



ELECTION 2021 NB POLICY PRIORITIES

# Immigration



## **Election 2021 Policy Brief**

### **Immigration for New Brunswick and Canada**

Prepared by the Canadian Manufacturers and Exporters - NB/PEI Division, the Chamber of Commerce for Greater Moncton, le Conseil économique du Nouveau-Brunswick, the Fredericton Chamber of Commerce, the New Brunswick Business Council and The Saint John Regional Chamber.

#### **Executive Summary:**

We are a group of six New Brunswick business organizations with a common goal of advocating for sound policy that addresses the unique economic challenges and opportunities our province currently faces. Together we represent the interests of businesses across the province. We are passionate about reinvigorating the New Brunswick economy as we recover from the Covid 19 pandemic. Atlantic Canada was already behind the rest of the country in terms of growth, so concerted effort is needed to alter our trajectory moving forward.

To get New Brunswick back on track, we need the Federal government to make immigration a priority.

To achieve any level of growth in our province, we need to substantially grow our population to meet our labour market needs. The government of New Brunswick projects over 120,000 permanent labour market exits over the coming decade, with only 76,000 students expected to graduate from the public school system. Immigration will be imperative to addressing these demographic shifts and ensuring an available workforce for existing and new businesses.

We need a strong and locally coordinated Population Growth Strategy, one that is tailored to meet the needs of the labour market realities of now and tomorrow. This strategy should allow and support us to attract immigrants, retain those newly arrived and help diversify the talent our businesses need to succeed. This is a shared area of jurisdiction, but for New Brunswick to succeed, flexibility on the part of Ottawa concerning immigration allocations and processing times is necessary. An immigration policy tailored to our needs is key to achieving any level of success. To achieve this, the federal government must:

- Ensure allocation of immigration spaces to reach a goal of 10,000 immigrants by 2024 (with additional support to achieve a 30% francophone immigration target).
- Simplify and speed up the overall process of immigration with an emphasis on streamlining and accelerating pathways for international students.
- Increase investment in newcomer support and retention infrastructures such as settlement services and initiatives for welcoming communities.

#### **Context:**

In our province, there is increased competition for skilled labour. We encounter a skills gap frequently. There is a significant opportunity to transition international students into permanent

residents in New Brunswick. This would significantly ease access to acquire talent with a lived experience in our communities and understanding of local workplace and cultural norms.

This will help to facilitate integration into the community and labour market. Resulting in both population and economic growth, as well as job creation.

The federal government needs to invest in initiatives that will significantly enhance the capacity to attract, integrate and retain international students. A large majority of international students graduating from post-secondary institutions in Atlantic Canada state that they would like the opportunity to remain in their current province. International students also act as anchors, encouraging friends and family to move into the province seeking citizenship.

These families are often well educated, with university degrees and skills that could fill labour market needs. However, the acknowledgement of international credentials is a complex issue. Lack of recognition for international credentials keeps immigrants trained in specialized trades from contributing to those fields. Several organizations and associations are involved in assessing and recognizing foreign credentials, occupational certifications, and work experience, making the process complex and sometimes lengthy. These challenges are not unique to New Brunswick and are an ongoing area of focus for all provinces, territories, and the federal government.

The Foreign Credential Recognition (FCR) process is a barrier that some newcomers face in some of the most needed occupations. This is particularly a barrier for spouses of principal applicants, refugees and individuals arriving through federal immigration programs who wish to work in regulated professions. The Canadian Chamber of Commerce has also identified foreign labour needs as a driver of growth for regions facing chronic labour shortages. This could include modernizing the temporary foreign workers' program by implementing a Trusted Employers Program, which provides an appeals process and aligns with regional needs.

Many regional municipalities also have their own population growth strategies aligned for their specific requirements. We encourage the federal government to help ensure that regional (and provincial) campaigns leverage federal efforts.

## **Recommendations:**

### *Increased immigrant numbers*

- The federal government must accelerate increased immigration allocations through AIP and PNP to increase capacity. The federal government also needs to tailor immigration programs to meet labour market needs. New Brunswick has the oldest demographic of any province in Canada. With pending retirements and other attrition, it is anticipated that New Brunswick's labour shortage will become critical and crippling to our economy. According to a recent study completed for the New Brunswick Multicultural Council by David Campbell, of Jupia Consultants, if the province wants to ensure that all regions have the workforce needed for

modest growth through 2040, the population will need to increase to nearly one million by 2040 (Table 1).

Specifically, assuming Moncton and Fredericton continue to grow at their current rate and the other regions grow fast enough to meet a workforce growth target of 0.5% per year, the population will need to rise from 781,500 in 2020 to 989,700 by 2040. This represents an average annual population growth rate of 1.3%.

To grow population at this rate, New Brunswick will need to increase its immigration to 10,000 by 2024, increasing to 16,000/year by 2029 and then tapering back down to 13,000/year by 2037 (Table 2).

