

13

Building and Construction

- Between 2000 and 2007, public capital expenditure on housing increased by 130%.
- The number of dwellings completed increased by nearly 57% between 2000 and 2007.
- The number of new houses for which planning permission was granted decreased by almost 15% from 2000 to 2007. The number of new apartments for which planning permission was granted increased by nearly 24% in the same period.
- The volume of production in all building and construction increased by 29.4% between 2000 and 2007.



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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.

Statistics for production in construction are compiled using the new quarterly CSO survey, Production in Building and Construction.

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

The tables

Table 13.1 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 13.2 from the Census of Building provides aggregates over a seven year period.

Table 13.3 shows persons aged 15 years and over employed in construction classified by broad occupational categories.

Table 13.4 gives, for recent years, indicators of housing output such as dwellings completed, housing grants approved and new loans approved.

Table 13.5 shows for recent years the amount of public capital expenditure on housing.

Table 13.6 gives a price index for house building costs.

Table 13.7 gives data on planning permissions granted for new dwellings, houses and apartments. It is derived from a quarterly CSO series.

Table 13.8 shows the value and volume indices of production in all building and construction.

Table 13.9 shows the value and volume indices of production in residential building.

Table 13.10 shows the value and volume indices of production in non-residential building.

Table 13.11 shows the value and volume indices of production in civil engineering.

The results

Planning permissions granted for new dwellings, as shown in table 13.7, fell by 15.5% from 26,332 in 2000 to 22,253 in 2007. There was a 2.3% annual decrease in the number of planning permissions granted for new dwellings in 2007. The number of new houses involved decreased by 14.9% from 2000 to 2007, and in 2007, there was an annual increase of 4.7% in the number of houses granted permission. The number of new apartments increased by 23.9% from 2000 to 2007, and in 2007, there was an annual increase of 15.1% in the number of apartments granted permission.

Table 13.8 shows that there was an increase of 29.4% in the volume of production in all building and construction between 2000 and 2007. Table 13.9 shows that the volume of production in residential building increased by almost 60% between 2000 and 2005, but subsequently declined in 2006 (-5.1%) and 2007 (-21%). The volume of production in civil engineering more than doubled between 2000 and 2007 (see table 13.11) whereas the volume of production in non-residential building showed little change over the same period (see table 13.10).

The rise in the house building cost index is illustrated in table 13.6. The index rose by 43% between 2000 and 2007. In 2007 the index was 101.7% 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.

Technical Notes

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 13.2

Recent improvements to the CSO Central Business Register have led to a significant increase in the number of enterprises with 20 or more persons engaged being identified and covered in the 2006 Census of Building and Construction. The expanded coverage has led to a discontinuity between the results for 2006 and those published previously.

To help overcome this discontinuity, an additional column has been included in table 13.2 which gives estimated results for 2005 to reflect, as far as possible, the increased coverage of 2006.

Table 13.1 Private building and construction firms with 20 or more persons engaged, 2006

	Unit	NACE 45.1	NACE 45.2	NACE 45.3	NACE 45.4	NACE 45.5	Total
Number of firms	No.	34	824	283	118	32	1,291
Total employees	No.	1,842	46,589	17,157	4,342	1,441	71,369
Total persons engaged	No.	2,135	69,289	19,175	5,393	1,494	97,484
Wages and salaries	€000	82,652	3,342,485	747,244	203,184	55,506	4,431,070
Total labour costs	€000	98,944	3,803,642	855,625	226,337	64,587	5,049,134
Total turnover	€000	401,611	18,082,995	2,225,736	482,372	198,422	21,391,136
Total purchases (excluding VAT)	€000	116,872	4,737,137	913,476	188,693	67,421	6,023,598
Total value of stocks at end of year	€000	60,984	7,913,276	282,783	61,562	31,532	8,350,137
Total value of stock changes	€000	18,914	1,992,269	19,552	10,523	-643	2,040,615
Acquisition of capital assets	€000	12,594	898,224	36,610	22,686	53,148	1,023,262
Sales of capital assets	€000	2,562	381,604	6,401	4,242	6,746	401,554
Production value	€000	420,575	20,013,645	2,168,372	490,028	195,233	23,287,853
Intermediate consumption	€000	257,702	12,478,284	1,046,800	214,932	69,685	14,067,403
Gross value added	€000	162,873	7,535,361	1,121,571	275,096	125,548	9,220,449

