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# ARE WE READY TO BUILD CANADA?

A Behavioural  
Analysis of  
Canada's Construction  
Talent Pipeline and  
Skills Training Policy

BY NATHANIEL BARR, MICHAEL J. MCNAMARA & JAMES K. STEWART

AN INDEPENDENT REPORT PREPARED FOR

# RESCON



RESIDENTIAL CONSTRUCTION COUNCIL OF ONTARIO





## **RICHARD LYALL**

**President  
RESCON**

RESCON is pleased to release **Are We Ready to Build Canada?** A Behavioural Analysis of Canada's Construction Talent Pipeline and Skills Training Policy, by Nathaniel Barr, Michael McNamara and James K. Stewart.

In publishing this independent report, RESCON's strong view is that a behavioural approach can help achieve much better training outcomes for the skilled construction trades.

**Are We Ready to Build Canada's** approach follows on the success of the [previous behavioural report](#) of RESCON in 2019 in proposing behaviourally-informed policy and program changes to boost recruitment to the skilled construction trades.

A behavioural framework and insights of behavioural science can address problems throughout the skills training journey and related issues in recruitment and retention in residential and non-residential construction.

As the chart on the next page highlights, the severity of these problems should not be underestimated.

Apprenticeship completions have been stuck since 2013 at roughly 20% of registrations, with excess demand for these skilled workers abundantly clear.

The resulting economic damage includes multi-billion dollar losses in Gross Domestic Product, worker incomes and tax revenues.

For too long, skills training policy has focused on purely economic levers – more information, subsidies and tax incentives – rather than addressing the behavioural factors shaping training outcomes – what people pay attention to, understand and whether their intentions translate into actions.

Examining the skills training journey through a behavioural lens helps identify the barriers in recruitment,

the issues creating training challenges, and whether retention occurs.

While there are selected areas where more government support would be beneficial (e.g., more funding for apprenticeships), the far greater challenges are in the design and implementation of training policy and programs.

The behavioural recommendations in **Are We Ready to Build Canada** will help rectify design and implementation weaknesses and reinforce existing strengths in training for skilled construction trades in Ontario and Canada.

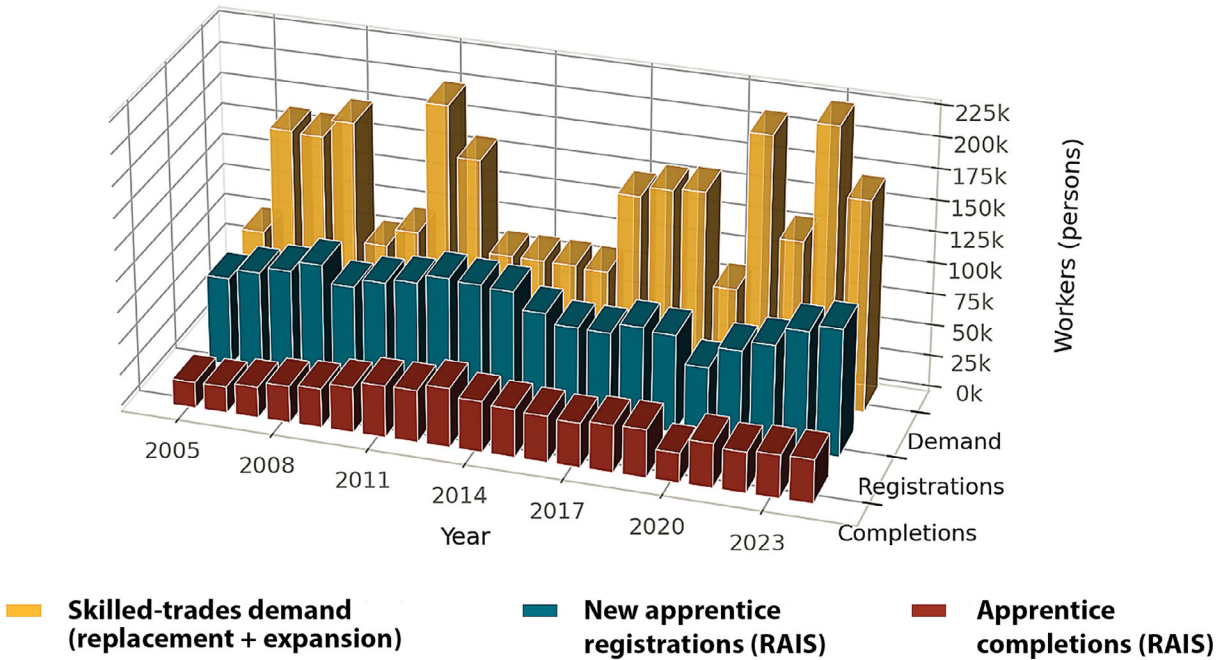
RESCON firmly believes that tangible and measurable efforts need to follow effectively and quickly from this report.

At a minimum, they must include the following steps.

1. **Better metrics** on completions and systemic costs are needed to measure success.
2. **Measuring the right things** such as completions rather than registrations is crucial.
3. The **focus must be on who these programs serve** -- trainees and employers -- and how they feel about it.
4. The response to evident systemic deficiencies must be urgent and nimble to **address the "low-hanging fruit" of simple changes** that can be made quickly.
5. Emphasize **better design and implementation** -- policies and program reforms are only as good as how well they reflect human behaviour and are implemented.

## Demand outruns intake, intake outruns completion

Canada - skilled-trades demand vs apprentice registrations vs completions, 2005-2024



Sources: Statistics Canada RAIS (Tables 37-10-0219-01, 37-10-0220-01); demand modelled from StatCan LFS Table 14-10-0416 (NOC 72-75 employment) using ESDC COPS methodology: 3% annual replacement + positive YOY expansion.

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# TABLE OF CONTENTS

<b>6</b>	<b>INTRODUCTION</b>
<b>8</b>	<b>THE SKILLS GAP, DISRUPTIONS, SHOCKS &amp; BOOSTS TO LABOUR DEMAND</b>
	Weaknesses in Canada's Supply of Skilled Workers and the Economy
	Disruption, Shocks and Tailwinds Reshaping Canada's Labour Demand
	Technology's Transformational Impacts
<b>9</b>	Trump 2.0 Administration Disruption and Shocks
	Sweeping Reset of Federal Economic Policy Boosting Labour Demand
	Canada's Fundamental Pivot
<b>10</b>	Construction's Role in Canada's Policy Reset, AI Impacts and Improving Productivity
<b>11</b>	Ontario's Construction Sector
<b>13</b>	<b>THE HUMAN SIDE OF THE PIPELINE</b>
	What is a Behavioural Lens and Why is it Needed?
<b>14</b>	How Behavioural Barriers Shape Skills Training
	The Fear of Getting it Wrong
	The Pull of the Immediate
<b>15</b>	A System Too Complex to Navigate
	What the World Around You Says is Normal
	Running on Empty
<b>16</b>	The Journey of a Skills Career: From Choosing a Path to Retirement
	Before the Decision: The World Before Grade Nine
<b>17</b>	Choosing a Path: Navigation, Gatekeepers and the Guidance Gap
	Starting Out: The Expectation-Reality Gap and Early Exit
<b>18</b>	Through Apprenticeship: Colleges, Unions and Employers as Educators
	Staying and Advancing: Inclusion, Belonging, and the Mid-Career Challenge
<b>19</b>	The End of the Career: Knowledge Loss and the Retirement Wave
<b>20</b>	<b>A TRAINING POLICY BLUEPRINT THAT WORKS WITH PEOPLE</b>
	Rethinking the System
<b>22</b>	Embedding Behavioural Insight into Design and Delivery
<b>23</b>	Committing to Testing What Actually Works
	The Work Ahead
<b>25</b>	<b>ENDNOTES</b>

# INTRODUCTION

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Canada is at a skills training inflection point. Improved training outcomes and a more skilled workforce are essential to the success of Canada's sweeping policy reset, one shaped by the shock of tariffs and other adverse US economic policies, the structural disruption of artificial intelligence, and longstanding weaknesses in productivity.

Despite billions of dollars in public investment, uptake of training programs remains too low in many areas, but oversubscribed in others.

Notably, Canadian employers spend far less than the OECD average on skills development. But the deeper problem is a widening gap: the economy's demand for skills is evolving rapidly while training systems, and the rates at which people enter and complete them, are failing to keep pace. These pressures exist at every level.

