

ONTARIO

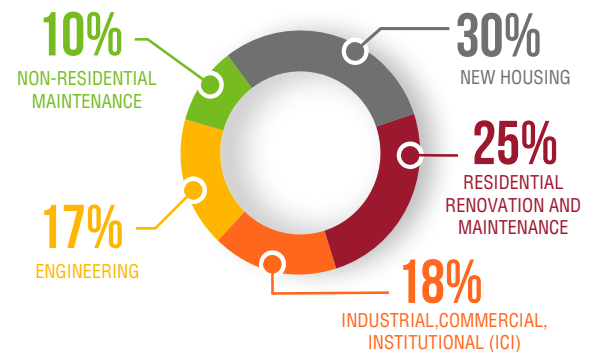
HIGHLIGHTS 2022-2027

Labour market challenges re-emerged in Ontario's construction market in 2021, as a surge in new-housing construction along with a significant rise in non-residential investment increased employment levels faster than the labour force. This tightened labour markets across all regions of the province and drove unemployment rates back to the record lows recorded prior to the onset of the COVID-19 pandemic. Across the forecast period, the pace of residential activity is expected to moderate, but a growing inventory of major infrastructure projects and a projected recovery in commercial building construction contributes to ongoing labour market pressures to 2023.

As the pace of growth levels off after 2023, retirements continue to outpace the recruitment of new entrants, which contributes to ongoing labour market challenges for Ontario's construction industry throughout the forecast period.

Between 2022 and 2027, the industry will need to add approximately 15,500 additional workers to keep pace with construction demands. The retirement of more than 56,300 workers – 13% of the current labour force – will increase the recruitment requirements for the industry to approximately 71,800 workers over the six-year forecast period. Recent heightened promotional and recruitment activities are bearing fruit. Over the forecast period, the non-residential sector is expected to draw in more new-entrant workers under the age of 30 than those lost from the industry to retirements. However, as a whole, the industry is only expected to add 53,000 new entrants during this period, creating a projected recruitment gap of some 18,800 workers that will need to be filled from outside the province's existing construction labour force to meet increased demands.

DISTRIBUTION OF CONSTRUCTION EMPLOYMENT IN 2021, ONTARIO



SIX-YEAR WORKFORCE OUTLOOK FOR ONTARIO



**AVERAGE
UNEMPLOYMENT
RATE** **5.5%**

HIGHLIGHTS

- Total construction employment is anticipated to increase by 13,400 workers (+3%) to peak in 2023.
- Residential construction surged in 2021 and will record more moderate gains in 2022 before receding thereafter as new-home construction recedes; employment declines by more than 11,000 workers (-5%) to 2027.
- Major infrastructure project demands are a key driver of non-residential construction across the forecast period, contributing to an increase of 23,000 non-residential workers (+12%) to 2026.
- The retirement of 56,300 workers across the six-year forecast period to 2027 will increase the overall industry recruitment requirements to 71,800 workers.

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.

ONTARIO CONSTRUCTION OUTLOOK

In 2021, construction labour market conditions were challenging throughout much of the year. The COVID-19 pandemic and subsequent recovery increased both renovation and new-housing construction in the province, coupled with a 5% rise in non-residential construction investment into major infrastructure and heavy-industrial projects. These increased demands, alongside supply chain disruptions and sluggish labour force growth, contributed to increased recruiting challenges across all regional markets throughout the province.

Throughout the pandemic, industry had to adapt to health and safety protocols, rapid shifts in labour demands, recruiting challenges, supply chain issues, and price shocks. The industry persevered through this perfect storm by increasing recruitment efforts, shifting resources, and managing risk and expectations.

Through these efforts, construction employment in Ontario has recovered to pre-pandemic levels, but the slow return of workers back to the labour force has created supply constraints for most trades and occupations, pushing unemployment rates in the province's construction labour force to near record-low levels.

Market challenges are likely to persist due to strong residential construction markets and a growing inventory of current and proposed major projects that are not expected to wane until 2026.

In the residential sector, following a decline in 2019, increased demand for single-detached homes spurred a recovery in housing starts in 2020 followed by a construction surge that pushed housing starts to a record level of 92,500 units in 2021. Housing starts are expected to retreat to around 80,000 units over the next five years, as interest rates are expected to rise and immigration levels decline. Despite this trend, housing starts are expected to remain relatively strong throughout the forecast period. Residential renovation activity is expected to grow steadily throughout the period, partially offsetting declines related to a softening in new-home construction. Total residential employment is projected to rise by 16,000 workers (+7%) through to 2024 before moderating over the remainder of the forecast period.

The non-residential sector is projected to grow across the forecast period, as major projects drive demands higher to a near-term peak between 2024 and 2026, adding more than 23,000 workers (+12%) by 2027 compared to 2021 levels. Key projects include public transportation LRT (light rail transit) and subway projects in major urban centres, ongoing nuclear refurbishments at Bruce Power and Ontario Power Generation, and major health-sector and other institutional projects across all regions.

Looking across the regions, **Southwestern Ontario** was among the strongest construction markets in Canada in 2020 and 2021.

Employment gains in 2021 (+12%) were driven by increases in both residential and non-residential construction demands. The non-residential sector is expected to sustain growth in the short term and continue to experience recruiting challenges in 2022 as ongoing major project demands mount. Key projects include ongoing work on the Gordie Howe International Bridge, Nova Chemicals' petrochemical projects, Bruce Power's nuclear refurbishments, and a significant rise in industrial shutdown/turnaround maintenance work in Sarnia.

The **Greater Toronto Area** market increased substantially in 2021, stimulated primarily by low interest rates and a surge in demand for new housing and renovation work. Residential demands are expected to ease over the short term, while non-residential activity continues to expand to 2026, driven by investments in large-scale public transportation, nuclear refurbishment, new hospitals, and other government building restoration projects. Overall, construction employment is estimated to increase by some 9,900 workers (+6.2%) by 2027 compared to 2021.

Eastern Ontario was among the tightest labour markets in 2021 and recruiting challenges are expected to intensify over the next few years as several infrastructure and institutional projects ramp up simultaneously, including the second phase of the Ottawa LRT project, the redevelopment of Parliament Hill's Centre Block, and the refurbishment and construction of several other federal buildings. New hospital projects in Ottawa and Kingston add to market demands, leading employment in the region's non-residential sector higher by some 5,100 workers by 2024; levels that are expected to remain elevated throughout the remainder of the forecast period.

Northern Ontario's major mining and utility projects and a moderate increase in residential activity drive construction employment to an expected peak in 2023. Demands ease as current major projects wind down and residential construction slows. However, positive final investment decisions to a long list of proposed resource-development projects currently not included in the forecast could extend growth well beyond the projected 2023 peak.

Central Ontario is home to some of the fastest-growing communities in the province. The combination of improved rail transportation, an increase in telecommuting, and low lending rates helped to fuel in-migration to the region, driving increased demand for new housing and renovation activity in both 2020 and 2021. Overall, construction employment in the region will rise by 2%, or by just over 2,400 workers, by 2027.

Table 1 summarizes the percent change in total (residential and non-residential) employment by region over two periods: 2022 to 2024 and 2025 to 2027.

Table 1: Changes in total employment across Ontario's regions

REGION	2022-2024 (% CHANGE)			2025-2027 (% CHANGE)		
	Residential	Non-residential	Total	Residential	Non-residential	Total
Total employment – Ontario	-3.9%	11.3%	2.9%	-0.9%	0.2%	-0.3%
Central	-4.7%	10.1%	1.2%	1.4%	-0.2%	0.7%
Eastern	-9.0%	19.5%	5.4%	-0.4%	-2.0%	-1.3%
Greater Toronto Area	-2.0%	12.7%	4.5%	0.8%	2.6%	1.7%
Northern	-1.3%	7.2%	4.1%	-8.2%	-7.9%	-8.0%
Southwestern	-4.1%	4.5%	-0.4%	-8.3%	1.3%	-4.0%

Source: BuildForce Canada

THE AVAILABLE LABOUR FORCE

The introduction of emergency measures to contain the spread of COVID-19 created short-term layoffs and declines in overall employment in some sectors of the construction labour force. Statistics Canada's Labour Force Survey (LFS) data shows that Ontario's construction labour force contracted by 14,700 workers between 2019 and 2020, whereas employment declined by 25,900 workers. As the economy reopened in 2021, labour force growth has been more anemic than employment. The inability of the labour force to match employment growth helped to push provincial unemployment rates down to near record-low levels.

Although the reasons for the decline in the labour force are not certain, the data suggests that the majority of these workers are over the age of 55. The labour force among this age group declined by 6,300 workers – down 5.1% compared to 2019. Over the same period, the number of younger workers under the age of 25 increased by 6.1%, while the labour force of those aged 25 to 54 contracted by 1.9%.

It is anticipated that some – but not all – of these workers will re-enter the labour force as the economy fully reopens, but the loss of experienced workers, should they be slow to return or decide to retire, could have a lasting impact, as they cannot be readily replaced with inexperienced workers. Longer-term supply challenges may also emerge due to the sharp decline in new apprenticeship registrations and interruptions and delays in training that was experienced in 2020. Though numbers have rebounded over the last half of 2021, making up the gap will take time due to an expected reduction in the number of new journeypersons completing over the next three to five years.

Adding to market challenges, the industry will need to replace an estimated 56,300 workers, or 13% of the current labour force, due to retirements over the six-year forecast period. Considering projected

growth, industry will likely need to recruit and train an estimated 71,800 additional workers between 2022 and 2027.

Due in part to aggressive industry and government promotional efforts regarding the benefits of careers in the trades, the construction industry has increased the number of young workers under the age of 25 in the construction labour force by 6% since 2019. Notwithstanding this success, the industry is only estimated to recruit 53,000 new entrants under the age of 30 from within the province during the forecast period, leaving a projected gap of almost 19,000 workers that will need to be filled by enhanced local recruitment and training, including the recruitment of new immigrants and those already in Canada, as well as promoting career opportunities to workers with comparable skill sets who have been displaced from other industries, and, as required, utilize out-of-province workers to meet peak demands.

The BuildForce LMI system tracks supply and accounts for the change in the available labour force, including retirements, new entrants¹, and net mobility².

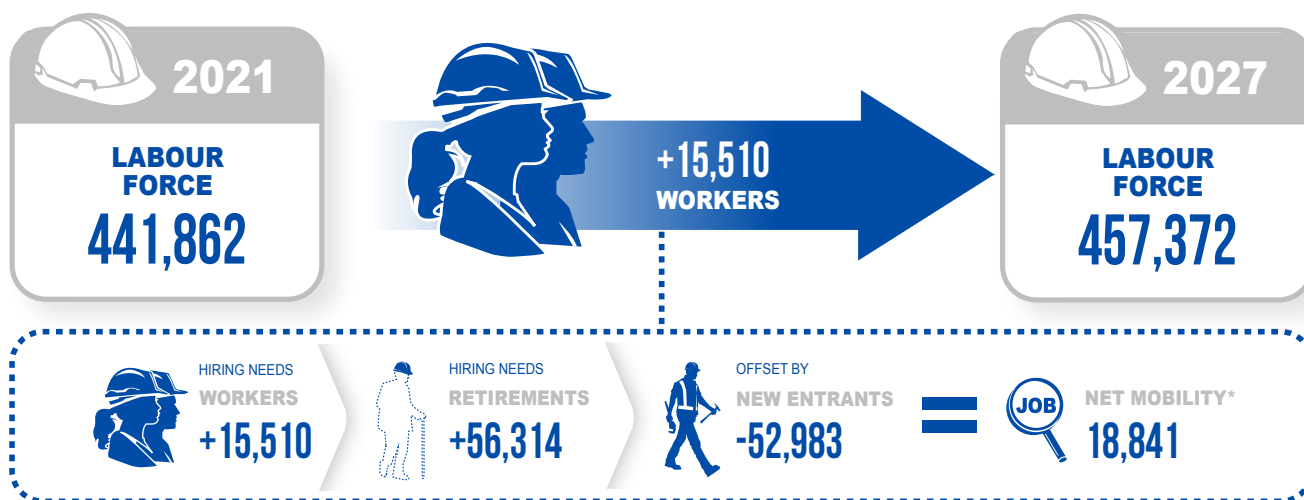
Figure 1 provides a summary of the estimated changes in the construction labour force across the full 2022–2027 forecast period.

