

construction

in vancouver

GIVING BACK: INDUSTRY EMBRACES PHILANTHROPY

BC Children's Hospital among the many beneficiaries of industry's charitable efforts

BY BRIGITTE PETERSEN

From volunteering time and skills to raising money for charities, Vancouver's regional construction industry contributes to local communities in more ways than building bridges, hospitals, schools and homes.

The industry is a strong supporter of **BC Children's Hospital Foundation (BCCHF)** through a variety of initiatives, according to **Allison Hepworth**, philanthropy officer at the organization. Hepworth, who manages BCCHF's relationship with the construction industry, said the foundation is "so appreciative" of the sector's continuing support, which helps fund advances in medicine for children in B.C.

"Cumulatively, since 1992, the real estate and construction industries have raised over \$24 million, and of that, about \$10 million comes from the construction industry through annual corporate giving," she said.

From supporting the Building for Kids signage program to sitting on two of the foundation's committees, industry members make significant contributions. Companies like **Ledcor Group** hold fundraisers and organize annual employee and corporate giving for BCCHF, while the **Vancouver Regional Construction Association's (VRCA)** 2019 holiday luncheon raised more than \$8,000 for the foundation through 50/50 raffle ticket sales. The annual Building for Kids Charity Golf Classic, which celebrates its 25th anniversary this year, has raised about \$3 million to date for the foundation.

Real estate, construction and development industries combined raise about \$1.6 million annually for BCCHF, celebrated during the foundation's Miracle Weekend telethon on **Global BC** every May. About half of the money is raised by **Re/Max** real estate agents, and a significant



Participating in the Building for Kids signage program is one way the local construction industry raises money for the BC Children's Hospital Foundation | ETRO CONSTRUCTION



Mott Electric vice-president Elisha Mott says employees donate part of their wages to their charity of choice during an annual Day of Giving | MOTT ELECTRIC

portion comes from the Building for Kids golf tournament, which raised \$300,000 in 2019. The construction and development industries raise the rest, supporting the hospital's most urgent needs, such as new medical equipment and research.

Taking the lead

Burnaby-based **Etro Construction Ltd.** supports BCCHF by participating in fundraisers throughout the year. Through the Building for Kids signage program, Etro teams up with



Regional real estate, construction and development industries raised more than \$1.6 million for the BC Children's Hospital Foundation in 2019. Celebrating during the annual Miracle Weekend telethon, left to right, are Mike Maierle, Etro Construction's principal and chair of the foundation's real estate, construction and development committee, with his two children; committee member Mark Marshall, Pacific Reach senior vice-president of development and construction, and his daughter; and past committee member Carlee Groves with her son | BC CHILDREN'S HOSPITAL FOUNDATION

construction project clients and developers to raise money for the foundation. Signs are posted at construction sites listing the names of participating partners and BCCHF, raising at least \$10,000 per project for the foundation and boosting the profile of all involved. **Mike Maierle**, Etro principal, said he hopes to increase amounts raised by building up more partnerships through the recently revamped program.

"We're in the process of really ramping it up right now," said

Maierle, chair of the BCCHF's real estate, construction and development committee. "I think that our industry as a whole can do more. I'm hoping that it'll become the largest component of our committee's fundraising campaign."

Etro also provides its employees with two paid volunteer days annually to allow them to help out a charity of their choice.

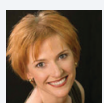
"We just think it's an important part of creating a good culture of giving," said Maierle. "It feels good to give back."

The company also plans to have a team participate in the inaugural Brand Battle for Good to create an idea of how to get Vancouver to zero waste. Organized by the non-profit **Brands for Better Foundation**, the two-part event aims to bring 25 teams from across the city together in the fall to strategize on waste reduction.

