



# Atlantic Growth Strategy

## Year 2 Report

Update to  
Atlantic Canadians

July 2018

Since the launch of the Atlantic Growth Strategy, the governments of Canada and the Atlantic provinces have worked collaboratively to build a vibrant economic future for Atlantic Canada by focusing on five strategic priorities: skilled workforce and immigration, innovation, clean growth and climate change, trade and investment, and infrastructure.

## Executive Summary of Year 2 Accomplishments

**Between July 2017 and April 2018, the Atlantic economy created more than 16,000 jobs.** Employment grew 1.5 per cent, better than the national average of 0.9 per cent. During this period, almost 11,000 jobs were created in services-producing sectors, mainly in accommodation and food services, and over 5,000 in goods-producing sectors, mainly in the construction sector. Jobs created in Atlantic Canada during this period were full-time jobs, which grew by 2.4 per cent in the region, compared to 1.7 per cent nationally. Part-time jobs in the region have decreased by 2.9 per cent since July 2017.



**The region has also welcomed over 9,000 permanent residents and their families in 2017 under economic programs.** With new dedicated support for businesses offered by the Atlantic Immigration Pilot, **regional employers made nearly 1,800 job offers since 2017 to fill job vacancies using the**



**Pilot Program,** compared to over 250 job offers in the previous year. Through the Student Work Placement Program, a partnership between Venture for Canada, governments, post-secondary institutions and employers was created to provide more than 500 Canadian students across Atlantic Canada with valuable work experience and work-ready skills in business and entrepreneurial fields.



A new Ocean Supercluster, under development, will support growth of the ocean economy in Atlantic Canada and across the country. This initiative is projected to create more than 3,000 jobs and add more than \$14 billion to Canada's economy over 10 years. **Enrolment in the Accelerated Growth Service nearly doubled** in the past year, with 29 new Atlantic Canadian high-growth companies signing up to receive customized support to grow their markets potential – increasing total enrolment in the service to 68 companies. **Through the Business Development Bank of Canada, more than \$140 million has been invested** in innovative companies working

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in information and communication technology, agri-food, ocean technology and tourism. With new training tools developed by not-for-profits and governments, Atlantic Canadian companies can access more market intelligence and resources to better use data, as well as participate in workshops to create healthy business cultures.

The Atlantic Growth Strategy's initiatives are making companies and communities more sustainable and able to mitigate climate change. Initiatives under the Pan-Canadian Framework on Clean Growth and Climate Change support efforts to meet emissions reduction targets, grow the economy, and build resilience to a changing climate. **These initiatives include \$185 million allocated to Atlantic Canadian provinces through the Low Carbon Economy Leadership Fund and the creation of the new Clean Growth Hub, launched in January 2018, which has already helped 30 Atlantic Canadian companies to access federal clean technology programs,** funding and services. Innovative projects such as smart electricity grids in the City of Summerside and the University of New Brunswick are demonstrating new ways to improve energy efficiency, reduce costs and improve reliability of energy sources.



**\$185 MILLION**



**\$30 BILLION**

nearly 70 more exporters in our region in 2017 compared to 2016<sup>1</sup>. **Exports from Atlantic Canada were valued at \$30 billion in 2017, an increase of 16 per cent between 2016 and 2017<sup>2</sup>.** Since the launch of the Atlantic

Trade and Investment Growth Strategy in July 2017, partners have been organizing pan-Atlantic initiatives dedicated to international market engagement, **including 17 trade missions involving more than 300 participants to countries like China, Europe and the United States.**



**17 TRADE MISSIONS**



**PAN-ATLANTIC TOURISM**

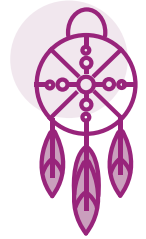
Tourism, meanwhile, is estimated to contribute more than \$5 billion annually to the Atlantic Canadian economy. **A new pan-Atlantic tourism approach,** also announced in July 2017, provides new tools for hundreds of exporters in the tourism industry and **promotes the region as a world-class tourism destination.** This approach includes the region's largest ever



**WORLD-CLASS TOURISM DESTINATION**

media campaign in China, which builds on the 2018 Canada-China Year of Tourism. Indigenous tourism experiences offer a unique opportunity to showcase and share the rich history, culture and tradition of communities across the East Coast.

**An Atlantic chapter of the Indigenous Tourism Association of Canada was created,** which creates a framework for future development in the region.



**INDIGENOUS TOURISM ASSOCIATION**

The federal government, along with the four provincial governments is supporting the region's infrastructure in an effort to foster long-term economic growth and make communities more inclusive. In July 2017, the Government of Canada announced that over **\$2.4 billion would be allocated through the Investing in Canada Infrastructure Program to the Atlantic provinces over the next decade for infrastructure projects,** a record level of investment. Funding will be provided through integrated bilateral agreements between Infrastructure Canada and each province. This funding builds on \$339 million for short-term investments to maintain and repair local infrastructure through Phase 1 of the Investing in Canada Plan, outlined in last year's report.



**\$2.4 BILLION**

More than 130 communities across two Atlantic provinces will benefit from upwards of \$66 million invested through the federal Connect to Innovate and provincial funding programs, with further investments expected throughout 2018.

In addition, the Connecting Canadians Program completed eight of thirteen projects across Atlantic Canada. **These projects will help Atlantic Canadians take advantage of the opportunities afforded by the digital age.**



**ENHANCED BROADBAND ACCESS**

The Atlantic Growth Strategy's accomplishments have required a high level of collaboration from all partners, coordinated and targeted investments and a clear vision for Atlantic Canada. Through the Strategy, the governments of Canada and the Atlantic provinces are committed to keep working collaboratively to advance common priorities for the long-term benefit of the Atlantic economy, including on broadband, skills and immigration in the near-term.

<sup>1</sup> Statistics Canada's Trade by Exporter Characteristics: Goods program counts the number of establishments exporting goods only. Certain export establishments, such as those shipping products to another company prior to export, may not be included.

<sup>2</sup> The value of Atlantic exports is from Innovation, Science and Economic Development Canada's Trade Data Online and captures the value of the exports of goods only.

## What is the Atlantic Growth Strategy?

The Atlantic Growth Strategy is about accelerating the growth of Atlantic Canada's economy. It was launched in July 2016 by the Government of Canada and the governments of Newfoundland and Labrador (NL), Nova Scotia (NS), Prince Edward Island (PEI) and New Brunswick (NB) to create good-paying middle class jobs, strengthen local communities, and grow innovative, world-class companies in the region.

The Strategy is results-focused, pan-Atlantic, collaborative, and reflects the priorities of the four Atlantic provinces and the Government of Canada. As it enters its third year, the Atlantic Growth Strategy continues to prove its value as a collaborative forum to align opportunities for economic growth in the region in an inclusive and sustainable way.

The Atlantic Growth Strategy is led by a Leadership Committee, made up of federal ministers from Atlantic Canada and the four provincial Premiers, who established a Two-Year Action Plan in July 2016 to guide short and medium-term collaborative actions. The Leadership Committee met in July 2016 (PEI), January 2017 (NS), July 2017 (NL) and February 2018 (NB). Each meeting served to reinforce the strategy and its collaborative approach, as well as to build on successes through pan-Atlantic actions.

A report on results to Atlantic Canadians was released in July 2017, and provided an overview of key accomplishments following the first year of the Strategy and outlined longer-term outcomes. This year's report provides an update on ongoing and new measures for the second year of the Strategy.

For the past two years, the Atlantic Growth Strategy has fueled economic growth in Atlantic Canada by providing businesses with the tools they need to increase exports to global markets, grow traditional industries vital to the region's communities, and attract and retain skilled workers.