REGIONAL INSIGHTS

The following sections provide region-specific outlook highlights and labour market conditions for Ontario's five regions: Central, Eastern, Greater Toronto Area (GTA), Northern, and Southwestern.

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

Figure 1: Changes in the construction labour force, Ontario



* **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

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

² **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.

adjustments based on industry input. The rankings reflect residential and non-residential market conditions unique to each region based on current and proposed construction activity. In addition, assumptions on regional 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).

CENTRAL ONTARIO

The Central region³ includes some of the fastest-growing communities in the province which have benefitted from increased out-migration from the Toronto region in recent years. Central Ontario saw a rapid rise in housing starts in 2021 (+27%). Activity is expected to remain elevated into 2022 as the industry works through the backlog, but then activity moderates due to declining levels of migration to the region, contributing to slower population growth and lower overall demand for new homes.

Non-residential investment was hit hard by COVID-19 but increased in 2021. Investments in public infrastructure, particularly in institutional construction and an anticipated recovery in commercial building construction, will lead to increased investment over the forecast period. Non-residential employment is expected to rise to a peak

in 2025, adding more than 6,000 workers – an increase of 12%. As the current inventory of projects are completed, employment declines modestly to 2027.

While labour markets are expected to return to generally balanced conditions after 2023, it is important to note that rising demands in the GTA, Eastern, and Southwestern regions will create competition for workers in Central Ontario, which should contribute to lower unemployment rates for the region's construction labour force

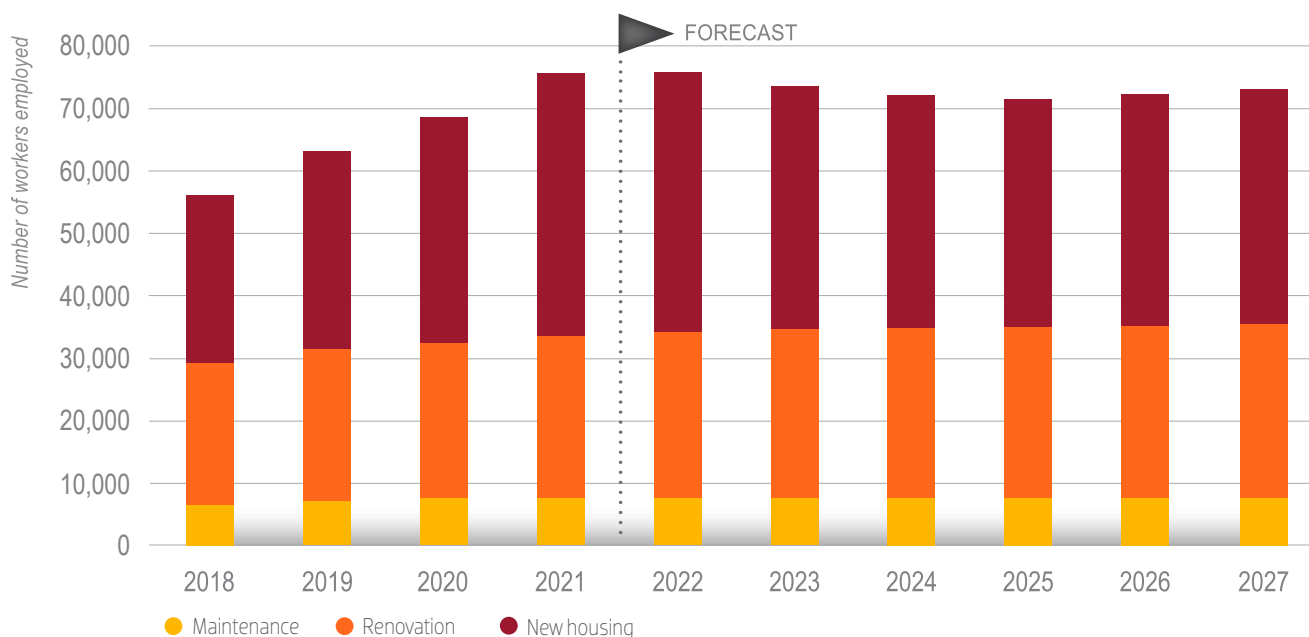
RESIDENTIAL SECTOR

Residential employment in Central Ontario increased to new highs in 2021 and is expected to be sustained at these levels in 2022. Housing starts increased by 27% to 21,600 units in 2021, with apartments driving most of the growth. Single-detached units and row housing were also up and contributed to the overall annual increase. As investment in new-home construction slows from current elevated levels, employment is expected to decline following 2023 and continue receding to 2025 before rising only modestly thereafter in the latter half of the forecast period. Employment in new-home construction will experience an 11% reduction by 2027 from 2021 levels but will remain above the pre-pandemic employment levels recorded in 2019.

Rising investment demand for renovation activity will increase overall renovation-related employment by just under 2,000 workers (+8%) compared to 2021. Similarly, the aging of the region's housing stock will increase overall maintenance-related employment – a rise of just under 200 workers (+2%) by 2027.

Figure 2 shows the employment trends by sector for residential construction across the forecast period.

Figure 2: Residential construction employment growth outlook, Central Ontario



Source: Statistics Canada, BuildForce Canada (2022-2027)

³ **Central Ontario** includes the economic regions of Muskoka-Kawartha, Kitchener-Waterloo-Barrie, and Hamilton-Niagara Peninsula as defined by Statistics Canada, which includes the Census Metropolitan Areas (CMAs) of St. Catharines-Niagara, Hamilton, and Kitchener-Waterloo. The region includes such cities as Peterborough, Orangeville, Guelph, Barrie, and Brantford.

RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For Central Ontario, residential rankings are reported for 26 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 2.

The rankings for 2021 show extremely tight market conditions that reflect a carry-over of apartment construction activity that started in 2020, combined with a sharp increase in single-detached home construction. Labour markets are anticipated to remain tight in 2022, with a rebound in renovation work and elevated levels of new-home construction. Balanced labour markets return in 2023 and remain balanced through 2025. Rising demand toward the end of the forecast period, driven in part by an increase in retirements, is expected to tighten labour supply again for some trades and occupations.

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.

Table 2: Residential market rankings, Central Ontario

TRADES AND OCCUPATIONS – RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Bricklayers	5	4	3	3	3	3	3
Carpenters	5	4	3	3	3	3	3
Concrete finishers	5	4	3	3	3	3	3
Construction estimators	5	4	3	3	3	4	4
Construction managers	5	4	3	3	3	4	4
Contractors and supervisors	4	4	3	3	3	4	4
Electricians	5	4	3	3	3	3	4
Elevator constructors and mechanics	5	4	3	3	3	4	4
Floor covering installers	4	4	3	3	3	4	4
Gasfitters	5	4	3	3	3	4	4
Glaziers	5	4	3	3	3	3	4
Heavy equipment operators (except crane)	5	4	3	3	3	3	3
Homebuilding and renovation managers	5	4	4	3	4	4	4
Insulators	5	4	2	3	3	3	3
Ironworkers and structural metal fabricators	5	4	2	3	3	3	3
Painters and decorators	4	4	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	5	4	3	3	3	3	3
Plumbers	5	4	3	3	3	4	4
Refrigeration and air conditioning mechanics	5	4	3	3	3	4	4
Residential and commercial installers and servicers	4	4	3	3	3	3	3
Roofers and shinglers	4	4	3	3	3	3	3
Sheet metal workers	5	4	3	3	3	4	4
Tilesetters	5	4	3	3	3	4	4
Trades helpers and labourers	5	4	3	3	3	3	3
Truck drivers	5	4	3	3	3	3	3
Welders and related machine operators	5	4	3	3	3	3	3

Source: BuildForce Canada

NON-RESIDENTIAL SECTOR

In Central Ontario, non-residential investment is expected to rise steadily throughout the forecast period. As the economy continues to recover from the pandemic, investment in the region is expected to grow by 2.4% in 2022, with stronger growth in 2023 (+10%) followed by more moderate investment growth over the remainder of the period.

Non-residential construction employment is projected to rise by just over 6,000 workers (12%) by 2025 before declining slightly to 2027. Building on the momentum that started in 2021, ICI (industrial, commercial, institutional) building construction expands by 3,900 workers (+12%) to 2025. Key institutional projects include hospitals in Niagara Falls and Hamilton (West Lincoln and Juravinski).

Engineering construction is expected to rise rapidly in 2023, driven by the anticipated start of the Hamilton LRT and the ongoing expansion of the Barrie Go rail corridor. Overall, engineering construction employment rises by 2,100 workers (+11%) to a 2025 peak and then recedes as projects wind down.

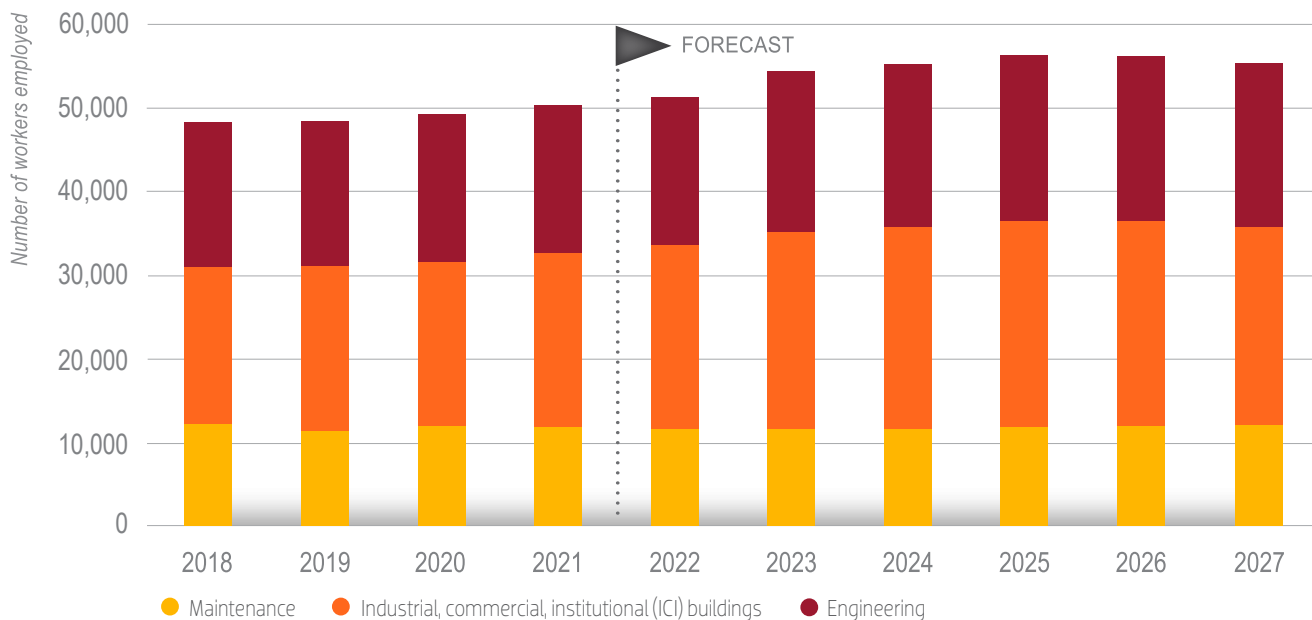
Figure 3 shows the employment trends by sector for non-residential construction in Central Ontario.

