

## Economic Profile Series: Évangéline Region, Prince Edward Island

Spring 2020

This series looks at select communities across Canada and highlights key labour market statistics and the role that immigration has played, or could play, to help these communities flourish. It is important to note that predicting future labour market demand can be challenging as economies are always evolving. This profile uses current population and labour market trends to give a profile of how immigration might play a role in this community.

### Ensuring the Évangéline region can sustain its workforce needs in the years ahead: the role of immigration

The Évangéline Region is located in Prince County on Prince Edward Island and, like many places across Canada, is facing a growing shortage of workers because of an increasing number of people retiring each year.

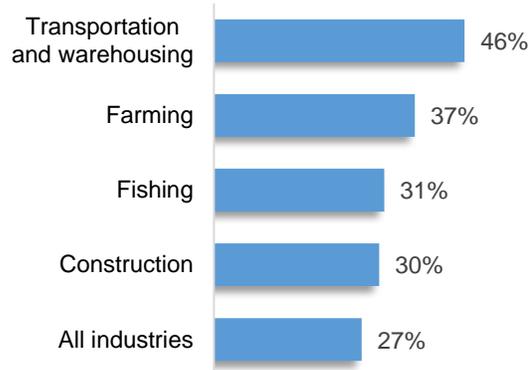
The 2016 Census reported that 27% of people in the Prince County workforce were over the age of 55. Nearly half of all workers in the transportation and warehousing sector (46%), 37% of those working in farming, 31% in fishing and 30% in construction were closing in on retirement in the near future (Figure 1). The economy is anchored by an important fish and fish processing sector, as well as farming and tourism.

Further, there are not enough young people coming through the education system to meet the demand of the current labour market, let alone provide the workforce for future economic growth.

#### The Évangéline Region: an important, French-speaking region in Atlantic Canada

The Évangéline Region (population 3,300) is home to several historically Francophone communities, including Wellington and Abrams Village. Located northwest of Summerside, 52% of the Évangéline population speaks French—the highest population share of any region across the province. Forty-two percent of the population learned French as their first official language.

**Figure 1: Share of the Prince county workforce over the age of 55—selected industries**



Source: Statistics Canada, 2016 Census.

### The population has started to decline

The population of the Évangéline Region has been slowly declining in recent years. Between 2006 and 2016, the number of people living in in the area dropped by 2%. But more importantly, the population under the age of 20 declined by 20% while the number aged 65 and older increased by 34% (Figure 2).

### The aging workforce: a risk for the Évangéline Region economy

This demographic shift is starting to impact the regional workforce, and there are signs that it is starting to have a negative impact the broader economy. Across the Évangéline Region, there are more than 1,100 people who are likely to retire in the next decade or so (as they are 55 or older), and less than 500 young people are set to join the workforce<sup>1</sup>. This doesn't take into account any loss of population through migration.

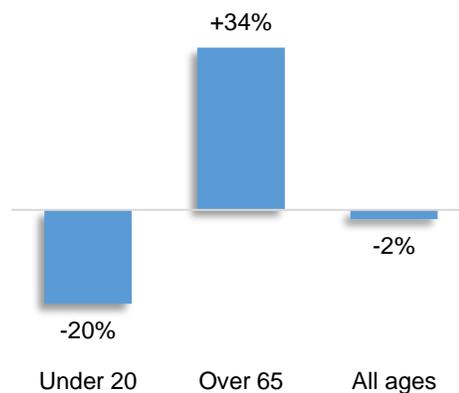
Prince Edward Island has led the country in the attraction of immigrants in recent years. The province has the [specific goal of growing the population](#) and ensuring the provincial labour market has the workers it needs to support economic growth. Across Prince Edward Island, the immigration rate in 2018 was 137 immigrants per 10,000 population (Figure 3). In Queens County, where the provincial capital Charlottetown is located, the immigration rate was over 200 per 10,000 population.

In Prince County, where the Évangéline Region is located, the immigration rate was much lower, but still fairly strong compared to mostly rural regions across Canada. While the annual immigrant attraction data for the Évangéline Region specifically is not available, the 2016 Census reported only a modest number settling in the region between 2011 and 2016. Overall, only about 3% of the population in the Évangéline Region was not born in Canada.

### What could be the impacts of increased retirements on the Évangéline Region's economy?

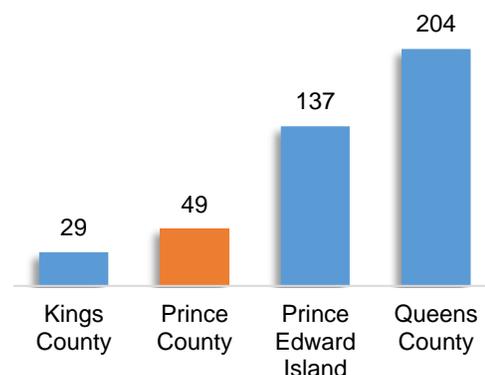
Predicting future labour market demand is not easy, but as shown in Figure 1 above there are a number of very important industries facing a looming workforce crisis. RDÉE Prince Edward Island, a Francophone economic development group, is focused on [attracting more Francophone immigrants](#) to the province to fill the labour shortages in various sectors of the economy.

