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ONTARIO | ONTARIO

ACAATO ARCHIVE DOCUMENT

2005 Environmental Scan

Chapter 2: Demographics

DEMOGRAPHICS

Section Two

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SECTION TWO: DEMOGRAPHICS

This chapter examines demographic data and population projections for Canada from 2001 to 2026 and for Ontario from 2004 to 2031.

1.0 HIGHLIGHTS

Ontario

- Ontario is projected to have a population of 16.4 million by 2031.
- Between 2004 and 2031, the annual rate of population growth is expected to drop from 1.3 per cent to 0.7 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 2003-04, Ontario received 54 per cent of all of Canada's immigrants. Immigration will play an important role in meeting the province's labour force demands.
- 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.
- All regions of Ontario will experience growth, with the Greater Toronto Area being the fastest-growing region, largely due to immigration.

Canada

- From 2001 to 2026 Canada's population will grow at an average annual rate of about 0.7 per cent.
- Natural increases will drop; death rates will rise; the population is aging.
- 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

Overall, Ontario is projected to experience fairly robust population growth over the next 25 years, rising from an estimated 12.39 million as of July 1, 2004, to 16.43 million in 2031, a growth of 32.5 per cent, largely due to immigration.

From 2004 to 2031, the annual rate of population growth is expected to drop from 1.3 per cent to 0.7 per cent.

From the 1996 Census to the 2003 Census (based on postcensal estimates), Ontario's population increased by 10.4 per cent, compared with a national increase of 6.9 per cent. Proportionately, the GTA increased its proportion of the population from 43 per cent in 1996 to 45.3 per cent in 2003.

Regions experiencing increases include:

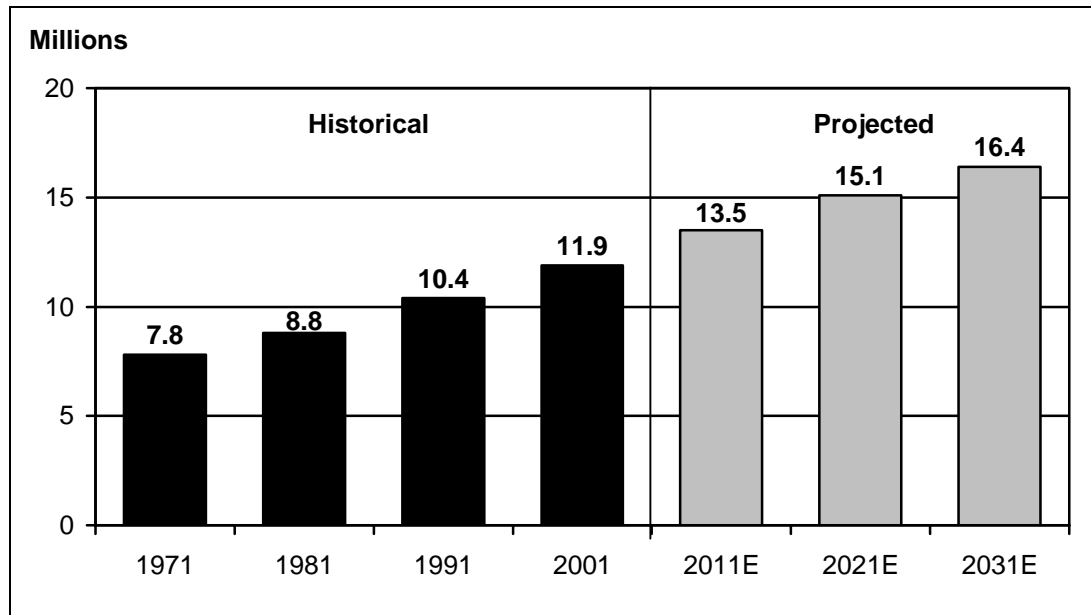
- The GTA, +16.3 per cent
- Central region (excluding the GTA), +9.7 per cent
- Southwestern, +5.2 per cent
- Eastern, +7 per cent

Regions experiencing population declines:

- Northeast, -5.8 per cent
- Northwest, -4.2 per cent

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

Figure 1: 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	
Year	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%

