

*It is time to act!*



**Towards New Brunswick's  
Population Growth Strategy**



*Population Growth Secretariat*

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# 1. Introduction

Canada's labour market is changing. As in other industrialized countries, the labour force in Canada is aging, due to lower fertility, longer life expectancy, and the aging of the baby boomers. In some provinces, specifically Alberta, and some sectors, skill shortages are already beginning to emerge.

As a result, New Brunswick finds itself at a crossroads in terms of its social and economic future. Globalization of the economy and changes in demographics and technology will be powerful forces in New Brunswick's labour market.

Most studies agree that immigration will be key, especially if the province is to improve the integration of recent immigrants into the labour market; however, it is only part of the solution.

The demographic challenges facing the province include:

- low fertility rates;
- declining birth rate;
- declining and aging population;
- a significant out-migration, particularly of youth, to other provinces; and,
- a small immigrant intake, well below the national share.

These trends present an important challenge to the continued improvement and sustainability of health, education, and other social programs in New Brunswick in the decades to come.

## Creation of the Population Growth Secretariat

The Government has recognized these demographic challenges as a key priority, and the *Charter for Change* included a commitment to establish a **Population Growth Secretariat**. The new Secretariat was launched in April of this year to help reverse New Brunswick's population decline.

One of the Secretariat's first tasks is to develop a Population Growth Strategy, which will help New Brunswick reach self-sufficiency by 2026. **Key stakeholders, including all levels of government, other provinces, the business community, non-government organizations, as well as community-based organizations, academia and labour groups are encouraged to provide input regarding the development of the strategy in four specific areas: repatriation, retention, immigration, and settlement.**

*"We cannot sit by and do nothing. Provinces like Alberta are being aggressive in their attempts to convince our young people to leave... we need to give them a reason to stay."*

Premier Shawn Graham

### ***It is Time to Act: Towards New Brunswick's Population Growth Strategy***

The purpose of this consultation paper is to outline the key demographic challenges facing the province and to identify the importance of the issues facing New Brunswick. It includes some key questions, as well as information on how stakeholders and the public can get involved in the process.

Government is committed to this issue, but must have the assistance of all New Brunswickers to find solutions.

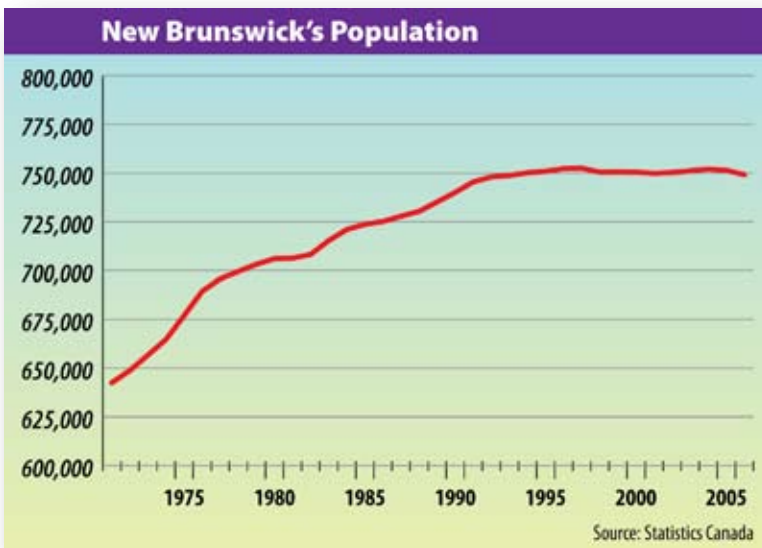
## **2. Key demographic facts about New Brunswick**

The following section identifies the key demographic facts that best demonstrate the province's current human resource challenge, making it imperative for us to take action.

*"The average age of New Brunswick's population is going up, the product of smaller families and the flight of young New Brunswickers to other countries or provinces in search of jobs. The average age today is just under 41 years. In 2031, 25 years from now, it will be just over 49 – and almost a third of New Brunswick's residents will be senior citizens."*

***Fight the Graying of New Brunswick***  
Telegraph Journal Editorial (October 30, 2006)

### **Population growth is minimal**



New Brunswick's population peaked at 752,543 in 1997. Since then, the level stayed around 750,000 until falling to 749,168 in 2006. The latest result represented a decline of 0.3% from 2005 and was the second year in a row that the level decreased.