"We're on a mission to disrupt how we build today," said Maierle. "Our industry contributes about

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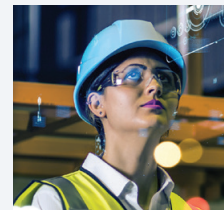
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VRCA president Fiona Famulak on how the B.C. construction industry is set to help lead B.C.'s economy after the COVID-19 pandemic retreats



FORECAST: Demand for construction faces a mixed outlook in B.C. B3

LEADERSHIP: Pandemic makes strong leadership in the industry more important than ever B4



R&D: Many construction companies leaving money on the table when they could be claiming federal tax credits that offset the cost of innovation B4

Construction positioned to lead B.C.'s post-COVID-19 recovery

Industry's role as essential service provider brings great responsibility



In the construction industry, companies that normally compete are proactively sharing best-practice protocols to ensure the health and safety of all workers on site

BY FIONA FAMULAK

In four short weeks, governments around the globe have moved to close borders, restrict travel and curtail our everyday activities and interactions in order to limit the spread of the COVID-19 virus.

In the same four weeks, phrases such as social and physical distancing, self-isolation and "flattening the curve" have become part of our daily vernacular.

The effects of the pandemic have been devastating, affecting industries, businesses of all sizes and Canadians from coast to coast. And the deeper ramifications have yet to be felt.

Through it all have emerged inspiring examples of public, private and not-for-profit sectors working collaboratively to help their constituents and peers navigate this new world.

We have witnessed all levels of government working closely to co-ordinate distribution of essential supplies to the front lines, and at break-neck speed launch financial aid packages that will help businesses to stay

in business, workers to pay rent and put food on the table, and the most vulnerable to be supported.

In the construction industry, companies that normally compete are proactively sharing best-practice protocols to ensure the health and safety of all workers on site. And the **Vancouver Regional Construction Association** and its many industry partners connect daily to share industry feedback, tools and resources and to liaise with governments. We really are all in this together.

Shortly after B.C.'s provincial health officer prohibited mass gatherings greater than 50 people, many of us fielded increasing questions about why construction sites remained open during a global pandemic. People were concerned. There were calls from some segments to shut down the industry for all but essential projects and maintenance, a move that would result in the potential layoff of a large number of the almost 250,000 men and women who work in B.C.'s construction industry.

That concern was eased greatly on March 26 when, in the context

of COVID-19 response and recovery, the provincial government clarified the nature of essential services – those daily services essential to preserving life, health, public safety and basic societal functioning – and defined the construction industry as a non-health essential service provider.

The clarification was tantamount to a call to action for construction companies to continue to operate if, and only if, they comply with the provincial health officer's enhanced site safety protocols, in order to keep workers employed and to position our province for recovery.

And the corollary is true. If a company cannot comply with the enhanced site safety protocols, then it must close its site until the health concern is addressed, or public health orders have been lifted.

Our industry is privileged to be an essential service provider, a role that comes with enormous responsibility, not only for the health and safety of workers and their loved ones, but for the future success of our province.

The industry owns that responsibility. Many companies have moved quickly to implement the new safety protocols so that they may continue building the schools, hospitals, roads, bridges and other essential infrastructure that B.C. needs now and in future.

Dr. **Bonnie Henry**, our provincial health officer, reminds us daily that the actions we take as individuals to mitigate the transmission of the COVID-19 virus influence our future reality.

Similarly, the steps that our industry has already taken, and will continue to take, to build safely during the pandemic not only influence B.C.'s ability to flatten the curve but also will help it rebound when public health orders are no longer needed. ■

Fiona Famulak is president of the Vancouver Regional Construction Association, which represents the general and trade contractors, manufacturers, suppliers and professional service providers that operate as both union and open-shop employers in the industrial, commercial, institutional and high-rise residential construction industry.

GIVING BACK

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a third of Vancouver's waste. We believe that it's time for a change."

Call to action

Mott Electric GP employees have been donating at least an hour of their wages every fall since 1997 through the Burnaby-based company's internal Day of Giving (DOG). Mott Electric matches the total raised, plus the amount of any tax benefits, and its volunteer committee decides where the proceeds will go. By 2019, Mott Electric had raised more than \$1.5 million for charities, supporting organizations focused on rehabilitation, child hunger, mental health and youth services.

