

2

## Demographics – Overall summary

This section presents an analysis of current and future demographic trends. Like many other jurisdictions, Ontario’s population is aging rapidly.

Despite the current challenges in the worldwide economy, the projection over the long term is for a significant skills shortage in Ontario. There will continue to be a demand for well-educated and highly skilled college graduates. Enrolment trends and programs for students will also be affected by the demographic trends.

### Chapter 2 - Table of contents

|     |   |   |     |  |    |
|-----|---|---|-----|--|----|
| 1.0 | <b>Highlights</b> .....                         | 6 | 3.4 | Future population age structure.....                   | 9  |
| 2.0 | <b>Current demographic trends</b> .....         | 6 | 3.5 | Regional distribution of the<br>future population..... | 10 |
| 2.1 | Population growth.....                          | 6 | 4.0 | <b>Canada’s population outlook</b> .....               | 11 |
| 2.2 | Age structure.....                              | 6 | 5.0 | <b>Sources</b> .....                                   | 12 |
| 2.3 | Regional population distribution.....           | 7 | 5.1 | Endnotes.....  | 12 |
| 2.4 | Immigration.....                                | 7 | 5.2 | Bibliography.....                                      | 12 |
| 3.0 | <b>Ontario’s population outlook</b> .....       | 8 | 5.3 | Websites of interest.....                              | 12 |
| 3.1 | Projections of the total population.....        | 8 | 6.0 | <b>Appendix</b> .....                                  | 12 |
| 3.2 | Projections of the aboriginal population.....   | 9 |     |  |    |
| 3.3 | Demographic components of<br>future growth..... | 9 |     |  |    |

## 1.0 Highlights

The following are some demographic highlights:

- Ontario's population is projected to rise to 16.4 million by 2031, from its current level of 12.9 million
- The main driver of population growth is, and will continue to be, international migration. In recent years, Ontario has been losing population to other provinces through net interprovincial migration
- Natural increase (births minus deaths) has been on a long-term decline in Ontario
- Ontario's population is aging. Its median age and the proportion of older people in the population are rising. By 2031, the median age in the province is projected to be 43 years and seniors aged 65 and over will make up almost 22 per cent of the population
- The 15 to 29 age cohort as a whole will grow over the next few years but then either decline or grow slowly after that.
- Ontario's population is highly concentrated in the Greater Toronto Area (GTA). The share of the Ontario population living in the GTA is expected to be even higher in the future
- Canada's population is projected to reach 39 million by 2031 and 42.5 million by 2056 – up from about 33 million today
- By 2030, the rate of natural increase is expected to turn negative, with the number of deaths outnumbering the number of births. Immigration will then account for all of Canada's population growth.

## 2.0 Current demographic trends

### 2.1 Population growth

Ontario's population was estimated to be 12,928,996 on July 1, 2008. The population increased by 1.1 per cent during 2007-08. Ontario's share of Canada's population (33,311,389 on July 1, 2008) was 38.8 per cent.

With the exception of the Northwest Territories, all jurisdictions in Canada experienced population growth in 2007-08. Among the provinces, population growth was strongest in the West, with Alberta (2.1 per cent), British Columbia (1.6 per cent) and Saskatchewan (1.6 per cent) experiencing the fastest growth.

Net international migration remains the key driver of Ontario's population growth. On a net basis, Ontario received more than 100,000 international migrants in 2007-08. Ontario continued to lose population through interprovincial migration. On a net basis, in 2007-08, Ontario lost more than 16,000 people to other provinces. Natural increase (births minus deaths) has been on a long-term decline in Ontario for several years now. Key demographic indicators for Ontario for 2007-08 are presented in Table 1.

Table 1

#### Key demographic indicators, Ontario 2007-08

|                                   |            |
|-----------------------------------|------------|
| Population – July 1, 2008         | 12,928,996 |
| Rate of population growth 2007-08 | 1.1%       |
| Births                            | 136,217    |
| Deaths                            | 88,680     |
| Net international migration       | 104,409    |
| Net interprovincial migration     | -16,522    |
| Total growth 2007-08              | 135,424    |

Sources: Statistics Canada and Ontario Ministry of Finance.

