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# Construction and Housing in Ireland 2008 Edition

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# Chapter 1

## Introduction

### Overview

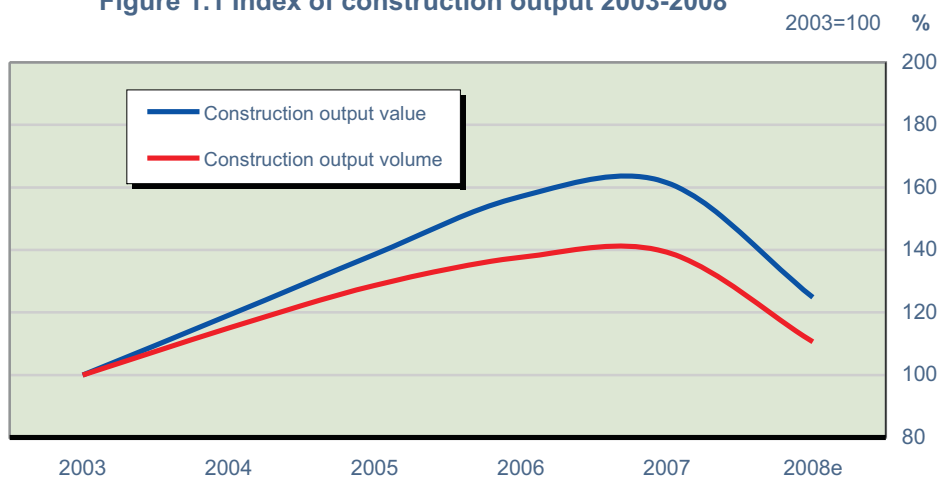
This report presents an overview of the Irish construction industry. The information is sourced from statistics compiled by the Central Statistics Office, from other producers of construction statistics and from administrative data sources. The report aims to present a comprehensive picture of the Irish construction industry (primarily from 2002 to date) and also includes some international comparisons. This is the second edition of this report - the first was published in July 2006. The main results presented are:

### Output and Structure of the Construction Industry

Gross value added from building and construction was €16.7 billion in 2007, accounting for 9% of GDP and 10% of GNP. Gross value added from this sector increased by only 0.1% in 2007 while GDP and GNP rose by 6% and 4% respectively (at constant prices).

Output from the construction sector was €38.5 billion in 2007. This is estimated to drop by 23% in 2008 to €29.7 billion (based on figures from DKM/DEHLG). See *Figure 1.1*.

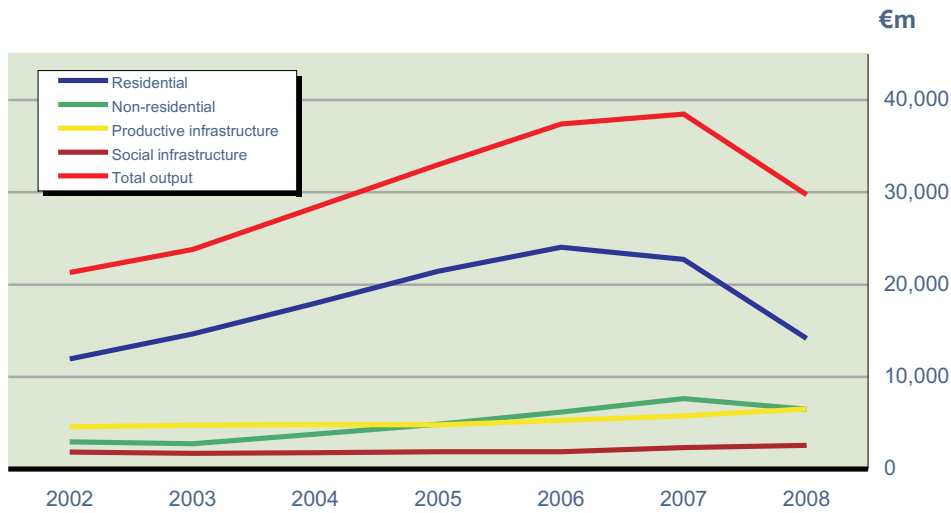
**Figure 1.1 Index of construction output 2003-2008**



Source: DKM - DEHLG "Review of the Construction Industry 2007 and Outlook 2008-2010"

The residential sector accounted for nearly 60% of construction output in 2007. The output from this sector declined by 6% in 2007 and is estimated to decrease by a further 38% in 2008. See Figure 1.2.

**Fig. 1.2 Construction output by sector 2002 - 2008**



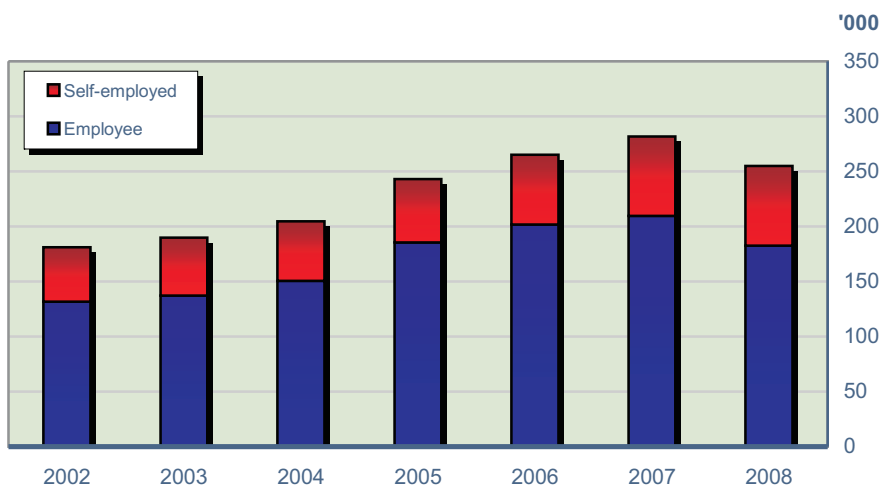
Source: DKM-DEHLG "Review of the Construction Industry 2007 and outlook 2008-2010"

## Employment

Employment in construction fell by 10% from nearly 282,000 in the second quarter of 2007 to 255,000 in the same period of 2008. This drop can be attributed to a decline in employee numbers rather than the self-employed.

Employment in construction rose by 40% over the period 2002 to 2008. The construction sector accounted for 13% of total employment in 2007; this compares to an EU average of 8%. See Figure 1.3.

**Figure 1.3 Employment in construction 2002-2008 (Qtr 2)**



Source: CSO - Quarterly National Household Survey

Tentative estimates from the QNHS indicate that 17% of those employed in construction were non-Irish in the fourth quarter of 2007 with nearly three-quarters of those from the Accession States.

### Public Capital Expenditure

The total investment in the Public Capital Programme was over €11.8 billion in 2007, up from €8.6 billion in 2002. Almost €4 billion or 34% of this was spent in the transport sector in 2007; nearly €1.3 billion or 11% was invested in the energy sector while almost €2.2 billion or 18% was spent on housing.

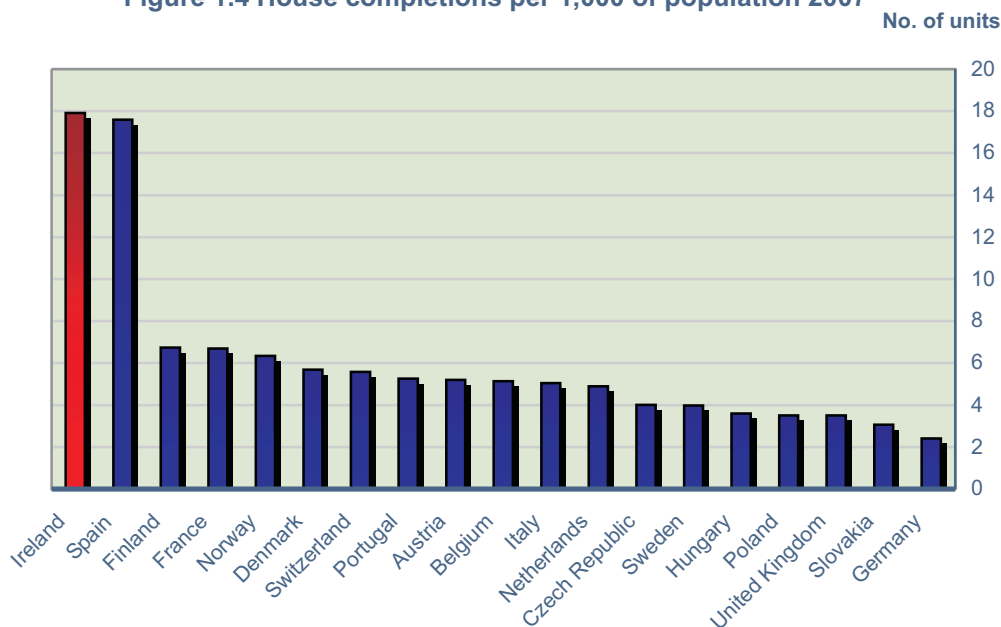
Over three-quarters of the expenditure on transport in 2007 related to the construction and improvement of roads with a €3 billion investment (which was double the 2002 figure).

### House Completions

Over the period 2002 to 2006, the number of house completions rose each year to a peak of 88,200 in 2006. The number of houses completed in 2007 decreased by 12% to 78,000. Figures for the first two quarters of 2008 show a significant slowdown with only 70% of the number of completions when compared to the same period in 2007.

Figure 1.4 shows the average rate of house completions per 1,000 of population across a selection of nineteen European countries was 5.3 in 2007. Ireland had the highest rate of house completions at 18 per 1,000 of population. Ireland had 434 housing units per 1,000 of the population in 2007, which was below the average of 465. See *Figure 1.4*.

**Figure 1.4 House completions per 1,000 of population 2007**

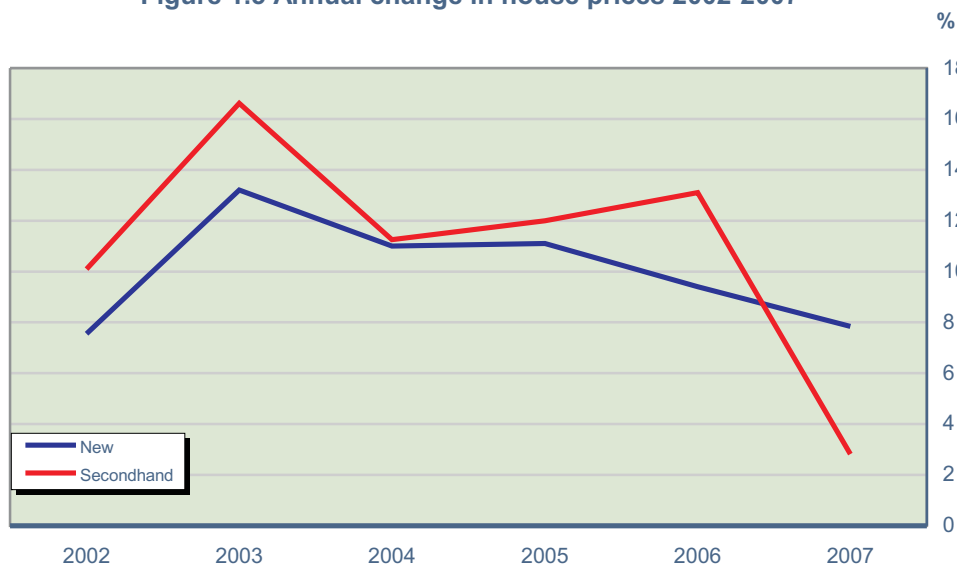


Source: DKM, the Irish partner of Euroconstruct

## House Prices

The average price of a new house in Ireland was €320,800 in 2007; an increase of 65% since 2002. While house prices increased throughout the period 2002 to 2007, the rate of increase began to slow in 2006 for new houses (with 9% and 8% increases in 2006 and 2007 respectively) and for secondhand houses the rate of increase dropped significantly in 2007 to only 3%. Dublin was the only region where the average price of a secondhand home decreased in 2007. See Figure 1.5.

Figure 1.5 Annual change in house prices 2002-2007



Source: DEHLG Housing Statistics  
Note: Excludes apartments

In 2007, the average price of new apartments increased by only 1% whereas secondhand apartments dropped in value by 6%. The average price of new apartments dropped in Cork, Dublin and Waterford whereas secondhand apartment prices dropped nationwide.

The average price of new or secondhand houses (including apartments) in the second quarter of 2008 was €313,700, down 5.5% on the average price reported in the same quarter in 2007.

## Stamp Duty

Revenues from stamp duty on property transactions peaked in 2006 with receipts of almost €3 billion but revenues from this source fell by over 20% in 2007. Stamp duty on property transactions amounted to almost €2.4 billion in 2007 and this accounted for almost three-quarters of the total revenue raised from stamp duty.

## Mortgages

The total value of mortgage debt increased from €47.2 billion in 2002 to over €139.8 billion at the end of 2007 while mortgage debt increased by almost €16.6 billion from 2006 to 2007. However, the rate of increase slowed from 24% in 2006 to 13% in 2007.

In 2007, the average size of a new mortgage was €266,000 which was nearly double the 2002 figure.



## Planning Permissions

The number of planning permissions granted for new houses and apartments has dropped from a high of 101,700 in 2004 to 84,400 in 2007. Planning for multi-development housing units accounted for over half of these planning permissions in 2007.

Planning permissions granted in the first half of 2008 show a drop of over 13 % on the same period in 2007.





## Chapter 2

# Output and Structure of the Construction Industry

### Total Output

The value of output in the construction industry is estimated to be in the region of €29.7 billion in 2008, a decrease of almost 23% on the 2007 figure of €38.5 billion. The 2008 figure is from the DKM-DEHLG "Review of the Construction Industry 2007 and Outlook 2008 - 2010" publication.

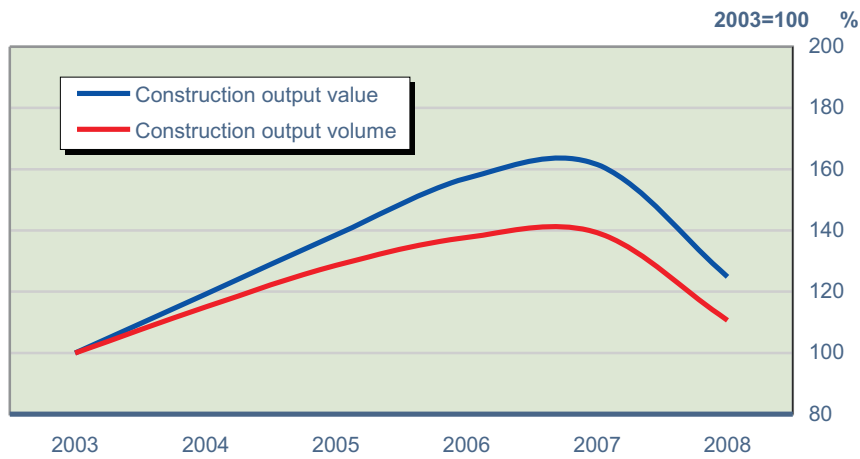
The largest annual percentage increase since 2003 was in 2004 when output increased by over 19%. The annual rate of increase has been falling since 2004 to 16% and 13% respectively in 2005 and 2006. There was a sharp drop in the rate of increase of output between 2006 and 2007 when construction output increased by less than 3%.

Over the period 2003-2007 the volume of activity increased by over 39% when price changes were excluded. The volume of activity is estimated to fall by almost 21% in 2008. See *Table 2.1 and Figure 2.1*.

**Table 2.1 Construction output 2003-2008**

	Unit	2003	2004	2005	2006	2007	2008 <sup>e</sup>
<b>Current prices</b>							
Construction output	€m	23,811.3	28,371.6	32,991.7	37,401.7	38,460.9	29,732.5
Annual change	%	-	19.2	16.3	13.4	2.8	-22.7
<b>2006 constant prices</b>							
Construction output	€m	27,170.7	31,248.0	34,952.5	37,401.7	37,844.0	30,067.3
Annual change	%	-	15.0	11.9	7.0	1.2	-20.5
<b>Source:</b> DKM - DEHLG "Review of the Construction Industry 2007 and Outlook 2008-2010"							
<sup>e</sup> Estimate							

Figure 2.1 Index of construction output 2003-2008



Source: DKM - DEHLG "Review of the Construction Industry 2007 and Outlook 2008-2010"

In 2007, building and construction is estimated to have accounted for almost 9% of GDP and over 10% of GNP; comparable figures for 2003 are 7% and 8% respectively.

Gross value added (at constant prices) generated by the construction sector increased by a third (33%) from over €12 billion in 2002 to nearly €16 billion in 2007.

The growth rate of value added from building and construction grew from 4.8% in 2003 to 9.2% in 2005; the rate of increase dropped to 6.3% in 2006 and showed a marked slowdown in 2007 with an increase of only 0.1%. See Table 2.2.

Table 2.2 Construction value added 2002-2007

	Unit	2002	2003	2004	2005	2006	2007 <sup>1</sup>
<b>Current prices</b>							
GDP	€m	130,190	139,442	148,975	162,168	177,286	190,603
GNP	€m	106,494	117,717	126,096	137,265	152,456	161,210
GVA from Building and Construction	€m	8,966	10,030	11,813	14,112	15,924	16,702
Share of GDP	%	6.9	7.2	7.9	8.7	9.0	8.8
Share of GNP	%	8.4	8.5	9.4	10.3	10.4	10.4
<b>Constant prices</b>							
GDP	€m	144,077	150,581	157,664	167,713	177,286	187,971
GNP	€m	122,501	129,726	135,512	143,386	152,456	158,756
GVA from Building and Construction	€m	12,009	12,582	13,720	14,979	15,924	15,934
<b>Annual change</b>							
GDP	%	-	4.5	4.7	6.4	5.7	6.0
GNP	%	-	5.9	4.5	5.8	6.3	4.1
GVA from Building and Construction	%	-	4.8	9.0	9.2	6.3	0.1

<sup>1</sup>provisional

Source: CSO - National Income and Expenditure, Annual Results for 2007

## Output by Sector

In 2007, construction output was highest in the residential sector which was valued at over €22.7 billion, a decrease of nearly 6% on the 2006 figure. This sector accounted for 59% of the total value of construction output in 2007 compared to over 64% the previous year. Construction output in this sector is estimated to fall by nearly €8.6 billion (38%) in 2008.

While the value of total construction output increased by almost 40% between 2002 and 2008, its value is estimated to have decreased by almost 23% (€8.7 billion) since 2007 with the residential sector accounting for most of this decline. Since 2005, the share of residential construction as a percentage of overall construction output has decreased year on year from 65% in 2005 to 48% in 2008. See *Table 2.3*.

**Table 2.3 Construction output by sector 2002-2008**

		2002	2003	2004	2005	2006	2007	2008 <sup>e</sup>
	<b>Unit</b>							
<b>Current prices</b>								
Residential	€m	11,927.8	14,635.6	17,987.5	21,456.4	24,045.2	22,716.0	14,164.3
Non-residential	€m	2,962.4	2,730.6	3,785.5	4,862.0	6,185.1	7,642.4	6,487.4
Productive infrastructure	€m	4,580.8	4,761.5	4,831.2	4,804.0	5,281.9	5,765.2	6,521.7
Social infrastructure	€m	1,822.3	1,683.6	1,767.4	1,869.3	1,889.5	2,337.3	2,559.2
<b>Total output</b>	<b>€m</b>	<b>21,293.3</b>	<b>23,811.3</b>	<b>28,371.6</b>	<b>32,991.7</b>	<b>37,401.7</b>	<b>38,460.9</b>	<b>29,732.6</b>
<b>Share of output</b>								
Residential	%	56.0	61.5	63.4	65.0	64.3	59.1	47.6
Non-residential	%	13.9	11.5	13.3	14.7	16.5	19.9	21.8
Productive infrastructure	%	21.5	20.0	17.0	14.6	14.1	15.0	21.9
Social infrastructure	%	8.6	7.1	6.2	5.7	5.1	6.1	8.6
<b>Source:</b> DKM - DEHLG "Review of the Construction Industry 2007 and outlook 2008 - 2010"								
<sup>e</sup> Estimate								

Table 2.4 presents a more detailed breakdown of construction output by sector. Private housing accounted for 94% of residential construction between 2004 and 2007 but is estimated to fall to 88% in 2008.

