FIEC is the European Construction Industry Federation, representing via its 31 National Member Federations in 27 countries (24 EU & EFTA and Turkey) construction enterprises of all sizes, i.e. small and medium-sized enterprises as well as "global players", carrying out all forms of building and civil engineering activities.
FIEC is the confirmed Sectoral Social Partner of the construction industry, representing the employers' side

FIEC
EUROPEAN CONSTRUCTION INDUSTRY FEDERATION

FIEC Press Release 20-06-2018

Construction industry continues its expansion although after-effects of the crisis are not completely behind

FIEC reports a 3.5% growth in activity in the overall EU construction industry in 2017 and forecasts a 2.9% growth in 2018.

"After nearly a lost decade, activity is going better and better in the construction industry" declared FIEC President Kjetil Tonning, as he presented FIEC's annual statistics at a press conference on 20th June in Brussels. *"In 2017, an increase in activity was seen in all segments, even in civil engineering which is the most dependent on public investment."* added Tonning. *"And 2018 will also show an overall increase in activity, although a bit less strong."*

"Overall, EU total construction output amounted to €1,364 billion in 2017, which represents an increase of 3.5% compared to 2016", reported Tonning. *"This is positive, but we have not yet reached the pre-crisis levels, except in the housebuilding segment."*

According to FIEC's statistics, developments in the EU show the following results overall:

- Behind the overall figure for the EU as a whole, disparities between Member States remain sometimes significant. In general terms, North-Western European countries are still doing better than South-Eastern European countries. A positive sign, however, is that even those countries that were the hardest hit by the crisis are starting to see light at the end of the tunnel.
- The main driving forces in 2017 were clearly the new housebuilding segment (+8.6%) and the private non-residential segment (+2.8%), influenced by the overall economic recovery.
- Also, the very good news is that a recovery started in civil engineering activity (+2.8%), which depends most on public investment. Although this is certainly not the only driver, this is a sign that the investment policy launched under the Juncker Commission is starting to show effects.
- In contrast, the public non-residential segment's recovery remained timid (+0.4%). Indeed, despite the overall decline in general government deficit, several Member States are still having to cope with the necessary budgetary consolidation measures which have often led to significant cuts in public investment. This is still impacting the sector, in particular when it comes to building and maintaining public infrastructure.
- Renovation and maintenance activity maintained relatively stable development before and throughout the crisis, thus having an important cushioning effect for the entire construction sector. This trend is expected to slow down in the near future (+1.1% in 2017, +0.8% in 2018), as new construction is taking the lead again.
- The level of employment in the construction industry increased in 2017 (+2.1%), but it should not be forgotten that over the entire period 2008-2014, the sector lost more than 2 million jobs. Against this backdrop, in several countries, the shortage in skilled labour is already seen as an obstacle for the sector's future growth.
- Altogether, construction provides jobs for 14.5 million people, which represents 6.4% of Europe's total employment. This rises to 43.6 million jobs when the indirect employment generated in related sectors is included *("multiplier effect": 1 job in construction = 2 further jobs in other sectors, i.e. 3 in total*).
- All in all, the construction industry remains one of the major engines of Europe's growth. It represents 8.9% of EU GDP and involves 3.1 million enterprises – the vast majority of which are SMEs.

"We advocate that there cannot be growth without investment" recalled Tonning, *"We therefore welcome the positive outcomes of the Investment Plan for Europe in terms of boosting both public and private investment and we support very much the continuation of such investment policy during the next EU's financial programming period (2021-2027)!"*

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