APRIL 2025

PRINCE EDWARD ISLAND

CONSTRUCTION & MAINTENANCE LOOKING FORWARD

HIGHLIGHTS
2025–2034

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BUILDFORCE CANADA

SUMMARY

Prince Edward Island reported growth in both its residential and non-residential construction sectors in 2024.

The former saw growth in housing starts as interest rates stabilized and builders responded to high levels of demand created by strong levels of immigration. The latter recorded another year of increases on the strength of growth in industrial, commercial, and institutional (ICI) building construction.

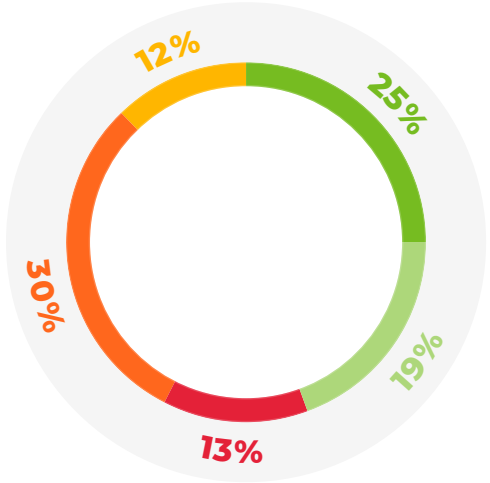
The BuildForce Canada 2025–2034 outlook for PEI calls for construction activity in the residential and non-residential sectors to diverge to the end of the forecast period.

Residential construction demand, and new-housing construction in particular, is expected to see significant growth into 2030, as high levels of demand for all unit types help to increase overall investment by 36% over this period. Later years see growth slow notably. Renovation activity, too, is projected to see strong growth to the end of the decade.

Non-residential construction activity, meanwhile, is projected to step down from its recent 2024 peak while remaining well above historical levels. Investment in ICI buildings construction is forecast to slow into 2030 as work concludes on tracked major projects. Investment in engineering construction is expected to rise to a peak in 2026 with the timing of major projects before slowing into 2029 as work concludes.

The provincial construction labour force is expected to increase by 80 workers by 2034. The expected retirement of a further 1,680 workers (22% of the 2024 labour force) creates an overall hiring requirement of 1,760 workers.

DISTRIBUTION OF CONSTRUCTION EMPLOYMENT IN 2024, PRINCE EDWARD ISLAND*



10-YEAR WORKFORCE OUTLOOK FOR PRINCE EDWARD ISLAND

1,680
RETIREMENTS

1,750
NEW ENTRANTS

12
EMPLOYMENT CHANGE (0.2%)

8.4%
AVERAGE UNEMPLOYMENT RATE

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

HIGHLIGHTS

- Housing starts rise to a forecast peak of almost 1,800 units in 2030, with growth across all unit types.
- Residential employment reaches a peak of more than 4,100 workers in 2030, or nearly 29% above 2024 levels, before contracting to the end of the decade.
- Investment in industrial, commercial, and institutional building construction reached a recent peak in 2024. Although it slows into 2030, it remains well above historical norms.
- Non-residential construction employment steps down from its 2024 peak, and records a series of contractions into 2030 as work on major projects slows.
- The province's construction labour market is projected to be mostly balanced across the decade as the estimated number of new entrants coming into the sector offsets overall hiring requirements of up to 1,760 workers.

PRINCE EDWARD ISLAND 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.*

Investment levels rose in both construction sectors in Prince Edward Island in 2024.

Residential construction increased by 8% over the previous year, as a strong recovery in demand for single-detached housing, coupled with steady levels of demand for the construction of multi-family units created growth. Activity in the renovations sector was mostly unchanged.

Meanwhile, non-residential construction investment reached an all-time high in the province, adding 15% over the previous year. Industrial, commercial, and institutional (ICI) building construction levels have been propelled by a large number of projects underway in the healthcare and education sectors, while engineering construction has been elevated by work on utility projects and on roads, bridges, and highways.

The outlook for the residential construction sector calls for steady growth to 2030. Lower interest rates and pent-up consumer demand restore growth in new-housing activity, with housing starts peaking at almost 1,800 units (32% above 2024 levels) over this period. Renovation activity records consistent increases across the forecast period.

