



# CAPE BRETON Region Built on Coal Looks to Renewable Energy





The winding 300-kilometre Cabot Trail that loops around the rugged coastline of the northern tip of Cape Breton Island offers views of rolling green hills, steep cliffs and the vast expanse of the Atlantic Ocean. Originally known as Unama'ki by the Mi'kmaq, the island has seen significant turmoil over the years as the industries on which it once depended — steel, cod and especially coal — have declined.

The region, once synonymous with coal mining, seems to be on the cusp of another major change as the province moves toward phasing out coal-fired power plants by 2030 and generating 80 per cent of its electricity from renewable energy sources.

Coal is still used to generate about 40 per cent of the province's electricity, including at three generating stations on Cape Breton Island.

As part of its electricity transformation, the Nova Scotia government has announced plans to boost various clean-energy developments including offshore wind. An assessment of the province's offshore wind potential identified several areas, including one off the northeast coast of Cape Breton. The development, if it proceeds, could kickstart a whole new industry in the region, the province and the country, and support the development of other low-carbon fuels, notably green hydrogen.

Cape Breton's First Nations communities, once excluded from major development projects, are equity partners in several clean-energy initiatives and are poised to be significant contributors to the burgeoning sector.

And, after decades of decline, the region's population appears to be on a rebound, largely because of an influx of international students who have brought a new vibrancy to the area.

Still, there are challenges ahead. The proposed offshore wind and green hydrogen developments will require significant capital investments to get them off the ground and it's unclear what impact the decision by U.S. President Donald Trump to suspend new offshore wind leases south of the border will have on Canada's plans.

Despite the potential, Cape Breton remains one of Canada's poorest regions, with a child poverty rate and an unemployment rate above the national average.

Residents acknowledge that the coming transformation will require a shift in mindset too. But most see the renewable energy potential as an opportunity rather than another blow to their way of life.



## COMMUNITY CHALLENGES

### Coal phaseout

Coal is ingrained in the fabric of Cape Breton and has sustained the region's economy for hundreds of years. As in Estevan, Saskatchewan — another community we have profiled — coal is a source of pride for residents and an important part of the [region's heritage](#).

It still plays a major part in the province's energy supply: about [40 per cent](#) of power generated in 2022 came from coal, most of it imported. There are [four power plants](#) in the province that rely on coal and [petcoke](#), including Lingan, Point Aconi and Point Tupper on Cape Breton Island. Together, the plants employed about 230 workers in 2023.

The Point Aconi plant is scheduled to close by 2030, Point Tupper is expected to transition to natural gas, and [Lingan](#), the province's largest, is expected to burn heavy fuel oil during peak demand periods. Nova Scotia Power's decision to transition to heavy fuel oil at the Lingan plant was [controversial](#) because heavy fuel oil can be as emissions-intensive as coal. However, [Nova Scotia Power says](#) that the plant will only be used during the coldest winter days when power demand is highest.

In October 2023, the government of Nova Scotia signed an [agreement](#) with the federal government to support investments that would help achieve the federally regulated phaseout of coal-fired power plants by 2030 and a national target of net-zero electricity generation by 2035. The province's [2030 Clean Power Plan](#) lays out plans for how to get there, namely by generating 80 per cent of electricity from renewable sources.

The plan notes that ratepayers in the province have been carrying a cost burden because of delays in a transmission link and expensive coal imports. It also notes that the province's electricity grid is highly vulnerable to climate change and needs to be upgraded to improve efficiency.

Nova Scotia Power has been [fined](#) repeatedly for failing to meet its performance standards, and some residents have complained about [high energy costs](#).

The 2018 final [report](#) of the federally appointed Task Force on Just Transition for Canadian Coal Power Workers and Communities noted that unemployment in the province's coal communities and the median age of residents are higher than the national average. Young families are hard to attract and retain in these communities, and supporting workers close to retirement will be “a significant challenge,” the report notes.

### Depopulation and socio-economic factors

The closure and transition of the power plants is just the latest in a series of economic challenges that have confronted the region, from the demise of coal mining to steel production and cod fishing. The closure of these industries has, until recently, led to an out-migration of residents as they moved west in search of job opportunities, such as manufacturing in Ontario and oilsands production in Alberta.

## COAL, STEEL AND COD

For centuries, coal was the bedrock of the Cape Breton economy.

