CONSTRUCTION & MAINTENANCE INDUSTRY

# QUEBEC
## HIGHLIGHTS 2024 - 2033

QC

MARCH 2024

**BUILDFORCE CANADA**

Canada

# SUMMARY

Quebec's construction sector enters the BuildForce Canada forecast period with its residential and non-residential components tracking in different directions.

Residential-construction investment levels reached a peak in 2021, supported by strong demand for single-family homes, apartment units, and renovation activity. Interest rate pressures have contracted levels significantly since. Non-residential construction activity, meanwhile, has charted a significant upward trend since 2021. An increase in investment has been driven by major projects across all sectors including industrial buildings, healthcare and education, transit systems, electric utilities, and roads, highways, and bridges.
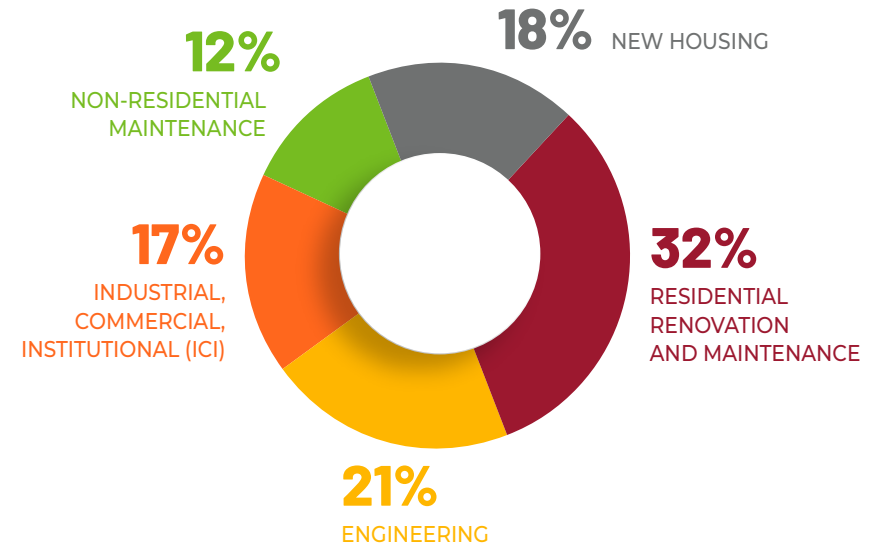
The outlook across the forecast period calls for residential investment levels to remain stable. Housing starts and investment relating to new construction are projected to decline into 2033. This trend is expected to be offset by continuous growth in renovation expenditures. By the end of the forecast period, residential employment is projected to contract by 8%.

The outlook for the non-residential sector calls for investment levels to peak in 2024 before experiencing moderate reductions to 2030 in line with the completion of major healthcare, education, transit, manufacturing, and utilities projects. Employment ends the forecast period relatively unchanged.
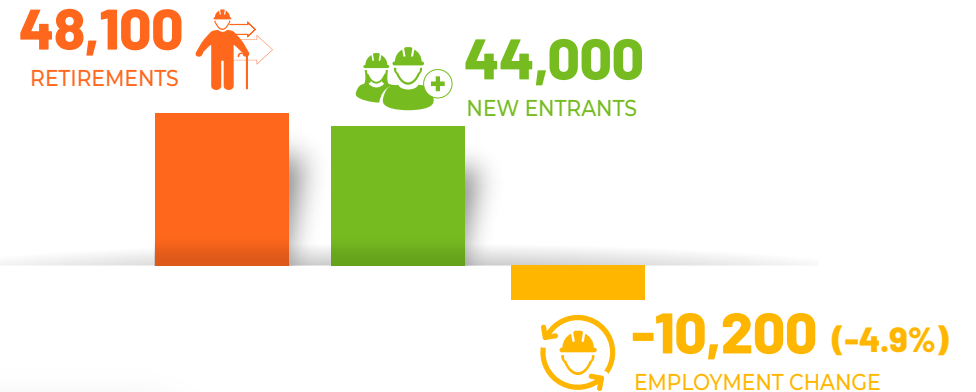
By 2033, the industry will likely need to recruit and retain as many as 39,000 additional workers to address its overall hiring requirements. An estimated 48,100 workers, or 22% of the 2023 construction labour force, are expected to retire.

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, Quebec

**18%** NEW HOUSING

**12%** NON-RESIDENTIAL MAINTENANCE

**32%** RESIDENTIAL RENOVATION AND MAINTENANCE

**17%** INDUSTRIAL, COMMERCIAL, INSTITUTIONAL (ICI)

**21%** ENGINEERING

## 10-Year Workforce Outlook for Quebec

**48,100** RETIREMENTS

**44,000** NEW ENTRANTS

**–10,200 (–4.9%)** EMPLOYMENT CHANGE

**JOB** AVERAGE UNEMPLOYMENT RATE **5.9%**

# HIGHLIGHTS

- Residential construction employment is expected to remain at above 100,000 workers through 2027, stepping down from the peak reported in 2021.

- Residential investment levels are projected to decline across the forecast period. Increases in renovation expenditures are not enough to offset losses in new-housing construction.

- Non-residential construction activity is expected to peak by 2024 and experience moderate reductions to 2029 in line with the completion of major projects.

- Total non-residential employment is mostly sustained across the period compared to 2023 levels.

# QUEBEC CONSTRUCTION OUTLOOK

Quebec is a unique construction market in which labour force development is carried out in cooperation with the *Commission de la construction du Québec* (CCQ), which in turn is entrusted by the provincial government to enforce the *Act Respecting Labour Relations, Vocational Training and Workforce Management* in the province's construction industry.

In addition to administering social benefits plans, the CCQ ensures compliance with collective agreements and strives to ensure that labour markets maintain balance. Labour force development and training is carried out collectively with labour unions, employers' groups, and provincial government partners to ensure that the supply of workers is adequate to meet known construction demands to avoid under or overtraining with the trades and occupations under its authority.