Figure 2: Population change by age group, Évangéline Region (2006 to 2016)



Source: Statistics Canada.

Figure 3: Immigration rate per 10,000 population, by Census Division (2018)



Source: Statistics Canada, Table 17-10-0140-01.

<sup>1</sup> Extrapolated using 2016 Census data.

### What industries are at risk if labour market demand can't be addressed?

Table 1 reveals the industries for which Prince County has a much higher concentration of workers compared to the rest of the country. Across Prince County there are nearly 1,500 people working in fishing and fish processing. Adjusted for size, there are 37 times as many people working in fishing compared to the rest of the country. Seafood processing, farming, retail trade as well as nursing and residential care homes are all sectors with a much higher concentration of workers compared to the national economy.

If the workforce continues to tighten, many of these industries may struggle to find workers. Some of this economic activity could move to other communities that have a stronger talent pipeline.

**Table 1: Prince County's dominant industries: employment share compared to the national economy\***

	Fishing—37 times as many		Farms—3.4 times as many
	Food manufacturing—6 times more		General merchandise stores—40% more
	Aerospace products manufacturing—over 7 times as many**		Nursing and residential care—30% more

\*For example, adjusted for size, Prince County has 6 times as many people employed in food manufacturing (mostly seafood processing) compared to the national economy.

\*\*Workers from the Évangéline Region commute into Summerside to work in the aerospace cluster.

Source: Statistics Canada, 2016 Census.

### Évangéline's aging entrepreneurs

The community's entrepreneurs and small business owners are also getting older, which is an additional challenge for the local economy. There are more than 200 self-employed persons in the Évangéline Region and 1,000 across Prince County. Of the 1,000 entrepreneurs in Prince County, 42% are over the age of 55 and will in the near future be looking to transition into retirement. Where will the new generation of entrepreneurs come from? RDÉE Prince Edward Island is [looking to attract](#) French-speaking entrepreneurs to fill the growing demand.

### Critical to sustained economic growth: ensuring there is a talent pipeline

The Évangéline Region workforce is aging and the pipeline for younger workers is shrinking. There are a number of ways the community can expand the number of available workers in the years ahead:

- **Attract more students to the region**

The Collège de l'Île, located in Wellington, offers post-secondary community college education in French. The college offers a variety of programs in administration, health care and education and is working to attract more international students. Overall, the province has significantly increased the number of international students enrolled in university and college. For example, the University of Prince Edward Island enrolled nearly 1,400 international students in 2019, up 54% since 2016. More students in post-secondary colleges and university across the province means a larger talent pool for local firms to access.

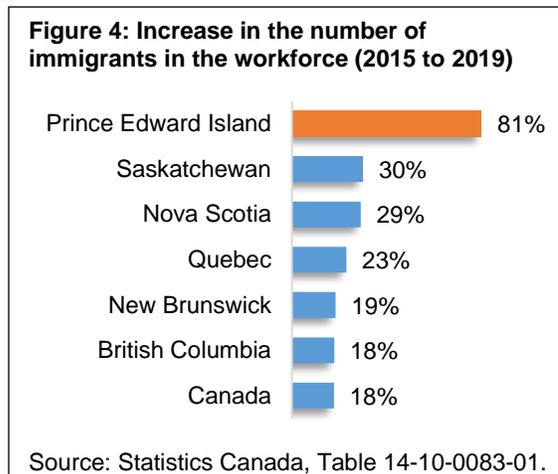
- **Encourage more people to join the workforce**

The tightening labour market creates employment opportunities for people who previously struggled to participate in the labour market, such as women re-entering the workforce, the Indigenous population or those with disabilities. Persons aged 55 and older who are not in the labour market could also be

enticed back in by being offered flexible work and other benefits. However, Prince Edward Island has a much higher workforce participation rate among those 55 and older already, so it is not clear how many more could be enticed into the workforce.

- **Attract people from outside the region**

There is no doubt that one of the Évangéline Region’s greatest opportunities involves the attraction of young people and families. Since 2013, across Canada, all net growth in the labour market has come from immigrants<sup>2</sup>. There is a direct correlation between immigrant attraction and workforce growth. The communities with the highest immigration rates have, by far, the fastest labour market growth. While the Évangéline Region has attracted relatively few immigrants in recent years, the good news is that Prince Edward Island has led the country in the growth of the number of immigrants in the workforce in recent years (Figure 4).



