

# Hanscomb

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Escalation Watch

## Escalation Watch Fourth Quarter 2009

The mid-November 2009 Non-residential Construction Price Indices were released by Statistics Canada on February 15<sup>th</sup>. The first quarter indices for 2010 will be available mid-May 2010.

Nationally, the fourth quarter national composite results show a continued drop falling another 0.4% resulting in a year over year decline of 7.7%. Most of the fall was reported in the first three quarters of the year which lends some credence to our observation last quarter that the worst may be over.

For the most part, there was very little positive or negative index movement in any of the cities reported by Statscan. In the east Halifax (+0.1%) and Montreal (+0.2%) were the only two cities to show even the most modest quarterly gains. Moving west, Toronto (-0.5%), Ottawa (0.0%), Calgary (-0.2%) and Vancouver (-0.2%) were all virtually flat. The only exception this quarter is Edmonton with a drop of 1.6%.

It bears remembering that the indices prepared for Statistics Canada are intended only to track cost changes in a given city. The index *cannot* be used to compare costs between cities.

The source data used to prepare the charts in this newsletter is drawn from Statistics Canada's Capital Expenditures Price Statistics publication – catalogue 62-007-XWE. Specifically, we used the Non-residential Building Construction Price Indexes for the national composite and each surveyed city indicated on tables 7.2 through 7.9.

More information about this and other construction related indices published by Statistics Canada are available on line at [www.statcan.gc.ca](http://www.statcan.gc.ca).

- Paul Westbrook

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Statistics Canada  
Non-Residential  
Construction Cost  
Indices for 7 Cities,  
Fourth Quarter  
2009

## Services

Cost Planning & Control Value Management	Litigation Support Construction Monitoring	Feasibility Studies Time Management	Project Loan Monitoring Applied Research
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## Canadian Offices and Service Contacts

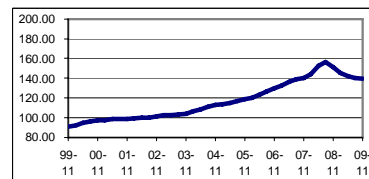
Vancouver	Peter Moore	604 - 685 - 1241	Value Management	Paul Westbrook	416 - 487 - 3811
Edmonton	Mike Swick	780 - 426 - 7980	Loan Monitoring	Raymond Murray	902 - 422 - 3620
Calgary	David Crane	403 - 234 - 9490		Grant Mercer	613 - 234 - 8089
Winnipeg	Isaac Gwendo	204 - 775 - 3389		Dale Panday	416 - 487 - 3811
Hamilton	Susan Neil	905 - 525 - 5777	Applied Research	Jason Gallant	416 - 487 - 3811
	Craig Bye				
Ottawa	Art Maw	613 - 234 - 8089			
	Grant Mercer				
Toronto	Paul Westbrook	416 - 487 - 3811			
	Dale Panday				
Halifax	Raymond Murray	902 - 422 - 3620			
St. John's	Wayne Fitzpatrick	709 - 722 - 0505			

### Orders for the 2010 Edition of Hanscomb Yardsticks for Costing are now being shipped

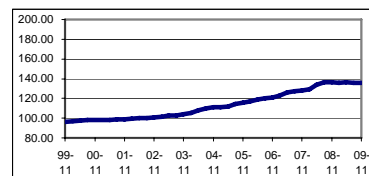
Orders can be made by calling RSMears (1-800-334-3509) and requesting item number 62010, or by submitting the order form available at [www.yardsticks.ca](http://www.yardsticks.ca)

# STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 2002 = 100 (Cat. No. 62-007-XWE)

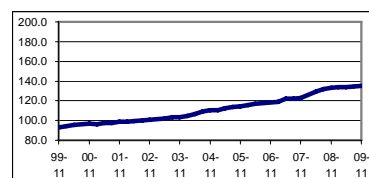
COMPOSITE 7 CITY	2007			2008			2009				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	136.5	138.7	140.0	143.7	152.3	155.9	151.5	145.1	142.4	140.3	139.8
Year / Year					11.6%	12.4%	8.2%	1.0%	(6.5%)	(10.0%)	(7.7%)
Quarterly		1.6%	0.9%	2.6%	6.0%	2.4%	(2.8%)	(4.2%)	(1.9%)	(1.5%)	(0.4%)
Q. Cumulative	0.0%	1.6%	2.6%	5.3%	11.6%	14.2%	11.0%	6.3%	4.3%	2.8%	2.4%