"The Day of Giving is really about a call to action, a platform whereby every single employee can be and feel a part of something greater than themselves," said **Ellisha Mott**, Mott Electric vice-president. "The idea was that our colleagues would champion this exercise because the money would go directly back into their respective communities. The causes, charities and individuals whom the DOG supports are brought forth by the employees themselves."

Since its launch in 2017, the Mott Electric GP Women in Electrical Trades Training Fund has provided more than \$25,000 in financial support to women

MIKE MAIERLE, PRINCIPAL, ETRO CONSTRUCTION

We're on a mission to disrupt how we build today

pursuing a career in the electrical trades. The fund covers the cost of tuition and books while aiming to reduce barriers for women as they work toward their Red Seal endorsement.

Mott said the fund is meant to increase the number of women working in the electrical trades and to help address the current shortage of skilled workers.

"We need to recognize that women are an enormous labour pool that has not yet been engaged within our industry to its full potential," she explained.

Supporting youths

As members of the VRCA U40 Network, young construction professionals raised \$10,500 in 2019 for the **KidStart** youth mentorship program through a variety of ways, from 50/50 raffles to donating part of event ticket sales.

"Last year's total dollars raised for KidStart was a proud record for us and continues a streak of growth we've had going back many years," said **Brian Trann**, U40 network chair and **Will Scot's** Vancouver region



Vancouver Regional Construction Association U40 Network members build a chicken coop at Zajac Ranch for Children, an outdoors facility in Mission for children and young adults with medical conditions. Members volunteer their time each spring, working on various projects | VRCA

territory sales manager.

U40 members also volunteer their time each spring at the Zajac Ranch for Children, an outdoors facility in Mission for children and young adults with medical conditions. U40 members have completed projects such as building a chicken

coop and mending fences using materials they've had donated.

"We help out with whatever light construction projects are needed at the ranch," said Trann.

When U40 members fundraise and donate their time to help underprivileged youth, everyone

benefits, according to Trann. He said he is grateful to be able to help out wherever he can.

"I feel like this city and this industry have given so much to me personally," he said. "It feels great to give back and try to make it a better place for everyone to live." ■

FORECAST: DEMAND FOR CONSTRUCTION SERVICES FACES A MIXED OUTLOOK

Housing will be needed, but completions face delays

BY PETER MITHAM

The coronavirus pandemic that has driven the global economy into a brick wall will very likely become the textbook example of a black swan event: one that wasn't expected and whose effects couldn't have been predicted.

But since the crisis was precipitated by neither a slowdown in business nor a drop in consumer spending, **Andrew Ramlo**, vice-president of intelligence for the Vancouver real estate sales and marketing firm **Rennie Group**, believes the long-term outlook for the construction sector remains strong.

Households will still be formed, people will still need places to live, and immigration will resume when border restrictions are loosened.

"There are some people that, on an annual basis, just have to move," he said. "It may be postponed a little bit but it's probably still something that will be contemplated if it was contemplated previously, just at a later date."

This means that many of the conditions remain that existed



Andrew Ramlo, vice-president of intelligence, Rennie Group: "everybody's pushing really hard to try and figure out how we can work in this new environment" | RENNIE GROUP

prior to the government imposing restrictions on social contact meant to curb the pandemic.

"We have a growing population, and that's being fed and fuelled by changes at the federal level," he explained, noting that the federal government boosted its immigration targets on March 12, the day following the pandemic declaration.

The targets, subject to review in



ALEX_533/ISTOCK

November, called for accepting 341,000 immigrants this year, 351,000 in 2021 and 361,000 in 2022.

"That's to deal with the issue of an aging workforce, which is front and centre in terms of the construction industry here within the province as well as nationally," Ramlo said, adding: "We still need the immigrants to come in."

B.C. typically receives about 45,000 new immigrants a year, or 14% of the national total. Reduced immigration may ease demand for housing, but it will also limit the workers tackling demand from existing residents.

Getting things built was already challenged by lengthy civic approval processes in addition to

the labour shortage.

In addition, supply chain disruptions have already had an impact on the ability to access supplies, and will continue to do so as manufacturing output slows down due to infections and restrictions imposed to mitigate infection. China and now Italy have both taken a hit to their manufacturing output; many anticipate U.S. capacity being next in line.

