



# 2014 BC CONSTRUCTION INDUSTRY SURVEY

“ Opportunity is there if you can see it, but no one is going to just give it to you. ”

RESPONDENT #237

PRESENTED BY:

**CONSTRUCTION BUSINESS**  
BC & ALBERTA'S CONSTRUCTION MAGAZINE

**bc  
ca** | British  
Columbia  
Construction  
Association



**With more than \$80 billion in construction projects already underway across the province and another \$195 billion on the way, this is – by any measure – an important time for B.C.’s construction sector.**

Overlay these impressive capital numbers against our province’s projected skills shortage of 30,500 tradespeople, an increasingly connected global economy, and major international attention for B.C.’s resource development plans, and there is no doubt we are in interesting times.

High-level statistics are important, but they don’t tell the whole story and they’re not always useful to business owners. It’s what’s happening in every construction office, town and community across the province, that is perhaps more important to know.

The British Columbia Construction Association (BCCA) and Construction Business Magazine have joined forces to tap into the collective voice of our industry to provide better, more up-to-date information.

We are proud to present the inaugural **2014 BC Construction Industry Survey** – with thorough and honest responses from almost 500 industry professionals throughout the province.

A major story told by this survey is one of increased competition. This requires us all to try more innovative methods to optimize our time and dollars. Companies are moving online to increase access to projects, and save time during the bidding process.

This increased competition includes competition for skilled workers – respondents confirmed that the skills shortage is real, and yet many employers are doing little to engage non-traditional sources of workers such as women, Aboriginal Peoples, and landed immigrants, or to support the next generation of construction professionals. While shortages are not equally dire across all trades and regions, our sector is challenged to do more to support the short and long-term goals of our businesses and communities.

Read on. We hope you will find this information helpful to your business planning.

Sincerely,

Manley McLachlan

President, British Columbia Construction Association

**ON THE COVER**

Aaron Smith, STEP participant  
Victoria/Saanich

**SURVEY PARTNERS**



The British Columbia Construction Association (BCCA) represents roughly 2,000 organizations active in the province’s industrial, commercial and institutional construction sectors. Working to foster an economic and political climate which will promote growth, competition and success for our industry, the BCCA is your provincial advocate and provider of strong support programs to support BC construction businesses of all sizes. [www.bccassn.com](http://www.bccassn.com)

SKILLED TRADES EMPLOYMENT PROGRAM



[www.stepbc.ca](http://www.stepbc.ca)



[www.bidcentral.ca](http://www.bidcentral.ca)



[www.fswbc.ca](http://www.fswbc.ca)



[www.hireguide.ca](http://www.hireguide.ca)

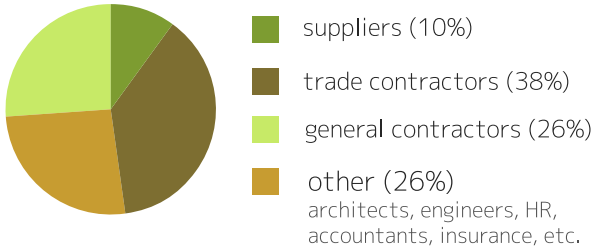


Construction Business Magazine shares the BCCA’s leadership responsibility, providing an important vehicle for the exchange of knowledge and ideas in western Canada’s construction sector: information critical to the public and private sectors as BC gears up in this new economy.

## ABOUT THE SURVEY RESPONDENTS

COMPLETED RESPONSES **473**

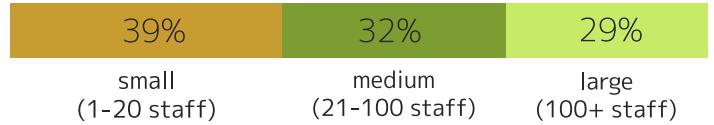
### ROLE IN CONSTRUCTION SECTOR



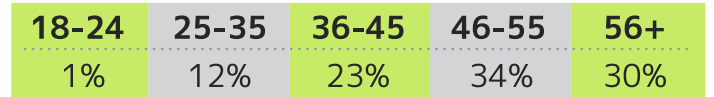
### TOP TRADES REPRESENTED

carpentry / electrical / sheet metal  
mechanical / roofing / pipefitting

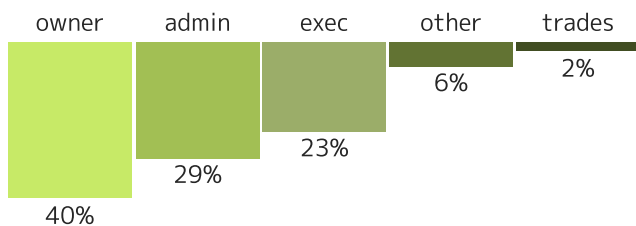
### BUSINESS SIZE



### AGE



### RESPONDENTS' ROLE IN ORGANIZATION



### GENDER



## WHAT IS THE BIGGEST OPPORTUNITY IN FRONT OF BC'S CONSTRUCTION SECTOR?

"New healthcare and natural gas projects."

"Developing urban centres."

"Infrastructure."

"Alberta."

"Resource sector."

