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ONTARIO | ONTARIO

ACAATO ARCHIVE DOCUMENT

2006 Environmental Scan

Chapter 2: Demographics

DEMOGRAPHICS

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SECTION TWO: DEMOGRAPHICS

This chapter examines demographic data and population projections for Ontario and Canada from 2004 to 2031.

1.0 HIGHLIGHTS

Ontario

- Ontario's population was 12.5 million in 2005, and is projected to reach 16.4 million by 2031.
- Between 2005 and 2031, the annual rate of population growth is expected to drop from 1.1 per cent to 0.8 per cent.
- Diminishing natural increase is the main factor in the slower growth rate.
- The province's 20- to-24-year-old cohort will continue to grow until the middle of the next decade. It will decline in size in the following 10 years.
- In 2004-05, Ontario received 53 per cent of all of Canada's immigrants, 130,000 in total. Immigrants are well educated and their education upon arrival has been increasing. Sixty-six per cent of those who arrived from 1996 to 2001 had postsecondary qualifications.
- Ontario's population growth will vary by region, with the Greater Toronto Area being the fastest-growing region, largely due to immigration. The Northern regions are expecting a modest decline throughout the next 25 years.

Canada

- In 2005, Canada's population was estimated at 32.3 million, 0.9 per cent higher than the previous year.
- The population is projected to reach 39 million by 2031, and reach 42.5 million by 2056.
- In 2001-02, the average annual growth rate was 1.1 per cent, by 2031 it is expected to drop to 0.6 per cent, and by 2055-56 it is expected to drop further to 0.2 per cent.
- By 2030, the number of deaths in Canada is projected to outnumber births, and immigration will therefore account for all population growth.
- Canada's working-age population is now almost evenly distributed between the younger age range of 25 to 44 and 45 to 64.
- Immigration is, and will continue to be, a significant contributor to Canada's population growth, with China, India, Pakistan and the Philippines as the main source countries.
- Recent immigrants (arriving between 1996 and 2001) are well-educated, 68 per cent of the 25 to 64 age group report a postsecondary credential.

2.0 ONTARIO'S POPULATION

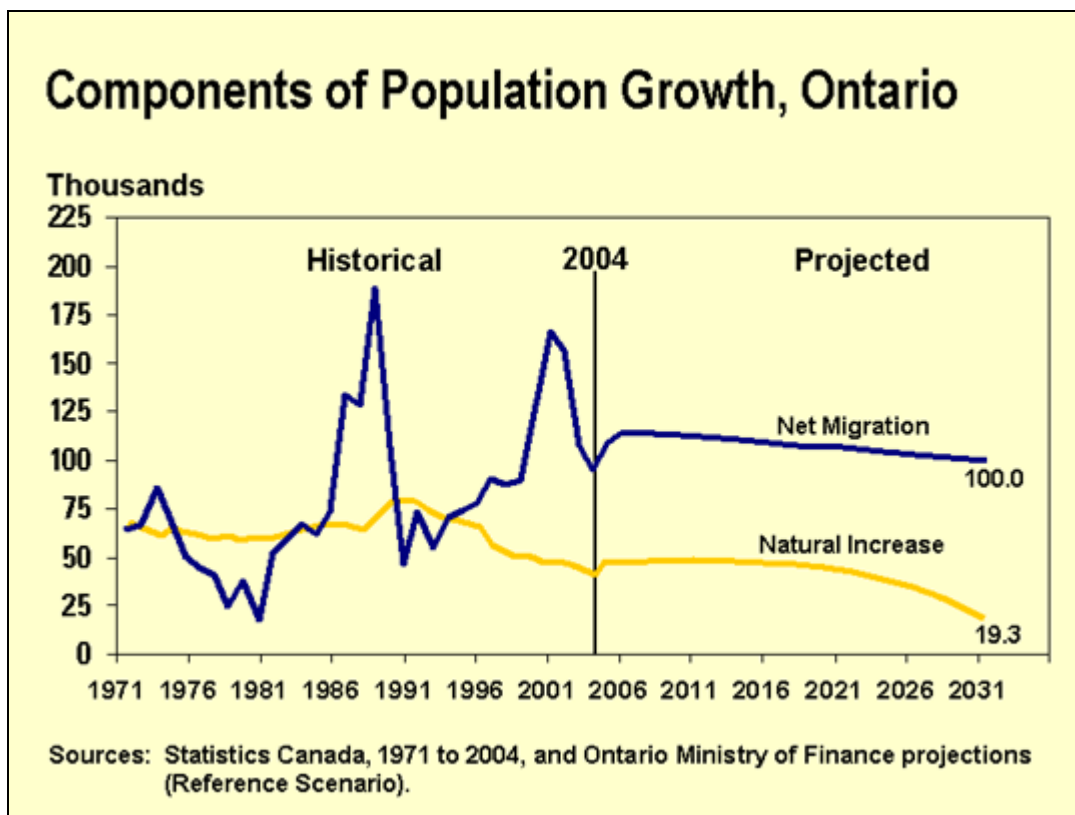
2.1 Population Projections – Ontario¹

Over the 12-month period ending July 1, 2005, Ontario's population grew by about 134,000 or 1.1 per cent, down slightly from 1.2 per cent over the previous 12-month period. Ontario's population growth rate was third in the country, behind Alberta (1.6 per cent) and British Columbia (1.3 per cent). The overall Canadian average for the period was 0.9 per cent.

