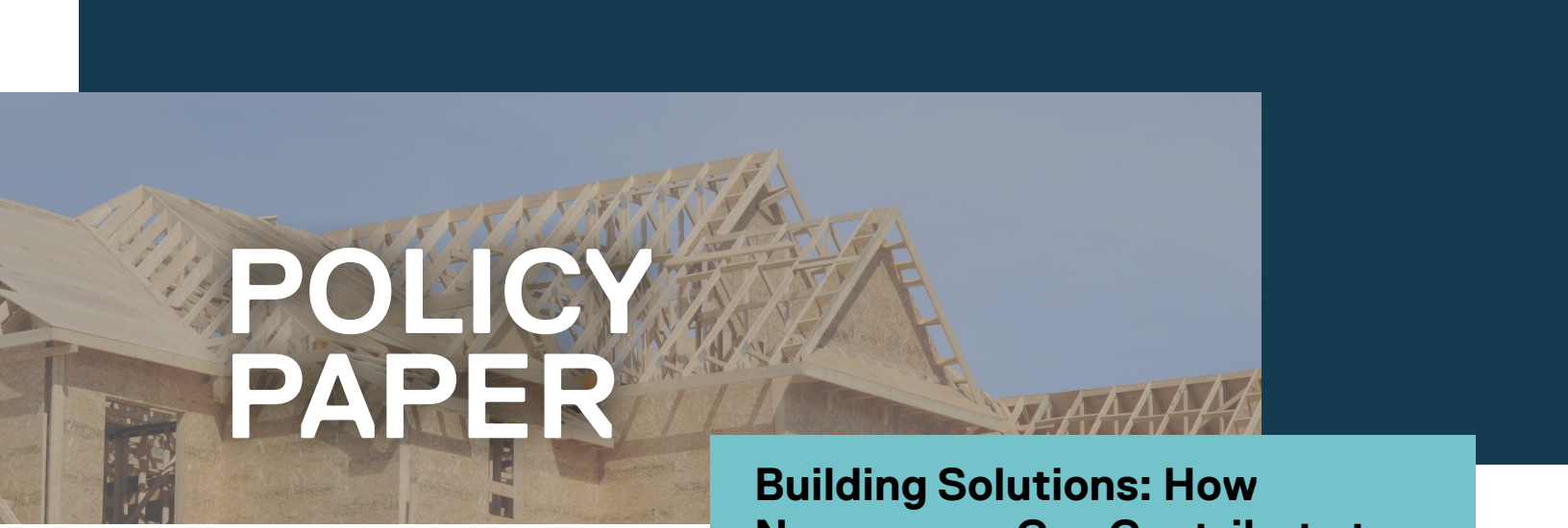




# POLICY PAPER

No. 24, February 2025  
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## Building Solutions: How Newcomers Can Contribute to Ontario's Construction Sector

### EXECUTIVE SUMMARY

Housing availability and affordability are significant issues in Ontario. Cyclical and structural labour shortages in the construction sector — both to build homes and create the infrastructure to support the development of more housing — are part of the problem. Despite efforts by industry and government to promote the skilled trades as a first-choice career path and to train apprentices for the construction sector, there remains a time-lag and gap between those retiring and new entrants.

Newcomers can help alleviate expected labour shortages and accelerate the building of new homes. As Canada's economic immigration programs are not designed for a sector that relies heavily on project-based work and workers with on-the-job training, the number of tradespeople recruited from abroad has been limited. The majority of newcomers working in Ontario's construction sector arrived under family, refugee, and humanitarian immigration streams. The opportunity now is to strategically increase the recruitment of newcomers already in Canada, including refugee claimants, people without status, post-graduate work permit holders, and recent permanent residents (e.g., resettled refugees, sponsored family members). Besides addressing the housing challenge, participation in the construction sector also helps newcomers by providing well-paying jobs and career progression pathways, facilitating their social and economic integration.

This policy paper describes Ontario's construction labour shortage and explains why current temporary and permanent economic immigration programs are inadequate for the sector. It outlines benefits and considerations for bringing diverse newcomers already in Canada into the construction trades, as well as the intergovernmental and stakeholder involvement and system-wide coordination that is necessary to make this happen.

Specific recommendations include:

**1. Aligning immigration programs, pilots, and credentialing processes to the needs of the construction sector and its workers:**

- a. Make temporary and permanent immigration programs more responsive to the needs of the construction sector
- b. Improve licensing processes to allow newcomers to contribute to the construction workforce more quickly
- c. Scale up and expand the out-of-status construction workers pilot program outside of the Greater Toronto Area and extend it to refugee claimants

**2. Promoting the construction trades to newcomers in Canada and effectively supporting their training and employment:**

- a. Strengthen outreach and promotion of the construction trades to newcomers, as a viable career option with opportunities for career progression
- b. Tackle information barriers by developing tools to help newcomers navigate career pathways in the construction trades
- c. Expand eligibility criteria and the scope of funding to allow refugee claimants and open work permit holders to fully benefit from federally and provincially funded training, employment, and loans programs, as well as wraparound supports
- d. Develop or expand construction trades training and bridging programs for newcomers
- e. Develop a centralized hiring platform or clearing house whereby employers and trades workers can be matched, and hold hiring events targeting newcomers



**3. Delivering employer-focused awareness-raising and incentives to hire newcomers:**

- a. Conduct an educational campaign to provide information to employers in the construction sector about the skills newcomers already have and the benefits of employing them
- b. Explore the benefits of federal wage subsidies or other incentives for construction employers who hire newcomers, including refugee claimants and post-graduate work permit holders

**4. Strengthening data and information for improved labour force planning and decision making in the sector:**

- a. Improve the timeliness and relevance of data and information for decision making

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## INTRODUCTION

Today, many Ontarians face challenges of housing availability and affordability. The supply of properties for sale and rent has not kept up with demand. Ontario needs a mix of affordable housing for both homeowners and renters, and construction of new homes is essential to accommodate population growth and the pre-existing housing gap. To add to the housing stock, the Ontario government announced its intention in November 2022 to get at least [1.5 million new homes built by 2031](#). As of October 31, 2024, [290,439](#) homes have been started — only 19% of the goal.

