CONSTRUCTION & MAINTENANCE INDUSTRY

MANITOBA

HIGHLIGHTS 2024 - 2033

MB

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BUILDFORCE CANADA

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SUMMARY

The components of Manitoba's construction and maintenance sector experienced mixed fortunes in 2023. Activity in the non-residential sector saw a slight rise as strong growth in the province's service sector helped sustain rising levels of investment in industrial, commercial, and institutional (ICI) buildings construction. Residential-sector investment levels, meanwhile, contracted as rising interest rates curbed activity in new-housing construction.

These trends combined to increase construction employment slightly in 2023. The outlook across the remainder of the forecast period calls for a similar pattern. A gain of approximately 15% in non-residential employment will more than offset a loss of just below 6% in the residential sector.

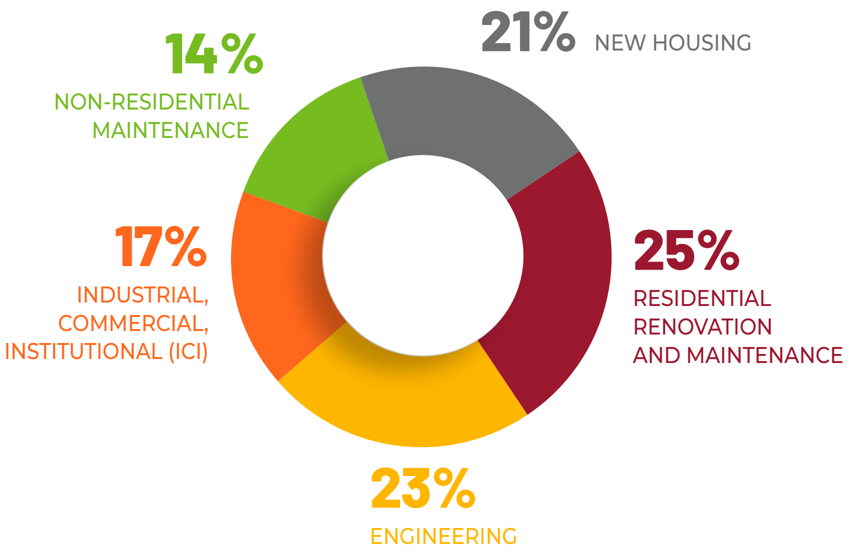
The losses in the residential sector will be driven by a decline in demand for new-home construction. Housing starts, which peaked in 2022, are expected to contract almost continuously across the forecast period, driving new-housing employment down by nearly 16%. Although renovation and maintenance activity is expected to see a steady increase to the end of the decade, gains in both segments are not enough to offset the loss in new-housing employment.

Non-residential employment, meanwhile, is expected to chart a series of gains through to 2033. Growth will be strongest in ICI building, where employment adds more than 30% over 2023 levels. Gains in maintenance (+3%) and engineering construction (+11%) are more muted.

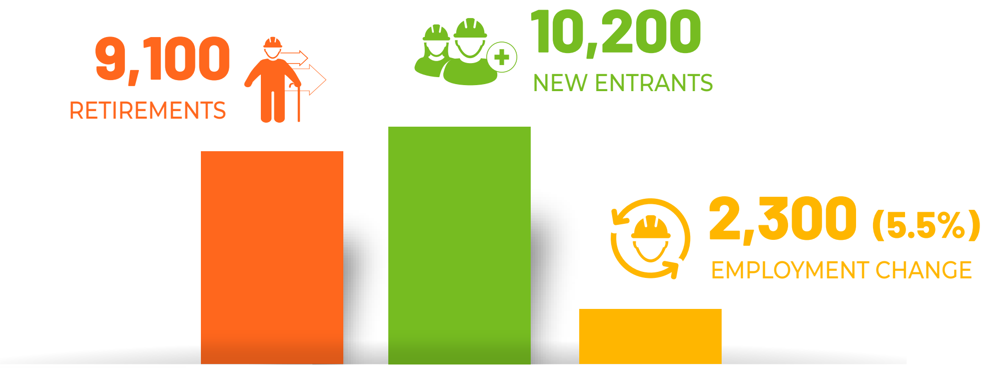
The construction industry must remain focused on hiring and training workers to replace the estimated 9,100 workers, or 20% of the current labour force, that is expected to retire by 2033.

The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Canada.

Distribution of construction employment in 2023, Manitoba



10-Year Workforce Outlook for Manitoba



JOB AVERAGE UNEMPLOYMENT RATE 8.0%

HIGHLIGHTS

- Residential employment will contract in almost every year of the decade, driven by losses in new housing.
- Housing starts are projected to decline by 4% compared to 2023 levels as household formations drop to a 10-year low by 2030.
- Non-residential employment increases by 15%, with the largest gains reported in ICI construction.
- ICI building employment increases by 30% across the forecast period; engineering construction rises by 11%.
- The labour markets for most non-residential trades return to balanced conditions after 2025.

MANITOBA CONSTRUCTION OUTLOOK

Manitoba's construction sector enters the 2024–2033 BuildForce Canada forecast period in a period of growth that is driven exclusively by activity in the non-residential sector.

Although activity in the residential sector peaked in 2021, interest-rate increases have driven investment levels down since. Meanwhile, the province's non-residential sector has performed well since the conclusion of the Keeyask Dam project in 2022. The resulting contraction in engineering construction was more than offset by strong growth in industrial, commercial, and institutional (ICI) buildings construction.

