

New Housing Price Index, April 2020

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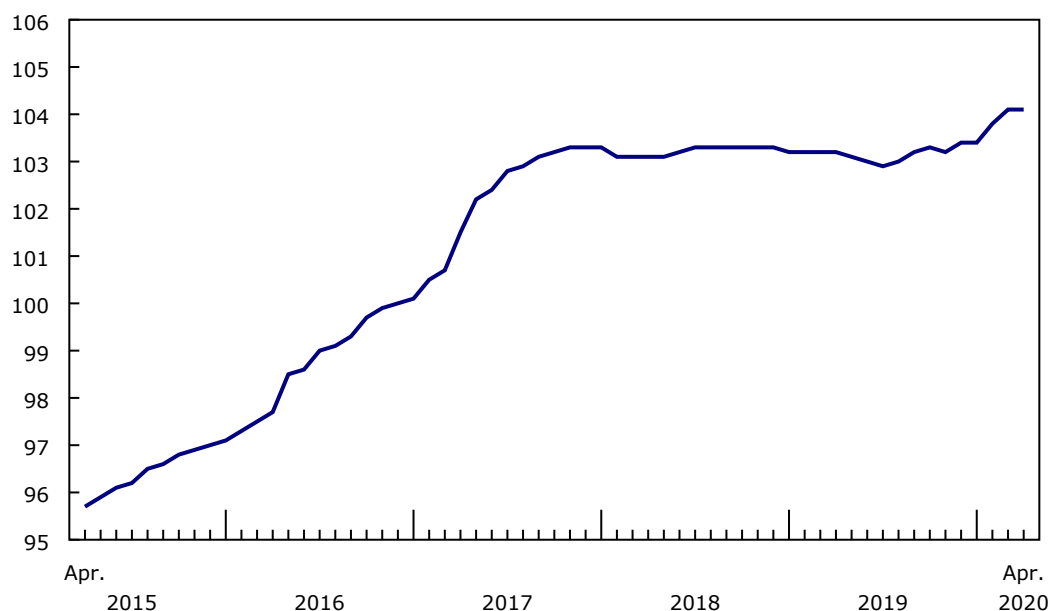
New home prices were unchanged at the national level in April following two consecutive monthly increases.

Impact of COVID-19 on the new housing market in April

In April, 16 of the 27 census metropolitan areas (CMAs) included in the survey saw little or no change in new housing prices. However, the number of new homes sold by the builders surveyed in April declined by almost two-thirds (64.1%) compared with the same month last year. A similar trend was observed on the resale market at the national level, with sales down 57.6% in April year over year, according to the Canadian Real Estate Association.

Chart 1 New Housing Price Index

index (December 2016=100)



Source(s): Table 18-10-0205-01.

The slowdown in new sales activity occurred as physical distancing policies were put in place to curb the spread of COVID-19. Although real estate services continued to be offered, there were new challenges in viewing and selling homes. Builders, as well as buyers, adjusted to the new normal of selling and buying homes via virtual tours, digital signing and visits to sales centres by appointment only.

