

Opportunity for All of Us

The Economy

BUDGET 2026

Newfoundland
&
Labrador

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Cover photo: Bonavista, NL
Credit: Mark Gray



Atlantic puffins on the cliffs of Newfoundland and Labrador

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2025 Highlights

- Newfoundland and Labrador is estimated to have recorded the highest real gross domestic product (GDP) growth rate among provinces in 2025, at 4.8 per cent.
- Employment averaged 244,800 persons in 2025, essentially unchanged from 2024.
- Newfoundland and Labrador's population stood at 549,911 as of July 1, 2025, representing an increase of 3,042 persons (+0.6 per cent) from July 1, 2024.
- Total retail sales reached \$12.7 billion in 2025, representing a 3.6 per cent increase compared with 2024.
- Capital investment is estimated to have totalled \$7.5 billion in 2025, a decline of 14.2 per cent from 2024.
- The province's Consumer Price Index (CPI) grew by 1.4 per cent, down from 1.8 per cent in 2024, 3.3 per cent in 2023, and 6.4 per cent in 2022.
- The value of Newfoundland and Labrador international exports totalled \$14.0 billion in 2025, an increase of 1.7 per cent compared with 2024.
- Total household income increased by 2.5 per cent, reflecting higher weekly earnings, which averaged \$1,282.39 in 2025.

Oil and Gas

- Crude oil production in Newfoundland and Labrador's offshore totalled 87.6 million barrels in 2025, an increase of 14.6 per cent compared with 2024. The corresponding value of production remained on par with 2024 levels at \$8.4 billion.
- The price of Brent crude oil averaged US\$69.14 per barrel in 2025, a decrease of 14.1 per cent from 2024.



Icebergs off the coast of Twillingate

Mining

- The value of mineral shipments from the province was estimated at \$4.6 billion in 2025, an increase of 9.0 per cent from 2024, driven primarily by increased production of nickel and gold.
- Mineral exploration expenditures in the province totalled an estimated \$248.8 million in 2025, an increase of 10.0 per cent from 2024, driven by ongoing gold exploration and increased activity targeting critical minerals, such as uranium and lithium.

Manufacturing

- The value of manufacturing shipments totalled \$3.9 billion in 2025, a decline of 11.8 per cent compared with 2024, due to a decrease in shipments of non-durable goods, such as newsprint and renewable fuel.

Fisheries and Aquaculture

- The total volume of fish landings increased by 6.3 per cent to 230,372 tonnes in 2025, driven by higher landings across all major species categories, particularly groundfish. The corresponding total landed value increased by 32.0 per cent to a historical peak of nearly \$1.3 billion.
- The volume of aquaculture production reached a record-high of 37,480 tonnes in 2025, an increase of 47.7 per cent from 2024, driven by significant growth in salmonid (Atlantic salmon and steelhead trout) production. The corresponding total market value reached an all-time high of \$453.0 million.

Forestry

- The volume of newsprint production totalled approximately 158,494 tonnes, down 20.6 per cent from 2024.

- Preliminary lumber production estimates are 100 million board feet in 2025, a decline of 5.2 per cent compared with 105.5 million board feet in 2024.

Agriculture

- The value of farm cash receipts totalled \$165.7 million (excluding cannabis) in 2025, an increase of 2.9 per cent compared with 2024.

Construction

- Construction-related investment in the province was estimated to be approximately \$5.8 billion in 2025, a decrease of 14.2 per cent from the previous year.

Real Estate

- New housing starts totalled 1,568 units in the province in 2025, a decrease of 6.2 per cent compared with 2024.
- A total of 6,138 homes were sold in the province in 2025, an increase of 7.9 per cent compared with 2024.

Tourism

- It is estimated that non-resident air and auto visitation reached 459,700 visitors in 2025, an increase of 3.7 per cent compared with 2024.
- Non-resident air and auto visitation spending is estimated at \$606.5 million, a rise of 3.3 per cent from 2024.

2026 Expectations

- Newfoundland and Labrador's real GDP is forecast to increase by 5.5 per cent in 2026, driven primarily by higher oil and mineral production.
- Total employment is forecast to increase by 0.2 per cent in 2026.
- Population is projected to remain steady in 2026 as growth moderates, largely due to reductions in federal immigration levels.
- Real exports are projected to rise by 11.9 per cent in 2026, reflecting growth in oil and mineral output as well as increasing renewable fuel exports.
- Retail sales are expected to continue rising, though at a slower pace than in 2025, reflecting modest income growth.
- Capital investment is forecast to decline by 2.6 per cent in 2026, mainly due to the completion of the Valentine Gold Mine and the West White Rose oil project last year.
- Consumer inflation is forecast to average 2.7 per cent in 2026, as the conflict in the Middle East puts upward pressure on energy prices. There are also risks that prices could rise further if the conflict persists, constraining global energy supplies.

- Household income is projected to increase by 2.3 per cent in 2026, mainly due to wage growth.
- There are risks to the provincial outlook, particularly related to evolving issues affecting global trade.

Oil and Gas

- Oil production in the province's offshore will be boosted by the start of production at the West White Rose field in the second half of 2026.
- A development plan for the Bay du Nord oil project is scheduled to be submitted to the Canada-Newfoundland and Labrador Offshore Energy Regulator in 2026.
- The Department of Finance expects Brent crude oil prices to average US\$81.10 per barrel in 2026, on a calendar year basis (US\$79.00 per barrel in the 2026-27 fiscal year).

Mining

- The volume of mineral shipments is expected to increase in 2026, driven mainly by increasing iron ore, gold, and nickel production.
- The first full year of production from the Valentine and Hammerdown gold mines should provide a strong boost to the value of provincial mineral shipments.

- Mineral exploration is forecast to total a record \$283.3 million in 2026, a 13.9 per cent increase from 2025.

Manufacturing

- The value of manufacturing shipments is expected to increase in 2026, mainly reflecting higher nickel production.

Fisheries and Aquaculture

- The volume of fish landings in Newfoundland and Labrador is expected to increase in 2026, as groundfish landings are anticipated to rise.
- Aquaculture production is expected to be supported by the development of new sites and ongoing expansion activity.

Forestry

- In the Asian market, annual newsprint prices are expected to average US\$525 per tonne in 2026, compared with US\$542 per tonne in 2025.
- Provincial lumber production is projected to reach approximately 110 million board feet in 2026, an increase of around 10 per cent from 2025.

Agriculture

- Farm cash receipts are expected to increase 5.1 per cent to \$172.4 million (excluding cannabis) in 2026, driven mainly by continued strength in the livestock sector.

- Farm input costs are expected to rise further in 2026, reflecting nationwide increases in chemical, labour, and equipment expenses.

Construction

- Total construction-related capital spending is expected to decrease by 5.2 per cent to \$5.5 billion in 2026, with the conclusion of construction activities associated with the West White Rose project and the Valentine Gold Mine.

Real Estate

- Housing starts are forecast to be 1,629 units in 2026, an increase of 3.9 per cent compared with 2025.
- The Canadian Real Estate Association forecasts residential sales in the province to be 6,183 units, a rise of 0.7 per cent compared with 2025. The average resale price is forecast to rise 4.0 per cent to \$358,476.

Tourism

- Enhanced air access will remain important in 2026, with WestJet's expanded Gatwick service and new Dublin and Paris routes expected to strengthen connectivity, especially from Europe.
- Marine Atlantic is scheduled to add a new vessel, the Île Rouge, to its fleet in 2026. The vessel is expected to arrive in the province this summer and begin service in the fall.



Hebron platform located offshore Newfoundland and Labrador
Credit: ExxonMobil Canada

GDP and Employment by Industry

Table 1: GDP and Employment by Industry

Newfoundland and Labrador

	Nominal GDP		Employment	
	2024e		2025	
	\$ Millions	% of Total	Person Years, 000s	% of Total
Goods-Producing Sector	16,532.3	42.5	46.5	19.0
Agriculture, Forestry & Logging	171.8	0.4	1.6	0.7
Fishing, Hunting & Trapping	509.6	1.3	3.1	1.3
Mining	3,428.8	8.8	7.1	2.9
Oil Extraction	6,757.2	17.4	2.5	1.0
Support Activities for Oil & Mining	669.4	1.7	2.4	1.0
Manufacturing	1,230.4	3.2	9.5	3.9
Fish Products	373.5	1.0	2.3	0.9
Other	856.9	2.2	7.2	2.9
Construction	2,725.5	7.0	18.2	7.4
Utilities	1,039.6	2.7	2.2	0.9
Services-Producing Sector	22,407.7	57.5	198.3	81.0
Wholesale Trade	848.8	2.2	5.6	2.3
Retail Trade	2,063.6	5.3	33.0	13.5

Table 1: GDP and Employment by Industry (continued)

Newfoundland and Labrador

	Nominal GDP		Employment	
	2024e		2025	
	\$ Millions	% of Total	Person Years, 000s	% of Total
Transportation & Warehousing	1,358.9	3.5	12.8	5.2
Finance, Insurance, Real Estate & Business Support Services	5,564.0	14.3	15.6	6.4
Professional, Scientific, & Technical Services	1,522.4	3.9	11.8	4.8
Educational Services	2,001.3	5.1	20.1	8.2
Health Care & Social Assistance	3,687.2	9.5	47.2	19.3
Information, Culture & Recreation	759.3	1.9	7.1	2.9
Accommodation & Food Services	732.0	1.9	13.4	5.5
Public Administration	3,153.8	8.1	21.8	8.9
Other Services	716.4	1.8	9.8	4.0
Total, All Industries	38,940.0	100.0	244.8	100.0

e: estimate

Note: GDP is expressed at basic prices, measuring payments made to the owners of factor inputs in production. This differs from GDP at market prices. The difference is attributable to taxes less subsidies on products and imports. Industry components may not sum to total due to independent rounding.

Source: Statistics Canada, Department of Finance

Global real GDP grew by an estimated 3.4 per cent in 2025, according to the International Monetary Fund (IMF) (see Table 2). A slowdown was initially expected in early 2025, largely due to United States (U.S.) tariffs dampening trade and investment prospects. However, the IMF recently raised its 2025 estimate by 0.6 percentage points compared with its April 2025 forecast, reflecting lower-than-expected effective tariff rates and improved financial conditions. Economic activity in the first half of 2025 was further supported by front-loading, as firms accelerated orders ahead of anticipated tariffs, temporarily boosting industrial output. Meanwhile, inflation continued to ease relative to recent years, aided in part by lower energy prices, as crude oil supply outpaced demand.

Table 2: Real GDP Growth (per cent)
by Country/Region, 2024-2026f

	2024	2025e	2026f
World Output	3.4	3.4	3.1
Advanced Economies	1.8	1.9	1.8
Canada	2.0	1.7	1.2
United States	2.8	2.1	2.5
Japan	-0.2	1.2	0.7
United Kingdom	1.1	1.3	0.8
Euro Area	0.9	1.4	1.1
Germany	-0.5	0.2	0.8
France	1.1	0.9	0.9
Italy	0.8	0.5	0.5
Spain	3.5	2.8	2.1
Developing Economies	4.5	4.4	3.9
China	5.0	5.0	4.4
India	7.1	7.6	6.5

e: estimate; f: forecast
Source: International Monetary Fund (April 2026); Survey of Professional Forecasters from the Federal Reserve Bank of Philadelphia (U.S.); Average of major Canadian banks and Signal49 Research (Canada).

There were significant shifts in global exchange rates, precious metals, and other financial assets during 2025. Using a trade-weighted index relative to other world currencies, the value of the U.S. dollar declined by approximately eight per cent in 2025, notably against the euro. This movement is widely interpreted as a sign of capital shifting away from U.S. securities and other traditional financial assets due to heightened policy uncertainty. Meanwhile, the price of gold – often touted as a safe haven asset – increased considerably in 2025 (+44.2 per cent) and reached new record highs in early 2026. Other precious metals, such as silver and platinum, also hit unprecedented prices. Of note, cryptocurrencies experienced significant declines in late 2025 and early 2026, indicating that confidence in their role as a stable store of value may be weakening.

It is estimated that real GDP in advanced economies grew by 1.9 per cent in 2025, with slower growth in the euro area (+1.4 per cent) than in the U.S. (+2.1 per cent). Emerging and developing economies posted gains of 4.4 per cent, led by India (+7.6 per cent), which outpaced China (+5.0 per cent). China's real estate sector remains fragile, with home sales in 2025 at roughly half of the peak levels of 2021.

The pandemic led to sharp increases in global public spending. While intended to be temporary, in many developed countries these measures contributed to lasting structural deficits that have persisted due to economic weakness and cost-of-living concerns. Recently, this dynamic has been reinforced by U.S. tariffs and a modest rise in unemployment across most member countries of the Organization for Economic Co-operation and Development (OECD).

The IMF forecasts global economic growth of 3.1 per cent in 2026, with advanced economies expanding by 1.8 per cent and developing economies by 3.9 per cent, led by India (6.5 per cent) and China (4.4 per cent). This outlook assumes that trade policies in place as of March 2026 remain unchanged and that the conflict in the Middle East is limited in duration, intensity, and geographic scope, with associated economic disruptions fading by mid-2026. However, a prolonged or intensifying conflict would likely increase volatility in global energy and financial markets, amplifying downside risks to the global economic outlook.

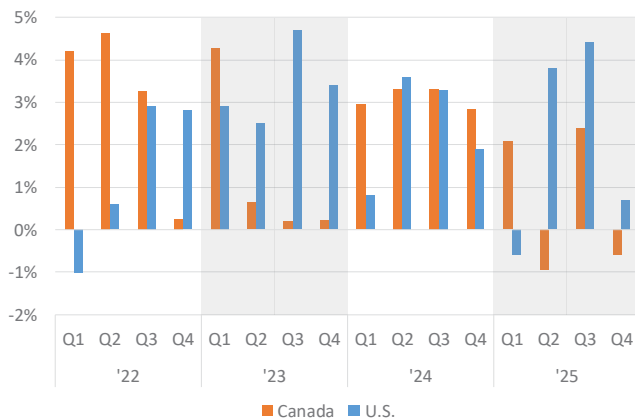
United States

Real GDP in the U.S. increased by 2.1 per cent in 2025, compared with 2.8 per cent in 2024 (see Figure 1). This growth reflected

higher consumer spending, government expenditure and investment, and changes in net exports. Growth was uneven throughout the year, with a 0.6 per cent contraction in the first quarter, followed by gains of 3.8 and 4.4 per cent in the second and third quarters, respectively, and then a weaker 0.7 per cent in the fourth quarter, partly reflecting the effect of the U.S. federal government shutdown.

Figure 1: Annualized Real GDP Growth

Canada and U.S., Change from Previous Quarter, 2022-2025



Source: U.S. Bureau of Economic Analysis; Statistics Canada

A dominant theme in 2025 was international trade, marked by escalating tariff threats from the current U.S. administration. In the third quarter of 2025, exports increased by 9.6 per cent while imports declined by 4.4 per cent. However, these developments were significantly influenced by front-loading earlier in the year in an attempt to avoid tariffs expected to be implemented later. In the first quarter of 2025, imports of goods surged by 52.0 per cent, contributing to the largest trade deficit ever recorded in the U.S.

These sharp variations impacted quarterly GDP growth.

U.S. private investment in 2025 was partly supported by significant capital expenditures in AI technology, reflected by an 8.3 per cent increase in gross private investment in equipment and a 5.7 per cent increase in intellectual property products. Whether these investments will generate broad productivity gains across industries or lead to meaningful labour market impacts remains uncertain.

The pace of U.S. job creation slowed in 2025, averaging approximately 10,000 jobs per month, compared with 122,000 jobs per month in 2024. The unemployment rate ended the year at 4.4 per cent in December, up from 4.0 per cent in January. The federal government was a leading source of employment losses, while overall employment increased in the private sector. However, U.S. manufacturing employment – often cited as a justification for recent tariff measures – recorded eight consecutive months of declines. The private sector job-quitting rate fell to its lowest level in roughly a decade outside of the pandemic period, suggesting subdued worker confidence in the labour market.

Inflation in the U.S. averaged 2.6 per cent in 2025, moderating from 2.9 per cent in 2024. Price increases may have been lower in the

absence of tariff measures. The Federal Reserve implemented three additional cuts to its target interest rate in 2025, bringing it to the target range of 3.50 to 3.75 per cent, with the most recent cut occurring in December 2025.

While private non-residential investment increased, residential investment declined in the U.S. in 2025. Housing starts declined by 0.6 per cent, reflecting a 6.9 per cent decrease in single-family units, while housing starts in buildings with five or more units increased by 17.9 per cent. Higher lumber tariffs may have contributed to reduced housing affordability, alongside elevated mortgage rates and rising home insurance costs. Inventory levels remained historically low in 2025, with existing home sales falling to their lowest level since 1995, and existing home sales as a share of total households falling to their lowest level in over forty years.

The Survey of Forecasters from the Federal Reserve Bank of Philadelphia projects real GDP growth of 2.5 per cent for the U.S. in 2026. The unemployment rate is expected to remain steady at 4.5 per cent, while monthly job creation is forecast to average approximately 48,500 positions.

Canada

Canada's real GDP increased by 1.7 per cent in 2025. Lower exports were the main contributor to slower growth. In the second quarter of the year, Canada's economy contracted by 0.9 per cent, its sharpest quarterly decline since the pandemic. The downturn was driven by steep reductions in goods exports (-29.4 per cent) and machinery and equipment investment (-19.4 per cent), following the introduction of new U.S. tariffs on Canadian exports. Growth rebounded in the third quarter, with GDP rising by 2.4 per cent, supported by an improving trade balance as imports fell and exports edged higher. However, a decline of 0.6 per cent was recorded in the fourth quarter of 2025, weighed down by withdrawals from business inventories and declining residential and non-residential investment. Business investment declined for a fourth consecutive quarter.

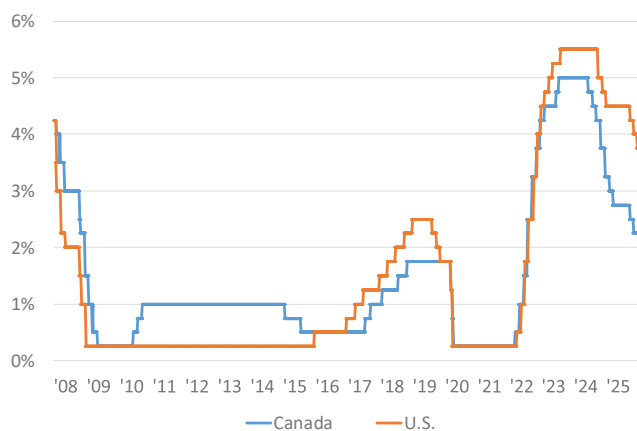
Employment in Canada grew by 1.4 per cent in 2025, marking the slowest annual increase since 2020. Employment in the services-producing sector increased by 1.7 per cent, while employment growth in the goods-producing sector was modest at 0.4 per cent. Gains in part-time employment (+2.2 per cent) outpaced full-time employment (+1.3 per cent), and gains in temporary employees (+6.9 per cent) outpaced gains in permanent employees (+0.8 per cent). The

unemployment rate averaged 6.8 per cent for the year, remaining above pre-pandemic levels, as labour force growth exceeded employment gains. Combined with relatively low job vacancy rates, this dynamic may have eased wage pressures for employers.

Consumer prices increased 2.1 per cent in 2025, the lowest annual increase in the past five years. Energy prices declined, largely due to lower gasoline prices, reflecting lower crude oil prices. However, food price inflation continued to exceed the overall rate. The Bank of Canada continued the monetary policy easing cycle that began in 2024, with its most recent reduction to the overnight target rate – to 2.25 per cent – announced on October 29, 2025 (see Figure 2).

