

## February 2017 Monthly Building Permit Report for Saskatchewan

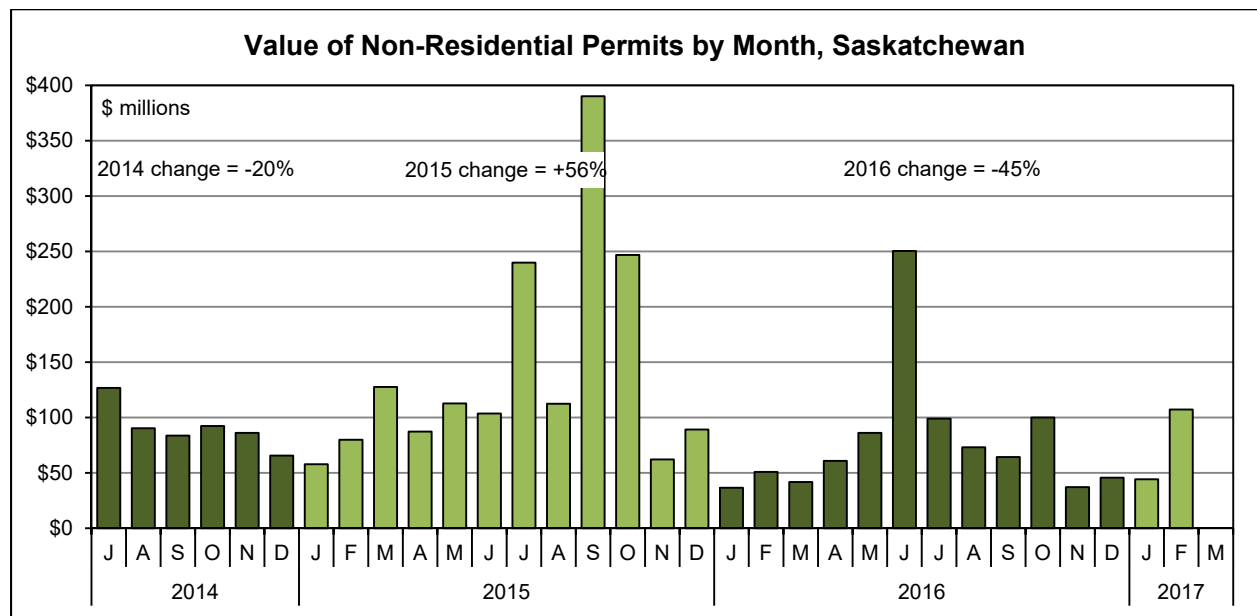
This report was prepared by the Sask Trends Monitor for the Saskatchewan Construction Association on April 6, 2017

### Value of Non-Residential Building Permits

The value of building permits issued by local governments is a “leading indicator” for construction activity over the next six to twelve months. In a small economy such as ours, a single large project can have a dramatic effect on the figures. That is the case with the February figures – a large industrial project has doubled the value of permits compared with February 2016.

The value of non-residential permits issued in February 2017 was \$107 million, more than double the \$51 million in February 2016. The residential sector was also strong with permits of \$57 million representing a 16% increase from February 2016.

With a 21% year-over-year increase in January, the year-to-date total is \$151 million of non-residential permits. This is 73% higher than a year ago. After a decline of 45% in calendar 2016, we can reasonably conclude from these figures that the province is coming out of the recent slump.



### Non-Residential Permits by Category

The figures on the right break down the value of non-residential permits into three sub-categories, namely commercial, industrial, and institutional.

Looking at the annual averages, the slowdown last year was relatively uniform across the three groups. Exactly the opposite is true for the February figures which show a higher level of activity relative to a year ago in all three categories.

Comparing with February 2016 the value of permits in February 2017 was:

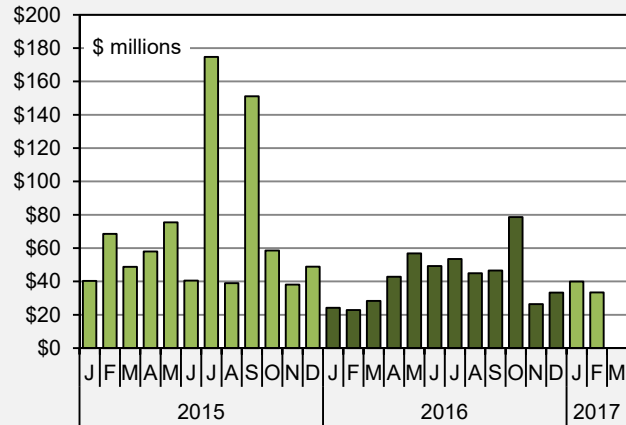
- up by 46% in the commercial category, the largest of the three;
- up by 761% in the industrial category, normally the smallest of the three; and
- up by 19% in the institutional category.

The value of industrial permits issued is the highest in a single month since 2013.

