



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 Upper Saint John River Valley in 2030

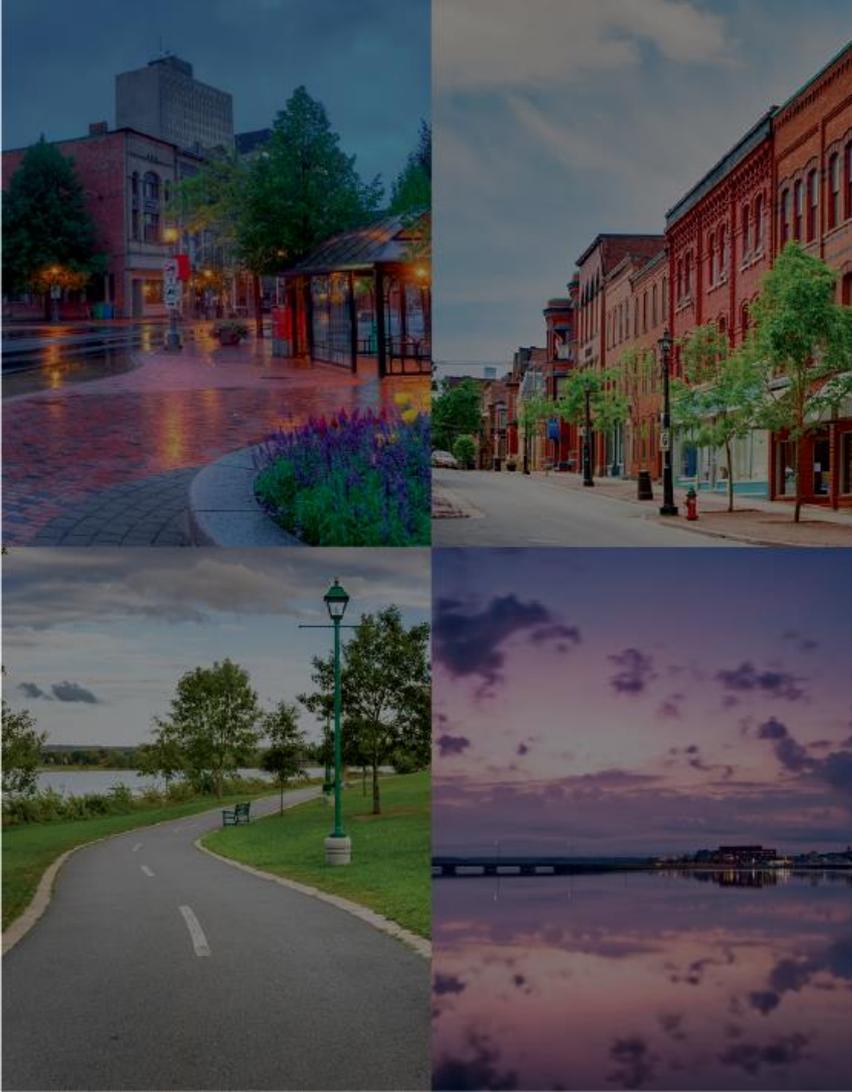
What's wrong with an aging and declining population? Japan has little immigration and seems to be doing fine...

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?



There are many **questions...** it's time to start the conversation!

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? (cont'd)

- 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?

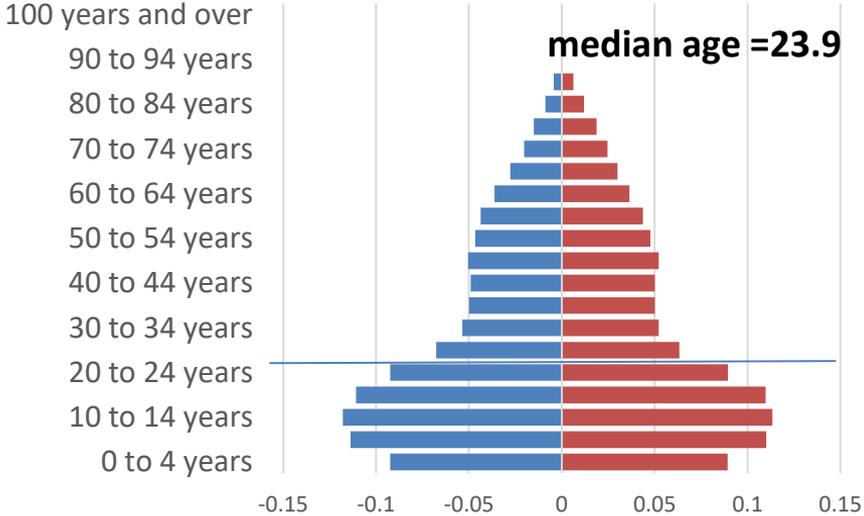
How to attract/retain immigrants in rural areas?

