ARCHITECTS' COUNCIL OF EUROPE

THE ARCHITECTURAL PROFESSION IN EUROPE 2016

A SECTOR STUDY

ARCHITECTS' COUNCIL OF EUROPE
CONSEIL DES ARCHITECTES D'EUROPE

MIRZA & NACEY RESEARCH

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Research undertaken by:
Mirza & Nacey Research Ltd
Southdown House
Ford, Arundel
West Sussex
BN18 0DE
United Kingdom

Tel: +44 1243 555302
www.mirza-nacey.com

Research commissioned by:
The Architects' Council of Europe
29 Rue Paul Emile Janson
B-1050 Brussels
www. ace-cae.eu

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FOREWORD

This fifth edition of the ACE Sector Study builds on data collected since the first edition of the Study in 2008 and is enriched with new data on Architectural Design Competitions. It is without doubt **the most comprehensive and significant report on the state of the architectural profession in Europe**. This latest version has seen an even greater participation than the previous editions – more than 27.000 respondents in 27 European countries, covering 94% of the profession – and the number of readers of the previous editions attest to the genuine interest of a broad audience in such a study.

Since its first edition, the ACE Sector Study has proved its worth and usefulness. By supporting and effectively guiding our policy positions with statistical evidence, it contributes to enhancing the credibility of ACE in its dealings with policy-makers at EU and national levels. Throughout the legislative process for modernising the Public Procurement and Professional Qualifications Directives, and more recently during the mutual evaluation of regulated professions and in the run-up to the publication of the Services Legislative Package, the Sector Study provided us and the EU institutions with precious data. Moreover, this publication allows ACE Member Organisations, researchers and media to draw insightful comparisons between the European countries and thus enables organisations to put national situations into a wider context. Its information is of vital relevance to professionals seeking to work outside their borders and whenever it is presented, this data draws much interest from the public. The study progressively allows us to track long-term trends and to better understand how the profession has been evolving since the economic crisis. The ACE Sector Study has therefore become **an essential reference tool** for all those interested in better understanding the architectural profession and market.

The 2016 Study reveals **numerous signs of recovery of the architectural market and positive perspectives for the Profession**: the value of the architectural market has increased, the average revenue is higher for most sizes of practices, the number of independent architects has fallen, workloads for the next year are expected to increase. The positive average trends at European level must however not hide the fact that the situation is not the same throughout Europe. Growth is weaker in the south and not surprisingly, the predictions there are more pessimistic. One particular hiccup born out of political events is the concern that was manifested in the UK, so shortly after the Brexit vote.

These results emphasise the **need to take strong and targeted actions at all governance levels** in order to accelerate and consolidate the recovery of the sector, while ensuring safety and quality in the built environment. ACE contributes to raise policy-makers awareness at EU level about the challenges that the profession faces. In 2016, it released a suite of 8 policy statements that clearly set out the European architects' position on a number of key issues affecting our profession. It underlines notably the importance of investing in education to deliver high quality graduates, of facilitating the provision of architectural services across Europe; of implementing public procurement rules based on quality selection criteria and of supporting the regeneration of our cities. Low energy design is still very low on the radar of most practices, as the majority of clients do not deem it important and this is an issue that ACE is very much aware of, active as it is in Global Alliance and movements that are working to mitigate climate change.

I would like to thank all ACE Member Organisations sincerely for their support, as well as all Architects who have responded to our survey and made this new edition of the Sector Study possible.

Luciano Lazzari
ACE President

INTRODUCTION AND SUMMARY

More than 27 000 architects, from 27 different countries, participated in the 2016 ACE Sector Study. The number of countries participating is the highest ever, and the number of individual participants is only just short of the highest ever. Such a high participation level reflects massive interest in this survey and its findings. We are extremely grateful to the 27 000 individual architects who took the time to complete the survey questionnaire and provide the raw data upon which this report is based.

