



Highlights

- B.C. metro areas drove population growth in 2022
- Small urban markets continued to expand at modest pace following early pandemic strength
- Permit volumes lower in November

Large urban markets lead 2022 population growth recovery

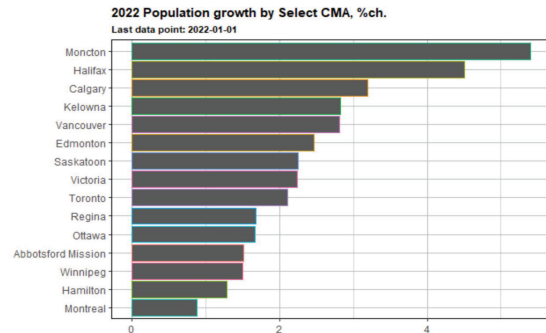
Bryan Yu, Chief Economist

After faltering through the early stages of the pandemic with reduced global mobility and global travel restrictions, population growth in Canada's large urban markets regained their mojo as immigration returned with a vengeance. On a July-to-July basis on which annual counts are based, Canada's population grew 1.8 per cent or 703,000 persons. B.C.'s population grew 2.2 per cent to recoup some of the pandemic lull. More recent data showed record gains in the third quarter.

Headline national and provincial statistics are not new, having been published in September, but this week's release of annual sub-provincial data highlights the regional and compositional drivers of growth. Across the country, large metro markets drove gains with Census Metropolitan Areas (100k persons) as a whole, expanding 2.1 per cent compared to a meagre 0.5 per cent in 2021 and 1.3 per cent increase in 2020. National highlights included a massive increase in Moncton (5.4 per cent) and Halifax (4.5 per cent).

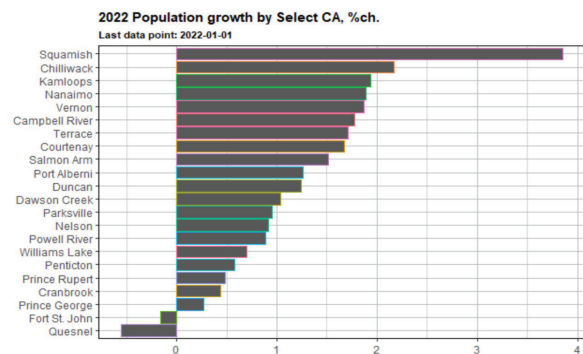
B.C.'s census metropolitan areas (CMAs) compared favourably. Vancouver's population jumped by 2.8 per cent after a 0.8 per cent gain the prior year. This was a near 78,000 person increase and the strongest rate of growth since at least 2000. Alongside Metro Vancouver, Kelowna led the way among B.C. CMAs where the population continued to expand at a breakneck pace amidst large inflows of interprovincial migrants and rebound in international flows. Population growth accelerated from 2.4 per cent in 2021 to 2.8 per cent this year. Abbotsford-Mission grew 1.5 per cent while Victoria grew 2.2 per cent.

2022 growth in B.C. metros compare favourably



Source: Statistics Canada, Central 1

Smaller urban market record solid growth



Source: Statistics Canada, Central 1

B.C.'s smaller urban areas, which outperformed early in the pandemic due to the exodus from larger cities due to desire for space and remote work options, continued to expand. The strongest population growth among all metro and small urban markets was recorded in Squamish which grew 3.8 per cent or nearly 1,000 persons. Proximity to Metro Vancouver, recreational demand and growth in amenities is driving people to the area. Areas seeing fast growth also included Chilliwack (2.2 per cent), as well as Vernon (1.9 per cent) and Kamloops (1.9 per cent), with relatively affordable housing alternatives in proximity to the metro regions. Growth remained weaker in northern markets including Quesnel (-0.5 per cent), Fort St. John (-0.2 per cent), and Prince George (0.3 per cent). These areas did not experience the pandemic era surge in demand as seen in other regions, while also losing younger populations to urban areas for work and post-secondary schooling.

