

A stylized, flat-design illustration of a cityscape in shades of grey, green, and brown. It features a tall, thin tower on the left, a church with a red roof in the center, and a large, multi-story building on the right. The background is a solid grey color.

Sustainable communities: The importance of a strong economic foundation

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Presentation overview



The state of PEI's economy: Towards a **sustainable economic foundation**



Attracting people to PEI: Towards a **sustainable demographic mix**



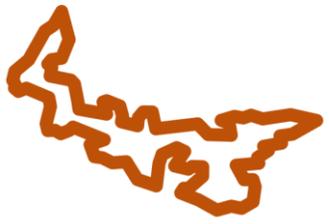
Where will the new population come from? Seeking **sustainable population growth.**



Sustainable communities: The four legs on the stool - **Economy, demography, society and environment**

The state of PEI's economy:
Towards a sustainable
economic foundation

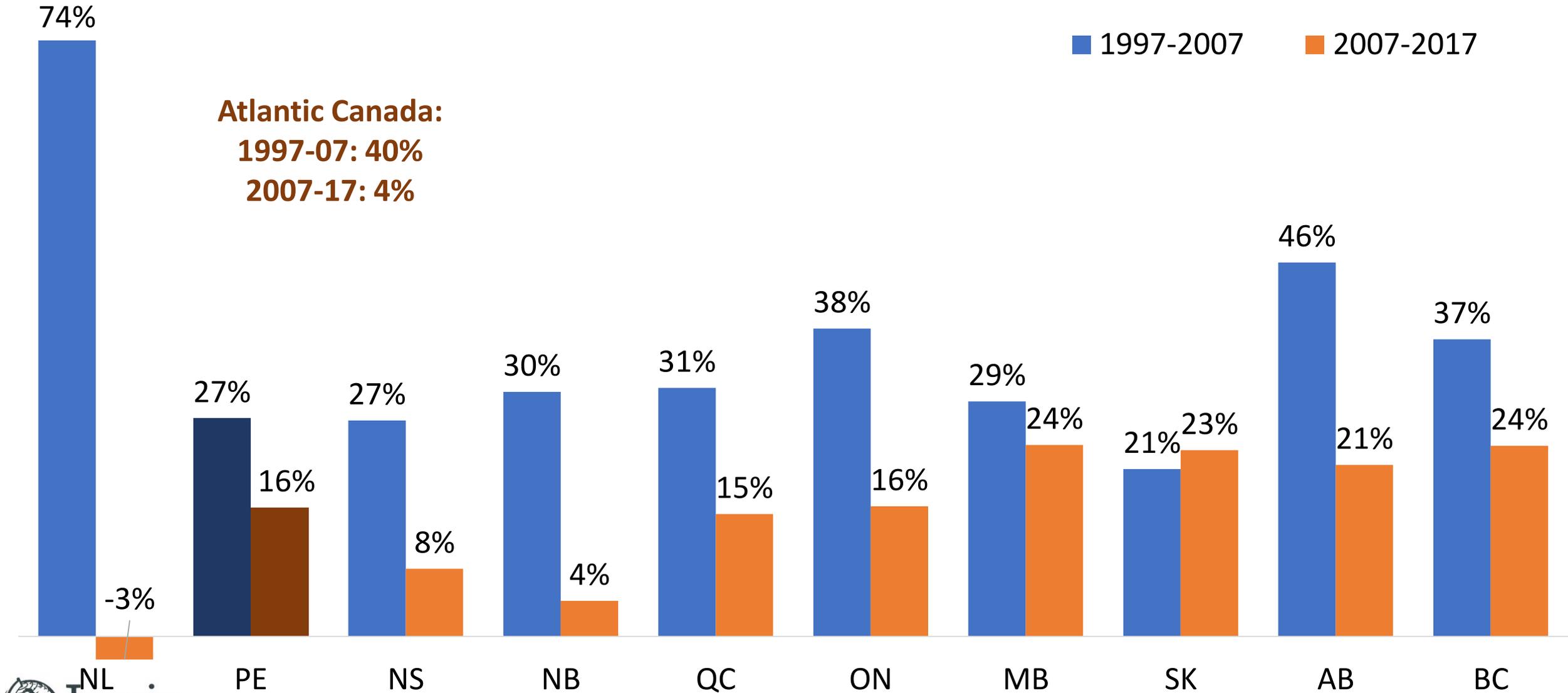


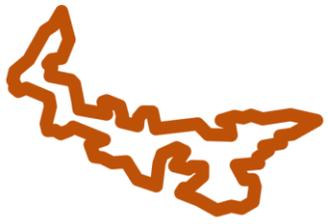


Prince Edward Island: General trends

- **Best economic performance** (GDP growth) among the four Atlantic Provinces by a wide margin – up 16% between 2007 and 2017. Still slower growth than previous decade, however.
- The size of the **labour force did not decline** like elsewhere in the region but has remained relatively flat at 83,900 in 2018.
- However, there are **21,300 in the workforce over the age of 55** – or more than 25% of the total.
- PEI has **led the country in immigration attraction** since 2010 (adjusted for population size).
- PEI has benefited from **strong, export-led growth**. The province ranks 2nd out of 10 provinces for the growth in international exports (by value) since 2010.

