



# 2021 CONTRACTOR SURVEY

CONTRACTORS' INSIGHTS ON THE ICI CONSTRUCTION INDUSTRY

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## Introduction & Methodology

The Ontario Construction Secretariat's (OCS) annual Contractor Survey polls Ontario's ICI contractors to gauge their business expectations for the year and capture their views on salient issues in the industry. The survey includes ICI contractors from every region in the province, as well as union and non-union labour models. This year's survey was conducted via telephone with 500 ICI contractors from across Ontario between January 26-February 12, 2021.

The margin of error for a sample of 500 is +/-4.3%, 19 times out of 20. Sixty-six percent (64%) of the contractors surveyed were trade contractors and 31% were general contractors. The regional breakdown was as follows: Central Ontario 28%, Eastern Ontario 13%, GTA 36%, Northern Ontario 9%, and Southwestern Ontario 15%.

In addition to the annual business outlook, this year's Contractor Survey updates much of the data captured at regular intervals by the OCS through the pandemic in the Coronavirus Contractor Survey Series. To compare the results of these surveys, the following acronyms will be used: CVCS 1-4 indicates Coronavirus

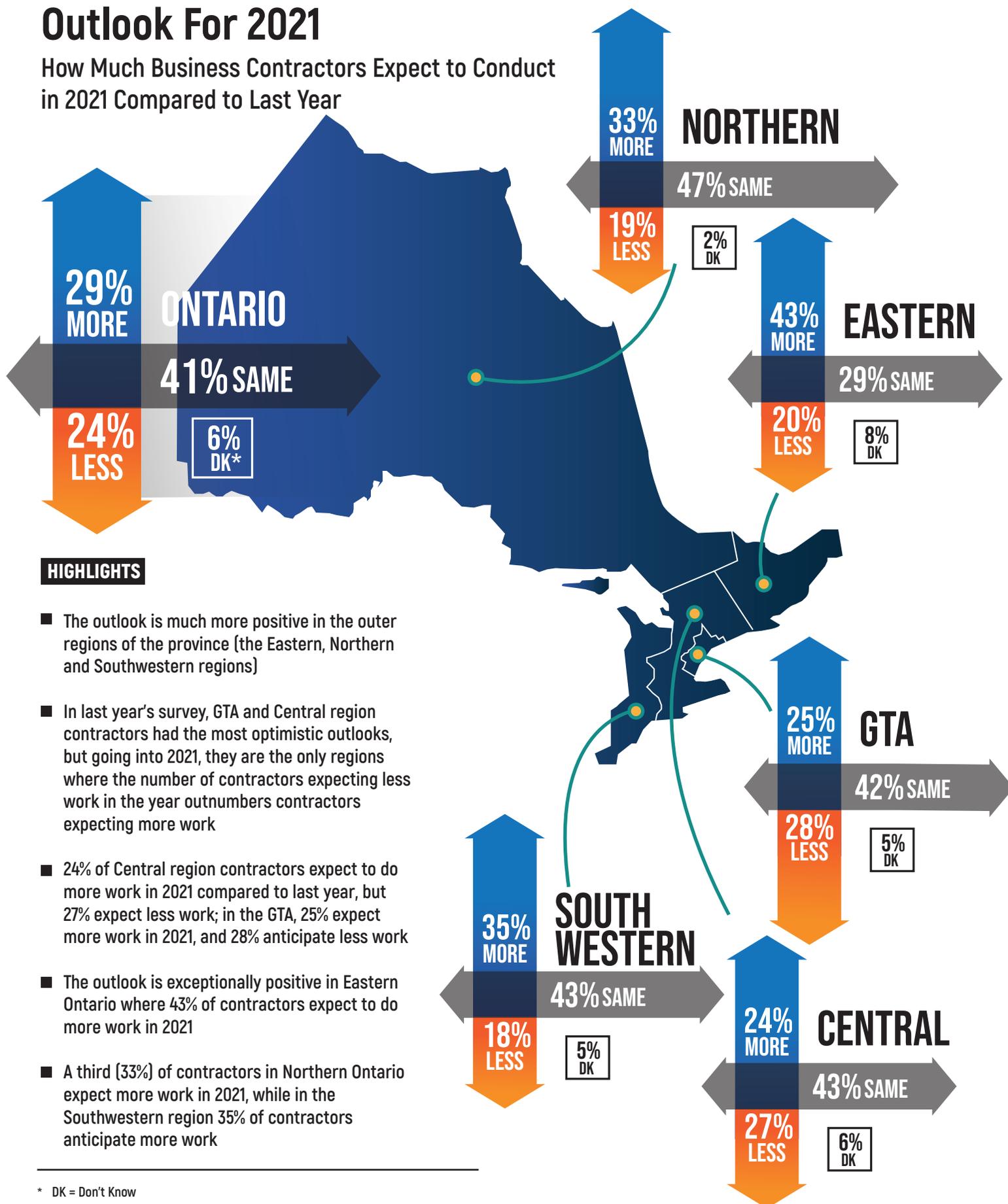
Contractor Surveys 1-4; 2021 CS refers to this survey (2021 Contractor Survey).

