

The Construction sector in the Basque Country grew by 1.9% in the first quarter of 2020

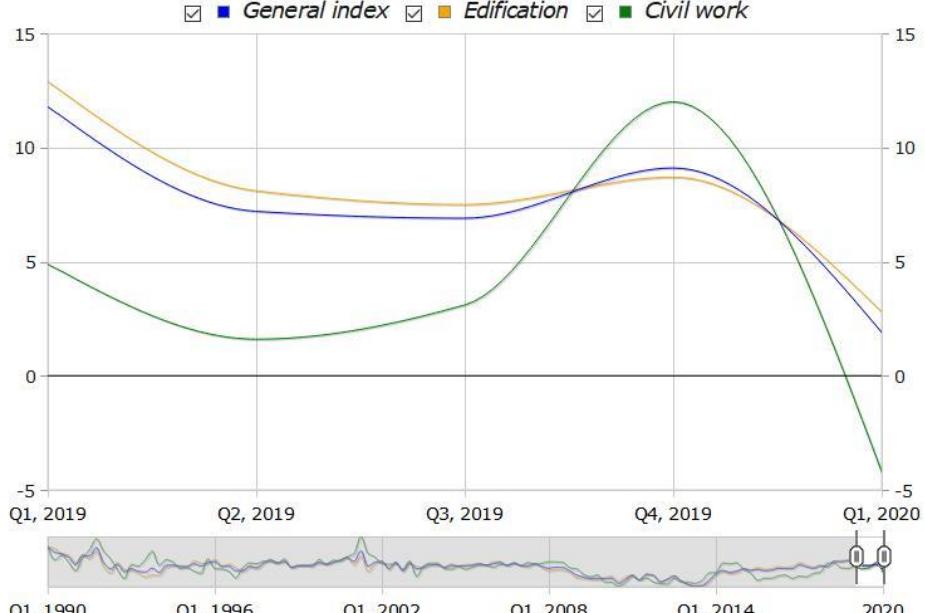
Compared to the fourth quarter of 2019, it shrank by 0.8%

Construction activity in the Basque Country registered a year-on-year nominal upturn of 1.9% in the first quarter of 2020, in homogeneous terms of the working calendar, according to EUSTAT data.

The rise in the Construction sector in this quarter was due to the positive performance of the Building subsector, which registered a year-on-year upturn of 2.8%, given that the Civil Works subsector contracted by 4.2%.

Year-on-year variation rate. Construction index in the Basque Country (%)

Corrected for calendar effects



Source: Eustat. Construction Index

If the activity of the sector in the first quarter of 2020 is compared to the previous quarter, once seasonal effects have been corrected, the Construction sector was down 0.8% on the fourth quarter of 2019. In quarter-on-quarter terms, both the Building and Civil Works subsectors posted a negative evolution, although to different degrees, given that the former decreased by 0.3% while the latter was down 4%.

Construction Index, Basque Country. Variation Rates (%). Provisional data. I/2020

	Corrected		Deseasonalised	
	I 20/I 19	At/At-1	I 20/IV 19	IV 19/III 19
Production IIIndex	1,9	1,9	-0,8	1,6
Building	2,8	2,8	-0,3	1,5
Public works	-4,2	-4,2	-4,0	1,9
Index of employed personnel	-	-	0,1	0,0

At/At-1 : Year on year variation rate of the accumulated period from the first quarter to the last quarter of year t compared to the same period of the year t-1

Source: Eustat. Construction Index

The number of people employed in the Construction sector saw a slight increase of 0.1% in the first quarter of 2020 compared to the fourth quarter of 2019.

Included as persons employed considered in this and other short-term indices, are those covered by an ERTE (Temporary Labour Force Adjustment Plan), following the definition of persons employed indicated by the Statistical Office of the European Union (Eurostat) in its manual [Methodology of Short Term Business Statistics](#).

Methodological note:

The base year used to reference the Construction Index has been changed. The new ICC base year of reference is 2015. This base change has signified the updating of the representative panel of participant companies of the Construction sector in the Basque Country as well as the weighting structure for the various levels of disaggregation. In turn, the series corrected for calendar effects and the series adjusted for seasonal effects are obtained using the software JDemetra+ 2.2.1, following the Eurostat recommendations for carrying out seasonal and calendar adjustments in the official statistics of the European Union.

NOTE ON THE EFFECT OF THE COVID-19 CRISIS ON THE CONSTRUCTION INDEX I/2020

Royal Decree 463/2020 of 14 March, declared a state of alarm in order to manage the health crisis caused by **COVID-19**.

The exceptional measures adopted brought some of the companies in the construction sector to a partial or total standstill during the last two weeks of March. Therefore, the Construction Index for this first quarter was affected by this exceptional situation in a sixth of the period to which it refers.

Due to this situation, obtaining the necessary information for compiling the Construction Index required a greater degree of effort, by both the companies surveyed and the personnel dedicated to collecting and processing the information.

Eustat would like to thank all the companies that have collaborated in making this effort despite the extraordinary circumstances. As a result, the index for the first quarter of 2020 was calculated with **89.0% coverage** of the sample - whose information was collected during April and May.

For further information:

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