

Housing Starts Continue to Increase in Canada and Québec

According to the Canada Mortgage and Housing Corporation (CMHC), housing starts in Canadian centres with 10,000 or more inhabitants increased by 79 per cent in April 2010 (unadjusted data) compared to the same period last year, when Canada was being hit hard by the recession and housing starts were down 51 per cent. In total, there were 14,995 housing starts in Canadian urban centres in April 2010. April is the sixth consecutive month in which there has been an increase in housing starts in Canada.

The number of housing starts also continued to increase in Québec in April, as 4,213 housing constructions were undertaken, a 32 per cent increase compared to April 2009. This is the fifth consecutive month that housing starts are up in the province. All of the province's metropolitan areas registered an increase in housing starts with the exception of the Gatineau Metropolitan Area, which posted its ninth consecutive decrease in April 2010 (-5 per cent), and the Trois-Rivières Metropolitan Area (-19 per cent). The Sherbrooke and Saguenay Metropolitan Areas really stood out, as their housing starts more than doubled in April.

Housing Starts - April 2010 (Unadjusted Preliminary Data)		
Metropolitan Areas	Housing Starts (number of dwellings)	Annual Change
Canada (10,000 inhab. and more)	14 995	79 % ↑
Province de Québec (10,000 inhab. and more)	4 213	32 % ↑
Montréal	2 321	37 % ↑
Gatineau	338	-5 % ↓
Québec	863	85 % ↑
Saguenay	101	** ↑
Sherbrooke	225	** ↑
Trois-Rivières	94	-19 % ↓

Source: Canadian Mortgage and Housing Corporation (CMHC)

** Percentage change superior to 100 %

To view the official CMHC press release for the province of Québec (available in French only), [click here](#).



Details About Housing Starts

Preliminary housing start data are published by the Canada Mortgage and Housing Corporation (CMHC) on the sixth working day of every month. The data released by the CMHC account for the number of dwellings for which construction has started during the month in question. Data are issued monthly for the six Census Metropolitan Areas and for urban centres with a population of 50,000 to 99,999 inhabitants (Drummondville, Granby, Saint-Hyacinthe, Shawinigan and Saint-Jean-sur-Richelieu), and they distinguish between single-detached houses and multiple dwelling units (semi-detached or townhouses and apartments). Housing start data for urban centres with 10,000 to 49,999 inhabitants are issued on a quarterly basis.

Housing Starts and the Existing-Home Market in Québec

Housing starts, as an indicator of the residential construction market, provide valuable information on the vitality of the real estate industry in general. However, if the increase in the number of new dwellings is greater than the long-term household formation trend, this situation would lead to an increase in the inventory of new, unsold homes, and could compete with the market of existing homes.