Navigating the storm

2026 Atlantic Canada Momentum Index

Public Policy Forum

BY CAROLE LEE REINHARDT, STEPHEN MAHER
AND COLIN CAMPBELL



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CHAPTER 01

Introduction

PPF's first Atlantic Momentum Index report in 2023 identified an historic shift underway in the region.

Out of 20 key economic and social indicators measured by the 2023 index, 16 showed momentum compared to just 10 in the rest of Canada.

The report flipped the Atlantic Canada narrative, showing the region was "have-not no more."

In 2024, the Index report showed some flickering warning lights. While there was still momentum — 16 out of 25 indicators in the expanded index — weak spots were emerging. Productivity was slowing. Business investment was slipping. Housing and health care were showing strains from an unprecedented population boom around the pandemic years.

It was time to "adjust the sails" to prevent backsliding, it said.

This year's report should be a loud alarm for the region's leaders and policymakers.

The 2026 Atlantic Momentum Index shows momentum in 15 of 25 indicators — one less than in 2024. But it is a fragile momentum. Thirteen indicators are weaker in this year's index compared to 2024.

Immigration, the region's traditional engine of growth, has been hobbled by federal policy changes. Labour productivity, immigration retention and poverty rates show declining momentum.

While this year's index shows some familiar weak spots, there are some unpleasant surprises too, like a declining sense of belonging, once one of the region's calling cards.

There have been provincial policy adjustments since 2024, including revised immigration processes, new housing supports, trade-barrier cuts and infrastructure investments. But the winds that have swept into the region have also proved stronger than anyone expected.

Economic uncertainty (largely not captured by the Index, which focuses on longer-term trends) looms large. Tariffs threaten to knee-cap key industries, unsettling investment decisions, supply chains and access to the U.S. market. Inflation is squeezing households and businesses.

There is a storm brewing. But for those who are prepared there are opportunities. And who, after all, knows better how to navigate a storm than Atlantic Canadians?

The region is well suited to benefit from planned major investments in defence, mining, energy and infrastructure, from Churchill Falls in Labrador, to defence projects in Nova Scotia to new mines in New Brunswick, and much more.

The purpose of the Atlantic Canada Momentum Index is to not just show important trend lines, but to use data to reinforce policy choices that must be made. There is still time to adjust the sails and put the region back on its super-charged trajectory. This report's recommendations include calls to:

- Establish a Made-in-Atlantic Canada immigration solution and develop a labour force expansion plan
- Create a simplified, 'one door' regional investment portal
- Conduct a regional review of the impact of tax and regulatory policies on private-sector investment, business expansion and innovation
- Start measuring and tracking the region's business competitiveness
- Leverage Atlantic Canada's energy and resources to boost economic development
- Launch a public education and awareness campaign on economic development

The waters ahead are unsettled and some of the forces shaping Atlantic Canada's future could push the region in directions that take it far off the course to prosperity. But changing conditions can also create opportunity. A favourable wind, properly harnessed, can provide the lift needed to accelerate toward the direction we have chosen. The steps are doable. What's needed is urgency and a willingness for provinces to get out of their comfort zones and navigate the storm together. The question is not whether we can control the weather, but whether we are prepared to navigate it. •

CHAPTER 02

Everywhere uncertainty

Every sailor knows that a ship is only as good as its crew.

Anyone can manage a vessel on a downwind run on a sunny day, but when the wind is against you and the sea is rough, you need to have good sailors aboard if you want to get to port.

Finding the right crew ought to be the preoccupation for Atlantic Canadian policymakers and leaders as we head into choppy waters, because the 2026 Atlantic Canada Momentum Index shows confused seas ahead, and loss of momentum is discouraging for a region that has serious structural challenges.

If demographics is destiny, Atlantic Canada is in trouble.

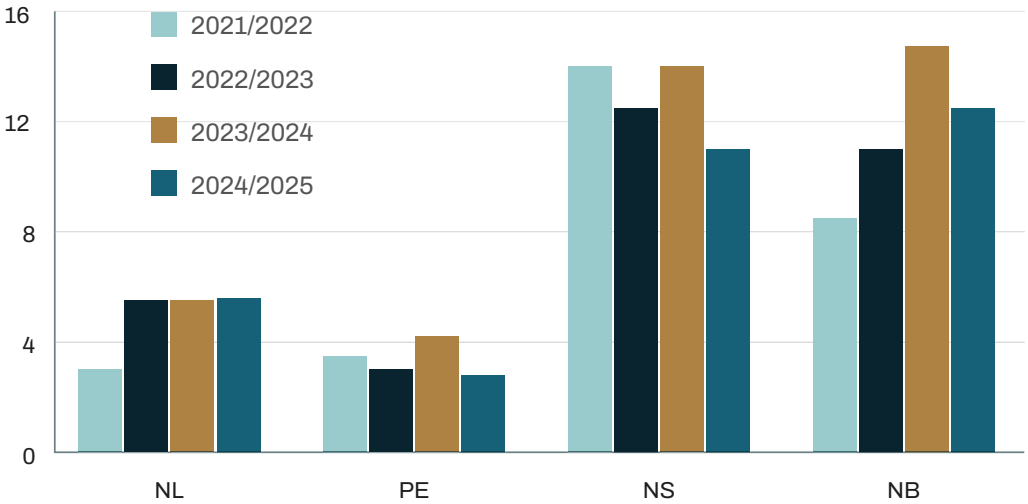
Growth in the region in the last decade was driven and enabled by in-migration and immigration. The new human capital breathed life into communities long accustomed to waving goodbye to young people rather than welcoming newcomers.

Those two human waves of energy were enabled by the region's successful COVID management and an open-door federal immigration policy, neither of which are any longer relevant.

Memories of the successful Atlantic bubble are fading, and the federal government has responded to public opinion by restricting the in-flow of temporary foreign workers and students. The result? Population growth, which drove economic growth in the region for a decade, has stalled, having crested in 2023.

Immigration started to slow significantly by mid-2025

Actual immigration (thousands)



Note: Immigration flows are from July 1 to July 1 each year
Source: Statistics Canada

This may turn around somewhat once the federal government decides to open the taps again, but the region needs a lot more workers if it is to fill the vacancies that are coming — there is a gap of hundreds of thousands of workers[i] to fill in the next decade — and worrying demographic forecasts for many rural communities, where there are not enough young families to sustain populations or fill job vacancies. Economist David Campbell notes that there are 70 communities around the region that are projected to have at least 40 percent of the population aged 65 and older. In 2011, there were zero.

i Campbell, D. (March 25, 2026). Help wanted: Solving Atlantic Canada's growing labour force challenge. Public Policy Forum. https://ppforum.ca/publications/help-wanted/

Fifteen indicators in the index report are stronger in 2026 than in 2024, and 10 weaker. Momentum is softening, and the crucial economic and population metrics, which are upstream of many other indicators, show weakness.

Every Atlantic province has lower momentum share in 2026 than in 2023.

Members of the index report's advisory committee — former premiers, deputy premiers and a senior economist we invited to review the numbers in the report — all express concerns about what those numbers show.

Exports showed some momentum, but the numbers do not reflect post-trade-war difficulty, and momentum is not sufficient to change a structural problem: Atlantic Canada sells petroleum, seafood, minerals and tires, but not enough to pay the bills.

The recent Atlantic Economic Panel report[ii] explains the problem. "The region's share of Canadian exports peaked at 6.5 percent in 2019 before returning to its 2016 level of 5.4 percent by 2025, suggesting that export growth has largely kept pace with Canada rather than increasing the region's national market position."

The same report noted that the region "fell



Three indicators point to workforce problems getting worse, which the region cannot afford.

ii Atlantic Economic Panel. (Sept. 25, 2026). Bolder Ambitions: Greater Prosperity For All. https://aep-peca.ca/en/final-report/

> "I was struck by how quickly momentum appears to be softening and by the combination of improving employment income alongside weakening labour productivity."
>
> **ALDÉA LANDRY,**
> FORMER DEPUTY PREMIER OF NEW BRUNSWICK

from 87 percent to 82 percent of the national average in labour productivity between 2016 and 2024."

In the index, three indicators — labour productivity, immigration retention and youth NEET (Not in Education, Employment or Training) point to workforce problems getting worse on the horizon, which the region cannot afford, since it already lags the rest of the country in important respects.

"I was struck by how quickly momentum appears to be softening and by the combination of improving employment income alongside weakening labour productivity," says Aldéa Landry, former deputy premier of New Brunswick. "I was also concerned by the NEET findings. We often focus on attracting workers from elsewhere, but we must place equal emphasis on helping the young people already living here succeed."

Greg Landry (no relation), an economist and the founder of Strategic Futures Consulting, notes that "GDP has been largely driven by population growth, whereas productivity— a key driver of long-run economic growth— has been declining," and population growth has "recently outpaced GDP growth, leading to a decline in GDP per capita."

This is stark: The index showed labour productivity declined. It is a key driver of prosperity, and the region lags the rest of the country, which itself does not compare favourably to peer nations.

"It is influenced by many of the other indicators in the report, including investment, post-secondary education attainment and business expenditures on research and development (BERD)," Greg Landry notes. "Unfortunately, Atlantic Canada continues to lag on this measure."

