

Building and Construction

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Building and Construction

- The number of new houses granted planning permission increased by over 133% from 1997 to 2004.
- Planning Permissions granted for new apartments more than quadrupled from 1997 to 2004.
- The value of total construction output at current prices increased by 60% between 2000 and 2004.
- Turnover value and gross value added in firms with 20 or more persons engaged more that doubled between 1997 and 2002.
- Between 1997 and 2003 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 and various short-term releases of the CSO as well as from publications of the Department of the Environment 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 couple of short-term inquiries provide short-term indicators for the sector on employment, earnings and hours worked.

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.

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

The Census covers firms with 20 or more persons engaged. It should be noted that some of the increases in the 2002 figures are due to increased coverage.

Table 11.3 shows for private building firms with 5 or more persons engaged the trend in employment (in index number form).

Table 11.4 gives for recent years indicators of housing output such as dwellings completed, housing grants approved and new loans approved.

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 taken from publications of the Department of the Environment and Local Government.

The results

Table 11.2 shows that turnover value increased by 145% and gross value added in firms covered by the Census increased by 169% between 1997 and 2002. The number of persons engaged rose by 77% in the period.

Table 11.4 shows that the number of local authority houses completed increased by 52% from 1997 to 2004, with the biggest annual increase in 2001 of 54.5%. The number of non-local authority houses completed more than doubled from 1997 to 2004, with the biggest annual increase in 2003 of 21%.

Between 1997 and 2002 public capital expenditure on housing as described in table 11.5 more than trebled in value terms. There was an increase of just over 5% between 2002 and 2003.

The rise in the house building cost index is illustrated in table 11.6. The index rose by 50.7% between 1997 and 2004. In 2004 the index was 81.5% 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, more than doubled from 13,729 in 1997 to 27,512 in 2004. There was a 31% annual increase in the number of planning permissions granted for new dwellings in 2004. The number of new houses involved increased by 133% from 1997 to 2004, however, in 2003, there was an annual decrease of 2.8% in the number of houses granted permission. The number of new apartments more than quadrupled from 7,298 in 1997 to 32,077 in 2004.

Table 11.8 shows that at current prices the value of total construction output increased by 189% between 1997 and 2004 from €9,760 million to €28,173 million. The increase in new construction was 241% while that in repair and maintenance was 70%. In 2004 new non-residential accounted for 31% of total new construction and new residential accounted for the remaining 69%. Of the new residential construction the vast bulk is private residential construction. From 2003 to 2004 in new non-residential construction, there were marked increases in Roads (18%) Airport development (115%) and Energy (51%).

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.

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 11.1 Private building and construction firms with 20 or more persons engaged, 2002

	Unit	NACE 45.1	NACE 45.2	NACE 45.3	NACE 45.4	NACE 45.5	Total
Number of firms	No.	21	411	142	56	16	646
Total employees	No.	1,134	25,406	10,526	1,767	556	39,391
Total persons engaged	No.	1,527	35,177	11,966	2,459	589	51,722
Wages and salaries	€000	47,364	1,311,074	423,251	65,758	16,616	1,864,062
Total labour costs	€000	55,401	1,535,137	483,520	75,263	19,299	2,168,619
Total turnover	€000	153,050	7,190,711	1,247,109	200,810	61,518	8,853,198
Total purchases (excluding VAT)	€000	78,080	2,016,672	537,239	78,761	22,904	2,733,657
Total value of stocks at end of year	€000	22,903	1,619,135	143,244	15,595	1,015	1,801,893
Total value of stock changes	€000	163	10,231	-4,269	1,563	-196	7,492
Acquisition of capital assets	€000	3,650	197,836	9,015	2,611	8,640	221,751
Sales of capital assets	€000	767	33,403	1,288	473	3,283	39,214
Production value	€000	153,624	7,214,431	1,232,678	199,619	61,266	8,861,617
Intermediate consumption	€000	99,094	4,876,858	701,927	94,521	26,772	5,799,173
Gross value added	€000	54,530	2,337,573	530,751	105,097	34,494	3,062,444

