

Housing Needs in the RRSC Territory

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Contents

1. Executive Summary.....	3
2. Introduction	6
3. Recent Demographic Evolution of the RRSC Territory and Restigouche County	10
4. Profile and Recent Trends in the RRSC Territory and Restigouche County Housing Sector	20
4.1 2016 and 2021 Census Data.....	20
4.1.1 Number and Types of Dwellings	20
4.1.1 Household Characteristics	23
4.1.3 Housing Conditions and Affordability	26
4.2 Trends Since the 2021 Census	30
5. Additional Housing Demand From the Retirement of Baby Boomers.....	34
6. Additional housing demand resulting from employment growth	38
7. Impact of Non-Labour Market Factors On Housing Demand	42
7.1 Mortality-Induced Demand Reduction	42
7.2 Housing Demand From Young Adults	43
7.3 Demand From Migrants Coming to the Territory for Lifestyle Reasons or More Affordable Housing	44
8. Summary of Results and Discussion.....	46

1. Executive Summary

The purpose of this report is to estimate the annual needs for additional housing within the territory of the Restigouche Regional Service Commission (RRSC) from now until 2026. Although the report focuses on the next three years, the estimates it contains offer a good overview of needs for the rest of the decade. In addition to providing estimates for the entire territory, the report does the same for the following five entities:

- **Regional Community of Campbellton:** former city of Campbellton, former villages of Atholville and Tide Head, former local service districts (LSDs) of McLeods and Glencoe;
- **Village of Boisjoli:** former villages of Balmoral and Eel River Dundee, former LSDs of Blair Athol and Balmoral-St-Maure;
- **Town of Heron Bay:** former town of Dalhousie, former village of Charlo, former LSDs of Dalhousie Junction and Point La Nim, Parish of Colborne;
- **Rural Community of Kedgwick:** former rural community of Kedgwick, former LSDs of St.-Jean Baptiste, Menneval and White's Brook;
- **RRSC Rural District:** Restigouche County less the four entities above, the town and parish of Saint-Quentin, the village of Belledune, as well as the Aboriginal communities of Natoaganeg (Eel Ground) and Eel River.

The report starts from the premise that the demand for housing in the RRSC territory will depend on three main groups of factors:

1. the additional labour needs associated with the gradual retirement of the baby boom generation from paid work;
2. the evolution of the overall level of employment; and
3. non-labour market factors.

The report examines each of these three groups of factors individually before concluding with a summary of results. Since the latter are based on a number of assumptions that introduce certain degrees of uncertainty, results are presented according to three main housing demand growth scenarios: low, baseline and high (see table below). The report also offers additional information on the evolution of demography and the housing market in the RRSC territory.

Table 1 : Number of additional units needed annually to meet demand from now to 2026

	Growth scenario		
	low	baseline	high
Campbellton (RC)	64	101	138
Boisjoli (VL)	27	37	50
Heron Bay (T)	16	34	52
Kedgwick (RLC)	15	21	28
Rural district	6	12	16
RRSC	128	205	284

According to the baseline scenario, it would take 205 additional units per year to meet the housing demand projected from now until 2026 within the RRSC territory. This is a big number that would require significant growth in the pace of residential construction activity in the years to come. According to the available data, it can be concluded that only about 30 units per year have been started on the RRSC territory on average over the past two years.

It is worth emphasizing that the above results are formulated on the basis of preserving the status quo, that is to say that they provide an idea of the number of additional housing units necessary to preserve the level current economic activity and existing services in the region. However, as we will see in this report, the data suggest the RRSC territory did not manage to maintain this status quo between 2016 and 2021. This can be seen in the fact that the labour force within the territory declined by more than five percent during this period.

That said, the data released since the last census are more encouraging. From July 1, 2021 to June 30, 2022, Restigouche County posted a population gain of 0.5 percent. Moreover, although specific data for the region is not available, the Campbellton-Miramichi economic region showed growth in its labour force in 2022, suggesting that Restigouche County may have also seen its number of workers grow.

To be sure, the good showing of Restigouche County was closely linked to the fact that Canada welcomed more than one million newcomers last year, a figure that was by far the highest in its history. Further fuelling the region's population growth was an equally unprecedented influx of newcomers from the rest of the country in search of more affordable housing. The fact remains, though, that if this trend were to be maintained, the prospect of preserving the economic status

quo is a more likely one, which would translate into housing needs in the RRSC territory in line with what is presented in this document.

2. Introduction

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The report starts from the premise that the demand for housing in the RRSC territory will depend on three main groups of factors:

1. the additional labour needs associated with the gradual retirement of the baby boomer generation from paid work;
2. the evolution of the overall level of employment; and
3. non-labour market factors.

¹ . Due to data availability constraints, these entities do not coincide exactly in all cases with the boundaries of the four new entities and the newly created rural district. In the case of the regional community of Campbellton and the village of Boisjoli, there is a perfect match. In the case of the town of Heron Bay, the latter actually includes a portion of the former LSD of Chaleur, which does not exist as distinct entity in Statistics Canada's database. However, we have included what Statistics Canada refers to as Colborne Parish (see map by clicking [here](#)), which appears to include most of the settled areas of the former Chaleur LSD. As for the rural community of Kedgwick, it actually contains portions of the LSDs of Eldon and Saint-Quentin, which are excluded from the data in this report. Finally, as the housing context in Aboriginal communities is unique (and under federal jurisdiction), the latter are also excluded from the territory of the RRSC for the purposes of this report.

The report examines each of these three groups of factors individually before concluding with a summary of results. Since the latter are based on a number of assumptions that introduce certain degrees of uncertainty, the report provides three main housing demand growth scenarios: low, baseline and high. The report also offers supplemental information on the evolution of demography and the housing market in the RRSC territory. Unless otherwise indicated, the data contained in this document are drawn from Statistics Canada censuses.

Before beginning the presentation of the relevant data and analysis, some methodological clarifications are in order. The first relates to the evolution of employment within the RRSC territory from now until 2026. The economic trajectory of any region, regardless of its size, depends on a multitude of factors. These include its human and natural resource endowment; demographic characteristics; technological change; market opportunities for its products; government decisions regarding immigration as well as the levels and location of public services offered to residents of the region; employment opportunities available to its residents in other regions, etc.

As elsewhere, current and future employers within the RRSC territory are not immune to these factors. For example, if labour is becoming scarce and more expensive because many workers are retiring and there is not enough housing to accommodate all the newcomers that are needed to occupy vacant positions, an employer may decide not to take on expand, invest in automation (where possible), reduce operations in the region, or even close up shop. Conversely, when the region welcomes large numbers of newcomers—some bringing their jobs along with them through telecommuting—the region's economy may become stronger and grow faster than it otherwise would have.

That being said, in examining the economic prospects of the RRSC territory, it is necessary to set a baseline. In other words, we must try to establish the level of employment necessary to preserve the economic status quo. In the context of this work, this status quo is defined essentially as the level of employment deemed necessary to preserve the current level of activity in the private sector and continue to offer existing public services to residents.

The same necessity of setting a baseline applies to the housing market. Specifically, it's worth recalling that the quantity and composition of housing demand (size, rental vs owned housing) will depend not only on the performance of the economy but also on housing prices, that is, rents as well as the various costs associated with home ownership (purchase price, mortgage interest costs, maintenance and repairs, etc.).

In a market ruled by free competition, prices reflect the state of supply and demand. The supply of housing in the RRSC territory is influenced not only by construction costs (which are affected in particular by the costs of building materials, labour and interest rates), but also by the availability of labour. In the past, as the latter was abundant, housing supply could easily adjust to higher demand (albeit with a lag). Nowadays, the situation is much more complicated. As labour is scarce, the construction industry can no longer easily find all the workers it needs. In such a context, it tends to concentrate its activities on the most attractive projects, which could explain why residential construction activity in New Brunswick is mainly concentrated on the segment of multi-unit buildings in large centers.² That said, higher housing prices may also cause some residents to turn parts of their properties into rental units, thereby helping to increase supply.

From housing supply, let's turn to demand. When demand for a good exceeds supply and the latter cannot easily adjust accordingly, prices increase in such a way as to "destroy" part of the demand. In the case of housing, this is not an easy task. Housing being a basic need, people will do what they can to stay housed. This means that prices typically have to rise sharply in order to balance supply and demand. This is what we are currently seeing all over New Brunswick, including within the RRSC territory.³

People are not equally affected by a housing market where supply cannot keep up with demand. For existing homeowners, this means higher property values, but potentially higher property taxes. For municipalities, and to a lesser extent the provincial government, this means a growing tax base. People who are financially well off and who are looking for housing will generally have no difficulty finding what they are looking for by paying the high price, fueling escalating prices in the process. For people who are less well off financially, it's a different story. Faced with less affordable housing, some will opt to buy a smaller property or even rent rather than buy, thus exerting increased pressure on the rental market. As for tenants, faced with higher rents, some

² Figures from the Canada Mortgage and Housing Corporation show a significant increase in housing starts for multi-unit buildings in the three census metropolitan areas (CMAs). In the rest of New Brunswick, residential construction activity is down (Statistics Canada, CANSIM tables 34-10-0135 and 34-10-0151-01).

Conceptually, one can think of at least two reasons why residential real estate development in and around the three CMAs would offer better risk-adjusted returns than rural and small-town New Brunswick. Firstly, since their economies are more diversified, these major centers provide real estate investors with more stable markets. Secondly, these centers are also home to a large stock of older rental properties, which are much more likely to be the first to run out of tenants should supply eventually outstrip demand.

³ . To be sure, home prices have recently fallen. However, this is not due to a drop in demand, but rather to the dramatic increase in interest rates orchestrated by the Bank of Canada to fight inflation. This rise in rates is worsening the housing market situation in the area by increasing construction costs and making homes less affordable (the decline in their prices being more than offset by rising mortgage costs).

will opt for smaller accommodation, while others will opt for shared accommodation. Finally, some individuals who might be interested in settling in the region might choose not to.

In short, the housing market is a dynamic entity. Very tight market conditions trigger an adjustment process like the one described above. That said, as with the employment situation, we need to establish a baseline against which to gauge future housing demand. In the context of our work, we do not explicitly take into account the effects of the dynamics described above. The estimates provided in this report should therefore be viewed as the number of additional housing units needed to accommodate newcomers to the region, assuming the status quo with respect to the housing conditions of residents living on the RRSC territory.

3. Recent Demographic Evolution of the RRSC Territory and Restigouche County

Before proceeding with the analysis of the major variables affecting housing demand, the next two sections provide some context. This section examines the recent demographic evolution of the RRSC territory and of the county of Restigouche more generally. As for the next section, it does the same for the housing sector.

Table 2 presents data on the population of the various entities forming the RRSC territory during the 2016 and 2021 censuses. The reference date for the 2021 census was May 11. According to Statistics Canada, on that day the number of people living in the RRSC territory as defined in Table 2 stood at 24,843, a decrease of 108 people (-0.4 percent) compared to the census of 2016.⁴ Although still a decline, it is much more modest one than in the past. On average, in each of the previous three five-year periods (2011-2016, 2006-2011, and 2001-2006), Restigouche County lost approximately five percent of its population.

