

Forward. **Together.**

Unama'ki - Cape Breton
Economic Development & Population Growth Plan
Appendix A: The Growth Imperative

MARCH 2024

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1. Introduction: What is the Growth Imperative?

The Growth Imperative is a companion document to Forward. Together. Unama'ki – Cape Breton Economic Development & Population Growth Strategy - November 2023.

Nova Scotia – and Cape Breton as a major growth centre in the province - will need to significantly expand its population in the coming years if it wants to ensure there are enough workers to meet workforce demand and ensure the provincial economy as a whole expands at a moderate rate. This will help ensure there is enough tax revenue to sustainably fund public services. All regions in Nova Scotia will need to expand population to meet workforce demand.

Why should Cape Breton care about growing the workforce? There is a strong correlation between an expanding workforce and economic growth. In section 3.3, we make the case that “Nova Scotia needs a thriving and prosperous Unama'ki - Cape Breton” and show when the workforce is growing in a region, so is the economy.

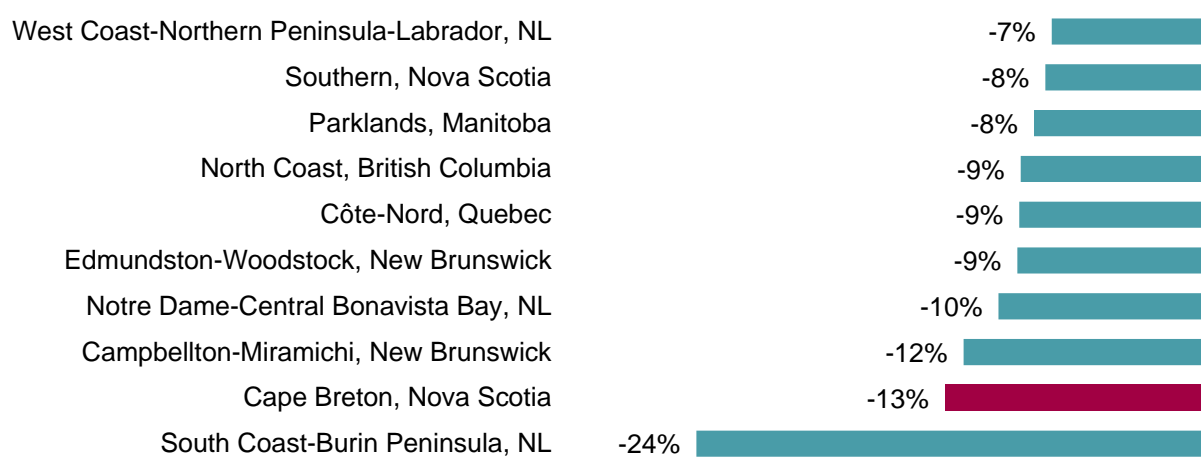
For Nova Scotia to get back to at least 1.0 percent workforce growth per year through the early 2040s, it will require boosting the overall population to 1.3 million over the 20-year period. This represents net growth of nearly 300,000 to the provincial population. As developed below, it is expected that approximately 40,000 of this population growth will be required in the Unama'ki - Cape Breton to ensure that this vibrant part of Canada not only contributes to a successfully growing economy, but also demonstrates a high quality of life for all those who call this Island home.

2. Introduction: Fulfilling Unama'ki - Cape Breton's potential

2.1 Turning around 30 years of population decline

Until recently, Unama'ki - Cape Breton (the area including the First Nations of Wagmatcook, We'koqma'q, Potlotek, Membertou and Eskasoni, the Cape Breton Regional Municipality (CBRM), the counties of Inverness, Richmond and Victoria, and the Town of Port Hawkesbury) had been shedding population slowly for more than 30 years. In 1986, there were 169,300 living in the region. By the Census of 2021, the population had dropped to 132,000. Statistics Canada reports population, workforce and other demographic trends for more than 70 different economic regions across the country. As shown in Figure 1, Unama'ki - Cape Breton had the second worst population decline in Canada compared to other economic regions between 2001 and 2021.

Figure 1: Regions in Canada with the steepest population decline between 2001 and 2021



Economic regions. Source: Statistics Canada Table 17-10-0137-01.

Further, the median age of the population on the Island has increased faster than most other regions in Canada. As of 2021, the median age in Richmond County was 54, in Inverness and Victoria counties it was 53. CBRM's median age was lower at 49 but that was still nine years older than in Halifax (where the median age was 40). Unama'ki - Cape Breton is now among the oldest regions in Canada with 27 percent of the population over the age of 65.

Economic regions across Canada that have struggled in recent years share a number of common attributes. They tend to have 1) witnessed a significant decline in one or more key industries without new ones emerging; 2) they are, for the most part, geographically off the beaten track (i.e. far from larger urban centres; 3) they have become considerably older (e.g. median age) than places in Canada with strong population growth; and 4) they tend to have less post-secondary education infrastructure compared to more successful regions.

As will be developed in this section, Unama'ki - Cape Breton is starting to improve on all four of these attributes.

2.2 Why does it matter? Ensuring enough workers to meet demand

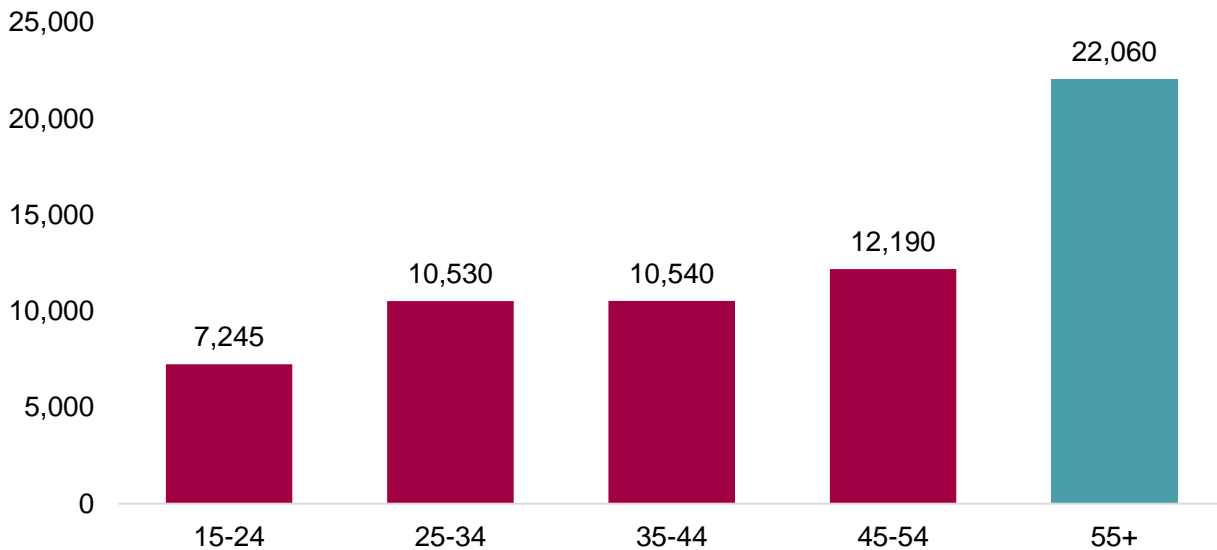
The natural population growth rate across the region is negative (more deaths each year than births). In 2001, there were 108 people aged 5-19 living in Unama'ki - Cape Breton for every 100 aged 50-64. By 2022, the ratio had dropped to 64 per 100.

Over the next decade, thousands more Unama'ki - Cape Breton residents will reach the age of 65 and most will retire from the workforce and there are not nearly enough young people to replace them.

As shown in Figure 2, as of 2021 there were over 22,000 aged 55 and older in the regional workforce but less than 7,300 under the age of 25. The number of people set to join the workforce in the coming years (i.e. those under the age of 15) is far less than the demand.

If every single person aged 0-14 joined the regional workforce and none left the Island, there still would not be nearly enough young people to meet the demands of the retiring workforce let alone provide the talent for new industries and economic opportunities. Population attraction will be key to the region's economic resurgence.

Figure 2: Unama'ki - Cape Breton workforce by age group (2021)



Source: Statistics Canada 2021 Census.

3. Unama’ki - Cape Breton’s Economic Role: Past, Present and Future

3.1 A Storied Past: A national contributor to Canadian success

For generations, Unama’ki - Cape Breton has played an important role in the Canadian economy as a fishing centre, energy producer, food producer, manufacturer, recognized tourism destination and incubator of artists and cultural talent.

