

Economic Profile Series: Moose Jaw and Gravelbourg, Saskatchewan

Winter 2020

This series looks at 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 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 Moose Jaw and Gravelbourg have the workers needed to support the regional economy: the role of immigration

The looming workforce challenge

Both Moose Jaw and Gravelbourg are facing a significant workforce challenge because of their aging populations. In Moose Jaw, the 2016 Census reported that 1 out of every 4 workers was over the age of 55 years.

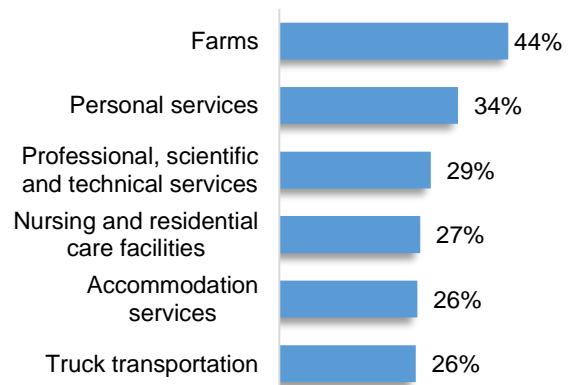
Overall, nearly 5,000 people are likely to retire in the next decade or so (as they are 55 years and older). This includes 44% of everyone working on farms and 34% of those working in personal services (Figure 1). Nearly 30% of the workers in professional services are over 55, as are 26% of those working in truck transportation and accommodations.

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 potential future economic growth.

Moose Jaw plays an important economic role within Saskatchewan

Moose Jaw¹ (population 36,300) is located about 70 kilometres by road west of Regina. It is the fourth largest urban centre in the province by population. The community is an important agricultural, food processing, mining and transportation centre. It is also an important services centre with above-average employment in accommodation services, general merchandise stores and nursing homes.

Figure 1: Share of the Moose Jaw workforce over the age of 55 – selected industries*



Source: Statistics Canada, 2016 Census.

¹ The data in this report is based on the Moose Jaw census agglomeration area, which includes the City of Moose Jaw and the rural municipality Moose Jaw No. 161.

An hour or so southwest of Moose Jaw by road is the Town of Gravelbourg (population 1,100). The town is an important services centre, with a relatively high concentration of workers in health care, education, personal services and manufacturing.

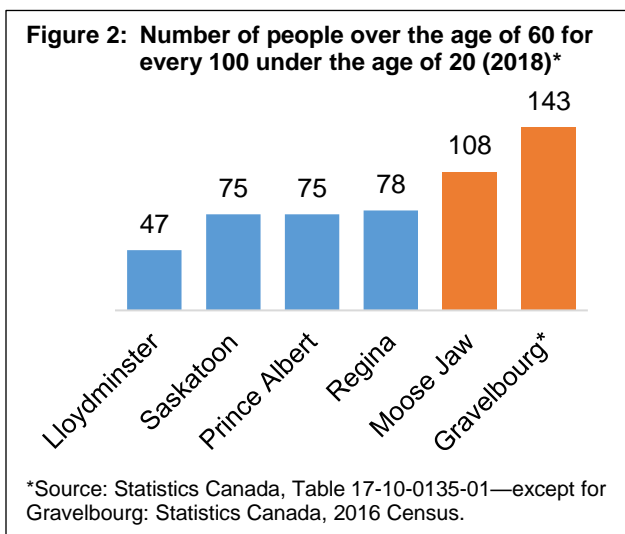
Between 2009 and 2018, Moose Jaw featured the slowest population growth rate among the province's 10 urban centres. Over the same time frame, the number of people in the workforce has started to decline, which could have a major influence over the city's economic potential in the coming years. Gravelbourg's population also has been in decline, as it dropped 3% between 2011 and 2016.

The populations of Moose Jaw and Gravelbourg are aging fast

In recent years, Saskatchewan has benefitted from a significant increase in the number of young people moving to the province. Between 2008 and 2018, it was 1 of only 2 provinces (along with Prince Edward Island) to register a decline in the median age.

Over the decade, the median age in Saskatchewan declined by 0.6 years, while in comparison, Atlantic Canada's median age rose by 3.3 years. In demographic terms, Saskatchewan is bucking the trend against an aging population.

However, Moose Jaw and Gravelbourg are not benefitting as much from this demographic shift compared to other communities around the province. As shown in Figure 2, there are 108 people over the age of 60 years in Moose Jaw, and 143 in Gravelbourg, for every 100 under the age of 20 years. These ratios are significantly higher than most other urban centres in the province, such as Prince Albert (75) and Lloydminster (only 47).



The aging workforce: a risk for the economy

This demographic shift has hit the workforce and there are signs that it is starting to impact the economic potential of the community. The number of people in Moose Jaw reporting employment income increased by only 1% between 2008 and 2017, while the number reporting Canada Pension Plan income increased by 13%².

