



PRESS RELEASE



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Housing Starts Still Near 200,000 Mark in July

OTTAWA, Ontario, August 9, 2002 — The seasonally adjusted annual rate¹ of housing starts in Canada slipped 0.2% in July to 200,300 units from a revised² 200,800 units in June, according to Canada Mortgage and Housing Corporation (CMHC).

Urban multiple starts rose 4.6% to an annual rate of 77,300 units from 73,900, while urban singles declined 4.6% to an annual rate of 97,800 units from 102,500 in June. Rural starts in July were estimated at an annual rate of 25,200 units. Rural starts in June were revised downward to an annual rate of 24,400 units, from a preliminary 25,900 units.

"The difficulties in the stock market are helping the housing market," said Michel Laurence, Chief Economist at CMHC's Market Analysis Centre. "Money has flowed out of stocks and into bonds, thus lowering interest and mortgage rates, and helping sustain housing demand."

Actual urban housing starts for January to July this year are 27.1% higher than for the same period last year (100,148 units compared with 78,811 units). The single-detached market increased 35.8% while multiples increased 16.6%.

¹ All starts figures in this release, other than actual starts, are seasonally adjusted annual rates (SAAR) that are monthly figures adjusted to remove normal seasonal variation and multiplied by 12 to reflect annual levels.

² Figures for the most recent month are preliminary and subject to revisions due to corrections or updates from quarterly enumeration or sampling results.

Special note:

Prior to July 2002, the CMHC Starts and Completions Survey consisted of a monthly enumeration of new housing activity in urban centres with a population of 10,000 persons and over. As of July 2002, the survey will be conducted monthly in urban centres with a population of 50,000 persons and over and quarterly in urban centres with a population of 10,000 to 49,999 persons. Statistical models will be used to estimate provincial and national housing starts in urban centres with a population of 10,000 persons and over, on a monthly basis.

The methodology is unchanged for estimating housing starts in rural areas (areas other than urban centres with a population of 10,000 persons and over). In these areas, a sample survey is used on a quarterly basis. As was the case in the past, statistical models continue to be used to estimate national housing starts in all areas on a monthly basis.

Information on this release:

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Housing Starts, Actual and SAAR*				
	June 2002 Final		July 2002 Preliminary	
	Actual	SAAR	Actual	SAAR
Canada, all areas	20,331	200,800	18,973	200,300
Canada, rural areas	2,695	24,400	2,685	25,200
Canada, urban centres**	17,636	176,400	16,288	175,100
Canada, singles, urban centres	10,997	102,500	9,685	97,800

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Canada, multiples, urban centres	6,639	73,900	6,603	77,300
Atlantic region, urban centres	1,075	8,300	917	6,700
Quebec, urban centers	3,443	32,100	2,796	34,400
Ontario, urban centers	7,171	76,900	7,992	86,900
Prairie region, urban centres	3,788	37,600	2,668	27,400
British Columbia, urban centres	2,159	21,500	1,915	19,700

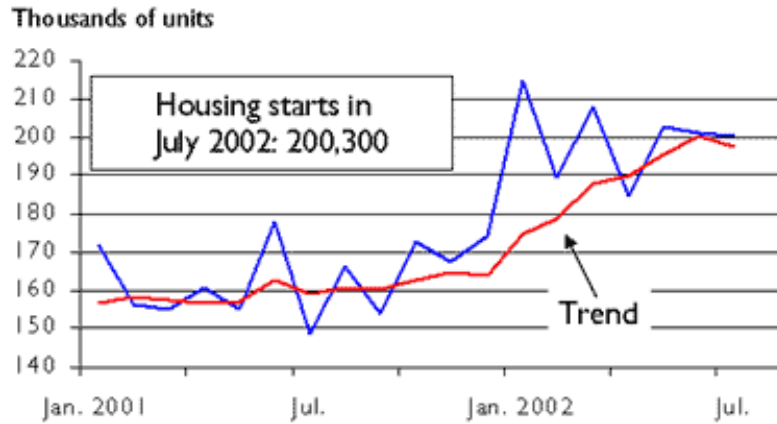
Source: CMHC

* Seasonally adjusted annual rates

** Urban centres with a population of 10,000 persons and over.

Detailed data available upon request.

Housing Starts in Canada All Areas, SAAR*



Source: CMHC

*Seasonally adjusted annual rates