

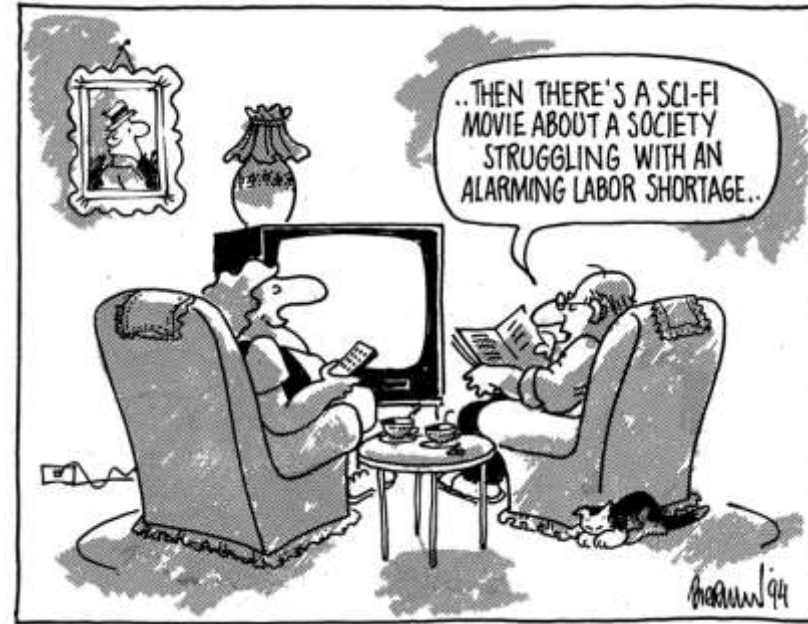


# Some of the NB IRDT LMI projects

Herb Emery, Vaughan Chair in Regional Economics, UNB

# Some NB IRDT “Best Sellers” for 2017

- "Push or Pull into Self Employment? Evidence from Longitudinal Canadian Tax Data. A Working Paper", Philip Leonard, Herb Emery, Ted McDonald
- "Temporary Residents in New Brunswick and Their Transition to Permanent Residency", Herb Emery, Ted McDonald, Andrew Balcom
- "Apprenticeship Programs in the Atlantic Provinces: Program Characteristics, Apprentice Mobility and Earnings", Herb Emery, Ted McDonald, Andrew Balcom
- "The Economic Impacts of Migrating from New Brunswick to Alberta/Saskatchewan and Return to New Brunswick", Herb Emery, Ted McDonald, Rene Morrissette
- "New Brunswick Population Snapshot", Paul A. Peters
- "Small area population forecasts for New Brunswick", Paul A, Peters



# 2018 “Block Busters”

J.T. McDonald Director



# Wage Stagnation – Is real wage growth sluggish in NB compared to other provinces?

NB is no country for old men...

- no wage growth in 20 years in NB, which compares favorably to Ontario

But the labour demand for females is high

- wage increases show strong labour demand for female workers in NB relative to Canada and Ontario

Labour shortages of young workers

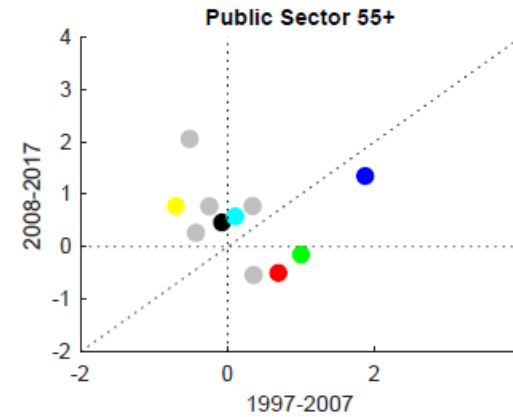
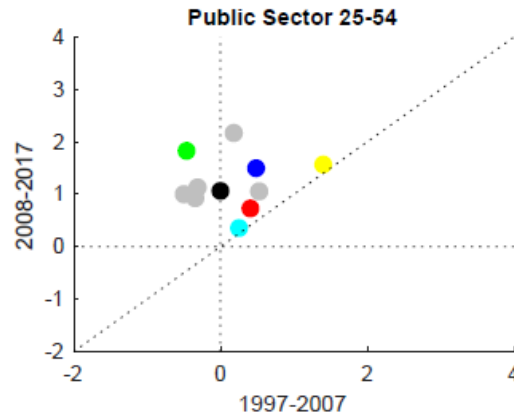
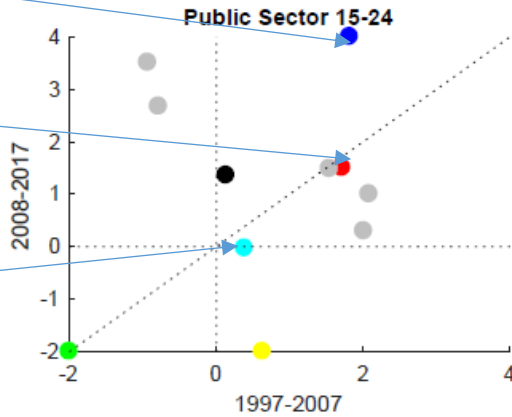
- Real wage increases large, may be coming from public sector