Of the five entities forming the RRSC territory, two of them, the town of Heron Bay and the rural community of Kedgwick, posted gains (of 3.2 and 0.8 percent respectively). For their part, the rural district, the village of Boisjoli and the regional community of Campbellton posted losses. All the former municipalities of the RRSC territory have seen their populations grow, except for the villages of Atholville, Eel River Dundee and Balmoral.

⁴ . These numbers exclude the population of the two indigenous reservations (Natoaganeg and Eel River), which totaled 887, up 26 residents, or 3.0 percent since the 2016 census.

Table 2 : Population of the RRSC Territory, 2016 and 2021

	2021	2016		Var, 2016 to 2021	
				n	%
Campbellton (RC)¹					
Atholville (VL)	3,290	3,570		-280	-7.8%
Campbellton (C)	7,047	6,883		164	2.4%
Tide Head (VL)	951	938		13	1.4%
McLeods (LSD)	383	372		11	3.0%
Glencoe (LSD)	280	207		73	35.3%
Total	11,951	11,970		-19	-0.2%
Boisjoli (VL)					
Balmoral (VL)	1,603	1,674		-71	-4.2%
Eel River Dundee (VL)	1,844	1,953		-109	-5.6%
Blair Athol (LSD)	52	54		-2	-3.7%
Balmoral-St. Maure (LSD)	156	148		8	5.4%
Total	3,655	3,829		-174	-4.5%
Heron Bay (T)					
Dalhousie (T)	3,223	3,126		97	3.1%
Charlo (VL)	1,323	1,310		13	1.0%
Dalhousie Junction (LSD)	402	396		6	1.5%
Pointe La Nim (LSD)	247	231		16	6.9%
Colborne (P)	266	227		39	17.2%
Total	5,461	5,290		171	3.2%
Kedgwick (RLC)					
Kedgwick (RLC)	1,986	1,964		22	1.1%
St.-Jean Baptiste (LSD)	146	161		-15	-9.3%
Menneval (LSD)	58	55		3	5.5%
White's Brook (LSD)	104	96		8	8.3%
Total	2,294	2,276		18	0.8%
Rural district, RRSC	1,482	1,586		-104	-6.6%
Total, RSCC (excluding Aboriginal communities)	24,843	24,951		-108	-0.4%

Note :

1. RC= regional community; C = city; RLC = rural community; T = town; VL = village; P = parish; LSD = local services district.

To better understand why the RRSC territory has lost much less population than in the past, we need to turn to migration. One can obtain a good sense of migration within the RRSC territory by comparing the distribution of the population by age between the censuses of 2016 and 2021. To do this, one needs to compare the population of a given age group in 2016 to that of the next age group in 2021. For example, by comparing the growth of the 25-29 age group in 2016 to that of the 30-34 age group in 2021 in Table 3, we can see that the RRSC territory gained more people who were between 25 and 29 years old in 2016 than it lost. It should be noted that the data presented in Table 3 are affected by mortality, which increases with age, particularly beyond age 65. This is the reason why the table stops at the age group of 60 to 64 years old.

Table 3 : Population by Age Group, RRSC and New Brunswick

	RRSC			New Brunswick		
	2021	2016	Var. 5 yrs 2016-2021*	2021	2016	Var. 5 yrs 2016-2021*
0-4	890	805		32,280	34,365	
5-9	895	980	11.2%	38,240	38,250	11.3%
10-14	1,055	1,060	7.7%	40,605	37,880	6.2%
15-19	1,095	1,155	3.3%	39,090	40,605	3.2%
20-24	1,000	1,150	-13.4%	42,125	41,445	3.7%
25-29	1,135	1,045	-1.3%	42,380	39,245	2.3%
30-34	1,155	1,070	10.5%	43,485	41,510	10.8%
35-39	1,210	1,155	13.1%	45,925	44,435	10.6%
40-44	1,200	1,295	3.9%	47,320	48,430	6.5%
45-49	1,355	1,675	4.6%	50,140	51,300	3.5%
50-54	1,725	2,380	3.0%	52,140	61,055	1.6%
55-59	2,470	2,555	3.8%	62,315	61,740	2.1%
60-64	2,560	2,315	0.2%	62,395	58,060	1.1%

* Difference between the population of an age group in 2021 and that of the previous age group in 2016.

As shown in Table 3, population growth was positive for all age groups except for young adults who were between the ages of 15 and 24 in 2016. Growth was strongest among young adults between the ages 25 and 34 in 2016, as well as children aged 0 to 9. As we will see later, the strong growth in those age groups largely reflects immigration.

Equally noteworthy is the fact that net migration was positive among older adults (although not as strong as for younger adults); this gain likely reflects the attractiveness of the Restigouche region as a lifestyle destination and/or a place where people can secure housing at more affordable prices.

Generally speaking, with the exception of young people who were aged 15 to 19 in 2016⁵, the county posted population gains that were comparable to those of New Brunswick across all age groups.

Finally, it's worth noting that the population of the RRSC territory has most likely increased since the 2021 census. This, at least, is what we can conclude from the annual demographic estimates of Statistics Canada. While data are not available for the RRSC territory specifically, they are at published at the county and census agglomerations levels. These data indicate that for the first time in thirty years, Restigouche County saw its population grow in 2022, from 30,600 to 30,748, a gain of 0.5 percent (Statistics Canada, table CANSIM 17-10-0139-01). As for the population of the New Brunswick part of the census agglomeration of Campbellton, it rose from 12,865 to 12,943, a gain of 0.6 percent (Statistics Canada, CANSIM table 17-10-0135-01). Although a significant development, the fact remains that population growth in Restigouche County was the lowest among the 15 New Brunswick counties.

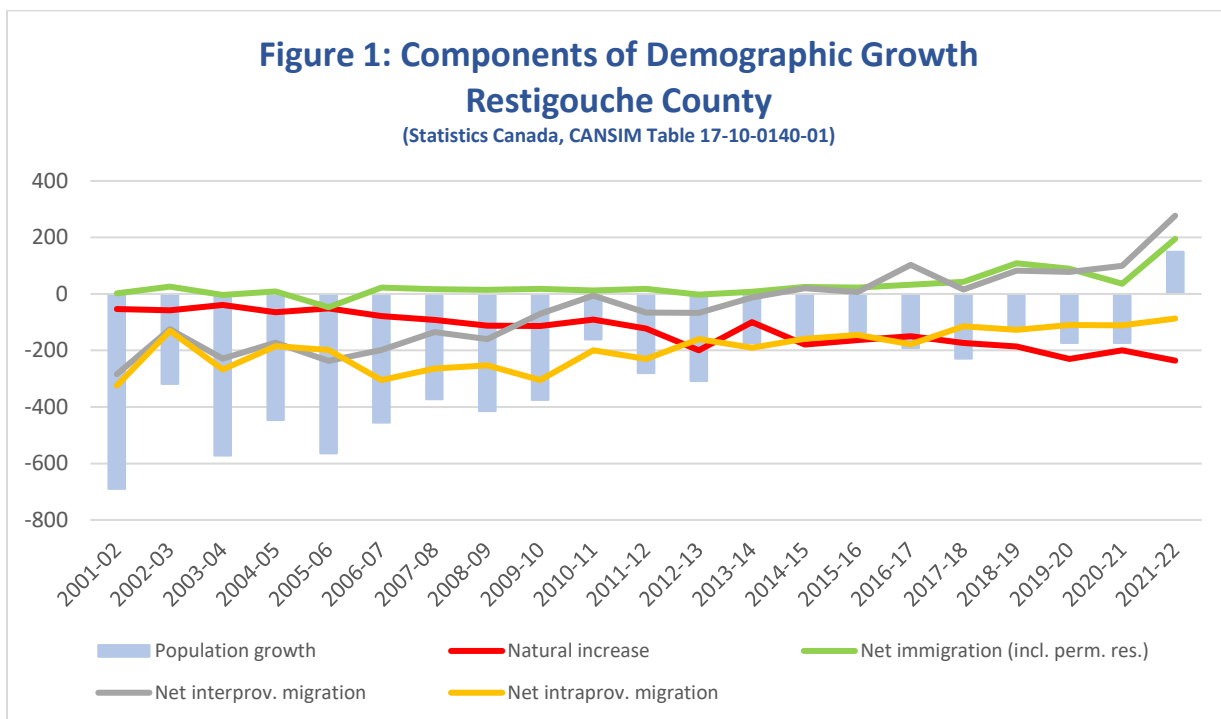
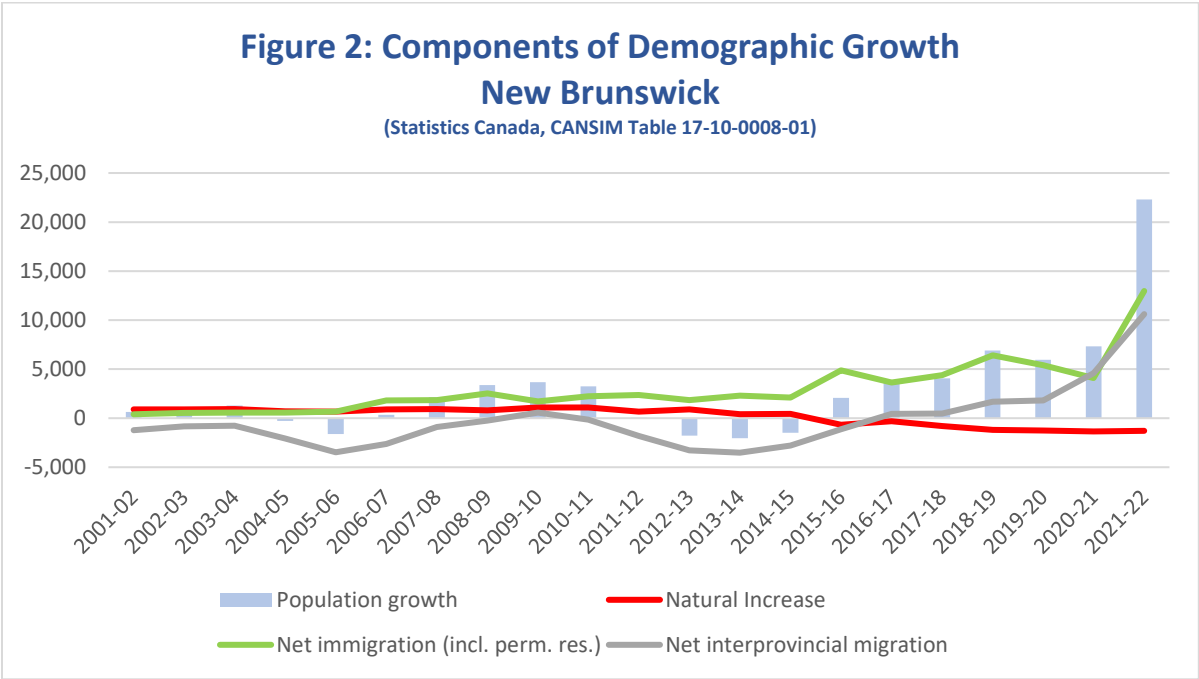


Figure 1 allows us to better understand the evolution of the population in Restigouche County and, by extension, that of the RRSC territory. Population growth patterns across the

⁵. The fact that the number of young adults aged 20 to 24 in 2021 was significantly lower than that of young people aged 15 to 19 in 2016 most likely reflects to a large extent the fact that many young people left the region to pursue post-secondary education outside the county.

various regions of a province are the result of the interplay of two major factors: natural growth (i.e. the difference between births and deaths) and net migration (difference between arrivals and departures from the region). In turn, net migration is the result of the interplay of three factors: net immigration (including net non-permanent residents), net interprovincial migration and net intraprovincial migration.⁶ Figure 2, which provides relevant data on the same subject as Figure 1 but for New Brunswick as a whole, sheds further light on the particular trajectory of the Restigouche region.



