



SEPTEMBER 2025

2025 PROVINCIAL ELECTION BRIEF:

Recommendations to Grow the Tech Sector's Contribution
to the Economy of Newfoundland and Labrador

MESSAGE FROM THE CHAIR



Johanna Brown

As Chair of techNL, I am proud to present the 2025 Provincial Election Brief on behalf of Newfoundland and Labrador's tech sector. The brief reflects the collective priorities of our members and outlines clear opportunities for government to partner with industry to accelerate growth, create high-quality jobs, and strengthen economic resilience. It is essential that we engage with every political party during this election. The decisions made in the next mandate will shape the trajectory of one of the province's fastest-growing industries. We look forward to hearing from each party on how they plan to respond to these recommendations. Their commitments will help ensure that Newfoundland and Labrador continues to build a globally competitive tech ecosystem, while delivering prosperity for communities across our province. We thank all parties in advance for their engagement and their vision for the future of tech in NL.

MESSAGE FROM THE CEO



Florian Villaum 

Newfoundland and Labrador's tech sector is on a bold path: contributing more than \$1.8B to GDP today, with a target of \$2.5B by 2030. This Election Brief highlights the measures that tech companies need to accelerate that journey: Including faster and more transparent funding, stronger procurement, larger supports for scaling firms, and recognition of our defence and export potential. Each of these elements directly contributes to growth, jobs, and innovation. Together, they form the roadmap to transform Newfoundland and Labrador into one of Canada's most sought-after tech ecosystems. I want to sincerely thank our members who shared their perspectives and helped shape this brief. Your voices ensure that the priorities we present to political leaders are rooted in the real needs of our sector and the opportunities ahead.

EXECUTIVE SUMMARY



Newfoundland and Labrador's tech sector contributed \$1.8B to GDP in 2023 and employs nearly 10,000 high-quality jobs. It is one of the province's fastest-growing industries and has set a bold target: \$2.5B by 2030 on the path to becoming the leading contributor to the provincial economy by 2050.

In today's rapidly shifting economic and geopolitical landscape, Newfoundland and Labrador's tech sector has an unprecedented opportunity — and responsibility — to grow strategically and efficiently. This growth is not only about building one sector, but about strengthening the resilience of our entire economy.

To achieve this, NL tech companies have identified clear priorities. Four stand out for their potential to drive the greatest impact:

- **Faster, transparent funding** – A platform to track proposals, 30-day service standards, and use of AI to shorten review times.
- **Larger support for tech companies scaling rapidly** – Significant non-dilutive funding and private capital to help scaling companies match their potential and create local jobs.
- **Stronger procurement for NL tech companies** – Weighted scoring criteria and annual reporting to ensure local companies and jobs are prioritized.
- **Elevate defence tech profile** – National-level engagement to promote NL tech companies, attract defence investment, and secure federal procurement opportunities.