This year's survey shows that architecture in Europe is a growing profession: an increasing number of people are becoming architects. The 2016 estimate is that there are 600 000 architects in Europe. This is 4 per cent higher than in 2014, and the number has been rising in every survey. Large numbers of young people are joining the profession in some Mediterranean countries, while growth this year has been particularly strong on the eastern and western edges of Europe - Turkey and the United Kingdom.

After the economic crisis which began in 2008, we can see an improving picture. Construction output is starting to edge up across Europe, the total value of the architectural market has increased, and architects' performance measures show some growth since 2012. There is clearly some way to go until the profession's health returns to its pre 2008 levels, and in several countries earnings and revenues remain subdued. But for Europe's architects as a whole, the various indicators are moving in a positive direction.

There are signs that the profession may be returning to something nearer normality, after the economic crisis. Average practice revenue is higher for most sizes, indeed for practices with between 2 and 30 staff, average revenue is the highest recorded in any of the ACE sector study surveys. Total revenue of the profession across Europe is estimated to be 12 per cent higher than in 2014. Standing now at 17 billion, this is the highest value since 2008.

There has been a big fall in the number of Independent Architects, in favour of partnerships and limited companies. The number of Independent Architects has fallen from 65 per cent in the 2012 and 2014 surveys to nearer 50 per cent - as in 2008 and 2010. Similarly, the number of Sole Principals is the lowest since 2010. These trends suggest architects are returning to more formal employment within practices, rather than practising alone.

This is confirmed in total practice numbers, which are down - more architects now work in larger practices, and fewer on their own or with one other. This is another sign of recovery from the recession. The reduction in the number of Sole Principals has lifted their average earnings; Sole Principals' earnings are now 23 per cent higher. Average earnings overall are 10 per cent higher; the first time average earnings have increased since the survey began in 2008.

There is evidence that architects are returning to their core service, building design, which now accounts for its highest share of revenue since 2010. Average hourly rates this year are the highest recorded in any of the years this survey has been running. Average rates for Principals are higher by 9 per cent, while for Architects average rates are up by 8 per cent.

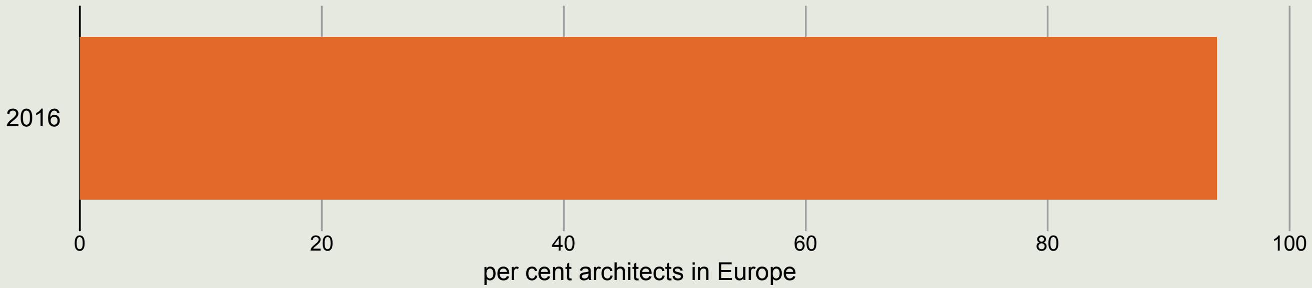
Crucially, architects themselves see a positive future. While some of the financial indicators may have a little way to travel until they match pre 2008 levels, architects feel confident about their immediate future prospects.

For the first time since this survey began in 2008, architects in a majority of countries say they expect more work, on balance, in the coming year. Only two countries record negative 'balance' figures this year; Italy and the UK. There is also evidence that architects are investing in their own future; spending on CPD is substantially higher than in 2014, as is the number of hours spent undertaking CPD.

