

CONSTRUCTION & MAINTENANCE INDUSTRY

SASKATCHEWAN

HIGHLIGHTS 2024 - 2033



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SUMMARY

As was the case in many provinces, the components of Saskatchewan's construction sector reported mixed outcomes in 2023.

While record levels of immigration drove household formation to a new high last year, rising interest rates contracted demand in the province's housing market. All three key residential-sector indicators – i.e., investment levels, housing starts, and construction employment – dropped as a result.

In contrast, activity in the non-residential sector was elevated in 2023. Investment levels grew, supported by strong activity in transportation, manufacturing, resource, and public infrastructure projects. These trends combined to elevate non-residential employment by 4% compared to 2022 levels.

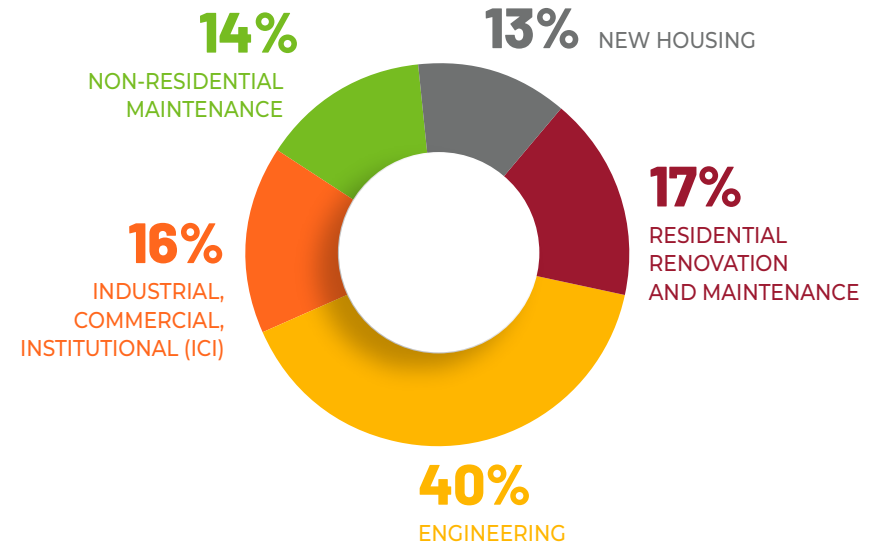
The outlook across the remainder of the forecast period calls for mixed fortunes. After contracting again in 2024, residential-construction activity is expected to grow strongly between 2025 and 2028, and remain elevated to 2033. At its peak in 2028 total residential employment will increase by 31% above 2023 levels.

In contrast, non-residential activity is projected to see little change through most of the forecast period before contracting in later years of the outlook. Activity in the engineering-construction segment slows over the medium term as several key mining and utility projects conclude. Industrial, commercial, and institutional building construction, meanwhile, follows a general upward trend. Compared to 2023 levels, non-residential employment is projected to remain relatively unchanged by 2033.

As these trends develop, the construction industry must remain focused on hiring and training workers to replace the estimated 9,500 workers, or 23% of the current labour force, that is expected to retire by 2033.

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

Distribution of construction employment in 2023, Saskatchewan



10-Year Workforce Outlook for Saskatchewan



AVERAGE UNEMPLOYMENT RATE

8.6%

HIGHLIGHTS

- Residential employment is projected to rise to a peak in 2028, and remain at an elevated level to the end of the forecast period.
- After declining in 2023 and 2024, housing starts rebound to a peak in 2028 with renewed growth in single-family units.
- These trends create strong labour-market pressures for many residential trades and occupations between 2025 and 2027.
- Non-residential employment remains almost unchanged across the forecast period, as losses in engineering-construction are offset by growth in the other two segments.
- Meeting rising demands and replacing retiring workers will require the industry to recruit 13,500 workers by 2033.



SASKATCHEWAN CONSTRUCTION OUTLOOK

Saskatchewan's construction sector is expected to see its residential and non-residential segments chart different courses across the 2024–2033 BuildForce Canada forecast period.

The province's economy enjoyed a strong year of growth in 2022, rising by 5.7% after reporting contractions in the three previous years. Growth is expected to continue across the short-term, but at a more moderate pace of approximately 1.5% annually. The outlook for 2024 sees business and government investment grow substantially, while output is constrained by high interest rates. The economy is expected to stabilize after 2025, driven by population growth and renewed consumer spending.

