

SEASONAL DEPENDENCY In The Residential Construction Sector In Nova Scotia

March 31st, 2001

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Table of Contents

- 1.0 Overview of Seasonal Dependency Initiative2**
- 2.0 Research Activities3**
- 3.0 Seasonal Dependency in the Residential Construction Sector4**
 - 3.1 Seasonality of Employment 5
 - 3.2 Seasonality of Expenditures..... 8
 - 3.3 Summary of Seasonality in the Residential Construction Industry 9
- 4.0 Worker and Employer Perspectives11**
 - 4.1 Unemployed workers - why don't they have jobs?..... 11
 - 4.2 Do employers think it is a problem? 16
- 5.0 Conclusions and Recommendations.....19**

Overview of Seasonal Dependency Initiative

1.0 Overview of Seasonal Dependency Initiative

The residential construction industry in Nova Scotia is currently performing very well, with many employers citing shortages of labour as a constraint on their further growth. Despite this, there still remain large numbers of workers who experience periods of unemployment on a seasonal basis.

The Atlantic Home Building & Renovation Sector Council (AHB&RSC) is an organization representing the interests of the residential construction industry in the field of human resource development. In the winter of 2000/2001 the AHB&RSC undertook a labour market development initiative in conjunction with Human Resources Development Canada (HRDC) to identify ways to reduce seasonal dependency on Employment Insurance (EI) by workers in this sector.

This report will bring together information on labour force issues from the perspectives of employers and residential construction workers in Nova Scotia. As well, the report will document the seasonal variation of employment experienced in the residential construction sector in the province.

Research Activities

2.0 Research Activities

PRAXIS Research & Consulting was contracted to assist the AHB&RSC in carrying out this initiative. The project team employed multiple lines of investigation, including:

- ▲ Review of literature and documentation on seasonal unemployment, particularly as it related to the residential construction industry in Nova Scotia;
- ▲ Analysis of available data related to employment and unemployment trends in this sector in Nova Scotia;
- ▲ Meetings and interviews with industry representatives;
- ▲ Interviews with labour market and data experts within HRDC;
- ▲ Survey of employers in the sector; and
- ▲ Workshop with unemployed construction workers.

While all of these activities contributed to an understanding of the extent of seasonal dependency in the new home and renovation sector, the workshop with unemployed workers was key to the identification of the barriers to full-time, year-round employment.

To conduct an effective workshop it was first necessary to identify the appropriate unemployed individuals. This required the co-operation and assistance of local Human Resource Centre of Canada (HRCC) offices. All HRCCs in the province were invited to participate in this initiative. The HRCCs that responded were provided with a list of relevant National Occupation Codes (NOCs) and a template letter to send to unemployed workers in their area. This was done in the January to March timeframe to coincide with the typical period of seasonal unemployment. The Antigonish-Guysborough HRCC assisted in this element of the research, and a workshop was held March 7th with 30 unemployed construction workers from that area.

A survey of employers in the residential construction sector was conducted in January 2001. The survey contributed to understanding the extent of seasonal fluctuation for employers of different sizes, geographic regions and specializations. It also provided information on the priority work activities requiring skill enhancement.

Seasonal Dependency in the Residential Construction Sector

3.0 Seasonal Dependency in the Residential Construction Sector

A seasonal job is a non-permanent paid job that will end at a specific time once the seasonal peak has passed. Seasonal variation in employment is the degree to which employment increases or decreases because of seasonal patterns. This section examines seasonal variations in the residential construction industry and provides an analysis of duration of work.

According to Industry Canada, the construction industry is one of Canada's most cyclical industries, subject to sometimes large and unpredictable swings in demand. It is three times more volatile than the service sector and nearly 50% more volatile than the manufacturing sector.¹ Accordingly, the labour force and hiring practices are geared towards boom-bust cycles.

The residential construction industry is highly fragmented, composed primarily of small companies. To limit their financial exposure during the off-season and during market downturns, firms operate with relatively low overheads and tend to expand and contract their operations (and enter and exit the industry) in a relatively fluid manner in response to changing market demands. The market is driven primarily by demographic factors, the amount of disposable income and the cost of consumer borrowing.

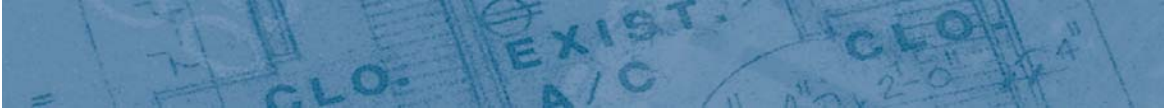
Aside from the cyclical pattern of construction activities, this industry is also subject to seasonal variations as not all aspects of residential construction and renovation are practical in adverse weather conditions. As a general rule, poor weather affects the "exposed" trades. For example, roofing is very weather dependent while interior finishing work can easily occur year-round.

In general, the construction industry in Nova Scotia has enjoyed milder winters in recent years. This has helped to reduce the seasonality of this industry, as many contractors are now working year-round where there is sufficient market demand.

