APRIL 2025

NEWFOUNDLAND AND LABRADOR

CONSTRUCTION & MAINTENANCE LOOKING FORWARD

HIGHLIGHTS
2025–2034

TABLE OF CONTENTS

SUMMARY

Construction activity in Newfoundland and Labrador saw modest growth in 2024 as the province's residential and non-residential sectors experienced investment increases.

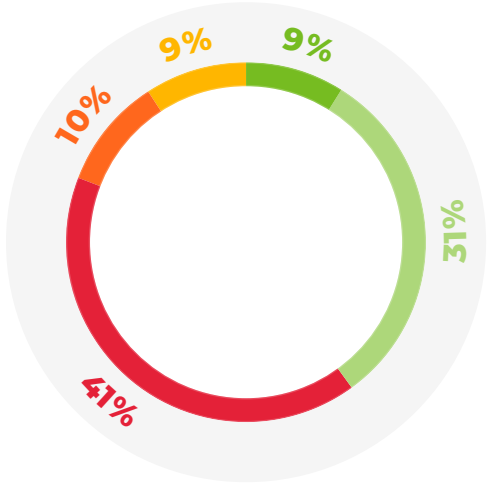
As interest rate pressures eased, housing starts rose significantly. Consumers returned to the new-housing market and builders responded to pent-up demands created by previously elevated levels of household formation. Meanwhile, various projects underway in the industrial, commercial, and institutional (ICI) buildings sector and in the engineering construction sector helped drive non-residential construction investment levels higher.

The BuildForce Canada outlook for Newfoundland and Labrador for the 2025–2034 period calls for growth in both the residential and non-residential sectors, although growth in the former is projected to be more muted than in the latter. The outlook for the provincial residential sector calls for investment in new housing to rise by nearly 26% to 2029 before slowing to the end of the decade. Steady growth in residential renovations offsets this trend, and brings total residential investment values to 3% above 2024 levels by 2034.

Activity in the non-residential sector, meanwhile, is projected to record growth of 63% between 2025 and 2032. The increase is driven initially by a series of projects in both the engineering construction and in the ICI buildings sector. After a slight pause in 2029, engineering construction investment rises sharply with work on the proposed Bay du Nord project.

These trends require the provincial construction labour force to grow by 2,200 workers by 2034. The expected retirement of a further 6,100 workers over the forecast period (29% of the 2024 labour force) creates an overall hiring requirement of 8,300 workers.

DISTRIBUTION OF CONSTRUCTION EMPLOYMENT IN 2024, NEWFOUNDLAND AND LABRADOR*



10-YEAR WORKFORCE OUTLOOK FOR NEWFOUNDLAND AND LABRADOR

6,100
RETIREMENTS

4,500
NEW ENTRANTS

1,690
EMPLOYMENT CHANGE (9.8%)

18.5%
AVERAGE UNEMPLOYMENT RATE

* Due to rounding, numbers may not add up to 100%.

HIGHLIGHTS

- Housing starts are projected to rise to a forecast peak of more than 1,600 units in 2029 that is driven by strong demand for almost all unit types.
- Residential renovation activity, which is the principal driver of residential investment in Newfoundland and Labrador, sees an increase of just under 10% by 2034.
- Non-residential construction investment levels rise by 35% between 2025 and 2028, prior to the proposed start of the Bay du Nord project, with growth in both engineering construction and in the construction of industrial, commercial, and institutional buildings.
- Construction work on the proposed Bay du Nord project elevates non-residential construction investment levels significantly in the latter half of the forecast period.
- Almost 30% of the province's construction workers are expected to retire over the next 10 years.

NEWFOUNDLAND AND LABRADOR CONSTRUCTION OUTLOOK

NOTE TO READER: *The investment trends and employment projections presented in this report were developed with industry input prior to the emergence of potential trade tensions between Canada and the United States. The forecast therefore does not take into account the possible application of tariffs on Canadian exports to and imports from the United States, nor does it account for any resulting changes in trading patterns between Canada and its other key trading partners.*

Construction investment growth in Newfoundland and Labrador was modest in 2024. Although both the residential and non-residential sectors reported growth in activity, gains were of 3% and 2%, respectively.

The former benefitted from growth in housing starts and new housing investment, however, activity in residential renovations – which has historically been the key driver of residential investment – was unchanged from 2023. Activity in the non-residential sector, meanwhile, was driven by ongoing work on various engineering construction projects, including the West White Rose offshore oil platform, Voisey's Bay underground mine, and Marathon Gold's Valentine Mine. Investment contracted modestly in the construction of industrial, commercial, and institutional (ICI) buildings.

Real GDP growth in Newfoundland and Labrador rose by nearly 2.5% in 2024. This followed two years of contractions in 2022 and 2023 in which high interest rates led lower levels of consumer spending and weaker oil production lowered provincial exports. The rebound in 2024 was driven by growth in consumer confidence as well as increased levels of non-residential construction activity.

Growth is expected to increase in 2025 as oil production recovers and as the province's non-residential construction sector continues to expand. Levels remain elevated through the medium term before rising significantly as work increases on the Bay du Nord offshore oil-development project. It cycles down in later years as this project concludes.

