Informations Rapides

14 août 2015 - n° 198

Insee Mesurer pour comprendre Conjoncture

■ Producer cost indices for construction – May 2015

In May 2015, producer cost indices for construction were almost stable (+0.1%)

In May 2015, producer costs for construction were almost flat in construction (+0.1% after +0.1% in April; -0.6% over a year). They increased slightly in civil engineering (+0.4% after +0.3%, -3.4% over a year).

Producer cost indices for construction

In %

NAF	Heading	Weights (in %)	May 15/ Apr. 15	May 15/ May 14
F	**Construction**	**100.0**	**+ 0.1**	**- 0.6**
41.2	**Construction of buildings**	10.1	+ 0.0	+ 0.1
42	**Civil engineering**	16.2	+ 0.5	- 3.9
43	**Specialised construction works**	73.7	+ 0.1	+ 0.1
43BT	- of which for buildings	64.2	+ 0.0	+ 0.5
43BTC	- of which for new building	24.6	+ 0.0	+ 0.1
43BTR	- of which for existing buildings	39.6	+ 0.0	+ 0.7
43TP	Specialised works for civil engineering	9.5	+ 0.4	- 2.6
BT	**Buildings (41.2 + 43BT)**	74.3	+ 0.0	+ 0.5
TP	**Public works (42 + 43TP)**	25.7	+ 0.4	- 3.4

Source: INSEE

Items of producer cost indices for construction

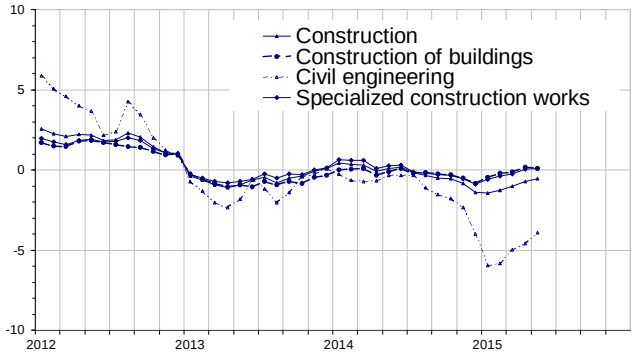
In %

Costs items		Q1 15 / Q4 14	Q2 15 / Q1 15	May 15/ Apr. 15	May 15/ May 14
Equipment	Buildings - structural works	+ 1.0	+ 0.5	- 0.0	+ 1.5
	Buildings - finishing	+ 1.9	+ 0.9	- 0.2	+ 2.5
	Public works	+ 0.6	+ 0.3	- 0.0	- 0.3
Labour	Labour costs in construction	+ 0.6	///	///	///
Energy	Buildings	- 5.1	+ 4.3	+ 2.1	- 5.6
	Public works	- 4.6	+ 5.7	+ 1.3	- 6.9
Material	Construction of buildings	- 0.8	- 0.0	+ 0.0	- 1.6
	Existing buildings	- 0.7	- 0.2	+ 0.2	- 0.9
	Civil engineering	- 8.9	+ 2.0	+ 1.2	- 10.1
	Specialised works for civil engineering	- 0.4	- 0.1	+ 0.3	- 0.6
Services	Construction	+ 0.4	+ 0.2	- 0.2	+ 0.7
Transport	Buildings	- 1.4	+ 0.8	+ 0.4	- 1.3
	Public works	- 1.5	0.0	0.0	- 1.9

///: non-published estimation.
Source: INSEE

Production costs in construction

Annual change in %



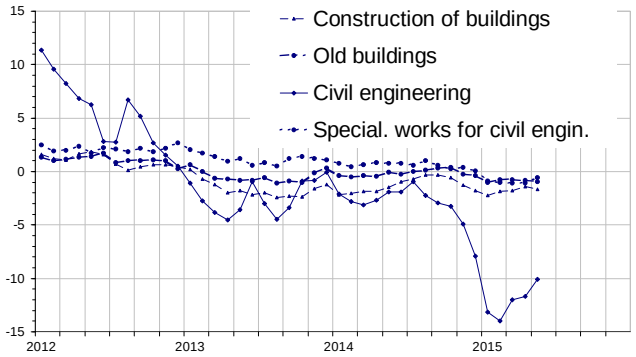
Source: INSEE

Materials

In May 2015, prices of materials for construction of buildings were stable (+0.0%), the increase in the price of ribbed bars in steel (+2.2%) being offset by the fall in the price of hollow bricks and blocks (-1.1%). In civil engineering, the prices of materials increased significantly (+1.2% after +0.2%), due to the rise of the price of bitumen (+5.0% in May after -0.1% in April; -31.8% over a year).