There are approximately 2,790 businesses operating in the residential construction industry employing over 13,000 Nova Scotians.² It is difficult to estimate precisely what proportion of this workforce is impacted by seasonal unemployment. The following analysis provides some insight into this question.

1 Industry Canada, Sector Competitiveness Framework Series-Construction, 1998.

2 PRAXIS Research and Consulting, The Home Building and Renovation Sector in Nova Scotia, March 2001.

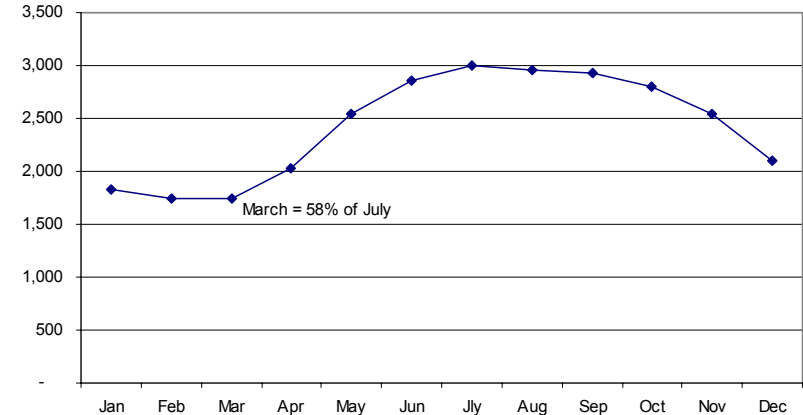


3.1 Seasonality of Employment

One approach to measuring seasonal variation of a sector is to examine employment levels by month. *Human Resource Study: Home Building and Renovation Sector Phases I and II Report*, a report completed for the AHB&RSC in March 2000, documented the data sources for employment information in this sector. Estimates of total employment are based on Standard Industry Classifications (SIC) and Standard Occupation Classification (SOC) data. The Statistics Canada Survey of Employment, Payroll and Hours (SEPH) classifies data by industry based on these systems, but does not include firms with zero employees in the survey. For this reason, the total counts do not reflect the sector total. However, this is the only data source to accurately track employment patterns by month. We are using the SEPH data here not to measure the total seasonal fluctuation of the workforce, but as a means to indicate the trends in seasonality.

Residential construction includes firms categorized as residential building and development companies and as trade contracting companies. Seasonal variations in employment in the residential building and development industry are illustrated in Exhibit 1. The graph demonstrates that over the past decade, the average employment in the January to March period was approximately 40% below the peak levels experienced in July to September period. The monthly pattern of employment in 2000 was very similar to the average trends observed over the entire 1990-2000 period.

Exhibit 1: Average Monthly Employment in Nova Scotia Residential Building and Development, 1990-2000



Source: CANSIM 4327 Survey of Employment, Payroll and Hours



It is important to note that employment in the construction industry has grown very slowly since the last recession and has barely recovered to the levels experienced during the late 1980's.³ According to Statistics Canada, total employment levels in July 2000 were only 67% of total employment in the same month in 1989.⁴ There has been a shift in a portion of the labour force over this period from being employees to working as self-employed contractors. This may mask the actual levels of employment and unemployment, as self-employed workers are not captured in the SEPH data.

Trade contracting includes firms working solely in the non-residential sector, solely in the residential sector, and those operating in both. Analysis of the employment patterns of a sample of the trades contracting occupations⁵ which encompasses but is not restricted to residential construction trades is shown below. While the total numbers include trades people that may not work in the residential sector, it is the overall work patterns which are of interest. Exhibit 2 shows the distribution of trade workers in Nova Scotia.

Exhibit 2: Work Activity (Worked in 1995) in Nova Scotia

	NUMBER OF WORKERS, NS	NON-HFX (%)	HFX (%)
H015 Contractors & supervisors (carpentry)	600	73%	27%
H019 Contractors & supervisors (other trades)	550	53%	47%
H111 Plumbers	960	52%	48%
H112 Pipefitters & sprinkler installers	630	63%	37%
H121 Carpenters	6,390	76%	24%
H141 Roofers & shinglers	495	55%	45%
H144 Painters & decorators	1,345	62%	38%
H211 Electricians	1,245	63%	37%
H821 Construction trades labourers	4,485	71%	29%

The Halifax area is an important contributor to the residential construction industry in the province. In 1995, as one would expect, Halifax accounted for a large proportion of the skilled trades in the province. For example, nearly 50% of provincial non-carpenter contractors & supervisors (H019), plumbers and roofers & shinglers were working within the Halifax area.