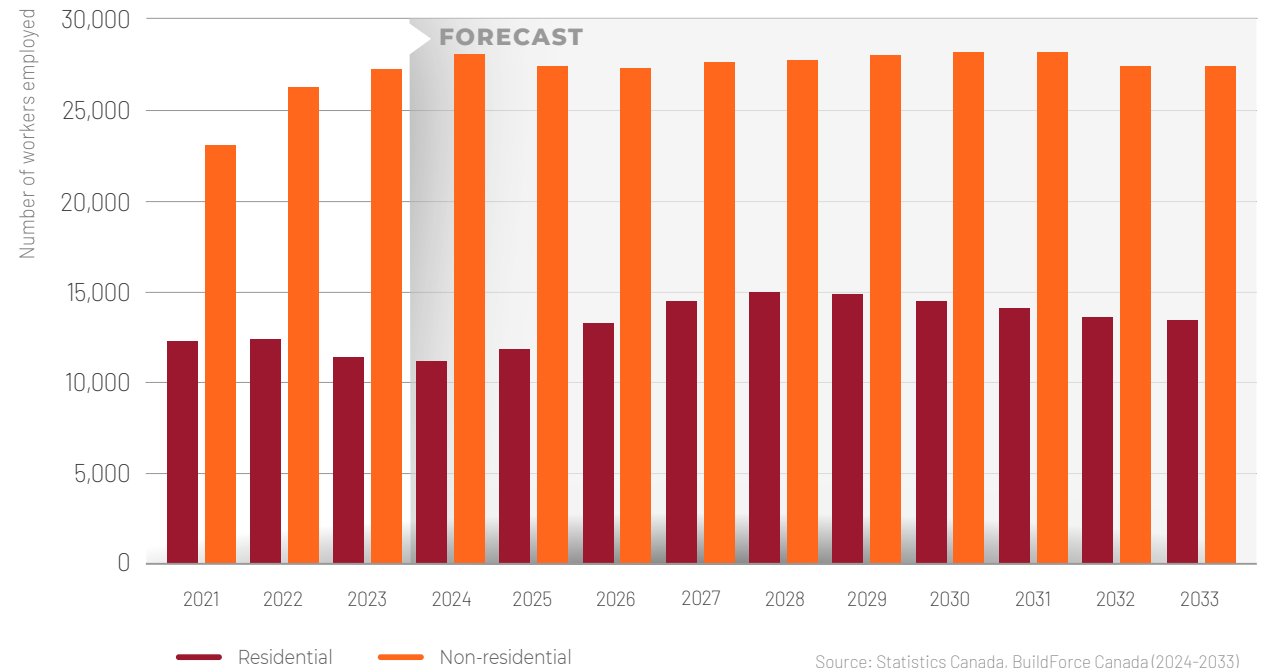
The residential sector enters the forecast in a period of contraction. Housing starts dropped by 4% in 2023, with the loss mostly attributable to reduced demand for single-detached homes. They are expected to contract again in 2024, after which they grow strongly, reaching a peak in 2028 that is largely sustained to 2033. Renovation activity charts a similar course.

The outlook for the non-residential sector is more cyclical. Investment levels peak in 2024 as activity in both the engineering-construction and industrial, commercial, and institutional (ICI) construction segments are supported by major resource, manufacturing, and public-infrastructure projects. As these projects conclude after 2026, they are replaced by work on other major initiatives, including the BHP Jansen S2 Potash Mine expansion project, and a series of ICI building projects that respond to population growth.

As Figure 1 shows, these trends combine to leave non-residential employment relatively unchanged from 2023 levels, while employment in the residential sector rises by 4%.

The industry will need to recruit 13,500 workers over the forecast period, driven largely by the expected retirement of 9,500 workers. While the recruiting of first-time new entrants from the local population is expected to partially offset the impact of retirements on the labour force, these new workers do not possess the skills and experience of retiring workers, which may compound potential skilled labour shortages locally.

Figure 1: Construction employment growth outlook, Saskatchewan



IMMIGRATION DRIVES POPULATION GROWTH

Saskatchewan is experiencing a shift in its population age structure.

Figure 2 shows that the share of people between 15 and 24 years of age and who are about to enter the province's labour force comprised 13% of the population in 2023. That figure is expected to grow to 14% by 2033. Over the same period however, the share of the population over 65 years of age and mainly retired is projected to grow from 17% to 19%.

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

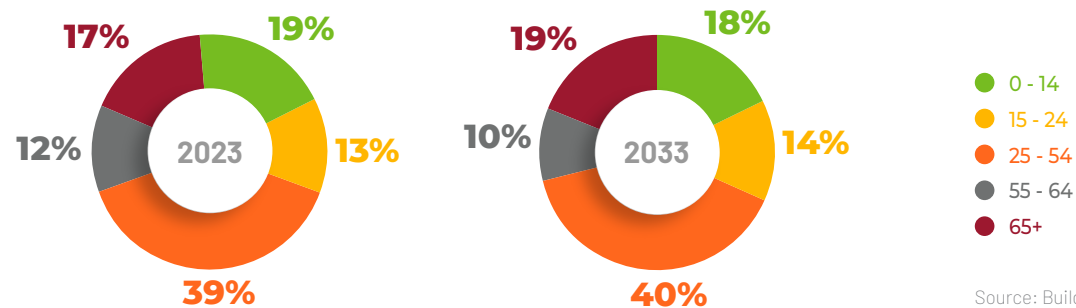
Saskatchewan's population is generally younger than the national average. This has helped to maintain a positive, although declining, natural rate of population growth*.

