

## Foot traffic: Population growth and the Alberta Economy

For an advanced economy like Alberta's, strong and steady population growth expands our internal market and helps address labour shortages. It can also slow the overall aging of the population and, in turn, keep the ratio of working-age residents to retirement-age residents from rising as high as it otherwise would. Population growth can also put pressure on housing, infrastructure, and services. For these reasons, population trends and projections are key to understanding Alberta's future economic performance.

### Key takeaways

**A shot in the population arm:** Alberta experienced a mini population boom last year growing by 3.7% in 12 months<sup>1</sup> compared to 2.7% nationally, 0.5% in the United States, and *population decline* in countries like Italy, Germany and Japan. Alberta added 164,793 people to its population over this period—second only to Ontario which added 445,495.

**From drain to gain:** Alberta has gone from losing residents to other parts of Canada on a net basis to posting its highest net gain from interprovincial migration in four decades at 19,285 net new residents in the third quarter of 2022.

**Welcome to Canada:** Net international migration has been the largest source of population growth in Alberta for nine quarters in a row and reached a record high<sup>2</sup> last summer, adding 33,297 people in the third quarter of 2022.

**Baby boom:** Alberta had the highest rate of natural increase (births less deaths) of any province last year at 389 per 100,000 compared to 117 nationally. While not a record, natural increase still added 5,621 people to Alberta's population in the third quarter of 2022.

**Youthful exuberance:** Although aging, Alberta's population is younger than in the rest of Canada. The percentage of Albertans aged 65 and over was 14.8% in 2022 compared to 18.8% nationally. Alberta's younger demographic profile provides a competitive advantage over other jurisdictions that are witnessing outright declines in their working-age population.

**Supporting economic growth:** Newcomers add to the labour force and talent pool, filling critical shortages. They also offer a new source of demand for housing, services, and consumer goods.

**Older but wiser:** Being slightly younger will help Alberta's economy adapt to the aging of its population, but it will still be a challenge as the worker-to-retiree ratio goes from 4.5 to 1 today to 3.5 to 1 by 2043.<sup>3</sup> Ten years ago it was 6.3 to 1.

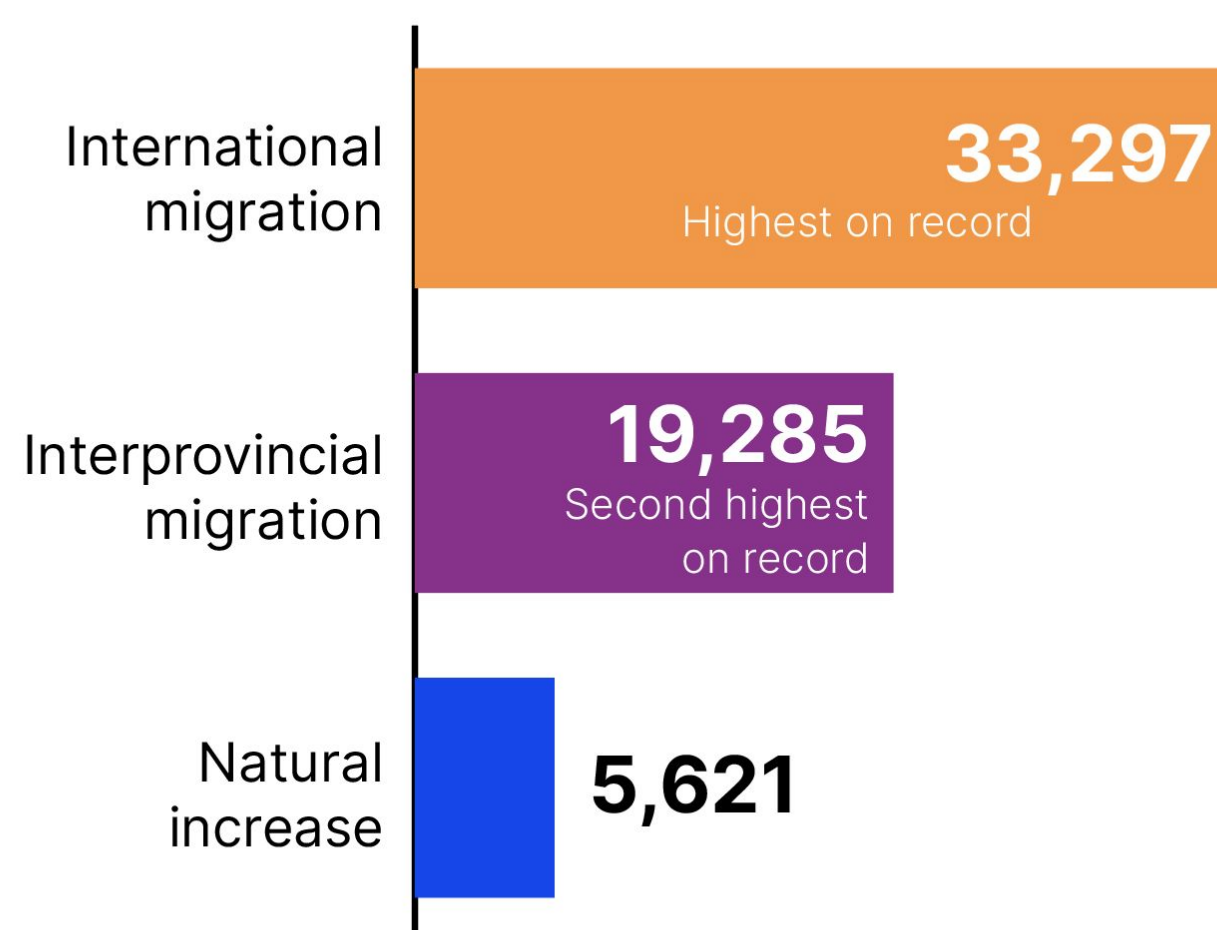
**More to come:** Future population growth prospects for Alberta are good with growth occurring faster than the national rate in almost every scenario explored by Statistics Canada. According to Alberta Treasury Board and Finance, the province will grow by between 1.3 and 3.0 million by 2046 with immigration expected to be the largest source of new residents.

**Economic incentives:** The waxing and waning of population growth in Alberta is correlated with economic conditions. This is especially true for interprovincial migration.

**Lured by affordability:** The cost of living, and in particular the relative affordability of housing in Alberta compared to high-priced markets such as Vancouver and Toronto, appears to be a major driver of the recent upsurge in net interprovincial migration to the province.

### A record-setting quarter for Alberta

Net gain in population in the third quarter (July-Sept) of 2022



Alberta's highest gain from natural increase on record was 9,484 in Q3 of 2015.  
Source: Statistics Canada Tables 17-10-0020-01, 17-10-0040-01 and 17-10-0059-01

<sup>1</sup> See Appendix A for an explanation of the different timeframes used to describe population growth.

<sup>2</sup> The data series available from Statistics Canada on population are excellent, but some of the details get fuzzy when examining earlier historical periods. We know, for example, that there was a large influx of immigrants to Canada starting at the turn of the 19th century and lasting to the onset of the Great Depression. In 1913 alone, over 400,000 immigrants arrived in Canada. What is less clear is which provinces they settled in. Hence, some of the contemporary records may not stand up to records set during this earlier period. The same is true for interprovincial migration before 1971, which is when the current data series begins.

<sup>3</sup> According to Statistics Canada's M2 medium-growth scenario.

## A look in the rearview mirror

Past patterns of population growth can help us understand current and future growth trends.

**Alberta's population growth has historically outpaced Canada's** - Alberta is Canada's fourth largest province by population at over 4.6 million people as of January 1, 2023. Annual population growth in the province averaged 2.0% between 1972 and 2022 compared to 1.1% for Canada as a whole. Alberta added almost 2.9 million residents and accounted for 17% of the 17 million people added to Canada's population since 1971.

**Alberta's rate of population growth has slowed in recent years, but is still faster than Canada's** - At 1.4% per year between 2018 and 2022, Alberta's rate of population growth was lower than in the past, but still above the national average of 1.3%. For perspective, Alberta grew by over 300,000 people over this period or about three times the population of Red Deer. Canada, meanwhile, added 2.4 million people with Alberta accounting for 13% of the increase.

Alberta's population growth really picked up steam in 2022, growing at the fastest rate of any province in the fourth quarter and beating the national average for the year by a full percentage point.

**Alberta's population growth tends to track its economic growth** - Strong population growth prior to the deep provincial recession of 2015-16 and slow population growth after it are linked to Alberta's economic performance, especially in the oil and gas sector.

Over the ten years prior to the provincial recession of 2015-16, annual population growth in the province averaged 2.3% while real GDP was growing by 3.6% per year. From 2015 to 2022, average annual population growth fell to 1.3% in the face of two deep recessions and real GDP growth slowing to just 0.2% per year.

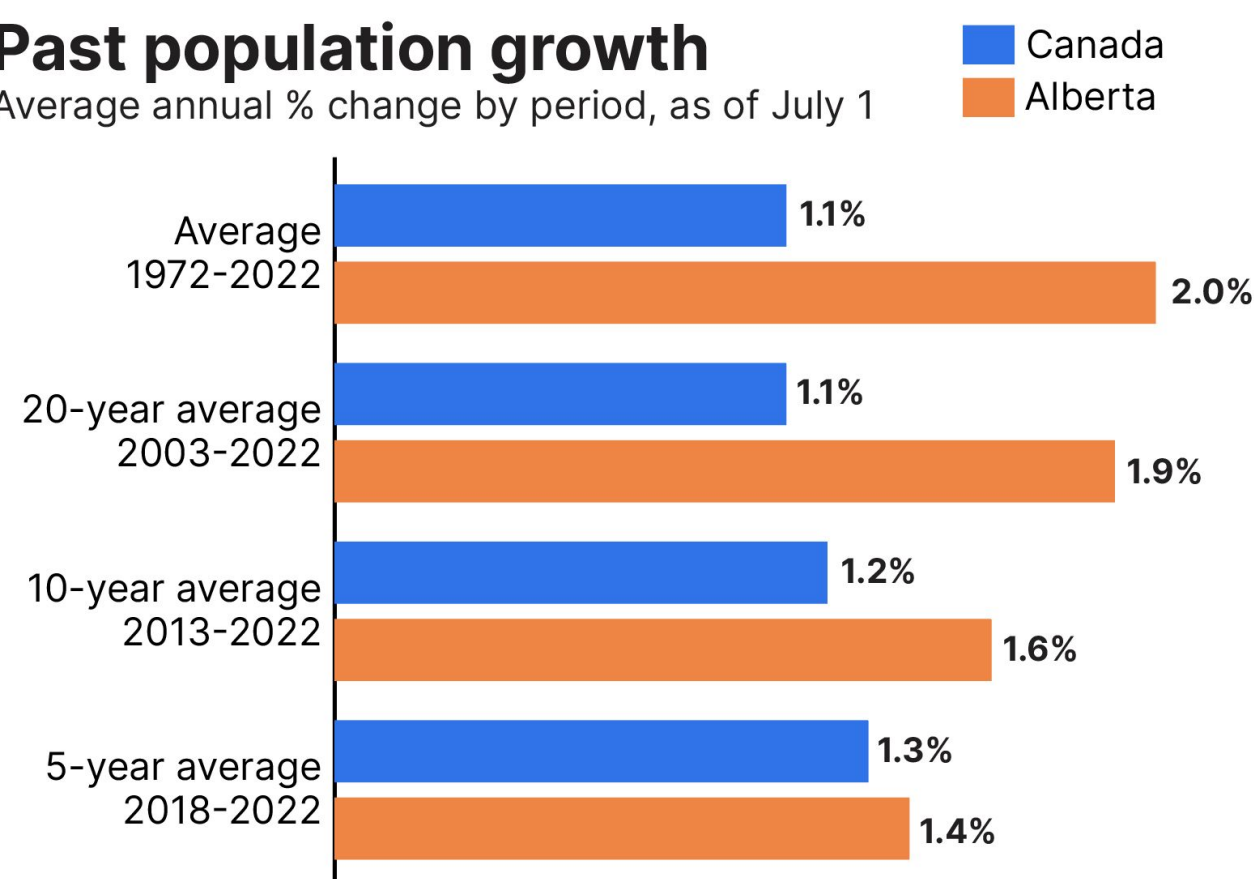
**Alberta's population growth is more volatile than Canada's** - Alberta experienced explosive annual population growth between 1975 and 1982 (+3.8% compared to +1.2% nationally) when the province's energy sector was booming. Alberta managed to avoid an outright contraction of its population in the mid-1980s when the energy sector was struggling, but it was close.

Fast forward to the mid-2000s and high levels of activity in Alberta's natural gas sector helped Alberta's annual population growth to reach 3.0% in 2006. Growth spiked again during the boom brought on by the oil sands expansion only to fall below the national rate for the first time since the late 1980s due to the economic hangover from the provincial recession of 2015-16.

Alberta's population growth was once again trending higher than in the country as a whole in 2022 in conjunction with better fortunes in the energy sector, Alberta's relatively strong economic performance compared to other parts of Canada and relatively more affordable home prices.

