Winnipeg Free Press



Winnipeg Free Press - PRINT EDITION

Builders keeping busy despite slide in permits

By: Staff Writer

Posted: 1:00 AM | Comments: 0 (including replies)g

LOCAL builders are on a tear this year, despite building-permit activity hitting the proverbial brick wall in April.

Statistics Canada figures released Tuesday show only \$168.2 million worth of permits were issued in April by Manitoba municipalities. That was a drop of 25.8 per cent from March's \$226.7 million.

But despite April's slowdown, permit values were still running 49.6 per cent ahead of last year's pace after the first four months -- \$790.1 million versus \$528.2 million. And 2011 was a busy year for the province's construction industry.

The figures show permit values in Manitoba have been fluctuating wildly from month to month this year, with one big month followed by a substantial decline the next month.

Some economic forecasters had predicted a slowdown in construction this year as a number of big projects near completion and cash-strapped governments cut back on infrastructure spending.

But Winnipeg Construction Association executive vice-president Ron Hambley said last month all of the evidence he's seeing points to another busy spring and summer for the industry.

"We track projects two to three years out, in terms of where they are in the design stages," Hambley said. "We use that as an indication of how busy the next six to eight months are going to be... and we're very encouraged."

The Statistics Canada figures also show while the non-residential sector was the laggard in April -- permit values plunged 48.5 per cent to \$63.6 million -- it was the runaway leader over the first four months combined.

Non-residential permit values soared by 109 per cent to \$348.1 million from \$166.6 million in the same period last year. And residential permits increased by 1.2 per cent in April -- \$104.6 million versus \$103.6 million -- and by 22.2 per cent for the first four months -- \$442 million versus \$\$361.6 million.

Nationally, the value of building permits issued last month slipped 5.2 per cent to \$6.5 billion, mostly because of lower construction intentions for institutional buildings and multi-family dwellings in Ontario. After two consecutive monthly advances, the value of permits in the non-residential sector fell 8.4 per cent to \$2.7 billion. The value of residential permits dipped by 2.8 per cent to \$3.8 billion in April, a fourth consecutive monthly decrease.

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| | Murray | McNeill, | with | files by | / The | Canadian | Press |
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