

Sector Profile

Construction

Atlantic Region

2025

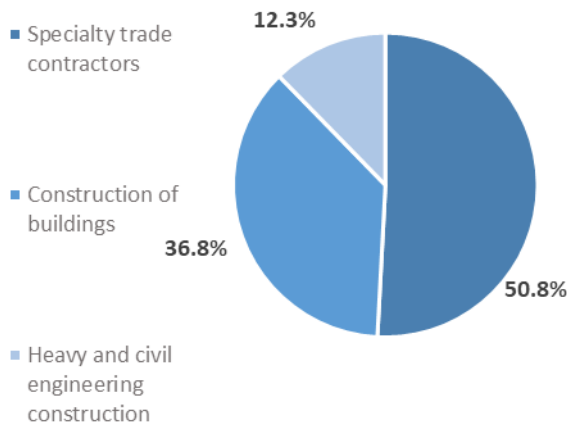


HIGHLIGHTS

- Construction sector activity is driven mainly by factors like housing development and public infrastructure investment (buildings, highways, power generation facilities, etc.).
- The sector's workforce is male-dominated and has a high rate of self-employment. In 2024, carpenters represented the largest occupational group, comprising 11.3% of the total workforce.
- Strong population growth and major project investments have helped spur growth in recent years. Ongoing labour shortages have in some cases limited further expansion.
- Employment growth is projected for each of the maritime provinces, between 2025 and 2027, while a decline is anticipated in Newfoundland and Labrador. Significant non-residential investments and pent-up housing demand will drive employment in the region.

ABOUT THE INDUSTRY

Employment Share by sub-industry



Source: Statistics Canada, Labour Force Survey 2024

Composition and Importance of the Sector

The construction sector comprises establishments primarily engaged in constructing, repairing and renovating buildings and engineering works, and in subdividing and developing land.

Around half (50.8%) of construction employment, in 2024, resided in the specialty trade contractors sub-industry (see chart to the left), which consists of activities such as masonry, painting and electrical work. Construction of buildings (36.8%) also played a significant role and is comprised of residential and non-residential building construction. Heavy and civil engineering construction accounted for the remainder (12.3%) and includes large projects such as highways, streets, utility systems, etc.

The construction sector is slightly over-represented in Atlantic Canada, comprising 8.3% of total employment, compared to 7.8% at the national level. The region's share was up from 8.0% in 2023.



Geographic Distribution of Employment

Among Atlantic provinces, Prince Edward Island's (P.E.I.) construction sector accounts for the highest proportion of total provincial employment (9.6%). One of the main drivers in 2024 was home building, with the number of starts having increased by 48.7% from 2023. The province's population grew by 23.4% from 2015 to 2024 and by 2.8% from 2023 to 2024.

Strong population growth also played a role in driving residential construction activity in Nova Scotia (N.S.) and New Brunswick (N.B.). Non-residential construction was more of a factor in Newfoundland and Labrador (N.L.).

	Employed 2024	Industry Share (%)
Atlantic Canada	104,800	8.3%
Newfoundland and Labrador	19,800	8.1%
Prince Edward Island	8,900	9.6%
Nova Scotia	42,300	8.1%
New Brunswick	33,800	8.5%

Source: Statistics Canada, Labour Force Survey

WORKFORCE

Workforce Characteristics

Nearly nine out of ten people (89.6%) who worked in Atlantic Canada's construction sector in 2024 were male, compared to roughly half (50.9%) across all industries. The gender employment gap persists despite numerous initiatives being offered in high schools and post-secondary institutions across the region aimed at training women in the construction industry. Representation among youth (13.0%) and older workers (24.8%) was consistent with all-industry averages (13.0% and 23.2%).

The majority (52.4%) of workers in the construction sector had completed a postsecondary certificate or diploma, compared to 38.7% across all industries. The proportion of the construction workforce with a university degree is about three times less than the all-industry average (9.4% vs 31.5%). However, this is due to construction workers receiving specialized training through apprenticeships and/or community colleges.

The share of employees in the construction sector who worked full-time in 2024 was 10 percentage points (p.p.) higher than the all-industry average (94.2% vs 84.0%). This is likely due to the strong demand for construction work and the long hours typically required to finish projects. The share of self-employed construction workers is nearly double the all-industry average, at 17.6% compared to 9.5%.

