

PRINCE EDWARD ISLAND

Construction Looking Forward 2008-2016 Key Highlights

Prince Edward Island will likely see manageable levels of construction activity over the forecast period under the current investment scenario. Recruiting and training workers is not expected to be a major challenge in the short term. The impact of major projects in New Brunswick and Newfoundland and Labrador, however, may impact local labour markets over the medium term.

- After recording an estimated increase of nearly 80% in 2007, engineering construction declines in both 2008 and 2009. It then starts to rise at a slow pace in 2010 until the end of the forecast period. Growth in engineering construction spending averages 4.1% over the forecast period as a whole.
- Industrial building investment will benefit from the construction of new facilities in the manufacturing sector early in the medium term. As these projects are completed, investment cycles downward and grows slowly thereafter, averaging 2.5% per year over the forecast period.
- Commercial building construction fell in 2007, but begins to rise in 2008 in line with rising population and economic growth. Construction growth averages 2.2% over the entire forecast period.

The outlook for residential construction investment may be summarized as follows:

- Housing starts have risen in excess of the number of households formed over the past few years and as a result, they are expected to fall over the next few years to a level consistent with household formation.
- New housing investment declines to 2011 with housing starts and then rises over the remainder of the forecast period.

After the estimated increase in construction employment recorded in 2007, employment will decline at a modest pace from 2008 to 2011 with the completion of known projects. Employment growth of about 2% in construction trades is expected over the 2012-2016 period. The table (over) shows the labour market rankings for trades and occupations in Prince Edward Island.

Later in the forecast period, recruiting, training and retaining skilled workers becomes an even greater priority due to retiring workers. Prince Edward Island's older-than-average age profile creates significant replacement demands. Retirement demand grows steadily across the period to represent more than 1,000 workers who will need to be replaced over the 2007-2016 period.

MARKET RANKINGS FOR TRADES AND OCCUPATIONS IN PRINCE EDWARD ISLAND

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Carpenters	4	4	4	4	4	4	4	4	4	4
Construction Managers	4	3	2	2	3	3	4	4	4	4
Contractors and Supervisors	5	3	3	3	4	4	4	4	4	4
Electricians (including industrial and power system)	4	3	3	3	3	4	4	4	4	4
Heavy Equipment Operators (except crane)	5	3	2	3	4	4	4	4	4	4
Painters and Decorators	4	4	4	4	4	4	4	4	4	4
Plumbers	4	4	4	4	4	4	4	4	4	4
Residential and Commercial Installers and Servicers	4	4	4	4	3	3	4	4	4	4
Trades Helpers and Labourers	5	3	2	3	3	4	3	3	4	4
Truck Drivers	5	3	2	3	3	4	4	4	4	4
Welders and Related Machine Operators	5	3	2	3	4	4	4	4	3	3

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 2008 to 2016 for Atlantic Canada*, 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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