

Apartment Building Construction Price Index, third quarter 2017

Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, November 14, 2017

Contractors' prices for the construction of new apartment buildings rose 0.8% in the third quarter compared with the previous quarter. Nationally, prices have been increasing since the fourth quarter of 2015.

Prices for new apartment building projects rose in all seven census metropolitan areas (CMA) surveyed. Contractors working in Vancouver and Ottawa reported the largest increases (both up 1.2%). The increases were attributed to higher demand for skilled labour in the architectural and structural trades, as well as rising costs for materials—particularly lumber.

Contractors in all seven CMAs surveyed reported higher prices for lumber in the third quarter, coinciding with the forest fires in British Columbia. According to the Industrial Product Price Index, prices for lumber and other sawmill products rose 4.1% from June to September 2017.

Apartment Building Construction Price Index, year-over-year change

Over the four quarters ending in September 2017, contractors' prices for new apartment building construction rose by 4.0%, with Vancouver (+6.9%) leading the increase.

Since the beginning of 2017, contractors in Vancouver have reported year-over-year price increases of over 6.0%, driven in part by higher prices for drywall and concrete. The Industrial Product Price Index recorded a 2.1% increase for ready-mixed concrete nationally between January and September 2017.

Note to readers

The Apartment Building Construction Price Index is a quarterly series that measures the changes in contractors' selling prices of new apartment building construction in seven census metropolitan areas: Halifax, Montréal, Ottawa–Gatineau (Ontario part), Toronto, Calgary, Edmonton and Vancouver.

Selling prices include the costs of materials, labour and equipment, provincial sales taxes where applicable, and contractors' overhead and profit. The costs of land, land assembly, design and development, as well as real estate fees, are excluded. Value added taxes such as the federal Goods and Services Tax and the harmonized sales tax are excluded.

With each release, data for the previous quarter may have been revised. The index is not seasonally adjusted.

A Historical Timeline of Canadian Producer Price Statistics

*To celebrate Canada 150, [A Historical Timeline of Canadian Producer Price Statistics](#), which is part of *Statistics Canada — Infographics (11-627-M)*, was created to showcase the key milestones in the history of Canadian producer price statistics. This historical timeline contains answers to questions such as: *Who collected Canada's first statistics? What do Canadian producer price indexes measure?**

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)*, demonstrates how producer price indexes for goods and services are calculated and why they are important for the Canadian economy.*



Table 1
Apartment Building Construction Price Index¹ – Not seasonally adjusted

	Relative importance ²	Third quarter 2016	Second quarter 2017 ^r	Third quarter 2017 ^p	Second quarter to third quarter 2017	Third quarter 2016 to third quarter 2017
	%	(2002=100)			% change	
Composite index	100.0	151.2	156.0	157.3	0.8	4.0
Halifax	2.3	145.5	147.6	149.1	1.0	2.5
Montréal	18.1	146.2	150.7	152.3	1.1	4.2
Ottawa–Gatineau, Ontario part ³	3.1	153.9	156.5	158.3	1.2	2.9
Toronto	29.9	154.0	157.8	158.5	0.4	2.9
Calgary	12.5	168.4	171.2	171.7	0.3	2.0
Edmonton	6.1	164.5	165.8	166.4	0.4	1.2
Vancouver	28.0	154.5	163.2	165.2	1.2	6.9

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1. Go online to view the census subdivisions that make up the [census metropolitan areas](#) (CMAs).

2. The relative importance is calculated using a price adjusted three-year average of the value of building permits for each CMA.

3. For the Ottawa–Gatineau metropolitan area, only Ontario contractors are surveyed for the Apartment Building Construction Price Index because of different provincial legislation and construction union contracts.

Source(s): CANSIM tables [327-0044](#) and [327-0052](#).

Available in CANSIM: table [327-0044](#).

Definitions, data sources and methods: survey number [2330](#).

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).