

New Brunswick Economic Scan 2026

DEMOGRAPHICS

In 2025, **870,000** people lived in New Brunswick, an increase of 1.3% from 2024 to 2025. New Brunswick represents 2.1% of Canada's total population.

New Brunswick's population increased in 2025 (+11,400), despite a slower immigration growth (+12,500) and losses through interprovincial migration (-190).



The proportion of seniors aged 65 years and older is projected to increase from 23.3% in 2025 to 25.7% in 2035.

In 2025, individuals aged 55 years and over accounted for 43.2% of the working-age population. By 2035, that proportion could reach 37.2%.



The proportion of youth (aged 15-29 years) is projected to decrease from 17.2% in 2025 to 16.7% in 2035.

Median age of the **non-Indigenous population** in the province is 45, versus 37 in the **Indigenous population** (Census 2021).

The **Indigenous population** comprises 4.4% of the total provincial population (2021 Census). They continue to be under-represented in the labour market, accounting for 2.9% of the provincial labour force in 2025. During the same year, the unemployment rate was notably higher amongst Indigenous people (19.1%) compared to the non-Indigenous working-age population (7.0%).



Recent immigrants (those arriving between 2020 and 2025) accounted for 41.8% of New Brunswick's working-age landed immigrant population in 2025. The pace of new arrivals has increased significantly in recent years, particularly as the province has looked to immigration to fill existing labour market gaps.

Over two-thirds (69.5%) of New Brunswick residents identified English as their first **official language** (Census 2021), while 30.3% identified the province's other official language, French. Only 0.2% identified a first language that was neither English nor French.

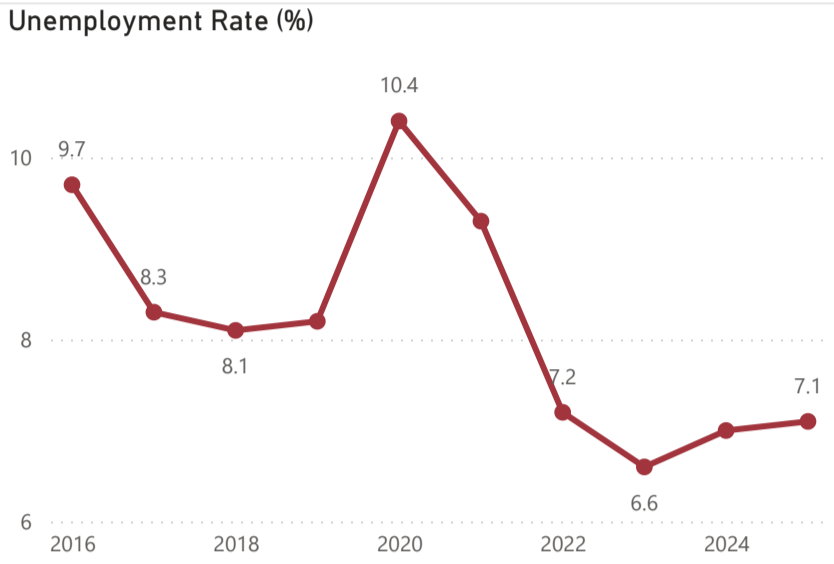


According to 2022 results from the Canadian Survey on Disability, 35.3% of those aged 15 years and older in New Brunswick were **persons with disabilities**, representing an 8.6% increase from 2017. Labour force participation in 2024 was significantly lower among this population (47.6%) compared to persons without disabilities (65.5%).

LABOUR MARKET CONDITIONS

In 2025...

- ↑ **Employment** grew at a healthy pace (1.3%)
- ↑ **Unemployment** increased sharply (2.6%)
- ↑ **Participation Rate** was down slightly (60.6% to 60.5%)
- ⊖ **Employment Rate** remained mostly unchanged (56.3% to 56.2%)



New Brunswick's labour market outcomes were mixed in 2025. The working-age population grew by 10,600, but the growth rate slowed to 1.5%, roughly half the pace recorded a year earlier. The labour force expanded accordingly by 6,000 persons, though its growth rate also decelerated to 1.4% compared to 2024. Employment increased by 5,200 (+1.3%) in 2025, while the number of unemployed individuals rose by 800 (+2.6%).

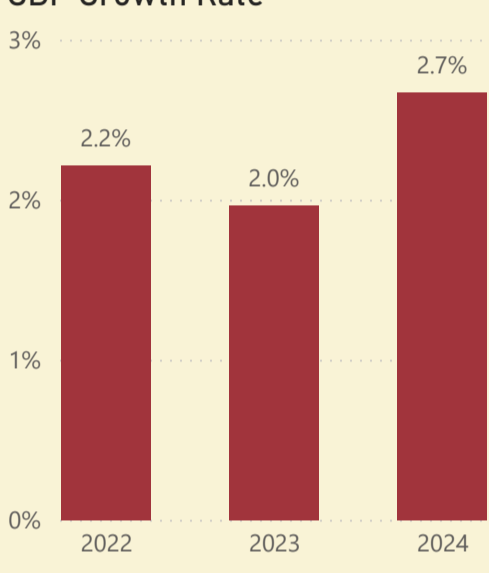
The province's unemployment rate remained largely unchanged, edging up slightly from 7.0% in 2024 to 7.1% in 2025. This modest increase reflects the labour force expanding marginally faster than employment. Despite the overall population growth, New Brunswick's labour force participation rate remained low at 60.5%, owing in part to a rising share of seniors, who are less likely than the general population to participate in the labour market.

