

DEVELOPMENT CHARGE INDEXING

Information Sheet

April 30th, 2025

Development Charge rates can be indexed to account for inflation. Most Development Charges By-laws call for annual indexing. The *Development Charges Act, 1997* (s.5 (1) (10)) and *O.Reg. (82/98)* (s.7) prescribe one index for adjusting development charge rates for inflation: the Statistics Canada Non-residential Building Construction Price Index.

NON-RESIDENTIAL BUILDING CONSTRUCTION PRICE INDEX

- Data published for 15 census metropolitan areas throughout Canada, including Toronto and Ottawa;
- Measures the change in the contractors' selling price of new non-residential construction projects (i.e. commercial, industrial and institutional);
- Includes both general and trade contractors' work and excludes the cost of land, design and real estate fees; and
- Samples are taken of six different building types.

For more information please contact the Hemson Finance Department, 416-593-5090, hemson@hemson.com

NON-RESIDENTIAL BUILDING COST INDEX: TORONTO CMA

	Actual Index	% Changes		
		Quarterly	Semi-Annual	Annual
2024				
1 st Quarter	102.6	1.0%	1.5%	4.6%
2 nd Quarter	104.0	1.4%	2.4%	4.8%
3 rd Quarter	104.5	0.5%	1.9%	3.4%
4 th Quarter	105.8	1.2%	1.7%	4.1%
2025				
1 st Quarter	106.5	0.7%	1.9%	3.8%



Hemson Consulting assists the public and private sectors with municipal finance, planning policy, demographics, and property assessment. Recent work includes studies on:

- Development Charges
- Long Range Financial Planning
- Fiscal Impact Analysis
- Financial Incentives
- Water and Sewer Rate Setting Studies
- Building, Planning and Engineering Fees
- Growth Management

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