

# Assessment of Immigration as a Source of Labour for the Construction Sector in the Atlantic Provinces

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Submitted to:

The Construction Association of Prince Edward Island

By



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## i. Introduction

We are pleased to submit the following report to the Construction Association of Prince Edward Island on behalf of the provincial construction and road builder associations in Atlantic Canada. This report is one part of a broader initiative of the Atlantic Construction Immigration Project (ACIP) aimed at supporting how stakeholders in the region can work together to support labour market needs through immigration.

This report is intended to serve as a regional scan of the labour market challenges facing the construction and road building sectors in the Atlantic provinces and the manner in which immigration offers a potential, partial solution. It aims to identify the issues and challenges associated with how the immigration system can support some of the labour shortages facing the region's construction and road building sectors. It also identifies recommendations on how stakeholders in Atlantic Canada can work together with federal and provincial governments to increase their collective capacity to have immigration help address labour shortages.

Since the time this report was prepared, the Government of Canada introduced new restrictions on immigration in Late October of 2024. The 2025–2027 Immigration Levels Plan announced on October 24, 2024 is expected to result in a marginal population decline of 0.2% in both 2025 and 2026, before returning to a population growth of 0.8% in 2027. These forecasts account for the announcement of reduced targets across multiple immigration streams over the next two years, as well as expected temporary resident outflows resulting from the 5% target, natural population loss and other factors.

With this year's levels plan, the Government of Canada has committed to:

- reducing from 500,000 permanent residents to 395,000 in 2025
- reducing from 500,000 permanent residents to 380,000 in 2026
- setting a target of 365,000 permanent residents in 2027

The Levels Plan also supports efforts to reduce temporary resident volumes to 5% of Canada's population by the end of 2026.

This report is supported by funding from the Atlantic Canada Opportunities Agency (ACOA). Opinions expressed in this report are those of the project consultants and do not necessarily reflect the views of ACOA or the Government of Canada.

## ii. Organization of Report

**Section 1: *Labour Situation*** provides an overview of labour demand in the four Atlantic provinces in light of ongoing workforce demographics and heightened demand emanating from government funded housing announcements in response to the housing crisis.

**Section 2: *Immigration Pathways*** examines the immigration streams that exist in the four provinces along with a consideration of current immigration levels.

**Section 3: *Immigration and Immigrants*** examines the latest data to assess the extent of construction-related immigration that is taking place in Atlantic Canada.

**Section 4: *What We Heard*** provides industry and stakeholder input in relation to the impact of current labour shortages on their operations along with their own experiences with the immigration system(s). This section discusses the elements of current immigration process and the manner in which they hinder or support the capacity of construction and road building companies to recruit immigrants to fill labour market shortages.

**Section 5: *Recommendations*** concludes with a series of recommendations that define areas of activity and actions that can be undertaken to enhance the capacity of the construction and road building sectors to secure immigrants as a source of labour supply.

### **iii. Key Inputs**

In undertaking this assignment, we drew upon a number of inputs, including;

**Data Review:** We undertook a detailed review of jurisdiction-specific labour market modelling undertaken by BuildForce Canada in light of projected housing demands noted by CMHC. In addition, we reviewed housing announcements and the capital budgets of each province in an effort to understand additional labour market demands outside of BuildForce Canada's modelling. We also extensively reviewed and utilized Statistics Canada data. Taken together, our analysis was able to provide us with a composite perspective on labour demand in each of the 4 provinces.

**Stakeholder Interviews:** Twenty-eight (28) interviews were undertaken with key stakeholders from the following groups: (1) construction/road builder employers, (2) provincial immigration/labour market officials, and (3) industry association staff.

**Industry Survey:** A regional, on-line survey was distributed to the memberships of the eight (8) participating provincial construction and road builder associations in Atlantic Canada. A total of 172 survey respondents replied to the survey.

## 1.0 Background: The State of Construction Labour Demand in Atlantic Canada

Looking forward to the coming decade, Canada will need more houses, schools, hospitals, roads, bridges and other infrastructure. With rapid population growth, an expected easing of interest rates and stated public policy support, the prospect looms of pent-up demand being unleashed. Projections of housing demand presented in this report support this possibility. Will the construction sector be able to respond to this demand? One major factor is the availability of sufficient supplies of construction workers. The construction workforce is aging and according to BuildForce Canada there will be over a quarter of a million retirements in Canada to backfill over the next ten years. Many construction employers already report difficulty in recruiting workers. The job vacancy rate for construction exceeds the “all industries” average. In 2023, for Canada, job vacancies in construction peaked at 74,760 in May 2023 for a job vacancy rate of 6.3%.

Canada Mortgage and Housing Corp. has identified construction labour shortage as one of three factors contributing to longer construction times. CMHC noted that workers are retiring faster than they can be replaced.

Jordan Thomson, senior manager of infrastructure advisory at KPMG in Canada echoed CMHC’s observations: “It’s been the monster in the woods for a long time. We’ve known this is coming, however, it’s kind of reached a head now, in that there is a lot of work combined with just the reduction of the overall labour force.”

In Atlantic Canada, representatives of the construction industry and other organizations have also voiced concerns over labour shortages. The publication: *Employment Journey on Prince Edward Island* stated “The labour shortage in residential construction remains a challenge across PEI. An estimated 940 workers, or 14 percent of the current labour force, are expected to retire in the next few years.” Further, Alicia Packwood Executive Officer of the Canadian Home Builders Association– PEI stated “The industry cannot afford to lose these workers, “We are working on how we can replace all these people.”

In a January, 18, 2024 article in *True North*, Sam Sanderson of the PEI Construction Association stated: “Money is never going to solve the problem. It’s people, and if we don’t start bringing those skilled people in, we’re really going to be in more trouble.”

Nova Scotia also reports a shortage of construction labour. In a November 28, 2023 CBC news article, it was reported that Duncan Robertson of the Canadian Federation for Independent Business, told members of a legislative committee that Nova Scotia businesses missed out on approximately \$1 billion worth of potential sales and contracts in 2022 due to labour shortages. He stated that the construction and manufacturing sectors missed out on the most opportunities due labour shortages.

In New Brunswick, construction labour shortage is also a concern. The Construction Association on New Brunswick partnered with ACOA and the Government of New Brunswick to undertake a 100-day challenge to identify short-term and long-term solutions to the construction labour shortage.

In a June 2, 2024 CBC News Article concerning a Canadian Mortgage and Housing Corporation report which stated that Newfoundland and Labrador needs to build 10,000 more homes a year — over and

above what's already being built, Alexis Foster, executive director of the Newfoundland and Labrador branch of the Canadian Home Builders' Association said "I definitely think it's going to be a reach, and that is putting it mildly". Curtis Mercer of K&P Contracting added "How do we build more with less people?"

There has been considerable interest in recruiting foreign workers to fill gaps in the construction labour force. Most of Atlantic Canada's population growth is from newcomers, however, immigrants are under-represented in the construction workforce, especially in Atlantic Canada. BuildForce Canada and Statistics Canada data shows that in 2002, immigrants comprised 19.4% of Canada's construction workforce. In contrast, immigrants' shares of the construction workforce in Atlantic Canada ranged from a low of just 1.3% in Newfoundland and Labrador to a high of only 4.9% in New Brunswick.

Some of the reasons for this under-representation have been attributed to an immigration points system for the federal Express Entry streams that rewards higher education and strong language skills. This has generated a relatively small flow of newcomers destined for the construction sector.

Yet, in recent years, some provinces have prioritized construction trades under the Provincial Nominee Program (PNP) and have implemented provisions to allow eligibility of construction helpers and labourers – occupations which are ineligible under the Federal Express Entry streams. Also, within the past year or so, the federal government has held draws for invitations to apply for permanent residency under the federal Skilled Trades stream.

Given the high level of concern in the industry over adequate supplies of labour now and in the future, this report was commissioned by the Construction Association of Prince Edward Island on behalf of a consortium of provincial construction and road building association in Atlantic Canada to ascertain the views of construction sector stakeholders on recruiting immigrants to fill construction labour supply gaps. More specifically the project goals are to:

1. Assess the construction industry's need for immigration of workers and current recruitment activities/experiences.
2. Assess the potential barriers to expanding the sourcing of immigrants to work in the construction sector.
3. Assess what tools and supports Atlantic Canadian companies require in order to be successful in using immigration to address labour market needs.
4. Determine the immigration markets where construction trades are most readily adapted to Atlantic Canada.

At the same time, the recognition of the need for more construction employees potentially secured through immigration runs against a trend in Canada's immigration policy reduce the number of immigrants coming to Canada. The recently announced reductions in immigration targets announced by the Federal Government on October 24, 2024 runs counter to the effort to ensure that more immigrants are recruited to support Canada's overburdened construction workforce.



## 1.1 Data Overview: Construction Demand in Atlantic Canada

There is a considerable amount of data related to construction demand in Atlantic Canada. This includes residential and non-residential construction investment, investment in building construction, housing starts etc. provided. Various BuildForce Canada publications provide forecasts and projections of construction activity and associated demand for construction labour.

**Figure 1: Non-Residential Construction Investment (2024 is Intentions), Atlantic Provinces, \$ millions**

			2019	2020	2021	2022	2023	2024
<b>Newfoundland and Labrador</b>	Capital construction	Private	3,504.10	2,503.50	2,059.80	2,651.70	3,390.60	3,304.50
		Public	2,012.30	1,647.00	1,523.90	1,103.30	1,387.50	1,206.60
	Repair, construction	Private	278	287.2	313.4	277.6	..	..
		Public	181.9	228.5	256.7	259.5	..	..
<b>Prince Edward Island</b>	Capital, construction	Private	209.8	165.3	218.7	221.6	214.9	241.5
		Public	186.9	268.9	319.3	372.6	470.8	573.9
	Repair, construction	Private	65.2	x	70.2	77.9	..	..
		Public	54.1	x	57.5	93.6	..	..
<b>Nova Scotia</b>	Capital, construction	Private	1,059.40	910.7	977.7	1,242.70	1,329.20	1,390.50
		Public	1,261.10	1,337.10	1,456.50	1,913.90	2,252.90	2,406.50
	Repair, construction	Private	496.6	359.3	421	368.9	..	..
		Public	347	344.3	356.3	426.9	..	..
<b>New Brunswick</b>	Capital, construction	Private	840.1	833.7	745.6	920.2	1,045.30	972.6
		Public	1,303.50	1,412.00	1,320.40	1,703.60	1,623.20	1,643.60
	Repair, construction	Private	398	382.7	437.9	537.7	..	..
		Public	553.6	532.7	555.7	689.2	..	..
<b>Atlantic</b>	Capital construction	Private	5,613.40	4,413.20	4,001.80	5,036.20	5,980.00	5,909.10
		Public	4,763.80	4,665.00	4,620.10	5,093.40	5,734.40	5,830.60
	Repair, construction	Private	1237.8	1029.2*	1242.5	1262.1		
		Public	1136.6	1105.5*	1226.2	1469.2		
<b>Atlantic</b>	Total							
			12,751.6	11,212.9	11,090.6	12,860.9		

Source: Statistics Canada. Table 34-10-0038-01 Capital and repair expenditures, non-residential tangible assets, by type of ownership and geography (x 1,000,000) \*Excludes Prince Edward Island

Data on investment in building construction and non-residential construction are available from Statistics Canada. In 2022, (the latest year for which complete data is available), non-residential construction investment totalled \$12.86 billion in Atlantic Canada, split evenly between the private and public sectors. This measure of investment includes non-residential building construction, road building and public works etc. In 2023, investment in building construction in Atlantic Canada totaled \$11.87 billion, of which 80.2% was residential.

**Figure 2: Investment in Building Construction, 2023, Atlantic Provinces, \$ Thousands**

	Newfoundland and Labrador	Prince Edward Island	New Brunswick	Nova Scotia	Atlantic Total
<b>Total residential and non-residential</b>	1,337,046	955,355	5,741,919	3,836,842	11,871,162
<b>Total residential</b>	990,311	727,756	4,812,436	2,985,867	9,516,369
<b>Single dwelling building total</b>	789,343	420,944	3,359,105	1,896,325	6,465,717
<b>Multiple dwelling building total</b>	200,968	306,811	1,453,331	1,089,542	3,050,652
<b>Total non-residential</b>	346,735	227,599	929,484	850,975	2,354,793
<b>Total industrial</b>	42,207	45,537	163,089	153,197	404,030
<b>Total commercial</b>	199,786	125,387	590,866	349,305	1,265,344
<b>Total institutional and governmental</b>	104,742	56,676	175,529	348,473	685,419

Source: Statistics Canada. Table 34-10-0286-01 Investment in building construction

Housing starts in Canada rose between 2016 and 2021 then declined in 2022 and 2023, though the level in 2023 was still 21% higher than in 2016. In contrast, housing starts in Atlantic Canada increased every year between 2016 and 2023, with the 2023 level being 83% higher than in 2016. New Brunswick and Prince Edward Island’s annual housing starts more than doubled over this period, following closely by Nova Scotia. Conversely, Newfoundland and Labrador’s housing starts were lower in 2023 than in 2016.

**Figure 3: Housing Starts, Canada and Atlantic Provinces**

	2016	2017	2018	2019	2020	2021	2022	2023
<b>Canada</b>	197,916	219,763	212,843	208,685	217,880	271,198	261,849	240,267
<b>Newfoundland and Labrador</b>	1,398	1,400	1,096	945	763	1,021	1,379	978
<b>Prince Edward Island</b>	556	911	1,089	1,504	1,240	1,260	1,318	1,139
<b>Nova Scotia</b>	3,767	3,984	4,786	4,719	4,865	5,975	5,714	7,159
<b>New Brunswick</b>	1,838	2,324	2,328	2,935	3,483	3,829	4,680	4,547
<b>Atlantic total</b>	7,559	8,619	9,299	10,103	10,351	12,085	13,091	13,823

Source: Statistics Canada. Table 34-10-0126-01 Canada Mortgage and Housing Corporation, housing starts, under construction and completions, all areas, annual

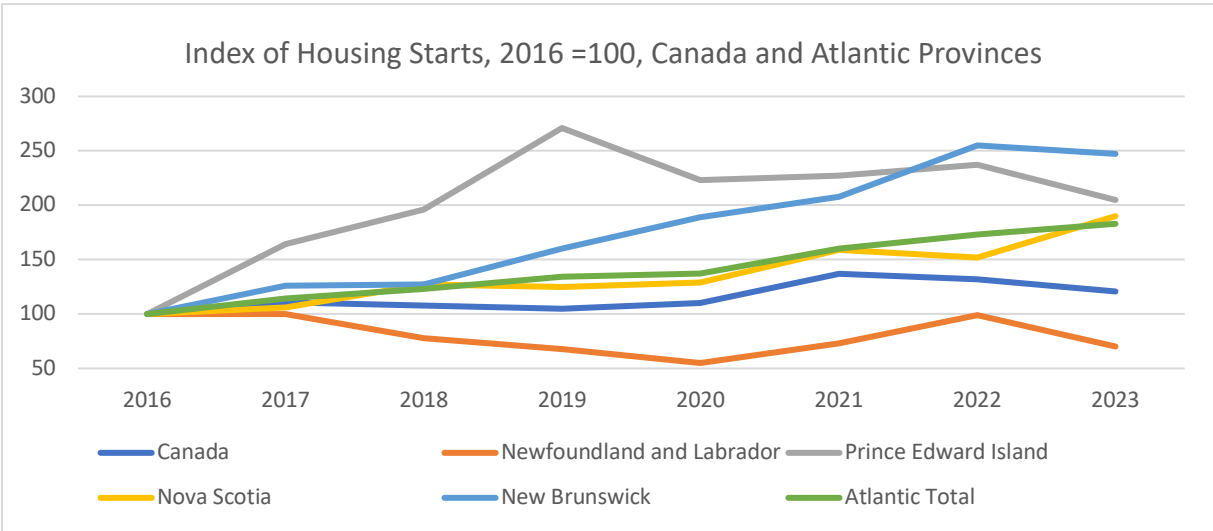
Although, the growth of housing starts in Atlantic Canada outpaced that of Canada over the 2016-2023 period, it should be noted that on a per capita basis, housing starts were generally lower in Atlantic Canada than Canada over this period. In 2016 housing starts per 1000 population was 3.17 in Atlantic Canada vs. 5.48 for Canada. By 2023, Atlantic Canada had closed some of the gap rising to 5.30 vs. 5.99 for Canada.