Figure 2: Central Bank Rates

Canada and U.S., 2008-2025



Note: U.S. rate is upper bound of the target range.
Source: Bank of Canada; U.S. Federal Reserve

The value of the Canadian dollar appreciated against the U.S. dollar during 2025. The Canada–U.S. exchange rate, which opened 2025 at 69.4 cents per U.S. dollar, weakened briefly early in the year amid heightened trade concerns and closed the year stronger

at 73.0 cents per U.S. dollar. However, against the euro, the exchange rate started the year at 67.5 cents per euro and ended at 62.2 cents per euro. The Canadian dollar’s close correlation with the U.S. dollar likely contributed to its depreciation against the euro and limited any benefit from the broader weakening of the U.S. currency. When measured against other major currencies, the Canadian dollar ended the year essentially unchanged, as mid-year weakness and gains against the U.S. dollar were offset by declines against the euro.

Housing affordability remained a concern for many Canadians in 2025. The average home price was \$679,543 in 2025, a decline of 1.1 per cent compared with 2024. The national average continued to be influenced by Vancouver and Toronto markets, both of which experienced price decreases, while prices increased overall in the rest of the country. Housing starts increased by 5.6 per cent in 2025, led by an 8.3 per cent increase in multiple-unit housing starts that more than offset a 4.1 per cent decline in single-detached housing starts. Mortgage interest costs increased by 5.3 per cent in 2025, considerably lower than the 20.1 per cent rise recorded in 2024. Notably, for the first time in several decades, starts in purpose-built rentals (PBRs) surpassed starts in owned homes and condominiums combined. This likely reflects government incentives directed at low-cost housing construction, the removal of HST/GST on new PBRs, and

increased flexibility in zoning. Along with slower population growth, this may help moderate rent increases, which decelerated from a four-decade peak of 8.2 per cent in 2024 to 5.0 per cent in 2025.

Most Canadian exports enter the U.S. duty-free under the Canada-United States-Mexico Agreement (CUSMA), but targeted tariffs remain, including 50 per cent on steel and aluminum, 25 per cent on certain non-CUSMA-compliant vehicles and auto parts, ongoing duties on softwood lumber, and a 10 per cent tariff on non-CUSMA-qualifying goods. In addition, there is continuing risk that new or expanded U.S. tariffs could be introduced, creating uncertainty for future cross-border trade.

In addition to the ongoing uncertainty surrounding tariffs, CUSMA is due for review in July 2026. Negotiations to extend the agreement could continue into 2027 and are expected to span comprehensive trade issues. A successful resolution could unlock additional capital investment, increase employment, and contribute to economic growth.

The average of forecasts from Canadian banks and Signal49 Research (formerly Conference Board of Canada) estimates real GDP growth of 1.2 per cent for Canada in 2026 (see Table 3). Excluding the pandemic years, this would represent the lowest annual

growth since 2016. Newfoundland and Labrador is expected to lead all provinces in growth, followed by Prince Edward Island, Alberta and Saskatchewan. Real GDP for Ontario and Quebec is projected to grow below the national average, as both provinces are more heavily exposed to U.S. tariffs due to the concentration of non-exempt industries in these provinces, limiting investment and hiring intentions. National employment growth is also expected to be the weakest in a decade outside the pandemic period, with the western provinces outperforming the national average and central Canada underperforming.

Table 3: Real GDP Growth Rate (per cent) by Province, 2025e-2026f

	2025e	2026f
Newfoundland and Labrador	4.8	5.5
Prince Edward Island	2.4	2.0
Nova Scotia	1.8	1.5
New Brunswick	1.3	1.0
Quebec	0.8	1.1
Ontario	1.2	1.0
Manitoba	1.6	1.3
Saskatchewan	2.2	1.6
Alberta	2.2	1.8
British Columbia	1.5	1.3
Canada	1.7	1.2

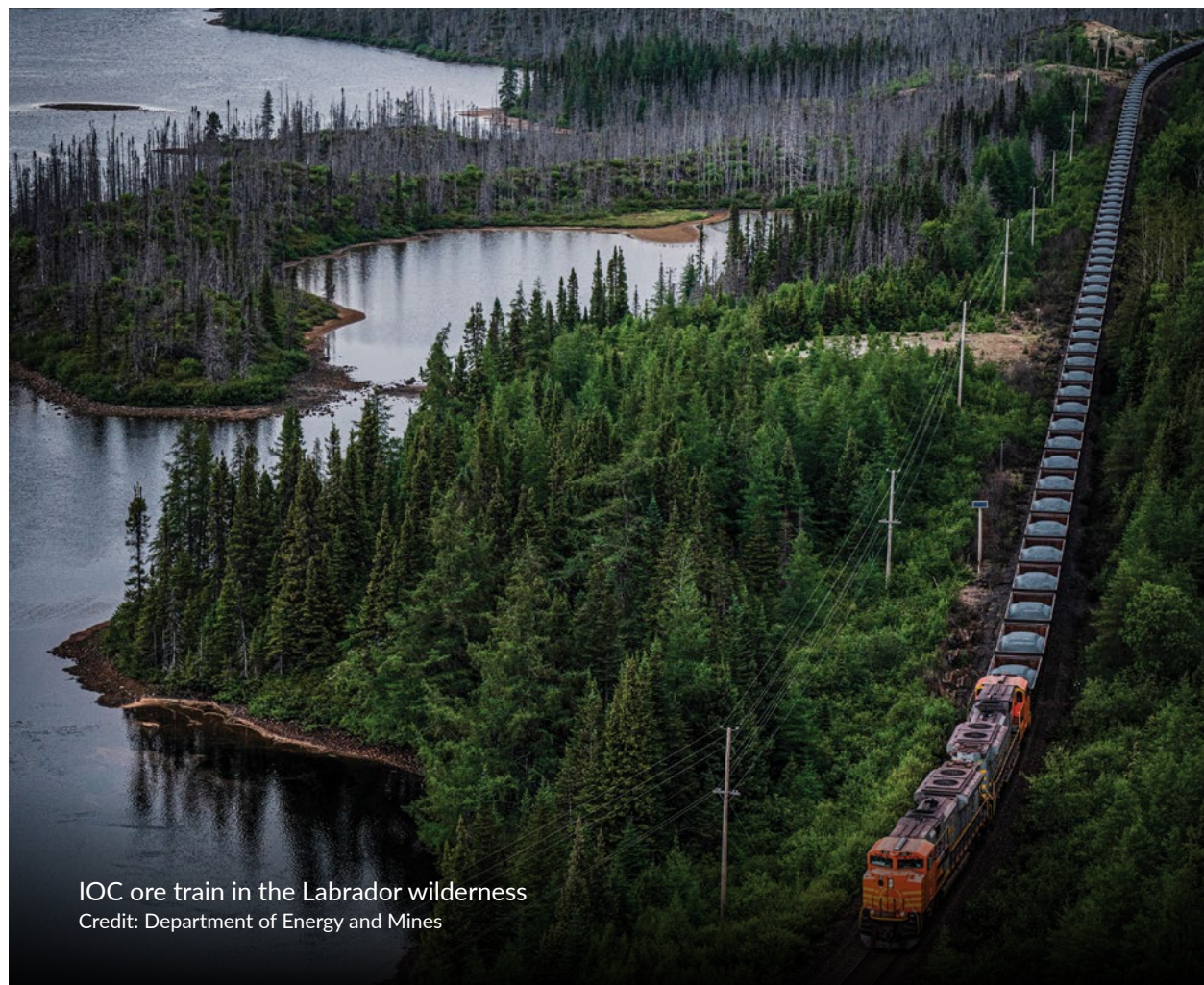
Note: Provincial values reflect actual 2026 Budget estimates/forecasts from each province. The Canada value represents average estimates/forecasts of major Canadian banks and Signal49 Research.

e: estimate; f: forecast

Source: Department of Finance; Average of major Canadian banks; Signal49 Research; Statistics Canada; Government of British Columbia; Government of Nova Scotia; Government of Alberta; Government of New Brunswick; Government of Quebec; Government of Saskatchewan; Government of Manitoba; Government of Ontario; Government of Prince Edward Island

Provincial Economic Overview

Overall, the economy of Newfoundland and Labrador performed well in 2025, despite lower capital investment as several major projects moved from the construction phase into production. Economic growth was driven largely by higher crude oil and nickel production and increased export volumes. Other contributors included lower inflation, a strong tourism sector, and increased consumer spending. There was also growth in residential real estate market activity, with higher home sales despite ongoing housing supply constraints and higher average prices. While some areas of weakness persisted – particularly in housing starts and employment in goods-producing industries – the province is estimated to have recorded the highest real GDP growth rate among provinces in 2025, at 4.8 per cent.



IOC ore train in the Labrador wilderness
Credit: Department of Energy and Mines

Table 4: Provincial Economic Indicators

Newfoundland and Labrador, 2024-2030f

	2024	2025e	2026f	2027f	2028f	2029f	2030f
GDP at Market Prices							
(\$Millions)	42,219	43,593	47,963	48,802	51,025	52,348	52,830
% Change	4.6	3.3	10.0	1.7	4.6	2.6	0.9
Real GDP at Market Prices							
(Chained \$2017 Millions)	32,350	33,894	35,770	37,157	37,953	38,209	37,765
% Change	2.7	4.8	5.5	3.9	2.1	0.7	-1.2
Household Income (\$Millions)	33,378	34,205	34,985	36,103	37,637	39,110	39,577
% Change	6.6	2.5	2.3	3.2	4.2	3.9	1.2
% Change, real	4.7	1.0	-0.5	1.3	2.0	1.7	-1.1
Household Disposable Income							
(\$Millions)	22,638	23,193	23,793	24,610	25,684	26,705	27,116
% Change	6.9	2.5	2.6	3.4	4.4	4.0	1.5
% Change, real	5.0	1.0	-0.2	1.5	2.2	1.7	-0.8
Retail Sales (\$Millions)	12,214	12,653	13,041	13,369	13,872	14,386	14,684
% Change	6.8	3.6	3.1	2.5	3.8	3.7	2.1
% Change, real	6.6	4.1	0.3	1.4	1.9	1.9	0.2
Consumer Price Index							
(2002=100)	161.9	164.2	168.7	172.0	175.7	179.5	183.7
% Change	1.8	1.4	2.7	1.9	2.2	2.2	2.3
Capital Investment (\$Millions)	8,745	7,507	7,309	7,877	10,220	12,997	11,388
% Change	-0.2	-14.2	-2.6	7.8	29.7	27.2	-12.4
% Change, real	-2.1	-17.1	-3.8	6.4	27.7	25.1	-13.9
Housing Starts	1,672	1,568	1,629	1,716	1,773	1,797	1,748
% Change	71.0	-6.2	3.9	5.3	3.3	1.4	-2.8
Employment ('000s)	245.0	244.8	245.2	249.1	255.9	261.8	256.6
% Change	2.8	-0.1	0.2	1.6	2.7	2.3	-2.0
Labour Force ('000s)	272.0	272.3	272.2	274.8	277.6	282.0	283.0
% Change	2.8	0.1	0.0	0.9	1.0	1.6	0.4
Unemployment Rate (%)	10.0	10.1	9.9	9.4	7.8	7.2	9.3
Participation Rate (%)	58.3	57.8	57.6	57.7	57.7	57.7	57.6
Population ('000s)	546.9	549.9	549.9	552.0	557.1	564.8	566.9
% Change	1.5	0.6	0.0	0.4	0.9	1.4	0.4

e: estimate; f: forecast, Department of Finance, April 2026
Source: Statistics Canada; Department of Finance

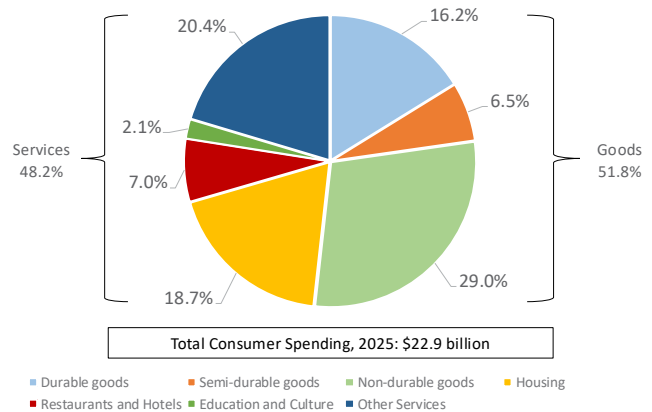
Consumer Spending

Consumer spending on goods and services represents a fundamental driver of economic activity. It supports employment and contributes materially to overall economic growth. As inflation eased and wage growth remained strong in 2025, households in Newfoundland and Labrador were able to increase spending. Although population growth slowed from recent highs, it continued to expand the consumer base and household demand for goods and services. This spending was especially important in a year when business and housing investment was subdued. Overall, consumer spending totalled an estimated \$22.9 billion, an increase of 2.3 per cent compared with 2024. Spending on ‘Goods’ totalled an estimated \$11.8 billion, representing 51.8 per cent of the total, while spending on ‘Services’ was estimated at approximately \$11.0 billion, or 48.2 per cent (see Figure 3).

Total retail sales reached \$12.7 billion in 2025, representing a 3.6 per cent increase compared with 2024. There was notable growth in sales for ‘Health and personal care retailers’, which recorded the largest year-over-year gain among major categories at 28.6 per cent, followed by ‘Motor vehicle and parts dealers’ (+8.1 per cent), which includes sales of both new and used vehicles, as well as associated parts and service labour. In contrast, retail sales in the ‘Gasoline stations and fuel vendors’ category

Figure 3: Components of Consumer Spending

Newfoundland and Labrador, 2025



Source: Department of Finance (estimates from Budget 2026 Economic Forecast)

declined by 12.8 per cent, reflecting lower gasoline and fuel prices in 2025 relative to the previous year.

New motor vehicle sales in Newfoundland and Labrador remained elevated in 2025, increasing by 9.3 per cent compared with 2024. This was the second highest growth rate in the country behind Nova Scotia (12.1 per cent). Most vehicles sold in the province were in the ‘Trucks’ category – which includes minivans, sport-utility vehicles, light and heavy trucks, vans, and buses – accounting for more than 90 per cent of total sales. Truck sales totalled 33,189 units, representing an increase of 11.1 per cent over 2024. In contrast, sales of ‘Passenger cars’ declined by 6.3 per cent to 3,232 units.

Data availability for the broader service sector remains limited; however, sales in ‘Food services and drinking places’ reached \$1.1 billion in 2025, an increase of

6.0 per cent compared with the previous year. Sales at full-service restaurants, including family restaurants, diners, and fine-dining establishments, increased 4.1 per cent, while sales at limited-service establishments – such as coffee shops, fast-food outlets, and ice-cream parlours – increased 5.1 per cent. Tourism-related indicators also strengthened, with an increase in non-resident air and auto visitation of 3.7 per cent compared with 2024.

Inflation

In 2025, inflation in Newfoundland and Labrador continued to moderate relative to recent years. The province's Consumer Price Index (CPI) grew by 1.4 per cent, down from 1.8 per cent in 2024, 3.3 per cent in 2023, and 6.4 per cent in 2022. The gap between goods and services inflation narrowed compared with 2024. Prices for 'Services' rose 2.3 per cent in 2025, in contrast to 3.2 per cent in 2024. Prices for 'Goods' increased 0.7 per cent, slightly lower than 0.8 per cent in 2024. Within the goods category, price growth varied by product type. Prices for 'Durable goods' increased by 1.9 per cent in 2025 after declining 0.3 per cent the previous year, led by higher prices for 'Purchase, leasing and rental of vehicles' (+2.6 per cent). In contrast, prices for 'Non-durable goods' grew by only 0.8 per cent, down from 2.2 per cent in 2024. This slowdown was driven largely by a decline in

energy prices, which helped contain inflation in the broader goods category. However, higher food prices mitigated this decline.

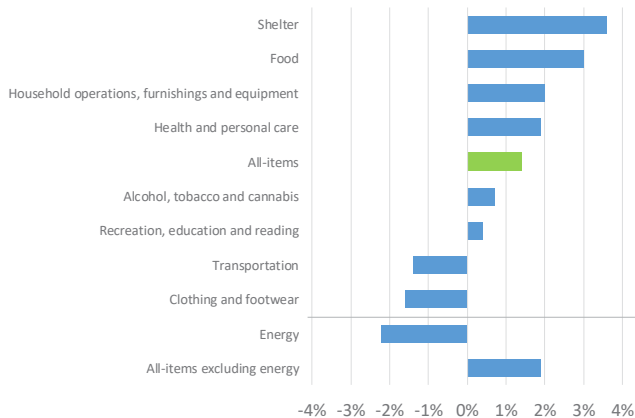
Although inflation eased for most major CPI components, several essential categories continued to experience above-average price growth in 2025 (see Figure 4).

'Shelter' posted the largest annual increase among major components, rising 3.6 per cent. Within this category, 'Water, fuel and electricity' increased by 6.8 per cent, reflecting higher electricity and fuel oil prices. 'Rented accommodation' rose 4.3 per cent, driven by higher average rent levels across the province, while 'Owned accommodation' increased 2.3 per cent, partly due to higher property tax and mortgage insurance costs. 'Food' inflation remained elevated in 2025 (+3.0 per cent), with broad-based increases led by grocery prices. 'Food purchased from stores' rose 3.6 per cent, driven by higher prices for meat (particularly fresh or frozen beef), sugar and confectionery, and coffee. In contrast, prices for 'Food purchased from restaurants' increased by only 1.7 per cent, compared with 4.5 per cent in 2024.

Lower energy prices helped temper overall inflation. On an annual average basis, 'Energy' prices fell 2.2 per cent in 2025, following a 0.7 per cent increase in 2024. The largest contributor to this decline was a 9.9 per cent reduction in 'Gasoline' prices,

Figure 4: Per Cent Change in CPI

Newfoundland and Labrador, 2025 vs. 2024



Source: Statistics Canada; Department of Finance

driven mainly by the removal of the federal consumer carbon tax in April 2025 and lower global crude oil prices.

On an annual average basis, inflation slowed in seven provinces in 2025 compared with 2024. Manitoba (+2.7 per cent), Quebec (+2.4 per cent), and Saskatchewan (+2.1 per cent) were the only provinces where inflation was higher in 2025 compared with 2024. Newfoundland and Labrador’s annual inflation rate, at 1.4 per cent, was tied with Prince Edward Island for the lowest among provinces.

International Exports

International exports from the province totalled \$14.0 billion in 2025, an increase of 1.7 per cent compared with 2024. The growth was largely driven by higher exports of seafood products and nickel, partly offset by declines in iron ore and renewable fuel exports. As in recent years, fluctuations in

global commodity prices were a key factor influencing export values in 2025.

Crude oil remained by far the province’s largest export commodity in 2025, with a value of approximately \$7.4 billion, accounting for 52.8 per cent of the total value of international exports. Offshore oil production increased by 14.6 per cent in 2025, reflecting higher output from the Hebron project and the return of the SeaRose floating production, storage and offloading vessel (FPSO) following a refit. Production at Hibernia was relatively stable, while output from Terra Nova declined slightly compared with 2024. Despite higher production, the value of crude oil exports remained essentially unchanged due to lower Brent crude oil prices in 2025 (see **Oil and Gas**).

Iron ore was the province’s second-most valuable export commodity in 2025 at \$2.5 billion, or 17.5 per cent of total international exports, representing a 7.1 per cent decline compared with 2024. Iron ore production from the province’s largest producer, the Iron Ore Company of Canada, decreased in 2025 compared with 2024 (see **Mining**).

Seafood exports – including manufactured seafood products, aquaculture products, and other fishing-related products – totalled approximately \$1.7 billion in 2025. This represented 12.4 per cent of total

international exports and an increase of 28.7 per cent from 2024. Higher production volumes and stronger prices for key species, particularly snow crab, contributed to the increase in export value (see **Fisheries and Aquaculture**).

Exports of non-ferrous metals, consisting primarily of refined nickel products from the Long Harbour facility, totalled approximately \$1.1 billion in 2025, representing 7.6 per cent of total international exports and a 30.3 per cent increase compared with 2024. Nickel production ramped up substantially following the completion of the new underground mines at Voisey’s Bay in 2024. However, the impact of higher production was partly offset by lower global nickel prices relative to 2024 (see **Mining**).