The 2024–2033 *Construction and Maintenance Looking Forward* outlook for Quebec anticipates contracting levels of activity between 2024 and 2030. Although non-residential construction investment levels are expected to peak in 2024, they decline into the later forecast years with the completion of major engineering projects in Montreal and Quebec City, and industrial, commercial, and institutional buildings projects across the province.

Residential construction investment levels, meanwhile, reach 2033 relatively unchanged from 2023 levels. Contracting levels of new-home construction are offset by continuous growth in renovation activity.

Driving these changes is a comparatively muted outlook for the provincial economy. Quebec rebounded strongly from the effects of the COVID-19 pandemic, realizing a GDP growth rate of 6% in 2021. This rebound was created by strong levels of consumer spending. Growth moderated in 2022 and again in 2023, as rising interest rates curtailed consumer consumption, and slowed residential investment. A slight rise in output is projected for 2024, but growth will again be muted by high interest rates. The longer-run outlook calls for annual growth rates of between 1.5% and 1.7%, as consumer spending remains low, and the economy is driven by strong export activity.

As Figure 1 shows, construction employment is generally expected to trend down across the forecast period. Residential employment, which peaked in 2021, is projected to drop gradually, but continuously to 2033, losing 8% in comparison to 2023 levels. Non-residential employment, meanwhile, is projected to reach a peak in 2024 before contracting into 2029 in response to the completion of major projects. By 2033, employment is mostly unchanged from 2023 levels, contracting by 1%.

**Figure 1: Construction employment growth outlook, Quebec**
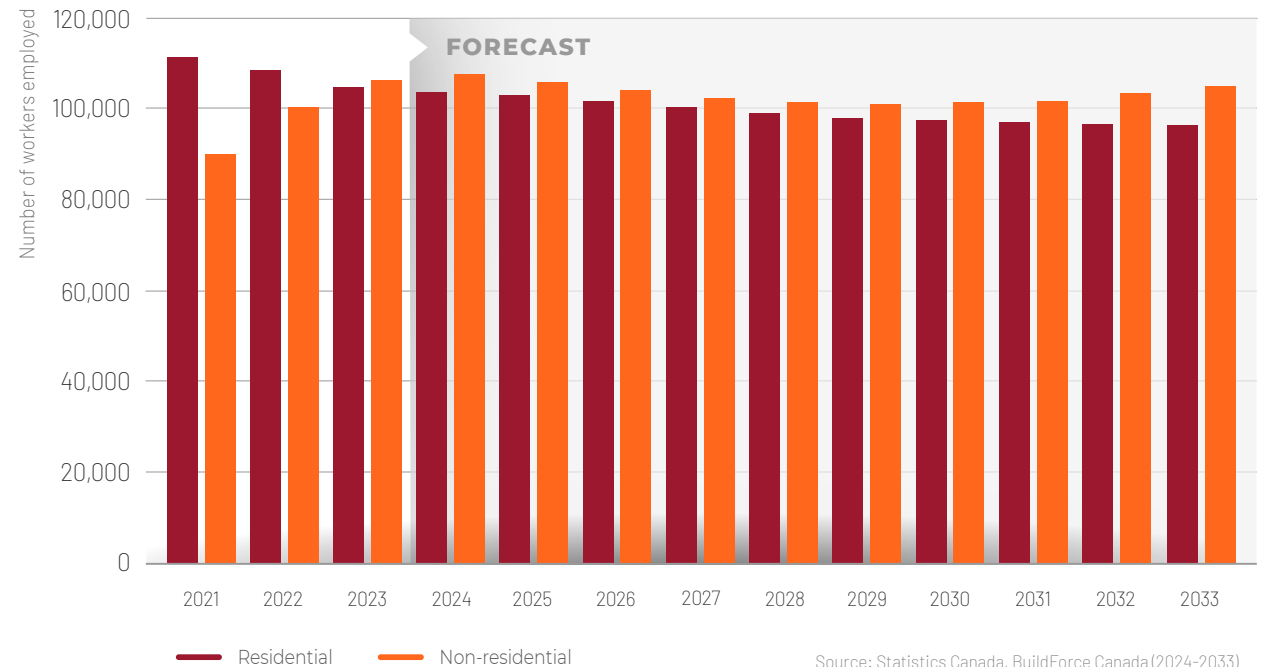


Source: Statistics Canada, BuildForce Canada (2024-2033)

The industry will need to recruit 39,000 workers over the forecast period. An expected contraction of 9,100 workers from the labour force offsets some of the need to replace as many as 48,100 retirees. Although the recruiting of first-time new entrants from the local population may lead to a surplus of workers, many may not possess the skills and experience of retiring workers, which may compound potential skilled labour shortages locally.

*"The industry will need to recruit 39,000 workers over the forecast period. An expected contraction of 9,100 workers from the labour force offsets some of the need to replace as many as 48,100 retirees."*

## AN AGING POPULATION SUSTAINED BY IMMIGRATION

Quebec is experiencing a shift in its population age structure.

Figure 2 shows that the share of the population that is 65 years of age and older is expected to rise, from 21% in 2023 to 24% in 2033. Meanwhile, the share of younger workers (i.e., those aged between 15 and 24 years of age) is expected to increase by just one percentage point – from 11% to 12% – over the same period.

This trend is expected to create challenges regarding future labour force recruitment as the number of workers leaving the labour force exceeds those available to replace them. This will place significant pressure on all industries as the competition for younger workers will intensify.

Quebec is also faced with the challenge of a population that is generally older than the national average. Although its natural rate of population growth* remains positive, this indicator has seen significant declines in the last decade.

By necessity, immigration has become a key source of population growth. Levels spiked in 2023 when the province saw a major influx of both permanent and non-permanent residents. Many in the latter group are students who could choose to obtain permanent residency status after graduation.