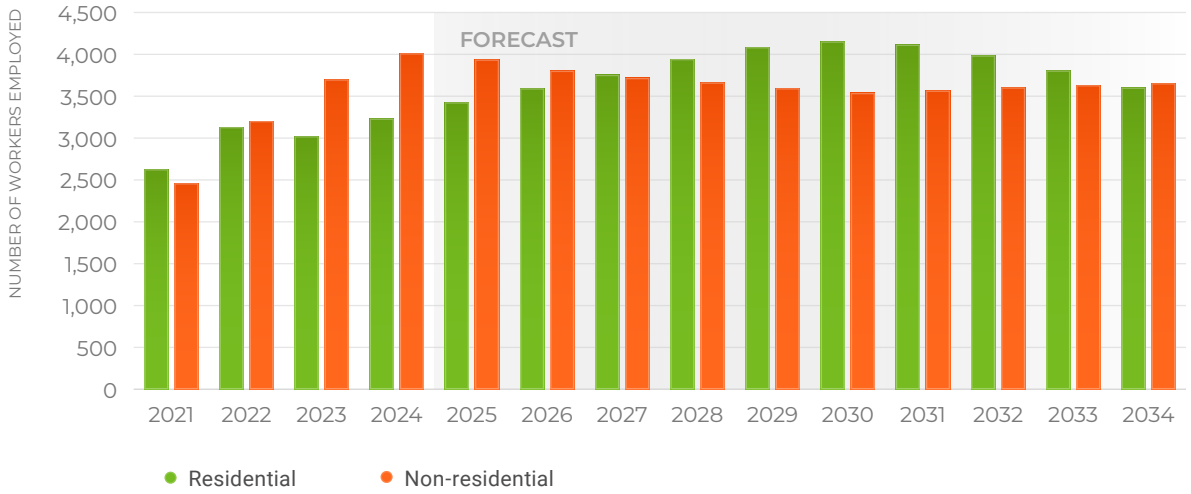
The non-residential construction outlook sees investment in ICI buildings slow into 2030 as work that is currently underway or planned passes peak activity levels or concludes. Despite this contraction, investment levels remain well above historical norms. In the engineering construction sector, investment cycles in line with the timing of major projects. It rises into 2026 before slowing into 2029 as works conclude. Later years see growth in response to population demands.

The combination of these factors elevates overall construction employment in PEI modestly, with growth of 12% in residential construction offsetting a projected loss of 9% in non-residential construction.

The industry faces an overall hiring requirement of 1,760 workers across the forecast period, including the need to replace some 1,680 workers who exit due to retirement. Although the recruiting of first-time new entrants from the local population is expected to match hiring requirements, 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, PRINCE EDWARD ISLAND



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

MIGRATION DRIVES POPULATION GROWTH

Prince Edward Island's population is slightly older than the national average.

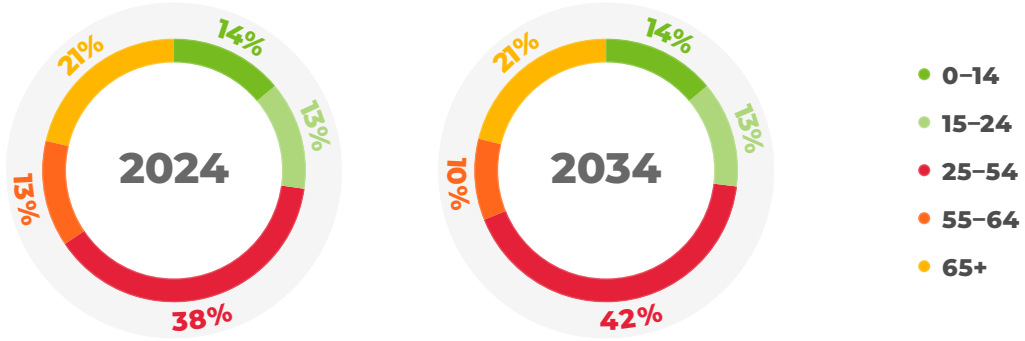
In 2024, the cohort of people aged 65 years and above, accounted for 21% of the province's population. That figure is expected to remain unchanged into 2034. In Canada as a whole, this cohort accounted for 19% of the population in 2024, and is expected to rise to 21% by 2034.