NON-RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For Central Ontario, non-residential rankings are reported for 31 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 3.

In 2021, labour markets were tighter for most trades and occupations in the region. As the pace of growth accelerates, labour markets are expected to remain tight through to 2023 for many. The start of the West Lincoln Memorial Hospital project in 2022 triggers tighter markets for most trades and occupations, while the anticipated start of the Hamilton LRT increases demands in 2023. Markets for most trades return to balance by 2024 as overall growth slows.

Figure 3: Non-residential construction employment growth outlook, Central Ontario



Source: Statistics Canada, BuildForce Canada (2022-2027)

Table 3: Non-residential market rankings, Central Ontario

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Boilermakers	4	4	4	4	3	3	3
Bricklayers	5	4	4	3	3	3	3
Carpenters	5	4	4	3	3	3	3
Concrete finishers	4	3	5	3	3	3	3
Construction estimators	4	4	5	4	4	4	3
Construction managers	4	5	5	4	4	4	4
Construction millwrights and industrial mechanics	4	3	4	3	3	3	3
Contractors and supervisors	4	4	4	3	4	4	4
Crane operators	4	4	4	3	3	3	3
Drillers and blasters	4	3	4	3	3	3	3
Electrical power line and cable workers	3	3	3	3	3	3	3
Electricians	4	4	4	3	3	3	3
Elevator constructors and mechanics	4	4	4	3	4	4	3
Floor covering installers	4	4	4	3	4	4	3
Gasfitters	4	4	4	3	4	4	4
Glaziers	4	4	4	3	3	3	3
Heavy equipment operators (except crane)	4	3	4	3	3	3	3
Heavy-duty equipment mechanics	4	4	4	3	3	3	3
Insulators	4	3	3	3	3	3	3
Ironworkers and structural metal fabricators	4	3	5	3	3	2	3
Painters and decorators	4	4	4	3	4	3	3
Plasterers, drywall installers and finishers, and lathers	4	4	4	3	3	3	3
Plumbers	4	4	4	3	4	4	3
Refrigeration and air conditioning mechanics	4	4	4	4	4	4	4
Residential and commercial installers and servicers	4	4	4	3	3	3	3
Roofers and shinglers	4	3	4	3	3	3	3
Sheet metal workers	4	4	4	3	3	3	3
Steamfitters, pipefitters, and sprinkler system installers	4	3	3	3	3	3	3
Trades helpers and labourers	4	3	4	3	3	3	3
Truck drivers	4	3	4	3	3	3	3
Welders and related machine operators	4	3	4	3	3	3	3

Source: BuildForce Canada

EASTERN ONTARIO

Eastern Ontario's⁴ construction market surged ahead in 2021, driven by increased housing starts, institutional building construction, and major transportation infrastructure activity. The pace of growth is expected to accelerate in 2022, as residential and non-residential activity remains elevated across all market segments. Near-term non-residential construction is bolstered by the ramping up of the Ottawa LRT project and by a significant increase in institutional investment, driven by a variety of major projects, including various public-sector buildings and the scheduled start of new hospitals in Ottawa and Kingston.

Overall, construction employment is anticipated to rise through to 2024 before stabilizing in the latter half of the forecast period. Strong demand for residential construction will push overall employment in the sector higher in 2022, before lower demand leads to moderate declines thereafter to 2025. Residential employment in the region is expected to decline by 2,400 workers from peak levels over the forecast period. Non-residential employment is expected to rise steadily, adding 5,100 workers by 2024, and remain elevated through 2027.

Across the 2022–2027 forecast period, the rise in overall employment alongside an estimated 7,000 retirements will require the industry to recruit an additional 9,800 workers.

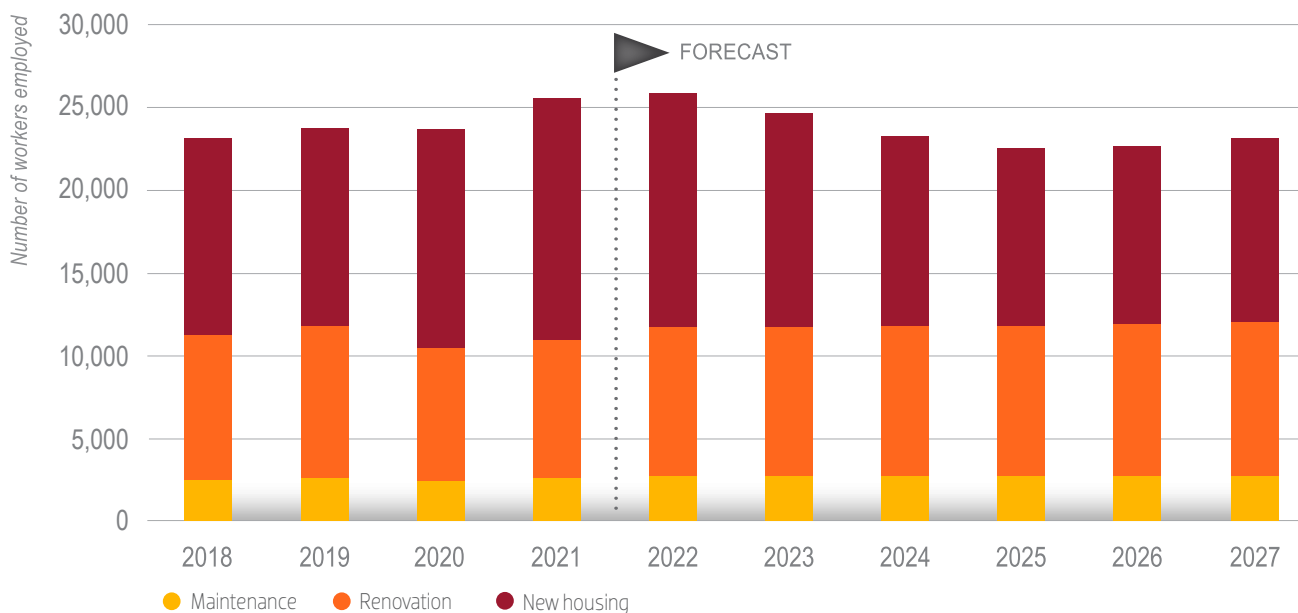
RESIDENTIAL SECTOR

Residential construction activity in Eastern Ontario rose sharply in 2021, propelled by the surge in apartment starts in 2020 and an increase in single-detached units in 2021. As a result, new-housing employment requirements were estimated to increase by 1,350 workers (+10%) in 2021. Housing starts are projected to remain near the record highs of 12,500 units in 2022, before receding to around 10,000 units by 2025 due to slowing population growth, rising interest rates, and increased housing costs.

Overall, residential construction employment is projected to decline by nearly 2,400 workers (-9%) to 2027, with new-housing construction expected to experience the largest decline of 3,400 workers (-24%) compared to the highs of 2021. Renovation demands are expected to increase throughout the forecast period, but only partially offset declines in new-home construction. Employment in the maintenance market is also expected to continue adding to overall hiring requirements.

Figure 4 shows the employment trends by sector for residential construction in Eastern Ontario.

Figure 4: Residential construction employment growth outlook, Eastern Ontario



Source: Statistics Canada, BuildForce Canada (2022–2027)

⁴ Eastern Ontario includes the economic regions of both Ottawa and Kingston-Pembroke, including the Census Metropolitan Areas (CMAs) of Ottawa and Kingston. Cities include Cornwall, Brockville, Belleville, and Petawawa.

Table 4: Residential market rankings, Eastern Ontario

TRADES AND OCCUPATIONS – RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Bricklayers	4	4	3	3	3	3	3
Carpenters	4	4	3	3	3	3	3
Concrete finishers	4	4	3	2	3	3	3
Construction estimators	5	4	3	2	2	3	4
Construction managers	5	4	3	2	2	3	4
Contractors and supervisors	4	4	3	3	3	3	3
Electricians	4	3	3	2	2	3	3
Floor covering installers	5	4	3	2	3	3	3
Gasfitters	4	4	3	2	3	3	3
Heavy equipment operators (except crane)	4	4	3	2	3	3	3
Homebuilding and renovation managers	4	4	4	3	3	4	4
Insulators	4	3	3	2	2	3	3
Painters and decorators	4	4	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	5	4	3	2	3	3	3
Plumbers	5	4	3	2	3	3	3
Refrigeration and air conditioning mechanics	5	4	3	2	3	3	3
Residential and commercial installers and servicers	4	4	3	3	3	3	3
Roofers and shinglers	4	4	3	3	3	3	3
Sheet metal workers	5	4	3	3	2	3	3
Tilesetters	4	4	3	2	2	3	4
Trades helpers and labourers	5	4	3	3	2	3	3
Truck drivers	4	4	3	2	3	3	3

Source: BuildForce Canada

RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

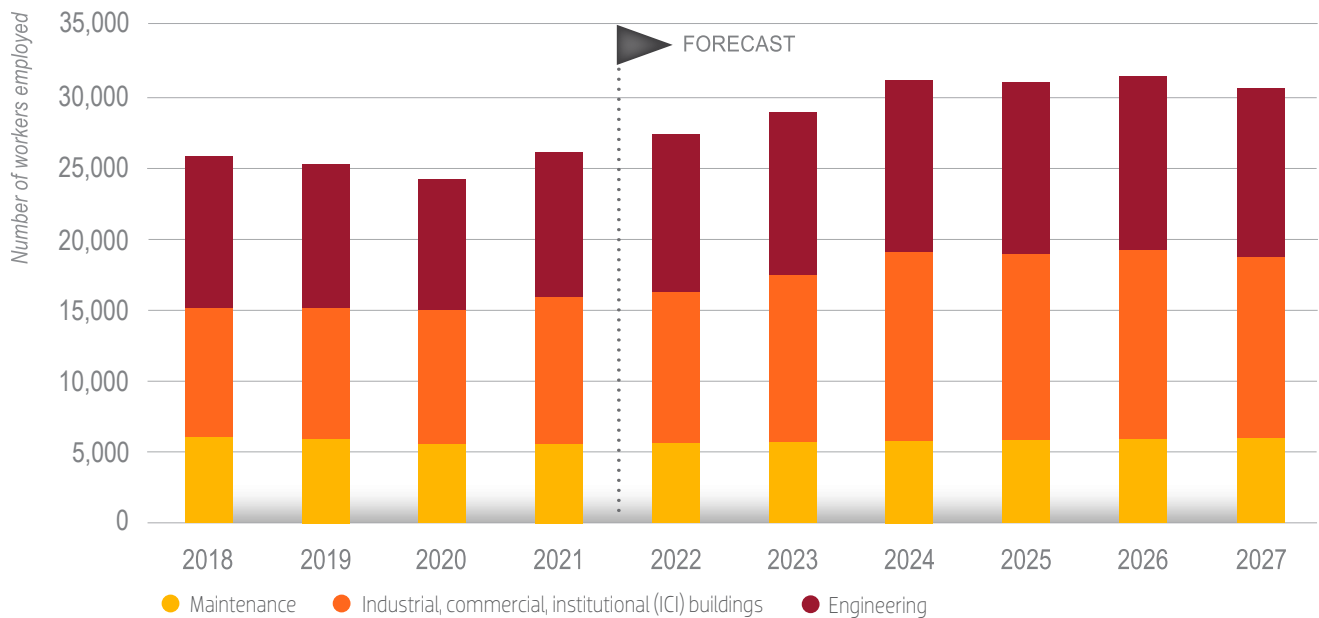
For Eastern Ontario, non-residential rankings are reported for 22 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 4.