### 2.2 Age structure

Like many other parts of Canada and many developed nations of the world, Ontario's population is aging. Its median age and the population shares of the older age groups are rising. The median age in Ontario was estimated to be 39.0 years in 2008, slightly lower than the national average of 39.4 years. Among the provinces, the median age is highest in the eastern provinces, with Newfoundland topping the list at 42.5 years. The province with the lowest median age is Alberta (35.7 years).

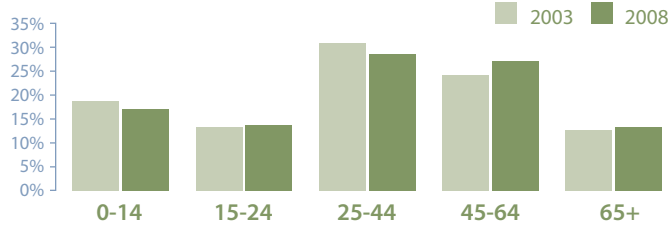
The population shares of key age groups for 2003 and 2008

are shown in Figure 1. Together, seniors (aged 65 and older) and older workers (aged 45 to 64) now comprise 40.5 per cent of Ontario's population, up from 36.9 per cent five years earlier, in 2003. In contrast, the share of the population under age 45 has fallen from 63.1 per cent in 2003 to 59.5 per cent in 2008.

Looking at it another way, the number of Ontarians aged 45 and over increased by more than 700,000 between 2003 and 2008. In contrast, the number of Ontarians under the age of 45 declined by 29,000 over the same period.

**Figure 1**

**Ontario population by age group, 2003 and 2008**



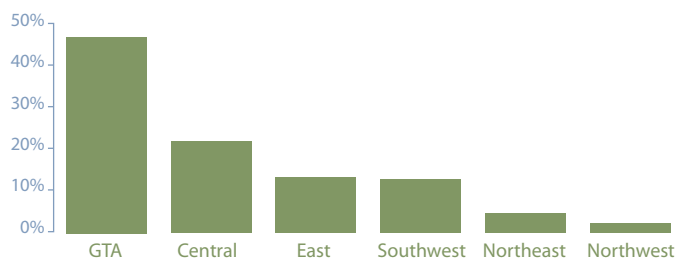
Sources: Statistics Canada and Ontario Ministry of Finance.

### 2.3 Regional population distribution

By far, the largest proportion of Ontario's population – six million people – lives in the Greater Toronto Area (regions of Metro Toronto, Peel, York, Durham and Halton). The GTA's share of Ontario's population in 2007 was 46.8 per cent. A significant portion of Ontario's population also lives in the central region, the region surrounding the GTA. The northern regions of the province continue to be sparsely populated. The population shares of each of the six Ontario regions in 2007 are provided in Figure 2.

**Figure 2**

**Shares of the Ontario population by region, 2007**



Sources: Statistics Canada and Ontario Ministry of Finance.

### 2.4 Immigration

#### Immigrant arrivals in 2007

In 2007 (calendar year), Canada received 236,758 new

immigrants (permanent residents). Of these, 111,312 chose Ontario as their destination. Ontario's share of Canadian immigration fell from 50 per cent in 2006 to 47 per cent in 2007. In recent years, Ontario's share has been as high as 59.3 per cent (reached in 2001).

Quebec and British Columbia are also popular destinations for immigrants. In 2007, Quebec received 19.1 per cent of immigrants to Canada, while British Columbia's share was 16.4 per cent.

