

Sector Profile

Manufacturing

Atlantic Region

2025



HIGHLIGHTS

- The manufacturing sector is comprised of almost 4,000 businesses that transform or render materials into new products. Its largest sub-sectors are the manufacturing of food and beverage products, forest products, and transportation equipment.
- The workforce is male dominated (71.2%) and skews towards an older demographic. It is composed mainly of workers in full-time (89.2%) and permanent positions (79.0%). Almost half of workers (43.7%) had at least a post-secondary certificate or diploma while only 20.9% were university educated.
- Employment in the manufacturing sector declined by 2,854 jobs (-3.4% y/y) in 2024. Manufacturing shipments and exports increased in all Atlantic provinces, led by Newfoundland and Labrador.
- Over 2025-2027, the sector is expected to grow by 0.4% per year on average with N.S. expected to incur the fastest growth among the Atlantic Provinces. Chinese tariffs and U.S. trade disputes are expected to negatively impact the sector.

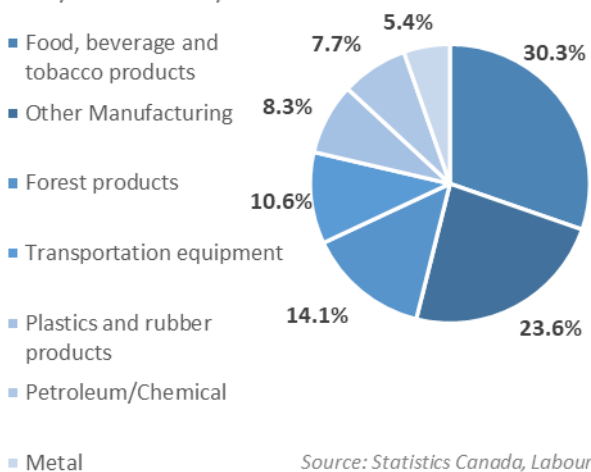
ABOUT THE INDUSTRY

Composition and Importance of the Sector

The manufacturing sector is composed of almost 4,000 businesses that transform or render materials into new products. It is broad, including products that may be durable or non-durable, finished or intermediate, and includes diverse categories of goods and products such as foods, textiles, chemicals, metals, and electronics.

In 2024, the manufacturing sector contributed \$8.7 billion to Atlantic Canada's Gross Domestic Product (GDP), representing 7.1% of the region's total output. In 2024, the sector contained over 3,900 employers and 80,900 workers. The largest subsector in the industry was food and beverage products, making up 30.3% of its employment. A large proportion of those employed in this subsector work for seafood processing companies. The next largest subsector was forest products (14.1%) followed by transportation equipment manufacturing (10.6%). The industry is hugely diverse across a number of small activities which were grouped together as "Other Employment" (30.3%).

Employment Share by sub-industry



Geographic Distribution of Employment

Over three quarters of workers in manufacturing are employed in Nova Scotia (43.9%) and New Brunswick (34.2%), with Nova Scotia having the largest workforce at 35,500. Employment in wood product and paper manufacturing is mostly located in New Brunswick, while plastics and rubber products and transportation equipment employment are most prevalent in Nova Scotia, where Michelin is the largest employer. Prince Edward Island has the largest share of its workforce employed in the manufacturing industry, at 8.3%. This can be attributed to employment in the food processing industry, particularly agricultural products like frozen vegetables. The sector contributes to 10.9% of the province’s economic output, the highest share amongst the Atlantic provinces.

	Employed 2024	Industry Share (%)
Atlantic Canada	80,800	6.4%
Newfoundland and Labrador	9,900	4.0%
Prince Edward Island	7,700	8.3%
Nova Scotia	35,500	6.8%
New Brunswick	27,700	6.9%

Source: Statistics Canada, Labour Force Survey

WORKFORCE

Workforce Characteristics

The manufacturing workforce in Atlantic Canada is male-dominated, with men+ representing 71.2% of employment in 2024. In comparison, this was much higher compared to the nearly even split across the entire Atlantic labour force (50.9%). Moreover, the sector has a slightly older workforce than other industries, with 26.9% of its workforce aged 55 years and older compared to 23.2% in all industries. This is in line with the aging population trend.