"Retirement turnover."

"Building for a growing population."

"Hydro, mining, oil & gas projects in Northern BC. We will see a downward trickle of more work through the province, just like experienced in Alberta."

"Facilities for aging baby boomers."

"Green building growth."

"Need resources for companies looking to hire skilled trades."

"Northern BC, mines, LNG, pipelines, and business and infrastructure to support."



Jeff Hicks, Fort St. John STEP participant

# ON HUMAN RESOURCES



Respondents employ about  
**4,000** journeypersons and  
**2,500** apprentices across BC.



Dean Baumeister & Will Debolt, STEP employer & participant Fort St. John

## DOES YOUR COMPANY EMPLOY APPRENTICES?

	Used to	Currently	Plan to
Vancouver Island	79%	71%	82%
Lower Mainland	71%	59%	69%
Southern Interior	82%	75%	76%
Northern BC	91%	91%	82%

## IF NOT, WHY?

"We don't have anyone available to mentor them."

"Employers don't want hassle or don't wish to pay back into industry. Sad."

"The transience in our trade makes it hard to recoup our costs as staff move quite frequently."

## DID YOU HIRE NEW TRADESPEOPLE OVER THE LAST YEAR?

Across the province, about **70%** of construction employers hired new tradespeople over the last year.

### BY REGION

Vancouver Island: <b>76%</b>	Southern Interior: <b>75%</b>
Lower Mainland: <b>67%</b>	Northern BC: <b>62%</b>

"Too few companies are willing to train their staff or provide advancement opportunities; they spend their time whining about a lack of skilled workers. Pay better and train more, and there won't be a shortage."

## DO YOU PLAN TO HIRE NEW TRADESPEOPLE IN THE COMING YEAR?

	YES	MAYBE
Vancouver Island	48%	40%
Lower Mainland	47%	35%
Southern Interior	50%	36%
Northern BC	41%	35%



On average, large companies (100+ staff) intend to hire 35 tradespeople in 2014.



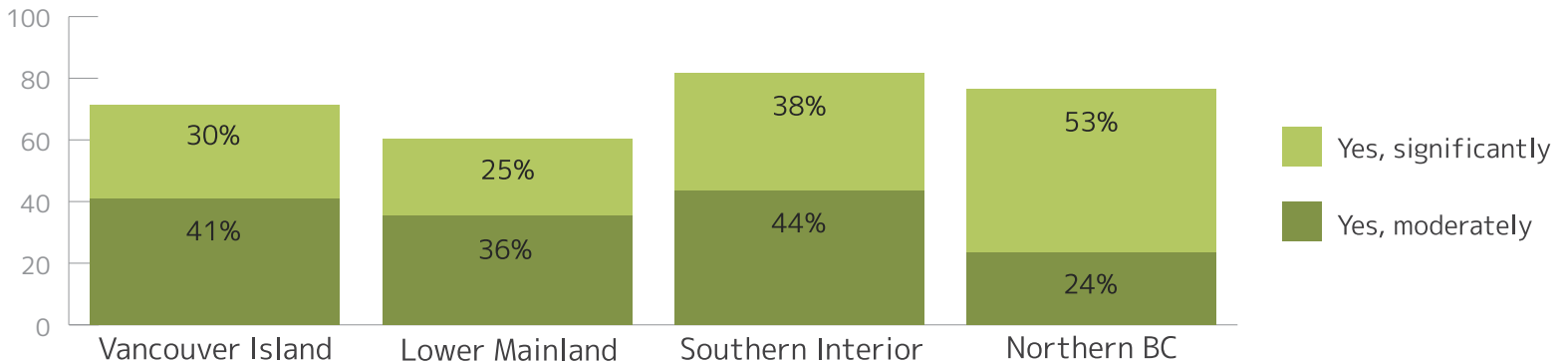
Medium-sized companies (20-100 staff) are each set to hire about 12 new tradespeople this year.



Small companies (1-20 staff) intend to hire about 4 new tradespeople this year.

## ON HUMAN RESOURCES

### ARE YOU FINDING IT DIFFICULT TO SOURCE SKILLED WORKERS?



### HAVE YOU RECRUITED INTERNATIONALLY IN THE PAST YEAR?



Victor Velazquez, STEP participant  
Sidney/Victoria

**18%** of respondents searched internationally for skilled workers in the past year.

**10.5%** of respondents successfully recruited specialized workers from outside Canada.

**Vancouver** companies are twice as likely to recruit internationally as those on **Vancouver Island**.

### TOP TRADES IN DEMAND

- Carpenters Framers
- Roofers Electricians
- Sheet metal workers
- Glaziers Millwrights
- Crane operators Masons
- Pipefitters Ironworkers
- Steel fabricators Painters
- Concrete finishers Plumbers
- Heavy duty mechanics & equipment operators

## ON THE MOST SIGNIFICANT CHALLENGES FACING BC CONSTRUCTION BUSINESSES

"Finding good, qualified, dependable, skilled people – trades and managers."

"Growth without knowledgeable employees."

"P3/design-build process is eliminating most of our traditional opportunities."

"Competition, low margins with companies bidding on work they don't specialize in."