Except for 2005, the value of total construction output in productive infrastructure increased for all years from nearly €4.6 billion in 2002 to almost €5.8 billion in 2007. It is estimated to increase to over €6.5 billion in 2008, an increase of 42% since 2002. Productive infrastructure output was highest on roads which accounted for almost 42% of the total value of output in this sector in 2007 compared to 35% in 2002. The energy sector represented almost 28% of the total value of construction output in productive infrastructure in 2002. Its share has decreased each year between 2004 and 2007 and is estimated to account for a 20% share in 2008. See *Table 2.4*.

**Table 2.4 Detail of construction output by sector 2002-2008**

	Unit	2002	2003	2004	2005	2006	2007	2008 <sup>e</sup>
<b>Residential construction</b>								
<b>Sub-total</b>	€m	<b>11,927.8</b>	<b>14,635.7</b>	<b>17,987.5</b>	<b>21,456.5</b>	<b>24,045.3</b>	<b>22,716.0</b>	<b>14,164.3</b>
Private housing	%	90.7	92.3	93.8	94.1	94.4	94.0	88.3
Public housing	%	9.3	7.7	6.2	5.9	5.6	6.0	11.7
<b>Non-residential construction</b>								
<b>Sub-total</b>	€m	<b>2,962.4</b>	<b>2,730.5</b>	<b>3,785.7</b>	<b>4,862.2</b>	<b>6,185.1</b>	<b>7,642.4</b>	<b>6,487.4</b>
Industry	%	27.5	27.5	21.2	20.4	14.9	12.1	14.4
Commercial	%	50.9	48.3	58.6	61.9	66.4	59.8	54.1
Agriculture	%	7.4	7.4	6.6	5.5	6.1	11.3	14.1
Tourism	%	12.2	14.9	11.9	10.8	11.4	15.7	16.1
Worship	%	2.1	1.8	1.7	1.5	1.2	1.1	1.4
<b>Productive infrastructure</b>								
<b>Sub-total</b>	€m	<b>4,581.0</b>	<b>4,761.8</b>	<b>4,831.3</b>	<b>4,804.0</b>	<b>5,281.7</b>	<b>5,765.2</b>	<b>6,521.7</b>
Roads	%	35.3	35.6	35.4	38.8	39.4	41.9	40.0
Water services	%	16.5	15.8	15.3	16.1	16.9	17.2	15.6
Airports and seaports	%	4.7	3.0	3.3	3.3	3.4	5.3	8.3
Energy	%	27.6	26.0	31.0	28.9	28.1	19.0	20.0
Transport	%	9.8	14.0	9.3	7.6	6.3	10.2	10.8
Communications	%	6.1	5.6	5.8	5.3	5.8	6.4	5.3
<b>Social infrastructure</b>								
<b>Sub-total</b>	€m	<b>1,822.5</b>	<b>1,683.5</b>	<b>1,767.4</b>	<b>1,869.1</b>	<b>1,889.4</b>	<b>2,337.5</b>	<b>2,559.2</b>
Education	%	39.6	33.4	38.3	38.8	41.4	38.5	35.4
Health	%	24.9	27.3	26.0	24.8	17.4	15.7	17.2
Public buildings	%	20.0	26.8	21.1	19.8	21.2	23.9	22.8
Other social	%	15.4	12.5	14.6	16.6	20.1	22.0	24.6
<b>Total</b>	<b>€m</b>	<b>21,293.7</b>	<b>23,811.5</b>	<b>28,371.9</b>	<b>32,991.8</b>	<b>37,401.5</b>	<b>38,461.1</b>	<b>29,732.6</b>
<b>Source:</b> DKM - DEHLG "Review of the Construction Industry 2007 and outlook 2008 - 2010"								
<sup>e</sup> Estimate								

Table 2.5 presents additional information on the residential sector and gives a breakdown between the new construction category and the repair, maintenance and improvement category. The value of new residential construction in 2007 was more than double the 2002 figure. It is estimated that the value of new residential construction in 2008 will fall to almost €9.1 billion or nearly half of the 2007 figure. The value of residential construction in the repair, maintenance and improvement sector has grown year on year since 2004 and is estimated to increase to nearly €5.1 billion or 36% of the total value of residential construction output in 2008. See Table 2.5.

**Table 2.5 Residential construction output 2002-2008**

	Unit	2002	2003	2004	2005	2006	2007	2008 <sup>e</sup>
New housing	€m	8,802.3	11,703.5	14,611.7	17,653.9	19,500.0	17,770.0	9,076.1
Repair, maintenance and improvement	€m	3,125.5	2,932.2	3,375.8	3,802.6	4,545.3	4,945.9	5,088.2
<b>Total residential</b>	<b>€m</b>	<b>11,927.8</b>	<b>14,635.7</b>	<b>17,987.5</b>	<b>21,456.5</b>	<b>24,045.3</b>	<b>22,715.9</b>	<b>14,164.3</b>
<b>Source:</b> DKM - DEHLG "Review of the Construction Industry 2007 and Outlook 2008 -2010"								
<sup>e</sup> Estimate								



## Chapter 3

### Earnings, Hours Worked and Employment

#### Earnings

In the second quarter of 2008, construction workers earned an average of €18.90 per hour. This was over 29% higher than in the same period of 2002. The highest paid occupational groups were foremen and supervisors (earning €24.56 per hour in 2008) and skilled operatives (€20.91 per hour). Unskilled and semi-skilled workers on adult rates earned €17.80 per hour and apprentices earned €12.46 per hour in the same period. See Table 3.1.

**Table 3.1 Average hourly earnings in construction<sup>1</sup> 2002-2008 (Qtr 2)**

	Unit	2002	2003	2004	2005	2006	2007	2008*
Male Clerical	€	13.10	13.88	14.28	16.26	16.32	17.49	18.86
Female Clerical	€	10.85	11.40	12.29	13.28	13.54	14.43	15.17
All Operatives	€	14.88	15.55	16.15	17.59	17.54	18.78	19.19
Foreman, Supervisor	€	18.02	18.85	19.85	21.76	22.07	23.65	24.56
Skilled Operatives	€	17.21	17.98	18.68	20.24	20.07	20.80	20.91
Apprentices	€	9.55	10.61	10.48	11.63	10.53	11.97	12.46
Unskilled and Semi-Skilled Operatives on Adult Rates	€	13.70	14.17	14.44	15.92	15.89	17.33	17.80
Unskilled and Semi-Skilled Operatives on Other Rates	€	9.15	9.22	8.57	10.27	11.90	13.18	12.11
<b>Total</b>	<b>€</b>	<b>14.61</b>	<b>15.27</b>	<b>15.89</b>	<b>17.31</b>	<b>17.29</b>	<b>18.46</b>	<b>18.90</b>

Source: CSO - Earnings and Hours Worked in Construction

<sup>1</sup> Covers private businesses in the Building and Construction industry with ten or more persons engaged

\* Provisional

The average weekly earnings of those employed in the construction sector was €817 in the second quarter of 2008, an increase of €180 or 28% more than in the same period in 2002. Those employed as foremen and supervisors earned on average €1,080 in 2008, an increase of €252 or 30% on the same period in 2002. Average weekly earnings were lowest for unskilled and semi-skilled juveniles at €485 in 2008, €111 more

than in the same period in 2002. Apprentices earned nearly €38 more in 2008 than in 2007 with average weekly earnings of €500. See Table 3.2.

**Table 3.2 Average weekly earnings in construction 2002-2008 (Qtr 2)**

	Unit	2002	2003	2004	2005	2006	2007	2008 <sup>1</sup>
Male Clerical	€	528.10	558.84	597.41	669.34	655.78	704.16	753.94
Female Clerical	€	400.77	412.76	449.83	489.49	490.37	526.06	543.10
All Operatives								
Foremen, Supervisors	€	828.49	853.04	892.16	1,007.26	992.44	1,049.55	1,080.31
Skilled operatives	€	749.40	785.12	824.57	871.37	882.65	909.23	910.14
Apprentices	€	372.78	424.45	415.35	460.12	427.47	463.05	500.58
Unskilled and semi-skilled - adults	€	629.67	645.11	667.97	738.08	739.33	790.40	810.10
Unskilled and semi-skilled - juveniles	€	374.43	388.55	353.16	413.28	475.58	558.55	485.22
All manual employee grades	€	657.93	687.34	720.14	780.90	785.99	827.83	845.15
<b>All employees (clerical and operatives)</b>	<b>€</b>	<b>637.71</b>	<b>664.41</b>	<b>698.25</b>	<b>758.23</b>	<b>761.83</b>	<b>800.05</b>	<b>817.41</b>

Source: CSO - Earnings and Hours Worked in Construction

<sup>1</sup> Provisional

## Hours Worked

Workers in the construction sector worked, on average, 43.2 hours per week in the second quarter of 2008 compared with 43.6 hours in 2002. Clerical workers, apprentices and unskilled and semi-skilled operatives on other rates (juvenile) worked a lower number of hours than other categories; male clerical workers had an average of 40.0 hours, female clerical workers 35.8 hours, apprentices 40.2 hours and unskilled and semi-skilled juvenile workers 40.1 hours. Skilled operatives worked, on average, 43.5 hours per week. Average hours were higher for foremen and supervisors at 44.0 and for unskilled/semi-skilled adult workers at 45.5 hours. See Table 3.3.

**Table 3.3 Average weekly hours worked in construction<sup>1</sup> 2002-2008 (Qtr 2)**

	Unit	2002	2003	2004	2005	2006	2007	2008*
Male Clerical	No. of hours	40.3	40.3	41.0	41.2	40.2	40.3	40.0
Female Clerical	No. of hours	36.9	36.2	36.6	36.9	36.2	36.5	35.8
All Operatives	No. of hours	44.2	44.2	44.6	44.4	44.8	44.1	44.1
Foreman, Supervisor	No. of hours	46.0	45.3	45.0	46.3	45.0	44.4	44.0
Skilled Operatives	No. of hours	43.6	43.7	44.1	43.1	44.0	43.7	43.5
Apprentices	No. of hours	39.0	40.0	39.6	39.6	40.6	38.7	40.2
Unskilled and Semi-Skilled Operatives on Adult Rates	No. of hours	46.0	45.5	46.3	46.4	46.5	45.6	45.5
Unskilled and Semi-Skilled Operatives on Other Rates	No. of hours	40.9	42.1	41.2	40.2	40.0	42.4	40.1
<b>Total</b>	<b>No. of hours</b>	<b>43.6</b>	<b>43.5</b>	<b>44.0</b>	<b>43.8</b>	<b>44.1</b>	<b>43.3</b>	<b>43.2</b>

Source: CSO - Earnings and Hours Worked in Construction

<sup>1</sup> Covers private businesses in the Building and Construction industry with ten or more persons engaged

\* Provisional



## Employment

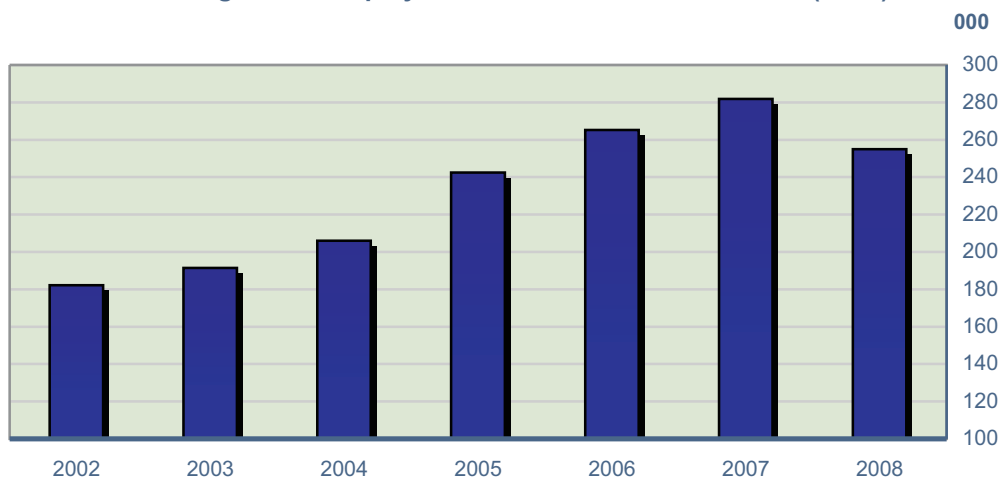
The Quarterly National Household Survey (QNHS) provides data on employment for those aged 15 or over. There were 255,000 people in employment in construction in the second quarter of 2008, a decrease of 26,800 since 2007. Of these, 72,500 were self-employed. While employment in the construction sector increased by 40% in the period 2002 to 2008, construction employment fell by almost 10% from the second quarter of 2007 to the second quarter of 2008. All of this decrease was with employees rather than those self-employed. See *Table 3.4* and *Figure 3.1*.

**Table 3.4 Employment in construction 2002-2008 (Qtr 2)**

	Unit	2002	2003	2004	2005	2006	2007	2008
Total employment	000	1,763.9	1,793.4	1,836.2	1,929.2	2,021.1	2,101.6	2,108.5
Construction employment	000	182.2	191.4	206.0	242.4	265.2	281.8	255.0
of which: self-employed	000	49.4	52.5	53.9	57.4	63.6	72.0	72.5
other	000	131.7	137.3	150.7	185.6	201.6	209.7	182.5
Increase in construction employment	000	2.2	9.2	14.6	36.4	22.8	16.6	-26.8
Construction share of employment	%	10.3	10.7	11.2	12.6	13.1	13.4	12.1

Source: CSO - Quarterly National Household Survey

**Figure 3.1 Employment in construction 2002-2008 (Qtr 2)**



Source: CSO - Quarterly National Household Survey

Of those employed in the construction sector, craft and related occupations were the largest occupational grouping accounting for 150,800 workers (59%) out of a total of 255,000 in the second quarter of 2008. Other manual workers accounted for 36,000 jobs (14%) while there were 24,200 (9%) plant and machine operatives. The construction sector also employed 19,700 professional and technical workers (8%), 14,900 managers, administrators and sales staff (6%) and 7,900 clerical and secretarial staff (3%). See *Table 3.5*.

**Table 3.5 Construction employment classified by occupation 2002-2008 (Qtr 2)**

	Unit	2002	2003	2004	2005	2006	2007	2008
Managers and Administrators	000	11.7	11.3	13.7	12.1	10.9	13.1	12.6
Professional	000	8.2	8.4	9.5	10.8	12.4	13.0	13.7
Associate Professional and Technical	000	3.3	2.8	3.9	5.0	4.7	6.0	6.0
Clerical and Secretarial	000	6.1	6.1	6.6	8.0	8.2	7.9	7.9
Craft and Related	000	104.3	114.8	125.1	146.7	159.0	168.6	150.8
Sales	000	1.2	0.8	1.3	2.1	2.2	1.7	2.3
Plant and Machine Operatives	000	15.8	17.5	16.0	20.4	23.5	24.8	24.2
Other	000	31.7	29.7	29.9	37.3	44.3	46.7	36.0
<b>Total</b>	<b>000</b>	<b>182.2</b>	<b>191.4</b>	<b>206.0</b>	<b>242.4</b>	<b>265.2</b>	<b>281.8</b>	<b>255.0</b>

Source: CSO - Quarterly National Household Survey

Note: Data may be subject to sampling or other survey errors, which are greater in respect of smaller values or estimates of change

Total employment across the economy grew by almost 7,000 between the second quarter of 2007 and the second quarter of 2008. Employment in the *construction* sector decreased by 26,800 in the same period. The largest increase in employment was in the *Wholesale and Retail Trade* sector with an increase of 16,200 jobs in the same period. The *Health* sector made the second largest contribution to the increase in employment with 10,700 more workers in the sector in the period from 2007 to 2008. See Table 3.6.

**Table 3.6 Employment in Ireland by economic sector 2005-2008 (Qtr 2)**

		2005	2006	2007	2008	Change 2007 to 2008
	<b>Unit</b>					
Agriculture, Forestry and Fishing	000	113.7	113.2	113.8	121.3	7.5
Other Production Industries	000	294.2	290.7	295.2	286.4	-8.8
Construction	000	242.4	265.2	281.8	255.0	-26.8
Wholesale and Retail Trade	000	266.9	283.4	294.5	310.7	16.2
Hotels and Restaurants	000	111.0	122.8	132.3	128.6	-3.7
Transport, Storage and Communication	000	118.2	119.9	122.2	119.2	-3.0
Financial and Other Business Services	000	257.1	266.0	285.9	296.3	10.4
Public Administration and Defence	000	98.2	102.3	101.6	103.0	1.4
Education	000	123.1	134.1	139.7	142.0	2.3
Health	000	188.0	202.6	213.2	223.9	10.7
Other Services	000	116.4	120.9	121.6	122.1	0.5
<b>Total in Employment</b>	<b>000</b>	<b>1,929.2</b>	<b>2,021.1</b>	<b>2,101.6</b>	<b>2,108.5</b>	<b>6.9</b>

Source: CSO - Quarterly National Household Survey

There were 17.9 million people employed in construction in the European Union in the second quarter of 2007. Ireland had the highest percentage employed in the construction sector in the EU with over one in seven jobs in construction (13.4%). Across all 27 Member States, the comparable figure was one in 12 or 8.2% of the workforce were involved in construction. Spain was similar to Ireland, with 13.3% of the workforce engaged in construction. In Estonia 12.5% and in Cyprus 11.8% of the workforce was involved in

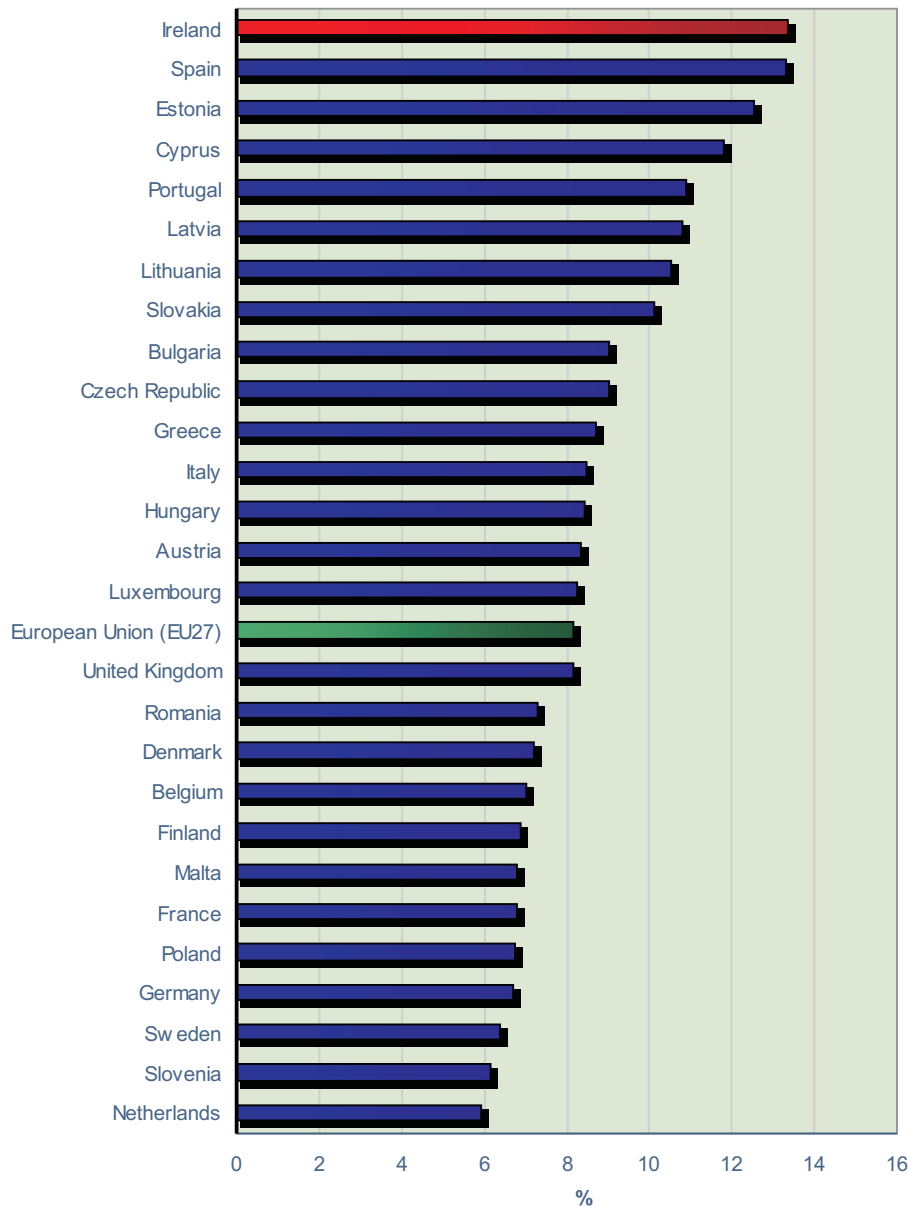
construction. The Netherlands had the lowest percentage employed in the construction sector at 5.9% in the second quarter of 2007. See Table 3.7 and Figure 3.2.

