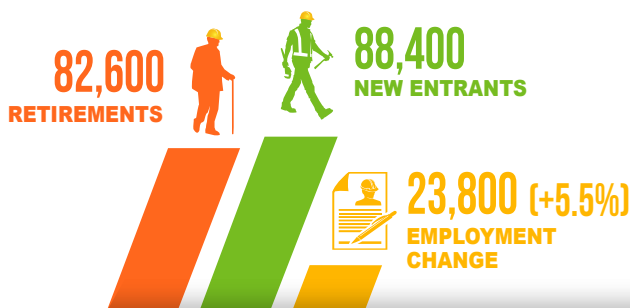# ONTARIO

HIGHLIGHTS 2023–2032

Labour market challenges persist across Ontario's construction market. Even as interest rates rise, levels of new-housing construction remain elevated in most regions of the province. Non-residential construction activity continues to be supported by a long list of major projects, including public transportation, health care, utilities, manufacturing, and other infrastructure. These factors combined to increase employment faster than the labour force and to bring unemployment levels to record lows.

The pace of residential construction activity is expected to moderate from record highs in 2023 and 2024. As incomes and wages adjust to higher borrowing costs, and greater numbers of migrants arrive in the province, residential investment is expected to resume an upward trend beginning in 2025. A growing inventory of major infrastructure projects and a projected recovery in commercial-building construction contributes to non-residential labour market pressures into 2027.

As the pace of growth levels off, efforts to increase recruitment should translate into more new entrants entering the labour force than individuals leaving to retirement. While positive, this brings new challenges, as the replacement of seasoned workers with inexperienced ones may, in some cases, have productivity implications.
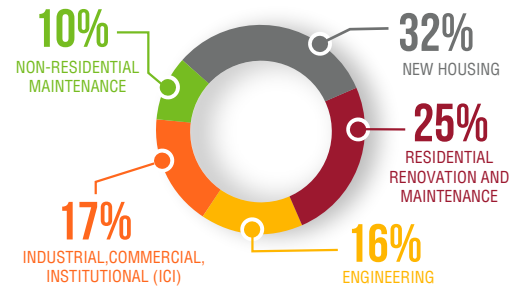
Between 2023 and 2032, the industry will need to add approximately 36,300 additional workers to keep pace with construction demands. The retirement of more than 82,600 workers – 18% of the current labour force – will increase the recruitment requirements for the industry to approximately 118,900 workers over the forecast period. Recent heightened promotional and recruitment activities are bearing fruit. Over the forecast period, however, the industry is expected to add 88,400 new entrants, creating a projected recruitment gap of some 30,500 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 2022, ONTARIO

- **10%** NON-RESIDENTIAL MAINTENANCE
- **32%** NEW HOUSING
- **25%** RESIDENTIAL RENOVATION AND MAINTENANCE
- **17%** INDUSTRIAL, COMMERCIAL, INSTITUTIONAL (ICI)
- **16%** ENGINEERING

10-YEAR WORKFORCE OUTLOOK FOR ONTARIO

82,600 RETIREMENTS

88,400 NEW ENTRANTS

23,800 **(+5.5%)** EMPLOYMENT CHANGE

JOB AVERAGE UNEMPLOYMENT RATE **5.8%**

HIGHLIGHTS

- Total construction employment is expected to rise to a peak of just below 468,000 workers in 2028, adding 32,900 over 2022 levels.

- After surging in 2021, residential construction reported only modest growth in 2022. The sector is expected to contract in 2023 and 2024 before returning to growth thereafter. Employment rises by 3,800 workers (+2%) over the forecast period.

- Major infrastructure project demands are a key driver of non-residential construction across the forecast period, contributing to an increase of 29,200 non-residential workers (+16%) to 2027.

- The retirement of 82,600 workers across the forecast period will increase the overall industry recruitment requirements to 118,900 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.

CONTENTS

ONTARIO CONSTRUCTION OUTLOOK

Construction labour markets in Ontario entered 2022 under challenging conditions. Unprecedented growth across the residential construction sector, spurred by record-low interest rates, high levels of migration into the province, and increasing renovation activity, strained demand for many residential trades and occupations. Demands in the non-residential sector, meanwhile, continued to grow, supported by a long list of major projects, including public transportation, health care, utilities, manufacturing, and other infrastructure.

Supply challenges were further complicated by the slow return of workers to the labour force. Contrasted with steady employment gains, unemployment rates were pushed to record-low levels. Challenges are likely to persist into 2027 due to a strong residential construction sector and a growing inventory of current and proposed major projects that are not expected to wane until 2026.

In the residential sector, record-low interest rates drove significant increases in investment between 2020 and 2022, with totals rising by 27% compared to 2019. Increased demand for single-detached[1] homes spurred a recovery in housing starts in 2020, followed by a construction surge that pushed housing starts to a record level of more than 100,000 units in 2021. That trend was slightly more muted in 2022. Through the first half of the year, starts appeared to be on pace to exceed 2021's record total. Increasing interest rates in the last six months of the year curbed demand and starts ended the year at just below 97,000 units. Renovation activity, meanwhile, reported only a small increase in 2022.

Across the forecast period, two key drivers will influence Ontario's housing markets. A high interest-rate environment is expected to cool starts in 2023 and 2024, while elevated levels of household formations[2] curb some of that downward pressure. After reaching an expected low of 77,000 units in 2023, starts return to above 90,000 units by 2026, and rise to above 100,000 in the later years of the forecast period. Total residential employment is projected to rise to an employment peak of 257,000 workers (+23,800 workers over 2022 levels) by 2030, before ending the decade at just over 253,000 workers (+2%).

The non-residential sector is projected to grow across the forecast period, as major projects in every region of the province drive demands higher. Investment and employment both reach peaks in 2027, (adding 17% and 16%, respectively, over 2022 levels), as work culminates on many major projects around that time. Key projects include public transportation, 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, **Central Ontario** has benefitted from an influx of out-migration from the Greater Toronto Area, fuelled in large part by the combination of improved rail transportation, an increase in telecommuting, and low lending rates. These helped to sustain high levels of new-housing construction in the region. After contracting in 2023, the housing market should return to strong levels of growth by 2025, with employment peaking in 2028. Non-residential investment will be driven by a combination of major engineering-construction

projects relating to transit, and several major road, highway, and bridge projects through 2030. Employment will peak in 2028 as a number of projects – many in Hamilton – come online. Total construction employment is projected to add 1,600 workers (+1%) over the forecast period.

Eastern Ontario's construction market reported some of the tightest labour markets in the province in 2022, with most trades and occupations strained. Although recruiting challenges are expected to ease in the residential sector in the near term, the outlook for the non-residential sector suggests challenges will remain through 2027 and 2028. The regional market is benefiting from a series of high-value public-sector projects, including the second phase of Ottawa's light rail line, 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 in later years of the forecast period. Non-residential employment rises to a peak of +1,600 workers (+14%) above 2022 levels by 2027, and remains above 2022 levels by 2032.

The **Greater Toronto Area**'s construction market continues to be dominated by a series of large-scale public-transportation, nuclear refurbishment, new hospital, and other government building-restoration projects. These combine to bring non-residential employment to a peak in 2027 at nearly 17,000 workers above 2022 levels. After a short contraction, the region's residential sector is expected to rebound in 2024, supported by a growing and aging housing stock that requires continual maintenance and by a general trend of older-age individuals investing in their homes to age in place[3]. Overall, construction employment in the Greater Toronto Area grows by 27,200 workers (+16%) over 2022 levels.

In **Northern Ontario**, the construction outlook is supported by activity in the mining and utility sectors. Non-residential investment peaked in 2022 and is sustained in 2023, in line with large mining projects and new electric-power transmission infrastructure. Institutional construction trends up in later years of the forecast period with the start of work on the Thunder Bay correctional facility and the Weeneebayko hospital, reaching a peak of 8% above 2022 levels by 2024, before cycling down. Residential construction is dominated by the renovation sector, but investment is mostly unchanged through the forecast period. New-housing construction sees an up-cycle after 2023, mostly in line with population growth. By 2032, overall construction employment contracts by 1,300 workers (-6%) over 2022 levels.

Southwestern Ontario has been supported by a strong housing market that rose to a peak in 2021. After a brief decline in 2022 that should carry into 2023, the sector rises to peak employment, up 7% (+2,500 workers) from 2022 levels by 2027. Residential construction recedes thereafter as population growth slows. The non-residential sector continues to operate at high levels, with ongoing work on the Bruce Power nuclear refurbishment, the Gordie Howe bridge, new battery manufacturing and auto retooling investments, and a significant rise in industrial shutdown/turnaround maintenance work in Sarnia. The proposed start of the Windsor acute care hospital in 2026 adds to investment and job opportunities later in the forecast period. Non-residential employment is sustained at 2022 levels across the decade.

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[1] **Single-detached (single)** refers to a building containing only one dwelling unit that is completely separated on all sides from any other dwelling or structure.

[2] **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 the means by which population growth is transformed into demand for new housing.

[3] **Aging in place** is defined as required renovations and modifications to enable individuals to continue to live independently and safely in their residence as they age.

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

REGION	2023–2025 (% CHANGE)			2026–2028 (% CHANGE)			2029–2032 (% CHANGE)		
	Residential	Non–Residential	Total	Residential	Non–Residential	Total	Residential	Non–Residential	Total
Total employment – Ontario	–5.1%	7.4%	0.3%	7.3%	7.2%	7.3%	–0.4%	–3.8%	–1.9%
Central	–5.5%	6.6%	–1.0%	7.5%	11.5%	9.0%	–5.4%	–7.0%	–6.1%
Eastern	–7.5%	6.8%	–0.6%	0.2%	5.1%	2.8%	–2.9%	–8.3%	–5.8%
Greater Toronto Area	–6.4%	14.4%	2.3%	10.4%	6.8%	8.7%	8.0%	–0.6%	4.0%
Northern	0.3%	7.6%	4.8%	1.5%	–6.2%	–3.4%	–9.6%	–5.5%	–7.1%
Southwestern	0.6%	–10.0%	–4.0%	5.8%	11.8%	8.3%	–9.5%	–1.9%	–6.3%

Source: BuildForce Canada

Table 1 summarizes the estimated percent change in total residential and non-residential employment by region across three periods: the short term (2023–2025), the medium term (2026–2028), and the long term (2029–2032).

DEMOGRAPHICS: CANADA'S AGING POPULATION CREATES WORKFORCE CHALLENGES

Across the country, the share of the labour force aged 65 and over, who are mainly retired, has increased from 15% in 2012 to 19% in 2022. As Figure 1 shows, it is projected to grow again – to 22% – by 2032.

The labour force will be further challenged by a dwindling pool of youth. The group of people aged 15 to 24 years – i.e., people who are poised to enter the labour force – is shrinking as a percentage of the national population. This cohort was 13% in 2012, dropping to 12% in 2022, and is projected to fall to 11% by 2032.

These trends will create challenges for all industries, including construction, as it pertains to labour force recruitment.

There is good news, however. New federal immigration targets, announced in November 2022, call for the addition of 465,000 permanent residents in 2023, 485,000 in 2024, and a further 500,000 in 2025. These new targets should support further growth in the core working-age group of 25–54 years and may help moderate labour market pressures over the next decade. They will also require domestic industries to improve their recruitment of newcomers to supplement their traditional domestic recruitment programs.

IMMIGRATION REMAINS THE GREATEST DRIVER OF POPULATION GROWTH

Ontario follows a similar trend to national demographics. As Figure 2 shows, youth aged 15 to 24 years comprised 12% of the province's population in 2022. That figure is expected to contract to 10% by 2032. Meanwhile, the proportion of those aged 65 and older, and who are mostly retired, is projected to grow from 18% to 22% over the same period.

Figure 1: Population age distribution, Canada
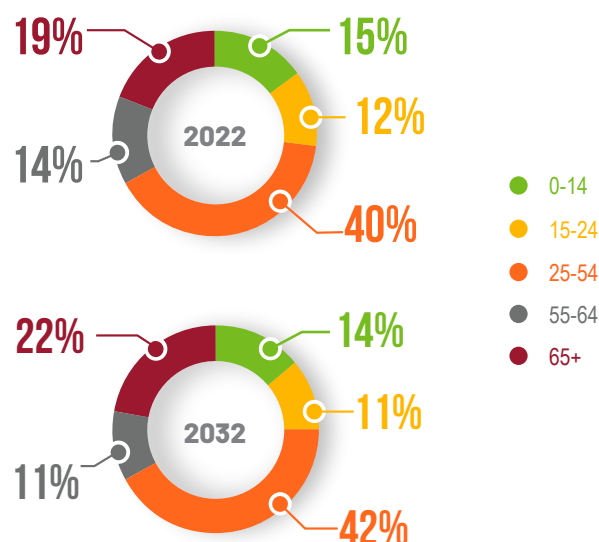
Source: BuildForce Canada

Figure 2: Population age distribution, Ontario
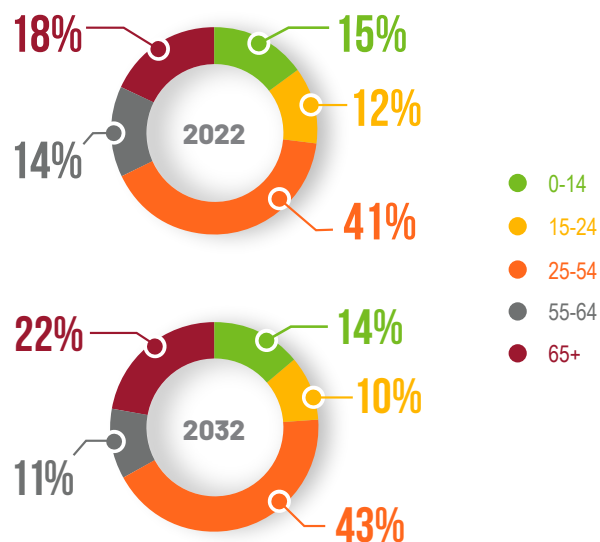
Source: BuildForce Canada

Ontario is Canada's most populous province. Its natural rate of population growth[4] has trended downward consistently since 2009. It enters the forecast period at 0.2% and will remain so for much of the decade before dropping to 0.1% in the early 2030s.

