Alberta

HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

THIRD QUARTER 2002

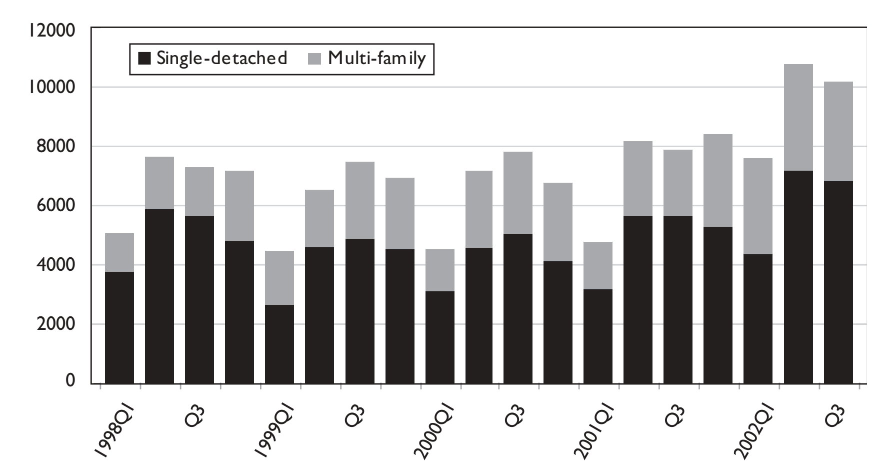
New Home Market

Home Construction Maintains Hectic Pace

On the heels of a 42 per cent gain in the first half of 2002, residential construction in Alberta continues to show remarkable strength. Total provincial housing starts measured 10,152 units from July to September, 29 per cent above levels reported one year earlier. It also represents the best third-quarter performance since 1981 when 10,575 units were recorded. Construction during the third quarter pushed overall housing starts to 28,511 units by the end of September, a 37 per cent gain from the corresponding period one year ago. The pace of urban starts to the end of September is 37 per cent ahead of the previous year, thanks to continued gains in Edmonton, Calgary, and the majority of Alberta's census areas (CAs). Only Lethbridge, Lloydminster, and Wetaskiwin recorded weaker year-to-date activity than the previous year. Not to be outdone by urban centres, rural Alberta continued its strong performance, with total starts to the end of September 38 per cent higher than the same period one year ago.

Alberta's homebuilders continue to reap the rewards of healthy employment gains and strong net migration. Thanks to a solid gains in retail and construction sectors, the Alberta economy has managed to create 36,500 jobs to the end of September. More important to housing markets is the rate of full-time employment growth, which accounts for 96 per cent of all job creation in Alberta to-date. This pace of job expansion and low unemployment rate continues to draw migrants from other provinces. Figures for the first half of 2002 indicate that net inter-provincial migration to Alberta totaled 11,607 people, 17 per cent higher than levels reported one year earlier.

Alberta Housing Starts



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Single-Family Starts Poised for New Record

Following a 34 per cent jump in the second quarter of 2002, single-family starts in Alberta's urban centres continued to push forward in the third quarter. From July to September of this year, urban single-family starts reached 5,442 units, 17 per cent more than the corresponding period one year earlier. During the same period, rural single-family starts increased by wider margin, as the 1,398 rural starts in the third quarter were 39 per cent higher than the previous year. Overall single-family construction across Alberta reached 6,840 units in the third quarter of 2002, the best total for any third quarter on record.

While Calgary continued to lead Alberta's single family starts, Edmonton has posted a larger gain compared to the previous year. From July to September, 1,874 single-family homes began construction in the Edmonton CMA, up 29 per cent from levels reported one year ago. Edmonton's third quarter activity pushed the year-to-date total to 4,990 units, 37 per cent ahead of last year's pace. Calgary's third-quarter year-over-year gain was a comparatively modest 15 per cent. Nonetheless, the 2,552 single-family starts from July and September have poised Calgary's homebuilders for a potential record-breaking year. With a 26 per cent increase to the end of September, Calgary's single-family market is on pace to beat 1998's record of 9,219 units. Other markets on pace for a new single-family record include Red Deer and Medicine Hat. To the end of September, single-family starts in Red Deer and Medicine Hat are up 50 and 27 per cent, respectively.