This strong federal-provincial collaboration has delivered results and created stable, well-paying jobs for Atlantic Canadians. The governments of Canada and the Atlantic provinces are committed to keep working collaboratively. Near-term priorities include support for enhanced broadband, skills development and immigration.

Our work will continue to be informed by consultations and expert opinions, including the national Economic Strategy Tables and the Atlantic Growth Advisory Group. The Atlantic Growth Strategy serves as a model for other regional growth strategies across the country.

## What are our Goals?

The Atlantic Growth Strategy drives sustainable economic growth through strategic initiatives and investments in five key areas:

- Attract and retain a **Skilled Workforce and Immigrants**
- Foster greater business **Innovation**, drive leading-edge technology, and generate new breakthrough ideas
- Respond to **Climate Change** and advance **Clean Growth** in Atlantic Canada
- Create long-term growth and high quality jobs through **Trade, Investment, and Tourism**
- Support growth, engage and connect people through **Infrastructure**

## Why is this Strategy a Priority?

Atlantic Canada is home to great ideas, great products, great innovators, and a strong drive to succeed. Harnessing these assets and competing in a rapidly changing global environment are key to achieving sustained economic growth in Atlantic Canada.

As outlined in the Atlantic Growth Advisory Group report, a growth strategy for Atlantic Canada must address both economic and population growth. Our region's businesses must innovate, attract, develop and retain skilled workers, and must compete globally if they are to grow and create high-quality jobs for Atlantic Canadians. In addition, we must work together to help build inclusive communities where all people can participate and contribute to Atlantic Canada's economy.

## What have we done so far?

Strong federal-provincial collaboration is the hallmark of the Atlantic Growth Strategy as it continues to help create stable, good-paying jobs for Atlantic Canadians. The Strategy helps provide businesses with the tools they need to increase exports, innovate in traditional industries vital to the region's communities, as well as attract and retain skilled workers.

Thanks to the Atlantic Growth Strategy's initiatives to date, a strong foundation has been laid to enable established industries like agriculture, agri-food, fisheries, aquaculture and tourism - as well as emerging industries like clean technology - to innovate and successfully compete in global markets. At the same time, small- and medium-sized businesses are getting the support they need to capitalize on new technologies, attract skilled workers, scale up operations and pursue new export opportunities.

We are also deepening our understanding of the issues facing the region through consultations, best practices and research, including the final report from the Atlantic Growth Advisory Group. The Advisory Group provided their strategic advice and recommendations to help guide the region's collaborative approaches and actions moving forward. New collaborative work has been identified in important areas such as broadband, Indigenous tourism and the development of an export accelerator to help small and medium enterprises access the essential skills, competencies and connections they need to compete on the global stage. Using these tools, the governments of Canada and the Atlantic provinces are tailoring their approaches to maximize benefits for the region.

Together these actions have helped the Strategy's longer-term outcomes for each of the five strategic priorities for the region.

Since the July 2017 report on results, the Atlantic Growth Strategy has made progress on the following priorities:

# SKILLED WORKFORCE AND IMMIGRATION



**Longer-Term Outcome:**  
Admit up to 7,000 additional newcomers to the region by 2020

## **We are seeing positive results under the three-year Atlantic Immigration Pilot**

This federal and provincial pilot program is helping to attract and retain skilled workers and international graduates in Atlantic Canada. All partners have worked diligently to promote the pilot across the region with more than 700 outreach activities completed, targeting a variety of audiences. Since the Pilot began accepting applications in March 2017, more Atlantic employers are seeing the potential of immigration to fill labour market needs that cannot be met locally. Atlantic employers have made nearly 1,800 job offers to applicants under the Atlantic Intermediate-Skilled Program, the Atlantic High-Skilled Program, and the Atlantic International Graduate Program to fill job vacancies. That's a considerable increase from the 250 job offers made at this time last year.

## **Immigration, Refugees and Citizenship Canada launched the Dedicated Service Channel**

Since July 2017, designated employers under the Atlantic Immigration Pilot are receiving personalized support from the Dedicated Service Channel in navigating the process of hiring foreign talent as well as receiving tips and associated guidance on strategies for success following recruitment. More than 200 employers are currently benefitting from these services.

## **We increased support to Settlement Service Provider Organizations**

Settlement Service Provider Organizations have provided more than 2,100 needs assessments and settlement plans to the Atlantic Immigration Pilot's principal applicants and their accompanying family members in an effort to help families settle in communities across the Atlantic region.

## **We are promoting the region as a destination of choice for international students and graduates**

The Atlantic provincial governments, with support from the Atlantic Canada Opportunities Agency (ACOA), are expanding the model of EduNova's Study and Stay Program throughout the region to attract and retain international students. The model is being adapted to meet the specific needs of each province and complement existing service offerings. EduNova's Study and Stay program attracted close to 50 international students from China, India and the Philippines and is helping integrate them into their communities and transition to the workforce.

## **We are providing youth with work integrated learning opportunities**

In Atlantic Canada, a \$4.4 million partnership was announced with Venture for Canada, in collaboration with post-secondary institutions and employers, to provide 505 Canadian students across the region with valuable work experience and work-ready skills in business and entrepreneurial fields. Students who participate in these opportunities develop technical and work-ready skills sought after by employers; they are more likely to benefit from greater employment opportunities, be employed in fields more closely related to their studies, and receive higher earnings.



## We are helping address skill shortages

Led by the Council of Atlantic Premiers' Atlantic Workforce Partnership and supported by Employment and Social Development Canada, the Atlantic Apprenticeship Harmonization Project (AAHP) is helping increase apprenticeship completion rates and keeping apprentices in Atlantic Canada. To date, the AAHP has enabled the harmonization of 10 trade occupations and the development and implementation of a new common information technology

(IT) system to track apprenticeship certification. By February 2019, an additional six trades will be harmonized and the IT system will be completed. Once completed, provinces will begin to migrate information from their current IT systems to the new platform. In total, 16 Red Seal trades will be harmonized across Atlantic provinces, thanks to new federal and provincial investments. There are currently approximately 15,000 apprentices in Atlantic Canada and it is expected that all apprentices will be registered in the new IT system by 2020.

# SKILLED WORKFORCE AND IMMIGRATION: REAL LIFE RESULTS

## Metamaterial Technologies Inc.

(NS) uses innovative technology and advanced manufacturing to develop smart protective materials. The company's Canadian workforce includes global talent representing 15 countries and speaking more than 20 different languages. Metamaterial Technologies is using the Atlantic Immigration Pilot to hire highly skilled experts from around the world. The company is also part of the Accelerated Growth Service and housed at Innovacorp, a Nova Scotia business incubator and accelerator.

**"Metamaterials are a relatively new scientific field and the work we are doing in laser protection has never been done before. These are exciting times for science and this funding will help us as we move to the next stage of growth, allowing us to advance our manufacturing capacity to produce these new smart material products."**

**Dr. George Palikaras**, Founder and CEO, Metamaterial Technologies Inc.

**Somru Bioscience** (PEI) is a biotechnology company founded in 2012 that develops antibody technology to accelerate the drug development process. The company's vice-president and co-founder, Mohammed Moin, immigrated to PEI on a student visa in 2000. The company currently exports to more than 20 countries and is in the midst of a major expansion. A new joint venture for a diagnostic laboratory in Bangladesh is expected to generate \$50 million in export sales over the next five years and add 100 new employees to the company's PEI operations. Somru is hiring two senior scientists using the Atlantic Immigration Pilot Program to augment local recruiting.