"Larger firms moving into our area, taking more market share."

"Attracting and keeping talent, while being competitive."

"Getting paid on time."

## ON COMPETITION

### HOW HAS COMPETITION FOR WORK/PROJECTS CHANGED FROM 2012-2014?

61% say competition has increased regionally

48% say competition has increased nationally

32% say competition has increased internationally

“Too many companies put in very low bids and don’t profit at the end of the day. GCs and owners are awarding projects for well below the cost.”

### WHERE ARE YOUR PROJECTS LOCATED?



**60%**

within their community

**19%**

within region, but outside community

**14%**

outside their region, but within BC

**5.5%**

national

**1.5%**

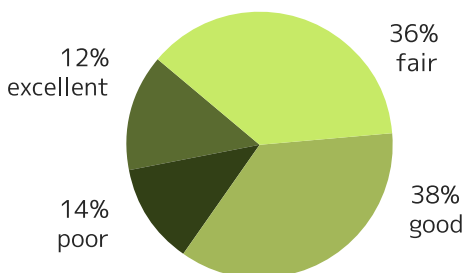
international

At 75%, Vancouver Island has the highest proportion of **local** work, with 62% of Island businesses reporting little to no interest in bidding for projects outside their region.

The Southern Interior has the strongest **provincial** focus, with 25% of projects in BC but outside their region – with significant interest to continue this trend.

Businesses in the Vancouver area lead in **international** projects at 2.5% of total work.

### WHAT IS YOUR CURRENT SUCCESS LEVEL BIDDING ON PROJECTS OUTSIDE YOUR REGION?



70% of respondents in the North indicated Good or Excellent levels of success – well above the provincial average of 49.8%.

Vancouver Island had the lowest success rate outside their region, at just 35.6% total “Good” or “Excellent” responses.

## ON E-BIDDING AND ONLINE PROJECT RESOURCES

**64%**

of respondents currently use online bidding tools such as BidCentral.

**69%**

of those who use online bidding also indicated increased regional competition

Only **56%** of respondents in Northern BC currently use online bidding tools, compared to **74%** of respondents on Vancouver Island.

## ON THE BC CONSTRUCTION SECTOR'S MAIN CHALLENGES TO OVERCOME IN ORDER TO SUCCEED

"Attracting younger workers.

Many current workers are 55+ and will retire soon."

"Government."

"Safety and standards."

"Show that trades are respected, well-paying careers!"

"Competition."

"Managing risk."

"Red tape."

"Managing

BC's imminent growth."

"Developing skills here to keep people here."

"Succession planning."

"Fair wages."

## ON THE YOUTH MOVEMENT

### HOW IT IS:

Only 28% of respondents said young people in BC are aware of current opportunities in the trades.

86% of those surveyed believe that if young people were more aware, there would be more interest in entering the trades.

### AND YET:

59% of respondents do not engage in programs to attract youth, and few indicate plans to do so in the foreseeable future.

"We need to get into high schools to promote the trades and other jobs in construction and related sectors. Do it now or pay for the lack of leadership in this area, later!"

## ON WOMEN IN CONSTRUCTION



Krysta Belfry, STEP participant  
Victoria/Langford

**68%**

of respondents have **no** female apprentices

**71%**

of respondents have **no** female journeypeople

"We want the best, most qualified, skilled person for the job – male or female."

"Women who can do the work would be an invaluable addition to the workforce."

"The 'stigma' of women in trades is slowly eroding – it's about time!"

"The increase in women in the trades is countered by the number of women who leave after only a few years."

Only **14%** of respondents in the Southern Interior currently employ a female journeyperson – but **25%** currently employ female apprentices.

**44%** of respondents have observed an increase to the number of women working in the trades in BC.

**53%** observed no change.

## IN YOUR WORDS



"Most families do not encourage the trades. It seems as though there is nothing between McDonald's and university."

"Be prepared to operate outside your comfort zone with respect to BC's upcoming resource development projects."

"A lot of guys made a lot of money in the mid-2000s. They can close their doors and retire to Palm Springs or they can carry on their legacy and mentor the next generation. Here's hoping they choose the latter."

"It's assumed that university education is better than picking up a skill."

"We have to stop being so cutthroat and allow everyone to make decent margin on their work."

"Seems to be a lot of outside money coming in – foreign investors looking for opportunities in the best place in the world to live."

"BC should be a leader in construction practices and new technologies, research and development and exports to developing countries."

"Young workers prepared for the reality of a work life are in short supply. Kids expect the moon but aren't willing to work for it. Soon the lights will go out and no one will know how to turn them back on."

"Environmentally-friendly buildings should be at the forefront of construction."

"It's our chance to lead in the industry, setting standards second to none."

"Too much work is done in isolation, causing missed opportunities for teamwork, efficiency, and better financial outcomes."

"As a society, we have oversold liberal arts, and undersold the trades professions."

"We must accept our responsibility to train the next generation, not to use up the last one."



Want to learn more? Go to [www.bccassn.com/survey2014](http://www.bccassn.com/survey2014)

The 2014 BC Construction Industry Survey  
A partnership between: