

# What You Should Know: Canada 2020 and Beyond

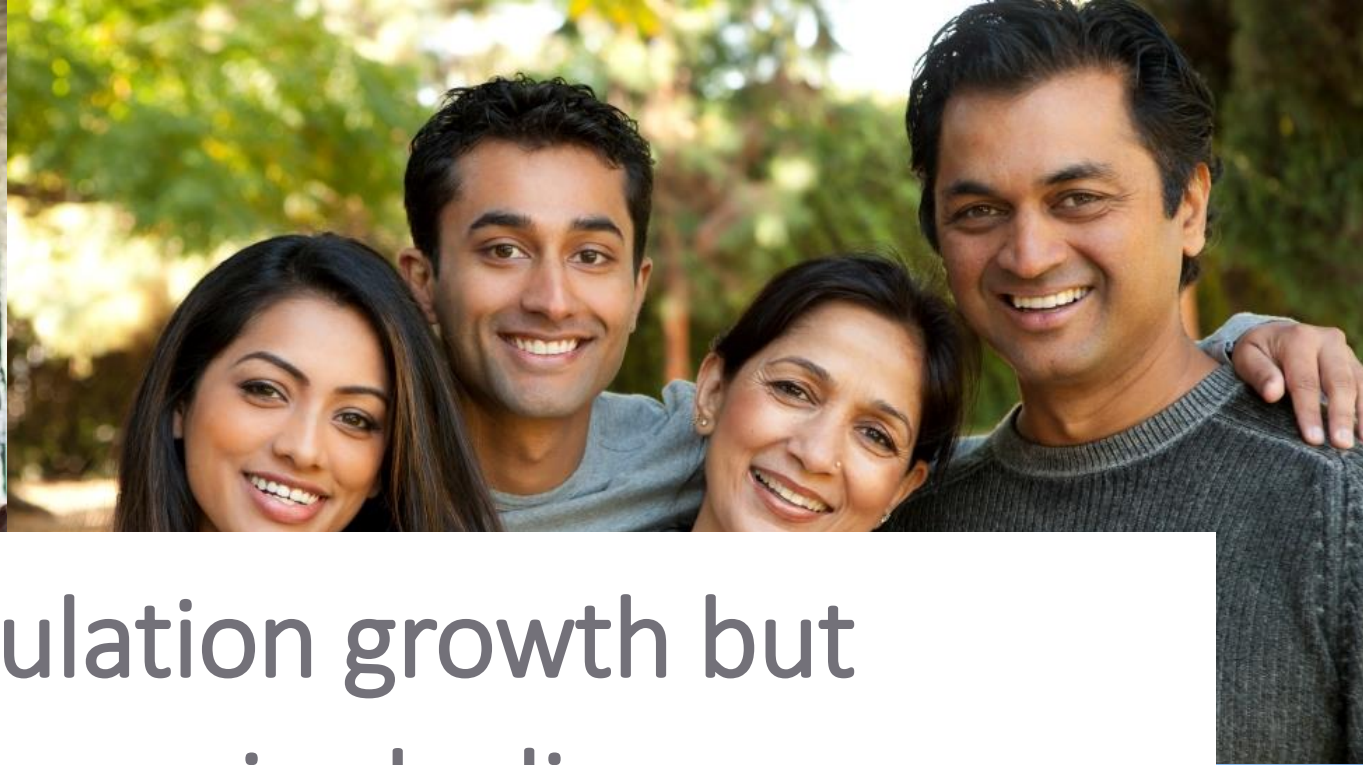
Doug Norris

SVP, Chief Demographer

Environics Analytics

# Outline of presentation

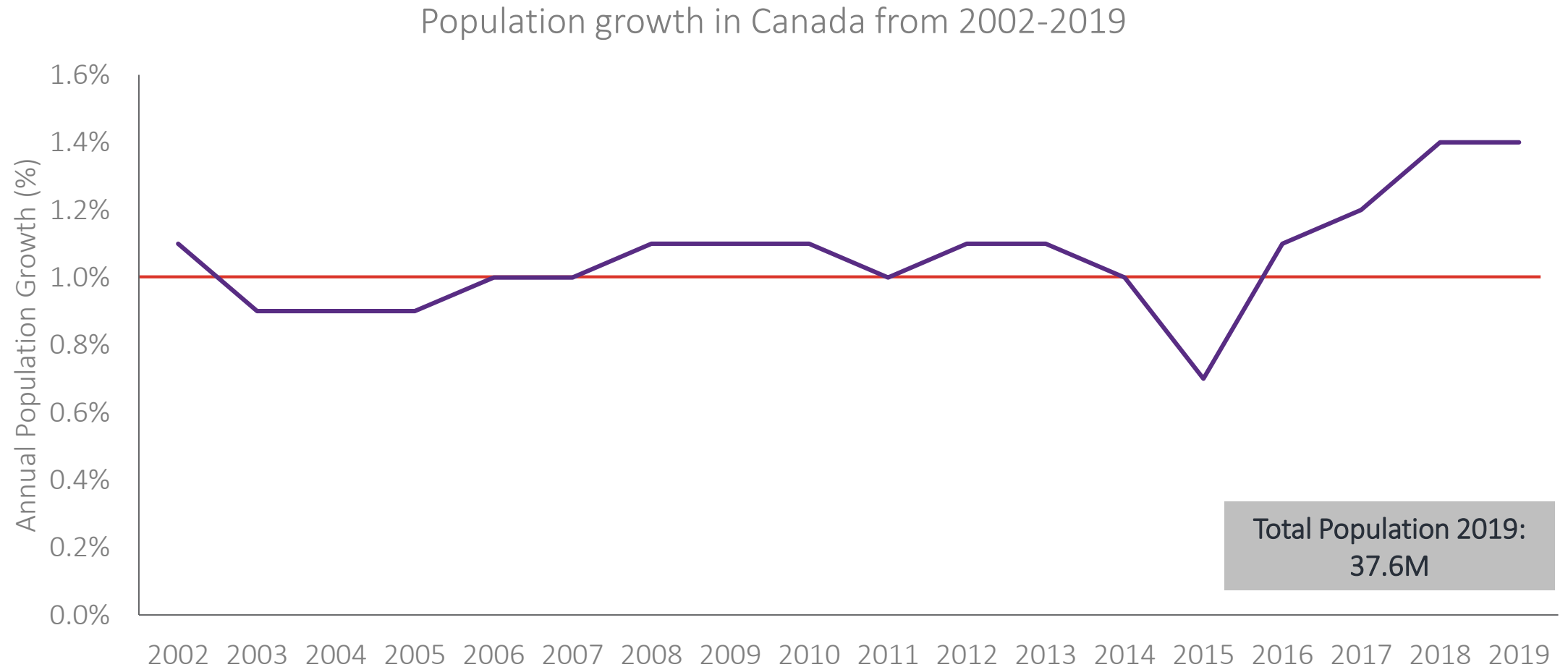
- Key trends
  - Growth
  - Aging
  - Cultural Diversity
  - Households
  - Women
- The Generations
- Examples of how the new PRIZM captures the trends



