

# Hanscomb

## Escalation Watch Second Quarter 2013

The mid-May 2013 Non-residential Construction Price Indices were released by Statistics Canada on August 13<sup>th</sup>. The third quarter indices for 2013 will be available mid-November 2013.

The national composite index advanced marginally this quarter, moving to 152.1, an increase of 0.5% over the past quarter and 0.9% over the same period last year. This modest increase reverses the downward trend experienced over the past five quarters.

Across the country, the trend is similar in most of the cities tracked by Statistics Canada with the exception of Ottawa and Vancouver. Ottawa bucked the trend by posting a 0.1% drop from the previous quarter and also fell into negative territory (-0.3%) on a year over year basis. At the other end of the spectrum, the Vancouver index moved up sharply from 143.5 to 146.9 this quarter (2.4%) and 2.9% expressed annually. This increase is, in large part, due to the recent change in tax structure from HST to GST / PST. Under this new tax arrangement, PST is embedded in the construction cost and reflected in the index.

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. Readers are cautioned that Statistics Canada does, on occasion, restate indices from previous quarters. Individual city and national composite indices reported in this newsletter reflect these changes. Indices restated from the previous report are highlighted for ease of reference where appropriate.

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

### Services

Cost Planning & Control Value Management	Litigation Support Construction Monitoring	Feasibility Studies Time Management	Loan Monitoring Applied Research
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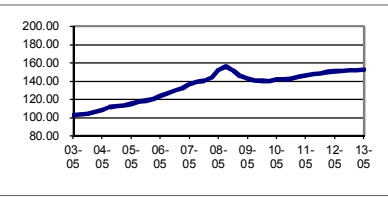
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Escalation Watch

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Statistics Canada  
Non-Residential  
Construction Cost  
Indices for 7 Cities  
Second Quarter 2013

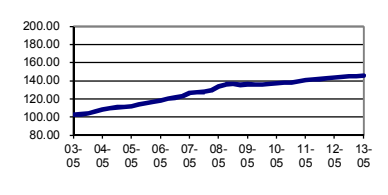
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Escalation Watch  
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# STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 2002 = 100 (Cat. No. 62-007-XWE)

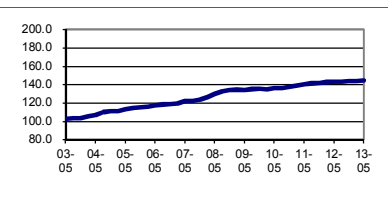
COMPOSITE 7 CITY	2010	2011				2012				2013	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	142.4	144.4	146.2	147.4	148.3	149.8	150.7	151.0	151.4	151.4	152.1
Year / Year					4.1%	3.7%	3.1%	2.4%	2.1%	1.1%	0.9%
Quarterly		1.4%	1.2%	0.8%	0.6%	1.0%	0.6%	0.2%	0.3%	0.0%	0.5%
Q. Cumulative	0.0%	1.4%	2.7%	3.5%	4.1%	5.2%	5.8%	6.0%	6.3%	6.3%	6.8%



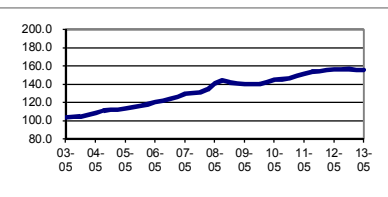
HALIFAX	2010	2011				2012				2013	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	137.9	139.4	140.7	141.1	141.7	142.6	143.4	144.4	144.6	144.8	145.6
Year / Year					2.8%	2.3%	1.9%	2.3%	2.0%	1.5%	1.5%
Quarterly		1.1%	0.9%	0.3%	0.4%	0.6%	0.6%	0.7%	0.1%	0.1%	0.6%
Q. Cumulative	0.0%	1.1%	2.0%	2.3%	2.8%	3.4%	4.0%	4.7%	4.9%	5.0%	5.6%



