



The Daily

Statistics Canada

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- **Building permits, July 2001** 2
The value of building permits issued was \$3.4 billion in July, unchanged from June. A decline in permits for housing was offset by a rebound in the non-residential sector.
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MAJOR RELEASES

Building permits

July 2001

The value of building permits issued was \$3.4 billion in July, unchanged from June. A decline in permits for housing was offset by a rebound in the non-residential sector.

The value of non-residential permits jumped 13.9% to \$1.6 billion, owing mainly to a jump in the commercial component. In contrast, after two strong monthly increases, the residential sector dropped 10.2% to \$1.8 billion, as construction intentions for multi-family dwellings plunged.

For the first seven months of the year, the value of building permits totalled \$23.5 billion, up 13.0% from the same period of 2000. Advances in both the residential (+9.3% to \$12.7 billion) and non-residential (+17.7% to \$10.8 billion) sectors contributed to this showing, the strongest since 1989.

By region, by far the largest growth (in dollars) came from the Montréal area, largely due to projects in the commercial sector. The value of building permits in Montréal was 49.5% higher in the first seven months of 2001 than in the same period of 2000. The Toronto region also posted a sizeable advance due to strong housing construction intentions.

Note to readers

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

The Building and Demolitions Permits Monthly Survey covers 2,500 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 or culverts) and land.

Residential sector pulled down by a plunge in multi-family permits

Municipalities issued \$438 million in permits for multi-family dwellings in July, down 32.1% from the peak reached in June. Permits for single-family dwellings were up a slight 0.6% to \$1.3 billion.

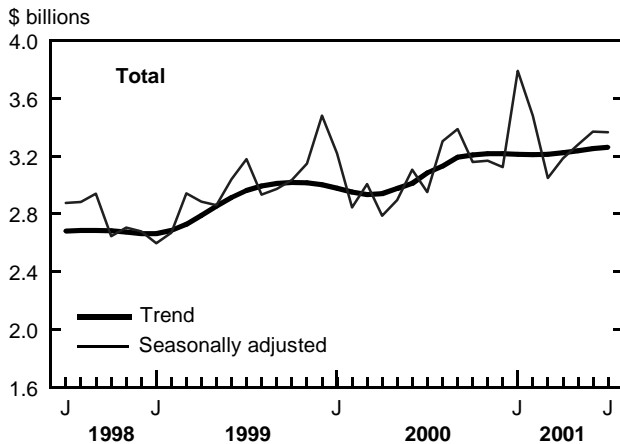
Despite July's decline, the outlook for the housing market remains encouraging. Housing starts, sales of existing homes and renovation spending are expected to be up in 2001 compared with 2000, according to Canada Mortgage and Housing Corporation. Furthermore, mortgage rates are still advantageous, vacancy rates are tight in several centres and prices for new homes have continued to rise. The advance shown in the cumulative housing permits figure so far this year is consistent with these results.

July's decline came in large part from Ontario (-17.4% to \$819 million), as well as Quebec (-9.1% to \$290 million). In both provinces, the multi-family component drove the decline. The largest growth was recorded in Alberta (+5.1% to \$271 million).

For the January-to-July period, the residential sector has been healthy as a result of gains in both multi-family (+20.3%) and single-family (+5.4%) dwellings. The year-to-date value for 2001 was the housing sector's best result for the first seven months of any recorded year.

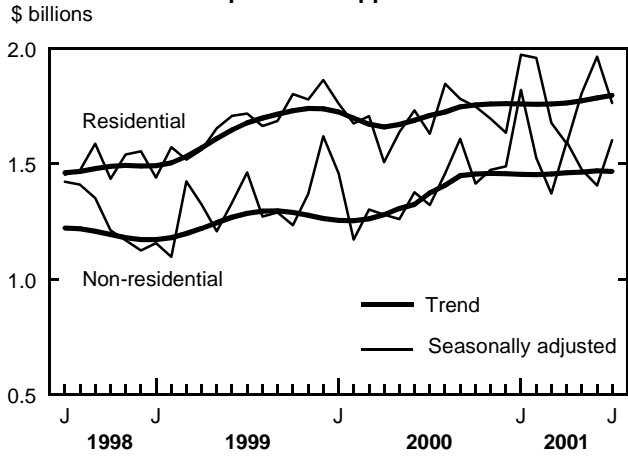
Compared with the first seven months of 2000, the largest gains (in dollars) occurred in Ontario (+8.2% to \$6.3 billion) and in British Columbia (+25.4% to \$1.6 billion). Both provinces posted advances in

Total value of permits was unchanged



single- and multi-family dwellings. Nova Scotia had the largest decline (-16.8%).