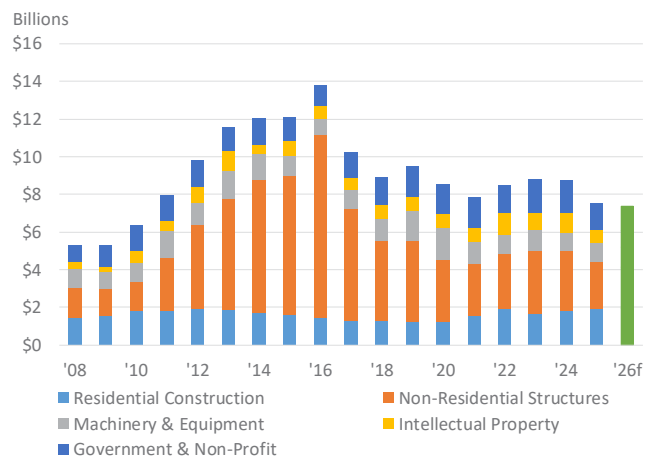
Renewable fuel exports from the refinery in Come By Chance totalled approximately \$640.5 million in 2025, an 11.9 per cent decrease compared with 2024, accounting for 4.6 per cent of the province’s total international exports. Production at the converted refinery began in February 2024 and continued until early January 2025, when a temporary shutdown occurred due to unfavourable market conditions. The refinery resumed production in June 2025 (see **Manufacturing**).

Capital Investment

Capital investment in Newfoundland and Labrador is estimated to have totalled \$7.5 billion in 2025, a decline of 14.2 per cent from 2024 (see Figure 5). Investment fell across most categories, mainly reflecting the completion of major construction activities at the Voisey’s Bay underground mines and the Valentine Gold Mine. Residential construction also declined significantly, contributing further to the overall decrease.

Figure 5: Capital Investment

Newfoundland and Labrador, 2008-2026f



f: forecast
Source: Statistics Canada; Department of Finance

Labour Market

The Newfoundland and Labrador labour market remained stable in 2025, with monthly employment levels holding near the record-highs reached in 2024. Employment averaged 244,800 persons for the year, relatively unchanged from 2024 (-200 persons; -0.1 per cent). The unemployment

rate averaged 10.1 per cent, up 0.1 percentage points from 2024, but still near historic lows. Employment gains in 2025 were concentrated in part-time employment (+1,800 persons), offset by losses in full-time employment (-2,000 persons).

On an industry basis, gains in the services-producing sector (+3,100 persons) were offset by losses in the goods-producing sector (-3,300 persons). In the services-producing sector, the largest gains were recorded in 'Other services' (+1,500 persons), 'Public administration' (+1,100 persons), 'Business, building and other support services' (+1,100 persons), and 'Information, culture and recreation' (+700 persons).¹ Notable losses in the services-producing sector occurred in 'Educational services' (-900 persons), 'Professional, scientific and technical services' (-600 persons), 'Accommodation and food services' (-400 persons), and 'Health care and social assistance' (-400 persons). In the goods-producing sector, the largest employment losses were in 'Mining, quarrying and oil and gas extraction' (-2,400 persons) and 'Construction' (-1,600 persons). Meanwhile, employment gains were concentrated in 'Fishing, hunting and trapping' (+900 persons).

Total wages and salaries continued to increase in the province in 2025, driven by general salary increases in both the public and private sectors and increases to the minimum wage. Total household income increased by 2.5 per cent, reflecting higher weekly earnings, which averaged \$1,282.39 in 2025, while the national average was \$1,302.86.

Population

Newfoundland and Labrador's population stood at 549,911 as of July 1, 2025, representing an increase of 3,042 persons (+0.6 per cent) from July 1, 2024. This marked the fifth consecutive year of population growth for the province, following a small decline in 2020. This increase was largely the result of international migration, supplemented by a modest net inflow of migrants from other provinces, which together outweighed ongoing natural population losses. Natural population decline was 2,929 persons in 2025, reflecting more deaths than births, consistent with population aging and persistently low fertility rates. Net international migration reached its third-highest level on record at 5,906 persons, driven by a record number of new immigrants (+5,473 persons) and an

¹ 'Other services' includes establishments, not classified to any other sector, primarily engaged in repairing, or performing general or routine maintenance, on motor vehicles, machinery, equipment and other products to ensure that they work efficiently; providing personal care services, funeral services, laundry services and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities; supporting various causes through grant-making, advocating (promoting) various social and political causes, and promoting and defending the interests of their members. Private households are also included.

increase in net non-permanent residents (+574 persons). Net interprovincial migration remained positive for a fifth consecutive year, totalling 65 persons, with the largest net gains from Ontario (+1,006 persons) and the largest net outflows to Nova Scotia (-368 persons) and Alberta (-355 persons).

Economic Outlook

Strong growth in Newfoundland and Labrador's GDP is expected to continue in 2026. Real GDP is forecast to increase by 5.5 per cent, driven primarily by higher oil and mineral production.

Real exports are projected to rise by 11.9 per cent in 2026, reflecting growth in oil and mineral output as well as increasing renewable fuel exports. Production at the White Rose oil project is expected to continue ramping up following its return to operation last year and the West White Rose expansion is expected to begin production this year. Gold output at the Valentine and Hammerdown Gold mines is also expected to increase, as both mines enter their first full year of production. In addition, production at the Braya Renewable Fuels refinery in Come By Chance is anticipated to rise following the temporary shutdown in 2025.

Capital investment is forecast to decline by 2.6 per cent in 2026, while employment is expected to record minimal growth (+0.2

per cent), both primarily due to reduced construction activity as work concluded on the Valentine Gold Mine and the West White Rose oil project in 2025.

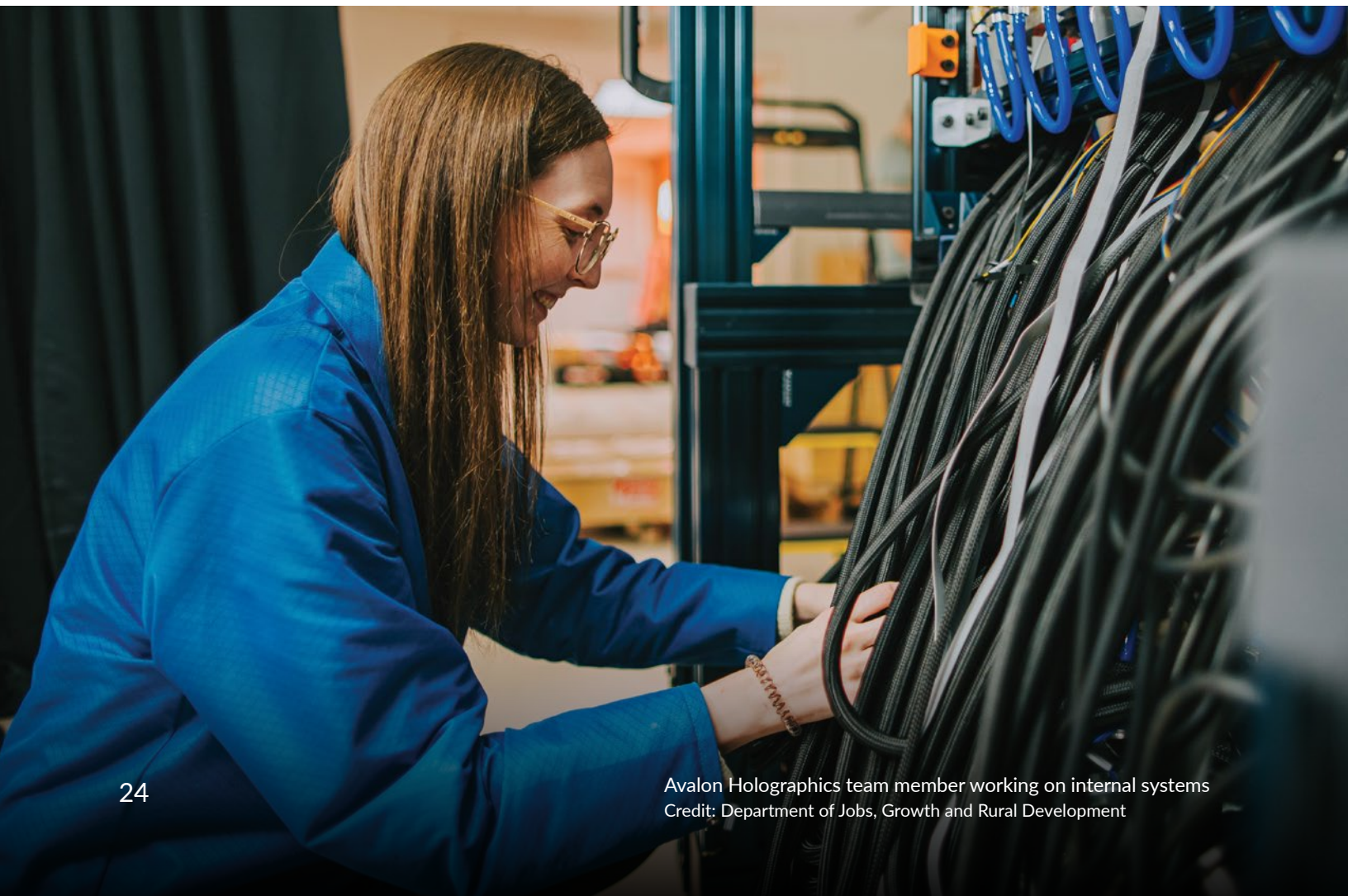
Household income is projected to increase by 2.3 per cent in 2026, mainly due to wage growth. Retail sales are expected to continue rising, though at a slower pace than in 2025, reflecting modest income growth. Consumer inflation is forecast to average 2.7 per cent, as the conflict in the Middle East puts upward pressure on energy prices, with spillover effects contributing to higher food prices. There are also risks that prices could rise further if the conflict persists, constraining global energy supplies.

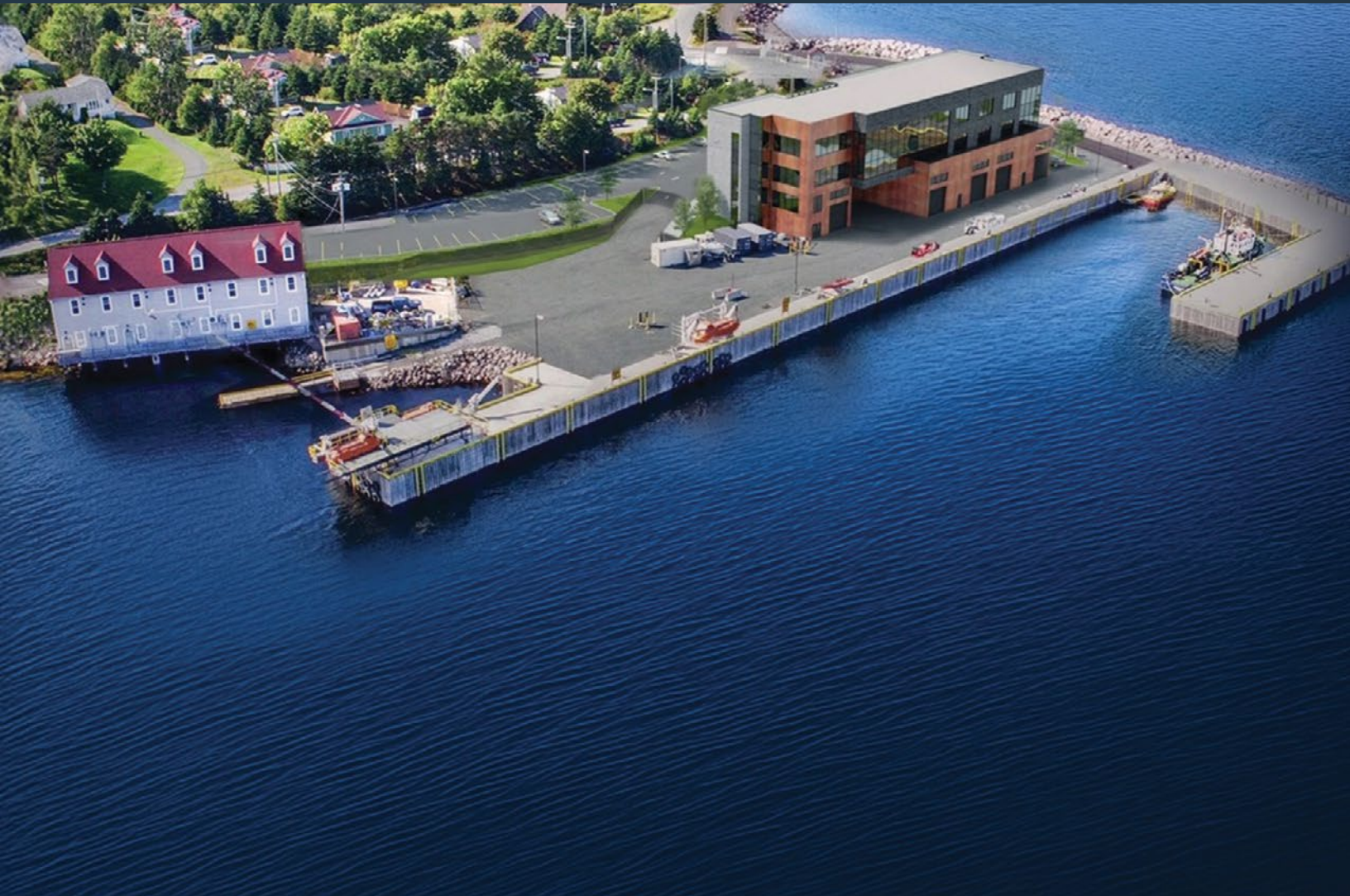
Population is projected to remain steady in 2026 as growth moderates, largely due to reductions in federal immigration levels. Despite this moderation, housing starts are forecast to rise by 3.9 per cent, supported by pent-up demand carried over from previous years.

Over the medium term, employment and capital investment are forecast to strengthen as construction activity begins on wind-energy projects and the Bay du Nord oil development. Real GDP and employment are forecast to grow by an average of 1.4 per cent and 1.1 per cent, respectively, per year over the 2027 to 2030 period.

There are several risks to the provincial outlook, particularly related to evolving issues affecting global trade. The forecast assumes that current U.S. tariffs on Canadian exports will remain in place throughout the projection period. However, evolving trade conditions, including the review of CUSMA and new international partnerships and emerging or renewed trade relationships, could materially alter the outlook. In addition, shifts in major project timelines, fluctuations in oil prices, and the broader effects of global conflicts on demand may all have significant implications for the province's economic performance.

Newfoundland and Labrador is positioning itself as an innovation-driven economy by strengthening collaboration among industry, businesses, and innovators. Key priorities for the years ahead include supporting the growth of local technology firms, improving government's procurement approach to support innovative products and services, expanding the technology workforce through education and upskilling, and strengthening the protection of intellectual property. A renewed focus on ocean technology will build on the province's established strengths in fisheries, vessel construction and maintenance, marine science, offshore energy, autonomous vehicles, remote operations, and Arctic research.





Newfoundland and Labrador Built for Defence

Newfoundland and Labrador: Built for Defence

Newfoundland and Labrador sits at the intersection of Arctic, Atlantic, and North American defence domains. The province is built for defence and ready to support Canada's defence objectives and sovereignty with strategic military infrastructure, world-class offshore expertise, vital natural resources, Atlantic Canada's most dynamic tech ecosystem featuring NATO-designated innovation centres, and deepwater ice-free ports.

Positioned to Support Canada's Defence and Sovereignty

For generations, people of Newfoundland and Labrador have served and given their lives in defence of our province and country, and numerous others continue to serve in the protection of our national sovereignty. This service is especially important today given the increasingly uncertain global security environment.

As Canada takes concrete steps to bolster its national defence and sovereignty, the Government of Newfoundland and Labrador is undertaking a defence engagement series with provincial partners to launch a collective Newfoundland and Labrador approach that is strategic, comprehensive, and complementary to Canada's plans.

Newfoundland and Labrador believes sovereignty must be grounded in people as well as capabilities. Arctic and Northern sovereignty, which is foundational to Canada's plans, cannot be defined solely by increased military presence or symbolic gestures — they must also include meaningful investment in northern and Indigenous communities, ensuring residents have the services, infrastructure, and opportunities needed to thrive and contribute to national defence.

The Government of Canada's planned \$81.8 billion reinvestment in the Canadian Armed Forces is expected to generate substantial economic benefits, anchored by a defence industrial base that already supports nearly 600 firms nationwide.

These national investments are already translating into significant regional impacts. In April 2026, the Government of Canada announced up to \$8 billion in long-term defence investments at 5 Wing Goose Bay, the largest defence commitment in Newfoundland and Labrador's history, positioning the base as a key asset in support of NORAD operations. As part of this effort, an initial \$187 million energy performance contract has been awarded to modernize base infrastructure. Provincial authorities have emphasized that these



Canadian Forces Base 5 Wing Goose Bay
Credit: Goose Bay Airport Authority

investments will generate local economic benefits through job creation, workforce development, and new opportunities for Labrador-based businesses.

Examples of Newfoundland and Labrador's Defence Capabilities

With small and medium-sized enterprises accounting for 92 per cent of defence firms and 40 per cent of sector employment nationally, Canada's Defence Industrial Strategy emphasizes that planned defence spending will play a critical role in scaling Canadian companies, strengthening domestic industrial capacity, and supporting long-term economic growth amid global uncertainty. Newfoundland and Labrador has the industrial and technological capacity, infrastructure, natural resources, workforce, and location to play a strategic role in advancing Canada's national sovereignty and security.

Investments will generate local economic benefits through job creation, workforce development, and new opportunities for Labrador-based businesses.

Newfoundland and Labrador: Built for Defence

Key Military Sites

Home to strategically located facilities, including 5 Wing Goose Bay, 9 Wing Gander, Garrison St. John's, and the Canadian Coast Guard's Atlantic Region Headquarters in St. John's. These are core to Canada's NORAD infrastructure and premier locations for allied air and joint-force training, including Arctic and sub-Arctic operations.

North Atlantic Strategic Location

Positioned at the gateway between North America, the Arctic, and Europe, at the crossroads of vital North Atlantic sea lanes, and central to allied deterrence and maritime domain awareness.

Arctic and Cold-Weather Expertise

Recognized operational, scientific, and training expertise in extreme cold and harsh environments, supporting Arctic sovereignty and domain awareness, including equipment testing, and force readiness under real-world conditions.

Marine and Offshore Expertise

Generations of seafaring and decades of offshore oil and gas operations have produced world-class marine, subsea, and safety capabilities, directly transferable to naval operations, autonomous systems, seabed infrastructure protection, and undersea surveillance.

Technological Innovation

Advanced industrial capacity and Atlantic Canada's leading technology innovation ecosystem that is delivering dual-use technologies, data and monitoring systems, sovereign space launch capabilities, and advanced manufacturing relevant to defence and security applications.

Critical Minerals and Energy

Significant reserves and production of traditional and renewable energy, as well as critical minerals that are essential for defence applications, position the province to support secure, allied industrial supply chains.

Newfoundland and Labrador has the industrial and technological capacity, infrastructure, natural resources, workforce, and location to play a strategic role in advancing Canada's national sovereignty and security.



Newfoundland and Labrador's strategic global location

Deepwater Ice-Free Ports

Throughout the province, strategically located, secure deepwater, ice-free ports and transportation networks capable of supporting naval logistics, force mobility, sustainment, and northern operations year-round.

Two NATO DIANA Test Centres

Newfoundland and Labrador hosts two NATO Defence Innovation Accelerator for the North Atlantic (DIANA) network test centres – the National Research Council and The Launch at the Marine Institute – both of which are designated by NATO to identify and accelerate dual-use innovation capacity across the Alliance.