ECONOMIC CONDITIONS

New Brunswick's Economic Drivers in 2025

- Population growth
- Consumer spending
- Construction activity

GDP Growth Rate



Reviewing 2025...

New Brunswick's GDP growth accelerated from 2.0% in 2023 to 2.7% in 2024. Output is expected to slow down in 2025, landing around 1.3%. Growth was supported by robust consumer spending. As a result, retail sales rose by 4.9% in 2025 compared to a year prior. Consumer spending was driven by relatively low household debt, rising real wages and lower interest rates.

Consumer spending was further bolstered by population growth, which increased by 1.3% in 2025, a significant slowdown from the record-high expansion recorded in 2024. The population increase was entirely attributable to immigration. However, recent federal cuts to immigration programs have resulted in fewer immigrants and non-permanent residents entering the province in 2025 compared with previous years, a trend expected to persist in the coming years.

All levels of government have identified housing development as a near-term priority, contributing to record-high housing starts in 2025, a 23.0% increase from a year earlier. Residential investment increased by 21.2% over the past year, outpacing non-residential investment, which grew by 18.4%.

Risks to the New Brunswick Economy in 2026

Trade disputes with the United States (U.S.) and the uncertainty they generate constitute the largest risk to the New Brunswick economy in 2026. Exports destined for the U.S. accounted for 90.2% of New Brunswick's total exports in 2025, making it the most trade-exposed province in Canada. U.S. tariffs are already dampening export volumes and constraining export-oriented industries, limiting hiring and disrupting planned investment activity. The risk that CUSMA may not be renegotiated or extended during its 2026 review further heightens uncertainty and could weaken investment growth.

A 25% tariff on kitchen cabinets and vanities, introduced in September 2025, was originally set to double on January 1, 2026, alongside a tariff increase on upholstered wooden furniture. Although the tariff escalation has been delayed until 2027, the ongoing uncertainty and unpredictability surrounding U.S. tariff announcements pose additional risks to New Brunswick's forestry sector and could contribute to further slowdowns in the industry.

PROVINCIAL ISSUES

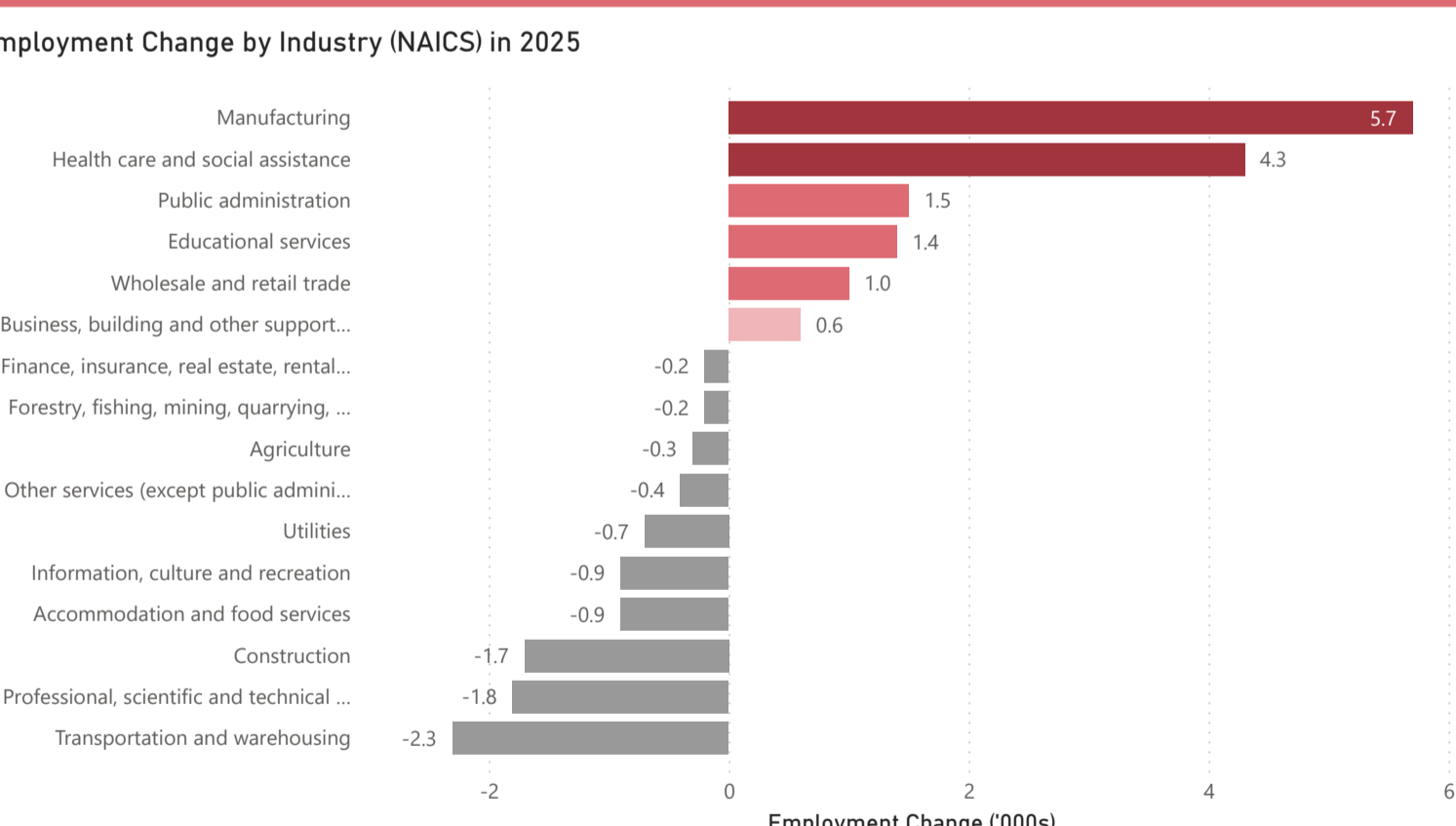
Labour shortages and skills mismatches continue to exist, particularly in key industries such as healthcare, education, construction, trucking, and manufacturing. These shortages have created a range of challenges for employers, including higher costs and reduced productivity. They are expected to continue in the coming years, driven by reductions in immigration quotas and a growing number of retiring workers, with fewer younger workers available to replace them.