Immigration has been, and will continue to be, the principal driver of population growth in Ontario. The post-pandemic influx of more than 280,000 immigrants in 2022 created a major jump in population. Although that level of immigration will not be sustained across the forecast period, in part due to the fact that some of it was bolstered by a return to in-person learning among students and other non-permanent residents, it is expected to nonetheless remain near or above 200,000 people across the decade, particularly given adjusted federal immigration targets.

These elevated in-migration levels will sustain the province's natural rate of population growth through the forecast period, with many people arriving in the province during the prime working and child-bearing ages of 25 to 44 years.

Interprovincial migration has historically been a challenge in Ontario. For many newcomers, the province is a point of arrival only, with some departing for other parts of the country. Additionally, the more populous regions of the province, and in particular the Greater Toronto Area, are perceived as being among the most expensive in which to live. Interprovincial migration is generally expected to remain in negative territory across the forecast period.

The combination of these demographic factors will sustain Ontario's rate of population growth at or above 1.5% in the near-term years, before gradually contracting across the forecast period. By 2032, the growth rate nears 1%.

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

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 industry. Labour Force Survey[5] data from Statistics Canada shows that Ontario's construction labour force contracted by 8,100 workers between 2019 and 2021. As the economy reopened, the employment gains outpaced the capacity of the labour force to keep up, pushing unemployment rates down in the province to an average below 4% in 2022.

Although the reasons for the slow rate of labour force growth are not certain, the data suggests that there was some lag in the return of older-aged workers to the labour force, the majority of which were over 55 years of age. This added to the challenges the industry experienced in 2021. The labour force among this age group declined by 7,500 workers; down 6% between 2019 and 2021. Over the same period, the number of younger workers under the age of 25 increased by 3%, while the labour force of those aged 25 to 54 was unchanged.

Adding to market challenges, the industry will need to replace an estimated 82,600 workers, or 18% of its current labour force, due to retirements over the 10-year forecast period. Combined with projected growth, industry will likely need to recruit and train an estimated 118,900 additional workers between 2023 and 2032.

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

Source: Statistics Canada, BuildForce Canada (2023-2032)

* **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.

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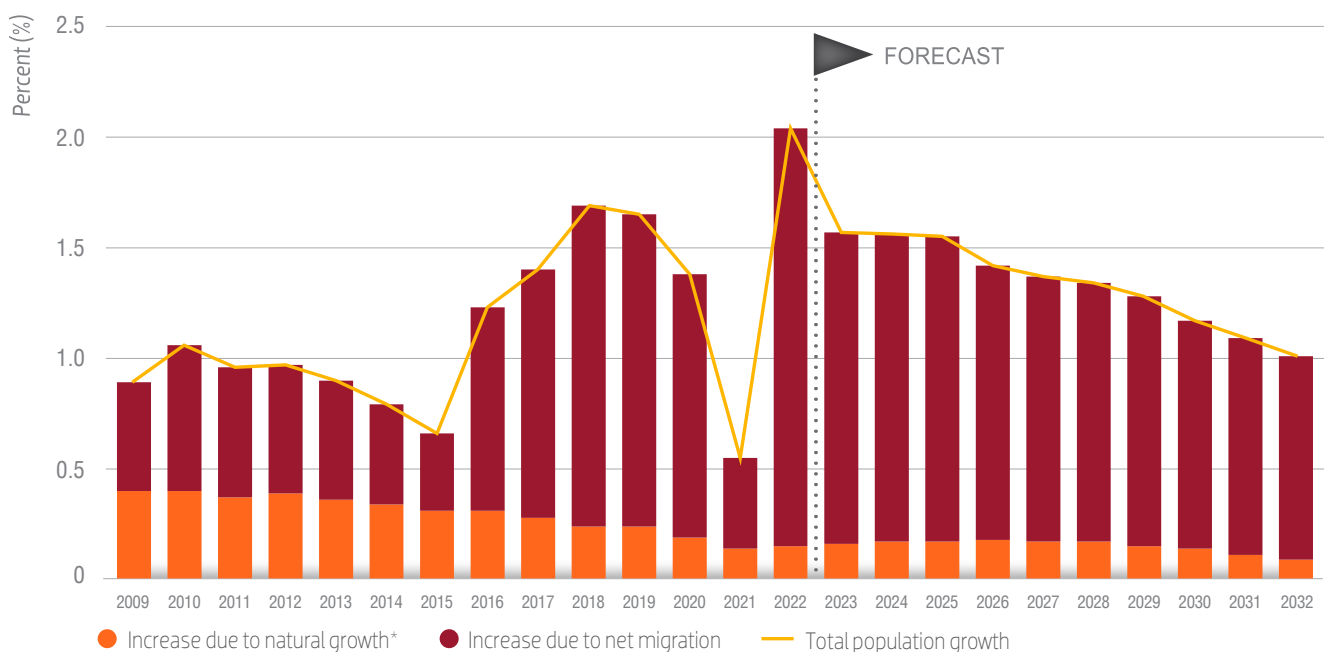
[4] The **natural rate of population growth** refers to the growth in the population due to the number of births relative to the number of deaths, which leads to a positive or negative natural rate.

[5] Statistics Canada's Labour Force Survey captures the labour force status of all workers within the industry, including those in occupations outside of the direct trades and occupations tracked by BuildForce Canada.

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 7% since 2019. Notwithstanding this success, the industry is expected to recruit approximately 88,400 new entrants under the age of 30 from within the province over the forecast period, leaving a projected gap of almost 30,500 workers that will need to be filled from a variety of sources, including through the additional recruitment and training of youth, through the additional recruitment of individuals from equity-deserving groups traditionally under-represented in the construction sector, from the construction labour forces of neighbouring provinces with higher levels of unemployment, from other industries in the province employing workers with the skill sets required by the industry, and from outside the country through permanent immigration.

The BuildForce LMI system tracks supply and accounts for the change in the available labour force, including retirements, new entrants[6], and net mobility[7].

Figure 4 provides a summary of the estimated changes in the construction labour force across the full 2023–2032 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, 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 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).

Figure 4: Changes in the construction labour force, Ontario

2022 LABOUR FORCE 451,800

+36,300 WORKERS

2032 LABOUR FORCE 488,100

HIRING NEEDS WORKERS +36,300

HIRING NEEDS RETIREMENTS +82,600

OFFSET BY NEW ENTRANTS -88,400

NET MOBILITY* 30,500

* **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

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[6] **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.

[7] **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.

CENTRAL ONTARIO

The Central region[8] includes some of the fastest-growing communities in the province, many of which have benefitted from increased out-migration from the Greater Toronto Area in recent years. Central Ontario recorded a record number of housing starts (24,000 units) in 2021. That figure declined slightly in 2022 as interest-rate increases began to erode housing affordability. Residential investment is expected to decline in 2023, with an approximate 20% reduction in housing starts. Investment follows population growth patterns through the remainder of the forecast period, with growth anticipated to resume after 2024, before cycling to a peak in 2028 and contracting to the end of the period.

Non-residential investment continued its upward cycle in 2022 with the start of several major projects for Amazon, Hamilton Health Sciences, and Stelco. Commercial construction was further supported by continued growth in the service sector. Investment through the remainder of the forecast period will be driven by a combination of major engineering-construction projects relating to transit, and several major road, highway, and bridge projects. The industrial, commercial, and institutional (ICI) sector will benefit from large contributions from major health care projects in the short term, and strong expansion in the industrial sector in the medium term.

Employment is expected to peak in 2028 as a number of projects – many in the Hamilton area – come online. As these conclude, employment recedes to 4,600 workers (+11%) over 2022 levels, with significant gains recorded in the ICI and maintenance sectors.

Although labour markets are expected to return to generally balanced conditions for many trades and occupations after 2023, it is important to note that rising demands in other regions of the province will create competition for workers in Central Ontario. These, in turn, should contribute to lower unemployment rates for the region's construction labour force.

RESIDENTIAL SECTOR

Residential employment in Central Ontario has been increasing steadily since 2019, and peaked at more than 75,200 workers in 2022, driven by a surge in new-housing construction that was sparked by a population exodus away from the Greater Toronto Area. Employment has increased by 20% (+12,400 workers) since 2019, with new housing accounting for 14,000 new workers alone.

Housing starts are projected to recede by as much as 20% in 2023, and particularly among single-detached homes, given interest-rate increases and the relative cost of these units. Multi-unit starts are also projected to fall in 2023 before the market rebounds rapidly through 2027 in response to the region's growing population, and the relative affordability of these units compared to single-detached homes. After losing as many as 9,500 workers in 2023 and 2024, new-housing employment begins a steady climb to a peak of 43,800 workers in 2028, before ending the decade at 17% below 2022 levels.

Renovation activity was elevated in 2022 as the post-COVID economy grew, and households used leftover savings to fund projects. Inflation is expected to slow renovation growth in 2023. As pressures subside in 2024, demands are expected to climb again, supported by a growing and aging housing stock that will require continual maintenance. Both the renovation (+18%; +4,000 workers) and maintenance (+5%; +700 workers) segments add employment over the forecast period.

Overall, residential employment contracts by 4% (-3,300 workers) compared to 2022 levels.

Note that federal efforts to double the number of new homes built across Canada over the next 10 years were not factored into this analysis.

Figure 5 shows the employment trends by sector for residential construction across the forecast period.

Figure 5: Residential construction employment growth outlook, Central Ontario

Source: Statistics Canada, BuildForce Canada (2023-2032)

Legend: ● Maintenance ● Renovation ● New housing

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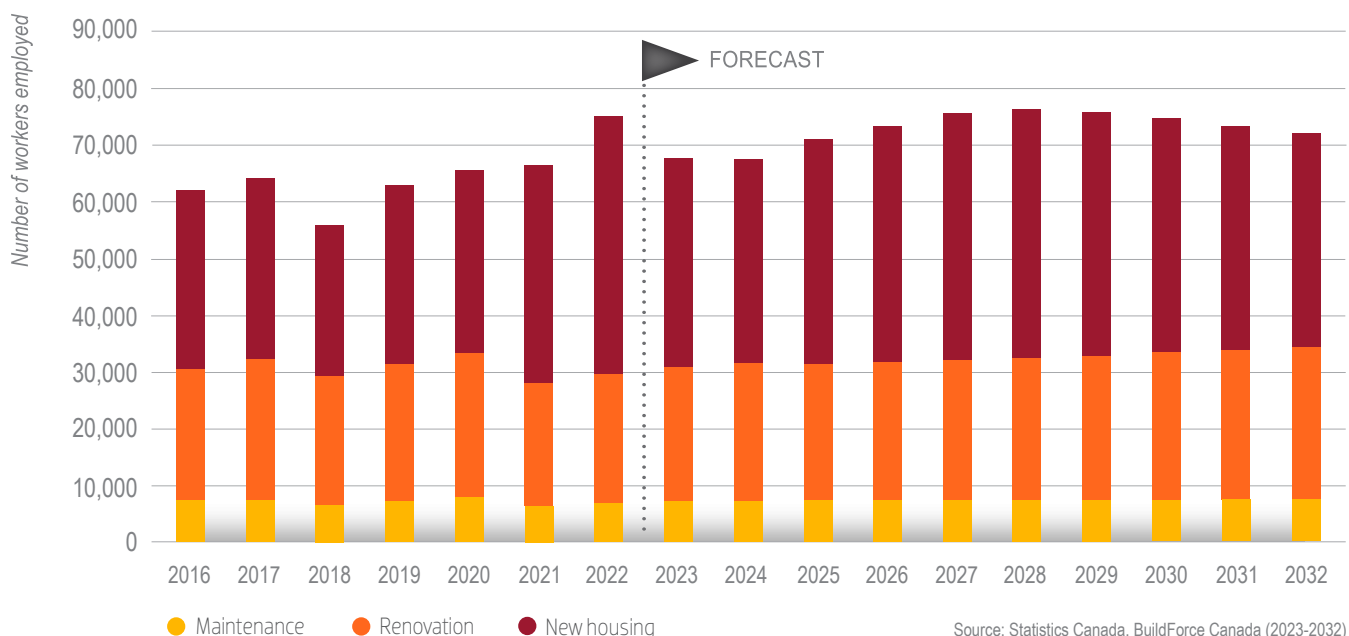
[8] **Central Ontario** includes the economic regions of Muskoka-Kawarthas, Kitchener-Waterloo-Barrie, and Hamilton-Niagara Peninsula as defined by Statistics Canada, which includes the census metropolitan areas (CMAs) of St. Catharines-Niagara, Hamilton, and Kitchener-Waterloo. The region includes such 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.

Extremely tight market conditions remain in all but one trade in 2022, driven by new-housing construction and renovation demands. This, coupled with a reduction in labour force participation that was seen in 2021, created unique market challenges across most trades.

Labour markets return to balanced conditions for most trades and occupations in 2023, and remain so through 2025 as new-housing demands recede from peak levels. Some trades and occupations may report oversupply conditions in the early 2030s.

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	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Bricklayers	5	4	3	3	3	3	3	3	3	3	3
Carpenters	4	3	3	3	3	3	3	3	3	3	3
Concrete finishers	4	3	3	3	3	3	3	3	3	3	3
Construction estimators	5	2	3	3	3	3	3	3	3	2	2
Construction managers	5	4	3	4	4	4	3	3	2	2	2
Contractors and supervisors	5	3	3	3	3	3	3	3	3	3	3
Electricians	4	3	3	3	3	3	3	3	3	3	3
Elevator constructors and mechanics	4	4	3	4	4	4	3	3	3	3	2
Floor covering installers	5	3	3	3	3	3	3	3	3	3	3
Gas fitters	4	3	3	3	3	3	3	3	3	3	2
Glaziers	4	3	3	4	3	4	3	3	3	3	3
Heavy equipment operators (except crane)	4	2	3	3	3	3	3	3	3	3	3
Home building and renovation managers	5	4	3	3	3	4	3	3	3	3	3
Insulators	4	3	3	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	2	2	3	4	3	3	3	3	3	3	3
Painters and decorators (except interior decorators)	5	3	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	5	3	3	3	3	3	3	3	3	3	3
Plumbers	4	3	3	3	3	3	3	3	3	3	2
Refrigeration and air conditioning mechanics	4	3	3	3	3	3	3	3	3	3	2
Residential and commercial installers and servicers	4	3	3	3	3	3	3	3	3	3	3
Roofers and shinglers	4	3	3	3	3	3	3	3	3	3	3
Sheet metal workers	4	3	3	3	3	3	3	3	3	3	3
Tilesetters	5	3	3	4	4	4	3	3	3	2	2
Trades helpers and labourers	4	2	3	4	3	3	3	3	3	3	3
Truck drivers	4	4	3	3	3	3	3	3	3	3	3
Welders and related machine operators	4	2	3	3	3	3	3	3	3	3	3

Source: BuildForce Canada

NON-RESIDENTIAL SECTOR

Non-residential investment is expected to rise steadily throughout the forecast period, driven by growth in the industrial, commercial, and institutional (ICI) and engineering-construction sectors. These combine to elevate investment by 2% in 2023, and by as much as 19% across the entire forecast period.