Meanwhile, the cohort of people aged 15 to 24 years, and who are about to enter the labour force, accounted for 13% of PEI's population in 2024. Again, that figure is expected to remain unchanged into 2034. Nationally, this group accounted for 12% of the population in 2024, and is expected to remain at that level by 2034.

These population shifts could have significant impacts on the region'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, PRINCE EDWARD ISLAND*



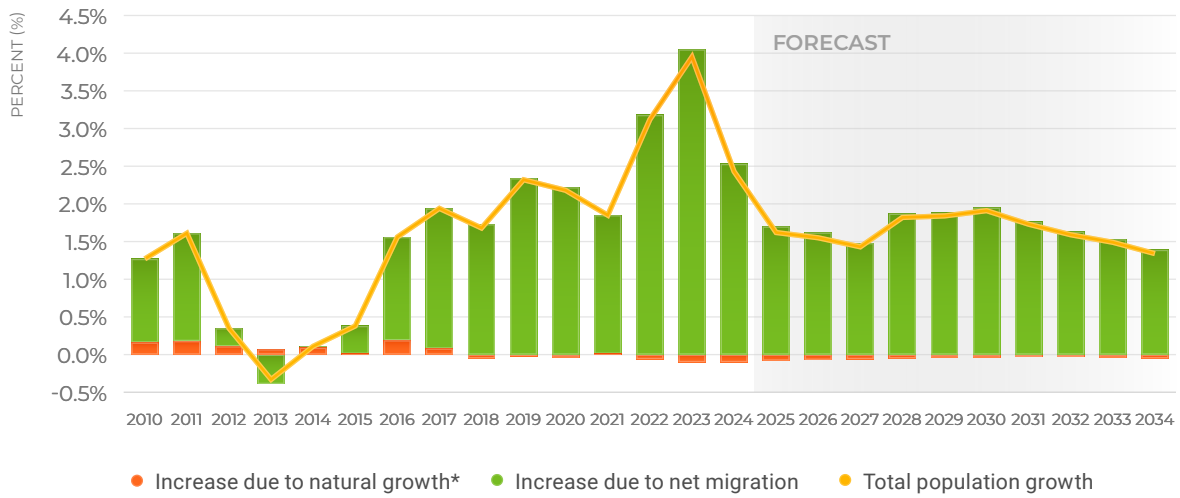
* Due to rounding, numbers may not add up to 100%.

SOURCE: BuildForce Canada

In addition, PEI is faced with a declining natural rate of population growth* that has recently turned negative (see Figure 3). The province has benefitted in recent years from elevated levels of interprovincial and international migration. Initially, these were driven by the comparatively low cost of living in the province, which attracted individuals from other provinces; in later years, and particularly during the period of 2022 to 2024, it was sustained by unusually high numbers of permanent and non-permanent residents from abroad. These levels are unlikely to be sustained, particularly as proposed cuts to federal immigration levels impact growth between 2025 to 2027. Later years see migration increase again, returning to levels seen during the late 2010s.

These factors combine to bring annual population growth rates to an average of 1.6% for most of the forecast period.

FIGURE 3:
SOURCES OF POPULATION GROWTH (%), PRINCE EDWARD ISLAND



* 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 Prince Edward Island, rankings are available for 10 residential and 11 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.

