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2021 Census of Canada– First Housing Results

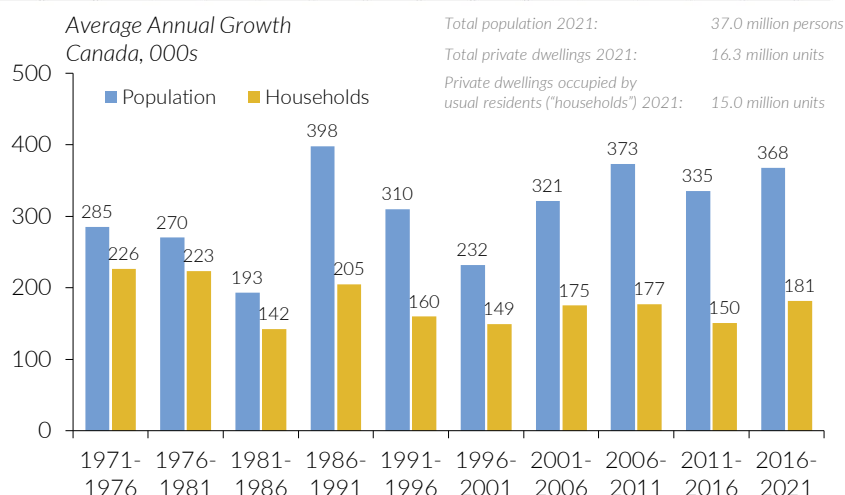
In this issue, we examine initial results from the 2021 Census of Canada, based on recently released high-level data on population and dwellings. A lot of caution will be necessary in analyzing any 2021 Census results and in particular in terms of assessing underlying trends. This is because the Census was conducted in May 2021 – during the COVID-19 pandemic. This makes it **very challenging to differentiate between what degree of growth/change reflects an underlying trend (i.e. sans COVID), and what potential short-term and/or longer term disruptions COVID may have introduced.** Further information from the 2021 Census and other sources – as well as the 2026 Census – will be needed to better understand these initial results.

Household Growth in 2016-2021 Strongest in 30 Years

About 181,000 net new households were created on average per year Canada-wide in the mid 2016 to mid 2021 Census period – the strongest 5 year period for household growth since 1986-1991 (Chart 1). This pickup was broadly consistent with stronger population growth, which itself was fueled by higher immigration levels.

Chart 1

Population and Household Growth Picked Up in 2016-2021



Highlights

- Population and household growth picked up in Canada in 2016-2021, according to Census of Canada data
- Canada's population growth in 2016-2021 had the potential to be record setting – until COVID hit
- Average persons per unit still drifting down
- 6 largest markets still outpacing growth in the rest of Canada – but gap narrows
- Below average population growth rates in Toronto and Montreal
- Shift in growth away from central areas of major markets

Source: Altus Group based on Census of Canada data

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Canada's Population Growth Might Have Been Record Setting - Without COVID-19

While Chart 1 showed that Canada's population growth picked up in 2016-2021, the potential was there for even stronger – and potentially record-setting – growth if COVID-19 had not reared its head.

While there are typically discrepancies between population growth shown by the Census of Canada and annual estimates prepared by Statistics Canada (a topic for another day), the annual estimates are helpful in identifying shorter-term patterns. The annual estimates (Chart 2) show that population growth fell off somewhat in the mid 2019 to mid 2020 period (which included only about 3½ months of the pandemic), and then more precipitously in 2020-2021, as immigration was cut off, births fell and deaths climbed. Assuming, without COVID, that annual population growth in 2019-2021 had stayed near the average for the 2016-2019 period, and applying a similar degree of adjustment to the Census data, this would imply that Census population growth would have been in the 435,000-440,000 persons per year range (rather than 368,000) – above the actual record Census period set in 1956-1961, that was about 431,500 per year.

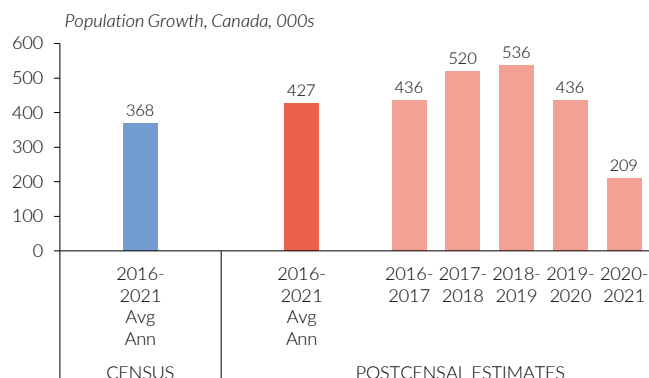
Average Household Sizes Drift Down

Average household size (approximated here by total population divided by total private dwellings occupied by usual residents) has been on a downward trend in Canada over the past 50 years (Chart 3). However, most of that decline occurred in the 1971-2006 period. The average household size in 2021 is just slightly lower than in 2016.

