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## Escalation Watch

## Escalation Watch Third Quarter 2015

The mid-August 2015 Non-residential Building Construction Price Indices were released by Statistics Canada on November 10<sup>th</sup>. The fourth quarter indices for 2015 will be available mid-February.

The national composite index has reported a decline of -0.4% compared with the previous quarter. This is the first quarterly decline since the quarter of 2010 and has been attributed to the result of lower material prices being reported by contractors in the structural trades.

Of the seven census metropolitan areas surveyed, Halifax (0.3%), Toronto (0.3%) and Vancouver (0.3%) reported the only increases. Calgary (-1.3%) and Edmonton (-1.3%) recorded the largest quarterly decreases, followed by Montreal (-0.6%).

Year over year, the composite price index rose 0.5%. The largest year over year increase was seen in Toronto (1.8%), while Edmonton (-1.6%) and Calgary (-1.2%) both reported decreases compared with the third quarter 2014.

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-XWE. 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. Readers are cautioned that Statistics Canada does, on occasion, restate indices from previous quarters. Individual city and national composite indices reported in this newsletter reflect these changes. Indices restated from the previous report are highlighted for ease of reference where appropriate.

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, MRICS  
Executive Vice President

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Statistics Canada  
Non-Residential  
Construction Cost  
Indices for 7 Cities  
Third Quarter 2015

### Services

Cost Planning & Control  
Value Management

Litigation Support  
Construction Monitoring

Feasibility Studies  
Time Management

Loan Monitoring  
Applied Research

### Canadian Offices and Service Contacts

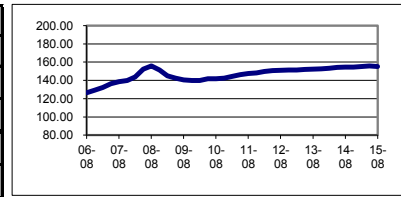
Vancouver	Ken King	604 - 685 - 1241	Applied Research	Art Maw	613 - 234 - 8089
Edmonton	Mike Swick	780 - 426 - 7980			
Winnipeg	Isaac Gwendo	204 - 775 - 3389	Loan Monitoring	Raymond Murray	902 - 422 - 3620
Hamilton	Craig Bye	905 - 525 - 5777		Dale Panday	416 - 487 - 3811
Ottawa	Art Maw	613 - 234 - 8089			
	Brian McBurney				
Toronto	Susan Neil	416 - 487 - 3811			
	Dale Panday				
Halifax	Raymond Murray	902 - 422 - 3620			
	Deanne Bain				

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Hanscomb's Escalation Watch  
can be downloaded at [hanscomb.com](http://hanscomb.com)

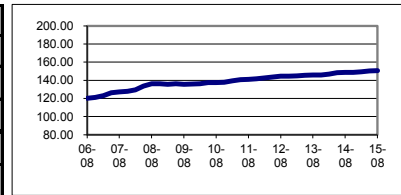


# STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 2002 = 100 (Cat. No. 62-007-XWE)

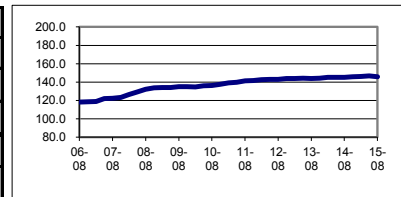
COMPOSITE 7 CITY	2013				2014				2015		
	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	151.4	152.1	152.3	152.5	153.3	154.2	154.5	154.7	155.2	155.9	155.3
Year / Year					1.3%	1.4%	1.4%	1.4%	1.2%	1.1%	0.5%
Quarterly		0.5%	0.1%	0.1%	0.5%	0.6%	0.2%	0.1%	0.3%	0.5%	(0.4%)
Q. Cumulative	0.0%	0.5%	0.6%	0.7%	1.3%	1.8%	2.0%	2.2%	2.5%	3.0%	2.6%



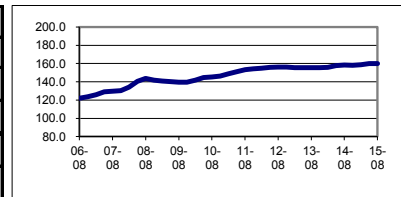
HALIFAX	2013				2014				2015		
	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	144.8	145.6	145.7	145.8	146.6	148.4	148.6	148.7	149.2	150.2	150.6
Year / Year					1.2%	1.9%	2.0%	2.0%	1.8%	1.2%	1.3%
Quarterly		0.6%	0.1%	0.1%	0.5%	1.2%	0.1%	0.1%	0.3%	0.7%	0.3%
Q. Cumulative	0.0%	0.6%	0.6%	0.7%	1.2%	2.5%	2.6%	2.7%	3.0%	3.7%	4.0%



