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## FIEC Press Release

08-06-2015

# Construction industry: first signs of hope after hitting rock bottom

**FIEC reports a small growth of 0.7% in the overall EU construction industry in 2014 and forecasts a continuation of this positive trend in 2015 (+0.8%).**

*"It looks like the construction industry hit rock bottom in 2013!"* declared FIEC Vice-President Jean-Louis Marchand, responsible for economic issues, as he presented FIEC's annual statistics at the FIEC Congress 2015. *"Finally, 2014 was a turning point, but the return to growth remains very fragile and it started from a very low level"*, warns Marchand.

*"More than ever, FIEC calls on European and national decision makers to replace blind austerity with smart austerity. This is what FIEC has kept asking for over the past few years: there can be no growth without investment!"* stresses Marchand, *"and the Juncker Investment Plan confirms that!"*

*"All in all, EU total construction output amounted to €1,211 billion in 2014, which represents a small increase of 0.7% compared to 2013"*, reports Marchand. *"We will need time to catch up with the pre-crisis levels, but at least, this positive trend seems to be continuing in 2015 as well (+0.8%)."*

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

- Behind the small growth for the EU as a whole, disparities remain huge between North-Western countries on one side and South-Eastern countries on the other side.
- In particular, the housebuilding segment regained significant momentum in 2014 (+2.3%) and is now leading the recovery. This trend is expected to continue at a similar pace in 2015 (+1.6%).
- Also, the non-residential segment finally stabilised (-0.1% in 2014 and 0.0% in 2015).
- Against this backdrop, the civil engineering segment is still struggling for recovery (-2.1%), most Member States are not investing in public infrastructure, despite the increasing need.
- At the same time, following 6 years of consecutive significant drops in the EU, the number of people employed in the sector finally stabilised (+0.2%). Over the period 2008-2014, the sector lost more than 2 million jobs.
- Altogether, construction provides jobs for 14.1 million people, which represents 6.5% of Europe's total employment. This rises to 42.3 million jobs when including the indirect employment generated in related sectors (*"multiplier effect": 1 job in construction = 2 further jobs in other sectors, i.e. 3 in total*).
- In spite of the troubled period, the construction industry remains one of the major engines of Europe's growth. It represents 8.8% of EU GDP and 3 million enterprises – the vast majority of which are SMEs.