

# GTA — 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.

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

## Summary of 2020-2029 Outlook — GTA

<b>Growth</b>	Total	Residential	Non-residential
Employment	7591	8240	-649
Labour Force	11563	10114	1449
<b>Hiring</b>			
Labour Force Growth	11563	10114	1449
Retirements	40665	23971	16694
<b>Hiring Requirement</b>	<b>52228</b>	<b>34085</b>	<b>18143</b>
<b>Recruitment</b>			
Retirements	40665	23971	16694
New Entrants	32636	16838	15798
<b>Recruitment Gap</b>	<b>8029</b>	<b>7133</b>	<b>896</b>
<b>Mobility</b>			
Labour Force Growth	11563	10114	1449
Recruitment Gap	8029	7133	896
<b>Mobility Requirement</b>	<b>19592</b>	<b>17247</b>	<b>2345</b>

\*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 GTA labour demand to the end of the 2020-2029 provincial forecast period?

Construction employment is set to push higher in 2020 due to the high numbers of proposed and ongoing major projects in the region, as well as the rebound in new-housing construction activity. The ambitious schedules for several large infrastructure projects and ongoing population growth will drive further increases in employment to a new peak in 2026.

**Residential:** Strong rates of immigration to the region and low vacancy rates will sustain pressures on the housing market. Multi-unit construction will continue to be the dominant housing type, with apartment construction expected to remain strong, though demand for single-detached homes should rebound in 2020. Over the decade, residential investment is expected to grow by 20% or average about 2% annually.

**Non-residential:** Public transportation, health-sector investments, and utility-sector renewal projects have emerged as the dominant drivers of non-residential construction demand in the region. The overlap of three LRT projects, a nuclear refurbishment project, and other major infrastructure investments should propel non-residential employment to a new plateau by 2026. Healthcare infrastructure investments and commercial projects will drive additional growth in the ICI building sector during this period.

### **How many construction workers are expected to retire in the GTA during the scenario period?**

About 40,700 workers (actual number is 40,665) or 23% of the current labour force.

### **How many young workers might replace them?**

About 32,600 (actual number is 32,636) new entrants aged 30 or younger from the local population should be available, based on historical data. A recruitment gap of 8,000 (actual number is 8,029) workers is expected to emerge that when coupled with demand-driven labour force growth will require the industry to recruit an additional 20,000 (actual number is 19,592) workers to the industry from outside the region, outside the province, outside the industry or from outside the country.

### **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.