From 1996 to 2005, Ontario's population increased by 13.2 per cent, compared with a national increase of nine per cent. Proportionately, Ontario increased its share of the Canadian population from 37.4 per cent in 1996 to 38.9 per cent in 2005. By 2031, it is projected that Ontario will make up 41.3 per cent of the Canadian population.

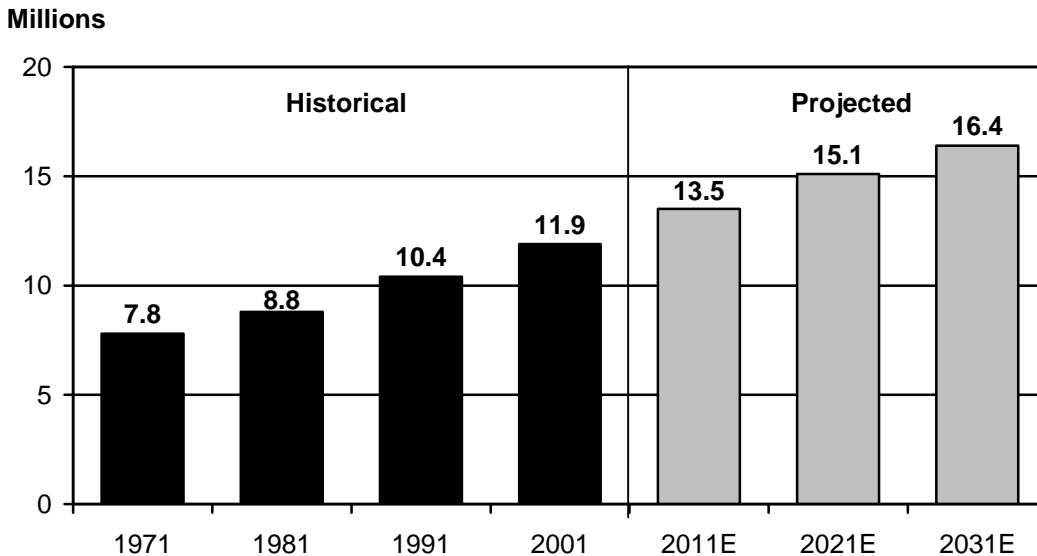
Overall, Ontario's population is projected to increase 33 per cent over the next 25 years, rising from an estimated 12.5 million in 2005, to 16.4 million in 2031. However, the annual rate of growth is expected to drop from 1.1 per cent to 0.8 per cent.

Figure 1: Population Growth by Natural Increase and Migration, 1971-2031



The following chart presents the most likely scenario for Ontario’s population growth to 2031.

Figure 2: Ontario’s Projected Population: Reference (i.e. most likely) Scenario, 1971 – 2031



Source: Statistics Canada, and Ontario Ministry of Finance projections in: Ontario Population Projections 2004-31 Ontario Ministry of Finance, Fall, 2004, pg. 8
E= Estimated

2.2 General Age Structure Trends - Ontario

During the projected period, the age distribution of Ontario’s population will shift to fewer youth and more seniors. While the proportion of children under the age of 15 years will fall from 18.5 per cent to 15.4 per cent, the proportion of adults age 65 and over will increase from 12.8 per cent to 22.3 per cent in 2031. The province’s working-age population, ages 15 to 64, will rise from 68.8 per cent in 2004 to peak at 69.6 per cent in 2010, after which it will fall slowly to 62.3 per cent by 2031.

Ontario’s working-age population will increase by 20 per cent by the year 2031, from 8.5 million in 2004 to 10.2 million in 2031. The most rapid increase will be among workers over age 45.

The median age of women will climb from 39 in 2004 to 44 years in 2031. The median age for men will increase from 37 to 42 years by 2031.

The most relevant age groups to Ontario’s colleges, the 15 to 29 age range, will be roughly 20 per cent of the total population until 2011, with actual numbers increasing. However, the projection for the subsequent 20 years shows the proportion of the 15 to 29 age group declining and a plateau in the total numbers. The following table presents Ontario’s population distribution by age groupings most relevant to colleges.

