

INDUSTRY AT A GLANCE

CONSTRUCTION

Building a Sustainable Impact



THE INDUSTRY TODAY

Global Construction Output
\$10.7T USD¹

Construction-related spending accounts for
13% of worldwide GDP²

Building industry professionals and trades account for approximately
7.6% of the global workforce³

THE CONSTRUCTION SECTOR

CONTRIBUTES
\$155.41B
CAD to Canadian GDP⁴

CONTRIBUTES
\$650.20T
USD to USA GDP⁵

Ninety-nine per cent of enterprises within the construction industry are **small or medium sized businesses (SMEs)**, accounting for 95.1% of employees within the construction sector in Canada.⁶

Overall, construction SMEs **contribute significantly to job creation**; supporting an environment of social stability that improves livelihood and alleviates poverty.⁷

“

*“SMEs are experts in their fields and can provide insight into modern methods of construction (MMC), innovative technologies and ways to **minimise the GHG footprint of the proposed solutions across their whole lifecycle.**”⁸*

”



The construction industry has faced severe challenges following the global pandemic. In the U.S., 402,000 jobs remained unfilled near the end of 2021⁹, with wages increasing by 7.9%¹⁰ in only 12 months. These trends represent significant challenges for employers and the industry as a whole.

It is estimated that the building sector currently contributes to **almost half of total global greenhouse gas (GHG) emissions**. Building operations are responsible for 27% of annual emissions while building materials and construction account for 20%.¹¹ As such, the industry has significant potential for reducing GHG emissions as compared to other major emitting sectors.

Implementing global energy efficiency measures in the building sector could translate to **an estimated \$290 to \$430 billion in annual savings**.¹²

THE BUSINESS CASE

Sustainability as a route to success for small to medium-sized businesses



INCREASE THE VALUE OF YOUR PRODUCT AND GROW YOUR BUSINESS

Two thirds of the building structures currently in existence globally are projected to remain standing in 2040.¹³ These structures will require **eco-conscious upgrades to impact energy use, GHG emissions, equity, and resilience** and many will generate income and employment opportunities. In Canada, green buildings could provide 1.5 million jobs by 2030.¹⁴



IMPROVE YOUR BRAND AND INCREASE CUSTOMER LOYALTY

There is a growing demand by customers, including public sector organizations such as local governments, for **more sustainable and socially responsible** projects. Investors are also interested in **sustainable construction**. A \$24.7 trillion investment opportunity is predicted by 2030 in emerging markets.¹⁷



DELIVER EFFICIENCY SAVINGS

Integrated planning, energy-saving innovations, on-site renewable energy-producing technologies, and other types of equipment have resulted in **energy cost savings of 20-50%** in some cases.¹⁵ Although green buildings may require greater investment at the outset, their lower maintenance costs allow for exponential recovery and greater profits in the long term.¹⁶



EMPLOYEE ENGAGEMENT

Green building provides a wide range of benefits: from **improved working conditions to enhanced job opportunities**. Research shows that in the post-pandemic workplace, employees prioritize autonomy, flexibility, support, and upward mobility.¹⁸

“

*Construction-sector participants should rethink their operating approaches to avoid being caught out in what could be the world's next great productivity story.*¹⁹

”

McKinsey & Company



“Ninety-three per cent of CEOs say that sustainability issues are important for the future success of their business, and **54% expect sustainability to be embedded within the core business strategies of most companies in the next decade.**”²⁰

THE IMPACT

Trends and Opportunities in the Sustainability Space



REDUCING EMISSIONS

As a resource-intensive and indispensable industry, the building sector is one of the most significant contributors to climate change. **Residential and commercial buildings are responsible for 33% of GHG emissions yearly.**²¹

With the cooling of the Global South and warming of the Global North, air cooling and heating is only increasing in demand while already accounting for 43% of all energy use in the United States.²² By improving energy efficiency and increasing renewable energy use, we can reduce carbon emissions and the indoor air pollutants that have been found to have adverse health effects.²³



PROTECTING ENVIRONMENT

Residential buildings account for almost 75% of energy use by facilities globally, yet only receive half of energy efficiency investment support. This creates an **opportunity for investment in building envelopes, appliances, water efficiency, and waste management.**²⁴

Infrastructure is continually subject to climate events, which are expected to increase in the future. Green buildings and renewable energy sources can minimize this impact on a large scale while reducing reconstruction costs.²⁵

“When electricity or water become scarce, building green can help meet construction demand without depleting resources.” writes Hayley Samu in an article published on Edge buildings’ website.²⁶



PRESERVING RESOURCES

Essential building materials, such as concrete and steel, present challenges to the environment, **as they alone are responsible for 14-16% of global-related CO2 emissions.**²⁷

Material and resource processing offers great opportunity for innovative development. De-carbonized steel, cement, and reduced embodied carbon are necessary to create new infrastructure to ensure a sustainable future.²⁸



ENERGY CONSERVATION

Shifting to renewable resources in green buildings can **potentially reduce energy and water consumption by 20-40%.** This could help the average homeowner cut their utility bills by 15 to 20%.²⁹

The building sector is responsible for approximately 40% of global energy consumption. With as little as a 20% shift towards heating with clean energy, CO² emissions can be reduced by 9%.³⁰



PRESERVING WATER

Water pollution caused by construction projects destroys the grass and topsoil that prevents chemical runoff from impacting local waterways.³¹

This contaminated water poses immense threats to the health of both ecosystems and humans. It’s imperative that officials and on-site workers manage pollutants and toxic chemicals generated at construction sites well before they impact water bodies.³²

Helping achieve the United Nations'
Sustainable Development Goals



GOAL 7
 Affordable and clean energy



GOAL 8
 Decent work and economic growth



GOAL 9
 Industry, innovation and infrastructure



GOAL 11
 Sustainable cities and communities



GOAL 12
 Responsible consumption and production



GOAL 13
 Climate action



GOAL 15
 Life on land



GET STARTED

Take the next steps towards a greener future



ADOPT THE UN SUSTAINABLE DEVELOPMENT GOALS

These provide a framework to set sustainability goals and measure progress for your business.

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