Recent [projections](#) suggest that new home builds will fall short of what is needed to meet the province's ambitious target. Housing projects have been largely [halted over the past few years](#) due to high interest rates, red tape, and growing building costs. [Labour shortages](#) in residential (e.g., single-family dwellings, apartment buildings, etc.) and core infrastructure construction (e.g., transit, roads, sewer and water projects, etc.) drove up wages in 2022, making matters worse. Ontario's skilled trades workforce is aging, and young people are not entering in the numbers needed to advance the building of new homes and the housing-supportive infrastructure that must proceed it. While admitting more tradespeople to Canada would help, Canada's current immigration system is not set up to select immigrants with experience in in-demand trade occupations and employ them in those occupations quickly. Additionally, newcomers in Canada may overlook the construction trades as a viable and rewarding career option or may not know how to access opportunities within the sector.

This policy paper discusses the labour shortage challenge in Ontario's construction sector and how newcomers can contribute. It offers recommendations for the federal, provincial, and municipal governments

that, if taken up, can leverage immigrants and migrants already in Canada to help solve the housing problem. Collaboration by governments with employer associations, employers, trade unions, settlement agencies, and immigrant employment service providers will be crucial for successful implementation.

## CURRENT AND FUTURE LABOUR SHORTAGES IN CONSTRUCTION

[BuildForce Canada](#) is an organization that assists the construction sector with its management of workforce requirements by providing reliable labour market information, tools and resources. Its Ontario Highlights 2024-2033 report states that Ontario had 465,500 construction workers in 2023, with nearly one fifth of them retiring within the next decade, while demand for workers is projected to rise by about 11%. To replace retirees and meet the hiring needs of a growing sector, an additional 141,200 trades workers will need to be recruited and trained by 2033. Industry and government promotional efforts, such as through the [Skilled Trades Awareness and Readiness](#) program and the [Ontario Youth Apprenticeship Program](#), are expected to draw 105,700 new entrants under 30 years of age from within the province into the construction labour force. Even if this bold forecast is met, BuildForce Canada anticipates a gap of about 35,500 workers that will need to be filled from outside the province's existing construction labour force.

The labour gap is not equally distributed across construction occupations. Based on the registration numbers of [journeypersons](#) and [apprentices](#), the pipeline of workers in select trades has been declining over the past decades. The [Conference Board of Canada](#) forecasts that [carpenters](#) and [construction trades helpers and labourers](#) will have the highest shortage in Ontario's residential construction sector in 2030 — 2,800 workers for the two occupations combined. [BuildForce Canada](#) identifies several other trades at risk of undersupplying the number of new journeypersons needed in Ontario by 2033, including roofers, floorcovering installers, welders, heavy equipment operators, boilermakers, bricklayers, and glaziers.

The issue of labour shortages in construction isn't only a concern for the future. Shortages of trades workers are happening now. [Contractors](#) are voicing concerns regarding the ability to recruit workers to build core infrastructure. Labour shortages in this subsector mean a smaller pool of companies that are able to confidently complete big projects. Less competition means higher bid prices for infrastructure projects, impacting municipal and provincial capital program budgets. The consequence: less basic infrastructure is being built than needed, which delays residential construction.

For some of the trades occupations facing shortages (e.g., carpenter, boilermaker, roofer), certification is voluntary in Ontario. Unlike the [compulsory trades](#) where only registered apprentices and licensed journeypersons can practice and contractors may require a [Red Seal](#) or [Certificate of Qualification](#) (C of Q) to work, [voluntary \(or non-compulsory\) trades](#) do not require apprenticeship or certification. This means that individuals can begin work with no previous experience and can learn on the job. For these trades, unions may recommend and encourage training through a union training centre, but it is not required.

Despite the efforts of BuildForce Canada and other stakeholders, granular, timely, and accessible data on construction labour supply and demand for specialized skills (e.g., hardwood floor installers) or specific locations where shortages exist are not available. This is due to:

- The absence of mandatory requirements for registration with Skilled Trades Ontario for voluntary trades.
- Imprecise counts of registered journeypersons because registration data reflect the number of certificates issued, not the actual number of workers.
- Imperfect matching of Skilled Trades Ontario's registration data with employment data collected by Statistics Canada and categorized by the [National Occupational Classification \(NOC\) system](#) and the newly defined [Training, Education, Experience, and Responsibilities \(TEER\) categories](#).
- Fragmented data on retirements and approaching retirements, which is primarily held by the different unions.