The non-residential sector jumped while housing permits dropped



Commercial permits fuelled the gain in the non-residential sector

July's 13.9% rebound in non-residential building permits followed two straight monthly declines, and was led by commercial and institutional intentions.

The value of commercial permits jumped 23.3% to \$850 million, due largely to the gains in office buildings, warehouses and buildings for trade and services. Ontario recorded the largest growth (+69.4% to \$366 million), the result of high construction intentions in the Toronto region.

Institutional intentions increased 8.5% to \$510 million, the best showing ever for this component. The medical and hospital category, as well as government buildings and social service projects, showed the strongest gains. Among the provinces, British Columbia saw the highest growth for this component.

Only the industrial component declined in July (-1.8% to \$242 million), pushed down by the utility and transportation category. Alberta recorded the largest drop in this component.

Among the provinces, Ontario recorded the largest increase in the non-residential sector (+23.2% to \$713 million) due to strong results for the commercial component in the Toronto region and to institutional intentions in the Kitchener region. The largest decrease was seen in Prince Edward Island, following a robust gain there in June.

In the first seven months of 2001, municipalities issued \$10.8 billion in permits for the non-residential

sector, up 17.7% from the same period of 2000. This was the best result since 1989, and was driven mainly by advances in commercial (+15.8% to \$5.9 billion) and institutional (+36.3% to \$2.7 billion) construction intentions. A rise in the industrial component (+4.6% to \$2.2 billion) also contributed to the gain.

Low vacancy rates for office and industrial buildings in several major centres combined with high capacity utilization rates and higher proposed construction spending by municipalities are consistent with the gain in non-residential building intentions in 2001.

Strong increases in non-residential permits issued for the Montréal area led Quebec to the largest gain among the provinces (+47.2% to \$2.5 billion); all three components showed growth. In contrast, Nova Scotia posted the largest decline (-37.9% to \$162 million); all three components saw decreases.

Value of building permits

Census metropolitan area	June 2001 ^r		July 2001 ^p		June to July 2001		Jan. to July 2001		Jan. to July 2000 to Jan. to July 2001	
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change
St. John's	17.9	15.6	12.9	-12.9	100.1	105.0	4.9	4.9	348.9	-39.9
Halifax	31.6	37.4	18.2	-42.7	348.9	209.7	-41.9	209.7	348.9	-39.9
Saint John	5.9	6.5	10.0	68.8	49.9	44.6	-10.6	44.6	49.9	11.2
Chicoutimi-Jonquière	12.7	8.8	-30.9	-235.4	86.9	106.8	23.0	106.8	86.9	-19.5
Québec	63.6	45.9	-27.8	-43.7	319.8	393.3	23.0	393.3	63.6	-10.0
Sherbrooke	7.7	18.2	135.7	174.1	62.5	85.1	36.2	85.1	7.7	-10.0
Trois-Rivières	10.3	9.8	-4.9	-48.5	70.1	67.8	-3.2	67.8	10.3	-10.0
Montréal	342.7	306.9	-10.5	-30.6	1,740.0	2,600.5	49.5	2,600.5	342.7	-10.0
Hull	26.7	30.7	14.8	55.4	164.9	234.7	42.4	234.7	26.7	-10.0
Ottawa	125.2	130.3	4.0	3.2	786.9	882.4	12.1	882.4	125.2	-10.0
Oshawa	78.7	50.9	-35.4	-45.0	400.8	325.1	-18.9	325.1	78.7	-10.0
Toronto	694.6	676.2	-2.6	-0.4	4,663.3	5,061.6	8.5	5,061.6	694.6	-10.0
Hamilton	76.9	65.9	-14.3	-18.3	412.3	495.3	20.2	495.3	76.9	-10.0
St. Catharines-Niagara	30.2	34.6	14.4	47.7	210.1	221.4	5.4	221.4	30.2	-10.0
Kitchener	73.8	120.6	63.3	85.8	428.6	547.9	27.8	547.9	73.8	-10.0
London	84.9	31.9	-62.5	-73.6	290.3	447.1	54.0	447.1	84.9	-10.0
Windsor	42.4	64.9	52.9	124.5	299.1	307.9	3.0	307.9	42.4	-10.0
Sudbury	7.5	10.0	32.4	43.2	44.9	45.8	1.8	45.8	7.5	-10.0
Thunder Bay	10.0	9.7	-3.3	-3.3	68.8	59.1	-14.2	59.1	10.0	-10.0
Winnipeg	44.2	44.8	1.4	3.2	323.5	268.9	-16.9	268.9	44.2	-10.0
Regina	16.2	18.3	13.1	80.9	95.6	140.3	46.8	140.3	16.2	-10.0
Saskatoon	8.8	18.6	111.8	125.8	174.6	154.2	-11.7	154.2	8.8	-10.0
Calgary	179.5	191.7	6.8	3.8	1,299.1	1,292.0	-0.5	1,292.0	179.5	-10.0
Edmonton	91.0	85.9	-5.5	-6.0	695.6	724.6	4.2	724.6	91.0	-10.0
Vancouver	244.8	275.2	12.4	5.1	1,586.9	1,930.1	21.6	1,930.1	244.8	-10.0
Victoria	27.7	35.9	29.8	107.6	167.9	204.0	21.5	204.0	27.7	-10.0

