

Construction is a major industry in Canada, employing more than 1.2 million men and women. In 2010, 7.1% of employed Canadians aged 15 and older worked in the construction industry, an increase of 50.8% since 2000, when 806,900 people worked in construction.

Historically, employment in construction has been more sensitive to the ups and downs of the economy, and this held true in 2009 and 2010. In 2009, during the 2008–2009 recession, overall employment decreased 1.6%, while employment in construction fell 5.7%. In 2010, when the economy saw signs of improvement, employment in all industries grew 1.4%, while employment in construction advanced 4.9%.

Construction is an important contributor to the economy. In 2010, Canada's construction industries—residential, non-residential and engineering, repair and other construction services—accounted for 6.0% of Canada's GDP, contributing \$73.8 billion. From 2000 to 2010, construction GDP increased 42.7%, whereas GDP for all industries increased 20.2%.

Among the three component industries, engineering, repair and other construction services contributes the largest share to construction GDP. In 2010, it accounted for 54.0% of construction GDP, or \$39.9 billion. Residential building construction contributed \$23.4 billion, while non-residential building construction contributed \$10.8 billion.

### Value of building permits up

After decreasing 13.3% in 2009, the value of building permits rose in 2010 to reach \$72.4 billion—a gain of 18.7%. From 2000 to 2010, the value of building permits rose 96.1%, peaking in 2007 at \$74.4 billion.

Industrial building permits gained the most ground in 2010, increasing 32.6% to \$5.1 billion. Residential building permits also advanced, increasing 25.2%.

Residential building permits reached a value of \$43.5 billion and accounted for 60.0% of all building permits.

From 2009 to 2010, the value of building permits increased 10.0% in non-residential and 10.9% in the commercial sector, whereas they declined 1.6% in the institutional and governmental sector.

### Mixed year for housing market

In 2010, Canada's housing market underwent a mixed year. New housing prices increased 2.2% from 2009; however, average annual home resale prices were up 5.8%. In 2010, the volume of resales reached 446,577, down 3.9% from 2009, and 14.2% below the peak year of 2007.

In 2010, Newfoundland and Labrador recorded the fastest provincial increases as new housing prices rose 5.9% and resale prices advanced 14.0%.

Elsewhere in the Atlantic region, new housing prices fell 1.6% in Prince Edward Island, while Nova Scotia posted a 0.9% gain and New Brunswick saw a 1.6% increase. Resale prices rose 0.8% in Prince Edward Island, 4.8% in Nova Scotia and 1.5% in New Brunswick.

In 2010, both new housing prices and resale prices increased in Quebec. New housing prices increased 3.0% and resale prices gained 7.1%. In Ontario, new

### To learn more about

Apartment Building Construction Price Index, building materials, building permits, capital and repair expenditures, capital expenditures for construction, construction employment, Construction Union Wage Rate Index, housing starts, investment in non-residential buildings, New Housing Price Index

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housing prices increased 2.4%, while resale prices rose 7.5%.

In the Prairies, Manitoba posted a 4.8% increase in new housing prices in 2010, while prices increased 3.9% in Saskatchewan and 0.5% in Alberta. Home resale prices rose 10.3% in Manitoba and 4.0% in Saskatchewan, while they increased 3.1% in Alberta, following two consecutive annual declines.

In 2010, new housing prices were up 2.6% in British Columbia, while home resale prices rose 8.5%, reaching a record high average annual price of \$505,200.

### Less investment in non-residential construction

In 2010, investment in non-residential construction totalled \$28.4 billion in 2002 constant dollars, a 0.6% drop from 2009. Investment in industrial buildings dropped 3.6% and commercial buildings fell 2.6%, while institutional and governmental buildings increased 4.3%.