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

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

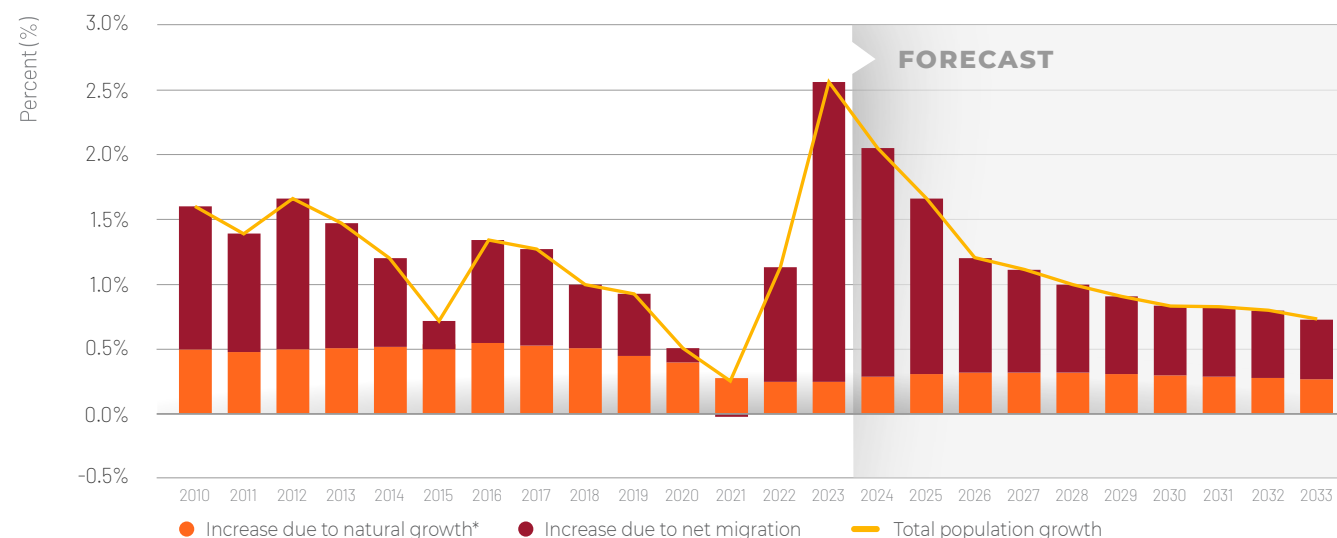
Figure 3 shows the various factors affecting population growth in Saskatchewan over the forecast period.

Figure 2: Population age distribution, Saskatchewan



Source: BuildForce Canada

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



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

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

SECTOR INSIGHTS

The following sections provide sector-specific insights into the provincial residential and non-residential labour markets. For Saskatchewan, rankings are reported for 15 residential and 29 non-residential trades and occupations.

RESIDENTIAL SECTOR

RESIDENTIAL SECTOR

Although Saskatchewan’s population is growing and household formation (not shown here) reached an all-time high in 2023, interest-rate pressures have dampened consumer activity in the housing market and driven new-home construction lower.

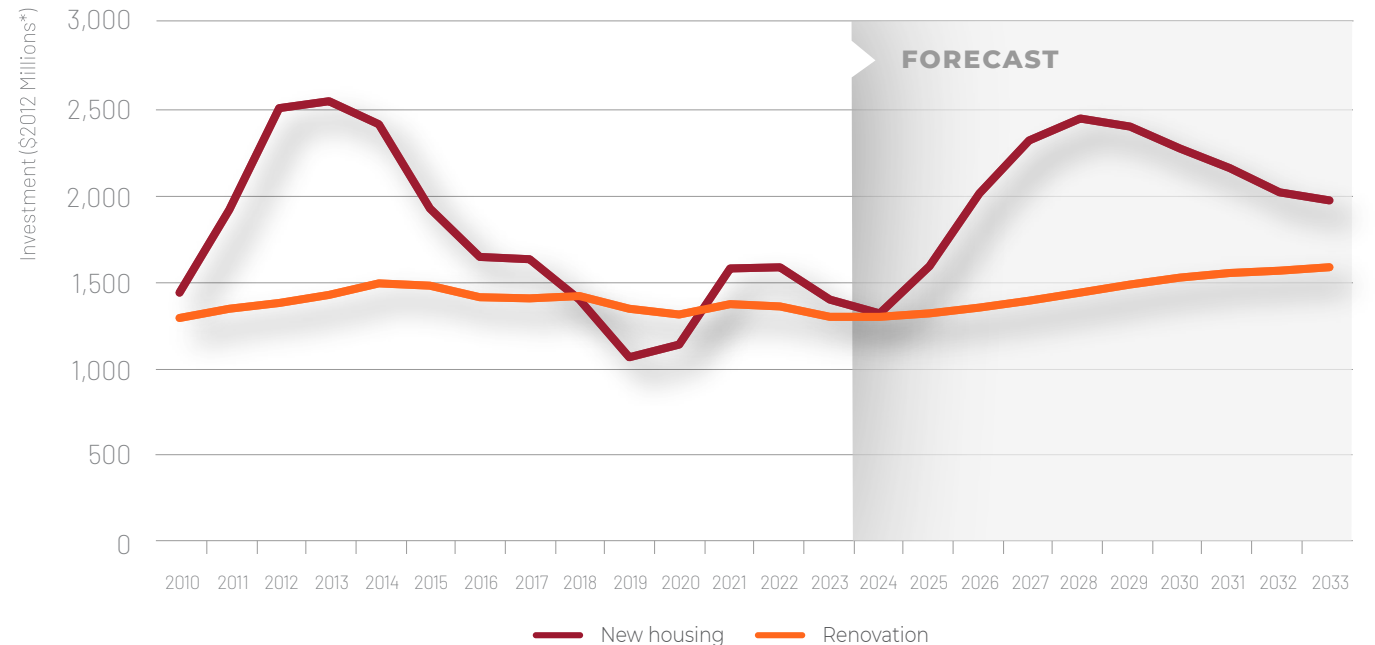
Housing starts contracted by 4% in 2023, driven by a loss of 13% among single-family home starts. At the same time, a growth in multi-family starts suggests that housing affordability may be a concern among home buyers. As similar market conditions persist, starts are expected to contract again in 2024.