Although these rates of growth are unlikely to be sustained, Quebec will also benefit from the federal government's increased immigration targets for 2024 and 2025. Increasingly, newcomers will be essential to supporting growth in the province's core working-age group of 25- to 54-year-olds, and may, if they choose to establish themselves in the province, help ease labour-market pressures over the decade.

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

### Figure 2: Population age distribution, Quebec



Legend:
- 0 - 14
- 15 - 24
- 25 - 54
- 55 - 64
- 65+
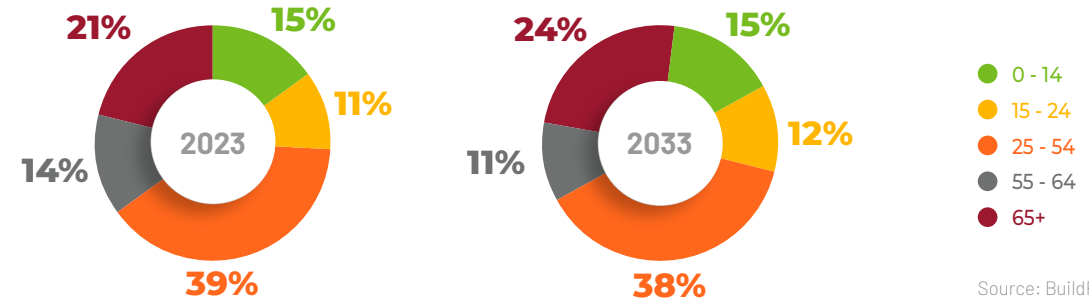
Source: BuildForce Canada

### Figure 3: Sources of population growth (%), Quebec



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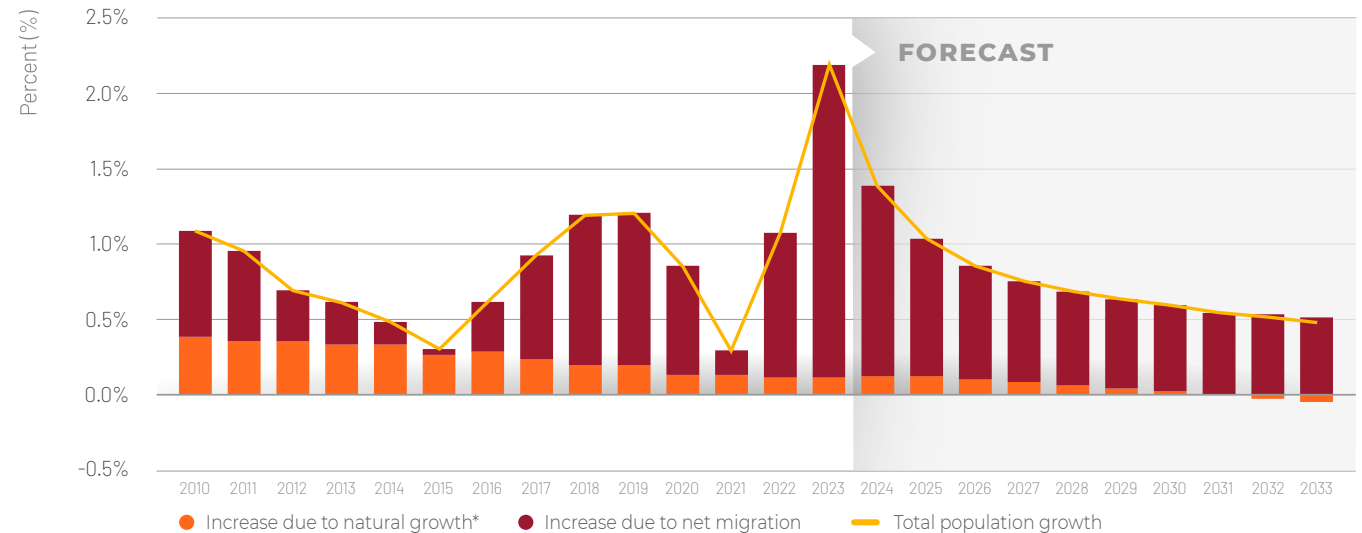
* Natural rate of population growth refers to the growth in the population due to the number of births relative to the number of deaths, which leads to a positive or negative natural rate.

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 Quebec, rankings are reported for 24 residential and 31 non-residential trades and occupations.**

# RESIDENTIAL SECTOR

# RESIDENTIAL SECTOR

Residential investment levels peaked in Quebec in 2021, with output driven by elevated levels of household formation in 2018 and 2019, record low interest rates, and strong demand for residential renovations.

As Figure 4 shows, this trend has not been sustained. Investment contractions of 10% in 2022 and nearly 14% in 2023 were driven by rising interest rates and reduced consumer confidence. The outlook across the forecast period sees investment levels remain relatively unchanged to 2033.

New-home construction, which was elevated in 2021, saw significant contractions in 2022 and 2023. Housing starts decreased by more than 40% between 2021 and 2023, and are expected to remain relatively unchanged in 2024 before declining through to the end of the forecast period.

The outlook for renovation activity tells a different story. Investment levels are poised to chart a steady upward trend across the forecast period, with growth supported by a combination of factors, including the expense of new housing, the province's aging housing stock, and people preferring to remain in their residences as they age.