Provincially, Nova Scotia (14.5%), and New Brunswick (12.2%) had the largest

**Table 6.a**  
Annual GDP growth of the construction industry

	2006	2009
	to 2007	to 2010
	% change	
<b>Construction</b>	<b>4.1</b>	<b>8.1</b>
Residential building construction	0.5	12.1
Non-residential building construction	2.4	1.2
Engineering, repair and other construction activities	7.1	5.0

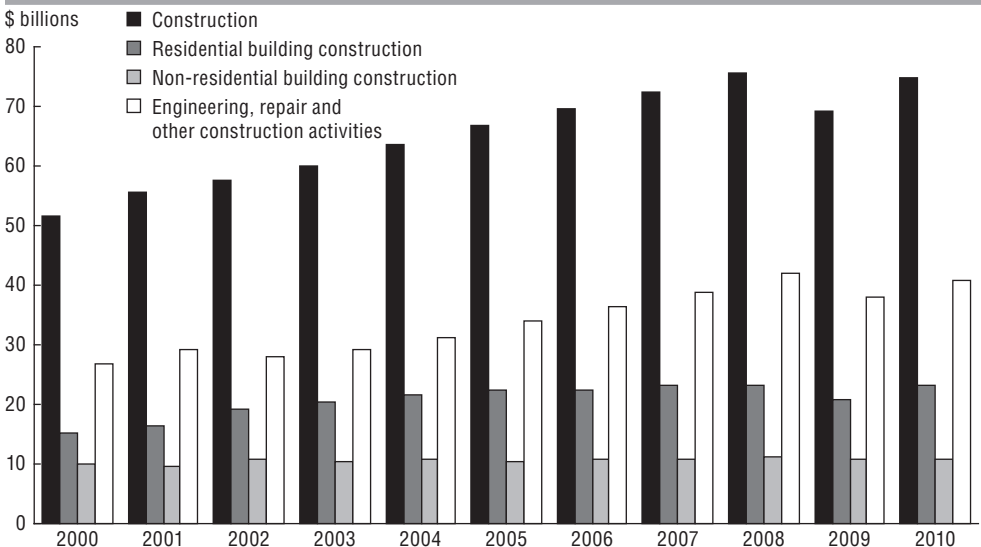
**Note:** The GDP data are in 2002 chained dollars, seasonally adjusted at annual rates.

**Source:** Statistics Canada, CANSIM table 379-0027.

gains in non-residential investment, while the largest decreases were in Prince Edward Island (25.2%) and Alberta (8.1%).

From 2000 to 2010, investment in non-residential building construction rose 17.7% from \$24.1 billion to \$28.4 billion, after peaking at \$29.1 billion in 2008. During this period, investment in industrial building construction declined 51.9%, whereas investment in commercial buildings climbed 32.7%. Investment in institutional and governmental construction grew 58.5%, the greatest growth in non-residential construction over the decade.

**Chart 6.1**  
GDP, by construction industry



**Source:** Statistics Canada, CANSIM table 379-0027.

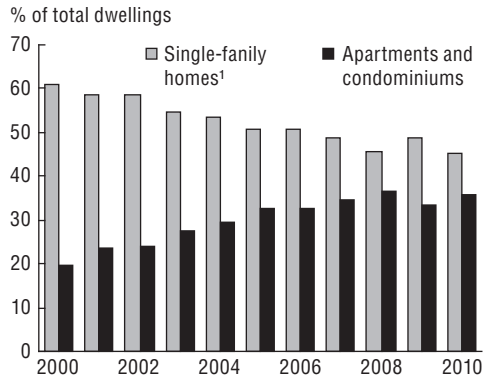
## Canadian cities are growing

Canadian cities are not only growing out, they're growing up. Builders are adapting to land shortages and to the evolving lifestyles of Canadians by building more apartments and condominiums, maximizing the use of available space.

During the 2000s, a growing share of construction was devoted to apartments and condominiums. In 2000, they accounted for 20.1% of residential construction. By 2008, 37.0% of residential construction was dedicated to apartments and condominiums. However, this trend reversed slightly in 2009 and 2010, slipping to 33.5% and 35.7%, respectively.

