

# NEW BRUNSWICK

Banking on return of immigration as annual retirements peak

## HIGHLIGHTS 2021–2030

New Brunswick's construction requirements are poised to edge higher in 2021 as institutional building and infrastructure demands increase in response to projected stronger immigration-driven population growth.

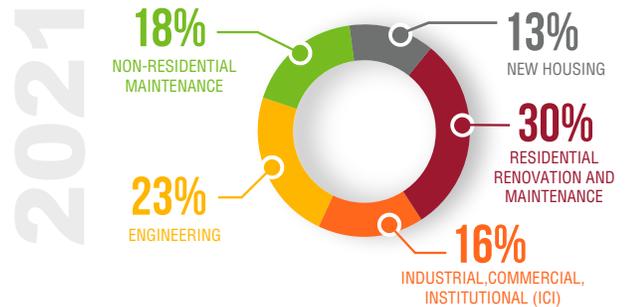
The province's policy aimed at raising international immigration in recent years has contributed to both stronger population growth and new-housing construction since 2016. Further increases in immigration are expected to help sustain demand for new housing and related employment near current high levels over most of the 2021–2030 scenario period. Later in the period, slower population growth limits gains in new-housing construction, but stronger growth is anticipated in urban centres.

The completion of major health care, road, highway, bridge, and other infrastructure projects contributes to declines in non-residential employment between 2021 and 2024. With few new major projects planned, non-residential construction requirements over the latter half of the decade are driven increasingly by non-residential maintenance and the eventual Mactaquac hydro dam refurbishment, with core construction expected to start in 2027.

These offsetting trends translate into only moderate changes in total construction employment across the scenario period.

While overall employment is mostly unchanged, older age demographics drive the need to replace more than 6,950 workers expected to retire over the next decade. With only 4,300 new entrants under the age of 30 projected to be drawn into the construction labour force from the local population, the industry will need to recruit a significant number of additional workers through enhanced local recruitment and training, including the recruitment of immigrants and newly arrived immigrants, and promoting career opportunities to workers displaced from other industries, both inside and outside the province.

### DISTRIBUTION OF CONSTRUCTION EMPLOYMENT IN 2021, NEW BRUNSWICK



### 10-YEAR WORKFORCE OUTLOOK FOR NEW BRUNSWICK



### HIGHLIGHTS

- Housing starts reached 3,200 units in 2021 – a 78% increase from the low recorded in 2016.
- Construction employment is moderate between 2022 and 2024 with the completion of projects in the health sector, as well as highway, bridge, and other infrastructure projects.
- Hiring demands are driven primarily by the anticipated retirement of 6,950 workers, or 28% of the current labour force over the next decade.

**AVERAGE UNEMPLOYMENT RATE** **16.5%**

### BuildForce's LMI System

BuildForce Canada uses a scenario-based forecasting system to assess future construction labour requirements in the heavy industrial, residential, and non-residential construction markets. This labour market information (LMI) system tracks 34 trades and occupations. To further improve the robustness of the system, BuildForce consults with industry stakeholders, including owners, contractors, and labour groups, to validate the scenario assumptions and construction project lists, and seeks input from government on related analysis. The information is then distilled into labour market condition rankings to help industry employers with the management of their respective human resources.

## NEW BRUNSWICK CONSTRUCTION OUTLOOK

New Brunswick's construction market fared relatively well through 2020 and is expected to sustain stable levels of activity over the 2021–2030 scenario period. Surprisingly, strong residential investment partly offset projected weaker non-residential construction in the industrial and commercial sectors, resulting in a modest decline in overall employment in 2020.

Construction requirements are expected to recover in 2021, with growth in manufacturing driving stronger industrial building investment. As work winds down on several federal and provincial government investments in roads, highways, bridges, and other infrastructure, and with no new major projects scheduled on the horizon, the longer-term outlook for non-residential employment is expected to weaken. After 2021, non-residential employment is supported largely by ongoing investments in health care and civil infrastructure, alongside stable but fluctuating levels of non-residential maintenance work, which accounts for 35% of non-residential employment in the province. The required refurbishment work on the Mactaquac Dam is expected to bolster engineering construction after 2026, returning overall non-residential construction employment to slightly below (-3%) 2020 levels by 2030.

The residential sector was bolstered by a rise in new housing starts in 2020, spurred by higher levels of immigration in recent years and low lending rates. New-housing construction is projected to be sustained at high levels through 2025, especially in the construction of apartment buildings in urban centres, driven primarily by further growth in immigration to the province. Moderate growth in renovation expenditures is anticipated to offset a modest decline in new-home construction over the latter half of the scenario period, as population growth slows and interest rates are projected rise.

Sustaining labour force capacity at current levels across the next decade will require ongoing recruitment and training of new workers to contend with the projected retirement of 6,950 workers and a shrinking pool of available new entrants as population growth slows and fewer youth are available to enter the labour force.

## SECTOR INSIGHTS

The following sections provide sector-specific insights into the provincial residential and non-residential labour markets.

The BuildForce LMI system tracks supply and accounts for the change in the available labour force, including retirements, new entrants<sup>1</sup>, and net mobility<sup>2</sup>.

BuildForce assesses market conditions for 34 construction trades and occupations using a ranking system that combines measures of the change in employment, unemployment, net mobility, and adjustments based on industry input. The rankings reflect residential and non-residential market conditions unique to the province based on current and proposed construction activity. In addition, assumptions on provincial economic and population

growth, new entrants to the labour force, and migration patterns (interprovincial and international) are built into the forecast scenario and included in the ranking assessment.

The rankings for some trades are suppressed due to the small size of the workforce (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 in residential construction, and homebuilding and renovation managers in non-residential construction).

For New Brunswick, rankings are reported for 14 residential and 22 non-residential trades and occupations.

