

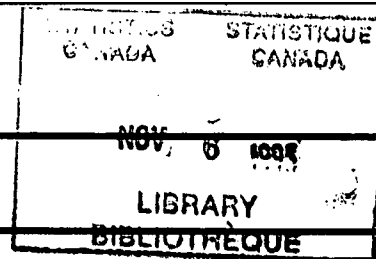


The Daily

Statistics Canada

Monday, November 6, 1995

For release at 8:30 a.m.



MAJOR RELEASES

- **Building permits, third quarter 1995 and September 1995**
The value of residential building permits issued by municipalities in the third quarter of 1995 slipped to its lowest level in four years despite stable mortgage rates and a recent rally in sales of new and existing homes. 2

OTHER RELEASES

Practices in support of quality services in the federal public service, 1995 5

PUBLICATIONS RELEASED 6



Statistics
Canada

Statistique
Canada

Canada

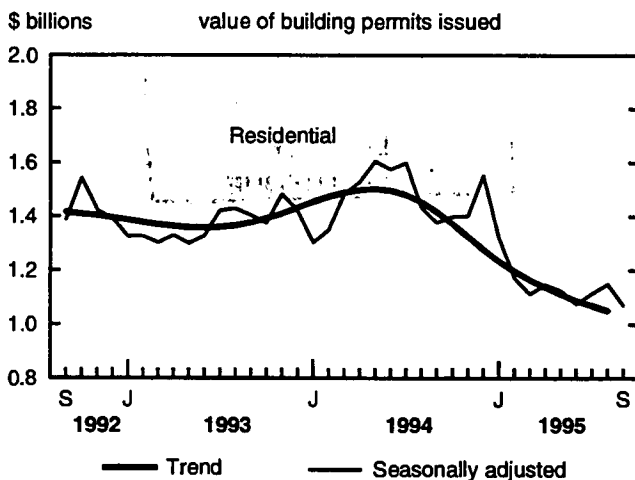
MAJOR RELEASES

Building permits

Third quarter 1995 and September 1995

The value of residential building permits issued by municipalities in the third quarter of 1995 slipped to its lowest level in four years despite stable mortgage rates and a recent rally in sales of new and existing homes.

No relief in sight for housing before 1996



From July to September, municipalities issued \$3.3 billion in permits for new housing, down 0.3% from the second quarter. It was the fifth consecutive quarterly decrease in the residential sector. Even so, it marked a major improvement from the quarterly decreases in the first half of 1995 (-17.1% in the first quarter and -7.2% in the second).

The outlook for new housing construction remains bleak for the rest of 1995 and for the beginning of 1996, largely because it will take time to whittle down the excess stock of unsold homes at the current rate of sales. Moreover, improved affordability in housing and stable mortgage rates have not been enough to dispel consumers' pessimism over the state of the economy.

On the other hand, led by the industrial sector, non-residential construction intentions continued to advance, putting a brake on the overall rate of decline

Note to readers

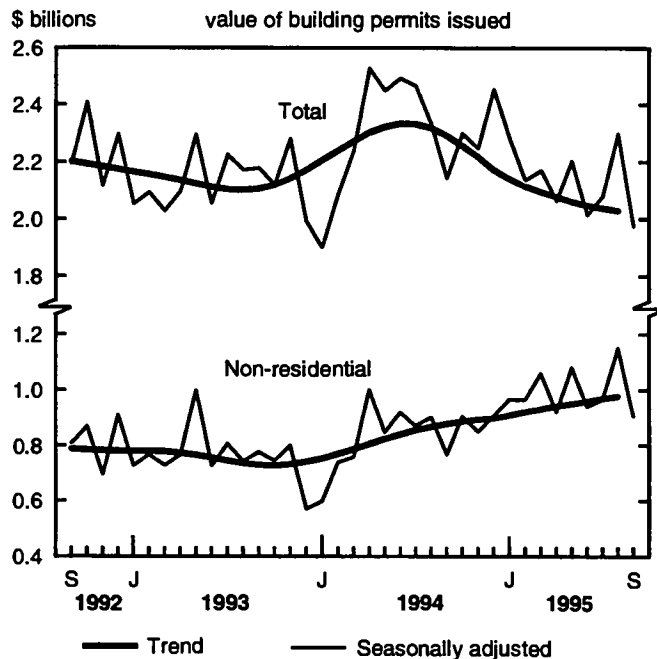
Unless otherwise stated, this release presents seasonally adjusted data, which ease comparisons by removing the effects of seasonal variations.

