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# 1999 excellent year for construction

1999 saw a 9% increase in turnover in the construction industry. According to the figures by Statistics Netherlands, this is the highest growth rate in the past decade. All sectors in construction contributed to the growth. The number of construction companies went up 7%. So 1999 was an excellent year for the construction industry.

The latest figures by Statistics Netherlands also show that architects received fewer new orders for building projects in the first nine months of 1999 than in the same period of 1998.

## Turnover 117 billion guilders

According to the first preliminary results, the construction companies had a total turnover in 1999 of 117 billion guilders. In 1998 this was 108 billion. Turnover went up by an average of 9%. Constructors in residential and non-residential building performed slightly below this average, with a growth rate of 8%. Positive exceptions were the civil engineering and building installation companies with a 10% turnover increase.

Turnover of the category other construction companies, including completion works and other specialist companies such as painters and plasterers increased by 9%.

The turnover growth came about mainly through companies that were active in construction both in 1998 and 1999.

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### Statistics Netherlands is a department of the Ministry of Economic Affairs

#### More construction companies

There was a substantial increase in the number of construction companies in 1999 (+7%). In 1999 more than 10 thousand entrepreneurs started a new company, while almost 5 thousand companies ceased to exist. The latter were mainly small companies. On balance this increased the number of construction companies

in 1999 by 5 thousand to a total of 78 thousand. The new companies produced a turnover in 1999 of 2.5 billion guilders in total. There was an increase in the number of small (+8%), medium-sized (+4%) and large companies (+6%).

#### Fewer new orders for architects

In the third quarter of 1999 there was a substantial drop in the number of new orders to design building projects in residential and non-residential buildings: 14% less than in the third quarter of 1998. Despite positive growth in the first six months of 1999, the total for the first three quarters of 1999 was lower than in the same period of 1998 (-2%).

#### Architects get record number of cancellations

The number of orders dropped substantially for residential construction and construction for business services. The slowdown in residential construction started in the second quarter of 1999, while the slowdown in construction for business services started in the third quarter of 1999. There are also many cancellations. There has not been a cancellation in three subsequent quarters for such amounts in twenty years. Because of this, the amount of work in progress fell for the first time in many years.

#### For further information please contact:

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Turnover of construction companies									
	1996	1997	1998	1999	1)				
	billion guilders								
Residential and non-residential building/ Burgerlijke en utiliteitsbouw	44,3	46,2	48,2		52				

Civil engineering/	16,7	17,4	18,3	20
Grond-, water- en wegenbouw				
Completion works/	21,6	22,4	25,2	28
Bouwinstallatie- bedrijven				
Other/	14,5	15,1	16,2	18
Overige bouwbedrijven				
Total/Totaal	97,1	101,1	107,8	117
bouwnijverheid				

NB. Due to rounding the figures may not add up

Source/Bron: Statistics Netherlands/CBS

<sup>1)</sup> Preliminary figures