## RESIDENTIAL SECTOR

Residential investment has been growing gradually since 2016, which is consistent with high levels of international migration translating into the rise in new-housing construction and increased housing starts, particularly for apartment structures. Growth in the sector continued into 2020, rising 3% from 2019 levels. Residential investment is mostly unchanged to 2022, before steadily rising across the scenario period. New-home construction is expected to face some downward pressure as interest rates gradually rise; however, fluctuation in new-home construction is offset by increased demand for renovation work across the period. Housing starts saw a strong increase in 2020 with approximately 3,200 units, compared to around 2,900 units in 2019. Housing starts will remain relatively elevated in the near term due to low lending rates, but will gradually decline in the latter part of the decade as rates are projected to rise, at which time starts will grow more in line with household formations<sup>3</sup>.

Figure 1 shows the employment trends by sector for residential construction. Total residential employment is anticipated to rise by approximately 340 workers (+4%) over the scenario period, with growth concentrated in renovation work.

## THE AVAILABLE LABOUR FORCE

Rising employment levels in the sector will lead to the addition of an estimated 200 workers to the residential labour force over the next decade. Hiring requirements will be driven by the exit of approximately 2,970 residential workers expected to retire. Replacing these workers assumes that industry can attract an estimated 1,900 first-time new entrants under the age of 30 from the local population into the residential construction labour force. Industry will need to increase local recruitment and training, attract immigrants to careers in construction, and promote career opportunities to workers with the required skills who have been displaced from other industries, both inside and outside the province, to bridge the potential labour supply gap of close to 1,300 workers.

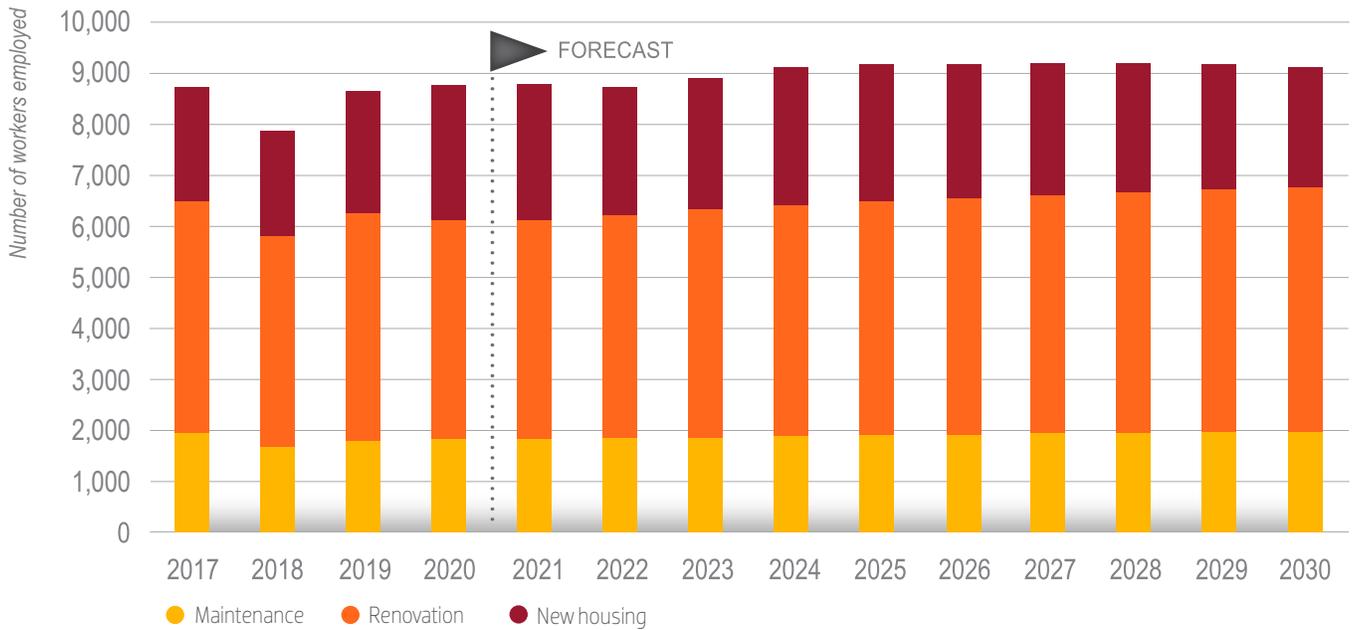
Figure 2 provides a summary of the estimated changes in the residential labour force across the full 2021–2030 scenario period.

<sup>1</sup> **New entrants** are measured by applying the traditional proportion of the provincial labour force that enters the construction industry. The projected estimate across the scenario period assumes that the construction industry can recruit this group in competition with other industries.

<sup>2</sup> **Net mobility** refers to the movement of labour in and out of the local construction industry labour force. In-mobility captures the movement into the labour force of out-of-province industry workers and/or workers from outside the industry. Many members of this group will move quickly out of the provincial labour force as work declines, referred to as out-mobility.