Commercial coal mining started in 1720 and went on to fuel the industrialization of eastern Canada and the U.S. and to transform Cape Breton's economy. During the 20th century, the region became synonymous with coal mining and coal-fueled energy production.

Between 1863 and 1976, the Sydney coalfield produced [nearly 70 per cent of the province's coal](#), much of which was destined for the growing domestic steel industry. The first major [steel plant opened in 1901](#) and by 1912 it was producing [nearly half of Canada's](#) output. The plant employed [over 5,000](#) workers at its peak.

On Oct. 13, 1967, in what became known as [Black Friday](#), the foreign-based owners of the Sydney Steel plant announced its closure. A community-led effort to save the industry culminated in a large demonstration called the Parade of Concern. Within six months, the provincial government, with federal assistance, purchased the plant and converted it into a provincial Crown corporation, the [Sydney Steel Corporation](#). After several attempts to sell the Sydney steel mill [in the 1990s](#), the agency closed it [in 2001](#).

Also in 1967, the Canadian government formed a federal Crown agency, [the Cape Breton Development Corporation](#), or Devco, to operate the region's coal mines and eventually phase them out. By [2001](#), the last of the mines was shuttered.

The closures had a lasting effect on Cape Breton, on its economy and its way of life. In [1986](#), 20 per cent of the workforce in Cape Breton Regional Municipality was employed in manufacturing or primary industries such as mining and fishing. By [2001](#), it was just 7 per cent.

There were environmental impacts too. Hazardous materials from the steelworks that had flowed into Sydney Harbour formed the [Sydney Tar Ponds](#). In 2007, the federal and provincial governments pledged \$400 million to clean up the million tonnes of raw sewage, heavy metals and toxins that had accumulated there.

In 2017, the underwater Donkin mine was revived when coal prices rose. However, plagued by layoffs, roof collapses and repeated stop-work orders, the mine has been [closed since July 2023](#).

Meanwhile, the [cod moratorium](#), which has been in place for more than 30 years, has had a profound impact on another part of Cape Breton's economy — fishing. Employment in fisheries had long played an important role in sustaining rural communities on the island, and North Sydney was home to significant [industrial fish processing](#) plants. In 1992, the federal government banned cod fishing along Canada's east coast to help restore dwindling cod stocks, leading to Canada's largest layoff. After the moratorium paralyzed the groundfish industry, some fisheries and processing plants expanded into crab and shrimp exports. These [same industries](#) are now struggling with reduced quotas as ocean conditions change.



“My grandfather would have done anything to stay in Cape Breton, but when the coal gave out, that was it,” NDP MP Charlie Angus told a [House of Commons committee](#) studying the prospects of a new offshore wind development in Nova Scotia. “We grew up as expats in northern Ontario ... There wasn’t a single one of my relatives in New Waterford, Iona or Glace Bay who stayed. When the coal went, they all went.”

The [Economic Development Strategy](#) for Cape Breton Regional Municipality, the island’s largest, said the region’s declining and aging population is exacerbating its economic challenges. It notes that, between 2001 and 2021, the population declined by 13 per cent. Cape Breton is now among the oldest regions in Canada, with about 30 per cent of the population aged 65 and older. The population decline has [reversed](#) in recent years, largely because of an influx of international students.

A [study](#) by the Canadian Centre for Policy Alternatives noted that the Cape Breton metropolitan area had a child poverty rate of 27.6 per cent in 2021, one of the highest in the province and above the national average. The [unemployment rate](#) in Cape Breton Island was 9.7 per cent in 2024, compared to 6.3 per cent nationally. Cape Breton also has a high rate of Employment Insurance use, about twice the national average.



Several interviewees we spoke to raised concerns about energy poverty, the ability of households to afford energy for their daily living. A 2023 report from [Efficiency One](#) found that 43 per cent of households in Nova Scotia were experiencing energy poverty, and, of the 10 communities experiencing the worst energy poverty, nine were on Cape Breton.

“We still have many pockets of poverty that makes people more vulnerable and less able to be prepared for extreme weather and for transitioning to greener energy,” said Tyler Mattheis, president and chief executive of [Cape Breton Partnership](#), an economic development agency.

What’s more, shortages of health-care workers, housing and community services have become significant concerns in Cape Breton, as they have in many communities across Canada.

“A side-effect of being such a stunning destination for tourists is that some of the housing stock is now Airbnb rentals and summer homes, which are mostly unoccupied. This is hard to reconcile when locals are experiencing a shortage of housing options,” said Mary Beth Doucette, associate professor and the Purdy Crawford Chair in Aboriginal Business Studies at Cape Breton University’s Shannon School of Business.

