

**** Please note that these rates have not been updated since the end of the Construction Confederation in 2009 ****

Example of calculation of standard hourly base rate, as defined in Section 3 of RICS/Construction Confederation Definition of Prime Cost of Daywork carried out under a Building Contract, for typical building craft operative and general operative.

	Craft Operative		General Operative	
	Rate £ pw	Rate £ pa	Rate £ pw	Rate £ pa
Guaranteed minimum weekly earnings Standard Basic Rate – 46.2 weeks	401.70	18,558.54	302.25	13,963.95
Employer's National Insurance Contribution at 12.8% (above earnings threshold of £105 per week, see notes 6 & 7)		1,725.00		1,136.89
Employer's contribution to: CITB annual levy (see note 8) Holiday with pay: 226 hours @ Welfare benefit: 52 credits @	10.30 11.00	104.43 2,327.80 572.00	7.75 11.00	78.58 1,751.50 572.00
Annual Labour cost		23,287.77		17,502.92

Hourly rate of labour	Craft Operative		General Operative	
		<u>23,287.77</u> 1802 =	£12.92	<u>17,502.92</u> 1802 =

NOTES

- Standard working hours per annum calculated as: 52 weeks @ 39 hours, less holiday of 226 hours = 2028
- It should be noted that all labour costs incurred by the contractor in his capacity as an employer, other than those contained in the hourly rate, are to be taken into account under Section 6.
- The above example does not include all likely costs. It is for the convenience of users only and does not form part of the Definitions. All basic costs are subject to re-examination according to the time when and the area where the daywork is executed.
- The calculation of your costs should take into consideration any additional and/or statutory holiday pay.
- The number of hours worked in the year shown in the calculation are those applicable to England and Wales.
- The calculation shows the rate of the Employer's National Insurance contribution to be 12.8% for both a craft operative and for a general operative on earnings above the earnings threshold of £110.00 per week
- The CITB-ConstructionSkills levy payable by employers is 0.5% of payroll in respect of all employees employed by them (1.5% for labour only subcontractors) in the industry in the preceding financial year.