

# Short-Term Relocation Versus Long Term Migration: Implications for Economic Growth and Human Capital Change




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# Short-Term Relocation versus Long Term Migration: Origins

-  Departs home: St. Thomas, ON to Hamilton, ON (1.5 hours)
-  Hamilton, ON to Calgary, AB (4 hours)
-  Calgary, AB to Fort McMurray, AB (1.5 hours).  
Arrives @ work.  
– And returns home....

# Outline

- Definitions: IPEs and IPMs
- Drivers of Short-Term Relocations
  - Profile
- Data & Methods
- Evidence
  - 2011 NHS: Descriptive and multivariate analysis
- Conclusions & Next Steps

# Definitions

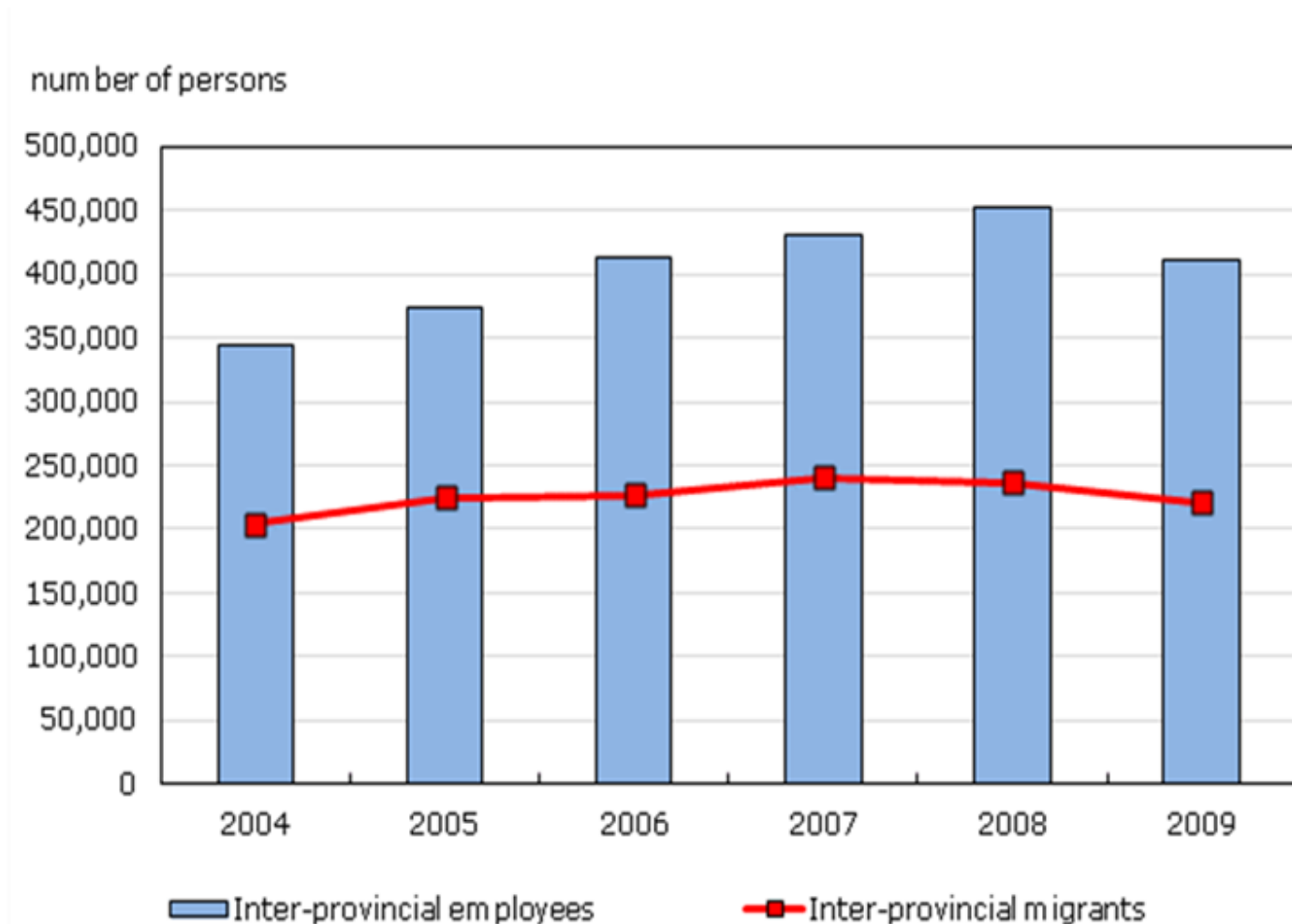


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## Drivers

- Declining inter-provincial migration rates since 1970s
  - 1972: 1.78% → 2013: 0.73%
- Why?
  - Aging population
  - Increased female labor force participation & dual earner households
  - Reduced benefits to long-distance migration (i.e., Molloy *et al.* (2013) )