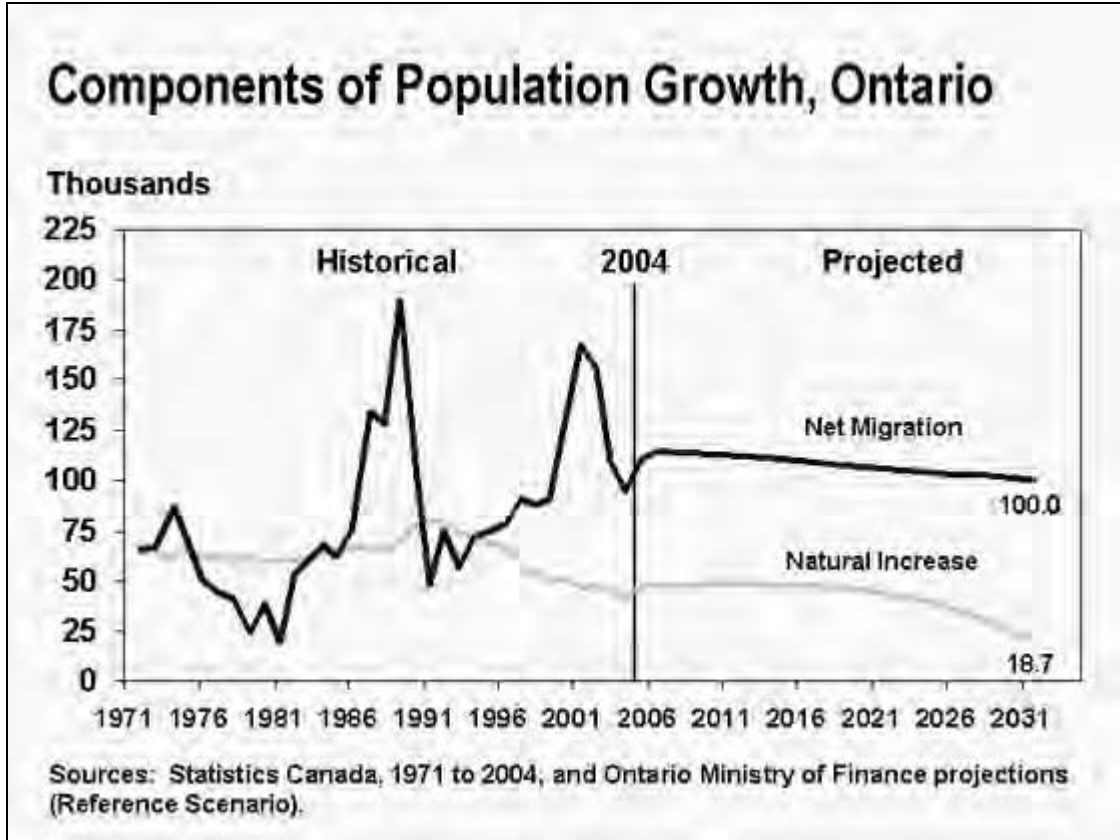
Source: *Ontario Population Projections, 2004-2031*, Ministry of Finance (2004) Table 4 Reference Scenario.

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 2003-04, the province received 128,000 new Canadians, 54 per cent of the total that came to Canada. 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. The following chart presents the relative strengths of migration and natural increase in contributing 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.

Figure 2: Population Growth by Natural Increase and Migration, 1971-2031



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

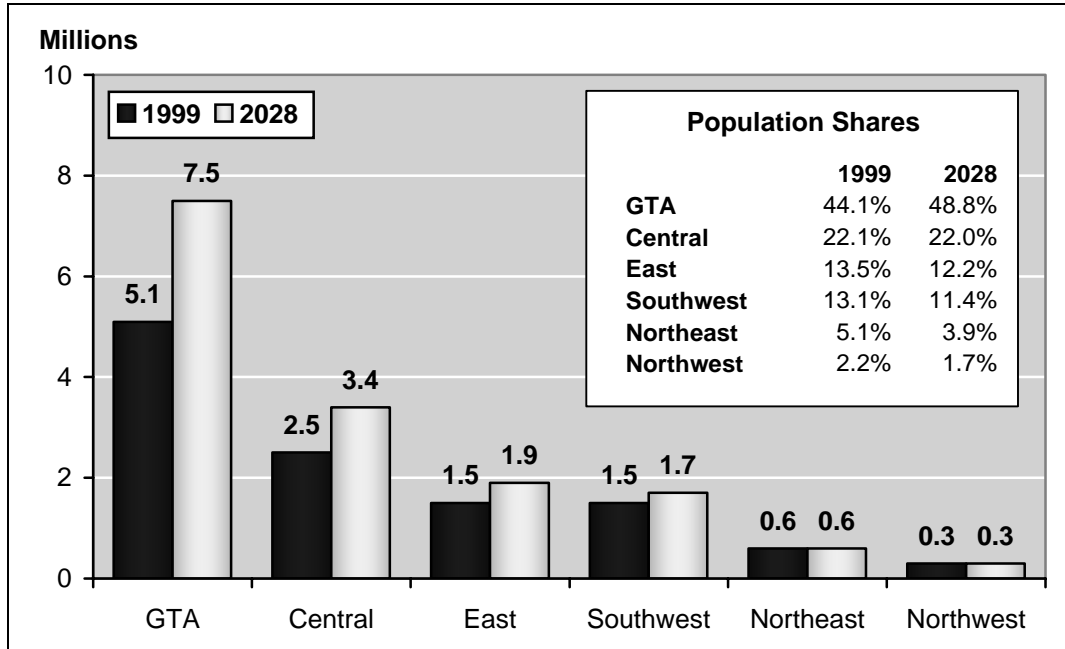
2.4 Projections of Ontario's Regional Population Distribution⁴