Table 1: Projected Ontario Population (POP) by Selected Age Groupings, 2001 to 2031

Age Group	15 - 19		20 - 24		25 - 29	
	POP (thousands)	% of POP	POP (thousands)	% of POP	POP (thousands)	% of POP
2001	805.1	6.8%	784.8	6.6%	806.9	6.8%
2004	829	6.7%	845.4	6.8%	831.7	6.7%
2006	849.4	6.7%	872.6	6.9%	856.5	6.7%
2011	885	6.5%	914.8	6.8%	935.3	6.9%
2016	848.6	5.9%	951.3	6.6%	975	6.8%
2021	808.2	5.4%	914.9	6.1%	1008.6	6.7%
2026	848.8	5.4%	873.9	5.5%	969.5	6.1%
2031	891.9	5.4%	913.6	5.6%	926	5.6%

Source: *Ontario Population Projections, 2004-2031*, Ministry of Finance (2005) Table 4 Reference Scenario.

2.3 Migration and Immigration

Net migration: From 2004 to 2014, net migration (i.e. to Ontario from other countries, provinces and territories) will add more than 1.1 million to Ontario's population, accounting for 70 per cent of total population growth. By 2031, net migration will add 2.9 million people to the province's population.²

Immigration levels: Immigration has played a significant role in the population growth of the province. In 2004-05, the province received 130,000 new Canadians, 53 per cent of the total that came to Canada. Overall, net international migration was 99,903, in 2004-05, down from 109,964 in the previous year. There is considerable uncertainty involved in projecting immigration levels but, taking into account the fluctuations that occurred in the past decade, and the targets set by the federal government, Ontario immigration projections by the Ministry of Finance range from 90,000 to 150,000 persons annually.³ The most likely projection has been set at 125,000 annually, beginning in 2004-05 and remaining constant at that figure for the projection period to 2031. Figure 1 shows the contribution of migration and natural increase to Canada's growth from 1971 to 2031. It illustrates the degree to which the rate of natural increase in Ontario's population is dropping and the relative importance of migration. In 2002, Ontario Total Fertility Rate (TFR) reached the lowest level ever recorded for the province: 1.48 children per woman. This is less than half the level at the peak of the Baby Boom (in 1960) when Ontario's total fertility rate reached 3.8 children per woman. In 1972, fertility crossed the replacement level of 2.1 children per woman.

Education levels of immigrants: From 1996 to 2001, Ontario received almost 424,000 international immigrants 15 years of age and older. In recent years, the education levels of international immigrants coming to Ontario have increased and are now higher than the non-immigrant Ontario population ages 25 to 44. In 2001, only 59 per cent of the Ontario population ages 25 to 44 possessed a postsecondary credential, compared with 72 per cent of immigrants who came to Ontario from 1996 to 2001. Another notable shift has been in the relative proportion of college/trades credentials versus university credentials. There has been a large jump in the proportion of immigrants with university degrees and a decline in college credentials. The following table presents the education levels, based on census figures from 1996 and 2001.

Table 2: Highest Education Level Achieved by Ontario Immigrants versus the Non-Immigrant Population, Aged 25-44

Education Level	Ontario non-immigrant population, 2001	Arrived between 1991-1995	Arrived between 1996-2001
Less than high school graduation certificate	14.7%	18.6%	11.3%
High school graduation certificate	14.9%	14.1%	9.5%
Some postsecondary education	11.8%	11.7%	7.5%
Trade certificate or diploma	11.3%	8.4%	5.5%
College certificate or diploma	23.4%	16.2%	10.5%
University certificate or diploma below Bachelor's	1.4%	4.2%	5.5%
University degree, of which:	22.4%	26.9%	50.2%
Bachelor's	16.1%	17.7%	29.0%
University certificate above bachelor's degree	2.8%	2.5%	4.9%
Master's	3.2%	5.5%	13.8%
Doctorate	0.3%	1.1%	2.4%
Total Number Aged 25-44	2,438,250	225,230	251,580

Source: Statistics Canada - Cat. No. 97F0009XCB01041
www12.statcan.ca/english/census01/products/standard/themes/RetrieveProductTable

2.4 Ontario's Regional Population Distribution⁴

Between 1996 and 2004 population growth varied widely throughout the province. Regions experiencing increases include:

- The GTA, +18.6 per cent
- Central region (excluding the GTA), +10.9 per cent
- Southwestern, +5.7 per cent
- Eastern, +7.7 per cent

