

Chapter 2

Some Demographic Trends in Atlantic Canada: Potential Consequences and Policy Response

The population growth rate in Atlantic Canada has been in continuous decline for most of the post-World War II period, the most drastic decline taking place after the 1970s. Net out-migration from the region has been a permanent factor in this decline. This means that to maintain some population growth, the region has relied solely on natural increase (births minus deaths). However, this component of population growth has also declined continuously, falling below even the out-migration rate in the new millennium, thereby causing the population *growth rate* to become negative in the first half of the last decade. During 2006–2010, the population growth rate rose but remained very close to zero (i.e., an increase of only about 14,350 in the region) because of a lower net out-migration rate than occurred at the beginning of the century and one observed largely due to an increase in international immigration during this period. Chart 1 shows the trends in components of population growth.

Chart 2 shows that since 1945, the declining natural population growth rate in Atlantic Canada was due mainly to declining birth rates because death rates remained almost constant over most of the period. Since 2003, the gap between birth and death rates has been below one per thousand annually, and the region's population reached a zero natural growth rate in 2010.

Table 1 shows more detailed components of population growth in each Atlantic province during 2009–2010, during which the region's population increased by about 11,000. About 62 percent of this increase was generated by international migration; only 1.5 percent came from a net natural increase. The contribution of international migration towards population growth was the least in Newfoundland and Labrador, where net *interprovincial* migration contributed the most (62 percent), largely due to the continuing development of offshore oil reserves. Immigration contributed the most to the population growth of Prince Edward Island, where net interprovincial migration was negative; in fact, the province actually would have suffered a population decline without immigration. Natural growth was also negative in the populations of Nova Scotia and of Newfoundland and Labrador during 2009–2010.

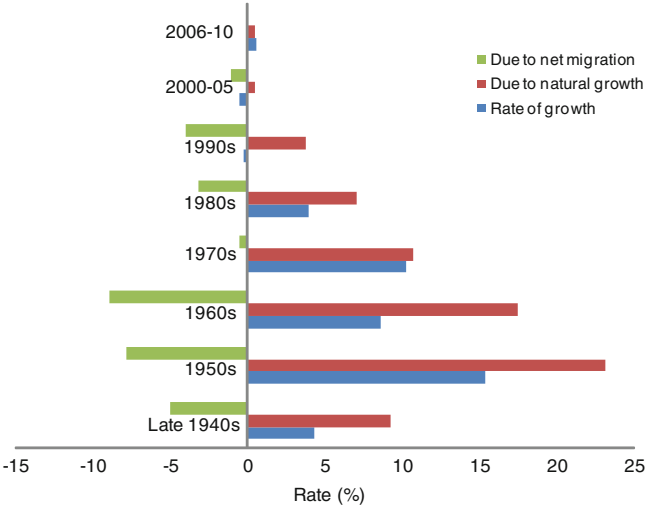


Chart 1 Components of population growth rates in Atlantic Canada in the post-World War II period. *Source and notes* Table A2. A negative growth rate means population declined during that period

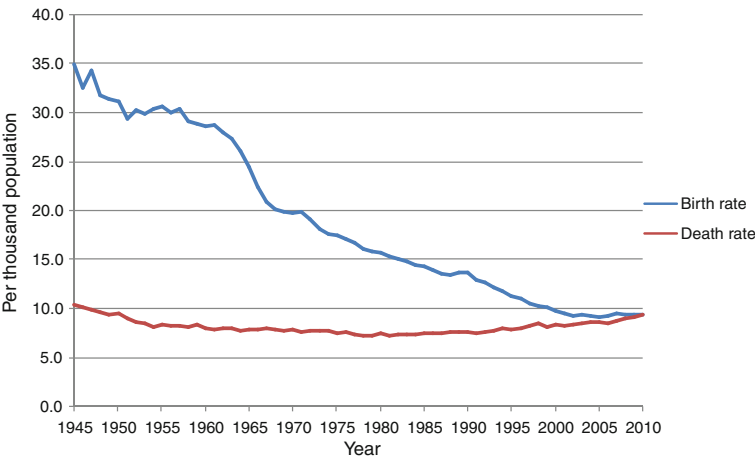


Chart 2 Birth and death rates, Atlantic Canada, 1945–2010. *Source* Table A3

Despite the small share of international immigrants that Atlantic Canada receives nationally, their contribution to population growth has been strong since the 1980s, as shown by Akbari (2009), based on data from each of the six censuses conducted during 1981–2006. During the 1990s, population growth would have been negative without international immigration in the region, while during 2001–2006, immigrants accounted for more than half of population growth in the region.