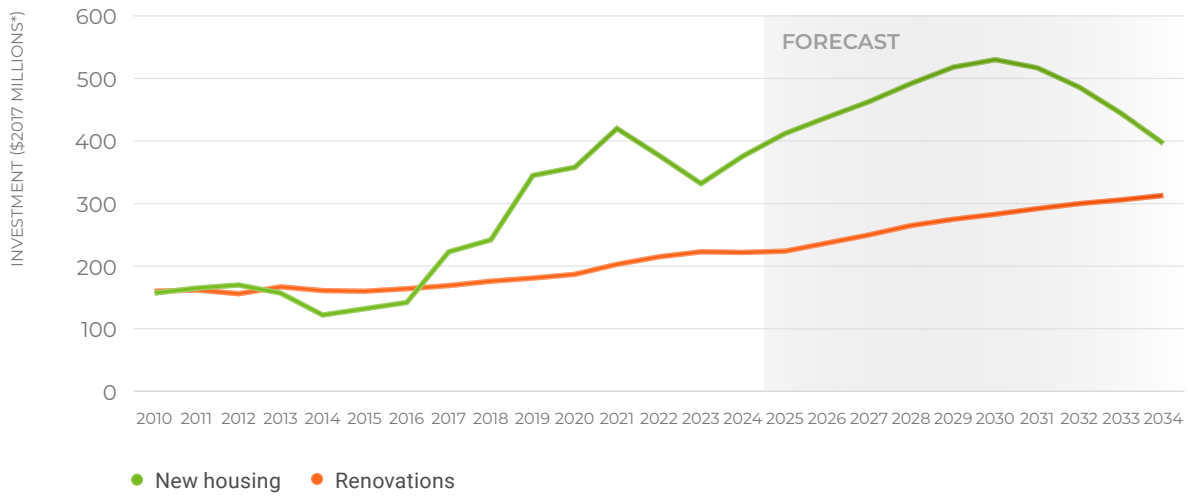
RESIDENTIAL SECTOR

Residential construction investment levels rose in Prince Edward Island in 2024. Demand for new housing was particularly strong, as consumers responded to declining interest rates, and as builders responded to pent-up demand created by previously high levels of in-migration. Housing starts, in particular, rose by 19% over the year previous, with strong levels of demand reported for both single-detached and multi-unit dwellings.

As Figure 4 shows, the outlook for the sector calls for sustained growth into 2030. Housing starts in particular are expected to rise to just below 1,800 units over this period, increasing by 32% from 2024 levels. Growth is strongest in demand for single-detached units, which speaks to the comparative affordability of housing in the province, while demand is also elevated for multi-unit dwellings. Later years see housing starts contract due to slowing population growth, with activity returning to near-2024 levels.

Renovation investment, meanwhile, is expected to grow only modestly in 2025 before experiencing a steady climb throughout the remainder of the decade, driven by an aging housing stock, a strengthening economy, as well as consumer preferences to upgrade their properties.

FIGURE 4:
RESIDENTIAL CONSTRUCTION INVESTMENT, PRINCE EDWARD ISLAND



* $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 increase by 12% across the forecast period, with the sector reporting strong gains into 2030 (at which time, employment is projected to rise by 29% compared to 2024 levels). Contractions in later years are exclusive to new-home construction as employment relating to residential renovations and maintenance work rises continuously across the forecast 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, PRINCE EDWARD ISLAND

SECTOR	% CHANGE 2025–2027	% CHANGE 2028–2030	% CHANGE 2031–2034
Total residential employment	16%	11%	-13%
New housing	20%	11%	-28%
Renovations	12%	10%	6%
Residential maintenance	12%	11%	12%

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 10 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, PRINCE EDWARD ISLAND

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

SOURCE: BuildForce Canada

NON-RESIDENTIAL SECTOR

Investment in non-residential construction in Prince Edward Island has been rising steadily since 2015, and has been supported in recent years by strong growth in activity in industrial, commercial, and institutional (ICI) building construction, and growth in engineering-construction activity that follows the timing of major projects.

As Figure 5 shows, overall non-residential construction investment rose by 15% in 2024 to reach a new historic high.