The survey field dates are provided to make it easier to see which time periods the survey data was captured. This survey also goes into greater detail examining the impact of the pandemic on health and safety practices. Beyond the business outlook and pandemic-related topics, this year's survey - for the first time - looks at how racism and discrimination is being confronted in the construction industry.

To be able to address this range of issues in a single survey, respondents were randomly split into two groups, with the new health and safety questions asked to one group, and other topics including racism and discrimination, sanitation practices, and technology put to the other group. The margin of error for groups of 250 respondents is +/-6.1%, 19 times out of 20. The business outlook questions and the majority of the coronavirus-related questions were asked to the full group of 500. The sample sizes for each question are indicated alongside the question wordings in the report.

# Contractors' Business Outlook For 2021

How Much Business Contractors Expect to Conduct in 2021 Compared to Last Year



## HIGHLIGHTS

- The outlook is much more positive in the outer regions of the province (the Eastern, Northern and Southwestern regions)
- In last year's survey, GTA and Central region contractors had the most optimistic outlooks, but going into 2021, they are the only regions where the number of contractors expecting less work in the year outnumbers contractors expecting more work
- 24% of Central region contractors expect to do more work in 2021 compared to last year, but 27% expect less work; in the GTA, 25% expect more work in 2021, and 28% anticipate less work
- The outlook is exceptionally positive in Eastern Ontario where 43% of contractors expect to do more work in 2021
- A third (33%) of contractors in Northern Ontario expect more work in 2021, while in the Southwestern region 35% of contractors anticipate more work

\* DK = Don't Know

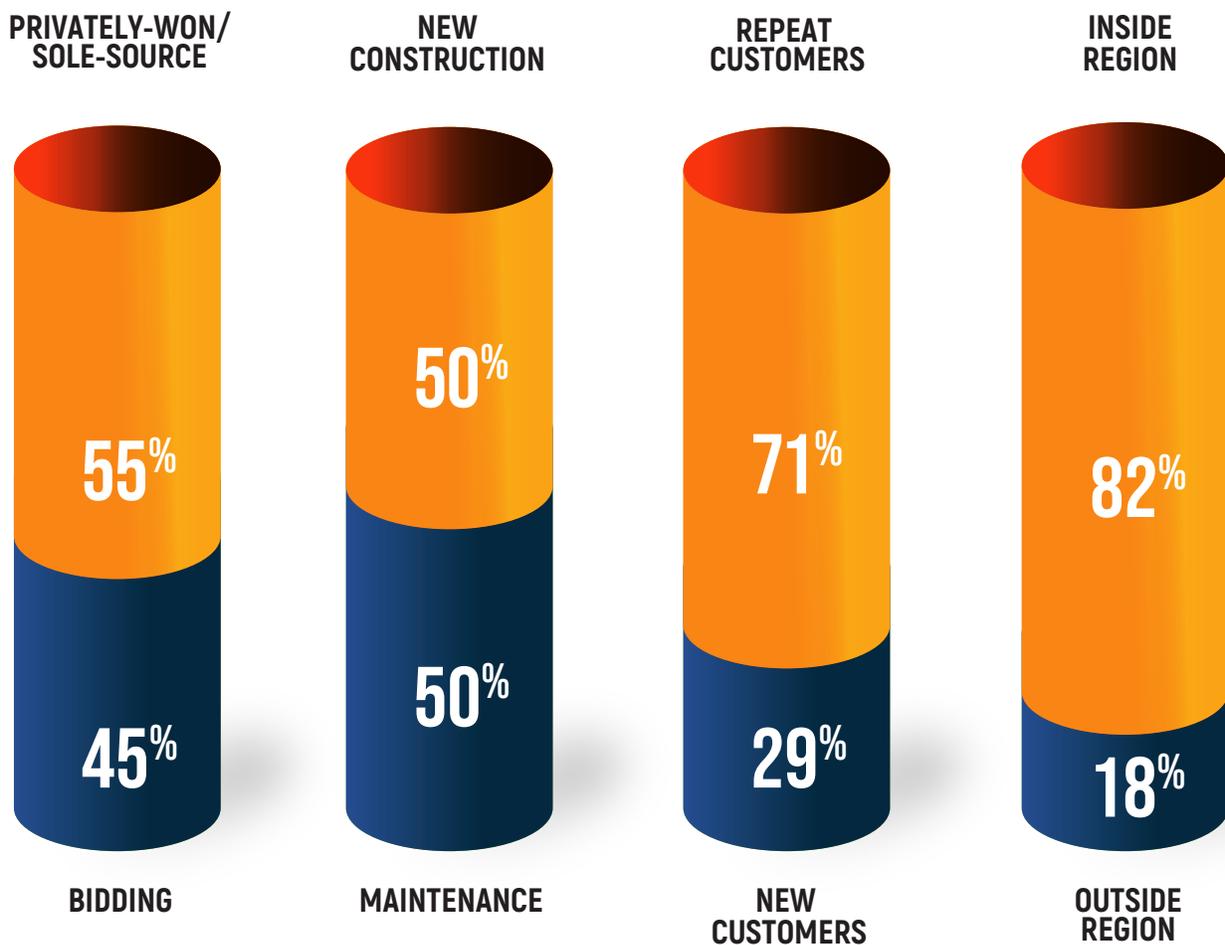
Q "Looking forward, how much business do you expect to conduct in 2021 compared to last year, on a 5-point scale where 5 means that 2021 will have much more business than 2020 and 1, much less?" (N=500)