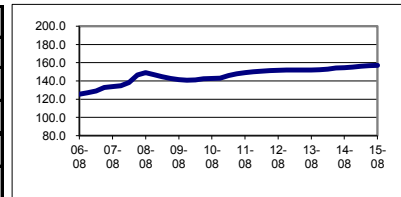
MONTREAL	2013				2014				2015		
	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	143.8	144.2	144.0	144.1	145.0	145.2	145.3	145.7	146.0	146.6	145.7
Year / Year					0.8%	0.7%	0.9%	1.1%	0.7%	1.0%	0.3%
Quarterly		0.3%	(0.1%)	0.1%	0.6%	0.1%	0.1%	0.3%	0.2%	0.4%	(0.6%)
Q. Cumulative	0.0%	0.3%	0.1%	0.2%	0.8%	1.0%	1.0%	1.3%	1.5%	1.9%	1.3%



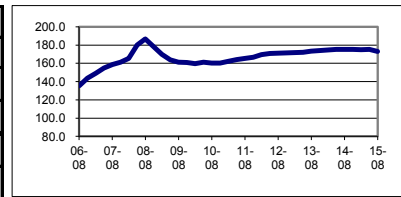
OTTAWA	2013				2014				2015		
	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	155.5	155.4	155.5	155.5	155.8	157.8	158.5	158.1	158.6	160.0	160.0
Year / Year					0.2%	1.5%	1.9%	1.7%	1.8%	1.4%	0.9%
Quarterly		(0.1%)	0.1%	0.0%	0.2%	1.3%	0.4%	(0.3%)	0.3%	0.9%	0.0%
Q. Cumulative	0.0%	(0.1%)	0.0%	0.0%	0.2%	1.5%	1.9%	1.7%	2.0%	2.9%	2.9%



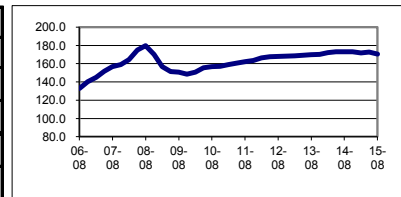
TORONTO	2013				2014				2015		
	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	151.9	152.1	152.1	152.2	153.0	154.1	154.4	155.1	156.2	156.8	157.2
Year / Year					0.7%	1.3%	1.5%	1.9%	2.1%	1.8%	1.8%
Quarterly		0.1%	0.0%	0.1%	0.5%	0.7%	0.2%	0.5%	0.7%	0.4%	0.3%
Q. Cumulative	0.0%	0.1%	0.1%	0.2%	0.7%	1.4%	1.6%	2.1%	2.8%	3.2%	3.5%



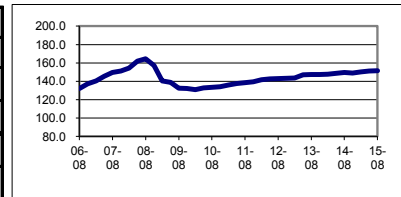
CALGARY	2013				2014				2015		
	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	171.7	172.2	173.4	174.0	174.5	175.3	175.2	175.2	174.8	175.3	173.1
Year / Year					1.6%	1.8%	1.0%	0.7%	0.2%	0.0%	(1.2%)
Quarterly		0.3%	0.7%	0.3%	0.3%	0.5%	(0.1%)	0.0%	(0.2%)	0.3%	(1.3%)
Q. Cumulative	0.0%	0.3%	1.0%	1.3%	1.6%	2.1%	2.0%	2.0%	1.8%	2.1%	0.8%



EDMONTON	2013				2014				2015		
	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	168.6	169.1	169.9	170.3	172.1	172.9	173.2	172.9	171.9	172.8	170.5
Year / Year					2.1%	2.2%	1.9%	1.5%	(0.1%)	(0.1%)	(1.6%)
Quarterly		0.3%	0.5%	0.2%	1.1%	0.5%	0.2%	(0.2%)	(0.6%)	0.5%	(1.3%)
Q. Cumulative	0.0%	0.3%	0.8%	1.0%	2.1%	2.6%	2.7%	2.6%	2.0%	2.5%	1.1%



VANCOUVER	2013				2014				2015		
	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug
Index	143.5	146.9	147.3	147.4	147.8	148.6	149.5	149.0	150.3	151.1	151.5
Year / Year					3.0%	1.2%	1.5%	1.1%	1.7%	1.7%	1.3%
Quarterly		2.4%	0.3%	0.1%	0.3%	0.5%	0.6%	(0.3%)	0.9%	0.5%	0.3%
Q. Cumulative	0.0%	2.4%	2.6%	2.7%	3.0%	3.6%	4.2%	3.8%	4.7%	5.3%	5.6%



The above noted **cells** indicate values that have been restated by Statistics Canada subsequent to their original publication