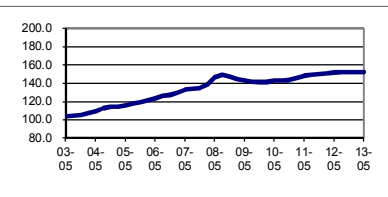
MONTREAL	2010	2011				2012				2013	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	137.5	139.0	139.9	141.2	141.6	142.5	142.9	143.0	143.8	143.8	144.2
Year / Year					3.0%	2.5%	2.1%	1.3%	1.6%	0.9%	0.9%
Quarterly		1.1%	0.6%	0.9%	0.3%	0.6%	0.3%	0.1%	0.6%	0.0%	0.3%
Q. Cumulative	0.0%	1.1%	1.7%	2.7%	3.0%	3.6%	3.9%	4.0%	4.6%	4.6%	4.9%



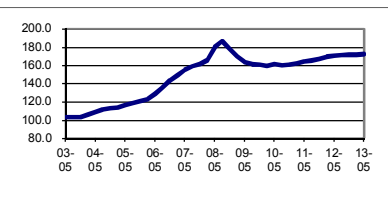
OTTAWA	2010	2011				2012				2013	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	146.2	148.8	151.0	153.4	154.1	154.9	155.9	156.0	156.3	155.5	155.4
Year / Year					5.4%	4.1%	3.2%	1.7%	1.4%	0.4%	(0.3%)
Quarterly		1.8%	1.5%	1.6%	0.5%	0.5%	0.6%	0.1%	0.2%	(0.5%)	(0.1%)
Q. Cumulative	0.0%	1.8%	3.3%	4.9%	5.4%	6.0%	6.6%	6.7%	6.9%	6.4%	6.3%



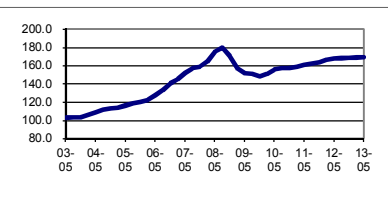
TORONTO	2010	2011				2012				2013	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	143.2	145.9	148.0	149.0	150.0	150.7	151.5	151.7	152.0	151.9	152.1
Year / Year					4.7%	3.3%	2.4%	1.8%	1.3%	0.8%	0.4%
Quarterly		1.9%	1.4%	0.7%	0.7%	0.5%	0.5%	0.1%	0.2%	(0.1%)	0.1%
Q. Cumulative	0.0%	1.9%	3.4%	4.1%	4.7%	5.2%	5.8%	5.9%	6.1%	6.1%	6.2%



CALGARY	2010	2011				2012				2013	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	160.4	162.1	164.2	165.3	166.7	169.4	170.8	171.1	171.6	171.7	172.2
Year / Year					3.9%	4.5%	4.0%	3.5%	2.9%	1.4%	0.8%
Quarterly		1.1%	1.3%	0.7%	0.8%	1.6%	0.8%	0.2%	0.3%	0.1%	0.3%
Q. Cumulative	0.0%	1.1%	2.4%	3.1%	3.9%	5.6%	6.5%	6.7%	7.0%	7.0%	7.4%



EDMONTON	2010	2011				2012				2013	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	157.0	158.9	160.7	162.2	163.5	166.2	167.5	168.0	168.4	168.6	169.1
Year / Year					4.1%	4.6%	4.2%	3.6%	3.0%	1.4%	1.0%
Quarterly		1.2%	1.1%	0.9%	0.8%	1.7%	0.8%	0.3%	0.2%	0.1%	0.3%
Q. Cumulative	0.0%	1.2%	2.4%	3.3%	4.1%	5.9%	6.7%	7.0%	7.3%	7.4%	7.7%



VANCOUVER	2010	2011				2012				2013	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	134.2	136.0	137.5	138.6	139.5	141.7	142.7	142.9	143.3	143.5	146.9
Year / Year					3.9%	4.2%	3.8%	3.1%	2.7%	1.3%	2.9%
Quarterly		1.3%	1.1%	0.8%	0.6%	1.6%	0.7%	0.1%	0.3%	0.1%	2.4%
Q. Cumulative	0.0%	1.3%	2.5%	3.3%	3.9%	5.6%	6.3%	6.5%	6.8%	6.9%	9.5%

