



new conversations

Economy. Immigration. Communities.

Agenda

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



new conversations

Economy. Immigration. Communities.

The Greater Fredericton Region in 2030

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

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

With unemployment so high, why do we need more immigrants?

Part of the problem is that employers don't pay enough. Will immigration just keep wages down?

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

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- 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?

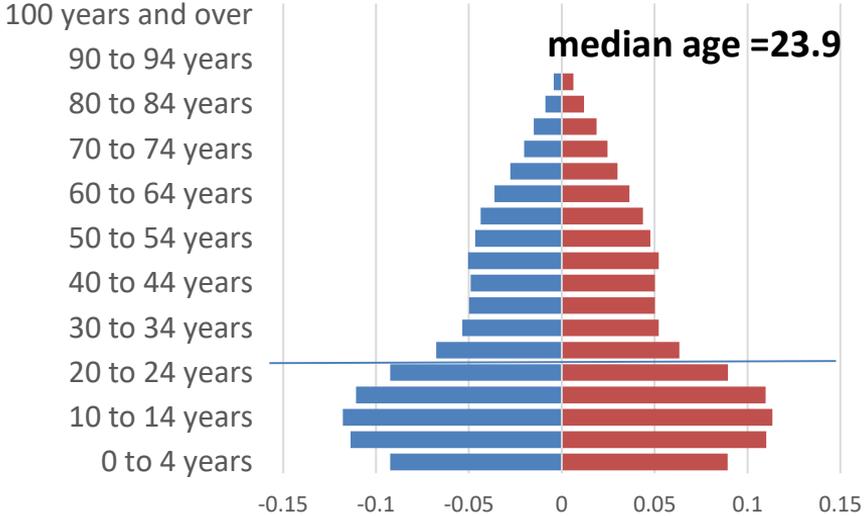
How to attract/retain immigrants in rural areas?

OR

Which schools, hospitals and roads should close?

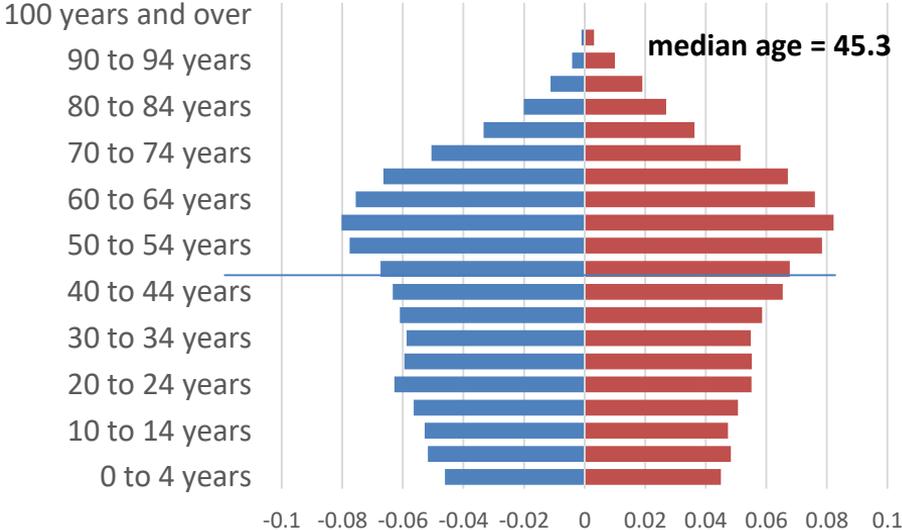
NB is aging fast, as baby boomers grow older and life expectancy continues to progress.

