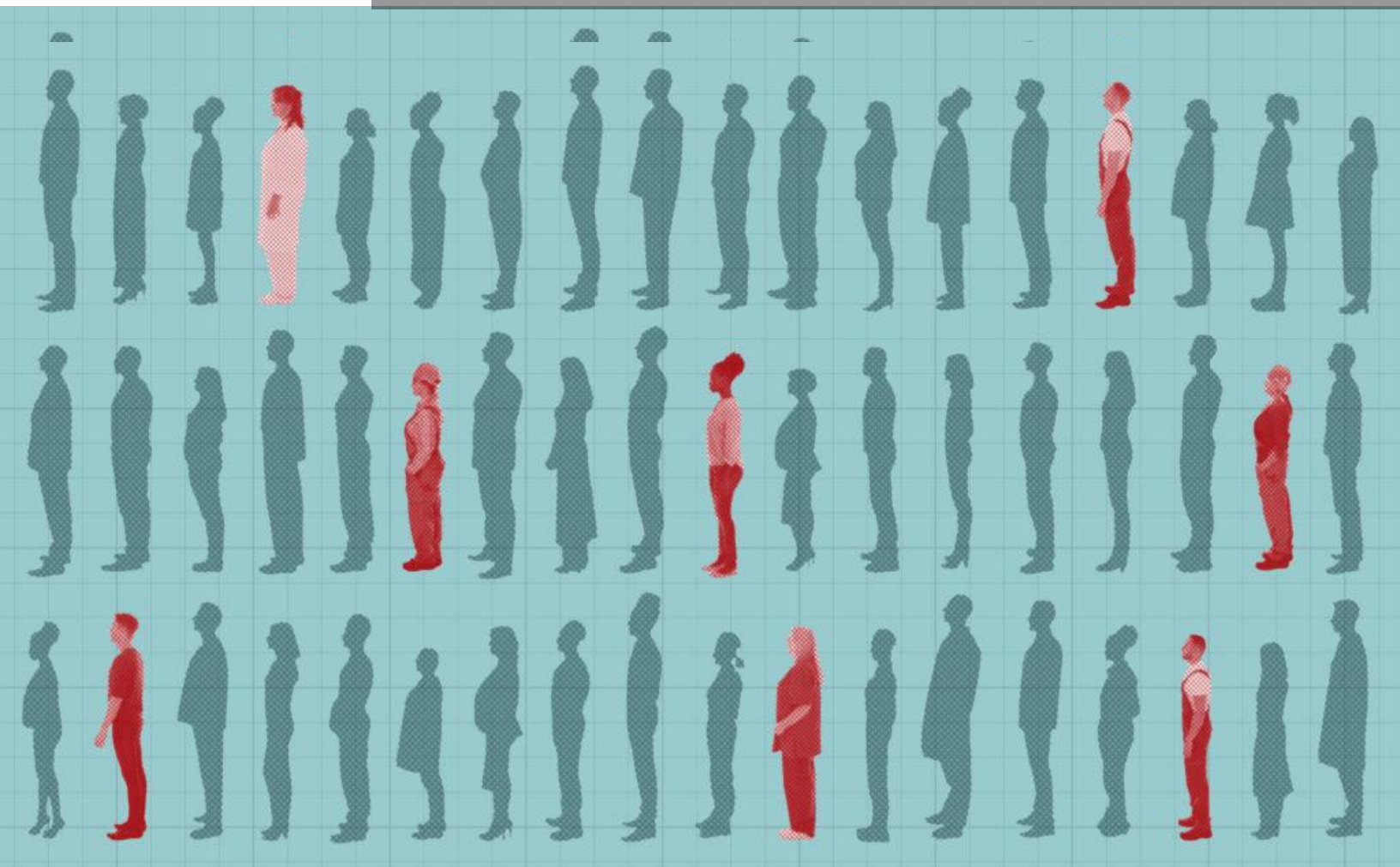


Help Wanted: Solving Atlantic Canada's Growing Labour Force Challenge Charlottetown, PE

March 25, 2026



Highlights from the Session PPF Atlantic

Introduction

- On March 25, 2026, the Public Policy Forum (PPF) Atlantic and the Prince Edward Island Business Economic Council (PEIBEC) convened business leaders, sector representatives, post-secondary leaders, and government officials at the Charlottetown Library Learning Centre to discuss the findings of a new report: *Help Wanted: Solving Atlantic Canada's Growing Labour Force Challenge*. Authored by PPF Fellow and economist David Campbell, the report offers a data-driven analysis of workforce supply and demand across the four Atlantic provinces and presents ten recommendations for action.
 - The session brought together a cross-section of Atlantic Canada's economic leaders to examine a defining challenge: the region's workforce is shrinking at the very moment it needs to grow. With an aging population, declining immigration, and mounting demand for workers across construction, healthcare, tourism, and the biosciences, participants gathered to review the data, and begin building the collaborative, cross-sector response that the scale of the challenge requires.
 - The window for coordinated action is narrowing, and as the discussion made clear, the stakes extend well beyond the labour market to the vibrancy and sustainability of communities across the region, including in Prince Edward Island, where recent population declines have made the urgency impossible to ignore.
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Welcome and Opening Remarks