Across the economy, workforce skills shortfalls are a drag on growth. In the construction sector specifically, labour shortages in the skilled trades are structural, not cyclical. They will not resolve on their own when the economy improves, and will be major constraints on growth when it does. Nor do these pressures affect only those entering the workforce for the first time.

AI-driven displacement and the sectoral disruption caused by US policies are pushing mid-career workers to reconsider their paths. For many, the skilled trades represent a viable and attractive destination, but only if the system is better designed to receive them, and to provide a better and more enduring career.

Canadian training policy has long operated on traditional economic assumptions: provide better information, lower costs, and increase access, and people will participate. Subsidies, tax credits, and awareness campaigns have been the dominant tools. Yet, the problems are persistent: too few people enter most training programs, and too few of those who do complete them. The issue is not the supply of training opportunities but the inadequate engagement, uptake, and completion of most of those that exist.

This paper examines the construction sector's challenges in skilled trades training, with a focus on the construction industry in Ontario.

The construction sector's contribution is crucial to the success of Canada's federal policy reset, housing supply, and the growth of numerous industries. Addressing its training issues, ranging from attracting new entrants to the skilled construction trades through to sustaining careers in these occupations, is a core policy need at the federal and provincial levels.

The capability to build Canada — to power its economy, strengthen its infrastructure and house its people — runs

directly through the construction sector's ability to find, train, and retain skilled workers.

Success will require looking beyond traditional approaches with economic levers. The training challenges for the construction skilled trades are behavioural as well as economic, shaped by the uncertainty, time pressures, self-doubt, and inertia that many people face, and by the system's misaligned incentives and lack of support at key junctures in the skills journey.

Canada needs to overhaul its system from one that merely provides opportunities to one that actively facilitates meaningful usage and completion. Better outcomes are vital to reduce apprenticeship dropouts, increase in-demand training among under-represented groups, and align workforce development with economic demand and opportunities.

The missing ingredient is an understanding of why people behave as they do. Behavioural science studies exactly this: the cognitive constraints, social pressures, and structural frictions that shape human decisions independently of what is rational or available.<sup>1</sup> RESCON's 2019 Report on using behavioural economics to improve recruitment to skilled construction trades.<sup>2</sup> showed the value of a behavioural lens. It examined why noticing, understanding, and effectively acting upon career choices is difficult for young people, with various recommendations to help address these issues.

The 2019 Report's key proposals included earlier, more sustained exposure to skilled construction work, especially with extensive interactions in person.<sup>3</sup> It recommended better information architecture<sup>4</sup> so that the way information is displayed improves young people's comprehension of and focus on the skilled trades in making career choices. It proposed improved choice architecture,<sup>5</sup> particularly online, so that career options are presented more effectively to support better decision-making about skilled trades paths.

This paper builds upon the 2019 Report in broadening and deepening its scope by applying a behavioural lens to the full training journey for skilled construction work.

We explore whether programs are designed around how people actually think, decide, and follow through.

Our paper identifies barriers like status quo bias, cognitive overload, and present bias, and look at whether systems work with human nature rather than assume it away. And while human nature has not changed since 2019, the economic landscape has changed significantly.

This report contextualizes how policy and programs need to reflect the human challenges in improving training outcomes this decade and beyond.

Our report is organized in three parts. Section I situates the challenge with an overview of the persistent skills gap, then traces how AI disruption, US economic policy shocks, and Canada’s policy reset are reshaping labour demand, before offering a closer look at Ontario’s construction sector and the complexity of its training challenges.

Section II maps the behavioural barriers that shape the training journey. It looks at every stage of a trades career, from the social signals that reach young people before Grade 9 through to the knowledge-transfer challenge of the retirement wave. Section III sets out a blueprint for redesigning the system around the human side of the

pipeline, building new solutions and the discipline to test what works, and making the most of the current policy opportunity.

This paper’s analysis draws on three sources: economic and policy research; behavioural science studies and applied testing;<sup>6</sup> and a series of interviews with key stakeholders across relevant industry and educational sectors. Our goal is much more than incremental enhancements. We hope to help catalyse systemic improvement and to establish a better way to view Canada’s training challenges in the skilled construction trades.

# I. The Skills Gap, Disruptions, Shocks and Boosts to Labour Demand



Canada's workforce skills gap is a significant drag on economic growth and living standards. Three fundamental pressures are driving Canada's policy and training challenges: a longstanding productivity shortfall, structural disruption from technological change, and the severe shocks delivered by the shift in US economic policy since early 2025.

The construction sector sits at the centre of Canada's response to all three. Addressing the weaknesses in training outcomes for the skilled construction trades is vital to the success of Canada's far-reaching policy reset and its economic future.

## I.1. Weaknesses in Canada's Supply of Skilled Workers and the Economy

Canada is facing a persistent and widening gap between the skills its workforce possesses and those its economy demands. In the early 2020s, more than half of Canadian employers reported their workers were not fully proficient in key technical, practical, and job-specific skills.<sup>7</sup> In the mid 2020s, shortages remain acute in newer fields such as cybersecurity, AI, and data science,<sup>8</sup> and established work areas including engineering, nursing, education, and the skilled trades.<sup>9</sup> Firms continue to stress their difficulty in finding workers with the necessary skills and experience.<sup>10</sup> These shortages are projected to worsen. An ongoing inadequate supply of workers in engineering, healthcare, and the skilled trades is driven by continuing mismatches between labour demand and workforce composition.<sup>11</sup>

Looking at construction specifically underscores this serious problem. Deloitte's modelling of the excess demand for skilled construction trades estimated that Canada would need an additional 410,000-to-520,000 workers by 2030.<sup>12</sup> The federal government in 2026 projected excess demand of over 1.4 million skilled trades workers versus their supply by 2033.<sup>13</sup>

This imbalance has direct repercussions for GDP and productivity. Skill shortages are estimated to have caused GDP to be \$2.6 billion lower in 2024 alone.<sup>14</sup> They are estimated to have caused 7 percent of the large and growing Canada-U.S. labour productivity issues since 2014.<sup>15</sup> Given the longstanding poor productivity performance of Canada, especially from 2014 onwards,<sup>16</sup> shortages of skilled workers overall contributed to weaker wage growth, lower living standards, and less fiscal capacity. These deficiencies urgently need to be addressed as the latest data available (mid 2026) show continuing productivity weakness in 2025 through at least early 2026.<sup>17</sup>

## I.2. Disruption, Shocks and Tailwinds Reshaping Canada's Labour Demand

### Technology's Transformational Impacts

Generative and agentic AI are reshaping work across many occupations by changing: the skills needed; which tasks are done by people and which by machines; and the pace of innovation. Slower economic growth and economic uncertainty, especially in 2025 and 2026, have also been

interacting with AI advances in causing firms to adjust their hiring and increase technology outlays. In the mid 2020s, a growing number of firms have pulled back on entry-level hiring, investing instead in AI platforms to handle tasks that would previously have gone to new recruits.<sup>18</sup> Young adults have felt this shift most directly, both through fewer entry-level positions and through the broader reduction in corporate hiring budgets resulting from this large-scale AI investment.

Mentions of AI in job postings nearly doubled in 2025 to 6%, and almost three in ten employed Canadians were using AI tools at work.<sup>19</sup> Yet, a large-scale and broad-based multi-year survey showed that 68% of those using AI learned about its applications without any formal training.<sup>20</sup>

Expert opinion on the definitive effects of AI on work and employment remains divided. Most see the impacts of generative AI varying significantly by occupation. Yet, various analyses see AI for at least the near term as more likely to alter the composition of tasks within jobs than to replace entire occupations outright<sup>21</sup> or that the potential net employment changes overall may not be large given the new skills and occupational roles created relative to the job losses in occupations from AI's impacts.<sup>22</sup>

Others see more significant and widespread job losses. For example, one recent US study highlighted the vulnerability of workers in administrative, clerical and customer service roles, especially in "gateway" starting jobs that are vital to their opportunity to transition from low to higher wage work.<sup>23</sup>

The uncertain long-term impacts of AI's rapid and transformative acceleration make the effects upon labour demand and skills training needs of this technology challenging for policy-makers, industry and workers alike to gauge accurately and plan accordingly.

