

The Daily

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Canada produced 54.5 million cubic metres of softwood lumber in 2012, up 5.0% from 2011. Softwood lumber accounts for almost 98% of Canadian lumber production. While softwood production rose in 2012, hardwood lumber production declined 13.2% to 1.3 million cubic metres.

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Releases

Manufacturing at a glance: The Canadian lumber industry, 2003 to 2012

Canada produced 54.5 million cubic metres of softwood lumber in 2012, up 5.0% from 2011.

Softwood lumber accounts for almost 98% of Canadian lumber production. While softwood production rose in 2012, hardwood lumber production declined 13.2% to 1.3 million cubic metres.

While Canada is home to a variety of species, the spruce, pine and fir species accounted for 90.0% of the nation's softwood production.

The top three softwood producing provinces are British Columbia, Quebec and Alberta. British Columbia (53.5%), accounted for more than half of Canada's softwood production in 2012, of which 83.1% (24.2 million cubic metres) was spruce, pine and fir.

Quebec, the second largest softwood producer in 2012, had a 20.1% share of the national total, followed by Alberta (15.0%).

Of Canada's total softwood excluding spruce, pine and fir produced in 2012, 90.1% was produced in British Columbia. British Columbia did not produce any hardwood.

Note to readers

Spruce, pine and fir species: comprises white spruce, engelmann spruce, lodgepole pine and alpine fir. Spruce, pine and fir are used primarily in residential and commercial construction.

Lumber production values for British Columbia include production values for Yukon, Northwest Territories and Nunavut.

Canadian lumber and the US housing market

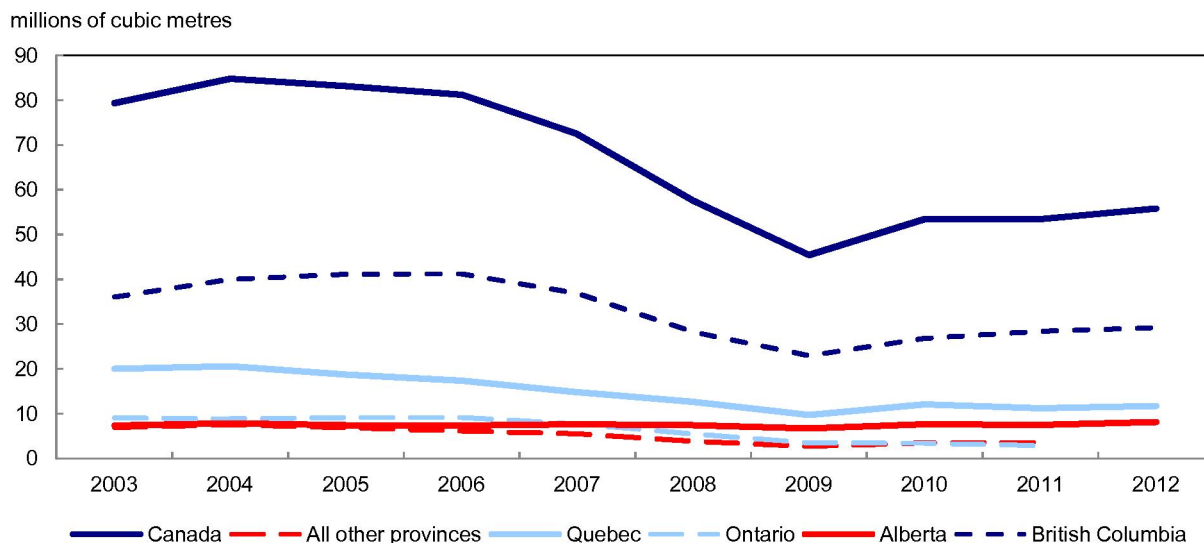
The United States' share of Canadian lumber is calculated using data published by Statistics Canada in the [Canadian International Merchandise Trade Database](#).

According to data published by the US Census Bureau for New Privately Owned Housing Units Started (annual data going back to 1959), housing starts in the United States, prior to 2008, had never been lower than 1 million units (the lowest point prior to 2008 was in 1991).

Total lumber production not yet back to 2004 peak

Even with the 2012 increase, lumber production remains lower than historical highs. Lumber production hit a record high of 84.8 million cubic metres in 2004, or 34.1% higher than 2012. Since 2004, lumber production has fallen by 43.1% in Quebec and by 27.0% in British Columbia. Alberta (+4.0%) was the lone province of the top three producers to post an increase from 2004 to 2012.

Chart 1
Total lumber production for sawmills, 2003 to 2012



Note(s): The category "all other provinces" refers to Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, Manitoba and Saskatchewan combined.
While there was lumber production in 2012 for Ontario and "all other provinces", the data are not publishable because of confidentiality.