## The New Conversations Tour

(NB), organized by the New Brunswick Multicultural Council, is a series of 15 community events with two prominent New Brunswick economists. The New Conversations Tour was established to promote awareness of emerging shortages of skilled workers. It is also designed to facilitate more inclusive communities by providing the impetus for discussions on how to attract and keep workers. Events engage local stakeholders

in discussions of labour force trends in New Brunswick and the critical need to address population decline through retention, repatriation, and immigration. The events have gathered more than 1,200 individuals so far.

## The Association for New Canadians

(NL) helps employers and newcomers and their families through the Atlantic Immigration Pilot Program's designation, endorsement and post-arrival processes. Increased settlement services in rural regions will support economic growth, as well as improve retention rates and address persistent and emerging labour market needs. More than \$1.2 million was invested in this initiative by the Government of Canada and the Province of Newfoundland and Labrador.

**"We have a very close relationship with the (provincial) Office of Immigration and Multiculturalism as well as with Immigration, Refugees and Citizenship Canada. We want to help both governments make Atlantic Canada a destination of choice for newcomers and immigrants, and make them comfortable by letting them know that they can set up roots here in the province, and that we will be there to help them make a go of it."**

**Kip Bonnell**, Association for New Canadians

**"A number of our employees do come through an immigration process. The AIP has been a benefit in a number of ways for us. Having support at the provincial and the federal levels for permanent residency has been great. Diversity is something that we value here. We seek out opportunities to look at things differently, to approach things**

**in a different way and diversity really allows us to do that."** **Marcia Snow**, Citco

**"Without the AIP, there would be no potential growth for us here. I would absolutely recommend the AIP to other employers, because finding skilled workers in many industries in Canada is getting more difficult and it is a way for our nation to grow its economic development. Without immigration it seems like a lot of industries are going to find challenges in getting new employees."**

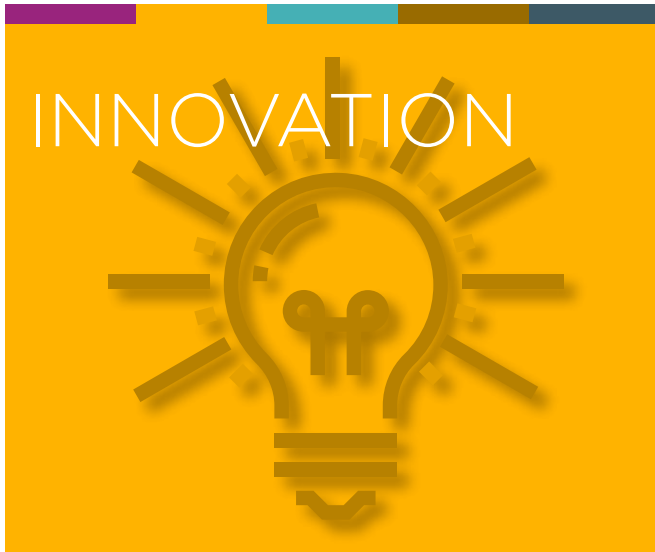
**Mike Albert**, Cirrus Garments

**"I am so pleased that I was told about IRCC's Dedicated Service Channel. My account manager has been instrumental in helping me understand the confusing aspects of hiring foreign workers. I frequently call or email him, and he's always friendly and answers my questions in a timely fashion. Knowing I can reach my account manager at any time, with any question or concern is a big relief for me and my employees."** **Shaun McBride**, The Learning Bar

**"We support newcomers by making sure that we work out a settlement plan with them based on their needs. Then we supply the employers with that settlement plan. We're also there for the follow up, so if the employer calls with questions or situations that they're not quite sure how to deal with, we can provide them with some advice and assistance."** **Craig Mackie**, PEI Association for Newcomers to Canada

**"I would absolutely recommend the AIP to other employers."**

**Mike Albert**, Cirrus Garments, Saint John, NB



**Longer-Term Outcome:**  
Double the number of high-growth firms in Atlantic Canada by 2025

### **We are promoting innovation, technology adoption and advanced manufacturing**

With support from partners, Atlantic Canadian companies are investing in advanced equipment, in part to cope with a tightening labour supply. This trend supports productivity improvement and greater export competitiveness.

### **We are supporting regional clusters of innovation**

In February 2018, the Ocean Supercluster, led by the Atlantic region, was successful in its bid under ISED's Innovative Supercluster Initiative. This initiative will leverage the combined strengths of the industries operating in Canada's oceans. It is projected that this supercluster will create more than 3,000 jobs and add more than \$14 billion to Canada's gross domestic product over 10 years. Governments, industries and stakeholders in Atlantic Canada continue to find ways to enhance collaboration in strategic sectors of our economy, including oceans, food and our clean technology companies.

### **We are enhancing the Accelerated Growth Service in Atlantic Canada**

This service provides customized support in areas such as financing, exporting and advisory and innovation services to Atlantic companies with high-growth potential. The Atlantic provinces and the Government of Canada signed an agreement to enhance collaboration and create a more streamlined process for companies. Between July 2017 and July 2018, 29 new Atlantic Canadian companies signed up for the service – nearly double the number that had signed up in the previous year. The total enrolment of 68 companies exceeds the region's target of 60 companies after two years. Ninety companies are expected to go through the service by 2019.

### **We are helping business incubators and accelerators launch and grow new start-ups**

Atlantic Canadian firms drive innovation activity in the region to promote long-term economic growth. There are more than 400 start-ups across the region, an increase of nearly 60 percent since 2014. A number of regional incubators and accelerators are supporting this dynamic start-up culture. In an effort to grow employment and revenues, partners are developing a new strategy that builds on success factors and identifies investment priorities.

### **We are supporting research and innovation in areas such as biosciences, aquaculture, ocean technology, renewable energy, fisheries, agriculture and forestry**

Complementing the Atlantic Growth Strategy, entrepreneurs in Atlantic Canada received more than \$140 million in financing in the first year of a two-year \$280 million financing package. This package, launched by the Business Development Bank of Canada (BDC), aims to assist the region's small and mid-sized businesses pursuing growth in information and communication technology, agri-food, ocean technology and tourism. BDC's \$280 million financing commitment for Atlantic Canada represented a \$100 million increase in the bank's normal lending volume for the targeted industries.



## We are investing more than \$400 million through the Atlantic Fisheries Fund to strengthen our fish and seafood sector

Open for applications since August 2017, the Atlantic Fisheries Fund is helping advance a more sustainable and prosperous fish and seafood sector focused on innovation, infrastructure and science partnerships. This fund is driving innovation in Atlantic Canada's fish and seafood sector to better meet market demands for sustainably sourced, high quality fish and seafood products, and to address the challenges posed by changing oceanographic conditions.

## We are finding new ways to support Atlantic Canada's food sector

Through a federal-provincial working group on food, the governments of Canada and the Atlantic provinces are working with industry to identify ways to leverage strategic opportunities in our region's food sector. The region is ripe with opportunities to share its high quality and sustainable goods with the country and the rest of the world.

## We are building awareness of the potential of big data analytics

We trained 100 federal and provincial staff on big data analytics, which will help staff work with clients to identify opportunities for the use of data analytics in their businesses. These opportunities could include enhancing productivity,

making better decisions and/or developing new products and markets. This training will also help staff to refer clients to the appropriate support services for their big data analytics projects. As a result of this work, 15 Atlantic companies to date have been linked to the National Research Council Data Analytics Centre.

## We are working with stakeholders to determine the cultural dimensions of success

Our partners have conducted an in-depth analysis of business culture and organized an intensive Innovation Lab with business leaders and other key representatives from government, academia and the not-for-profit community. These insights will help tailor our support for Atlantic businesses. We explored attitudes, behaviours and perceptions that affect business growth, innovation and productivity in Atlantic Canada.

