

MEET YOUR TRUSTED ADVISOR



MEL YUNGBLUT PQS(F)
Principal
Toronto, Ontario

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.

Let's connect!

T: +1 416 414 0898

E: mel.yungblut@ca.rlb.com

in /in/mel-yungblut-b2854b16/

RLB.com

COST CONSIDERATIONS THINGS TO WATCH OUT FOR



ECONOMIC FORECAST Ontario is not anticipated to enter a recession, despite difficulties from the ongoing housing market correction, inflation, and interest rate hikes affecting consumer confidence and spending. Economic activity will slow down, but as the forecast horizon extends past 2022, it will continue to be slightly above or at trend.



INFRASTRUCTURE & SPENDING With planned investments totaling \$159.3 billion over the next 10 years, including \$20.0 billion in 2022–2023, the provincial government's capital plan is one of the most ambitious in the province's history. With the help of this plan, Ontario will become stronger and more prosperous as construction work begins on highways, hospitals, and other vital infrastructure.

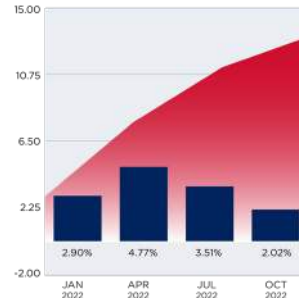


JOB CREATION & BUSINESS INTEREST The government is positioning Ontario as a top location for growth and job creation given the rising global competition among jurisdictions to draw business investments. Approximately \$8 billion in cost savings and support for Ontario businesses was provided by the government in 2022, including skilled trades and apprenticeship programs. Investors are receiving a clear message from the government that Ontario is open for business.

CONSTRUCTION COST DRIVERS

SELECT MATERIALS	APPROX. CHANGE FROM Q3 2022
Softwood Lumber	▼ - 6.1%
Cement, Glass, Non-metallic	▲ 8.4%
Rebar	▼ - 9.1%
Lumber & Wood Prod.	▼ - 0.7%
Energy & Petroleum	▼ - 17.4%
Copper	▼ - 3.9%

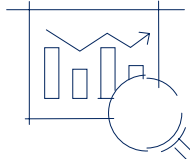
CITY COST INDEX



PROJECTED MARKET TRENDS

2.02%
Toronto Q3 to Q4
escalation rate

13.86%
Toronto YOY
escalation rate



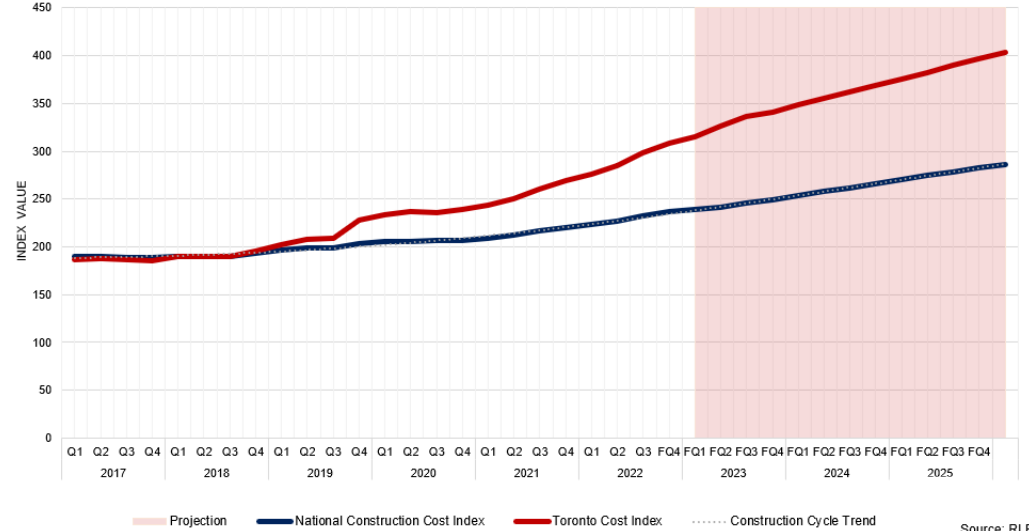
**DON'T MISS OUT ON
FUTURE INSIGHTS!**



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

Material price increases from inflation and labour shortages continue to impact the construction industry. Also, lockdowns and the COVID-Zero strategy in China and other major countries are still delaying the global supply chain recovery. The pandemic has slowed the training and certification of new workers, impacting short-term labour availability.