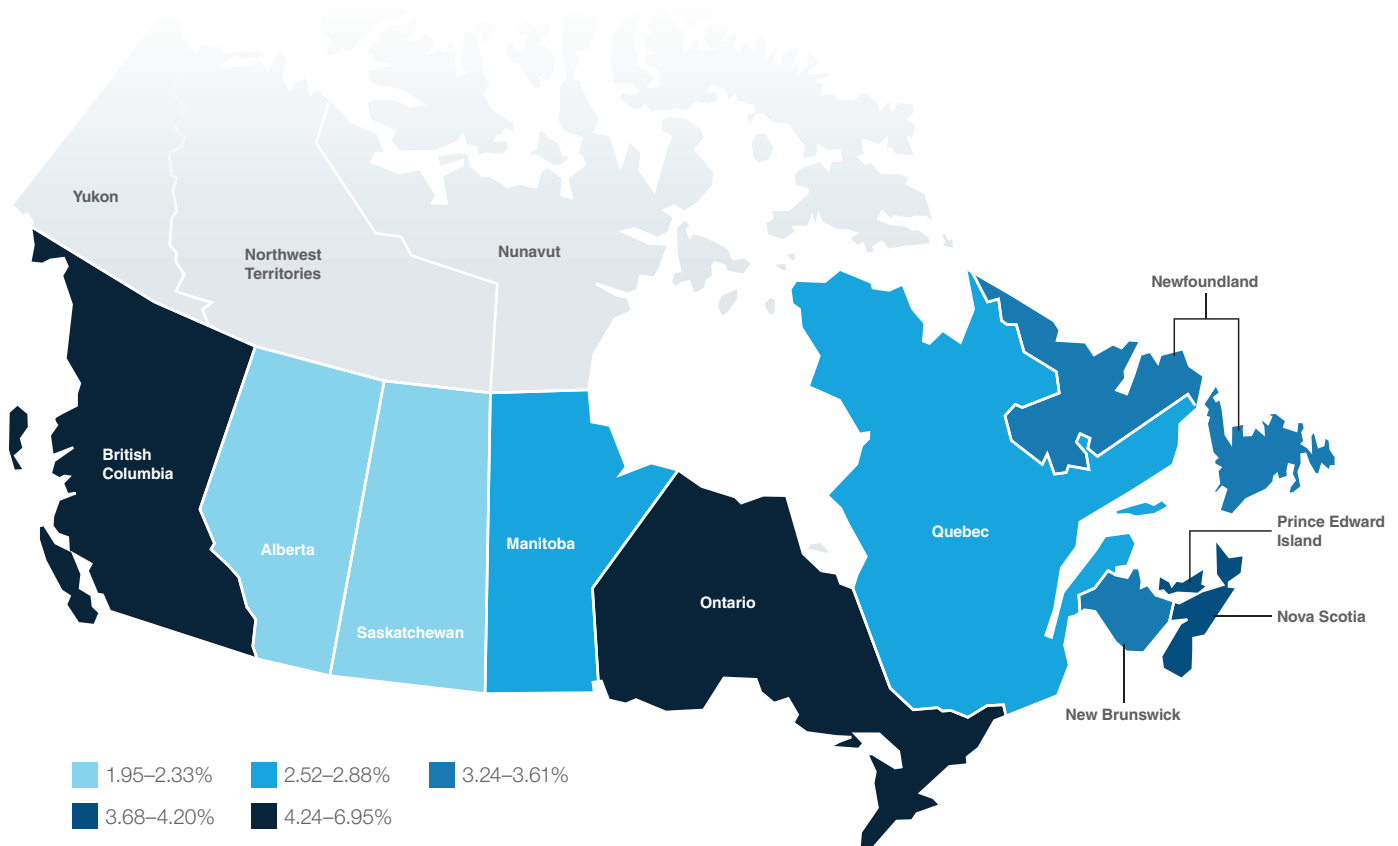


This report provides reconstruction cost trends at the national and provincial levels. *360Value® Quarterly Cost Updates* are derived from building cost research conducted by industry leader Xactware.