1971



■ Males ■ Females

2017

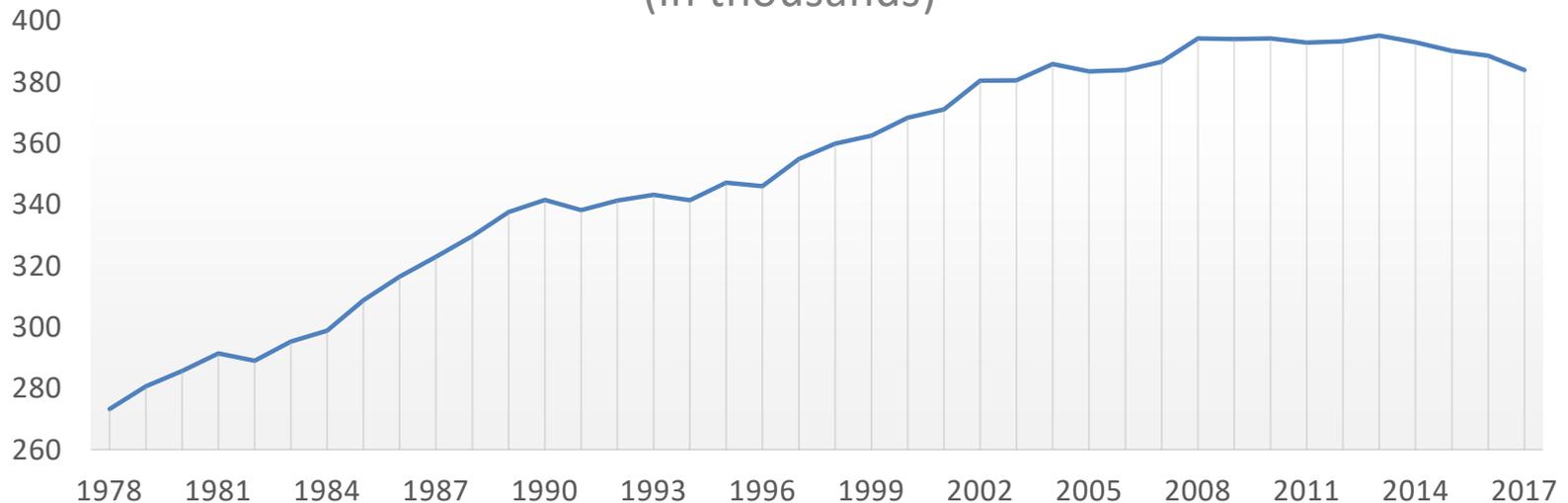


■ Males ■ Females

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.

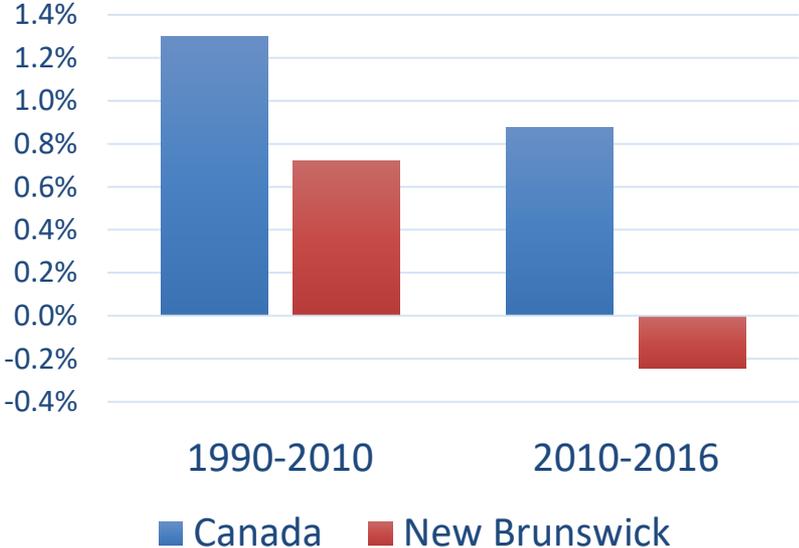
New Brunswick's Labour Force
(in thousands)



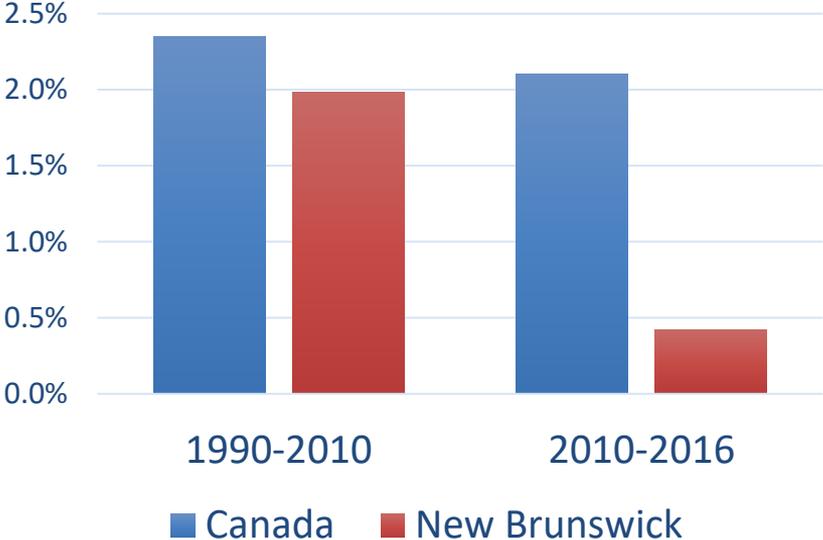
Source: Statistics Canada, CANSIM, table 2820002.