The outlook for the provincial residential sector calls for growth of 3% across the forecast period. Initially, this growth is driven by a rapidly expanding new-housing component, which experiences a 26% increase in investment over the period between 2025 and 2029. Later years see new-housing activity contract as the population ages, however this growth is replaced by increases in residential renovations.

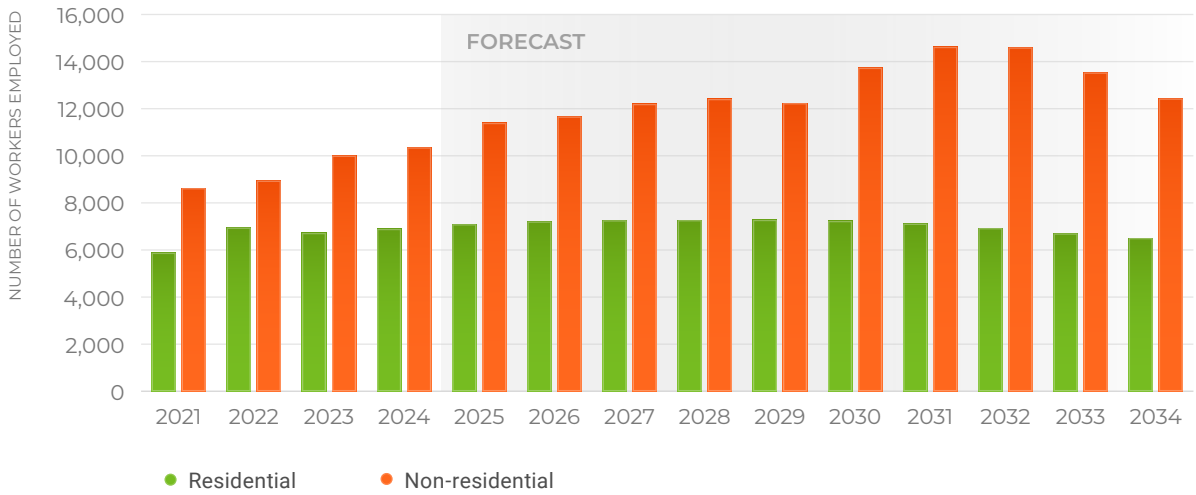
In the non-residential sector, investment rises steadily into 2028, supported by projects across the engineering construction sector and in the ICI buildings construction sector. Activity in the ICI buildings sector is driven by institutional construction work, and work on healthcare and education buildings in particular. Engineering construction activity is driven by a large volume of resource projects over the near term and several power generation projects across the forecast period. Later years see investment levels increase significantly as work is projected to ramp up on the Bay du Nord project.

As a result of these factors, non-residential construction employment is projected to rise by 20% above 2024 levels by 2034, while residential employment is projected to contract by 6%.

The industry faces a total hiring requirement of 8,300 workers across the forecast period, including the need to replace some 6,100 workers who exit due to retirement. While the projected 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 shows the anticipated change in residential and non-residential employment across the forecast period.

FIGURE 1:
CONSTRUCTION EMPLOYMENT GROWTH OUTLOOK, NEWFOUNDLAND AND LABRADOR



SOURCE: Statistics Canada, BuildForce Canada (2025–2034)

AN AGING POPULATION SUSTAINED BY IMMIGRATION

Newfoundland and Labrador's population is significantly older than the national average.

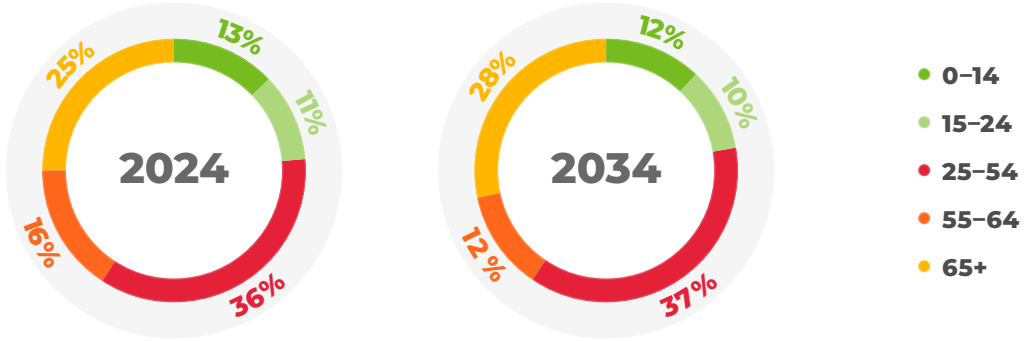
As Figure 2 shows, the percentage of the provincial population that is 65 years of age or older is expected to rise from 25% in 2024 to 28% in 2034. For the country as a whole, this demographic is also expected to increase as a share of the overall population, rising from 19% in 2024 to 21% by 2034.

Meanwhile, the share of younger workers (i.e., those aged 15 to 24, and who are about to enter the labour force) in Newfoundland and Labrador is expected to decline from 11% in 2024 to 10% in 2034. In Canada as a whole, this demographic is expected to hold at 12% of the total population.

These population shifts could have significant impacts on the province's economy and construction demands, including housing, commercial, and institutional buildings, as well as infrastructure requirements.

Furthermore, the departure of older workers from the labour force can leave experience gaps that cannot easily be replaced in the short term, and which may contribute to productivity challenges.