Reconstruction cost increases remain consistent

Total reconstruction costs, including materials and retail labour, increased 3.6 per cent from January 2018 to January 2019,* matching the total increase from the past two quarters. During the fourth quarter of 2018 (October through December), reconstruction costs were up 0.3 per cent.

All provinces experienced cost increases. Ontario, British Columbia, and Prince Edward Island made up the top three (7.0 per cent, 4.2 per cent, and 4.2 per cent, respectively). Saskatchewan and Alberta showed the lowest increases at 2.0 per cent and 2.3 per cent.



Changes in reconstruction costs by province.

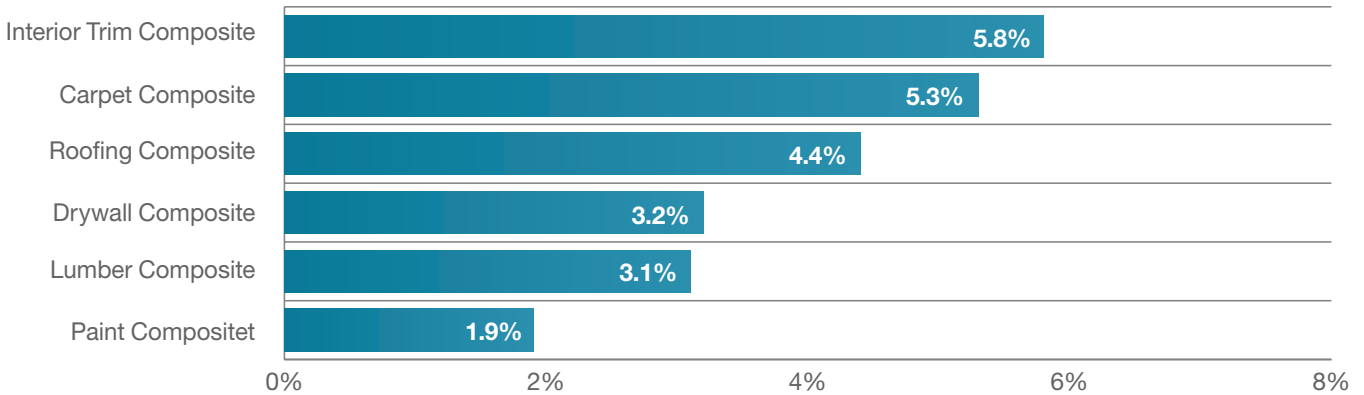
Provinces are grouped in quintiles; each range/color in the legend includes 20 per cent of the total number of provinces.

*All rates, percentages, increases, decreases, etc., are calculated as percentage change from January 2018 to January 2019, unless otherwise noted.