The population of Restigouche County is considerably older than that of New Brunswick. In 2022, the median age in the county was 53.3 years, compared to 45.7 in New Brunswick as a whole (Statistics Canada, CANSIM tables 17-10-0005-01 and 17-10-0139-01). The county had the highest percentage of seniors among all New Brunswick counties: 28.6 percent, compared to 22.7 percent for New Brunswick as a whole. Since Restigouche County’s population is older, a higher share of its residents die each year than in New Brunswick as a whole.⁷ Conversely, since

⁶ . Net immigration is calculated here as the difference between (1) the sum of immigrants, returning emigrants and the balance of non-permanent residents, and (2) the sum of the balance of temporary emigrants and emigrants. Interprovincial migration is the balance of people from other provinces who settle in the region and those who leave the region to settle in other provinces. Net intraprovincial migration is the difference between the number of people from elsewhere in the province who came to settle in the region and the number of people from the region who left the county to settle elsewhere in the province.

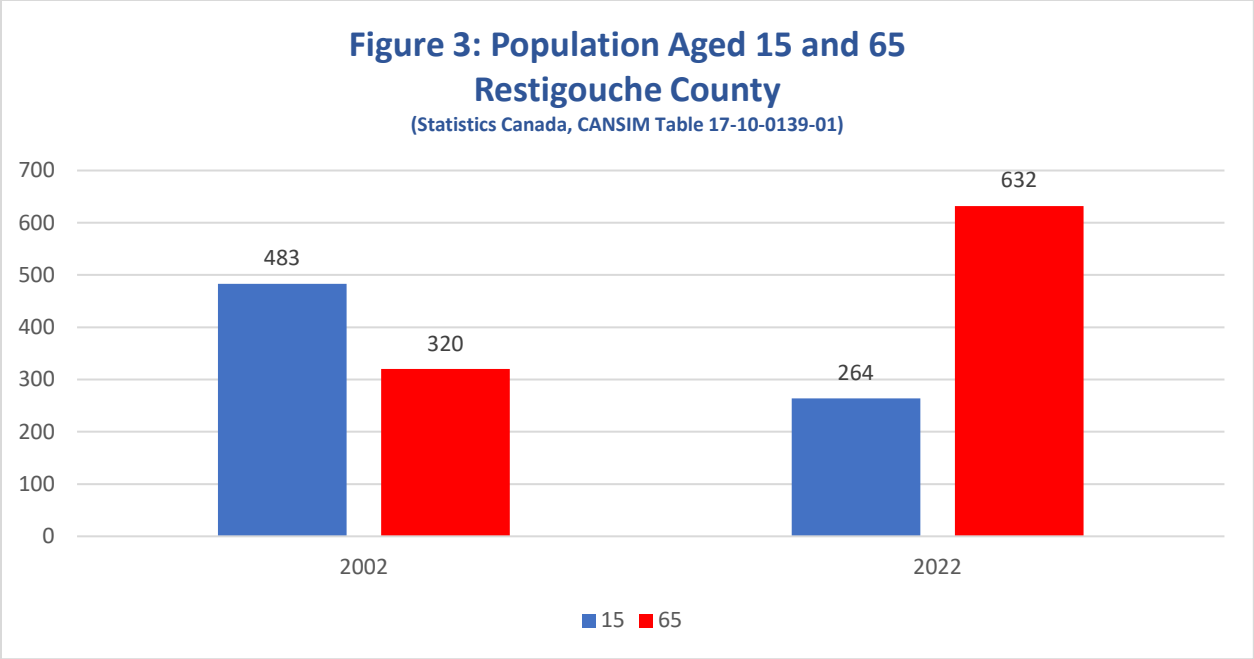
⁷ . Restigouche County has the second highest mortality rate among the 15 counties in New Brunswick. Deaths stood at 1.5 percent of the population in 2021-22. For the province as a whole, this rate was 1.0 per cent (Statistics Canada, CANSIM tables 17-10-0008-01 and 17-10-0140-01).

it has proportionally fewer adults of reproductive age, birth rates are lower. This combination of higher mortality and lower birth rates explains why natural growth has been negative for at least twenty years in Restigouche County, whereas in New Brunswick, this development only dates back to the middle of the last decade. Between July 1, 2021 and June 30, 2020, there were 236 more deaths than births in Restigouche County, meaning that natural decrease (the excess of deaths over births) reduced the county's population by 0.8 percent. In contrast, in New Brunswick, it only reduced population by 0.2 percent.

Restigouche County's greater natural decrease means that to experience population growth comparable to that of New Brunswick, it must welcome proportionally more newcomers. Historically, Restigouche lost more people than it gained from the rest of the world. The situation, however, has been changing in recent years. The county welcomes more immigrants than before. It also gains more newcomers from other provinces than it loses to them. Fewer people are leaving the county to settle elsewhere in the province than in the past. In 2021-22, the county welcomed enough newcomers to offset the loss caused by natural decline, allowing it to increase its population for the first time in at least 30 years.

Restigouche County's improved net migration performance is fueled by two main drivers. The first, which goes back furthest, is population ageing. Twenty years ago, the number of people reaching the official retirement age of 65 was significantly lower than the number of young people reaching the official working age of 15 (Figure 3). Restigouche County's main challenge back then was to create jobs for the many adults who were looking for work. As the supply of workers exceeded demand, many residents left the county to find employment. The situation has since reversed. Last year, the number of people reaching official retirement age was almost two and a half times greater than the number of young people reaching official working age.⁸ As a result, Restigouche County's main challenge is no longer to create jobs, but rather to find people to fill the jobs vacated by baby boomers leaving the labour force. This is the main reason why more and more people from outside the province are coming to settle in the county and fewer and fewer people are leaving for other provinces. It is also a major factor behind the county losing fewer people to the rest of the province than in the past.

⁸ This proportion is considerably higher than for New Brunswick as a whole, where the number of people reaching official retirement age is only about 50 per cent higher than the number reaching official working age.



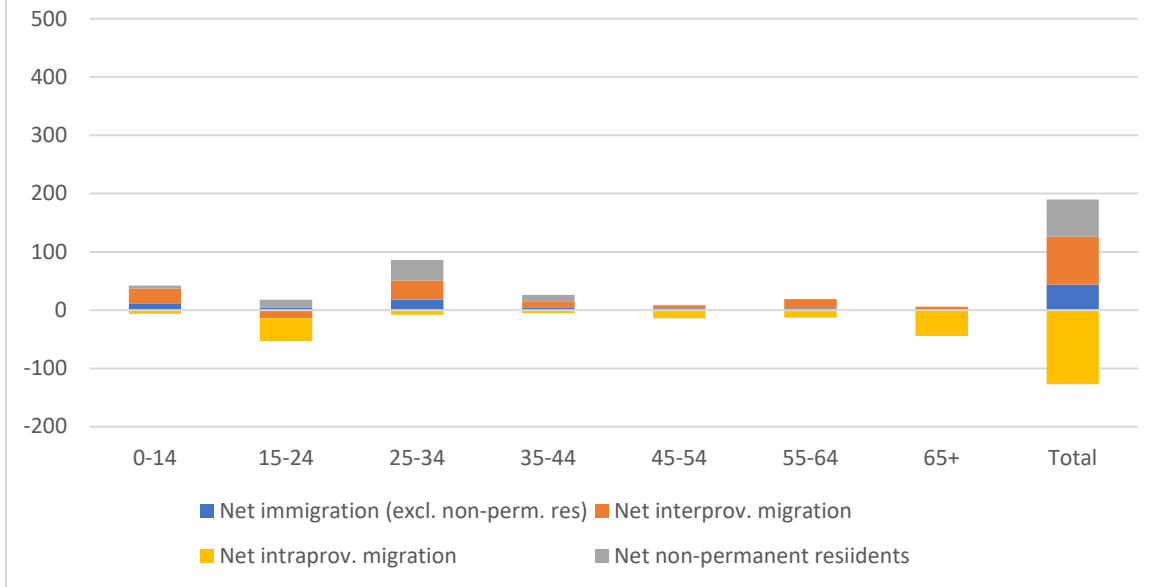
The second engine powering Restigouche County's growth is more recent. Since the middle of 2021, New Brunswick, along with the other two Maritime provinces, has welcomed an unprecedented number of residents from southern Ontario in search of more affordable housing. Historically, approximately 4,000 Ontarians moved to New Brunswick each year. In 2022, this number rose to more than 13,000 (Statistics Canada, CANSIM table 17-10-0045-01).

To better understand how migration is affecting Restigouche County's demographic trajectory, it's worth looking at the numbers in more depth. Figures 4 and 5 present data on net migration by age group for the year 2018-19 (last full year before the pandemic) as well as for 2021-22. Migratory flows are divided into four main components: net intraprovincial migration, net interprovincial migration, net immigration (excluding non-permanent residents) and net non-permanent residents. Non-permanent residents primarily include students and workers (and their family members) residing in Canada on a temporary basis. As this has historically been the main source of newcomers from outside Canada to Restigouche County, we have chosen to report non-permanent resident numbers separately from net immigration, which refers here to new permanent residents who have come to settle in the county.⁹

⁹ . The figures on non-permanent residents can be challenging to understand. As they are in Canada on temporary residence permits, non-permanent residents must leave the country before their residence permit expires - unless of course they obtain a renewal of their permit or obtain their permanent residence, in which case they will be counted in the immigration numbers. This means that the non-permanent resident group only makes a positive

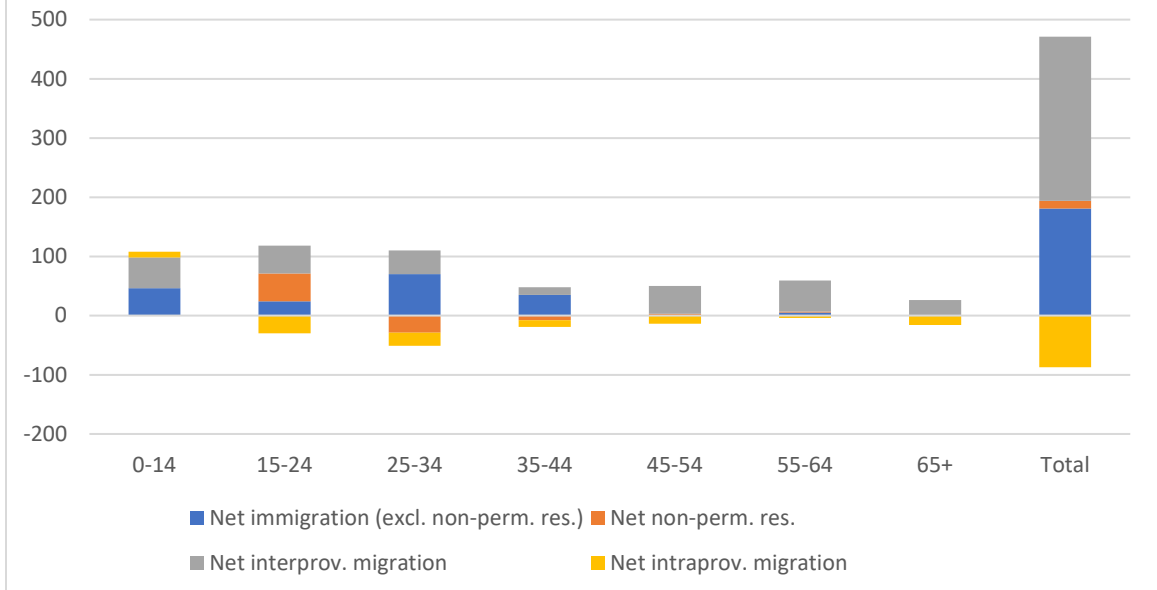
**Figure 4: Components of Net Migration
Restigouche, 2018-19**

(Statistics Canada, CANSIM Table 17-10-0140-01)



**Figure 5: Components of Net Migration
Restigouche, 2021-22**

(Statistics Canada, CANSIM Table 17-10-0140-01)



contribution to the population of Restigouche when the latter gains more new non-permanent residents than it loses.

