Towards a New Canadian Model of Immigration: A View from Atlantic Canada

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Canada's demographic future means that immigration can no longer be treated as solely an admissions system. In an era of zero natural population growth, immigration becomes the central organizing logic of national policy development. This has been the case in Atlantic Canada for many years. As this article demonstrates, Atlantic Canada's immigration experience is a test case for developing a coordinated approach to immigration that Canada will need. What Atlantic Canada has learned is that treating immigration as the organizing logic of development policy requires focusing less on immigration as an intake volume. Rather, immigration must be considered as a circumscribing social capacity plan. To facilitate this transition, Canada must first institute national standards for credential and skill certifications; second, develop a national employer engagement strategy to prepare workplace hiring and integration practices; and third, recognize that regionally sensitive immigration floors need to be established and supplemented by cross-provincial settlement support plans.

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In 2012, Jeffrey Reitz wrote that "Canadian immigration policy is most fundamentally about numbers" (p. 520). The "Canadian model" of immigration policy, Reitz continued, was a "mass migration policy." The year 2012 was also a year of population growth largely driven by immigration.

In 2026, Canada is looking down an era of zero natural population increase. As of early 2026, Canada is expecting its first annual net decline in residents since Confederation (Statistics Canada, 2026a).

In this context, immigration success is no longer a matter of admissions. Rather, the 'Canadian model' of immigration that Reitz once described as 'mass immigration' now assumes a more well-rounded significance. Immigration is no longer simply one component of economic or population policy, but it is increasingly the condition under which all economic and social support must be addressed. Where we previously asked immigration questions like 'How many people should we admit?' in today's zero-based natural population scenario, we instead must ask, "Under what conditions can immigration successfully sustain the country's long-term economic and social capacity?" What was once a quantitative population question must now be considered at the center of all Canadian long-term developmental capacity and planning.

This has been the case in Atlantic Canada for many years. As this article demonstrates, Atlantic Canada's immigration experience is a test case for developing a coordinated approach to immigration that Canada will need. Far from treating Atlantic Canada as a regional exception, we must learn from its recent economic history amidst population

decline to learn how to best support immigration not as a standalone policy, but as a holistic approach to national development. From this perspective, the Atlantic Canadian experience with immigration is not a simple story of specific regional challenges or anomalies, but rather offers broader lessons about the local conditions under which national policies come to ultimately succeed or fail. While large metropolitan regions can often sustain immigration through scale and labour market depth alone, Atlantic Canada, in contrast, exposes the social capacity planning necessary for immigration to translate into durable demographic and economic renewal and revitalization in a zero-natural population increase future.

The ultimate insight that Atlantic Canada's experience provides is that policy perspective needs to move from immigration as an arrival statistic to immigration as a holistic economic capacity development plan. Put another way, treating immigration as the organizing logic of development policy requires focusing less on immigration as an intake volume. Rather, immigration must be considered as a circumscribing social capacity plan. To facilitate this transition, Canada must first institute national certifications and regulations for newcomer skills; second, develop a national employer engagement strategy to prepare hiring and integration practices; and third, recognize that regionally sensitive immigration floors need to be established and supplemented by cross-provincial settlement support plans. Ultimately, this view from Atlantic Canada suggests that to prepare for a zero-growth natural population future, we must recognize that immigration does not end upon arrival in Canada but begins there.

Canada's Demographic Reality

In the past, immigration has been used to supplement Canadian population growth and economic growth. Its role has been shaped in relation to labour shortages and skill gaps within Canada's economy. The Provincial Nominee Program, the Temporary Foreign Worker Program, and the Atlantic Immigration Program all reflect this imperative to align targeted immigration pathways to supplement regional and local labour market needs.

However, the conditions of domestic population growth that underpinned this approach to immigration are now rapidly changing. Statistics Canada forecasts negative natural growth starting in 2031 and continuing every year to 2074 (2026b). The increase in population came entirely from international migration. Moreover, this trend is deepening. Canada is expecting its first annual net decline in residents in 2026 since Confederation, and deaths have now outpaced births since the first quarter of 2022 (Statistics Canada, 2026a; 2026b).

This demographic reality has drastic consequences for how we perceive immigration and economic development policy. As Drummond & Mahboubi (2026) point out, Canada is increasingly entering a demographic maintenance economy rather than a demographic growth economy. Despite potential downturns in employment and GDP metrics over the short term, "nothing here says the economy is broken… It's adjusting to a different demographic reality" (Drummond & Mahboubi, 2026; see also Hiebert & Mahboubi, 2025). In this context, immigration transcends its previous role as a supplementary economic strategy. In an era of zero natural population increases, immigration instead becomes a primary mechanism through which Canada organizes its future.

This has been the case in Atlantic Canada for many years. The region has long faced some of the country's most acute demographic challenges, including high average age, outmigration, and persistent labour shortages (see Maher &

Sharpe, 2024). Rather than just a regional story in demographic challenges, however, Atlantic Canada's experience provides an early view of the demographic conditions increasingly confronting Canada as a whole. In this context, Atlantic Canada's own immigration experience, including both its challenges and its adjustments, offers lessons for a new Canadian model of immigration that changes its conception of immigration from a standalone policy to its central developmental logic.