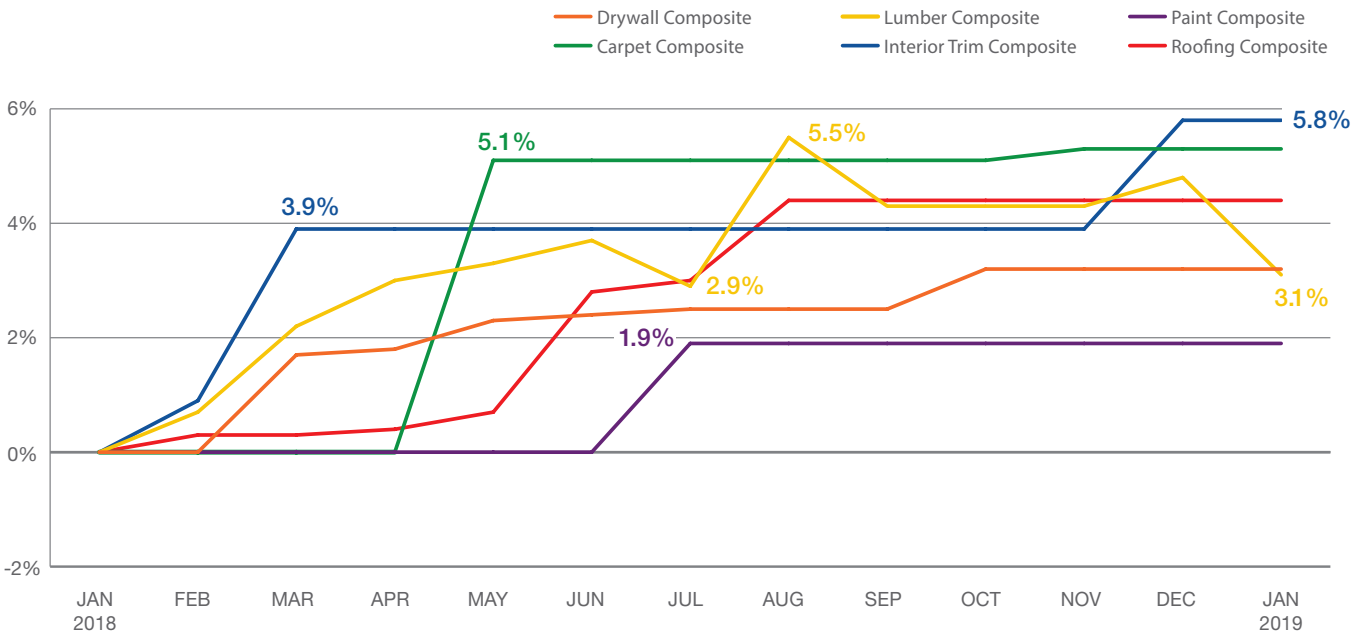
Material Cost Analysis

Total material costs rose 3.8 per cent since January 2018, down from 4.6 per cent in fourth-quarter 2018. Lumber costs dropped to the second lowest category. Cost increases for lumber were the highest by a large margin for more than a year until fourth-quarter 2018, when lumber fell to second highest. The interior trim composite increased the most since January 2018 at 5.8 per cent, followed closely by carpet at 5.3 per cent. The paint composite increased the least at 1.9 per cent, despite a larger increase in July. All others increased between 3.0 and 4.5 per cent.