Source: CSO

Table 13.2 Private building and construction firms with 20 or more persons engaged

	Unit	2000	2001	2002	2003	2004	2005	(new basis)*	
								2005	2006
Number of firms	No.	524	546	646	682	734	728	1,184	1,291
Total employees	No.	33,087	34,776	39,401	41,692	46,815	49,043	65,594	71,369
Total persons engaged	No.	44,965	46,371	51,738	56,556	63,604	66,690	89,117	97,484
Wages and salaries	€000	1,346,739	1,539,312	1,864,031	2,143,250	2,681,301	3,061,160	3,928,056	4,431,070
Total labour costs	€000	1,550,710	1,766,147	2,168,487	2,513,781	3,083,781	3,514,577	4,500,280	5,049,134
Total turnover	€000	6,815,596	7,612,441	8,849,068	10,307,642	12,241,912	14,571,575	17,713,039	21,391,136
Total purchases (excluding VAT)	€000	2,087,617	2,330,373	2,727,537	3,205,503	3,384,786	4,112,894	5,208,559	6,023,598
Total value of stocks at end of year	€000	1,372,870	1,678,046	1,876,876	2,607,086	3,470,223	4,744,685	5,326,308	8,350,137
Total value of stock changes	€000	357,846	364,885	84,953	504,021	751,970	856,349	932,763	2,040,615
Acquisition of capital assets	€000	341,668	187,045	221,923	380,438	430,597	536,949	660,977	1,023,262
Sales of capital assets	€000	35,310	37,837	39,353	196,051	107,425	72,596	78,495	401,554
Production value	€000	7,174,159	7,959,872	8,934,859	10,700,952	12,935,244	15,330,895	18,460,811	23,287,853
Intermediate consumption	€000	4,650,400	5,213,917	5,789,932	6,607,206	7,584,669	9,506,982	11,187,813	14,067,403
Gross value added	€000	2,523,759	2,745,956	3,144,926	4,093,745	5,350,576	5,823,913	7,272,999	9,220,449

Source: CSO

Table 13.3 Construction employment classified by broad occupational categories

	2000	2001	2002	2003	2004	2005	2006	2007
Managers and Administrators	7.7	10.6	11.7	11.2	13.7	12.1	10.9	13.1
Professional	6.2	7.9	8.2	8.4	9.5	10.8	12.4	13.0
Associate Professional and Technical	2.4	3.4	3.2	2.8	3.9	5.0	4.7	6.0
Clerical and Secretarial	5.0	5.2	6.1	6.0	6.6	8.0	8.2	7.9
Craft and Related	96.5	103.7	103.6	113.8	124.0	146.8	159.0	168.6
Sales	0.8	1.0	1.2	0.8	1.3	2.0	2.2	1.7
Plant and Machine Operatives	16.1	17.3	15.6	17.3	15.9	20.4	23.5	24.8
Other	31.5	30.9	31.5	29.4	29.9	37.9	44.2	46.7
Total	166.2	180.0	181.1	189.8	204.7	243.0	265.2	281.8