## Past population growth

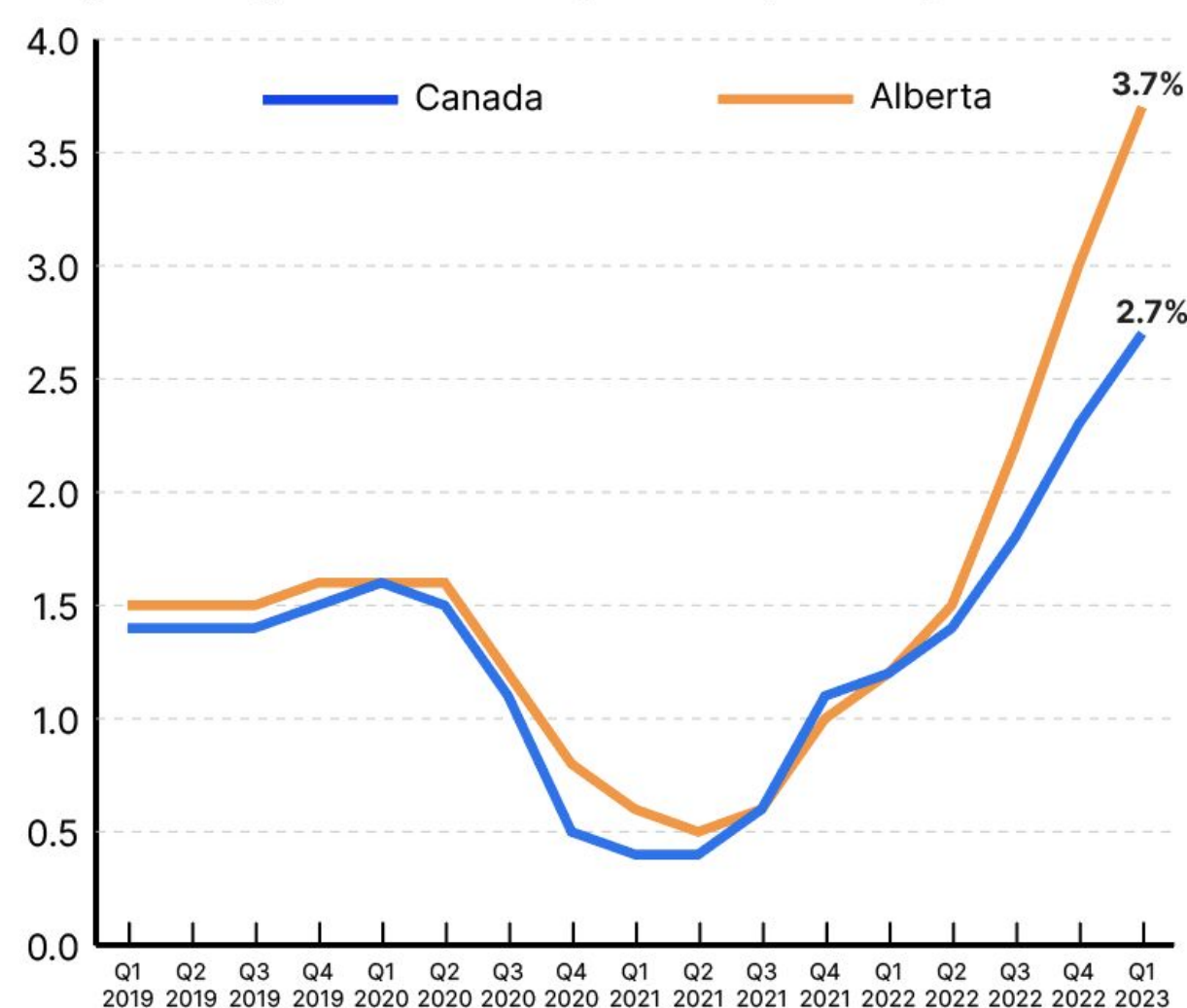
Average annual % change by period, as of July 1



Source: Statistics Canada Table 17-10-0005-01 and ATB Economics

## Recent population growth

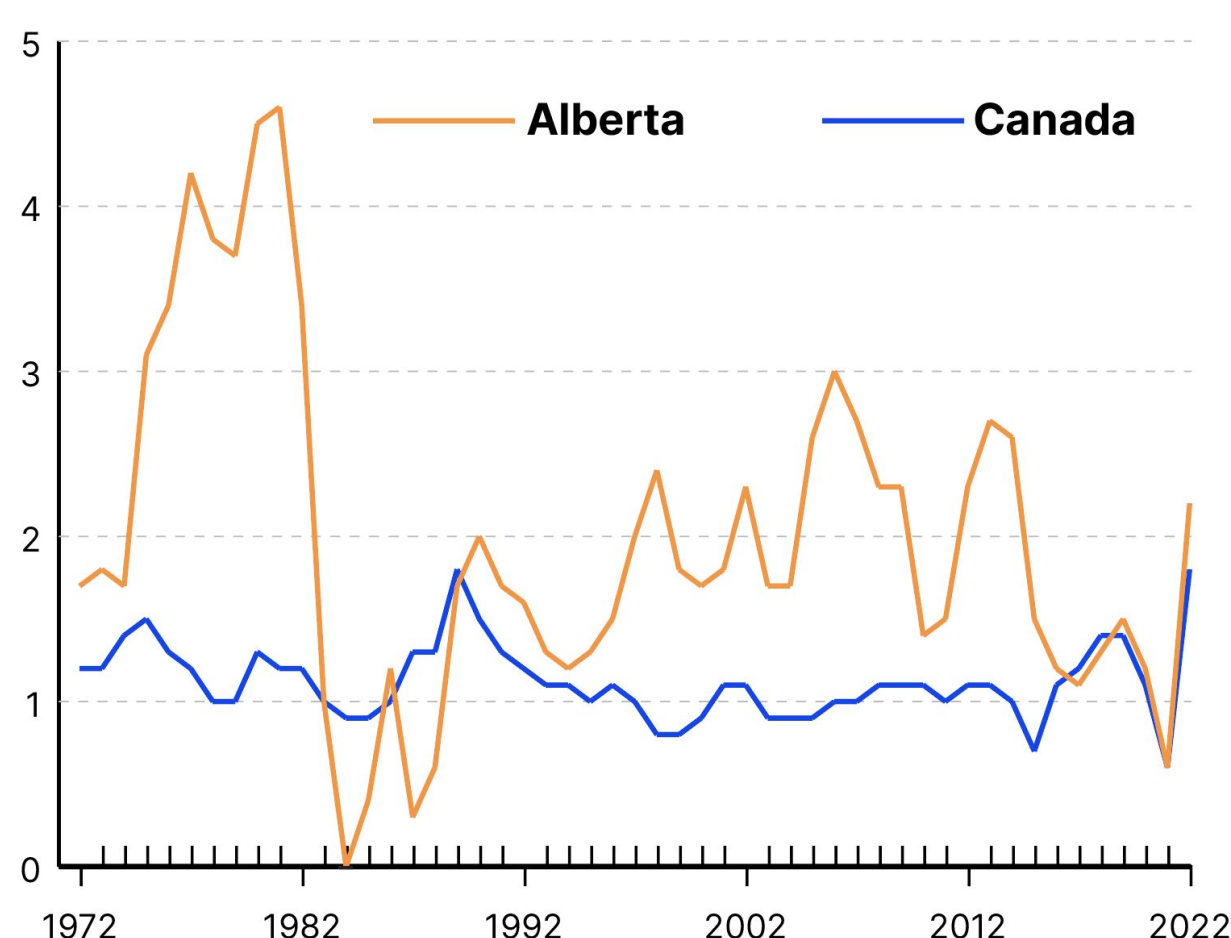
Average % change from the same quarter the previous year



Population estimates: Q1 = January 1; Q2 = April 1; Q3 = July 1; Q4 = October 1  
Source: Statistics Canada Table 17-10-0009-01 and ATB Economics

## Population growth in Alberta and Canada

Population as of July 1, annual % change



Source: Statistics Canada Table 17-10-0005-01 and ATB Economics

## Sources of growth

There are three ways a provincial population can grow (or shrink): 1) natural increase/decrease (births less deaths); 2) international migration; and 3) interprovincial migration.

### The importance of international migration has increased -

Looking at the last five decades (1972-2022), natural increase has added the most residents to Alberta at just over 1.3 million people or 46% of the total increase; net international migration has added about 912,000 residents (32%); and net interprovincial migration has added about 616,000 (22%).<sup>4</sup> Even though things turned around last year, weak gains from interprovincial migration reduced its contribution to overall population growth in Alberta over the last five years to just 2%. This, combined with a marked slowdown in natural increase, pushed international migration's average share of Alberta's population growth over the last five years to 61%.

The contribution to Alberta's annual growth from other countries was boosted in 2022 by the second highest number of immigrants and the fifth highest number of net non-permanent residents (NPR).<sup>5</sup> Looking at the second half of 2022 (annual population estimates are for the period July 1 to June 30), Alberta received a record number of net NPRs in both the third and fourth quarter. The rise in international arrivals in 2022 was due in part to the arrival of Ukrainians seeking refuge in Canada and the lifting of pandemic travel restrictions that limited the flow of workers and students from other countries.

**Natural increase is still relatively strong in Alberta** - The large role still played by natural increase in Alberta is not the case in most other provinces. Averaged over the 2018 to 2022 period, natural decrease occurred in all four Atlantic provinces with natural increase accounting for only 3% of BC's growth, 13% of Ontario's and 17% of Quebec's. The only provinces where natural increase was more important than in Alberta over this period were Manitoba (33% of its total growth) and Saskatchewan (49%).

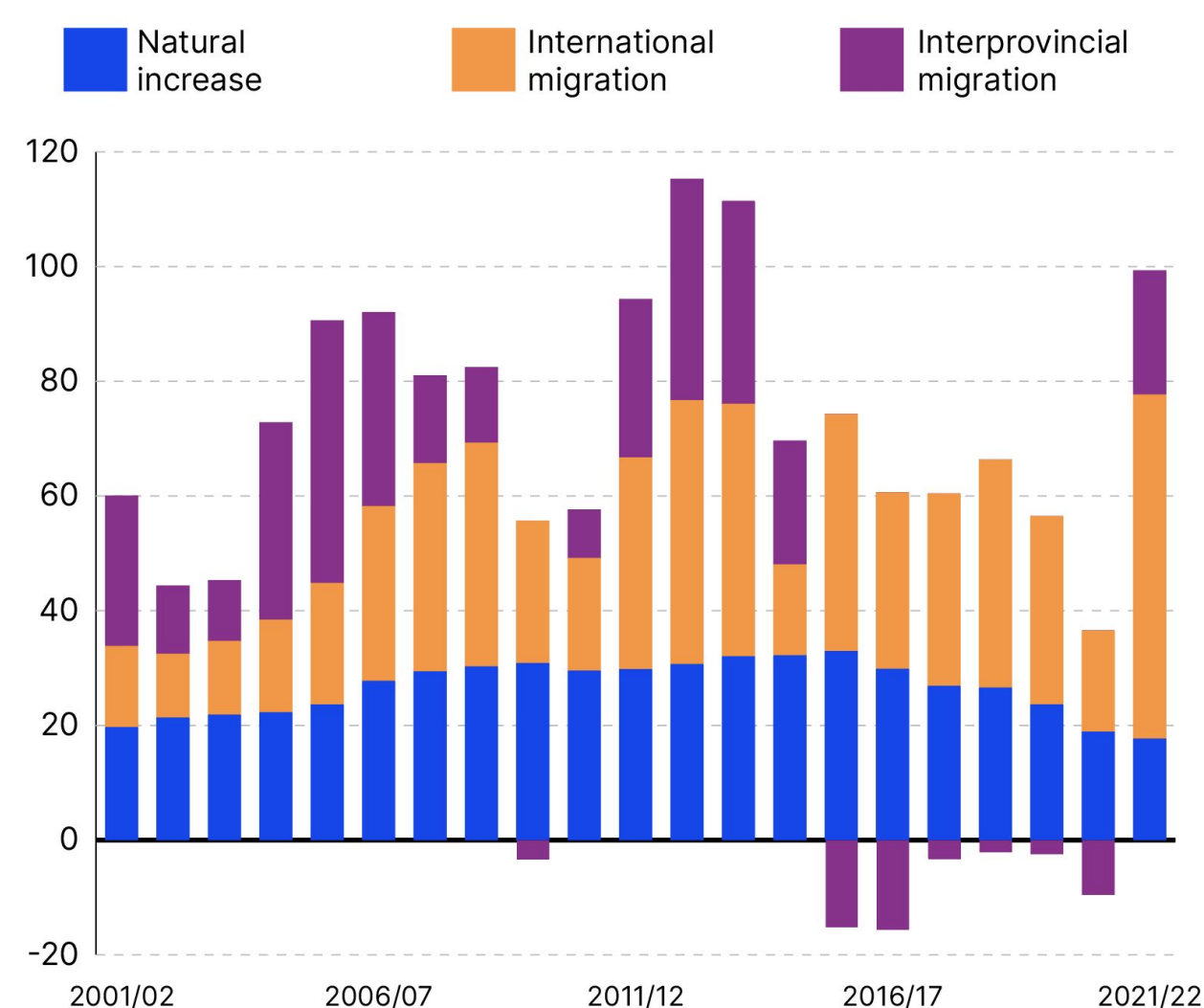
**Alberta is a major interprovincial migration hub** - Canadians move from one part of the country to another for a wide variety of reasons including, for example, work, retirement, family, cost of living and school. On average, over half a million people (551,424) changed their province/territory of residence each year between July 1, 2012 and June 30 2022. That works out to about 1.5% of Canada's population picking up stakes and moving to a different province/territory on an annual basis. If that doesn't sound like a lot at first blush, consider that it adds up to over 5.5 million people moving from one province/territory to another over the last ten years.

4. Annual population change is measured between July 1 of the previous year to June 30 of the following year. Until 2016 inclusively, population growth is not equal to the sum of natural increase and net international migration and net interprovincial migration due to residual deviation. Despite this, the differences are minor and do not significantly affect the overall trends noted above.

5. A non-permanent resident refers to a person from another country with a usual place of residence in Canada and who has a work or study permit or who has claimed refugee status (asylum claimant).

