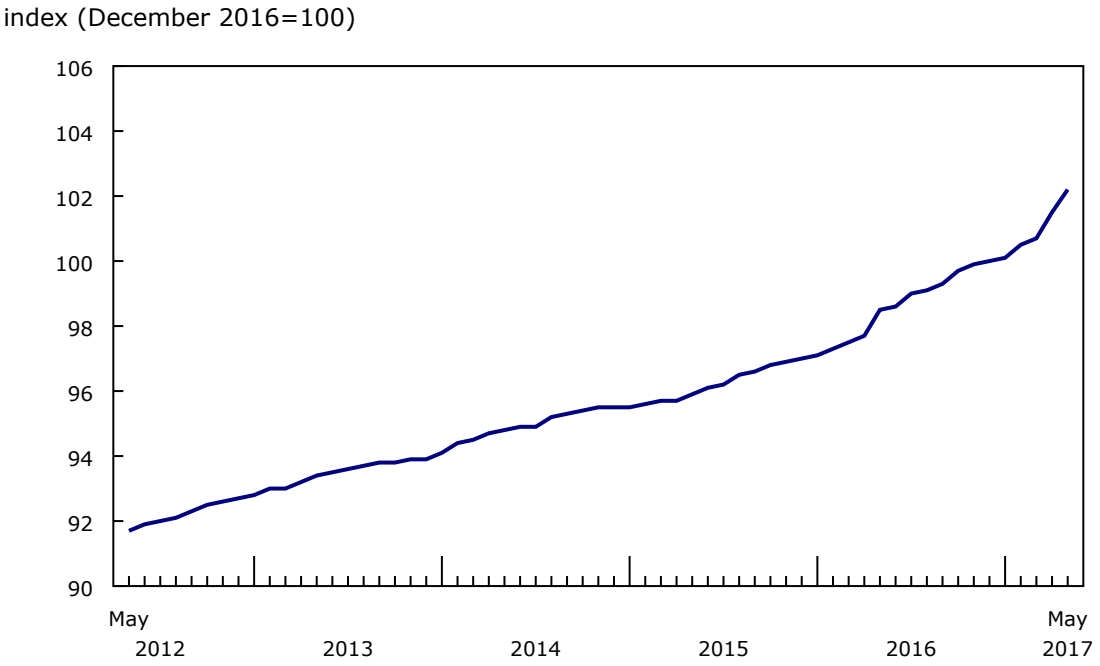
New Housing Price Index, May 2017

Released at 8:30 a.m. Eastern time in The Daily, Thursday, July 13, 2017

Toronto and Vancouver were largely responsible for a 0.7% monthly rise in new house prices in Canada in May.

Chart 1
New Housing Price Index



Source(s): CANSIM table 327-0056.

New Housing Price Index, monthly change

Toronto was the largest contributor to the national gain, rising 1.1% from April to May. Builders linked higher prices to market conditions, a shortage of developed land and higher construction costs.

Prices for new houses in Vancouver rose for a third consecutive month, up 2.2% in May and the largest increase for this census metropolitan area since May 2007. Builders cited favourable market conditions as the main reason for the gain.

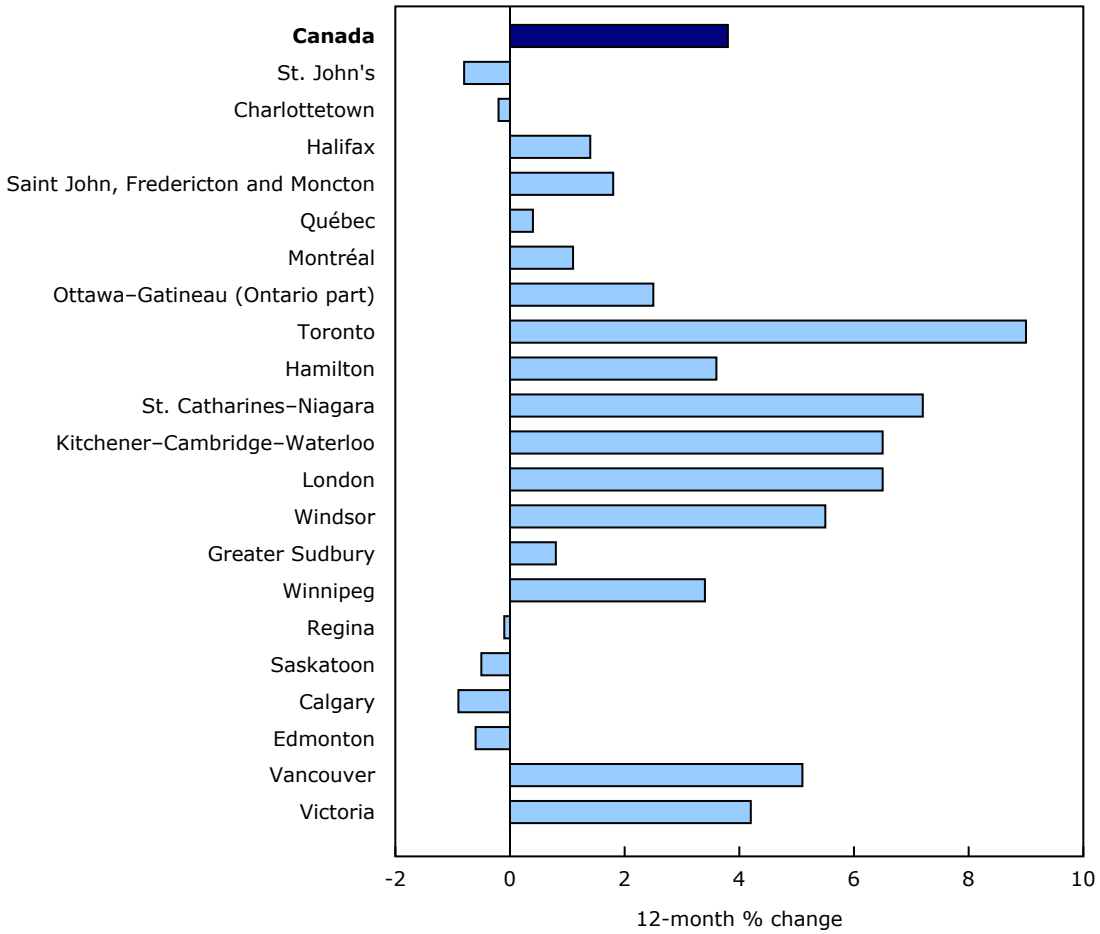
Builders in Guelph (+1.7%), London (+1.5%) and St. Catharines–Niagara (+0.9%) also reported market conditions as the primary driver of higher new house prices.

