

Informations *Rapides*

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■ Producer cost indices for construction – October 2016

In October 2016, near stability in producer costs for construction (+0.1%)

In October 2016, producer costs in construction were virtually stable (+0.1% as in September). They rose in civil engineering (+0.4% after +0.2%) and they were virtually stable in specialised construction works (+0.1% as in September) and in the construction of buildings (-0.1% after +0.1%). Over a year, producer costs continued to accelerate in the entire construction sector (+1.4 % after +1.2%). This trend held for the three subsectors: the construction of buildings (+1.2% after +1.1%), the specialised construction works (+1.5% after +1.3%) and the sector of civil engineering (+1.2% after +0.4%).

Variations in producer cost indices for construction

In %

NAF	Heading	Weights (in %)	Oct 16/ Sept 16	Oct 16/ Oct 15
F	Construction	100.0	+0.1	+1.4
41.2	Construction of buildings	10.1	-0.1	+1.2
42	Civil engineering	16.2	+0.4	+1.2
43	Specialised construction works	73.7	+0.1	+1.5
43BT	Buildings	64.2	+0.1	+1.5
43BTC	New buildings	24.6	0.0	+1.3
43BTR	Existing buildings	39.6	+0.1	+1.7
43TP	Specialised works for civil engineering	9.5	+0.4	+1.4
BT	Buildings (41.2 + 43BT)	74.3	0.0	+1.4
TP	Public works (42 + 43TP)	25.7	+0.4	+1.3

Source: INSEE

Items of producer cost indices for construction

In %

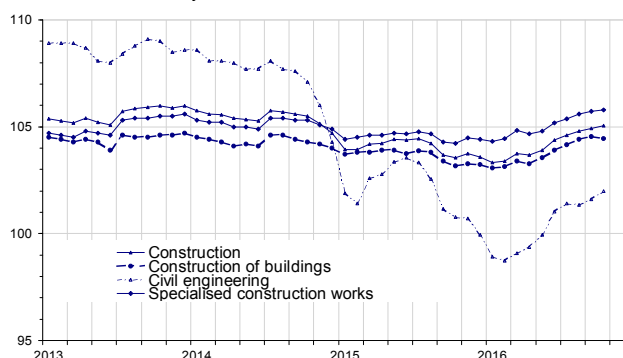
Costs items		Q3 16 / Q2 16	Oct 16/ Sept 16	Oct 16/ Oct 15
Equipment	Buildings	-0.4	+0.5	-0.9
	Public works	-0.2	+0.1	-0.3
Labour	Labour costs in construction	+1.0	///	///
Energy	Buildings	+0.5	+2.4	+3.2
	Public works	+0.9	+3.4	+3.2
Materials	Construction of buildings	+1.4	-0.7	-1.0
	Existing buildings	+0.6	-0.3	-0.9
	Civil engineering	+3.5	+0.3	-0.1
	Specialised works for civil engineering	+0.3	-0.2	-0.9
Services	Construction	+0.9	+0.3	+0.7
Transport	Buildings	0.0	+0.5	+0.8
	Public works	-0.3	0.0	+0.4

///: non published estimation

Source: INSEE

Production costs in construction

Raw data, Reference year = 2010



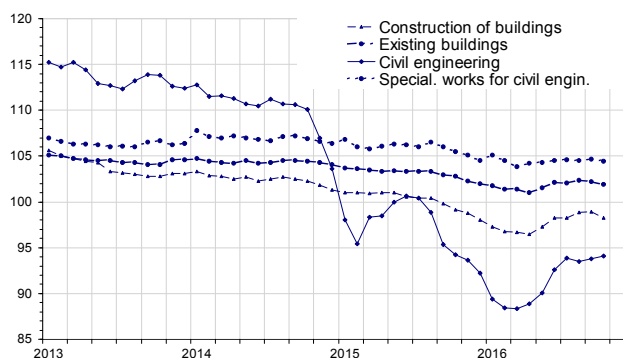
Source: INSEE

Material costs fell in the construction of buildings

In October 2016, material costs fell in building construction (-0.7% after +0.1%), in the renovation of existing building (-0.3% après -0.1%) and in specialised works for civil engineering (-0.2% after +0.2%). However, they increased again in civil engineering (+0.3% as in September). Over a year, material costs still decreased in the building industry – whether for new construction (-1.0%) or building renovation (-0.9%) – and in specialised works for civil engineering (-0.9%). They remained practically unchanged in civil engineering (-0.1% yoy)

