

# ESCALATION WATCH THIRD QUARTER 2019

Statistics Canada's 2019, third quarter, Non-residential Building Construction Price Indices were released November 7<sup>th</sup>. Fourth quarter indices for 2019 will be available mid-February.

Prices for construction of non-residential buildings was up 0.6%. This increase is being attributed to shortages of skilled trades resulting in contractors charging higher prices for their services as they faced increasing demand. For non-residential buildings, increases in material prices and labour shortages were reported by builders in Toronto (+0.8%), Montréal (+0.9%), and Ottawa (+0.7%). Of all the areas surveyed, St. John's (0.0%) and Saskatoon (0.0%) reported no change.

Non-residential building construction rose 2.9% over the 12-month period ending in the third quarter. On an annual basis, the largest year-over-year price increases were reported in Montréal (+4.0%) and Ottawa (+3.8%). St. John's (+0.2%) reported the smallest increase.

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		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.30	100.90	101.7	103.1	104.7	105.8	106.6	107.1	107.7
Year / Year					4.4%	4.9%	4.8%	3.9%	2.9%
Quarterly			0.6%	0.8%	1.4%	1.6%	1.1%	0.8%	0.6%
Q. Cumulative	0.0%	0.6%	1.4%	2.8%	4.4%	5.5%	6.3%	6.8%	7.4%

St. John's	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	99.9	100.3	100.6	100.9	101.8	101.9	101.9	102.0	102.0
Year / Year					1.9%	1.6%	1.3%	1.1%	0.2%
Quarterly			0.4%	0.3%	0.3%	0.9%	0.1%	0.0%	0.1%
Q. Cumulative	0.0%	0.4%	0.7%	1.0%	1.9%	2.0%	2.0%	2.1%	2.1%

Halifax	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.6	101.1	101.4	102.5	104.1	105.0	105.4	105.7	105.9
Year / Year					3.5%	3.9%	3.9%	3.1%	1.7%
Quarterly			0.5%	0.3%	1.1%	1.6%	0.9%	0.4%	0.3%
Q. Cumulative	0.0%	0.5%	0.8%	1.9%	3.5%	4.4%	4.8%	5.1%	5.3%

Moncton	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	99.9	100.4	100.6	101.8	103.3	105.6	105.8	106.2	106.7
Year / Year					3.4%	5.2%	5.2%	4.3%	3.3%
Quarterly			0.5%	0.2%	1.2%	1.5%	2.2%	0.2%	0.4%
Q. Cumulative	0.0%	0.5%	0.7%	1.9%	3.4%	5.7%	5.9%	6.3%	6.8%

Montreal	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.5	101.4	102.4	103.8	105.6	106.9	107.8	108.8	109.8
Year / Year					5.1%	5.4%	5.3%	4.8%	4.0%
Quarterly			0.9%	1.0%	1.4%	1.7%	1.2%	0.8%	0.9%
Q. Cumulative	0.0%	0.9%	1.9%	3.3%	5.1%	6.4%	7.3%	8.3%	9.3%

Ottawa	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.3	101.1	102.0	104.0	106.6	108.0	109.1	109.9	110.7
Year / Year					6.3%	6.8%	7.0%	5.7%	3.8%
Quarterly			0.8%	0.9%	2.0%	2.5%	1.3%	1.0%	0.7%
Q. Cumulative	0.0%	0.8%	1.7%	3.7%	6.3%	7.7%	8.8%	9.6%	10.4%

Toronto	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.4	100.8	102.1	104.1	105.7	106.6	107.4	108.3	109.2
Year / Year					5.3%	5.8%	5.2%	4.0%	3.3%
Quarterly			0.4%	1.3%	2.0%	1.5%	0.9%	0.8%	0.8%
Q. Cumulative	0.0%	0.4%	1.7%	3.7%	5.3%	6.2%	7.0%	7.9%	8.8%

Winnipeg	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.2	100.5	101.1	102.4	103.4	104.4	104.9	105.0	105.4
Year / Year					3.2%	3.9%	3.8%	2.5%	1.9%
Quarterly			0.3%	0.6%	1.3%	1.0%	1.0%	0.5%	0.1%
Q. Cumulative	0.0%	0.3%	0.9%	2.2%	3.2%	4.2%	4.7%	4.8%	5.2%

Saskatoon	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.0	100.8	100.9	101.8	102.9	103.7	104.1	104.0	104.0
Year / Year					2.9%	2.9%	3.2%	2.2%	1.1%
Quarterly			0.8%	0.1%	0.9%	1.1%	0.8%	0.4%	(0.1%)
Q. Cumulative	0.0%	0.8%	0.9%	1.8%	2.9%	3.7%	4.1%	4.0%	4.0%

Calgary	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.1	100.4	100.8	101.4	102.6	103.4	103.9	104.1	104.2
Year / Year					2.5%	3.0%	3.1%	2.7%	1.6%
Quarterly			0.3%	0.4%	0.6%	1.2%	0.8%	0.5%	0.2%
Q. Cumulative	0.0%	0.3%	0.7%	1.3%	2.5%	3.3%	3.8%	4.0%	4.1%

Edmonton	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.1	100.5	100.9	101.9	103.2	104.0	104.8	104.9	105.3
Year / Year					3.1%	3.5%	3.9%	2.9%	2.0%
Quarterly			0.4%	0.4%	1.0%	1.3%	0.8%	0.8%	0.1%
Q. Cumulative	0.0%	0.4%	0.8%	1.8%	3.1%	3.9%	4.7%	4.8%	5.2%

Vancouver	2017		2018				2019		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Index	100.4	101.8	102.9	104.3	106.5	107.9	109.1	109.6	109.8
Year / Year					6.1%	6.0%	6.0%	5.1%	3.1%
Quarterly			1.4%	1.1%	1.4%	2.1%	1.3%	1.1%	0.5%
Q. Cumulative	0.0%	1.4%	2.5%	3.9%	6.1%	7.5%	8.7%	9.2%	9.4%

QUARTERS AT GLANCE	
CITY	CHANGE
Composite	0.6%
St. John's, NL	0.0%
Halifax, NS	0.2%
Moncton, NB	0.5%
Montreal, QC	0.9%
Ottawa, ON	0.7%
Toronto, ON	0.8%
Winnipeg, MB	0.4%
Saskatoon, SK	0.0%
Edmonton, AB	0.1%
Calgary, AB	0.4%
Vancouver, BC	0.2%

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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.