Single-family Absorptions Draw Down Inventories

Solid single-family sales continue to pull down the number of complete and unabsorbed units in Alberta. Among centres of 50,000 population and over, 4,403 single-family homes were absorbed from July to September, up 18 per cent from 3,731 in the third quarter of last year. For all units absorbed, a trend toward more modestly priced homes has emerged in the Calgary CMA, as year-to-date prices growth has been negative. For the first time since 1996, average prices in the Calgary CMA are down almost one per cent to the end of September, reaching $238,596. In Edmonton, however, prices continue to rise. With three quarters of the year behind us, the average single-detached price in Edmonton sits at $200,448, a gain of 6.2 per cent over the previous year.

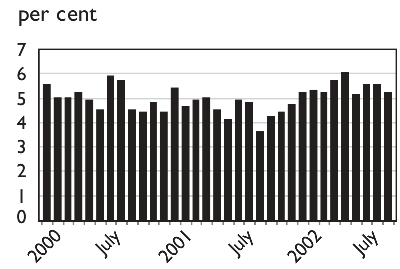
Thanks to continued strong absorptions and weak selection in many resale markets, the number of complete and unabsorbed units in Alberta's major urban centres fell to 990 units by the end of September, down from 1,243 in September 2001. The majority of the decline occurred in Calgary, where the 554 units in inventory were 24 per cent, or 173 units, lower than September 2001's total. Edmonton and Lethbridge also recorded declines, down 16 and 37 per cent, respectively.

Multi-Family Construction Continues to Impress

Following an impressive 43 per cent year-over-year gain in the second quarter of the year, multi-family starts, consisting of semi-detached, row, and apartment units, advanced another 51 per cent in the third quarter of 2002. Though third quarter construction in the Edmonton CMA increased by a comparatively weak 18 per cent, Edmonton continues to outshine all other Alberta centres for multi-family construction. To the end of September, 3,906 multi-family units have been started in the Edmonton CMA, almost double levels reported one year earlier. In Calgary, third quarter starts were 68 per cent higher than the previous year, pushing the year-to-date total of 3,582 units 42 per cent beyond the pace set last year. Other centres posting large year-to-date gains include Wood Buffalo and Medicine Hat, up 92 and 41 per cent, respectively.

Multi-family construction in Alberta continues to be dominated by apartments (by type) and condominiums (by tenure). To the end of September, 62 per cent of all multi-family starts in Alberta have been apartments. Of those, 77 per cent occurred within the Calgary and Edmonton CMAs. However, while both markets are posting comparable starts numbers, their markets are catering to different demand segments. So far this year, the Calgary market is characterized as one catering to homeownership demand, whereas Edmonton is capturing a number of rentals. To the end of September, only eight per cent of all multi-family starts in Calgary have been for rental tenure. By comparison, almost 40 per cent of Edmonton's multi-family construction to-date has been targeted toward the rental market.

Alberta Unemployment Rate



Source: Statistics Canada

Multi-Family Inventories Continue to Fall

Alberta's multi-family absorptions in the third quarter fell by three per cent compared to the corresponding period one year earlier. Market observers should not be alarmed by the decline, however, as we expect a surge in absorptions in the coming months. With September's 10,445 multis under construction sitting 47 per cent higher than the previous year, expect to see a corresponding surge in absorptions once these units reach completion.