Figure 4 shows the trends in new housing and renovations investment across the 2024–2033 outlook period.

The outlook for the residential sector sees housing starts return to strong growth between 2025 and 2028. This occurs as lending rates decline and as the population grows. In later years, new-housing investment retreats from its peak as demand for housing eventually meets household formation projections.

Meanwhile, activity in the renovation sector is projected to grow after 2024 and through to the end of the decade in response to an aging housing stock, and consumers’ desires to remain their homes as they age.

Figure 4: Residential construction investment, Saskatchewan



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

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

By 2033, these factors combine to elevate residential employment by nearly 18% above 2023 levels. Growth is driven by a large jump in new housing (29%), as well as growth in renovation (10%) and maintenance (9%). Of note, the strong up-cycle in housing starts between 2025 and 2028 will elevate new-housing construction employment by as much as 67% over 2023 levels.

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

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

Table 1: Changes in residential employment by sector, Saskatchewan

SECTOR	% CHANGE 2024-2026	% CHANGE 2027-2029	% CHANGE 2030-2033
Total residential employment	16%	12%	-10%
New housing	37%	19%	-21%
Renovations	1%	6%	2%
Residential maintenance	1%	4%	4%

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



Residential rankings, risks, and mobility

Table 2 shows relatively balanced labour-market conditions across residential trades and occupations in Saskatchewan in 2023. These have eased since the peak levels reported in 2022, when many trades were in short supply.

Similar conditions are expected for 2024, particularly given the reduced demands projected among single-family home starts. The period between 2025 and 2027 sees growth in the new-housing market create new labour-force challenges for most trades and occupations. Most markets return to balance in 2028 and beyond.

Table 2: Residential market rankings, Saskatchewan

TRADES AND OCCUPATIONS — RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Bricklayers	3	3	4	4	4	3	3	3	3	3	3
Carpenters	3	3	4	4	4	3	3	3	3	2	3
Construction estimators	3	3	4	4	4	3	3	3	3	2	3
Construction managers	4	3	5	5	5	3	3	3	3	2	3
Contractors and supervisors	3	3	3	4	4	3	3	3	3	3	3
Electricians	3	3	4	4	4	3	3	3	3	2	3
Floor covering installers	3	3	3	4	3	3	3	3	3	3	3
Home building and renovation managers	3	3	3	4	4	3	3	3	3	3	3
Painters and decorators (except interior decorators)	3	3	3	4	4	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	3	3	4	4	4	3	3	3	3	2	3
Plumbers	3	3	3	4	4	3	3	3	3	3	3
Residential and commercial installers and servicers	3	3	3	4	4	3	3	3	3	3	3
Roofers and shinglers	3	3	3	3	3	3	3	3	3	3	3
Trades helpers and labourers	3	3	4	4	4	3	3	3	2	2	3
Truck drivers	3	3	4	4	4	3	3	3	3	2	3

Source: BuildForce Canada

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 complete to attract needed workers. Establish patterns of recruiting and mobility are sufficient to meet job requirements.
- 4 Workers meeting qualifications are generally not available in local markets to meet any increase. Employers will need to compete to 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.