# Work Picture for 2021

## HIGHLIGHTS

- For the most part, contractors' sources of work in 2021 have not changed since last year
- The only noteworthy change in the sources of work compared to last year is that contractors are anticipating more work will be won privately/sole-source (55%) as opposed to work won through bidding (45%); in 2020 the forecasted split was 46% privately-won/sole-source and 54% bidding
- Contractors anticipate a 50%-50% split between work they do on new construction projects and maintenance work
- 71% of work is expected to come from repeat customers, with 29% coming from new customers
- Contractors expect to do 82% of their work inside their region and 18% outside of their region

## Sources of Work in 2021



Q "Thinking about your work picture for 2021, what percentage of your work do you expect will be from each of the following?" (N=500)

# Top Contractor Concerns

## HIGHLIGHTS

- Supply chain disruptions were the top concern of contractors in this survey, and they were consistently through the [Coronavirus Contractor Survey Series](#) last year
- Ensuring the health and safety of workers and staff was also a high-scoring concern, along with the ability of workers to get the COVID-19 vaccine
- Alongside ongoing supply chain disruptions, the impacts of the [latest industry shutdown](#) were also top-scoring concerns of contractors

## Top 3 Contractor Concerns



**THE IMPACT OF SUPPLY CHAIN DISRUPTIONS**

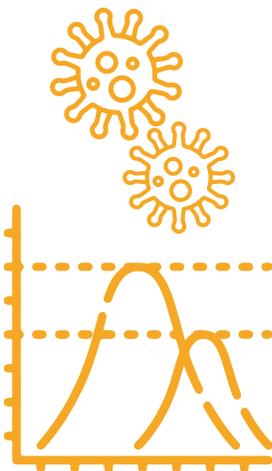


**PROJECT DELAYS OR CANCELLATIONS CAUSED BY THE LATEST INDUSTRY SHUTDOWN**



**ECONOMIC IMPACT OF THE LATEST INDUSTRY SHUTDOWN**

## Top Contractor Concerns



- 4.9 Supply chain disruptions
- 4.9 Project delays or cancellations caused by the latest industry shutdown
- 4.9 Economic impact of the latest industry shutdown
- 4.7 Ensuring health and safety of workers and staff
- 4.7 How quickly your workers will be able to get the COVID-19 vaccine
- 4.5 Ability to get skilled labour for existing work
- 4.5 Maintaining productivity while meeting physical distancing requirements
- 4.3 The availability of new work in 2021
- 4.1 Business cash flow and/or debt

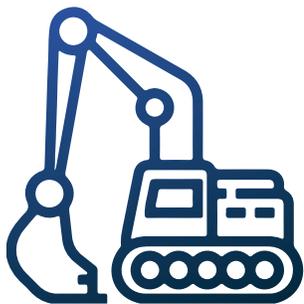
Q "How much of a concern are the following on a 7-point scale where 7 means a major concern, and 1 means not a concern at all?" (N=500)

# Skilled Labour & Apprentices

## HIGHLIGHTS

- More than half (56%) of contractors anticipate greater difficulty in accessing skilled labour this year compared to 2020, a quarter (25%) expect it to be less difficult
- In both the 2020 and 2019 Contractor Surveys 69% of contractors anticipated greater difficulty in getting skilled labour compared to the previous year
- The unionized ICI construction sector continues to be a leader in apprenticeship training and investment, with 78% of union contractors employing apprentices in 2021 compared to 54% of non-union contractors
- Overall, the percentage of contractors employing apprentices in Ontario has gone down from 68% in 2020 to 61% in 2021

