### CONSTRUCTION PRICE INDEX

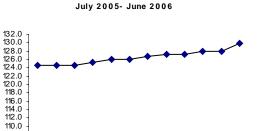
( Input Cost Index for the construction of a single storey house )  $2^{nd}$  Quarter 2006

#### 1. Introduction

This issue of the Economic and Social Indicators presents the monthly Construction Price Index (residential) for the second quarter of 2006 with fourth quarter 2001 as base period. Figures showing the evolution of the index during the past twelve months are also included. The methodology used for compiling the index is given in Annex. Figures have been rounded to one or two decimal places although they have been calculated to many decimal places.

## 2. Changes in the Construction Price Index.

Construction Price Index.-

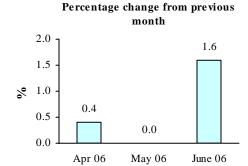


Jul Aug Sept Oct Nov Dec Jan Feb Mar Apr May Jun

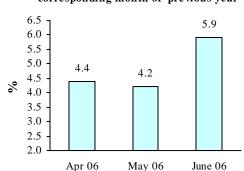
The Construction Price Index, which stood at 127.3 at the end of March 2006, increased to 127.9 in April, a level which was maintained in May. It then increased to 129.9 in June (Table 1.1).

The 0.4% increase in April was mainly due to higher prices of sand, aggregate and block.

The 1.6% increase in June was mostly due to increases in the prices of metal openings, electrical installation and timber (joinery).



Compared to the corresponding months of the previous year, the index shows increases of 4.4% for April, 4.2% for May and 5.9% for June (Table 1.3).



Percentage change from corresponding month of previous year

### 3. Changes by Input Categories

Changes by input categories are shown in Tables 1.1 to 1.5.

During the second quarter of 2006, no change was registered in the sub-indices for "Labour" and "Transport" categories.

The "Materials" sub-index increased by 0.7% from 139.1 in March to 140.1 in April. This was mainly due to higher prices of sand (2.3%), aggregate (3.8%) and block (3.8%). No change was registered for the month of May.

The sub-index increased by 2.5% in June to 143.6, mostly explained by higher prices of electric wires (41-56%), metal openings (20-34%) and meranti planks (4-8%).

The "Hire of Plant" sub-index which stood at 105.5 in April and May increased by 1.3% in June to reach 106.8. This was due to higher rental fees of mixer (0.7%) and broomwade breaker (1.7%).

The net monthly contributions of the input categories to the index during the period July 2005 to June 2006 are shown in Table 1.4.

Quarterly averages of the monthly indices by input category and the percentage change from quarter to quarter are shown in Table 1.5.

#### 4. Changes by Work Category

Changes by work category are shown in Tables 2.1 to 2.5.

Several work categories registered increases in the second quarter of 2006. The most important increases in April occurred in blockwork (2.1%) and concrete (1.0%) work categories. There was no further increase in May.

In June, higher prices of electric wires, metal openings, meranti planks and tringle meranti resulted in price increases of electrical installation (13.9%), metal openings (10.4%) and softwood joinery (4.5%).

Table 2.4 shows the net monthly contributions of the work categories to the index since July 2005.

Quarterly averages of the monthly indices by work category and the percentage change from quarter to quarter are shown in Table 2.5.

#### 5. Past Trends

Table 3 summarises the monthly indices, the quarterly and yearly averages as well as the percentage changes in the yearly average since 1998. Indices for the years 1998 to 2001 have been worked out using as base the fourth quarter of 1993, while the base period for the calculation of the index from 2002 onwards is the fourth quarter of 2001.

The two series are not strictly comparable. A crude method of converting an index from the new base to the old base is to multiply the new index by 1.282. Conversely, an index on the old base can be converted to the new base by dividing the old index by 1.282.

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(Base: 4th Quarter 2001 = 100)

