Agenda

• Opening / Acknowledgment of the land
• Demographic and labour market presentation
• Question period
• Panel
• Break and networking
• Open discussion
• Next steps
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.

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>
<th>Year</th>
<th>Canada</th>
<th>New Brunswick</th>
</tr>
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<tbody>
<tr>
<td>1990-2010</td>
<td>0.5%</td>
<td>1.0%</td>
</tr>
<tr>
<td>2010-2016</td>
<td>0.0%</td>
<td>-0.2%</td>
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</tbody>
</table>

**Real GDP Growth (annual average)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Canada</th>
<th>New Brunswick</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-2010</td>
<td>2.0%</td>
<td>1.5%</td>
</tr>
<tr>
<td>2010-2016</td>
<td>0.5%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

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%
  - New Brunswick: 0.9%

- **Born outside Canada**
  - Canada: 5.7%
  - 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 Northwestern New Brunswick?

- With the exception of Edmundston, the population is declining (from 2011 to 2016):
  - Edmundston (+3.4%)
  - Saint-Léonard (-3.2%)
  - Grand Falls / Grand-Sault (-6.7%)
  - Madawaska County (-2.0%)
  - Victoria County (-6.5%)

- And the population is also getting older, faster.
  
  Median age:
  - Edmundston (51.3)
  - Saint-Léonard (46.4)
  - Grand Falls / Grand-Sault (50.7)
  - Madawaska (50.1)
  - Victoria (48.7)
Population trend in Madawaska and Victoria counties by selected age group (2001-2017)

Madawaska County

Victoria County

Source: Statistics Canada annual population estimates.
The Edmundston CA is becoming an important, urban services hub for a region of 80,000+ people*

*The population in New Brunswick and Quebec for whom Edmundston is the nearest urban centre. Excludes the USA
Industries rising in importance in the Edmundston CA
Increase in total employment from 2006 to 2016

- Health care and social assistance: +23%
- Arts, entertainment and recreation: +19%
- Information and cultural industries: +19%
- Agriculture, forestry, fishing and hunting: +18%
- Transportation and warehousing: +18%
- Other services: +17%
- Accommodation and food services: +10%

What about Northwestern New Brunswick? (cont’d)

- Northwestern NB is strategically important to the NB economy:
  - Large agriculture and forest products sectors.
  - Well above average manufacturing employment.
  - Strong tourism sector.
  - Edmundston as regional services, education and health care hub.
But, a significant number of workers are heading towards retirement.

- 6,700 workers are 55+ (2016 Census)*
- Over one in four workers are heading towards retirement (2016 Census)
- 40% of entrepreneurs are 55+ *

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

*Across Madawaska and Victoria counties.
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.

Source: Statistics Canada, CANSIM, table 0510004.
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
Northwestern New Brunswick in 2030

• Will the City of Edmundston continue to be a hub for tourism, trade and services?

• Will the broader region continue to have a large agriculture, forest products and manufacturing sectors?

• 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 a new generation of entrepreneurs emerge?
Northwestern New Brunswick in 2030 (cont’d)

• Around 90% of northwestern New Brunswick 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?