## OPPORTUNITIES

### Renewable energy

Despite the challenges, interview participants conveyed a strong sense of optimism and pride in Cape Breton and its prospects, especially when it comes to renewable energy.

To achieve its goal of generating 80 per cent of electricity from renewables by 2030, Nova Scotia [plans](#) to increase onshore wind generation, solar power generation and battery storage while also importing hydro from the [Muskrat Falls](#) generating station in Labrador. After putting on hold a plan to connect to Quebec’s power grid through an “[Atlantic Loop](#),” the province is exploring the potential for [offshore wind developments](#) and the production of [green hydrogen](#).

A proposed [transmission link](#) between Nova Scotia and New Brunswick would improve the system’s reliability and help Nova Scotia export renewable energy from offshore wind, said Karen Gatien, Nova Scotia’s deputy minister of natural resources and renewables, in [testimony](#) before the provincial Standing Committee on Natural Resources and Economic Development.

Peter Gregg, president and CEO of Nova Scotia Power, told the committee that battery storage will be added to the grid at various sites throughout the province, which will help phase out coal and add more renewable energy to the system.

More than [300 commercial onshore wind turbines](#) operate in Nova Scotia, with an estimated generating capacity of 603 megawatts.

However, neither the province nor Canada has any offshore wind turbines. Europe's [North Sea](#), by comparison, has thousands of offshore turbines.

A [regional assessment report](#) of the offshore wind potential in the province notes that the area off the Nova Scotia coast experiences strong and persistent winds that are among the best in the world for offshore wind energy generation. The provincial government has announced plans to have five gigawatts of offshore leases in place by 2030. The energy produced could be used domestically, exported to the U.S. or used to create clean hydrogen, the assessment notes.

***“ We want to do this. There is an opportunity to capitalize on the energy transition to become a net exporter with the proper investments in infrastructure. Unama’ki-Cape Breton is small but mighty and we need as much attention as Alberta and other energy-producing regions.”***

**TYLER MATTHEIS, PRESIDENT AND CHIEF EXECUTIVE OF CAPE BRETON PARTNERSHIP**





“Offshore wind is Nova Scotia’s greatest economic opportunity since the age of sail,” said Tory Rushton, Nova Scotia’s minister of natural resources, in [testimony](#) before the House of Commons Standing Committee on Natural Resources. He said the province anticipates high demand for renewable electricity to produce green hydrogen and is working to nurture the development of both sectors.

“This is something that’s going to change the landscape in Nova Scotia,” he said. “It’s going to change the economic abilities of Nova Scotia in the years to come.”

In March 2025, the provincial government announced it had narrowed the number of areas under consideration, including one area known as Sydney Bight, off the northeastern tip of Cape Breton Island. The regional assessment report notes that the Sydney Bight area offers several benefits, including its proximity to shore, to existing grid connections and to port facilities. Sydney Harbour has year-round, ice-free, deep-water anchorage for large ships, as well as significant undeveloped land near the port area.

However, the area also is home to a lucrative lobster and snow crab fishery. And Marine Atlantic’s ferry route between Nova Scotia and Channel-Port aux Basques in Newfoundland traverses the western portion. What’s more, large offshore wind turbines could obstruct views from shore.

As a first step, the federal government passed [Bill C-49](#), which came into effect in October 2024. The bill renames the Canada-Nova Scotia Offshore Petroleum Board as the [Canada-Nova Scotia Offshore Energy Regulator](#) and enables the agency to take on the additional responsibility of regulating offshore renewable energy. However, offshore energy [regulations](#) are not yet in force.

Several interviewees raised concerns over the lengthy process of passing Bill C-49 and waiting for the regulations.

Tyler Mattheis, of Cape Breton Partnership, sees renewable energy as a way of building wealth. “We want to do this. There is an opportunity to capitalize on the energy transition to become a net exporter with the proper investments in infrastructure,” he said. “Un-ama’ki-Cape Breton is small but mighty and we need as much attention as Alberta and other energy-producing regions. We’ve been less outspoken in the past but, as we move to being a have region leading on and exporting energy, that could change,” he added.

Peter Nicholson, a former deputy chief of staff in the Prime Minister’s Office and the chair of the board of the Canadian Climate Institute, said in a [research report](#) that offshore wind has the potential to do for Atlantic Canada what oil and gas have done for western Canada and hydro power for Quebec. But significant investment will be required to get it off the ground, [likely in the tens of billions of dollars](#).

