

# Investment in building construction, June 2020

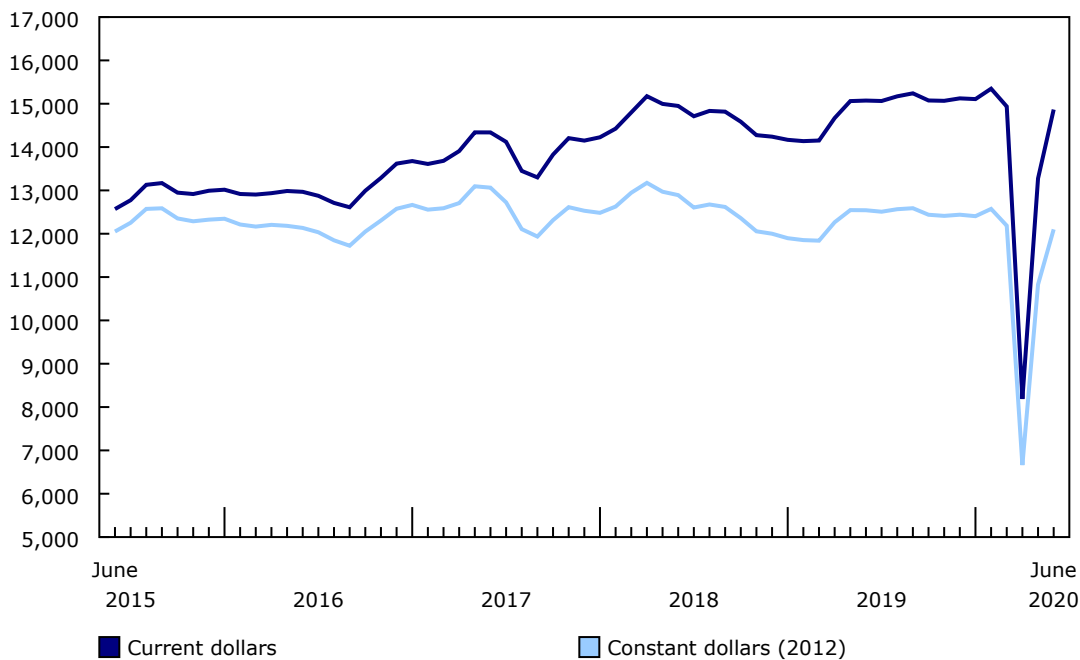
Released at 8:30 a.m. Eastern time in *The Daily*, Friday, August 21, 2020

Total investment in building construction increased 12.0% to \$14.9 billion in June, following the 62.2% gain observed in May. Although COVID-19-related workplace guidelines remained in place for June, construction sites were largely back to normal activity, which contributed to gains in all components of residential and non-residential investment. Despite June's growth, investment in building construction remained 3.1% lower than February 2020, before COVID-19-related restrictions were first put in place. On a constant dollar basis (2012=100), investment in building construction increased 11.7% to \$12.1 billion in June.

For more information on housing, please visit the [Housing statistics](#) portal.

**Chart 1**  
**Investment in building construction, seasonally adjusted**

millions of dollars



Source(s): Table 34-10-0175-01.

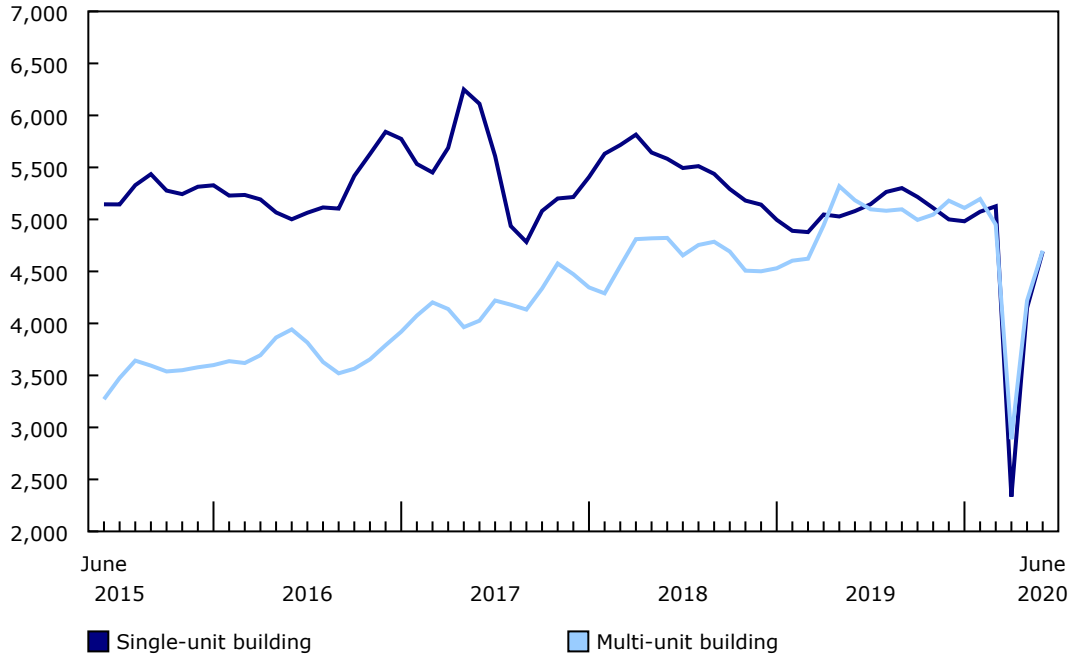
## Residential construction continues to recover

