

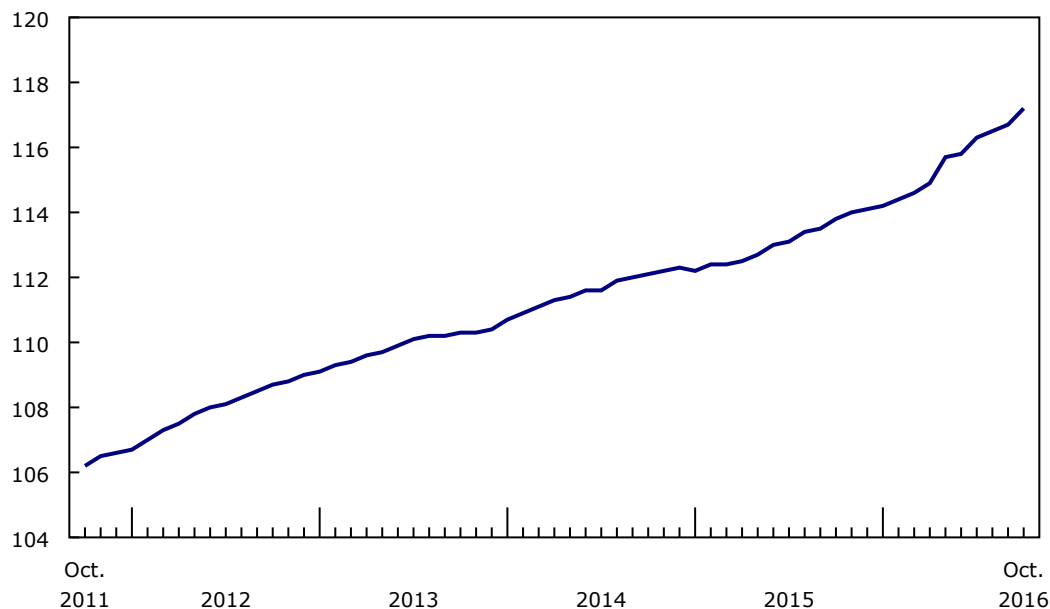
New Housing Price Index, October 2016

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

The New Housing Price Index (NHPI) rose 0.4% in October compared with the previous month. The combined region of Toronto and Oshawa contributed the most to the monthly increase.

Chart 1
New Housing Price Index

index (2007=100)



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

New Housing Price Index, monthly change

Among the 21 census metropolitan areas (CMAs) surveyed, new housing prices were up in 13, down in 3 and unchanged in 5.

Windsor (+1.5%) recorded the largest monthly price advance among the CMAs covered by the survey. Builders reported improved market conditions, higher construction costs and higher land costs as reasons for the increase.

Prices in the combined region of Toronto and Oshawa rose 1.3% in October. According to builders, market conditions, higher construction costs and a shortage of developed land were the main reasons for the gain.

Other notable price increases occurred in Victoria (+0.8%), in the combined region of Kitchener–Cambridge–Waterloo (+0.7%) and in Winnipeg (+0.6%). In Victoria, builders cited market conditions as the primary reason for the increase, while in both Kitchener–Cambridge–Waterloo and Winnipeg, builders reported higher construction costs. This was the largest monthly increase in Winnipeg since April 2013.

New home prices in Vancouver increased 0.2% in October. Market conditions and a shortage of available land for building were reported as the main reasons for the advance. However the increase was moderated by lower negotiated selling prices.



In Calgary, prices fell 0.2% in October. Although some builders reported higher construction and land development costs, these were offset by new bonus packages and promotions to stimulate sales.

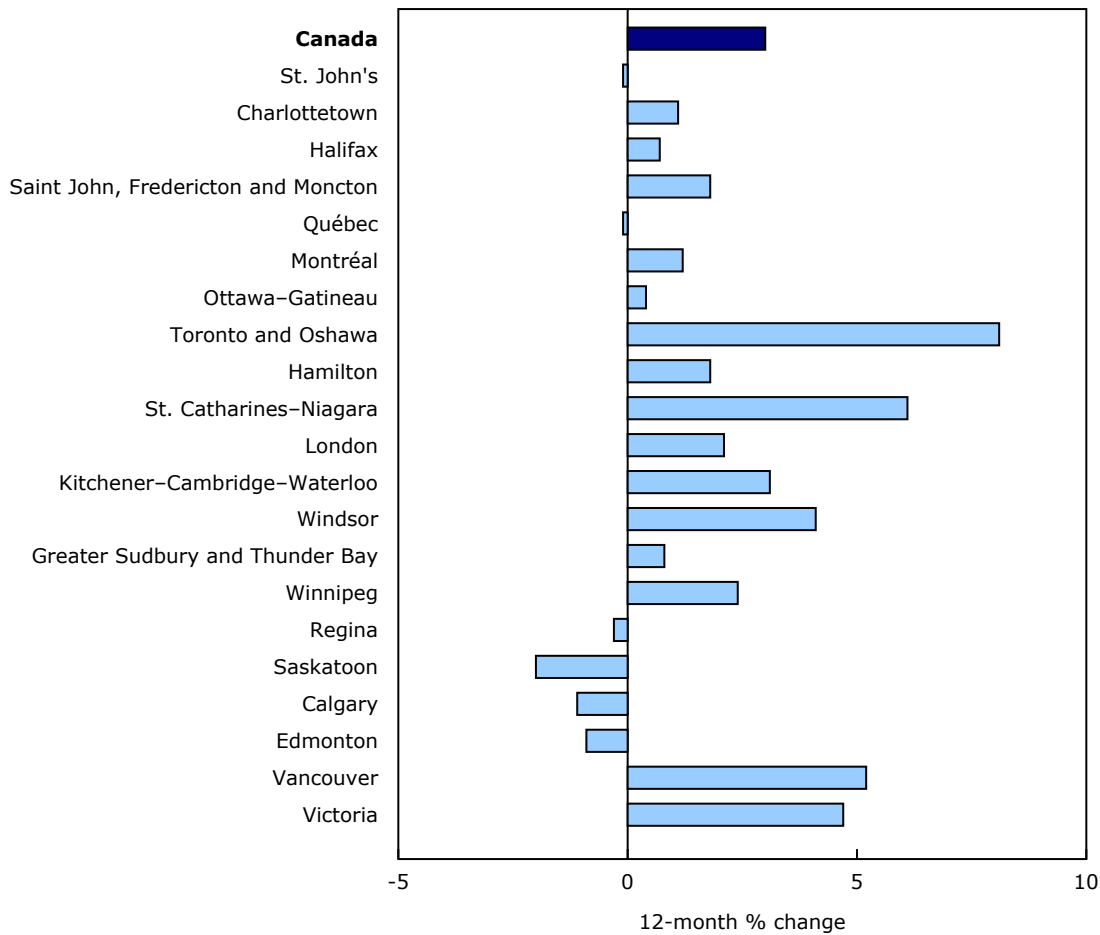
New housing prices fell 0.1% in Edmonton and Regina. Deteriorating market conditions were the primary reason for the decline in both CMAs.

