



THE ONLY CERTAINTY RIGHT NOW IS UNCERTAINTY

by Ken Gibson

ACA Executive Director

The 64-million-dollar question is, of course, is where is Alberta's construction marketplace going?

Key drivers of investment intentions in Alberta include the prices of oil and natural gas, exchange rates especially vis-à-vis the U.S. dollar, interest rates, and anticipated growth. Growth in an export-driven economy like Alberta's is largely determined by forces beyond our borders. Across the globe and especially in the U.S., how much will crushing debt loads and tightness in credit markets impact consumer purchases and business investment, and in turn how will these uncertain demands play into prices of oil and other commodities? On the plus side is the commitment of governments in North America and beyond to support public investment in infrastructure. Here, timing of project approvals is uncertain. In terms of existing work, it appears that some contractors have work booked even beyond 2009. For many others, however, their backlog is coming to an end and projects out for tender are seeing a significant increase in the number of bidders.

As members focus on securing business and efficient operation, it's important that industry associations ensure continued industry responsiveness to policy issues of the day. As Alberta's only construction association with a provincial mandate and a broad-based membership representing all regions, trades, and labour affiliations, the Alberta Construction Association (ACA)

takes this responsibility very seriously.

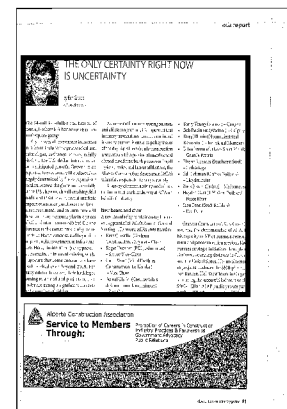
A survey of recent activity underlines the important work underway at ACA on behalf of industry.

New board and chair

A new Board of dynamic industry leaders was appointed at ACA's Annual General Meeting in February. ACA's 2009 Board is:

- Kees Cusveller (Graham Construction, Calgary) – Chair
- Roger Dootson (PCL, Edmonton) – Senior Vice-Chair
- Colin Ward (Ward Brothers Construction, Lethbridge) – Vice Chair
- Bernal Ulsifer (Creative Glass & Aluminum, Lloydminster) – Past Chair
- Barry Young (Burnco) – Calgary
- Bob Robinson (Westcor) – Calgary
- Daryl Blouin (Blouin Electrical, Edmonton) – Individual Members
- Brian Freemark (Lee's Sheet Metal) – Grande Prairie
- Blayne Janssens (Southwest Steel) – Lethbridge
- Ed Hickman (Craftex Builders) – Lloydminster
- Buck Heath (Padcar) – Medicine Hat
- Hayden Gust (T.H. Gust Builders) – Peace River
- Sean Penn (Scott Builders) – Red Deer

Graham Construction's Kees Cusveller assumes the chairmanship of ACA. In his capacity as VP of business development and preconstruction services, Kees pursues strategic initiatives throughout Graham's operating divisions in Canada



Alberta Construction Magazine (Calgary, AB)				Order/Commande
				34628
Date	30.06.2009	Circ.	8500	Page 81
				2 / 3

and the United States. His involvement in projects includes the \$100-plus million Bankers Hall West Tower in Calgary to heading the successful bid team on the \$600-million ASAP public private partnership (P3) schools project in 2008. ▶

P3 recommendations finalized

The Government of Alberta urgently needs to expand horizontal and vertical infrastructure to meet the needs of Alberta's growing industrial base and population in ways that provide the best value for money to taxpayers. To ensure that it receives the best value for its construction and maintenance-related expenditures in the long term, the government must ensure that infrastructure built using P3 approaches complements existing approaches to support the expertise and capacity of Alberta's construction industry. In January 2009, over 120 industry representatives participated in a forum hosted by ACA and Merit Contractors to discuss P3 approaches in Alberta. Recommendations arising from the forum have been approved by ACA and have been shared with the government.

Construction pricing

ACA representatives participated in a special meeting of the City of Edmonton, City of Calgary, Alberta Infrastructure, and Alberta Transportation to discuss where construction prices for building and road construction may land in 2009, 2010, and 2011. The general consensus is that 2009 is a good time to purchase construction, and that 2010 and 2011 will see flat to modest price increases.

Enhanced project planning

ACA is continuing its efforts to be the source for multi-year capital plans for both private and public sector projects. More data will assist members and other stakeholders with improved planning. ACA has assumed local responsibility for administering the Construction Owners Association of Alberta/Construction Sector Council major projects database,

and is working with major public sector owners on a new web-enabled capital projects inventory and schedule database.

C&D recycling focus groups

ACA is a signatory to a Memorandum of Understanding with Alberta Environment and the Canadian Home Builders' Association—Alberta to develop an industry stewardship program to divert construction and demolition wastes from Alberta landfills. Following research and consultations initiated in 2005, a stakeholder group of industry, government, and municipalities has been developing a framework proposal for approval by the Government of Alberta. ACA understands that the framework needs to be sufficiently detailed for the government to change legislation to confer broad powers to a designated agency to be responsible for program administration. ACA has consistently advocated that the responsibility for and leadership of the stewardship program should be from industry. A series of small focus groups of members across the province is providing reaction to draft proposals of the working group. The target of the program is primarily general contractors (buildings). Full consultations will be held for all stakeholders later in 2009.

New work safe committee

Alberta Employment Minister Hector Goudreau has established a new Work Safe Advisory Committee, chaired by parliamentary assistant David Xiao. The role of the committee is to develop a new three-year plan to achieve a 25 per cent reduction in workplace injuries, illness, and fatalities by the end of 2012. ACA's Safety/WCB Committee and ACA's safety email group are providing input to the ACA representative. An ACA focus group session was held in April to review draft proposals. Government approval of the plan is expected in September.

New workforce development strategy

ACA's Board of Directors recently approved a new workforce development

strategy of ACA advocacy actions to support the skilled construction workforce Alberta needs for the future. Utilizing labour market supply and demand information for the short, medium, and long term, the strategy mirrors the themes of “Inform, Attract, Develop, and Retain” contained in the provincial strategy called Building and Educating Tomorrow’s Workforce. ACA advocacy efforts with partners and government will be drawn from the strategy, which will be a living document to be revised as circumstances change.

Provincial nominee program

Employment and Immigration (E&I) is reviewing the current Alberta Immigrant Nominee Program (AINP) Employer Driven Stream. The objectives of the review are to ensure that:

- The AINP continues to provide the Government of Alberta with a mechanism to increase the economic bene-

- fits of immigration for the province.
- It continues to meet the needs of Alberta employers who are unable to fill permanent positions with Canadian citizens or permanent residents of Canada.
- Provincial nominees and their families can successfully integrate into Alberta’s labour market and communities.
- ACA provided to inform the program policy development process.

Progressive release of holdback

ACA has been participating in an ad hoc committee of the Construction Owner’s Association of Alberta examining the possibility of advocating a change to the Alberta Builder’s Lien Act for progressive release of holdback on large value projects. Several provinces, including Saskatchewan, have had a similar provision in place. ACA will have an opportunity to comment on the final proposal once developed by the industry committee. ☺

On the plus side is the commitment of governments in North America and beyond to support public investment in infrastructure.