Table 1.1: Monthly sub-indices by input category, July 2005 to June 2006

Input Categories	XX/ - 2 - 1- 4			20	005					20	006	May 113.0 105.5 140.1 110.5 158.7 125.9 141.4 138.2 169.8 152.2 121.8 143.3 132.7 101.5 109.4 140.8 138.8 120.8 130.4 136.2 105.3 127.9	
input Categories	Weight	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
LABOUR	34.5	113.0	113.0	113.0	113.0	113.0	113.0	113.0	113.0	113.0	113.0	113.0	113.0
HIRE OF PLANT	3.0	103.8	103.8	103.8	105.5	105.5	105.5	105.5	105.5	105.5	105.5	105.5	106.8
MATERIALS:	57.2	134.5	134.5	134.5	135.6	136.9	136.9	138.0	139.1	139.1	140.1	140.1	143.6
Hardcore (remplissage)	1.0	110.5	110.5	110.5	110.5	110.5	110.5	110.5	110.5	110.5	110.5	110.5	110.5
Cement	10.0	158.7	158.7	158.7	158.7	158.7	158.7	158.7	158.7	158.7	158.7	158.7	158.7
Sand	6.1	114.2	114.2	114.2	114.2	120.0	120.0	123.1	123.1	123.1	125.9	125.9	125.9
Aggregate	2.9	124.0	124.0	124.0	124.0	130.4	130.4	136.2	136.2	136.2	141.4	141.4	141.4
Block	4.4	126.7	126.7	126.7	126.7	130.5	130.5	133.2	133.2	133.2	138.2	138.2	138.2
Steel bars (armature)	5.8	169.8	169.8	169.8	169.8	169.8	169.8	169.6	169.8	169.8	169.8	169.8	170.8
Galvanised corrugated cast iron													
sheeting	1.2	152.2	152.2	152.2	152.2	152.2	152.2	152.2	152.2	152.2	152.2	152.2	152.2
Timber: (a) Carpentry	3.9	120.8	120.8	120.8	122.2	122.2	122.2	122.2	121.8	121.8	121.8	121.8	121.8
(b) Joinery	4.2	119.8	119.8	119.8	129.7	129.7	129.7	129.7	143.3	143.3	143.3	143.3	150.1
Metal openings	6.1	131.5	131.5	131.5	132.1	132.3	132.3	132.3	132.7	132.7	132.7	132.7	147.3
Ceramic tiles	1.3	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5	101.5
Glass and putty	0.7	109.4	109.4	109.4	109.4	109.4	109.4	109.4	109.4	109.4	109.4	109.4	109.4
Paint	2.0	137.1	137.1	137.1	138.7	138.7	138.7	138.7	140.8	140.8	140.8	140.8	140.8
Plumbing	1.5	133.2	133.2	133.2	136.9	137.1	137.1	137.1	137.6	137.6	138.8	138.8	138.8
Sanitary installation	2.3	118.7	118.7	118.7	120.7	120.7	120.7	120.7	120.7	120.7	120.8	120.8	120.8
Electrical installation	2.6	123.4	123.4	123.4	123.6	123.9	123.9	130.4	130.4	130.4	130.4	130.4	158.7
Other	1.2	134.5	134.5	134.5	134.8	134.8	134.9	134.9	136.2	136.2	136.2	136.2	139.3
TRANSPORT	5.3	105.3	105.3	105.3	105.3	105.3	105.3	105.3	105.3	105.3	105.3	105.3	105.3
Total	100.0	124.6	124.6	124.6	125.3	126.1	126.1	126.7	127.3	127.3	127.9	127.9	129.9

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(Base: 4th Quarter 2001 = 100)

Table 1.2: Percentage change from previous month by input category, July 2005 to June 2006

						% chan	nge from	previous	month				
Input Categories	Weight	Jul 05	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06
LABOUR	34.5	3.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HIRE OF PLANT	3.0	0.0	0.0	0.0	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3
MATERIALS:	57.2	0.8	0.0	0.0	0.8	0.9	0.0	0.8	0.8	0.0	0.7	0.0	2.5
Hardcore (remplissage)	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cement	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sand	6.1	0.0	0.0	0.0	0.0	5.1	0.0	2.6	0.0	0.0	2.3	0.0	0.0
Aggregate	2.9	0.0	0.0	0.0	0.0	5.1	0.0	4.4	0.0	0.0	3.8	0.0	0.0
Block	4.4	0.0	0.0	0.0	0.0	3.1	0.0	2.0	0.0	0.0	3.8	0.0	0.0
Steel bars (armature)	5.8	-0.6	0.0	0.0	0.0	0.0	0.0	-0.1	0.1	0.0	0.0	0.0	0.6
Galvanised corrugated cast iron sheeting	1.2	5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Timber: (a) Carpentry	3.9	0.0	0.0	0.0	1.1	0.0	0.0	0.0	-0.3	0.0	0.0	0.0	0.0
(b) Joinery	4.2	5.3	0.0	0.0	8.3	0.0	0.0	0.0	10.5	0.0	0.0	0.0	4.8
Metal openings	6.1	0.1	0.0	0.0	0.4	0.2	0.0	0.0	0.3	0.0	0.0	0.0	11.0
Ceramic tiles	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Glass and putty	0.7	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Paint	2.0	6.8	0.0	0.0	1.2	0.0	0.0	0.0	1.5	0.0	0.0	0.0	0.0
Plumbing	1.5	0.3	0.0	0.0	2.8	0.2	0.0	0.0	0.4	0.0	0.9	0.0	0.0
Sanitary installation	2.3	0.1	0.0	0.0	1.6	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0
Electrical installation	2.6	1.1	0.0	0.0	0.2	0.2	0.0	5.3	0.0	0.0	0.0	0.0	21.7
Other	1.2	2.9	0.0	0.0	0.2	0.0	0.1	0.0	0.9	0.0	0.0	0.0	2.3
TRANSPORT	5.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OVERALL CHANGE		1.6	0.0	0.0	0.6	0.6	0.0	0.5	0.5	0.0	0.4	0.0	1.6

