



2015–2024
Key Highlights

Construction and Maintenance Looking Forward

Manitoba

Since 2002, construction has been at the centre of steady growth for Manitoba. Growth attracts investment and adds new jobs, and few jurisdictions have enjoyed a regular flow of these benefits over the past decade. But now, momentum is slowing and new developments in Manitoba will slow expansion while still sustaining modest growth.

At the start of the 2015–2024 scenario, construction employment surges to fill the needs of resource and infrastructure projects that peak in 2016. As these projects wind down, balanced industry expansion proceeds at a pace that can be managed with a growing local workforce. The 2015 *Construction and Maintenance Looking Forward* scenario anticipates a balanced expansion that spans all major construction markets and spreads across the scenario period. Employment gains will be shared across all trades and occupations, and hiring priorities will shift from new projects at the start of the period to replacing the retiring workforce later on.

HIGHLIGHTS (2015 TO 2024)

- Construction investment in Manitoba continues to grow, driven by major hydroelectric and transmission line projects. Engineering construction is projected to peak in 2016 and then slow as known major projects wind down. Commercial and institutional building construction rises steadily across the forecast period.
- Residential investment declined briefly in 2014, but resumes growth in 2015. It peaks in 2019 and slows across the remainder of the scenario period driven by declines in new housing, but overall investment stays well above historical levels of activity.

BUILDFORCE'S LMI SYSTEM

BuildForce Canada uses a scenario-based forecasting system to assess future labour market conditions. This labour market information (LMI) system tracks measures for 34 trades and occupations. BuildForce consults with industry, including owners, contractors and labour groups, to validate the scenario assumptions and construction project lists, and seeks input from government on related analysis. It was necessary to recast this year's outlook prior to publishing to better reflect the significant changes in current market conditions.

- Total construction employment adds 3,700 jobs over the forecast period, with a short-term buildup in engineering-related work from 2015 to peak in 2016 and then more gradual gains in commercial and residential jobs.
- Gains in non-residential employment dominate the first years of the scenario.
- Residential activity rises to record levels by 2019 – adding jobs at the middle of the forecast period.

- From 2015 to 2016, hiring from outside the province is needed to complete major projects – up to 3,000 workers arrive across the period.
- As some projects wind down, starting in 2018, the local workforce can meet demands later in the scenario period.
- Residential, commercial, industrial and engineering markets all add small increments to employment across the scenario.
- Labour market challenges emerge over the near term – especially from 2015 to 2016 as the major non-residential projects ramp up employment to peak demands in 2016 that carry over into 2017.

NON-RESIDENTIAL CONSTRUCTION

- Overall, non-residential construction adds 3,200 jobs from 2015 to 2024.
- Large-scale electricity generation and transmission, mining and pipeline projects start up in 2015 and 2016 and create sharp labour demand peaks in 2017.
- Engineering construction employment rises by 3,600 jobs to a high peak in 2016, and then, as major projects wind down, declines by 3,200 back to current levels.
- Engineering projects drive requirements to a peak in 2017 for several skilled trades, including:
 - boilermakers
 - concrete finishers
 - construction managers
 - contractors and supervisors
 - crane operators
 - electrical power line and cable workers
 - electricians
 - heavy equipment operators
 - ironworkers
 - millwrights
 - steamfitters and pipefitters
 - trades helpers and labourers
 - truck drivers
 - welders
- In contrast, a series of trades working more intensively in institutional, commercial and industrial building sustain employment gains to reach peaks at the end of the scenario period:
 - floor covering installers
 - glaziers
 - painters
 - plasterers, drywall installers and finishers

- refrigeration and air conditioning mechanics
- roofers and shinglers
- sheet metal workers
- tilers

RESIDENTIAL CONSTRUCTION

- Aside from brief interruptions in 2009 and 2014, Manitoba's housing sector has been on a steady growth path since 2001.
- Residential construction adds more than 460 jobs from 2015 to 2024.
- Virtually all trades and occupations working in residential construction rise to peak employment levels in 2019.
- Gains continue with new housing activity to 2019 and then slow across the remainder of the forecast period as housing starts and new housing investment decline.
- Renovation and maintenance employment is slightly higher than new housing and grows steadily, but in moderate increments across the scenario period.