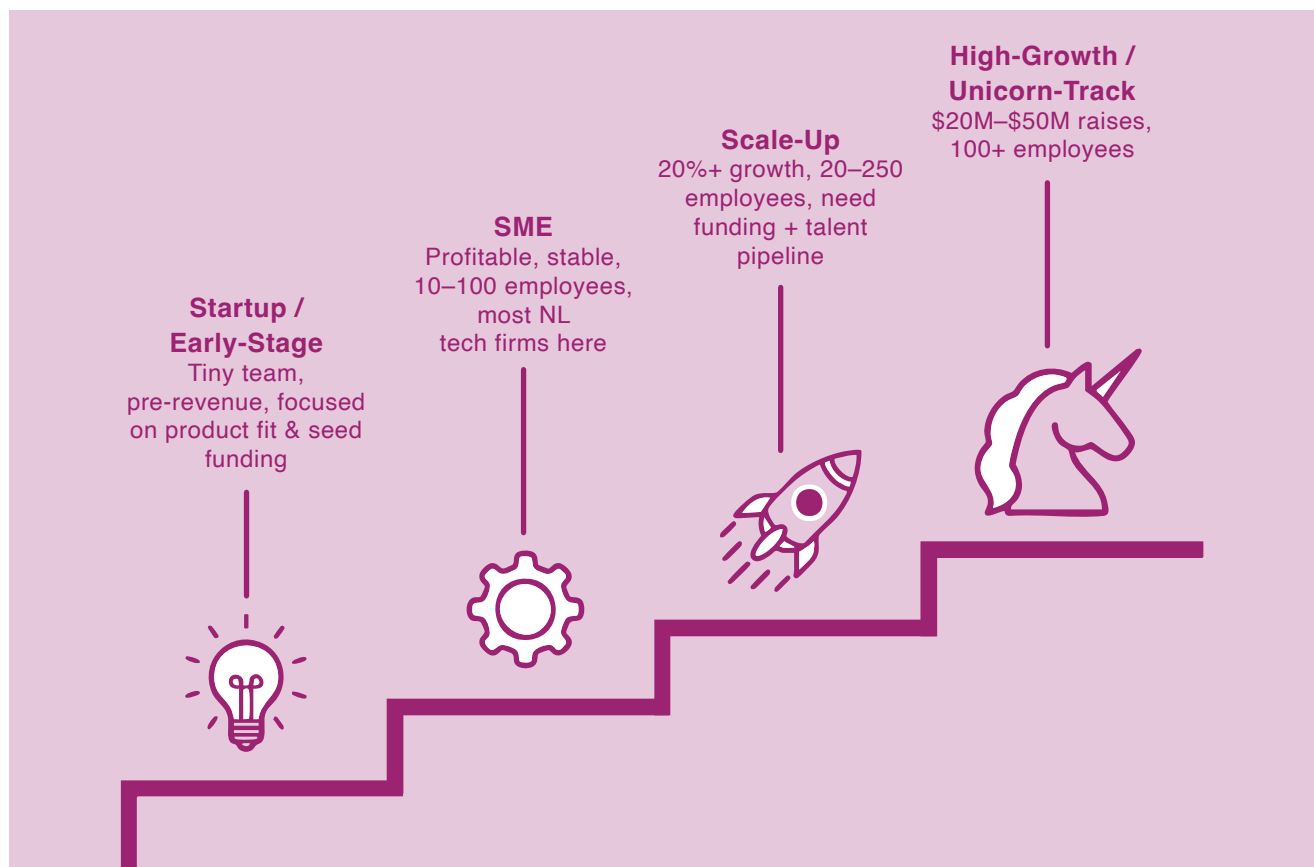
Additional priorities include protecting Intellectual Property, providing multi-year funding for techNL, reducing interprovincial barriers in health innovation, championing NL's defence and export opportunities, and strengthening talent pipelines through immigration, training, and relocation supports.

With these measures, the tech sector will continue to be a strategic growth engine for the province—creating jobs, diversifying the economy, and positioning NL as one of Canada's most sought-after tech ecosystems.

techNL

techNL is a not-for-profit membership association of 250+ members that accelerates the growth of the tech sector in Newfoundland and Labrador. In collaboration with its network of members and partners, techNL provides business growth services (talent pipeline development, member, connections, export support, digital transformation, etc.), visibility, and a collective voice to tech and tech-enabled companies in Newfoundland and Labrador with a vision to make Newfoundland and Labrador the most sought-after Canadian tech ecosystem, globally recognized for its collaborative community, diversity, and quality of life.

Newfoundland and Labrador's tech sector includes companies at different stages of growth. Startups are building their first products and entering the market, while small and medium-sized enterprises (SMEs) provide stability and steady employment. Within the sector, some companies are in a scale-up phase — expanding rapidly with strong growth in revenues, teams, and markets. A smaller group are high-growth firms, sometimes called unicorn-track companies, that are raising very large amounts of private capital and positioning themselves to become major global players. Together, these categories form a balanced ecosystem that supports innovation, job creation, and long-term economic strength. Please find below the standard categories that are most often used in policy, funding, and industry reports (OECD, BDC, ISED, VC community, etc.).



