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.

The Miramichi Region in 2030
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.
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.

New Brunswick's Labour Force (in thousands)

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)

<table>
<thead>
<tr>
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<th>1990-2010</th>
<th>2010-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>1.2%</td>
<td>0.2%</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>0.0%</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

### Real GDP Growth (annual average)

<table>
<thead>
<tr>
<th></th>
<th>1990-2010</th>
<th>2010-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>2.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>1.0%</td>
<td>-0.4%</td>
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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.
A Declining Workforce

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

• Based on recent trends, NB could lose 30,000+ workers in the next 15 years.
  – That’s billions in economic activity and hundreds of millions in lost tax revenue.

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

• Health care spending rises dramatically as seniors age. Today, 65,000 people are aged 75+. In about 15 years, this number will have doubled.
What about the Miramichi region?

- The population is declining (from 2011 to 2016)
  - Miramichi City -1.5%
  - Upper Miramichi -6.5%
  - Blackville -3.2%
  - Neguac +0.4%

- But the population is also getting older, faster.
  - Median age: Miramichi City 48.7, Upper Miramichi 52.5, Neguac 50.4.
Average annual immigration rate per 10,000 population by five-year increments

Source: Statistics Canada annual population estimates.
Percentage of the workforce collecting EI income (February and June 2017)

<table>
<thead>
<tr>
<th>Region</th>
<th>February 2017</th>
<th>June 2017</th>
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<tbody>
<tr>
<td>Canada</td>
<td>5.3%</td>
<td>3.5%</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>14.8%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Northumberland County</td>
<td>32.7%</td>
<td>17.0%</td>
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Sources: Statistics Canada CANSIM Table 276-0035 and the 2016 Census.
What about the Miramichi Region? (cont’d)

- The Miramichi Region is strategically important to the NB economy:
  - A high concentration of workers in forestry and fishing.
  - Above average share of workers in manufacturing.
  - The City of Miramichi is a services hub for a wider geographic area.
  - Above average employment in health care and public administration.
But, a significant number of workers are heading towards retirement.

- Nearly 5,900 workers are 55+ (2016 Census)*
- 28% of 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.

*Across Northumberland County.
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.
  – Draw more workers from other provinces and retain more New Brunswickers.
  – Attract and retain more immigrants.
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.
Some common myths about immigration

- Wages in New Brunswick are not competitive enough to attract immigrants
- Governments subsidize immigrant wages
- Immigrants (and temporary foreign workers) are paid less than local residents
- Immigration lowers local wages
- Immigrants take the jobs of New Brunswickers
The Miramichi Region in 2030

- Will Miramichi continue to be a hub for forestry, fishing, retail, and accommodation and food services?
- Will the tourism sector have the workers and entrepreneurs needed to grow?
- Will new industries emerge related to agriculture and personal services?
- Will the entrepreneurs be there to exploit new opportunities?
The Miramichi Region in 2030 (cont’d)

- 94% of Northumberland County 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.
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.
Questions?
Panelists

- Dr. Steven Howard
- Heather Shaddick
- Kim Hotton
- Swan Serna
- Nelson Stewart
Discussion

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Next Steps