

# The Daily

Statistics Canada

Thursday, February 12, 2015

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## Releases

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Since 1926, provincial per capita incomes tended to converge, but this general trend was periodically interrupted by economic shocks ranging from the Great Depression of the 1930s to the commodity boom of the 2000s.	
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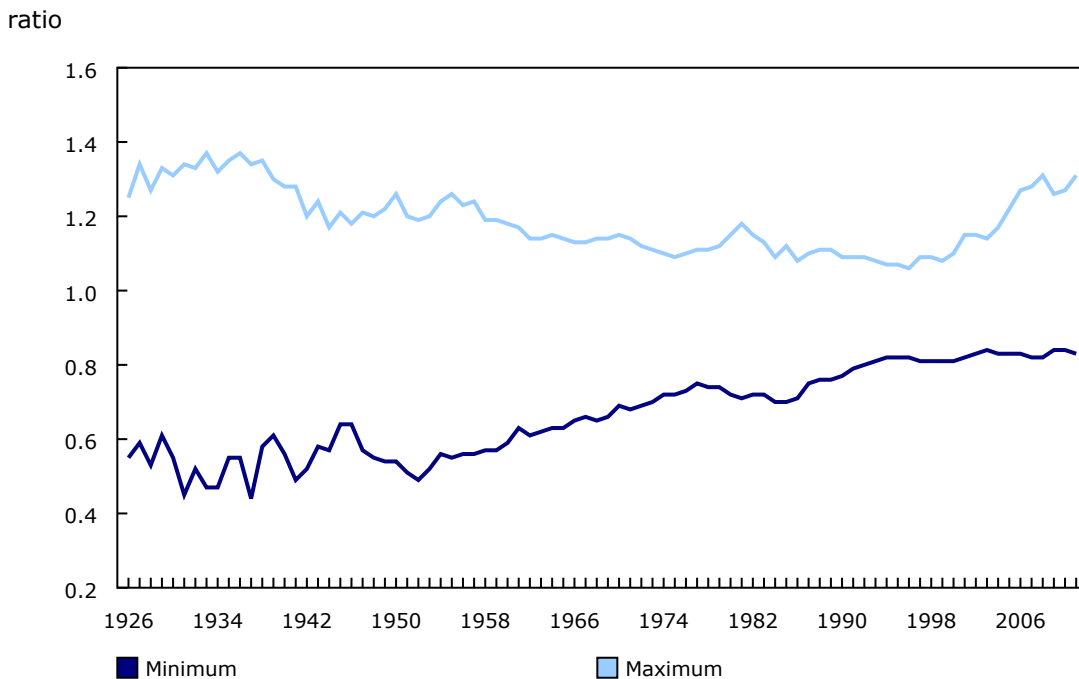
## Releases

### Study: Provincial convergence and divergence in Canada, 1926 to 2011

Per capita household disposable incomes in Canada in the majority of provinces became more similar over much of the last nine decades, according to a new study, "Provincial Convergence and Divergence in Canada, 1926 to 2011." The study found that, except for several notable episodes, personal disposable income per capita in the provinces converged over the period.

However, convergence in Canada has not been a smooth process. Periods when incomes became more similar (convergent periods) were followed by periods when incomes became less similar (divergent periods). Income diverged across provinces several times during the study period, in particular at the onset of the Great Depression in the early 1930s, following the return to peacetime production after the Second World War, during the first and second oil price shocks in 1973 and 1979, and then again, from 1996 to 2011.

**Chart 1**  
**Dispersion of provincial per capita household disposable income relative to the national average, 1926 to 2011**



Source(s): CANSIM table [384-5000](#).

#### Note to readers

Chart 1 displays the range of per capita provincial estimates relative to the Canadian average. The bottom line in the chart is the lowest provincial per capita income relative to the national average for each year; the top line is the highest; and the distance between them illustrates the range of data. The wider the range, the more dispersed is provincial per capita income. As convergence occurred, the difference between the lines narrowed. When divergence occurred, the distance increased.

While the tendency was for household disposable income per capita to become more similar across most provinces, income per capita was highly variable for Alberta and Saskatchewan, as their economies experienced significant contractions and expansions. Alberta and Saskatchewan have growth paths for relative per capita income that moved in tandem over time, rising up or sliding down the national rankings of relative provincial per capita incomes. They reached lows during the 1930s (6th place for Alberta, 10th for Saskatchewan), but by the 2000s, both provinces were ranked at the top of the income distribution (first for Alberta, second for Saskatchewan). Their movements across the income distribution were largely responsible for the overall convergence/divergence patterns across provinces.