All the advisory group members agree that immigration — hopefully a federal policy tailored to the region's needs — is crucial to regaining momentum. But Andrew Furey, former premier of Newfoundland and Labrador, cautions that alone is not a panacea.

"I think the findings point to an emerging mismatch between our demographics, future labour requirements and the skills we are developing," he writes. "Atlantic Canada has an aging population and needs workers, yet we also have young people who are not fully participating in education, employment or training. At the same time, productivity and investment remain challenges. That suggests the solution is more complicated than simply increasing the size of the labour force."

Part of the solution is more aggressive promotion of workforce opportunities, writes former P.E.I. premier Wade MacLauchlan.

"We may think we are doing a lot of this, but it's not reaching the target audience, as evidenced by NEET, tertiary education and immigrant retention indicators."

Former Nova Scotia premier Darrell Dexter was surprised by the weakness of the numbers, given his "windshield assessment" of the provincial economy.

"In Halifax, the number of cranes for new buildings, changes in neighbourhoods, more than 5,000 people working at the shipyards, the market value increases in housing and the restaurant and hotel traffic is remarkable."

Our greatest opportunity is to attract talent, develop talent, retain talent.

But that dramatic migration-driven growth in the region's cities has not been without difficulty. Most of the quality-of-life measures in the index show either lack of momentum or little momentum, except for reduction of greenhouse gas emissions — the result of a shift from coal in electricity generation — and housing starts — those cranes that Dexter noticed.

Economic inequality (the Gini coefficient), physician access, life satisfaction, community belonging, poverty rate and housing affordability all worsened.

"I was disappointed to see how much Atlantic Canada has declined in terms of life satisfaction and sense of community," writes Greg Landry. "Historically, these have been among the region's greatest strengths and



key reasons why people were proud to live in Atlantic Canada."

Although migration has affected quality of life, nobody thinks the solution is to abandon the opportunities that came with population growth.

"Atlantic Canada's greatest resource is not its natural resources," writes Aldéa Landry. "It is its people. Hence, our greatest opportunity is to attract talent, develop talent, retain talent and create the conditions that allow talent to thrive. If we succeed, our economy will succeed."

This fits with Campbell's research. His recent Help Wanted[iii] report for PPF pointed out, with some urgency, that the region will need to fill 441,000 jobs in the coming decade, which will be impossible if immigration remains limited.

And there are many communities — Bathurst, Campbellton, New Glasgow, Kentville, Corner Brook — where there are few children as a proportion of the community.

"In 2011, there were 12 communities in the region where a third of the population was over 65," he writes. "By 2035, there will be 175."

Add the uncertainty about the future of artificial intelligence, and Campbell can imagine a future where much of the region is emptied of all but the retired.

"Do we really want 20 years from now (for) Yarmouth to be 500 elderly people and 1,000 robots with the brain of Einstein?" he says in an interview. "Is that the future for Yarmouth?"

Nobody is going to force the elderly to leave the communities where they were raised.

"You're just going to increasingly have to subsidize them," he says. "Their RCMP, their health care, their roads, their infrastructure, even as they decline. And the question is: is that a sustainable model moving forward?" •

iii Campbell, D. (March 25, 2026). Help wanted: Solving Atlantic Canada's growing labour force challenge. Public Policy Forum. https://ppforum.ca/publications/help-wanted/

CHAPTER 03

Opportunity knocks, urgently

To avoid a downward spiral of stagnation and decline — and ensure that the region is a desirable place for productive workers to live — it will be necessary to seize opportunities in renewable energy, oceans technology, high tech and critical minerals.

"Energy should be central to the strategy," writes Furey. "The report itself identifies weakness in renewable-energy investment and non-emitting energy production. Rather than diminishing the opportunity, I think that demonstrates how much unrealized potential remains. Hydroelectricity, wind, offshore resources and emerging clean-energy opportunities can support domestic economic growth while positioning Atlantic Canada as an increasingly important energy supplier to Canada and international markets."

MacLauchlan agrees: "Energy production and transmission should be top priorities. They will be either a positive factor of growth, or they will hold us back."

A huge growth driver should be defence spending, particularly in Halifax.

"In the current economic climate and the state of international affairs, I would take advantage of the federal focus on defence," Dexter writes. "We are in an enviable position that can be leveraged to provide benefits far beyond hosting assets and their suppliers."

Fellow Nova Scotian Greg Landry sees added opportunities in the industry in developing research opportunities, where the region has long lagged the rest of the country.

"When Irving won the National Shipbuilding Strategy contract, a common refrain was, 'If we just cut steel, we will have missed the boat.' The point was that the

region needed to … build technological and innovation capacity, not simply perform the manufacturing work."

But Campbell is worried that as the federal government expands defence spending, it will have to cut other spending, which will take some of the wind out of Halifax's sails. And housing costs in the city pose challenges for retaining workers. Rent is much cheaper in Montreal.

The index overall is not encouraging. Even community belonging — a crucial source of social cohesion and a regional advantage — is showing a loss of momentum in Atlantic Canada.

"We just need to do a better job of building housing aligned with the income profile of the households in Halifax," he says. "I know everybody wants to live in a 3,500-square-foot house with a two-car garage, but it just doesn't work that way. There are ways to cut the cost per square foot."

Part of the problem is that retired people are staying in large homes rather than moving.

Dexter, who used to represent suburban Cole Harbour, saw it in his riding. "Starting in the early 2000s, many of the people in these homes were looking to downsize, but the lack of housing options kept them in their homes."

Everything points to the need to create the environment for people to want to live in the region, writes Aldéa Landry.

"Nearly every indicator in the report, from population growth and immigration to youth not in education, employment or training (NEET), labour productivity, housing, health care and education, ultimately comes back to people. Are we attracting talent? Are we developing it? Are we creating the conditions that encourage people to stay, contribute and build their futures here?"

IT IS WORTH NOTING that Atlantic Canada shows more momentum than Canada as a whole, with 15 positive indicators compared to Canada's 14. (Canada's momentum also slipped from 2024.) But that national comparison may be cold comfort.

The index overall is not encouraging. Even community belonging — a crucial source of social cohesion and a regional advantage — is showing a loss of momentum in Atlantic Canada.

Employment income is up, closing the long-standing gap with the rest of the country, but so is the cost of living. High levels of

provincial debt across Atlantic Canada impact the region's capacity to respond to economic uncertainty, attract private investment and implement policies that strengthen long-term economic growth and prosperity.

Add to this a trade war with the United States, risks from climate change and the wars in Europe and the Middle East and it all contributes to a growing sense of peril, not to mention economic stress.

The change in U.S.-Canada relations has been described by the Bank of Canada as a structural adjustment to the Canadian economy, rather than a temporary disruption. Both Nova Scotia and New Brunswick have significant exposure to forestry, seafood, agriculture, manufacturing and other traded goods. Newfoundland and Labrador faces exposure through energy, mining, seafood and other commodity exports. P.E.I.'s seafood, agricultural and food-processing industries are sensitive to market access and trade costs.

This may rattle policymakers who need to make urgent changes to better position the region for the uncertain challenges ahead.

The Atlantic Economic Panel report[iv] — an exhaustive 180-page private-sector-led study of the region's challenges — called for the removal of all trade and labour mobility barriers, a single, regional investment platform, a regional electricity grid, a new focus on mining, and a push for increased exports, particularly to Europe.

To pursue regional co-operation on this level, provincial leaders would have to take steps that would be unpopular. As Campbell observed[v] recently, similar recommendations from a report in the 1950s never really got traction because the four provinces were not able to bring a co-ordinated approach to the federal government.

But the situation may now be dire enough to spur action.

Former New Brunswick premier Frank McKenna, who was present for the report's release, predicted they would act this time.

"We have a burning platform that will ensure there's broad-based public support for really ambitious initiatives," he said[vi] at the time. •

iv Atlantic Economic Panel. (Sept. 25, 2026). Bolder Ambitions: Greater Prosperity For All. https://aep-peca.ca/en/final-report/

v Campbell, D. (Sept. 25, 2026). Does history repeat itself? It's the Economy, Stupid! Substack. https://david476.substack.com/p/does-history-repeat-itself

vi Ridder, E. (Sept. 26, 2026). One Atlantic region economy needed to save 'burning platform,' ex-N.B. premier says. Global News. https://globalnews.ca/news/12074379/frank-mckenna-atlantic-region-economy/

CHAPTER 04

About the Index

Overview of the index results

The Atlantic Canada Momentum Index tracks 25 indicators related to the economy and quality of life to assess whether progress in the region is strengthening or weakening. It measures momentum by comparing whether an indicator's compound annual growth rate (CAGR) improved between two periods: 2008-2015 and 2015 to the latest year of available data. An improvement could be a positive or negative difference in the two CAGRs, depending on the indicator. All multi-year growth rates in this report are reported as CAGRs.

This 2026 edition of the index builds on the first two editions, released in 2023 and 2024. It retains the original methodology, except for an improved measure of immigration retention.

The 2026 Atlantic Canada Momentum Index indicates that the region continues to show momentum overall, but that momentum is softening. The index records momentum in 15 out of 25 indicators, down from 16 in the 2024 index. This marks the second consecutive edition where the share of the region's indicators that show momentum has declined.