# Inter-provincial employees and inter-provincial migrants in Canada

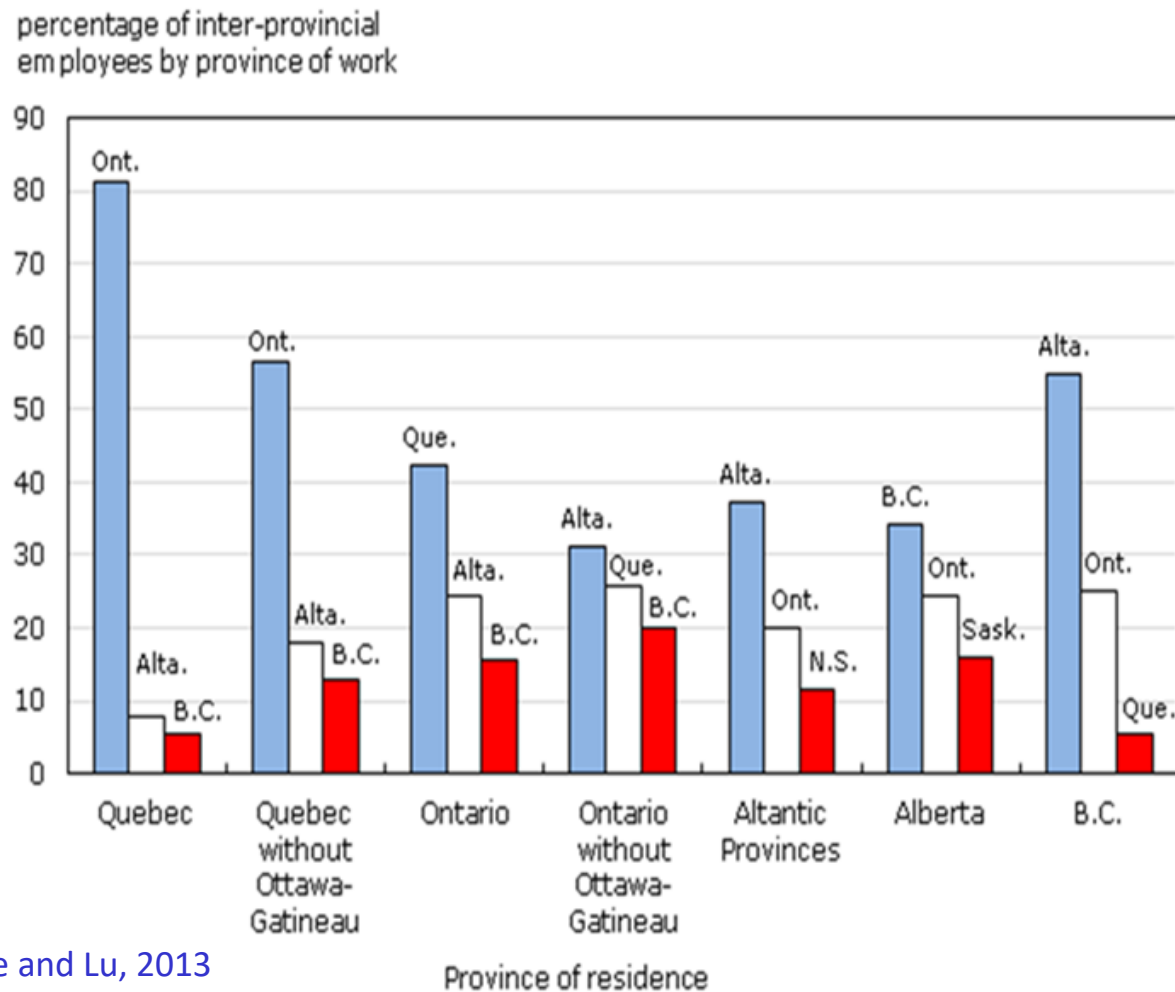


Source: Laporte and Lu, 2013

## Drivers (2)

- But: Employment (and income) opportunities remain
  - Regional mismatch in labor availability – high unemployment in East, low in West
  - Growth of resource sector in western Canada (particularly Alberta)
    - IPEs: Do not need to invest fully in migration

# Inter-provincial employees' work destinations, by province of residence, 2007.



Source: Laporte and Lu, 2013



