

# TWINNING CONTRACT

## Support to the State and Entity Statistical Institutions, phase V

Bosnia-Herzegovina

### Construction Cost Index

Activity 1.3.4, 21.-25. of January 2013

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## Agenda/outline

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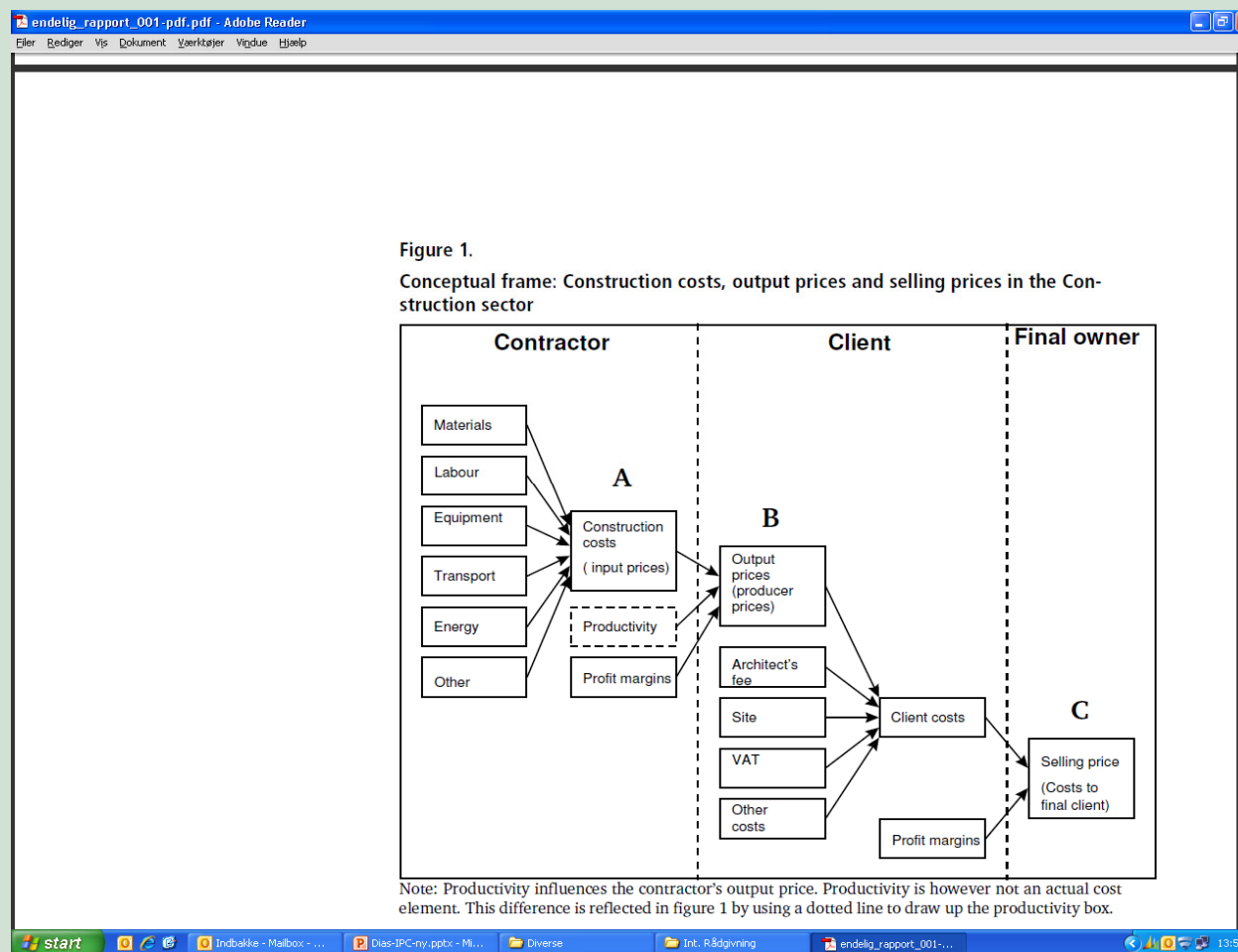
1. Introduction
2. EU-demands
3. Danish experience regarding CoCI
4. Reflections conc. Output price index