(Base: 4th Quarter 2001 = 100)

Table 1.3: Percentage change from corresponding month of previous year by input category, July 2005 to June 2006

					% chang	ge from co	rrespond	ing month	of previ	ous year			
Input Categories	Weight	Jul 05	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06
LABOUR	34.5	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6
HIRE OF PLANT	3.0	2.1	2.1	2.1	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	3.0
MATERIALS :	57.2	9.7	9.7	8.8	9.3	9.6	8.7	9.1	4.5	4.5	5.2	5.0	7.6
Hardcore (remplissage)	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cement	10.0	16.4	16.4	16.4	16.4	16.4	16.4	16.4	0.0	0.0	0.0	0.0	0.0
Sand	6.1	2.8	2.8	2.8	2.8	8.0	8.0	7.8	7.8	7.8	10.2	10.2	10.2
Aggregate	2.9	4.7	4.7	4.7	4.7	10.1	10.1	9.8	9.8	9.8	14.0	14.0	14.0
Block	4.4	6.7	6.7	5.8	5.8	9.0	9.0	11.3	5.2	5.2	9.1	9.1	9.1
Steel bars (armature)	5.8	5.0	5.0	0.6	-0.4	-0.4	-0.4	-0.5	-0.6	-0.6	-0.6	-0.6	0.0
Galvanised corrugated cast iron sheeting	1.2	26.5	26.5	26.5	14.2	14.2	14.2	14.2	6.5	6.5	6.5	5.8	5.8
Timber: (a) Carpentry	3.9	4.6	4.6	4.6	5.7	5.7	5.7	5.7	0.8	0.8	0.8	0.8	0.8
(b) Joinery	4.2	12.2	12.2	12.2	21.4	21.4	17.0	17.0	26.3	26.3	26.3	26.0	32.0
Metal openings	6.1	7.6	7.6	7.1	7.5	6.0	5.2	5.2	2.8	2.8	2.8	1.1	12.1
Ceramic tiles	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Glass and putty	0.7	4.6	4.6	4.6	4.3	4.3	2.4	2.4	0.5	0.5	0.5	0.5	0.5
Paint	2.0	19.4	19.4	18.1	19.2	15.0	15.0	15.0	9.6	9.6	9.6	9.6	9.6
Plumbing	1.5	19.2	19.2	19.2	19.9	6.3	6.3	6.3	3.8	3.8	4.7	4.5	4.5
Sanitary installation	2.3	7.5	7.5	7.0	8.8	8.8	3.3	3.3	1.9	1.9	2.0	1.8	1.8
Electrical installation	2.6	13.0	13.0	12.9	13.1	13.4	9.4	15.2	6.9	6.9	6.9	6.9	30.1
Other	1.2	23.3	23.3	23.3	23.5	23.5	11.9	11.9	4.3	4.3	4.3	4.2	6.6
TRANSPORT	5.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OVERALL CHANGE		7.0	7.0	6.5	6.8	7.0	6.5	6.7	3.9	3.9	4.4	4.2	5.9

(Base: 4th Quarter 2001 = 100)

Table 1.4: Net monthly contributions of input categories to the index, July 2005 to June 2006

				20	005						2006		
Input Categories	Weight	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
LABOUR	34.5	1.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HIRE OF PLANT	3.0	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04
MATERIALS :	57.2	0.58	0.00	0.00	0.65	0.73	0.00	0.63	0.66	0.00	0.56	0.00	1.99
Hardcore (remplissage)	1.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cement	10.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sand	6.1	0.00	0.00	0.00	0.00	0.35	0.00	0.19	0.00	0.00	0.17	0.00	0.00
Aggregate	2.9	0.00	0.00	0.00	0.00	0.18	0.00	0.17	0.00	0.00	0.15	0.00	0.00
Block	4.4	0.00	0.00	0.00	0.00	0.17	0.00	0.12	0.00	0.00	0.22	0.00	0.00
Steel bars (armature)	5.8	-0.06	0.00	0.00	0.00	0.00	0.00	-0.01	0.01	0.00	0.00	0.00	0.06
Galvanised corrugated cast iron sheeting	1.2	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Timber: (a) Carpentry	3.9	0.00	0.00	0.00	0.05	0.00	0.00	0.00	-0.01	0.00	0.00	0.00	0.00
(b) Joinery	4.2	0.26	0.00	0.00	0.42	0.00	0.00	0.00	0.58	0.00	0.00	0.00	0.29
Metal openings	6.1	0.01	0.00	0.00	0.04	0.01	0.00	0.00	0.03	0.00	0.00	0.00	0.88
Ceramic tiles	1.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Glass and putty	0.7	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Paint	2.0	0.18	0.00	0.00	0.03	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.00
Plumbing	1.5	0.01	0.00	0.00	0.06	0.00	0.00	0.00	0.01	0.00	0.02	0.00	0.00
Sanitary installation	2.3	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Electrical installation	2.6	0.03	0.00	0.00	0.01	0.01	0.00	0.17	0.00	0.00	0.00	0.00	0.72
Other	1.2	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.04
TRANSPORT	5.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	100.0	1.92	0.00	0.00	0.70	0.73	0.00	0.63	0.66	0.00	0.56	0.00	2.03