## Data & Methods

- Statistics Canada's 2011 National Household Survey (NHS)
  - Non-institutionalized workers in the labor force aged 15-64 as of census day and who reported paid employment in 2010
  - Compare IPEs and IPMs by applying measures commonly used to describe migration
    - Descriptive: age schedules, rates.
    - Multivariate: logistic regression

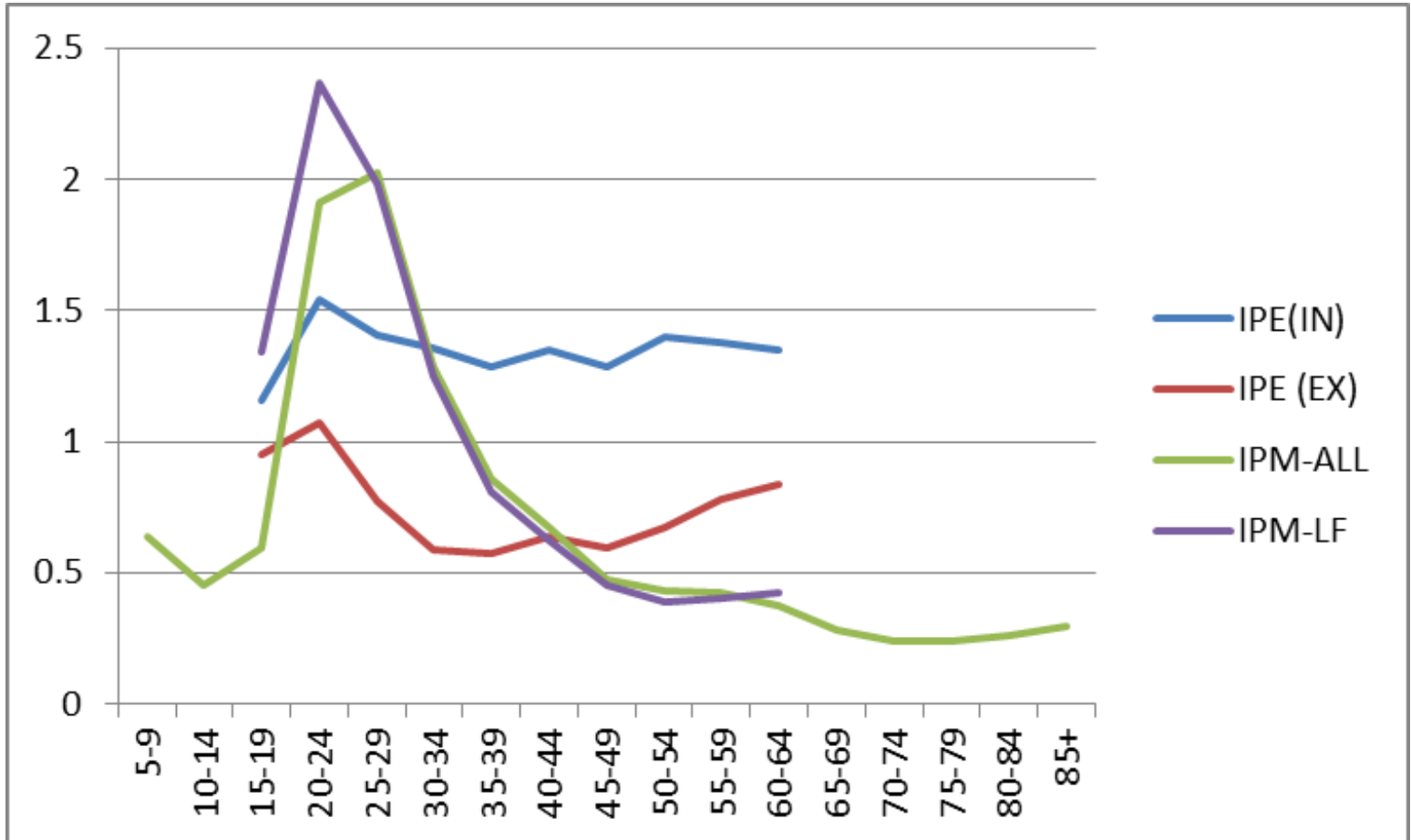
## Data & Methods (2)

