

# ESCALATION WATCH SECOND QUARTER 2019

Statistics Canada's 2019, second quarter, Non-residential Building Construction Price Indices were released August 20<sup>th</sup>. Third quarter indices for 2019 will be available mid-November.

Prices for construction of non-residential buildings was up 0.4%. On a quarterly basis, the rise in construction costs in Montréal (+0.9) and Toronto (+0.8) was the main contributor to the overall increases with costs for structural steel framing and concrete products were the primary drivers of the increases cities. Although prices are still high for those two types of products, the increases have been slowing over the last few quarters. These quarterly increases can be observed in most of the buildings surveyed in these two areas. Of all the areas surveyed, Saskatoon posted the sole decrease (-0.1%).

Non-residential building construction rose 3.9% over the 12-month period ending in the second quarter. On an annual basis, construction costs rose the most in Ottawa (+5.7%) and in Vancouver (+5.1%), while Saskatoon (+2.2) and

St. John's (+1.1) reported to least amount of growth.

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](http://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	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.80	100.30	100.90	101.7	103.1	104.7	105.8	106.6	107.1
Year / Year				3.3%	4.4%	4.9%		4.8%	3.9%
Quarterly				0.5%	0.6%	0.8%	1.4%	1.6%	1.1%
Q. Cumulative	0.0%	0.5%	1.1%	1.9%	3.3%	4.9%	6.0%	6.8%	7.3%

St. John's	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.9	99.9	100.3	100.6	100.9	101.8	101.9	101.9	102.0
Year / Year				1.0%	1.9%	1.6%		1.3%	1.1%
Quarterly				0.0%	0.4%	0.3%	0.3%	0.9%	0.1%
Q. Cumulative	0.0%	0.0%	0.4%	0.7%	1.0%	1.9%	2.0%	2.0%	2.1%

Halifax	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.5	100.6	101.1	101.4	102.5	104.1	105.0	105.4	105.7
Year / Year				3.0%	3.5%	3.9%		3.9%	3.1%
Quarterly				1.1%	0.5%	0.3%	1.1%	1.6%	0.9%
Q. Cumulative	0.0%	1.1%	1.6%	1.9%	3.0%	4.6%	5.5%	5.9%	6.2%

Moncton	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.9	99.9	100.4	100.6	101.8	103.3	105.6	105.8	106.2
Year / Year				1.9%	3.4%	5.2%		5.2%	4.3%
Quarterly				0.0%	0.5%	0.2%	1.2%	1.5%	2.2%
Q. Cumulative	0.0%	0.0%	0.5%	0.7%	1.9%	3.4%	5.7%	5.9%	6.3%

Montreal	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.6	100.5	101.4	102.4	103.8	105.6	106.9	107.8	108.8
Year / Year				4.2%	5.1%	5.4%		5.3%	4.8%
Quarterly				0.9%	0.9%	1.0%	1.4%	1.7%	1.2%
Q. Cumulative	0.0%	0.9%	1.8%	2.8%	4.2%	6.0%	7.3%	8.2%	9.2%

Ottawa	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.7	100.3	101.1	102.0	104.0	106.6	108.0	109.1	109.9
Year / Year				4.3%	6.3%	6.8%		7.0%	5.7%
Quarterly				0.6%	0.8%	0.9%	2.0%	2.5%	1.3%
Q. Cumulative	0.0%	0.6%	1.4%	2.3%	4.3%	6.9%	8.3%	9.4%	10.2%

Toronto	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	100.0	100.4	100.8	102.1	104.1	105.7	106.6	107.4	107.4
Year / Year				4.1%	5.3%	5.8%		5.2%	3.2%
Quarterly				0.4%	0.4%	1.3%	2.0%	1.5%	0.9%
Q. Cumulative	0.0%	0.4%	0.8%	2.1%	4.1%	5.7%	6.6%	7.4%	7.4%

Winnipeg	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.8	100.2	100.5	101.1	102.4	103.4	104.4	104.9	104.9
Year / Year				2.6%	3.2%	3.9%		3.8%	2.4%
Quarterly				0.4%	0.3%	0.6%	1.3%	1.0%	1.0%
Q. Cumulative	0.0%	0.4%	0.7%	1.3%	2.6%	3.6%	4.6%	5.1%	5.1%

Saskatoon	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.7	100.0	100.8	100.9	101.8	102.9	103.7	104.1	104.1
Year / Year				2.1%	2.9%	2.9%		3.2%	2.3%
Quarterly				0.3%	0.8%	0.1%	0.9%	1.1%	0.8%
Q. Cumulative	0.0%	0.3%	1.1%	1.2%	2.1%	3.2%	4.0%	4.4%	4.4%

Calgary	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.9	100.1	100.4	100.8	101.4	102.6	103.4	103.9	103.9
Year / Year				1.5%	2.5%	3.0%		3.1%	2.5%
Quarterly				0.2%	0.3%	0.4%	0.6%	1.2%	0.8%
Q. Cumulative	0.0%	0.2%	0.5%	0.9%	1.5%	2.7%	3.5%	4.0%	4.0%

Edmonton	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.8	100.1	100.5	100.9	101.9	103.2	104.0	104.8	104.8
Year / Year				2.1%	3.1%	3.5%		3.9%	2.8%
Quarterly				0.3%	0.4%	0.4%	1.0%	1.3%	0.8%
Q. Cumulative	0.0%	0.3%	0.7%	1.1%	2.1%	3.4%	4.2%	5.0%	5.0%

Vancouver	2017			2018				2019	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index	99.5	100.4	101.8	102.9	104.3	106.5	107.9	109.1	109.1
Year / Year				4.8%	6.1%	6.0%		6.0%	4.6%
Quarterly				0.9%	1.4%	1.1%	1.4%	2.1%	1.3%
Q. Cumulative	0.0%	0.9%	2.3%	3.4%	4.8%	7.0%	8.4%	9.6%	9.6%

QUARTERS AT GLANCE	
CITY	CHANGE
Composite	0.4%
St. John's, NL	0.1%
Halifax, NS	0.3%
Moncton, NB	0.3%
Montreal, QC	0.9%
Ottawa, ON	0.6%
Toronto, ON	0.8%
Winnipeg, MB	0.1
Saskatoon, SK	-0.1%
Edmonton, AB	0.2%
Calgary, AB	0.1%
Vancouver, BC	0.2%

CANADIAN OFFICES AND SERVICE CONTACTS		
Office	Contact	
Vancouver, BC	Ken King	604-685-1241
Edmonton, AB	Mike Swick	780-426-7980
Winnipeg, MB	Isaac Gwendo	204-775-3389
Hamilton, ON	Craig Bye	905-525-5777
Ottawa, ON	Arthur Maw	613-234-8089
Toronto, ON	Brian McBurney	
	Susan Neil	416-487-3811
	Dale Panday	
	Nathan Thinagaripillai	
Halifax, NS	Raymond Murray	902-422-3620

SERVICES	
Cost Planning + Control	Scheduling
Value Management	Financial Analysis
Applied Research	Project Loan Monitoring
Project Management	Litigation Support

Indices track growth from a given city's initial base price. They cannot be used to compare relative costs between cities. Statistics Canada has restated selected values subsequent to their original publication.

