

# CANADA'S OTHER BRAIN DRAIN: THE CONTINUING EXODUS FROM QUEBEC

*The Canada-US brain drain is a hot political topic these days, even though the southward migration of Canadians is low in historical terms. By contrast, although the emigration of Quebecers to other parts of the country continues apace, almost nothing is heard about it. Over the last 40 years, the cumulative net loss is now more than 610,000 people. In absolute terms, the decade-by-decade loss has exceeded the southward migration of Canadians to the US. A comparison with Ontario's experience over the same period suggests the root of the problem is Quebec's language laws, constitutional policies and relative economic decline. Such a large loss of population is bound to have had harmful effects both on the province's economy and on its viability as a distinct society.*

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*L'exode de cerveaux canadiens vers les États-Unis constitue un sujet politique « chaud » par les temps qui courent, même si la migration générale des Canadiens vers le Sud est relativement basse comparée à ce qu'elle a été dans le passé. Par contre, on n'entend guère parler de la migration des Québécois vers le reste du pays, un phénomène qui se poursuit pourtant à un rythme rapide. Au long des quarante dernières années, la perte nette cumulative représente plus de 610 000 personnes. En chiffres absolus, cette perte a dépassé, décennie par décennie, la migration de Canadiens vers le Sud. Or, la comparaison avec ce que l'Ontario a vécu au cours de la même période donne à penser que la racine du problème réside dans les lois linguistiques du Québec, dans ses politiques constitutionnelles et dans son relatif déclin économique. Une telle perte de population n'a pu qu'entraîner des effets pernicieux pour l'économie de la province et pour sa viabilité en tant que société distincte.*

If you are in any doubt as to the scope—or even the existence—of the brain drain, visit a Montreal high school reunion. For those few who make the trip back, conversations tend not to revolve around old loves, past teachers, or former haunts: They have taken on a whole new agenda: Housing prices in San Francisco, crime in New York, high costs in Britain, and over-crowding in Toronto.

Scholars and pundits debate at length the effect of Generation X's exodus to the United States, and the usual laundry list of motives pops up: higher wages and lower taxes prime among them. By and large, the consensus is that economic factors are what draw Canadians southward. But very few analysts have taken a hard look at the “push” effects of the brain drain resulting from economic and political changes in the province of Quebec.

The diaspora of Québécois to the United States, Europe, and the rest of Canada has been a growing trend. For some time now, Quebec has faced a problem above and beyond the brain drain that increasingly worries Canadian policy-makers: It has consistently been losing residents to other provinces and to the US, and in numbers that rival the current southward migration from Canada as a whole.

A sample of one Montreal high school's class (my own)

12 years after graduation illustrates the point. The sample is not random: It is from an English-language high school, though the mother tongue of many of the students was not English. Ten years on, only one third of the class remained in Quebec (see Table 1). Nearly half had moved to the United States, while one sixth, including all the MDs, were living in Ontario. Those who migrated had, by a wide margin, achieved a higher level of education 12 years after graduation than those who stayed.

If anything, these numbers are understated. Table 1 does not include those who were taken out of school when their parents left the province before graduation. Moreover, students who left the province directly after graduation often could not be contacted. Had they been included, they would have increased the numbers of those who had left still further. Note that there is no correlation between those students who spoke French and those who stayed: Perfectly bilingual students were no more likely to stay than those who spoke limited French. After ten years, all the native French-speakers had also gone. If this admittedly small sample is representative of the overall provincial experience, Quebec is losing large numbers of its best and brightest.

So far the discussion of the brain drain has paid little attention to migration patterns within Canada. Some Canadian provinces have consistently been losing population to others.

Canada's loss of skilled workers to the United States is a hot topic among Canadian scholars and politicians. In fact, through its history, Canada has been a source of talent for the United States. A long list of sports figures, intellectuals and entertainers have left for greener pastures south of the border. As Figure 1 shows, today's "brain drain" is not significantly greater than that observed in earlier decades.

Compared to outflows in the 1920s, 1970s, and even the late 1800s, the current stream of Canadian migrants to the United States is relatively small, even when expressed in absolute

Table 1  
The class of 1998: One Montreal high school

Residence	Per cent of class	Average level of education
Quebec	33	1
Ontario	15	2.2
United States	46	1.8
Other (Europe, Asia)	6	1

Source: Author. Education scale: Baccalaureate, 1; Master's, 2, PhD, JD, or MD, 3.

terms (see Figure 1). If one takes into account the growth of Canada's population since the US Immigration and Naturalization Service started compiling data, the proportion of Canada's population leaving for the United States has declined dramatically.

