



PRESS RELEASE



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Housing Starts Rise in June

OTTAWA, Ontario, July 9, 2003 — The seasonally adjusted annual rate¹ of housing starts was 210,400 in June, up from a revised² 198,000 in May, signalling that residential construction continues at a strong pace, reports Canada Mortgage and Housing Corporation (CMHC).

"Last month's increase in housing starts shows that the housing market continues to respond to stimulative economic conditions, " said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre.

"Mortgage rates are at 47 year lows and labour markets are fairly tight in spite of job losses in recent months. Furthermore, consumer confidence remains high and consumers continue to look positively at the future. These combined factors continue to support healthy levels of activity in the housing market. Rising house prices, which have yielded higher returns on residential real estate than on bonds and equities in recent years, have also boosted demand for housing."

"Given low inventories of completed units available for sale, new home sales have resulted in increased construction activity. Year-to-date, actual starts have exceeded last year's level by 2.6 per cent."

The seasonally adjusted annual rate of urban multiple starts was up 11.0 per cent to 82,800 units in June 2003 compared with 74,600 units in May. The biggest increases were in Ontario followed by the Prairies. The seasonally adjusted annual rate of urban multiple starts fell in Atlantic Canada and in Quebec. Nationally, year-to-date actual urban multiple starts have increased 12.6 per cent when compared to the same period in 2002.

In June, urban single starts increased 4.5 per cent to 98,300 units at seasonally adjusted annual rates compared to 94,100 units the previous month. This increase was reflected in all regions of the country except British Columbia where urban single starts decreased 3.8 per cent. In contrast, year-to-date actual urban single starts are 4.7 per cent lower than for the same period of 2002.

Rural starts in June were estimated at a seasonally adjusted annual rate of 29,300 units.

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.

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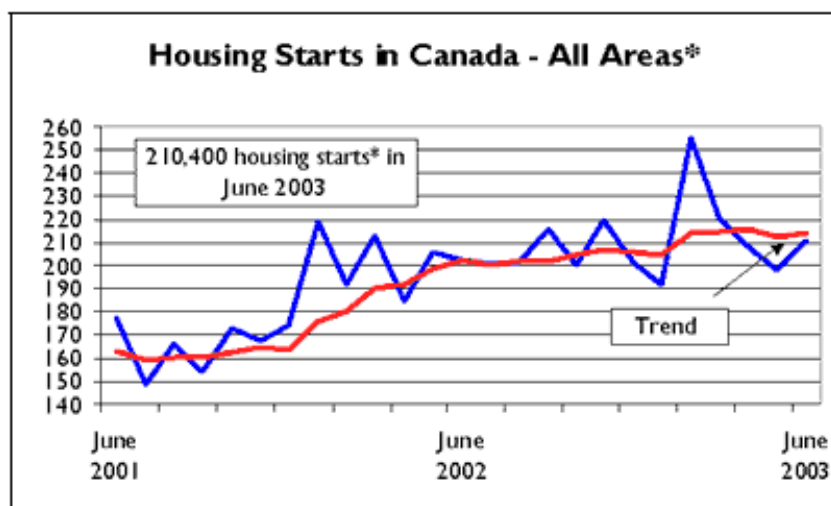
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Housing Starts, Actual and SAAR*				
	May 2003 Final Estimate		June 2003 Preliminary	
	Actual	SAAR	Actual	SAAR
Canada, all areas	19,943	198,000	20,989	210,400
Canada, rural areas	3,321	29,300	3,219	29,300
Canada, urban centres**	16,626	168,700	17,770	181,100
Canada, singles, urban centres	9,757	94,100	10,516	98,300
Canada, multiples, urban centres	6,869	74,600	7,254	82,800
Atlantic region, urban centres	822	9,100	1,181	9,200
Quebec, urban centres	3,958	34,400	3,587	34,600
Ontario, urban centres	6,872	71,600	7,552	81,300
Prairie region, urban centres	3,052	33,100	3,399	35,000
British Columbia, urban centres	1,922	20,500	2,051	21,000

Source: CMHC

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*Seasonally adjusted annual rates

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

Detailed data available upon request.