

Building Permit Values (Updated May 2014)

Total building permit values in the ICET region increased to \$164 million in the first quarter of 2014 from \$134 million in the final quarter of 2013.

Permit values are a healthy 19% higher than the first quarter of last year, matching the upward trend observed throughout BC this quarter.

Looking at the last 12 months in total (from April 2013 through March 2014), permit values in the ICET region are \$651 million, an increase of 6% over the previous 12-month period. This is the largest increase of any region in BC, but permit values have been relatively flat in all regions over the last year (BC is down 1% compared to the previous 12 months).

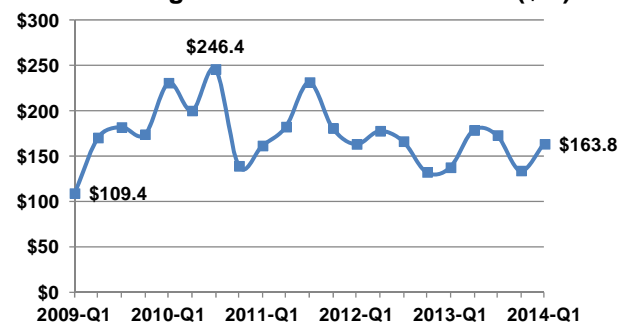
The ICET region had 7.0% of total permit values in BC in the first quarter, its highest share since the last quarter of 2011. The region has been in the range of 5.5% to 7% of the provincial total in the last few years, which is lower than recent history. From 2004 to 2011, the ICET region had more than 8% of provincial permit values every year. The modest upward trends observed this quarter may suggest an eventual return to a more typical share of provincial construction activity.

Total Building Permit Values by BC Region

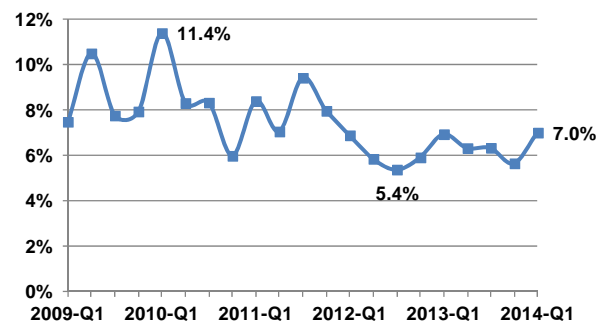
Region	Quarterly Building Permit Values (\$M)					Change, 2013-Q1 to 2014-Q1	12-Month Permit Values (\$M)		
	2013-Q1	2013-Q2	2013-Q3	2013-Q4	2014-Q1		Previous 12 Months	Latest 12 Months	Change
ICET Region	\$138.0	\$179.1	\$173.5	\$134.3	\$163.8	19%	\$615.5	\$650.7	6%
Southern Interior	\$218.4	\$342.9	\$399.8	\$291.1	\$254.5	17%	\$1,239.1	\$1,288.2	4%
Northern BC	\$60.0	\$171.8	\$265.0	\$93.9	\$82.4	37%	\$649.4	\$613.1	-6%
Major Metros	\$1,571.6	\$2,135.9	\$1,899.4	\$1,855.9	\$1,835.7	17%	\$7,868.2	\$7,727.0	-2%
BC Total	\$1,987.9	\$2,829.7	\$2,737.6	\$2,375.2	\$2,336.4	18%	\$10,372.3	\$10,279.0	-1%

Source: BC Stats

Building Permit Values to 2014-Q1 (\$M)



ICET Share of BC Total to 2014-Q1



Building permit values at the regional district (RD) level are often highly variable from quarter to quarter, particularly for smaller RDs where a single large project can make up the majority of total permit values in a quarter (or year).

The previous page showed total permit values in the ICET region increasing by just over \$30 million in the first quarter of 2014 compared to the last quarter of 2013. The largest increase is in the RD of Nanaimo (up \$15 million), followed by the Strathcona RD (up \$6 million). Every RD in the region except for the Powell River RD had an increase compared to the last quarter of last year.

Comparing the last year (April 2013 to March 2014) to the previous 12 months, permit values more than tripled in the Powell River RD, driven by a new long-term care facility that was permitted in the second quarter of last year. The Strathcona RD nearly doubled permit values over the same period while the RD of Mount Waddington and Sunshine Coast RD have also seen strong increases both in the last 12-month period and in the first quarter of this year compared to the first quarter of last year.

The three most populated RDs in the region (Nanaimo, Cowichan Valley and Comox Valley) have all declined between 12% and 16% in the last year compared to the previous 12 months and Alberni-Clayoquot is also down slightly.