(Base: 4th Quarter 2001 = 100)

Table 1.5: Quarterly average of monthly indices and percentage changes by input category, July 2005 - June 2006

		20	005	20	)06	% ch	ange from j	previous qu	ıarter
Input Categories	Weight	3rd Qr	4th Qr	1st Qr	2nd Qr	3rd Qr 2005	4th Qr 2005	1st Qr 2006	2nd Qr 2006
LABOUR	34.5	113.0	113.0	113.0	113.0	3.6	0.0	0.0	0.0
HIRE OF PLANT	3.0	103.8	105.5	105.5	105.9	0.0	1.6	0.0	0.4
MATERIALS:	57.2	134.5	136.5	138.8	141.3	0.8	1.5	1.7	1.8
Hardcore (remplissage)	1.0	110.5	110.5	110.5	110.5	0.0	0.0	0.0	0.0
Cement	10.0	158.7	158.7	158.7	158.7	0.0	0.0	0.0	0.0
Sand	6.1	114.2	118.1	123.1	125.9	0.0	3.4	4.3	2.3
Aggregate	2.9	124.0	128.3	136.2	141.4	0.0	3.4	6.2	3.8
Block	4.4	126.7	129.2	133.2	138.2	0.0	2.0	3.1	3.8
Steel bars (armature)	5.8	169.8	169.8	169.7	170.1	-0.6	0.0	0.0	0.2
Galvanised corrugated cast iron sheeting	1.2	152.2	152.2	152.2	152.2	6.0	0.0	0.0	0.0
Timber: (a) Carpentry	3.9	120.8	122.2	121.9	121.8	0.0	1.1	-0.2	-0.1
(b) Joinery	4.2	119.8	129.7	138.8	145.6	5.4	8.3	7.0	4.9
Metal openings	6.1	131.5	132.3	132.6	137.6	0.7	0.6	0.3	3.8
Ceramic tiles	1.3	101.5	101.5	101.5	101.5	0.0	0.0	0.0	0.0
Glass and putty	0.7	109.4	109.4	109.4	109.4	0.5	0.0	0.0	0.0
Paint	2.0	137.1	138.7	140.1	140.8	6.8	1.2	1.0	0.5
Plumbing	1.5	133.2	137.0	137.4	138.8	0.3	2.9	0.3	1.0
Sanitary installation	2.3	118.7	120.7	120.7	120.8	0.1	1.6	0.0	0.1
Electrical installation	2.6	123.4	123.8	130.4	139.9	1.1	0.3	5.4	7.2
Other	1.2	134.5	134.8	135.8	137.2	2.9	0.3	0.7	1.1
TRANSPORT	5.3	105.3	105.3	105.3	105.3	0.0	0.0	0.0	0.0
OVERALL INDEX AND CHANGE		124.6	125.8	127.1	128.6	1.6	1.0	1.0	1.2

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# **Input Cost Index for the construction of a single storey house** (Base: 4th Quarter 2001 = 100)