THE TECH SECTOR IN NEWFOUNDLAND & LABRADOR: A Strategic Growth Engine

The tech sector is one of the fastest-growing industries in Newfoundland & Labrador

CONTRIBUTING
\$1.8B

To provincial GDP
in 2023

WITH A
24%

Growth between
2016 and 2023



The sector plays a key role in economic diversification, reducing reliance on resource-based industries

IT EMPLOYS NEARLY



10,000



With the majority of these positions being high-paying jobs that help retain young talent and attract experienced professionals back to the province



NL's tech companies are expanding into national and global markets, exporting products and services and building international partnerships

In partnership with the Provincial Government, the tech sector will become the leading contributor to NL's economy by 2050, generating over



+\$2.5B

Annually by 2030

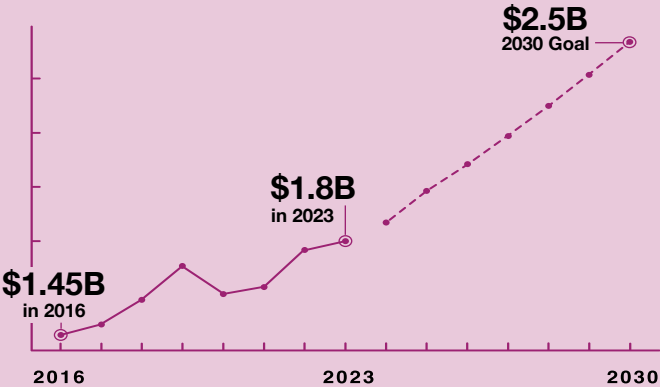


IP developed in Newfoundland and Labrador drives local wealth, supports long-term GDP growth, and ensures Canada retains ownership of its innovations

GROWTH GRAPH: OUR 2030 TARGET

GDP CONTRIBUTION

— Actual
- - - Target





NL TECH COMPANIES' RECOMMENDATIONS

01.

IMPROVE FUNDING SUPPORT

Below is a list of recommendations shared by techNL members, with brackets indicating the type of tech companies each request would most benefit.

Tech companies emphasized the urgency of quicker and clearer funding processes to ensure support reaches companies when it's needed most – they are competing with companies globally and speed is a differentiator in a sector that evolves very quickly compared to other sectors. This requires not only faster decision-making but also clear communication and tracking of timelines, with progress shared openly so companies can plan with confidence.

R1: Implement a **platform that communicates each funding proposal progress/roadblocks** and introduce 30-day service standards for responses to project proponents. Use AI tools where processing timelines can be shortened with it. [Startups, SMEs and scale-ups]

R2: Increase **transparency in criteria and eligibility** for funding programs such as grants and wage subsidies (e.g. fast-track decision on eligibility, upfront information on eligible activities & costs, clarify decision-making criteria, etc.). [Startups, SMEs and scale-ups]

R3: Reduce due diligence on **non-dilutive funding** when significant private capital has been raised. [Startups, scale-ups and high-growth]

Support for early stage startups is crucial to maintaining a healthy innovation pipeline and must remain well-funded to ensure a strong top of the funnel. At the same time, many existing programs are not tailored to the needs of growth-stage VC-backed companies — those scaling their teams, customers, and revenues. Pelorus Ventures has been very successful in supporting these companies through their VNL1 and VNL2 funds, but more support is needed. These companies can disproportionately accelerate the growth of the tech sector and the creation of high-paying jobs in Newfoundland and Labrador. Many are raising significant private capital (often \$50M+) and are on the verge of becoming major employers, but they require much larger financial support to fully realize their potential and maximize the number of local jobs created.