Continued population growth but  
also more areas in decline

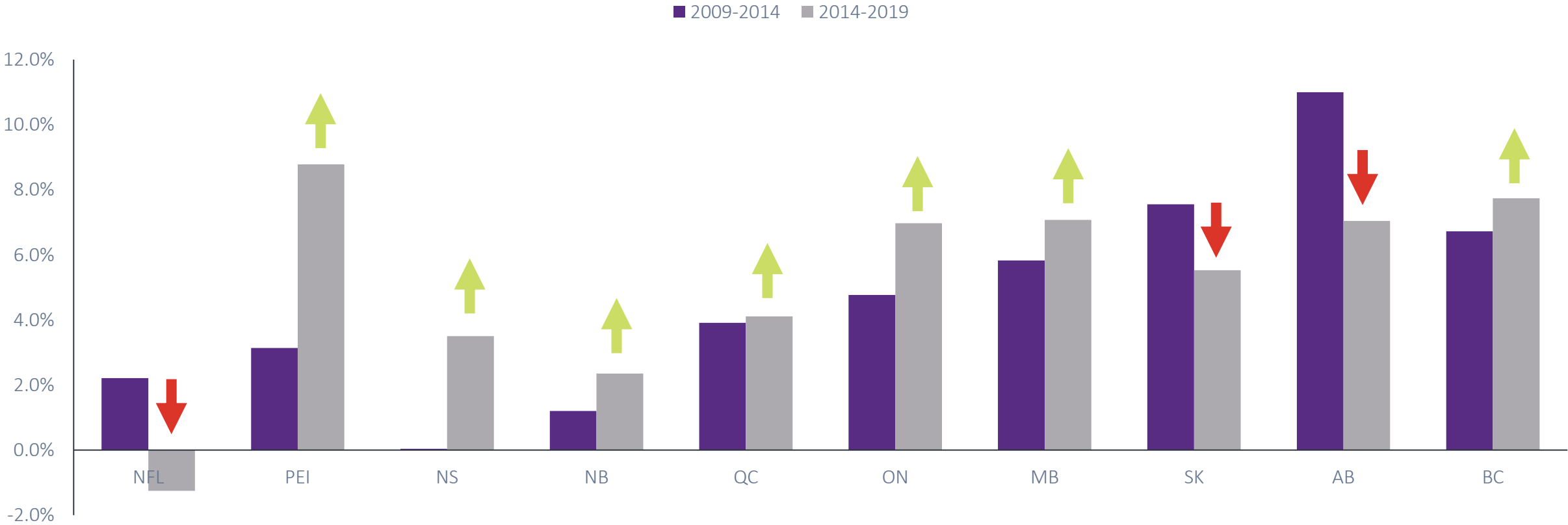


# Recent increase in growth due to higher immigration



# Recent changes in growth due to downturn in resource sector

Population growth in Canada



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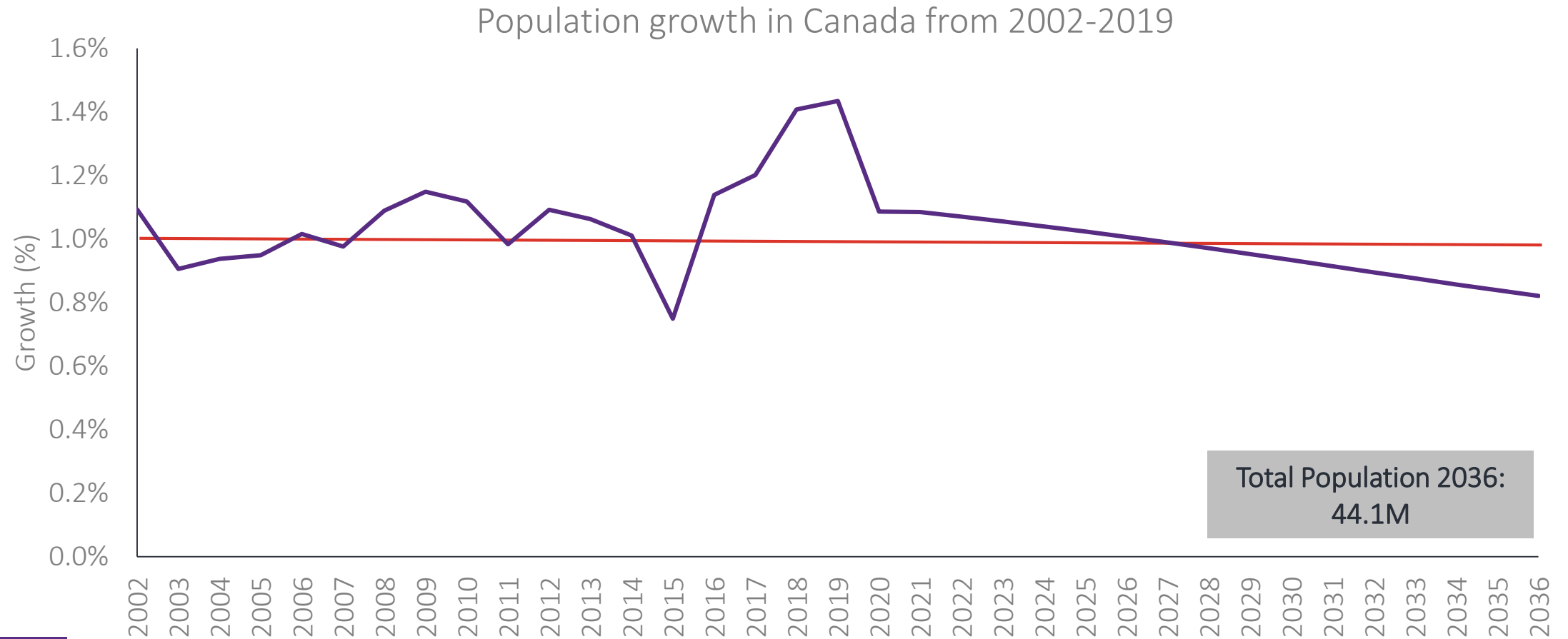
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Source: Statistics Canada, Population estimates

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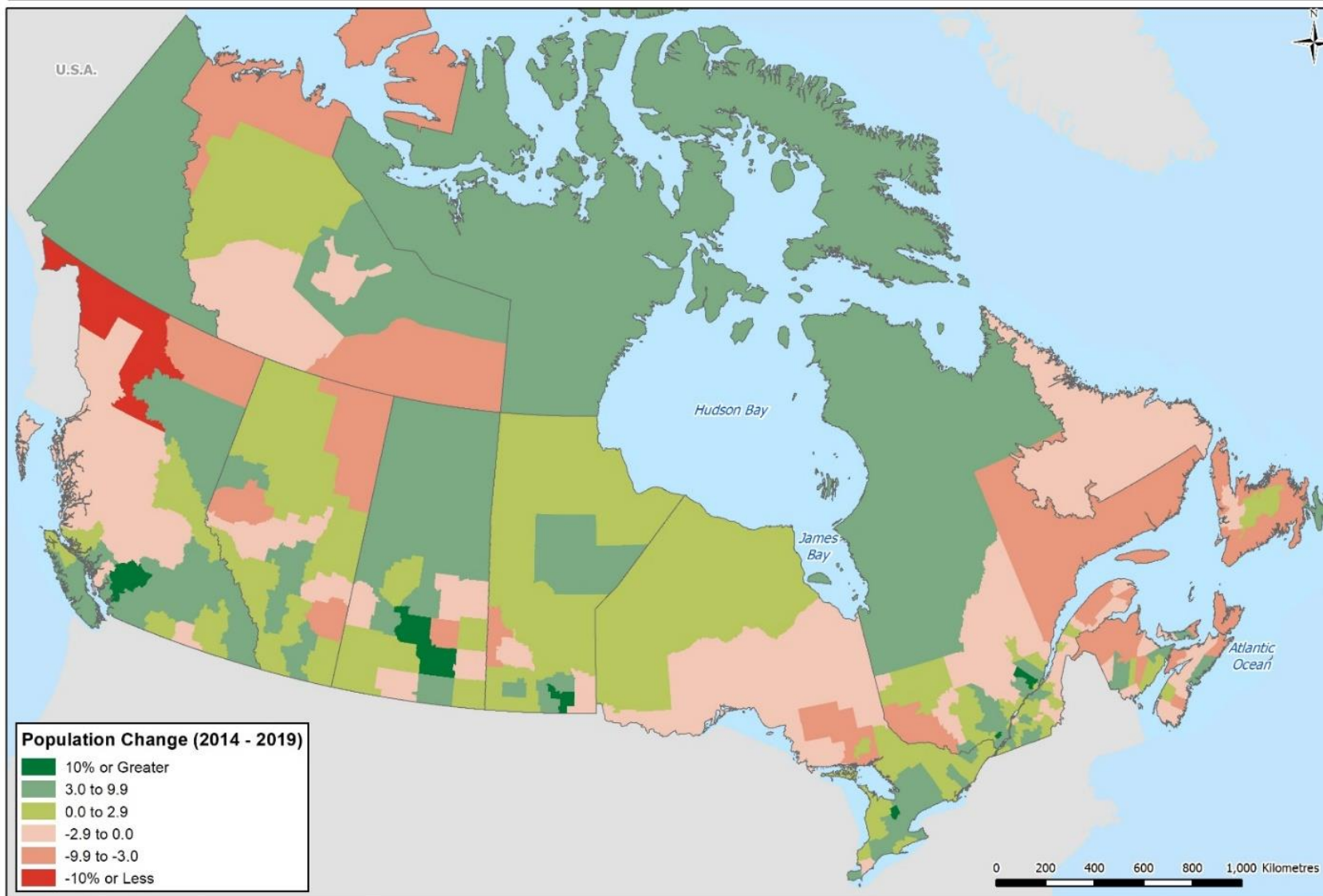
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# Future growth expected to slowly decline due to aging population



