



SF is world's most expensive city in which to build, study says

By [Ted Andersen](#), Digital Editor, April 12, 2019, [San Francisco Business Times](#)

"The City by the Bay has dethroned the Big Apple as the world's priciest place for new construction.

"This year, San Francisco removes New York from the top spot, having increased by 5 percent in the last year, according to a new report by consulting company Turner & Townsend.

"The study examined the average building costs in six different types of construction: **apartment highrises**, prestige office blocks, large warehouse distribution centers, general hospitals, primary and secondary schools, and shopping centers and malls.

"Average construction wages in San Francisco were \$90 per hour in 2018, third-highest in the world behind New York's \$101.30 per hour and Zurich's \$110 per hour.

"Steel tariffs, passed in March 2018, have reportedly led to a 17-percent increase in the cost of reinforcement bars and a 30-percent increase in the price of beams in San Francisco.

[According to Roland Li, writing in the [San Francisco Chronicle](#), "A long-standing problem is the lack of construction workers, with many veterans leaving the industry after the 2008 recession. High housing costs also have caused some workers to move out of the area, and many commute for hours to reach job sites."]

"Overall, the survey highlights the massive worldwide disparity between labor costs worldwide — China, India, and Africa had the lowest costs, while North America has the highest costs.

"The five highest cost cities in which to build are San Francisco, New York, London, Zurich and Hong Kong."