**Figure 4: Housing Starts per 1000 Population, Canada and Atlantic Provinces**

	2016	2017	2018	2019	2020	2021	2022	2023
<b>Canada</b>	5.48	6.01	5.74	5.55	5.73	7.09	6.72	5.99
<b>Newfoundland and Labrador</b>	2.64	2.64	2.07	1.79	1.45	1.94	2.59	1.82
<b>Prince Edward Island</b>	3.79	6.08	7.15	9.65	7.79	7.77	7.88	6.55
<b>Nova Scotia</b>	3.99	4.18	4.97	4.84	4.92	5.98	5.57	6.76
<b>New Brunswick</b>	2.41	3.03	3.02	3.78	4.45	4.84	5.78	5.45
<b>Atlantic</b>	3.17	3.59	3.85	4.15	4.21	4.87	5.17	5.30

Source: Statistics Canada. Table 34-10-0126-01 Canada Mortgage and Housing Corporation, housing starts, under construction and completions, all areas, annual, and Table 17-10-0005-01 Population estimates on July 1, by age and gender

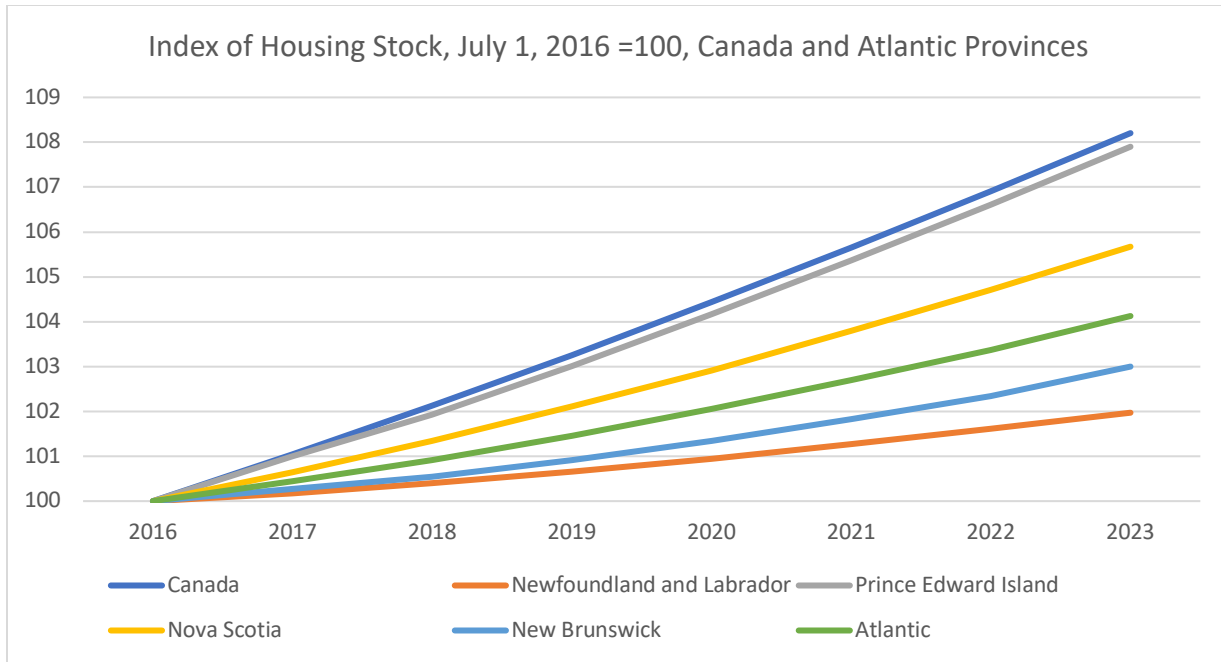
**Figure 5: Index of Housing Starts**



Source: Statistics Canada. Table 34-10-0126-01 Canada Mortgage and Housing Corporation, housing starts, under construction and completions, all areas, annual

Between 2016 and 2023, the housing stock rose by 8.2% and 4.1% for Canada and Atlantic Canada respectively. Prince Edward Island had the highest increase at 7.9%, whereas Newfoundland and Labrador lagged at 2.0

**Figure 6: Index of Housing Stock**



**Source:** Statistics Canada. Table 36-10-0688-01 Housing stock in unit by institutional sector, housing type, dwelling occupation, dwelling type, and tenure type

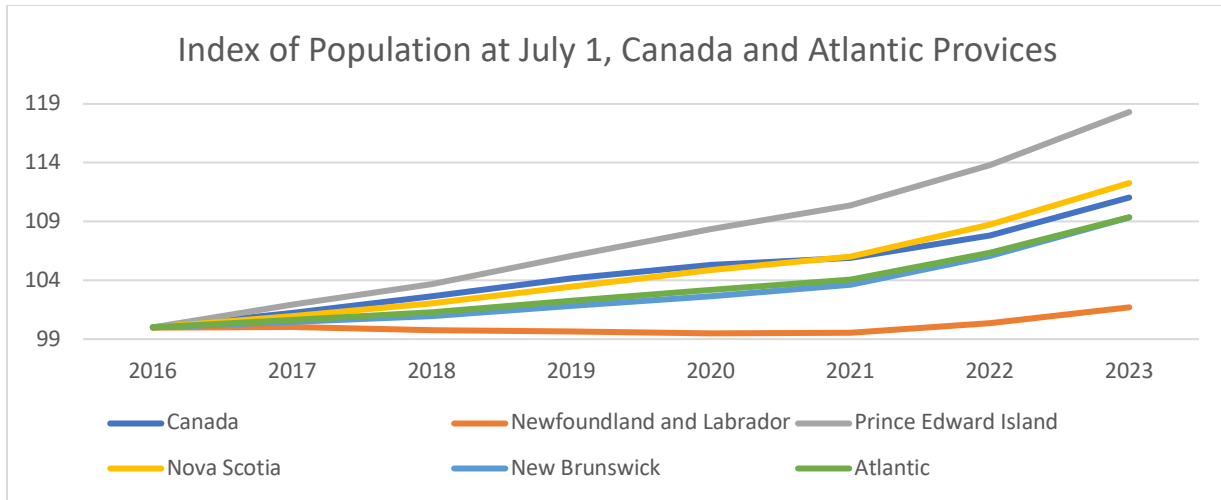
**Figure 7: Housing Stock at July 1, Canada and Atlantic Provinces**

	2016	2017	2018	2019	2020	2021	2022	2023
<b>Canada</b>	15,467,793	15,628,105	15,796,054	15,971,383	16,153,485	16,341,151	16,535,788	16,736,715
<b>Newfoundland and Labrador</b>	266,192	266,668	267,265	267,952	268,692	269,569	270,488	271,439
<b>Prince Edward Island</b>	71,359	72,077	72,737	73,511	74,329	75,192	76,076	76,997
<b>Nova Scotia</b>	460,045	462,991	466,216	469,746	473,452	477,477	481,687	486,140
<b>New Brunswick</b>	360,580	361,567	362,562	363,884	365,443	367,178	369,011	371,395
<b>Atlantic</b>	1,158,176	1,163,303	1,168,780	1,175,093	1,181,916	1,189,416	1,197,262	1,205,971

**Source:** Statistics Canada. Table 36-10-0688-01 Housing stock in unit by institutional sector, housing type, dwelling occupation, dwelling type, and tenure type

Population growth is a driver of demand for residential construction. Canada and Atlantic Canada experienced population growth of 11% and 9.4% respectively between 2016 and 2023. Prince Edward Island had the highest growth rate at 18.3% whereas Newfoundland and Labrador’s growth rate was lowest at 1.7%.

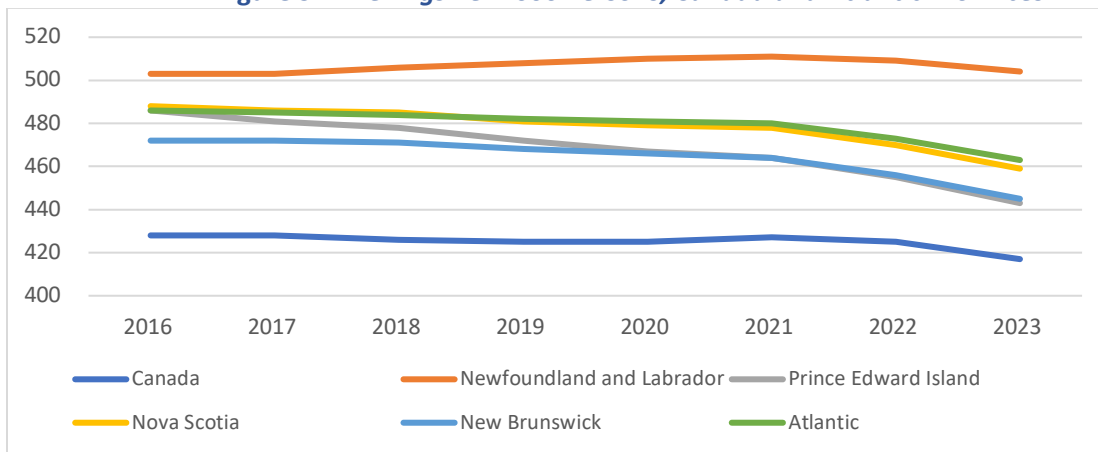
**Figure 8: Index of Population**



**Source:** Statistics Canada. Table 17-10-0005-01 Population estimates on July 1, by age and gender

The ratio of dwellings (housing units) to population provides a measure of housing adequacy or crowding. Atlantic Canada with its more rural population has traditionally had a higher ratio of housing units to population than Canada; however, much of the population growth in both Canada and Atlantic Canada is in urban areas or areas within commuting distance, so Atlantic Canada could have ample housing stock in rural areas concurrently with low vacancy rates and housing shortages in urban areas. Between 2016 and 2023, the ratio of dwellings per 1000 persons declined in Canada (from 428 to 417) and the Atlantic provinces (from 486 to 463), though it rose slightly in Newfoundland and Labrador. Prince Edward Island experienced the largest drop from 486 to 443 as growth in the housing stock was outpaced by population growth. The decline in the ratio of housing units to population in Atlantic Canada accelerated after 2021 as population rose strongly.

**Figure 9: Dwellings Per 1000 Persons, Canada and Atlantic Provinces**



**Source:** Statistics Canada. Table 36-10-0688-01 Housing stock in unit by institutional sector, housing type, dwelling occupation, dwelling type, and tenure type

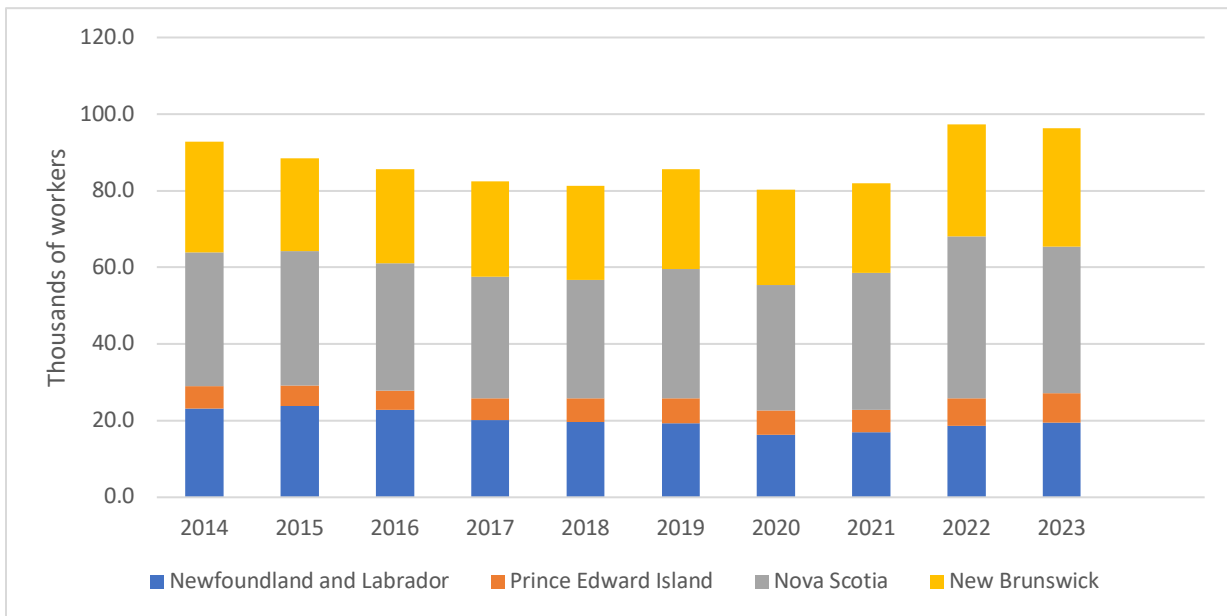
The following is the data for the above table.

**Figure 10: Housing Units per 1000 Population**

	2016	2017	2018	2019	2020	2021	2022	2023
<b>Canada</b>	428	428	426	425	425	427	425	417
<b>Newfoundland and Labrador</b>	503	503	506	508	510	511	509	504
<b>Prince Edward Island</b>	486	481	478	472	467	464	455	443
<b>Nova Scotia</b>	488	486	485	481	479	478	470	459
<b>New Brunswick</b>	472	472	471	468	466	464	456	445
<b>Atlantic</b>	486	485	484	482	481	480	473	463

Employment in construction in Atlantic Canada declined from 92,800 in 2014 to 80,300 in 2020 before rising to 97,300 in 2022 and 96,300 in 2023. Over the past ten years, construction employment increased in all three maritime provinces, but declined in Newfoundland and Labrador.

**Figure 11: Employment in Construction, Atlantic Provinces**



Source: Statistics Canada. Table 14-10-0023-01 Labour force characteristics by industry, annual (x 1,000)

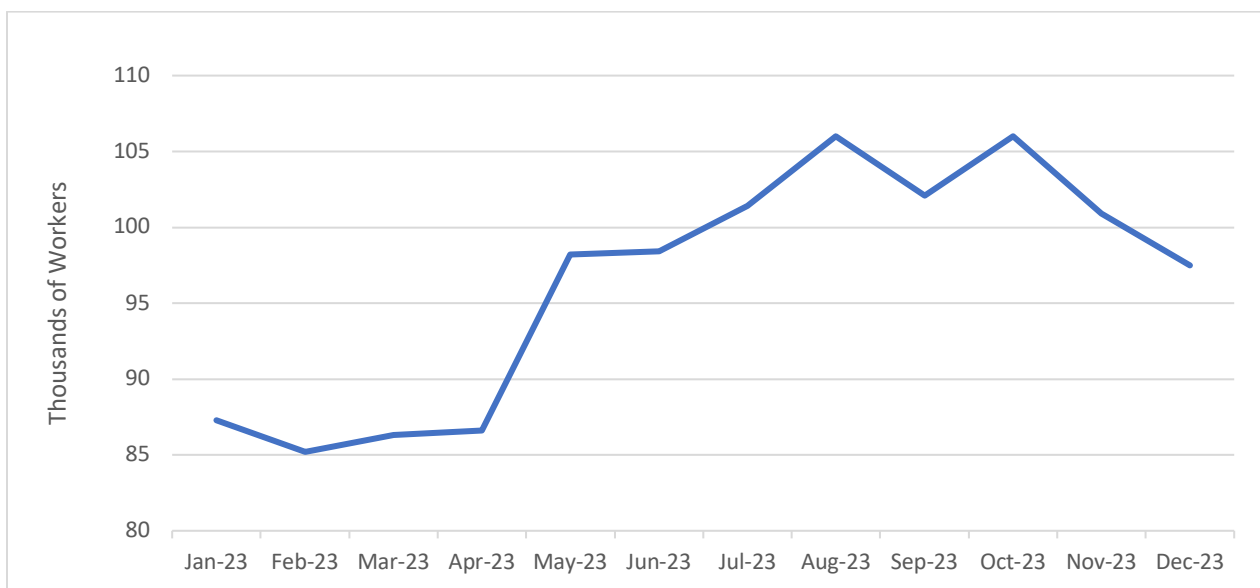
Data for above table:

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Newfoundland and Labrador</b>	23.2	23.8	22.8	20.2	19.7	19.4	16.3	17.0	18.6	19.5
<b>Prince Edward Island</b>	5.8	5.3	5.1	5.6	6.1	6.5	6.3	5.8	7.2	7.6
<b>Nova Scotia</b>	34.9	35.1	33.2	31.7	31.0	33.7	32.8	35.8	42.3	38.3
<b>New Brunswick</b>	28.9	24.3	24.5	24.9	24.5	26.0	24.9	23.4	29.2	30.9
<b>Canada</b>	1371.6	1364.9	1379.3	1418.7	1435.8	1473.9	1407.7	1451.5	1552.9	1582.5

Source: Statistics Canada. Table 14-10-0023-01 Labour force characteristics by industry, annual (x 1,000)

Employment in construction exhibits a seasonal variation as some activity is weather dependent. In 2023, construction employment in Atlantic Canada ranged from a low of 85,200 in February to a high of 106,000 in August. As most immigration programs require a full-time year-round job offer, it may be impractical for employers to recruit immigrants for some highly seasonal construction positions.

