



PRESS RELEASE



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Housing Starts Inch Up in November

VANCOUVER, British Columbia, December 07, 2006 — The seasonally adjusted annual rate¹ of housing starts increased marginally to 225,000 units in November, from 223,200 units in October, according to Canada Mortgage and Housing Corporation (CMHC).

“The slight up-tick in new home starts in November can be attributed to expansion in the volatile multiples segment, which offset the decline in new single detached construction,” said Bob Dugan, Chief Economist at CMHC’s Market Analysis Centre.

“The growth in multiple unit construction in 2006 was underpinned by low mortgage rates, a steady employment picture and by the lower average price of multiples relative to single detached homes. However, with a slight dip in both economic and employment growth forecast for the coming year, housing starts in both the singles and multiples segments are expected to moderate.”

The seasonally adjusted annual rate of urban starts edged up 0.9 per cent to 193,500 units in November compared to the previous month. Urban multiples rose 5.7 per cent to 105,600 units in November, while singles decreased 4.2 per cent to 87,900 units.

Urban starts declined by 11.7 per cent and 7.9 per cent in Quebec and British Columbia, respectively, while Ontario saw a more modest decrease of 3.8 per cent in November compared to a month earlier. Increases in new home construction were recorded in the Atlantic and Prairie regions, with urban starts up 21.4 per cent and 26 per cent, respectively. Strong activity in the urban multiples sector drove the increases registered in both of these regions. This was particularly true in the Prairies, where multiples starts surged ahead to reach 25,600 units in November.

Rural starts in November were estimated at a seasonally adjusted annual rate of 31,500 units.

For the first eleven months of 2006, total actual starts in Canada increased 1.3 per cent compared to a year ago. Year-to-date, starts in urban areas rose at a slightly slower rate of 1.1 per cent, over the same period in 2005. Both actual urban single starts and actual urban multiple starts were up on a year-to-date basis, by 0.7 per cent and 1.6 per cent, respectively.

Canada Mortgage and Housing Corporation (CMHC) has been Canada’s national housing agency for more than 60 years. CMHC is committed to helping Canadians access a wide choice of quality, affordable homes, while making vibrant, healthy communities and cities a reality across the country. For more information call 1-800-668-2642.

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

Information on this release:

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Canada, multiples, urban centres				
Atlantic region, urban centres	740	773	7,000	8,500
Quebec, urban centres	3,995	4,158	45,400	40,100
Ontario, urban centres	6,927	5,657	65,300	62,800
Prairie region, urban centres	3,467	4,518	41,100	51,800
British Columbia, urban centres	2,506	2,443	32,900	30,300

Source: CMHC

*Seasonally adjusted annual rates

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

Detailed data available upon request.