The growing share of apartments and condominiums is more obvious in Canada's largest cities. In 1991, 90% of all condominiums were located in the country's 25 largest cities. Today, the largest cities continue to see the greatest growth in high-density residential construction. In 2010, the

**Chart 6.2**  
Building permits



1. Includes mobile homes.

Source: Statistics Canada, CANSIM table 026-0001.

share of residential construction accounted for by apartments and condominiums was 55.6% in Montréal and 49.9% in Toronto. Apartment and condominium development in Vancouver increased to 50.7%, well above the national average (35.7%).

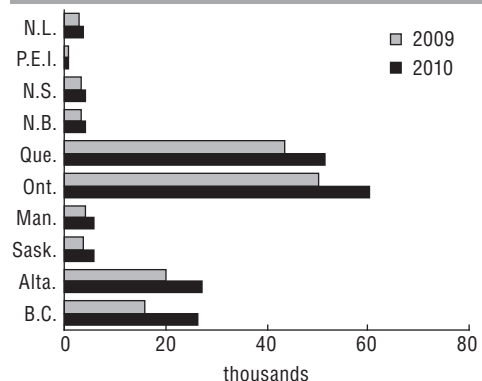
## More homes being built

Canada's housing market grew in 2010. Municipalities issued building permits for 203,170 residential units, an increase of 22.9% from 2009. Despite the increase, this was 15.9% below the decade's 2004 peak, when municipalities issued 241,471 residential building permits.

The number of housing starts also increased in 2010. Nationally, construction began on 189,930 homes and apartments, a 27.4% increase from 2009 and the greatest year-to-year increase since 1983.

With the exception of Prince Edward Island, where housing starts dropped 13.8%, housing starts were up provincially. In Western Canada, British Columbia (64.7%) and Saskatchewan (52.8%) saw the greatest gains. In Atlantic Canada, Nova Scotia (25.3%) experienced the most