3.2 The Present: The rise of the public sector

In the past few decades, the government sector has expanded faster than the private sector. Using employment data from the annual Statistics Canada Labour Force Survey, a profile of the changing economy can be developed. In 2006, Unama’ki - Cape Breton had a much larger manufacturing sector as well as more tourism jobs and other private sector service industry jobs. Since then, there has been a shift to more public sector jobs. Of the six main industry groups that added employment between 2006 and 2022, three were public sector (health care, public administration and utilities).

Decline in jobs (2006-2022)	Increase in jobs (2006-2022)
<ul style="list-style-type: none"> • Business services • Personal services • Manufacturing • Forestry, fishing, mining, quarrying • Accommodation and food services • Wholesale and retail trade • Information, culture and recreation 	<ul style="list-style-type: none"> • Health care and social assistance • Professional, scientific and technical services • Public administration • Utilities • Transportation and warehousing • Construction

Overall, using Census data, the private sector in Unama’ki - Cape Breton has shed 17 percent of total employment over the 15-year period while the public sector employment has increased by 10 percent.

As we look to the future, it will be key to attract more private sector investment and boost the private economy across the Island.

Figure 3: Change in total employment by type of employment, 2006-2021, Unama’ki - Cape Breton



**includes health care, education and public administration.*

Source: Statistics Canada Census, 2006, 2021.

3.3 The Future: A foundation for new growth and new opportunity

As the region looks to the future, Unama'ki - Cape Breton needs to build on these strengths and leverage new opportunities such as those presented in the following areas which have particular importance to attract newcomers and new enterprises to Unama'ki – Cape Breton.

✓ **Post Secondary Education (PSE) Institutions**

Cape Breton University, NSCC Strait Area Campus, NSCC Sydney Waterfront Campus, Université Sainte-Anne and private skill-developing agencies are playing an important role in developing the talent pipeline and as a catalyst for research, entrepreneurship, and new industry development.

✓ **Ocean Innovation**

The ocean is emerging as a driver of both traditional industries and new industrial activity.

✓ **Technology and Innovation – Driven Enterprises (IDEs)**

New tech-based industries are also expanding as entrepreneurs and local institutions work together to build a strong environment for startup companies.

✓ **Community – Specific Strengths**

The region's five First Nations are engines of economic development and CBRM is strengthening its role as an urban hub for the entire Island. In addition, many smaller hubs throughout the Island have specific appeal to newcomers looking for a smaller centre to settle into.

✓ **Traditional Industries and Resource Extraction**

Unama'ki - Cape Breton covers a land area of more than 10,300 square kilometres or 20 per cent of the provincial total. It has considerable natural resources from fish to forests and minerals.

In recent years, however, some traditional industries have declined such as the farming sector. The number of operational farms on the Island dropped by 35 per cent between 2011 and 2021 (from 286 to 185). The amount of farmland declined by 35 per cent over the same period. As of 2021, less than one half of one per cent of the Island's land area was used for farmland.

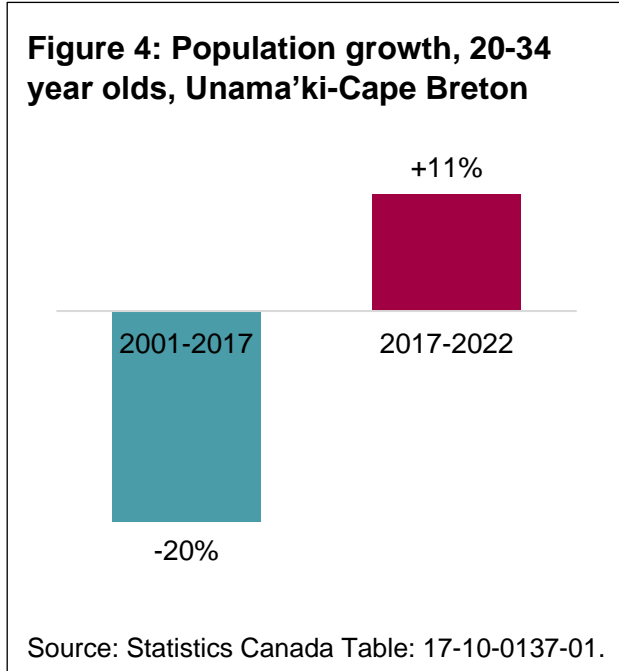
As food security, critical minerals (especially those required for green energy development) and sustainable forestry continue to grow in importance economically and socially, the responsible development and stewardship of natural resources must be part of Unama'ki - Cape Breton's focus in the years ahead.

4. Unama'ki - Cape Breton: At the start of something big?

In the past few years there have been very encouraging signs of economic growth in Unama'ki - Cape Breton. The increase in post-secondary enrolment, impact of the COVID-19 pandemic on migration and other effects have translated into significant growth in the population aged 20-34 living in the region.

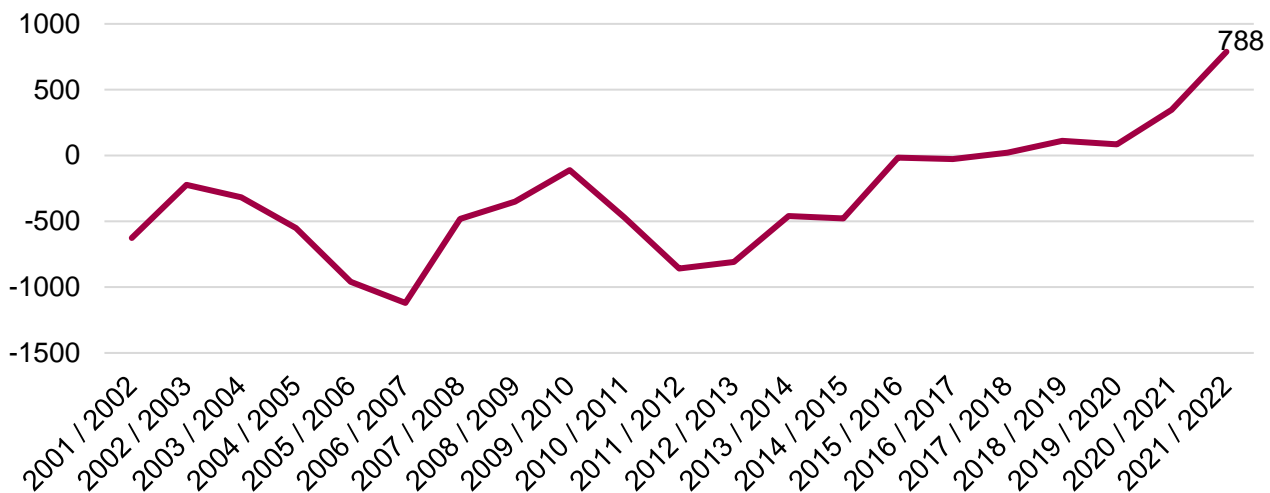
Between 2001 and 2017, the population in that age group declined by 20 percent. Since then, in just five years, it has risen by 11 per cent. After decades of decline, the overall population in Unama'ki - Cape Breton increased in 2022 and is on pace to grow again in 2023. Much of the growth among younger people are newcomers looking to stay in the country long term.

In fact, immigration has been a key part of the region's recent turnaround.



The Island has attracted more people from elsewhere in Canada too. Until 2016, Unama'ki - Cape Breton lost more people to the rest of Canada every year than it attracted. Since then, there has been a steady increase and, in 2022, nearly 800 more moved to the region than left, a record net interprovincial migration rate. And it is not just older people looking to retire. In 2022, 53 percent were under the age of 40 and only 17 percent were 60 or older.

Figure 5: Net interprovincial migration by year, Unama'ki - Cape Breton

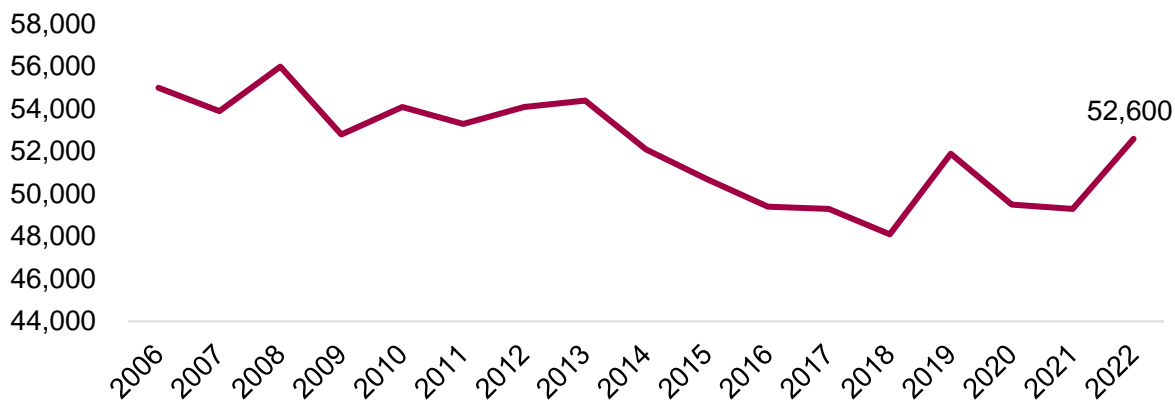


Source: Statistics Canada Table: 17-10-0138-01.

