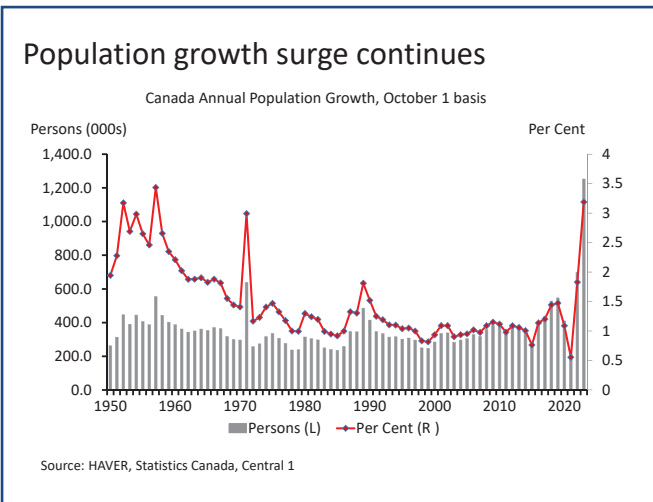


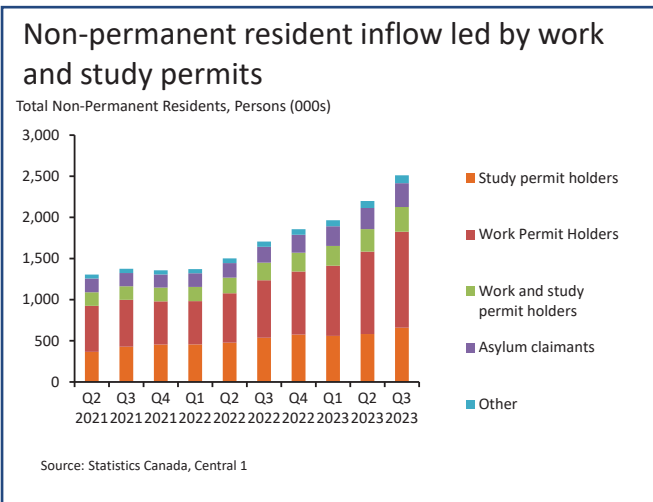


Record-high population growth persisted, driven by immigration momentum

Canada’s population continued its unprecedented surge, reaching an estimated 40,528,396 on October 1, 2023—an uptick of 430,635 individuals (1.1 per cent) since last update for July 1. This marked the highest quarterly growth rate since Q2 1957 (1.2 per cent), when a surge of 198,000 people occurred, propelled by post-war baby boom births and refugees following the Hungarian Revolution. Statistics Canada reported that population growth during the initial nine months of 2023 (1,030,378 people) has already exceeded the total growth recorded in any previous full year, surpassing even the record set in 2022.

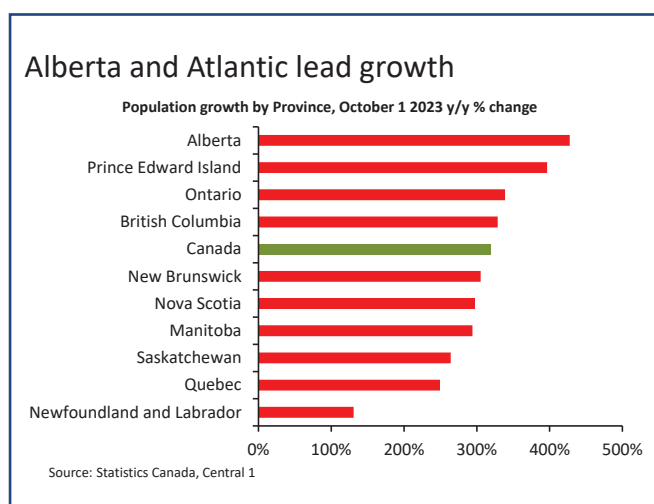


International migration remained the backbone of Canadian population surge, contributing to 96.0 per cent of the Q3 increase. The remaining 4.0 per cent came from natural increase, expected to dwindle due to factors like population aging, reduced fertility, and a substantial influx of immigrants and non-permanent residents. In the third quarter alone, Canada welcomed 107,972 immigrants, bringing the year-to-date immigration total to 79.8 per cent (371,299) of the annual target of 465,000 set by Immigration, Refugees, and Citizenship Canada. Non-permanent residents continued to rise, reaching 2,511,437 from July 1 to October 1—an unprecedented net increase of 312,758 in Q3. This surge was predominantly fueled by a rise in work and study permit holders and a smaller increase in refugee claimants.



During Q3 2023, population growth rates outpaced the national average (1.1 per cent) in Alberta (1.3 per cent), Prince Edward Island (1.2 per cent), and Ontario (1.2 per cent). All provinces and territories experienced quarterly growth, except the Northwest Territories (-0.5 per cent). On year-over-year basis, both Alberta (4.3 per cent) and Prince Edward Island (4.0 per cent) led the way, while Newfoundland and Labrador (1.3 per cent) and Quebec (2.5 per cent) lagged. B.C. and Ontario were aligned with the national pattern.

Alberta maintained its allure for interprovincial migrants, boasting the highest net gains (17,094 people) in Q3 2023. This marked five consecutive quarters of gains, a feat not seen since 1971. Most gains were attributed to exchanges with Ontario and British Columbia. Conversely, British Columbia experienced five consecutive quarters of interprovincial migration losses for the first time since Q1 2013. Ontario's continuous net loss in interprovincial migration since Q1 2020 narrowed in Q3 2023 (-5,952 people). The Atlantic provinces, in contrast to the pandemic-era growth from 2020 to 2022, observed negligible or negative net interprovincial migration. This shift was largely tied to a recent decline in migrants moving from Ontario to the Atlantic provinces.



Robust population growth is set to remain a key theme for the economy going forward. While there are numerous advantages of the immigration surge, including but not limited to its contribution to economic growth, workforce expansion, and mitigation of an aging population, the robust rate of population growth in Canada is undermining housing affordability, exacerbated by challenges in zoning restrictions and a shortage of construction workers. This surge in demographic demand, combined with pre-existing structural supply challenges, could explain the elevated rent prices across provinces. Meanwhile, the influx of immigrants is also testing on both the infrastructure and the healthcare system.

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Canada Population Summary				
	October 1 2023	q/q % change	y/y change	y/y % change
Canada	40,528,396	1.1	1,252,256	3.2
Newfoundland and Labrador	540,418	0.3	6,974	1.3
Prince Edward Island	175,853	1.2	6,707	4.0
Nova Scotia	1,066,416	0.7	30,750	3.0
New Brunswick	842,725	1.0	24,959	3.1
Quebec	8,948,540	0.8	217,672	2.5
Ontario	15,801,768	1.2	517,807	3.4
Manitoba	1,465,440	0.7	41,844	2.9
Saskatchewan	1,218,976	0.8	31,369	2.6
Alberta	4,756,408	1.3	195,058	4.3
British Columbia	5,581,127	1.1	177,599	3.3

Source: Statistics Canada, Central 1 Economics