

NEWS RELEASE



Pre-COVID (2019) median employment income in Newfoundland and Labrador was more than \$5,500 lower compared to the average for provinces outside Atlantic Canada

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For immediate release

ST. JOHN'S— Median employment income in Newfoundland and Labrador trailed incomes in provinces outside of Atlantic Canada by 14.9 per cent—or \$5,583—and, in fact, median incomes in all four Atlantic Provinces were materially lower than elsewhere in the country, finds a new study released today by the Fraser Institute, an independent, non-partisan, Canadian public policy think-tank.

“The income gap between Newfoundlanders, Labradorians, and workers outside of Atlantic Canada was significant, and resulted in lower living standards,” said Ben Eisen, a senior fellow at the Fraser Institute and author of *Comparing Median Employment Income in the Atlantic Region to the Rest of Canada*.

The study, which focuses on Atlantic Canada compared to central and western Canada, finds that the average median employment income in Atlantic Canada in 2019 was \$32,175 while in central and western Canada the average median employment income was \$37,583—16.8 per cent higher.

All four Atlantic provinces lagged central and western Canada with respect to median employment income in 2019: the gap was 19.9 per cent for Prince Edward Island (the highest among the four provinces), followed by 14.9 per cent for Newfoundland and Labrador, 11.9 per cent for Nova Scotia, and 10.9 per cent for New Brunswick.

Crucially, the income gap between Newfoundland and Labrador and central and western Canada grew by 2.7 percentage points from 2011 to 2019.

“Instead of improving, the gap in incomes for workers in Newfoundland and Labrador and provinces outside of Atlantic Canada actually got bigger,” said Alex Whalen, a senior economist with the Institute’s Atlantic Canada Prosperity Initiative.

“Policymakers in Newfoundland and Labrador, and across Atlantic Canada, need to understand fully what’s causing this income gap, and to seek out policy reforms that will close the gap and make the region more prosperous.”

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