



# AGENDA

1.0 Call to Order

2.0 Industry Outlook

3.0 Discussion

3.1 International Investment and trade agreements

3.2 P3s

3.3 Community Benefits

3.4 Technology and Innovation

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4.0 Other Business

5.0 Adjournment



## 2.0 Industry Outlook



# Canadian Outlook – Supply and Demand Mismatch

- Modest growth of the Canadian economy – 2%
- Return to 2016 levels of spending – about \$2B less than in 2017
- Forecasting a shortage of workforce
  - Competition for STEM graduates
  - Grow pool of qualified applicants by targeting women, New Canadians, indigenous



# Current Political Climate – Investor Confidence in Canada?

Prime Minister Justin Trudeau's majority Liberal federal government is in the third year of its mandate.

- Phase II of \$180B infrastructure spending being tied to social benefits
- Marijuana will be legal October 17: no fit to duty standards
- Increased criteria for environmental considerations – doubled
- Trade wars of concern
- Increased security clearance requirements for federal projects



# Construction Industry Environment

- Growth of complex projects and industry capacity:
  - Fewer middle sized firms, fewer members, partner revenue models
- Changing customer requirements:
  - Green, lifecycle, social benefits, collaboration
- Construction industry image:
  - Not desired employer, yet talent shortage
- CCA has good, but quiet reputation with government
- Technology adoption is critical, but lagging





# Build a Better Canada



## 3 Themes for 2018



- Diversity



- Innovation



- Infrastructure



## 3.0 Discussion



## 3.1 International Investment & Trade Agreements



## 3.1 International Investment & Trade Agreements

### Trends

- Calls in Canada for reciprocal/retaliatory trade barriers and industry support/market protectionist measures.
- Resurgence of local/regional preferences in public procurement practices building greater internal trade barriers within Canada despite a recent *Canadian Free Trade Agreement*.
- The emergence of “social procurement” in public procurement in Canada



## 3.1 International Investment & Trade Agreements

### Impact of Tariffs and NAFTA

- A NAFTA termination has been estimated at a cost to Canada of .4 to .5% of GDP.
- The impact of lower corporate tax rates in the US could be much more devastating on Canada's economy!
- Overall impact of the recent US steel and aluminum tariffs on the Canadian economy will be slight (i.e. 0.2 to 0.3 per cent of GDP) but will be detrimental to Canadian construction industry



## 3.1 International Investment & Trade Agreements

### What is CCA Doing?

- Tariffs – Requested relief
  - Accelerated depreciation, R&D fund, protection against rising costs
- Fair competition – Successfully lobbied against government-controlled entity purchasing a Canadian construction firm