Softwood lumber production and housing starts go hand-in-hand

Softwood lumber is an essential product in home construction. As such, the demand is largely driven by the trends in the Canadian and American housing markets. The United States is the largest importer of Canadian lumber and, in terms of quantity, accounted for 64.6% of Canada's lumber exports in 2012.

Canadian housing starts were up 10.8% in 2012 compared with 2011, while US housing starts rose 28.2% over the same period.

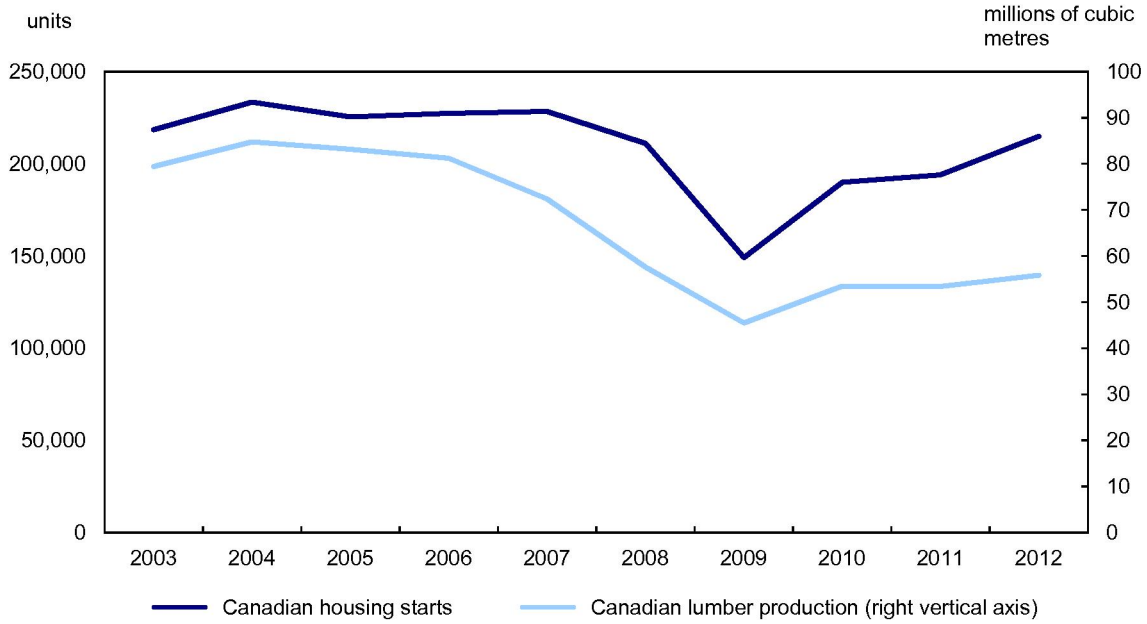
Despite the much larger increase in the US market in 2012, housing starts in Canada were back to a level much closer to their peak of the past decade. This reflects the fact that the economic downturn was not as severe in Canada as it was in the United States.

Looking at the past decade, Canadian housing starts peaked in 2004 with 233,400 units and then fell 36.1% to a low of 149,000 units in 2009 at the trough of the economic downturn. Since 2009, Canadian housing starts have been steadily increasing and stood 8.0% below the 2004 peak in 2012.

Housing starts in the United States reached their highest point in the last decade in 2005 with 2.1 million units. From the 2005 peak, housing starts fell 73.7% to an all-time low of 554,000 units in 2009. Even though starts in the United States have been gradually increasing since the economic downturn, they were still 62.3% lower in 2012 than the peak in 2005.

