

Investing in our cities will be key to a prosperous New Brunswick

A few years ago, I developed a report that made the case New Brunswick will need to grow its population to one million by 2040. At the time I argued that the province's baby boomers were all going to retire over the next 20 years or so and we didn't have nearly enough young people coming of age to replace them let alone provide the talent to support the growth of new industries. In addition, I was of the view that we needed to get back to at least two percent annual economic growth (real gross domestic product, GDP) and that a growing population and workforce would be needed to meet that objective.

When I wrote columns and made presentations on the one million population goal, many people questioned why we needed to grow our population? Older New Brunswickers asked me why do we need more people? Many want to retire in peace and did not like the idea of another 250,000 people cramming into the cities and towns. Some young people questioned my ongoing obsession with GDP growth.

In my opinion, if we want to be able to sustainably fund our health care system and other public services and if we want high quality roads and other public infrastructure, we will need to get back to at least modest economic growth. Without expanding the population, particularly younger workers, we will not see this economic growth. I do not believe we can raise tax rates any further so we will have to grow the economic base on which taxes are levied. We cannot do that without a lot more people moving to our province.

On paper the goal of one million people living in New Brunswick by 2040 is not that outrageous. It will require a 1.3 percent average annual population growth rate starting now and continuing over the next 20 years.

How hard would it be to achieve a 1.3 percent annual population growth rate? Saskatchewan has been growing at a similar rate since 2008. Manitoba has since 2010 and even our neighbouring province, Prince Edward Island, has been growing at a rate of 1.2 percent per year since 2014. There is even historical precedent in New Brunswick. Between 1945 and 1962 those very same baby boomers who are starting to retire now were the reason the provincial population expanded 1.5 percent per year.

When I first proposed the idea in 2016, we had just gone through nearly two decades of almost no population growth at all. Skepticism was rife that we would ever grow again.

The good news is that since 2016 the population in New Brunswick has increased by 23,000 or an annual average growth rate of 0.6 percent. In other words, we are getting closer to that annual growth rate target of 1.3 percent per year.

If we are to grow our population to one million by 2040, our cities will have to attract a large share of the people moving here.

New Brunswick remains one of the most rural jurisdictions among the 60 Canadian provinces and U.S. states not because there has been significant growth in our rural population but because our urban growth has not kept pace with the rest of North America. Between 2001 and 2016, the urban population across Canada increased more than six times faster than it did in New Brunswick.

Our cities are well positioned to support a surge in new population. They are uncongested and most have large undeveloped areas within their borders as well as room to expand beyond.

According to Statistics Canada, in 2020 there were 297,000 people living in New Brunswick's eight cities. To get to a population of a million people province-wide by 2040, we will need to see at least a 40-50 percent increase in the eight cities' combined population. In order to ensure our cities can accelerate growth around the province there are a number of areas for greater focus.

We need to strengthen the role of our cities as talent incubators. This is particularly true in the smaller cities such as Miramichi and Edmundston. We should try and double, if not triple, the enrolment in our post-secondary education institutions particularly in programs that align with current and future workforce demand. Much of this growth will come from international students which will help with our push for more immigrants.

We need housing development strategies that ensure the region continues to have an appropriate mix of housing (rental/purchase, young family/empty nester, etc.) available at reasonable prices. Affordable housing has been a key part of our value proposition for decades. We do not want to lose that moving forward.

We need to strengthen, not weaken, the air transportation system. Before the pandemic, approximately 80 percent of the province's population was within a 45-minute drive of an airport offering daily flights into major hubs. If we are going to attract thousands more immigrants each year and thousands more international students, we will need good air transportation now more than ever.

We need to invest in our cities' research and development infrastructure. Over the next 20 years, the global economy is facing one of the most profound technological shifts in recent history. We must ensure that our economy can make this shift. We need our cities to increase their role as incubators of ambitious entrepreneurs. This will be critical to ensure our economy comes out of the next 20 years stronger than ever.

Finally, our cities need to focus on being amazing places to live. People across Canada and around the world have never been more mobile and have never had more choice over where they live. Our cities need to top the charts as places to start a career, raise a family and, eventually, retire.

New Brunswick is at a fork in the road. One path leads to sustained prosperity, good quality public services and a high quality of life for its citizens. The other leads to a shrinking population, declining industries and tax revenues and constant squabbles about how we divide up a smaller and smaller pie.

If we are to get on the high road, we must increase our investment and focus on New Brunswick's cities.