



Hanscomb

Escalation Watch - Fourth Quarter 2007

The mid-November 2007 Non-residential Construction Price Indices were released by Statistics Canada on February 15th. Indices for the first quarter of 2008 will be available in May 2008.

Nationally, the composite continues to rise, increasing to 161.5, up 1% over the previous quarter, and 8.1% over the same period in 2006.

Expressed on a year over year basis, the yearly rates of change for Halifax (5.4%), Montreal (4.0%), Ottawa (5.6%) and Toronto (6.1%) 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 (10.2%), Edmonton (13.3%), and Calgary (12.3%), showing quarterly changes in the range of 1.2% to 1.6% 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,
Fourth Quarter 2007

Services

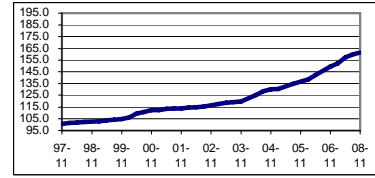
Cost Planning & Control	Litigation Support	Feasibility Studies	Project Loan Monitoring
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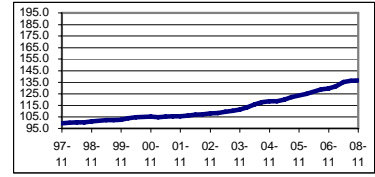
Vancouver	Peter Moore	(604) 685-1241	Halifax	Ray Murray	(902) 422-3620
Edmonton	Mike Swick	(780) 426-7980	St. John's	Wayne Fitzpatrick	(709) 722-0505
Calgary	David Crane	(403) 234-9490	Abu Dhabi	Paul Bishop	971-26262461
Winnipeg	David Crane	(204) 775-3389	Dubai	S. Keigwin/S. Bale	9714-3244557
	Isaasc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

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

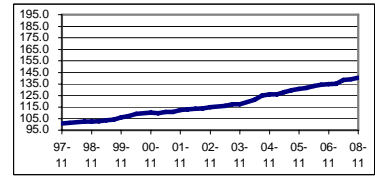
COMPOSITE 7 CITY	2005			2006			2007				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	132.6	134.9	136.7	138.6	142.3	145.9	149.4	152.4	157.4	159.9	161.5
Year / Year				4.5%	7.3%	8.2%	9.3%	10.0%	10.6%	9.6%	8.1%
Quarterly		1.7%	1.3%	1.4%	2.7%	2.5%	2.4%	2.0%	3.3%	1.6%	1.0%
Q. Cumulative	0.0%	1.7%	3.1%	4.5%	7.3%	10.0%	12.7%	14.9%	18.7%	20.6%	21.8%



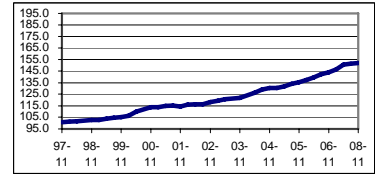
HALIFAX	2005			2006			2007				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	120.0	122.1	123.6	125.1	126.9	128.7	129.7	131.7	135.2	136.3	136.7
Year / Year				4.3%	5.8%	5.4%	4.9%	5.3%	6.5%	5.9%	5.4%
Quarterly		1.7%	1.2%	1.2%	1.4%	1.4%	0.8%	1.5%	2.7%	0.8%	0.3%
Q. Cumulative	0.0%	1.7%	3.0%	4.3%	5.8%	7.2%	8.1%	9.7%	12.7%	13.6%	13.9%



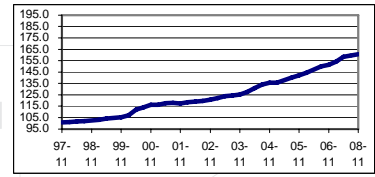
MONTREAL	2005			2006			2007				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	128.0	129.8	130.7	131.8	133.1	134.4	134.9	135.2	138.7	139.0	140.3
Year / Year				3.0%	4.0%	3.5%	3.2%	2.6%	4.2%	3.4%	4.0%
Quarterly		1.4%	0.7%	0.8%	1.0%	1.0%	0.4%	0.2%	2.6%	0.2%	0.9%
Q. Cumulative	0.0%	1.4%	2.1%	3.0%	4.0%	5.0%	5.4%	5.6%	8.4%	8.6%	9.6%