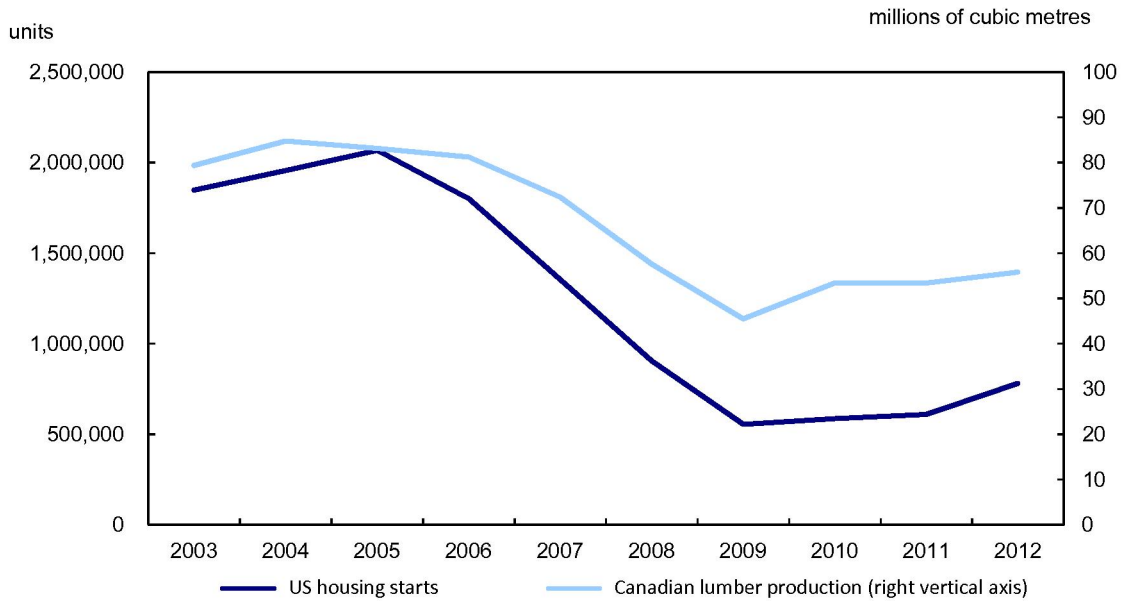
Total Canadian lumber production has followed a similar trend to that of housing starts in Canada and the United States. Canada's total lumber production fell 42.7% from 2003 to 45.5 million cubic metres in 2009. From 2009 to 2012, lumber production rose 22.8% to 55.8 million cubic metres.

Chart 2
Canadian housing starts and Canadian lumber production, 2003 to 2012



Source(s): Statistics Canada, CANSIM table 303-0064 and Canada Mortgage and Housing Corporation (www.cmhc-schl.gc.ca)

Chart 3
United States housing starts and Canadian lumber production, 2003 to 2012

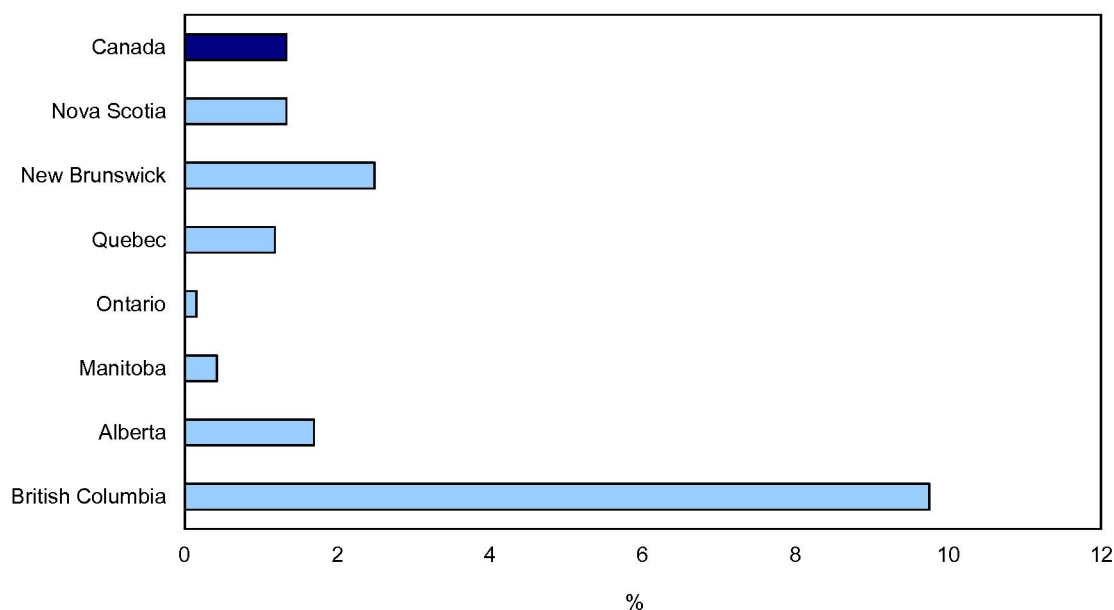


Source(s): Statistics Canada, CANSIM table 303-0064 and US Census Bureau (www.census.gov/construction/nrc/historical_data/)

British Columbia relies heavily on the lumber industry

Sawmill sales represented 1.3% of total manufacturing sales in 2012. Sawmill sales were above the national average in British Columbia (9.7%), New Brunswick (2.5%) and Alberta (1.7%).

Chart 4
Proportion of sawmills sales to all manufacturing sales by province, 2012



Available in CANSIM: tables 303-0064, 304-0014 and 304-0015.