Other provinces that showed declining population in 2006 included Newfoundland and Labrador, Nova Scotia and Saskatchewan. At the same time, the national increase was 1% with Ontario, Alberta and British Columbia reporting growth between 1% and 3%.

Ontario, Alberta and British Columbia were the only provinces to increase their population share of the Canadian total between 1971 and 2006. New Brunswick's share declined from 2.9% in 1971 to 2.3% in 2006.

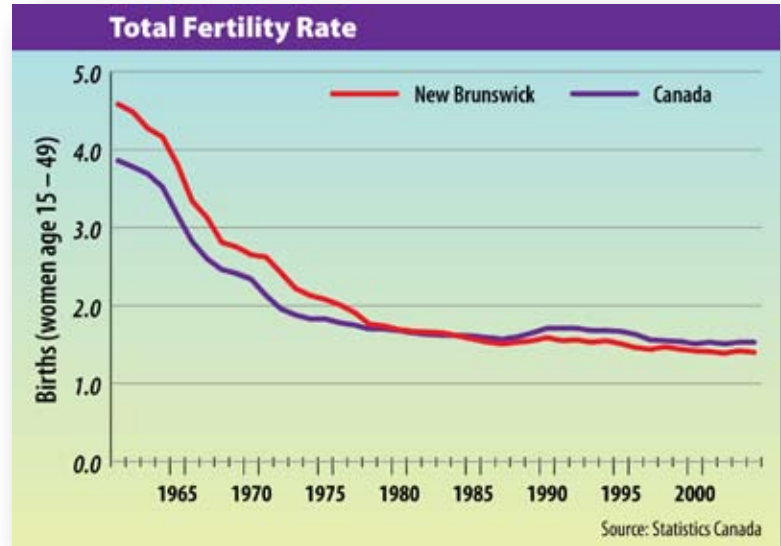
## The fertility rate is one of the lowest in Canada

The total fertility rate is a measure of the average number of children a woman will have in her lifetime. A total fertility rate of 2.1 is needed to offset our current death rate.

The total fertility rate has fallen significantly from the early 1960s in all provinces. In 1961, New Brunswick had the second highest total fertility rate at 4.58; Prince Edward Island was highest at 4.91. Canada's total fertility rate was 3.86 with Quebec, Ontario and British Columbia reporting rates below the national average.

By 2004, New Brunswick's rate of 1.40 fell below the national average of 1.53. Only Newfoundland and Labrador (1.30) and British Columbia (1.39) had lower total fertility rates than New Brunswick.

As well, births are impacted by negative net migration of adults in their 20s and 30s.

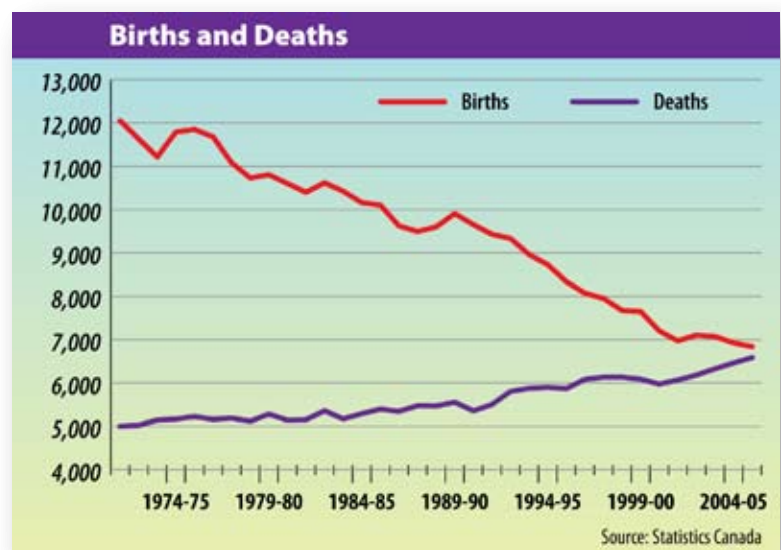


## Natural increase is almost zero

In 2005-06, New Brunswick's natural increase (births minus deaths) was just 252; in 1971-72, it was significantly higher at 7,047.