3 Human Resources Development Canada , Nova Scotia Region, Labour Market Brief Summary, January 2001.

4 Statistics Canada, CANSIM 4327 Survey of Employment, Payroll and Hours.

5 Statistics Canada, SOC91, Major Group H, 1996 Census data.



Data on weeks worked for Nova Scotia as well as Halifax and Canada are shown in Exhibit 3. Several patterns emerge, including:

- ▲ Fewer Nova Scotia residential construction trades worked more than 26 weeks when compared with the national average. A number of Halifax trades, on the other hand, enjoy longer work periods when compared with the national average. These include carpentry contractors & supervisors (H015), plumbers, pipefitters, carpenters and labourers.
- ▲ There was considerable variation across Nova Scotia residential construction trades in terms of the number of weeks worked in 1995. For example, 76% of plumbers and 75% of carpentry contractors & supervisors worked more than 26 weeks. Only 43% of construction labourers and painters worked more than 26 weeks per year.
- ▲ The Nova Scotia trades shown in the table worked on average between 26 and 39 weeks. Labourers and roofers/shinglers worked 26 weeks while carpentry contractors (H015) and plumbers worked about 39 weeks. In comparison, Nova Scotia trades worked less than the Canadian average, ranging from one less week (pipefitters) to as much as 17 fewer weeks (H019 Other trade contractors & supervisors). Halifax trades worked on average for longer periods in 1995 than did their counterparts in other areas of the province. Most of the Halifax trades shown in the table also worked for longer periods than suggested by the national averages.
- ▲ A smaller proportion of Nova Scotia residential construction trades worked between 49 and 52 weeks when compared with the national average (ranging from 14% to 49% in Nova Scotia versus 21% to 50% at the national level).

It is important to restate that this is based on work activities in 1995, and one would expect the changes in residential construction activity that have occurred to impact the volume of work for many trades.

Exhibit 3: Comparison of Work Activity (Worked in 1995)

TRADE	≤26 Wks (%)			>26 Wks (%)			Av. Wks (#)		
	CDA	NS	HFX	CDA	NS	HFX	CDA	NS	HFX
H015 Contractors & supervisors, carpentry trades	17	24	16	83	75	84	41	38	42
H019 Contractors & supervisors, other trades	21	40	39	79	60	60	50	33	34
H111 Plumbers	20	25	16	80	76	83	41	39	41
H112 Pipefitters, sprinkler installers	24	29	15	76	71	83	39	38	43
H121 Carpenters	36	44	35	65	56	65	34	31	34
H141 Roofers & shinglers	41	58	44	59	43	56	31	26	30
H144 Painters & decorators	42	54	43	58	46	57	32	27	32



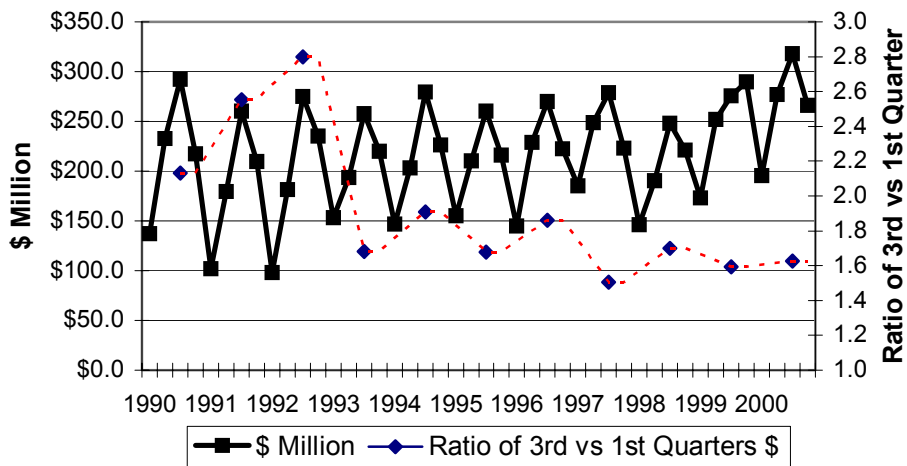
H211 Electricians	20	32	23	80	68	77	40	36	39
H821 Construction trades labourers	49	57	47	52	43	53	29	26	30

The overall weighted average number of weeks worked by the trades workers based on the 1996 census data was 33 weeks per year. This represents a level of unused capacity of 37%, and we hypothesize that this is likely related to seasonal variation in work activity.

3.2 Seasonality of Expenditures

A second approach to measuring seasonal variation of a sector is to examine total expenditures by month. Exhibit 4 shows that residential construction spending in Nova Scotia generally peaks in July and reaches a low point in the first quarter of each year. These seasonal fluctuations were not as dramatic after 1993. The ratio of spending in July versus January 1990 to 1992 ranged from 2.1 to 2.8, compared with a less pronounced fluctuation from 1.5 to 1.9 over the period 1993 to 2000.