FIGURE 2:
POPULATION AGE DISTRIBUTION, NEWFOUNDLAND AND LABRADOR*



* Due to rounding, numbers may not add up to 100%.

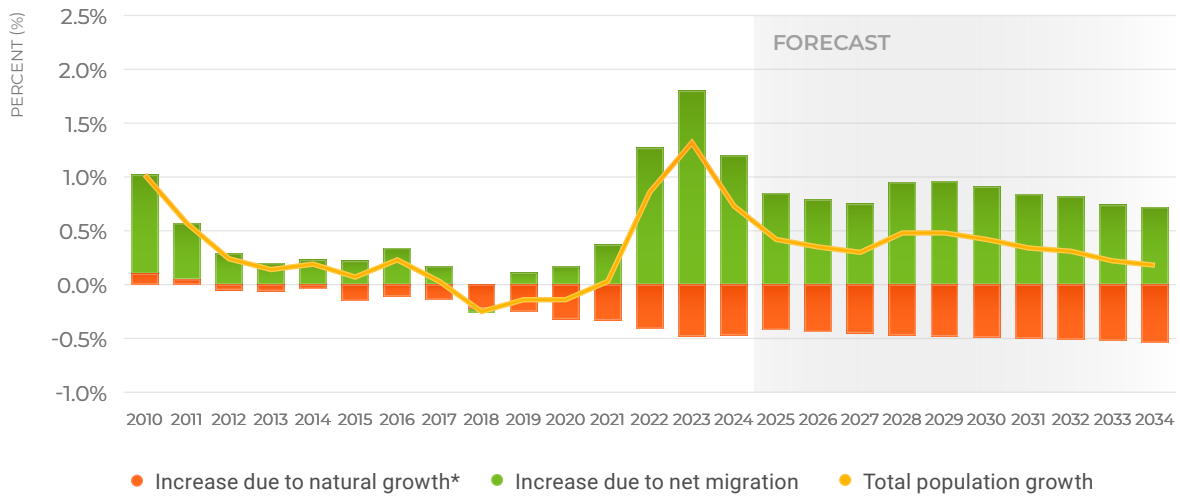
SOURCE: BuildForce Canada

In addition, Newfoundland and Labrador is faced with a declining natural rate of population growth*. As Figure 3 shows, that metric has been negative since 2012, and is expected to trend lower across the forecast period.

Alleviating some of Newfoundland and Labrador's growth pressures was an influx of migrants between 2022 and 2024. Many of these people were non-permanent residents who may choose to pursue permanent residency status, and therefore help to bolster the province's labour force and moderate downward pressure on the province's natural rate of population growth.

Migration levels are expected to trend down in the near future as reductions to federal immigration targets are put in place for the period of 2025 to 2027. Later years are expected to see in-migration rise again, and remain above historical averages to the end of the forecast period. As a result, population growth rates should remain positive.

FIGURE 3:
SOURCES OF POPULATION GROWTH (%), NEWFOUNDLAND AND LABRADOR



* 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 (2025–2034)

SECTOR INSIGHTS

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

The BuildForce LMI system tracks supply and accounts for the change in the available labour force, including retirements, new entrants[1], and net mobility[2]. For Newfoundland and Labrador, rankings are available for 14 residential and 20 non-residential trades and occupations.

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

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

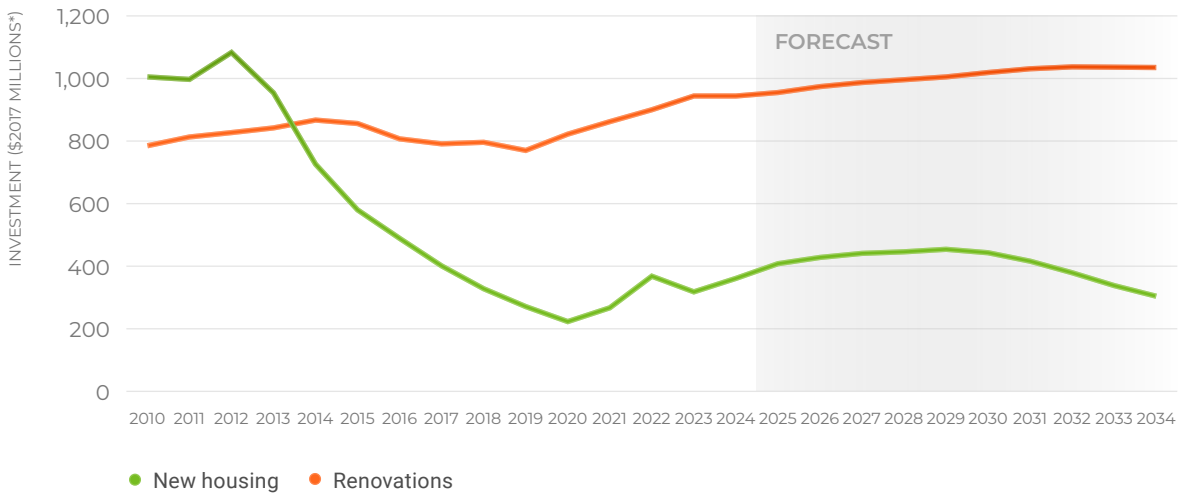
RESIDENTIAL SECTOR

Residential construction investment rose modestly in 2024 as growth in new housing offset unchanged levels of activity in renovations. Growth in new-housing activity was propelled by a recovery in demand for single-detached units and apartment units after a weak year in 2023. Both trends are likely attributable to the recent influx in migration to the province.