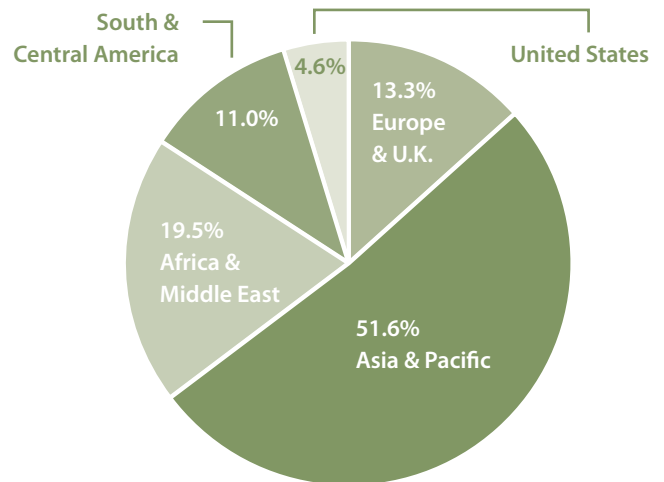
In addition to permanent residents, Ontario receives a significant number of foreign students through the temporary resident stream. In 2007, Ontario was the initial entry point of 21,476 foreign students. In total, as of December 2007, there were 65,517 foreign students in Ontario.

The majority of immigrants who come to Ontario choose to settle in the Toronto area. In 2007, approximately 78 per cent of the arrivals settled in the Toronto area. Ottawa-Gatineau, the second most popular destination for immigrants, received about five per cent of Ontario immigrants in 2007.

Immigrants to Ontario by world source area are shown in Figure 3. More than half of immigrants who came to Ontario in 2007 were from Asia and the Pacific, and about one-fifth came from Africa and the Middle East.

**Figure 3**

**Immigrants to Ontario by world source area, 2007**



Source: Citizenship and Immigration Canada.

Less than half of the immigrants – 48 per cent – who came to Ontario in 2007 were economic immigrants, who were selected for their skills and ability to contribute to the

economy. This was the lowest percentage for this category during the last 10 years. In 2007, an additional 32 per cent of immigrants arrived under the family class category and about 14 per cent were refugees.

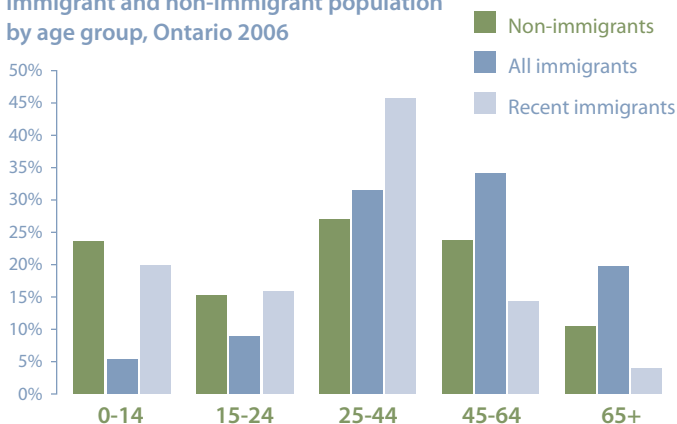
Analysis of data on the language ability of immigrants who arrived in Ontario in 2007 indicates that about 64 per cent had language ability in English, and about four per cent reported knowledge of both official languages. Thirty per cent did not have language ability in either English or French.

### Profile of immigrants in Canada

It is interesting to compare the age structure of the immigrant population to that of the non-immigrant population in order to see the effect of immigration on population age structure. Data from the 2006 census on the age distribution of non-immigrants, immigrants, and recent immigrants are shown in Figure 4. Interesting findings emerge from this analysis. Compared to non-immigrants, the total immigrant population tends to be older, with relatively lower proportions of children and youth and a significantly higher proportion of those aged 45 and older. In contrast, recent immigrants are highly concentrated in the 25 to 44 age group.

Figure 4

Immigrant and non-immigrant population by age group, Ontario 2006



Sources: Statistics Canada, 2006 Census of Population, Statistics Canada catalogue no. 97-557-XCB2006021 and Colleges Ontario. Notes: Data for all immigrants are for all immigrants who landed in Canada prior to May 16, 2006. Recent immigrants are those who landed in Canada between 2001 and 2006. Data exclude non-permanent residents.

Along with information on the age distribution of immigrants, the 2006 census provides useful information on the educational levels of the immigrant population. Data on the educational attainment of the 25 to 54 population by immigration status are presented in Table 2.