**Figure 4: Residential construction investment, Quebec**
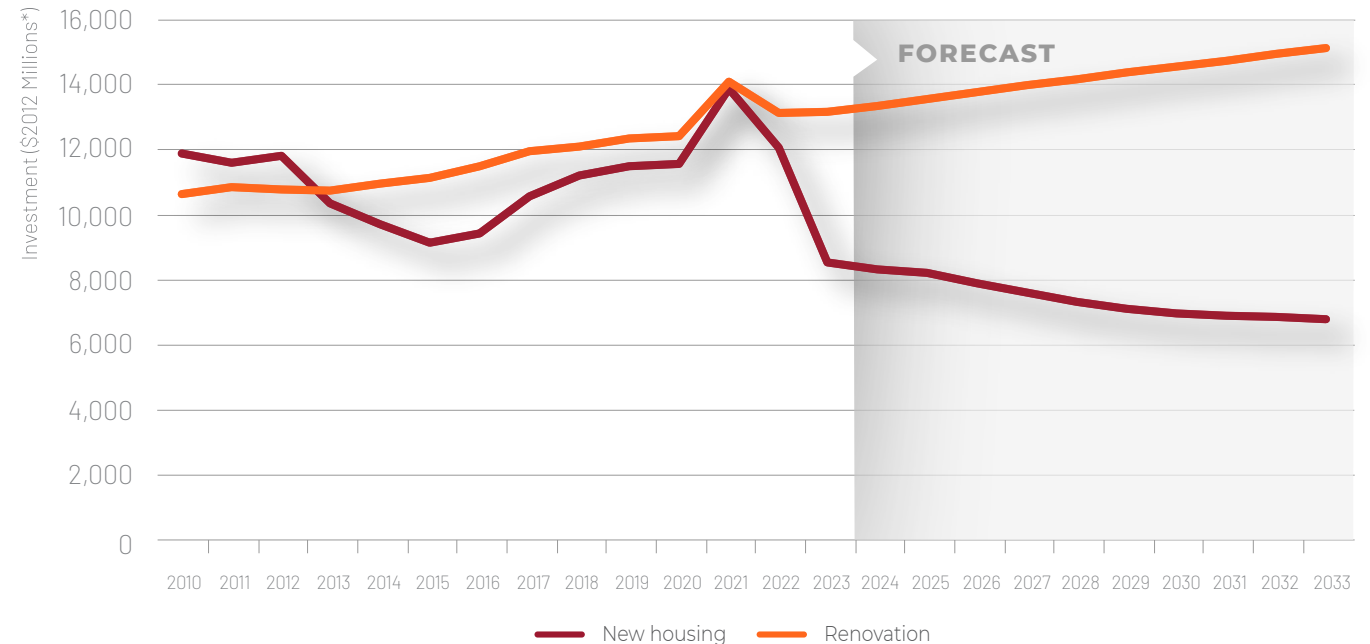


Legend: New housing, Renovation

* $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)

The combination of these factors leaves overall residential employment down by 8% in 2033 compared to 2023 levels. A closer look at the data shows that losses will be concentrated in new housing employment (-28%), while renovation employment is projected to grow by 8% and maintenance employment by 1%.

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).

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, Quebec**

| SECTOR | % CHANGE 2024-2026 | % CHANGE 2027-2029 | % CHANGE 2030-2033 |
|---|---|---|---|
| **Total residential employment** | **-3%** | **-4%** | **-2%** |
| New housing | -11% | -13% | -8% |
| Renovations | 1% | 1% | 1% |
| Residential maintenance | 1% | 0% | 0% |

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

# Residential rankings, risks, and mobility

Construction labour markets in Quebec are regulated by law and managed cooperatively between the *Commission de la construction du Québec* (CCQ) and the industry. The labour force is managed with the goal of ensuring that on a trade-by-trade basis, retirements are met by a corresponding increase in recruitment, as required by the economy.

Although the BuildForce Canada ranking system may indicate circumstances outside normal labour market conditions, as shown in Table 2, trades and occupations managed by the CCQ should be balanced, as the organization applies the *Act on Labour Relations, Vocational Training, and Workforce Management in the Construction Industry (Act R-20)*.

## 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, Quebec

| 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 | 3 | 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* | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Contractors and supervisors* | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Electricians | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Elevator constructors and mechanics | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Floor covering installers | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Glaziers | 3 | 2 | 2 | 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 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Home building and renovation managers* | 4 | 4 | 4 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 |
| Ironworkers and structural metal fabricators | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Other trades and occupations | 3 | 3 | 3 | 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 | 3 | 3 | 3 | 3 | 3 | 3 |
| Refrigeration and air conditioning mechanics | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Residential and commercial installers and servicers* | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Roofers and shinglers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Sheet metal workers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Tilesetters | 2 | 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 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |

Note: although the BuildForce Canada rankings system may indicate conditions outside normal labour market conditions, trades and occupations managed by Commission de la Construction du Quebec (CCQ) should be balanced as the organization applies the *Act on Labour Relations, Vocational Training, and Workforce Management in the Construction Industry (Act R-20)*.
* Trades and occupations marked with an asterisk fall outside the jurisdiction of the CCQ and will follow ebbs and flows in the labour market

Source: BuildForce Canada

Quebec's residential labour market has stepped down from the peak demands and severe recruiting challenges it experienced in 2021 and 2022. As new-home construction slowed in 2023, market conditions returned to balance for most trades and occupations. They are expected to remain so across the period.

Driven by rising renovation and maintenance work, some finishing trades may experience market tightness in the short term, while demand for senior management roles such as home building and renovation managers, are projected to remain elevated for most of the forecast period.

Labour market conditions for glaziers and ironworkers and structural metal fabricators could see excess supply over the near term. This reflects a decline in employment following the large inflows of workers that were required to meet the significant increase in multi-unit housing (mid- and high-rise apartment buildings) demands over the last few years.

*"Driven by rising renovation and maintenance work, some finishing trades may experience market tightness in the short term"*

# NON-RESIDENTIAL SECTOR

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Quebec's non-residential sector enters the forecast period on an upward trend.

As Figure 5 shows, investment levels have risen steadily since 2021, supported by work on major transit projects in Montreal and Quebec City, and strong growth in the construction of industrial, commercial, and institutional (ICI) buildings. The outlook calls for levels to peak in 2024. Thereafter, many of these projects either conclude or transition into their finishing phases. A downward trend continues into 2029, based on currently known demands and project schedules.