Growth in the engineering-construction sector will be supported by a combination of major projects relating to transit, and several major road, highway, and bridge projects through 2030, including wastewater and other infrastructure-replacement projects, and light rail transit investments in Hamilton and Kitchener, as well as investment on the Central region's component of the Barrie GO rail corridor. Two significant proposed projects (i.e., the Bradford Bypass and the Garden City Skyway twinning) should further elevate demand.

The ICI sector will benefit from large contributions from several major health care projects in Hamilton and Niagara, as well as strong growth in the industrial sector in the medium term that is created by a strong need for warehousing space, and investments at the ArcelorMittal Dofasco plant in Hamilton. The commercial sector will trend upward as the service industries invest to support population growth.

Non-residential employment is anticipated to rise to a peak of nearly 52,400 workers in 2028 as a number of projects – many in Hamilton – come online. It ends the forecast period at 4,600 workers (+11%) above 2022 levels. Gains are most pronounced in the ICI sector, which adds 2,600 workers (+14%) in support of the various industrial and institutional projects. The maintenance sector adds

1,600 workers (+16%), while engineering construction adds a more modest 300 workers (+2%) as employment contracts from a 2027 peak of nearly 18,200 to end the decade at 15,800 workers.

Figure 6 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.

Labour markets open the forecast period under challenging conditions. Markets were already constrained in 2021, and demand created by the start of work on several major projects for Amazon, Hamilton Health Sciences, and Stelco further taxed the workforce.

Many of the same pressures are expected to continue for several trades and occupations in 2023, with pressures easing in 2024 and 2025. Demands peak into 2027 as the construction of a number of major projects, many of which are located in the Hamilton area, overlap. Toward the final years of the forecast period, some trades could experience labour surpluses, but this is a function of a step down from peak activity.

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

Figure 6: Non-residential construction employment growth outlook, Central Ontario
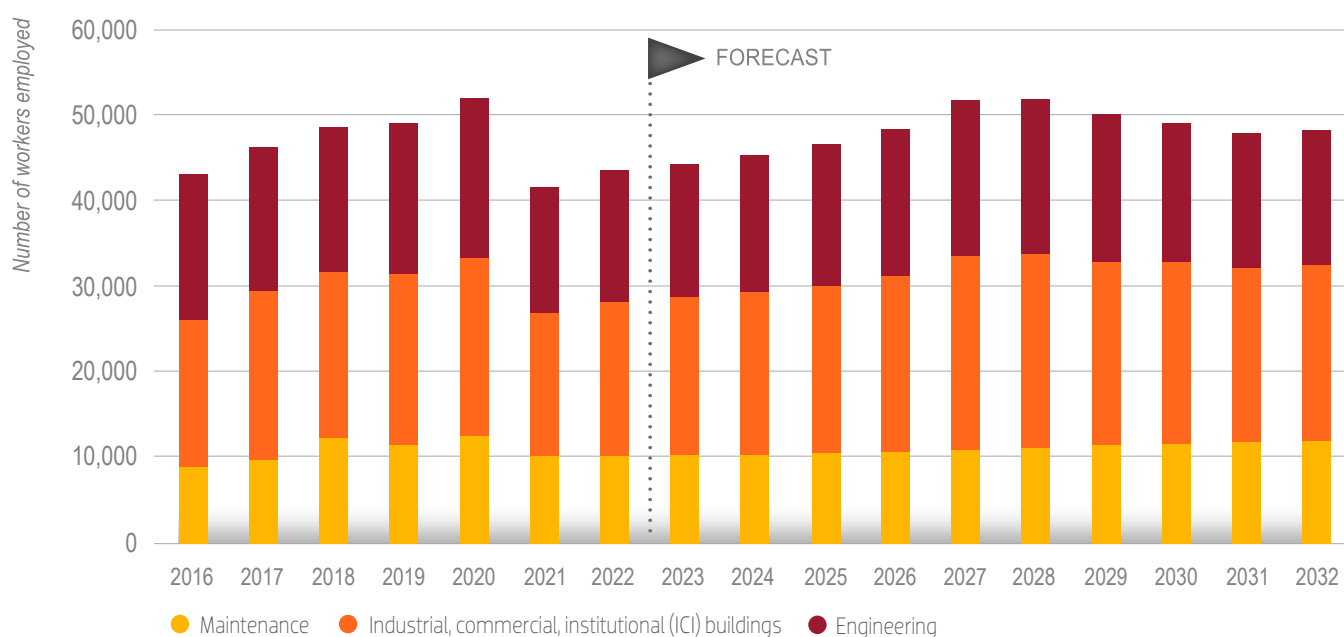
Source: Statistics Canada, BuildForce Canada (2023-2032)

Table 3: Non-residential market rankings, Central Ontario

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Boilermakers	4	4	3	3	3	4	3	2	3	3	3
Bricklayers	4	4	4	3	3	4	3	3	3	3	3
Carpenters	4	3	4	3	3	4	3	3	2	3	3
Concrete finishers	3	3	5	3	3	3	3	3	2	3	3
Construction estimators	4	4	3	3	4	5	3	2	3	2	3
Construction managers	5	4	4	3	4	5	3	2	2	2	3
Construction millwrights and industrial mechanics	3	3	3	3	3	4	3	2	2	3	3
Contractors and supervisors	4	4	3	3	4	4	3	2	3	2	3
Crane operators	5	4	4	3	3	4	3	2	3	3	3
Drillers and blasters	3	3	3	3	3	4	3	2	3	2	3
Electrical power line and cable workers	4	3	3	3	3	3	3	3	3	3	3
Electricians	4	3	3	3	3	4	3	2	3	3	3
Elevator constructors and mechanics	4	4	3	3	4	4	3	3	3	2	3
Floor covering installers	4	4	3	3	4	4	3	3	3	2	3
Gas fitters	4	4	3	3	3	4	3	3	3	3	3
Glaziers	4	4	3	3	3	4	3	3	3	3	3
Heavy equipment operators (except crane)	3	3	3	3	3	4	3	2	3	2	3
Heavy-duty equipment mechanics	4	3	3	3	3	4	3	2	3	2	3
Insulators	3	3	3	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	3	3	5	3	3	3	3	4	2	3	3
Painters and decorators (except interior decorators)	4	3	3	3	3	4	3	2	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	3	3	3	3	4	3	3	3	3	3
Plumbers	4	4	3	3	3	4	3	3	3	3	3
Refrigeration and air conditioning mechanics	4	4	3	3	4	5	3	2	3	3	3
Residential and commercial installers and servicers	3	3	3	3	3	4	3	3	3	2	3
Roofers and shinglers	3	3	3	3	3	4	3	3	3	3	3
Sheet metal workers	4	4	3	3	3	4	3	3	3	3	3
Steamfitters, pipefitters and sprinkler system installers	4	4	3	3	3	3	3	3	3	3	3
Trades helpers and labourers	4	4	3	3	3	4	3	2	2	2	3
Truck drivers	4	3	3	3	3	4	3	2	3	2	3
Welders and related machine operators	3	3	3	3	3	4	3	2	3	3	3

Source: BuildForce Canada

EASTERN ONTARIO

Eastern Ontario's[9] construction sector reported another strong year in 2022, driven by increased housing starts, institutional-building construction, and major transportation infrastructure activity. The pace of growth in the sector is expected to moderate across the remainder of the forecast period, as investment in the residential and non-residential sectors chart different courses. The current high interest-rate environment is expected to slow residential-sector investment in 2023 and 2024, while non-residential investment surges to a peak in 2027, bolstered by work initially on the Ottawa light rail project and then the start of hospital projects in Ottawa and Kingston. These are supplemented by ongoing work on the Parliamentary precinct and the modernization of the Supreme Court of Canada and other public buildings in the Ottawa area.

Overall, construction employment is projected to rise to a peak of nearly 61,000 workers in 2027 on the strength of a robust schedule of work in the non-residential sector. Residential employment drops initially in 2023 and 2024, before remaining at an elevated level for the remainder of the decade. By 2032, residential employment contracts by 10% (-3,000 workers), while non-residential employment adds nearly 4,200 workers in 2027 before cycling down to 3% (+830 workers) over 2022 levels.

Across the forecast period, the contraction in overall employment – concentrated entirely in the residential sector – alongside an estimated 11,800 retirements could cause as many as 1,700 workers to seek work elsewhere in the province or exit the region's construction industry.

RESIDENTIAL SECTOR

Residential construction levelled off in 2022 after a steady upward climb that began in 2019. Employment demands increased modestly in 2020 and accelerated further in 2021. This was driven by a 40% surge in housing starts in both years, and a rebound in renovation work. Employment rose again – by 100 or so workers – in 2022, given a slight increase in housing starts. New-housing employment requirements peaked at just below 18,000 workers in 2022 and are likely to experience contractions in 2023 and 2024, before settling in at an elevated level through the remainder of the forecast period. This mirrors the trend in regional housing starts, which could contract by as much as 24% before levelling off through 2030.

By the end of the forecast period, residential construction employment is projected to decline by about 3,000 workers (-10%) from 2022 levels, with new-housing construction expected to experience the largest employment decline of approximately 3,700 workers (-21%) compared to 2022's peak. Renovation and maintenance demands are expected to increase throughout the period, adding 600 and 100 workers (+6% and +3%), respectively.

Note that federal efforts to double the number of new homes built across Canada over the next 10 years were not factored into this analysis.

Figure 7 shows the employment trends by sector for residential construction in Eastern Ontario.

Figure 7: Residential construction employment growth outlook, Eastern Ontario

Source: Statistics Canada, BuildForce Canada (2023-2032)

Legend: ● Maintenance ● Renovation ● New housing

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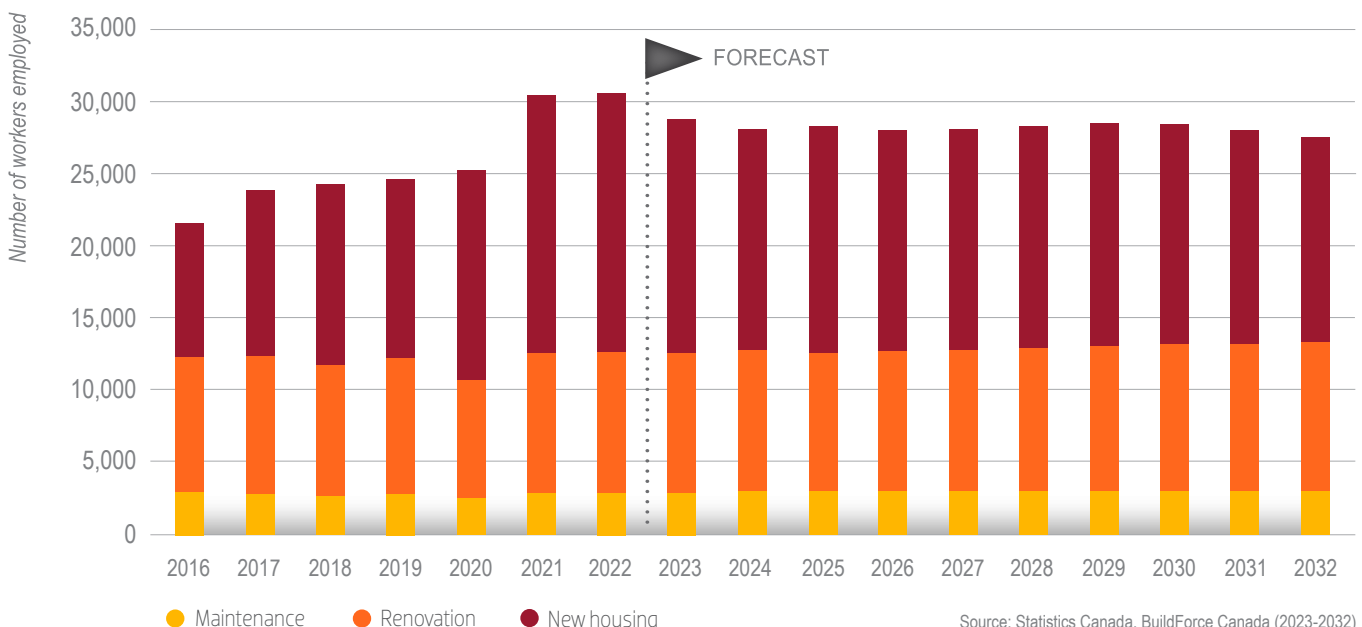
[9] **Eastern Ontario** includes the economic regions of both Ottawa and Kingston-Pembroke, including the census metropolitan areas (CMAs) of Ottawa and Kingston. Cities include Cornwall, Brockville, Belleville, and Petawawa.