Every Atlantic province has a lower momentum share in 2026 than in 2023

Number of Indicators Experiencing Improvement and Deterioration 2015-2024/25

	Improvement			Deterioration		
	2023	2024	2026	2023	2024	2026
Canada	10	17	14	10	8	11
Atlantic Canada	16	16	15	3	9	10
Newfoundland and Labrador	13	16	14	7	9	11
Prince Edward Island	13	15	15	7	10	10
Nova Scotia	14	15	12	6	10	13
New Brunswick	17	14	17	3	11	11

Note: The 2023 index had 20 indicators while the 2024 and 2026 indices have 25 indicators. The updated immigrant retention methodology was applied to the 2024 index, increasing the number of indicators with momentum by one from 15 to 16.

Atlantic Canada has one more indicator with momentum compared to Canada in 2026. Canada's momentum share has fallen since 2024 but remains above its 2023 level.

Atlantic provincial index comparisons

New Brunswick leads the region with 17 out of 25 indicators showing momentum in the 2026 index. The province is the region's top performer in six indicators spread across all categories except macroeconomy. It has the weakest momentum in the Maritimes for real GDP and in Atlantic Canada for real exports and labour productivity.

Prince Edward Island is showing momentum in 15 indicators. It has the region's strongest momentum in seven indicators spread across all categories. Some indicators include real GDP, population, median age and employment income.

Newfoundland and Labrador has momentum in 14 indicators. The province records the strongest results in the region for nine indicators, including labour productivity, real exports and real GDP per capita. However, its GDP per capita momentum reflects a slower rate of decline rather than accelerating growth. It has the weakest momentum for real GDP regionally and is the only Atlantic province without momentum in population growth.

Nova Scotia is the only Atlantic province that does not have overall momentum. It posts momentum in 12 indicators. It has the region's best performance in three indicators, all of which fall under quality of life: GHG emissions, the Gini coefficient and physician access. None of the four provinces have momentum in physician access, but Nova Scotia's access is deteriorating at the slowest rate.

Two of Atlantic Canada's indicators have shifted from momentum to no momentum between editions. Immigrants and NEET lost momentum in 2026 after recording momentum in the 2024 index. Employment income is the only indicator gaining momentum in 2026 after showing none in 2024.

Summary of 2023, 2024 and 2026 Atlantic Canada Momentum Index reports

While most indicators continue to show momentum, the overall direction is changing

Category	Indicator	2023	2024	2026
		Green = momentum Red = no momentum		
Macroeconomy	Real GDP			
	Real GDP per capita			
	Real exports			
Human capital	Population			
	Immigrants			
	Immigrant retention rate			
	Median age			No change
	NEET			
	Post-secondary education			
Labour market	Employment rate			
	Employment income			
	Labour productivity			
	Maternal participation	Not measured		
Innovation and investment	BERD			
	Non-residential investment			
	Non-emitting energy production			
	Renewable energy investment	Not measured		
	GHG emissions	Not measured		
Quality of Life	Gini coefficient			
	Physician access	No change		
	Life satisfaction			
	Community belonging			
	Poverty rate	Not measured		
	Housing starts			
	Housing affordability	Not measured		

Note: The change within each index compares the compound annual growth rate from 2008–2015 with the compound annual growth rate from 2015 to the latest year available. Green values and shading indicate momentum and red indicate no momentum. Momentum can be a negative value in some indicators where improvement is a decline. The revised methodologies and datasets for the immigrant retention rate and labour productivity indicators are applied to the 2024 index to ensure comparability with the 2026 index. NEET = not in education, employment or training. BERD = Business enterprise expenditure on research and development. GHG = greenhouse gas.

Key Considerations

Recent softening in momentum will not be reflected in some indicators due to the longer-term averages used in the index and not all indicators extending to 2025.

Some indicators strengthened from 2022 to 2024 as rapid population growth, supported by higher immigration, boosted the post-pandemic recovery. As noted in the 2024 Atlantic Canada Momentum Index, for the first time in generations, the region and the people struggled to manage rapid growth, not decline — a better problem to have, but a problem, nonetheless. The rapid growth in population placed additional pressures on systems, services and infrastructure.

However, the tightening of federal immigration policy starting in late 2024 has sharply slowed population growth and weighed on economic activity. Uncertainty surrounding U.S. trade policy beginning in 2025 has also limited economic growth.

Recent softening in momentum will not be reflected in some indicators due to the longer-term averages used in the index. •

CHAPTER 05

Momentum results for the 25 indicators

MACROECONOMY

REAL GDP

Atlantic Canada's real GDP grew 1.5 percent per year from 2015-2024, an acceleration of 1.4 percentage points compared with 2008-2015.

All Atlantic provinces recorded momentum. The Maritime provinces recorded stronger growth in the recent period versus the base period. Newfoundland and Labrador continued to decline, but at a slower rate.

Canada also experienced momentum in real GDP, recording an increase of 0.5 percentage points. Atlantic Canada grew faster during the period, though the region's growth rate remained below the national average of two percent per year from 2015-2024.

REAL GDP PER CAPITA

Atlantic Canada's real GDP per capita grew 0.2 percent per year from 2015-2024, an acceleration of 0.3 percentage points compared with 2008-2015.

All Atlantic provinces recorded momentum. Newfoundland and Labrador led the region. However, unlike the Maritime provinces, its GDP per capita momentum reflected a slower rate of decline rather than accelerating growth.

Canada's real GDP per capita grew 0.4 percent per year from 2015-2024, a decelera-

tion of 0.1 percentage points compared with 2008-2015. Provinces west of Quebec up to British Columbia showed no momentum.

The longer-term averages mask a recent divergence between real GDP and real GDP per capita. Real GDP grew while real GDP per capita shrank across the region — and much of the country — from 2022-2024. This reflected economic growth driven by population-boosted demand rather than gains in productivity. Newfoundland and Labrador recorded the weakest GDP per capita growth rate in the country from 2022-2024 at -1.7 percent per year.

REAL EXPORTS

The region's real exports grew 0.8 percent per year from 2015-2024. This was 3.1 percentage points stronger than the 2008-2015 growth rate, indicating momentum.

All Atlantic provinces accelerated substantially between the two periods. Newfoundland and Labrador recorded the greatest acceleration in the country at 6.2 percentage points.

Nationally, export growth did not have momentum. Canada's growth rate slowed by 0.1 percentage points to 1.6 percent per year in 2015-2024. However, this growth rate was above Atlantic Canada's during that time.

The post-2022 growth rates point to strength in this indicator. Atlantic Canada

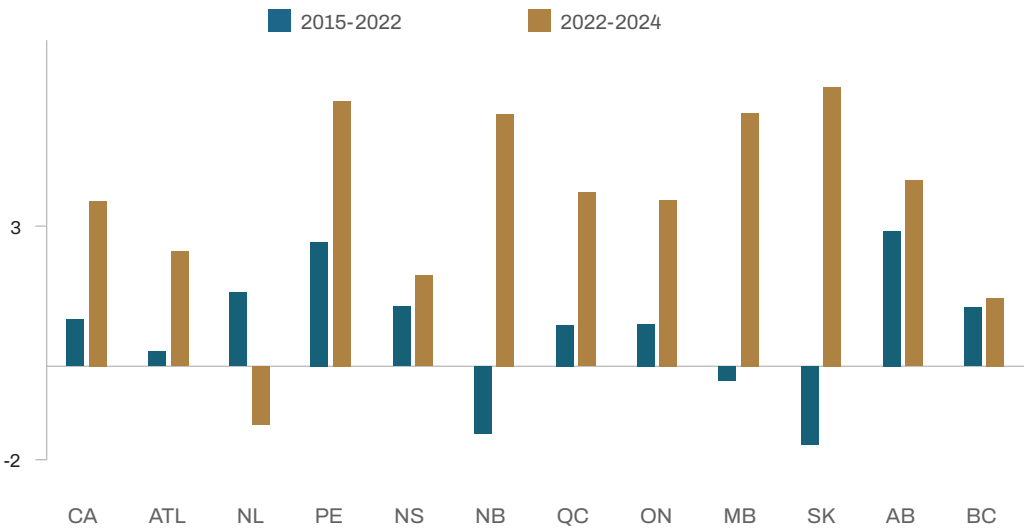


Atlantic Canada saw momentum in BERD spending. Growth accelerated from 2.5 percent per year in 2008-2015 to 7.4 percent per year in 2015-2023.

and Canada experienced improvement in real export growth from 2022-2024 versus 2015-2022. The region's and country's growth rates were 2.5 percent and 3.6 percent, respectively, from 2022-2024. Prince Edward Island and New Brunswick ranked among the five fastest-growing provinces, while Newfoundland and Labrador was the only province where real exports declined.

Newfoundland and Labrador is the only province without real export growth in recent years on average

Real exports growth rate, 2015-2022 and 2022-2024 (%)



Source: Statistics Canada

Oil production drove Newfoundland and Labrador's strong export growth from 2015-2022 and subsequent decline from 2022-2024. The province benefited from growth in oil production[vii] from 2016-2022, resulting in nominal crude oil exports increasing 16.4 percent per year, on average, over the same period. However, oil exports fell an average of 11.3 percent annually from 2022-2024 as oil production declined.