Table 2.1: Monthly sub-indices by work category, July 2005 to June 2006

Work Categories	Weight			2	005					2	006		
Work Categories	weight	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1. Setting up	2.3	136.0	136.0	136.0	136.0	136.5	136.5	136.8	136.7	136.7	137.0	137.0	137.0
2. Setting out	0.5	106.2	106.2	106.2	106.2	106.2	106.2	106.2	105.9	105.9	105.9	105.9	105.9
3. Temporary works	0.5	113.9	113.9	113.9	114.4	114.4	114.4	114.4	114.1	114.1	114.1	114.1	114.1
4. Site preparation, excavation & disposal, hardcore filling	5.8	113.4	113.4	113.4	113.7	113.9	113.9	114.2	114.2	114.2	114.4	114.4	114.9
5. Concrete	20.2	127.2	127.2	127.2	127.4	129.1	129.1	130.4	130.4	130.4	131.5	131.5	131.5
6. Reinforcement	9.2	148.5	148.5	148.5	148.5	148.5	148.5	148.4	148.5	148.5	148.5	148.5	149.1
7. Formwork (coffrage)	7.8	116.3	116.3	116.3	116.9	116.9	116.9	116.9	116.8	116.8	116.8	116.8	116.8
8. Blockwork	8.5	121.8	121.8	121.8	121.8	124.0	124.0	125.5	125.5	125.5	128.1	128.1	128.1
9. Softwood joinery	4.5	119.2	119.2	119.2	128.5	128.5	128.5	128.5	141.3	141.3	141.3	141.3	147.6
10. Ironmongery	0.5	110.9	110.9	110.9	110.9	110.9	111.2	111.2	111.7	111.7	111.7	111.7	113.8
11. Metal openings	6.5	130.3	130.3	130.3	130.8	131.0	131.0	131.0	131.4	131.4	131.4	131.4	145.0
12. Rendering to wall/ceiling (crépissage)	9.9	118.9	118.9	118.9	118.9	119.5	119.5	119.8	119.8	119.8	120.1	120.1	120.1
13. Bed & screed to floor/roof	4.2	130.2	130.2	130.2	130.2	131.8	131.8	132.6	132.6	132.6	133.3	133.3	133.3
14. Tiling	2.1	106.3	106.3	106.3	106.3	106.3	106.3	106.3	106.3	106.3	106.3	106.3	106.3
15. Glazing	1.0	109.2	109.2	109.2	109.2	109.2	109.2	109.2	109.2	109.2	109.2	109.2	109.2
16. Painting	5.2	121.7	121.7	121.7	122.4	122.4	122.4	122.4	123.4	123.4	123.4	123.4	123.4
17. Plumbing/sanitary installation	5.0	120.5	120.5	120.5	122.5	122.5	122.5	122.5	122.7	122.7	123.1	123.1	123.1
18. Electrical installation	4.2	119.0	119.0	119.0	119.2	119.3	119.3	123.3	123.3	123.3	123.3	123.3	140.5
19. Drainage	2.1	129.1	129.1	129.1	129.4	130.3	130.3	131.0	131.0	131.0	131.9	131.9	133.1
Total	100.0	124.6	124.6	124.6	125.3	126.1	126.1	126.7	127.3	127.3	127.9	127.9	129.9

(Base: 4th Quarter 2001 = 100)

Table 2.2: Percentage change from previous month by work category, July 2005 to June 2006

						% chan	ige from	previous	month				
Work Categories	Weight	Jul 05	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06
1. Setting up	2.3	3.6	0.0	0.0	0.0	0.3	0.0	0.2	-0.1	0.0	0.2	0.0	0.0
2. Setting out	0.5	1.8	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	0.0	0.0	0.0	0.0
3. Temporary works	0.5	1.1	0.0	0.0	0.5	0.0	0.0	0.0	-0.3	0.0	0.0	0.0	0.0
4. Site preparation, excavation & disposal, hardcore filling	5.8	2.6	0.0	0.0	0.3	0.2	0.0	0.2	0.0	0.0	0.2	0.0	0.5
5. Concrete	20.2	0.9	0.0	0.0	0.1	1.4	0.0	1.0	0.0	0.0	0.9	0.0	0.0
6. Reinforcement	9.2	0.5	0.0	0.0	0.0	0.0	0.0	-0.1	0.1	0.0	0.0	0.0	0.4
7. Formwork (coffrage)	7.8	1.3	0.0	0.0	0.5	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0
8. Blockwork	8.5	0.8	0.0	0.0	0.0	1.8	0.0	1.2	0.0	0.0	2.1	0.0	0.0
9. Softwood joinery	4.5	5.2	0.0	0.0	7.8	0.0	0.0	0.0	9.9	0.0	0.0	0.0	4.5
10. Ironmongery	0.5	1.5	0.0	0.0	0.0	0.0	0.2	0.0	0.4	0.0	0.0	0.0	1.9
11. Metal openings	6.5	0.3	0.0	0.0	0.4	0.2	0.0	0.0	0.3	0.0	0.0	0.0	10.4
12. Rendering to wall/ceiling (crépissage)	9.9	2.2	0.0	0.0	0.0	0.5	0.0	0.3	0.0	0.0	0.2	0.0	0.0
13. Bed & screed to floor/roof	4.2	0.8	0.0	0.0	0.0	1.2	0.0	0.6	0.0	0.0	0.6	0.0	0.0
14. Tiling	2.1	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
15. Glazing	1.0	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16. Painting	5.2	4.7	0.0	0.0	0.5	0.0	0.0	0.0	0.9	0.0	0.0	0.0	0.0
17. Plumbing/sanitary installation	5.0	1.0	0.0	0.0	1.7	0.1	0.0	0.0	0.1	0.0	0.3	0.0	0.0
18. Electrical installation	4.2	1.9	0.0	0.0	0.1	0.1	0.0	3.4	0.0	0.0	0.0	0.0	13.9
19. Drainage	2.1	2.0	0.0	0.0	0.2	0.8	0.0	0.5	0.0	0.0	0.7	0.0	0.9
OVERALL CHANGE		1.6	0.0	0.0	0.6	0.6	0.0	0.5	0.5	0.0	0.4	0.0	1.6

(Base: 4th Quarter 2001 = 100)

Table 2.3: Percentage change from corresponding month of previous year by work category, July 2005 to June 2006