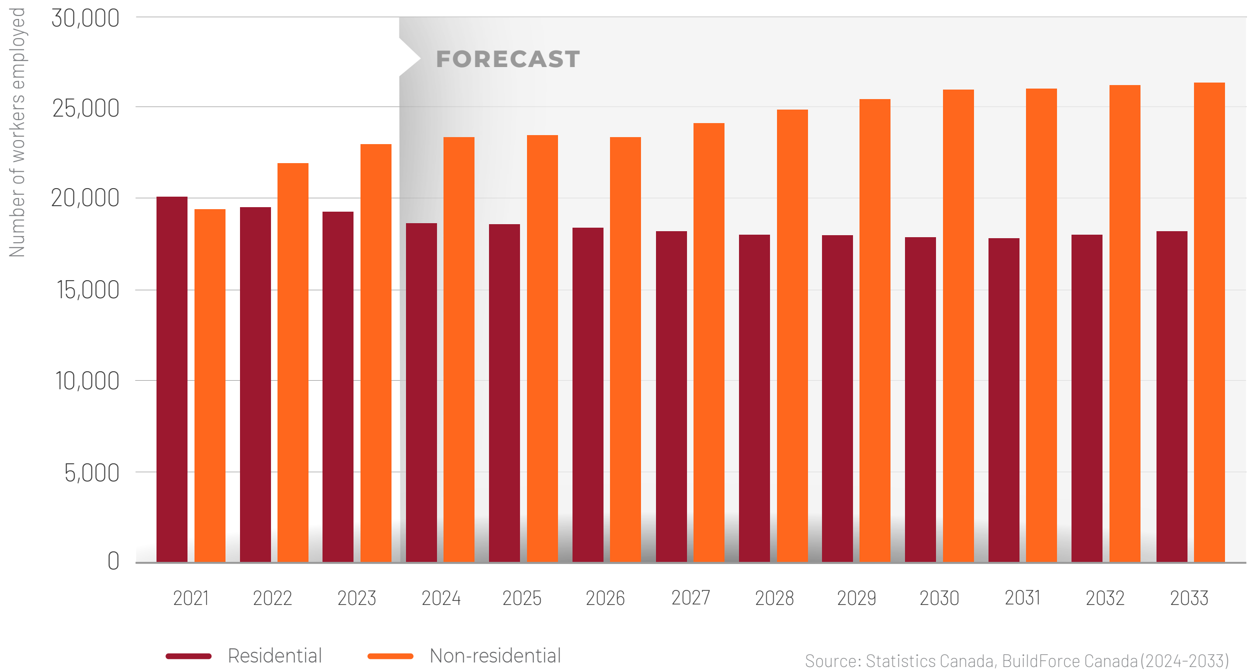
Manitoba reported GDP growth of just under 4% in 2022, driven by low interest rates, strong levels of consumer spending, and high residential investment levels. As interest rates rose in the second half of 2022 and across 2023, these key indicators declined and real GDP growth fell to 1.5%. Many of these trends are expected to be maintained into 2024, but their effects will be moderated by strong population growth. The provincial economy is expected to grow between 1.5% and 2% across the forecast period. As interest rate pressures ease and wages and incomes adjust, consumer spending is expected to rise along with demand for housing.

The 10-year outlook for the construction sector calls for investment levels in the residential sector to rise modestly – by 3% – across the decade, as growth in renovation activity partially offsets new-housing declines. Residential employment is expected to contract by approximately 6% as a result.

Non-residential construction investment, meanwhile, is expected to show strong growth. Investment in ICI building construction is projected to report steady gains across the forecast period, while engineering-construction investment levels are poised to rise after 2026, given a significant volume of planned water and wastewater projects.

Figure 1 shows the anticipated change in residential and non-residential employment across the forecast period.

Figure 1: Construction employment growth outlook, Manitoba



Source: Statistics Canada, BuildForce Canada (2024-2033)

The industry will need to recruit 13,100 workers over the forecast period, driven almost entirely by the expected retirement of 9,100 workers. While the recruiting of first-time new entrants from the local population is expected to partially offset the impact of retirements on the labour force, these new workers do not possess the skills and experience of retiring workers, which may compound potential skilled labour shortages locally.

A YOUNGER DEMOGRAPHIC SUPPORTED BY IMMIGRATION

Manitoba is experiencing a shift in its population age structure.

Figure 2 shows that the share of people between 15 and 24 years of age and who are about to enter the province's labour force comprised 14% of the population in 2023. That figure is expected to remain unchanged across the decade. Over the same period, however, the share of the population over 65 years of age and mainly retired is projected to grow from 17% to 18%.

This trend will create challenges regarding future labour force recruitment. All industries will be competing for a relatively smaller pool of youth over the next 10 years.

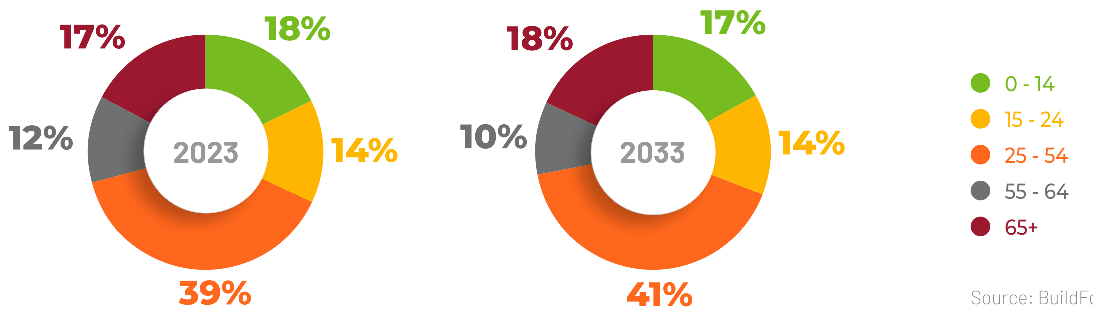
Manitoba's population is generally younger than the national average, which has helped to maintain a positive, although declining, natural rate of population growth*.

The population increased significantly in 2023 with a surge in the number of permanent and non-permanent residents. Many of the non-permanent residents are international students that may seek to obtain permanent residence status after graduation.

Although these levels are unlikely to be sustained, Manitoba will benefit from the newly expanded federal Immigration Levels Plan through 2025. Moreover, with many immigrants coming to Manitoba in their prime child-bearing years, upward growth in the province's rate of natural population growth is anticipated across the forecast period. They will also be essential to supporting growth in the province's core working-age group of 25 to 54 years of age, and may help to ease labour-market pressures over the decade.