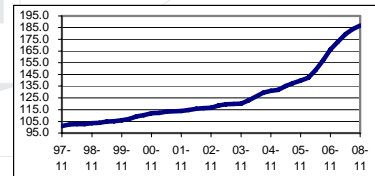
OTTAWA	2005			2006			2007				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	131.9	133.8	135.4	137.3	139.7	142.2	144.0	146.6	150.6	151.4	152.1
Year / Year				4.1%	5.9%	6.3%	6.4%	6.8%	7.8%	5.1%	5.6%
Quarterly		1.4%	1.2%	1.4%	1.7%	1.8%	1.3%	1.8%	2.7%	0.5%	0.5%
Q. Cumulative	0.0%	1.4%	2.7%	4.1%	5.9%	7.8%	9.2%	11.1%	14.2%	14.8%	15.3%



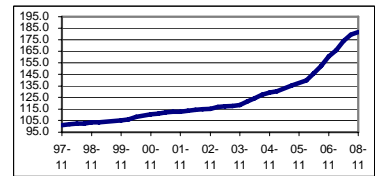
TORONTO	2005			2006			2007				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	137.7	140.3	142.0	144.2	147.3	150.0	151.6	154.2	158.5	159.6	160.8
Year / Year				4.7%	7.0%	6.9%	6.8%	6.9%	7.6%	5.3%	6.1%
Quarterly		1.9%	1.2%	1.5%	2.1%	1.8%	1.1%	1.7%	2.8%	0.7%	0.8%
Q. Cumulative	0.0%	1.9%	3.1%	4.7%	7.0%	8.9%	10.1%	12.0%	15.1%	15.9%	16.8%



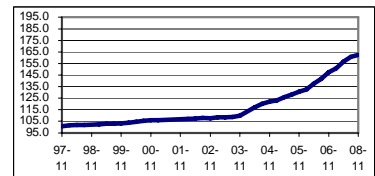
CALGARY	2005			2006			2007				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	135.0	137.6	140.0	142.4	148.9	157.0	166.3	172.8	179.5	183.9	186.8
Year / Year				5.5%	10.3%	14.1%	18.8%	21.3%	20.6%	10.6%	12.3%
Quarterly		1.9%	1.7%	1.7%	4.6%	5.4%	5.9%	3.9%	3.9%	2.5%	1.6%
Q. Cumulative	0.0%	1.9%	3.7%	5.5%	10.3%	16.3%	23.2%	28.0%	33.0%	36.2%	38.4%



EDMONTON	2005			2006			2007				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	133.0	135.4	137.6	139.9	146.1	152.1	160.5	165.8	173.7	179.4	181.8
Year / Year				5.2%	9.8%	12.3%	16.6%	18.5%	18.9%	11.8%	13.3%
Quarterly		1.8%	1.6%	1.7%	4.4%	4.1%	5.5%	3.3%	4.8%	3.3%	1.3%
Q. Cumulative	0.0%	1.8%	3.5%	5.2%	9.8%	14.4%	20.7%	24.7%	30.6%	34.9%	36.7%



VANCOUVER	2005			2006			2007				
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	125.8	127.9	130.6	132.5	137.7	141.8	147.5	150.8	156.5	160.7	162.6
Year / Year				5.3%	9.5%	10.9%	12.9%	13.8%	13.7%	8.9%	10.2%
Quarterly		1.7%	2.1%	1.5%	3.9%	3.0%	4.0%	2.2%	3.8%	2.7%	1.2%
Q. Cumulative	0.0%	1.7%	3.8%	5.3%	9.5%	12.7%	17.2%	19.9%	24.4%	27.7%	29.3%



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