

# NEWS RELEASE

## New Brunswick's private sector underperforms the rest of the country—ranks among the lowest of all Canadian provinces in private sector investment

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For immediate release

**SAINT JOHN**—New Brunswick ranks low among all Canadian provinces in per person private sector investment—a key driver of higher living standards and increased prosperity—finds a new study published by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“For most of recent history, there has been a prosperity gap between Atlantic Canada and the rest of Canada, and part of closing this gap is for the region to have a healthy private sector,” said Alex Whalen, policy analyst at the Fraser Institute and co-author of *The State of Markets in Atlantic Canada*.

The study—which measures private markets in Atlantic Canada—finds that private markets in the Maritimes generally underperformed those in the rest of Canada.

Critically, New Brunswick ranked 9<sup>th</sup> on small business start-ups, a key measure of entrepreneurship.

Government spending (including federal, provincial and local) as a share of the overall economy in New Brunswick was in the top three highest spending provinces at 57.4 per cent in 2019 (the most recent year of available data prior to the COVID-19 pandemic), after Nova Scotia (60.2 per cent) and PEI (58.5 per cent).

New Brunswick's private sector employment relative to total employment ranked 5<sup>th</sup> at 64 per cent—the highest in Atlantic Canada. All four Atlantic provinces had below-average shares of private sector employment as a share of total employment in 2019.

“One of the clear limitations to greater prosperity and higher living standards in New Brunswick is its underperforming private sector,” Whalen said.

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