## Difficulty in Accessing Skilled Labour in 2021 Compared to Last Year



**56%**  
MORE  
DIFFICULT

**15%**  
SAME

**25%**  
LESS  
DIFFICULT

**4%**  
DON'T  
KNOW

Q "Thinking of the availability of skilled labour to your firm in 2021, do you expect that accessing skilled labour will be more difficult or less difficult compared to 2020, on a 7-point scale where 7 means much more difficult, and 1 means much easier?" (N=500)

## Percentage of Contractors Employing Apprentices in 2021



**78%**



**NON-UNION**

**54%**

Q "Does your firm employ apprentices?" (N=500)

## Contractors Employing Apprentices in Ontario Overall

**2020**  **68%**

**2021**  **61%**

# Status of Construction Activity

## HIGHLIGHTS

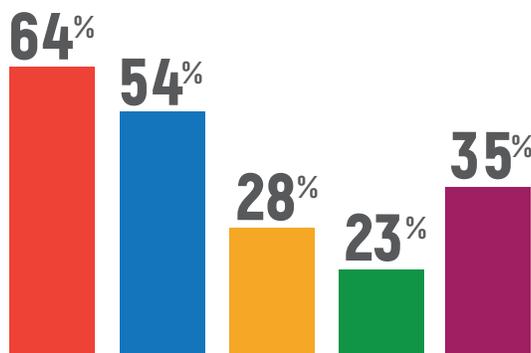
- On average, contractors reported that 35% of their work was stopped, the highest rate of stoppages reported since May (CVCS 2)
- Only 4% of contractors reported that their work was totally stopped, while 9% reported no impact at all
- Contractors also reported on average that 37% of their work for 2021 was delayed, to put this into context this is close to the percentage of 2020 work that was delayed as of June (CVCS 3)

## On Average, How Much of Individual Firms' Work Has Been Impacted by the Coronavirus

2020  
CORONAVIRUS  
CONTRACTOR  
SURVEYS

1 2 3 4

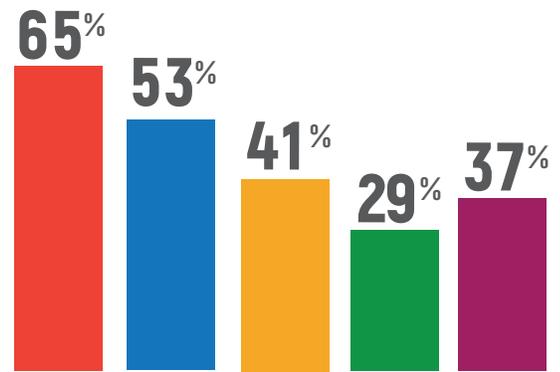
2021  
CONTRACTOR  
SURVEY



## STOPPED

% of their firm's activity that was stopped as of survey period

Q "As of today, what percentage of your firm's construction activity is stopped because of the coronavirus?" (N=500)



## DELAYED

% of their firm's scheduled work that was delayed as of survey period

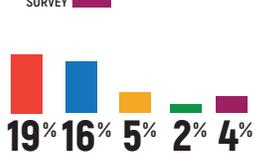
Q CVCS 1-4: "Thinking of work that you were scheduled to start between now and the end of the year, what percentage of this work has now been delayed because of the coronavirus?" 2021 CS: "Thinking of work that you were scheduled to start in 2021, what percentage of this work has now been delayed because of the coronavirus?" (N=500)