NON-RESIDENTIAL SECTOR

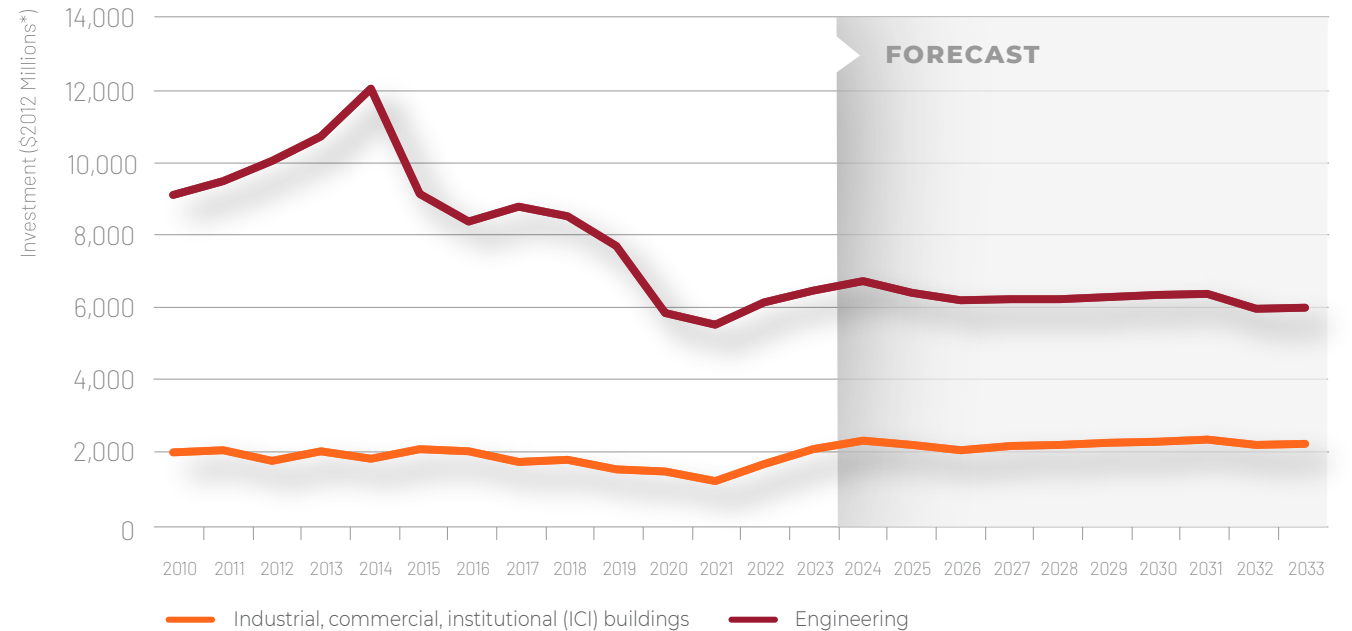
NON-RESIDENTIAL SECTOR

The province's non-residential sector enters the forecast period on a positive trend.

Figure 5 shows that investment levels have been on a steady upward track since 2021, driven by growth in both the engineering-construction and the industrial, commercial, and institutional (ICI) construction segments. The former has benefitted from work on transportation-infrastructure projects as well as activity on major resource and mining projects. The latter has been underpinned by work on canola facilities, education and healthcare projects, and cultural and recreation projects.

The outlook for the sector calls for growth in both segments to reach a peak in 2024 before contracting into 2026. This occurs as many of the above-listed projects conclude. Investment levels cycle to the end of the decade, in line with project starts and completions. Among these is the Jansen S2 expansion project, which is scheduled for work between 2026 and 2031. ICI building investment is largely driven by institutional and government building and spin-off activity from the province's industrial sector.

Figure 5: Non-residential construction investment, Saskatchewan



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

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

As a result of these trends, non-residential construction employment is projected to end the decade comparatively unchanged (+1%) over 2023 levels. Growth of 16% in ICI-building employment and 6% in maintenance employment offset a contraction of 7% in engineering employment.

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

“Non-residential construction employment is projected to end the decade comparatively unchanged (+1%) over 2023 levels.”

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

SECTOR	% CHANGE 2024-2026	% CHANGE 2027-2029	% CHANGE 2030-2033
Total non-residential employment	0%	3%	-2%
Industrial buildings	-1%	18%	-2%
Commercial and institutional buildings	4%	7%	6%
Heavy industrial	-4%	-1%	-8%
Other engineering	11%	2%	3%
Roads, highways and bridges	-7%	0%	1%
Non-residential maintenance	3%	1%	1%

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

Non-residential rankings, risks, and mobility

Table 4 shows that the market for most non-residential trades and occupations in Saskatchewan was strained in 2023. Non-residential employment grew with increased activity on industrial, education, and healthcare projects.

Recruiting challenges are likely to be sustained into 2024 as activity reaches a peak in both the engineering-construction and ICI buildings segments. Markets are expected to return to more balanced conditions in 2025, although the decline is likely to be moderate. As the expected completion of the Jansen S1 mine and other key manufacturing and institutional projects in 2025 will lower demand for

many trades in 2026, the start of the Jansen S2 expansion project is expected to help sustain mostly balanced conditions to 2031.

Market conditions are expected to weaken briefly in 2032 as the project ends.

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

Table 4: Non-residential market rankings, Saskatchewan

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

TRADES AND OCCUPATIONS — NON-RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Heavy-duty equipment mechanics	4	4	3	3	3	2	3	3	3	2	3
Insulators	4	4	3	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	3	4	4	2	3	3	2	3	4	3	3
Painters and decorators(except interior decorators)	5	4	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	4	3	2	3	2	4	3	3	3	3
Plumbers	4	4	3	3	3	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	5	4	3	3	3	3	3	3	3	3	3
Residential and commercial installers and servicers	3	4	3	3	3	3	3	3	3	3	3
Roofers and shinglers	4	4	3	3	3	3	3	3	3	2	3
Sheet metal workers	4	4	3	3	3	3	3	3	3	2	3
Steamfitters, pipefitters and sprinkler system installers	4	4	3	2	3	3	5	3	2	2	3
Trades helpers and labourers	3	3	3	3	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	3	3	3	3	3	3	3	3	3	3	3

Source: BuildForce Canada

BUILDING A SUSTAINABLE LABOUR FORCE

BUILDING A SUSTAINABLE LABOUR FORCE

The available labour force

Despite a younger population, Saskatchewan’s construction industry will need to recruit about 13,500 additional workers over the forecast period to keep pace with labour force growth and replace approximately 9,500 retiring workers, or 23% of the current labour force.