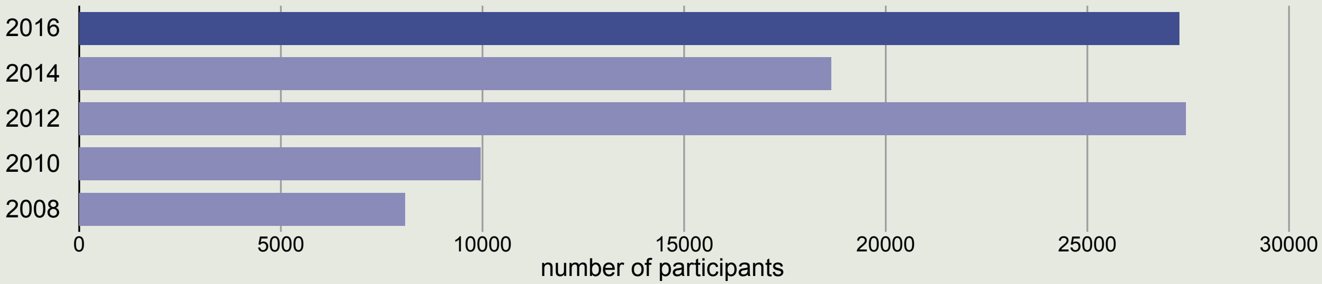
SURVEY PARTICIPATION - 2016

27
member organisations

survey covers
94% of profession

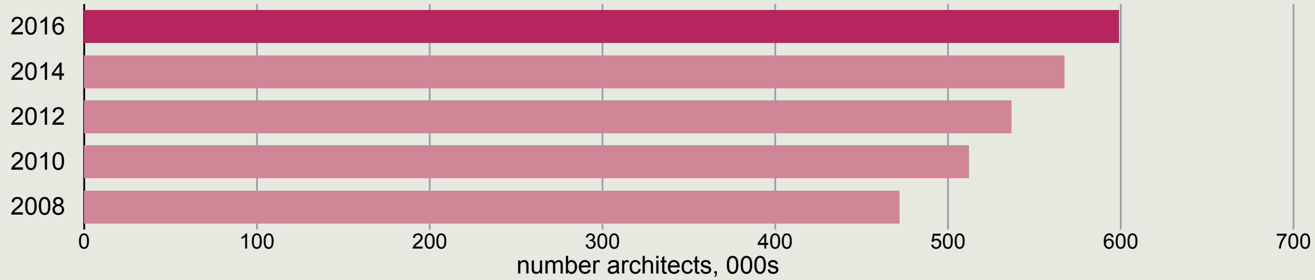


27000
participants

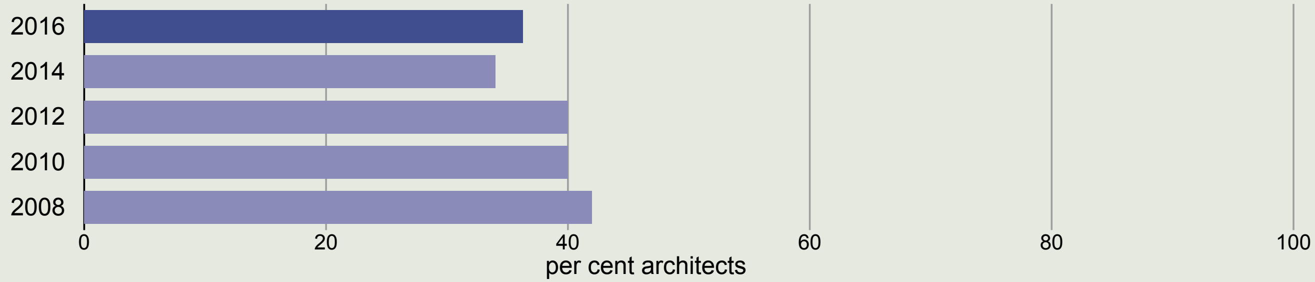


DEMOGRAPHY OF THE PROFESSION