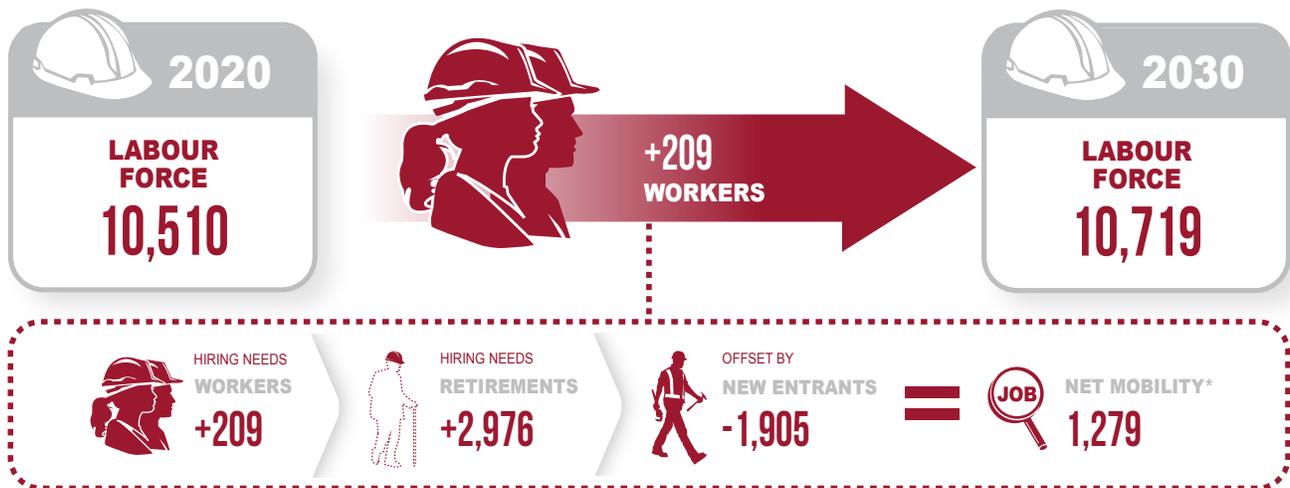
<sup>3</sup> **Household formation** refers to the change in the number of households (persons living under one roof or occupying a separate housing unit) from one year to the next. It is how population growth is transformed into demand for new housing.

**Figure 1: Residential construction employment growth outlook, New Brunswick**



Source: Statistics Canada, BuildForce Canada (2021-2030)

**Figure 2: Changes in the residential labour force, New Brunswick**



\* 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

## RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

A moderate decline in renovation activity relieved market pressures for most trades, returning residential labour markets to mostly balanced conditions in 2020, as shown in Table 1. Labour market conditions tightened for key trades and occupations more concentrated in new-home construction during the same period. Over the decade, market conditions are expected to remain generally balanced due to steady gains in renovation work that offset the gradual decline in new-home construction in the latter half of the decade.

Older age demographics and resulting retirements contribute to lower natural rates of unemployment<sup>4</sup>, which translate into balanced labour market conditions at lower levels of employment across the decade.

## 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 availability 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 compete to attract needed workers. Established patterns of recruiting and mobility are sufficient to meet job requirements.
4	Workers meeting employer qualifications are generally not available in local markets to meet any increase. Employers will need to compete to attract additional workers. Recruiting 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.

<sup>4</sup> **Normal unemployment** or **natural unemployment** refers to the unemployment that results from workers moving from one job to another. This unemployment rate exists because some workers are in-between jobs, some workers' skills do not align with employers' needs, or because there is a mismatch in the wage expectations between employers and workers. For New Brunswick, the natural rate of unemployment had been declining since the mid-1980s, but began rising in 2009. It currently stands between 17-20%.

**Table 1: Residential market rankings, New Brunswick**

TRADES AND OCCUPATIONS – RESIDENTIAL	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Bricklayers	4	3	3	3	3	3	3	3	3	3	3
Carpenters	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	4	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
Floor covering installers	3	3	3	3	3	3	3	3	3	3	3
Homebuilding and renovation managers	3	3	3	3	3	3	3	3	3	3	3
Painters and decorators	3	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
Residential and commercial installers and servicers	3	3	3	3	3	3	3	3	3	3	3
Roofers and shinglers	3	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

Source: BuildForce Canada

## NON-RESIDENTIAL SECTOR

Non-residential construction investment saw a significant decline in 2020, receding 9% from 2019. The brunt of the COVID-19 impact was absorbed by the commercial and industrial sectors, while road, highway, and bridge construction emerged largely unscathed due in part to the provincial government's five-year \$600 million infrastructure investment plan ending in early 2021.

Total non-residential employment is expected to decline by approximately 350 workers (-3%) over the scenario period, with the largest decline expected between 2020 and 2026 as work on current major health-sector projects, and road and other infrastructure projects recedes. Later in the scenario period, the start of construction work at the Mactaquac Dam, combined with rising maintenance activity, is projected to increase employment demand. The Mactaquac Dam refurbishment will likely increase the demand for selected trades, including carpenters, crane operators, electricians, ironworkers, millwrights, and pipefitters, among others.

Rising exports and growth in the manufacturing sector are expected to drive up the construction of industrial buildings by 16% between 2021 and 2030, increasing employment requirements by nearly 100 workers.

Non-residential maintenance work, which accounts for approximately 35% of non-residential employment in the province, is expected to decline modestly (-235 workers or -6%) over the scenario period. This type of employment is susceptible to significant year-to-year fluctuations and seasonal peak requirements driven by industrial shutdown/turnaround maintenance work.

Figure 3 tracks the distribution of non-residential employment by sector between 2020 and 2030.

Table 2 summarizes the percent change in non-residential employment by sector across two periods: the first captures the expected rise over the next five years to 2025, and the second, the remainder of the period to 2030.

Figure 4 shows the employment trends by sector for non-residential construction across the scenario period.

