.5	15.6	5.5	2.1	3.4
Total	314.9	309.9	347.3	408.5	395.6	342.7	393.4	412.2
TOTAL NON RESIDENTIAL REPAIR AND MAINTENANCE	1,232.9	1,372.4	1,530.7	1,609.1	1,623.1	1,795.9	2,005.5	2,183.0
New construction output	8,585.9	10,787.8	12,982.8	14,788.4	16,544.7	19,083.2	22,206.8	25,715.4
Repair and maintenance	3,251.1	40,53.2	4,603.7	5,137.5	4,748.6	4,737.0	5,388.4	5,840.0
TOTAL CONSTRUCTION OUTPUT	11,837.0	14,841.0	17,586.5	19,925.9	21,293.3	23,820.2	27,595.2	31,555.4

Source: Department of Environment, Heritage and Local Government

TABLE 11.8