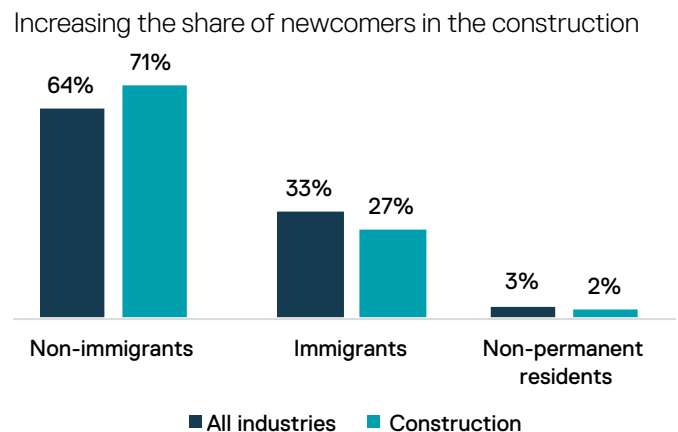
On the demand side, the industry cannot easily forecast infrastructure project work because information on when construction can begin is held mostly by the different orders of government. When there is demand, companies increase hiring and local training programs rush to supply workers, including apprentices. But limited data for effective planning means that demand and supply can be out of sync, resulting in trades workers without jobs and jobs without trades workers.

## BOOSTING THE CONSTRUCTION TALENT POOL WITH NEWCOMERS

Newcomers are among the largest untapped resource for the construction sector. Immigration accounted for [more than half](#) of the increase in Ontario's workforce between 2006 and 2023 and will continue to drive net growth over the long term. However, while immigrants comprise one-third of the province's workforce, they represent only about a quarter of Ontario's construction sector (see **Figure 1**) and Red Seal workforce ([26.2%](#)).

**Figure 1. Ontario's construction workforce by immigration status, 2021 Census**

Source: Calculation based on [Statistics Canada](#) data.



sector to at least match the overall average would go a long way in addressing the labour force gap. To accomplish this, Ontario needs to grow the number of economic immigrants in in-demand trades occupations selected from outside Canada and better enable entry into the construction trades for newcomers already



in Canada. Yet, the drastic reductions in Provincial Nominee Program (PNP) allocations, temporary foreign workers (TFWs), international students, and permanent residents announced as part of Canada's [Immigration Levels Plan for 2025-2027](#) will make it even more difficult to do so. And economic concerns, such as high housing costs, could mean that Canada is [unable to retain](#) the skilled immigrants it attracts.

## A. Barriers to recruiting construction workers from abroad

Canada's patchwork immigration programs are not designed to allow the construction sector to easily gain access to skilled trades workers. The main issues with current economic programs in [Canada's Express Entry System](#) are the emphasis on high human capital and their lack of recognition of the unique characteristics of the construction sector. Credential recognition barriers and employer bias against qualifications and experience obtained outside Canada are additional obstacles for trades workers from abroad.

### 1. High human capital focus in Canada's immigration system

Canada's economic immigration programs are designed to prioritize the selection of people with high human capital over people with skills the economy needs now. In Ontario, between 2016 and 2021, just [1%](#) of principal applicants under the economic immigration category were non-apprenticeship and apprenticeship trade certificate or diploma holders — compared to 40% with a master's degree or PhD.

To facilitate the entry of global talent with skilled trades backgrounds, Immigration, Refugees and Citizenship Canada (IRCC) has offered the [Federal Skilled Trades Program](#) (FSTP) since 2013. IRCC holds FSTP-specific draws from the Express Entry pool to help tradespeople qualify for permanent residence, as they would otherwise be at a competitive disadvantage due to their lower points for education and language. However, these FSTP draws have been infrequent at best, and the number of admissions has been small. From 2015 to 2024, FSTP brought in about [9,970](#) new permanent residents to Canada (about 18% destined for Ontario).

More recently, IRCC introduced [Category-Based Selection](#) (CBS), which allows the Minister to establish

categories of permanent residence candidates with skills in in-demand occupations. Skilled trades were among the categories established in 2023 with a target of [3-4% of invitations](#), and will remain a [priority category for 2025](#). The Ontario Immigrant Nominee Program (OINP) also has a Skilled Trades stream for permanent residence in Ontario for those with Ontario work experience in an identified skilled trade. At the time of writing this paper, Ontario had not yet announced how the significant cut in PNP allocations across the country will affect the OINP Skilled Trades stream.

To be eligible for CBS and the [OINP's Express Entry Skilled Trades stream](#), candidates must still meet baseline language and education requirements for Federal Express Entry, which are often difficult to meet for tradespeople. Existing economic immigration programs can help meet the need for construction managers and supervisors and other skilled workers in National Occupational Categories (NOC) that require higher levels of training, education, experience, and responsibilities ([TEER](#) categories 2 and 3). But trades workers with lower levels of formal education and lower skills in official languages in NOC TEERS 4 and 5 occupations (such as construction trades helpers and labourers) remain ineligible to apply under Express Entry rules and are seldom selected for permanent residence. These positions are, however, in high demand, critical to construction crews, and often a starting point for many wanting a career in Canada's construction sector.

### 2. Unique characteristics of the construction sector not recognized

Employer-driven immigration programs can involve temporary residence through the [Temporary Foreign Worker Program](#) (TFWP) or permanent residence through PNPs like the OINP. Criteria for both exclude many construction workers. Companies that seek to hire workers under the TFWP are required to guarantee them full-time employment for at least one year. TFWs are obligated to work only for the single employer that obtained the Labour Market Impact Assessment (LMIA) to employ them. The [OINP's Employer Job Offer Foreign Worker stream](#) is open to foreign workers in and outside of Canada with a job offer in a skilled occupation at TEER categories 0 to 3 of the NOC. The OINP also has an [Employer Job Offer In-Demand Skills stream](#) that includes TEER categories

4 and 5 of the NOC. For both OINP streams, the job offer must be permanent, full-time, and made by a single employer.

