

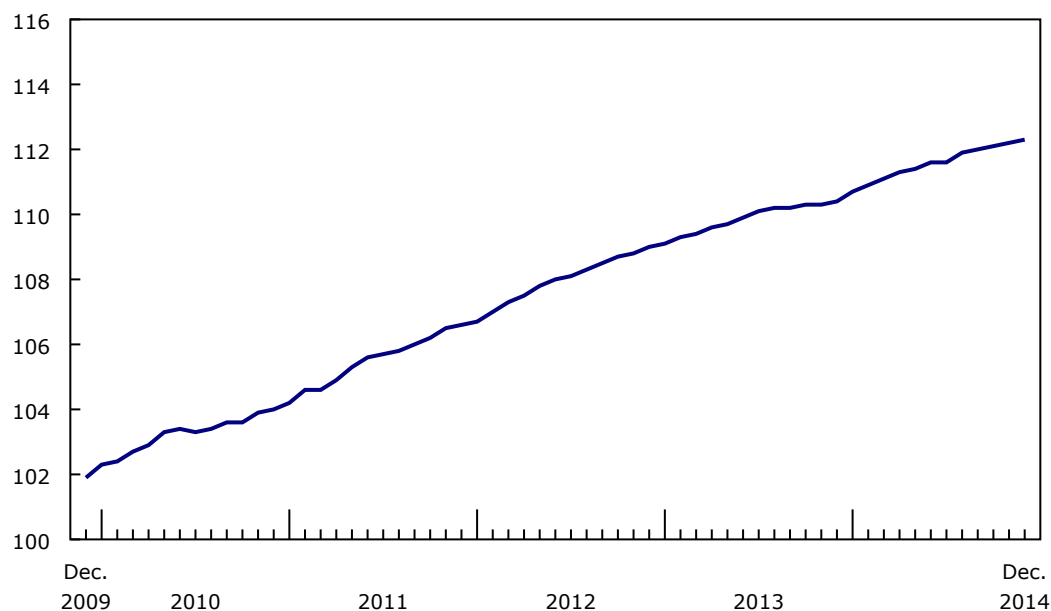
New Housing Price Index, December 2014

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, February 12, 2015

The New Housing Price Index (NHPI) posted a fourth consecutive 0.1% increase in December. Gains in Ontario and Alberta were moderated by a decline in Quebec.

Chart 1 New Housing Price Index

index (2007=100)



Source(s): CANSIM table [327-0046](#).

The combined metropolitan region of Toronto and Oshawa was the top contributor to the December advance, with prices rising 0.2% over the previous month. Increases due to market conditions were partially offset by builders offering bonus packages to stimulate sales.

The census metropolitan area (CMA) of London (+0.5%) recorded the largest increase in December. Builders reported market conditions as the main reason for the price gain. Monthly prices in London have been increasing or have been unchanged throughout the year.

New housing prices rose 0.4% in the CMAs of Kitchener–Cambridge–Waterloo and Hamilton. Builders in both areas cited market conditions and higher city development fees as the reasons for the increase. Monthly prices have been increasing in Hamilton since February.

Prices were also up 0.4% in Charlottetown, as builders cited higher costs for material, labour and land. This was the first increase in Charlottetown since July 2013 and the largest since January 2013.

New housing prices edged up 0.1% in Calgary—the smallest gain in that CMA since December 2013. Builders reported higher material and labour costs as the main reasons for the increase.

Prices were unchanged in 11 of the 21 metropolitan areas surveyed.



New housing prices fell 0.2% in the CMAs of Ottawa–Gatineau and Saskatoon. Builders in Ottawa–Gatineau introduced new promotional pricing, while builders in Saskatoon reported lower negotiated selling prices. This was the largest monthly price decrease in Saskatoon since July 2013.

Prices declined 0.1% in both Vancouver and Montréal. Builders cited lower negotiated selling prices as the primary reason for the price declines in both CMAs.

