## CONSTRUCTION

### Presentation

This note relates to the metadata of the annual follow-up production account. Thus, it describes the definition, range, sources, and methodology used in preparing annual follow-up production accounts.

### Definition

This industry comprises the construction of new building works, refurbishments, enlargements, improvements, repair works, conservation and demolition of buildings and civil engineering by general and/or specialized contractors.

The following variables are measured: Gross Output, Intermediate Consumption, and Value Added for the Construction industry.

### Sub-industries / Sub-accounts

The Production Account of the Construction industry includes the following sub-industries: Building, Civil Engineering, Repairs and Demolitions. Building is subdivided in Housing and Non-housing Building works.

### Source Data

#### Administrative Records

- **Source Name:** Budget Statements from the Public Sector.
  - Data used: Expenditure in investment initiatives.
  - Frequency: Annual.

- **Source Name:** Budget Statements from the Municipal Sector.
  - Data used: Expenditure in investment initiatives.
  - Frequency: Annual.

#### Economic Surveys

- **Source Name:** Annual Investment Survey.
  - Reporting Institution: Companies engaged in different economic industries.
  - Data used: Expenditure in construction investment.
  - Frequency: Annual.

- **Source Name:** Survey of Construction Permits.
  - Data used: Record data contained in construction permits.
  - Frequency: Six-Monthly.

#### Balance Sheets and/or Financial Statements

- **Source Name:** Annual Reports and Balance Sheets of leading companies in the industry.
  - Reporting Institution: Companies engaged in every economic industry (Mining,
Energy, Transportation, Telecommunications, etc).
Data used: Accounting data on fixed assets of construction works.
Frequency: Annual.

Statistical Forms & Reports

- Source Name: Cadastre of Private Projects.
  Reporting Institution: Capital Goods Corporation (CBC).
  Data used: Annual investment amounts by project, companies and economic industry groups.
  Frequency: Quarterly.

Other Statistics

- Source Name: Price records.
  Data used: Consumer Price Index (CPI) and Wholesale Price Index (WPI) by product group, prices of construction materials.
  Frequency: Monthly and quarterly.

Compilation method

The compilation method to transform source data into the production account consists of the following stages:

Aggregation, imputation and validation

Validations and Imputations
Information resulting from surveys is validated with the background information from the cadastre of private projects and financial statements reported by companies in their balance sheets and annual reports. They are also compared with the answers received in previous years.

Classification
The information used for preparing the Production Account of the Construction industry is classified as per the International Standard Industrial Classification Rev. 3 (ISIC Rev.3). Products associated to this industry are classified in terms of the Central Product Classification (CPC).

Estimation Procedures

Generally, the procedures used for estimating the production account depend on the information sources available:

- In the benchmark compilation, every five years, there is often more complete information available; it is then possible, with the source data, to determine the “best level” for the production account components.
- There is generally less complete information for annual follow-up compilation. So, in order to obtain the “best change”, prices, quantities, and values from the source data above detailed are used as indicators, whose changes are applied to the levels of the 2003 benchmark production account, by extrapolation, deflation, infactation, and identities.

The key aspects of the calculation procedure for the main aggregate transactions or variables of the Construction annual follow-up production account are shown below.

i) Gross Output (GO). Value at constant prices is determined by extrapolation, using quantity indexes (for Building and Repair works), and by deflation of records initially determined in nominal terms (for Civil Engineering works). Value at current prices is
determined by inflationation (for Building and Repair works). In Civil Engineering works, nominal record is mainly direct information.

ii) Intermediate consumption (IC). Value at constant prices is obtained by extrapolation, using GO as a single indicator. Value at current prices is determined by inflationation of records at constant prices.

iii) Value Added. Value at constant prices is determined by extrapolation, using GO as a single indicator. Value at current prices is obtained as the difference between the GO (at basic prices) and the IC (at purchaser prices).

Data Reconciliation

The results obtained from the Construction industry account are analyzed in terms of temporal consistency. This means that consistency of figures is examined with respect to record data disseminated by official bodies in relation with industry, as to quantity, price and volume indicators: Record data of investments, dispatches and sales of construction materials, industry employment nationwide.

In the same way, inter-temporal behavior of series is analyzed in both nominal and real terms, so that trend changes and specific phenomena of the benchmark year are identified. Regarding construction, specifically, the most relevant of them are: housing market analysis, cadastres of private projects, evolution of prices of main inputs, etc.

The aggregate Construction account is submitted to the transversal processes within the supply-use table framework of annual follow-up production accounts.

Data Access

Publication

This industry is disseminated for annual follow-up compilation and for benchmark compilation with the same disaggregation level.

Production Account

Period: 2003 through 2007, Base 2003
Link: [http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01e.htm](http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01e.htm)
Tables: 1.37 through 1.41

Link: [http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01b.htm](http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01b.htm)
Tables: 1.30 through 1.47

Period: 1986 through 1998, Base 1986
Tables: 1.29 through 1.56

Value Added and GDP

Period: 1960 through 1985, Base 1977