# Annual Growth Rates, Median Weekly Wages (constant dollars), 1997-2007 versus 2008-2017, MALES

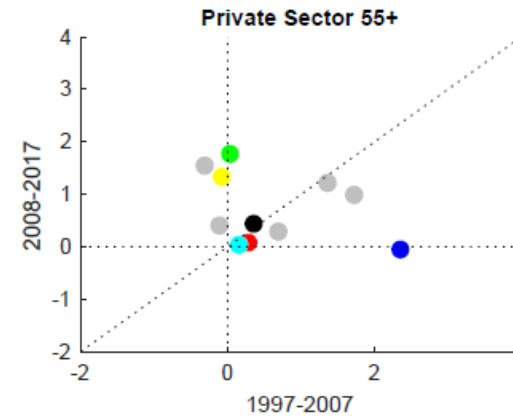
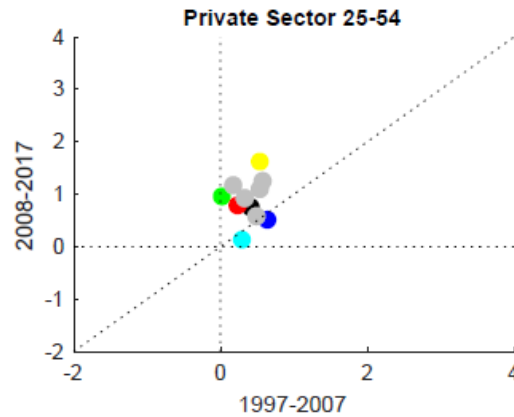
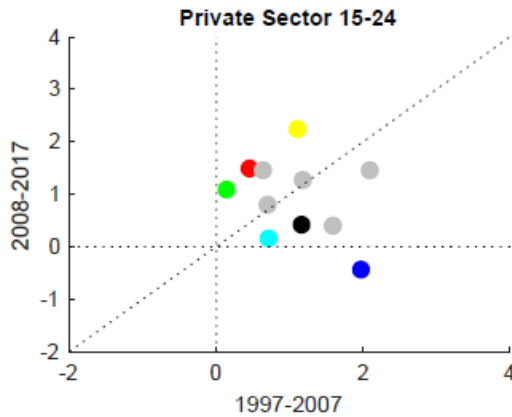
NS

NB=Red

ONT=light blue

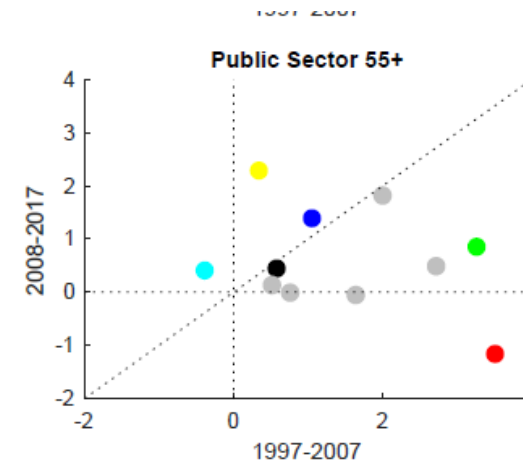
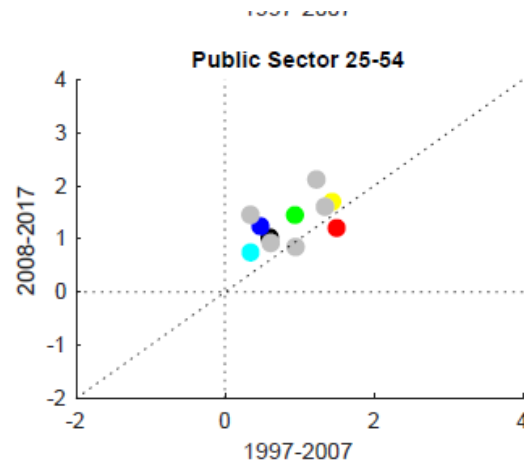
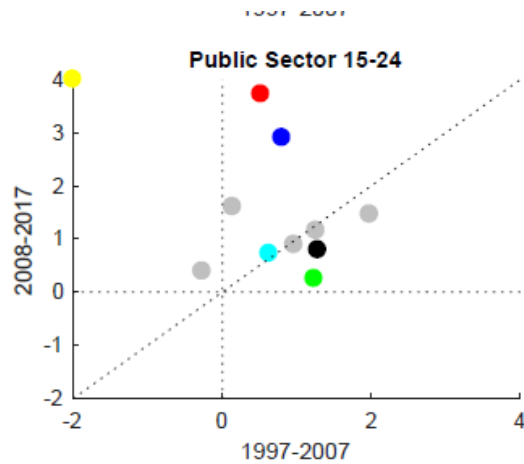