					% chang	ge from co	rrespondi	ing month	of previo	ous year			
Work Categories	Weight	Jul 05	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06
1. Setting up	2.3	17.3	17.3	17.3	10.8	11.1	10.6	10.6	4.6	4.6	4.8	4.4	4.4
2. Setting out	0.5	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.4	1.4	1.4	1.4	1.4
<ul><li>3. Temporary works</li><li>4. Site preparation, excavation &amp;</li></ul>	0.5	4.3	4.3	4.3	3.7	3.7	3.1	3.1	1.2	1.2	1.2	1.2	1.2
disposal, hardcore filling	5.8	3.2	3.2	3.2	3.1	3.3	3.3	3.3	3.3	3.3	3.5	3.5	4.0
5. Concrete	20.2	7.7	7.7	7.7	7.7	9.1	9.1	9.1	3.4	3.4	4.3	4.3	4.3
6. Reinforcement	9.2	4.5	4.5	1.4	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.9
7. Formwork (coffrage)	7.8	4.9	4.9	4.9	5.4	5.4	4.7	4.7	1.7	1.7	1.7	1.7	1.7
8. Blockwork	8.5	5.7	5.7	5.3	5.3	7.1	7.1	8.3	3.8	3.8	6.0	6.0	6.0
9. Softwood joinery	4.5	11.6	11.6	11.6	20.2	20.2	16.1	16.1	24.8	24.8	24.8	24.6	30.2
10. Ironmongery	0.5	2.1	2.1	2.1	2.1	2.1	2.3	2.3	2.2	2.2	2.2	2.2	4.1
11. Metal openings	6.5	7.3	7.3	6.8	7.3	5.8	5.1	5.1	2.8	2.8	2.8	1.2	11.7
12. Rendering to wall/ceiling (crépissage)	9.9	5.5	5.5	5.5	5.5	6.0	6.0	6.0	3.0	3.0	3.3	3.3	3.3
13. Bed & screed to floor/roof	4.2	8.8	8.8	8.8	8.8	10.1	10.1	10.0	2.6	2.6	3.2	3.2	3.2
14. Tiling	2.1	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.4	1.4	1.4	1.3	1.3
15. Glazing	1.0	3.8	3.8	3.8	3.7	3.7	2.2	2.2	0.8	0.8	0.8	0.8	0.8
16. Painting	5.2	9.9	9.9	9.4	9.9	8.3	8.3	8.3	6.1	6.1	6.1	6.1	6.2
17. Plumbing/sanitary installation	5.0	9.4	9.4	9.3	10.3	6.1	4.4	4.4	3.0	3.0	3.4	3.2	3.2
18. Electrical installation	4.2	9.2	9.2	9.2	9.3	9.5	7.1	10.7	5.6	5.6	5.6	5.6	20.3
19. Drainage	2.1	11.4	11.4	11.0	11.2	12.1	7.8	7.9	3.5	3.5	4.2	4.2	5.2
OVERALL CHANGE		7.0	7.0	6.5	6.8	7.0	6.5	6.7	3.9	3.9	4.4	4.2	5.9

(Base: 4th Quarter 2001 = 100)

Table 2.4: Net monthly contributions of work categories to the index, July 2005 to June 2006

				20	005						2006		
Work Categories	Weight	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1. Setting up	2.3	0.11	0.00	0.00	0.00	0.01	0.00	0.01	0.00	0.00	0.01	0.00	0.00
2. Setting out	0.5	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Temporary works	0.5	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Site preparation, excavation & disposal, hardcore filling	5.8	0.17	0.00	0.00	0.02	0.01	0.00	0.01	0.00	0.00	0.01	0.00	0.03
5. Concrete	20.2	0.24	0.00	0.00	0.03	0.35	0.00	0.25	0.00	0.00	0.23	0.00	0.01
6. Reinforcement	9.2	0.06	0.00	0.00	0.00	0.00	0.00	-0.01	0.01	0.00	0.00	0.00	0.06
7. Formwork (coffrage)	7.8	0.12	0.00	0.00	0.05	0.00	0.00	0.00	-0.01	0.00	0.00	0.00	0.00
8. Blockwork	8.5	0.08	0.00	0.00	0.00	0.18	0.00	0.12	0.00	0.00	0.22	0.00	0.00
9. Softwood joinery	4.5	0.27	0.00	0.00	0.42	0.00	0.00	0.00	0.58	0.00	0.00	0.00	0.29
10. Ironmongery	0.5	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
11. Metal openings	6.5	0.02	0.00	0.00	0.04	0.01	0.00	0.00	0.03	0.00	0.00	0.00	0.88
12. Rendering to wall/ceiling (crépissage)	9.9	0.26	0.00	0.00	0.00	0.06	0.00	0.03	0.00	0.00	0.03	0.00	0.00
13. Bed & screed to floor/roof	4.2	0.04	0.00	0.00	0.00	0.07	0.00	0.03	0.00	0.00	0.03	0.00	0.00
14. Tiling	2.1	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15. Glazing	1.0	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16. Painting	5.2	0.29	0.00	0.00	0.03	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.00
17. Plumbing/sanitary installation	5.0	0.06	0.00	0.00	0.10	0.00	0.00	0.00	0.01	0.00	0.02	0.00	0.00
18. Electrical installation	4.2	0.09	0.00	0.00	0.01	0.01	0.00	0.17	0.00	0.00	0.00	0.00	0.72
19. Drainage	2.1	0.05	0.00	0.00	0.01	0.02	0.00	0.01	0.00	0.00	0.02	0.00	0.03
TOTAL	100.0	1.92	0.00	0.00	0.70	0.73	0.00	0.63	0.66	0.00	0.56	0.00	2.03

