

MEET YOUR TRUSTED ADVISOR



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Mel manages the Toronto office. With over 30 years of industry experience, Mel is responsible for business development, client relations, and project leadership for both public and private sector clients across Canada. He is a Fellow of the Canadian Institute of Quantity Surveyors.

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COST CONSIDERATIONS THINGS TO WATCH OUT FOR



CONTRACTORS In Ontario, contractors are expecting an average increase in revenue of 10% this year compared to 2021. The peak for residential construction employment is expected in the Toronto area in 2022. Sluggish labour force growth has contributed to recruiting challenges across Ontario.



COVID-19 There are ongoing concerns related to cost escalation and the high level of risk associated with future project cost increases due to supply chain issues and commodity price escalation because of the COVID-19 pandemic.



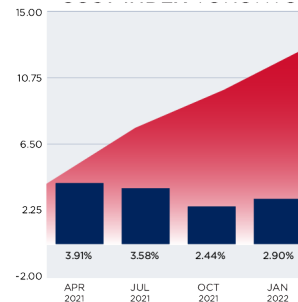
SUPPLY CHAIN STRATEGIES Ideas to help mitigate supply chain disruption:

- Seeking alternative suppliers
- Accelerating materials purchases
- Identifying alternative materials
- Stockpiling materials.

CONSTRUCTION COST DRIVERS

SELECT MATERIALS	APPROX. CHANGE FROM Q4 2021
Softwood Lumber	▲ 47.7%
Cement, Glass, Non-metallic	▲ 1.2%
Rebar	▼ -1.3%
Lumber & Wood Prod.	▲ 20.5%
Energy & Petroleum	▲ 1.6%
Copper	▲ 1.2%

CITY COST INDEX



PROJECTED MARKET TRENDS

13.47%
Annual % Change
(Toronto)



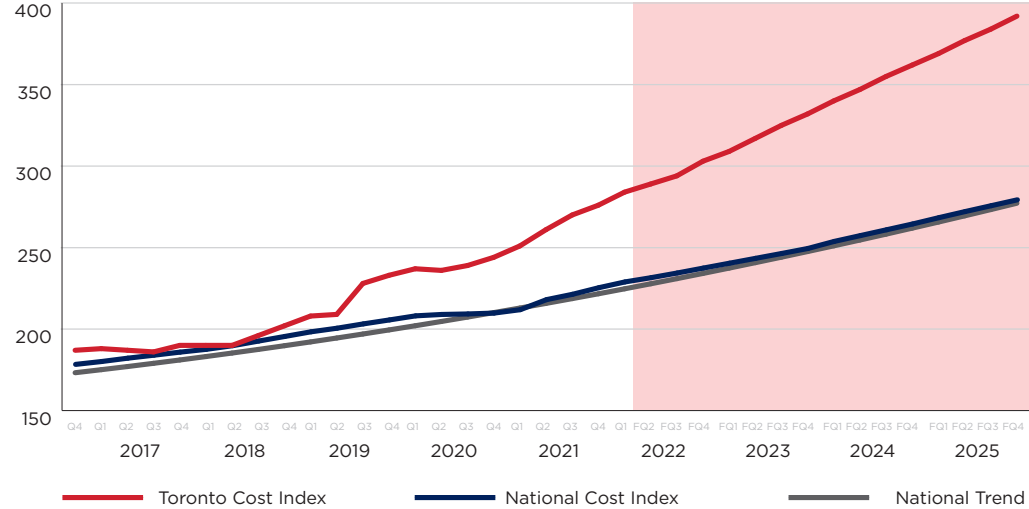
**DON'T MISS OUT ON
FUTURE INSIGHTS!**



For more than 20 years, we have published a quarterly construction cost report to provide you with the most accurate and up-to-date construction pricing information in the market.

SCAN TO SUBSCRIBE

CONSTRUCTION COST INDEX, ESCALATION, AND TRENDS



ABOUT THE CHART

The above chart provides a comparison between the overall changes in North American key cities' Cost Index versus Toronto's index, as well as tracked against the construction cycle trend. Finally, the pink area represents the projected results based on research.

WHAT THIS MEANS FOR YOU

The fluctuating cost of building materials and the unpredictability of the supply chain are affecting budgets, estimates, and bids in Toronto. Moreover, labour market challenges are an ongoing issue across Ontario. The COVID-19 pandemic has reduced the level of registration in the construction trade programs. These impacts are likely to reduce the near-term numbers of new certified workers.