Newfoundland and Labrador was part of the larger, convergent group of provinces prior to 1997, but subsequently moved to fall into lock-step with Alberta and Saskatchewan. From 1997 to 2011, income per capita for all three provinces increased at about the same rate, with Alberta posting a 23% increase relative to the national average, while both Saskatchewan and Newfoundland and Labrador reported increases slightly above 21%.

**Available in CANSIM: table [384-5000](#).**

**Definitions, data sources and methods: survey number [1902](#).**

The research paper "Provincial Convergence and Divergence in Canada, 1926 to 2011," part of the *Economic Analysis Research Paper Series* ([11F0027M](#)), is now available from the *Browse by key resource* module of our website under *Publications*.

The paper "Constructing Provincial Time Series: A Discussion of Data Sources and Methods," part of the *Income and Expenditure Accounts Technical Series* ([13-604-M](#)), is also released today. This paper describes the linking and estimation procedures used to generate an updated vintage of the provincial comparison dataset, examining convergence across Canadian provinces.

Also released today, is a new CANSIM table (384-5000), entitled "Data on long-run provincial and territorial economic performance."

Similar studies are available in the [Update on Economic Analysis](#) module of our website.

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

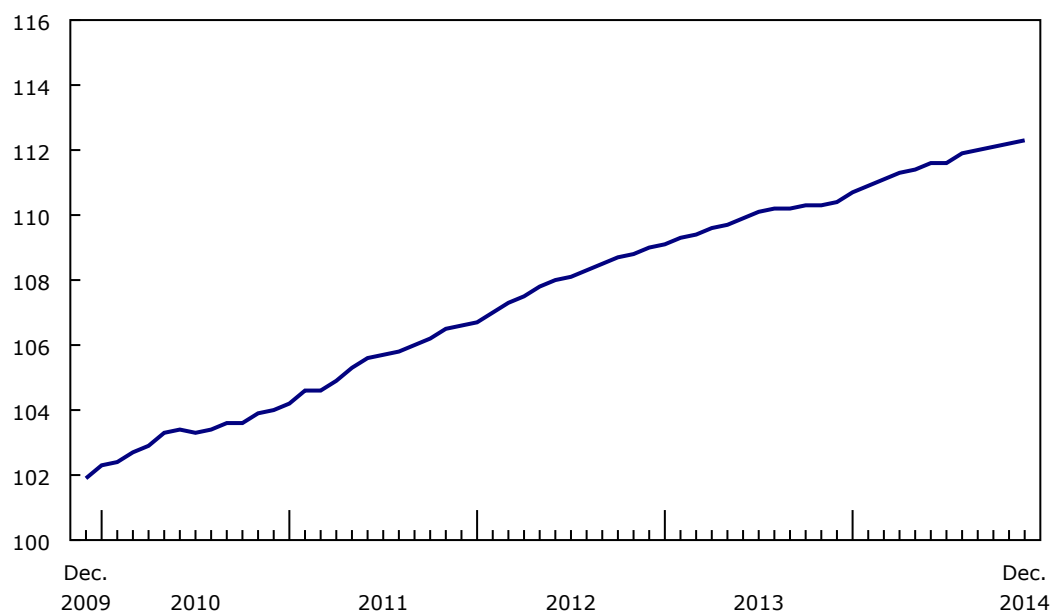
To enquire about the concepts, methods or data quality of this release, contact Mark Brown (613-951-7292; [mark.brown@statcan.gc.ca](mailto:mark.brown@statcan.gc.ca)) or Ryan Macdonald (613-951-5687; [ryan.macdonald@statcan.gc.ca](mailto:ryan.macdonald@statcan.gc.ca)), Economic Analysis Division.

## New Housing Price Index, December 2014

The New Housing Price Index (NHPI) posted a fourth consecutive 0.1% increase in December. Gains in Ontario and Alberta were moderated by a decline in Quebec.

### Chart 1 New Housing Price Index

index (2007=100)



Source(s): CANSIM table [327-0046](#).