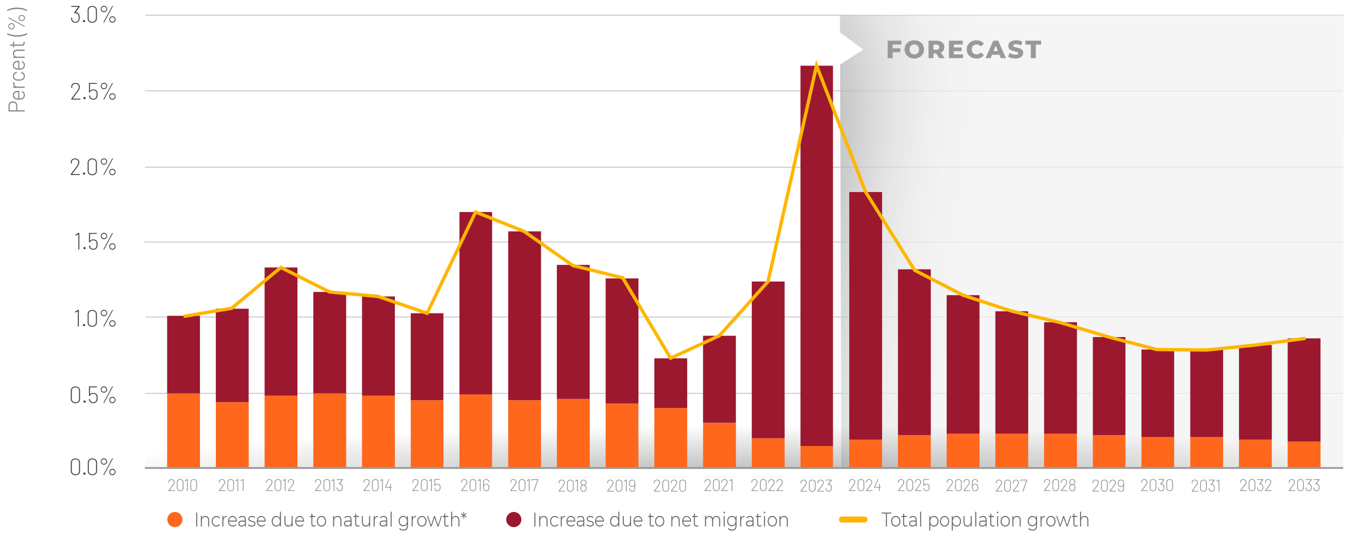
Figure 3 shows the various factors affecting population growth in Manitoba over the forecast period.

Figure 2: Population age distribution, Manitoba



Source: BuildForce Canada

Figure 3: Sources of population growth (%), Manitoba



* Natural rate of population growth refers to the growth in the population due to the number of births relative to the number of deaths, which leads to a positive or negative natural rate.

Source: Statistics Canada, BuildForce Canada (2024-2033)

SECTOR INSIGHTS

The following sections provide sector-specific insights into the provincial residential and non-residential labour markets. For Manitoba, rankings are reported for 18 residential and 28 non-residential trades and occupations.

RESIDENTIAL SECTOR

RESIDENTIAL SECTOR

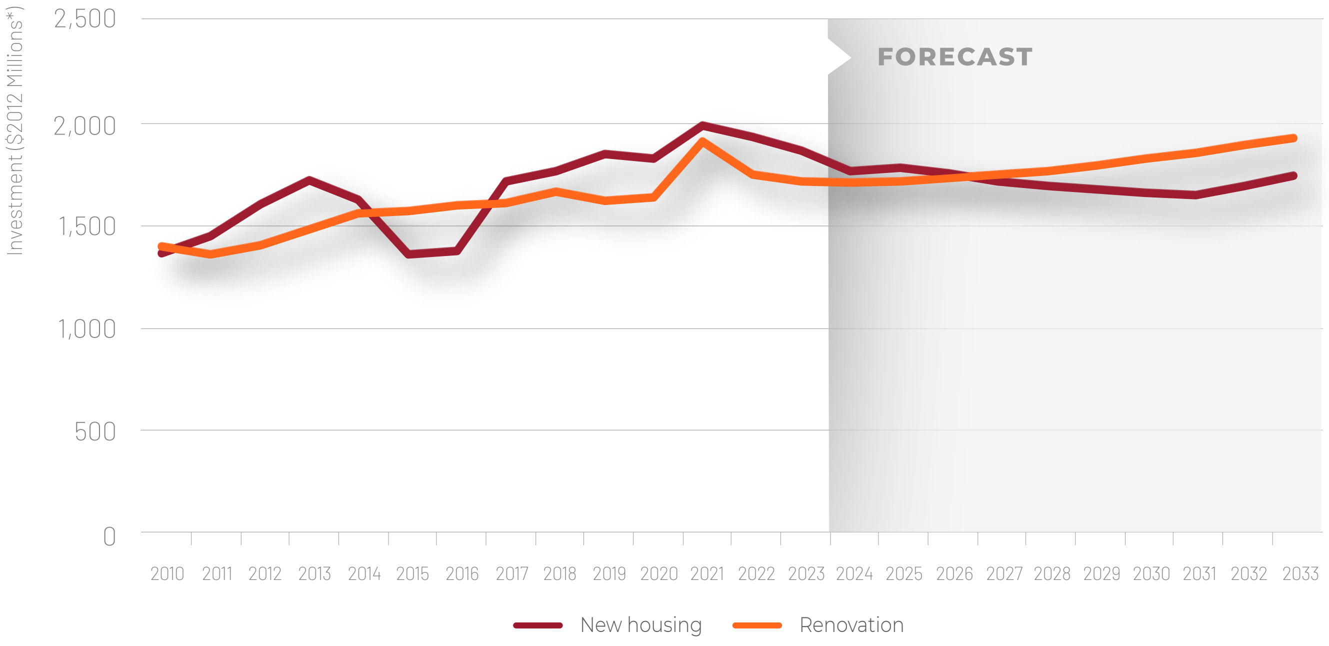
Residential-sector activity has stepped back from the peak levels of investment reported in 2021. 2023 saw investment contract by 3% as activity declined in both the new-housing construction and renovations. A shift in consumer preferences from higher-cost single-detached units to more affordable multi-unit builds has helped drive this change.

Investment levels in the new-housing component are expected to contract through to 2030. Demand for single-detached homes is expected to stabilize through 2025, with housing starts reporting around 3,000 units across the near term. A modest downcycle follows into 2030. The outlook for multi-unit builds remains elevated by historical standards but declines across the forecast period. Renovation activity, meanwhile, is projected to grow.

These trends combine to contract residential employment by about 6% across the forecast period. Gains of 2% in renovation employment and 7% in maintenance employment are not enough to offset a contraction of nearly 16% in new-housing employment.

Figure 4 shows the renovation and new-housing investment trends for residential construction.

Figure 4: Residential construction investment, Manitoba



* $2012 millions indicates that the investment values are in year 2012 dollars (base year), that is, adjusted for inflation. This is used to calculate the real physical year-to-year change of the value of construction, factoring out growth (increase in value) due to increases in prices.