A large portion of workers in the sector are employed full-time (95.4%) and occupy permanent positions (85.4%). In 2024, temporary employees constituted only 8.1% of jobs and only a small share of workers (3.7%) were self-employed. Almost half of workers (43.7%) had at least a post-secondary certificate or diploma while only 20.9% were university educated and 26.8% had a high school diploma.

Main Occupations

The largest occupation was manufacturing managers, which represented 5.5% of the sector. This involves overseeing manufacturing departments by planning, evaluating, and controlling operations. Process control and machine operators in food and beverage processing was the second largest job in the sector and this group makes up 3.7% of employment. It experienced considerable growth, up 32% since 2014.

Whereas jobs in other manufacturing subsectors are not seasonal, such as shipbuilding, tire manufacturing and petroleum refining; jobs in fish and seafood processing tend to be low-wage, rural, and seasonal.

Top 5 largest occupations	Employed 2024	% Share of Industry
Manufacturing managers	4,425	5.5%
Process control and machine operators, food and beverage processing	3,000	3.7%
Rubber processing machine operators and related workers	2,700	3.3%
Construction millwrights and industrial mechanics	2,525	3.1%
Labourers in fish and seafood processing	2,350	2.9%

Source: ESDC/Service Canada



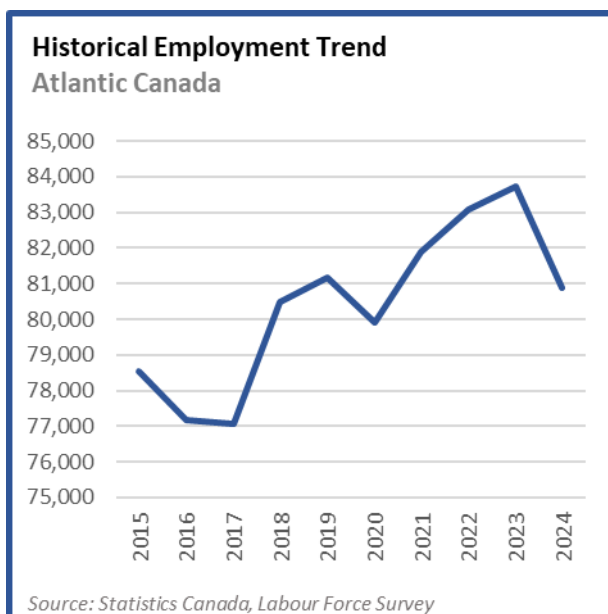
RECENT HISTORY

Employment in the manufacturing sector took a strong hit during the COVID-19 pandemic. While it rebounded and surpassed pre-pandemic levels, reaching a peak in 2023, it has experienced a significant decrease since. Throughout the past year, manufacturing employment decreased by 1,200 jobs. This entailed a 1.5% decrease compared to 2023. Job losses were largest in Nova Scotia and New Brunswick, with a 2.5% and 2.0% reduction, respectively. The decline was tempered by a 4.2% gain in employment in Newfoundland and Labrador. The decrease was led by employment losses in fabricated metal, wood, and food products; and counterbalanced by gains in transportation equipment, petroleum and coal, and computer and electronic products.

Manufacturing sales rose by 5.1% in Atlantic Canada in 2024, reaching \$45.1 billion. Growth in manufacturing sales was driven by an increase in sales for wood products, machinery, and plastics and rubber products; and partially offset by losses in food products and transportation equipment. All Atlantic Canadian provinces experienced gains in manufacturing sales, with Newfoundland and Labrador leading the increase with a 26.2% growth compared to the year prior. New Brunswick (2.3%) had the lowest growth rate from a year prior, but sold \$24.7 billion in manufacturing products, the most out of any Atlantic province.

Atlantic Canada’s manufactured goods are sold locally and internationally. Manufacturing exports were valued at \$25.8 billion in 2024, a 6.7% increase compared to a year prior. Exports in petroleum and coal products, food products, plastics and rubber products, and paper led growth. This was tempered by declines in primary metal and chemical product exports. Atlantic Canadian provinces all experienced growth in exports for manufacturing products in 2024, with Newfoundland and Labrador (30.8%) experiencing the largest gains led by coal and petroleum products.

