

MEET YOUR LOCAL EXPERT



MEL YUNGBLUT PQS(F)
Principal
Calgary, Alberta

Mel manages the Calgary 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



INFRASTRUCTURE The Province of Alberta will invest \$21 billion in the construction of new roads, schools and hospitals over the next three years. Of the \$21 billion, the Province has earmarked \$2.4 billion for roads and bridges and \$3 billion for capital maintenance and renewal of public infrastructure.



EMPLOYMENT The labour market has improved over the course of 2021. However, the unemployment rate was sitting at 7.6% in 2021 and expected to remain elevated, averaging 7.9% in 2022 before easing to 6.8% in 2023.



ENERGY SECTORS The rebound in global oil and gas markets will help Alberta's economy. Stronger demand and higher commodity prices have bolstered the provincial energy sector.



SECTOR GROWTH A growing tech sector, new investment in petrochemical production capacity, a resilient housing sector, and the potential development of clean energy options all are positive signs for growth in Alberta. A solid economic recovery is in motion in 2022, including stronger drilling activity, new pipeline capacity, and more capital expenditures in the energy sector.

CONSTRUCTION COST DRIVERS

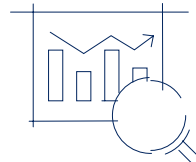
SELECT MATERIALS	APPROX. CHANGE FROM Q4 2021
Softwood Lumber	▲ 47.7%
Cement, Glass, Non-metallic	▲ 1.2%
Rebar	▼ - 1.3%
Lumber & Wood Prod.	▲ 20.5%
Energy & Petroleum	▲ 1.6%
Copper	▲ 1.2%

CITY COST INDEX



PROJECTED MARKET TRENDS

9.82%
Calgary YOY
Escalation Rate



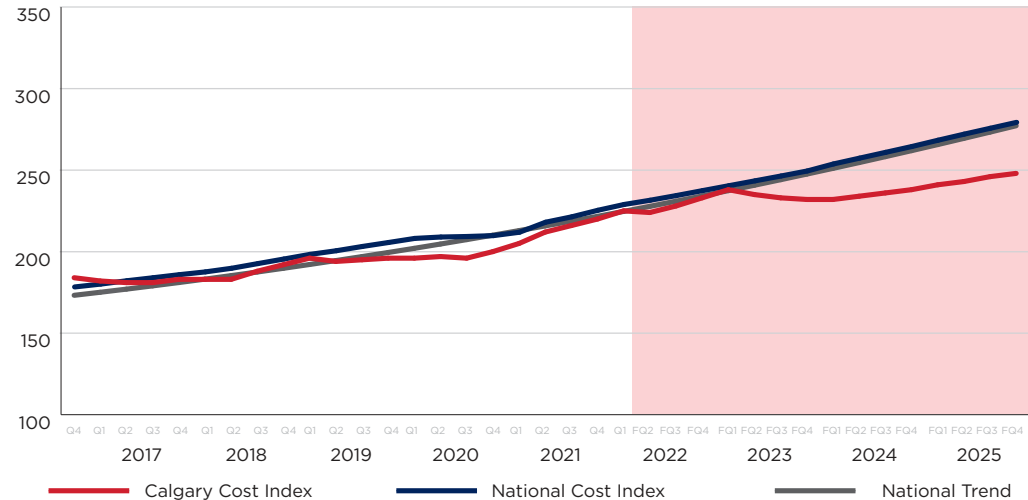
**DON'T MISS OUT ON
FUTURE INSIGHTS!**



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 Calgary'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 large material cost increases and material shortages caused by COVID-19 and weather-related supply chain disruptions have impacted project schedules, project costs, and caused delays and cancellations of critical projects. Alberta's economy is expected to grow 5.1% in 2022. At some point in the year, the economy is expected to expand beyond its 2014 peak. The rebound in global oil and gas markets will be a help to Alberta's economy.