Main Occupations

Carpenters make up the largest share of workers, by occupation, in 2024. This was followed by construction trades helpers and labourers, electricians, home building and renovation managers, and construction managers. The share of construction managers grew by 1.5 percentage points (p.p.) from 2014 to 2024. While the remaining occupations in the construction industry are relatively unchanged from 2014 levels.

Most of these jobs require individuals to possess a trade certification, spend several years as an apprentice, and/or train on the job. Red Seal and Leadership in Energy and Environmental Design (LEED) certifications are encouraged for several of the occupations.

Top 5 largest occupations	Employed 2024	% Share of Industry
Carpenters	11,850	11.3%
Construction trades helpers and labourers	8,975	8.6%
Electricians (except industrial and power system)	7,075	6.7%
Home building and renovation managers	5,900	5.6%
Construction managers	4,475	4.3%

Source: ESDC/Service Canada



These occupations are generally employed by construction companies and general contractors or are self-employed. Most of these jobs are also physical in nature.

RECENT HISTORY

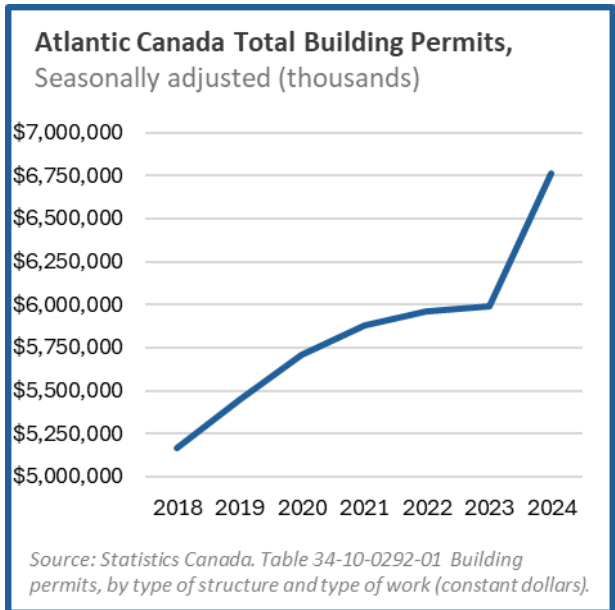
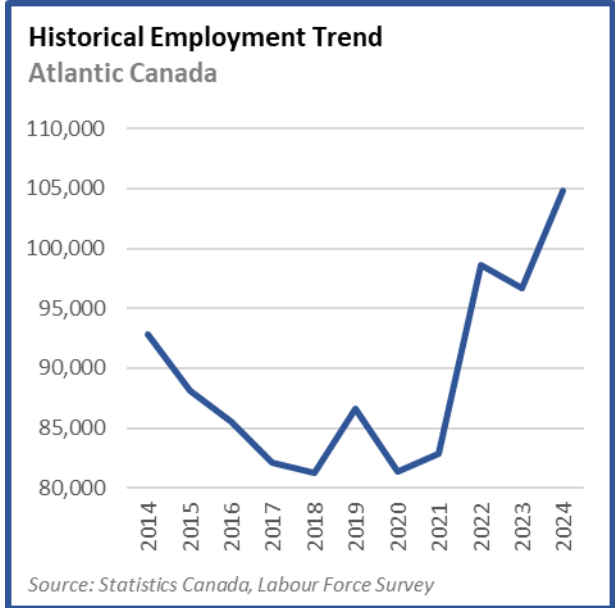
Atlantic Canada’s population has grown significantly in recent years. The region added roughly 53,200 people in 2024 which is about 24 times the amount that was added in 2015 (2,200). The number of immigrants and net non-permanent residents nearly quadrupled from 2015 to 2024, while net interprovincial migration went from -5,600 in 2015 to +5,700 in 2024 (source: Statistics Canada, Tables 17-10-0005-01 & 17-10-0008-01).

Strong population growth in recent years has led to significant investments in housing and infrastructure. Between 2023 and 2024, the number of housing starts in Atlantic Canada grew by 67.4% (source: Statistics Canada, Table 34-10-0135-01). The real value of building permits issued in Atlantic Canada has been climbing since 2018, with a significant increase from 2023 to 2024 (+13.0%).

Non-residential construction has benefited from an increased focus on renewable energy, both to supply new residents with adequate power and to reduce emissions. Some notable investments in this area include the Bay d'Espoir Penstock Project in N.L., the Eastern Kings Wind Farm in P.E.I., the Goose Harbour Lake Wind Farm in N.S., and the Brighton Mountain Wind project in N.B.