Source: Statistics Canada, BuildForce Canada (2024-2033)

Table 1 summarizes the estimated percent change in residential employment by sector across three periods: the short term (2024–2026), the medium term (2027–2029), and the long term (2030–2033).

Note that this analysis presents a business-as-usual scenario. It does not take into account public-sector initiatives to address housing affordability challenges.

Table 1: Changes in residential employment by sector, Manitoba

SECTOR	% CHANGE 2024-2026	% CHANGE 2027-2029	% CHANGE 2030-2033
Total residential employment	**-4%**	**-3%**	**2%**
New housing	-9%	-7%	0%
Renovations	-2%	0%	3%
Residential maintenance	3%	2%	2%

Source: Statistics Canada, BuildForce Canada (2024-2033)

Residential rankings, risks, and mobility

Table 2 shows several trades and occupations reporting tight labour conditions in 2023. Compared with the strained conditions reported across almost all residential trades and occupations a year ago, these figures can be seen as having eased.

The outlook calls for new-housing activity to generally decline across the forecast period as demand for renovation investment grows. These factors combine to return most trades and occupations to balanced labour market conditions. More senior trades and occupations, such as supervisors and home building managers, however, may continue to experience market tightness into 2024 and 2025.

MARKET RANKINGS

1 Workers meeting employer qualifications are available in local markets to meet an increase in demand at the current offered rate of compensation and other current working conditions. Excess supply is apparent and there is a risk of losing workers to other markets.

2 Workers meeting employer qualifications are available in local markets to meet an increase in demand at the current offered rate of compensation and other working conditions.

3 The availablility of workers meeting employer qualifications in the local market may be limited by large projects, plant shutdowns or other short-term increases in demand. Employers may need to complete to attact needed workers. Establish patterns of recruiting and mobility are sufficient to meet job requirements.

4 Workers meeting qualifications are generally not available in local markets to meet any increase. Employers will need to compete to attact additional workers. Recruting and mobility may extend beyond traditional sources and practices.

5 Needed workers meeting employer qualifications are not available in local markets to meet current demand so that projects or production may be delayed or deferred. There is excess demand, competition is intense and recruiting reaches to remote markets.

Table 2: Residential market rankings, Manitoba

TRADES AND OCCUPATIONS — RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Bricklayers	3	3	3	3	3	3	3	3	3	3	3
Carpenters	3	3	3	3	3	3	3	3	3	3	3
Concrete finishers	4	3	3	3	3	3	3	3	3	3	3
Construction estimators	3	3	3	3	3	3	3	3	3	3	3
Construction managers	4	3	3	3	3	3	3	3	3	3	3
Contractors and supervisors	4	4	3	3	3	3	3	3	3	3	3
Electricians	3	3	3	3	3	3	3	3	3	3	3
Floor covering installers	4	4	3	3	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	3	3	3	3	3	3	3	3	3	3	3
Home building and renovation managers	4	4	4	3	3	3	3	3	3	3	3
Painters and decorators (except interior decorators)	4	3	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	3	3	3	3	3	3	3	3	3	3	3
Plumbers	3	3	3	3	3	2	3	3	3	3	3
Residential and commercial installers and servicers	3	3	3	3	3	3	3	3	3	3	3
Roofers and shinglers	4	3	3	3	3	3	3	3	3	3	3
Sheet metal workers	3	3	3	3	2	2	3	3	3	3	3
Trades helpers and labourers	3	2	3	3	3	3	3	3	3	3	3
Truck drivers	4	3	3	3	3	3	3	3	3	3	3

Source: BuildForce Canada

NON-RESIDENTIAL SECTOR

NON-RESIDENTIAL SECTOR

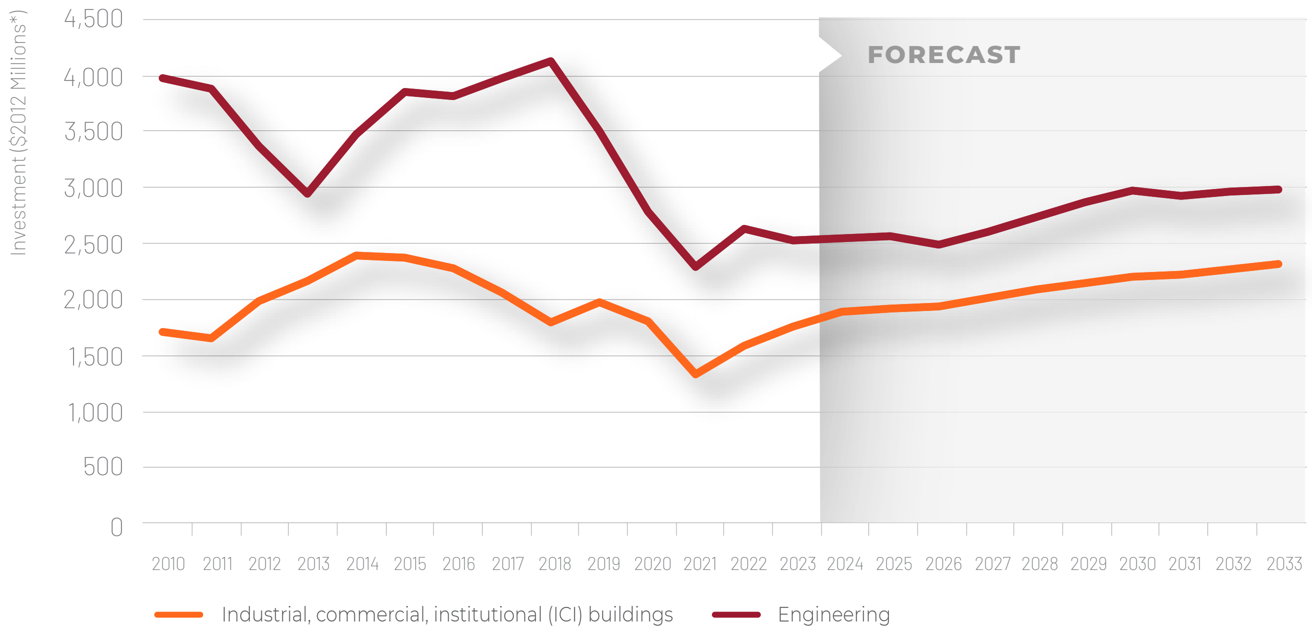
Manitoba's non-residential sector experienced a quieter year in 2023 compared to the strong growth it saw in 2022. This was in part due to the reduced demands in the engineering-construction segment that were created by the conclusion of the Keeyask Dam project. Although engineering-construction investment levels pulled back slightly in 2023, strong growth in industrial, commercial, and institutional (ICI) buildings construction more than offset this loss.

