

A collage of construction-related images. On the left, a worker in an orange hard hat and safety vest is seen from the side. In the center, a yellow excavator is working on a steel structure. On the right, another worker in a yellow safety vest and orange hard hat is climbing a wooden structure. The background shows various construction sites and structures.

2016–2025 Key Highlights

Alberta

Although media reports paint a dark picture as Alberta construction employment and new project investment declines in the shadow of lower oil prices, this only describes part of the changing market dynamics.

The sheer size and complex mix of labour requirements create isolated recruiting challenges in the down market. While many projects end, some major construction projects are continuing, and employment, in some key cases, has not yet peaked.

Over the last several years there has been a significant expansion of existing oil sands capacity that leaves a growing commitment to sustaining investment and maintenance. Requirements for this work continue to rise across the scenario period.

Overall, the oil price decline is driving employment lower across all construction sectors. The 2016 forecast scenario projects that total construction employment will fall until the cycle reaches a bottom in 2019 – when overall job losses are limited to 15 percent of the peak workforce in 2014.

A steady recovery from 2020 to 2025 restores lost jobs as overall employment rises by 1,700 from 2016 to 2025. But the current focus is managing complex labour market conditions across the down cycle. Impacts on the local construction workforce include the loss of thousands of interprovincial workers.

While the evidence is incomplete, it is certain that a large proportion of this group is leaving Alberta and returning to their province of residence. These shifts are not limited to resource-related jobs. Most construction labour markets in the province are impacted by an overall decline in economic activity affecting housing, government and business spending.

The BuildForce LMI system signals the outward movement of workers as well as rising local unemployment. Much of the employment decline occurs through the exit of interprovincial workers, leaving a relatively small increase in local unemployment. Across the 2016–2025 scenario, industry must also address an aging workforce with an estimated 36,000 workers expected to retire, or 18 percent of the current local workforce.