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MEASURING WHAT MATTERS: LOCAL JOB CREATION AND THE ECONOMIC BENEFITS OF COMMUNITY BUILDING RETROFITS

Community building retrofits offer more than energy and cost savings. They can also generate and sustain local employment, build workforce skills within underserved communities and support inclusive economic development. For example, these projects can create jobs related to planning, designing and installing energy-efficient and climate-resilient building systems. The need for ongoing maintenance and monitoring of upgraded systems also opens up long-term local career opportunities in the energy management and building operations sector.

Beyond the process of retrofitting, operating and maintaining buildings, retrofits stimulate local economies by increasing local demand for new low- and no-carbon technologies, thus increasing business prospects and jobs in manufacturing and equipment distribution.

JOB CREATION POTENTIAL OF COMMUNITY BUILDING RETROFITS

Retrofits generate a wide range of employment opportunities:

- **Direct jobs** include on-site construction, HVAC upgrades, energy auditing, insulation and mechanical and electrical system replacement and upgrades.
- **Indirect jobs** emerge across the supply chain, including distribution and logistics as well as the manufacturing of energy-efficient equipment and building materials.

In Canada, energy efficiency projects are labour intensive. According to Eco Canada's [2024 Energy Efficiency Employment in Canada report](#), the energy efficiency sector expanded from 436,000 employees across the country in 2018 to more than 466,000 in 2023. This figure includes workers directly involved in community building retrofits as well as those performing a wide range of jobs created through energy efficiency projects such as residential upgrades, commercial building improvements and the installation of high-efficiency equipment and technologies.

FIGURE 1: ENERGY EFFICIENCY EMPLOYMENT BY GEOGRAPHIC REGION, 2023

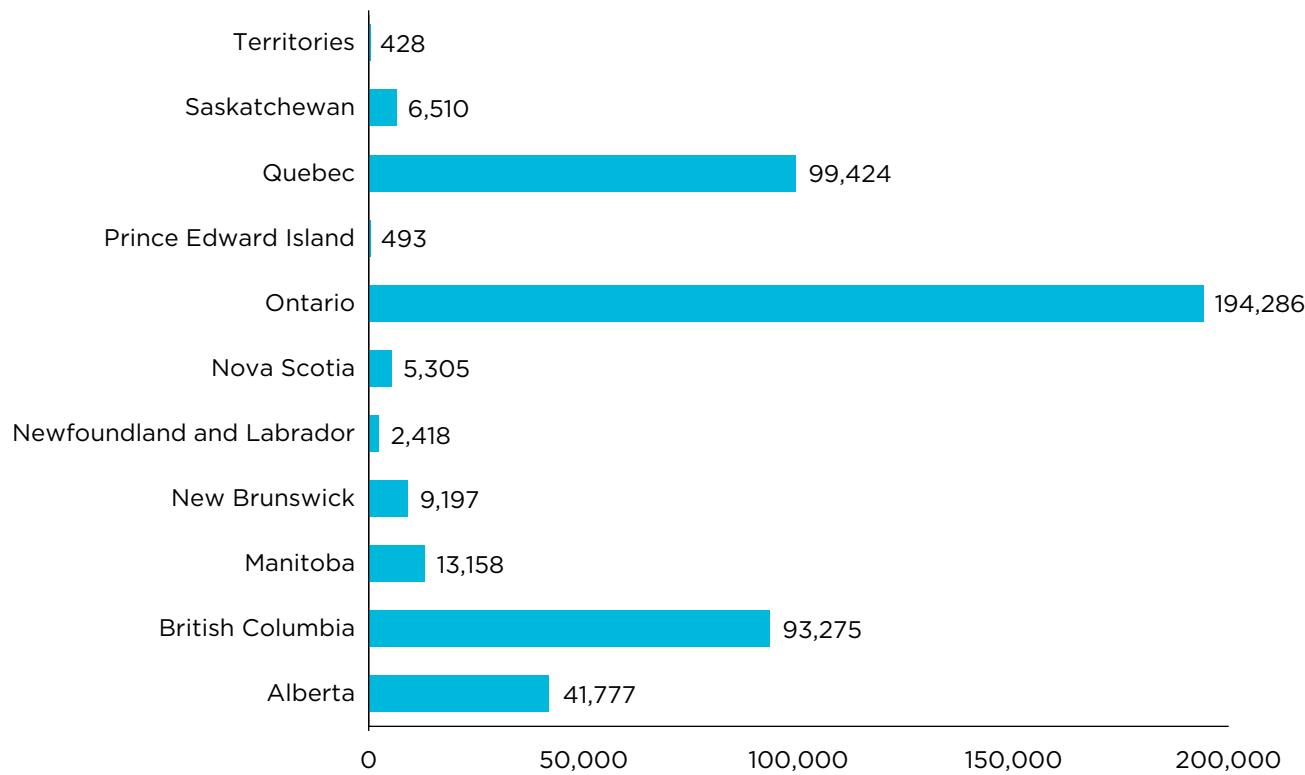


Figure credit: Eco Canada's [Energy Efficiency Employment in Canada report](#), 2024.