Source: CSO

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

	Unit	1997	1998	1999	2000	2001	2002
Number of firms	No.	376	417	497	524	546	646
Total employees	No.	22,087	24,404	29,641	33,003	34,776	39,391
Total persons engaged	No.	29,214	33,300	40,162	44,910	46,371	51,722
Wages and salaries	€000	674,632	832,529	1,081,947	1,344,787	1,539,312	1,864,062
Total labour costs	€000	779,270	953,397	1,239,852	1,548,897	1,766,147	2,168,619
Total turnover	€000	3,608,451	4,745,455	5,608,109	6,805,775	7,612,441	8,853,198
Total purchases (excluding VAT)	€000	1,278,315	1,612,550	1,861,375	2,082,609	2,330,373	2,733,657
Total value of stocks at end of year	€000	545,109	710,166	944,111	1,372,849	1,678,046	1,801,893
Total value of stock changes	€000	113,608	81,803	212,306	357,878	364,885	7,492
Acquisition of capital assets	€000	138,718	264,590	248,785	341,676	187,045	221,751
Sales of capital assets	€000	13,887	105,485	31,589	35,307	37,837	39,214
Production value	€000	3,723,470	4,814,795	5,811,224	7,164,574	7,959,872	8,861,617
Intermediate consumption	€000	2,586,299	3,200,763	3,849,056	4,642,318	5,213,917	5,799,173
Gross value added	€000	1,137,172	1,614,032	1,962,167	2,522,256	2,745,956	3,062,444

Source: CSO

Table 11.3 Employment index for private firms with 5 or more persons engaged

Base year 2000=100

	1999	2000	2001	2002	2003	2004
Annual Index	94.2	100.0	101.7	99.3	99.7	103.2

Source: CSO

Table 11.4 Annual housing indicators

	1997	1998	1999	2000	2001	2002	2003	2004
Dwellings completed								
Number of local authority dwellings completed	3,388	3,256	3,488	3,155	4,875	5,763	6,133	5,146
Number of non-local authority dwellings completed	35,454	39,093	43,024	46,657	47,727	51,932	62,686	71,808
Total number of dwellings completed	38,842	42,349	46,512	49,812	52,602	57,695	68,819	76,954
Number of new house grants approved	10,574	10,023	9,469	10,203	10,913	12,564	12,795	n/a
Number of home improvement grants approved	715	825	1,082	1,181	1,280	1,089	1,018	n/a
Number of new loans approved	64,652	68,925	78,572	80,856	69,062	93,136	97,888	104,305

Source: Department of Environment, Heritage and Local Government

Table 11.5 Public capital expenditure on housing

	1997	1998	1999	2000	2001	2002	2003	2004
€m								
House purchase and improvement loans and local authority grants	23.9	25.3	29.3	38.6	49.2	89.2	96.0	
Grants from Department of the Environment	46.5	46.9	46.3	59.4	70.3	80.4	93.2	
Local authority housing	311.8	341.8	401.6	613.16	969.9	1164.6	1128.4	
Shared ownership	54.7	63.7	141.7	149.4	204.3	200.0	212.0	
Affordable housing			25.9	5.5	22.1	50.0	139.0	
Other	5.0	6.3	7.6	11.6	12.6	13.1	13.6	
Total	442.1	484.0	652.4	877.6	1328.4	1597.1	1682.1	

Source: Department of Environment, Heritage and Local Government

Housing indicators

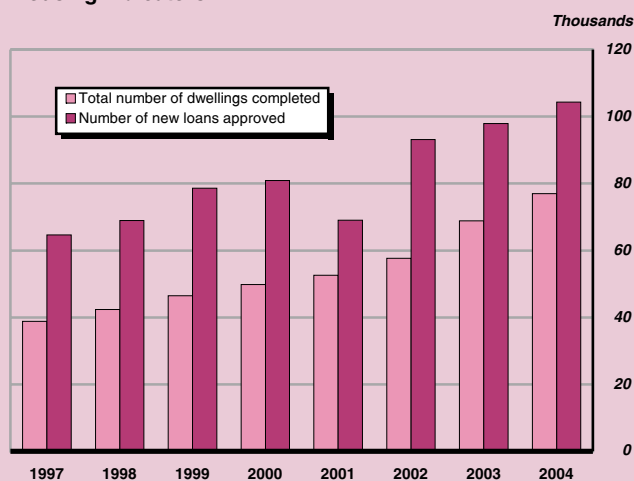


Table 11.6 Annual house building cost index

Base year 1991=100

	1997	1998	1999	2000	2001	2002	2003	2004
Annual Index	120.4	124.9	131.0	141.0	161.5	171.8	176.5	181.5