[In contrast to other data in this section, regional population projections based on the 2001 census have yet to be released, and therefore projections are based on the 1996 census.]

Based on the most recent regional projection data, it is projected that all regions of Ontario will experience growth, with the Greater Toronto Area being the fastest growing region, largely due to immigration. The GTA's population will increase from 5.1 million in 1999 to 7.5 million by 2028. The GTA's share of total Ontario population will rise from 44 per cent in 1999 to almost 49 per cent in 2028, or close to one-half of Ontario's population. Growth in York Region of the GTA will be the fastest.

The population of Central Ontario will grow by about 834,000, 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 324,000, with towns such as Prescott and Russell and Lanark experiencing above-average population growth. The population of Southwestern Ontario will grow by 239,000 but growth rates within the region will vary. Northern Ontario will experience an increase of 29,000 at varying rates across the region.

Figure 3: Regional Populations in Ontario, 1999 & 2028



Source: *Ontario Population Projections, 1999-2028*. www.gov.on.ca/FIN/english/demographics/demog00e.htm

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 2004, Canada's population was estimated at just fewer than 32 million. The population is projected to reach 36.2 million by 2026, at an average annual growth rate of about 0.7 per cent.

The census reports of 1996 and 2001 indicate that Canada has also experienced a deceleration in its population natural growth rate, now less than 1 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. As the nation moves further into the 21st century, the rate of natural increase will continue to drop and by 2025, Canada's natural growth rate will be just under 0.6 per cent.

Table 3 presents Canada's census population and total growth rates over the last 50 years and those projected to 2026.

Table 3: Canada's Historical and Projected Census Population and Growth Rates, 1951 - 2026

Year	Population (000s)	Growth Rate (5 year) (%)
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	4.0
2006	32,229	7.0
2011	33,362	3.5
2016	34,420	3.2
2021	35,382	2.8
2026	36,191	2.3

Sources: www.statcan.ca/english/Pgdb/demo23c.htm; 2001 Census Analysis Series – A profile of the Canadian population: where we live; 2006 -2026

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. The increase is one of many indicators that the nation's population is aging.

Low Fertility: The 2004 Statistics Canada's population estimates showed that 24.6 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 10.4.

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 2004 from 4.9 to below 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.

