

Building projects stalled because of civic strike

By Ashley Ford

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Vancouver building contractors and developers say they are being hammered by the ongoing Vancouver civic strike.

Hundreds of millions of dollars in projects are either going slow or nowhere because of the strike, Peter Simpson of the Greater Vancouver Homebuilders' Association said Tuesday.

"We are urging both sides to expedite a settlement as quickly as possible," he said.

An e-mail survey by the association shows Vancouver builders are becoming increasingly frustrated with the work stoppage and Simpson says added costs will hit consumers down the road.

"We have received complaints varying from an empty construction bin being filled with garbage overnight to multi-million dollar projects being put on hold and everything in between," Simpson said.

Unable to get permits or permit approvals for work already completed, many projects have shut up shop and that is costing developers and contractors hundreds of thousands of dollars a month simply to maintain.

On top of that, said Simpson, because of an acute shortage of skilled labour, most contractors are holding on to their workers because they fear that if they let them go they will not come back.

"One member told me he is getting his workers to wash trucks and clean other equipment at \$26 an hour," he said.

Bill Eden, owner of the Eden Group of Companies, has two projects worth



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The Fairmont Pacific Rim Residences at Burrard and Cordova are pictured under construction last January, when Vancouver posted \$653.7 million in building permits.

more than \$100 million stalled and that alone will cost him over \$100,000 a month.

"We have a 119-unit project worth \$65 million at East 7th and Main that is going nowhere at the moment and a 31-unit high-end townhome project worth \$30 million plus at Oak and 43rd can't begin because we cannot get the necessary permits," he said.

"Sure, I am worried. I could lose my trades, let alone the thousands of dollars we have to pay for just sitting on our hands.

"How long we can sit and wait? I just don't know," Eden said.

"But one thing is for sure, all this added cost will go to the bottom line and stop at consumers."

Simpson said that even before the strike the city was behind in issuing permits.

"It will be even worse we come back," he said.

Residential construction is one of the major economic powers in Greater Vancouver. Last year, the industry provided 63,297 direct and indirect jobs with wages totalling \$2.7 billion.

The value of new home construction was \$4.5 billion with another \$200 million being spent on home renovation and repair work.

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