While governments have offered all sorts of economic stimulus, the deeper economic effects of the pandemic have yet to be felt. People who can't work won't have income; this will undoubtedly have ramifications for personal savings and economic

activity.

"But the big question, and not one I have an answer to is, 'How long is that?'" Ramlo said.

However, the restrictions on social contact may also breed innovation that results in deep and lasting changes to how contracting and sales are conducted. While the construction sector has been slow to embrace technology, the need for meetings and paperwork to take place with minimal in-person contacts will require companies to understand and embrace digital forms of business.

"The brokerage guys are pushing really, really hard trying to figure out how to deal with all the issues in terms of signatures, verification, how can we do stuff digitally," Ramlo said.

With open houses discouraged, listing agents are developing virtual tour options, and the use of technology to help buyers envision new projects offered for sale is also increasing.

"There's a lot of stuff going on and everybody's pushing really hard to try and figure out how we can work in this new environment," he said. ■

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Architect: DA Architects + Planners
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LEADERSHIP: COVID-19 PANDEMIC IS MAKING STRONG LEADERSHIP MORE IMPORTANT THAN EVER

"One more day of the crisis brings us one day closer to the upswing," CEO says

BY PETER CAULFIELD

Most businesses are reeling from the COVID-19 crisis and it's important for leaders to show strong leadership now," said **Jeff Tetz**, chief executive officer of consulting firm **Results Canada Inc.** (Results).

"We're all in this together, figuring out solutions as we go along. And remember – one more day of the current crisis brings us one day closer to the upswing."

To deal effectively with the current emergency, leaders need to establish guiding principles for their organizations that are strong enough to provide direction, but also sufficiently flexible that they can adjust quickly to changing circumstances.

Examples of effective guiding principles, Tetz said, include:

- Let your personal values guide your decision-making.
- Look after yourself and connect with other people.
- Focus on what you can control today that will add value to your business.
- Look for alliances and partnerships in places that you might



Jeff Tetz, CEO of Results Canada Inc.: "we have found that the local construction industry is open to collaboration and our construction partners treat us like another sub-trade." | SUBMITTED

not have thought of in the past; think outside the box.

- Be open – don't hide your feelings and opinions.
- There's no such thing as too much communication with your



Marie Pin, British Columbia practice director for Results: "we measure the variables that tell how well they're doing at execution – vision, strategy, talent, leadership, process – and that enables us to identify gaps and opportunities" | SUBMITTED

employees and customers. Treat them as friends first and customers or employees second. Results was founded in 1998. The company's head office is in Calgary, with branch offices in

Edmonton and Vancouver.

"We specialize in working with medium-size companies that have great growth potential, but that aren't doing as well now as they would like to do," Tetz said. "We provide the tools to enable them to do better, by focusing on execution."

As a strategic partner of **Vancouver Regional Construction Association** (VRCA), Results adds value to members of the association.

"We bring discipline to execution," said Tetz. "We have found that the local construction industry is open to collaboration and our construction partners treat us like another sub-trade."

Marie Pin, British Columbia practice director, said Results performs assessments that measure how well an organization executes its plans.

"We measure the variables that tell how well they're doing at execution – vision, strategy, talent, leadership, process – and that enables us to identify gaps and opportunities," said Pin.

For example, are they hiring for fit, and not just for paper qualifications?

And does everyone in the

organization know what its vision is and where it's heading?

"Effective execution enables an organization to be strong and resilient today with the capacity to recover quickly from the shocks it is currently receiving," Pin said. "Strong leadership is more important than ever, because it provides organizational backbone."

To help VRCA members survive the storm that is COVID-19, Results has put together a comprehensive and detailed readiness checklist.

One of the most important sections of the long list deals with how to handle workplace risks effectively, which is something that every construction leader should have on hand now.

In case there's a second wave of COVID-19 infections after this one passes, the checklist includes a catalogue of planning activities, business issues to address in a continuity plan and measures to underpin continuity that will help construction leaders prepare for what may come next.