There’s also concern among local fishers. Daniel Fleck, executive director of the Brazil Rock 33/34 Lobster Association, which represents lobster fishers in the province, told the [House of Commons Standing Committee on Natural Resources](#) that, before offshore



wind development can proceed, legislative frameworks must be in place to protect the livelihoods and communities that depend on fishing. He said the industry is “quite nervous about having thousands of tonnes of concrete or whatever else for this construction placed in these shallow waters ... in the prime fishing areas.” He said that, in other jurisdictions, the insurance industry has refused to provide coverage for fishing operations near offshore wind farms because of unacceptable risks.

In the southwestern part of the island near the Strait of Canso, a green hydrogen and ammonia production facility is under development by [EverWind](#) with [Canadian government support](#).

Most hydrogen is currently produced by burning fossil fuels. Green hydrogen uses renewable energy and could provide a clean alternative for industries that use hydrogen-derived fuel and in transportation to power hydrogen-fuelled vehicles such as long-haul trucks and marine shipping vessels. It can also be converted into ammonia for easier storage and shipping, or for use in agricultural or industrial applications.

Green hydrogen got a boost in 2022 when Canada signed an [agreement](#) with Germany to provide the country with hydrogen to help reduce its dependence on Russian oil and gas. The federal government has introduced several incentives to encourage its production, including a [Clean Hydrogen Investment Tax Credit](#) and a [Clean Technology Investment Tax Credit](#).

The Nova Scotia government has also proposed [incentives](#). In December 2023, it released a [Green Hydrogen Action Plan](#) to lay the groundwork for developing the industry. If successful, it could create a new clean economy workforce with jobs in rural communities, according to the plan. The province said it will work with industry and its post-secondary

and training institutions to develop the new programs required to grow the sector.

In the 2025 [throne speech](#), the government estimated that hydrogen could add \$5 billion to the province's economy and that the onshore and offshore wind sector could be worth \$4.6 billion within seven years.

### First Nations communities

The development of clean energy projects has opened new opportunities for Cape Breton's First Nations communities. The [Membertou First Nation](#) holds stakes in several businesses and projects including [Novaporte](#), a proposed container terminal that includes [wind energy marshalling](#) services in Sydney Harbour. Membertou is also one of three First Nations communities to partner with [EverWind](#) to develop three onshore wind farms for green ammonia production.

In 2021, Membertou led a coalition of several Mi'kmaq communities to purchase a 50 per cent stake in Halifax-based [Clearwater Seafoods](#), and it is leading the development of an [electric lobster fishing boat](#), among other things.

"Traditionally, Indigenous Canadians were not invited to participate in major industry projects," said Terry Paul, Chief of the Membertou First Nation and CEO of the Membertou Development Corporation, in [testimony](#) before the House of Commons Standing Committee on Natural Resources. "I am proud to say that is changing."

As participants in both sectors, the Membertou First Nation believes that the offshore wind and fishing industries can coexist, he said.

***“Traditionally, Indigenous Canadians were not invited to participate in major industry projects. I am proud to say that is changing.”***

