Agenda

• Opening / Acknowledgment of the land
• Demographic and labour market presentation
• Question period
• Panel
• Break and networking
• Open discussion
• Next steps
The Greater Saint John Region 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?
The Challenge

• Until a decade ago, New Brunswick’s labour market was growing at a rate of several thousand new entrants per year.

• Almost all of this labour market growth came from New Brunswickers young and old joining the labour market.

• Now, the labour market is in structural decline and we need a substantial boost in immigration to ensure that our important industries have the workers they need.
The Challenge (cont’d)

• This is the **biggest public policy challenge** of our time.

• Similar scale to equal opportunity in the 1960s.

• How to attract and retain **150,000 immigrants** over the next 20 years?

• We are trying to do something **rarely if ever done before** – a massive boost in immigration in a short period of time.
What’s at stake?

• The difference between a healthy, vibrant economy that is generating enough tax revenue to sustainably fund good quality public services and public infrastructure…

    and
What’s at stake?

• The difference between a **healthy, vibrant economy** that is generating enough tax revenue to sustainably fund good quality public services and public infrastructure…

  and

• An economy where firms increasingly can’t find workers even to provide local services and it is increasingly challenging to generate enough tax revenue.

• Managing the challenges of growth versus managing the challenges of decline.
What’s at stake? (cont’d)

• Which battles would you prefer to fight over the next decade?

How to integrate immigrant kids into our schools?

OR

Which taxes to raise to fund health care?

How to convince firms to hire immigrants?

OR

How to generate sustainable tax revenue as firms downsize and close?

How to attract/retain immigrants in rural areas?

OR

Which schools, hospitals and roads should close?
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>
</thead>
<tbody>
<tr>
<td>1990-2010</td>
<td>1.2%</td>
<td>0.8%</td>
</tr>
<tr>
<td>2010-2016</td>
<td>0.2%</td>
<td>-0.2%</td>
</tr>
</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>0.0%</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, CANSIM, tables 2820002 and 3840038.
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.
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.
  
  – Draw more workers from other provinces and retain more New Brunswickers.
  
  – Attract and retain more immigrants.
Growth in the labour market (2013 to 2017)

Landed immigrants
- Born in Canada
  - Landed immigrants: +590,600
  - Born in Canada: -9,700
  - Landed immigrants: +3,100
  - Born in Canada: -15,300

Source: Statistics Canada CANSIM Table 282-0102

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Cumulative economic growth by province (2007-2016)

- Manitoba: 21.2%
- British Columbia: 19.8%
- Saskatchewan: 19.4%
- Alberta: 15.0%
- Prince Edward Island: 14.1%
- Ontario: 13.2%
- Quebec: 12.1%
- Nova Scotia: 6.0%
- New Brunswick: 3.5%
- Newfoundland and Labrador: -4.3%

Source: Statistics Canada CANSIM Table 379-0030.
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
Immigration and the Greater Saint John Region’s economy

Why immigration is central to the future of my province and community
What about Greater Saint John?

• The urban centre’s population is declining (from 2011 to 2016)
  – Just 10 years ago, there were 25 percent more births in the Saint John CMA than deaths.
  – Now, in 2017 the natural population growth rate turned negative for the first time.

• Before 2012, the urban centre had a positive intraprovincial migration rate meaning more people moved in from other parts of New Brunswick than moved out.
  – The last few years the both the intraprovincial and interprovincial migration rates have been negative.
What about Greater Saint John (cont’d)

• Saint John is a strategically important economy
  – Port Saint John
  – Home to the firms and industries that account for the bulk of international export revenue.
  – New Brunswick’s energy hub.
  – Close proximity to many of the province’s top tourism assets.
  – Saint John is also a major health care centre within the Maritime Provinces.

• Export-focused industries are the highest at risk from the declining workforce
### Saint John’s role: International exports hub

Value of international exports from New Brunswick (2000s) - 2017

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Petroleum Refineries*</td>
<td>7,575,977</td>
</tr>
<tr>
<td>Seafood Product Preparation and Packaging</td>
<td>1,262,638</td>
</tr>
<tr>
<td>Pulp Mills*</td>
<td>596,320</td>
</tr>
<tr>
<td>Sawmills and Wood Preservation</td>
<td>539,246</td>
</tr>
<tr>
<td>Paper Mills*</td>
<td>356,434</td>
</tr>
<tr>
<td>Animal Aquaculture*</td>
<td>274,243</td>
</tr>
<tr>
<td>Fishing</td>
<td>182,956</td>
</tr>
<tr>
<td>Frozen Food Manufacturing</td>
<td>177,922</td>
</tr>
<tr>
<td>Oil and Gas Extraction*</td>
<td>154,102</td>
</tr>
<tr>
<td>Recyclable Metal Wholesaler-Distributors*</td>
<td>135,132</td>
</tr>
</tbody>
</table>


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Growth/decline in the size of the labour force (000s) – Saint John CMA

Source: Statistics Canada LFS.
And, a significant number of workers are heading towards retirement.

- Over 14,000 workers are 55+ (2016 Census)
  - Nearly 30% of all workers in trades and transportation equipment occupations.
- Over 1,600 business owners/39% of entrepreneurs are 55+ *
  - 53% of self-employed in transportation and warehousing
  - Nearly 50% in the professional services sector
- An even more robust labour market growth strategy is required.

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

*Persons that are self-employed in the Saint John CA.*
Immigrants living in Saint John in 2016 by period of arrival in Canada

For the City of Saint John.
### Average annual immigration rate per 10,000 population by five-year increments

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Saint John</td>
<td>23</td>
<td>37</td>
<td>57</td>
<td>+143%</td>
</tr>
<tr>
<td>Halifax</td>
<td>36</td>
<td>53</td>
<td>61</td>
<td>+68%</td>
</tr>
<tr>
<td>Montréal</td>
<td>96</td>
<td>108</td>
<td>109</td>
<td>+14%</td>
</tr>
<tr>
<td>Ottawa-Gatineau</td>
<td>61</td>
<td>57</td>
<td>57</td>
<td>-5%</td>
</tr>
<tr>
<td>Toronto</td>
<td>206</td>
<td>160</td>
<td>134</td>
<td>-35%</td>
</tr>
<tr>
<td>Winnipeg</td>
<td>72</td>
<td>142</td>
<td>168</td>
<td>+133%</td>
</tr>
<tr>
<td>Regina</td>
<td>26</td>
<td>82</td>
<td>171</td>
<td>+547%</td>
</tr>
<tr>
<td>Edmonton</td>
<td>48</td>
<td>71</td>
<td>113</td>
<td>+138%</td>
</tr>
<tr>
<td>Vancouver</td>
<td>161</td>
<td>159</td>
<td>129</td>
<td>-20%</td>
</tr>
</tbody>
</table>

Statistics Canada CANSIM Table 051-0057.

#NewConversationsNB
**Immigrants are starting to make an impact**

- New immigrants made up 2.4% of the city’s population in 2016.

- Immigrants have been attracted into the region’s services and IT sectors.

- Saint John has also attracted a considerable number of immigrant entrepreneurs.

- We will need to see more in key export-focused sectors:
  - Head offices, manufacturing, professional services, tourism and ICT
Greater Saint John in 2030

• This is only 12 years away – but this is a **pivotal moment** in our history.

• Will the region continue to be an energy hub, a thriving port and a manufacturing centre?

• Will it continue to be a factory for technology-based startup companies?

• Will new industries emerge related to health care, information technology and professional services?

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

• Will the entrepreneurs be there to exploit new opportunities?
Greater Saint John in 2030 (cont’d)

• 86% of Saint John CMA 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.