



Hanscomb

Escalation Watch - Second Quarter 2008

The Mid-May 2008 Non-residential Construction Price Indices were released by Statistics Canada on August 12th. Indices for the third quarter of 2008 will be available mid-November.

Nationally, the composite continues to rise, increasing to 175.6, up 6.0% over the previous quarter, and 11.6% over the same period in 2007.

Expressed on a year over year basis, the yearly rates of change for Halifax (5.8%), Montreal (6.1%), Ottawa (8.9%), Toronto (10.3%), and now Vancouver (11.2%) show values below that of the national composite. In the West, Edmonton (15.4%) and Calgary (16.1%) continue to post annual increases above the national composite showing quarterly changes of 6.5% and 8.7% respectively.

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 available on line at www.statcan.ca.

- Paul Westbrook

Page 1
Escalation Watch

Page 2
Statistics Canada
Non-Residential
Construction Cost
Indices for 7 Cities,
Second Quarter
2008

Services

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

Canadian Offices and Service Contacts

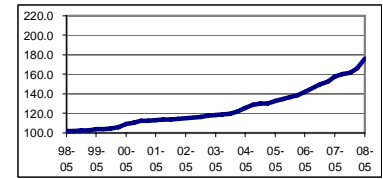
Vancouver	Peter Moore	(604) 685-1241	Value Management	Paul Westbrook	(416) 487-3811
Edmonton	Mike Swick	(780) 426-7980	Loan Monitoring	Raymond Murray	(902) 422-3620
Calgary	David Crane	(403) 234-9490		Dale Panday	(416) 487-3811
Winnipeg	David Crane	(204) 775-3389		Grant Mercer	(613) 234-8089
	Isaac Gwendo		Applied Research	Jason Gallant	(416) 487-3811
Hamilton	Susan Neil	(905) 525-5777			
	Craig Bye				
Ottawa	Art Maw	(613) 234-8089			
	Grant Mercer				
Toronto	Paul Westbrook	(416) 487-3811			
	Dale Panday				
Halifax	Raymond Murray	(902) 422-3620			
St. John's	Wayne Fitzpatrick	(709) 722-0505			

Orders for the 2009 Edition of Hanscomb Yardsticks for Costing now being accepted!

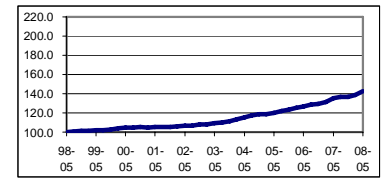
Orders can be made be placed by calling RSMeans (1-800-334-3509) and requesting item number 62019, or by submitting the order form available at www.yardsticks.ca

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

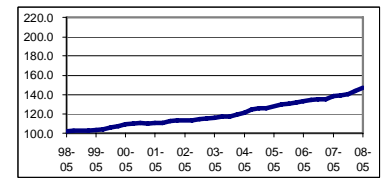
COMPOSITE 7 CITY	2005	2006				2007				2008	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	136.7	138.6	142.3	145.9	149.4	152.4	157.4	159.9	161.5	165.7	175.6
Year / Year					9.3%	10.0%	10.6%	9.6%	8.1%	8.7%	11.6%
Quarterly		1.4%	2.7%	2.5%	2.4%	2.0%	3.3%	1.6%	1.0%	2.6%	6.0%
Q. Cumulative	0.0%	1.4%	4.1%	6.7%	9.3%	11.5%	15.1%	17.0%	18.1%	21.2%	28.5%



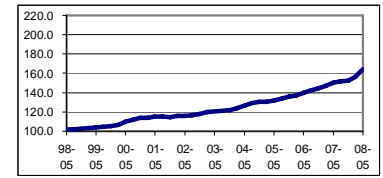
HALIFAX	2005	2006				2007				2008	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	123.6	125.1	126.9	128.7	129.7	131.7	135.2	136.3	136.7	138.5	143.0
Year / Year					4.9%	5.3%	6.5%	5.9%	5.4%	5.2%	5.8%
Quarterly		1.2%	1.4%	1.4%	0.8%	1.5%	2.7%	0.8%	0.3%	1.3%	3.2%
Q. Cumulative	0.0%	1.2%	2.7%	4.1%	4.9%	6.6%	9.4%	10.3%	10.6%	12.1%	15.7%