### **Trump 2.0 Administration Disruption and Shocks**

Since January 2025, sharply higher and volatile US tariff rates have had significant repercussions for Canadian employment and markedly changed demand for specific Canadian export industries and their associated workforces. Integrated Canada-US-Mexico industries such as auto manufacturing and parts production, and highly-US export-dependent sectors such as aluminum, lumber and steel have been hit hard by US tariffs.<sup>24</sup> Not surprisingly, the weakness in Canadian employment since the advent of much-increased US tariffs has been concentrated in the sectors most vulnerable to these trade disruptions through mid 2026.<sup>25</sup>

Ongoing uncertainty around the Canada-US-Mexico trade agreement, combined with Trump Administration pressure on firms to shift capital investment to the US, has further reduced investment and employment in Canada through at least mid 2026.



Looking ahead, without a return to lower tariffs and a more stable bilateral environment for trade and investment, these pressures will continue to constrain job demand across US export-dependent and Canada-US integrated sectors.

### **I.3. Sweeping Reset of Federal Economic Policy Boosting Labour Demand**

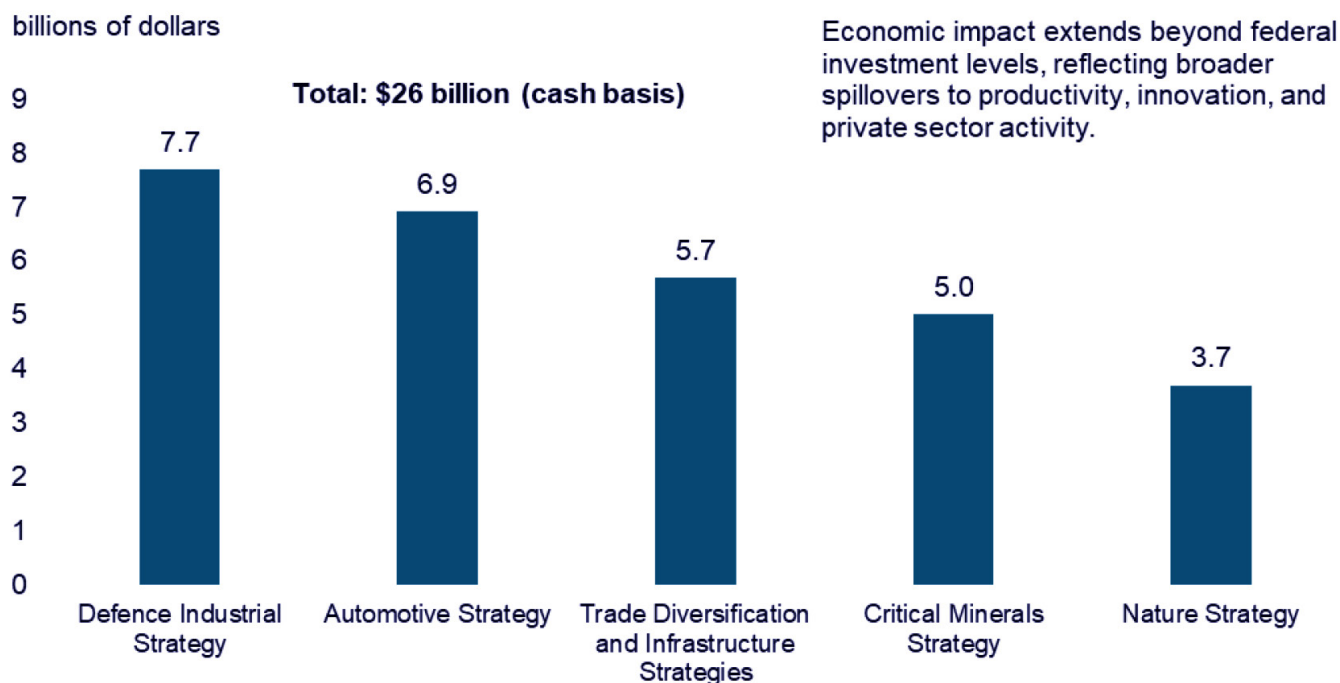
#### **Canada's Fundamental Pivot**

While AI disruption and headwinds of US trade policy shocks are changing and constraining, respectively, labour demand in key parts of the economy, the federal government's sweeping policy reset since spring 2025 is pushing in the opposite direction. The tailwinds from the Carney government's policy over the past year are substantially increasing demand for workers, and particularly for skilled trades workers.

Federal measures to: boost military capabilities, increase private and public sector investment; expand and improve infrastructure; stimulate major projects and housing construction, achieve greater trade diversification and foster other structural supply-side improvements merit emphasis. These major new investment commitments (see chart on next page) in defense, housing, infrastructure, and trade diversification, alongside regulatory streamlining and support for major projects, will support significant and sustained increases in labour demand across the construction sector.

# Federal Investments in Sector Strategies Total Over \$25 Billion

Sector-specific strategies are helping firms and workers adapt and remain competitive.



Notes: Includes existing spending and spending announced in Budget 2025 and this Spring Economic Update (including certain tax measures), covering 2025-2031 on a cash basis. Total is smaller than the sum of individual strategies since some initiatives support multiple strategies.

Indeed, barring a major economic slowdown or recession, the large and rising risk is of a major shortage of skilled construction labour within the next two-three years as soon as a series of major defense, energy and infrastructure projects are underway, and new housing construction rebounds.<sup>26</sup>

Admittedly, the pace and scale of these boosts to demand for skilled construction labour will depend on multiple factors. These include the need to attract large-scale private investment, the availability of government implementation capacity, and disciplined delivery of these programs.<sup>27</sup> But early signals are encouraging: foreign investment rebounded sharply in 2025, and several major banks and leading pension funds have announced significant new capital commitments for 2026 and beyond.<sup>28</sup>

#### 1.4. Construction's Role in Canada's Policy Reset, AI Impacts and Improving Productivity

Construction is central to the success of Canada's policy reset. The large-scale building required across defence, energy, housing, and infrastructure is already changing the trajectory of demand for skilled construction tradespeople.

Even with the uncertainty of when the residential sector's rebound will occur from the doldrums of 2025 through mid-2026, the overall demand for skilled construction tradespeople nationally will clearly rise and accelerate in its pace.

Unlike a range of occupations at risk from AI's adoption and application,<sup>29</sup> skilled trades jobs are expected to be significant net beneficiaries overall from AI for at least the near to medium term.

AI's augmentation of skilled trades' work plus rising demand for workers skilled in digital applications in construction trades bear emphasis (e.g., Microsoft's partnership with building trades to train apprentice workers in AI and data centre applications).<sup>30</sup> Non-residential construction worker hires are already rising substantially from the escalating demand for building data centres, increased power supply as well as cooling systems, controls and industrial facilities.<sup>31</sup>

Notably, the combination of data-centre driven demand and energy sector needs in Alberta already reveals inadequacies in construction labour supply that firms are trying to address.<sup>32</sup>

With respect to **productivity**, the construction sector like most industries in Canada has room for significant improvement. Construction has had a longstanding performance gap,<sup>33</sup> particularly in housing.<sup>34</sup> Yet, opportunities to improve productivity through initiatives such as offsite modular and panelized housing, and building information modelling (BIM) for non-residential and residential construction alike are promising but are not yet at the scale to be major solutions. AI offers further opportunities for productivity gains from property technology (proptech) overall, and its specific applications in BIM, predictive scheduling and risk management, safety and site monitoring, supply chain optimization in managing inventory and procurement, and predictive maintenance.<sup>35</sup>

In sum, construction's importance to Canada's policy reset, AI adjustment, and productivity turnaround is clear. That central role makes improved training outcomes in the skilled trades not just desirable, but essential. Future shortfalls in the supply of skilled workers nationally will put all of these goals and policy needs at risk.

### 1.5. Ontario's Construction Sector

Given construction's core importance, a closer look at Ontario's construction sector and its skilled trades' training challenges is both timely and relevant. Ontario accounts for 38% of Canada's GDP (2025 data) and a similar share of the Canadian construction sector overall. Ontario has also had the strongest provincial government priority on attracting people to and improving training in the skilled construction trades.

Understanding Ontario's construction industry begins by recognizing that it is far from homogeneous. It is composed of a range of sectors, beginning with the difference between residential and non-residential construction. The non-residential component is further divided into six sectors: industrial, commercial and institutional (ICI); electrical power systems; heavy

engineering; pipeline; roads; and sewers and water mains.

