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By Blue Door

Fall 2025 Budget





Recommendation 1: That the government position Blue Door's Housing for All Land Trust as a delivery partner within Build Canada Homes to accelerate the creation of deeply affordable, community-led housing.

Recommendation 2: That the government provide an \$8 million investment over five years to replicate Construct as a key solution to Canada's skilled labour and housing crises, while maintaining existing GTA-based programming capacity for Construct.

Recommendation 3: That the government position Construct as a critical partner in the Government of Canada's forthcoming National Workforce Strategy.



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Background

Canada is grappling with a significant shortage in skilled labour: jobs we need to fill to reduce the country's housing supply shortfall. Canada needs to train approximately 75,000 new apprentices per year to offset the projected 700,000 skilled trades retirements by 2028, which presents an opportunity for innovative solutions that are ready to be deployed to solve the labour shortage and other pressing socioeconomic challenges.

This labour crisis is in tandem with a significant shortage of affordable housing supply across Canada, where the Canada Mortgage and Housing Corporation (CMHC) estimates Canada will require between 430,000 and 480,000 units per year until 2035; and the Liberal government has promised to develop 500,000 new units per year over the next decade. This presents another critical opportunity for innovative solutions and community-led partnerships that address the number of new units required.

For both crises, Blue Door has the capacity and expertise to support the government in achieving their ambitious housing and workforce development goals. Through Construct and the Housing for All Land Trust, Blue Door is ready to be an active partner with the government in increasing both the skilled workforce and the number of housing units developed.

Founded in 1982, <u>Blue Door</u> is a registered charity dedicated to housing stability, driving innovative housing, health, and employment solutions to prevent and end homelessness across Canada. As the largest emergency housing provider in York Region, we operate over 10 programs that address the root causes of homelessness. With more than 40 years of experience, we have pioneered award-winning, scalable solutions that help youth, adults, seniors, and families escape homelessness and secure stable futures.

A ready-to-replicate national solution to Canada's skilled labour shortage, Blue Door's Construct program is a proven workforce development model that addresses labour market detachment—barriers faced by marginalized populations, particularly unemployed and underemployed individuals experiencing or at-risk of experiencing homelessness, as well as racialized individuals, newcomers, youth, previously incarcerated, and women. By providing pre-apprenticeship training alongside individualized wraparound supports, Construct enables participants to access skilled trades pathways that are typically out of reach. In the last five years, Construct has scaled across the Greater Toronto Area from 40 participants a year to nearly 300 in 2025, supporting 720 participants in total to date, with 92% graduating from the program, 81% finding employment within six months of program completion, 74% finding employment in construction, and 4% returning to higher education.

Through Blue Door's Housing for All Land Trust, we offer a shovel-ready, community-led solution that directly supports the federal government's goals to accelerate housing delivery. The Housing for All Land Trust brings together public, private, and non-profit partners to unlock and preserve deeply affordable housing, ensuring these assets are protected from market speculation and remain affordable in perpetuity.



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Partnering with Blue Door to expand both solutions' impact will not only save Canada billions of dollars per year by reducing spending on homelessness (\$66,000-\$120,000/per person per year for folks facing incarceration or hospital stays), but generate multiple economic benefits: a more productive, larger skilled labour force, increased housing supply, and increased government revenue.

Recommendations

1. Position the Housing for All Land Trust as a delivery partner within Build Canada Homes

Blue Door's Housing for All Land Trust offers a shovel-ready, community-led solution that directly supports the federal government's goals to accelerate housing delivery through Build Canada Homes (BCH). The Housing for All Land Trust brings together public, private, and non-profit partners to unlock and preserve deeply affordable housing, ensuring these assets remain affordable in perpetuity.

By partnering with Blue Door, and embedding the Housing for All Land Trust as a formal delivery and community partner to BCH, this would ensure the Housing for All Land Trust has equitable access to federal surplus lands, participation in bulk procurement opportunities, and support to accelerate project approvals—allowing BCH to leverage the Housing for All Land Trust to deliver deeply affordable, supportive housing for high-need populations including seniors, families, youth, people with disabilities, and people at risk of homelessness.

By establishing the Housing for All Land Trust as a formal delivery and community partner, the government can:

- Coordinate with all orders of government and catalyze private investment;
- Reduce red tape and accelerate project approvals to deliver deeply affordable housing; and
- Meet broader nation-building infrastructure, housing, and workforce development objectives.

The Housing for All Land Trust is a ready-to-scale model that will provide affordable housing access through the removal of barriers to labour mobility, fueling economic participation—ensuring that deeply affordable housing is not just built faster, but built to last, and owned by the communities it serves.

Therefore, we recommend that the government position Blue Door's Housing for All Land Trust as a delivery partner within Build Canada Homes to accelerate the creation of deeply affordable, community-led housing.