**Table 3.7 Number of construction workers in the European Union 2007 (Qtr 2)**

Unit	Total construction employment 000	Total employment 000	Construction employment as percentage of total employment %
<b>European Union (EU27)</b>	<b>17,854</b>	<b>218,237</b>	<b>8.2</b>
Belgium	305	4,345	7.0
Bulgaria	293	3,253	9.0
Czech Republic	443	4,914	9.0
Denmark	203	2,816	7.2
Germany	2,554	38,058	6.7
Estonia	83	659	12.5
<b>Ireland</b>	<b>280</b>	<b>2,095</b>	<b>13.4</b>
Greece	394	4,520	8.7
Spain	2,714	20,367	13.3
France	1,741	25,613	6.8
Italy	1,978	23,298	8.5
Cyprus	45	378	11.8
Latvia	120	1,108	10.8
Lithuania	163	1,544	10.5
Luxembourg	17	201	8.3
Hungary	332	3,943	8.4
Malta	11	156	6.8
Netherlands	502	8,469	5.9
Austria	336	4,035	8.3
Poland	1,019	15,152	6.7
Portugal	561	5,155	10.9
Romania	690	9,443	7.3
Slovenia	61	994	6.1
Slovakia	237	2,338	10.1
Finland	173	2,524	6.9
Sweden	289	4,543	6.4
United Kingdom	2,310	28,318	8.2

**Source:** Eurostat

Figure 3.2 Construction as share of total employment 2007 (Qtr 2)



Source: Eurostat

Tentative estimates from the QNHS indicate that in the fourth quarter of 2007, 48,000 non-Irish nationals worked in the construction sector. Of these, 6,400 were from the United Kingdom, 35,100 were from the EU Accession States and 6,500 were from other countries. Just over one-fifth of persons from the EU Accession States working in Ireland were employed in the construction sector at the end of 2007. These estimates of the workforce by nationality are tentative, based on sample survey estimates which are subject to revision in the light of more comprehensive statistics which will be compiled from the 2010 Census of Population. See Table 3.8.

**Table 3.8 Estimated nationality of workers in construction 2006-2007 (Qtr 4)**

Unit	2006			2007		
	Total employment	Construction sector	% of total	Total employment	Construction sector	% of total
	000	000	% of total	000	000	% of total
Irish <sup>1</sup>	1,786.0	234.5	13.1	1,804.2	231.0	12.8
Non-Irish nationals:	286.0	50.2	17.6	334.7	48.0	14.3
of which:						
United Kingdom	51.3	7.5	14.6	51.4	6.4	12.5
EU15 excl. Irl. and UK	32.7	1.5	4.6	34.5	1.5	4.3
Accession States EU15 to EU27	124.2	34.2	27.5	167.7	35.1	20.9
Other	77.9	7.0	9.0	81.0	5.0	6.2
<b>Total</b>	<b>2,072.1</b>	<b>284.6</b>	<b>13.7</b>	<b>2,138.9</b>	<b>279.0</b>	<b>13.0</b>

**Source:** CSO - Quarterly National Household Survey

<sup>1</sup> Includes 'not stated'

**Note:** Data may be subject to sampling or other survey errors, which are greater in respect of smaller values or estimates of change





## Chapter 4

# Working Conditions, Training and Pensions

### Construction Safety

In 2007, there were 18 fatalities in the construction sector representing 27% of all workplace fatalities. The rate of fatalities in the construction sector was 6.3 per 100,000 employees in 2007 compared to 11.4 in 2002. There were 13,900 workplace injuries in the construction sector in 2007 representing almost a quarter (24%) of all workplace injuries. See *Table 4.1 and Figure 4.1*.

**Table 4.1 Workplace fatalities and injuries 2002 - 2007**

	Unit	2002	2003*	2004*	2005*	2006	2007
<b>All sectors</b>							
Total employment <sup>1</sup>	No.	1,753,500	1,779,500	1,833,000	1,910,800	2,004,800	2,081,300
Workplace fatalities <sup>2</sup>	No.	61	68	50	74	51	67
Workplace injuries <sup>3,4</sup>	No.	51,800	48,300	56,000	53,200	57,800	58,600
Fatalities per 100,000	No.	3.5	3.8	2.7	3.9	2.5	3.2
Injuries per 100,000	No.	2,954	2,714	3,055	2,784	2,883	2,816
<b>Construction sectors</b>							
Total employment <sup>1</sup>	No.	183,800	187,600	200,900	233,600	255,700	284,200
Workplace fatalities <sup>2</sup>	No.	21	20	16	23	13	18
Workplace injuries <sup>3,4</sup>	No.	8,300	8,300	11,700	11,000	10,500	13,900
Fatalities per 100,000	No.	11.4	10.7	8.0	9.8	5.1	6.3
Injuries per 100,000	No.	4,516	4,424	5,824	4,709	4,106	4,891
<b>All sectors excluding construction</b>							
Total employment <sup>1</sup>	No.	1,569,700	1,591,900	1,632,100	1,677,200	1,749,100	1,797,100
Workplace fatalities <sup>2</sup>	No.	40	48	34	51	38	49
Workplace injuries <sup>3,4</sup>	No.	43,500	40,000	44,300	42,200	47,300	44,700
Fatalities per 100,000	No.	2.5	3.0	2.1	3.0	2.2	2.7
Injuries per 100,000	No.	2,771	2,513	2,714	2,516	2,704	2,487

**Source:** <sup>1</sup> CSO - Quarterly National Household Survey (Qtr 1)

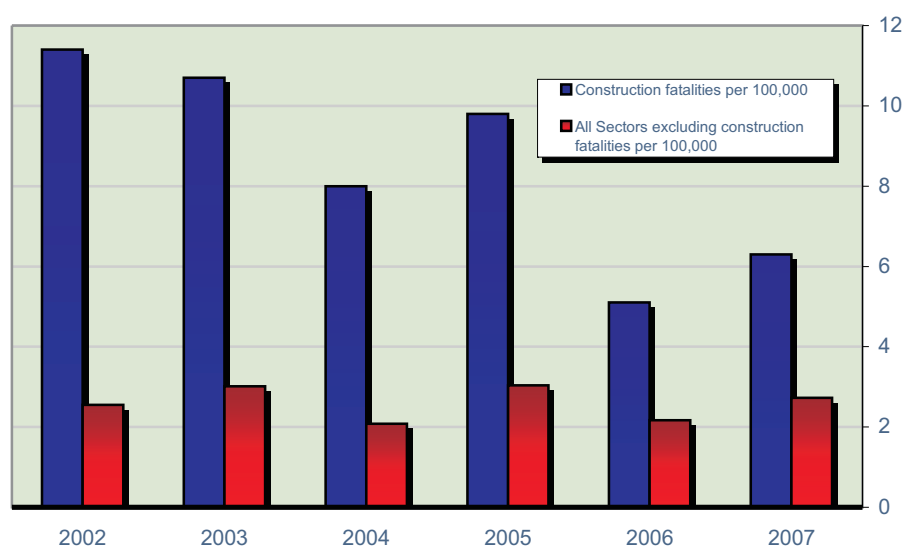
**Source:** <sup>2</sup> Health and Safety Authority

**Source:** <sup>3</sup> CSO - Quarterly National Household Survey (Qtr 1)

<sup>4</sup> Data may be subject to sampling or other survey errors, which are greater in respect of smaller values or estimates of change

\* Revised

**Figure 4.1 Construction Sector Fatalities 2002-2007**



Source: Health and Safety Authority

## Apprentices

There were almost 15,700 apprentices in the construction sector in 2007, an increase of over 36% on the 2002 figure and a decrease of 6% on the 2006 figure. More than half, (55%), of all apprentices in Ireland worked in the construction sector in 2007. See Table 4.2 and Figure 4.2.

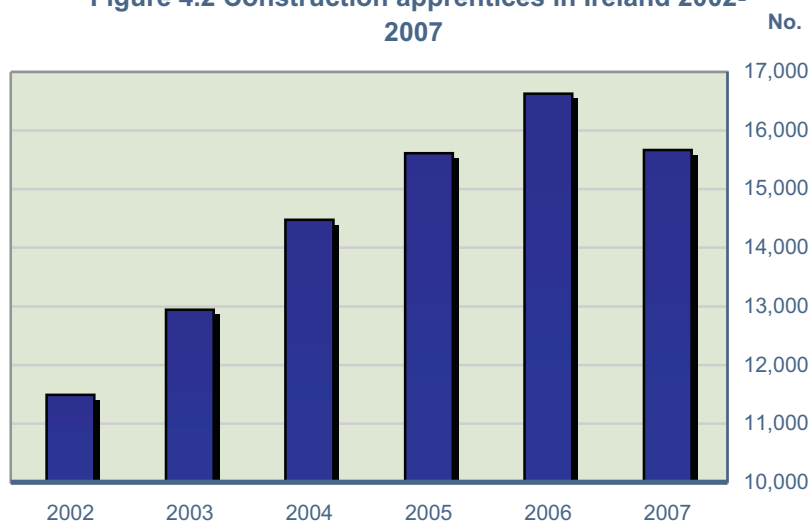
**Table 4.2 Construction apprentices in Ireland 2002-2007**

	Unit	2002	2003	2004	2005	2006	2007
Construction apprentices	No.	11,492	12,941	14,477	15,614	16,627	15,666
Total apprentices	No.	25,705	26,845	28,022	28,605	29,801	28,581
Construction share of total apprentices	%	44.7	48.2	51.7	54.6	55.8	55.0

Source: FAS

Note: Construction apprentices include Brick & Stonelaying; Cabinet Making; Carpentry & Joinery; Floor & Wall Tiling; Painting & Decorating; Plastering; Plumbing; Wood Machining

**Figure 4.2 Construction apprentices in Ireland 2002-2007**



Source: FAS



## Pensions

The Construction Federation Operatives Pension Scheme (CFOPS) was founded in 1965 by employers who were registered with the Construction Industry Federation (CIF) in order to provide pension and mortality benefit for workers in the construction industry. In 1969 it became compulsory for all employers in the construction industry to provide pension and mortality benefit for all manual workers, that is all craft persons and general operatives between the ages of 20 and 65 years. Not all construction workers are eligible to be part of the scheme; for example self-employed construction workers are ineligible to become members of this occupational pension scheme. Employees may also be members of other private pension schemes.

In July 2006 CFOPS was wound up and replaced by The Construction Workers' Pensions Scheme (CWPS) and membership was transferred from CFOPS to the new scheme. According to the CWPS there were 93,274 members of the pension scheme in 2007, an increase of 72% on the number of members in the CFOPS scheme since 2002. See *Table 4.3*.

**Table 4.3 Construction Workers Pension Scheme 2002-2007**

	Unit	2002	2003	2004	2005	2006	2007
Scheme members	No.	54,214	63,707	73,970	80,654	87,636	93,274

Source: Construction Workers Pension Scheme

## Registered Employment Agreement Pay Rates

The construction industry is governed by a Registered Employment Agreement, which is a collective agreement concluded between employers and worker representatives covering wages and working conditions. On July 1 2007, the minimum hourly rate of pay for a craft worker in the construction industry was €17.71, an increase of almost 19% since July 1 2002 when the minimum hourly rate was €14.89. See *Table 4.4*.

**Table 4.4 Registered employment agreement hourly pay rates at selected dates 2002 - 2007**

	Unit	2002 1 July	2003 1 April	2004 1 Oct	2005 1 Oct	2006 1 Oct	2007 1 July
Craft rate	€	14.89	15.34	16.20	16.85	17.36	17.71
Construction Operatives:							
Grade A: Technical Operative (97% of craft rate)	€	14.44	14.88	15.71	16.34	16.84	17.18
Grade B: Skilled Operative (91% of craft rate)	€	13.55	13.96	14.74	15.33	15.80	16.12
Grade C: Semi-skilled (88% of craft rate)	€	13.10	13.50	14.26	14.83	15.28	15.58
Grade D: Basic operative (80% of craft rate)	€	11.91	12.27	12.96	13.48	13.89	14.17

Source: Construction Industry Federation





## Chapter 5

### Investment, Taxation and Revenue

#### Public Capital Expenditure

The Public Capital Programme (PCP) covers capital investment by the State, Local Authorities and Semi-State companies. It includes investment funded by both Exchequer and non-Exchequer sources. Over €11.8 billion was spent on the PCP in 2007.

Expenditure on productive infrastructure was over €6 billion in 2007, an increase of nearly €1.8 billion (41%) since 2002. Transport was the largest sector of investment, accounting for almost €4 billion or 34% of the overall expenditure in 2007 compared to nearly €2.2 billion or 25% in 2002. Investment in the energy sector was nearly €1.3 billion or 11% of all PCP expenditure in 2007 compared to over €1.4 billion or 17% in 2002.

Social infrastructure expenditure was €4.7 billion in 2007 or 40% of overall expenditure. This represented an increase of over €1.1 billion (31%) since 2002 and €971 million (26%) on the 2006 figure. Expenditure on housing was almost €2.2 billion in 2007, €569 million higher than 2006; capital spending on education was up by €153 million from 2006; expenditure on health infrastructure was €157 million higher; and other Government construction increased by €92 million in the same period. See *Table 5.1 and Figure 5.1*.

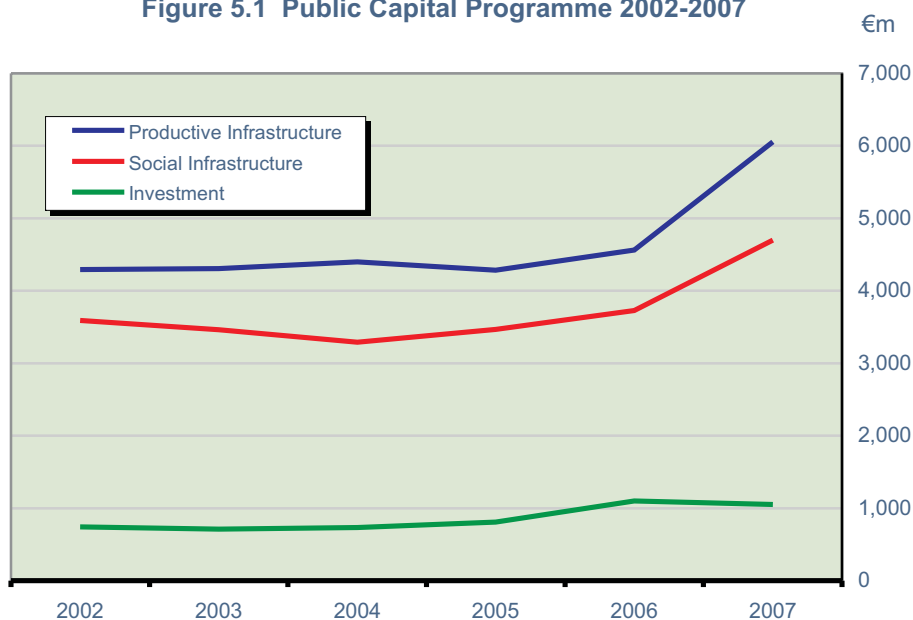
**Table 5.1 Public Capital Programme 2002-2007**

		2002	2003	2004	2005	2006	2007 <sup>1</sup>
<b>Total PCP Expenditure</b>	<b>Unit</b>						
<i>of which:</i>	<b>€m</b>	<b>8,622</b>	<b>8,479</b>	<b>8,422</b>	<b>8,560</b>	<b>9,386</b>	<b>11,805</b>
<b>Productive infrastructure</b>							
Energy	€m	1,428	1,292	1,489	1,249	1,188	1,281
Transport	€m	2,160	2,366	2,334	2,448	2,647	3,992
Environmental Services	€m	597	573	530	548	655	713
Telecommunications, RTE, Postal Services	€m	106	75	45	39	70	68
<b>Sub-Total</b>	<b>€m</b>	<b>4,291</b>	<b>4,306</b>	<b>4,398</b>	<b>4,284</b>	<b>4,560</b>	<b>6,054</b>
Productive Infrastructure as share of total PCP	%	50	51	52	50	49	51
<b>Social Infrastructure</b>							
Housing	€m	1,615	1,704	1,524	1,546	1,612	2,181
Education	€m	571	440	488	558	675	828
Health	€m	529	515	504	516	502	659
Government construction etc.	€m	874	805	773	848	939	1,031
<b>Sub-Total</b>	<b>€m</b>	<b>3,589</b>	<b>3,464</b>	<b>3,289</b>	<b>3,468</b>	<b>3,727</b>	<b>4,698</b>
Social Infrastructure as share of total PCP	%	42	41	39	41	40	40
<b>Sectoral Economic Investment</b>	<b>€m</b>	<b>742</b>	<b>709</b>	<b>735</b>	<b>808</b>	<b>1,099</b>	<b>1,053</b>
Sectoral Economic Investment as share of total PCP	%	9	8	9	9	12	9

Source: Department of Finance

<sup>1</sup> Provisional outturn

**Figure 5.1 Public Capital Programme 2002-2007**



Source : Department Of Finance

Expenditure on transport accounted for 34% of all PCP expenditure in 2007 and 66% of expenditure on productive infrastructure. Over €3 billion was expended on the construction and improvement of roads in 2007, which was double the 2002 figure. This represented over 75% of total spending on transport infrastructure. CIE was the second largest public capital expenditure on transport with over €500 million spent in 2007 representing almost 13% of the total spending on transport infrastructure. See Table 5.2.

