

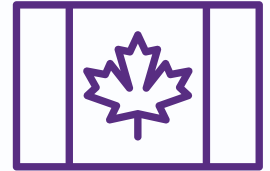


Canadian
Construction
Association

Canada's construction industry: A strong foundation for a stronger Canada

Construction is a significant contributor to Canada's economic health, yet public investment is dwindling while demand is increasing.

Canada's construction industry contributed **\$151 billion** to Canada's GDP in **2022**. That equates to **7.4%** of the national GDP. Over the same period, the industry also generated **\$92.7 billion** in wages and compensation.



**7.4% OF THE
NATIONAL GDP**

Despite this contribution, government investment in public infrastructure dropped to **2.7%** of GDP in **2022**. It peaked at **3.6%** in **2010**.

**GOVERNMENT
INVESTMENT
DOWN TO 2.7%**

Meanwhile, demand for industrial, commercial, institutional and civil (ICIC) construction is growing. The value of building permits increased by **10%** in **2022** or **25.5%** since **2019**.



**UP 25.5%
SINCE 2019**

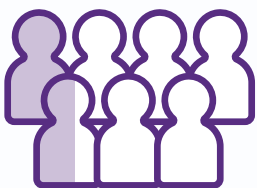


1.6 MILLION

The construction industry employs **1.6 million** people in Canada, but it is still not enough to satisfy growing demand.

To satisfy this demand, we are asking the government for comprehensive infrastructure investment.

The industry was already facing a significant labour shortage which nearly doubled due to the pandemic. In **2022**, vacancies were up **26%** from the previous year alone.



UP 26% VACANCIES

Add to that an aging labour force with **245,100** retirements expected in the industry by **2032**, and only **237,800** anticipated new entrants, and the expected shortage reaches **61,400** workers still needed.

To bridge this gap, we are asking the government to modernize the existing immigration policy and points system to secure the workforce Canada needs.

Building costs for non-residential construction increased annually by **10.7%** in **2022** and **25.5%** total over the last three years, creating uncertainty in the industry and risk for investments.



INCREASED 25.5% TOTAL

Businesses in construction reported that inflation (**59%**) and high interest rates (**43%**) were major obstacles for them. This means that contractors are under intense financial stress and shouldering increased risk on projects.



INFLATION



HIGH INTEREST RATES

To meet demand and build resiliently, we are asking the government to modernize procurement and ensure balanced risk-sharing.



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