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)



Real GDP Growth (annual average)



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

+590,600

Born in Canada

-9,700



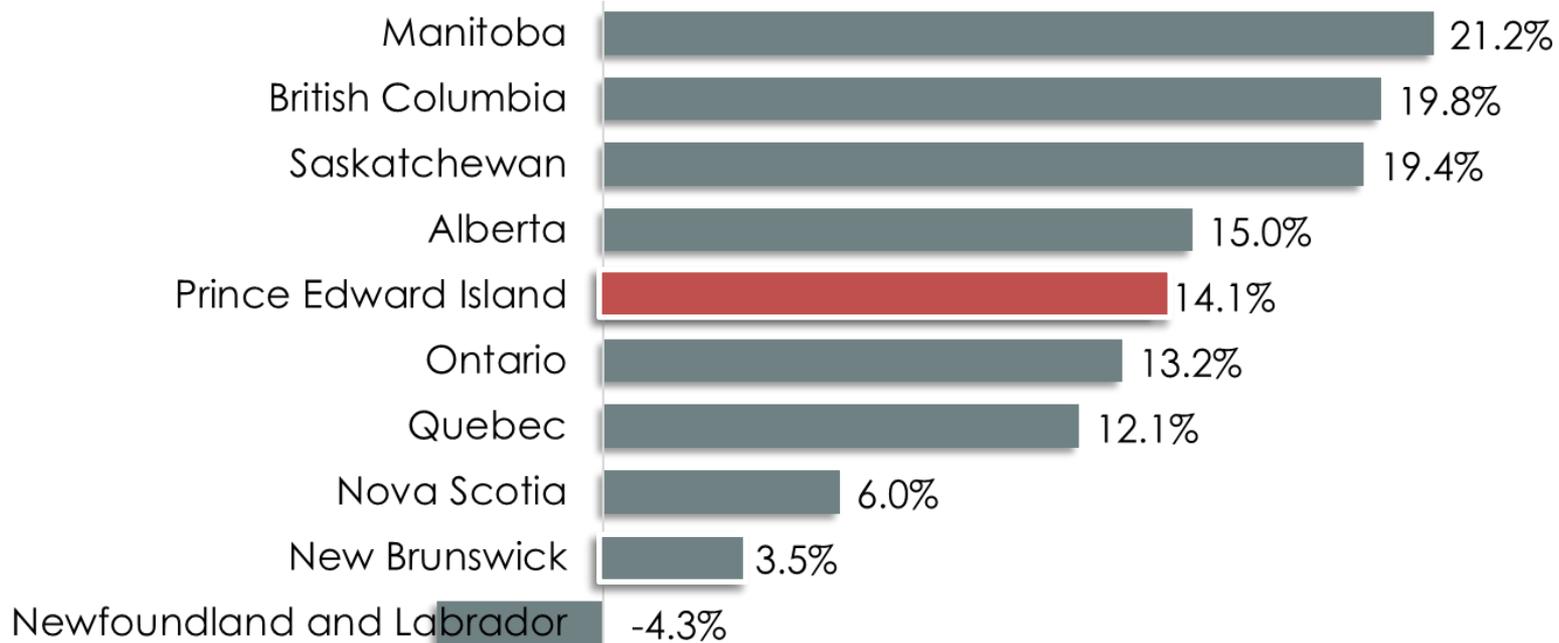
Landed immigrants

+3,100

Born in Canada

-15,300

Cumulative economic growth by province (2007-2016)



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 Fredericton Region's economy

Why immigration is central to the future
of my province and community

What about Greater Fredericton?

- The urban centre is growing (from 2011 to 2016)
 - City of Fredericton: +3.6%
 - But Minto and Chipman (down ~9-10%)
- New immigration and the large post-secondary education system have helped keep the median age at 39.9.