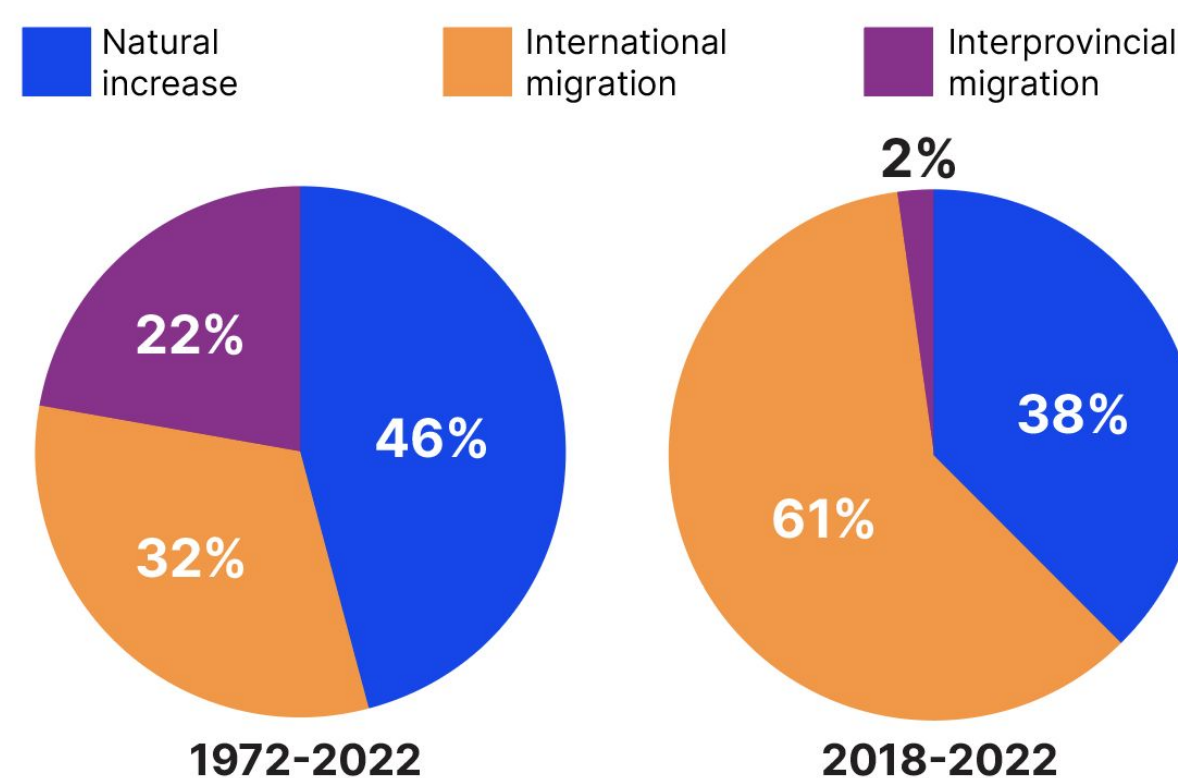
## Population growth factors in Alberta

July 1 to June 30, annual increase by source, thousands



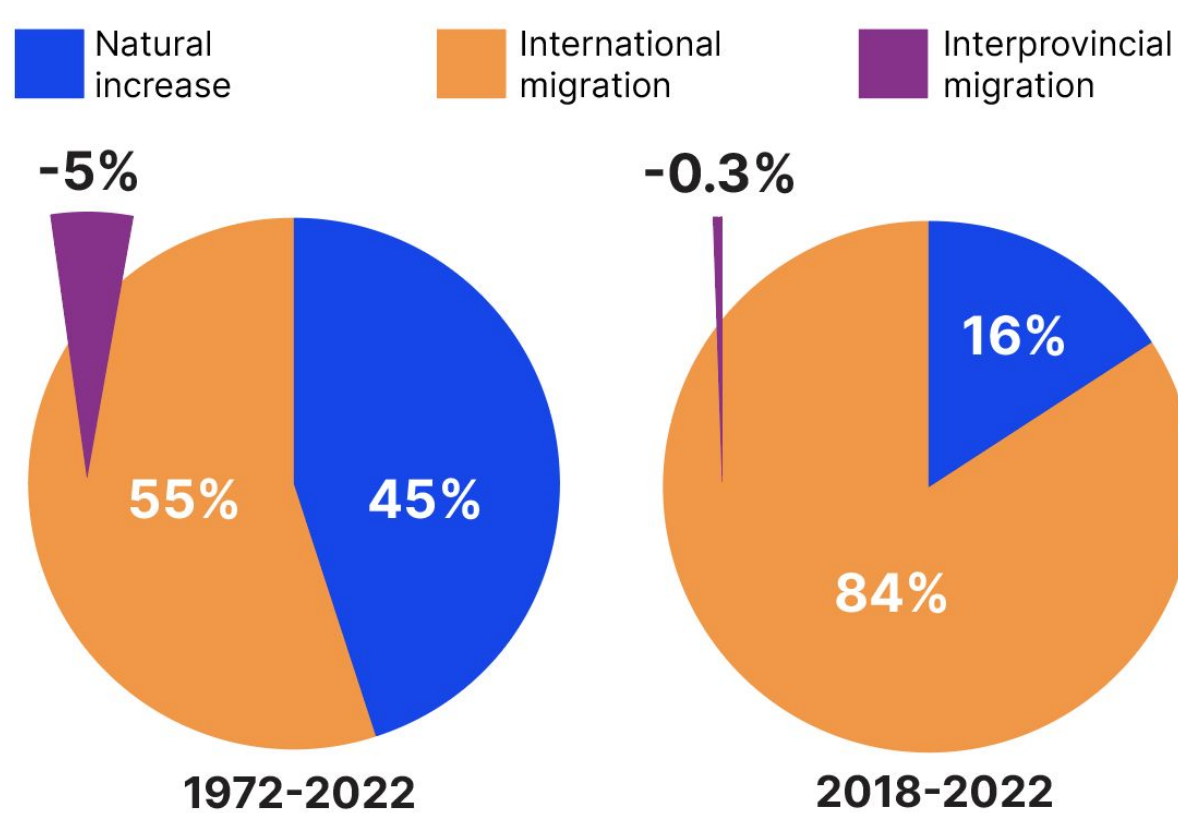
Source: Statistics Canada Table 17-10-0008-01

## Population growth in Alberta by source



Source: Statistics Canada Table 17-10-0008-01 and ATB Economics

## Population growth Canada less Alberta by source



Source: Statistics Canada Table 17-10-0008-01 and ATB Economics

Despite being home to 12% of the national population, Alberta was the origin or destination of 23% (1.2 million) of Canada's interprovincial migrants over the last 10 years. Only Ontario accounted for more at 25%. BC was in third spot at 18% followed by Quebec at just 9%.

The total movements in and out of Alberta over the last 10 years equalled, on average, about 2.9% of the provincial population. Three provinces—Prince Edward Island (4.1%), New Brunswick (4.0%) and Nova Scotia (3.2%)—had higher rates than Alberta and Saskatchewan had the same portion of population moving in and out on an annual basis as Alberta. Quebec had the lowest percentage at 0.6% followed by Ontario at 1%. (The northern territories see the largest percentage of their population move in and out with the Northwest Territories topping the list at an annual rate of 8.5% on average since 2012.

**Historically, Alberta has been a net beneficiary of interprovincial migration** - Because net interprovincial migration is a zero-sum game, some provinces gain population from it and some lose. Alberta, in fact, has posted the largest inflow of residents from other provinces over the last 20 years, gaining over 291,000 people from other provinces since 2002 compared to BC in second place with a gain of about 225,000.<sup>6</sup>

**Net interprovincial migration to Alberta has recently gone from negative to positive** - From the end of 2010 to the middle of 2015, Alberta gained population from interprovincial migration 19 quarters in a row. With the provincial recession of 2015-16 setting the tone, Alberta lost residents during 19 of the next 24 quarters for a total loss from mid-2015 to mid-2021 of 47,781 residents.

Thankfully, things have turned around since then, with the province adding population from other parts of the country for six quarters in a row since mid-2021, including a near-record-breaking 19,285 people in the third quarter of 2022.<sup>7</sup> Alberta gained residents on a net basis the fourth quarter of last year from every other province and territory except Nunavut.

**Interprovincial migration is very sensitive to economic factors** -

A large portion of Alberta's net gains from interprovincial migration over the last 20 years came in two waves when Alberta's labour market was outperforming the rest of Canada's: 2004-2006 and 2012-2014. There are, as noted, many reasons Canadians move around the country, but a job or the prospect of a job is a particularly important driver as are the overall economic conditions.<sup>8</sup> As such, interprovincial flows are both a factor affecting economic growth (providing a boost when the net flow is positive and dampening it when its negative) and a bellwether of economic conditions on the ground.

6. Going back as far as the current data series will allow, British Columbia has gained the most residents from interprovincial migration at 896,007 followed by Alberta at 671,539 and Ontario at 180,356 (Q3 1961 through Q4 2022). Every other province lost residents on a net basis over this period with Quebec posting the largest net outflow to other parts of the country at -771,155.

7. Estimates of interprovincial migration are subject to annual revision as more information becomes available with potentially large differences between preliminary and revised estimates.

8. According to Statistics Canada, interprovincial migration represents movements from one province or territory to another, involving a change in usual place of residence. A person who takes up residence in another province or territory is an out-migrant with reference to the province or territory of origin, and an in-migrant with reference to the province or territory of destination.

## Population change by component

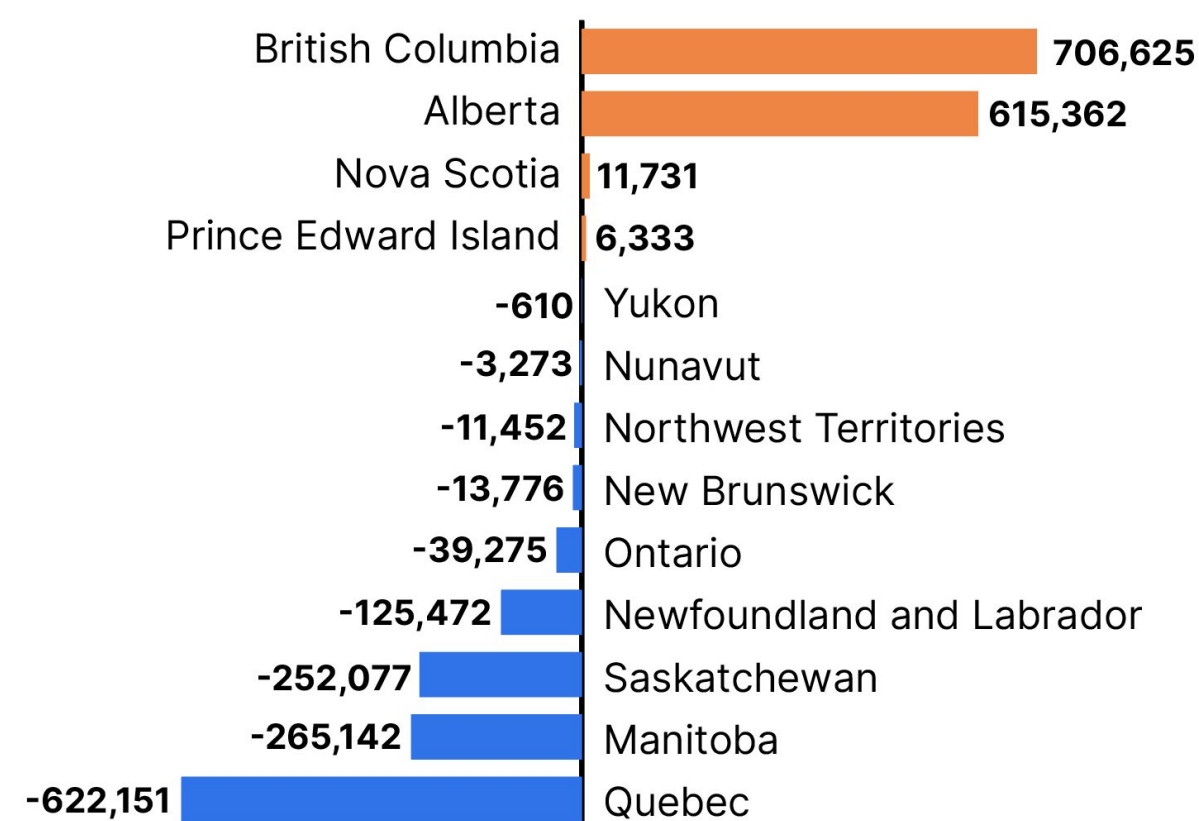
Five-year average, 2018-2022, number/100,000 residents (Jul 1 to Jun 30)

	Natural increase	International migration (net)	Interprovincial migration (net)
Canada	189	1,068	na
Newfoundland and Labrador	-312	374	-149
Prince Edward Island	-5	1839	677
Nova Scotia	-208	906	716
New Brunswick	-178	846	488
Quebec	157	807	-44
Ontario	187	1,289	-63
Manitoba	353	1,244	-519
Saskatchewan	373	1,135	-753
Alberta	515	833	21
British Columbia	49	1,132	332
Yukon	369	901	710
Northwest Territories	729	362	-777
Nunavut	1,740	31	-251