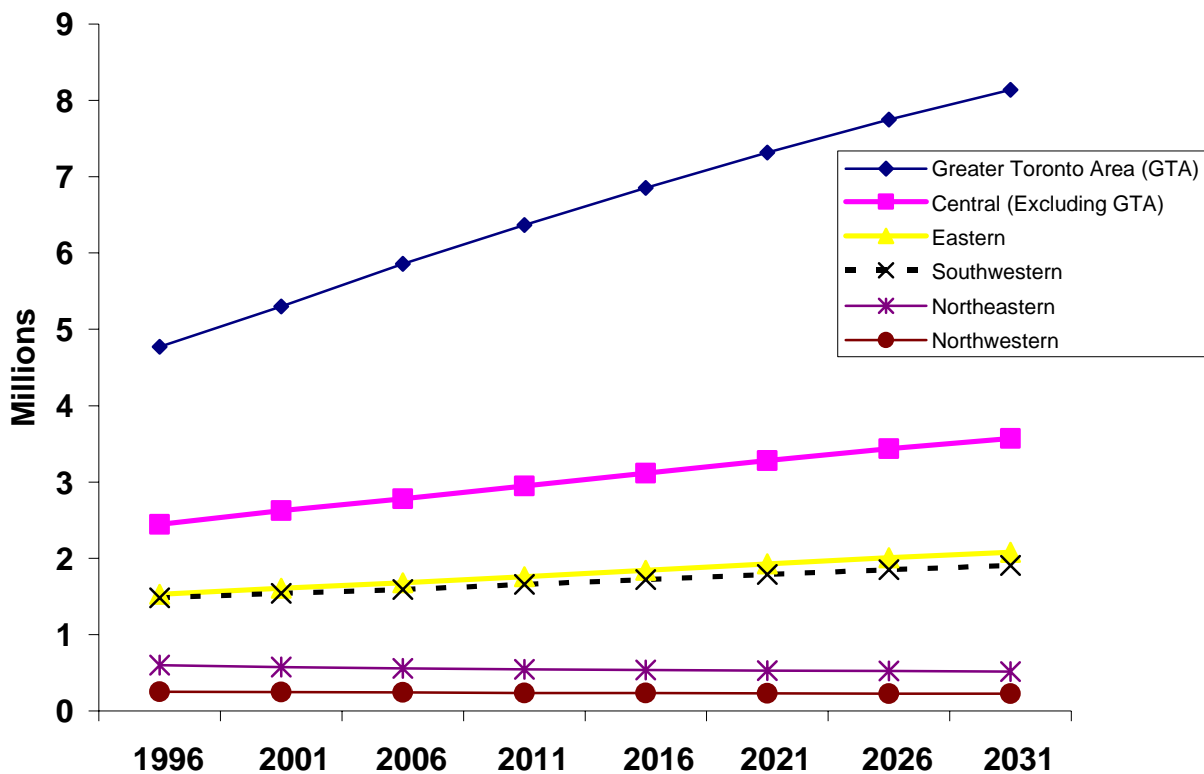
Regions experiencing population declines:

- Northeastern, -5.9 per cent
- Northwestern, -3.9 per cent

These regional population trends are expected to continue through to 2031. Most regions will experience growth with the exception of the North, with the Greater Toronto Area being the fastest growing region, largely due to immigration. The GTA's population will increase from 5.7 million in 2004 to 8.1 million by 2031. The GTA's share of total Ontario population will rise from 46 per cent in 2004 to almost 50 per cent in 2031, one-half of Ontario's population. Growth in the York Region of the Greater Toronto Area will be the fastest.

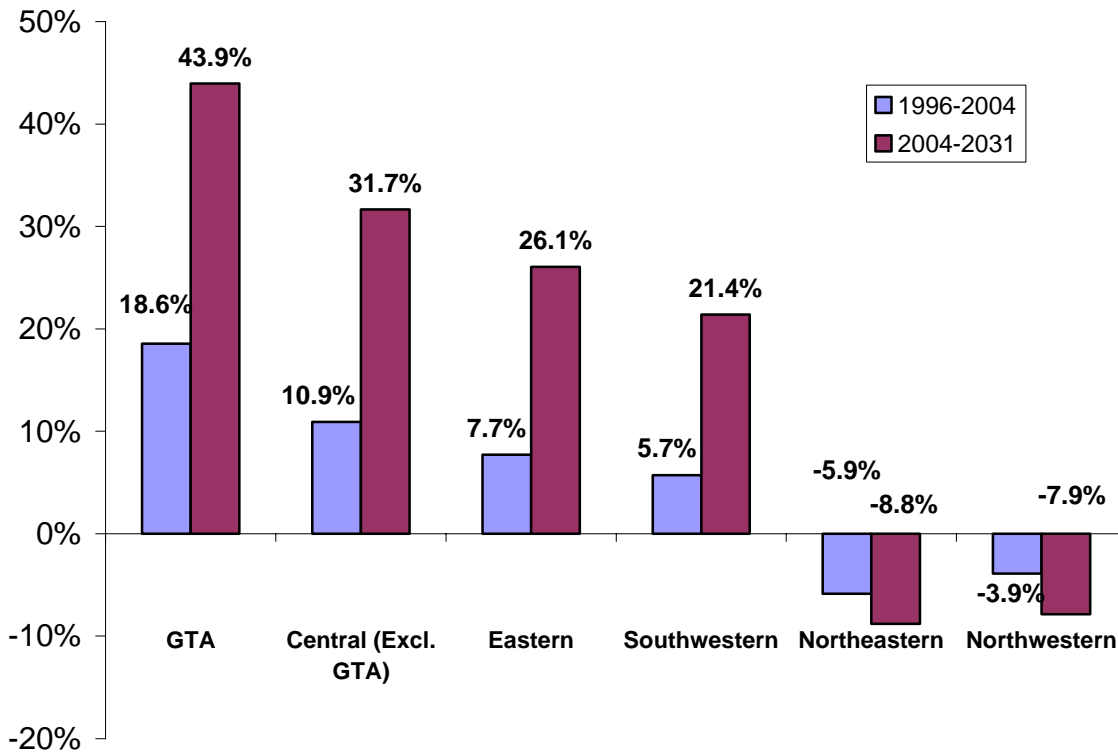
The population of Central Ontario will grow by about 858,700, with its share of Ontario's total population remaining unchanged at 22 per cent at the end of the projection period. Eastern Ontario's population will rise by 429,400. The population of Southwestern Ontario will grow by 335,600 but growth rates within the region will vary. Northern Ontario is projected to continue its trend since 1996, and will experience an overall decrease of 19,200 people between 2004 and 2031 at varying rates across the region.