The data suggest that a higher share of all immigrants aged 25 to 54 hold postsecondary education (PSE) credentials (67 per cent) compared to the non-immigrant population (62 per cent). The proportion of recent immigrants (arrived during 2001 to 2006) with such credentials is even higher – 78 per cent.

Table 2

Immigrant status and highest certificate, diploma or degree for the population aged 25-54, Ontario 2005

|   | Total         | Non-immigrants | All immigrants | Recent immigrants |
|---|---------------|----------------|----------------|-------------------|
| No certificate, diploma or degree                             | 11.4%         | 11.3%          | 11.5%          | 7.6%              |
| High school certificate or equivalent                         | 25.2%         | 27.0%          | 21.7%          | 14.9%             |
| Apprenticeship or trades certificate or diploma               | 8.2%          | 8.7%           | 7.3%           | 4.1%              |
| College, CEGEP or other non-university certificate or diploma | 23.2%         | 26.0%          | 17.7%          | 10.1%             |
| University certificate or diploma below bachelor level        | 4.6%          | 3.1%           | 7.5%           | 8.6%              |
| University certificate or degree                              | 27.5%         | 23.9%          | 34.4%          | 54.7%             |
| <b>Total</b>  | <b>100.0%</b> | <b>100.0%</b>  | <b>100.0%</b>  | <b>100.0%</b>     |

Sources: Statistics Canada, 2006 Census of Population, Statistics Canada catalogue no. 97-560-XCB2006026 and Colleges Ontario. Notes: Data for all immigrants are for all immigrants who landed in Canada prior to May 16, 2006. Recent immigrants are those who landed in Canada between 2001 and 2006. Data exclude non-permanent residents.

## 3.0 Ontario's population outlook<sup>2</sup>

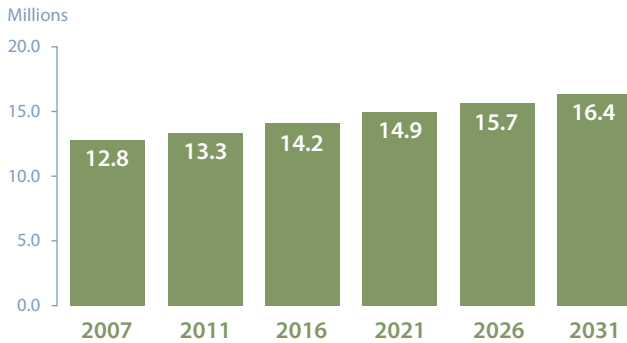
### 3.1 Projections of the total population

Projections of the population are a useful tool for planning for the future. The analysis in this section is based on the "Reference" or "Most Likely" scenario of the most recent round of population projections produced by the Ontario Ministry of Finance (spring 2008). It should be noted that the base data for the projections are estimates for 2007, based on the 2001 census. The ministry has not yet released projections based on the 2006 census.

Projections of the total population from the ministry's "Reference" scenario are presented in Figure 5. The population of the province is projected to reach 16.4 million by 2031. This represents an increase of 3.6 million people (27.8 per cent) compared to 2007. The annual rate of population growth is expected to slow over the projection period, from an average of 1.1 per cent during the first five years of the projection period to 0.8 per cent in the last year of the projections.

**Figure 5**

**Ontario population projections (Reference scenario)**



Source: Ontario Ministry of Finance, Ontario Population Projections Update, spring 2008.

**3.2 Projections of the aboriginal population**

In 2005, Statistics Canada released projections of the aboriginal population for Canada, provinces and territories out to 2017. The projections are based on the 2001 census. The medium-growth projections scenario suggests that Ontario's total population with aboriginal identity will reach 267,700 by 2017. The aboriginal population continues to grow at a faster rate than the population as a whole. By 2017, the aboriginal population is projected to be 24.7 per cent larger than it was in 2001, the base year of the projections. In contrast, by 2017, the total Ontario population is projected be 20.3 per cent larger than in 2001.

