



Hanscomb

Escalation Watch - First Quarter 2007

The mid-February 2007 Non-residential Construction Price Indices were released by Statistics Canada in May. Indices for the second quarter of 2007 will be available in August 2007.

Nationally, the composite continues to rise, increasing to 152.4, up 2.0% over the previous quarter, and 10.0% over the same period in 2006.

Expressed on a year over year basis, the yearly rates of change for Halifax (5.3%), Montreal (6.8%), Ottawa (6.8%) and Toronto (6.9%) in the East continue to be below that of the national composite. In the west, each of the three cities included in the study continue to post annual increases above the national composite with Vancouver (13.8%), Edmonton (18.5%), and Calgary (21.3%), showing quarterly changes in the range of 2.2% to 3.9% from the previous quarter.

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-XIE (previously catalogue 62-007-XPB). 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.ca.

- Paul Westbrook

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Statistics Canada
Non-Residential
Construction Cost
Indices for 7 Cities,
First Quarter 2007

Services

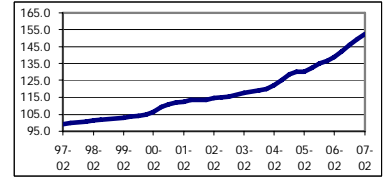
Cost Planning & Control	Litigation Support	Feasibility Studies	Project Loan Monitoring
Value Management	Construction Monitoring	Time Management	Applied Research

World Wide Office and Services Contacts

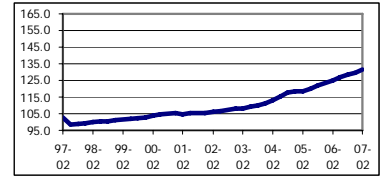
Vancouver	Peter Moore	(604) 685-1241	Abu Dhabi	Paul Bishop	971-26262461
Edmonton	Mike Swick	(780) 426-7980	Dubai	S. Keigwin/S. Bale	9714-3244557
Calgary	David Crane	(403) 234-9490	Muscat	Martin Redman	968-24481664
Winnipeg	David Crane	(204) 775-3389	Doha	Ian McKenzie	974-4673808
Hamilton	Susan Neil	(905) 525-5777			
Ottawa	Art Maw	(613) 234-8089			
	Grant Mercer		Value Management	Paul Westbrook	(416) 487-3811
Toronto	Paul Westbrook	(416) 487-3811	Loan Monitoring	Ray Murray	(902) 422-3620
	Dale Panday			David Mackay	(416) 487-3811
Halifax	Ray Murray	(902) 422-3620	Applied Research	Jason Gallant	(416) 487-3811
St. John's	Wayne Fitzpatrick	(709) 722-0505	Mech./Elec. Services	Dale Panday	(416) 487-3811

STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 1997 = 100 (Cat. No. 62-007-XIE)

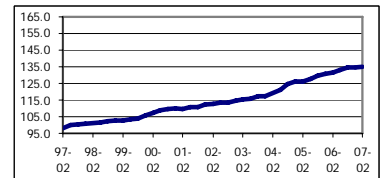
COMPOSITE 7 CITY	2004		2005			2006				2007	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	
Index	130.1	130.4	132.6	134.9	136.7	138.6	142.3	145.9	149.4	152.4	
Year / Year					5.1%	6.3%	7.3%	8.2%	9.3%	10.0%	
Quarterly		0.2%	1.7%	1.7%	1.3%	1.4%	2.7%	2.5%	2.4%	2.0%	
Q. Cumulative	0.0%	0.2%	1.9%	3.7%	5.1%	6.5%	9.4%	12.1%	14.8%	17.1%	



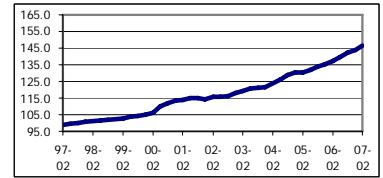
HALIFAX	2004		2005			2006				2007	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	
Index	118.6	118.7	120.0	122.1	123.6	125.1	126.9	128.7	129.7	131.7	
Year / Year					4.2%	5.4%	5.8%	5.4%	4.9%	5.3%	
Quarterly		0.1%	1.1%	1.7%	1.2%	1.2%	1.4%	1.4%	0.8%	1.5%	
Q. Cumulative	0.0%	0.1%	1.2%	3.0%	4.2%	5.5%	7.0%	8.5%	9.4%	11.0%	