In 2021, new-housing demands were up significantly, creating very tight labour markets for many trades and occupations, particularly for those concentrated in single-detached new-home construction. As some of the construction demands are carried over into 2022, tight labour markets prevail before returning to balanced conditions in 2023. Markets weaken in 2024 and 2025 as new-home construction continues to fall, before levelling off in 2025, leading to mostly balanced markets thereafter.

NON-RESIDENTIAL SECTOR

Non-residential construction employment grew by 8% in 2021, driven by several major projects, including the Ottawa LRT, bridgework in Kingston, Ottawa's Hard Rock casino, the Amazon warehouse in Ottawa, and ongoing work at the Chalk River Canadian Nuclear Laboratories. The pace of growth contributed to very tight labour market conditions across all trades and occupations.

Eastern Ontario's non-residential sector can expect recruiting challenges to intensify over the next few years, as several infrastructure and institutional projects ramp up simultaneously. Non-residential employment is expected to increase by 5,100 workers (+20%) by 2024 and remain mostly sustained across the rest of the forecast period.

Figure 5: Non-residential construction employment growth outlook, Eastern Ontario

The largest gains are in ICI building construction, which increases by just over 3,000 workers (+23%) to the 2024 peak. Employment growth is driven by a recovery in commercial investment and major projects, including Parliament Hill's Centre Block and the start of several hospitals and other government buildings. By the end of the forecast period, ICI employment recedes from the peak but remains up by just over 2,400 workers compared to 2021.

Engineering-related employment is also expected to rise, driven largely by the ramp up of activity related to the construction of the Ottawa LRT, adding just over 1,800 workers by 2024. Employment recedes as some projects start to wind down but is expected to be up by nearly 1,700 workers by 2027 from 2021 levels.

Figure 5 shows the employment trends by sector for non-residential construction in Eastern Ontario.

NON-RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For Eastern Ontario, non-residential rankings are reported for 27 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 5.

Non-residential labour markets were extremely tight in 2021 and will remain tight throughout much of the forecast period. Between 2021 and 2024, market tightness emerges for several trades and occupations as demand related to public transit, health care, and commercial and institutional building construction ramps up. As several major projects begin winding down toward the end of the forecast period, labour markets are expected to return to more balanced conditions.

Table 5: Non-residential market rankings, Eastern Ontario

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Bricklayers	5	4	4	4	5	4	3
Carpenters	5	4	4	5	3	3	3
Concrete finishers	5	4	3	5	3	2	2
Construction estimators	4	4	5	4	3	3	3
Construction managers	5	4	5	4	3	3	3
Construction millwrights and industrial mechanics	5	4	4	3	3	3	3
Contractors and supervisors	4	4	4	5	3	3	3
Crane operators	5	4	3	4	3	3	3
Electricians	4	3	4	4	3	3	3
Elevator constructors and mechanics	4	3	5	4	4	3	3
Floor covering installers	4	3	5	4	4	3	3
Gasfitters	4	4	4	4	4	3	3
Glaziers	4	3	4	4	4	4	4
Heavy equipment operators (except crane)	4	4	4	3	3	3	3
Heavy-duty equipment mechanics	4	4	4	4	3	3	3
Insulators	4	3	4	4	4	4	3
Ironworkers and structural metal fabricators	5	5	4	5	3	3	3
Painters and decorators	4	3	4	3	4	3	3
Plasterers, drywall installers and finishers, and lathers	4	4	4	4	4	5	4
Plumbers	4	4	5	4	4	3	3
Refrigeration and air conditioning mechanics	4	3	4	4	3	4	3
Residential and commercial installers and servicers	4	3	4	5	3	3	3
Roofers and shinglers	4	3	4	4	3	3	3
Sheet metal workers	4	3	4	4	5	3	3
Steamfitters, pipefitters, and sprinkler system installers	4	4	3	4	5	4	3
Trades helpers and labourers	5	4	3	4	4	3	3
Truck drivers	4	4	3	3	3	3	3
Welders and related machine operators	4	4	4	3	3	3	2

Source: BuildForce Canada

GREATER TORONTO AREA (GTA)

Construction activity in the GTA⁵ surged back to pre-pandemic levels in 2021, led by strong gains in residential construction. The pace of growth across all market segments, alongside declines in the construction labour force, has resulted in the re-emergence of broad-based recruitment challenges that are poised to intensify as major project requirements mount over the near term.

The GTA's construction employment requirements are expected to step up in 2022 and rise steadily throughout the forecast period, growing by some 9,900 workers (+6%) by 2027. Growth is driven primarily by the increasing requirements of numerous major public transit, health care, infrastructure, and utility projects. Non-residential employment is estimated to rise by 10,900 workers (+16%) on the strength of an estimated 18% increase in overall investment in engineering and ICI building construction.

Following heightened construction activity in 2022, residential employment is expected to slow and decline marginally by just over 1,000 workers (-1%) from 2021 levels. Gains in renovation and maintenance work only partially offset the projected declines in new-home construction.

Maintaining labour force capacity to keep pace with increased construction demands while grappling with the anticipated retirement of almost 26,000 workers over the next six years – 15% of the current labour force – will require the industry to actively promote and recruit an estimated 36,600 additional workers throughout the forecast period.

RESIDENTIAL SECTOR

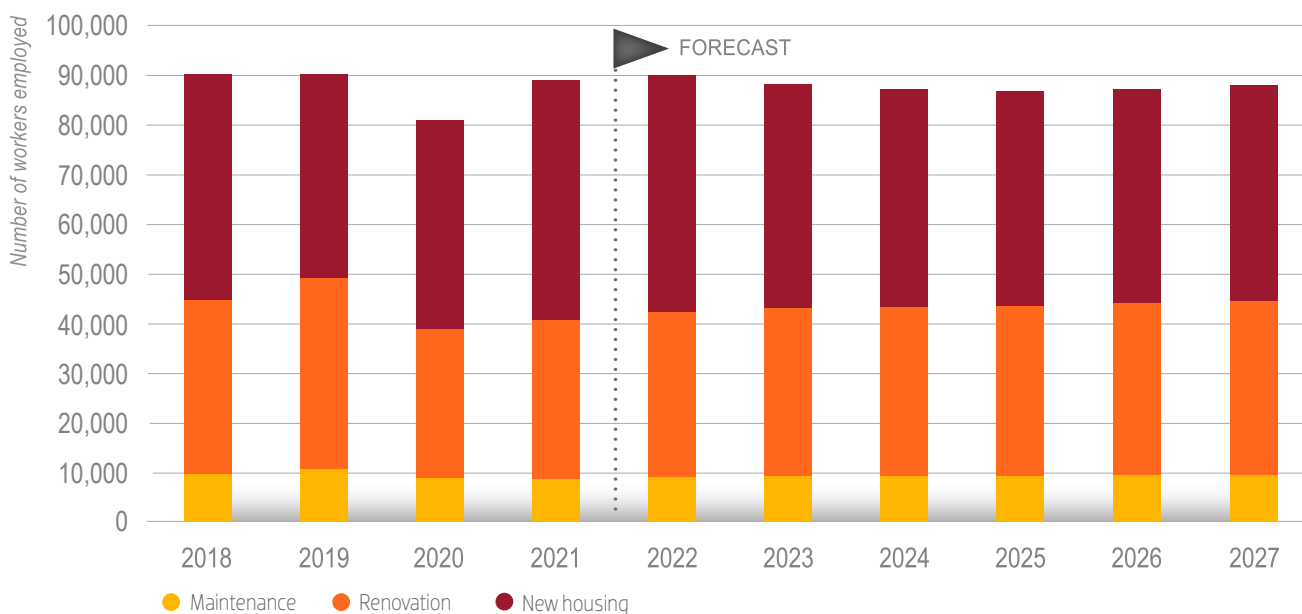
Activity in the residential sector surged back to pre-pandemic levels in 2021, as housing starts increased to almost 45,000 units – the highest level since 2012. Single-detached units generated much of the increase in housing starts, rising by close to 30%. The rise in new-housing demands, alongside a recovery in renovation activity, increased residential employment by 8,000 workers (+10%) in 2021.

Residential employment is expected to be sustained in 2022 as industry works to clear the backlog of new-housing projects alongside rising renovation demands. An anticipated rise in lending rates is expected to cause housing starts to retreat slightly in 2022 and level off to average around 42,500 units over the forecast period. Apartments, which account for 65% of the residential construction market, did not experience any significant change in 2020 or 2021 and are expected to remain relatively steady over the period.

Over the six-year forecast period, employment in new-home construction is expected to decline by some 4,900 workers (-10%) compared to 2021. Over the same period, increased renovation work adds just over 3,200 workers (+10%) and residential maintenance work rises by 650 workers (+7%) compared to 2021 levels.

Figure 6 shows the employment trends by sector for residential construction in the GTA.

Figure 6: Residential construction employment growth outlook, Greater Toronto Area



Source: Statistics Canada, BuildForce Canada (2022-2027)

⁵ The **Greater Toronto Area** includes the municipalities of Ajax, Aurora, Bradford West Gwillimbury, Brampton, Brock, Caledon, Clarington, East Gwillimbury, Georgina, Georgina Island, Halton Hills, King, Markham, Milton, Mississauga, Newmarket, Oakville, Oshawa, Pickering, Richmond Hill, Scugog, Toronto, Uxbridge, Vaughan, Whitby, and Whitchurch-Stouffville.

RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For the GTA, residential rankings are reported for 27 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 6.

With employment demands outpacing labour force growth in 2021, new-housing demands were up significantly, creating low unemployment and tight labour market conditions. Similar conditions are expected to prevail in 2022, maintaining tight markets for most

trades and occupations. Growth in the labour force and a modest decline in demands help to restore more balanced conditions by 2023.

With a large share of the region's employment concentrated in apartment and condominium development, many of the projects from the surge in 2021–2022 are completed by 2024, leading to a weakening of market conditions for some trades and occupations in 2025–2026 before returning to balance by 2027.