Source: Statistics Canada Table 17-10-0008-01 and ATB Economics

## Net interprovincial migration

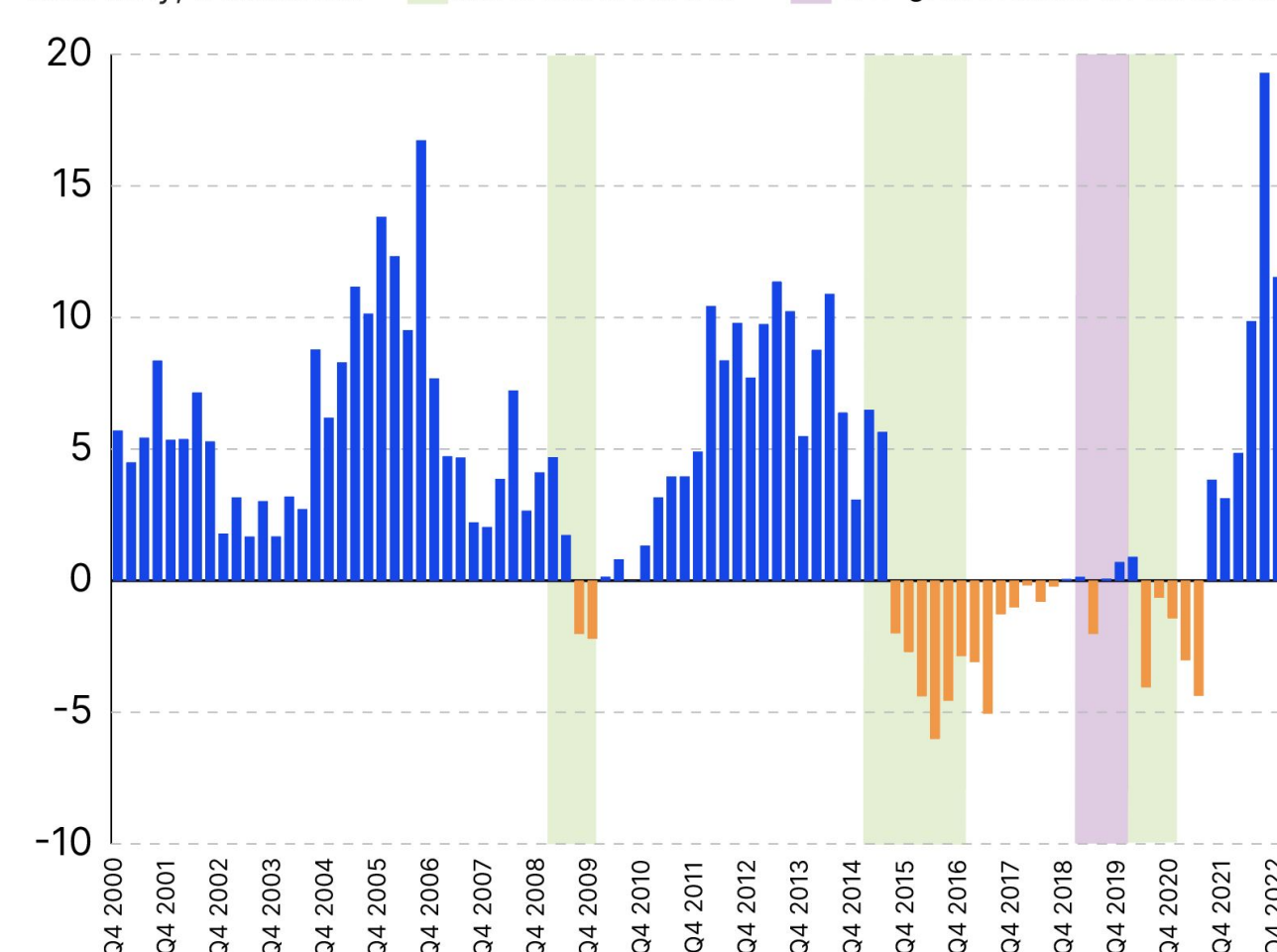
Total gain or loss between 1971/1972 and 2021/2022



Source: Statistics Canada Table 17-10-0021-01 and ATB Economics

## Net interprovincial migration to Alberta

Quarterly, thousands



Source: Statistics Canada Table 17-10-0020-01

Notwithstanding a short lag, recessionary periods in Alberta and periods of low economic growth are accompanied by a net outflow of people to other parts of the country. The almost 50,000 net loss to the rest of the country that began in 2015 and ended in 2021 coincided with one of the worst economic downturns in Alberta's history. Over this period, Alberta's real annual GDP contracted three times, barely escaped an annual recession in 2019 with growth of just 0.1% and averaged a net loss of economic output of 0.5% per year. Canada as a whole, meanwhile, experienced only one annual recession (in 2020) and posted average annual real GDP growth of 1.3% while the provinces that provide the most in-migrants to Alberta—British Columbia and Ontario—posted annual average GDP growth over the same period of 2.6% and 1.9%, respectively.

**The net flow of interprovincial migrants in and out of Alberta also tracks the provincial unemployment rate** - Prior to the recession of 2015/16, Alberta's unemployment rate had been below the national average every quarter since 1989. During this period, net interprovincial migration would fall when the gap between the two rates decreased and rise when the gap increased.

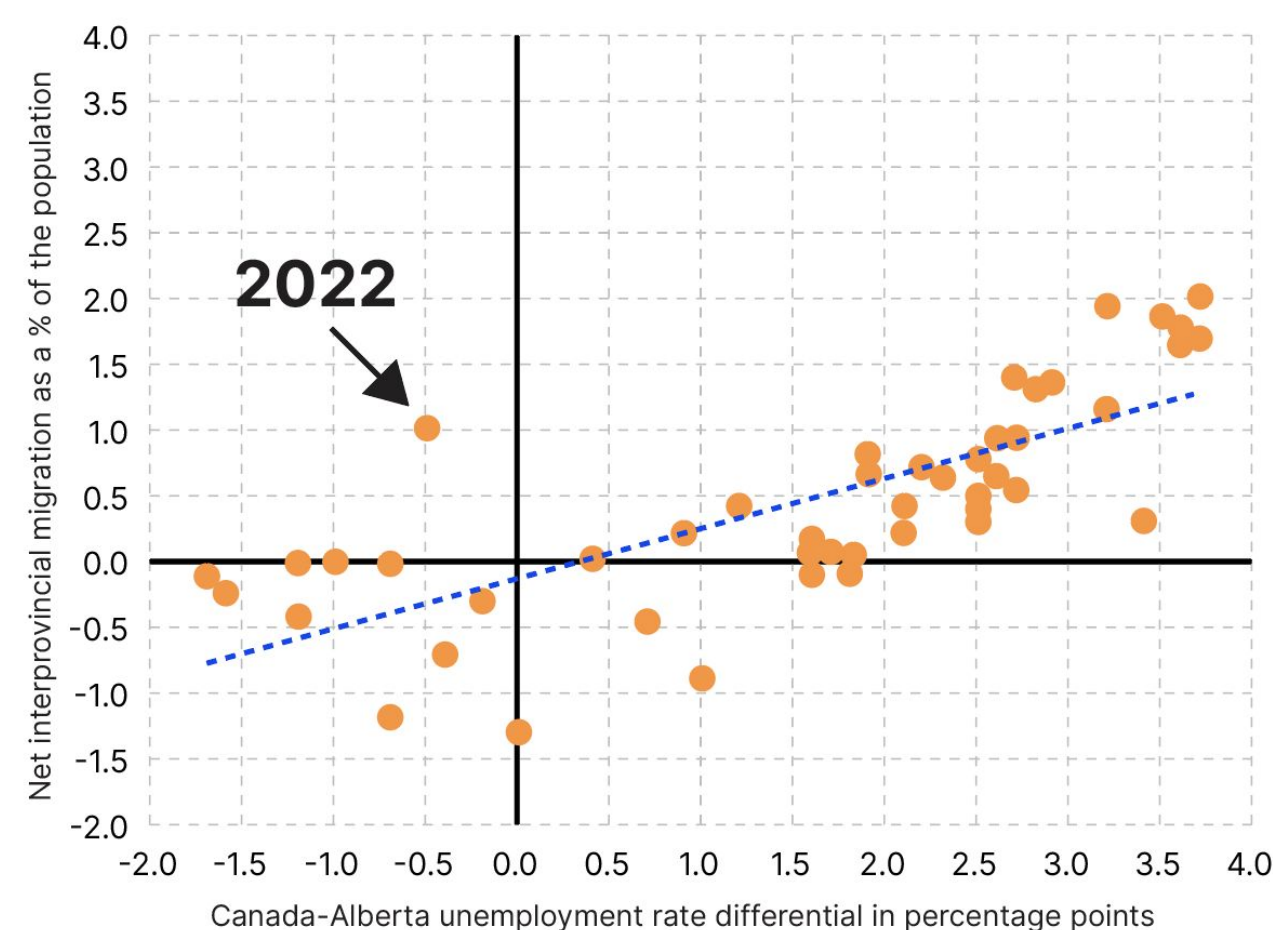
From 2016 onward, Alberta's unemployment rate has been higher than the national average every quarter and is correlated with a fairly steady net outflow of residents from Alberta. The trend changed in the second half of 2021 when, even though Alberta still had a higher unemployment rate than the country, net interprovincial migration switched to Alberta's favour and has been positive for six quarters in a row with the second highest net gain on record posted in the fall of 2022.

**The relative affordability of housing may explain the recent rise in the net flow to Alberta** - Home prices have been higher in many other parts of Canada than in Alberta for some time, but prices spiked at the start of the pandemic and increased the gap. The relative affordability of homes in Alberta combined with rising borrowing costs and strong economic growth are likely the reason for the increase in net interprovincial migration to Alberta posted over the last two years. This affordability advantage is likely to continue as benchmark prices, although down from their peaks in markets like Victoria and Toronto, continue to be more than double those found in Alberta.

As noted above, people move in and out of provinces for many reasons, and in the absence of a survey asking why people come and go, we can only speculate that the correlation between low/negative economic growth with a net outflow of residents from Alberta to the rest of Canada and vice-versa is causal. With that said, the correlations with the unemployment rate and oil prices makes a pretty strong case that stronger economic performance draws people to Alberta and keeps them here while weaker economic performance does the opposite. The relative affordability of housing has emerged as another key factor in this equation.

## Interprovincial migration is responsive to the Alberta labour market

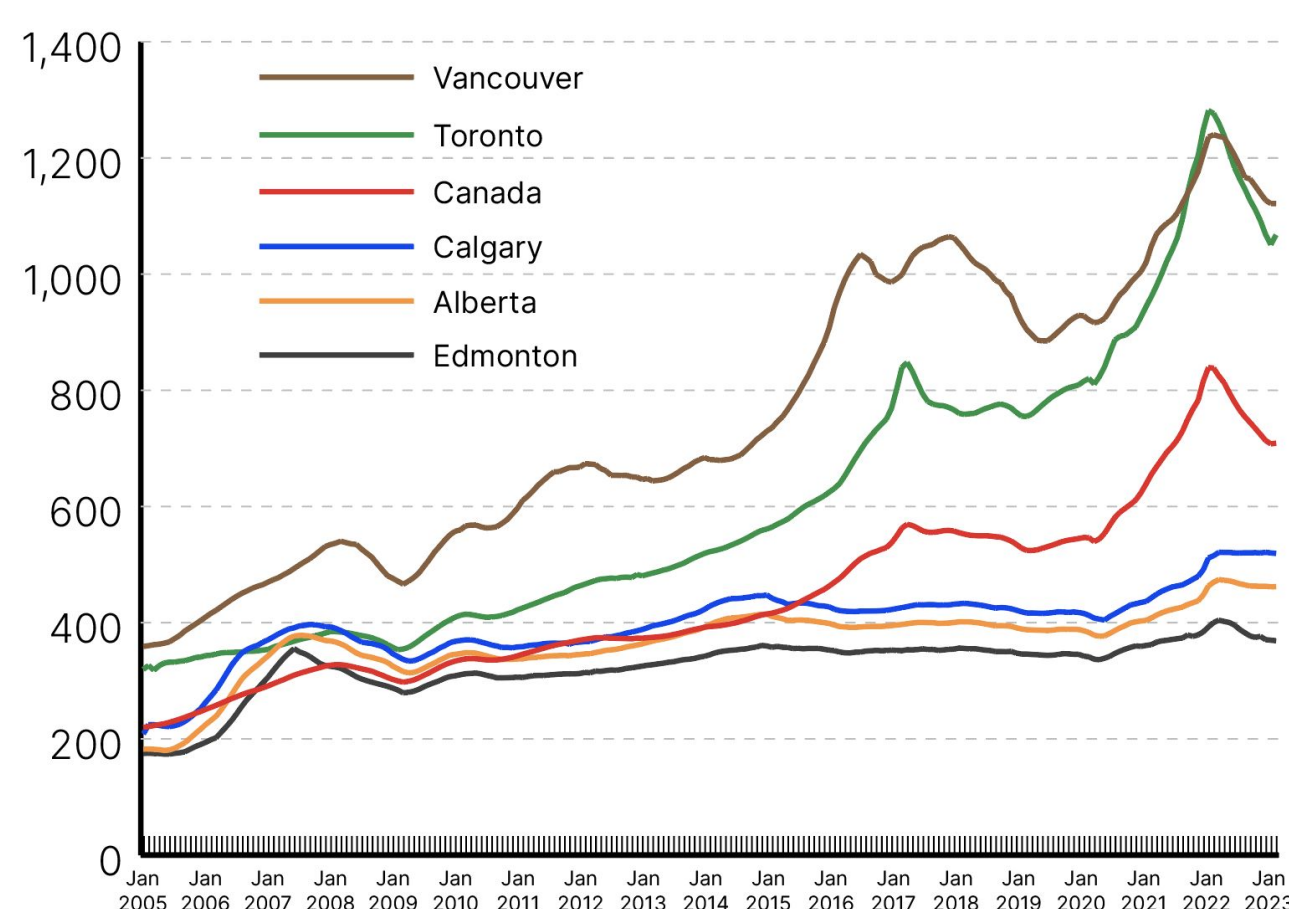
Annual observations between 1976 and 2022



