



# The Daily

Statistics Canada

Tuesday, November 4, 2003

Released at 8:30 a.m. Eastern time

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## MAJOR RELEASES

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- **Building permits, September 2003**  
 Builders took out another monthly record in residential building permits in September, as the demand for single- and multi-family dwellings maintained its torrid pace.

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- **Business Conditions Survey: Manufacturing industries, October 2003**  
 With manufacturers emerging from the summer doldrums, production and employment prospects for the fourth quarter improved.

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## NEW PRODUCTS

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### Analysis in brief

Over the past few years, Statistics Canada has moved to expand the breadth and volume of the analysis of the massive amounts of data it collects. One of the ways the Agency has done so is to expand opportunities for staff members to share their knowledge of the country with Canadians by publishing short accessible articles.

Tomorrow, Statistics Canada unveils a new free online publication, *Analysis in brief*. This publication, which will run on an occasional basis, will shed light on current economic issues. The series is written in a style that journalists, students and the general public can easily grasp.

The first article in the series, titled "Mad cow disease and beef trade," traces Canada's beef exports and imports throughout the early days of the worldwide ban on Canadian beef. The ban was imposed in May after the announcement that a single breeder cow in Alberta had tested positive for bovine spongiform encephalopathy. This article focuses in particular on the US market.

Also scheduled in the series are reports analysing Canada's retail clothing industry, and the emerging diamond-mining industry in the Northwest Territories.

For more information, contact Media Relations (613-951-4636).



## MAJOR RELEASES

### Building permits

September 2003

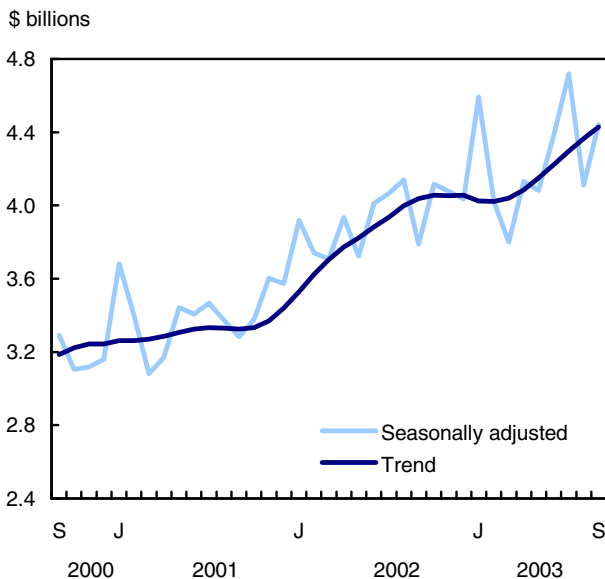
Builders took out another monthly record in residential building permits in September, as the demand for single- and multi-family dwellings maintained its torrid pace.

The value of housing permits rose 10.0% to a record \$2.90 billion, surpassing the previous record of \$2.86 billion set in July. The value of building permits, an early indicator of construction activity, points to a busy winter for residential builders.

At the same time, the value of non-residential permits also advanced in September, rising 4.5% to \$1.5 billion, with gains in commercial and institutional permits. This was the third increase over the last four months for the non-residential component.

In total, municipalities issued \$4.4 billion worth of building permits in September, up 8.0% from August.

#### Total value of permits rose in September



The results for the first three quarters clearly indicate that 2003 will be an exceptional year. The total value of building permits issued from January to September totalled a record \$38.3 billion, up 9.3% from the same nine months of 2002. Builders took out \$23.6 billion worth in residential permits, up 7.1%. The value of permits in the non-residential sector was up 13.0% to \$14.7 billion.

#### Note to readers

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

The Building Permits Survey covers 2,350 municipalities representing 95% of the population. It provides an early indication of building activity. The communities representing the other 5% 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 (for example, waterworks, sewers or culverts) and land.

Among the metropolitan areas, the largest growths (in dollar terms) were recorded in Toronto, Montréal and Oshawa. In Montréal and Oshawa, the advances came from both the residential and non-residential sectors; in Toronto, the rise came exclusively from the non-residential sector.

#### Strong demand for single- and multi-family dwellings

The value of single-family permits rose 12.3% to a monthly high of \$1.96 billion in September, surpassing the previous record of \$1.93 billion set in January. In September alone, municipalities authorized 10,900 new single units.

