

# Statistics Canada

Friday, March 6, 1998 For release at 8:30 a.m.

## **MAJOR RELEASES**

Building permits, January 1998
The value of building permits for both residential and non-residential sectors declined in January, due in part to the major ice storm in central and eastern Canada. Overall, municipalities issued \$2.6 billion in building permits, down 9.9% from December.

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# **OTHER RELEASES**

Egg production, January 1998

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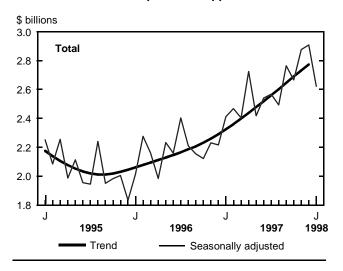
### **MAJOR RELEASES**

# **Building permits**

January 1998

The value of building permits for both residential and non-residential sectors declined in January, due in part to the ice storm in central and eastern Canada. Overall, municipalities issued \$2.6 billion in building permits, down 9.9% from December. Non-residential construction intentions declined 19.5% to \$1.1 billion, while home building intentions fell 1.3% to \$1.5 billion.

#### Total value of permits dropped 9.9%



Municipal services, including those for building permits, were severely curtailed because of the ice storm that knocked out the power supply to millions of residents in the Montreal area, eastern Ontario and part of the Maritimes. The overall value of permits declined 21.0% in Quebec, and 6.0% in Ontario. Even so, the total value of building permits issued nationally in January was still 8.7% higher than the same month in 1997.

Building intentions may well increase in coming months due to reconstruction and renovation projects in the aftermath of the storm. Furthermore, given record high levels of investment intentions for 1998 announced last week in Statistics Canada's Private and Public Investment Survey, it appears that the upward trend in building permits since late 1995 might continue.

#### Note to readers

Unless otherwise stated, this release presents seasonally adjusted data, which ease comparisons by removing the effects of seasonal variations.

The monthly Building and Demolitions Permits Survey covers 2,600 municipalities representing 94% of the population. It provides an early indication of building activity. The communities representing the other 6% of the population are very small, and their levels of building activity have little impact on the total.

The value of planned construction activities shown in this release excludes engineering projects (e.g., waterworks, sewers, culverts) and land.

The annual rate is a monthly figure that has been seasonally adjusted and multiplied by 12 to reflect annual levels.

#### Housing sector takes a breather

The overall 1.3% decline in housing intentions followed two consecutive monthly increases, and did not significantly alter the upward trend prevalent in this sector since late 1995. Furthermore, the \$1.520 billion in housing permits in January was only slightly less than the strong 1997 monthly average of \$1.525 billion.

A decline in the value of construction intentions for single-family housing more than offset a strong performance in the multi-family component in January.

The single-family component declined 7.7% to \$1.1 billion in the wake of a 10.3% increase in December, which resulted in the highest monthly level in six years. January marked the first monthly decline in the single-family sector in four months.

In contrast, multi-family construction intentions increased 22.4% to \$398 million, following a drop in December. Despite this significant jump, January's level was similar to that in the same month a year ago.

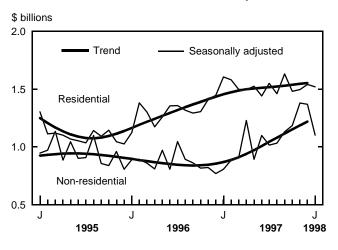
The overall housing market also paused in January. Resales slowed and Canada Mortgage and Housing Corporation reported that starts also declined. However, the upward trend in the sector appears likely to continue, given expectations for increased residential investment for 1998 announced in the Private and Public Investment Survey. This also suggests further growth in construction employment.

In Ontario, which led January's decrease in the housing sector, the value of residential permits declined by \$57.4 million (-8.6%) as the value of permits for both single and multi-family components fell. A \$36.6 million (-12.3%) decline in Alberta was due entirely to single-

family dwelling intentions. These declines, however, followed strong growth in 1997 in both provinces.

In contrast, the largest increase was in British Columbia (+\$50.2 million), due entirely to a 96.1% jump in multi-family intentions, which have been fluctuating significantly. British Columbia was followed by Manitoba (+\$36.9 million) and Newfoundland (+\$7.1 million), where both components were responsible for the increase.

#### Both sectors down in January



#### Commercial and industrial declines hit the non-residential sector

Despite the overall decline in non-residential permits in January, the total value was 36.5% higher than in January last year. However, the total value of non-residential permits remained 27.8% below the peak monthly average of \$1.5 billion in 1989.

Permits for both commercial and industrial construction declined in January. On the other hand, the value of institutional permits soared 31.6% to \$331 million, which was a 71.5% increase over January 1997. This gain was due to proposed new school construction.

Permits for commercial projects declined 39.8% to \$507 million, which came on the heels of the highest value recorded since March 1990 in December. Industrial projects fell 4.2% to \$263 million, the second monthly decrease in a row. The value of the commercial component was 18.0% higher than in January last year, while the industrial component was 42.8% higher.

The non-residential sector as a whole has shown an upward trend since October 1996 and this pattern seems likely to continue, given the high levels of private and public investment planned for 1998, according to the Private and Public Investment Survey.