The aboriginal population is also considerably younger than the total population. Its median age in 2001 was 27.4 years and is projected to rise to 30.6 years by 2017. In contrast, the median age of the total population was 36.7 years in 2001 and is projected to rise to 40.7 years by 2017.

**3.3 Demographic components of future growth**

Over the outlook period, net migration will continue to be the key driver of population growth and is expected to account

for 74 per cent of the total population growth. Immigration is the largest component of all the migration streams. The projections assume that starting in 2010-11, Ontario will receive 131,000 immigrants during each year of the outlook period.

During the early years of the projection period, Ontario is expected to continue to lose population through net interprovincial migration. However, starting in 2011-12, the province is projected to gain 5,000 people per year through net interprovincial migration.

In the first 10 years of the projection period, natural population growth (births minus deaths) is more or less stable at about 43,500 per year. However, it declines sharply in the period after that as deaths rise faster than births. By 2030-31, natural increase is expected to amount to about 18,000.

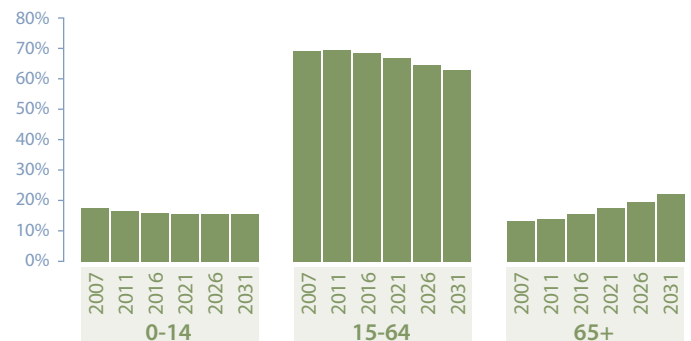
**3.4 Future population age structure**

The age distribution of Ontario's population will continue the shift towards more seniors and fewer young people. The median age of the population is expected to rise to 43 years by 2031. Projections of the population shares of the three broad age groups (0 to 14, 15 to 64, and 65 and older) are shown in Figure 6.

The population share of children aged 0 to 14 is projected to fall from 17.5 per cent in 2007 to 15.5 per cent by 2031. In contrast, the proportion of seniors aged 65 and over is projected to increase to 21.9 per cent in 2031, from 13.2 per cent in 2007. The province's working-age population (ages 15 to 64) is projected to rise from 8.9 million in 2007 to 10.3 million in 2031. However, the population share of this age group will fall from more than 69 per cent in 2007 to 62.7 per cent in 2031.

**Figure 6**

**Population shares by broad age group, Ontario 2007 to 2031**



Source: Ontario Ministry of Finance, Ontario Population Projections Update, spring 2008.

Table 3

## Projections of the population aged 15-29, Ontario 2007 to 2031

| Year | 15-19   |                 | 20-24   |                 | 25-29     |                 | Total     |                 |
|------|---------|-----------------|---------|-----------------|-----------|-----------------|-----------|-----------------|
|      | Number  | Per cent change | Number  | Per cent change | Number    | Per cent change | Number    | Per cent change |
| 2007 | 860,300 |                 | 879,200 |                 | 856,700   |                 | 2,596,200 |                 |
| 2011 | 878,700 | 2.1             | 911,500 | 3.7             | 913,400   | 6.6             | 2,703,600 | 4.1             |
| 2016 | 840,800 | (4.3)           | 954,000 | 4.7             | 969,200   | 6.1             | 2,764,000 | 2.2             |
| 2021 | 808,000 | (3.9)           | 917,600 | (3.8)           | 1,009,800 | 4.2             | 2,735,400 | (1.0)           |
| 2026 | 840,200 | 4.0             | 886,400 | (3.4)           | 971,000   | (3.8)           | 2,697,600 | (1.4)           |
| 2031 | 887,200 | 5.6             | 920,600 | 3.9             | 937,400   | (3.5)           | 2,745,200 | 1.8             |

Source: Ontario Ministry of Finance, Ontario Population Projections Update, spring 2008.