The region’s main trading partner is the United States (U.S.), as 83.0% of manufacturing exports in 2024 were destined south of the border. This amounted to \$21.4 billion in export revenue, almost half of all manufacturing sales and just over half of total exports (52.7%). For this reason, the manufacturing sector has been one of the hardest hit by the threat of tariffs from the U.S. While it is estimated that 86% of Canadian exports to the U.S. last year would still be duty free under current rules¹, the uncertainty around the situation means that companies are undergoing a hiring and investment spending pause.



However, New Brunswick remains subject to U.S. duties on softwood lumber, which have gone up to 35.19% for most Canadian businesses. The province exported \$663 M dollars of softwood lumber products to the U.S. in 2024.

In addition, the 25% tariffs on seafood products imposed by China have further harmed the seafood manufacturing industry. China was the regions second largest market for manufactured products in 2024. Atlantic seafood producers exported \$1 billion of product to China in 2024 and over \$4 billion to the US².

Industry stakeholder consults revealed that the manufacturing sector faces challenges related to labour and skills shortages. Positions that are hard to recruit for include general labourers and skilled trade workers like mechanics, welders, and metal composite workers. According to Statistics Canada’s job vacancy and wage survey data, there were on average 2,264 job vacancies in 2024, a 26.3% decrease from a year prior. Recent policy changes resulting in less immigration may lead to some companies having a harder time finding workers and being unable to fill these vacancies. While all industries are affected by recruitment challenges, the issue appears to be particularly acute in food and beverage processing; as jobs in this industry are generally seasonal, low-wage, and rural.

1. <https://www.rbc.com/en/thought-leadership/economics/economy-and-markets/macroeconomic-outlook/canadas-economic-outlook-shifting-tides-as-tariff-threats-de-escalate/>
 2. <https://atlanticeconomiccouncil.ca/general/custom.asp?page=EconUpdateJune2025>



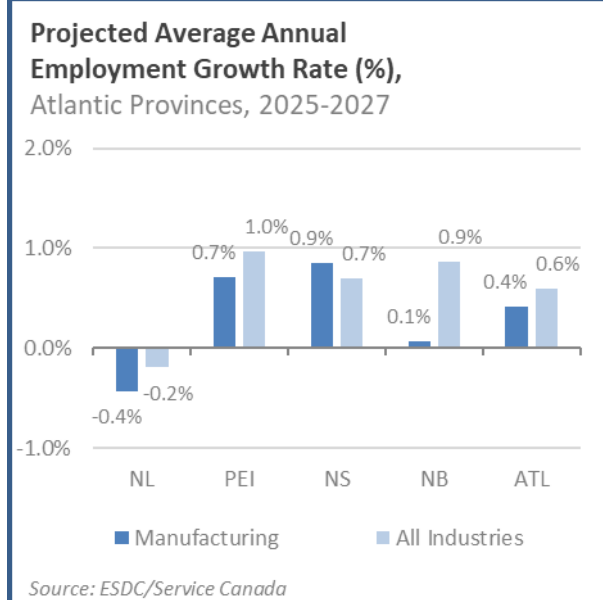
OUTLOOK

Based on analysis conducted by Service Canada, the manufacturing industry in Atlantic Canada is projected to grow by 0.4% per year on average over 2025 to 2027. This is a slightly slower rate than the average for all-industries (0.6%). The Atlantic province with the highest forecasted manufacturing employment growth rate is Nova Scotia, with anticipated growth of 0.9% per year. Newfoundland’s average annual employment growth rate for manufacturing, at -0.4%, highlights the only Atlantic province expected to see job reductions.

There are high amounts of uncertainty around the outlook for the manufacturing industry as so much is dependent on the trade relationship with the United States. Even if tariffs are not implemented, the uncertainty is expected to hinder planned investments in the sector as companies anticipate leaner times. Stakeholder consultations suggest there are no planned layoffs because of tariffs as that time, but if an economic downturn were to happen, some companies would have to shut down.

To stave off the effects of tariffs, manufacturing companies are looking to expand trade within Canada. The removal of interprovincial barriers to trade has been a focus for policy makers as of late and it could lead to new markets across provinces. Additionally, manufacturing companies are looking for opportunities to expand to new markets internationally. However, increased competition will likely affect breweries and wineries, as there are reports of insolvencies increasing in P.E.I. and N.B.

