

# Investment in non-residential building construction, second quarter 2016

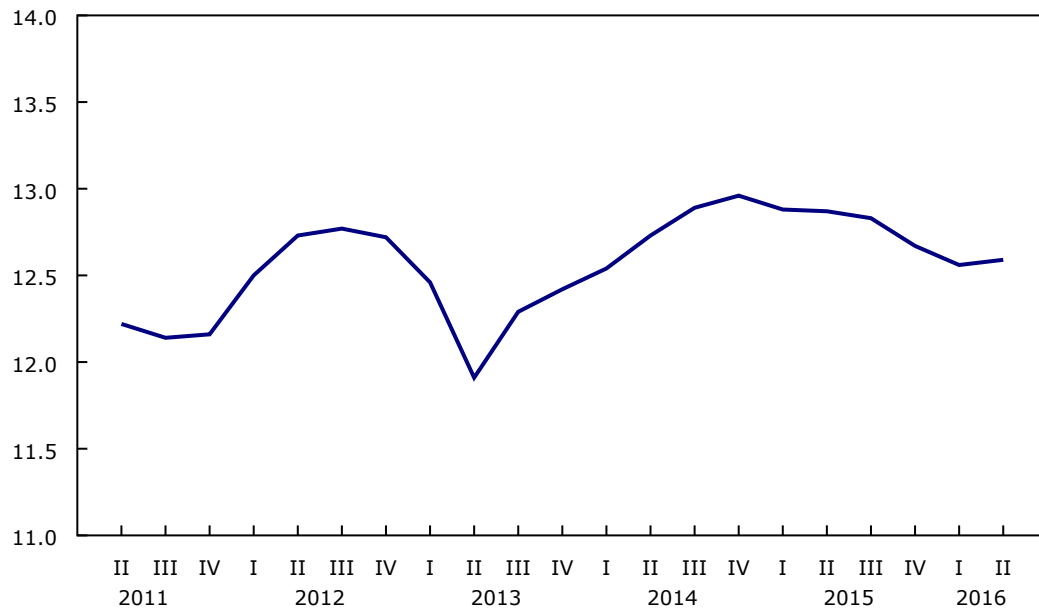
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Investment in non-residential building construction increased 0.2% to \$12.6 billion in the second quarter, following five consecutive quarterly declines. Nationally, the growth was a result of higher spending on the construction of commercial buildings and, to a lesser extent, industrial buildings.

Overall, investment was up in four provinces, with Ontario registering the largest gain, followed by British Columbia and Manitoba.

**Chart 1**  
**Investment in non-residential building construction**

billions of dollars



**Note(s):** Data are seasonally adjusted.

**Source(s):** CANSIM table [026-0016](#).

In Ontario, the advance was largely the result of higher investment in the commercial and industrial components. In British Columbia, increased spending on commercial buildings accounted for the advance, while in Manitoba, commercial and industrial projects were responsible for the gain.

The largest declines occurred in Alberta and Quebec. Investment in Alberta continued its downward trend, with a fifth consecutive quarterly decline, largely the result of lower spending for commercial and industrial buildings. In Quebec, the decrease was attributable to lower institutional investment.

## Census metropolitan areas

Non-residential building construction spending was up in 14 of the 34 census metropolitan areas in the second quarter. The largest gains were in Winnipeg and Ottawa.



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Following five consecutive quarterly declines, investment advanced in all three components in Winnipeg. The gains were led by higher spending on commercial and industrial buildings. In Ottawa, the increase largely resulted from higher spending on commercial projects.

In contrast, the largest declines occurred in Montréal, distantly followed by Calgary and St. John's.

In Montréal, investment was down for a fifth consecutive quarter, mainly as a result of lower spending on the construction of institutional buildings.

The decline in Calgary was attributable to commercial and institutional investment, while in St. John's, spending was down in all three components.

## **Commercial component**

Following five quarterly declines, investment in commercial building construction rose 0.9% to \$7.4 billion in the second quarter. The gain was the result of higher investment in the construction of office buildings, retail and wholesale outlets, and recreational centres.