Table 4: Residential market rankings, Eastern Ontario

TRADES AND OCCUPATIONS — RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Bricklayers	5	5	4	3	3	3	3	3	3	3	3
Carpenters	4	2	3	3	3	3	3	3	3	3	3
Concrete finishers	5	4	3	3	3	3	3	3	3	3	3
Construction estimators	4	2	3	3	4	4	4	4	4	4	3
Construction managers	5	5	4	3	4	4	4	4	4	3	3
Contractors and supervisors	4	3	3	3	4	4	4	4	4	4	3
Electricians	4	3	2	3	3	3	4	3	3	3	3
Floor covering installers	4	3	3	3	3	4	4	4	4	3	3
Gas fitters	3	2	3	3	4	4	4	4	4	4	3
Heavy equipment operators (except crane)	4	3	2	3	3	3	3	3	3	3	3
Home building and renovation managers	4	4	3	3	4	4	4	4	4	4	4
Insulators	3	2	3	3	3	3	3	3	3	3	3
Painters and decorators (except interior decorators)	4	3	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	3	3	3	3	3	3	4	3	3	3
Plumbers	4	3	2	3	3	4	4	4	4	3	3
Refrigeration and air conditioning mechanics	4	3	2	3	3	4	4	4	4	3	3
Residential and commercial installers and servicers	3	3	3	3	3	4	4	3	3	3	3
Roofers and shinglers	3	3	3	3	3	3	3	3	3	3	3
Sheet metal workers	4	3	2	3	3	4	4	4	4	3	3
Tilesetters	4	3	2	3	3	4	4	4	3	3	3
Trades helpers and labourers	4	3	3	3	3	3	3	3	3	3	3
Truck drivers	4	3	3	3	3	3	3	3	3	3	3

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.

Residential labour markets tightened rapidly in the second quarter of 2021, driven by both new-housing construction and renovation demands. Requirements eased in the single-detached market in 2022, while high-rise apartment construction increased. Despite this, many trades, particularly in the new-housing sector, experienced significant labour shortages.

New-housing demands are expected to ease in some trades into 2023, but a backlog of work and an expected increase in renovation activity will maintain pressure on most trades. After a brief pause in 2025, later years of the forecast period see markets returning to constrained positions as the regional economy returns to growth and interest-rate conditions ease.

NON-RESIDENTIAL SECTOR

Non-residential construction employment grew by 6% in 2022, driven by increases in all sectors. Engineering-construction employment grew to more than 12,100 workers with the ramping up

Figure 8: Non–residential construction employment growth outlook, Eastern Ontario
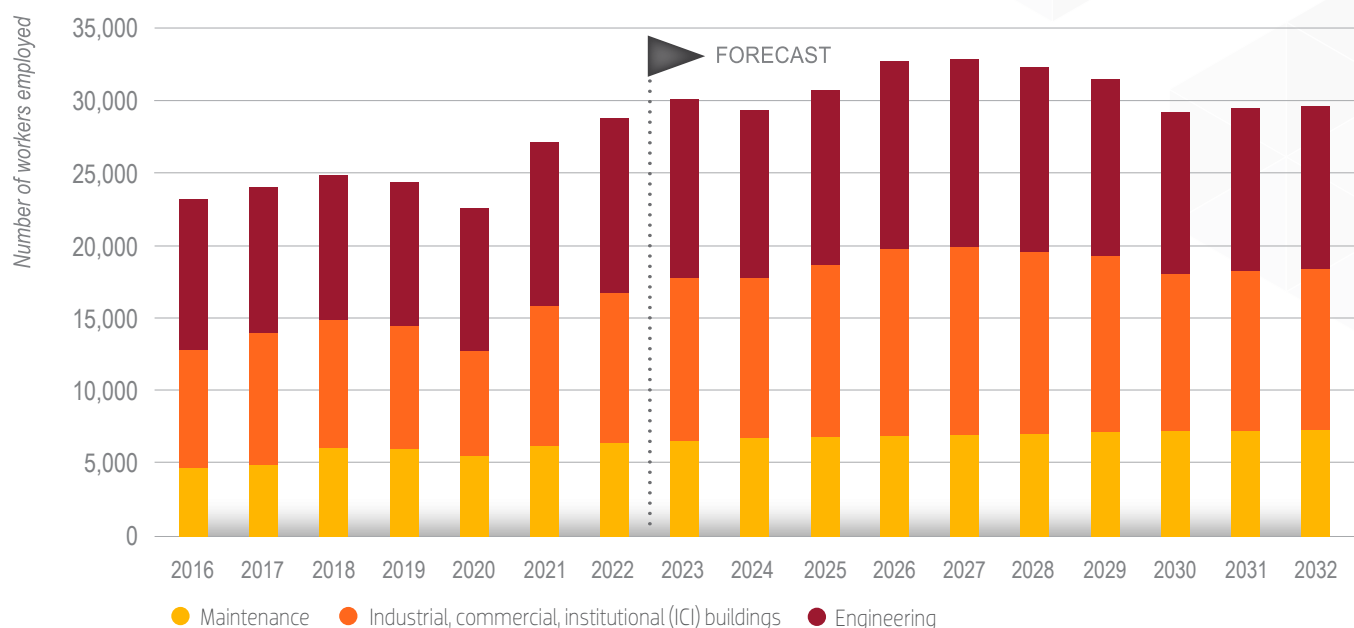
Source: Statistics Canada, BuildForce Canada (2023-2032)

of investment in the light rail line in Ottawa, the Waaban Crossing bridge in Kingston, and from generally greater investments in public infrastructure. Institutional and government investment has been on the rise since 2020, supported by ongoing work across several major projects, including the Centre Block at Parliament Hill and light rail in Ottawa. The pace of growth contributed to very tight labour market conditions across all trades and occupations.

Recruiting challenges may intensify over the next few years, as several infrastructure and institutional projects ramp up simultaneously. Employment reaches a peak of just below 33,000 workers (+14%) in 2027 as work rises to peak on the Ottawa Civic hospital campus expansion and the Kingston General Hospital projects. These and other public-sector projects carry through until the early 2030s.

The greatest employment gains are reported in the industrial, commercial, and institutional sector, which adds 4,500 workers between 2022 and 2027, before cycling down to increase by 8% (+800 workers) above 2022 levels by the end of the forecast period. Engineering-construction employment also rises to peak levels of more than 13,000 workers in each of 2026 and 2027, before contracting to 7% (-900 workers) below 2022 levels. The maintenance sector, meanwhile, adds 900 workers (+14%). By the end of the forecast period, employment grows by 830 workers (+3%) over 2022 levels.

Figure 8 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 28 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 5.

The region's non-residential construction labour market is as tight as it ever has been. Major pressures were seen in several key trades in 2022. Demand pressures increase into 2023 as a series of high-value federal government projects either start or continue through the period. Slowing work on the light rail line in Ottawa will help to ease some of that strain.

Some trades may see a brief pause in 2024 with the conclusion of work at some federal projects in Ottawa, and on the light rail line. Demands, however, increase again in 2025 with the start of work on the Ottawa Hospital Civic Campus project, the Kingston General Hospital, and the Quinte Detention Centre. These projects create a scenario peak in 2027.

The long-term outlook slows as work on the currently known institutional projects begins winding down.

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

Table 5: Non-residential market rankings, Eastern Ontario

TRADES AND OCCUPATIONS — NON-RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Bricklayers	5	5	4	4	5	5	4	2	3	3	3
Carpenters	5	4	3	4	5	4	3	3	2	3	3
Concrete finishers	5	4	3	4	5	3	3	3	3	3	3
Construction estimators	4	4	4	4	4	4	3	3	3	3	3
Construction managers	4	4	3	4	4	4	4	4	3	3	3
Construction millwrights and industrial mechanics	5	4	2	3	4	3	4	4	4	3	3
Contractors and supervisors	4	4	4	4	4	4	3	4	3	3	3
Crane operators	5	4	3	4	4	4	3	3	3	3	3
Electricians	4	4	4	4	4	4	4	3	2	3	3
Elevator constructors and mechanics	4	5	4	4	5	4	3	3	3	3	3
Floor covering installers	4	4	4	4	4	4	4	3	3	3	3
Gas fitters	4	4	4	4	4	4	3	4	3	3	3
Glaziers	4	5	4	4	5	4	4	3	2	3	3
Heavy equipment operators (except crane)	4	4	4	4	4	3	3	3	3	3	3
Heavy-duty equipment mechanics	4	4	4	4	4	4	3	3	3	3	3
Insulators	4	4	4	4	5	4	4	2	2	3	3
Ironworkers and structural metal fabricators	4	4	3	4	4	3	3	3	3	3	3
Painters and decorators (except interior decorators)	4	5	4	4	4	4	4	3	2	3	3
Plasterers, drywall installers and finishers, and lathers	4	5	4	4	4	5	5	3	2	3	3
Plumbers	4	4	4	4	5	4	3	3	3	3	3
Refrigeration and air conditioning mechanics	4	4	4	4	5	4	3	3	3	3	3
Residential and commercial installers and servicers	4	5	4	4	4	4	3	3	2	3	3
Roofers and shinglers	4	5	4	4	4	4	4	3	2	3	3
Sheet metal workers	4	4	4	5	5	4	3	3	2	3	3
Steamfitters, pipefitters and sprinkler system installers	4	4	3	4	5	4	3	2	2	3	3
Trades helpers and labourers	4	4	3	4	4	3	3	3	2	3	3
Truck drivers	4	4	3	4	4	3	3	3	3	3	3
Welders and related machine operators	4	4	4	4	4	3	3	3	3	3	3

Source: BuildForce Canada

GREATER TORONTO AREA

Construction activity in the Greater Toronto Area (GTA)[10] rose again in 2022, supported by further gains in the residential and non-residential construction sectors. After reaching peaks in 2020 and 2021, activity in the residential sector moderated in 2022. Investment added 1% over 2021 levels. Total non-residential sector activity reported much the same increase, driven by strong investment levels on major transportation and nuclear refurbishment projects, and increased investment in education and health services projects.

The pace of growth across the non-residential sector, in particular, alongside declines in the construction labour force, has resulted in the re-emergence of 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 contract by a modest 1% in 2023, as the residential sector experiences contractions relating to reduced demand for new-housing construction. Growth in the non-residential sector, meanwhile, 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 15,500 workers (+21%) by the end of the forecast period.

Residential construction employment reached a high of more than 100,000 workers in 2022 and is expected to step down by about 5% into 2023, with a loss of approximately 5,600 workers in new-housing construction. Modest gains in renovation and maintenance activity only partially offset this decline.

Maintaining labour force capacity to keep pace with increased construction demands while grappling with the anticipated retirement of 39,600 workers over the next 10 years (or 22% of the current labour force) will require the industry to actively promote and recruit an estimated 37,200 additional workers throughout the forecast period.

RESIDENTIAL SECTOR

Housing starts returned to pre-pandemic levels in 2021, reaching nearly 47,000 units, and exceeded that level in 2022. Record-low interest rates supported much of those gains in the first half of the year, and while sales cooled in the second half, builders nonetheless were contending with a significant backlog of work. A jump in apartment[11] starts, relative to the size of the overall construction volume, suggests that consumers may be gravitating toward more affordable housing options.

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 7,100 workers (+8%) in 2021.

An expected decline in housing starts of more than 9,700 units (-21%) will cause new-housing employment to recede by as many as 5,600 workers (-10%) in 2023. Demands for all residential unit types are expected to contract in 2023, while renovation employment should increase slightly. Residential employment will likely continue to be held back by lower housing starts for the remainder of the short term, before responding to improving economic conditions by 2025. Employment rises to a peak of more than 112,300 workers in 2032, adding 11,700 workers (+12%) over 2022 levels. Over the forecast period, increased renovation work adds just over 5,000 workers (+14%) and residential maintenance work rises by 1,500 workers (+15%).

Note that federal efforts to double the number of new homes built across Canada over the next 10 years were not factored into this analysis.

Figure 9 shows the employment trends by sector for residential construction in the GTA.

Figure 9: Residential construction employment growth outlook, Greater Toronto Area

Source: Statistics Canada, BuildForce Canada (2023-2032)

Maintenance • Renovation • New housing

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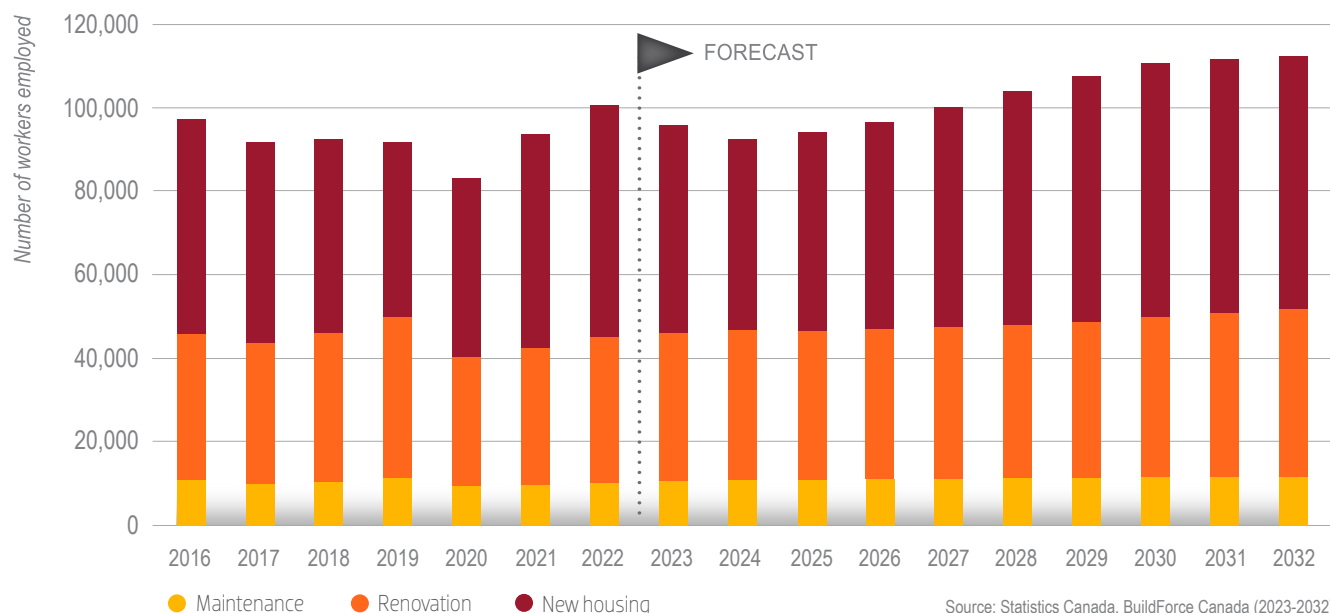
[10] The **Greater Toronto Area** (GTA) includes the municipalities of Ajax, Aurora, Bradford West Gwillimbury, Brampton, Brock, Caledon, Clarington, East Gwillimbury, Georgina, Georgina Island, Halton Hills, King, Markham, Milton, Mississauga, Newmarket, Oakville, Oshawa, Pickering, Richmond Hill, Scugog,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

[11] **Apartments and other** includes structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes, and row duplexes.