Difficulty finding labour has restrained employment growth in the manufacturing sector, particularly in the food and beverage processing industry. Labour market research carried out by Food Processing Skills Canada found that the industry will need to hire and retain over 142,000 new people between 2023 and 2030 throughout the country to fill current vacancies and replace workers close to retirement, as the industry skews towards an older demographic. In seafood processing only, the



Atlantic Economic Council (AEC) projected there will be 7,500 job vacancies in Atlantic Canada by 2030.

The sector heavily relies on temporary immigrant labour to fill vacancies, especially in seafood processing. Recent changes to the Temporary Foreign Worker (TFW) program, as well as cuts to immigration, will likely further impact existing hiring difficulties. Employers have resorted to automation to fill the gaps for labour, further restricting employment growth in the future, but more investments are needed to fully make up the lack of workers.

Robust construction activity in residential construction and major nation-building projects will increase the demand for fabricated metal and wood product manufacturing. The Atlantic Economic Council (AEC) has identified 471 major investment projects being developed in Atlantic Canada, with a potential investment value of \$320 billion. Capital spending in the region is expected to rise by 5% to \$18.3 billion in 2025, and by 2% in 2026 to \$18.7 billion.

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

The analysis in this report was finalized as of **September 2025**.

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APPENDIX

Real GDP (2024) and Employment (2024) for Atlantic Canada

	Manufacturing			All Industries		
	Number	Share of		Number	Share of	
		Total	AAGR*		Total	AAGR*
Real GDP (M\$)	\$8,748.5	100.0%	1.4%	\$118,731.2	100.0%	1.2%
Newfoundland and Labrador	\$1,126.1	12.9%	-2.2%	\$29,645.2	25.0%	-0.3%
Prince Edward Island	\$829.9	9.5%	4.2%	\$7,604.7	6.4%	2.9%
Nova Scotia	\$3,460.1	39.6%	2.6%	\$45,644.6	38.4%	1.9%
New Brunswick	\$3,332.4	38.1%	1.2%	\$35,836.7	30.2%	1.4%
Employment (000s)	80.9	100.0%	0.5%	1258.7	100.0%	1.2%
Men+	57.6	71.2%	0.0%	640.8	50.9%	1.2%
Women+	23.3	28.8%	2.1%	618.0	49.1%	1.2%
15-24 years old	6.7	8.2%	-0.6%	163.8	13.0%	0.9%
25-54 years old	52.4	64.8%	0.2%	803.1	63.8%	1.0%
55 years and older	21.8	26.9%	1.8%	291.9	23.2%	2.0%
Worked full-time	77.2	95.4%	0.5%	1057.5	84.0%	1.3%
Worked part-time	3.7	4.6%	2.1%	201.2	16.0%	0.5%
Self-employed	3.6	4.5%	-0.6%	119.1	9.5%	-1.1%
Employees	77.2	95.5%	0.6%	1139.7	90.5%	1.5%
Permanent job	69.1	85.4%	1.4%	967.1	76.8%	1.9%
Temporary job	8.1	10.0%	-4.3%	172.6	13.7%	-0.5%
Less than high school	7.0	8.6%	-4.5%	87.9	7.0%	-3.1%
High school graduate	21.6	26.8%	-1.4%	286.9	22.8%	-0.3%
Postsecondary cert. or diploma	35.3	43.7%	1.3%	487.2	38.7%	1.1%
University degree	16.9	20.9%	5.8%	396.8	31.5%	4.1%
Newfoundland and Labrador	9.9	12.2%	-1.5%	245.0	19.5%	0.2%
Prince Edward Island	7.7	9.5%	3.4%	92.5	7.3%	2.3%
Nova Scotia	35.5	43.9%	1.7%	521.4	41.4%	1.6%
New Brunswick	27.7	34.3%	-0.7%	400.0	31.8%	1.1%

Source: Statistics Canada, Labour Force Survey - Custom Table; Table 36-10-0402-01

*Average annual growth rate for last ten years of available data (GDP 2015-24 and Employment 2015-24)