The investment outlook for the sector calls for relatively muted activity in engineering construction in the medium term. After 2026, a significant volume of water and wastewater projects underway and planned across the province should bolster investment through to 2030. Growth in other engineering components will mostly follow population increases.

Meanwhile, activity in the ICI building construction segment has been on a steady upward trend since 2021, and is expected to remain so across the forecast period. Within the segment, demand is strongest in institutional and government building projects, given the numerous healthcare and education sector expansion projects that are currently underway. Industrial building construction will also benefit from growth in the transportation and warehousing sector, given Winnipeg's high concentration of transport hubs.

Figure 5 shows the projected outlook for ICI buildings and engineering-construction investment.

Figure 5: Non-residential construction investment, Manitoba



* $2012 millions indicates that the investment values are in year 2012 dollars (base year), that is, adjusted for inflation. This is used to calculate the real physical year-to-year change of the value of construction, factoring out growth (increase in value) due to increases in prices.

Source: Statistics Canada, BuildForce Canada (2024-2033)

These conditions combine to elevate non-residential employment in each year of the forecast period. By the end of the decade, employment requirements are expected to increase by 15% above 2023 levels. Gains are largest in ICI employment (+30%), while engineering increases by 11%, and maintenance by 3%.

Table 3 summarizes the estimated percent change in non-residential employment by sector across three periods: the short term (2024–2026), the medium term (2027–2029), and the long term (2030–2033).

"By the end of the decade, employment requirements are expected to increase by 15% above 2023 levels."

Table 3: Changes in non-residential employment by sector, Manitoba

SECTOR	% CHANGE 2024-2026	% CHANGE 2027-2029	% CHANGE 2030-2033
Total non-residential employment	**2%**	**9%**	**4%**
Industrial buildings	18%	15%	9%
Commercial and institutional buildings	6%	9%	7%
Heavy industrial	1%	20%	3%
Other engineering	4%	4%	-1%
Roads, highways and bridges	-25%	2%	1%
Non-residential maintenance	0%	1%	2%

Source: Statistics Canada, BuildForce Canada (2024-2033)

Non-residential rankings, risks, and mobility

As Table 4 shows, the start of work on several healthcare-sector projects, in addition to ongoing work on a large number of education-sector projects and strong levels of commercial construction activity, created significant market tightness among almost all key trades and occupations in 2023.

These challenges are not expected to endure for long. Many ease into 2024 and 2025 as key projects pass peak activity periods.

Through the end of the forecast period, most trade labour markets return to balance, with some in the heavy industrial and utility sectors experiencing tightness in 2027 and 2028 due to the start of work on new utility projects.

Note that the widespread conversion of ICI buildings to the greater use of electricity for heating and cooling is excluded from this report, as these efforts are still in their early phases and have had only minor impacts on overall construction labour markets. As these efforts accelerate, they will be added to future BuildForce Canada outlook reports.

Table 4: Non-residential market rankings, Manitoba

TRADES AND OCCUPATIONS — NON-RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Boilermakers	4	3	3	3	3	3	3	3	3	3	3
Carpenters	4	3	3	3	3	3	3	3	3	3	3
Concrete finishers	4	3	3	3	3	3	3	3	3	3	3
Construction estimators	5	4	3	3	3	3	3	3	3	3	3
Construction managers	5	4	3	3	4	4	3	3	3	3	3
Construction millwrights and industrial mechanics	4	3	3	3	4	3	3	3	3	3	3
Contractors and supervisors	4	4	3	3	3	3	3	3	3	3	3
Crane operators	5	4	3	3	3	3	3	3	3	3	3
Drillers and blasters	5	4	3	3	3	3	3	3	3	3	3
Electrical power line and cable workers	4	3	3	3	4	3	3	3	3	3	3
Electricians	4	4	3	3	3	3	3	3	3	3	3
Floor covering installers	5	4	3	3	3	3	3	3	3	3	3
Glaziers	5	4	3	3	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	3	3	3	3	3	3	3	3	3	3	3
Heavy-duty equipment mechanics	5	4	3	3	3	3	3	3	3	3	3
Insulators	4	3	3	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	4	3	3	3	3	3	3	3	3	3	3
Painters and decorators (except interior decorators)	4	4	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	5	4	3	3	3	3	3	3	3	3	3
Plumbers	5	4	3	3	3	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	5	4	3	3	3	3	3	3	3	3	3
Residential and commercial installers and servicers	5	4	3	3	3	3	3	3	3	3	3
Roofers and shinglers	4	4	3	3	3	3	3	3	3	3	3
Sheet metal workers	5	4	3	3	3	3	3	3	3	3	3
Steamfitters, pipefitters and sprinkler system installers	4	3	3	3	3	3	3	3	3	3	3
Trades helpers and labourers	4	3	3	3	3	3	3	3	3	3	3
Truck drivers	4	3	3	3	3	3	3	3	3	3	3
Welders and related machine operators	4	3	3	3	3	3	3	3	3	3	3

Source: BuildForce Canada

BUILDING A SUSTAINABLE LABOUR FORCE

BUILDING A SUSTAINABLE LABOUR FORCE

The available labour force

Despite a younger population, Manitoba's construction industry will need to recruit about 13,100 additional workers over the forecast period to keep pace with labour force growth and replace approximately 9,100 retiring workers, or 20% of the current labour force.

Many of these hiring requirements may be met by an estimated 10,200 first-time new entrants under the age of 30 from the local population, leaving a gap of about 2,900 workers that will need to be recruited from outside the local construction labour force.

Keeping pace with recruitment and training will require a combination of strategies, including maintaining local recruitment and training efforts, particularly from groups traditionally under-represented in the construction labour force, the hiring of workers from other industries with the required skills sets, and the recruitment of immigrants to Canada with skilled trades training and/or construction experience.

Figure 6 provides a summary of the estimated changes in the construction labour force across the forecast period.