**Chart 6.3**  
Housing starts, by province

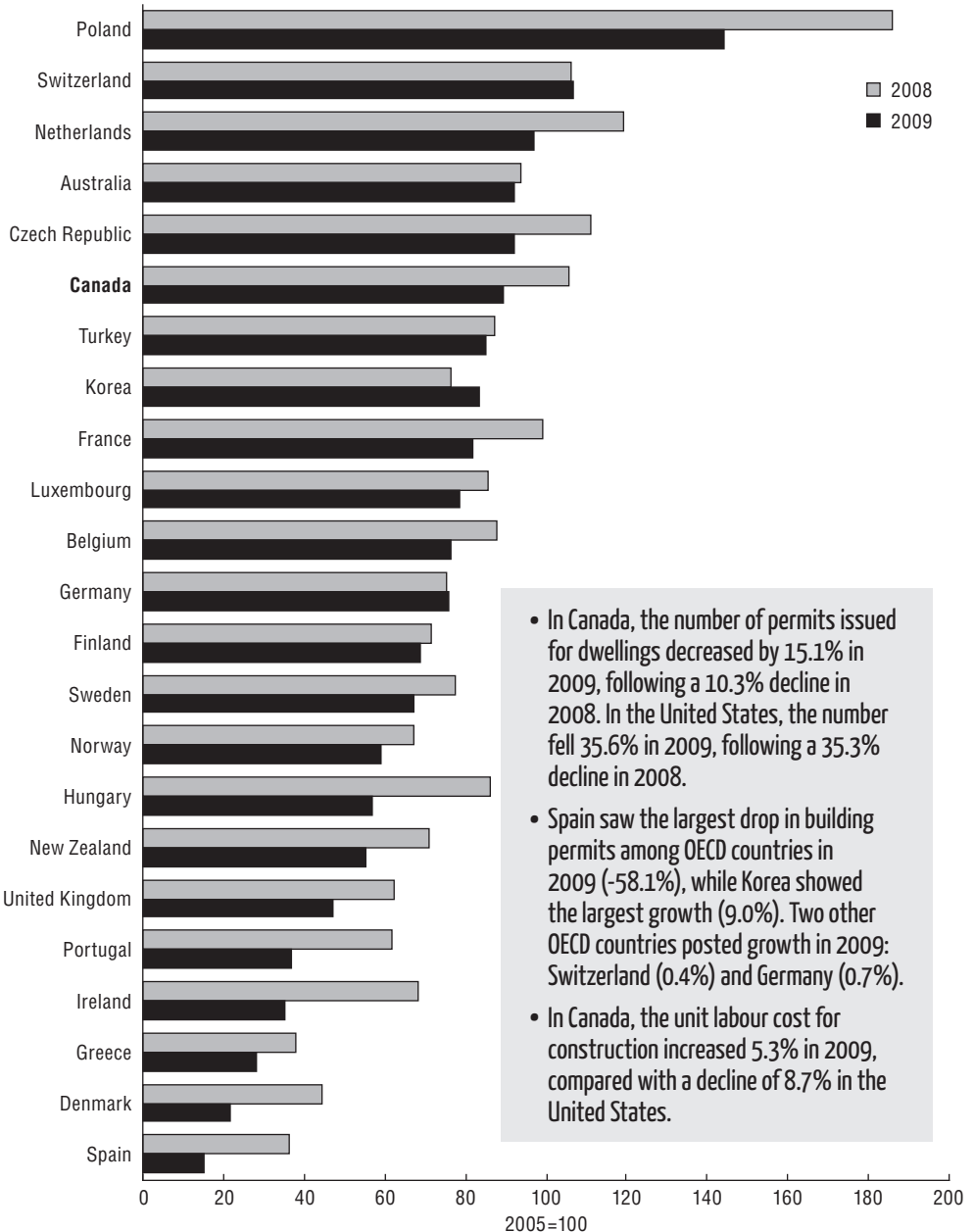


Sources: Canada Mortgage and Housing Corporation and Statistics Canada, CANSIM table 027-0008.

growth in housing starts. Canada's most populated provinces, Ontario (20.0%) and Quebec (18.3%), also saw increases in housing starts.

# INTERNATIONAL perspective

**Chart 6.4**  
**Building permits issued for dwellings, by selected country**



Source: Data based on OECD (2011), OECD.StatExtracts, *Permits issued for dwellings*.

**Table 6.1 Housing starts, by province, 1996 to 2010**

	1996	1997	1998	1999	2000	2001
	number					
<b>Canada</b>	<b>124,713</b>	<b>147,040</b>	<b>137,439</b>	<b>149,968</b>	<b>151,653</b>	<b>162,733</b>
Newfoundland and Labrador	2,034	1,696	1,450	1,371	1,459	1,788
Prince Edward Island	554	470	524	616	710	675
Nova Scotia	4,059	3,813	3,137	4,250	4,432	4,092
New Brunswick	2,722	2,702	2,447	2,776	3,079	3,462
Quebec	23,220	25,896	23,138	25,742	24,695	27,682
Ontario	43,062	54,072	53,830	67,235	71,521	73,282
Manitoba	2,318	2,612	2,895	3,133	2,560	2,963
Saskatchewan	2,438	2,757	2,965	3,089	2,513	2,381
Alberta	16,665	23,671	27,122	25,447	26,266	29,174
British Columbia	27,641	29,351	19,931	16,309	14,418	17,234