HUMAN CAPITAL

POPULATION

Atlantic Canada's population growth accelerated from 0.2 percent per year from 2008-2015 to 1.3 percent per year from 2015-2025, a regional momentum of 1.1 percentage points.

All Atlantic provinces except Newfoundland and Labrador recorded momentum in this indicator. The Maritime provinces led the country in the acceleration of population growth between 2008-2015 and 2015-2025.

Atlantic Canada outpaced the national momentum of 0.5 percentage points between these two periods. However, the region's growth rate in the recent period



The Maritime provinces led the country in the acceleration of population growth between 2008-2015 and 2015-2025.

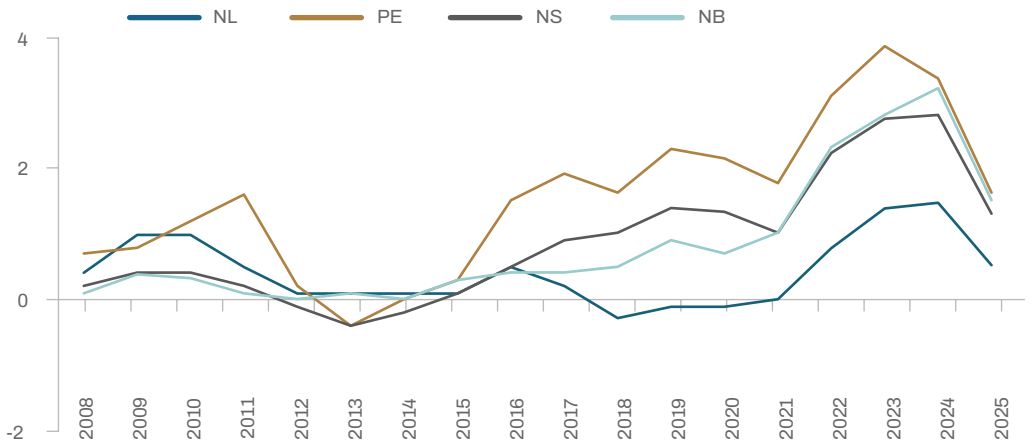
vii Newfoundland and Labrador Statistics Agency. (Sept. 28, 2026). Oil Production. Government of Newfoundland and Labrador. https://www.stats.gov.nl.ca/Statistics/Topics/industry/PDF/Oil_Production.pdf

was below the national rate of 1.6 percent. Only Prince Edward Island surpassed the national annual average in 2015-2025.

The momentum in this indicator was fueled by rapid population growth from 2022-2024. Immigration was the largest contributor with gains in net non-permanent residents close behind. Growth significantly cooled in 2025 following the tightening of federal immigration policy starting in late 2024. Population growth in each Atlantic province was either close to zero or negative year over year in Q2 2026.[viii]

Population growth is weakening after reaching record highs in 2023 and 2024

Population growth (%)



Note: Population is as of July 1 each year
Source: Statistics Canada

viii Atlantic Economic Panel. (Sept. 25, 2026). Bolder Ambitions: Greater Prosperity For All. https://aep-peca.ca/en/final-report/

IMMIGRANTS

Atlantic Canada's immigration growth rate decelerated by 0.5 percentage points between 2008/2009-2015/2016 and 2015/2016-2024/2025. However, the annual average number of new immigrants was much higher in the latter period (20,606 versus 7,773).

Newfoundland and Labrador and Prince Edward Island were the only provinces in the region to show momentum in immigrant growth rate.

Canada's growth rate slowed more sharply, by 0.7 percentage points. The annual average number of new immigrants was higher in the second period (358,524) than in the first (226,269). Ontario and Alberta were the two provinces outside our region that had momentum.

Annual immigration slowed significantly in 2024/2025 in the Maritimes and nationally, reflecting changes to federal immigration policy. The figures in this section are based on population estimates as of July 1, which capture immigration flows over the July-to-July period. Calendar-year data[ix] show that the number of new immigrants declined across the region and nationally in 2025.

ix Government of Canada. Aug. 18, 2026. Permanent Residents – Monthly IRCC Updates - Canada - Permanent Residents by Province/Territory and Immigration Category. https://open.canada.ca/data/en/dataset/f7e5498e-0ad8-4417-85c9-9b8aff9b9eda/resource/5582034d-8f89-49d5-8597-483d628078a1

Atlantic Canada recorded momentum in the one-year immigration retention rate.

0.3%

IMMIGRANT RETENTION RATE

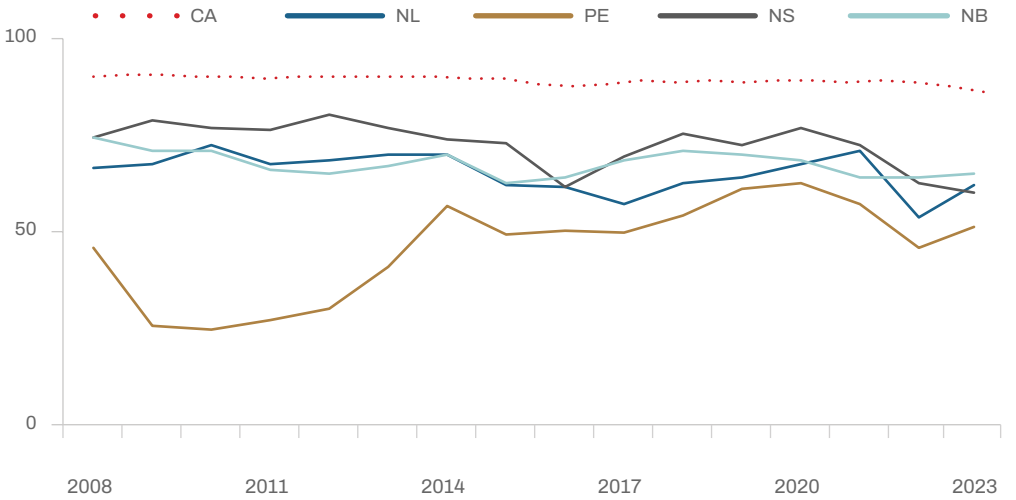
Atlantic Canada recorded momentum in the one-year immigration retention rate. The region's growth rate accelerated 0.3 percentage points between 2008-2015 and 2015-2023. This result was driven by New Brunswick, the only Atlantic province to record momentum. New Brunswick also had the highest change in its growth rate in the country at 3.1 percentage points. The rest of the region saw declines between the two periods. Only Manitoba had a greater decline than the three Atlantic provinces.

Canada did not record momentum in the one-year retention rate, falling 0.2 percentage

points between 2008-2015 and 2015-2023. Atlantic provincial one-year retention rates, however, remained well below the national rates from 2015-2023.

Atlantic provinces' immigrant retention rates are consistently below Canada's rate

One-year immigration retention rates, 2008-2023 (%)



Source: Statistics Canada

One-year retention rates show whether recent newcomers remain in the province shortly after arriving in the country, while longer-term measures indicate whether newcomers establish lasting ties to their initial province of settlement. The five-year retention rates in the Atlantic provinces were lower than the national average from 2015-2023. The rates in 2023 ranged from around 34 percent in Prince Edward Island to 60 percent in Nova Scotia.

Canada's rate was almost 83 percent. Five-year retention rates do not extend far enough back to calculate momentum using the index's two-period methodology.

MEDIAN AGE

A rising median age signals an aging population, which can reduce labour force growth while increasing demand for health care and other age-related public services. Momentum in median age therefore represents a decline in growth rate between the two periods.

Atlantic Canada's median age growth rate shifted from a 0.9 percent annual increase from 2008-2015 to a 0.1 percent annual decrease from 2015-2025. This led to momentum of one percentage point.

All provinces across Canada showed momentum in this indicator. Newfoundland and Labrador was the only Atlantic province with a rising median age in the more recent timeframe.

Canada's median age growth therefore showed momentum of 0.4 percentage points, going from a 0.4 percent annual increase in 2008-2015 to zero percent in 2015-2025.

Recent high international migration largely contributed to median age momentum, as immigrants and non-permanent residents tend to be in their core working years. The median age will rise again if the region attracts and retains fewer newcomers in the future. Newfoundland and Labrador (47.8), New Brunswick (44.6) and Nova Scotia (43.3) had the highest median ages in the country in 2025.

Atlantic Canada's NEET rate declined in both periods. But its average rate of decline was 0.1 percentage points slower in 2015-2025 than in 2008-2015, resulting in no momentum.

NOT IN EDUCATION, EMPLOYMENT OR TRAINING (NEET)

The NEET rate measures the share of youth aged 15-29 who are not employed or enrolled in education or training. Declining NEET rates indicate momentum because that means a larger share of young people are working or building skills through education and training.

Atlantic Canada's NEET rate declined in both periods. But its average rate of decline

was 0.1 percentage points slower in 2015-2025 than in 2008-2015, resulting in no momentum.

Nova Scotia, Newfoundland and Labrador, and Alberta were the three provinces without momentum in this indicator.

Canada recorded momentum as its NEET rate shifted from increasing 1.2 percent per year in 2008-2015 to declining 0.8 percent per year in 2015-2025.

Newfoundland and Labrador was the only province that saw an average decline in its NEET rate from 2022-2025. However, it had the second highest NEET rate (15 percent) countrywide in 2025 after New Brunswick (16 percent).

