

## Housing, infrastructure and commercial sectors are key drivers

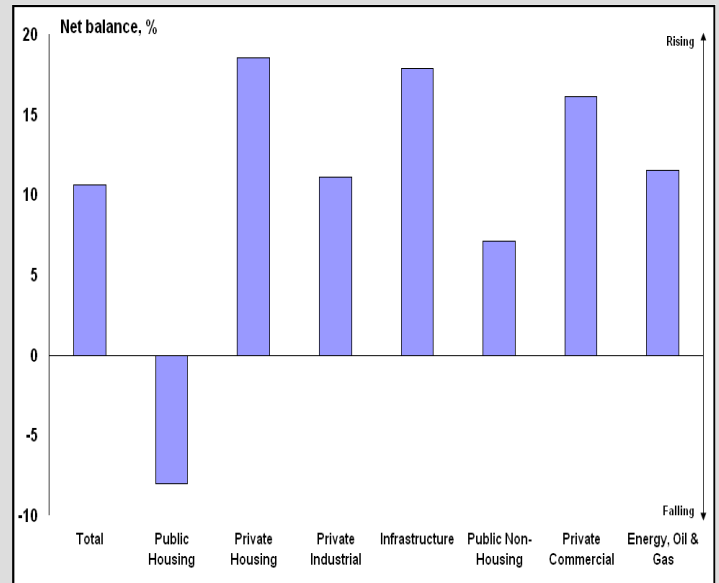
- **Workloads continue to rise**
- **Skills shortages are becoming more pronounced**
- **Expectations for the coming 12 months are slightly less positive than in Q2 but still consistent with stronger economic growth next year**
- **Public housing remains the lagging sector**

The headline workloads net balance increased slightly across the quarter as the construction sector picked up following the construction workers strike in Quebec and the heavy rain and flooding in several regions which delayed activity in Q2. The private housing, infrastructure, and commercial sectors remain the key drivers within the sector according to our results with net balances of 19%, 18% and 16% of respondents suggesting increases in workloads respectively.

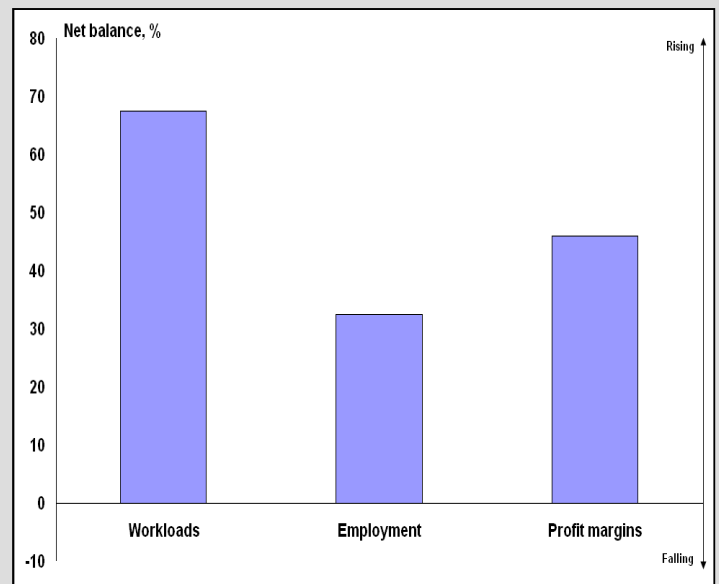
Respondents remain confident that workloads will rise over the coming 12 month period with a 68% net balance expecting this to occur. Expectations for growth rates over the next year have, however, reduced relative to Q2 with respondents now anticipating growth of around 3.5% to come, down from 5.6% in the previous quarter. Expected increases in employment in the sector have also moderated with respondents now projecting headcounts to increase by a little over 1% in the coming 12 months.

Financial constraints remain a major impediment on activity with a net balance of 62 citing this as a limiting factor. However, the share of respondents citing skills shortages as a significant constraint on activity has grown substantially to 55% as the authorities in the British Columbia region prepare to embark on a recruitment drive to Ireland in the coming weeks to bring qualified construction workers to the region. Quantity surveyors and electricians appear particularly scarce with approximately 50% of respondents noting difficulties in sourcing these specific skills.