Many of these hiring requirements may be met by an estimated 10,100 first-time new entrants under the age of 30 from the local population, leaving a gap of about 3,400 workers that will need to be recruited from outside the local construction labour force.

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

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

Figure 6: Changes in the construction labour force, Saskatchewan



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

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

Source: BuildForce Canada

Labour Force Diversification

Apprenticeship

Apprenticeship is a key source of labour for the construction industry. Prior to the pandemic, new registrations in the 17 largest construction trade programs were declining, signaling fewer new journeypersons entering the workforce relative to the levels observed over the past decade. New registrations dipped below 950 in 2019 – the lowest level reported since 1998. Following the trend in new registrations, completions were also trending down leading into 2020, albeit at a slower pace. New registrations have been declining at a faster rate than trade employment, which poses the risk for an insufficient number of newly certified journeypersons to sustain workforce requirements over the long-term. (See Figure 7.)

The pandemic brought significant challenges to Saskatchewan’s apprenticeship system, contributing to significant declines in provincial new registrations and completions in 2020. In 2022, the province saw a substantial recovery in new registrations, rebounding to levels not seen since 2015. Select trades, namely heavy-duty equipment technician and refrigeration and air conditioning mechanic, reported a record number of new registrations in 2022. Program completions have been slower to recover, remaining below pre-COVID levels in 2022.

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

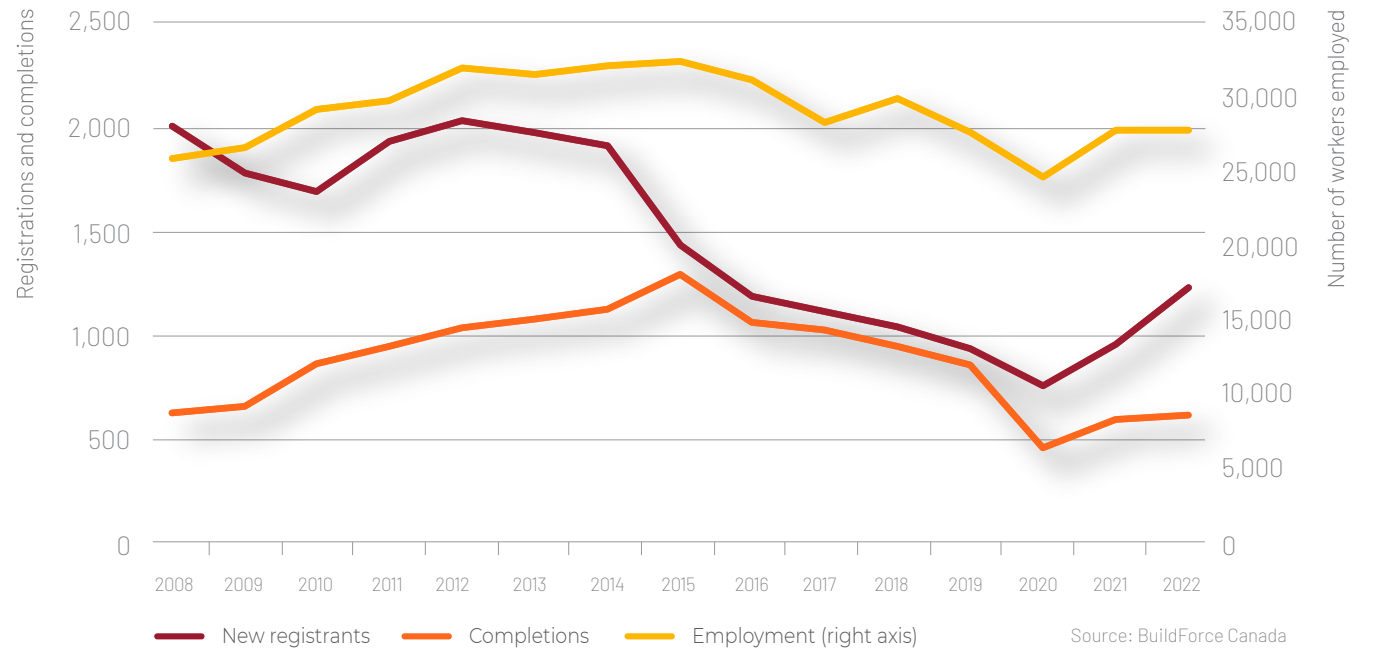


Table 5 provides a trade-by-trade breakdown of the anticipated certification requirements to meet the construction industry’s share of employment and replacement demand over the scenario period. Based on projected new registrations, several trades are at risk of undersupplying the number of new journeypersons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

“The pandemic brought significant challenges to Saskatchewan’s apprenticeship system, contributing to significant declines in provincial new registrations and completions in 2020. In 2022, the province saw a substantial recovery in new registrations, rebounding to levels not seen since 2015.”