Investment in residential construction rose 12.2% to \$9.4 billion in June, with gains in both single-unit (+13.0% to \$4.7 billion) and multi-unit (+11.4% to \$4.7 billion) investment. Ontario and Quebec led all provinces in growth for the month, while Saskatchewan was the only province to report a decline. Nationally, after back-to-back months of strong gains, residential investment still remained 8.6% lower than February 2020 levels.



**Chart 2**  
**Investment in residential building construction, seasonally adjusted**

millions of dollars



Source(s): Table 34-10-0175-01.

Infographic 1 – Residential construction investment, June 2020

# June 2020

## Residential construction investment

Figure 1 Month-to-month change in residential construction investment (seasonally adjusted)

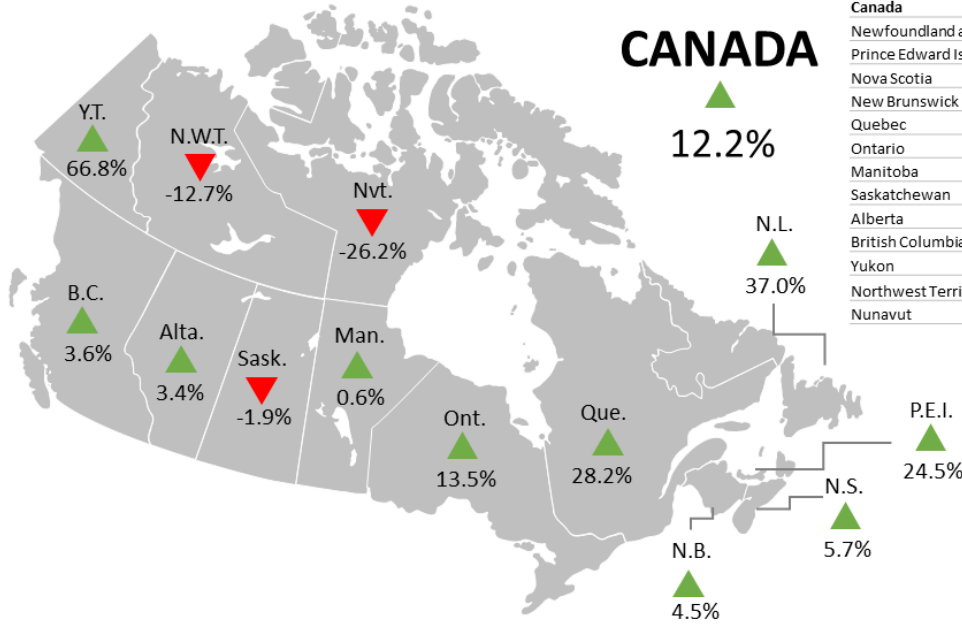
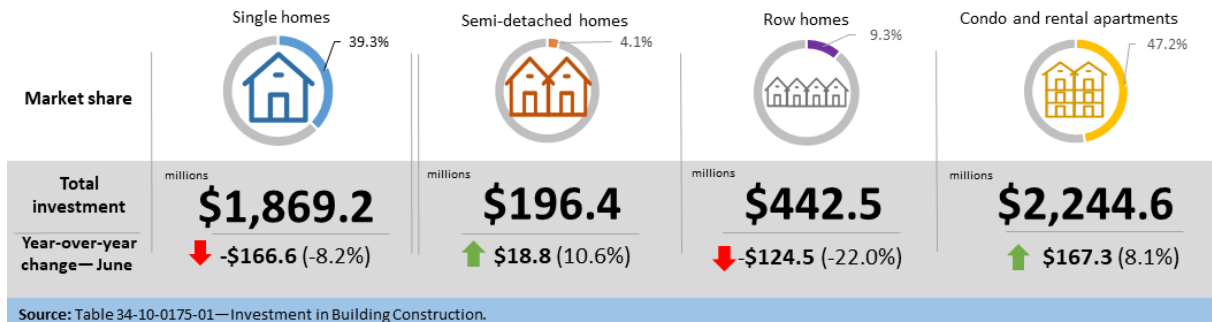


