



NEW BRUNSWICK

Construction Looking Forward 2009-2017 Key Highlights

Construction cycles in New Brunswick are notably more volatile than in most other provinces. Driven by major industrial projects, non-residential employment has been growing rapidly. This construction outlook calls for a pause this year followed by a moderate decline in 2010 and 2011 as the recession takes a bite. Major projects planned to start in 2012 and peak in 2015, however, increase non-residential employment by 45% over four years. Mobilizing this workforce stands out as the highlight and main challenge for the province's construction industry.

Recession-related impacts are certainly a factor in New Brunswick, but ongoing industrial projects and government stimulus limit the damage in 2009 and 2010. In the near term, delays and cancellations of new non-residential projects will leave job losses as current activity winds down. Infrastructure projects driven by both the federal and provincial government budgets will add jobs in key civil trades in 2009 and 2010, but not enough to prevent a short period of unemployment for some trades. Unemployment, however, is not likely to be a chronic problem for construction workers in the province over the entire forecast period.

The magnitude of the current and the 2012-15 construction activity is large enough to impact the entire provincial economy. One consequence is a coincident housing cycle, as recent gains and much larger increases in housing from 2012 to 2015 can be traced to immigration of construction-related workers. Housing and related jobs in the 33 CSC trades and occupations rise this year, partly boosted by the federal stimulus to renovation.

Planned resource-industry projects for 2012-15 concentrate work among select trades and occupations. At the peak of the mobilization in 2012 and 2013, the local workforce will not meet needs for several trades and occupations. Peak demands are most severe for the following trades:

- boilermakers
- insulators
- pipefitters
- ironworkers

Shortages for these key trades extend for several years.

Industry planning and recruiting strategies for the 2012-15 mobilization will include drawing workers from many other provinces, as well as international migrants. Opportunities will be determined by the timing of non-residential cycles and project start-ups and shutdowns. The 2009 edition of *Construction Looking Forward* reveals the potential for mobility and associated strategies for New Brunswick in other provinces. If events unfold as described by construction stakeholders in other regions, expanded workforce mobility will likely see the province through.

New Brunswick will also face the challenge of replacing an aging workforce, as the local age profile is older than in other provinces. In the current construction outlook, the challenge of replacing retiring baby boomers is most apparent from 2011 to 2015. Employment declines in 2016 and 2017 after the peak in the project cycle. Retirements and workers leaving the province will likely offset the job losses at that time.

At a minimum, New Brunswick will need 5,200 workers to replace retiring workers over the forecast period. In addition, key major project activity, including a new refinery and a nuclear power plant, peaks in 2015 with almost 2,400 new workers needed over current employment levels to meet construction demand.

The table (over) shows the labour market rankings for trades and occupations in New Brunswick.

Industry and government must sustain the traditional support systems for construction across the forecast horizon. This support is essential to meet the challenges of volatile markets, mobilizing for major projects, increasing mobility, replacing skilled workers as they retire and improving skills.

MARKET RANKINGS FOR TRADES AND OCCUPATIONS IN NEW BRUNSWICK

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Boilermakers	5	3	1	1	4	5	5	5	4	4
Bricklayers	5	4	2	2	3	5	5	4	4	4
Carpenters	4	3	2	2	3	4	5	4	3	3
Concrete finishers	4	4	3	2	4	4	5	4	4	4
Construction estimators	5	4	2	2	3	4	5	4	4	3
Construction managers	5	4	2	1	4	5	5	4	4	3
Construction millwrights and industrial mechanics (except textile)	5	2	1	1	4	5	5	4	4	4
Contractors and supervisors	5	4	3	2	4	5	5	4	4	4
Crane operators	5	4	3	2	3	4	4	4	4	4
Electricians (including industrial and power system)	5	3	2	2	4	5	5	4	4	4
Floor covering installers	3	3	3	2	3	3	4	4	4	3
Heavy equipment operators (except crane)	5	4	3	2	3	5	5	4	4	4
Heavy-duty equipment mechanics	5	4	4	3	4	5	5	4	4	4
Insulators	3	3	2	3	4	5	5	4	3	3
Ironworkers and structural metal fabricators and fitters	5	3	3	4	5	5	5	4	3	3
Painters and decorators	3	3	3	2	3	4	4	4	4	3
Plasterers, drywall installers and finishers, and lathers	3	3	2	2	3	3	4	4	3	3
Plumbers	5	4	2	2	3	4	5	4	4	4
Refrigeration and air conditioning mechanics	4	3	3	2	3	3	4	3	3	3
Residential and commercial installers and servicers	4	4	3	3	4	3	3	3	3	3
Residential home builders and renovators	4	5	3	3	4	4	4	4	4	4
Roofers and shinglers	3	4	3	3	4	3	4	4	4	3
Sheet metal workers	5	3	2	1	3	4	4	3	4	3
Steamfitters, pipefitters and sprinkler system installers	5	3	2	4	5	5	5	4	3	3
Tilesetters	3	3	2	2	3	3	4	4	3	3
Trades helpers and labourers	4	4	2	2	3	4	4	4	4	3
Truck drivers	5	4	3	2	4	5	5	4	4	4
Welders and related machine operators	5	3	2	2	4	5	5	4	4	4

Source: Construction Sector Council.

MARKET RANKINGS

- 1 Workers are available, excess supply is apparent and there is a risk of losing workers to other markets.
- 2 Workers are available to meet an increase in demand.
- 3 The availability of workers may be limited by large projects, industrial maintenance or other short-term increases in demand.
- 4 Workers are generally not available. Employers will need to compete to attract additional workers.
- 5 Workers are not available to meet demand. Competition for workers is intense and projects or production may be delayed or deferred.

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.

The full report, *Construction Looking Forward, An Assessment of Construction Labour Markets from 2009 to 2017 for Atlantic Canada*, is part of the Construction Sector Council's Labour Market Information Program, and will be available electronically at www.csc-ca.org later this summer.

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