Source: CSO

Table 13.4 Annual housing indicators

	2000	2001	2002	2003	2004	2005	2006	2007
Dwellings completed								
Number of local authority/voluntary and co-operative dwellings completed	3,155	4,875	5,763	6,133	5,146	5,559	5,208	6,671
Number of non-local authority dwellings completed	46,657	47,727	51,932	62,686	71,808	75,398	88,211	71,356
Total number of dwellings completed	49,812	52,602	57,695	68,819	76,954	80,957	93,419	78,027
Number of new house grants approved	10,203	10,913	12,564	12,795	n/a	n/a	n/a	n/a
Number of home improvement grants approved	1,181	1,280	1,089	1,018	n/a	n/a	n/a	n/a
Number of new loans approved	80,856	69,062	93,136	97,888	104,305	120,037	114,593	88,747

Source: Department of Environment, Heritage and Local Government

Table 13.5 Public capital expenditure on housing

€m

	2000	2001	2002	2003	2004	2005	2006	2007
Voluntary and co-operative housing	91.90	143.60	171.00	212.60	185.10	168.70	185.50	275.70
House purchase and improvement loans and local authority grants	38.60	49.20	87.50	83.70	74.70	38.10	42.20	41.00
Grants from Department of the Environment	59.40	70.30	80.30	93.20	60.30	39.50	40.90	67.30
Local authority housing	521.20	826.30	977.50	887.80	912.80	1,081.90	1,142.30	1,292.30
Shared ownership	149.40	204.30	225.30	140.10	127.80	129.10	100.40	136.70
Affordable housing	5.50	22.10	60.30	150.70	122.80	124.80	137.70	202.40
Other	11.60	12.60	16.60	15.90	19.00	20.70	25.60	5.50
Total	877.60	1,328.40	1,618.50	1,584.00	1,502.50	1,602.80	1,674.60	2,020.90

Source: Department of Environment, Heritage and Local Government

Housing indicators

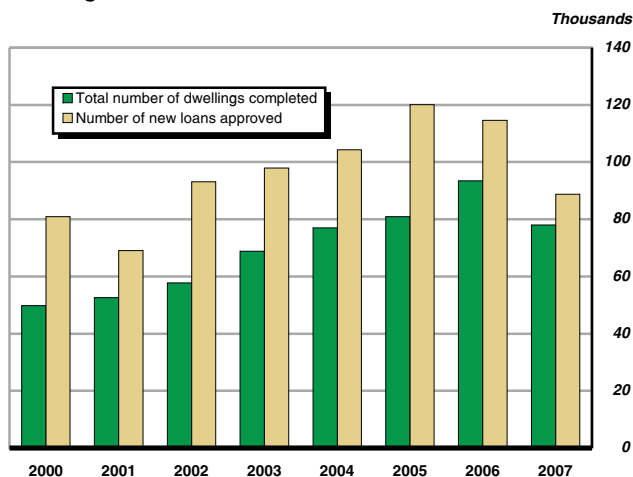


Table 13.6 Annual house building cost index

Base year 1991=100

	1999	2000	2001	2002	2003	2004	2005	2006	2007
Annual Index	131.0	141.0	161.5	171.8	176.5	181.5	186.9	194.2	201.7

Source: Department of Environment, Heritage and Local Government

Table 13.7 Summary of planning permissions granted for dwellings

Number

	1999	2000	2001	2002	2003	2004	2005	2006	2007
Permissions for new dwellings	23,595	26,332	23,613	19,728	20,949	27,512	25,334	22,774	22,253
New houses for which planning permission was granted	63,795	73,828	60,729	51,055	49,605	69,576	75,650	60,008	62,828
New apartments for which planning permission was granted	12,801	17,415	17,780	18,259	28,749	32,077	23,702	18,747	21,569