- **Stayers:** Individuals who did not move and had the same province of residence and work in 2010 and 2011.
- **IPEs:** Individuals who are resident in one province in 2011 but who reported a place of work in another province in 2011.
- **IPMs:** Individuals whose province of residence in 2011 differs from their province of residence one year prior (2010).



# Results

# Age Schedule



## In- and out-migration rates (%) and net-migration for IPE and IPMs, Canada, 2010-2011.

	In-migration				Out-migration			Net	
	IPM	IPE <sup>1</sup>	IPE <sup>2</sup>		IPM	IPE <sup>1</sup>	IPE <sup>2</sup>	IPM	IPE
<b>NL</b>	1.62	0.86	0.86		1.48	3.82	3.82	315	-5,540
<b>NS</b>	1.68	1.12	1.12		1.57	1.75	1.75	405	-2,105
<b>NB</b>	1.32	1.19	1.19		1.37	1.87	1.87	-170	-1,950
<b>QC</b>	0.26	0.75	0.23		0.27	2.11	0.34	-225	-2,825
<b>ON</b>	0.55	1.76	0.37		0.57	0.79	0.39	-905	-715
<b>MB</b>	0.89	0.93	0.93		1.16	0.84	0.84	-1,180	325
<b>SK</b>	1.43	1.76	1.26		1.42	2.10	1.29	30	-125
<b>AB</b>	1.81	2.17	1.91		1.69	0.86	0.70	1,630	14,000
<b>BC</b>	1.41	0.62	0.62		1.45	0.95	0.95	-505	-3,675
<b>Total</b>	<b>0.88</b>	<b>1.36</b>	<b>0.70</b>		<b>0.88</b>	<b>1.36</b>	<b>0.70</b>		

1. Includes proximate labor markets
2. Excludes proximate labor markets

## IPE and IPM rates (%) by selected socio-demographic and socio-economic indicators, Canada, 2010-2011

	IPM	IPE <sup>1</sup>	IPE <sup>2</sup>
<b>Sex</b>			
Female	0.84	1.13	0.49
Male	0.92	1.60	0.92
<b>Highest Education</b>			
No Certificate/Diploma	0.75	1.36	0.94
High School	0.88	1.23	0.67
Apprentice	0.68	1.55	1.08
College	0.82	1.25	0.64
Some University	0.82	1.21	0.55
University	1.16	1.53	0.50
<b>Language</b>			
English	1.02	1.02	0.80
French	0.06	0.39	0.21
Bilingual	0.96	2.94	0.68

## IPE and IPM rates (%) by selected socio-demographic and socio-economic indicators, Canada, 2010-2011

	<b>IPM</b>	<b>IPE<sup>1</sup></b>	<b>IPE<sup>2</sup></b>
<b>Marital Status</b>			
Single	1.48	1.40	0.80
Married	0.68	1.35	0.67
DSW	0.81	1.34	0.64
<b>Family Structure</b>			
Couple	0.96	1.46	0.92
Couple + children	0.56	1.30	0.52
Lone Parent	0.71	1.28	0.68
<b>Labor Force Status</b>			
Full Time	0.88	1.45	0.72
Part Time	0.92	0.82	0.56

