

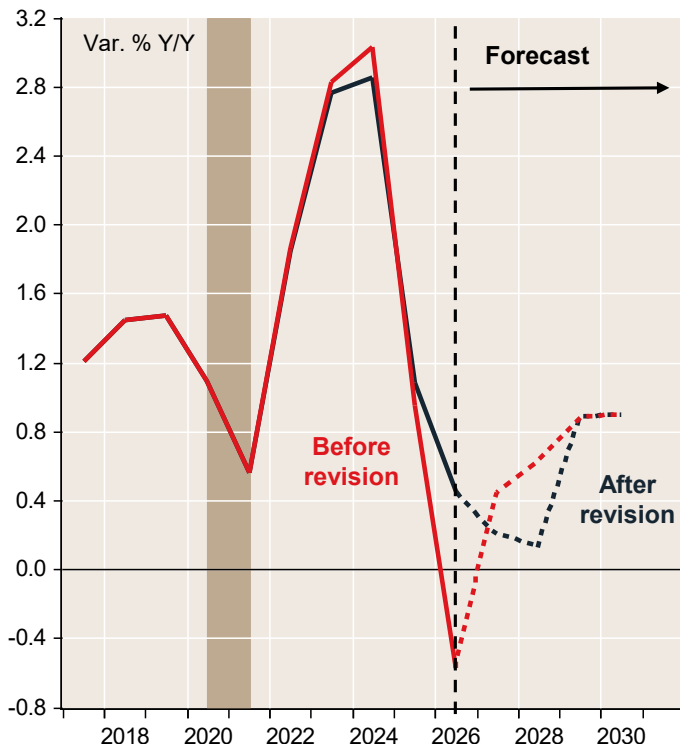
Canada Watch

By Daren King

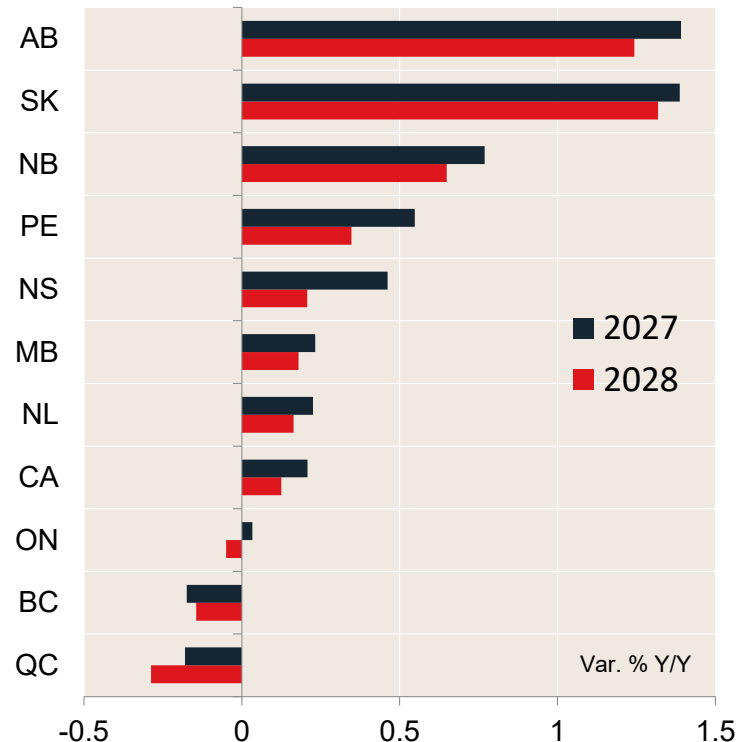
Last week, Statistics Canada released new demographic data that significantly changed the picture of Canada's population. In **a note published** following this update, we pointed out that progress toward the federal goal of reducing the proportion of non-permanent residents to below 5.0% of the population by 2028 was less advanced than previously believed. Population growth from July 2025 to July 2026 has therefore turned out to be stronger than previously estimated. However, to still reach the 5.0% target over the same time frame, the number of non-permanent residents will need to decline much more rapidly than anticipated over the next two years. As today's *Hot Chart* shows, if this target is met on schedule, Canada would experience the lowest population growth rates ever recorded in history: 0.2% in 2027 and 0.1% in 2028. The country's population growth will therefore be driven by permanent immigration, which is temporarily above the federal government's targets due to programs designed to grant permanent status to non-permanent residents, while natural population growth will contribute essentially nothing in the coming years. Although population decline is expected to be avoided at the national level, some provinces could experience slight contractions over the next two years. This is particularly true for Ontario and British Columbia, where the proportion of non-permanent residents is the highest in the country and the adjustment is therefore more pronounced. Quebec would also find itself in this situation, given a more restrictive immigration policy. Conversely, Alberta and Saskatchewan stand out with growth of approximately 1.4% in 2027. The former combines the strongest natural population growth in the country with the largest interprovincial gains among all provinces, while the latter benefits from the highest level of permanent immigration relative to its population and an exposure to non-permanent residents that is one-sixth that of Ontario or British Columbia.

Canada: Population decline avoided, but outlook remains bleak

Annual population change. Before and after revision and BNC forecast



Annual population change after revision. BNC forecast for 2027 and 2028



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