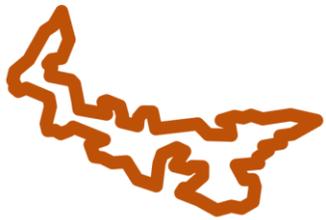
Cumulative real GDP growth



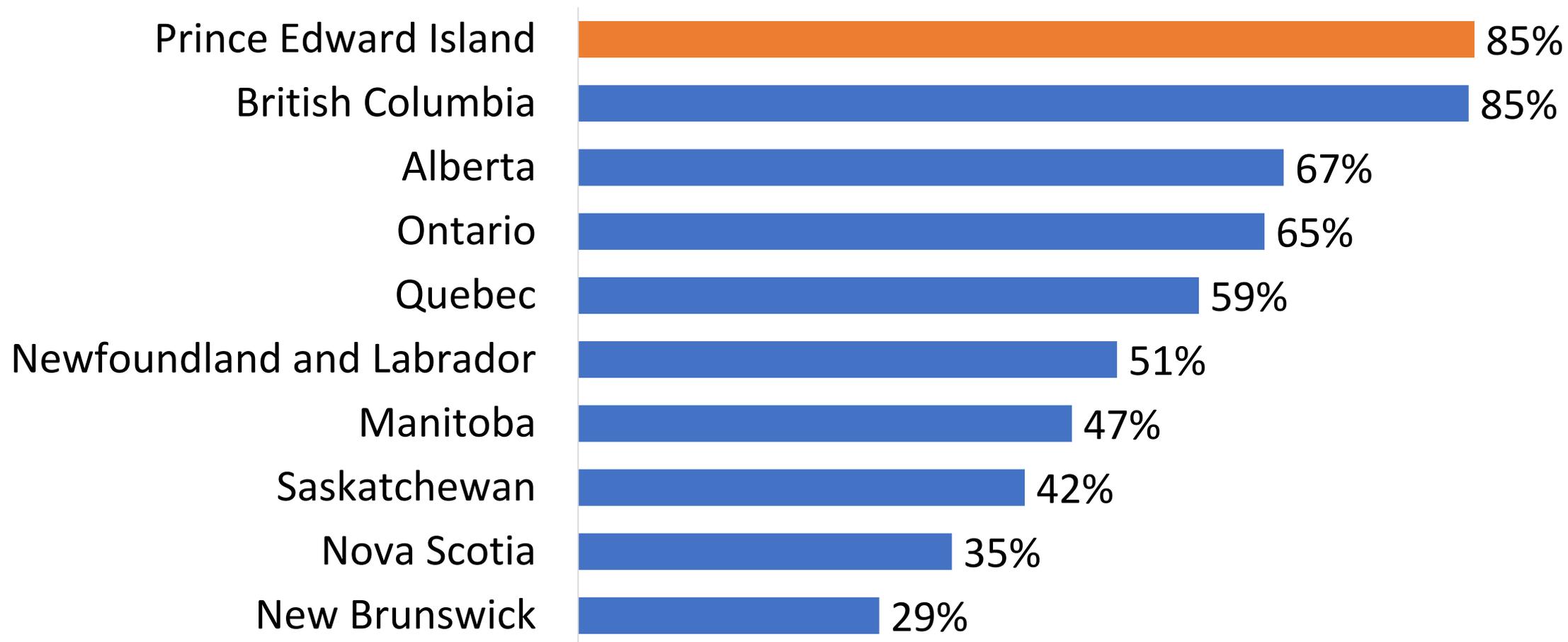


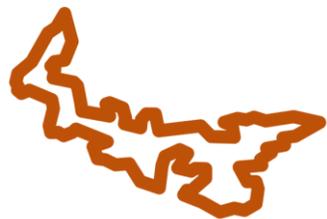
Prince Edward Island: General economic trends

- **ICT GDP growth has lagged:** growth of 90% between 97-07 to 14% 07-17.
- **Agricultural GDP has grown modestly** but aquaculture GDP is up 50% over the decade.
- **Manufacturing GDP overall is up** a robust 38% over the decade led by:
 - Food manufacturing up GDP 47% (meat production down 40%)
 - Pharmaceutical manufacturing GDP up 256% (\$89M)
 - Fabricated metal GDP up 30% / aerospace GDP up modestly



Percentage increase in the value of international merchandise exports (2009 to 2018)





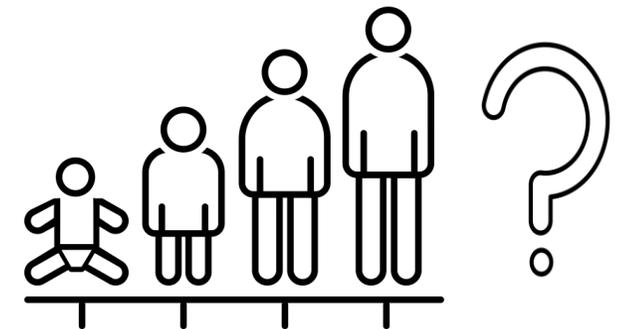
PEI: Shifting sources of population growth

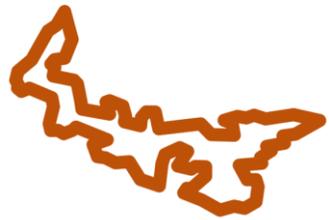
	<u>1998</u>	<u>2008</u>	<u>2018</u>
 Natural growth	398	281	257
 Immigrants	123	1,282	2,102
 Net temporary emigrants	34	36	40
 Net interprovincial migration	- 416	- 291	- 446
 Net non-permanent residents	- <u>38</u>	<u>239</u>	<u>879</u>
Net population change*	101	1,547	2,832

The Benjamin Button effect?