**Figure 12: Employment in Construction, Atlantic Canada, 2023, Monthly (not seasonally adjusted)**



Source: Statistics Canada: Table 14-10-0355-01 Employment by industry, monthly, seasonally adjusted and unadjusted, and trend-cycle, last 5 months (x 1,000)

## 1.2 Forecast and Projections of Construction Demand and Employment

In this section we outline:

- A) a forecast of residential and non-residential construction employment and housing starts for the Atlantic provinces for 2024-2033 developed by Buildforce Canada;
- B) an alternate projection of housing starts for the same period developed by BuildForce Canada based on a CMHC report which modeled housing affordability in 2004;
- C) projections of housing starts for the Atlantic provinces 2024-2033 based on restoring the ratio of homes to population that existed in 2016; and
- D) the federal government’s housing strategy, which sets a goal of achieving 3.87 million new homes by 2031, which is 2 million more than CMHC’s baseline forecast.

Demand for housing is projected to be strong given continued population growth and expected moderation of mortgage interest rates. Public policy supporting housing affordability could also significantly boost housing construction. It is our view that additional labour, including immigrants, will be required to meet this demand.

### 1.2.1 BuildForce Canada Estimates of Employment Growth in Construction 2024-2033

At the national level, residential construction investment peaked in 2021 and declined thereafter, in response to rising interest rates. BuildForce Canada projects an additional decline of 2% in 2024 before growth resumes in 2025 to reach 9% higher than 2023 levels by 2033. These projections do not factor in the impact of measures announced by the federal government in recent months to stimulate residential construction. Non-residential construction investment has continued to rise since 2021 and BuildForce Canada projects it to be 2% above 2023 levels by 2033.

In terms of national construction employment, BuildForce Canada projects non-residential employment to rise by 63,700 workers or 7% above 2023 levels by 2033 and residential employment to grow by 24,600 workers or 2% over this period. The lower growth for residential employment is attributed to slower projected population growth after 2028. Overall, the construction labour force is projected to rise from 1,247,600 in 2023 to 1,336,000 by 2033 - a growth of 88,400 workers. Retirements of 263,400 are expected to be offset by new entrants of 266,300 leaving 85,500 workers to be sourced from other industries or other provinces (and presumably internationally as well).

**Figure 13: Changes in Residential Employment, Canada and Atlantic provinces\***

	% Change 2024-26	% Change 2027-29	% Change 2030-33
<b>Canada</b>	3	2	-3
<b>Newfoundland and Labrador</b>	-2	0	-7
<b>Nova Scotia</b>	-2	3	1
<b>New Brunswick</b>	3	5	0
<b>Prince Edward Island</b>	8	4	0

Source: BuildForce Canada



**Figure 14: \*Changes in Non-residential Employment, Canada and Atlantic provinces**

	<b>% Change 2024-26</b>	<b>% Change 2027-29</b>	<b>% Change 2030-33</b>
<b>Canada</b>	2	4	1
<b>Newfoundland and Labrador</b>	2	6	-1
<b>Nova Scotia</b>	10	-4	3
<b>New Brunswick</b>	-4	10	4
<b>Prince Edward Island</b>	-16	-4	6

Source: BuildForce Canada

### **1.2.1 (i) Prince Edward Island**

Buildforce forecasts an increase in Prince Edward Island’s residential construction employment of almost 15% between 2023 and 2032. Non-residential employment is forecast to fall by 21% over the forecast period (although it is noted that the 2023 levels were exceptionally high).

Overall, the Province’s construction labour force is forecast by BuildForce to decline slightly from 6,970 in 2023 to 6,950 in 2033. This small change masks larger movements in and out of the labour force. Retirements of 1,570 are offset by 1,440 new entrants, leaving a shortfall of 110 workers.

### **1.2.1 (ii) New Brunswick**

Residential construction employment is projected to rise by 8% from 2023 through 2030. Non-residential employment is projected to grow by 10% over the forecast period spurred by renovation work on the Mactaquac Dam beginning in 2026.

Overall, the Province’s construction employment is forecast to rise from 29,400 in 2023 to 32,500 in 2033, an increase of 3,100 workers. Retirements of 6,100 are offset by new entrants of 6,000 leaving a shortfall of 3,200 workers.

### **1.2.1 (iii) Nova Scotia**

Residential construction employment is projected to rise by 2% over the forecast period and non-residential construction employment is forecast to grow by 8%.

Overall, the Province’s construction employment is forecast to rise from 37,100 to 39,500, an increase of 2,400 workers. Retirements of 8,200 will be offset by new entrants of 7,400, leaving a shortfall of 3,200 workers.

### 1.2.1 (iv) Newfoundland and Labrador

Residential construction employment is projected to contract by 9% between 2023 and 2033, as a consequence of projected weak population growth. Non-residential construction employment is expected to rise by 7% over the forecast period. The approval of additional resource development projects which are currently in the planning stage, could significantly increase the demand for workers.

Overall, the Province's construction employment is forecast to rise from 21,200 to 21,700, an increase of 500 workers. Retirements of 5,900 will be offset by new entrants of 4,000, leaving a shortfall of 2,400 workers.

Figure 15 shows BuildForce Canada's estimates of hiring needs for on-site construction workers in Atlantic Canada over the next 10 years.

### 1.2.1 (v) Hiring Needs in Atlantic Canada

**Figure 15: Changes in Hiring Needs for Total On-site Construction Workers, Atlantic provinces**

	<b>Newfoundland and Labrador</b>	<b>Prince Edward Island</b>	<b>Nova Scotia</b>	<b>New Brunswick</b>	<b>Atlantic</b>
<b>Hiring needs for total on-site construction (2024-2033) *</b>	6,400	1,570	10,600	9,200	27,770

Source: *Construction and Maintenance Industry: Newfoundland and Labrador, Prince Edward Island, Nova Scotia and New Brunswick Highlights 2024-2033, March 2024*, BuildForce Canada.

\*Total on-site Construction employment consists of:

- Industrial, Commercial and Institutional
- Engineering
- Non-residential maintenance
- Residential new home construction
- Residential renovation and maintenance

We believe that there is considerable upside risk in these employment estimates for the following reasons:

- a) Non-residential employment estimates are based, in part, on known projects within capital budgets of governments. This may underestimate project activity in the outer years as many projects in these years have not yet been developed or announced yet.
- b) Estimates of residential construction employment do not take into account the announcements of programs by governments (notably the federal government's announcement on April 12, 2024 of a housing plan to build a minimum of 2 million new homes by 2031 in addition to the base case number of 1.87 million new homes forecast by CMHC). If such programs are eventually implemented (or even partially implemented), demand for residential construction could be meaningfully higher than forecast. We discuss this further below.

c) BuildForce’s estimates of population for each of the Atlantic provinces assume a significant continuous reduction of immigration levels throughout the forecast period. While we do not expect to see immigration maintained at the extremely high levels of 2022-23, we note that forecasters have consistently underestimated immigration and population growth for some Atlantic provinces, notably Prince Edward Island.

### 1.2.2 Alternate Projections of Residential Construction Activity

In addition to the Buildforce baseline estimates of housing starts, Buildforce has generated alternate estimates based on a CMHC work. CMHC has produced a report with alternate housing projections: “Housing shortages in Canada: Updating how much housing we need by 2030”. This report provides Business as usual (BAU) projections for housing supply and demand for 2030 as well as an alternate scenario based on housing affordability that existed in 2004 (e.g. “the share of after-tax income that a household with average income would need to spend to buy the average house.”).

Buildforce Canada has used the CMHC estimates based on 2004 affordability to generate alternate projections of housing starts and associated residential construction employment for each province 2024-2033. The housing starts associated with the two scenarios are shown in the following table:

**Figure 16: Projections of Housing Starts, 2024-2033\***

	<b>Buildforce baseline housing starts</b>	<b>CMHC housing starts above baseline</b>	<b>Buildforce alternate housing starts</b>
<b>Canada</b>	2,308,980	3,450,000	5,758,980
<b>Newfoundland and Labrador</b>	12,900	60,000	72,900
<b>Prince Edward Island</b>	12,600	-	12,600
<b>Nova Scotia</b>	53,200	70,000	123,200
<b>New Brunswick</b>	37,800	-	37,800
<b>Atlantic Total</b>	116,500	130,000	246,500

**Source:** Residential Scenario Outlook 2024-2033: A construction industry employment estimation to address Canada’s housing supply gap.

CMHC states that its “alternate” methodology based on 2004 affordability does not show an increase above baseline in housing starts for Prince Edward Island and New Brunswick. Overall, for Atlantic Canada, housing starts more than double (127% higher) using the “alternate” projections.

The associated changes in housing construction employment associated with the above two scenarios is as follows:

**Figure 17: Projections of Residential Construction Employment, 2024 vs. 2033\***

	Buildforce baseline employment change	CMHC employment change above baseline	Buildforce alternate employment change
Canada	9,630	462,330	471,960
Newfoundland and Labrador	-450	12,030	11,580
Prince Edward Island	365	-	365
Nova Scotia	480	11,630	12,110
New Brunswick	1,060	-	1,060
Atlantic Total	1,455	23,660	25,115

**Source:** Residential Scenario Outlook 2024-2033: A construction industry employment estimation to address Canada’s housing supply gap.

The “alternate” projection shows a net employment increase of 25,115 vs. only 1,455 in the baseline projection. These numbers are for the net additions to the workforce. Many more workers will need to be hired in the 2024-2033 period to compensate for retirements etc. Stated another way, in the “alternate” projections, Atlantic residential construction employment would increase by 60% by 2033 vs. the 2023 actual level.

It is interesting to note that the Federation of Canadian Municipalities, in a November 23, 2023 Backgrounder estimated that an additional \$600 billion of municipally-owned capital assets would be needed to meet to support the increase in housing should CMHC’s scenario of a return to 2004 housing affordability were to be achieved (i.e. an additional 3.5 million housing units built in Canada by 2030 in addition to the 2.3 million housing units forecast to be built). This amounts to \$107,000 in municipal infrastructure per housing unit. Municipal infrastructure includes roads, bridges, water and wastewater and stormwater assets as well as culture, recreation and sports assets etc.

### **1.2.3 Projections of Housing Stock based on Ratio of Housing Units to Population**

We have prepared our own projections of housing stock in 2033 and housing starts 2024-2033 based on restoring the ratio of housing units to population that existed in 2016. The ratio of housing units per 1000 of population is used by the OECD and other organizations to assess the extent of housing availability adequacy in a given area. Statistics Canada has published data on housing stock by province since 2016 (and before in Census years). We believe that these ratios may yield more useful results than the CMHC projections based on 2004 affordability as 2016 is more recent and just before the recent rise in immigration and population (particularly in Atlantic Canada) and therefore, perhaps a more realistic target than CMHC’s affordability benchmark of two decades ago.

To begin, we calculate the shortfall in housing units in 2023 that would have been required to maintain the 2016 ratio of dwellings to population in Canada and each Atlantic province. Figure 16 shows that Canada would have needed an additional 438,862 housing units to maintain the 2016 ratio of housing units to population and Atlantic Canada would have needed an additional 60,594 units.

The negative number for Newfoundland and Labrador reflects that its House to population ratio was actually higher in 2023 than in 2016. (The province’s population declined between 2016 and 2021 and was only slightly higher in 2023 than in 2016.).

It should be noted that the negative number for Newfoundland and Labrador may under-represent the change in housing need over this period. For instance, it may mask changes at the sub-provincial level (i.e. faster population growth in urban areas that results in higher housing need, and we note that urban housing starts in Newfoundland and Labrador are up by 68.3% year to date (Jan. – Nov.) 2024 vs. the same period in 2023. The corresponding increase for the St. John’s Census Metropolitan Area is 86.5%). Also housing need is correlated with family formation and between 2016 and 2024, Newfoundland and Labrador recorded family formation of 7.9% vs. population growth of 3%. This is another reason why housing need may have increased more than changes in the ratio of housing units to population might suggest.

**Figure 18: Calculation of the Number of Housing Units Required in 2023 to Maintain the Ratio of Dwellings to Persons that Existed in 2016**

	<b>Housing units needed in 2023 to maintain 2016 Ratio of Dwellings/Persons</b>	<b>Actual Number of Dwellings in 2023</b>	<b>Shortfall of housing units in 2023 to maintain 2016 ratio of Dwellings/ Persons</b>
<b>Canada</b>	17,175,577	16,736,715	438,862
<b>Newfoundland and Labrador</b>	270,725	271,439	-714
<b>Prince Edward Island</b>	84,425	76,997	7,428
<b>Nova Scotia</b>	516,495	486,140	30,355
<b>New Brunswick</b>	394,293	371,395	22,898
<b>Atlantic</b>	1,266,565	1,205,971	60,594

Next, we calculate the number of net additional housing units that would be required in 2033 to achieve the 2016 ratio of housing units to population using Statistics Canada’s M1 (Medium)/NL Finance M (Medium Growth) and Statistics Canada’s HG (High Growth)/ NL Finance H (High Growth) scenarios. With M1/M population growth, Canada and Atlantic Canada will need an additional 2,502,100 housing units and 178,283 housing units respectively.

**Figure 19: Calculation of the Number of Housing Units Required in 2033 to Achieve the Ratio of Dwellings to Persons That Existed in 2016 Based on Statistics Canada's MI (Medium Growth)/NL Finance M (Medium Growth) Population Projections**

	<b>Housing units needed in 2033 to maintain 2016 Ratio of Dwellings/Persons (M1)/NL M</b>	<b>Actual Number of Housing units in 2023</b>	<b>Additional housing units needed in 2033 to maintain 2016 ratio of Dwellings/Persons (M1)/NL M</b>
<b>Canada</b>	19,238,815	16,736,715	2,502,100
<b>Newfoundland and Labrador</b>	279,869	271,439	8,430
<b>Prince Edward Island</b>	101,232	76,997	24,235
<b>Nova Scotia</b>	572,014	486,140	85,874
<b>New Brunswick</b>	431,139	371,395	59,744
<b>Atlantic</b>	1,384,254	1,205,971	178,283

For Newfoundland and Labrador we used population projections published by its Finance Department in June 2024 which show 2023-2033 population growth of 3.4% for the medium and 4.3% for the high growth projections. The corresponding 2023-2033 population projections for Newfoundland and Labrador published by Statistics Canada are -0.43% (M1) and 3.2% (HG).

We used the NL Finance population projections because we believe they are more representative of Newfoundland and Labrador's population growth prospects. Statistics Canada's current provincial population projections apportion immigration based on a province's share of national immigration between 2012/13 and 2022/23. Newfoundland and Labrador's immigration rate was much lower than the national immigration rate during most of this period, but since 2021/2022 it has substantially converged. Consequently, as of October 1, 2024, Newfoundland and Labrador has experienced 15 consecutive quarterly increases in its population. We expect Newfoundland and Labrador to continue to be successful in attracting robust levels of immigrants, thus we believe that the Statistics Canada population projections will probably under-represent that province's actual population growth (and associated housing demand).

Under the high growth scenario, Canada and Atlantic Canada would need net additional housing starts of 3,538,645 housing units and 229,267 housing units respectively by 2033 to achieve the ratio of housing units to population that existed in 2016.

**Figure 20: Calculation of the Number of Houses Required in 2033 to Achieve the Ratio of Houses to Persons That Existed in 2016 Based on Statistics Canada’s HG (High Growth)/NL Finance H (High Growth) Population Projections**

	<b>Housing units needed in 2033 to maintain 2016 Ratio of Dwellings/Persons (HG)/NL H</b>	<b>Actual Number of Housing units in 2023</b>	<b>Additional housing units needed in 2033 to maintain 2016 ratio of Dwellings/Persons (HG)/NL H</b>
<b>Canada</b>	20,275,360	16,736,715	3,538,645
<b>Newfoundland and Labrador</b>	282,405	271,439	10,966
<b>Prince Edward Island</b>	107,401	76,997	30,404
<b>Nova Scotia</b>	597,382	486,140	111,242
<b>New Brunswick</b>	448,050	371,395	76,655
<b>Atlantic</b>	1,435,238	1,205,971	229,267

In terms of average annual housing starts, under the M1 population scenario, Canada and Atlantic Canada would need an additional 21,410 and 7,211 annual housing starts above the 2016-2023 average level to achieve the 2016 ratio of housing units to population.

**Figure 21: Calculation of the Number of Annual Housing Starts Required (2024-2033) to Achieve the Ratio of Dwellings to Persons That Existed in 2016 Based on Statistics Canada’s MI (Medium Growth)/NL Finance M (Medium Growth) Population Projections**

	<b>Average Annual Housing Starts 2024-2033 (M1)/ NL M</b>	<b>Average Annual Housing Starts, 2016-2023</b>	<b>Additional Annual Housing Starts (M1)/ NL M</b>
<b>Canada</b>	250,210	228,800	21,410
<b>Newfoundland and Labrador</b>	843	1,123	-280
<b>Prince Edward Island</b>	2,424	1,127	1,297
<b>Nova Scotia</b>	8,587	5,121	3,466
<b>New Brunswick</b>	5,974	3,246	2,728
<b>Atlantic</b>	17,828	10,617	7,211

In terms of average annual housing starts, under the HG population scenario, Canada and Atlantic Canada would need an additional 125,065 and 12,310 annual housing starts above the 2016-2023 average level to achieve the 2016 ratio of housing units to population.