The NHPI rose 1.7% over the 12-month period ending in December, following an identical increase in November.

The annual increase was led by Calgary (+6.5%) and the combined metropolitan region of Toronto and Oshawa (+2.5%).

Compared with the same month in 2013, the Prairie region (+3.0%), Ontario (+2.0%) and the Atlantic region (+0.1%) posted annual price gains in December, while Quebec (-0.1%) and British Columbia (-0.6%) recorded annual decreases.

In Atlantic Canada, annual advances in St. John's and Halifax (both up 0.3%) were almost completely offset by decreases in Charlottetown (-1.5%) and the combined region of Saint John, Fredericton, and Moncton (-0.5%).

In Ontario, significant year-over-year increases occurred in Hamilton (+3.3%) and London (+2.7%). This was the largest annual price increase in Hamilton since March 2008 and the largest in London since June 2010.

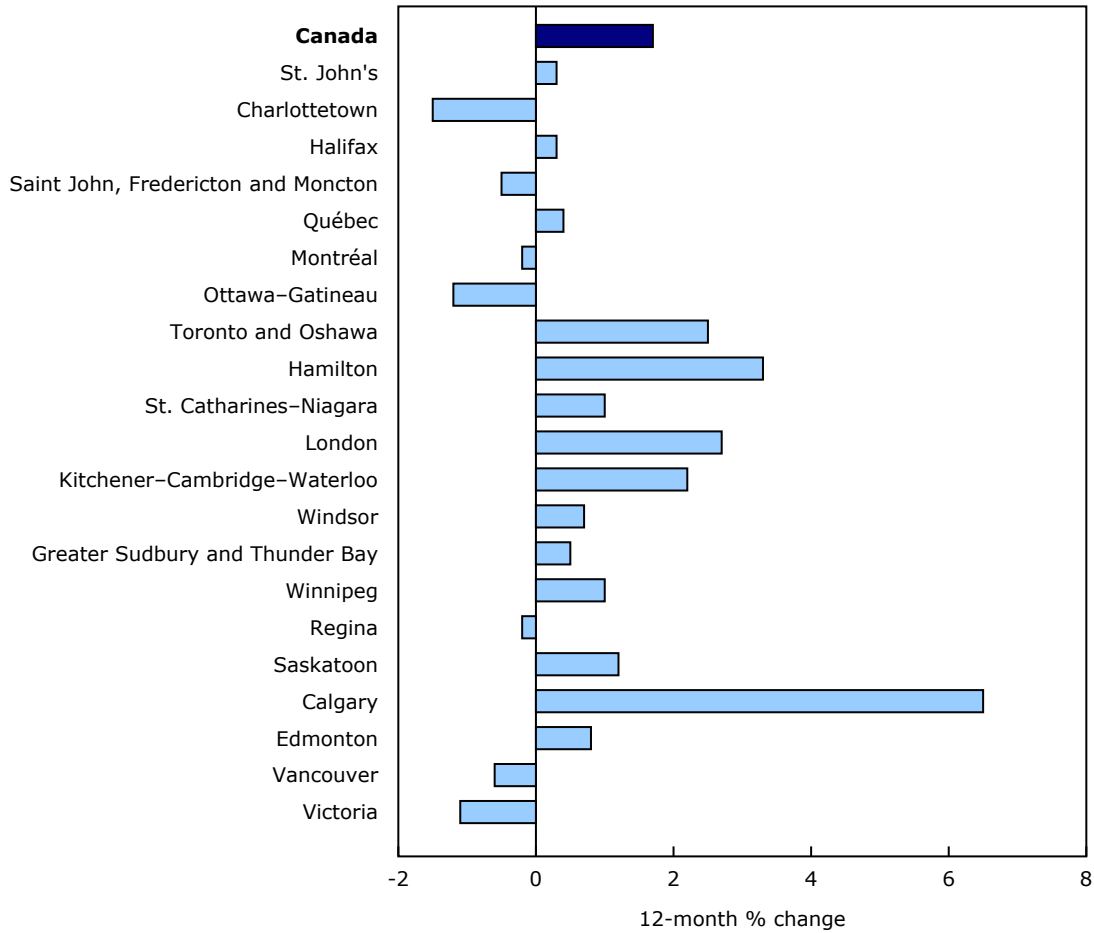
Ottawa–Gatineau recorded a price decline of 1.2% in the 12 months to December.

