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 29 non-residential); and the Greater Toronto Area (GTA) (27 residential and 31 non-residential). In cases where the workforce samples are too small, those trades are suppressed due to limited statistical reliability.

Summary of 2022–2027 Outlook — Province of Ontario

Growth	Total	Residential	Non-residential
Employment	10,684	-11,099	21,783
Labour Force	15,510	-9,721	25,231
Hiring			
Labour Force Growth	15,510	-9,721	25,231
Retirements	56,314	30,981	25,333
Hiring Requirement	71,824	21,260	50,564
Recruitment			
Retirements	56,314	30,981	25,333
New Entrants	52,983	25,540	27,443
Recruitment Gap	3,331	5,441	-2,110
Mobility			
Labour Force Growth	15,510	-9,721	25,231
Recruitment Gap	3,331	5,441	-2,210
Mobility Requirement	18,840	-4,281	23,121

*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 2022–2027 Outlook — Eastern Ontario

Growth	Total	Residential	Non-residential
Employment	2,105	-2,386	4,491
Labour Force	2,811	-2,265	5,076
Hiring			
Labour Force Growth	2,811	-2,265	5,076
Retirements	7,024	3,493	3,531
Hiring Requirement	9,835	1,228	8,607
Recruitment			
Retirements	7,024	3,493	3,531
New Entrants	6,467	2,524	3,943
Recruitment Gap	557	969	-412
Mobility			
Labour Force Growth	2,811	-2,265	5,076
Recruitment Gap	557	969	-412
Mobility Requirement	3,370	-1,297	4,667

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Summary of 2022–2027 Outlook — Northern Ontario

Growth	Total	Residential	Non-residential
Employment	-942	-762	-180
Labour Force	-349	-604	255
Hiring			
Labour Force Growth	-349	-604	255
Retirements	3,306	1,228	2,078
Hiring Requirement	2,957	624	2,333
Recruitment			
Retirements	3,306	1,228	2,078
New Entrants	2,925	931	1,994
Recruitment Gap	381	297	84
Mobility			
Labour Force Growth	-349	-604	255
Recruitment Gap	381	297	84
Mobility Requirement	30	-307	337

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Summary of 2022–2027 Outlook — Central Ontario

Growth	Total	Residential	Non-residential
Employment	2,411	-2,555	4,966
Labour Force	4,198	-1,795	5,993
Hiring			
Labour Force Growth	4,198	-1,795	5,993
Retirements	12,996	7,212	5,784
Hiring Requirement	17,194	5,417	11,777
Recruitment			
Retirements	12,996	7,212	5,784
New Entrants	15,932	8,486	7,446
Recruitment Gap	-2,936	-1,274	-1,662
Mobility			
Labour Force Growth	4,198	-1,795	5,993
Recruitment Gap	-2,936	-1,274	-1,662
Mobility Requirement	1,261	-3,068	4,329

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Summary of 2022–2027 Outlook — GTA

Growth	Total	Residential	Non-residential
Employment	9,878	-1,024	10,902
Labour Force	10,728	-571	11,299
Hiring			
Labour Force Growth	10,728	-571	11,299
Retirements	25,926	14,776	11,150
Hiring Requirement	36,654	14,205	22,449
Recruitment			
Retirements	25,926	14,776	11,150
New Entrants	19,644	9,565	10,079

Recruitment Gap	6,282	5,211	1,071
Mobility			
Labour Force Growth	10,728	-571	11,299
Recruitment Gap	6,282	5,211	1,071
Mobility Requirement	17,011	4,642	12,369

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Summary of 2022–2027 Outlook
— Southwestern Ontario

Growth	Total	Residential	Non-residential
Employment	-2,767	-4,371	1,604
Labour Force	-1,877	-4,487	2,610
Hiring			
Labour Force Growth	-1,877	-4,487	2,610
Retirements	7,065	4,273	2,792
Hiring Requirement	5188	-214	5,402
Recruitment			
Retirements	7,065	4,273	2,792
New Entrants	8,015	4,034	3,981
Recruitment Gap	-950	239	-1,189
Mobility			
Labour Force Growth	-1,877	-4,487	2,610
Recruitment Gap	-950	239	-1,189
Mobility Requirement	-2,826	-4,249	1,423

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Why has BuildForce Canada changed its forecast period from ten years to six?
The change allows our report to focus more clearly on short- and long-term demand and supply pressures impacting the province's construction sector, and to provide a greater degree of accuracy.