POST-SECONDARY EDUCATION

Atlantic Canada's post-secondary education attainment growth rate, among those aged 25 to 64, accelerated 0.7 percentage points between 2008-2015 and 2015-2025. It rose from 1.8 percent per year in the earlier period to 2.5 percent per year in the recent period.

New Brunswick and Newfoundland and Labrador were the only two provinces that recorded momentum in this indicator. They had the highest growth rates from 2015-2025 at 2.6 percent and 3.5 percent per year, respectively.

Nationally, this indicator did not show momentum, decelerating 0.1 percentage points between the two periods.



New Brunswick and Newfoundland had the highest growth rates from 2015-2025 at 2.6 percent and 3.5 percent per year, respectively in post-secondary attainment.

Post-secondary education attainment grew by 1.1 percent per year, on average, in Nova Scotia and by 1.6 percent per year in New Brunswick from 2022-2025. It was unchanged in the other two Atlantic provinces.

LABOUR MARKET

EMPLOYMENT RATE

Atlantic Canada recorded momentum in the employment rate of individuals aged 15 to 64. The employment rate growth rate improved 0.3 percentage points from 2008-2015 to 2015-2025.

Newfoundland and Labrador was the only province without momentum because its growth rate was slower in the recent period. All provinces except Manitoba, Saskatchewan and Alberta recorded employment rate growth, on average, from 2015-2025.

Canada recorded momentum in employment rate. Its growth rate improved 0.4 percentage points from 2008-2015 to 2015-2025.

The region's employment rate grew minimally in recent years. Its growth rate averaged 0.1 percent per year from 2022-2025, with Nova Scotia experiencing a decline. The national rate declined by 0.6 percent per year on average, as rates in all provinces west of Atlantic Canada either stagnated or contracted.

Regionally, annual employment income growth rose from 0.3 percent per year, on average, in 2008-2015 to 0.5 percent per year, on average, in 2015-2024.

EMPLOYMENT INCOME

Atlantic Canada recorded momentum in employment income. Regionally, annual employment income growth rose from 0.3 percent per year, on average, in 2008-2015 to 0.5 percent per year, on average, in 2015-2024.

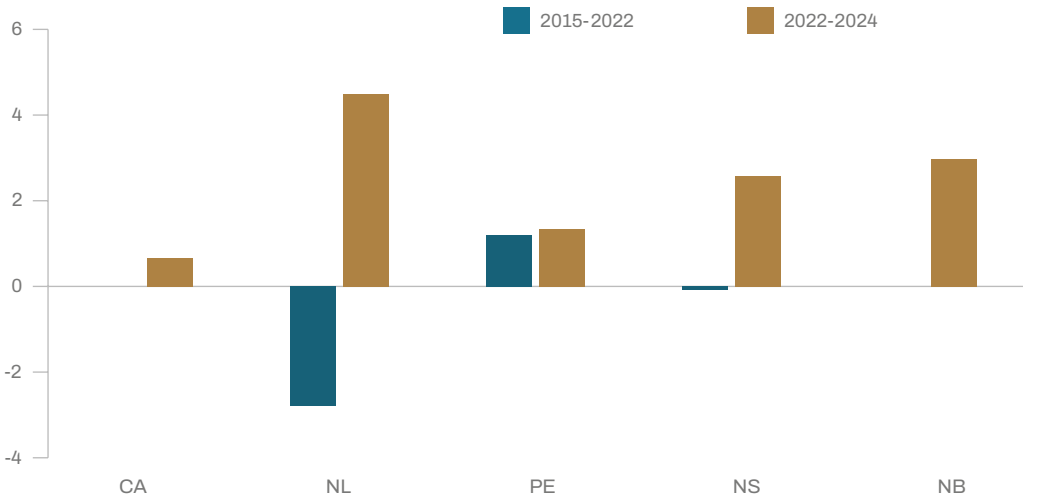
However, this momentum was confined to the Maritime provinces, as Newfoundland and Labrador did not record momentum in this indicator.

Canada also recorded momentum in employment income, rising 0.5 percentage points from 2008-2015 to 2015-2024. The growth rate shifted from -0.2 percent to 0.4 percent per year over the same periods.

The longer-term average smooths over recent gains in Newfoundland and Labrador. The province's employment income started rising in 2021. It then had the fastest average growth rate countrywide from 2022-2024. Labour shortages and higher living costs have pushed employment income growth higher across Atlantic Canada and most of Canada in those recent years.

Atlantic Canada's employment income growth has outpaced Canada's for the last couple years

Growth rate in employment income (%)



Source: Statistics Canada

LABOUR PRODUCTIVITY

Labour productivity is a key driver of living standards. It measures the value workers produce per hour worked and largely determines how fast average incomes rise over time.

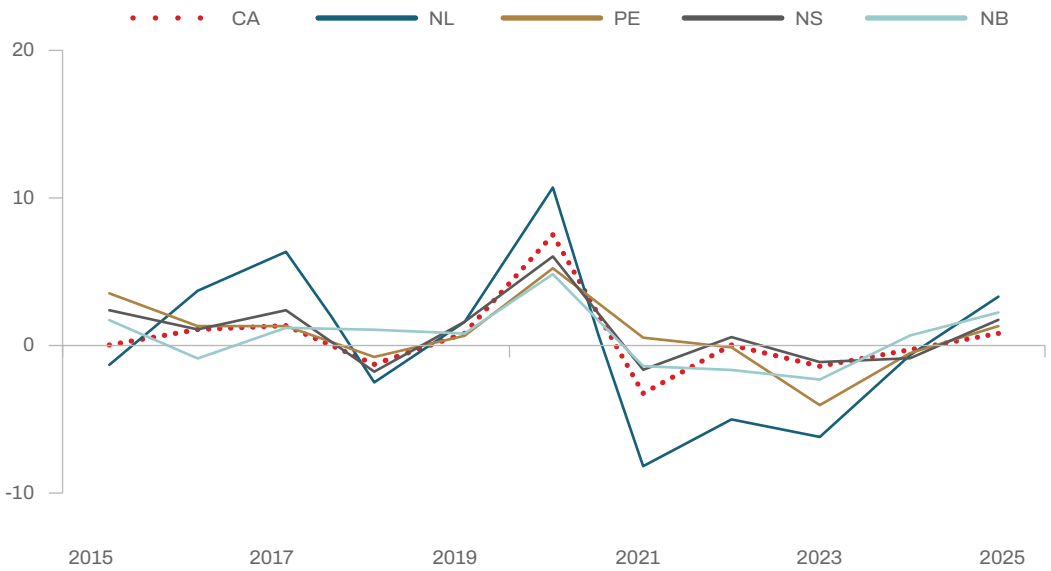
Atlantic Canada recorded momentum in labour productivity, growing 0.4 percent per year from 2015-2024 after declining 0.2 percent per year from 2008-2015.

However, the regional result hides the gap between Newfoundland and Labrador and the Maritimes. Only Newfoundland and Labrador had momentum. The Maritime provinces' productivity growth slowed between the two periods.

Canada also did not record momentum. Its average growth was 1.1 percent from 2008-2015 and 0.6 percent from 2015-2024. All provinces outside our region except Quebec did not have momentum.

Productivity growth has been negative almost every year since 2021

Real labour productivity growth (%)



Source: Statistics Canada

Multiple factors are likely contributing to persistently weak productivity growth, such as declines in capital investment, slow technology adoption and weakening competition. A more recent factor is the surge in new permanent and non-permanent residents. An increase in available labour reduces the incentive for firms to invest in capital. Also, it takes time for newcomers to reach their full potential in the workforce partly due to foreign credential recognition and underemployment.

MATERNAL PARTICIPATION

Maternal participation refers to the labour participation rate of mothers with children aged 0-5. This serves as a proxy for child-care availability and costs, as these factors can affect mothers' ability to work.

Atlantic Canada's maternal participation rate did not have momentum. Its growth rate slowed from 0.5 percent growth per year in 2008-2015 to 0.2 percent per year in 2015-2025.

Prince Edward Island and Nova Scotia were the only provinces where the maternal participation rate declined from 2015-2025. However, both had declines of less than 0.1 percent per year, on average.

Canada recorded momentum. Its growth rate accelerated from 0.3 percent to 0.8 percent over the same periods.

INNOVATION AND INVESTMENT

BUSINESS ENTERPRISE EXPENDITURE ON RESEARCH AND DEVELOPMENT (BERD)

BERD measures the extent to which businesses invest in developing new products, processes and technologies. It is a key indicator for private-sector innovation and productivity growth.

Atlantic Canada saw momentum in BERD spending. Growth accelerated from 2.5 percent per year in 2008-2015 to 7.4 percent per year in 2015-2023.

New Brunswick had the greatest momentum regionally, recording a 12-percentage point acceleration. This was the largest improvement in the country.

Canada also recorded momentum. Its growth rate increased from 1.1 percent to 8.7 percent per year over the same periods. Saskatchewan and Manitoba were the only provinces that did not have momentum.

BERD spending per capita remains well below the national average despite strong growth. It ranged from 22 percent of the national average in New Brunswick to about 40 percent in Newfoundland and Labrador in 2023.