**TERRY PAUL, CHIEF OF THE MEMBERTOU FIRST NATION AND CEO OF THE MEMBERTOU DEVELOPMENT CORPORATION**



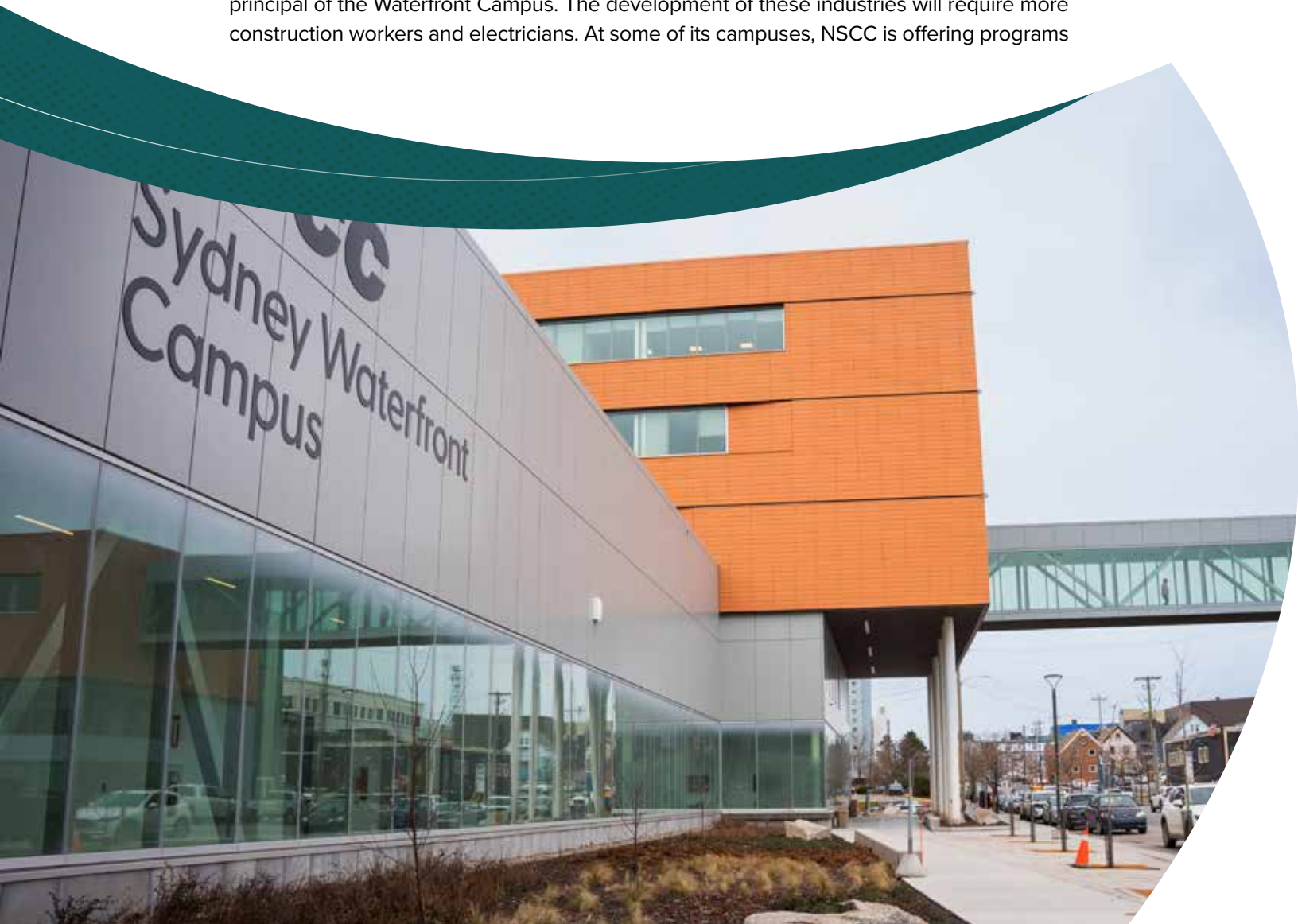


## Skills and training

Several interview participants noted that the transition will require significant labour needs as well as investments in housing, health care, schools, roads, internet and cell service, and social and recreational services to accommodate the expected influx of workers. For municipal leaders, it's a catch-22: Cape Breton can't attract newcomers without good services and amenities, and it can't provide them without the people to create diversified businesses, economic growth and a stable tax base.

Erika Shea, president and chief executive officer of [New Dawn Enterprises](#), a community development organization, recalled that for one of the agency's projects, it struggled to find tradespeople with knowledge of new energy technologies. "The engineers had to design [the project] knowing that the best energy solutions couldn't be proposed or implemented because the subsequent servicing and maintenance couldn't be supported with local skills," she said.

Sydney, the largest urban centre on the island, is home to two post-secondary institutions. Nova Scotia Community College's new [Sydney Waterfront Campus](#), a modern grey and terracotta-coloured building, is helping to train students for jobs where there is a vital need for workers — in housing construction, health care and wind power, said Carla Arsenault, principal of the Waterfront Campus. The development of these industries will require more construction workers and electricians. At some of its campuses, NSCC is offering programs



to train electrical technicians for renewable energy projects, including wind.

Many of the jobs created will require existing skills but applying them in different contexts, said Amanda Mombourquette, NSCC's community innovations lead for green energy initiatives. She said the college is accelerating development of skills assessment and training programs in the green energy sector. It's also working to develop dual high school/college credits, prior learning assessment and recognition for skills learned in other settings, and embedding renewable energy-related modules into existing programs.