Figure 6: Changes in the construction labour force, Manitoba

* **Net mobility** refers to the number of workers needed to be brought into the industry from other industries or other provinces to meet rising demands or the number of workers that exit the industry in downturns. Positive net mobility means that industry must attract workers, while negative net mobility arises from an excess supply of workers in the local construction labour force.

Note: Due to rounding, numbers may not add up to the totals indicated.

Source: BuildForce Canada

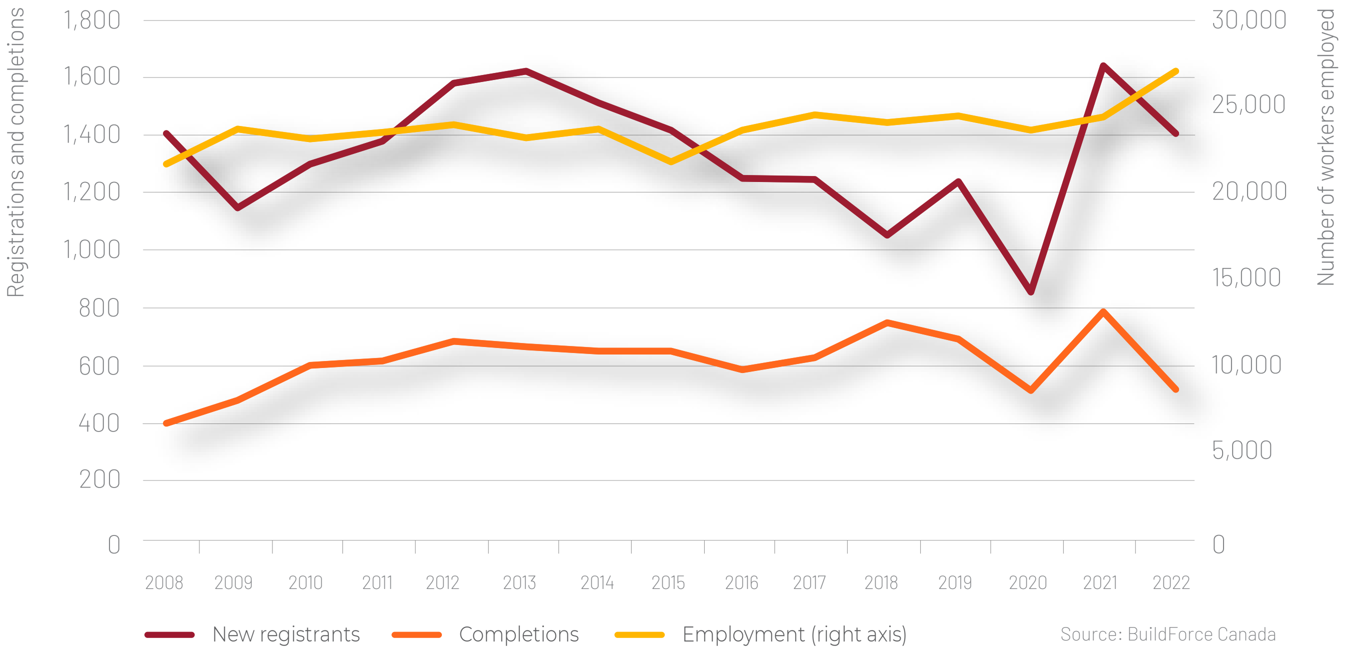
Labour Force Diversification

Apprenticeship

Apprenticeship is a key source of labour for the construction industry. New registrations in the 17 largest trade programs decreased by 24% from 2013 to 2018. This marked a significant decline compared to construction employment, which increased by 5% over the same period. In 2021, Manitoba reported a record level of new registrations, following a sharp decline in 2020 due to significant training obstacles imposed by the COVID-19 pandemic. In 2022, new registrations eased slightly from the record level observed in the previous year but remained notably higher than the pre-pandemic new registration levels. In contrast, the number of completions saw a steep decline in 2022, retreating to levels observed in 2020. (See Figure 7.)

While new registrations have been declining at a faster rate than trade employment over the past decade, the substantial recovery in 2021 and 2022 may soften the risk of workforce requirements running ahead of the number of newly certified journeypersons over the outlook period.

Figure 7: New apprentice registrations, completions, and trade employment, Manitoba



Source: BuildForce Canada

Table 5 provides a trade-by-trade breakdown of the anticipated certification requirements to meet the construction industry's share of employment and replacement demand over the scenario period. Based on projected new registrations, several trades are at risk of undersupplying the number of new journeypersons required by 2033. Trades within this group include mobile crane operator, welder, bricklayer, boilermaker, and carpenter.

"Manitoba reported a record level of new registrations, following a sharp decline in 2020 due to significant training obstacles imposed by the COVID-19 pandemic."

Table 5: Estimated construction certification demand and projected completions by trade, 2024 to 2033[1]

TRADE	Target certification demand — construction	Target new registrants — construction	Apprentice certification supply risk — all industries
Mobile Crane Operator	139	25	🔴
Welder	73	34	🔴
Bricklayer	47	26	🔴
Boilermaker	26	17	🔴
Carpenter	970	708	🔴
Roofer	31	27	🟡
Insulator (Heat and Frost)	10	11	🟡
Ironworker (Generalist)	13	14	🟡
Heavy-Duty Equipment Technician	42	48	🟡
Industrial Mechanic (Millwright)	71	88	🟡
Industrial Electrician	54	71	🟢
Sheet Metal Worker	87	117	🟢
Construction Electrician	1,292	1,933	🟢
Refrigeration and Air Conditioning Mechanic	181	347	🟢
Plumber	440	960	🟢
Steamfitter/Pipefitter	41	101	🟢
Sprinkler Fitter	16	65	🟢

🔴 Certifications required exceed projected completions
🟡 Certifications required in line with projected completions
🟢 Projected completions exceed certifications required

Source: BuildForce Canada

[1] This analysis does not account for an existing skills mismatch at the 2023 starting point.