As Figure 4 shows, immigration to Restigouche was low before the pandemic. Last year, however, it made a significant contribution to the county's demographic growth, adding nearly 200 people to its population (Figure 5). This, in turn, no doubt largely reflects the fact that Canada has welcomed many more immigrants than ever before. In 2021-22, Canada received approximately a net inflow of 400,000 immigrants, almost twice above the pre-pandemic trend (Statistics Canada, CANSIM table 17-10-0040-01).

Immigration is mostly the preserve of young adults. This is clearly seen in Figure 5, which shows that immigration is concentrated in the 25-34 age group and, to a lesser extent, 15-24 and 35-44 years old. Of course, being young adults, many immigrants have children, which explains growth among 0 to 14 years old.

As for non-permanent residents, Statistics Canada does not break down the data to determine whether they are students (studying at CCNB-Campbellton, for example) or temporary foreign workers. Students, however, are typically part of the 15 to 24 age group. We can see that the number of non-permanent residents in this age group increased considerably in 2021-22, which could reflect in part the "double cohort" effect resulting from the fact that many international students were unable to come to Canada during the first year of the pandemic, in 2020. It should be noted that growth in the number of permanent residents in Canada reached a record level in 2021-2022, to just over 600,000 (Statistics Canada, table 17-10-0040-01). In total, Canada therefore welcomed more than a million newcomers that year, an unprecedented number.

As for net interprovincial migration, net inflows are the product of the following dynamic. Net interprovincial migration may improve (1) when fewer people leave Restigouche County to settle in another province; (2) when more residents from other provinces come to settle in the county; or (3) when both occur at the same time. Data is not available at the county level to determine the exact dynamics of interprovincial migration at the county level. However, based on province-wide data, it would seem that the improvement in net migration would reflect both the fact that fewer people are leaving the county to settle in another province and that more people from other provinces come to settle in the county.

Another finding with respect to interprovincial migration is that the positive balance is more evenly distributed across the different age groups than is the case for immigration. About ten years ago, Restigouche posted significant losses to other provinces among young adults aged 20 to 34, while among older adults, the balance was generally slightly positive, particularly among people aged 50 and over. In recent years, the county has welcomed more young adults from other

provinces than it lost to them. In many cases, these newcomers are likely recent immigrants who first arrived in major Canadian centers before settling in the county. As for older adults, their strong growth in 2021-22 likely reflects for the most part the large influx of Ontarians moving to the county for lifestyle reasons and/or to secure more affordable housing. In total, interprovincial migration added almost 300 new residents to the population of Restigouche County in that year.

4. Profile and Recent Trends in the RRSC Territory and Restigouche County Housing Sector

Before presenting demand projections for the RRSC territory, this section provides a portrait of recent developments in the housing sector. To do this, it mainly draws on data from the 2016 and 2021 censuses. It also covers data available on developments since the 2021 census.

4.1 2016 and 2021 Census Data

The Census provides a wealth of information that allows us to develop a better understanding of the RRSC territory and Restigouche County housing sectors. In this report, we have selected the information deemed most relevant for our purposes and have grouped it as follows: (i) number and types of dwellings; (ii) household characteristics; and (iii) housing conditions and affordability.

4.1.1 Number and Types of Dwellings

Table 4 presents general data on private dwellings in the RRSC territory. A private dwelling is a dwelling that has a private entrance (a room rented in a residence is not considered a private dwelling) and that is not part of a so-called "collective" dwelling, such as a nursing home, a motel or a hotel, prison, rooming or boarding house, etc. A secondary residence such as a cottage is considered a private dwelling. A private dwelling is said to be occupied by its usual residents when it is declared as the permanent residence of those who live in it. Thus, a cottage is generally not considered to be a dwelling occupied by its usual residents, unless of course it is occupied by a household that makes it their permanent residence.

Table 4 shows that the number of private dwellings within the RRSC territory increased slightly between the 2016 and 2021 censuses, from 12,331 to 12,411 units (+0.6 percent). The increase was strongest in the regional community of Campbellton (+113 units, or 2.0 per cent). In more rural areas (rural district, rural community of Kedgwick and Village of Boisjoli), the number of private dwellings has actually decreased. The table also shows that the occupancy rate of dwellings by their usual residents has increased everywhere on the territory except for the village of Boisjoli. In 2021, 92.6 percent of private dwellings in the RRSC territory were occupied by their usual residents, a figure up slightly from 2016. This rate is comparable to that of New Brunswick as a whole, which was 92.2 percent in 2021.

Table 4 : Selected Data on Private Dwellings, RRSC and New Brunswick

	Campbellton (RC)		Boisjoli (VL)		Heron Bay (T)		Kedgwick (RLC)		Rural district		RRSC	
	2021	2016	2021	2026	2021	2016	2021	2016	2021	2016	2021	2016
Private dwellings	5,839	5,726	1,690	1,701	2,891	2,882	1,099	1,101	892	921	12,411	12,331
Private dwellings occupied by usual residents	5,455	5,317	1,611	1,631	2,592	2,561	1,049	1,024	781	803	11,488	11,336
Occupancy rate of private dwellings occupied by usual residents	93.4%	92.9%	95.3%	95.9%	89.7%	88.9%	95.5%	93.0%	87.6%	87.2%	92.6%	91.9%
Owners	3,595	3,720	1,425	1,440	2,090	2,100	870	845	830	850	8,810	8,955
Renters	1,825	1,590	220	190	510	460	195	185	75	80	2,825	2,505
Owners %	66.3%	70.1%	86.6%	88.3%	80.4%	82.0%	81.7%	82.0%	91.7%	91.4%	75.7%	78.1%
Renters %	33.7%	29.9%	13.4%	11.7%	19.6%	18.0%	18.3%	18.0%	8.3%	8.6%	24.3%	21.9%

Table 4 also shows that the number of renters has increased significantly (up 13 percent) across all of the RRSC territory except the rural district. Two reasons come to mind for such an increase. One is that the young adults who come to settle in the region, who are often new or recent immigrants from elsewhere in the country, tend to be renters. The other is that, as they get older, many seniors choose to leave the family home to become renters.

Table 5 provides information on private dwellings occupied by their usual residents for the RRSC territory. It shows that growth has been concentrated in apartments. However, since the growth in the number of apartments (+135 units) was lower than that of the number of renters shown in Table 4 (+320 private tenant households), it is logical to conclude that a greater number of houses are rented than before. Table 5 also shows that 190 units built between January 1, 2016 and May 2021 were occupied, which offers a good indication of the scale of residential construction during this period, which was likely lower than in the past. Finally, the table shows an increase in the number of occupied units with two bedrooms or less and a decline in the number of units with three bedrooms or more.

Table 5 : Types and Periods of Construction of Private Dwelling, RRSC

	RRSC		
	2021	2016	Var.
Total - Occupied private dwellings by structural type of dwelling - 100% data	11,495	11,330	165
Single-detached house	8,570	8,555	15
Semi-detached house	215	200	15
Row house	375	370	5
Other single-attached house	120	125	-5
Movable dwelling	270	265	5
Apartment or flat in a duplex	440	435	5
Apartment in a building	1,495	1,365	130
Total - Occupied private dwellings by period of construction - 25% sample data	11,475	11,330	145
1960 or before	3,775	3,700	75
1961 to 1980	3,835	4,020	-185
1981 to 1990	1,770	1,650	120
1991 to 2000	1,175	1,215	-40
2001 to 2005	240	210	30
2006 to 2010	235	265	-30
2011 to 2015	275	245	30
2016 to 2021	190		190
Total - Occupied private dwellings by number of bedrooms - 25% sample data	11,475	11,335	140
No bedrooms	25	10	15
1 bedroom	1,205	1,155	50
2 bedrooms	3,505	3,255	250
3 bedrooms	4,365	4,405	-40
4 or more bedrooms	2,360	2,510	-150

4.1.1 Household Characteristics

Table 6 provides a profile of the marital status of residents aged 15 or over, as well as data for private households and census families living in the RRSC territory during the 2016 and 2021 censuses. Statistics Canada defines a private household as “a person or group of persons who occupy the same dwelling and who have no usual place of residence elsewhere in Canada or abroad”. Individuals or groups of individuals residing in a collective dwelling (nursing home, motel or hotel, prison, rooming or boarding house, etc.) are not considered private households. As for census families, Statistics Canada defines them as “a married couple (with or without children), a common-law couple (with or without children) or a single-parent family”.

Table 6 shows that of the approximately 22,000 residents aged 15 and over living in the RRSC territory, 60 percent (12,160 residents) were married or living common-law. The number of such residents has shown a significant drop since 2016 (-675), while the number of people who have never been married and are not living common-law has increased considerably (+595), driven mainly by residents who have never been married (+465). Although this development could have multiple causes, the most important is undoubtedly the influx of young adults who have come to settle in the territory (see Table 3). This influx could also largely explain the increase in the number of private households made up of a single person (+340).

Table 6 also shows a decline of about 4 percent (-295) in the number of census families, fueled by the decline in the number of families comprising a couple (the number of lone-parent families increased slightly). The significant drop in the number of families comprising a couple with children (-270) is no doubt largely attributable to demographic aging (older couples being less likely to have children living with them) and, to a lesser extent, the increase in the number of single-parent families (+45). It should be noted that the number of families comprising a couple but without children is also down (-80). This could be explained by a number of factors, including the increase in the number of people who are separated, divorced or widowed (+105), as well as the likely increase in the number of people living in care homes.¹⁰

¹⁰ . When one of the two members of a couple becomes a resident of a nursing home, this decreases the number of census families, but not the number of private households. When both go to live in a nursing home, it decreases both the number of census families and of private households.

