

# Hanscomb

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Escalation Watch

## Escalation Watch First Quarter 2013

The mid-February 2013 Non-residential Construction Price Indices were released by Statistics Canada on May 14<sup>th</sup>. The second quarter indices for 2013 will be available mid-July 2013.

The national composite index stalled this quarter, showing absolutely no movement from the previous report and remaining at 151.4. Although the composite numbers are up 1.1% over the same period last year, the growth pace slowed steadily throughout 2012, dropping from 3.7% annually in the first quarter, 3.1% in the second quarter, 2.4% in the third quarter and, finally, to 2.1% in the fourth quarter of the year. If this pace continues, the national trend will dip into negative territory in the second quarter of 2013.

Across the country, the trend is virtually identical in all cities tracked by Statscan. At the positive end of the spectrum, Halifax, Edmonton and Vancouver each reported only a very modest quarterly gain of 0.2 points or about 0.1%. At the negative end, Ottawa was down 0.8 points for the quarter or -0.5%.

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

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

## Services

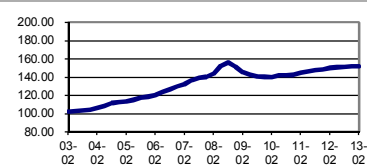
Cost Planning & Control Value Management	Litigation Support Construction Monitoring	Feasibility Studies Time Management	Loan Monitoring Applied Research
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## Canadian Offices and Service Contacts

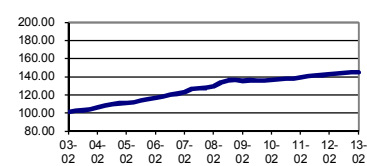
Vancouver	Thilak Bandara Ken King	604 - 685 - 1241	Halifax	Raymond Murray Renaud Francoeur	902 - 422 - 3620
Edmonton	Mike Swick	780 - 426 - 7980			
Calgary	David Crane Paul Weatherby	403 - 234 - 9490	Value Management	Paul Westbrook	416 - 487 - 3811
Winnipeg	Isaac Gwendo	204 - 775 - 3389	Loan Monitoring	Raymond Murray	902 - 422 - 3620
Hamilton	Susan Neil Craig Bye	905 - 525 - 5777		Grant Mercer Dale Panday	613 - 234 - 8089 416 - 487 - 3811
Ottawa	Art Maw Grant Mercer	613 - 234 - 8089	Applied Research	Paul Westbrook	416 - 487 - 3811
Toronto	Paul Westbrook Dale Panday	416 - 487 - 3811			

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

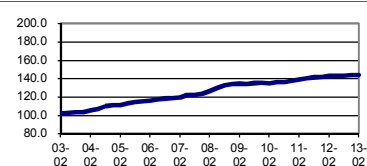
COMPOSITE 7 CITY	2010		2011				2012				2013
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb
Index	141.9	142.4	144.4	146.2	147.4	148.3	149.8	150.7	151.0	151.4	151.4
Year / Year					3.9%	4.1%	3.7%	3.1%	2.4%	2.1%	1.1%
Quarterly		0.4%	1.4%	1.2%	0.8%	0.6%	1.0%	0.6%	0.2%	0.3%	0.0%
Q. Cumulative	0.0%	0.4%	1.8%	3.0%	3.9%	4.5%	5.6%	6.2%	6.4%	6.7%	6.7%



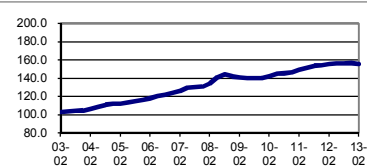
HALIFAX	2010		2011				2012				2013
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb
Index	137.5	137.9	139.4	140.7	141.1	141.7	142.6	143.4	144.4	144.6	144.8
Year / Year					2.6%	2.8%	2.3%	1.9%	2.3%	2.0%	1.5%
Quarterly		0.3%	1.1%	0.9%	0.3%	0.4%	0.6%	0.6%	0.7%	0.1%	0.1%
Q. Cumulative	0.0%	0.3%	1.4%	2.3%	2.6%	3.1%	3.7%	4.3%	5.0%	5.2%	5.3%