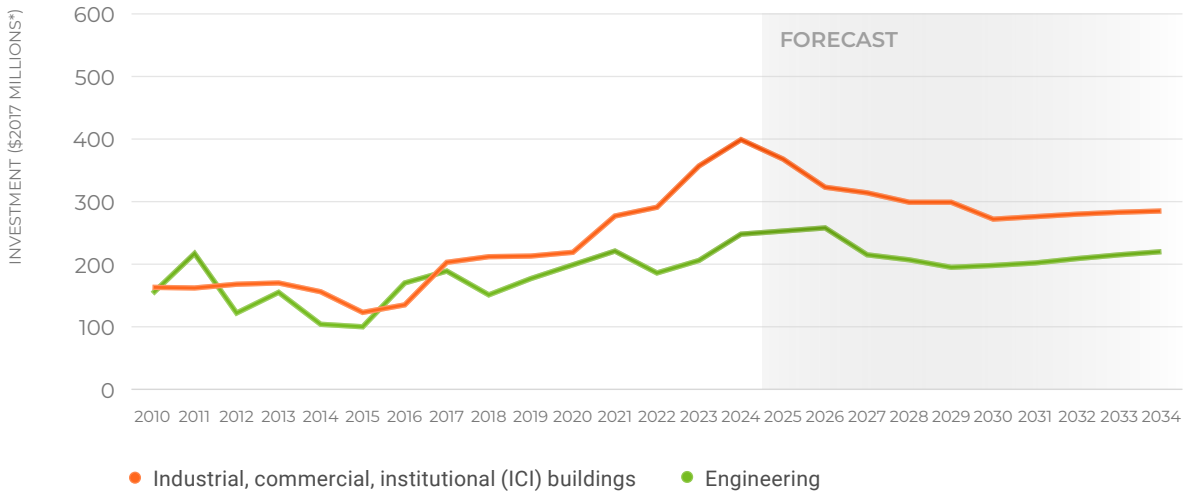
ICI building levels have been propelled by a large number of projects underway in the healthcare and education sectors, including the Kings County Memorial Hospital redevelopment, the Mental Health Campus at Hillsborough Hospital, retrofit work at the Province House, and the schools capital plan. Work on the Charlottetown Simmons Arena project, the Confederation Centre of the Arts renovation, and the BioXcellerator Stem Cell Clinic also elevated demands for commercial construction.

Activity on these projects was projected to have peaked in 2024, and investment levels are expected to contract until 2030, after which they grow modestly. Despite these contractions, levels are expected to remain well above historic norms.

Engineering construction investment is being driven by two factors. One is the province's five-year capital plan for roads, highways, and bridges, and which is expected to carry through to 2029. The other is activity in utility projects, including ongoing work on wind farm projects in Skinner Pond and Eastern Kings County and the Western PEI Transmission Line. Work on most of these projects carries through to 2026 or 2027.

Later years see overall non-residential construction investment levels grow modestly, linked to demands created by overall population and economic growth.

FIGURE 5:
NON-RESIDENTIAL CONSTRUCTION INVESTMENT, PRINCE EDWARD ISLAND



* $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)

Non-residential construction employment reached a peak of just over 4,000 workers in 2024, and is projected to decline into 2030 as investment recedes from elevated levels in both the ICI buildings and engineering construction sectors. Later years see modest growth, but overall non-residential employment ends the decade 9% below 2024 peak levels.

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).

TABLE 3:
CHANGES IN NON-RESIDENTIAL EMPLOYMENT BY SECTOR, PRINCE EDWARD ISLAND

SECTOR	% CHANGE 2025–2027	% CHANGE 2028–2030	% CHANGE 2031–2034
Total non-residential employment	-7%	-5%	3%
Industrial buildings	-1%	8%	-1%
Commercial and institutional buildings	-13%	-8%	5%
Heavy industrial	-4%	6%	2%
Other engineering	-5%	8%	6%
Roads, highways and bridges	-14%	-37%	12%
Non-residential maintenance	3%	0%	0%

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 11 covered trades in the province. See Table 4.

TABLE 4:
NON-RESIDENTIAL MARKET RANKINGS, PRINCE EDWARD ISLAND

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Carpenters	4	3	3	3	3	3	3	3	3	3	3
Construction managers	5	4	3	2	3	4	3	3	3	3	3
Contractors and supervisors	4	3	3	3	3	3	3	3	3	3	3
Electrical power line and cable workers	5	4	3	2	3	3	3	3	3	3	3
Electricians	4	3	2	3	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	4	3	3	2	3	3	3	3	3	3	3
Painters and decorators (except interior decorators)	4	3	3	3	3	3	3	3	3	3	3
Plumbers	4	3	3	3	3	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	4	3	3	3	3	3	3	3	3	3	3
Trades helpers and labourers	4	3	2	3	3	2	3	3	3	3	3
Truck drivers	4	3	3	3	3	2	3	3	3	3	3

SOURCE: BuildForce Canada

BUILDING A SUSTAINABLE LABOUR FORCE

THE AVAILABLE LABOUR FORCE

Prince Edward Island's overall construction labour force should be mostly balanced across the forecast period. Construction's overall labour force is projected to increase modestly by 80 workers above 2024 levels by 2034. Added to the expected retirement of 1,680 workers, the province's hiring requirements could reach as many as 1,760 workers.