NON-RESIDENTIAL INVESTMENT

Non-residential investment is defined as investment in machinery, equipment and

structures by the private sector. These investments help businesses expand capacity, adopt new technologies and improve productivity.

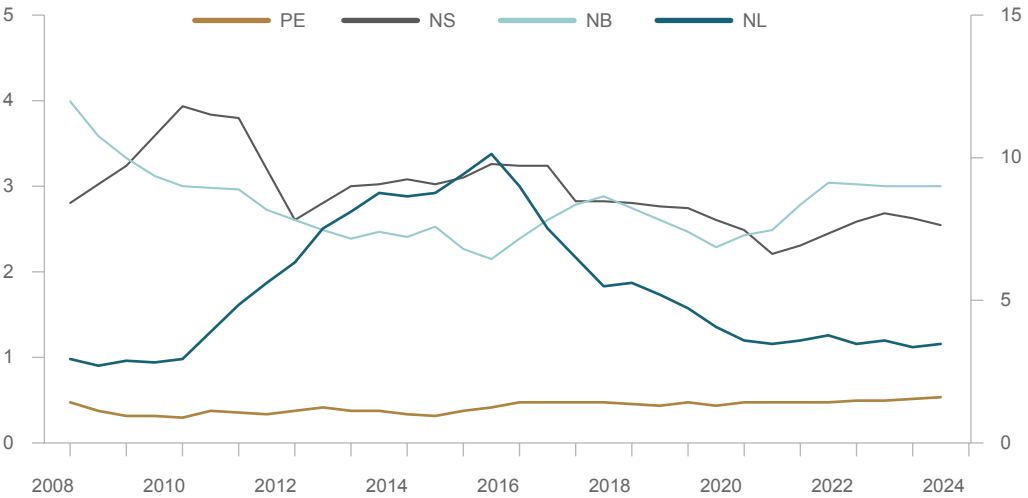
Atlantic Canada's investment weakened from five percent growth per year from 2008-2015 to -4.7 percent per year from 2015-2024.

This outcome was driven by falling investment in Newfoundland and Labrador and Nova Scotia, as the other two Atlantic provinces experienced momentum. Prince Edward Island and New Brunswick recorded the country's largest growth rate improvements between the two periods.

Canada's growth rate decelerated from 1.4 percent per year from 2008-2015 to -0.3 percent per year from 2015-2024.

Newfoundland and Labrador's investment has steadily fallen since peaking in 2016

Non-residential investment, Maritimes: left axis, Newfoundland and Labrador: right axis, (2017 chained $ thousands)



Source: Statistics Canada

Production increased in three Atlantic provinces over the same period, led by Prince Edward Island at seven percent annually on average.

7%

Investment decreased year over year at the national level (-1.4 percent) and Atlantic regional level (-5.6 percent) in 2024. U.S. trade uncertainty likely dampened investment further in 2025. It will continue to weigh on business decisions while the future trade relationship remains uncertain.

NON-EMITTING ENERGY PRODUCTION

This indicator refers to energy produced from sources that do not directly emit greenhouse gases, such as hydro, nuclear, wind and solar. Expanding these energy sources can help meet growing electricity demand as the population and economy expand, while supporting the transition to a lower-carbon economy.

Production of non-emitting energy did not show momentum regionally. Atlantic Canada's growth rate slowed from 0.6 percent growth per year, on average, in 2008-2015 to near zero in 2015-2024.

Newfoundland and Labrador was the only Atlantic province with momentum, reflecting higher hydroelectricity production as the Muskrat Falls generating station came into full operation.

Canada did not have momentum in non-emitting energy production. The average growth rate fell from one percent per year in 2008-2015 to -0.6 percent per year in 2015-2024. Alberta and Saskatchewan were the only provinces outside the Atlantic region to record momentum.

The national decline accelerated in recent years. Non-emitting energy production declined 3.9 percent annually, on average, from 2022-2024. Production increased in three Atlantic provinces over the same period, led by Prince Edward Island at seven percent annually on average. New Brunswick was the only Atlantic province to record a decline, falling an average 16 percent per year.

RENEWABLE ENERGY INVESTMENT

Renewable energy investment measures spending to develop and expand renewable energy infrastructure, specifically in wind,

hydro and solar. It can serve as a leading indicator of future non-emitting electricity production, as investment today helps increase the energy supply available in the years ahead.

This indicator did not exhibit momentum regionally. Atlantic Canada's average growth rate slowed from 38 percent per year in 2008-2015 to -16 percent per year from 2015-2025.

This largely reflects exceptionally high hydroelectric investment in Newfoundland and Labrador in 2015. New Brunswick and Prince Edward Island were the Atlantic provinces that recorded momentum. Recent wind projects drove higher investment in New Brunswick. Wind and solar expansion supported growth in Prince Edward Island.

Canada did not exhibit momentum in renewables investment. Its growth slowed from 9.3 percent per year in 2008-2015 to 5.7 percent per year in 2015-2025. Manitoba and Saskatchewan were the provinces outside our region that did not have momentum.

GREENHOUSE GAS (GHG) EMISSIONS PER CAPITA

Atlantic Canada showed momentum in GHG emissions per capita. It shifted from average emissions per capita growth of 3.3 percent per year in 2008-2015 to -3.1 percent per year from 2015-2024.

Canada also recorded momentum but to a lesser extent than Atlantic Canada.

Atlantic Canada's average emissions per capita growth shifted from 3.3 percent per year to –3.1 percent per year.

–3.1%

Its growth rate shifted from 1.6 percent in 2008-2015 to -2.5 percent from 2015-2024. All provinces across the country had momentum in this indicator.

The Maritimes reduced emissions on a per capita basis from 2022-2024, while Newfoundland and Labrador's per capita emissions went up by less than one percent.

QUALITY OF LIFE

GINI COEFFICIENT

The Gini coefficient represents the distribution of income across the population. A

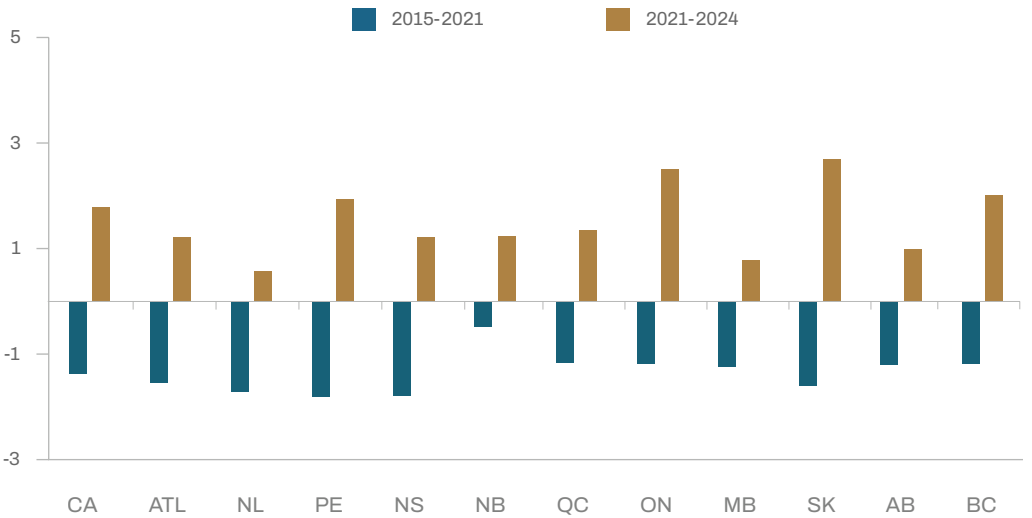
higher Gini coefficient indicates greater income inequality. Therefore, momentum reflects a decline in the Gini coefficient's growth rate between the base and recent periods. Atlantic Canada recorded momentum of 0.3 percentage points in the Gini coefficient from 2008-2015 to 2015-2024.

Prince Edward Island, however, did not see momentum. Its Gini coefficient declined at a slower rate in the recent versus base period.

Canada recorded the exact same momentum as Atlantic Canada in this indicator. Alberta was the only province outside our region to not record momentum.

Income inequality has generally been worsening since the pandemic

Growth rate of Gini coefficient (%)



Source: Statistics Canada

All Atlantic provinces saw greater deteriorations in physician access growth rate than anywhere else in the country.

PHYSICIAN ACCESS

Access to doctors is an important aspect of quality of life, helping people obtain timely medical care and manage their health needs. Physician access measures the percentage of individuals with access to a regular family physician. The base period starts in 2009 because data for 2008 are unavailable.

Atlantic Canada did not show momentum. Physician access deteriorated quicker in the region from 2015-2024 than from 2009-2015. The annual growth rate worsened by 1.2 percentage points, on average, between the two periods.

All Atlantic provinces saw greater deteriorations in physician access growth rate than anywhere else in the country, highlighting the acute shortage of physicians in the region.

Canada recorded momentum of 0.2 percentage points because physician access declined more slowly in the recent period than in the base period. Quebec, Manitoba, Saskatchewan and Alberta were the only provinces that had physician access improvement in the recent period.

All provinces experienced declining physician access, on average, from 2022-2024. Some improvements in primary care access have occurred since 2024, especially in Nova Scotia. The other Atlantic provinces still lag the rest of the country in access, based on a 2025 survey[x].