Source: Statistics Canada and ATB Economics

## Benchmark home prices

\$ thousands, select markets, to March 2023



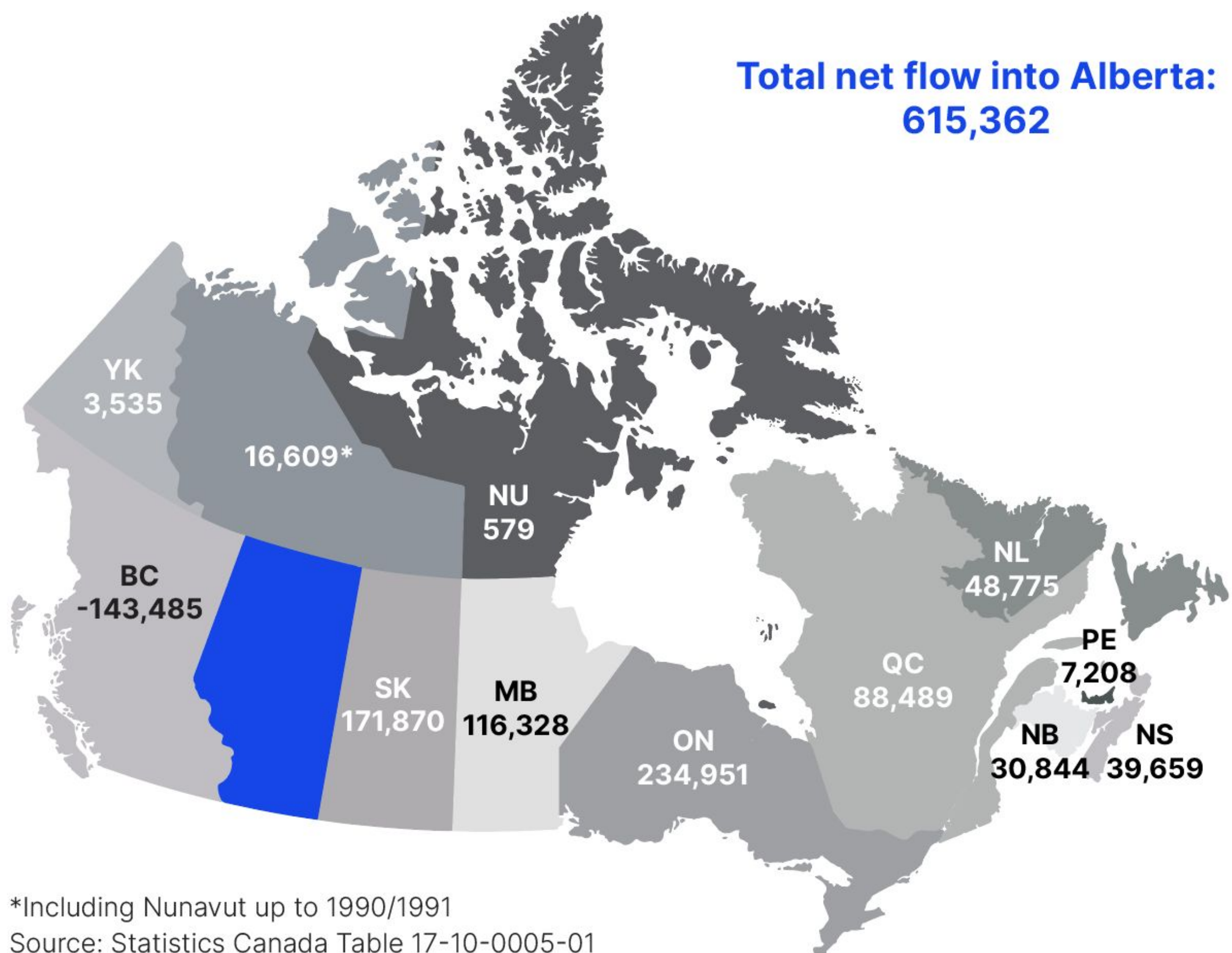
Benchmark prices are generated by the MLS® Home Price Index model  
Source: Canadian Real Estate Association

**The lure of the energy sector** - Alberta's energy sector is a major component of the Alberta economy with its direct and indirect activities tending to drive the ups and downs of the province's output and employment. It is also linked to the flow of interprovincial migrants. Correlation is not causation, but it's also true that where there's smoke there is usually fire. This can be seen in the graph X that shows a rough relationship between the rise and fall of oil prices and the rise and fall of net interprovincial migration to Alberta.

**A lot of people move back and forth between Alberta and British Columbia** - Between 1971/1972 and 2021/2022, over 1.2 million people moved from Alberta to BC and just under 1.1 million people moved from BC to Alberta for a total of 2.3 million moves between the two provinces and net loss for Alberta of about 143,500 residents. Ontario is next on the list of the most back-and-forth movement at about 1.6 million moves since 1971/1972, but this time favouring Alberta with a net gain from Ontario of about 235,000.

## Net interprovincial flow into Alberta

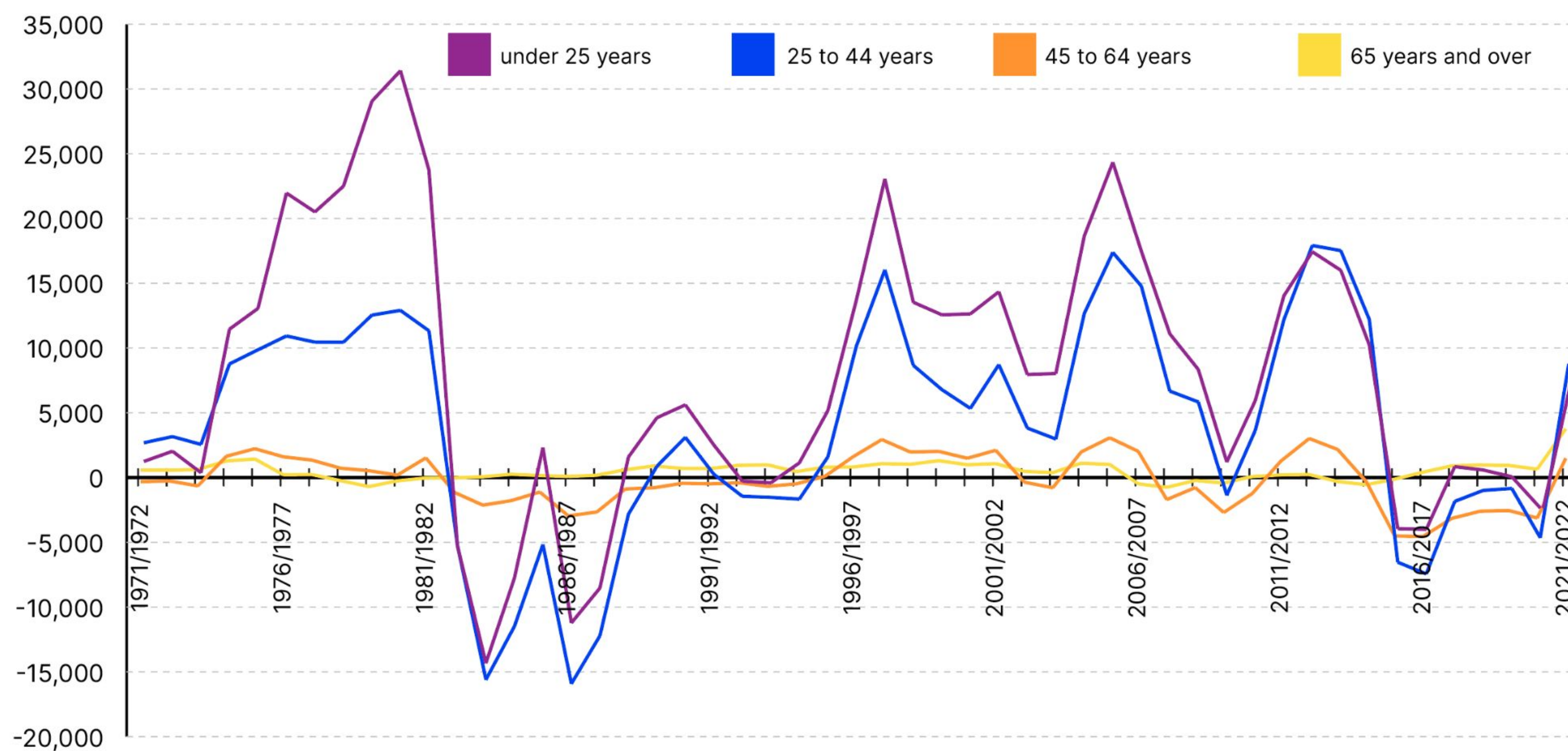
Number from province/territory, 1971/1972-2021/2022



\*Including Nunavut up to 1990/1991  
Source: Statistics Canada Table 17-10-0005-01

## Net interprovincial migration to Alberta by age

Annual net interprovincial migration in thousands, July 1 to June 30



Source: Statistics Canada Table 17-10-0015-01 and ATB Economics

## Alberta's age advantage

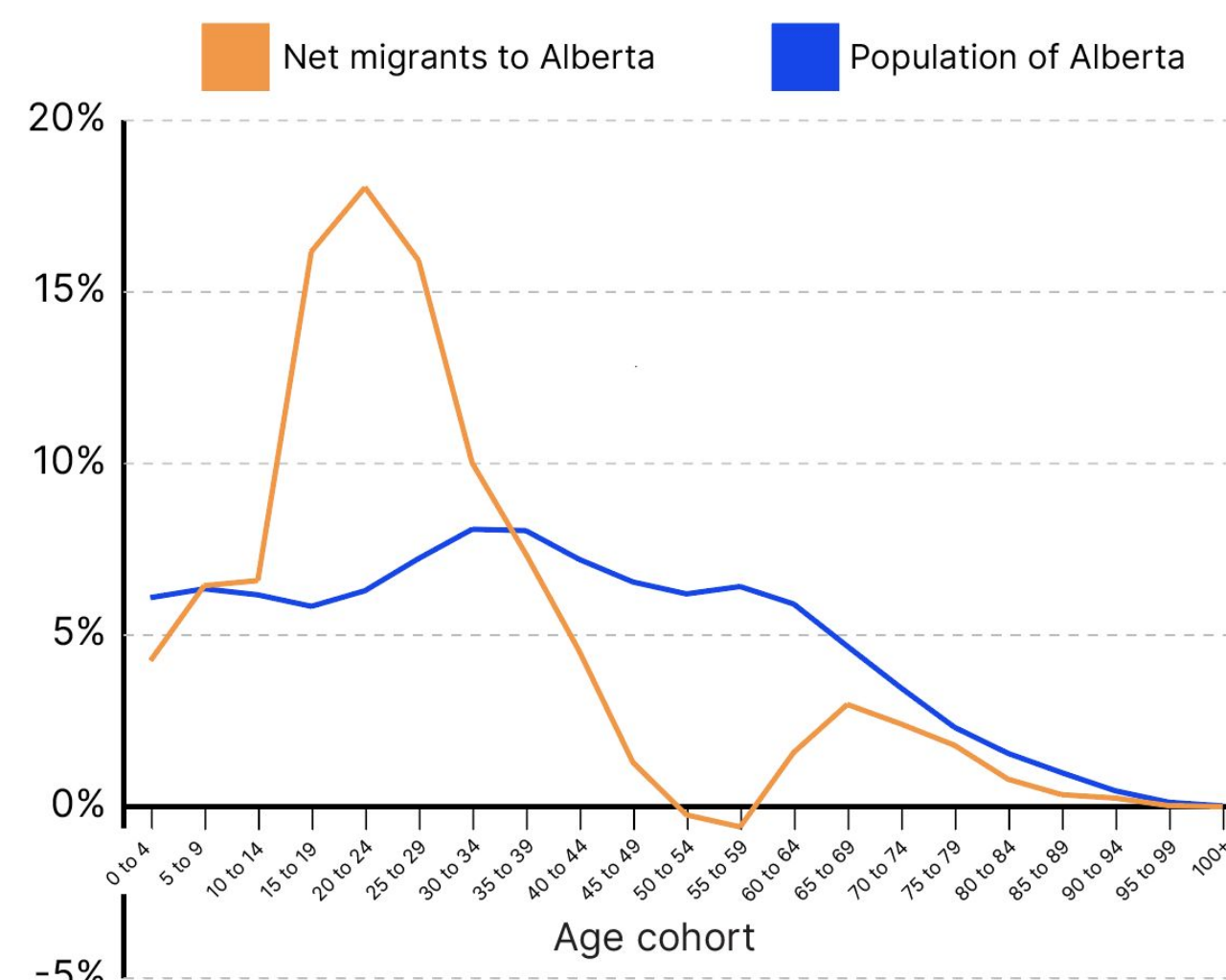
**Interprovincial migration has helped Alberta's population stay relatively young** - Alberta's population is aging, but it has stayed younger than other provinces in part because of current and historical gains from interprovincial migration. Interprovincial migrants tend to be younger than the general population, so a net inflow lowers the average age of Alberta while a net outflow raises it.<sup>9</sup>

Because Alberta has been a net beneficiary of residents from interprovincial migration since 1971/1972, its population is younger than it would have been otherwise. Over 97% of the 615,000 residents Alberta has gained from interprovincial migration since 1971/1972 were under the age of 45 when they made the move. This compares to an average of 70% of Alberta's total population under 45 over this same period.<sup>10</sup>

The same is true for international migration. About 88% of net international migrants into Alberta since 1971/72 have been under age 45 compared to 70% of the total population. Because Alberta has gained population from other countries, it is younger than it otherwise would be.

## Age of migrants to Alberta, 2018-2022

Net international/interprovincial migrants versus total population



As of July 1, 5-year average

Source: Statistics Canada Table 17-10-0005-01 and ATB Economics

9. For example, for the year ended June 30, 2022, the average age of the net migrant population into Alberta was approximately 35.5 years compared to 39.0 for the population as a whole. For the year ending June 30, 2016 (when Alberta was in the midst of a deep recession), the average age of the net migrant population out of Alberta was 30.3 compared to 37.6 for the population in general.

10. Put another way, 3.0 million people under age 45 moved to Alberta over this period while only 2.4 million people under age 45 left for a net gain of about 600,000 people under age 45. More recently, however, when Alberta was losing people to other parts of Canada from 2015/2016 to 2020/2021, 243,000 people under age 45 moved in while 276,000 left, for a net loss of the under age 45 group of 33,000.

**The average age has increased in Alberta, but is lower than in the country as a whole** - The average age in Alberta has gone from 29.6 years in 1971 to 39.0 in 2022 while the national figure has gone from 30.7 years to 41.7.

**The proportion of seniors in Alberta has increased, but is also lower than in Canada** - In 1971, 7.2% of Albertans were aged 65 and over compared to 14.8% in 2022. The share of the national population aged 65 over went from 8.0% in 1971 to 18.8% in 2022.

**The proportion of youth has decreased** - In 1971, 31.2% of Albertans were under 15 years of age compared to 18.2% in 2022. In Canada, it went from 29.3% to 15.6%.

