

Decline of Czech building industry deepened

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Domestic construction has deepened its yoy decline to 6.3% in June, after May decrease by 4.9%. For the entire second quarter, the performance of the sector decreased by 5.7%. “Czech Statistical Office figures show that even the summer period, which is favourable for the increased activity of construction industry, fails to reverse the negative trends into positive numbers. Decline in construction output in the CR continues,” Václav Matyáš, President of the Association of Building Entrepreneurs (SPS), told the Czech News Agency. According to the director of Next Finance Markéta Šichtářová, the ongoing slump in the sector is caused by several factors, including cuts in government spending. Businesses cannot afford investment in construction either. In June builders began to build 2,342 dwellings in the Czech Republic, which was a decline by 4.3% compared to the same month last year. The number of dwellings started in blocks of flats decreased by 54.7%, on the other hand, construction of dwellings 17.6% more flats was started in single-family houses.

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