Table 5: Estimated construction certification demand and projected completions by trade, 2024 to 2033¹

TRADE	Target certification demand — construction	Target new registrants — construction	Apprentice certification supply risk — all industries	TRADE	Target certification demand — construction	Target new registrants — construction	Apprentice certification supply risk — all industries
Bricklayer	103	24	●	Welder	134	221	●
Carpenter	1,466	476	●	Refrigeration and Air Conditioning Mechanic	144	305	●
Boom Truck	24	16	●	Sprinkler Fitter	15	34	●
Boilermaker	89	62	●	Heavy-Duty Equipment Technician	64	190	●
Construction Electrician	1,305	982	●	Powerline Technician	62	313	●
Steamfitter/Pipefitter	66	64	●	Industrial Mechanic (Millwright)	18	117	●
Sheet Metal Worker	79	83	●	Instrumentation and Control Technician	-2	48	●
Insulator (Heat and Frost)	15	18	●				
Plumber	466	683	●				
Ironworker (Structural/Ornamental)	20	31	●				

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

Source: BuildForce Canada

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

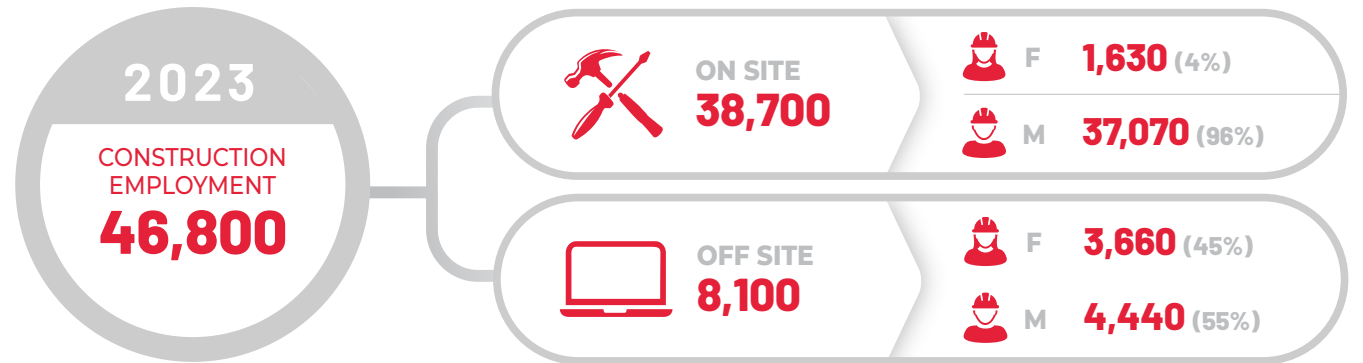
Under-represented groups of workers

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

In 2023, there were approximately 5,290 women employed in Saskatchewan's construction industry, of which 31% worked on site, directly on construction projects, while the remaining 69% worked off site, primarily in administrative and management-related occupations. Of the 38,700 tradespeople employed in the industry, women made up 4% (see Figure 8).

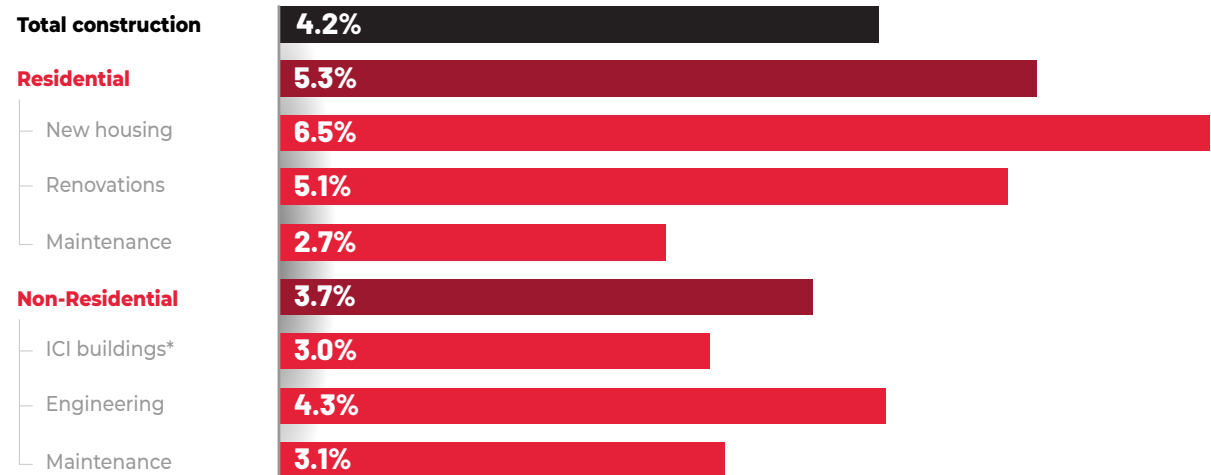
The estimated 1,630 tradeswomen in Saskatchewan are represented across all sectors of construction, but given the nature of construction work in the province, women account for a higher share of total tradespeople (5.3%) in residential construction. Across sectors, new housing construction has the highest representation of women, accounting for 6.5% of the workforce (see Figure 9). The top five trades and occupations in which women tend to be employed are trade helpers and labourers (22% of all tradeswomen), carpenters (15%), construction managers (15%), steamfitters, pipefitters and sprinkler system installers (12%), and electricians (9%).