Source: Department of Environment, Heritage and Local Government

Table 11.7 Total planning permissions granted for dwellings

Number

	1997	1998	1999	2000	2001	2002	2003	2004
Permissions for new dwellings	13,729	16,719	23,595	26,332	23,613	19,728	20,949	27,512
New houses for which planning permission was granted	29,762	39,958	63,795	73,828	60,666	51,055	49,605	69,576
New apartments for which planning permission was granted	7,298	7,431	12,801	17,415	17,780	18,259	28,749	32,077

Source: CSO

Planning permissions granted for new dwellings

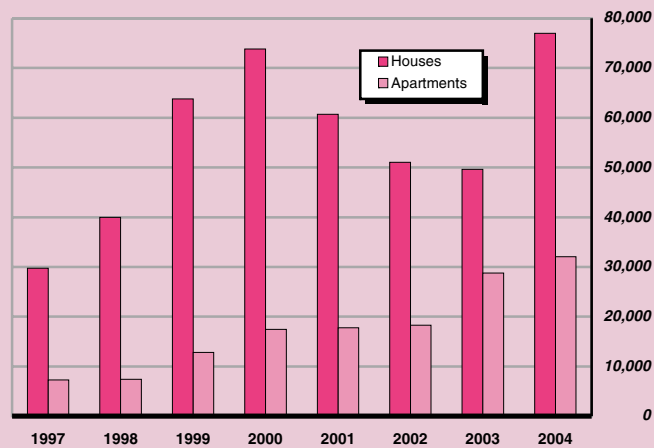


Table 11.8 Value of construction output at current prices

	€m							
	1997	1998	1999	2000	2001	2002	2003	2004
Residential construction								
New private	2,938.3	3,878.6	4,937.8	5,948.0	6,663.8	7,860.0	10,770.3	14,024.9
New social housing	213.6	260.7	305.9	475.5	762.1	942.3	933.2	1,021.9
<i>New voluntary</i>	31.6	36.7	52.2	98.5	145.2	166.6	212.9	236.0
<i>New local authority</i>	182.0	224.0	253.8	377.0	616.9	775.7	720.3	785.8
Repair, maintenance and improvement (RMI)	1,903.7	2,018.2	2,680.7	3,073.0	3,528.4	3,125.5	2,941.0	3,191.3
<i>RMI private</i>	1,809.1	1,917.3	2,565.8	2,945.8	3,391.2	2,954.2	2,735.9	3,000.0
<i>RMI social</i>	94.6	100.9	114.9	127.2	137.2	171.2	205.1	191.3
Total residential	5,055.6	6,157.6	7,924.5	9,496.4	10,954.3	11,927.8	14,644.5	18,238.1
New non residential construction								
New private non residential construction								
Industry	565.5	709.1	643.1	768.4	871.4	640.8	528.6	539.4
Semi-state industry	33.7	55.8	58.0	45.6	69.9	48.6	39.3	66.1
Commercial								
Office development	447.4	628.1	785.2	1,020.7	1,146.0	786.1	533.8	544.6
Retail, wholesale	223.7	279.6	335.5	419.4	480.0	446.9	450.8	487.5
Agriculture	269.5	244.3	166.0	221.4	155.7	143.4	128.4	120.4
Tourism	433.6	584.7	798.3	691.6	392.6	300.0	340.1	367.3
Worship	1.1	3.1	1.1	5.7	3.6	4.4	22.4	17.8
Total	1,974.6	2,504.9	2,787.1	3,172.8	3,119.1	2,370.3	2,043.4	2,143.2
New productive infrastructure								
Roads	478.0	546.1	724.9	856.4	1,131.5	1,314.3	1,327.8	1568.3
Water and sanitary services	192.1	223.4	348.2	493.8	547.5	559.6	536.0	514.0
Airport development	61.6	81.1	130.9	75.0	102.4	68.9	46.8	100.6
Ports and harbours	52.6	36.5	50.3	58.3	37.5	71.5	61.2	55.5
Energy	294.3	347.5	471.1	618.7	796.3	1,178.1	1,154.6	1747.7
Transport	76.7	85.9	136.1	250.3	326.0	399.6	554.4	464.6
Telecommunications	63.1	118.8	225.4	174.2	193.6	273.3	249.3	231.3
Total	1,218.3	1,439.4	2,086.9	2,526.7	3,134.8	3,865.2	3,930.0	4,682.0
New social infrastructure								
Education	196.1	231.3	311.4	390.4	440.6	741.1	460.8	431.8
Health	124.1	105.4	161.7	199.5	231.5	319.3	329.2	310.9
Public buildings	101.0	135.4	167.2	219.7	331.6	312.5	341.7	318.7
LA services	24.8	24.8	21.8	45.1	96.8	181.6	92.7	119.9
Sport							83.3	67.2
Gaeltacht	3.3	5.3	7.9	5.3	8.2	6.0	16.3	19.8
Total	449.4	502.2	670.0	859.9	1,108.6	1,560.4	1,324.5	1,268.2
Total new non residential	3,642.2	4,446.5	5,544.0	6,616.5	7,492.8	7,954.1	7,298.0	8,093.4