Some analysts argue that the composition of migrants is different than it was in past decades. According to studies done at the University of British Columbia and by the federal Ministry of Labour, the proportion of migrants with advanced educations or valuable skills is becoming larger and larger. In brief, there *is* a brain drain. However, when you compare the 180,000 citizens who moved south in the 1990s to the nearly one million who left in the 1930s, and then factor in the change in Canada's total population in the intervening six decades, the drain does not seem overly alarming, even if there is no way to compare the skill levels of today's migrants to those of past generations.

On the other hand, the above immigration numbers do not take into account those who migrate under the Trans-National (TN) visa allowed under NAFTA. Citizens who leave under the TN visa do not show up in the above figures. They are taxed as residents of the United States,

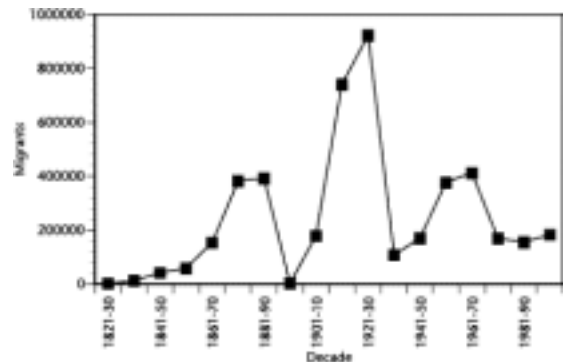
though they do not carry the legendary green card. According to the Canadian Government, between 9,000 and 14,000 Canadians obtained work in the US under the NAFTA visas in 1995 (the most recent year for which data are available through Statistics Canada). Extrapolated over the decade, that nearly doubles the number of emigrants to the United States. Even so, such figures do not rival the peak emigration flows experienced in the earlier part of the last century. Especially after accounting for the growth of the population in general, the net outflow remains modest. Moreover, nearly half of southbound migrants return to Canada within five years.

The long-term ramifications of the recent upward tick in emigration to the United States are debatable, but so far the discussion of the brain drain has paid little attention to migration patterns within Canada. Some Canadian provinces have consistently been losing population to others. Figures 2 and 3 compare inter-provincial migration in Quebec and Ontario. The data are drawn from Statistics Canada analysis of changes in residency on income tax forms.

As far as Quebec is concerned, a troubling trend is evident. Since 1963, the province has suffered a net loss in residents as a result of inter-provincial migration. Before then, it had enjoyed a net gain. (Note that the data do not include migration to and from other countries.)

Quebec's total net loss of residents to the rest of the country since 1963 amounts to more than 610,000 people. The times of greatest net outflow correspond to the periodic flare-ups in Quebec's cultural laws and referenda on sovereignty, with the overall peak occurring during the passage of the first language laws, and the 1980 referendum.

Figure 1  
Canadian migration to the United States, by decade 1821-2000



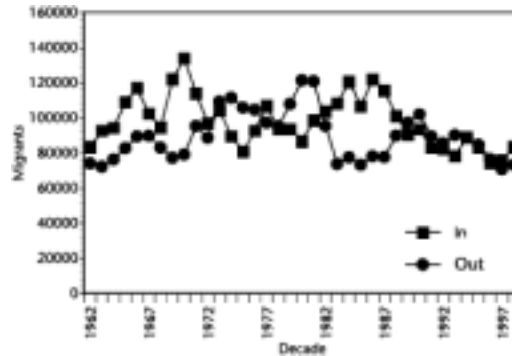
Source: US Immigration and Naturalization Service.

Figure 2  
Quebec intra-Canadian migration,  
1962-1998



Source: Statistics Canada, Cansim matrices 6197, 6198, 9243, 9244.

Figure 3  
Ontario intra-Canadian migration,  
1962-1998



Source: Statistics Canada, Cansim matrices 6197, 6198, 9243, 9244.

The drain on Quebec's population is of historic proportions. On a per decade basis, the province loses as many citizens to the rest of Canada as Canada as a whole loses in permanent migrants to the United States.

The grim joke “101 or 401” (referring to anglophones’ Hobson’s choice between accepting Bill 101’s language provisions or heading down Route 401 to Toronto) has turned out to have had considerable predictive power.

After a decline in the mid-1980s, the outflow from Quebec began to increase again. Since the second referendum it has continued to climb. Even during periods of economic growth, when out-migration would reasonably be expected to fall, Quebec has experienced a net loss of citizens.

