There’s little doubt that after a few tough years, 2011 was a nice blip on the balance sheet for Canadian commercial contractors.

In this year’s Top Contractors report, we take a closer look at what it takes to be a leader in the construction industry, what sectors are most promising for 2012-2013, and what challenges lay ahead.

This report is based on direct research with private companies, with the addition of a small amount of data from public sources. It’s important to note the rankings are based on revenue, just one measurement in gauging a company’s performance.

We thank these companies for sharing their information with such enthusiasm. Canada’s construction industry has an amazing story to tell, and their participation in this report helps get the message across.

If you have any questions or comments about this report, or want a listings form for next year, please contact us at 416-510-6821 or editor@on-sitemag.com.
Running a multi-billion dollar contracting business is not for the faint of heart. Financial, technical and even political challenges are business as usual for this select group of individuals; but at the end of the day, it’s a simple concept that’s keeping these companies at the top of On-Site’s annual Top 40 Contractors list.

“It is a total commitment to serve the clients’ needs, all of our clients,” emphasizes Aecon president John Beck. “So what we have been doing is diversifying our capabilities by expanding geographically.”

Aecon has been achieving this diversification through what Beck describes as “organic” expansion. In other words, following its clients and making sure that they have access to all the construction capabilities they need across Canada. In areas where appropriate, No. 2-ranked Aecon has accomplished this through acquisitions.

Paul Douglas, president of No.1-ranked PCL, is also quick to credit a client-focused approach for his company’s long-term success.

Roughly 90 per cent of PCL’s 3,600 salaried employees are owner/operators that represent the company across Canada with the same consistent code of conduct, ethics and culture that has been upheld by PCL since its inception in 1906.

No. 3-ranked EllisDon believes its clients are best served by maintaining good relationships with trade contractors, suppliers, consultants, owners and labour forces.

So, what does it take to be one of Canada’s top contractors?
The **Top 40 Canadian Contractors**

(BASED ON REPORTED 2011 SALES VOLUME)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>2011 ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PCL family of companies</td>
<td>$5,500</td>
</tr>
<tr>
<td>2</td>
<td>Aecon Group Inc.</td>
<td>$2,896.2</td>
</tr>
<tr>
<td>3</td>
<td>EllisDon Corp.</td>
<td>$2,650</td>
</tr>
<tr>
<td>4</td>
<td>Graham Group Ltd.</td>
<td>$2,010</td>
</tr>
<tr>
<td>5</td>
<td>The Churchill Corp.</td>
<td>$1,409.2</td>
</tr>
<tr>
<td>6</td>
<td>Carillion Canada Inc.</td>
<td>$1,053.3</td>
</tr>
<tr>
<td>7</td>
<td>Pomerleau</td>
<td>$1,038.0</td>
</tr>
<tr>
<td>8</td>
<td>North American Construction Group</td>
<td>$1,000</td>
</tr>
<tr>
<td>9</td>
<td>Bird Construction Co.</td>
<td>$947.5</td>
</tr>
<tr>
<td>10</td>
<td>EBC Inc.</td>
<td>$670</td>
</tr>
<tr>
<td>11</td>
<td>Bondfield Construction Co. Ltd.</td>
<td>$665</td>
</tr>
<tr>
<td>12</td>
<td>Clark Builders</td>
<td>$522.5</td>
</tr>
<tr>
<td>13</td>
<td>MC Group: McKay-Cocker, Magil, Task CM</td>
<td>$425</td>
</tr>
<tr>
<td>14</td>
<td>Flynn Canada Ltd.</td>
<td>$390</td>
</tr>
<tr>
<td>15</td>
<td>Taggart Group of Companies</td>
<td>$338</td>
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<tr>
<td>16</td>
<td>Transelec/Common Inc.</td>
<td>$315</td>
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<td>17</td>
<td>The State Group Inc.</td>
<td>$300</td>
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<td>18</td>
<td>Con-Drain Co. (1983) Ltd.</td>
<td>$291</td>
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<td>Pennecon Ltd.</td>
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<td>Maple Reinders Group Ltd.</td>
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<td>21</td>
<td>Thirau Ltée</td>
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<td>22</td>
<td>Quantum Murray LP</td>
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<tr>
<td>23</td>
<td>Dawson Wallace Construction Ltd.</td>
<td>$195</td>
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<tr>
<td>24</td>
<td>The Collavino Group</td>
<td>$193</td>
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<tr>
<td>25</td>
<td>Buttcon Ltd.</td>
<td>$190</td>
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<tr>
<td>26</td>
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<td>Chandos Construction Ltd.</td>
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<td>Mansfield Construction</td>
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<td>30</td>
<td>MADY</td>
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<td>31</td>
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<td>Scott Builders Inc.</td>
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<td>33</td>
<td>Alberici Constructors, Ltd.</td>
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<td>Yellowridge Construction Ltd.</td>
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<td>TESC Contracting Company Ltd.</td>
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<td>37</td>
<td>Metro-Can Construction Ltd.</td>
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<td>38</td>
<td>Bot Construction Group</td>
<td>$98</td>
</tr>
<tr>
<td>39</td>
<td>Harbridge &amp; Cross Ltd.</td>
<td>$80.9</td>
</tr>
<tr>
<td>40</td>
<td>Elan Construction Ltd.</td>
<td>$78</td>
</tr>
</tbody>
</table>

