SOCIO-DEMOGRAPHIC INDICATORS FOR REGIONAL POPULATION POLICIES

A CANADIAN PERSPECTIVE

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3 STEPS

- **1. Defining the problem**
- **2. Identifying the relevant indicators**
- **3. Policy measures**

1. DEFINING THE PROBLEM

a. *Demographics and economics are interrelated*

- fertility behaviour, mortality regime and migration are (partially) a function of economic conditions, and vice versa

- maximizing national growth implies regional economic and demographic disparities (Lösch, Samuelson)

- new demographic and economic environment (free-trade, globalization, new technologies, human capital, second demographic transition) favours large metropolitan areas

1. DEFINING THE PROBLEM (Continued 1)

b. *How and why* are regions declining and ageing ?

* HOW ?

- declining through natural decrease (fertility ? mortality ?) or migration loss (internal ? international ? emigration increase or immigration decline) or both ?
- ageing at the « top » (increase of longevity) or at the « bottom » (fertility decline) or both ? Is ageing avoidable ?

1. DEFINING THE PROBLEM (Continued 2)

- WHY ?

- National and international factors ? Ex. : resources regions, single economic activity
- Regional (local) factors ? Poor economic structure, poor infrastructure, lack of qualified manpower, location, political factors, etc.
- Extreme difficulty to go against long term structural trends.

1. DEFINING THE PROBLEM (Continued 3)

c. *The Canadian experience*

- International comparisons are highly perilous (Canada : a vast, almost void, space…)
- Trying a synthesis between « place prosperity » and « people prosperity »
- 3 types of regions (inter-connected): large metropolitan regions (MR), regions adjacent to MR, and « peripheral » regions

1. DEFINING THE PROBLEM (Continued 4)

- Dominant role of economic approach in defining the problem
- Indicators should help to describe and explain and find solutions
- Using simultaneously demographic and socio-economic indicators

2. IDENTIFYING THE RELEVANT INDICATORS

- A « manageable » number of indicators
- Availability of long term (updated) data
- National and international comparability
- How to weight the chosen indicators ?

a. *Demographic indicators*

- High importance to be given to migration : internal (intra- and interregional), international, per origin-destination and age group.

2. IDENTIFYING THE RELEVANT INDICATORS (Continued 1)

- Traditional fertility and mortality indicators
- Traditional indicators of the age structure (including replacement rate)
- Urbanization level, density, location (distance)

b. *Socio-economic indicators*

- Economic structure (% agric., resources, industry, services)
- Employment rate by age group and sex

2. IDENTIFYING THE RELEVANT INDICATORS (Continued 2)

- Unemployment rate by age group and sex
- National and international export/import
- Educational level of population, by age group and sex, by type of schooling
- Per capita income
- Level and structure of local government expenses
- Government transfers and subsidies, taxation

2. IDENTIFYING THE RELEVANT INDICATORS (Continued 3)

c. *Quality of life indicators*

- In developed societies, increasing role of « non market » goods
- « Investing » in this kind of goods helps declining and ageing regions
- Public housing (age, sq. met. per capita, equipment), homes for the aged
- Health conditions, health services

3. IDENTIFYING THE RELEVANT INDICATORS (Continued 4)

- Availability of social services
- Schooling for adults
- Safety, crime
- Pollution
- Climate
- Cultural and sport activities (libraries, arts centers, youth clubs, etc.)

2. IDENTIFYING THE RELEVANT INDICATORS (Continued 5)

c. *The Canadian experience*

- Canada privileged as far as data availability is concerned (ex : a 5-year, highly detailed, census)
- All regions are ageing and all (exc. northern regions) have a below replacement fertility level (baby boom is an historical « accident »)
- Crucial role of internal out-migration of young adults (for periphery) and of international immigration (at the local level, i.e. for large metrop. only)
- Heterogeneity among declining and ageing regions

2. IDENTIFYING THE RELEVANT INDICATORS (Continued 6)

- Most indicators are consequences, not causes
- Dominant role of « external » (national, international) factors (ref. : demand for natural resources), leading to high variability over time in peripheral regions
- Important role of human capital and urbanization level, favouring large metropolitan areas
- Significant impact of government transfers and taxation system (ex. : in Quebec, disparity in regional per capita income reduced by two)

3. POLICY MEASURES

a) <u>General background</u>

- Data constraints : lack of temporal series (particularly for some economic indicators) and need to homogenize the way indicators are defined (ref. Canada vs Europe – see Eurostat)

- Inefficiency of regional policies for declining and ageing regions :

  (a) demographic policies are necessarily limited to international immigration, with a marginal impact;

3. POLICY MEASURES (Continued 1)

b) economic policies apparently failed : too many policy measures, from various institutions, from different government levels (with a lot of consistency), and greatly varying over time

- Heterogeneity of demographic and economic conditions : not all declining regions are ageing, not all « dynamic » regions are young, etc.

3. POLICY MEASURES (Continued 2)

- Need to take into account « non market goods » and « non monetary income » (« sense of place ») : traditional economic indicators probably overestimate regional disparities

3. POLICY MEASURES (Continued 3)

- « Place prosperity » (« spatial equity ») has a cost (it implies lower « people prosperity »)

- No correlation between population increase (and age structure) and economic dynamism – why pursue unlimited population increase in all regions ?

3. POLICY MEASURES (Continued 4)

- Conclusion : « Personalize » regional policy measures (that is, combine people's well-being with place prosperity), in order to alleviate transition difficulties – this implies much more weight being given to indicators such as local health conditions, educational resources, availability of social services, quality of life (housing, safety, crime, pollution), culture, etc.

3. POLICY MEASURES (Continued 5)

b) *Quebec's experience*

- Urban hierarchy highly « vertical », population spatially concentrated (½ in Montreal region), most regions have low population density (« North » region is twice as large as France, with 40 000 inh. – « remote » regions are very remote…)

3. POLICY MEASURES (Continued 6)

- Policy measures vary according to domain (some domains are within the competence of the federal government)

- However, one general fiscal measure : all residents of a « remote » region benefit from a tax deduction for housing and travel (and all new residents who were recently awarded a diploma receive a flat tax deduction)

3. POLICY MEASURES (Continued 7)

- Health

- If medical care « locally » (250 km) not available : refund (max 3000 $) on travel and lodging

- Physicians (general pract.) in remote regions receive a 5 to 30 % salary bonus (40 % after 20 years), depending on remoteness (plus other advantages)

3. POLICY MEASURES (Continued 8)

- Education
- Besides « remoteness », other criteria : min. threshold (100 pupils), pop. density

  Note : regions out of Montreal, Quebec and Gatineau : 88 % of territory (4.5 larger than France), 11 % of Quebec's total population of 8 million), and declining

3. POLICY MEASURES (Continued 9)

- 23 % of Quebec schools are below threshold (around 50 % in remote regions)

- School budgets function of number of pupils/students : cumulative decline

3. POLICY MEASURES (Continued 10)

- A large number of measures : priority for keeping « village schools », community schools, adult training, tele-schooling, networking, financial aid for commuting, etc. :

  a lot of « sprinkling », with marginal global impact

3. POLICY MEASURES (Continued 11)

- A major success : founding (in the 1970'S) of « regional » universities, with teaching and research activities centered around local resources, in collaboration with local enterprises. However : located in not so remote regions, with small nb of students (3000 to 7000, only ½ of them full time), need of recurrent « extra » financial aid, etc.

3. POLICY MEASURES (Continued 12)

Conclusion

Massive investment in human capital,
concentrated in a few locations,
with a strong « multiplier effect »,
is probably the best way to slow down decline
and ageing of some regions

THANKS !

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