

Informations *Rapides*

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■ Producer cost indices for construction - February 2015

In February 2015, producer cost indices for construction increased slightly (+0.2%)

In February 2015, producer costs for construction increased slightly in construction (+0.2% after -0.4%; -1.5% over a year). They rose in construction of buildings (+0.1%), in specialised construction works (+0.2%) and in civil engineering (+0.3 %), due to the rebound of energy prices.

Producer cost indices for construction

		In %		
NAF	Heading	Weights (in %)	Feb. 15/ Jan. 14	Feb. 15/ Feb. 14
F	Construction	100.0	+0.2	-1.5
41.2	Construction of buildings	10.1	+0.1	-0.3
42	Civil engineering	16.2	+0.3	-6.2
43	Specialised construction works	73.7	+0.2	-0.6
43BT	- of which for buildings	64.2	+0.1	+0.0
43BTC	- of which for new building	24.6	+0.1	-0.3
43BTR	- of which for old buildings	39.6	+0.1	+0.3
43TP	Specialised works for civil engineering	9.5	+0.7	-4.8
BT	Buildings (41.2 + 43BT)	74.3	+0.1	-0.0
TP	Public works (42 + 43TP)	25.7	+0.5	-5.7

Source: INSEE

Items of producer cost indices for construction

		In %			
Costs items		T4 14 / T3 14	T1 15 / T4 14	Feb. 15/ Jan. 14	Feb. 15/ Feb. 14
Equipment	Buildings - structural works	+0.2	+1.2	-0.0	+1.7
	Buildings - finishing	-0.3	+2.3	-0.1	+1.9
	Public works	-0.1	+0.5	+0.1	-0.7
Labour	Labour costs in construction	+0.4	///	///	///
Energy	Buildings	-5.2	-6.8	+5.0	-11.5
	Public works	-20.0	-7.8	+17.3	-20.7
Material	Construction of buildings	-0.8	-0.8	+0.1	-1.9
	Existing buildings	-0.1	-0.7	-0.1	-0.9
	Civil engineering	-3.5	-9.1	-1.4	-13.5
	Specialised works for civil engineering	-0.3	-0.3	-0.4	-0.9
Services	Construction	-0.7	+0.3	+0.4	+0.4
Transport	Buildings	-0.9	-1.4	+1.0	-1.9
	Public works	-0.2	0.0	0.0	-0.3

///: non-published estimation.

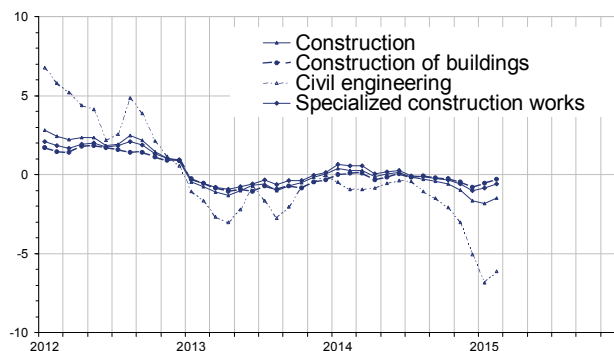
Source: INSEE

Materials

In February 2015, prices of materials for construction of buildings were virtually stable (+0.1%), the rebound of prices in profiled steel (+0.9%), being offset by the fall in prices of non-alloy steel products (-0.8%). In civil engineering, the prices of materials kept declining (-1.4%), due to the drop of bitumen (-5.3%).

Producer costs in construction

Annual change in %



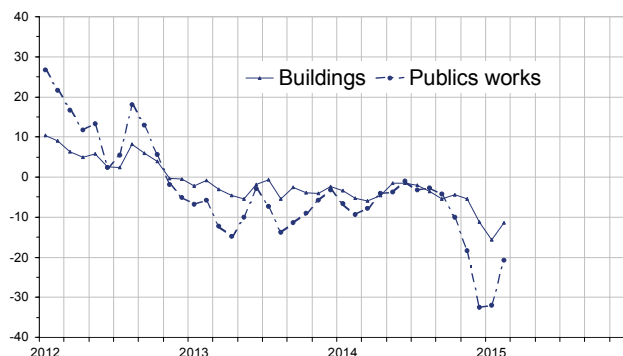
Source: INSEE

Energy

In February 2015, cost of energy recovered strongly in building construction (+5.0% after -5.3%; -11.5% over a year), due to the rebound of oil prices. It increased even more in civil engineering (+17.3%; -20.7% over a year), due to the sharp rise in price of heavy fuel oil (+25.3%; -25.0% year on year).