The combined metropolitan region of Toronto and Oshawa was the top contributor to the December advance, with prices rising 0.2% over the previous month. Increases due to market conditions were partially offset by builders offering bonus packages to stimulate sales.

The census metropolitan area (CMA) of London (+0.5%) recorded the largest increase in December. Builders reported market conditions as the main reason for the price gain. Monthly prices in London have been increasing or have been unchanged throughout the year.

New housing prices rose 0.4% in the CMAs of Kitchener–Cambridge–Waterloo and Hamilton. Builders in both areas cited market conditions and higher city development fees as the reasons for the increase. Monthly prices have been increasing in Hamilton since February.

Prices were also up 0.4% in Charlottetown, as builders cited higher costs for material, labour and land. This was the first increase in Charlottetown since July 2013 and the largest since January 2013.

New housing prices edged up 0.1% in Calgary—the smallest gain in that CMA since December 2013. Builders reported higher material and labour costs as the main reasons for the increase.

Prices were unchanged in 11 of the 21 metropolitan areas surveyed.

New housing prices fell 0.2% in the CMAs of Ottawa–Gatineau and Saskatoon. Builders in Ottawa–Gatineau introduced new promotional pricing, while builders in Saskatoon reported lower negotiated selling prices. This was the largest monthly price decrease in Saskatoon since July 2013.

Prices declined 0.1% in both Vancouver and Montréal. Builders cited lower negotiated selling prices as the primary reason for the price declines in both CMAs.

The NHPI rose 1.7% over the 12-month period ending in December, following an identical increase in November.

The annual increase was led by Calgary (+6.5%) and the combined metropolitan region of Toronto and Oshawa (+2.5%).

Compared with the same month in 2013, the Prairie region (+3.0%), Ontario (+2.0%) and the Atlantic region (+0.1%) posted annual price gains in December, while Quebec (-0.1%) and British Columbia (-0.6%) recorded annual decreases.

In Atlantic Canada, annual advances in St. John's and Halifax (both up 0.3%) were almost completely offset by decreases in Charlottetown (-1.5%) and the combined region of Saint John, Fredericton, and Moncton (-0.5%).

In Ontario, significant year-over-year increases occurred in Hamilton (+3.3%) and London (+2.7%). This was the largest annual price increase in Hamilton since March 2008 and the largest in London since June 2010.

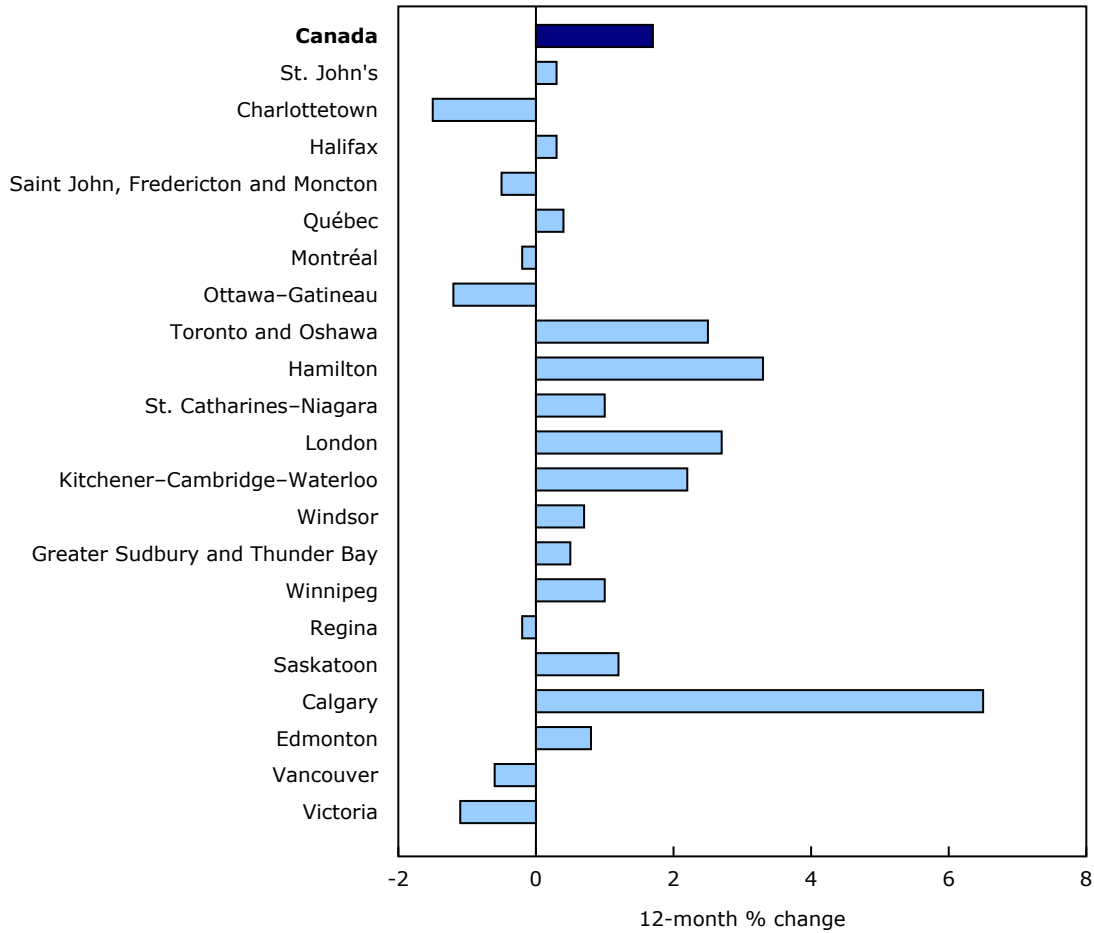
Ottawa–Gatineau recorded a price decline of 1.2% in the 12 months to December.