Engineering-construction investment, which has been elevated in recent years by major mining, utilities, transit, and roads, highways, and bridges projects, follows much the same curve. Some growth is expected in the final years of the forecast period as investment cycles up in line with overall economic growth.

ICI building construction is being supported in the short and medium terms by work on warehouses, office projects, hospitals, schools, and industrial-building projects. Combined, these projects should keep investment levels elevated into the later years of the forecast period, at which time consumer demands are expected to drive demand for commercial-building projects into 2033.

**Figure 5: Non-residential construction investment, Quebec**
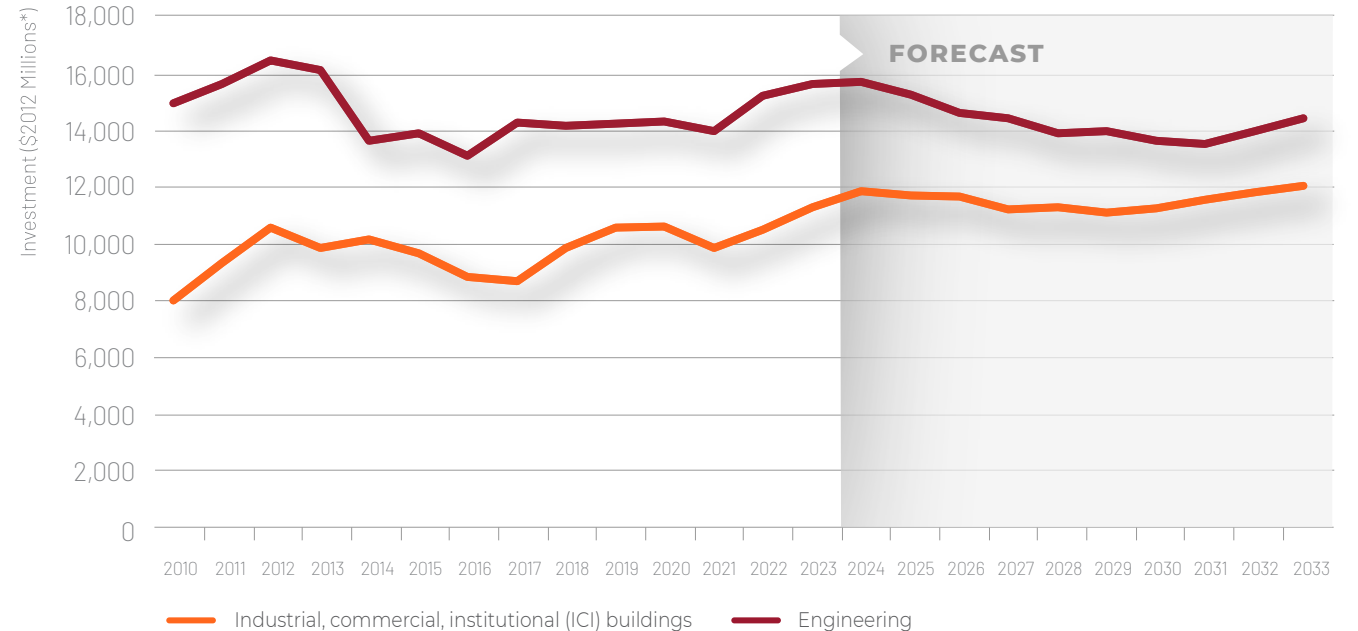


* $2012 millions indicates that the investment values are in year 2012 dollars (base year), that is, adjusted for inflation. This is used to calculate the real physical year-to-year change of the value of construction, factoring out growth (increase in value) due to increases in prices.

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

These trends combine to leave employment largely unchanged (1% below 2023 levels) by 2033. A gain of 8% in ICI building employment is offset by losses of 8% in engineering-construction employment and 3% in maintenance employment.

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).

*"Investment levels have risen steadily since 2021, supported by work on major transit projects in Montreal and Quebec City, and strong growth in the construction of industrial, commercial, and institutional (ICI) buildings"*

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

| SECTOR | % CHANGE 2024-2026 | % CHANGE 2027-2029 | % CHANGE 2030-2033 |
|---|---|---|---|
| **Total non-residential employment** | **-2%** | **-3%** | **4%** |
| Industrial buildings | 1% | -8% | 10% |
| Commercial and institutional buildings | 4% | -2% | 8% |
| Heavy industrial | -3% | -1% | 10% |
| Other engineering | 3% | -5% | 2% |
| Roads, highways and bridges | -23% | -6% | -14% |
| Non-residential maintenance | -2% | 0% | 0% |

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

# Non-residential rankings, risks, and mobility

Table 4 shows the tight labour conditions experienced by many trades and occupations in Quebec in 2023.

Activity in both engineering construction and the construction of industrial, commercial, and institutional (ICI) buildings has been increasing steadily over the last several years, which has strained labour markets across most trades and occupations.

Tighter conditions will likely carry into 2024, as activity reaches the forecasted peak. Demand is particularly high for those trades and occupations more concentrated in ICI building construction. Those in engineering construction and maintenance work may see moderate reductions across the period.

By 2025, markets are expected to return to balance among most trades and occupations, with some potentially experiencing higher levels of frictional unemployment over the medium term as major projects wind down.

Note that although the BuildForce Canada ranking system may indicate conditions outside normal labour market conditions, trades and occupations managed by the CCQ should be balanced, as the organization applies the *Act on Labour Relations, Vocational Training, and Workforce Management in the Construction Industry (Act R-20)*.