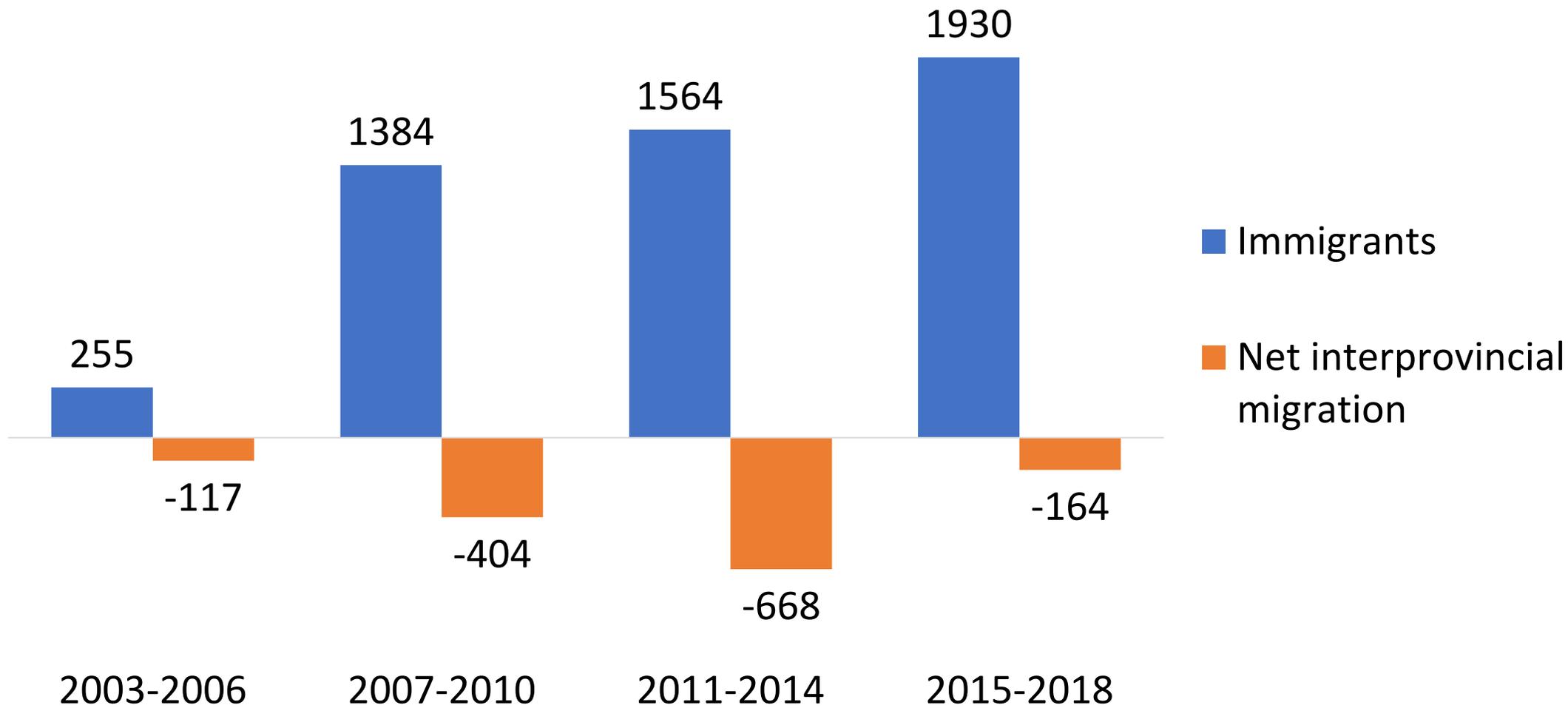
Some provinces are actually getting younger

	Median age (1988)	Median age (2018)	Year median age peaked	Years added since 2009
NL	29.0	46.5	2018	+3.9
PE	31.5	43.6	2016	+1.9
NS	31.9	45.1	2017	+2.7
NB	31.5	45.9	2018	+3.5
QC	32.8	42.5	2017	+1.4
ON	32.4	40.6	2015	+1.3
MB	31.7	37.3	2009	-0.5
SK	30.9	37.3	2007	-0.5
AB	29.9	36.9	2018	+1.2
BC	33.5	42.2	2016	+1.6





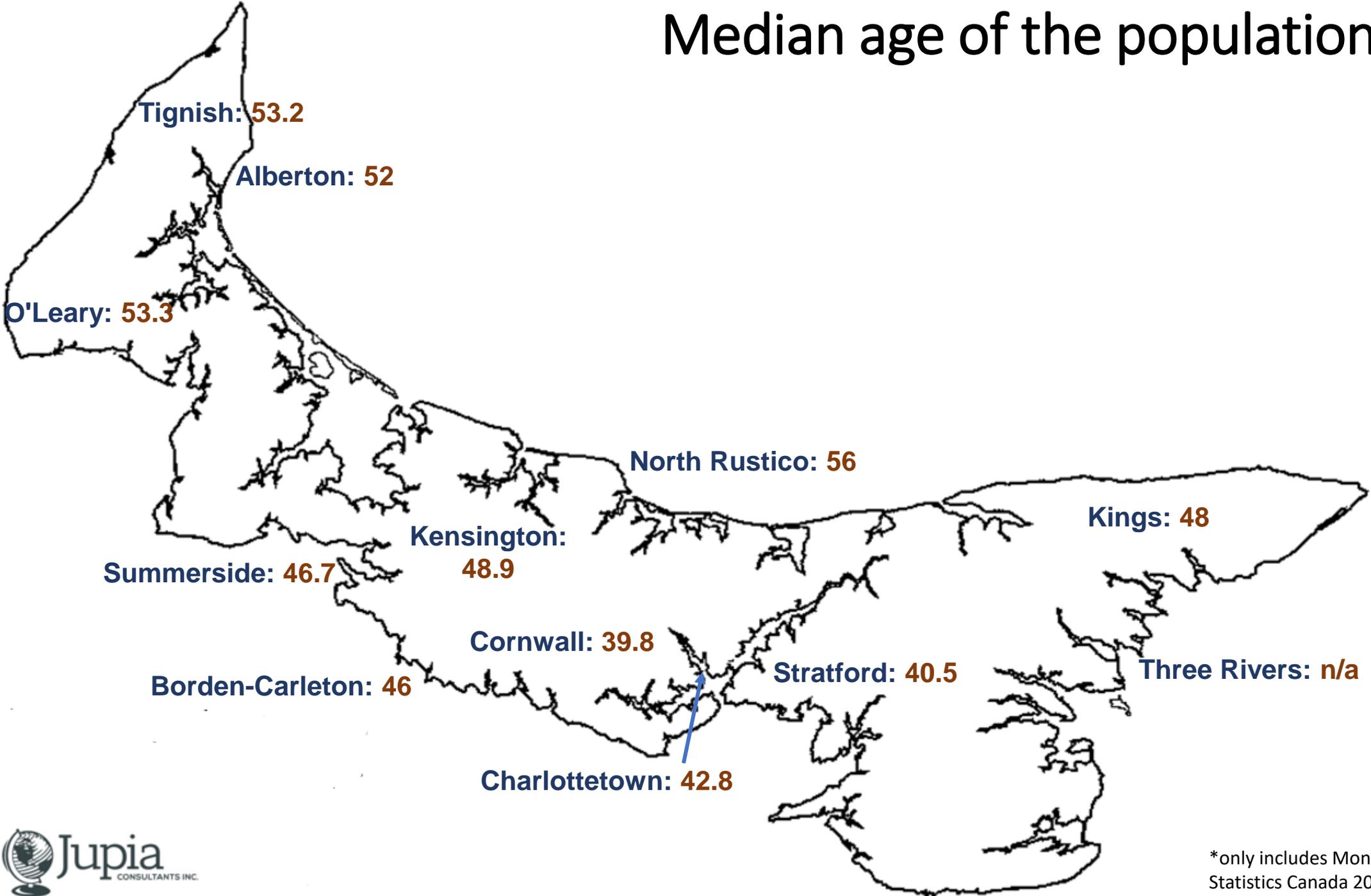
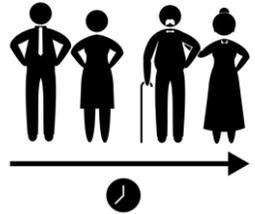
PEI: Shifting sources of population growth



