

Sector Profile

Transportation and Warehousing

Atlantic Region

2025



HIGHLIGHTS

- The transportation and warehousing sector contributed just over \$4.0B to Atlantic Canada's GDP in 2024, representing 3.4% of total economic output in the region.
- The workforce in the transportation and warehousing sector is male-dominated (78.1%), and relatively older (31.7%). A high share of jobs in the sector require a post-secondary certificate or diploma (46.1%).
- Employment in the sector reached a historical peak in 2024 (59,700). Even so, many of the subsectors, including truck and air transportation, suffer from a lack of available labour.
- Employment in the sector is projected to increase by 0.6% per year through to 2027. Softer growth is expected compared to previous years as population growth slows and labour supply challenges persist.

ABOUT THE INDUSTRY

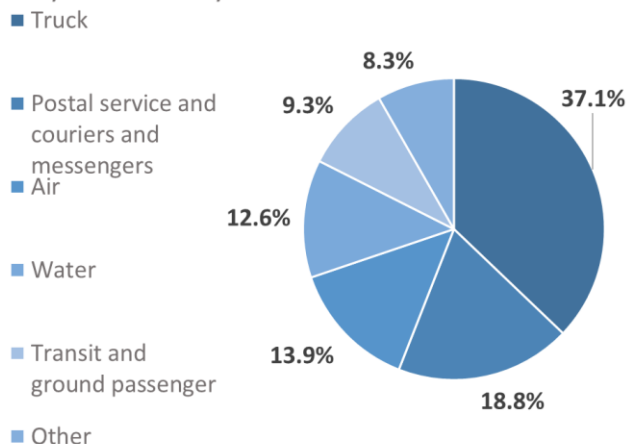
Composition and Importance of the Sector

The transportation and warehousing sector is comprised of businesses and organizations that specialize in the movement of people and goods, as well as the storage of goods. Of its 11 subsectors, the majority are variants of transportation by mode: air, rail, water, truck, transit, pipeline and scenic. Moreover, other subsectors include services for warehousing and storage, postal, couriers, and support activities.

The transportation and warehousing sector contributed 3.4% of Atlantic Canada's Gross Domestic Product (GDP), at \$4.0 billion. The largest subsector was truck transportation, comprising 37.1% of the sector's employment. The subsector grew by 9.8% compared to a year prior. The second largest subsector was postal service, couriers, and messengers, representing 18.8% of sectoral employment. Job growth in this subsector was led by gains in couriers and messengers (38.8%) and tempered by reductions in postal services (-23.2%).

Employment Share

by sub-industry



Source: Statistics Canada, Labour Force Survey 2024



Geographic Distribution of Employment

There were 59,700 workers employed in this sector in 2024, a 7.3% increase compared to a year prior. Most of the workers (37.0%) in the transportation and warehousing sector in Atlantic Canada were employed in Nova Scotia. There were 21,800 workers in Nova Scotia, comprising 4.2% of the province’s total employment base. Employment shares in this sector were almost identical in New Brunswick (5.4%) and Newfoundland and Labrador (5.3%), however, sector employment in New Brunswick (21,600) was much higher than the 13,000 in Newfoundland and Labrador. The sector was smaller in Prince Edward Island with 3,300 workers, representing 3.6% of total provincial employment.

	Employed 2024	Industry Share (%)
Atlantic Canada	59,700	4.7%
Newfoundland and Labrador	13,000	5.3%
Prince Edward Island	3,300	3.6%
Nova Scotia	21,800	4.2%
New Brunswick	21,600	5.4%

Source: Statistics Canada, Labour Force Survey

WORKFORCE

Workforce Characteristics

The workforce in the transportation and warehousing sector in Atlantic Canada is overrepresented by men+ and older compared to all industries. The share of men+ workers in the sector was 78.1%, well above the all-industry average (50.9%), while the share of women+ workers (21.9%) was below the industry average (49.1%). The share of workers 25-54 years of age was 61.5%, in line with the all-industry average (63.8%), while the share of workers aged 55 and older was 31.7%, above the share in all industries (23.2%).