**Source:** Canada Mortgage and Housing Corporation and Statistics Canada, CANSIM table 027-0009.

**Table 6.2 Value of building permits, by province and territory, 1996 to 2010**

	1996	1997	1998	1999	2000	2001
	\$ millions					
<b>Canada</b>	<b>26,155.4</b>	<b>30,838.2</b>	<b>33,340.8</b>	<b>35,736.1</b>	<b>36,950.1</b>	<b>40,856.1</b>
Newfoundland and Labrador	224.1	213.6	252.7	296.8	282.9	298.3
Prince Edward Island	95.8	110.0	116.1	140.9	98.8	217.2
Nova Scotia	689.0	630.7	637.1	907.2	878.5	699.9
New Brunswick	441.1	459.0	481.0	481.2	484.6	535.1
Quebec	4,938.0	5,133.2	5,897.4	5,939.6	6,272.0	7,571.1
Ontario	9,597.6	12,888.7	13,839.8	16,732.5	17,556.5	19,069.3
Manitoba	592.3	689.6	1,031.8	879.4	853.9	739.2
Saskatchewan	543.0	626.8	672.9	721.6	609.0	703.3
Alberta	2,883.1	4,446.3	5,552.2	4,801.9	5,296.4	5,911.7
British Columbia	6,053.1	5,543.8	4,739.6	4,695.5	4,492.0	4,954.8
Yukon	51.8	49.6	39.9	48.8	55.5	49.8
Northwest Territories (including Nunavut)	46.6	46.9	80.2	90.6	..	..
Northwest Territories	..	..	..	..	23.0	76.0
Nunavut	..	..	..	..	47.2	30.4

**Source:** Statistics Canada, CANSIM table 026-0003.

2002	2003	2004	2005	2006	2007	2008	2009	2010
number								
<b>205,034</b>	<b>218,426</b>	<b>233,431</b>	<b>225,481</b>	<b>227,395</b>	<b>228,343</b>	<b>211,056</b>	<b>149,081</b>	<b>189,930</b>
2,419	2,692	2,870	2,498	2,234	2,649	3,261	3,057	3,606
775	814	919	862	738	750	712	877	756
4,970	5,096	4,717	4,775	4,896	4,750	3,982	3,438	4,309
3,862	4,489	3,947	3,959	4,085	4,242	4,274	3,521	4,101
42,452	50,289	58,448	50,910	47,877	48,553	47,901	43,403	51,363
83,597	85,180	85,114	78,795	73,417	68,123	75,076	50,370	60,433
3,617	4,206	4,440	4,731	5,028	5,738	5,537	4,174	5,888
2,963	3,315	3,781	3,437	3,715	6,007	6,828	3,866	5,907
38,754	36,171	36,270	40,847	48,962	48,336	29,164	20,298	27,088
21,625	26,174	32,925	34,667	36,443	39,195	34,321	16,077	26,479

2002	2003	2004	2005	2006	2007	2008	2009	2010
\$ millions								
<b>47,262.1</b>	<b>50,772.0</b>	<b>55,578.6</b>	<b>60,750.7</b>	<b>66,265.8</b>	<b>74,379.7</b>	<b>70,437.4</b>	<b>61,049.4</b>	<b>72,445.5</b>
383.3	421.0	501.2	494.1	538.4	660.1	802.5	766.4	1,205.2
146.2	178.1	223.8	244.0	207.0	163.8	216.9	178.6	259.9
877.3	1,014.1	1,125.8	1,188.0	1,291.4	1,288.9	1,326.7	1,368.7	1,633.8
663.8	696.3	797.3	829.0	933.3	965.2	1,113.8	1,148.2	1,133.3
8,628.4	10,090.9	11,629.6	11,288.0	11,878.3	12,973.4	13,806.7	12,929.7	14,842.3
22,281.4	23,235.2	23,905.3	24,129.6	23,292.2	26,710.4	25,414.6	21,880.5	28,138.6
888.9	1,065.0	1,150.4	1,128.5	1,378.8	1,480.1	1,636.7	1,560.7	1,757.4
708.6	772.6	770.0	905.7	1,138.6	1,646.4	2,185.8	1,890.3	2,077.0
6,846.5	6,667.2	7,327.1	10,201.7	13,875.7	15,729.7	13,141.2	11,276.9	11,425.4
5,659.4	6,394.2	7,938.7	10,182.9	11,541.5	12,544.7	10,577.2	7,629.9	9,723.8
31.3	52.6	75.9	77.3	95.6	79.6	70.0	157.6	130.0
..	..	..	..	..	..	..	..	..
91.6	86.2	105.3	68.7	37.7	74.0	87.4	164.7	74.4
55.4	98.6	28.1	13.2	57.4	63.5	58.0	97.2	44.4