Pub Admin +  
Health + Educ

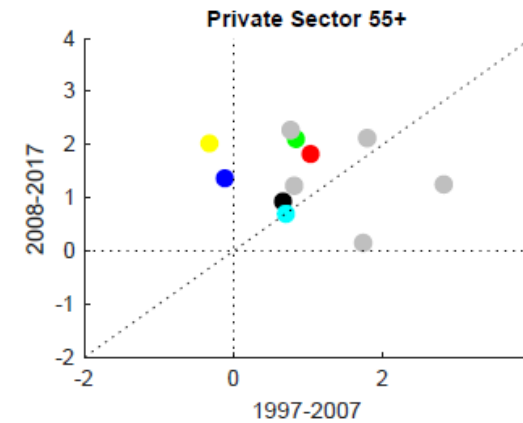
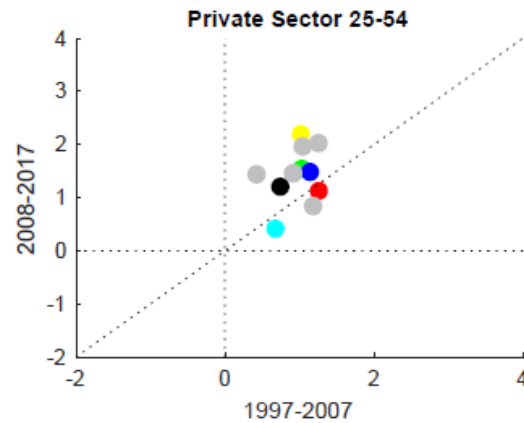
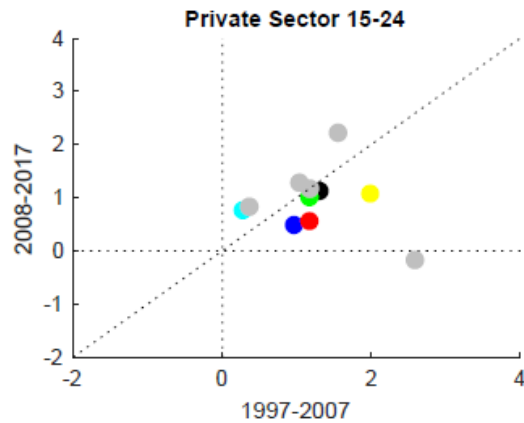