This is having positive effects on the workforce. As shown in Figure 6, the number of people working in an average month during the year increased by nearly 5,000 between 2018 and 2022. This represented a nine

percent growth rate only slightly lower than the growth rate in the Halifax region of 11 percent and higher than employment growth across the province over the same period (seven percent).

Figure 6: Employment by year, Unama’ki - Cape Breton



Source: Statistics Canada Table: 14-10-0392-01

Real unemployment (adjusting for the seasonal workforce) has dropped substantially to the point that in Unama’ki - Cape Breton the job vacancy rate has more than doubled in the past five years and the nominal unemployment rate is the lowest it has been since Statistics Canada started reporting the current series in 2001. In response, initiatives such as the Cape Breton Job Board have become popular and continue to grow as a necessary tool as employers work harder to attract employees.

2022/23 CAPE BRETON JOB BOARD (WWW.CAPEBRETONJOBBOARD.COM)	
Total # of website visits	35,000
Total # of Employers (Organizations)	376
Total Jobs Posted	1,487
Registered Job Seekers	
Foreign National (outside of Canada)	183
Temporary Resident (student, worker, etc.)	466
Canadian Citizen	246
Permanent Resident	55
Total # of Registered Job-seekers	952

There are many other positive trends. The number of new housing starts across the region is rising after years of stagnation and decline. The number of international students is at a record level and the number with post-graduate work permits is rising strongly. Is this a blip or the start of something big?

5. How much population growth do we need?

5.1 Population growth targets should be aspirational

There are two important reasons why population growth targets must be aspirational. First, *it is almost impossible to accurately forecast population growth over the short term (1-3) years let alone the long term.* Therefore, we must start with what level of population growth we determine is required to meet workforce demand and provide enough workers and entrepreneurs to take advantage of growth opportunities, and then work backwards to determine the steps required to attract, retain, or grow a local population that can sustain a workforce of that size.

Second, even a small positive trend can lead to momentum that sustains for the longer term. The key is for local partners to focus on fostering continued growth. Without a focused effort to attract people and without adequate housing and amenities, the nascent population growth trend could be curtailed.

To illustrate the complexity of forecasting population growth, consider the following example. The consulting firm Canmac Economics prepares annual population forecasts for the five regions around Nova Scotia. Based on its projection model just two years ago in 2021, the population of Unama'ki - Cape Breton was expected to decline sharply through 2040 (a loss of 38,000 over a 20-year period, from an estimated 132,235 in 2021 to 94,158 by 2040)¹. Canmac was also projecting the working age population (15–64) would decrease by over 30,000 by 2040. If this population trajectory had held, it would have been devastating for the regional economy.

However, in March 2023, the company issued a new population forecast for Unama'ki - Cape Breton with a completely different trajectory. Because of the population growth since the onset of the pandemic, now Canmac is projecting modest population growth through 2041 and an increase in the working age population. In addition, Canmac added a 'high migration' forecast that, if achieved, results in robust population growth through 2041 and net growth of more than 15,500 in the working age population².

Table 1: Population growth scenarios for Unama'ki - Cape Breton, Canmac Economics

<u>Age group</u>	Population change through 2040 <u>2021 forecast</u>	Population change through 2041 <u>2023 forecast</u>	Population change through 2041 2023 'high migration' forecast
Total population	-38,000	+8,600	+19,600
15-64 age group (working age population)	-30,000	+7,700	+15,520

Source: Canmac Economics.

¹ Nova Scotia Regions Demographic Outlook 2021-2040. Canmac Economics.

² Demographic Outlook Nova Scotia & Economic Regions 2023-2041. Canmac Economics.

It is clear previous demographic trends are not destined to be future demographic trends. In the early 1990s, David Foot wrote his famous book “Boom, Bust and Echo” arguing that Canada’s economic prosperity was imperiled because the growth rate among younger Canadians had declined. The national government responded by boosting immigration and the country has been among the leaders in economic growth among OECD countries since.

The Government of Nova Scotia has figured this out and is now targeting a population of two million living in the province by 2060. This vision for Nova Scotia must include a role for Unama’ki - Cape Breton, a region that includes 20 percent of the province’s land area and over 13 percent of the provincial population.

5.2 Why is economic and population growth imperative to quality of life and successful communities?

Not all economic regions across Canada are destined to grow and, arguably, many do not have to grow to ensure an environment where residents have a high quality of life. However, there are a number of reasons why Unama’ki - Cape Breton needs a growth agenda in the years ahead.

- **To maintain and grow a vibrant workforce.**

As developed above, the lack of population growth in recent years had led to Unama’ki - Cape Breton having a relatively old workforce compared to its peers.

- **To grow entrepreneurship and private sector economic activity to levels more similar to other parts of Canada.**

The lack of industrial growth has hampered the ability of entrepreneurship to thrive. The region has one of the lowest rates of entrepreneurship among its peers across Canada. As of the 2021 Census, only eight percent of the workforce was self-employed compared to 11 percent across Nova Scotia and 13 percent across Canada. Among young people aged 25-34, only three percent of Unama’ki - Cape Breton workforce is self-employed or less than half the self-employment rate across the country.

- **To enable necessary infrastructure investments.**

The lack of economic growth, stunted in part by population stagnation, has stunted the ability of the region to invest in infrastructure. Spread over 10,400 square kilometres and with only 12.8 residents per square kilometre, Unama’ki - Cape Breton is one of the least densely populated economic regions in Canada. A robustly growing population and economy in recent decades would have helped the region make larger investments in regional transportation, broadband and other infrastructure.

While growth may not be imperative for all regions in Canada, Unama’ki – Cape Breton is uniquely capable to thrive with higher levels of population growth. A larger and younger population will ensure that the Island has a strong economic foundation on which its residents, businesses and institutions can achieve their goals.

5.3 Why Nova Scotia needs a thriving and prosperous Unama’ki - Cape Breton

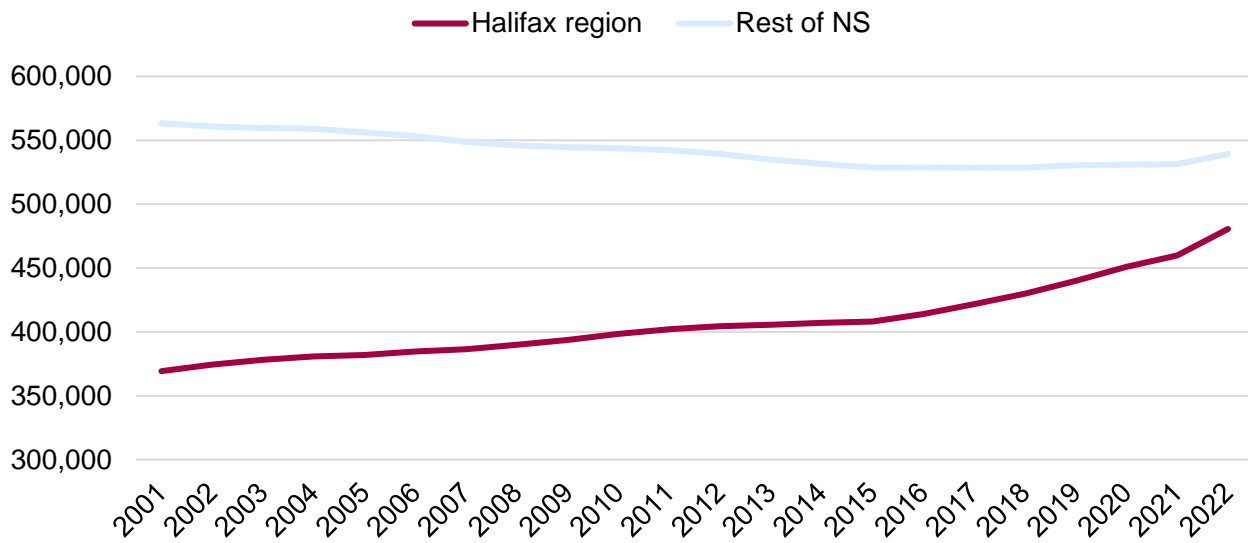
There are many reasons why a thriving and prosperous Unama’ki - Cape Breton in the years ahead will be good for Nova Scotia.

Reason #1: Nova Scotia will benefit from more than one growth centre.

