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Calgary building boom leads nation

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Calgary led the country with the strongest gain in non-residential building construction investment during the second quarter of this year, according to data released Tuesday by Statistics Canada.

The federal agency said overall investment in the city rose by 12.7 per cent to \$606 million in the three non-residential building components — industrial, commercial and institutional. Overall, non-residential construction in Alberta showed the biggest gain of any province at 8.8 per cent to \$1.6 billion in the second quarter.

“Western Canada’s dynamic economy continued to spark the non-residential sector,” said Statistics Canada. “Other contributing factors were a strong labour market which culminated in May’s record surge in full-time jobs and strong consumer demand for durable goods. In contrast, the picture in the rest of the country was less rosy as shipments declined for a third month this year.”

Nationally, investment in non-residential building construction hit a record high for the 13th consecutive quarter between April and June, thanks largely to huge gains in British Columbia and Alberta. Investment reached \$8.7 billion, up 0.9 per cent from the first quarter.

“The biggest contributor was record spending in the two western-most provinces,” said Statistics Canada. “If Alberta and British Columbia were excluded from the national figure, the investment in non-residential construction would have declined 0.5 per cent instead of rising 0.9 per cent.”

Investment in British Columbia rose by 4.6 per cent to \$1.2 billion.

Statistics Canada reported that investment in commercial construction projects advanced for the 11th straight quarter as a result of “robust activity in office building construction sites in Western Canada.”

The largest contributions to this occurred in Alberta (7.5 per cent to \$993 million) and British Columbia (3.8 per cent to \$704 million) — both record high levels.

Also, British Columbia and Alberta posted the largest gains in institutional investment where they rose 9.6 per cent to \$387 million and 10.8 per cent to \$331 million respectively.

Although industrial construction fell by 2.7 per cent on a national level, Calgary recorded the largest increase in industrial construction spending which hit \$56 million.

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