

The Canadian Construction Economy Snapshot

October 2026

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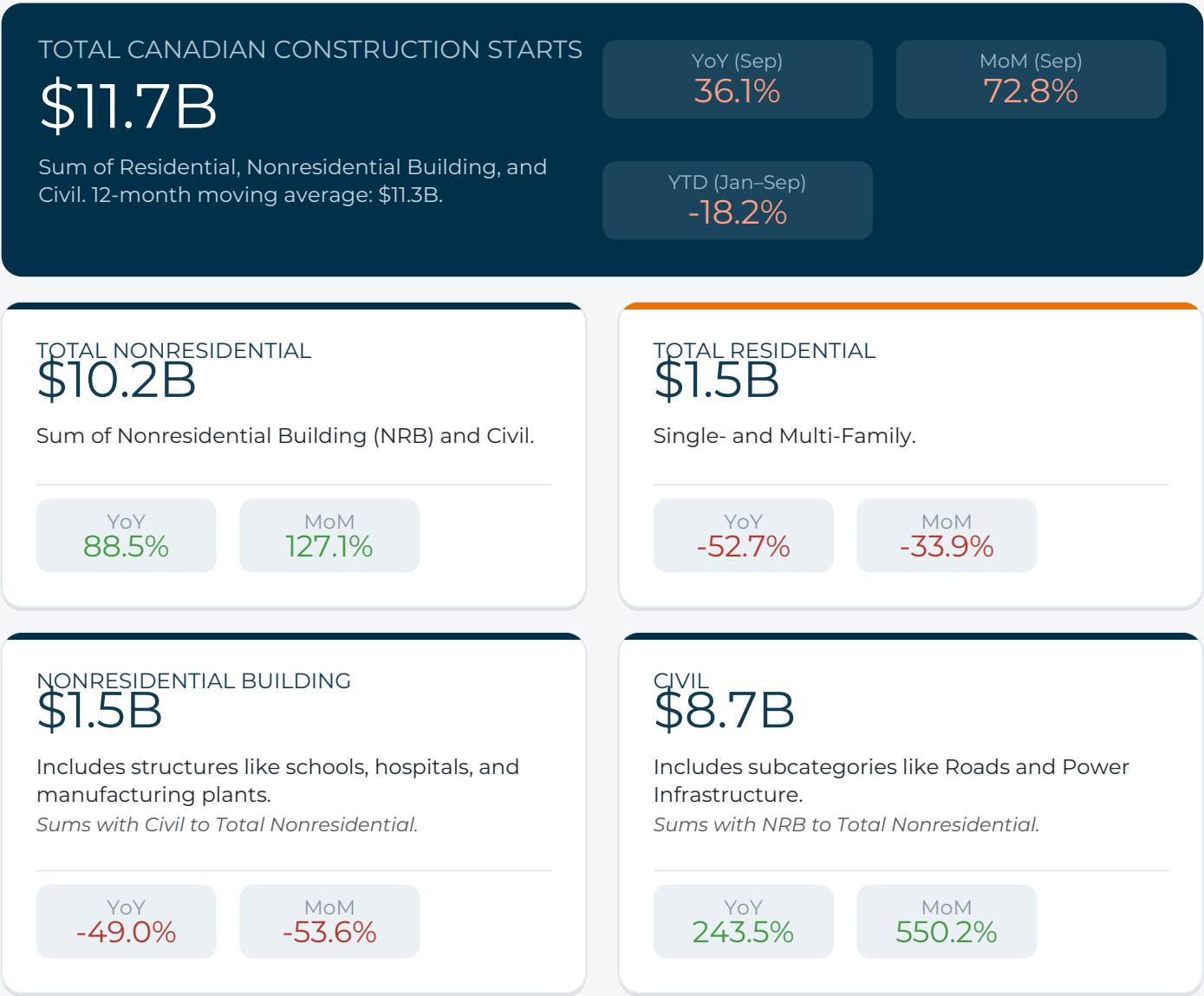
September Stats Rise Despite Nonresidential Building Decrease

ConstructConnect announced today that Canadian Total Nonresidential Construction Starts — the sum of Nonresidential Building and Civil Construction — totaled \$10.2 billion in September 2026, well over double August’s revised reading of \$4.5 billion and higher than the 12-month moving average of \$8.7 billion.

By Devin Bell, Associate Economist • Published October 30, 2026

September’s Canadian Construction Starts

Through the month ending September 30, 2026. All values in current C dollars, NSA



What's Behind the September Numbers

Civil Construction Starts Rise

Civil starts totaled \$8.7 billion in September, 6.5 times larger than August's figure.