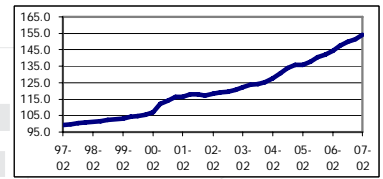
MONTREAL	2004		2005			2006				2007	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	
Index	126.0	126.0	128.0	129.8	130.7	131.8	133.1	134.4	134.9	135.2	
Year / Year					3.7%	4.6%	4.0%	3.5%	3.2%	2.6%	
Quarterly		0.0%	1.6%	1.4%	0.7%	0.8%	1.0%	1.0%	0.4%	0.2%	
Q. Cumulative	0.0%	0.0%	1.6%	3.0%	3.7%	4.6%	5.6%	6.7%	7.1%	7.3%	



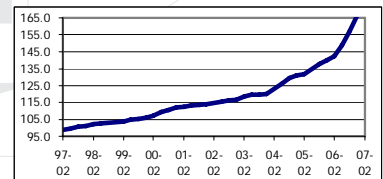
OTTAWA	2004		2005			2006				2007	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	
Index	130.4	130.5	131.9	133.8	135.4	137.3	139.7	142.2	144.0	146.6	
Year / Year					3.8%	5.2%	5.9%	6.3%	6.4%	6.8%	
Quarterly		0.1%	1.1%	1.4%	1.2%	1.4%	1.7%	1.8%	1.3%	1.8%	
Q. Cumulative	0.0%	0.1%	1.2%	2.6%	3.8%	5.3%	7.1%	9.0%	10.4%	12.4%	



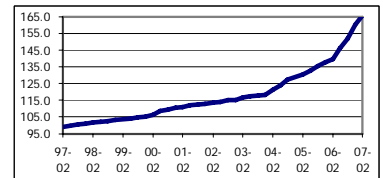
TORONTO	2004		2005			2006				2007	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	
Index	135.7	135.8	137.7	140.3	142.0	144.2	147.3	150.0	151.6	154.2	
Year / Year					4.6%	6.2%	7.0%	6.9%	6.8%	6.9%	
Quarterly		0.1%	1.4%	1.9%	1.2%	1.5%	2.1%	1.8%	1.1%	1.7%	
Q. Cumulative	0.0%	0.1%	1.5%	3.4%	4.6%	6.3%	8.5%	10.5%	11.7%	13.6%	



CALGARY	2004		2005			2006				2007	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	
Index	131.1	131.9	135.0	137.6	140.0	142.4	148.9	157.0	166.3	172.8	
Year / Year					6.8%	8.0%	10.3%	14.1%	18.8%	21.3%	
Quarterly		0.6%	2.4%	1.9%	1.7%	1.7%	4.6%	5.4%	5.9%	3.9%	
Q. Cumulative	0.0%	0.6%	3.0%	5.0%	6.8%	8.6%	13.6%	19.8%	26.8%	31.8%	



EDMONTON	2004		2005			2006				2007	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	
Index	129.2	130.3	133.0	135.4	137.6	139.9	146.1	152.1	160.5	165.8	
Year / Year					6.5%	7.4%	9.8%	12.3%	16.6%	18.5%	
Quarterly		0.9%	2.1%	1.8%	1.6%	1.7%	4.4%	4.1%	5.5%	3.3%	
Q. Cumulative	0.0%	0.9%	2.9%	4.8%	6.5%	8.3%	13.1%	17.7%	24.2%	28.3%	



VANCOUVER	2004		2005			2006				2007	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	
Index	122.2	123.1	125.8	127.9	130.6	132.5	137.7	141.8	147.5	150.8	
Year / Year					6.9%	7.6%	9.5%	10.9%	12.9%	13.8%	
Quarterly		0.7%	2.2%	1.7%	2.1%	1.5%	3.9%	3.0%	4.0%	2.2%	
Q. Cumulative	0.0%	0.7%	2.9%	4.7%	6.9%	8.4%	12.7%	16.0%	20.7%	23.4%	