Until recently, almost all population growth across the province has occurred in the Halifax region. Between 2001 and 2020, the population of Halifax increased by over 79,000 or a growth rate of 21.4 percent. Over the same period, the rest of Nova Scotia combined witnessed population decline of over 32,000 (a six percent drop). Thirteen of the province’s 18 counties had less population in 2020 than at the turn of the century. Among the 69 municipalities with at least 1,000 residents as of 2020, 50 had less population in 2020 compared to 20 years ago. In fact, if the population growth trend in Halifax and the rest of Nova Scotia had continued, the Halifax region would have had more population than the rest of the province combined by 2030.

However, as shown in Figure 7, the good news is the population in the rest of Nova Scotia has started to grow again adding a net 41,000 between 2019 and 2022.

Figure 7: Population growth in Nova Scotia, by region



Source: Statistics Canada Table 17-10-0137-01.

As mentioned in the opening of this report, Nova Scotia - and Unama’ki - Cape Breton as a major growth centre in the province - will need to significantly expand its population in the coming years if it wants to ensure there are enough workers to meet workforce demand and ensure the provincial economy as a whole expands at a moderate rate.

Nova Scotia and Unama'ki - Cape Breton must care about growing the workforce because there is a strong correlation between a growing workforce and economic growth. As shown in Table 2, going back nearly 40 years, when the workforce is growing in Nova Scotia, so is the economy. When workforce growth stagnates or it starts to shrink, economic growth (as measured by real gross domestic product) also stagnates. This pattern has played out across Canada.

Table 2: Average annual GDP and workforce growth rates, Nova Scotia

	<u>Workforce growth</u>	<u>Real GDP growth</u>
1981-2005	+1.2%	+2.3%
2006-2016	0.0%	+0.9%
2017-2021	+1.2%	+2.0%

Source: Statistics Canada Tables: 36-10-0222-01 and 14-10-0327-01.

For Nova Scotia to get back to 1.0 percent annual workforce growth through the early 2040s, it will require boosting the overall population to nearly 1.3 million over a 20-year period. It is important that a good share of that net 300,000 growth occurs outside Halifax in regions such as Unama'ki - Cape Breton which includes CBRM, the second-largest urban centre in Nova Scotia after the Halifax Regional Municipality.

There is also a correlation between economic growth and provincial government fiscal stability. According to RBC Economics, provincial government spending in Nova Scotia as a share of GDP was in the range of 20-21 percent relative to GDP during the 2000 to 2005 timeframe but increased to 27 percent of GDP in the 2015-2020 timeframe as overall GDP growth waned. As GDP growth has turned positive, RBC projects government spending as a share of GDP will decline to 24 percent in 2024.

The bottom line is that Nova Scotia needs robust population and workforce growth throughout the province in the coming years to ensure a strong fiscal foundation across all regions for the provincial government to sustainably fund public services such as health care and education. Similarly, individual municipalities require the same fiscal strength to enable investments in their own communities such as recreational facilities, transit systems, libraries and roads which in turn allow those communities to be more attractive to newcomers.

Working to ensure that at least some of that growth is occurring in the province's second largest urban centre will be good for both Unama'ki - Cape Breton and for Nova Scotia.

Reason #2: A growing Unama'ki - Cape Breton will help balance the per capita cost of providing public services with sustainable tax revenues.

Nova Scotians should have access to high quality public services no matter where they live in the province. If the population in Unama'ki - Cape Breton started to decline again in the coming years, it could eventually lead to government paying a lot more per capita to provide services in the municipalities of the Island. Without an influx of people moving into the region, population will decline and push up the cost of public services on a per capita basis.

Reason #3: Retaining existing businesses is easier than attracting new ones.

There are a number of industries in Unama'ki - Cape Breton that are at risk of downsizing or leaving the community if there is not an adequate workforce supply in the years ahead. These firms are mostly not reliant on the local market for their revenues or if they are could still service the local market in Unama'ki - Cape Breton from another jurisdiction. They include manufacturing, transportation, information and communications technologies (ICT) and natural resources-based industries such as agriculture.

While the region today is not primarily known for its manufacturing sector, there are 107 manufacturing firms in the region employing an estimated 3,000 staff (as of 2022). The number of manufacturing workers in Unama'ki - Cape Breton rose by an estimated 14 percent between 2017 and 2022. The information and communications technologies (ICT) industry throughout the Island has been expanding as has the transportation and warehousing industry which added 800 new workers since 2020. Even the region's important tourism industry will have its growth potential stunted without enough workers to meet demand in the years ahead.

Reason #4: A growing workforce in Unama'ki - Cape Breton helps moderate the cost of living for workers, the cost of labour for business, and improves the attractiveness of Nova Scotia as a whole.

Another related risk is that wage rates could rise faster in the community than elsewhere because of a shortage of workers. Rising wages are good unless they are rising much faster than other jurisdictions as a result of workforce shortages or other local factors. Statistics Canada compiles average hourly wage data for jobs on offer across Canada on a quarterly basis. Recently, the average offered hourly wage for available jobs in Unama'ki - Cape Breton has been rising significantly. In the second quarter of 2017, the average wage for the jobs on offer was only \$15.25/hour. By the second quarter of 2023 it had increased to \$20.40/hour (in Q4 2022 it was 24.35/hour). Persistently higher wages as a result of a tight labour market could result in firms shifting their investment out of the region.

In addition, the cost of wage growth contributes to inflationary pressures, making it difficult to maintain a quality of life advantage for newcomers and long-term residents alike.

Reason #5: A thriving Unama'ki - Cape Breton means a thriving domestic workforce.

The majority of the workforce in Unama'ki - Cape Breton is serving local market demand in industries such as construction, retail trade, personal services, professional services, health care, education and public administration.

While population growth will help these industries maintain their strength and grow, a lack of population growth and a tightening workforce will hurt these industries and the people who depend on the jobs, goods and services they create. There is already concern that the home support and nursing home sectors are struggling to find workers.

Reason #6: A thriving Unama’ki – Cape Breton is needed to maintain and grow the K-12 school population across the Island.

The population aged 5-19 living in Unama’ki - Cape Breton dropped by 38 percent between 2001 and 2021, or nearly 12,000 in total. It started to rise again in 2022. The population growth model below provides three different population scenarios through 2042. Under Scenario #1, where the overall population does not increase between 2022 and 2042, the population aged 5-19 drops by another 5,800 by 2042. At that time, there will be only 13,500 people in this age group across the Island compared to 31,000 at the turn of the century. The cascading impacts on the economy from cutting the local talent pipeline by nearly 60 percent over a 40-year period are hard to determine but represent a significant risk factor for the community.

Alternatively, the potential population growth described in Scenario #3, where the overall population growth is enough to grow the workforce by 0.5 percent per year, would result in an increase in the population aged 5-19 to approximately 25,000 from the current total of 19,000 today. Put another way, growth in Scenario #3 enables a significant increase in the local talent pipeline over the next 20 years, not only filling labour force needs, but ensuring youthful energy and new ideas that can drive new innovation, entrepreneurship, volunteerism and healthy civic engagement.

Reason #7: A thriving Unama’ki - Cape Breton ensures strong municipalities with the fiscal capacity to provide necessary and robust services and improved quality of life to residents.

Reason #1 discussed the impact on provincial fiscal sustainability from weak growth. The same would apply to municipal finances. There is little room now for municipalities to raise property tax rates, however organic growth in the tax base will increase fiscal capacity of municipalities to fund local public services and invest properly in municipal infrastructure.

Reason #8: A thriving Unama’ki - Cape Breton can contribute to reconciliation between Settler and First Nations communities.

The First Nations communities in Unama’ki - Cape Breton are already leading population growth and economic vibrancy to benefit Mi’kmaq people, however their success is also benefiting all people who live here on the Island including long established settler populations and newcomers.

A collaborative growth agenda can be intentionally aligned with the Truth and Reconciliation Commission of Canada (TRC) call to action 92 and the United Nations Declaration on the Rights of Indigenous People (UNDRIP). By aligning in this way, and also by seeking to learn from the success of First Nations communities achieved despite significant and intentional barriers embodied by racist and colonial policies, all of Nova Scotia can benefit from inclusive and collaborative economic growth in Unama’ki - Cape Breton.

5.4 Population growth in Unama’ki - Cape Breton through 2042: Three Scenarios

5.4.1 The looming workforce shortage

As of 2022, Statistics Canada estimates there are approximately 17,700 people aged 0 to 14 living in Unama’ki - Cape Breton. Based on current birth rates, there would be approximately 22,000 people currently living or born in the region that could be joining the workforce within the next 20 years. However, Statistics Canada also reports that only about 80% of these will eventually participate in the workforce, so a

more accurate estimate of the *maximum* local entrants to the workforce would be closer to 14,200³. This assumes no outward migration of young people.