Broadly, communities across B.C. have experienced strong growth in population following the early shocks of the pandemic. Large urban markets specifically are experiencing swelling growth due to immigration, a trend that extended into the second half of 2022. Strong population growth will continue to support demand for consumer goods and services as well as housing in coming years while also providing some relief for the tight labour market as these individuals look for jobs.

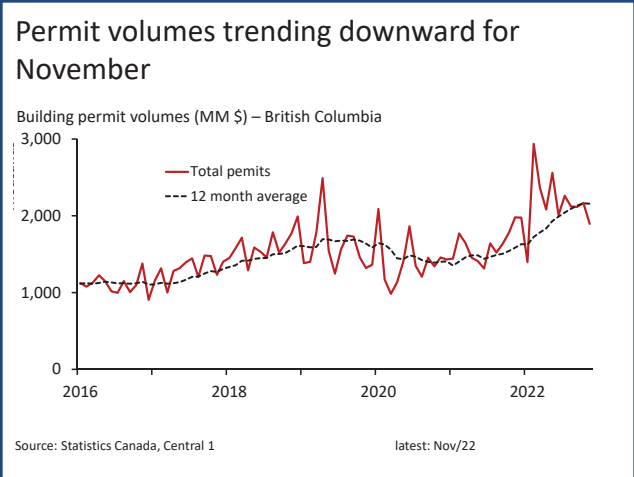
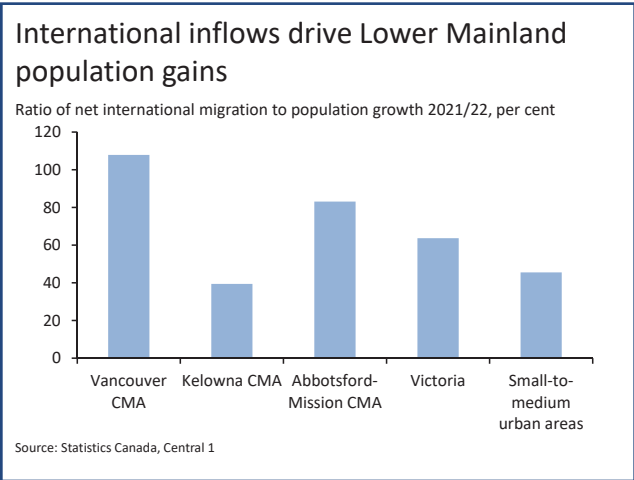
Non-residential and residential permit volumes decline

Alan Chow, Business Economist

Total B.C. dollar volume permits fell during the month of November, marking a fourth straight monthly decline. On a seasonally-adjusted basis, permits fell 12.6 per cent in November as compared to October and 12.4 per cent below the average for the trailing 12-month period. The value of non-residential permits declined 23.2 per cent in November while residential permit volumes were 8.6 per cent lower.

The largest decrease in non-residential permit volumes was seen in commercial permits, which were 33.9 per cent lower than the previous month, falling from \$399 million to \$263 million — the lowest volume seen since February 2022. Industrial dollar volume permits were down 6.9 per cent in November over the previous month and 25.0 per cent below the trailing 12-month average while institutional and government permits were essentially flat, up only 0.8 per cent in November over the previous month.

Within residential permit volumes, multi-family homes saw a decrease of 10.8 per cent in November over the previous month to \$1.1 billion, bringing it 1.4 per cent below the trailing 12-month average. In contrast, single-family homes saw dollar volume permit levels virtually flat, increasing only 0.3 per cent and sitting 10.5 per cent below the trailing 12-month average.



Total permit volumes in the B.C. metropolitan areas were down 13.7 per cent. Vancouver metro area saw a 19.8 per cent decrease to \$1.2 billion while Kelowna saw a 51.5 per cent increase to \$139 million. Abbotsford-Mission saw a 23.4 per cent decrease in the value of permits to \$45.9 million in line with Victoria’s 22.2 per cent decrease, dropping to \$124 million.

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