



# Press release

Statistics Netherlands

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## Construction turnover up 5% in 1998

The construction industry saw a turnover increase of 5% in 1998. This increase was mainly due to the fact that more working days were available in the first quarter of 1998 than in 1997. The number of construction companies went up by 6% to a total of more than 73 thousand. Recent figures by Statistics Netherlands further show that the demand for new housing and other buildings was up 5% in 1998 on 1997, when measured in building costs.

### All construction sectors contributed to growth

Entrepreneurs in residential and non-residential construction saw a 5% growth rate in 1998. In earth moving and civil engineering turnover went up by 4%. Building installation companies grew much faster, namely by 8%. Other construction companies, including completion works, painters etc. had a 2% turnover increase.

### Turnover increase mainly in the first quarter

The turnover increase mainly came about in the first quarter, due to the relatively many workable days. The bad weather of the last quarter of 1998 slowed down growth. Growth in construction as a whole was 14% for the first quarter of 1998 on the first quarter of 1997, 4% on the second, 4% on the third and 2% on the fourth quarter.

### 107 billion guilders

Apart from the 5% growth rate in building activities, turnover also increased because of the influx of companies that were not yet registered as construction companies in 1997. Building installation saw most of this phenomenon.

The 1998 turnover figure for construction as a whole totalled 107 billion guilders, compared to 101 billion in 1997.

### More construction companies

The number of construction companies increased by 6% to more than 73 thousand in 1998. There was a 6% increase in small companies (with up to 10 employees) and a 5% increase for both medium sized (10 to 100 employees) and big companies (over 100 employees).

The increase in the number of big companies was mainly due to the expansion of medium-sized ones.

The increase in the number of small companies is mainly due to starters. In 1998 more than 7 500 entrepreneurs started a new company while almost 4 000, mainly small companies, went out of business.

### Growing demand

The demand for new housing and other buildings, expressed in building costs, was up by an average of 5% in 1998 on 1997. The increased demand is determined by a slightly growing demand for new dwellings and an ever increasing demand for new business premises, schools and government buildings. Usually demand precedes the actual construction by about 5 quarters.

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