Most workers in transportation and warehousing were employed full-time (88.0%) in 2024, while the remaining share worked on a part-time basis (12.0%). Only 9.0% of workers were self-employed. Roughly 4 in 5 workers in this sector held permanent positions, while a much smaller portion were employed on a temporary basis. Many occupations in this sector require a specific post-secondary credential and/or licensing, dependent on the mode of transportation. The share of workers with a post-secondary certificate or diploma was 46.1%. Meanwhile, the share of workers in this sector with higher educational attainment such as a university degree (16.1%) was nearly half of the all-industry share (31.5%).

Main Occupations

Employment in this sector has less seasonal variation than many other areas of the economy. Even so, certain subsectors do experience some seasonality, particularly those associated with tourism, like bus and boat tours.

Transport truck drivers were the largest occupation in transportation and warehousing, employing 11,725 workers in 2024, or nearly 1 in 5 of all those employed in the sector. This occupation saw a 17.9% increase in employment over the past decade, with 1,325 jobs added just in the past year. The second largest occupation was bus drivers, subway operators and other transit operators, accounting for 5.3% of employment in the sector. An occupation that has experienced considerable growth (76.1%) since 2014 is delivery service drivers and door-to-door distributors, likely due to shifting consumer preferences towards online purchasing.

Top 5 largest occupations	Employed 2024	% Share of Industry
Transport truck drivers	11,725	19.6%
Bus drivers, subway operators and other transit operators	3,175	5.3%
Material handlers	2,250	3.8%
Delivery service drivers and door-to-door distributors	1,950	3.3%
Letter carriers	1,775	3.0%

Source: ESDC/Service Canada



RECENT HISTORY

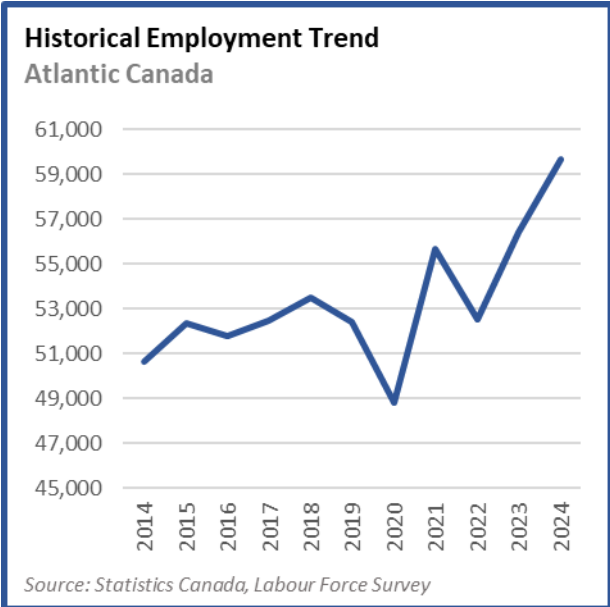
Employment in the transportation and warehousing sector took a steep dive during the COVID-19 pandemic, but then recovered and surpassed pre-pandemic levels by 2021. Employment sharply decreased throughout 2022, before steadily increasing and reaching a historical employment high of 59,700 jobs in 2024.

According to stakeholder consultations, the truck transportation subsector is undergoing one of the worst freight recessions seen in 40 years, facing a decrease in demand for services. This is largely due to a “COVID hangover” where during the pandemic there was a big spike in the demand for trucking and now there’s a slowdown, leading to depressed rates and increased competition.

Trade tensions with the United States have compounded with the already lagging freight economy to negatively affect the trucking subsector. Tariff threats have caused shippers and receivers to panic leading to fluctuations in cargo volume. Tariffs threats have also resulted in uncertainty, leading to cautious spending and halted investments in equipment, infrastructure, and personnel. In addition, the Canadian public’s reaction to the tariffs, the “Buy Canadian movement”, has disrupted the subsector’s traditional routes. As consumers diverted their spending away from American goods, trucking companies transporting Canadian products to the United States have less cargo to haul back to Canada, thus incurring a loss for that portion of the drive.