As shown in Table 1, between 2010 and 2018, the number of people active in the labour market in Moose Jaw declined by 3,400. During the same period, the share of the adult population either working or looking for work (the labour force participation rate) rose significantly from 64.7% to 67.7%. This means there are less adults in the workforce that could be encouraged into taking a job.

While the 2018 workforce data is not available for Gravelbourg, the median age of 47.2 years at the time of the 2016 Census means the community is one of the oldest in the province. (Across Saskatchewan, the median age was only 37.8 years.) This suggests that many workers are closing in on retirement.

² Source: Statistics Canada, Table: 11-10-0007-01.

Table 1 – Summary labour market indicators, Moose Jaw

	2010	2018	# Change	% Change
Labour force	24,600	21,200	-3,400	-14%
Employment	23,000	19,900	-3,100	-13%
Unemployment	1,600	1,300	-300	-19%
Unemployment rate	6.5%	6.1%		-0.4*
Participation rate	64.7%	67.7%		+3.0*

*Percentage point change. Source: Statistics Canada, Table: 14-10-0102-01.

There has been moderate immigration to Moose Jaw

Since 2010, Saskatchewan has been one of the top destinations for immigrants in Canada. Moose Jaw has also witnessed a rise in immigration in recent years. In 2010, there were 104 immigrants settling in the community and by 2018, the number had risen to 329³. However, adjusted for population size, Moose Jaw still has the lowest immigration rate among the province's 10 urban centres—although it is higher than the overall average among urban centres across Canada. At the time of the Census in 2016, Gravelbourg was home to only 70 immigrants, and most of them arrived between 2006 and 2016.

If there are not enough workers to meet the workforce demand in the future, what could the impact be on the economy?

Predicting labour market demand is not easy, but the City of Moose Jaw clearly understands the need for population growth. It has developed a [relocation guide](#) and is putting a major push on attracting people to meet workforce demand. Attracting new workers to Moose Jaw is also one of the goals of the municipality's economic development strategy. The Town of Gravelbourg also understands the importance of attracting people and is [partnering with the Moose Jaw Local Immigration Partnership](#).

Table 2 reveals the industries for which Moose Jaw has a much higher concentration of workers compared to the rest of the country. Adjusted for size, there are 5.5 times as many people working in mining compared to the country overall. Rail transportation employs 11 times more. There are 47% more employed in general merchandise stores, pointing to the importance of the retail sector. Moose Jaw has a well-above-average concentration of workers in hospitals and nursing and residential care facilities, and 70% more in the accommodation services sector.

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

³ Using Statistics Canada Components of Population Growth estimates.

Table 2 – Moose Jaw’s dominant industries: employment share compared to the national economy*

 Mining—5.5 times as many	 Hospitals—29% more
 Farms—87% more	 Nursing and residential care facilities—nearly double
 Rail transportation—11 times more	 Accommodation services—70% more
 General merchandise stores—47% more	 Provincial public administration—81% more

*For example, adjusted for size, Moose Jaw has 47% more people employed in general merchandise stores compared to the national economy. Source: Statistics Canada, 2016 Census.

The region’s aging entrepreneurs

The community’s entrepreneurs and small business owners are getting closer to retirement, which is an additional challenge for the local economy. There are over 1,700 self-employed people in Moose Jaw and more than 40% of them are over the age of 55. The community could benefit from the attraction of a new generation of entrepreneurs to replace those who retire and to help drive growth in important industries such as agriculture and value-added processing, transportation, tourism and health-care services.

While the age profile of Gravelbourg’s entrepreneurs has not been published, nearly 17% of all workers in the town are self-employed. Many of them are likely heading for retirement in the near future.

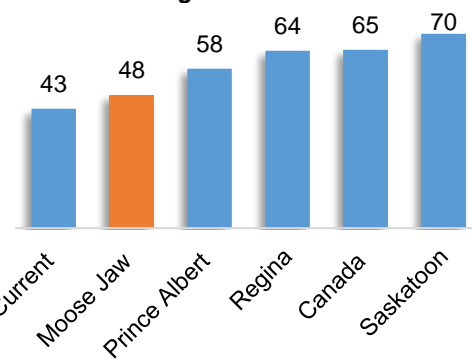
Critical to sustained economic growth: ensuring there is a talent pipeline

Moose Jaw and Gravelbourg both have aging workforces, and the pipeline for younger workers is shrinking. There are a number of ways in which the region can expand the number of available workers in the years ahead:

- **Attract more students to the region**

An evaluation of the population in school shows that, compared to many other small and larger urban centres, the community is at a disadvantage. In 2016, there were only 48 young people aged between 15 and 24 years old in school for every 100 people in the workforce over the age of 55 (Figure 3). Saskatoon, by contrast, has 70 young people in school for every 100 in the workforce over 55. Moose Jaw is home to a campus of Saskatchewan Polytechnic, as well as several other colleges and training institutions. If the community is able to attract more Canadian and international students, it will help to build a larger local talent pipeline to address workforce needs in the years ahead.

