



PRESS RELEASE



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Housing Starts Up in August

OTTAWA, Ontario, September 10, 2002 — The seasonally adjusted annual rate¹ of housing starts in Canada increased 5.9% in August to 213,000 units from a revised² 201,100 units in July, according to Canada Mortgage and Housing Corporation (CMHC).

Urban multiple starts rose 10.3% to an annual rate of 85,300 units from 77,300, while urban singles rose 4.0% to an annual rate of 102,500 units from 98,600 in July. Rural starts in August were estimated at an annual rate of 25,200 units, the same rate as July.

"Two key housing market indicators suggest the rate of housing starts will remain robust over the next few months," said Michel Laurence, Chief Economist at CMHC's Market Analysis Centre. "One indicator, the percentage of newly completed housing units absorbed (sold or rented), has been very high in recent months. The other indicator, the supply of completed and unabsorbed housing units, was at its lowest recorded level in July."

Actual urban housing starts for January to August this year are 26.8% higher than for the same period last year (116,752 units compared with 92,097 units). The single-detached market increased 34.6% while multiples increased 17.3%.

¹All 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.

²Figures 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*				
	July 2002 Final		August 2002 Preliminary	
	Actual	SAAR	Actual	SAAR
Canada, all areas	18,983	201,100	19,272	213,000
Canada, rural areas	2,685	25,200	2,678	25,200
Canada, urban centres**	16,298	175,900	16,594	187,800
Canada, singles, urban centers	9,694	98,600	9,392	102,500
Canada, multiples, urban centers	6,604	77,300	7,202	85,300
Atlantic region, urban centers	917	6,700	809	7,500
Quebec, urban centers	2,796	34,400	2,601	37,700
Ontario, urban centers	7,993	86,900	7,317	78,000
Prairie region, urban centers	2,668	27,400	3,444	36,900
British Columbia, urban centers	1,924	20,500	2,423	27,700

Source: CMHC
 * Seasonally adjusted annual rates
 ** Urban centres with a population of 10,000 persons and over.
 Detailed data available upon request.

