



Value of B.C. construction projects hits \$124.2 billion

Increase shows labour market is adjusting to growing demand, minister says

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The value of current and proposed major B.C. construction projects shot up 37 per cent in the past year to \$124.2 billion, according to the B.C. government's latest Major Projects Inventory.

The report said the value of projects already under construction hit the \$48.7-billion mark during the first quarter this year, up from \$46.5 billion during the last quarter of 2006.

The number of existing and proposed projects worth at least \$15 million -- or \$20 million in the Lower Mainland -- has increased 13 per cent in the past year to 804.

Economic Development Minister Colin Hansen said the fact that the value of new projects has increased faster than the actual number of new projects indicates bigger developments are being proposed throughout B.C.

A total of 38 new projects, worth \$4.6 billion, were proposed during the first quarter this year and half of those developments are in the Lower Mainland.

Highlights of the new proposals include the \$1-billion Colwood Plaza project near Victoria, featuring housing for 2,800 people, along with office towers and a performing arts centre. The B.C. Institute of Technology in Burnaby has proposed a \$500-million expansion, featuring 650,000 square feet of new space.

ASPAC Developments proposes a \$750-million residential development at No. 2 Road and Dinsmore in Richmond while the four-hectare Quattro residential project at King George Highway and 108th Avenue in Surrey is valued at \$600 million.

The report said construction began on 29 new projects during the first quarter, with a total value of slightly more than \$3 billion. The largest project started was the \$780-million Summerland Hills Resort, followed by the \$272-million Deltaport expansion.

Two more Olympic Games projects also started construction during the quarter -- the \$100-million multi-purpose facility at Hillcrest Park in Vancouver that will

host curling during the Games and the \$95-million Olympic Village in Whistler-Callaghan Valley.

Nineteen projects worth a total of \$1 billion were completed during the quarter, including the \$172-million Life Sciences Centre at the University of B.C.

Hansen said rising costs and labour shortages have delayed several construction projects but doesn't feel it's a "chronic" problem right now, noting the value of projects being built in B.C. rose by more than \$2 billion in the past three months.

"If the value of construction was flatlining, that would clearly indicate we're being impeded from getting on with projects because of labour shortages," he said in an interview. "But the increase in the value of construction shows the labour market is adjusting to the growing demand."

Statistics Canada reported a record 194,000 people were employed in the B.C. construction industry last month, up from 191,000 in March.

Vancouver Regional Construction Association president Keith Sashaw said construction employment in the Lower Mainland has shot up from 60,000 to nearly 100,000 in the past three years.

"The industry has responded but today's construction schedules still aren't the same as they were three years ago," he said. "It takes a little longer to complete projects now."

Sashaw said costs have started to moderate and are forecast to increase by six to eight per cent this year.

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THE BIG ONES

The Ministry of Economic Development defines major construction projects in B.C. as anything over \$15 million in capital costs (or over \$20 million in the Lower Mainland). Here are some the largest projects listed in the ministry's latest quarterly report:

RECENTLY COMPLETED

UBC's Life Sciences Centre \$172 million*

Centrepont Development (Burnaby) \$130 million

Collingwood Village Condos (Vancouver) \$100 million

GETTING STARTED

Summerland Hills Resort (Summerland) \$780 million

Roberts Bank Container Expansion (Delta) \$272 million

Miramar Village Condos (White Rock) \$250 million

PROPOSED

Colwood Plaza Development (Colwood) \$1 billion

Residential at No.2 & Dinsmore (Richmond) \$750 million

Quattro Residential Development (Surrey) \$600 million

*all figures estimated

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