## How Individual Construction Firms Report Being Impacted by the Coronavirus

2020  
CORONAVIRUS  
CONTRACTOR  
SURVEYS

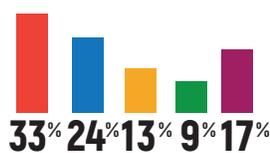
1 2 3 4

2021  
CONTRACTOR  
SURVEY



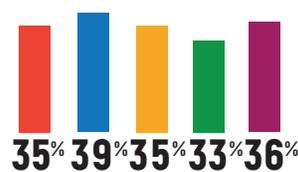
### TOTAL IMPACT

All of their firm's work has stopped, All of their construction sites are closed



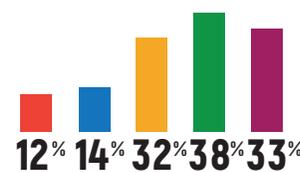
### MAJOR IMPACT

Most of their firm's work has stopped



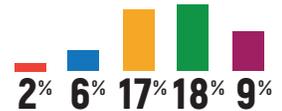
### MODERATE IMPACT

About half of their firm's work has stopped, about half continuing



### MINIMAL IMPACT

Most of their firm's work is continuing



### NO IMPACT

All of their firm's work is continuing, All of their construction sites are open

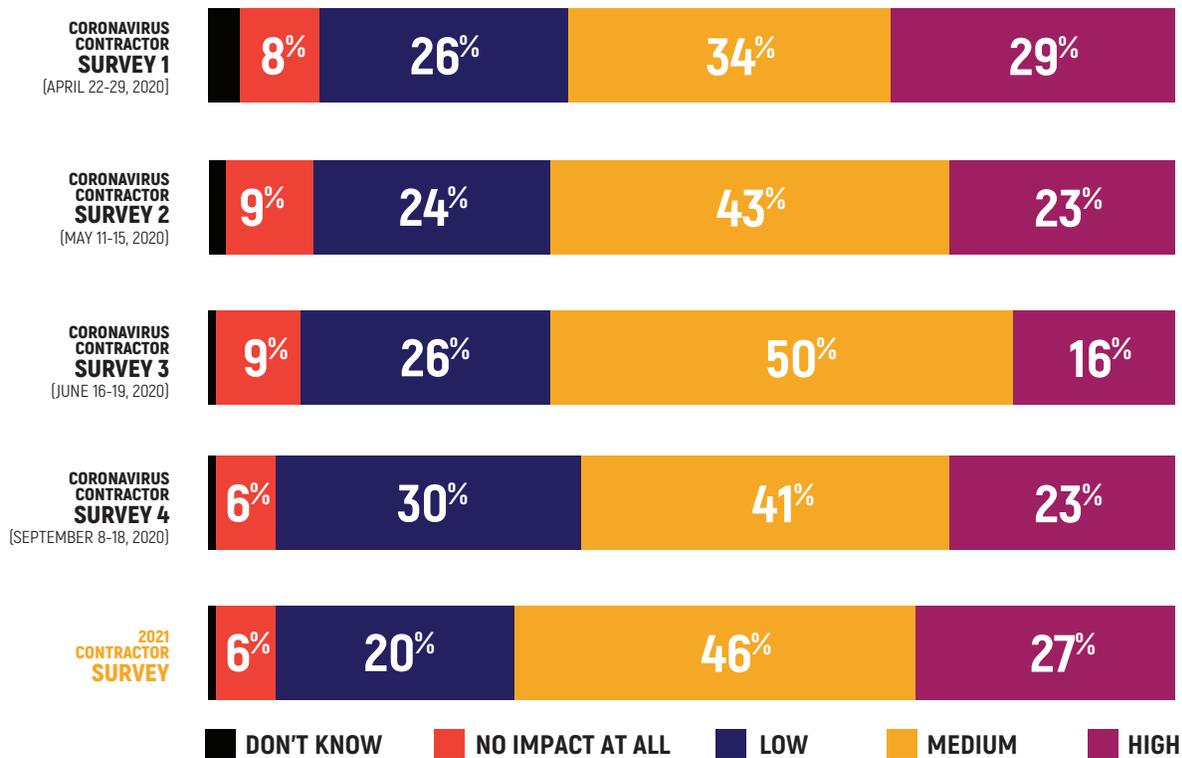
Q "As of today, which of the following best describes the current impact of the coronavirus on your firm's construction activities?" (N=500)

# Supply Chain Challenges Continue

## HIGHLIGHTS

- Nearly three-quarters (73%) of contractors indicated at the beginning of 2021 that the coronavirus was having a medium or high impact on their supply chains, more than any of the four Coronavirus Contractor Surveys conducted in 2020

## Impact of Coronavirus on Supply Chains



Q "How much of an impact is the coronavirus economic disruption currently having on your firm's supply chains?" (N=500)

## What Contractors had to say about Supply Chain Issues

We're all connected to the supply chain. Appreciating this is something the pandemic has taught me.

The supply chain has been a real challenge for us. The supply of our materials has been a challenge for purchasing our materials and the cost of materials has gone up. It is taking longer to do jobs due to this.

The majority of the issues have been from suppliers. Receiving orders in timely manner has impacted business due to the virus. Quite a few of our plans are on hold.

I know it has been a real struggle to get the supplies and to get paid. I know it takes three or four months to get the supplies and then it takes a long time to get the materials for the job. I know once we get the job done then we don't get paid.

Q Do you have any comments you'd like to add about how COVID-19 has impacted the sustainability of your business, or has your firm learned any lessons from COVID-19?"