Materials costs

Raw data, Reference year = 2010



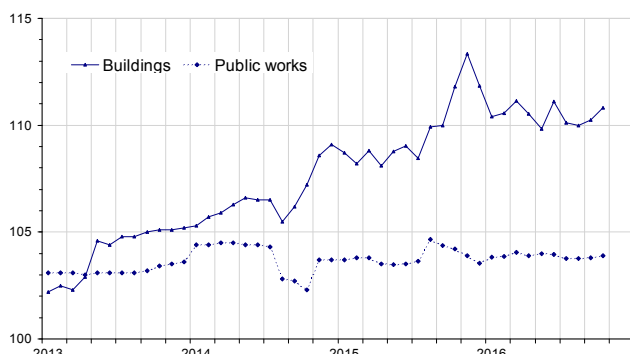
Source: INSEE

Equipment cost increased again in building industry

In October 2016, equipment cost increased again in building construction (+0.5% after +0.2%). It was virtually stable in public works (+0.1% after 0.0% in September).

Equipment cost

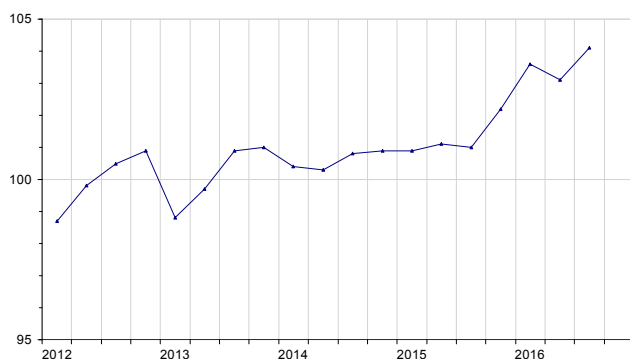
Raw data, Reference year =2010



Source: INSEE

Labour cost in construction

Raw data, Reference year =2010



Source: INSEE

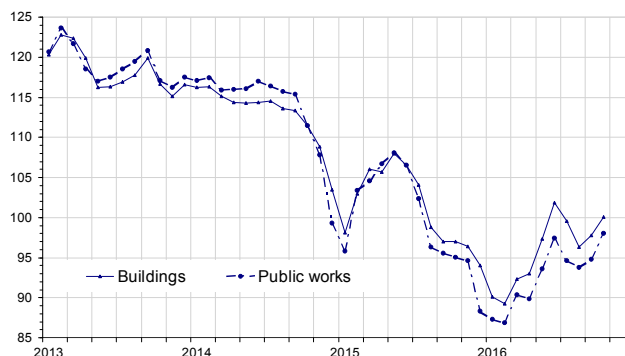
Energy cost accelerated

In October 2016, the cost of energy accelerated in building construction (+2.4% after +1.6%) and in public works (+3.4% after +1.1%).

Over a year, the cost of energy rebounded in public works for the first time since the end of 2012 (+3.2% after -0.7% in September). In building construction, it accelerated (+3.2% after +0.8%).

Energy cost

Raw data, Reference year =2010



Source: INSEE

Variations' revisions

(in percentage points)

		July 16	August 16	Sept. 16
F	Construction	///	///	-0.1
41.2	Construction of buildings	///	///	-0.1
42	Civil engineering	///	///	///
43	Specialised construction works	///	///	///

///: unchanged

How to read it: the variation in producer cost for construction in September 2016 has been revised downward by 0.1 points, from +0.2% published in December 2016 to +0.1%.

Source: INSEE

For more information:

Definition

Production cost indices in construction aggregate the cost indices of six factors of production. These indices are subject to revision. They are primarily used for national accounts and macroeconomics analyses.

Method of calculation

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

Each factors of production is itself made up of elementary indices issued from public statistics.

Cost indices and factors of production are aggregated using a Laspeyres chain-linked technique. reference 100 in 2010.

For more information, please refer to [the methodology](#) joined with the publication.

- Complementary information (historical data. methodology. weblinks. etc.) is available on the web page of this index: <https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=54>
- Historical data are available on the BDM : [G1605](#)
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Next issue: 14 February 2017 at 12:00 pm.