**Table 6.3 New Housing Price Index, by city, 2005 to 2010**

	2005	2006	2007	2008	2009	2010
	2007=100					
St. John's	91.8	95.2	100.0	119.6	133.3	141.2
Charlottetown	96.6	98.7	100.0	101.4	102.3	100.7
Halifax	90.6	94.5	100.0	107.9	109.1	110.1
Saint John, Moncton and Fredericton	95.9	99.1	100.0	102.5	105.8	107.5
Québec	91.4	96.2	100.0	105.3	112.6	116.2
Montréal	92.0	95.9	100.0	104.9	107.4	110.7
Ottawa–Gatineau	95.3	98.3	100.0	103.8	105.3	109.5
Toronto and Oshawa	93.8	97.4	100.0	103.6	103.4	106.1
Hamilton	90.7	95.7	100.0	102.8	101.7	103.3
St. Catharines–Niagara	91.8	96.1	100.0	104.3	103.7	104.5
London	91.8	96.6	100.0	103.5	105.0	107.9
Kitchener–Cambridge–Waterloo	94.6	98.5	100.0	102.4	103.0	104.3
Windsor	102.2	102.1	100.0	100.4	100.5	99.7
Greater Sudbury and Thunder Bay	94.3	95.9	100.0	105.5	106.2	105.7
Winnipeg	81.7	89.4	100.0	110.2	113.0	118.4
Regina	75.4	81.8	100.0	126.2	133.3	140.2
Saskatoon	66.1	72.0	100.0	120.6	111.4	114.6
Calgary	60.0	86.1	100.0	100.6	93.9	95.6
Edmonton	58.8	75.7	100.0	101.0	89.7	89.0
Vancouver	87.4	93.3	100.0	102.3	95.8	99.0
Victoria	95.8	99.5	100.0	99.9	92.1	89.5

Source: Statistics Canada, CANSIM table 327-0046 and Catalogue no. 62-007-X.

**Table 6.4 Residential values, by type of investment, 2005 to 2010**

	2005	2006	2007	2008	2009	2010
	\$ thousands					
<b>Residential investment</b>	<b>74,474,886</b>	<b>81,770,582</b>	<b>89,676,765</b>	<b>91,816,626</b>	<b>80,801,723</b>	<b>93,531,405</b>
New dwellings, all types	36,373,931	39,660,086	43,074,640	43,241,225	32,785,641	39,518,350
Singles	23,245,920	25,348,138	27,251,067	24,826,778	18,709,097	25,289,069
Doubles	1,787,174	1,922,320	2,256,515	2,186,436	1,827,024	2,209,567
Row	3,131,847	3,111,589	3,432,905	3,597,175	2,545,440	3,171,732
Apartments	8,208,990	9,278,039	10,134,153	12,630,836	9,704,080	8,847,982
Conversions	331,873	416,612	382,973	597,621	489,122	672,243
Total acquisition costs	7,046,022	7,590,569	8,201,142	8,252,441	6,853,098	8,402,515
Renovations	30,271,000	33,692,000	37,567,000	39,183,000	40,279,000	44,557,000
Cottages	245,191	212,821	204,913	265,200	193,517	179,106
Mobiles	206,869	198,494	246,097	277,139	201,345	202,191

Source: Statistics Canada, CANSIM table 026-0013.