- Kim Griffin provided a welcome on behalf of the PEI Business Economic Council and noted a strong economy requires a strong labour force. Good policy demands sound research, a clear understanding of the landscape, and committed leaders willing to collaborate and drive an agenda of action.
- The Honourable Zack Bell, Minister of Workforce and Advanced Learning highlighted PEI's strong economic indicators, including the highest full-time employment rate in the country at 86.4 percent and affirmed the province's commitment to a balanced approach to population growth that strengthens communities and supports the workers they depend upon.
- Carole Lee Reinhardt, Director of PPF Atlantic, set the context for the day's discussion by connecting the session to PPF's mandate in the region to grow and continue Atlantic momentum. PPF measures momentum using the Atlantic Canada Momentum Index report, which is a unique tool designed to measure economic progress by tracking movement over time. First released in 2023 and widely credited with reshaping the narrative around Atlantic Canada from "have-not to have," the Index has since been updated, with the next edition planned for October 2026.

Report Highlights: Help Wanted - Solving Atlantic Canada's Growing Labour Force Challenge

David Campbell, PPF Fellow and President, Jupia Consultants

The Correlation Between Workforce Growth and Economic Growth

- One of the report's central findings is the long-standing relationship between workforce growth and GDP growth.
 - From 1982 to 2006, Atlantic Canada's economy grew at an average of 2.5 percent per year, supported by workforce growth of 1.0 percent annually.
 - When workforce growth dropped to just 0.3 percent between 2007 and 2019, GDP growth fell to 0.9 percent.
 - Most recently, between 2020 and 2024, workforce growth recovered to 1.8 percent per year, and GDP growth returned to 1.4 percent - an encouraging rebound, though one that came with its own imbalances, including productivity declines in certain sectors.
 - PEI was a notable exception to the mid-period stagnation, driven by growth in biosciences, tourism, and aerospace.
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The Shrinking Cost Advantage

- There has been a shift in Atlantic Canada's competitive positioning. For decades, businesses in the region relied on lower operating costs—particularly wages—to compete in export markets. That advantage has eroded.
- In many sectors and occupations, the wage gap with the rest of Canada has narrowed or vanished entirely; in some cases, it has reversed. For example, it is now more expensive to hire a trucker in Moncton than in Toronto.
- The region's growing trade deficit underscores this challenge: Nova Scotia exports only 55 cents for every dollar of imports, while Newfoundland and Labrador stands at 84 cents.
- PEI has fared better, maintaining a relatively stable trade position over two decades thanks to growth in biosciences, tourism, and aerospace.

A 441,000-Job Challenge

The report projects that Atlantic Canada will need to fill approximately 441,000 jobs between 2025 and 2035. Of these, roughly 175,300 stem from growth demand, particularly in construction and healthcare, while 265,800 represent replacement demand as workers retire or exit the labour force.

The top sectors for job openings include:

- health care and social assistance (89,500),
- construction (55,600),
- retail trade (42,500),
- manufacturing (31,500),
- educational services (29,000), and
- public administration (25,700).

It was noted that the construction forecast may be conservative relative to the scale of energy, infrastructure, housing, and key industrial projects on the horizon. The combined pressure of healthcare retirements and expansion indicates a need for 8,000 to 9,000 new positions across the region, with an intensity in nursing.

A Supply Gap of 269,000 Workers

- Atlantic Canadians already living in the region are projected to supply only about 172,000 of the 441,000 workers needed, leaving a gap of roughly 269,000. That gap must be closed through some combination of immigration, retention of international students, increased workforce participation among older workers, and interprovincial migration.
- There is a wave of entrepreneurial retirements coming: over 40,000 self-employed individuals across the region are expected to retire by 2035, including more than 15,000 who employ paid staff. Without a deliberate strategy to attract and develop new entrepreneurs, communities risk losing not just businesses but the economic anchors around which local economies are built.