Despite the decline in third quarter absorptions, the number of complete and unabsorbed multis continues to fall. At the end of September, 734 multis sat in inventory in Alberta's major centres, down from 937 three months earlier and 1,200 one year ago. All centres recorded declines in multi-family inventories, the most notable being Lethbridge and Red Deer where the number of complete and unabsorbed units fell 83 and 78 per cent from the previous year, respectively. Inventories in Calgary and Edmonton are also down significantly. Though Calgary accounts for almost half of Alberta's complete and unabsorbed multis, the 334 units in inventory at the end of September sit 70 per cent lower than the previous year. In Edmonton, multi-family inventories during the same period have been cut to a third of what they were in September 2001.

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Table 1 **PROVINCE OF ALBERTA** **STARTS ACTIVITY BY AREA - 3RD QUARTER 2002**								
	Single		**Multiple**			**Total**		**Chg**
AREA	2002	2001	Semi	Row	Apt	2002	2001	2002/2001
EDMONTON CMA	**1874**	**1453**	**330**	**158**	**414**	**2776**	**2217**	**25.21**
EDMONTON CITY	1093	838	192	62	300	1647	1408	16.97
CALGARY CMA	**2552**	**2219**	**240**	**449**	**667**	**3908**	**3024**	**29.23**
CALGARY CITY	2114	1894	172	341	667	3294	2599	26.74
BROOKS TOWN CA	8	15	12	20	0	40	15	**
CAMROSE CA	24	13	4	0	0	28	15	86.67
GRAND CENTRE CA	66	77	0	0	0	66	79	-16.46
GRANDE CENTRE TOWN	5	6	0	0	0	5	6	-16.67
BONNYVILLE TOWN	21	6	0	0	0	21	6	**
COLD LAKE TOWN	16	24	0	0	0	16	26	-38.46
GRANDE PRAIRIE CA	128	116	26	0	4	158	192	-17.71
LETHBRIDGE CA	157	141	24	19	66	266	165	61.21
LLOYDMINSTER CA	64	61	6	8	0	78	63	23.81
MEDICINE HAT CA	121	115	12	42	20	195	202	-3.47
RED DEER CA	268	214	44	30	52	394	308	27.92
WETASKIWIN CA	6	5	8	0	0	14	7	**
WOOD BUFFALO CA	174	237	6	60	125	365	325	12.31
WOOD BUFFALO USA (Fort McMurray)	161	226	6	60	125	352	314	12.10
ALBERTA URBAN	**5442**	**4666**	**712**	**786**	**1348**	**8288**	**6612**	**25.35**
ALBERTA RURAL	**1398**	**1006**	**161**	**89**	**216**	**1864**	**1256**	**48.41**
TOTAL	**6840**	**5672**	**873**	**875**	**1564**	**10152**	**7868**	**29.03**

Table 1b **PROVINCE OF ALBERTA** **STARTS ACTIVITY BY AREA - YEAR TO DATE**								
	Single		**Multiple**			**Total**		**Chg**
AREA	2002	2001	Semi	Row	Apt	2002	2001	2002/2001
EDMONTON CMA	**4990**	**3644**	**832**	**428**	**2646**	**8896**	**5608**	**58.63**
EDMONTON CITY	2968	2088	540	236	2278	6022	3342	80.19
CALGARY CMA	**7200**	**5706**	**500**	**869**	**2213**	**10782**	**8223**	**31.12**
CALGARY CITY	6104	4894	388	716	2099	9307	7152	30.13
BROOKS TOWN CA	30	29	14	36	0	80	29	**
CAMROSE CA	60	36	6	0	40	106	72	47.22
GRAND CENTRE CA	164	162	6	0	0	170	166	2.41
GRANDE CENTRE TOWN	9	16	0	0	0	9	16	-43.75
BONNYVILLE TOWN	23	7	0	0	0	23	7	**
COLD LAKE TOWN	55	59	6	0	0	61	61	0.00
GRANDE PRAIRIE CA	362	278	38	41	111	552	438	26.03
LETHBRIDGE CA	395	345	32	32	78	537	555	-3.24
LLOYDMINSTER CA	156	152	8	8	0	172	185	-7.03
MEDICINE HAT CA	323	254	40	52	130	545	411	32.60
RED DEER CA	702	469	100	82	251	1135	930	22.04
WETASKIWIN CA	19	9	14	0	8	41	55	-25.45
WOOD BUFFALO CA	554	601	8	96	275	933	798	16.92
WOOD BUFFALO USA (Fort McMurray)	510	584	8	96	275	889	781	13.83
ALBERTA URBAN	**14955**	**11685**	**1598**	**1644**	**5752**	**23949**	**17470**	**37.09**
ALBERTA RURAL	**3373**	**2795**	**411**	**254**	**524**	**4562**	**3312**	**37.74**
TOTAL	**18328**	**14480**	**2009**	**1898**	**6276**	**28511**	**20782**	**37.19**