As Figure 4 shows, the outlook for the residential sector calls for the new-housing component to return to growth into the late 2020s. By 2029, investment levels in new housing are projected to rise by 26% above 2024 levels. There is a notable increase in the number of single-detached unit starts across this period, while starts for multi-unit structures are expected to rise to a peak in 2027. Later years see demand for new housing slow as the province's population growth slows.

Meanwhile, renovation investment is projected to grow at a moderate pace throughout the remainder of the decade and continue to be the primary driver of provincial residential construction activity. This occurs with the need to maintain and retrofit an existing housing stock, and with the desire by some to customize their homes to age in place.

FIGURE 4:
RESIDENTIAL CONSTRUCTION INVESTMENT, NEWFOUNDLAND AND LABRADOR



* $2017 millions indicates that the investment values are in year 2017 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 (2025–2034)

Total residential employment is projected to contract by 6% across the forecast period, although the sector is expected to report gains of close to 6% into 2029 with projected growth in new housing activity. Later years see employment relating to new housing decrease significantly, but the overall employment numbers are largely unaffected, given that much of the sector's employment is more concentrated on renovation and maintenance work, which is mostly unchanged across the period.

Table 1 summarizes the estimated percent change in residential employment by sector across three periods: the short term (2025–2027), the medium term (2028–2030), and the long term (2031–2034).

Note that this analysis is based on existing trends and market forces and does not take into account aspirational public-sector initiatives to increase the housing supply. Direct government interventions such as tax incentives and subsidies are, however, factored into the forward analysis as they have a more immediate impact on prevailing market forces and consumer behaviour.

TABLE 1:
CHANGES IN RESIDENTIAL EMPLOYMENT BY SECTOR, NEWFOUNDLAND AND LABRADOR

SECTOR	% CHANGE 2025–2027	% CHANGE 2028–2030	% CHANGE 2031–2034
Total residential employment	5%	0%	-10%
New housing	19%	-3%	-34%
Renovations	1%	0%	-2%
Residential maintenance	1%	1%	0%

SOURCE: Statistics Canada, BuildForce Canada (2025–2034)

RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

Based on currently known demands, industry recruitment and retirement estimates, the following ranks apply to the 14 covered trades in the province. See Table 2.

MARKET RANKINGS

1 Workers meeting employer qualifications are available in local markets to meet an increase in demand at the current offered rate of compensation and other current working conditions. Excess supply is apparent and there is a risk of losing workers to other markets.

2 Workers meeting employer qualifications are available in local markets to meet an increase in demand at the current offered rate of compensation and other working conditions.

3 The availablility of workers meeting employer qualifications in the local market may be limited by large projects, plant shutdowns or other short-term increases in demand. Employers may need to complete to attact needed workers. Establish patterns of recruiting and mobility are sufficient to meet job requirements.

4 Workers meeting qualifications are generally not available in local markets to meet any increase. Employers will need to compete to attact additional workers. Recruting and mobility may extend beyond traditional sources and practices.

5 Needed workers meeting employer qualifications are not available in local markets to meet current demand so that projects or production may be delayed or deferred. There is excess demand, competition is intense and recruiting reaches to remote markets.

TABLE 2:
RESIDENTIAL MARKET RANKINGS, NEWFOUNDLAND AND LABRADOR

TRADES AND OCCUPATIONS – RESIDENTIAL	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Carpenters	4	4	3	3	3	3	3	3	3	3	3
Concrete finishers	3	4	3	3	3	3	3	3	3	3	3
Construction managers	5	5	4	4	3	3	3	3	3	3	2
Contractors and supervisors	4	4	4	3	3	3	3	3	3	3	3
Electricians	3	4	3	3	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	4	3	3	3	3	3	3	3	3	3
Home building and renovation managers	4	4	4	3	3	3	3	3	3	3	3
Painters and decorators (except interior decorators)	3	4	3	3	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	4	4	4	3	3	3	3	3	3	3	3
Plumbers	4	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	3	3	3	3	3	3	3	3	3	3	3
Trades helpers and labourers	4	4	3	3	3	3	3	3	3	3	3