OR

Which schools, hospitals and roads should close?

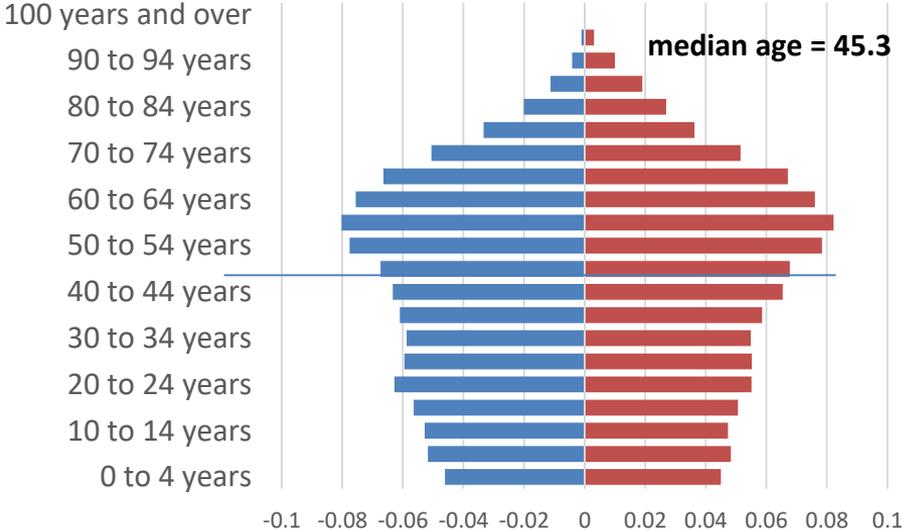
NB is aging fast, as baby boomers grow older and life expectancy continues to progress.

1971



■ Males ■ Females

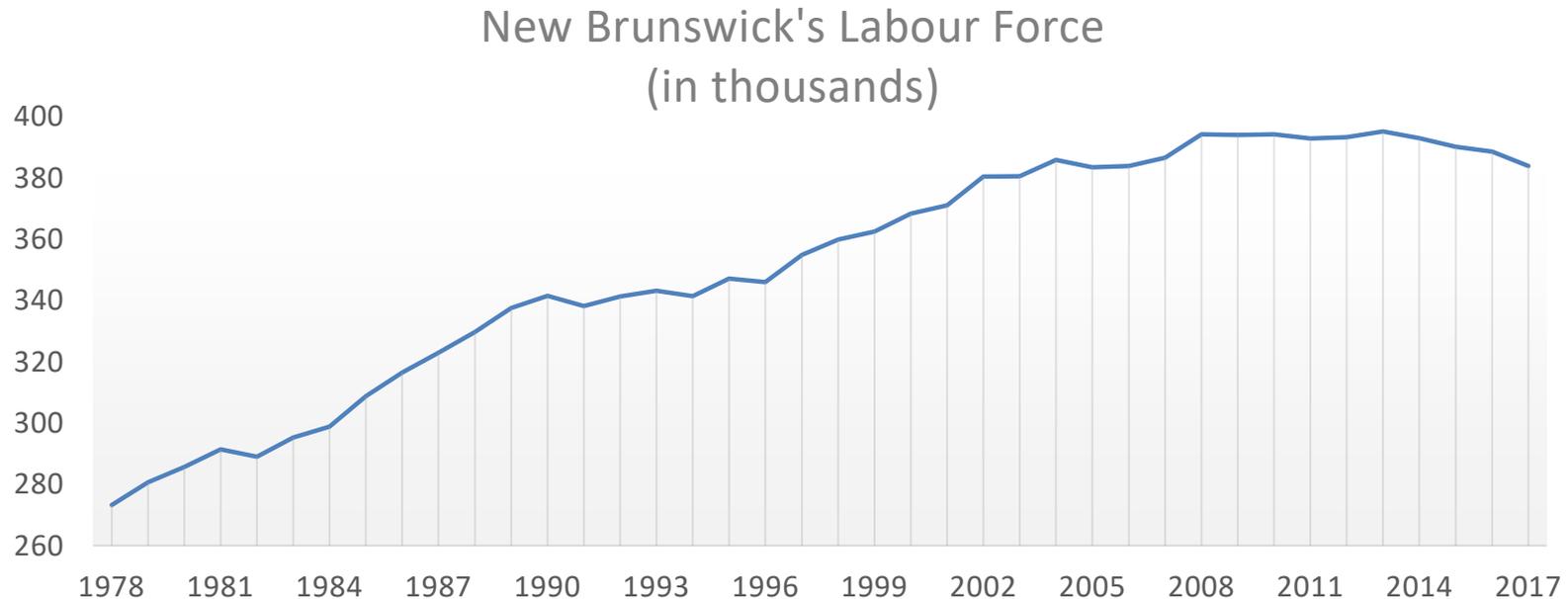
2017



■ Males ■ Females

Source: Statistics Canada, CANSIM, table 0510001.