*** indicates a greater than 100 per cent change*

Table 2 **ALBERTA HOUSING COMPLETIONS BY AREA** **3RD QUARTER 2002**								
	Single		**Multiple**			**Total**		**Chg**
AREA	2002	2001	Semi	Row	Apt	2002	2001	2002/2001
EDMONTON CMA	**1479**	**1194**	**274**	**111**	**209**	**2073**	**1921**	**7.91**
EDMONTON CITY	888	693	174	47	119	1228	967	26.99
CALGARY CMA	**2396**	**1953**	**190**	**343**	**498**	**3427**	**2967**	**15.50**
CALGARY CITY	2039	1699	156	291	443	2929	2629	11.41
BROOKS TOWN CA	10	9	4	0	0	14	11	27.27
CAMROSE CA	32	13	2	0	0	34	13	**
GRAND CENTRE CA	71	44	2	0	0	73	46	58.70
GRANDE CENTRE TOWN	2	6	0	0	0	2	6	-66.67
BONNYVILLE TOWN	6	0	0	0	0	6	0	**
COLD LAKE TOWN	21	8	2	0	0	23	10	**
GRANDE PRAIRIE CA	185	118	8	47	7	247	178	38.76
LETHBRIDGE CA	171	138	10	5	0	186	203	-8.37
LLOYDMINSTER CA	62	53	4	0	0	66	53	24.53
MEDICINE HAT CA	124	75	16	7	99	246	97	**
RED DEER CA	259	153	30	34	0	323	269	20.07
WETASKIWIN CA	7	2	6	0	0	13	12	8.33
WOOD BUFFALO CA	214	146	10	73	95	392	195	**
WOOD BUFFALO USA (Fort McMurray)	200	138	10	73	95	378	187	**
ALBERTA URBAN	**5010**	**3898**	**556**	**620**	**908**	**7094**	**5965**	**18.93**
ALBERTA RURAL	**1198**	**1211**	**130**	**76**	**0**	**1404**	**1541**	**-8.89**
TOTAL	**6208**	**5109**	**686**	**696**	**908**	**8498**	**7506**	**13.22**

Table 2b **ALBERTA HOUSING COMPLETIONS BY AREA** **YEAR TO DATE**								
	Single		**Multiple**			**Total**		**Chg**
AREA	2002	2001	Semi	Row	Apt	2002	2001	2002/2001
EDMONTON CMA	**3620**	**3084**	**524**	**181**	**1350**	**5675**	**5272**	**7.64**
EDMONTON CITY	2193	1718	342	109	1075	3719	2984	24.63
CALGARY CMA	**6145**	**4951**	**474**	**837**	**1974**	**9430**	**8568**	**10.06**
CALGARY CITY	5236	4224	402	747	1805	8190	7594	7.85
BROOKS TOWN CA	45	27	14	4	0	63	36	75.00
CAMROSE CA	53	38	2	0	12	67	42	59.52
GRAND CENTRE CA	174	122	12	0	0	186	128	45.31
GRANDE CENTRE TOWN	10	11	0	0	0	10	11	-9.09
BONNYVILLE TOWN	11	8	0	0	0	11	8	37.50
COLD LAKE TOWN	60	32	12	0	0	72	36	**
GRANDE PRAIRIE CA	403	254	50	47	58	558	348	60.34
LETHBRIDGE CA	385	341	28	20	0	433	746	-41.96
LLOYDMINSTER CA	163	112	6	7	0	176	114	54.39
MEDICINE HAT CA	277	216	40	34	99	450	285	57.89
RED DEER CA	640	370	54	92	8	794	585	35.73
WETASKIWIN CA	18	7	16	0	0	34	73	-53.42
WOOD BUFFALO CA	594	473	44	105	154	897	717	25.10
WOOD BUFFALO USA (Fort McMurray)	553	455	44	105	154	856	699	22.46
ALBERTA URBAN	**12517**	**9995**	**1264**	**1327**	**3655**	**18763**	**16914**	**10.93**
ALBERTA RURAL	**2950**	**2885**	**423**	**195**	**313**	**3881**	**3506**	**10.70**
TOTAL	**15467**	**12880**	**1687**	**1522**	**3968**	**22644**	**20420**	**10.89**

