



# Hanscomb

## NEWS UPDATE

### IN THIS ISSUE:

Page 1  
Escalation Watch

Page 2  
Statistics Canada  
Non-Residential  
Construction Cost  
Indices for 7 Cities,  
Third Quarter 2006

### Escalation Watch - Third Quarter 2006

The mid-August 2006 Non-residential Construction Price Indices were released by Statistics Canada on November 14th. Indices for the fourth quarter of 2006 will be available in mid-February 2007.

Nationally, the composite continues to rise increasing to 145.9, up 2.5% over the previous quarter, and 8.2% over the same period in 2005.

The third quarter of 2006 results for each of the seven cities in the survey continue to be comparable to the national trend. Expressed on a year over year basis, the yearly rates of change for Halifax (5.4%), Montreal (3.5%), Ottawa (6.3%) and Toronto (6.9%) in the East continue to be below that of the national composite. In the west, Calgary (14.1%), Edmonton (12.3%) and Vancouver (10.9%) continue to post increases above the national composite rate.

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-XIE (previously catalogue 62-007-XPB). 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.

More information about this and other construction related indices published by Statistics Canada are also available on line at [www.statcan.ca](http://www.statcan.ca).

- Paul Westbrook

### Services

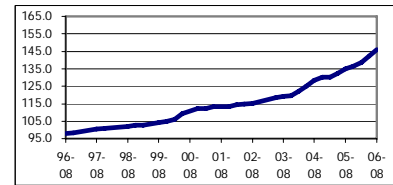
Cost Planning & Control	Litigation Support	Feasibility Studies	Project Loan Monitoring
Value Management	Construction Monitoring	Time Management	Applied Research

### World Wide Office and Service Contacts

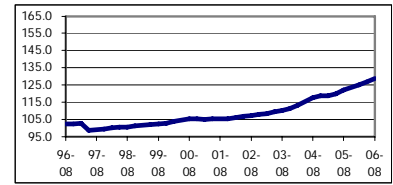
Vancouver	Peter Moore	(604) 685-1241	Abu Dhabi	Paul Bishop	971-26262461
Edmonton	Mike Swick	(780) 426-7980	Dubai	S. Keigwin/S. Bale	9714-3244557
Calgary	David Crane	(403) 234-9490	Muscat	Martin Redman	968-24481664
Winnipeg	David Crane	(204) 775-3389	Doha	Ian McKenzie	974-4673808
Hamilton	Susan Neil	(905) 525-5777			
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	Grant Mercer		Value Management	Paul Westbrook	(416) 487-3811
Toronto	Paul Westbrook	(416) 487-3811	Loan Monitoring	Ray Murray	(902) 422-3620
	Dale Panday			Michael Shackell	(416) 487-3811
Halifax	Ray Murray	(902) 422-3620	Applied Research	Jason Gallant	(416) 487-3811
St. John's	Wayne Fitzpatrick	(709) 722-0505	Mech./Elec. Services	Al Wright	(416) 487-3811

# STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 1997 = 100 (Cat. No. 62-007-XIE)

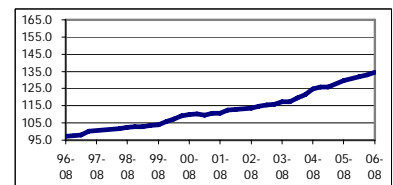
COMPOSITE 7 CITY	2004			2005			2006			
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	125.2	128.4	130.1	130.4	132.6	134.9	136.7	138.6	142.3	145.9
Year / Year					5.9%	5.1%	5.1%	6.3%	7.3%	8.2%
Quarterly		2.6%	1.3%	0.2%	1.7%	1.7%	1.3%	1.4%	2.7%	2.5%
Q. Cumulative	0.0%	2.6%	3.9%	4.2%	5.9%	7.7%	9.2%	10.7%	13.7%	16.5%



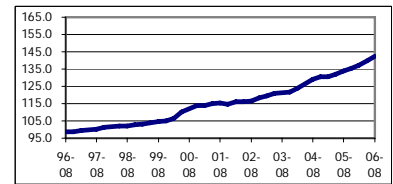
HALIFAX	2004			2005			2006			
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	115.6	117.6	118.6	118.7	120.0	122.1	123.6	125.1	126.9	128.7
Year / Year					3.8%	3.8%	4.2%	5.4%	5.8%	5.4%
Quarterly		1.7%	0.9%	0.1%	1.1%	1.7%	1.2%	1.2%	1.4%	1.4%
Q. Cumulative	0.0%	1.7%	2.6%	2.7%	3.8%	5.6%	6.9%	8.2%	9.8%	11.3%