(Base: 4th Quarter 2001 = 100)

Table 2.5: Quarterly average of monthly indices and percentage changes by work category, July 2005 - June 2006

	<b>XX</b> 7 - 2 - 1- 4	20	05	20	006	% ch	ange from p	previous qu	ıarter
Work Categories	Weight	3rd Qr	4th Qr	1st Qr	2nd Qr	3rd Qr 2005	4th Qr 2005	1st Qr 2006	2nd Qr 2006
1. Setting up	2.3	136.0	136.3	136.8	137.0	3.8	0.2	0.3	0.2
2. Setting out	0.5	106.2	106.2	106.0	105.9	1.8	0.0	-0.2	-0.1
3. Temporary works	0.5	113.9	114.4	114.2	114.1	1.1	0.5	-0.2	-0.1
4. Site preparation, excavation & disposal, hardcore filling	5.8	113.4	113.9	114.2	114.5	2.6	0.5	0.3	0.3
5. Concrete	20.2	127.2	128.6	130.4	131.5	0.9	1.0	1.4	0.9
6. Reinforcement	9.2	148.5	148.5	148.5	148.7	0.5	0.0	0.0	0.2
7. Formwork (coffrage)	7.8	116.3	116.9	116.8	116.8	1.3	0.5	-0.1	0.0
8. Blockwork	8.5	121.8	123.3	125.5	128.1	0.8	1.2	1.8	2.1
9. Softwood joinery	4.5	119.2	128.5	137.0	143.4	5.3	7.8	6.6	4.6
10. Ironmongery	0.5	110.9	111.0	111.5	112.4	1.5	0.1	0.5	0.8
11. Metal openings	6.5	130.3	130.9	131.3	135.9	0.8	0.5	0.2	3.6
12. Rendering to wall/ceiling (crépissage)	9.9	118.9	119.3	119.8	120.1	2.2	0.3	0.4	0.2
13. Bed & screed to floor/roof	4.2	130.2	131.2	132.6	133.3	0.8	0.8	1.0	0.6
14. Tiling	2.1	106.3	106.3	106.3	106.3	1.3	0.0	0.0	0.0
15. Glazing	1.0	109.2	109.2	109.2	109.2	0.8	0.0	0.0	0.0
16. Painting	5.2	121.7	122.4	123.0	123.4	4.7	0.5	0.6	0.3
17. Plumbing/sanitary installation	5.0	120.5	122.5	122.6	123.1	1.1	1.7	0.1	0.4
18. Electrical installation	4.2	119.0	119.3	123.3	129.1	1.9	0.2	3.4	4.6
19. Drainage	2.1	129.1	130.0	131.0	132.3	2.0	0.7	0.8	1.0
OVERALL INDEX AND CHANGE		124.6	125.8	127.1	128.6	1.6	1.0	1.0	1.2

**Table 3: Construction Price Index - January 1998 to June 2006** 

	(Base:	4th Quar	ter 1993 =	= 100)	(Base:	4th Quar	ter 2001 =	= 100)	
	1998	1999	2000	2001	2002	2003	2004	2005	2006
January	115.2	118.6	120.4	124.9	100.3	105.8	109.5	118.7	126.7
February	115.3	119.1	120.4	124.9	100.5	106.8	112.2	122.5	127.3
March	115.3	119.1	120.5	125.0	100.6	107.0	112.3	122.5	127.3
1st Quarter	115.3	118.9	120.5	124.9	100.5	106.5	111.3	121.3	127.1
April	115.3	119.2	120.4	124.9	100.7	107.1	112.3	122.5	127.9
May	115.5	119.2	120.4	124.9	101.5	107.1	112.3	122.7	127.9
June	115.6	119.3	120.5	124.9	101.5	107.1	115.5	122.7	129.9
2nd Quarter	115.5	119.3	120.5	124.9	101.3	107.1	113.4	122.6	128.6
July	116.9	120.9	121.5	126.9	105.4	108.1	116.4	124.6	
August	117.5	121.0	121.6	127.4	105.4	108.6	116.4	124.6	
September	118.1	121.0	121.4	127.4	105.4	109.4	117.0	124.6	
3rd Quarter	117.5	120.9	121.5	127.2	105.4	108.7	116.6	124.6	
October	118.4	121.2	124.3	127.6	105.2	109.4	117.3	125.3	
November	118.4	120.5	124.4	128.4	105.3	109.5	117.8	126.1	
December	118.6	120.6	124.4	128.5	105.3	109.5	118.4	126.1	
4th Quarter	118.4	120.8	124.3	128.2	105.3	109.5	117.8	125.8	
Yearly average	116.7	120.0	121.7	126.3	103.1	107.9	114.8	123.6	
% change in the yearly average	2.9	2.8	1.4	3.8	4.7	4.7	6.3	7.7	