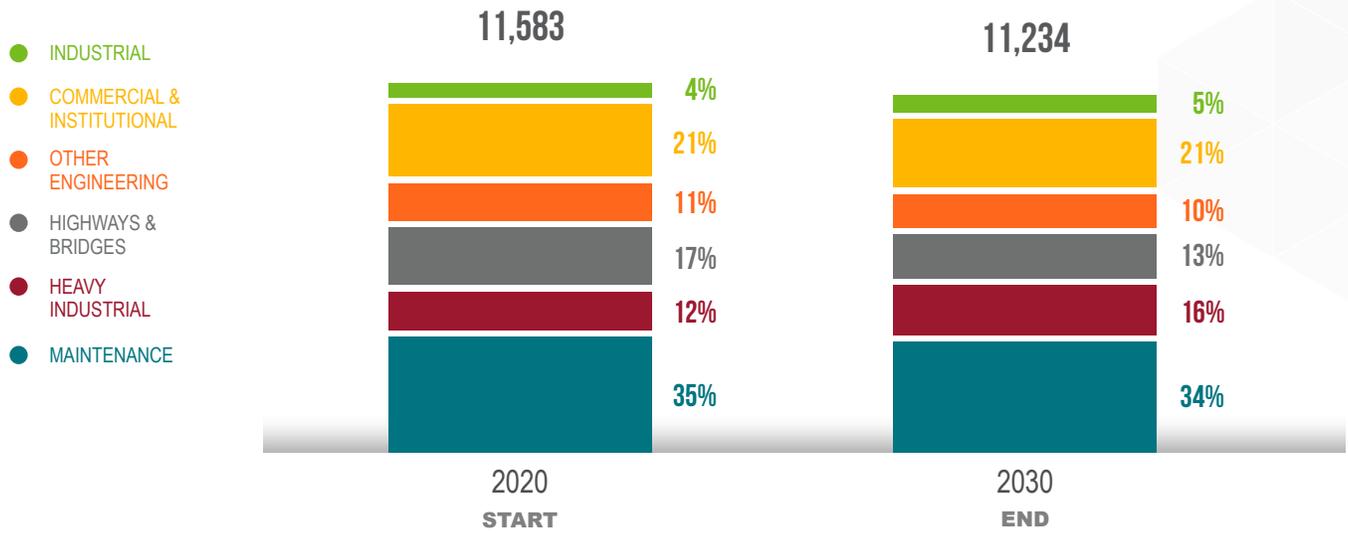
**Table 2: Changes in non-residential employment by sector, New Brunswick**

SECTOR		% CHANGE 2021–2025	% CHANGE 2026–2030
Total non-residential employment		-12%	10%
ICI* buildings	Industrial	8%	10%
	Commercial, institutional and government	-5%	3%
Engineering	Highways and bridges	-26%	3%
	Heavy and other engineering	-6%	19%
Maintenance		-14%	10%

Source: Statistics Canada, BuildForce Canada (2021-2030)

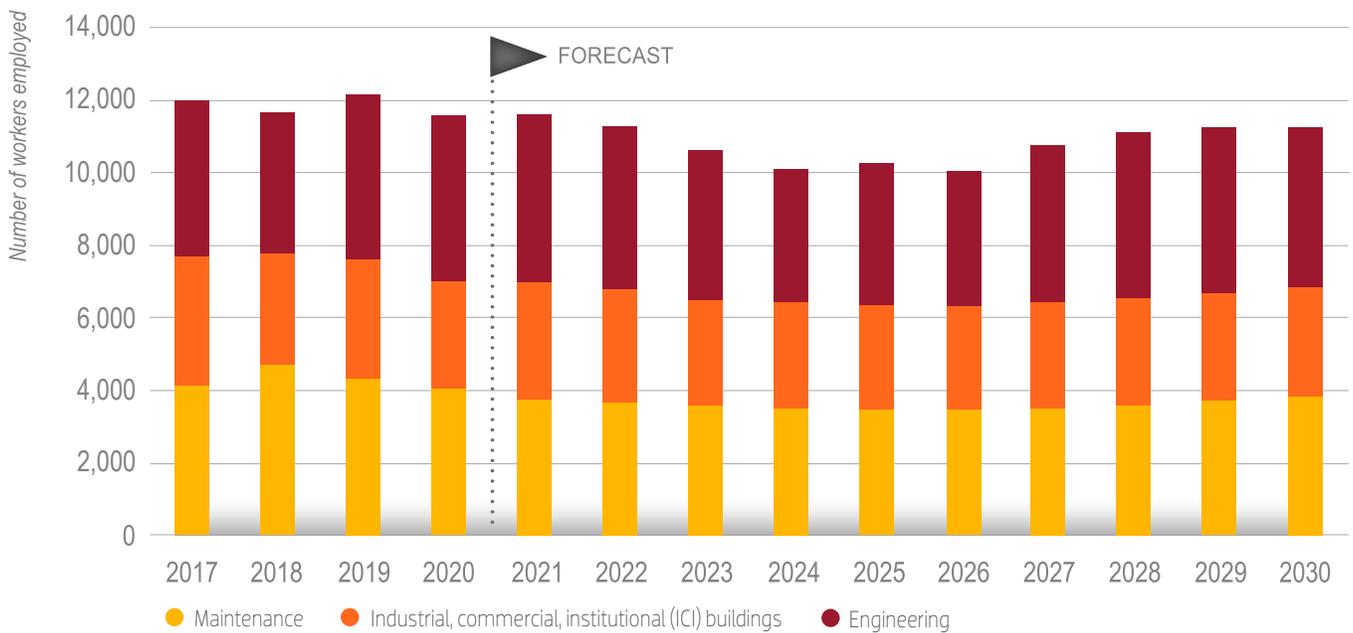
\* industrial, commercial, institutional

**Figure 3: Non-residential employment distribution by sector, New Brunswick, 2020 and 2030**



Source: Statistics Canada, BuildForce Canada (2021-2030)

**Figure 4: Non-residential construction employment growth outlook, New Brunswick**



Source: Statistics Canada, BuildForce Canada (2021-2030)

## THE AVAILABLE LABOUR FORCE

The decline in total non-residential employment over the scenario period is expected to lead to a reduction in the labour force of an estimated 565 workers. An estimated 4,000 workers are expected to exit the non-residential labour force due to retirements over the same period. This exceeds the estimated 2,400 first-time new entrants under the age of 30 expected to be drawn into the non-residential construction labour force from the local population.

Figure 5 provides a summary of the estimated changes in the non-residential labour force across the full 2021–2030 scenario period.