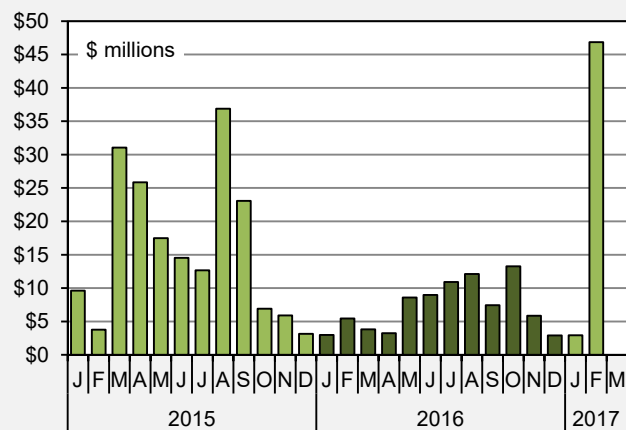
The year-to-date changes for the first two months of 2017 are:

- up 56% in the commercial category;
- up 492% in the industrial category; and
- down 11% in the institutional category.

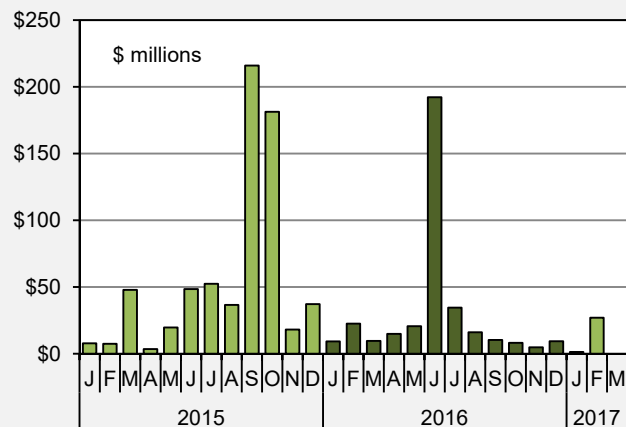
**Value of Commercial Building Permits**



**Value of Industrial Building Permits**



**Value of Institutional Building Permits**



### Non-Residential Permits by Location

The figures on the right show the value of non-residential permits broken down by the location of the project.

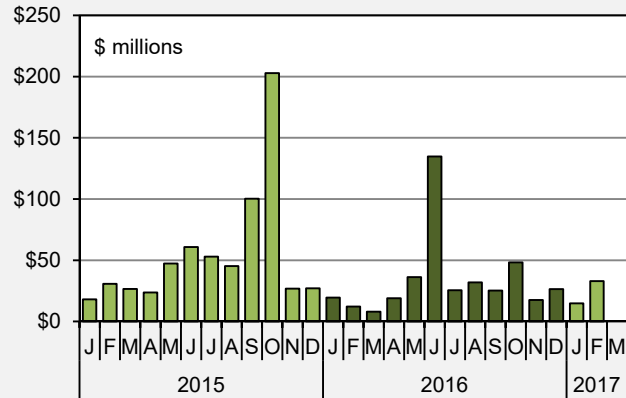
Looking at annual averages, the slowdown in 2016 was widespread but was most pronounced outside the two major cities. In February 2017, there is a decline in the value of permits issued in Regina and an increase in Saskatoon. Outside the two cities, permit values jumped because of the industrial category.

In Saskatoon, the value of non-residential permits issued in February 2017 was \$33 million, which is 170% higher than in February 2016 which was abnormally slow. This brings the year-to-date increase to 50%.

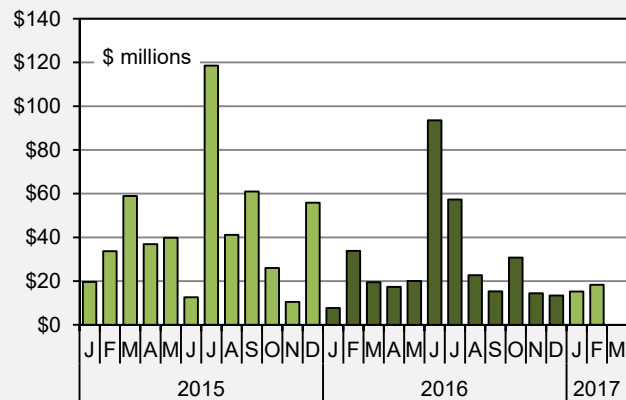
Non-residential building permit values for Regina in February totalled \$18 million, which is a fraction of the \$34 million recorded in February 2016.

In locations outside Regina and Saskatoon, permit values for non-residential work were \$56 million in February 2017 which is ten times the \$5 million recorded for February 2016.

**Value of Non-Residential Building Permits, Saskatoon Metropolitan Area**



**Value of Non-Residential Building Permits, Regina Metropolitan Area**



**Value of Non-Residential Building Permits Outside Regina and Saskatoon**