**Table 5.2 Public capital expenditure on transport by constituent categories 2002-2007**

		2002	2003	2004	2005	2006	2007 <sup>1</sup>
	<b>Unit</b>						
Construction and improvement of roads	€m	1,470.7	1,618.4	1,732.3	1,810.2	2,042.8	3,009.3
CIE	€m	333.4	448.1	214.5	356.1	372.0	501.8
Dublin light rail expenses	€m	1.1	0.7	-	-	-	-
Railway procurement agency	€m	29.6	67.0	-	0.5	-	-
Aer Lingus	€m	13.3	4.3	3.7	7.1	-	-
State airports	€m	96.3	56.0	80.0	100.0	131.0	248.0
Regional/local airports	€m	2.9	5.4	2.3	1.5	0.8	3.3
Seaports and shipping	€m	38.9	2.5	4.0	7.0	1.4	6.6
Electronic and other equipment	€m	2.9	1.7	3.0	3.0	3.4	4.5
Public transport projects	€m	7.8	7.8	10.6	23.8	18.8	19.9
Dublin transportation office	€m	-	-	37.0	35.1	27.6	40.5
Capital costs of Dublin light rail	€m	127.0	128.9	130.0	82.0	28.9	121.6
Irish Aviation Authority	€m	32.5	21.2	11.5	14.1	17.0	17.3
Island access	€m	4.0	4.4	10.4	6.6	3.7	18.0
Cross border initiatives	€m	-	-	-	0.6	-	0.2
Public private partnership costs	€m	-	-	94.2	-	-	-
Road Safety Authority	€m	-	-	-	-	-	1.3
<b>Total</b>	<b>€m</b>	<b>2,160.5</b>	<b>2,366.4</b>	<b>2,333.6</b>	<b>2,447.6</b>	<b>2,647.3</b>	<b>3,992.2</b>

**Source:** Department of Finance

<sup>1</sup> Provisional outturn

Expenditure on housing accounted for 18% of all PCP expenditure in 2007 and 46% of expenditure on social infrastructure. Total public capital expenditure on housing increased by 35% between 2002 and 2007. Over €1.7 billion (79%) of total capital expenditure on housing was spent on local authority and social housing in 2007. This was an increase of almost 47% on the amount spent on such housing in 2002. See *Table 5.3*.

**Table 5.3 Public capital expenditure on housing by constituent categories 2002-2007**

		2002	2003	2004	2005	2006	2007 <sup>1</sup>
	<b>Unit</b>						
Local authority and social housing	€m	1,178.8	1,130.4	1,117.7	1,214.1	1,254.9	1,728.0
Local authority housing loans, shared ownership etc.	€m	339.0	465.0	326.9	276.7	312.2	380.0
Private Housing Grants	€m	80.4	93.2	60.3	39.5	41.0	67.3
Other Housing	€m	16.6	15.9	19.1	16.0	3.6	5.5
<b>Total</b>	<b>€m</b>	<b>1,614.8</b>	<b>1,704.5</b>	<b>1,524.0</b>	<b>1,546.3</b>	<b>1,611.7</b>	<b>2,180.9</b>

**Source:** Department of Finance

<sup>1</sup> Provisional outturn

## Taxation and Revenue

### Stamp Duty

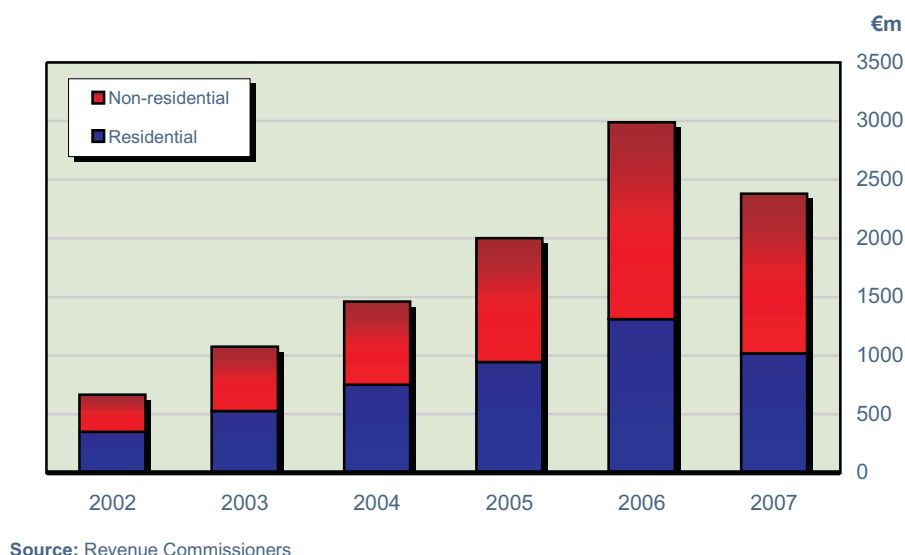
In 2007, the total value of stamp duties paid on property was almost €2.4 billion; over three and a half times more than the amount paid in 2002 (€666 million). Property transactions accounted for almost three-quarters of the receipts raised in stamp duty in 2007. The value of stamp duty raised from residential property amounted to €1,018 million or 31% of total stamp duty in 2007. Stamp duty on non-residential property contributed €1,363 million or 42% of the total. See *Table 5.4 and Figure 5.2*.

**Table 5.4 Net receipts of stamp duties 2002-2007**

	Unit	2002	2003	2004	2005	2006	2007
<b>Total stamp duty</b>	€ m	1,139	1,664	2,070	2,673	3,632	3,244
<i>of which:</i>							
<b>Property stamp duty</b>							
Residential	€ m	349	528	752	945	1,311	1,018
Non-residential	€ m	317	547	709	1,056	1,678	1,363
<b>Total</b>	€ m	<b>666</b>	<b>1,075</b>	<b>1,461</b>	<b>2,001</b>	<b>2,989</b>	<b>2,381</b>
Property as share of total stamp duty	%	58.5	64.6	70.6	74.9	82.3	73.4

Source: Revenue Commissioners

**Figure 5.2 Net receipts of stamp duty from property transactions 2002 - 2007**



## Mortgage Interest Relief

In 2007, provisional figures indicate that the cost of mortgage interest relief was €543 million, an increase of over 180% since 2002. There were 700,000 claimants in 2007, an increase of 267,000 since 2002. See *Table 5.5 and Figure 5.3*.

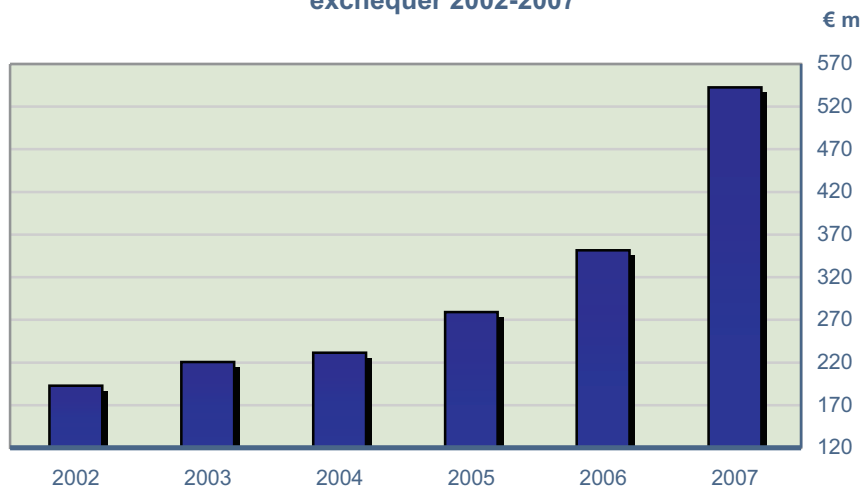
**Table 5.5 Mortgage interest relief - cost to the exchequer 2002-2007**

	Unit	2002	2003	2004	2005	2006 <sup>1</sup>	2007 <sup>1</sup>
Mortgage interest relief cost	€ m	193	221	232	279	352	543
Claimants	000	430	444	477	588	649	697

Source: Revenue Commissioners

<sup>1</sup> Provisional

**Figure 5.3 Mortgage interest relief – cost to the exchequer 2002-2007**



Source: Revenue Commissioners

## Value Added Tax Registrations

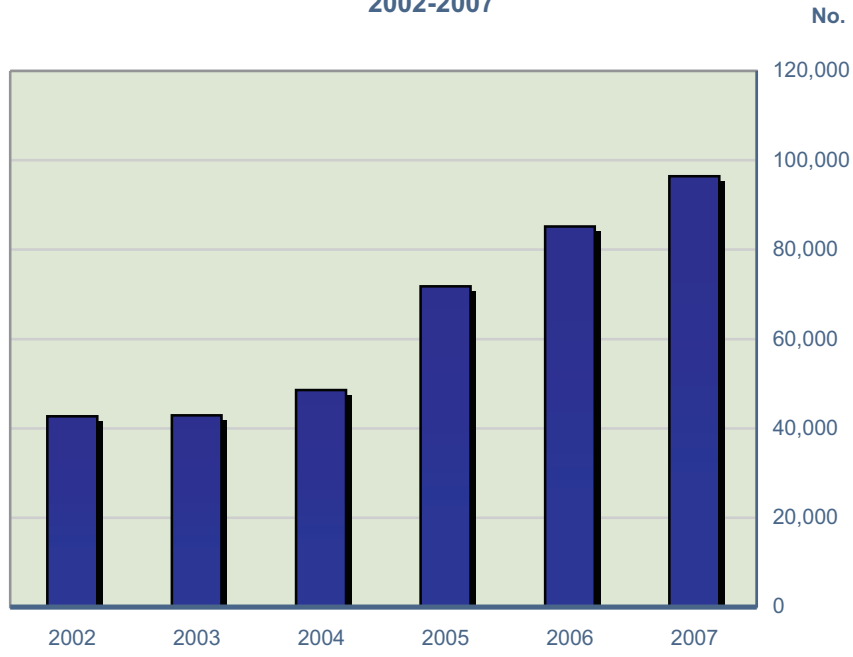
There were over 96,400 firms registered for VAT in the construction sector in 2007, an increase of almost 53,800 since 2002. The largest increase was between 2004 and 2005 with an additional 23,200 registrations. See *Table 5.6 and Figure 5.4*.

**Table 5.6 VAT registrations in construction sector 2002-2007**

		2002	2003	2004	2005	2006	2007
	<b>Unit</b>						
Construction (including Builders, Civil Engineering and Related Trades)	No.	42,686	42,881	48,591	71,813	85,198	96,441

Source: Revenue Commissioners

**Figure 5.4 VAT registrations in construction sector  
2002-2007**



Source: Revenue Commissioners





## Chapter 6

# House Completions and Housing Stock

### House Completions

The number of houses and apartments completed in 2007 was just over 78,000 representing an increase of 20,300 or just over 35% on the 2002 figure. However, the trend between 2006 and 2007 is somewhat different with a fall of 10,200 completions (a 12% decline). There were 11,600 fewer private housing units completed in 2007 (a decrease of 14%) while there were over a 1,000 (26%) more local authority housing units completed in 2007 than in the previous year. The construction of private houses and apartments accounted for over 91% of house completions in Ireland in 2007. See *Table 6.1 and Figure 6.1*.

**Table 6.1 House completions 2002 - 2007**

	Unit	2002	2003	2004	2005 <sup>1</sup>	2006 <sup>2</sup>	2007
<b>Completions</b>							
Private housing units	No.	51,932	62,686	71,808	80,629	82,980	71,356
Local authority housing units	No.	4,403	4,516	3,539	4,209	3,968	4,986
Voluntary housing units	No.	1,360	1,617	1,607	1,350	1,240	1,685
<b>Total completions</b>	<b>No.</b>	<b>57,695</b>	<b>68,819</b>	<b>76,954</b>	<b>86,188</b>	<b>88,188</b>	<b>78,027</b>
<b>Share of Completions</b>							
Private housing units	%	90.0	91.1	93.3	93.6	94.1	91.5
Local authority housing units	%	7.6	6.6	4.6	4.9	4.5	6.4
Voluntary housing units	%	2.4	2.3	2.1	1.6	1.4	2.2

**Source:** DEHLG Housing Statistics

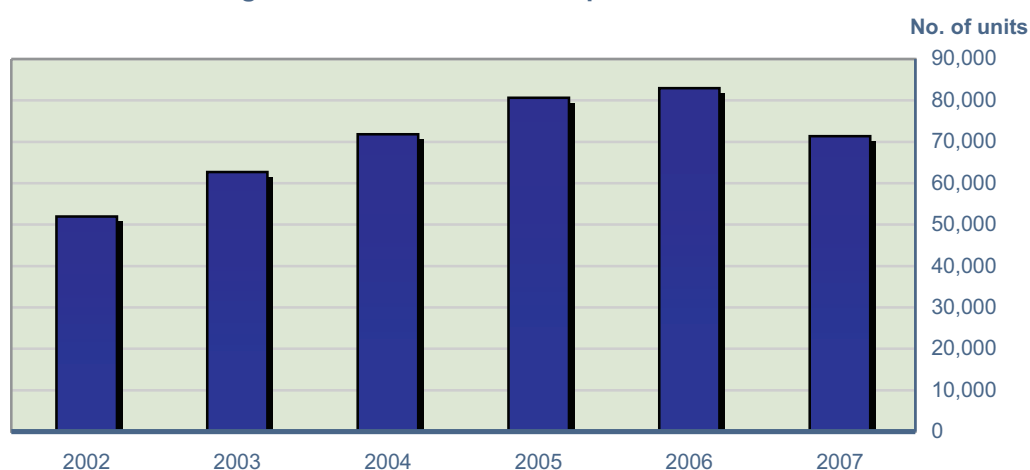
<sup>1</sup> Incorporating upward adjustment by CSO to 2005 housing completions estimate

<sup>2</sup> Incorporating downward adjustment by CSO to 2006 housing completions estimate.(see note)

**Note:** House completions data series are based on the number of new dwellings connected by ESB Networks to the electricity supply and may not accord precisely with local authority boundaries. These represent the number of homes completed and available, and do not reflect any work-in progress. ESB Networks have indicated that there was a higher backlog in work-in-progress in 2005 than usual (estimated as being in the region of 5,000 units). This backlog was cleared through the connection of an additional 2,000 houses in Quarter 1 2006 and 3,000 houses in Quarter 2 2006.

**Note:** The 2005 estimate of 86,188 house completions includes an upward adjustment by the CSO of 5,231 units. Similarly the 2006 estimate includes a downward adjustment of the same magnitude. The adjustments takes account of work in progress which has not been included in the DEHLG data.

Figure 6.1 Private house completions 2002-2007



Source: DEHLG Housing Statistics

Note: Incorporating upward adjustment by CSO to 2005 housing completions estimate and downward adjustment to 2006 housing completions estimate.

House completion figures for 2008 are available for the first two quarters; for comparison purposes figures for the first two quarters of 2006 and 2007 are shown in Table 6.1a. The number of private housing units completed fell by 12,100 in the first six months of 2008 compared to the same period in 2007 while local authority housing increased by almost 500 over the same period. See Table 6.1a.

Table 6.1a House completions Qtr 1 and Qtr 2 2006 - 2008

	Unit	2006 <sup>1</sup>	2007	2008
<b>Completions</b>				
Private housing units	No.	36,795	36,567	24,497
Local authority housing units	No.	1,345	1,891	2,352
Voluntary housing units	No.	528	520	887
<b>Total completions</b>	<b>No.</b>	<b>38,668</b>	<b>38,978</b>	<b>27,736</b>
<b>Share of Completions</b>				
Private housing units	%	95.2	93.8	88.3
Local authority housing units	%	3.5	4.9	8.5
Voluntary housing units	%	1.4	1.3	3.2

Source: DEHLG Housing Statistics

<sup>1</sup> Incorporating downward adjustment by CSO to 2006 housing completions estimate.(see note)

Note: House completions data series are based on the number of new dwellings connected by ESB Networks to the electricity supply and may not accord precisely with local authority boundaries. These represent the number of homes completed and available, and do not reflect any work-in progress. ESB Networks have indicated that there was a higher backlog in work-in-progress in 2005 than usual (estimated as being in the region of 5,000 units). This backlog was cleared through the connection of an additional 2,000 houses in Quarter 1 2006 and 3,000 houses in Quarter 2 2006.

In Ireland, just 5.6 houses and apartments were completed per 1,000 of population in 1990; by 2000 this ratio had increased to 13.1 and by 2007 the ratio was 18 per 1,000. In the period from 2000 to 2007, the level of house building relative to the size of population peaked in 2005 when 20.9 houses and apartments were completed per 1,000. Chapter 11 presents corresponding data for other European countries. See *Table 6.2*.

**Table 6.2 Houses completed per 1,000 of population in Ireland  
1990, 1995 and 2000 - 2007**

Unit	House Completions <sup>1,3</sup>	Population <sup>2</sup>	Completions per 1000 inhabitants
	No.	000	No.
1990	19,539	3,506	5.6
1995	30,575	3,601	8.5
2000	49,812	3,790	13.1
2001	52,602	3,847	13.7
2002	57,695	3,917	14.7
2003	68,819	3,979	17.3
2004	76,954	4,044	19.0
2005	86,188	4,131	20.9
2006	88,188	4,233	20.8
2007	78,027	4,339	18.0

Source: <sup>1</sup> DEHLG Housing Statistics

Source: <sup>2</sup> CSO - Population and Migration Estimates - (April)

<sup>3</sup> Incorporating upward adjustment by CSO to 2005 housing completions estimate and downward adjustment to 2006 figure; See note for Table 6.1

## Type of Completions

The Department of Environment, Heritage and Local Government (DEHLG) produce a breakdown of completions by type of housing unit. From 2005 onwards a new classification was introduced and as a result, comparisons with previous years are not possible at a detailed level.

Of the 77,600 housing units completed in 2007, over half were part of a scheme of houses. Just over a quarter were individual houses and almost a quarter were apartments. See *Table 6.3*.

**Table 6.3 Type of house completions 2000-2007**

Year	Unit	Individual House	Scheme House	Total Houses	Apartments	Total <sup>1</sup>
<b>Number of completions</b>						
2002	No.	:	:	<b>45,657</b>	11,638	<b>57,295</b>
2003	No.	:	:	<b>53,580</b>	14,839	<b>68,419</b>
2004	No.	:	:	<b>60,448</b>	16,106	<b>76,554</b>
2005 <sup>2</sup>	No.	21,684	44,898	<b>66,582</b>	19,206	<b>85,788</b>
2006 <sup>3</sup>	No.	21,523	47,440	<b>68,963</b>	18,824	<b>87,787</b>
2007	No.	19,663	39,273	<b>58,936</b>	18,691	<b>77,627</b>
<b>Share of completions</b>						
2002	%	:	:	<b>79.7</b>	20.3	<b>100.0</b>
2003	%	:	:	<b>78.3</b>	21.7	<b>100.0</b>
2004	%	:	:	<b>79.0</b>	21.0	<b>100.0</b>
2005 <sup>2</sup>	%	25.3	52.3	<b>77.6</b>	22.4	<b>100.0</b>
2006 <sup>3</sup>	%	24.5	54.0	<b>78.6</b>	21.4	<b>100.0</b>
2007	%	25.3	50.6	<b>75.9</b>	24.1	<b>100.0</b>

**Source:** DEHLG Housing Statistics

<sup>1</sup> Breakdown of house by type does not include a number of conversions estimated to be 400 per annum. Therefore, the total of all house types completed does not equal the total in Table 6.1

<sup>2</sup> Incorporating upward adjustment by CSO to 2005 housing completions estimate

<sup>3</sup> Incorporating downward adjustment by CSO to 2006 housing completions estimate

**Note:** House completions data series are based on the number of new dwellings connected by ESB Networks to the electricity supply and may not accord precisely with local authority boundaries. These represent the number of homes completed and available, and do not reflect any work-in progress. ESB Networks have indicated there was a higher backlog in in work-in-progress in 2005 than usual (estimated as being in the region of 5,000 units) This backlog was cleared through the connection of an additional 2,000 houses in Quarter 1 2006 and 3,000 houses in Quarter 2 2006.