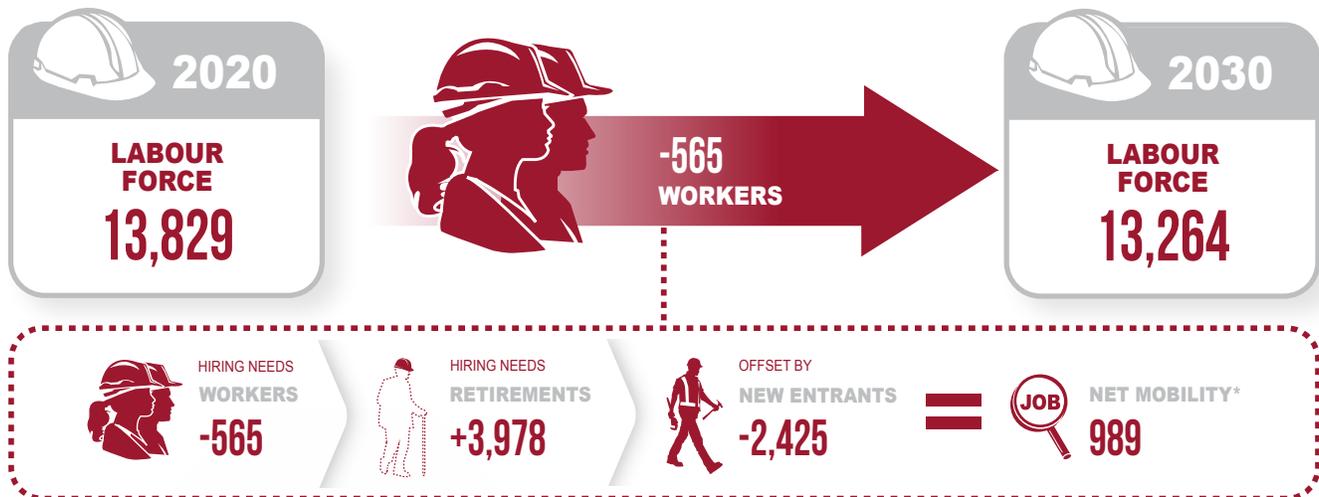
## NON-RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

Table 3 illustrates the impact of COVID-19 and the subsequent impacts to building construction, which led to weakened market

conditions for several trades in 2020. Institutional projects help to support job opportunities for some trades in 2021, before markets weaken due to lower levels of investment in the province during the middle part of the decade, which prompts a softening in employment demands during this period. Labour markets are anticipated to return to balance in 2025, before tightening again for multiple trades in 2027 with the scheduled start of core construction on the Mactaquac Dam refurbishment.

An annual ranking system does not accurately capture the peak employment demand driven by seasonal maintenance shutdown work, where the demand for workers is concentrated for a brief period within a year and then declines rapidly as the work ends. Major refinery and other industrial shutdowns can pose recruiting challenges for several trades and occupations, including boilermakers, carpenters/scaffolders, electricians, instrumentation technicians, insulators, millwrights, labourers, pipefitters, refractory workers, and supervisors.

**Figure 5: Changes in the non-residential labour force, New Brunswick**



\* **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

**Table 3: Non-residential market rankings, New Brunswick**

<b>TRADES AND OCCUPATIONS – NON-RESIDENTIAL</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Boilermakers	3	3	3	3	3	3	3	3	3	3	3
Bricklayers	4	4	3	3	3	3	3	4	3	3	3
Carpenters	3	4	3	2	2	3	3	4	3	3	3
Construction managers	3	4	2	2	3	3	3	4	3	3	3
Construction millwrights and industrial mechanics	3	3	3	2	2	3	2	4	4	3	3
Contractors and supervisors	3	3	3	2	2	3	3	3	3	3	3
Crane operators	3	4	3	2	2	3	3	4	3	3	3
Electricians	3	4	3	2	2	3	3	4	3	3	3
Heavy equipment operators (except crane)	3	3	2	2	2	3	3	3	3	3	3
Heavy-duty equipment mechanics	3	3	2	2	2	3	3	3	3	3	3
Insulators	3	3	2	2	2	3	3	3	3	3	3
Ironworkers and structural metal fabricators	3	4	3	2	2	3	3	4	3	3	3
Painters and decorators	2	4	3	2	3	3	3	3	3	3	3
Plumbers	3	4	3	2	2	3	3	4	3	3	3
Refrigeration and air conditioning mechanics	2	4	3	2	3	3	3	3	3	3	3
Residential and commercial installers and servicers	2	4	3	2	3	3	3	3	3	3	3
Roofers and shinglers	3	3	2	2	2	3	3	3	3	3	3
Sheet metal workers	2	3	3	2	2	3	3	3	3	3	3
Steamfitters, pipefitters, and sprinkler system installers	3	4	3	2	2	3	3	4	4	3	3
Trades helpers and labourers	2	3	2	2	2	3	3	3	3	3	3
Truck drivers	3	3	2	2	2	3	3	4	3	3	3
Welders and related machine operators	2	3	2	2	2	3	3	3	3	3	3

Source: BuildForce Canada

## BUILDING A SUSTAINABLE LABOUR FORCE

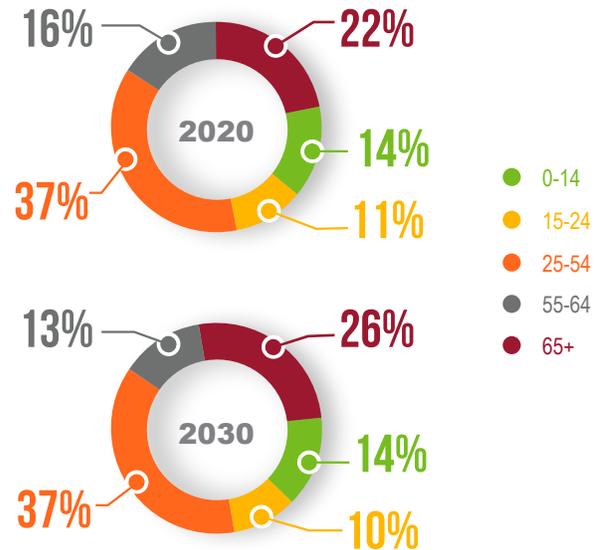
Even as employment growth stagnates over the coming decade, New Brunswick may face recruitment challenges due to an aging labour force and rising retirements. Over the scenario period, an estimated 6,950 workers are expected to retire, creating potential skills gaps that will require proactive planning. Building a sustainable labour force must remain top of mind for industry leaders to mitigate the risks of a skills shortage.

