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Lower Mainland-Southwest building permits dip in December

Total values for 2013 off five per cent from 2012, 2014 values look to commercial permits for lift

VANCOUVER, February 5, 2014 – Total building permit values in the Lower Mainland-Southwest region dropped 39 per cent in December 2013, and closed out 2013 down five per cent from total 2012 values, according to Vancouver Regional Construction Association's analysis of today's Statistics Canada Building Permit Report.

"While all sectors saw declines this month, large monthly swings are usual for building permits, and December's drop does not signify a significant future downshift," said Fiona Famulak, president of the Vancouver Regional Construction Association (VRCA).

Total permit values in December 2013 fell to \$454.8 million compared to \$740.2 million in November 2013. Non-residential permits fell 48 per cent to \$102 million in December from \$194.4 million in November, with commercial permits down 52 per cent to \$74.2 million from \$156.1 million, industrial permits down 46 per cent to \$8.9 million from \$16.6 million, and institutional-government permits off 13 per cent to \$18.9 million from \$21.7 million. Residential permit values dipped 35 per cent to \$352.8 million from \$545.8 million during the same period.

"Commercial permits should be lifted in 2014 by project-specific investments," said Famulak. "In particular, the construction start of the Credit Suisse office tower, as well as the large Tsawwassen First Nations development in Delta and the retail outlet mall at YVR will contribute positively to commercial values, and the region's economic outlook looks moderately positive for 2014 with faster growth expected than compared to 2013."

Total building permit values ended 2013 down five per cent at \$7.075 billion from \$7.468 billion in 2012. VRCA's 2014 forecast for building permits sees values likely coming in close to the 2013 level, with a chance of a small gain.

Regional Building Permit Highlights:

- Total permit values in December 2013 dropped 39 per cent to \$454.8 million compared to \$740.2 million in November 2013.
 - Total non-residential permit values were down 48 per cent in December 2013 to \$102 million compared to \$194.4 million in November 2013.
 - Commercial permits declined 52 per cent to \$74.2 million from \$156.1 million.
 - Institutional-government permits were down 13 per cent to \$18.9 million from \$21.7 million.
 - Industrial permits fell 46 per cent to \$8.9 million from \$16.6 million.
 - Residential permit values were down 35 per cent to \$352.8 million in December 2013 compared to \$545.8 million in November 2013.
- Total building permit values were five per cent lower at \$7.075 billion from \$7.468 billion in 2013 compared to 2012.
 - Total non-residential permits were 24 per cent lower at \$1.94 billion in 2013 compared to \$2.557 billion in 2012.
 - Residential permit values were five per cent higher at \$5.135 billion in 2013 compared to \$4.91 billion in 2012.

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.

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Full regional data and graphs attached. For more information, please contact:
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