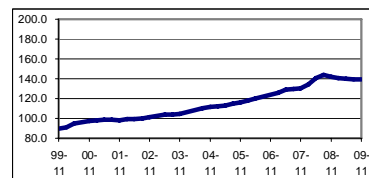
HALIFAX	2007			2008			2009				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	126.3	127.3	127.7	129.3	133.6	136.1	136.3	135.5	136.1	135.6	135.7
Year / Year					5.8%	6.9%	6.7%	4.8%	1.9%	(0.4%)	(0.4%)
Quarterly		0.8%	0.3%	1.3%	3.3%	1.9%	0.1%	(0.6%)	0.4%	(0.4%)	0.1%
Q. Cumulative	0.0%	0.8%	1.1%	2.4%	5.8%	7.8%	7.9%	7.3%	7.8%	7.4%	7.4%



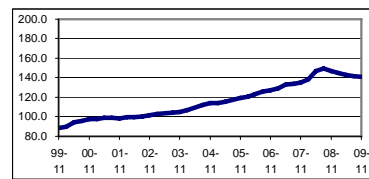
MONTREAL	2007			2008			2009				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	122.0	122.2	123.4	126.3	129.3	132.2	133.6	134.1	134.0	134.9	135.2
Year / Year					6.0%	8.2%	8.3%	6.2%	3.6%	2.0%	1.2%
Quarterly		0.2%	1.0%	2.4%	2.4%	2.2%	1.1%	0.4%	(0.1%)	0.7%	0.2%
Q. Cumulative	0.0%	0.2%	1.1%	3.5%	6.0%	8.4%	9.5%	9.9%	9.8%	10.6%	10.8%



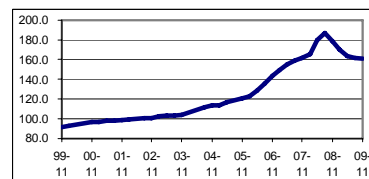
OTTAWA	2007			2008			2009				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	129.1	129.8	130.4	134.0	140.6	143.8	141.8	140.7	140.2	139.6	139.6
Year / Year					8.9%	10.8%	8.7%	5.0%	(0.3%)	(2.9%)	(1.6%)
Quarterly		0.5%	0.5%	2.8%	4.9%	2.3%	(1.4%)	(0.8%)	(0.4%)	(0.4%)	0.0%
Q. Cumulative	0.0%	0.5%	1.0%	3.8%	8.9%	11.4%	9.8%	9.0%	8.6%	8.1%	8.1%



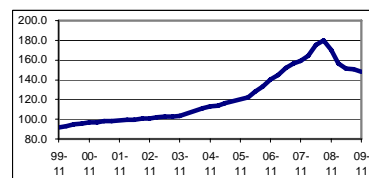
TORONTO	2007			2008			2009				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	132.7	133.7	134.7	138.4	146.5	149.2	147.0	144.6	142.9	141.6	140.9
Year / Year					10.4%	11.6%	9.1%	4.5%	(2.5%)	(5.1%)	(4.1%)
Quarterly		0.8%	0.7%	2.7%	5.9%	1.8%	(1.5%)	(1.6%)	(1.2%)	(0.9%)	(0.5%)
Q. Cumulative	0.0%	0.8%	1.5%	4.3%	10.4%	12.4%	10.8%	9.0%	7.7%	6.7%	6.2%



CALGARY	2007			2008			2009				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	155.0	158.8	161.3	165.5	179.9	186.6	178.1	169.9	163.7	161.2	160.9
Year / Year					16.1%	17.5%	10.4%	2.7%	(9.0%)	(13.6%)	(9.7%)
Quarterly		2.5%	1.6%	2.6%	8.7%	3.7%	(4.6%)	(4.6%)	(3.6%)	(1.5%)	(0.2%)
Q. Cumulative	0.0%	2.5%	4.1%	6.8%	16.1%	20.4%	14.9%	9.6%	5.6%	4.0%	3.8%



EDMONTON	2007			2008			2009				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	151.8	156.8	158.9	164.4	175.1	179.7	170.2	156.7	151.4	150.8	148.4
Year / Year					15.3%	14.6%	7.1%	(4.7%)	(13.5%)	(16.1%)	(12.8%)
Quarterly		3.3%	1.3%	3.5%	6.5%	2.6%	(5.3%)	(7.9%)	(3.4%)	(0.4%)	(1.6%)
Q. Cumulative	0.0%	3.3%	4.7%	8.3%	15.3%	18.4%	12.1%	3.2%	(0.3%)	(0.7%)	(2.2%)



VANCOUVER	2007			2008			2009				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	145.6	149.6	151.3	154.4	161.9	164.6	157.3	140.4	138.7	132.6	132.3
Year / Year					11.2%	10.0%	4.0%	(9.1%)	(14.3%)	(19.4%)	(15.9%)
Quarterly		2.7%	1.1%	2.0%	4.9%	1.7%	(4.4%)	(10.7%)	(1.2%)	(4.4%)	(0.2%)
Q. Cumulative	0.0%	2.7%	3.9%	6.0%	11.2%	13.0%	8.0%	(3.6%)	(4.7%)	(8.9%)	(9.1%)

