



## Highlights

- Ontario's population grew by an anemic 0.5 per cent in 2021 as international flows of people remained restricted
- The Toronto region lost nearly 60,000 people to other parts of Ontario likely driven out by expensive housing in that region

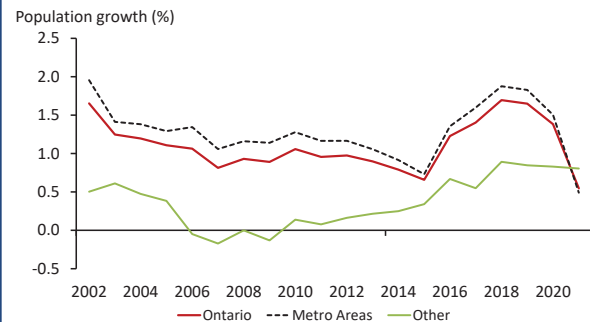
## Large exodus out of Toronto region in 2021 as nearly 60,000 people move to other parts of Ontario

*Edgard Navarrete, Regional Economist*

New population estimates for provincial and sub-provincial levels was published this week and some interesting findings came to light, although none too surprising, given the effects of the pandemic on the national and global economy.

According to 2021 population estimates, Ontario's population expanded by 0.5 per cent or 80,564 people in 2021 to 14.8 million. This was the lowest net population gain in Ontario since 2015 when just 89,565 more people called Ontario home. For comparison, prior to 2021 the province recorded an average net population gain of 207,719 people during the period from 2016 to 2020. Closed borders affecting international movements of permanent and non-permanent residents as well as a stalled economy due to on-and-off public health restrictions was largely the reason for the very modest population increase in 2021. At the provincial level, immigration declined to just nearly 96,000 net new residents down from the five-year average from 2015 to 2020 of nearly 109,000 net new residents. Non-permanent residents fell just over 18,000 and net interprovincial migration fell just over 17,000. Fewer seasonal workers and foreign students pulled down non-permanent resident numbers while Ontarians looking for opportunity elsewhere, or perhaps respite from the public health restrictions, moved to other parts of Canada.

## Ontario posted lowest rate of population growth in 2021 since 2015



Source: Statistics Canada, Central 1 latest: 2021  
Note: other includes all other areas excluding metros

Of Ontario's eleven economic regions, population fell in Windsor-Sarnia with the region losing 1,123 residents, and in the Northwest region as 1,340 fewer residents called that region home. These population losses put an end to five consecutive years of population growth in each of these two regions.

Another interesting trend to come out of this data set is other areas outside of Toronto carving out a bigger share of the net population gains in 2021. Whereas in 2020, Toronto accounted for nearly half of all the net population growth, in 2021 that figure fell to just over a quarter. Areas that saw an increased share of net population were Ottawa, Muskoka-Kawarthas (MK), Kitchener-Waterloo-Barrie (KWB), Hamilton-Niagara Peninsula (HNP), London, and Stratford-Bruce Peninsula (SBP). Toronto's severe and long-standing public health restrictions in 2021, its hot housing markets and high cost of living also factored a bigger share of the net gain in people settling in other areas, especially as remote work became a real possibility for many. The idea of being tethered to the Toronto region due to work is not as strong now as it was just a couple of years ago.

Immigration flows slowed down in all economic regions in 2021. Regions including Ottawa, Kingston-Pembroke, MK, Toronto, KWB, HNP, London, Windsor-Sarnia, and Northwest also saw the number of non-permanent residents fall in 2021. A few other regions also saw more deaths compared to births in 2021 while Toronto was the only region that saw

a significant exodus out of the region to other parts of Ontario as nearly 60,000 people left the Toronto region. The regions to benefit most from this exodus included Ottawa, KWB, and HNP. Together these three regions saw their populations receive just over 37,000 new residents, with many of those new residents likely coming from the Toronto region.

In line with the provincial tally, Ontario's metro areas saw total population increase by only 0.5 per cent in 2021 to 12.2 million. Ontario's metro areas accounted for 82 per cent of Ontario's population. Three metro areas saw population growth decline in 2021: Peterborough, Windsor, and Thunder Bay, while Toronto saw its population stay nearly unchanged moving up only 0.2 per cent, largely due to increased flows out of the metro area to surrounding areas. Oshawa (up 2.3 per cent) posted the largest population gains in 2021 followed by Brantford (up 1.8 per cent), Barrie (up 1.4 per cent), Guelph (up 1.1 per cent), and KCW (up 1.0 per cent). Many of these areas benefitted from Toronto's housing market pricing people out, resulting in relocation to more affordable areas with high quality of life while still being within driving distance to Toronto, if the need to visit arose.

Omicron will likely continue to dampen population and economic growth in Ontario during the winter and part of spring. Once this wave is brought under control and the virus becomes a manageable endemic infection flows of people from abroad and other parts of Canada will intensify. The federal government has committed to welcome over 1.2 million new residents from abroad over the next three to four years and likely the majority settling in Ontario and its big markets. The significant slowdown in population growth seen in 2021 is likely to be a blip. Central 1 economics is calling for population growth in 2022 of 1.6 per cent.

*For more information, contact [economics@central1.com](mailto:economics@central1.com).*