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 again in 2022, new-housing demands were up significantly, creating low unemployment and tight labour market conditions across most trades and occupations.

With fewer starts expected in 2023, employment is expected to recede for the first time since 2020. This is expected to move many trade markets into balance by the end of the year. Although housing starts are expected to recover in 2024, employment demands remain held back. A moderation in the pace of growth after 2025 helps to restore conditions to balance.

Table 6: Residential market rankings, Greater Toronto Area

TRADES AND OCCUPATIONS — RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Bricklayers	5	4	3	3	3	3	3	3	3	3	3
Carpenters	5	3	2	3	3	3	3	3	3	3	3
Concrete finishers	4	3	3	3	3	3	3	3	3	3	3
Construction estimators	5	3	3	3	3	3	3	3	3	3	3
Construction managers	4	3	2	3	3	4	4	3	3	3	3
Contractors and supervisors	4	3	3	3	3	3	3	3	3	3	3
Crane operators	5	4	3	3	3	3	3	3	3	3	3
Electricians	5	3	2	3	3	3	3	3	3	3	3
Elevator constructors and mechanics	5	4	3	3	3	3	3	3	3	3	3
Floor covering installers	5	3	2	3	3	3	3	3	3	3	3
Gas fitters	4	3	3	3	3	3	3	3	3	3	3
Glaziers	5	3	2	3	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	5	2	3	3	3	3	3	3	3	3	3
Home building and renovation managers	5	3	3	3	3	3	3	3	3	3	3
Insulators	5	3	2	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	5	3	2	3	3	3	3	3	3	3	3
Painters and decorators (except interior decorators)	4	3	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	5	3	2	3	3	3	3	3	3	3	3
Plumbers	5	3	2	3	3	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	5	4	3	3	3	3	3	3	3	3	3
Residential and commercial installers and servicers	4	3	3	3	3	3	3	3	3	3	3
Roofers and shinglers	4	3	3	3	3	3	3	3	3	3	3
Sheet metal workers	5	3	2	3	3	3	3	3	3	3	3
Tilesetters	5	4	3	3	3	3	3	3	3	3	3
Trades helpers and labourers	4	3	2	3	3	3	3	3	3	3	3
Truck drivers	4	3	3	3	3	3	3	3	3	3	3
Welders and related machine operators	5	3	2	3	3	3	3	3	3	3	3

Source: BuildForce Canada

NON–RESIDENTIAL SECTOR

Non-residential employment is projected to rise by 5% in 2022, propelled by significant increases in light rail transit and subway work, on top of institutional and other infrastructure work already underway. Combined investment in the industrial, commercial, and institutional (ICI) and engineering-construction sectors peaks in 2027, bringing with it employment increases of nearly 17,000 workers above 2022 levels. Over the forecast period, non-residential construction employment rises by 15,500 workers (+21%) over levels achieved in 2022.

Engineering-construction investment is on an upward swing, driven by investment on several major, high-value transportation spends (i.e., the Ontario Line, GO rail electrification, Union Station electrification expansion, Yonge North Subway Extension, Scarborough Subway Extension, Sheppard East light rail, and Eglinton Crosstown West), as well as investments in roads, highways, and bridges, and ongoing nuclear refurbishment work at Ontario Power Generation's Darlington facility. These projects dominate the landscape through to 2027, raising engineering-construction employment by 7,000 workers over 2022 levels, and may extend further if work extends beyond planned schedules.

Institutional and government investments have climbed with investment on education and health-services projects, including Mississauga Trillium, Queensway Health, Centre for Addiction and Mental Health, Peel Memorial, North York General, Bowmanville Hospital redevelopment, and Grandview children's treatment centre. The development of these and other projects will be a major growth factor for the sector out to a projected employment peak of 16,700 workers (+23%) above 2022 levels in 2027. Commercial- and industrial-building investments will rise in 2024 after some short-term weakness, with commercial investment picking up significantly over the medium term.

Figure 10 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.

Markets remained tight in 2022, driven by utility-sector work, large increases in transportation-sector work, and ongoing institutional and other infrastructure projects. The period from 2023 to 2027 sees an unbroken series of employment increases that culminate in 2027 with an increase of nearly 17,000 workers (+23%) over 2022 levels. These requirements are driven by work on health care and transportation-infrastructure projects.

As the major subway projects begin winding down through 2031, demand increases among industrial, commercial, and institutional trades as work commences on a series of hospital projects. Labour markets mostly return to balance.

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

Figure 10: Non–residential construction employment growth outlook, Greater Toronto Area
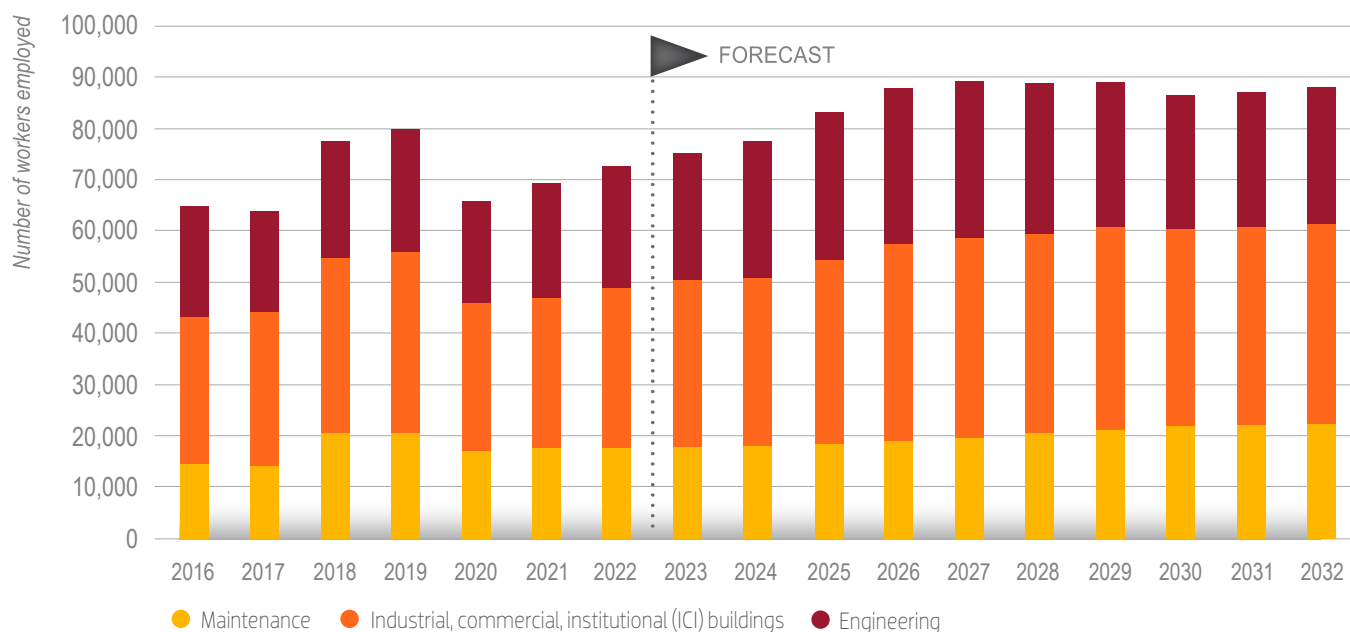
Source: Statistics Canada, BuildForce Canada (2023-2032)

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

TRADES AND OCCUPATIONS — NON-RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Boilermakers	5	4	4	3	3	2	3	3	3	3	3
Bricklayers	4	4	4	4	4	3	3	3	3	3	3
Carpenters	4	4	4	4	4	3	3	3	3	3	3
Concrete finishers	5	4	5	4	4	3	2	3	2	3	3
Construction estimators	4	4	4	4	3	3	3	3	3	3	3
Construction managers	4	5	4	5	4	3	3	3	3	3	3
Construction millwrights and industrial mechanics	4	4	5	4	3	3	3	3	2	3	3
Contractors and supervisors	4	4	4	4	4	3	3	3	3	3	3
Crane operators	5	4	5	4	4	3	2	3	3	3	3
Electrical power line and cable workers	5	4	5	5	4	4	3	3	3	3	3
Electricians	4	4	4	4	4	3	3	3	2	3	3
Elevator constructors and mechanics	4	4	3	4	4	3	3	3	3	3	3
Floor covering installers	4	4	3	4	3	3	3	3	3	3	3
Gas fitters	4	4	4	5	4	3	3	3	3	3	3
Glaziers	4	4	3	4	4	3	3	3	3	3	3
Heavy equipment operators (except crane)	3	5	3	3	3	3	3	3	3	3	3
Heavy-duty equipment mechanics	4	4	4	4	3	3	3	3	3	3	3
Insulators	4	4	4	4	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	4	3	4	4	4	3	2	3	2	3	3
Painters and decorators (except interior decorators)	4	4	3	4	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	4	3	4	3	3	3	3	3	3	3
Plumbers	4	4	4	5	4	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	4	4	3	4	3	3	3	3	3	3	3
Residential and commercial installers and servicers	4	4	3	4	4	3	3	3	3	3	3
Roofers and shinglers	4	4	3	4	3	3	3	3	3	3	3
Sheet metal workers	4	4	4	4	4	3	3	3	3	3	3
Steamfitters, pipefitters and sprinkler system installers	3	3	3	4	4	4	3	2	3	3	3
Tilesetters	4	4	3	4	4	3	3	3	3	3	3
Trades helpers and labourers	4	4	3	4	4	3	3	3	2	3	3
Truck drivers	4	4	3	3	3	3	3	3	3	3	3
Welders and related machine operators	4	4	3	4	3	3	3	3	3	3	3

Source: BuildForce Canada

NORTHERN ONTARIO

Construction investment in Northern Ontario[12] enjoyed successive highs in 2021 and 2022, driven mostly by strong activity in the mining sector. Although investment steps down in subsequent years, it remains elevated by historical standards and sustains overall employment above 23,000 workers through 2027. Positive final investment decisions to a long list of proposed resource development projects currently not included in the forecast could elevate growth well beyond the projected levels of activity.

Overall, construction employment is expected to remain relatively unchanged in 2023, as growth in the non-residential sector offsets losses in new-housing construction. By the end of the forecast period, industry employment is expected to fall by more than 1,300 workers (-6%) compared to 2022 levels. In absolute terms, declines are spread evenly between the residential and non-residential sectors, with both contracting by approximately 670 workers.

Tight labour market conditions are expected into 2026 for most residential trades and occupations, with demand tightest among residential construction managers. Most non-residential trades and occupations are particularly strained into 2024, with conditions easing into balance by 2027 as current projects reach completion and workers are released. There is, however, a significant upside risk to this scenario. Several major resource development projects are awaiting final investment decisions. These could carry market pressures well beyond the current anticipated 2024 employment peak.

Northern Ontario will compete with other regions for skilled labour over the near term, and the replacement of retiring workers across the forecast period. Approximately 4,900 workers are expected to exit the industry during the 10-year forecast period, which equates to almost 21% of the 2022 labour force.

RESIDENTIAL SECTOR

Employment in Northern Ontario's residential sector is driven primarily by renovation activity, which is expected to contract across the forecast period as economic growth slows. This, combined with an aging population, puts downward pressure on renovation expenditures as income growth slows and interest rates rise.

Housing starts contracted by 16% in 2022 and are expected to decline by a further 13% in 2023. Thereafter, they cycle back up to above 1,500 units – levels not seen since 2012 – and remain at or near that level until 2030. The return to elevated levels is supported by regional migration projections, with many new arrivals expected to command salaries that will enable them to afford single-detached housing. Tight rental vacancy rates in Sudbury and Thunder Bay will also support increased demand for multi-unit dwellings.
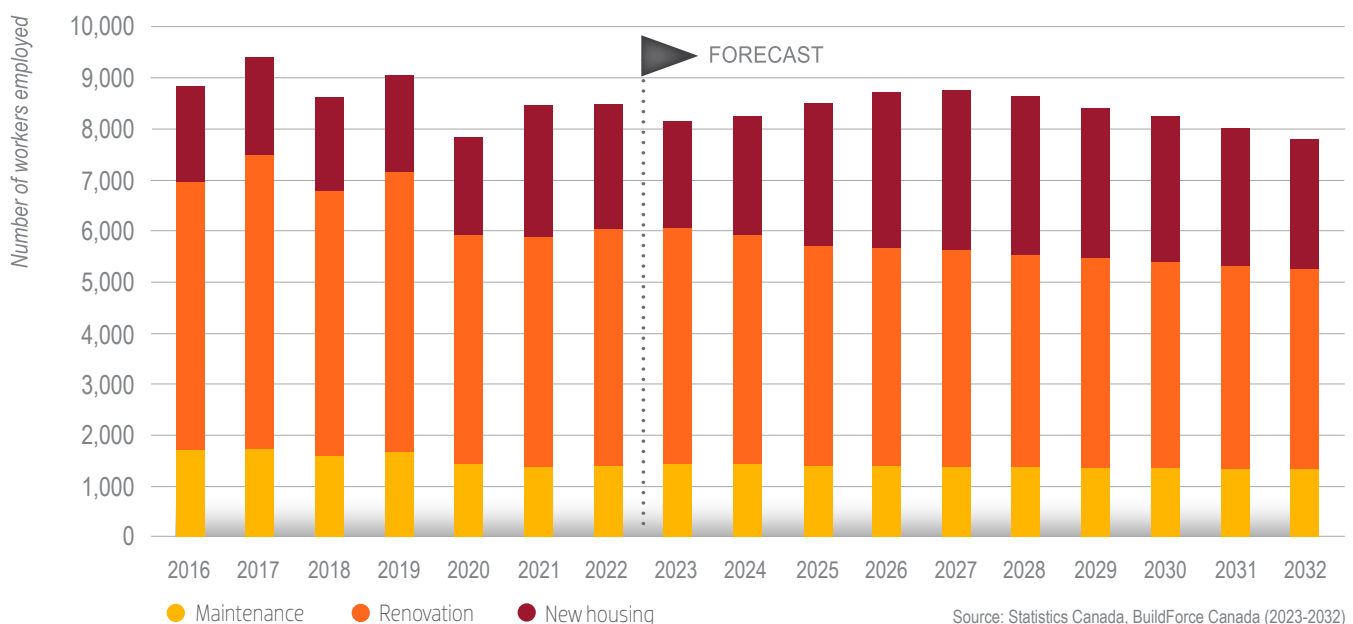
Residential employment is expected to contract by about 4% (-300 workers) in 2023, as losses in the new-housing component more than offset a slight gain in maintenance activity and an unchanged renovation sector. Investment will cycle into a period of growth between 2024 and 2027, bringing employment in new housing to 3,100 workers (+28%) above 2022 levels. Employment then cycles down to 5% above 2022 levels by 2032.