# Financial Impact of Coronavirus

## HIGHLIGHTS

- 56% of firms indicated that their 2020 revenue was lower than in 2019
- The average change in revenue between 2019 and 2020 was -16%
- 29% of firms expect higher revenue in 2021 compared to last year, but 27% expect less revenue
- Overall, contractors forecasted that in 2021 revenue would decline by -2% compared to 2020
- 59% of contractors said that before the pandemic their business was growing, but as of January 2021, only 12% say their business is growing
- Only 1% of contractors said their business was declining before the pandemic, but now 29% say their business is in decline

## Expected Revenue for 2021



2020 revenue overall compared to 2019

18%  
HIGHER

22%  
SAME

56%  
LOWER

4%  
DON'T KNOW

Q "Thinking of 2020 overall, was your firm's revenue higher, lower, or the same compared to 2019?" (N=500)



Expected revenue for 2021 compared to 2020

29%  
HIGHER

39%  
SAME

27%  
LOWER

5%  
DON'T KNOW

Q "Thinking of the year 2021 overall, do you expect your firm's revenue to be higher, lower, or the same compared to 2020?" (N=500)



-16% Contractor revenue fell by 16% on average in 2020



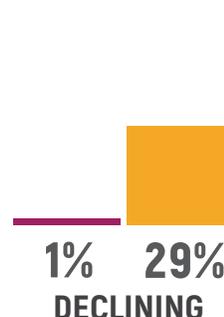
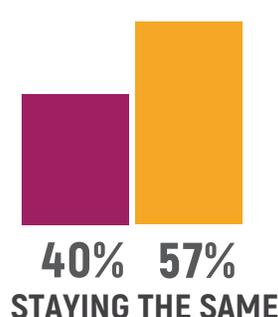
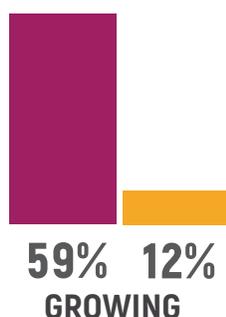
-2% Contractors anticipate an average decline in revenue of 2% in 2021

Q "Approximately how much higher/lower as a percentage?" (N=500)

Q "Approximately how much higher/lower as a percentage?" (N=500)

## Trajectory of Business at Start of Pandemic and Economic Shutdowns and Now

- Trajectory of business before pandemic start
- Trajectory of business as of January 2021



Q "Before the pandemic and economic shutdowns started, was your organization growing, declining, or staying the same size?" (N=500)

Q "As of January 2021, is your organization growing, declining, or staying the same size?" (N=500)

# Government Support

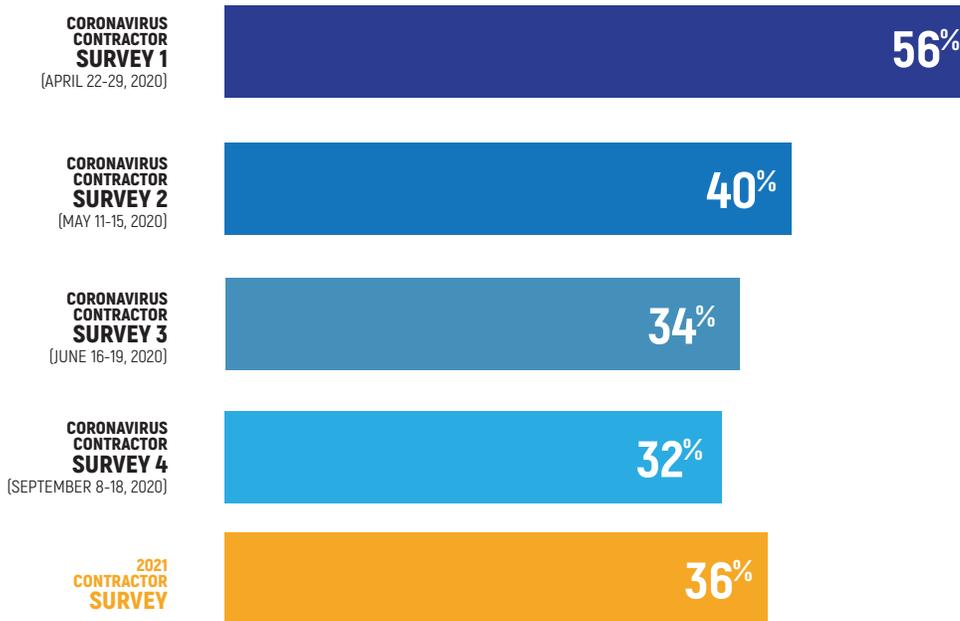


# 64%

## OF CONTRACTORS USED GOVERNMENT COVID-19 BUSINESS SUPPORTS IN 2020

Q "Did your firm use government COVID-19 business supports in 2020?" (N=500)

## Percentage of Firms that will need Government Support to Stay in Business



Q "Do you expect your firm will need government support to stay in business?" (N=500)

## Contractors Comments on Government Assistance

We want N95 masks to be easier to access and more cost-effective. Government should be able to help with that.

The wage subsidy allowed us to keep a lot of people employed throughout 2020

We would be closed if not for government assistance.

Q "Do you have any comments you'd like to add about how COVID-19 has impacted the sustainability of your business, or has your firm learned any lessons from COVID-19?"