Based on written responses to research conducted by **On-Site**. Some contractors declined to participate in this research.
“They always have to be able to look at you at the end of the day and know you are someone who will treat them fairly,” says Tim Smith, EllisDon’s senior vice-president, Toronto area.

He explains that the company’s culture, which emphasizes project first and process to follow, is dependent upon these strong partnerships. “We understand our place in the whole development scheme, and that is as the catalyst to get the project up and completed; so the end user, whether it’s a hospital or a commercial developer, can get its tenants in. That’s our role. To get it up in good quality, in a good time frame that they can count on with some certainty on price.”

PEOPLE FIRST
Culture and client focus are key, but without the right skilled trades people for the jobs, the construction sector could be in big trouble. Our top-three companies cited the impending skills shortage as one of the biggest challenges they are facing.

As such, employee retention, succession planning and skills development programs are key areas of focus for the construction industry.

“I talk to CEOs from Newfoundland through to Victoria and their biggest concern is having the skilled workers that they’re going to need to build what we want to build over the next decade,” says Douglas.

Savvy contractors have been aware of the impending labour shortage for some time and are already developing the next generation of skilled workers. Their initiatives include apprenticeship programs, recruiting co-op students, fast-tracking young managers and partnering with the labour unions and post-secondary institutions.

However, skills development alone may not be enough. Aecon, EllisDon and PCL have differentiated themselves by finding other ways to attract highly skilled and ambitious young workers. Repeatedly gracing Canada’s Best 50 Employers list, these contractors understand that it takes more than a paycheck to retain good people.

They offer salaried employees an opportunity to buy stock in the company, flexible hours and strong healthcare programs. They also create a corporate environment that promotes environmental sustainability and strong community/charity involvement.

For example, Aecon offers a scholarship program to help support the education of its employees’ children. The hope for this initiative is that it will foster good will in those future graduates and they will consider Aecon when they are ready to join the workforce.

FOREIGN COMPETITION
The looming skills shortage is not the only challenge tangling contractors sheets at night; uncertainty surrounding foreign competition is giving these steadfast executives due cause to toss and turn.

“It’s good news and bad news,” sighs Beck. “First the bad news: We don’t want governments or even the private sector to consider working with companies that have no experience on the ground here in Canada.”