Significant reserves and production of traditional and renewable energy, as well as critical minerals that are essential for defence applications, position the province to support secure, allied industrial supply chains.

Newfoundland and Labrador: Built for Defence


Skilled Workforce

A highly skilled workforce with extensive experience in offshore and onshore mega-projects, engineering, marine and harsh environment operations, and safety-critical environments, with strong skill transferability to defence industries. Newfoundland and Labrador is well-positioned as a global defence innovation node built by and for allied partners, in a Canadian defence sector that is known for its strong innovation performance.

Indigenous Relationships

The Government of Newfoundland and Labrador maintains positive, ongoing relationships with Indigenous Governments and Organizations and is committed to continued engagement on defence development, Arctic stewardship, and sovereignty. Through engagement, opportunities can be identified together for collaboration, investment, and contributions to national defence.



A snowmobile is shown in the lower-left corner of the page, positioned on a snowy mountain slope. The snowmobile is black and silver, with a yellow stripe on the side. The background is a vast, snow-covered mountain range under a clear blue sky.

Expanding Capacity for Offshore and Maritime Fabrication and Maintenance

The Government of Newfoundland and Labrador has reached a major milestone for the province's offshore industry to advance the Bay du Nord project. Agreements on life-of-field benefits, royalties, and an equity option have been reached with partners Equinor and BP.

A key part of the agreement is \$200 million in fabrication funds, which will facilitate long-term fabrication trades jobs in the province, a force multiplier that is intended to expand the province's capacity for offshore and maritime fabrication and maintenance.

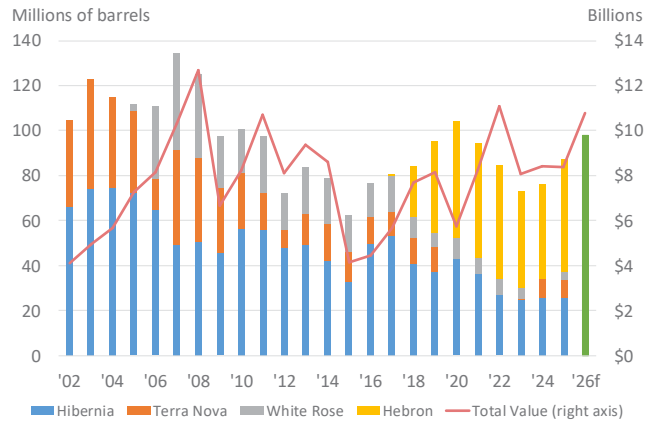
The Government of Newfoundland and Labrador plans to use this funding to secure capital to build a large floating dry dock at Bull Arm. This floating and deployable dry dock will weigh approximately 7,000–8,000 tonnes and will be a strategic maritime asset for Canada. It will strengthen the province's existing ship building, repair, and maintenance capacity and position Newfoundland and Labrador to compete for significant ship-related opportunities, including those that will be core elements of Canada's defence objectives.

The Government of Newfoundland and Labrador maintains positive, ongoing partnerships with Indigenous Governments and Organizations and is committed to continued engagement with them on defence development, Arctic stewardship, and sovereignty.

The oil and gas industry plays a key role in the Newfoundland and Labrador economy. It accounted for approximately 14.7 per cent of the province’s real GDP in 2024. There are four developed oilfields in the province’s offshore area: Hibernia, Terra Nova, White Rose (including the North Amethyst and West White Rose fields), and Hebron. All four oilfields produced crude oil in 2025, as production resumed at the White Rose field in March 2025 after being halted since January 2024 for the SeaRose FPSO to undergo a refit. Oil production in Newfoundland and Labrador’s offshore totalled 87.6 million barrels (MMbbls) in 2025, representing an increase of 14.6 per cent, or 11.1 MMbbls, compared with 2024 (see Figure 6).

Figure 6: Offshore Oil Production

Newfoundland and Labrador, 2002-2026f

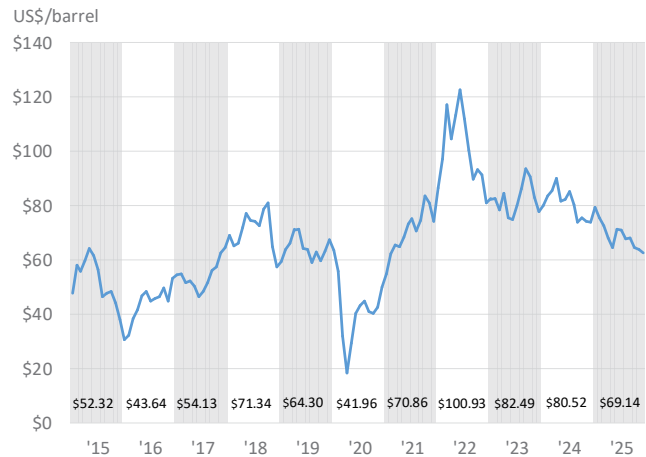


f: forecast
Source: Canada-Newfoundland and Labrador Offshore Energy Regulator; Department of Finance

Although Newfoundland and Labrador’s production increased in 2025, the value of crude oil production remained on par with 2024 levels, as lower oil prices offset the gains associated with increased production. The price of Brent crude oil averaged US\$69.14 per barrel in 2025, a decrease of 14.1 per cent from 2024, largely due to weak market demand and concerns about oversupply (see Figure 7).

Figure 7: Brent Crude Oil Prices

Monthly, 2015-2025



Note: Average annual Brent crude prices included for each year.
Source: U.S. Energy Information Administration



West White Rose GBS on the Grand Banks
Credit: Department of Energy and Mines

The global oil market in 2025 was largely driven by concerns about weak demand amid economic uncertainty and oversupply, with oil production growth in countries outside the Organization of the Petroleum Exporting Countries (OPEC) and the unwinding of voluntary production cuts by OPEC and its non-OPEC partners (OPEC+) beginning in the second quarter of 2025. Monthly production quota increases by OPEC+ peaked in August and September (about 548,000 barrels per day), with production quota increases of approximately 137,000 barrels per day from October through December.

Hibernia

Hibernia, located in the Jeanne d'Arc Region approximately 315 kilometres southeast of St. John's, was the first offshore oil project to be developed in Newfoundland and Labrador. Hibernia was developed using a

stand-alone Gravity Based Structure (GBS) and produced first oil in November 1997. Oil production at Hibernia totalled 25.8 MMbbls in 2025, on par with 2024. The Hibernia oilfield had an estimated 495 MMbbls of recoverable reserves remaining as of March 3, 2026, and there were 991 Newfoundland and Labrador residents working on the project as of December 31, 2025.

Terra Nova

The Terra Nova oilfield, located southeast of the Hibernia field in the Jeanne d'Arc Region, was the second oil project to be developed in the province. The field was developed using the Terra Nova FPSO and achieved first oil in January 2002. Production at Terra Nova was halted in December 2019 to allow for a refit of the Terra Nova FPSO and resumed in November 2023. Oil production at Terra Nova totalled 8.0 MMbbls in 2025, down 7.5 per cent from 2024. The Terra Nova oilfield

had an estimated 63 MMbbls of recoverable reserves remaining as of March 4, 2026. There were 535 Newfoundland and Labrador residents working on the Terra Nova project as of December 31, 2025.

White Rose

The White Rose project, also located in the Jeanne d'Arc Region, was the third oil project to be developed in Newfoundland and Labrador's offshore. The oilfield was developed using the SeaRose FPSO and achieved first oil in November 2005. There was no production at White Rose in 2024, as the SeaRose FPSO was offline to undergo a refit. Production resumed on March 13, 2025. Oil production at the White Rose field totalled 3.5 MMbbls in 2025.

In May 2025, the concrete gravity structure (CGS) for the West White Rose project was towed from Argentia to the oilfield in the Jeanne d'Arc Basin. The CGS was installed on the seabed in June, and the topsides were placed on the CGS in July. Commissioning of the drilling platform continues, with construction and welding complete and systems integration testing underway. First oil is expected in the second half of 2026. The West White Rose project is expected to reach a peak production rate of 80,000 barrels per day by the end of 2029 and extend the life of the White Rose project by 14 years.

As of March 4, 2026, the White Rose project (including satellite areas) had an estimated 173 MMbbls of recoverable reserves remaining. There were 824 Newfoundland and Labrador residents working on White Rose's operational activities and 452 residents working on the West White Rose project as of December 31, 2025.

Hebron

The Hebron oilfield, located in the Jeanne d'Arc Region, became the province's fourth stand-alone offshore oil project when it achieved first oil in November 2017. The Hebron field was developed using a GBS similar to Hibernia, though smaller in scale. Oil production at Hebron totalled 50.3 MMbbls in 2025, up 19.7 per cent from 2024. The Hebron field had an estimated 464 MMbbls of recoverable reserves remaining as of March 3, 2026. There were 904 Newfoundland and Labrador residents working on the project as of December 31, 2025.

Bay du Nord

As announced on March 3, 2026, the Government of Newfoundland and Labrador reached an agreement with Equinor and BP that advances the Bay du Nord project, securing long-term benefits, direct provincial revenues of up to \$6.4 billion, and significant local employment and fabrication commitments. The deal includes

the province's first life-of-field benefits agreement with over 31 million person-hours of work over 25 years, a commitment to fabricate nearly all subsea components in the province, targets for apprentice employment, \$200 million in support of a floating dry dock fabrication at Bull Arm, and a provincial equity option. The proposed project, located approximately 500 kilometres offshore in the Flemish Pass Basin in water depths of about 1,200 metres, has reserves of nearly 430 MMbbls of oil. Project sanction is anticipated for 2027, with first oil expected in 2031.

Exploration

The Newfoundland and Labrador offshore is divided into eight regions based on activity defined by the Canada-Newfoundland and Labrador Offshore Energy Regulator (C-NLOER) Scheduled Land Tenure System. Exploration drilling programs in these regions have the potential to create additional activity in the offshore area. The value of exploration work commitments on active exploration licences in the Newfoundland and Labrador offshore was approximately \$265.1 million as of January 15, 2026.

There are currently no Exploration Licences (ELs) within the Jeanne d'Arc Region. In the Eastern Newfoundland Region, there are six ELs entirely within the region, although EL 1143 (held by Equinor and BP) expired in January 2025. No exploration wells were

spudded in Newfoundland and Labrador's offshore in 2025.

Call for Nominations

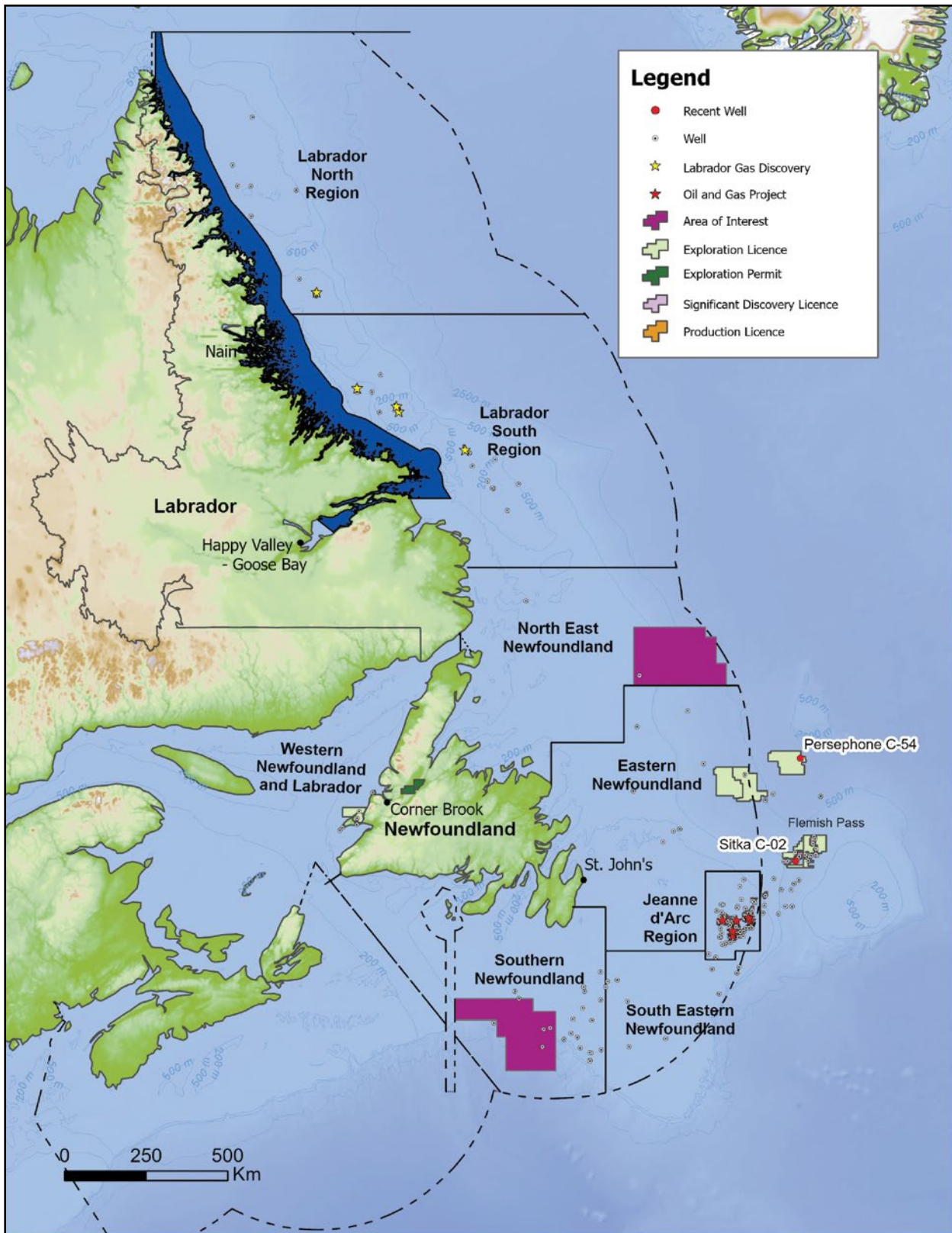
The following Calls for Nominations have been announced for offshore Newfoundland and Labrador:

- On January 24, 2025, the C-NLOER announced a Call for Nominations for Areas of Interest in selected Low Activity Regions, including Labrador North, Labrador South, North Eastern Newfoundland, and South Eastern Newfoundland. This Call is designed to assist the C-NLOER in determining whether to introduce a sector into the scheduled land tenure system.
- On August 29, 2025, the C-NLOER announced a Call for Nominations (Parcels) in the Jeanne d'Arc Region to assist the C-NLOER in determining whether to proceed with a Call for Bids in the Jeanne d'Arc Region in 2026 and which parcels should be offered.

Call for Bids and Results

On May 22, 2025, the C-NLOER announced a 2025 Calls for Bids for ELs in the Labrador South and Eastern Newfoundland Regions with bidding closing on November 5, 2025 and ELs awarded to successful bidders in early 2026. On November 5, 2025, the

Map 1 - Newfoundland and Labrador Petroleum Lands



Source: Canada-Newfoundland and Labrador Offshore Energy Regulator; Department of Energy and Mines

C-NLOER announced that there were no bids received on the Call for Bids in the Labrador South and Eastern Newfoundland Regions.

2026 Outlook

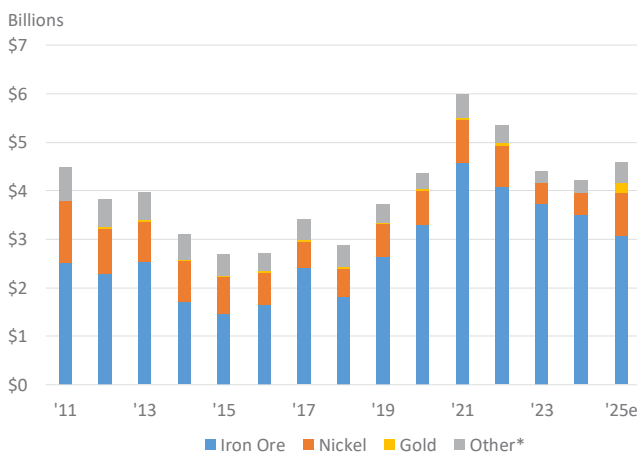
- Oil production in the province's offshore will be boosted by the start of production at the West White Rose field in the second half of 2026.
- A development plan for the Bay du Nord oil project is scheduled to be submitted to the C-NLOER in 2026.
- The Department of Finance expects Brent crude oil prices to average US\$81.10 per barrel in 2026, on a calendar year basis (US\$79.00 per barrel in the 2026-27 fiscal year).
- Ongoing geopolitical events, OPEC+ production-cut policies, and the global energy transition will continue to influence oil prices.

The value of mineral shipments from Newfoundland and Labrador was estimated at \$4.6 billion in 2025, an increase of 9.0 per cent from 2024, driven primarily by increased production of nickel and gold (see Figure 8). Mining-related employment was approximately 8,815 person years in 2025, an increase of 10.3 per cent compared with 2024. This growth reflects increased employment across most producing mines in the province, with newly operating gold mines playing a particularly important role, along with higher exploration activity.

Iron ore prices averaged US\$96.82 per tonne in 2025, a decrease of 6.6 per cent from 2024, primarily due to lower demand and oversupply in the global market (see Figure 9). China purchases roughly three-quarters of global seaborne iron ore shipments, making its demand a key driver of price movements. Prices remained low and volatile throughout the year due to weak Chinese steel demand stemming from the country's ongoing property sector downturn. Nevertheless, iron ore

Figure 8: Value of Mineral Shipments

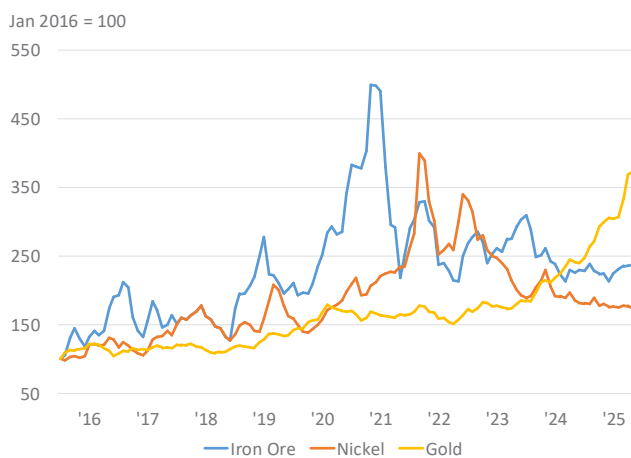
Newfoundland and Labrador, 2011-2025e



* Includes antimony, copper, cobalt, silver, barite, dolomite, fluorspar, gypsum, limestone, peat, pyrophyllite, sand & gravel, stone aggregate and dimension stone.
e: estimate
Source: Department of Energy and Mines; Natural Resources Canada

Figure 9: Mineral Price Indices

Monthly, 2016-2025



Source: Bloomberg



Iron ore pellets at IOC
Credit: Rio Tinto - Iron Ore Company of Canada

prices showed resilience in the second half of the year, supported by strong Chinese exports of steel, despite sluggish demand for steel within China and strong import volumes at Chinese ports aimed at rebuilding inventories.

The price of nickel averaged US\$6.88 per pound in 2025, a decline of 9.8 per cent from 2024. Prices trended downward amid a global surplus, driven by increased supply from Indonesia and the Philippines, with Indonesia now accounting for approximately half of global nickel production. Demand growth for nickel linked to the green transition has been weaker than anticipated, as lithium iron phosphate electric vehicle batteries, which do not contain nickel, have gained significant market share, particularly in China.

The price of gold averaged US\$3,445 per troy ounce in 2025, an increase of approximately 44.2 per cent from 2024. This surge was primarily driven by strong demand from investors amid evolving trade conditions, reduced U.S. dollar demand, and increased central bank purchases. Geopolitical uncertainty and lower U.S. interest rates further supported gold's safe-haven status. The price of gold has become a more significant contributor to the provincial economy as Equinox Gold's Valentine Gold Mine poured its first gold in September 2025 and announced commercial production in November 2025. In the first quarter of 2026, the mine advanced toward its 6,850-tonne-per-day nameplate capacity, with production averaging 6,192 tonnes per day and exceeding capacity in February and March, positioning it to become the largest gold mine in Atlantic Canada.