Figure 3. Historical and Projected Population Growth for Ontario by Region.



Source: Ontario Population Projections 2004 – 2031. Ontario and Its 49 Census Divisions, Ontario Ministry of Finance, February 2005

Figure 4: Historical and Projected Regional Population Change for Ontario



Source: Ontario Population Projections 2004 – 2031. Ontario and Its 49 Census Divisions, Ontario Ministry of Finance, February 2005

Table 3. Current and Projected Population Share for Ontario, by Region

	2004	2016	2031
Greater Toronto Area (GTA)	45.6%	47.9%	49.5%
Central (Excluding GTA)	21.9%	21.8%	21.7%
Eastern	13.3%	12.9%	12.6%
Southwestern	12.7%	12.0%	11.6%
Northeastern	4.6%	3.8%	3.1%
Northwestern	2.0%	1.6%	1.4%

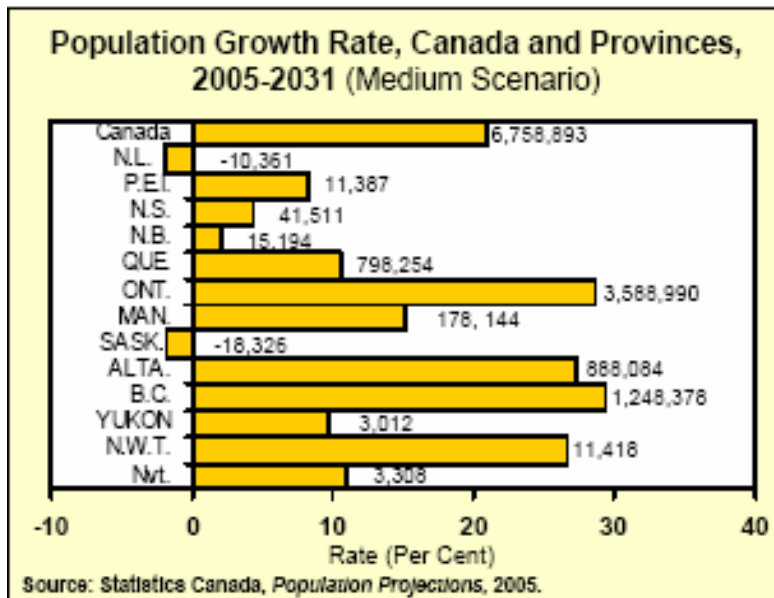
Source: Ontario Population Projections 2004 – 2031. Ontario and Its 49 Census Divisions, Ontario Ministry of Finance, February 2005

3.0 CANADA'S POPULATION

3.1 Canada's Population Projections

Three main factors contribute to the country's short- and long-term population profiles: natural increase, age structure and migration. The interplay of these three factors has resulted in an increase in Canada's population but at an increasingly slower rate over the past several years. In 2005, Canada's population was estimated at 32.3 million, 0.9 per cent higher than the previous year. In the medium growth scenario, the population is projected to reach 39 million by 2031, and reach 42.5 million in 2056. In 2001-02, the average annual growth rate was 1.1 per cent, by 2031 it is expected to drop to 0.6 per cent, and by 2055-56 it is expected to drop further to 0.2 per cent. Figure 5 shows the projected provincial breakdown. British Columbia, Ontario, Alberta, and the Northwest Territories are expected to lead the country in population growth.