Exhibit 4: Quarterly Total Capital Expenditures on Residential Construction in Nova Scotia, 1990-2000



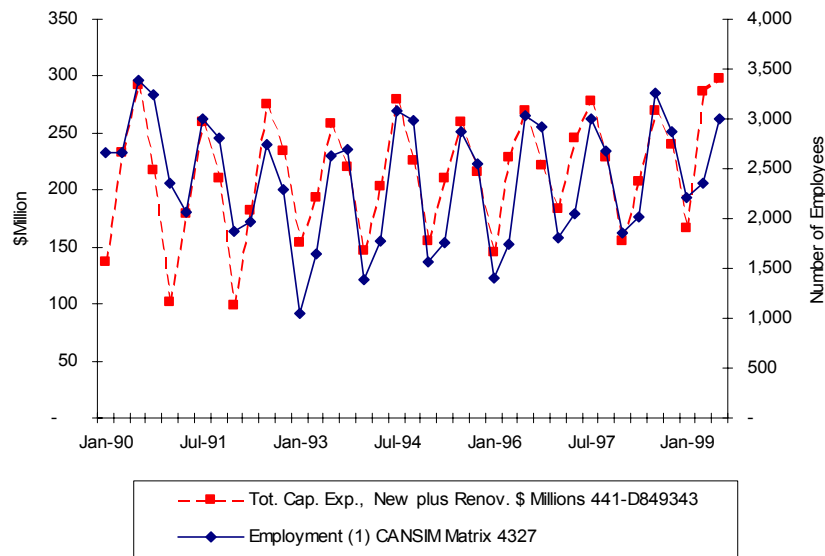
Source: CANSIM 441-D849343.

A comparison between expenditures and employment in new home building and renovations is provided in Exhibit 5. Both data sources show a very similar pattern of seasonality. As in Exhibit 1, the data here



shows less seasonal variation after 1993, as demonstrated by the narrowing of the band.⁶ This pattern of less extreme variation each year is reflective of the milder winter weather conditions in this period, as well as the overall growth in jobs and investment in Nova Scotia since the mid-1990s.

Exhibit 5: Comparison of Residential Construction Spending and Employment, 1990-1999

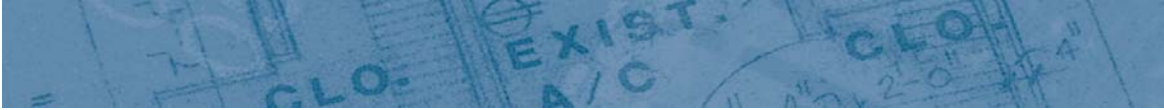


3.3 Summary of Seasonality in the Residential Construction Industry

The trends suggested in the analysis of the employment patterns (Section 3.1) and capital expenditure data (Section 3.2) describe a seasonal fluctuation in the residential construction workforce of over 40% between peak and trough seasons. This is supported by other sources, including a survey of residential construction workers conducted in March 1999. The survey found that 40% of respondents were unemployed at that time, and 66% indicated their typical employment patterns consisted of seasonal and occasional work.⁷

⁶ It is important to note that residential construction and renovation activity is highly dependent on a number demographic and macroeconomic factors such as the general strength of the economy, interest rates and disposable income. Weather conditions are the greatest seasonal factor affecting construction and renovation activity.

⁷ PGF/GTA Research, Evaluation of the Nova Scotia Regional Industry Training Councils, 1999, p.31.



Seasonality places construction at a competitive disadvantage when recruiting skilled workers in a number of trades, particularly for those who are able to seek work in the manufacturing sector.⁸ Reducing the impact of seasonality in residential construction would not only better position the sector to recruit and retain employees, but would reduce the level of dependence on employment insurance for workers.

8 Industry Canada, Sector Competitiveness Framework Series-Construction, 1998.

Worker and Employer Perspectives

4.0 Worker and Employer Perspectives

4.1 Unemployed workers - why don't they have jobs?

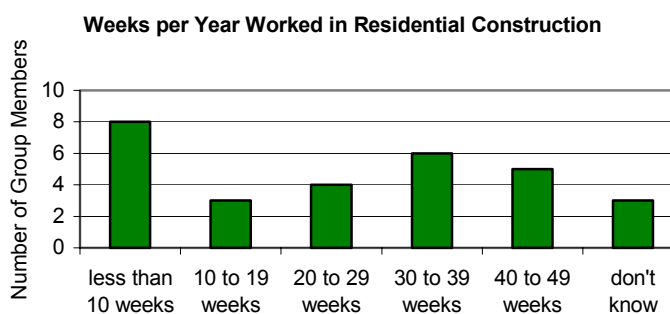
A workshop was held with 30 unemployed construction workers in the Antigonish-Guysborough area. While the intention was to meet with residential construction workers it was not possible to distinguish residential from ICI construction workers based on NOCs. The 30 workers included 14 individuals who indicated they worked primarily in residential construction, 10 who worked in both residential and commercial construction and a further 6 participants who worked primarily in commercial construction.