## 3.2 P3s

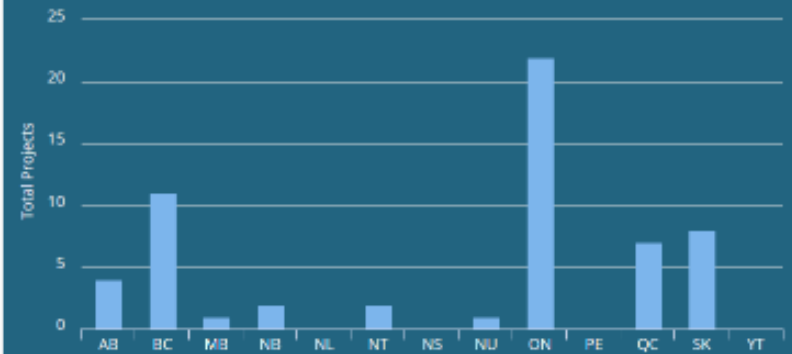




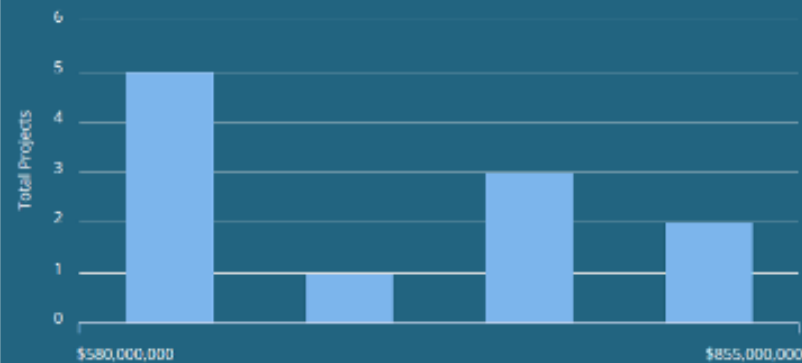
## Projects by Financial Close Date



## Projects Under Construction



## Capital Cost



## 3.2 Overview of P3s

- Industry Structure
- Politics of Value
- Risk Profile and Performance
- Capital Market Participation



# CCA's Approach: Engage with Federal Government

- Policy Objectives:
  - Capacity & Pace
  - Fairness
  - Industry participation
  - Standardization
  - Value for money
  - Transparency



## 3.3 Community Benefits



## 3.3 Community Benefits – Canadian Perspective

- CCA and the industry are committed to an innovative & diverse workforce
- Two new Federal Government initiatives:
  - Community employment benefits from Federal Infrastructure projects
  - Bill to allow Minister of Public Works to be able to request contractors to produce an assessment as to whether community benefits have been derived from a project.
- #CDNConstructionGives