Table 3

PROVINCE OF ALBERTA - CENTRES OF 50,000 POPULATION AND OVER
SINGLE FAMILY HOMES - ABSORBED BY PRICE RANGE - 3RD QUARTER

	< $110,000	$110,000 -139,999	$140,000 -169,999	$170,000 -199,999	$200,000 -249,999	$250,000 +	Total
EDMONTON CMA	**33**	**91**	**344**	**386**	**360**	**248**	**1462**
CALGARY CMA	**0**	**23**	**420**	**513**	**767**	**684**	**2407**
LETHBRIDGE CA	1	52	62	23	18	13	169
MEDICINE HAT CA	2	12	44	26	14	14	112
RED DEER CA	0	39	93	46	47	28	253
TOTAL	**36**	**217**	**963**	**994**	**1206**	**987**	**4403**

Table 3b

PROVINCE OF ALBERTA - CENTRES OF 50,000 POPULATION AND OVER
SINGLE FAMILY HOMES - ABSORBED BY PRICE RANGE - 2001

	< $110,000	$110,000 -139,999	$140,000 -169,999	$170,000 -199,999	$200,000 -249,999	$250,000 +	Total
EDMONTON CMA	**40**	**188**	**377**	**280**	**243**	**151**	**1279**
CALGARY CMA	**3**	**83**	**428**	**444**	**536**	**571**	**2065**
LETHBRIDGE CA	6	59	45	21	5	7	143
MEDICINE HAT CA	3	16	26	24	15	6	90
RED DEER CA	0	32	40	29	35	18	154
TOTAL	**52**	**378**	**916**	**798**	**834**	**753**	**3731**

Table 4
PROVINCE OF ALBERTA
UNDER CONSTRUCTION - SEPTEMBER 2002

	Single		Multiple			Total		Chg
AREA	2002	2001	Semi	Row	Apt	2002	2001	2002/2001
EDMONTON CMA	**3,184**	**1,947**	**594**	**346**	**3,330**	**7,454**	**4,208**	**77.14**
EDMONTON CITY	1,813	1,082	390	210	2,943	5,356	3,027	76.94
CALGARY CMA	**4,043**	**2,979**	**460**	**766**	**3,160**	**8,429**	**6,544**	**28.81**
CALGARY CITY	3,319	2,456	366	644	3,039	7,368	6,029	22.21
BROOKS TOWN CA	12	21	10	32	0	54	25	**
CAMROSE CA	24	22	4	0	32	60	58	3.45
GRANDE CENTRE CA	78	98	0	0	0	78	100	-22.00
BONNYVILLE TOWN	16	7	0	0	0	16	7	**
COLD LAKE TOWN	32	55	0	0	0	32	57	-43.86
GRANDE PRAIRIE CA	90	105	20	0	47	157	193	-18.65
LETHBRIDGE CA	228	194	32	27	90	377	273	38.10
LLOYDMINSTER CA	70	95	4	8	0	82	128	-35.94
MEDICINE HAT CA	190	133	30	52	183	455	280	62.50
RED DEER CA	307	242	64	74	646	1,091	788	38.45
WETASKIWIN CA	7	7	8	0	8	23	55	-58.18
WOOD BUFFALO CA	179	202	0	60	358	597	509	17.29
WOOD BUFFALO USA (Fort McMurray)	179	202	0	60	358	597	509	17.29
ALBERTA URBAN	**8,412**	**6,045**	**1,226**	**1,365**	**7,854**	**18,857**	**13,161**	**43.28**
ALBERTA RURAL	**1,776**	**1,170**	**280**	**234**	**397**	**2,687**	**1,746**	**53.89**
TOTAL	**10,188**	**7,215**	**1506**	**1599**	**8251**	**21,544**	**14,907**	**44.52**