Based on the 2021 Census, there are likely 27,500 living in Unama'ki - Cape Breton who will retire within the next 20 years⁴. As shown in Table 3, this leaves a potential workforce shortage of 7,300 before accounting for any migration activity or for any potential demand to expand the size of the workforce.

Table 3: Potential workforce shortfall by 2042, closed labour market, Unama'ki - Cape Breton

Potential entrants (excluding in- or out- migration)	+14,200
Forecasted exits (assumes 80% of 45+ workforce retires)	<u>-27,500</u>
Shortfall – to keep the workforce from not shrinking	-13,300
Shortfall - to allow for a modest 0.5% workforce growth rate per year	-19,900

5.4.2 Summarizing three population growth scenarios

Table 3 above shows the potential workforce shortfall by 2042 in a closed system where no one is moving in or out. This section looks at three potential scenarios for population growth/decline over the next 20 years in Unama'ki - Cape Breton and the implications for the workforce. The assumption for both growth scenarios (#2 and #3) is that the incoming population would be predominantly working age. There is a scenario where the region attracts considerably more retirees, but while that would help grow the population and expand markets for local services, it would do little to address future workforce needs.

It is important to note these three scenarios are not formal population growth forecasts. As discussed above, they should be viewed as aspirational. What is the aspiration of Unama'ki - Cape Breton? Little to no population growth will lead to significant challenges to the economy (Scenario #1). Moderate population growth (Scenario #2) will ensure the size of the workforce does not decline but does not provide enough population to support workforce growth. Scenario #3 requires significant population growth, but it will provide enough workers to support growth in demand.

Scenario:	Projected outcome:	Implications:
1. Little to no population growth and the workforce declines	<ul style="list-style-type: none"> Population essentially remains at the 132,000 level. The workforce declines from 67,400 in 2022 to 56,600 in 2042 (-16%). 	<ul style="list-style-type: none"> A very tight labour market leads to escalating wage costs. Any industry that is not required to physically be in the region is at risk of moving (manufacturing, transportation, etc.). This will weaken the local economy and tax base.
2. Population growth enough to maintain the	<ul style="list-style-type: none"> The population needs to grow from 132,700 in 2022 to 155,600 in 2042 (+17% or 	<ul style="list-style-type: none"> Only maintaining the current size of the workforce over the next 20 years will likely lead to fewer workers for important export-focused industries as more

³ According to the 2021 Census, the labour market participation rate (the share of the population that is participating in the workforce) across Cape Breton among those aged was close to 80 percent.

⁴ Assumes 80% of those aged 45+ in the workforce in 2021 will be retiring within 20 years.

current workforce size	<p>an average of 0.8% per year).</p> <ul style="list-style-type: none"> • The workforce stays at around 67,400. 	<p>workers are required in local service industries such as health care.</p> <ul style="list-style-type: none"> • Unama'ki - Cape Breton will need a population growth rate not seen in many decades (0.8% per year).
3. Population growth enough to grow the workforce by 0.5 percent per year	<ul style="list-style-type: none"> • The population needs to grow to 173,200 by 2042 (+30% or an average of 1.3% per year). • The workforce grows to 74,200 (an average of 0.5% per year). 	<ul style="list-style-type: none"> • This modest growth in the size of the workforce will support export-focused industries and should allow for new industries to develop. • The region will need to attract at least over 2,000 (net) more people on average per year to achieve this population growth (annual average of 1.3%).

5.4.3 Methodology: Forecasting population growth

It is challenging to forecast population growth at the regional level. The change in population is impacted by several factors including natural population growth (births less deaths), net intraprovincial migration (to and from within the province), net interprovincial migration (to and from other provinces), immigration (from other countries) and emigration (people moving to other countries).

To develop the three population scenarios, a model was developed using the following parameters and methodology:

- **Baseline population and workforce data:** 2022 population and workforce levels estimated using Statistics Canada population and workforce tables.
- **Baseline labour market participation:** The labour market participation rate by five-year age cohort from Statistics Canada for 2021 considered to remain consistent through 2042. The participation rate is the share of the population active in the workforce at a given time during the year.
- **Baseline population growth forecast:** Under the baseline it was assumed that the overall population would not grow between 2022 and 2042. Because a large share of the workforce is over 45, this results in a decline in the number in the workforce.
- **Assumption under growth scenarios:** For scenarios #2 and #3, the population growth scenarios, it was assumed that almost all net new population growth would be in age cohorts under the age of 45. The population over the age of 55 will grow strongly over the next 20 years, but from the existing population.

Both Statistics Canada's population growth projections for Nova Scotia completed in 2022 and the CANMAC population projections for Unama'ki - Cape Breton need to be considered with caution. Although they are prepared with the best intentions, for Nova Scotia they tend to be revised substantially each time they are developed. Even the most aggressive 2022 projection scenario from Statistics Canada falls well short of the provincial government's stated goal of having two million living in Nova Scotia by 2060.

As a result, the projections used herein are hypothetical based on three broad scenarios: 1) the population doesn't increase (or decrease) between now and 2042; 2) the population increases enough to ensure the

number of people participating in the workforce does not decline; and 3) the population increases enough to ensure a growing workforce providing enough talent for both replacement and growth workforce demand.

Scenario 1: Current population and workforce trend

In Scenario 1, the population doesn't decline but it doesn't grow either. Because a relatively large share of the workforce is over the age of 45, the number of people participating in the workforce declines by 10,800 over the 20 year period. On a percentage change basis, the workforce declines by 16 percent or an annual average of 0.9 percent per year.

Table 4: Baseline, current trajectory of Unama'ki - Cape Breton's population and workforce

	<u>2022</u>	<u>2042</u>	<u>Cumulative percent change</u>	<u>Avg. annual percent change</u>	<u># change</u>
Population	132,700	133,000	0.3%	0.02%	+300
Workforce	67,400	56,600	-16%	-0.9%	-10,800

See Appendix A for sources and methodology.

Implications of Scenario #1

A steep decline in Unama'ki - Cape Breton workforce will impact industries that can 'move' before those that are less mobile. Mobile industries include most manufacturing, transportation and other related sectors. Many export-focused industries tend to be more mobile as they can move investment to areas with a stronger operating environment.

Unama'ki - Cape Breton has over 100 manufacturing firms⁵ in a wide variety of sectors including wood products, transportation equipment and medical devices. If these firms cannot access a local workforce, they will be forced to look elsewhere. There are 10 employers in the seafood production sector alone. There are also 147 firms in the transportation and warehousing sector and over 100 in the administrative services sector. Again, many of these firms could move to another jurisdiction (in the province or out of province) if workforce demand is not met. In addition, personal and professional services, retail and entertainment firms concentrated in the population centres on the Island could increasingly shift to other urban centres forcing residents to commute a long way for services. Finally, there would likely be fewer entrepreneurs to take advantage of business opportunities across the region.

Scenario 2: Population growth to maintain the current workforce size

Just to maintain the current workforce size, based on forecasted demographic trends, Unama'ki - Cape Breton would need to grow its population by 22,900 over the next 20 years or a cumulative growth rate of 17%. This would represent a significant growth rate; one the region has not seen in a very long time. The model is based on the same workforce participation rate in 2042 as in 2022. As will be shown below, efforts to boost workforce participation among the current population would reduce the need for population growth.

Table 5: Population growth to maintain the current workforce size

	<u>2022</u>	<u>2042</u>	<u>Cumulative percent change</u>	<u>Avg. annual percent change</u>	<u># change</u>
Population	132,700	155,600	17%	0.8%	+22,900
Workforce	67,400	67,400	0%	0%	0

See Appendix A for sources and methodology.

Implications of Scenario #2

Maintaining the workforce at the current level over the next 20 years could lead to fewer workers for important export-focused industries. There is going to be an increasing need for workers in service sectors such as home care, ambulatory health care and other industries to service an older population in the region. If the workforce remains at 67,400 and a much larger share are providing local services, that will leave a smaller workforce for companies in natural resources, agriculture, manufacturing, transportation, and other export-focused sectors.

Scenario 3: Population growth to expand the workforce

The third scenario involves modest workforce growth in Unama'ki - Cape Breton of an average 0.5 percent per year. This only represents annual workforce growth of an average of approximately 340 (net) per year

⁵ Firms with employment. Source: Statistics Canada business counts, June 2022.

over the 20-year period (or 6,800 in total) but, again, because of the age distribution of the current workforce this would require significant growth in the younger population to provide the workers needed to make up for those retiring and to provide the 6,800 for net growth in the workforce. Overall, the population in Unama'ki - Cape Breton would have to grow by 40,500 over the 20-year period or an average annual growth rate of 1.3 percent (assuming all of the incremental growth is at the younger end of the age distribution) to ensure the workforce grows by 0.5 percent per year over the 20-year period.

