

Construction Looks Forward

On May 26 of this year the Construction Sector Council hosted a BC Construction Labour Market Symposium in Vancouver. The event provided a venue for the industry and its stakeholders to discuss the CSC's 2009 – 2017 forecast scenario for the province and discuss solutions to managing the construction workforce requirements for that period of time. As the baby boomers retire and the economy turns around, the industry needs to be prepared.

The symposium was supported by the BC Construction Association, the Canadian Home Builders Association of BC, the Construction Labour Relations Association and the BC & Yukon Territory Building and Construction Trades Council.

Of particular interest was a presentation by the CSC of the highlights of this year's *Construction Looking Forward* report. The full report will be released later in June but the CSC provided an early look at what to expect.

In general it is not doom and gloom for the construction industry. Residential building has been declining creating slowdowns for those associated trades and occupations. However, there should be a bump up in this year thanks to the new federal government's home renovation tax credit.

On the ICI side, there is still momentum for industrial projects and that, combined with the federal and provincial governments' planned infrastructure investments, should sustain employment growth in non-residential construction until 2010.

According to the CSC the following trades and occupations will benefit the most in the short term:

- Boilermakers
- Construction estimators
- Millwrights
- Crane operators
- Heavy equipment operators
- Ironworkers
- Truck drivers
- Welders

Their scenario suggests that as the stimulus from the Olympics and government programs ends in 2011, employment in all trades and occupations will decline. Growth will return however in 2013 as general economic activity improves and exports and investment rise.

For employers this scenario means that recruiting conditions for most construction jobs, with the exceptions of those noted above, will ease this year and remain close to normal until the recovery in 2014 encounters the loss of baby boomers retiring.

The CSC advises that the outlook for residential and non-residential construction investment in BC, as well as the need to replace older workers who will be retiring, are the key drivers for construction trades demand. Construction employment is set to rise by about 6,400 jobs to meet the requirements attributable to the expected demand. Over the near term, employment growth will result from public infrastructure investment. However, later it will be

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attributed to several large projects slated to begin including numerous mining projects, a major industrial aluminum smelter expansion and continued investment in the utilities industry. It is anticipated that during this time approximately 26,000 construction workers will retire. This alone will keep the issue of trade shortages alive over the next decade.

The symposium participants discussed the scenario suggested by the CSC with a view to determining the best way forward. While there were many ideas and positions discussed the one thing all participants could agree upon was the need to focus on apprenticeship and industry training. With the easing of demand on skilled trades comes an opportunity to ensure that current apprentices get their

technical training and complete their programs. The need for skilled trades people has not disappeared and it would be wise to prepare for the next upturn in the economy by supporting apprenticeship and up-skilling our existing workforce.

The CSC will be preparing a report on the findings of the symposium in the coming weeks. The full report *Construction Looking Forward* will be available on-line towards the end of June at www.csc-ca.org. For more information or copies of the report contact:

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DCC to Use Bid Depository in BC

Further to the ongoing support of CCA for greater dialogue between the federal government and provincial bid depositories under the new federal policy, CCA was pleased to learn that the BC Bid Depository recently concluded successful negotiations for a new protocol with Defence Construction Canada (DCC).

Pursuant to the new protocol, the first DCC Bid Depository is already underway on FMF Cape Breton, Phase IV at CFB Esquimalt. Details regarding project information have been available on MERX since Monday, April 27, 2009; the tender closing date is July 21, 2009, while the bid depository closes on July 16, 2009.

The Bid Depository instructions for the first project under the new protocol are in the Pre-Bid Interpretation No. 1

posted on the BCCA website.

Briefly, the project is advertised as being in the \$70M range and the DCC Bid Form requires General Contractors to list their selected Bid Depository bidders.

Due to the on-site security clearance requirements that must be met by named bidders at the time of closing only structural steel, mechanical, and electrical trades will close through Bid Depository.

BCCA and DCC have agreed that capacity for more trades to close through the bid depository will increase commensurately with the number of trades that can meet the on-site security clearance.



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mission of the BCCA is to provide leadership and excellence in the representation of and service to British Columbia's construction industry