With falling fertility rates, births in New Brunswick are showing a declining trend going from 12,047 in 1971-72 to 6,837 in 2005-06.

At the same time, people are living longer. Between 1979 and 2003, life expectancy in New Brunswick increased by five years. With more people in the older age groups, the number of deaths increased from 5,000 in 1971-72 to 6,585 in 2005-06.



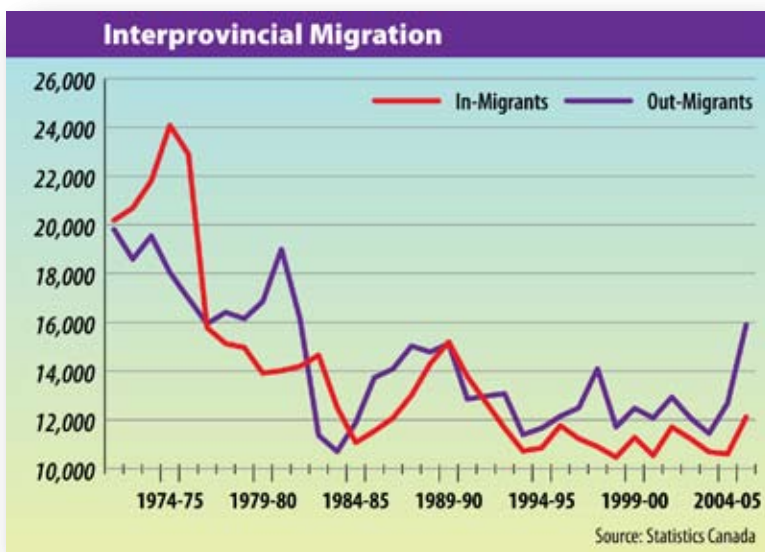
In the past, New Brunswick's natural increase offset the impact of negative net migration. In the future, positive net migration will be needed to increase New Brunswick's population level.



**Components of Growth (10-year period)**

Year	Population	Natural Increase	Net Migration	Total Growth
1976	689,494			
1986	725,154	54,365	-18,705	35,660
1996	752,312	36,942	-9,784	27,158
2006	749,168	11,439	-14,583	-3,144

Source: Statistics Canada.

**Interprovincial migration is showing a net loss**

Frequently in the past, more people left New Brunswick to move to other provinces compared to the number of people moving to New Brunswick from other provinces. The levels are influenced by job opportunities, the cost of living and the age of the population; an older population tends to move less than a younger population.

Since 1991-92, the annual level of new in-migrants to New Brunswick has, for the most part, ranged between 10,000 and 12,000 while the level of out-migrants fluctuated between 11,000 and 13,000.

These figures show that, in the last two years, 2000 more people left the province than came here from another province.

Interprovincial migration is strongest among younger adults. Since 1991-92, between 19% and 23% of the out-migrants from New Brunswick were in the age group 25-44 years and between 12% and 15% were 18-24 years. The shares of in-migrants to New Brunswick were slightly lower in these age groups – between 17% and 20% for those aged 25-44 years and between 7% and 11% for 18-24 years.

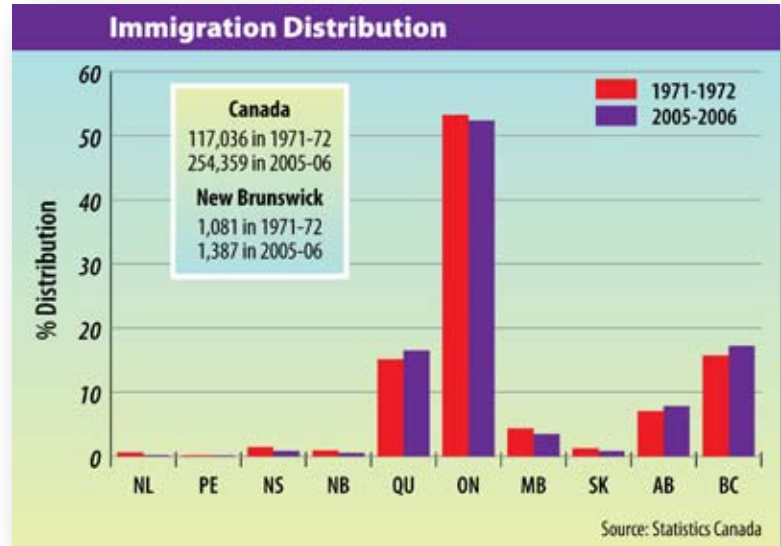
Since 2000-01, the majority of out-migrants left New Brunswick for Alberta, Quebec, and Ontario. Lower levels of out-migrants combined with higher levels of in-migrants will be needed to increase New Brunswick's population to a level that will lead to self-sufficiency.

