

Ontario — Key Messages

How does the BuildForce Canada Labour Market Information (LMI) system work?

The BuildForce Canada LMI system uses a scenario-based forecasting system to assess future construction labour requirements in the heavy industrial, residential, and non-residential construction markets.

The system tracks 34 trades and occupations, and validates the scenario with industry stakeholders, including owners, contractors and labour groups. The information is then distilled into labour market condition rankings to help industry employers with the management of their respective human resources.

In Ontario, trades are tracked separately for each region rather than for the province as a whole:

- Central (26 residential trades and 31 non-residential);
- Eastern (22 residential and 27 non-residential);
- Northern (15 residential and 22 non-residential);
- Southwestern (21 residential and 27 non-residential); and
- the Greater Toronto Area (GTA) (27 residential and 32 non-residential).

In cases where the workforce samples are too small, those trades are suppressed due to limited statistical reliability.

Summary of 2020-2029 Outlook — Province of Ontario			
Growth	Total	Residential	Non-residential
Employment	9437	5327	4110
Labour Force	14383	7273	7110
Hiring			
Labour Force Growth	14383	7273	7110
Retirements	86260	48528	37732
Hiring Requirement	100643	55801	44842
Recruitment			
Retirements	86260	48528	37732
New Entrants	78866	39685	39181
Recruitment Gap	7394	8843	-1449
Mobility			
Labour Force Growth	14383	7273	7110
Recruitment Gap	7394	8843	-1449
Mobility Requirement	21777	16116	5661

*Totals reported are based on actual numbers and may vary slightly from the rounded totals used in the Highlight reports and press releases.

What is the expected OVERALL labour demand to the end of the 2020-2029 provincial forecast period?

The Ontario construction and maintenance sector continues to operate at close to full capacity. The industry will need to hire, train, and retain almost 100,000 additional workers to keep pace with expected demand growth and record retirements. The province is expected to experience two labour demand peaks, the first in 2020 and the second in 2026. Construction employment will rise by just over 23,000 workers by 2026 before receding by close to 13,600 workers as major projects wind down.

The labour force is expected to expand by almost 14,400 workers by 2029.

What does the provincial NON-RESIDENTIAL labour market look like to 2029?

The non-residential sector will be the primary driver of labour market peaks. The 2020 peak is driven by major public transportation projects, institutional building construction and modernization, and overlapping demands from two major nuclear refurbishment projects in the GTA and Southwestern Ontario.

The non-residential labour force is expected to expand by more than 7,000 workers by 2029.

What does the provincial RESIDENTIAL labour market look like to 2029?

Activity in the residential sector slowed in 2019, but a recovery in low-rise single-family home starts may commence in 2020 and lead to a further upward swing in overall housing starts over the decade. Renovation activity is expected to grow at a modest pace over the decade from current high levels, with total residential employment projected to rise by 8,900 through 2026, before moderating.

The residential labour force is anticipated to expand by nearly 7,300 workers by 2029.

How many construction workers are expected to retire across Ontario during the scenario period?

About 86,300 workers (actual number is 86,260), or 21% of the current labour force.

How many young workers might replace them?

About 78,900 (actual number is 78,866) new entrants aged 30 or younger from the local population should be available, based on historical data.

How can Ontario meet its construction labour needs?

Meeting current and future labour demands will require a continuation of the industry's collaboration with government, educational institutions and industry training providers to scale up recruitment and training capacity.

Worker mobility will be important, as will engaging large numbers of young people to enter the construction labour force, especially in the face of record retirements.

Increased recruitment of individuals from groups traditionally under-represented in the industry could help address future labour force needs.

Under-represented Groups in the Construction Labour Force

	Total	Offsite	Total (%)	Onsite	Total (%)
Labour Force	521400	126800	24.3%	394600	75.7%
Women	65600	50400	39.8%	15200	3.8%
Indigenous People	14078	2816	20%	11262	80%
New Canadians	135564				

* Percentages reported are based on actual totals, whereas numbers reported have been rounded.

Are provinces training enough apprentices?

Our analysis suggests that while there are sufficient numbers of apprentices in many trades, training in others has fallen or has not kept pace with requirements. We found this to be the case more often in smaller and non-compulsory trades. Across Ontario, boilermakers, bricklayers, heavy-duty equipment technicians, industrial electricians, and welders may be at higher risk.

How did you arrive at your estimate of future needs for the province?

We calculated the number of journeypersons currently holding a certificate of qualification in the listed provincial trades, and other related trades. We then estimated the number of these individuals currently working in the construction industry and how many we are likely going to need in the future given the construction employment outlook and the number of workers anticipated to retire over the next 10 years. Then we applied retirement rates, and recent registration and completion trend information to determine if each of the listed trades is training at a level sufficient to maintain the current share of certificate holders in the province.

Does this number take into account anticipated demand growth in the province?

Yes. Construction can be a very cyclical industry. Anticipating the demand for experienced journeypersons driven by major planned projects and avoiding cyclical mismatches between supply and demand for skilled workers is the primary objective of this approach.

What is the purpose of BuildForce Canada's Labour Market Forecasts?

It's a planning tool that can be used to plan for future labour market requirements. However, the scenario projected during the forecast period can be subject to change based on economic conditions, available projects and other factors.

How does BuildForce Canada create its Labour Market Forecasts?

Through consultations with provincial construction and maintenance stakeholders, examining current trends, looking at current and historical data and examining project pipelines.