These hiring requirements are expected to be addressed by the recruitment of an estimated 1,750 first-time new entrants under the age of 30 from the local population.

Even still, PEI's construction sector cannot afford to be complacent. 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, PRINCE EDWARD ISLAND

* 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

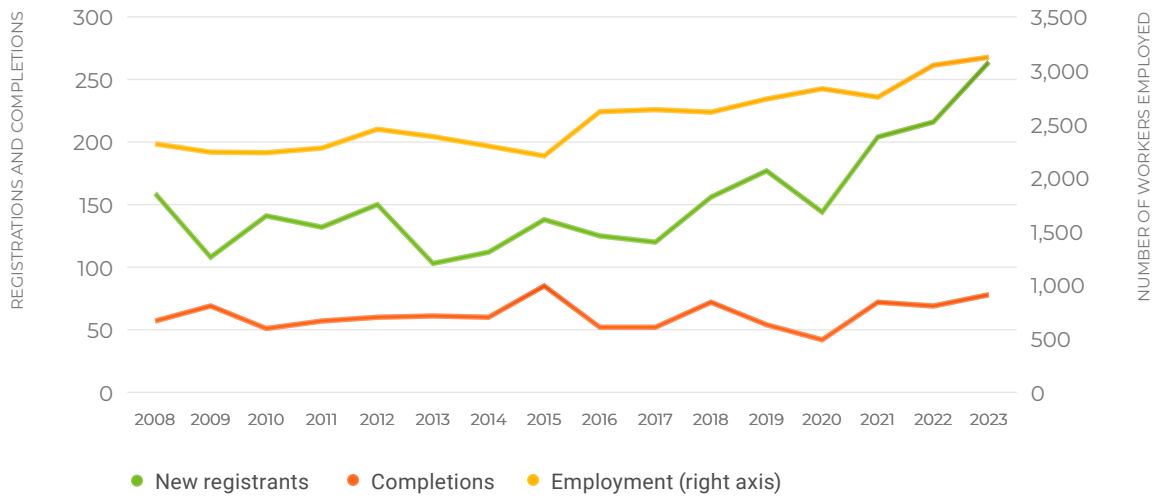
LABOUR FORCE RECRUITMENT

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.

Over the past decade, new apprentice registrations in PEI's seven largest construction trade programs have more than doubled, keeping pace with employment growth over the same period. Completions, which have risen at a slower pace, are expected to rise over the coming years in line with the growing number of new registrations. In 2023, new registrations rose to a record level, driven by increased apprentice intake in the carpenter, construction electrician, and welder trade programs. (See Figure 7.)

FIGURE 7:
NEW APPRENTICE REGISTRATIONS, COMPLETIONS AND TRADE EMPLOYMENT, PRINCE EDWARD ISLAND



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 the current pace of new registrations, the number of newly certified journeypersons is projected to keep pace with demand requirements over the outlook period. However, any significant increase in construction activity or decline in the program completion rate may lead to increased recruitment challenges for select trades.

TABLE 5:
ESTIMATED CONSTRUCTION CERTIFICATION DEMAND AND PROJECTED COMPLETIONS BY TRADE, PRINCE EDWARD ISLAND, 2025 TO 2034[3]

TRADE	TOTAL CERTIFICATION DEMAND – CONSTRUCTION	TARGET NEW REGISTRANTS – CONSTRUCTION	APPRENTICE CERTIFICATION SUPPLY RISK – ALL INDUSTRIES
Carpenter	247	245	●
Welder	9	11	●
Plumber	97	219	●
Industrial Electrician	8	33	●
Construction Electrician	46	266	●
Powerline Technician	12	84	●
Refrigeration and Air Conditioning Mechanic	-1	26	●