LIFE SATISFACTION

This indicator captures individuals' assessment of their overall well-being and quality of life. It is based on the share of people who report being satisfied or very satisfied with life.

Life satisfaction growth rates showed no momentum in the region. Atlantic Canada's rate of change worsened 0.6 percentage points between 2008-2015 and 2015-2024.

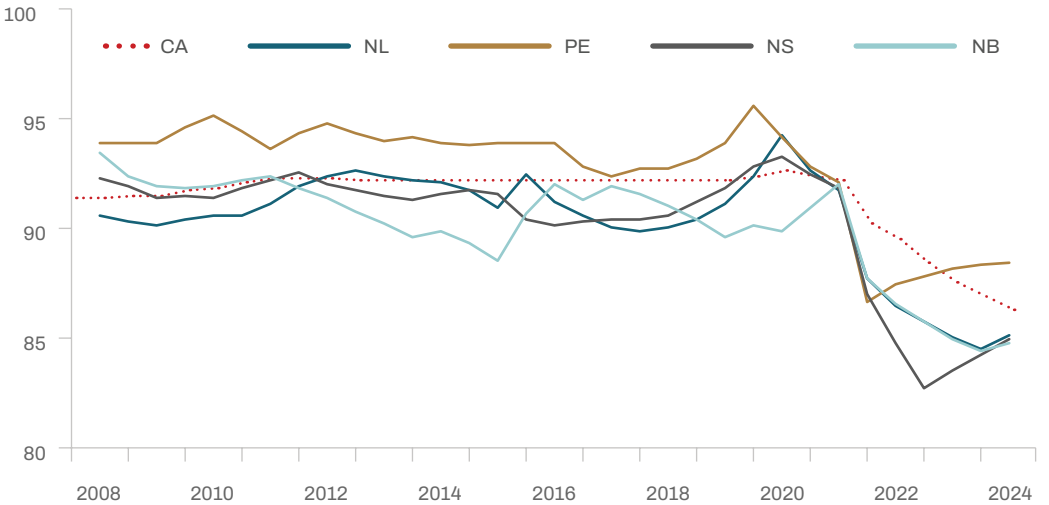
Canada also did not show momentum,

x OurCare. (Feb. 24, 2026). Where you live matters when it comes to primary care. MAP Centre for Urban Health Solutions, St. Michael's Hospital, Unity Health Toronto. https://www.ourcare.ca/survey

experiencing a 1.4 percentage point deterioration. Every province recorded an annual average decline in life satisfaction during the recent period.

Life satisfaction drops post-pandemic after prolonged stability

Share of individuals who are satisfied or very satisfied with life (%)



Note: Life satisfaction measures population aged 18 and over. It is a self-reported score from 0-10, with satisfied or very satisfied being scored six or more.

Source: Statistics Canada

COMMUNITY BELONGING

Community belonging is a subjective measure of social connectedness based on the share of people who report a somewhat strong or very strong sense of belonging to their local community.

Atlantic Canada had no momentum in this indicator, as community belonging weakened at a faster rate in 2015-2024 than in 2008-2015. Its average growth rate was down 1.2 percentage points between the two periods.

Newfoundland and Labrador was the only Atlantic province to record momentum, with its average annual decline easing from 0.6 percent to 0.5 percent.

Canada had no momentum in community belonging, declining 1.3 percentage points from 2008-2015 to 2015-2024.

Looking at the most recent years, Prince Edward Island and Newfoundland and Labrador were the only provinces where belonging improved, on average, from 2022-2024.

POVERTY RATE

The poverty rate measures the share of people whose disposable income falls below the Market Basket Measure, Canada's official poverty line. Lower poverty rates indicate that fewer people lack the income needed to afford a modest standard of living. As a result, momentum in this indicator reflects a faster decline, or slower increase, in the poverty rate over time.

Atlantic Canada recorded momentum in the poverty rate. The pace of poverty reduction accelerated from 1.2 percent in 2008-2015 to 4.1 percent 2015-2024.

The pace of poverty reduction accelerated from 1.2 percent in 2008-2015 to 4.1 percent 2015-2024.

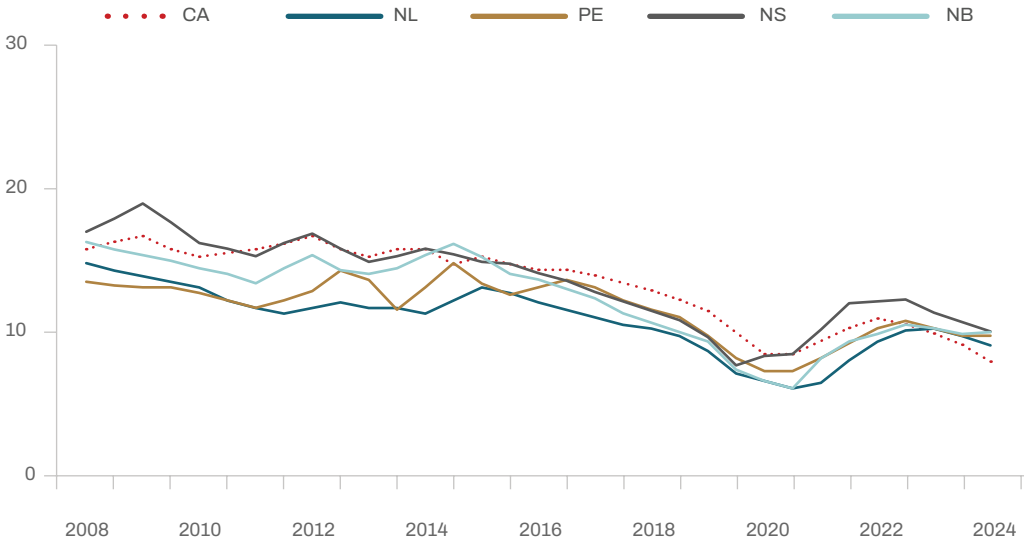
Newfoundland and Labrador did not exhibit momentum, but it still had declining rates in both periods.

Canada recorded momentum in poverty rates. The national poverty rate shifted from a 0.4 percent annual decline during 2008-2015 to a 4.2 percent annual decline during 2015-2024.

Poverty rates were trending downward from 2008 until 2021. Rates dropped by a large amount in 2020 likely due to pandemic-related government transfers. Poverty rates then increased toward their pre-pandemic levels as those government transfers ended and soaring inflation beginning in 2022 outpaced income growth for some households.

Poverty rates have declined for the first time since 2020

Poverty rates (%)



Note: The poverty rate measures the share of people whose disposable income falls below the Market Basket Measure, Canada's official poverty line.

Source: Statistics Canada

HOUSING STARTS

The region had momentum in housing starts. Atlantic Canada's average growth rate accelerated 15.6 percentage points between 2008-2015 and 2015-2025.

Newfoundland and Labrador was the only Atlantic province where momentum reflected a slower rate of decline rather than faster growth. The Maritime provinces had the strongest housing starts momentum in the country.

Canada had momentum in housing starts, accelerating 3.9 percentage points nationally.

More recently, housing starts increased substantially across Atlantic Canada as population growth surged. Starts grew 4.4 percent per year in Newfoundland and Labrador from 2022-2025. They ranged from 10.3 percent in Prince Edward Island to 19.5 percent in Nova Scotia across the Maritimes. Housing starts are expected to soften as population growth is now slowing.

HOUSING AFFORDABILITY

We use the ratio of average benchmark housing price to average family income to calculate housing affordability. Momentum is observed when the ratio's growth rate is lower in the recent period than in the base period, indicating that housing affordability is improving or deteriorating more slowly.

The region did not record momentum, shifting from improving affordability (a declining ratio) in 2008-2015 to worsening affordability (a rising ratio) in 2015-2024.

This result was driven by the Maritimes, as Newfoundland and Labrador had momentum. The Maritime provinces had the greatest deterioration in housing affordability between the periods countrywide.

Canada's affordability ratio increased in both periods, but it rose more slowly in the recent period, resulting in momentum.

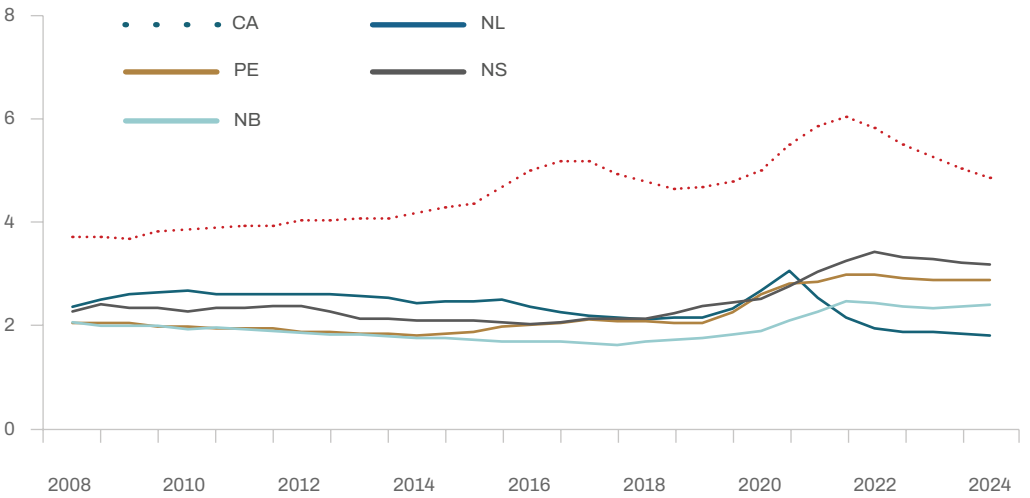


The Maritime provinces had the greatest deterioration in housing affordability between the periods countrywide.