Materials costs

Annual change in %



Source: INSEE

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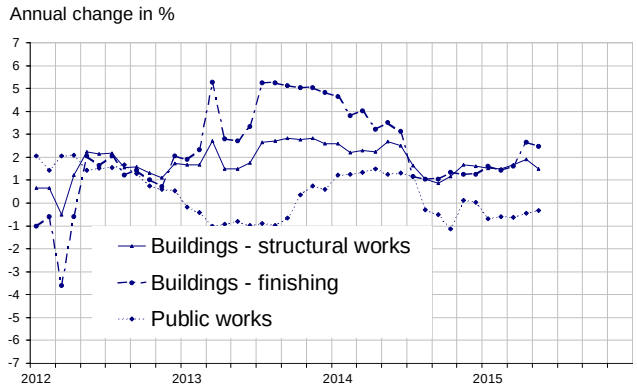
Equipment

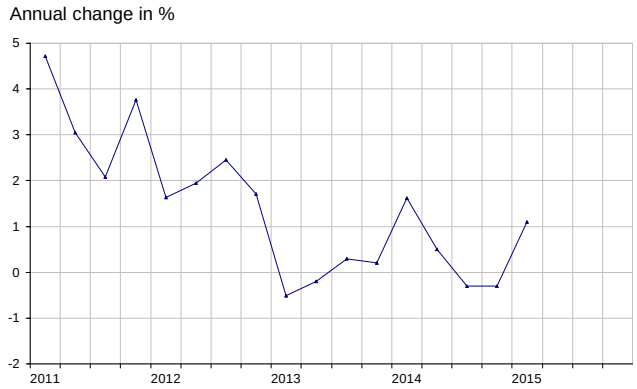
In May 2015, the equipment costs were flat, except in finishing work (-0.2% after + 0.9%, + 2.5% over a year), reflecting the price drop of "other machine tools".

Equipment cost



Source: INSEE

Labour cost in construction

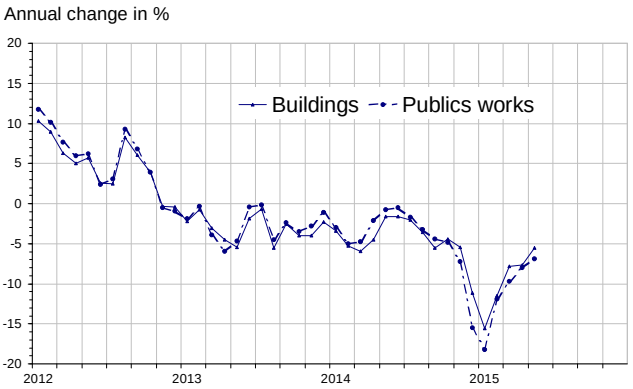


Source: INSEE

Energy

In May 2015, energy cost increased in construction of buildings (+2.1% after -0.3%; -5.6% over a year), impacted by the upwards of gas oil prices. It increased more slowly in civil engineering (+1.3% after +2.0%; -6.9% over a year), due to the withdrawal of heavy fuel oil prices.

Energy cost



Source: INSEE

Revisions of costs of production indices in construction

In points

		Feb. 15	Mar. 15	Apr. 15
F	**Construction**	///	///	///
41.2	**Construction of buildings**	///	///	///
42	**Civil engineering**	///	///	0,1 (1)
43	**Specialised construction works**	///	///	///

Source: INSEE

(1): producer cost for civil engineering between March and April 2015 published in July 2015 has been updated from 0.1% to 0.2%, that is to say an upward revision by 0.1 point.

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: 17 September 2015 at 12.00 pm.