Table 1 Components of population growth, Atlantic Provinces, 2009–2010

	July 1, 2009/June 30, 2010				
	NL	PE	NS	NB	Total
Births (1)	4,480	1,397	8,810	7,044	21,731
Deaths (2)	4,765	1,217	8,840	6,743	21,565
Immigration (3)	659	1,791	2,409	1,928	6,787
Emigration (4)	372	77	714	527	1,690
Net temporary emigration (5)	258	70	474	380	1,182
Returning emigrants (6)	120	71	442	338	971
Net non-permanent residents (7)	423	150	1,544	49	2,166
Net interprovincial migration (8)	1,309	–876	205	722	1,360
Population growth (9) = (1) – (2) + (3) – (4) – (5) + (6) + (7) + (8)	2,112	1,309	4,330	3,191	10,942
Immigrants in population growth (% = (3) of (9))	31	137	56	60	62

Source Statistics Canada, CANSIM, Table 051-0004 (Last modified: 2010–09–29)

The slowing of Atlantic Canada's natural increase in population has resulted in its having the highest percentage of seniors among all Canadian regions. Statistics Canada (2011) reports that as of July 2011, Nova Scotia had the highest percentage of seniors in Canada (16.5 percent), followed by New Brunswick (16.2 percent), while the provinces of Newfoundland and Labrador and Prince Edward Island had identical percentages (15.8 percent). Newfoundland and Labrador had the highest median age (43.8 years). In terms of youth, Nova Scotia had the lowest percentage in the country (14.7 percent), very closely matched by Newfoundland and Labrador (14.8 percent). Nova Scotia and New Brunswick were among the four Canadian provinces where the percentage of youth in the population was below that of seniors, the other two being British Columbia and Quebec. The median age in all Atlantic provinces exceeded that everywhere else in the country.

Potential Consequences of Population Decline and Aging

Population decline and aging in a region can have several economic and political consequences, some of which are discussed below.

Some Economic Consequences

Population decline can result in shrinking markets for goods and services, thereby creating an adverse impact on incentives for business investment. One might expect the population decline to result in the creation of policies for restructuring the economy to provide the goods and services demanded by a growing elderly

population. However, such restructuring could not have a long-lasting effect because the death rate is soon expected to exceed the birth rate in Atlantic Canada (Chart 2). A decline of some federal fund transfers to the region, such as federal funds for health care, is also expected because these are determined by a province's population.

An aging population can also result in fewer labour force participants, thereby causing shortages of certain types of labour demanded by employers in the region. For example, Skills Compétences Canada (date unknown) identified shortages of construction workers, especially bricklayers and electricians, in Atlantic Canada. Shortages of professionals such as health care providers in the region are also well documented. A study by the Atlantic Institute for Market Studies (McNiven and Foster 2009) predicted that by 2016, the number of available workers in Nova Scotia will be lower than the number of available jobs and that by 2026, approximately 12.5 percent of jobs will be vacant in the province. A similar study conducted by the Policy Research Centre at the University of New Brunswick, and reported by the Atlantic Institute for Market Studies (2009), predicted that New Brunswick's labour force would begin to decline as early as 2011. In 2007, the Newfoundland and Labrador Skills Task Force released a report (Newfoundland and Labrador 2007a) that predicted serious skilled labour shortages for many of that province's large-scale development projects in the coming years. Further, according to the Canadian Tourism Research Institute and Conference Board of Canada (2010), Prince Edward Island's labour force is expected to grow between 2010 and 2030 but by a mere 0.2 percent. The tourism industry alone is expected to have 1,200 unfilled jobs by 2025 in Prince Edward Island.

Rural Atlantic Canada has been affected the most by regional population decline, as noted in a study published by the Atlantic Provinces Economic Council (2007b). This phenomenon is of concern because most natural resource-based industries in Atlantic Canada are located in rural areas. Population decline would cause shortages of skilled labour in these industries. In addition, when populations decline, the cost of public, as well as private, services does not adjust immediately, and there is a point below which base costs cannot go regardless of population size. As a result, the economic feasibility of providing such services becomes questionable. Losses of hospitals and mail and banking services, as well as consolidation of schools in rural Atlantic Canada, have become increasingly common. This closure of public and private services then further accelerates rural population decline as people move closer to metropolitan areas in search of those services.