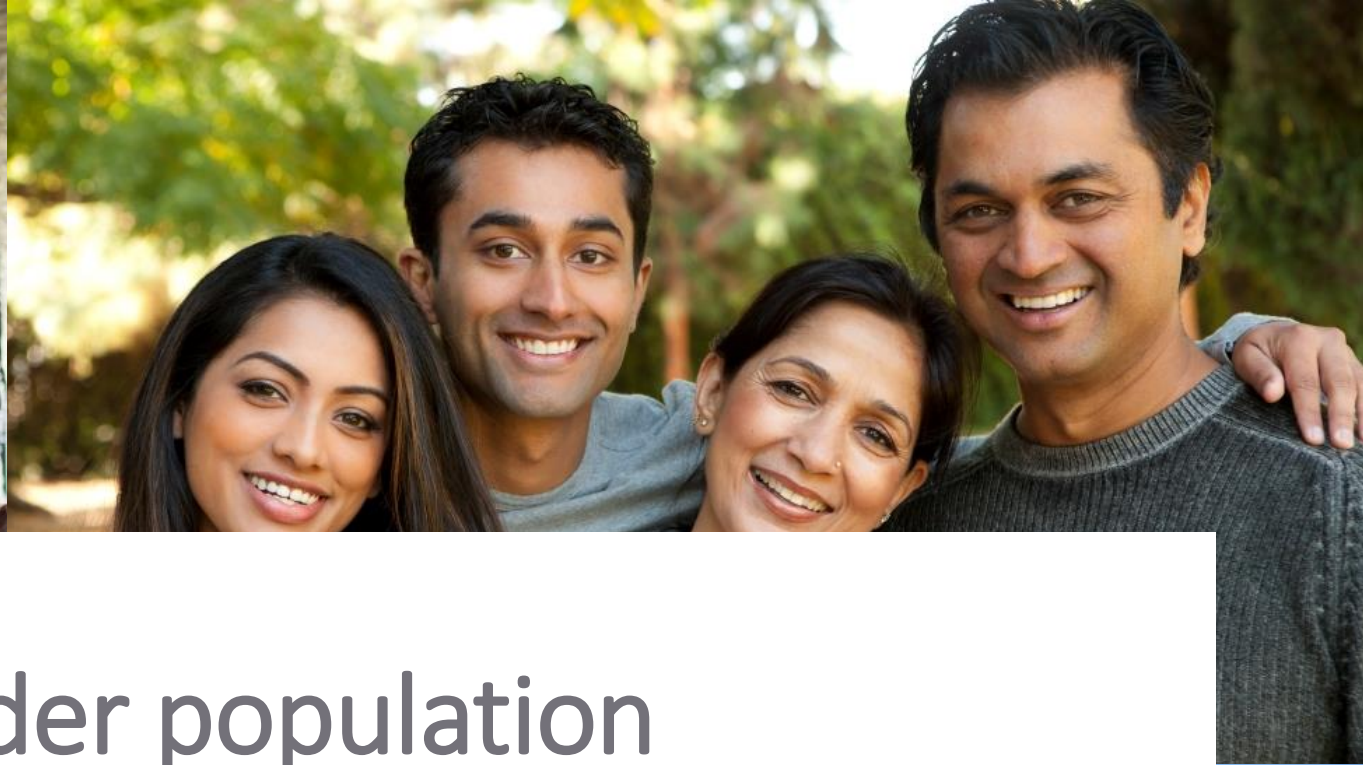
Source: Statistics Canada, Population estimates and Projections





Source: 2016 Census, Boundary Files, 2016 Census, Statistics Canada Catalogue no. 92-160-X.  
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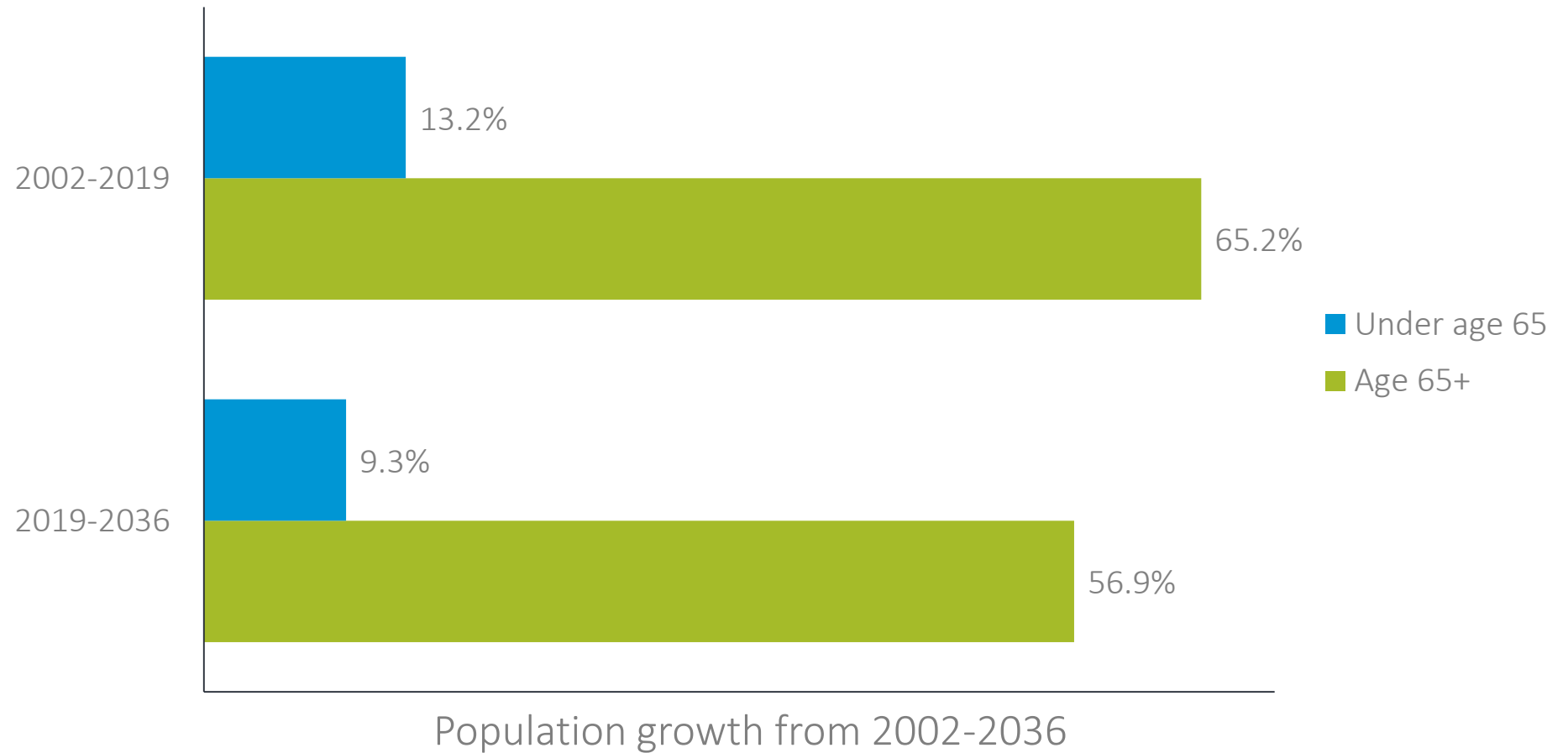


