Statistics on building and dwelling production have been reviewed

In connection with the publication of data for January 2020, the statistics on building and dwelling production have adopted the Classification of Buildings 2018, the model buildings defined according to the new classification and their new prices by area. The calculation method of the volume index of newbuilding has been revised and the base year 2015=100 was introduced in the index.

Building permits granted, started and completed building projects

The biggest change in the review of the statistics on building and dwelling production is the adoption of the new Classification of Buildings 2018. The adoption does not cause any changes to the time series when examining all building categories in total. When examining on a more detailed level the most significant changes have taken place in free-time residential buildings and in commercial and office buildings. Figure 1 presents building permits granted as a sum of capacity for the years 2015 to 2019.

Rental holiday cottages and timeshares have moved from commercial and office buildings to free-time residential buildings and residences for communities and dwellings for special groups to residential buildings. The effects of these shifts on time series are visible in Figure 2. The time series of commercial and office buildings according to the new classification is on a slightly lower level than the time series according to the old classification.

Other considerable changes are the transfer of children's day care centres from buildings for institutional care into educational buildings and the transfer of petrol stations, car repair shops and carwashes from transport and communications buildings into commercial buildings. In addition, the category of terraced houses is transferred within residential buildings into detached and semi-detached houses. Statistics Finland's <u>Building Classifier</u> helps in adopting the new Classification of Buildings. It contains the conversion key for the classification of buildings between the old and new classifications. More information about the new Classification of Buildings can be found in the User's Handbook.

Moving annual totals were added to the <u>database tables</u> produced in connection with the publication to speed up the examination of data direct on Statistics Finland's pages. Database tables according to the Classification of Buildings 1994 can be found in Statistics Finland's chargeable Built environment service until the end of 2020.

Changes in the volume index of newbuilding

The review of the volume index of newbuilding is composed of three parts. The first of these is changing the base year of the index from 2010 into 2015. The base year was moved closer to the present time to ease interpretability.

The second review concerns the new Classification of Buildings. The reviewed volume index of newbuilding uses new prices corresponding to the Classification of Buildings 2018 that are calculated based on the category-specific model buildings. On account of the new Classification of Buildings, the building category-specific model buildings have been updated. The prices previously corresponded to the Classification of Buildings 1994. The renewed new prices describe better than before the present newbuilding and its value.

In addition to updating the base year and new prices, the estimation of completion time was also specified. The new calculation model takes better account of the effect of the building category and the size of the building project on total completion time.

Retrospective time series from 2000 onwards according to the new calculation method have been calculated from the volume index of newbuilding (2015=100).

Figure 1. Building permits granted as a sum of capacity for 2015 to 2019 calculated with the new and old Classifications of Buildings.

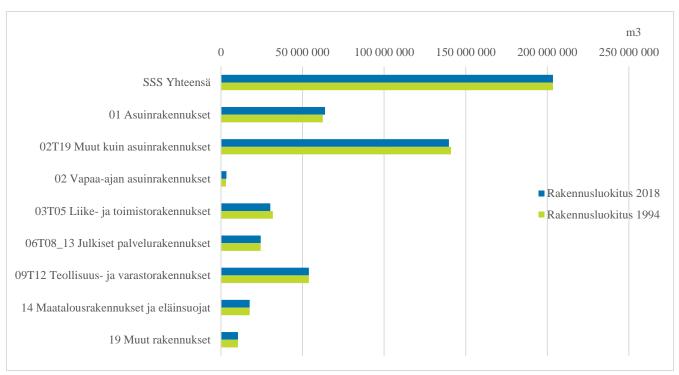


Figure 2. Commercial and office buildings according to the old and new Classifications of Buildings 2010M01-2019M12, capacity m3, moving annual total

