

The important factor to remember is that wintertime construction costs should be compared to those that will be experienced in the next summer rather than the previous summer. Building cost indexes have risen consistently each year over the past 35 years.

The index in January is usually about 3 percent lower than in the following summer. This in itself indicates that it would be economical to spend quite large sums of money on wintertime construction rather than postpone the work until the spring.

The next point to remember is that the extra costs of wintertime construction are related only to those portions of the project carried out in the adverse winter period—not to the whole job. A few years ago the Canadian Construction Association conducted a survey among its general contractor members to find out how much extra they had provided in their bids for winter work; that is, the amount that owners had to pay. Over 100 medium-sized contracts were covered and the average extra cost was in the neighborhood of 1 percent.

There is an appendix attached here which gives a lot of details about that.

When owners consider the earlier entry into a market and/or the earlier return on their investment and reduced financing costs related to an earlier completion date for their construction project, the factors favoring winter work are usually very obvious.

I don't think I need to go into the details of the next.

In conclusion, it is sometimes sobering to reflect that one of the objectives of the Canadian Construction Association when it was formed in 1918 was to encourage wintertime construction. In Canada today the number employed in on-site construction work is still appreciably higher in August and September than in January and February, so we have yet to reach our goal. However, great gains have been made in the past decade and the acceptance of wintertime construction is now widely accepted. This in turn has been of great benefit to our overall economy.

In conclusion we quote from the late Herbert Hoover, who in 1920 said that there should be no hesitation in doing winter work, that it is just as good as the other.

Mr. GIBBONS. Thank you, sir.

Mr. BONE. With that in mind, we have other copies here, which I can leave with you, giving some detailed figures as to the amount of money spent on these municipal incentive schemes where the Federal Government pays 50 percent of the labor.

Mr. GIBBONS. We would like to have those, sir.

Let me tell the reporter here, after the preliminary opening remarks on Mr. Bone, would you put his statement in in full and, without objection, the other material that he has left us here I will leave that to the discretion of the staff as to whether to put it in in full or not.

Mr. BONE. I didn't think you wanted to read out all these details.

Mr. GIBBONS. We will leave that and you may decide what to put in the record. Your testimony is quite interesting, sir. I was taken by your figure that you in the construction industry who are largely representing the owner or having the interest of the owner at heart, say that there is only a 1-percent increase in wintertime cost.

Mr. BONE. I mean the actual work that is done in the winter may cost 10 percent more, but that is only about 10 percent of the total cost