Table 6: Residential market rankings, Greater Toronto Area

TRADES AND OCCUPATIONS – RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Bricklayers	4	4	3	3	3	3	3
Carpenters	4	4	3	3	3	3	3
Concrete finishers	4	3	3	3	3	3	3
Construction estimators	4	4	3	3	3	3	3
Construction managers	5	4	3	3	3	3	3
Contractors and supervisors	4	4	3	3	3	3	3
Crane operators	5	4	3	3	2	3	3
Electricians	4	3	3	3	3	3	3
Elevator constructors and mechanics	4	4	3	3	2	2	3
Floor covering installers	4	3	3	3	3	3	3
Gasfitters	4	4	3	3	3	3	3
Glaziers	4	4	3	3	2	2	3
Heavy equipment operators (except crane)	4	3	3	3	3	3	3
Homebuilding and renovation managers	4	4	3	3	3	3	3
Insulators	4	3	3	3	3	3	3
Ironworkers and structural metal fabricators	4	3	3	3	2	3	3
Painters and decorators	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	3	3	3	3	3	3
Plumbers	4	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	4	3	3	3	3	3	3
Residential and commercial installers and servicers	3	3	3	3	3	3	3
Roofers and shinglers	3	3	3	3	3	3	3
Sheet metal workers	4	3	3	3	3	3	3
Tilesetters	4	3	3	3	3	3	3
Trades helpers and labourers	4	3	3	3	3	3	3
Truck drivers	4	3	3	3	3	3	3
Welders and related machine operators	4	3	3	3	3	3	3

Source: BuildForce Canada

NON-RESIDENTIAL SECTOR

Non-residential employment, which was impacted more by COVID-19 than the residential sector, experienced a more muted employment recovery in 2021, rising by just over 2,500 workers. Due to the high levels of ICI and engineering investment, employment is expected to strengthen across the forecast period, increasing by almost 11,000 workers (+16%) by 2027 from 2021 levels.

The biggest employment gains are in engineering construction, which in 2021 accounted for 35% of overall non-residential employment in the region. Growth is driven by a steady rise in the start of several major transit projects (Ontario Line, GO rail electrification, Union Station electrification expansion, Yonge North Subway Extension, Scarborough Subway Extension, Sheppard East LRT, Eglinton Crosstown West) and investments in roads, highways, and bridges. By 2027, an additional 5,100 workers are expected to be added to engineering construction – a 21% rise over 2021 levels.

By 2024, ICI building investment is 17% high than 2021, driven by increased institutional and government building investment and the start of several major health care projects (Mississauga Trillium, Queensway Health, Centre for Addiction and Mental Health, Peel Memorial, North York General, Bowmanville Hospital redevelopment, Grandview children's treatment centre). Following a decline in 2020, commercial building investment rebounded in 2021 and is projected to rise across the forecast period. Industrial building investment is also expected to rise in the near term and then remain relatively static thereafter. Overall, employment levels related to ICI building

construction are expected to rise by 3,800 workers (+13%) over the forecast period but remain approximately 6% below 2019 pre-pandemic levels.

Figure 7 shows the employment trends by sector for non-residential construction in the GTA.

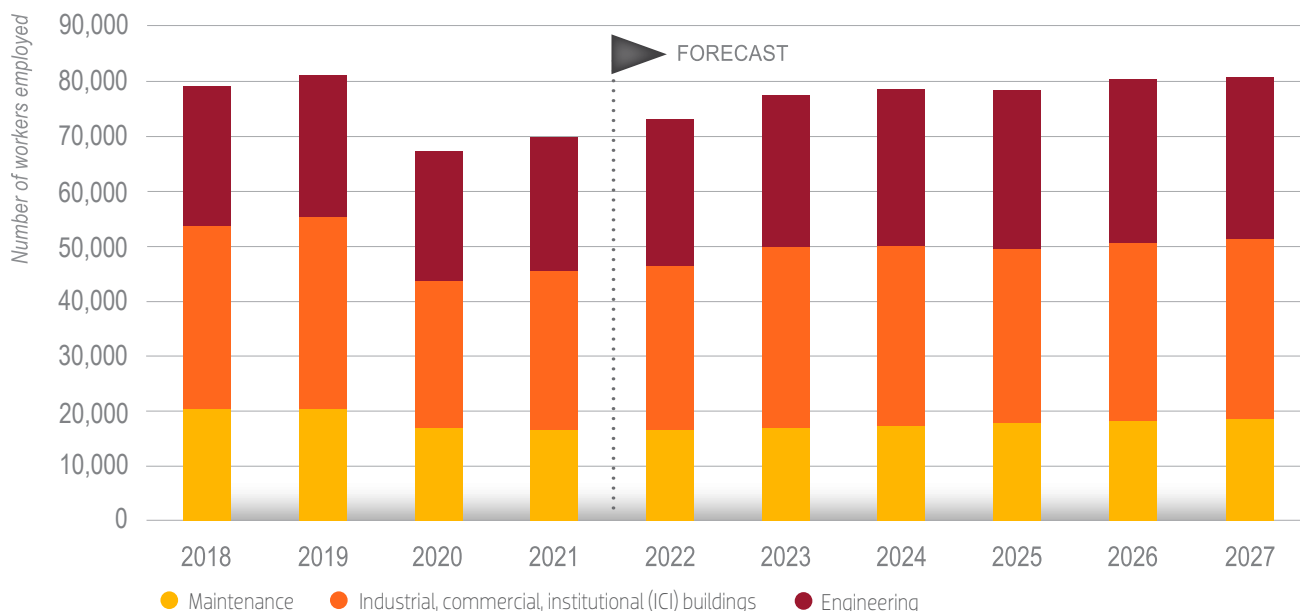
NON-RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For the GTA, non-residential rankings are reported for 31 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 7.

In 2021, the rebound in construction employment demands tightened labour markets for many trades and occupations. The inability of the labour force to keep pace with employment growth lowered overall unemployment rates, creating recruiting challenges for some trades and occupations.

Tight labour markets are expected to prevail for the next few years, as engineering-related construction intensifies and several new health care and government building projects commence. Some relief is expected toward the middle of the forecast period, as the labour force recovers and overall growth slows, returning to mostly balanced labour markets by 2024. As currently known projects begin winding down in 2026–2027, markets are expected to be mostly balanced.

Figure 7: Non-residential construction employment growth outlook, Greater Toronto Area



Source: Statistics Canada, BuildForce Canada (2022-2027)

Table 7: Non-residential market rankings, Greater Toronto Area

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Boilermakers	5	4	4	4	3	2	3
Bricklayers	4	4	4	3	3	3	3
Carpenters	5	4	4	4	3	3	2
Concrete finishers	4	5	4	3	3	3	2
Construction estimators	4	4	4	3	3	3	3
Construction managers	4	4	4	3	3	3	3
Construction millwrights and industrial mechanics	5	4	3	3	4	2	3
Contractors and supervisors	4	4	4	3	3	3	3
Crane operators	5	5	4	4	3	3	2
Electrical power line and cable workers	3	4	3	4	4	4	4
Electricians	3	3	3	3	3	3	4
Elevator constructors and mechanics	4	4	4	3	3	3	3
Floor covering installers	3	3	4	3	3	3	3
Gasfitters	3	3	4	3	3	3	3
Glaziers	3	3	4	3	3	3	3
Heavy equipment operators (except crane)	3	4	4	3	3	3	3
Heavy-duty equipment mechanics	3	4	4	3	3	3	3
Insulators	3	3	4	3	3	3	3
Ironworkers and structural metal fabricators	3	4	3	4	3	4	3
Painters and decorators	3	3	4	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	3	3	4	3	3	3	3
Plumbers	3	3	4	3	3	3	3
Refrigeration and air conditioning mechanics	4	3	4	3	3	3	3
Residential and commercial installers and servicers	3	3	4	3	3	3	3
Roofers and shinglers	3	3	4	3	3	3	3
Sheet metal workers	3	3	4	3	3	3	3
Steamfitters, pipefitters, and sprinkler system installers	3	3	3	3	3	3	4
Tilesetters	4	3	4	3	3	3	3
Trades helpers and labourers	4	4	4	3	3	3	3
Truck drivers	4	4	4	3	3	3	3
Welders and related machine operators	3	3	4	3	3	3	3

Source: BuildForce Canada

NORTHERN ONTARIO

Stronger demand from major mining and utility projects, institutional investments, and a moderate rise in residential demand should drive Northern Ontario's⁶ construction employment to a peak in 2022, which is sustained into 2023. Demands thereafter taper off as current major project construction winds down and demand for residential construction moderates. However, positive final investment decisions to a long list of proposed resource development projects currently not included in the forecast could sustain growth well beyond the projected levels of elevated activity beyond 2023 levels.

Overall, construction employment is expected to rise by just over 2,000 workers in 2022, but then recede as the current inventory of projects are completed. By the end of the forecast period, industry employment is expected to fall by nearly 950 workers (-4%) compared to 2021 levels. Employment declines are expected to be more concentrated in the residential sector.

Tight labour market conditions are expected in 2022 and 2023. As projects move past peak levels of demand, more balanced conditions are expected by 2024, with weaker market conditions emerging as current projects reach completion and workers are released.

Northern Ontario will compete with other regions for skilled labour over the near term and the replacement of retiring workers over the long term. Approximately 3,300 workers are expected to exit the industry during the six-year forecast period, which equates to almost 14% of the 2021 workforce.

RESIDENTIAL SECTOR

Employment in Northern Ontario's residential sector is driven primarily by renovation activity, which is expected to soften as economic growth

slows, combined with an aging population, putting downward pressure on renovation expenditures as income growth slows and interest rates rise. New-housing starts are expected to rise to 1,350 units in 2022, but then gradually fall to near 1,000 units by 2025.

Residential employment is expected to add almost 340 workers in 2022 – a 4% rise over 2021 levels, driven by gains in new-home construction. As interest rates rise and demand declines, employment gains are expected to be erased, with overall employment in new-home construction declining by just under 425 workers (-19%) by 2027 compared to 2021 levels.

Renovation-related employment, which represents 55% of total residential employment, holds steady near 2021 levels through to 2024. However, over the remainder of the forecast period, overall employment declines marginally, with total renovation-related employment down by 370 workers (-8%) by 2027. Maintenance employment, which accounted for 17% of residential employment in 2021, rises slightly throughout the period, adding 30 workers (+2%) by 2027.

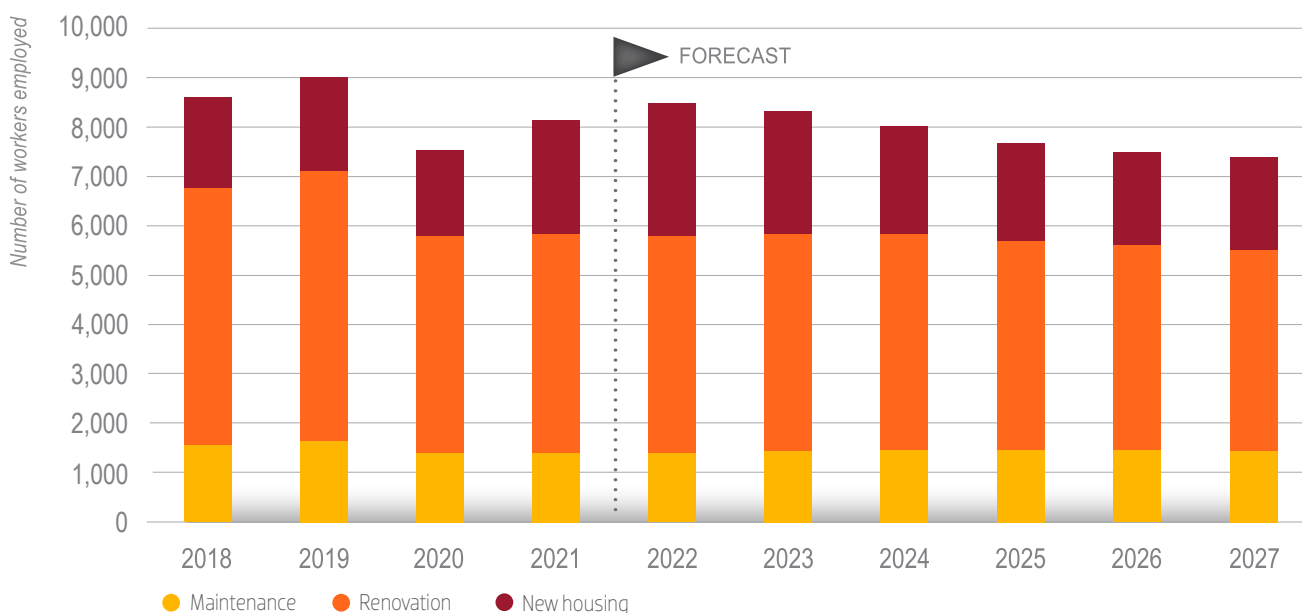
Figure 8 shows the employment trends by sector for residential construction in Northern Ontario.

RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For Northern Ontario, residential rankings are reported for 15 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 8.

A faster rise in employment than in the region's labour force created tight labour market conditions in 2021 that are expected to prevail in 2022. As current heightened demands subside, generally balanced labour markets are expected to return before lower

Figure 8: Residential construction employment growth outlook, Northern Ontario



Source: Statistics Canada, BuildForce Canada (2022-2027)

⁶ Northern Ontario includes the economic regions of the Northeast and Northwest as defined by Statistics Canada, including the Census Metropolitan Areas (CMAs) of Thunder Bay and Sudbury. Cities include Sault Ste. Marie, Timmins, Kirkland Lake, Dryden, Kenora, and Fort Frances.

Table 8: Residential market rankings, Northern Ontario

TRADES AND OCCUPATIONS – RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Bricklayers	3	4	3	3	2	3	3
Carpenters	4	4	3	2	2	3	3
Construction estimators	4	4	3	3	2	3	3
Construction managers	5	5	3	2	2	3	3
Contractors and supervisors	5	4	4	3	3	3	3
Electricians	3	4	3	3	2	3	3
Floor covering installers	4	4	4	3	3	3	3
Heavy equipment operators (except crane)	4	4	3	3	2	3	3
Homebuilding and renovation managers	4	4	4	3	3	3	3
Painters and decorators	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	4	3	3	2	3	3
Plumbers	4	4	3	3	2	3	3
Residential and commercial installers and servicers	3	3	3	3	3	3	3
Roofers and shinglers	3	3	3	3	3	3	3
Trades helpers and labourers	4	4	3	2	2	3	3

Source: BuildForce Canada

overall demand creates surpluses for some trades in 2024–2025. This is expected to be short-lived, with balanced labour markets returning later in the forecast period.

NON-RESIDENTIAL SECTOR

In Northern Ontario, non-residential investment continued to rise in 2022, propelled by ongoing and new mining, utility, manufacturing, and institutional projects. The stacking of major projects reaches an apex in 2022, supported by the timing of major projects such as the Côté Gold mine, Red Lake Springpole gold mine and mill, Watay Power transmission, and other smaller mining and utility projects. Employment is mostly sustained in 2023 before declining over the remainder of the forecast period as current projects wind down.

Engineering construction, which accounts for more than 60% of total non-residential employment in the region, is projected to rise by 1,000 workers (+11%) in 2022 and be mostly sustained in 2023, before receding by 500 workers (-6%) by 2027.

ICI building construction follows a similar trajectory, with strong gains in 2022 (+23%) rising to a forecast peak in 2024, adding almost 960 workers (+30%) and surpassing 2019 pre-pandemic employment levels. Growth is driven primarily by institutional and government building construction. The start of the Thunder Bay correctional facility in 2022 boosts investment that will remain elevated into 2024. The demolition and new construction of the new Weeneebayko hospital in Moosonee will help to moderate declines between 2024 to 2027. By 2027, however, employment in ICI building construction is expected to recede from peak

levels, rising by 260 workers (+8%) over the forecast period from 2021 levels.

The maintenance sector makes steady gains throughout the forecast period, adding just over 60 workers (+3%) by 2027.

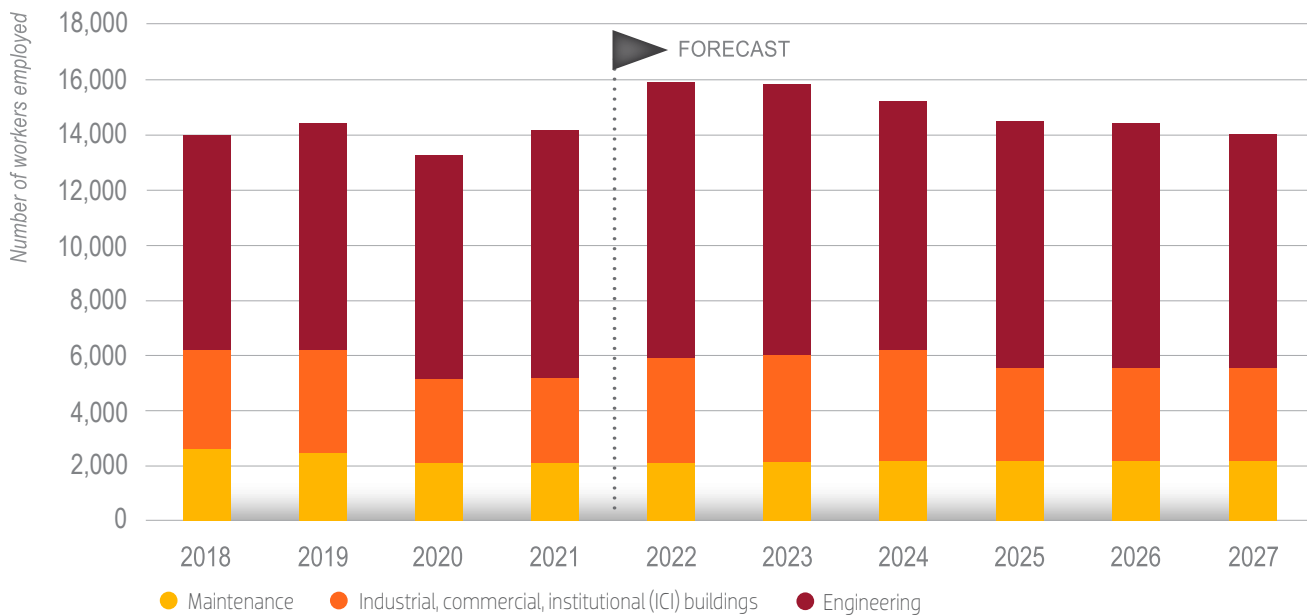
Figure 9 shows the employment trends by sector for non-residential construction in Northern Ontario.

NON-RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For Northern Ontario, non-residential rankings are reported for 22 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 9.

Non-residential labour markets were generally tight in 2021, with significant scarcity of workers in many trade and occupation categories. In 2022, markets are expected to tighten further as market demands continue to rise, driven by transmission and mining projects, the start of the correctional facility in Thunder Bay, and a recovery in commercial building construction.

As projects move past peak demands, more balanced labour market conditions are expected in 2024, with weaker conditions emerging for several trades as current projects are completed. Weaker conditions are expected to return to balance in 2026 before the wind down of construction on the Weeneebayko hospital creates further weaker conditions in 2027.

Figure 9: Non-residential construction employment growth outlook, Northern Ontario**Table 9: Non-residential market rankings, Northern Ontario**

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Boilermakers	5	4	3	2	3	3	2
Carpenters	4	5	3	2	2	3	2
Construction estimators	4	5	3	2	2	3	2
Construction managers	4	4	4	3	3	3	3
Construction millwrights and industrial mechanics	4	4	2	2	2	3	2
Contractors and supervisors	4	5	4	3	2	3	3
Crane operators	4	3	4	3	2	3	3
Electrical power line and cable workers	4	3	4	2	3	3	2
Electricians	5	5	3	2	2	3	2
Gasfitters	5	5	3	2	2	3	2
Heavy equipment operators (except crane)	4	4	3	3	3	3	3
Heavy-duty equipment mechanics	4	4	4	2	3	3	2
Insulators	4	5	3	2	2	3	2
Ironworkers and structural metal fabricators	4	5	3	3	2	3	2
Plumbers	4	4	4	4	3	3	2
Refrigeration and air conditioning mechanics	3	4	4	4	3	3	3

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Table 9: Non-residential market rankings, Northern Ontario (continued)

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Residential and commercial installers and servicers	3	4	4	4	3	3	3
Sheet metal workers	5	4	5	4	3	3	2
Steamfitters, pipefitters, and sprinkler system installers	5	4	3	2	2	3	2
Trades helpers and labourers	4	5	3	3	3	3	3
Truck drivers	4	5	3	3	3	3	2
Welders and related machine operators	4	5	3	3	2	3	2

Source: BuildForce Canada

SOUTHWESTERN ONTARIO

Southwestern Ontario⁷ was among the strongest construction markets in Canada in 2021, with employment requirements rising by 12% compared to 2020. Non-residential growth was driven by major projects, including ongoing work at the Gordie Howe bridge, Nova Chemicals' petrochemical projects, Bruce Power's nuclear refurbishments, and rising industrial shutdown/turnaround maintenance work in Sarnia. Residential demands rose significantly due to a surge in new-home construction and renewed growth in renovation work. The pace of employment outpaced the growth in the labour force, pushing unemployment rates lower and creating recruiting challenges across most trades and occupations.

The Southwestern market faces continued increased employment demands, with sustained recruiting challenges driven by ongoing major project activity. An expected recovery in commercial building activity from the pandemic downturn and rising residential demands should increase labour market pressures in 2022. Over the long term, gains in non-residential employment are muted somewhat by declines in new-home construction. Overall, construction employment is expected to decline by some 2,800 workers (-4%) over the forecast period, but recruitment pressures will remain due to the need to replace slightly more than 7,000 workers.

RESIDENTIAL SECTOR

Housing starts have increased steadily since 2018 and surpassed 12,100 units in 2021. The surge in new-home construction and renewed growth in renovation work increased residential employment, adding almost 4,900 workers (+16%). Very tight labour market conditions prevailed across all trades, especially for workers more concentrated in new single-detached home construction, as starts increased by almost 1,500 units (+36%) compared to 2020.

Following a rise of 4% in 2022, employment in residential construction moderates, as investment demands for new-home construction decline. Following the 2022 peak, employment levels are expected to return to more normal levels, with overall employment lower by some 4,400 workers (-12%) in 2027 than levels recorded in 2021.

Employment declines are more concentrated in new-home construction, which accounts for approximately 51% of total industry employment. Declining demand for new-home construction reduces employment by 5,100 workers (-24%) over the forecast period. Renovation employment, which accounts for 39% of industry employment, is expected to rise by 650 workers (+6%) over the same period. Demand for residential maintenance workers grows more modestly than renovation employment – up 1% to 2027.

