



ATB Spring 2026 Energy Survey: Why a Robust Energy Sector is a Catalyst for Canadian Business Growth

This article combines findings and insights from the ATB Cormark Capital Markets' Spring 2026 Energy Sector Survey with strategic analysis from the ATB Economics team. ATB's semi-annual equity research survey provides a meaningful gauge of market sentiment to help drive informed decisions and actionable insights. The ATB Economics team provides the context of how the shared optimism in the Spring 2026 Energy Sector Survey indicates a growth opportunity that can benefit businesses across the country.*

For the Canadian business leader, “energy” has often been categorized as a regional or provincial story. The booms and busts ripple through headlines, but are often considered ancillary or disconnected from the national business news. However, the findings of our latest semi-annual [ATB Cormark Capital Markets Spring Energy Sector Survey](#) suggest the sector may soon be emerging as a foundational driver of national growth.

Beyond the Patch: A National Demand Driver

Recent global events and disruptions have reinforced Canada's role as a safe-haven producer. The notable shift in the energy sector's outlook over the last several months is fuelling a national opportunity.

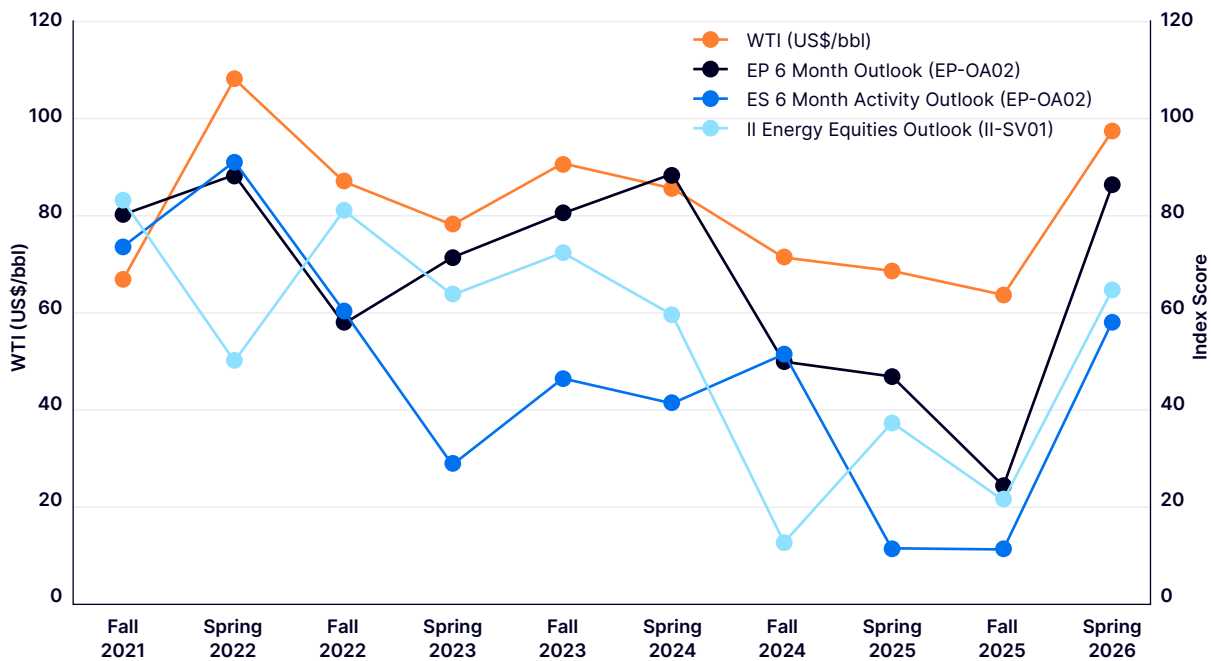
As the sector enters this renewed phase of growth, it creates a rising tide for businesses coast to coast, providing the demand and investment capital necessary to anchor a new era of prosperity across the entire Canadian industrial landscape.

The prevailing myth in Canadian business is that the energy sector only benefits commodity-driven provinces like Alberta, Saskatchewan and Newfoundland. The reality, as reinforced by a recent analysis conducted by [ATB Economics and Studio.Energy](#), is that the energy sector acts as a primary customer for the rest of Canada’s industrial and service sectors.