Renovation-related employment, which represents 55% of total residential employment, remains between 4,500 and 4,600 workers through to 2024. Over the remainder of the forecast period, it declines continuously, reaching 730 workers (-16%) lower than 2022 levels by 2032. Maintenance employment peaks in 2023, before contracting across the forecast period to 5% below 2022 levels by 2032.

Note that federal efforts to double the number of new homes built across Canada over the next 10 years were not factored into this analysis.

Figure 11 shows the employment trends by sector for residential construction in Northern Ontario.

Figure 11: Residential construction employment growth outlook, Northern Ontario

Source: Statistics Canada, BuildForce Canada (2023-2032)

Legend: Maintenance, Renovation, New housing

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[12] **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	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Bricklayers	5	4	3	4	3	3	3	3	3	3	3
Carpenters	5	4	3	3	3	3	3	3	3	3	3
Construction estimators	4	3	4	4	4	3	3	3	3	3	3
Construction managers	5	4	5	5	5	4	3	3	3	3	3
Contractors and supervisors	4	4	4	4	4	3	3	3	3	3	3
Electricians	4	4	3	4	3	3	3	3	3	3	3
Floor covering installers	4	4	4	3	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	4	3	4	4	4	3	3	3	3	3	3
Home building and renovation managers	4	4	4	4	4	4	3	3	3	3	3
Painters and decorators (except interior decorators)	4	4	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	4	3	3	3	3	3	3	3	3	3
Plumbers	4	4	4	4	4	3	3	3	3	3	3
Residential and commercial installers and servicers	4	4	3	3	3	3	3	3	3	3	3
Roofers and shinglers	4	4	4	3	3	3	3	3	3	3	3
Trades helpers and labourers	4	3	4	4	3	3	3	3	3	3	3

Source: BuildForce Canada

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.

As residential construction rebounded in 2021, driven by both new-housing construction and renovation work, labour markets tightened rapidly and recruiting challenges carried forward to 2022. Even as housing starts slowed in 2022, the labour force struggled to keep pace and markets remained tight for most trades and occupations.

Renewed growth in new-home construction will sustain the region's tight market conditions to 2027. Expected slowdowns later in the forecast period should ease recruiting pressures and help to return the market to balance. Renovation activity falls over the latter part of the period, but those reductions are more moderate.

NON-RESIDENTIAL SECTOR

Heading into the forecast period, non-residential investment in Northern Ontario had recorded successive years of growth since 2017. Investment grew by nearly 10% in 2021 and by a further 6% in 2022, propelled by ongoing and new mining, utility, manufacturing, and institutional projects.

The stacking of major projects reached 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. These same projects will continue to have a large impact on short-term investment levels. Several new mining projects are expected to start construction between 2024 and 2029, although even with these investments, the conclusion of current gold mine projects will cause investment levels to tail off. Engineering-construction employment reaches a peak of nearly 8,800 workers in 2024 before declining over most of the remainder of the forecast period as major projects wind down. By 2032, engineering-construction employment contracts by nearly 1,200 workers (-14%) over 2022 levels.

Activity in industrial, commercial, and institutional (ICI) investment moves somewhat in line with engineering-construction investment, although to a smaller degree. Expenditures trend up across all segments, with increased investment planned in the manufacturing (Algoma steel mill, Frontier lithium hydroxide plant, and the proposed Avalon Advanced Materials lithium plant), government and institutional (Thunder Bay correctional facility and the Weeneebayko hospital in Moose Factory), and commercial (Sudbury's Junction East library and art gallery) sectors. ICI employment rises to a peak of nearly 4,400 workers (+28%) in 2024, before contracting through to 2029 and stabilizing thereafter. By 2032, the sector adds 270 workers (+8%) above 2022 levels.

Figure 12: Non–residential construction employment growth outlook, Northern Ontario
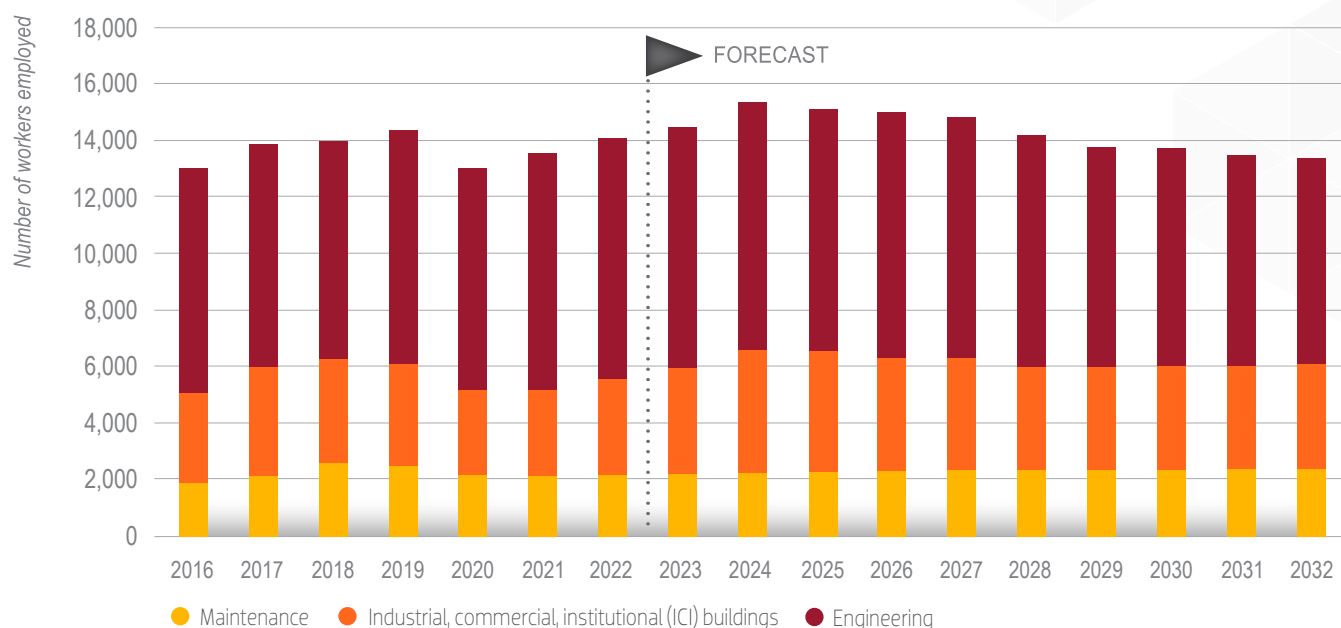
Source: Statistics Canada, BuildForce Canada (2023-2032)

The maintenance sector makes steady gains throughout the forecast period, adding just over 220 workers (+11%) by 2032.

Figure 12 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 a significant scarcity of workers in many trade and occupation categories. Markets tightened further in 2022 as demands rose, driven by transmission and mining projects, the start of the correctional facility in Thunder Bay, and a recovery in commercial-building construction. They are expected to remain

under strained conditions into 2024 with the various ICI projects planned in the near term.

Although many of the transmission projects are completed by 2024, labour demand remains high with the start of construction on the Weeneebayko hospital project.

Although market conditions should weaken as known projects wind down, should a long list of proposed resource development projects receive positive final investment decisions, market pressures could carry well beyond the current anticipated 2024 peak.

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

Table 9: Non–residential market rankings, Northern Ontario

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Boilermakers	4	4	4	4	3	3	3	3	3	3	3
Carpenters	5	4	4	3	3	3	2	2	3	2	3
Construction estimators	4	4	5	3	4	3	3	2	3	3	3
Construction managers	5	5	5	4	4	4	3	3	3	3	3

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

TRADES AND OCCUPATIONS – NON–RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Construction millwrights and industrial mechanics	4	4	4	3	3	3	3	2	3	2	3
Contractors and supervisors	4	4	4	4	4	4	3	3	3	3	3
Crane operators	4	5	4	4	3	3	3	3	3	3	3
Electrical power line and cable workers	4	4	3	3	4	3	3	2	3	3	3
Electricians	5	4	4	3	3	3	3	2	3	2	3
Gas fitters	5	4	4	3	4	4	3	2	3	2	3
Heavy equipment operators (except crane)	4	5	5	3	3	3	2	3	3	3	3
Heavy–duty equipment mechanics	4	4	4	3	4	3	3	2	3	3	3
Insulators	4	4	4	3	3	3	2	3	3	3	3
Ironworkers and structural metal fabricators	4	4	3	3	3	3	2	2	3	3	3
Plumbers	4	4	5	4	4	3	3	2	3	2	3
Refrigeration and air conditioning mechanics	4	5	5	4	3	4	3	3	3	3	3
Residential and commercial installers and servicers	4	5	5	4	3	3	2	3	3	3	3
Sheet metal workers	4	4	4	3	3	3	3	2	3	2	3
Steamfitters, pipefitters and sprinkler system installers	5	4	3	3	3	3	3	3	3	3	3
Trades helpers and labourers	4	4	5	3	3	3	2	3	3	3	3
Truck drivers	4	4	5	3	3	3	2	2	3	3	3
Welders and related machine operators	4	4	5	3	3	3	2	2	3	3	3

Source: BuildForce Canada

SOUTHWESTERN ONTARIO

Southwestern Ontario's[13] construction industry continues to enjoy a sustained period of post-pandemic growth, with total employment rising by nearly 9% in 2022. 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 also rose due to continued high levels of new-housing construction and growth in the renovation sector. The pace of employment growth outpaced the capacity of the labour force to respond, pushing unemployment rates lower and creating recruiting challenges across most trades and occupations.

Labour markets for most trades and occupations in the non-residential sector were strained in 2022 and will remain so into 2023 as the Stellantis and LG Energy electric-vehicle battery manufacturing facility and automotive Windsor Assembly Plant retooling projects come online. Pressures on most residential trades ease in 2023 as housing starts respond to high interest rates.

Across the forecast period, overall employment rises to a peak of just below 63,500 workers in 2028, with both the residential and non-residential sectors remaining above 2022 levels. As large projects wind down thereafter, construction employment is expected to decline by some 1,600 workers (-3%) over the decade, but recruitment pressures will remain due to the need to replace an estimated 10,700 retiring workers (17% of the 2022 labour force).

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[13] **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.

RESIDENTIAL SECTOR

Housing starts peaked at more than 12,000 units in 2021, supported by record-low interest rates and an influx of migrants to the region. Starts contracted by 27% in 2022 and by a further 22% in 2023. They are expected to rise to a peak of just above 10,600 units in 2027, and by 2032, they contract slightly from 2022 levels, losing 120 units.

Employment follows a similar cycle, adding 4% (+1,400 workers) in 2022 before contracting by 5% (-1,700 workers) in 2023. Thereafter, employment rises to a peak of 36,800 workers by 2027, before moderating across the remainder of the forecast period. By 2032, employment contracts by 1,200 workers (-4%) compared to 2022 levels. Declines are concentrated in the new-housing sector, which accounts for 58% of total industry employment. New housing sheds 2,400 workers (-12%) as demand declines across the forecast period. Renovation employment, which accounts for 35% of industry employment, is expected to rise by almost 1,000 workers (+9%) over the same period. Demand for residential maintenance workers grows more modestly; up 6% to 2027.

Note that federal efforts to double the number of new homes built across Canada over the next 10 years were not factored into this analysis.

Figure 13 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 22 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 10.

Most labour markets experienced a surge in demand in 2021, and significant recruiting challenges. These conditions continued into 2022. Activity is expected to slow across the sector as housing starts decline. Market conditions should therefore return to balance for most trades and occupations, but some trades will remain challenged into 2023.

Renewed growth in housing starts in 2024 translates to increased demand and tight markets for those trades that are more concentrated in new-home construction. As starts plateau over the medium term to 2027, markets return to balance. They are expected to weaken later in the forecast period as housing starts cycle down.

