

Immigration - Why It Matters

Immigration has always been important to Newfoundland and Labrador's development. Immigrant settlement in communities throughout the province has shaped our provincial identity. It has defined our province's economic, social, cultural, and demographic growth.

Today, Newfoundland and Labrador is experiencing significant demographic changes. For example:

- ▶ At 1.37 children per woman, the province has the lowest fertility rate in Canada. A fertility rate of about 2.1 is needed to maintain a healthy population level.
- ▶ Provincial population projections suggest that more youth seeking a lifestyle change may move from Newfoundland and Labrador to other parts of Canada to work, study or live.
- ▶ Our province has a death-rate that surpasses the number of births.
- ▶ At 45 years, Newfoundland and Labrador has the highest median age in Canada. Provincial projections forecast that this trend will continue for 20 years or more. This will result in a 13 per cent decrease in people ages 20 to 59 years by 2025. Over the same period, the number of residents over the age of 60 years will increase by 27 per cent.

These population changes can have many implications. For example, the provincial tax base can be impacted by a shrinking workforce. This could put significant pressure on the availability of public services over time. Labour shortages may also impact the availability and demand of certain services and slow economic growth.

There is no single solution to the challenges our population, economy and society is facing. The Government of Newfoundland and Labrador and its partners are taking a collaborative approach in order to respond to the changing needs of our economy and society. That approach includes immigration.

Why immigration makes sense for Newfoundland and Labrador

Immigration represents an important opportunity for Newfoundland and Labrador's economic, social and cultural growth. The Government of Newfoundland and Labrador is increasing efforts to attract and retain immigrants.

1. It's Part of our History

- ▶ Immigration has been an intricate part of Newfoundland and Labrador history since the settlement of European immigrants in the 16th century. English, Irish, Scottish, Basque, French, Portuguese and Italian immigrant

settlement left a mark on our province's identity. Chinese immigration to Newfoundland and Labrador began in the late 1800s, followed by Lebanese and Syrian settlement in the early 1900s.

- ▶ In the late 1970s, Vietnamese refugees escaping persecution in their homeland reached the shores of Newfoundland in search of a better future, floating adrift in fragile boats, and leading to the use of the term 'boat people'.
- ▶ In the early 1980s, Tamil Sri Lankans fleeing violence similarly reached Newfoundland and Labrador as a safe haven. Bulgarian and Cuban refugees fleeing communism in the late 1980s settled in various parts of the province. Since then, immigrants from over 150 different countries around the world have settled in communities throughout Newfoundland and Labrador.

2. It Supports the Workforce

- ▶ All economic immigrants to Newfoundland and Labrador who come through the Provincial Nominee Program or Atlantic Immigration Pilot Program require a full time job offer from a Newfoundland and Labrador employer.
- ▶ Immigration is necessary to address both the demographic and economic needs of our province.
- ▶ Immigration assists in attracting youth from other parts of the world to bring diverse perspectives, talents, and skills to our labour market.
- ▶ Refugees who have been resettled in Newfoundland and Labrador are generally keen to integrate into the labour market, but may require transitional supports to gain language and workforce skills before doing so.
- ▶ Countries around the world see immigration as a means to address workforce needs. For example, immigrants accounted for 47 per cent of the increase in the workforce of the United States between 2004 and 2014, and 70 per cent of the increase in workforce in Europe in the same period.¹ 66 per cent of increases to Canada's workforce are due to immigration.
- ▶ With Canada's most rapidly-aging population and lowest birthrate, it is projected that by 2025, Newfoundland and Labrador will experience a 10 per cent decline in its working-age population, resulting in 35,000 fewer people in the provincial workforce.
- ▶ For every 100 new entrants to Newfoundland and Labrador's labour market in 2015, there were 125 exiting.
- ▶ Immigrants to Newfoundland and Labrador are generally younger, and have the potential to lower our provincial median age (the point at which half of the population is younger and the other half is older).

Did you know...

- ▶ The median age of permanent residents to Newfoundland and Labrador between 2010 and 2015 was 29 years, compared to the provincial median age of 45 years for local residents.

1. Renewing the Skills of Ageing Workforces: The Role of Migration, International Migration Outlook, Organization for Economic Cooperation and Development, 2012.