**Figure 22: Calculation of the Number of Annual Housing Starts Required (2024-2033) to Achieve the Ratio of Dwellings to Persons That Existed in 2016 Based on Statistics Canada’s HG (High Growth)/ NL Finance H (High Growth) Population Projections**

	<b>Average Annual Housing Starts, 2024-2033 (HG)/ NL H</b>	<b>Average Annual Housing Starts 2016-2023</b>	<b>Additional Annual Housing Starts (HG)/ NL H</b>
<b>Canada</b>	353,865	228,800	125,065
<b>Newfoundland and Labrador</b>	1,097	1,123	-26
<b>Prince Edward Island</b>	3,040	1,127	1,913
<b>Nova Scotia</b>	11,124	5,121	6,003
<b>New Brunswick</b>	7,666	3,246	4,420
<b>Atlantic</b>	22,927	10,617	12,310

**Figure 23: Housings Starts: 2016-2023 Annual Average and Annual Average Housing Starts required 2024-2033 Required to Restore the Ratio of Dwellings to Population that Existed in 2016**

	<b>Average Annual Housing Starts 2016-23</b>	<b>Average Annual Housing Starts 2024-2033 M1/NL M Population Projection</b>	<b>Average Annual Housing Starts 2024-2033 HG/NL H Population Projection</b>
<b>Canada</b>	228,800	250,210	353,865
<b>Newfoundland and Labrador</b>	1,123	843	1,097
<b>Prince Edward Island</b>	1,127	2,424	3,040
<b>Nova Scotia</b>	5,121	8,587	11,124
<b>New Brunswick</b>	3,246	5,974	76,66
<b>Atlantic</b>	10,617	17,828	22,927

#### **1.2.4 Federal Government’s Housing Plan**

On April 12, 2024, the Prime Minister announced a plan for housing which included a strategy to “unlock” 3.87 million new homes by 2031, consisting of a minimum of 2 million net new housing units in addition to the CHMC’s baseline forecast of 1.87 million new housing units. The federal government asserts that Budget 2024 and measures in the fall of 2023 will support an additional 1.2 million new housing units by 2031 and calls on other orders of government to build at least 800,000 more housing units by 2031.

The federal housing plan includes a number of actions such as building housing on underutilized lands, topping up the Apartment Construction Loan Program, extending mortgage amortizations for first-time buyers of new homes, funding affordable housing and measures to attract and train skilled workers to build more homes. This latter element includes \$50 million for the Foreign Credential Recognition



Program. Federal opposition parties have also expressed concern over housing shortages and proposed measures to increase the supply of housing.

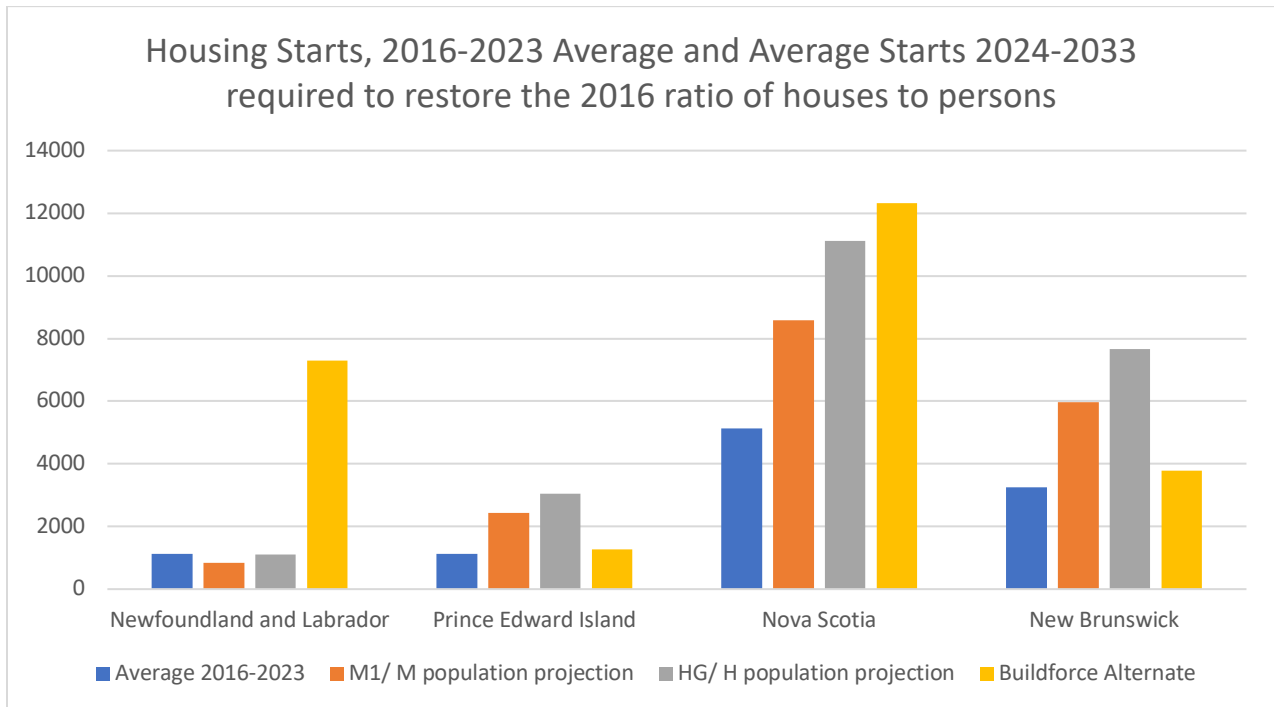
**Figure 24: Changes in On-site New Home Construction Employment, Atlantic provinces**

	NL	PEI	NS	NB	Atlantic
<b>2023 On-site new home construction employment as a per cent of total on-site construction employment</b>	8%	24%	26%	18%	20%
<b>2023 total on-site construction employment *</b>	16,900	6,500	34,600	26,100	84,100
<b>Calculated 2023 on-site new home construction employment</b>	1,350	1,560	9,000	4,700	16,610
<b>% change in on-site new home construction employment (2024-2033)</b>	-9%	18%	-11%	-2%	-5.5%
<b>Calculated change in on-site new home construction employment (2024-2033)</b>	-120	+280	-990	-90	-920
<b>Calculated 2033 on-site new home construction employment</b>	1,230	1,840	8,010	4,610	15,690

Source: *Construction and Maintenance Industry: Newfoundland and Labrador, Prince Edward Island, Nova Scotia and New Brunswick Highlights 2024-2033, March 2024*, BuildForce Canada and our calculations using BuildForce Canada data.

To achieve the federal government’s plan of increasing the number of housing units by 2 million more than the 1.87 million CMHC forecast by 2031, on-site new home construction employment could slightly more than double in Canada. If Atlantic Canada’s on-site new home construction employment were to double, it could rise by about 16,000 over the forecast period. This would be in addition to the forecast hiring needs of 27,700 on-site workers for the Atlantic construction industry. Total on-site hiring needs for the Atlantic construction industry could reach 40,000 to 45,000 over the next ten years.

**Figure 25: Housing Starts, 2016-2023 Average and Average Starts 2024-2033 Required to Restore the 2016 Ratio of Dwellings to Persons and "Alternate" Buildforce Projections of Average Annual Housing Starts 2024-2033**



### 1.3 Summing Up

It is clear that housing adequacy as measured by the ratio of housing units to population has deteriorated in the past eight years. This has been caused, in part, by higher costs of materials and labour and higher mortgage interest rates in the past few years in concert with unusually rapid population growth. Construction companies are, in some cases, reporting shortages of workers in various trades. This situation could be exacerbated given an aging workforce and associated pending retirements in coming years. In addition, should housing affordability improve through falling interest rates and public policy measures, the demand for housing could be quite strong for the foreseeable future, particularly in the scenario of continued strong population growth.

As our projections show, housing starts in Atlantic Canada could double vs. the 2016-2023 average if housing were to become more affordable. This would result in a massive increase in the demand for construction labour. Also, if the federal targets of more than doubling the number of new homes built by 2031 were to be met and Atlantic Canada's experienced a doubling of homes built vs. baseline forecast, hiring needs for on-site construction workers in Atlantic Canada could rise from 27,700 to 40,000 - 45,000.

## 2.0 Labour Stream Immigration Programs

The constitution assigns shared jurisdiction to the federal and provincial governments for immigration. Federal and provincial immigration roles and responsibilities are outlined in various federal-provincial agreements which support a co-ordinated framework of immigration streams. Both the federal and provincial-territorial governments offer immigration programs leading to permanent residency. With the exception of Quebec, it is only in recent years that provinces and territories have become more actively involved in immigration, primarily through the provincial nominee program. This program initially was geared towards immigrant entrepreneurs, but has evolved to be focused on labour streams. Increasingly, provinces and territories have prioritized occupations in demand for offering invitations to applicants to apply for permanent residency.

Within the past few years, the Maritime provinces have identified construction trades as a priority and Nova Scotia has established a Critical Construction Worker pilot program. (Newfoundland and Labrador's labour market information shows that the supply and demand for residential construction labour is roughly in balance). Part of the reason that provinces have prioritized construction trades is that the federal immigration points system favours those with advanced education and strong language skills resulting in relatively few construction workers being able to immigrate through the federal system (though as outlined below, since last year the federal government has begun offering a draw for construction trades). Provinces have also established immigration streams that can be accessed by foreign construction laborers and helpers...occupations that are ineligible for the federal express entry system.

The following section identifies and describes the immigration labour streams of Canada and the Atlantic provinces and provides statistics concerning their success in facilitating the immigration of construction workers.

### 2.1 Federal Immigration Labour Streams

The principal federal immigration streams leading to permanent resident status for workers are:

Federal Skilled Worker Program  
Federal Skilled Trades Program  
Canadian Experience Class

Immigration streams accept applications for occupations based on Training, Experience and Education Responsibilities (TEER) category within the National Occupation Code (NOC) structure.

The TEER categories are:

- 0 – Management Occupations;
- 1 – Occupations usually require a university degree;
- 2 - Occupations usually require a college diploma or apprenticeship training of two or more years or supervisory occupations;

- 3 - Occupations usually require a college diploma or apprenticeship training of less than two years; or more than six months of on-the-job training;
- 4 - Occupations usually require a secondary school diploma; or several weeks of on-the-job training;
- 5 - Occupations usually require short term work demonstration and no formal training.

There are nine broad occupational categories within the NOC system:

- 0 – Legislative and senior management occupations
- 1 – Business, finance and administration occupations
- 2 – Natural and applied sciences and related occupations
- 3 – Health occupations
- 4 - Occupations in education, law and social, community and government services
- 5 - Occupations in art, culture, recreation and sport
- 6 – Sales and service occupations
- 7 – Trades, transport and equipment operators and related occupations
- 8 – Natural resources, agriculture and related production occupations
- 9 – Occupations in manufacturing and utilities

The occupations of interest to this report are found in broad category 7. With respect to category 7, each TEER category (except Teer category 1) comprises “Major Group” occupations within a two-digit NOC code as follows:

TEER Category and associated two-digit Major Group

- 0 – 70: Middle management occupations in trades and transportation
- 2 – 72: Technical trades and transportation officers and controllers
- 3 – 73: General trades
- 4 – 74: Mail and message distribution, other transport equipment operators and related maintenance workers
- 5 – 75: Helpers and labourers and other transport drivers, operators and labourers

The federal Express Entry system is used to process immigration applications from skilled workers leading to permanent residency. The three Express Entry streams accept applications for TEER 0,1,2, and 3 categories only. Lower skill level occupations TEER 4 and 5 (which includes construction helpers and labourers within NOC 7) are not eligible. Applicants must meet minimum language requirements as measured by Canadian Language Benchmarks (CLB) for English or Niveaux de compétence linguistique (NCLC) for French. Provincial “Express Entry” nominee programs are connected to Express Entry system.

The three programs under the Express Entry system are:

### **2.1.1 Canadian Experience Class**

This stream is for workers with at least one year of adequate Canadian work experience in their particular NOC occupation (within TEER 0,1,2 or 3). Applicants must also demonstrate language ability of at least CLB or NCLC of 7 for TEER 0 or 1 or CLB or NCLC 5 level for TEER 2 or 3 occupations. Although there is no education requirement, and education credential can improve an applicant’s rank in the

Express Entry pool. Applicants must also have proof of sufficient funds to settle in Canada, be legally admissible to Canada and plan to settle outside of Quebec (which selects its own skilled workers).

### **2.1.2 Federal Skilled Worker Program**

This stream is for skilled workers who have at least 1 year of continuous work experience (either in Canada or abroad) in an eligible NOC occupation (within TEER 0,1,2 or 3), language ability at the CLB or NCLC level 7, and a certificate, diploma or degree from a Canadian high school or post-secondary institution or verified equivalent foreign educational credential. Selection is based on age (max 12 points), education (max 25 points), work experience (max 15 points), whether a valid job offer (max 10 points), English or French language skills (max 28 points) and settlement adaptability (max 10 points). According to the IRCC website, the current minimum pass score is 67 out of 100. Applicants must also have proof of sufficient funds to settle in Canada, be legally admissible to Canada and plan to settle outside of Quebec (which selects its own skilled workers).

### **2.1.3 Federal Skilled Trades Program**

This stream is for workers qualified in a skilled trade (TEER 2 or 3 which consists of NOC Major Group 72: technical trades and transportation officers and controllers (excluding transportation officers and controllers) and NOC Major Group 73: general trades. Applicants must have at least two years of adequate experience in their particular trade within the past five years, have a full-time job offer of at least one year in duration or certificate of qualification issued by a Canadian province, territory or federal authority and meet language requirements CLB or NCLC level 5 for speaking and listening and CLB or NCLC level 4 for reading and writing. Although there is no education requirement for this program, a recognized education credential will raise an applicant's rank in the Express Entry pool. Applicants must also have proof of sufficient funds to settle in Canada, be legally admissible to Canada and plan to settle outside of Quebec (which selects its own skilled workers).

Applicants who meet the minimum requirements for Canadian Experience Class and Federal Skilled Trades Program or a minimum score of 67 in the Federal Skilled Worker Program may be entered in the Express Entry pool. The Comprehensive Ranking System (CRS) uses points based on A. Core/human capital factors, B. Spouse or common-law factors, C. Skill Transferability factors and D. Additional points to rank applicants in the pool. Applicants can score a maximum of 600 points for categories A, B and C and a maximum of 600 points for category D for a combined maximum of 1200 points.

Approximately every two weeks, applicants in the Express Entry pool are ranked and invitations to apply for permanent residence are issued to the highest-ranking candidates. It is noteworthy that in category D, provincial or territorial nomination is worth 600 points, which provides a huge advantage for those applicants.

There were two rounds for Trades Occupations in 2023. On August 3rd, 1,500 applicants (minimum score of 388) were selected for invitations to apply for PR, and on December 19th, 1,000 applicants (minimum score of 425) were selected for invitations to apply for PR.

#### **2.1.4 Atlantic Immigration Program**

This federal program is a joint effort between the federal and Atlantic provincial governments. The provincial role is in designating eligible businesses. This allows them to address areas of labour force priority. The program stream is described in the section on provincial immigration programs below.

#### **2.1.5 Non-Permanent Resident Streams**

##### ***2.1.5 (i) Temporary foreign Worker Program***

This program enables foreigners to obtain work permits to work on a temporary basis in Canada. Before entering Canada, an employer must obtain a Labour Market Impact Assessment (LMIA) which determines that no Canadian or permanent resident is available to do the job. A pathway to permanent residency has been added to the program that may enable some foreign workers to become permanent residents.

##### ***2.1.5 (ii) International Mobility Program***

This program includes categories of workers who do not require a work permit to work in Canada, though construction workers would not likely qualify except in an emergency response situation.

##### ***2.1.5 (iii) International Experience Canada***

This program allows those aged 18-35 in participating countries to travel and work with Canada for up to two years. This initiative consists of three program elements:

- Working Holiday  
This category is for those who do not have a work offer. Applicants can receive an open work permit which allows them to work for most employers in Canada.
- Young Professionals  
This element is for those who have a job offer for paid work which counts towards their professional development and who will work for one employer at the same location in Canada.
- International Co-Op (Internship)  
This element is for those registered in a post-secondary institution who have a job offer or work placement that is required to complete their credential. Successful applicants will work for one employer at the same location.

Although International Experience Canada does not result in permanent residency, the Working Holiday element could be used to recruit construction workers for a term of less than two years. Once a worker has Canadian experience, and if they desired to continue work in Canada, they could apply through the Provincial Nominee Program. The Working Holiday element has the advantages of shorter processing time (The Immigration and Citizenship Canada website says 4 weeks average processing for the 2024 season once it receives an application, not counting tie for biometrics submission), and it could allow someone who is not sure whether they wish to live and work Canada in the long term to “test the waters”. It could also be less costly for construction employers to recruit workers through this stream.