Atlantic Canada's Immigration Experience

On one level, immigration to Atlantic Canada brings definitively positive returns to both immigrants and to local economic and social development. Using the University of Toronto's FOCUS macroeconomic model, Dungan et al. (2024) simulated an increase of 10,000 net immigrants per year to Atlantic Canada, matched by proportional national growth. By year ten, real GDP rose by 4.22%, employment by 4.41%, and GDP per capita by 0.6%, with no increase in unemployment. Moreover, this potential for immigration to enhance Atlantic Canada's economic performance is reinforced by the fact that immigrants have higher labour force participation rates, lower unemployment rates, and earn higher labour incomes than non-immigrants in the region (Akbari, 2011; Akbari & Haider, 2018).

However, these macroeconomic returns to the Atlantic Canadian economy represent only one side of the story. As Dungan et al. (2024) contend, these positive outcomes are not generated by immigration alone. Rather, they depend on complementary physical capital investment and the successful integration and retention of immigrant workers over time. More than total admissions, integration into regional labour markets and communities is the key determinant of immigrant success (Ramos & Yoshida, 2011; Ramos & Bennett, 2019). There are at least three key domains of newcomer integration success that the Atlantic region has offered.

1. Barriers to Meaningful Employment Opportunities

The first is access to meaningful employment. Survey findings indicate that a lack of meaningful employment is the most cited reason for immigrants to move away from the Atlantic provinces (Fang et al., 2018; Fang et al., 2021). Without opportunities in preferred professions, skilled immigrants are either funneled into underemployment where they are overqualified (see Wald & Fang, 2008), such as in the low-pay service occupations, or forced to move to other regions of Canada altogether, alienated from their much-needed potential contributions to the Atlantic region (Hou et al., 2021).

This lack of employment opportunity to newcomers, however, is not due to a lack of skills. In the contrary, immigrants tend to be highly skilled and more educated relative to their domestic counterparts (Akbari, 2011; Akbari & Haider, 2018). Recent survey evidence indicates that 88% of employers in the Atlantic Provinces who hired immigrants have a favourable impression of them in terms of work ethic, high qualifications, and strong reliability (Fang et. al., 2021; Fang et al., 2022).

Rather than their actual job performance post-hiring, a significant reason that immigrants face longstanding barriers to accessing existing meaningful employment opportunities is biased employer hiring attitudes (Fang et al., 2021; Fang et al., 2022). Most Atlantic Canadian employers exhibit a clear preference for Canadian work experience over international experience and credentials. For recent newcomers, this lack of Canadian work experience poses a significant barrier to labour market entry. The result is that newcomers are often forced into employment for which they are overeducated and overqualified. Recent data suggests that only 44% of recent immigrants work in jobs matching their education, in contrast to 64% of the Canadian-born population (Akbar & Triandafyllidou, 2025).

2. Credential Non-Recognition

Immigrant underemployment is therefore not a result of a lack of skills, but rather a lack of employer trust in foreign credentials and foreign experiences. Less than on-the-job difficulties, immigrant underemployment is a function of inflexible employer hiring practices. Put simply, Atlantic Canadian employers do not value foreign credentials as they should.

On the contrary, this immigrant labour market alienation is enabled by limited Canadian credential recognition systems. Immigrants often face very long wait times to have their foreign education and credentials recognized to Canadian standards, largely due to a lack of unified industry standards or to strained processing capacity (Hawthorne, 2016; Houle & Yssaad, 2010). In this context, labour market discrimination becomes legitimized through information asymmetry and non-credential recognition (see Guo, 2009). This leaves newcomers vulnerable to a new form of labour market discrimination, statistical discrimination, whereby they are forced towards precarious work and underemployment. Consequently, when their income is insufficient to provide for individual and family needs, immigrants are compelled to consider relocation within Canada, despite intentions to stay in Atlantic Canada otherwise.

While immigration policy has maintained the goal of incorporating diverse international education and skills as essential backbones of local Canadian economic development-to fill labour and skill shortages in the short term, and enhance innovation and entrepreneurship in the long run, credential recognition processes and skill assessments still have not evolved to match this immigration strategy. In a context of employers who require Canadian work experience and a failing credential recognition system, an immigration strategy that remains at the center of development policy is left limited not by admissions numbers, but by surrounding labour market support.

3. Language Training and Social Networks

A second set of key enablers of immigration success has to do with settlement supports for language training and social networking. While highly skilled, many newcomers to Atlantic Canada struggle to participate fully in social and economic opportunities because of language barriers (Fang et al., 2023). These challenges are exacerbated by a lack of local settlement capacity for language training, where classes are limited in size or segmented across several agencies and often exceed their current capacity because of limited funding (Braun & Clément, 2023).