Figure 5. Interprovincial Population Growth and Growth rate.



Source: <http://www.fin.gov.on.ca/english/demographics/dhi053.html>

Canada's natural growth rate (births minus deaths) has been decelerating and is now at 0.3 per cent per year. Since 1996, natural increases declined by one-third due to a drop in fertility rates and the smaller size of the "baby bust" generation. At the same time, deaths increased primarily due to our aging population. It is projected that by 2030, Canada will have more deaths than births, and between now and 2031, immigration will account for 77 per cent of Canada's growth, and all of the growth between 2031 and 2056.

Table 4 presents Canada's census population and total growth rates over the last 50 years and those projected to 2031.

For a detailed interprovincial breakdown of the components of population growth in the past year (2004 to 2005), please see Appendix 1.

Table 4: Canada’s Historical and Projected Census Population and Growth Rates, 1951 – 2031

Year	Population (000s)	5 year Growth Rate (%)
1951	14,009	
1956	16,081	14.8%
1961	18,238	13.4%
1966	20,015	9.7%
1971	21,568	7.8%
1976	22,993	6.6%
1981	24,343	5.9%
1986	25,309	4.0%
1991	27,297	7.9%
1996	28,847	5.7%
2001	31,100	7.8%
2006	32,547	4.7%
2011	33,910	4.2%
2016	35,267	4.0%
2021	36,609	3.8%
2026	37,883	3.5%
2031	39,029	3.0%

Sources: 2001 Census Analysis Series – A profile of the Canadian population: where we live; 2006 -2026; and “Canadian Statistics”, <http://www40.statcan.ca/101/cst01/demo23c.htm>

3.2 General Age Structure Trends - Canada

Median age increasing: A country’s demographic structure changes continually as its birth cohorts move through the life cycle. Census data on age and gender show that in 2001, the median age of Canada's population reached an all-time high of 37.6 years, an increase of 2.3 years, from 35.3, in 1996. This was the biggest census-to-census increase in a century. Currently the median age in Canada is 39. The increase is one of many indicators that the nation's population is aging.

Low Fertility: The 2005 Statistics Canada’s population estimates showed that 24.2 per cent of Canada’s population was aged 19 or younger, down from 28 per cent in 1991. The current birth rate per 1,000 Canadians is 10.5.

Decrease in number of 25 to 34 year olds: The population of the younger working-age groups, aged 25 to 34, declined between 1991 and 2005 from 4.9 to 4.4 million, as the tail end of the baby boomers was replaced by the much smaller baby bust generation. Projections show that by 2011, this group could increase somewhat with the arrival of the first generations of the baby boomers' children. This generation, the “echo,” can be seen in the five- to 24-year-old cohorts.

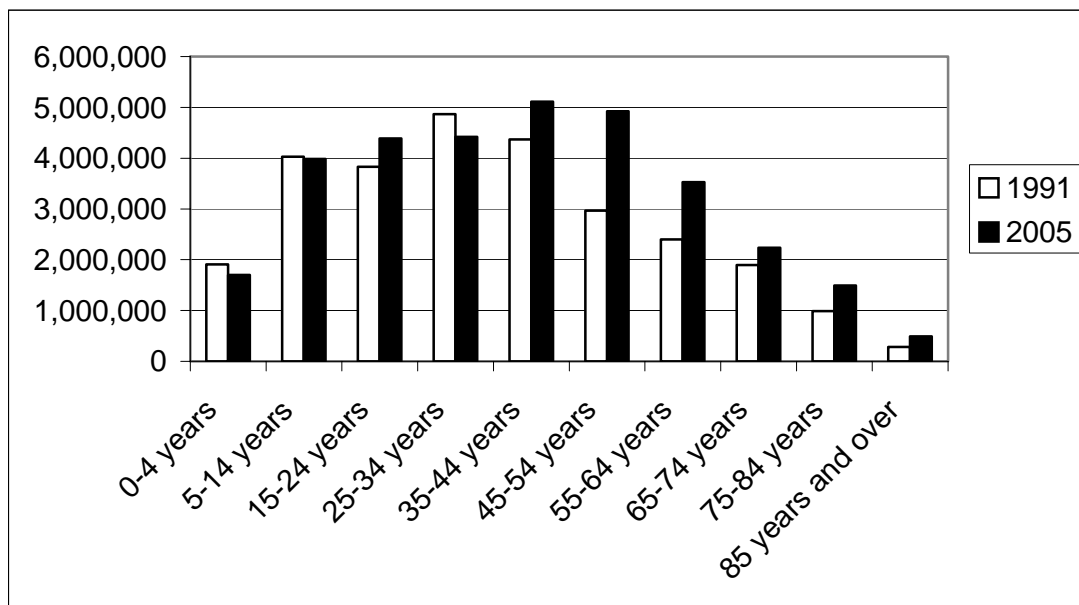
Increase in number of 35 to 44 year olds: Since 1991, the mid-career population, aged 35 to 44, increased 18 per cent to 5.2 million, as the larger generations of the end of the baby boom replaced the smaller ones of the beginning of the boom. However, this population is projected to decline 11 per cent from 2004 to 2011, as these large generations will themselves be replaced by the small cohorts of the baby bust.