The Rural Dynamic

- Workforce challenges are especially acute in rural Atlantic Canada. Over 30 percent of the workforce outside the region's census metropolitan areas and census agglomerations is over the age of 55. In rural Newfoundland and Labrador, there are only 26 workers under 25 for every 100 workers aged 55 and older.
 - This is not simply a workforce issue but a question of community viability. When young families leave and schools close, the cascade of effects threatens the social and economic fabric of entire communities.
 - Rural areas face significant challenges in sustaining schools, healthcare facilities, community services and infrastructure when population drops under certain thresholds.
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Immigration: All Net Growth, Now in Decline

- Since 2016, immigrants and international workers have accounted for all net workforce growth across Atlantic Canada. The born-in-Canada workforce declined by 21,500 over that period, while immigrants and international workers added 168,500.
 - Federal policy changes are now reversing this trend: permanent resident admissions dropped more than 30 percent across the region between 2024 and 2025, with PEI experiencing the steepest decline at 44 percent. The regional population declined in the final quarters of 2025 for the first time since 2017, and PEI's population, which had grown consistently for over a decade, has begun to contract.
 - The national immigration reduction has applied a blunt policy instrument across a vast and varied country. He pointed out that large urban centres like Toronto and Montreal saw their permanent resident inflow rates decline even before the cuts, while the greatest beneficiaries of immigration growth were smaller communities, places like Saint John, Gander, Summerside, and Charlottetown.
 - Blanket federal cuts disproportionately harm the communities that need population renewal the most.
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International Students, Temporary Foreign Workers, and Older Workers

- International student enrolment in Atlantic Canada grew 158 percent between 2014 and 2024, serving as a vital pipeline for workforce development. Students who study in the region experience community life, gain Canadian work experience, and are often well-positioned to stay. Enrolment is now declining across both the college and university sectors.
- Temporary foreign workers, while representing *less than two percent* of the regional workforce, play a critical role in seasonal and rural industries such as fish processing and agriculture. Their numbers have dropped 28 percent even as rural employers report growing difficulty finding workers.
- There is potential that older workers could provide a partial solution. Currently, only 13 percent of those aged 65 and older participate in the workforce. If that figure rose to 25 percent, it would add approximately 70,000 workers across the region, not necessarily full-time, but through seasonal, part-time, or flexible arrangements that could meaningfully ease pressure in sectors like tourism.

Beyond Workforce: A Question of Community Renewal

- Perhaps the most compelling aspect of population decline is not merely a labour market issue. Statistics Canada projections suggest that by 2035, adults aged 65 and older will account for more than one-third of the population in 175 rural communities across Atlantic Canada. In some New Brunswick communities, that figure approaches 50 percent. Meanwhile, every county in PEI now records more deaths than births each year.
- Re-balancing the demographic situation must be treated as a top regional priority, not only to meet workforce demand, but to sustain the schools, services, tax base, and community life that make the region worth living in.
- Federal immigration policy needs to account for the realities on the ground: a community like Digby, Nova Scotia, where the natural population is in steep decline, has fundamentally different needs than Fort McMurray, where births far outpace deaths resulting in an ability for labour force re-generation without intervention.
- It is clear that a one-size-fits-all policy impacts region's differently.

Recommendations

1. Work with the federal government to ensure immigration programs support population growth in the region. Encourage local communities to take the lead on population growth planning.
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3. Ensure there is adequate immigrant settlement support at the community level.
4. Align tourism promotion, investment and business attraction with people attraction efforts.
5. Ensure alignment between talent development, population attraction, and workforce occupational demand.
6. Target immigrants specifically for the construction trades.
7. Continue to develop local economic development opportunities.
8. Support the growth of post-secondary education services around the region.
9. Consider expanding the use of temporary foreign workers where there is demonstrated demand.
10. Develop entrepreneur attraction plans.

Open Audience Discussion

The following are the themes highlighted of the audience discussion using a Q & A approach.

- ❖ Immigration and its impact on youth employment
 - Response - recent surge in temporary workers across the region likely displaced some entry-level jobs typically filled by teenagers. Youth unemployment in New Brunswick climbed to around 20 percent over the 2025 summer. The challenge is the balancing act of reducing temporary permits where oversaturation occurred, without abandoning the immigration that communities depend upon for long-term viability.
- ❖ Immigration retention
 - Response - PEI's three-year immigrant retention rate remains below 40 percent, well short of the 70 to 75 percent benchmark and roughly mirrors the retention of domestically born residents. The strongest predictor of retention is economic alignment, ensuring newcomers find jobs that match their skills and education. While proper investment in settlement services, spousal employment support, and community integration are also essential.
- ❖ K-12 education is a systemic concern : Atlantic Canada's K-12 system is underperforming on standardized measures, with declining PISA scores and gaps in literacy, numeracy, and STEM readiness.
 - Students need to be fully prepared for post-secondary education and the workforce beyond. It is a multi-faceted problem, and the quality of the education system matters for immigration retention as much as for homegrown talent.
- ❖ Role of artificial intelligence and automation in reshaping workforce projections
 - The report model assumes a return to historical levels of productivity growth but does not factor in dramatic displacement from AI.
 - Evidence from past shifts indicates that AI will be a technology that augments more than replaces.
 - Caution should be exercised against calibrating down on workforce development in anticipation of productivity gains that may or may not materialize.