What is the expected OVERALL labour demand to the end of the 2022–2027 provincial forecast period?
Construction labour market conditions in Ontario were challenging throughout much of 2021. The COVID-19 pandemic and subsequent recovery increased both renovation and new-housing construction in the province. This growth was coupled with a 5% rise in non-residential construction investment into major infrastructure and heavy-industrial projects. These increased

demands, alongside supply chain disruptions and sluggish labour force growth, contributed to increased recruiting challenges across all regional markets throughout the province.

Construction employment in Ontario has recovered to pre-pandemic levels, but the slow return of workers back to the labour force has created supply constraints for most trades and occupations, pushing unemployment rates in the province's construction labour force to near record-low levels.

Market challenges are likely to persist due to strong residential construction markets and a growing inventory of current and proposed major projects that are not expected to wane until 2026.

Ontario's labour force is expected to expand by more than 15,500 workers by 2027. Ongoing non-residential recruitment efforts should ensure that more new entrants enter the labour force throughout the forecast period than workers lost to retirement.

What does the provincial NON-RESIDENTIAL labour market look like to 2027?
The non-residential sector is projected to grow across the forecast period, as major projects drive demands higher to a near-term peak between 2024 and 2026. Key projects include public transportation LRT (light rail transit) and subway projects in major urban centres, ongoing nuclear refurbishments at Bruce Power and Ontario Power Generation, and major health-sector and other institutional projects across all regions.

The non-residential labour force is expected to expand by more than 25,200 workers by 2027.

What does the provincial RESIDENTIAL labour market look like to 2027?
Following a decline in 2019, increased demand for single-detached homes spurred a recovery in housing starts in 2020 followed by a construction surge that pushed housing starts to a record level of 92,500 units in 2021. Housing starts are expected to retreat to around 80,000 units annually over the next five years as interest rates rise and immigration levels decline.

Residential renovation activity, meanwhile, is expected to grow steadily throughout the forecast period, partially offsetting declines related to a softening in new-home construction.

The residential labour force is anticipated to contract by approximately 9,700 workers by 2027.

How many construction workers are expected to retire across Ontario during the scenario period?
More than 56,300 workers (actual number is 56,314), or 13% of the current labour force.

How many young workers might replace them?
About 53,000 (actual number is 52,983) 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 underrepresented in the industry could help address future labour force needs.

Gender Participation in the Construction Labour Force

	Total	Offsite	Total (%)	Onsite	Total (%)
Employment	55,1900	129,200	23%	42,2700	77%
Women	67,730	52,180	77% (40%)*	15,500	23% (4%)*

* The **first percentage** represents the share of the total number of women working in each type of activity – off site or office vs on site or construction site. The **second percentage** represents the female share of the total workforce engaged in each type of employment activity – off site or office vs on site or construction site employment.

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 may present a risk of not keeping pace with projected requirements. Based on current trend information for Ontario, the following trades may be at risk of undertraining: bricklayers, glaziers, industrial electricians, residential air conditioning systems mechanics, and welders.

This situation is further complicated by the effects of the pandemic. The latest Registered Apprentice Information Systems data suggests new registrations dropped by one-third in 2020 as public-health measures relating to the pandemic imposed significant obstacles to the delivery of in-school training and negatively impacted apprentice employment.

These impacts may reduce the near-term numbers of new certified workers.

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.