Percentage change in costs



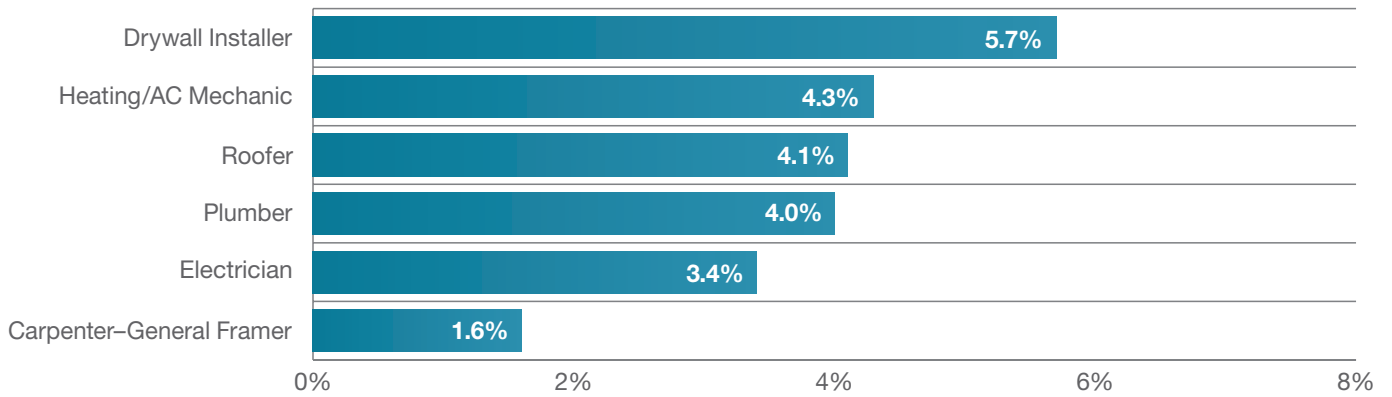
Percentage change in costs by month



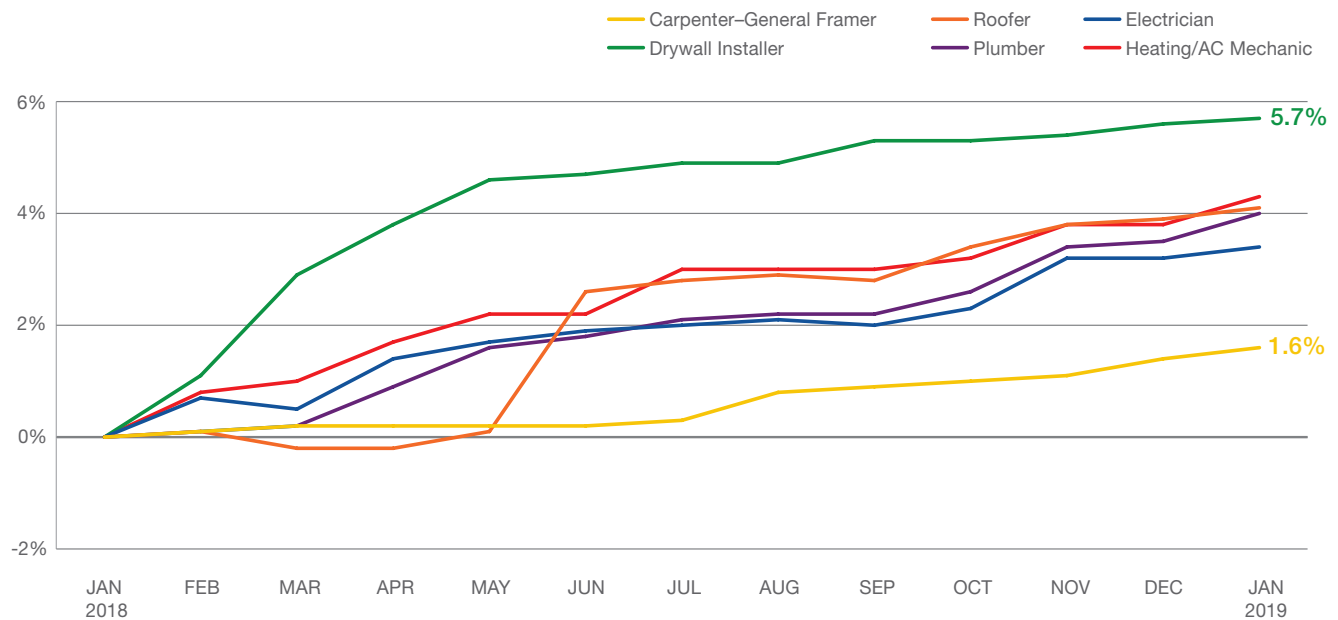
Labour Cost Analysis

Total labour costs increased 4.3 per cent since January 2018, with a steady increase from the fourth quarter. Generally, cost increases for all six major labour trades grew steadily. Of note, drywall installer costs experienced the highest increases, reaching 5.7 per cent, and costs for roofers grew significantly in June.

Percentage change in costs



Percentage change in costs by month




About this report

360Value Quarterly Cost Updates are derived from building cost research conducted by industry leader Xactware, a Verisk business, and validated at a highly localized level.

Our comprehensive research process includes real-time feedback on reconstruction costs from tens of thousands of contractors and claims adjusters, extensive material and labour cost surveys, and analysis of more than 5 million actual damage repair estimates for claims each year.

The data contained in this report should not be used as the basis for underwriting, coverage, rating, or renewal decisions, as changes in replacement costs vary dramatically at the individual property level.

 1-800-444-4554, option 3

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