^r Revised data.

^p Preliminary data.

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

Available on CANSIM: tables 260001-260008, 260010 and 260011 and matrices 80 (levels 3-7 and 33-48), 129, 137, 443, 989-995 and 4073.

As of September 17, *Daily* releases will refer only to CANSIM II table numbers. CANSIM II contains more than 2 million data time series depicting economic

and social conditions in Canada. Data are updated on the day that new values for these series are released. Real-time access to CANSIM II is available on Statistics Canada's Web site (www.statcan.ca) from the *Our products and services* page. For more information, contact Louis Boucher (613-951-8906; louis.boucher@statcan.ca).

The July 2001 issue of *Building permits* (64-001-XIE, \$14/\$145) will be available soon. See *How to order products*.

The August 2001 building permit estimate will be released on October 4.

To obtain data, contact Vere Clarke (613-951-6556; clarver@statcan.ca). For more information, or to enquire about the concepts, methods or data quality of this release, contact Étienne Saint-Pierre (613-951-2025; saineti@statcan.ca), Investment and Capital Stock Division. □

Value of building permits

	June 2001 ^r	July 2001 ^p	June to July 2001	January to July 2000	January to July 2001	January-July 2000 to January-July 2001
Seasonally adjusted						
	\$ millions		% change		% change	
Canada	3,368.9	3,365.3	-0.1	20,808.6	23,515.2	13.0
Residential	1,962.6	1,763.2	-10.2	11,641.8	12,722.9	9.3
Non-residential	1,406.3	1,602.2	13.9	9,166.8	10,792.2	17.7
Newfoundland	31.6	29.7	-6.1	151.5	174.5	15.2
Residential	18.9	15.5	-18.2	100.7	100.5	-0.1
Non-residential	12.7	14.2	12.1	50.8	74.0	45.6
Prince Edward Island	57.5	13.4	-76.6	55.1	106.3	92.7
Residential	8.1	4.4	-46.4	31.1	33.4	7.3
Non-residential	49.4	9.1	-81.6	24.0	72.8	203.5
Nova Scotia	60.4	83.1	37.5	576.1	424.2	-26.4
Residential	48.7	51.3	5.5	315.4	262.2	-16.8
Non-residential	11.7	31.7	170.7	260.7	162.0	-37.9
New Brunswick	44.1	47.6	7.8	272.6	302.0	10.8
Residential	24.2	23.4	-3.5	153.5	149.4	-2.7
Non-residential	19.9	24.2	21.6	119.1	152.6	28.1
Quebec	609.3	560.0	-8.1	3,509.9	4,533.6	29.2
Residential	318.6	289.8	-9.1	1,830.7	2,062.0	12.6
Non-residential	290.7	270.3	-7.0	1,679.2	2,471.6	47.2
Ontario	1,569.8	1,531.9	-2.4	9,642.3	10,683.3	10.8
Residential	991.0	818.9	-17.4	5,821.2	6,299.7	8.2
Non-residential	578.8	713.0	23.2	3,821.1	4,383.7	14.7
Manitoba	71.7	66.8	-6.9	529.3	440.3	-16.8
Residential	33.8	30.8	-8.8	206.8	197.2	-4.7
Non-residential	37.9	36.0	-5.1	322.4	243.2	-24.6
Saskatchewan	45.4	73.4	61.4	403.4	452.9	12.3
Residential	15.1	17.0	12.4	155.7	128.2	-17.6
Non-residential	30.3	56.4	85.9	247.7	324.7	31.1
Alberta	437.1	463.6	6.1	2,993.5	3,202.0	7.0
Residential	258.1	271.1	5.1	1,678.1	1,816.5	8.2
Non-residential	179.0	192.5	7.5	1,315.4	1,385.5	5.3