R4: Provide **larger non-dilutive funding and private capital support** to high-growth tech companies to accelerate scaling, revenues, and the creation of local jobs. [Scale-ups and high-growth]

Canadian-owned companies create long-term value for Newfoundland and Labrador and Canada by ensuring that wealth, decision-making, and innovation remain anchored domestically. Providing extra support to these firms strengthens economic sovereignty, increases the likelihood that jobs and headquarters remain in the province, and positions NL as a key contributor to Canada's innovation economy. This approach ensures that public dollars reinforce long-term Canadian economic value, while still supporting companies with headquarters or/and a substantial workforce in Newfoundland and Labrador that continue to be major contributors to GDP, jobs, and the tech sector after acquisition.



R5: Provide extra support for **Canadian-owned companies** to strengthen their long-term value creation in Newfoundland and Labrador and across Canada. [All]

R6: Provide funding to protect the **Intellectual Property** of Canadian tech companies. Protecting Canadian IP ensures innovations remain under domestic ownership, helps build defensible business models, and attracts strategic investment. [All]

Finally, stable, long-term funding ensures techNL can deliver the strategic programs and support needed to help the sector reach its full economic potential, targeting \$2.5 billion in GDP by 2030.

R7: Provide five years of funding to **techNL** to execute strategic programs and deliver essential support, to accelerate the growth of the NL tech sector. [All]



02.

PRIORITIZE LOCAL TECH COMPANIES IN PROCUREMENT

While tech companies (especially early-stage) should always aim for global markets, local public procurement can serve as a powerful tool to commercialize tech products by providing early market validation, initial revenue, and reference customers. The Building Ontario Businesses Initiative demonstrates how provincial governments can effectively prioritize local suppliers while remaining compliant with trade agreements. To fully unlock this potential, government must actively identify procurement opportunities and emphasize innovation pilots that are designed to lead to actual purchasing.



R8: Create dedicated **innovation pilot and procurement pathways** in the provincial public sector for emerging local tech, modeled on Ontario & BC programs. [SMEs]

R9: Implement procurement **scoring and transparency measures** that favour NL tech companies and jobs, including weighted scoring criteria and annual reports on local spending. [SMEs]

Leading efforts to reduce interprovincial barriers to healthcare innovation—as proposed by techNL and partners—will improve patient care, accelerate technology adoption, reduce administrative burden for tech companies, and position Newfoundland and Labrador as a champion of Canadian innovation across provinces.

R10: Lead collaborative efforts with other provinces to **reduce interprovincial barriers** to healthcare innovation, advancing proposals recently put forward by techNL and partner organizations across Canada. [SMEs]

03.

PROMOTE NL TECH CAPABILITIES & EXPAND MARKETS

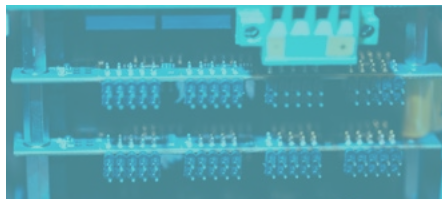
The province can play a key role in championing NL's tech capabilities to the federal government, securing greater participation in upcoming national defence programs and related investments. Building on the success of Tech Is Making Waves and tourism marketing, a coordinated public-private initiative can raise NL's profile as a destination for tech talent, investment, and business expansion.

R11: Champion Newfoundland and Labrador's **defence technology capabilities**, including dual-use technologies, through national advocacy with the Government of Canada to attract defence investment and secure federal procurement opportunities for tech companies (e.g. organize a symposium in Ottawa with NL tech companies and defence representatives). [SMEs and scale-ups]

R12: The **upcoming Minister of Industry, Energy and Technology** should have the strategic ability to understand the key sectors driving Newfoundland and Labrador's economy and ensure the department is agile and responsive to industry needs. The Minister should demonstrate strong business acumen and a professional approach, enabling effective collaboration with stakeholders. For the tech sector specifically, the Minister should act as a champion — easily reachable to solve problems, proactive and ambitious in supporting growth, and open to learning about the sector (with techNL providing necessary background, as was done with previous Ministers). While direct tech experience is not required, the Minister should be dynamic, forward-thinking, and prepared to actively promote the sector locally and globally. [All]