On the Prairies, prices in Winnipeg rose 1.0% in the 12 months to December—the smallest annual increase in that CMA since May 1999. Compared with December 2013, new housing prices were up 0.8% in Edmonton.

The year-over-year price decline in Quebec (-0.1%) was the first in that province since December 1997. New housing prices in Montréal were down 0.2% in the 12 months to December, while prices in the CMA of Québec were up 0.4% over the same period.

Annual prices continued to decrease in British Columbia, as both Victoria (-1.1%) and Vancouver (-0.6%) posted 12-month price declines in December.

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



Source(s): CANSIM table [327-0046](#).

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 survey covers the following dwelling types: single dwellings, semi-detached houses and row houses (town houses or garden homes). The survey also collects contractors' estimates of the current value (evaluated at market price) of the land. These estimates are independently indexed to provide the published series for land. The residual (total selling price less land value), which mainly relates to the current cost of the structure, is also independently indexed and is presented as the estimated house series. The index is available at the Canada and provincial levels, and for 21 metropolitan areas.

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 index is not subject to revision and is not seasonally adjusted.

Table 1
New Housing Price Index – Not seasonally adjusted¹

	Relative importance ²	December 2013	November 2014	December 2014	November to December 2014	December 2013 to December 2014
	%	(2007=100)			% change	
Canada total	100.00	110.4	112.2	112.3	0.1	1.7
House only	...	111.2	113.3	113.4	0.1	2.0
Land only	...	108.2	109.3	109.4	0.1	1.1
St. John's	1.76	150.9	151.3	151.3	0.0	0.3
Charlottetown	0.18	103.4	101.4	101.8	0.4	-1.5
Halifax	1.15	117.7	118.0	118.0	0.0	0.3
Saint John, Fredericton and Moncton ³	0.46	108.4	107.9	107.9	0.0	-0.5
Québec	2.35	122.7	123.2	123.2	0.0	0.4
Montréal	8.27	117.0	116.9	116.8	-0.1	-0.2
Ottawa–Gatineau	4.50	115.5	114.3	114.1	-0.2	-1.2
Toronto and Oshawa ³	28.01	120.4	123.1	123.4	0.2	2.5
Hamilton	3.20	109.8	112.9	113.4	0.4	3.3
St. Catharines–Niagara	1.03	110.9	112.0	112.0	0.0	1.0
London	1.65	112.5	114.9	115.5	0.5	2.7
Kitchener–Cambridge–Waterloo	1.67	111.2	113.2	113.6	0.4	2.2
Windsor	0.73	100.4	101.1	101.1	0.0	0.7
Greater Sudbury and Thunder Bay ³	0.61	108.2	108.7	108.7	0.0	0.5
Winnipeg	2.77	136.5	137.9	137.9	0.0	1.0
Regina	1.31	159.9	159.6	159.6	0.0	-0.2
Saskatoon	2.63	121.7	123.4	123.2	-0.2	1.2
Calgary	12.18	104.5	111.2	111.3	0.1	6.5
Edmonton	12.68	90.9	91.6	91.6	0.0	0.8
Vancouver	11.78	96.5	96.0	95.9	-0.1	-0.6
Victoria	1.08	84.1	83.2	83.2	0.0	-1.1

... 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. 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.

Source(s): CANSIM table [327-0046](#).

Available in CANSIM: table [327-0046](#).

Definitions, data sources and methods: survey number [2310](#).

The New Housing Price Index for January will be released on March 12.

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).