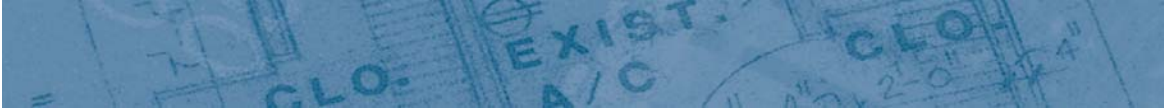
The purpose of this meeting was to examine the barriers to employment for these individuals and to develop innovative approaches to helping them overcome the barriers to finding and sustaining full-time, year-round employment. A second component of this workshop involved sharing information on labour market trends, feedback from employers, and opportunities for skill development.

The following information provides a description of the work patterns, opinions and skills of the workshop participants. It is not intended to provide statistically significant data, but rather to reflect the reality of these individuals. The project team is confident that the participant group provides a good range of age, occupation and skill levels reflective of other unemployed construction workers in the area.

We asked workers to indicate the type of work they typically did, and whether they worked solely in the residential sector. Most workshop participants (80%) indicated they had other work besides residential construction. This tended to be work in the industrial and commercial construction sector, but others noted regular work in forestry, off-shore oil exploration and warehouse labour.

The participants indicated they worked in a broad range of residential construction activities, with most participating in between 9 and 13 different categories of activities. Only one participant, a qualified electrician, indicated he specialized in one activity. The

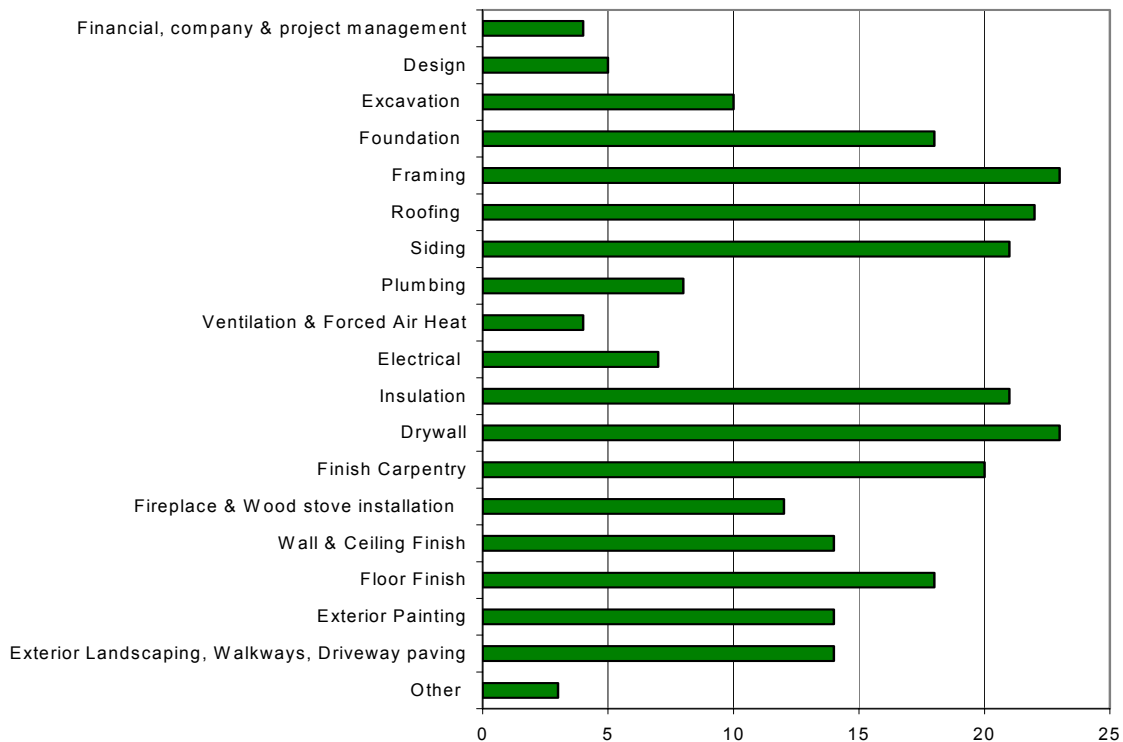




following chart shows the main categories of residential construction activities and the number of workshop participants that indicated they undertook each activity.

The number of weeks per year worked in residential construction varied across the group. Those working less than 10 weeks per year in residential construction tended to be primarily involved in commercial construction, but filled in with residential when laid off. Workers employed only in residential construction during the year worked between 30 and 49 weeks.

Number of Group Members Participating in Specific Work Activities in Residential Construction



When asked how many weeks they would like to work in residential construction, more than 80% indicated they would like year-round employment. Others indicated they would prefer more work in commercial construction, rather than residential work.⁹ We then asked a series of questions to determine

⁹ This reflects the group composition, with 20% of participants indicating they worked primarily in commercial (unionized) construction.

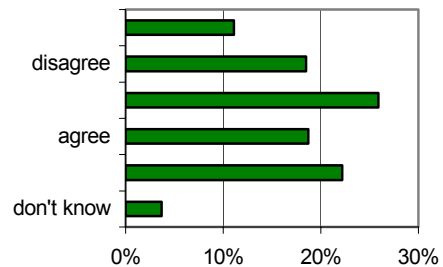


the reasons why it is difficult for workers to get employment. The intent was to assess the influence of the following factors as barriers to employment:

- ▲ Inadequate job search skills;
- ▲ Insufficient technical skills; or
- ▲ Geographic restrictions.