When an energy firm in Alberta expands production, the capital doesn’t stay in a silo. It functions as a foundational engine for a national supply chain. The infrastructure required for the growth, such as pipelines or processing facilities, draws on industrial manufacturing from Ontario and Quebec, engineering expertise from British Columbia, steel from Saskatchewan, and specialized technology and logistics services from across the Maritimes. For manufacturers in central Canada facing U.S. tariff pressure, this can provide an alternate Canadian source of demand.

A Shared Alignment of Confidence

Sentiment Improved Significantly



Industry sentiment has strengthened significantly over the past several months. The survey indicates that 95% of Exploration and Production (E&P) respondents expect to grow production over the next year, while 75% of energy services firms anticipate increased activity levels compared to 2025. Likewise, institutional investors are adopting an increasingly bullish outlook on Canadian energy equities, with 82% now favoring energy investments.

This renewed optimism, driven by shifting geopolitical risk and a growing global preference for Canadian energy security, reflects a rare alignment across the energy industry. As ATB Financial Chief Economist Mark Parsons noted in a recent interview, this signals a growth opportunity that extends far beyond the sector itself:

“This represents a massive opportunity to see a ‘pass-through’ to other industries. With high tariffs in place, there is a strategic opening to domestically source the materials required for the build-out of our critical pipeline infrastructure—furthering the ‘Buy Canadian’ momentum in sectors like national steel.”

A Foundation for Resiliency

A strategic evolution in the sector is shifting the industry away from the volatile cyclicity of the past. By smoothing out aggressive peaks and valleys, a more resilient and productive energy sector provides the steady revenue required to fund essential public services and community infrastructure across the country.

This stability has helped Canada emerge as a key solution to global energy shortages, growing its safe-haven status while [reducing its own emissions intensity](#).

Maintaining this global standing is supported by a commitment to financial discipline. While most E&P companies expect crude prices to retreat from their March 2026 peaks, they anticipate that market prices will continue to outpace conservative capital budget assumptions for the foreseeable future. The survey reveals that over 60% of E&P budgets remain anchored to a base of US\$65/bbl WTI or less.

Leaders surveyed indicated they will prioritize stronger-than-forecasted cash flows by focusing on deleveraging and increased drilling activity, followed closely by enhanced shareholder returns. This disciplined approach ensures that sustained price levels provide significant tailwinds by boosting Canadian production while simultaneously fortifying balance sheets and shareholder return frameworks.

As Tim Monachello, Managing Director of Institutional Research at ATB Cormark Capital Markets, noted, this reflects a fundamental shift in how the industry operates:

“The industry is healthy and it’s mature. We have moved toward much less elastic capital spending programs, even in a higher commodity price environment. By targeting single-digit growth and conserving capital, companies are establishing a track record of strong returns. This maturity lowers the cost of capital for the industry long-term and supports far more sustainable growth through commodity cycles, as we move forward.”

Unlocking Global Markets

Shifting market dynamics in recent months have underscored the urgent need for additional pipeline capacity leaving Western Canada. While the industry currently enjoys a window of spare capacity following the TMX expansion, the survey found that 67% of respondents now expect Canada to face crude export constraints before 2029. This represents a sharp increase from the 51% reported in the fall 2025 results.

The stakes for resolving these bottlenecks are significant. A recent joint study by ATB Economics and Studio.Energy, [The GDP Payoff of Additional Oil Pipeline Capacity](#), concluded that expanding Canada's oil export infrastructure by 1.5 million barrels per day could inject an average of \$31.4 billion into national real GDP annually over the next decade—representing a vital 1.1% structural boost to the economy.

The November 2025 Alberta-Ottawa Memorandum of Understanding (MOU) signaled a significant policy shift toward capturing this prize. In it, both levels of government committed to “establish Canada as a global energy superpower” by fostering at least one privately financed pipeline with a capacity of one million barrels per day. Crucially, the MOU prioritizes a route that “increases export access to Asian markets.”

While the industry remains more skeptical that Canada can execute on a west coast pipeline, the survey showed a material increase in the perceived probability of a Keystone XL revival. This shift is grounded in private-sector momentum, such as the open season for the Prairie Connector project, which aims to secure additional north-south export capacity for Canadian crude.

As Parsons notes, until these long-term routes are secured, the industry cannot fully pivot toward growth:

“The industry is currently in optimization mode, focusing on returning cash to shareholders. This is due to uncertainty not only on long-term pipeline access, but carbon pricing and oil prices in general. We've found that adding 1.5 million barrels per day of pipeline capacity could boost the national economy by over \$30 billion a year compared to the status quo. This is perhaps the single largest boost to growth available in the Canadian economy today.”