## Housing Stock

The Census of Population is one of the most important sources of information on households and on the stock of housing. During the four weeks before Census Day the enumerators entered details in respect of 1.77 million private residences and communal establishments in their enumerator record books. They delivered census questionnaires to 1.5 million of these dwellings that were expected to be occupied on census night.

On Census night (23<sup>rd</sup> April, 2006) there were over 216,500 (12%) housing units vacant and nearly 50,000 (3%) unoccupied holiday homes while in a further 30,000 cases the household was either enumerated elsewhere or temporarily absent from the State. See *Table 6.4*.

**Table 6.4 Permanent housing units by occupancy status on Census Night, 2006**

Occupancy		Number of Housing Units	% of Housing Units
<b>Occupied:</b>			
	<b>Unit</b>		
	<i>usual resident(s) of the household</i>	1,462,296	82.6
	<i>visitors only</i>	11,049	0.6
<b>Unoccupied:</b>			
	<i>Residents temporarily absent</i>	29,946	1.7
	<i>Vacant house</i>	174,935	9.9
	<i>Vacant flat</i>	41,598	2.4
	<i>Holiday home</i>	49,789	2.8
		<b>1,769,613</b>	<b>100</b>

Source: CSO Census, 2006





# Chapter 7

## House Prices and Construction Costs

### House Prices

The DEHLG produce estimates of average house prices based on data from mortgage lending agencies. While changes in the type and size of houses purchased probably have some effect on price, figures clearly showed a steep increase in house prices to 2007. However, the rate of increase slowed from 11.1% in 2005 to 9.4% in 2006 and to 7.8% in 2007 in respect of new houses. The fall in the rate of increase of house prices was steeper for secondhand houses at loan approval stage decreasing from 13.1% in 2006 to 2.8% in 2007.

The average price of a new house in 2002 was €194,800. By 2007, this had increased by 65% to almost €320,800. Over the same period, secondhand house prices increased by almost 69% from €227,300 in 2002 to €384,000 in 2007.

For comparison purposes figures for the first two quarters of 2006 to 2008 are shown in Table 7.1a.

The average price of a new house (including apartments) in quarter two 2008 was €313,700, down 5.5% on the average price reported in the same quarter in 2007. See Tables 7.1, 7.1a, Figure 7.1 and Figure 7.2.

**Table 7.1 House prices<sup>1</sup> at loan approval stage 2002-2007**

	Unit	2002	2003	2004	2005	2006	2007
New	€	194,835	220,573	244,852	272,034	297,476	320,788
Annual change	%	7.6	13.2	11.0	11.1	9.4	7.8
Secondhand	€	227,329	265,110	294,948	330,348	373,482	383,996
Annual change	%	10.1	16.6	11.3	12.0	13.1	2.8

Source: DEHLG Housing Statistics

<sup>1</sup> Average price for which loans were approved by all agencies - excludes apartments

**Table 7.1a House and apartment prices<sup>1</sup> 2006-2008 ( Qtr 2)**

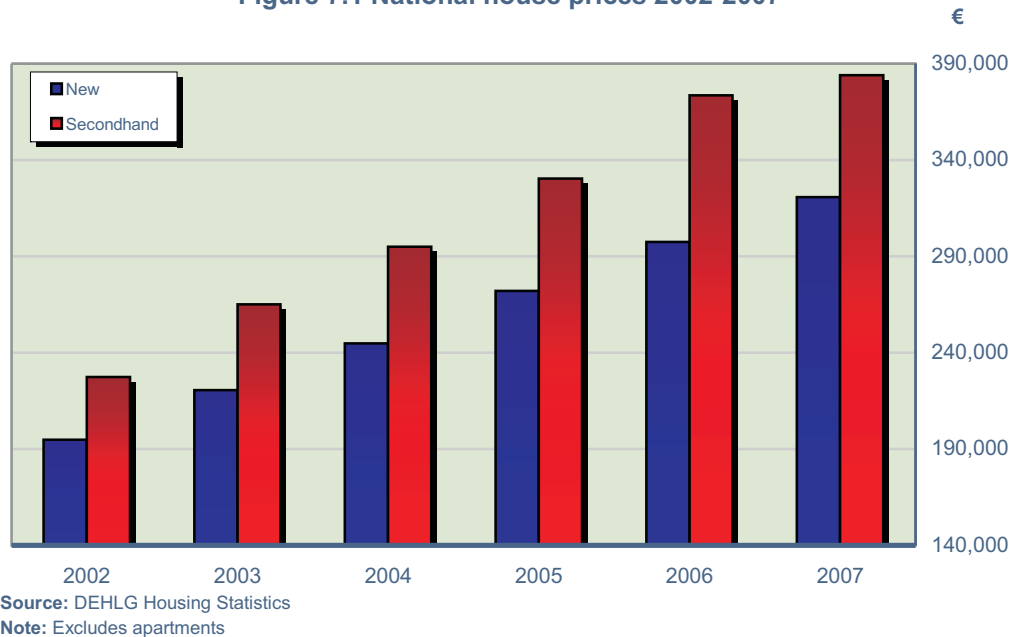
		2006	2007	2008 <sup>1</sup>
		Qtr 2	Qtr 2	Qtr 2
<b>Unit</b>				
New houses and apartments				
<b>Average price</b>	€	<b>308,302</b>	<b>331,947</b>	<b>313,678</b>
Secondhand houses and apartments				
<b>Average price</b>	€	<b>379,011</b>	<b>386,989</b>	<b>356,638</b>

**Source:** DEHLG Housing Statistics

<sup>1</sup> Average price for which loans were approved by all agencies - including apartments

<sup>2</sup> Provisional

**Figure 7.1 National house prices 2002-2007**



**Figure 7.2 Annual change in house prices 2002-2007**





## Apartment Prices

New apartment prices increased by 50% in the period between 2002 and 2007. The average price of a new apartment in 2002 was €220,300 when the corresponding figure in 2007 was €330,700. While the average price continued to rise between 2006 and 2007 the rate of increase slowed significantly from 11.2% in 2006 to 1.4% in 2007.

The average price of a secondhand apartment increased by almost 44% in the same five year period from €233,100 in 2002 to €335,000 in 2007. The rate of increase of price of a secondhand apartment (at loan approval stage) fell from 13.4% in 2005 to 8.2% in 2006. Between 2006 and 2007 the average price of a secondhand apartment fell by 6.4%. See Table 7.2 and Figure 7.3.

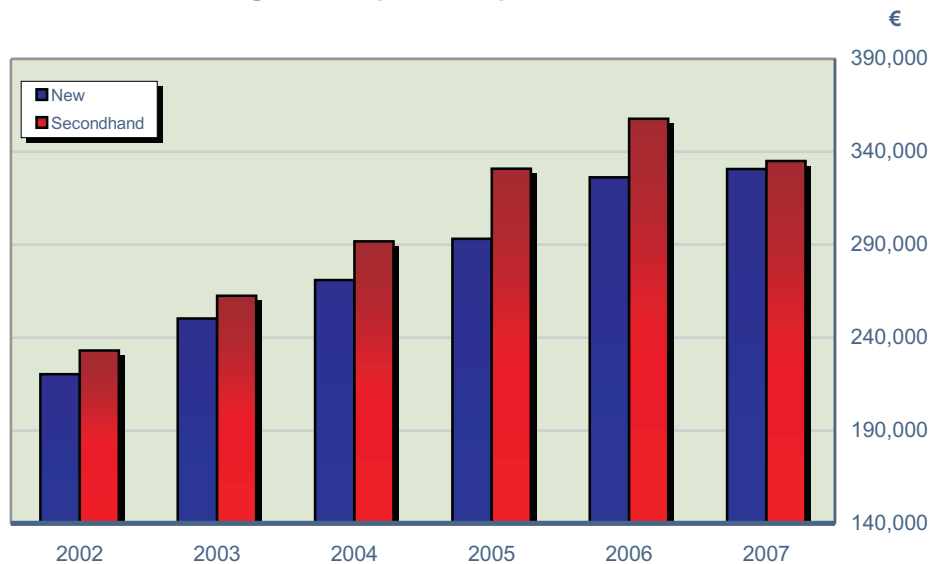
**Table 7.2 Apartment prices<sup>1</sup> at loan approval stage 2002-2007**

	Unit	2002	2003	2004	2005	2006	2007
New	€	220,298	250,235	271,016	293,232	326,216	330,662
Annual change	%	12.2	13.6	8.3	8.2	11.2	1.4
Secondhand	€	233,080	262,459	291,758	330,844	357,823	334,959
Annual change	%	16.0	12.6	11.2	13.4	8.2	-6.4

**Source:** DEHLG Housing Statistics

<sup>1</sup> Average price for which loans were approved by all agencies

**Figure 7.3 Apartment prices 2002-2007**



**Source:** DEHLG Housing Statistics

## Range of Prices Paid

The increase in house prices to 2007 is reflected in the range of prices paid. Almost 60% of houses and apartments cost less than €200,000 in 2002, just over 13% of houses and apartments cost less than that in 2007.

About 17% of both new and secondhand houses and apartments cost in excess of €500,000 in 2007. See *Table 7.3*, *Table 7.4* and *Figure 7.4*.

**Table 7.3 Range of house and apartment prices 2002-2007**

Year	Unit	Not exceeding €200,000	€200,001 to €250,000	€250,001 to €300,000	€300,001 to €350,000	Exceeding €350,000	Total
2002	%	59.0	18.7	8.4	4.9	9.1	100.0
2003	%	46.8	21.2	13.4	6.7	12.0	100.0
2004	%	36.3	22.1	16.6	9.1	15.8	100.0
2005 <sup>1</sup>	%	24.5	21.7	18.6	12.6	22.7	100.0
2006 <sup>1</sup>	%	17.7	17.9	17.2	15.1	32.0	100.0
2007	%	13.2	15.4	16.3	14.8	40.3	100.0

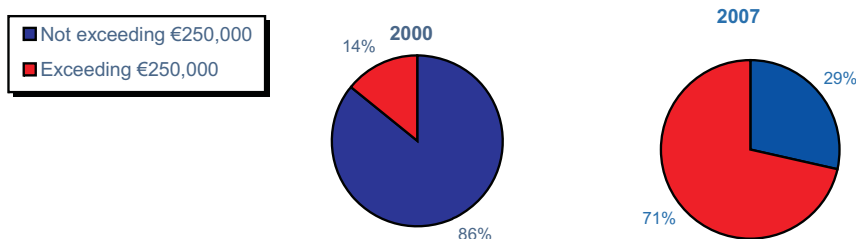
Source: DEHLG Housing Statistics  
<sup>1</sup> Revised

**Table 7.4 Range of prices for new and secondhand houses and apartments 2007**

	Unit	Not exceeding €200,000	€200,001 to €250,000	€250,001 to €300,000	€300,001 to €350,000	€350,001 to €400,000	€400,001 to €500,000	Exceeding €500,000	Total
New	%	14.1	17.1	16.6	13.1	11.1	10.6	17.4	100.0
Secondhand	%	12.2	13.5	16.0	16.7	12.8	11.9	16.7	100.0

Source: DEHLG Housing Statistics

**Figure 7.4 Range of house and apartment prices 2000 and 2007**



Source: DEHLG Housing Statistics

## Cost of Purchase

Taking the average new house price of €194,835 in 2002, a “typical” 90% mortgage (interest rate of 4.7%) over 20 years would have resulted in a monthly repayment of €1,129. This is an illustrative repayment figure generated by the CSO. The average price of a new house increased to €320,788 in 2007 while the average interest rate was 5.2%.

The combined effect of these changes was that a 90% mortgage on an average new house purchased in 2007 would have required a monthly repayment of €1,939. The corresponding monthly repayment figures on a 35-year 90% mortgage were €853 for an average new house purchased in 2002 and €1,496 for an average new house bought in 2007. See *Table 7.5*.

**Table 7.5 Cost of house purchase 2002-2007**

	Unit	2002	2003	2004	2005	2006	2007
Price <sup>1</sup>	€	194,835	220,573	244,852	272,034	297,476	320,788
90% mortgage amount	€	175,352	198,516	220,367	244,831	267,728	288,709
Average illustrative mortgage interest rate <sup>2</sup>	%	4.7	3.7	3.5	3.5	4.2	5.2
20 year mortgage monthly repayment <sup>3</sup>	€	1,129	1,172	1,279	1,421	1,652	1,939
35 year mortgage monthly repayment <sup>3</sup>	€	853	844	911	1,013	1,219	1,496
<b>Source:</b> <sup>1</sup> DEHLG Housing Statistics - based on prices of new houses (excluding apartments)							
<b>Source:</b> <sup>2</sup> DEHLG - Estimated average loan rates							
<b>Source:</b> <sup>3</sup> Illustrative figures generated by the CSO - based on repayment of principal and interest only (does not include other costs)							

## House Prices and the Consumer Price Index

Mortgage interest payments over time are directly reflected within the Consumer Price Index (CPI) through the inclusion of a mortgage interest payment indicator. This indicator is calculated by estimating the effect of changing house prices and mortgage interest rates on the average level of mortgage interest payments by all households in the country. It represented 6.66% of the CPI “basket” of household goods and services in December 2006. This indicator can have a significant impact on overall inflation rates particularly at times when mortgage interest rates change.

Over the five year period from 2002 to 2007, the overall CPI and the CPI excluding mortgages increased by 18.2% and 14.1% respectively. However, looking at the annual change for 2007 mortgage interest repayments increased by 40.3% during the year. This was due to a sequence of interest rate increases. As a result, while the overall average rate of inflation was 4.9 % for the year, the CPI excluding mortgage interest increased by 2.7% during 2007. See *Table 7.6*.

**Table 7.6 Consumer Price Indices 2002-2007**

December 2006 = 100

	2002	2003	2004	2005	2006	2007
CPI - Overall	87.0	90.1	92.0	94.3	98.0	102.8
CPI - Excluding mortgages	89.1	92.8	94.7	96.5	99.0	101.7
CPI - Mortgage interest	59.0	54.2	57.1	64.1	84.3	118.3

Source: CSO - Consumer Price Index

## Construction Costs and House Building Cost Index

The Wholesale Price Index (WPI) includes a sub-index measuring general price trends for building and construction materials. In addition, the DEHLG also produce an index of house building costs. The WPI shows that the cost for all building materials has increased by over 31% since 2002. Structural steel and reinforcing metal have shown an increase of 55% since 2002; while electrical fittings increased by over 38% over the period. The house building cost index rose by over 17% in the five year period from 2002 to 2007 while house prices increased by almost 65% in the same period. See *Table 7.7*.

**Table 7.7 Comparison of price indices 2002-2007**

2000 = 100

	2002	2003	2004	2005	2006	2007
Building and construction - All materials <sup>1, 3</sup>	108.0	108.8	118.2	124.2	134.5	141.6
<i>of which :</i>						
Stone, Sand and Gravel	121.3	125.8	128.7	139.1	151.8	161.4
Ready Mixed Mortar and Concrete	112.0	112.3	109.8	112.2	118.3	122.4
Structural Steel and Reinforcing Metal	104.2	105.4	145.8	156.0	154.3	162.0
Electrical Fittings	96.0	88.8	101.4	109.1	127.2	132.9
House building cost index <sup>2, 4</sup>	121.8	125.2	128.7	132.6	137.7	143.0
House price index <sup>3, 5</sup>	117.3	132.8	147.4	163.7	179.0	193.1

Source: <sup>1</sup> CSO - Wholesale Price IndexSource: <sup>2</sup> DEHLG Housing Statistics<sup>3</sup> Excluding VAT<sup>4</sup> Index relates solely to labour and material costs which should normally not exceed 65% of total price of house. It does not include items such as overheads, profit, interest charges, land development etc.<sup>5</sup> House price index based on average national price of new house for which loans were approved by all agencies - excludes apartments



## Chapter 8

# Mortgages and Interest Rates

### Mortgages

The total level of mortgage debt has increased from over €47.2 billion in 2002 to over €139.8 billion in 2007, an increase of almost 200% over the period. The level of mortgage debt increased by almost €16.6 billion from 2006 to 2007, however, the rate of increase slowed from 24.2% in 2006 to 13.4% in 2007. See *Table 8.1* and *Figure 8.1*.

**Table 8.1 Residential mortgage lending 2002-2007 (December figures)**

	Unit	2002	2003	2004	2005	2006	2007
Value of mortgage debt <sup>1</sup>	€ m	47,212	59,242	77,029	98,956	123,288	139,842
Annual change <sup>2</sup>	%	23.1	25.5	26.5	27.1	24.2	13.4

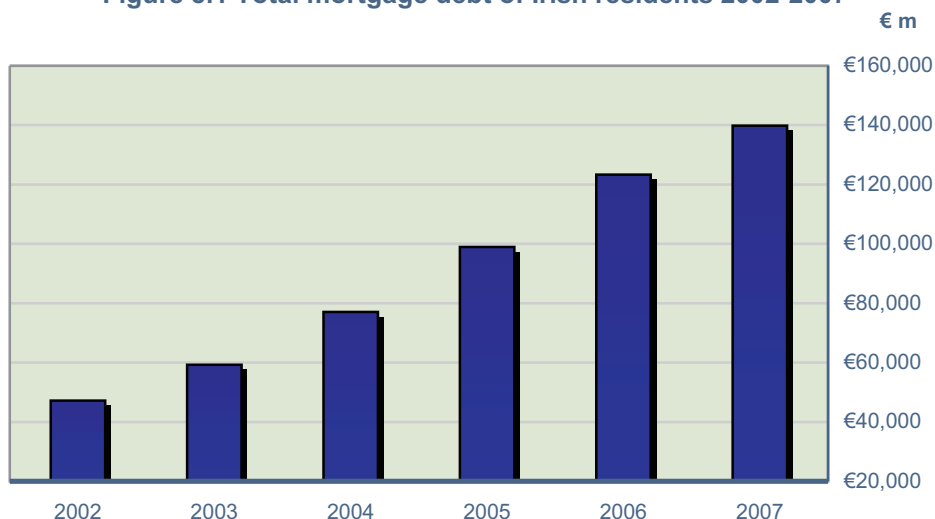
**Source:** Central Bank and Financial Services Authority of Ireland

<sup>1</sup> The level of outstanding securitised mortgages (i.e. the initial amount of the securitisation less all repayments of capital made by the borrowers) has been added to the outstanding level of residential mortgages in order to more accurately capture the indebtedness of Irish residents for housing purposes. Mortgages extended on a cross-border basis are not included.

<sup>2</sup> The annual percentage growth rates are adjusted for securitisations and reclassifications

**Note:** Mortgages extended on a cross-border basis not included

**Figure 8.1 Total mortgage debt of Irish residents 2002-2007**



Source: Central Bank and Financial Services Authority of Ireland

Table 8.2 shows the monetary value and number of loans paid out by lending agencies in each year from 2002 to 2007. While the annual number of loans paid out increased by over 6% in the period from 2002 to 2007, this figure decreased by almost a quarter between 2006 and 2007. The average loan in 2002 was €136,500 and in 2007 was €266,400. See Table 8.2 and Figure 8.2.

**Table 8.2 Loans paid in each year 2002-2007**

	Unit	2002	2003	2004	2005	2006	2007
Value of loans	€ m	10,825	13,524	16,933	21,536	25,495	22,457
Number of loans	No.	79,292	84,749	98,709	107,680	111,253	84,286
Average loan	€	136,523	159,574	171,547	199,998	229,164	266,436

Source: DEHLG Housing Statistics  
 Note: Data contains an unquantified element of refinancing of existing mortgages

**Figure 8.2 Average size of loans paid out 2002-2007**



Source: DEHLG Housing Statistics

## Interest Rates

The variable rate share of residential mortgages rose from 76% in 2002 to 85% in 2005 but fell in 2006 and 2007 accounting for 82% and 75% respectively. See Table 8.3.

