Busy Year Is Expected
By Don Proctor

Even with the uneasy state of world affairs these days, economists still predict brisk activity throughout this year in many sectors of the construction industry in the Greater Toronto Area. Building in the residential sector looks particularly strong where upwards of 50,000 housing starts are expected—on par with last year’s output.

Single and multiple-family residential units are expected to keep many contractors as busy this year as last, explains Hugh Laird, executive director of the Interior Systems Contractors Association of Ontario. “As long as interest rates stay low, I don’t see why the boom won’t continue there,” he predicts.

Many contractors who work with exterior insulation and finish systems in the GTA also expect a busy year in residential as EIFS continues to build a solid reputation in the highrise, lowrise and even single-family sectors. John Smith, vice president of the EIFS Council of Canada, says only five years ago the EIF system was relatively unknown in the residential industry. In the mid-1990s, most residences in new GTA subdivisions were clad in brick. Check out new housing developments today and you’re likely to find EIFS is making a notable impact, helping to break up the monopoly and monotony of the all-brick suburb for which Toronto has become noted. In the retail market EIFS is expected to do well this year, particularly in the big box sector.

The retrofit market—from hotel chains to automotive dealerships—will also be strong, adds Smith, international sales manager of Dryvit Systems Canada, which is forecasting a slight increase in its production this year over last. Dryvit doesn’t see a return to the late 1990s when growth spurts were 12 to 15 percent annually, but nationwide the company figures on growth of about 5 percent.

The GTA will remain the economic heart of the industry, with Alberta’s robust oil-based economy ensuring that EIFS will continue to thrive in that Western province. “Overall, I think our industry (manufacturers) in general will continue to grow,” Smith says.

The downside of good times in 2003 is that labor shortages are expected to continue to hamper both the EIFS and drywall industries. ISCAs Laird says the expansion last year of ISCA’s training center, which doubled the output of drywall and EIFS apprentices, has helped, but more needs to be done to address the deepening crisis. Programs such as Construction Recruitment External Workers Services (see last month’s column) that allow foreign workers temporary work visas has helped one EIFS contractor alleviate the labor shortage, but most experts say the long-term solution is in our back yard: recruiting local youth into building the trades.

Also to combat the labor crisis, Smith says there’s a need for more skills upgrading courses for new immigrants who may be licenced in the trades but aren’t well acquainted with new standards and Canadian technology. That’s where the EIFS quality assurance program comes into play. Still in its infancy with only Dryvit certified under the program, it is expected to soon draw other manufacturers and contractors into the fold. The program sets standards for application procedures that start with strict compliance with the manufacturers’ guidelines, right through to adherence to documentation specified by the owner.

The goal is to get members of associations across the country—particularly in busy areas such as Ontario and Alberta—to sign up, explains Smith, noting that Winnipeg-based Building Professionals Consortium will manage the program on a full-time basis. It’s a big step for an industry that for the most part is still in its infancy.

About the Author
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