

New-home prices in Canada up more than expected in November

FINANCIAL POST JANUARY 12, 2011 7:02 AM



New-home prices were up more than expected in November, according to data released by Statistics Canada on Wednesday.

Photograph by: File, CNS

OTTAWA — New-home prices were up more than expected in November, according to data released by Statistics Canada on Wednesday.

The new-housing price index rose 0.3 per cent that month, beating economists' expectations for a 0.1 per cent gain, which would have matched the rise in October.

Some of the biggest gains in particular cities were 4.2 per cent in St. John's, 1.6 per cent in Ottawa-Gatineau and 1.2 per cent in Halifax.

Higher costs for labour and materials were cited as some of the main causes of higher new-home prices in November, and for St. John's in particular, bigger development fees.

Some areas, such as Victoria, Charlottetown, and Ontario's Windsor and St. Catharines-Niagara regions saw lower new-home prices in November.

Year-over-year, the new-home price index was up 2.3 per cent in November, down from 2.5 per cent in October.

© The Financial Post