Ontario Southwest — 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.

Summary of 2020-2029 Outlook — ONTARIO SOUTHWEST

Growth	Total	Residential	Non-residential
Employment	1025	-2099	3124
Labour Force	1500	-2240	3740

Hiring			
Labour Force Growth	1500	-2240	3740
Retirements	10697	5829	4868
Hiring Requirement	12197	3589	8608

Recruitment			
Retirements	10697	5829	4868
New Entrants	11506	5705	5801
Recruitment Gap	-809	124	-933

Mobility			
Labour Force Growth	1500	-2240	3740
Recruitment Gap	-809	124	-933
Mobility Requirement	691	-2116	2807

*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 Southwestern Ontario labour demand to the end of the 2020-2029 provincial forecast period?

The trends in residential and non-residential employment are expected to diverge over the coming decade. Residential employment should retreat by approximately 7%, whereas non-residential employment should rise by about 13%. The key drivers for these trends are the aging of the population and a surge in major non-residential projects across the region.

Non-residential demands should recede moderately after 2020 as work on the Nova Chemicals project winds down, but labour challenges in the region will remain for some trades, as the Bruce Power nuclear refurbishment project ramps up. The construction of ICI buildings is also expected to rise, as work begins in the Windsor acute care hospital facility in the latter half of the outlook period (2026).

How many construction workers are expected to retire in Southwestern Ontario during the scenario period?
About 10,700 workers (actual number is 10,697) or 18% of the current labour force.

How many young workers might replace them?
About 11,500 (actual number is 11,506) new entrants aged 30 or younger from the local population should be available, based on historical data. The region is expected to generate a surplus of workers during this period, however, strong demand pressures in neighbouring

regions will require careful labour force management to ensure an adequate workforce remains to meet anticipated regional construction demands.

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.