THE AVAILABLE WORKFORCE

Province-wide demographic trends from 2015 to 2024 indicate:

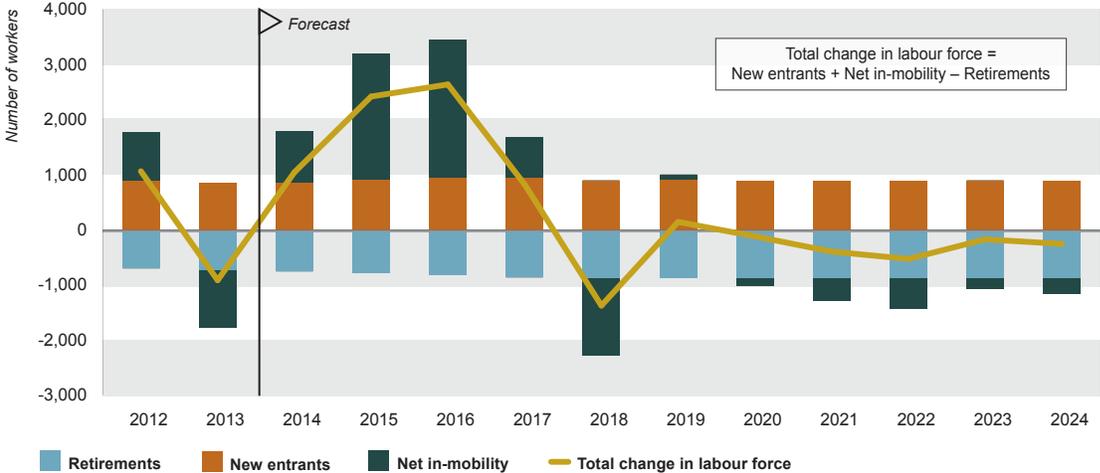
- Population growth will be strong, compared to other provinces, with growth of 179,500 people across the decade.
 - Natural population growth during this period is estimated at 61,600, as births exceed deaths.
 - International immigration is projected to total 153,000 people and net interprovincial out-migration is estimated at 35,100.
- The total provincial labour force (all industries) increases by 90,000 workers – strong growth compared to other provinces.

CHANGES IN CONSTRUCTION LABOUR SUPPLY

The BuildForce LMI system tracks supply and accounts for the change in the available labour force, including retirements, new entrants and net in-mobility¹. Retirements measure permanent losses to the workforce, which are partially offset by the entry of first-time workers aged 30 and younger to the construction labour force. Figure 1 tracks the annual changes in the labour force across the forecast period.

¹ In-mobility refers to the arrival of workers from outside the local construction industry.

Figure 1: Annual Estimated Changes in Supply



Source: BuildForce Canada

- Over the forecast period, expansion demand (rising employment) is estimated to add 3,200 workers to the labour force. In addition, replacement demand (retirements) is estimated at 8,600 workers, and is the largest single source of hiring demands across the period.
- The estimated total demand requirements of 11,800 workers will need to be met by a combination of first-time new entrants² to the labour force and workers drawn from out of the province.
 - Most of the out-of-province in-mobility is needed from 2015 to 2019 to meet hiring needs driven by major engineering projects.
- Unemployment in construction has been driven to record low levels and replacement and expansion demands will hold unemployment close to the current minimum level.

to Manitoba based on current and proposed construction activity. In addition, assumptions on provincial economic and population growth, new entrants to the labour force and migration patterns (interprovincial and international) are built into the forecast scenario and included in the ranking assessment (see ranking table on page 5).