Definitions, data sources and methods: survey numbers 2101 and 2134.

The United States' share of Canadian lumber is calculated using data published by Statistics Canada in the [Canadian International Merchandise Trade Database](#).

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

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Non-residential Building Construction Price Index, third quarter 2013

The composite price index for non-residential building construction rose 0.1% in the third quarter compared with the previous quarter. The quarterly increase was mainly attributable to a slight rise in building costs reported by contractors in some census metropolitan areas (CMAs).

Of the seven CMAs surveyed, five reported quarterly gains ranging from 0.1% to 0.7%. The largest increase was in Calgary (+0.7%), followed by Edmonton (+0.5%). Contractors in Montréal (-0.1%) reported the lone decline.

Year over year, the composite price index for non-residential building construction was up 0.9%. Of the CMAs surveyed, Vancouver (+3.1%) recorded the largest year-over-year gain, while Ottawa–Gatineau (-0.3%) recorded the lone decline compared with the third quarter 2012.

Note to readers

The Non-residential Building Construction Price Index is a quarterly series that measures changes in contractors' selling prices of new non-residential building construction in seven census metropolitan areas: Halifax, Montréal, Ottawa–Gatineau (Ontario part), Toronto, Calgary, Edmonton, and Vancouver. Three classes of structures are covered; commercial, industrial, and institutional.

Selling prices include costs of materials, labour, equipment, provincial sales taxes where applicable, and contractors' overhead and profit. The cost of land, land assembly, design, development, and real estate fees are excluded. Value added taxes such as the Federal Goods and Services Tax and the Harmonized Sales Tax are excluded.

The provincial government of British Columbia introduced legislation on May 14, 2012, announcing the return to a provincial sales tax on April 1, 2013. The provincial sales tax on building materials in British Columbia is now embedded in contractors' selling prices of non-residential buildings. These changes are reflected in the Non-residential Building Construction Price Index as reported by respondents.

This release presents data that are not seasonally adjusted and the indexes published are subject to a one quarter revision period after dissemination of a given quarter's data.

Table 1
Non-residential Building Construction Price Index¹ – Not seasonally adjusted

	Relative importance ²	Third quarter 2012	Second quarter 2013 ^r	Third quarter 2013 ^p	Second quarter to third quarter 2013	Third quarter 2012 to third quarter 2013
	%	(2002=100)			% change	
Composite index	100.0	151.0	152.1	152.3	0.1	0.9
Halifax	2.4	144.4	145.6	145.7	0.1	0.9
Montréal	16.3	143.0	144.2	144.0	-0.1	0.7
Ottawa–Gatineau, Ontario part ³	5.7	156.0	155.4	155.5	0.1	-0.3
Toronto	40.4	151.7	152.1	152.1	0.0	0.3
Calgary	10.9	171.1	172.2	173.4	0.7	1.3
Edmonton	11.0	168.0	169.1	169.9	0.5	1.1
Vancouver	13.3	142.9	146.9	147.3	0.3	3.1

^r revised

^p preliminary

1. Go online to view the census subdivisions that comprise the census metropolitan areas (CMAs).

2. The relative importance is calculated using a price adjusted three-year average of the value of building permits for each CMA.

3. For the Ottawa–Gatineau metropolitan area, only Ontario contractors are surveyed for the Non-residential Building Construction Price Index because of different provincial legislation and construction union contracts.

Available in CANSIM: tables 327-0043 and 327-0044.

Definitions, data sources and methods: survey numbers 2317 and 2330.

The second quarter 2013 issue of *Capital Expenditure Price Statistics*, Vol. 29, no. 2 (62-007-X), is available from the *Browse by key resource* module of our website under *Publications*. This is the last edition of the publication. In the future, all information in the publication will be available free of charge on our website.

The Non-residential Building Construction Price Index for the fourth quarter will be released February 11, 2014.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Apartment Building Construction Price Index, third quarter 2013

The composite price index for apartment building construction rose 0.2% in the third quarter compared with the previous quarter. The quarterly increase was mainly attributable to contractors reporting a slight rise in building costs in some census metropolitan areas (CMAs).

Of the seven CMAs surveyed, three reported quarterly gains ranging from 0.4% to 1.1%. The largest increase was in Calgary (+1.1%), followed by Vancouver (+0.5%). Montréal (-0.1%) recorded the only decline.

Year over year, the composite price index for apartment building construction was up 1.3%. Of the CMAs surveyed, Vancouver (+3.3%) recorded the largest year-over-year gain, while Ottawa–Gatineau recorded a 0.3% decline from the third quarter of 2012.