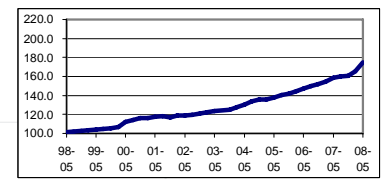
MONTREAL	2005	2006				2007				2008	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	130.7	131.8	133.1	134.4	134.9	135.2	138.7	139.0	140.3	143.6	147.1
Year / Year					3.2%	2.6%	4.2%	3.4%	4.0%	6.2%	6.1%
Quarterly		0.8%	1.0%	1.0%	0.4%	0.2%	2.6%	0.2%	0.9%	2.4%	2.4%
Q. Cumulative	0.0%	0.8%	1.8%	2.8%	3.2%	3.4%	6.1%	6.4%	7.3%	9.9%	12.5%



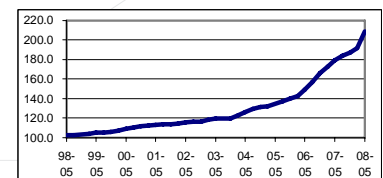
OTTAWA	2005	2006				2007				2008	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	135.4	137.3	139.7	142.2	144.0	146.6	150.6	151.4	152.1	156.3	164.0
Year / Year					6.4%	6.8%	7.8%	6.5%	5.6%	6.6%	8.9%
Quarterly		1.4%	1.7%	1.8%	1.3%	1.8%	2.7%	0.5%	0.5%	2.8%	4.9%
Q. Cumulative	0.0%	1.4%	3.2%	5.0%	6.4%	8.3%	11.2%	11.8%	12.3%	15.4%	21.1%



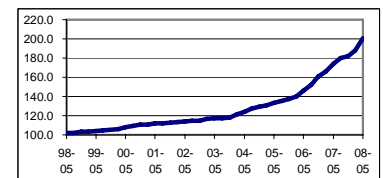
TORONTO	2005	2006				2007				2008	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	142.0	144.2	147.3	150.0	151.6	154.2	158.5	159.6	160.8	165.3	174.9
Year / Year					6.8%	6.9%	7.6%	6.4%	6.1%	7.2%	10.3%
Quarterly		1.5%	2.1%	1.8%	1.1%	1.7%	2.8%	0.7%	0.8%	2.8%	5.8%
Q. Cumulative	0.0%	1.5%	3.7%	5.6%	6.8%	8.6%	11.6%	12.4%	13.2%	16.4%	23.2%



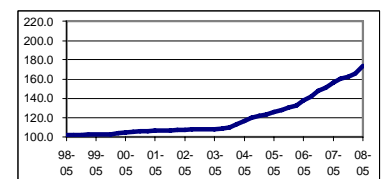
CALGARY	2005	2006				2007				2008	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	140.0	142.4	148.9	157.0	166.3	172.8	179.5	183.9	186.8	191.7	208.4
Year / Year					18.8%	21.3%	20.6%	17.1%	12.3%	10.9%	16.1%
Quarterly		1.7%	4.6%	5.4%	5.9%	3.9%	3.9%	2.5%	1.6%	2.6%	8.7%
Q. Cumulative	0.0%	1.7%	6.4%	12.1%	18.8%	23.4%	28.2%	31.4%	33.4%	36.9%	48.9%



EDMONTON	2005	2006				2007				2008	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	137.6	139.9	146.1	152.1	160.5	165.8	173.7	179.4	181.8	188.1	200.4
Year / Year					16.6%	18.5%	18.9%	17.9%	13.3%	13.4%	15.4%
Quarterly		1.7%	4.4%	4.1%	5.5%	3.3%	4.8%	3.3%	1.3%	3.5%	6.5%
Q. Cumulative	0.0%	1.7%	6.2%	10.5%	16.6%	20.5%	26.2%	30.4%	32.1%	36.7%	45.6%



VANCOUVER	2005	2006				2007				2008	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	130.6	132.5	137.7	141.8	147.5	150.8	156.5	160.7	162.6	165.9	174.0
Year / Year					12.9%	13.8%	13.7%	13.3%	10.2%	10.0%	11.2%
Quarterly		1.5%	3.9%	3.0%	4.0%	2.2%	3.8%	2.7%	1.2%	2.0%	4.9%
Q. Cumulative	0.0%	1.5%	5.4%	8.6%	12.9%	15.5%	19.8%	23.0%	24.5%	27.0%	33.2%



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