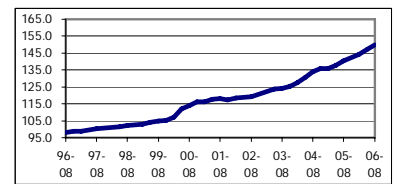
MONTREAL	2004			2005			2006			
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	121.3	124.7	126.0	126.0	128.0	129.8	130.7	131.8	133.1	134.4
Year / Year					5.5%	4.1%	3.7%	4.6%	4.0%	3.5%
Quarterly		2.8%	1.0%	0.0%	1.6%	1.4%	0.7%	0.8%	1.0%	1.0%
Q. Cumulative	0.0%	2.8%	3.9%	3.9%	5.5%	7.0%	7.7%	8.7%	9.7%	10.8%



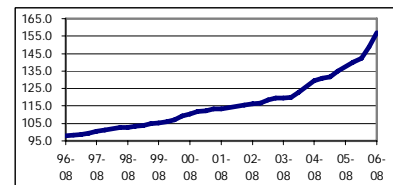
OTTAWA	2004			2005			2006			
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	126.3	129.0	130.4	130.5	131.9	133.8	135.4	137.3	139.7	142.2
Year / Year					4.4%	3.7%	3.8%	5.2%	5.9%	6.3%
Quarterly		2.1%	1.1%	0.1%	1.1%	1.4%	1.2%	1.4%	1.7%	1.8%
Q. Cumulative	0.0%	2.1%	3.2%	3.3%	4.4%	5.9%	7.2%	8.7%	10.6%	12.6%



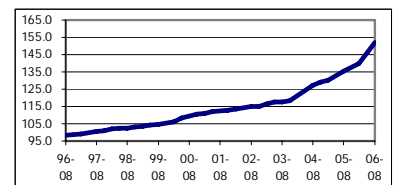
TORONTO	2004			2005			2006			
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	130.7	133.9	135.7	135.8	137.7	140.3	142.0	144.2	147.3	150.0
Year / Year					5.4%	4.8%	4.6%	6.2%	7.0%	6.9%
Quarterly		2.4%	1.3%	0.1%	1.4%	1.9%	1.2%	1.5%	2.1%	1.8%
Q. Cumulative	0.0%	2.4%	3.8%	3.9%	5.4%	7.3%	8.6%	10.3%	12.7%	14.8%



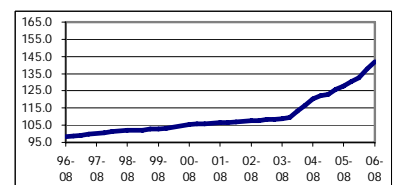
CALGARY	2004			2005			2006			
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	126.1	129.4	131.1	131.9	135.0	137.6	140.0	142.4	148.9	157.0
Year / Year					7.1%	6.3%	6.8%	8.0%	10.3%	14.1%
Quarterly		2.6%	1.3%	0.6%	2.4%	1.9%	1.7%	1.7%	4.6%	5.4%
Q. Cumulative	0.0%	2.6%	4.0%	4.6%	7.1%	9.1%	11.0%	12.9%	18.1%	24.5%



EDMONTON	2004			2005			2006			
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	124.2	127.2	129.2	130.3	133.0	135.4	137.6	139.9	146.1	152.1
Year / Year					7.1%	6.4%	6.5%	7.4%	9.8%	12.3%
Quarterly		2.4%	1.6%	0.9%	2.1%	1.8%	1.6%	1.7%	4.4%	4.1%
Q. Cumulative	0.0%	2.4%	4.0%	4.9%	7.1%	9.0%	10.8%	12.6%	17.6%	22.5%



VANCOUVER	2004			2005			2006			
	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	116.8	120.2	122.2	123.1	125.8	127.9	130.6	132.5	137.7	141.8
Year / Year					7.7%	6.4%	6.9%	7.6%	9.5%	10.9%
Quarterly		2.9%	1.7%	0.7%	2.2%	1.7%	2.1%	1.5%	3.9%	3.0%
Q. Cumulative	0.0%	2.9%	4.6%	5.4%	7.7%	9.5%	11.8%	13.4%	17.9%	21.4%



**Hanscomb**