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**QUALITY REPORT 2016**

**Construction work**

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## **1. Introduction – Basic information about the survey**

### **1.1 Purpose, goal and subject of the survey**

The data collected in this survey are the result of the work of construction enterprises and natural persons in the territory of Montenegro. They allow monitoring of construction production, reviewing the size and structure of the investments in buildings and engaged workforce. The aim of the research on the construction work is to provide the results of construction activities by type of building. Under the buildings built by individual owners include the buildings that were built by the owners of their own labor, with the help of hired labor, or engaging in independent private contractors and craftsmen.

### **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**

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. The survey on buildings built by individual owners include all new buildings and extensions buildings, garages and dwellings that were built with the adaptation on non-residential space.

### **1.4 Coverage and scope of survey**

#### ***1.4.1 Sectors***

Reporting units of survey on construction activities are: - enterprises with 5 and more employees which are registered in sector F – construction (area 41, 42, 43) according to the classification NACE Rev.2 and - enterprises (KAU) which are not registered in sector F, but whose local units perform the construction works. Reporting units in the buildings constructed by individual owners are: buildings that were built by the owners of their own labor, with the help of labor from outside, or engaging in independent private contractors and craftsmen.

#### ***1.4.2 Statistical population***

The sample frame was formed on the basis of the data from Statistical Business Register, which includes all active business entities from the area of construction as well as KAU with secondary activity in construction sector. The sample includes all reporting units from the class 2 and 3, while reporting units from class 1 is selected by random sample. The survey on buildings built by individual owners include all buildings, new buildings and extensions, regardless of whether the competent authority has issued a permit for construction, namely: buildings with apartments (exclusively residential, predominantly residential and nonresidential predominantly) and buildings without dwellings, but they are built to perform activities of catering, trade, crafts and agriculture. Apart from these, including the garage and if they are built as separate structures, as well as a weekend home. This report shall include the flats that were built by adapting non-residential space.

### **1.5 Referent geographical area**

The total territory of Montenegro.

## 1.6 Concepts and definitions

The variables of this survey are: data on construction works, type of works on the building, value of completed construction works during the year, value of all works on the completed building from beginning to end of construction, building data, gross area and gross volume of the building, number and area of completed and unfinished apartments. The value of construction works is displayed at current prices and includes all built-in construction materials and consumed work regardless of whether the work and material were paid or not. Data on the value of performed works refer to works carried out in the reporting year on completed and unfinished buildings. A dwelling is considered as any building-related unit intended for housing consisting of one or more rooms with appropriate auxiliary rooms. The area of the apartment (m<sup>2</sup>) is the useful floor area of the apartment measured within the walls of the apartment.

## 1.7 Classifications

NACE Rev. 2

## 1.8 Frequency of data collection

Annually

## 1.9 Frequency of data dissemination

Annually according to the Statistical Release Calendar

## 1.10 Methodology

A statement of methodology is available on website:

[http://monstat.org/userfiles/file/gradjevinarstvo/medodologije/Construction%20works\\_Methodology.pdf](http://monstat.org/userfiles/file/gradjevinarstvo/medodologije/Construction%20works_Methodology.pdf)

## 1.11 Base period

Reference year

## 1.12 Unit of measure

Thousand Eur

## 1.13 Source of data

The source of the data for this survey is a questionnaire and reporting units are enterprises, ie performers of works that are direct signatories of the contract with the investor. Research on buildings built under the direction of individual owners includes all buildings of new construction and upgrading, regardless of whether the competent authority has issued a building permit.

## 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. The processing of data obtained by the mentioned survey is ongoing, while final result are ready until the end of year, both for total users satisfaction, and by domains.

## **3. Accuracy and reliability**

### **3.1 Accuracy – Overall remark**

The results of survey of construction work 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**

Survey of construction work 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**

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.

### *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**

Not relevant

## **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 6 months 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,  $d_{\text{first}}$  - release date of first results;  $d_{\text{ref}}$  - 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 6 month 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**

Data are available on the website and in a press release and in annual publication: <http://monstat.org/eng/page.php?id=505&pageid=35>

## 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