*Amanda Mombourquette  
community innovations  
lead for green energy  
initiatives at Nova Scotia  
Community College*

About 10 kilometres to the east is [Cape Breton University](#), under the leadership of David Dingwall, a former federal cabinet minister. Here, construction is in full swing on a new medical school. Under his leadership, the university has actively grown its international student base, which now accounts for more than 60 per cent of CBU's enrolment.

Walking through the Great Hall of the university's Student Culture and Heritage Building, Dingwall proudly points out the flags that hang from the ceiling, highlighting all the countries represented by students at the university. "I think part of my job is to attract more individuals to the region. We can provide the people power," Dingwall said.

CBU has actively sought out student and faculty from India, for example, for their advanced technological expertise, he said.

The university's enrolment has increased under Dingwall, and he's not done with his vision for both the campus and the surrounding communities. He has proposed creating a new [light-rail system](#) to connect the campus to downtown Sydney and to Glace Bay, using parts of an existing track. The university is also part of a proposed housing project — [Tartan Downs](#) — which would build hundreds of units on the site of an old racetrack. CBU acquired the property in 2019, but the project has had trouble getting the necessary federal funding for infrastructure costs.

Many interviewees described the positive impact the influx of international students has had on the community. Not only has it brought a younger demographic to the area, but those who have stayed in Cape Breton have contributed to its cultural, social and economic growth. However, some raised concerns over the area's ability to provide housing, health care and other services and amenities to accommodate the newcomers.

Similar worries across Canada led to the federal government's decision to [cap](#) international student visa applications and add restrictions on post-study work permits, raising concern that Cape Breton's recent population influx could soon be [reversed](#).

## COMMUNITY INSIGHTS

Many of the community members we interviewed said they saw a low-carbon energy future as an opportunity rather than another blow to the island's economic and community life. They spoke with hope about the potential for renewable energy to create wealth and jobs.

Still, there are hurdles to overcome. The lack of timely regulatory frameworks and uncertainty about funding, consultation, information and decision-making are major barriers, according to some.

"Public policy and political leaders are the biggest challenge to transitioning forward," said Mary Beth Doucette. "It is hard to navigate so many levels of government — federal, provincial, municipal, band councils. And there's the bureaucratic labyrinth, so progress is slow and demoralizing," she said.

Several interviewees said the federal government needs to recognize the burdens and challenges of the energy transition, which are exacerbated in Atlantic Canada because incomes are lower, the proportion of seniors with fixed incomes is high and the tax base is limited.

Keith MacDonald, chief administrative officer of Inverness County located on the western part of the island, called for clarity and information from elected leaders. "Municipalities need more data for their communities, a breakdown on where the greener energy jobs are going to come from and how to participate in the sector," he said. "I am concerned about the planet, and I don't want to be negative, but we seem to be blindly supporting all of this without a deep analysis of the transition impacts and costs for everyone," he said.

"Canada needs a detailed carbon reduction plan that includes collaboration with all levels of government," he added. "Such a plan would provide a balanced and timed approach for the future that takes in environmental and economic considerations."

"Conversations on the environment must be more open and inclusive. Canadians worried about their current and future employment have valid concerns and should be a part of the conversation," MacDonald added.

"Policy-setting must be decentralized," he continued. "To date, many of the new renewable energy initiatives seem to benefit economically people and organizations far away from where the projects are occurring, and not the people that live in the area."

Patricia MacNeil, executive director of the federally funded [Coastal Business CBDC](#), stressed the importance of involving local community members in economic development decisions. "Local people know where the ice is thin," she said. "They are the ones who will make the best decisions guided by the needs of the community."

She noted that funding for the organization, which provides financial assistance to local small businesses and startups, has not been adjusted for inflation in 15 years. "We're the





gap fillers in small and rural communities where the banks have often pulled out,” she explained. “Having this type of organization helps preserve rural communities, ensuring they remain distinct, and not just a stretch of highway.”

### **Funding the costs of the energy transformation**

One of the major concerns is the upfront costs of renewable energy developments. Huge capital investments will be needed to cover installation, the expansion and enhancement of the energy grid, scaling up the supply chain, land and facilities for construction, storage and marshalling, developing pathways to markets, and workforce training and skills development. Several interviewees questioned whether this would result in higher heating and cooling costs or increased taxes.

“One thing we have to focus on is what impact will any of our new energy generation projects have on people’s energy bills,” cautioned Amanda Mombourquette.