The requirement for long-term employment with a single employer is not matched to the reality of the construction sector. The sector leans heavily on subtrades and subcontractors, and the work is typically piecemeal. The employer-employee relationship is often short-term or transitory, and workers may have multiple employers over the course of a year. In 2024, about [30%](#) of construction jobs in Canada were staffed by unionized workers, and it is the unions that deploy members to work sites but they are not the employers of these workers.

Very small subcontractors with fewer than five employees made up about [61%](#) of Ontario's construction sector in 2023. The LMIA fee for each TFW position and the paperwork burden make it difficult for these employers to recruit workers from abroad. Besides this, it can take about [2 or 3 months](#) just to get an LMIA (as of January 2025) — during which time the needs of employers in an unpredictable construction sector can shift. Tellingly, based on the 2021 Census, just 2% of construction workers in Ontario are non-permanent residents (see Figure 1). Although the construction sector was exempted from recent cuts to the TFWP low-wage stream, some [stakeholders](#) are advocating for reforms to improve the sector's access to needed workers.

### 3. Inadequate credential recognition processes and employer bias

Barriers to credential recognition can delay or prevent economic immigrants from working in the occupations for which they were chosen. Construction managers, for example, may need professional engineering status or trades certification to work in Ontario.

A hands-on practical exam is not part of Skilled Trades Ontario's [Trade Equivalency Assessment](#) or [Certificate of Qualification](#) process. The assessment process requires that the applicant provide sufficient and verifiable evidence of competency in the trade's skills and length of experience in the trade at least equivalent to the required time for apprentices in Ontario. Once this assessment is made, the applicant needs to pass the written exam (just as those who complete apprenticeship training in the province). This exam is based on the trade activities outlined in the occupational standards for the trade (e.g., knowledge

of tasks and activities, safety procedures, trade-specific terminology, tools and equipment specific to the trade, etc.).

Without relevant Canadian work experience, however, employers may not see construction trade certification as enough. For both compulsory and voluntary trades occupations, employers prefer individuals who can demonstrate skills proficiency obtained through an apprenticeship or work experience in Ontario. Employers that hire internationally-trained tradespeople may prefer workers from countries with building codes similar to those in Canada. Besides technical skills, employers may make assumptions about the capacity of newcomers to build rapport with the company's existing crew.

In Ontario, the OINP gets around the issue of foreign qualification recognition by choosing those workers for permanent residence who have already worked in the province. This approach helps to ensure that labour gaps do not increase but it does not increase the overall supply of in-demand skilled trades workers.

## B. Recruiting newcomers already in Canada into the construction trades

Given the barriers to overseas recruitment of trades workers mentioned above, there is a real opportunity for the construction sector to expand recruitment efforts in a systematic way to newcomers already in the country. Refugee claimants, people without status, open work permit holders, and recent permanent residents in Canada can all contribute to the construction sector while also benefitting from the good wages and career opportunities it has to offer. Given that these workers are already in Ontario, they would not put any additional pressures on housing and infrastructure.

### 1. Refugee claimants

In 2024, [90,290](#) refugee claimants submitted a valid claim in Ontario (71% aged 15 to 44 years), up from 63,070 in 2023. The average wait time for new claims is about [44 months](#), but a large majority of refugee claims in Canada for which the Immigration and Refugee Board's Refugee Protection Division issued a decision are successful (about [4 in 5](#) in 2024). These outcomes merit an investment to expedite the labour market integration of refugee claimants.

In addition, the high volumes of refugee claimants are

stretching municipal and provincial shelter and income support systems. In Toronto, for example, refugee claimants accounted for [more than half](#) (6,312) of the population in its base shelter system and other programs as of March 25, 2024 (12,295), and their average shelter stay is beyond 60 days. Through the Interim Housing Assistance Program, as of February 26, 2024, the federal government has provided [\\$290 million](#) to Ontario municipalities to address pressures from increased volumes of refugee claimants. IRCC also provided short-term accommodation in hotels for claimants who do not have a place to shelter, including for [5,100](#) claimants in Ontario.

Getting refugee claimants work permits and into jobs can help them to move out of the shelter system, off income support programs and into housing faster. For refugee claimants who would consider skilled trades as a career option, the construction sector is lucrative, and some occupations have lower barriers to entry than others. For example, the starting wage for a carpenters' apprentice is about \$26.51 per hour and unionized journeypersons can earn up to \$57.69 per hour, plus benefits and pension (as of May 2024). Journeypersons can remain in their chosen field and make a good living, advance in their careers (e.g., becoming a foreman, supervisor, estimator, project manager, field engineer, contractor, etc.), or even start their own company.

Most refugee claimants can apply to IRCC for an open work permit that allows them to work for any employer in Canada. However, once granted a work permit, many face difficulties finding work [due to their uncertain legal status and other factors](#) that also affect non-refugee immigrants in Canada, such as language skills, lack of professional networks, credential devaluation, and discrimination.

The voluntary trades, where certificates are not needed and training can be done on the job, are a promising opportunity. Connecting refugee claimants to trades apprenticeship programs where they can earn a living while enrolled in training is another potential option. However, while refugee claimants are eligible to become apprentices in Ontario, there are several barriers to doing so:

- Navigating through apprenticeship (and trade equivalency assessment) can be complex and refugee claimants may not have the necessary support and guidance to understand the requirements and processes.

- There are considerable start-up costs for a trades apprenticeship. This includes the cost of courses, personal protective equipment (PPE), transportation, and union membership.
- Union training courses are the ideal pathway to becoming an apprentice and getting trades jobs. However, some union training programs cannot use their funds for refugee claimants due to funder restrictions on who is eligible.
- Membership in a union — which operates similarly to large temporary help agencies with inventories of people trained on a specific skill set — is helpful for accessing high quality employment opportunities, but the requirement of fees to join can be prohibitive.
- Lack of transportation can be a limitation because construction is a project-based form of employment where workers are dispatched to many different locations throughout the year.

