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Escalation Watch

Escalation Watch Second Quarter 2015

The mid-May 2015 Non-residential Building Construction Price Indices were released by Statistics Canada on August 11th. The third quarter indices for 2015 will be available mid-November.

The national composite index has continued its growth, rising again this quarter with a reported increase of 0.5%. Expressed year over year, the national composite index is up 1.1% over the same period in 2014 rising from 154.2 to 155.9. This increase continues to be attributed to higher material and labour prices.

All of the seven census metropolitan areas surveyed showed quarterly increases, with Ottawa (0.9%) and Montreal (0.7%) leading the way. Edmonton (0.5%) and Vancouver (0.5%) reported growth on par with the national composite index, with Toronto (0.4%), Montreal (0.4%) and Calgary (0.3%) posting smallest increases.

Year over year, the composite price index rose 1.1%. Of the seven cities surveyed, Toronto (1.8%) recorded the largest year-over-year increase for the second quarter in a row, while Edmonton (-0.1%) again recorded the lone decline compared with the first quarter of 2014.

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.

- Susan Neil, PQS, MRICS
Executive Vice President

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Statistics Canada
Non-Residential
Construction Cost
Indices for 7 Cities
Second Quarter 2015

Services

Cost Planning & Control
Value Management

Litigation Support
Construction Monitoring

Feasibility Studies
Time Management

Loan Monitoring
Applied Research

Canadian Offices and Service Contacts

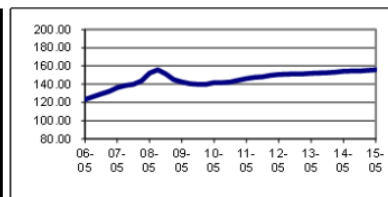
Vancouver	Ken King	604 - 685 - 1241	Applied Research	Art Maw	613 - 234 - 8089
Edmonton	Mike Swick	780 - 426 - 7980			
Winnipeg	Isaac Gwendo	204 - 775 - 3389	Loan Monitoring	Raymond Murray	902 - 422 - 3620
Hamilton	Craig Bye	905 - 525 - 5777		Dale Panday	416 - 487 - 3811
Ottawa	Art Maw	613 - 234 - 8089			
	Brian McBurney				
Toronto	Susan Neil	416 - 487 - 3811			
	Dale Panday				
Halifax	Raymond Murray	902 - 422 - 3620			
	Deanne Bain				

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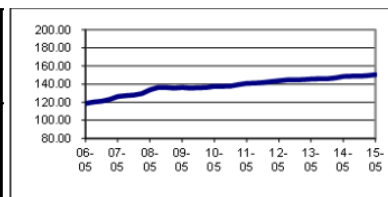


STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 2002 = 100 (Cat. No. 62-007-XWE)

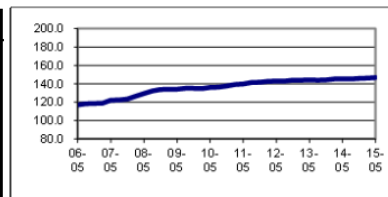
COMPOSITE 7 CITY	2012			2013			2014			2015		
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	
Index	151.4	151.4	152.1	152.3	152.5	153.3	154.2	154.5	154.7	155.2	155.9	
Year / Year					0.7%	1.3%	1.4%	1.4%	1.4%	1.2%	1.1%	
Quarterly		0.0%	0.5%	0.1%	0.1%	0.5%	0.8%	0.2%	0.1%	0.3%	0.5%	
Q. Cumulative	0.0%	0.0%	0.5%	0.6%	0.7%	1.3%	1.8%	2.0%	2.2%	2.5%	3.0%	



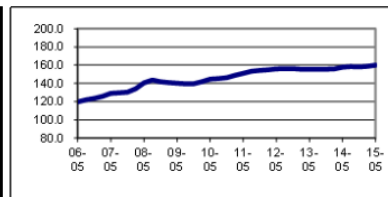
HALIFAX	2012			2013			2014			2015		
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	
Index	144.8	144.8	145.8	145.7	145.8	148.6	148.4	148.6	148.7	149.2	150.2	
Year / Year					0.8%	1.2%	1.9%	2.0%	2.0%	1.8%	1.2%	
Quarterly		0.1%	0.6%	0.1%	0.1%	0.5%	1.2%	0.1%	0.1%	0.3%	0.7%	
Q. Cumulative	0.0%	0.1%	0.7%	0.8%	0.8%	1.4%	2.6%	2.6%	2.8%	3.2%	3.9%	



