New Housing Price Index, August 2013

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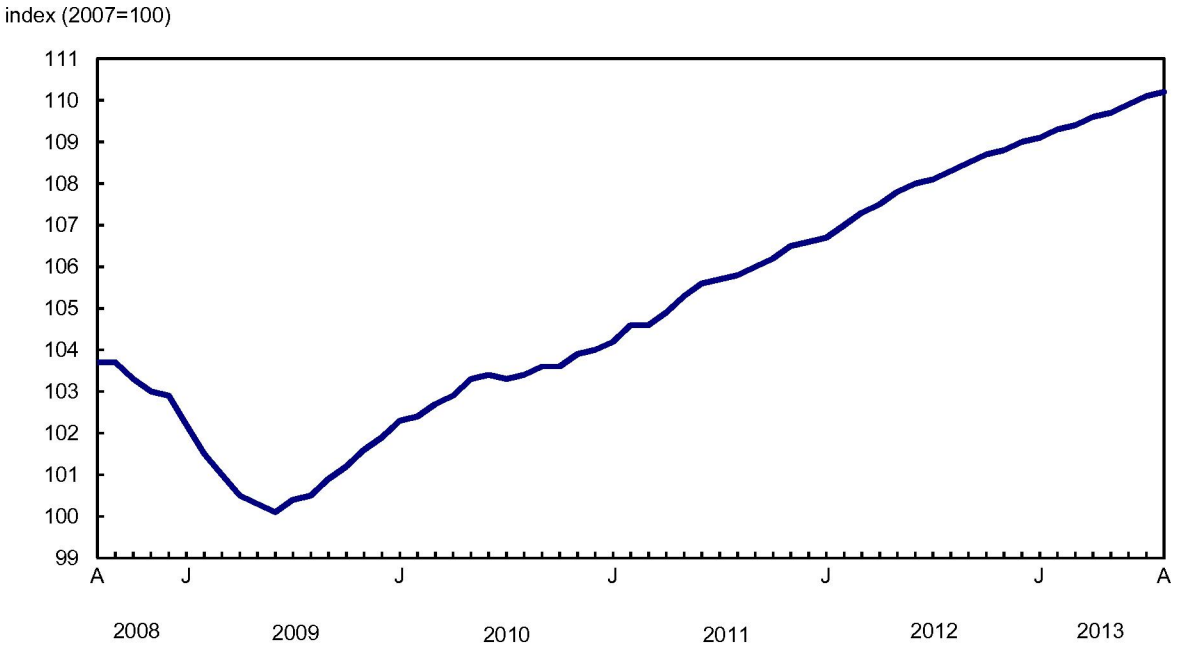
The New Housing Price Index (NHPI) rose 0.1% in August, following a 0.2% increase in July.

Chart 1
New Housing Price Index



Calgary was the top contributor to the national increase, with prices rising 0.6% in August. Builders in Calgary reported that market conditions, increased material and labour costs as well as a shortage of developed land contributed to higher prices. Calgary has been a top contributor to advances in new housing prices over the past nine months.

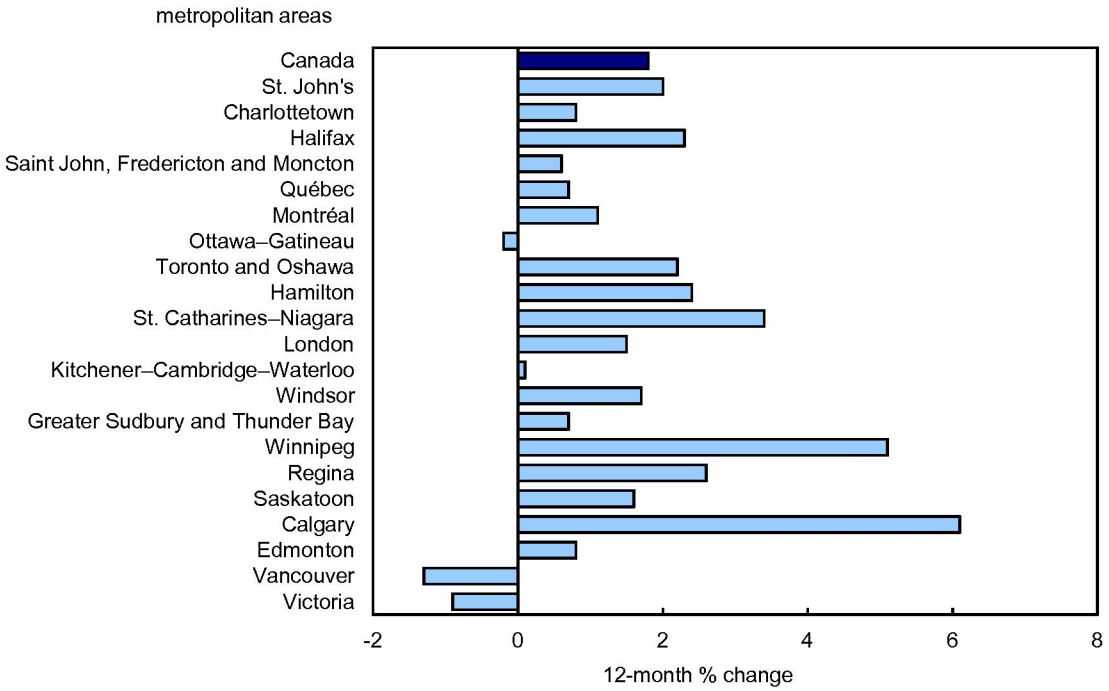
The largest monthly price advance in August occurred in Windsor (+1.0%), where builders cited an increase in material, labour and land development costs as the primary reasons for higher prices. Prices in the region have been relatively flat over the past year, despite a couple of modest monthly advances.