## We are encouraging opportunities for youth to learn digital skills

The CanCode Program will invest \$50 million across Canada over two years to support initiatives providing opportunities for coding and digital skills development to Canadian youth from kindergarten to grade 12, including \$2 million for two Atlantic-led projects. The program helps students and teachers acquire skills and knowledge through coding and digital skills experiences.

# INNOVATION: REAL LIFE RESULTS

**VoltaCohort** (NS), launched by Volta Labs in conjunction with ACOA, BDC and Innovacorp, is a two-year pilot program that was created to help early stage, high calibre companies from across Atlantic Canada find investment. The program has already awarded \$250,000 to ten start-ups through its two competitions in November 2017 and May 2018, where 31 start-ups presented their companies for funding. The winners of VoltaCohort's most recent competition included Sydney's Talem Health Analytics and UAV Control Tower of St. John's. **"Together with our partners, we look forward to helping these early-stage companies grow and succeed from their home base in Atlantic Canada."** **Jesse Rodgers**, CEO, Volta Labs

**LuminUltra** (NB) is a clean tech solutions company that expanded and modernized its operations in order to accommodate recent rapid growth, along with an anticipated increase in sales volume and research and development projects. This includes the acquisition of new lab equipment as well as leasehold improvements.

**Superior Glove Works Limited** (NL) manufactures more than 3,000 styles of work gloves and sleeves with applications in aerospace, agriculture, automotive, construction and other sectors. The growing demand in export markets was driving the need to increase production, which was addressed through the company's participation in the Accelerated Growth Service. **"Our industry is considered commodity based. Our company competes with low-cost countries like China and India. We know we won't have the lowest price going in, so we have to add value and innovate."** **Tony Geng**, President, Superior Glove Works

**Rollo Bay Holdings** (PEI) is the largest agriculture entity in Eastern PEI specializing in red, yellow and russet potatoes for consumer and food service industries. The company is one of the first in North America to invest in specialized advanced manufacturing equipment and technology to improve output, efficiency and reduce waste. Rollo Bay is still employing the same number of people but the jobs are now more technical, translating into better pay and improved retention rates. The company is part of the Accelerated Growth Service.

VoltaCohort competitions led by Volta Labs of Halifax, Nova Scotia, have led to **\$250,000 in strategic investments for 10 early-stage high-calibre Atlantic Canadian start-ups** to fuel their growth and success.

# CLEAN GROWTH AND CLIMATE CHANGE



**Longer-Term  
Outcome:**  
Reduce GHG  
emissions

## **We covered a lot of ground since launching the Pan-Canadian Framework on Clean Growth and Climate Change**

The Pan-Canadian Framework outlines more than 50 concrete measures to reduce greenhouse gas emissions, help the region adapt and become more resilient to the impacts of a changing climate, foster clean technology solutions, and create good jobs that contribute to a stronger economy. In its first year of implementation, federal, provincial and territorial governments have made good progress in starting to put the framework into action. Work is underway to ensure that carbon pricing systems are in place across Canada by January 1, 2019. Governments are also implementing new policies, programs and regulations to reduce emissions in every sector of the economy, support communities in adapting to a changing climate, and invest in clean technologies.

## **We are investing more than \$185 million in Atlantic Canada through the Low Carbon Economy Leadership Fund**

Nova Scotia and New Brunswick have each leveraged at least \$50 million in federal funding to support energy efficiency upgrades in buildings across their provinces. In particular, programming in both provinces is being expanded to allow homeowners who heat their homes with fuel oil to access funding for home retrofits. In Prince Edward Island and Newfoundland and Labrador, several significant opportunities, including energy efficiency retrofits for communities and businesses to support clean growth and reduce their greenhouse gas emissions, will be funded with support from the Low Carbon Economy Leadership Fund.

## **We are investing in Electric Vehicle Charging Infrastructure, across Canada**

For example in 2017, the federal government provided \$1.6 million for the installation of electric vehicle fast charging stations in New Brunswick and Nova Scotia, through phase 1 of the Electric Vehicle and Alternative Fuel Infrastructure Deployment initiative.

## **We are serving companies and other stakeholders through the Clean Growth Hub**

The newly created Clean Growth Hub is connecting Atlantic-based companies and other stakeholders to the various supports for clean technology across government. So far, more than 500 companies and industry stakeholders have worked with the Hub, including 30 Atlantic Canadian organizations working to advance their clean technologies. In addition to the Hub, Sustainable Development Technology Canada, which provides funding for Canadian clean technology projects, also has a presence in Atlantic Canada to provide expertise in the fields of sustainable development, finance and technology investment to help Atlantic Canadian companies move their ground-breaking technologies to market.

## We are continuing to advance work on regional electricity grids and renewable power generation

Natural Resources Canada (NRCan), working together with the governments of the four Atlantic provinces, their respective electric utilities, and the Atlantic Canada Opportunities Agency, finalized an initial study under the Regional Electricity Cooperation and Strategic Infrastructure initiative that identifies the most promising electricity infrastructure projects that can reduce greenhouse gas emissions in Atlantic Canada. The study identifies reinforcement of the Nova Scotia-New Brunswick transmission intertie as a foundational project for transitioning Atlantic Canada to clean electricity. NRCan is currently working with the governments of Nova Scotia and New Brunswick and their electric utilities to assess the costs and benefits of the project in two jurisdictions, with a view toward accelerating the development of this important infrastructure project.

## We are protecting Atlantic Canada's forests from the damaging effects of a spruce budworm outbreak

Through Budget 2018, the Government of Canada proposed to take action alongside the Governments of New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador, as well as the forest industry, by providing up to \$74 million over four years and \$750,000 ongoing, to prevent the spread of spruce budworm and the associated socio-economic and environmental impacts of an outbreak. Co-sponsored by the Atlantic Canada Opportunities Agency, Phase II of the Early Intervention Strategy for Spruce Budworm research program supports the Pan Canadian Framework on Clean Growth and Climate Change, as tree mortality caused by an outbreak will negatively affect greenhouse gas emission reduction efforts. Preventing an outbreak and protecting Atlantic Canada's forest resource will also ensure that forestry remains a vital driver of the region's economy and a source of jobs and opportunities.

# CLEAN GROWTH AND CLIMATE CHANGE: REAL LIFE RESULTS

**The City of Summerside** (PEI), with support from partners including Samsung Canada, has integrated wind, solar and battery power with smart grids to improve energy efficiency, reduce costs and improve reliability, while reducing dependence on traditional sources of energy such as diesel and heating oil. In 2015, Summerside achieved the highest level of wind power integration in North America, and PEI was the first North American jurisdiction to generate more than 30 per cent of its electricity from wind energy.

**CarbonCure Technologies Inc.** (NS) retrofits concrete plants with a technology that reuses waste carbon dioxide in the concrete manufacturing

process to improve the concrete's quality, lower costs and reduce its carbon footprint. CarbonCure was initially incubated at Innovacorp and has since leveraged additional federal and provincial government programs.

The University of New Brunswick continues to work on its **Smart Grid Research** project, in partnership with Siemens Canada and supported by Emera and the federal government. The goal is to integrate Smart Grid technology into the electrical system and build Canada's first fully integrated energy internet, enabling communications between customers and their homes, power plants and distribution systems.

**"We're excited to support innovation-focused research towards creating a 100% clean electricity supply. We believe the kind of technology being developed at UNB will play a critical role in making it possible for 100% renewable energy to be affordable and reliable to serve our customers in the future."** Chris Huskison, President & CEO, Emera Inc.