Residents also expressed concern about whether the new jobs created would last once the building phase was completed.

There's also concern about the quality of jobs created. The report of the Task Force on Just Transition for Canadian Coal Power Workers and Communities heard that the shut-down of [Devco](#), the former Crown corporation that at one time operated Cape Breton's coal mines, was seen as a "[failed transition](#)" because well-paying, unionized coal jobs were replaced with minimum wage call-centre substitutes.

Workers who spoke to the task force called for adjustments to Employment Insurance and said existing income support programs were not enough to help them succeed. They said they were unsure about which skills were transferable and what jobs they should retrain for, and they said leaving families to pursue education and retraining was difficult.

The task force's [final report](#) also noted that the challenges of rural and remote communities affected by the coal phaseout include understaffed municipalities, attracting and retaining young people and families, falling home prices, loss of public services, difficulty retaining health and social service professionals, and keeping schools and hospitals open.

## A new mindset

Some interviewees noted that the shift to renewable energy would require a new mindset among residents. "We come from a culture of a one-industry economy where the company runs everything — jobs, schools, the store," said one participant who declined to be named. "Now we have to shift to a new sustainable, entrepreneurial, strategic, future-oriented mindset. It's a challenge."

Tom Webb, an adjunct professor at Saint Mary's University in Halifax and an economic development consultant, said the models of economic development up to the 1930s consistently put Atlantic Canadians at a disadvantage, and the early development of steel and coal on Cape Breton by big foreign-owned companies created a culture of dependence in the local workforce. "Coal and steelworkers lived in company houses," he said. "They paid the company lots of rent for those houses, and they could be booted out if they were obstreperous or difficult, or if they wanted to form a union."

Empowering Cape Breton as a community was the reason that New Dawn Enterprises was established almost 50 years ago with a mission to encourage and support a culture of self-reliance, said Erika Shea.

"Decades of outside coal and steel ownership and failed federal interventions created a culture of dependence on outside leadership," she said. "Consider that Cape Breton is the same size as Prince Edward Island, which is a self-governing province. We have a very different set of circumstances here."

As one of Canada's oldest community-development agencies, New Dawn is emerging as a leader in promoting and investing in energy generation and renewables. "We want to create a different energy story here," Shea said.

“Over decades of decline, residents of Unama’ki-Cape Breton have become accustomed to penny-pinching and doing more with less,” added Tyler Mattheis. “Our strategies, mindset, approach have not been oriented for change and growth, so we have to learn how to grow. We’re moving from risk-averse to innovation,” he said.

“We must learn how to manage rapid changes, both technological and regulatory, and look at lessons learned,” he added. “There will be mistakes. We have to learn how to pivot quickly from poor decisions.”

Martin Thomsen, manager of energy sector development with the County of Richmond, said that social justice should be a key consideration in clean-energy developments. “The benefits of renewables must be felt where resource extraction happens, even if the distribution system is integrated more broadly. We need to look at the future affordability of energy, especially in the areas where it’s happening.”

He and others cautioned that some marginalized groups may suffer disproportionately during the transformation, and that there must be a focus on local impacts and benefits such as more reliable energy, jobs and lower energy prices.

A lack of representation of some groups in the clean energy sector, particularly women, also came up in interviews. “We don’t see many women involved. There’s very few working in sustainability solutions and the clean energy sector,” said one interviewee who declined to be named. “This is a missed opportunity.”

Others spoke about the importance of involving more seniors, newcomers, visible minorities and youth. Community outreach, one said, should be a key component of every project.

***“Decades of outside coal and steel ownership and failed federal interventions created a culture of dependence on outside leadership ... We want to create a different energy story here.”***

**ERIKA SHEA, CEO AND PRESIDENT OF NEW DAWN ENTERPRISES**





## WHAT'S NEEDED

After years of retrenchment, Cape Breton appears to be on the cusp of a significant clean-energy transformation. Residents are optimistic about the new opportunities that the changes could bring. First Nations communities, once shut out from participating in major development projects, have emerged as significant equity partners and leaders.

Many interview participants spoke with hope about the potential for renewable energy to create wealth and jobs, and to transform the region's economy.