# A much older population



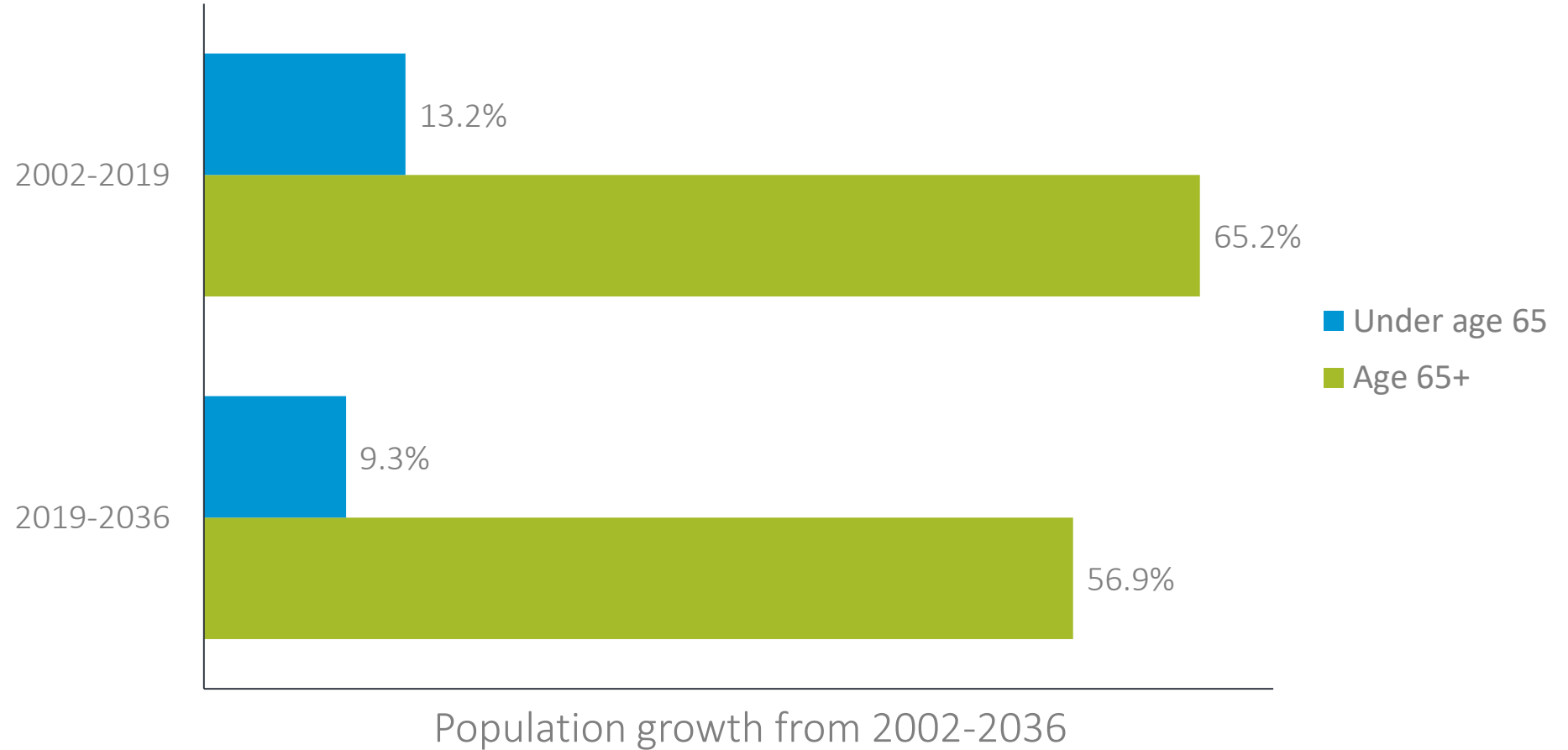
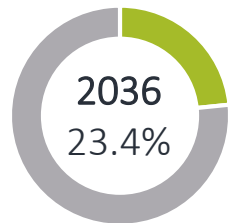
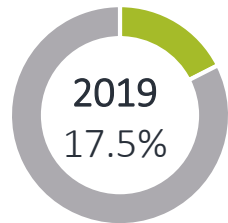
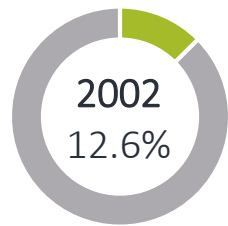


# High growth of seniors population will continue



# High growth of seniors population will continue

Percent of population 65+



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Source: Statistics Canada, Population Estimates and projections

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# Continued growth of retirement communities