2. Provide an \$8 million investment over five years to replicate Construct as a critical workforce development training program while maintaining existing programming

Canada continues to face a critical skilled labour shortage that is directly limiting the federal government's ability to meet its housing, infrastructure, and economic growth targets. With an anticipated 700,000 skilled trades retirements by 2028, we know that Canada will need to train approximately 75,000 new apprentices per year. The current output of trained apprentices is approximately 40,000 to 50,000 per year, leaving a shortfall of 25,000 to 35,000 trainees per year. This

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national challenge requires innovative, community-based solutions that not only build workforce capacity but ensure equity and inclusion are at the centre of economic growth.

A ready-to-replicate national solution to Canada's skilled labour shortage, Blue Door's <u>Construct</u> program is a highly successful proven workforce development model that addresses labour market detachment—barriers faced by marginalized populations, particularly unemployed and underemployed individuals experiencing or at-risk of experiencing homelessness. Construct taps into an untouched demographic of labourers, by providing pre-apprenticeship training alongside individualized wraparound supports, to enable participants to access skilled trades pathways that are typically out of reach. In the last five years, Construct has scaled from 40 participants a year to 300 participants in 2025, operating in Durham, Peel, and York Region, and supporting over 700 participants in total to date, with:

- 92% graduating from the program;
- 81% finding employment within six months of program completion;
- 74% finding employment in construction, and;
- 4% returning to higher education.

Given Construct's approximately 75% success-to-trades graduation rate, bridging the 25,000 to 35,000 shortfall would require approximately 34,000–47,000 trainees per year through alternative, community-based models like Construct.

Construct is currently piloting Construct expansion with two partners (Niagara Region and Nova Scotia) and initial results of replicating this program are promising. Construct has long-term plans to replicate programming by bringing its award-winning service model to eight new communities across Canada, and federal government support is key to making this happen. With the government's support, Blue Door will replicate this proven workforce solution by partnering with and equipping local not-for-profit organizations with the training, connections, and resources to deliver Construct's supportive skills training in their local community. Blue Door provides partner organizations with Construct's curriculum, training materials, online training platform, and connections to cross-sectoral trades training and employer partnerships, recruitment supports, and hands-on experience opportunities delivered by partner non-profits.

With an \$8 million investment over five years from direct skills development funding through Employment and Social Development Canada, we will enable Construct to train eight replications. This investment will grow the ongoing work of Construct, helping more people access Construct's skilled training.

This vital investment ensures the Government of Canada's strategic priorities around economic sovereignty will build our domestic labour force and reduce Canada's reliance on U.S. labour. It also will ensure Construct achieves its goal for the program to support non-profits across Canada in launching hundreds of people into the skilled trades within five years. This investment would be separate from any funding that maintains and builds on Construct's GTA-based capacity to reach untapped demographics within the labour market—a vital component to addressing Canada's skilled labour shortage.

Therefore, we recommend that the government provide an \$8 million investment over five years to replicate Construct as a key solution to Canada's skilled labour and housing crises, while maintaining





existing GTA-based programming capacity for Construct.

3. Position Construct as a critical workforce partner within the National Workforce Strategy

As the federal government moves into the development of its National Workforce Strategy, we call on the federal government to actively consider Skilled Trades Talent Hubs as a key pillar of the strategy, and Construct must be embedded as the organization who will deliver these skills hubs. Blue Door is well-positioned as a critical partner for the government, leveraging Blue Door's Construct program to deliver award-winning and evidence-based supported skill trades training. Blue Door's Construct workforce solution aligns directly with the government's stated goals of boosting apprenticeship access, labour mobility, and economic inclusion, while helping the government meet its broader nation-building infrastructure, housing, and economic sovereignty objectives.

Since launching, Construct has scaled from York Region into Durham and Peel Regions in the Greater Toronto Area, from 2 cohorts in 2020 to 27 cohorts in 2025. Recognizing the demand and interest in replicating the successful model, Construct is prepared to support national workforce development with a ready-to-scale national solution that addresses labour market detachment-barriers faced by marginalized populations and taps into an untouched demographic of labourers. Construct is currently piloting its talent and training model (alongside individualized wraparound supports) with organizations in Ontario and the East Coast, through funding from the Government of Canada's Future Skills Centre.

Primed and ready, Construct will serve as a national program for scaling possible Skilled Trades Talent Hubs—building on the successful Workforce Hubs model used by the Biden administration in the U.S. These hubs partner with other levels of government, employers, unions, community colleges, high schools, and other stakeholders to build a diverse and skilled workforce to meet the demand for labour. This collaboration is a large part of what makes Construct successful, and Construct Canada would help to form these partnerships in local communities across Canada.

The federal government must look to Blue Door's expertise to build out the National Workforce Strategy, with funding provided for Construct through the federal government's workforce programming (including the Youth Employment and Skills Strategy, and Future Skills Centre) and providing Construct with the opportunity to lead as a Skilled Trades Talent Hub.

Construct is not just a social program—it is a strategic economic partner that must be embedded in the government's workforce solutions to deliver on the Liberals' vision of a "One Canadian Economy."

Therefore, we recommend that the government position Construct as a critical partner in the Government of Canada's forthcoming National Workforce Strategy.