A steady aging of the province's population will create similar retirement and recruitment pressures for most industries in New Brunswick, which will likely increase competition for qualified workers and add to recruiting challenges. Over the next 10 years, the share of the population in the older age bracket (65 years and over) is expected to increase, and at the same time, the share of the youth population (15-24 years old) is expected to decline (see Figure 6). These demographic shifts have the potential to tighten labour markets, as labour force participation by older workers is much lower than that of their younger counterparts.

New Brunswick's population growth was boosted to 0.8% in 2019 – a level not experienced since the early 1980s – due to improved international migration, which more than offset natural population<sup>5</sup> declines. COVID-19 negatively impacted the level of international migrants, resulting in a reduction in total population growth in 2020. In 2021, international migration is expected to weaken further before cycling back up, in line with the provincial strategy to increase immigration levels to 7,500 per year by 2024. Components of population growth for New Brunswick are presented in Figure 7.

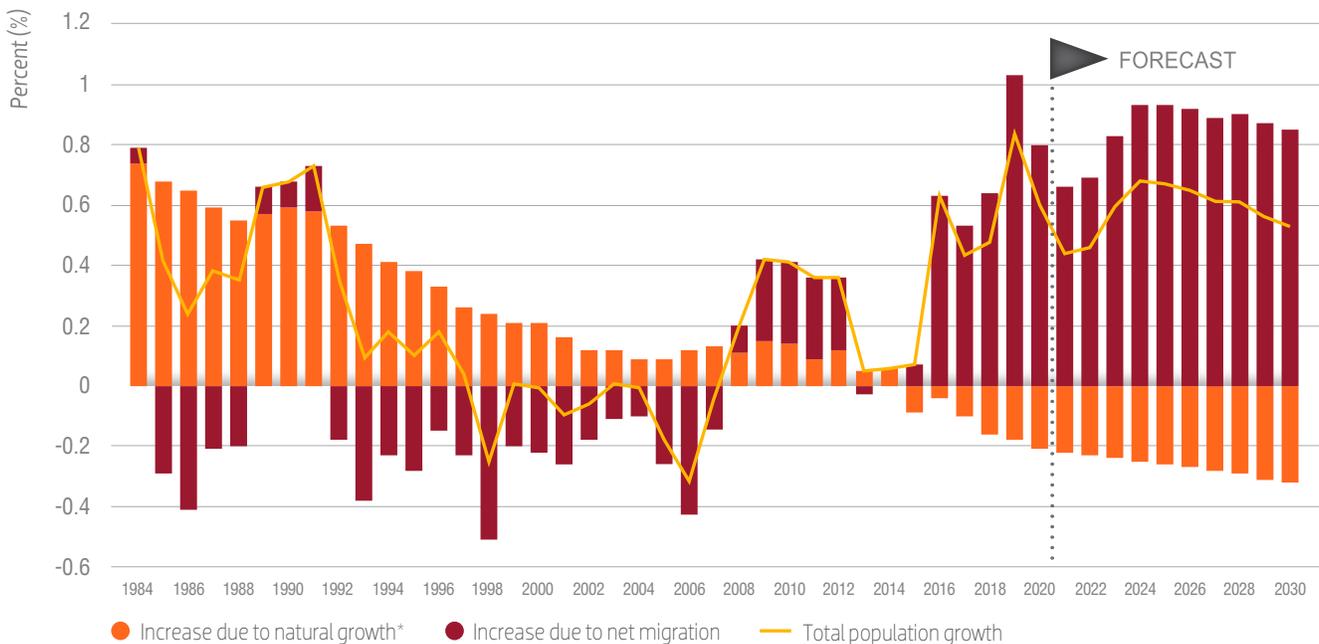
Based on historical trends, New Brunswick's construction industry is expected to draw an estimated 4,330 first-time new entrants under the age of 30 from the local population over the next decade. In the scenario period, the pace of expected retirements far exceeds the number of youth entering the construction industry, requiring industry to employ a number of human resource strategies to close the gap, including enhanced promotion of career opportunities to women,

Figure 6: Population age distribution, New Brunswick



Source: BuildForce Canada

Figure 7: Sources of population growth (%), New Brunswick



\* 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 (2021-2030)

<sup>5</sup> 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.

Indigenous people, immigrants and newly arrived immigrants to the province, displaced workers from other industries with the required skill sets to work in construction, as well as, during periods of heightened demand, drawing on construction workers from other provinces where demands have softened.

## APPRENTICESHIP

There has been significant fluctuations in registration levels in the 16 largest trade programs over recent years. Following a period of modest growth, new registrations fell 5% in 2019 to just under 780 new registrants. Limited available data suggest COVID-19 has resulted in a steep decline in new registrations relative to employment and has imposed significant obstacles to the delivery of in-school training,

testing, and certification. These impacts are likely to reduce the near-term numbers of new certified workers.

New Brunswick is projected to require more than 2,450 new certified journeypersons to sustain the current workforce share of certifications and keep pace with employment and replacement demand across all industries over the scenario period.

Table 4 provides a provincial overview of the anticipated certification requirements for the 16 largest construction trade programs in all industries and in construction. The table also provides the target number of new entrants required to fulfill demand requirements over the scenario period, taking into account trends in program completion rates.

