

Demographics Impact on Local Economic Development

By: Nathalia Headley

Contact: nlheadle@myseneca.ca

This article is based on the findings and research from the Economic Developers Council of Ontario annual conference, 2019.

Abstract

Local Economic Development within municipalities is not only the heartbeat of a city or town but the very determining factor for better quality of life. Each aspect of economic development needs to be examined to give insight to the trends in labour sectors, threats to industries and the geographical and environmental factors that affect communities. Demographics play a role in all of these matters and must be closely examined when considering local economic development. Development is structured around balancing the best interest of the community, while providing efficient and effective operations within a society. Topics within the examining of demographics is referenced from Future Ready the report discussed at the 2019 Economic Development Council of Ontario's annual conference. Future Ready lays out several determining factors to economic development and relating to that topic from a standpoint of awareness, influence, and control. Demographics is both discussed and understood as a factor that will determine the shift of business interest, cultural programs and legislated policies to improve quality of life for both rural and urban areas.

Summary

Evaluating the growing concerns of local rural and over-populated urban municipalities' and the effects of demographic shifts on communities and their development. Many representatives from various municipalities in Ontario gather at the EDCO conference to gain and give awareness to the factors effecting development and growth. Hosted roundtable discussions, workshops and various presentations on data, that reveals the economic trends around the world, are presented to give understanding to the unbalance of development and community growth in various municipalities. This information is imperative to develop programs and policies to help shape the fast-paced changes occurring to in the world that is directly impacting both rural and urban cities and towns in North America. Training and newcomer programs are explored for the understanding of demographic factors in developing community growth in rural municipalities in Ontario, Canada. The growing gap in support services for the aging population is addressed in round-table discussions from both a government and private perspective and experience. The aging infrastructures of rural cities is understood to be a financial burden therefore hindering the opportunity for new development. The lack of younger

skill trade workers is brought up as a concern for the economic strength and development for the Canadian population. The newcomer program helps newcomers adjust and integrate into Canadian society and connects families to resources that provides their cultural interests. Most interestingly, there was an awareness of family and cultural interests for Canadian Immigrants in determining where they wish to settle. The baby-boomers generation aging and retiring and the admittance from Municipal leaders that there is no master plan in place for this demographic, knowing there will be an increase for health care needs and job replacement for retiring workers.

Introduction

Statistics Canada shows that between the years 2014 to 2018 the total Ontario population by immigrant status, grew by 628,000. The total of 141,000, in 2014 to 2018 were born in Canada. The Future Ready Report explaining how being aware of demographics, the influence and the control it can have on economical demands. Canada has grown substantially due to immigration, "Currently, immigration accounts for 71 per cent of Canada's population growth and has accounted for as much as 90 per cent of labour force growth in recent years" (Imagining, 2019). This is a careful consideration for trends in the labour force, to take a new approach for development around cultural interests. The need for employers to take an innovative approach to their recruitment practices and understanding the necessity for diversity in their workplaces. "Millennial's are already the largest generation in the U.S. labor force, making up 35% of the total" (Cilluffo, 2018). Generational gaps between the baby boomer and millennial generation are emerging issues that both economists and employers need to pay close attention to in keep up in emerging and innovative industries.

Discussing Demographics

At the annual Economic Development Council of Ontario's 2019 Conference, roundtable discussions, issues that were discussed were, the lack of desired skills for business investors and a need for a program where high schools can provide training to youths, in various skill trades. "The traditional education is not helping the increasing gap of qualified skilled trade workers in Canada," commented a research consultant from Peterborough, Ontario. A main determining factor in attracting international businesses to rural municipalities is having ready and available skilled labour workers available. "Many business owners commented that they want farm workers" says the president of an international development company in Toronto, Ontario. "While making sure there are jobs, we want to focus on diversity and inclusion", says the Business and Entrepreneurship Officer of the municipality of Barrie, Ontario. "There is no night-life attraction, which is part of the reason we don't have enough young people settling in our community" comments a local politician from Centre Wellington, Ontario.