Four provinces posted advances, mainly due to higher spending among several categories within the commercial component.

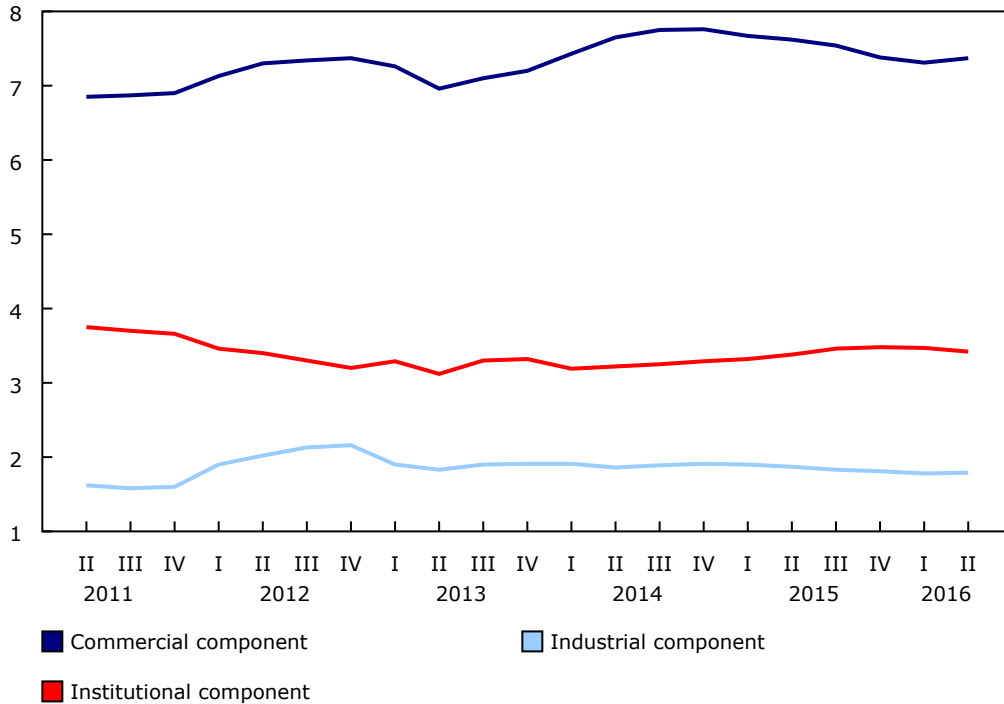
In Ontario, investment was up 2.7% to \$2.8 billion, due to higher spending on most types of commercial projects, led by office buildings, retail and wholesale stores, and warehouses.

In British Columbia, spending rose 5.9% to \$981 million, a fifth consecutive quarterly increase. In Manitoba, commercial investment was up 8.5% to \$227 million. In both provinces, the gains came mainly from higher spending on the construction of office buildings and retail and wholesale outlets.

Alberta recorded the largest decrease, as commercial investment was down 2.5% to \$1.7 billion, the fifth consecutive quarterly decline. Lower investment in the construction of warehouses was largely responsible for the drop.

**Chart 2**  
**Commercial, institutional and industrial components**

billions of dollars



**Note(s):** Data are seasonally adjusted.  
**Source(s):** CANSIM table [026-0016](#).

### Industrial component

Following five quarterly declines, investment in industrial building construction increased 0.9% to \$1.8 billion in the second quarter, mainly due to higher spending on primary industry facilities and utilities buildings.

Quebec posted the largest gain, as construction of industrial buildings rose 7.2% to \$340 million. The increase was led by higher spending on primary industries facilities, utilities and maintenance-related buildings.

Ontario and Manitoba also recorded notable advances. The gains in Ontario were led by increased spending on maintenance-related and primary industry buildings, while in Manitoba, higher construction spending on utilities buildings and manufacturing plants largely accounted for the advance.

Alberta and Saskatchewan posted the largest declines. Lower spending on manufacturing plants and maintenance-related buildings was responsible for the decline in Alberta, while in Saskatchewan, the decrease was attributable to lower investment in utilities buildings.

