

# Informations *Rapides*

26 juin 2018 - n° 163



## ■ Producer cost indices for construction – First quarter 2018

### In Q1 2018, producer costs for construction increased (+0.8%)

**Avertissement:** in accordance with the European directives, producer costs for construction are broadcast in reference 100 in 2015 from this release. Additional information related to this change are available on the Web page of these indicators (flag: Documentation).

In Q1 2018, producer costs for construction slightly slowed down (+0.8% after +1.1% in the previous quarter). They increased in all sub-sectors but less significantly than in the previous quarter: +1.4% (after +1.8%) in civil engineering, +0.7% (after +1.0%) in building construction as well as in specialised construction works. Over a year, these costs decelerated too (+2.4% after +2.7% in Q4 2017), in civil engineering (+2.7% after +4.0%) as well as in building construction (+2.4% after +2.7%) and in specialised construction works (+2.3% after +2.5%).

#### Materials cost increased

In Q1 2018, the cost of materials increased in the three sectors: in building construction (+1.3% after +1.2%), in civil engineering (+1.6% after a stability) and in specialised works for civil engineering (+1.3% after +0.8%).

Over a year, materials cost remained dynamic, notably in civil engineering (+3.5% after +7.1%) and in building construction (+3.3% as in Q4 2017).

#### Energy cost accelerated remarkably

In Q1 2018, the cost of energy increased remarkably in building construction (+9.0% after +5.7%) and in public works (+9.2% after +6.4%) due to a large acceleration in prices of fuel oil and gas oil.

Over a year, the rise in the cost of energy was significant too (+8.9% after +8.1% in public works and +9.3% after +9.4% in building construction).

#### Variations in producer cost indices for construction

In %

| Heading                                      | Weights (in %) | Q1 2018/<br>Q4 2017 | Q1 2018/<br>Q1 2017 |
|----------------------------------------------|----------------|---------------------|---------------------|
| <b>F Construction</b>                        | <b>100.0</b>   | <b>+0.8</b>         | <b>+2.4</b>         |
| <b>41.2 Construction of buildings</b>        | <b>10.2</b>    | <b>+0.7</b>         | <b>+2.4</b>         |
| <b>42 Civil engineering</b>                  | <b>15.9</b>    | <b>+1.4</b>         | <b>+2.7</b>         |
| <b>43 Specialised construction works</b>     | <b>73.9</b>    | <b>+0.7</b>         | <b>+2.3</b>         |
| 43BT Buildings                               | 65.2           | +0.6                | +2.3                |
| 43BTC New buildings                          | 24.7           | +0.8                | +2.5                |
| 43BTR Existing buildings                     | 40.5           | +0.6                | +2.2                |
| 43TP Specialised works for civil engineering | 8.7            | +1.2                | +2.2                |
| <b>Buildings (41.2 + 43BT)</b>               | <b>75.4</b>    | <b>+0.6</b>         | <b>+2.3</b>         |
| <b>Public works (42 + 43TP)</b>              | <b>24.6</b>    | <b>+1.3</b>         | <b>+2.5</b>         |

Source: INSEE

#### Items of producer cost indices for construction

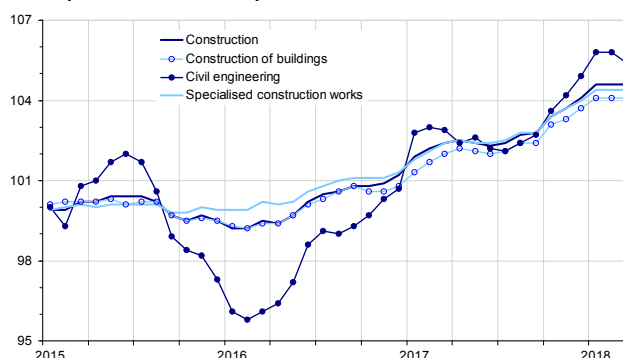
In %

| Costs items                             | Q1 2018/<br>Q4 2017 | Q1 2018/<br>Q1 2017g |
|-----------------------------------------|---------------------|----------------------|
| <b>Equipment</b>                        |                     |                      |
| Buildings                               | +0.2                | -0.2                 |
| Public works                            | +0.3                | 0.0                  |
| <b>Labour</b>                           |                     |                      |
| Labour costs in construction            | -0.4                | +1.8                 |
| <b>Energy</b>                           |                     |                      |
| Buildings                               | +9.0                | +9.3                 |
| Public works                            | +9.2                | +8.9                 |
| <b>Materials</b>                        |                     |                      |
| Construction of buildings               | +1.3                | +3.3                 |
| Existing buildings                      | +1.0                | +2.4                 |
| Civil engineering                       | +1.6                | +3.5                 |
| Specialised works for civil engineering | +1.3                | +2.3                 |

