Members of the Interior Systems Contractors Association of Ontario have been on a record-setting pace in the Greater Toronto Area over the past four years but the economic forecast calls for a bit of a slowdown this year. That is because the hot residential construction sector is cooling. About 44,000 residential units will be built in the GTA in 2004, down 8 to 10 percent from 2003.

The decline is simply a case of supply outpacing demand. But according to Canada Mortgage and Housing Corp., 14,000 condo units will come on stream in 2004, up about 1,000 from 2003. Those numbers don’t tell the whole picture, however. There are signs that Toronto’s condo boom could be coming to an end. Sales are taking longer to complete and prices at some complexes are dropping. “We don’t anticipate the development pace in the condo market to continue much longer,” explains Hugh Laird, executive director of ISCA.

That is not great news for ISCA drywallers who do about 90 percent of the work in the residential sector. Nonetheless, Laird and others in the industry aren’t about to predict gloomy times ahead for the industry. Still the fastest growing metropolis in Canada, the GTA is expected to continue to grow by about 100,000 people annually over this decade.

There is a plus to the slowdown. It gives associations like ISCA an opportunity to “catch up” to the construction pace that has resulted in extreme trades shortages, Laird says. “I hate to say it but it does help the (building trades) shortage situation. It gives us (ISCA) a little breathing room to train more people . . . to get more new apprentices into the system.”

The shortage crisis, however, is far from over, he points out, noting that tradespeople will still have to be imported to fill the gap this year. Laird has high hopes that the federal immigration department will seriously consider revisions to the immigration system in 2004 that will allow qualified foreign tradespeople easier access into Canada. The idea of changing the “point system” used to grade or evaluate foreigners applying for Canadian work visas is currently under discussion with the feds.

Meanwhile, in the ICI building sector over the past year, two mega-projects have kept many a drywaller busy. They are the $4.4 billion (all figures in Canadian funds) addition to Toronto’s Pearson International Airport and the $900 million new casino and multi-use development in Niagara Falls. This year another prominent project is on the rise. It is Vaughan Mills, a 1.4 million square foot shopping mall under construction in the Toronto suburb of Vaughan. To be the second largest retail mall in the GTA, the behemoth is a joint Canadian/US. venture development by the Mills Corporation of Arlington, Va., and Ivanhoe Cambridge of Montreal, General contractor for the fast-track project is Ellis-Don Construction Ltd. It will feature 15 anchor tenants, 200 specialty stores, restaurants and entertainment venues.

EIFS contractor Granolite Company Ltd. has been awarded the first phase of exterior stucco work. The $1 million contract calls for cladding the base building. The second phase will feature the installation of decorative EIFS details on anchor stores. The contract, not awarded at press time, is worth about $2 million. Marel Contractors was awarded the $4 million contract to complete interior drywall. The big project will see upwards of 500 to 600 drywall and EIFS tradespeople on site during peak construction periods this summer, Laird says.

Construction may be slowing in the GTA this year, but times are far from tough.

About the Author
Don Procter is a free-lance writer in Ontario, Canada.