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



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

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



*Industrial, commercial, institutional

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

The Indigenous population is the fastest growing population in Canada and therefore presents recruitment opportunities for Saskatchewan's construction industry. The province has been successful in increasing the share of Indigenous People in the construction workforce. In 2021, Indigenous People accounted for approximately 14% of the province's construction labour force, which is an increase of one percentage point from the share observed in 2016.² This share is also notably higher than the share of Indigenous People represented in the overall labour force (see Table 6). As the Indigenous population continues to expand, recruitment efforts will need to be dedicated to increasing the industry's share of the population into the labour force.

Saskatchewan's construction industry may also leverage newcomers (immigrants) to Canada over the forecast period to meet labour requirements. Due to the declining natural rates of population growth, immigrants are the sole source of labour force growth in the province. Immigrants have been playing an increasingly important role in replenishing the workforce, with the share of immigrants in the workforce nearly doubling over the past decade, increasing from 9% in 2012 to 16% in 2022. While the province has been successful in attracting and integrating immigrants into the labour force, the province's share of immigrants is notably below the share in Canada overall (see Figure 10). The construction labour force share of immigrants was 9% in 2022, which is notably lower than the share in the overall provincial labour force and significantly lower than the share in Canada's construction industry.³

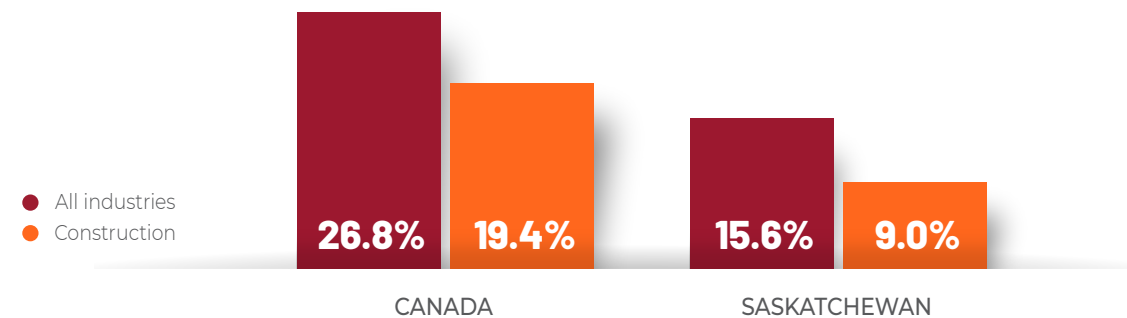
Based on historical settlement trends, the province is expected to welcome more than 103,900 permanent and non-permanent residents between 2024 and 2033. As these individuals will make up an increasing share of the province's core working-age population, additional recruitment efforts will be required to ensure the construction industry recruits its share of newcomers into the labour force.

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

SECTOR	YEAR	INDIGENOUS	NON-INDIGENOUS	TOTAL	INDIGENOUS SHARE OF TOTAL WORKFORCE, %
Construction	2016	6,425	42,885	49,310	13.0%
	2021	6,215	37,915	44,135	14.1%
All Industries	2016	61,575	513,740	575,310	10.7%
	2021	64,550	498,955	563,505	11.5%

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

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



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

² Statistics Canada, 2021 Census. Custom Data Request.

³ Statistics Canada, Labour Force Survey, Custom Data Request 2022.

CONCLUSIONS AND IMPLICATIONS

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The *2024–2033 Construction and Maintenance Looking Forward* scenario for Saskatchewan calls for the short-term outlooks for the province’s residential and non-residential construction to chart diverging courses.

The residential sector will be hampered initially by high lending rates and reduced consumer demands. A contraction in investment and housing start levels in 2023 is repeated in 2024. Thereafter, however, the residential sector is poised for growth. Strong population growth and stabilized interest rates will create renewed demand for new housing. All three key sectoral metrics – investment levels, housing starts, and employment – increase through to 2028 before stabilizing across the remainder of the decade.

Activity in the non-residential sector, meanwhile, is projected to peak in 2024 with strong engineering-construction investment levels complementing robust construction of industrial, commercial, and institutional (ICI) buildings. Key projects underway include the Jansen S1 mine expansion and several healthcare, education, and manufacturing works. Activity is poised to pull back in 2026 as many of these projects conclude. However, the start of the Jansen S2 expansion, supplemented by steady levels of ICI building, helps sustain overall non-residential investment and employment to 2031.

Meanwhile, retirements loom large. The industry must address the retirement of a projected 9,500 workers, or 23% of its 2023 labour force, by 2033. Addressing this gap will require a combination of strategies that include enhanced local recruitment and training, including the recruitment of immigrants and newly arrived immigrants, and promoting career opportunities to workers with comparable skill sets who have been displaced from other industries.

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



ABOUT THE BUILDFORCE CANADA LABOUR MARKET INFORMATION SYSTEM

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

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

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

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

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

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

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

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

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

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- ➔ Macroeconomic and investment data



Timely construction forecast data is available online at [constructionforecasts.ca](https://www.constructionforecasts.ca). Create customized reports on a broad range of selected categories within sector, trade or province covering up to 10 years.

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