

Building construction price indexes, first quarter 2024

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National overview

Residential building construction costs increased 0.8% in the first quarter, following a 1.1% increase in the previous quarter. Non-residential building construction costs rose 0.8% in the first quarter, following a 0.8% increase in the previous quarter.

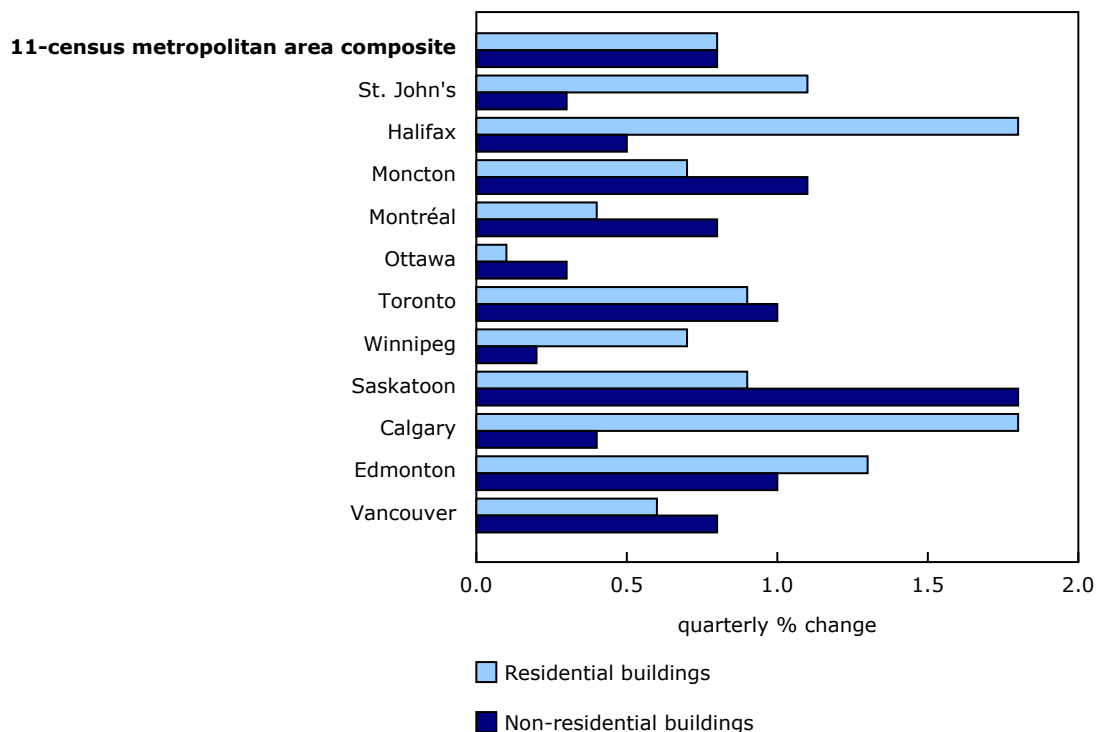
This marks the slowest quarterly growth in residential building construction costs since the second quarter of 2020 and the slowest quarterly growth in non-residential building construction costs since the fourth quarter of the same year.

Year over year, construction costs for residential buildings rose 5.2% in the first quarter of 2024 in the 11-census metropolitan area (CMA) composite, while non-residential building construction costs saw a slightly more modest increase of 4.6%. Halifax (+8.1%) led the year-over-year growth in construction costs for residential buildings, while Moncton (+7.9%) led the growth of non-residential buildings.

Skilled labour shortages and the resulting increases in labour rates, availability of materials, interest rate pressure, and building codes updates were all reported as key factors impacting the construction sector.

Chart 1

Building construction price indexes, quarterly change, first quarter of 2024



Source(s): Table 18-10-0276-02.

Largest increases in residential construction costs reported in Atlantic and Prairie provinces

In the first quarter, residential building construction costs rose across the 11 CMAs measured. Halifax (+1.8%) and Calgary (+1.8%) experienced the largest quarterly increases. Ottawa (+0.1%) experienced the smallest increase in residential construction costs throughout the quarter.

In the 11-CMA composite, the cost to build single-detached houses (+1.0%) recorded the most pressure of all residential buildings in scope for the survey, followed by that of townhouses (+0.8%).

In overall residential building construction divisions, masonry (+2.3%) and earthworks (+2.3%) noted the largest quarterly increases in the first quarter. Conveying equipment (-0.3%) and electrical (-0.1%) were the only two divisions to experience quarterly price declines.

Rising general requirement and concrete costs lead the increase in non-residential construction costs

Costs to construct non-residential buildings increased the most in Saskatoon (+1.8%) in the first quarter, followed by Moncton (+ 1.1%).