Conversely, an employee under this program is not under an obligation to remain with an employer or province as is free to move within Canada.

## **2.2 Provincial Immigration Program Streams in Atlantic Canada**

### **2.2.1 Provincial Nominee Program**

Each Atlantic province has programs to facilitate the immigration of foreign nationals who intend to live and work in Canada.

Immigrants may achieve PR status through the Provincial Nominee Program (PNP) process. There are Express Entry and non-Express Entry streams.

The Express Entry stream is for applicants who meet the conditions of one of the three following programs: Canadian Experience Class, Federal Skilled Worker or Federal Skilled Trades. Applicants create an Express Entry profile and submit a PNP application with the province of interest. If nominated by a province, an applicant is awarded 600 points within the CRS. The applicant may subsequently be invited to apply for PR status. As of May 1, 2024, the application processing time for Provincial nominees under the Express Entry process was 6 months.

The non-Express Entry stream does not require the creation of an Express Entry profile with the federal government. If an applicant meets the requirements for nomination, they can apply to a province for nomination if they meet the program and selection criteria. If nominated, the applicant can apply for PR status. As of May 1, 2024, the application processing time for Provincial nominees under the non-Express Entry process was 11 months. This stream allows applicants to apply who do not meet the requirements (e.g. language skills) of the Express Entry streams.

### **2.2.2 Atlantic Immigration Program (AIP)**

Originally established as a pilot, the AIP is now a permanent program. It is intended to help businesses fill positions with immigrants that they haven't been able to source locally. To access the AIP, a candidate must be with a recent graduate of a post-secondary institution in Atlantic Canada or a skilled worker. Businesses must be designated by an Atlantic provincial government to be eligible for the program and take onboarding and intercultural competency training.

Businesses can make a job offer to an eligible candidate. The business and the candidate can then proceed to take steps leading to an endorsement for the candidate to apply for PR status. Candidates can apply for a temporary work permit while their PR application is being processed. As of May 1, 2024, the application processing time for AIP was 6 months.

### **2.2.3 Prince Edward Island Immigration Labour Streams**

Prince Edward Island has seven labour immigration streams. All of the streams require a job offer by an Island employer, proof of sufficient funds to be able to establish on PEI and demonstration of an

intention to settle in PEI along with each program’s requirements. The province is now prioritizing applications in higher demand occupations such as health care, trades, childcare and others while reducing its allocation to sales and service occupations. The PEI Population Framework, released in February, 2024 cites building trades and health care as examples of “catalytic labour force development”.

Individuals interested in applying must first create a profile through the on-line Expression of interest system. Qualified candidates who meet required selection criteria will be invited to submit an application to the PEI PNP. An Expression of Interest is not an application, but an indication of a candidate’s interest in being considered to the PEI PNP. For 2024, PEI targets by industry are presented below.

**Figure 26: PEI Population Framework (Forecast vs Actual)**

	<b>2024 Forecast</b>	<b>2023 Actuals</b>
<b>Healthcare</b>	300	210
<b>Construction</b>	185	80
<b>Manufacturing and Processing</b>	435	380
<b>Professional Services and Sciences</b>	85	85
<b>Trucking and Transport</b>	170	170
<b>Sales and Service</b>	215	855
<b>Traditional (Tourism, Agriculture, Fisheries)</b>	120	105
<b>Early Childhood Education</b>	80	55
<b>Other</b>	-	180
<b>Totals</b>	1,590	2,120

Prince Edward Island has been allocated 1,600 PNP and 450 AIP positions for 2024 but intends to use only 1,590 or 75% of the total allocation which would equate to approximately its 2022 allocation. This reduction is to address the unusually high number of immigration and non-permanent resident landings in the province in 2023, which placed a strain on housing and other services. Prince Edward Island’s immigration rate has been the highest among the Atlantic Provinces since at least 2006 and will likely remain so in 2024, even with utilizing only 75% of its allocation.

**2.2.3 (i) PEI Express Entry**

This program connects with the three programs under the federal Express Entry system: Canadian Experience Class, Federal Skilled Worker Program and Federal Skilled Trades Program. These federal programs do not support TEER 4 or 5 occupations. Applicants must meet the conditions of one of the above federal programs including. Applicants must have a job offer from an eligible PEI employer. Applicants living and working in Prince Edward Island with an eligible PEI employer receive priority. Applicants create a federal Express Entry profile and if nominated by the province, receive 600 points in the Comprehensive Rating System which greatly increases their chance of receiving an invitation to apply for PR status.



### ***2.2.3 (ii) PEI Critical Workers***

This program assists employers to fill TEER 4 and 5 occupations that they are unable to fill locally. Applicants must have at least 6 months of continuous employment with an Island employer and at least 2 years of relevant full-time job experience or education in the past five years. Applicants must also have at least a high school diploma and meet CLB or NCLC level 4 language ability. If nominated by the province, applicants will also receive a letter to support a work permit may submit to enable work while their PR application is being processed.

### ***2.2.3 (iii) Intermediate Experience Stream***

This program assists PEI employers to hire workers from outside Canada. Applicants must have a full-time job offer in a defined priority TEER 4 occupation from an eligible PEI employer. Applicants must also have at least 6 months of relevant Canadian work experience accrued while on a Labour Market Impact Assessment permit. They must also have a minimum of 2 years of relevant work experience in the past 5 years and have at least a high school diploma. They must also have proof of language proficiency at the CLB or NCLC 4 level. If nominated by the province, an applicant receives a letter of support for a work permit and can apply for PR status.

### ***2.2.3 (iv) International Graduates***

This program assists employers to fill a TEER 0,1,2,3,4 or 5 position with an international graduate from a publicly funded PEI post-secondary institution. Applicants must have a full-time, non-seasonal job offer of at least two years from a PEI employer and a post-graduate work permit. Applicants for TEER 0,1,2, or 3 occupations must possess language skills deemed sufficient by their sponsoring employer. Applicants must meet CLB or NCLC level 4 for TEER 4 or 5 occupations. If nominated by the province, an applicant receives a letter of support for a work permit and can apply for PRI status.

### ***2.2.3 (v) Occupations in Demand***

This program enables eligible PEI businesses to recruit workers from outside Canada in one of the eight following occupations: nurse's aides, orderlies and patient service associates, transport truck drivers, construction trades helpers and labourers, light duty cleaners, other laborers in processing, manufacturing and utilities, material handlers, process control operators and machine operators in food and beverage processing, industrial butchers and meat cutters, poultry preparers and related workers. Applicants must have a full-time, non-seasonal job offer from an eligible PEI employer, have at least one year of full-time relevant work experience and have at least a high school credential. Applicants must prove language ability at CLB or NCLC level 4. If nominated by the province, an applicant receives a letter of support for a work permit and can apply for PR status.

### ***2.2.3 (vi) Skilled Workers in PEI***

This program enables eligible PEI businesses to fill skilled positions (TEER 0,1,2, or 3 occupations) that they are unable to fill locally. Applicants must be currently employed with an Island business and have a full-time, non-seasonal job offer from a PEI employer. Applicants must have at least two years of relevant full-time work experience in the past 5 years and have completed a post-secondary degree or

diploma program of at least 2 years duration. Applicants must meet CLB or NCLC level 4 language ability or have their employer's opinion that the applicant's language ability is sufficient to perform their job. If nominated by the province, an applicant receives a letter of support for a work permit and can apply for PR status.

### **2.2.3 (vii) Skilled Workers Outside Canada**

This program enables eligible PEI businesses to fill skilled positions that they are unable to fill locally with workers from outside Canada. Applicants must have a full-time, non-seasonal job offer from a PEI employer in a TEER 0,1,2, or 3 occupation and have at least 2 years of relevant full-time experience in the past five years. Applicants must have completed a post-secondary degree or diploma program of at least 2 years duration. Applicants must meet CLB or NCLC level 4 language ability or have their employer's opinion that the applicant's language ability is sufficient to perform their job. If nominated by the province, an applicant receives a letter of support for a work permit and can apply for PR status.

### **2.2.3 (viii) Atlantic Immigration Program**

Prince Edward Island is a participant in this stream and has a role in designating eligible businesses. As noted in Prince Edward Island's immigration website, designation is intended to confirm that:

- The Atlantic Immigration Program is the immigration program best suited to address the employer's needs;
- The employer wants to hire full-time, non-seasonal international candidates, at a minimum of 30 hours/week in PEI;
- The employer and their business have been in continuous, active operation under the same management for at least two years in the Atlantic Region and in good standing as per the program guidelines;
- The employer has agreed to and demonstrated their commitment to maintain a welcoming workplace;
- The employer has committed to supporting the candidate and any accompanying family members' access to settlement services; and,
- The employer understands and agrees to the reporting requirements for the program.

### **2.2.4 Nova Scotia Immigration Labour Streams**

Data provided by the Immigration and Population Growth (IPG) branch of Labour, Skills and Immigration (LSI) shows an increase in utilization of its programs by the construction sector in Nova Scotia. Between 2018 and 2022 there were 162 endorsements and nominations for the industry, whereas there were 242 applications approved in 2023 – an increase of 85% over 2022. As of September 2024, Nova Scotia had processed 257 applicants for construction jobs, surpassing all of 2023.

The rebuilding efforts following the Upper Tantallon and Shelburn fires of 2023 which destroyed or damaged over 150 homes increased demand for construction workers and may have added to interest in considering immigration as an option to the industry's labour needs.

Nova Scotia has 2024 allocations of 3,570 for the Provincial Nominee Program and 2,730 for the Atlantic Immigration Program.

Nova Scotia's PNP streams are for those aged 21 to 55 years old. Applicants must have a job offer, prove financial ability to settle and show an interest in living in the province.

IPG reports working collaboratively with the construction sector on immigration and it is the only province with an immigration stream focused on the construction sector. The Critical Construction Worker Pilot is described below.

#### ***2.2.4 (i) Nova Scotia Labour Market Priorities***

This stream links with the federal Express Entry system and its three programs: Canadian Experience Class, federal Skilled Worker Program and federal Skilled Trades Program. As noted above, these programs are for more highly skilled workers and do not support TEER 4 or 5 occupations. Applicants who meet provincial labour market needs and who receive a letter of Interest from the Nova Scotia Nominee Program may submit an application for nomination. If nominated by the province, applicants receive 600 points in the Comprehensive Rating System which greatly increases their chance of receiving an invitation to apply for PR status from IRCC.

#### ***2.2.4 (ii) Critical Construction Worker Pilot***

This pilot program is for applicants who have a permanent, full-time job offer from an employer in the construction sector in a selection of NOC construction occupations (within TEER 0, 2,3,4 and 5). Applicants must have at least 1 year of relevant job experience and have a high school diploma or have completed a construction specific training program. Applicants must prove language ability to the level of CLB 5 for TEER 0,1,2 or 3 or CLB level 4 for TEER 4 or 5 occupations. If nominated by the province, an applicant can receive a letter of support for a work permit, if required, and can apply to IRCC for PR status.

#### ***2.2.4 (iii) Skilled Worker***

This program is for employers who wish to hire foreign workers and international students for TEER 4 or 5 occupations that they have been unable to fill locally. Applicants must have a full-time permanent job offer and at least 6 months' experience with that Nova Scotia employer. Applicants must also have at least a high school diploma and relevant training, skills and accreditation. Applicants must also prove language ability at the CLB level 4. If nominated by the province, an applicant can receive a letter of support for a work permit, if required, and can apply to IRCC for PR status.

#### ***2.2.4 (iv) Nova Scotia Experience: Express Entry***

This program is for skilled workers with at least one year working in TEER 0,1,2 or 3 occupations in Nova Scotia in the past three years and who have a profile registered in the federal Express Entry system. Unlike other streams, applicants do not need a job offer to apply. Applicants must have at least a high

school diploma and meet CLB level 7 for TEER category 0 or 1 occupations and CLB level 5 for TEER category 2 or 3 occupations. If nominated by the province, an applicant can apply to IRCC for PR status.

#### 2.2.4 (v) Occupations in Demand

This program is for applicants with a full-time permanent job offer from a Nova Scotia employer in the following occupations: nurse aides, light duty cleaners, transport truck drivers, heavy equipment operators and construction trades helpers and labourers. Applicants must have at least one year of experience relevant to the job and have training, skills and/or accreditation for the job. Applicants must have at least a high school diploma and meet CLB level 4 language ability. If nominated by the province, an applicant can receive a letter of support for a work permit, if required, and can apply to IRCC for PR status.

#### 2.2.4 (vi) Health Occupation Streams

Nova Scotia also has streams more or less for health professionals: Labour market Priorities for Physicians, Physician, Healthcare Professionals Immigration Pilot and International Graduates in Demand.

#### 2.2.5 New Brunswick Immigration Labour Streams

In 2023, New Brunswick had admissions for Permanent Residency of 4,995 and 1,155 under the PNP and AIP pathways respectively.

The following table shows data provided by the New Brunswick Immigration Office on the number of construction trades nominations/endorsements over the past three fiscal years.

**Figure 27: Construction Trades Nominations/Endorsements in New Brunswick**

	FY 2022	FY 2023	FY 2024	Total
<b>Atlantic Immigration Program</b>	5	9	9	23
<b>NB Critical Worker Pilot</b>			9	9
<b>NB Express Entry Stream</b>		2		2
<b>NB Skilled Worker Stream</b>	7	17	18	42
<b>Total</b>	12	28	36	76

New Brunswick's labour stream Immigration allocations for 2024 are as follows:

NB Express Entry	1,000
NB Skilled Worker	1,075
Strategic Francophone Labour	500
Critical Worker	300
Private Career College	120
PNP total	2,995
AIP	2,500
Total 2024 Allocation	5,495

### **2.2.5 (i) New Brunswick Express Entry**

This program connects to the federal Express entry system and its three streams: federal Skilled Worker Program, federal Skilled Trades Program and Canadian Experience Class. Applicants must have at least one year of continuous work experience in a TEER 0,1,2 or 3 occupation and proof of language ability at the CLB or NCLC level 7. Applicants must have created a profile in the federal Express Entry system and meet conditions of one of its three programs. In addition, applicants must meet one of the three following connections:

#### **NB Employment Connection**

- Applicants must have at least six months' residency in New Brunswick and be employed full-time or have an offer of full-time employment from a New Brunswick employer.

#### **NB Student Connection**

- Applicants are international students from a designated New Brunswick institution in a program that is eligible for a post-graduate work permit and have completed their studies (or submitted their Masters or PhD Thesis) within the past six months and are living and actively seeking employment in the province.

#### **NB Priorities Connection**

- For applicants who:
  - Have a close family member residing in New Brunswick as a Canadian citizen or PR for at least 12 months;
  - Have attended an international recruitment event in the province within the past 12 months; or
  - Are a francophone and whose primary occupation is a sector in demand in New Brunswick (selected occupations in health care, education, information technology, forestry, food production and skilled trades).

If selected, applicants will receive an Invitation to Apply (ITA) from New Brunswick. If nominated, an applicant can apply to IRCC for PR status.

### **2.2.5 (ii) New Brunswick Skilled Worker**

This program is for:

- applicants with a full-time, non-seasonal job offer in a TEER 0,1,2,3,4 or 5 occupation and who have a minimum of six months' residency in the province; or
- out-of-province or outside of Canada applicants with a full-time, non-seasonal TEER 5 only job offer (except food counter attendants, kitchen helpers etc. are ineligible).

Applicants must have at least one year of relevant work experience in the past five years and demonstrate that they have the work experience and skills for the job. Applicants must score a minimum of 60 out of 100 on the following factors: age, official languages, education, work experience and adaptability. If selected, applicants will receive an Invitation to Apply (ITA) from New Brunswick. If nominated, an applicant can apply to IRCC for PR status.

### ***2.2.5 (iii) New Brunswick Strategic Initiative Stream***

This program is for French-speaking foreign workers. Applicants must have a qualifying job offer with a New Brunswick employer, or:

- completed a program of study from Universite de Moncton or College Communautaire du Nouveau-Brunswick within the past six months; or
- have resided in New Brunswick for 12 months and working remotely during that time for the same non-Quebec Canadian company; or
- have received a letter of interest from a New Brunswick Immigration Officer.

Applicants must score a minimum of level 5 NCLC and have a minimum of a high school diploma. If selected, applicants will receive an Invitation to Apply (ITA) from New Brunswick. If nominated, an applicant can apply to IRCC for PR status.

### ***2.2.5 (iv) Private Career College Graduate Pilot Program***

This program is for graduates of qualifying New Brunswick private career colleges. Applicants must have a full-time non-seasonal job offer in specific occupations from a New Brunswick employer. Trades occupations are currently ineligible.

### ***2.2.5 (v) Atlantic Immigration Program***

This program is described above. It is an employer-driven program that assists designated businesses to fill positions that they have been unable to fill locally.

