

May 2017 Monthly Building Permit Report for Saskatchewan

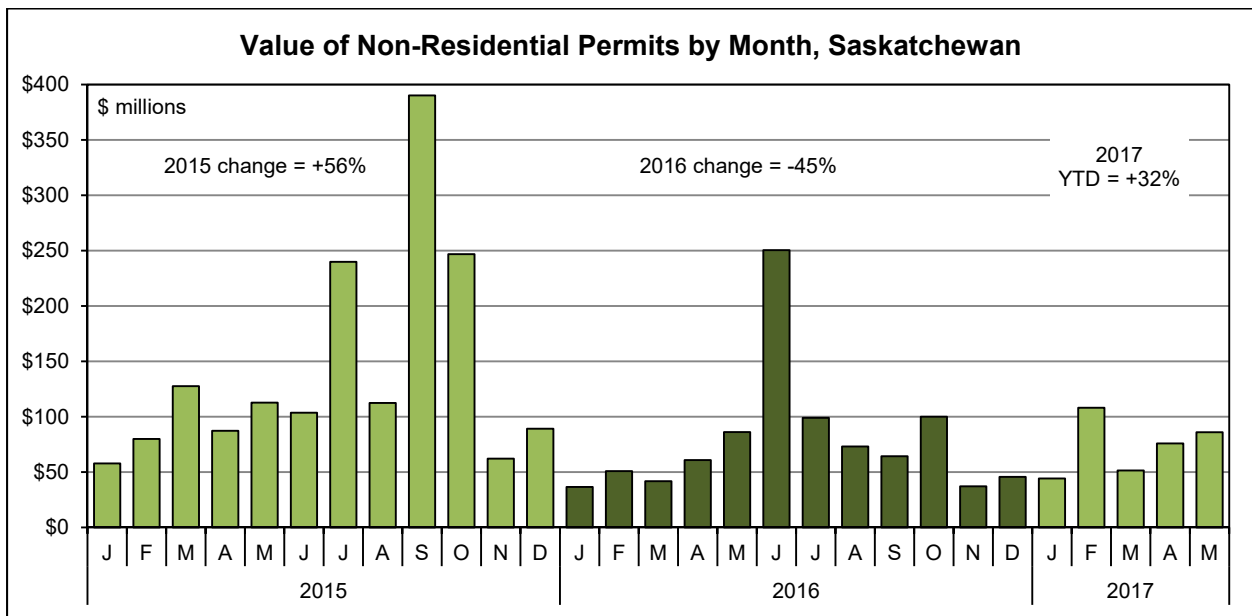
This report was prepared by the Sask Trends Monitor for the Saskatchewan Construction Association on July 7, 2017

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 May 2017 was \$86 million, effectively unchanged from May 2016. The residential sector, with \$134 million in permits, showed a 9% increase.

In the first five months of 2017, the value of non-residential permits has increased from \$276 million to \$366 million – the equivalent of a 32% increase. This was partly because of a large-value industrial permit issued in February but May marks the fifth month in a row for year-over-year increases in the value of non-residential building permits.

There will undoubtedly be a year-over-year decline in June when permits issued this year are compared with the \$250 million in permits issued in June 2016. Excluding that single month, the figures suggest that non-residential permits this year will be well above last year’s levels.



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 all three categories but the increase in the industrial sector is the most pronounced.

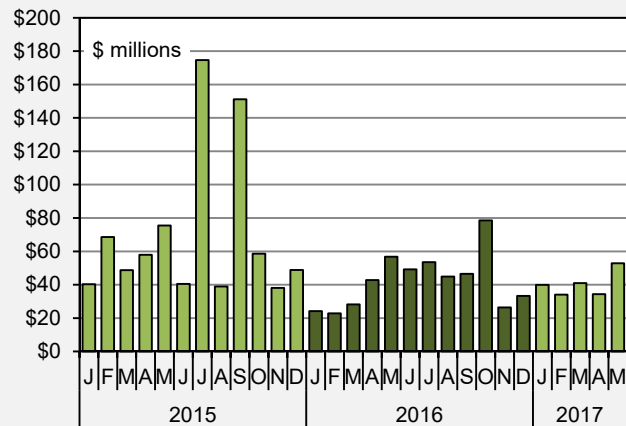
Compared with May 2016 the value of permits in May 2017 was:

- down by 7% in the commercial category, the largest of the three;
- up by 105% in the industrial category, normally the smallest of the three; and
- down by 25% in the institutional category.

