

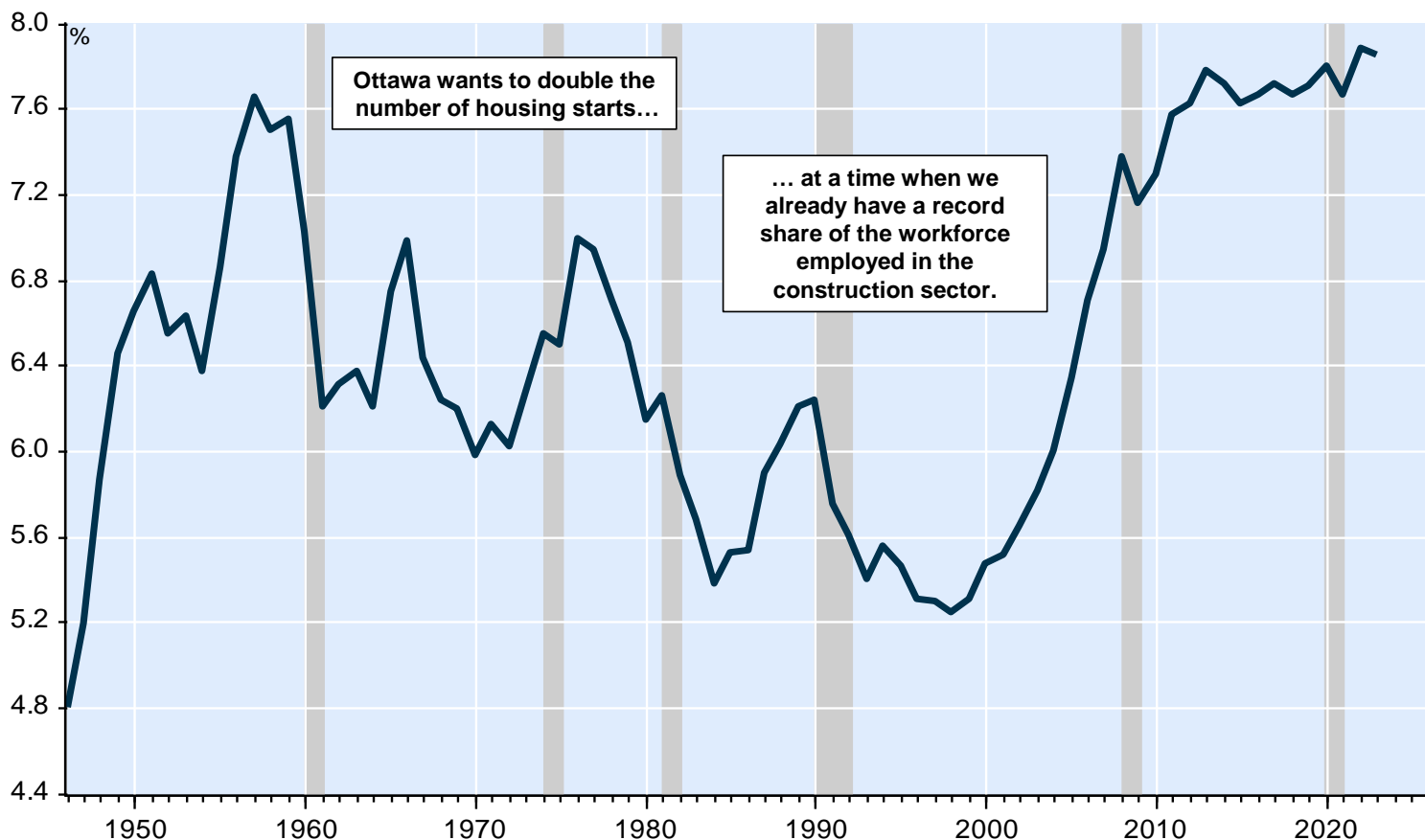
Canada Watch

By Stéfane Marion

On April 12, the federal government announced an ambitious plan to build 3.87 million new homes by 2031. That would mean an average annual cadence of 550,000 housing starts per year, about double the record high of 270,000 units in 2021. As Ottawa argues, "People build homes, and to build more homes, we need the right people with the right skills to get the job done". OK, but we're also going to need people to construct the other infrastructure that comes with almost 4 million housing units (roads, sewers, hospitals, schools, etc.) In the end, that means a lot more construction workers than we have now. That's going to be a VERY tall order, because as today's Hot Chart shows, we already have almost 8% of the workforce employed in construction, more than at any time since 1946. As an economist, our job is to maximize an outcome under a set of constraints. We're not sure Ottawa has properly assessed the labour constraints of building a record number of homes by 2031.

Canada: The daunting task of building nearly 4 million homes

Employment in the construction industry as a percentage of total employment



NBF Economics and Strategy (data via Statistics Canada table 14-10-0023-01, [D266-289](#), D290-317)

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