For the complete list, go to <https://unleashresults.com/covid-19/> ■

R&D: MANY LOWER MAINLAND CONSTRUCTION COMPANIES LEAVING TAX MONEY ON THE TABLE

Innovation doesn't take place only in labs; construction industry can also tap research tax credit

BY PETER CAULFIELD

Many Canadian construction businesses don't know it, but they're eligible for federal investment tax credits that offset the cost of innovation and problem solving in the construction industry.

The Scientific Research and Experimental Development (SR&ED, commonly pronounced "shred") tax credit program enables businesses to reclaim some of the money they've spent on developing new – or improving existing – methods, processes, services and products.

SR&ED tax credits can be claimed by businesses of any size.

Although the program was introduced almost 40 years ago, many construction companies don't know about it, even though most of them can get at least some benefit from it.

The **Vancouver Regional Construction Association** (VRCA) and the **Canadian Construction Association** (CCA) say an important outcome of the SR&ED program is that it encourages construction

innovation of all kinds.

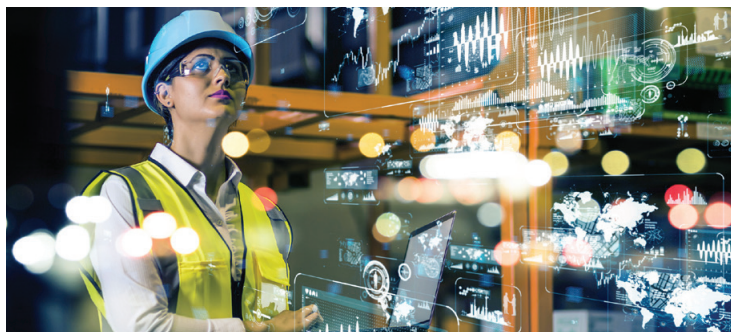
The associations have partnered with **Invennt Business Inc.** management consultants to offer SR&ED tax credit writing services to the Lower Mainland construction industry.

Fiona Famulak, president of VRCA, says the B.C. construction industry needs to build faster, greener and more productively, to satisfy new provincial zero-emission and green building standards.

"To meet those requirements, we need to be more innovative than we've ever been," Famulak said.

"We are thrilled to launch this partnership with Invennt to help and encourage our members to further their innovation goals," said **John Bockstael**, past CCA chairman. "The credits will help the industry to remain competitive, grow and reinvest to promote innovation."

"Our goal is to promote and drive innovation in the industry, and this new service will make it easier for our members to have a better chance at getting a SR&ED



METAMORWORKS/ISTOCK

credit," said **Mary van Buren**, CCA president.

According to the CCA, some in the construction industry perceive research and development (R&D) as something that's carried out only in laboratories by people in white coats looking through microscopes. But although some construction companies might not realize it, if they have developed and improved construction methods, materials, plans and designs, then they have been engaged in R&D.

Examples of research and development include finding easier, safer or greener ways of working,

tackling obstacles in new ways and developing new materials or components.

A SR&ED tax credit can be claimed for any project aimed at:

- extending knowledge or capability;
 - making an appreciable improvement to an existing process, material or service;
 - using science or technology to duplicate the effect of an existing process, material, device or product in a new or improved way; or
 - creating a process or service that extends knowledge or capability.
- Ben Pritchard**, executive

vice-president of Invennt, says the tax credits are a way of rewarding innovation on construction sites.

"Companies that qualify for the program get some of their taxes paid back, typically between 18% and 40% of qualifying expenditures," he said.

Why do VRCA and CCA support innovation?

Innovation is strongly embedded throughout the strategic plans of both VRCA and CCA, along with a commitment to integrate technology into their various initiatives, and to imagine where and how technology can be adopted now and in the future.

Innovation allows industry to take a proactive versus reactive approach to boosting productivity, enhancing safety and adopting technology.

Finally, with more than one out of five construction workers retiring in the next 10 years, VRCA and CCA are actively promoting innovation in the industry in order to attract and retain a tech-savvy and creative workforce that will lead to the industry of the future. ■