

March 2017 Monthly Building Permit Report for Saskatchewan

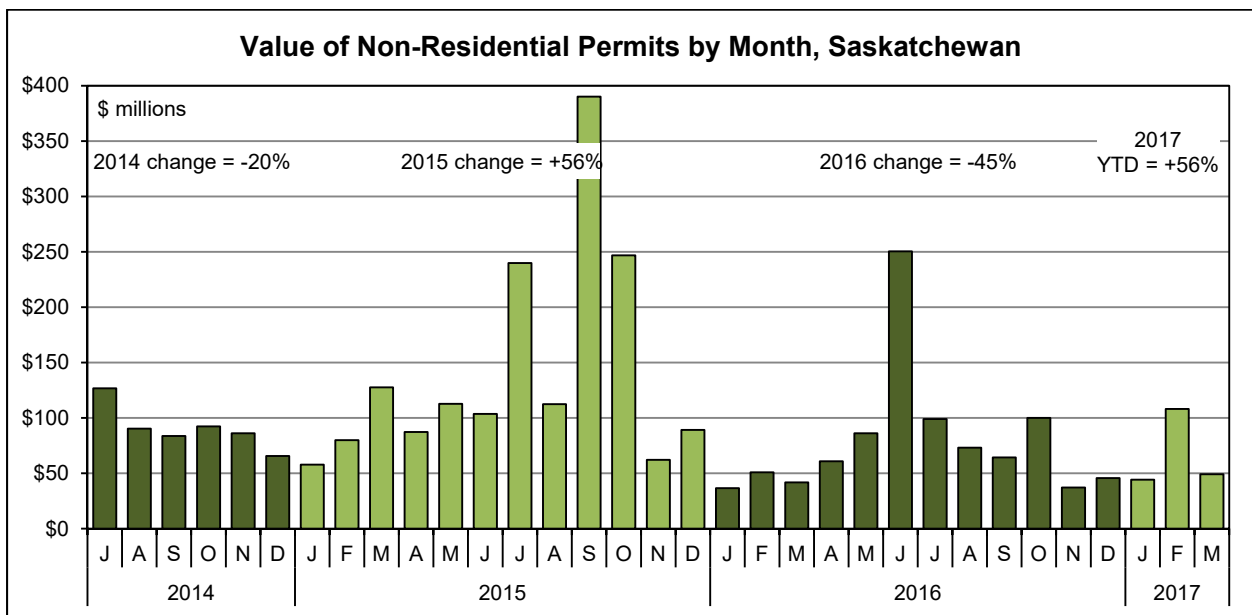
This report was prepared by the Sask Trends Monitor for the Saskatchewan Construction Association on May 9, 2017

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. The value of non-residential permits issued in March 2017 was \$49 million, an 18% increase from the \$42 million in March 2016. The residential sector also showed an increase in March.

In the first quarter of 2017, the value of non-residential permits has increased from \$129 million to \$201 million – the equivalent of a 56% increase. This was partly because of a large-value industrial permit issued in February but March marks the third month in a row for year-over-year increases in the value of non-residential building permits.

It would be prudent to wait a few more months to be sure, but it does look like 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. In early 2017, we are seeing a higher level of activity in two of the three categories with only the government/institutional sector running well below last year's pace.

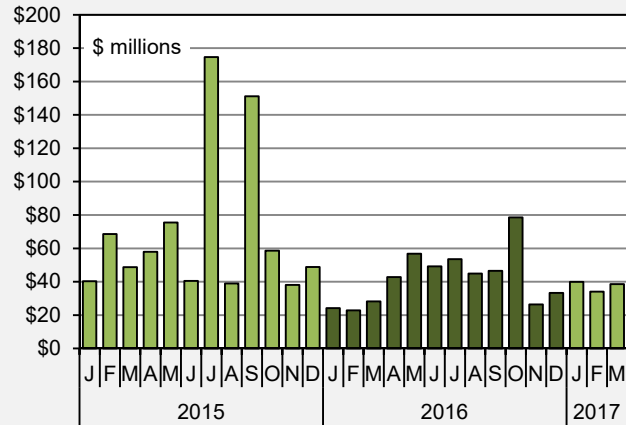
Compared with March 2016 the value of permits in March 2017 was:

- up by 36% in the commercial category, the largest of the three;
- up by 83% in the industrial category, normally the smallest of the three; and
- down by 63% in the institutional category.

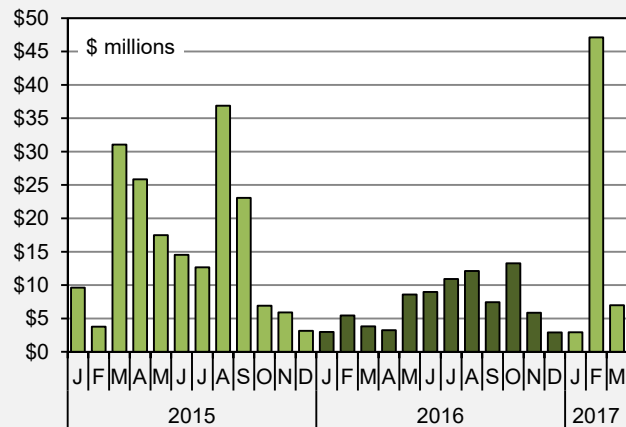
The year-to-date changes for the first quarter of 2017 are:

- up 49% in the commercial category;
- up 366% in the industrial category; and
- down 23% in the institutional category.

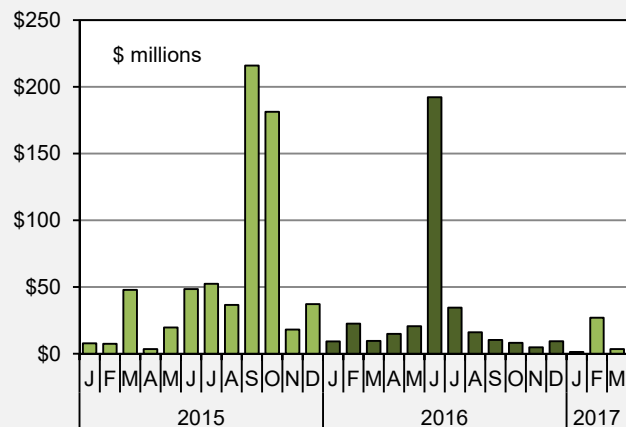
Value of Commercial Building Permits



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. The March 2017 increase, on the other hand, was evident only in Saskatoon.

In Saskatoon, the value of non-residential permits issued in March 2017 was \$21 million, which is 163% higher than the abnormally slow month a year ago. This brings the year-to-date increase to 73% for the city.

Non-residential building permit values for Regina in March 2017 totalled \$17 million which is 15% lower than the \$19 million recorded in March 2016. This brings the year-to-date total in Regina to \$50 million which is 18% lower than in the first quarter of 2016.

In locations outside Regina and Saskatoon, permit values for non-residential work were \$49 million in March 2017 which is 18% higher than the \$42 million recorded for March 2016. This brings the year-to-date total to \$201 million which is 56% higher than in the first quarter of 2016.