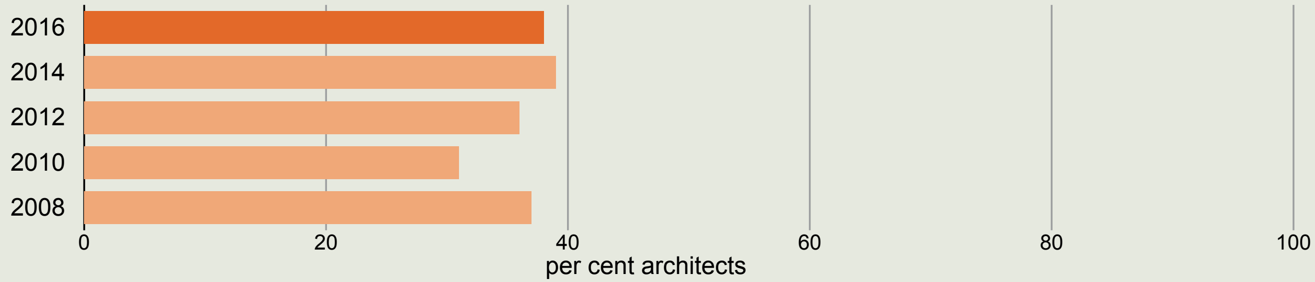
600000
architects in Europe



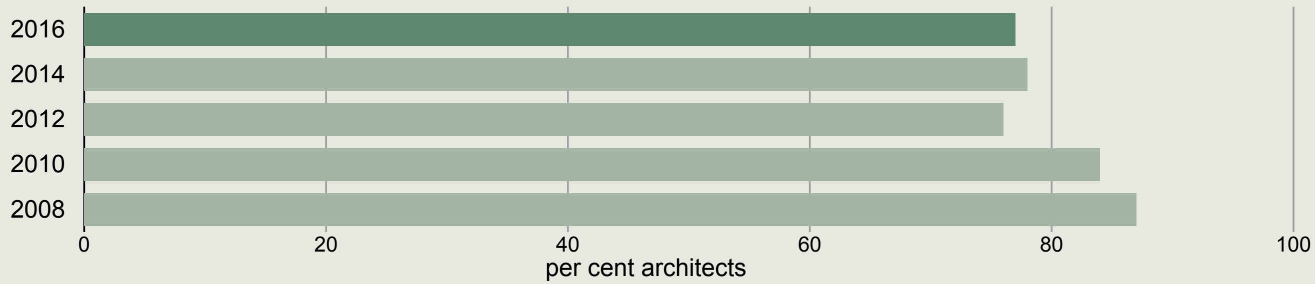
36%
aged under 40



38%
women

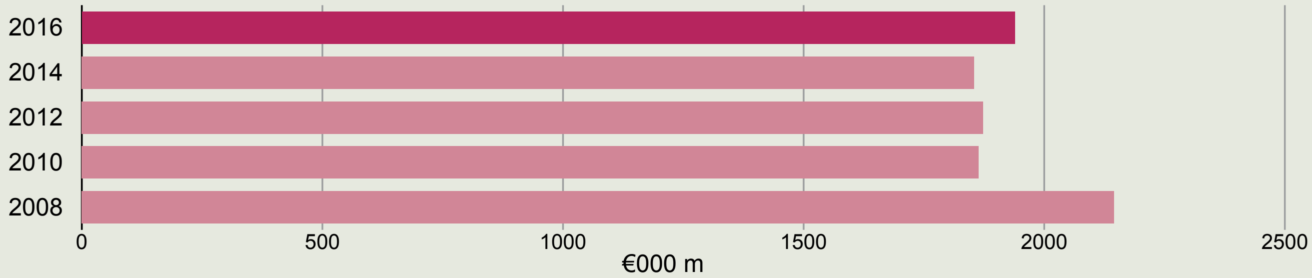


77%
working full-time

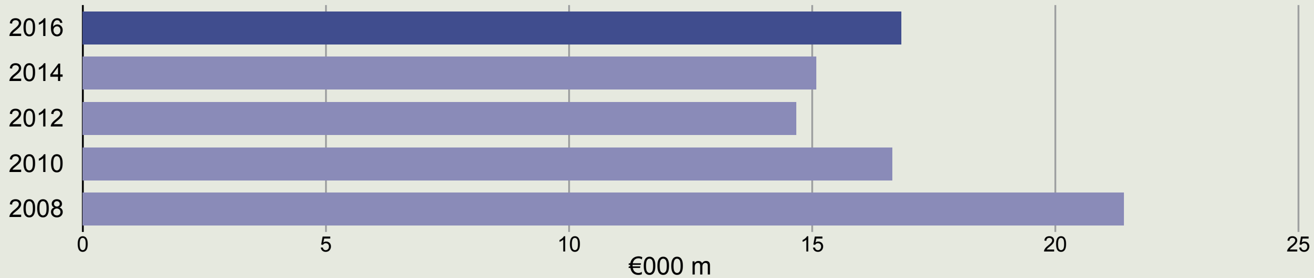


THE MARKET