**Table 8.3 Analysis of fixed and variable rate residential mortgages 2002-2007 (Dec figures)**

	Unit	2002	2003	2004	2005	2006	2007
Variable rate value	€ m	33,137	44,007	60,563	79,720	90,355	92,657
Fixed rate value	€ m	10,279	10,607	12,557	14,539	20,247	30,345
Variable rate share	%	76.3	80.6	82.8	84.6	81.7	75.3
Fixed rate share	%	23.7	19.4	17.2	15.4	18.3	24.7

**Source:** Central Bank and Financial Services Authority of Ireland

**Note:** Figures do not include securitised mortgages. Variable rate includes fixed rate mortgages of up to and including 1 year

Table 8.4 shows the average mortgage interest rate for the years 2000-2007. The average rate fell from 2002-2005 and increased in 2006 and 2007. See Table 8.4.

**Table 8.4 Average mortgage interest rates 2000-2007**

	Unit	2000	2001	2002	2003	2004 <sup>1</sup>	2005 <sup>1</sup>	2006	2007
Average rate	%	5.4	5.7	4.7	3.7	3.5	3.5	4.2	5.2

**Source:** DEHLG - estimated average loan rates

<sup>1</sup> Revised

Table 8.5 shows, for illustrative purposes, the monthly repayments, the amount of interest and the principal paid at different rates of interest. A €200,000 mortgage borrowed over a twenty-year term at a fixed interest rate of 4% would require an estimated monthly payment of €1,213. At the end of the first year, this will have repaid €6,700 of the principal and €7,900 of interest. At higher interest rates, the monthly payment is higher (e.g. €1,321 per month at 5% and €1,435 at 6%) and the principal is repaid more slowly. The effect over the lifetime of a loan is that the total interest paid is substantially higher as interest rates increase. For example, at a fixed rate of 4% per annum, over €91,000 interest is paid on a €200,000 mortgage over 20 years. At a rate of 5%, the total interest paid over 20 years rises to €117,000. See Table 8.5.

**Table 8.5 Analysis of €200,000 mortgage repaid over 20 years**

	4%			5%			6%		
	Monthly Payment: €1,213			Monthly Payment: €1,321			Monthly Payment: €1,435		
Year	Interest repaid in year €	Principal repaid in year €	Balance outstanding at end of year €	Interest repaid in year €	Principal repaid in year €	Balance outstanding at end of year €	Interest repaid in year €	Principal repaid in year €	Balance outstanding at end of year €
1	7,892	6,660	193,340	9,884	5,968	194,032	11,884	5,331	194,669
2	7,620	6,932	186,408	9,578	6,274	187,758	11,554	5,660	189,009
3	7,337	7,215	179,193	9,257	6,596	181,162	11,204	6,010	182,999
4	7,042	7,509	171,684	8,919	6,934	174,228	10,832	6,382	176,617
5	6,736	7,816	163,868	8,563	7,289	166,939	10,438	6,777	169,840
10	5,006	9,546	119,737	6,493	9,359	124,490	8,067	9,147	129,129
15	2,892	11,659	65,835	3,835	12,017	69,984	4,867	12,347	74,176
20	311	14,241	0	422	15,429	0	548	16,666	0
	<b>Total interest paid: €91,034</b>			<b>Total interest paid: €117,046</b>			<b>Total interest paid: €144,289</b>		

**Source:** Illustrative figures generated by the CSO  
**Note:** Based on repayment of principal and interest only (does not include other costs)

### The Profile of Borrowers

With increasing house prices, the size of mortgages taken out has increased. In 2002, over 36% of loans were for less than €100,000 compared to 8% in 2007. Almost 88% of new mortgages were for less than €200,000 in 2002 compared to 40% in 2007. In 2002, just 6% of new mortgages were for more than €250,000 while in 2007, 41% of new mortgages were for more than €250,000. See Table 8.6.

**Table 8.6 Percentage distribution of new mortgages by size of loan 2002-2007**

Year	Unit	Not exceeding €100,000	€100,001 to €150,000	€150,001 to €200,000	€200,001 to €250,000	€250,001 to €300,000	€300,001 to €400,000	Exceeding €400,000*	Total
2002	%	36.4	31.1	20.0	6.6	2.6	3.4*	:	100.0
2003	%	26.1	30.0	23.9	11.0	4.8	4.3*	:	100.0
2004	%	15.3	23.4	27.4	16.5	8.8	5.6	3.1	100.0
2005	%	10.9	16.7	25.5	19.4	13.2	9.2	5.2	100.0
2006	%	8.6	13.0	22.1	19.2	15.1	14.3	7.7	100.0
2007	%	7.9	11.9	20.2	19.3	16.0	16.0	8.9	100.0

**Source:** DEHLG Housing Statistics

\* Data not available for 2002 -2003, these data are included in the €300,001 to €400,000 category.

The income profile of borrowers (based on combined income) has also changed over the past five years. In 2002, over a third (34%) of borrowers were earning a gross income of less than €50,000. By 2007, this had decreased to almost 12%. In 2002, over 10% of borrowers earned between €70,000 and €80,000 and 19% of borrowers earned in excess of €80,000. In 2007, nearly 14% of borrowers earned between €70,000 and €80,000 while almost one in two borrowers (45%) stated that they earned in excess of €80,000. See Table 8.7.



**Table 8.7 Ranges of incomes of borrowers 2002-2007**

Year	Unit	Not exceeding €40,000	€40,001 to €50,000	€50,001 to €60,000	€60,001 to €70,000	€70,001 to €80,000	Exceeding €80,000	Total
2002	%	15.1	19.2	20.6	15.8	10.4	19.0	100.0
2003	%	19.0	18.8	19.5	14.6	9.9	18.3	100.0
2004	%	8.0	14.4	18.3	16.1	12.2	30.9	100.0
2005	%	6.4	12.8	17.0	16.2	12.5	35.1	100.0
2006	%	4.4	10.5	14.9	16.3	13.5	40.4	100.0
2007	%	3.1	8.5	14.4	15.7	13.8	44.6	100.0

**Source:** DEHLG Housing Statistics

**Note:** Based on combined income of borrowers

Of the €245.7 billion in property related lending in 2007, over €139.8 billion (57%) related to residential property lending. In 2002, €47.2 billion (73%) of property related lending was residential property lending. See Table 8.8.

**Table 8.8 Residential property lending as a percentage of property related lending 2002 - 2007**

Year	Unit	2002	2003	2004	2005	2006	2007
<b>Property-Related Lending<sup>1</sup></b>	€ m	64,509	83,677	111,565	152,538	206,621	245,661
of which:							
<b>Residential Property Lending<sup>2</sup></b>	€ m	47,212	59,242	77,029	98,956	123,288	139,842
<b>Residential share</b>	%	73.2	70.8	69.0	64.9	59.7	56.9

**Source:** Central Bank and Financial Services Authority of Ireland

<sup>1</sup> Property-related lending, broadly defined in the context of this table, refers to the sum of lending to real estate activities, construction and residential mortgages (inclusive of securitised mortgages). The figures for real estate lending were boosted by a series of reclassifications during 2005 and 2006.

<sup>2</sup> The level of outstanding securitised mortgages (i.e. the initial amount of the securitisation less all repayments of capital made by the borrowers) has been added to the outstanding level of residential mortgages in order to more accurately capture the indebtedness of Irish residents for housing purposes. Mortgages extended on a cross-border basis are not included.

**Note:** Mortgages extended on a cross-border basis not included





## Chapter 9

# Planning Permissions and Land

### Number of Planning Permissions

Planning permissions are a leading indicator of future construction activity. In 2007, 62,400 permissions were granted. Over a third of these (36%) related to the construction of new dwellings, with a total floor area of 12,206,000 square metres. This compares with permissions granted for 8,792,000 square metres of new dwellings in 2002. There were just over 19,400 permissions granted in 2007 for non-residential new construction, an increase of 8,900 (86%) since 2006. The number of permissions granted for new dwellings decreased by 500 (2%) in the same period. See Table 9.1.

**Table 9.1 Planning permissions granted 2002- 2007**

	Unit	2002	2003	2004	2005	2006	2007
<b>New Construction- Dwellings</b>							
<i>Number of permissions</i>	No.	19,728	20,949	27,512	25,334	22,774	22,253
<i>Total floor area</i>	000 m <sup>2</sup>	8,792	9,611	12,795	13,165	11,091	12,206
<b>New Construction- Other than dwellings</b>							
<i>Number of permissions</i>	No.	5,926	5,932	6,717	7,699	10,453	19,402
<i>Total floor area</i>	000 m <sup>2</sup>	4,004	3,937	4,258	4,957	6,224	9,314
<b>Extensions</b>							
<i>Number of permissions</i>	No.	12,322	12,159	13,468	14,882	16,354	17,835
<i>Total floor area</i>	000 m <sup>2</sup>	1,623	1,497	1,665	1,872	1,973	2,467
<b>Alteration, Conversion and Renovation</b>							
<i>Number of permissions</i>	No.	2,924	2,577	2,575	2,689	2,678	2,877
<i>Total floor area</i>	000 m <sup>2</sup>	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total planning permissions</b>	<b>No.</b>	<b>40,900</b>	<b>41,617</b>	<b>50,272</b>	<b>50,604</b>	<b>52,259</b>	<b>62,367</b>
<b>Total floor area of planning permissions</b>	<b>000 m<sup>2</sup></b>	<b>14,420</b>	<b>15,044</b>	<b>18,719</b>	<b>19,995</b>	<b>19,288</b>	<b>23,985</b>

Source: CSO - Planning Permissions

## Planning Permissions for Houses and Apartments

In 2007 planning permission was granted for over 62,800 houses and almost 21,600 apartments. In 2002, planning permission was granted for 51,100 houses and 18,300 apartments. In the intervening period, the highest number of housing units, 75,650, granted planning permission was in 2005.

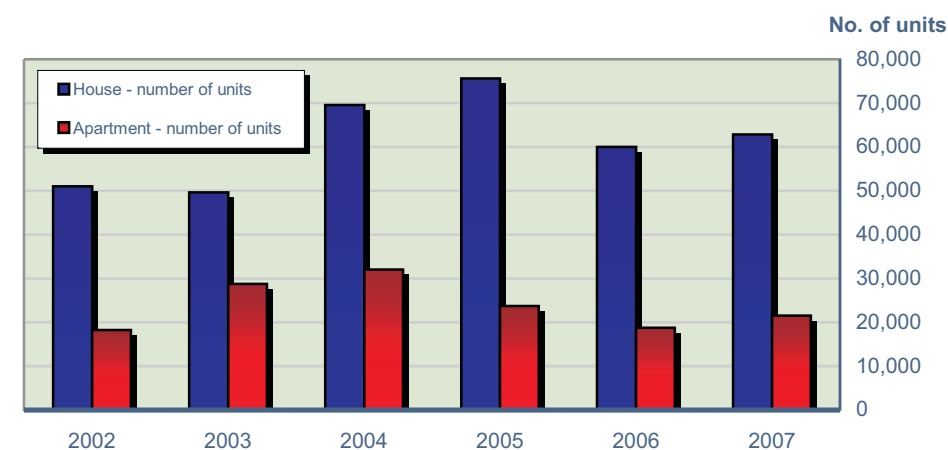
A breakdown is available since 2003 that shows the number of one-off houses and multi-unit development houses that were granted planning permission. Of the 49,600 houses granted planning permission in 2003, 17,600 were one-off houses and 32,000 were in multi-unit developments. In 2007, the number of one-off houses granted permission was 18,600 while the number in multi-unit developments was 44,300.

The number of dwelling units for which planning permission was granted in the period 2002 – 2007 peaked in 2004 with 101,700 approved applications. The total number of planning permissions granted decreased by almost 17% between 2004 and 2007 while the total number of permissions granted for dwelling units increased by over 7% since 2006. See *Table 9.2 and Figure 9.1*.

**Table 9.2 Planning permissions granted for New Houses and Apartments 2002 - 2007**

	Unit	2002	2003	2004	2005	2006	2007
<b>Houses</b>							
- multi-development units <sup>1</sup>	No.	-	32,043	46,202	54,782	40,851	44,273
- one-off units <sup>1</sup>	No.	-	17,562	23,374	20,868	19,157	18,555
- total units	No.	51,055	49,605	69,576	75,650	60,008	62,828
Apartment units	No.	18,259	28,749	32,077	23,702	18,747	21,569
<b>Total</b>	<b>No.</b>	<b>69,314</b>	<b>78,354</b>	<b>101,653</b>	<b>99,352</b>	<b>78,755</b>	<b>84,397</b>
<b>Share of planning permissions</b>							
Houses							
- multi-development units <sup>1</sup>	%	-	40.9	45.5	55.1	51.9	52.5
- one-off units <sup>1</sup>	%	-	22.4	23.0	21.0	24.3	22.0
- total units	%	73.7	63.3	68.4	76.1	76.2	74.4
Apartments units	%	26.3	36.7	31.6	23.9	23.8	25.6
<b>Source:</b> CSO - Planning Permissions							
<sup>1</sup> Multi-development houses and one-off houses were not separately categorised until Qtr 2 2002							

**Figure 9.1 Residential planning permissions granted 2002-2007**



Source: CSO - Planning Permissions

Data are only available for the first two quarters in respect of the number of planning permissions granted for new houses and apartments in 2008. Table 9.2a presents comparable figures for the first two quarters of 2006 to 2008.

There were nearly 3,100 (7%) fewer permissions granted in the first two quarters in 2008 compared to the same period in 2006 and 6,000 (13%) less when compared to 2007. See Table 9.2a.

**Table 9.2a Number of dwelling units for which planning permissions were granted in Qtr 1 and Qtr 2 2006-2008**

	Unit	2006	2007	2008
Houses	No.	31,468	33,855	25,899
Apartments	No.	10,153	10,671	12,625
<b>Total</b>	<b>No.</b>	<b>41,621</b>	<b>44,526</b>	<b>38,524</b>

Source: CSO - Planning Permissions

## Floor Area

The average floor size for houses granted planning permission in multi-unit developments was 133m<sup>2</sup> in 2007. The average floor area for planned one-off houses was 238m<sup>2</sup>, or 79% larger than for multi-unit development houses. The average area for apartments was 85m<sup>2</sup>. See Table 9.3.

**Table 9.3 Average floor area of planning permissions granted 2002 - 2007**

		2002	2003	2004	2005	2006	2007
<b>Houses</b>	<b>Unit</b>						
- multi-development units <sup>1</sup>	m <sup>2</sup>	-	118.7	119.1	124.5	128.0	132.9
- one-off units <sup>1</sup>	m <sup>2</sup>	-	198.9	204.7	213.6	224.3	238.0
- all units	m <sup>2</sup>	143.6	147.1	147.8	149.1	158.7	164.3
Apartments	m <sup>2</sup>	77.9	79.3	76.7	78.2	81.1	85.2

Source: CSO - Planning Permissions

<sup>1</sup> Multi-development houses and one-off houses were not separately categorised until Qtr 2 2002

## Supply of Zoned Land

The Department of the Environment Heritage and Local Government (DEHLG) produce an estimate of zoned land for residential development based on a land availability survey undertaken by local authorities. In 2002, there were 12,200 hectares of land zoned for housing, with a potential for 327,800 housing units. In 2007, there were 15,100 hectares with a potential for over 469,900 housing units. The potential housing density of zoned land increased from 27 units per hectare in 2002 to 31 units in 2007. See *Table 9.4*.

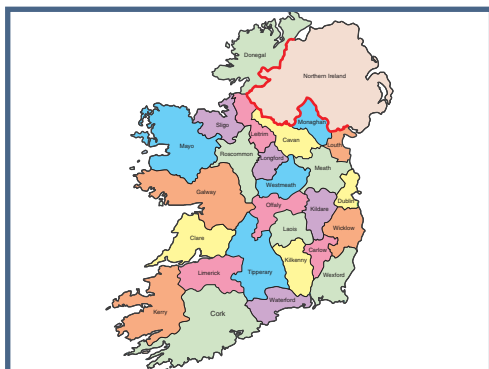
**Table 9.4 Supply of zoned serviced housing land 2002-2007 (as at June 30 each year)**

	Unit	2002	2003	2004	2005	2006	2007
Area	Hectares	12,177	12,819	12,540	14,782	15,877	15,100
Number of units	No.	327,784	368,705	366,724	459,641	492,219	469,937
Average units per hectare	No.	26.9	28.8	29.2	31.1	31.0	31.1

**Source:** DEHLG Housing Statistics

# Chapter 10

## Regional Analysis



### Construction Output

The value of construction output in the State was almost €38.5 billion in 2007. The Dublin region generated over 26% of the total construction output in 2007 compared to 31% in 2002. The South-West region had the second highest share accounting for over 13% of the total construction output in 2007. See *Table 10.1*.

**Table 10.1 Share of construction output by region 2002-2007**

		2002	2003	2004	2005	2006	2007
	<b>Unit</b>						
Border	%	10.5	10.7	11.2	12.3	13.8	12.6
Dublin	%	31.0	29.3	27.7	25.1	23.1	26.2
Mid-East	%	11.8	12.1	11.8	12.5	11.5	10.0
Midland	%	6.5	6.3	6.8	7.0	7.5	7.7
Mid-West	%	8.3	8.0	8.7	8.4	8.5	8.7
South-East	%	9.4	9.6	9.9	10.9	11.3	11.6
South-West	%	12.5	13.7	13.7	14.0	13.6	13.3
West	%	10.1	10.4	10.2	9.8	10.7	9.9

Source: DKM - DEHLG "Review of the Construction Industry 2007 and Outlook 2008-2010"

### Construction Employment

Construction employment increased in all regions between 2002 and 2007. Of the 255,000 employed in the construction sector in the second quarter of 2008, 59,000 (23%) people live in Dublin, down from 61,000 the previous year. All regions showed a decline in construction employment from 2007 to 2008. Overall, construction employment fell by nearly 10% in the same period. See *Table 10.2*.

**Table 10.2 Employment in construction by region 2002-2008 (Qtr 2)**

		2002	2003	2004	2005	2006	2007	2008
	<b>Unit</b>							
Border	000	21.5	20.5	23.1	27.2	30.3	33.5	29.9
Dublin	000	42.0	42.8	41.9	52.9	57.4	61.2	59.4
Mid-East	000	26.2	28.3	28.2	31.4	35.7	34.1	32.9
Midland	000	11.2	11.7	14.7	16.5	19.0	20.2	16.3
Mid-West	000	14.2	14.1	17.8	18.0	21.2	23.7	21.1
South-East	000	20.1	22.0	24.6	30.8	29.7	35.4	31.8
South-West	000	27.1	29.4	33.1	37.5	43.3	43.5	37.0
West	000	20.0	22.6	22.6	28.0	28.4	30.0	26.6
<b>Total</b>	<b>000</b>	<b>182.2</b>	<b>191.4</b>	<b>206.0</b>	<b>242.4</b>	<b>265.2</b>	<b>281.8</b>	<b>255.0</b>

Source: CSO - Quarterly National Household Survey

Figure 10.1 compares regional shares of construction employment and output. The Dublin region accounted for 26% of output and 22% of construction employment in the second quarter of 2007. This reflects two factors: the generally larger scale of construction projects in Dublin and the fact that many workers commute to Dublin from surrounding areas. The QNHS employment figures are based on the region where a worker lives. See Figure 10.1.