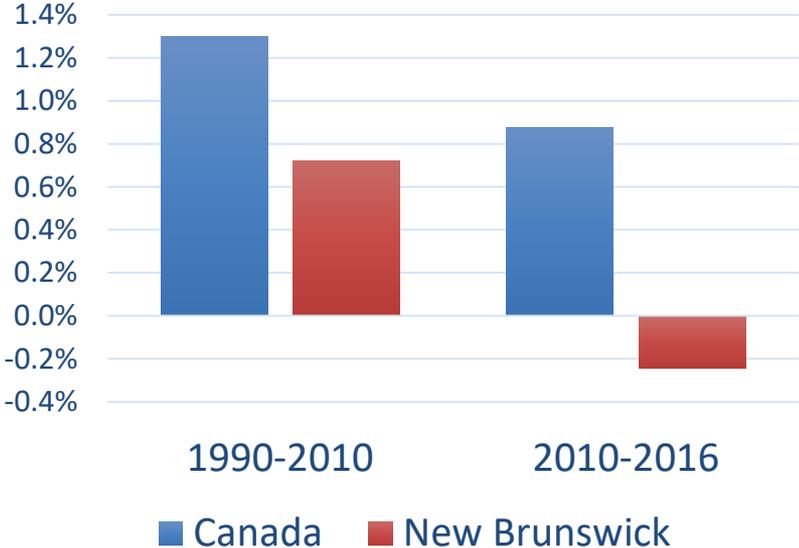
For decades, NB's economy has been fueled by a steady flow of new workers. This is no longer the case. With baby boomers retiring, the province is now losing workers.



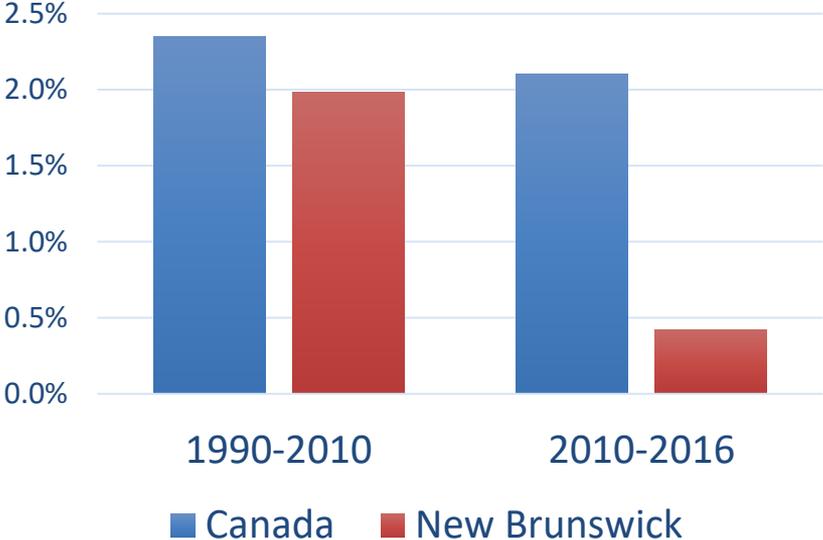
Source: Statistics Canada, CANSIM, table 2820002.