Quebec reported a 40.6% decline in the value of non-residential permits to \$128 million in January, due mostly to a slowdown in industrial intentions. In British Columbia, non-residential permits fell 33.3% to \$172 million, due to a drop in commercial projects. Also notable was the monthly loss in non-residential construction intentions (-78% to 12.3 million) in Saskatchewan where all components recorded decreases.

Available on CANSIM: matrices 80 (levels 3-7, 16-22, 24-32), 129, 137, 443, 987, 990, 992 and 4073.

Due to the introduction of changes to geographic coding following the 1996 Census, matrices 989, 991, 994 and 995 will only be available once the modifications are completed.

The January 1998 issue of *Building permits* will be released in March 1998. It will be available on paper (64-001-XPB, \$25/\$248), via the Internet (64-001-XIB, \$19) and on microfiche (64-001-XMB, \$25/\$135).

The February 1998 building permits estimate will be released on April 6, 1998. For further information, contact Joanne Bureau (613-951-9689; Internet: burejoa@statcan.ca). For analytical information, contact Alain Paquet (613-951-2025; Internet: paquala@statcan.ca), Current Investment Indicators Section, Investment and Capital Stock Division.

# Value of building permits

	Dec. 1997	Jan. 1998	Dec. 1997 to Jan. 1998	Jan. 1997 to Jan. 1998
	Seasonally adjusted			
	\$ milli	ons	% cha	ange
Canada	2,908	2,621	-9.9	8.7
Residential	1,540	1,520	-1.3	-5.3
Non-residential	1,369	1,102	-19.5	36.5
Newfoundland	14	24	74.2	-38.9
Residential	9	16	77.7	-52.7
Non-residential	5	8	67.4	53.9
Prince Edward Island	8	6	-30.9	-53.5
Residential	6	3	-51.6	-63.9
Non-residential	2	3	22.6	-34.4
Nova Scotia	40	31	-23.5	-52.2
Residential	27	23	-13.0	-56.6
Non-residential	14	8	-44.2	-30.2
New Brunswick	29	34	15.4	9.2
Residential	16	19	14.6	-3.8
Non-residential	13	15	16.5	31.8
Quebec	437	346	-21.0	-17.6
Residential	222	218	-2.1	-10.0
Non-residential	215	128	-40.6	-27.9
Ontario	1,299	1,221	-6.0	18.0
Residential	664	607	-8.6	-13.6
Non-residential	635	614	-3.2	84.9
Manitoba	59	89	52.4	56.7
Residential	34	71	109.4	150.8
Non-residential	25	19	-25.1	-35.4
Saskatchewan	84	31	-63.3	-17.1
Residential	28	19	-34.1	8.2
Non-residential	56	12	-78.0	-38.7
Alberta	443	383	-13.5	13.2
Residential	297	260	-12.3	13.4
Non-residential	146	123	-15.8	12.8
British Columbia	491	455	-7.3	21.5
Residential	232	283	21.6	5.9
Non-residential	258	172	-33.3	60.4
Yukon	4	2	-57.6	-47.9
Residential	3	1	-57.2	-37.9
Non-residential	1	0	-60.0	-73.5
Northwest Territories	1	1	-9.4	12.9
Residential	0	0	-30.3	-53.1
Non-residential	1	1	2.9	157.8

Note: Data may not add to totals due to rounding.

# **OTHER RELEASES**

**Egg production** January 1998 (preliminary)

Egg production estimates for January 1998 are now available.

Available on CANSIM: matrices 1145, 1146 and 5689-5691.

To order the publication *Production of eggs* (23-003-XPB, \$110/year), contact Julie Gordon (613-951-5039), Agriculture Division.

For further information on this release, contact Sandy Gielfeldt (613-951-2505), Livestock and Animal Product Section, Agriculture Division

### **PUBLICATIONS RELEASED**

Infomat — A weekly review, March 6, 1998 Catalogue number 11-002-XPE

(Canada: \$4/\$145; outside Canada: US\$4/US\$145).

Private and public investment in Canada, Intentions 1998 (Internet version)

Catalogue number 61-205-XIB

(Canada: \$37; outside Canada: US\$37).

Private and public investment in Canada, Intentions 1998 (microfiche version)

Catalogue number 61-205-XMB

(Canada: \$37; outside Canada: US\$37).

**Private and public investment in Canada**, Intentions 1998 (paper version)

Catalogue number 61-205-XPB

(Canada: \$47; outside Canada: US\$47).

Average prices of selected farm inputs,

January 1998

Catalogue number 62-012-XPB

(Canada: \$11/\$50; outside Canada: US\$11/US\$50).

Wholesale trade, December 1997 Catalogue number 63-008-XPB

order@statcan.ca

(Canada: \$19/\$186; outside Canada: US\$19/US\$186).

#### All prices exclude sales tax.

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# **RELEASE DATES**

March 9 to 13, 1998 (Release dates are subject to change.)

Release date	Title	Reference period
9	Heritage institutions	1995-1996
10	Industrial capacity utilization rates	Fourth quarter 1997
10	Breaking and entering in Canada	1996 '
11	Help-wanted Index	February 1998
11	New Housing Price Index	January 1998
12	New motor vehicle sales	January 1998
12	Deposit-taking institutions: Their economic performance	1996
13	Labour Force Survey	February 1998
13	Canada's international investment position	1997