Overall, construction investment increased 10.3% in 2024 (source: Statistics Canada, Table 34-10-0293-01). Construction employment has surged as a result of this increased activity, trending upwards since 2020 and rising by 8,100 jobs between 2023 and 2024. The maritime provinces experienced significant job growth over this period, while employment in Newfoundland and Labrador grew at a slower rate. Construction Gross Domestic Product (GDP) in the Atlantic region also expanded by 4.5%, with growth in all provinces, from 2023 to 2024.

The removal of the federal sales tax on new rental housing is likely providing a positive incentive to builders. Bill C-56, implemented in December 2023, eliminated the Goods and Services Tax (GST) on new multi-residential builds. In addition, the provincial sales tax on multi-unit residential construction has been removed for eligible properties in the region.



RECENT HISTORY

Labour recruitment is an ongoing issue in the construction sector and may limit the degree to which builders are able to respond to demand. BuildForce Canada estimates that 23% of construction workers in the region will retire over the next 10 years. In most cases, these vacancies need to be filled and there have been numerous reports that not enough youth are entering the industry.

Some businesses have filled these positions through immigration. Recent cuts to certain programming, particularly the Provincial Nominee Program (PNP), have threatened a portion of industry's labour supply. However, N.L. and N.B. have reversed some of these cuts through agreements with the federal government.

According to recent job vacancy data, job vacancy rates in the construction industry are in decline and ranged from 1.8% in P.E.I. to 3.1% in N.B. in Q1 2025. This suggests that the situation may be improving, though this isn't necessarily the case for all roles and may continue to limit the potential for further expansion.

Another concern is declining labour productivity. This may occur due to older workers leaving the industry and taking their experience with them, while newcomers to the industry may lack the necessary skills to adequately replace them. Labour productivity in the construction industry, measured as real value added per hour worked, fell in every Atlantic province between 2020 and 2024, with decreases ranging from -3.5% in P.E.I. to -16.4% in N.L. (Source: Statistics Canada, Table 36-10-0480-01).

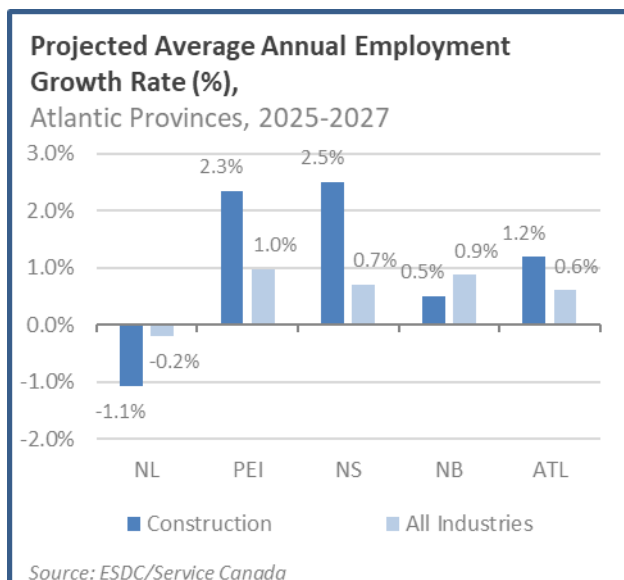
Rising prices for material, equipment, and labour has put pressure on general contractors. From Q1 2019 to Q1 2025 the contractor's price (value of materials, labour, overhead, equipment, and profit) for residential buildings rose by 59.4% in N.L., 55.8% in N.S. and 38.7% in N.B. (P.E.I. data is unavailable, source: Statistics Canada, Table 18-10-0289-01). Interest rates are also likely to fall in the near future which may help contractors secure more buyers and invest more in their business. Delays and long wait times for permitting and review processes are also commonly cited concerns for the sector. Canada Mortgage and Housing Corporation's Rapid Housing Initiative and Housing Accelerator Fund, and Bill C-5 should help this issue.



OUTLOOK

Employment in Atlantic Canada’s construction sector is expected to grow at twice the rate of the all-industry average between 2025 and 2027 (+1.2% vs. +0.6%). Significant gains are expected in N.S. (+2.5%) and P.E.I. (+2.3%) while more moderate growth (+0.5%) is projected for N.B. The only province with an expected annual decline in construction employment is N.L. (-1.1% over the forecast period).