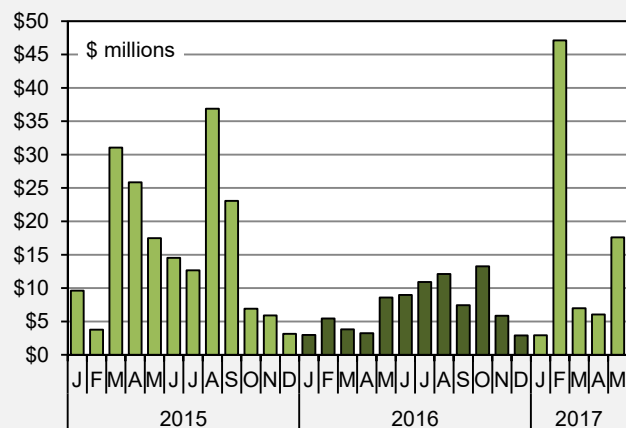
The year-to-date figures for the first five months of 2017 show that the value of permits are:

- up 16% in the commercial category;
- up 235% in the industrial category; and
- up 8% in the institutional category.

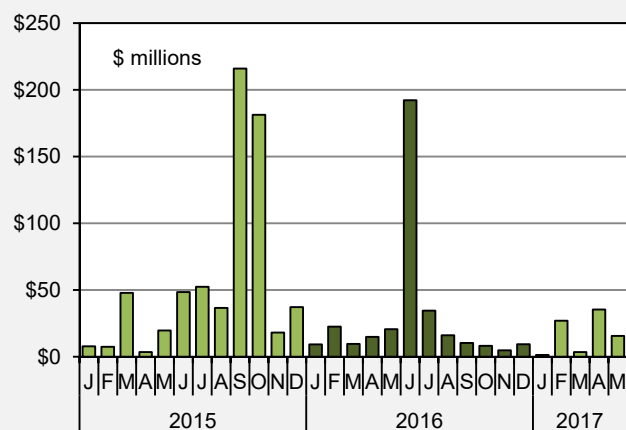
Value of Commercial Building Permits



Value of Industrial Building Permits



Value of Institutional Building Permits



Non-Residential Permits by Location¹

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

The slowdown last year was widespread but was most pronounced outside the two major cities. The 2017 figures suggest that the recovery is more widely distributed with increases in both Regina and Saskatoon and in areas outside the two urban centres.

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

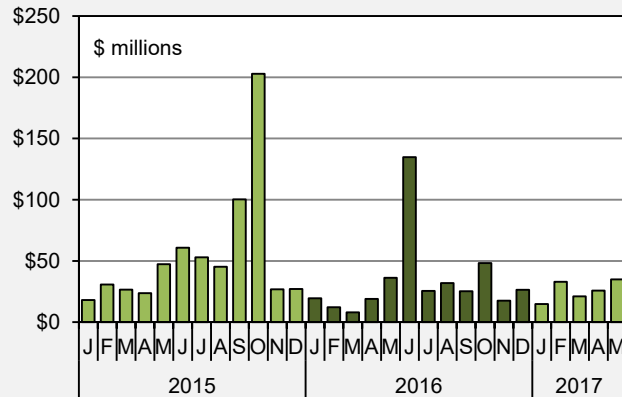
- down by 4% in the Saskatoon metropolitan area;
- up by 48% in the Regina metropolitan area; and
- down by 28% outside the two major urban centres.

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

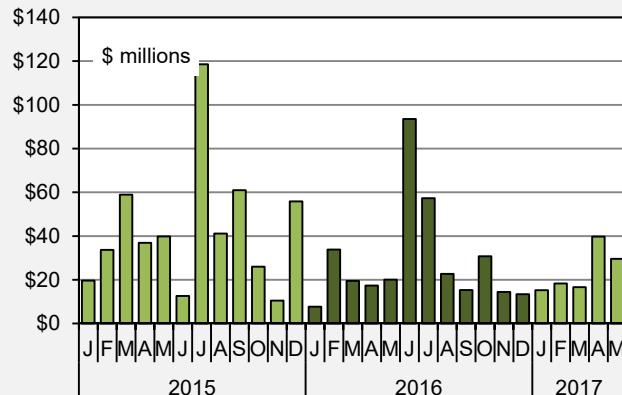
- up by 36% in the Saskatoon metropolitan area;
- up by 22% in the Regina metropolitan area; and
- up by 41% outside the two major urban centres.

¹ The figures for the cities include the surrounding metropolitan areas, Warman and Martensville in Saskatoon, for example, and Lumsden and Emerald Park in Regina.

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