Social enterprises such as Building Up have been successful in overcoming the above barriers at a small scale (see **Box 1**), but opening up opportunities in the construction trades for more refugee claimants requires a broader solution.

## Box 1. Building Up: A promising approach

[Building Up](#) is a social enterprise that has been operating in the Greater Toronto Area for about 10 years. With funding from several sources, including all three levels of government, it has trained upwards of 800 people with barriers to employment to get jobs in the construction sector. The organization offers a unique approach to training and workforce development. Where most businesses train and employ people to run a business, Building Up runs a business to train and employ people. Building Up has its own training centre that participants attend for eight weeks to start, while they are being paid. It also owns non-profit construction, renovations, and maintenance operations that get contracts in order to give people paid, on-the-job learning opportunities.

In partnership with [The Northpine Foundation](#), Building Up recently ran two refugee claimant cohorts. The demand for the program was significant. Without any marketing, within two



weeks of opening up a portal on the Building Up website for the first cohort, 400 applications were received for 16 spots. In addition to training on a trade, Building Up has paid for these refugee claimants' driving lessons and provided wraparound services such as financial coaching and mental health supports. Every participant was given a case manager to help address housing, immigration, and other needs. These services were offered in-house, but there is potential for Building Up to expand services by linking to agencies supporting the newcomer population, such as those that are a part of the [Ontario Coalition of Service Providers for Refugee Claimants](#).

Being able to take part in training with a cohort of other refugee claimants has helped to build community among the participants. The members of these cohorts have been impressive in terms of their level of engagement in the program, despite the challenges of living in shelters and having to travel two hours by bus to the training centre.

The unions provide the best way into trades apprenticeships and jobs. But since government funding for union training programs can exclude refugee claimants, Building Up seeks non-governmental revenue sources to cover costs. It also looks for opportunities for participants to apprentice with small companies. All 16 refugee claimants in the first cohort have now obtained jobs in the industry. As of November 2024, six members of the second cohort of 16 have also found jobs, while the other 10 remain on Building Up's jobsites and are well positioned to do the same. Scaling up this initiative and permitting federal and provincial funding for this target group would really benefit these dedicated workers, employers, unions, and taxpayers.

## 2. People without status

The number of people without status in Canada is not known. Based on estimates from academic sources, the federal government has reported that the figure ranges between [20,000 and 500,000](#) individuals. Most people who are out-of-status have come to Canada with valid temporary residence status but have fallen out of status for various reasons.

Construction is among the seasonal and informal sectors in which people who are undocumented work. While these workers fill labour shortages, they often have limited access to social programs and lack awareness of their rights, which puts them at risk of employer exploitation and abuse.

Recognizing the economic contributions and vulnerabilities of out-of-status construction workers in the Greater Toronto Area, the federal government developed a temporary public policy to regularize their status in Canada. The pilot program first began implementation on January 2, 2020, in partnership with the Canadian Labour Congress, to offer permanent residence to 500 eligible construction workers. Initial [uptake was low](#) due in part to the language proficiency requirement, which was later eased. Lack of trust in authorities and fear that coming forward could lead to the detention and deportation of themselves and their families was likely also a key factor in the slow participation in the program early on.

On January 20, 2023, the Government of Canada expanded the number of applications it would accept under the out-of-status construction workers pilot program to 1,000 (plus their accompanying family members) and extended the deadline to December 31, 2024 (or when the cap was reached). Up-to-date application numbers are not publicly available but, as of January 1, 2025, the program was [closed and no longer accepting applications](#).

The pilot program was more accessible for construction workers than other economic immigration programs. Besides not requiring a high level of proficiency in English or French, the program did not require a full-time, permanent position to be eligible. Instead, it allowed applicants to prove consistent work in construction by providing different types of documents. For a stable construction workforce, this program could be made permanent, extended to other regions and to refugee claimants.

3. Open post-graduation work permit holders

In the first six months of 2024, [105,030](#) post-graduation work permits (PGWPs) — open permits allowing holders to work for any employer — were approved for graduates of college and university programs, 64% of which were for college graduates. However, graduates who studied in the trades made up just 1% of the work permit recipients. On October 4, 2024, new restrictions were announced by the federal government to bring [access to PGWPs](#) in line with long-term labour market needs. To qualify for work permits in Canada upon graduation, international students who submitted their study permit applications on or after November 1, 2024 must be enrolled in an eligible academic program under the [six broad categories in long-term shortage](#). Trades are among the identified categories, and spousal work permits will be sustained for high-demand areas like construction. This is good news for the construction sector and for international students enrolled in these programs.

However, despite the trend towards “[two-step](#)” immigration, whereby migrants first enter the country with temporary status and subsequently apply for permanent residence if eligible to do so, temporary residents are still ineligible for settlement services funded by the federal immigration department and provincial labour market programs that are

funded through transfer payment agreements with Employment and Social Development Canada (ESDC). Temporary residents legally eligible to work in Canada can access only limited Employment Ontario programming, such as job search and resume writing supports. This disconnect between sourcing immigrants from the pool of temporary residents while at the same time restricting their access to settlement and employment services, needs to be addressed. It is a matter of [fairness](#) and common sense; temporary residents with better access to the supports necessary to secure job opportunities in the trades would be better set up to qualify for permanent residence and succeed.