SOURCE: BuildForce Canada

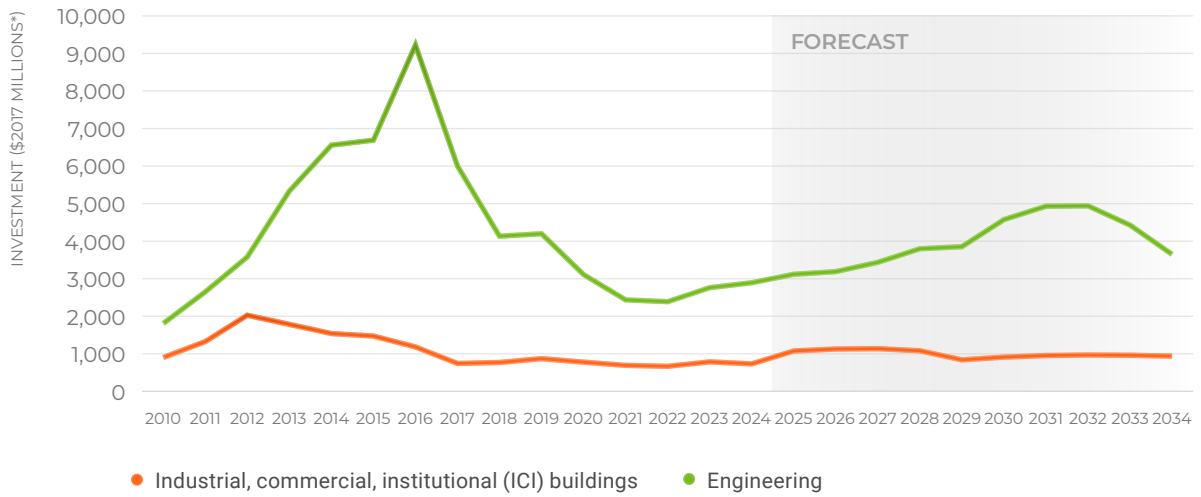
NON-RESIDENTIAL SECTOR

Non-residential construction investment levels have been trending upward since 2022, supported by growth in both engineering construction and in the construction of industrial, commercial, and institutional (ICI) buildings. Although investment reported only modest gains in 2024, work continued on such key projects as the West White Rose offshore oil platform, Voisey's Bay underground mine, and Marathon Gold's Valentine Mine, and by work in the institutional buildings sector on the Waterford Mental Health Hospital replacement project.

As Figure 5 shows, non-residential construction activity is projected to rise steadily into 2028 with growth in both components. A large volume of resource projects dominates the engineering construction sector over this period, with work supplemented by a provincial road improvement program, and work on core public infrastructure projects. On the ICI buildings side, work is ongoing in the healthcare and education sectors. The proposed start of a wind-to-hydrogen project in 2025 adds to investment levels.

Both components are expected to see a slight contraction in investment levels in 2029 before core construction work begins on the Bay du Nord offshore oil-development project. Work on this project brings overall non-residential investment to a peak in the early 2030s.

FIGURE 5:
NON-RESIDENTIAL CONSTRUCTION INVESTMENT, NEWFOUNDLAND AND LABRADOR



* $2017 millions indicates that the investment values are in year 2017 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 (2025–2034)

The combination of these factors brings non-residential construction employment to a peak of more than 14,600 workers, or 41% above 2024 levels, by 2031. Employment cycles down thereafter as projects conclude. Non-residential employment ends the decade 20% higher than in 2024, with gains greatest in engineering construction (21%) and ICI buildings construction (20%). Employment relating to maintenance activity rises by 16%.

Table 3 summarizes the estimated percent change in non-residential employment by sector across three periods: the short term (2025–2027), the medium term (2028–2030), and the long term (2031–2034).

Note that this outlook does not include several new energy projects related to the announced partnership between Newfoundland and Labrador and Quebec, including expansion and increased capacity at the existing Churchill Falls hydro facility and a new hydroelectric power generating facility project at Gull Island. In addition, there are several proposed hydrogen projects not yet factored in the analysis, pending final investment approvals.

TABLE 3:
CHANGES IN NON-RESIDENTIAL EMPLOYMENT BY SECTOR, NEWFOUNDLAND AND LABRADOR

SECTOR	% CHANGE 2025–2027	% CHANGE 2028–2030	% CHANGE 2031–2034
Total non-residential employment	18%	13%	-9%
Industrial buildings	109%	-43%	4%
Commercial and institutional buildings	12%	4%	3%
Heavy industrial	15%	29%	-18%
Other engineering	12%	17%	7%
Roads, highways and bridges	27%	-28%	4%
Non-residential maintenance	4%	4%	7%

SOURCE: Statistics Canada, BuildForce Canada (2025–2034)

NON-RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

Based on currently known demands, industry recruitment and retirement estimates, the following ranks apply to the 20 covered trades in the province. See Table 4.

TABLE 4:
NON-RESIDENTIAL MARKET RANKINGS, NEWFOUNDLAND AND LABRADOR

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Boilermakers	4	4	4	4	3	3	4	4	3	3	3
Carpenters	4	4	3	4	3	4	4	4	4	3	3
Concrete finishers	3	4	3	3	2	2	3	4	3	3	3
Construction managers	4	5	4	4	3	3	4	4	3	3	3
Construction millwrights and industrial mechanics	4	4	3	3	4	4	5	4	4	3	3
Contractors and supervisors	4	5	4	4	3	3	4	4	3	3	2
Crane operators	4	5	4	4	3	3	4	4	3	3	3
Electricians	3	4	4	4	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	4	4	4	4	3	2	3	3	3	3	3
Heavy-duty equipment mechanics	5	5	4	4	3	3	4	4	3	3	3
Insulators	4	4	4	4	3	3	4	4	4	3	3
Ironworkers and structural metal fabricators	4	4	3	3	4	4	4	3	3	3	2

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Painters and decorators (except interior decorators)	3	3	3	4	4	4	4	3	3	3	2
Plumbers	3	4	3	4	3	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	4	4	4	4	3	3	3	3	3	3	3
Sheet metal workers	4	4	4	4	3	3	4	4	3	3	3
Steamfitters, pipefitters and sprinkler system installers	4	4	4	4	4	4	4	4	3	2	2
Trades helpers and labourers	4	4	3	3	3	3	4	4	3	2	2
Truck drivers	4	4	4	4	3	3	4	4	3	3	3
Welders and related machine operators	4	4	4	4	3	3	3	3	3	3	3

SOURCE: BuildForce Canada

BUILDING A SUSTAINABLE LABOUR FORCE

THE AVAILABLE LABOUR FORCE

Newfoundland and Labrador's construction industry faces a total hiring requirement of as many as 8,300 workers by 2034. As many as 6,100 of those workers, or 29% of the 2024 labour force, are expected to exit the industry due to retirement.

