

Construction	Slovenian Economic Mirror	IMAD
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Selected construction indicators, real indices	Absolute data July 2003	July 2003/ July 2002	Q2 2003/ Q2 2002	2002/ 2001
Value of construction put in place ¹ SIT million	30,793	101.8	117.5	105.5
Building	14,374	93.5	102.3	97.5
Residential building	2,417	113.8	69.0	97.9
Non-residential building	11,957	90.3	110.9	97.4
Civil engineering	16,419	110.4	135.0	115.4
Hours worked (thousand hours) ¹	2,807	103.7	100.6	96.6
Value of contracts ¹ SIT million	27,532	52.2	69.0	113.4
Average number of construction workers	58,082	101.3	100.8	100.4
Average gross wage per construction worker ^{2, 3} , SIT	205,233	102.9	104.5	101.5

Sources of data: SORS, AP, CCIS, calculations by the IMAD. Notes: ¹applies to enterprises and organisations employing 10 or more workers, ²applies to enterprises and organisations employing three or more workers, ³deflated by the consumer price index.

Construction activity continued to strengthen in the second quarter of this year. After rising by 4.7% in the first quarter, **value added** increased by 8.8% in real terms in the second quarter compared to the same period last year. This growth was fuelled by intensive motorway construction activity.

The **value of construction put in place** by businesses employing 10 or more workers rose by 17.5% in real terms year on year in the second quarter. This strong growth was partly due to the low activity recorded a year ago; however, the seasonally adjusted figures also show that construction activity gained momentum, going up by 9.6% over the first quarter (also see graph).

As in 2002 and early 2003, **civil engineering** intensified in the second quarter, with the value of construction put in place surging by 35.0% in real terms year on year. According to the seasonally adjusted figures, civil engineering recorded growth for the seventh quarter in a row. Activity in **building construction** declined in the first quarter, but strengthened markedly in the second quarter as shown by the seasonally adjusted figures, and regained the levels seen in 2002. This strengthening was underpinned by non-residential building construction, while figures on residential building construction were poor (it should be noted, however, that enterprises employing 10 or more workers only construct about one-tenth of all dwellings in Slovenia).

Construction activity dropped in July over June, according to the seasonally adjusted figures; however, it still remained at a high level (see graph). Year-on-year growth also slowed down, as expected, because July's construction activity was at the highest level in 2002.

According to provisional **figures on building permits**, there were 1,508 permits issued to construct buildings in the **second quarter**, 6.3% more than in the same period last year, while the planned useful floor space was 20.6% larger. There were 515 building permits issued for **non-residential building construction**, with the planned useful floor space being 10.3% larger than the year before. The number of permits issued for the construction of **dwellings** totalled 1,723, 35.9% more than a year ago, while their useful floor space was 31.6% larger. The number of dwellings and their floor space were the biggest in the last four years. The number of dwellings planned to be constructed as single houses increased by 14.9% and their floor space by 22.5% from the same period last year, while the number and floor space of dwellings in two- or multi-dwelling houses rose by 91.7% and 81.2%, respectively.

Graph: **Seasonally-adjusted indices of the value of construction put in place, real terms**