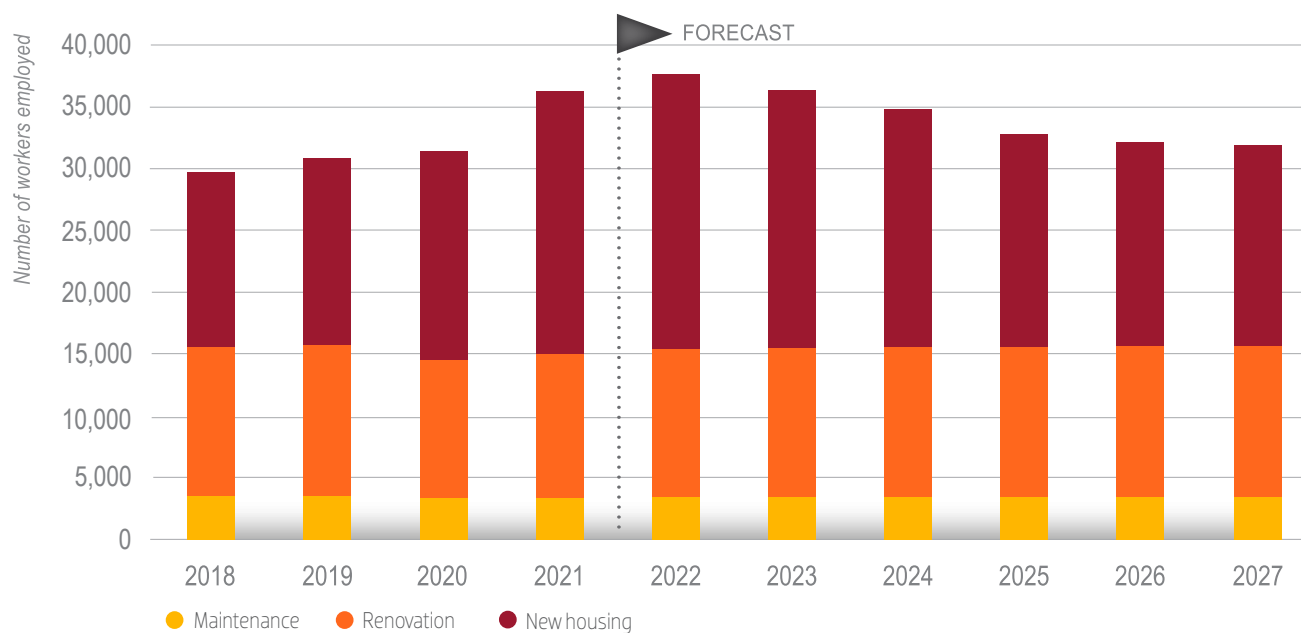
Figure 10 shows the employment trends by sector for residential construction in Southwestern Ontario.

RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For Southwestern Ontario, residential rankings are reported for 21 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 10.

Driven by a surge in demand in 2021, most labour markets in the region experienced significant recruiting challenges. Although market conditions are expected to moderate slightly in 2022, they are expected to remain tight for most trades and occupations. By 2023, markets should return to mostly balanced conditions, with the exception of 2025, where further declines in new-home construction create weaker conditions for some trades more concentrated in this type of construction activity.

⁷ **Southwestern Ontario** includes the economic regions of London, Windsor-Sarnia and Stratford-Bruce Peninsula as defined by Statistics Canada, including the Census Metropolitan Areas (CMAs) of London and Windsor. Cities include Chatham, Ingersoll, Sarnia, Stratford, Goderich, and Owen Sound.

Figure 10: Residential construction employment growth outlook, Southwestern Ontario**Table 10: Residential market rankings, Southwestern Ontario**

TRADES AND OCCUPATIONS – RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Bricklayers	5	4	4	3	3	3	3
Carpenters	5	4	4	3	2	3	3
Concrete finishers	5	4	3	3	2	3	3
Construction estimators	5	4	3	3	2	3	3
Construction managers	5	4	3	3	3	3	3
Contractors and supervisors	5	4	4	3	3	3	3
Electricians	4	4	3	3	2	3	3
Floor covering installers	5	4	3	3	3	3	3
Gasfitters	5	4	3	3	2	3	3
Heavy equipment operators (except crane)	5	4	3	3	2	3	3
Homebuilding and renovation managers	5	4	4	4	3	3	4
Painters and decorators	4	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	5	4	3	3	2	3	3
Plumbers	5	4	3	3	2	3	3
Refrigeration and air conditioning mechanics	5	4	3	3	2	3	3
Residential and commercial installers and servicers	4	4	3	3	3	3	3
Roofers and shinglers	4	3	3	3	3	3	3

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Table 10: Residential market rankings, Southwestern Ontario (continued)

TRADES AND OCCUPATIONS – RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Sheet metal workers	5	4	3	3	2	3	3
Tiles setters	5	4	3	3	2	3	3
Trades helpers and labourers	5	3	3	2	2	3	3
Truck drivers	5	4	4	3	3	3	3

Source: BuildForce Canada

NON-RESIDENTIAL SECTOR

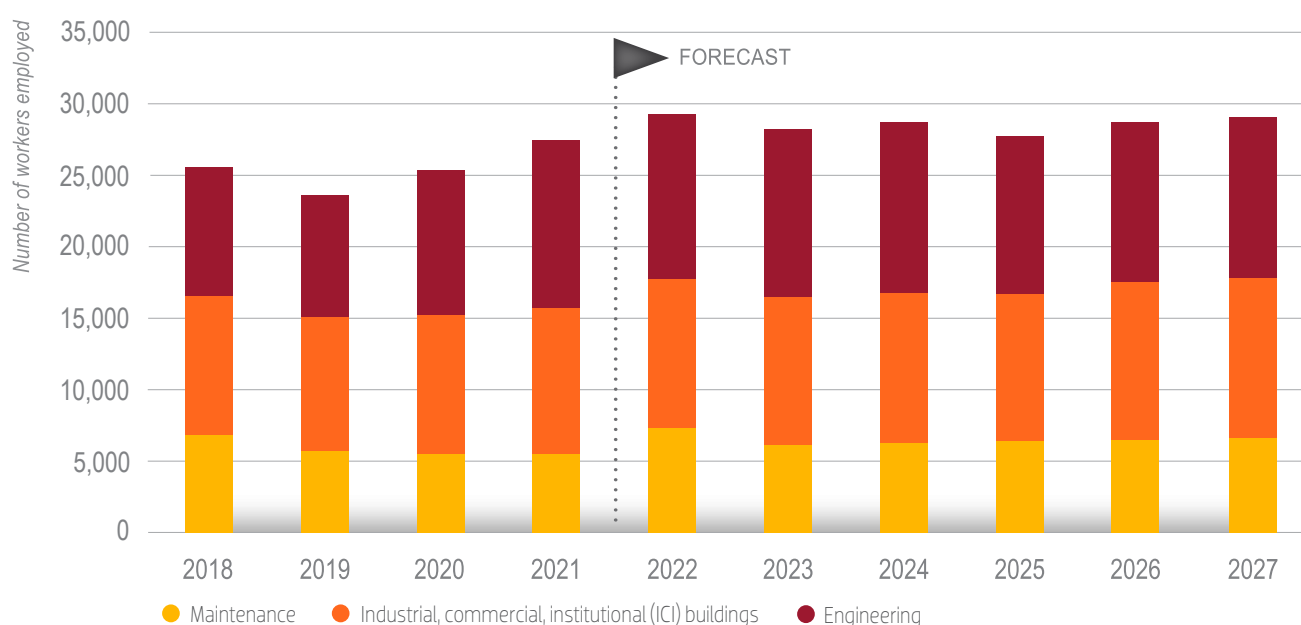
Non-residential construction employment in Southwestern Ontario is projected to rise by 1,600 workers over the forecast period – a 6% increase compared to 2021 levels.

Employment in ICI building construction, which in 2021 accounted for 38% of total employment, is expected to rise throughout the forecast period, adding almost 900 workers (+8.4%). Industrial building construction has been a major driver of growth for several years and peaked in 2021, driven by the construction of projects such as the Nova Chemicals' polyethylene facility and Corunna Cracker Expansion in Sarnia, and the Maple Leaf Foods poultry processing plant in London. As these projects end, industrial building investment is expected to decline to 2023 before rising more modestly over the long term, driven primarily by investments in the manufacturing sector.

Institutional and government building construction rises steadily over the short term. Investments in education, health care, and the public administration sectors will create some modest growth through 2024. A modest dip is expected to follow in 2025 before the anticipated start of construction on the Windsor acute care hospital in 2026.

Engineering employment, which made up 42% of overall sector employment in 2021, is expected to decline modestly by 2027, decreasing by 400 workers (-3.6%). Ongoing refurbishment work at the Bruce Power nuclear facility and the construction of the Gordie Howe bridge sustain engineering-related construction employment until 2024.

Figure 11 shows the employment trends by sector for non-residential construction in Southwestern Ontario.

Figure 11: Non-residential construction employment growth outlook, Southwestern Ontario


Source: Statistics Canada, BuildForce Canada (2022-2027)

NON-RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

For Southwestern Ontario, non-residential rankings are reported for 29 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 11.

Labour market rankings for 2021 reflect a modest rise in employment (+5%) in the region. Markets for most trades and occupations

were extremely tight and this is expected to persist for much of the forecast period. Significant levels of industrial maintenance work are expected in the Sarnia region over the next few years, increasing the potential for recruiting challenges during seasonal peak periods. More balanced labour market conditions are expected to emerge in the middle part of the forecast period for some trades, although market conditions for trades and occupations more concentrated in industrial construction are expected to remain tight.

Table 11: Non-residential market rankings, Southwestern Ontario

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2021	2022	2023	2024	2025	2026	2027
Boilermakers	5	5	3	4	4	3	3
Carpenters	4	4	3	3	3	4	3
Concrete finishers	4	5	3	3	3	4	3
Construction estimators	4	5	4	4	3	4	4
Construction managers	4	4	4	4	3	4	4
Construction millwrights and industrial mechanics	5	4	3	4	3	3	3
Contractors and supervisors	4	5	3	4	3	4	4
Crane operators	4	5	3	3	3	4	3
Electrical power line and cable workers	5	5	4	3	4	3	3
Electricians	4	4	3	3	4	4	3
Elevator constructors and mechanics	3	5	4	4	3	4	4
Floor covering installers	4	4	4	4	3	3	4
Gasfitters	4	5	3	4	4	4	4
Glaziers	4	4	4	4	3	3	4
Heavy equipment operators (except crane)	4	5	4	4	2	3	3
Heavy-duty equipment mechanics	3	4	4	4	3	3	3
Insulators	5	4	3	3	3	3	3
Ironworkers and structural metal fabricators	4	4	4	3	2	4	4
Painters and decorators	3	5	4	3	3	3	4
Plasterers, drywall installers and finishers, and lathers	4	5	4	3	3	3	4
Plumbers	4	5	3	4	4	4	4
Refrigeration and air conditioning mechanics	4	4	4	4	3	4	4
Residential and commercial installers and servicers	4	4	4	3	3	3	3
Roofers and shinglers	4	5	3	3	3	4	3
Sheet metal workers	5	4	3	3	3	3	4
Steamfitters, pipefitters, and sprinkler system installers	5	4	3	4	3	3	3
Trades helpers and labourers	4	5	3	3	2	3	3
Truck drivers	4	5	4	4	2	3	3
Welders and related machine operators	4	5	3	3	3	4	3

Source: BuildForce Canada

APPRENTICESHIP

Future labour force development is critical to maintaining the vitality and effectiveness of the construction labour force, and apprenticeship is a critical pathway of entry into the construction industry for youth and young adults. This is especially true for those working in ICI and heavy-industrial construction. As such, apprenticeship training is typically a barometer of career interest in the sector. When apprenticeship numbers rise, overall skilled trades recruitment typically follows. As such, it remains a useful measure of the industry's success in recruiting the next generation of skilled workers to the industry. However, tracking apprenticeship development cannot just be measured using aggregated numbers. What the industry needs is accurate information regarding which trades are registering increases and which trades are undertraining to meet replacement demands.

Provincial new registrations for the 20 largest trade programs have been on the rise since 2016, increasing by 32% to nearly 11,000 registrations in 2019. In 2020, new registrations declined 33% from peak 2019 levels to approximately 7,300, as COVID-19 imposed significant obstacles to the delivery of in-school training and negatively impacted apprentice employment. These impacts are likely to reduce the near-term numbers of new certified workers.