Figure 3: High school and post-secondary school population* per 100 in the workforce aged 55+



*Aged 15 to 24. Source: Statistics Canada, 2016 Census.

- **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 or those with disabilities. Moose Jaw has a lower labour market participation rate among those 55 years and older compared to

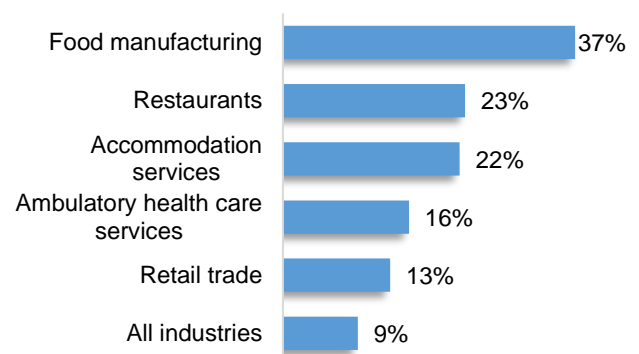
the province overall. Some of these people could also be enticed back in by being offered flexible work conditions and other benefits.

- **Attract people from outside the region**

There is no doubt the biggest opportunity involves the attraction of young people and families to Moose Jaw and Gravelbourg. Since 2013, across Canada, all net growth in the labour market has come from immigrants⁴. 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.

Moose Jaw is already attracting more immigrants and they are playing an important role. As shown in Figure 4, 37% of everyone working in the food manufacturing sector was not born in Canada, along with 23% in the restaurant sector and 22% in accommodation services. A focused effort to attract more immigrants and retain them in the community may serve to ensure economic growth in the years ahead.

Figure 4: Immigrants and non-permanent residents as a share of the total Moose Jaw workforce, by selected sector



Source: Statistics Canada, 2016 Census.

Immigration: boosting the Moose Jaw talent pipeline

Along with other efforts to boost the workforce, increasing the number of immigrants settling in Moose Jaw would be a strategic move to ensure that 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.

Moose Jaw is part of the new [Rural and Northern Immigration Pilot](#), established to help smaller rural and northern communities attract and retain foreign skilled workers to meet their economic development and labour market needs.

Immigration: boosting the local Francophone population

The larger territory of Moose Jaw and Gravelbourg has also been selected as a [Welcoming Francophone Community](#) to help French-speaking newcomers feel welcomed and integrated in Francophone minority communities outside Quebec.

One of the interesting characteristics of Gravelbourg is its significant Francophone population—26% of the population claims French as their mother tongue, and 39% speak both English and French. Attracting French-speaking immigrants to the community will help ensure the Francophone community and culture continues in the region for generations to come.

⁴ The number of Canadian-born workers exiting the workforce is greater than the number of Canadian-born workers joining the workforce each year.

Helping to grow the local economy

Attracting more immigrants in the coming years would create new demand for local products and services. Every 100 new immigrant families with an average household income will generate \$8.8 million worth of new household expenditures, much of this within the local community⁵.

Statistics show that these 100 immigrant families would spend:

- \$2.1 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
- \$900,000 on food expenditures at local grocery stores and restaurants.

These 100 new families would also generate about \$2.3 million worth of taxes per year for local, provincial and federal governments.

Other positive effects

Attracting more immigrants to Moose Jaw and Gravelbourg 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. Around 78% of Moose Jaw residents are at least third-generation Canadians, meaning that they were born in Canada, as were their parents and grandparents. In order to ensure the successful integration and retention of immigrants to Moose Jaw, it is important that newcomers are welcomed into social life and quickly develop a strong sense of Canadian identity and social cohesion.

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 Moose Jaw and Gravelbourg 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 Moose Jaw and Gravelbourg retire and move into a new stage in their lives, it creates new economic opportunities in health care, personal services, and recreation industries.

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

Moose Jaw and Gravelbourg in 2035

What will Moose Jaw and Gravelbourg look like in 2035? Will Moose Jaw continue to be growing urban hub with strong agriculture, mining and tourism sectors? Will Gravelbourg continue to be a dynamic rural economy?

⁵ Assumes the new household spending conforms to the current spending pattern in Saskatchewan.

In the years ahead, Moose Jaw and Gravelbourg face many opportunities to grow the local economy and build on its existing successes. Increasing immigration may be a critical piece that will help to secure a strong and vibrant economy in the region—and drive innovation and growth for years to come.

For more information on how immigration matters across Canada, visit canada.ca/immigration-matters.