# IPE and IPM rates (%) by selected socio-demographic and socio-economic indicators, Canada, 2010-2011

	<b>IPM</b>	<b>IPE<sup>1</sup></b>	<b>IPE<sup>2</sup></b>
<b>NAICS</b>			
<b>A/F/F/H</b>	0.49	0.87	0.85
<b>Mine/Oil/Gas</b>	2.03	5.98	5.50
<b>Utilities</b>	0.41	0.47	0.35
<b>Construction</b>	0.98	2.37	1.90
<b>Manufacturing</b>	0.51	0.79	0.58
<b>Trade</b>	0.67	0.77	0.49
<b>Retail Trade</b>	1.01	0.74	0.50
<b>Transport</b>	0.78	1.46	1.05
<b>Information/Culture</b>	1.00	1.11	0.40
<b>Finance/Insurance</b>	0.70	0.63	0.28
<b>Real Estate</b>	0.75	0.82	0.55
<b>Professional</b>	0.97	0.98	0.57
<b>Management</b>	0.66	1.46	0.76
<b>Administration</b>	0.99	1.40	0.71
<b>Education</b>	0.64	0.92	0.45
<b>Health Care</b>	0.69	0.70	0.40
<b>Arts &amp; Entertainment</b>	1.14	1.33	0.76
<b>Accommodation</b>	1.50	1.26	0.97
<b>Public Admin</b>	1.25	4.46	0.61



## IPE and IPM rates (%) by selected socio-demographic and socio-economic indicators, Canada, 2010-2011

	IPM	IPE <sup>1</sup>	IPE <sup>2</sup>
<b>NOC</b>			
<b>Management</b>	0.81	1.25	0.54
<b>Business/Finance</b>	0.71	1.48	0.39
<b>Sciences</b>	1.07	2.05	0.80
<b>Health</b>	0.83	0.76	0.45
<b>Ed/Law/Gov't</b>	0.94	1.24	0.50
<b>Art/Culture/Rec/Sport</b>	1.16	1.48	0.52
<b>Sales &amp; Service</b>	1.04	1.00	0.64
<b>Trades/Transport</b>	0.85	1.93	1.54
<b>Natural Resources</b>	1.07	2.93	2.66
<b>Manufacturing</b>	0.53	0.85	0.67
<b>Tenure</b>			
<b>Own</b>	0.56	1.38	0.69
<b>Rent</b>	2.04	1.28	0.71

## Multivariate Results

- Dependent variables:
  - Inter-provincial employee (or not)
  - Inter-provincial migrant (or not)
- Independent variables:
  - Age, gender, marital status, education, occupation, industry, employment status, housing tenure, language

## Logistic Results 1: Commonalities

- Males more likely to be IPM or IPE
- French speakers and presence of children reduced likelihood of migration or employment

## Logistic Results 2: Subtle Differences

- Marital Status:
  - IPE: ↑ for singles
  - IPM: No effect for singles, but ↑ for DSW
- Age:
  - IPE: Inconsistent effect by age.
  - IPM: 20-24 year olds most likely, with decreasing likelihood with increasing age.
- Home ownership:
  - IPM: ↓
  - IPE: No effect

## Logistic Results 2: Subtle Differences (Cont'd)

- Education:
  - IPM: ↑ higher education
  - IPE: ↑ Apprentices (other levels of education less likely to be IPE).
- Industry:
  - Oil/gas/mining, transportation, construction more likely to be IPE than IPM
- Occupation:
  - IPE: ↑ Trades & transport, and resources
  - IPM: ↑ Education, law & government, health

# Conclusions

- IPEs represent significant part of Canada's labor force
  - Appear to respond to labor market signals (employment opportunities), and reduce labor shortages
    - Larger absolute #s than IPMs
    - Similar to IPMs, but subtle differences
      - i.e., Age, educational attainment, occupation, industry
    - Unlikely impact on long-term shift in human capital
    - But income re-distribution effect?

# Questions?



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