### Immigration: boosting the Évangéline Region talent pipeline

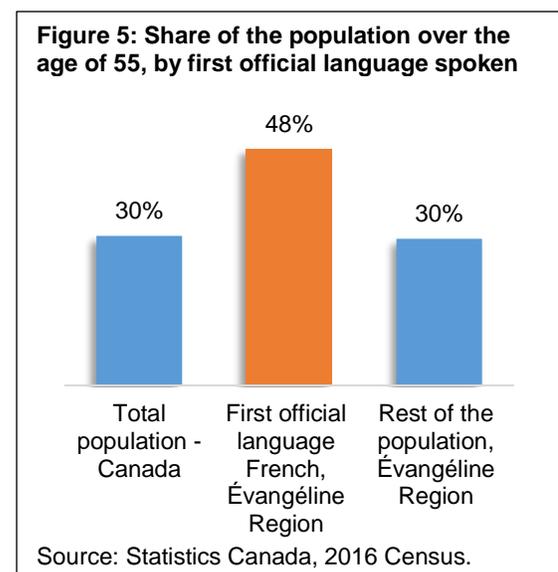
Along with other efforts to boost the workforce, increasing the number of immigrants is one way in which the region can ensure the talent pipeline is large and strong enough to meet local industry demands and provide a source of new entrepreneurs. These immigrants could come as students, workers and business owners filling important roles in the economy and boosting demand for local goods and services.

### Supporting the region’s French-speaking community

The population in the Évangéline Region with French as their first official language is much older than the rest of population. As shown in Figure 5, nearly half (48%) of the French-speaking population (first official language) is over the age of 55, compared to only 30% of the English and other first language population. Attracting younger French-speaking or bilingual immigrants to the Évangéline Region could help ensure this important community can sustain itself in the years ahead.

Évangéline has been selected as a [Welcoming Francophone Community](#) to help French-speaking and bilingual newcomers feel welcomed and integrated in Francophone minority communities outside Quebec.

Immigration could help to ensure the Évangéline’s Francophone population continues to thrive.



<sup>2</sup> The number of people born in Canada exiting the workforce is greater than the number of people born in Canada joining each year.

### **Helping to grow the local economy**

Attracting more immigrants in the coming years could create new demand for local products and services. Every 100 new immigrant families with an average household income directly generate over \$7.3 million worth of new household expenditures, much of this spending in the local community<sup>3</sup>.

Statistics show that these 100 immigrant families would spend:

- \$1.4 million per year on housing costs, such as mortgage payments, electricity and property taxes,
- \$1.3 million each year on transportation costs, such as vehicle purchases and maintenance, and
- \$810,000 on food expenditures at local grocery stores and restaurants.

These 100 new families would also generate some \$2.2 million worth of taxes per year for local, provincial and federal governments.

### **Other positive effects**

Attracting more immigrants, including French-speaking or bilingual immigrants, to the Évangéline Region would help support a vibrant economic and social life in many other ways. Civic and business groups would have a growing pool from which to draw members. Youth sports clubs and leagues around the region would benefit from an increasing population of young residents.

### **Retaining and integrating newcomers**

Retention will be critical to long-term population growth. The local population in the region doesn't have much recent history with immigration. Ninety-two percent of residents are at least third-generation Canadians, meaning they were born in Canada, as were their parents and grandparents.

It is important that newcomers are welcomed into our social life and develop a strong sense of Canadian identity and social cohesion. The community will need to foster a welcoming environment for newcomers.

### **Helping to sustain high quality public services**

There is a direct relationship between economic growth and provincial and local government capacity to provide high quality public services and public infrastructure such as roads, schools and hospitals. A growing economy and population in the Évangéline Region could lead to a greater public investment in services and infrastructure.

### **Older residents play an important role in the community**

Residents of all ages contribute to the well-being of their communities and their province by working, paying taxes and giving back through volunteer and charitable activities. As residents of the Évangéline Region retire and move into a new stage in life, it creates new economic opportunities in health care, personal services and recreation industries.

But these should not be considered a replacement for the Évangéline Region's important export-oriented industries such as fishing, farming and tourism. In the years ahead, the community can and should benefit from the economic opportunities arising from more retirees, as well as the opportunities arising from attracting and growing the younger workforce.

---

<sup>3</sup> Assumes the new household spending conforms to the current spending pattern on Prince Edward Island.

### **Évangéline in 2035**

So, what will the Évangéline Region look like in 2035? Will the region continue to have a thriving fish and fish processing cluster? Will it have grown its role as a regional tourist destination? Will the workforce be there to ensure the region can take advantage of new opportunities?

In the years ahead, the Évangéline Region is poised to make important contributions to the provincial economy through natural resources, tourism and other industries. Immigration, including French-speaking or bilingual immigrants, may be key to ensuring the region lives up to its economic potential. By significantly increasing immigration, the region will be better positioned to thrive in the years ahead.

For more information on how immigration matters across Canada, visit [canada.ca/immigration-matters](https://canada.ca/immigration-matters).