Table 6: Population growth required to expand the workforce

	<u>2022</u>	<u>2042</u>	<u>Cumulative percent change</u>	<u>Avg. annual percent change</u>	<u># change</u>
Population	132,700	173,200	30%	1.3%	+40,500
Workforce	67,400	74,200	10%	0.5%	+6,800

See Appendix A for sources and methodology.

Implications of Scenario #3

A growing pool of working age population in Unama'ki - Cape Breton would mean more potential entrepreneurs and the potential to grow emerging and new industries in tourism, natural resources, services and manufacturing.

Boosting workforce participation

Only about 60 percent of the adult population aged 15 and older work for wages during the year across Unama'ki - Cape Breton. The participation rate increases to closer to 75 percent among prime aged workers (25-64). If more people continue to work after 65 or if a larger share of the 15-64 age group participates in the workforce, that would reduce the demand for population growth to meet workforce demand.

5.5 Why focus on 2042?

The next two decades represent a critical period in the history of Unama'ki - Cape Breton. As detailed above, when the workforce stopped growing across the province, so did the economy⁶. It is clear that a significant demographic shift is underway and how the province responds to this challenge will dominate the public policy discussion in the province for many years.

⁶ Real gross domestic product (GDP) growth.

The year 2042 will be a good year of reflection. If after 20 years we have addressed our demographic issues, grown new industries and made the shift to green energy, we will emerge as a stronger, more prosperous Nova Scotia. If we cannot, the next two decades will be a challenging time for the residents of the province as governments are forced to decide which schools to close, which health care services to consolidate or which roads and bridges cannot be serviced anymore.

We are not disconnected from what is happening elsewhere in Canada. Western Canada, particularly Alberta and Saskatchewan, will be dealing with the transition away from oil and gas production. Other provinces will face their own set of challenges. The ability of the federal government to provide even more funding to pay for public services in Nova Scotia and Unama’ki – Cape Breton specifically will likely be diminished. All of this means now is the time for us to step up and take more control over our destiny.

5.6 Where will the new population come from?

There is potential for people to move to Unama’ki - Cape Breton from elsewhere in the province or the rest of Canada. Many people would be attracted by the smaller urban centre and rural lifestyles with the borders of the Island. The COVID-19 pandemic has shown that people will move to the region from other parts of Canada.

However, the growing workforce shortage has impacted the rest of the province and country and as a result there will be stiffer competition for people across the country who would like to live in a small urban centre/rural area.

Across Canada, for more than a decade all net growth in the workforce has come from new immigrants. Among those born in Canada, the number participating in the workforce in 2022 was 14.5 million - the same as the 14.5 million back in 2013. The number of landed immigrants participating in the workforce increased by *over 1.4 million* over the same timeframe (a 35 percent growth rate). In Nova Scotia, between 2014 and 2022, the number of immigrants participating in the workforce increased by 22,000 while the number of workforce participants who were born in Canada dropped by 4,100 (Figure 8).

If Nova Scotia had attracted its ‘share’ of Canada’s immigrant workers over the same period, the provincial workforce would have added another 14,000. Immigrants need to be a main focus of any population growth plan for the region in the years ahead.

Figure 8: Net workforce change by source, 2014-2022, Nova Scotia



Source: Statistics Canada Table 14-10-0083-01

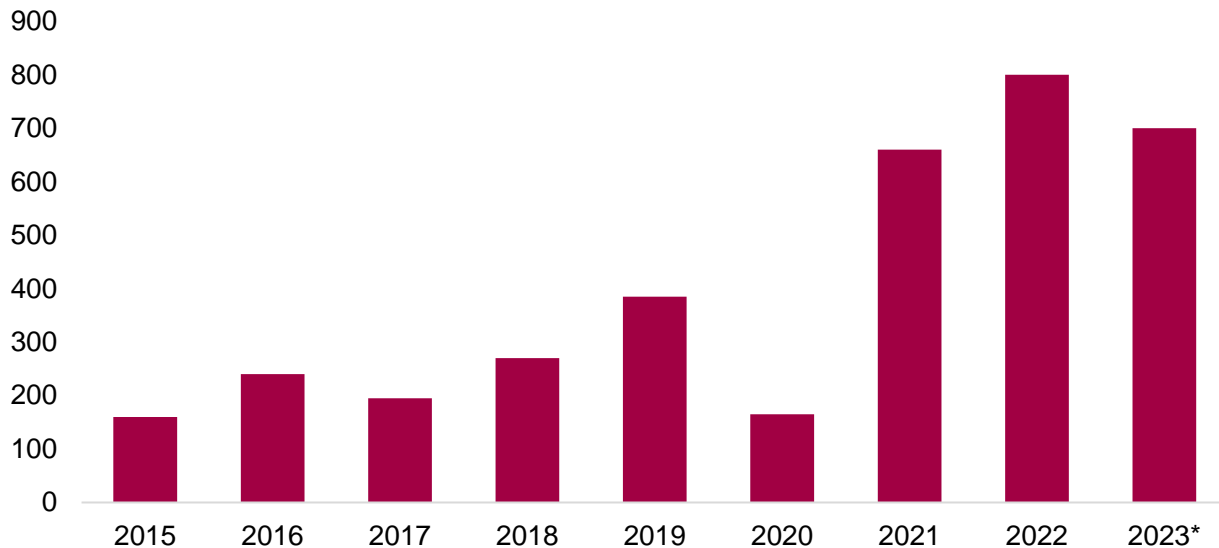
5.7 Attracting immigrants and migrants from elsewhere in Canada

Before the pandemic, the region had seen a modest uptick in the number of annual immigrants moving in. In 2022, the number jumped to over 1,000, or an immigration ‘rate’ of 0.8 percent of the population. Additionally, Unama’ki - Cape Breton has seen an influx of non-permanent residents in recent years (1,300

in 2022). Many of these folks should be targets for permanent residency in the years ahead. In addition, Cape Breton University (CBU) has dramatically increased its international student enrolment and many of them are working while in school. Combining CBU enrolments with a rising NSCC international student population should dramatically improve the talent pipeline moving forward.

The 2022 immigration and non-permanent resident 'rate' of 1.7 percent of the population is a level that if sustained could support robust population growth (assuming a 70-80% retention rate). Much of this newcomer population was concentrated in CBRM. In the years ahead the entire Island will need to boost population to meet workforce demand.

Figure 9: Immigrants settling in Unama'ki - Cape Breton by year (permanent resident admissions)



*as of September 2023. At the current rate, the region will attract approximately 900 permanent residents in 2023.

Source: IRCC.

Population growth is not enough. It is important to attract and develop the talent needed for specific workforce demand. It will take cooperation between industry and government along with local community groups. An identification of specific jobs and labour market demand in the short term will help attract newcomers as well the identification of specific entrepreneurial opportunities.

In addition, Unama'ki - Cape Breton will need to work with the provincial government and other stakeholders on a specific immigrant attraction strategy. It is important to align immigrant attraction to specific jobs and entrepreneurial opportunities available in the community. Long term retention will be tied to attracting people who have the skills and interest in working the available jobs in the community.

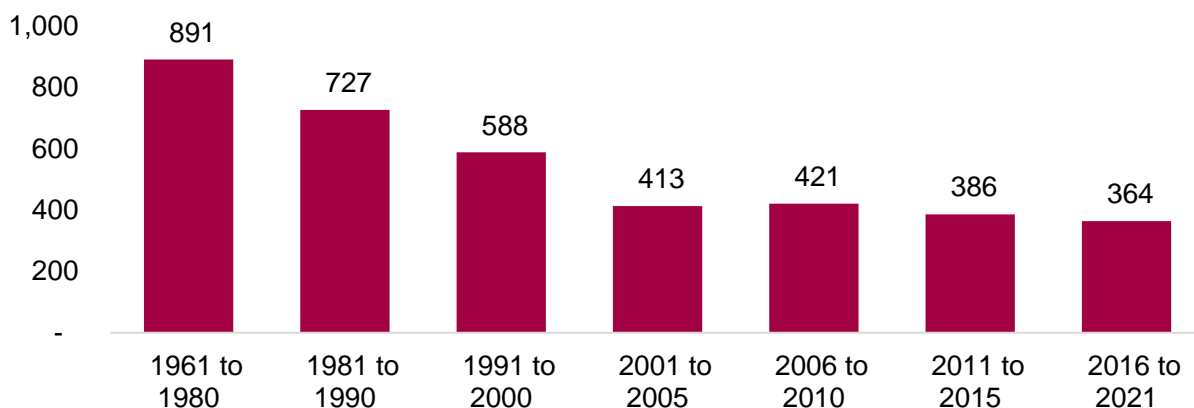
5.8 Ensuring there is adequate housing

This is emerging as a real challenge across Unama'ki - Cape Breton and the province. The reality is that more people are retiring – they are not moving out of the region. Therefore, new population attraction will require more housing options in the region. This new housing will need to be priced at a reasonable level as many of the available jobs are not high wage jobs. The standard of no more than 30 percent of household income going towards shelter costs should be the objective.