Of all non-residential buildings surveyed, the cost to build a factory (+1.0%) rose the most in the 11-CMA composite in the quarter. Warehouses (+0.9%) followed behind closely.

Non-residential building construction costs increased across all but two divisions measured. General requirements, concrete, conveying equipment, and equipment each rose 1.1%, while electrical (-0.3%) and integrated automation (-0.1%) experienced cost declines.

Table 1
Building construction price indexes¹

	Relative importance ²	First quarter 2023	Fourth quarter 2023	First quarter 2024	Fourth quarter 2023 to first quarter 2024	First quarter 2023 to first quarter 2024
	%	(2017=100)			% change	
Residential building construction price indexes						
Eleven census metropolitan area composite						
St. John's	0.4	168.2	175.5	176.9	0.8	5.2
Halifax	2.3	155.9	161.2	163.0	1.1	4.6
Moncton	0.6	150.4	159.8	162.6	1.8	8.1
Montréal	12.8	139.2	143.1	144.1	0.7	3.5
Ottawa	6.8	150.4	151.2	151.8	0.4	0.9
Toronto	37.3	173.1	176.0	176.1	0.1	1.7
Winnipeg	3.2	188.4	201.0	202.8	0.9	7.6
Saskatoon	1.1	152.6	155.0	156.1	0.7	2.3
Calgary	9.5	143.8	146.7	148.0	0.9	2.9
Edmonton	7.6	174.7	182.4	185.6	1.8	6.2
Vancouver	18.3	166.6	164.7	166.8	1.3	0.1
Non-residential building construction price indexes						
Eleven census metropolitan area composite						
St. John's	0.3	137.7	142.9	144.0	0.8	4.6
Halifax	1.4	121.8	125.2	125.6	0.3	3.1
Moncton	0.8	131.5	135.4	136.1	0.5	3.5
Montréal	16.3	135.6	144.7	146.3	1.1	7.9
Ottawa	3.9	144.6	147.6	148.8	0.8	2.9
Toronto	34.9	151.0	159.6	160.0	0.3	6.0
Winnipeg	3.5	150.6	156.1	157.6	1.0	4.6
Saskatoon	0.9	125.8	129.2	129.5	0.2	2.9
Calgary	11.7	120.5	126.0	128.3	1.8	6.5
Edmonton	5.8	122.1	125.6	126.1	0.4	3.3
Vancouver	20.7	132.0	135.3	136.7	1.0	3.6

1. All geographic regions are based on the 2016 Census boundaries.

2. The relative importance is calculated using a price-adjusted three-year moving average of the value of building permits issued for each class of building within each census metropolitan area.

Source(s): Tables [18-10-0276-01](#), [18-10-0276-02](#) and [18-10-0137-01](#).

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Note to readers

The building construction price indexes are quarterly series that measure the change over time in the prices that contractors charge to construct a range of commercial, institutional, industrial and residential buildings in 11 census metropolitan areas (CMAs): St. John's, Halifax, Moncton, Montréal, Ottawa–Gatineau (Ontario part), Toronto, Winnipeg, Saskatoon, Calgary, Edmonton, and Vancouver.

These buildings include six non-residential structures: an office building, a warehouse, a shopping centre, a factory, a school, and a bus depot with maintenance and repair facilities. In addition, indexes are produced for four residential structures: a single-detached house, a townhouse, a high-rise apartment building (five storeys or more) and a low-rise apartment building (fewer than five storeys).

The contractor's price reflects the value of all materials, labour, equipment, overhead and profit to construct a new building. It excludes value-added taxes and any costs for land, land assembly, building design, land development and real estate fees.

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

With the release of data from the fourth quarter of 2022, table 18-10-0135 has been archived and replaced by table 18-10-0276. The information that was in table 18-10-0135 is still in the new table. However, the new table also shows data by construction division. Data are now available for 23 divisions and for a composite of these divisions. Newly integrated divisional data are available starting from the first quarter of 2017.

Products

The [Building Construction Price Indexes Data Visualization Tool](#) is now available. It provides access to current and historical data from the Building Construction Price Index (BCPI) for four residential and six non-residential building types, for the CMAs of St. John's, Halifax, Moncton, Montréal, Ottawa–Gatineau (Ontario part), Toronto, Winnipeg, Saskatoon, Calgary, Edmonton, and Vancouver, as well as for a composite of these 11 CMAs, in a dynamic and customizable format.

The [Technical Guide for the Building Construction Price Index](#) is now available. This document provides details on the methodology used to calculate the BCPI.

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

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 made and what they are used for.

Available tables: table [18-10-0276-01](#).

Definitions, data sources and methods: survey number [2317](#).

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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).