

ESCALATION WATCH FIRST QUARTER 2019

Statistics Canada's 2019, first quarter, Non-residential Building Construction Price Indices were released May 16th. Second quarter indices for 2019 will be available mid-August.

Non-residential building construction costs increased 0.8%, following a 1.1% gain in the fourth quarter of 2018. Construction costs increased up for all types of non-residential buildings in 10 of 11 census metropolitan areas surveyed. St. John's (0.0%) reported no change.

Construction costs rose the most in Vancouver (+1.1%) followed by closely behind by Ottawa (+1.0%). These increases were credited to the continued rise in prices for metal fabrication and concrete products. Higher prices for structural steel framing also contributed to increased costs for all of the non-residential building types surveyed.

Year over year, prices for non-residential buildings rose 4.8%, led by higher construction costs in Ottawa (+7.0%) and Vancouver (+6.0%).

In the first quarter of 2018 Statistics Canada made a number of changes to increase the relevance of the building construction price indexes, including updated building models to reflect newer construction technologies and materials and four new CMAs. These additions provide a more comprehensive representation of construction activity across Canada.

Readers are cautioned that Indices track growth from a given city's initial base price. They cannot be used to compare relative costs between cities. In addition, readers are warned about comparing Indices released prior to Q1 2017 with those issued after as the use of new models and cities are not the same.

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(F), MRICS
Executive Vice President

STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 2017 = 100 (CANSIM TABLE 327-0060)

COMPOSITE 11 CITY	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	99.10	99.80	100.30	100.90	101.7	103.1	104.7	105.8	106.6
Year / Year					2.6%	3.3%	4.4%	4.9%	4.8%
Quarterly					0.7%	0.5%	0.6%	0.8%	0.8%
Q. Cumulative					0.0%	0.7%	1.2%	1.8%	2.6%

St. John's	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	99.8	99.9	99.9	100.3	100.6	100.9	101.8	101.9	101.9
Year / Year					0.8%	1.0%	1.9%	1.6%	1.3%
Quarterly					0.1%	0.0%	0.4%	0.3%	0.0%
Q. Cumulative					0.0%	0.1%	0.1%	0.5%	0.8%

Halifax	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	98.8	99.5	100.6	101.1	101.4	102.5	104.1	105.0	105.4
Year / Year					2.6%	3.0%	3.5%	3.9%	3.9%
Quarterly					0.7%	1.1%	0.5%	0.3%	0.4%
Q. Cumulative					0.0%	0.7%	1.8%	2.3%	2.6%

Moncton	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	99.7	99.9	99.9	100.4	100.6	101.8	103.3	105.6	105.8
Year / Year					0.9%	1.9%	3.4%	5.2%	5.2%
Quarterly					0.2%	0.0%	0.5%	0.2%	1.2%
Q. Cumulative					0.0%	0.2%	0.2%	0.7%	0.9%

Montreal	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	98.5	99.6	100.5	101.4	102.4	103.8	105.6	106.9	107.8
Year / Year					4.0%	4.2%	5.1%	5.4%	5.3%
Quarterly					1.1%	0.9%	0.9%	1.0%	1.4%
Q. Cumulative					0.0%	1.1%	2.0%	2.9%	4.0%

Ottawa	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	98.9	99.7	100.3	101.1	102.0	104.0	106.6	108.0	109.1
Year / Year					3.1%	4.3%	6.3%	6.8%	7.0%
Quarterly					0.8%	0.6%	0.8%	0.9%	2.0%
Q. Cumulative					0.0%	0.8%	1.4%	2.2%	3.1%

Toronto	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	98.9	100.0	100.4	100.8	102.1	104.1	105.7	106.6	107.4
Year / Year					3.2%	4.1%	5.3%	5.8%	5.2%
Quarterly					1.1%	0.4%	0.4%	1.3%	2.0%
Q. Cumulative					0.0%	1.1%	1.5%	1.9%	3.2%

Winnipeg	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	99.5	99.8	100.2	100.5	101.1	102.4	103.4	104.4	104.9
Year / Year					1.6%	2.6%	3.2%	3.9%	3.8%
Quarterly					0.3%	0.4%	0.3%	0.6%	1.3%
Q. Cumulative					0.0%	0.3%	0.7%	1.0%	1.6%

Saskatoon	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	99.5	99.7	100.0	100.8	100.9	101.8	102.9	103.7	104.1
Year / Year					1.4%	2.1%	2.9%	2.9%	3.2%
Quarterly					0.2%	0.3%	0.8%	0.1%	0.9%
Q. Cumulative					0.0%	0.2%	0.5%	1.3%	1.4%

Calgary	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	99.5	99.9	100.1	100.4	100.8	101.4	102.6	103.4	103.9
Year / Year					1.3%	1.5%	2.5%	3.0%	3.1%
Quarterly					0.4%	0.2%	0.3%	0.4%	0.6%
Q. Cumulative					0.0%	0.4%	0.6%	0.9%	1.3%

Edmonton	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	99.7	99.8	100.1	100.5	100.9	101.9	103.2	104.0	104.8
Year / Year					1.2%	2.1%	3.1%	3.5%	3.9%
Quarterly					0.1%	0.3%	0.4%	0.4%	1.0%
Q. Cumulative					0.0%	0.1%	0.4%	0.8%	1.2%

Vancouver	2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Index	98.3	99.5	100.4	101.8	102.9	104.3	106.5	107.9	109.1
Year / Year					4.7%	4.8%	6.1%	6.0%	6.0%
Quarterly					1.2%	0.9%	1.4%	1.1%	1.4%
Q. Cumulative					0.0%	1.2%	2.1%	3.6%	4.7%

QUARTERS AT GLANCE		CANADIAN OFFICES AND SERVICE CONTACTS		
CITY	CHANGE	Office	Contact	
Composite	0.8%	Vancouver, BC	Ken King	604-685-1241
St. John's, NL	0.0%	Edmonton, AB	Mike Swick	780-426-7980
Halifax, NS	0.4%	Winnipeg, MB	Isaac Gwendo	204-775-3389
Moncton, NB	0.2%	Hamilton, ON	Craig Bye	905-525-5777
Montreal, QC	0.8%	Ottawa, ON	Arthur Maw	613-234-8089
Ottawa, ON	1.0%	Toronto, ON	Susan Neil	416-487-3811
Toronto, ON	0.8%		Dale Panday	
Winnipeg, MB	0.45		Nathan Thinagaripillai	
Saskatoon, SK	0.4%	Halifax, NS	Raymond Murray	902-422-3620
Edmonton, AB	0.5%	SERVICES		
Calgary, AB	0.8%	Cost Planning + Control	Scheduling	
Vancouver, BC	1.1%	Value Management	Financial Analysis	
		Applied Research	Project Loan Monitoring	
		Project Management	Litigation Support	

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