Expectations for specific business areas, 2012-2013

<table>
<thead>
<tr>
<th>Service</th>
<th>Decrease</th>
<th>Same</th>
<th>Increase</th>
<th>Decrease</th>
<th>Same</th>
<th>Increase</th>
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<tr>
<td>Industrial Building</td>
<td>7%</td>
<td>40%</td>
<td>53%</td>
<td>0%</td>
<td>48%</td>
<td>53%</td>
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<tr>
<td>Commercial Building</td>
<td>12%</td>
<td>35%</td>
<td>53%</td>
<td>2%</td>
<td>30%</td>
<td>68%</td>
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<tr>
<td>Institutional Building</td>
<td>14%</td>
<td>36%</td>
<td>50%</td>
<td>12%</td>
<td>37%</td>
<td>51%</td>
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<tr>
<td>Residential Multi-Unit</td>
<td>7%</td>
<td>54%</td>
<td>39%</td>
<td>8%</td>
<td>50%</td>
<td>42%</td>
</tr>
<tr>
<td>Residential - Houses</td>
<td>7%</td>
<td>80%</td>
<td>13%</td>
<td>7%</td>
<td>64%</td>
<td>29%</td>
</tr>
<tr>
<td>Roadbuilding</td>
<td>15%</td>
<td>46%</td>
<td>38%</td>
<td>15%</td>
<td>54%</td>
<td>31%</td>
</tr>
<tr>
<td>Bridges</td>
<td>17%</td>
<td>44%</td>
<td>39%</td>
<td>11%</td>
<td>47%</td>
<td>42%</td>
</tr>
<tr>
<td>Other transportation</td>
<td>25%</td>
<td>25%</td>
<td>50%</td>
<td>22%</td>
<td>22%</td>
<td>56%</td>
</tr>
<tr>
<td>Oil and Gas Construction</td>
<td>7%</td>
<td>29%</td>
<td>64%</td>
<td>15%</td>
<td>8%</td>
<td>77%</td>
</tr>
<tr>
<td>Electrical Infrastructure</td>
<td>0%</td>
<td>42%</td>
<td>58%</td>
<td>0%</td>
<td>42%</td>
<td>58%</td>
</tr>
<tr>
<td>Mining Construction</td>
<td>0%</td>
<td>23%</td>
<td>77%</td>
<td>0%</td>
<td>17%</td>
<td>83%</td>
</tr>
<tr>
<td>Demolition</td>
<td>8%</td>
<td>58%</td>
<td>33%</td>
<td>10%</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>Sewer</td>
<td>20%</td>
<td>60%</td>
<td>20%</td>
<td>14%</td>
<td>71%</td>
<td>14%</td>
</tr>
<tr>
<td>Waterworks</td>
<td>17%</td>
<td>56%</td>
<td>28%</td>
<td>13%</td>
<td>69%</td>
<td>19%</td>
</tr>
<tr>
<td>General Contracting</td>
<td>14%</td>
<td>26%</td>
<td>60%</td>
<td>8%</td>
<td>25%</td>
<td>68%</td>
</tr>
<tr>
<td>Contract Management</td>
<td>10%</td>
<td>27%</td>
<td>63%</td>
<td>3%</td>
<td>31%</td>
<td>66%</td>
</tr>
<tr>
<td>Design/Build</td>
<td>5%</td>
<td>26%</td>
<td>68%</td>
<td>0%</td>
<td>26%</td>
<td>74%</td>
</tr>
</tbody>
</table>

Based on responses to the Top Contractors survey.
Delivering construction excellence.

At PCL, we aspire to be the most respected builder by delivering superior service and unsurpassed value to our customers.
The good news, however, is that in order for foreign companies to gain the necessary experience, they need to partner with Canadian contractors. “We welcome those partners,” explains Beck. “In fact, we’re partnering with a lot of them today. We think they bring a lot of experience, skills and a different way of looking at things. And, sometimes they bring money in these public-private partnerships—that’s all good, and that’s welcome.”

Across the industry there’s some concern about inexperienced foreign firms coming in and winning projects, but Smith is quick to point out that no one wants a closed-border environment either. “We wouldn’t want to have that imposed on us if we were to go abroad.”

And going abroad is exactly what PCL was recognized for when it picked up the International Business Award at the Canadian Construction Association’s annual conference back in March. The company has been involved with many large-scale projects in Australia, the U.K. and South Africa.

**GREAT EXPECTATIONS**

There’s little doubt that large-scale projects and public-private partnerships (P3s) are exactly the kind of jobs that are most attractive to Canada’s leading contractors.

“P3s are a big part of our growth market,” says Douglas. “And we took that same model to Australia and we were successful on our very first foray into that country.”

Although more and more P3 projects are steadily coming online, we also asked our Top Contractors what other specific business areas they expect to see growth in this year and in 2013. The three key areas they cited are: oil and gas, design-build and mining construction. More than 77 per cent of respondents expect growth in the mining sector for 2012 and 83 per cent for 2013. Design-build project expectations come in at 68 per cent for 2012 growth and 74 per cent for 2013. Finally, 64 per cent of contractors expect an increase in oil and gas projects in 2012, and respectively 77 per cent in 2013 (for more details see Expectations chart on page 20).

There are still challenges out there; but overall, contractors are in a much better place than they were just a few short years ago. It’s a luxury in this industry to face impending challenges, rather than having to react to excessive demand or economic crisis.

Beck sums it up best: “It’s better to have a steady stream of growing business rather than these great big booms and then the bust we had in 2008. I like the idea of ‘steady as she goes’ development in Canada, and all the support systems that go with that—Steady Eddie over the long term.”

