

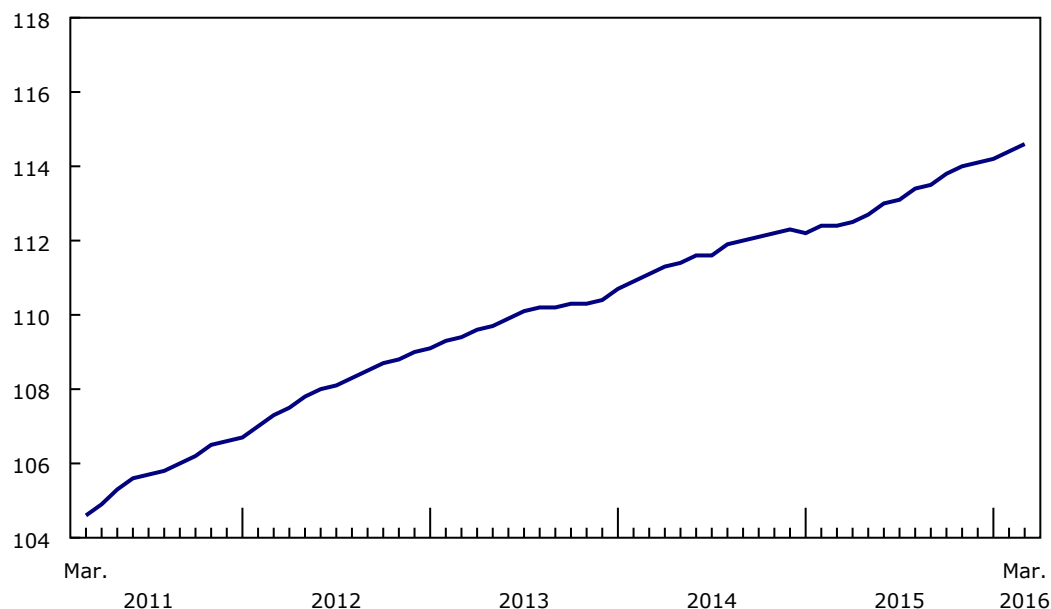
New Housing Price Index, March 2016

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, May 12, 2016

The New Housing Price Index (NHPI) rose 0.2% in March, following an identical increase in February. The index has increased for 12 consecutive months, largely driven by higher new housing prices in Ontario and British Columbia.

Chart 1
New Housing Price Index

index (2007=100)



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

Of the metropolitan areas covered by the index, the top contributors to the national increase in March were the combined region of Toronto and Oshawa (+0.4%) and Vancouver (+0.4%). Builders in both regions cited market conditions as the main reason for the advance.

London (+0.8%) recorded the largest monthly price gain in March. Builders reported higher material and labour costs as the primary reason for the increase—the largest since March 2010. New housing prices have risen in London for the past three months.

Other significant gains were observed in Windsor (+0.3%) and Winnipeg (+0.3%). Builders in Windsor reported higher material costs as the main reason for the rise. In Winnipeg, the price advance was mainly due to building code changes to improve the energy efficiency of new homes.

Prices were unchanged in 11 of 21 metropolitan areas surveyed. In Regina, higher material costs and increases due to market conditions were offset by lower negotiated selling prices. In Victoria, price gains due to current market conditions were also offset by lower negotiated selling prices.

New home prices fell in Saskatoon (-0.4%) and in St. John's (-0.1%). Builders in both metropolitan areas reported lower negotiated selling prices as the main reason for the decreases. This marked the first decline for St. John's in 10 months.