Focusing on Canada's 6 largest metropolitan areas (Chart 4), average household sizes moved lower across the board (although the decline was minimal for Ottawa-Gatineau). For Calgary and Edmonton, this was a reversal of the upward trend in 2011-2016, when the economic crash caused more people to share accommodation. Toronto's larger average household sizes at least in part reflect higher levels of new immigrants, with a typically younger age structure.

Chart 2

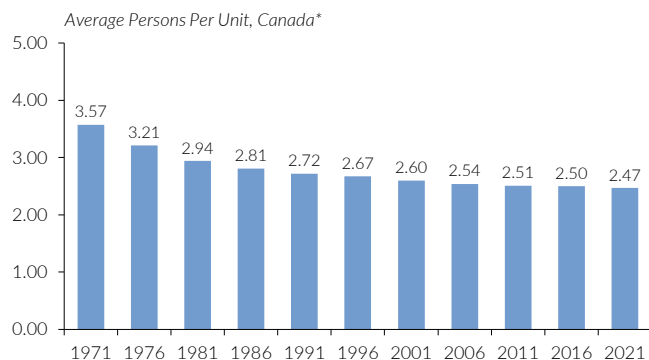
Population Growth Had Been Picking Up – Until COVID



Source: Altus Group based on Census of Canada and Statistics Canada data

Chart 3

Average Household Sizes Drift Down

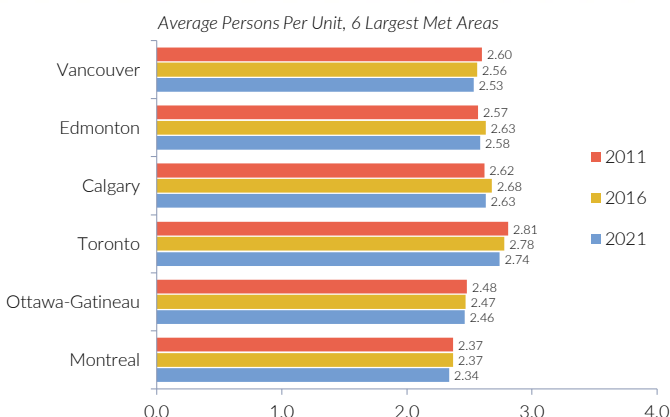


* Total population divided by total private dwellings occupied by usual residents

Source: Altus Group based on Census of Canada data

Chart 4

Toronto Average Household Sizes Declining But Still Larger



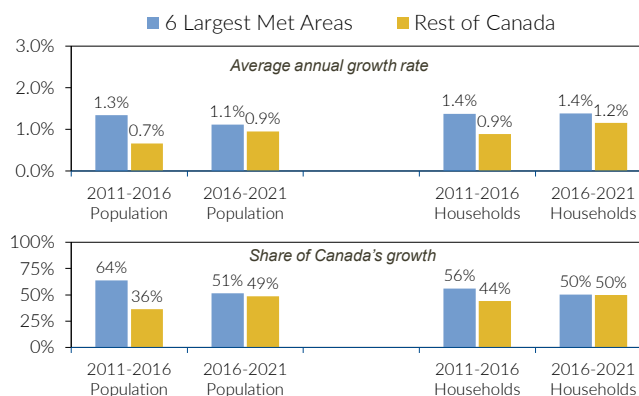
Source: Altus Group based on Census of Canada data

6 Largest Markets Still Outpacing Growth in the Rest of Canada – But Gap Narrows

Together, Canada's 6 largest metropolitan areas – Toronto, Montreal, Vancouver, Ottawa-Gatineau, Calgary and Edmonton – accounted for about half of Canada's population and household growth in 2016-2021 (Chart 5, bottom), much lower than in 2011-2016. Despite the lower share of growth, however, these 6 markets combined still captured a larger share of growth than their share of the total population and household bases. As such, their combined growth rates continued to outpace the rest of Canada, both for population and households (Chart 5, top) – although the gaps were significantly reduced.