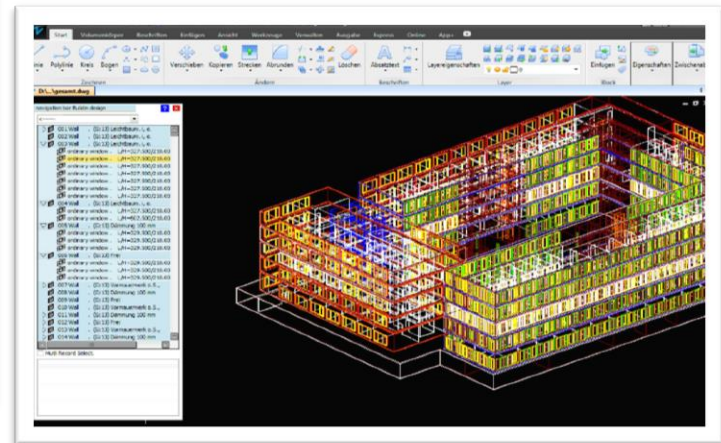


## 3.4 Technology





## 3.4 Technology and Innovation – Human Free?



## CCA Initiatives

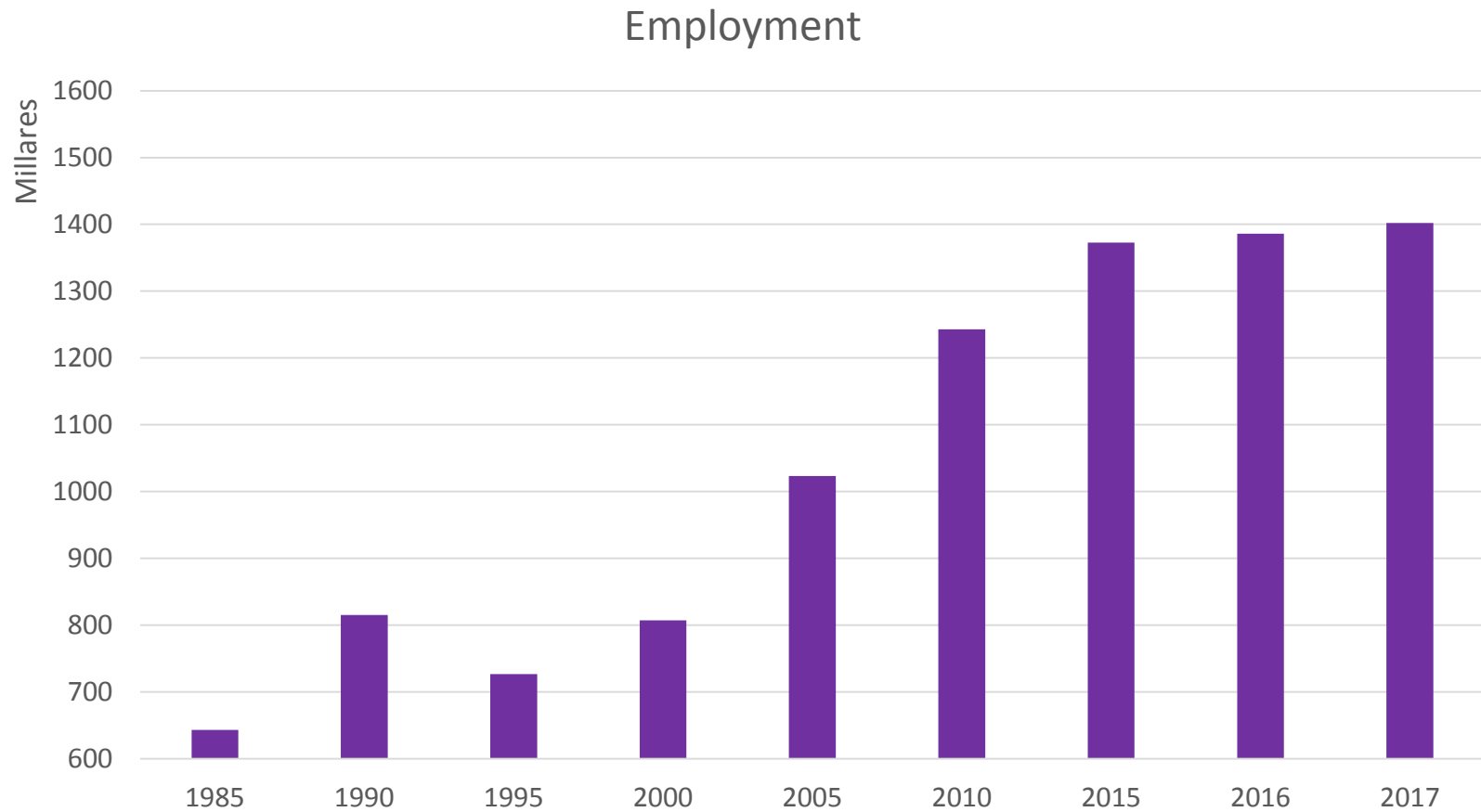
- New Strategic Plan
- Innovation and Technology Committee
- Canadian Construction Innovations
- Institute for BIM in Canada



## 3.5 Workforce



# Construction Employment in Canada



# Diversity of Construction Workforce in Canada Today

- Women remain dramatically under-represented in the industry, accounting for only 12% of the total workforce
- One of the top employers in Canada among Indigenous people today.
- Canada's Indigenous population is youthful and growing with a 42.5 per cent increase since 2006, a growth rate more than four times that of their non-Indigenous counterparts
- As many as 277,000 new construction workers will be needed this decade.



## CCA's Education and Diversity Efforts

- Gold Seal and The Lean Institute of Canada certification programs
- IBC and Building Smart Canada are national leaders in the use of BIM technology in the Canadian built environment
- Working with our local associations to create and/or facilitate national education initiatives to reach as broad an audience as possible.
- Building a diversity strategy to attract a more diverse workforce including both trade and STEM workers.
- CCA's leadership and board participation.
- Created an Indigenous Engagement Guide





## 4.0 Other Business



## 5.0 Adjournment

- 2019 meeting and location (AGC)
- Tonight's Events: meet at 5:15 in the lobby
  - Aura Show at the Notre Dame Basilica & delegate pictures
  - Dinner at XO Restaurant
- Tomorrow: Champagne breakfast at 9:30 am. Salon de la Montagne