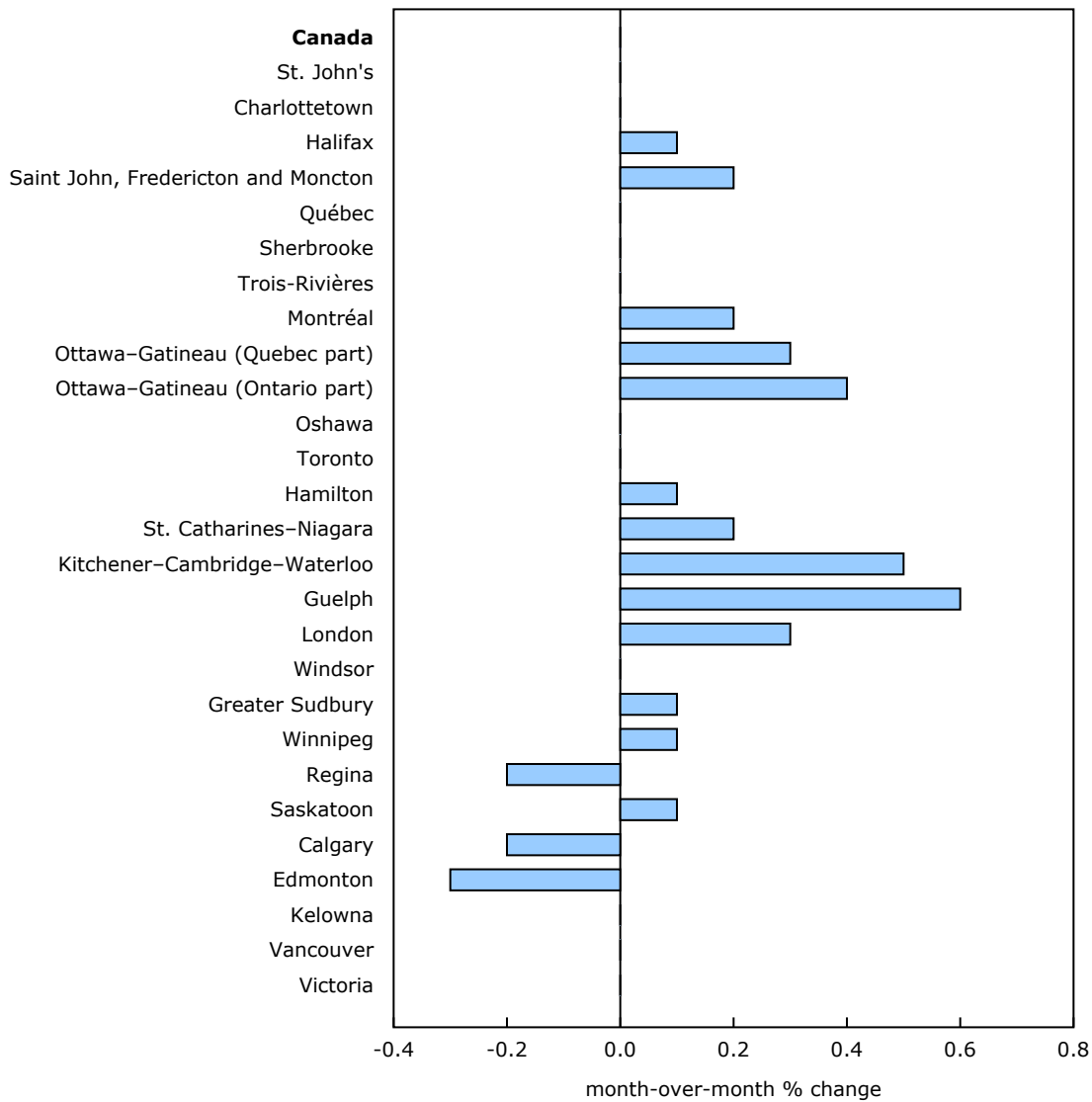
New Housing Price Index, monthly change

New house prices rose in 13 of the 27 CMAs surveyed in April, were flat in 11 and declined in 3.

The largest increases were in Guelph (+0.6%), Kitchener–Cambridge–Waterloo (+0.5%) and Ottawa (+0.4%). Builders tied the gains to market conditions. Additionally, the inventory of available homes has been low in these CMAs.



Chart 2
New house prices are unchanged at the national level



Source(s): Table 18-10-0205-01.

The growth of new house prices in Canada's historically expensive housing markets, Vancouver and Toronto, remained unchanged in April after two consecutive months of price gains.

New house prices declined the most in Edmonton (-0.3%), Calgary and Regina (both down 0.2%) in April, with the decreases primarily attributable to weak market conditions.

New Housing Price Index, 12-month change

At the national level, new house prices edged up 0.9% year over year in April.

For the tenth month in a row, the largest year-over-year price increases occurred in Ottawa (+10.5%) and Montréal (+8.4%).

In April, for the third consecutive month, new house prices fell the most year over year in Regina (-3.6%) and Calgary (-1.6%). Annual price movements have been negative since February 2018 in Regina and since July 2018 in Calgary.

Outlook for the new housing market during COVID-19

As the economy gradually begins to reopen, housing construction delays and lower sales activity of new homes are forecasted in the short term. However, buyer demand is expected to rebound and new housing prices could remain stable or even increase in hot housing markets where demand is high and inventory of available homes is low.

There could be more of an impact on harder-hit markets already affected by job losses prior to COVID-19. In addition, the risk of supply chain disruptions and of allowing fewer workers on job sites could lead to higher construction costs and thus affect housing construction activities.

Note to readers

The New Housing Price Index (NHPI) measures changes over time in the selling prices of new residential houses. The prices are those agreed upon between the contractor and the buyer at the time of the signing of the contract. The detailed specifications pertaining to each new house remain the same between two consecutive periods.