Rio Tinto – Iron Ore Company of Canada

The Rio Tinto – Iron Ore Company of Canada (IOC) mine and processing facility, located in Labrador City, is one of Canada’s largest iron ore producers. With a high-grade, low-impurity iron ore reserve and a multi-generational mine life, IOC is a global leader in the iron ore industry, producing premium products. Saleable iron ore production from IOC, including concentrate and pellets, totalled 15.9 million tonnes in 2025, a 1.1 per cent decline from 2024, partly due to lower pit health throughout the year and other operational challenges. Employment at IOC totalled 2,300 person years in 2025, an increase of 4.5 per cent from 2024.

Vale Newfoundland and Labrador

Vale Newfoundland and Labrador (VNL) operates the Voisey’s Bay nickel mines on the north coast of Labrador and a hydrometallurgical nickel processing plant at Long Harbour on the island portion of the province. Nickel concentrate from Voisey’s Bay is shipped to Long Harbour to be processed into finished nickel and associated copper and cobalt products. Nickel production from VNL totalled 33,200 metric tonnes in 2025, an increase of 72.9 per cent from 2024. Copper production totalled 18,600 metric tonnes in 2025, an increase of

44.2 per cent from 2024. Rising production levels were mainly driven by the continued ramp-up of underground production at Voisey’s Bay.

On December 3, 2024, Vale announced the completion of the Voisey’s Bay Mine Expansion project, which began in late 2018. The expansion included shifting operations from the open-pit Ovoid mine to the two newly developed underground mines, Reid Brook and Eastern Deeps. These mines are expected to produce 45,000 tonnes of nickel annually, along with approximately 20,000 tonnes of copper and 2,600 tonnes of cobalt as by-products. The full ramp-up of underground production is expected to occur in the second half of 2026.

Employment for all aspects of VNL operations, including at the Voisey’s Bay mine site and the Long Harbour processing plant, was estimated to be 2,526 person years in 2025, an increase of 7.7 per cent from 2024.

Other Mines

Tata Steel Minerals Canada Ltd. operates a high-grade iron ore project in the Menihek region of Labrador and northern Quebec, with deposits on both sides of the border. The project generated approximately 548 person years of employment in 2025.

Tacora Resources Inc. (Tacora) is an iron ore mining and processing company that reactivated the Scully Mine near Wabush, Labrador, in 2018. In late 2024, Tacora completed a sale transaction led by an investor group consisting of Cargill Incorporated, Millstreet Capital Management, O'Brien-Staley Partners, and Brigade Capital Management LP. The sale included a US\$250 million equity injection to support capital investment and expansion plans, as well as a 10-year offtake agreement with Cargill's metals business. Tacora's long-term goal is to produce more than six million tonnes of iron ore concentrate annually. The company is also pursuing opportunities to generate additional revenue from its manganese stockpiles, which are produced as a by-product of the company's iron ore production. Manganese is a key input for lithium-ion batteries used in electric vehicles. Tacora's operations generated 667 person years of employment in 2025, essentially unchanged from 2024.

The Valentine Gold Mine project, operated by Equinox Gold, is located approximately 55 kilometres southwest of Millertown. Equinox Gold announced first gold in September 2025, achieved its first commercial production in November 2025, and is on track to ramp up production to between 150,000 to 200,000 ounces of gold annually by the second quarter of 2026. Additionally, Equinox Gold is advancing a Phase 2

expansion at Valentine to increase annual gold production. In early 2026, Equinox Gold announced a new gold discovery in the Minotaur Zone, located eight kilometres northwest of the mill. Drilling also revealed gold mineralization in the Frank Zone, which could potentially support an additional open pit that could extend the mine life and increase output. Equinox Gold's Valentine operation generated 854 person years of employment in 2025, a 38.6 per cent increase compared with 2024.

In November 2025, New Found Gold Corp. announced a sale transaction through which it acquired all the issued and outstanding shares of Maritime Resources. New Found Gold holds two primary assets in the province: the Hammerdown Gold project, located approximately five kilometres southwest of King's Point, and the Queensway Gold project, located approximately 15 kilometres west of Gander on the Trans-Canada Highway. The Hammerdown gold mine poured its first gold in November 2025. The ramp-up to commercial production at Hammerdown is underway and planned to reach commercial levels in the second half of 2026, with total gold production of approximately 250,000 ounces over an estimated 13-year mine life. New Found Gold seeks to advance the Queensway Gold project with the goal of achieving first gold in the second half of 2027. The Pine Cove processing facility,

located approximately six kilometres northeast of Baie Verte, was brought back into operation by Maritime Resources in early 2025 and is now owned by New Found Gold. The facility serves as the company's central milling hub and, with planned upgrades, is intended to process gold ore from both the Hammerdown operation and the future Queensway Phase 1 project.

Cemex (formerly Atlantic Minerals) is located at Lower Cove on the Port au Port Peninsula and is a leading producer of chemical-grade, high-calcium limestone, dolomite, and construction aggregates. Employment at the mine totalled 112 person years in 2025, a 23.1 per cent increase from 2024.

The Canada Fluorspar Inc. mine, located in St. Lawrence, contains high-purity acid-grade fluorspar, a key input in the production of lithium-ion batteries, solar panels, and steel. The mine restarted production in late 2025 after being shut down since February 2022, with the potential for a long-term operating life, subject to permitting and resource definition. This re-establishes the St. Lawrence mine as the only active fluorspar mining operation in North America. The company plans to produce 180,000 tonnes of acid-grade fluorspar concentrate by 2027, with the U.S. expected to be the primary market, alongside potential markets in Europe, India, and Japan. Operations at the mine generated approximately 196

person years of employment in 2025 and are forecast to reach approximately 290 person years in 2026 as the operation approaches full capacity.

The province's construction aggregate industry (i.e., producers of gravel, sand, crushed stone, and other mineral materials used in the construction industry) shipped approximately 6.0 million tonnes of aggregate in 2025, a decrease of 12.7 per cent compared with 2024. Construction aggregate was valued at approximately \$37.0 million in 2025, a decrease of 13.5 per cent from 2024. The construction aggregate sector generates about 557 person years of employment annually.

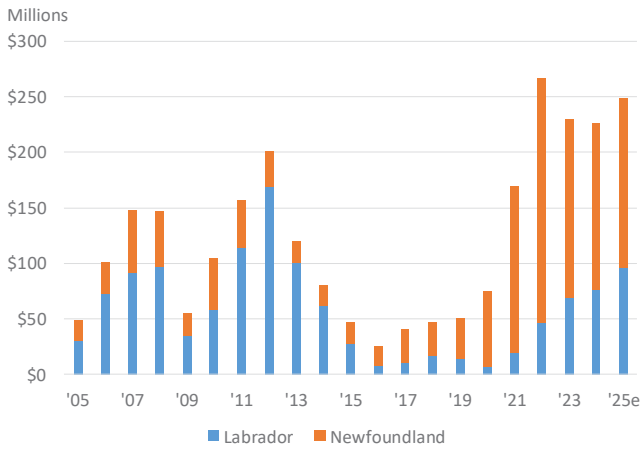
Exploration and Development

Mineral exploration expenditures in the province totalled an estimated \$248.8 million in 2025, an increase of 10.0 per cent from 2024, driven by ongoing gold exploration and increased activity targeting critical minerals, such as uranium and lithium (see Figure 10). Employment associated with all exploration activities totalled 684 person years in 2025, a 16.5 per cent increase compared with 2024.

Vale Base Metals 2025 exploration and resource update for Voisey's Bay highlights continued success in extending mine life

Figure 10: Mineral Exploration Expenditures

Newfoundland and Labrador, 2005-2025e



e: estimates
Source: Department of Energy and Mines

and growing resources. Additional drilling has expanded the Reid Brook and Eastern Deeps deposits and increased total mineral resources. Extensive exploration drilling (85,679 metres) confirmed high-grade continuity and depth extensions at Reid Brook, Discovery Hill, and Eastern Deeps, supporting underground development and reinforcing the transition of Discovery Hill from open pit to underground mining. These programs have extended the mine life to approximately 2039, with orebodies remaining open at depth and offering further expansion potential.

FireFly Metals Ltd. (formerly AuTECO Minerals Ltd./Rambler Metals and Mining Canada Ltd.) is an Australian company that owns the Green Bay Copper-Gold project. It includes the Ming underground mine, a high-grade copper-gold mine approximately nine kilometres east of Baie Verte, and the

Little Deer complex, a copper-rich deposit approximately 40 kilometres south of the Ming mine. FireFly Metals significantly increased its copper-gold resource estimate at its Green Bay Copper-Gold project, including a newly defined high-grade core at the Ming deposit. Recent exploration activities indicate a 51 per cent increase in copper equivalent mineral resources from October 2024 estimates. A preliminary economic assessment is scheduled for completion in the second quarter of 2026, with a feasibility study expected to be completed by the end of 2026. Employment at the mine totalled 216 person years in 2025, representing a 67.4 per cent increase from 2024.

The Kami Iron Mine Partnership owns the Kamistiatasset (or Kami) iron ore deposit located in the Labrador Trough in southwestern Labrador. A recent pre-feasibility study projected annual production of nine million tonnes of high-quality iron ore over a 25-year mine life and a construction period of four years, with initial capital costs estimated at \$3.9 billion. In September 2025, the company finalized the newly established Kami Iron Mine Partnership deal with Nippon Steel Corporation and Sojitz Corporation, under which the partners acquired a combined 49 per cent equity interest, while Champion retained majority ownership and operating control and received an initial cash contribution of \$68.6 million. Nippon Steel

stated that it believes the Kami iron ore project has the potential to offer a long-term supply of high-purity iron ore compatible with electric arc furnaces, supporting its long-term decarbonization objectives. The company is currently working toward the completion of a feasibility study that is expected in late 2026.

Atlas Salt Inc. is advancing its principal asset, the Great Atlantic Salt project, on the west coast of Newfoundland near St. George's. On February 27, 2026, the company stated it would immediately begin permitted land clearing and related site preparation as the benefits agreement with the Government of Newfoundland and Labrador was approved and a letter of release confirmed all environmental assessment conditions for the Early Works Phase had been met. According to the company's updated feasibility study, Atlas Salt expects to spend \$589 million on construction beginning in early 2026 and projects the generation of 300 jobs during the construction phase and 170 jobs during the operations phase. Atlas is expected to begin production in the fourth quarter of 2029 and reach nameplate capacity of 4.0 million tonnes of high-purity road salt annually by year four of a 24-year mine life. In November 2025, Atlas announced it had signed a memorandum of understanding with Hatch Ltd. as the lead engineering partner and integrated project delivery partner for the Great Atlantic Salt project.

To encourage mineral exploration, the Government of Newfoundland and Labrador provides funding to the industry through the Mineral Incentive Program (MIP). This program provides \$400,000 in prospector assistance through grants and related supports. The MIP also provides \$1.3 million in rebates toward qualifying junior exploration activities and an additional \$2.6 million in funding for qualifying critical mineral exploration, which includes \$1.3 million from the Atlantic Canada Opportunities Agency.

Newfoundland and Labrador has significant critical mineral potential that can support new mines, mineral processing, and manufacturing within the province. Overall, the mining industry accounts for nine per cent of the province's GDP and has significant potential for growth, positioning the province as a key player in global supply chains essential for the energy transition. Hosting 34 of the 49 critical minerals identified by Canada, the U.S., the European Union, Japan, Australia, the United Kingdom, and South Korea, the province is well-positioned to attract international investments, develop strategic partnerships, and integrate into global markets.

2026 Outlook

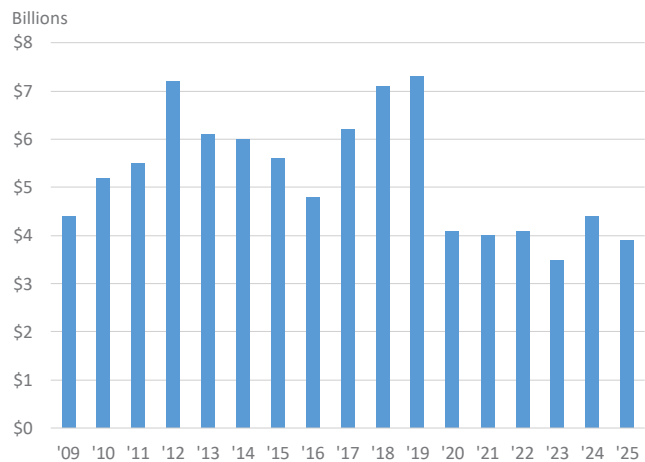
- The volume of mineral shipments is expected to increase in 2026, driven mainly by an increase in iron ore, gold, and nickel production.
- The first full year of production from the Valentine and Hammerdown gold mines should provide a strong boost to the value of provincial mineral shipments.
- Production guidance from Rio Tinto, the majority shareholder in IOC, indicates that iron ore production will remain between 15 and 18 million tonnes in 2026.
- Vale's 2026 exploration plan for Voisey's Bay will prioritize near-term mine plan optimization and long-term underground resource growth through aggressive near-mine drilling around Reid Brook, Discovery Hill, and Eastern Deeps, including approximately 48,700 metres of underground drilling and around 26,500 metres of surface drilling to support resource conversion and future mine extensions.
- The outlook for nickel prices is uncertain. While recent Indonesian efforts to tighten production quotas and delay permits have supported early-year price gains, the overall outlook still points to an oversupplied market.
- Iron ore prices are expected to remain resilient in 2026. Softer steel demand in China will weigh on the market, but modest growth in emerging economies should support global demand. Near-term supply additions from Africa are expected to be offset over the medium term by depletion at several older mines.
- Mining sector employment is projected to be higher in 2026, as activity ramps up at FireFly Metals and Canada Fluorspar Inc.
- Mineral exploration is forecast to total \$283.3 million in 2026, a 13.9 per cent increase over 2025.

Manufacturing

Newfoundland and Labrador's manufacturing sector produces a wide variety of goods, with operations in both rural and urban areas of the province. According to Statistics Canada's Monthly Survey of Manufacturing, the value of manufacturing shipments totalled \$3.9 billion in 2025, a decline of 11.8 per cent compared with 2024 (see Figure 11). Shipments of non-durable goods, such as newsprint, fish products, and renewable fuel, accounted for the larger share at \$2.4 billion, representing a 22.9 per cent decline from the previous year.² In contrast, shipments of durable goods, including fabricated metal products and non-ferrous refined metals, such as nickel processed at Long Harbour, increased by 14.5 per cent to \$1.5 billion.

Figure 11: Value of Manufacturing Shipments

Newfoundland and Labrador, 2009-2025



Source: Statistics Canada

Employment in the manufacturing sector averaged approximately 9,500 persons in 2025, a decrease of 4.0 per cent compared with 2024. Non-durable goods manufacturing employment totalled 5,900 persons, a decline of 13.2 per cent, while durable goods manufacturing employment totalled 3,500 persons, an increase of 16.7 per cent. Average weekly earnings in the manufacturing sector decreased by 5.4 per cent in 2025.

Manufacturing Exports

Most locally manufactured goods are shipped to international markets. The value of international manufacturing exports from Newfoundland and Labrador totalled approximately \$3.6 billion in 2025, an increase of 15.9

² The distinction between non-durable goods and durable goods is based on whether the goods can be used once, only for purposes of production or consumption, or whether they can be used repeatedly or continuously. Examples of durable goods manufacturing include wood products, fabricated metal, machinery, electrical equipment, appliance and component, transportation equipment, etc. Examples of non-durable goods manufacturing include food, beverage and tobacco products, apparel, chemical, paper, etc.



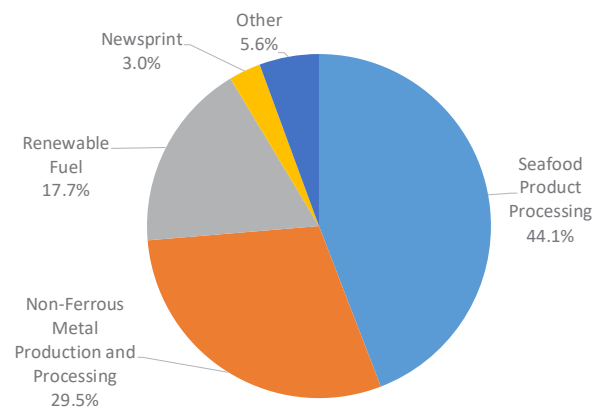
Refit of the Marine Voyager ferry at St. John's Dockyard
Credit: Newdock

per cent from 2024, driven primarily by significant increases in the value of seafood products and non-ferrous metals exports. The U.S. remained the largest export market for Newfoundland and Labrador manufacturers, representing 57.1 per cent of international manufacturing exports in 2025, slightly less than the 58.1 per cent share in 2024.

Fish processing plays an important role in Newfoundland and Labrador's manufacturing industry. Seafood product preparation and packaging accounted for the largest share of international exports of manufactured goods in 2025, at 44.1 per cent (see Figure 12). The value of international exports of manufactured seafood products from the province totalled approximately \$1.6 billion in 2025, representing an increase of 32.8 per cent from 2024, largely due to higher

Figure 12: Distribution of International Manufacturing Exports by Industry

Newfoundland and Labrador, 2025



Source: Statistics Canada

production volumes and higher prices for certain key species, particularly snow crab. Markets in the U.S. and China purchased a combined 83.3 per cent of the value of the province's manufactured seafood product exports in 2025 (see **Fisheries and Aquaculture**).

Non-ferrous metal production and processing represented the second-largest share of the province's international manufacturing exports in 2025, accounting for 29.5 per cent. This category consists primarily of processed nickel exports from Long Harbour. The value of international exports of non-ferrous metal production and processing totalled \$1.1 billion in 2025, an increase of 30.3 per cent compared with 2024. This growth was mainly driven by increased production of nickel at Voisey's Bay as production from the new underground mines ramped up; however, the impact was partially offset by lower global nickel prices relative to 2024 (see **Mining**).

Renewable fuel products also play an important role in the Newfoundland and Labrador manufacturing sector. The value of renewable fuel exports represented the third-largest share of international manufacturing exports from the province in 2025, at 17.7 per cent. Exports totalled \$640.5 million in 2025, representing a decrease of 11.9 per cent compared with 2024. The converted biofuel refinery in Come By Chance began production in February 2024 and the first shipment of renewable diesel was sent to international markets in the spring of 2024. The decline in exports in 2025 was mainly due to a temporary shutdown of the refinery between January and June resulting from unfavourable market conditions.

The value of international newsprint exports totalled approximately \$110.4 million in 2025, a decrease of 23.5 per cent from 2024, due to lower newsprint prices and lower shipments, amid declining global demand (see **Forestry**).

The Government of Newfoundland and Labrador offers several tax credits and programs for businesses in the manufacturing industry. The Manufacturing and Processing Investment Tax Credit allows corporations that invest in capital property in Newfoundland and Labrador to claim a credit of 10 per cent of the capital cost to reduce provincial tax otherwise payable and may be refundable in some cases. The Green Technology Tax Credit allows Canadian-controlled private corporations that invest in equipment that generates or conserves renewable-source energy, uses fuels from waste, or makes efficient use of fossil fuels to claim a credit of 20 per cent of the capital cost.

2026 Outlook

- The value of manufacturing shipments is expected to increase in 2026, reflecting higher processed nickel shipments stemming from increased production at Voisey's Bay.
- Exports of renewable fuel products are expected to increase, as 2026 is expected to be the first full year of production at the refinery in Come By Chance.
- Evolving trade conditions present some uncertainty, but new trade initiatives with Europe, Asia, India, Australia, and South America offer promising opportunities.
- The manufacturing sector continues to explore ways to reduce costs, increase productivity, and transition to greener technologies to reduce carbon emissions.

