

Hanscomb

Escalation Second Quarter 2014

Second Quarter 2014

Page 1:
Escalation Watch

The mid-May 2014 Non-residential Construction Price Indices were released by Statistics Canada on August 12th. The third quarter indices for 2014 will be available mid-November 2014.

Nationally, the results for this quarter show significant improvement over the past two survey periods. The national composite index moved up more decisively this quarter from 153.3 to 154.2 or 0.6%. Expressed year over year, the national composite is up by 1.4%. Statistics Canada is reporting that this quarterly increase is attributable mainly to increases in material prices.

Across the country, all cities tracked by Statistics Canada showed improved growth results similar to the national composite. Perhaps most significantly, Halifax and Ottawa have increased significantly over the last quarter with a reported year over year increase of 1.2% and 1.3% respectively. In Toronto, the largest construction market in the country the quarterly increase of 0.7% translated into a year over year growth rate of 1.3%. The western cities of Calgary and Edmonton continue to report year over year increases above the national composite rate of 1.7% and 2.2% 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.

Page 2:
Statistics Canada
Non-Residential
Construction Cost
Indices for 7 Cities
Second Quarter 2014

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.

- Susan Neil

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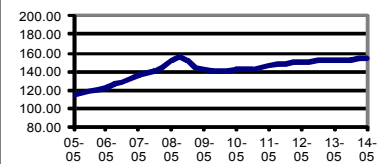
Vancouver	Thilak Bandara Ken King	604 - 685 - 1241	Applied Research	Art Maw	613 - 234 - 8089
Edmonton	Mike Swick	780 - 426 - 7980	Loan Monitoring	Raymond Murray	902 - 422 - 3620
Calgary	Paul Weatherby	403 - 234 - 9490		Grant Mercer	613 - 234 - 8089
Winnipeg	Isaac Gwendo	204 - 775 - 3389		Dale Panday	416 - 487 - 3811
Hamilton	Craig Bye	905 - 525 - 5777			
Ottawa	Art Maw Grant Mercer Brian McBurney	613 - 234 - 8089			
Toronto	Susan Neil Dale Panday	416 - 487 - 3811			
Halifax	Raymond Murray	902 - 422 - 3620			

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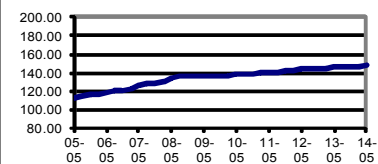


STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 2002 = 100 (Cat. No. 62-007-XWE)

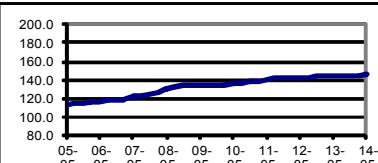
COMPOSITE 7 CITY	2011	2012				2013				2014	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	148.3	149.8	150.7	151.0	151.4	151.4	152.1	152.3	152.5	153.3	154.2
Year / Year					2.1%	1.1%	0.9%	0.9%	0.7%	1.3%	1.4%
Quarterly		1.0%	0.6%	0.2%	0.3%	0.0%	0.5%	0.1%	0.1%	0.5%	0.6%
Q. Cumulative	0.0%	1.0%	1.6%	1.8%	2.1%	2.1%	2.6%	2.7%	2.8%	3.4%	4.0%



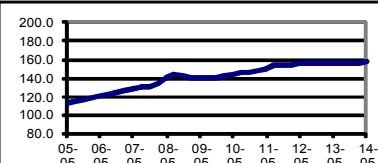
HALIFAX	2011	2012				2013				2014	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	141.7	142.6	143.4	144.4	144.6	144.8	145.6	145.7	145.8	146.6	148.4
Year / Year					2.0%	1.5%	1.5%	0.9%	0.8%	1.2%	1.9%
Quarterly		0.6%	0.6%	0.7%	0.1%	0.1%	0.6%	0.1%	0.1%	0.5%	1.2%
Q. Cumulative	0.0%	0.6%	1.2%	1.9%	2.0%	2.2%	2.8%	2.8%	2.9%	3.5%	4.7%