Prices were down in five metropolitan areas and unchanged in nine.

New Housing Price Index, 12-month change

New house prices in Canada rose 3.8% over the 12-month period ending in May, led by a 9.0% increase in Toronto.

Chart 2
The metropolitan region of Toronto posts the highest year-over-year price increase



Source(s): CANSIM table 327-0056.
Note(s): The year-over-year changes for Sherbrooke, Trois-Rivières, Ottawa–Gatineau (Quebec part), Oshawa, Guelph and Kelowna will not be available until the release of January 2018 data.

Other notable year-over-year gains were in the Southern Ontario communities of St. Catharines–Niagara (+7.2%), Kitchener–Cambridge–Waterloo (+6.5%) and London (+6.5%).

Prices were down in six metropolitan areas, with Calgary (-0.9%) posting the largest decrease.

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 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 27 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 provincial 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," part of Statistics Canada — Infographics (**11-627-M**), demonstrates how producer price indexes for goods and services are calculated and why they are important for the Canadian economy.*

Next release

The NHPI for June will be released on August 10.

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

	Relative importance[2]	May 2016	April 2017	May 2017	April to May 2017	May 2016 to May 2017
	%	(December 2016=100)			% change	
Canada	**100.00**	**98.5**	**101.5**	**102.2**	**0.7**	**3.8**
House only	**...**	**98.5**	**101.2**	**101.7**	**0.5**	**3.2**
Land only	**...**	**98.5**	**102.3**	**103.1**	**0.8**	**4.7**
St. John's	1.16	100.3	99.5	99.5	0.0	-0.8
Charlottetown	0.15	100.0	100.0	99.8	-0.2	-0.2
Halifax	0.72	99.0	100.0	100.4	0.4	1.4
Saint John, Fredericton and Moncton[3]	1.02	98.3	100.1	100.1	0.0	1.8
Québec	1.45	99.9	100.2	100.3	0.1	0.4
Sherbrooke[4]	0.52	..	99.9	99.9	0.0	..
Trois-Rivières[4]	0.30	..	100.0	100.0	0.0	..
Montréal	5.33	99.5	100.5	100.6	0.1	1.1
Ottawa–Gatineau (Quebec part)[4]	0.78	..	99.9	100.1	0.2	..
Ottawa–Gatineau (Ontario part)	4.42	99.0	101.1	101.5	0.4	2.5
Oshawa[4]	2.44	..	103.7	103.7	0.0	..
Toronto	25.49	96.0	103.5	104.6	1.1	9.0
Hamilton	2.85	98.1	101.6	101.6	0.0	3.6
St. Catharines–Niagara	1.56	96.7	102.8	103.7	0.9	7.2
Kitchener–Cambridge–Waterloo	1.75	97.3	103.2	103.6	0.4	6.5
Guelph[4]	0.60	..	102.7	104.4	1.7	..
London	2.14	98.3	103.2	104.7	1.5	6.5
Windsor	1.15	96.2	101.6	101.5	-0.1	5.5
Greater Sudbury	0.32	98.8	99.6	99.6	0.0	0.8
Winnipeg	2.73	98.5	101.3	101.8	0.5	3.4
Regina	1.25	100.3	100.3	100.2	-0.1	-0.1
Saskatoon	2.23	100.1	99.9	99.6	-0.3	-0.5
Calgary	11.56	100.4	99.9	99.5	-0.4	-0.9
Edmonton	13.09	100.6	100.0	100.0	0.0	-0.6
Kelowna[4]	1.54	..	100.1	100.7	0.6	..
Vancouver	12.28	98.9	101.7	103.9	2.2	5.1
Victoria	1.18	97.3	101.4	101.4	0.0	4.2

.. not available for a specific reference period
... 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 maintain the accuracy of the index, Saint John, Fredericton and Moncton are published together.
4. The year-over-year changes for Sherbrooke, Trois-Rivières, Ottawa–Gatineau (Quebec part), Oshawa, Guelph and Kelowna will not be available until the release of the January 2018 data.

Note(s): View the census subdivisions that make up the **census metropolitan areas** online.
Source(s): CANSIM table **327-0056**.

Available in CANSIM: table 327-0056.

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**).