Table 1 Total investment, millions of dollars (seasonally adjusted)

Province/Territory	Total investment (millions of dollars)
Canada	\$9,389.1
Newfoundland and Labrador	\$64.0
Prince Edward Island	\$49.6
Nova Scotia	\$220.9
New Brunswick	\$126.0
Quebec	\$1,925.9
Ontario	\$3,846.6
Manitoba	\$256.2
Saskatchewan	\$160.2
Alberta	\$1,097.9
British Columbia	\$1,610.0
Yukon	\$22.3
Northwest Territories	\$5.4
Nunavut	\$4.0

Figure 2 Investment in new residential construction, market share and year-over-year change (not seasonally adjusted)



### Non-residential investment returns to pre-COVID-19 levels

Non-residential construction investment increased 11.6% to \$5.5 billion in June. Strong gains in Ontario and Quebec led to national growth in all components of non-residential investment, outweighing declines reported in all other provinces for the month.

With the strong increase in non-residential construction in June, investment for all three components is now somewhat higher than the levels recorded before COVID-19 restrictions were put in place.

The commercial component represented the majority of non-residential construction gains, up 14.7% to \$3.3 billion, with notable increases in Ontario and Quebec. Alberta (-4.2% to \$384.5 million) and British Columbia (-3.2% to \$458.3 million) reported the largest declines for the month.

The industrial (+7.7%) and institutional (+6.6%) sectors also increased in June, supported by strong gains in Ontario and Quebec.

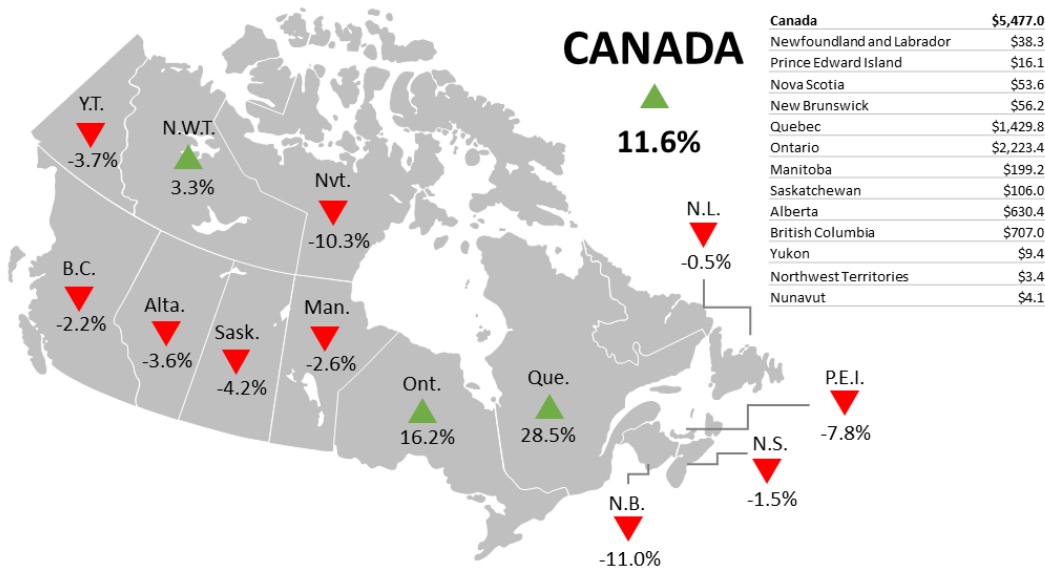
**Infographic 2 – Non-residential construction investment, June 2020**