Attracting people to PEI:
Towards a sustainable
demographic mix



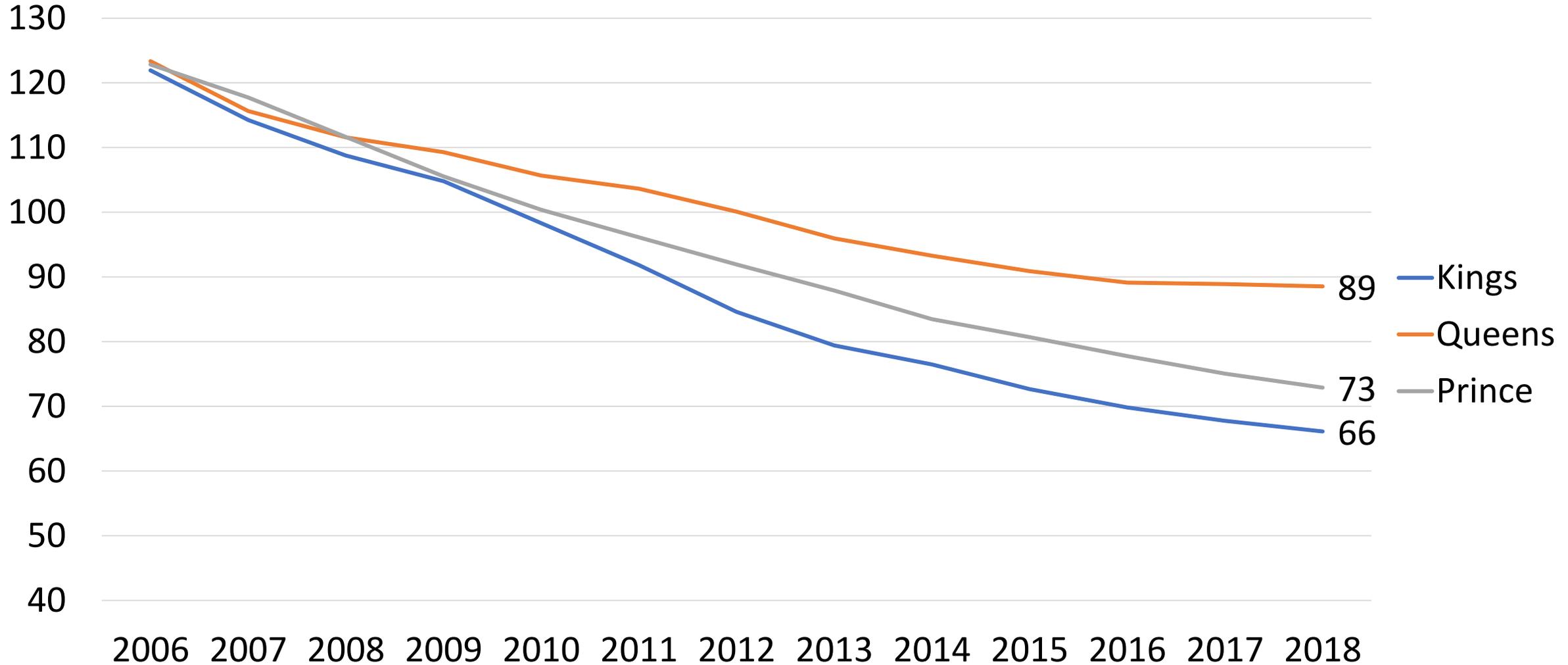
Median age of the population



*only includes Montague, Cardigan, Georgetown.
Statistics Canada 2016 Census.