Chart 5

6 Largest Met Areas No Longer Dominating the Country's Growth



Source: Altus Group based on Census of Canada data

Below Average Growth Rates in Toronto and Montreal

Census data indicates that Canada-wide population and households grew by about 1.0% and 1.4% per year on average in 2016-2021, with Statistics Canada annual data showing population growth trailing off once COVID hit. The next page provides a look at population and household growth trends in each of the 6 largest markets; this is followed by a comparison of Census and annual populations estimates for these markets. Highlights include:

- **Montreal** and **Toronto** both posted population growth rates below the national averages. However, for Montreal, the rate of growth was stronger than in 2011-2016, while Toronto's growth rate continued to diminish.
- **Edmonton** and **Calgary** saw much slower population growth than in 2011-2016, but it was still above the average for the 6 largest markets combined.
- **Vancouver** and **Ottawa** posted not only above average growth rates, but also saw the pace of growth pick up from the previous 5 years.
- Annual data for **all 6 markets** shows slower population growth during the COVID period, although the degree varied.
- **Toronto** was the only market where the Census showed dramatically lower population growth in 2016-2021 than the annual estimates had suggested. Additional investigation would be needed to determine which scenario is closest to the actual situation.

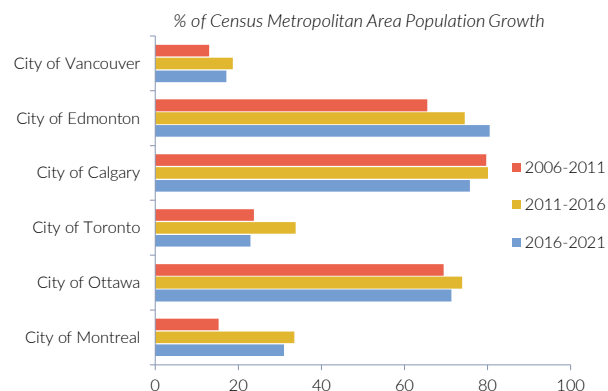
Shift in Growth Away from Central Areas

During the 2011-2016 period, Canada's largest markets saw a bit of a resurgence in their central areas, that is the local municipality after which the met area is named captured an increased share of the market's overall population growth (Chart 6).

That trend, however, reversed again in 2016-2021, the exception being Edmonton. It is likely that COVID-19 played a role in this reversal. With fewer people needing to be centrally located for their jobs, there were more options to either temporarily, or permanently, relocate to suburban areas.

Chart 6

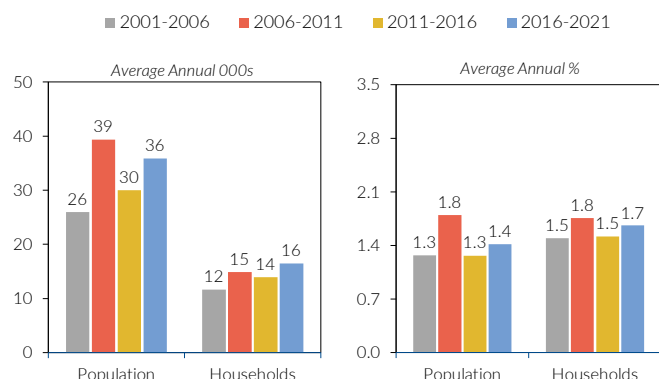
Central Areas Capture Smaller Share of Population Growth



Source: Altus Group based on Census of Canada data

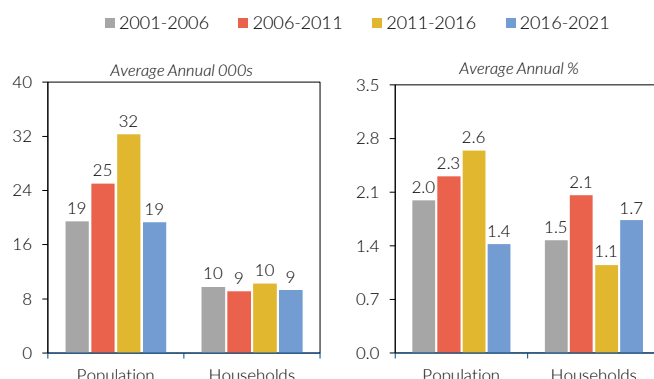
Altus Group Growth Monitor

Population and Household Growth Vancouver CMA



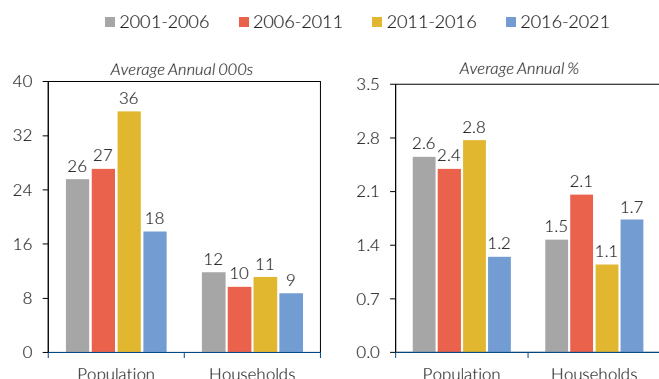
Source: Altus Group based on Census of Canada data