4. Recent permanent residents in Canada

Among immigrants in the construction sector in 2021, most were granted permanent residence through family connections and refugee or humanitarian streams, rather than as principal applicants under economic immigration categories (see **Table 1**). These individuals often do not come to Canada with job offers in hand and must navigate their careers on their own. They may have challenges getting into the trades due to difficulty obtaining recognition of foreign credentials, language barriers, lack of professional networks, and the absence of Canadian experience. But there isn’t currently an adequate system of supports for them.

Table 1. Immigrants in Ontario’s construction sector by admission category, 2021 Census (number of immigrants)

| Admission category                    | Total Construction | Residential Building Construction |
|---------------------------------------|--------------------|-----------------------------------|
| Economic immigrants                   | 45,000             | 12,950                            |
| Principal applicants                  | 22,730             | 6,375                             |
| Secondary applicants                  | 22,270             | 6,570                             |
| Immigrants sponsored by family        | 40,405             | 12,585                            |
| Refugees                              | 25,350             | 7,815                             |
| Other immigrants                      | 2,975              | 1,030                             |
| Not applicable (admitted before 1980) | 16,305             | 4,390                             |

Source: [Statistics Canada](#)

Immigrants lack accessible information about certification or employment in construction on arrival in Canada. They may be uncertain about which trade occupations need licensing and/or how to obtain it where needed. While there are non-profit organizations, trade schools, and union training centres in Ontario that can help immigrant clients understand licensing requirements, recent immigrants may be unaware of their programs and services available. Bridge training is among the potentially useful programs that can help new immigrants find work in their fields, but few [provincially-funded bridging programs](#) in Ontario for the 2021-2023 cycle were specifically for the construction trades. However, skilled trades have been identified as a priority sector in the [2024 Ontario Bridge Training Program call for proposals](#) (CFP). Additionally, IRCC's CFP 2024 process, which prioritized sector-specific programming, including skilled trades, has been finalized and agreement negotiations are underway. Details on the results of these funding applications are not yet known.

Although the apprenticeship system can facilitate immigrants' access to employment in the construction trades over the long run, finding an employer can be a challenge for immigrants who may arrive in Canada with years of work experience in trade occupations. Some employers may be unwilling to take these newcomers on as apprentices due to their age, lack of fluency in an official language, and lack of Canadian training. Employers may also look for tradespeople who come from similar cultural backgrounds as their existing employees. Union membership can help workers get connected with employers, but they may not be immediately accommodating to immigrants without work experience in Canada because referrals are often made according to seniority. Voluntary associations, like those in the [Professional Immigrant Networks \(PINs\)](#) directory, can also help with employer connections, however, there are currently few for the construction trades.

Immigrants who come to Canada without prior experience in the construction trades may not be aware of it as an option for rewarding careers. They may hold onto outdated perceptions about trades occupations and equate career success for themselves and their children only with jobs requiring university education. Information barriers and stigma need to be tackled to encourage more immigrants to enter the trades.