Ontario's construction industry is projected to require more than 15,670 new certified journeypersons to sustain the current workforce share of certifications and keep pace with employment and replacement demands across all industries over the forecast period.

Table 12 provides a provincial overview of the anticipated certification requirements for the 20 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 13 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 forecast period and the likely targeted number of new apprentices required. Based on projected new registrations, several trades are at risk of undersupplying the number of new certified journeypersons required by 2027. Trades within this group include Bricklayer, Glazier, Industrial Electrician, Residential Air Conditioning Systems Mechanic, and Welder. It is important to note that since it is difficult to determine in what sectors apprentices may work after completing their program, the supply risk analysis compares the projected supply of new journeypersons and certification requirements across all industries. The analysis does not account for existing imbalances at the 2021 starting point.

Table 12: Estimated construction certification demand and projected target of new entrants at 65% assumed rate of program completion, Ontario, 2022 to 2027

	2022	2023	2024	2025	2026	2027	Total 2022–2024	Total 2025–2027
Total certification demand – all industries	7,157	4,727	4,177	2,561	4,193	3,460	16,061	10,214
Total certification demand – construction	4,466	2,660	2,512	1,338	2,608	2,089	9,638	6,034
New apprentices required – construction	4,289	3,548	2,692	2,180	2,640	3,025	10,529	7,845
New construction apprentices required as a share of labour force (%)	2%	2%	1%	1%	1%	2%	2%	1%

Source: BuildForce Canada

Table 13: Estimated construction certification demand and projected target of new entrants by trade, Ontario, 2022 to 2027

Trade	Total certification demand – construction	New apprentices required – construction	Apprentice certification supply risk – all industries
Welder	264	717	●
Bricklayer	628	1,833	●
Industrial Electrician	1,440	1,786	●
Glazier	331	645	●
Residential Air Conditioning Systems Mechanic	808	711	●
Heavy-Duty Equipment Technician	173	216	●
Industrial Mechanic (Millwright)	444	376	●

- **At risk:** Certifications required exceed projected completions
- **Balanced conditions:** Certifications required in line with projected completions
- **Ample supply:** Projected completions exceed certifications required

continued on next page

Table 13: Estimated construction certification demand and projected target of new entrants by trade, Ontario, 2022 to 2027 (continued)

Trade	Total certification demand – construction	New apprentices required – construction	Apprentice certification supply risk – all industries
Carpenter	2,878	5,670	●
Lather (Interior Systems Mechanic)	515	863	●
Construction Millwright	64	45	●
Mobile Crane Operator	184	143	●
Sprinkler System Installer	387	385	●
Refrigeration and Air Conditioning Mechanic	957	768	●
Boilermaker	171	148	●
Sheet Metal Worker	537	418	●
Plumber	1,892	1,524	●
Construction Electrician	3,600	1,887	●
Steamfitter/Pipefitter	196	107	●
Powerline Technician	87	92	●
Ironworker (Structural/Ornamental)	115	42	●
Total	15,672	18,374	

● **At risk:** Certifications required exceed projected completions

● **Balanced conditions:** Certifications required in line with projected completions

● **Ample supply:** Projected completions exceed certifications required

Source: BuildForce Canada

UNDERREPRESENTED 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 its recruitment of individuals from groups traditionally underrepresented in the current construction labour force, including women, Indigenous people, and newcomers.

In 2021, there were approximately 67,730 women employed in Ontario's construction industry, of which 23% worked on site, directly on construction projects, while the remaining 77% worked off site, primarily in administrative and management-related occupations. Of the 422,700 tradespeople employed in the industry, women made up only 4% (see Figure 12).

The estimated 15,550 tradeswomen in Ontario are represented across all sectors of construction, with a higher representation of women in residential construction. Across sectors, new-housing construction has the highest representation of women, accounting for 4.7% of the workforce, as shown in Figure 13, followed closely by residential maintenance construction (4.6% of the workforce). The top five trades and occupations in which women tend to be employed include construction managers (19% of all tradeswomen), trades helpers and

labourers (19%), painters and decorators (15%), homebuilding and renovation managers (9%), and contractors and supervisors (9%).

The Indigenous population is another underrepresented group that presents recruitment opportunities for Ontario's construction industry. In 2021, Indigenous people accounted for approximately 2% of Ontario's total working-age population.⁸ The Indigenous population is the fastest growing in Canada and has a higher propensity to choose the construction industry as a career choice. In 2021, an estimated 7.5% of non-Indigenous Canadians were employed in the construction industry, compared to 9.4% for the Indigenous population.⁹ Given the predisposition of Indigenous workers to consider careers in construction, there may be scope to further increase the recruitment of Indigenous people into the industry.

Ontario's construction industry may also leverage newcomers (immigrants) to Canada over the forecast period to meet labour requirements. As of 2018, newcomers and more established immigrants accounted for 27% of Ontario's construction workforce.¹⁰ Based on the Labour Force Survey, Europe, Asia, and Latin America have continued to be the largest source regions for immigrants currently working in the province's construction labour force, although the number of people from Asia has increased, while the number of Europeans has been on the decline.¹¹ The province is expected to welcome 911,930 new international migrants between 2022 and 2027. 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 continues to recruit its share of newcomers into the labour force.

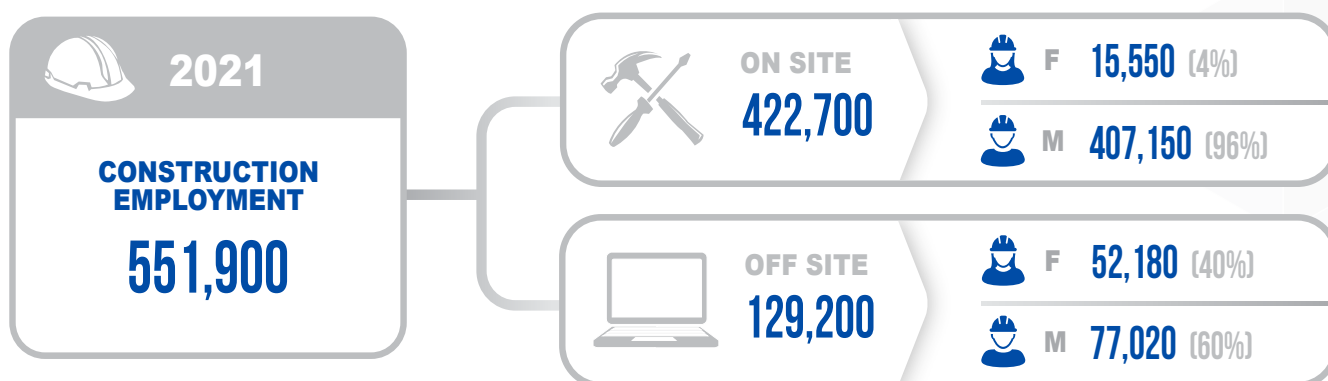
⁸ Statistics Canada. Table 14-10-0364-01 Labour force characteristics by province, region, and Indigenous group

⁹ Statistics Canada. Table 14-10-0366-01 Employment by Indigenous group and occupation

¹⁰ Statistics Canada, Labour Force Survey 2018, custom data request

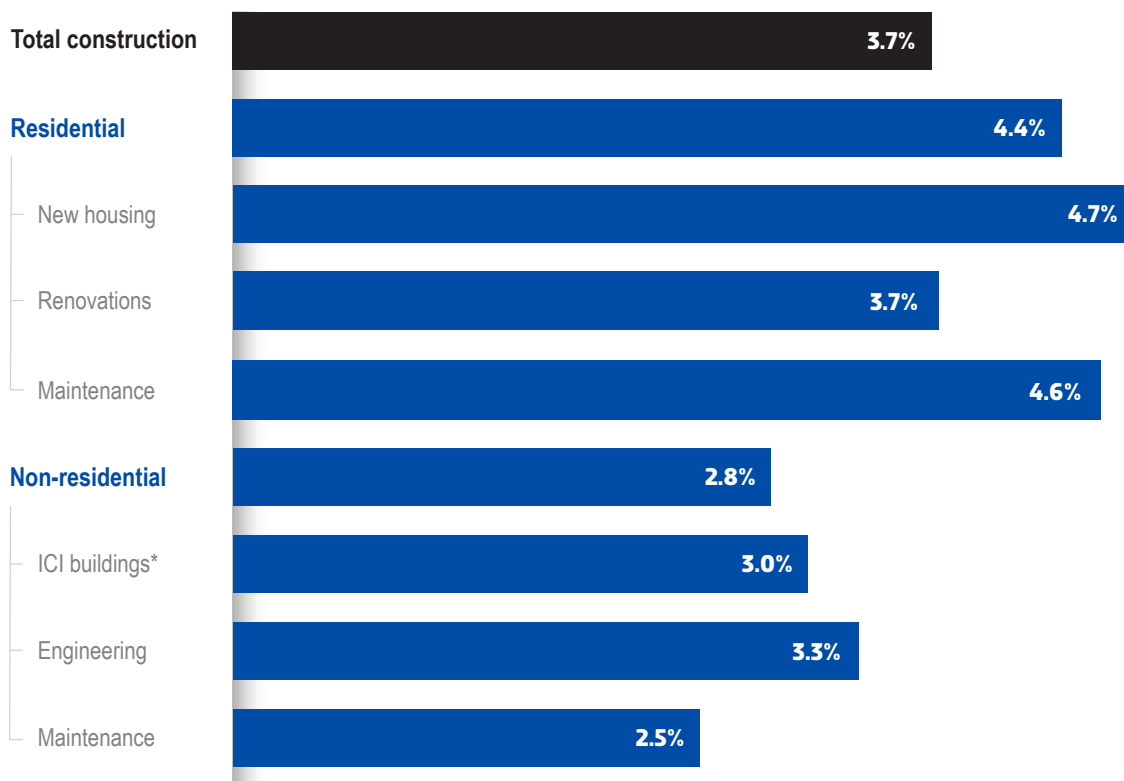
¹¹ Ibid

Figure 12: Detailed construction employment by gender, Ontario, 2021



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

Figure 13: Women's share of total direct trades and occupations (on site), Ontario



* industrial, commercial, institutional

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

CONCLUSIONS AND IMPLICATIONS

A strong surge in residential investment, driven by increased new-home construction and very tight labour market conditions in 2020 and 2021, will carry over into 2022. While weaker population growth slows residential investment from the 2021 peak, recruiting challenges are likely to be sustained to 2023. Across the forecast period, new-home construction slows and is only partially offset by steady growth in renovation and maintenance work.

Province-wide, non-residential labour markets are expected to remain tight over the next few years, driven by a long list of current and proposed projects, including industrial work in the Southwest, mining projects in the North, and utility, transportation, health care, and other infrastructure projects across the province. Non-residential construction investment is projected to increase by 11% between 2022 and 2024, before reaching a scenario peak by 2026.

Meeting peak demands across all sectors will be challenged by limited interregional mobility, as high levels of demand are projected to exist

in most regional construction markets across the province over the near term. Construction also faces the added challenge of an aging workforce and the expected retirement of more than 56,300 workers, or 13% of the 2021 labour force.

Across the 2022–2027 forecast period, meeting labour demands will require a combination of industry strategies that include increased local recruitment and training, and attracting immigrants and workers from other industries and potentially out-of-province workers during anticipated peak periods.

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 the current industry expectations of population growth and schedules for proposed major projects. Any changes to these assumptions present risks and potentially alter anticipated market conditions.

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