Commercial and institutional investments are driving much of the growth in N.S., while housing demand is responsible for P.E.I.’s projected increase. N.B.’s growth expectations are limited due to delays in the Mactaquac Dam refurbishment. The decline in N.L. is a result of some major projects such as the West White Rose Extension and the Voisey’s Bay mine winding down and/or finishing construction.



The largest upcoming project in the region is the so-called Gull Island and Churchill Falls development, which is a collaboration between Hydro-Québec and Newfoundland and Labrador Hydro. The project is valued at over \$33 billion and should lead to a significant amount of employment in N.L. The project is likely to start in 2026, but the timeframe is currently unclear. Other major projects in Atlantic Canada include the Veterans Affairs Office modernization in P.E.I., the Halifax Infirmary Expansion in N.S., and the Atlantic Science Enterprise Centre in N.B.

Bill C-5 was passed in June 2025 and includes the Building Canada Act. This bill aims to advance projects of national interest. Examples of these potential projects include Wind West in N.S., a second reactor at Point Lepreau in N.B., and various transmission lines. Developing Gull Island and expanding Churchill Falls in N.L. could also benefit from this bill. Another goal is to increase interprovincial trade and labour mobility. Reducing regulatory barriers will likely help with the shipment of construction goods and will improve the ability to attract workers from different provinces. However, wages in the region will likely need to rise as workers could shift to a project in a different province for more money.

A lack of available workers needed for the major projects may limit the growth in this sector to some degree. The number of workers in the industry could also fall significantly due to retirements. Immigration can help in the short-term, but it’s limited due to recent cuts.

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

The analysis in this report was finalized as of **August, 2025**.

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APPENDIX

Real GDP (2024) and Employment (2024) for Atlantic Canada

	Construction			All Industries		
	Number	Share of Total	AAGR*	Number	Share of Total	AAGR*
Real GDP (M\$)	\$8,708.2	100.0%	0.6%	\$118,731.2	100.0%	1.2%
Newfoundland and Labrador	\$2,502.6	28.7%	-4.8%	\$29,645.2	25.0%	-0.3%
Prince Edward Island	\$580.5	6.7%	6.9%	\$7,604.7	6.4%	2.9%
Nova Scotia	\$3,076.1	35.3%	4.4%	\$45,644.6	38.4%	1.9%
New Brunswick	\$2,549.0	29.3%	3.2%	\$35,836.7	30.2%	1.4%
Employment (000s)	104.9	100.0%	1.2%	1258.7	100.0%	1.2%
Men+	94.0	89.6%	1.2%	640.8	50.9%	1.2%
Women+	10.9	10.4%	1.2%	618.0	49.1%	1.2%
15-24 years old	13.6	13.0%	3.8%	163.8	13.0%	0.9%
25-54 years old	65.3	62.3%	0.5%	803.1	63.8%	1.0%
55 years and older	26.0	24.8%	2.1%	291.9	23.2%	2.0%
Worked full-time	98.8	94.2%	1.2%	1057.5	84.0%	1.3%
Worked part-time	6.1	5.8%	1.6%	201.2	16.0%	0.5%
Self-employed	18.4	17.6%	0.4%	119.1	9.5%	-1.1%
Employees	86.4	82.4%	1.4%	1139.7	90.5%	1.5%
Permanent job	69.9	66.7%	4.1%	967.1	76.8%	1.9%
Temporary job	16.5	15.7%	-5.2%	172.6	13.7%	-0.5%
Less than high school	11.6	11.1%	-2.2%	87.9	7.0%	-3.1%
High school graduate	28.4	27.1%	1.2%	286.9	22.8%	-0.3%
Postsecondary cert. or diploma	55.0	52.4%	1.5%	487.2	38.7%	1.1%
University degree	9.9	9.4%	5.4%	396.8	31.5%	4.1%
Newfoundland and Labrador	19.8	18.9%	-1.6%	245.0	19.5%	0.2%
Prince Edward Island	8.9	8.5%	4.5%	92.5	7.3%	2.3%
Nova Scotia	42.3	40.3%	2.0%	521.4	41.4%	1.6%
New Brunswick	33.8	32.3%	1.5%	400.0	31.8%	1.1%

Source: Statistics Canada, Labour Force Survey - Custom Table; Table 36-10-0402-01

*Average annual growth rate for last ten years of available data (GDP 2015-24 and Employment 2015-24)