While looking at projected trends for the broad age groups is interesting, projections of the 15 to 29 population are of greater relevance for colleges. Provincewide projections of the 15 to 19, 20 to 24 and 25 to 29 population groups are provided in Table 3 and discussed below. Regional projections of the 15 to 29 age group as a whole are shown in Figure 8, with more detailed projections being provided in Appendix I.

From 2007 to 2011, the total number of people aged 15 to 29 in Ontario is projected to increase by 4.1 per cent. Growth in this age group is expected to slow between 2011 and 2016, but still remain positive. The age group declines in size between 2016 and 2026 but then increases again after 2026. Among the individual age groups in this age range, the strongest growth during the 2007 to 2011 period will be in the 25 to 29 age group (6.6 per cent). This age group is expected to grow at more than triple the rate of the 15 to 19 age group during this period.

### 3.5 Regional distribution of the future population

During the outlook period, the GTA is expected to be the fastest growing region in Ontario, increasing in population from six million in 2007 to 8.3 million in 2031. Its share of the provincial population will rise from 46.8 per cent in 2007 to 50.8 per cent in 2031. There is significant variation in the projected growth across the GTA. The population of Toronto is expected to increase by only 15 per cent, whereas the populations of Durham, Halton, Peel and York are projected to experience increases that range from 44 per cent to 63 per cent.

Outside the GTA, most regions are expected to experience population growth, with the exception of the north. The population of central Ontario (region surrounding the GTA) will grow from 2.8 million in 2007 to 3.5 million in 2031, but its share of Ontario's population will remain at about 21 per cent.

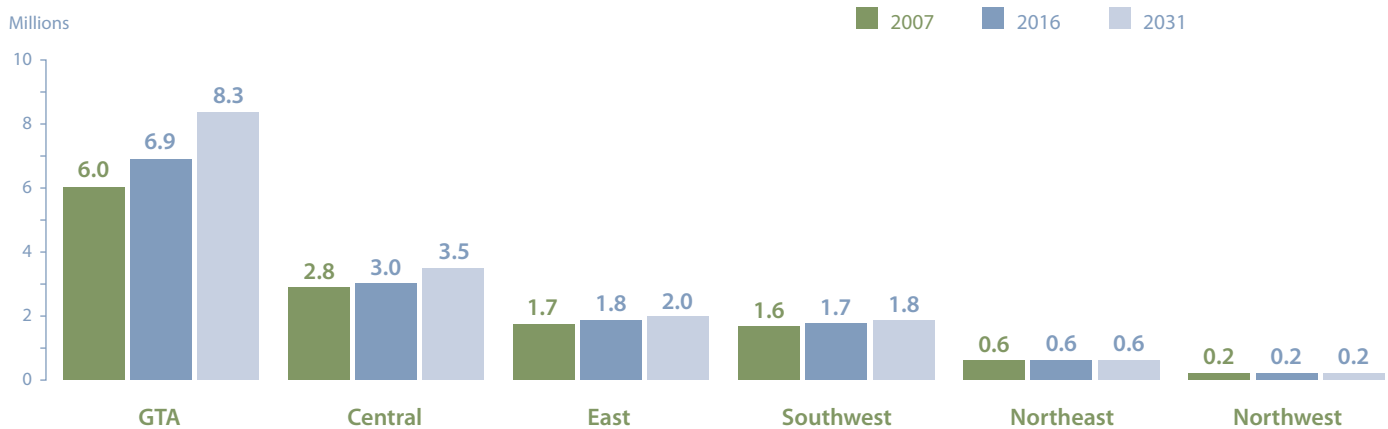
The population of eastern Ontario is projected to increase from 1.7 million in 2007 to two million in 2031. In this region, the population of Ottawa is projected to grow the fastest, rising from 846,000 in 2007 to about 1.1 million in 2031. The population of southwestern Ontario will also grow, from 1.6 million in 2006 to 1.8 million in 2031.

The population of northern Ontario is expected to fall, from 801,000 in 2007 to 778,000 in 2031. Population projections for each of the regions are provided in Figure 7.