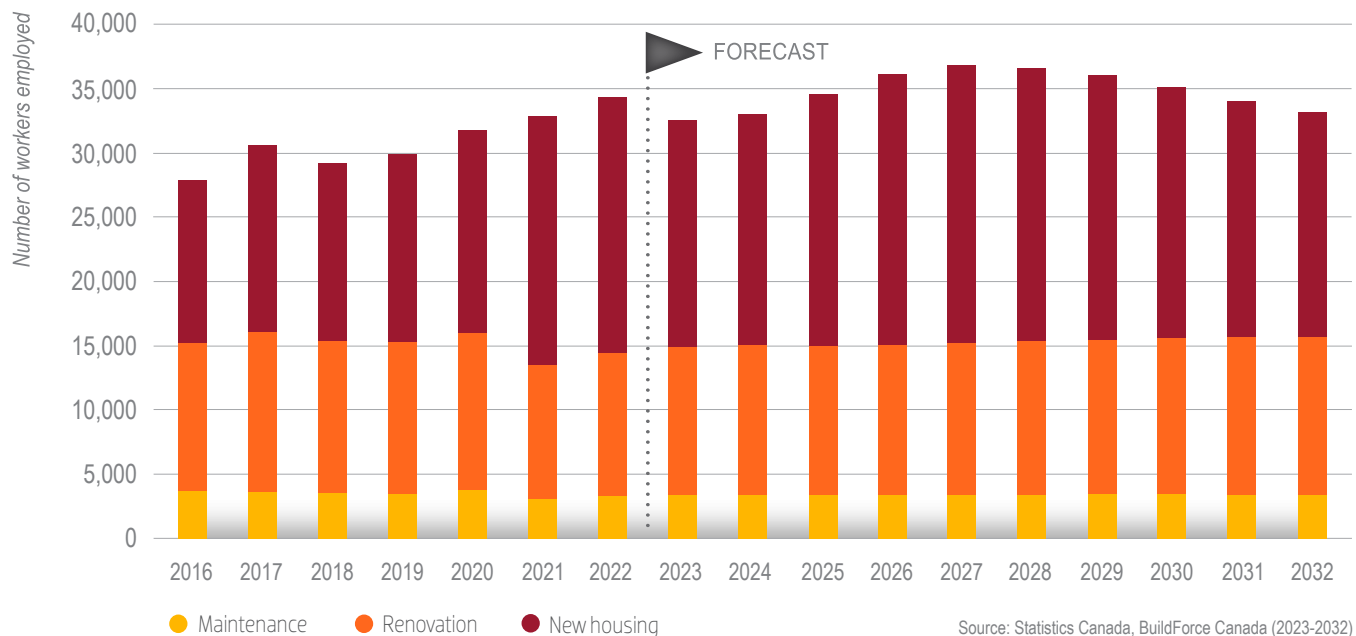## Figure 13: Residential construction employment growth outlook, Southwestern Ontario

Source: Statistics Canada, BuildForce Canada (2023-2032)

Table 10: Residential market rankings, Southwestern Ontario

TRADES AND OCCUPATIONS – RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Bricklayers	5	4	3	3	3	3	3	3	3	3	3
Carpenters	4	3	3	4	3	3	3	3	3	3	3
Concrete finishers	4	3	3	3	3	3	3	3	3	3	3
Construction estimators	4	2	3	4	3	3	3	3	2	2	2
Construction managers	4	3	4	4	4	3	3	3	2	3	2
Contractors and supervisors	4	3	3	3	3	3	3	3	3	3	3
Electricians	4	3	3	3	3	3	3	3	3	3	2
Floor covering installers	4	4	3	3	3	3	3	3	3	3	3
Gas fitters	4	3	4	4	3	3	3	3	3	3	2
Heavy equipment operators (except crane)	4	3	3	4	3	3	3	3	3	3	3
Home building and renovation managers	5	4	4	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	4	3	2	3	3	3	3	3	2	2	2
Painters and decorators (except interior decorators)	4	3	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	3	3	3	3	3	3	3	3	3	2
Plumbers	4	3	3	3	3	3	3	3	2	3	2
Refrigeration and air conditioning mechanics	4	3	3	3	3	3	3	3	2	3	2
Residential and commercial installers and servicers	4	3	3	3	3	3	3	3	3	3	3
Roofers and shinglers	4	3	3	3	3	3	3	3	3	3	3
Sheet metal workers	4	3	3	3	3	3	3	3	3	3	2
Tilesetters	5	3	3	3	3	3	3	3	2	2	2
Trades helpers and labourers	3	2	3	4	4	3	3	3	3	2	2
Truck drivers	4	3	3	4	3	3	3	3	3	3	3

Source: BuildForce Canada
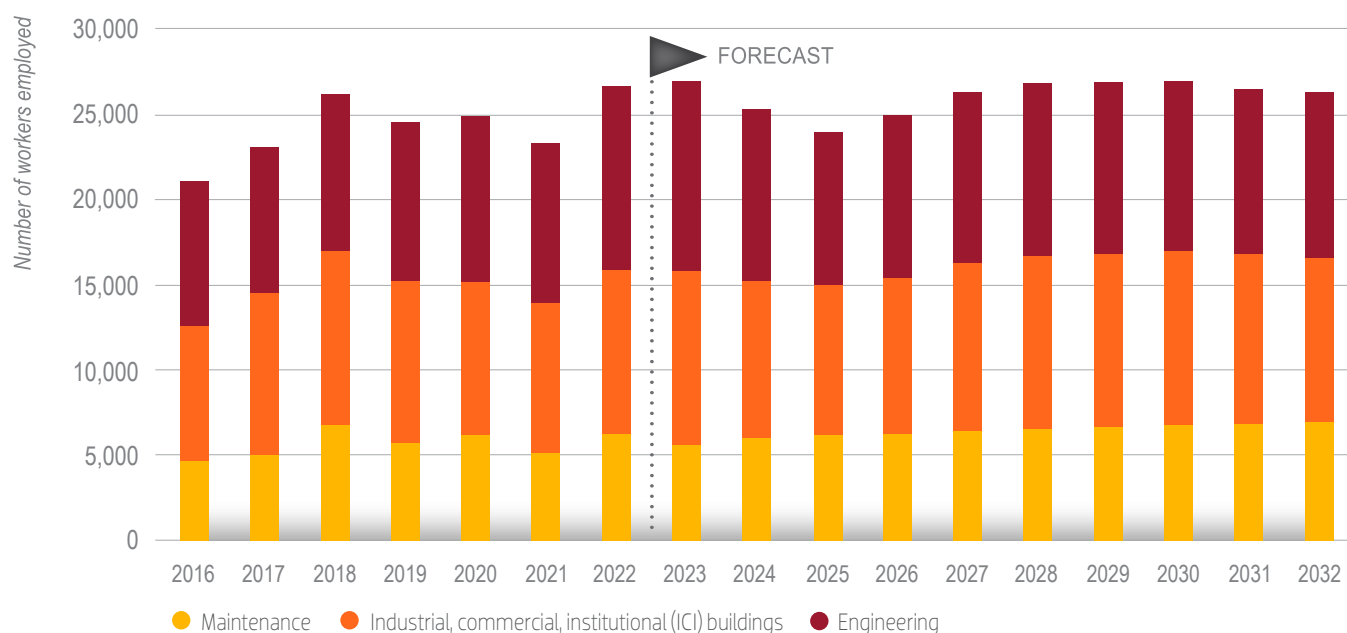
NON-RESIDENTIAL SECTOR

Non-residential construction employment in Southwestern Ontario rose by 3,400 workers in 2022, driven by ongoing work across the industrial and engineering-construction sectors, and rising industrial shutdown/turnaround maintenance work in Sarnia. Demands will increase again into 2023 with the start of work at the Stellantis and LG Energy electric-vehicle battery manufacturing facility and the automotive Windsor Assembly Plant.

Engineering-construction employment is expected to reach a peak of more than 11,000 workers in 2023, supported by activity at the Bruce nuclear power station and across the public sector. A major regional power transmission project is being considered for 2024 or 2025 but is not factored into the outlook scenario. Roads, highways, and bridges investment, meanwhile, should continue to increase into 2024 as municipalities deliver on public-infrastructure investment. Completion of the Gordie Howe International Bridge project in 2024 or early 2025 will reduce investment. Employment contracts by 1,000 workers (-9%) across the forecast period.

Investment in the industrial, commercial, and institutional (ICI) sector has trended upward since 2016, associated with several large food and chemical manufacturing projects in London and Sarnia, respectively. These projects will maintain investment into 2023, before being replaced by work on the Stellantis and LG Energy battery manufacturing facility and at the Windsor Assembly Plant. Once these large projects are completed after 2024, the sector could see a slowdown before the Windsor hospital begins construction in 2027 and brings the level back up significantly. Employment rises to above 10,200 workers between 2028 and 2030, before receding slightly through 2032 and remaining unchanged compared to 2022 levels.

Figure 14: Non–residential construction employment growth outlook, Southwestern Ontario

Source: Statistics Canada, BuildForce Canada (2023-2032)

By the end of the forecast period, non-residential employment drops modestly by about 300 workers (-1%).

Figure 14 shows the employment trends by sector for non-residential construction in Southwestern Ontario.

NON–RESIDENTIAL RANKINGS, RISKS AND MOBILITY

For Southwestern Ontario, non-residential rankings are reported for 28 of the 34 trades and occupations covered by the BuildForce LMI system, as shown in Table 11.

Labour demands were extraordinarily tight across nearly every trade in 2022 due to refurbishment work at the Bruce Power plant, Nova Chemicals' projects, and industrial maintenance work. This was particularly the case among key mechanical trades. Market conditions will remain strained into 2023 as work on Nova Chemicals' projects is completed, and the Stellantis and LG Energy battery manufacturing facility and Windsor Assembly

Plant retooling projects begin. As these are completed, market pressures ease in 2024 and 2025.

More balanced labour market conditions are expected to emerge in the middle part of the forecast period for some trades, although conditions for trades and occupations more concentrated in industrial construction are expected to remain tight. The start of work on the Windsor acute care hospital will increase demands and tighten conditions for trades again in 2026 and 2027.

The "2" rankings shown here reflect a decline in employment following large inflows of workers required to meet increased demands over the last few years.

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

Table 11: Non-residential market rankings, Southwestern Ontario

TRADES AND OCCUPATIONS — NON-RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Boilermakers	5	4	4	4	3	3	3	3	3	3	3
Carpenters	4	3	3	3	3	3	3	3	3	2	3
Concrete finishers	5	4	3	2	3	4	3	3	3	3	3
Construction estimators	5	4	3	2	3	4	3	3	3	3	3
Construction managers	5	5	3	3	3	4	3	3	3	3	3
Construction millwrights and industrial mechanics	4	5	4	3	4	3	3	3	3	3	3
Contractors and supervisors	5	4	3	3	3	4	3	3	3	3	3
Crane operators	5	4	3	2	3	3	3	3	3	3	3
Electricians	4	3	2	3	3	3	3	3	3	3	3
Elevator constructors and mechanics	4	4	3	3	3	4	3	3	3	3	3
Floor covering installers	4	3	3	3	3	4	3	3	3	3	3
Gas fitters	5	3	3	3	3	3	3	3	3	3	3
Glaziers	4	3	3	3	3	4	3	3	3	3	3
Heavy equipment operators (except crane)	5	5	3	2	3	4	3	3	3	3	3
Heavy-duty equipment mechanics	5	4	4	3	3	4	3	3	3	3	3
Insulators	4	2	3	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	4	3	3	4	2	3	3	3	3	3	3
Painters and decorators (except interior decorators)	4	3	3	3	3	4	3	3	3	2	2
Plasterers, drywall installers and finishers, and lathers	5	3	3	3	3	4	3	3	3	3	3
Plumbers	5	3	3	3	3	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	4	4	2	3	3	4	3	3	3	3	3
Residential and commercial installers and servicers	3	4	3	3	3	4	3	3	3	2	2
Roofers and shinglers	5	3	3	3	3	3	3	3	3	3	3
Sheet metal workers	5	3	2	3	3	3	3	3	3	2	3
Steamfitters, pipefitters and sprinkler system installers	5	3	3	3	4	3	3	3	3	3	3
Trades helpers and labourers	5	4	3	2	3	3	3	3	3	3	3
Truck drivers	5	5	3	2	3	3	3	3	3	3	3
Welders and related machine operators	5	5	3	2	3	4	3	3	3	3	3

Source: BuildForce Canada

# LABOUR FORCE DIVERSIFICATION

APPRENTICESHIP

Apprenticeship is a key source of labour for the construction industry. New registrations in the 32 largest construction trade programs were on an upward trend leading into the pandemic, reaching record levels in 2019. New registrations have risen at a faster rate than employment over the past decade, leading to an increased supply of journeypersons to meet demand requirements over the near term. (See Figure 15.) This increase has not been uniform across trades. Selected trades, including Bricklayer, Floor Covering Installer,

Industrial Instrumentation Technician, Roofer, and Painter and Decorator, have seen significant declines in new registrations over the past decade.

Table 12 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. Based on projected new registrations, several trades are at risk of undersupplying the number of new journeypersons required by 2032. Trades within this group include Tractor Trailer Driver, Roofer, Painter and Decorator, Floor Covering Installer, Welder, Heavy-Duty Equipment Operator, Industrial Instrumentation Technician, Construction Craft Worker, Glazier, Bricklayer, Mobile Crane Operator, Insulator (heat and frost), and Carpenter.