The value of multi-family permits rose 5.5% to \$940 million in September, the second highest level on record, surpassed only by the level of \$985 million in July. It was the sixth gain during the last seven months for multi-family permits. About 8,500 new multi-family units were authorized in September.

Among the factors that have positively affected the housing market recently are advantageous mortgage rates and their positive impact on the housing affordability; high consumer confidence; growth of more than 100,000 in full-time employment since the beginning of the year; and the tight vacancy rates in several centres.

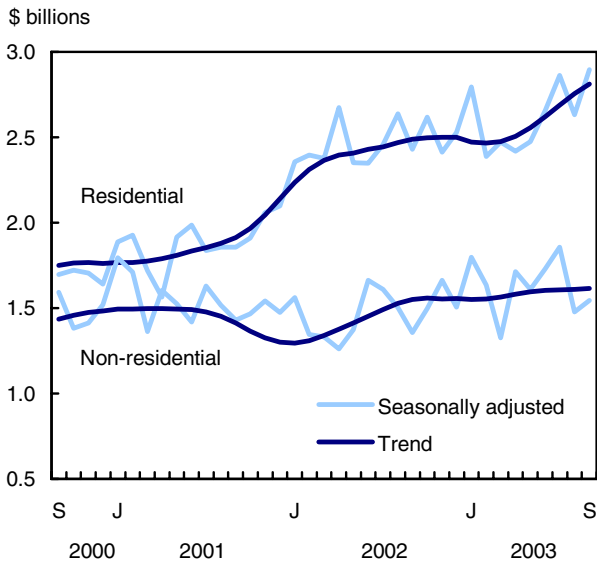
Provincially, the largest gain in September occurred in Ontario (+12.9% to \$1.3 billion), largely the result of a surge in the construction intentions for single-family dwellings in the Toronto area. British Columbia came second (+23.5% to \$435 million), a result of the increased value of multi-family permits in the census metropolitan area of Vancouver. All provinces and territories showed gains in single-family permits in September.

On a year-to-date basis, the value of single-family dwellings totalled \$16.3 billion, up 3.8% from the first nine months of 2002. The cumulative value of multi-family permits jumped 15.2% to a tremendous \$7.3 billion. A shift in the demand from single-family to multi-family dwellings across the country explained this substantial growth in the multi-family component.

Nationally, new multi-family dwellings authorized accounted for almost 41% of all new dwellings authorized in 2002. So far this year, they have accounted for 46%. The shift in demand has occurred in every province except British Columbia, where this proportion remained virtually unchanged.

Provincially, the largest advances in residential permits, on a cumulative basis, occurred in Quebec and British Columbia.

**Value of residential permits reaches a record level in September**



**Slight rebound in non-residential projects**

September's rebound in non-residential building permits, which followed a 20.4% decline in August, was led mainly by the institutional component.

Institutional intentions increased 11.9% to \$525 million after two straight monthly decreases. Projects in the social service and medical categories led British Columbia to the greatest increase (in dollar terms) among the provinces. The value of institutional projects in British Columbia more than doubled (+125.4% to \$96 million), recording its highest value since September 2001.

After two monthly declines, the value of commercial permits increased 3.6% to \$773 million as a result of an advance in the hotel and restaurant category. The most significant increases in the commercial component occurred in New Brunswick, British Columbia and Ontario.

The industrial component declined for the second straight month, falling 6.2% to \$247 million. The decline was fuelled by the manufacturing and mining-agriculture categories. Following a strong month in July, Quebec showed a second double-digit monthly decrease in proposed industrial projects, cutting the value to \$39 million.

Of the 28 census metropolitan areas, 16 recorded monthly increases in the value of non-residential permits. By far, the largest increase occurred in Oshawa, the result of a large project for a new administrative facility. In contrast, Toronto recorded the strongest decrease, mainly as a result of declines in the educational and medical categories.

Among the provinces, British Columbia recorded the largest gain in the non-residential sector (+49.8% to \$245 million), following a sharp decrease in August. All three components showed gains, especially the institutional component. After recording the largest growth in September, Saskatchewan recorded the most significant decrease (-45.4% to \$31 million), the result of a decline in the commercial component.

