

# ESCALATION WATCH FOURTH QUARTER 2022

Statistics Canada's 2022 Fourth Quarter, Non-residential Building Construction Price Indices were released on February 8<sup>th</sup>. First Quarter indices for 2023 will be available in May.

Non-residential building construction costs grew (+1.6%) following a 2.1% increase in the previous quarter due to reported cost increases in structural steel framing, concrete and metal fabrication. While growth in non-residential building construction costs across most Census Metropolitan Areas slowed in the fourth quarter, Moncton (+3.7%) was the only area to record its most significant quarterly price increase of the year. Toronto (+2.5%) and Ottawa (+1.4%) recorded the most significant quarterly increases in non-residential construction costs.

Non-residential construction building costs rose 11.1% year over year in the fourth quarter. Toronto led year-over-year growth in construction costs for non-residential (+14.5%) buildings, followed by Moncton (+13.4%) and Montreal (+11.3%).

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).

### COVID-19 and Construction Costs

As the effects of COVID-19 continue to make themselves known, Hanscomb is taking steps to stay abreast of the potential impacts to the Canadian construction industry. We remain in close contact with building trade and material supplier contacts in effort to better understand the impacts to the Canadian construction market in terms of pricing, labour, material, capacity and risk to our local markets.

If you have questions or would like to speak someone, please contact us.

- Susan Neil, PQS(F), MRICS  
President

**STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 2017 = 100 (TABLE 18-10-0137-01)**

COMPOSITE 11 CITY	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	109.4	110.9	115.2	118.5	121.9	125.6	130.6	133.3	135.4	
Year / Year						11.4%	13.3%	13.4%	12.5%	11.1%
Quarterly						1.4%	3.9%	2.9%	2.9%	
Q. Cumulative	0.0%	1.4%	5.3%	8.3%	11.4%	14.8%	19.4%	21.8%	23.8%	

  

St. John's	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	102.8	104.5	109.4	111.8	114.6	116.0	118.2	120.9	121.1	
Year / Year						11.5%	11.0%	8.0%	8.1%	5.7%
Quarterly						1.7%	4.7%	2.2%	2.5%	
Q. Cumulative	0.0%	1.7%	6.4%	8.8%	11.5%	12.8%	15.0%	17.6%	17.8%	

  

Halifax	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	108.7	110.1	114.5	117.5	120.4	123.2	126.4	128.1	129.6	
Year / Year						10.8%	11.9%	10.4%	9.0%	7.6%
Quarterly						1.3%	4.0%	2.6%	2.5%	
Q. Cumulative	0.0%	1.3%	5.3%	8.1%	10.8%	13.3%	16.3%	17.8%	19.2%	

  

Moncton	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	107.9	108.0	110.2	114.0	116.8	118.6	125.3	127.7	132.4	
Year / Year						8.2%	9.8%	13.7%	12.0%	13.4%
Quarterly						0.1%	2.0%	3.4%	2.5%	
Q. Cumulative	0.0%	0.1%	2.1%	5.7%	8.2%	9.9%	16.1%	18.4%	22.7%	

  

Montreal	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	114.2	116.5	121.8	124.8	128.2	132.8	138.4	141.0	142.7	
Year / Year						12.3%	14.0%	13.6%	13.0%	11.3%
Quarterly						2.0%	4.5%	2.5%	2.7%	
Q. Cumulative	0.0%	2.0%	6.7%	9.3%	12.3%	16.3%	21.2%	23.5%	25.0%	

  

Ottawa	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	114.8	117.2	124.6	129.8	134.7	137.8	143.1	146.1	148.1	
Year / Year						17.3%	17.6%	14.8%	12.6%	9.9%
Quarterly						2.1%	6.3%	4.2%	3.8%	
Q. Cumulative	0.0%	2.1%	8.5%	13.1%	17.3%	20.0%	24.7%	27.3%	29.0%	

Toronto	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	112.1	114.2	119.9	125.0	129.3	134.2	140.9	144.5	148.1	
Year / Year						15.3%	17.5%	17.5%	15.6%	14.5%
Quarterly						1.9%	5.0%	4.3%	3.4%	
Q. Cumulative	0.0%	1.9%	7.0%	11.5%	15.3%	19.7%	25.7%	28.9%	32.1%	

  

Winnipeg	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	106.1	107.4	111.8	114.8	116.6	119.0	121.7	123.7	124.8	
Year / Year						9.9%	10.8%	8.9%	7.8%	7.0%
Quarterly						1.2%	4.1%	2.7%	1.6%	
Q. Cumulative	0.0%	1.2%	5.4%	8.2%	9.9%	12.2%	14.7%	16.6%	17.6%	

  

Saskatoon	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	103.7	104.3	107.1	108.7	112.0	114.6	117.6	118.8	119.7	
Year / Year						8.0%	9.9%	9.8%	9.3%	6.9%
Quarterly						0.6%	2.7%	1.5%	3.0%	
Q. Cumulative	0.0%	0.6%	3.3%	4.8%	8.0%	10.5%	13.4%	14.6%	15.4%	

  

Calgary	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	104.6	105.3	107.9	109.7	112.4	115.4	118.3	120.0	120.7	
Year / Year						7.5%	9.6%	9.6%	9.4%	7.4%
Quarterly						0.7%	2.5%	1.7%	2.5%	
Q. Cumulative	0.0%	0.7%	3.2%	4.9%	7.5%	10.3%	13.1%	14.7%	15.4%	

  

Edmonton	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	105.5	107.0	111.7	115.2	119.1	122.1	127.1	129.3	130.6	
Year / Year						12.9%	14.1%	13.8%	12.2%	9.7%
Quarterly						1.4%	4.4%	3.1%	3.4%	
Q. Cumulative	0.0%	1.4%	5.9%	9.2%	12.9%	15.7%	20.5%	22.6%	23.8%	

  

Vancouver	2021					2022				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Index	110.3	111.3	114.1	116.2	118.6	121.3	125.4	127.6	129.3	
Year / Year						7.5%	9.0%	9.9%	9.8%	9.0%
Quarterly						0.9%	2.5%	1.8%	2.1%	
Q. Cumulative	0.0%	0.9%	3.4%	5.3%	7.5%	10.0%	13.7%	15.7%	17.2%	

### QUARTERS AT GLANCE

CITY	CHANGE
Composite	1.6%
St. John's, NL	0.2%
Halifax, NS	1.2%
Moncton, NB	3.7%
Montreal, QC	1.2%
Ottawa, ON	1.4%
Toronto, ON	2.5%
Winnipeg, MB	0.9%
Saskatoon, SK	0.8%
Calgary, AB	0.6%
Edmonton, AB	1.0%
Vancouver, BC	1.3%

### CANADIAN OFFICES AND SERVICE CONTACTS

Office	Contact	Phone
Vancouver, BC	Ken King	604-685-1241
Edmonton, AB	Mike Swick	780-426-7980
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Hamilton, ON	Craig Bye	905-525-5777
Ottawa, ON	Arthur Maw	613-234-8089
Toronto, ON	Susan Neil	416-487-3811
Halifax, NS	Raymond Murray	902-422-3620

### SERVICES

Cost Planning + Control	Project Loan Monitoring
Value Management	Applied Research

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.