The province's population has grown rapidly in recent years, and the share of seniors has increased, resulting in heightened demand for healthcare services. Combined with ongoing job vacancies in the healthcare sector, this has negatively affected the availability of medical services. Population growth and aging have also put pressure on the construction sector, as the supply of new housing units has failed to keep pace with demand, and labour shortages persist in this industry as well. The result has been a sharp increase in housing prices—nearly 20% growth since 2020—which has priced many prospective buyers out of the market and contributed to rising rental rates.

Labour productivity—the amount of goods and services produced per hour of labour—in New Brunswick has declined for the fourth consecutive year, reaching \$50.40 per hour in 2024. This remains well below the national level of \$63.20 per hour, making the province significantly less competitive relative to other parts of Canada. Labour productivity is a key indicator of economic performance, as it drives wage growth, attracts investment, and strengthens long-term economic development.

INDUSTRY TRENDS

Employment Change by Industry (NAICS) in 2025



Employment growth in 2025 was much weaker than in previous years—1.3% compared with 2.9% the year before—but the labour force still expanded by 5,200 workers. Just over half of this growth came from the goods-producing sector, which added 2,900 jobs (+3.6%) in 2025. The service-producing sector gained 2,300 workers, growing at a rate of 0.7%, which was 1.7 percentage points lower than the previous year.

The manufacturing sector saw the strongest employment gains among all industries, adding 5,700 jobs in 2025. Most of this growth was driven by wood product manufacturing and fabricated metal manufacturing. The health care and social assistance sector followed, with 4,300 jobs added, supported largely by successful nurse recruitment initiatives.

Conversely, the transportation and warehousing sector experienced the largest employment losses in 2025, shedding 2,300 jobs. The majority of this decline came from truck transportation (-1,900), coinciding with reduced freight volumes and rising operating costs for carriers over the past year. Professional, scientific, and technical services also recorded significant job losses (-1,800) following four consecutive years of strong growth.

REGIONAL ECONOMIC CONDITIONS

Three out of five of the province's economic regions (ERs) registered job gains in 2025. The greatest increase was in the Campbellton-Miramichi ER (+8.4%), which experienced 5,200 jobs thanks to an impressive gain in the number of full-time positions. Saint John-St. Stephen experienced the steepest employment decline, with 4,400 jobs (-4.8%) lost in 2025.

The unemployment rate was down in Campbellton-Miramichi (-1.6 p.p.) thanks to employment gains exceeding labour force growth, as well as in Edmundston-Woodstock (-1.1 p.p.) due to a labour force decline steeper than employment loss. In Moncton-Richibucto, the unemployment rate increased by 1.1 p.p. to 6.6%, as the labour force expanded faster than employment. In 2025, Edmundston-Woodstock boasted the lowest unemployment rate (5.2%) of all ERs.

Labour force participation rates were down in three of five ERs in 2025. The greatest decline was observed in Saint John-St. Stephen (-3.5 p.p.), followed by Edmundston-Woodstock (+2.0 p.p.) and Fredericton-Oromocto (-0.1 p.p.). Participation rates varied significantly, ranging from 54.3% in Campbellton-Miramichi to 64.7% in Moncton-Richibucto.

Employment Change by Economic Region in 2025