Baby boomers: The most well-known birth group in Canada is the baby boom group, that is, people born from 1946 to 1965. Baby boomers are currently aged between 40 and 59. Since 1986, this age group has gone from 20 per cent of the population to almost 30 per cent.

Increase in number of 45 to 64 year olds: Canada’s older working-age population, aged 45 to 64, has now almost matched the younger working age population of 25 to 44 year olds. While the population of 25 to 44 year olds has increased marginally from 9.2 to 9.5 million since 1991, the 45 to 64 year old age group has increased by 57 per cent, from 5.4 to 8.5 million.

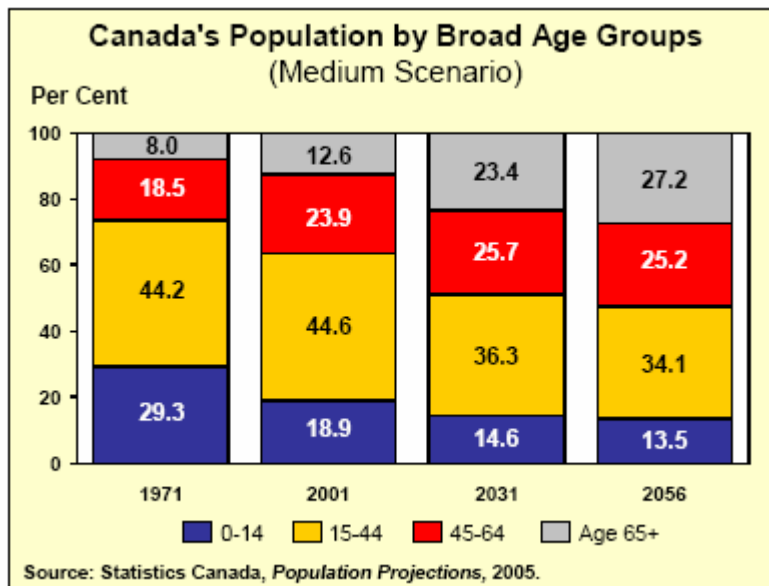
Increases in the retirement–age population. The population over 65 has increased by over one million since 1991, and it is projected to nearly double to 9.1 million by 2031. In 2005, this age group made up only 13.1 per cent of the population; it is expected to comprise 27 per cent of the population by 2031.

Figure 6: The Canadian Population by Age, 1991 and 2005



Source: Statistics Canada, CANSIM II, table [051-0001](http://www.statcan.ca/english/Pgdb/demo10a.htm). <http://www.statcan.ca/english/Pgdb/demo10a.htm>

Figure 7: Canada's Historical and Projected Population by Age Groups



Source: <http://www.fin.gov.on.ca/english/demographics/dhi052.html>

For more information with respect to the impact of the aging population on the labour force, please see Chapter on “Ontario Economic, Labour and Fiscal Outlook.”

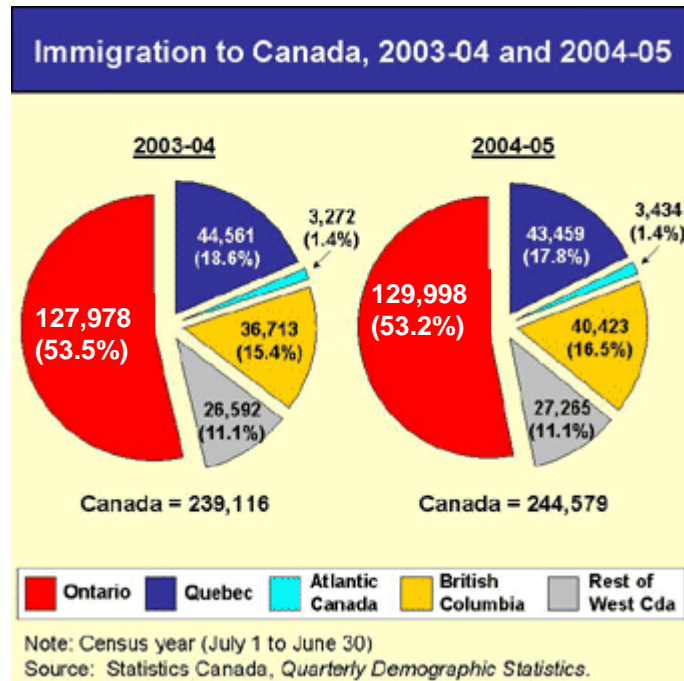
3.3 Immigration - Canada

Immigration is, and will continue to be, a significant contributor to Canada’s population growth.