### ***2.2.5 (vi) New Brunswick Critical Worker Pilot***

This is an employer driven program (currently limited to six large companies) to address critical labour shortages in various sectors and regions of the province. It is intended to attract workers in occupations “where the pathway to Permanent Residency has been challenging”. Applicants must have a valid job offer from an eligible New Brunswick employer, prove language ability at the CLB or NCLC level 4, have at least a high school diploma and have at least one year of continuous full-time job experience in the past five years. If selected, applicants will receive an Invitation to Apply (ITA) from New Brunswick. If nominated, an applicant can apply to IRCC for PR status.

### ***2.2.5 (vii) 100 Day Challenge***

In January, 2024 ACOA and NB Department of Post-Secondary Education, Training and Labour announced funding of \$190,612 and \$250,000 respectively to support the Construction Association of New Brunswick (CANB) in operating a Labour Force Adjustment Committee “to develop short and long terms solutions to labour shortages in New Brunswick’s construction sector”. Initial efforts are oriented in a 100-Day Challenge to find solutions in problem areas such as credential recognition, recruitment and workplace readiness. In announcing the initiative, the NB Department of Post-Secondary Education, Training and Labour notes that 4.2% of construction jobs are vacant and that with 8,400 retirements expected by 2032 there will be a demand for many new positions in the construction workforce over the

next decade. The CANB expects 10,000 vacancies in the sector by 2032 and demand for 60,000 new homes in the next 10 years.

The Pond-Deshpande Centre at UNB and ReInstitute were engaged to lead the initiative. According to the Pond-Deshpande website, “The 100-Day Challenge is a results-focused systems change methodology built on proven principles of quality improvement and design thinking.”

### **2.2.6 Newfoundland and Labrador Immigration Streams**

The Department of Immigration, Population Growth and Skills (IPGS) through the Office of Immigration and Multiculturalism (OIM) operates the Newfoundland and Labrador Provincial Nominee Program (NLPNP) and the Atlantic Immigration Program (AIP) multiple initiatives to increase immigration to Newfoundland and Labrador. The province reached its goal of welcoming 5,100 permanent residents annually by 2026, three years ahead of schedule with 5,485 new permanent residents welcomed in 2023. The province expects to exceed this goal again in 2024. One of the initiatives leading to success is a coordinated employer outreach and labour attraction team, which includes a job matching service that assists employers and skilled workers and international graduates and their spouses and persons in Newfoundland Labrador or in other parts of Canada. IPGS also has a dedicated job matching service for Ukrainian visa holders called Ukraine Job Connect. The province recently launched a Virtual Recruitment Platform that allows employers to connect to workers around the world and fill job vacancies using virtual recruitment tools.

Within OIM’s Operations section, there are a lot of sub-teams works on areas including labour attraction, application processing, employers’ outreach, program integrity, and assisting applicants in navigating through the application process. OIM also contains a section dedicated to settlement and policy, assisting newcomers from various federal streams settle in Newfoundland and Labrador permanently.

There is no fee to apply to the NLPNP streams. Newfoundland and Labrador’s immigration website and immigration labour pathways are more streamlined than those of the Maritime provinces. Employers can use the services of the staff of the OIM to obtain a Job Vacancy Assessment (JVA) which is similar to a Labour Market Impact Assessment (LMIA), but does not come with fees, to obtain authorization to use the PNP to recruit workers from overseas. Applicants to the Skilled Worker, International Graduate and Express Entry skilled Worker streams of the NLPNP must be 21-59 years of age.

OIM also administers two streams for prospective newcomer entrepreneurs coming to Newfoundland and Labrador: The International Entrepreneur stream and the International Graduate Entrepreneur stream.

The OIM informed us that that their provincial immigration pathways are the best pathways for newcomers working in the construction industry in Newfoundland and Labrador to obtain Permanent Residency. We concur. In 2023, there were 2,815 and 825 admissions to Permanent Residency to Newfoundland and Labrador under the NLPNP and AIP respectively.

The OIM reports that between 2021 and 2024, at least 316 persons in construction-related occupations were supported for Permanent Residency through Newfoundland and Labrador's provincial immigrations streams.

IPGS informed us that immigration will be a key component of any labour market strategy proposed by the Newfoundland and Labrador government in the coming years. IPGS notes that Newfoundland and Labrador, as with most other provinces and territories, is facing massive demand in the construction industry in years to come due to creation of new jobs to meet rising demand in residential construction, as well as workforce retirements. At a time in which Newfoundland and Labrador's population has been steadily growing for the first time in decades, new infrastructure, including housing, roads, public institutions and buildings, will need to be built and staffed. IPGS expects that many of the positions supporting these developments will be filled by international skilled workers.

Trades continue to be in-demand occupations for immigration purposes. Newfoundland and Labrador has experienced slower population growth than the Maritime provinces, but IPGS reports that there is still a significant strain on housing due to demand being much higher than supply. In the coming years, the ramping up of projects in the non-residential construction sector, notably resource projects could drive the demand for construction labour. Continued population growth would further increase the demand for housing and other infrastructure.

#### ***2.2.6 (i) NLPNP Express Entry – Skilled Worker Category***

This program connects to the federal Express Entry Streams: federal Skilled Worker Program, Federal Skilled Trades and Canadian Experience Class. Applicants must create an Express Entry profile and meet the conditions of one of these federal program streams.

As of spring 2024, applicants must score at least 67 out of 100 on the following factors: Education and Training (max 28 points), Skilled Work Experience (max 20 points), Language Ability (max 27 points), Age (max 12 points), Connection to Labour market and Adaptability (max 13 points). If nominated by the province, applicants receive 600 points in the Comprehensive Rating System which greatly increases their chance of receiving an invitation to apply for PR status.

#### ***2.2.6 (ii) NLPNP Skilled Worker Category***

This program is for applicants with a full-time job or job offer of at least on year's duration from an eligible Newfoundland and Labrador employer in a TEER 0,1,2,3,4 or 5 occupation. Applicants must also prove they have the required qualifications, training, skills, and or accreditation for the job. Teer 4 and 5 occupation applicants must meet language requirements. If nominated, an applicant can apply to IRCC for a work permit and permanent residency status.

#### ***2.2.6 (iii) NLPNP International Graduate Category***

This program is for international graduates with a full-time position in their field of study. Applicants must hold a valid IRCC Post-Graduation work permit (PGWP). Out-of-Province graduates must work for at least one year in Newfoundland and Labrador. Memorial University and College of the North Atlantic



graduates are conditionally exempt from the field of study requirement as long as the NOC employment requirements of their job require some form of post-secondary education. TEER 0,1,2,3 or 4 occupations are eligible, except TEER 4 applications must be for an in-demand occupation (currently a selection of occupations in the fields of health care, engineers and developers, technical specialists and aquaculture). Construction trades are not currently deemed “in-demand”. TEER 4 applicants must meet CLB/NCLC level 4 language ability. If nominated, an applicant can apply to IRCC for a work permit and permanent residency status.

#### ***2.2.6 (iv) Atlantic Immigration Program***

Newfoundland and Labrador employers can apply to be designated. If designated, an employer may submit applications for international workers to be endorsed by Newfoundland and Labrador. Applicants must hold a job offer in a TEER 0,1,2,3 or 4 occupation, meet language requirements (CLB 4-7) have the necessary skills and experience for the role, and intend to settle in Newfoundland and Labrador long-term. If endorsed, a worker applicant may apply to IRCC for a work permit and/or permanent residency status.

### 3.0 Immigration and Immigrants in the Labour Force: Construction Recruitments

In the past, the vast majority of Canada’s immigrants located in a handful of the nation’s largest cities. More recently, international immigration has been a source of population growth for Atlantic Canada also. The years 2021-22 and 2022-23 have witnessed a large jump in immigration levels from pre-pandemic levels in Canada and the Atlantic provinces.

**Figure 28: International Immigration, Annual, Canada and Atlantic Provinces**

	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022	2022 / 2023
<b>Canada</b>	323,188	272,694	303,369	313,603	284,153	226,314	493,236	468,817
<b>Newfoundland and Labrador</b>	1,427	1,027	1,281	1,649	1,565	884	2,841	5,337
<b>Prince Edward Island</b>	2,015	2,261	2,089	2,267	2,079	1,209	3,439	3,116
<b>Nova Scotia</b>	5,482	4,366	5,147	6,398	6,249	3,552	13,838	12,303
<b>New Brunswick</b>	4,500	3,459	4,116	5,076	4,910	2,688	8,410	11,020
<b>Atlantic Total</b>	13,424	11,113	12,633	15,390	14,803	8,333	28,528	31,776

Source: Statistics Canada. Table 17-10-0008-01 Estimates of the components of demographic growth, annual

### 3.1 Overall Immigration Trends

Data shows an even more dramatic rise in net non-permanent residents in 2022-23. Many of these are international students. The federal government has taken measures to moderate the numbers of non-permanent residents in Canada, including provincial quotas of the number of international students.

**Figure 29: Net Non-Permanent Residents, Annual, Canada and Atlantic Provinces**

	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022	2022 / 2023
<b>Canada</b>	35,448	103,776	162,573	168,833	75,265	-51,719	195,772	697,701
<b>Newfoundland and Labrador</b>	500	325	58	353	173	-459	2,208	3,854
<b>Prince Edward Island</b>	624	682	824	1,152	744	979	30	2,098
<b>Nova Scotia</b>	1,586	1,690	2,315	3,968	1,592	-1,007	3,044	15,518
<b>New Brunswick</b>	393	467	707	1,556	639	1,467	4,557	9,562
<b>Atlantic total</b>	3,103	3,164	3,904	7,029	3,148	980	9,839	31,032

Source: Statistics Canada. Table 17-10-0008-01 Estimates of the components of demographic growth, annual

In 2022-23, Canada recorded an increase of 1,166,518 of immigrants and net non-permanent residents, vs. a range of 359,418 in the year before the pandemic. In 2022-23, the Atlantic provinces recorded a sum of 62,808 immigrants and net non-permanent residents vs. 17,951 in the year before the pandemic.

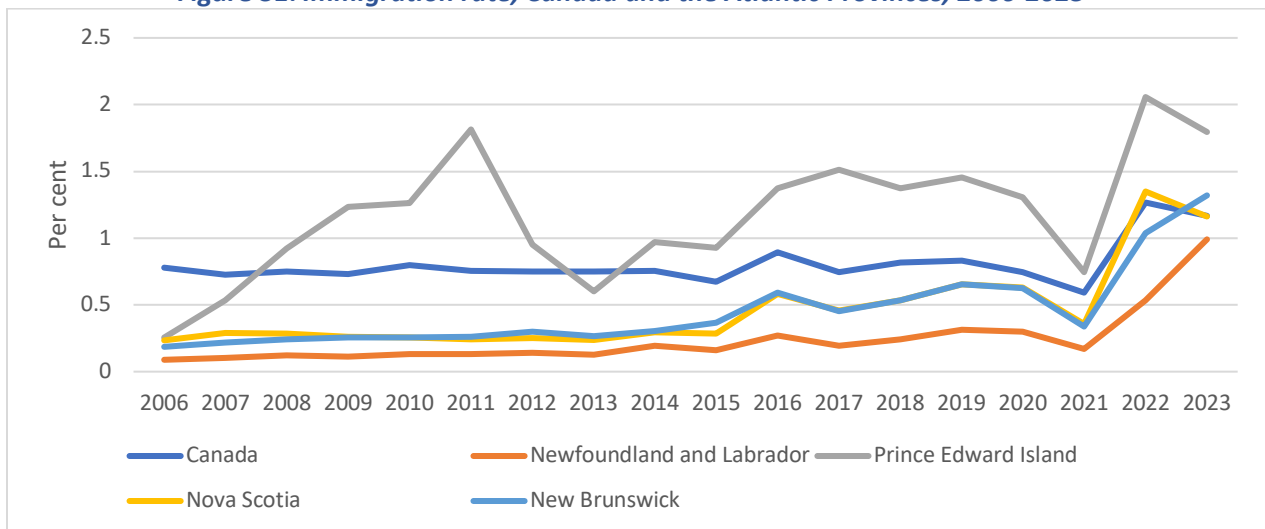
**Figure 30: Sum of Annual International Immigrants and Net Non-Permanent Residents, Canada and Atlantic Provinces**

	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022	2022 / 2023
<b>Canada</b>	358,636	376,470	465,942	482,436	359,418	174,595	689,008	1,166,518
<b>Newfoundland and Labrador</b>	1,927	1,352	1,339	2,002	1,738	425	5,049	9,191
<b>Prince Edward Island</b>	2,639	2,943	2,913	3,419	2,823	2,188	3,469	5,214
<b>Nova Scotia</b>	7,068	6,056	7,462	10,366	7,841	2,545	16,882	27,821
<b>New Brunswick</b>	4,893	3,926	4,823	6,632	5,549	4,155	12,967	20,582
<b>Atlantic Total</b>	16,527	14,277	16,537	22,419	17,951	9,313	38,367	62,808

Source: Statistics Canada. Table 17-10-0008-01 Estimates of the components of demographic growth, annual

An examination of the immigration rate over a longer time period, shows that until recently, Canada had a significantly higher immigration rate than each of the Atlantic provinces except Prince Edward Island. The immigration rate for all jurisdictions was significantly higher in 2022 and 2023 than pre-pandemic and in 2023, each Atlantic province, except Newfoundland and Labrador.

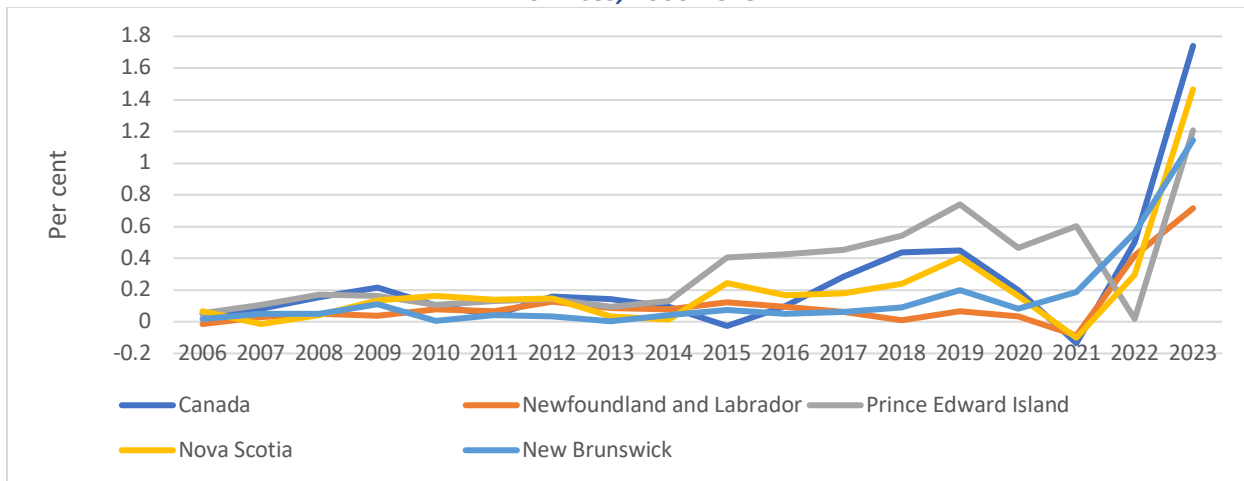
**Figure 31: Immigration rate, Canada and the Atlantic Provinces, 2006-2023**



Source: Statistics Canada. Table 17-10-0008-01 Estimates of the components of demographic growth, annual and Table 17-10-0005-01 Population estimates on July 1, by age and gender

Between 2006 and 2014 the rate of net-non permanent residents was low, generally below 0.2%, and did not present a noticeable trend. Thereafter, the rate in Canada, Nova Scotia and Prince Edward Island rose, but fell during the pandemic. It then grew in 2022 and 2023 to 1.74% in Canada and to a lesser extent in the Atlantic provinces.