Send comments to editor@on-sitemag.com.
The Metro-Can-do attitude
B.C. firm takes No.1 spot in 50 employees or less category
BY ANDREW SNOOK

Metro-Can Construction Ltd.
Head office: Surrey, B.C.
Number of employees: 50
2011 revenue: $100 million
2012 projected revenue: $125 million

This year’s Top Contractors report featured a 50 employees or less category, and Metro-Can Construction Ltd. took top spot with a reported 2011 revenue of $100 million. The Surrey, B.C.-based construction company has completed more than 280 projects since starting up in 1964.

Metro-Can has worked in all segments of the construction market, including: multi-residential, commercial, light and heavy industrial, recreational and institutional projects; and is rated one of the top 50 general contractors in Canada and one of the top five based out of B.C.

Don Voth, president of Metro-Can, says his company’s ability to figure out the clients’ needs and meet them in a timely fashion are what make the company so successful.

Metro-Can has worked on numerous high-profile construction projects in B.C., such as the Olympic Village for the 2010 Olympic Winter Games, where they completed 13 high-end technically advanced buildings, 800 units and the civic centre on time under a compressed schedule. The project was awarded LEED Platinum and LEED Gold ratings. After the Olympics were completed, the site was transformed into the Millennium Water Residential Complex, which is made up of a combination of housing, retail and community space.

Other high-profile projects include: the Oak Bay Beach Hotel, the City of Victoria’s first combination full-service luxury hotel and private residence with 100 rooms, including 20 luxury residences (completion date of September 2012); the Surrey, B.C.-based Ultra, a 40-storey, concrete high-rise with 362 units, including 11 two-storey detached wood framed townhouses (completion date of April 2013) and the Alexandria, a 20-storey high-rise building being built to LEED Gold standards in Vancouver, B.C.

Voth says one of the company’s biggest ongoing challenges is pricing out projects up to one year ahead of time.

“We’re always trying to out-guess where the commodities are going to be.”

One common challenge in the construction industry that Voth says hasn’t affected his company is a shortage of skilled workers. He says workers tend to stay with the company long-term. The fact that the company offers a variety of incentives, such as a retention bonus program, certainly doesn’t hurt.

Metro-Can is also active in the community, offering support in Canada and abroad. Voth says the company has donated to various cancer research programs in Canada; and fund programs to build water wells and radio stations in several countries throughout Africa and Asia.

“We have rigs with qualified people to drill the wells; we’re moving into our seventh year,” says Voth. “We think the water wells are a big deal. It is the social centre of a village.”

Although the company mainly operates out of B.C., there are plans in place for expansion. Metro-Can recently opened an office in Toronto, Ont., and that’s just the beginning of its long-term goals. Voth says the company hopes to expand into every province one day.

With a projected revenue growth of 25 per cent for 2013 and a variety of high-profile projects under its belt, Metro-Can appears to be building itself a bright future. www.metrocanconstruction.com
Aecon Group Inc.  
800-20 Carlson Court, Toronto ON M9W 7K6  
T: 416-293-7004  F: 416-293-0271  
www.aecon.com.  Rev: $2,896.2.  Sectors:  
A, B, C, D, F, J, M, N, O, Q, R, S, T, V,  
W, X, Z.

Aecon – Ranked #2  
President John Beck on what it  
takes to grow your business:  
“Do everything to service  
the client, to make the client  
happy, and follow the client  
wherever they might go.”

Alberici Constructors, Ltd.  
1005 Skyview Drive, Burlington ON L7P  
N, R, Z.

Allan Construction  
317-103rd St. E., Saskatoon SK S7N  

Avondale Construction Ltd.  
49 Hobsons Lake Drive, Halifax NS  
B3S 0E4.  T: 902-876-1821  F: 902-876-1822  

Bird Construction Co.  
5403 Eglinton Ave. W., Toronto ON  

Bockstael Construction Ltd.  
1505 Dugald Rd., Winnipeg MB R2J  
OH3.  T: 204-233-7135  F: 204-231- 
Sectors:  C, F, H, M, O, V.

Bondfield Construction Co. Ltd.  
407 Basaltic Road, Concord ON  
L4K 4W8.  T: 416-667-8422  
X, Z.

Bot Construction Group  
1224 Speers Rd., Oakville ON L6L 2X4.  
T: 905-827-4167  F: 905-827-0458  
Sectors:  A, B, W.