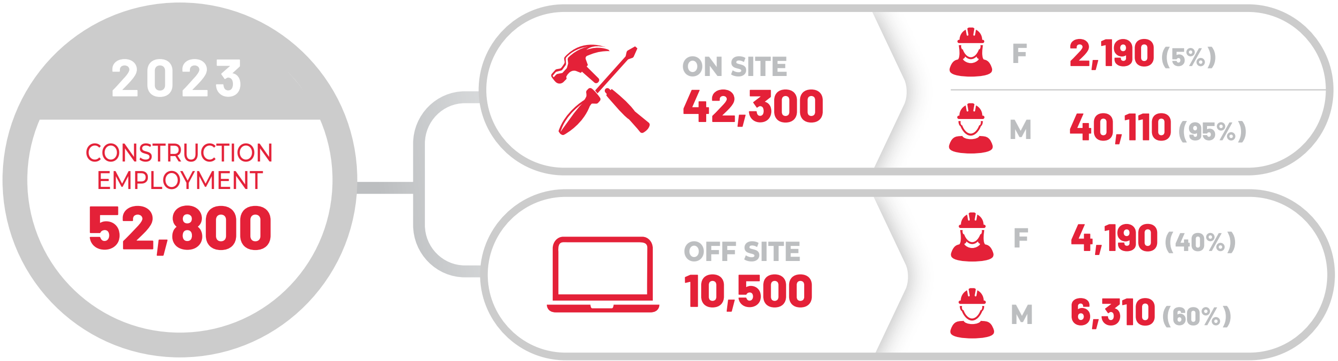
Under-represented groups of workers

Due in part to lower fertility rates and smaller family sizes in Canada for more than three decades, the share of younger Canadians available to enter the labour force has been in decline for several years. As the baby boomer generation of workers commences retirement over the next decade, the competition for younger workers will be intense. To help mitigate the impact of this shift in demographics, the construction industry must diversify its recruitment. In order to succeed, the industry must increase recruitment of individuals from groups traditionally underrepresented in the current construction labour force, including women, Indigenous People, and newcomers.

In 2023, there were 6,380 women employed in Manitoba's construction industry, of which 34% worked on site, directly on construction projects, while the remaining 66% worked off site, primarily in administrative and management-related occupations. Of the 42,300 tradespeople employed in the industry, women made up 5% (see Figure 8).

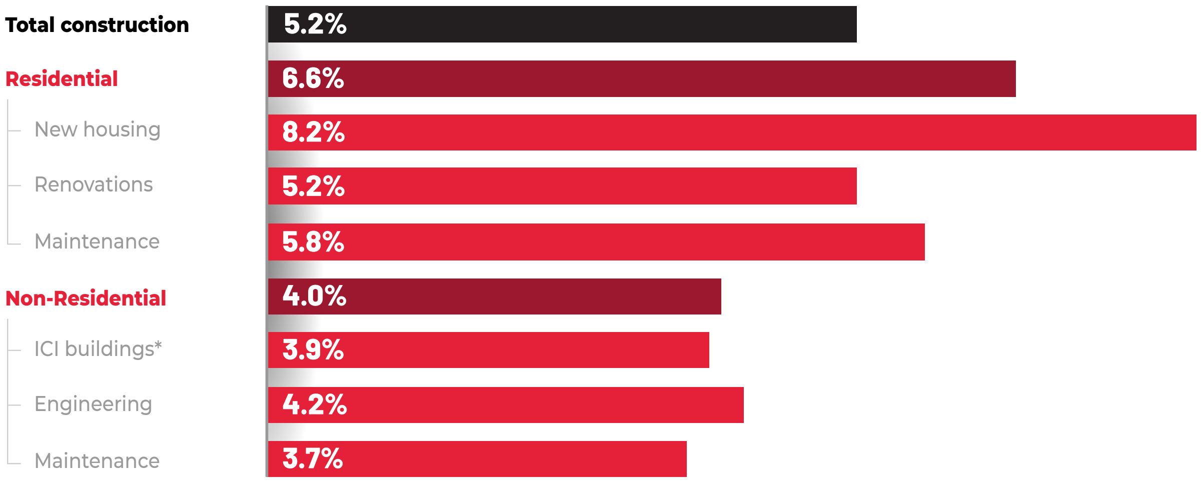
The estimated 2,190 tradeswomen in Manitoba are represented across all sectors of construction, but given the nature of construction work in the province, women account for a higher share of total tradespeople (6.6%) in residential construction. Across sectors, new housing construction has the highest representation of women, accounting for 8.2% of the workforce (see Figure 9). The top five trades and occupations in which women tend to be employed are trade helpers and labourers (33% of all tradeswomen), construction managers (17%), contractors and supervisors (12%), painters and decorators (8%), and construction estimators (5%).

Figure 8: Detailed construction employment by gender, Manitoba, 2023



Source: BuildForce Canada calculations based on Statistics Canada's Labour Force Survey (LFS) and 2016 Census of the Population.

Figure 9: Women's share of total direct trades and occupations (on site), Manitoba



*industrial, commercial, institutional

Source: BuildForce Canada calculations based on Statistics Canada's Labour Force Survey (LFS) and 2016 Census of the Population.

The Indigenous population is the fastest growing population in Canada and therefore presents recruitment opportunities for Manitoba's construction industry. Provincially, Manitoba's construction labour force has the highest share of Indigenous People. In 2021, Indigenous People accounted for approximately 17% of the province's construction labour force, which is a slight decline from the share observed in 2016.[2] This share is notably higher than the share of Indigenous People represented in the overall labour force (see Table 6). As the Indigenous population continues to expand, recruitment efforts will need to be dedicated to increasing the industry's share of the population into the labour force.

Manitoba's construction industry may also leverage newcomers (immigrants) to Canada over the forecast period to meet labour requirements. Due to the declining natural rates of population growth, immigrants are the sole source of labour force growth in the province. Immigrants have been playing an increasingly important role in replenishing the workforce, with the share of immigrants in the workforce increasing from 18% in 2012 to 24% in 2022. The province has been successful in attracting and integrating immigrants into the labour force; however, immigrants remain under-represented in the construction industry. The construction labour force share of immigrants was 16% in 2022, which is notably lower than the share in the overall provincial labour force (see Figure 10).[3]

Based on historical settlement trends, the province is expected to welcome more than 126,000 permanent and non-permanent residents between 2024 and 2033. As these individuals will make up an increasing share of the province's core working-age population, additional recruitment efforts will be required to ensure the construction industry recruits its share of newcomers into the labour force.