**Table 1: Population growth required by region to ensure workforce growth of at least 0.5% per year through 2040**

<u>Scenario</u>	<u>Region</u>	<u>2020</u>	<u>2040</u>	<u>Cumulative % change</u>	<u>Avg. annual % change</u>	<u># change</u>
Current	Moncton	158,700	201,200	27.0%	1.3%	42,500
Current	Fredericton	111,000	143,300	29.0%	1.5%	32,300
Grow	Queens	10,300	13,000	26.9%	1.3%	2,800
Grow	Sussex	17,200	21,100	22.7%	1.1%	3,900
Grow	Shediac	35,700	42,700	19.4%	1.0%	6,900
Grow	Restigouche	30,800	40,000	29.8%	1.5%	9,200
Grow	Saint John	131,800	166,700	27.0%	1.3%	35,000
Grow	Charlotte	26,000	32,000	23.0%	1.1%	6,000
Grow	Madawaska-Victoria	51,500	65,500	27.2%	1.4%	14,000
Grow	Acadian Peninsula	47,100	60,700	28.9%	1.4%	13,600
Grow	Miramichi	28,000	36,000	28.5%	1.4%	8,000
Grow	Bathurst	31,700	41,100	29.5%	1.5%	9,364
Grow	Kent	31,200	38,900	25.0%	1.2%	7,700
Grow	Carleton	26,800	32,500	21.4%	1.1%	5,700
Grow	Rest of NB	<u>43,676</u>	<u>54,988</u>	<u>25.9%</u>	<u>1.3%</u>	<u>11,312</u>
Totals	Province-wide	781,476	989,688	26.6%	1.3%	208,212

**Table 2: Population growth by selected year and source, New Brunswick**

	<u>2021</u>	<u>2025</u>	<u>2030</u>	<u>2035</u>	<u>2040</u>
Population	785,74 2	815,90 3	870,89 9	930,98 8	989,68 6
Annual population growth	4,266	8,514	12,136	11,297	12,199
% change	0.5%	1.1%	1.4%	1.2%	1.2%
Births	6,409	6,742	7,683	9,437	12,492
Deaths	<u>8,143</u>	<u>8,478</u>	<u>9,147</u>	<u>10,039</u>	<u>11,043</u>
Natural population change	-1,734	-1,736	-1,464	-603	1,449
From interprovincial migration	+1,000	-1,750	-2,400	-2,100	-1,750
From immigrants*	+5,000	+12,00 0	+16,00 0	+14,00 0	+12,50 0
Implied immigrant retention rate		85%	85%	85%	85%
Birth rate (%)	0.82%	0.83%	0.88%	1.01%	1.26%
Death rate (%)	1.04%	1.04%	1.05%	1.08%	1.12%
Immigration rate (%)	0.64%	1.47%	1.84%	1.50%	1.26%
Interprovincial migration rate (%)	0.13%	-0.21%	-0.28%	-0.23%	-0.18%

We must work to grow the labour force before it is too late and increase New Brunswick's annual allocation of immigrants to 10,000 by 2024.

### Faster Processing

Current processing times for immigrants to achieve permanent residence are too long. Even international students who have been attending school, working and living in the country for four years may face wait times of two to three years. These wait times may discourage students from staying in the province or even in the country pursuing higher education and full-time employment.

Although there have been improvements in consistency, fairness, and timeliness, there is a lack of data on labour market outcomes on internationally trained individuals. The federal government needs to coordinate the multiple jurisdictions to facilitate data collection to measure impacts properly.

### Invest in Settlement services

Attracting immigrants to New Brunswick is only part of the problem. The low cost of living and high quality of life are two positive factors, but the smaller job markets and lack of opportunities in certain fields can complicate the settlement and retention of immigrants to the province.

Ensuring that newcomers stay will require a long-term strategic plan and investment in pilot programs that allow the province to offer newcomers incentives.

Temporary residents, including Temporary Foreign Workers (TFWs) and international students, are not eligible for federally funded settlement or language services. For New Brunswick, TFWs and international students represent priority groups for future long-term residents. Lack of access to federally funded settlement services creates a gap that impacts their integration and long-term retention.

Finally, we must ensure that there is available and affordable housing for newcomers. Availability of accommodation is a critical ingredient to supporting population growth. Housing is deeply tied to immigration and population growth. For more details on our platform as it relates to housing, please refer to our paper on recovery and self-sufficiency.

Once a new immigrant has arrived in Canada, a massive shift in language, culture, and climate can be challenging to overcome. This may result in decreased ability to build a healthy and productive life in our provinces. This is why it is essential to continue supporting services that help recent arrivals and international students build a life in our province. We ask the federal government to continue to index federal funding for settlement and language services to increasing levels and consider pilots that serve and support temporary residents, such as TFWs and international students.

### **Conclusion:**

We believe creating the conditions in which immigrants are able to build productive and healthy lives in our province is of the utmost importance. Immigration continues to be the biggest driver of population growth, and investing in immigration means investing in our future.

To ensure this happens, we urge federal political parties and candidates to embrace policy agendas that will:

- Grow the number of immigrants moving to our province
- Speed up the processing times, with a focus on international students
- Invest in initiatives that will significantly enhance the capacity to attract, integrate and retain international students.