# June 2020

## Non-residential construction investment

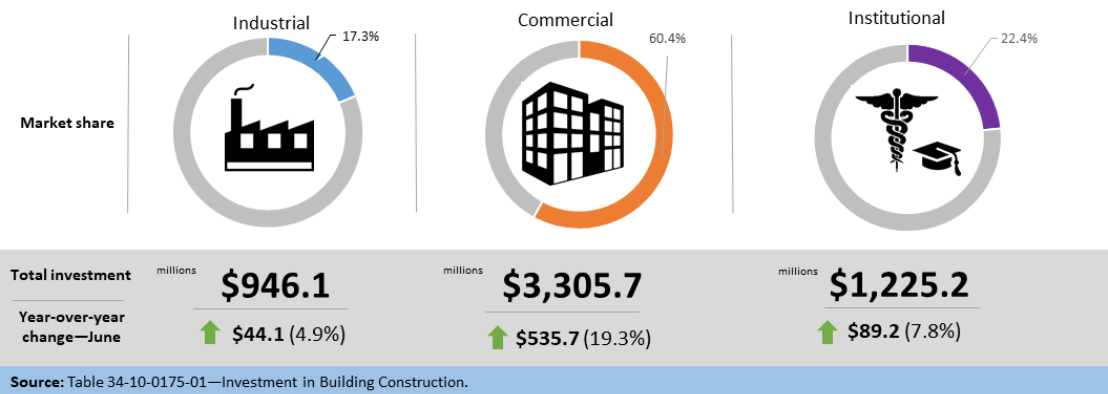
Figure 1 Month-to-month change in non-residential construction investment (seasonally adjusted)

Table 1 Total investment, millions of dollars (seasonally adjusted)



Canada	\$5,477.0
Newfoundland and Labrador	\$38.3
Prince Edward Island	\$16.1
Nova Scotia	\$53.6
New Brunswick	\$56.2
Quebec	\$1,429.8
Ontario	\$2,223.4
Manitoba	\$199.2
Saskatchewan	\$106.0
Alberta	\$630.4
British Columbia	\$707.0
Yukon	\$9.4
Northwest Territories	\$3.4
Nunavut	\$4.1

Figure 2 Investment in non-residential construction, market share and year-over-year change (seasonally adjusted)



## **Second quarter of 2020 down sharply**

Public health measures put in place to slow the spread of COVID-19 severely impacted the construction industry in the second quarter. Total investment in building construction amounted to \$36.3 billion, a decrease of 20.0% (-\$9.1 billion) compared with the first quarter. This is by far the largest quarter-over-quarter decrease since January 2010, when comparable data were first available.

All provinces and territories were down for the quarter, with Ontario (-\$3.4 billion) and Quebec (-\$3.2 billion) posting the largest declines. This represented a record quarter-over-quarter decrease for both provinces.

Residential investment fell in the second quarter, down 24.5% to \$23.0 billion, with both investment in multi-unit dwellings (-22.6%) and single-unit dwellings (-26.4%) posting sharp declines.

Non-residential investment decreased quarter over quarter, down 10.7% to \$13.4 billion. Declines were reported across all provinces and territories, with the largest in Ontario.

## Note to readers

Based on the extraordinary events and business disruptions around COVID-19, Statistics Canada has made adjustments to the models used to estimate investment in building construction. As a result of these adjustments, there may be larger-than-normal revisions to the data in subsequent months.

As per standard Statistics Canada practices, this release includes revised data for 2010 through December 2019. These revisions are based on updated data from the Building Permits program for 2019, as well as methodological updates to harmonize concepts between the Investment in Building Construction program and the System of National Accounts.

Unadjusted data for the current reference month are subject to revision based on late responses. Data for the previous month have been revised. Deflated data and seasonally adjusted data are revised for the previous two months.

Data presented in this release are seasonally adjusted unless otherwise stated. Using seasonally adjusted data allows month-to-month comparisons by removing the effects of seasonal variations. For information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Monthly estimates for constant dollars are calculated using quarterly deflators from the Building Construction Price Index (18-10-0135-01). Typically, the first two months of a quarter use the previous quarters' price level and are revised when the new quarterly price index becomes available.

Detailed data on investment activity by type of building and type of work are now available in the unadjusted current dollar series.

Prior to January 2018, building permits for cottages with a value greater than \$60,000 were automatically reclassified to structure type Single. Beginning with January 2018, regardless of value, building permits received from municipalities coded as cottages remain classified as a cottage.

Effective November 23, 2018, table 34-10-0175-01 contains data on both the residential and non-residential sector. It replaced tables 34-10-0010-01, 34-10-0011-01 and 34-10-0012-01.

## Products

A new study titled "[Price trends and outlook in key Canadian housing markets](#)" looks at where the housing market was at the onset of the COVID-19 pandemic, sheds light on what has happened since then, and explores the challenges of the Canadian market going forward.

Statistics Canada has a new [Housing Market Indicators](#) dashboard. This web application provides access to key housing market indicators for Canada, by province and by census metropolitan area. These indicators are automatically updated with new information from monthly releases, giving users access to the latest data.

## Next release

Data on investment in building construction for July will be released on September 21.

**Available tables: table [34-10-0175-01](#).**

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

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).