## Demands: Constructions cost 1

Scope:

- Input price index (**Output price index**)
- Total, NACE F (Small countries/1%)
- Only mandatory for new residential buildings, excl. residencies for communities

# Demands: Constructions cost 1a



## Demands: Constructions cost 2

Form:

- Index (rec.: annual update of weights?)
- Unadjusted and seasonnally adjusted

Referenceperiod:

- Quarter

## Demands: Constructions cost 3

Deadlines for data transmission:

- 3 month after the end of the reference period (**minus: 15 days more**)

First reference period:

- 1Q2000

## **Demands: Constructions cost 4**

### Output Price Index:

- Eurostat and some MS wish a output price index
- The client's cost, minus profit, etc.
- In 2006/07: Member States carried out an analyse of the possibilities
- Today, some of the MS are producing an output price index (diff. methods!)
- Status ? Not decided

## CoCI in Denmark 1

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- Input price index, unadjusted → OK !
- Only for dwellings (more wide use /subindex) → Scope: not complet
- Quarterly → OK
- Deadline for transmission → about 9 weeks after the reference quarter
- First reference period → 4Q1986



## CoCI in Denmark 2

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### Sources:

1. 8 specific houses (3 detached houses, 1 terraced house, 1 two-family house and 3 flats)
2. Price index for domestic supply (materials and equipment)
3. Index of average earnings in the private sector (labour cost)

# CoCI in Denmark 3

STATISTICS DENMARK

StatBank Denmark Prices and consumption

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BYG4: Construction cost index for residential buildings (1 quarter 2003=100) by main index, sub index and kind  
Unit: Index

Select Advanced selection Information

**MAIN INDEX (3)**  
More options...  
Construction Cost Index for residential buildings  
Construction Cost index for one-family houses  
Construction Cost Index for multi-family houses

**SUB INDEX (15)**  
More options...  
Construction Cost Index, total  
Earth and concrete work  
Concrete slab work  
Bricklaying  
Carpentry  
Joinery  
Painting  
Heating and sanitary engineering  
Electrical work  
Subgrade  
Raw buildings  
Completion of buildings  
Heating and sanitary installations  
Electrical and mechanical installations  
Fixtures

**KIND (3)**  
More options...  
Total  
Cost of materials  
Total labour costs

**QUARTER**  
More options...  
2012Q3  
2012Q2  
2012Q1  
2011Q4  
2011Q3  
2011Q2  
2011Q1  
2010Q4  
2010Q3  
2010Q2  
2010Q1  
2009Q4  
2009Q3  
2009Q2  
2009Q1  
2008Q4  
2008Q3  
2008Q2  
2008Q1  
2007Q4  
2007Q3  
2007Q2

Number of selected data cells for the table: 1 (select max. 10000)

Cancel Show table

15-1-2013 Statistics Denmark , [www.statistikbanken.dk/BYG4](http://www.statistikbanken.dk/BYG4)

Lokalt intranet 100%

## CoCI in Denmark 4

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### Method:

- The specific houses = typical for the current construction of dwellings (updating!!!)
- The construction process is split up in detailed parts (material, equipment, work-function) with a price (done by experts)

## CoCI in Denmark 5

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- All parts are collected in different main processes (= weights)
- In every main process there are found one or more representative "elements" (about 20 work functions, 170 types of materials and 15 types of equipments)

## CoCI in Denmark 6

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*This is a very expensive projekt =>  
this source is not updated so often!*

Publication:

- The "original" prices (= representative "elements") are quarterly adjusted by the price- and labour cost index

## CoCI in Denmark 7

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### Output price index

Focus on the following methods:

1. The matched model method
2. The component cost method
3. The hedonic method