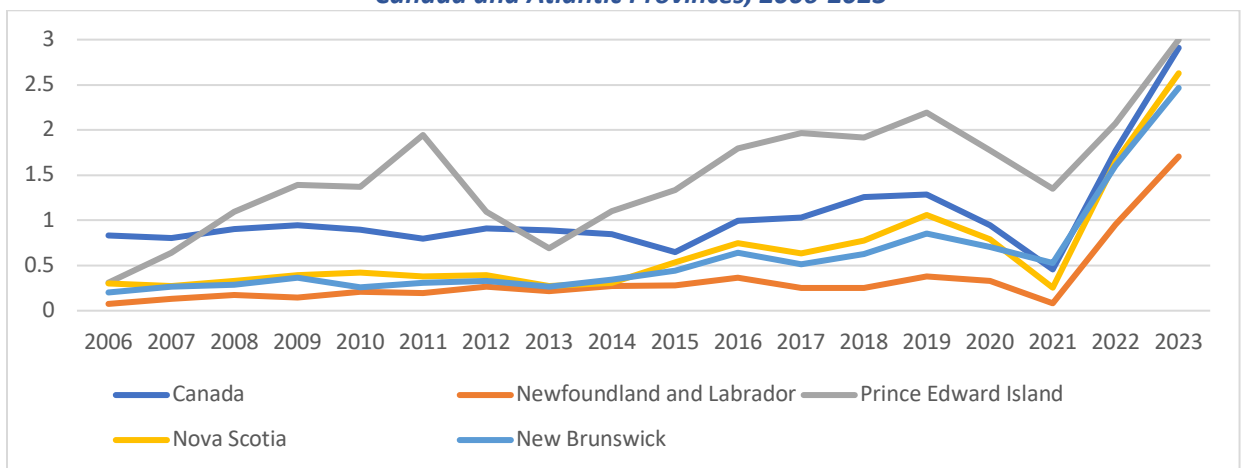
**Figure 32: Net Non-Permanent Resident Flow as a Per Cent of Population, Canada and Atlantic Provinces, 2006-2023**



**Source:** Statistics Canada. Table 17-10-0008-01 Estimates of the components of demographic growth, annual and Table 17-10-0005-01 Population estimates on July 1, by age and gender

The sum of immigrants and net-non-permanent residents flows as a per cent of population grew significantly in 2023 reaching about 3% for Canada and Prince Edward Island and about 2.5% for New Brunswick and Nova Scotia. Newfoundland and Labrador’s rate was 1.7%. Such a large influx of population increased the demand for housing and other services.

**Figure 33: Sum of Immigrants and Net Non-Permanent Residents Flows as a Per Cent of Population, Canada and Atlantic Provinces, 2006-2023**



**Source:** Statistics Canada. Table 17-10-0008-01 Estimates of the components of demographic growth, annual and Table 17-10-0005-01 Population estimates on July 1, by age and gender

### 3.2 Understanding Immigration in the Atlantic Region

IRCC publishes data on admissions of permanent residents by month by province/territory and immigration category. The following table shows admission for each Atlantic province in 2023. PNP admissions comprised approximately 50% of total admissions for each province. There were no admissions under the Federal Skilled Trades Program. Applicants wishing to immigrate as a skilled trades worker would likely apply under the Provincial Nominee Program as if nominated, they would receive additional points under the CRS to substantially boost their score and chance of receiving an Invitation to apply for permanent residency.

**Figure 34: Admissions of Permanent Residents, Atlantic Canada, 2023**

	FSWP	FSTP	PNP	AIP	Other Econ*	Family	Refugee	Other	Total
<b>Newfoundland and Labrador</b>	40	0	2,635	825	240	255	1,005	40	5,040
<b>Prince Edward Island</b>	20	0	2,320	395	195	135	130	20	3,215
<b>Nova Scotia</b>	255	0	5,140	1,315	1,255	1,075	1,380	75	10,490
<b>New Brunswick</b>	490	0	4,995	1,155	1,820	555	1,175	35	10,225

**Source:** Government of Canada, Open data, Monthly IRCC Updates -Permanent Residents by Province/Territory and Immigration Category.

FSWP – Federal Skilled Worker Program

FSTP – Federal Skilled Trades Program

PNP – Provincial Nominee Program

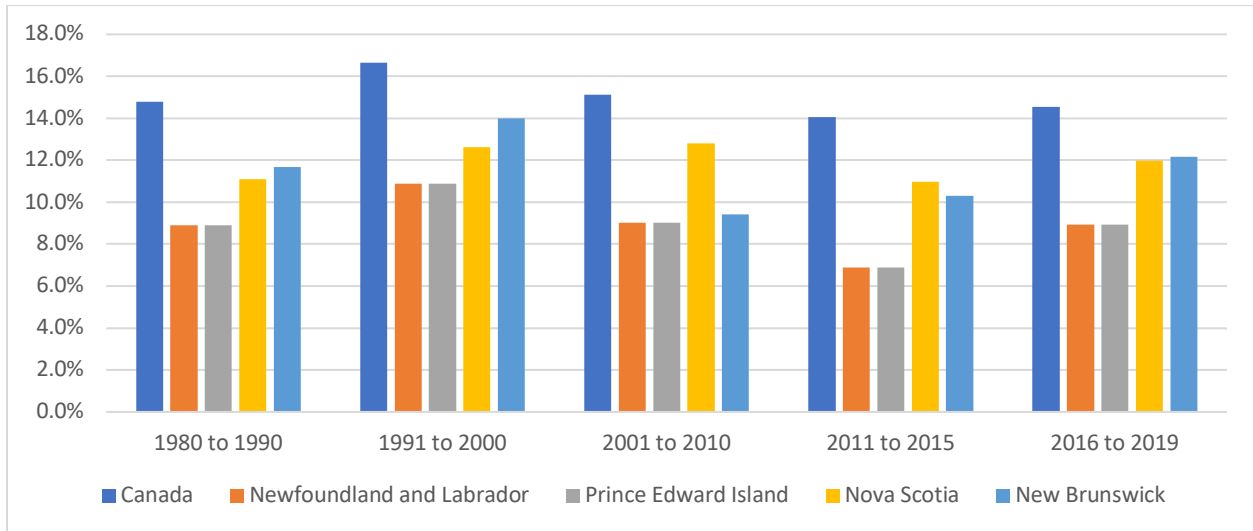
AIP – Atlantic Immigration Program and Atlantic Immigration Program Pilot

Other Econ – Temporary Resident to Permanent Residency pathway, Agri-food pilot, Caregiver pilot

### 3.3 Immigrants in the Construction Trades

The following chart shows the percentage of immigrants in the labour force that were employed in NOC 7 (trades) occupations in 2021, by the period in which they immigrated. The data shows that the 1991-2000 period had the highest percentage in the trades occupations and that the 2011-2015 period had the lowest for all except New Brunswick. Employed immigrants in the most recent period of immigration, 2016-2019, showed the highest share employed in NOC 7 occupations. Among the Atlantic provinces, Newfoundland and Labrador and Prince Edward Island had the lowest share of employed immigrants in NOC 7 occupations in each of the periods shown and New Brunswick and Nova Scotia had the highest share. In each of the periods, Canada had a higher share of employed immigrants in NOC 7 occupations than every Atlantic province.

**Figure 35: Employed Immigrants in NOC 7 Occupations, as a Percentage of Employed Immigrants in all Occupations by Period of Immigration, 2021**



**Source:** Statistics Canada: Table 98-10-0441-01 Labour force status by period of immigration, admission category, highest level of education and location of study, for immigrants since 1980: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts

Drilling deeper into the data shows that the educational attainment of immigrants in the labour force in 2021 is heavily concentrated in university degrees and very modestly represented by credentials typically required for trades occupations. For Canada, 41% had a Bachelor’s degree or higher and only 4.9% had a non-apprenticeship trades certificate or an apprenticeship certificate. Among the Atlantic provinces, the share of those with a Bachelor’s degree or higher ranged from 42.9% for Prince Edward Island to 51.1% for Newfoundland and Labrador, whereas, the share with a non-apprenticeship trades certificate or an apprenticeship certificate ranged from 3.5% in Prince Edward Island to 4.6% in Nova Scotia.

**Figure 36: Immigrants in the Labour Force, 2021, by Highest Level of Education for Immigrants Since 1980**

	Canada	Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick
<b>Non-apprenticeship trades certificate or diploma</b>	3.0%	2.1%	1.9%	2.5%	3.2%
<b>Apprenticeship certificate</b>	1.9%	2.0%	1.6%	2.1%	1.8%
<b>Bachelor’s degree or higher</b>	41.0%	51.1%	42.9%	50.8%	45.2%

**Source:** Statistics Canada. Table 98-10-0441-01 Labour force status by period of immigration, admission category, highest level of education and location of study, for immigrants since 1980: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts

The data for 2021 also shows that those who immigrated more recently, 2016-2021, were even more likely to have a university degree and less likely to have a construction trades credential.

**Figure 37: Immigrants in the Labour Force, 2021, by Highest Level of Education for Immigrants who Immigrated in 2016-2021**

	Canada	Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick
<b>Non-apprenticeship trades certificate or diploma</b>	2.4%	2.1%	0.9%	1.8%	3.0%
<b>Apprenticeship certificate</b>	1.2%	1.3%	0.4%	1.1%	1.6%
<b>Bachelor's degree or higher</b>	51.1%	53.3%	47.6%	58.9%	51.2%

**Source:** Statistics Canada. Table 98-10-0441-01 Labour force status by period of immigration, admission category, highest level of education and location of study, for immigrants since 1980: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts.

The data for 2021 also shows that compared to all immigrants in the labour force, those who immigrated in the 1980-1990 period, were less likely to have a university degree and more likely to have a construction trades credential.

**Figure 38: Immigrants in the Labour Force, 2021, by Highest Level of Education for Immigrants who Immigrated in 1980-90**

	Canada	Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick
<b>Non-apprenticeship trades certificate or diploma</b>	4.1%	3.9%	2.1%	3.8%	3.8%
<b>Apprenticeship certificate</b>	3.2%	5.1%	5.6%	3.4%	4.2%
<b>Bachelor's degree or higher</b>	27.2%	49.4%	27.8%	41.3%	33.5%

**Source:** Statistics Canada. Table 98-10-0441-01 Labour force status by period of immigration, admission category, highest level of education and location of study, for immigrants since 1980: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts.

The above data is for all immigrants in 2021 who immigrated since 1980. The following table shows data for only principal applicants of those in the labour force in 2021 who immigrated via an Economic program (e.g. not family or refugee programs) between 2016 and 2021. This cohort shows an even greater proportion of those with a bachelor or higher degree than in the cohort of all immigrants.

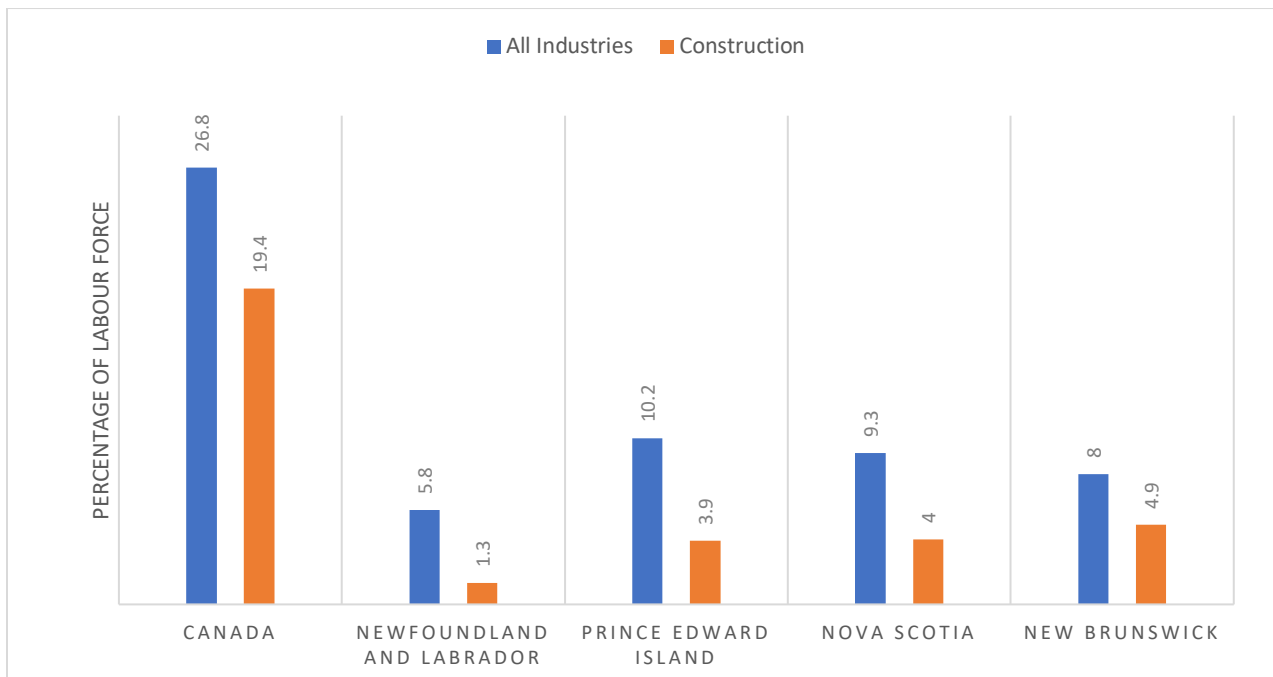
**Figure 39: Immigrants in the Labour Force, 2021, by Highest Level of Education for Principal Applicants who Immigrated via an Economic Stream Program in 2016-2021**

	Canada	Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick
<b>Apprenticeship certificate or non-apprenticeship trades certificate or diploma</b>	3.9%	3.7%	1.6%	2.3%	5.8%
<b>Bachelor Degree or Higher</b>	75.6%	89.3%	61.6%	80.8%	72.9%

Source: Statistics Canada. Table 98-10-0441-01 Labour force status by period of immigration, admission category, highest level of education and location of study, for immigrants since 1980: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts.

It is also worth noting that on December 5, 2023, Citizenship and Immigration Canada released information that between 2006 and September 2023, there were 42,495 persons admitted to Canada (including 520 spouses/dependents) who intended to work in the construction industry. It was also noted that between January and September 2023, IRCC issued 29,000 work permits for foreign workers to work in the construction sector, mostly through the Temporary Foreign Worker Program.

**Figure 40: Immigrants as a Percentage of Labour Force, All Industries and Construction, Canada and Atlantic Provinces, 2022**



Source: BuildForce Canada, Construction and Maintenance 2024-2033 Reports for Newfoundland and Labrador, Prince Edward Island, Nova Scotia and New Brunswick, March 2024.



The under-representation of immigrants in the construction workforce is also illustrated in the above chart. In 2022, in Canada, over a quarter of the overall workforce were immigrants and 19.4% of the construction workforce is composed of immigrants. In 2022, immigrants in the overall workforce ranged from a low of 5.8% in Newfoundland and Labrador to a high of only 10.2% in Prince Edward Island. That year, immigrants in the construction industry's workforce ranged from 1.3% in Newfoundland and Labrador to 4.9% in New Brunswick.

### ***3.4 Issues with the Immigration System in Recruiting foreign Construction Workers***

Canada's immigration system generates a high proportion of newcomers with a Bachelor degree or higher. As discussed above, three-quarters of principal applicants who immigrated under an economic program between 2016 and 2021 and who were in the labour force in 2021 had a Bachelor's degree or higher. Conversely a relatively low proportion of newcomers had a construction trades credential. The Comprehensive Ranking System (CRS) applied to Federal Express Entry stream immigration programs places a priority on university education and strong official language skills. Furthermore, TEER 4 and 5 occupations (including construction helpers and laborers are ineligible to apply under the federal express entry system).

In recent years, the Maritime provinces have identified construction trades as an occupation in demand, implementing economic streams which are more conducive to recruiting foreign workers for the construction sector, including by allowing TEER 4 and 5 occupations to apply. Nova Scotia has actually implemented a Critical Construction Worker Pilot.

## 4. What We Heard: Stakeholder Views on Immigrations and Construction

### 4.1 Stakeholder Groups

In preparing this report, a number of stakeholder groups and experts were consulted to get a cross section of views on the role of immigration in addressing labour markets needs in the construction sector. Several organizations including the Canadian Construction Association, Conference Board of Canada and BuildForce Canada have commented on their concerns with the immigration system.

The Canadian Construction Association (CCA) issued an “advocacy alert” following discussions with local construction associations which articulated concerns with the immigration points system; specifically;

*“...concern was expressed over the federal point system as a potential barrier. For example, more points are awarded to higher education levels achieved while some trades are not recognized as a category. Some of these roles do not qualify for skilled labour or express entry yet are in great demand within the construction industry. CCA and its integrated partner associations believe that the points system needs to be adjusted so that the bias against construction workers is removed.”*

The CCA also noted that local construction associations assert that:

*“...the government must accelerate the immigration process by improving efficiencies; reporting on applicants, approvals and other data regarding potential immigrants interested in the construction sector; reducing the approval period; and working with the industry to attract immigrants to work in construction.”*

BuildForce Canada in its March 2024 Immigration Update report outlined four recommendations to address difficulties in securing immigrants to work in the construction trades:

1. Address educational bias in the immigration system  
BuildForce recommends that the Federal Skilled Trades Program be revised to provide additional selection points based on domestic labour demand.
2. Better align federal and provincial priorities and increase transparency  
Federal immigration levels plans should be more transparent, including by providing PNP allocations and notional targets for each federal express entry category. This could also help in planning training of workers.
3. Ensure industry involvement in immigration planning analysis and recruitment  
The immigration system should work with industry to fill gaps in the domestic labour force and the federal government should consult more broadly with industry. Selection policies and priorities should better align with labour market requirements. Immigrants recruited by Canadian businesses should receive priority in the federal express entry system.
4. Support competencies-based skills assessments of foreign credentials.  
The federal government should enable provinces to adopt competency-based skills assessments of foreign credentials so as to better match skills and jobs.