### Institutional component

Investment in institutional projects fell 1.6% to \$3.4 billion in the second quarter, following a decline the previous quarter.

Six provinces posted decreases, led by Quebec, followed distantly by Ontario and British Columbia. Lower spending on medical facilities was the primary reason for the declines.

Saskatchewan and the Northwest Territories each reported higher spending on health care facilities.

**Note to readers**

*Unless otherwise stated, this release presents seasonally adjusted data expressed in current dollars, which facilitates comparisons by removing the effects of seasonal variations. For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).*

*Investments in non-residential building construction exclude engineering construction (such as for highways, sewers, bridges, and oil and gas pipelines). These data are from the Building Permits Survey of municipalities, which collects information on construction intentions.*

*Work put-in-place patterns are assigned to each type of structure (industrial, commercial and institutional). These work patterns are used to distribute the value of building permits according to project length. Work put-in-place patterns differ according to the value of the construction project; a project worth several million dollars will usually take longer to complete than will a project worth a few hundred thousand dollars.*

*Additional data from the Capital and Repair Expenditures Survey are used to create this investment series. Investments in non-residential building data are also benchmarked to Statistics Canada's System of National Accounts' non-residential building investment series.*

*For the purpose of this release, the census metropolitan area of Ottawa–Gatineau (Ontario/Quebec) is divided into two areas: the Ottawa part and the Gatineau part.*

**Table 1**  
**Investment in non-residential building construction, by building type, by province and territory –**  
**Seasonally adjusted**

	Second quarter 2015	First quarter 2016	Second quarter 2016	First quarter to second quarter 2016	Second quarter 2015 to second quarter 2016
	millions of dollars			% change	
<b>Canada</b>	<b>12,874</b>	<b>12,559</b>	<b>12,585</b>	<b>0.2</b>	<b>-2.2</b>
<b>Industrial</b>	<b>1,869</b>	<b>1,779</b>	<b>1,795</b>	<b>0.9</b>	<b>-4.0</b>
<b>Commercial</b>	<b>7,624</b>	<b>7,309</b>	<b>7,374</b>	<b>0.9</b>	<b>-3.3</b>
<b>Institutional</b>	<b>3,381</b>	<b>3,471</b>	<b>3,417</b>	<b>-1.6</b>	<b>1.1</b>
Newfoundland and Labrador	134	105	87	-17.0	-34.6
Industrial	21	11	11	-0.6	-49.9
Commercial	96	70	59	-15.9	-38.9
Institutional	17	25	18	-26.8	9.4
Prince Edward Island	22	28	26	-8.7	16.1
Industrial	2	7	6	-16.9	172.9
Commercial	12	13	12	-11.6	-1.5
Institutional	8	7	8	5.2	-1.9
Nova Scotia	168	169	154	-9.2	-8.4
Industrial	31	25	24	-7.2	-24.4
Commercial	117	123	110	-10.6	-5.6
Institutional	20	21	20	-3.0	0.6
New Brunswick	155	143	155	8.5	-0.3
Industrial	25	18	15	-17.3	-39.3
Commercial	74	67	80	19.4	6.9
Institutional	56	58	60	4.1	7.7
Quebec	2,361	2,145	2,114	-1.5	-10.5
Industrial	311	317	340	7.2	9.3
Commercial	1,220	1,135	1,133	-0.2	-7.2
Institutional	829	693	641	-7.5	-22.7
Ontario	4,867	4,845	4,901	1.2	0.7
Industrial	784	824	833	1.1	6.2
Commercial	2,753	2,724	2,798	2.7	1.7
Institutional	1,330	1,297	1,270	-2.1	-4.5
Manitoba	465	376	398	5.9	-14.5
Industrial	51	49	57	17.2	11.6
Commercial	264	209	227	8.5	-13.9
Institutional	151	118	114	-3.2	-24.3
Saskatchewan	439	496	496	-0.2	12.8
Industrial	59	58	51	-12.0	-14.7
Commercial	282	279	258	-7.5	-8.3
Institutional	98	159	186	16.9	89.8
Alberta	2,840	2,701	2,655	-1.7	-6.5
Industrial	455	291	283	-3.0	-38.0
Commercial	1,940	1,739	1,696	-2.5	-12.6
Institutional	445	670	677	1.0	52.2
British Columbia	1,377	1,494	1,527	2.2	10.9
Industrial	124	174	174	0.0	40.3
Commercial	844	927	981	5.9	16.3
Institutional	409	393	371	-5.6	-9.1
Yukon	18	28	27	-4.6	45.1
Industrial	3	3	1	-60.5	-55.7
Commercial	6	10	10	1.2	77.4
Institutional	10	15	15	2.3	52.5
Northwest Territories	14	22	43	90.2	208.6
Industrial	2	2	1	-53.5	-51.1
Commercial	6	6	5	-3.6	-8.7
Institutional	6	15	36	142.5	486.4
Nunavut	14	6	4	-23.9	-67.0
Industrial	0	0	0	100.0	...
Commercial	10	6	4	-24.2	-57.4
Institutional	3	0	0	13.0	-99.2

