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Contractors build up home-based business list

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The residential construction sector led Saskatoon's new home-based businesses last year as the city issued 119 licences for the growing industry.

According to data from the 2007 annual report compiled by the City of Saskatoon's development services branch, the construction sector added nearly 225 new businesses last year, up to 1,026 from 803 a year earlier.

Paul Whitenect, manager of the city's business licence section, said it's no surprise so many new contractors are choosing to work from home.

"A lot of these businesses are very good as a home-based industry just because most of the storage would be on the (work) site, so they just need their home for their office -- paperwork and things like that," Whitenect said.

"There's been so much activity in the last year that we've really seen a big increase in that sector, both home-based and commercial."

Along with leading the list of the city's new home-based businesses last year, residential building construction, with 345 total licences, is also the top industry within the construction sector. Plumbing, heating and air conditioning contractors, with 152 total licences, and electrical and other wiring installation contractors with 80, follow in second and third place, respectively, according to the report.

Many professionals, such as massage therapists, who apply for business licences must provide approved documentation of their expertise, said Whitenect. General contractors, however, have no industry papers to show the city, he said, so professional documents aren't required for the group.

"There's no real professional accreditation to monitor against. There is for plumbers and electricians and a few (other skilled trades), but there really isn't, to our knowledge, on a lot of the other types of construction business," he explained. "A lot of that is industry-driven, so if there was an accreditation process for those uses, such as construction, we would certainly be interested in working with that agency to make sure everybody has their accreditation."

The head of the Saskatoon and Region Home Builders' Association, Alan Thomarat, said people looking to hire a general contractor must ask for more accreditation than a city business licence.

"In a busy market like this, there are people who will try to take advantage of innocent people and I'm afraid that we know it's happening now," Thomarat said. "It's a really great thing what's going on in the housing market, but you really want to take your time and do it right, make good choices."

The association, which recommends contractors who have taken extensive professional training, has been working with local and provincial governments to protect the public

against fly-by-night construction jobs and unqualified builders. After working with the city's land bank office, said Thomarat, a land title will no longer be sold to a contractor without a warranty on the house to be built on the lot.

As figures from the report show, Saskatoon's residential construction industry is not heading toward a decline.

"There are a lot of entrepreneurs, individuals, young people, that are wanting to come into the housing industry and that is exciting. We just encourage them to take the training to be professional builders," Thomarat said.

The construction industry accounts for 13 per cent of all licensed businesses in the city, according to the report.

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