Every year, Verisk analyzes millions of market price points from multiple third-party sources and compiles the findings into a yearly property report. The report gives property insurers a clear picture of the top aspects of property costs, covering labour and materials, reconstruction, claims, and other economic trends. The key findings of the analysis are summarized below.

**Labour and materials**

- **Cost increases for labour and materials slowed considerably in 2022.** The largest increase—4.2%—occurred in the first quarter of 2022, followed by small changes for the rest of the year.
- **Combined costs for materials increased 1.6% in 2022, a much smaller increase than the 5.6% gain in 2021.** Interior trim and roofing were the primary drivers of this gain, increasing by 14.4% and 24.4%, respectively. Concrete and lumber saw costs decrease in 2022, with concrete decreasing 2.5% and lumber decreasing similarly at 2.3%.
- **Labour costs continued to rise.** The average hourly billable rate rose 8.5% in 2022, more than twice its 3.9% increase in 2021. Over the past five years, it’s risen by a total of 32.3%.

**Reconstruction**

- **Residential reconstruction costs remained high.** Residential reconstruction costs, including materials and retail labour, increased 5.5% in 2022, largely due to continuing inflation, supply shortages, and labour strains from catastrophic events.
- **Commercial reconstruction costs increased 5.1% in 2022.** While more than 2020’s 4.2% increase, this change was less than 2021’s increase of 6.4%.
- **Hurricane Fiona made landfall on September 24, 2022, causing three deaths and at least $800 million CAD in damage over five provinces.** Water mitigation costs saw their highest increases in Nova Scotia, going up 7.13% in Halifax and 5.04% in Sydney from September to October.

**Claims**

- **Claims amounts rose significantly after a slight dip in 2021.** The average estimate amount was $9,722 for residential properties and $17,580 for commercial properties.
- **Roofs had a relatively small impact on claims.** Roofing was included in only 18.4% of residential assignments and only 15.8% of commercial assignments.
- **Hail and tornadoes caused the most expensive roof damage.** The average roofing estimate for claims caused by hail was $9,700 for residential and $19,700 for commercial claims, while the average roof cost due to tornadoes was $7,200 for residential and $11,100 for commercial claims.

**Other economic trends**

- **In June 2022, fuel costs reached their highest point since 1998 at $2.09 per litre.** They decreased by almost 31 percent over the next six months.
- **Conventional mortgage lending rates for a 5-year term rose to their highest point in 5 years.** They began the year at 3.5% but finished at 5.9%, nearly one-third higher than their previous peak in 2018.
- **Inflation rate increases peaked at 7.5% in June 2022.** By the end of the year, the rate of increase had slowed to 6.3%, still more than three times higher than the pre-pandemic average of 1.9%.