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 survey covers the following dwelling types: singles, semi-detached and townhouses or row homes. The index is available at the national and provincial levels, and for 27 census metropolitan areas.

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

In addition to this monthly release, the NHPI has also been integrated into the [Residential Property Price Index \(RPPI\)](#). The RPPI is a quarterly series that measures changes over time in the prices of residential properties for Montréal, Ottawa, Toronto, Calgary, Vancouver and Victoria. An aggregate for these six census metropolitan areas (CMA) is also available. The RPPI provides a price index for all components of the housing real estate market—new and resale—in addition to a breakdown between houses and condominium apartments.

Products

The interactive [NHPI Dashboard](#), which allows users to visualize statistics on new housing prices, is available.

The [Housing Market Indicators Dashboard](#), which provides access to key housing market indicators for Canada, by province and by CMA, is also available.

For more information on the topic of housing, visit the [Housing Statistics Portal](#).

The video "[Producer Price Indexes](#)" is available on the [Statistics Canada Training Institute](#) webpage. It provides an introduction to [Statistics Canada's Producer Price Indexes](#): what they are, how they are compiled and what they are used for.

Statistics Canada has launched the [Producer Price Indexes Portal](#) as part of a suite of portals for prices and price indexes. This web page provides users with a single point of access to a wide variety of statistics and measures related to producer prices.

Next release

The New Housing Price Index for May will be released on June 18.

Table 1
New Housing Price Index—not seasonally adjusted¹

	Relative importance ²	April 2019	March 2020	April 2020	March to April 2020	April 2019 to April 2020
	%	(December 2016=100)			% change	
Canada	100.00	103.2	104.1	104.1	0.0	0.9
House only	...	102.6	103.5	103.5	0.0	0.9
Land only	...	104.1	105.1	105.1	0.0	1.0
St. John's	0.41	97.8	97.2	97.2	0.0	-0.6
Charlottetown	0.14	100.1 ^E	102.0	102.0	0.0	1.9 ^E
Halifax	0.81	102.1	103.8	103.9	0.1	1.8
Saint John, Fredericton and Moncton ³	0.47	100.9	103.0	103.2	0.2	2.3
Québec	0.49	100.8	100.9	100.9	0.0	0.1
Sherbrooke	0.18	101.4	103.9	103.9	0.0	2.5
Trois-Rivières	0.09	101.6	103.1	103.1	0.0	1.5
Montréal	3.51	105.0	113.6	113.8	0.2	8.4
Ottawa–Gatineau (Quebec part)	0.39	103.2	107.1	107.4	0.3	4.1
Ottawa–Gatineau (Ontario part)	4.42	111.1	122.3	122.8	0.4	10.5
Oshawa	1.37	103.4	103.5	103.5	0.0	0.1
Toronto	29.1	102.9	102.8	102.8	0.0	-0.1
Hamilton	2.06	103.9	105.0	105.1	0.1	1.2
St. Catharines–Niagara	2.09	106.4	108.7	108.9	0.2	2.3
Kitchener–Cambridge–Waterloo	2.15	104.3	109.4	109.9	0.5	5.4
Guelph	0.68	104.9	107.9	108.5	0.6	3.4
London	2.08	112.6	115.5	115.8	0.3	2.8
Windsor	1.04	106.6	108.6	108.6	0.0	1.9
Greater Sudbury	0.13	101.3	102.7	102.8	0.1	1.5
Winnipeg	2.22	104.8	105.5	105.6	0.1	0.8
Regina	0.72	96.3	93.0	92.8	-0.2	-3.6
Saskatoon	1.16	97.3	96.3	96.4	0.1	-0.9
Calgary	7.83	98.5	97.1	96.9	-0.2	-1.6
Edmonton	7.3	99.0	97.8	97.5	-0.3	-1.5
Kelowna	1.88	103.2	103.8	103.8	0.0	0.6
Vancouver	25.11	108.2	106.9	106.9	0.0	-1.2
Victoria	2.16	101.8	102.6	102.6	0.0	0.8

... not applicable

E use with caution

1. Values have been rounded.

2. The relative importance is calculated using a price-adjusted three-year average of the sales values of singles, semi-detached and townhouses or row homes for each census metropolitan area.

3. To maintain the accuracy of the index, Saint John, Fredericton and Moncton are published together.

Note(s): View the census subdivisions that make up the [census metropolitan areas](#) online.

Source(s): Table [18-10-0205-01](#).

Available tables: [table 18-10-0205-01](#).

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).