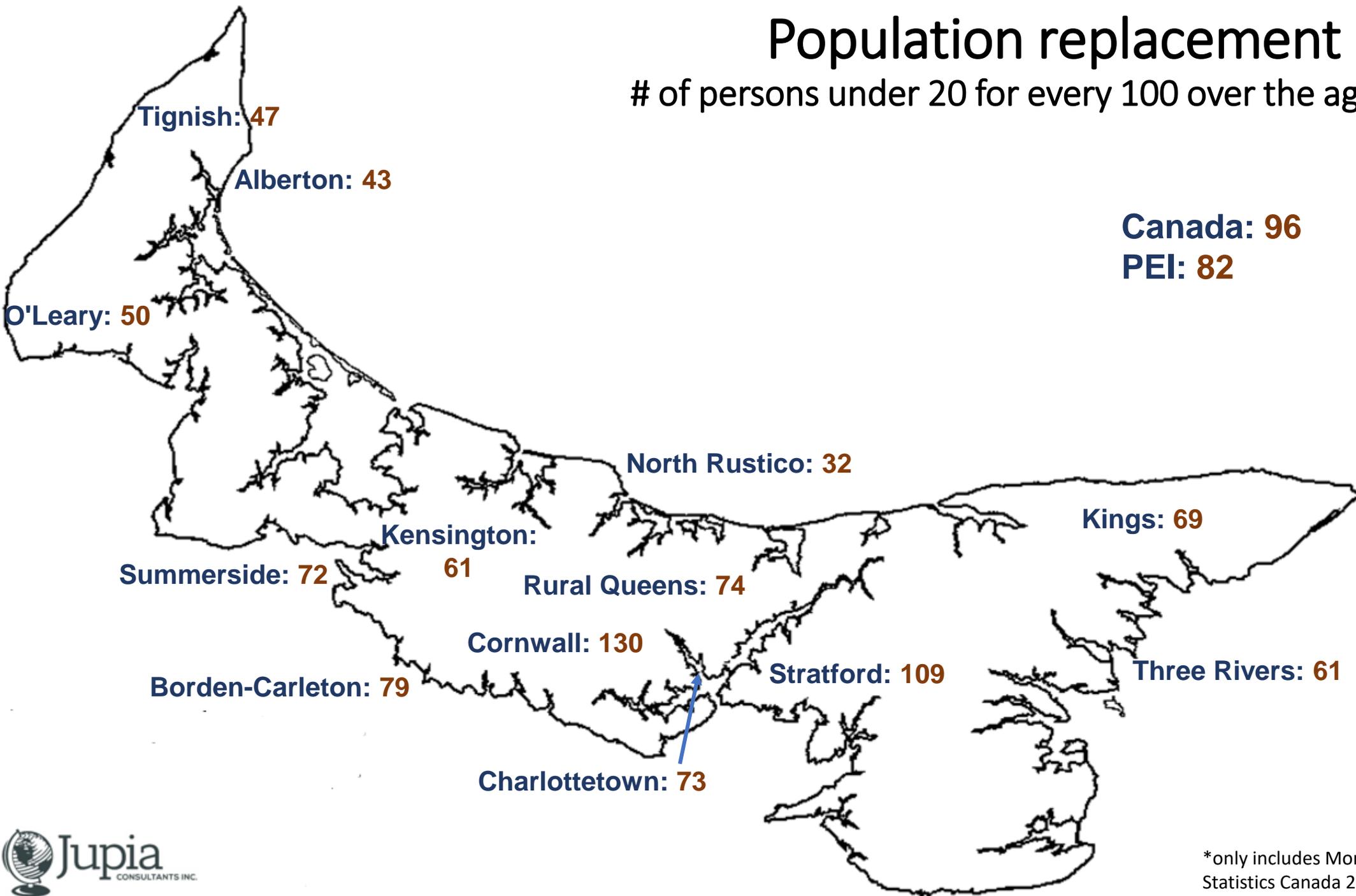
Population replacement ratio

of persons under 20 for every 100 over the age of 60



Population replacement ratio

of persons under 20 for every 100 over the age of 60



Canada: 96

PEI: 82

*only includes Montague, Cardigan, Georgetown.
Statistics Canada 2016 Census.

Industries that will need to attract younger workers



Communities where an above average number of workers are employed in **tourism-related industries:**

- North Rustico, Three Rivers*, Charlottetown, Summerside, O'Leary, Borden-Carleton, Souris, Cornwall and Kings



Communities where at least 25% of workers are employed in **agriculture, fishing or manufacturing:**

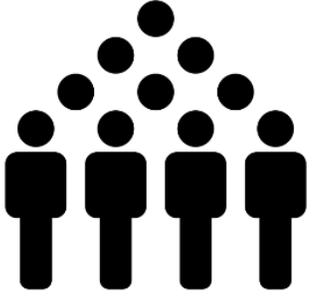
- Souris, Tignish, Alberton, Kings, Prince and Borden-Carleton