Table 4b
PROVINCE OF ALBERTA
COMPLETE AND NOT OCCUPIED - SEPTEMBER 2002

	Single		Multiple			Total		Chg
AREA	2002	2001	Semi	Row	Apt	2002	2001	2002/2001
EDMONTON CMA	**338**	**403**	**56**	**8**	**248**	**650**	**1309**	**-50.34**
CALGARY CMA	**554**	**727**	**106**	**44**	**184**	**888**	**1843**	**-51.82**
LETHBRIDGE CA	29	46	6	0	0	35	81	-56.79
MEDICINE HAT CA	29	25	6	0	64	99	188	-47.34
RED DEER CA	40	42	10	2	0	52	96	-45.83
Total	**990**	**1243**	**184**	**54**	**496**	**1724**	**3517**	**-50.98**

N\A: not available

** indicates greater than 100 per cent change

Table 5 **ALBERTA** **HOUSING ACTIVITY SUMMARY**										
Activity	**Ownership**					**Rental**				Total
	Freehold			**Condominium**		**Private**		**Assisted**		
	Single[1]	Semi[1]	Row	Row	Apt	Row	Apt	Row	Apt	
STARTS										
Current Quarter	5442	712	26	628	1075	132	273	0	0	8288
Previous Year	4666	454	20	374	664	40	394	0	0	6612
Year-To-Date 2002	14955	1598	55	1306	3647	283	2105	0	0	23949
Year-To-Date 2001	11685	1114	69	941	2383	142	1136	0	0	17470
UNDER CONSTRUCTION										
2002	8412	1226	46	1134	4920	185	2934	0	0	18857
2001	6045	824	52	995	4172	106	967	0	0	13161
COMPLETIONS										
Current Quarter	5010	556	22	470	648	128	260	0	0	7094
Previous Year	3898	372	29	285	971	16	394	0	0	5965
Year-To-Date 2002	12517	1264	52	1105	2724	170	931	0	0	18763
Year-To-Date 2001	9995	1034	74	880	3386	188	1357	0	0	16914
COMPLETED & NOT ABSORBED[2]										
2002	990	184	1	52	238	1	258	0	0	1724
2001	1243	277	6	93	634	13	177	0	0	2443
TOTAL SUPPLY[3]										
2002	9402	1410	47	1186	5158	186	3192	0	0	20581
2001	7288	1101	58	1088	4806	119	1144	0	0	15604
ABSORPTIONS[2]										
Current Quarter	4403	537	21	465	764	132	316	0	0	6638
Previous Year	3742	391	28	290	991	57	551	0	0	6050
12 month Average	1249	125	7	116	330	22	110	0	0	1959

[1] May include units intended for condominium.
[2] Centres of 50,000 population and over.
[3] Sum of units under construction, complete and unoccupied

DEFINITIONS AND BACKGROUND NOTES

Starts and Completions Survey

The purpose of this survey is to measure new residential construction activity. The common unit of measurement is the "dwelling unit" (as opposed to value).