Source: INSEE

#### Production costs in construction

Monthly raw data, Reference year = 2015



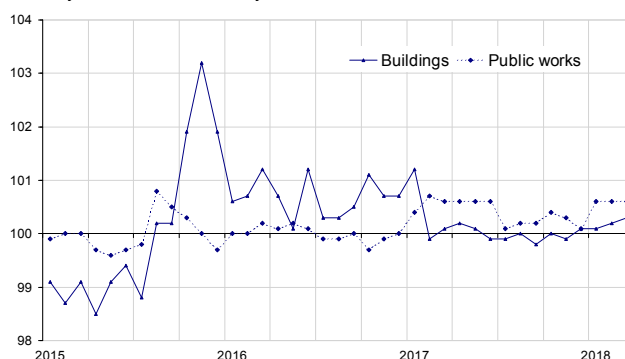
Source: INSEE

### Equipment cost slightly increased in building construction and in public works

In Q1 2018, equipment cost slightly increased in building construction (+0.2% after +0.1%) but it slightly declined by 0.2% yoy (after -0.8%). In public works, it rose too (+0.3% after +0.1% in Q4 2017) and it was stable over a year (after +0.4%).

### Equipment cost

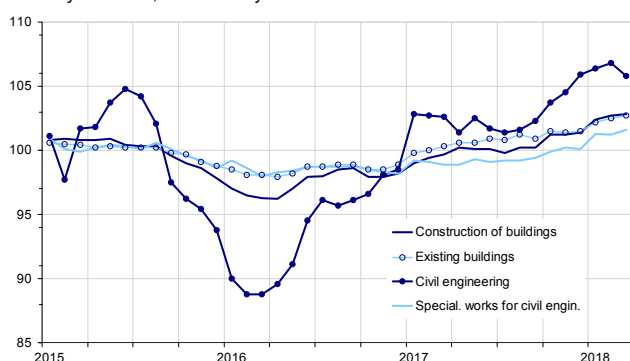
Monthly raw data, Reference year =2015



Source: INSEE

### Materials cost

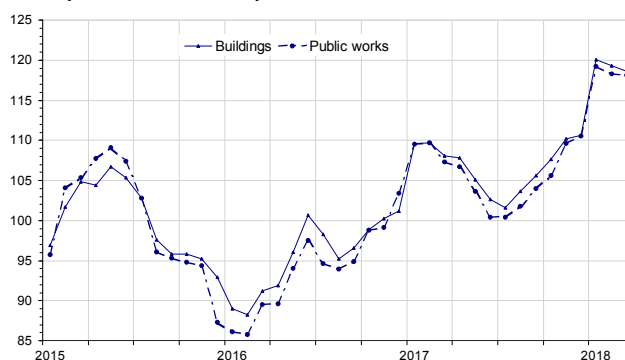
Monthly raw data, Reference year =2015



Source: INSEE

### Energy cost

Monthly raw data, Reference year =2015



Source: INSEE

### For more information

Monthly production cost indices are released every three months.

These indices aggregate the cost indices of six factors of production, four of which are commented here (equipment, labour, energy and materials) and account for more than 8/9 in the calculation of the producer costs in construction.

These indices are subject to revision. They are primarily used for national accounts and macroeconomics analyses.

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: <https://www.insee.fr/en/statistiques/series/102327749>
-  Follow us also on Twitter @InseeFr\_News: [https://twitter.com/InseeFr\\_News](https://twitter.com/InseeFr_News)
- Press contact: [bureau-de-presse@insee.fr](mailto:bureau-de-presse@insee.fr)

Next issue: Mid-September 2018