British Columbia	436.1	458.7	5.2	2,600.0	3,116.6	19.9
Residential	242.8	235.9	-2.9	1,313.9	1,647.0	25.4
Non-residential	193.3	222.8	15.3	1,286.1	1,469.6	14.3
Yukon	1.9	19.1	914.2	22.2	40.7	82.9
Residential	0.9	2.2	150.5	9.2	12.8	38.7
Non-residential	1.0	16.9	1,558.9	13.0	27.9	114.2
Northwest Territories	2.9	15.3	432.8	13.2	26.9	103.5
Residential	2.2	1.1	-47.9	6.2	6.8	9.8
Non-residential	0.7	14.1	1,883.9	7.0	20.1	186.0
Nunavut	1.1	2.9	151.2	39.3	11.7	-70.4
Residential	0.3	1.9	613.5	19.3	7.2	-62.4
Non-residential	0.9	1.0	14.4	20.1	4.4	-78.1

^r Revised data.

^p Preliminary data.

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



OTHER RELEASES

Sawmills and planing mills

Second quarter 2001 and June 2001

Despite the current economic slowdown, lumber manufacturers benefited from sustained activity in both domestic and U.S. residential construction markets during the second quarter.

On a national basis, shipments of lumber from sawmills and planing mills from April to June reached 17 404.1 thousand cubic metres. This was down 2.9% from the second quarter of 2000, but up 5.0% from the first quarter of 2001.

Canadian housing starts remained strong during the second quarter, averaging 163,400 units (seasonally adjusted at annual rates), compared with 163,000 during the first quarter. Similarly, housing starts in the United States averaged just over 1.6 million units for the second quarter this year, down only 0.4 % over the first quarter.

Shipments declined 4.5% in British Columbia compared with the second quarter of 2000, mostly due to a 25.0% decline from the coastal region. The decline in the rest of the country was limited to 2.0%; shipments dropped 40.8% in Saskatchewan and 6.5% in Quebec, but rose slightly in the other provinces.

Despite the decline in total shipments, lumber exports to the United States rose 11.0% in the second quarter compared with the second quarter of 2000, rebounding after a 7.9% decrease in the first quarter. The second quarter was the first three-month period following the expiry of the Canada–U.S. softwood lumber agreement, which had limited exports to United States.

On a monthly basis, sawmills and planing mills shipped 5 425.5 thousand cubic metres in June, down 11.0 % from May. Shipments in June were 9.8% lower than in June 2000.

Lumber exports remained stable in June at about 4 638.6 thousand cubic metres, after dropping 12.8% in May, as exporters remained cautious about the possibility of retroactive countervailing duties. However, June lumber exports were up 6.5% from June 2000.

Lumber prices fell 3.1% in June compared with May, halting five straight monthly increases. Nevertheless, June lumber prices were 11.9% higher than those in June 2000. Prices for the second quarter were up 4.2% from the second quarter of 2000.

Sawmills' inventories reached 9 608.9 thousand cubic metres in June, up 3.0% from May, following monthly declines in May and April. Following

accelerated growth during the first quarter, stocks grew 1.1% in the second quarter. After relative stability in 2000, lumber stocks have grown throughout 2001.

Total stocks for the first six months of 2001 reached a peak of 56 571.2 thousand cubic metres, up 9.5% over the same period of 2000.

Available on CANSIM: table 3030009 and matrices 53 and 122 (series 2).

As of September 17, *Daily* releases will refer only to CANSIM II table numbers. CANSIM II contains more than 2 million data time series depicting economic and social conditions in Canada. Data are updated on the day that new values for these series are released. Real-time access to CANSIM II is available on Statistics Canada's Web site (www.statcan.ca) from the *Our products and services* page. For more information, contact Louis Boucher (613-951-8906; louis.boucher@statcan.ca).

The June 2001 issue of *Sawmills and planing mills*, Vol. 55, no. 6 (35-003-XIB, \$9/\$86) is now available. See *How to order products*.

To order data, or for general information, contact the Dissemination Officer (1-866-873-8789; 613-951-9497; manufact@statcan.ca). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Daniel Dufour (613-951-5370; daniel.dufour@statcan.ca), Manufacturing, Construction and Energy Division. ■

Survey of Financial Security: Estimating the value of employer pension plan benefits

The document *Survey of Financial Security: Estimating the value of employer pension plan benefits*, available today, describes the methodology that the Survey of Financial Security (SFS) will use to estimate the value of employer-sponsored registered pension plan benefits for various groups of people.

Initial results from the SFS, which provides information on the net worth of Canadians, were released on March 15 in *The Daily*. The survey collected information on the value of the financial and non-financial assets owned by each family unit and on the amount of their debt.

Statistics Canada is now refining these initial estimates of net worth by adding to them an estimate of the value of benefits accrued in employer registered

pension plans (RPPs). This is an important addition to any asset and debt survey as, for many family units, it is likely to be one of the largest assets.

This new document describes the methodology that will be used to estimate the value of RPPs for three groups: people who belonged to an RPP at the time of the survey; those who had previously belonged to an RPP and either left the money in the plan or transferred it to a new plan; and those receiving RPP benefits.

With the aging of the population, information on pension accumulations is greatly needed to better understand the financial situation of those nearing retirement. Updated estimates from the SFS will be released in the late fall.

Earlier this year, Statistics Canada conducted a public consultation on the proposed methodology. This

document includes updates as a result of feedback from data users.

The report *Survey of Financial Security: Estimating the value of employer pension plan benefits* (13F0026MIE01003, free) is available on Statistics Canada's Web site (www.statcan.ca). From the *Products and services* page, choose *Research papers (free)*, then *Personal finance and household finance*, then *Asset and debt research paper series*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (1-888-297-7355; 613-951-7355; income@statcan.ca), Income Statistics Division. ■

NEW PRODUCTS

Survey of financial security: Estimating the value of employer pension plan benefits, Catalogue number 13F0026MIE01003 (free).

Rural and small town Canada analysis bulletin, 1901–1996, Vol. 3, no. 2 Catalogue number 21-006-XIE (free).

Sawmills and planing mills, June 2001, Vol. 55, no. 6 Catalogue number 35-003-XIB (\$9/\$86).

All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

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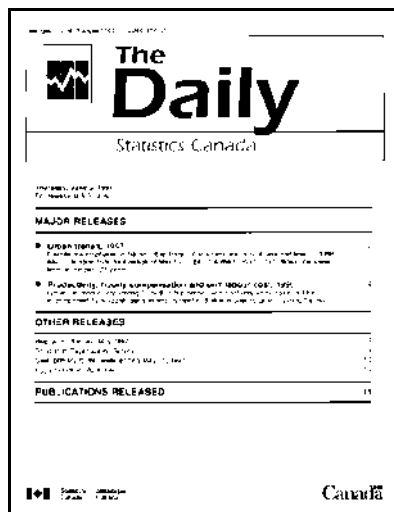
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