

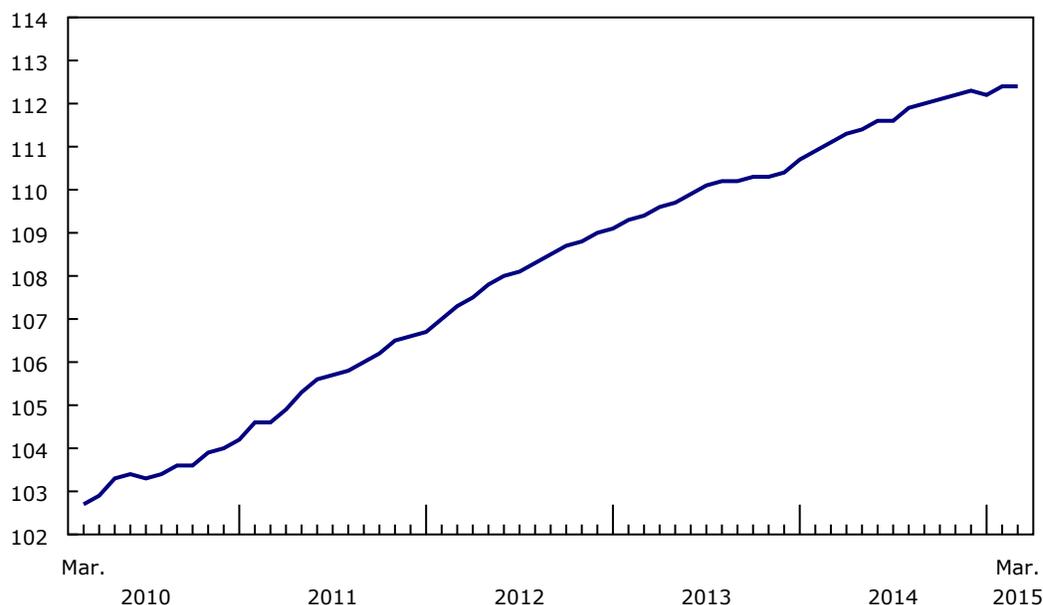
New Housing Price Index, March 2015

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, May 14, 2015

The New Housing Price Index (NHPI) was unchanged in March, following a 0.2% increase in February. Monthly price increases in eight metropolitan areas were offset by decreases in seven metropolitan areas, resulting in no change to the Canada level index.

Chart 1
New Housing Price Index

index (2007=100)



Source(s): CANSIM table [327-0046](#).

The combined region of Toronto and Oshawa, and the census metropolitan area (CMA) of Winnipeg recorded the largest price increases in March, both up 0.4%.

Builders in Toronto and Oshawa cited market conditions, smaller promotional packages and higher labour costs as the main reasons behind the gain. This was the largest price increase in the region since April 2014.

According to builders in Winnipeg, higher new home prices were mainly due to an increase in the cost of materials, as well as the cost to purchase land. This was the largest monthly price increase in Winnipeg since January 2014.

Prices in Charlottetown rose 0.3% after being unchanged for two months. Builders in that CMA reported market conditions and higher land development costs as the main reasons for the advance.

New housing prices rose 0.2% in Hamilton and St. Catharines–Niagara in March. Higher prices due to market conditions were moderated by lower negotiated selling prices in both CMAs.

The CMAs of St. John's, Halifax and Québec also recorded price increases in March, all up 0.1%. The price gain in St. John's followed three months of no change.

Prices were unchanged in 6 of the 21 metropolitan areas surveyed.



For the second consecutive month, prices were unchanged in Vancouver. Builder reports of price increases for the few remaining units in current subdivisions were offset by some builders lowering prices as a result of current market conditions and lower selling prices.

The CMA of Calgary (-0.4%) recorded the largest price decrease in March. The decline was the first since November 2011 and followed two months of no price movement. Builders cited current market conditions and promotional prices to attract sales as the main reasons for the decrease.

Market conditions contributed to a 0.2% price decline in the combined region of Saint John, Fredericton and Moncton, as well as in Saskatoon. The decrease in Saint John, Fredericton and Moncton followed three months of no change.

New housing prices also fell in Ottawa–Gatineau, London, Regina and Edmonton, all down 0.1%.

