



PRESS RELEASE



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New Home Construction Off to Good Start in 2004

OTTAWA, Ontario, February 9, 2004 — The seasonally adjusted annual rate¹ of housing starts was 195,500 in January, compared with 219,400 starts in December 2003, reports Canada Mortgage and Housing Corporation (CMHC).

"This year began with a high level of starts which shows the housing market continues to benefit from tight labour markets and low mortgage rates," said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre. "January's mortgage rate reductions will boost new home sales but it will take a few months before this is reflected in starts."

The seasonally adjusted annual rate of urban starts fell 11.4 per cent to 169,900 units, with most of the decline coming from multiples. Multiple starts decreased 15.4 per cent in January to 74,600 while single starts declined 7.9 per cent to 95,300 on a seasonally adjusted annual basis.

The seasonally adjusted annual rate of urban starts declined in most regions across Canada, except British Columbia. In British Columbia, seasonally adjusted starts rose 16.5 per cent due primarily to a 29.9 per cent increase in multiple starts. Single starts remained near the same level as December 2003. The seasonally adjusted annual rate of urban starts declined in the Prairies (- 3.7 per cent) and Quebec (-12.0 per cent) however, the largest decreases were in the Atlantic region and Ontario, falling 32.7 per cent and 20.6 per cent, respectively.

Rural starts in January were estimated at a seasonally adjusted annual rate of 25,600 units, a 7.6 per cent decrease from December 2003.

In January, actual starts increased 7.5 per cent compared with January 2003. The 4.0 per cent drop in single starts was more than offset by a 21.1 per cent increase in multiple starts.

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.

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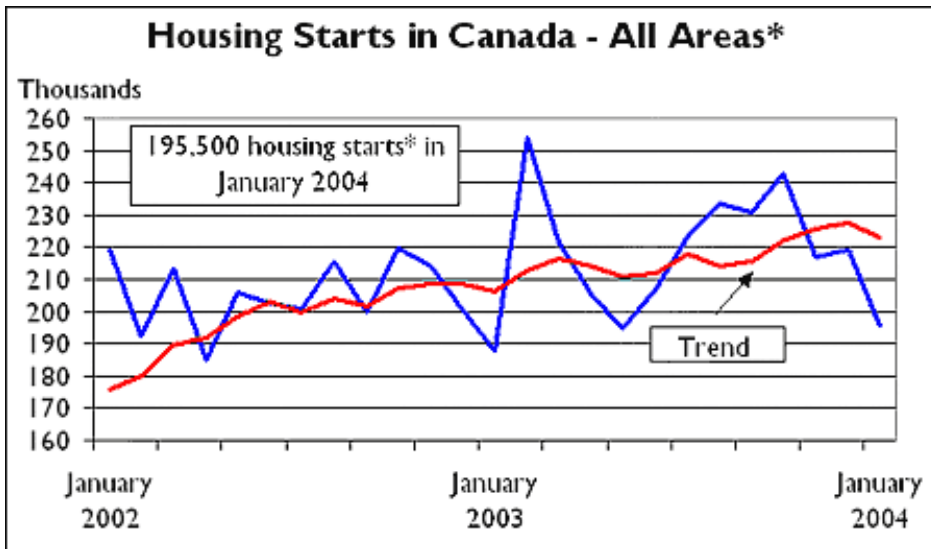
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Housing Starts, Actual and SAAR*				
	December 2003 Final Estimate		January 2004 Preliminary	
	Actual	SAAR	Actual	SAAR
Canada, all areas	16,504	219,400	11,280	195,500
Canada, rural areas	2,096	27,700	985	25,600
Canada, urban centres**	14,408	191,700	10,295	169,900

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Canada, singles, urban centres	7,480	103,500	4,983	95,300
Canada, multiples, urban centres	6,928	88,200	5,312	74,600
Atlantic region, urban centres	960	11,000	337	7,400
Quebec, urban centres	3,421	43,200	2,065	38,000
Ontario, urban centres	5,655	77,100	3,310	61,200
Prairie region, urban centres	2,567	34,900	2,218	33,600
British Columbia, urban centres	1,805	25,500	2,365	29,700

Source: CMHC

*Seasonally adjusted annual rates

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

Detailed data available upon request.