Although a large share of these hiring requirements may be met by an estimated 4,500 first-time new entrants under the age of 30 from the local population, even with these additions, the industry may face a hiring gap of about 3,800 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, NEWFOUNDLAND AND LABRADOR

* 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 RECRUITMENT

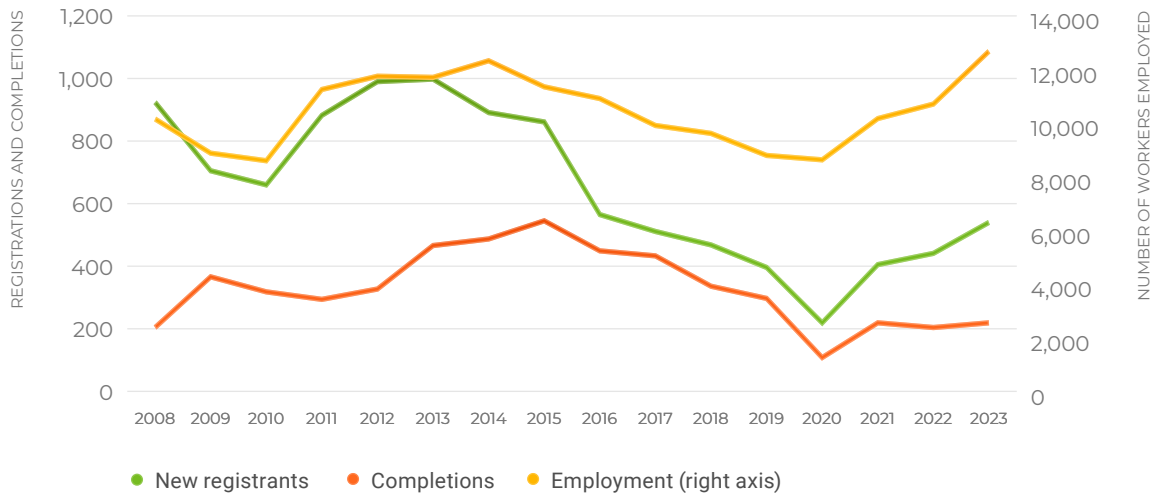
APPRENTICESHIP

The construction industry is dependent on a variety of skilled trades, some voluntary and some compulsory, as well as several skilled trades that fall outside the traditional apprenticeship development systems of the province. As such, while apprenticeship registrations cannot be viewed as a complete measure of industry recruitment, the metric is a useful barometer of industry success in the recruitment of new entrants.

New registrations in the 11 largest construction trade programs saw a steep decline in the years preceding the pandemic, as trade employment retreated from peak levels. Post-pandemic, new registrations have been on the rise, responding to the gains in employment observed in recent years. In 2023, new registrations increased by 22% on an annual basis, returning to levels not seen since 2016. New registrations were near or at their record level for refrigeration and air conditioning mechanic and heavy-duty equipment technician. Completions have been slower to recover, remaining below pre-pandemic levels in 2023. It will likely take several years before the renewed influx of new registrations translates to an increased number of newly certified workers.

Despite this increase, new registrations in the construction electrician, mobile crane operator, plumber, and steamfitter/pipefitter trades remain significantly below the levels observed over the past decade, with new registrations in these programs falling by more than 50% from 2014 to 2023. See Figure 7.

FIGURE 7:
NEW APPRENTICE REGISTRATIONS, COMPLETIONS AND TRADE EMPLOYMENT, NEWFOUNDLAND AND LABRADOR



SOURCE: BuildForce Canada

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 completions not keeping pace with the number of new journeypersons required over the outlook period. Trades within this group include steamfitter/pipefitter, construction electrician, ironworker (generalist), plumber, powerline technician, mobile crane operator, and welder.

TABLE 5:

ESTIMATED CONSTRUCTION CERTIFICATION DEMAND AND PROJECTED COMPLETIONS BY TRADE, NEWFOUNDLAND AND LABRADOR 2025 TO 2034[3]

TRADE	TOTAL CERTIFICATION DEMAND – CONSTRUCTION	TARGET NEW REGISTRANTS – CONSTRUCTION	APPRENTICE CERTIFICATION SUPPLY RISK – ALL INDUSTRIES
Steamfitter/Pipefitter	158	36	●
Construction Electrician	686	255	●
Ironworker (Generalist)	72	29	●
Plumber	171	80	●
Powerline Technician	47	26	●
Mobile Crane Operator	86	53	●
Welder	108	77	●
Industrial Mechanic (Millwright)	92	80	●
Industrial Electrician	103	145	●
Heavy-Duty Equipment Technician	58	85	●
Refrigeration and Air Conditioning Mechanic	38	121	●