**The dependency on the working age population is lowest in Alberta** - Putting everything together, the dependency ratio (the number of youth aged 0-14 plus the number of seniors aged 65 and over per 100 people aged 15 to 64) in Alberta is the lowest among the provinces at 49.4 as of 2022 compared to a national average of 52.5.

**The average age in Alberta will continue to rise but remain lower than the national average** - According to the medium-growth projection scenario prepared by Alberta Treasury Board and Finance, the average age in Alberta will rise to 41.7 by 2046 compared to 44.2 in Canada as a whole.<sup>11</sup>

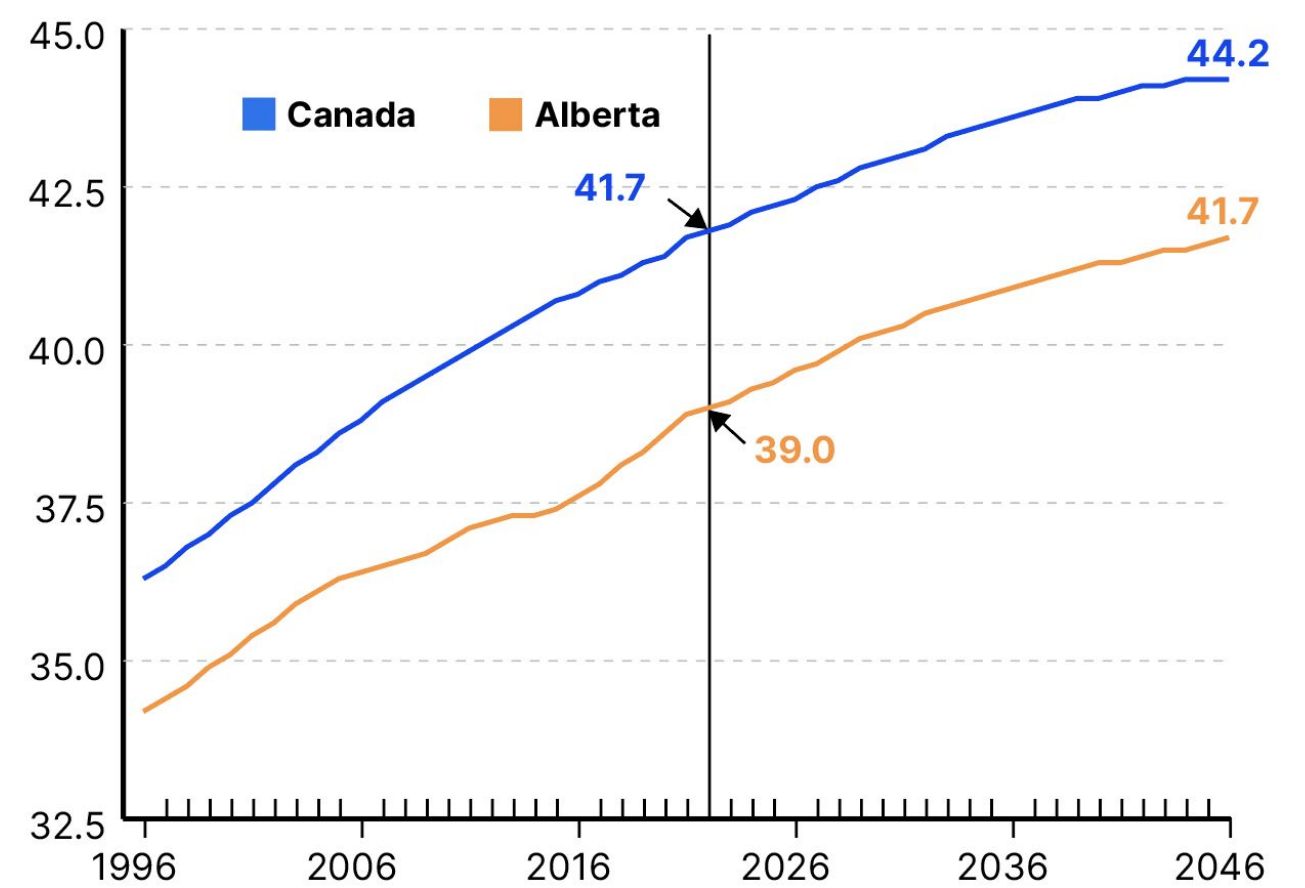
**Population aging will continue to increase the proportion of seniors** - According to the most recent projections from Statistics Canada, the percentage of seniors in Alberta's population will rise to between 17.2% and 20.8% of the provincial population by 2043. The numbers for Canada are higher at 21.1% and 25.5% by 2043 (M1 medium-growth).

**The dependency ratio will also increase over time in Alberta** - The dependency ratio in Alberta will rise to 54.4 by 2043 compared to 61.0 for the country as a whole (M1 medium-growth).

11. Statistics Canada provides a projection of the average age of Canadians but not by province. The Alberta Treasury Board and Finance projections for Alberta's total population are very similar to those produced by Statistics Canada.

## Average age in Canada and Alberta

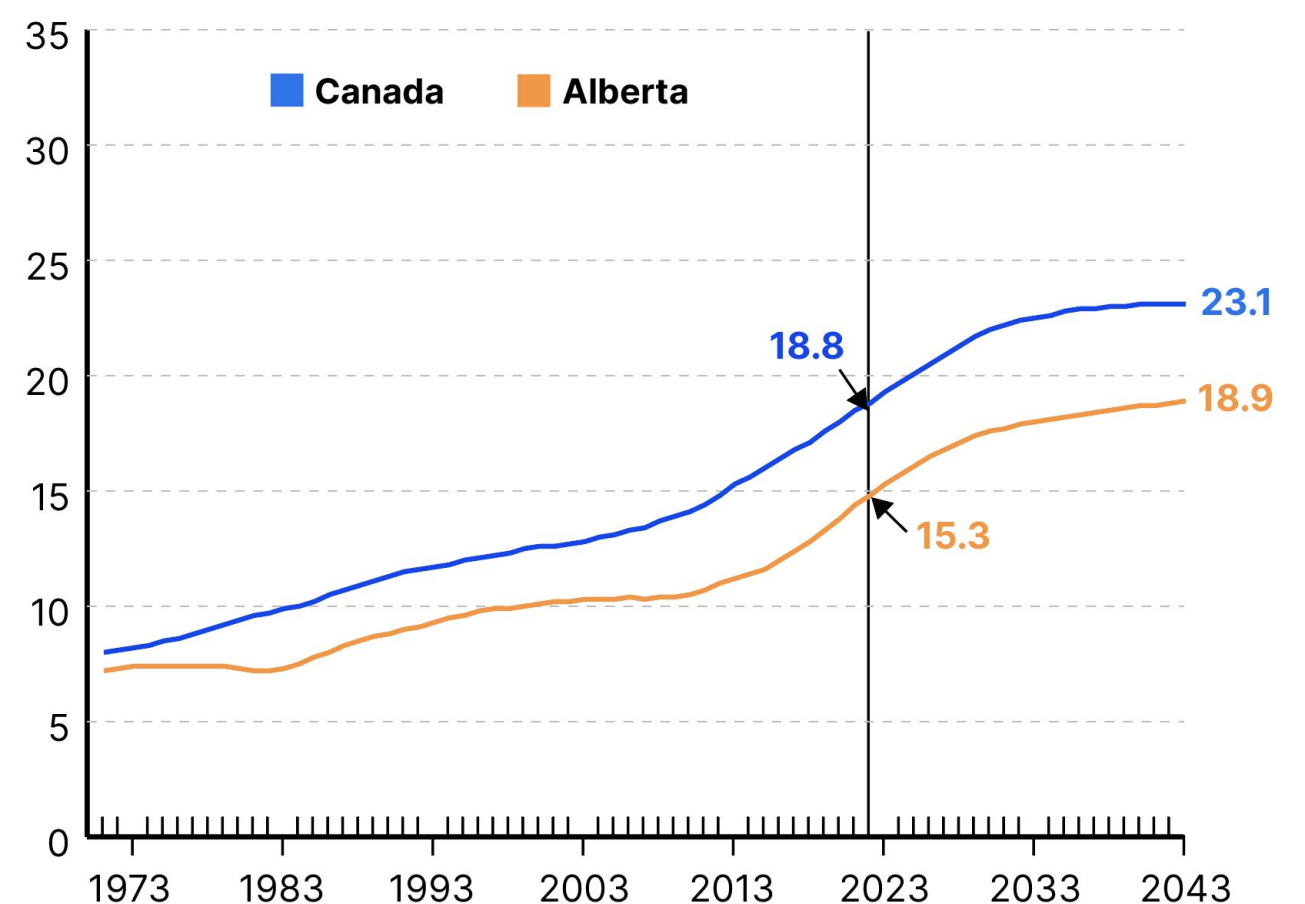
Years, as of July 1



Source: Statistics Canada and Alberta Treasury Board and Finance

## Population age 65+ in Canada and Alberta

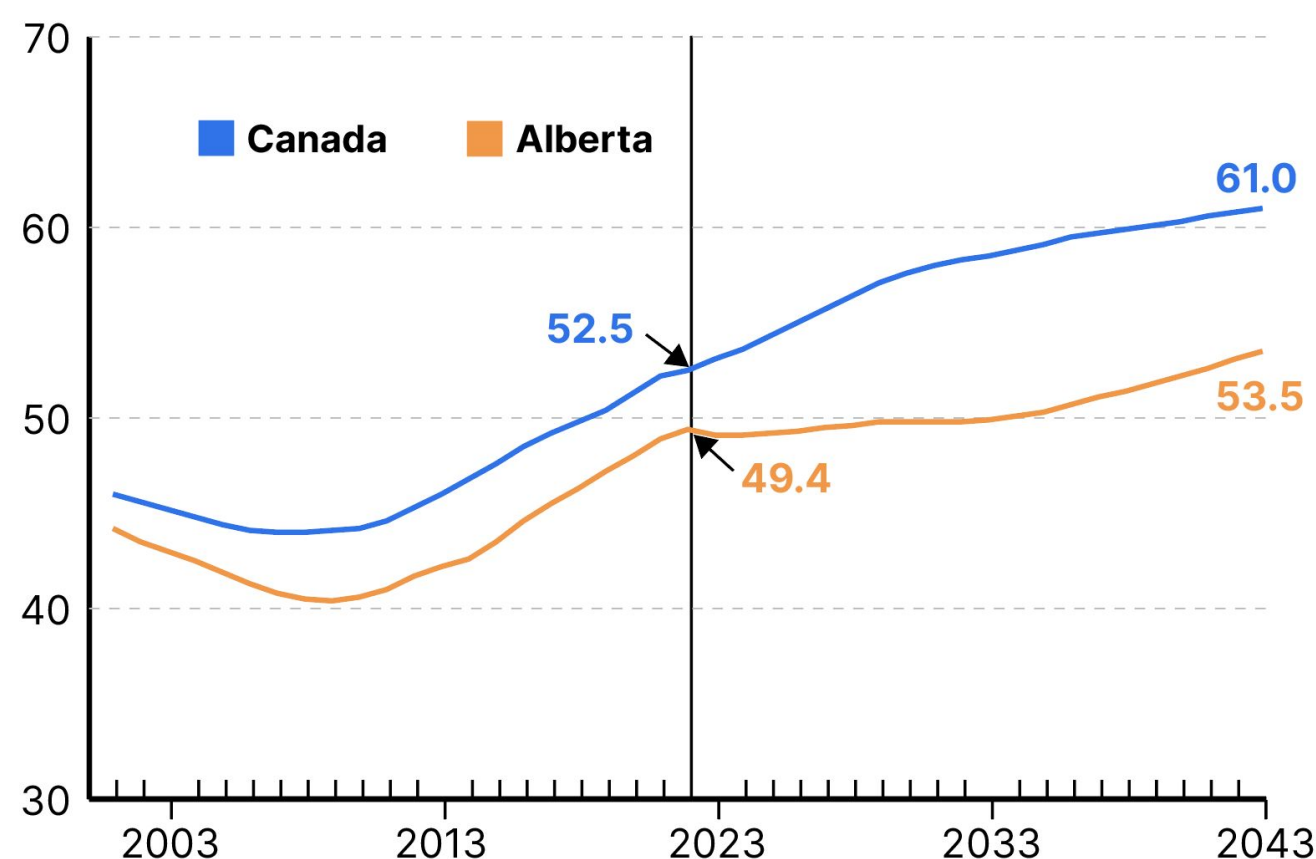
% of total, as of July 1



Source: Statistics Canada Table 17-10-0005-01 and 17-10-0057-01 (M2 medium-growth scenario)