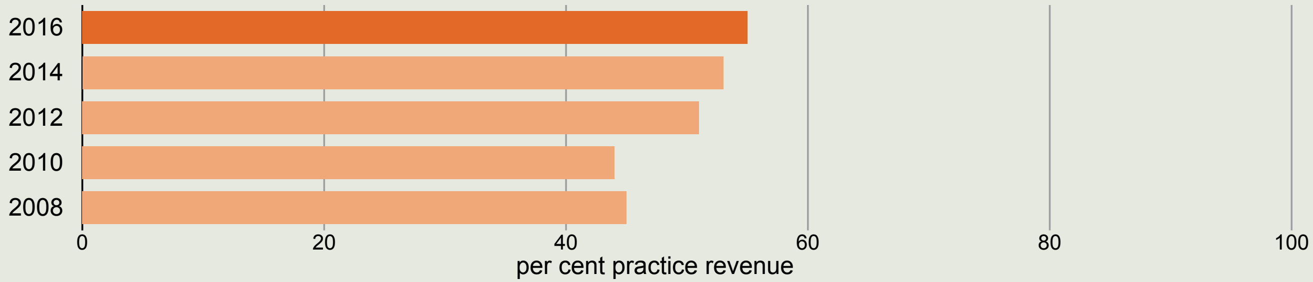
□1939bn
construction output



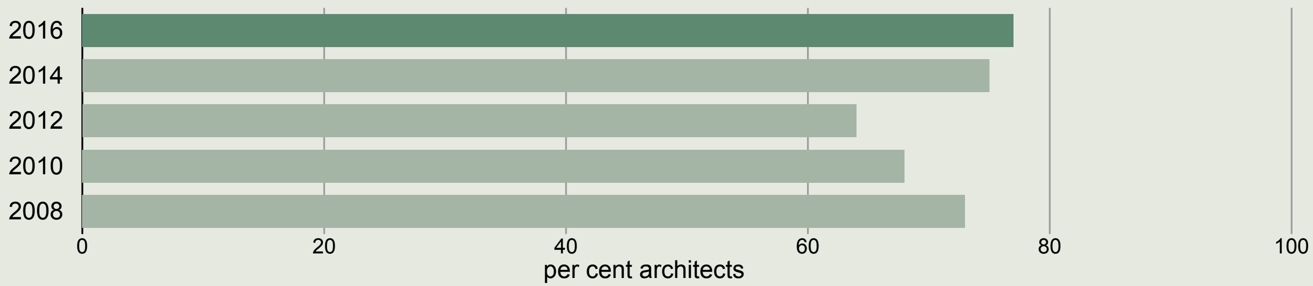
□17 bn
architectural market



55%
architects' work is private housing

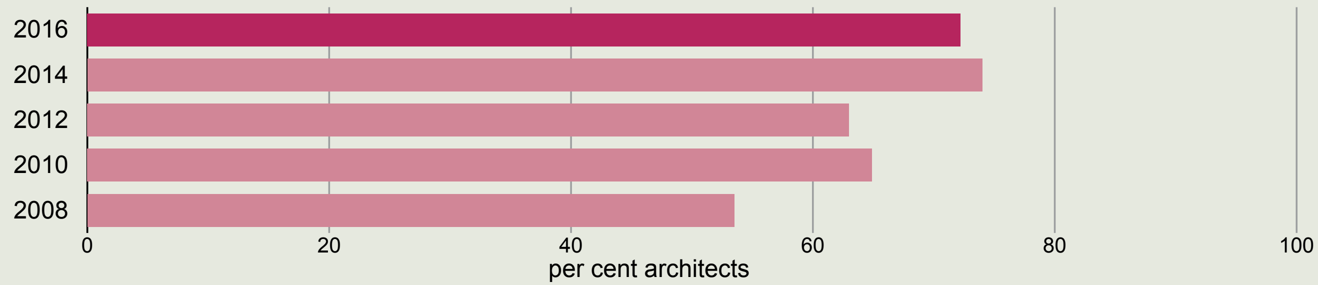


77%
expect rise or no change in workloads next year