On a year-to-date basis, municipalities issued \$14.7 billion in permits for the non-residential sector between January and September, up 13.0% from the same period of 2002. Gains have been the strongest in the industrial sector, where the year-to-date level was up 21.4% to \$2.9 billion, followed by in the institutional sector, where intentions increased 16.2% to \$4.7 billion. In the commercial component, the value of permits rose 7.9% to \$7.1 billion.

The robust level of non-residential construction intentions concurs with the increase in capital spending intentions by businesses, governments and institutions published in the latest release on private and public investment in Canada, published in *The Daily* on July 23.

The value of non-residential permits so far this year has increased in all provinces and territories except Newfoundland and Labrador and the Northwest Territories.

The largest growth (in dollar terms) was in Ontario (+9.7%), the result mainly of large increases in the three non-residential components in the census metropolitan area of Toronto. Growth in Toronto's non-residential sector was the strongest among all metropolitan areas. The province of Quebec was second (+18.0%),

powered mainly by institutional projects in Montréal and commercial projects in the Québec metropolitan area.

Available on CANSIM: tables 026-0001 to 026-0008, 026-0010 and 026-0015.

Definitions, data sources and methods: survey number 2802.

The September 2003 issue of *Building permits* (64-001-XIE, \$15/\$156) will be available soon. See *How to order products*.

The October 2003 building permit estimate will be released on December 4, 2003.

To order data, contact Brad Sernoskie (1-800-579-8533; 613-951-4646; [bdp\\_information@statcan.ca](mailto:bdp_information@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), Investment and Capital Stock Division.

### Value of building permits, by province and territory

	August 2003 <sup>r</sup>	September 2003 <sup>p</sup>	August to September 2003	January to September 2002	January to September 2003	January-September 2002 to January-September 2003
	seasonally adjusted					
	\$ millions		% change	\$ millions		% change
Canada	4,111.4	4,440.7	8.0	35,035.8	38,287.2	9.3
Residential	2,632.8	2,895.6	10.0	22,026.7	23,592.2	7.1
Non-residential	1,478.6	1,545.1	4.5	13,009.2	14,694.9	13.0
Newfoundland and Labrador	36.1	40.2	11.4	290.3	290.6	0.1
Residential	23.6	29.7	25.9	187.5	199.4	6.4
Non-residential	12.4	10.4	-16.2	102.9	91.2	-11.3
Prince Edward Island	5.9	11.0	85.3	112.8	141.8	25.7
Residential	3.7	8.8	134.7	75.3	67.7	-10.0
Non-residential	2.2	2.2	1.6	37.5	74.1	97.3
Nova Scotia	77.2	83.7	8.4	632.6	770.4	21.8
Residential	45.5	54.8	20.3	441.5	485.0	9.9
Non-residential	31.7	28.9	-8.7	191.1	285.4	49.3
New Brunswick	56.8	72.2	27.2	493.9	518.2	4.9
Residential	31.4	31.1	-0.9	277.3	299.2	7.9
Non-residential	25.3	41.1	62.1	216.6	219.0	1.1
Quebec	877.6	851.1	-3.0	6,380.6	7,680.4	20.4
Residential	582.3	565.2	-2.9	3,895.8	4,748.1	21.9
Non-residential	295.3	285.9	-3.2	2,484.8	2,932.2	18.0
Ontario	1,838.6	1,994.2	8.5	16,631.0	17,420.7	4.7
Residential	1,176.6	1,328.7	12.9	10,431.2	10,619.2	1.8
Non-residential	661.9	665.5	0.5	6,199.8	6,801.5	9.7
Manitoba	94.6	76.2	-19.4	678.0	851.1	25.5
Residential	59.2	46.0	-22.3	326.6	396.7	21.5
Non-residential	35.4	30.2	-14.7	351.4	454.4	29.3
Saskatchewan	94.7	63.1	-33.3	507.9	625.0	23.0
Residential	37.4	31.9	-14.8	203.9	276.5	35.6
Non-residential	57.3	31.3	-45.4	304.0	348.5	14.6
Alberta	503.5	550.7	9.4	5,088.1	5,029.3	-1.2
Residential	315.9	350.0	10.8	3,344.9	3,134.8	-6.3
Non-residential	187.6	200.8	7.0	1,743.2	1,894.5	8.7
British Columbia	515.9	680.2	31.8	4,069.2	4,782.9	17.5
Residential	352.2	435.0	23.5	2,750.4	3,310.3	20.4
Non-residential	163.8	245.3	49.8	1,318.9	1,472.7	11.7
Yukon	4.5	5.8	27.0	21.6	39.9	84.5
Residential	2.2	3.5	63.6	15.7	18.0	15.1
Non-residential	2.4	2.2	-6.3	6.0	21.9	265.7
Northwest Territories	4.5	9.8	118.9	81.0	56.5	-30.3
Residential	1.8	9.3	406.4	46.7	30.0	-35.7
Non-residential	2.7	0.6	-79.0	34.3	26.5	-22.9
Nunavut	1.5	2.4	59.0	48.7	80.4	65.1
Residential	0.9	1.7	85.9	30.0	7.2	-76.1
Non-residential	0.6	0.7	18.5	18.7	73.2	291.8

