

## New study estimates significant economic benefits from interprovincial migration

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Migration from high unemployment, low productivity provinces to high productivity, low unemployment provinces with greater opportunities creates jobs, raises productivity, and increases GDP.

The Ottawa-based **Centre for the Study of Living Standards** (**CSLS**) has released a new study entitled *Interprovincial Migration in Canada: Implications for Output and Productivity Growth,* 1987-2014, which estimates the economic benefits generated by interprovincial migration. This study was written by CSLS researchers Roland Tusz, Erika Rodrigues, and Matthew Calver.

The study estimates that interprovincial migration in 2014 raised Canada's GDP by \$1.23 billion (chained 2007 dollars), or about 0.071 per cent. This increase may seem small, but the benefits of interprovincial migration can accumulate over time if people remain where they have moved.

The cumulative effect of all interprovincial migration between 1987 and 2014 is estimated to be an increase in GDP of \$15.8 billion in 2014 and \$146 billion over the entire 1987-2014 period. Interprovincial migration is estimated to have been responsible 3.14 per cent of trend labour productivity growth and 2.07 per cent of trend GDP growth on average over this period.

Most of the estimated gains from interprovincial migration are attributable to migration to British Columbia and Alberta, the only provinces which gained population from interprovincial migration between 1987 and 2014. Over this period, net interprovincial migration increased Alberta's population by 433,851 and British Columbia's by 331,083.

The significant economic benefits resulting from interprovincial migration highlight the importance of minimizing barriers to interprovincial labour mobility. Policymakers could encourage further interprovincial migration by improving the quality and dissemination of labour market information across provinces and eliminating remaining barriers to the recognition of out-of-province credentials.

The report is available at http://www.csls.ca/reports/csls2015-19.pdf

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The Centre for the Study of Living Standards (CSLS) is a national, independent, Ottawa-based not-for-profit research organization. Its primary objective is to contribute to a better understanding of trends and determinants of productivity, living standards and economic wellbeing in Canada through research.