

Residential construction investment, fourth quarter 2017

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, March 2, 2018

Investment in residential construction totalled \$34.5 billion in the fourth quarter, up 9.2% (+\$2.9 billion) compared with the same period in 2016.

Every component except cottages and mobile homes contributed to the year-over-year increase in spending on residential construction. The gain was led by spending on renovations, up \$862.6 million (+6.4%) compared with the same quarter a year earlier. In the fourth quarter of 2017, spending on renovations accounted for 41.8% of the total residential construction investment.

Residential construction investment increased in eight provinces in the fourth quarter, led by Ontario (+\$1.1 billion or 8.8%). Saskatchewan (-\$28.3 million) and Newfoundland and Labrador (-\$5.9 million) were the only provinces posting declines.

Construction spending on renovations rose in every province except Alberta, where it declined by \$224.0 million. Renovations in Alberta peaked in the fourth quarter of 2016, when total investment for this component reached \$2.3 billion, compared with \$2.1 billion in the fourth quarter of 2017. This decline can be partially explained by the completion of renovation projects following the Fort McMurray wild fires in 2016.

Investment in apartment building construction rose in every province except Alberta (-\$7.3 million), with Quebec leading the gains, up \$451.4 million compared with the fourth quarter of 2016.

Acquisitions costs rose 12.4% (+\$437.9 million) in the fourth quarter compared with the same period in 2016 and accounted for 11.5% (\$4.0 billion) of the total investment in residential construction. Over the last 10 years, acquisition costs ranged from 9.5% (first quarter of 2009) to 13.5% (first quarter of 2015) of the total investment in residential construction. Acquisitions costs refer to the value of services relating to the acquisition of new dwellings, including sales taxes, land development and service charges, as well as record-processing fees for mortgage insurance and the associated premiums.

Note to readers

Data on residential construction investment are not seasonally adjusted and all comparisons in this release are between the fourth quarter of 2016 and the fourth quarter of 2017. Data are expressed in current dollars and are available at national and provincial levels.

With this release, data for the first quarter to the third quarter of 2017 have been revised..

Unless otherwise stated, the highlights are ranked in terms of dollar change rather than percentage change.

Next release

Data on residential construction investment for the first quarter will be released on June 1.



Table 1
Residential construction investment

	Fourth quarter 2016	Fourth quarter 2017	Fourth quarter 2016 to fourth quarter 2017
	millions of dollars		% change
Canada	31,590.4	34,491.7	9.2
Newfoundland and Labrador	302.8	296.9	-2.0
Prince Edward Island	84.7	119.8	41.4
Nova Scotia	680.0	699.9	2.9
New Brunswick	359.9	408.9	13.6
Quebec	5,433.1	6,386.7	17.6
Ontario	12,733.9	13,852.5	8.8
Manitoba	860.5	965.7	12.2
Saskatchewan	777.5	749.2	-3.6
Alberta	4,688.2	4,796.9	2.3
British Columbia	5,579.3	6,143.7	10.1
Yukon	45.1	40.2	-11.0
Northwest Territories	32.1	18.9	-41.1
Nunavut	13.2	12.4	-6.2

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

Source(s): CANSIM table [026-0013](#).

Available in CANSIM: table [026-0013](#).

Definitions, data sources and methods: survey number [5016](#).

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