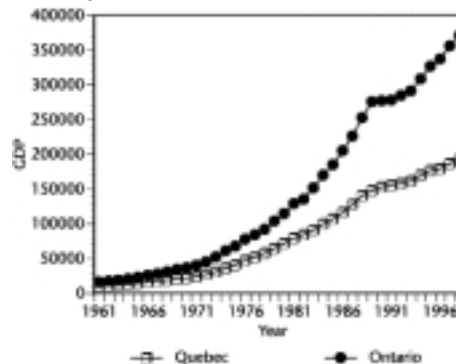
The drain on Quebec’s population is of historic proportions. On a per decade basis, the province loses as many citizens to the rest of Canada as Canada as a whole loses in permanent migrants to the United States. There is no way to calculate what proportion of the emigrants are anglophone or francophone, but abundant anecdotal evidence suggests that the first waves of emigrants consisted of anglophones leaving for political and economic reasons, while later waves have included a higher proportion of francophones, leaving in search of jobs and lower taxes.

As Figure 3 shows, Ontario has also experienced outflows of residents to other provinces. But in the long term, Ontario has experienced a net increase in population as a result of inter-provincial migration. Moreover, the net flow into Ontario tends to follow a more natural, economic cycle. When Ontario’s economy has been growing, people have been drawn to the province. When it has gone through periods of economic stagnation, as in the late 1970s and early 1990s, people have left, presumably to follow jobs, rather than to escape the Ontario government’s policies. Overall, Ontario has enjoyed a net gain of 310,000 residents from the rest of Canada. While there is no hard evidence that the

differences between Quebec and Ontario’s migration patterns are due to political factors, anecdotal evidence certainly supports this view, and it is difficult to come up with alternate theories as to why the two provinces’ experiences differ so dramatically.

In the early part of the 20th century, Quebec’s economic output was roughly the same as Ontario’s in value terms. Since then Ontario has grown more rapidly. It did have the benefit of a larger population—though in part that is because its economy has grown more quickly—as well as maritime access to the United States through the Great Lakes. But there is no compelling reason why Ontario should have outgrown Quebec through most of the 20th century. Political considerations aside, none of the province’s natural endowments give it a substantial economic advantage over its eastern neighbor.

Figure 4  
Quebec and Ontario GDP at market price, 1961-1998



Source: Statistics Canada, Cansim matrices D24363, D311808, D24397, D31830

In the long run, a distinct society is likely to be more viable in an economically vibrant Quebec, one unburdened by odd linguistic laws and severe taxation, than in a Quebec that is dying a slow death, as its citizens vote one at a time with their feet and their wallets.



CP Picture Archive

Why people leave?

Figure 4 compares the gross domestic products of Quebec and Ontario since 1961. The data are quoted at market prices, which do not account for inflation. If we assume that inflation rates are roughly constant across the country, or at least between the two adjoining provinces, the relative slopes of these trends are a good indicator of the two provinces' differing economic fortunes.

As is apparent, the trend line of Ontario's GDP is dramatically steeper than Quebec's. The two are very similar in the mid-1960s, but begin to diverge dramatically in later periods. Both provinces experienced similar stagnation and decline in the recession of the early 1990s, but since then, Ontario has shown dramatic growth in contrast to Quebec.

What explains these differences, especially in the last decades? Two arguments are common in accounting for Ontario's boom and Quebec's relative stagnation. The first is the departure of financial and physical capital from Quebec in the wake of the Parti Québécois' victories in the 1970s, and the continuing reluctance to invest in Quebec in light of its unresolved constitutional issues.

But the loss of human capital has been at least as important. With the 610,000 emigrants from Quebec may have gone a good deal of the entrepreneurial spirit that is so necessary in a modern economy. If professionals educated at public expense figured disproportionately in the exodus, its cost will have been especially heavy, both directly and in terms of consequent multiplier effects. While the diaspora may have begun with anglophones leaving in the wake of sepa-

ratist gains, their loss has so hurt the province that francophones now leave in order to find better economic conditions, both in the US and in other parts of Canada

The continuing loss of key members of Quebec's work force spells trouble for the province's long-term fortunes, both economically and culturally. The loss of human resources is in some ways even more troubling than the reduced capital flows that almost certainly have resulted from the long, drawn-out debate about separation. The departure of educated citizens shrinks the tax base for those who remain. With an aging population, this spells disaster for planners who must somehow find ways of financing the various social programs that will be in greater demand by the general populace. The result may be further increases in taxation, which will only increase the incentives for high-wage earners to leave

Quebec's government is left with two poor choices: cut spending, which is electorally difficult, or change the conditions that are prompting its people to leave, namely high taxation and recurring debates over separation. In the long run, a distinct society is likely to be more viable in an economically vibrant Quebec, one unburdened by odd linguistic laws and severe taxation, than in a Quebec that is dying a slow death, as its citizens vote one at a time with their feet and their wallets.

*Born and raised in Montreal, Matthew Stevenson is an analyst for William M. Mercer in Washington, DC. The opinions he has expressed here are his own and not those of William M. Mercer, Ltd.*