Table 6 : RRSC Territory Household Profile

	RSCC		
	2021	2016	Var.
Total - Marital status for the total population aged 15 years and over - 100% data	22,010	22,095	-85
Married or living common-law	12,160	12,835	-675
Not married and not living common-law	9,860	9,265	595
Never married	5,850	5,385	465
Separated or Divorced	2,085	2,035	50
Widowed	1,915	1,860	55
Total - Census families in private households by family size - 100% data	11,480	11,345	135
2 persons	3,930	3,590	340
3 persons	4,665	4,665	0
4 persons	1,510	1,635	-125
5 or more persons	990	1,105	-115
Average size of census families	380	345	35
Total number of census families in private households - 100% data	7,280	7,575	-295
Total couple families	5,955	6,280	-325
With children	2,090	2,360	-270
Without children	3,855	3,935	-80
Total one-parent families	1,340	1,295	45
in which the parent is a woman+	1,020	1,025	-5
in which the parent is a man+	320	275	45
Total - Persons not in census families in private households - 100% data	5,285	4,625	660
Living alone	3,940	3,590	350
Living with other relatives	565	n.a.	n.a.
Living with non-relatives only	760	n.a.	n.a.
Multigenerational households	200	n.a.	n.a.
Two-or-more-person non-census-family households	410	300	110
One-person households	3,940	3,590	350
Total - Private households by number of household maintainers - 25% sample data	11,475	11,330	145
One-maintainer household	6,615	7,525	-910
Two-maintainer household	4,580	3,730	850
Three-or-more-maintainer household	290	90	200
Total - Private households by age of primary household maintainers - 25% sample data	11,475	11,340	135
15 to 24 years	200	245	-45
25 to 34 years	1,040	990	50
35 to 44 years	1,445	1,275	170
45 to 54 years	1,530	2,180	-650
55 to 64 years	2,950	2,845	105
65 to 74 years	2,520	2,195	325
75 to 84 years	1,405	1,200	205
85 years and over	410	380	30

Finally, Table 6 provides data on the number of maintainers per household. Statistics Canada defines a “maintainer” as “a person in the household who is responsible for paying rent or mortgage, or taxes, or electricity or other utilities”. The table suggests that the number of single-maintainer households is down sharply (-910, or -12 percent). This decline could be explained by many factors. One of them is undoubtedly the growth in the number of couples in which both members draw pension income (e.g., Old Age Security, Canada Pension Plan) resulting from the aging of baby boomers. The number of households with two or more people not in a census family is also up (+110). It is in this category that newcomers who are not in a couple, but live with one or more roommate(s), would be counted.

4.1.3 Housing Conditions and Affordability

The Census also provides data on housing conditions and affordability, as well as incomes in the RRSC territory.

Table 7 presents data on dwelling conditions. According to Statistics Canada, almost all dwellings were deemed of adequate size and the vast majority of them did not require major repairs. The situation in the RRSC territory was comparable to that of New Brunswick as a whole.

Table 7 : Housing Conditions on RRSC Territory

	RRSC		
	2021	2016	Var.
Total - Private households by housing suitability - 25% sample data	11,475	11,325	150
Suitable	11,265	11,095	170
Not Suitable	230	240	-10
Total - Occupied private dwellings by dwelling condition - 25% sample data	11,475	11,340	135
Only regular maintenance and minor repairs needed	10,595	10,400	195
Major repairs needed	885	940	-55

Table 8 presents data on personal and household after-tax incomes in the region, compared to New Brunswick as a whole. As it is very difficult to accurately calculate the values

for the territory of the RRSC only, the data presented in this table are for all of Restigouche County.

Incomes are lower in Restigouche County than in New Brunswick as a whole. The 2021 census found the average after-tax household income was \$62,200 in 2020, \$10,000 or 14 per cent less than in New Brunswick as a whole. This gap was comparable to that during the 2016 census. For private households with one person, the gap with New Brunswick was similar. In 2020, these households in Restigouche County had an average income of \$32,760.

Restigouche County's position relative to New Brunswick is reflected the distribution of after-tax income by income bracket. In 2020, almost half (47 percent) of individuals aged 15 or older had after-tax income of less than \$30,000. In New Brunswick, this proportion was 42 per cent. At the other end of the income distribution, New Brunswick had twice as many individuals with after-tax income of \$70,000 or more.

The same observation applies to private households in general. In 2020, almost half of Restigouche households (48 per cent) had after-tax income below \$50,000, compared to 38 per cent province-wide. One-third of Restigouche households had an after-tax income of more than \$70,000, compared to 43 per cent in New Brunswick as a whole.

Table 8 : Household and Individual Incomes, RRSC and New Brunswick

	2020		2015	
	Restigouche	New Brunswick	Restigouche	New Brunswick
Total - Income statistics for private households - 25% sample data	14,165	337,650	13,990	319,775
Average after-tax income of household in 2020 (\$)	62,200	72,200	53,906	61,431
Total - Income statistics for one-person private households - 25% sample data	4,855	100,470	4,430	89,455
Average total income of one-person households in 2020 (\$)	32,760	36,920	27,021	31,242
Total - Income statistics for two-or-more-persons private households - 25% sample data	9,310	237,185	9,565	230,320
Average total income of two-or-more-person households in 2020	77,500	87,100	66,363	73,156
Total - After-tax income groups in 2020 for the population aged 15 years and over in private households - 100% data	25,290	628,000	25,345	594,920
\$0 to \$19,999	23%	21%	35%	32%
\$20,000 to \$29,999	24%	21%	18%	17%
\$30,000 to \$39,999	21%	19%	16%	14%
\$40,000 to \$49,999	14%	14%	11%	11%
\$50,000 to \$69,999	12%	15%	10%	13%
\$70,000 to \$99,999	4%	7%	7%	9%
\$100,000 and over	1%	3%	3%	5%
Total - Household after-tax income groups in 2020 for private households - 100% data	14,165	337,650	13,990	319,775
\$0 to \$19,999	7%	5%	15%	12%
\$20,000 to \$29,999	15%	11%	14%	12%
\$30,000 to \$39,999	14%	11%	15%	13%
\$40,000 to \$49,999	12%	11%	12%	11%
\$50,000 to \$69,999	19%	19%	19%	19%
\$70,000 to \$99,999	18%	21%	15%	18%
\$100,000 and over	15%	22%	10%	15%

Table 9 presents data on housing affordability in Restigouche and New Brunswick as a whole, covering both owner and renter households.

Table 9 : Housing Affordability, RRSC and New Brunswick

	2021		2016	
	Restigouche	NewBrunswick	Restigouche	NewBrunswick
Total - Owner and tenant households - 25% sample data	13,915	332,185	13,770	314,325
Less than 30% of income on shelter costs	12,375	289,265	11,775	261,385
30% or more of income on shelter costs	1,535	42,920	1,995	52,935
Total - Owner households in non-farm, non-reserve private dwellings - 25% sample data	10,595	24,5105	10,845	235,950
% of owner households with a mortgage	45.5	54.6	45.3	55.9
% of owner households spending 30% or more of its income on shelter costs	7	7.5	9.3	10.3
Median monthly shelter costs for owned dwellings (\$)	568	770	532	741
Average monthly shelter costs for owned dwellings (\$)	723	935	675	876
Median value of dwellings (\$)	120,000	180,000	94,922	150,010
Average value of dwellings (\$)	135,000	207,800	114,669	170,071
Total - Tenant households in non-farm, non-reserve private dwellings - 25% sample data	3,355	88,190	2,950	79,370
% of tenant households in subsidized housing	21.3	13.2	22.1	14.4
% of tenant households spending 30% or more of its income on shelter costs	24	28	33.5	36.5
Median monthly shelter costs for rented dwellings (\$)	604	830	535	704
Average monthly shelter costs for rented dwellings (\$)	620	870	557	741

The table shows that of the 10,595 homeowner households in 2021, 45.5 per cent had a mortgage, a figure significantly lower than for New Brunswick as a whole (55.9 per cent). Two main factors could explain this difference. One is that residential property prices are lower in Restigouche County. In 2021, the median home value there was 33 per cent lower than in New Brunswick as a whole (\$120,000 versus \$180,000 respectively). Another is that the population of Restigouche is significantly older and the number of households with a mortgage tends to

decrease with age. As previously reported, in 2021, the median age in Restigouche was 53.6, compared to 46.8 for New Brunswick as a whole.

Table 9 also shows that housing costs for owner households are considerably lower in Restigouche than in New Brunswick. This mainly reflects the two factors outline above, i.e. the combination of a lower rate of homeownership with a mortgage and lower home values (and therefore mortgage balances).

From owners, let's now move on to tenant households. In 2021, nearly a quarter (24.1 per cent) of Restigouche households were renters, a slightly lower proportion than New Brunswick as a whole (26.4 per cent). Monthly housing costs were significantly lower in Restigouche County, coming in at just under three-quarters of the provincial average. Of note, the percentage of households living in subsidized housing was considerably higher in the county (21.3 percent) than in New Brunswick as a whole (13.2 percent), which partly explains the difference in housing costs between these two entities. Finally, it should be noted that the housing costs of tenant households increased more rapidly between 2016 and 2021 than those of owner households.

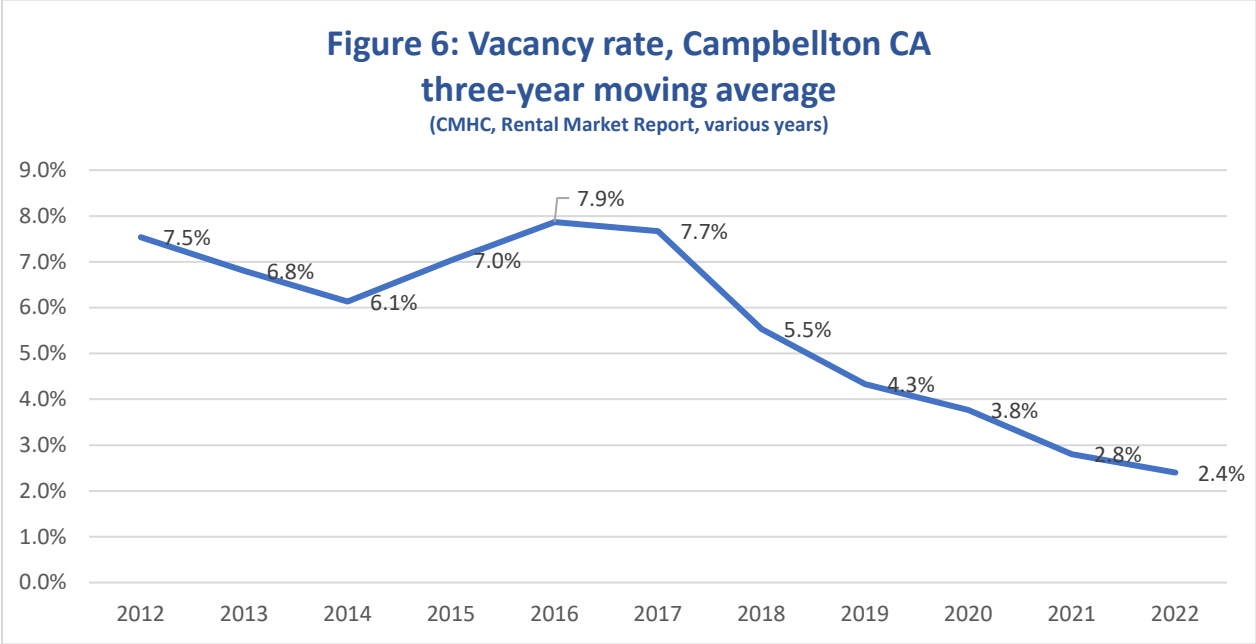
4.2 Trends Since the 2021 Census

We saw in Section 3 that the demographic picture in Restigouche County has improved considerably since the 2021 census. As a reminder, the census figures are as of May 2021. As for the annual demographic estimates from Statistics Canada, these cover the period from July 1 to June 30. This means that the figures on population growth for the year 2021-2022 cover the period from July 1, 2021 to June 30, 2022. During this period, the population of Restigouche County posted a gain of 148 people, which is equivalent to 0.5 percent (Statistics Canada, CANSIM table 17-10-0136-01). In contrast, in the five years between the 2016 and 2021 censuses, the county's population declined by an average of 55 people per year, an annual loss of 0.2 percent (Statistics Canada, CANSIM table 17-10- 0005-01).