Areas with higher rates of in-migration of seniors

## British Columbia

Nanaimo  
Penticton  
Campbell River  
Chilliwack  
Courtenay  
Duncan  
Kelowna

## Ontario

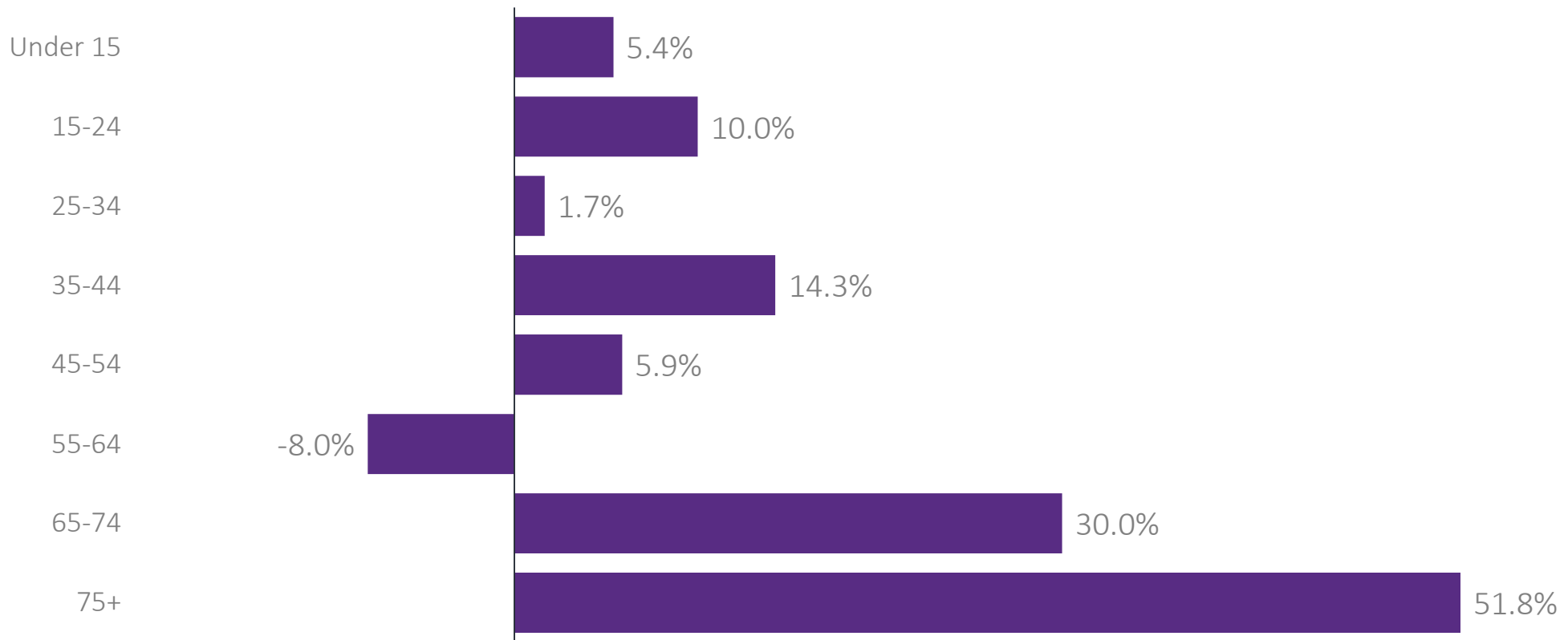
Carleton Place  
Cobourg  
Woodstock  
Owen Sound  
Belleville  
Collingwood