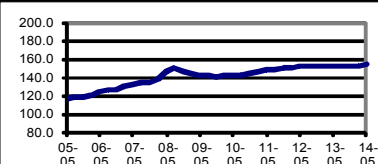
MONTREAL	2011	2012				2013				2014	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	141.6	142.5	142.9	143.0	143.8	143.8	144.2	144.0	144.1	145.0	145.2
Year / Year					1.6%	0.9%	0.9%	0.7%	0.2%	0.8%	0.7%
Quarterly		0.6%	0.3%	0.1%	0.6%	0.0%	0.3%	(0.1%)	0.1%	0.6%	0.1%
Q. Cumulative	0.0%	0.6%	0.9%	1.0%	1.6%	1.6%	1.8%	1.7%	1.8%	2.4%	2.5%



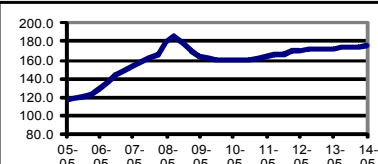
OTTAWA	2011	2012				2013				2014	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	154.1	154.9	155.9	156.0	156.3	155.5	155.4	155.5	155.5	155.8	157.8
Year / Year					1.4%	0.4%	(0.3%)	(0.3%)	(0.5%)	0.2%	1.5%
Quarterly		0.5%	0.6%	0.1%	0.2%	(0.5%)	(0.1%)	0.1%	0.0%	0.2%	1.3%
Q. Cumulative	0.0%	0.5%	1.2%	1.2%	1.4%	0.9%	0.8%	0.9%	0.9%	1.1%	2.4%



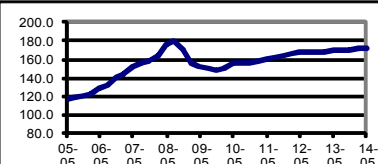
TORONTO	2011	2012				2013				2014	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	150.0	150.7	151.5	151.7	152.0	151.9	152.1	152.1	152.2	153.0	154.1
Year / Year					1.3%	0.8%	0.4%	0.3%	0.1%	0.7%	1.3%
Quarterly		0.5%	0.5%	0.1%	0.2%	(0.1%)	0.1%	0.0%	0.1%	0.5%	0.7%
Q. Cumulative	0.0%	0.5%	1.0%	1.1%	1.3%	1.3%	1.4%	1.4%	1.5%	2.0%	2.7%



CALGARY	2011	2012				2013				2014	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	166.7	169.4	170.8	171.1	171.6	171.7	172.2	173.4	174.0	174.5	175.3
Year / Year					2.9%	1.4%	0.8%	1.3%	1.4%	1.6%	1.8%
Quarterly		1.6%	0.8%	0.2%	0.3%	0.1%	0.3%	0.7%	0.3%	0.3%	0.5%
Q. Cumulative	0.0%	1.6%	2.5%	2.6%	2.9%	3.0%	3.3%	4.0%	4.4%	4.7%	5.2%



EDMONTON	2011	2012				2013				2014	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	163.5	166.2	167.5	168.0	168.4	168.6	169.1	169.9	170.3	172.1	172.9
Year / Year					3.0%	1.4%	1.0%	1.1%	1.1%	2.1%	2.2%
Quarterly		1.7%	0.8%	0.3%	0.2%	0.1%	0.3%	0.5%	0.2%	1.1%	0.5%
Q. Cumulative	0.0%	1.7%	2.4%	2.8%	3.0%	3.1%	3.4%	3.9%	4.2%	5.3%	5.7%



VANCOUVER	2011	2012				2013				2014	
	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May
Index	139.5	141.7	142.7	142.9	143.3	143.5	146.9	147.3	147.4	147.8	148.6
Year / Year					2.7%	1.3%	2.9%	3.1%	2.9%	3.0%	1.2%
Quarterly		1.6%	0.7%	0.1%	0.3%	0.1%	2.4%	0.3%	0.1%	0.3%	0.5%
Q. Cumulative	0.0%	1.6%	2.3%	2.4%	2.7%	2.9%	5.3%	5.6%	5.7%	5.9%	6.5%

