

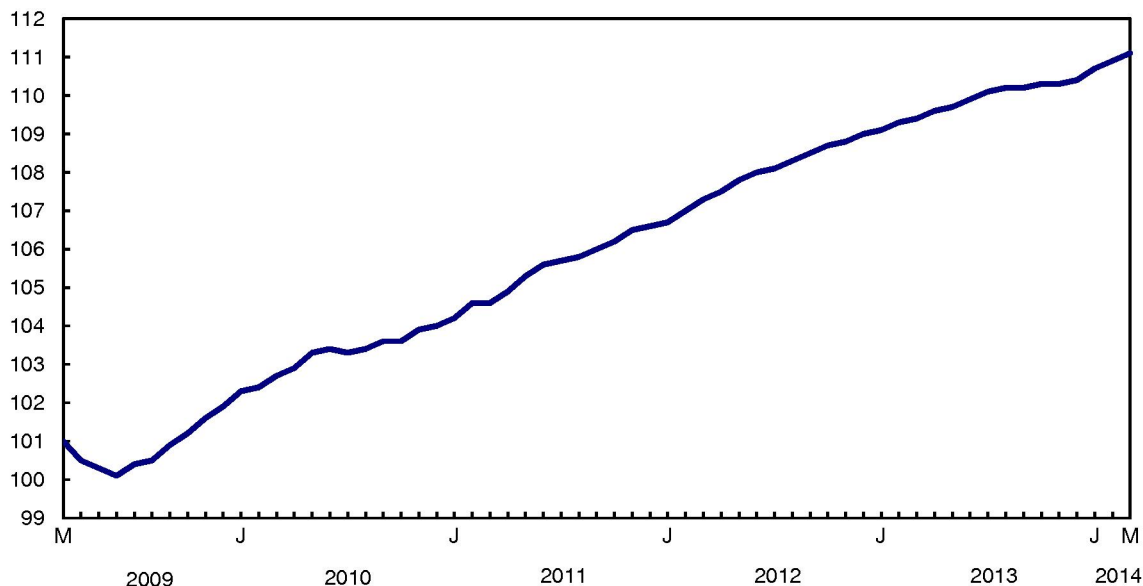
New Housing Price Index, March 2014

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, May 8, 2014

The New Housing Price Index (NHPI) rose 0.2% in March, following an identical increase in February.

Chart 1 New Housing Price Index

index (2007=100)



The metropolitan region of Calgary was the top contributor to the gain, marking the third consecutive month it has led the way in Canada. The region also experienced the largest monthly price gain, up 0.8% over February. Builders reported that higher material and labour costs, market conditions and the cost of developed land were the primary reasons for the increase.

New home prices in St. John's (+0.3%) rose for the first time since August, as builders reported new list prices for the year. Prices rose 0.1% in Halifax, Hamilton and Winnipeg.

Prices were down in five metropolitan areas in March. Prices declined 0.4% in Charlottetown, as builders reported lowering prices on inventory homes to generate sales. Prices in the region have been unchanged or declining for eight months.

Following three months of no price movements, new housing prices fell 0.2% in Victoria as a result of market conditions.

In Saskatoon, new housing prices declined by 0.1% as a result of lower list prices and negotiated selling prices. This was the first decrease in Saskatoon since July 2013.

Prices were also down 0.1% in Ottawa–Gatineau and Vancouver.



Prices were unchanged in 11 of the 21 metropolitan areas surveyed.

On a year-over-year basis, the NHPI rose 1.6% in March, following a 1.5% increase in February.

The two main contributors to the annual advance were Calgary (+7.5%) and the combined metropolitan region of Toronto and Oshawa (+1.6%). The year-over-year increase in Calgary was the largest since July 2007.

New housing prices were up in St. Catharines–Niagara (+3.4%) and Saskatoon (+2.9%) compared with March 2013.

Other significant year-over-year increases occurred in Hamilton (+2.6%), Winnipeg (+2.4%) and St. John's (+2.3%). The year-over-year increase in St. John's was that region's largest since October 2011.

Among the 21 metropolitan areas surveyed, 5 posted 12-month price declines in March: Vancouver (-1.1%), Ottawa–Gatineau (-1.0%), Victoria (-0.9%), Charlottetown (-0.4%) and Edmonton (-0.1%). This was the first annual decline in Charlottetown since March 2013.