**Seaformatics** (NL) is a clean technology company working to advance and commercialize its new microturbine charging device, an innovative product that harnesses renewable energy in the form of flowing water and wind to power and recharge stand-alone devices. Leveraging significant university-based research and development in its turbine technology, the company seeks to provide a clean renewable charging technology to outdoor enthusiasts, such as backcountry campers, canoers, kayakers and cyclists.

The City of Summerside, Prince Edward Island, has **integrated wind, solar and battery power with smart grids to improve energy efficiency, reduce costs and improve reliability**, while reducing dependence on traditional sources of energy such as diesel and heating oil.

# TRADE AND INVESTMENT



**Longer-Term Outcome:**  
Double the number of exporters in Atlantic Canada by 2025

## **We are implementing the multi-year, international Atlantic Trade and Investment Growth Strategy, supported by a \$20 million funding agreement**

The Atlantic Trade and Investment Growth Strategy, announced in July 2017, supports joint trade and investment initiatives that are coordinated, firm-focused, and built on the region's sector capabilities and capacity. Since 2017, pan-Atlantic initiatives (in addition to bilateral and unilateral initiatives) dedicated to international market engagements included 17 trade missions, involving more than 300 participants.

## **We are growing awareness of export opportunities to Europe**

The recent Canada-European Union Comprehensive Economic and Trade Agreement is creating significant opportunities for our region. To prepare for these opportunities, we organized two multi-sector trade missions to the European Union with Atlantic Canadian companies in June and November 2017. These trade missions resulted in more than 139 qualified sales leads and 63 potential sales deals reported by participants. Partners also held a Canada-Europe Trade Agreement Roadshow to generate awareness of the European market. These sessions drew in approximately 320 business participants from across all four Atlantic provinces.

## **We are providing the tools to support our current and future exporters**

LearnSphere's bilingual Export Market Access Program (EMAP) and E-Tools for Exporting (E for E), which saw investments of \$3 million, help firms develop and expand their sales to international markets. As of April 30, 2018, these programs provided support for nearly 130 companies and almost half of them were new exporters. LearnSphere will help more than 180 companies across Atlantic Canada reach their export goals by the end of 2018 through the EMAP and E for E programs.

## **We are preparing an Atlantic Growth Strategy joint trade mission to China**

China is Canada's second largest trading partner after the United States. This multi-sectoral trade and investment mission will take place in November 2018. It will support Atlantic Canadian businesses and organizations in the food, clean growth, education and tourism sectors that are looking to create new partnerships and build business-to-business relationships in China. It will also capitalize on the 2018 Canada-China Year of Tourism.

## **We hosted Rendez-Vous Canada, Canada's premier international tourism marketplace**

Held in Halifax, Nova Scotia over four days, it brought together more than 1,900 tourism professionals to promote or discover unique Canadian experiences, particularly those showcasing national priority products such as Indigenous and culinary tourism. The event has the potential for hundreds of millions of dollars in revenue for Canadian tourism businesses and was supported by the new Atlantic Canada Tourism Strategy, announced in July 2017.

## **We are implementing a strategic and collaborative approach to tourism**

The strategy includes \$24.5 million in federal-provincial-industry investments for three initiatives aimed at positioning Atlantic Canada as a top destination in the global tourism sector, creating more jobs for Atlantic Canadians and giving a boost to small businesses. More than 120 Atlantic Canada tourism stakeholders



were trained through the Atlantic Growth Strategy Travel Trade Market Readiness Program with a series of webinars and workshops on how to work with international travel trade. The Tourism International Market Expansion Program is supporting the Government of Canada's target of doubling Chinese visitation to Canada by 2021.

## We are supporting Indigenous tourism in Atlantic Canada

The Atlantic chapter of the Indigenous Tourism Association of Canada was created in June 2017 to build a framework for future development in the region. We are also supporting the development of tourism strategies and products in communities which wish to pursue tourism as an economic driver. For example, a delegation of Nova Scotia First Nations participated in Edge of the Wedge in November 2017, Canada's premier experiential travel training program led by the Gros Morne Institute of Sustainable Tourism. The program is hosted at Gros Morne National Park in Newfoundland and Labrador, a leading center of expertise in experiential tourism.

## We continue to implement the Collaborative Procurement Initiative across all four Atlantic Provinces with

## over 20 Municipalities, Academic Institutions and School Boards now participating in Atlantic Canada

The initiative enables partners, including provincial governments, municipalities, academic institutions, school boards, and hospitals, to leverage Public Services and Procurement Canada's federal instruments and buying power to procure goods and services to obtain better value for money. With over \$200 billion spent annually on public procurement in Canada, this initiative provides opportunities to save taxpayers' money, negotiate better terms and conditions, reduce administrative costs, simplify processes, make it easier for businesses to sell to multiple levels of government, and to expand their market. In addition to reducing costs, federal procurement instruments help to support the use of clean and sustainable goods and services. So far, Nova Scotia and Prince Edward Island have been able to save more than 30 per cent on the cost of emergency radios and environmental office paper when using federal tools, while negotiating better terms and conditions from suppliers. For example, a locally owned business (Covey Basics) is providing office supplies to the Province of Prince Edward Island who is receiving better value. With the introduction of a Canadian Collaborative Procurement Plan in December 2017, more of these success stories are expected.

# TRADE AND INVESTMENT: REAL LIFE RESULTS

**Grow Export** (Atlantic) was developed in consultation with ACOA, Global Affairs Canada and the four Atlantic provinces as a comprehensive export readiness training program to support the growth of new exporters from Atlantic Canada. Through diagnostics, training, mentorship and export market exposure, this program will help equip Atlantic Canadian companies with the entrepreneurial skills and knowledge needed to succeed in export markets.

**The Tourism International Market Expansion (TIME)** (Atlantic) launched Atlantic Canada's largest media campaign ever in the Chinese market. Digital and social media was purchased to promote Atlantic Canada to potential Chinese visitors. The TIME program, through its China Readiness initiative, trained 95 Atlantic Canadian tourism stakeholders on how to work with, host and welcome Chinese tourists, in anticipation of a growing number of Chinese visitors during the 2018 Canada-China Year of Tourism and in future years.

**Amalgamated Dairies Limited** (PEI) employs 285 people and produces a broad array of dairy products with annual sales

of \$175 M per year. These products service both the retail and industrial markets across Canada and export markets such as the United States. In recent years, significant investments have been made to modernize the plants in Charlottetown and Summerside allowing ADL to improve product quality and lower its carbon footprint.

**"Government support will provide ADL the ability to adapt to the new realities in the Canadian dairy industry and invest in the infrastructure and innovation that are needed to grow and diversify our business into the future."** Jim Bradley, CEO, Amalgamated Dairies Limited

**Gidney Fisheries Limited** (NS) is a lobster processing company that has undertaken a capital expansion that has allowed it to scale operations to deploy high-pressure lobster processing equipment. To assist with market access to complement this high-end innovative processing initiative, the company met international buyers from Europe by participating in Seafood Expo Global (SEG), a key initiative supported under the Atlantic Trade and Investment Growth Strategy. More importantly, this

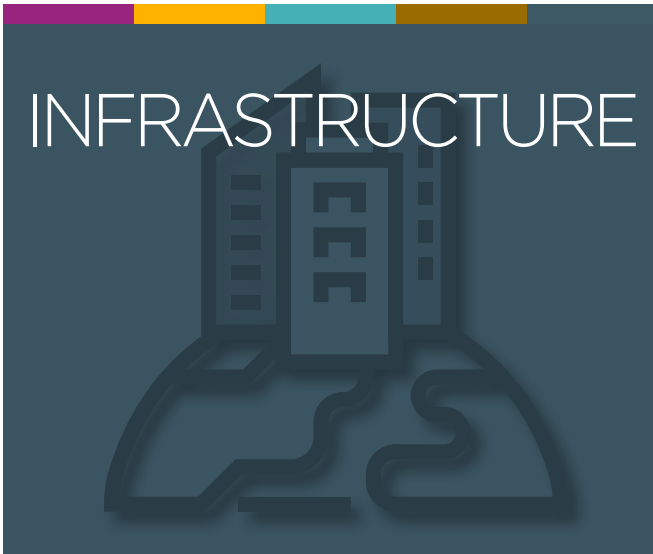
market engagement confirmed that the company had made the right capital investment and validated the long-term market for their high-pressure processed product. This initial positive response has played a major role in the successful launch of their product.