The economic impact of this social and cultural isolation is intensified further by employer hiring practices that often favour hiring through word-of-mouth and other network-based approaches rather than through digital or other more formal hiring practices (Fang et al., 2023). With few existing local social networks and few options for establishing them, immigrants are often left with underutilized skills and unsupported lives (Weerasinghe et al., 2016; Hynie et al., 2011). Immigrants are unable to capitalize on the quality-of-life advantages that Atlantic Canada offers, such as the relatively affordable housing markets, high quality of life, and access to secondary and post-secondary education opportunities. Without sufficient settlement supports that are supposed to enable economic success — without accommodating and supportive employer hiring practices, credential recognition services, or social networking opportunities — the existing Atlantic Canadian advantages may vanish.

In recognition of these outstanding challenges, Atlantic Canada has curated an intentional, cross-provincial Atlantic Growth Strategy for a coordinated path forward on immigration and economic development (see Atlantic Growth Strategy, 2018). Through these challenges, the region has learned how the economic success of immigrants is in large part determined and circumscribed by what were previously designated as ‘social’ determinants of living standards and employment (like credential recognition, language training, and social networking).

If Canadian immigration policy is to successfully address its increasing economic importance, then the 'Canada model ' can learn from the 'Atlantic model'. Without this fully-fledged perspective on immigrant success, Canada and its regions, facing the demographic reality, risk neglecting the full social and economic benefits of international immigration when they are needed most.

Learning from the Atlantic Model: Three Key Recommendations

a) Develop pan-Canadian standards for credential and skill recognition

First, Canada requires a coordinated national framework for credential and skill recognition. As the Atlantic Growth Strategy (2018) has identified, despite attempts to address widespread labour and skill shortages through immigration, many internationally trained workers continue to encounter fragmented licensing systems, inconsistent provincial standards, and delays in recognizing foreign credentials. Furthermore, as programs like the Atlantic Immigration Program have demonstrated, employers are most willing to recruit internationally when institutions provide coordinated support mechanisms and integration pathways.

Still, a more durable solution requires moving this program toward a nationally harmonized approach to certification and professional recognition. Such a framework reflects a government and non-governmental joint initiative that could build directly upon other Atlantic initiatives like the Atlantic Apprenticeship Harmonization Partnership, which already seeks to standardize training and certification systems for skilled tradespeople across the Atlantic provinces (see Government of Canada, 2017). In this sense, Atlantic Canada's existing partnerships offer a model for how Canada as a whole can work together to ensure that regulations and institutions do not constrain immigrant success, but enable it.

b) Develop a national employer engagement strategy

Second, Canada requires a national employer engagement strategy. Building from the Atlantic Growth Strategy's recognition that employers themselves are central actors in immigrant integration and regional development, this strategy is premised on firm-level engagement.

This follows the philosophy of the Atlantic Immigration Program, which recognized that immigration is effective when employers are directly involved not only in recruitment, but also in retention and settlement processes. Through initiatives like the Dedicated Service Channel (see Atlantic Growth Strategy, 2018, p. 5) or through expanded settlement partnerships, Atlantic employers were given institutional support to navigate hiring, settlement planning, and long-term workforce integration.

However, despite the building of these supports, many employers across Canada still perceive employer-engaged immigration pathways as a short-term labour replacement mechanism that is too burdensome, lengthy, and difficult to understand. A national employer engagement strategy would therefore formalize the collaborative approach pioneered in Atlantic Canada by encouraging businesses to participate in mentorship programs, workplace integration supports, credential transition initiatives, and regional retention efforts.

c) Plan for both regional sensitivity in both intake and settlement capacity

Third, Canada must adopt a more regionally sensitive approach to immigration intake and settlement planning that reflects differing local capacities and developmental priorities. Even the Atlantic Growth Strategy itself emerged from the recognition that Atlantic Canada faced distinct demographic and economic pressures that required tailored policy responses. Rather than applying a uniform model, the Strategy implicitly recognized that immigration policy must be tied directly to regional labour shortages, population growth, settlement capacity, and more.

This is a perspective that recognizes the fundamental intertwining between immigrant labour market outcomes and the social supports that circumscribe them, including housing availability, transportation and accessibility, settlement service capacity, and other community-integrated supports. This perspective is particularly important in rural and remote regions where population decline and labour shortages are most acute, but where absorptive capacity can also be more limited. Consequently, future Canadian immigration policy should move toward a more collaborative regional planning model in which immigration targets are coordinated alongside infrastructure development, workforce planning, and settlement capacity enhancement.

Conclusion

The key lesson that Atlantic Canada's experience proposes is that immigration policy is most effective when treated not simply as an admissions system, but as part of a broader national development framework. Ultimately, these three recommendations are only a start to preparing our country for the demographic challenges in the near future. Beneath these coordinated strategies, the view from Atlantic Canada suggests that in order to prepare for a zero-growth natural population future, Canada must fundamentally recognize that immigration does not end upon arrival in the country, but begins there.

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