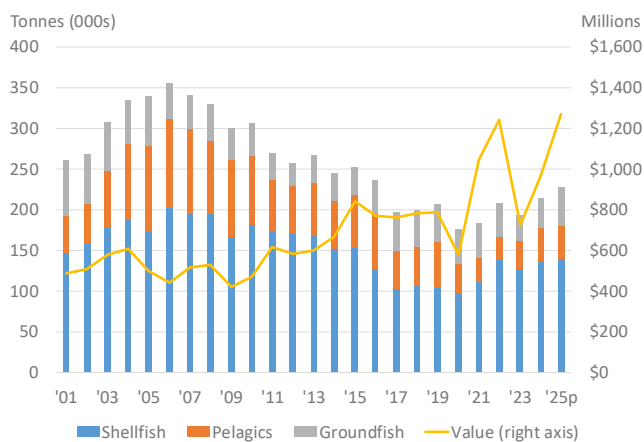
The fisheries and aquaculture sector in Newfoundland and Labrador delivered one of its strongest years on record in 2025. Wild fish landings and landed value both increased compared with 2024, with the value of landings reaching a record level, while aquaculture production and value reached an all-time high. Supported by favourable market prices for several key species, these gains led to a significant increase in the value of seafood product exports. Preliminary estimates indicate that roughly 16,650 persons were employed across fish harvesting, aquaculture hatchery and grow-out activities, and fish processing in 2025, consistent with employment levels recorded in 2024.

Wild Fisheries

The wild fishery involves the harvesting of naturally occurring marine species. The total volume of fish landings increased by 6.3 per cent to 230,372 tonnes in 2025, driven by higher landings across all major species categories, particularly groundfish. The corresponding total landed value increased by 32.0 per cent to a historical peak of nearly \$1.3 billion (see Table 5 and Figure 13). This increase in value was due to higher landings and a rise in the average landed price for key species, particularly snow crab.

Figure 13: Wild Fishery Landings

Newfoundland and Labrador, 2001-2025p



p: preliminary
Source: Fisheries and Oceans Canada; Department of Fisheries and Aquaculture

Shellfish

In 2025, shellfish continued to account for the majority of both the total volume of fish landings (60.4 per cent) and the landed value (86.4 per cent) of the wild fishery. The volume of shellfish landings totalled 139,164 tonnes in



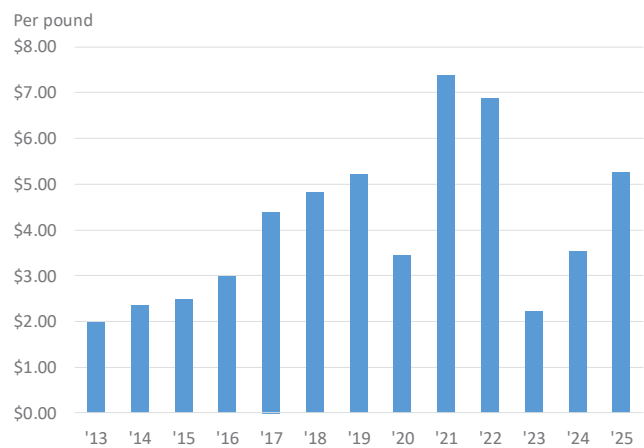
Fishing boats in Heart's Content

2025, an increase of 1.4 per cent compared with 2024, mainly due to higher snow crab landings. The corresponding landed value for shellfish rose by 33.6 per cent to nearly \$1.1 billion, reflecting higher average landed prices for snow crab.

Landings in the snow crab fishery increased by 9.0 per cent to 61,162 tonnes in 2025, reflecting an increase in the Total Allowable Catch (TAC). Snow crab stock assessments in 2025 indicated that the resource was stable and increasing in some areas, which resulted in an increase to the TAC for this fishery to 62,883 tonnes in 2025, up from 57,568 tonnes in 2024. The corresponding landed value of snow crab rose sharply by 62.3 per cent to \$707.9 million, as the average landed raw material price for snow crab increased by 48.9 per cent to \$5.25 per pound in 2025 (see Figure 14).

Figure 14: Snow Crab Average Landed Price

Newfoundland and Labrador, 2013-2025



Source: Fisheries and Oceans Canada

Shrimp landings increased by 2.1 per cent to 27,789 tonnes in 2025, partly due to a revision of the TAC for Shrimp Fishing Area (SFA) 6, which increased by 50.0 per cent to 13,363 tonnes for the 2025-2026 season. The TAC for SFA 5 was reduced by 3.3 per cent to 12,208 tonnes and the Newfoundland and Labrador portion of the Gulf of St. Lawrence shrimp TAC

Table 5: Landings and Landed Value by Species

Newfoundland and Labrador, 2024-2025

Species	2024 Revised		2025 Preliminary		2025/2024 Comparison	
	Volume (tonnes)	Value (\$000s)	Volume (tonnes)	Value (\$000s)	% Volume	% Value
Snow Crab	56,133	436,267	61,162	707,893	9.0%	62.3%
Shrimp	27,213	133,982	27,789	138,551	2.1%	3.4%
Lobster	9,326	136,053	8,890	136,256	-4.7%	0.1%
Other Shellfish	44,526	115,192	41,323	114,979	-7.2%	-0.2%
SHELLFISH	137,197	821,494	139,164	1,097,679	1.4%	33.6%
Cod	16,164	30,494	28,479	62,155	76.2%	103.8%
Turbot	9,922	57,358	8,357	45,782	-15.8%	-20.2%
Halibut	1,042	10,405	1,224	14,377	17.5%	38.2%
Flounders	3,008	5,435	4,022	7,008	33.7%	28.9%
Redfish	4,600	3,358	5,976	5,391	29.9%	60.5%
Other Groundfish	2,252	2,962	444	390	-80.3%	-86.8%
GROUNDFISH	36,988	110,012	48,502	135,103	31.1%	22.8%
Herring	23,114	10,038	25,361	12,412	9.7%	23.6%
Capelin	16,126	8,077	14,059	10,259	-12.8%	27.0%
Other Pelagics	285	2,782	533	5,398	87.0%	94.0%
PELAGICS	39,525	20,898	39,952	28,069	1.1%	34.3%
Miscellaneous	3,001	10,611	2,754	9,911	-8.2%	-6.6%
TOTAL	216,711	963,014	230,372	1,270,761	6.3%	32.0%

Notes:

- Species components may not sum due to independent rounding.
- Flounders includes: American plaice, yellowtail flounder, greysole/witch, winter flounder.
- Other Shellfish may include: clams, whelk, scallops, sea cucumber, other crustaceans, and other molluscs.
- Other Groundfish may include: pollock, hake, haddock, skate, monkfish and other miscellaneous groundfish.
- Other Pelagics may include: tuna, swordfish and other miscellaneous pelagics.

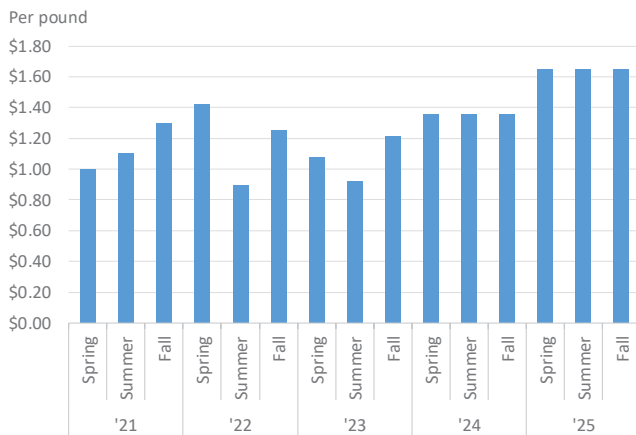
Source: Fisheries and Oceans Canada (March 24, 2026)

was reduced to 762.3 tonnes, down from 1,286.6 tonnes in the previous season. The corresponding value of shrimp landings increased by 3.4 per cent to \$138.6 million. The minimum landed price paid to harvesters

for inshore shrimp increased to \$1.65 per pound for all three shrimp pricing periods in 2025, up from \$1.36 per pound for all of 2024 (see Figure 15).

Figure 15: Minimum Landed Price Paid to Inshore Shrimp Harvesters

Newfoundland and Labrador, 2021-2025



Source: Fish Food & Allied Workers Union

Lobster landings decreased by 4.7 per cent to 8,890 tonnes in 2025. The value of lobster landings reached a historical high of \$136.3 million, an increase of 0.1 per cent from 2024. The average raw material price for lobster was \$6.95 per pound in 2025, an increase of 5.0 per cent from \$6.62 per pound in 2024.

Groundfish

Groundfish accounted for 21.1 per cent of the total volume of fish landings in the province and 10.6 per cent of the total landed value in 2025. Groundfish landings increased by 31.1 per cent to 48,502 tonnes, primarily due to higher landings of cod, which increased by 76.2 per cent to 28,479 tonnes in 2025. The commercial Northern cod fishery reopened in 2024 for the first time since 1992, and cod landings rose in 2025 following an increase in the northern TAC to 38,000 tonnes, up from

18,000 tonnes in 2024. The landed value of groundfish increased by 22.8 per cent to \$135.1 million.

Pelagics

Pelagics accounted for approximately 17.3 per cent of the volume of total fish landings and 2.2 per cent of the total landed value in 2025. Pelagic landings increased by 1.1 per cent to 39,952 tonnes, primarily due to higher catches of herring, which rose by 9.7 per cent. Capelin landings decreased by 12.8 per cent compared with 2024, while the commercial mackerel fishery remained under moratorium. The corresponding landed value of pelagics increased by 34.3 per cent to approximately \$28.1 million, mainly due to an increase in the average landed price for capelin (+45.8 per cent).

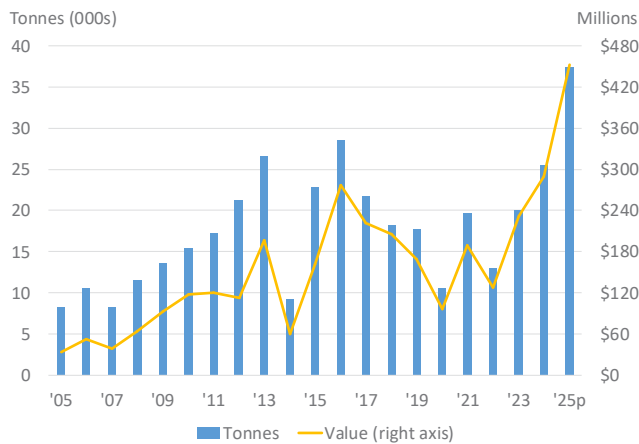
Aquaculture

Aquaculture production in Newfoundland and Labrador consists of salmonids (Atlantic salmon and steelhead trout) and shellfish (blue mussels and oysters). Preliminary data indicate that the volume of aquaculture production reached a record-high of 37,480 tonnes in 2025, an increase of 47.7 per cent over 2024, driven by significant growth in salmonid production (see Figure 16). The corresponding total market value surged to an all-time high of \$453.0 million, an increase of 56.7 per cent compared with 2024. The substantial increase in production and market value reflects both expanded

production capacity and favourable market conditions, as well as early salmon harvesting stemming from environmental challenges during the summer.

Figure 16: Aquaculture Production and Value

Newfoundland and Labrador, 2005-2025p



p: preliminary
Source: Department of Fisheries and Aquaculture

Atlantic salmon accounted for almost 90 per cent of salmonid production in the province in 2025, with the remainder consisting of steelhead trout. Overall salmonid production increased by 53.1 per cent to approximately 34,215 tonnes in 2025, with a corresponding value of \$432.0 million. This represented an increase of 59.9 per cent over 2024 and marked an all-time high for this category. Favourable market conditions contributed to the increase in value as the average market price for 8–10 pound whole fish Atlantic salmon increased by 8.7 per cent from \$5.28 per pound in 2024 to \$5.73 per pound in 2025.

Aquaculture shellfish production consists primarily of blue mussels, with limited production of oysters. In 2025, shellfish production totalled 3,265 tonnes, an increase of 8.0 per cent compared with 2024. Its corresponding market value increased by 11.7 per cent to \$21.0 million. Market prices for mussels increased from an average of \$2.21 per pound in 2024 to \$2.73 per pound in 2025.

Processing and Marketing

In 2025, there were 88 licensed fish processing plants in the province, on par with 2024. Products from these plants are largely sold in international markets.

The value of Newfoundland and Labrador’s international seafood product exports reached a record high of \$1.7 billion in 2025, an increase of 28.7 per cent compared with 2024. This reflected an increase in wild fishery landings and aquaculture production, as well as higher market prices for snow crab and salmon. Seafood products from Newfoundland and Labrador were sold to markets in 38 countries in 2025, with the U.S. remaining the largest export market, representing 71.9 per cent of the total export value. China continued as the second-largest export market, accounting for 12.7 per cent. Other markets included the United Kingdom (3.1 per cent), Denmark (2.1 per cent), Japan (1.9 per cent), and Vietnam (1.5 per cent).

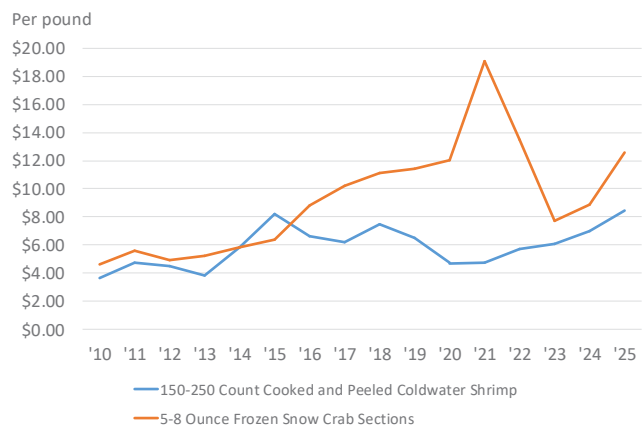


Butler family, Bonavista
Credit: Mark Gray

Market prices for snow crab increased significantly in 2025. The average market price for 5–8 ounce snow crab sections was \$12.55 per pound, an increase of 41.5 per cent from \$8.87 per pound in 2024 (see Figure 17). Market prices for 150–250 count cooked and peeled inshore shrimp averaged \$8.74 per pound in 2025, an increase of 25.2 per cent compared with 2024.

Figure 17: Shrimp and Snow Crab Average Market Prices

2010-2025



Source: Urner Barry, Gemba Seafood Consulting A/S, Bank of Canada

2026 Outlook

- The volume of fish landings in Newfoundland and Labrador is expected to increase in 2026, as groundfish landings are anticipated to rise.
- The snow crab TAC for Newfoundland and Labrador was set at 61,004 tonnes for 2026, a 3.0 per cent decline compared with 2025.
- Fisheries and Oceans Canada's latest annual assessment shows that the Northern cod stock is healthy and is expected to continue growing over the next three years under current catch levels.
- Aquaculture production is expected to be supported by the development of new sites and ongoing expansion activity.
- As of March 1, 2026, China's 25 per cent tariff on some Canadian seafood product exports, such as snow crab and lobster, was removed for the remainder of the year. However, the 25 per cent tariff remains on shrimp, sea cucumber, and whelk.

The provincial forestry industry continued to operate under challenging market conditions in 2025. Total newsprint production fell from 2024 levels, and preliminary data indicate that lumber production also recorded a decrease. These declines reflect both market and operational pressures. Additionally, a spruce budworm infestation and an unusually active wildfire season affected both newsprint and lumber operations.

Newsprint

Corner Brook Pulp and Paper Limited (CBPPL), a subsidiary of Kruger Inc., operates the province's only newsprint mill and employs about 400 workers across its mill, power plants, and forest operations. In 2025, newsprint production totalled approximately 158,494 tonnes, down 20.6 per cent from 2024. The mill halted operations for three weeks in August because of extreme wildfire conditions and again in November following a severe drought that reduced water levels at the Grand Lake reservoir.

The value of international newsprint exports totalled \$110.4 million in 2025, a decrease of 23.5 per cent compared with 2024. In recent years, India has overtaken the U.S. as the top export destination for the province's newsprint exports. This shift continued in 2025, with the U.S. share falling below 1.0 per cent. In 2025, India, the United Kingdom, Mexico, and Israel were the primary destinations for newsprint exports and accounted for over 60 per cent of international exports of newsprint from the province.

The average newsprint price in the U.S. market was US\$781 per tonne in 2025, nearly unchanged compared with 2024. Likewise, the average newsprint price in the Asian market was US\$542 per tonne in 2025, remaining similar to 2024.

Lumber

Newfoundland and Labrador's lumber is produced primarily by three large integrated sawmills: Sexton Lumber Co. Ltd., Burton's Cove Logging and Lumber Ltd., and Cottle's Island Lumber Company Ltd. Together,



Lumber drying kilns at Burton's Cove Logging and Lumber
 Credit: Department of Forestry, Agriculture and Lands

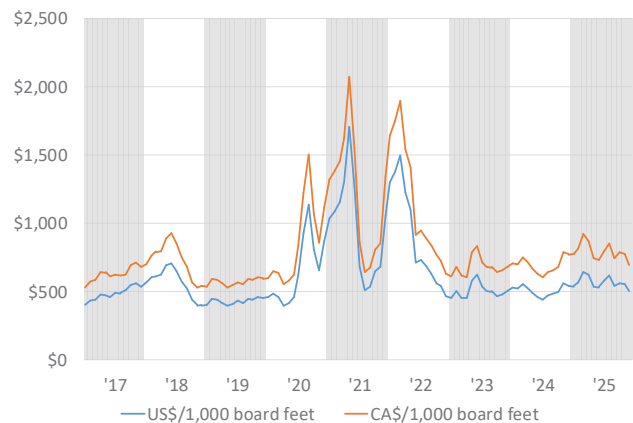
they represent nearly 95 per cent of the province's lumber production. Preliminary lumber production estimates were approximately 100 million board feet in 2025, compared with 105.5 million board feet in 2024. Operations were impacted by restrictions resulting from extreme forest fire conditions. Fortunately, timber losses from forest fires are expected to be minimal in commercial forest areas. The average lumber price in 2025 increased to US\$567 per thousand board feet, compared with US\$506 per thousand board feet in 2024 (see Figure 18).

Higher interest rates in Canada and the U.S. slowed housing starts in recent years and dampened lumber demand in 2025, while tariffs added further uncertainty for the lumber industry. The market outlook in the U.S. is important for sawmills in the province, as a significant share of production is

shipped to states along the U.S. East Coast. The value of international lumber exports from the province totalled \$28.8 million in 2025, an increase of 28.8 per cent compared with 2024.

Figure 18: Lumber Prices

Canadian and U.S. Dollars, Monthly, 2017-2025



Note: Price is for Kiln Dried Eastern Spruce-Pine-Fir # 1&2 2x4 R/L - Delivered Great Lakes
 Source: Random Lengths Weekly Pricing; Department of Energy and Mines; Bank of Canada; Department of Finance

2026 Outlook

- Annual newsprint prices in the U.S. market are expected to average US\$785 per tonne in 2026, compared with US\$781 per tonne in 2025. In the Asian market, an average of US\$525 per tonne in 2026 is expected, compared with US\$542 per tonne in 2025.
- Provincial lumber production is projected to reach approximately 110 million board feet in 2026, an increase of approximately 10 per cent from 2025.
- North American lumber prices are expected to average US\$500 per thousand board feet in 2026, a decrease of 11.8 per cent from 2025, reflecting limited growth in U.S. residential investment due to elevated mortgage rates.

