

Residential Construction: growth, wages, workforce and training

by Heidi Riley

According to **Canada Mortgage and Housing Corporation (CMHC)**, housing starts in Charlottetown and Summerside rose 40 percent, from 495 in 2008 to 693 in 2009. The increase came as a result of additional multiple-unit housing starts in Charlottetown. These figures show that skilled trades workers in residential construction are in demand.

Residential construction is growing

“The demand for housing is going up due to the fact that so many people are moving to PEI,” says **Tracey Gormley**, Executive Director of the **PEI Residential Construction Sector Council (PEIRCSC)**.

2009 Fair Wage Guide now available

The PEIRCSC identifies and addresses human resource and labour market issues affecting PEI’s residential construction industry and promotes best HR practices in the workplace. They also promote the skilled trades as a desirable career choice.

A labour market study done last year by the PEIRCSC recommended that it would be valuable to know the pay ranges for skilled trades people working in residential construction.

Vision Quest, a third-party consulting company, was hired to assist in completing a wage survey. “We went to job sites and talked to skilled trades people working in 13 different trades within residential construction,” says Tracey.

“We broke down wages into Red Seal and non-Red Seal certification, and outlined a low, average and high hourly wage.

“We included wages for those with up to five years experience, and with five years or more. People with a longer history of working in the trades usually have their Red Seal and are being paid more because they are more qualified.”

“This difference in wages might encourage more young people to earn their Red Seal,” says Tracey.

“The guide is designed to help trades people and those who are considering the residential construction industry as a career. It will be distributed at high schools and career information events. The salaries listed in the guide should foster more respect for construction industry workers. This is a positive message that the skilled trades are a desirable career choice.”



Tracey Gormley, Executive Director of the PEI Residential Construction Sector Council, checks the 2009 Fair Wage Guide, which will be available at the PEIRCSC office and at construction supply and wholesale outlets on PEI.

Survey of workforce leaving PEI now available

During the past several years, the residential construction sector has seen an increasing number of trades people leaving the province to work elsewhere. Along with the **Atlantic Evaluation Group**, the PEIRCSC completed an **Out-West Migration study** asking:

- Why tradespeople leave PEI?
- What jobs they worked at while they were away?
- What incentives would bring them back to PEI?

The survey found that skilled trades people leave PEI to obtain full-time, year-round employment, higher wages, and more employment benefits. However, more than two-thirds of the respondents indicated that they intend to return to PEI at some point. They also indicated that if the industry was able to provide them with full-time employment and better wages and benefits, they would be more likely to return to PEI.

“This is the message that needs to get out to PEI employers,” says Tracey. “We will notify employers about the feedback and the recommendations from the study, and we will post the study on our website.

“Things have changed in the PEI construction industry. The majority of skilled trades people are getting year-round work now. The wages

on PEI might not be quite what they want, but they may get other benefits such as a company vehicle, gas card, cell phone, or flexible hours.

“Once they get out west, many realize that expenses are much higher. They need to maintain two residences, the cost of living is higher, they miss family, and the quality of life is not as good.”

More training needed

Tracey says workers will need more training to keep up with the demand for the new skills needed to construct energy efficient homes. “We are seeing more demand for insulated concrete foundations, geothermal heating, and other innovations. The focus is on going green and saving energy. The entire industry has to adapt to that.”

As PEI adopts and polices the National Building Code, tradespeople will need up-to-date training. At present, only plumbing and electrical work must be inspected. In the future, the work of three more trades will be inspected: carpenter, HVAC/air conditioning/air exchange installers, and insulation installers.

At the moment, the PEIRCSC is doing a **Gap Analysis Study**. “We want to talk to industry about the standards and codes that will be enforced to see what skills they have now and where they need to be. We will be asking if they are willing to pay for some training for themselves and their workers.”