### Workloads - last 3 months



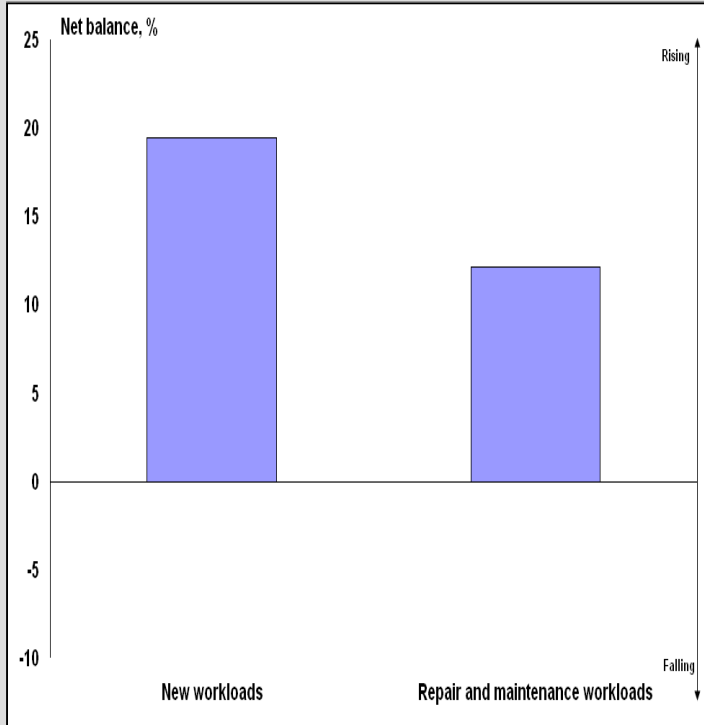
### Expectations - 12 months ahead



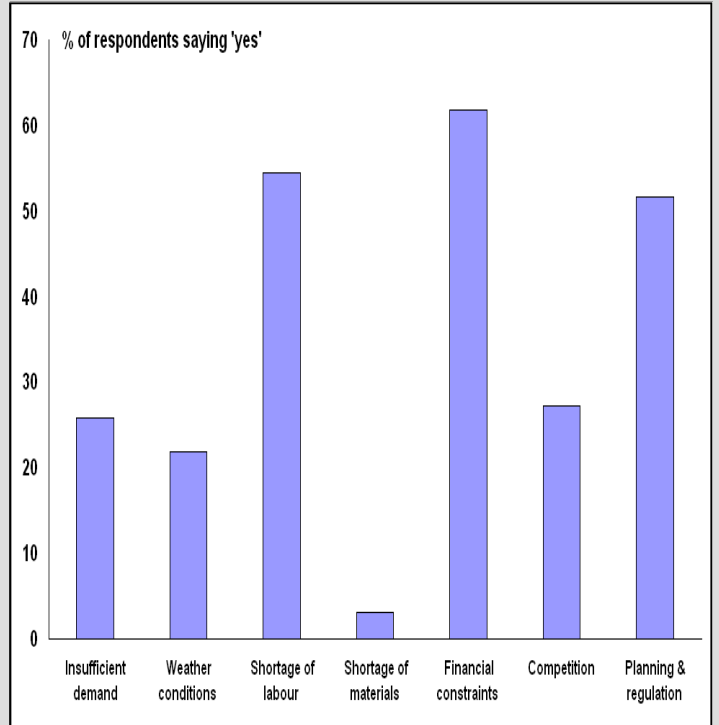
\*The headline total net balance for construction workloads is an unweighted average of all of the sectors (in net balance terms)

**About:**  
The **RICS Canadian Construction Market Survey** is a quarterly sentiment survey of respondents who operate in the construction market sector. See back page for further details.

