

Cost-of-Living Survey Report

City/Country: Dhaka, Bangladesh

Type of Survey: Housing

Date of Survey: April 2009

1. In order to update the post adjustment index established for Bangladesh following the place-to-place cost-of-living survey in January 2007, another in the series of annual housing surveys was conducted for Dhaka in April 2009.

Survey response

2. The housing and domestic service costs data was collected from the staff members stationed in Dhaka using questionnaires. The response rate and percentage of responses used in processing the survey data are presented in Table 1 below:

Table 1: Response rate and percentage of used responses

Number of staff	74
Number of respondents	74
Response rate (%)	100
Number of used responses	42
Percentage of used responses	57

3. The number of responses presented above refers to completed and returned questionnaires for processing. A number of questionnaires could not be used because they referred to non-eligible staff .

Housing Costs and Index

4. The housing costs index was calculated on the basis of data provided by staff members for commercially-rented dwellings identified by type, i.e. house or apartment. The houses and apartments were further classified by number of bedrooms.

5. Before comparing average housing costs, the data for Dhaka was converted to US dollar equivalent at the exchange rate of: 68.55 Takas (TK) to one US dollar.

6. Included in the housing costs were the average monthly gross rent, and where applicable apportioned charges, prorated cost for key-money, amortized cost for repair and repainting, average monthly costs for electricity, gas, water, heating and garbage collection and amortized cost of a refrigerator, stove and other facilities, as well as the average monthly cost of a full time maid.

7. The average housing costs by number of bedrooms for the commercially-rented houses and apartments in Dhaka were compared with similar average costs for commercial housing in New York to obtain the cost ratios. The total housing costs index was calculated using number of renters (classified by type of dwelling and number of bedrooms) at the duty station as weights. Details of the calculation are given in Tables 2 and 3 below.

Table 2: Housing Costs
Dhaka, April 2009

Type of dwelling	Number of Bedrooms	Rent	Utilities	Facilities	Other	Domestic Servants	Security	Average Housing Costs
Apartment	2	923.90	75.37	11.42	4.05	125.89	-	1,140.63
Apartment	3	977.58	83.07	24.01	7.95	125.89	-	1,218.50
Apartment	4	1,177.43	111.97	19.02	11.37	125.89	-	1,445.68
House	5	1,802.31	126.69	25.16	-	125.89	-	2,080.05

Table 3: Housing Costs Index
Dhaka, April 2009/ New York, June 2005

Type of dwelling	Number of Bedrooms	Number of renters	NYC total (US\$)	Dhaka Total (US\$)	Ratio Dhaka /NYC
Apartment	2	3	3,112.54	1,140.63	36.65
Apartment	3	15	3,239.60	1,218.50	37.61
Apartment	4	14	3,310.00	1,445.68	43.68
House	5	2	4,830.92	2,080.05	43.06
Total		34			40.34

Survey Results

8. The new Post Adjustment Index (PAI), which reflects the latest housing survey results, was constructed by aggregating the new housing costs index for Dhaka with other components of the PAI updated for implementation in July 2009. A summary of the indexes and the corresponding PAI are shown in the Annex.

9. The results of the comparison showed that the updated cost of living index for Bangladesh in April 2009 was 90.5 on the base New York, June 2005 = 100 at the exchange rate of TK 68.55 to the US dollar. When that index was rebased to the base, New York September 1995 = 100, it resulted in a post adjustment index of 135.0. Further updating at the latest exchange rate of TK 68.50 per U.S. dollar resulted in an index of 134.5.

10. Based on the survey results, the post adjustment index (134.5) was implemented effective 1 July 2009. This index did not trigger a change in the post adjustment classification of multiplier 38.9. The existing pay index is 138.9.

Index calculation annex

Bangladesh--Dhaka

April 2009

Expenditure category	US \$ weight	% weight	Index
Total	7,601.68	100.00	90.50
Total excluding housing	6,542.54	86.07	98.62
Total in-area	3,333.03	43.85	66.58
Total in-area excluding housing	2,273.89	29.91	78.80
Food and non-alcoholic beverages	840.13	11.05	86.80
Alcoholic beverages and tobacco	103.17	1.36	50.18
Clothing and footwear	5.55	0.07	31.34
Housing, water, electricity, gas and fuels	1,059.14	13.93	40.34
Rental for housing	772.20	10.16	
Other housing costs	16.77	0.22	
Utilities	129.79	1.71	
Facilities	18.08	0.24	
Domestic Service	122.31	1.61	
Furniture, household equipment and routine maintenance of the house	101.13	1.33	102.46
Health	113.74	1.50	48.40
Transport	330.44	4.35	105.03
Communication	141.05	1.86	130.51
Recreation and culture	248.67	3.27	53.68
Education	54.26	0.71	52.42
Restaurants and hotels	233.34	3.07	52.87
Miscellaneous goods and services	102.41	1.35	121.19
Pension Contribution	918.95	12.09	116.57
Medical Insurance	309.03	4.07	56.51
Out of Area	3,040.67	40.00	112.29
PAI			134.96