Chart 2
Calgary posts the largest year-over-year price increase

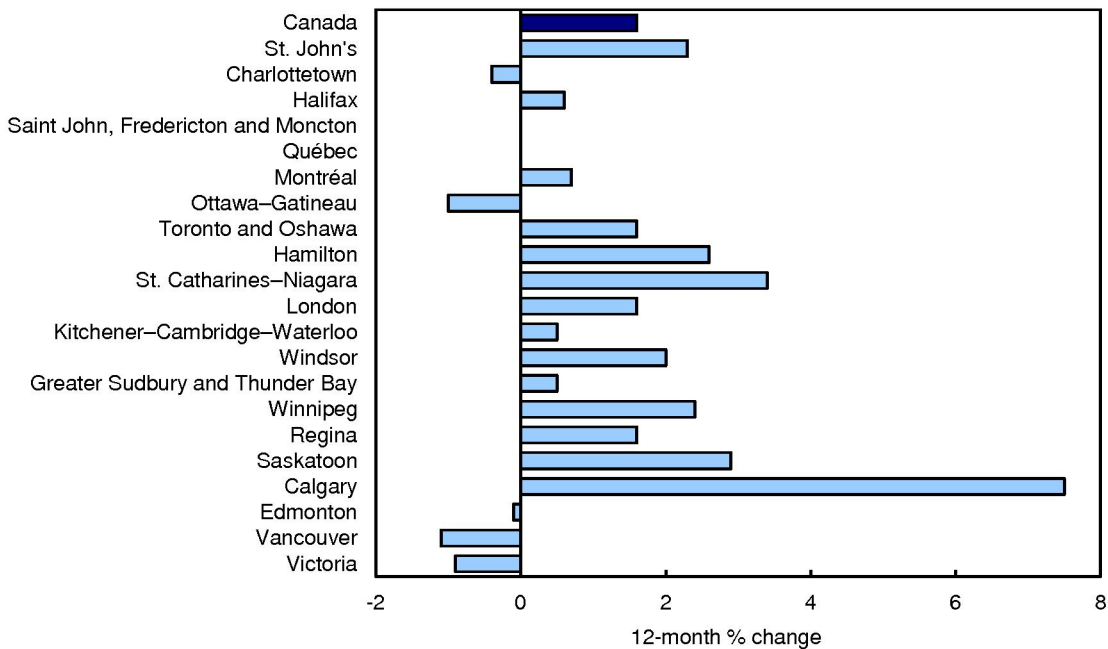


Table 1
New Housing Price Index – Not seasonally adjusted¹

	Relative importance ²	March 2013	February 2014	March 2014	February to March 2014	March 2013 to March 2014
	%	(2007=100)			% change	
Canada total	100.0	109.4	110.9	111.1	0.2	1.6
House only	...	110.0	111.9	112.0	0.1	1.8
Land only	...	107.6	108.5	108.5	0.0	0.8
St. John's	1.76	147.9	150.9	151.3	0.3	2.3
Charlottetown	0.18	102.7	102.7	102.3	-0.4	-0.4
Halifax	1.15	117.0	117.6	117.7	0.1	0.6
Saint John, Fredericton and Moncton ³	0.46	108.3	108.3	108.3	0.0	0.0
Québec	2.35	122.6	122.6	122.6	0.0	0.0
Montréal	8.27	116.3	117.1	117.1	0.0	0.7
Ottawa–Gatineau	4.50	116.5	115.4	115.3	-0.1	-1.0
Toronto and Oshawa ³	28.01	119.1	121.0	121.0	0.0	1.6
Hamilton	3.20	107.3	110.0	110.1	0.1	2.6
St. Catharines–Niagara	1.03	108.4	112.1	112.1	0.0	3.4
London	1.65	111.1	112.9	112.9	0.0	1.6
Kitchener–Cambridge–Waterloo	1.67	111.1	111.7	111.7	0.0	0.5
Windsor	0.73	99.1	101.1	101.1	0.0	2.0
Greater Sudbury and Thunder Bay ³	0.61	107.7	108.2	108.2	0.0	0.5
Winnipeg	2.77	134.3	137.4	137.5	0.1	2.4
Regina	1.31	157.7	160.2	160.2	0.0	1.6
Saskatoon	2.63	119.8	123.4	123.3	-0.1	2.9
Calgary	12.18	100.3	106.9	107.8	0.8	7.5
Edmonton	12.68	91.0	90.9	90.9	0.0	-0.1
Vancouver	11.78	97.4	96.4	96.3	-0.1	-1.1
Victoria	1.08	84.7	84.1	83.9	-0.2	-0.9

... 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 ensure data confidentiality, the following census metropolitan areas and census agglomeration are grouped together as follows: Saint John, Fredericton and Moncton; Toronto and Oshawa; and Greater Sudbury and Thunder Bay.

Note(s): View the census subdivisions that comprise the metropolitan areas online.

Note to readers

The New Housing Price Index 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 and row houses (town house or garden home). 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 residual, (total selling price less land value), which mainly relates to the current cost of the structure is also independently indexed and is presented as the estimated house series.

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 Harmonized Sales Tax.

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

Available in CANSIM: table 327-0046.

Definitions, data sources and methods: survey number 2310.

The New Housing Price Index for April will be released on June 12.

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 (613-951-4636; mediahotline@statcan.gc.ca).