While a number of construction skilled trades needs are similar across these sectors, each also has industry-specific aspects and other nuances that shape their capacity to attract, train and retain workers. Training this workforce operates through a fragmented ecosystem spanning multiple levels of government, hundreds of institutions, and a diverse range of private sector actors.

The vast majority of apprenticeship learning takes place on the job, meaning employers are integral to the training and education of the next generation of skilled tradespeople. But a meaningful share of learning happens off-site, in classrooms and dedicated training facilities, delivered through what are known as approved Training Delivery Agents (TDAs), that include colleges of applied arts and technology alongside union- or employer-sponsored training centres.<sup>36</sup>

Other private and government funded pre-apprenticeship and skills technique (non-apprenticeship) programs that promise to expose participants to a single or several trades also exist. This fragmentation in part reflects initiatives and programs that responded to training needs at the time of they were established and the nuances of different trades and professional streams. Yet, the breadth and depth of this fragmentation now also creates accessibility barriers and misalignments between what the training system produces and what the labour market demands.

Young people and adults selecting a construction career choice in Ontario face a complicated path given the need to simultaneously navigate an education/admissions system with hundreds of entry points of varying quality while trying to select a single trade out of the 144 trades that exist (as of June 2026).

The reality of the sheer number and diverse range



of 144 skilled construction trades is further complicated by other requirements, beginning with those that are compulsory (or certified) and those that are non-compulsory (or non-certified). Each trade offers a wide variety of careers. In carpentry for example, careers vary across construction sectors. In just residential construction, these include, but are not limited to, house framing, basement forming, high-rise forming, finishing (floors, trim railings), and renovation.

Care must also be taken to reflect crucial differences in their respective training programs' success. For example, the weakness in housing demand since 2025 has led to a near-term excess supply of workers in various residential trades projected to last through at least 2026. This sector's current training problem is the large gap in the number of apprenticeship positions available for workers to complete their programs.

Yet, the structural problem from the ongoing wave of retirements of skilled tradesworkers has not changed. Since 2000, the proportion of Canadian workers aged 55 and over has grown from one in nine to one in five, with skilled trades and transport occupations among the most exposed to retirement-driven shortages.<sup>37</sup> Retirements will create acute supply problems when housing demand rebounds and, especially, as competition for skilled workers across all construction sectors intensifies.

The series of interviews conducted for this paper with industry and education experts working in residential, non-residential, and in both sectors revealed a range of training challenges. While reconfirming that the supply of new entrants is broadly sufficient outside of boom periods in energy and housing, they made clear that the skilled

construction trades training system is far from optimal. These experienced executives and educators set out a range of issues.

Industry experts cited the difficulties of recruitment and training for small-to-medium-size employers, and the need to attract the next generation of workers, noting that the future supply problem is currently being masked by cyclical downturns in several construction sectors. While numerous efforts have been made to improve the pre-clearance system, the requirement for security checks can be an obstacle in attracting young workers to the power sector if it means 2–3 months of foregone income for new entrants awaiting this clearance. Other sectors such as ICI point to the retention challenges from attracting new entrants who subsequently realize they are not well suited to the trades. These issues are in addition to those related to the struggles of many people to understand the apprenticeship process even with available information.

Education experts, especially those with industry experience, underscored the continuing weakness in Ontario middle and high schools' approach to skilled construction trades, as they favour academic paths over the trades even when those paths are not well suited to a large segment of the teenage and young adult population.

These and many other ongoing challenges identified by these experts reveal that the issues in training outcomes for the skilled construction trades are behavioural as well as economic. The insights from these experts point toward fertile ground for a deeper examination of Ontario's construction trades training through a behavioural lens, one that offers both systemic understanding and specific opportunities to improve results.

# II. The Human Side of the Pipeline



## II.1. What Is a Behavioural Lens and Why Is It Needed?

The economic and policy case for improving training outcomes is clear. What is less well understood is why, despite that case being made for years, outcomes have not improved. The answer lies not in economic solutions but in human behaviour. Yet Canada's training policy response has followed a familiar pattern: more investment, more programs, more advocacy, more awareness campaigns.

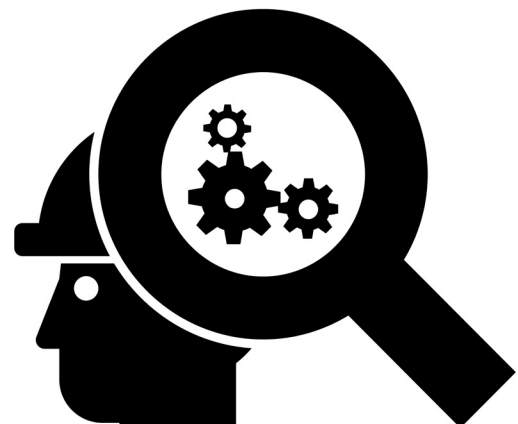
To date, Canadian training efforts share a common assumption: that people, given enough opportunity, information, and incentive, will make sound decisions and follow through on them. The evidence says otherwise. What is needed is not more of the same but a different lens for understanding the problem.

Behavioural science's interdisciplinary approach offers exactly that. Its core insight is that human beings are not the rational, information-processing agents that training policy tends to assume. People are "boundedly rational": our decisions are shaped and constrained by limits of time, attention, cognitive energy, and available information.<sup>38</sup> Rather than finding the best possible option, we tend to find a good enough one, defaulting to what is familiar, legible, and immediately manageable.

Critically, even when people do form strong intentions, acting on them is far from guaranteed. The gap between intending to do something and actually doing it is a long-identified reality of the human experience.<sup>39</sup> The environment in which a decision is made, whether by deliberate design or accumulated habit, powerfully shapes

what people actually do.<sup>40</sup> Programs can fail not because the opportunity is wrong, but because the environment for people's choices makes choosing and acting upon it harder than it needs to be.

Behavioural science as a specialist tool has been widely adopted across business and governments in recent years, often being used to devise interventions that change people's behaviour in the context of specific choices they make. However, a more fundamental value comes from adopting a behavioural lens, and shifting the way we approach problems to put people at the centre of the system.<sup>41</sup> This means making the behaviour of every actor in the system--apprentices, employers, counsellors, policymakers--something to understand and design around rather than assume away. In the skilled trades, that reorientation has been missing across decades of well-funded but underperforming efforts.



## II.2. How Behavioural Barriers Shape Skills Training

To understand the value of a behavioural lens in this context, it is necessary to delve deeper into the mindsets and actions of the most important individuals in the entire system. This analysis reveals that the skilled trades pipeline leaks not because programs are unavailable or participants unwilling, but because the system was not designed around the realities of the people it is meant to serve.

The barriers are, at their core, behavioural and psychological. They shape how people perceive risk, process information, sustain motivation, and relate to social expectations, not simply on whether an opportunity is available or affordable. The following factors are among the most significant barriers because they recur at multiple points along the training pipeline journey, and illuminate why economic and logistical fixes alone consistently fall short.

### The Fear of Getting It Wrong

A fundamental challenge at every stage of the skills journey is uncertainty about return on investment of time and resources. Committing to a training program, especially one that spans years and requires forgoing income along the way, means accepting real, immediate costs in exchange for benefits that are delayed and not guaranteed. People weight potential losses more heavily than equivalent gains — a pattern known as loss aversion.<sup>42</sup> The prospect of wasted time and money can loom larger than the long-term upside, even when the odds objectively favour participation such as when people show technical aptitude in a trade and given the economics of far less debt and much earlier income received in a skilled construction career versus a college or university path.

This uncertainty about upfront costs versus future income is compounded in the construction trades by the particular unpredictability of their labour markets. As Section I documents, demand is shaped by forces that are genuinely difficult to forecast accurately: macroeconomic cycles, housing starts, business investment in buildings and equipment, public policy shifts, and structural disruptions like AI and US trade shocks. For individuals weighing a

multi-year training commitment, that volatility is not abstract; it is part of their calculation. When signals from government or industry prove inaccurate, they do not just disappoint; they erode the trust that future recruitment efforts depend upon. For the pipeline to function well, the information it offers needs to be more credible and realistic.

