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
Greater Moncton in 2030

new conversations

Economy. Immigration. Communities.
What's wrong with an aging and declining population? Japan has little immigration and seems to be doing fine...

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

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 Conversation Tonight:

- 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.
“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: 0.9%
  - NB: -2.6%
- **Born outside Canada**
  - CANADA: 5.7%
  - NB: 1.4%

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>+38.7%</td>
</tr>
<tr>
<td>Under 65</td>
<td>+7.2%</td>
<td>-4.5%</td>
</tr>
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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 Greater Moncton?

- Strong population growth in recent years (from 2011 to 2016)
  - City of Moncton: +4.1%
  - City of Dieppe: +8.9%
  - Town of Riverview: +2.8%

- But the sources of population growth are changing fast
  - 51% of net population growth from immigrants.
  - Greater Moncton’s immigration ‘rate’ has more than tripled and will need to accelerate even more.
Average annual immigration rate per 10,000 population by five-year increments

Source: Statistics Canada CANSIM Table 051-0057
Growth/decline in the size of the labour force (000s) Moncton CMA

Source: Statistics Canada CANSIM Table 282-0129.
What industries are at risk from the declining labour force?

Export-focused sectors where the work could be done elsewhere.
- Finance, insurance and other business services centres
- Manufacturing
- Transportation and warehousing
- IT and professional services
- Tourism
But, a significant number of workers are heading towards retirement.

- Nearly 20,000 workers across Westmorland and Albert counties are 55+ (2016 Census)
- 21% are heading towards retirement (2016 Census)
- Over one in three entrepreneurs are 55+ *

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

*Persons that are self-employed in the Moncton CMA
Immigrants are already making an impact

• 2,300 more immigrants in Moncton CMA labour force in 2016 compared to 2006.
  – 27% of net labour force growth over 10 years.

• 100+ immigrant entrepreneurs in the region.

• Hundreds of students in the education system bolstering the talent pipeline.

• 80% of new immigrants are under the age of 40.

*Persons that are self-employed in the Moncton CMA.*
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.
Greater Moncton in 2030

- Will Greater Moncton continue to be a national hub for finance, insurance and other business services?

- Will it continue to have strong tourism, retail, accommodation and food services sectors?

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

- Will the entrepreneurs be there to exploit new opportunities?

- Will the post-secondary education system continue to be a conduit for new immigrants?
Greater Moncton 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.
Still 87% of Greater Moncton 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.
Panelists

- Erika Cantu
- Akomen Eronmosere
- Serge Zably
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Discussion

• How can we encourage other people be interested in getting involved in the welcoming of newcomers in your community?
Next Steps