Last, but not the least, an aging population can also increase pressure on younger labour force participants to provide the social programs for the elderly (for example, higher contributions to government pension plans and higher taxes).

1 Nova Scotia's Aging Workforce

“Nova Scotia’s labour force is strongly affected by changing demographics; the aging population will lead to increased retirements in the coming years. Workers over the age of 45 now represent about 51 % of Nova Scotia’s labour force, while for Canada overall, the rate is 48 %, suggesting Nova Scotia has an older population than the average Canadian province. Current projections of the decline in the size of the labour force associated with age suggest a 20 % decrease in the labour supply. This could mean that Nova Scotia will face a situation in which the number of jobs will exceed the number of people willing to participate in the labour market. The period between 2006 and 2016 is seen as one of transition from an era of labour surpluses to one of chronic shortages”. Ray Barton Associates Ltd. (2008, p. 13).

Some Political Consequences

Population decline can also result in a weakening of a province’s political representation in the Canadian House of Commons.¹ According to the *Constitution Act* of 1985, each province’s representation is based on its population size, although a grandfather clause protects each province from losing seats in the House below its 1976 level. This method of determining a province’s number of seats in the House implies that as the population of a province grows, not only would the number of seats allocated to it increase but also its total number of seats in the House above its 1976 level. In turn, proportionate representation of other provinces whose population either remains stable or falls would decline.

A study published by the C. D. Howe Institute (Tomlin 2007) noted the imbalance in provincial representation in the House of Commons resulting from population imbalance among the provinces. The study also projects that if these current uneven trends in population growth rates across provinces continue, the imbalance in provincial representations will worsen by 2021. As Chart 3 shows, each Atlantic province had less than 4 percent of the total seats in the House of Commons in 1976. By 2021, declining population is projected to further weaken this representation. Most recently (as of October 27, 2011), the federal Conservative government introduced a Fair Representation Bill in the parliament to add 30 new seats to the House of Commons for Alberta (6), British Columbia (6) Ontario (15) and Quebec (3), while all other provinces will maintain their current number. These additions to the House seats are to take place from the time of next expected election in 2015 which will reduce the Atlantic provinces’ percentage

¹ This can also have an indirect economic effect on the region.

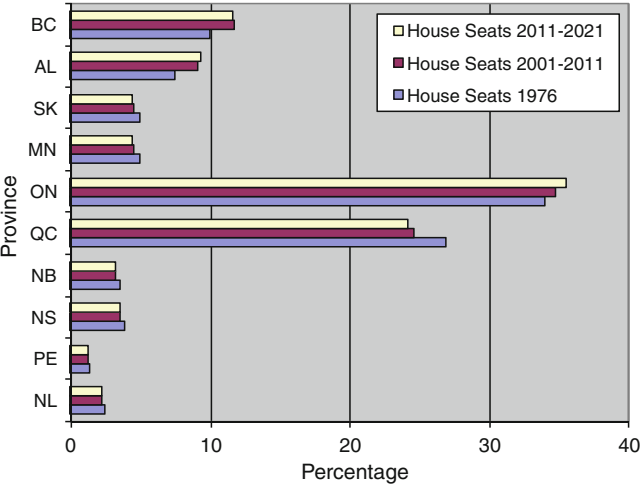


Chart 3 Provincial representation in the Canadian house of commons based on current rules and projected population growth rates. *Source* Table A4

representation in the House as follows: Newfoundland and Labrador down from 2.09 to 1.41 percent, Prince Edward Island down from 1.41 to 0.42 percent, Nova Scotia down from 3.61 to 3.28 percent, and New Brunswick down from 3.28 to 2.99 percent.

Public Policy and Community Responses to Population Decline and Aging

The negative economic and political consequences of population decline and aging have not gone unnoticed by policy makers in Atlantic Canada. Therefore, to help reverse its negative demographic trends, each province has launched a population strategy, of which increasing the provincial share of annual Canadian immigrant inflows is an important component. Separate government departments have been formed with the mandate to increase (1) the level of skilled worker immigration as one way to deal with skill shortages, and (2) the retention rate of annual immigrant inflows, which has been low in most Atlantic provinces since the mid-1990s. Each government is now (1) a signatory to a Provincial Nominee Program (PNP), a federal-provincial bilateral agreement that allows each participating Canadian province to target and recruit immigrants to meet its own particular needs and who are then fast-tracked through the system by Citizenship and Immigration Canada (CIC), and (2) collaborating with other provincial governments in the region and federal departments to develop promotional material, participate in overseas marketing missions, conduct research, assess and recognize foreign credentials and share information.