**Rutter Inc.** (NL), through its Sigma S6 Oil Spill Detection technology, provides early and accurate oil spill detection and reporting. The technology combines the company's proven strength in early detection with tools that generate essential information about oil volume, thickness, deformation and drift. Sigma S6 is installed on fixed platforms, floating production and storage offloading units, offshore workboats, patrol vessels and specialty clean up vessels. Users can be found in Brazil, the North Sea, Gulf of Mexico, China, Russia and Eastern Canada. The company participates in the Accelerated Growth Service and has benefited from support to reach new markets around the world.

**G.E. Barbours Inc.** (NB) is a multi-product food processor based in Sussex, New Brunswick. As an Accelerated Growth Service client, the company has benefitted from a collaborative approach resulting in investments in advanced manufacturing equipment to increase production capacity and efficiency and to expand product lines, further enabling it to diversify into new markets. Recently, the 150 year old company seized the opportunity to gain further international market access by meeting with international buyers while participating at SIAL Canada, an international food show that was a key initiative supported under the Atlantic Trade and Investment Growth Strategy. G.E. Barbours currently reports a significant increase in anticipated export sales with strong potential to break into the European market.

**95 Atlantic Canadian tourism stakeholders** took part in TIME's China Readiness initiative to help prepare a great experience for Chinese visitors during the 2018 Canada-China Year of Tourism – and beyond.





## Longer-Term Outcome:

Bring rural and remote areas online by 2025

### **We are building better infrastructure in Atlantic Canada that will support growth, and engage and connect people**

Building on nearly \$339 million from Budget 2016 for short-term investments to maintain and repair local infrastructure in the region, the Atlantic provinces will see more than \$2.4 billion over the next decade for infrastructure projects. In addition, 28 municipalities across Atlantic Canada applied to the Smart Cities Challenge. These municipalities proposed innovative solutions addressing local issues by leveraging new partnerships, data and connected technology. The Saint Mary's First Nation, the City of Fredericton and the Town of Bridgewater are among the 20 Smart Cities Challenge finalists. Additional opportunities to spur innovation will be offered by the Canada Infrastructure Bank, to help build projects based on public-private sector partnerships.

### **We are helping enhance broadband access across the region**

Together, the Atlantic provinces and the Government of Canada announced total investments of more than \$66 million through the federal Connect to Innovate and provincial funding programs in two Atlantic provinces. More than 130 communities will benefit from these announcements, which are expected to continue throughout 2018. In addition, the Connecting Canadians Program completed eight of thirteen projects across Atlantic Canada. These projects will help residents connect with family and friends, do business online, participate in distance education and take advantage of the opportunities afforded by the digital age.

### **We are enhancing and modernizing research and commercialization facilities**

The Post-Secondary Institutions Strategic Investment Fund is supporting 27 projects in Atlantic Canada, with a \$152.5 million federal investment, to enhance and modernize facilities for research, commercialization and training at post-secondary institutions.

# INFRASTRUCTURE: REAL LIFE RESULTS

The construction of the **Core Science Facility** at Memorial University of Newfoundland in St. John's (NL) will create an integrated learning and research environment that fosters inventive scientific thinking and practices.

**“This state-of-the-art Core Science Facility will enable us to deliver on our commitment to the people of this province to provide excellence in teaching and learning, research and public engagement.”**

**Dr. Gary Kachanoski**, President and Vice-chancellor, Memorial University of Newfoundland

The replacement of the **Cascumpec Bridge** in Alberton (PEI) will improve driver safety and connect farms and wharves to markets.

The construction of the **Greater Saint John Field House** in Saint John (NB) will provide residents with year-round access to sporting activities and allow the region to welcome larger-scale sporting events.

The launch of **COVE, the Centre for Ocean Ventures & Entrepreneurship** (NS), will provide collaborative spaces for applied innovation in the ocean sector. This includes shared equipment, workshops, machine shop and marine services, wharves, direct ocean access, incubation space and programming, and a “Startup Yard” incubator for new ocean technology companies.

The new, state-of-the-art Core Science Facility at Memorial University of Newfoundland in St. John's, Newfoundland and Labrador, will **amplify the university's capacity** to “provide excellence in teaching and learning, research and public engagement.”

# 2016-2018 Results at a glance

PRIORITY	YEAR 1 RESULTS	YEAR 2 RESULTS	IMPACT
SKILLED WORKFORCE AND IMMIGRATION	<p>250 job offers through Atlantic Immigration Pilot (June, 2017)</p> <p>8,646 economic immigrants and their families (2016)</p> <p>24,000+ temporary work/study permits issued (2016)</p>	<p>Nearly 1,800 job offers made through Atlantic Immigration Pilot (June 2018)</p> <p>9,040 economic immigrants and their families (2017)</p> <p>26,000+ temporary work/study permits issued (2017)</p>	<p>More than 600% increase in new job offers in 2017</p> <p>4.5% increase over record levels of economic immigrants in 2017</p> <p>8% increase in temporary work and study permits in 2017</p>
PRIORITY	YEAR 1 RESULTS	YEAR 2 RESULTS	IMPACT
INNOVATION	<p>340 HIGH GROWTH FIRMS based on employment (2014)</p>	<p>350 HIGH GROWTH FIRMS based on employment (2015)<sup>3</sup></p> <p>790 HIGH GROWTH FIRMS based on revenue (2015)<sup>4</sup></p>	<p>10 NEW HIGH GROWTH FIRMS based on employment in 2015</p>
PRIORITY	YEAR 1 RESULTS	YEAR 2 RESULTS	IMPACT
CLIMATE CHANGE AND CLEAN GROWTH	<p>Launch of the Pan-Canadian Framework on Clean Growth and Climate Change</p>	<p>Further progress in clean technology, new carbon pricing systems and managing climate change</p>	<p>\$185M through Low-Carbon Economy Leadership Fund for clean growth, reduced emissions, healthier communities and new jobs</p> <p>New programs to support clean and sustainable economic growth</p>
PRIORITY	YEAR 1 RESULTS	YEAR 2 RESULTS	IMPACT
TRADE AND INVESTMENT	<p>2,198 exporting establishments (2016)<sup>5</sup></p> <p>\$26B in Atlantic exports (2016)<sup>6</sup></p>	<p>2,263 exporting establishments (2017)</p> <p>\$30B in Atlantic exports (2017)</p>	<p>Nearly 70 new exporters, a 3% increase, in 2017</p> <p>16% increase in the value of exports in 2017</p>
PRIORITY	YEAR 1 RESULTS	YEAR 2 RESULTS	IMPACT
INFRASTRUCTURE	<p>84% of households with an Internet connection (2015)</p>	<p>86% of households with an Internet connection (2016)</p>	<p>2 PERCENTAGE POINT INCREASE IN INTERNET ACCESS between 2015 and 2016, with continued growth expected</p>

Note: Data from Statistics Canada and other national surveys are used to measure long-term progress. Some data may be a few years old due to survey frequency.