Private  
Sector

# Annual Growth Rates, Median Weekly Wages (constant dollars), 1997-2007 versus 2008-2017, FEMALES



Pub Admin +  
Health + Educ



Private  
Sector

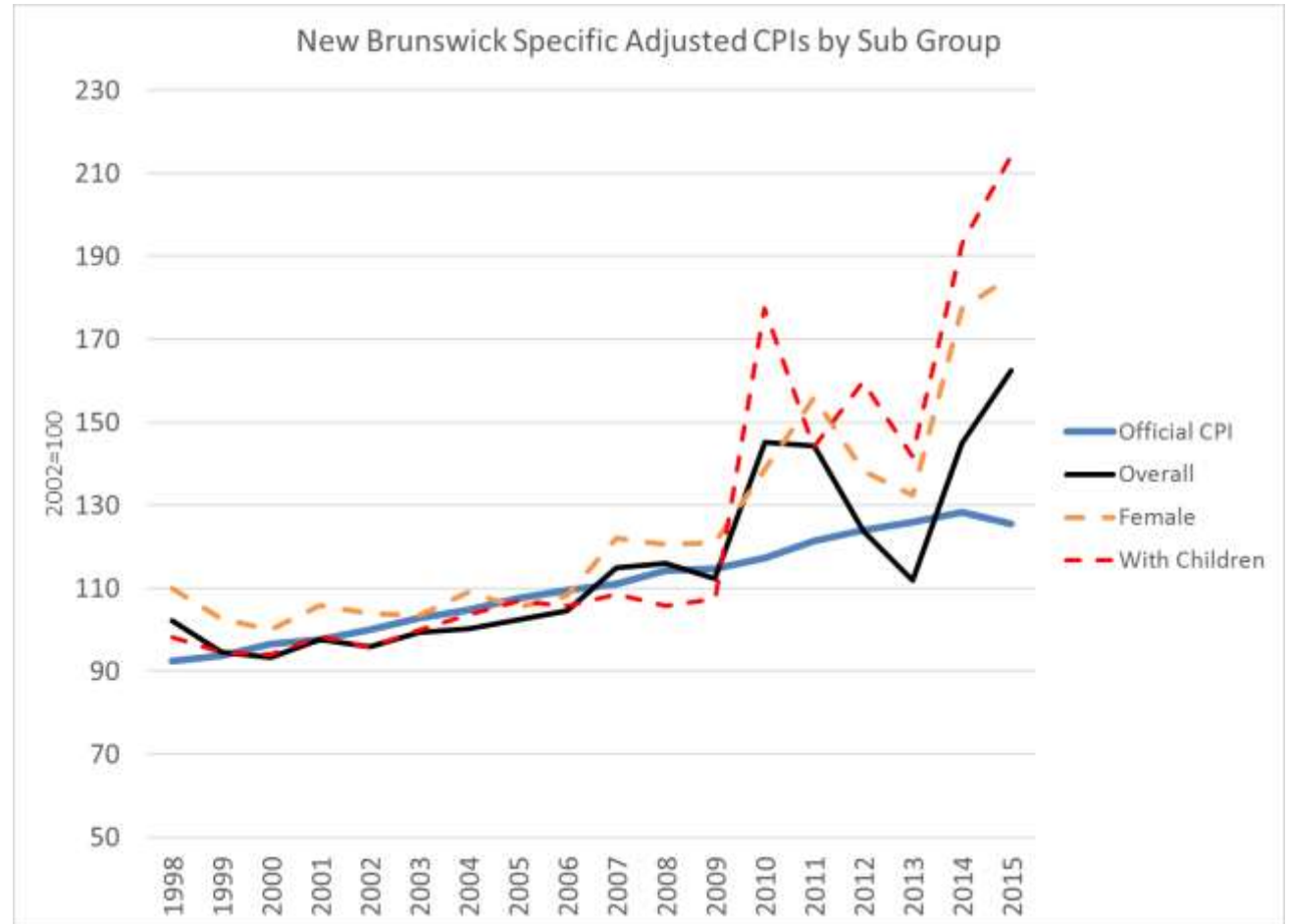
# True Cost of Living Indexes for NB 1997-2015

Consumer Price Index = cost of a bundle of goods and services consumed by a representative household at current prices relative to prices in base year

- Number of possible biases
  - Consumption of sub group different from the average
  - Price data are collected mostly in Saint John
  - Prices are not necessarily what anyone pays
- We estimate the size of CPI bias by province and 11 groups
  - The bias is then used to “adjust” the official CPI to be a true cost of living measure
    - Engel’s Law, the share of budget expenditure on food falls as real income rises

## Seems boring but it's kind of fundamental...

- Prior to 2010, Official CPI shows some bias but rate of increase not that far off of official inflation
- After 2009, Official CPI suggests no big changes in cost of living
- Our measure suggests that females and households with children saw large increases in cost of living
- Unlike other groups, these COL increases have been sustained
- Wage stagnation? Real wages after 2007 have fallen, not stagnated
- Think about the purchasing power of the minimum wage...





# Student projects on LMI

- 9 in total covering:
  - descriptions of low skill workers in the region,
  - impacts of low education on labour market outcomes in the province and in the region
  - immigrant integration and retention in the province

# Two projects that I wish to highlight

- Bilingualism and inter and intra provincial migration 2001 and 2006
  - Anglophones, unilingual and bilingual, are most (and equally) likely to move inter-provincially
  - Bilingual Francophones and bilingual Anglophones are the most (and equally likely) to move intra-provincially
- Likely this is the migration to Moncton and area and to Fredericton
  - Bilingualism may be contributing to population redistribution from rural to urban NB

# How cognitively skilled are Atlantic Canadian low educated workers?

- IALSS 2003
  - Majority of HS or less educated Atlantic Canadians have 4 domains of cognitive skill below minimum needed to function easily in society
    - 75% of NB'ers with >HS ed meet or exceed scores for this functional category
  - Losing our best and brightest
    - Low educated workers educated in ATL and living in ATL have average cognitive skill scores below those for the rest of Canada
    - Low educated ATL workers educated in ATL but living non-ATL have scores as high as ROC
    - High educated workers educated in ATL but living non-ATL have scores higher than comparable workers in the ROC
- Out-migration has had a large negative impact on human capital in the region