Energy cost

Annual change in %

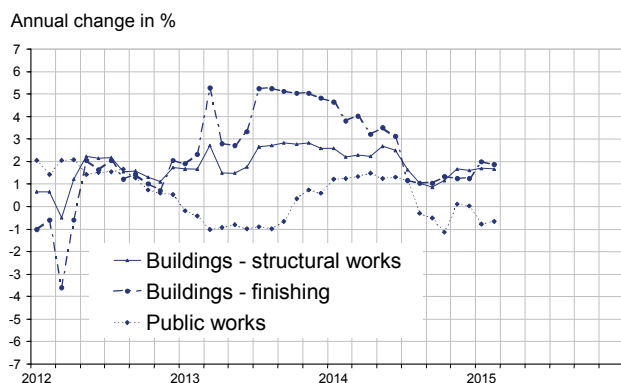


Source: INSEE

Equipment

In February 2015, the price of materials was stable in buildings - structural work and nearly stable in buildings – finishing (-0.1%) and in civil engineering (+0.1%).

Equipment cost



Source: INSEE

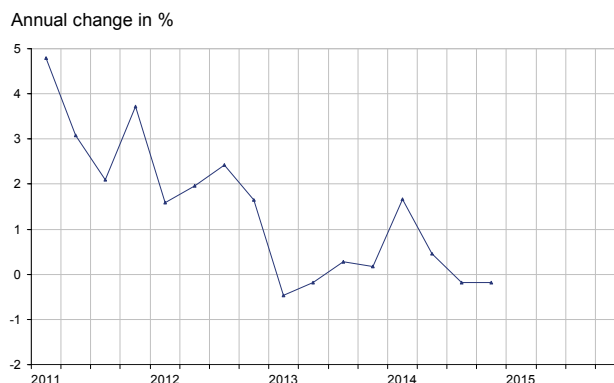
		In points		
		Nov. 14	Dec. 14	Jan. 15
F	Construction	///	///	0.1
41.2	Construction of buildings	///	///	0.2
42	Civil engineering	///	///	///
43	Specialised construction works	///	///	0.1

Source: INSEE

Note: producer cost development for construction in January 2015 published in April 2015 has been updated from -0.5% to -0.4%, that is to say a revision up by 0.1 point.

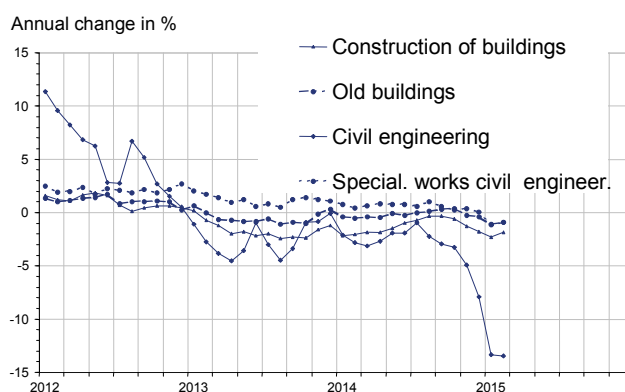
Source: INSEE.

Labour cost in construction



Source: INSEE

Materials costs



Source: INSEE

For more information:

Definition

Production cost indices in construction are composite statistical indices, aggregating cost indices by expenses items. These indices are subject to revision. They are primarily used for national accounts and macroeconomics analyses.

Method of calculation

The six cost items are defined according to the "KLEMS" analytical accounting approach (K = capital goods "equipment", L = "labour", E = "energy", M = "materials", S = "services"), with the supplementary item T = "transport".

Each cost item is itself made up of elementary indices issued from public statistics.

The composition of "equipment" item is adapted to the construction of buildings (structural works), specialised construction works for existing buildings (finishing) and public works respectively. "Equipment" item of specialised construction works for new buildings is a weighted average of the "equipment" items for structural works and finishing.

The composition of "materials" item is adapted to the construction of buildings, specialised construction works for old buildings (finishing), civil engineering and specialised works for civil engineering respectively.

The composition of "energy" item is different between buildings (diesel oil) and public works (road diesel and heavy fuel oil). Building companies generally use their trucks, while those of public works resort to freight transport companies. Thus, transport indices of the two activities are different.

The weights of cost items and elementary indices are normally fixed for the duration of the base.

Cost indices and cost items are aggregated using a Laspeyres chain-linked technique, reference 100 in 2010.

"Buildings" group activities "41.2: Building Construction" and "43 except 43.1, 43.21B and 43.99E: Specialised construction works except demolition, site preparation, electrical installation on the highway and rental and leasing services of construction and civil engineering machinery and equipment with operator".

"Public Works" include activities "42: civil engineering", "43.1: Demolition, site preparation" and "43.21B: electrical installation on the highway".

- Complementary information (historical data, methodology, web site, etc.) is on: <http://www.insee.fr/en/themes/info-rapide.asp?id=120>
- Historical data are available on the BDM : [G1605](#)
- Follow us also on TwitterInseeFr: Twitter @InseeFr : <https://twitter.com/InseeFr>
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Next issue: 12th June 2015 at 12 p.m.