

# ESCALATION WATCH SECOND QUARTER 2018

Statistics Canada's 2018, second quarter, Non-residential Building Construction Price Indices were released August 16<sup>th</sup>. The third quarter indices for 2018 will be available mid-November.

In the second quarter, prices for new non-residential building construction increased 1.4% in all cities surveyed. Prices rose the most in Ottawa and Toronto (2.0% for each).

Construction prices for industrial buildings, especially factories (+1.7%), posted the largest increase during this period. The strongest gain was for the construction of factory buildings in Ottawa (+2.5%). This increase was mainly due to the rising cost of steel products.

Prices charged by contractors for new non-residential building construction were up 3.3% over the 12-month period ending in the second quarter, mostly due to higher prices in Vancouver (+4.8%).

In the first quarter of 2018 Statistics Canada made a number of changes to increase the relevance of the building construction price indexes, including updated building models to reflect newer construction technologies and materials and four new census metropolitan areas (CMAs). These additions provide a more comprehensive representation of construction activity across Canada.

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).

- Susan Neil, PQS(F), MRICS  
Executive Vice President

## STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 2017 = 100 (CANSIM TABLE 327-0060)

COMPOSITE 11 CITY	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				99.10	99.80	100.30	100.90	101.8	103.1
Year / Year								2.7%	3.3%
Quarterly				0.0%	0.7%	0.5%	0.6%	0.9%	1.3%
Q. Cumulative				0.0%	0.7%	1.2%	1.8%	2.7%	4.0%

St. John's	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				99.8	99.9	99.9	100.3	100.8	100.9
Year / Year								1.0%	1.0%
Quarterly				0.0%	0.1%	0.0%	0.4%	0.5%	0.1%
Q. Cumulative				0.0%	0.1%	0.1%	0.5%	1.0%	1.1%

Halifax	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				98.8	99.5	100.6	101.1	101.5	102.5
Year / Year								2.7%	3.0%
Quarterly				0.0%	0.7%	1.1%	0.5%	0.4%	1.0%
Q. Cumulative				0.0%	0.7%	1.8%	2.3%	2.7%	3.7%

Moncton	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				99.7	99.9	99.9	100.4	100.7	101.8
Year / Year								1.0%	1.9%
Quarterly				0.0%	0.2%	0.0%	0.5%	0.3%	1.1%
Q. Cumulative				0.0%	0.2%	0.2%	0.7%	1.0%	2.1%

Montreal	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				98.5	99.6	100.5	101.4	102.5	103.8
Year / Year								4.1%	4.2%
Quarterly				0.0%	1.1%	0.9%	0.9%	1.1%	1.3%
Q. Cumulative				0.0%	1.1%	2.0%	2.9%	4.1%	5.4%

Ottawa	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				98.9	99.7	100.3	101.1	102.0	104.0
Year / Year								3.1%	4.3%
Quarterly				0.0%	0.8%	0.6%	0.8%	0.9%	2.0%
Q. Cumulative				0.0%	0.8%	1.4%	2.2%	3.1%	5.2%

Toronto	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				98.9	100.0	100.4	100.8	102.1	104.1
Year / Year								3.2%	4.1%
Quarterly				0.0%	1.1%	0.4%	0.4%	1.3%	2.0%
Q. Cumulative				0.0%	1.1%	1.5%	1.9%	3.2%	5.3%

Winnipeg	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				99.5	99.8	100.2	100.5	101.1	102.4
Year / Year								1.6%	2.6%
Quarterly				0.0%	0.3%	0.4%	0.3%	0.6%	1.3%
Q. Cumulative				0.0%	0.3%	0.7%	1.0%	1.6%	2.9%

Saskatoon	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				99.5	99.7	100.0	100.8	100.9	101.8
Year / Year								1.4%	2.1%
Quarterly				0.0%	0.2%	0.3%	0.8%	0.1%	0.9%
Q. Cumulative				0.0%	0.2%	0.5%	1.3%	1.4%	2.3%

Calgary	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				99.5	99.9	100.1	100.4	100.8	101.4
Year / Year								1.3%	1.5%
Quarterly				0.0%	0.4%	0.2%	0.3%	0.4%	0.6%
Q. Cumulative				0.0%	0.4%	0.6%	0.9%	1.3%	1.9%

Edmonton	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				99.7	99.8	100.1	100.5	100.9	101.9
Year / Year								1.2%	2.1%
Quarterly				0.0%	0.1%	0.3%	0.4%	0.4%	1.0%
Q. Cumulative				0.0%	0.1%	0.4%	0.8%	1.2%	2.2%

Vancouver	2016			2017				2018	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Index				98.3	99.5	100.4	101.8	102.9	104.3
Year / Year								4.7%	4.8%
Quarterly				0.0%	1.2%	0.9%	1.4%	1.1%	1.4%
Q. Cumulative				0.0%	1.2%	2.1%	3.6%	4.7%	6.1%

QUARTERS AT GLANCE	
CITY	CHANGE
Composite	1.3%
St. John's NL	0.1%
Halifax, NS	1.0%
Moncton, NB	1.1%
Montreal, QC	1.3%
Ottawa, ON	2.0%
Toronto, ON	2.0%
Winnipeg, MB	1.3%
Saskatoon, SK	0.9%
Calgary, AB	0.6%
Edmonton, AB	1.0%
Vancouver, BC	1.4%

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SERVICES	
Cost Planning + Control	Scheduling
Value Management	Financial Analysis
Applied Research	Project Loan Monitoring
Project Management	Litigation Support

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