- Ranks are highest from 2016 to 2017 as employment rises.
- Markets reach their tightest points in 2016 and 2017 when big engineering project activity is strong. Manitoba employers will need to draw in key trades and occupations from outside the region to meet peak demands.
- Limited labour force growth means that limited annual increases in employment (e.g., 3 percent or more) are enough to create tight labour markets.
- Extended periods where markets are ranked as a 3 may mask short-term, seasonal or peak demands for maintenance and project start-ups.
- Weaker markets after 2017 are a combination of the winding down of big engineering projects and lower new housing activity over the long term.

RANKINGS, RISKS AND MOBILITY

BuildForce assesses market conditions for 34 trades and occupations in Manitoba using a ranking system that combines measures of the change in employment, unemployment, net in-mobility and adjustments based on industry input. The rankings reflect a combination of residential and non-residential market conditions unique

² The amount of new entrants is measured by applying the traditional proportion of the provincial workforce aged 30 and younger that enters the construction industry for the first time. The projected estimate across the scenario period assumes that the construction industry is able to recruit this group in competition with other industries.

CONCLUSIONS AND IMPLICATIONS

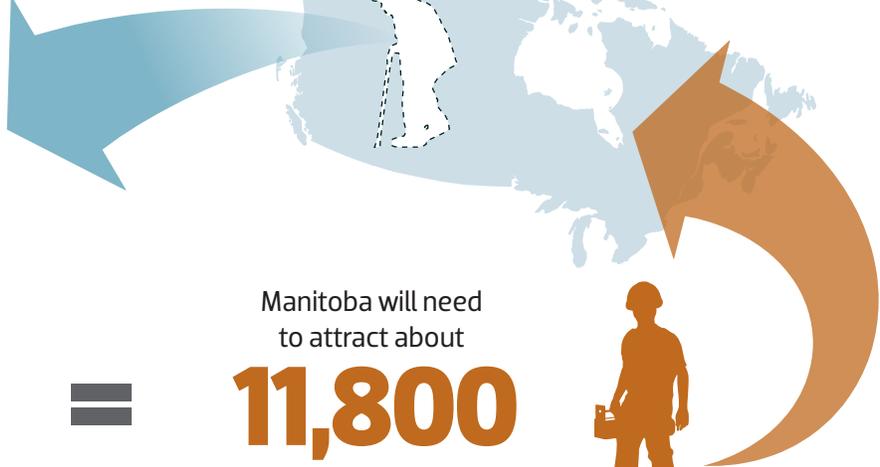
- The 2015 *Construction and Maintenance Looking Forward* scenario for Manitoba anticipates continuing human resources challenges.
- Major project demands will require continuing workforce mobility across the residential and non-residential sectors and among the provinces from 2015 to 2017.
- After 2017, more moderate growth across most markets translates into more balanced labour market conditions.
- Over the long term, attention focuses on ensuring there are sufficient new entrants to offset expected retirements.

- Local demographics restrict labour force growth, but the relatively young age profile of the Manitoba workforce will sustain more growth than other provinces.
- This suggests that long-term human resources planning will need to match newly trained workers to retiring workers.

The *Construction and Maintenance Looking Forward* national highlights report expands on the range of worker mobility options and industry implications.

WHAT'S CHANGING IN THE MANITOBA CONSTRUCTION INDUSTRY?³

8,600*
construction workers are
expected to retire over the next



At the same time, the province's
labour force grows by

3,200

workers to meet demands created
by increased construction activity.

=

Manitoba will need
to attract about

11,800

new construction workers
over the next 10 years.



* 22% of the current labour force

Source: BuildForce Canada (data as of February 2015)

³ The 2015 BuildForce LMI system has been enhanced to include measures of office employment in construction that was excluded in earlier labour force measures. New industry totals are consistent with the Labour Force Survey measures for total construction. The infographic presented here refers only to the 34 trades and occupations tracked by BuildForce.

