

FOR IMMEDIATE RELEASE

Non-residential building permits climb in May in Lower Mainland-Southwest region

Industrial and public permits surge while residential permits drop, leading to modest total permit decline

VANCOUVER, July 8, 2013 – Total building permit values in the Lower Mainland-Southwest region declined eight per cent in May 2013 from April 2013 despite increases in industrial and public permit activity, according to Vancouver Regional Construction Association's analysis of today's Statistics Canada Building Permit Report.

"Building permits values in the Lower Mainland-Southwest region saw a decline in total value this month," said Jan Robinson, interim president of the Vancouver Regional Construction Association (VRCA). "While institutional-government and industrial permits both saw large jumps, residential permits saw an expected dip from last month's dramatic spike, pulling total values down."

Total permit values in May 2013 declined to \$636.6 million compared to \$694.7 million in April 2013. Non-residential permits increased 22 per cent to \$144.6 million in May from \$118.4 million in April. Commercial permits dropped 12 per cent to \$79.6 million from \$90.5 million, while institutional-government permits jumped 129 per cent to \$39.8 million from \$17.4 million, and industrial permits surged 138 per cent to \$25.2 million from \$10.6 million. Residential permit values decreased 15 per cent to \$492.1 million from \$573.2 million during the same period.

Total building permit values were six per cent lower at \$2.809 billion from \$2.98 billion in the first five months of this year compared to the same period last year.

VRCA's 2013 forecast for total building permits is likely a decline from 2012 led by fewer residential and government permits. Commercial permits will likely provide some offset since market conditions are generally favourable.

"While public permits will likely remain range-bound, the outlook for regional commercial and industrial investment is modestly favourable since the regional economy and population base will continue to grow," says Robinson. "However, a significant upturn in these sectors is beyond 2013 and will require stronger economic and market conditions."

Regional Building Permit Highlights:

- Total permit values in May 2013 declined eight per cent to \$636.6 million compared to \$694.7 million in April 2013.
 - Total non-residential permit values increased 22 per cent in May 2013 to \$144.6 million compared to \$118.4 million in April 2013.
 - Commercial permits dropped 12 per cent to \$79.6 million in May.
 - Institutional-government permits surged 129 per cent to \$39.8 million in May.
 - Industrial permits climbed 138 per cent to \$25.2 million in May.
 - Residential permit values dropped 15 per cent to \$492.1 million in May 2013 compared to \$573.2 million in April 2013.
- Total building permit values were down 25 per cent to \$636.6 million from \$851.4 million year over year in May 2013 compared to May 2012.
 - Total non-residential permits were off 55 per cent to \$144.6 million from \$319 million last year.
 - Residential permit values were eight per cent lower than last year at \$492.1 million compared to \$532.4 million.

With close to 700 members, VRCA is British Columbia's largest and most inclusive regional construction association, representing union and non-union, general and trade contracting companies, manufacturers, suppliers and other professionals throughout the Lower Mainland from Hope to Whistler.



Vancouver Regional
Construction Association

Jan Robinson – Vancouver Regional Construction Association – 604-294-3766
Tom Leslie – Edelman – 604.648.3430