## Demographic dependency ratio

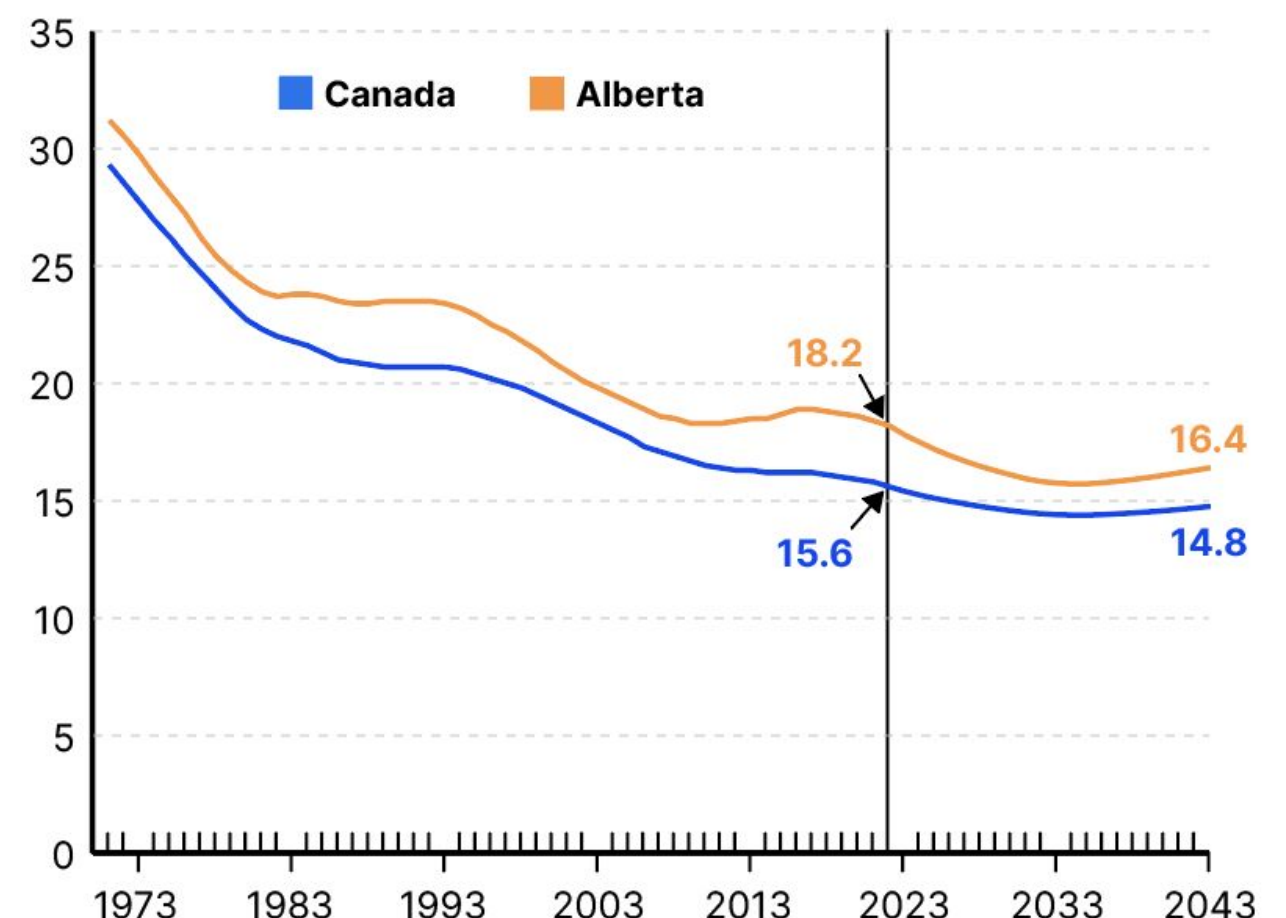
Number of children and seniors per 100 people aged 15-64



From 2023-2043 M2 medium-growth projection scenario  
Source: Statistics Canada Tables 17-10-0133-01 and 17-10-0057-01

## Population age 0-14 in Canada and Alberta

% of total, as of July 1



Source: Statistics Canada Table 17-10-0005-01 and 17-10-0057-01 (M2 medium-growth scenario)



## Looking forward: Population projections

**Alberta's population is projected to grow by between 1.2 and 3.0 million by 2046** - According to the most recent population projections from Alberta Treasury Board and Finance (July 2022), Alberta's population will rise to between 5.7 million and 7.5 million by 2046. The medium-growth scenario pegs the provincial population in 2026 at 6.4 million.

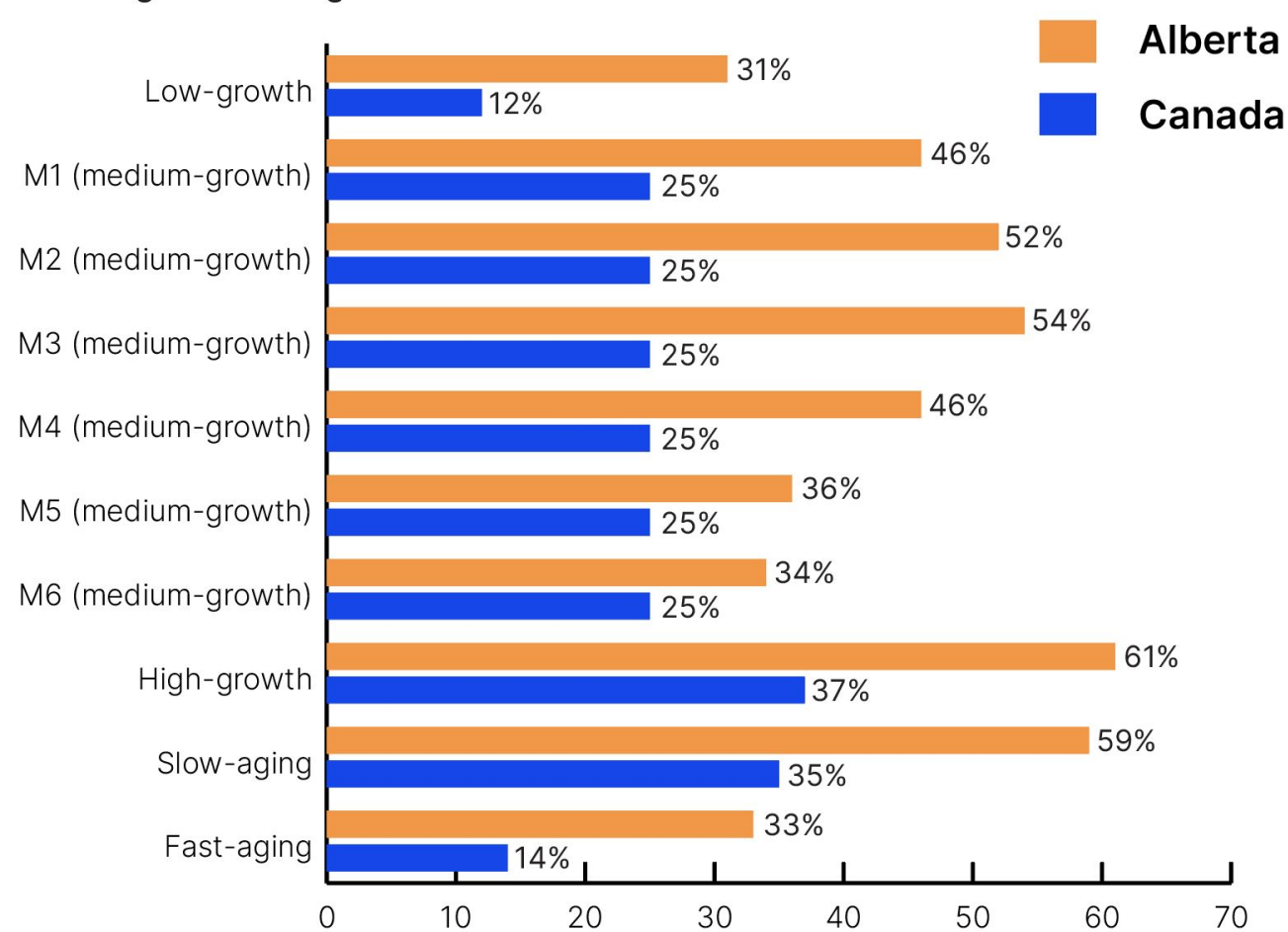
The most recent population projections from Statistics Canada were released in August 2022 and provide estimates for the provinces out to 2043. Of the ten scenarios considered, there is only one in which Alberta does not grow the most of any province in percentage terms.<sup>12</sup>

And, in all but one scenario, Alberta adds the second most residents in absolute terms after Ontario.<sup>13</sup> The total population of Alberta is projected to be between 5.8 million by 2043 in the low-growth scenario and 7.2 million in the high-growth scenario.<sup>14</sup>

## Population projection scenarios

% change between 2021 and 2043

Alberta's growth is higher than Canada's across all 10 scenarios



Source: Statistics Canada Table 17-10-0057-01 and ATB Economics

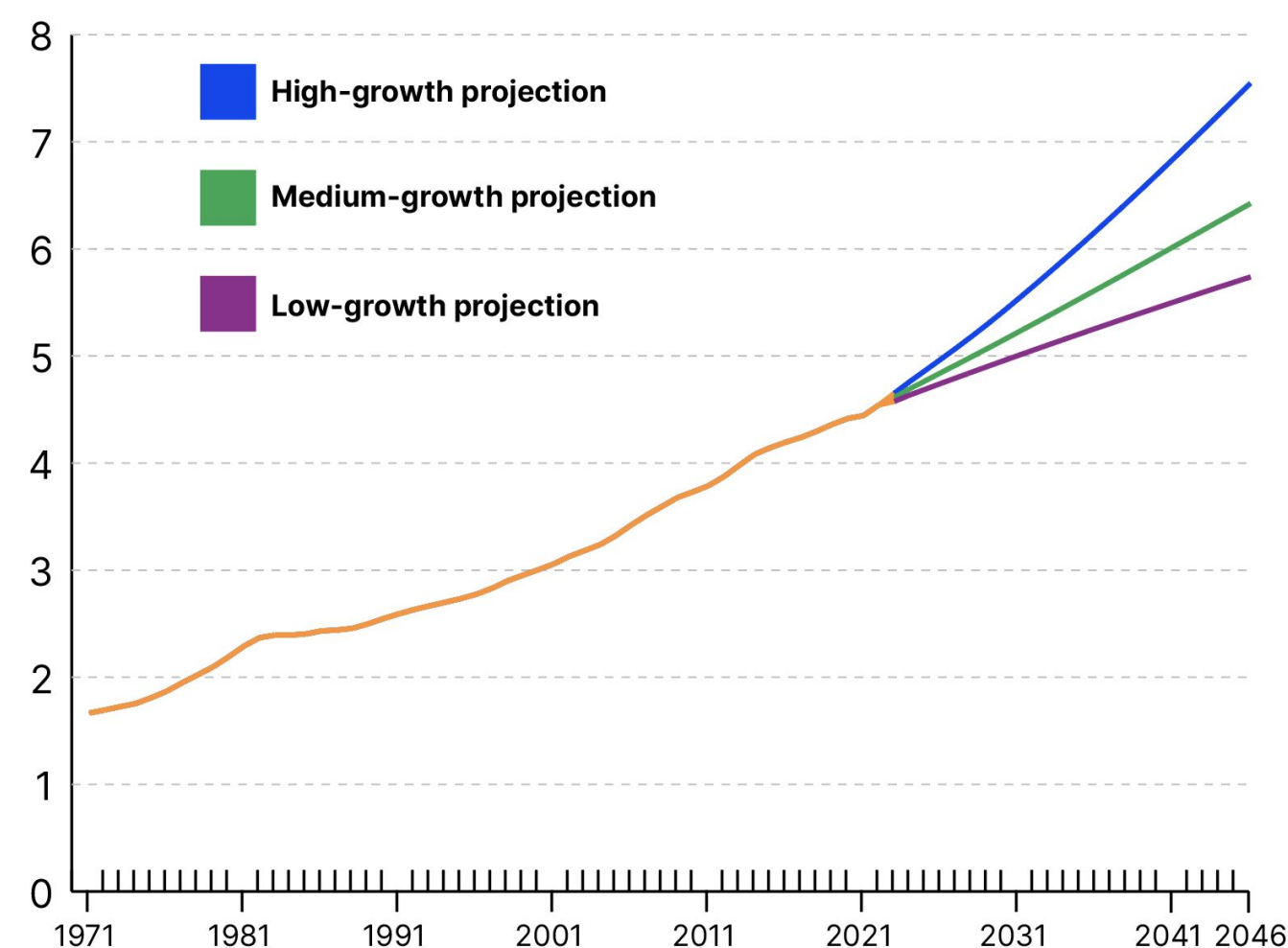
12. In M6 medium-growth scenario, Alberta experiences a period of interprovincial migration akin to the years 2018/2019 to 2020/2021 when it was losing an average of 4,622 residents per year to other parts of the country. In this scenario, Alberta's percentage growth is the second largest after PEI and still beats the national growth rate by 9.2 percentage points.

13. In the M5 medium-growth scenario, BC adds more people than Alberta.

14. The Alberta Treasury Board and Finances estimates for 2043 (the same end year used by Statistics Canada) have Alberta's population reaching 5.6 million by 2043 in the low-growth scenario and 7.1 million in the high-growth scenario. As such, the two sets of projections are roughly in line with one another.