**Table 4: Estimated construction certification demand and projected target of new entrants at 56% assumed rate of program completion, New Brunswick, 2021 to 2030**

	2021	2022	2023	2024	2025	Total 2021–2025	Total 2026–2030
Total certification demand – all industries	621	369	307	288	461	2,046	1,966
Total certification demand – construction	358	200	160	150	261	1,130	1,122
Construction certification share (%)	58%	54%	52%	52%	57%	55%	57%
Target new registrants – construction	563	334	702	548	442	2,589	1,498

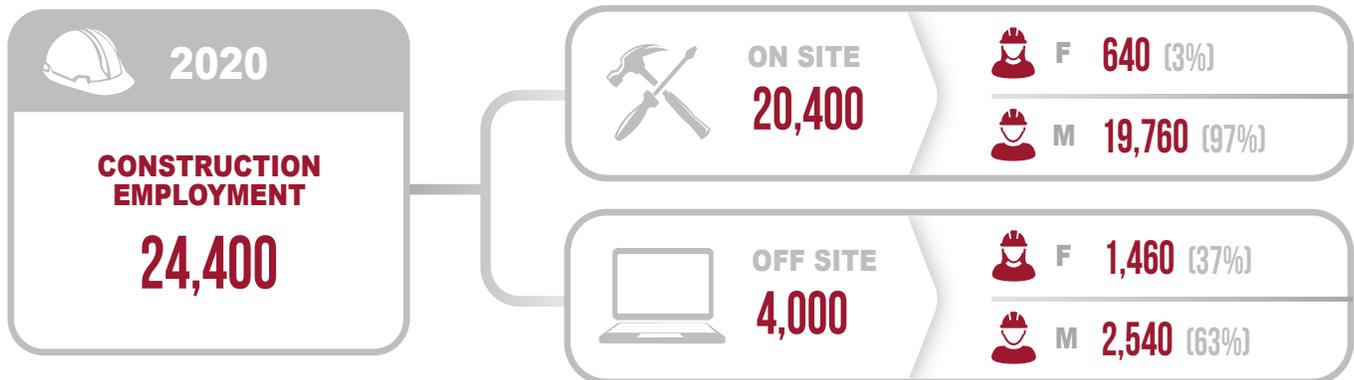
Source: BuildForce Canada

**Table 5: Estimated construction certification demand and projected target of new entrants by trade, New Brunswick, 2021 to 2030**

Trade	Total certification demand – construction	Target new registrants – construction	Apprentice certification supply risk – all industries
Boilermaker	94	198	At-risk supply
Bricklayer	80	139	At-risk supply
Carpenter	858	1,794	At-risk supply
Construction Electrician	336	483	Ample supply
Heavy-Duty Equipment Technician	35	70	Balanced supply
Hoist Operator (Boom Truck)	126	199	At-risk supply
Industrial Electrician	127	149	Ample supply
Industrial Mechanic (Millwright)	57	53	Ample supply
Metal Fabricator (Fitter)	14	36	Ample supply
Plumber	211	423	Ample supply
Powerline Technician	3	3	Ample supply
Refrigeration and Air Conditioning Mechanic	73	95	Ample supply
Sheet Metal Worker	53	149	At-risk supply
Sprinkler Fitter	28	87	At-risk supply
Steamfitter/Pipefitter	82	94	Ample supply
Welder	75	117	At-risk supply
<b>Total</b>	<b>2,252</b>	<b>4,087</b>	

Source: BuildForce Canada

**Figure 8: Detailed construction employment by gender, New Brunswick, 2020**



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

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 and the likely targeted number of new registrants required. Based on projected new registrations, several trades are at risk of undersupplying the number of new journeypersons required by 2030. Trades within this group include Boilermaker, Bricklayer, Carpenter, Hoist Operator, Sheet Metal Worker, Sprinkler Fitter, and Welder. Supply risk may be increased over the near term, depending on the severity of decline in new registrants caused by the impact of COVID-19. It is important to note that since it is difficult to determine in what sectors apprentices may work after completing their program, the analysis compares the projected supply of new journeypersons and certification requirements across all industries. It does not account for existing imbalances at the 2020 starting point.

groups traditionally underrepresented in the current construction labour force, including women, Indigenous people, and new Canadians.

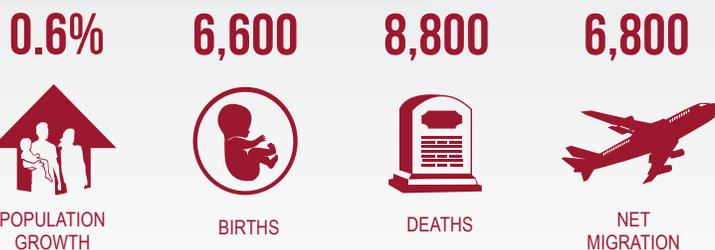
In 2020, there were approximately 2,100 women employed in New Brunswick's construction industry, of which 30% worked on site, directly on construction projects, while the remaining 70% worked off site, primarily in administrative and management-related occupations. Of the 20,400 tradespeople employed in the industry, women made up only 3% (see Figure 8).

The estimated 640 tradeswomen in New Brunswick are represented across all sectors of construction, but women tend to be employed in the non-residential sector, with nearly a quarter of all tradeswomen working in engineering construction. Across sectors, the representation of women was highest in new-home construction, where they accounted for more than 4% of total tradespeople in that sector (see Figure 9). The top five trades and occupations in which women tend to be employed are trades helpers and labourers (35% of all tradeswomen), painters (11%), contractors and supervisors (10%), construction managers (9%), and carpenters (7%).

