

Apartment Building Construction Price Index, fourth quarter 2017

Released at 8:30 a.m. Eastern time in The Daily, Tuesday, February 13, 2018

Contractors' prices for the construction of new apartment buildings rose 1.1% in the fourth quarter compared with the previous quarter.

Prices for new apartment building projects rose in all seven census metropolitan areas surveyed, led by Vancouver (+2.0%). Contractors reported rising costs for lumber, concrete formwork, plastic, copper and fuel-related inputs. Rebuilding activities in the United States after an active 2017 hurricane season contributed to higher prices for these materials. From August to October, four hurricanes made landfall in the United States causing widespread damage.

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

Over the four quarters ending in December, contractors' prices for new apartment building construction rose by 4.3%, with Vancouver (+7.5%) leading the increase.



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 (CMAs): 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.

Upcoming changes to Building Construction Price Indexes

On May 8, 2018, with the release of first quarter 2018 data, a number of important changes will be introduced to increase the relevance of the building construction price indexes.

Non-residential building construction price indexes will be produced based on updated building models which reflect newer construction technologies and materials. A new transit building index will also be added to increase coverage of building construction in the industrial sector.

Coverage of building construction activity will be expanded with the launch of new residential building construction price indexes. These will include an updated high-rise apartment index replacing the previously published Apartment Building Construction Price Index, as well as new indexes for single-detached homes, townhomes and low-rise apartments.

The geographical coverage will be expanded for all of the non-residential and residential building construction price indexes to include four new CMAs. These additions will provide a more comprehensive representation of building construction activity across Canadian provinces.

Trade group level indexes (for example, mechanical, electrical) will no longer be published on CANSIM. However, they will be available to users upon request.

The building construction price indexes will have a 2017=100 base year. The weights used for the 2017=100 indexes will remain a price-adjusted three-year average of the total value of building permits issued for each of the surveyed CMAs, updated to reflect 2014 to 2016.

The historical continuity of the building construction price indexes will be maintained wherever possible by linking the new building construction price indexes with comparable historical index series published in CANSIM tables 327-0043 and 327-0044. A new CANSIM table (327-0058) will replace the current tables.

A Historical Timeline of Canadian Producer Price Statistics

"A Historical Timeline of Canadian Producer Price Statistics," which is part of the Prices Analytical Series ([62F0014M](#)), 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	Fourth quarter 2016	Third quarter 2017 ^r	Fourth quarter 2017 ^p	Third quarter to fourth quarter 2017	Fourth quarter 2016 to fourth quarter 2017
	%	(2002=100)			% change	
Composite index	100.0	152.6	157.3	159.1	1.1	4.3
Halifax	2.3	145.5	149.1	150.3	0.8	3.3
Montréal	18.1	147.5	152.3	154.4	1.4	4.7
Ottawa–Gatineau, Ontario part ³	3.1	154.2	158.3	160.2	1.2	3.9
Toronto	29.9	155.0	158.5	159.5	0.6	2.9
Calgary	12.5	169.8	171.7	172.5	0.5	1.6
Edmonton	6.1	165.3	166.4	167.3	0.5	1.2
Vancouver	28.0	156.8	165.2	168.5	2.0	7.5

^r revised

^p preliminary

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).