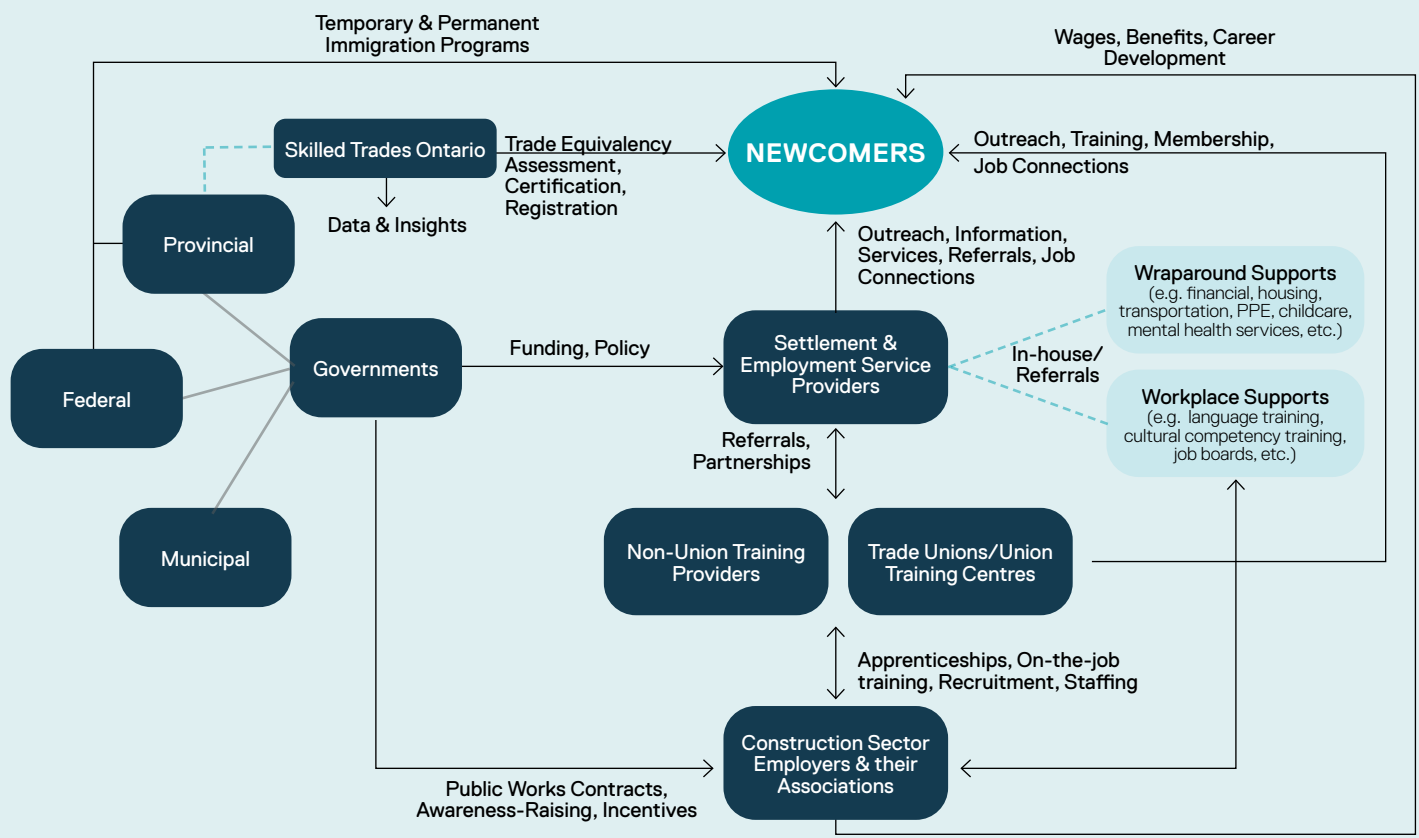


**Recent immigrants lack accessible information about certification and employment in construction. They may be uncertain about which trades need licensing and/or how to obtain it. They may be unaware of programs and services available to them, or how to find an employer**

## GOING FORWARD: RECOMMENDATIONS FOR A SYSTEMIC APPROACH TO INCREASE THE PARTICIPATION OF NEWCOMERS IN THE CONSTRUCTION SECTOR

To maximize the potential of newcomers to contribute to the construction workforce, intergovernmental and multi-stakeholder involvement and coordination is necessary. **Box 2** illustrates what a systemic solution for supporting more newcomers to enter the construction sector could look like. All levels of government, employers, employer associations, unions, settlement agencies, and immigrant employment service providers have a part to play in the implementation of the following recommendations.

**Box 2. A systems solution for supporting newcomers to enter the construction sector**



## RECOMMENDATIONS

### 1. Align immigration programs, pilots and credentialing processes to the needs of the construction sector and its workers

#### a. Make temporary and permanent immigration programs more responsive to the needs of the construction sector

The federal Category Based Selection Express Entry program and the Ontario Immigrant Nominee Program (OINP) should prioritize specific NOC TEER 4 and 5 occupations for the construction trades where there is an identified economic need and lack of labour supply. Language requirements under these programs and the Federal Skilled Trades Program should be reduced to align with the reality of the sector, which has [successfully integrated](#) newcomers with limited official language skills. Additionally, the federal and provincial governments could work with employers (both union and non-union) to develop more reliable temporary and permanent programs for construction workers. Unions would also need to be involved in any program for the construction trades given the transitory nature of the employer-employee relationship. While entry as permanent residents is preferable, open or sector-wide work permits for temporary entrants would allow construction employers to benefit from the pool of temporary foreign workers (TFWs) and employees to move easily between employers as jobs become available. TFWs who can demonstrate that they have had continued employment in construction should be provided streamlined and predictable pathways to permanent residence. Particularly at a time of decreasing (im)migration levels and cuts in Provincial Nominee Program allocations, there are opportunities for the federal and Ontario governments to better coordinate selection efforts, with the OINP maximizing its annual allocations to respond to the need for tradespeople. The province can consider ways to achieve this as part of the comprehensive review of the OINP skilled trades stream, which the Ministry of Labour, Immigration, Training and Skills Development committed to do in response to the [Ontario Office of the Auditor General's December 2024 report](#) on the OINP.

#### b. Improve licensing processes to allow newcomers to contribute to the construction workforce more quickly

Where newcomers are from countries with training programs similar to those in Ontario, requirements for requalification imposed by Skilled Trades Ontario, the Red Seal program, and union training centres should be reduced. Standardized competency-based assessment and other tools to assist with the transition to the labour market should be developed jointly by the province, regulators, unions, and employers. This would build on investments already being made by Employment and Social Development Canada's (ESDC) [Foreign Credential Recognition Program \(FCRP\)](#) which the 2024 federal budget topped up by \$50 million over two years starting in 2024-25, with at least half going towards residential construction. In November 2024, it was announced that the [United Brotherhood of Carpenters and Joiners of America \(UBCJA\) Canadian District](#) will receive more than \$9 million from FCRP to prepare about 1,500 internationally-trained skilled workers to complete their Red Seal certifications in select trades (e.g., carpentry, welding, industrial mechanics) — including developing specialized assessment tools to evaluate work experience.

#### c. Scale up and expand the out-of-status construction workers pilot program outside of the Greater Toronto Area (GTA) and extend it to refugee claimants

Labour shortages in Ontario go beyond the GTA. Moreover, the federal government's GTA pilot excluded people with a refugee claim. Following the example of Immigration, Refugees and Citizenship Canada's Guardian Angels temporary public policy to provide a permanent residence pathway for pending and failed refugee claimants who worked in the health care sector and provided direct patient care during the COVID-19 pandemic, an extended and expanded pilot program to regularize out-of-status construction workers could allow people with a previous refugee claim to apply.



## 2. Promote the construction trades to newcomers in Canada and effectively support their training and employment

### a. Strengthen outreach and promotion of the construction trades to newcomers, as a viable career option with opportunities for career progression

While existing government and industry initiatives mention newcomers (e.g., [Skilled Trades Awareness and Readiness](#) program), they do not explicitly target refugee claimants, open work permit holders (including international student graduates with PGWPs), and recent permanent residents.