## Immigration is low

Immigration in New Brunswick has decreased since the early 1970s.

The term immigrant refers to a landed immigrant – a person who does not have Canadian citizenship but was granted the right by immigration authorities to live in Canada on a permanent basis.

Ontario, Quebec, British Columbia and Alberta receive the largest share of immigrants annually. This has stayed true even with the substantial increase in the immigration level. Manitoba receives over 3% of the immigrants, close to its share of the total Canadian population.

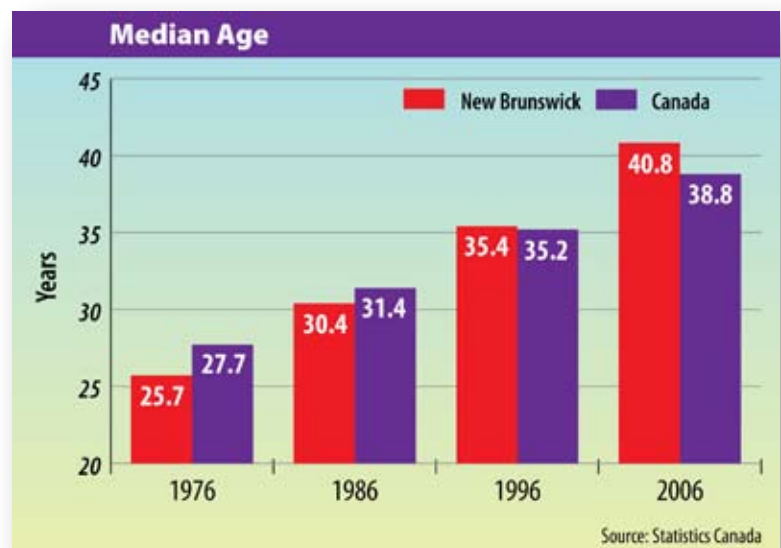


## Population is aging

The median age of the population is where 50% of the population is older and 50% is younger.

In 1976, the median age for New Brunswick was 25.7 years, below the national average by two years. With the declining fertility rates, a smaller share of the population was in the younger age groups – for Canada as a whole, as well as New Brunswick.

By 2006, the median age for New Brunswick rose to 40.8 years, an increase of just over 15 years; the national average was two years less at 38.8 years. New Brunswick's results were also influenced by the negative net migration trend.



Youth in New Brunswick represented just over 39% of the population in 1976. Thereafter, their share declined continuously due to the baby boomers moving completely out of the age group 0-19 years and fewer babies being born. By 2006, youth represented just over 22%.

The baby boomers also caused a dramatic increase in the size of the workforce during the 1970s and 1980s. In 1976, the working age population (20-64 years) made up 52% of the population. By 2006, the working age population

reached 64%. Going forward, with the declining fertility rates and negative net migration, there will be fewer young adults moving into the working age population.

With increased life expectancy and lower fertility rates, the share of seniors 65 years and over in New Brunswick increased steadily from 9% in 1976 to 14% in 2006.

### 3. Why are these demographic challenges important?

*"To significantly expand our economic base and achieve self-sufficiency, New Brunswick's population must increase by over 100,000 in the next two decades. That's a net increase of roughly 5,000 people each year. New Brunswick has never experienced sustained population growth of that magnitude."*

*The New Brunswick Reality Report  
Part 1: At the Crossroads  
The Self-Sufficiency Task Force*

#### Achieving Self-Sufficiency

There are a number of reasons New Brunswick must address its demographic challenges, including achieving the goals of becoming self-sufficient by 2026 and ensuring that human capital is available to support business development and economic growth.