### The Pull of the Immediate

Present bias (the tendency to overweight immediate costs relative to future rewards)<sup>43</sup> is among the most powerful and persistent barriers in skills training. People begin with genuine intention to complete a program, but as weeks become months and the end point remains distant, the daily costs of participation grow more salient while the credential at the finish line feels increasingly abstract. This can translate to reduced engagement, procrastination, and eventually leaving the program before completion.

In the trades, this dynamic is sharpened by the financial structure of apprenticeship itself. An apprentice earns a percentage of journeyman wages while training, starting lower but working toward the full rate over several years. In voluntary trades, workers can often reach employable skill levels and near-full wages well before formal program completion, without needing the credential to work.

The rational move, from the apprentice's perspective, frequently points toward stopping before completion having achieved 70-90% of the compensation offered by the full credential. This is a predictable response to incentive structures that make an early exit feel sensible and financially rewarding relative to the completion effort required. This completion problem in Canada's voluntary trades is, to a large degree, a deficiency in design that may be addressed by a combination of simple changes and more challenging initiatives.

Financial pressure during in-school training blocks compounds this further. When apprentices attend school, they lose employment wages. For apprentices managing family obligations and fixed financial commitments, this creates an acute short-term cost that the distant credential struggles to offset. Systems that make financial stability



conditional on program completion are, in effect, designed against the very behaviour they are trying to encourage.

### **A System Too Complex to Navigate**

The skilled trades are routinely discussed in the media and in political arenas as if they constitute a single, legible category of work. They do not. As outlined in section I, Ontario has seven distinct construction sectors. Each has different certification requirements, employer structures, union arrangements, and working conditions. Within those sectors, there are 144 designated trades, with each representing meaningfully different day-to-day realities. The work of an electrician at a nuclear generating station is categorically different from residential wiring, just as the experience of a journeyman bricklayer differs profoundly from a sewer and water main worker. When someone considers a career in the trades, they are not choosing one thing. They are navigating a landscape of thousands of distinct possibilities, with little guidance to help them understand the differences.

This complexity creates choice overload, a well-studied phenomenon whereby an abundance of options makes it harder rather than easier to decide and act.<sup>44</sup> The barriers people face and the reasons they leave vary meaningfully by trade and demographic group,<sup>45</sup> making one-size-fits-all responses consistently inadequate. Faced with a fragmented and opaque system, many people default to the familiar. For those without family or community connections to the trades, the familiar is typically the academic pathway. The trades too often seem like a foreign country without a map.

### **What the World Around You Says Is Normal**

Human beings are acutely sensitive to social signals about which choices are respectable, expected, and admirable. For decades, the cultural weight in Canada has sat firmly on the side of post-secondary academic credentials. The trades have been treated, implicitly and sometimes explicitly, as a fallback rather than a first choice, a signal reinforced at visible cultural moments like high school graduation ceremonies, where students heading to university are celebrated loudly while those entering apprenticeships receive muted acknowledgment.

These signals matter. Social norms shape behaviour in ways that economic incentives alone cannot override.<sup>46</sup> When the dominant message from schools, from parents, and from the broader culture is that university is the path and the trades are a consolation, that message reaches young people before they have the experience or the information to evaluate it critically. The trades are not an easy path. They require genuine mathematical ability, physical and cognitive skill, and in various trades, sustained commitment under often demanding conditions. The narrative that positions them otherwise both understates their demands and undermines their appeal to the capable, ambitious people the sector needs. All of these



considerations are amplified significantly in a world where social media platforms can confirm and sustain narratives, creating and sustaining pre-conceptions at relatively young ages.

### **Running on Empty**

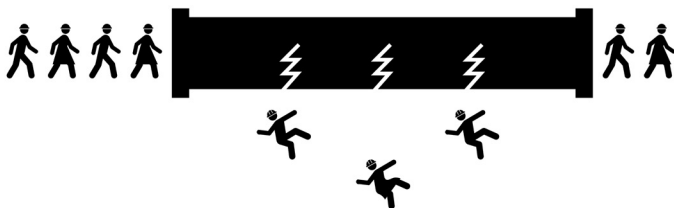
People navigating financial precarity, demanding family responsibilities, or unstable employment face these obstacles and more: their capacity to plan, weigh options, and follow through is reduced. Operating under resource constraints consumes cognitive bandwidth in ways that impair deliberate, future-oriented thinking — directly relevant in the trades, where apprentice wages can be a genuine hardship and the demands of the work leave limited time and energy for navigating administrative systems.<sup>47</sup>

The physical dimension of trades work matters, too. The construction trades span a wide spectrum from physically intensive outdoor work in at times extreme conditions to increasingly digital, indoor roles in building systems and controls. Accurately conveying these differences is crucial to the honest picture of what trades' work involves, and has implications for who enters, who stays, and what kinds

of support and flexibility the system needs to incorporate. Recruitment strategies and retention supports that treat these the trades as a single category will miss the mark for both, as some individuals thrive in and want physically demanding work and others do not.

### II.3. The Journey of a Skills Career: From Choosing a Path to Retirement

Identifying and assessing these barriers as behavioural establishes the kind of problems training policies and programs need to address. The next step is precision to enable understanding where, specifically, they bite. Journey mapping, tracing the experience of a person from first awareness through to working life in a trade, reveals that while the barriers are consistent in character, they take different forms and carry different weights at different stages. What follows is that mapping the journey is vital given the clearer picture provided of where intervention is most likely to matter.



In undertaking this mapping from the vantage of young Canadians, it is important to recognize that this journey is not always linear, and it does not always begin in youth. Plotting the journey from end to end enables better consideration of the whole system, and helps in assessing distinct entry and departure points.

In addition, a significant and growing number of people arrive at the skilled trades mid-career: after a layoff, a career change, or a sector disruption. Their journey has different starting conditions, with established identity, financial obligations, and often transferable skills that the system does not always know how to recognize. Where the pipeline must reach first-time entrants, it must also be able to receive and support those arriving from elsewhere. The barriers these two groups face are related in structure but different in weight and character, and the system needs to be designed with both in mind.

#### Before the Decision: The World Before Grade Nine

Whether a young person ever seriously considers the trades is shaped long before any formal career decision is made, by family environment, community norms, and early school experience.<sup>48</sup> These orientations begin forming well before secondary school; by the time students face post-secondary decisions, many have already implicitly ruled out paths never made visible or credible to them.<sup>49</sup> Most

high school students have limited awareness of the range of careers available in the trades, and structured exposure meaningfully shifts their interest.<sup>50</sup> Outreach that begins in the later years of high school may, for many young people, be arriving after the relevant window has already narrowed considerably.

Parent attitudes appear to be an important factor. If the adults around a young person do not view the trades as a legitimate, prestigious career, that signal tends to carry weight that promotional campaigns directed at teenagers find difficult to overcome. At the same time, not all young people have equal access to family or community networks that model trades careers, which means those who might benefit most from early exposure are often the least likely to receive it through informal channels.

The removal of hands-on technical education from many secondary school curricula is worth highlighting in this context. Such courses served as an exposure point: a place where students who might not otherwise encounter the physical and practical dimensions of trades work could discover an aptitude or interest they did not know they had. Reinvesting in this kind of early, school-based exposure is one avenue worth considering, partly because schools are among the few institutions that reach young people regardless of family background or connections.



Notable efforts are underway to fill this gap in other ways. Ontario's Level Up! career fairs bring Grade 7 to 12 students into direct contact with tradespeople<sup>51</sup> and employers through hands-on demonstrations in communities across the province, reaching over 35,000 students in 2024 alone. Programs like STEP to Construction offer Grade 11 and 12 students a semester-long co-op placement on an actual job site, rotating through multiple trades.<sup>52</sup> The annual Skills Ontario Competition and Career Exploration Showcase features over 2,000 competitors and also draws thousands more young people who come to observe.

These are meaningful and substantive initiatives. However, most reach students who have already arrived at secondary school, and who may already have narrowed their sense of what is possible. The case for earlier, more embedded, and more universal exposure remains strong.