### b. Tackle information barriers by developing tools to help newcomers navigate career pathways in the construction trades

A clear, accessible navigation tool about beginning the process into the construction trades in Ontario, trade certification processes, career opportunities, available wraparound supports, and all the various players and how to connect with them could be useful as the average Canadian, newcomer or otherwise, may not know where to start their journey into the trades. The limited familiarity of settlement workers with entry points into the construction trades can further compound the accessibility problem for newcomers. Settlement service providers and employment agencies could work with the [Ontario Council of Agencies Serving Immigrants](#) (OCASI), the [Toronto Region Immigrant Employment Council](#) (TRIEC) and [other Immigrant Employment Councils](#), [Global Experience Ontario](#), [BuildForce Canada](#), unions, and other stakeholders to curate and provide resources and information to newcomers in multiple languages and culturally appropriate ways. Resources could include updated and digitized career maps for in-demand trades occupations. While ESDC's planned webpage updates to improve foreign credential recognition information will cover all regulated occupations, it could especially highlight priority sectors like construction.

### c. Expand eligibility criteria and the scope of funding to allow refugee claimants and open work permit holders to fully benefit from federally and provincially funded training, employment, and loans programs, as well as wraparound supports

This would allow organizations like Building Up to more easily place these trainees into union training courses and good quality jobs. It would also enable settlement and immigrant employment service providers and microlending organizations (e.g., [Windmill Microlending](#)) to use contributions, grants, or loans to cover the start-up costs (e.g., personal protective equipment, transportation, etc.) for refugee claimants to enter the trades.

### d. Develop or expand construction trades training and bridging programs for newcomers

Bridge training programs, primarily delivered by colleges and employment service providers, can support newcomer tradespeople who have been trained in other countries but require additional training to meet certification requirements in Canada. Occupation-specific language training is a particularly important component for risk management and safety. Consideration can be given by service providers to work-site learning (or a mix of work-site and online or classroom learning) and other innovative delivery models for language training for newcomer tradespeople in the construction sector. Well-designed bridging programs would also help newcomers find employers to supervise their apprenticeships and/or provide paid work placement opportunities. Aside from bridging programs, Ontario's [Skills Development Fund \(SDF\) Training Stream](#) has provided funding to organizations like the [Grand Valley Construction Association](#) to deliver free job-ready training for careers in construction and paid job placements with local employers, and to the [UBCJA Carpenters' Regional Council](#) to expand its Workforce Development Program. Refugee claimants are eligible clients of SDF-funded projects. It will, however, be crucial to assess how effectively they access and benefit from these provincial investments, especially in the absence of targeted initiatives.

## **e. Develop a centralized hiring platform or clearing house whereby employers and trades workers can be matched, and hold hiring events targeting newcomers**

Construction has historically relied on personal networks to find work and workers (i.e., knowing somebody who knows somebody to get into a company). There is a need for a well-recognized, centralized hiring platform for the construction trades. To enable its development, training providers, employers, employer associations, and unions would all need to be involved, perhaps under the auspices of [Magnet](#), a centre of innovation focused on the future of work housed at Toronto Metropolitan University. In addition to this, community agencies and construction trades employers and unions could partner to hold hiring events for newcomers, similar to the refugee hiring events led by [Jumpstart Refugee Talent](#) and its collaborators.

## **3. Deliver employer-focused awareness-raising and incentives to hire newcomers**

### **a. Conduct an educational campaign to provide information to employers in the construction sector about the skills newcomers already have and the benefits of employing them**

The campaign could be led by existing [community benefits networks](#) in Ontario, which involve trade unions, training centres, settlement service providers, employment agencies, employers, and other members, and are supported by different levels of government and foundations.

### **b. Explore the benefits of federal wage subsidies or other incentives for construction employers who hire newcomers, including refugee claimants and post-graduate work permit holders**

BuildForce Canada's [Construction Career Pathways](#) program, funded by ESDC's [Sectoral Workforce Solutions Program](#), was designed to help job seekers of all backgrounds gain construction experience (and employers meet their labour force needs) by offering a federal subsidy for each worker completing a short-term placement. Federally-funded programs have also

been created to provide employers in sectors such as Information and Communications Technology ([ICT](#)), [electricity](#) and [environmental](#) with a wage subsidy specifically for hiring newcomers. Similar programs could be created for employers in the construction sector to hire newcomers as apprentices or labourers. Additionally, ESDC's [Skilled Newcomer Training Incentive Bond Pilot project](#), delivered by [Achēv](#) in Ontario, could be expanded. It offers employers a bond that partially reimburses the salary if an eligible new hire, including those in trades occupations, doesn't work out during the probationary period. While employers are not obligated to take members of any particular target group, government incentives and requirements by developers or project owners, including municipalities and the province, can help persuade them to do so.

## **4. Strengthen data and information for improved labour force planning and decision making in the sector**

### **a. Improve the timeliness and relevance of data and information for decision making**

This can be achieved by having Skilled Trades Ontario act as the aggregating body to bring together the disparate data on the construction sector that are available. Calculations of labour supply shortages need to provide details on the kinds of specialized skills in demand and where, not just the number of trades workers needed. Long-term planning must take into consideration the volume, type and location of projects, and the skills needed to enable them. While BuildForce Canada's annual forecasting reports provide useful labour market information for the construction sector, greater specificity is needed.

## **CONCLUSION**

Newcomers of all categories from abroad and already in Canada represent a significant opportunity to help mitigate the current and looming labour shortages in construction, leading to economic and social benefits for them and all Ontarians. Seizing this opportunity requires the combined efforts of governments, employer associations, employers, trade unions and service providers.

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