# Bidding Trends & Technology

## HIGHLIGHTS

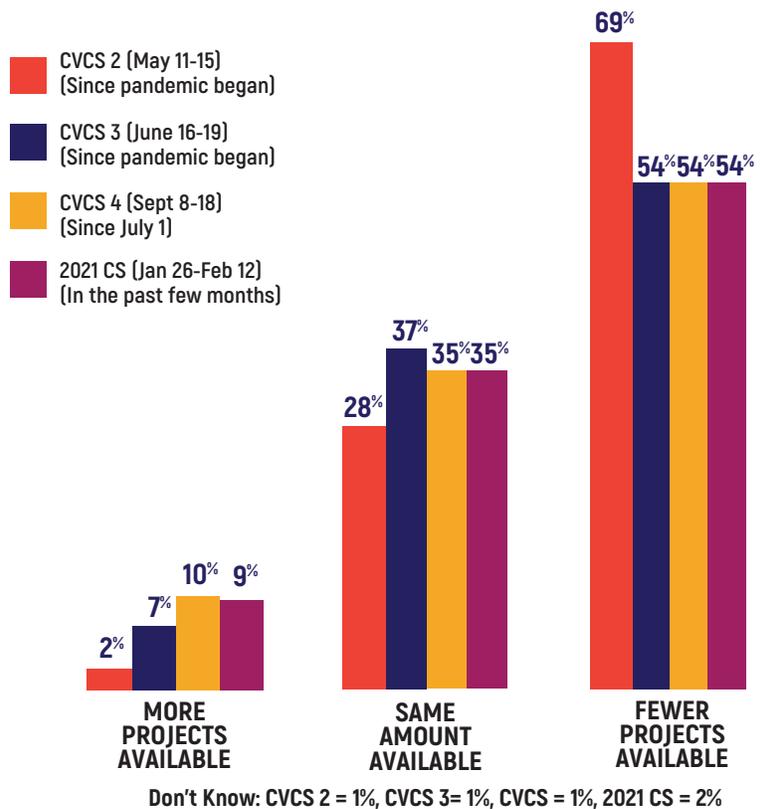
- More than half (54%) of contractors reported that in the past few months there were fewer projects than normal available for bidding
- The profile of project availability in this survey is almost exactly the same as in September (CVCS 4)

## Availability of Projects to Bid On



**Q** CVCS 2 & 3: "Have you been finding that there are more or fewer projects available to bid on than usual, or the same number of projects as usual?" CVCS 4: "Since July 1, have you been finding that there are more or fewer projects available to bid on than usual, or the same number of projects as usual?"

2021 CS: "Thinking of the past few months, have you been finding that there are more or fewer projects available to bid on than usual, or the same number of projects as usual?" (These percentages are based on contractors who indicated that they bid on projects i.e. 93% of contractors in 2021 CS answered this question) (N=500)



## Managing Covid-19 with Technology

**38%** OF FIRMS HAVE ADOPTED NEW TECHNOLOGIES TO HELP MANAGE COVID-19

### Technologies adopted by contractors include



COVID SCREENING APPS



DIGITIZATION OF PAPERWORK



TEMPERATURE SCANNERS



PERSONNEL TRACKING APPS /GPS

**Q** "Has your firm adopted any new technologies to help manage COVID-19?" (N=250)

**Q** "(If "Yes") Could you describe the technologies you adopted?"

# Impact of Covid-19 on Health & Safety



The construction industry has responded to the COVID-19 pandemic by improving sanitation and it is clear from this survey and previous surveys by the OCS that these sanitation practices will continue permanently. By shining a light on health and safety, COVID-19 has compelled the industry to rethink its practices in general. This survey goes further into the issue to explore the broader impact of COVID-19 on health and safety practices and awareness.

## HIGHLIGHTS

- Nearly every contractor (95%) believes they are meeting enhanced sanitation standards
- 64% of contractors believe enhanced sanitation standards should continue, this is relatively the same as in June (CVCS 3) and September (CVCS 4)
- 7 in 10 contractors expect worksite sanitation practices will change permanently, essentially the same proportion as was found in September (CVCS 4)
- As a result of the pandemic, contractors have enhanced their health and safety training for workers and supervisors

## Future of Site Sanitation



Q "Do you believe your firm is meeting the enhanced sanitation standards required due to the coronavirus?" (N=250)

	CVCS 3 (June 16-19)	CVCS 4 (Sept 8-18)	2021 CS (Jan 26-Feb 12)
Enhanced sanitation practices should continue permanently	68%	63%	64%
Industry should return to previous sanitation practices when the pandemic is over	31%	36%	32%

Q "Which of the following is closest to your opinion regarding the future of site sanitation?" (N=250)