Source: CSO

Planning permissions granted for new dwellings

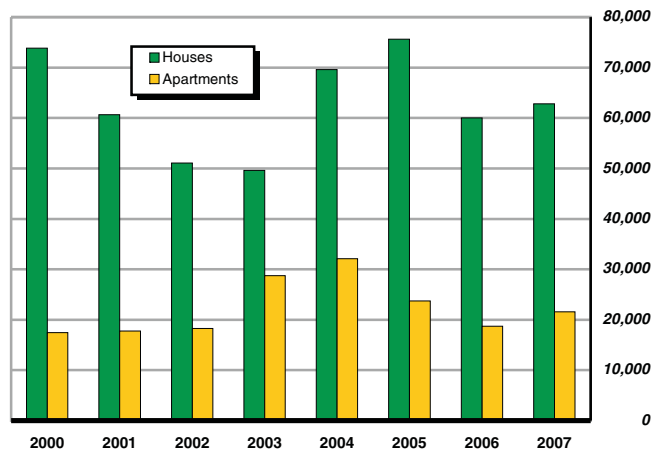


Table 13.8 Value and volume indices of production in all building and construction

Base year 2000=100

Year	Total production in all building and construction			
	Value of production		Volume of production	
	Index	Annual % change	Index	Annual % change
2000	100.0		100.0	
2001	113.3	13.3	103.4	3.4
2002	121.1	6.9	105.5	2.1
2003	135.4	11.8	111.5	5.7
2004	160.2	18.3	123.6	10.8
2005	188.9	17.9	139.2	12.6
2006	202.7	7.3	139.7	0.4
2007	196.3	-3.2	129.4	-7.4

Source: Data prior to 2004 based on existing annual data from the Department of the Environment, Heritage and Local Government prepared by DKM Economic Consultants series, with quarterly breakdown estimated by CSO. Series from 2004 onwards based on the new CSO survey.

Table 13.9 Value and volume indices of production in residential building

Base year 2000=100

Year	Total production in all residential building			
	Value of production		Volume of production	
	Index	Annual % change	Index	Annual % change
2000	100.0		100.0	
2001	115.4	15.4	104.0	4.0
2002	125.6	8.9	105.8	1.7
2003	154.1	22.7	117.5	11.1
2004	193.3	25.4	138.2	17.5
2005	234.1	21.1	159.7	15.6
2006	237.1	1.3	151.5	-5.1
2007	195.9	-17.4	119.7	-21.0

Source: Data prior to 2004 based on existing annual data from the Department of the Environment, Heritage and Local Government prepared by DKM Economic Consultants series, with quarterly breakdown estimated by CSO. Series from 2004 onwards based on the new CSO survey.

Table 13.10 Value and volume indices of production in non-residential building

Base year 2000=100

Year	Total production in all non-residential building			
	Value of production		Volume of production	
	Index	Annual % change	Index	Annual % change
2000	100.0		100.0	
2001	104.0	4.0	95.8	-4.2
2002	95.2	-8.5	88.6	-7.5
2003	87.8	-7.7	83.0	-6.4
2004	95.1	8.3	84.2	1.5
2005	98.3	3.3	83.1	-1.3
2006	117.4	19.5	92.8	11.7
2007	131.3	11.8	99.3	7.0

Source: Data prior to 2004 based on existing annual data from the Department of the Environment, Heritage and Local Government prepared by DKM Economic Consultants series, with quarterly breakdown estimated by CSO. Series from 2004 onwards based on the new CSO survey.

Table 13.11 Value and volume indices of production in civil engineering

Base year 2000=100

Year	Total production in civil engineering			
	Value of production		Volume of production	
	Index	Annual % change	Index	Annual % change
2000	100.0		100.0	
2001	122.3	22.3	112.2	12.2
2002	149.6	22.3	129.5	15.4
2003	155.5	3.9	131.3	1.4
2004	164.4	5.7	130.0	-1.0
2005	197.7	20.2	149.2	14.8
2006	236.4	19.6	166.7	11.7
2007	304.3	28.7	205.5	23.3

Source: Data prior to 2004 based on existing annual data from the Department of the Environment, Heritage and Local Government prepared by DKM Economic Consultants series, with quarterly breakdown estimated by CSO. Series from 2004 onwards based on the new CSO survey.