Communities where at least 15% of workers are employed in **health care:**

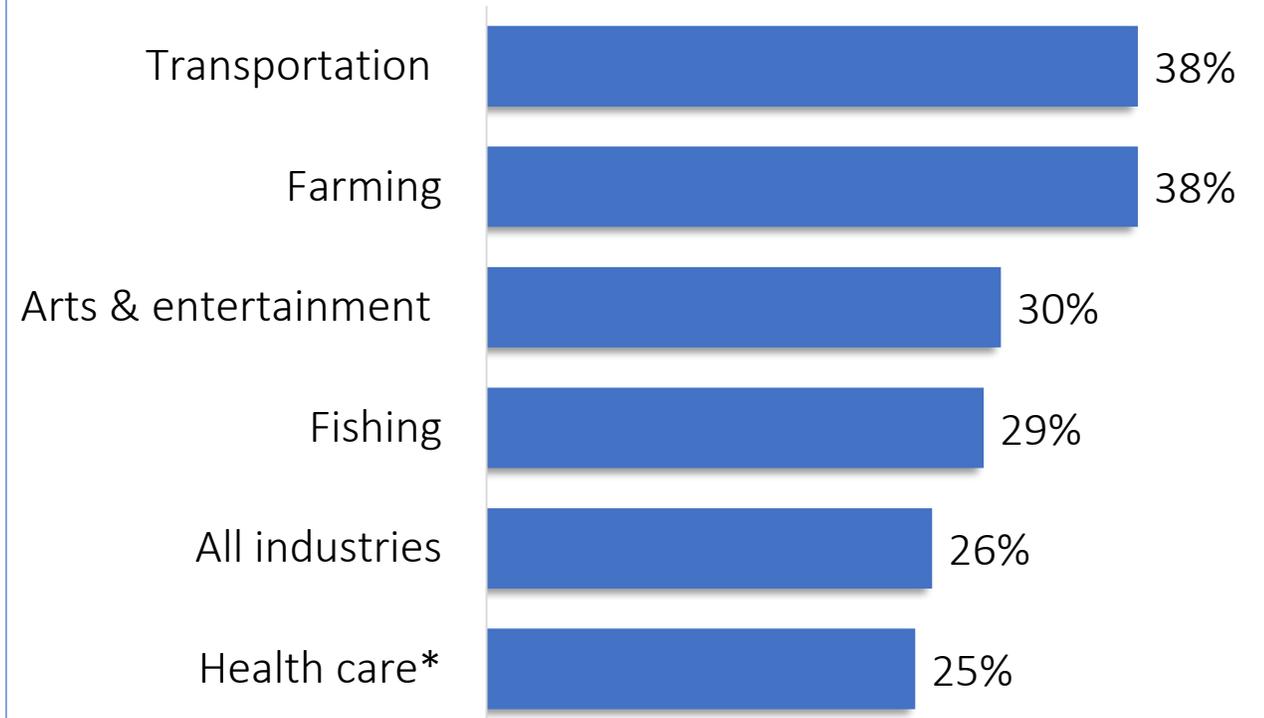
- Stratford, Cornwall, Alberton

PEI's aging workforce



- There are over **20,000 workers aged 55 and older**.
 - 25% of everyone in the workforce on PEI.
 - Already the born-in Canada workforce on PEI is in decline.

% of workers over 55



*Includes social assistance.

Source: Statistics Canada 2016 Census

PEI's aging entrepreneurs

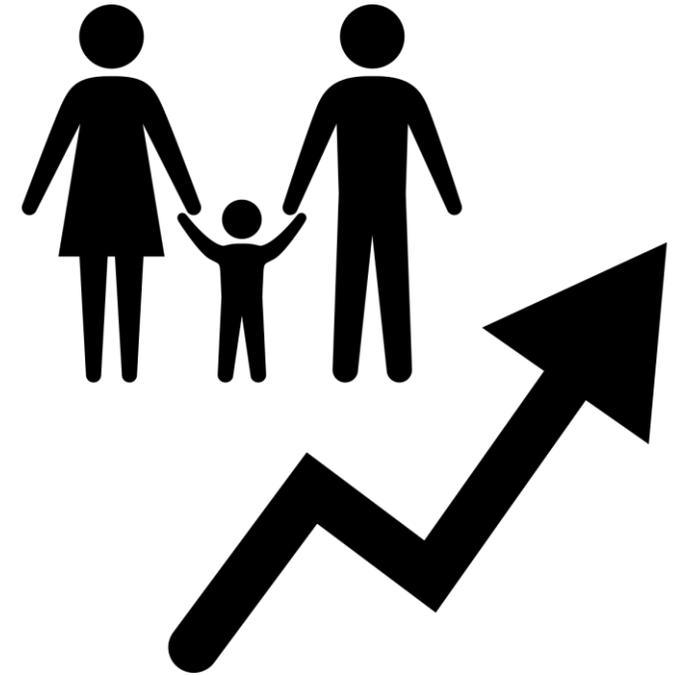


- 25% of employees are 55 and older on PEI.



- 42% of entrepreneurs (self-employed persons) are 55+
- Over 3,500 heading towards retirement.

Where will the new
population come from?
Seeking sustainable
population growth.



Seeking sustainable population growth

- The Population Growth Strategy released in 2017 targets an **increase in the population of 10,000 people** by 2022.
- The 2018 economic update reported that **PEI's median age declined** in 2017 for the first time since 1967 as a “**result of the large number of immigrants to the Island**”.