Projections of the population aged 15 to 29 for each of the regions are shown in Figure 8. In the GTA, the 15 to 29 population is projected to rise steadily from 1.2 million in 2007 to 1.4 million in 2021. In the central and eastern regions, the 15 to 29 population increases until 2011, is then more or less stable, and then declines. In the southwest, the decline occurs earlier. A more detailed age breakdown of the projections for this age group by region is provided in Appendix I. Projections of the population by single years of age by census division and region are also directly available from the Ministry of Finance.

Figure 7

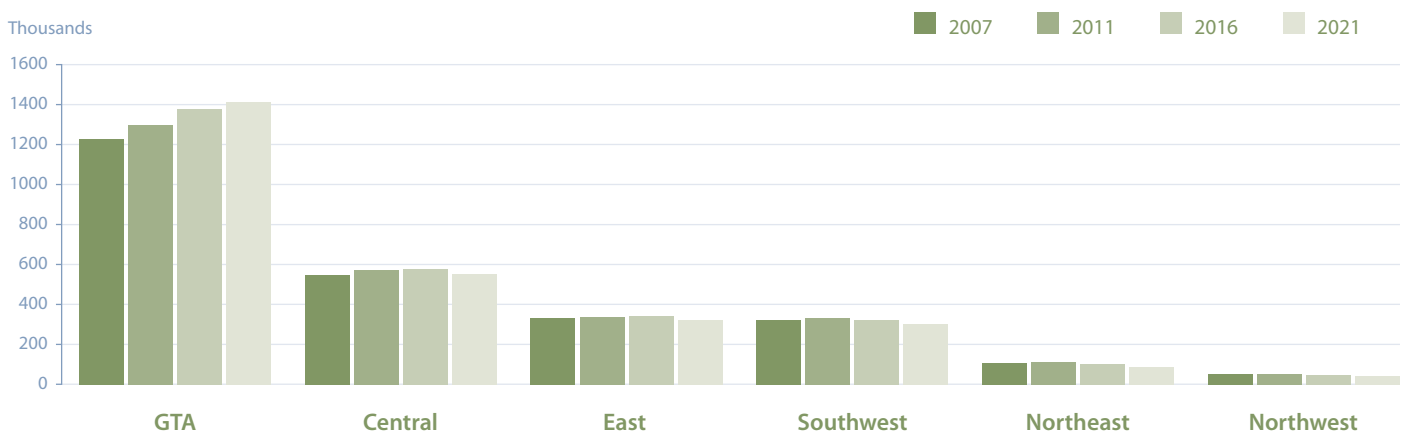
Projected population by Ontario region, 2007 to 2031



Source: Ontario Ministry of Finance, Ontario Population Projections Update, spring 2008.

Figure 8

Population aged 15-29 by region, 2007 to 2021



Source: Ontario Ministry of Finance, Ontario Population Projections Update, spring 2008.

#### 4.0 Canada's population outlook<sup>3</sup>

Statistics Canada's most recent set of population projections for Canada, the provinces and territories was released in December 2005. The projections for Canada extend out to 2056 and for the provinces and territories, to 2031. Under the medium growth scenario, Canada's population is projected to reach 39 million by 2031 and 42.5 million by 2056. The average annual growth rate is expected to drop to 0.6 per cent by 2031 and to 0.2 per cent by 2056.

International migration will be the key factor driving population growth in Canada and will account for 77 per cent

of the growth between now and 2031, and all of the growth between 2031 and 2056. Canada's natural growth rate (births minus deaths) has slowed in recent years. It is projected that in 2030, the rate of natural increase will turn negative as there will be more deaths than births.

As in Ontario, Canada's population is aging. Over the projection period, the population share of seniors aged 65 and over will continue to rise while the share of children aged 0 to 14 will decline. The proportion of the population that is of working age is projected to decline and then level off at about 60 per cent by 2056.

