

# Building construction price indexes, second quarter 2024

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## National overview

Residential building construction costs increased 0.8% in the second quarter, following a 1.0% increase in the previous quarter. Non-residential building construction costs rose 1.1% in the second quarter, following a 1.0% increase in the previous quarter.

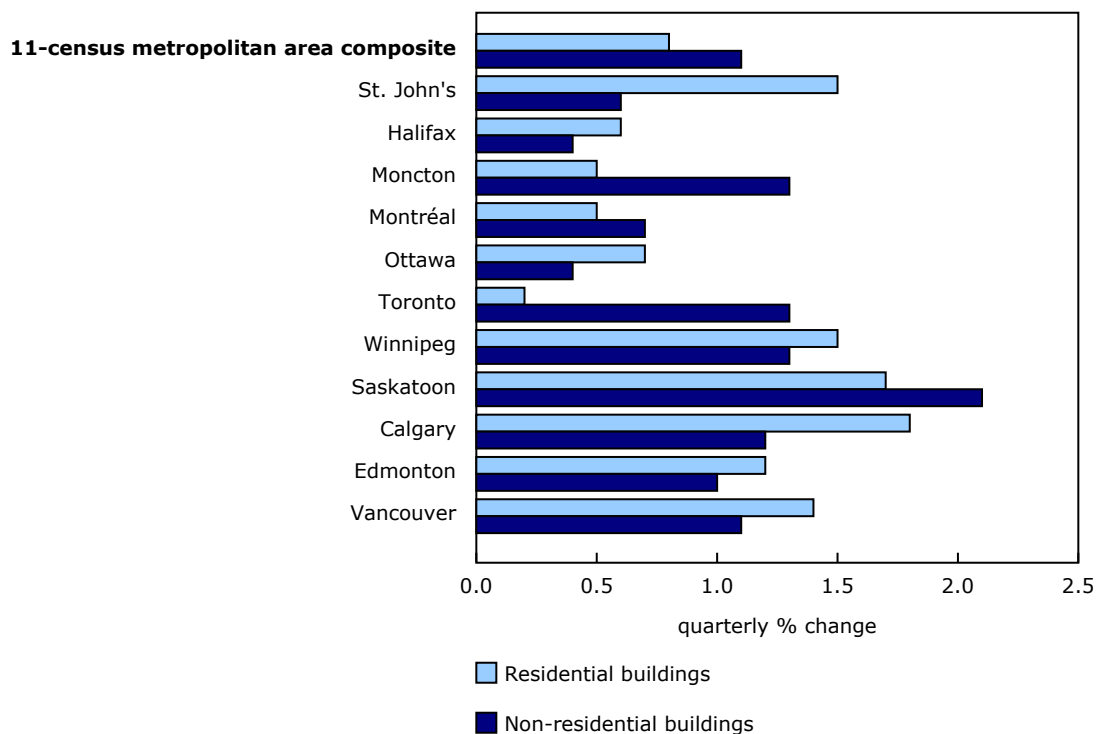
The growth in residential building construction costs continued to abate in the second quarter, while non-residential building constructions costs accelerated slightly.

Year over year, construction costs for residential buildings in the 11-census metropolitan area (CMA) composite rose 4.2% in the second quarter, while non-residential building construction costs saw an increase of 4.3%. Calgary (+7.3%) led year-over-year growth in construction costs for residential buildings, while Saskatoon (+7.0%) led that for non-residential buildings.

Skilled labour shortages and the resulting increases in labour rates, interest rate pressure and building code updates were all reported as key factors impacting the construction sector in the second quarter.

## Chart 1

### Building construction price indexes, quarterly change, second quarter of 2024



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

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## **Largest increases in residential construction costs reported in the Prairie provinces**

In the second quarter, residential building construction costs rose across all 11 CMA measured. Calgary (+1.8%) and Saskatoon (+1.7%) experienced the largest quarterly increases. Toronto (+0.2%) experienced the smallest increase in residential construction costs throughout the quarter.

In the 11-CMA composite, the costs to build a single-detached home, a townhouse and a low-rise apartment building all recorded a 0.9% increase in the second quarter, while the cost to construct a high-rise apartment (+0.6%) saw a slightly smaller increase.

All residential building construction divisions but one experienced an increase in the second quarter. Masonry (+2.4%) and utilities (+2.2%) led the increases, while structural steel (+0.1%), conveying equipment (+0.1%) and earthwork (+0.1%) had the lowest quarterly increases, and concrete (-0.1%) experienced a decline.

## **Rising costs in general requirement and conveying equipment divisions lead the increase in non-residential construction costs**

The cost to construct non-residential buildings increased the most in Saskatoon (+2.1%) and Winnipeg (+1.3%) in the second quarter.

Of all non-residential buildings surveyed, the costs to build factories (+1.2%) and warehouses (+1.2%) saw the largest increases in the 11-CMA composite in the second quarter, followed closely by transportation buildings (+1.1%) and offices (+1.1%). Schools rose 0.8%.

Non-residential building construction costs increased across all divisions measured in the second quarter. Conveying equipment (+1.6%) and general requirements (+1.5%) reported the largest increases, while communications (+0.2%), structural steel (+0.6%) and masonry (+0.7%) had the lowest increases.

**Table 1**  
**Building construction price indexes<sup>1</sup>**

	Relative importance <sup>2</sup>	Second quarter 2023	First quarter 2024	Second quarter 2024	First quarter to second quarter 2024	Second quarter 2023 to second quarter 2024	
	%	(2017=100)			% change		
<b>Residential building construction price indexes</b>							
Eleven census metropolitan area composite							
St. John's	0.4	171.5	177.2	178.7	0.8	4.2	
Halifax	2.7	156.6	163.0	165.4	1.5	5.6	
Moncton	0.7	155.0	162.6	163.6	0.6	5.5	
Montréal	10.8	140.4	144.1	144.8	0.5	3.1	
Ottawa	5.8	150.3	152.0	152.8	0.5	1.7	
Toronto	37.4	175.3	176.2	177.4	0.7	1.2	
Winnipeg	3.4	195.6	202.8	203.3	0.2	3.9	
Saskatoon	1.2	152.6	156.2	158.5	1.5	3.9	
Calgary	10.7	143.5	148.0	150.5	1.7	4.9	
Edmonton	7.1	177.0	186.7	190.0	1.8	7.3	
Vancouver	19.7	164.8	168.0	170.0	1.2	3.2	
<b>Non-residential building construction price indexes</b>							
Eleven census metropolitan area composite							
St. John's	0.3	100.0	139.9	144.3	145.9	1.1	4.3
Halifax	1.7	123.4	125.7	126.4	126.4	0.6	2.4
Moncton	1	134.1	136.2	136.8	136.8	0.4	2.0
Montréal	16.8	141.0	146.3	148.2	148.2	1.3	5.1
Ottawa	3.8	146.3	148.8	149.8	149.8	0.7	2.4
Toronto	34.1	154.9	160.1	160.8	160.8	0.4	3.8
Winnipeg	3.5	152.3	157.6	159.6	159.6	1.3	4.8
Saskatoon	1.4	127.7	129.5	131.2	131.2	1.3	2.7
Calgary	12	122.4	128.3	131.0	131.0	2.1	7.0
Edmonton	6.2	123.9	127.4	128.9	128.9	1.2	4.0
Vancouver	19	133.0	138.2	139.6	139.6	1.0	5.0
		136.2	141.7	143.2	143.2	1.1	5.1

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: [18-10-0136-01](#), [18-10-0137-01](#) and [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](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).