The *Self-Sufficiency Task Force* outlined seven realities that New Brunswick must address in order to become self-sufficient. At the top of the list was the need to increase its population and labour force.

#### Increasing Labour Force Participation

Labour force participation rates are influenced by individual choices and respond to incentives and barriers. Because of the significant labour shortages being forecasted in New Brunswick, a major shift must take place as employers will face gaps in their workforce and will need to consider such initiatives as re-employing older workers.

An aging labour force presents a key challenge. Will there be enough skilled workers? Will New Brunswickers have quality of life during work and after retirement? Should longer working careers be considered?

Could other actions be taken to increase opportunities for older workers? What can employers do to provide greater flexibility and employment opportunities to meet people's needs?

There are additional issues to be examined. Female participation in the labour force has grown over the last 25 years, but has now peaked. Immigration is increasingly relied upon to meet the demand for skilled workers and support economic growth.



This leads to further questions: What are the appropriate roles and responsibilities of the individual, the community, employers, and government? Do more support programs need to be provided to improve the skills of employed workers?

### Identifying Challenges

The major demographic shifts that will follow the retirement of baby boomers will have a significant impact on the labour force and economic prospects for New Brunswick. This impact is also likely to extend to the taxes New Brunswickers will have to pay.

*"In my opinion there is no other single issue that has direct ramifications on so many of New Brunswick's challenges than the decline in this province's population size and the consequences of the distortions in the age composition of our demographics."*

**Dr. Constantine Passaris**  
UNB Department of Economics

At the same time, the fact that the population is aging means that government will require more social services. How will this change affect government budgets? Is the current fiscal structure in New Brunswick sustainable over the long term? In order to meet the labour shortage challenges, developing a larger, more skilled workforce must be a priority.

### Addressing Literacy Challenges

Literacy challenges are significant. A commitment to literacy will benefit New Brunswick's economy. It is vital to self-sufficiency and future competitiveness.

Research shows that improved literacy pays off not only in labour market productivity, but also in better outcomes for children, the pursuit of equity for Aboriginal peoples, better integration of newcomers, lower healthcare costs, safer and more cohesive communities, and greater civic participation. Existing literacy and numeracy programs must continue to produce results. How can people be helped to improve their foundation skills?

### Increasing Diversity

Communities that have made strategic investments in retaining their youth and attracting newcomers have been more resilient to change and are better positioned to take advantage of economic development opportunities in the future.

Newcomers bring economic investments and jobs to New Brunswick and help enrich society. Government recognizes that immigrants and other newcomers to the province will play a vital role in sustaining the provincial economy. Cultural diversity and immigration contribute to cultural growth and enrichment in New Brunswick.

Immigrants enhance skill levels, add entrepreneurial talent, enhance knowledge of preferences, culture, and business practices in foreign markets, and contribute to faster economic growth.

## 4. What does New Brunswick intend to do?

*"Our declining population will continue to impact upon our ability to pay for essential services and achieve self-sufficiency. That is why we all must take action now and why we, as a government, have doubled the funding commitment to help address population-related challenges in our province."*

Greg Byrne  
Minister responsible for the Population Growth Secretariat

New Brunswick has committed to improving its demographic situation. It has invested strategically by doubling the resources allocated to population growth and developing partnerships that will address this challenge. These plans include:

### 1. **Establishment of the Population Growth Secretariat**

In April 2007, the Government of New Brunswick created the Population Growth Secretariat to ensure a co-ordinated approach to this critical public policy issue. This new entity is unique in Canada and will deal with all issues related to population growth including: increasing immigration; improving settlement services to retain newcomers; repatriating former New Brunswickers and attracting other Canadians; and retaining New Brunswickers, particularly youth.

### 2. **Development of a Population Growth Strategy**

In 2006, approximately 1,600 new immigrants landed or indicated that New Brunswick was their final destination. Government has set a number of ambitious targets for increasing immigration (5,000 new immigrants annually by the year 2015) and the retention of newcomers (increase current retention rate from 60% to 80% by the year 2015). Other targets will be established for the retention of youth and repatriation of former New Brunswickers.

This consultation paper is the first step in the development of a long-term population growth strategy. Input will be solicited from key stakeholders in developing the strategy.