**Figure 10.1 Regional output and employment 2007**



Source: DKM - DEHLG "Review of the Construction Industry 2007 and Outlook 2008-2010"  
 Source: Quarterly National Household Survey - Qtr 2

## House Prices

DEHLG estimates showed that the average price of a new house in Dublin was €259,400 in 2002; this had increased by 87% to €485,000 in 2007. The next most expensive location in 2007 was Cork followed by Galway. The average price of a new house in Cork was €326,800 in 2007 while in Galway the average price was €302,200 an increase of 77% and 61% respectively since 2002. A new house in Waterford cost, on average, €295,400 in 2007, an increase of 74% since 2002.

The average price of a secondhand Dublin home was €532,900 in 2007, down from €544,000 in 2006. Dublin was the only region to show a drop in the price in secondhand homes in 2007. See Table 10.3 and Figures 10.2a and 10.2b.



**Table 10.3 House prices<sup>1</sup> by location 2002-2007**

		2002	2003	2004	2005	2006	2007
	<b>Unit</b>						
<b>New houses</b>							
Cork	€	184,884	210,733	236,076	264,719	298,122	326,765
Dublin	€	259,381	302,270	343,251	386,089	473,634	484,926
Galway	€	187,194	222,578	241,545	274,745	287,103	302,208
Limerick	€	169,577	193,854	209,850	226,773	282,309	290,670
Waterford	€	169,681	193,642	218,447	245,315	270,108	295,397
Other areas	€	179,988	203,421	228,974	255,730	278,756	299,884
<b>Average price</b>	<b>€</b>	<b>194,835</b>	<b>220,573</b>	<b>244,852</b>	<b>272,034</b>	<b>297,476</b>	<b>320,788</b>
<b>Secondhand houses</b>							
Cork	€	200,633	241,032	270,256	307,285	353,482	372,720
Dublin	€	302,053	364,738	402,687	456,050	543,959	532,873
Galway	€	207,757	250,600	278,083	319,727	335,481	348,822
Limerick	€	172,731	201,881	218,693	231,267	256,903	276,638
Waterford	€	172,521	202,371	221,124	252,689	279,787	288,964
Other areas	€	192,805	218,910	236,565	264,023	295,327	317,635
<b>Average price</b>	<b>€</b>	<b>227,329</b>	<b>265,110</b>	<b>294,948</b>	<b>330,348</b>	<b>373,482</b>	<b>383,996</b>

**Source:** DEHLG Housing Statistics

<sup>1</sup> Average price for which loans were approved by all agencies - excludes apartments

**Fig 10.2a New House prices by location 2002 and 2007**

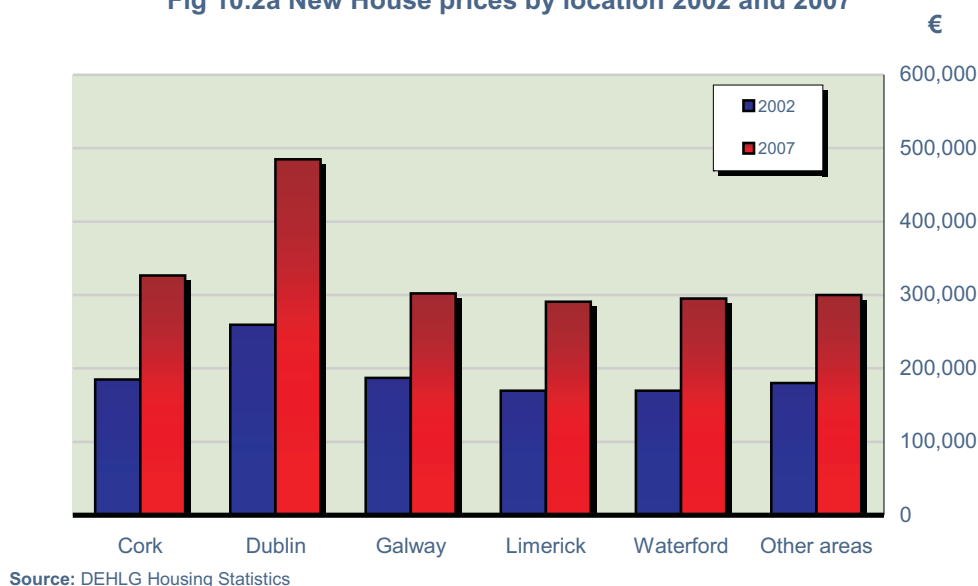
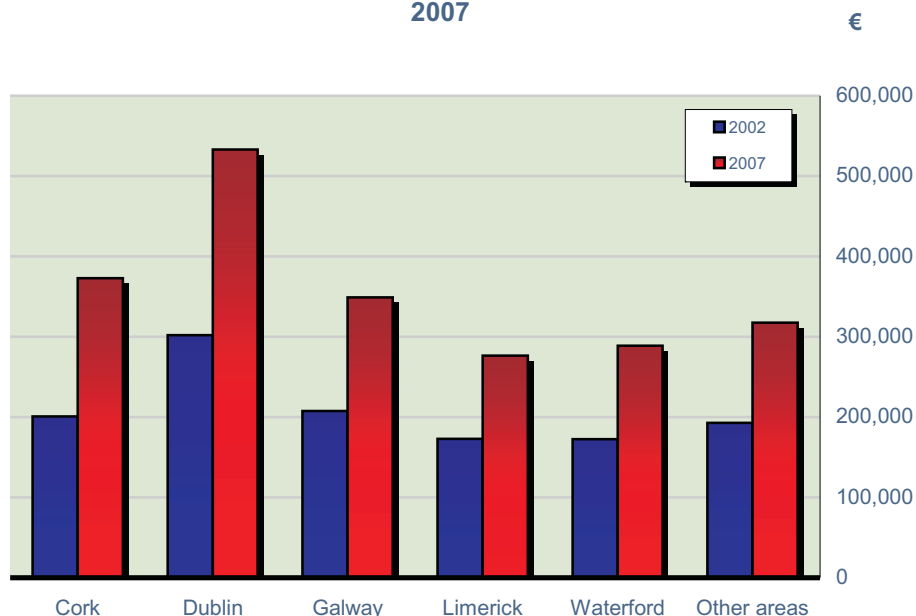


Fig 10.2b Secondhand House prices by location 2002 and 2007



Source: DEHLG Housing Statistics

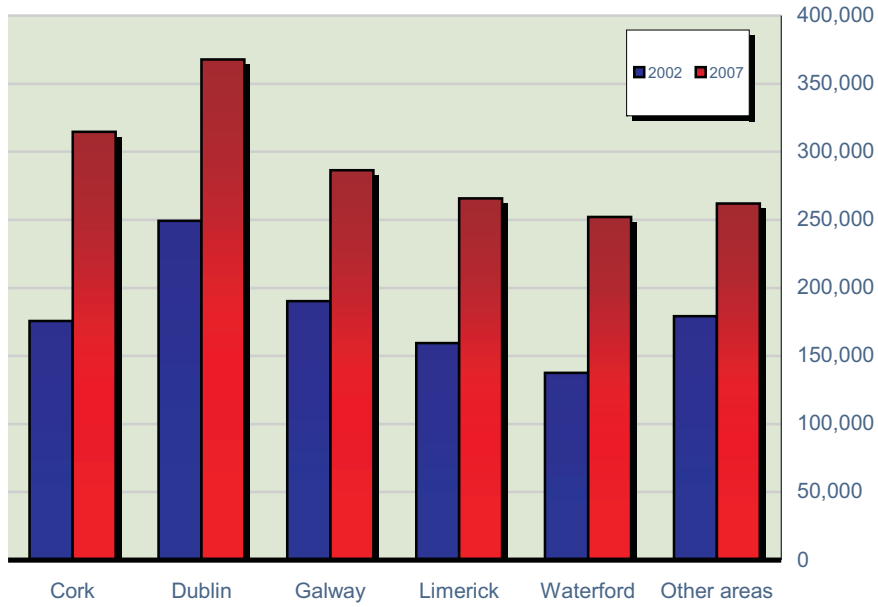
## Apartment Prices

The average price of a new apartment in Dublin was €249,300 in 2002; this had increased by almost 48% to €367,900 in 2007. New apartment owners in 2007 paid over 14% less, on average, in Cork than in Dublin. The average price of a secondhand apartment in Dublin was €375,500 in 2007, an increase of over 39% since 2002. A new apartment in Cork, on average, cost €314,600 in 2007, 79% more than in 2002 and in Waterford a new apartment cost €252,200 in 2007, 83% more than in 2002. There was a drop in the prices of new apartments in Cork, Dublin and Waterford between 2006 and 2007 while prices of secondhand apartments fell in all areas. See Table 10.4 and Figures 10.3a and 10.3b.

Table 10.4 Apartment prices<sup>1</sup> by location 2002-2007

		2002	2003	2004	2005	2006	2007
	<b>Unit</b>						
<b>New apartments</b>							
Cork	€	175,674	229,976	251,942	271,960	327,814	314,594
Dublin	€	249,250	274,347	299,667	323,116	369,638	367,893
Galway	€	190,217	231,084	248,041	276,527	279,657	286,389
Limerick	€	159,457	221,717	217,585	224,873	236,975	265,817
Waterford	€	137,604	223,468	237,372	264,456	283,325	252,203
Other areas	€	179,112	198,214	215,978	236,170	251,849	261,846
<b>Average price</b>	<b>€</b>	<b>220,298</b>	<b>250,235</b>	<b>271,016</b>	<b>293,232</b>	<b>326,216</b>	<b>330,662</b>
<b>Secondhand apartments</b>							
Cork	€	190,166	229,819	322,076	303,132	337,838	317,363
Dublin	€	269,651	300,906	319,333	364,708	400,092	375,457
Galway	€	196,515	238,265	286,113	300,655	338,297	305,529
Limerick	€	167,312	196,116	221,118	245,618	247,941	244,700
Waterford	€	144,187	193,852	197,642	254,427	344,401	264,426
Other areas	€	180,778	197,998	219,627	256,480	276,603	255,402
<b>Average price</b>	<b>€</b>	<b>233,080</b>	<b>262,459</b>	<b>291,758</b>	<b>330,844</b>	<b>357,823</b>	<b>334,959</b>
<b>Source:</b> DEHLG Housing Statistics							
<sup>1</sup> Average price for which loans were approved by all agencies.							

Fig 10.3a New Apartment prices by location 2002 and 2007€



Source: DEHLG Housing Statistics

Fig 10.3b Secondhand Apartment prices by location 2002 and 2007



Source: DEHLG Housing Statistics

## House Completions

Table 10.5 shows that the total number of house completions (houses and apartments) in Ireland increased by over 35% from 2002 to 2007. The total number of completions decreased by almost 12% from 87,800 completions in 2006 to 77,600 in 2007. In Dublin, there were 17,725 house completions in 2007, 650 less than 2006. House completions peaked in the Dublin, Mid-East, Mid-West and South-West regions in 2005 while house completions peaked in the Border, South-East and West regions in 2006. The decrease in completions was across all regions except the Midland region in 2007. See Table 10.5 and Figure 10.4.

**Table 10.5 House completions by region 2002-2007**

		2002	2003	2004	2005 <sup>2</sup>	2006 <sup>3</sup>	2007
	<b>Unit</b>						
Border	No.	7,908	8,995	9,730	11,680	13,630	11,212
Dublin	No.	12,623	14,394	16,810	19,189	18,375	17,725
Mid-East	No.	8,052	8,458	9,105	10,448	9,926	7,249
Midland	No.	3,637	4,583	6,176	5,975	6,484	6,681
Mid-West	No.	4,947	5,921	6,788	7,056	6,763	6,103
South-East	No.	6,529	7,636	8,581	9,709	9,825	8,846
South-West	No.	7,404	10,045	11,018	12,806	12,358	11,364
West	No.	6,195	8,387	8,346	8,924	10,429	8,447
<b>Total<sup>1</sup></b>	<b>No.</b>	<b>57,295</b>	<b>68,419</b>	<b>76,554</b>	<b>85,788</b>	<b>87,788</b>	<b>77,627</b>

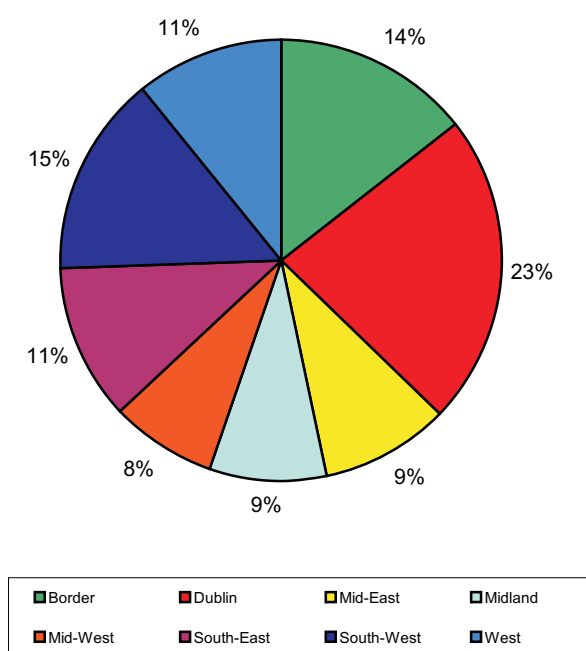
Source: DEHLG Housing Statistics

<sup>1</sup> Breakdown by region does not include a number of conversions estimated to be 400 per annum. Therefore, the total of all regions does not equal the total in Table 6.1

<sup>2</sup> Incorporating upward adjustment by CSO to 2005 housing completions estimate

<sup>3</sup> Incorporating downward adjustment by CSO to 2006 housing completions estimate.(see note in Table 6.1 )

**Fig 10.4 Percentage of House completions by region 2007**



Source: DEHLG Housing Statistics

## Planning Permissions

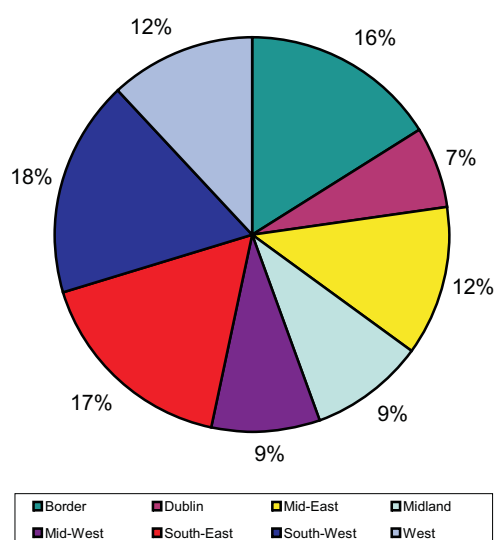
There were a total number of 62,800 house units granted planning permission in 2007, an increase of 23% on the 2002 figure. In 2002, Dublin had a 14% share of the total number of house units granted planning; by 2007 Dublin's share had decreased to 7%. The South-West region had the highest number of house units (11,100) granted planning permission in 2007 followed by the South-East and the Border regions. See *Table 10.6 and Figure 10.5*.

**Table 10.6** Number of house units granted planning permission by region 2002 - 2007

		2002	2003	2004	2005	2006	2007
	<b>Unit</b>						
Border	No.	8,303	8,282	12,511	15,523	11,573	10,113
Dublin	No.	7,055	6,887	6,097	4,377	3,698	4,283
Mid-East	No.	6,725	5,150	6,816	8,255	5,785	7,617
Midland	No.	5,018	3,200	6,564	8,908	6,445	5,824
Mid-West	No.	4,540	4,869	6,593	5,934	4,233	5,602
South-East	No.	5,156	6,723	10,359	9,437	9,631	10,730
South-West	No.	8,304	8,022	10,370	13,824	10,443	11,104
West	No.	5,954	6,472	10,266	9,392	8,200	7,555
<b>Total</b>	<b>No.</b>	<b>51,055</b>	<b>49,605</b>	<b>69,576</b>	<b>75,650</b>	<b>60,008</b>	<b>62,828</b>

Source: CSO - Planning Permissions

**Fig. 10.5** Percentage of house units granted planning permission by region, 2007



Source: CSO Planning Permissions

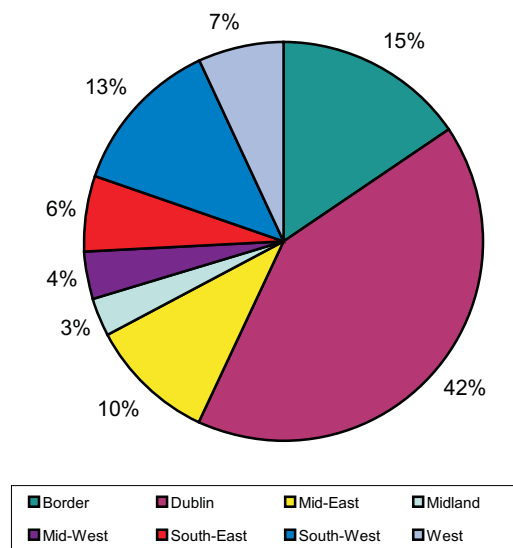
Over 41% (8,900) of apartments granted planning permission in 2007 were in Dublin. This compares to a 45% share (8,200) in 2002 in the same region. In the period from 2002 to 2007, the total number of apartment units granted planning permission peaked in 2004 when planning was granted for 32,100 apartment units with 56% of those located in Dublin. See *Table 10.7 and Figure 10.6*.

**Table 10.7 Number of apartment units granted planning permission by region 2002 - 2007**

		2002	2003	2004	2005	2006	2007
	<b>Unit</b>						
Border	No.	1,044	1,759	2,062	3,060	1,695	3,343
Dublin	No.	8,202	16,187	18,099	8,856	8,409	8,911
Mid-East	No.	1,976	2,046	2,875	2,510	1,896	2,228
Midland	No.	1,249	723	1,306	1,660	1,039	655
Mid-West	No.	1,990	1,867	1,359	1,260	752	849
South-East	No.	1,301	2,133	2,109	1,515	1,208	1,310
South-West	No.	1,445	2,824	2,627	2,976	2,283	2,780
West	No.	1,052	1,210	1,640	1,865	1,465	1,493
<b>Total</b>	<b>No.</b>	<b>18,259</b>	<b>28,749</b>	<b>32,077</b>	<b>23,702</b>	<b>18,747</b>	<b>21,569</b>

Source: CSO - Planning Permissions

**Fig 10.6 Percentage of apartment units granted planning permission by region 2007**



Source: CSO - Planning Permissions



# Chapter 11

## The European Construction Industry

### Introduction

This chapter presents information on the European Construction Industry. It is difficult to obtain fully comparable data on construction across Europe, especially from sources of official statistics. The data in this chapter has been sourced from Euroconstruct; a group of construction industry research bodies who work together to develop information, forecasts and analyses of the European Construction Industry.

### The European Housing Market

#### House Completions and Housing Stock

Table 11.1 shows the total number of house completions in each of the nineteen countries. In 2007, it is estimated that 795,000 units were completed in Spain. France produced a total of 412,000 units, followed by Italy with 299,000 units and Germany with over 198,000 units. In Ireland an estimated 78,000 housing units were completed in 2007.

The average rate of house completions per 1,000 of population across the nineteen countries was 5.3 in 2007. Ireland and Spain had the highest rate of house completions at 18 per 1,000 of population. In the United Kingdom the rate was 3.6 house completions per 1,000 of population in 2007. See *Table 11.1 and Figure 11.1*.