In addition, more rental housing options are important. Many newcomers prefer to rent rather than buy when they first settle in the community. This puts smaller communities at a disadvantage compared to larger urban centres, and it needs to be a focus.

To illustrate the extent of the challenge, the average annual number of new housing units built across Unama'ki - Cape Breton since 2001 has dropped more than half compared to the 1961-1990 timeframe. It is likely new housing construction will need to get back to at least the level seen in the 1970s and 1980s to accommodate new population growth.

Figure 10: Average annual private dwellings built by timeframe, Unama'ki - Cape Breton



Source: Statistics Canada 2021 Census.

5.9 Ensuring there is a focused effort at retention

In the long run, the goal is to retain as many newcomers as possible in the community.

In the 2021 Cape Breton Local Immigration Partnership (CBLIP) community consultation, the importance of improving communication around newcomer services, engaging communities and celebrating diversity, and committing to ongoing anti-racism and anti-discrimination work was highlighted as critical to retention. Practically, this also means integration into business and social networks, local schools, churches, sports and recreation organizations.

Ultimately, newcomers that build these relationships and develop personal networks/friendships are far more likely to stay in the community long term. This can be facilitated by the settlement agencies that comprise the CBLIP as well as a host of other organizations in the community.

6. Conclusion: How do we animate Unama'ki - Cape Breton's economic development potential?

This is an exciting time for Unama'ki - Cape Breton and Nova Scotia. The coming years represent a great opportunity for communities across the province to reinvent themselves by developing new industries and attracting new population.

There are no fundamental reasons why the region in 2042 could not have a larger and more vibrant economy with a growing population. The region is well positioned to prosper, but it must address this fundamental issue of population growth and workforce sustainability.

After a decade of virtually no workforce growth in Nova Scotia (2005-2016), there has been strong growth since. Between 2016 and 2022, there were over 35,000 added to the provincial workforce. Growth in the number of immigrants coupled with less outward migration within Canada was responsible for both population and workforce growth in recent years.

The province needs Unama'ki - Cape Breton to grow in the years ahead to support a strong Nova Scotia economy.

Animating Unama'ki - Cape Breton's growth potential will require a focus on boosting the talent pipeline/population growth, fostering more entrepreneurship and leveraging the community's important industries, economic assets and attributes into sustained economic growth.

7. Detailed Census Tables

Population trends

Table 7 shows the population data from the Census for the four counties in the Cape Breton Economic Region. The table includes the share aged 65 and older and the median age. It also includes compares the Unama'ki - Cape Breton data against the country overall and also the rank compared to the 292 Census Divisions across Canada. For example, relative to population size Inverness has 53 percent more over the age of 65 (CAN = 1.53). CBRM (Cape Breton County) is the youngest of the four with a median age only 17 percent above the country overall (CAN = 1.17).

Table 7: Selected population characteristics, 2021 Census

	Pop. 2021	Pop. 2016	% change, 2016 to 2021	Population density per square km	Land area in square kms	% aged 65+	Median age
Inverness	17,346	17,235	0.6%	5	3,818	29	53
Richmond	8,914	8,964	-0.6%	7	1,246	31	54
Cape Breton	98,318	98,722	-0.4%	40	2,457	26	49
Victoria	7,441	7,089	5.0%	3	2,836	29	53
Cape Breton Island	132,019	132,010	0.0%		10,357	27	50
Canada = 1.00							
Inverness				1.25		1.53	1.26
Richmond				1.75		1.63	1.29
Cape Breton				10.00		1.37	1.17
Victoria				0.75		1.53	1.26
Cape Breton Island						1.42	1.19
County Rank (out of 292)							
Inverness	240	240	172	169	148	39	45
Richmond	278	279	224	153	247	15	24
Cape Breton	66	64	199	69	198	81	91
Victoria	280	282	88	191	184	39	45
County Rank (percentile)							
Inverness	0.18	0.18	0.41	0.42	0.49	0.87	0.85
Richmond	0.05	0.04	0.23	0.48	0.15	0.95	0.92
Cape Breton	0.77	0.78	0.32	0.76	0.32	0.72	0.69
Victoria	0.04	0.03	0.70	0.35	0.37	0.87	0.85

Notes:

The Inverness Census Division includes the Town of Port Hawkesbury.

The Cape Breton Census Division is the same as the Cape Breton Regional Municipality.

Source: Statistics Canada 2021 Census.

Workforce trends

Table 8 shows the 15-year trend in employment by industry for the Cape Breton Economic Region as a whole. The total workforce decreased by about 6,000 over the period but the health care and public administration sectors witnessed population growth.

Table 8: Trends in employment by industry, Unama'ki - Cape Breton

	<u>2006</u>	<u>2021</u>	<u># change</u>	<u>% change</u>
Total labour force	64,215	58,135	-6,080	-9%
Industry - Not applicable	1,870	2,215	345	+18%
All industries	62,355	55,925	-6,430	-10%
11 Agriculture, forestry, fishing and hunting	3,235	2,980	-255	-8%
21 Mining and oil and gas extraction	855	825	-30	-4%
22 Utilities	630	550	-80	-13%
23 Construction	4,595	4,470	-125	-3%
31-33 Manufacturing	3,800	2,400	-1,400	-37%
41 Wholesale trade	1,195	695	-500	-42%
44-45 Retail trade	8,200	6,975	-1,225	-15%
48-49 Transportation and warehousing	2,670	2,385	-285	-11%
51 Information and cultural industries	950	500	-450	-47%
52 Finance and insurance	1,185	980	-205	-17%
53 Real estate and rental and leasing	570	495	-75	-13%
54 Professional, scientific and technical services	3,255	2,030	-1,225	-38%
55 Management of companies and enterprises	55	15	-40	-73%
56 Administrative and support*	3,865	3,195	-670	-17%
61 Educational services	4,725	4,630	-95	-2%
62 Health care and social assistance	9,215	10,350	1,135	+12%
71 Arts, entertainment and recreation	1,460	1,350	-110	-8%
72 Accommodation and food services	4,840	4,255	-585	-12%
81 Other services (except public administration)	3,050	2,160	-890	-29%
91 Public administration	3,950	4,700	750	+19%

*includes waste management and remediation services.

Source: Statistics Canada Census, 2006, 2021.

Income trends

Table 9 shows income trends in the Cape Breton Economic Region. EI benefits accounted for 10 percent of all personal income earned in Victoria County (2020) making the county fourth in the country out of 292 for the share of total income derived from the EI program (the other three counties were in Newfoundland and Labrador). The population in all four counties rely on government transfers at least twice as much as the average across the country.

Table 9: Selected income characteristics, 2021 Census

	Median income	Avg. income	Market income (%)	Employment income (%)	Government transfers (%)	Employment insurance benefits (%)
Inverness	\$34,000	\$42,040	77	60	24	7
Richmond	\$31,400	\$42,200	76	61	24	6
Cape Breton	\$31,800	\$39,840	75	61	25	5
Victoria	\$34,400	\$41,720	73	54	27	10
Cape Breton Island	\$32,209	\$40,394	75	60	25	6
Canada = 1.00						
Inverness	0.87	0.80	0.88	0.83	2.00	7.00
Richmond	0.80	0.81	0.86	0.85	2.00	6.00
Cape Breton	0.81	0.76	0.85	0.85	2.08	5.00
Victoria	0.88	0.80	0.83	0.75	2.25	10.00
Cape Breton Island	0.82	0.77	0.85	0.84	2.08	5.61
County Rank (out of 292)						
Inverness	215	218	251	257	25	14
Richmond	266	215	257	244	25	21
Cape Breton	256	254	270	244	17	25
Victoria	207	226	283	291	11	4
County Rank (percentile)						
Inverness	0.26	0.25	0.14	0.12	0.91	0.95
Richmond	0.09	0.26	0.12	0.16	0.91	0.93
Cape Breton	0.12	0.13	0.08	0.16	0.94	0.91
Victoria	0.29	0.23	0.03	0.00	0.96	0.99

Source: Statistics Canada 2021 Census.

Income trends (cont.)

Average household income in the region is considerably less than the country overall. Unama'ki - Cape Breton has a lower cost of living, however; compared to larger urban centres. This difference is reflected in the LICO-AT figure below which is adjusted for cost of living whereas the LIM-AT figure is based on income differences within Unama'ki - Cape Breton. Using LICO-AT, the share below the poverty line is lower in Unama'ki - Cape Breton.