The Atlantic Canada Opportunities Agency (ACOA), a federal government agency with a regional economic development mandate, also recognizes the importance of immigration to the economic development of the region. ACOA works closely with both the region's governments and its settlement organizations to facilitate the settlement and integration of immigrants. ACOA established an Atlantic Population Table (APT) with representation from CIC, Human Resources and Social Development (HRSD), and the four Atlantic provincial governments. Another federal government department, the Rural Secretariat, has investigated a rural re-population strategy, with immigrant settlement in rural regions as one component of rural economic development. Further, the Nova Scotia Department of Agriculture has partnered with the Nova Scotia Office of Immigration to attract immigrant farmers to rural areas of the province.

Municipal governments and the private sector also realize both the importance of immigration in meeting local labour market demands and the need to build welcoming neighbourhoods to retain immigrants. For that reason, immigrant attraction and retention are listed as key priorities in the economic strategy document of Halifax Regional Municipality (HRM).² HRM, in collaboration with the Greater Halifax Partnership (GHP), has launched an Immigration Action Plan (IAP) to promote economic and cultural development in HRM,³ which is an example of public-private sector collaboration to meet local labour shortages in the region.

Settlement organizations such as the Immigrant Settlement & Integration Services in Nova Scotia (ISISNS), the PEI Association of Newcomers in Prince Edward Island (PEIANC), and the Association for New Canadians in Newfoundland and Labrador (ANCNL), along with community organizations such as the Colchester Regional Development Authority (CoRDA) in Nova Scotia and the Multicultural Association of Carleton County in New Brunswick, work closely with their provincial and municipal governments to design innovative strategies to attract immigrants and facilitate their integration. Consultations are held with newcomers to help them find a job and establish a business. Among other services, ISISNS also provides pre-arrival services to those approved to settle in Nova Scotia, while ANCNL provides a pre-employment readiness service and also participates in the Acquiring eXperience and Integrating Skills (AXIS) career service (see details in Box 2.2).

The Council of Atlantic Premiers (CAP) has established a unified goal to increase international immigration in the Atlantic region.⁴ Recognizing the importance of regional collaboration in attracting and retaining skilled immigrants

² This document can be found at <http://www.halifax.ca/economicstrategy/EconomicStrategy.html>.

³ The GHP is a public-private sector coalition aimed at attracting new investments in Halifax.

⁴ The Atlantic provinces have adopted unified policies on many fronts and cooperate in providing many public services. For example, the sales tax is harmonized across all provinces, which also cooperate in providing selected health care and education services. Businesses have also developed linkages across the region, especially in professional services. Proposals for creating a single economy in the region have also been tabled (Atlantic Provinces Economic Council 2007a).

to meet the region's workforce needs, CAP had been working since 2005, with the federal government through the Atlantic Population Table (APT) to achieve this purpose as one of its larger goal of developing the region's labor force. The funding agreement supporting the APT expired in January 2012, but the four provincial governments have now established an Atlantic Workforce Partnership with the objective of developing the region's workforce to meet the changing skill requirements especially in mining, energy and shipbuilding capital projects. Immigration remains one of the top priorities of this partnership among Atlantic provinces.⁵

2 Employment Assistance to New Immigrants in Newfoundland and Labrador

The Association of New Canadians in Newfoundland and Labrador provides several employment services to new immigrants in the province. One is the AXIS (Acquiring eXperience; Integrating Skills) service, which provides comprehensive career-focused services and employment programs for educated professionals, trades persons and entrepreneurs. Through interactive engagement with employers and collaborative partnerships with all levels of government, industry and the community, AXIS aims to facilitate successful labour market integration for newcomers.

Following an initial assessment, clients and counsellors develop an individualized Career Action Plan, which often includes facilitation of credential recognition and participation in pre-employment readiness training. Through the incorporation of one-on-one counselling and group seminars, clients receive comprehensive and current information in preparation to enter the Canadian workplace. Clients also have the opportunity to participate in customized Bridge-to-Work programs, including Mentoring Link, STEP Career Training Placements, the Internship Placement Program (IPP), and Entrepreneurial Assistance.

The Skills-Matching Database is an online recruitment tool where employers can post job openings for free, access online client résumés, find answers to immigration questions and labour market information, and access services available through AXIS Career Services. AXIScareers.net quickly and effectively links a talented pool of work-ready, internationally educated and skilled workers with employers in the province of Newfoundland and Labrador.