<sup>r</sup> Revised data.

<sup>p</sup> Preliminary data.

**Note:** Data may not add to totals as a result of rounding.

**Value of building permits, by census metropolitan area**

	August 2003 <sup>r</sup>	September 2003 <sup>p</sup>	August to September 2003	January to September 2002	January to September 2003	January-September 2002 to January-September 2003
	seasonally adjusted					
	\$ millions		% change	\$ millions		% change
St. John's	20.2	27.5	35.9	185.6	201.2	8.4
Halifax	42.2	44.1	4.5	326.2	438.8	34.5
Saint John	6.5	15.4	136.7	75.0	86.4	15.2
Saguenay	11.3	13.0	15.5	132.7	106.7	-19.6
Québec	106.2	104.5	-1.7	600.8	840.8	40.0
Sherbrooke	21.8	21.1	-3.6	150.5	174.1	15.7
Trois-Rivières	38.6	22.2	-42.5	120.9	158.8	31.3
Montréal	454.4	439.3	-3.3	3,306.6	3,880.9	17.4
Gatineau	45.3	50.4	11.2	376.8	381.8	1.4
Ottawa	127.5	162.0	27.1	1,286.1	1,303.6	1.4
Kingston	13.7	30.9	125.6	219.9	165.8	-24.6
Oshawa	91.1	165.0	81.1	540.8	880.0	62.7
Toronto	946.0	897.4	-5.1	7,767.6	8,578.4	10.4
Hamilton	56.2	74.7	33.0	860.3	825.9	-4.0
St. Catharines-Niagara	47.2	40.9	-13.3	552.9	361.3	-34.6
Kitchener	60.1	67.5	12.3	768.2	712.3	-7.3
London	49.5	71.2	43.7	522.9	576.3	10.2
Windsor	57.7	56.3	-2.3	553.1	470.1	-15.0
Sudbury	7.1	10.8	52.9	114.1	76.3	-33.2
Thunder Bay	11.2	13.7	22.4	157.9	89.5	-43.3
Winnipeg	68.9	50.4	-26.9	340.0	552.8	62.6
Regina	40.1	18.7	-53.3	112.1	230.3	105.5
Saskatoon	26.9	17.5	-34.9	227.3	197.6	-13.1
Calgary	225.1	212.9	-5.4	2,002.4	2,172.1	8.5
Edmonton	123.8	152.2	22.9	1,276.2	1,319.9	3.4
Abbotsford	16.3	9.8	-40.1	128.9	129.5	0.4
Vancouver	317.7	399.3	25.7	2,519.7	2,736.0	8.6
Victoria	43.9	69.3	57.8	347.0	433.1	24.8

<sup>r</sup> Revised data.

<sup>p</sup> Preliminary data.