The monthly Building and Demolitions Permits Survey covers 2,400 municipalities representing 93% of the population. It provides an early indication of building activity. The communities representing the other 7% 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, culverts, etc.) and land. The annual rate is a monthly figure that has been seasonally adjusted and multiplied by 12 to reflect annual levels.

in total construction intentions in 1995. So far this year, permits for industrial projects have increased a sizzling 44.6%, the strongest gain of any sector.

Non-residential intentions are slowing the overall decline in construction



On a monthly basis, both residential and non-residential construction contributed to an overall decline in the value of permits to \$2.0 billion (-14.1%) in September. Housing construction intentions fell 6.8% to \$1.1 billion, offsetting increases during the previous two months. After a sharp increase in August, non-residential construction dropped 21.4% to \$0.9 billion in September, only the third monthly decline this year.

No relief in sight for housing before 1996

The value of housing construction intentions reached \$10.2 billion in the first nine months of 1995, down 22.4% compared with the same period last year. The slump in housing was reflected almost equally in the single (-22.8%) and multi-family (-21.2%) dwelling construction intentions. However, almost all of the drop occurred in the first six months of this year.

The lower level of permits issued this year is reflected in a third-quarter Canada Mortgage and Housing Corporation survey that reported a fifth consecutive quarterly decrease in housing starts—the lowest level in 13 years.

Even with the recent decreases, the overall housing market showed some signs of improvement. The positive resale market, the drop in unsold inventories of new homes and the gain in construction employment over the June-to-September period (+19,000 jobs) are all encouraging signs. Nevertheless, a major turnaround in the new housing market could take several months.

During the third quarter, the slight decrease in the overall value of residential building permits came mainly from Ontario (-7.0%), due entirely to the multi-family dwelling component (-32.4%). To a lesser extent, Quebec, Nova Scotia and Prince Edward Island also recorded decreases. By contrast, all other provinces and territories increased their value of residential building permits. The most significant gains occurred in Alberta (+14.1%) and British Columbia (+2.0%), where the gains came after four consecutive quarterly decreases.

Non-residential construction set to outclass 1994

Non-residential construction intentions rose 2.8% to \$3.0 billion in the third quarter, the second quarter this

year that they have reached that level. It was also the highest quarterly level in almost four years.

The third quarter extended the steady growth since the start of 1994. The value of non-residential construction intentions for the first nine months of 1995 jumped to \$8.9 billion, up 21.0% over the same period last year. Industrial construction intentions exhibited the strongest gain with a sizzling 44.7% increase, fuelled by major projects in the pulp and paper industry. Commercial and institutional construction intentions also showed significant gains, up 13.1% and 16.7% respectively.

This confirms data released in *The Daily* on July 26, 1995 ("Private and public investment, 1995 revised intentions"), which showed that businesses and governments plan to invest 7.2% more in 1995 than in 1994 on plant and equipment.

In the third quarter, the value of non-residential permits rose in all provinces and territories except Saskatchewan, British Columbia, New Brunswick and the Northwest Territories. Quebec showed the best performance in non-residential construction (+22.6%), mainly due to its industrial component, which surged 90.8% compared with the second quarter. By contrast, British Columbia recorded decreases in all three non-residential components for an overall decline of 25.6%.

Available on CANSIM: matrices 80 (levels 3-7, 16-22 and 24-32), 129, 137, 443, 989-992, 994-995 and 4073.

The September 1995 issue of *Building permits* (64-001, \$24/\$240) will be released on November 10. See "How to order publications".

The October estimates will be released on December 4.

For further information on this release, contact Joanne Bureau (613-951-9689). For analytical information, contact Nathalie Léveillé (613-951-2025), Current Investment Indicators Section, Investment and Capital Stock Division. □

