new conversations
Economy. Immigration. Communities.
Agenda

- Opening / Acknowledgment of the land
- Demographic and labour market presentation
- Question period
- Panel
- Break and networking
- Open discussion
- Report back
- Comments
- Next steps
new conversations

Economy. Immigration. Communities.

Shediac and Cap-Pelé in 2030
What's wrong with an aging and declining population? Japan has little immigration and seems to be doing fine…

Why do we need immigrants when so many young people are leaving the province?

Part of the problem is that employers don't pay enough. Will immigration just keep wages down?

With unemployment so high, why do we need more immigrants?

Why should we spend money on attracting more immigrants instead of improving the lives of New Brunswickers?
There are many questions… it’s time to start the conversation!
Our ConversationTonight:

• The **aging population**: “New Brunswick’s Largest Problem”

• A **declining workforce**: What it could mean for my province and my community.

• The **immigration imperative**: Why immigration is central to our future prosperity.
Population Aging

“An aging population is our province’s largest challenge.” – Premier Brian Gallant
NB is aging fast, as baby boomers grow older and life expectancy continues to progress.

Source: Statistics Canada, CANSIM, table 0510001.
For decades, NB’s economy has been fueled by a steady flow of new workers. This is no longer the case. With baby boomers retiring, the province is now losing workers.

Source: Statistics Canada, CANSIM, table 2820002.
NB’s economy has slowed sharply with its recent labour force decline - much more so than Canada as a whole.

Labour Force Growth (annual average)

Real GDP Growth (annual average)

Source: Statistics Canada, CANSIM, tables 2820002 and 3840038.
Faster aging and lower immigration are the main reasons why NB’s labour force is declining, while Canada’s is still growing strong.

**LABOUR FORCE GROWTH, 2010-2017**

- **Born in Canada**
  - Canada: 5.7%
  - New Brunswick: 0.9%

- **Born outside Canada**
  - Canada: 1.4%
  - New Brunswick: -2.6%

Source: Statistics Canada, CANSIM, table 2820102.
• “Aging” in NB is actually not a “challenge.”

• Growing old in NB is a good thing.

• The real “challenge” is a lack of young people and workers to ensure stable economic growth and tax generation to support public services.
Growing old in NB is not the problem!

- The growth rate among the population aged 65+ is essentially the same between NB and Canada.

- The difference? Canada has done a much better job attracting and retaining young migrants from around the world.

Population Change by Age Group (2007 to 2017)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Canada</th>
<th>New Brunswick</th>
</tr>
</thead>
<tbody>
<tr>
<td>65+</td>
<td>+40.4%</td>
<td>-4.5%</td>
</tr>
<tr>
<td>Under 65</td>
<td>+7.2%</td>
<td>-4.5%</td>
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</tbody>
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Statistics Canada CANSIM Table 051-0001.
A Declining Workforce

What it could mean for my province and my community
What is at stake if current labour force trends continue?

• NB added 50,000 workers to its labour force from 1993 to 2008.

• But based on recent trends, NB could lose 30,000+ workers in the next 15 years. That’s hundreds of millions in lost tax revenue.

• Meanwhile, demand for public services will only grow as baby boomers continue to age.

• 65,000 people are now 75+. In about 15 years, this number will have doubled.
What about Shediac and Cap-Pelé?

• Strong population growth in recent years (from 2011 to 2016):
  – Town of Shediac: +10.1%
  – Village of Cap-Pelé: +7.5%
  – Beaubassin East: +2.8%

• But the population is also getting older, faster.
  – Looking at the Town of Shediac:
    • Median age is 51.4.
    • Population under 20 declined by 35% (over two decades)
What about Shediac and Cap-Pélė? (cont’d)

- Shediac, Cap-Pélė and the southeastern region are strategically important to the NB economy:
  - Employment growth in recent years.
  - 600 businesses across the three communities.
  - Labour force of over 8,100.*
  - Important manufacturing, fishing and tourism industries.

