

# NEWS RELEASE

## Nova Scotia's private sector underperforms the rest of the country—ranks last among all Canadian provinces in private sector investment

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For immediate release

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

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

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

Nova Scotia ranked 7<sup>th</sup> on small business start-ups, a key measure of entrepreneurship.

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

Nova Scotia's private sector employment relative to total employment ranked 6<sup>th</sup> at 63.6 per cent. All four Atlantic provinces had below-average shares of private sector employment as a share of total employment in 2019.

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

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