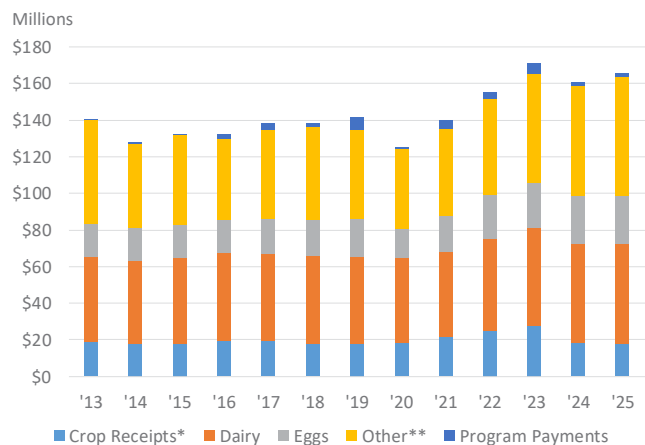
The agriculture industry in Newfoundland and Labrador features operations ranging from small mixed farms to large dairy and poultry farms. Livestock and livestock products, such as dairy, chicken, eggs, cattle, and calves, are estimated to account for around 85 per cent of the total value of farm cash receipts in 2025. The remaining value of farm cash receipts was derived from crops and program payments, such as crop insurance.

Farm Cash Receipts

Farm cash receipts represent the cash income received from the sale of agricultural commodities, as well as direct program payments made to support the agriculture sector. In 2025, farm cash receipts in the province totalled \$165.7 million (excluding cannabis), an increase of 2.9 per cent compared with 2024 (see Figure 19). Livestock and livestock product receipts increased by 3.7 per cent to \$145.8 million, driven mainly by higher sales of dairy, eggs, lambs, cattle, and calves. Crop receipts decreased by 1.7 per cent to \$18.2 million (excluding cannabis), primarily reflecting lower sales of fruits and vegetables. Direct payment receipts decreased by 10.9 per cent to \$1.8 million, mainly due to lower payments under the Agri-Stability Program.

Figure 19: Farm Cash Receipts

Newfoundland and Labrador, 2013-2025



* Excludes cannabis

** Includes cattle, calves, sheep, lambs and miscellaneous livestock and livestock products

Source: Statistics Canada; Department of Finance

Other supplemental data available for agricultural production in Newfoundland and Labrador include:

- Data from the Chicken Farmers of Canada indicate that the volume of chicken produced in the province totalled 18.4 million kilograms in 2025, an increase of 4.0 per cent compared with 2024.



Locally grown tomatoes
Credit: Department of Forestry, Agriculture and Lands

- The volume of milk sold by Newfoundland and Labrador farms in 2025 remained on par with 2024, totalling 48,696 kilolitres.³ The corresponding value of milk production increased by 0.3 per cent to \$54.1 million, due to slightly higher prices.
- International exports of raw mink fur skins were valued at \$4.3 million in 2025, a decrease of 31.8 per cent from 2024. The top market destinations for Newfoundland and Labrador mink fur were Finland (61.5 per cent) and the U.S. (33.4 per cent).

Farm Input Costs

Although farmers continued to face rising input costs last year, these pressures have moderated significantly compared to the sharp increases seen earlier in the

decade. The farm input price index grew by 1.7 per cent in 2025. Input cost growth was driven mainly by higher prices for machinery and motor vehicles, as well as increased livestock purchase costs – primarily for cattle – and higher crop production insurance and stabilization premiums. Elevated cattle prices continue to reflect reduced North American herd sizes, which have been constrained in recent years by drought conditions and other environmental challenges.

Agriculture Programs and Funding

The Government of Newfoundland and Labrador, often in partnership with the Government of Canada, offers a range of funding programs to support agricultural development, innovation, and food self-sufficiency across the province.

³ Milk production in Newfoundland and Labrador operates under a supply-management system administered by the Dairy Farmers of Newfoundland and Labrador, which regulates production quotas, licensing, and minimum farm-gate prices under the province's 'Milk Regulations, 1998'. This system helps to ensure stable farm incomes and predictable local supply.

The Sustainable Canadian Agricultural Partnership (Sustainable CAP) is a major five-year (2023–2028) initiative valued at \$3.5 billion nationally, providing funding to strengthen competitiveness, innovation, and resiliency in the agriculture and agri-food sector. The newly announced 2025-26 Canada–Newfoundland and Labrador AgriRecovery Forage Assistance Initiative, which operates under Sustainable CAP on a 60:40 federal-provincial cost-shared basis, provides financial support to livestock producers who incurred extraordinary costs to purchase and transport animal feed due to the 2025 drought, which significantly reduced forage production across the province. The program targets producers of dairy cattle, beef cattle, sheep, and goats, all of whom rely heavily on forage crops to feed their herds.

Additional programs include the Provincial Vegetable Transplant Program, which supplies low-cost, high-quality vegetable transplants to commercial farmers to increase yields and encourage earlier harvests, the Provincial Farm Equipment Leasing Program, giving farmers access to government-owned machinery to help reduce overhead, maintenance, repair, and storage costs for both established and new entrants, and the Provincial Agrifoods Assistance Program (PAAP), which supports both existing farmers and new entrants

through funding for land development and agricultural infrastructure. PAAP prioritizes projects that advance food self-sufficiency, sector growth, and secondary processing and allows new entrants to access up to \$20,000 in infrastructure funding.

Beyond these core programs, Newfoundland and Labrador participates in federal–provincial risk-management initiatives under Sustainable CAP – including actions such as AgriStability, AgriInsurance, and AgriInvest – which help producers manage income volatility, natural perils, and on-farm investments. These programs collectively aim to strengthen agricultural capacity, expand production, and enhance long-term sustainability across Newfoundland and Labrador’s agri-food sector.

2026 Outlook

- Farm cash receipts are expected to increase 5.1 per cent to approximately \$172.4 million (excluding cannabis) in 2026, driven mainly by continued strength in the livestock sector.
- Farm input costs are expected to rise further in 2026, reflecting nationwide increases in chemical, labour, and equipment expenses.

- The ongoing conflicts in Ukraine and the Middle East are expected to continue influencing global oil markets, potentially impacting nitrogen and phosphate fertilizer prices and other key agricultural inputs.
- The Government of Newfoundland and Labrador will continue its efforts to enhance food self-sufficiency in the province and expand available land for agricultural production.
- Support for the advancement and competitiveness of all agricultural commodities will be maintained through professional extension services, local research, and program support.

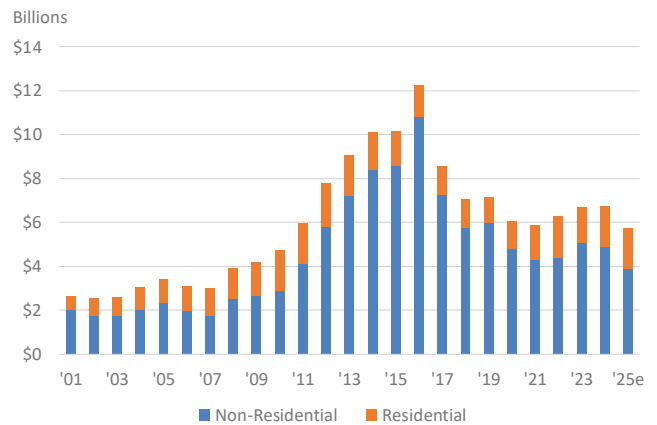
A significant portion of activity in the province’s construction industry is closely tied to major project development, particularly in the non-residential sector. As such, construction activity can fluctuate significantly from year to year depending on major project timelines. In 2025, the non residential sector continued to benefit from construction on the West White Rose oil project and the Valentine Gold Mine as they approached completion.

Construction-Related Investment

Construction-related investment in the province was estimated to be approximately \$5.8 billion in 2025, a decrease of 14.2 per cent from the previous year (see Figure 20).

Investment in non-residential construction spending (e.g., mine development, commercial buildings etc.), which accounts for most construction-related investment in the province, was \$3.9 billion in 2025, a decrease of 20.2 per cent compared with 2024.

Figure 20: Construction-Related Investment
Newfoundland and Labrador, 2001-2025e



e: estimate
Source: Statistics Canada; Department of Finance

The decline in non-residential construction investment was partially attributable to construction activity winding down on the West White Rose oil project. Construction activity also declined as work at the Valentine Gold Mine transitioned from the construction phase to the operations phase. In September 2025, Valentine poured its first gold and remains on track to ramp up to nameplate capacity by the second quarter of 2026 (see **Mining**).

The Department of Finance estimates that residential construction investment (e.g., construction of new homes and renovations of existing homes) increased by 1.6 per cent in 2025. Expenditures on new dwellings decreased by 2.2 per cent, while spending on renovations increased by 2.6 per cent. The decline in spending on new dwellings is consistent with the 6.2 per cent drop in housing starts in 2025 (see **Real Estate**).

Employment and Wages

Employment in the construction industry averaged 18,200 persons in 2025, a decrease of 1,600, or 8.1 per cent, compared with 2024 (see Figure 21). Weekly earnings (including overtime) in the construction industry averaged \$1,528.16, a decrease of 2.2 per cent. Although this was lower

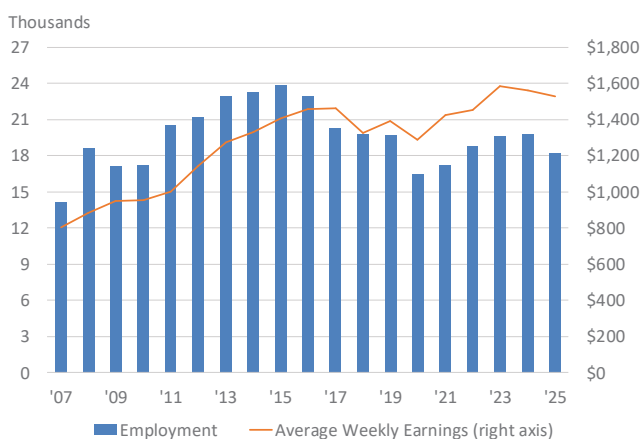
than the national average, average weekly earnings in the local construction industry were still substantially higher than those in other provinces in Atlantic Canada.

2026 Outlook

- Total construction-related capital spending is expected to decrease by 5.2 per cent to \$5.5 billion in 2026, with the conclusion of construction activities associated with the West White Rose project and the Valentine Gold Mine.
- Employment in the construction industry is expected to be supported by the expansion and upgrading of the Bay d'Espoir hydroelectric facility and by construction activity in the mining sector.
- Ongoing infrastructure projects, as well as road maintenance and repairs, will continue to contribute to construction activity.

Figure 21: Construction Employment and Average Weekly Earnings

Newfoundland and Labrador, 2007-2025



Source: Statistics Canada; Department of Finance

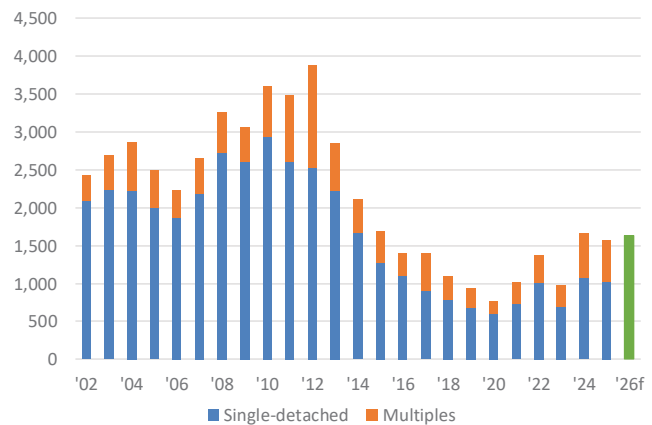
Despite a modest decline in new housing starts in 2025, the housing market in Newfoundland and Labrador remained strong due to higher resale prices and strong sales in the residential resale market. High demand and a low supply of homes for sale fuelled the resale market, pushing up home prices and sales. The residential rental market remained tight in 2025, as vacancy rates were exceptionally low and average rent costs increased. In the commercial sector, office vacancy rates were high in 2025, while overall office rental rates remained largely unchanged from 2024.

Housing Starts

New home construction declined to 1,568 housing starts in the province in 2025, a decrease of 6.2 per cent compared with 2024 (see Figure 22). Single-detached housing starts, which typically account for the majority of total starts in the province, declined by 5.0 per cent to 1,021 units, while the number of multiple-unit starts (i.e., semi-detached homes, row homes, and apartments) fell by 8.4 per cent to 547 units.

Figure 22: Housing Starts

Newfoundland and Labrador, 2002-2026f



f: forecast
Source: Canada Mortgage and Housing Corporation; Department of Finance

Housing starts declined in rural areas of the province, while new home construction increased in urban areas. Rural housing starts decreased by 33.6 per cent, from 658 to 437 units, while urban housing starts increased by 11.5 per cent, from 1,014 to 1,131 units. In the St. John's Census Metropolitan Area (CMA), the largest housing market in the province, housing starts increased by 19.1 per cent, from 871 units in 2024 to 1,037 units in 2025. Single-detached housing starts for the St. John's CMA increased from 548 to 652 units, while the number of multiple-unit starts rose from 323 to 385 units.



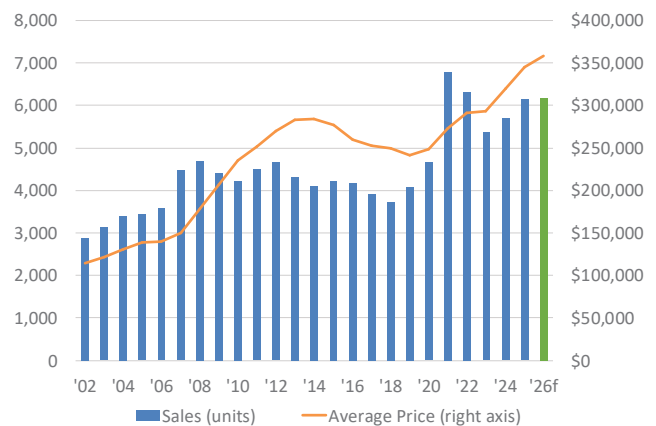
New home construction in St. John's
Credit: Department of Finance

Residential Sales and Prices

In the residential resale market, strong demand due to continued population growth combined with limited supply contributed to an increase in home prices. According to the Canadian Real Estate Association's Multiple Listing Service (MLS®), the average annual home price increased by 7.9 per cent in Newfoundland and Labrador, rising from \$319,619 in 2024 to \$344,826 in 2025 (see Figure 23). Despite this increase, the average home price remained the lowest of all provinces. By contrast, the average price of a home was \$953,314 in British Columbia, \$835,467 in Ontario, and \$679,543 in Canada overall. Despite higher home prices and low supply, sales activity remained strong, with a total of 6,138 homes sold in

Figure 23: Residential MLS® Sales and Average Price

Newfoundland and Labrador, 2002-2026f



f: forecast
Source: Canadian Real Estate Association; Department of Finance

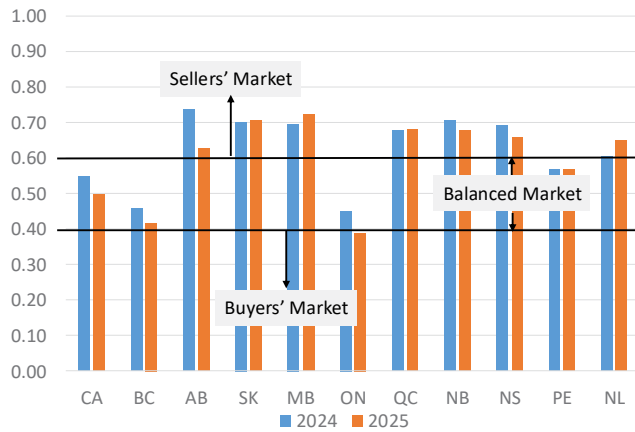
the province in 2025, an increase of 7.9 per cent compared with 2024.

The home sales-to-new listings ratio is a widely used indicator of housing market conditions.⁴ In Newfoundland and Labrador, the sales-to-new listings ratio increased

⁴ A housing market is generally considered balanced when the sales-to-new listings ratio falls in the range of 40 per cent to 60 per cent. A ratio below 40 per cent indicates a buyers' market, while a ratio above 60 per cent indicates a sellers' market.

Figure 24: Home Sales-to-New Listings Ratio

Canada and Provinces, 2024-2025



Source: Canadian Real Estate Association

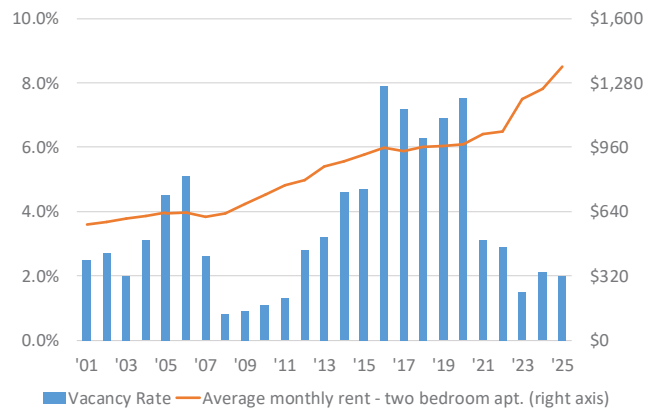
from 60.4 per cent in 2024 to 65.1 per cent in 2025, indicating a further shift into the category of a “sellers’ market” (see Figure 24). This contrasts with the national sales-to-new listings ratio, which decreased from 54.7 per cent in 2024 to 49.7 per cent in 2025. The provinces with the largest drop in the sales-to-new listings ratio were Alberta (from 73.6 to 62.8 per cent) and Ontario (from 45.0 to 38.8 per cent).

Rental Market

Limited supply and population growth have tightened vacancy rates in the residential rental market in recent years. According to the Canada Mortgage and Housing Corporation’s Rental Market Survey, the residential vacancy rate for private apartments in Newfoundland and Labrador

Figure 25: Residential Market Vacancy Rates and Average Rent

St. John’s CMA, 2001-2025



Source: Canada Mortgage and Housing Corporation’s Rental Market Survey

increased from 1.8 per cent in October 2024 to 2.1 per cent in October 2025.⁵ In the St. John’s CMA, the vacancy rate for apartments was 2.0 per cent in 2025, a decrease of 0.1 percentage points compared with 2024. This was the second-lowest vacancy rate recorded in the St. John’s CMA since 2011 (see Figure 25). The vacancy rate for private apartments in October 2025 was 1.0 per cent in Corner Brook and 1.2 per cent in Gander.

Consistent with low vacancy rates, the average monthly rent for a two-bedroom apartment in the province continued to increase, rising from \$1,109 in October 2024 to \$1,208 in October 2025. Nonetheless, this was lower than in other Atlantic provinces in 2025: \$1,711 in Nova Scotia, \$1,368 in New Brunswick, and \$1,293 in

⁵ The Rental Market Survey is an annual survey conducted each October in urban areas with populations of at least 10,000 and targets the primary rental market, which only includes rental units in privately initiated apartment structures with at least three rental units.

Prince Edward Island. In the St. John's CMA, average rent for a two-bedroom apartment was \$1,361 in October 2025, an increase of 8.9 per cent from 2024.

Commercial

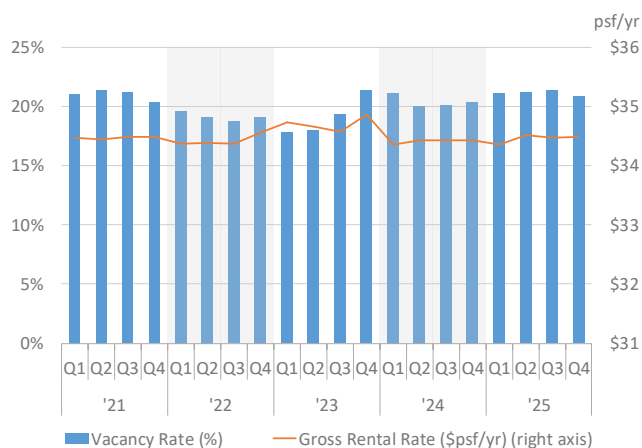
In 2025, the St. John's office rental market continued to operate under high vacancy rates and modest rent growth. The overall office vacancy rate for St. John's averaged 21.1 per cent in 2025, an increase of 0.7 percentage points compared with 2024 (see Figure 26). Downtown St. John's continued to experience significantly higher vacancy rates than suburban areas. During the fourth quarter of 2025, the downtown St. John's vacancy rate was 31.0 per cent. The average gross rental rate for office space in St. John's was \$34.46 per square foot per year in 2025, essentially unchanged from 2024.