As elsewhere in New Brunswick, the housing market has tightened considerably in Restigouche County in recent years. This is particularly visible in the rental market data produced by the Canada Mortgage and Housing Corporation, which are available for the seven New Brunswick centers with more than 10,000 residents, including the census agglomeration of Campbellton (which however includes the Quebec communities of Listuguj and Pointe-à-la-Croix).

We saw earlier in this section that the number of private tenant households in the RRSC territory increased considerably between the 2016 and 2021 censuses. In total, the territory had 320 more tenant households in 2021 than in 2016, an increase of 13 percent.

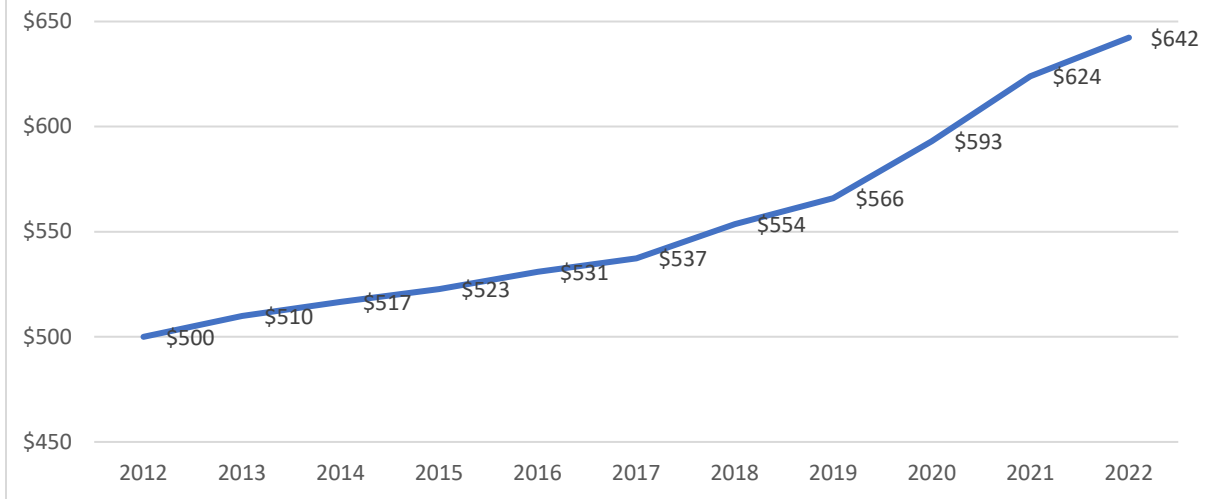
The increase in the number of renters in the census agglomeration of Campbellton is reflected in rental vacancy rates, which have dropped significantly in recent years. Figure 6 presents the figures for the last ten years. Since the annual data are quite volatile (probably due to the small sample size), the table presents the three-year moving average for each year. This means, for example, that the figures for the year 2022 are the average of the years 2020, 2021 and 2022. As the figure illustrates, the vacancy rate, which hovered around eight percent in the middle of the last decade, is now well below three percent.



Unsurprisingly, this tightening of the housing market translates into faster-growing rents. Figure 7 shows the evolution of the average rent over the last decade (three-year moving average). It shows a clear acceleration in rent growth. Between 2019 and 2022, the average monthly rent rose by \$76 which, which is equivalent to an annual increase of 4.3 percent. By contrast, between 2013 and 2016, the average rent increased by only \$21, more than three times slower than between 2019 and 2022.

**Figure 7: Average Rent, Campbellton CA
three-year moving average**

(CMHC, Rental Market Report, various years)



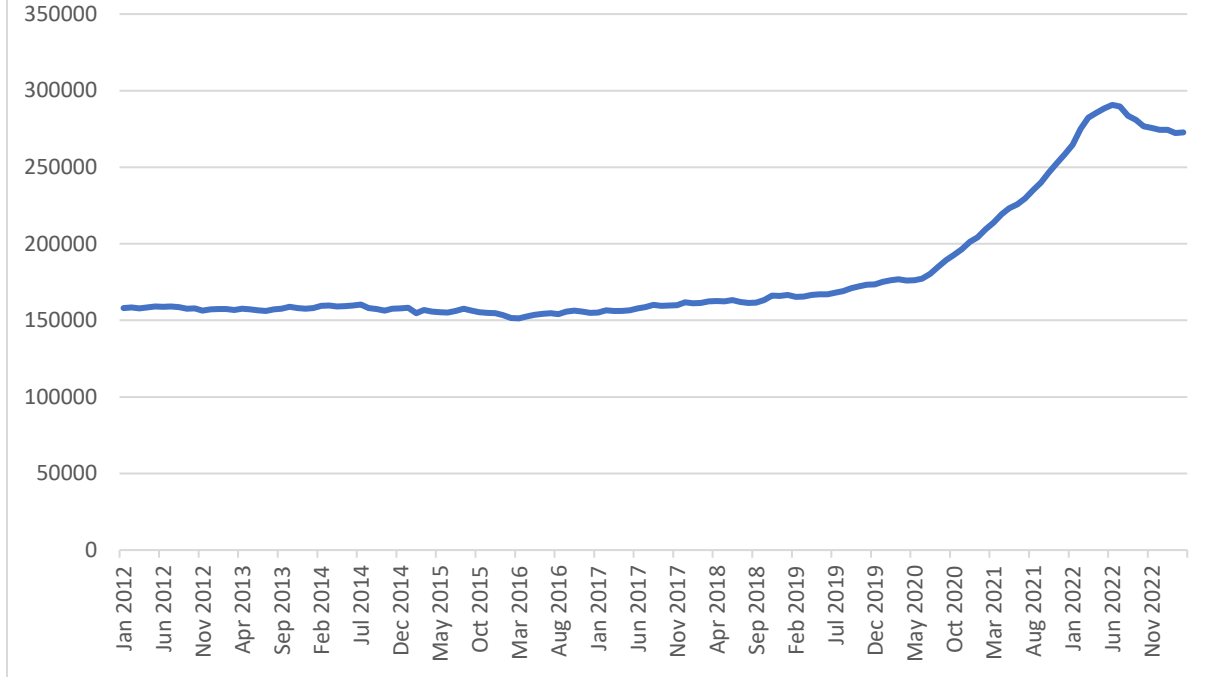
Despite the strong growth in the number of tenants and the faster rise in rents the census agglomeration of Campbellton has experienced in recent years, figures from the Canada Mortgage and Housing Corporation suggest that there have been no rental housing starts in the past three years (Statistics Canada, CANSIM table 34-10-0138-01).

From rental housing, let's now move on to owned housing. To our knowledge, there is no reliable data on property values in Restigouche County other than those provided by censuses. We do know, however, that house prices have risen significantly since the start of the pandemic in New Brunswick, as shown in Figure 8. Given the recent influx of new older residents into Restigouche County, it is probably no exception to the provincial trend.

**Figure 8: Average Home Prices, New Brunswick
Jan. 2012 to Mar. 2023**

Composite Index (deseasonalized data)

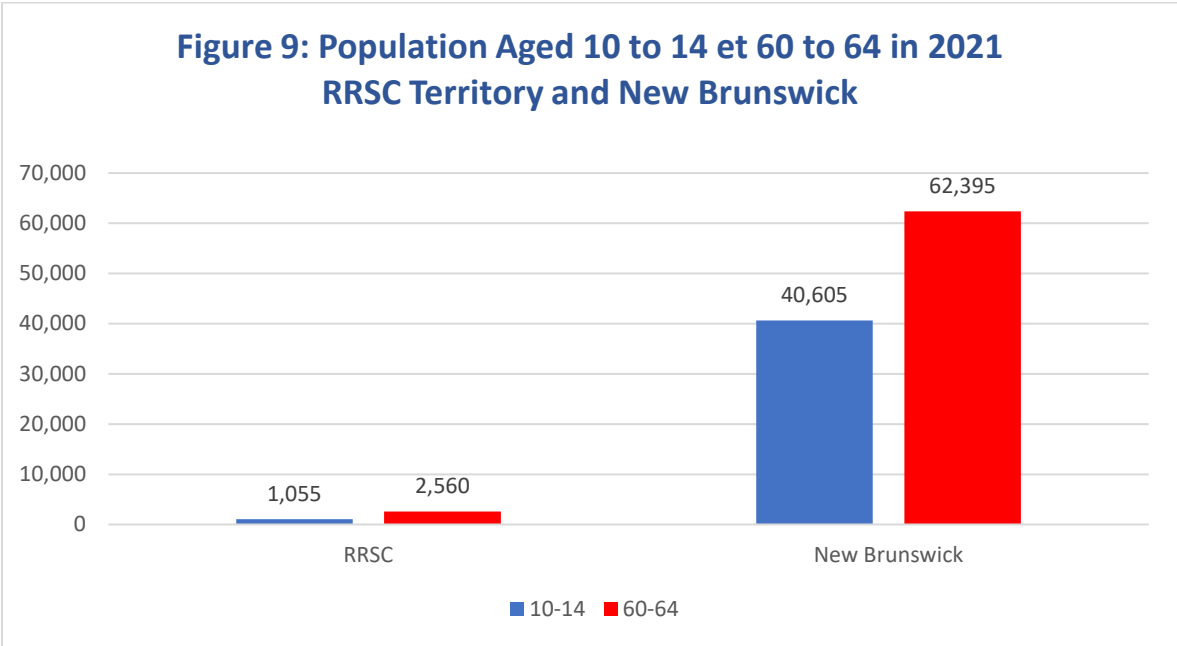
(Canadian Real Estate Association, National Residential Statistics)