Buttcon Ltd.  
8000 Jane Street, Tower B, Suite 401,  
Concord ON L4K 5B8.  T: 905-907-4242  
O, U, V.

Chandos Construction Ltd.  
6720 - 104 Street, Edmonton AB  
T6H 2L4.  T: 780-436-8617  F: 780-436- 
Sectors:  C, F, H, M, N, O, U, V.

Clark Builders  
4703-52 Ave., Edmonton AB T6B 3R6.  
T: 780-395-3300  F: 780-395-3544  
Sectors:  C, E, F, H, M, N, O, Y.

Con-Drain Company (1983) Ltd.  
30 Floral Parkway, Vaughan ON  

Construx Building Corp.  
4480 Rue Cote de Liesse #318, Montreal  
QC H4N 2R1.  T: 514-940-2005  
Rev: $10 Sectors:  C, V.
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EllisDon – Ranked #3
Tim Smith, senior vice-president, Toronto Area gives sound relationship advice:

“As a general contractor you always need people to respect you and work with you—trade contractors, suppliers, consultants, owners... They always have to recognize you as someone that will treat them fairly.”

Dawson Wallace Construction Ltd.

Delnor Construction Ltd.

DW Builders

EBC Inc.

Elan Construction Ltd.

EllisDon Corp.

Fillmore Construction Management Inc.

Flynn Canada Ltd.

Graham Group Ltd.

Harbridge & Cross Ltd.

Harbridge & Cross Ltd.

Knappett Projects Inc.

LCL Builds Corp.

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Ledcor Group of Companies

LSC. Pre-Cast System Ltd.

MADY

Manshield Construction

Maple Reinders Group Ltd.

Marco Group

MC Group: McKay-Cocker Construction, Magil Construction, Task CM

Metro-Can Construction Ltd.
Newman Bros. Ltd.

North American Construction Group

Ortbel Technologies En Construction

PCL – Ranked #1
Paul Douglas, president of PCL on what it takes to stay at the top:

“It comes down to the PCL culture that has been ingrained in all of us since the Pool family started it over 100 years ago. It’s a very client-focused approach with a total diversity across the industry, both geographically and sectorally.”

PCL family of companies

Pennecon Ltd.

Pomerleau

Priestly Demolition Inc.

Quantum Murray LP

Ram Construction Inc.

Reid & DeLeye Contractors Ltd.

Rosati Group
Scott Builders Inc.
8105 49 Avenue Close, Red Deer AB
T4P 2V5. T: 403-343-7270

Taggart Group of Companies
3187 Albion Rd., Ottawa ON K1V 8Y3.
T: 613-521-3000 F: 613-526-7901
Sectors: C, U, V, X, Z.

TESC Contracting Company Ltd.
874 Lapointe Street, Sudbury ON
P3A 5N8. T: 705-566-5702
Sectors: A, B, C, D, E, F, G, H, J,

The Churchill Corp.
400, 4954 Richard Road SW, Calgary AB
T3E 6L1. T: 403-685-7775 F: 403-685-7770
Sectors: C, H, M, N, O, R, S.

The Collavino Group
5255 County Rd. 42, Windsor ON
N8N 2M1. T: 519-966-0506 F: 519-966-0039
N, O, V, Y.

The State Group Inc.
3206 Orlando Drive, Mississauga
ON L4V 1R5. T: 905-672-2772
Rev: $300. Sectors: A, B, C, D, E, F, G,

Thirau Ltée
489 blvd Pierre-Roux Est, Victoriaville
QC G6T 1S9. T: 819-752-9741
Rev: $233.2. Sectors: J.

Tiki International Inc.
Bay 2D, 624 Beaver Dam Rd. N.E.,
Calgary AB T2K 4W6. T: 403-241-1093
O, S, W, Y, Z.

Transelec/Common Inc.
2075 Fortin Blvd., Laval QC H7S 1P4.
T: 514-382-1550 F: 514-388-9020
Sectors: J, M.

Triamico Development Affiliates
2199 Blackacre Dr., Oldcastle ON N0R 1L0.
T: 519-737-1577 F: 519-737-1929

Unitech Construction Management
400 – 1530 56th Street, Delta BC
V4L 2A8. T: 604-943-8845

Westridge Construction Ltd.
435 Henderson Dr., Regina SK
S4N 5W8. T: 306-352-2434

Yellowridge Construction Ltd.
200 - 2605 Clarke St., Port Moody BC
V3H 1Z4. T: 604-936-2605