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

€m

	1997	1998	1999	2000	2001	2002	2003	2004
Non residential repair and maintenance								
Private non residential								
Industry	90.9	103.5	117.0	133.3	115.6	110.7	103.1	101.0
Semi-state industry	13.6	17.7	18.8	22.7	22.3	14.8	11.5	13.4
Commercial	130.1	164.2	200.8	240.1	271.7	275.1	360.8	364.6
<i>Office development</i>	86.7	113.6	140.7	170.2	191.5	175.4	195.6	195.6
<i>Retail, wholesale</i>	43.4	50.6	60.1	69.9	80.2	99.7	165.2	168.9
Agriculture	74.1	69.4	77.4	76.6	66.9	74.5	75.7	76.1
Tourism	86.7	116.9	127.0	138.3	78.5	60.0	68.0	73.5
Worship	19.6	18.4	21.8	36.4	36.0	57.0	28.0	46.0
Total	415.2	490.1	562.8	647.3	591.0	592.0	647.1	674.5
Productive infrastructure								
Roads	158.3	154.8	183.3	203.9	255.5	263.2	252.8	277.5
Water and sanitary services	119.4	131.1	144.6	152.3	172.2	194.6	214.3	263.9
Airport development	14.6	18.2	17.4	21.4	21.0	24.8	26.4	30.9
Ports and harbours	1.0	0.4	2.5	1.0	0.9	3.1	8.9	7.6
Energy	48.9	56.1	58.5	56.6	44.1	68.3	133.4	160.7
Transport	37.8	42.4	59.1	55.1	63.0	47.6	113.9	44.1
Telecommunications	5.1	24.9	34.4	45.7	51.6	22.3	16.6	18.1
Total	385.1	427.9	499.7	536.0	608.1	623.9	766.1	802.8
Social infrastructure								
Education	88.8	93.3	115.0	151.2	168.4	141.0	83.5	102.8
Health	88.5	101.8	99.1	106.5	124.7	135.0	130.2	139.3
Public buildings	52.1	88.5	64.6	71.4	91.8	96.1	109.0	105.6
Sport							5.5	4.9
LA services	32.4	31.3	31.3	18.3	23.5	15.6	5.5	4.9
Total	261.9	314.9	309.9	347.3	408.5	387.7	342.7	363.9
Total non residential repair and maintenance	1,062.1	1,232.9	1,372.4	1,530.7	1,607.6	1,603.6	1,755.9	1,841.3
New construction output	6,794.2	8,585.9	10,787.8	12,982.8	14,788.4	16,598.2	19,001.5	23,140.2
Repair and maintenance	2,965.8	3,251.1	4,053.2	4,603.7	5,136.1	4,729.2	4,696.9	5,032.6
Total construction output	9,760.0	11,837.0	14,841.0	17,586.5	19,924.4	21,327.4	23,698.4	28,172.8

Source: Department of Environment, Heritage and Local Government

TABLE 11.8