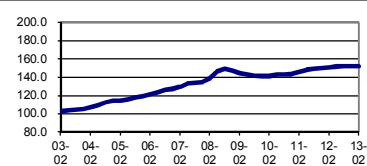
MONTREAL	2010		2011				2012				2013
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb
Index	136.2	137.5	139.0	139.9	141.2	141.6	142.5	142.9	143.0	143.8	143.8
Year / Year					3.7%	3.0%	2.5%	2.1%	1.3%	1.6%	0.9%
Quarterly		1.0%	1.1%	0.6%	0.9%	0.3%	0.6%	0.3%	0.1%	0.6%	0.0%
Q. Cumulative	0.0%	1.0%	2.1%	2.7%	3.7%	4.0%	4.6%	4.9%	5.0%	5.6%	5.6%



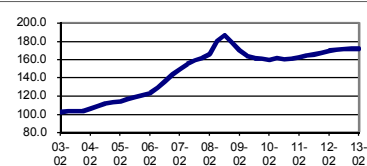
OTTAWA	2010		2011				2012				2013
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb
Index	145.3	146.2	148.8	151.0	153.4	154.1	154.9	155.9	156.0	156.3	155.5
Year / Year					5.6%	5.4%	4.1%	3.2%	1.7%	1.4%	0.4%
Quarterly		0.6%	1.8%	1.5%	1.6%	0.5%	0.5%	0.6%	0.1%	0.2%	(0.5%)
Q. Cumulative	0.0%	0.6%	2.4%	3.9%	5.6%	6.1%	6.6%	7.3%	7.4%	7.6%	7.0%



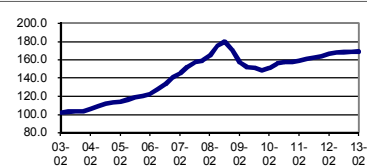
TORONTO	2010		2011				2012				2013
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb
Index	142.9	143.2	145.9	148.0	149.0	150.0	150.7	151.5	151.7	152.0	151.9
Year / Year					4.3%	4.7%	3.3%	2.4%	1.8%	1.3%	0.8%
Quarterly		0.2%	1.9%	1.4%	0.7%	0.7%	0.5%	0.5%	0.1%	0.2%	(0.1%)
Q. Cumulative	0.0%	0.2%	2.1%	3.6%	4.3%	5.0%	5.5%	6.0%	6.2%	6.4%	6.3%



CALGARY	2010		2011				2012				2013
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb
Index	160.2	160.4	162.1	164.2	165.3	166.7	169.4	170.8	171.1	171.6	171.7
Year / Year					3.2%	3.9%	4.5%	4.0%	3.5%	2.9%	1.4%
Quarterly		0.1%	1.1%	1.3%	0.7%	0.8%	1.6%	0.8%	0.2%	0.3%	0.1%
Q. Cumulative	0.0%	0.1%	1.2%	2.5%	3.2%	4.1%	5.7%	6.6%	6.8%	7.1%	7.2%



EDMONTON	2010		2011				2012				2013
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb
Index	156.8	157.0	158.9	160.7	162.2	163.5	166.2	167.5	168.0	168.4	168.6
Year / Year					3.4%	4.1%	4.6%	4.2%	3.6%	3.0%	1.4%
Quarterly		0.1%	1.2%	1.1%	0.9%	0.8%	1.7%	0.8%	0.3%	0.2%	0.1%
Q. Cumulative	0.0%	0.1%	1.3%	2.5%	3.4%	4.3%	6.0%	6.8%	7.1%	7.4%	7.5%



VANCOUVER	2010		2011				2012				2013
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb
Index	133.4	134.2	136.0	137.5	138.6	139.5	141.7	142.7	142.9	143.3	143.5
Year / Year					3.9%	3.9%	4.2%	3.8%	3.1%	2.7%	1.3%
Quarterly		0.6%	1.3%	1.1%	0.8%	0.6%	1.6%	0.7%	0.1%	0.3%	0.1%
Q. Cumulative	0.0%	0.6%	1.9%	3.1%	3.9%	4.6%	6.2%	7.0%	7.1%	7.4%	7.6%