Newcomers

Policy makers need to take a closer look at the reasons why Canadians do not want to move because of their focus on family and social interest. “Canadians are putting a greater priority on their families and social circles these days, making them less willing to move for work” (Tencer, 2018). These values have more impact on society than one may think and understanding how to create new strategies for interprovincial migration. Culture differences and family obligations can create barriers for people considering relocating for the sake of job demands. There are plenty of well-paying jobs available within rural communities but social interest takes precedent over a decision to move for many Ontarians. Centre for Newcomers (CFN) has helped many newly immigrated families to adjust and find access to areas of interest where they can access resources such as cultural centers and culturally sensitive services. “CFN provides training programs and collaborative support services for immigrants to promote full integration, cultural diversity, community participation and citizenship (newcomers, 2019). Future Ready highlights the need for awareness, influence and control, and these matters need to be closely examined from economic development departments, to change the traditional approach to local development projects. Even with the development of a well-structured program to help newcomers integrate into society, economic developers must be aware of the main attraction for newcomers is still centered on cultural needs.

Baby Boomers

The issue of an aging population continues to be a concern for filling of gaps in the labour market. Fig. 1 shows Statistics Canada’s estimated population from ‘2001 to 2011 that is between the ages 65-79 was 2,981,000 to 3,606,000 and 931,000 to 134,400 are over the age of 80 years old (Statistics, 2018).

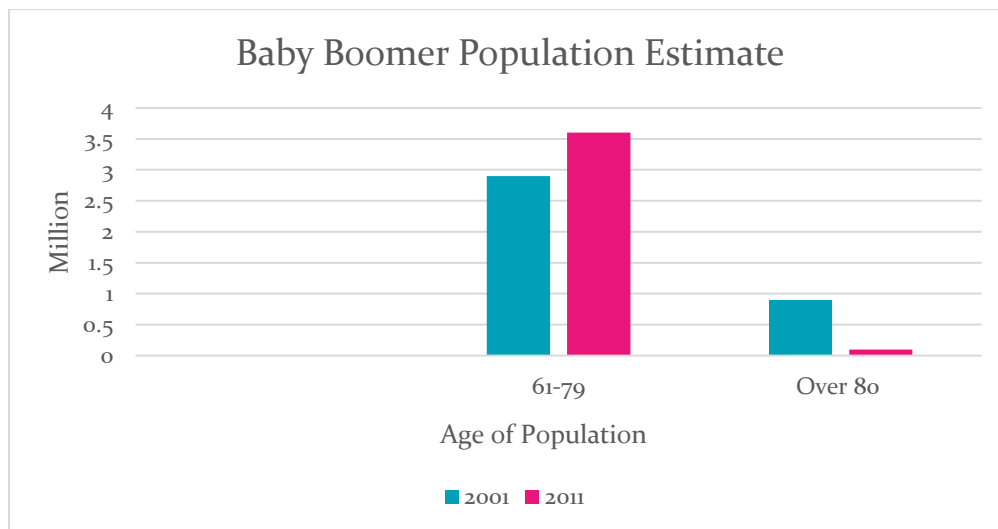


Fig. 1. Shows Estimate of Population for 2001 & 2011

Those figures are projected to triple by 2061 for Canadians, these facts need to be considered by economic developers when evaluating, changes of job demands in the health care sector. Future ready informs of “casual factors that are a cause of shortages to the healthcare sector being over-specialization, lack of students and burnout/dissatisfaction with regulatory burdens and bureaucracy” (Future, 36). It explains the demands of personal care and food service industries listed as some of the top industries to experience future growth and skill shortages. Again, the demand of the aging population creating that increase and growth for those industries.

There is a need for employers to make plans for their aging staff and succession planning including actively recruiting diverse staff from a variety of backgrounds. Concerns were raised at the roundtable discussion, about what happens after the wave of baby boomers are gone and what is put in place for the infrastructures used for the sole purpose of retirement living? “Not only is there a concern for the baby boomer generation, there is an even greater concern that there is no master plan to address this pressing problem”.