New Housing Price Index, 12-month change

The NHPI increased 3.0% over the 12-month period ending in October, reflecting gains in 15 of the metropolitan areas surveyed.

Chart 2

The combined metropolitan region of Toronto and Oshawa posts the highest year-over-year price increase



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

The combined metropolitan region of Toronto and Oshawa (+8.1%) was the top contributor to the gain, and also recorded the largest year-over-year price increase among the CMAs covered by the survey.

Other notable year-over-year gains were observed in St. Catharines–Niagara (+6.1%), Vancouver (+5.2%), Victoria (+4.7%) and Windsor (+4.1%).

In October, six metropolitan areas recorded year-over-year price declines, with Saskatoon (-2.0%), Calgary (-1.1%) and Edmonton (-0.9%) posting the largest decreases.

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 townhouses or row homes. The current value of the structure is independently indexed and is presented as the house series. 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 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.

Infographic: Producer Price Indexes at a Glance

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

Next release

The New Housing Price Index for November 2016 will be released on January 12, 2017.

Table 1
New Housing Price Index – Not seasonally adjusted¹

| | Relative importance ² | October 2015 | September 2016 | October 2016 | September to October 2016 | October 2015 to October 2016 |
|--|----------------------------------|--------------|----------------|--------------|---------------------------|------------------------------|
| | % | (2007=100) | | | % change | |
| Canada | 100 | 113.8 | 116.7 | 117.2 | 0.4 | 3.0 |
| House only | ... | 115.0 | 118.8 | 119.3 | 0.4 | 3.7 |
| Land only | ... | 110.8 | 111.9 | 112.4 | 0.4 | 1.4 |
| St. John's | 1.37 | 151.6 | 151.5 | 151.5 | 0.0 | -0.1 |
| Charlottetown | 0.14 | 101.5 | 102.6 | 102.6 | 0.0 | 1.1 |
| Halifax | 0.83 | 118.9 | 119.1 | 119.7 | 0.5 | 0.7 |
| Saint John, Fredericton and Moncton ³ | 0.35 | 108.2 | 109.7 | 110.1 | 0.4 | 1.8 |
| Québec | 1.73 | 122.3 | 122.1 | 122.2 | 0.1 | -0.1 |
| Montréal | 5.94 | 117.7 | 119.1 | 119.1 | 0.0 | 1.2 |
| Ottawa–Gatineau | 4.61 | 113.9 | 114.0 | 114.3 | 0.3 | 0.4 |
| Toronto and Oshawa ³ | 27.92 | 127.9 | 136.4 | 138.2 | 1.3 | 8.1 |
| Hamilton | 2.94 | 116.5 | 118.6 | 118.6 | 0.0 | 1.8 |
| St. Catharines–Niagara | 1.18 | 113.2 | 119.5 | 120.1 | 0.5 | 6.1 |
| London | 1.57 | 115.9 | 118.3 | 118.3 | 0.0 | 2.1 |
| Kitchener–Cambridge–Waterloo | 1.31 | 114.3 | 117.0 | 117.8 | 0.7 | 3.1 |
| Windsor | 0.74 | 101.4 | 104.0 | 105.6 | 1.5 | 4.1 |
| Greater Sudbury and Thunder Bay ³ | 0.51 | 109.0 | 109.7 | 109.9 | 0.2 | 0.8 |
| Winnipeg | 3.02 | 140.1 | 142.6 | 143.4 | 0.6 | 2.4 |
| Regina | 1.37 | 157.1 | 156.8 | 156.7 | -0.1 | -0.3 |
| Saskatoon | 2.51 | 122.1 | 119.4 | 119.6 | 0.2 | -2.0 |
| Calgary | 13.90 | 110.2 | 109.2 | 109.0 | -0.2 | -1.1 |
| Edmonton | 14.03 | 91.8 | 91.1 | 91.0 | -0.1 | -0.9 |
| Vancouver | 13.04 | 97.7 | 102.6 | 102.8 | 0.2 | 5.2 |
| Victoria | 0.98 | 82.8 | 86.0 | 86.7 | 0.8 | 4.7 |

... 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](#).

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).