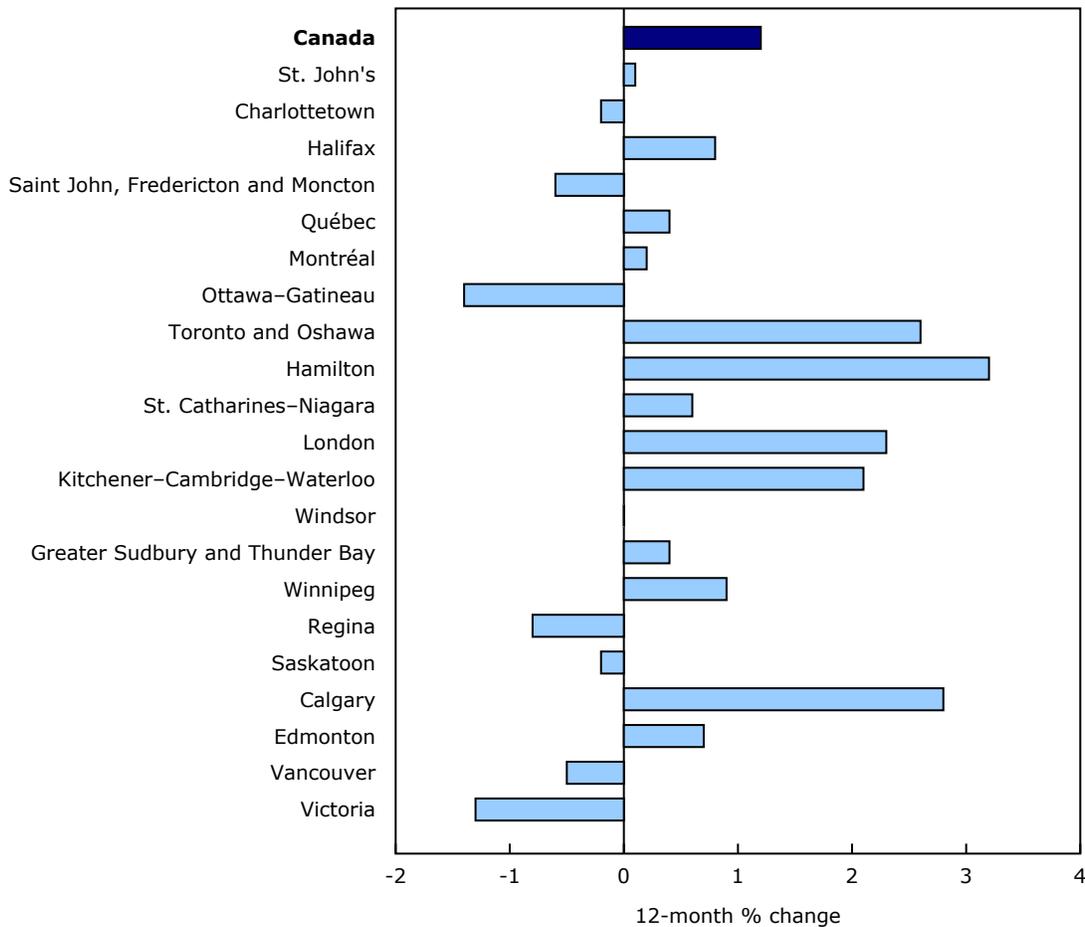
On a year-over-year basis, the NHPI rose 1.2% in March, the smallest annual increase since February 2010.

The combined metropolitan region of Toronto and Oshawa was the top contributor to the annual growth with prices up 2.6% compared with March 2014. This was the largest annual increase since July 2013.

The CMA of Hamilton recorded the largest annual increase in March, with prices up 3.2% compared with the same month last year. Other significant year-over-year increases were reported in Calgary (+2.8%), London (+2.3%) and Kitchener–Cambridge–Waterloo (+2.1%). This was the smallest annual price increase in Calgary since November 2012.

Among the 21 metropolitan areas surveyed, 7 posted year-over-year price declines in March: Ottawa–Gatineau (-1.4%), Victoria (-1.3%), Regina (-0.8%), the combined metropolitan region of Saint John, Fredericton and Moncton (-0.6%), Vancouver (-0.5%), Saskatoon (-0.2%) and Charlottetown (-0.2%). This was the smallest annual price decline in Vancouver since December 2012.

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



Source(s): CANSIM table [327-0046](#).

Note to readers

The New Housing Price Index measures the 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 houses and townhouses or row homes. 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 index is available at the Canada and provincial levels, and for 21 metropolitan areas.

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.

Table 1
New Housing Price Index – Not seasonally adjusted¹

	Relative importance ²	March 2014	February 2015	March 2015	February to March 2015	March 2014 to March 2015
	%	(2007=100)			% change	
Canada	100	111.1	112.4	112.4	0.0	1.2
House Only	...	112.0	113.5	113.6	0.1	1.4
Land Only	...	108.5	109.5	109.6	0.1	1.0
St. John's	1.53	151.3	151.3	151.4	0.1	0.1
Charlottetown	0.17	102.3	101.8	102.1	0.3	-0.2
Halifax	1.03	117.7	118.5	118.6	0.1	0.8
Saint John, Fredericton and Moncton ³	0.40	108.3	107.9	107.7	-0.2	-0.6
Québec	2.03	122.6	123.0	123.1	0.1	0.4
Montréal	6.80	117.1	117.3	117.3	0.0	0.2
Ottawa–Gatineau	4.37	115.3	113.8	113.7	-0.1	-1.4
Toronto and Oshawa ³	28.84	121.0	123.7	124.2	0.4	2.6
Hamilton	3.03	110.1	113.4	113.6	0.2	3.2
St. Catharines–Niagara	1.07	112.1	112.6	112.8	0.2	0.6
London	1.61	112.9	115.6	115.5	-0.1	2.3
Kitchener–Cambridge–Waterloo	1.42	111.7	114.0	114.0	0.0	2.1
Windsor	0.80	101.1	101.1	101.1	0.0	0.0
Greater Sudbury and Thunder Bay ³	0.58	108.2	108.6	108.6	0.0	0.4
Winnipeg	2.89	137.5	138.2	138.7	0.4	0.9
Regina	1.51	160.2	159.1	158.9	-0.1	-0.8
Saskatoon	2.62	123.3	123.2	123.0	-0.2	-0.2
Calgary	13.54	107.8	111.3	110.8	-0.4	2.8
Edmonton	12.67	90.9	91.6	91.5	-0.1	0.7
Vancouver	12.09	96.3	95.8	95.8	0.0	-0.5
Victoria	0.98	83.9	82.8	82.8	0.0	-1.3

... 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.

Source(s): Tableau CANSIM [327-0046](#).

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 11.

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).