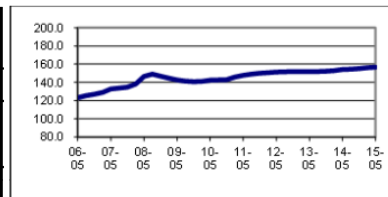
MONTREAL	2012			2013			2014			2015		
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	
Index	143.8	143.8	144.2	144.0	144.1	145.0	145.2	145.3	145.7	146.0	148.8	
Year / Year					0.2%	0.8%	0.7%	0.9%	1.1%	0.7%	1.0%	
Quarterly		0.0%	0.3%	(0.1%)	0.1%	0.8%	0.1%	0.1%	0.3%	0.2%	0.4%	
Q. Cumulative	0.0%	0.0%	0.3%	0.1%	0.2%	0.8%	1.0%	1.0%	1.3%	1.5%	1.9%	



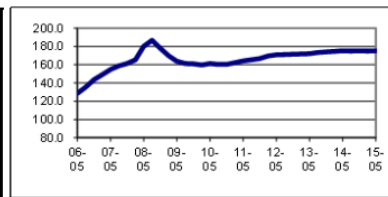
OTTAWA	2012			2013			2014			2015		
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	
Index	156.3	155.5	155.4	155.5	155.5	155.8	157.8	158.5	158.1	158.8	160.0	
Year / Year					(0.5%)	0.2%	1.5%	1.9%	1.7%	1.8%	1.4%	
Quarterly		(0.5%)	(0.1%)	0.1%	0.0%	0.2%	1.3%	0.4%	(0.3%)	0.3%	0.9%	
Q. Cumulative	0.0%	(0.5%)	(0.6%)	(0.5%)	(0.5%)	(0.3%)	1.0%	1.4%	1.2%	1.5%	2.4%	



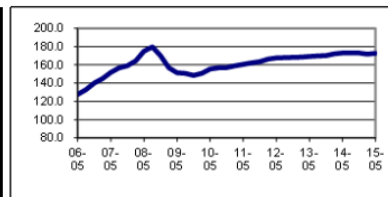
TORONTO	2012			2013			2014			2015		
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	
Index	152.0	151.9	152.1	152.1	152.2	153.0	154.1	154.4	155.1	156.2	156.8	
Year / Year					0.1%	0.7%	1.3%	1.5%	1.9%	2.1%	1.8%	
Quarterly		(0.1%)	0.1%	0.0%	0.1%	0.5%	0.7%	0.2%	0.5%	0.7%	0.4%	
Q. Cumulative	0.0%	(0.1%)	0.1%	0.1%	0.1%	0.7%	1.4%	1.8%	2.0%	2.8%	3.2%	



CALGARY	2012			2013			2014			2015		
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	
Index	171.8	171.7	172.2	173.4	174.0	174.5	175.3	175.1	175.2	174.8	175.3	
Year / Year					1.4%	1.8%	1.8%	1.0%	0.7%	0.2%	0.0%	
Quarterly		0.1%	0.3%	0.7%	0.3%	0.3%	0.5%	(0.1%)	0.1%	(0.2%)	0.3%	
Q. Cumulative	0.0%	0.1%	0.3%	1.0%	1.4%	1.7%	2.2%	2.0%	2.1%	1.9%	2.2%	



EDMONTON	2012			2013			2014			2015		
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	
Index	168.4	168.6	169.1	169.9	170.3	172.1	172.9	173.1	172.9	171.9	172.8	
Year / Year					1.1%	2.1%	2.2%	1.9%	1.5%	(0.1%)	(0.1%)	
Quarterly		0.1%	0.3%	0.5%	0.2%	1.1%	0.5%	0.1%	(0.1%)	(0.6%)	0.5%	
Q. Cumulative	0.0%	0.1%	0.4%	0.9%	1.1%	2.2%	2.7%	2.8%	2.7%	2.1%	2.8%	



VANCOUVER	2012			2013			2014			2015		
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	
Index	143.3	143.5	146.9	147.3	147.4	147.8	148.8	149.5	149.0	150.3	151.1	
Year / Year					2.9%	3.0%	1.2%	1.5%	1.1%	1.7%	1.7%	
Quarterly		0.1%	2.4%	0.3%	0.1%	0.3%	0.5%	0.6%	(0.3%)	0.9%	0.5%	
Q. Cumulative	0.0%	0.1%	2.5%	2.8%	2.9%	3.1%	3.7%	4.3%	4.0%	4.9%	5.4%	

