

# Hanscomb

Page 1:  
Escalation Watch

## Escalation Watch Second Quarter 2010

The mid-May 2010 Non-residential Construction Price Indices were released by Statistics Canada on August 17<sup>th</sup>. The third quarter indices for 2010 will be available mid-November 2010.

For the first time since the third quarter of 2008, the national composite has returned to positive territory, posting a second quarter result of 141.7 or 1.4% better than the previous quarter. Expressed year over year, the national composite is down a modest 0.5%.

Also, for the first time in recent memory, all the composite indices for all seven cities tracked by Statscan reported quarterly increases. It is worth noting that the return to a growth trend for all cities in this quarter has not yet erased all of the ground lost over the past few years in most centres. When considered from a year over year viewpoint, Halifax (+1.0), Montreal (+1.4%), Ottawa (+3.1%) and Edmonton (+2.8%) have all seen positive movement. On the other hand, Toronto (-0.3%), Calgary (-1.6%) and Vancouver (-4.3%) all had negative year over year results.

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

Page 2:  
Statistics Canada  
Non-Residential  
Construction Cost  
Indices for 7 Cities,  
Second Quarter  
2010

## Services

Cost Planning & Control  
Value Management

Litigation Support  
Construction Monitoring

Feasibility Studies  
Time Management

Project Loan Monitoring  
Applied Research

## Canadian Offices and Service Contacts

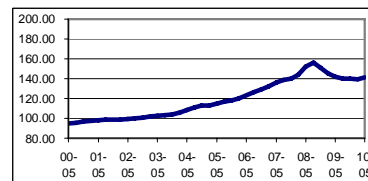
Vancouver	Peter Moore	604 - 685 - 1241	St. John's	Wayne Fitzpatrick	709 - 722 - 0505
Edmonton	Mike Swick	780 - 426 - 7980	Value Management	Paul Westbrook	416 - 487 - 3811
Calgary	David Crane	403 - 234 - 9490	Loan Monitoring	Raymond Murray	902 - 422 - 3620
Winnipeg	Isaac Gwendo	204 - 775 - 3389		Grant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

## Hanscomb Appointments

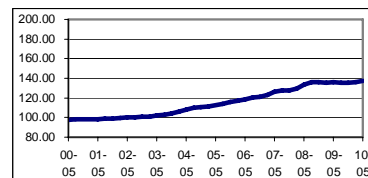
The Hanscomb Board of Directors is pleased to announce the appointment of Messers Jason Gallant, Grant Mercer and Dale Panday as Directors of the firm.

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

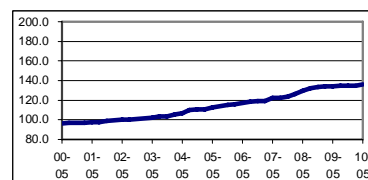
COMPOSITE 7 CITY	2007	2008				2009				2010	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	140.0	143.7	152.3	155.9	151.5	145.1	142.4	140.3	140.0	139.8	141.7
Year / Year					8.2%	1.0%	(6.5%)	(10.0%)	(7.6%)	(3.7%)	(0.5%)
Quarterly		2.6%	6.0%	2.4%	(2.8%)	(4.2%)	(1.9%)	(1.5%)	(0.2%)	(0.1%)	1.4%
Q. Cumulative	0.0%	2.6%	8.8%	11.4%	8.2%	3.6%	1.7%	0.2%	0.0%	(0.1%)	1.2%



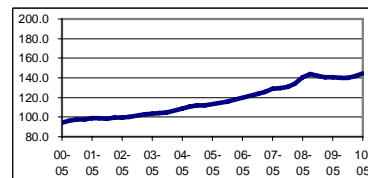
HALIFAX	2007	2008				2009				2010	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	127.7	129.3	133.6	136.1	136.3	135.5	136.1	135.6	135.7	136.3	137.4
Year / Year					6.7%	4.8%	1.9%	(0.4%)	(0.4%)	0.6%	1.0%
Quarterly		1.3%	3.3%	1.9%	0.1%	(0.6%)	0.4%	(0.4%)	0.1%	0.4%	0.8%
Q. Cumulative	0.0%	1.3%	4.6%	6.6%	6.7%	6.1%	6.6%	6.2%	6.3%	6.7%	7.6%