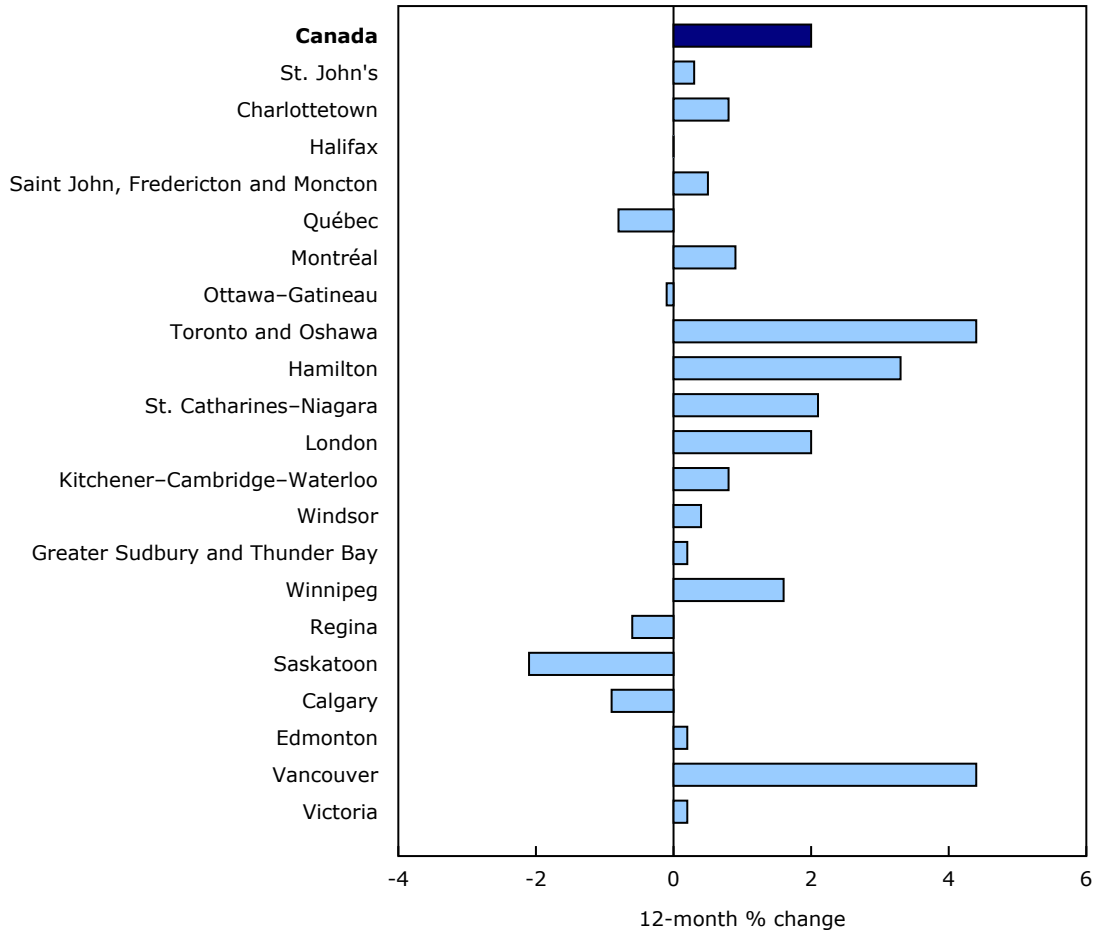


New Housing Price Index, 12-month change

The NHPI increased 2.0% over the 12-month period ending in March, the largest year-over-year increase at the national level since April 2013.

Chart 2

The combined metropolitan region of Toronto and Oshawa, and Vancouver post the highest year-over-year price increases



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

The combined metropolitan region of Toronto and Oshawa (+4.4%), along with Vancouver (+4.4%), led the year-over-year growth in March. This was the largest 12-month increase in Vancouver since August 2010.

Other notable increases were observed in Hamilton (+3.3%), St. Catharines-Niagara (+2.1%), London (+2.0%) and Windsor (+0.4%). This was the largest year-over-year gain in Windsor since January 2015.

Among the 21 metropolitan areas surveyed, 5 posted year-over-year price declines in March: Saskatoon (-2.1%), Calgary (-0.9%), Québec (-0.8%), Regina (-0.6%) and Ottawa-Gatineau (-0.1%).

Note to readers

The New Housing Price Index (NHPI) 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 townhouses or row 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 national 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.

Next release

The NHPI for April will be released on June 9.

Table 1
New Housing Price Index – Not seasonally adjusted¹

	Relative importance ²	March 2015	February 2016	March 2016	February to March 2016	March 2015 to March 2016
	%	(2007=100)			% change	
Canada	100	112.4	114.4	114.6	0.2	2.0
House only	...	113.6	116.0	116.2	0.2	2.3
Land only	...	109.6	110.8	110.8	0.0	1.1
St. John's	1.37	151.4	152.0	151.8	-0.1	0.3
Charlottetown	0.14	102.1	102.9	102.9	0.0	0.8
Halifax	0.83	118.6	118.6	118.6	0.0	0.0
Saint John, Fredericton and Moncton ³	0.35	107.7	108.2	108.2	0.0	0.5
Québec	1.73	123.1	122.1	122.1	0.0	-0.8
Montréal	5.94	117.3	118.4	118.4	0.0	0.9
Ottawa–Gatineau	4.61	113.7	113.7	113.6	-0.1	-0.1
Toronto and Oshawa ³	27.92	124.2	129.2	129.7	0.4	4.4
Hamilton	2.94	113.6	117.3	117.3	0.0	3.3
St. Catharines–Niagara	1.18	112.8	115.1	115.2	0.1	2.1
London	1.57	115.5	116.9	117.8	0.8	2.0
Kitchener–Cambridge–Waterloo	1.31	114.0	114.8	114.9	0.1	0.8
Windsor	0.74	101.1	101.2	101.5	0.3	0.4
Greater Sudbury and Thunder Bay ³	0.51	108.6	108.8	108.8	0.0	0.2
Winnipeg	3.02	138.7	140.5	140.9	0.3	1.6
Regina	1.37	158.9	158.0	158.0	0.0	-0.6
Saskatoon	2.51	123.0	120.9	120.4	-0.4	-2.1
Calgary	13.90	110.8	109.8	109.8	0.0	-0.9
Edmonton	14.03	91.5	91.7	91.7	0.0	0.2
Vancouver	13.04	95.8	99.6	100.0	0.4	4.4
Victoria	0.98	82.8	83.0	83.0	0.0	0.2

... 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 make up 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 infographic, "[Producer Price Indexes at a Glance](#)," which is part of *Statistics Canada — Infographics (11-627-M)*, is now available. This infographic demonstrates how producer price indexes for goods and services are calculated and why they are important for the Canadian economy.

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; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).