Panel Discussion Highlights

The panel discussion was moderated by Dr. Wendy Rodgers, President and Vice-Chancellor of the University of Prince Edward Island. Panelists included Penny Walsh-McGuire, CEO of the Canadian Alliance for Skills and Training in Life Sciences (CASTL); Corryn Clemence, Executive Director of the Tourism Industry Association of PEI (TIAPEI); and Sam Sanderson, Executive Director of the Construction Association of PEI.

- Workforce development should be understood as infrastructure, a system that requires data, long-term planning, and predictable policy, just like transportation or energy.
- When the elements are aligned and the policy environment is stable, the system works. The critical question is no longer simply how to grow, but whether the region has the people to sustain and scale growth for the future.
- CASTL's model of meeting workers where they are: offering practical, industry-aligned training that complements post-secondary education rather than competing with it. For newcomers with experience from their country of origin, this can provide a bridge to Canadian employment. For those impacted by economic disruptions, including tariff-related job losses, the organization is piloting transferable-skills models that move workers from adjacent industries into high-growth sectors like biomanufacturing.
- CASTL has trained 350 people across Canada, a third of them in PEI, for the bioscience sector, an industry now employing 2,200 Islanders at an average wage of \$79,000 and contributing more than \$640 million to the provincial economy.
- Tourism is both a foundational economic sector in its own right, and a powerful tool for attracting people to the province.
- Tourism's strength is in destination marketing could be leveraged far beyond visitor promotion to support immigration recruitment, community branding, and population attraction efforts across sectors.
- TIAPEI's outreach from high school and junior high career programming to partnerships with municipalities, regional tourism associations, and government departments including immigration and health is critical.
- Skills developed in tourism, customer service, teamwork, adaptability, and problem-solving are critical life skills that transfer across industries and career stages. Whether tourism is someone's first career, only career, or a stepping-stone to something else, the sector builds the foundational capabilities the workforce needs.

Panel Discussion Highlights continued

- The construction industry has long been undervalued in workforce planning despite underpinning every other sector's growth. In 2024, PEI's construction industry was valued at \$1.3 billion and employed over 9,000 people.
- For years, the construction industry was largely absent from the policy tables where workforce decisions were made.
- The Construction Association engages extensively across PEI's education system, including 52 school visits in the past year and the deployment of virtual reality tools in high schools and junior highs for eight years running. The association has also been working with underrepresented groups and advocating for targeted immigration into the construction trades.
- The industry is concerned about the post-secondary pipeline and that the provincial system is not producing enough new tradespeople domestically; immigration is the sector's lifeblood going forward.
- The construction workforce cannot be rebuilt overnight, and the planning horizon must reflect that reality.
- Summary Messages:
 - There is a need to collaborate, share information and to break down silos. Sectors compete for the same labour pool which is shrinking and all face the same federal policy constraints.
 - The solution lies not in competing more aggressively against one another, but in collaborating on recruitment, settlement, training, and career pathways that serve the whole economy.
 - For action, the conversation needs from problem identification to active solutions. There need to be coordination across sectors so that housing, healthcare, infrastructure, and community services are prepared for growth, not stressed by it.
 - Diverse voices need to be present in the discussions that shape the region's economic future.

Closing Reflections

- The session closed with remarks from Dawn Binns, a local business owner and incoming Chair of the Atlantic Chamber of Commerce Board of Directors, and Ben Parsons, co-chair of the PEI Business Economic Council.
- The workforce gap of 269,000 is not an abstraction, it is a direct constraint on the region's ability to grow, invest, and compete. The wave of over 40,000 self-employed retirements signals a loss not just of businesses but of the entrepreneurial leadership that anchors local economies.
- Business groups like the Atlantic Chamber have made immigration and population growth a top priority.
- The greatest threat to good policy is not the absence of ideas but the absence of execution. The challenges discussed have been well understood for a decade or more, yet progress has been slow. Government programs that try to attract entrepreneurs without first creating genuine opportunity, will not resonate. If the opportunity is real, entrepreneurs will come, but there are many business climate components needed to align to create that real opportunity.
- There needs to be a regional carve-out that would allow Atlantic provinces to set levels aligned with their demographic realities rather than being subject to blanket national targets. The data is clear that the region's population does not replace itself, and recent federal decisions to cut immigration across the board risk undoing years of hard-won progress.
- Take one idea from the day and act on it tomorrow, because progress begins with self-accountability—not just asking politicians to move, but changing how communities think and talk about their future.

➤ *Carole Lee Reinhardt offered the final words:*

Change only happens outside the comfort zone, when new and different approaches replace the old. The people in the room here today are capable of making it happen.