*Shediac, Cap-Pélė and Beaubassin East combined.
What about Shediac and Cap-Pelé? (cont’d)

- Compared to the national labour force:
  - Cap-Pelé has **4 times as many people** employed in manufacturing.
  - Shediac has 60% more employed in **manufacturing** and 23% more employed in **accommodation and food services**.

- These regions offer:
  - A **very important fishing and seafood** processing industry.
  - A strategically important **tourism destination**.
But, a significant number of workers are heading towards retirement.

- Nearly 2,100 workers are 55+ (2016 Census)
- Over 1 in 4 workers are heading towards retirement (2016 Census)
- Over 40% of entrepreneurs are 55+ *

These factors bring serious challenges to the strength of the economy in the years ahead.

*Extrapolated based on provincial data.
Why are young people still leaving?

- Even as employers are struggling to find workers, young people are leaving for a variety of reasons:
  - Post-secondary education.
  - Career opportunities not available in their home town.
  - Desire to see more of the world and to experience other places.

- We need to infuse our labour force with young workers:
  - Expose young people to career and entrepreneurial opportunities at home.
  - Attract young migrants from elsewhere to our communities.
The Immigration Imperative

Why immigration is central to the future of my province and community
How can NB reverse the tide of a declining labour force?

• Our province needs to:
  
  – Encourage more New Brunswickers to join and/or stay longer in the labour force. (Some success so far: primarily by extending participation of older workers, but this progress has recently stalled.)

  – Draw more workers from other provinces and retain more New Brunswickers. (Limited success so far: NB lost 13,500 more people to other provinces than it gained from 2010-11 to 2016-17.)

  – Attract and retain more immigrants. (This strategy holds the most promise.)
The case of PEI shows the potential of immigration for NB

• For over a decade, PEI has pursued an aggressive immigration strategy. Since 2007:
  – Pop – PEI: +10%; NB: +2%
  – GDP – PEI: +15%; NB: +6%
  – Labour force—PEI: +7%; NB: -1%

• Of note:
  – Unemployment in PEI did not increase (it is down slightly).
  – PEI is significantly younger and aging slower than NB.

Source: Statistics Canada, CANSIM, table 0510004.
What’s your vision for NB?

• Immigration holds much promise to: (1) grow our economy, (2) slow down population aging, and (3) make our communities more vibrant.

• Our province is at a crossroads. We face the choice between:
  – Status quo: leads to diminished prosperity and more youth leaving; or
  – A more dynamic, open NB: draws talent and investment from across the world and competes successfully in global markets.
Shediac and Cap-Pelé in 2030

• Will Shediac continue to be a hub for tourism, retail, accommodation and food services?

• Will Cap-Pelé continue to have a dominant manufacturing sector in the years ahead?

• Will new industries emerge related to agriculture, tourism and personal services?

• Will the workforce be there to ensure the region and its communities can take advantage?

• Will the entrepreneurs be there to exploit new opportunities?
Shediac and Cap-Pelé in 2030 (cont’d)

- YES – the region will continue to be a great place to retire.

- The vision of the area as a vibrant economy that is attracting people from around the world is complementary to the vision of attracting and retaining people who want to retire in appealing smaller communities with a low cost of living.
Shediac and Cap-Pelé in 2030 (cont’d)

• 90% of Shediac and Cap-Pelé residents are at least third-generation Canadians.

• This has created a strong social cohesion that contributes to the high quality of life in the region.

• We need to ensure that newcomers will be welcomed into our communities and become a productive part of our future.
Questions?
Panelists

• Employers
  – Joanne Losier, Cape Bald Packers
  – Frederic Desclos, Adorable Chocolat

• Newcomers
  – Lucas Michel
  – Johanna Nahri
Discussion

• What would be the impact of welcoming more immigrants in your region?

• What needs to change in your community to improve the integration of newcomers?
Next Steps