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



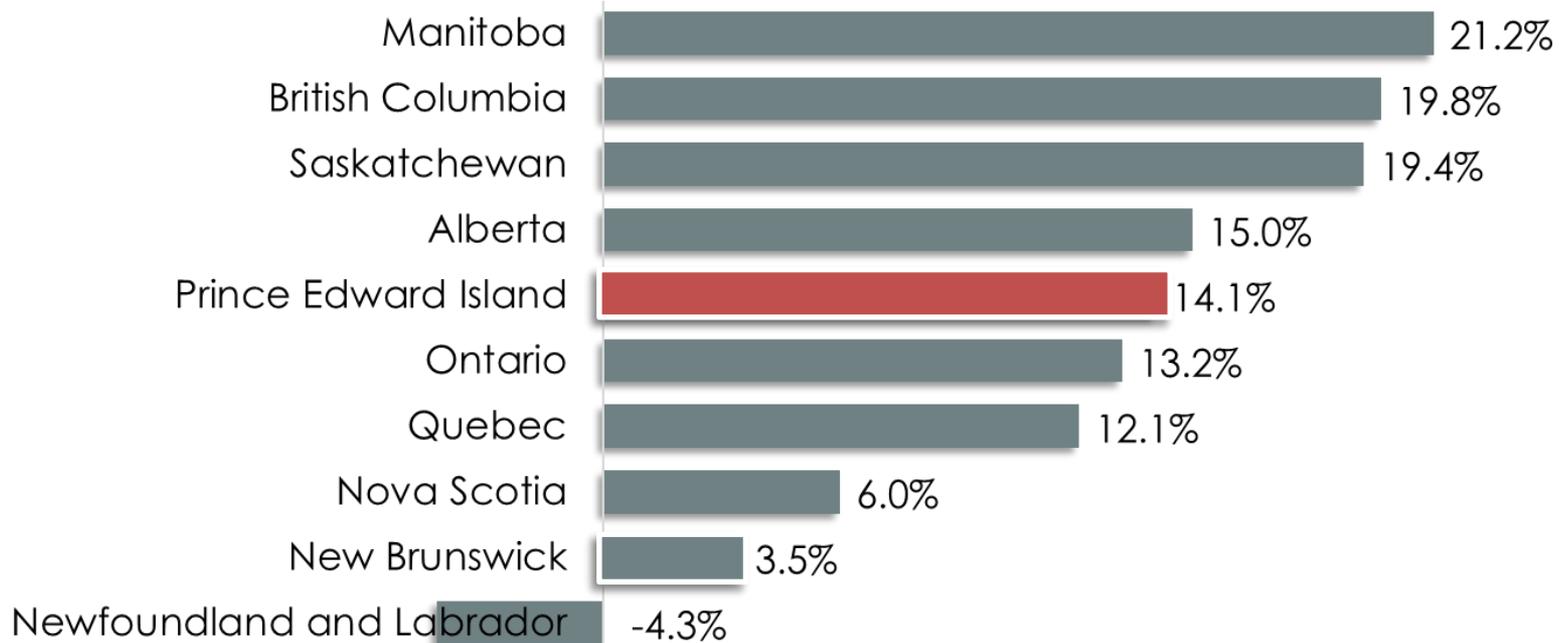
Landed immigrants

+3,100

Born in Canada

-15,300

Cumulative economic growth by province (2007-2016)



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 Upper Saint John River Valley

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

What about the Upper Saint John River Valley?

- The regional population is declining (from 2011 to 2016)
 - Victoria County: -6.5%
 - Carleton County: -3%
 - Woodstock: -0.5%
 - Nackawic, Perth-Andover, Plaster Rock (all down ~10%)
- And getting older
 - 15 years ago there were 2 people under the age of 20 for every 1 person over the age of 65 (Carleton and Victoria Counties).
 - Now that ratio is almost one to one.
 - Median age: Carleton County (45.1), Victoria County (48.7).

What about the Upper Saint John River Valley? (cont'd)

- It's a strategically important economy
 - **Carleton County** – high concentration of workers in agriculture, manufacturing and transportation and warehousing (twice the national average).
 - **Victoria County** – high concentration of workers in forestry and agriculture, manufacturing and transportation and warehousing.
 - The region has many important tourism assets.
 - **The Town of Woodstock** – regional services and employment hub.
 - Only 36% of people working in Woodstock also live there. The rest commute in each day for work.
- Export-focused industries are the highest at risk from the declining workforce

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

- Nearly 6,000 workers across Carleton and Victoria counties are 55+ (2016 Census)
- Over one-in-four 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.

Share of the workforce aged 55 and older



Immigrants are starting to make an impact

- The Town of Woodstock attracted more than 200 immigrants between 2011 and 2016.
- Immigrants have been attracted into the region's transportation and IT sectors.
- We will need to see more in key export-focused sectors:
 - Agriculture, forestry, manufacturing and transportation
- And services, tourism, etc.

The Upper Saint John River Valley in 2030

- This is only 12 years away – but this is a pivotal moment in our history.
- Will it continue to have strong agriculture, tourism, transportation and manufacturing sectors?
- Will new industries emerge related to agriculture, IT, tourism and personal services?
- Will Woodstock continue to be a regional hub for services and retail trade?
- Will the entrepreneurs be there to exploit new opportunities?

The Upper Saint John River Valley in 2030 (cont'd)

- 85% of Carleton 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.



Questions?

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