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

SOURCE: BuildForce Canada

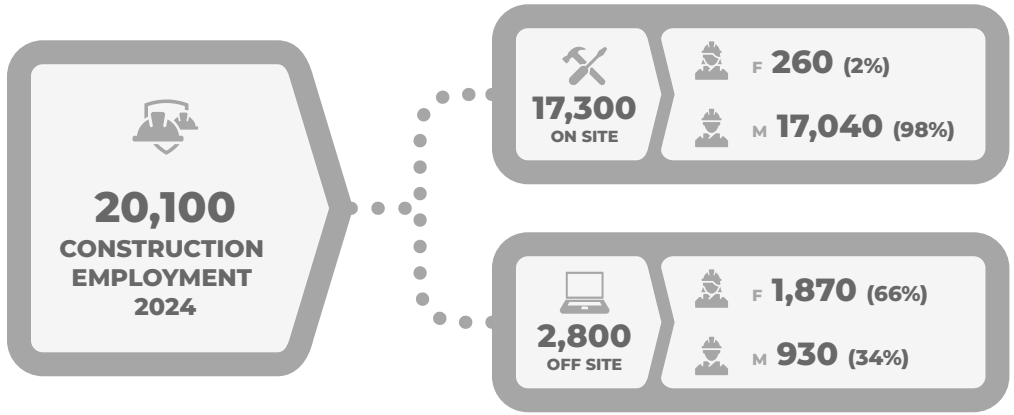
[3] This analysis does not account for an existing skills mismatch at the 2024 starting point.

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 boom generation of workers continues retiring throughout the 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. Specifically, it must increase recruitment of individuals from groups traditionally underrepresented in the current construction labour force, including women, Indigenous People, and immigrants to Canada by raising awareness and working with settlement organizations to promote career opportunities to individuals new to the country.

In 2024, there were approximately 2,130 women employed in Newfoundland and Labrador's construction industry, of which 12% worked on site, directly on construction projects, while the remaining 88% worked off site, primarily in administrative and management-related occupations. Of the 17,300 tradespeople employed in the industry, women made up only 2%. See Figure 8.

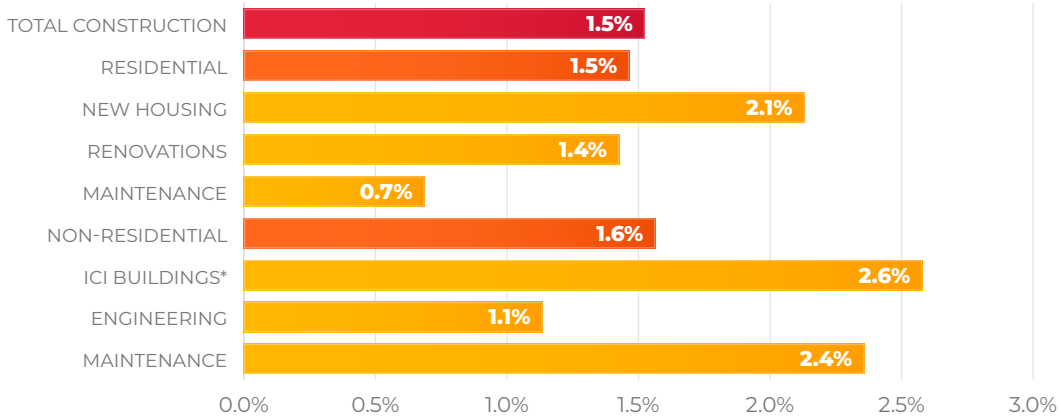
FIGURE 8:
DETAILED CONSTRUCTION EMPLOYMENT BY GENDER, NEWFOUNDLAND AND LABRADOR, 2024



SOURCE: BuildForce Canada calculations based on Statistics Canada's Labour Force Survey (LFS) and 2021 Census of the Population.

The estimated 260 tradeswomen in Newfoundland and Labrador account for a similar share of the total workforce in both residential and non-residential construction. Across sectors, industrial, commercial, and institutional building construction (2.6%) and non-residential maintenance (2.4%) have the highest representation of women (see Figure 9). The top five trades and occupations in which women tend to be employed are trade helpers and labourers (33% of all tradeswomen), carpenters (17%), electricians (14%), construction managers (11%), and contractors and supervisors (8%).

FIGURE 9:
WOMEN'S SHARE OF TOTAL DIRECT TRADES AND OCCUPATIONS (ON SITE), NEWFOUNDLAND AND LABRADOR



* industrial, commercial, institutional

SOURCE: BuildForce Canada calculations based on Statistics Canada's Labour Force Survey (LFS) and 2021 Census of the Population.

The Indigenous population is the fastest growing population in Canada and therefore presents recruitment opportunities for Newfoundland and Labrador's construction industry. The province has been successful in increasing the share of Indigenous People in the construction workforce. As of 2023, Indigenous People accounted for approximately 12% of the province's construction labour force, an increase of nearly 4% over the past decade. This share is also higher than the share of Indigenous Peoples represented in the overall labour force (see Table 6). As the Indigenous population continues to expand, recruitment efforts will need to continue to be dedicated to increasing the industry's share of the working population into the labour force.