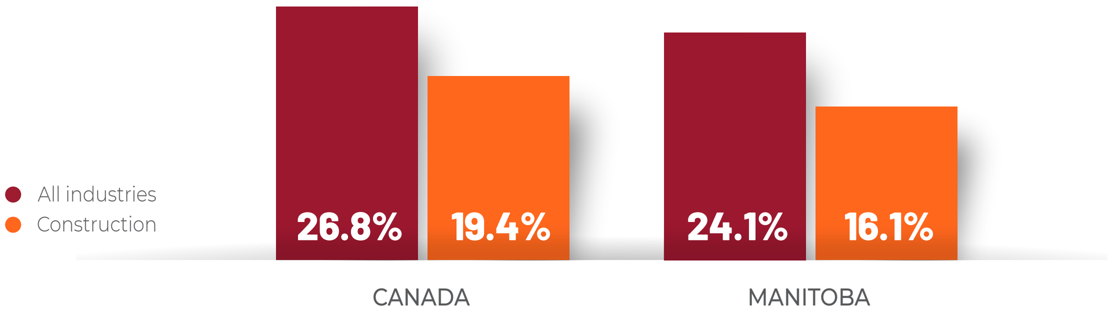
[2] Statistics Canada, 2021 Census. Custom Data Request.
[3] Statistics Canada, Labour Force Survey, Custom Data Request 2022.

Table 6: Representation of Indigenous population in Manitoba's construction workforce

SECTOR	YEAR	INDIGENOUS	NON-INDIGENOUS	TOTAL	INDIGENOUS SHARE OF TOTAL WORKFORCE, %
Construction	2016	8,565	41,005	49,575	**17.3%**
	2021	8,905	43,345	52,240	**17.0%**
All Industries	2016	83,050	566,475	649,530	**12.8%**
	2021	87,015	578,865	665,875	**13.1%**

Source: BuildForce Canada calculations based on Statistics Canada's 2021 and 2016 Census of the Population

Figure 10: Share (%) of immigrants in the construction labour force, 2022, Manitoba



Source: Statistics Canada. Table 14-10-0083-01 Labour force characteristics by immigrant status, annual

CONCLUSIONS AND IMPLICATIONS

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The *2024–2033 Construction and Maintenance Looking Forward* scenario for Manitoba calls for labour market conditions to diverge in the residential and non-residential sectors. While activity in the residential sector has eased from the peaks reported in 2021 and 2022, non-residential demands are tightening, given strong growth in industrial, commercial, and institutional (ICI) construction.

Similar patterns will occur across the province's residential and non-residential sectors through 2033. The former is poised for a period of contractions, followed by a long period of sustained activity. This is created as declining levels of new-housing construction investment are offset by a growing market for renovations. The latter, meanwhile, is supported by robust demand across the ICI segment and, in later years, renewed growth in engineering-construction activity.

Meanwhile, retirements loom large. The industry must address a hiring gap of approximately 13,100 workers that is created by growth and projected retirements to 2033. Closing this gap will require a combination of strategies that include enhanced local recruitment and training, including the recruitment of immigrants and newly arrived immigrants, and promoting career opportunities to workers with comparable skill sets who have been displaced from other industries.

The industry scenario-based approach developed by BuildForce Canada to assess future labour market conditions provides a powerful planning tool for industry, government, and other stakeholders to better track labour market conditions and identify potential pressure points. The anticipated labour market conditions reflect current industry expectations of population growth and the timing of major projects. Any changes to these assumptions present risks and potentially alter anticipated labour market conditions.

ABOUT THE BUILDFORCE CANADA LABOUR MARKET INFORMATION SYSTEM

BuildForce Canada's labour market information (LMI) system uses the most advanced and detailed industry model available in Canada to produce a forecast scenario that reflects current and future labour demand and supply information for the residential and non-residential construction sectors, by province.

Updated annually, the system is calibrated to the latest information on global, national, and provincial economic conditions derived from various data sources including Statistics Canada, Canadian financial institutions, the World Bank, the International Monetary Fund, the U.S. Energy Information Administration, the Organisation for Economic Co-operation and Development, and federal and provincial budget plans. Key factors driving the outlook scenario include: economic environment measures such as real GDP growth, inflation, interest rates, exchange rates, commodity prices, and international trading partner trends, and population growth and demographic trends.

Unique to the BuildForce system is the integration of a major projects inventory. This is developed in partnership with provincial LMI committees – networks of industry stakeholders that include labour groups, construction associations, owners, and federal/provincial government departments – and identifies key projects that may distort construction investment trends and market conditions.

Information on economics, demographics, and major projects are combined into a dynamic, multi-sector and multi-factor macroeconomic model to generate a 10-year labour market outlook scenario for the residential and non-residential construction sectors in each Canadian province.

The system incorporates coefficients derived from Statistics Canada's input-output tables to determine industry demands and proprietary coefficients developed by BuildForce Canada to translate residential and non-residential investment data into labour demands for the 34 most common on-site trades and occupations in the construction sector. These account for 75% of the total construction labour force.

For labour supply, the system utilizes Statistics Canada's 2021 Census of Population as a starting point. That data is adjusted to reflect current public-policy and demand factors, and is further refined through consultation with the provincial LMI committees to produce measures of provincial economic and population growth, employment growth, retirements, new entrants to the labour force, and interprovincial and international migration patterns.

Provincial residential and non-residential labour market conditions, by trade and occupation, are assessed based on changes in supply and demand and summarized in the form of tables. For each year, conditions are ranked from a low of 1 (in which excess labour supply is apparent, and there is a risk of losing workers to other markets) to a high of 5 (in which there is excess demand, competition is intense, and recruiting extends beyond local labour markets). Ranks are calculated based on annual employment growth, natural or normal unemployment rates, and changes in supply (i.e., retirements, new entrants, and mobility requirements to meet demands).

Rankings for some trades or occupations may be suppressed in some provinces and regions due to the small size of the workforce (i.e., fewer than 100 workers) and limited statistical reliability when assessing labour market conditions at the sector level. Some trades are also excluded because they typically do not work in the sector being assessed (e.g., boilermakers and millwrights typically do not work in residential construction, nor do homebuilding and renovation managers work in non-residential construction).

Finally, to further improve the robustness of the system, BuildForce Canada's outlook scenario is validated by provincial LMI committees.

For the most detailed & comprehensive construction labour market data in Canada, visit

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- Key economic indicators, construction investment and labour market conditions by province and/or sector
- Macroeconomic and investment data

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Timely construction forecast data is available online at **constructionforecasts.ca**. Create customized reports on a broad range of selected categories within sector, trade or province covering up to 10 years.

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