

A Guide to Construction Cost Indexes

Many contractors, owners, architects and others involved with construction want a measure of how much construction costs have risen. There is no single way to answer that question. Instead,

include the intermediate demand indexes for construction, which measure relatively small amounts of maintenance and repair for buildings. (

or requests for PPIs covering additional items to BLS. (Write to Chief Economist Ken Simonson at simonsonk@agc.org and, if desired, to BLS at ppi-info@bls.gov.)

The selling price of some processed goods often reflects changes that occurred some months earlier in the changes in five PPIs for unprocessed goods that contribute to construction materials costs. **Table 6** lists

Labor costs

In addition to materials, contractors incur substantial costs for labor. Each quarter, BLS calculates changes in employer costs for total compensation – wages and salaries, the employer share of benefits, and legally required (ECI). **Table 7** presents the ECIs for total compensation (CIU20123) and wages and salaries (CIU20223) for construction, and for comparison, for all private industry (CIU20100 and CIU20200). (BLS also calculates an ECI for benefits for private industry, but not for construction.)

Sources and limitations

Percentages are downloaded for PPIs from BLS' PPI website, www.bls.gov/ppi, under the Databases section at the icon for One-Screen Data Search