Table 10: Selected income characteristics, 2021 Census

	Avg. household income	Prevalence of low income based on the Low-income measure, after tax (LIM-AT) (%)	Prevalence of low income based on the Low-income cut- offs, after tax (LICO-AT) (%)
Inverness	\$79,800	16	3
Richmond	\$77,400	18	3
Cape Breton	\$76,800	18	5
Victoria	\$78,900	16	2
Cape Breton Island	\$77,353	18	4
Canada = 1.00			
Inverness	0.75	1.45	0.60
Richmond	0.73	1.64	0.60
Cape Breton	0.72	1.64	1.00
Victoria	0.74	1.45	0.40
Cape Breton Island	0.73	1.60	0.89
County Rank (out of 292)			
Inverness	216	58	90
Richmond	236	36	90
Cape Breton	242	36	16
Victoria	225	58	218
County Rank (percentile)			
Inverness	0.26	0.80	0.69
Richmond	0.19	0.88	0.69
Cape Breton	0.17	0.88	0.95
Victoria	0.23	0.80	0.25

Source: Statistics Canada 2021 Census.

Indigenous population

There were over 11,000 self-identified Indigenous persons living in Unama'ki - Cape Breton as reported in the 2021 Census. There is a higher share of Indigenous persons in all four counties compared to the country overall.

Table 11: Selected population characteristics, 2021 Census

	Indigenous identity	% of total pop.
Inverness	1,570	9%
Richmond	1,290	14%
Cape Breton	7,385	8%
Victoria	925	12%
Cape Breton Island	11,170	8%
Canada = 1.00		
Inverness		1.85
Richmond		2.96
Cape Breton		1.54
Victoria		2.54
Cape Breton Island		1.73
County Rank (out of 292)		
Inverness		101
Richmond		66
Cape Breton		115
Victoria		80
County Rank (percentile)		
Inverness		0.65
Richmond		0.77
Cape Breton		0.61
Victoria		0.73

Source: Statistics Canada 2021 Census.

Housing profile

Unama'ki - Cape Breton has a lower cost of living in part because of the lower cost of housing as shown in Table 12.

Table 12: Selected housing characteristics, 2021 Census

	% of housing not suitable	% built 1980 or earlier	% major repairs	% spending 30%+ on shelter \$\$	Average value of dwellings (\$)
Inverness	3%	74%	10%	11%	\$217,200
Richmond	1%	69%	10%	12%	\$214,800
Cape Breton	4%	78%	10%	16%	\$183,600
Victoria	3%	70%	11%	8%	\$226,200
Cape Breton Island	4%	77%	10%	15%	\$192,522
Canada = 1.00					
Inverness	0.59	1.20	1.66	0.52	0.35
Richmond	0.25	1.13	1.67	0.58	0.35
Cape Breton	0.72	1.28	1.56	0.77	0.30
Victoria	0.51	1.14	1.81	0.40	0.37
Cape Breton Island	0.66	1.25	1.59	0.70	0.31
County Rank (out of 292)					
Inverness	107	93	56	205	210
Richmond	257	137	54	178	213
Cape Breton	71	48	65	85	255
Victoria	144	125	39	267	200
County Rank (percentile)					
Inverness	0.63	0.68	0.81	0.30	0.28
Richmond	0.12	0.53	0.82	0.39	0.27
Cape Breton	0.76	0.84	0.78	0.71	0.13
Victoria	0.51	0.57	0.87	0.09	0.32

Source: Statistics Canada 2021 Census.

All four counties have seen far less housing construction in recent years compared to the 1960s-1990s. Between 2016-2021, the number of units built per year dropped by 26 per cent in Inverness County compared to the annual number in the 1990s. In CBRM, the number constructed dropped by 41 per cent and in Victoria County it was down 59 per cent.

Table 13: Average annual housing units constructed per year by timeframe

	1961 to 1980	1981 to 1990	1991 to 2000	2001 to 2005	2006 to 2010	2011 to 2015	2016 to 2021
Inverness	130	103	80	69	74	48	59
Richmond	57	54	47	47	41	31	40
Cape Breton	658	529	416	261	287	280	245
Victoria	47	42	47	36	20	28	19
Cape Breton Island	891	727	588	413	422	387	363

Source: Statistics Canada 2021 Census.

Immigration profile and trends

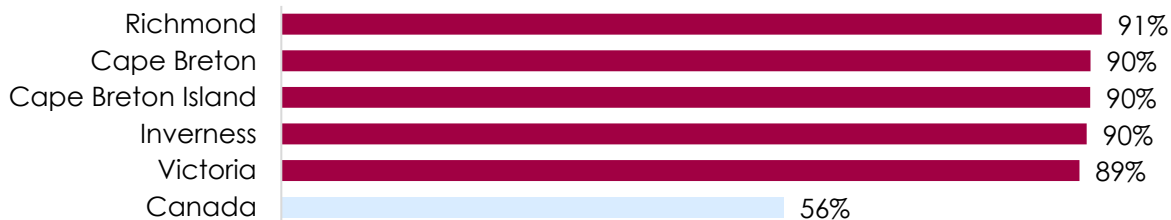
Most of the immigration population in Unama'ki - Cape Breton is living in CBRM but as a share of the total population, there are more in the other three counties. Over 90 percent of residents in Unama'ki - Cape Breton are at least third generation Canadian.

Table 14: Selected immigration characteristics, 2021 Census

	Immigrants	Arrived in Canada before 2016	Arrived b/w 2016 to 2021	Non-permanent residents (2021)	% immigrants (total)	% recent immigrants and NPRs
Inverness	670	480	190	140	4%	2%
Richmond	310	255	60	40	4%	1%
Cape Breton	2185	1780	405	2335	2%	3%
Victoria	320	275	50	30	4%	1%
Cape Breton Island	3485	2790	705	2545	3%	3%
Canada = 1.00						
Inverness					0.17	0.31
Richmond					0.15	0.18
Cape Breton					0.10	0.46
Victoria					0.19	0.18
Cape Breton Island					0.12	0.40
County Rank (out of 292)						
Inverness	208		174	188	185	111
Richmond	247		229	243	196	172
Cape Breton	140		129	39	222	68
Victoria	244		235	251	174	177
County Rank (percentile)						
Inverness	0.29		0.40	0.36	0.37	0.62
Richmond	0.15		0.22	0.17	0.33	0.41
Cape Breton	0.52		0.56	0.87	0.24	0.77
Victoria	0.16		0.20	0.14	0.40	0.39

Source: Statistics Canada 2021 Census.

Figure 11: Share of the population at least third generation Canadian, 2021 Census



Source: Statistics Canada 2021 Census.

Migration profile

A lot of people move into Unama'ki - Cape Breton on an annual basis (as well as move out). According to the Census, in 2021 there were 13,700 living in the region who were living elsewhere in Canada or the world five years earlier in 2016.

Table 15: Selected population characteristics, 2021 Census

	Intra- provincial migrants	Inter- provincial migrants	External migrants	% inward migrants
Inverness	1,510	825	295	16%
Richmond	875	480	110	17%
Cape Breton	2,435	3,590	2,495	9%
Victoria	595	385	120	16%
Cape Breton Island	5,415	5,280	3,020	11%
Canada = 1.00				
Inverness				0.73
Richmond				0.77
Cape Breton				0.41
Victoria				0.70
Cape Breton Island				0.50

Excludes non-permanent residents.

Source: Statistics Canada 2021 Census.

Education levels

The educational provide in the region is skewed towards college/trades training. Across the region, 41 percent have either a college diploma or trades certificate, 20 percent higher than the country overall (CAN=1.20).

Table 16: Selected education characteristics, 2021 Census

	% did not finish high school	% university degree	% college/ trades diploma
Inverness	10%	20%	46%
Richmond	12%	16%	50%
Cape Breton	11%	22%	40%
Victoria	17%	17%	35%
Cape Breton Island	11%	21%	41%
Canada = 1.00			
Inverness	0.97	0.62	1.34
Richmond	1.26	0.49	1.46
Cape Breton	1.12	0.66	1.16
Victoria	1.68	0.53	1.01
Cape Breton Island	1.14	0.63	1.20
County Rank (out of 292)			
Inverness	233	89	77
Richmond	167	166	33
Cape Breton	200	74	147
Victoria	92	128	240
County Rank (percentile)			
Inverness	0.20	0.70	0.74
Richmond	0.43	0.43	0.89
Cape Breton	0.32	0.75	0.50
Victoria	0.68	0.56	0.18

Source: Statistics Canada 2021 Census.