Still, there are significant hurdles to overcome. Here are some of the issues that residents and community leaders say need to be addressed:

- Clear government policies and timely regulatory frameworks are needed to facilitate investment and decision-making
- More co-ordination is needed among different levels of government and other agencies involved in community economic development
- Keeping an eye on the big picture of regional economic development should be a priority
- Municipal leaders need more data and guidance about what the green-energy jobs are likely to be and where they are likely to be
- The focus should be on creating well-paying, sustainable jobs that last beyond the building phase of new projects
- Workers need clarity on what new skills will be required and how to access re-training programs
- A more flexible Employment Insurance program and better income supports are needed for workers affected by the green-energy transformation
- Municipalities need assistance in providing housing, health care, schools and other services necessary to attract and retain workers
- The concerns of those worried that the transformation will lead to higher energy costs or higher taxes should be considered and addressed, particularly low-income people and other marginalized groups



## A NOTE ABOUT THE PROFILE

The Institute for Research on Public Policy (IRPP) has developed a methodology for measuring community susceptibility to workforce disruption as global efforts to address climate change expand. Using three indicators, the methodology scores and ranks census divisions across the country. Based on their ranking, each census division is assigned to one of six groups, ranging from “not susceptible” to “most susceptible.”

The three indicators include Facility Susceptibility (emissions from large facilities relative to the size of the community), Intensity Susceptibility (proportion of employment in emissions-intensive sectors), and Market Susceptibility (proportion of employment in globally traded sectors expected to undergo market transformations).

The analysis is available in an interactive map, developed in collaboration with the Community Data Program of the Community Economic Development Network, on the IRPP’s website (<https://irpp.org/map-of-community-susceptibility>). A detailed description of the methodology is also available on the website.

To complement the mapping exercise, the IRPP selected 10 communities across the country to profile through a series of interviews with people who live and work in the community. Most of the communities selected are located within the most susceptible census divisions, but others were chosen because of anticipated developments or previous experiences. The profiles are meant to cover a diversity of regions of the country and types of economic activity. These snapshots are meant to provide additional insight into the challenges and opportunities the communities face and to reflect the perspectives of residents.

Cape Breton, Nova Scotia, is one of the communities selected. It was chosen because of its history of economic transformations, its current transition away from coal power and the emergence of opportunities in offshore wind power and other renewable energy projects.

The Energy Mix conducted interviews with community members in Cape Breton. The IRPP’s president and CEO, Jennifer Ditchburn, also visited to meet with local community leaders.

Below, we present a breakdown of the susceptibility analysis for Cape Breton. Additional information not used in the analysis such as population change, the unemployment rate and demographic characteristics of workers are derived from the 2021 census. The number of facilities comes from Statistics Canada’s Business Register from June 2020.

If you have questions about the profile or the analysis, please contact us at [communitytransformations@irpp.org](mailto:communitytransformations@irpp.org).

## Census Division

# Cape Breton, Nova Scotia



### Top Score

Moderately susceptible



#### Intensity Susceptibility

Least (below the average)



#### Facility Susceptibility

Moderately (top 10 percent of census divisions)



#### Market Susceptibility

Least (below the average)

### 2021 Census



**98,318\***  
Population

**-0.4%**  
change  
since 2016



**43,095**  
Workforce

**-2%**  
change  
since 2016



Rate	Census division	Province
Unemployment	20%*	13%
Participation	52%	60%

\*The population, rate of population change and the unemployment rate are derived from the 2021 census and may differ from those found elsewhere in the profile, where more recent data are used.



## All industries

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities	# of large facilities (> 200 workers)
<b>43,095</b>	<b>\$44,400</b>	<b>49%</b>	<b>36%</b>	<b>2,580</b>	<b>22</b>

## Susceptible sectors

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities	# of large facilities (> 200 workers)
<b>450 (1%)</b>	<b>-</b>	<b>63%</b>	<b>9%</b>	<b>2</b>	<b>0</b>

## Sector #1 | Utilities (including electricity generation)

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities	# of large facilities (> 200 workers)
<b>410 (1%)</b>	<b>\$86,000</b>	<b>65%</b>	<b>7%</b>	<b>2</b>	<b>0</b>

## Sector #2 | Coal mining\*

# of workers	Median income	Over 45 years old	No post-secondary education	# of facilities	# of large facilities (> 200 workers)
<b>40 (&gt;1%)</b>	<b>\$66,500</b>	<b>50%</b>	<b>25%</b>	<b>0</b>	<b>0</b>

\* The large emitters database includes the Donkin coal mine, which was operational until March 2020 but has since faced repeated safety-related closures. It is approved to operate but at the time of publication remained closed.

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