Two Civil Megaprojects

A Power Infrastructure and Road megaproject contributed \$7.5 billion to September's total.

Slow Nonresidential Building Starts

September NRB starts were less than half August's revised total.

Construction Starts Update

Canadian Total Nonresidential (NR) starts totaled \$10.2 billion in September 2026, up 127.1% from August. September's total lifted the year-to-date (YTD) figure for NR to \$60.2 billion, which remained 20% below the same period last year.

Nonresidential Building

Nonresidential Building (NRB) ended September at \$1.5 billion, down 53.6% from August and below the sector's 12-month moving average of \$3.6 billion. NRB covers structures such as Offices, including Data Centres, Schools, Hospitals, and Manufacturing plants. Month-over-month (MoM) declines were concentrated most heavily in Manufacturing, which dropped 91.8%, with lesser contraction in Educational and Government Offices. These decreases more than offset a jump in Hospitals and Clinics, which rose 434.3% MoM to \$0.6 billion.

Civil

Civil construction accounted for all of the increase in Total Nonresidential in September, rising 550.2% MoM. The increase was driven by a pair of large-scale projects breaking ground, the \$6.2 billion Pickering Nuclear Generating Station project and the \$1.3 billion Marten Falls Community Road. Those groundbreakings pushed Power Infrastructure starts to over \$6.4 billion in September, while Roads posted \$2 billion. Every other Civil subcategory contracted, including a 15.5% decrease in All Other Civil (which includes oil and gas pipelines) and a 48.5% drop in Water and Sewage Treatment.

Residential

Total Residential construction activity fell 33.9% MoM, marking back-to-back months of decline. The decrease was led by a 60% decline in Multi-Family starts, while Single-Family also fell in September, though by a more modest 8.2%.

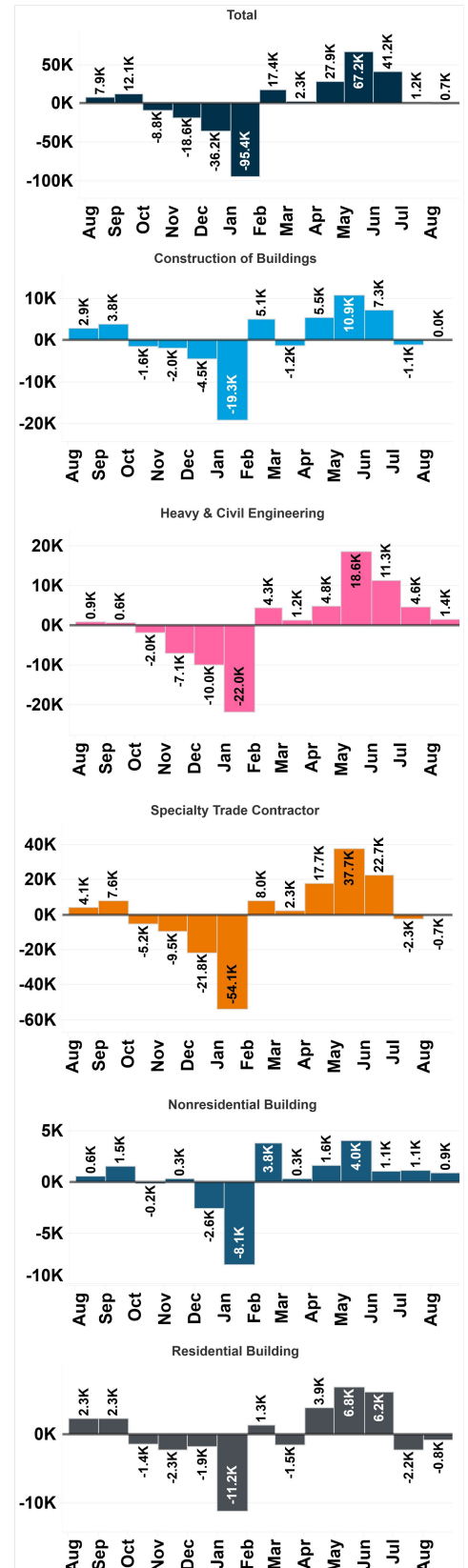
How Is Canadian Construction Labour Doing

Construction employment in Canada grew to 1.25 million in August, adding nearly 750 jobs according to the Survey of Employment, Payrolls and Hours (SEPH). Gains were concentrated in heavy and civil engineering, which added almost 1,400 jobs, and nonresidential building, which added a further 860 jobs. These more than offset MoM declines in residential building and specialty trade contractors.