TABLE 6:
REPRESENTATION OF INDIGENOUS POPULATION IN NEWFOUNDLAND AND LABRADOR'S CONSTRUCTION WORKFORCE

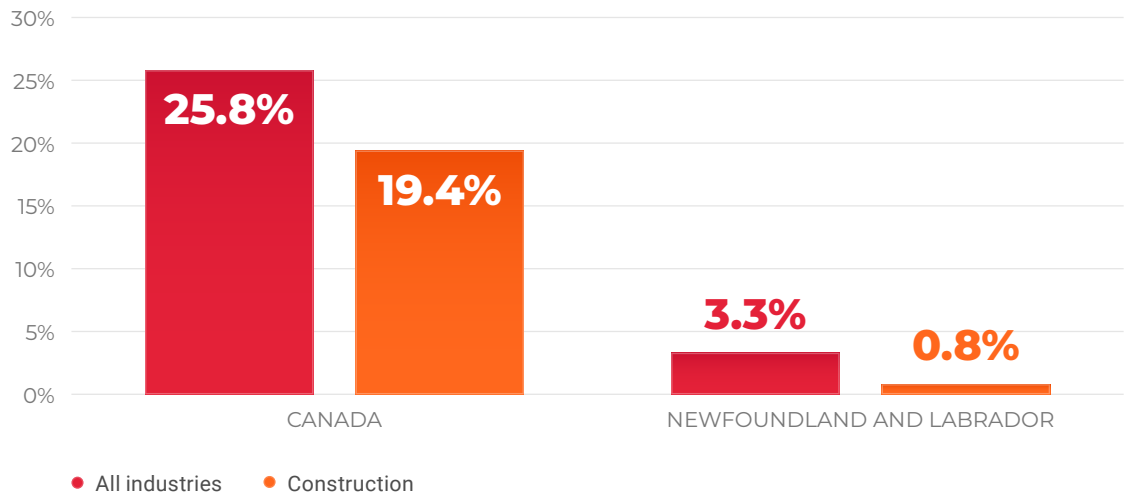
INDUSTRY	INDIGENOUS	NON-INDIGENOUS	TOTAL	INDIGENOUS SHARE OF TOTAL WORKFORCE, %
Construction				
2014	2,400	27,500	29,900	8.0%
2023	2,900	21,400	24,300	11.9%
All Industries				
2014	19,400	254,500	273,900	7.1%
2023	25,300	238,100	263,400	9.6%

SOURCE: Statistics Canada, Labour Force Survey, Custom Data Request 2023

Newfoundland and Labrador's construction industry may also leverage newcomers (immigrants) to Canada over the forecast period to meet labour requirements. Due to the declining natural rates of population growth, immigrants are the primary source of labour force growth in the province. Based on the 2021 Census, immigrants accounted for 3.3% of Newfoundland and Labrador's overall workforce. The province's share of immigrants was notably below the share in Canada overall (see Figure 10). The construction labour force share of immigrants was less than 1%, which was significantly lower than the share in Canada's construction industry of 19.4%.[4]

Based on historical settlement trends (and accounting for new immigration targets), the province is expected to welcome more than 44,400 newcomers between 2025 and 2034. 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.

FIGURE 10:
SHARE (%) OF IMMIGRANTS IN THE CONSTRUCTION LABOUR FORCE, 2021



[4] Due to data suppression at the provincial level, census data is the most reliable source for labour market information on Immigrants.

SOURCE: Statistics Canada, 2021 Census. Custom Data Request.

CONCLUSIONS AND IMPLICATIONS

The *2025–2034 Construction and Maintenance Looking Forward* scenario for Newfoundland and Labrador calls for growth across the construction sector, with activity in the non-residential sector projected to outpace growth in the residential sector.

Residential construction levels are expected to chart sustained growth into 2029 as the province sees a rebound in housing starts that is created by reduced interest rates and increased consumer demand. Although new-housing construction activity moderates in later years, residential renovation activity grows continuously across the forecast period, and more than offsets these later-period declines.

The non-residential sector, meanwhile, continues to be driven by growth in both the engineering-construction and industrial, commercial, and institutional (ICI) buildings sectors. A long list of resource projects sustains activity in the engineering construction sector into the late 2020s. As activity slows on these projects, core-construction work starts at the Bay du Nord project, which elevates investment levels significantly into the early 2030s. Meanwhile, growth across the ICI buildings sector is driven by work on institutional projects. A proposed wind-to-hydrogen project sustains activity into the late 2020s before investment levels moderate to 2034.

Labour force renewal will be an ongoing concern as employment expands and as provincial demographics shift. As many as 6,100 workers, or 29% of the province's 2024 labour force, are projected to retire by 2034. Addressing this gap will require a combination of strategies that include enhanced local recruitment and training, including the recruitment of permanent residents and newly arrived immigrants, and promoting career opportunities to workers with comparable skill sets who have been displaced from other industries.

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

ABOUT THE BUILDFORCE CANADA LABOUR MARKET INFORMATION SYSTEM

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

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

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

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

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

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

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

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

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

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- Data on more than 30 construction trades and occupations by province looking ahead 10 years
- Key economic indicators, construction investment and labour market conditions by province and/or sector
- Macroeconomic and investment data

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