<sup>3</sup> A high-growth enterprise is an enterprise with average annualized growth greater than 20 percent per annum over a three-year period. That is, the total growth for the previous three years must be greater than 72.8 percent. The growth can be measured by the number of employees or by revenue. High-growth enterprises are required to have at least 10 employees at the start of the three-year period and are required to be at least four years old.

<sup>4</sup> New baseline for high-growth firms by revenue (2015)

<sup>5</sup> Statistics Canada's Trade by Exporter Characteristics: Goods program counts the number of establishments exporting goods only. Certain export establishments, such as those shipping products to another company prior to export, may not be included.

<sup>6</sup> The value of Atlantic exports is from Innovation, Science and Economic Development Canada's Trade Data Online and captures the value of the exports of goods only.

# What are the Longer-term Outcomes?

The Atlantic Growth Strategy is ambitious and the investments and actions being undertaken today are laying the groundwork for growth and prosperity in the future. By leveraging partnerships and resources, the Government of Canada and the four Atlantic provinces are targeting key opportunities for growth, guided by longer-term outcomes outlined in the first annual report. These strategic goals will take time to achieve but the foundational work and early successes of the Atlantic Growth Strategy support long-term success. This year's report provides an update on progress against these long-term outcomes for the region.

## **Skilled Workforce and Immigration: Admit up to 7,000 additional newcomers in the region by 2020**

Efforts aim to recruit and retain skilled workers and international graduates to meet labour market needs. There are a number of immigration pathways available for newcomers to come to Atlantic Canada that feed into the Strategy's longer term outcomes for immigration in the region. In 2017, more than 11,000 permanent residents arrived in the region under several programs. Of those, over 9,000 were economic immigrants. Additionally, more than 26,000 temporary work and study permits were issued during this same time.

The Atlantic Immigration Pilot is an additional economic immigration pathway available for skilled immigrants and international graduates who fill meet specific labour market demands in the Atlantic region. Under the Atlantic Immigration Pilot, there were up to 2,000 spaces available in the first year of the pilot. Over the life cycle of the pilot, there is space for up to 7,000 newcomers to arrive in the region by 2020 to respond to labour market and demographic needs.

## **Innovation: Double the number of high-growth firms in Atlantic Canada by 2025**

High-growth firms are key drivers of Canada's economic growth and long-term prosperity. These companies, which can be measured according to their annual revenue or by the number of people they employ, tend to have a greater impact in Atlantic Canada than in the rest of the country, as they are twice as likely to innovate and to invest in advanced processes and skills development. They also generally export more than the average Canadian business.

The number of high-growth firms based on employment is growing. In 2015, there were 350 high growth firms by employment, up from 340 firms in 2014. These firms have averaged 20 per cent or more growth per year in their number of employees in the past three years. The baseline for this outcome has been updated from 310 to 340 high growth firms in 2014 to encompass all economic sectors in the region<sup>7</sup>.

In 2015, there were 790 high-growth firms based on revenue. They had a total growth in revenue greater than

70 per cent for the three previous years. The baseline for this outcome is new and will be reported on by federal regional development agencies across Canada going forward.

## **Clean Growth and Climate Change: Reduce GHG emissions**

We are addressing climate change and protecting our environment. The Pan-Canadian Framework on Clean Growth and Climate Change includes a pan-Canadian approach to pricing carbon pollution, as well as new policies, programs and regulations to reduce emissions in every sector of the economy, putting Canada on the path to meet our national greenhouse gas emissions reduction target of 30 per cent below 2005 levels by 2030. Progress towards these goals includes launching the Low Carbon Economy Fund, and working with provinces and territories to develop their respective carbon pricing systems and other related actions.

## **Trade and Investment: Double the number of exporters in Atlantic Canada by 2025**

The number of exporting establishments in the Atlantic region is growing. According to Statistics Canada, there were 2,263 exporting establishments in 2017, up from 2,198 in 2016<sup>8</sup>. The baseline for this outcome has been revised from 2,000 to 2,205 exporting establishments in 2015 for methodological purposes<sup>9</sup>.

In 2017, the value of Atlantic Canadian exports was nearly \$30 billion, up from \$26 billion in 2016<sup>10</sup>. While the majority of exporters focus on a single market, the United States being the largest destination for exports, 28 per cent had more than one market for their goods and services in 2017, up from 27 per cent in 2016. The value of foreign direct investment in Atlantic Canada is also growing, valued at \$360 million in 2016 compared to \$208 million in 2015.

## **Infrastructure: Bring rural and remote areas online by 2025**

Across Canada, we are working towards a long-term target of having all Canadians online by 2025. Expanding access to fast and reliable broadband in rural and remote areas is an important aspect of these efforts through federal programs such as the \$500 million Connect to Innovate program and the \$2 billion Rural and Northern Communities Infrastructure Stream of the Investing in Canada Infrastructure Program. Coupled with provincial commitments to support broadband infrastructure in all four Atlantic provinces, continued strategic federal and provincial investments in the Atlantic region will improve access, help spur innovation, advance competitiveness and build a better economic future.

As a result of these efforts, the number of Atlantic Canadians with broadband access in all four provinces continues to increase. In 2016, the percentage of households with an internet connection in Atlantic Canada was 86 per cent (86% in NB, 87% in NS, 85% in PEI and 87% in NL), up from 84 per cent in 2015, and 82 per cent in 2014<sup>11</sup>.

<sup>7</sup> The previous baseline for high growth firms by employment was based on a limited set of economic sectors and excluded primary industries such as agriculture. This baseline has since been revised to 340 in 2014 to reflect the latest publicly available data and including all sectors.

<sup>8</sup> Statistics Canada's Trade by Exporter Characteristics: Goods program counts the number of establishments exporting goods only. Certain export establishments, such as those shipping products to another company prior to export, may not be included.

<sup>9</sup> The previous baseline for exporting establishment was set at 2,000. This baseline has since been revised to 2,205 to reflect changes to how exporting establishments are counted at the national level. This new methodology will be used going forward.

<sup>10</sup> The value of Atlantic exports is from Innovation, Science and Economic Development Canada's Trade Data Online and captures the value of the exports of goods only.

<sup>11</sup> 2014 is the national baseline year for broadband connectivity.

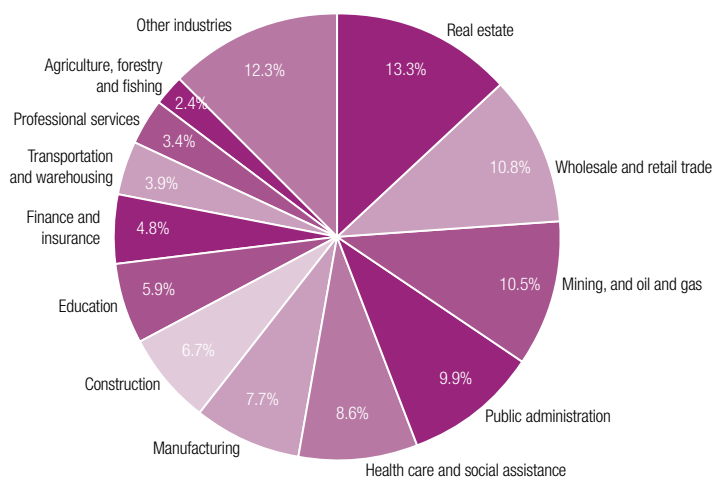
# Trends We Are Following

In order to measure the Atlantic region's progress, it is vital to keep an eye on economic trends. Tracking growth in the value of goods and services produced in Atlantic Canada, as well as employment and demographic shifts, is crucial to gauging the Atlantic Growth Strategy's success.