Participants were asked about their awareness of jobs in the local area. The varied responses, as shown in the chart to the right, suggest diverse levels of job search skills. Participants commented that they knew some employers that are hiring but that they not offering fair wages. Others indicated that by the time they were laid off in the year there were very few opportunities in the area, suggesting a geographic barrier to employment. Over half of the participants indicated that they tended to rely on only one employer for work.

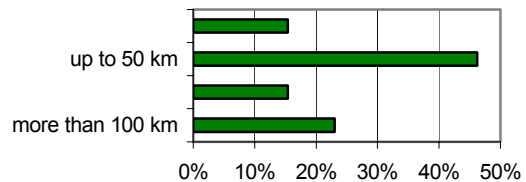
You are not aware of any jobs in your local area



Further to local job conditions, it was indicated that while there may be construction activity, if the contractor is not locally based, he does not hire locally. The practice of employers bringing in crews from other areas was discussed, and workers saw this as being totally beyond their control.

When asked how far they would be willing to travel for work (covering the costs themselves), 40% indicated they would travel more than 50 kilometres each way. Employers frequently cover costs when they ask their crew to travel outside the immediate area. Participants seemed to link their travel to the activities of their employer, not to themselves seeking new employers outside the local area.

Distance (each way) you are willing to travel to work

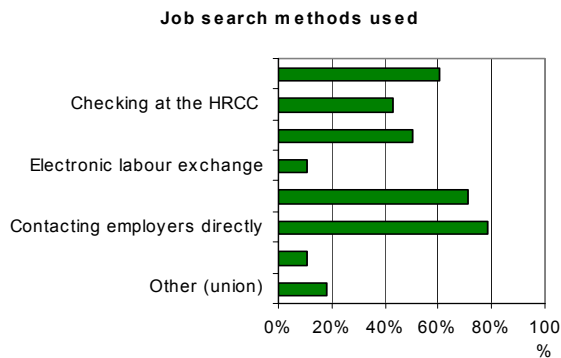


Less than 15% of participants indicated that they knew of jobs available in the area, but that they did not have the skills required for the positions. It was noted that employers tend to make high demands for



skills, but do not compensate accordingly. 90% of participants felt they knew what skills employers were looking for.

Two-thirds of the participants reported having up-to-date résumés and most were confident that they clearly described their skills and competencies. Many construction workers in this area had up-dated their résumés to apply for work on Sable projects. Generally, participants did not feel this was a very useful job search tool in their industry. They tended to rely on contacting employers directly and through friends and relatives by word-of-mouth.



Most participants (82%) thought they would be more employable if they had additional skills or more training. Participants rated categories of skills in terms of how helpful they thought training in this area would be in increasing their employability. The percentage indicating they thought additional training in that area would be helpful or very helpful is shown in the following table.

TYPE OF SKILL	FEEL TRAINING WOULD BE HELPFUL (%)
Communications skills reading, writing, communicating effectively with others, etc.	38%
Business management skills business planning, finances, human resources, supervise projects, client relations, etc.	46%
Health & Safety skills first aid, WHIMIS, etc.	52%
Work planning & site management skills plan, organize and schedule tasks, supervise site personnel, interpret plans, order materials, maintain proper tools and equipment, etc.	69%
Work activity specific skills the required job specific competencies to perform work activities	63%
Résumé writing and job search skills using computers and internet, describing you competencies and skills.	33%



The greatest support for training was in the areas of work planning and site management, and in work activity specific skills. We asked what prevented them from taking training, with the following results.

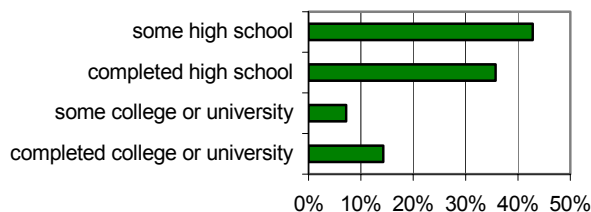
BARRIERS	PERCENTAGE OF GROUP MEMBERS IDENTIFYING THE BARRIER
Not aware of training available	32%
Cost of training is too high	65%
Training not available at the right times	48%
Don't feel comfortable in classrooms	12%
Training is not available in the local area	48%

Age was cited as a further barrier to taking training. Workers also felt there was age discrimination in the industry, with employers preferring younger (and potentially cheaper) workers over skilled and experienced workers. Pay rates were also noted, as workers did not feel there was any benefit to investing in training when employers would not pay more for these skills. One journeyman carpenter noted that certification and training would not be valuable until it was mandatory in the industry.

We asked workshop participants about their current level of education and training. All participants had at least a grade 10 education. However 43% had not graduated from high school.