Figure 15: New apprenticeship registrations, completions, and trade employment, Ontario
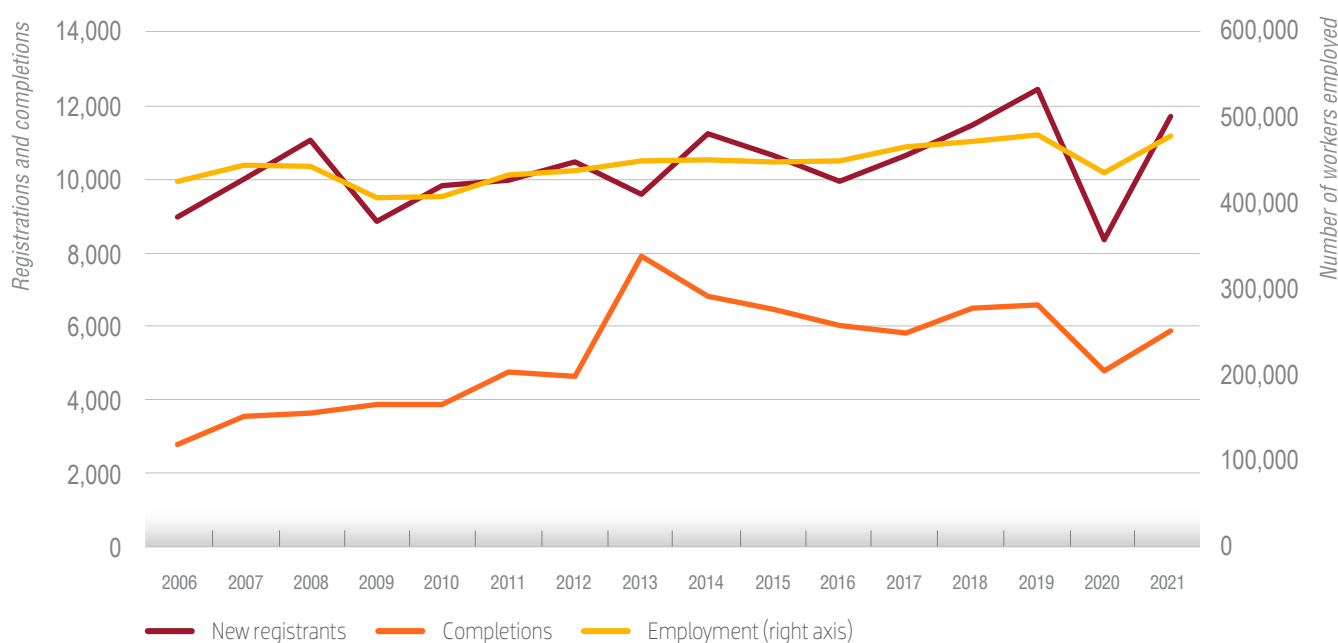
Source: BuildForce Canada

Table 12: Estimated construction certification demand and projected target of new entrants by trade, Ontario, 2023 to 2032

Trade	Total certification demand – construction	New apprentices required – construction	Apprentice certification supply risk – all industries
Tractor Trailer Commercial Driver	638	1,732	●
Roofer	413	1,172	●
Painter and Decorator	786	4,172	●
Floor Covering Installer	481	3,684	●
Welder	588	2,034	●
Heavy–Duty Equipment Operator (tractor, loader, backhoe)	314	2,289	●
Heavy–Duty Equipment Operator (dozer)	302	1,867	●

● Certifications required exceed projected completions

● Certifications required in line with projected completions

● Projected completions exceed certifications required

Table 12: Estimated construction certification demand and projected target of new entrants by trade, Ontario, 2023 to 2032 (continued)

Trade	Total certification demand – construction	Target new registrants – construction	Apprentice certification supply risk – all industries
Heavy–Duty Equipment Operator (excavator)	316	1,871	●
Industrial Instrumentation and Control Technician	18	51	●
Construction Craft Worker	3,100	9,712	●
Glazier	592	1,506	●
Bricklayer	959	2,923	●
Mobile Crane Operator	713	832	●
Insulator (heat and frost)	452	982	●
Carpenter	5,152	11,795	●
Lather (Interior Systems Mechanic)	1,199	2,283	●
Industrial Electrician	1,159	1,721	●
Boilermaker	392	768	●
Refrigeration and Air Conditioning Mechanic	2,441	2,604	●
Industrial Mechanic (Millwright)	654	647	●
Sheet Metal Worker	1,711	1,853	●
Construction Electrician	13,095	10,854	●
Heavy–Duty Equipment Technician	215	337	●
Construction Millwright	119	114	●
Residential Air Conditioning Systems Mechanic	626	924	●
Metal Fabricator (Fitter)	68	171	●
Powerline Technician	232	235	●
Steamfitter/Pipefitter	424	580	●
Plumber	3,379	3,009	●
Sprinkler System Installer	315	513	●
Ironworker (structural/ornamental)	122	122	●
Ironworker (reinforcing)	50	66	●

Source: BuildForce Canada

● Certifications required exceed projected completions
● Certifications required in line with projected completions
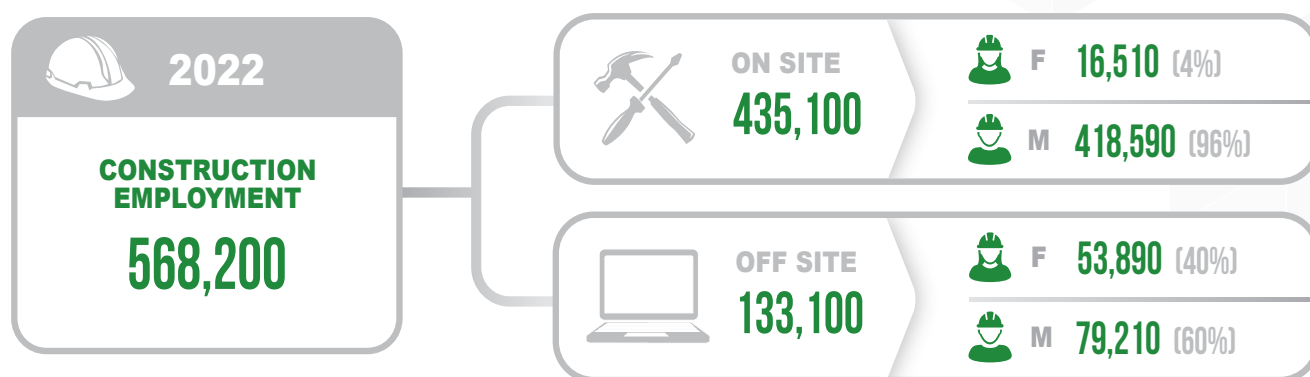● Projected completions exceed certifications required

UNDER–REPRESENTED GROUPS OF WORKERS

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

In 2022, there were approximately 70,400 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 435,100 tradespeople employed in the industry, women made up 4% (see Figure 16).

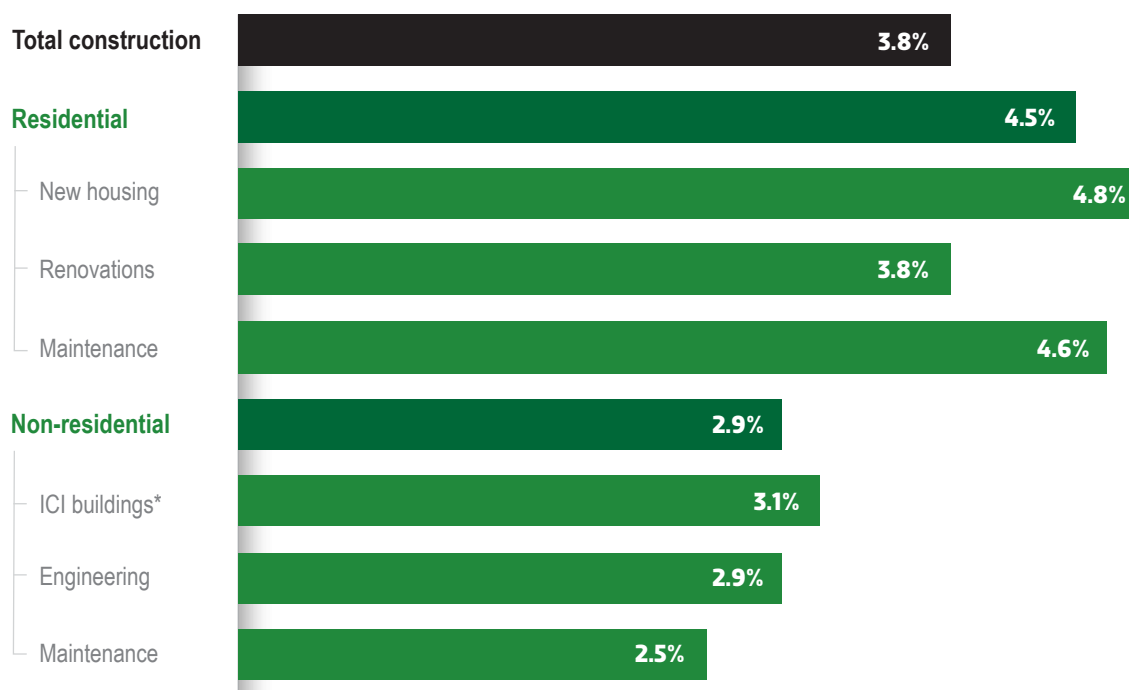## Figure 16: Detailed construction employment by gender, Ontario, 2022

2022

CONSTRUCTION EMPLOYMENT

568,200

ON SITE		
435,100	F	**16,510** (4%)
	M	**418,590** (96%)

OFF SITE		
133,100	F	**53,890** (40%)
	M	**79,210** (60%)

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

The estimated 16,500 tradeswomen in Ontario are represented across all sectors of construction, but given the nature of construction work in the province, women account for a higher share of total tradespeople (4.5%) in residential construction. Across sectors, new-housing construction has the highest representation of women, accounting for 4.8% of the workforce (see Figure 17). The top five trades and occupations in which women tend to be employed are construction managers (20% of all tradeswomen), trade helpers and labourers (18%), painters and decorators (14%), home building and renovation managers (10%), and contractors and supervisors (9%).

The Indigenous population is the fastest growing population in Canada and therefore presents recruitment opportunities for Ontario's construction industry. The province has been successful in maintaining the share of Indigenous People in the construction workforce. In 2021, Indigenous workers accounted for 3% of the province's construction labour force, consistent with the share observed in 2016.[14] This share is slightly higher than the share of Indigenous People represented in the overall labour force (see Table 13). As the Indigenous population continues to expand, recruitment efforts will need to be dedicated to increasing the industry's share of the population into the labour force.

Figure 17: Women's share of total direct trades and occupations (on site), Ontario

Category	Share
Total construction	3.8%
Residential	4.5%
New housing	4.8%
Renovations	3.8%
Maintenance	4.6%
Non-residential	2.9%
ICI buildings*	3.1%
Engineering	2.9%
Maintenance	2.5%

* industrial, commercial, institutional

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

[14] Statistics Canada, 2021 Census, custom data request

Table 13: Representation of Indigenous population in provincial construction workforce, Ontario

Industry		Indigenous	Non–Indigenous	Total	Indigenous share of total workforce, %
Construction	2016	14,160	462,670	476,835	**3.0%**
	2021	16,410	521,935	538,335	**3.0%**
All industries	2016	168,335	6,802,290	6,970,630	**2.4%**
	2021	181,580	7,005,115	7,186,695	**2.5%**

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

Ontario's construction industry may also leverage newcomers (immigrants) to Canada over the forecast period to meet labour requirements. Due to the declining natural rate of population growth, immigrants are the primary source of labour force growth in the province. Immigrants have been playing an increasingly important role in replenishing the workforce, with the share of immigrants in the workforce increasing from 29% in 2011 to 34% in 2021. Ontario has a higher proportion of immigrants in the labour force than the rest of Canada across all industries and in construction. The province has been successful in attracting and integrating immigrants into the labour force; however, immigrants remain under-represented in the provincial construction industry. The construction labour force share of immigrants was 27% in 2021, which is notably lower than the share in the overall provincial labour force. (See Figure 18).

Based on historical settlement trends, the province is expected to welcome 1,904,770 new international migrants between 2023 and 2032. As these individuals will make up an increasing share of the province's core working-age population, additional recruitment efforts will be required to ensure the construction industry recruits its share of newcomers into the labour force.

CONCLUSIONS AND IMPLICATIONS

Record-low interest rates drove significant increases in residential investment in Ontario between 2020 and 2022, with investment rising by 27% compared to 2019. Much of this activity was concentrated in the new-housing sector. Housing starts reached a record high of more than 100,000 units in 2021, before pulling back

Figure 18: Share (%) of immigrants in the construction labour force, 2021

Y-axis: Share (%) of immigrants in the labour force

Canada: All industries 27.0%, Construction 18.3%
Ontario: All industries 33.5%, Construction 27.4%

● All industries ● Construction
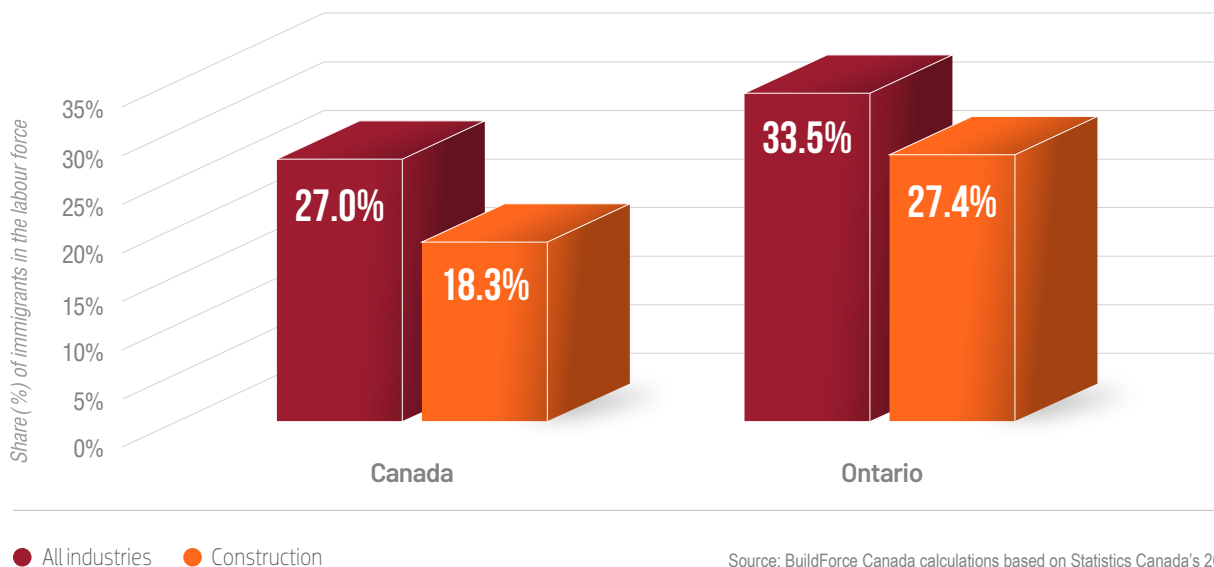
Source: BuildForce Canada calculations based on Statistics Canada's 2021 data.

slightly in 2022. Activity is expected to contract again in 2023 as interest-rate increases erode housing affordability. The decline is softened somewhat by high levels of population growth across the province. Residential investment is expected to resume an upward trend from 2025 as housing costs ease and population growth increases demands.

Non-residential investment continues to rise across the forecast period, propelled 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. Industrial, commercial, and institutional and engineering-construction investment are expected to peak in 2027 and then recede later in the period as current projects wind down. Non-residential construction investment is projected to increase by 7% (+29,000 workers) between 2022 and 2027, before ending the forecast period 11% higher (+20,000 workers) than 2022 levels.

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 82,600 workers, or 18% of the 2022 labour force.

Across the 2023–2032 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.