2026 Outlook

- Housing starts are forecast to be 1,629 units in 2026, an increase of 3.9 per cent compared with 2025.
- The Canadian Real Estate Association forecasts residential sales in the province to be 6,183 units, a rise of 0.7 per cent compared with 2025. The average resale price is forecast to increase 4.0 per cent to \$358,476.

Figure 26: Office Vacancy and Rental Rates

St. John's NL, Quarterly, 2021-25



psf/yr: per square foot per year
Source: Cushman & Wakefield Atlantic

The tourism sector in Newfoundland and Labrador supports economic activity across every region of the province. Tourism encompasses both non-resident travellers arriving by air, ferry, or cruise ship and residents participating in tourism related activities within Newfoundland and Labrador.

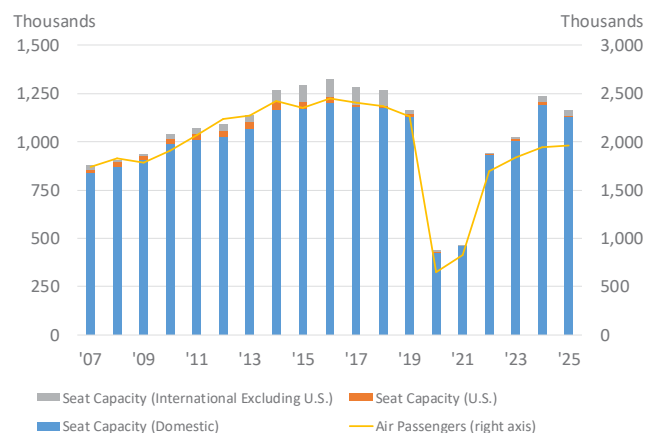
Most tourism performance indicators point to a successful year in 2025. It is estimated that non-resident air and auto visitation reached 459,700 visitors, an increase of 3.7 per cent compared with 2024. Non-resident air and auto visitation spending is estimated at \$606.5 million, a rise of 3.3 per cent from 2024. The cruise ship industry also had a very successful year, with the longest season in Newfoundland and Labrador’s history.

Air Visitors

Air travel continues to be the primary mode of entry for non-resident visitors to the province. In 2025, it accounted for an estimated 73.3 per cent of total non-resident tourism spending (excluding cruise visitation spending). Approximately 338,230 non-resident visitors arrived by airplane in 2025, an increase of 1.6 per cent compared with 2024.

Inbound non-stop seat capacity for 2025 decreased by 5.5 per cent compared with 2024 (see Figure 27). Boarding and deplaning traffic at the province’s major airports is estimated to have reached 2.0 million passengers in 2025, representing an increase of 0.8 per cent over 2024.⁶

Figure 27: Air Passengers and Seat Capacity
Newfoundland and Labrador, 2007-2025



Notes: Passengers are boarding and deplaning; seat capacity is in-bound only
Source: Department of Tourism, Culture, Arts and Recreation

⁶ Newfoundland and Labrador has six major airports, located in St. John’s, Gander, Deer Lake, St. Anthony, Wabush and Happy Valley-Goose Bay. However, data for Wabush has not been available since April 2023.



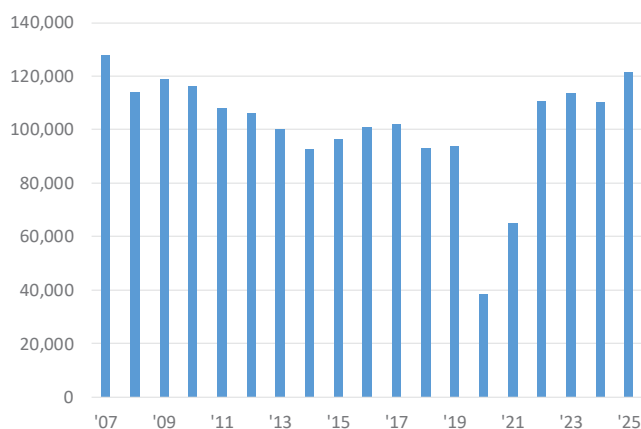
Port Rexton
Credit: Department of Tourism, Culture, Arts and Recreation

Automobile Visitors

In 2025, 380,100 passengers travelled on Marine Atlantic ferries, an increase of 5.7 per cent. The number of non-resident automobile visitors travelling to the province was estimated at 121,500 for 2025, a gain of 9.9 per cent from 2024 (see Figure 28).

Figure 28: Non-Resident Automobile Visitors

Newfoundland and Labrador, 2007-2025



Source: Department of Tourism, Culture, Arts and Recreation

Cruise Ship Visitors

In 2025, Newfoundland and Labrador experienced a record-breaking cruise season, marking the longest operating schedule in its history. There were more than 180 cruise ship calls across 24 different ports between January and October.

Accommodations

The preliminary provincial accommodation occupancy rate was 54.8 per cent for the January to October 2025 period, on par with the same period of 2024. The average daily rental rate was \$185 per room for the January to October 2025 period, an increase of 8.2 per cent compared with the same period of 2024. The number of room nights sold was 1.4 million, a decrease of 1.5 per cent, while the associated room revenue totalled \$266 million, an increase of 6.6 per cent compared with the January to October 2024 period.

Conventions and Events

In 2025, preliminary data indicate that business events brought 30,395 delegates to St. John's (data only available for this region), an increase of approximately 39 per cent from 2024. Room nights associated with conventions and events reached 42,896 in St. John's, an increase of approximately 24 per cent over 2024, driven by the accommodation of delegates and visitors for the 2025 Canada Games.

The 2025 Canada Games were held in St. John's from August 8 to 25, generating positive economic impacts. According to Sport Tourism Canada, approximately \$40.1 million in visitor spending and 642 local jobs were linked to the games. Leading up to the events, expenditures on capital projects for new and upgraded facilities totalled almost \$70 million, which will support future sporting events for years to come. Overall, it is estimated that hosting the 2025 Canada Games contributed approximately \$92.4 million to Newfoundland and Labrador's GDP.

Connecting with Travellers

In 2025, Provincial Visitor Information Centres recorded approximately 114,600 visitors during the peak season of May to October, a decrease of 6.7 per cent compared with the same period of 2024.

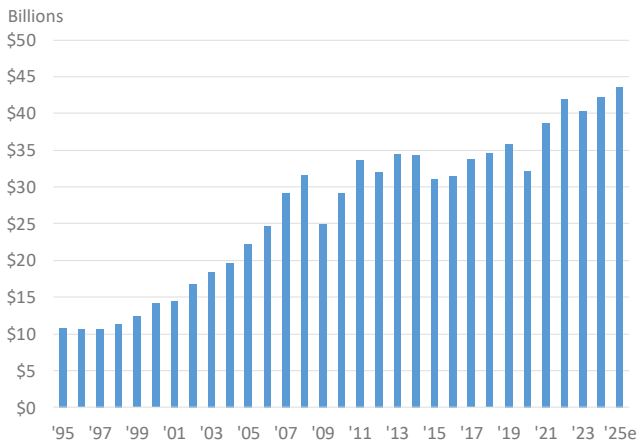
Across the network of provincial historic sites, visitation reached 107,600 in the May to October 2025 period, representing an increase of 12.4 per cent over 2024.

2026 Outlook

- Enhanced air access will remain important in 2026, with WestJet's expanded Gatwick service and new Dublin and Paris routes expected to strengthen connectivity, especially from Europe.
- Marine Atlantic is scheduled to add a new vessel, the Île Rouge, to its fleet in 2026. The vessel is expected to arrive in the province this summer and begin service in the fall.
- Cruise visitation is expected to maintain its robust growth trajectory, with additional ports and an expanding schedule of calls across the province.
- The outlook for conventions and events in St. John's remains positive, with activity pacing ahead of the national average for both the number of business events and projected delegate counts.

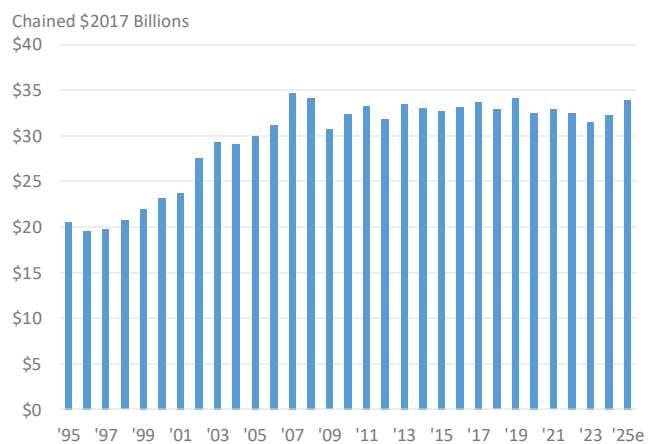
Statistical Indicators

Figure 29: Nominal Gross Domestic Product
Newfoundland and Labrador, 1995-2025e



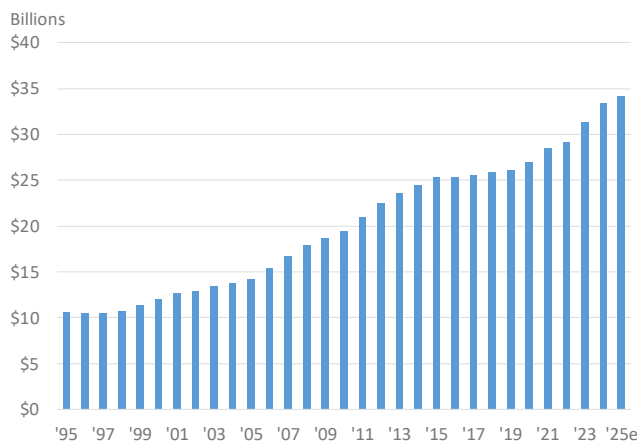
e: estimate
Source: Statistics Canada; Department of Finance

Figure 30: Real Gross Domestic Product
Newfoundland and Labrador, 1995-2025e



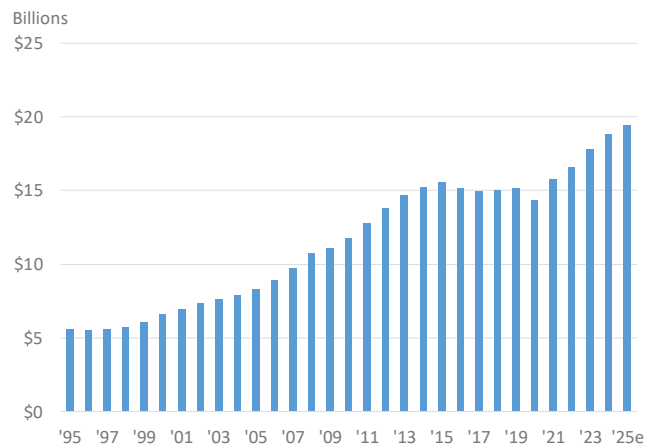
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Source: Statistics Canada; Department of Finance

Figure 31: Household Income
Newfoundland and Labrador, 1995-2025e



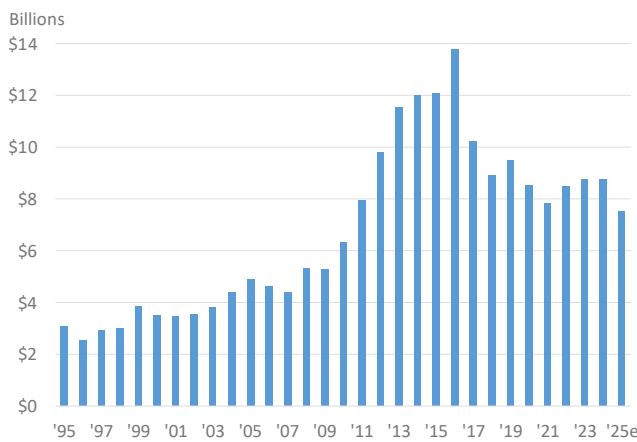
e: estimate
Source: Statistics Canada; Department of Finance

Figure 32: Compensation of Employees
Newfoundland and Labrador, 1995-2025e



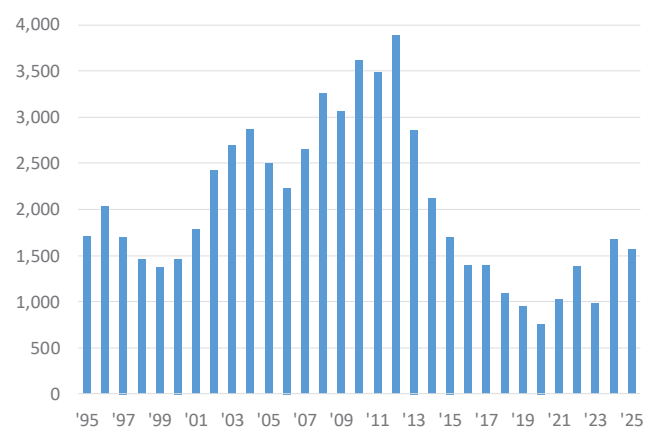
e: estimate
Source: Statistics Canada; Department of Finance

Figure 33: Capital Investment
Newfoundland and Labrador, 1995-2025e



e: estimate
Source: Statistics Canada; Department of Finance

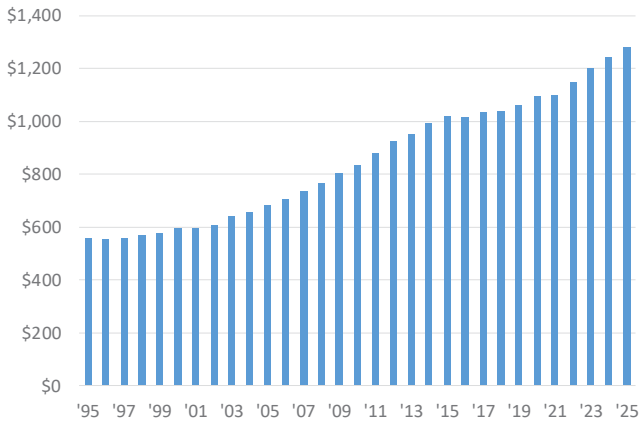
Figure 34: Housing Starts
Newfoundland and Labrador, 1995-2025



Source: Canada Mortgage and Housing Corporation; Statistics Canada

Figure 35: Average Weekly Earnings

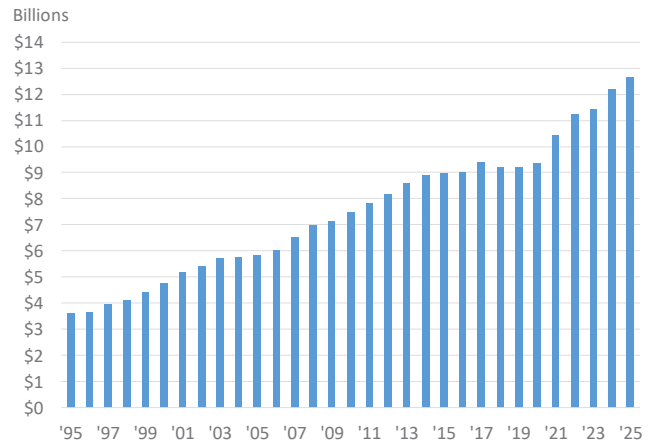
Newfoundland and Labrador, 1995-2025



Source: Statistics Canada

Figure 36: Retail Sales

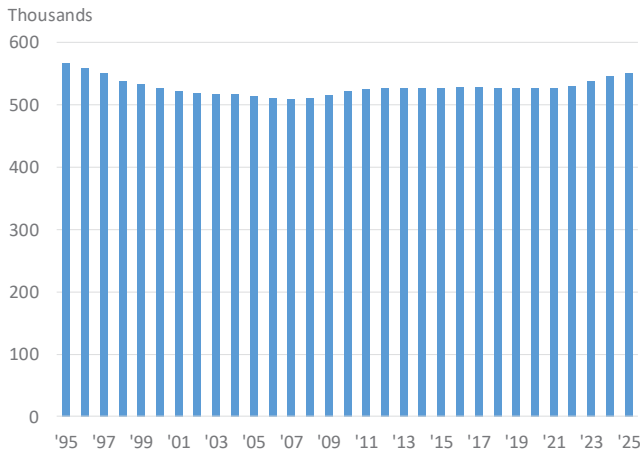
Newfoundland and Labrador, 1995-2025



Source: Statistics Canada

Figure 37: Population

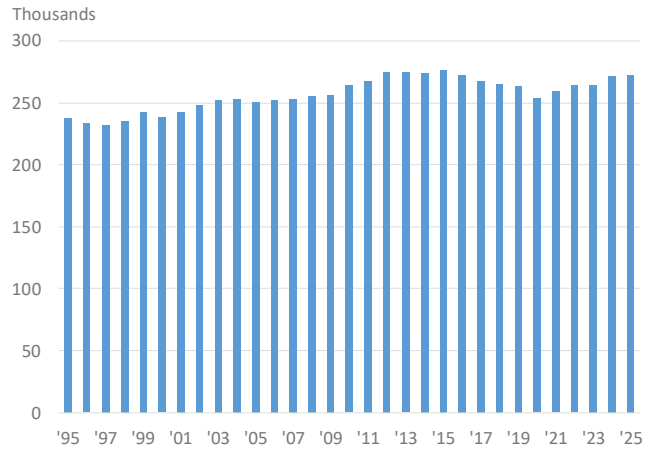
Newfoundland and Labrador, 1995-2025



Source: Statistics Canada

Figure 38: Labour Force

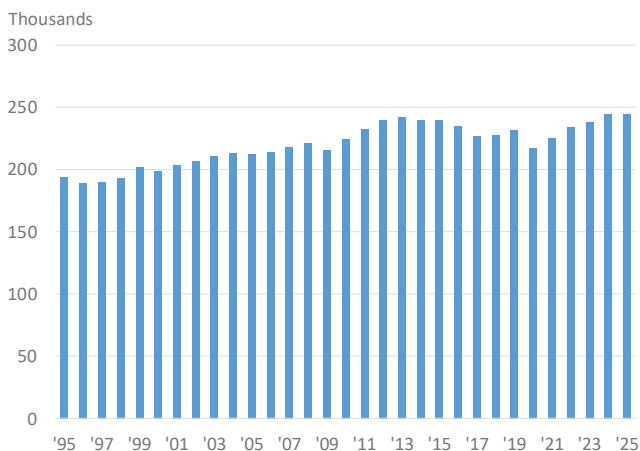
Newfoundland and Labrador, 1995-2025



Source: Statistics Canada

Figure 39: Employment

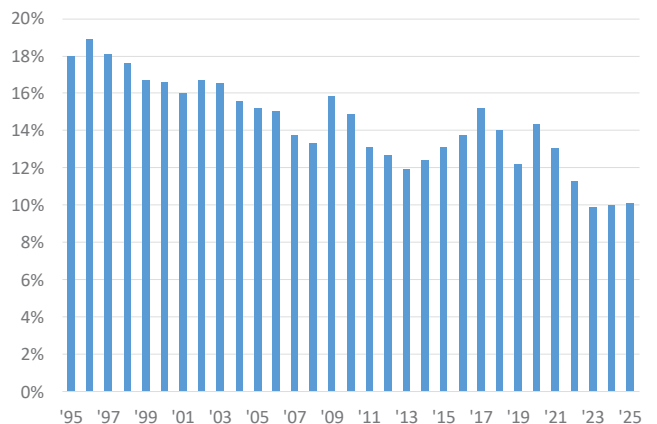
Newfoundland and Labrador, 1995-2025



Source: Statistics Canada

Figure 40: Unemployment Rate

Newfoundland and Labrador, 1995-2025



Source: Statistics Canada