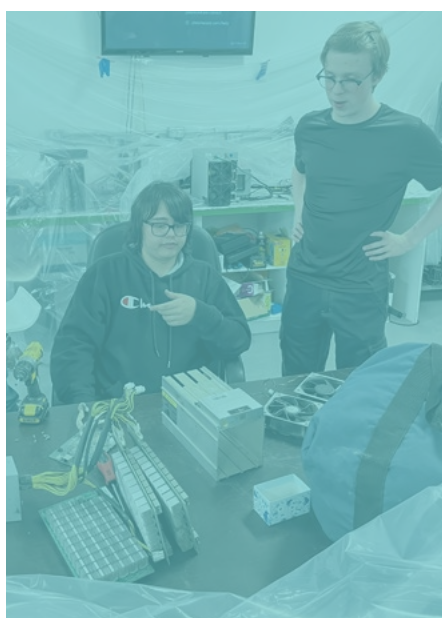
R13: Build up on the successes of the Tech is Making Waves in Newfoundland and Labrador and tourism **marketing campaigns** to position NL as both a top destination for tech senior talents, investment and companies with a joint Government-techNL marketing initiative. [All]

Supporting export diversification helps NL tech companies grow beyond the U.S. market, reducing dependence on a single market, mitigating risks from tariffs and trade barriers and increase sector resilience. This makes companies more competitive globally and more resilient to external shocks.



R14: Support tech companies in **expanding beyond the U.S. market** by funding initial market research, export readiness, and business development (e.g. Exhibiting at a tradeshow can cost us up to \$60k-\$80k). [SMEs and scale-ups]

Advocating federally on tariffs, IP, funding, investment, and immigration strengthens the resilience of Newfoundland and Labrador's economy by ensuring companies have the protections, rights, and talent needed to scale.



R15: Advocate federally for:

- **Tariff relief** and favorable U.S. trade negotiations to support Newfoundland and Labrador tech exports. [All]
- **Faster, Outcome-Focused Funding:** Streamline federal funding approvals to help Canadian tech companies scale globally more quickly. Prioritize agility over red tape by:
 - Fast-tracking approvals when top-tier investors validate companies (e.g., VC offers, BDC co-investments). [Scale-ups and high-growth]
 - Giving CEOs flexibility to deploy funds where they drive the most growth and jobs (e.g. not restricting funding to technical roles when sales roles are necessary). [Scale-ups]
 - Allowing all Canadian citizens to invest directly in tech companies without accreditation barriers. [SMEs and scale-ups]
- **Accelerated Federal Procurement:** speed up procurement processes to create timely opportunities for tech companies, especially in the defence sector. [SMEs and scale-ups]
- Stronger **intellectual property protections** to keep Canadian innovation at home, build defensible business models, and attract strategic investment (e.g. ElevateIP). [All]
- Flexible **immigration policies** to attract and retain the skilled talent needed for industry growth. [Scale-ups and high-growth]



04.

TRAIN, ATTRACT & RETAIN SKILLED TECH TALENT

Skilled and experienced workers are essential for scaling tech companies and driving growth. Equally important is building a pipeline of entry- and mid-level employees who can be trained to become the next generation of skilled talent. Without this development, companies risk short-term gaps in leadership and long-term talent shortages, as skilled workers will be drawn to larger, more advanced ecosystems.

R16: Fund more programming to train and upskill tech sector workers (AI, defence, etc.). [All]

R17: Pilot a Relocation Incentive Program for experienced/skilled tech sector hires (techNL has a pilot proposal ready to discuss). [All]

R18: Update immigration programs to include specific tech roles in demand, expedite processing times for them, and allow nominations from skilled tech hires who want to relocate in NL but are working remotely first. [All]



RECOMMENDATIONS TRACKER

techNL Member
Recommendations

YES / **NO**

R1	R10
R2	R11
R3	R12
R4	R13
R5	R14
R6	R15
R7	R16
R8	R17
R9	R18

Comments



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