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

SOURCE: BuildForce Canada

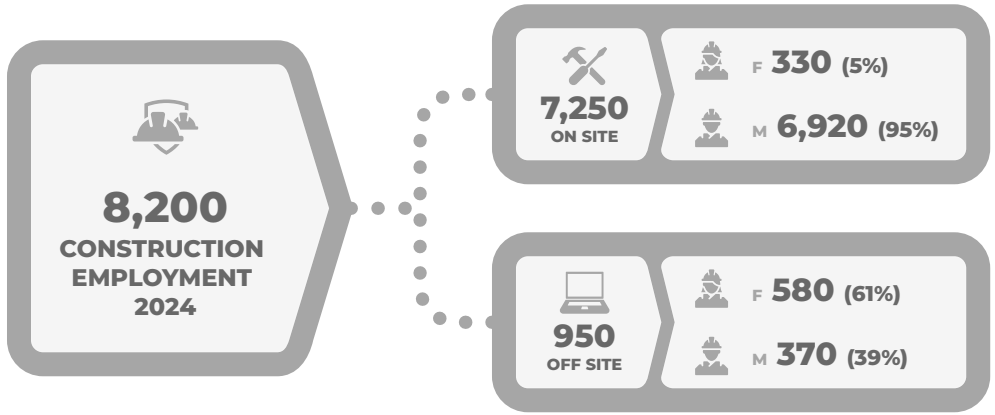
[3] This analysis does not account for an existing skills mismatch at the 2024 starting point.

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 910 women employed in Prince Edward Island's construction industry, of which 36% worked on site, directly on construction projects, while the remaining 64% worked off site, primarily in administrative and management-related occupations. Of the 7,250 tradespeople employed in the industry, women made up 5% (see Figure 8).

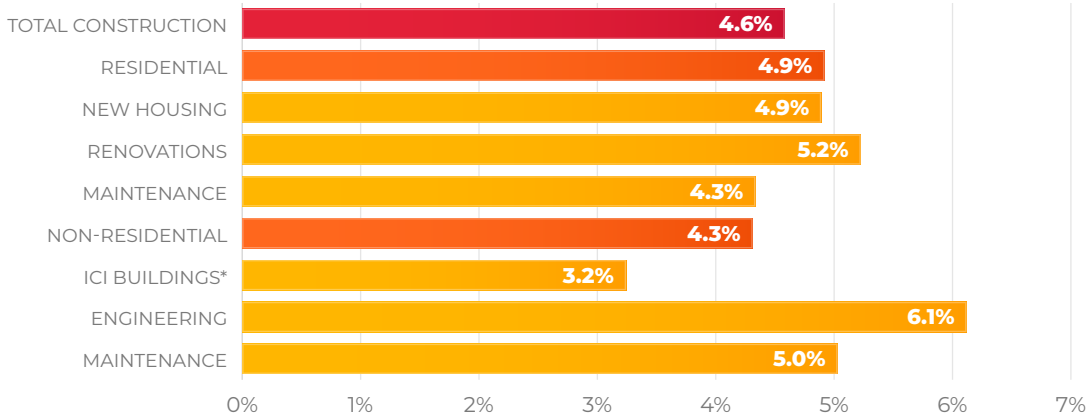
FIGURE 8:
DETAILED CONSTRUCTION EMPLOYMENT BY GENDER, PRINCE EDWARD ISLAND, 2024



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

The estimated 330 tradeswomen in Prince Edward Island are represented across all sectors of construction, with a relatively equal share in both residential (4.9%) and non-residential (4.3%) construction. Across sectors, engineering construction has the highest representation of women, accounting for 6.1% of the workforce (see Figure 9). The top five trades and occupations in which women tend to be employed are trade helpers and labourers (46% of all tradeswomen), contractors and supervisors (26%), carpenters (14%), home building and renovation managers (7%), and painters and decorators (5%).

FIGURE 9:
WOMEN'S SHARE OF TOTAL DIRECT TRADES AND OCCUPATIONS (ON SITE), PRINCE EDWARD ISLAND



* 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 Prince Edward Island's construction industry. In 2021, Indigenous People accounted for approximately 3% of the province's construction labour force, which is more than double the share observed in 2016. This share is higher than the share of Indigenous People represented in the overall labour force (see Table 6).[4] As the Indigenous population continues to expand, recruitment and retention efforts will need to be dedicated to increasing the industry's share of the population into the labour force.