## Growth in the value of goods and services

Gross Domestic Product (GDP), which measures the value of goods and services produced, is a key indicator of economic health. It can also be used to show the economic contributions of sectors or industries. For example, the graph below compares the main industries in Atlantic Canada in 2017.

Main Industries in Atlantic Canada, by Percentage of Total GDP, 2017 (Statistics Canada)

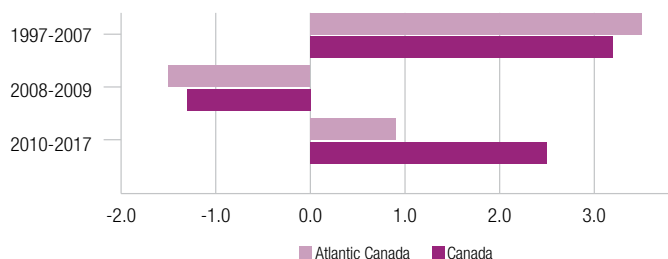


Source: Statistics Canada, Table 379-0030 - Gross domestic product (GDP) at basic prices, by North American Industry Classification System (NAICS), provinces and territories, annual (dollars) (accessed: May 08, 2018)

The Atlantic Canadian economy has undergone significant transformation over the past two decades. While tourism, agriculture, fishing, forestry, and associated manufacturing activities remain important (particularly in rural areas), sectors such as mining, oil and gas, as well as information and communication technologies, have continued to drive economic growth since 2000. The chart above outlines key sectors of the Atlantic Canadian economy, in percentage of total gross domestic product (GDP).

Notably, real GDP per capita in Atlantic Canada rose to 81 per cent of the national level in 2017, up from 76 per cent in 2000. The region's real GDP grew by more than 1.5 per cent from 2016 to 2017, compared to nearly 3.5 per cent nationally.

Real GDP Growth in Atlantic Canada and Canada, as an Annual Average, 1997-2017 (Statistics Canada)

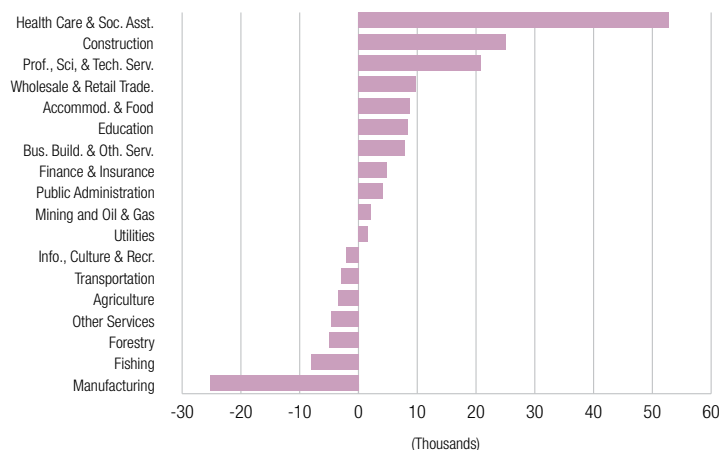


Source: Statistics Canada, Table 379-0031 - Gross domestic product (GDP) at basic prices, by North American Industry Classification System (NAICS), monthly (dollars) (accessed: April 25, 2018)

## Employment by sector

Employment data, like GDP, shows how the economy is changing. In Atlantic Canada, the long-term trend has been moving towards service-sector jobs, and away from resource-based industries. The main sectors of growth between 2000 and 2017 include health care and social assistance and construction with approximately 53,000 and 25,000 new jobs created during this period, respectively.

Net Employment Change in Atlantic Canada, 2000-2017 (Statistics Canada)



Source: Statistics Canada, Table 282-0008 - Labour Force Survey estimates (LFS), by North American Industry Classification System (NAICS), sex and age group, annual (persons unless otherwise noted) (accessed: April 25, 2018)

A more recent snapshot shows strong job growth since the last report on results. Between July 2017 and April 2018, the Atlantic economy created over 16,000 jobs and employment grew 1.5 per cent, surpassing the national average of 0.9 per cent. During this period, almost 11,000 jobs were created in services-producing

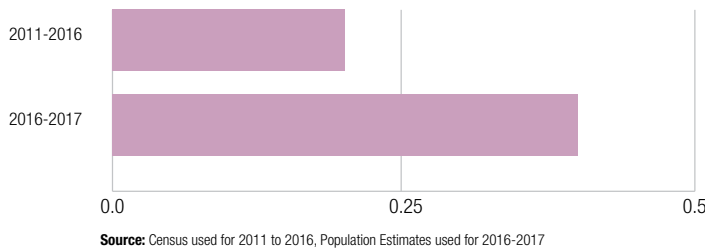


sectors, mainly in accommodation and food services, and over 5,000 in goods-producing sectors, mainly in the construction sector. Jobs created in Atlantic Canada during this period were full-time jobs, which grew by 2.4 per cent in the region, compared to 1.7 per cent nationally. Part-time jobs in the region have decreased by 2.9 per cent since July 2017.

## Demographics

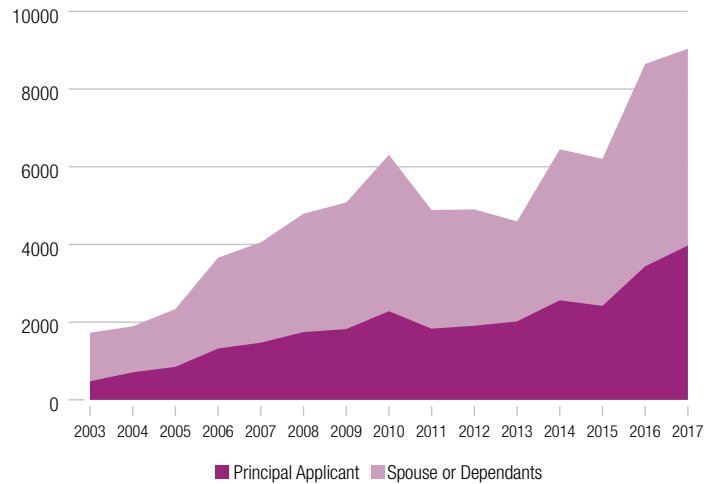
People, skills and ideas are fundamental to economic growth. However, Atlantic Canada's population is generally older than the rest of Canada, and is growing more slowly. Atlantic Canada is also losing workers to other parts of the country. These challenges are top of mind partly to find ways to attract people to the region to replace workers who are retiring or moving away. From 2011 to 2016, population in Atlantic Canada has grown by 0.2 per cent according to Census data. From 2016 to 2017, population growth was estimated to be 0.4 per cent across the region.

**Population Growth in Atlantic Canada,  
as a Percentage Change (Statistics Canada)**



One way to increase the Atlantic Canadian population is to attract new permanent residents. Immigrants to Atlantic Canada bring new skills, ideas and ways of doing business. As shown below, admissions of permanent residents to Atlantic Canada have increased by almost 630 per cent since 2003. Between 2016 and 2017, the number of admissions increased from more than 8,600 to over 9,000. However, retaining newcomers who land in Atlantic Canada continues to be a challenge.

**Admissions of Permanent Residents as Economic Immigrants  
Indicating Atlantic Canada as Intended Destination, 2003-2017**



Source: IRCC, March 31, 2018