The Starts and Completion Survey enumerates dwelling units in new structures only; such units being designed for non-transient and year-round occupancy. Thus, excluded from the survey are conversions, vacation homes, cottages and collective type dwellings.

Starts - refer to units where construction has advanced to the footing or foundation stage and in the case of multiples, a start applies to the individual unit.

Under Construction - refers to units that have started but are not complete (i.e. units under construction from the previous month plus starts for the current month minus completions during the current month plus/minus any adjustments to units under construction which may include cancellations of projects, re-initiations of projects and/or changes in tenure status).

Completions - refer to units where all proposed construction work has been performed or in some cases where ninety percent of all construction work is completed and the structure is fit for occupancy.

Completed and Unoccupied - refers to completed units of new construction which have never been occupied or sold (i.e. completed and unoccupied units from the previous month plus completions during the current month minus absorptions for the current month).

Total Supply - refers to the total supply of new units and includes, units under construction and units that are completed but not occupied (i.e. under construction plus completed and unoccupied for the current month).

Absorptions - refers to newly completed units which have been sold or rented. The number of absorptions is obtained from a survey initiated when the structure is completed. Units pre-sold or pre-leased are not included until the completion stage (i.e. completed and unoccupied units from the previous month plus completions for the current month minus completed and unoccupied units for the current month).

Dwelling units have been divided into four categories:

The definition of types of dwellings used are in accordance with those used in the Census.

Single-Detached - This type is commonly called a "single-house". It comprises only one-dwelling unit which is completely separate on all sides from any other dwelling or structure including linked homes which are attached below ground.

Semi-Detached - In this category each one of two dwellings are located side-by-side in a building and are separated by a common wall extending from ground to roof or by a garage.

Row - This category comprises a one-family dwelling unit in a row of three or more dwellings separated by common or party walls extending from ground to roof.

Apartment and Other - This category includes all dwelling units other than those described above. It includes structures such as: duplexes, double-duplexes, triplexes, row-duplexes, apartments proper and dwellings over or behind a store or other nonresidential structure. In accordance with the definition, single-detached units with legal secondary suites are included in this category.

Geographical coverage of the survey includes all metropolitan areas, census agglomerations and urban centres of 10,000 population and over, as defined by the Census. These areas are enumerated completely each month. The remainder of the branch territory is covered on a sample basis four times a year in March, June, September and December.

Market Absorption Survey

The purpose of this survey is to provide an indication of the short-term demand for home ownership and rental dwellings. The survey is designed to measure the rate at which units are sold or rented after they are completed.

The geographical coverage of the Market Absorption Survey is all metropolitan areas and all urban centres of 50,000 population and over.

In the Market Absorption Survey, certain dwellings are excluded for various reasons. These are: dwellings financed by CMHC or NHA Section 6, Non-profit Public and Private initiated housing, which are not subject to normal market criteria and dwellings constructed for model purposes.

Absorption in this report is defined as take up monitored at completions plus those from inventory. For the short term, absorptions are a function of actual completions and inventory levels.

1996 Census Definitions

A **Census Metropolitan Area** refers to the main labour market area of an urbanized core having 100,000 or more population. The Edmonton CMA includes 35 municipalities and Calgary CMA includes nine. *Note: Wood Buffalo USA includes Fort McMurray City and Wood Buffalo includes Ft. McMurray CA*

A Census Agglomeration refers to the region labour market area of an urbanized core housing between 10,000 and 99,999 population. CMA's and CA's are created by Statistics Canada and are usually known by the name of the urban area forming their urbanized core. They contain whole municipalities (or census subdivisions) and are comprised of:

1. Municipalities if (a) at least 40% of the employed labour force living in the municipalities work in the urbanized core or (b) at 25% of the employed labour force working in the municipality live in the urbanized core.
2. Other municipalities if (a) at least 40% of the employed labour force living in the municipality work in the urbanized core or (b) at 25% of the employed labour force working in the municipality live in the urbanized core.