Truck transportation has been challenged by an aging workforce and a high rate of retirements for the past several years, resulting in a growing number of vacancies and difficulty finding available drivers. According to Trucking Human Resources, one in four trucking companies in Canada will have to delay their plans to expand its business because they can’t hire enough drivers. Other occupations that have been difficult to recruit include technicians, mechanics, dispatchers, and qualified people in finance.

Air transportation and similar passenger subsectors were particularly devastated by the COVID-19 pandemic and have experienced a slower recovery compared to other sub-sectors. This was not the case for air transportation for cargo, which experienced a large increase in demand. Airports are experiencing an increase in passenger travel, but most have not reached pre-pandemic levels.



In 2024, the Halifax Stanfield Airport saw an increase in travellers of 11.2% compared to a year prior, but the number of passengers is still only 95% of what it was pre-pandemic. The Moncton Airport saw a 41% increase in travellers in 2024 compared to a year prior, and it has almost recovered pre-pandemic levels of travellers (98%). The Charlottetown Airport is the only one that surpassed its pre-pandemic travel numbers, as it had a record-breaking year for passenger travel in 2024, with 410,000 people flying.

Air transportation has struggled to recover from the pandemic mainly due to its struggles with pilot shortages and a drop in flight school enrollments. As referenced by industry contacts, other positions that are reportedly difficult to staff include maintenance aircraft mechanics, middle management positions, and experienced workers. Supply chain issues that began during the pandemic also continue to negatively affect the industry.

Postal service, couriers and messengers have been impacted by the Canada Post labour dispute. The Canadian Union of Postal Workers (CUPW) has been in negotiations with Canada Post for over a year and a half, with points of contention being the use of part-time or contracted workers and wage increases. Canada Post incurred steep losses in the second quarter of 2025 due to the labour disruptions and a worker’s overtime ban.

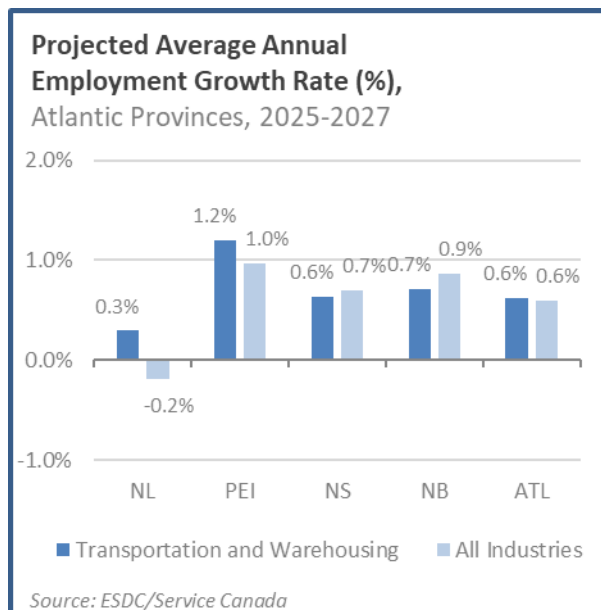


OUTLOOK

Based on analysis conducted by Service Canada, employment in the transportation and warehousing sector is anticipated to grow at an average annual rate of 0.6% over 2025 to 2027, matching the all-industry average rate. Growth is foreseen to be strongest in Prince Edward Island, averaging 1.2% per year, supported by population growth and increased spending in the transit system. Growth will be slowest in Newfoundland and Labrador, with employment expected to rise only 0.3% per year.