## Quebec

Joliette  
Saint-Georges  
Victoriaville

# Slower growth and some declines expected for younger age groups

Projected population growth in Canada from 2019-2029



Source: Statistics Canada, 2019 Population projections



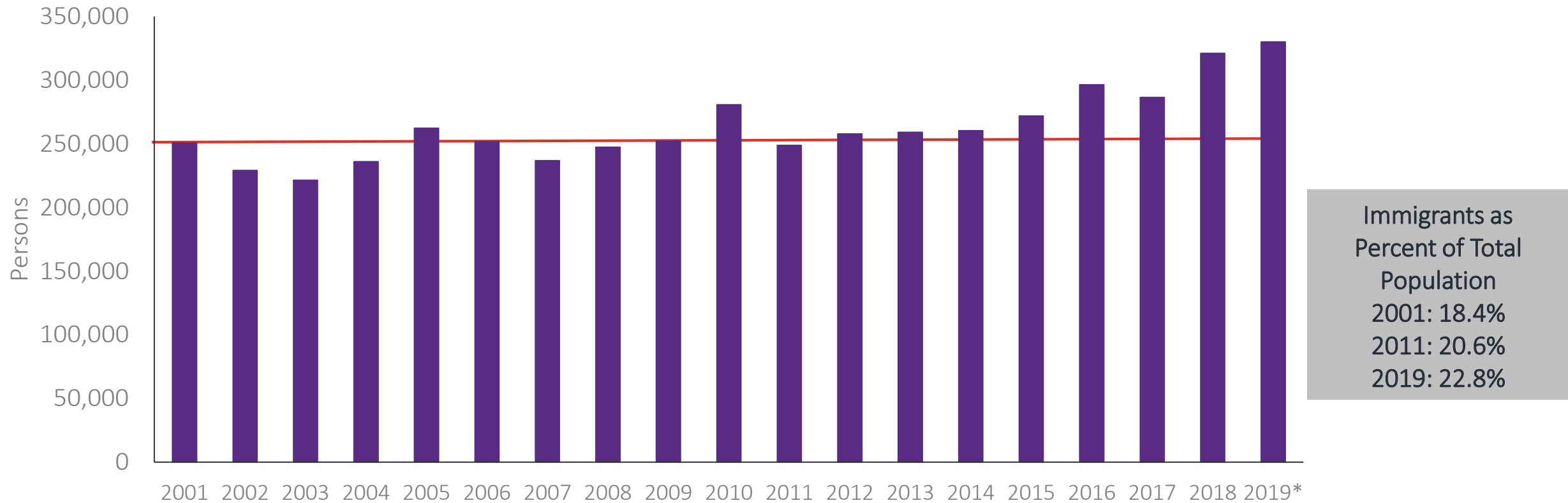


# Cultural Diversity



# Recent increase in number of permanent resident immigrants

Number of permanent resident immigrants to Canada, 2001-2019

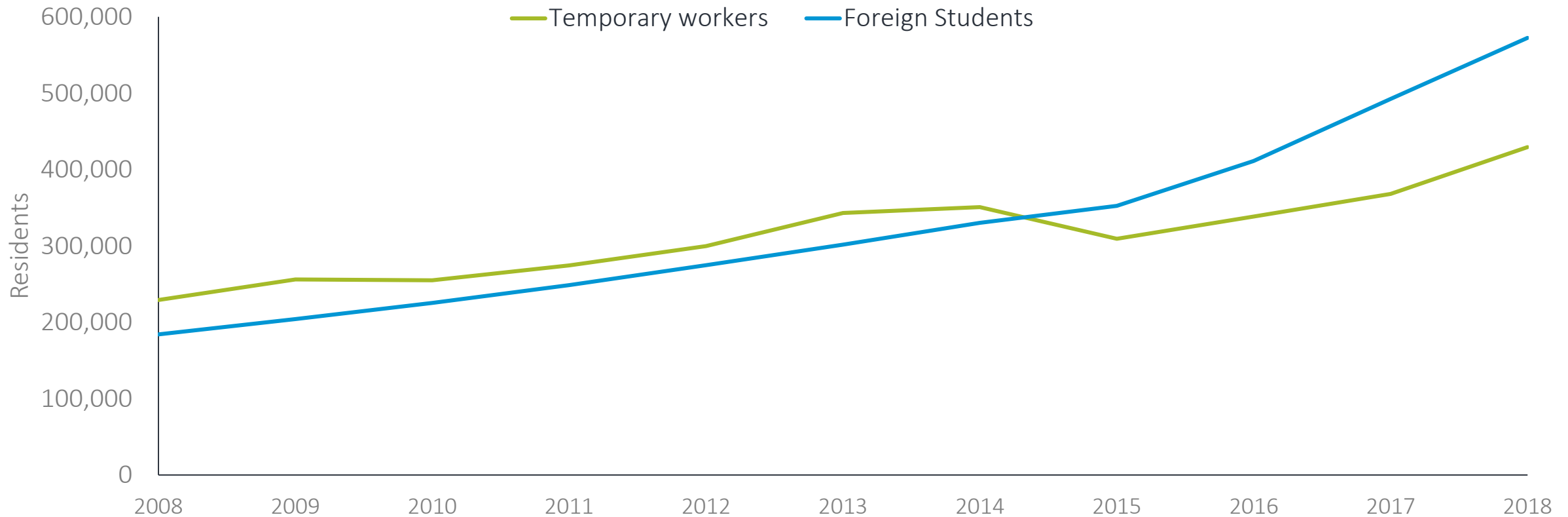


\* Based on first 8 months

Source: Immigration, Refugees and Citizenship Canada

# Also increases for temporary residents

Non Permanent Residents in Canada, 2008-2018



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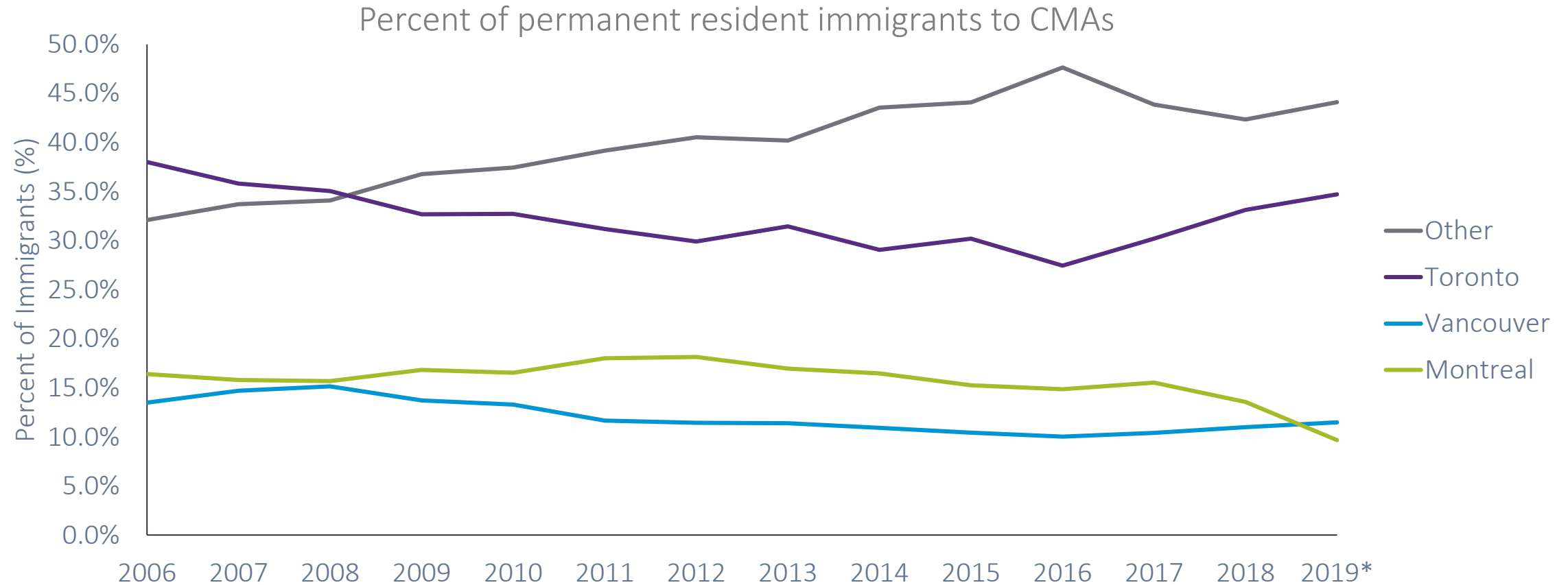
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Source: Immigration, Refugees and Citizenship Canada

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# Increase in immigration to areas other than Toronto, Montreal and Vancouver