3. It Contributes to our Economic Health

- ▶ Immigrants fill high-demand labour market vacancies, and they also create jobs. Immigrant-owned businesses in Newfoundland and Labrador provide meaningful employment for local residents and provide quality goods and services in industries such as information technology, food and accommodation, health care, and education.
- ▶ Attracting immigrants to Newfoundland and Labrador helps ensure ongoing consumer demand for private and community sector programs and services, including infrastructure.
- ▶ Working immigrants positively contribute to the provincial tax revenue required to support government social and economic programs, which helps keep costs of public services from rising.
- ▶ A recently completed Canadian study, co-authored by the Memorial University Stephen Jarislowsky Chair in Cultural and Economic Transformation found that immigrants use social safety nets less frequently than

Canadian-born persons, while helping maintain unfunded liabilities, such as the Canada Pension Plan, Old Age Security, and the public health care system. Research also found that immigration can increase GDP, per-capita GDP, productivity, tax revenues, aggregate demand, and other positive metrics of a healthy economy.²

- ▶ A similar British academic study examining the contribution of immigrants to the economy concluded that, between 1995 and 2011, immigrants lowered the cost of some public services. As more people contributed to paying for the cost of services, the end-cost per resident decreased.³
- ▶ Research shows that increased immigration leads to greater Foreign Direct Investment (FDI) and export trade. For example, as immigration from the Philippines has increased in Canada, so has international trade between the two countries.⁴
- ▶ Understanding diversity and interacting in culturally diverse environments is important in an increasingly globalized world, and can have positive outcomes for trade and export development.

Did you know...

- ▶ A Conference Board of Canada report found that 35 per cent of all Canada Research Chairs were foreign-born, much higher than the share of foreign-born Canadians in the country's total population.

(Source: Immigrants as Innovators: Boosting Canada's Global Competitiveness, Conference Board of Canada)

4. It Fosters Creativity and Innovation

- ▶ Immigrants bring different lived experiences to their new communities and workplaces and new approaches to solving longstanding challenges.
- ▶ Cities with diverse and creative residents are more pleasant and productive places to live, which can increase innovation, home prices, and civic pride.⁵
- ▶ Despite representing approximately 12 per cent of the population of the United States, immigrants represent 26 per cent of that country's Nobel Prize-winners, 23 per cent of that country's patent creators, and one-quarter of the owners of United States' venture companies.⁶
- ▶ Cultural contributions of immigration often have important economic benefits. Immigration to the province presents great opportunities to contribute to our social and cultural identity.

2. Peter Dungan, Tony Fang, Morley Gunderson. "Macroeconomic Impacts of Canadian Immigration: Results from a Macro-Model" *British Journal of Industrial Relations* 51.1 (2013), pp. 74-95

3. Dustmann, Christian and Tommaso Frattini. *The Fiscal Effects of Immigration to the UK*, Centre for Research and Analysis of Migration, 2013; Liebig, T and J. Mo. *The Fiscal Impact of Immigration in OECD Countries*, Organization for Economic Cooperation and Development, 2013.

4. *Immigrants as Innovators: Boosting Canada's Global Competitiveness*, Conference Board of Canada, 2010

5. Florida, Richard. *Who's Your City? How The Creative Economy is Making Where to Live the Most Important Decision of Your Life*, Random House Canada, 2008.

6. *Immigrants as Innovators*, 2010.

5. Enriches our Identity and Increases our Cultural Diversity

- ▶ Newfoundland and Labrador's varied history of interaction between European and Indigenous peoples has greatly contributed to a better understanding of the benefits of respecting and supporting diversity.
- ▶ As other immigrant groups settled in Newfoundland and Labrador, including Irish, Scottish, Portuguese, Spanish, Syrian, Chinese, and Lebanese settlers, they brought traditions, cuisines, music, and architecture to the province. These traditions continue to live on today.
- ▶ First and second generation immigrants in the food and hospitality, culture, music and arts, and other industries continue to shape our provincial identity by bringing theirs onto the public sphere.
- ▶ Cultural diversity presents an opportunity to appreciate cultures, which newcomers introduce in professional, personal, or social events or interactions.
- ▶ Culture is dynamic and ever changing – Newfoundland and Labrador's identity is changing with that of the world.

Did you know...

- ▶ Immigrants also make important contributions to the arts. As of 2009, 29 per cent of the prominent Scotiabank Giller Prize recipients were born outside of Canada, showing the disproportionate contribution of immigrants to the arts, compared to their share of Canada's population.

(Source: Immigrants as Innovators: Boosting Canada's Global Competitiveness, Conference Board of Canada)