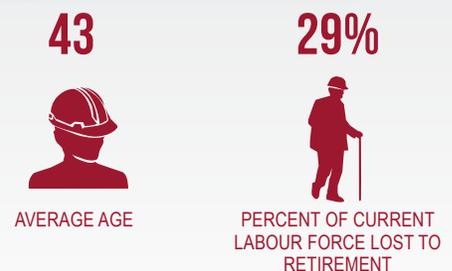
### UNDERREPRESENTED GROUPS OF WORKERS

Building a sustainable and diverse labour force will require the construction and maintenance industry to increase recruitment from

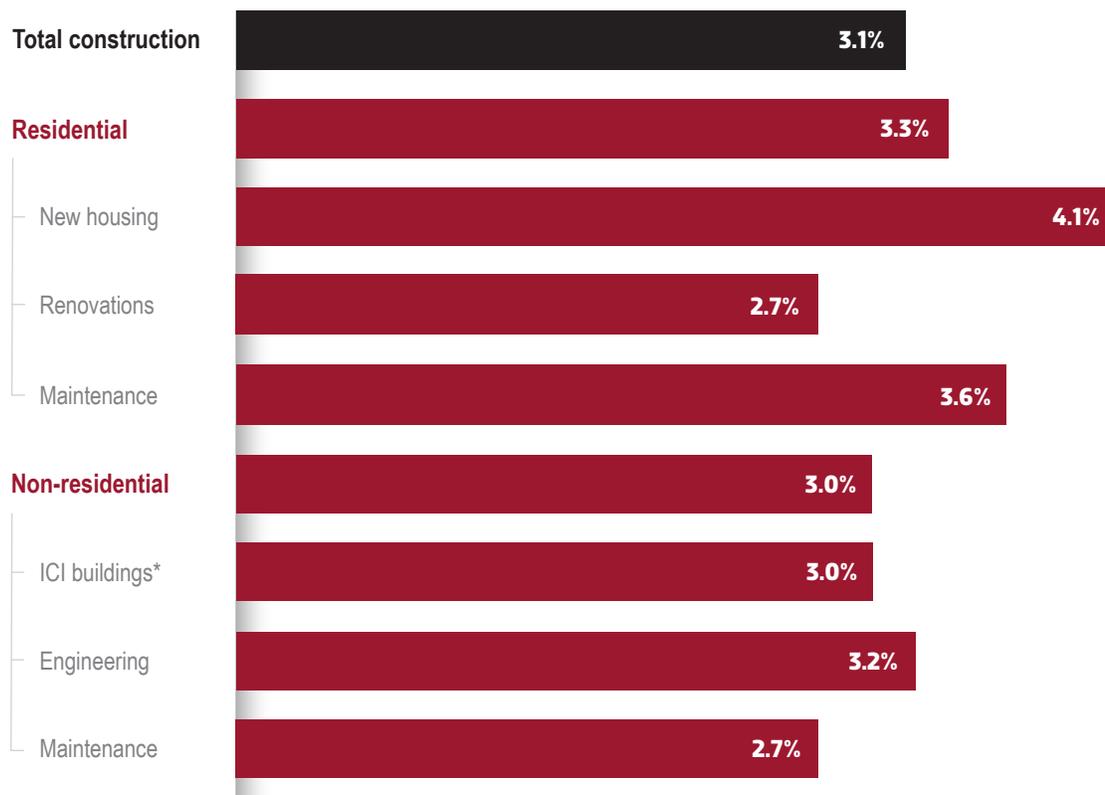
#### 10-YEAR AVERAGE



#### BY 2030



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



\* industrial, commercial, institutional

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

The Indigenous population is another underrepresented group that presents recruitment opportunities for New Brunswick's construction industry. In 2020, Indigenous people accounted for approximately 5% of Atlantic Canada's total working-age population.<sup>6</sup> The Indigenous population is the fastest growing in Canada and has a higher propensity to choose the construction industry as a career choice. Based on the 2016 Census, an estimated 7.6% of non-Indigenous Canadians were employed in the construction industry, compared to 9.6% for the Indigenous population.

Approximately 2.7% of the province's construction labour force is made up of Indigenous people, of which about 79% work directly on construction projects, while the remaining 21% work primarily in administrative and management-related occupations. While the share of Indigenous people working in the construction labour force is mostly in line with their overall share of the broader labour force, given the predisposition of Indigenous workers to consider careers in construction, there may be scope to further increase the recruitment of Indigenous peoples into the industry.

New Brunswick's construction industry may also leverage new Canadians (immigrants) over the coming decade to meet labour

requirements. The province is expected to welcome a net of 67,930 new international migrants between 2021 and 2030, making the immigrant population a key source of labour force growth.

Approximately 2% of New Brunswick's construction labour force is made up of new Canadians.<sup>7</sup> Historically, key sources of immigrants to the province were from Europe and the Americas (primarily the United States), whose citizens tend to have a higher propensity to choose the construction industry. A shift is currently underway, whereby most new immigrants (65%) are from Asia (primarily China, the Philippines, South Korea, and Syria), whose citizens may have a lower tendency to consider employment in the construction sector. Due to Canadian immigration policies and selection criteria, persuading individuals upon arrival to consider careers in the trades may be challenging, particularly for those with professional training outside the skilled trades that are seeking employment in other sectors of the economy. As immigrants will make up an increasing share of the overall Canadian population over the next few decades, additional recruitment efforts will be required to ensure the construction industry continues to recruit its share of new Canadians into the labour force.

<sup>6</sup> Statistics Canada, Table 14-10-0364-01 Labour force characteristics by province, region, and Aboriginal group (x 1,000)

<sup>7</sup> Statistics Canada, BuildForce Canada (2021-2030)

## CONCLUSIONS AND IMPLICATIONS

The 2021–2030 *Construction and Maintenance Looking Forward* scenario for New Brunswick anticipates modest, though stable, residential employment demand, driven by modest growth in renovation activity. Non-residential employment is anticipated to slow over the near term due to the winding down of several major projects and no new projects in the pipeline until the start of the Mactaquac refurbishment later in the scenario period.

The province's older population demographics contribute to long-term hiring needs and make recruiting new workers into the industry a

priority. Meeting the significant replacement demands of an already old and aging labour force will likely place greater emphasis on mobility, in-migration, and international immigration.

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 based on proposed major project schedules. Any changes to these assumptions present risks and potentially alter anticipated market conditions.

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