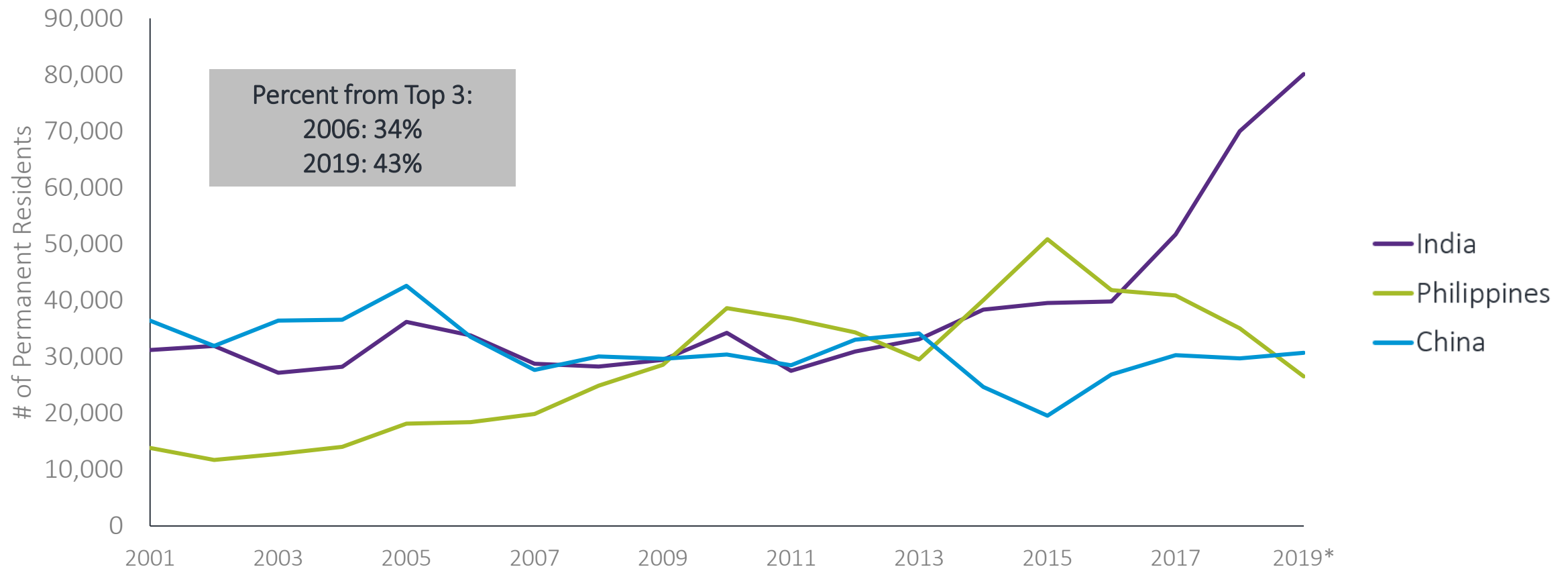
\*Estimate based on first 8 months

Source: Immigration, Refugees and Citizenship Canada



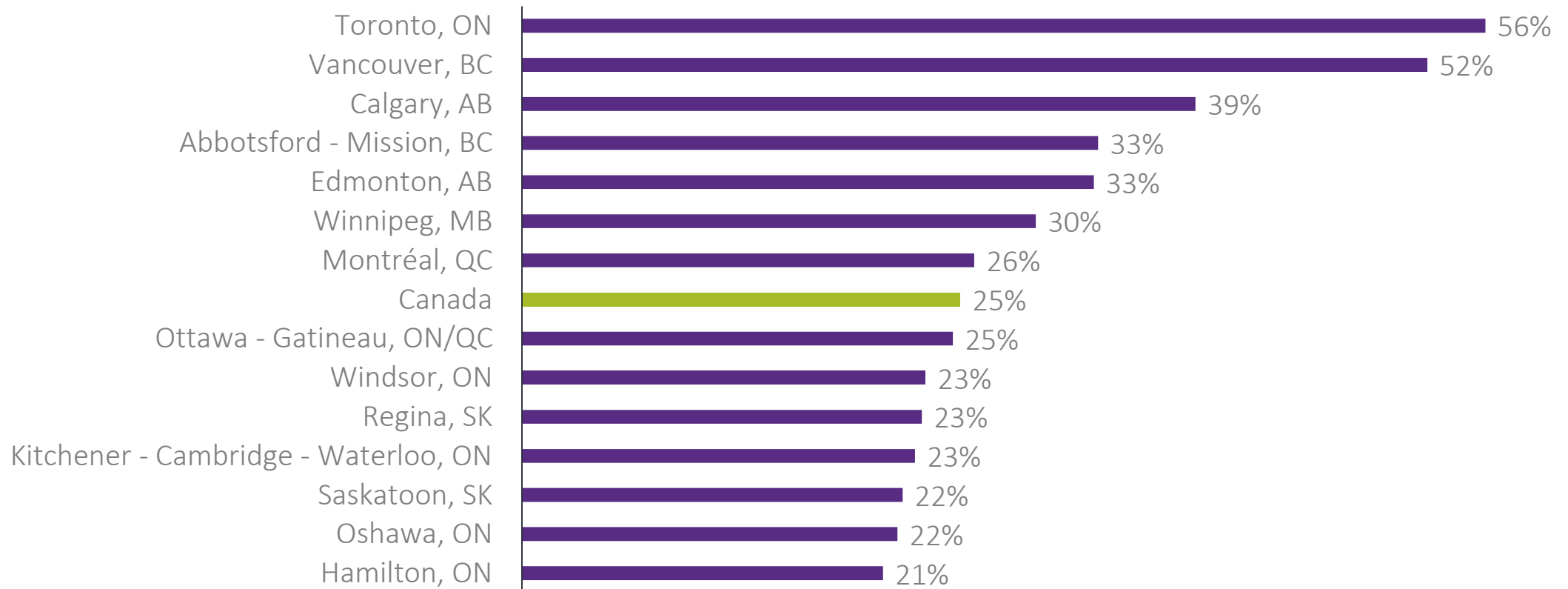
# Recent increase in immigrants from India

Permanent residents by top source countries, 2001-2019



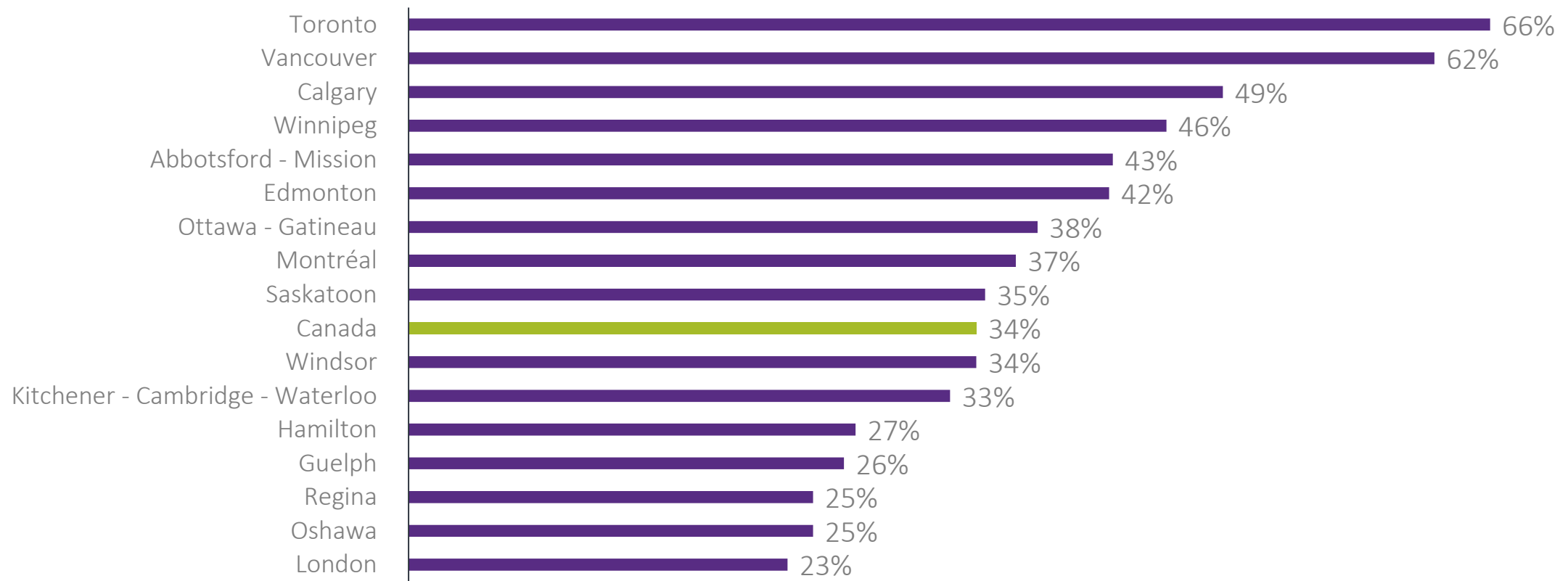
# The minority is now a majority in Toronto and Vancouver

Visible Minority Population by CMA in 2019



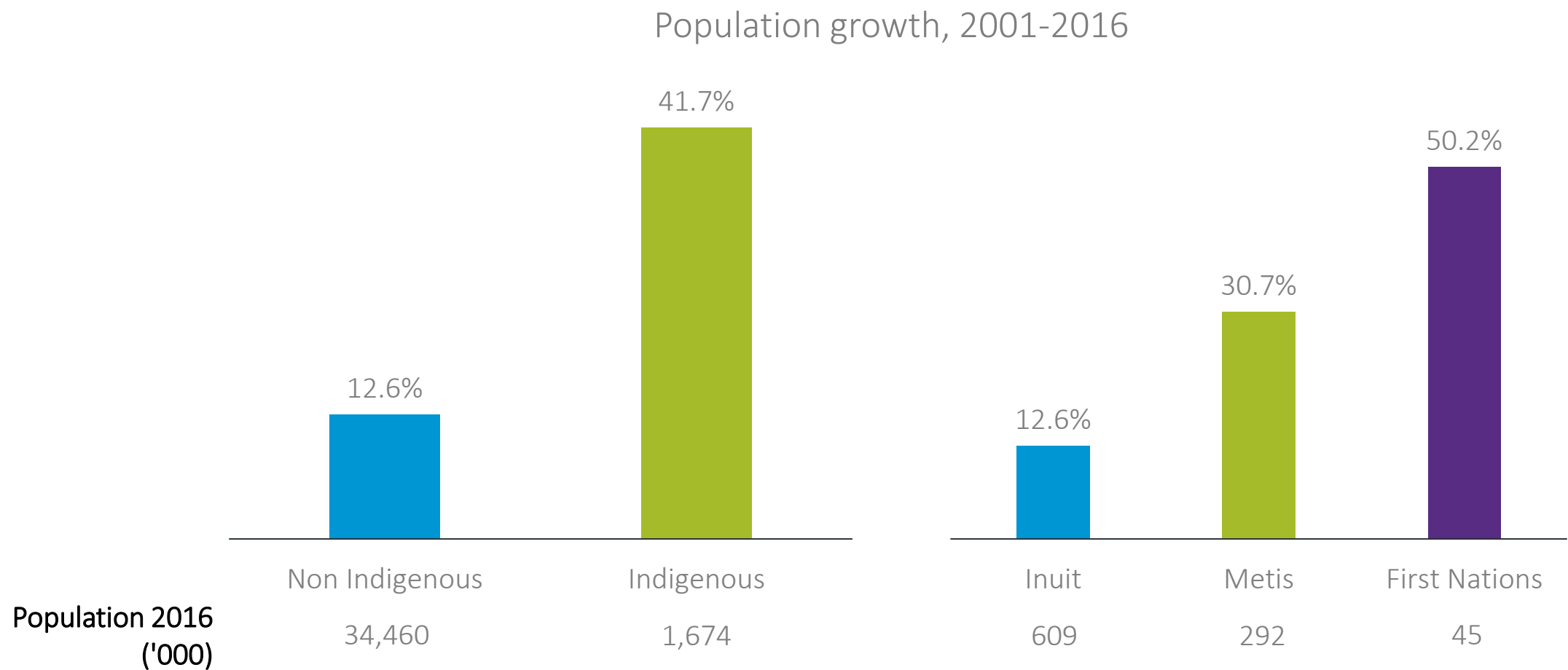
# Concentration of the visible minority population will further increase