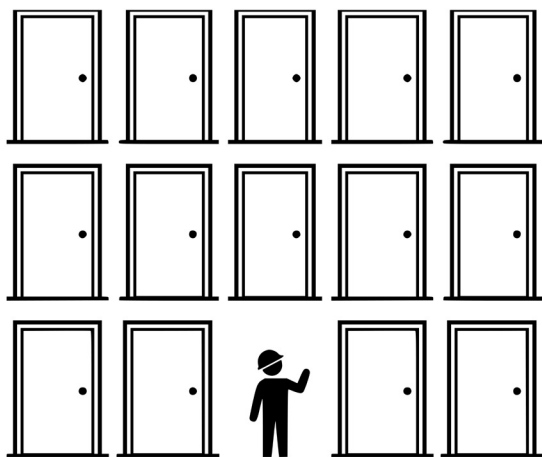
For mid-career entrants, the barriers are different in

character: trading a known professional identity for an unfamiliar one carries psychological costs that campaigns built around young people's aspirations do not address. Reaching this group requires different messengers, different channels, and a different message.

### Choosing a Path: Navigation, Gatekeepers, and the Guidance Gap

For young people who arrive at the trades as a genuine option, the next challenge is a system rarely designed with them in mind. Guidance counsellors lean toward academic routes not out of bias but because that is where their knowledge and confidence are highest. Those who do find their way to trades programs often do so through personal connections, a family member, a neighbour, someone who works in the field, which systematically favours those who already have proximity to the industry.

Part of what makes this navigation difficult is that the relationship between college and the apprenticeship itself is not obvious to someone approaching it from the outside. Ontario's 24 colleges of applied arts and technology offer a wide range of construction-related and skilled trades programs, from pre-apprenticeship pathways to trade-specific technical training, but the relationship between college enrollment, employer sponsorship, and formal apprenticeship registration varies by trade and is rarely explained clearly at the point where people are making decisions. Do I find an employer first? Do I go to college first? Can I do both? These are genuinely hard questions for many to answer. Making the college-to-apprenticeship pathway more legible, at the moment it matters, is a concrete design problem worth solving.



The complexity of the construction sector itself is a further barrier here. Saying you want to work in construction is not a plan; it is the beginning of a search through a landscape that most young people, and most of the professionals meant to guide them, cannot easily map. Improving the tools available to counsellors

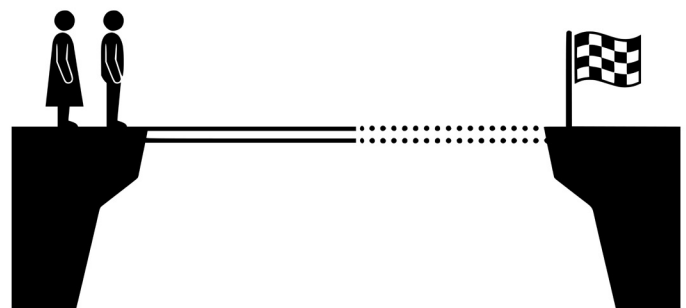
and making trades pathways more legible to students without industry connections, are both relevant levers worth exploring. Evidence from a Canadian study found that presenting simply framed, carefully selected labour market information to high school students produced a 19% relative increase in participants choosing a higher-opportunity occupation, suggesting that how information is presented matters as much as whether it is available.<sup>53</sup>

### Starting Out: The Expectation-Reality Gap and Early Exit

A notable source of early attrition is the gap between what people expect a trades career to involve and what they find on site. Hours can be long and irregular; conditions as noted in various trades are often physically demanding. When reality diverges substantially from expectation, people exit. Early difficulties, when unsupported, erode confidence and produce avoidance rather than persistence,<sup>54</sup> and the physical and logistical demands of the trades make this expectation gap particularly consequential.

For mid-career entrants, this expectation gap takes a particular form. They are not simply surprised by physical demands or irregular hours; they are often absorbing the psychological cost of starting over with reduced seniority, lower initial wages, and the experience of being a novice in a setting where they were previously competent. Loss aversion is acute at this stage, and the system's standard supports are rarely calibrated to address it. Recognition of prior learning and transferable skills, where they genuinely exist, can reduce this friction materially.

Approaches that help prospective entrants form realistic expectations, rather than simply maximizing the number who sign up, may serve both the individual and the sector better in the long run. The goal is durable commitment, not initial enrollment numbers. Qualitative research with Ontario apprentices identifies extended childcare costs and transportation as among the most consistently cited logistical barriers at this early stage, alongside a notable lack of awareness of what financial supports are available. This is a salience problem as much as a funding problem: the supports exist but are not reaching people at the moment they need them.<sup>55</sup>



## Through Apprenticeship: Colleges, Unions, and Employers as Educators

The apprenticeship years are where the pipeline can lose significant volume. Employers are central to this in ways policy discussions rarely acknowledge: the worksite is not simply where apprentices apply classroom learning but where they acquire most of what they actually know. Employers are educators, whether or not they see themselves that way. Yet many employers remain unsure of how to recruit young people into apprenticeship opportunities,<sup>56</sup> while others describe the process of becoming a sponsor as complex and administratively burdensome. The result is a system in which access depends not simply on interest but on navigation, and on effective connections between prospective students, schools, and local employers.

The worksite is not the only learning environment that shapes apprenticeship outcomes. Ontario's colleges deliver the majority in-school training blocks, with union- and employer-sponsored training centres accounting for a major portion of total in-school apprenticeship seats as well.<sup>57</sup> The latter's share has grown substantially over the past decade as the unionized sector expanded its training infrastructure to keep pace with rising registrations.

Together, these institutions form the in-school pillar of the dual apprenticeship model alongside the employer. The quality of instruction, the degree to which in-school content connects to what apprentices are encountering on the job, and the support available to students navigating the financial disruption of training block periods all bear directly on whether apprentices persist. These are shared responsibilities across training providers, and designing the system around that reality requires reflecting all of these factors in training programs.

People are more likely to persist when they feel connected, supported, and perceived as capable,<sup>58</sup> dynamics that apply as much to worksite learning as to the classroom. Small frictions including unclear expectations, administrative burden, and inconsistent feedback have outsized effects on persistence.<sup>59</sup>

Employer behaviour is also shaped by structural features of the sector that work against training investment. In a highly decentralized industry such as residential construction which has a large number of small, or even micro, size businesses often operating project to project, the incentive for these employers is to avoid the cost and risk of training someone who may move on before the investment pays off. This is a rational response to a system that has not been designed to make training investment worthwhile.

Research with Ontario employers suggests the barrier is less one of indifference than of absent infrastructure: employers who participated in structured mentorship programs valued them specifically for the practical

onboarding tools and management support they provided,<sup>60</sup> pointing toward the kinds of experience and informational scaffolding that can make training investment more attractive for these operators.

Notably, apprentices jointly represented by employers and trade unions are more likely to complete their programs than those sponsored unilaterally by an employer.<sup>61</sup> This difference points to the behavioural value of organized mentorship and administrative support: when the system actively manages the relationship between apprentice and employer and reduces the ambient friction of the training process, more people make it through.

The compulsory versus voluntary distinction matters: where certification is legally required, completion rates are substantially higher because the credential has unambiguous value. In contrast, the incentive to finish in the voluntary trades, erodes substantially as wages approach journeyman levels without it.

A particularly under-examined point of attrition is the final certification exam. By 2024, fewer than one in five apprentices who had registered in 2019 had achieved certification within their program's expected duration, while nearly a third had discontinued.<sup>62</sup> Apprentices completing their programs currently receive far less structured support for the certification exam than candidates for other professional designations.<sup>63</sup> Those preparing for professional certification in law, medicine, or accounting have access to structured prep courses, mock exams, diagnostic assessments, and institutional support. Apprentices typically study independently in learning dense technical materials without guidance on what to prioritize. When they fail, they face a waiting period before re-examination, unable to earn at journeyman rates, a concrete, addressable friction point that receives far less attention than recruitment.

## Staying and Advancing: Inclusion, Belonging, and the Mid-Career Challenge

Belonging and identity are significant factors in whether people stay in the trades. Research suggests that individuals who do not strongly identify with the work they do or the environment they work in may find it harder to sustain motivation over time.<sup>64</sup> Worksites that are unwelcoming, or where workers from under-represented groups encounter hostility or are implicitly treated as out of place, produce higher attrition that reflects the environment as much as individual choice.

The contrast with jurisdictions like Germany where the apprentice is valued strongly, fully incorporated into the broader work environment, and supported directly during training bear emphasis. The end results include that many more German apprentices remain with their training employer for the duration of their careers than in Canada.