**Table 6.5 Investment in non-residential building construction, by census metropolitan area, 2006 to 2010**

	2006	2007	2008	2009	2010
	\$ millions				
<b>All census metropolitan areas</b>	<b>26,001.7</b>	<b>28,585.8</b>	<b>32,253.0</b>	<b>31,622.0</b>	<b>30,861.8</b>
St. John's	149.1	147.5	171.6	193.1	190.0
Halifax	395.5	322.1	338.5	378.7	399.0
Moncton	80.2	168.7	184.6	169.1	200.6
Saint John	89.3	117.5	123.6	183.7	176.9
Saguenay	125.5	149.2	158.6	248.5	208.2
Québec	686.4	750.1	1,059.1	1,053.8	864.0
Sherbrooke	167.5	163.8	175.6	184.8	216.9
Trois-Rivières	124.9	194.1	200.4	198.4	178.6
Montréal	3,061.7	3,369.7	3,613.0	3,247.1	3,318.3
Ottawa–Gatineau	1,643.5	1,595.3	1,416.3	1,476.4	1,580.2
Kingston	123.7	188.8	300.5	264.9	194.5
Peterborough	52.6	55.9	80.3	105.7	126.2
Oshawa	420.0	368.2	385.3	408.9	399.4
Toronto	6,720.9	6,655.5	7,876.4	7,152.1	6,985.6
Hamilton	695.8	544.1	836.1	931.9	915.6
St. Catharines–Niagara	323.0	271.7	264.5	252.8	414.8
Kitchener–Cambridge–Waterloo	571.0	541.5	658.7	773.4	1,001.8
Brantford	65.5	147.9	83.0	120.2	140.8
Guelph	125.6	194.1	161.2	150.2	212.8
London	490.5	511.2	652.7	580.2	528.6
Windsor	376.5	336.5	261.5	213.9	355.5
Barrie	150.2	235.3	290.2	495.0	388.7
Greater Sudbury/Grand Sudbury	140.9	227.9	256.2	219.9	254.7
Thunder Bay	117.8	83.6	98.7	128.8	94.9
Winnipeg	658.1	569.4	538.0	591.0	576.0
Regina	244.4	271.6	272.3	339.6	394.6
Saskatoon	401.9	353.2	553.3	705.4	623.8
Calgary	2,580.7	4,240.0	4,890.0	4,330.3	3,871.6
Edmonton	1,624.6	1,765.3	2,212.7	2,782.9	2,648.3
Kelowna	105.6	218.5	301.8	337.3	460.9
Abbotsford–Mission	241.6	244.4	225.6	151.6	89.2
Vancouver	2,868.7	3,213.2	3,253.5	2,779.8	2,340.0
Victoria	378.6	370.0	359.1	472.5	511.0

Source: Statistics Canada, CANSIM table 026-0016.



**Table 6.6 Capital expenditures for construction, by industry, 2007 to 2011**

	Actual			Preliminary	Intentions
	2007	2008	2009	2010 <sup>1</sup>	2011 <sup>2</sup>
	\$ millions				
<b>Canada</b>	<b>214,226.8</b>	<b>235,282.2</b>	<b>205,373.9</b>	<b>232,104.3</b>	<b>240,557.0</b>
Agriculture, forestry, fishing and hunting	1,832.1	1,860.0	1,894.7	1,836.0	1,923.2
Mining and oil and gas extraction	48,316.4	52,637.1	32,386.6	37,810.9	43,893.3
Utilities	14,025.4	15,521.2	17,480.6	17,789.5	18,317.7
Construction	671.2	740.8	683.3	735.8	769.4
Manufacturing	3,192.6	2,749.5	2,347.8	2,641.7	3,113.9
Wholesale trade	1,486.3	1,641.7	1,538.5	1,196.7	1,462.0
Retail trade	4,886.2	5,177.2	4,131.1	3,573.9	3,791.4
Transportation and warehousing	6,201.9	10,316.4	10,061.3	9,850.3	12,212.9
Information and cultural industries	2,127.4	2,200.2	2,550.2	4,019.8	3,894.4
Finance and insurance	914.9	1,108.2	1,534.9	1,442.9	1,612.1
Real estate and rental and leasing	4,584.5	5,760.6	5,057.2	4,662.2	4,234.2
Professional, scientific and technical services	442.1	805.9	518.4	598.0	572.0
Management of companies and enterprises	26.5	54.8	72.1	54.9	68.2
Administrative and support, waste management and remediation services	453.4	557.3	465.1	449.1	566.9
Educational services	5,441.8	5,539.6	6,053.2	8,126.1	6,435.2
Health care and social assistance	4,222.4	5,198.5	5,581.0	6,373.9	5,476.6
Arts, entertainment and recreation	1,123.1	1,480.2	857.5	792.0	759.9
Accommodation and food services	1,853.2	2,278.3	2,732.6	2,053.0	1,970.2
Housing	89,117.7	92,116.7	80,801.7	93,316.5	94,689.2
Public administration	22,813.9	26,966.8	28,057.4	34,292.3	34,312.0
Other services (excluding public administration)	493.6	571.3	568.6	488.7	482.3

**Notes:** The Capital Expenditures Survey collects data on the intentions for capital investment and the expenditures for the previous two years.

