



SUPPLY CHAIN ISSUES & LABOUR SHORTAGE IN ALBERTA

JULY 2022

Supply chain issues and labour shortages are key areas of concern for the concrete industry in Alberta. Demand for construction materials remains high; locally, across the country, throughout North America and internationally. This demand, accompanied by global supply chain issues, equipment shortfalls, labour shortages and increased operating costs, has created the perfect storm which is having a significant impact on our industry.

In May 2022, Alberta municipalities issued \$1.3 billion in building permits, an increase of 4.6% from May 2021. In Alberta, industrial permits saw the largest relative increase at 40.4%.* This increased growth creates strains not only on the concrete industry but the entire construction industry.

Alberta is also experiencing severe skilled labour shortages and the concrete industry is not immune to these impacts. While the Alberta economy is moving in a positive direction, labour shortages, recruitment and retention are an ongoing hurdle for the concrete industry in Alberta. The percentage of businesses reporting shortages hasn't been this high since 2006.

As the local voice for the concrete industry in Alberta, we want you to have the information and create awareness so you can plan and adapt as required.

We don't know when these supply issues may lessen but most likely we can expect to see them continue into the rest of this year. We have and continue to encourage members, and the entire construction industry, to work closely with their suppliers to address realistic supply schedules.

Improved project coordination should include:

- Open and clear communication with your suppliers for raw materials or high volumes of Supplementary Cementing Materials (SCMs) as lead times may have increased.
- Regular coordination with your concrete producer for critical path concrete placement items.
- Confirm concrete plant service hours to ensure your construction schedules won't be impacted.

We will continue to monitor these issues regularly with our industry partners, as well as with government officials. Our experience over the last few years, during these unprecedented times, shows that short-term challenges can be overcome as we work to build Alberta together.

*Government of Alberta: <https://economicdashboard.alberta.ca/BuildingPermits>