What about Greater Fredericton? (cont'd)

- It's a strategically important economy
 - Fredericton is a services and education hub for central New Brunswick and beyond.
 - Tourism, utilities, professional services and ICT are strategically important sectors.
- Despite solid inward migration, the workforce seems to be peaking.
- Export-focused industries are the highest at risk from the declining workforce

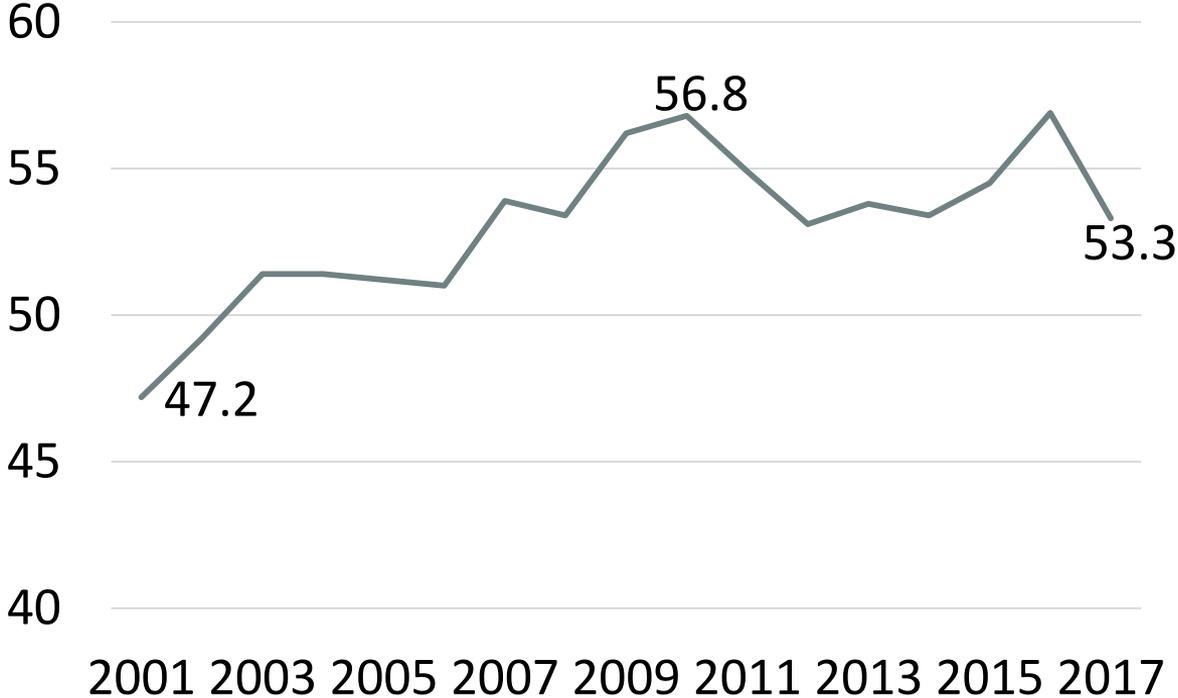
Greater Fredericton's Skilled Workforce

Share of population with STEM qualifications compared to Canada as a whole*



*Those with post-secondary qualifications in science, technology, engineering and mathematics.
Source: Statistics Canada 2016 Census.

Growth/decline in the size of the labour force (000s) – Fredericton CA



Source: Statistics Canada annual population estimates.