#### **Technical Note**

### Methodology for the compilation of the Construction Price Index

### (i) Introduction

A Construction Price Index measures the change in the level of construction prices. The construction industry is very broad and highly diversified with considerable variations from one type of construction to another. This makes it difficult to derive generalized indices that would be applicable to the industry as a whole. The Central Statistics Office has decided to start with an index for residential buildings only.

### (ii) Types of Construction Price Indices

Different approaches to index number compilation are used depending on the purpose for which the index is required. There are two main types of construction price indices:

#### The Output Price Index

In this approach, specific projects representative of the various categories of construction works are selected as models and construction firms are surveyed and asked to provide estimates of the prevailing market prices for each of the projects. As such, the output price indices respond to the changes in prices of materials used and cost of labour, as well as changes in overhead costs and profits.

#### The Input Price Index

The index is based on prices of a representative selection of basic inputs (labour, plant, materials and transport) that go into the construction work. Hence, the input price index measures the change in the cost of resources to the contractor, and not the change in the price that the client pays.

The office opted for the input price index which, though more limiting than the output price index, is simpler and less expensive to construct and maintain.

### (iii) Selection of representative dwelling

Since it would have been too time-consuming and costly to include all major types of residential dwellings, it was decided to restrict the index to the most common type identified at the 2000 Housing Census. The drawings of the prototype model dwelling were provided by the Mauritius Housing Company Ltd. A description of the model is given at paragraph (viii) below.

#### (iv) Weighting scheme

The quantity survey work to determine the weighting pattern for the index was entrusted to a private firm of Quantity Surveyors following established procedures.

Any given construction consists of an assembly of a certain number of stages or work categories. Nineteen stages or broad work categories were identified and detailed costs of inputs in terms of labour, plant, materials and transport that go into the construction of the selected model were calculated under each of the 19 work categories. The weights have been worked out in such a way that they can be presented in terms of inputs as well as work categories. For publication purposes, weights and sub-indices are shown not only for the 19 work categories, but also for the 4 broad input categories of labour, plant, materials and transport, the "materials" category being further sub-divided into 17 sub-categories.

### (v) Data collection

The data needed for the computation of the index are collected every month from a sample of 53 outlets in 8 regions of the island. Prices are collected in respect of some 84 items, representative of all items that go into the computation of the index.

#### (vi) Calculation of the Construction Price Index

The Construction Price Index is a weighted average of price relatives of individual items, based on the modified Laspeyres formula:

$$\mathbf{I_t} = \frac{\sum W_i (P_{it} / P_{io}) \quad x \quad 100}{\sum W_i}$$

where  $I_t$  = index for current period t

 $P_{io}$  = price of item i at base period 0

 $P_{it}$  = price of item i at current period t

 $W_i$  = weight of item i

The base period is the 4<sup>th</sup> quarter of 2001.

#### (vii) Uses

a) Construction price indices give an indication of the change in the level of prices of construction works. As such, they are used as deflators for the measurement of real growth in the construction sector. b) They are also useful for evaluating cost fluctuations in contracts regarding construction works and for renegotiating owner-tenant agreements.

### (viii) Description of model dwelling

The model used is a single storey (ground floor) detached house of 128.30 square metres (1,381 square feet) in floor area measured at plinth level to the external face of the external walls. The overall area is inclusive of 18.55 square metres (200 square feet) in respect of a garage.

It comprises two bedrooms, a living-dining room, a kitchen, a toilet, a bathroom, a verandah and an attached garage. The building has concrete block walls, reinforced concrete flat roof, internal flush plywood doors, glazed metal openings, screeded floor and roof, tiling to floor and walls of w.c. and bathroom and kitchen worktop; the ceilings and walls are rendered and painted both internally and externally. Plumbing, sanitary installation and electrical installation are included as well as drainage which is to be connected to the sewerage system.

Provision has been made, in the form of more substancial foundations and of stub columns on the roof, for converting the single into a two-storey house eventually. Site works are restricted to spreading and leveling surplus excavated material around the site.

The index excludes the cost of the building permit and the draughtman's fee; these two items represent 0.47 % and 1.30% of the total cost respectively.

It is assumed that although the house is not constructed by a contractor, the client has recourse to the services of a foreman.