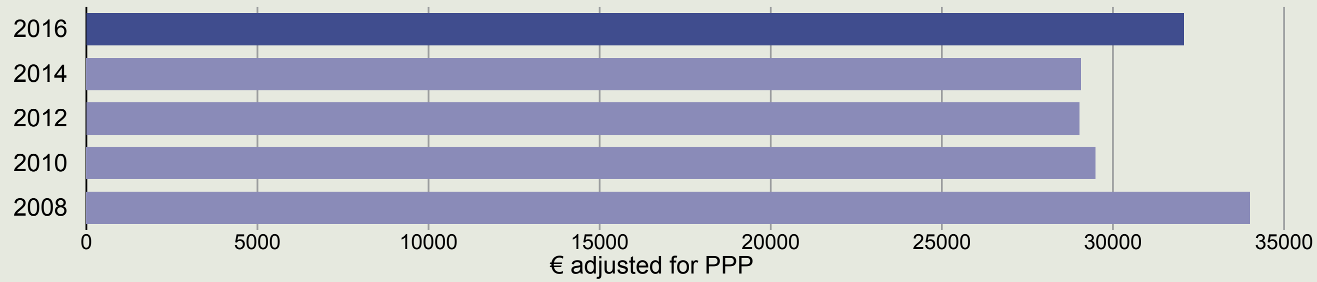


PRACTICE, INCOME, WORK

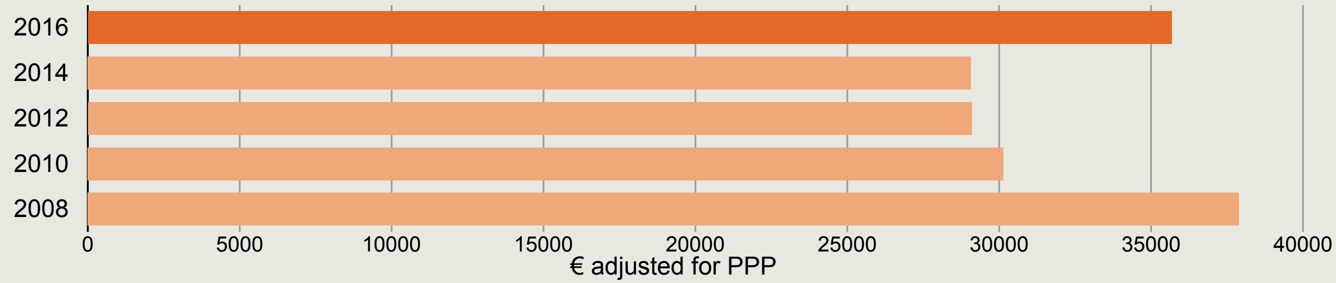
72%
of practices are one person practices



□32068
average earnings (PPP)



□35679
average earnings (PPP) - Sole Principals



73%
will work as an architect until retired