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QUALITY REPORT 2016

Construction activity

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1. Introduction – Basic information about the survey

1.1 Purpose, goal and subject of the survey

The aim of the survey of construction activity is to provide results of construction activities by type of construction. For this purpose, there are collected the data of turnover, the value of construction works, the value of new contract (order), number of employees on the construction site and effective working hours, the data of spent building material and fuel and the data of dwellings. The collected data represent the results of work by construction company in Montenegro. They provided a monitoring of construction production, overview of the size, and structure of the investments in the buildings, and engaged the labor force in the construction sector.

1.2 Legal basis

The Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No 18/12) defines provisions for collection, processing, and dissemination of data. The Law provides to the Statistical Office clear and wide legal powers to collect and access the data necessary for the implementation of Programme and Annual Plan. The Law gives a priority to the use of administrative data and right of access to individual data that are a result of survey of other official statistical producers. As an annex to legal provisions, Statistical Office has signed several memoranda on cooperation with administrative data providers.

1.3 Statistical units

Reporting units are all enterprises (companies) whose main activity is construction and who are in the Statistical Business Register registered in sector F of NACE Rev.2 Classification and enterprises (KAU) which are not registered in sector F, but whose local units perform the construction works.

1.4 Coverage and scope of survey

1.4.1 Sectors

The survey included all reporting units with 5 and more employees who are involved in construction, regardless of ownership, association form and of the origin of capital as well as reporting units (KAU) whose business units engaged in construction works.

1.4.2 Statistical population

The 2016 sample comprised 100 enterprises with primary and secondary activity in the construction.

1.5 Referent geographical area

Montenegro

1.6 Concepts and definitions

Turnover - income from sale of goods and services decreased in discounts and restitution and subventions, without VAT.

Value of construction works - the value of construction works on buildings and civil engineering's which is reporting units performed during the reference period with workers who are directly engaged for execution of work. The VAT is excluded as well as the cost for purchase of land, design and supervision.

New contract (orders) - total value of the contracted works in reference period which connected contractors and third party on conducting the construction work, including sub-contractors.

Number of employees - total number of employees which are works in reporting unit (including the owner work, regular partners in the unit and unpaid family workers), as well as the employees that are work outside of their unit and who are paid by reporting units. Shall include employees who are absent for a short period (sick leave, paid leave or special leave), as well as employees in the strike and who are absent for an indefinite period. It is also includes the employees with part-time work, seasonal workers, trainees and family workers who are on the payroll.

Effective working hours - total number of hours worked in the production of reporting units during the reference period.

Value of spent building materials - value of used building material, final products, parts for installation, used spare parts and other products which were completely spent for conducting the works.

Value of spent fuel and electric energy - Value of used fuel and electricity which were completely spent for conducting the works.

1.7 Classifications

NACE Rev. 2

1.8 Frequency of data collection

Quarterly.

1.9 Frequency of data dissemination

This survey is quarterly disseminated.

1.10 Methodology

A statement of methodology is available on website:

http://monstat.org/userfiles/file/gradjevinarstvo/gradjevinska%20aktivnost/Construction%20activities_Methodology.pdf

1.11 Base period

The base year is 2010.

1.12 Unit of measure

Thousand Euro

1.13 Source of data

The data are collected on the sample of reporting units including Statistical Business Register (SBR) in MONSTAT which are registered according to sector F by NACE Rev. 2 classification. The list of companies is taken from the Business Register.

2. Relevance – Data users

2.1 User needs

International users:

- Eurostat,
- World Bank,
- UN organizations,
- International Monetary Fund

National users:

- Ministries and other public administration bodies,
- Local government, and other local government bodies.
- Non-governmental organizations,
- Students,
- Researchers,
- Media.

2.2 User satisfaction

With purpose of determining user satisfaction with quality data and defining their needs, Statistical Office for the first time carried out the User Satisfaction Survey in 2017. The survey was done from 1 September to 20 October. The survey link was sent to users that sent request to the official email address in period 2013-2017. Additionally, the questionnaire is put on the website of Statistical Office.

3. Accuracy and reliability

3.1 Accuracy – Overall remark

The results of quarterly survey of construction activity are based on a sample of reporting units and are subject to the usual types of errors associated with sampling techniques, as well as non-sampling errors, measurement errors, processing errors and non-response.