Population and Household Growth Edmonton CMA



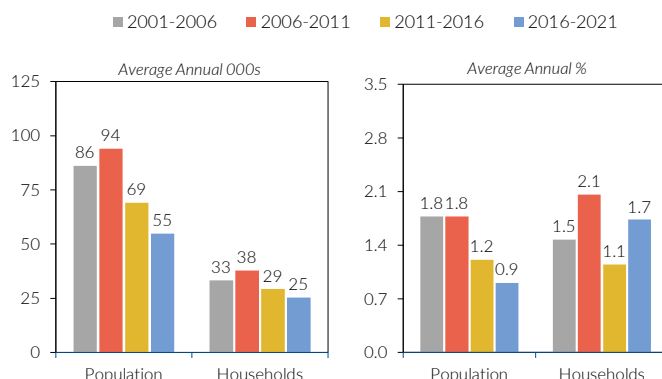
Source: Altus Group based on Census of Canada data

Population and Household Growth Calgary CMA



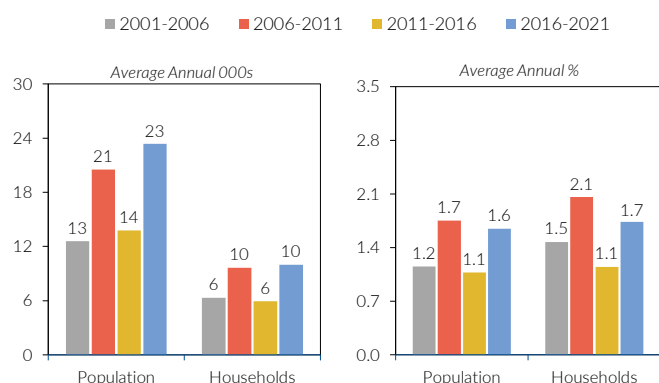
Source: Altus Group based on Census of Canada data

Population and Household Growth Toronto CMA



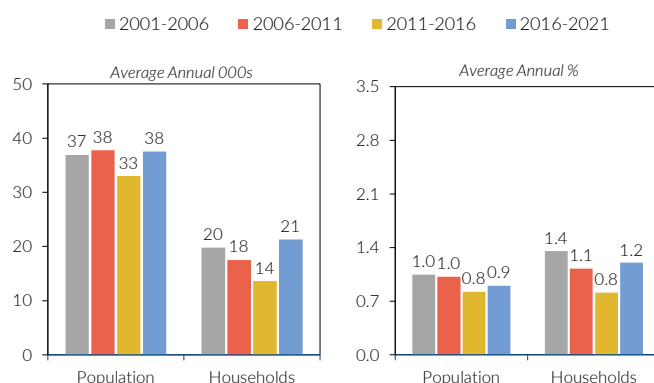
Source: Altus Group based on Census of Canada data

Population and Household Growth Ottawa-Gatineau CMA



Source: Altus Group based on Census of Canada data

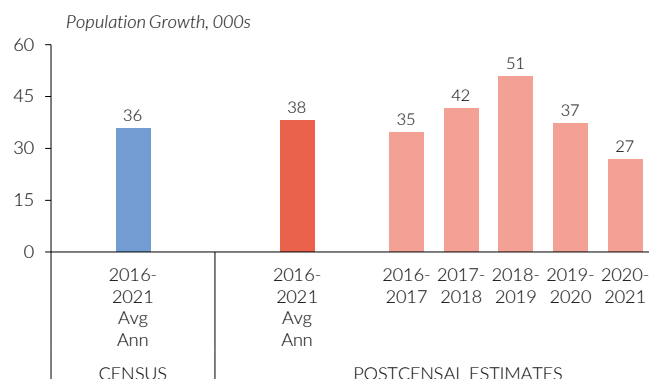
Population and Household Growth Montreal CMA