Note to readers

The Apartment Building Construction Price Index is a quarterly series that measures changes in contractors' selling prices of new apartment building construction in seven census metropolitan areas: Halifax, Montréal, Ottawa–Gatineau (Ontario part), Toronto, Calgary, Edmonton and Vancouver.

Selling prices include costs of materials, labour, equipment, provincial sales taxes where applicable, and contractors' overhead and profit. The cost of land, land assembly, design, development and real estate fees are excluded. Value added taxes such as the Federal Goods and Services Tax, and the Harmonized Sales Tax are excluded.

The provincial government of British Columbia introduced legislation on May 14, 2012, announcing the return to a provincial sales tax on April 1, 2013. The provincial sales tax on building materials in British Columbia is now embedded in contractors' selling prices of apartment buildings. These changes are reflected in the Apartment Building Construction Price Index as reported by respondents.

This release presents data that are not seasonally adjusted and the indexes published are subject to a one quarter revision period after dissemination of a given quarter's data.

Table 1
Apartment Building Construction Price Index¹ – Not seasonally adjusted

	Relative importance ²	Third quarter 2012	Second quarter 2013 ^r	Third quarter 2013 ^p	Second quarter to third quarter 2013	Third quarter 2012 to third quarter 2013
	%	(2002=100)			% change	
Composite index	100.0	144.1	145.7	146.0	0.2	1.3
Halifax	2.6	139.3	140.4	140.4	0.0	0.8
Montréal	26.7	140.8	142.0	141.9	-0.1	0.8
Ottawa–Gatineau, Ontario part ³	3.0	149.5	149.0	149.0	0.0	-0.3
Toronto	35.4	144.6	145.3	145.3	0.0	0.5
Calgary	5.1	167.0	168.3	170.2	1.1	1.9
Edmonton	4.1	162.8	164.0	164.7	0.4	1.2
Vancouver	23.1	144.4	148.5	149.2	0.5	3.3

^r revised

^p preliminary

1. Go online to view the census subdivisions that comprise the census metropolitan areas (CMAs).

2. The relative importance is calculated using a price adjusted three-year average of the value of building permits for each CMA.

3. For the Ottawa–Gatineau metropolitan area, only Ontario contractors are surveyed for the Apartment Building Construction Price Index because of different provincial legislation and construction union contracts.

Available in CANSIM: table 327-0044.

Definitions, data sources and methods: survey numbers 2317 and 2330.

The second quarter 2013 issue of *Capital Expenditure Price Statistics*, Vol. 29, no. 2 ([62-007-X](#), free), is available from the *Browse by key resource* module of our website under *Publications*. This is the last edition of the publication. In the future, all information in the publication will be available free of charge on our website.

The Apartment Building Construction Price Index for the fourth quarter will be released on February 11, 2014.

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Aircraft movement statistics: Major airports, August 2013

Aircraft take-offs and landings at the 93 Canadian airports with NAV CANADA air traffic control towers and flight service stations decreased 2.3% in August from August 2012. These airports reported 525,823 movements in August 2013.

Available in CANSIM: tables 401-0007 to 401-0020.

Definitions, data sources and methods: survey number 2715.

A [data table](#) with summary information on airports with NAV CANADA air traffic control towers is available from the *Browse by key resource* module of our website under *Summary tables*.

The August 2013 issue of *Aircraft Movement Statistics: NAV CANADA Towers and Flight Service Stations (TP 141) (51-007-X)* is now available from the *Browse by key resource* module of our website under *Publications*. This report is a joint publication of Statistics Canada and Transport Canada.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

New products and studies

New products

National Symmetric Input-Output Tables - Aggregation Level S, 2010

Catalogue number 15-207-X (CD-ROM)

National Symmetric Input-Output Tables - Aggregation Level L, 2010

Catalogue number 15-208-X (CD-ROM)

Provincial Gross Domestic Product (GDP) by Industry and Sector at Basic Price, 2010

Catalogue number 15-209-X (CD-ROM)

Provincial Gross Output by Industry and Sector, 2010

Catalogue number 15-210-X (CD-ROM)

Provincial Symmetric Input-Output Tables: Aggregation Level S, 2010

Catalogue number 15-211-X (CD-ROM)

Interprovincial Trade Flows (IPTF), 2010

Catalogue number 15F0002X (Diskette)

National Input-Output Tables, 2010

Catalogue number 15F0041X (Diskette, \$0)

Provincial Input-Output Tables, 2010

Catalogue number 15F0042X (Diskette, \$0)

Aircraft Movement Statistics: NAV CANADA Towers and Flight Service Stations (TP 141), August 2013

Catalogue number 51-007-X (HTML | PDF)



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