Assuming inclusion follows automatically from open

access tends to miss the ways in which environment shapes behaviour. Evidence suggests that deliberate incorporation of exposure and early-entry programs, including single-gender cohorts for women who may otherwise disengage in mixed settings, can improve participation and persistence among groups that have historically been underrepresented in the trades.<sup>65</sup>



The mid-career period also presents challenges that often go unacknowledged. Life-stage demands shift: workers in their thirties and forties may be managing children, elder care, or health changes that affect their relationship to physically demanding work. Inflexible scheduling, limited pathways from field work into supervision or training roles,<sup>66</sup> and the absence of modified duties for workers managing injury or fatigue all contribute to attrition among experienced people. They often occur at precisely the point when their accumulated knowledge is most valuable to the sector.

The same life stage also represents an entry point for re-skilling. Workers displaced from other sectors may arrive at the trades with substantial relevant experience and strong motivation. A system designed only around initial entry from secondary school is poorly positioned to receive them. Recognizing prior learning, compressing pathways where genuine competency already exists, and providing bridging supports calibrated to people managing family and financial commitments are all design challenges the system has not yet fully met for this population.

### **The End of the Career: Knowledge Loss and the Retirement Wave**

Approximately 700,000 skilled trades workers across Canada are expected to retire by 2028, removing decades of accumulated knowledge that cannot easily be taught in a classroom<sup>67</sup> — a knowledge transfer challenge the training pipeline was not designed to absorb.

The gap between a recently certified journeyperson and a tradesperson with thirty years of experience is not a gap in credentials but in judgment, problem-solving, and situational knowledge built over time. That knowledge does not transfer automatically, and boom-bust cycles in construction labour markets make it systematically difficult to maintain the volume of job opportunities needed for experienced workers to always have apprentices alongside them.

Taken together, this mapping of the journey reveals a consistent pattern: at every stage, the system places people in situations where doing the right thing requires overcoming rather than working with their natural decision-making tendencies. That is the core problem. It points directly toward what a solution needs to look like: not more programs added to the top of the funnel, but a different way of designing and running the system from the ground up.

# III. A Training Policy Blueprint that works with People



Addressing these fundamental problems means redesigning the training system around human behaviour. This is not a marginal adjustment to what already exists. It is a different orientation; one made more urgent by the economic challenges facing Canada in 2026 and beyond. A country deploying billions in new investment, managing the workforce effects of AI, and facing a structural shortage of skilled tradespeople cannot afford a training system that loses people through preventable frictions. The stakes are too high and the window is not unlimited.

This section explores what that reorientation looks like in practice, organized around three commitments:

- examining how the training system is structured to support retaining its successful elements and enable rethinking those areas where deficiencies occur;
- embedding behavioural insights into how programs are designed and delivered; and
- building the discipline to test what actually works.

Our final recommendations turn to the current policy moment and what it will take to make these commitments stick.

## III.1. Rethinking the System

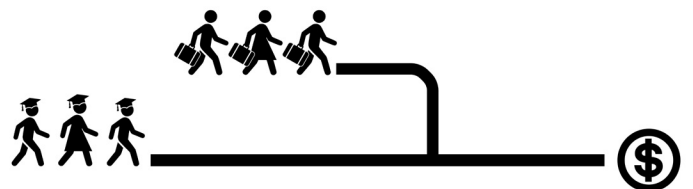
A behaviourally-informed system starts with focusing where young adults' attention is directed. A system designed around how people actually behave starts by

asking: what does the path look like from the perspective of the person on it? What are they being asked to navigate, decide, and sustain, and at what cost?

Applied to the skilled trades, that question produces a different map revealing that the current pipeline is not a neutral conveyor belt that fails when people fall off.

It is an active environment that shapes whether people get on in the first place, whether they stay, and whether they reach the end.

Its major challenges include the current fragmented information landscape that greets someone considering a trade, the financial disruption built into in-school training blocks, the absence of exam preparation support that would be considered basic in any other credentialing context, and the employer who has no particular reason to invest in training.



Colleges and union training centres are core suppliers of training programs. As the primary providers of training across construction trades, they are a structural feature of the pipeline, not a supplementary one. Whether the union training centre or training for experience connects meaningfully to what apprentices are doing on the job, and whether students, pre-apprentices and apprentices are supported through the financial and motivational pressure of the training block period, are system design questions. Deep integration and collaboration with industry is required to get this right.

Investments in colleges and union TDAs have been significant since 2013. The unionized sector's investment of more than \$325 million in capital upgrades to training facilities and equipment across Ontario merits highlighting. The provincial government has increasingly recognized and worked with union training centres and colleges as core partners in expanding apprenticeship capacity. The path to better completion outcomes runs through both institutional streams.

None of the current challenges that exist across all of these different components of the broader ecosystem are immutable facts. They are design choices, or the accumulated product of an absence of design. They can be changed.

The evidence that better design produces better outcomes is not hypothetical. Austria, Germany, and Switzerland operate dual apprenticeship systems that routinely achieve final exam pass rates of 79 to 95 percent,<sup>68</sup> with true dropout rates estimated at between 5 and 17 percent. Germany's system achieves a true dropout rate of approximately 12 percent once re-entrants are accounted for, a stark figure compared to Ontario's certification rate of under 20 percent within expected program duration.<sup>69</sup>

The structural differences are instructive: Germanic systems integrate career guidance into the school curriculum from ages 13 to 15, employers are legally obligated to train and are held to quality standards by chamber bodies, and apprentices receive wages throughout their program including during school blocks.

Of course, the solution is not to simply try and replicate such systems here. Canada and Germany are distinct culturally, politically, and economically.

Rectifying the systemic problems from a behavioural lens requires tracing the full journey and asking, at each stage, whether the current design is working with or against the behaviour of the people it is meant to serve. It involves a fulsome understanding of the enablers, barriers, and unique facets of both the construction sector and broader culture around education and work that are specific to Ontario and Canada. This applies as much to the structure of incentives as to the layout of a form. As such,

the successful European systems can be seen as points of reference for best practices to improve the design and implementation of training.



The entry point for training is a good example to illustrate where systems-level design could make a meaningful difference. Currently, someone considering a skilled trade in Ontario must navigate a fragmented landscape of trade-specific websites, union halls, employer contacts, and government portals with no common point of access. There is no one portal for every entry point, making the path to starting a journey in the skilled trades more difficult than it has to be. Such a system is clearly possible as demonstrated by other provinces where there is a single portal for apprenticeship.

Centralized application infrastructure already exists in other contexts: Ontario's college and university systems each offer a single portal through which prospective students can explore all programs and apply through a common process.

Several European jurisdictions have integrated trades into the same application infrastructure used for other post-secondary pathways. The absence of something equivalent for Ontario's skilled trades is not evidence that it cannot be done. It is a design gap, and design weaknesses can be fixed if we question and improve the systems that exist.

Better policy and program design and implementation includes examining seemingly small things. These matter. Research on how people navigate complex, multi-step processes consistently shows that frictions create hassles that compound. Each additional obstacle does more than add to the difficulty -- it multiplies the problems, particularly for people who already managing constrained time, money, and attention.

Better policy and programs require a clearer-eyed account of what good outcomes actually are using meaningful and practical criteria. A system focused on enrollment numbers is not the same as a system focused on completion and placement.

A system that counts registered apprentices is not

the same as one that tracks whether those apprentices are receiving meaningful training, progressing through their programs, and ultimately working in the trade for a full career. Moving from the former to the latter requires data infrastructure and accountability expectations that currently do not consistently exist. Without them, it is not possible to know what is working, where the losses are concentrated, or whether any given intervention made a difference. That blind spot is a problem at any time. In a period of rapid AI-driven change, when the mix of skills the sector needs is itself shifting, it is a serious one.

### III.2. Embedding Behavioural Insight Into Design and Delivery

Rethinking the system creates the conditions for better interventions to succeed. The second commitment is to design those interventions, in programs, in classrooms, and on the job, around what the evidence on human behaviour actually suggests.

This does not mean a single toolkit applied uniformly. Behavioural insights are most useful when they are applied to specific, well-understood problems in specific contexts.<sup>70</sup> What reduces friction for a twenty-two-year-old apprentice deciding whether to stay in their program may be quite different from what helps a thirty-eight-year-old newcomer navigate entry into the sector. What works in a unionized ICI setting may not translate directly to a small



residential employer. The same applies to the work itself: a twenty-two-year-old considering a career in electrical systems, where work is increasingly indoor, digitally-mediated, and technically sophisticated, is weighing a very different proposition than someone considering pipeline or heavy civil work.

