

## Home renovators struggle for skilled workers as labour poaching hits industry

Shane Dingman October 13, 2021



Workers at a condominium construction site near the Distillery District in Toronto on Mar. 16, 2021.  
Fred Lum/the Globe and Mail

When two workers left in two months, Tonya Bruin had to juggle to keep her renovation construction company on top of its commitments. When a third member came to her with a job offer in hand, she knew she had a problem.

“I didn’t want to lose this guy. He’s fantastic. He started quite junior but he’s reliable and clients love him,” said Ms. Bruin, CEO of To Do Done Renovations, which specializes in bathrooms, kitchens and basements in the Ottawa area. But that young worker levelled with her: He hadn’t been looking for a new job, but on more than one occasion recruiters working for large home-builders had come to a To Do Done job site offering raises, benefits and retirement contributions. It turns out, with the first two workers, it was the same story: they were poached too.

Ms. Bruin's case is just one indication of the construction labour shortages that industry leaders warn could be getting worse. As resale home prices have climbed to new heights this year, almost every major housing market is seeing an uptick in construction. That's causing shortages of key tradespeople. And it's all happening at the same time as a wave of retirements of the most skilled workers is beginning to crest.

"Construction has more mobility between companies than pretty much any other sector," said Andrew Pariser, vice-president of the Residential Construction Council of Ontario. "I don't know if people are yelling at people through a fence – we're hopefully more professional than that – but we're experiencing a tighter labour market than ever before."

With 500,000 construction workers and 144 sub-trades in Ontario, not every sector is equally stretched in the hot labour market. High-rise construction is facing its toughest crunch in elevator installers and crane operators, with tense competition between companies to hire workers away. Major infrastructure and transit projects were already putting pressure on high-rise builders' need for concrete form-work labourers and specialists in drains and basements are also in demand among low-rise builders. Tightness has also shown up in the "finishing" trades in carpentry, who can do a variety of jobs like installing trim, stairs and flooring. Not coincidentally, those are the skills you'd find in renovation crew such as Ms. Bruin's.

For Ms. Bruin, the challenge is how a private employer with a small team of about a dozen can keep key workers. "Labour rates have gone up significantly across the board ... faster than I've ever seen it before," she says. "I realize now, a contract that says you will do an annual review of your salary is too long to wait." She's recently added dental and medical benefits coverage, and is looking into ways she can help her workers with retirement plans (something the construction unions offer, but most private employers cannot).

The other pressure is that, without the ability to find new workers, she can't grow her business, which is already booked five months in advance. And as labour rates rise, she has to eat any shortfalls that come from jobs she quoted half a year ago. "If all the sudden my labour costs go up 30 per cent, I'm not changing their quotes, it's not fair to my clients."

The industry at large is facing a demographic crunch: It is mainly an older workforce and the Baby Boom members have begun retiring in large numbers over the past 15 years.

"We need about 100,000 new workers over the next ten years," to keep the current workforce stable Mr. Pariser said. "If we stay this busy, we'll need more or we'll need them sooner. We have two ways: train more people who are in Canada right now, and immigration. In the last 10-20 years, I think our immigration targets weren't meeting our needs."

Mr. Pariser argues that Ontario should have the ability to set its own immigration qualifications (similar to Quebec) to address labour needs, though he points out some trades are better able to recruit internationally than others, pointing to success among electricians and plumbers unions to bring in overseas talent.

There are programs to train existing residents in the key trades, he says, though many are too small to address the looming shortfall.

Mike Yorke, president and director of public affairs and innovation at the Carpenters District Council of Ontario representing 20,000 tradespersons, said the unions have been poaching non-union workers from the Pro line at Home Depot or off job sites for years. It works: the drywall trade for instance is 95 per cent unionized. Cases such as Ms. Bruin's, where a recruiter identified himself as working directly for a large homebuilder might be new. "If that's the employer or developer doing it, that's an innovation," he said.

The challenge of training new workers is huge: In the Toronto region the Carpenters' Local Union 27 operates one of the largest apprenticeship programs in the province, but even that isn't going to make a large dent in worker shortages.

"For Toronto area, our college of carpenters brings in 100-110 through the school boards," he said. "That's a five-year project to bring a young person in; we graduate 100 apprentices each year, and 20 per cent are women," he said, an impressive figure when the overall construction industry averages between 3 and 7 per cent women workers. "If we want to bring in young women into the building trades, the best way is through the school boards."

The low number of women in the industry is just one of the cultural barriers to recruiting young people though.

"When we speak to parents, often the parents see construction as dated or dangerous. Issues of sexism and racism, historically, that's part of the culture. ... Our job is to improve the working conditions and take on and challenge those outdated ideologies," Mr. Yorke said.

However, these issues are not in the distant past. In 2020, a series of nooses began showing up on downtown Toronto construction job sites, leaving visible minority workers feeling threatened and unprotected. Earlier this year, a drywall contractor hired a sex worker to perform nude dances on a job site. Videos of the incident ricocheted around social media drawing condemnation from builders and union leaders alike.

"That puts us back years. ... We're outreaching to young women and men in high schools and that happens?" Mr. Yorke said.

"Everyone has a negative view of construction," said Mr. Pariser, but he cited to public opinion surveys that suggest construction workers are twice as happy with their work as the average Canadian. "It's not all doom and gloom in our sector."

In Ottawa, Ms. Bruin was able to use a hefty raise to beat back the poachers. And that third young worker decided to stay. For now.