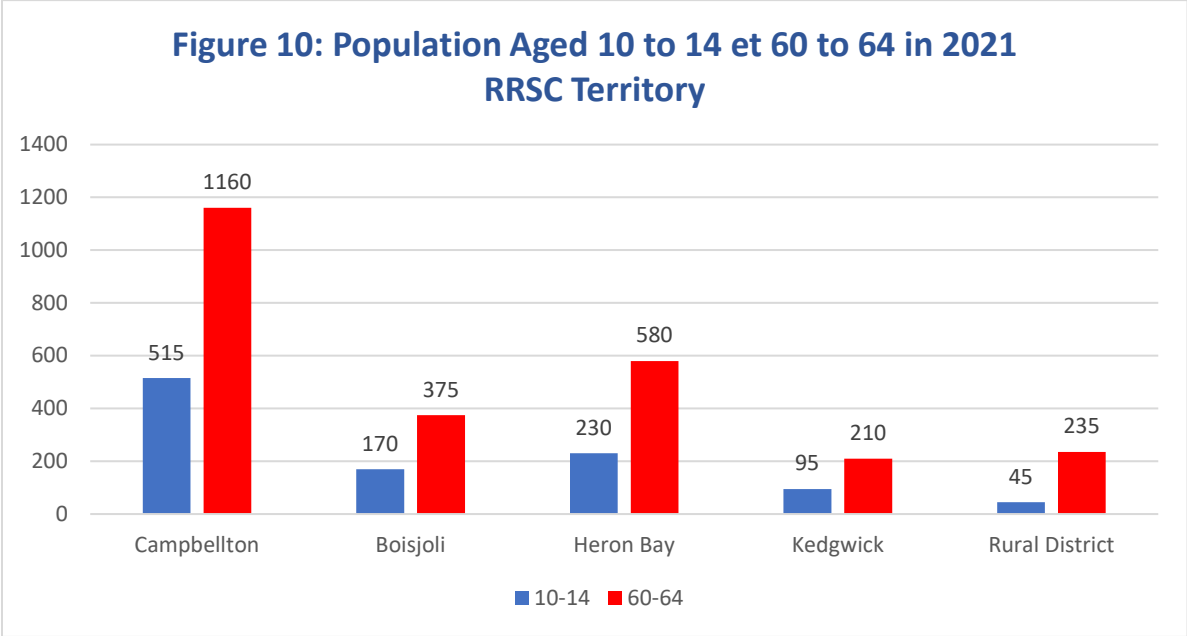
5. Additional Housing Demand From the Retirement of Baby Boomers

Having examined the demographic evolution and the housing market in the two previous sections, we can now move on to our housing demand projections housing in the RRSC territory. This is what we do in the next three sections, beginning in this one with the demand induced by the retirement of baby boomers.

As we saw in Section 3, each year the number of people who retire from paid work in the RRSC territory far exceeds the number who join the labour market. All things being equal, the greater the need for new workers to replace retiring baby boomers, the greater the demand for housing. To get an idea of the number of people who will reach retirement age (65) as well as the number of young people who will reach working age between 2021 and 2026, we can compare the size of the cohort of people aged between 60 and 64 compared to that of those aged between 10 and 14 in the 2021 census. In that year, there were 2,560 individuals in the 60 to 64 age group while the 10 to 14 group only had 1,055. This means that for every person who will reach the official working age in the five years between 2021 and 2026, approximately 2.4 people will reach the official retirement age. This is a significantly larger gap than in New Brunswick as a whole, where only 1.5 people will reach retirement age for every person reaching working age (Figure 9).



As Figure 10 shows, the situation differs somewhat from one entity to another within the RRSC territory. The rural district has by far the lowest number of young people aged 10-14 compared to the number of adults aged 60-64.



In short, the RRSC territory needs proportionally many more newcomers than New Brunswick as a whole to fill the void left by the gradual retirement of the baby boomer generation.

Although the figures presented above already give us a good idea of the impact of population aging on the active population of the RRSC territory, it is possible to produce more precise estimates of its labour replacement needs for the period from 2021 to 2026. The size of the labour force in any region depends on two factors: (1) the distribution of the population by working age group (15 to 19, 20 to 24, 25 to 29, etc.) and (2) the participation rate (percentage of people in the labour market) for each working age group (15 and over). If we assume that participation rates by age group will remain constant, all we need to do to assess the impact of aging is to estimate the population of each working age group in 2026, to multiply this population by its participation rate and compare the results to 2021 data. In turn, the population of each working age group in 2026 can be estimated by taking the population of the previous age group in 2021 and adjusting its size for expected mortality between 2021 and 2026. For example, one

can estimate the size of the 45 to 49 age group in 2026 by taking the 40-44 age group in 2021 and adjusting its size to reflect expected mortality.¹¹

Table 10 presents the results of these calculations for New Brunswick, the RRSC territory and the five entities that make it up. These calculations are based on average mortality rates by age group (Statistics Canada, CANSIM table 13-10-0710-01), as well as participation rates by age group for New Brunswick in 2021 (Statistics Canada, CANSIM table 14-10-0327-01).¹²

Table 10 : Decline in Labour Force Resulting from Baby Boomers Retiring, 2021 to 2026

	2021	2026	Var. 2021 to 2026	
			n	%
Campbellton (RC)	5,890	5,350	-540	-9.2%
Boisjoli (VL)	1,854	1,699	-155	-8.4%
Heron Bay (T)	2,456	2,165	-291	-11.8%
Kedgwick (RCL)	1,172	1,077	-95	-8.1%
Rural district	743	611	-132	-17.8%
RRSC	12,115	10,902	-1,213	-10.0%
New Brunswick	401,434	381,798	-19,636	-4.9%

Note : 2021 labour force data calculated using NB participation rates by age group.

As Table 10 shows, the labour needs to replace baby boomers retiring from paid work are proportionally twice as large in the RRSC territory as in New Brunswick as a whole. Within the territory itself, the town of Heron Bay, as well as the rural district, show the greatest needs. Unsurprisingly, these are the entities with the highest concentrations of baby boomers.

Having estimated the additional labour required to fill the gaps left by the retirement of baby boomers between 2021 and 2026, we still have to translate these figures into demand for additional housing units. The vast majority of immigrants who come to Canada as permanent residents are young adults between the ages of 25 and 44; they are the ones who, in the vast majority of cases, are the workers from outside the region who come to replace the baby boomers who are retiring. Statistics Canada does not provide data on participation rates for this age group

¹¹ Mortality rates are not available for the RRSC Territory and its five entities. Here we use mortality rates for New Brunswick for 2019, the last year before the pandemic. Of course, the population of each age group in 2026 will depend not only on mortality, but also on the migration balance of this age group for the geographical entity under study. However, since the objective of this section is to examine labor replacement needs, we assume here that this balance is zero for each age group.

¹² Statistics Canada does not publish data on participation rates by age group for the RRSC territory or its component entities, which is why the calculations presented in Table 5 are based on data for New Brunswick. The same applies for mortality rates.

specifically, but does provide them for the 25-54 age group. These figures show that the labour force participation rate for immigrants in this age group who have been in Canada less than five years ago is about 83 percent, a figure roughly comparable to that for the Canadian-born population. This means that a household of recent immigrants made up of two adults would add on average add 1.66 new workers to the labour force. That said, one must recall that new immigrants to Canada are not always in a couple; sometimes they come here alone. That said, once here, they may choose to live with other immigrants (which would partly explain the increase in the number of households that are not census families made up of two or more people). For these various reasons, we assume as a baseline hypothesis that new households settling in the region are composed on average of 1.7 workers.

To take into account the uncertainty associated with such an assumption, as well as that associated with the use of participation rates by age group for New Brunswick to estimate the evolution of the labour force in the RRSC territory between 2021 and 2026, we set the low growth and high growth scenarios for housing demand induced by the gradual retirement of baby boomers at 15 percent below and above the baseline scenario.

The results of our calculations are presented in Table 11. Under the baseline scenario, the retirement of baby boomers between 2021 and 2026 would result in an average additional demand of **143 units per year** throughout the RRSC territory. For the low and high growth scenarios, those would result in 121 and 164 additional units respectively.

Table 11 : Annual Number of Additional Housing Units to Accommodate Newcomers Replacing Baby Boomers Retiring From Paid Work

	Growth Scenario		
	low	baseline	high
Campbellton (RC)	54	64	73
Boisjoli (VL)	16	18	21
Heron Bay (T)	29	34	39
Kedgwick (RLC)	10	11	13
Rural district	13	16	18
RRSC	121	143	164

6. Additional housing demand resulting from employment growth

As noted in the Introduction, in order to estimate future housing demand, one must make assumptions about the course of economic activity, and thus employment levels, in the RRSC territory. To do so, it is necessary to set a baseline about employment, which we have defined as the level deemed necessary to preserve current levels of activity in the private sector and continue to offer existing public services to residents.

Table 12 provides an overview of the evolution of the labour force by industry in the territory, as well as in New Brunswick as a whole. Two major observations stand out.

First, contrary to what has happened across New Brunswick, the number of workers in the RRSC territory has decreased between the last two censuses. In 2021, the territory had 620 fewer workers than in 2016, a decrease of 5.4 percent. New Brunswick, for its part, saw a two percent increase. Behind these diverging trends is mainly the aging of the baby-boomer generation (people born between 1946 and 1965). It exerts its influence through three main channels.

First, as we saw earlier, the aging of baby boomers puts downward pressure on the number of workers, as people retiring far outnumber young people in the region entering the labour market. Since there are proportionally many more baby boomers in the RRSC territory than in the province as a whole, the former is much more affected by their aging. In Restigouche County, baby boomers make up 35 per cent of the population, compared to 27 per cent in the rest of the province.

Table 12 : Labour Force by Industry, RRSC and New Brunswick

	RRSC			New Brunswick		
	2021	2016	Var.	2021	2016	Var.
Total - Labour force aged 15 years and over by industry - 25 % sample data	10,945	11,565	-5.4%	389,470	381,795	2.0%
Industrie - sans objet	260	270	-3.7%	7,970	7,320	8.9%
Toutes les industries	10,685	11,295	-5.4%	381,500	374,470	1.9%
1. Agriculture, forestry, fishing, mining	625	525	19.0%	14,815	15,135	-2.1%
2. Utilities	115	115	0.0%	3,935	3,350	17.5%
3. Construction	785	820	-4.3%	27,805	27,795	0.0%
4. Manufacturing	885	1,225	-27.8%	30,525	32,405	-5.8%
5. Transportation and storage, wholesale and retail Trade	2,010	2260	-11.1%	73,700	75,030	-1.8%
6. Finance, insurance, real estate, rental and leasing	255	240	6.3%	17,250	16,245	6.2%
7. Professional, administrative and support services	530	580	-8.6%	36,680	36,115	1.6%
8. Educational services	840	730	15.1%	28,650	26,090	9.8%
9. Health care and social assistance	2,435	2,630	-7.4%	56,515	51,380	10.0%
10. Accommodation and food services	710	680	4.4%	23,345	24,825	-6.0%
11. Other services (except public administrations)	795	795	0.0%	29,735	29,670	0.2%
12. Public administrations	735	735	0.0%	35,260	32,090	9.9%

Second, the aging of baby boomers leads to swelling ranks of seniors, which in turn increases the demand for health care services and other care associated with aging. As this care must in many cases be provided on site, aging puts upward pressure on the workforce in these industries. In the case of the RRSC territory, the number of workers in the health care and social assistance sector (which includes nursing homes) actually declined between the 2016 and 2021 censuses. In our view, this development reflects more the labour shortage that prevailed at the time than the demand for services in this sector. Across New Brunswick, where labour was more available, the number of workers in this sector increased by 10 per cent during this same period.

Finally, since many more people are retiring than reaching working age, both the RRSC territory and New Brunswick are welcoming many newcomers to replace retiring workers. This, in turn, translates into increased demand for public services such as health and education. Table 12 shows that the educational services sector, less affected by the labour shortage than the health-care sector, grew by 15 percent in the RRSC territory between 2016 and 2021. More generally, population growth and aging baby boomers fuel demand for locally produced goods and services. To meet this demand, some workers in primarily export-oriented industries may shift to the local sector. Unless there are enough people to replace those workers, some export industries—which are essential to prosperity in long term—are at risk of decline. This phenomenon of “deindustrialization” can be seen in Table 12. This shows job losses in industries such as manufacturing is in steep decline (-27 percent).

