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.
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](chart1.png)

Labour Force Growth (annual average)

![Real GDP Growth](chart2.png)

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**

<table>
<thead>
<tr>
<th>Born in Canada</th>
<th>Born outside Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td>CANADA</td>
<td>NEW BRUNSWICK</td>
</tr>
<tr>
<td>5.7%</td>
<td>1.4%</td>
</tr>
<tr>
<td>0.9%</td>
<td>-2.6%</td>
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</tbody>
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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 Acadian Peninsula?

• The population is declining (from 2011 to 2016):
  – Bas-Caraquet (-5.4%)
  – Caraquet (+1.9%)
  – Shippagan (-1.9%)
  – Lamèque (-10.3%)
  – Tracadie (-0.1%)
  – Gloucester County (-1.9%)

• And the population is also getting older, faster.
  Median age:
  – Bas-Caraquet (53.6), Caraquet (50.5), Shippagan (50.2), Lamèque (54.0), Tracadie (49.3), Gloucester County (51.1)
Population trend in Gloucester County by selected age group (2001-2017)

Source: Statistics Canada annual population estimates.
What about the Acadian Peninsula? (cont’d)

• The region is strategically important to the NB economy:
  – Large fishing and seafood processing sector.
  – One of the top wild blueberry producing regions in North America.
  – The Peninsula is also a cultural and tourism centre for the province.
But, a significant number of workers are heading towards retirement.

- 10,000 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 Gloucester County. **Self-employed persons.
Percentage of the workforce collecting EI income

- **Canada**: 5.3% (February 2017), 3.5% (June 2017)
- **New Brunswick**: 14.8% (February 2017), 8.0% (June 2017)
- **Gloucester**: 34.0% (February 2017), 15.0% (June 2017)

*Sources: Statistics Canada CANSIM Table 276-0035 and the 2016 Census.*
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 Brunwick 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 Acadian Peninsula in 2030

• Will the region continue to have a large manufacturing sector?

• Will its blueberry farming sector continue to grow and add manufacturing and other value added economic activity?

• Will its shellfish aquaculture sector have the workers it needs to grow?

• 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?
The Acadian Peninsula in 2030 (cont’d)

• 97% of Gloucester 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?