

NATIONAL SUMMARY

Construction Looking Forward 2008-2016 Key Highlights

Canada's construction industry remains resilient under a cloud of economic uncertainty. Construction has been a leading national industry in growth of output and employment over the past ten years, and major infrastructure, industrial and engineering projects underway and announced will keep employment levels strong over the near term.

- Construction is usually a volatile industry, but since reaching its low point in 1995, construction activity has been increasing year after year.
- Employment in the Canadian construction industry increased by almost 40% from 2001 to 2007. In most provinces, the boom in activity took place in residential building construction until 2004 or 2005. Since 2006 and 2007, growth in construction activity has shifted to the infrastructure, industrial and engineering sectors and associated trades and occupations.
- By 2007, construction labour requirements in Canada had grown to a record high level. More advances in construction employment are expected to take place under current and planned activity over the 2008-2011 period.
- The pacesetters are British Columbia and Alberta, where new institutional and engineering projects have increased employment significantly.
- The most dramatic increases under the current scenario are found in Newfoundland and Labrador, Manitoba and Saskatchewan where big resource-based projects will push the limits of the available skilled workforce.

- Ontario and Québec are projected to follow a more moderate construction growth path over the forecast period. Many institutional, transportation and energy projects are currently in the planning stages.

The high level of employment and continuing growth in demand has focused the industry's attention on finding new workers at every level. Attracting unskilled new entrants – often in competition with other industries – into training programs is a major activity. The immediate and urgent need is for qualified and experienced workers. As projects continue to be announced, the recruiting process reaches into more-distant markets.

The 2008 edition of *Construction Looking Forward* has identified the need to train more than 250,000 workers by 2016 in order to replace a retiring workforce and to meet new demand for construction services. This is in addition to an estimated 42,000 new jobs that were created to meet increased construction activity in 2007.

Key trades in high demand across the country include the following:

- Boilermakers
- Construction managers and supervisors
- Construction millwrights
- Crane operators
- Heavy equipment operators
- Insulators
- Ironworkers
- Pipefitters
- Welders

Other key trades include specific trade specialties for electricians, plumbers, sheet metal workers and carpenters related to large industrial and engineering projects.

The table below illustrates the extreme tightness of markets for these trades and occupations in 2009, which emerges as a critical year. For the Western provinces, very large project demands often exceed the available workforce. In Atlantic Canada, retaining a skilled construction workforce will be a major challenge. The impact of engineering and industrial

construction projects in New Brunswick and Newfoundland and Labrador will span the region. These projects will exhaust the available workforce for key trades.

Ontario and Québec report markets where industrial and engineering building has been growing steadily. Labour market conditions may tighten with several major infrastructure, industrial and engineering projects under active review, but not yet included in the current outlook scenario.

MARKET RANKINGS FOR SELECTED TRADES IN 2009

	NL	NS	NB	ON	QC	MB	SK	AB	BC
Boilermakers	5	3	4	3	3	4	4	4	5
Construction Managers	4	4	4	3	3	4	4	3	5
Construction Millwrights and Industrial Mechanics (except textile)	-	4	3	2	3	-	-	4	5
Contractors and Supervisors	4	4	4	3	4	4	4	4	5
Crane Operators	4	3	4	3	3	4	4	5	5
Gasfitters	-	-	-	3	3	4	-	4	5
Heavy Equipment Operators (except crane)	3	4	4	2	3	4	4	4	5
Heavy-Duty Equipment Mechanics	4	4	4	2	3	5	4	4	5
Insulators	-	3	4	3	3	4	4	5	5
Ironworkers and Structural Metal Fabricators and Fitters	4	4	4	2	3	4	3	5	5
Steamfitters, Pipefitters and Sprinkler System Installers	4	3	4	3	3	4	4	5	4
Welders and Related Machine Operators	5	4	4	2	3	4	3	5	5

Source: Construction Sector Council.

MARKET RANKINGS

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

Effective planning to reach national training goals and move workers among the projects and across regions is key. In the short term, inter-provincial mobility may be restricted by a kind of gridlock where opportunities for mobility across provinces will be limited to brief periods as projects in one location finish and others start up. Large-scale movements of skilled trades among the provinces are not likely, especially for trades associated with industrial and engineering construction, where numbers are insufficient to meet demand.

It is critical that efforts to promote careers in construction, as well as training and certification for the trades and occupations continue in all provinces and sectors. Workforce planning must not focus only on cyclical downturns in employment in the period immediately following the completion of the major industrial and engineering projects. Short-term needs will soon be compounded with longer-term demographic trends and associated retirements. Recruiting and training the next generation of construction workers will need to be in full swing by 2010 when the baby boomers reach their late 50s and early 60s.

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, National Summary, An Assessment of Construction Labour Markets from 2008 to 2016*, is part of the Construction Sector Council's Labour Market Information Program, and is available electronically at www.csc-ca.org.

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