On the Prairies, prices in Winnipeg rose 1.0% in the 12 months to December—the smallest annual increase in that CMA since May 1999. Compared with December 2013, new housing prices were up 0.8% in Edmonton.

The year-over-year price decline in Quebec (-0.1%) was the first in that province since December 1997. New housing prices in Montréal were down 0.2% in the 12 months to December, while prices in the CMA of Québec were up 0.4% over the same period.

Annual prices continued to decrease in British Columbia, as both Victoria (-1.1%) and Vancouver (-0.6%) posted 12-month price declines in December.

**Chart 2**  
**Calgary posts the largest year-over-year price increase**



Source(s): CANSIM table [327-0046](#).

**Note to readers**

The New Housing Price Index measures changes over time in the selling prices of new residential houses agreed upon between the contractor and the buyer at the time of the signing of the contract. It is designed to measure the changes in the selling prices of new houses where detailed specifications pertaining to each house remain the same between two consecutive periods.

The survey covers the following dwelling types: single dwellings, semi-detached houses and row houses (town houses or garden homes). The survey also collects contractors' estimates of the current value (evaluated at market price) of the land. These estimates are independently indexed to provide the published series for land. The residual (total selling price less land value), which mainly relates to the current cost of the structure, is also independently indexed and is presented as the estimated house series. The index is available at the Canada and provincial levels, and for 21 metropolitan areas.

The prices collected from builders and included in the index are market selling prices less value added taxes, such as the Federal Goods and Services Tax or the Harmonized Sales Tax.

The index is not subject to revision and is not seasonally adjusted.

**Table 1**  
**New Housing Price Index – Not seasonally adjusted<sup>1</sup>**

	Relative importance <sup>2</sup>	December 2013	November 2014	December 2014	November to December 2014	December 2013 to December 2014
	%	(2007=100)			% change	
<b>Canada total</b>	<b>100.00</b>	<b>110.4</b>	<b>112.2</b>	<b>112.3</b>	<b>0.1</b>	<b>1.7</b>
House only	...	111.2	113.3	113.4	0.1	2.0
Land only	...	108.2	109.3	109.4	0.1	1.1
St. John's	1.76	150.9	151.3	151.3	0.0	0.3
Charlottetown	0.18	103.4	101.4	101.8	0.4	-1.5
Halifax	1.15	117.7	118.0	118.0	0.0	0.3
Saint John, Fredericton and Moncton <sup>3</sup>	0.46	108.4	107.9	107.9	0.0	-0.5
Québec	2.35	122.7	123.2	123.2	0.0	0.4
Montréal	8.27	117.0	116.9	116.8	-0.1	-0.2
Ottawa–Gatineau	4.50	115.5	114.3	114.1	-0.2	-1.2
Toronto and Oshawa <sup>3</sup>	28.01	120.4	123.1	123.4	0.2	2.5
Hamilton	3.20	109.8	112.9	113.4	0.4	3.3
St. Catharines–Niagara	1.03	110.9	112.0	112.0	0.0	1.0
London	1.65	112.5	114.9	115.5	0.5	2.7
Kitchener–Cambridge–Waterloo	1.67	111.2	113.2	113.6	0.4	2.2
Windsor	0.73	100.4	101.1	101.1	0.0	0.7
Greater Sudbury and Thunder Bay <sup>3</sup>	0.61	108.2	108.7	108.7	0.0	0.5
Winnipeg	2.77	136.5	137.9	137.9	0.0	1.0
Regina	1.31	159.9	159.6	159.6	0.0	-0.2
Saskatoon	2.63	121.7	123.4	123.2	-0.2	1.2
Calgary	12.18	104.5	111.2	111.3	0.1	6.5
Edmonton	12.68	90.9	91.6	91.6	0.0	0.8
Vancouver	11.78	96.5	96.0	95.9	-0.1	-0.6
Victoria	1.08	84.1	83.2	83.2	0.0	-1.1