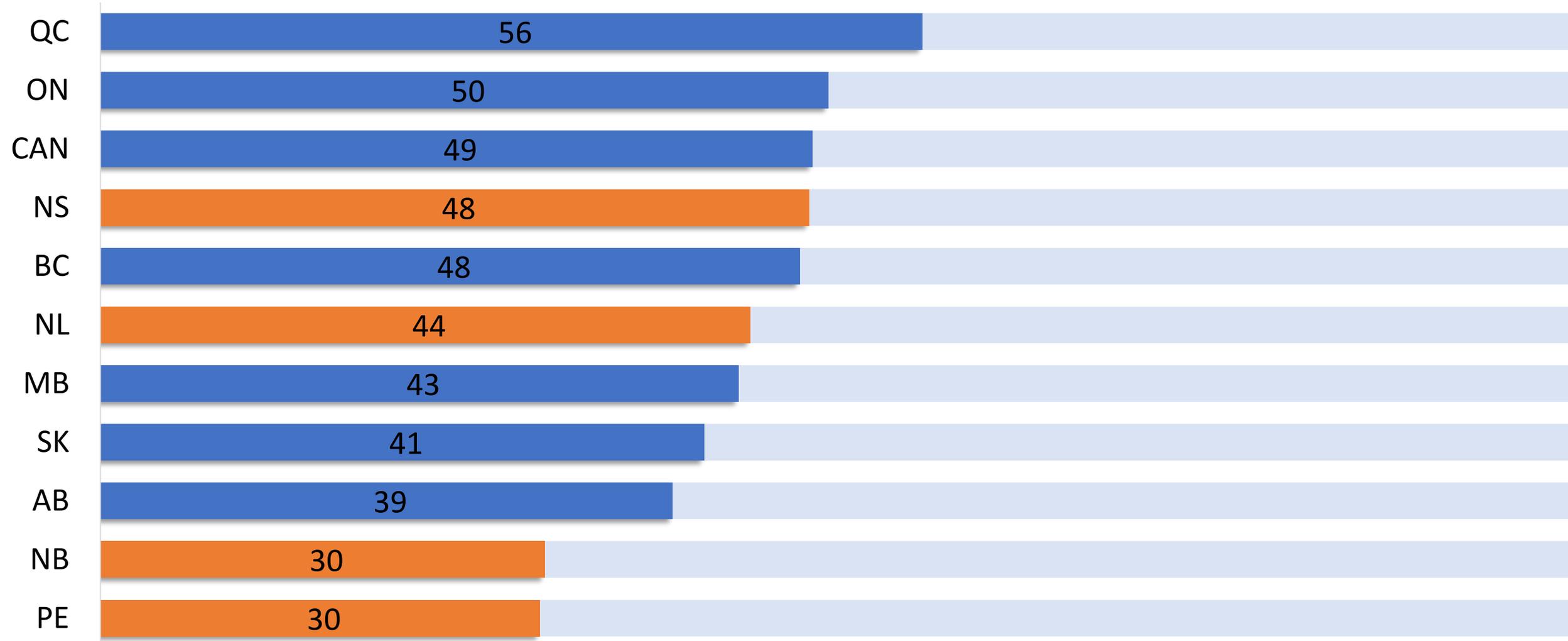
Seeking sustainable population growth

- The objectives of the **Population Growth Strategy** include:
 - Expanding the working age population.
 - Maintaining at least 2,200 new immigrants per year.
 - Better retention of international students.
 - Attracting entrepreneurs.
- **Rural Population Action Plan:**
 - Aligning economic and population growth strategies.
 - Aligning PSE, international student recruitment and labour market demand.
 - Use immigration to support business succession and entrepreneur opportunities in rural areas.
 - Every Islander to have Internet speeds up to 25 Mbps.

Where will the new population come from?

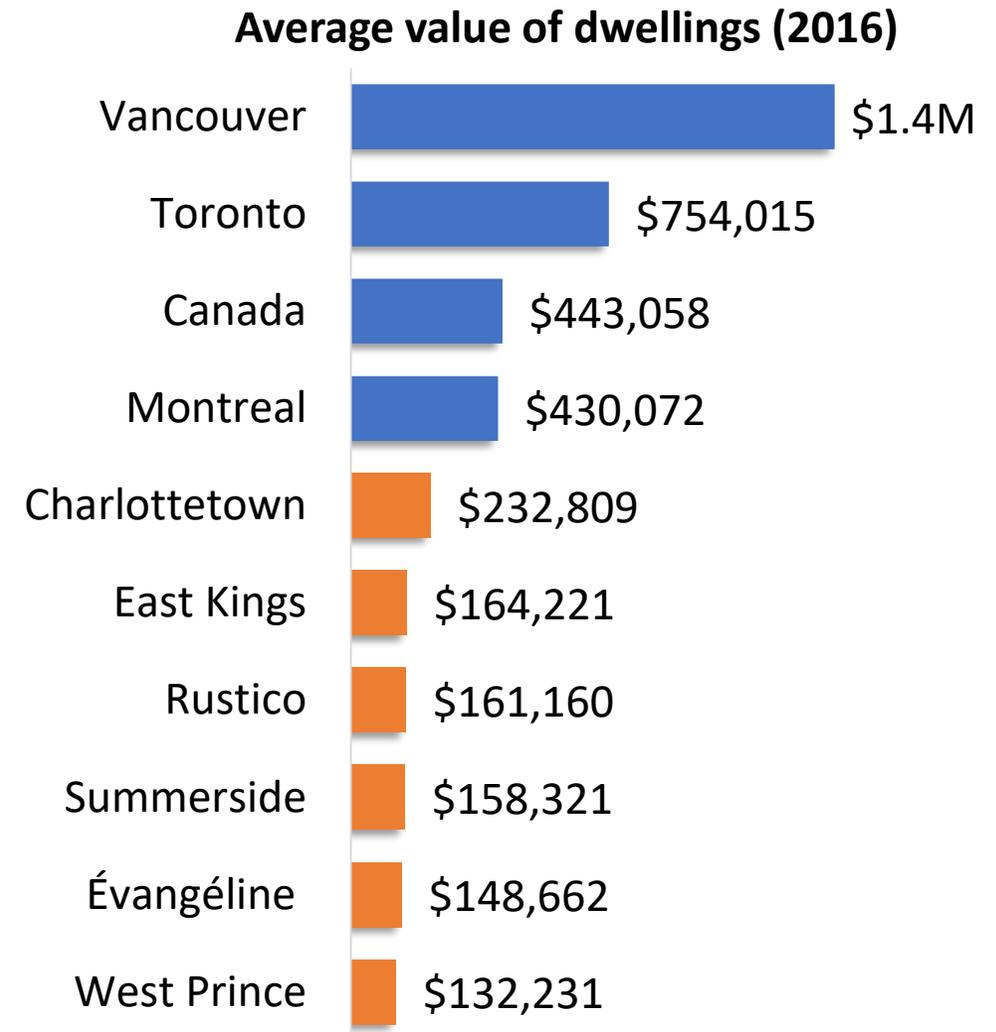
- We need to continue attracting young families to **specific economic opportunities** (employment or entrepreneur).
- These young families can come from elsewhere in Canada or from other countries.
- Immigrants will likely continue to be the primary source of new population growth.
- We should boost the number of PSE students with a focus on aligning educational opportunities to specific job opportunities.
- We need to focus more on immigrant retention (begins with better targeted recruitment).

enrolled in PSE per 100 workers aged 55 and older



Why would people want to move to PEI?

- Why **wouldn't** people want to move to PEI?
- 2019 Best Countries rankings, **Canada ranked #1 for quality of life** ahead of Sweden, Denmark and Norway.
- Shelter costs on PEI – 40% lower, on average, than in BC.
- Islanders take advantage of the outsized tourism infrastructure.
 - 25 golf courses - PEI has the most golf courses per 100,000 population.
 - 23 provincial and national parks and 24 beaches.
 - 11 theatres and nine amusement parks and related facilities.