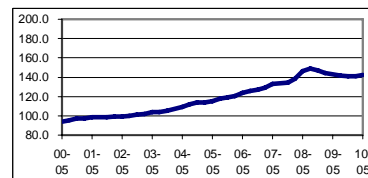
MONTREAL	2007	2008				2009				2010	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	123.4	126.3	129.3	132.2	133.6	134.1	134.0	134.9	135.1	134.6	135.9
Year / Year					8.3%	6.2%	3.6%	2.0%	1.1%	0.4%	1.4%
Quarterly		2.4%	2.4%	2.2%	1.1%	0.4%	(0.1%)	0.7%	0.1%	(0.4%)	1.0%
Q. Cumulative	0.0%	2.4%	4.8%	7.1%	8.3%	8.7%	8.6%	9.3%	9.5%	9.1%	10.1%



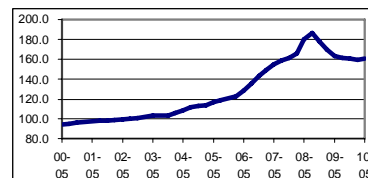
OTTAWA	2007	2008				2009				2010	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	130.4	134.0	140.6	143.8	141.8	140.7	140.2	139.6	139.6	141.9	144.6
Year / Year					8.7%	5.0%	(0.3%)	(2.9%)	(1.6%)	0.9%	3.1%
Quarterly		2.8%	4.9%	2.3%	(1.4%)	(0.8%)	(0.4%)	(0.4%)	0.0%	1.6%	1.9%
Q. Cumulative	0.0%	2.8%	7.8%	10.3%	8.7%	7.9%	7.5%	7.1%	7.1%	8.8%	10.9%



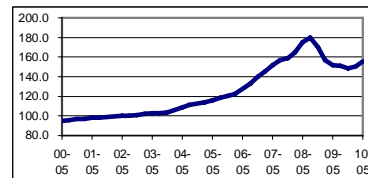
TORONTO	2007	2008				2009				2010	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	134.7	138.4	146.5	149.2	147.0	144.6	142.9	141.6	140.9	141.1	142.5
Year / Year					9.1%	4.5%	(2.5%)	(5.1%)	(4.1%)	(2.4%)	(0.3%)
Quarterly		2.7%	5.9%	1.8%	(1.5%)	(1.6%)	(1.2%)	(0.9%)	(0.5%)	0.1%	1.0%
Q. Cumulative	0.0%	2.7%	8.8%	10.8%	9.1%	7.3%	6.1%	5.1%	4.6%	4.8%	5.8%



CALGARY	2007	2008				2009				2010	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	161.3	165.5	179.9	186.6	178.1	169.9	163.7	161.2	160.9	159.5	161.1
Year / Year					10.4%	2.7%	(9.0%)	(13.6%)	(9.7%)	(6.1%)	(1.6%)
Quarterly		2.6%	8.7%	3.7%	(4.6%)	(4.6%)	(3.6%)	(1.5%)	(0.2%)	(0.9%)	1.0%
Q. Cumulative	0.0%	2.6%	11.5%	15.7%	10.4%	5.3%	1.5%	(0.1%)	(0.2%)	(1.1%)	(0.1%)



EDMONTON	2007	2008				2009				2010	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	158.9	164.4	175.1	179.7	170.2	156.7	151.4	150.8	148.4	150.6	155.6
Year / Year					7.1%	(4.7%)	(13.5%)	(16.1%)	(12.8%)	(3.9%)	2.8%
Quarterly		3.5%	6.5%	2.6%	(5.3%)	(7.9%)	(3.4%)	(0.4%)	(1.6%)	1.5%	3.3%
Q. Cumulative	0.0%	3.5%	10.2%	13.1%	7.1%	(1.4%)	(4.7%)	(5.1%)	(6.6%)	(5.2%)	(2.1%)



VANCOUVER	2007	2008				2009				2010	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	151.3	154.4	161.9	164.6	157.3	140.4	138.7	132.6	132.3	130.9	132.8
Year / Year					4.0%	(9.1%)	(14.3%)	(19.4%)	(15.9%)	(6.8%)	(4.3%)
Quarterly		2.0%	4.9%	1.7%	(4.4%)	(10.7%)	(1.2%)	(4.4%)	(0.2%)	(1.1%)	1.5%
Q. Cumulative	0.0%	2.0%	7.0%	8.8%	4.0%	(7.2%)	(8.3%)	(12.4%)	(12.6%)	(13.5%)	(12.2%)