... not applicable

1. Values have been rounded.

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

3. To ensure data confidentiality, the following census metropolitan areas and census agglomeration are grouped together as follows: Saint John, Fredericton and Moncton; Toronto and Oshawa; and Greater Sudbury and Thunder Bay.

**Note(s):** View the census subdivisions that comprise the [metropolitan areas](#) online.

**Source(s):** CANSIM table [327-0046](#).

**Available in CANSIM: table [327-0046](#).**

**Definitions, data sources and methods: survey number [2310](#).**

The New Housing Price Index for January will be released on March 12.

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](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).

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## Small area data on field crops, 2014

Small area data on field crops are now available for the 2014 crop year.

### **Note to readers**

*Small area data on field crops show seeded and harvested area, yield and production figures for most principal field crops and some special crops in Canada, at the census agricultural region level (except for Quebec, where small areas are defined by provincial administrative boundaries). The provinces covered are British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec. The data are available in both imperial and metric units of measure, for periods ranging from 1976 to 2014. The data are derived from the results of the November Farm Survey of the preceding year, of which the production estimates were only expressed at the provincial level in early December.*

**Available in CANSIM: table [001-0071](#).**

**Definitions, data sources and methods: survey number [3401](#).**

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](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).



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## Income of immigrants: Alberta, 2012

Data from the Longitudinal Immigration Database for Alberta from 1980 to 2012 are now available. Tables at the Canada level were released in [The Daily](#) on January 12, 2015. See the note to readers for the release schedule of other provincial data.

### Note to readers

*The Longitudinal Immigration Database provides information on immigrant economic outcomes, by immigrant characteristics at landing, such as the admission category, education level and knowledge of French or English.*

*The database combines an Administrative Landing File with the T1 Family File through exact matching record-linkage techniques. The overall linkage rate is approximately 87%. The population includes immigrants who landed between 1980 and 2012 and who filed taxes at least once between 1982 and 2012.*

### Release schedule

*The following schedule provides the release dates of provincial data, by descending order of population size:*

*February 9, 2015: Ontario*

*February 10, 2015: Quebec*

*February 11, 2015: British Columbia*

*February 12, 2015: Alberta*

*February 13, 2015: Atlantic provinces*

*February 16, 2015: Manitoba*

*February 17, 2015: Saskatchewan.*

**Available in CANSIM: tables [054-0006](#), [054-0007](#) and [054-0020](#).**

**Definitions, data sources and methods: survey number [5057](#).**

For a more detailed description of immigrant admission categories, consult the [Help centre](#) page of the Citizenship and Immigration Canada website.

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

To enquire about the concepts, methods or data quality of this release, contact Athanase Barayandema (613-404-9212; [athanase.barayandema@statcan.gc.ca](mailto:athanase.barayandema@statcan.gc.ca)), Social and Aboriginal Statistics Division.

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## New products and studies

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### New products

**Income and Expenditure Accounts Technical Series: "Constructing Provincial Time Series: A Discussion of Data Sources and Methods", No. 77**  
Catalogue number [13-604-M2015077](#) (HTML | PDF)

### New studies

**Economic Analysis (EA) Research Paper Series: "Provincial Convergence and Divergence in Canada, 1926 to 2011", No. 96**  
Catalogue number [11F0027M2015096](#) (HTML | PDF)



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