Note, also, 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, Quebec

| TRADES AND OCCUPATIONS — NON-RESIDENTIAL | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Boilermakers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Bricklayers | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Carpenters | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Concrete finishers | 4 | 4 | 3 | 2 | 3 | 2 | 3 | 2 | 3 | 3 | 3 |
| Construction estimators* | 5 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 4 |
| Construction managers* | 5 | 4 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 |
| Construction millwrights and industrial mechanics | 4 | 3 | 3 | 2 | 3 | 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 | 2 | 3 | 2 | 3 | 2 | 3 | 3 | 3 |
| Drillers and blasters | 4 | 3 | 3 | 3 | 3 | 2 | 3 | 3 | 3 | 3 | 3 |
| Electrical power line and cable workers | 4 | 3 | 3 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Electricians | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Elevator constructors and mechanics | 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 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Heavy equipment operators (except crane) | 5 | 4 | 3 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |

| TRADES AND OCCUPATIONS — NON-RESIDENTIAL | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Heavy-duty equipment mechanics | 3 | 3 | 3 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Insulators | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Ironworkers and structural metal fabricators | 4 | 4 | 3 | 3 | 2 | 3 | 2 | 3 | 3 | 3 | 3 |
| Other trades and occupations | 4 | 4 | 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 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Plumbers | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Refrigeration and air conditioning mechanics | 4 | 4 | 3 | 3 | 2 | 3 | 3 | 3 | 3 | 4 | 4 |
| Residential and commercial installers and servicers* | 4 | 4 | 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 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Steamfitters, pipefitters and sprinkler system installers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Tilesetters | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 |
| Trades helpers and labourers | 5 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Truck drivers | 5 | 4 | 3 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Welders and related machine operators | 5 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |

Note: although the BuildForce Canada rankings system may indicate conditions outside normal labour market conditions, trades and occupations managed by Commission de la Construction du Québec (CCQ) should be balanced as the organization applies the *Act on Labour Relations, Vocational Training, and Workforce Management in the Construction Industry (Act R-20)*.
* Trades and occupations marked with an asterisk fall outside the jurisdiction of the CCQ and will follow ebbs and flows in the labour market

Source: BuildForce Canada

# BUILDING A SUSTAINABLE LABOUR FORCE

# BUILDING A SUSTAINABLE LABOUR FORCE

## The available labour force

Quebec's construction industry will need to recruit about 39,000 additional workers over the forecast period to keep pace with labour force growth and replace approximately 48,100 retiring workers, or 22% of the current labour force. The addition of 44,000 new-entrant workers under the age of 30 from local recruitment efforts may create a potential surplus of some 5,000 workers. As labour markets in the province are managed by the Commission de la construction du Quebec, the expectation is that recruitment levels will be adjusted to maintain labour force balance.

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, Quebec**



* **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 26 largest trade programs in Quebec increased by 21% from 2014 to 2019; a significant increase compared to construction employment, which saw just a 4% increase over the same period. (See Figure 7.) New registrations continued to increase to a record high in 2022, following a modest decline in 2020 due to significant training obstacles imposed by COVID-19. This increase was driven primarily by record new registrations in carpenter, construction electrician, drywall finisher and plasterer, painter and decorator, power shovel operator, and sheet metal worker trade programs. The province reported its highest number of program completions on record in 2021, adding to the supply of skilled labour to meet demand requirements over the outlook period. In 2022, program completions receded slightly but remained above pre-pandemic levels.

*"New registrations in the 26 largest trade programs in Quebec increased by 21% from 2014 to 2019; a significant increase compared to construction employment, which saw just a 4% increase over the same period."*

**Figure 7: New apprentice registrations, completions, and trade employment, Quebec**



Source: BuildForce Canada

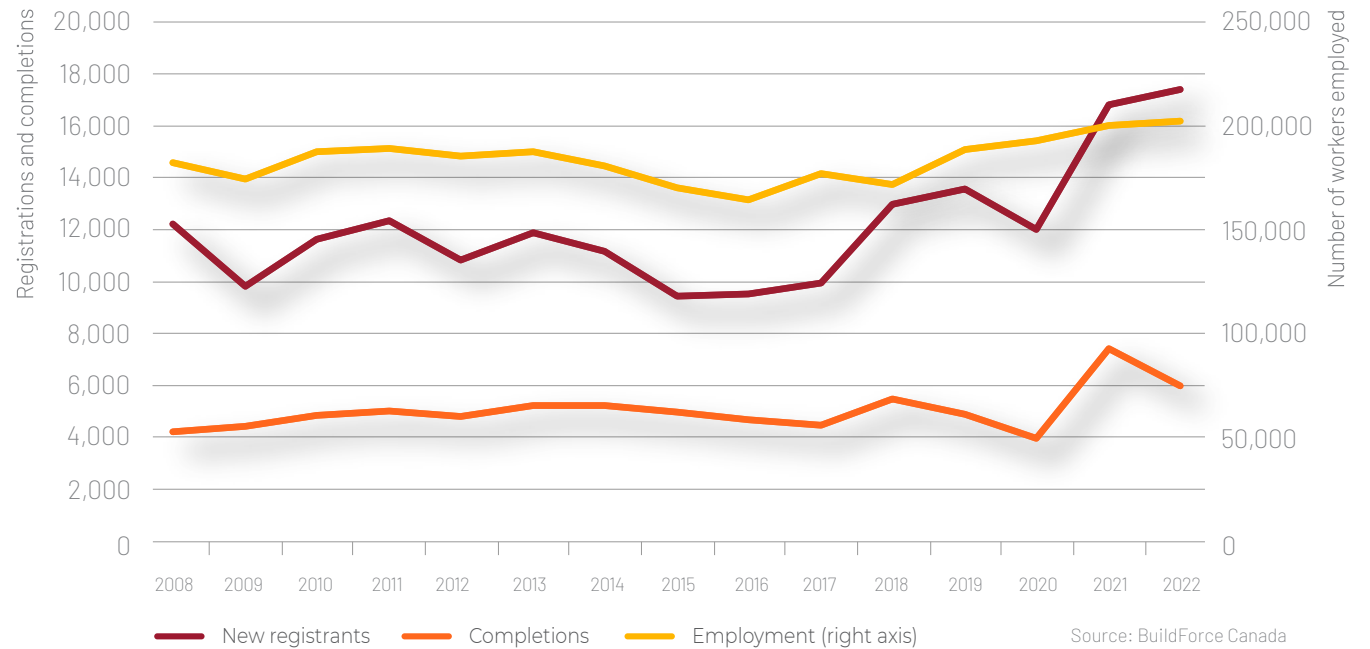— New registrants    — Completions    — Employment (right axis)

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 plumber, welder, mobile crane operator, heavy equipment mechanic, industrial electrician, steamfitter/pipefitter, and heavy equipment operator.