... not applicable

**Note(s):** Data may not add up to totals as a result of rounding.

**Source(s):** CANSIM table [026-0016](#).

**Table 2**  
**Investment in non-residential building construction, by census metropolitan area<sup>1</sup> – Seasonally adjusted**

	Second quarter 2015	First quarter 2016	Second quarter 2016	First quarter to second quarter 2016	Second quarter 2015 to second quarter 2016
	millions of dollars			% change	
<b>Total, census metropolitan areas</b>	<b>9,973</b>	<b>9,874</b>	<b>9,853</b>	<b>-0.2</b>	<b>-1.2</b>
St. John's	116	92	70	-24.5	-40.1
Halifax	116	109	92	-15.7	-21.1
Moncton	48	51	57	11.9	19.8
Saint John	25	14	19	35.6	-24.0
Saguenay	33	40	34	-14.3	4.1
Québec	232	177	171	-3.6	-26.3
Sherbrooke	52	50	50	1.2	-4.0
Trois-Rivières	29	38	42	10.7	43.6
Montréal	1,407	1,238	1,196	-3.4	-15.0
Ottawa–Gatineau, Ontario/Quebec	476	498	530	6.4	11.2
Gatineau part	65	75	79	4.9	20.8
Ottawa part	411	423	451	6.7	9.7
Kingston	131	73	56	-23.7	-57.4
Peterborough	25	21	14	-34.5	-44.5
Oshawa	116	94	92	-2.6	-20.5
Toronto	2,562	2,562	2,582	0.8	0.8
Hamilton	249	253	252	-0.4	1.1
St. Catharines–Niagara	88	74	74	-0.8	-16.5
Kitchener–Cambridge–Waterloo	227	232	226	-2.4	-0.6
Brantford	21	27	25	-4.2	20.2
Guelph	60	59	60	1.6	0.6
London	108	149	163	9.3	50.4
Windsor	69	63	56	-11.7	-19.8
Barrie	85	105	100	-4.4	18.1
Greater Sudbury	73	74	63	-15.7	-14.7
Thunder Bay	19	36	35	-1.3	83.8
Winnipeg	317	242	276	13.9	-13.0
Regina	169	164	149	-9.4	-12.0
Saskatoon	123	180	189	4.7	53.8
Calgary	1,092	1,113	1,088	-2.2	-0.4
Edmonton	866	864	876	1.3	1.1
Kelowna	61	78	94	20.6	54.1
Abbotsford–Mission	24	36	34	-5.2	44.1
Vancouver	874	982	1,002	2.0	14.6
Victoria	79	86	89	3.3	13.1

1. Go online to view the census subdivisions that comprise the [census metropolitan areas](#).

**Note(s):** Data may not add up to totals as a result of rounding.

**Source(s):** CANSIM table [026-0016](#).

**Available in CANSIM: table [026-0016](#).**

**Definitions, data sources and methods: survey number [5014](#).**

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300;  
[STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)).

To enquire about the concepts, methods or data quality of this release, contact Monia Bergeron  
([monia.bergeron@canada.ca](mailto:monia.bergeron@canada.ca); 613-286-5152), Investment, Science and Technology Division.