### 3. **Creation of Partnerships**

A key aspect of improving participation will be to ensure that all those who wish to participate have the capacity to do so. This will involve ensuring that the education system provides adequate and relevant training to equip future workers with the skills they require.

Attempts will be made to forge stronger linkages among communities, employers and youth as a means of retaining them in New Brunswick. Through enhanced mentorship and activities, co-op programming, and strategic investments, Government hopes to provide youth and their communities with closer ties so that job opportunities will become more evident.

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#### **4. Examination of Best Practices**

The Population Growth Secretariat has already begun examining best practices across the province and in other jurisdictions. The Secretariat has invited other Atlantic Provinces' immigration and population organizations to share ideas and conduct pilot projects in partnership with New Brunswick to learn from their experiences.

New Brunswick will be promoted as a great place to live, a great place to come home to and a great place for a new beginning. Outreach trips will take place in strategic Canadian and international markets and we will work with employers and communities to attract people to the province.

The Secretariat will examine family-friendly policies in Canada and overseas. "Made in New Brunswick" solutions will be developed to combine elements from programs in other jurisdictions to establish innovative programs to address our needs. Evidence-based programming proven effective in other provinces and countries will be examined.

#### **5. Engagement of citizens**

Colleagues, governments and New Brunswick communities will be engaged as part of the consultation process. By establishing an advisory board of key stakeholders, the Secretariat will engage partners and share information on common areas of interest. This board will advise on the province's priorities and programming with respect to population growth. Information will be shared with other departments and agencies and ensure a co-ordinated approach to resolving issues within government.

By working with all stakeholders and building partnerships, New Brunswickers are encouraged to be part of the solution to the demographic challenges.

All New Brunswickers must become part of the action plan to solve the existing demographic challenges as it is not the sole responsibility of government. By undertaking the development of a population strategy, Government is determined to engage New Brunswickers in this important public policy issue.

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## 5. What will the strategy on population growth address?

*In Europe, Asia and Australia the responses to their situation have been varied. Each nation has focused on particular policy responses to complex issues. Most have chosen to focus on increasing or maintaining a fertility rate near replacement levels while also paying serious attention to labour market issues such as increasing the labour force attachment of women and other under-represented groups, and later retirement ages for workers. Some, most notably Australia, have also looked to immigration to reduce the likelihood of reductions in population size or unmanageable aging trends. The lessons from other industrialized nations include the importance of having a mix of policies in place to ensure a sustainable population base.*

*Sustainable Population Policy: Charting a Course for Canada  
Canadian Policy Research Networks*

### Roles and Responsibilities

The strategy will identify strategic priorities for addressing New Brunswick's demographic challenges. Individuals, communities, labour and employer groups must understand how they can contribute to the attraction and retention of people to New Brunswick.

The education system, including universities and colleges must be part of the strategic response required to succeed. Non-government organizations, particularly the various multicultural associations and

immigrant serving agencies across the province, play a pivotal role in retaining newcomers.

Groups such as the Société des Acadiens et Acadiennes du Nouveau-Brunswick (SAANB) and the New Brunswick Multicultural Council can provide valuable insight as to how we can attract francophone immigrants to our communities. The strategy will seek input and advice from many of these different groups and attempt to identify appropriate roles and responsibilities in order to move forward.

### Programs and Initiatives

Other Canadian jurisdictions are experiencing demographic challenges similar to New Brunswick and have taken action by investing strategically and increasing their immigration levels. For example, Manitoba, with a population slightly larger than Nova Scotia, now receives over 10,000 immigrants annually and is targeting further growth to 20,000. Nova Scotia has initiated a provincial co-op program called *Invest in Youth* aimed at building linkages between young people, employers and communities as a way to retain their youth.

In March of this year, the Government of Saskatchewan introduced a graduate tax exemption. It is available for graduates of a post-secondary education program with a certificate, diploma or degree or certification to journeypersons within or outside of Saskatchewan who want to start their career there.

Quebec's government is offering five-year income tax credits to attract foreign academics in information technology, engineering, health sciences, and finance sectors.

New Brunswick students enrolled for the first time at a university and who are attending provincially funded New Brunswick universities are eligible for a one-time benefit of \$2,000. Students must be enrolled in an undergraduate degree-granting program at the University of New Brunswick, St. Thomas University, Mount Allison University, and Université de Moncton (all campuses).