Q "Do you expect sanitization practices on work sites to change permanently because of the coronavirus?" (N=250)

# Health & Safety Training Programs Implemented as a Result of the Pandemic

As a result of the pandemic:

**61%** OF FIRMS PROVIDED SUPERVISORS WITH INCREASED HEALTH AND SAFETY TRAINING

**69%** PROVIDED WORKERS WITH INCREASED HEALTH AND SAFETY TRAINING

Q "As a result of the pandemic, has your firm increased health and safety training programs for any of the following types of employees?" (N=250)

## Health & Safety Management Practices Implemented as a Result of the Pandemic

	IMPLEMENTED AS A RESULT OF THE PANDEMIC	ALREADY DOING THIS BEFORE PANDEMIC	NOT IMPLEMENTED	DON'T KNOW
DAILY RISK ASSESSMENTS AND SAFETY/TOOLBOX TALK	43%	40%	16%	2%
DEDICATED HEALTH AND SAFETY STAFF	42%	38%	19%	1%
REGISTERED FOR WITH WSIB'S HEALTH AND SAFETY EXCELLENCE PROGRAM	24%	24%	44%	8%
REGISTERED WITH MANAGEMENT SAFETY PROGRAMS (e.g. COR, ISO)	20%	12%	60%	8%

Q "As a result of the pandemic, has your firm implemented any of the following practices to manage health and safety?" (N=250)

## Health & Safety Management Practices Implemented as a Result of the Pandemic

**94%** ENHANCED SANITATION ON JOBSITES

**86%** MINIMUM REQUIREMENTS PER MINISTRY OF LABOUR

**81%** LIMIT NUMBER OF PEOPLE ON SITE

**61%** CREATED WORKSITE MOBILITY PLANS

**43%** STAGGERED START AND FINISH TIMES

Q "Has your company implemented any of the following practices to reduce or eliminate bio hazards in the workplace?" (N=250)



**2%** OF CONTRACTORS HAVE NOT IMPLEMENTED ANY PRACTICES TO REDUCE OR ELIMINATE BIOHAZARDS

Q (If "No" to all practices listed in previous question) "Has your firm implemented any practices to reduce or eliminate bio-hazards in the workplace?" (N=250)

**74%** OF CONTRACTORS SAID THE PANDEMIC HAS INCREASED THEIR AWARENESS OF HEALTH AND SAFETY RESPONSIBILITIES

Q "As a result of the pandemic, has your awareness of your health and safety responsibilities in general increased, decreased or stayed the same?"

**46%** OF CONTRACTORS ARE MORE AWARE OF RESOURCES AVAILABLE TO IMPROVE THEIR HEALTH AND SAFETY PROGRAMS

Q "Compared to before the pandemic, how aware are you today of the resources available to you to improve your health and safety program?"

Resources used by Contractors to Assist in their Health and Safety Programs as a Result of the Pandemic



**52%**

**WSIB**



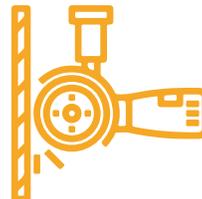
**45%**

**HEALTH AND SAFETY ASSOCIATION**



**41%**

**MINISTRY OF LABOUR, TRAINING AND SKILLS DEVELOPMENT**



**32%**

**REGIONAL OR TRADE CONTRACTOR ASSOCIATION**



**28%**

**PRIVATE CONSULTANTS**



**20%**

**LOCAL UNION**

Q "As a result of the pandemic, have you used any of the following resources to assist you in your health and safety program?" (N=250)

# Contractor Comments on the Impact of Covid-19 on the Sustainability of Their Business and Lessons Learned

Learned a lot from COVID-19 especially following the PHAC guidelines. Our Number #1 concern in the industry is respiratory protection.

It has devastated our business. We have learned we are not as secure as we thought we were in securing work and it's very fragile.

COVID-19 has affected our business by making things more price competitive. Everybody is bidding on the same projects. They are bidding for nothing just to stay busy.

I think the overall lesson is enhancing technology and leveraging technology to make practices more efficient and limit interactions between people.

I feel COVID has affected our customers so in turn it will affect our business.

I think all the safety barriers (fiber glass) should stay because even if it's the flu/cold season there's extra protection. I think it should say.

The company is only good as its employees. That has certainly been reinforced.

I would really like to see the vaccinations being given to workers in our industry. The guys that go to job sites should get the vaccines with essential workers.

The sanitation should continue and the sanitation and social distancing measures should be in place. I'm glad they're keeping an eye on us.

Material pricing has gone up an average 14 to 17 percent.

**Q** "Do you have any comments you'd like to add about how COVID-19 has impacted the sustainability of your business, or has your firm learned any lessons from COVID-19?"



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