TABLE 6:

REPRESENTATION OF INDIGENOUS POPULATION IN PRINCE EDWARD ISLAND'S CONSTRUCTION WORKFORCE

INDUSTRY	INDIGENOUS	NON-INDIGENOUS	TOTAL	INDIGENOUS SHARE OF TOTAL WORKFORCE, %
Construction				
2016	60	5,385	5,445	1.1%
2021	175	6,525	6,690	2.6%
All Industries				
2016	1,340	75,310	76,650	1.7%
2021	1,680	80,270	81,945	2.1%

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

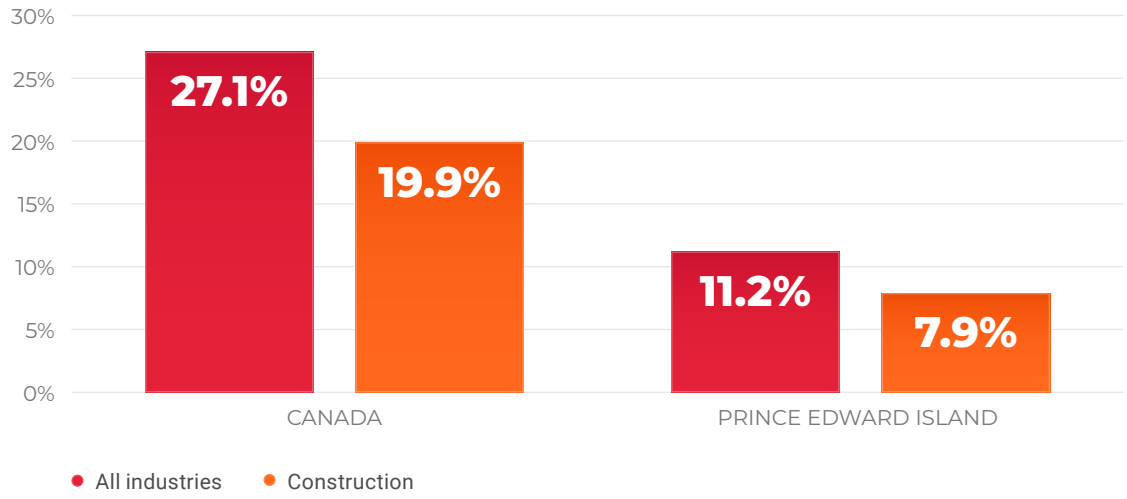
[4] Due to data suppression at the provincial level, census data is the most reliable source for labour market information on Indigenous People.

Prince Edward Island'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.

Immigrants have been playing an increasingly important role in replenishing the workforce, with the share of immigrants in the workforce almost doubling in the past decade, increasing from 5.2% in 2014 to 11.2% in 2023. 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 industry's labour force share of immigrants was just 7.9% in 2023, compared to 11.2% across all industries.[5]

Based on historical settlement patterns (and factoring in new targets for immigration), Prince Edward Island is expected to welcome more than 32,200 new immigrants 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, 2023



[5] Statistics Canada, Labour Force Survey, Custom Data Request 2023.

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

CONCLUSIONS AND IMPLICATIONS

The *2025–2034 Construction and Maintenance Looking Forward* scenario for Prince Edward Island sees the province's residential and non-residential construction sectors charting different courses.

The province's residential sector is projected to benefit from a series of factors, including reduced interest rates, elevated levels of population growth, and comparatively lower costs of living, all of which should combine to drive activity in the sector to a new historic high in 2030. This trend is driven by strong growth in starts for all types of housing units and supported by high levels of renovations activity. Later years see investment levels decline as the province's population growth slows.

Meanwhile, non-residential construction investment peaked in 2024, with high levels of activity underway in the industrial, commercial, and institutional (ICI) buildings sector in particular. ICI construction investment levels are projected to recede into 2030 as work passes peak activity levels or concludes on the many healthcare and education projects. Engineering construction investment levels are projected to cycle up and down in line with the timing of several major projects across the decade. Levels rise initially to 2027 before slowing into 2029. Later years see growth more closely tied to economic output.

Although PEI's population is generally older than the national average, the projected influx of first-time new entrants into its construction sector should offset the estimated retirement of 1,680 workers over the forecast period, or 22% of the 2024 labour force.

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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For the most detailed & comprehensive construction labour market data in Canada, visit constructionforecasts.ca

CUSTOMIZABLE TABLES AND GRAPHS AVAILABLE FOR:

- 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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