Calmness Prevails on 7th CDRA Pandemic Call

For the CDRA’s seventh group call since the pandemic crisis started, for the first time the participants seemed far calmer than in the previous calls. Yes, in general, most of the recyclers are still reporting incoming tonnages of mixed C&D to be down anywhere from 25% to 35% from a year ago. And there is concern of how the construction market will be a year from now. But it seems the C&D industry is adapting and changing to the new environment. Social distancing and testing are now the norm, and companies know how to react if there is positive, or even a possible positive, for the virus among their employees.

This doesn’t mean things are perfect. While Texas continues to be seeing a vibrant construction market, most other areas of the country are still in a slowdown. That is the short term, and but the big concern is still what will be happening in the future, especially after current projects finish. There are still new construction projects planned, including roadwork, but many other projects have been delayed or cancelled. The horizon looks cloudy.

But a bright possibility is a construction industry forecast from the Portland Cement Association that the call participants received in advance to review. The prediction is that, yes, this year the construction industry and the national economy will be down, but next year will see a slight increase, and things will improve strongly from 2022 on. As PCA economist Ed Sullivan is probably the best construction industry forecaster out there, this is heartening.

Another indicator of how things have settled down since the start of the pandemic, for the first time several of the usual participants in the call did not join. This is a lot different from the first couple of calls, where many recyclers participated and the conversation lasted longer, and should be considered a signal that recyclers are adapting to the new normal.