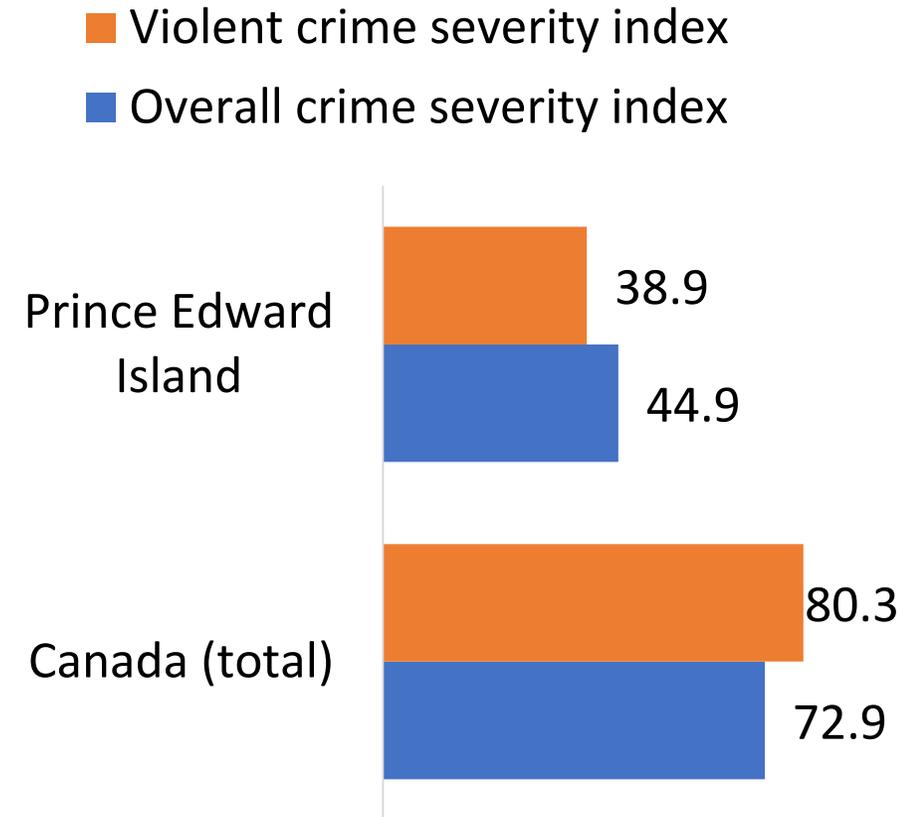


Source: Statistics Canada 2016 Census.

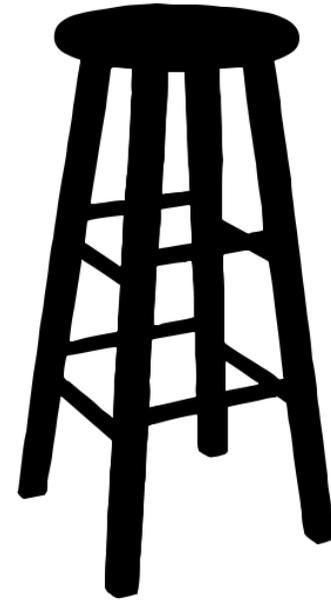
Why would people want to move to PEI?

- PEI has the **lowest crime severity index** level and violent crime severity index score among the 10 provinces in Canada by a wide margin.
- Over **92% are satisfied or very satisfied with their life** on Prince Edward Island (Community Health Survey).
- Only 15% say “most days are quite a bit or extremely stressful” - only NL lower among the provinces.
- Over 77% of Islanders said they have a **strong or very strong sense of belonging** to their local community.
- Islanders have the 2nd highest rate of **volunteering**.

Crime severity index (2006 = 100)



Sustainable communities: The
four legs on the stool -
Economy, demography, society
and environment



Sustainable population

- Attracting newcomers:

- ✓ Helps **address current workforce needs**.
- ✓ Ensures there is a **workforce to foster future economic growth** leading to a sustainable source of tax revenue to fund public services and public infrastructure.
- ✓ Provides the **population for a wide range of community organizations and activities** including schools, churches, sports activities as well as civic, social and business groups.
- ✓ **Boosts the local economy** from increased household spending.
- ✓ 200 new immigrant families spending average household expenditures leads to **\$14.7 million in household expenditures** on the Island.

Sustainable population = sustainable local economies

- 200 new immigrant families spending the average household expenditures leads to:



\$11 million spent on goods and services on PEI.



\$1.2 million in **grocery purchases** and over \$430,000 spent in **restaurants**.



Over \$1.2 million spent on **rent and mortgage payments**.



Over \$1 million spent on **utilities** (electricity, water, etc.).



Over \$800,000 on **insurance products and services** purchased.



Over \$300,000 in **property taxes paid**.

More than \$2.4 million in **income taxes paid**.

Sustainable population = how do we do it?

- It takes **local leadership**. We are all in this together.
- What are the **workforce needs** in your community and region now?
- What are the **growth industries** in your community and region?
- Is there a plan in place to **ensure the labour supply is in place** to meet the demand?
- An effective economic and population growth plan **needs support** from all levels of government, industry and other community groups.
 - But **municipal government leadership is key**. Local government is closest to the people. Best positioned to make the case for population growth to residents.

In Summary.....



PEI's economy and fiscal foundation is strong but the province will need to grow its workforce to foster a **sustainable economic foundation**.



PEI has been successful attracting people to PEI but it will need to sustain inward migration and work towards greater retention to foster a **sustainable demographic mix**.



To achieve **sustainable population growth**, PEI will need to be a place that offers economic opportunities and highly liveable communities with an excellent quality of life.



In the long run sustainable communities are those that are strong in all four areas: **Economy, demography, society and environment**.

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Questions?