TABLE 1: ENERGY EFFICIENCY JOBS AS A PERCENTAGE OF OTHER EMPLOYMENT SECTORS IN CANADIAN PROVINCES AND TERRITORIES

Jurisdiction	Employment estimate, Q4 2023	Energy efficiency employment	% total employment
Canada (total)	18,216,079	466,271	2.6%
Alberta	2,140,338	41,777	2.0%
British Columbia	2,585,895	93,275	3.6%
Manitoba	644,955	13,158	2.0%
New Brunswick	353,683	9,197	2.6%
Newfoundland and Labrador	216,504	2,418	1.1%
Nova Scotia	451,404	5,305	1.2%
Ontario	7,092,651	194,286	2.7%
Prince Edward Island	74,006	493	0.7%
Quebec	4,070,888	99,424	2.4%
Saskatchewan	513,542	6,510	1.3%
Territories	72,213	428	0.6%

Table data: Eco Canada's [Energy Efficiency Employment in Canada report](#), 2024.



OPPORTUNITIES AND ADVANTAGES OF MUNICIPAL RETROFIT PROJECTS

Retrofit projects create jobs with varying skill requirements

Retrofit work spans a spectrum of skills. Skilled trades include HVAC technicians, electricians, energy auditors and building science experts, while less skilled or entry-level roles include demolition, site prep and materials handling. This mix of opportunities allows for the inclusion of workers with diverse educational and experiential backgrounds.

Retrofit projects provide opportunities for workforce development and training

As demand for retrofit services grows, it brings additional training and workforce development opportunities to address labour shortages in trades and technical roles. This includes opportunities to retrain and redeploy workers who have been laid off or displaced from other sectors such as the auto industry, oil and gas and manufacturing.

Retrofit projects can promote diversity in the green jobs sector

Canada's construction sector remains male-dominated: women make up only 4.7 percent of tradespeople ([BuildForce Canada, 2023](#)). Racialized communities, Indigenous peoples and newcomers are also underrepresented. When paired with targeted training, employment and procurement initiatives, growth in retrofit demand can improve gender equity outcomes and increase diversity within the retrofit sector. For example, the [Indigenous Green Energy Participation Grant Program](#) provides grants ranging from \$500 to \$25,000 each for Indigenous communities, entrepreneurs or existing Indigenous suppliers to develop business cases to support their transition towards or further their training to successfully participate in the green or net-zero economy.

Retrofits provide apprenticeship and upskilling opportunities

Growing retrofit demand can lead to more job opportunities, and local community colleges and training institutions can play a key role in meeting this need. By aligning apprenticeships and workforce development programs with retrofit projects, these institutions can help prepare the workforce for in-demand roles in the skilled trades and the building sector. In addition to training new workers, retrofits also indirectly generate local employment by creating new teaching and training positions in local institutions and community colleges. Programs such as the [Canada Green Building Council's Workforce 2030](#) initiative support the development of skilled green trades and professional capacity across the country (CaGBC, 2023).



HOW CAN MUNICIPALITIES SUPPORT AN EQUITABLE AND INCLUSIVE RETROFIT ECONOMY?

Equity-focused strategies can help ensure that low-income residents, racialized individuals, women and youth benefit from emerging employment opportunities. However, systemic barriers such as lack of child care and challenges with credential recognition continue to limit access to green jobs for many equity-deserving communities. Municipalities are uniquely positioned to lead on this front through:

1. Developing or updating a retrofit action plan with workforce goals

Municipal retrofit strategies should go beyond infrastructure and include goals for job creation, equity and workforce development.

Start by reviewing your community energy or climate action plan to identify retrofit targets, then consult local employment agencies or economic development offices to identify workforce gaps.

2. Implementing social procurement policies to prioritize inclusive hiring

Social procurement ensures that public spending delivers social and economic benefits, such as jobs for underrepresented groups.

Begin with a policy review. Cities like [Toronto](#) and [Vancouver](#) offer templates. Pilot inclusive hiring requirements in upcoming retrofit RFPs (requests for proposals) to advance inclusive workforce development goals by prioritizing contracts with vendors who hire individuals facing employment barriers.

3. Partnering with local colleges and workforce agencies to align training and offer mentorship programs

Building a pipeline of skilled labour requires coordination with education providers and job training programs to offer mentorship opportunities that will guide new and prospective workforce entrants.

Convene a roundtable with your local community college, trade unions and employment agencies to map training programs and their potential alignment with upcoming retrofit projects.

4. Piloting inclusive workforce programs (e.g., transit subsidies, paid training, on-site daycare or daycare subsidies)

Supportive measures can help address participation barriers for underrepresented groups, especially in low-income communities.

Collaborate with community partners to identify top barriers to employment, then apply for provincial/federal funding (e.g., Skills Development Fund) to pilot wraparound support programs.

5. Tracking and reporting on employment outcomes from retrofit programs

Data collection helps measure progress, refine approaches and build public and political support.

Integrate workforce indicators (e.g., jobs created, demographics of hires) into project reporting requirements. Consider developing a public dashboard to track results over time.

By integrating job creation and equity into retrofit strategies and programs, municipalities can achieve three things in one: decarbonizing buildings, revitalizing local economies and ensuring that climate action benefits all residents in Canadian communities large and small.