

June 2017 Monthly Building Permit Report for Saskatchewan

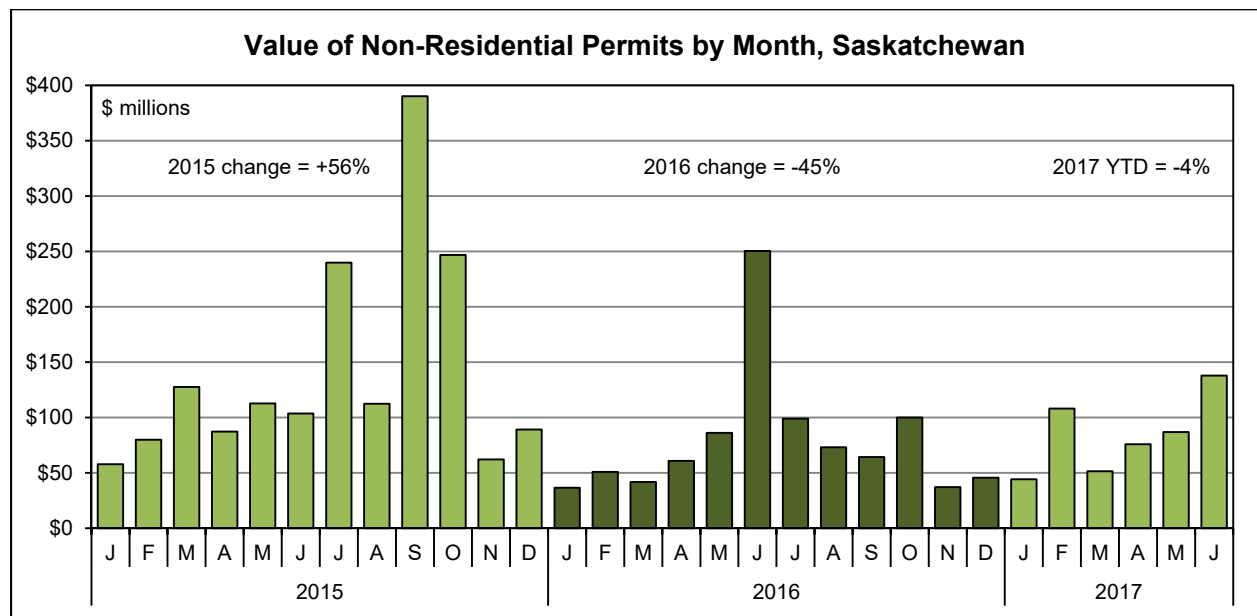
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Value of Non-Residential Building Permits

The value of building permits issued by local governments is a “leading indicator” for construction activity over the next six to twelve months. The value of non-residential permits issued in June 2017 was \$138 million, down 45% from June 2016. This is in sharp contrast to the residential sector, with \$174 million in permits and a 46% increase from a year ago.

In the first half of 2017, the value of non-residential permits fell slightly from \$526 million in 2016 to \$504 million this year. This was the result of dramatic increases in both the commercial and industrial sectors offset by an equally dramatic decline in the value of projects in the institutional/government sector. In fact, the value of industrial permits in the first half of 2017 is greater than value for the entire 2016 year.

The June figures follow a pattern that has been consistent over the past few months, namely increases in the private sector (commercial and industrial) and a slump in the public sector (institutional/government).



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. In the first half of 2017, we are seeing a higher level of activity for commercial and industrial projects.

Compared with June 2016 the value of permits in June 2017 was:

- up by 109% in the commercial category, the largest of the three;
- unchanged in the industrial category, normally the smallest of the three; and
- down by 87% in the institutional category.

The year-to-date figures for the first six months of 2017 show that the value of permits are:

- up 37% in the commercial category;
- up 171% in the industrial category; and
- down 60% in the institutional category.