After considering best practices across the province and in other jurisdictions, the strategy will propose a number of different programs and initiatives that will effectively address New Brunswick's demographic and labour force needs.

### Awareness

Even though New Brunswick's demographic challenges are front page news, there is still a need to create awareness of this critical issue. How can we work together to make New Brunswick a great place to live, a great place to come home to, and a great place for a new beginning?

### Call to Action

The most fundamental requirement of the population strategy is to encourage New Brunswickers to act to maintain a successful economy and a cohesive society.

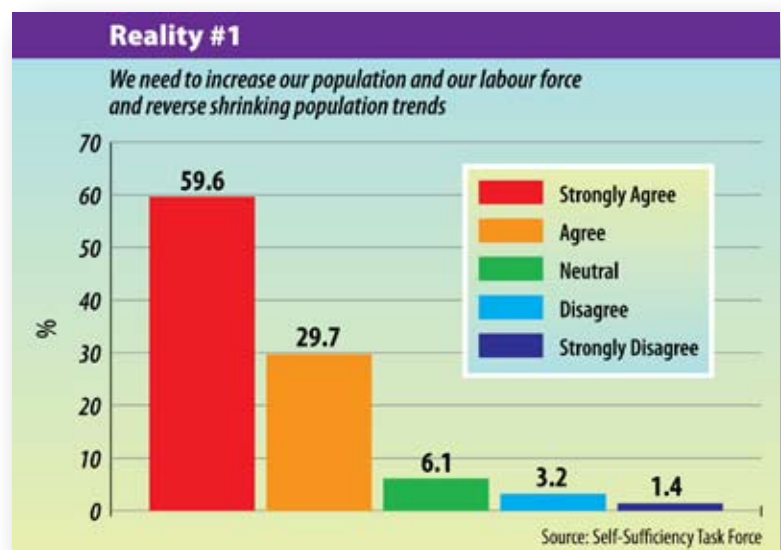
## 6. How can New Brunswickers provide input?

New Brunswickers have responded overwhelmingly to the Self-Sufficiency Task Force that *"we need to increase our population and our labour force and reverse shrinking population trends"*. This was **Reality Number 1** for the Task Force, and almost 90% of the 805 respondents agreed or strongly agreed with this objective.

Keeping this in mind, the Population Growth Secretariat wants to engage all stakeholders in helping to develop the strategy for dealing with our demographic challenges.

While there are many questions, perhaps the most fundamental ones are as follows:

1. Given New Brunswick's demographic challenges, where do you believe the emphasis should be placed on reversing our population decline?





2. What role do you think Government should play?
3. What role should employers play?
4. What role should communities play?
5. The Government has set a target of attracting 5,000 new immigrants per year by 2015. What elements will allow New Brunswick to meet this ambitious target?
6. The Government has also set an objective of increasing our retention of newcomers from 60% to 80% by 2015. What would be critical for meeting this objective?
7. What initiatives do you feel might be useful in retaining our youth?
8. What can be done to be successful at repatriating former New Brunswickers?
9. How can New Brunswick attract other Canadians to the province?

The Government of New Brunswick and the Population Growth Secretariat are interested in hearing from you. Your ideas and suggestions will help develop the Population Growth Strategy. **All submissions and input specifically related to retention, repatriation, recruitment, and settlement are going to be considered, and there will be a number of ways to provide input to the exercise.**

These include:

- 1. Written briefs and submissions**

New Brunswickers are encouraged to submit their views regarding the strategy to:

**Population Growth Secretariat**

P.O. Box 6000

Fredericton, NB

E3B 5H1

or by email: [pgs-scd@gnb.ca](mailto:pgs-scd@gnb.ca)

- 2. Face to Face Dialogue – Town Hall Meetings**

The Population Growth Secretariat is conducting a series of town hall meetings around the province. Individuals and organizations are able to present ideas during these sessions. Please refer to the Population Growth Secretariat's website for dates and locations around the province.

- 3. Internet**

The Secretariat is soliciting input on its website. You can provide your feedback by visiting: <http://www.gnb.ca/population> and accessing the *Population Strategy* link.

***The deadline date for submissions is Friday, August 3, 2007***

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