New housing prices rose 0.3% in both Montréal and Saskatoon. Market conditions contributed to the price increase in Montréal, while higher prices in Saskatoon were attributed to material, labour and land development costs.

Negotiated selling prices contributed to lower prices in four metropolitan areas in August. Prices for new homes in Vancouver fell 0.3%, while Halifax posted a 0.2% decline. Both Ottawa–Gatineau and Victoria were down 0.1%.

Prices were unchanged in 9 of the 21 metropolitan areas surveyed.

Chart 2
Calgary posts the highest year-over-year price increase



On a year-over-year basis, the NHPI rose 1.8% in the 12 months to August, following similar annual increases over the previous three months.

The two main contributors to the annual advance were Calgary (+6.1%) as well as the combined metropolitan region of Toronto and Oshawa (+2.2%). Year-over-year price increases in Calgary have been generally accelerating since early 2012, while price gains have been trending downwards in the Toronto and Oshawa region over the same period.

Other significant year-over-year increases occurred in Winnipeg (+5.1%), St. Catharines–Niagara (+3.4%), Regina (+2.6%) and Hamilton (+2.4%).

Among the 21 metropolitan areas surveyed, Ottawa–Gatineau (-0.2%), Victoria (-0.9%) and Vancouver (-1.3%) experienced 12-month price declines. This marked the first year-over–year price decrease in Ottawa–Gatineau since January 1998.

Note to readers

The New Housing Price Index measures changes over time in the selling prices of new residential houses agreed upon between the contractor and the buyer at the time of the signing of the contract. It is designed to measure the changes in the selling prices of new houses where detailed specifications pertaining to each house remain the same between two consecutive periods. The prices collected from builders and included in the index are market selling prices less value added taxes, such as the Federal Goods and Services Tax or the Harmonized Sales Tax.

The indexes are not subject to revision and are not seasonally adjusted.

Table 1
New Housing Price Index – Not seasonally adjusted[1]

	Relative importance[2]	August 2012	July 2013	August 2013	July to August 2013	August 2012 to August 2013
	%	(2007=100)			% change	
Canada total	**100.0**	**108.3**	**110.1**	**110.2**	**0.1**	**1.8**
House only	**…**	**108.7**	**110.8**	**110.9**	**0.1**	**2.0**
Land only	**…**	**106.9**	**108.0**	**108.1**	**0.1**	**1.1**
St. John's	1.83	148.0	150.6	150.9	0.2	2.0
Charlottetown	0.22	102.7	103.5	103.5	0.0	0.8
Halifax	1.21	115.0	117.8	117.6	-0.2	2.3
Saint John, Fredericton and Moncton[3]	0.52	107.7	108.3	108.3	0.0	0.6
Québec	2.70	121.9	122.7	122.7	0.0	0.7
Montréal	9.60	115.6	116.6	116.9	0.3	1.1
Ottawa–Gatineau	4.97	116.2	116.1	116.0	-0.1	-0.2
Toronto and Oshawa[3]	27.21	117.2	119.8	119.8	0.0	2.2
Hamilton	3.25	106.0	108.5	108.5	0.0	2.4
St. Catharines–Niagara	1.01	106.2	109.8	109.8	0.0	3.4
London	1.69	110.0	111.6	111.6	0.0	1.5
Kitchener–Cambridge–Waterloo	2.02	111.3	111.4	111.4	0.0	0.1
Windsor	0.67	98.5	99.2	100.2	1.0	1.7
Greater Sudbury and Thunder Bay[3]	0.63	107.5	108.1	108.2	0.1	0.7
Winnipeg	2.39	129.7	136.3	136.3	0.0	5.1
Regina	1.12	154.5	158.4	158.5	0.1	2.6
Saskatoon	2.20	119.0	120.5	120.9	0.3	1.6
Calgary	11.55	97.5	102.8	103.4	0.6	6.1
Edmonton	12.78	90.7	91.2	91.4	0.2	0.8
Vancouver	11.23	98.3	97.3	97.0	-0.3	-1.3
Victoria	1.22	85.4	84.7	84.6	-0.1	-0.9

… not applicable
1. Values have been rounded.
2. The relative importance is calculated using a price adjusted three-year average of the value of building completions for each metropolitan area.
3. In order to ensure data confidentiality, the following census metropolitan areas and census agglomeration are grouped together as follows: Saint John, Fredericton and Moncton; Toronto and Oshawa; and Greater Sudbury and Thunder Bay.
Note(s): *View the census subdivisions that comprise the metropolitan areas online.*

Available in CANSIM: table 327-0046.

Definitions, data sources and methods: survey number 2310.

The first quarter 2013 issue of *Capital Expenditure Price Statistics*, Vol. 29, no. 1 (62-007-X), is available from the *Browse by key resource* module of our website under *Publications*. The second quarter 2013 issue is scheduled for release in late October. This will be the last edition of the publication. In the future, all the information currently in the publication will be available free of charge on our website.

The New Housing Price Index for September will be released on November 14.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).