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Lower Mainland-Southwest building permits buck national trend with August gains

Commercial rebound and residential rise push regional permits up compared to nationwide drop

VANCOUVER, October 7, 2013 – Total building permit values in the Lower Mainland-Southwest region registered a 10 per cent gain in August 2013 from July 2013, according to Vancouver Regional Construction Association’s analysis of today’s Statistics Canada Building Permit Report.

“Led by a rebound in commercial permits and strong residential values, building permits in the Lower Mainland-Southwest region rose 10 per cent in August, contrasting a 21 per cent drop nationwide,” said Fiona Famulak, president of the Vancouver Regional Construction Association (VRCA). “This was one of the few regions in Canada that registered a gain this month. In the Metro Vancouver area, we saw a rise of 14 per cent, while both Toronto and Calgary were down 36 per cent.”

Total permit values in August 2013 rose to \$643.8 million compared to \$587.8 million in July 2013. Non-residential permits slipped three per cent to \$170.1 million in August from \$175.7 million in July. Commercial permits jumped 52 per cent to \$129.1 million from \$84.8 million, while institutional-government permits fell 47 per cent to \$23.9 million, and industrial permits dropped 63 per cent to \$17.1 million. Residential permit values increased 15 per cent to \$473.7 million from \$412.1 million during the same period.

“Commercial and industrial activity going forward will continue to be very project specific, rather than driven by a market-wide investment resurgence,” said Famulak. “Market conditions have improved in the past few years, and we expect to see further improvements in the next three to five years.”

Total building permit values were nine per cent lower at \$4.719 billion from \$5.213 billion in the first eight 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 and industrial permits may provide some offset, with prospects for 2014 looking for a small gain.

Regional Building Permit Highlights:

- Total permit values in August 2013 rose 10 per cent to \$643.8 million compared to \$587.8 million in July 2013.
 - Total non-residential permit values were down three per cent in August 2013 to \$170.1 million compared to \$175.7 million in July 2013.
 - Commercial permits jumped 52 per cent to \$129.1 million in August from \$84.8 million.
 - Institutional-government permits fell 47 per cent to \$23.9 million from \$45.2 million.
 - Industrial permits dropped 63 per cent to \$17.1 million from \$45.7 million.
 - Residential permit values were up 15 per cent to \$473.7 million in August 2013 compared to \$412.1 million in July 2013.
- Total building permit values were nine per cent lower at \$4.719 billion from \$5.213 billion in the first eight months of this year compared to the same period last year.
 - Total non-residential permits were 29 per cent lower at \$1.22 billion compared to \$1.713 billion last year.
 - Residential permit values were equal to last year at \$3.5 billion.

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.