Total Building Permit Values by Regional District within the ICET Region

Regional District	Quarterly Building Permit Values (\$M)					Change, 2013-Q1 to 2014-Q1	12-Month Permit Values (\$M)		
	2013-Q1	2013-Q2	2013-Q3	2013-Q4	2014-Q1		Previous 12 Months	Latest 12 Months	Change
Powell River	\$2.7	\$19.7	\$1.1	\$2.5	\$1.0	-61%	\$7.5	\$24.4	224%
Strathcona	\$14.7	\$43.4	\$39.9	\$13.5	\$19.7	34%	\$59.4	\$116.5	96%
Mount Waddington	\$0.4	\$0.8	\$0.3	\$0.8	\$2.0	347%	\$2.3	\$3.9	67%
Sunshine Coast	\$13.1	\$18.3	\$14.3	\$20.7	\$24.1	84%	\$57.5	\$77.3	34%
Alberni-Clayoquot	\$3.9	\$7.4	\$8.0	\$6.4	\$6.7	73%	\$29.9	\$28.5	-5%
Nanaimo	\$67.5	\$44.1	\$59.3	\$58.4	\$73.6	9%	\$266.2	\$235.3	-12%
Cowichan Valley	\$22.9	\$26.6	\$27.6	\$16.1	\$18.3	-20%	\$101.6	\$88.6	-13%
Comox Valley	\$12.9	\$19.0	\$22.9	\$16.0	\$18.4	43%	\$91.1	\$76.3	-16%
ICET Region	\$138.0	\$179.1	\$173.5	\$134.3	\$163.8	19%	\$615.5	\$650.7	6%

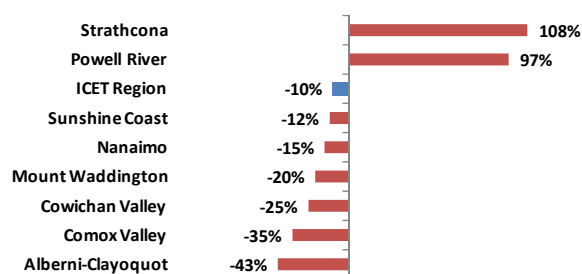
Source: BC Stats

Taking a somewhat longer-term perspective, total permit values in each RD over the last 12 months are compared to the average of the previous four years in the chart to the right.

The Strathcona and Powell River RDs have each had about double their typical level of activity while the region as a whole is down 10% compared to the 4-year average. The Strathcona RD has been buoyed by several major projects in the area, including upgrades to BC Hydro's John Hart Dam in Campbell River. The rest of the region is lower due to a combination of slow population growth and challenging economic conditions.

There are also significant one-time developments, like a new high school in Port Alberni in 2011, that inflated permit values that year and contribute to the last several years appearing lower in comparison for the Alberni-Clayoquot RD.

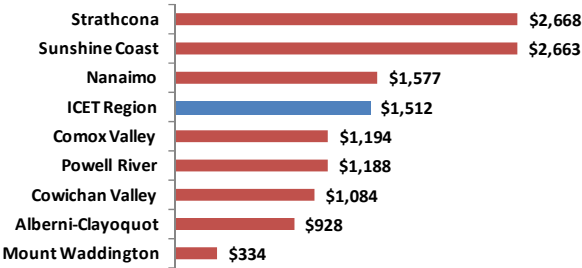
Building Permit Values in Latest 12 Months Compared to Average of Previous 4 Years



On a per-capita basis, the Strathcona RD leads the region over the last 12 months, followed very closely by the Sunshine Coast RD. Despite having permit values 12% below its previous four-year average, the Sunshine Coast still has per capita permit values significantly above the regional average.

The RD of Mount Waddington has shown strong improvement in building activity in the last year, but its per capita permit values are less than one-quarter the regional average. This demonstrates the challenges remaining in the northern part of the region and the potential that remains to further expand activity.

Per Capita Building Permit Values in Last 12 Months (based on 2013 population)



Appendix: Geographic Areas

The four BC regions shown in this report are based on amalgamations of regional districts. Note that the ICET Region boundaries are an exact match for the area covered by the Trust, but the Southern Interior and Northern BC regions do not exactly match the boundaries of the other two regional trusts in BC (the Southern Interior Development Initiative Trust and the Northern Development Initiative Trust).

ICET Region

Cowichan Valley, Nanaimo, Alberni-Clayoquot, Comox Valley, Strathcona, Mount Waddington, Powell River, Sunshine Coast

Southern Interior

East Kootenay, Central Kootenay, Kootenay-Boundary, Okanagan-Similkameen, Central Okanagan, North Okanagan, Columbia-Shuswap, Thompson-Nicola, Squamish-Lillooet

Northern BC

Cariboo, Fraser-Fort George, Peace River, Northern Rockies, Bulkley-Nechako, Stikine, Kitimat-Stikine, Skeena-Queen Charlotte, Central Coast

Major Metros

Capital, Greater Vancouver, Fraser Valley