For the last half of 2004 and the first half of 2005, 244,579 immigrants came to Canada. This was an increase of 2.3 per cent over 2003-04. China (16 per cent) was the leading source country of immigration, followed by India (12 per cent), the Philippines (6 per cent), Pakistan (five per cent), and the United States (2.3 per cent).⁵

Ontario, with 39 per cent of the population, takes in 53 per cent of all immigrants to Canada, followed by Quebec (17.8 per cent), and British Columbia (16.5 per cent).

Figure 8. Immigration to Canada by Destination.



Source: <http://www.fin.gov.on.ca/english/demographics/dhi052.html>

According to the 2001 Census, 68 per cent of immigrants were born in Asia, including the Middle East. Another 15 per cent were from Europe, nine per cent from Africa and six per cent from Central and South America and the Caribbean.⁶

Among recent immigrants, both genders tend to be highly educated. For the 25 to 64 year age group, over 44 per cent of immigrants who came to Canada from 1996 to 2001 reported having a university degree. In contrast, less than 18 per cent of Canada's non-immigrant population had degrees in 2001. The proportion of immigrants with trade qualifications dropped from 14 per cent of immigrants who arrived in the 1960s to 11 per cent in the 1980s and down to six per cent in the late 1990s. The proportion of immigrants with a college diploma demonstrated a similar decline. Only 52.4 per cent of the non-immigrant population has a postsecondary credential (including trades), compared with 67.5 per cent of the immigrants who arrived from 1996 to 2001. Similarly, the proportion with secondary school or less declined from 35 per cent of immigrants who arrived in the 1980s to 25 per cent who arrived in the late 1990s.⁷

For further information on the impacts of immigration on the labour force, please see Chapter Five of the Scan, Labour, "Immigrants."

Appendix 1: Components of population growth, by province (2004-05)*

	Canada	NF	PEI	NS	NB	PQ	ON	MN	SK	AB	BC
Births	337,856	4,511	1,409	8,580	7,023	75,303	131,454	14,111	12,144	41,015	40,465
Deaths	234,645	4,429	1,259	8,413	6,446	55,429	88,919	10,264	9,195	19,817	30,001
Immigration	244,579	547	312	1,705	870	43,459	129,998	7,676	2,089	17,353	40,423
Emigration	35,866	78	30	793	300	5,601	15,991	1,327	599	4,043	7,063
Net temporary emigration	25,563	105	34	374	223	4,073	10,625	562	515	2,934	6,069
Returning emigrants	15,786	72	23	339	272	2,785	6,546	987	181	1,981	2,585
Net non-permanent residents	-6,003	34	53	-191	382	-3,694	-10,025	538	304	1,866	4,859
Net interprovincial migration	...	-1,875	-222	-473	-1,650	-2,332	-8,375	-3,832	-4,583	16,615	7,456
Population July 1 2005**	32,270,500	516,000	138,100	937,900	752,000	7,598,100	12,541,400	1,177,600	994,100	3,256,800	4,254,500
Annual Growth rate, 2004-05	0.9%	-0.3%	0.1%	0.0%	0.0%	0.7%	1.1%	0.6%	0.0%	1.6%	1.3%

Source: "Canadian Statistics", <http://www40.statcan.ca/101/cst01/demo23c.htm>

*Comparison between July 1, 2004 to June 30, 2005

**Rounded to nearest 100

4.0 WEBSITES OF INTEREST

Organization	Website
Citizenship and Immigration Canada	http://www.cic.gc.ca
Statistics Canada	http://www.statcan.ca
Statistics Canada 2001 Census Analysis Series: A Profile of the Canadian Population: Where We Live	http://geodepot.statcan.ca/Diss/Highlights/Highlights_e.cfm?lang=E
Ontario Ministry of Finance	http://www.fin.gov.on.ca/english/demographics

5.0 REFERENCES

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6.0 ENDNOTES

¹ Ontario Population Projections 2004-31, Ontario Ministry of Finance, February, 2005.

² Ontario Population Projections 2004-31, Ontario Ministry of Finance, February, 2005.

³ Ontario Population Projections, 2004-2031. Ontario Ministry of Finance, February, 2005.

⁴ Ontario Population Projections, 2004-2031. Ontario Ministry of Finance, February, 2005.

⁵ *The Monitor, Fall 2005*. Citizenship and Immigration Canada.

⁶ *2001 Census, Statistics Canada*. <http://www.statcan.ca/english/Pgdb/demo34a.htm>

⁷ *2001 Census, Statistics Canada* - Cat. No. 97F0009XCB01041
www12.statcan.ca/english/census01/products/standard/themes/RetrieveProductTable