Value of building permits

Region and type of construction	Aug. 1995	Sept. 1995	Aug. 1995 to Sept. 1995	Second quarter 1995	Third quarter 1995	Second quarter 1995 to Third quarter 1995
seasonally adjusted						
	\$ millions		% change	\$ millions		% change
Canada	2,299	1,975	-14.1	6,281	6,354	1.1
Residential	1,149	1,071	-6.8	3,345	3,334	-0.3
Non-residential	1,150	904	-21.4	2,937	3,020	2.8
Newfoundland	17	22	27.2	48	56	15.1
Residential	12	13	4.3	31	38	21.0
Non-residential	5	9	85.9	17	18	4.0
Prince Edward Island	7	8	12.3	22	21	-6.5
Residential	4	3	-40.7	12	10	-20.8
Non-residential	3	6	92.5	10	11	11.7
Nova Scotia	59	50	-15.2	154	165	7.1
Residential	37	33	-11.1	109	105	-3.7
Non-residential	22	17	-22.1	45	60	33.2
New Brunswick	36	43	19.0	151	142	-6.1
Residential	19	21	11.5	51	60	16.1
Non-residential	17	22	27.4	100	82	-17.5
Quebec	463	401	-13.5	1,137	1,258	10.6
Residential	181	177	-2.6	565	556	-1.5
Non-residential	282	224	-20.4	572	702	22.6
Ontario	851	666	-21.8	2,336	2,304	-1.4
Residential	386	380	-1.4	1,241	1,154	-7.0
Non-residential	465	285	-38.7	1,095	1,149	5.0
Manitoba	53	53	-0.5	139	161	15.5
Residential	22	22	-2.0	63	70	9.9
Non-residential	31	31	0.6	76	91	20.1
Saskatchewan	37	43	16.2	143	129	-10.3
Residential	13	18	45.9	42	45	7.0
Non-residential	24	25	1.0	101	83	-17.6
Alberta	241	249	3.4	628	699	11.4
Residential	134	128	-4.1	341	389	14.1
Non-residential	107	121	12.7	287	310	8.2
British Columbia	524	396	-24.4	1,494	1,352	-9.5
Residential	334	272	-18.4	872	889	2.0
Non-residential	191	124	-34.9	621	463	-25.6
Yukon	5	41	806.6	7	48	606.4
Residential	2	2	-31.9	4	6	41.0
Non-residential	2	39	1,788.3	3	42	1,428.4
Northwest Territories	7	4	-44.0	22	20	-6.9
Residential	5	2	-60.9	12	12	5.3
Non-residential	2	2	-9.1	10	8	-20.4

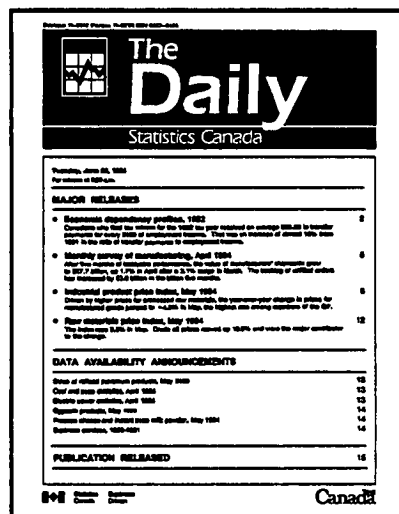
Note: Data may not add to totals due to rounding.

OTHER RELEASES

Practices in support of quality services in the federal public service 1995

For further information on this release, contact Paul Johannis (613-951-0662), Small Business and Special Surveys Division. ■

Data for 1995 from the Survey of Practices in Support of Quality Services in the federal public service are now available.



Statistics Canada's official release bulletin

Catalogue 11-001E. (Canada: \$240; United States: US\$288; other countries: US\$336.)

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

To receive *The Daily* from the Internet, send an E-mail message to listproc@statcan.ca. Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Editor: Tim Prichard (613-951-1103)

Head of Official Release: Jacques Lefebvre (613-951-1088)

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 1995. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with date and page references.



1010201127

PUBLICATIONS RELEASED

Aviation service bulletin, October 1995, vol. 27, no. 10

Catalogue number 51-004

(Canada: \$11/\$105; United States: US\$13/US\$126;
other countries: US\$15/US\$147).

The paper used in this publication meets the minimum requirements of American National Standard for Information Sciences - Permanence of Paper for Printed Library Materials, ANSI Z39.48 - 1984.



How to order publications

Simplify your data search with *Statistics Canada Catalogue*, 1994 (11-204E, \$15; United States: US\$18; other countries: US\$21). Its keyword index will guide you to statistics on Canada's social and economic activity.

Order *The Daily* and other publications by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call:

1-800-267-6677

From other countries call:

1-613-951-7277

Or fax your order to us:

1-613-951-1584

For address changes: Please refer to your customer account number.

To order a publication by mail write: Sales and Service, Marketing Division, Statistics Canada, Ottawa, K1A 0T6.

Include a cheque or money order payable to Receiver General of Canada/Publications. Canadian customers add 7% GST.

Statistics Canada Regional Reference Centres provide a full range of the Agency's products and services.

For the reference centre nearest you, check the blue pages or your telephone directory under Statistics Canada.

Authorized agents and bookstores also carry Statistics Canada's catalogued publications.