**Table 11.1 Total house completions 2003-2007**

	2003	2004	2005	2006	2007	Completions per 1,000 population 2007
Unit	000	000	000	000	000	Number
Austria	42.00	42.30	42.50	42.50	43.20	5.2
Belgium	38.60	44.80	48.00	55.40	54.20	5.1
Czech Republic	27.10	29.30	32.90	31.20	41.60	4.0
Denmark	24.00	27.00	27.00	31.00	31.00	5.7
Finland	28.10	31.00	34.20	33.90	35.70	6.7
France	298.00	325.00	365.00	405.00	412.00	6.7
Germany	236.10	247.80	213.80	220.60	198.30	2.4
Hungary	35.50	43.90	41.10	33.90	36.20	3.6
<b>Ireland</b>	<b>68.90</b>	<b>76.90</b>	<b>86.2<sup>1</sup></b>	<b>88.20</b>	<b>78.0<sup>3</sup></b>	<b>18.0</b>
Italy	214.00	237.70	260.10	293.40	299.30	5.0
Netherlands	59.60	65.30	67.00	72.40	77.50	4.7
Norway	21.40	23.10	28.40	28.10	29.70	6.3
Poland	162.60	108.10	114.10	115.20	133.80	3.5
Portugal	76.80	71.40	71.80	58.40	55.80	5.3
Slovakia	14.00	12.60	14.90	14.40	16.50	3.1
Spain	580.00	636.00	668.00	749.00	795.00	17.6
Sweden	20.00	29.70	26.80	35.20	36.50	4.0
Switzerland	32.10	36.90	38.00	42.00	42.50	5.6
United Kingdom <sup>2</sup>	190.62	202.80	210.50	211.80	218.00	3.6
<b>Euroconstruct Countries</b>	<b>2,169.42</b>	<b>2,088.80</b>	<b>2,093.60</b>	<b>2,349.80</b>	<b>2,416.50</b>	<b>5.3</b>

Source: DKM, the Irish partner of Euroconstruct

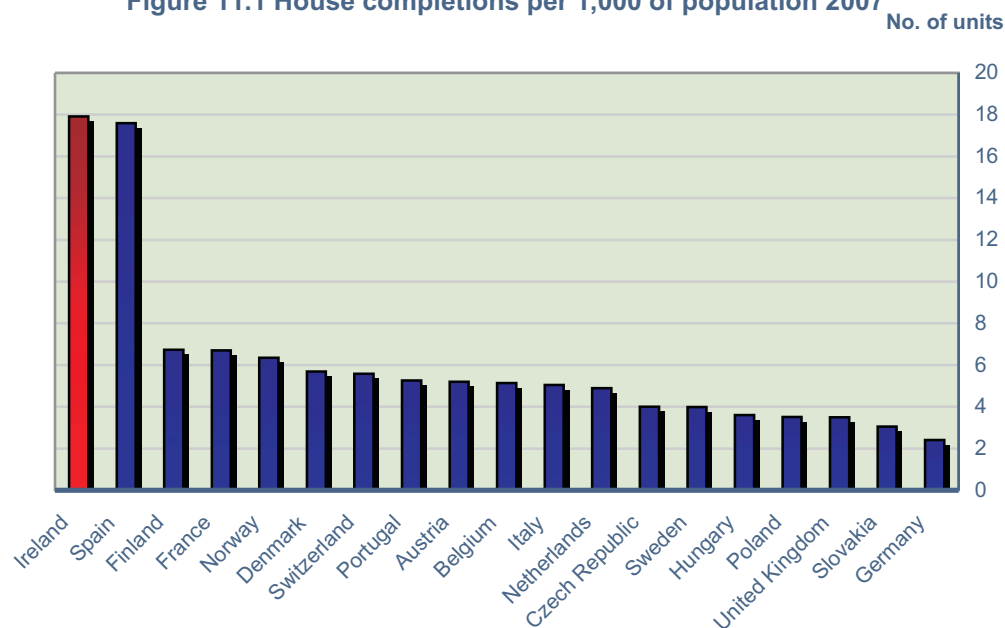
<sup>1</sup> Incorporating upward adjustment by CSO to 2005 housing completions estimate - see chapter 6

<sup>2</sup> Updated to reflect data from the United Kingdom Department for Communities and Local Government Housing Statistics

<sup>3</sup> Modified to reflect updated figure from DEHLG

Note: Includes houses and apartments

**Figure 11.1 House completions per 1,000 of population 2007**



Source: DKM, the Irish partner of Euroconstruct



Table 11.2 shows the total housing stock in each country. In 2007, there were over 212 million housing units in total in the nineteen countries listed. Germany, with the largest population, had the greatest number with 37.7 million units in 2007. Ireland, with a population of over 4.3 million had almost 1.9 million units in the same period. Ireland had 434 housing units per 1,000 of the population in 2007, which was below the average of 465. See Table 11.2.

**Table 11.2 Housing stock - total units 2002-2007**

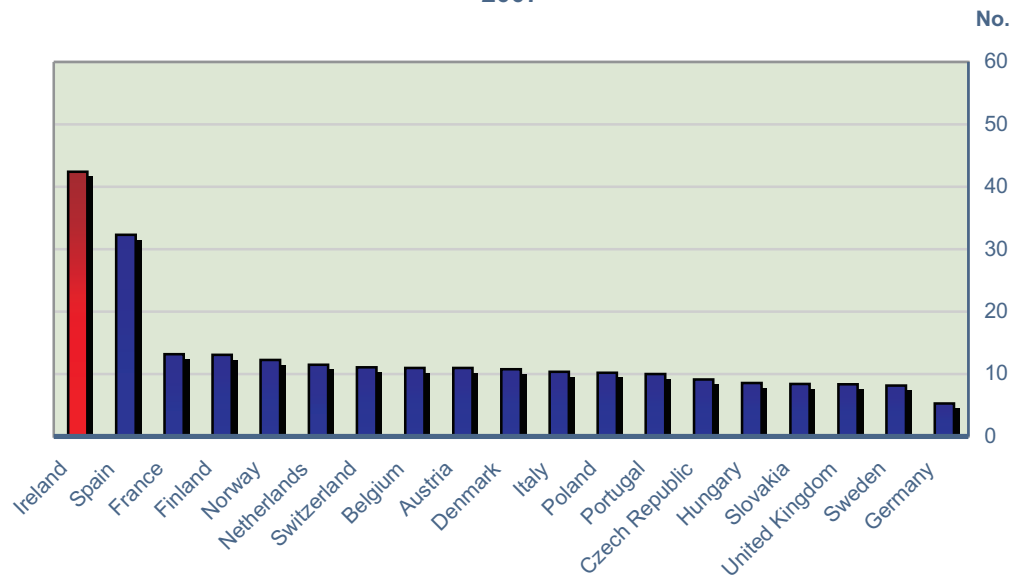
	2002	2003	2004	2005	2006	2007	Stock per 1,000 of population 2007
Unit	000	000	000	000	000	000	Number
Austria	3,819	3,822	3,849	3,879	3,910	3,941	474
Belgium	4,693	4,733	4,430	4,830	4,883	4,930	468
Czech Republic	4,372	4,375	4,381	4,462	4,514	4,545	438
Denmark	2,773	2,792	2,814	2,844	2,865	2,885	530
Finland	2,574	2,595	2,635	2,667	2,700	2,730	515
France	29,620	29,940	30,264	30,610	30,952	31,283	508
Germany	37,480	37,640	37,380	37,500	37,600	37,700	459
Hungary	4,085	4,110	4,135	4,170	4,209	4,238	422
<b>Ireland<sup>1</sup></b>	<b>1,506</b>	<b>1,575</b>	<b>1,652</b>	<b>1,773</b>	<b>1,804</b>	<b>1,882</b>	<b>434</b>
Italy	27,599	27,798	28,028	28,278	28,554	28,835	486
Netherlands	6,764	6,810	6,810	6,914	6,912	7,025	428
Norway	2,329	2,344	2,370	2,390	2,405	2,420	517
Poland	12,570	12,730	12,830	12,905	13,010	13,130	344
Portugal	5,308	5,398	5,391	5,462	5,520	5,575	526
Slovakia	1,905	1,919	1,930	1,943	1,956	1,958	363
Spain	21,275	21,810	22,623	23,210	23,859	24,600	544
Sweden	4,310	4,326	4,379	4,406	4,436	4,473	488
Switzerland	3,638	3,672	3,710	3,749	3,792	3,835	503
United Kingdom	24,936	25,101	25,301	25,497	25,710	26,022	426
<b>Euroconstruct Countries</b>	<b>201,508</b>	<b>203,490</b>	<b>204,912</b>	<b>207,516</b>	<b>209,591</b>	<b>212,007</b>	<b>465</b>

**Source:** DKM, the Irish partner of Euroconstruct

<sup>1</sup> Data for Ireland in respect of total housing stock and stock per 1,000 of population has been updated by DEHLG to reflect the latest information from the Census of Population, April 2006

House completions in 2007 added 42 new dwellings per 1,000 of existing house units in Ireland. This is the highest rate of annual increase in the housing stock in any of the nineteen countries listed. Spain had the second highest annual increase adding 32 new dwellings per 1,000 of existing stock. See Figure 11.2.

Figure 11.2 Housing completions per 1,000 of housing stock  
2007



Source: DKM, the Irish partner of Euroconstruct

## Residential New Construction and Renovation

Table 11.3 shows the value of residential output, distinguishing between new construction and renovation. In 2007, new construction and renovation each accounted for about half of output in the selected European countries at 51% and 49% respectively. New construction represents over two thirds of the total housing output in the four Central and East European countries (Czech Republic, Hungary, Poland and Slovak Republic) while construction output was roughly half new and half renovations in the other 15 countries. See Table 11.3.

Table 11.3 Breakdown of European residential output by sector 2007

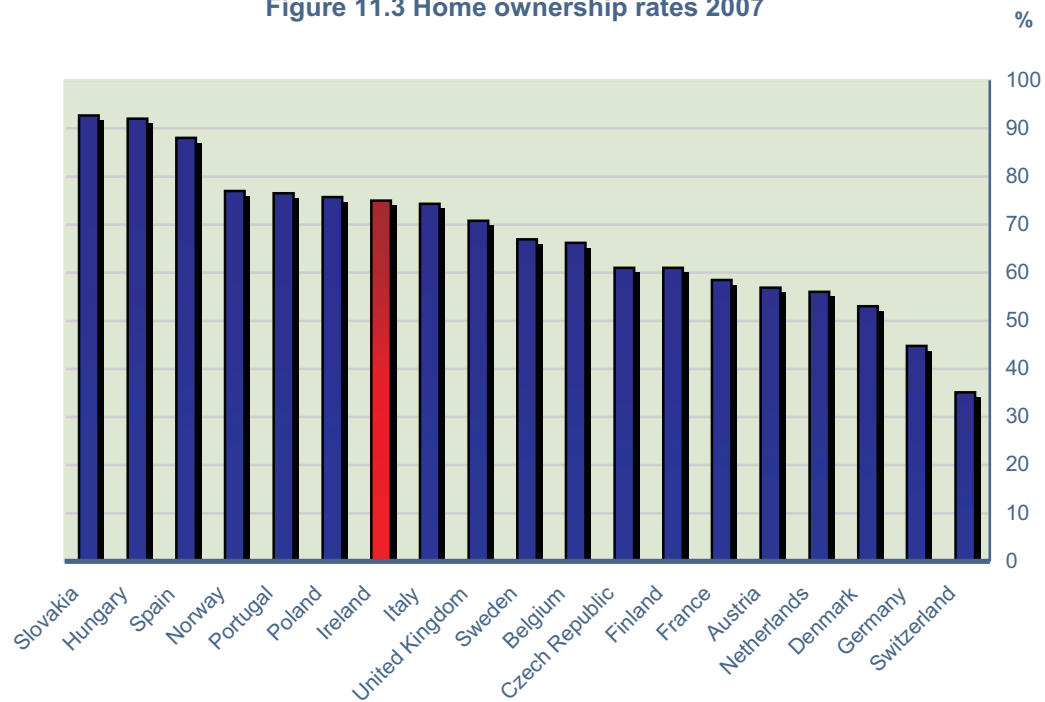
Unit	Value			By Sector		By Region
	New €bn	Renovation €bn	Total €bn	New %	Renovation %	%
Eurozone (10)	288.0	267.5	555.5	51.9	48.1	77.3
Other West Europe (5)	70.4	74.6	145.0	48.6	51.4	20.2
<b>Total West Europe (15)</b>	<b>358.5</b>	<b>342.0</b>	<b>700.5</b>	<b>51.2</b>	<b>48.8</b>	<b>97.5</b>
Central & East Europe (4)	12.3	5.6	17.9	68.7	31.3	2.5
<b>Total Euroconstruct (19)</b>	<b>370.8</b>	<b>347.6</b>	<b>718.4</b>	<b>51.0</b>	<b>49.0</b>	<b>100.0</b>

Source: DKM, the Irish partner of Euroconstruct

## Home Ownership

Ireland had the seventh highest rate of home ownership of the nineteen European countries. Slovakia had the highest rate of home ownership at almost 93% followed by Hungary (92%), Spain (88%), Norway (77%), Portugal (76.5%) and Poland (75.7%). Three quarters (75%) of homes in Ireland were owner occupied in 2007. The countries with the lowest rates (and a higher percentage of dwellings rented) were Germany and Switzerland. See Figure 11.3.

Figure 11.3 Home ownership rates 2007



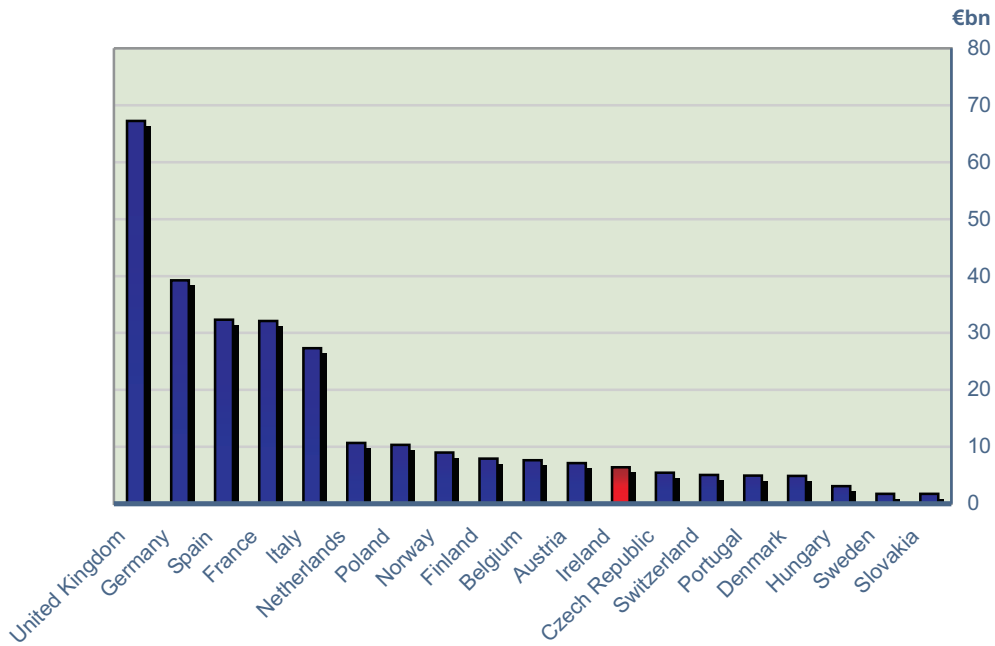
Source: DKM, the Irish partner of Euroconstruct

## Non-Residential Construction

### Non-Residential Buildings

Non-residential construction covers a wide range of different sectors including industrial and commercial buildings, health, education and storage facilities. The total value of new construction in this sector is estimated to have reached over €284 billion in 2007 in the nineteen countries shown, Ireland's share being almost €6.4 billion. See Figure 11.4.

Figure 11.4 Non-residential new construction output 2007

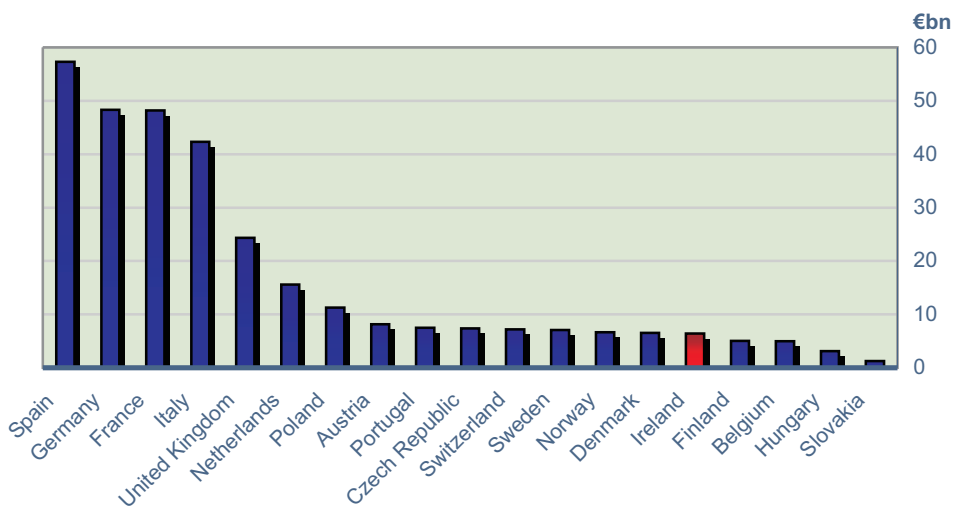


Source: DKM, the Irish partner of Euroconstruct

## Civil Engineering

Civil engineering covers areas such as roads, railways, telecommunications, energy and water and other infrastructure projects. Civil Engineering, in total, represents 21% of all construction output in the nineteen countries. Spain, Germany, France, Italy and the United Kingdom together represent more than two-thirds (69%) of the total value of civil engineering output. See Figure 11.5.

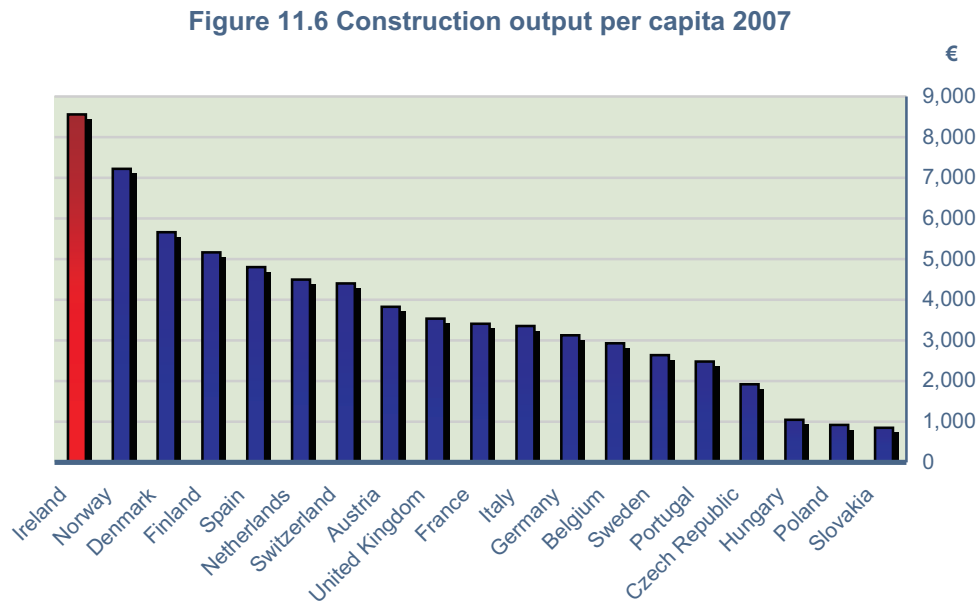
Figure 11.5 Civil engineering output 2007



Source: DKM, the Irish partner of Euroconstruct

## Output per Capita

In value terms, construction output per capita was highest in Ireland at €8,557 per capita in 2007. The overall average for all 19 countries was over €3,300. However, this does not take account of differences in price level, which have a considerable effect particularly when comparing the situation in Ireland and other countries with Central and Eastern Europe. See *Figure 11.6*.



Source: DKM, the Irish partner of Euroconstruct