The air transportation subsector is projected to experience slow but continuing growth in upcoming years. Airport authorities in the region have indicated that air travel is likely to fully recover to pre-pandemic levels by the end of 2025. The Charlottetown Airport is currently undergoing a terminal expansion project. The Halifax International Airport has received \$18M in funding for a new international connections facility scheduled to open later this year, which should create over 4,000 jobs during its construction phase and increase cargo capacity by 40% by 2035. U.S. uncertainty and a weak dollar has caused a shift in demand to European and local destinations, adding flights to and from Atlantic Canadian airports. However, the ongoing difficulty in hiring pilots might continue to constrain growth.

Employment growth in the truck industry is expected to slowdown in upcoming years; remaining positive although weak. The trade dispute has led to uncertainty in an industry heavily dependant on business conditions with the U.S., as 80% of goods out of Atlantic Canada are bound south and that volume cannot be replaced domestically. Persistent issues such as lack of available labour, training standards that vary by province, and the Driver’s Inc. model (where trucking companies hire drivers as contractors instead of employees) will likely continue to dampen growth.



The postal service, couriers, and messengers subsector is expecting slow employment growth over the forecast period. Population growth is expected to slow down in the next few years resulting in softer growth in the demand for goods and services. Additionally, the shift in consumer shopping preferences towards online purchasing that happened during the pandemic seems to have stabilized along with the demand for courier services.

The transit and ground passenger subsector is also expecting slower growth in upcoming years as it is closely tied to population growth. Difficulty finding available workers has been an issue in recent years which likely will be worsened by changes to immigration pathways and the Temporary Foreign Worker program.

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

	Transportation and Warehousing			All Industries		
	Number	Share of		Number	Share of	
		Total	AAGR*		Total	AAGR*
Real GDP (M\$)	\$4,015.7	100.0%	0.3%	\$118,731.2	100.0%	1.2%
Newfoundland and Labrador	\$908.7	22.6%	0.3%	\$29,645.2	25.0%	-0.3%
Prince Edward Island	\$174.5	4.3%	-0.9%	\$7,604.7	6.4%	2.9%
Nova Scotia	\$1,493.5	37.2%	1.7%	\$45,644.6	38.4%	1.9%
New Brunswick	\$1,439.0	35.8%	-0.8%	\$35,836.7	30.2%	1.4%
Employment (000s)	59.7	100.0%	1.7%	1258.7	100.0%	1.2%
Men+	46.6	78.1%	1.9%	640.8	50.9%	1.2%
Women+	13.1	21.9%	0.9%	618.0	49.1%	1.2%
15-24 years old	4.0	6.8%	2.7%	163.8	13.0%	0.9%
25-54 years old	36.8	61.5%	1.4%	803.1	63.8%	1.0%
55 years and older	18.9	31.7%	2.1%	291.9	23.2%	2.0%
Worked full-time	52.5	88.0%	1.7%	1057.5	84.0%	1.3%
Worked part-time	7.2	12.0%	1.6%	201.2	16.0%	0.5%
Self-employed	5.4	9.0%	-0.6%	119.1	9.5%	-1.1%
Employees	54.3	91.0%	1.9%	1139.7	90.5%	1.5%
Permanent job	48.1	80.6%	2.2%	967.1	76.8%	1.9%
Temporary job	6.2	10.4%	0.0%	172.6	13.7%	-0.5%
Less than high school	6.0	10.0%	-2.5%	87.9	7.0%	-3.1%
High school graduate	16.6	27.8%	0.8%	286.9	22.8%	-0.3%
Postsecondary cert. or diploma	27.5	46.1%	1.8%	487.2	38.7%	1.1%
University degree	9.6	16.1%	7.3%	396.8	31.5%	4.1%
Newfoundland and Labrador	13.0	21.8%	1.3%	245.0	19.5%	0.2%
Prince Edward Island	3.3	5.5%	1.3%	92.5	7.3%	2.3%
Nova Scotia	21.8	36.6%	0.7%	521.4	41.4%	1.6%
New Brunswick	21.6	36.2%	3.1%	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)