## Population growth in Alberta

Population as of July 1, millions

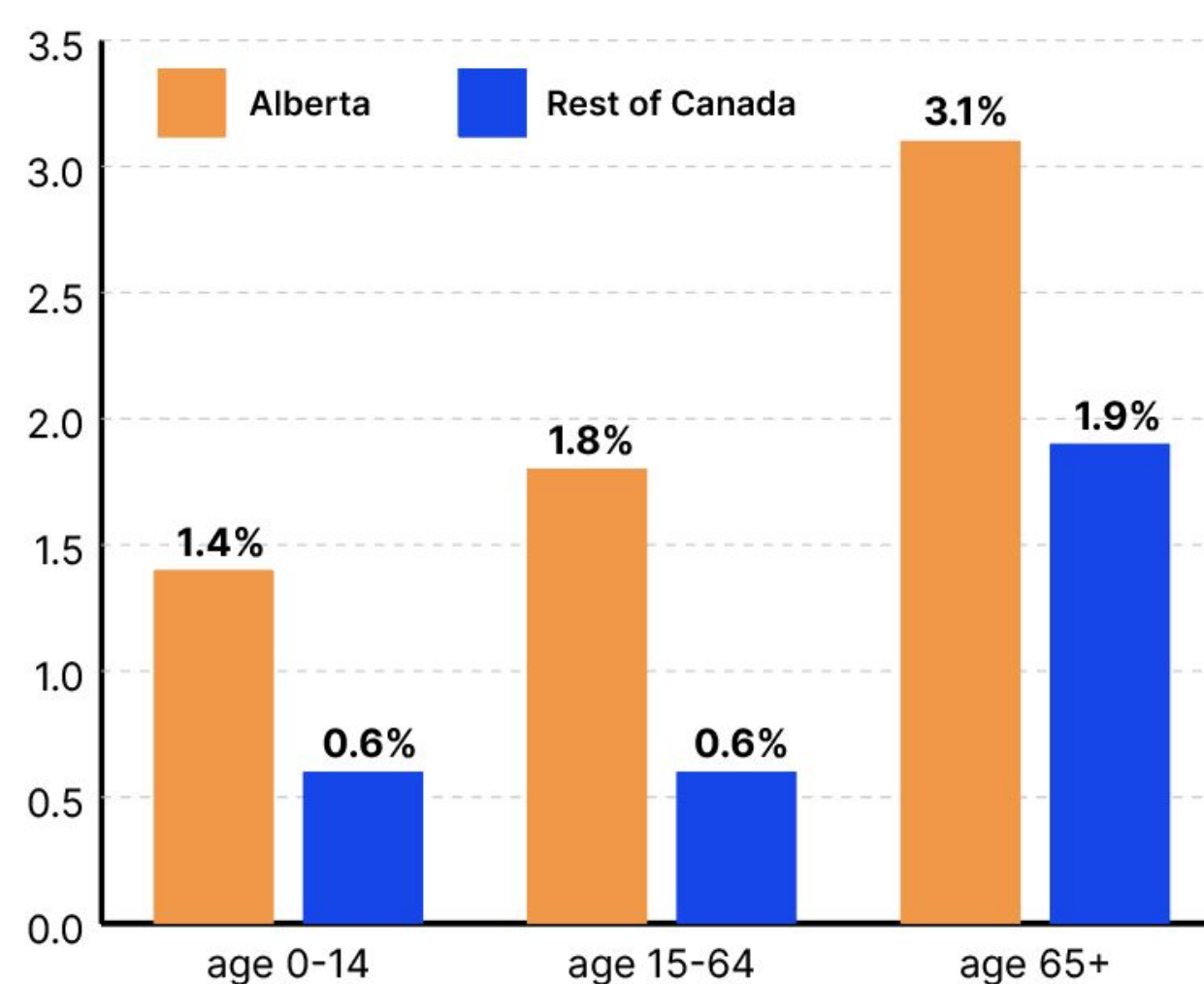


Source: Statistics Canada Table 17-10-0005-01 (to 2022), Alberta Treasury Board and Finance (2023-2046)

**Alberta's working age population will expand at a faster rate than in the rest of Canada** - Even though the senior's population in Alberta will grow faster than its working-age population, the province will still outpace the rest of Canada when it comes to residents under age 65.

## Projected population growth by age group

Average annual % growth, 2022-2043, Medium-growth (M2) scenario



Source: Statistics Canada Table 17-10-0057-01 and ATB Economics

**The trend toward greater urbanization is expected to continue** - Alberta's rural population decreased by 2.7% between 2016 and 2021 while the urban contingent increased by 6.3%. Between 1996 and 2022, the population of the Calgary-Edmonton corridor<sup>15</sup> grew by 77% compared to growth of 29% in the rest of the province. According to Alberta Treasury Board and Finance, "as the most populous region, [the Calgary-Edmonton corridor] tends to attract most of the migrants arriving from outside of the province. In the past decade, 86% of immigrants and 77% of the net migrants from other parts of Canada settled in this region. In addition, these census divisions tend to gain residents through migration from other parts of the province."<sup>16</sup>

In keeping with these past trends, Alberta Treasury Board and Finance estimates that Alberta's population will "become more concentrated in urban centres, especially along the Edmonton-Calgary corridor; 80% of Albertans are expected to live in this region by 2046."<sup>17</sup> The population of the Calgary-Edmonton corridor is expected to grow by 48% between 2022 and 2046 compared to growth of 22.5% in the rest of the province.<sup>18</sup>

**International migration is the largest source of future population growth in Alberta across all ten projection scenarios** - International migration will contribute between 48% and 78% of Alberta's growth between 2021/2022 and 2042/2043. Natural increase is projected to be a relatively steady source of new residents for Alberta at between 20% and 31%. Interprovincial migration is something of a wild card with a net outflow reducing Alberta's population in two scenarios to generating 28% of Alberta's growth over the projection period.

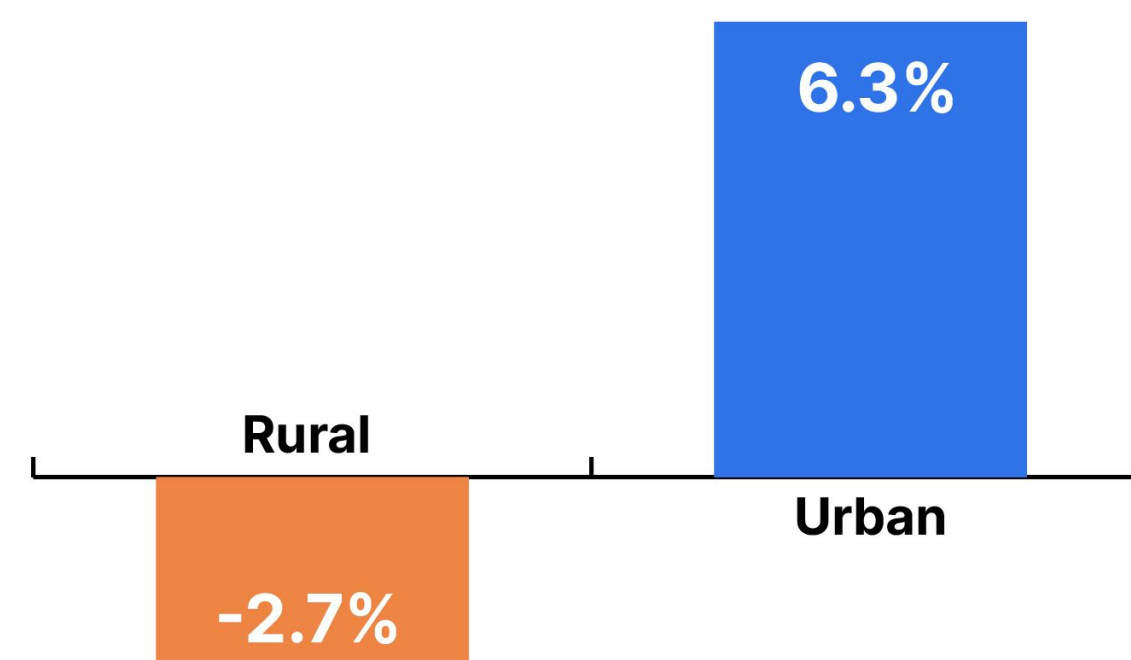
In November 2022, the Government of Canada released its [Immigration Levels Plan for 2023-2025](#). The plan is to welcome 465,000 new permanent residents to Canada in 2023, 485,000 in 2024 and 500,000 in 2025. These targets are not far off from the immigration assumptions in the most recent population projection scenarios prepared by Statistics Canada. The federal targets, if achieved, are closest to those in Statistics Canada's high-growth scenario (about 2% above the high-growth estimate for 2025) and about 9% higher than in the medium-growth scenarios.

## The bottom line: More people, more seniors, more urban, more diverse

The mini population boom Alberta has been experiencing is providing an economic boost and is helping Alberta weather the inflation and interest rate storm that has been pushing against economic growth in Canada and around the world.

## Population growth in Alberta

% change between the 2016 and 2021 census



Source: Statistics Canada

If the most recent projections hold, Alberta's population growth will outpace that of the other provinces. Because slow population growth and population decline tend to undermine economic growth, the projected increase in Alberta's population bodes well for the province's future. But, like most advanced economies, Alberta still has an aging population and will have to adapt to more modest population growth and a larger proportion of seniors than in the past. With that said, Alberta is also an outlier among advanced economies and the other provinces. Alberta's somewhat younger age profile means that natural increase is going to keep adding people to its population and, if economic conditions and the relative affordability of housing cooperate, it also will gain residents from other parts of Canada.

This, along with strong net international migration, will keep Alberta growing, add to what is an already very diverse population,<sup>19</sup> and stave off the population decline facing more than a few places around the world. The tendency toward a greater concentration of people in cities will also continue with provinces urban corridors expected to absorb most of Alberta's future population growth.

As past patterns demonstrate, population growth is not guaranteed and as much as it can drive economic growth, it can also be undermined by economic factors. The availability of good jobs, a high quality of life and other opportunities will continue to be a crucial variable affecting Alberta's population growth in the years and decades ahead.

15. The Edmonton-Calgary Corridor consists of three Census Divisions (6, 8 and 11) and includes the census metropolitan areas of Edmonton and Calgary as well as the city of Red Deer.

16 and 17. [Population Projections: Alberta and Census Divisions, 2021-2046](#), Alberta Treasury Board and Finance

18. Alberta Treasury Board and Finance medium-growth scenario.

19. It is only one measure of diversity in a population, but according to the 2021 Census, 23% of Albertans were immigrants to Canada—only Ontario (30%) and BC (29%) had a larger proportion of immigrants in their populations.

## Appendix A

### Population time periods

For most annual population figures, the numbers are “as of July 1” and represent the change between June 30 of the previous year and July 1 of the current year. For example, the annual population figures from Statistics Canada (Table: 17-10-0005-01) indicate that the population of Alberta in 2022 was 4,543,111 (as of July 1, 2022). Also note that annual postcensal population estimates are not the same as the census counts conducted every five years.

Annual population change is also sometimes measured from January 1 to December 31.

Quarterly population estimates (Table: 17-10-0009-01) are as of the first day of the quarter and represent the change over the previous three months. For example, Alberta’s population Q1 of 2022 was 4,647,178 as of January 1, 2022 not as of the end of the quarter (i.e., March 31, 2022).

Annual interprovincial migration flow is measured as the change between July 1 of the previous year to June 30 of the current year. For example, net interprovincial migration to Alberta in 2022 was 21,660 and represents the net change between July 1, 2021 and June 30, 2022 (see Statistics Canada table: 17-10-0021-01).

The same conventions are used for annual estimates of international migration (Table: 17-10-0040-01) and natural increase (Table: 17-10-0059-01).

Quarterly estimates of interprovincial migration measure the change between January to March for Q1; April to June for Q2; July to September for Q3; and October to December for Q4 (Table: 17-10-0020-01).

## Appendix B: Statistics Canada’s population projection scenarios

### Summary of Statistics Canada’s population projection scenarios

Scenario	Fertility	Mortality	Immigration	Emigration	NPR	Internal migration	Internal migration to Alberta*
M1	Medium	Medium	Medium	Medium	Medium	Recent trends (2018/2019 to 2020/2021 transitioning linearly in 10 years to long term trends (1991/1992 to 2016/2017)	-4,662 16,691
M2	Medium	Medium	Medium	Medium	Medium	1995/1996 to 2010/2011	21,362
M3	Medium	Medium	Medium	Medium	Medium	2003/2004 to 2008/2009	25,522
M4	Medium	Medium	Medium	Medium	Medium	2009/2010 to 2016/2017	12,216
M5	Medium	Medium	Medium	Medium	Medium	2014/2015 to 2016/2017	-3,024
M6	Medium	Medium	Medium	Medium	Medium	2018/2019 to 2020/2021	-4,622
LG	Low	High	Low	High	Low		
HG	High	Low	High	Low	High		
SA	High	High	High	Low	High	Recent trends (2018/2019 to 2020/2021 transitioning linearly in 10 years to long term trends (1991/1992 to 2016/2017)	-4,662 16,691
FA	Low	Low	Low	High	Low		

Notes: NPR (non-permanent residents), LG (low-growth), HG (high-growth), SA (slow-aging), FA (fast-aging)

\*Average annual net interprovincial migration to Alberta during the specified historical periods.

Source: Statistics Canada, Centre for Demography

## Appendix C: Projected population by Statistics Canada scenario

	2021-2043 % change													
	CA	NF	PE	NS	NB	QC	ON	MB	SK	AB	BC	YK	NT	NU
Low-growth	12	-15	13	1	0	1	15	11	14	31	14	9	0	17
M1 (medium-growth)	25	-8	27	11	9	10	29	25	29	46	28	19	11	25
M2 (medium-growth)	25	-10	24	7	7	10	29	26	31	52	25	8	2	24
M3 (medium-growth)	25	-7	19	4	5	10	26	25	35	54	29	21	0	21
M4 (medium-growth)	25	-1	19	7	5	10	28	27	39	46	28	33	12	33
M5 (medium-growth)	25	-4	22	9	5	9	30	26	31	36	34	39	17	29
M6 (medium-growth)	25	-9	39	25	16	11	29	21	20	34	34	42	16	25
High-growth	37	-2	41	21	16	19	43	41	44	61	41	29	22	31
Slow-aging	35	-6	38	18	14	16	41	37	40	59	39	27	19	28
Fast-aging	14	-11	15	4	2	3	16	14	18	33	16	11	3	20

	2021-2043 absolute change in thousands													
	CA	NF	PE	NS	NB	QC	ON	MB	SK	AB	BC	YK	NT	NU
Low-growth	4,671	-76	21	14	2	100	2,156	151	169	1,390	733	4	0	7
M1 (medium-growth)	9,511	-43	44	107	68	868	4,239	346	348	2,056	1,455	8	5	10
M2 (medium-growth)	9,522	-53	39	65	53	840	4,230	360	369	2,300	1,304	3	1	9
M3 (medium-growth)	9,520	-38	31	41	40	867	3,868	341	414	2,410	1,529	9	0	8
M4 (medium-growth)	9,523	-4	31	65	37	841	4,196	373	456	2,027	1,468	14	5	13
M5 (medium-growth)	9,502	-20	37	93	41	780	4,443	361	366	1,594	1,772	17	8	11
M6 (medium-growth)	9,495	-49	64	244	126	988	4,303	290	233	1,513	1,748	18	7	10
High-growth	14,275	-11	67	204	129	1,592	6,321	561	517	2,715	2,146	13	10	12
Slow-aging	13,463	-31	63	181	111	1,410	6,020	515	473	2,635	2,055	12	9	11
Fast-aging	5,413	-57	25	36	18	274	2,426	193	209	1,462	813	5	2	8

Source: Statistics Canada Table 17-10-0057-01