North American Industry Classification System (NAICS), 2002.

1. Data reflect the preliminary actuals for capital expenditures for 2010.

2. Data reflect the intentions for capital expenditures for 2011.

**Source:** Statistics Canada, CANSIM table 029-0005.

**Table 6.7 Production of building materials, 2006 to 2010**

	2006	2007	2008	2009	2010
	thousands				
Dry sawn lumber, cubic metres	80,870.4	72,042.6	57,250.1	45,248.5	53,311.1
Asphalt shingles, all sizes, bundles	44,590.3	41,143.2	44,270.7	44,175.8	40,633.9
Cement, tonnes	14,335.5	15,077.6	13,672.4	10,985.1	12,431.1
Steel pipe and tubing, tonnes	2,948.5	2,614.7	2,537.8	1,595.3	2,301.6

**Note:** Standard Classification of Goods (SCG).

**Source:** Statistics Canada, CANSIM tables 303-0009, 303-0046, 303-0052 and 303-0060.

**Table 6.8 Payroll employment in construction, by province and territory, 2005 to 2010**

	2005	2006	2007	2008	2009	2010
	number					
<b>Canada</b>	<b>694,384</b>	<b>736,571</b>	<b>785,844</b>	<b>829,700</b>	<b>794,366</b>	<b>822,096</b>
Newfoundland and Labrador	9,313	9,333	10,013	11,062	11,894	12,518
Prince Edward Island	4,214	4,172	4,224	4,295	4,640	3,959
Nova Scotia	17,636	18,893	20,188	20,916	21,194	22,493
New Brunswick	15,535	16,401	16,923	18,766	19,059	19,218
Quebec	145,758	145,908	148,119	158,346	162,925	168,664
Ontario	235,345	246,906	260,174	273,211	259,090	270,694
Manitoba	21,251	22,782	24,705	25,840	25,432	25,945
Saskatchewan	19,115	20,793	23,683	25,095	25,274	25,592
Alberta	126,677	140,134	155,226	161,836	146,900	155,068
British Columbia	96,039	107,891	119,009	126,516	114,449	114,094
Yukon	858	1,062	1,007	960	922	x
Northwest Territories	2,018	1,757	2,010	2,222	1,937	1,968
Nunavut	625	538	564	634	649	x

**Notes:** Annual number of salaried and hourly employees on payroll.  
North American Industry Classification System (NAICS), 2007.

**Source:** Statistics Canada, Survey of Employment, Payrolls and Hours and CANSIM table 281-0024.

**Table 6.9 Maintenance and repair expenditures in housing, by province, 2004 to 2009**

	2004	2005	2006	2007	2008	2009
	\$ millions					
<b>Canada</b>	<b>9,908</b>	<b>10,849</b>	<b>11,760</b>	<b>12,607</b>	<b>13,330</b>	<b>13,637</b>
Newfoundland and Labrador	171	184	202	209	219	228
Prince Edward Island	36	38	42	43	45	46
Nova Scotia	351	382	427	437	465	477
New Brunswick	270	297	318	348	365	376
Quebec	2,487	2,739	2,957	3,183	3,386	3,466
Ontario	3,975	4,340	4,670	5,002	5,256	5,382
Manitoba	305	336	362	383	416	424
Saskatchewan	267	294	318	328	351	359
Alberta	921	1,006	1,105	1,200	1,258	1,276
British Columbia	1,110	1,216	1,341	1,454	1,549	1,583

**Source:** Statistics Canada, CANSIM table 026-0009.