Even as limited pipeline capacity remains a concern for crude oil, West Coast LNG expansion continues to stand out as the top industry opportunity. The April 2026 federal approval of Enbridge's \$4 billion Sunrise Expansion Program in B.C. serves as a critical proof-of-concept for this optimism. The project will add 300 million cubic feet per day of natural gas capacity to the Westcoast system—a foundational investment that B.C. Energy Minister Dix noted will “help support electric power generation, industry development, and LNG export facilities.”

This systemic momentum provides a vital backdrop for the specific export projects identified by our survey respondents. A majority of respondents believe that both the LNG Canada Phase 2 and the Ksi Lisims projects, together representing an additional 3.4bcf/d of LNG export capacity, will ultimately receive positive final investment decisions, though expectations for the timing of those milestones are extending further into the future.

Driving National Growth

Canada is navigating what economists [describe as a “productivity emergency”](#), marked by stalling national output and a decade-long struggle to raise GDP per person. As the country looks for ways to reverse stalling national output, the energy sector's evolution into a more mature, stable industry offers a unique blueprint for broader economic lift.

By moving away from volatile “boom-bust” cycles and establishing a track record of more sustainable returns, the sector demonstrates that Canada can successfully manage large-scale, high-output industries. This increased stability sends a powerful signal to global investors that Canada is “open for business” beyond the oil patch. Successfully addressing energy infrastructure bottlenecks acts as a catalyst for other areas of the economy.

Recent infrastructure approvals such as Sunrise offer a direct response to this productivity emergency, with the program expected to contribute more than \$3 billion and 2,500 jobs to Canada's economy. This tangible contribution to national output demonstrates how the energy sector acts as a primary customer for the rest of Canada's industrial landscape, providing the confidence needed to expedite projects across the broader resource and manufacturing base.

Ultimately, the sector's strength is a vital pillar for Canada's social fabric. As energy literacy improves across the country, there is a growing recognition of the direct link between a productive resource sector and the tax and royalty revenues that support essential public services. When the energy industry thrives, it provides the fiscal headroom necessary to fund healthcare and education and support social programs in every province. As Monachello emphasizes, demonstrating how the continued development of Canadian resource industries remains the “key to unlocking growth and prosperity for the country.”

From Policy Intent to Shovels in the Ground

Despite bullish sentiment, “Policy Risk” remains the top concern for energy leaders for the eighth consecutive survey. The recent federal green light for major B.C. gas infrastructure serves as a timely counter-signal to this anxiety, providing a concrete win for the natural gas sector. With more respondents now expecting federal support for expansion, the sector is moving from intent to action. Parsons sees this as a defining moment for the country’s role on the world stage:

“Canada is a safe-haven producer and we have a defining opportunity to address global energy security.”

For businesses seeking international partners, a transparent approval process is a critical signal of stability. Successfully navigating regulatory hurdles builds global confidence in Canada’s execution, serving as a strategic catalyst for growth across sectors. Ultimately, a strong energy industry can fuel a “virtuous circle” of national growth, providing Canadian businesses with the stability and investment needed to compete on the world stage.

*Our Spring 2026 survey captured insights from 63 participants across the energy services, exploration and production (E&P), and institutional investment sectors. Data was collected from March 18 to April 1, 2026, under the direction of Tim Monachello, Managing Director of Institutional Research at ATB Cormark Capital Markets.

About the Authors

Tim Monachello, CFA, is a Managing Director, Institutional Equity Research at ATB Capital Markets, where he focuses on the Energy, Industrial Services and Technology, and Diversified Industries sectors. He brings 15 years of experience in the financial industry, including 12 years covering the Canadian Energy Services sector. Tim holds a Bachelor of Arts in Economics from the University of British Columbia and is a CFA charterholder.

Mark Parsons, CFA, is Vice President and Chief Economist at ATB Financial, where he leads the ATB Economics team in providing strategic outlooks and insightful commentary on the Canadian economy. A regular media contributor, he is an authority on economic issues and brings over two decades of senior leadership experience across both the private and public sectors. Mark holds a Master's degree in Economics from the University of Alberta, is a CFA charterholder, and serves on the board of directors at Nordiq Canada.