More recently, affordability improved. The ratio declined, on average, in all provinces except Alberta from 2022-2024. Atlantic Canada's ratio fell by two percent, compared with a 9.1 percent decline nationally. Despite the smaller recent improvement, Atlantic Canada remained relatively affordable. New Brunswick and Newfoundland and Labrador had the lowest ratios in the country in 2024, while Nova Scotia and Prince Edward Island ranked fifth and sixth lowest, respectively.

Housing remains more affordable in Atlantic Canada compared to nationally

Ratio of average benchmark housing price to average family income



Source: CREA, Statistics Canada: CPI, Statistics Canada: average family income

CHAPTER 06

Recommendations

Atlantic Canada's challenges — as well as its opportunities — align around the themes of population, productivity and prosperity.

Population is not just about labour force renewal and critical skill and labour shortages; it is about community renewal and sustainability. For many communities across the region, declining workers mean fewer local services, where businesses will downsize or close. The remaining people will move to larger urban areas. David Campbell notes that there are 70 communities around the region that are projected to have at least 40 percent of the population aged 65 and older. In 2011, there were zero.

Productivity increases were not behind the recent growth experienced by the region. Rather, it was a result of increased demand for goods and services by an increase in population. Productivity challenges are persistent and improving productivity will see the biggest impact on individual prosperity with higher wages, better jobs and more affordable goods and services. For business and the economy, it would mean increased GDP, exports, investment and business opportunities. All of this would provide a higher tax base for governments to support health care, education and infrastructure.

Prosperity tells us whether economic expansion is making life better for Atlantic Canadians. It occurs when growth translates into lasting, broadly shared prosperity, which includes improvements in communities and household incomes, affordability, employment opportunities or access to essential services.

The region needs people and productivity momentum that translate into prosperity. The relationship between them is central to understanding whether economic momentum is translating into lasting progress.

But the region cannot simply do things the same old way. The provinces lack the economic scale to proceed individually and risk losing the opportunities they are presented with.

Guided by these three Ps and building on the findings from three Atlantic Canada Momentum Index reports, the following recommendations are offered:

1. **ESTABLISH MADE-IN-ATLANTIC CANADA IMMIGRATION SOLUTIONS** based on the success of the Atlantic Immigration Program. Atlantic Canada's demographic and labour-market circumstances differ from those of the country as a whole. Federal immigration policy changes have disproportionately impacted the region's population growth, workforce availability and economic momentum. There is an urgent need for a co-ordinated, multi-year immigration agreement with the federal government that provides greater predictability in economic immigration allocations, aligns selection with regional labour-market and demographic needs, and supports the retention of newcomers in communities across the region. A comprehensive approach to measure progress would

The region needs people and productivity momentum that translate into prosperity.

include a variety of indicators, not simply the number recruited or retained, but impact on community renewal as well as labour market outcomes.

2. **DEVELOP A LABOUR FORCE EXPANSION STRATEGY.** A regional plan must address demographic challenges and persistent labour supply constraints by aligning population growth, immigration, skills development and labour force participation with projected economic opportunities. Stronger alignment between education and training pathways, employer needs and emerging workforce opportunities is foundational. It should also focus on mobilizing underrepresented and underutilized segments of the existing workforce, including youth, older workers, persons with disabilities, Indigenous Peoples and individuals facing barriers to employment, alongside improving credential recognition, workforce mobility and employer-led training for long-term economic growth.

3. **LAUNCH A PUBLIC-SECTOR PROGRAM REVIEW.** There is a plethora of government programs designed to boost productivity in Atlantic Canada. Are those programs incentivizing the correct behaviours and delivering measurable outcomes? There is a need to better understand these programs and the opportunity to re-align existing resources, program design and performance measures with intended goals and objectives, prioritizing outcomes-based accountability over activity-based funding. Where programs overlap, fail to demonstrate results or reward activities rather than outcomes, governments should consolidate, redesign or redirect resources. New spending should be justified by evidence of an unmet need, and public reporting should demonstrate whether interventions are improving productivity, investment, employment, population retention and living standards.

4. **MEASURE AND TRACK COMPETITIVENESS.** Attracting investment is critical to Atlantic Canada's long-term economic prosperity and well-being. What are the barriers to investment needed to enable existing businesses to grow, modernize, innovate and compete in larger markets? How can the region compete globally for labour and retain talent needed for community renewal? Measuring and tracking this "competitiveness" factor for both people and capital is key to improving outcomes in both areas.

5. **SET UP A ONE-DOOR INVESTMENT PORTAL.** Atlantic Canada presents investors with a fragmented investment landscape with many doors, programs and systems to navigate. A one-door entry to regional investment would greatly simplify this system, opening access to potential Atlantic opportunities and driving project readiness and impact.

6. **REVIEW TAX AND REGULATORY BARRIERS.** While governments across the region have introduced various economic development initiatives, tax measures, business support programs and regulatory reforms, there is an opportunity to undertake a co-ordinated review of the cumulative impact of existing tax and regulatory policies on private-sector investment, business expansion, innovation, talent attraction and retention and productivity.

7. **LEVERAGE ATLANTIC CANADA'S ENERGY ADVANTAGE.** Energy is the backbone of economic development for the region. Using electricity, natural resources and infrastructure to actively attract and retain energy-intensive industries, major capital investment and new economic opportunities can turn Atlantic Canada's energy advantage into economic growth. We need to identify credible economic offtake opportunities for energy and energy-related products, remove interprovincial barriers and establish mechanisms capable of implementation. Regional co-operation will not endure unless it demonstrates economic value to all provinces.

8. **LAUNCH A PUBLIC EDUCATION AND AWARENESS CAMPAIGN ON ECONOMIC DEVELOPMENT.** A campaign would demonstrate how economic development translates into tangible improvements in individual, family and community prosperity. The campaign would build public understanding of the relationship between business investment, productivity, job creation, wages, government revenues, public services and quality of life. The goal is to foster a broader understanding that a stronger regional economy creates the conditions for greater personal financial security, opportunity and long-term prosperity. This is critical to engaging public support for large projects, especially natural resources and energy.

9. **BOOST ARTIFICIAL INTELLIGENCE ADOPTION.** AI represents a promising opportunity to improve productivity,

yet businesses in the region are lagging the national average in AI adoption. There is a need to examine the barriers preventing firms from adopting AI, as well as the costs, benefits and productivity impacts associated with its use. Measures that help companies reduce barriers to adoption would generate meaningful productivity gains.

10. **EMBRACE A "STRONGER TOGETHER" MINDSET.** No single Atlantic province has the critical mass to fully capitalize on the region's economic opportunities. By acting as a unified economic region, the provinces could reduce red tape, eliminate trade barriers and strengthen competitiveness. Collaboration must move beyond steering committees, panels and ad hoc working groups toward practical solutions grounded in a "just do it" attitude. Economic growth should translate into tangible benefits for all participants in the regional ecosystem, including governments, businesses, workers and the people who call Atlantic Canada home.



Economic growth should translate into tangible benefits for all participants in the regional ecosystem, including governments, businesses, workers and the people who call Atlantic Canada home.

CONCLUSION

A key question this report set out to answer is whether Atlantic Canada "adjusted the sails" enough in the past two years to maintain its momentum. Can the region continue

to rewrite its narrative from “have not” to “have” and secure Atlantic Canada’s place in Canada as one of the best places to live?

To a degree, yes, adjustments were made. For instance, long overdue changes to labour mobility and mutual recognition, led in large part by Nova Scotia, were big steps forward.[xi]

And it can't be overlooked that this year’s index shows that momentum does continue — more momentum than in Canada overall. But the trend over the past few years is downward and doing things the same way without drastic change will not reverse it. The momentum of recent years could become nothing more than a blip.

Some of the headwinds the region has faced were beyond our control and unforeseeable: Canada’s biggest trade partner suddenly turned hostile to global trade, for instance.

But some were choices. Changes in federal immigration policy abruptly slowed population. International study permits experienced a steep decline in a region where universities have an annual economic impact of over $1 billion[xii] — and where graduate "roll over" (transition into the local workforce) is the most critical pipeline for stabilizing the labour force.

The good news: Atlantic Canada has been thrown a lifeline. The opportunities in mining, defence, energy and other major projects, which have the support of a motivated federal government, offer opportunities for all provinces. The key question is whether the provinces will fight each other for that lifeline or work together so that all four of them all have a firm hold to move forward.

The recommendations, which in some cases closely align with advice from the Atlantic Economic Panel, will involve new levels of boldness and authentic cooperation that involves action rather than more discussion. This moment we find ourselves in demands nothing less. That lifeline will float away until we demand more of ourselves and our leaders.

The Public Policy Forum will continue to focus on driving forward momentum and mobilize levers of change, including public sector policy. •

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