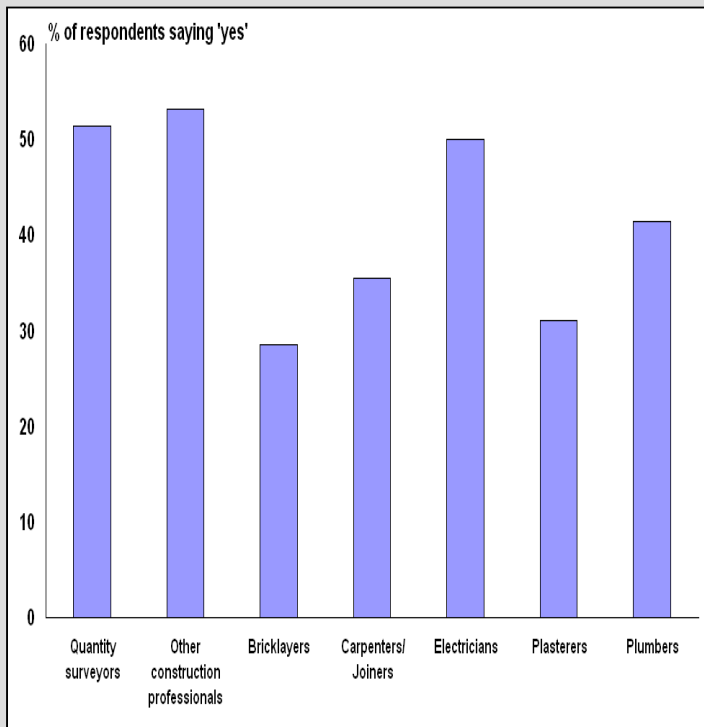
### Workload Split



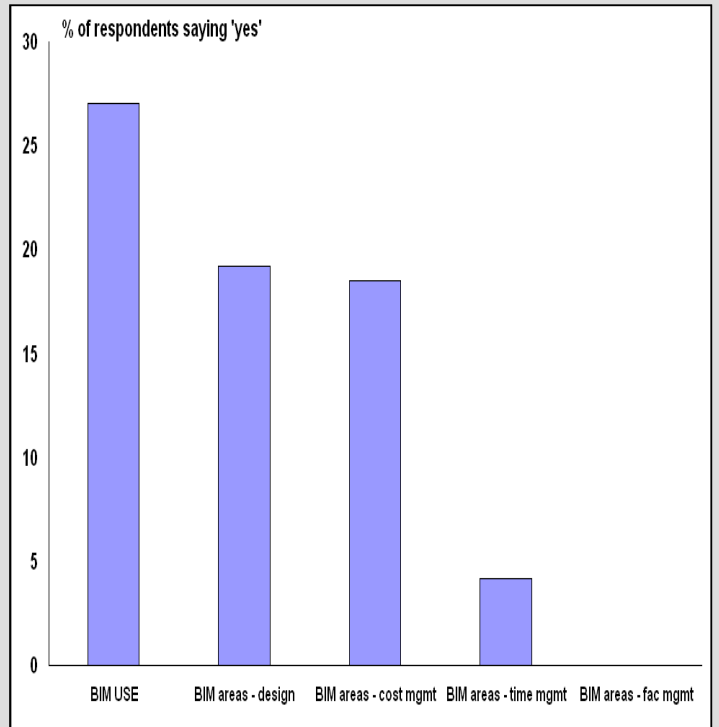
### Factors Limiting Activity



### Skills Shortages



### Building Information Modelling (BIM)



## Notes to editors

## RICS Canada Construction Monitor

**About:**

The **RICS Canada Construction Monitor** is a quarterly sentiment survey of respondents who operate in the construction sector.

The Canada Construction Monitor is available from the RICS website [www.rics.org/economics](http://www.rics.org/economics) along with our other surveys covering the housing market, residential lettings, commercial property, construction activity, the farmland market and arts and antiques. For access to city level agents' comments and contributor details please view the RICS website.

**Questions asked:**

1. How has the level of workloads changed over the last three months?
2. How has the total level of New and R&M (Repair and Maintenance) workloads changed over the last three months?
3. How have input costs changed over the last three months?
4. How have output prices changed over the last three months?
5. Has your company (or your contractors) experienced skills shortages in your region in the latest three months for the following areas:
6. Have any of the following factors impacted building activity over the last three months?
7. Has your company used BIM over the last three months and if so, in which of the following areas?
8. What are your company's approximate expectations in each of the following areas over the next 12 months?
9. How do you expect client sustainability budget allocations to change over the next 12 months?

**Net balance data:**

- **Net balance = Proportion of surveyors reporting a rise in workloads minus those reporting a fall (if 30% reported a rise and 5% reported a fall, the net balance will be 25%).**
- Net balance data is opinion based; it does not quantify actual changes in an underlying variable.
- Net balance data can range from -100 to +100.
- A positive net balance implies that more respondents are seeing increases than decreases (in the underlying variable), a negative net balance implies that more respondents are seeing decreases than increases and a zero net balance implies an equal number of respondents are seeing increases and decreases.
- Therefore, a -100 reading implies that no respondents are seeing increases (or no change), and a +100 reading implies that no respondents are seeing decreases (or no change).
- A change from +30 to +60 does not mean that the variable grew by 30% in one period and by 60% in the next period, but it does indicate that twice as many surveyors reported an increase compared to a decrease than in the previous period.
- Likewise, if we get a reading dropping from +90 to +5, this still means that more respondents are reporting increases than decreases overall, but the breadth of those reporting increases has fallen dramatically; meanwhile, a shift in the reading from -90 to -5 still means that more respondents are reporting decreases than increases overall, but the breadth of those reporting decreases has fallen dramatically.

**About RICS:** RICS represents 100,000 members worldwide. These professionals provide expert advice on land, property, construction and the associated environmental issues. An independent organisation, RICS acts in the public interest, upholding standards of competence and integrity among its members and providing impartial, authoritative advice on issues affecting business and society.

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