**Note:** Data may not add to totals as a result of rounding.



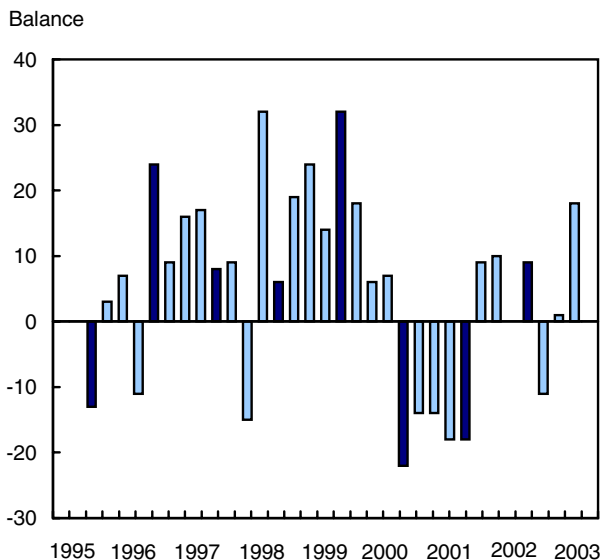
## Business Conditions Survey: Manufacturing industries

October 2003

Following a summer with a major blackout, a case of bovine spongiform encephalopathy (BSE or mad cow disease) and an increasingly strong dollar, manufacturers were more upbeat about fourth quarter production and employment prospects. However, manufacturers were still expressing some concern with high levels of finished product inventories and low levels of unfilled orders.

The voluntary survey, to which almost 4,000 manufacturers responded, requests opinions on production impediments, finished product inventory levels, new and unfilled order levels, production and employment prospects in the coming three months.

### Balance of opinion for expected volume of production next three months vs. last three months



### Manufacturers expect to increase production

In October, 34% of manufacturers stated they would increase production in the fourth quarter, while 16% expected to decrease production, leaving the balance of opinion at +18. This represents a 17-point rise from July and is the highest positive balance since April 2000. Producers in the primary metal, transportation equipment and food industries were the major contributors to the increase. By province, manufacturers in Saskatchewan, Alberta and Ontario

#### Note to readers

The business conditions survey is conducted in January, April, July and October; the majority of responses are recorded in the first two weeks of these months. Results are based on replies from about 4,000 manufacturers and are weighted by a manufacturer's shipments or employment. Consequently, larger manufacturers have a correspondingly larger impact on the results than smaller manufacturers.

Except for the data on production difficulties, data in this release are seasonally adjusted.

The Business Conditions Survey has adopted the North American Industry Classification System (NAICS) for its 2003 reference year, while previous years' data have been re-calculated to the new classification system back to 1992 to aid users with historical continuity. Detailed estimates based on NAICS are now available on CANSIM.

Developed by the statistical agencies of Canada, Mexico and the United States, the NAICS is designed to provide a common statistical framework and common definitions of the industrial structure of the three countries. The new classification facilitates the analysis and improves the comparability of the three countries' data.

were the most positive about production prospects for the coming three months.

The balance of opinion is determined by subtracting the proportion of manufacturers that stated production would decrease in the coming three months from the proportion who stated production would be increasing.

### Unfilled orders level a lesser source of concern

With 14% of manufacturers stating a higher-than-normal backlog and 25% expressing a lower-than-normal backlog, the balance of opinion concerning the current level of unfilled orders stood at -11 in October. Producers in the primary metal, transportation equipment, fabricated metal product and wood product industries contributed to the 18 point improvement in the balance.

According to the Monthly Survey of Manufacturing, unfilled orders in August stood at slightly over \$38.4 billion, down 19.2% from August 2002 and the lowest level since October 1997.

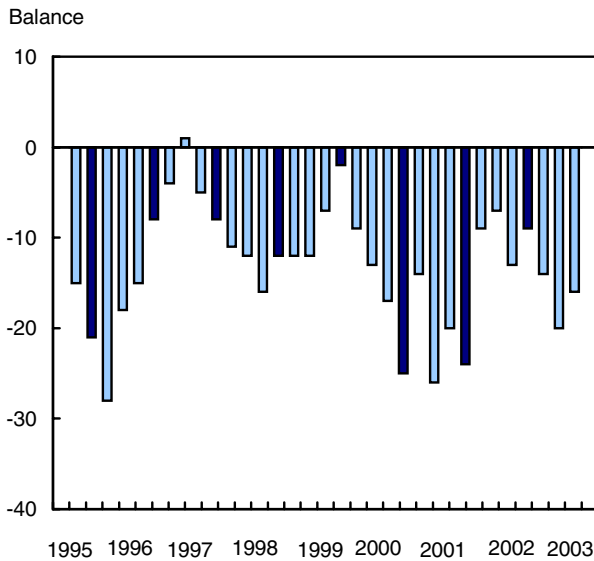
### Orders received satisfaction on the rise

Following two negative results, the October balance of opinion on the current level of orders received increased 9 points to +2. The number of manufacturers who stated that orders were increasing went to 20% in October from 15% in April. Again, producers in the transportation equipment, primary metal and fabricated metal product industries were the major contributors to the improved balance.

**Manufacturers still concerned with finished product inventories**

In October, 73% of manufacturers reported that the current level of finished product inventories was about right, 21% stated that inventories were too high and 5% said inventories were too low, leaving the balance of opinion at -16, a 4-point improvement from July. According to August's Monthly Survey of Manufacturing, finished product inventories posted a 2.4% decrease to \$19.1 billion, their lowest level in one year and the fourth decrease in a row.

**Balance of opinion for current level of finished-product inventory on hand**



**More manufacturers positive about employment prospects**

The balance of opinion for employment prospects for the next three months jumped 9 points to +2 in

October. While 86% of manufacturers stated that they would keep or add to their workforce, only 14% indicated that they expected to decrease employment in the coming quarter. After remaining negative during the last eleven quarters, this was the first positive employment prospects balance of opinion.

According to the latest release of the Labour Force Survey, manufacturing employment edged down a further 15,000 in September, bringing factory job losses so far in 2003 to 77,000 (-3.3%).

**More manufacturers reported production impediments**

The number of manufacturers reporting no production impediments fell 4 points to 75% in October. The proportion reporting a shortage of skilled labour increased 1 point to 8%. A shortage of unskilled labour was reported by 3% of manufacturers. Other impediments reported by 6% of manufacturers included the continuing appreciation of the Canadian dollar, a shortage of orders and the impact of mad cow disease.

**Available on CANSIM: tables 302-0007 and 302-0008.**

**Definitions, data sources and methods: survey number 2152.**

Business Conditions Survey data for January 2004 will be released on February 4, 2004.

For general information or to order data, contact the dissemination officer (1-866-873-8789; 613-951-9497; fax: 613-951-9499; [manufact@statcan.ca](mailto:manufact@statcan.ca)). To enquire about the concepts, methods or data quality of the release, contact Claude Robillard (613-951-3507; [claudio.robillard@statcan.ca](mailto:claudio.robillard@statcan.ca)), Manufacturing, Construction and Energy Division

□

**Business Conditions Survey: Manufacturing Industries**

	October 2002	January 2003	April 2003	July 2003	October 2003
	seasonally adjusted				
<b>Volume of production during next three months compared with last three months will be:</b>					
About the same (%)	66	63	51	57	50
Higher (%)	17	23	19	22	34
Lower (%)	17	14	30	21	16
Balance	0	9	-11	1	18
<b>Orders received are:</b>					
About the same (%)	55	71	64	63	62
Rising (%)	27	15	10	15	20
Declining (%)	18	14	26	22	18
Balance	9	1	-16	-7	2
<b>Present backlog of unfilled orders is:</b>					
About normal (%)	74	70	66	59	62
Higher than Normal (%)	8	12	7	6	14
Lower than Normal (%)	18	18	27	35	25
Balance	-10	-6	-20	-29	-11
<b>Finished product inventory on hand is:</b>					
About right (%)	78	83	80	72	73
Too low (%)	5	4	3	4	5
Too high <sup>1</sup> (%)	18	13	17	24	21
Balance	-13	-9	-14	-20	-16
<b>Employment during the next three months will:</b>					
Change little (%)	72	74	69	67	70
Increase (%)	13	13	13	13	16
Decrease (%)	15	13	18	20	14
Balance	-2	0	-5	-7	2
	unadjusted				
	%				
<b>Sources of production difficulties:</b>					
Working capital shortage	2	3	3	4	4
Skilled labour shortage	6	6	5	7	8
Unskilled labour shortage	4	1	1	2	3
Raw material shortage	2	3	4	3	3
Other difficulties	3	2	3	5	6
No difficulties	84	85	84	79	75

<sup>1</sup> No evident seasonality.





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Statistics Canada

Thursday, June 3, 1997  
For release at 8:30 a.m.



**MAJOR RELEASES**

- **Urban transit, 1995** 2  
Discusses the statistics on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 45 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1995** 4  
Growth in productivity among Canadian businesses was noticeably weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.

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### Statistics Canada's official release bulletin

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