

Investment in Building Construction: Statistics Canada Report September 21

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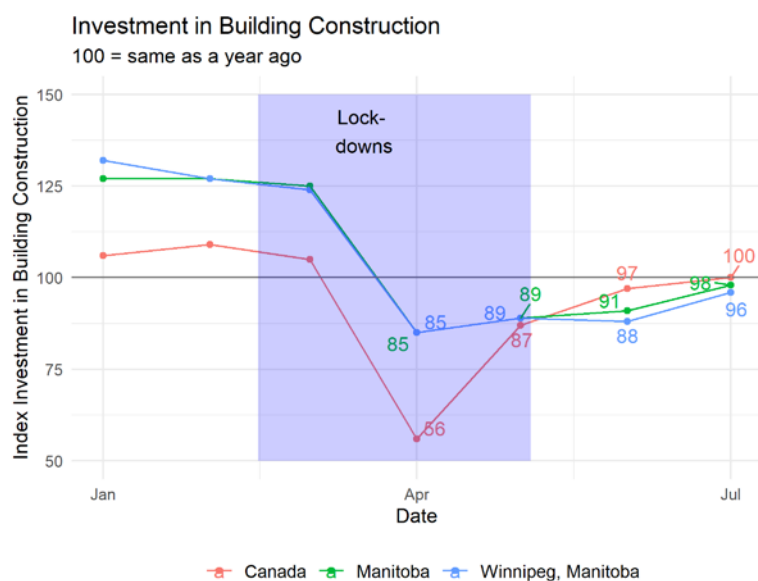
Bottom Line

This week Statistics Canada released its report on investment in building construction in Canada, Manitoba, and the Winnipeg Census Metropolitan Area (CMA). While COVID-19 lockdowns caused investments to drop in April, they recovered in July 2020 to around the same level as the year prior. Residential building construction is lagging a bit further behind non-residential construction, particularly in Manitoba and the Winnipeg CMA.

Analysis

Typically, there is far less variability for Canada as a whole, since each individual investment forms a small share of the total. In Manitoba and in the Winnipeg CMA, a few large projects can really move the needle when it comes to total building construction investments. This is what we are seeing when we look at investments in the construction of institutional buildings in Winnipeg. *According to Statistics Canada, [Institutional buildings](#) include education buildings, hospitals, and libraries. Some of the following may also be part of the institutional building category. The construction of: public warehouses, religious buildings, recreational & sports facilities, and transportation facilities buildings.*¹

Figure 1: Investment in Building Construction (Index 100 = same as a year ago)



Source: Statistics Canada, Investment in Building Construction, Monthly, Unadjusted, Tables 34-10-0175-01

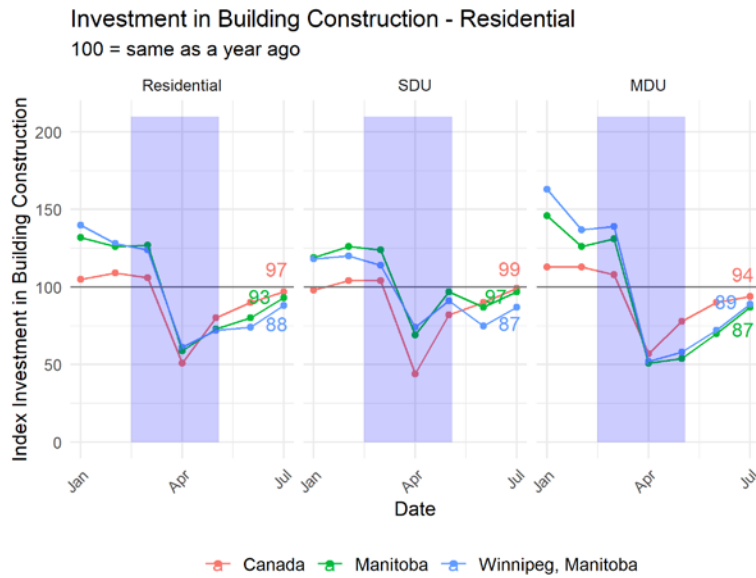
Before the lockdowns in March, total investment in business construction across Canada, Manitoba and the Winnipeg CMA were stronger than the prior year (**Figure 1**). In April 2020, Canada’s index value dropped to 56, down 44%. Manitoba and the Winnipeg CMA’s index fell to 85 in April, down 15%.

In July 2020, Canada had recovered to the same level in July 2019. Manitoba’s index value in July 2020 was 98, only 2 per cent below July 2019, and

¹ The list I consulted showed both commercial and institutional buildings.

the Winnipeg CMA had recovered to an index value of 96, or down 4 per cent year-over-year.

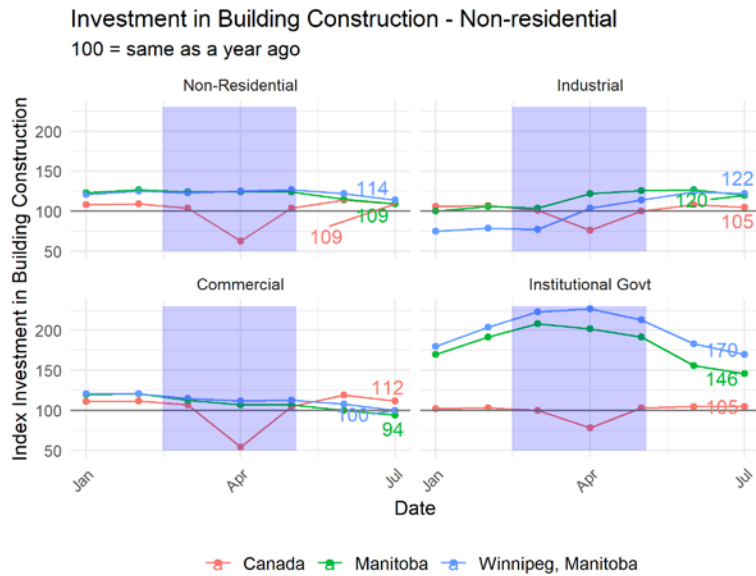
Figure 2: Investment in **Residential** Building Construction (Index 100 = same as a year ago)



Source: Statistics Canada, Investment in Building Construction, Monthly, Unadjusted, Tables 34-10-0175-01

The pattern for residential building construction overall, single dwelling units (SDU) and multiple dwelling units (MDU) follows a similar pattern, with a bit more of a lag for MDU's (Figure 2).

Figure 3: Investment in **Non-Residential** Building Construction (Index 100 = same as a year ago)



Source: Statistics Canada, Investment in Building Construction, Monthly, Unadjusted, Tables 34-10-0175-01

Non-residential building construction in Manitoba and the Winnipeg CMA held up stronger vs the Canadian average through the lockdowns (Figure 3). As of July 2020, all three geographies were stronger than the year prior.

Institutional building construction investments continued to show the most strength in July 2020, with Manitoba (Index of 170) and the Winnipeg CMA (index of 146).

EDW Contacts for Assistance or Inquiries:

- For Winnipeg businesses looking for help accessing government programs, please reach out to our **Yes! Winnipeg Team** through our [Help us help you form](#) if you are not sure who to contact on the Y!W team.
- For general inquires please email wpginfo@edwinnipeg.com.
- For Marketing & Communications Inquiries, please email marketingandbranding@edwinnipeg.com.