Source: Altus Group based on Census of Canada data

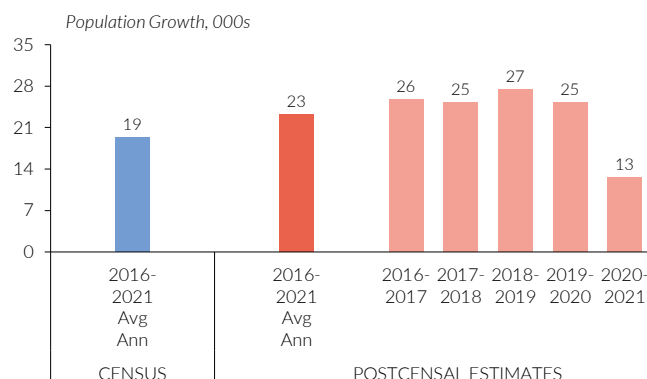
Altus Group Growth Monitor (continued)

Vancouver CMA Population Growth



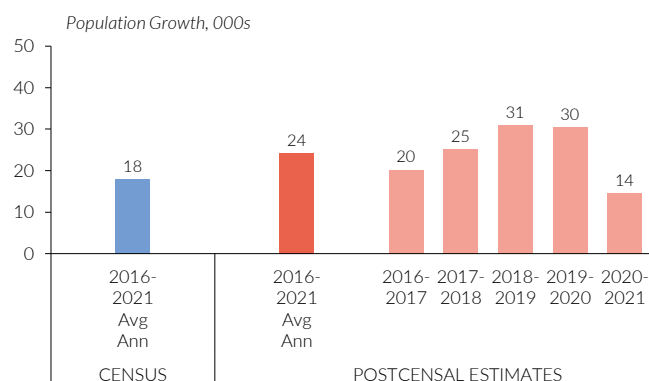
Source: Altus Group based on Census of Canada and Statistics Canada data

Edmonton CMA Population Growth



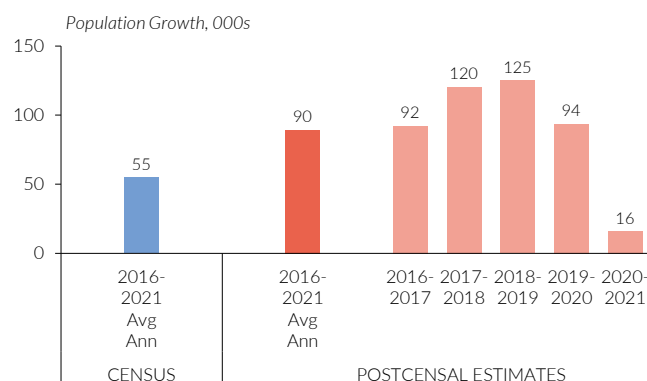
Source: Altus Group based on Census of Canada and Statistics Canada data

Calgary CMA Population Growth



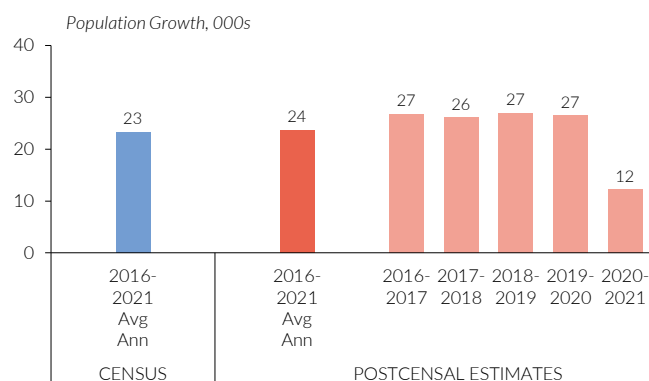
Source: Altus Group based on Census of Canada and Statistics Canada data

Toronto CMA Population Growth



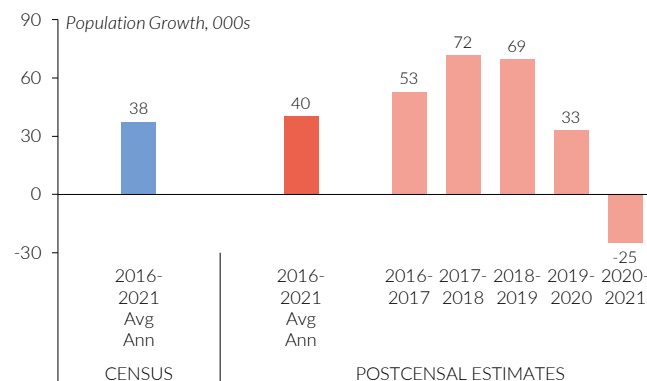
Source: Altus Group based on Census of Canada and Statistics Canada data

Ottawa-Gatineau CMA Population Growth



Source: Altus Group based on Census of Canada and Statistics Canada data

Montreal CMA Population Growth



Source: Altus Group based on Census of Canada and Statistics Canada data