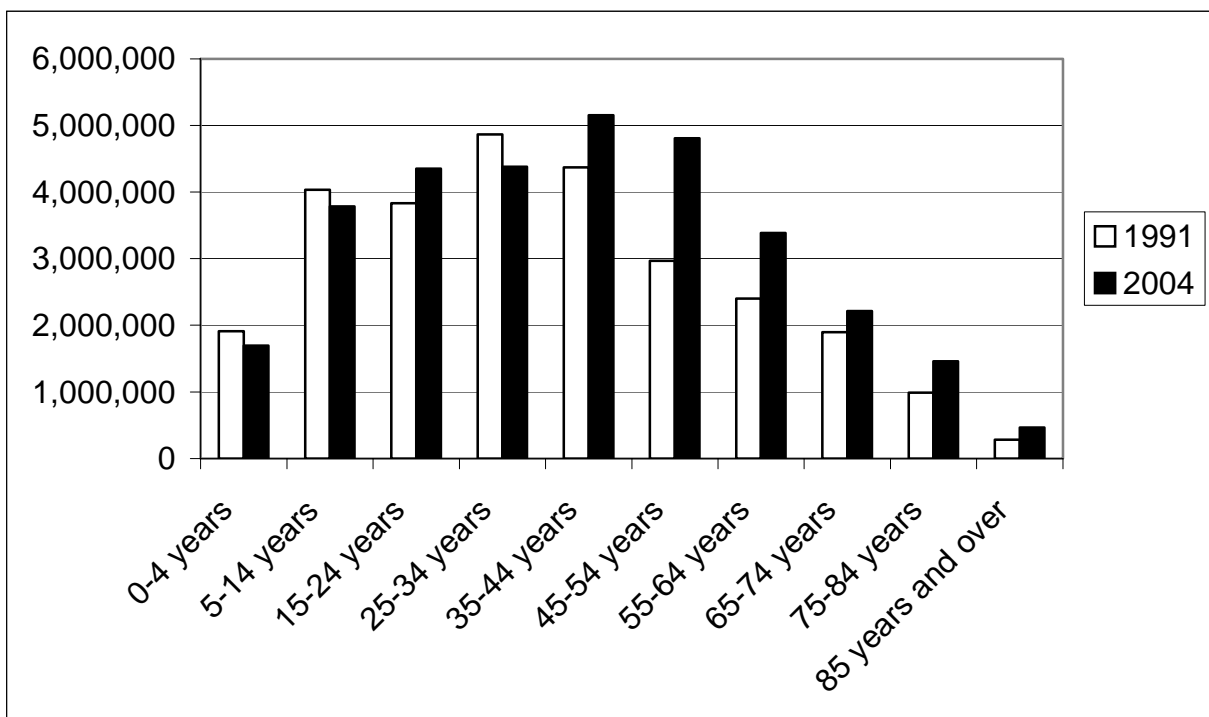
Increase in number of 35 to 44 year olds: Since 1991, the mid-career population, aged 35 to 44, increased 18 per cent to 5.2 million, as the larger generations of the end of the baby boom replaced the smaller ones of the beginning of the boom. However, this population is projected to decline 11 per cent 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 39 and 58. Looking at the figure below, that population is best expressed by the 45-to-54-year-old population, which has increased a striking 62 per cent since 1991. In total, the baby boomers now represent nearly one-third of the total population.

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 44 to 64 year old age group has increased by 52 per cent, from 5.4 to 8.2 million.

Increases in the retirement-age population. The population over 65 has increased by almost one million since 1991, and it is projected to nearly double to 7.7 million by 2026. In 2001, this age group made up only 12.7 per cent of the population; it is expected to comprise 21.4 per cent of the population by 2026.

Figure 4. The Canadian Population by Age, 1991 and 2004



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

For more information with respect to the impact of the aging population on the labour force, please see Chapter Five of the Scan, Labour, “Aging Workforce – Canada”.

3.3 Immigration - Canada

“By 2025, immigration will account for all population growth.”
(Conference Board of Canada, 2003)

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

For the last half of 2003 and the first half of 2004, 239,041 immigrants came to Canada. Immigration was up 17 per cent for the first half of 2004, compared with the same time last year. The number of refugees increased by 112 per cent and the numbers of skilled workers (principle applicants) increased by eight per cent. The target set by the federal government for 2005 is 220,000 to 245,000. In the first half of 2004, China (16 per cent) was the leading source country of immigration, followed by India (10 per cent), the Philippines (six per cent) and Pakistan (six per cent).⁵

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 6 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.”

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.gov.on.ca/fin
Conference Board of Canada	http://www.conferenceboard.ca

5.0 REFERENCES

Canada Population Projections, 2003, Statistics Canada

Census Analysis Series, 2001, Statistics Canada

Integrating Internationally Trained Professionals and Tradespeople into Ontario's Economy, 2003, Ontario Ministry of Training, Colleges and Universities

MEDS Projection System, McMaster University

News Release (September, 2003), Citizenship and Immigration Canada

Ontario Demographic Quarterly, January, June, 2003, Ontario Ministry of Finance

Ontario Population Projections, 1999 – 2028, Ontario Ministry of Finance

Performance and Potential, Conference Board of Canada, 2003

Social and Economic Dimensions of an Aging Population, Papers 15 & 16, 2001

Statistics Canada Daily, September, 2003

Update to Ontario Population Projections, 2004- 2031, Ontario Ministry of Finance

6.0 ENDNOTES

¹ Ontario Population Projections 2004-31, Ontario Ministry of Finance, Fall, 2004

² Ontario Population Projections 2004-31, Ontario Ministry of Finance, Fall, 2004

³ Ontario Population Projections, 2004-2031.
www.gov.on.ca/FIN/english/demographics/demog00e.htm

⁴ Ontario Population Projections, 1999-2028.
www.gov.on.ca/FIN/english/demographics/demog00e.htm

⁵ *The Monitor, Fall 2004*. 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