

2009 Survey of Licensed Residential Builders

Summary of Results



Overview

A province-wide survey of Licensed Residential Builders was carried out for the Homeowner Protection Office (HPO) in November 2009 by the market research firm Synovate. This is the fourth biennial builder survey conducted (the first survey was in 2003).

The purpose of the survey is to measure satisfaction with the licensing and home warranty insurance systems, and the owner-builder exemption. The survey also seeks to understand builders' views related to training, education and research needs of the residential construction industry.

Methodology

The survey questionnaire was mailed to all Licensed Residential Builders in British Columbia. In total, 5,159 builders received the questionnaire and 1,125 completed it for a response rate of 22%. Builders could complete the printed questionnaire and return it via mail or fax, or complete the online version. The survey results are a statistically valid representation of all licensed builders in the province. To ensure the final sample of builders was an accurate reflection of the total population of Licensed Residential Builders, mathematical weights were applied based on region (area of the province where they primarily build) and the number of homes started in the past year. The large response provides a margin of error of +/- 2.9% at the 95% confidence level.

Satisfaction with the Licensing System

Residential builders in BC continue to be highly satisfied with the HPO residential builder licensing system, both overall and with regards to specific aspects of the system.

- Generally consistent with 2007, 38% of builders say they are very satisfied with the system overall and 52% say they are somewhat satisfied.

- Of the four specific aspects of the licensing system evaluated, the timeliness of licensing decisions experienced the greatest improvement over the past two years. Currently, 94% say they are satisfied with the timeliness of licensing decisions versus 90% in 2007.
- The application process continues to be a strong aspect of the licensing system with a 91% satisfaction rating. Importantly, more builders now claim to be very satisfied with the application process than did two years ago (44% in 2009 vs. 39% in 2007).
- The fairness of rules and requirements (86% satisfaction) and renewal process (88% satisfaction) both earn positive satisfaction ratings from residential builders.

Compliance Efforts

- Perceptions of the HPO's enforcement efforts among residential builders have improved significantly. Currently 80% rate efforts to monitor and enforce compliance with mandatory requirements and owner-builder exemptions as very to somewhat effective compared to 71% in 2007.
- While a majority of builders consider non-compliance with mandatory building requirements to be a problem, a quarter or less regard it as a very serious problem. Half or fewer builders consider non-compliance to be a very or somewhat serious problem in terms of building new homes without home warranty insurance (36%), unlicensed builders building new homes that are registered under another builder's license (47%), or abuse of owner-builder exemptions either by building a new home without occupying it for at least 12 months before selling (46%) or by building on behalf of an owner builder applicant (51%).

Satisfaction with Warranty Insurance System

- The large majority of builders continue to rate their overall relationship with their warranty provider as good (49%) or excellent (37%).
- Ratings for the ease of the application process for coverage continue to increase (84% in 2009 vs. 79% in 2007 and 75% in 2005).
- In line with 2007, seven in ten builders give high ratings to the handling of complaints from consumers.
- As in previous years, the cost of warranty insurance receives much lower ratings. Only 45% of builders assign positive ratings to the cost and are far more likely to perceive them as good rather than excellent.

Industry Education and Training Needs

- Unchanged from 2007, a majority of builders provide positive evaluations of both the quality and availability of education and training available in their area. Currently, 59% rate both the availability of education and training and the quality as good to excellent.
- Residential builders were asked to rate the importance of having more education and training in eight topic areas. A majority report that all areas warrant more education and training for the residential construction industry. The ranking is as follows:
 - 98% - code knowledge
 - 97% - building technologies
 - 93% - green building/energy efficiency
 - 92% - project supervision
 - 92% - project management
 - 91% - after-sales customer service
 - 91% - business and financial management
 - 83% - sales and marketing

Topic Areas where Industry could Benefit from More Research and Education

- Builders were asked to identify topic areas for which more research and education is needed. The highest ranked topic areas are energy efficiency/green building, followed by new building technologies and wall systems/rainscreen details.

The overall results are as follows:

- 54% - energy efficiency/green building
- 52% - new building technologies
- 44% - wall systems/rainscreen details
- 43% - ventilation/indoor air quality
- 39% - building codes
- 37% - site drainage/foundations
- 36% - air/vapour barriers
- 36% - heating systems
- 33% - window installation/performance
- 24% - earthquake performance
- 23% - structural design
- 23% - roofing systems/materials
- 21% - decks and balconies
- 21% - framing
- 19% - Six storey wood frame construction
- 18% - basements/crawlspaces

HPO Website Usage and Seminar Attendance

- When it comes to reading or using research, education or technical information from the HPO website, 40% report they have done so, which is slightly above 2007. 91% of those who used the website for this purpose found the information to be useful.
- One third (34%) of residential builders report attending an HPO Building Smart seminar in the past year. Almost half (46%) of residential builders expressed interest in taking previously delivered Building Smart seminars if they are offered online via the website.

Availability of Qualified Workers

(Survey questions asked on behalf of the Residential Construction Industry Training Organization and Canadian Home Builders' Association of British Columbia)

- Residential builders are experiencing fewer difficulties finding qualified workers than in previous years. In 2007, 72% were experiencing difficulties and this has now significantly decreased to 36%, half the number compared to two years ago. From a regional perspective, builders who work in Central/Northern BC express the greatest level of difficulty finding skilled workers.

- Unchanged from 2007, residential builders are most in need of carpenters (87%), specifically, framers or carpenters in general. Compared with 2007, there is now a greater demand for tile setters (18% to 23%) and there is a lower demand for concrete finishers (29% to 23%), drywall installers (33% to 21%) and stucco applicators (28% to 21%).
- Residential builders are much less likely to believe it will be more difficult to find qualified workers over the next two years than they were in 2007. Only one in five (21%) now thinks it will be more difficult, compared to half (51%) who did so in 2007. Most believe it will be easier (24%) or the same (44%). In fact, concern over future availability of qualified workers has been trending downward since 2003.
- Promoting home building as a career for young people (chosen by 46%) and up-to-date apprenticeship programs (40%) continue to be perceived as the best options for addressing future skills shortages.

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