*"New registrations continued to increase to a record high in 2022, following a modest decline in 2020 due to significant training obstacles imposed by COVID-19."*

**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 | TRADE | Target certification demand — construction | Target new registrants — construction | Apprentice certification supply risk — all industries |
|---|---|---|---|---|---|---|---|
| Plumber | 1,193 | 73 | 🔴 | Drywall Finisher and Plasterer | 630 | 2,236 | 🟢 |
| Welder | 397 | 111 | 🔴 | Tilesetter | 321 | 1,183 | 🟢 |
| Mobile Crane Operator | 689 | 211 | 🔴 | Glazier | 246 | 954 | 🟢 |
| Heavy Equipment Mechanic | 224 | 92 | 🔴 | Painter and Decorator | 884 | 3,117 | 🟢 |
| Industrial Electrician | 2,586 | 1,144 | 🔴 | Sheet Metal Worker | 578 | 2,453 | 🟢 |
| Steamfitter/Pipefitter | 129 | 66 | 🔴 | Insulator (Heat and Frost) | 143 | 653 | 🟢 |
| Heavy Equipment Operator | 4,149 | 2,817 | 🔴 | Construction Electrician | 1,942 | 8,408 | 🟢 |
| Industrial Mechanic (Millwright) | 28 | 53 | 🟢 | Carpenter | 5,298 | 29,180 | 🟢 |
| Boilermaker | 92 | 189 | 🟢 | Power Shovel Operator | 464 | 3,656 | 🟢 |
| Refrigeration and Air Conditioning Mechanic | 1,285 | 2,854 | 🟢 | Fitter Welder | 69 | 822 | 🟢 |
| Bricklayer | 897 | 2,088 | 🟢 | Ironworker (Structural/Ornamental) | 19 | 822 | 🟢 |
| Roofer | 451 | 1,323 | 🟢 | Ironworker (Reinforcing) | 11 | 930 | 🟢 |
| Lather (Interior Systems Mechanic) | 405 | 1,264 | 🟢 | | | | |
| Concrete Finisher | 541 | 1,804 | 🟢 | | | | |

🔴 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 approximately 40,430 women employed in Quebec's construction industry, of which 21% worked on site, directly on construction projects, while the remaining 79% worked off site, primarily in administrative and management-related occupations. Of the 210,800 tradespeople employed in the industry, women made up 4% (see Figure 8).
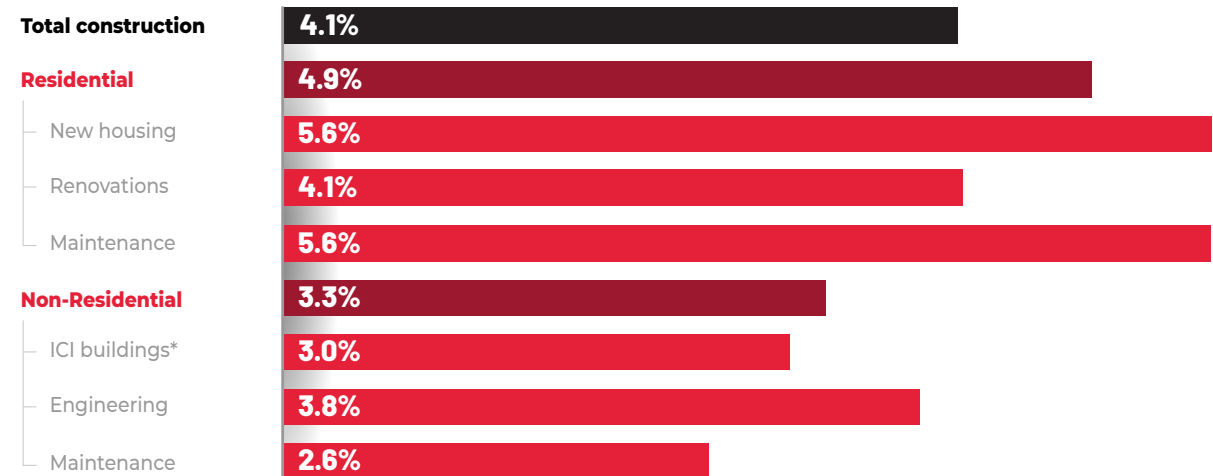
The estimated 8,550 tradeswomen in Quebec are represented across all sectors of construction, but given the nature of construction work in the province, women account for a higher share of total tradespeople (4.9%) in residential construction. Across sectors, new housing and residential maintenance construction have the highest representation of women, each accounting for 5.6% of the workforce (see Figure 9). The top five trades and occupations in which women tend to be employed are construction managers (16% of all tradeswomen), trade helpers and labourers (15%), painters and decorators (13%), construction estimators (12%), and carpenters (7%).