68% of participants indicated that they had completed additional vocational or trades training, with half of this training being in residential construction related courses. 25% of participants completed industry training courses, with the majority of these related to health and safety. 14% have taken manufacturer courses, most noting door hardware and installation training.

Education Levels of Group Members



When asked what they saw as the main reasons they did not have year-round employment workers gave very clear responses:



- ▲ The weather will always limit construction activity in Nova Scotia to some extent;
- ▲ The economy is slow in the Antigonish area, so homeowners are not renovating and no one is building new homes; and
- ▲ Employers who offer employment in the shoulder seasons do not offer fair wages. Workers are better off to remain unemployed than to work at the lower rates being offered by some employers.

Workers were not optimistic about the future, feeling that regardless of what they do about improving their technical or job search skills, the lack of good paying year-round jobs was still the issue. The economy in the local area, weather restrictions and the structure of the industry would not change.

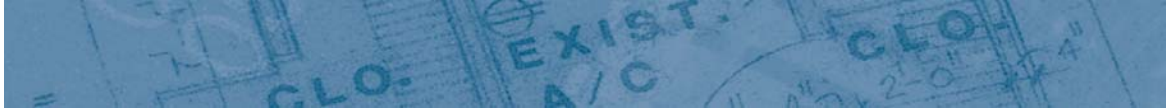
A further trend with the potential to impact negatively on the residential construction sector is the increase in market share of manufactured homes. Workers did not feel this expanding industry offered them potential employment, as the companies are looking for low wage factory production workers rather than skilled builders.

Some workshop participants indicated that they would consider adjusting out of the sector if they could be convinced it would be worthwhile, i.e., lead to year-round jobs with equal or greater income potential compared to their current position.

4.2 Do employers think it is a problem?

Employers and other industry representatives provided both data and insight into the cause and extent of seasonal dependency in the residential construction industry in Nova Scotia. A survey was conducted with 100 employers across the province. This survey included questions on the size and fluctuation of their workforce as well as on skill shortages and work activities requiring skill enhancement. Meetings were held with employers and other industry representatives regarding occupational analysis and skill requirements where seasonality issues were also discussed.

Residential construction companies included in the survey varied from one-man operations to companies with up to 25 employees. Most (90%) had less than 10 employees. The average number of employees per company during peak time was 6.2 in 2000, with the median number being 5 employees. Most operations (80%) experienced some fluctuation in employment levels in 2000. They employed on average 2.9 fewer workers during the off season. Overall, minimum employment levels were 46% lower



than peak levels, closely reflecting the findings in Section 3 of this report which estimated a 40% seasonal variation.

60% of the employers we surveyed felt the residential construction industry in Nova Scotia is facing a shortage of skilled labour. When asked what they thought the reasons for the labour shortage were, employers provided the following responses:

REASONS FOR SHORTAGE OF SKILLED LABOUR	PERCENT OF EMPLOYERS CITING THIS REASON
Employees and youth going to other sectors like technology/ lack of encouragement to enter this trade / higher wages elsewhere/ seen as a lower paying profession	41%
Lack of appropriate training /cutbacks or lack of funding in schools	21%
Not enough human resources in the work force that meet the criteria/ not enough youth	11%
Lack of interest	7%
There is only seasonal work, no full-time/ shortage of stable employment	6%
Government should subsidize training	6%
Employees/youth don't want to work/ youth want time off and easier jobs	4%
Other	4%
Total	100%

Employers in the residential construction industry are facing competition for workers from other sectors. Other sectors are seen as offering better salaries, better working conditions, and more stable employment. Many respondents also noted the lack of training.



REASONS FOR WORKERS DON'T TAKE TRAINING	PERCENT OF EMPLOYERS CITING THIS REASON
Lack of a career path in residential construction	20%
Cost of training and lack of financial support while on training	19%
No training available in local area	14%
Lack of a pay-off (no increase in salary, etc.)	11%
Need support for on the job training and taking on apprenticeships	8%
Poor quality training program and/or instructors	8%
Lack of time to take courses	7%
Lack of awareness/information on available training	3%
Prerequisite education levels too high	2%
Other (answers given by less than 2% of respondents)	8%

When asked specifically what barriers prevent workers from taking training, employers most frequently mention the lack of a career path in the industry to make training an asset, and the cost of training in terms of both the actual course costs and the loss of income while on training programs.

Literature on the residential home building and renovation sector as well as opinions from key informants indicate that there is a shift in the operational structure of the industry toward contractors hiring fewer employees and sub-contracting more work. This is partly in response to workers compensation and taxation policy. 45% of the employers we surveyed expected to see the amount and type of work being sub-contracted to increase over the next five years.

Some employers are aware that laying workers off due to seasonal or cyclical downturns, and the move to greater levels of sub-contracting, directly contribute to their ongoing problems in getting and retaining a skilled labour force. Salary rates were also discussed, noting that workers who had secure year-round employment would work for lower rates, as workers facing bouts of unemployment or the uncertainty of sub-contracting had to work for higher rates to achieve the same overall income level.