3.2 Sampling error

Quarterly survey of construction activity is done on a sample basis. Included are all enterprises and KAU with 5 and more employees who are registered in sector F according to the classification NACE Rev.2. The reporting units from class 1 are selected through random sampling method so it is logical that there is an error during the random sampling. Reporting units from the class 2 and 3 (more than 50 employees) is full coverage.

Indicators of sampling error

Sampling error is regularly calculated and on average it was 0,001% in 2016. Coefficient of variance is 0.01.

3.3 Non-sampling error

Non-sampling errors are tied to other errors that are not related to the sample. Non-sampling errors include: coverage errors, measurement errors, processing errors, and non-response errors.

3.3.1 Coverage error

Coverage error is the divergence between the frame population and the target population. The coverage errors include: over – coverage and under – coverage.

Indicators of coverage error

Over - coverage is appearing when a company which is registered in sector F deliver information to deal with the some other activity (not construction), and in case when the company is closed. Under - coverage can cause an underestimation, because those units that have remained outside the frame can affect the final result. For this reason, the real impact assessment units which are not included in the coverage. The under - coverage includes units engaged in construction, and are registered in other activities, as well as those companies which are registered in the course of the observed year, and beyond the frame for the choosing of the sample.

3.3.2 Error of measurement

Measurement errors are errors that occur during data collection and cause recorded values of variables to be different from the true ones. Indirect analysis based on the results on editing phase is implemented for correction.

3.3.3 Nonresponse error

Non-response errors occur when the survey fails to get response to one, or possibly to all questions of the survey. Non - response errors include:unit non response and item non response.

Nonresponse rate

The unit non response rate is calculated as the ratio of the number of units which did not responded to the total number of eligible units.

3.4 Seasonal adjustment

The data which are transmitted to Eurostat are calendar and seasonal adjusted using JDemetra+ software.

3.5 Data revision

3.5.1 Data revision policy

Statistical Office has adopted the revision policy and it is available on the website <http://www.monstat.org/eng/page.php?id=1411&pageid=1411>

3.5.2 Data revision practice

Significant revisions have only been made to reflect changes in methodology.

3.5.3 Data revision - average size

Not relevant.

4. Timeliness and punctuality

4.1 Timeliness

The data are published 45 days after the end of the reference period.

Time lag of the first results

The number of days (or weeks or months) from the last day of the reference period to the day of publication of first results: $T1 = d_{\text{first}} - d_{\text{ref}}$, $T1 = 35$ days, d_{first} - release date of first results; d_{ref} - last day (date) of the reference period of the statistics. Deadlines for balance of coal data during 2016 are published according to the Statistical Release Calendar.

Time lag of the final results

The number of days (or weeks or months) from the last day of the reference period to the day of publication of complete and final results. Data for balance of electricity are published 45 days after the end of the reference period in accordance with release calendar.

4.2 Punctuality

Deadlines for publishing have been complied in accordance with the Statistical Release Calendar.

5. Availability and clarity

5.1 Release

The data are available on the website, press release, and in the annual publication:

<http://monstat.org/eng/page.php?id=319&pageid=319>

5.2 Publication

Statistical Office publishes the following regular publications:

1. Monthly Statistical Review,
2. Statistical Yearbook,
3. Montenegro in Numbers,
4. Annual Statistics of Transport, Storage and Connections,
5. Number and Structure of Business Entities.

In addition to the above regular ones, Statistical Office publishes also additionally publications. Some of the most important additional publications are as it follows:

1. Women and Men in Montenegro,
2. Children in Montenegro,
3. The most often used statistical data.

All publication published by Statistical Office are available at the following link: <http://monstat.org/eng/publikacije.php>

5.3 Availability of microdata

The Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No 18/12) regulates rules under which external users can obtain an access to individual data for needs of research. Article 58 defines types of scientific and research organizations that can obtain such data. Providing individual data without identifier is possible only upon a written request of scientific and research institutions, with purpose of performing scientific and research activities as well as international statistical organizations and statistical producers from other countries. Research entity signs the agreement with Statistical Office, and it signs the statement on respecting the confidentiality principle. Official statistical producers keeps a separate records on users and purpose of using the statistical data given to these users

6. Comparability

6.1 Comparability - geographical

Not relevant

6.2 Comparability - over time

Not relevant