MARKET RANKINGS

1	Workers meeting employer qualifications are available in local markets to meet an increase in demand at the current offered rate of compensation and other current working conditions. Excess supply is apparent and there is a risk of losing workers to other markets.
2	Workers meeting employer qualifications are available in local markets to meet an increase in demand at the current offered rate of compensation and other working conditions.
3	The availability of workers meeting employer qualifications in the local market may be limited by large projects, plant shutdowns or other short-term increases in demand. Employers may need to compete to attract needed workers. Established patterns of recruiting and mobility are sufficient to meet job requirements.
4	Workers meeting employer qualifications are generally not available in local markets to meet any increase. Employers will need to compete to attract additional workers. Recruiting and mobility may extend beyond traditional sources and practices.
5	Needed workers meeting employer qualifications are not available in local markets to meet current demand so that projects or production may be delayed or deferred. There is excess demand, competition is intense and recruiting reaches to remote markets.
N/A	The labour market assessment for some trades is limited by the small size of the workforce (<100 employed). In consultation with the provincial LMI committee, the rank is suppressed because of limited statistical reliability.

RANKINGS FOR TRADES AND OCCUPATIONS IN MANITOBA

TRADES AND OCCUPATIONS	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Boilermakers	3	3	3	3	3	3	3	3	3	3	3
Bricklayers	3	3	4	4	3	3	3	3	3	3	3
Carpenters	3	3	4	4	3	3	3	3	2	3	3
Concrete finishers	3	4	4	3	3	3	3	3	3	3	3
Construction estimators	3	4	4	4	3	3	3	3	3	3	3
Construction managers	4	4	4	4	3	3	3	3	2	2	2
Construction millwrights and industrial mechanics	4	3	4	5	4	3	2	2	3	3	3
Contractors and supervisors	4	4	4	4	3	3	3	3	3	3	3
Crane operators	4	5	5	4	2	3	3	3	3	3	3
Drillers and blasters	N/A										
Electrical power line and cable workers	N/A										
Electricians	3	4	5	3	3	3	3	3	3	3	3
Elevator constructors and mechanics	N/A										
Floor covering installers	3	3	4	4	3	3	3	3	3	3	3

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TRADES AND OCCUPATIONS	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Gasfitters	N/A										
Glaziers	3	3	3	3	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	4	5	4	3	2	3	3	3	2	3	2
Heavy-duty equipment mechanics	4	5	4	3	2	3	3	3	2	3	2
Home building and renovation managers*	3	3	4	4	3	3	3	3	3	3	3
Industrial instrument technicians and mechanics	N/A										
Insulators	3	3	4	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators and fitters	4	4	5	4	2	2	3	3	3	3	3
Painters and decorators	3	4	4	4	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	3	3	4	4	3	3	3	3	2	3	3
Plumbers	3	4	4	3	3	3	3	3	3	3	3
Refrigeration and air conditioning mechanics	3	4	4	3	3	3	3	3	3	3	3
Residential and commercial installers and servicers	3	3	3	3	3	3	3	3	3	3	3
Roofers and shinglers	3	3	4	3	3	3	3	3	3	3	3
Sheet metal workers	3	4	4	3	3	3	3	3	3	3	3
Steamfitters, pipefitters and sprinkler system installers	3	4	4	3	3	3	3	3	3	3	3
Tilesetters	3	4	4	3	3	3	3	2	2	3	3
Trades helpers and labourers	3	4	4	3	2	3	3	2	2	3	3
Truck drivers	4	4	4	3	2	3	3	3	3	3	3
Welders and related machine operators	4	4	4	3	2	3	3	3	3	3	3

* The NOC classification for "Residential home builders and renovators" has changed to "Home building and renovation managers."

Source: BuildForce Canada

For the most detailed and comprehensive construction labour market data in Canada, visit

www.constructionforecasts.ca

Developed with industry for industry

Customizable tables and graphs available for:

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



Also check out the Construction Map App for major resource construction projects mapped across Canada.

www.constructionmapapp.ca



Best viewed on tablets (or computers)

Timely construction forecast data is available online at 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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The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Canada.