Compared to year-ago levels, construction employment added 11,055 jobs, a 0.9% increase over August 2025. Heavy and civil engineering and nonresidential building have continued to drive growth in the construction industry, growing 3% and 2.9% respectively. Specialty trade contractor employment has also increased year-over-year (YoY), albeit at a more modest 0.3% rate. Residential construction was the only sector to shed jobs YoY, falling 0.5%.

Hourly construction workers earned an average of \$40.37 in August, up 1.9% from July. That increase widened the hourly premium for construction workers to \$7.07 over the broader all-industry average. In addition to the hourly premium, construction workers have more hours available to work than the broader economy. In August, average weekly hours worked for hourly construction workers increased to 38.7, that is 7.1 hours above the all-industry average of 31.6.

Higher hourly wages and more available hours made average weekly construction wages 49.3% higher than the all-industry average, according to the SEPH. This means construction firms are paying an average of \$1,564 a week for labour, which is \$517 higher than the all-industry average.



What Could Budget 2026 Mean for Construction

Budget 2026 is set to be tabled on November 5, and the government said it will propose measures to “unlock investment” and “move nation-building projects forward.” Those goals line up with the segment of the Canadian construction economy that has supported recent activity. Megaprojects, defined as developments with start values exceeding \$1 billion, accounted for 45.2% of Total Nonresidential construction starts in September on a 12-month moving average basis.

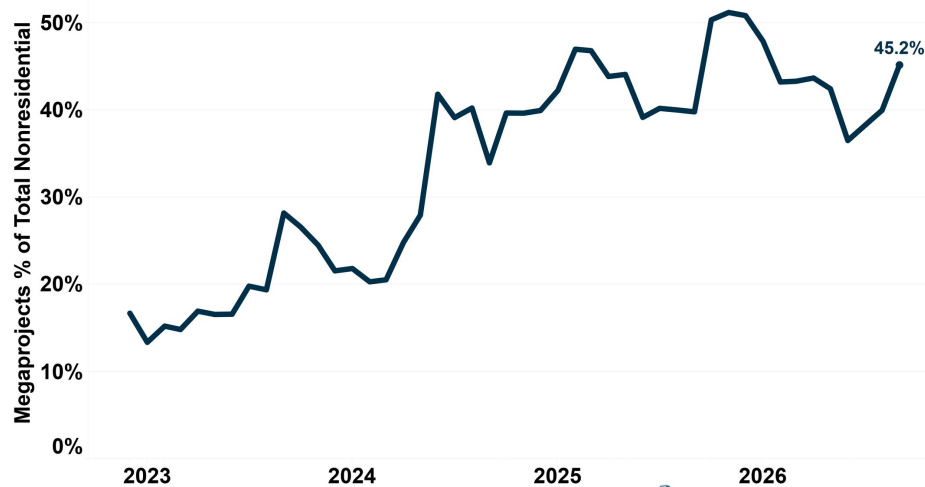
With nearly half of nonresidential starts attached to a number of very large projects, the details of the budget could shape construction activity. Further, the Office of the Parliamentary Budget Officer (PBO) noted that more than 80% of new spending measures announced since June have related to capital investment. The same report cautioned that the federal share of investment in Major Projects Office (MPO) projects had yet to be determined, an open question the coming budget could address.

ConstructConnect Project Intelligence points to what that activity could look like for nation-building project spending next year. LNG Canada Phase 2 in Kitimat, B.C., valued at \$33 billion, is on the MPO’s project list, while the \$1 billion Casino Mine near Whitehorse could fall under the MPO’s Northwest Critical Conservation Corridor. Also, the \$8.5 billion Fraser River Tunnel project already has a commitment of up to \$3 billion from the federal government. All three of these megaprojects are in preconstruction phases with start dates in 2027 and no guarantee of reaching groundbreaking.

These three large-scale projects show how much construction activity the budget could influence. Should the budget direct federal support and investment incentives toward projects like these, Canadian construction starts could see a significant boost.

Megaproject's Account for over 45% of Total Nonresidential Construction

12-month moving average basis, Megaproject = developments \$1 Billion and greater



Source: ConstructConnect Insight Forecast, ConstructConnect Project Intelligence

Provincial Analysis

Year-to-date starts by province, compared with the same period a year ago.

Total Nonresidential

Nonresidential Building

Civil

Total Nonresidential starts were positive in only one of Canada's four largest provinces through September 2026. Alberta, British Columbia, Ontario, and Quebec account for more than 80% of Canadian construction activity. Ontario's September groundbreakings lifted its YTD NR figure to 16.3% above the same period a year ago. Quebec's decline was more modest at 5.9%, while Alberta and British Columbia fell 44.2% and 51.8%, respectively. Outside the four largest provinces, Saskatchewan was the only other province with YTD growth, driven largely by the \$2.2 billion Rook I uranium mine project.