Given the above, for the purposes of this report, we make the following assumptions with respect to the evolution of employment within the territory of the RRSC:

- Employment in all industries will remain stable at 2021 census levels, except for the following: construction, educational services, as well as health care and social assistance.
- The construction industry showed a decline in its workforce between 2016 and 2021 (-4.3 percent). However, given the significant need for building additional units, we assume that this sector will experience a 20 percent increase in its number of workers between 2021 and 2026. This is a conservative assumption given the scale of the needs outlined in this report.
- For educational services, we assume that the labour force will grow at the same rate as between 2016 and 2021.

- Finally, for health care and social assistance, we assume that they will experience the same rate of growth as that posted by New Brunswick between 2016 and 2021.

Table 13 shows that the number of workers in the territory of the RRSC would need to increase by an average of 108 per year between 2021 and 2026 to maintain the current level of activity in the private sector and to provide goods and services to the population. In terms of additional demand for housing, if we assume as we did in the next section that each new household is made up of 1.7 workers, this is equivalent to 64 units per year. The table also presents data for the low and high growth scenarios, which we also set here at 15 percent below and above the baseline scenario, respectively.

Table 13 : Annual Increase in the Labour Force From Employment Growth and Number of Additional Units Per Year to Accommodate Newcomers Needed to Fill Available Jobs

	Labour Force			Housing Demand		
	Growth Scenario			Growth Scenario		
	low	baseline	high	low	baseline	high
Campbellton (RC)	45	53	60	26	31	36
Boisjoli (VL)	16	19	21	9	11	13
Heron Bay (T)	18	21	24	11	12	14
Kedgwick (RLC)	6	7	9	4	4	5
Rural district	7	8	9	4	5	5
RRSC	92	108	124	54	64	73

7. Impact of Non-Labour Market Factors On Housing Demand

So far we have examined the additional housing needs related to the labour market, i.e. the need for additional labour to ensure the replacement of baby boomers who will retire from paid work, as well as to maintain the economic base and provide services to the population of the RRSC territory. In this section, we examine three other factors affecting demand for housing that are not directly related to the labour market: mortality, the housing needs of young adults living in the RRSC territory, as well as migration for lifestyle reasons, including the search for more affordable housing.

7.1 Mortality-Induced Demand Reduction

Mortality has a negative impact on housing demand. According to our calculations based on New Brunswick mortality rates by age group, of the 24,843 residents of the RRSC territory in 2021, a total of 1,172 will pass over the next five years.

As for the negative impact this mortality could have on housing demand, a number of factors need to be taken into account. First, a good part of this mortality will occur in households made up of couples. In many cases, the new widows and widowers will remain in their homes for a number of years. In such situations, the death of a member of the couple does not have an immediate effect on housing demand. Second, some deaths will occur in households made up of people living alone, widowers or not. In these cases, a death typically has the effect of “vacating” a housing unit for a new occupant. Finally, other deaths will occur among the elderly who live with their children or in long-term care facilities. In these cases, their accommodations have already been vacated and have typically already been made available for new occupants.

For these various reasons, we assume as a reference scenario in this report that one death results in a decrease in housing demand equivalent to 0.7 units. As low and high growth scenarios, we assume that each death leads to a reduction in housing demand of 0.6 and 0.8 units respectively. This produces the following results with respect to the projected impact of mortality on housing demand between 2021 and 2026:

Table 14 : Decline in annual housing demand induced by mortality

	Growth Scenario		
	low	baseline	high
Campbellton (RC)	-87	-77	-66
Boisjoli (VL)	-23	-20	-17
Heron Bay (T)	-50	-44	-38
Kedgwick (RLC)	-13	-11	-9
Rural district	-14	-12	-11
RRSC	-188	-164	-141

7.2 Housing Demand From Young Adults

Each year, a certain number of young adults living in the RRSC territory leave the family home. This transition can occur at various ages. For simplicity, we assume here that all young people currently between the ages of 20 and 24 living in the RRSC territory in 2021 will leave the family home to move into their own accommodation over the following five years.¹³ In some cases, they will live alone, while others will live as a couple or with roommates. For the purposes of this report, we assume that on average these young people will move into housing units with 1.7 residents of this age group. As low and high growth assumptions, we assume this figure to be 1.9 and 1.5 residents respectively. This translates into an annual additional demand for housing which breaks down as follows.¹⁴

¹³ . This assumption is only made to simplify the analysis. The fact that some young adults wait more or less longer before moving into their own accommodation does not have a significant impact on the results as long as we make the reasonable assumption that almost all of them will eventually leave the parental home. It should be noted that selecting the 20-24 age group rather than the 15-19 age group for our analysis allow us to take into account the fact that many young people leave the region to pursue their studies. Those who choose to return to the region following their studies are counted in sections 5 and 6.

¹⁴ . Of course, in reality, not all young adults between the ages of 20 and 24 in 2021 will stay in Restigouche County for years to come. That said, we can make this assumption for the sake of simplicity without it having too much impact on our overall results because, in the absence of such an assumption, we would have to adjust accordingly the number of people coming to the county to fill positions vacated by baby boomers and to maintain the level of economic activity in Restigouche. In other words, the figures presented in the two previous sections would need to be adjusted proportionally. The net result would be more or less similar.

Table 15 : Annual Number of Dwellings to Accommodate Young Adults from the RRSC Territory

	Growth Scenario		
	low	baseline	high
Campbellton (RC)	55	61	69
Boisjoli (VL)	20	22	25
Heron Bay (T)	19	22	25
Kedgwick (VL)	11	12	14
Rural district	1	1	1
RRSC	106	118	134

7.3 Demand From Migrants Coming to the Territory for Lifestyle Reasons or More Affordable Housing

The final source of additional demand for housing in the RRSC territory is the increased influx of residents from outside New Brunswick drawn to the area for its lifestyle and/or its more affordable properties. In the absence of surveys on the subject, it is impossible to accurately assess the number of people who have come to settle in the territory for these reasons. The 2021 census data is also of very little value since this increased influx is very recent, dating back to that year.

We saw in Section 3 that migration for economic purposes (i.e., related to the labour market) is concentrated mainly among young adults between the ages of 25 and 44. However, we have also seen that Restigouche County shows a positive balance in terms of interprovincial migration among older adults, that is, those aged 45 and over (see Figures 4 and 5). This positive balance was particularly strong last year (2021-2022), when the number of Ontario residents coming to settle in New Brunswick exploded.

To estimate the additional housing demand induced by the influx of out-of-province residents drawn to the region for its lifestyle and more affordable properties, we make two assumptions. The first is that the net interprovincial migration among age groups 45 and over is attributable to this influx. The second is that the migratory balance posted in 2021-22 will be maintained for the remainder of the period under study, i.e. 2026. It is, of course, possible that some older households from outside the province who came to settle in Restigouche migrated for

economic reasons. That said, it is also possible that younger households were drawn to Restigouche for lifestyle reasons and to access homeownership at a lower cost. There is therefore a good chance that the potential overestimation induced by our first hypothesis will be fully or partially offset by this last development. As for our second hypothesis, no one knows for sure how long the unprecedented influx of out-of-town residents coming to the area for lifestyle reasons and accessing home ownership at lower cost will last. What seems clear, however, is that the main driver behind this development, the affordability crisis currently facing residents of southern Ontario, is unlikely to go away anytime soon. With sustained immigration and interest rates that are likely to remain significantly higher than in the past, housing affordability in southern Ontario is likely to remain a problem for many years to come.

Between July 1, 2021 and June 30, 2022, Restigouche County posted net interprovincial migration among people aged 45 and over amounting to 125 residents. For the purposes of this report we assume that this balance was distributed evenly across the county, which translates to a balance of 101 additional residents in the RRSC territory.

To convert this additional influx into annual housing demand, we need to establish the household size, which we set at 2.1 residents, the average for the county. Due to the uncertainty associated with the various assumptions made in this subsection, we set the low and high growth scenarios 25 percent below and above the base scenario, respectively. This translates into an annual additional housing demand as follows.

Table 16 : Annual number of Dwellings to Meet Demand Induced by Lifestyle Migration and/or the Search for More Affordable Housing

	Growth Scenario		
	low	baseline	high
Campbellton (CR)	16	21	26
Boisjoli (VL)	5	6	8
Heron Bay (T)	7	10	12
Kedgwick (RLC)	3	4	5
Rural district	2	3	3
RRSC	33	44	55

8. Summary of Results and Discussion

By combining the results of the three scenarios for each of the five main components of housing demand (retirement of baby boomers, employment growth, mortality, young adults of the RRSC leaving the parental home, influx of residents of coming to settle in the territory for lifestyle reasons or the search for more affordable housing), we obtain a multitude of possible scenarios with regard to the projected growth in demand for housing over the over the next five years (2021 to 2026). To simplify the presentation of the results, we present below three scenarios. The first, the low growth scenario, is the most pessimistic scenario, grouping the low growth scenarios for each of the five components of housing demand. The second does the same for the reference scenarios and the third for those of strong growth. Here are the results :

Table 17 : Annual Number of Additional Units to Meet Projected Demand Growth

	Growth scenario		
	low	baseline	high
Campbellton (RC)	64	101	138
Boisjoli (VL)	27	37	50
Heron Bay (T)	16	34	52
Kedgwick (RLC)	15	21	28
Rural district	6	12	16
RRSC	128	205	284

According to the baseline scenario, it would take **205 additional units per year** to meet the housing demand projected by 2026 for the RRSC territory. This is a big number that would require a significant increase in the pace of residential construction activity in the years to come. According to data from the Canada Mortgage and Housing Corporation (CMHC), housing starts in the territory of the census agglomeration of Campbellton have averaged only 14 units over the past two years. CMHC data is not available at the county level, but assuming that all of these units were in the New Brunswick section of the metropolitan area and that the rest of the RRSC territory experienced a level of activity similar to that of Campbellton, we can conclude that fewer than 30 units per year have been started on the RRSC territory on average during the last two years.

It is worth recalling that the results presented above are formulated on the basis of the preservation of the status quo, that is to say that they provide an overview of the number of additional housing units necessary to preserve the level current economic activity and existing services in the region. However, as we have seen in this report, the figures suggest that the RRSC territory has failed to maintain this status quo between 2016 and 2021. This is visible in the fact that the working population within of the territory showed a drop of more than five percent during this period.

That said, the data released since the last census are more encouraging. From July 1, 2021 to June 30, 2022, Restigouche County posted a population gain of 0.5 percent. Moreover, although specific data for the region is not available, the Campbellton-Miramichi economic region showed growth in its labour force in 2022, suggesting that Restigouche County may also have seen its number of workers grow.

To be sure, the good showing of Restigouche County was closely linked to the fact that Canada welcomed more than one million newcomers last year, a figure that was by far the highest in its history. Further fuelling the region's population growth was an equally unprecedented influx of newcomers from the rest of the country in search of more affordable housing. The fact remains, though, that if this trend were to be maintained, the prospect of maintaining the economic status quo is a more likely one, which would translate into housing needs in the RRSC territory in line with what is presented in this document.