



ALBERTA

Construction Looking Forward 2009-2017 Key Highlights

Construction employment in Alberta is turning downward after more than a decade of extraordinary growth. The slowdown is being led by residential activity, as housing began a cyclical decline in 2008. Major non-residential project cancellations and delays have been announced since late in 2008, and 2009 will be a year of generally weaker construction labour markets.

The recruiting challenges of the past years will be replaced by reduced hours of work, layoffs and rescheduling. Local labour markets will see a major drop in the available workforce, losing temporary foreign workers and tradespersons from other provinces. Employment losses will continue into 2012 and shift from the residential trades, which are now adversely affected, to the skilled non-residential workforce in the wake of the oil industry cancelling or postponing more than \$200 billion in new projects.

The down cycle from 2009 to 2012 will affect the following trades and occupations the most:

- carpenters
- construction managers
- crane operators
- electricians
- ironworkers
- pipefitters
- sheet metal workers
- welders

As the recession recedes in 2010, commodity prices revive in 2011 and big energy-related projects come back on stream in 2013. Residential construction revives in 2012 and recruiters will be looking to rehire lost workers as non-residential projects

start up in 2013. These recession-induced delays in Alberta will bring local recruiters into competition with other provinces (e.g., Saskatchewan, Manitoba and Quebec) where infrastructure and other projects are proceeding during the recession. While Alberta retains some trades through government infrastructure and institutional building, from 2009 to 2011 the cycle in housing and industrial construction is severe and many skilled and experienced tradespersons, supervisors and managers will leave the industry and province.

Later in the forecast period, employment in residential and non-residential trades rebuilds and by 2016 levels exceed employment in 2008. Essentially, the recession postpones construction by two to three years and the workforce is eroded. As the industry returns to recruiting, the age profile of the workers will rise and retirements will tighten markets and limit the industry's capacity later in the outer years.

In Alberta, about 22,000 construction workers are expected to retire over the 2009-2017 period. Apart from retirements, another 8,000 new workers would be needed to meet requirements attributable to the expected rise in construction activity later in the forecast period, as the overall economy strengthens and major oil sands investment increases, starting in 2014.

The table (over) shows the labour market rankings for trades and occupations in Alberta.

Industry and government must sustain the traditional support systems for construction over the years to come. This support is essential to meet the challenges of volatile markets, increasing mobility, replacing skilled workers as they retire and improving skills.

MARKET RANKINGS FOR TRADES AND OCCUPATIONS IN ALBERTA

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Boilermakers	5	3	2	3	3	3	3	3	3	3
Bricklayers	4	3	2	2	3	3	3	4	3	3
Carpenters	3	3	2	2	3	4	4	4	3	3
Concrete finishers	4	3	2	2	2	2	3	3	3	3
Construction estimators	4	4	2	2	3	3	4	4	3	3
Construction managers	3	3	3	2	2	3	4	4	3	3
Construction millwrights and industrial mechanics	4	3	2	2	2	3	3	3	3	4
Contractors and supervisors	4	3	2	2	2	3	3	3	3	3
Crane operators	4	2	3	3	2	2	4	4	4	4
Drillers and blasters – construction	3	2	4	3	2	2	4	4	4	3
Electricians (including industrial and power system)	4	3	2	3	2	3	3	3	3	3
Elevator constructors and mechanics	4	3	2	2	3	3	3	3	3	3
Floor covering installers	4	3	2	2	3	3	3	3	3	3
Gasfitters	3	3	3	3	2	3	4	4	3	3
Glaziers	5	4	3	2	2	3	3	3	3	3
Heavy equipment operators (except crane)	5	4	3	2	2	3	3	3	3	4
Heavy-duty equipment mechanics	5	4	3	2	2	3	3	3	3	3
Industrial instrument technicians and mechanics	3	2	2	2	2	3	3	3	3	3
Insulators	4	3	2	3	2	2	3	4	4	4
Ironworkers and structural metal fabricators and fitters	4	2	3	3	2	2	3	3	4	4
Painters and decorators	4	3	2	2	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	3	3	2	2	2	3	4	4	3	3
Plumbers	4	3	2	2	2	3	3	3	3	3
Refrigeration and air conditioning mechanics	5	3	2	2	2	3	3	3	3	3
Residential and commercial installers and servicers	4	3	2	2	2	3	3	3	3	3
Residential home builders and renovators	3	4	2	2	3	3	4	4	4	3
Roofers and shinglers	4	3	2	2	3	3	3	3	3	3
Sheet metal workers	3	2	2	2	2	2	3	4	4	4
Steamfitters, pipefitters and sprinkler system installers	5	3	3	4	3	2	4	4	4	4
Tiles setters	4	3	2	2	2	3	3	3	3	3
Trades helpers and labourers	3	3	3	2	2	3	3	4	3	3
Truck drivers	4	4	3	2	2	3	4	4	4	4
Welders and related machine operators	4	3	3	3	2	2	4	4	4	4

Source: Construction Sector Council.

MARKET RANKINGS

- 1 Workers are available, excess supply is apparent and there is a risk of losing workers to other markets.
- 2 Workers are available to meet an increase in demand.
- 3 The availability of workers may be limited by large projects, industrial maintenance or other short-term increases in demand.
- 4 Workers are generally not available. Employers will need to compete to attract additional workers.
- 5 Workers are not available to meet demand. Competition for workers is intense and projects or production may be delayed or deferred.

Timely construction forecast data is available online at www.constructionforecasts.ca. Create customized reports on a broad range of selected categories within sector, trade or province covering up to 10 years.

The full report, *Construction Looking Forward, An Assessment of Construction Labour Markets from 2009 to 2017 for Alberta*, is part of the Construction Sector Council's Labour Market Information Program, and will be available electronically at www.csc-ca.org later this summer.

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