Outreach, messaging, and support design need to reflect these differences. The diversity of the trades, which

the sector's complexity makes so challenging to navigate, is also what makes context-specific design essential rather than optional.

Colleges are already demonstrating what context-sensitive design looks like in practice.<sup>71</sup> Ontario colleges have expanded construction-related programming with new seats in a number of trades, with some programs deliberately scheduled for evenings and weekends to accommodate those already working full-time. Short micro-credential offerings, introducing prospective students to carpentry, welding, or plumbing in compressed, low-stakes formats, lower the barrier to initial engagement precisely where present bias and uncertainty are highest.

Pathways that allow skilled tradespeople to ladder into bachelor's programs in electrical or mechanical engineering address the mid-career challenge of limited advancement routes. Ontario's recent \$2.6 million investment in youth skilled trades experience further extends this reach.<sup>72</sup> These are not peripheral program additions; they are design responses to specific behavioural barriers in the pipeline.

Re-skilling deserves explicit recognition as a distinct design challenge. The behavioural profile of a mid-career worker considering the trades is meaningfully different from that of a school-leaver. Their loss aversion is higher as the stakes of getting it wrong are greater when one has dependants, a mortgage, and an established professional identity to surrender. Their cognitive load is different as they are navigating this decision while managing full-time work and family responsibilities rather than from the relative flexibility of youth. And their assets are different, they often bring transferable skills, work discipline, and sector knowledge that a well-designed system would recognize and build on rather than ignore. Reaching and retaining the population of mid-career workers requires pathways, supports, and communication strategies distinct from those aimed at new entrants, and the system is only beginning to develop them.

Some recommended directions begin with making the path to a trades career clearer and more readily understandable. This is particularly important for people without family connections to the industry. It would help address choice overload and remove a structural advantage that currently accrues to those who already know the system.

Designing outreach around the aspirational question of what kind of life and career the trades make possible, including at least near-to-medium-term job security in the AI era, speaks to how people actually form career intentions. At a moment when AI is displacing entry-level work in many sectors while construction demand is rising, the trades represent an unusually strong opportunity.

That story is not getting through.

The retirement wave in construction trades also needs a design response. The experience and expertise of a journeyman with thirty years in the field has genuine and critical value. That knowledge needs to be mined while it still can be. Structured mentorship programs that pair retiring tradespeople with apprentices are one avenue; creating formal mechanisms for experienced workers to pass on what they know before they leave is a design challenge the sector has to address at the scale this challenge requires.

Investing in the quality of the workplace learning environment, and in the capacity of employers to function as effective educators, addresses the most underexamined driver of completion. These are directions for exploration and testing, not a prescribed plan. The right interventions will be the ones that prove to work in practice, for particular people in particular contexts, which is what the next commitment is about.

### III.3. Committing to Testing What Actually Works

The third pillar of our recommendations is perhaps the most important and the most neglected. Behavioural science offers powerful frameworks for understanding and influencing human behaviour,<sup>73</sup> but those frameworks are not self-executing. Its nudges and behavioural interventions are not guaranteed to work.

Even well-designed ones produce effects that vary considerably across contexts and populations. What works for one group in one setting does not reliably transfer to another.

Testing is essential. The history of skills training policy is littered with programs that were designed with good intentions, implemented at scale, and never rigorously evaluated. The result is a system that has accumulated a great deal of activity but relatively little knowledge about what any of it actually produces.

Changing this requires treating testing through experimentation as a core discipline. It means building evaluation into programs from the start rather than retrofitting it afterward. It means being willing to test approaches on a small scale, learn from what the evidence shows, adjust, and then scale what works rather than implementing at scale and hoping for the best.

It means sharing results, including results that show an intervention did not work as expected, so that the field as a whole can learn rather than repeating the same mistakes across jurisdictions. And it means developing the data infrastructure, and undertaking cohort tracking, outcome measurement beyond enrollment, and longitudinal follow-up that makes any of this possible.

This is not a counsel of delaying endlessly before acting.

Many of the friction points identified are understood well enough that reducing them is clear without waiting for perfect evidence. But scaling them up, and claiming they work, requires the willingness to check. Canada's Impact and Innovation Unit offers practical models for how this a systematic, iterative approach can be built into government programs.<sup>74</sup>

The question is whether the skills training system is willing to hold itself to the same standard.

### III.4. The Work Ahead

The federal government's April 2026 skilled trades initiative represents a significant commitment to training.<sup>75</sup> The \$6 billion, five-year package includes a \$400 per week income top-up for apprentices during in-school training blocks, a \$5,000 Red Seal certification bonus, and a Build Canada Apprenticeship Service offering up to \$10,000 in first-year wage subsidies to employers. Ottawa's goal is to recruit up to 100,000 new skilled trades workers by early 2031 while cutting the time to Red Seal certification in half.

The federal skilled trades initiative offers greater scale and scope than previous national policies. Its focus on improving the supply of skilled construction labour and addressing barriers in recruitment and the training journey is welcome. It has multiple targeted, journey-stage-specific commitments that a behavioural approach would recommend. These commitments are also eminently testable.

Ottawa's more active approach and much greater funding to boost the supply of skilled construction workers faces several challenges to achieve success. It is dependent upon the provinces for execution given provincial responsibility for apprenticeships. It also requires coordination with and engagement of employers, unions and colleges.

Moreover, policy goals and design are not the same thing. A completion incentive reaches people only if they know it exists at the moment they are deciding whether to continue. A financial top-up reduces friction only if accessing it does not create new administrative burdens in its place. Research on behavioural interventions in Canadian labour market settings finds that timing is itself a design variable: outreach was significantly more effective when delivered four to ten weeks after initial contact,<sup>76</sup> because people needed time to stabilize before they were ready to engage. Getting the intent right is necessary. Designing implementation around how people make decisions is what makes the intent stick.

The same lens applies to every actor in the system as well as the people moving through the pipeline. This paper has traced the barriers facing the young person deciding whether to consider a trade, the apprentice deciding whether to stay, the journeyman deciding whether the

sector is somewhere they belong, and mid-career worker looking to move into the trades. But employers, educators, policymakers, and counsellors all operate under their own cognitive constraints and incentive pressures.

Small contractors who do not invest in training are not simply indifferent to workforce development. They are responding rationally to a system where the costs of training are immediate and certain while the benefits are delayed and at risk of walking out the door. Policymakers face loss aversion of their own: the pressure to announce new programs is often greater than the pressure to rigorously evaluate existing ones, and the political cost of acknowledging that something is not working is high.

Educators are embedded in institutional cultures and accountability structures that shape what they prioritize, often in ways that are not well aligned with apprentice outcomes. Guidance counsellors too often default to the university pathway because the system has not given them the knowledge, time, or incentives to do otherwise.

In every case, a behavioural lens poses the same questions: (i) what are the actual incentives, constraints, and cognitive pressures that produce this behaviour? and (ii) what would have to change in the environment for different behaviour to become the easier and more natural choice? Asking these two questions of employers, educators, and policymakers, and designing responses accordingly, is the logical extension of everything this paper has argued.

It is also, frankly, the harder work. Changing how an apprentice experiences their first year on the job is tractable. Changing how an industry association, a government ministry, and a network of post-secondary institutions coordinate their behaviour requires something closer to systems change. The behavioural lens does not make that easy. It just makes it easier to see clearly what needs to change and why.

The depth and breadth of existing skilled construction training programs means that Ontario and Canada already have substantive foundations to build upon. Many people are entering the skilled trades despite a system that was not designed around how people actually behave, the fragmented information landscape, financial frictions, the insufficient exam preparation infrastructure, and employer incentives that work against training investment. The trades still attract people of real capability and commitment.

It is a testament to the work ethic and resilience of the people in this sector, and to the parts of the system that do function well despite its design deficiencies. The task ahead is to take a system that already produces something impressive under difficult conditions and ask what it could produce if it were designed for human behaviour as a central principle. The success of the numerous and broad-based initiatives to build Canada depends critically on a better training system for the people being asked to do the construction.

# ENDNOTES

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