The conference Board of Canada has also studied issues in recruiting immigrants to work in the construction sector. In its report, *Work In Progress: How Immigration Can Address Labour Shortages In Residential Construction*, the Conference Board outlines five recommendations to address the perceived shortage of residential construction workers:

1. Ensure that immigration programs support an expanded supply of workers with experience in the trades, such as occupations in residential construction.
2. Monitor outcomes in category-based selection and the pilot for out-of-status construction workers
3. Create a pilot immigration program for people with experience as construction trades helpers and labourers.
4. Reduce barriers to licensing in regulated professions.
5. Work with employers to improve credential recognition for all occupations.

Stefan Fournier, executive director of the Conference Board of Canada stated:

*“Allocating a small number of immigration places within the existing immigration levels plan to occupations that are core to residential construction could mitigate labour shortages and advance the building of new homes.”*

## **4.2 Employers**

### **4.2.1 Industry Survey and Interviews**

To secure industry input on the extent of labour market needs and the potential role of immigration, an on-line industry survey with construction and road builder employers was carried out in the four Atlantic provinces. A total of 172 companies participated in the survey. The following offers some of the key highlights:

#### **4.2.1 (i) Hiring Activity and Occupations in Demand**

A consideration of the survey results suggests that 80% of survey respondents are currently in the process of trying to hire new employees. Close to 70% of these firms are looking to hire 10 or fewer employees.

For companies in the road building sector, *labourers, truck drivers and mechanics* are the three occupations where companies are most actively trying to hire. For construction firms, the occupational priorities are general *labourers* and *carpenters*).

#### **4.2.1 (ii) Difficulty and Impact of Labour Shortages**

Overall, employers in the road building and construction sectors view the current labour market challenges as a serious problem. Just over 88% of employers view the current labour market situation facing their sectors as “somewhat” or “very” serious. This compares with only 4.2% of respondents who view the situation as “not that” serious and 7% who are “neutral” on the issue.

The survey sought to also assess the impact of labour shortages on the capacity of the construction and road building sector to take on new projects, thereby contributing to much needed housing projects, for example. Over 52% of employers reported choosing not to bid on new work as a direct result of labour shortages in their companies. These findings pose significant challenges for the capacity of the sector to build much needed housing. To this end, the capacity of federal, provincial, and municipal governments in the Atlantic region to achieve the extent of new housing construction will be undermined by the fact that less than 50% of construction companies report being in a position to bid on new projects.

#### ***4.2.1(iii) Hiring of Newcomers: Activity Level and Satisfaction***

Just over 60% of employers indicated that have hired newcomers to fill vacant construction jobs. Overall, employers report being highly positive with how these new employees have worked out in their companies. Just over 88% of employers indicated that their experience with hiring newcomers was either “somewhat” or “very” positive compared with just under 9% reporting experiences that were “not that” or “not at all” positive.

One of the key factors in ensuring that newcomers are able transition into the provincial construction/roadbuilding workforce is access to suitable industry training. In PEI and NL, industry-run training for newcomers seems to play a highly useful role in making sure the provincial workforce benefits from the presence of newcomers. However, as successful and useful as this training is, the organizations that coordinate the training (CAPEI in PEI and Newcomers Alliance in NL) are challenged by lack of long-term funding to support ongoing programming.

#### ***4.2.1 (iv) Immigration as a Source of New Employees***

Just over 53% of survey respondents report looking to immigration system as a means to secure new employees. Of these, 42% indicated they were successful in securing new workers compared with 58% who were not.

Of those who did succeed, close to 79% described their experience in employing immigrants to fill vacant positions as being “somewhat” or “very” positive. This compares with just under 8% who expressed that they had a negative experience.

For those that tried but were unsuccessful in securing new workers through immigration, “lack of relevant work experience” was by far the most commonly cited factor at 50%. Interviews with companies supported that perspective, noting that on-line interviews are a poor means by which to try to understand the suitability of an immigrant’s skills for construction and road building sites in Atlantic Canada.

A related observation from employers was that they don’t have the time or the resources to attend recruitment missions that offer the opportunity for face-to-face interviews. As discussed below, the capacity of their respective provincial association staff to represent their sector and conduct in-person interviews as a proxy for individual company attendance is clearly worth exploring.

#### ***4.2.1 (v) Immigration and the Role of Associations***

We sought to understand what role, if any, construction and road building companies believe their respective provincial associations should play in relation to supporting the sector with immigration services. When asked, 66% of members felt that immigration was an area where “association should be more active.” This compares with only 9% who felt they should not. Almost one-quarter of members were unsure as to whether a greater role was appropriate.

Interviews with employers strongly underscores the value that their association staff can bring to the immigrant recruitment process. Members expressed the view that, as in one particular case, “if our executive director believes a potential immigrant has the skills and experience to do the job based on an interview, that is good enough for me.” Employers, while appreciative of government-led missions, report not having the time or resources to devote to participate to the extent required as individual companies. Rather, there is a belief that association staff can participate in missions and interview potential employees.

#### ***4.2.1 (vi) Support from Provincial Governments and/or Settlement Agencies***

In the four Atlantic provinces, provincial immigration departments and settlement service agencies provide varying levels of support activities that can assist construction and road building companies looking to recruit immigrants to fill job vacancies. However, almost 74% of employers indicated that they did not reach out to or engage with provincial settlement agencies and/or provincial immigration officials to support their efforts to secure and support immigrant recruitment.

The sector’s lack of engagement with provincial immigration officials, in particular, would seem to represent a lost opportunity. In interviews with employers, a number of them in different provinces indicated that provincial government immigration officials, in particular, were very helpful in helping them understand the immigration process and ultimately be successful in their efforts.

#### ***4.2.1 (vii) Role of Governments: Federal and Provincial***

As part of the research process, we sought to understand the industry’s perspectives on what governments (both federal and provincial) could do to make it easier for companies to recruit and hire immigrants to support labour market needs. Almost 30% of employers cited a “simplification and easing of immigration rules” as the number one priority for governments to address in order to improve immigration. In interviews with employers, the time requirements for job offers and the requirement for full-time, year-round employment is seen as a problem, particularly in light of the seasonal nature of the road-building sector. Employers do not feel they are in a position to extend job offers based on a full-year/full-time duration.

A second point related to the current rules that was noted on multiple occasions was the current federal points system. As one employer bluntly put it, “does Canada have a shortage of university professors, because looking at our points system and what it produces, you would think that was the case?”

A final thing that the construction and road building sector desired was “a more-timely, expedited immigration process.” A number of the interviews with stakeholders revealed concern over the length

of time current immigration processes takes, noting that a minimum of 6-8 months can go by before an immigrant can be on a job site.

### **4.3 Views of Provincial Immigration Office Officials**

A series of interviews were carried out with provincial immigration officials from the four provincial governments in Atlantic Canada. These interviews provided us with the opportunity to better understand and document the provincial immigration pathways set out in section 2 of this report. They also allowed us to understand opportunities and challenges associated with how the construction and road building sectors in the region can use immigration as a means to help address labour challenges.

#### **4.3.1 Potential for immigration to be a source of labour for the construction Industry**

Several officials asserted that immigration could be a key part of the solution to labour shortages in the construction industry, but that it was not the whole solution. One official added that there are many small firms in the sector and expectations need to be realistic.

#### **4.3.2 Key Challenges in the Construction Industry Recruiting & Securing Immigrant Workers**

Several officials noted that it can be a challenge for construction employers to meet the requirement for a full-time job offer of at least one year (or in some programs two years) in duration, given the seasonal nature of many construction activities (e.g. roadbuilders). Another official noted that full-time is a minimum of only 30 hours per week and that there might be flexibility in the administration of the rules (though a provincial official noted that “banking hours” is illegal).

One official noted that “ensuring that our employers are using our immigration programs, and that they are aware of the suite of services we offer will be a challenge and an opportunity for our department. Ensuring that our industry and regulatory partners are fully engaged to ensure they are able to connect prospective newcomers with employers in our community is another major opportunity for our department”. Further, one official noted that foreign credential recognition was a challenge for their jurisdiction.

#### **4.3.3 What the construction industry can do to improve recruiting of immigrant workers**

Several officials noted the importance of the industry having frequent dialogue with provincial government immigration officials. Proper planning and preparation and targeted recruitment missions can help. One official noted that not all foreign construction workers have a credential, so competency -based assessments may be a necessary tool to secure these workers.

Another official was aware of a construction company that had sourced a worker who originally came to Canada via the Working Holiday element of International Experience Canada. This could be another avenue for construction companies to consider in their recruiting missions.

#### **4.3.4 Temporary Foreign Workers**

One official suggested that the establishment of sector-specific work permits might make it more feasible for employers in seasonal industries to access temporary foreign workers, though this suggestion was in the context of food processing (a worker could work for different employers processing different products depending on the season). Another official expressed concern for the welfare of workers under sector-specific permits, as employer accountability for a worker could be ambiguous. Another issue would be how to allocate the cost of a temporary foreign worker's travel and other costs between multiple employers.

#### **4.3.5 Federal Rules**

Provincial officials noted that they operate programs (e.g. provincial nominee program) which as well as federal immigration programs, are subject to federal regulations on matters such as job offer requirements, education and official language skills. In some cases, these requirements may not support Canadian labour market needs, particularly in sectors such as construction. Although both the federal and provincial governments have taken steps to address some of these barriers, it remains a challenge to recruit foreign construction workers. One official noted that the federal Skilled Worker Program (Express Entry) was of no use at all in recruiting construction workers to their province (and we note that there were no landings in Atlantic Canada under this stream in 2023).

## 5. Key Recommendations

### 5.1 Summary

In section 1 we examined labour demand in Atlantic Canada from both a workforce demographics and housing supply/demand perspectives. The convergence of chronic housing shortages and an aging workforce have created a need for workers to a depth and extent not seen before in the sector. As such, immigration is seen as an avenue that needs to be pursued on a systematic basis.

Section 2 identified the various federal and provincial immigration pathways open to bring construction employees into Atlantic Canada. Between existing federal programs and the emergence of new, and in some cases, construction-specific provincial programs, employers have a range of options to consider when looking to immigration pathways in their respective provinces.

Section 3 outlines the fact that current immigration levels are, on balance, not sufficient to meet labour market shortfalls from demographic changes in the sector combined with new demands created by the housing shortage and the associated required housing stock. Despite the federal recognition of construction as a priority sector and considerable innovation in provincial immigration pathways, the data suggests that immigration, as it is currently trending will not be sufficient.

Section 4 identified key stakeholder perceptions on the degree to which our immigration system(s) holds the potential to address the labour market needs of the construction and road building sectors in Atlantic Canada. While employers are looking to immigration to address labour needs, the extent of their success in doing so has been limited. Overall, the workforce challenges in the construction sector are a major concern to employers and are manifesting themselves in a situation where a slight majority of employers have chosen not to bid on projects over the last 6 months. For a region and a country where massive increases in housing construction is essential to address the housing crisis, such labour market challenges will define the success or failure of our collective efforts. From an immigration standpoint, the *status quo* is not working to address the magnitude of shortfalls in most of Atlantic Canada

In this final section, we seek to build upon the analysis and input contained in this report and offer a series of strategic recommendations that we believe speak to the issues and challenges identified herein. At the same time, events have occurred recently which make assessing the immigration landscape for the construction sector in Atlantic Canada difficult and unpredictable. To this end, the immigration reduction targets announced by the federal government are sure to impact the construction section. However, it remains uncertain of the degree to which immigrants with construction experience will be given priority status.

Moreover, the change in administration as a result of the United States election is sure to have an impact on Canada. US administration policy focused on mass deportations could see the Canadian border experience a flood of refugees. The manner in which Canada's already overburdened refugee processing regime is able to respond to a potentially massive increase will determine if efforts can be made to ensure that priority is given to those with construction trades experience.



## 5.2 Strategic Recommendations

### 5.2.1 Program and Service Awareness

- a) Associations and employers should work with provincial government immigration officials to build awareness of the services they offer to support the construction sector's efforts;

**Rationale:** A small minority of employers report utilizing the services and advice of provincial immigration departments. However, those that do report positive experiences.

### 5.2.2 Role of Associations

- a) Associations should assume greater role in immigration support, including direct and funded representation of the sector associations at recruitment missions.

**Rationale:** Associations are and can continue to play a strategic role, supporting their members with immigration related services in a manner endorsed by their members. The associations' knowledge of their sector leaves them well-positioned to play a supportive role, particularly in the area of trade mission recruitment activities where it is challenging for individual companies to play a role.

### 5.2.3 Immigration Recruitment Funding

- a) Federal/Provincial/Territorial governments to financially support the immigration recruitment efforts of associations and the construction sector.

**Rationale:** While associations can play a strategic support role in immigrant recruitment, they do not have the resource base to undertake these activities without government support. Given the importance of immigrant recruitment to addressing labour market issues central to a successful response to the housing crisis, investment in association-led immigrant recruitment activities should be viewed as a public policy priority of governments at all levels.

### 5.2.4 Focus on Experience Canada

- a) Association-led missions to focus on Experience Canada (ages 18-34) market where Canadian and PTs focus on broader geographic missions involving trade offices.

**Rationale:** The Experience Canada program offers an immigration stream where associations can do focused recruitment missions and potentially secure workers in an expedited manner.

### 5.2.5 Funded Training Programs

- a) Federal and Provincial Governments to support training initiatives aimed at helping immigrants enhance their trade and language skills upon entry to Canada.

**Rationale:** Skills upgrading and language skills are essential ingredients to the successful integration of immigrants into the construction and road building sector. As such, governments should commit sustained funding support such that training can be provided on an ongoing basis.

### 5.2.6 Sector-Wide Labour Market Impact Assessments (LMIAs)

- a) Associations to be able to undertake sector-wide LMIAs in construction versus individual companies to reduce costs and expedite construction immigration.

**Rationale:** Individual employers operating in the same labour market looking for the same workers should not be required to endure the expense and time requirement of duplicative LMIAs to secure immigration opportunities. Associations should be able to commission sector-wide LMIAs that should be accepted by immigration officials.

### 5.2.7 Associations Deemed Eligible Employer(s)

- a) Associations to be able to serve as employer of record for sector recruitment and outsource immigrants to employers based on need.
- b) A foreign worker's time spent in language and trades training provided by an Association serving as employer of record for immigration purposes should count as qualifying hours for the purpose of calculating a "full-time permanent employment" job offer.

**Rationale:** Given the timing of labour market needs and the uncertain duration of employment needs, consideration should be given to allow associations to be deemed the "employer" and have the associations do outplacement of immigrants to member companies based on need.

### 5.2.8 Housing Funding to Support Labour Market Needs

- a) Provincial/Territorial and Federal Governments to include funding for immigration recruitment, support and employee training in all significant housing projects.
- b) Federal, provincial/territorial governments to provide core funding to association-led programs that provide industry-driven training and placement programs to help with skills upgrading.

### 5.2.9 Immigration Policy Modernization for Priority Sectors

If the Government of Canada is committed to expediting construction immigration in support of broader policy objectives around housing availability, the following reforms are required to ensure construction trades and labourers are given priority.

- a) For priority sectors such as construction, Citizenship and Immigration Canada needs to redefine the points framework to facilitate quicker, easier access for construction employees to immigrate to Canada. This includes refugees coming potentially coming to Canada as a result in massive changes to US immigration policy.

**Rationale:** The way that points are allocated under the Comprehensive Ranking System for Express Entry streams is directing Atlantic immigration to immigrants that are not from the construction trades but of a higher educational/academic profile.

- b) The amount of hours required to be worked in a year to qualify for immigration needs to be changed to reflect sectoral realities.

**Rationale:** The seasonality of the road building sector and some segments of building construction is such that it is impractical for employers to recruit foreign workers under the current rules for a full-time, permanent job offer of two-years in duration.

### 5.2.10 Labour Market Gap Analysis and Evidence-Based Planning

Canada and Atlantic Canada are experiencing a housing shortage and shortages of construction workers. Our analysis and that of others shows that as affordability improves due to public policy support and lower interest rates, significant additional housing demand could occur over the next ten years, resulting in the need for significantly more construction workers at a time when retirements will be rising.

- a) Provincial/Territorial Governments need to work with associations to undertake labour market gap analysis between current and required workforce based on demographic data and projected housing and construction needs.
- b) Using gap analysis data, Provincial and Territorial governments need to work with construction sector to develop recruitment and retention strategies **focused** on new entrants, newcomers, and immigrants.

**Rationale:** The construction sector is committed to evidence-based workforce planning through BuildForce Canada and the three levels of government. However, federal, provincial, and municipal housing funding announcements need to be factored into existing sectoral labour market data projections and used to inform and develop recruitment and retention strategies.