Source www.ancnl.ca

⁵ <http://www.gov.ns.ca/news/details.asp?id=20120606011>

With the above policy and community initiatives undertaken in Atlantic Canada and the observed demographic changes in its population, immigration will play an enhanced role in both the region's population growth and its economic development. As a result, issues relating to the social and economic impacts of immigration, which are often raised in public circles in the immigrant-abundant regions of western and central Canada, are also expected to occupy a central place in public policy discussions in this region. Some issues include the impact of immigration on the public treasury, poverty, employment and the wages of the native born, which surface more often in public debates during periods of economic downturn or stagnation. The data analysis presented in the next three chapters contributes to this debate by presenting the case for immigration and analyzing the labour market performance of immigrants over the past three decades.

3 An Example of Cooperation Between Stakeholders in the Integration of Professional Immigrants in Nova Scotia

Doctors Nova Scotia partners with Immigrant Settlement & Integration Services Nova Scotia to help ensure International Medical Graduates (IMGs), as potential future members of the association, have the resources and support they need to embark on the licensure process.

ISIS is a community organization that welcomes immigrants to Nova Scotia. It offers services and creates opportunities to help immigrants participate fully in Canadian life. Part of its focus includes supporting medical and other health care professionals.

The IMG Bridging Program at ISISNS includes the following:

- Specialized employment counselling and coaching
- Pathways to licensure—flowchart diagrams for family physicians and specialists
- English for health care professionals
- Study groups—including IMGs and Canadian-born medical students and residents
- Orientation sessions and workshops—topics include research methodologies, medical law and ethics, and tips for objective structured clinical examination (OSCE)
- Clinical skills orientation programs—innovative programs delivered in partnership with Canadian licensed physicians and the Dalhousie Faculty of Medicine Learning Resource Centre that help IMGs prepare for clinical assessments as well as effective professional practice in Canada

- Professional mentors—a partnership initiative with Doctors Nova Scotia and Dalhousie Medical School
- Observerships in family medicine practices and clinics—the latest partnership initiative involving Doctors Nova Scotia, Dalhousie and ISIS
- Learning resources—a collection of medical resources, assistance in accessing hospital and university libraries, and an electronic bookshelf through Doctors Nova Scotia and ISIS.

Source <http://www.doctorsns.com/en/home/practisinginnovascotia/internationalmedicalgraduates.aspx>

References

- Akbari, A.H. (2009). *Socioeconomic and Demographic Profiles of Immigrants in Atlantic Canada*. Report prepared for Atlantic Canada Opportunities Agency (www.atlantic.metropolis.net).
- Atlantic Institute for Market Studies (2009). *In the Media Atlantic Canada's aging population and expected labour shortages*. Retrieved October 29, 2011, from <http://www.aims.ca/en/home/library/details.aspx/2746>.
- Atlantic Provinces Economic Council (2007a). *Atlantic Report* (Winter).
- Atlantic Provinces Economic Council (2007b, April). *Where Have all Workers Gone?*
- Canadian Tourism Research Institute and Conference Board of Canada (2010). *The future of Canada's tourism sector: Economic recession only a temporary reprieve from labour shortages*. Canadian Tourism Human Resource Council. Retrieved October 29, 2011, from www.cthrc.ca.
- McNiven, J.D., & M. Foster. (2009, January). *The developing workforce problem: Confronting Canadian labour shortages in the coming decades*. Halifax: Atlantic Institute for Market Studies.
- Newfoundland and Labrador (2007a). *All the skills to succeed: Report of the Newfoundland and Labrador skills task force report*. Retrieved October 29, 2011, from <http://www.ed.gov.nl.ca/edu/publications/stf-report.pdf>.
- Ray Barton Associates Ltd. (2008). *Trends and patterns in skills and labour shortages*. Final report submitted to Council of Deputy Minister's Secretariat. Retrieved October 29, 2011, from <http://www.comt.ca/english/LabourSkills.pdf>, Ottawa.
- Statistics Canada. (2011). *Estimates of total population, Canada, Provinces and Territories (Special tabulations, Demography Division)*.
- Tomlin, B. (2007). *The seat shortage: Changing demographics and representation in the house of commons*. C.D. Howe Institute (e-brief, May 29, 2007).

Immigrants in Regional Labour Markets of Host Nations
Some Evidence from Atlantic Canada

Akbari, A.

2013, X, 95 p. 28 illus., Softcover

ISBN: 978-94-007-6243-5