## 5.0 Sources

### 5.1 Endnotes

- <sup>1</sup> Sources for this section include Statistics Canada, the Ontario Ministry of Finance and Citizenship and Immigration Canada (see bibliography below). Estimates of the total population, components of change and age groups are based on the 2006 census adjusted for net undercoverage. However, estimates of the populations of the regions are still based on the 2001 census.
- <sup>2</sup> This section is based on the Ontario Ministry of Finance's population projections from spring 2008 (see below).
- <sup>3</sup> Sources for this section include the Statistics Canada Daily and the Ontario Ministry of Finance's Ontario Demographic Quarterly (see below).

### 5.2 Bibliography

Citizenship and Immigration Canada, *Facts and Figures 2007, Immigration Overview: Permanent and Temporary Residents*.

Ontario Ministry of Finance, *Ontario Demographic Quarterly*, Dec. 21, 2005, Highlights of Third Quarter 2005.

Ontario Ministry of Finance, *Ontario Population Projections Update*, spring 2008.

Ontario Ministry of Finance, special requests.

Statistics Canada, *Projections of the Aboriginal Populations, Canada, Provinces and Territories 2001 to 2017, 2005*, Statistics Canada Catalogue no. 91-547-XIE.

Statistics Canada, *Annual Demographic Estimates: Canada, Provinces and Territories, 2008*, Catalogue no. 91-215-X.

Statistics Canada, 2006 Census of Population, Statistics Canada catalogue no. 97-557-XCB2006021.

Statistics Canada, 2006 *Census of Population*, Statistics Canada catalogue no. 97-560-XCB2006026.

Statistics Canada, *The Daily*, Dec. 15, 2005, Population Projections, 2005 to 2031.

Statistics Canada, *The Daily*, Sept. 29, 2008, Canada's Population Estimates, Second Quarter 2008.

Statistics Canada, *The Daily*, Jan. 15, 2009, Canada's Population by Age and Sex, as of July 1, 2008.

### 5.3 Websites of interest

Citizenship and Immigration Canada:

<http://www.cic.gc.ca/english/resources/statistics/index.asp>

Statistics Canada:

<http://www.statcan.gc.ca/>

Ontario Ministry of Finance:

<http://www.fin.gov.on.ca/english/economy/demographics/>

## 6.0 Appendix

### Appendix I

#### 15-29 population by age group and region, 2007 to 2021

| Region    | 2007    |         |         | 2011    |         |         | 2016    |         |         | 2021    |         |           |
|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
|           | 15-19   | 20-24   | 25-29   | 15-19   | 20-24   | 25-29   | 15-19   | 20-24   | 25-29   | 15-19   | 20-24   | 25-29     |
| GTA       | 389,902 | 409,872 | 433,690 | 415,812 | 432,915 | 459,526 | 415,481 | 471,948 | 493,446 | 418,046 | 471,355 | 529,255   |
| Central   | 192,645 | 189,520 | 169,337 | 191,943 | 197,542 | 185,119 | 179,306 | 201,259 | 197,317 | 166,563 | 188,880 | 201,053   |
| Eastern   | 111,170 | 112,186 | 107,778 | 109,582 | 115,865 | 113,478 | 99,984  | 117,645 | 121,228 | 93,700  | 108,348 | 123,163   |
| Southwest | 110,346 | 112,164 | 102,147 | 108,652 | 112,181 | 107,670 | 100,062 | 112,509 | 109,904 | 90,695  | 104,420 | 110,557   |
| Northeast | 39,324  | 38,824  | 30,145  | 36,569  | 37,202  | 33,175  | 31,927  | 35,093  | 32,731  | 26,652  | 30,967  | 31,406    |
| Northwest | 16,931  | 16,612  | 13,646  | 16,139  | 15,807  | 14,463  | 14,008  | 15,505  | 14,527  | 12,348  | 13,617  | 14,386    |
| Total     | 860,318 | 879,178 | 856,743 | 878,697 | 911,512 | 913,431 | 840,768 | 953,959 | 969,153 | 808,004 | 917,587 | 1,009,820 |

Source: Ontario Ministry of Finance, *Ontario Population Projections Update*, spring 2008.