Rural vs. Urban Areas

Development between rural and urban areas is to be examined carefully in economic development initiatives. Ignoring one or the other perpetually creates an over populated verse under populated ratio that, creates an extreme imbalance, to the distribution of resources. Policy makers must take a new approach to implementing policy for both cultural, family and infrastructure while factoring the demographic shifts, when planning for future development projects. Demographics play a vital role in the trends and development of various sectors such as health, transportation and technology. Extensive research into the usage of technology among millennials, and the demands on health care from baby boomers. Diversity in the workforce can determine how innovative, an organization will be, in growing and advancing with rapidly changing industries. “Policy makers need to advance from recognition to start planning for the interrelationship between urban and rural areas so that they can come up with practical, workable and locally embedded solutions” (Okyere, 2018).

Conclusion

Understanding the role of economic development and how vital knowing the demographics of your community, city, and or country is true skeleton of planning and policy. Introducing programs and planning for the shifts of demographics place your organization or city at an advantage to anticipate the rapid changing trends and needs of society. The overall quality of life needs to be at the core of every economically influenced decision. More roundtable discussions are needed to understand challenges within a community and how to address them. Future Ready report is a good resource to helps us to understand the concerns of an aging population, urbanization and interprovincial migration have to be a matter of focus. The changes and opportunities in cultural

interests, new industries developing, and diversified workplace can be a positive impact on economic growth. According to all the data presented and discussions amongst economic developers, policy makers, and politicians, the main objective still remains, be ready for a change that is already happening.

Works Cited

Cilluffo, Anthony and D'Vera Cohn. "7 Demographic Trends shaping the U.S. and the world in 2018. PEW Research, 25 April 2018. <http://www.pewresearch.org/fact-tank/2018/04/25/7-demographic-trends-shaping-the-u-s-and-the-world-in-2018/>.

Imagining Canada's Economy without Immigration, The Conference Board of Canada, 15 May 2018, <https://www.conferenceboard.ca/press/newsrelease/2018/05/15/imagining-canada-s-economy-without-immigration?AspxAutoDetectCookieSupport=1>. Accessed February 12, 2019.

Labour Force Characteristics by immigrant status, Statistics Canada, 9 February 2019, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410008301&pickMembers%5B0%5D=1.9&pickMembers%5B1%5D=3.1&pickMembers%5B2%5D=4.1>. Accessed February 7, 2019

Newcomer Canada, Government Canada January 2019 <http://centrefornewcomers.ca/>. Accessed February 11, 2019

Okyere, Seth et al. "Why linking rural and urban areas matters for development: a Ghana case study" The Conversation 2018. <https://theconversation.com/why-linking-rural-and-urban-areas-matters-for-development-a-ghana-case-study-102618>

Potts, Gareth. Future Ready Preparing for Tomorrow's Economy, Economic Development Research Partners. 20 August 2018. https://s3.us-east-1.amazonaws.com/learn-us-east-1-prod-fleet01-xythos/5c082fb7a0cdb/8460206?response-content-disposition=inline%3B%20filename%2A%3DUTF-8%27%27Future%2520Ready%2520FINAL.pdf&response-content-type=application%2Fpdf&X-Amz-Algorithm=AWS4-HMAC-SHA256&X-Amz-Date=20190213T021508Z&X-Amz-SignedHeaders=host&X-Amz-Expires=21600&X-Amz-Credential=AKIAIBGJ7RCS23L3LEJQ%2F20190213%2Fus-east-1%2Fs3%2Faws4_request&X-Amz-Signature=4e7aaefb03a73574dbe4a6eb7613088408436f47de0c26770ebdb5146ce9f902.

Research Highlights on Health and Aging, Statistics Canada, 28 July 2016,
<https://www150.statcan.gc.ca/n1/pub/11-631-x/11-631-x2016001-eng.htm>.
Accessed February 11, 2019

Tencer, Daniel. "Canada's Labour Shortage Intensifies, With Nearly 400,000 Vacant Jobs" huffpost, 2018. https://www.huffingtonpost.ca/2018/03/13/labour-shortage-canada-job-vacancies_a_23384818/