**Figure 8: Detailed construction employment by gender, Quebec, 2023**
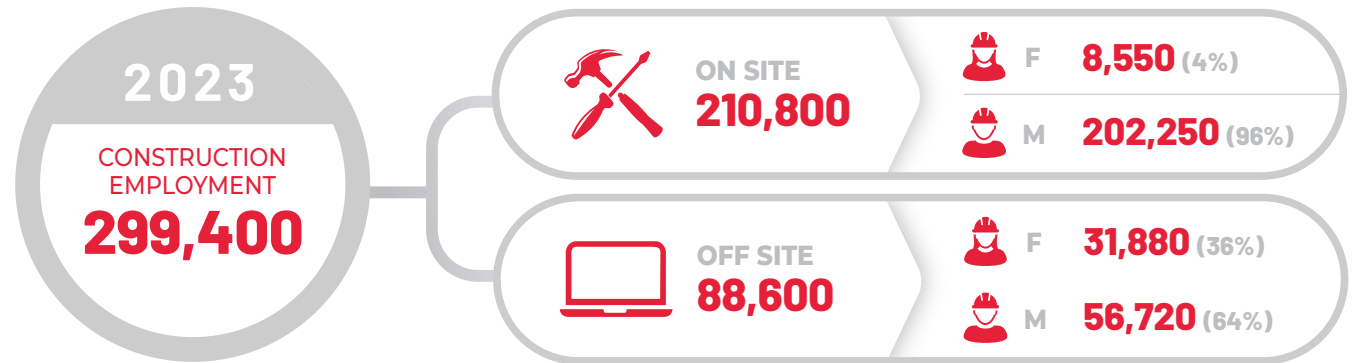


Source: BuildForce Canada calculations based on Statistics Canada's Labour Force Survey (LFS) and 2016 Census of the Population.

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

| | |
|---|---|
| **Total construction** | 4.1% |
| **Residential** | 4.9% |
| New housing | 5.6% |
| Renovations | 4.1% |
| Maintenance | 5.6% |
| **Non-Residential** | 3.3% |
| ICI buildings* | 3.0% |
| Engineering | 3.8% |
| Maintenance | 2.6% |

*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 Quebec's construction industry. The province has been successful in maintaining the share of Indigenous People in the construction workforce. In 2021, Indigenous People accounted for 2.6% of the province's construction labour force, consistent with the share observed in 2016.[2] This share is slightly 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.

Quebec'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 primary 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 13% in 2012 to 20% in 2022. While the province has been successful in attracting and integrating immigrants into the labour force, the province's share of immigrants is notably below the share in Canada overall (see Figure 10). The construction labour force share of immigrants was just 9.4% in 2022, which is half of the immigrant share in the overall labour force and significantly lower than the share in Canada's construction industry.[3]

Based on historic settlement patterns, the province is expected to welcome more than 642,800 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 Quebec's construction workforce**

| SECTOR | YEAR | INDIGENOUS | NON-INDIGENOUS | TOTAL | INDIGENOUS SHARE OF TOTAL WORKFORCE, % |
|---|---|---|---|---|---|
| Construction | 2016 | 6,660 | 247,395 | 254,060 | 2.6% |
| | 2021 | 7,765 | 288,275 | 296,040 | 2.6% |
| All Industries | 2016 | 82,195 | 4,071,820 | 4,154,010 | 2.0% |
| | 2021 | 94,350 | 4,250,560 | 4,344,910 | 2.2% |

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, Quebec**



- All industries
- Construction

CANADA: 26.8% 19.4%
QUEBEC: 19.8% 9.4%
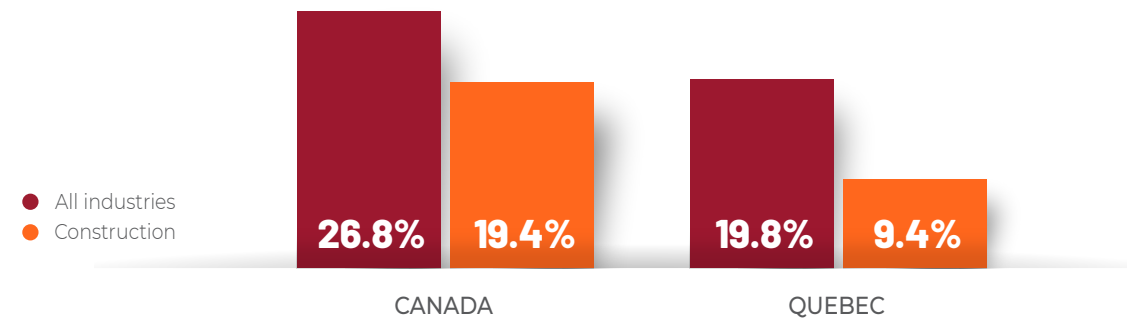
Source: Statistics Canada. Table 14-10-0083-01 Labour force characteristics by immigrant status, annual

# CONCLUSIONS AND IMPLICATIONS

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The *2024–2033 Construction and Maintenance Looking Forward* scenario for Quebec sees the province's residential and non-residential sectors charting diverging courses in the near future.

The province's residential construction sector reached peak levels of activity in 2021, and has contracted since. Investment levels have been curbed by rising interest rates. Housing starts in particular, which had been driven by strong gains in single-family housing and in apartments, have dropped significantly. Although investment levels are expected to remain mostly unchanged through to the end of the forecast period, data suggest that any contractions will be exclusive to demand for new housing; renovation expenditures are projected to increase continuously across the forecast period.

In contrast, non-residential construction has experienced significant growth since 2021, supported by major mining, utilities, transit, and institutional and government projects. These projects are poised to bring investment levels to a peak in 2024, after which activity slows. Non-residential investment and employment are expected to contract to 2029 in line with project completions based on currently known project schedules.

Labour force renewal will be an ongoing concern, even as activity steps down from peak levels. The industry may need to attract, train, and retain some 39,000 workers by 2033. Addressing this gap will require a combination of strategies that include enhanced local recruitment and training, including the recruitment of permanent residents 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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