The current EI regulations were identified as a constraint to workers taking occasional or lower paying work during the off season while they are receiving EI benefits. This was also seen as a contributing factor to workers participating in the underground economy while unemployed.

Conclusions and Recommendations

5.0 Conclusions and Recommendations

The residential construction industry in Nova Scotia is highly seasonal. Workers in most residential construction trades in Nova Scotia worked slightly fewer weeks per year than those for Canada as a whole. This suggests that the degree of seasonality in Canada may be similar to that in Nova Scotia and that seasonality is not unique to the Nova Scotia industry but is an inherent characteristic of the industry.

Weather conditions are an important cause of seasonality. A significant decline in seasonality since 1993 may be due to milder winters experienced in the last half of the 1990's. An addition factor is the highly cyclical nature of the industry, being influenced by levels of disposable income and interest rates.

The combination of a high level of seasonality and cyclicity create a problematic environment for human resource planning and training. Large numbers of workers are required in some months and years while relatively few are required at other times. Workers who enter the industry in months and years of high activity may only be able to find sporadic work within the industry. This reality limits the ability of the residential construction industry to retain workers, particularly skilled workers with options to work in other sectors of the economy.

A survey of employers in the residential construction industry showed that 60% of the employers felt that the residential construction industry in Nova Scotia is facing a shortage of skilled labour. The primary reasons for the shortage were that employees preferred to work in other sectors such as technology, encouragement to enter the industry was lacking and wages were lower than elsewhere. Employers cited the lack of a career path in residential construction as the primary reason why workers did not take training. Both of these findings are linked to the volatile nature of the industry and confirm that this characteristic has a negative impact on training and the development of a skilled workforce in the industry.

A workshop with workers in the residential construction industry showed that workers in rural Nova Scotia may face significant limitations on their abilities to extend their employment in the sector or to find work in other sectors of the economy. Inadequate training and education levels may contribute to this problem. Most participants in the workshop (82%) thought they would be more employable if they had additional skills or more training. 43% had not graduated from high school. Over one-half of the



workshop participants indicated that they work for a single employer and do not engage in independent job search activity. Less than 15% of participants indicated that they knew of jobs available in the area.

40% of workshop participants indicated they would travel more than 50 kilometres for work. This finding indicates that workers may not be willing or able to travel to other areas, such as urban centers, for jobs that may be available at current wage rates. This may partly explain why employers in urban areas complain of labour shortages while high levels unemployment exist in other areas of the province.

Workshop information on education levels, job search activity and mobility show that these factors limit the number of workers in rural Nova Scotia who move to jobs outside the residential construction industry or outside their local area during times of high unemployment in the industry. The workshop also indicates that low wages in other sectors of the economy also may limit the willingness of residential construction workers to take jobs in these sectors.

There are three broad solutions to problems caused by seasonality in the residential construction industry. The first is to have employers in the sector increase their demand for residential construction workers by expanding the activities undertaken by the firms during the winter season. Encouraging employers to consider year round employment of their workforce as a goal will impact on how they view their industry and workers. Firms in the residential construction industry could undertake new activities such as analyzing energy efficiency or home inspection services. They may also consider skill development for inside renovation work. It is recommended that best practices for reducing seasonal layoffs of workers in the residential construction industry be documented and shared with other employers in the sector. This will increase the awareness among employers of human resource issues such as employee retention, skill development and worker shortages and assist them in developing strategies suitable to their individual situations.

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The second way to reduce the impact of seasonality in the residential construction industry is to increase the ability of workers in the industry to extend their employment in the sector or to find work in other sectors of the economy in months when activity is low. The research indicates that workers want to find off-season employment if they can

It is recommended that skill development training be developed and marketed to seasonally unemployed residential construction workers.



overcome key constraints. The provision of additional training and skills, improved job search skills and a reduction in barriers to mobility are factors that could decrease the periods of unemployment for some workers. It is recommended that skill development training be developed and marketed to seasonally unemployed residential construction workers. This will improve their opportunities to reduce their periods of seasonal unemployment by providing them with skills to match the requirements of employers in the sector. Recognizing that cost of training was a major barrier, funding mechanisms should be investigated which include HRDC and employers in the industry.

The third way to reduce the impact of seasonality in the residential construction industry is to establish a mechanism to link employers who need workers with unemployed workers with the required skills through better exchange of information. It is recommended that an electronic labour exchange specific to the residential construction sector in Nova Scotia be developed as a pilot project. To ensure this is effective, creative means to overcome barriers to travelling will be required.

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In addition to the efforts of individual employers and workers, there needs to be concerted effort at the industry level to address human resource issues on a more global level through programs to address training, worker retention and skill shortage issues. It is recommended that the AHB&RSC continue to work with industry to develop career paths for workers and educate the industry about the importance of maintaining a reliable, skilled workforce.

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