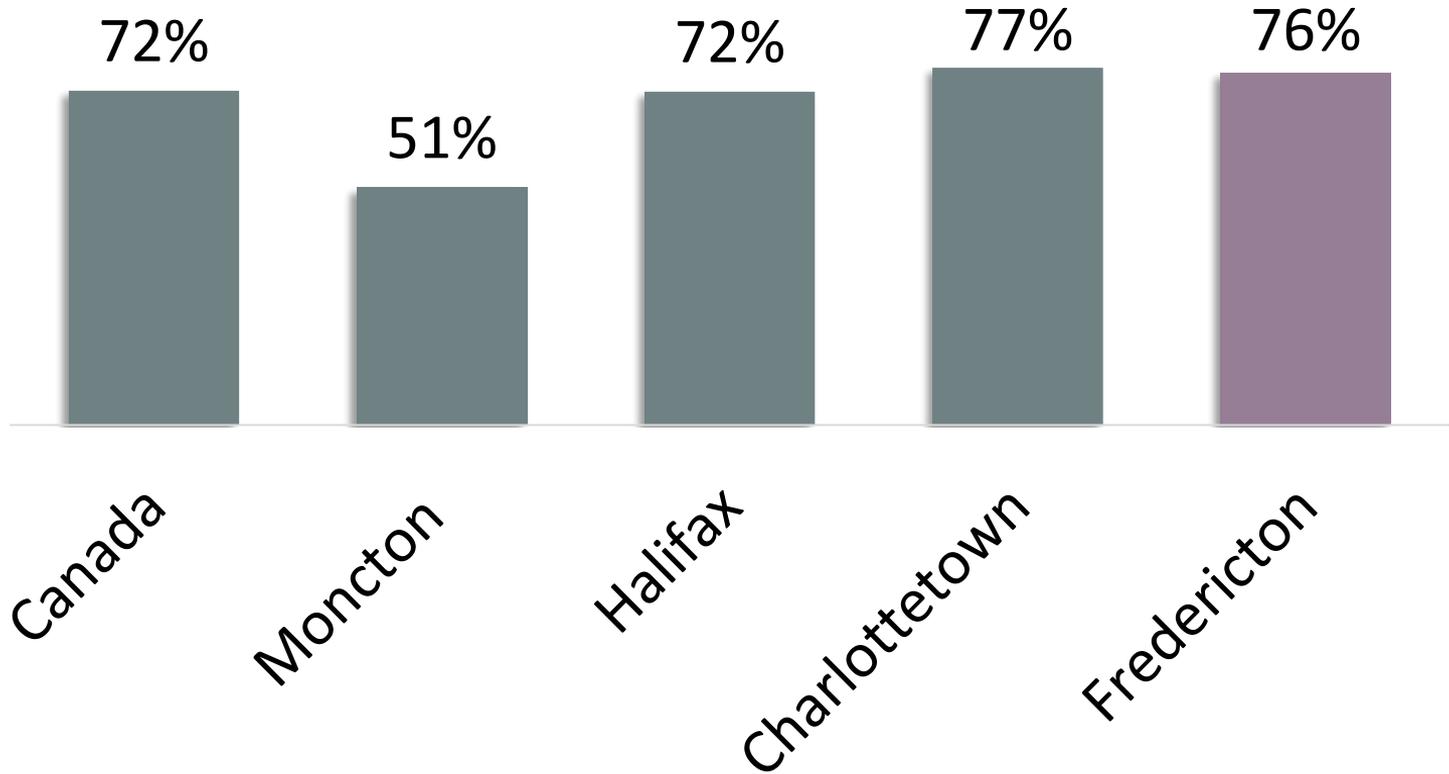
And, a significant number of workers are heading towards retirement.

- Over 13,000 workers across York and Sunbury are 55+ (2016 Census)
- 2,100 business owners/40% of entrepreneurs are 55+ *
 - 74% of self-employed in the farming sector
 - 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 Fredericton CA.

Immigrant share of net population growth between 2011 and 2016



Average annual immigration rate per 10,000 population by five-year increments

	<u>2002-2006</u>	<u>2007-2011</u>	<u>2012-2016</u>	2012-2016 vs. <u>2002-2006</u>
York/Sunbury counties	24	47	65	+171%
Halifax	36	53	61	+68%
Montréal	96	108	109	+14%
Ottawa-Gatineau	61	57	57	-5%
Toronto	206	160	134	-35%
Winnipeg	72	142	168	+133%
Regina	26	82	171	+547%
Edmonton	48	71	113	+138%
Vancouver	161	159	129	-20%

Immigrants are starting to make an impact

- New immigrants made up 4.4% of the city's population in 2016 – the second highest rate among cities in Atlantic Canada.
- Immigrants have been attracted into the region's services and IT sectors.
- Fredericton has also attracted a considerable number of immigrant entrepreneurs.
- We will need to see more in key export-focused sectors:
 - Professional services, tourism and ICT

Greater Fredericton in 2030

- This is only 12 years away – but this is a **pivotal moment** in our history.
- Will it continue to have strong professional services, R&D, ICT and tourism sectors?
- Will new industries emerge related to agriculture, ICT and personal services?
- Will the entrepreneurs be there to exploit new opportunities?

Greater Fredericton in 2030

- 82% of Greater Fredericton residents are at least third generation Canadian.
- 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.



Questions?

**NEW BRUNSWICK
MULTICULTURAL
COUNCIL**



**CONSEIL
MULTICULTUREL DU
NOUVEAU-BRUNSWICK**