Projected concentration of visible minority population in 2036



Source: Statistics Canada, Diversity projections

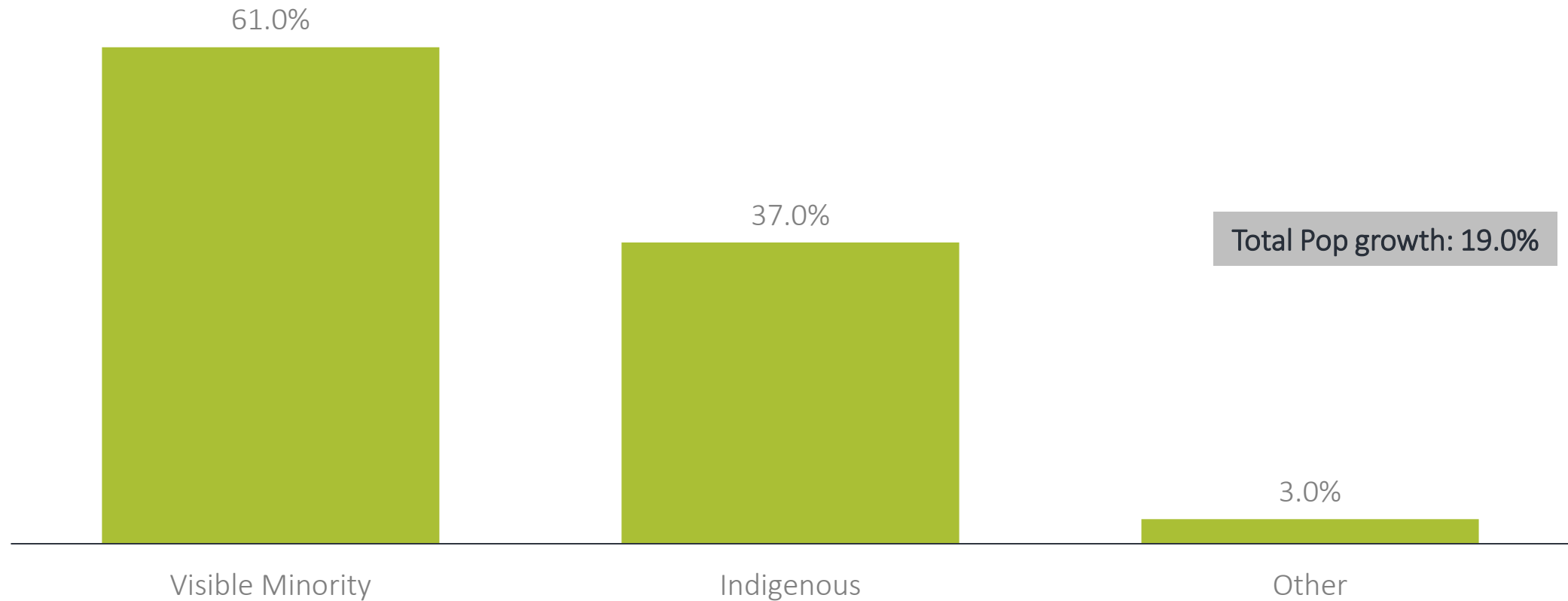
# The Indigenous population is also rapidly growing

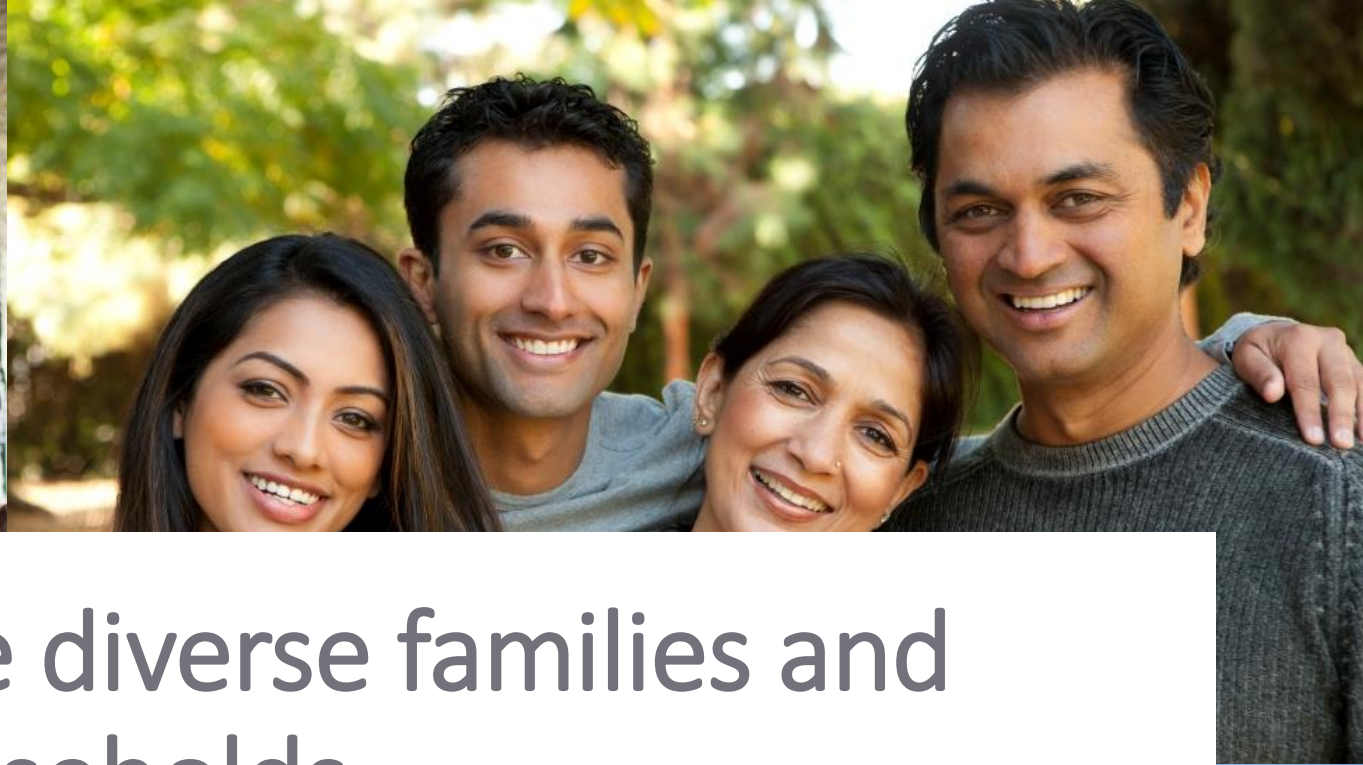




# Most future growth from visible minority and indigenous populations

Projected population growth from 2019-2036



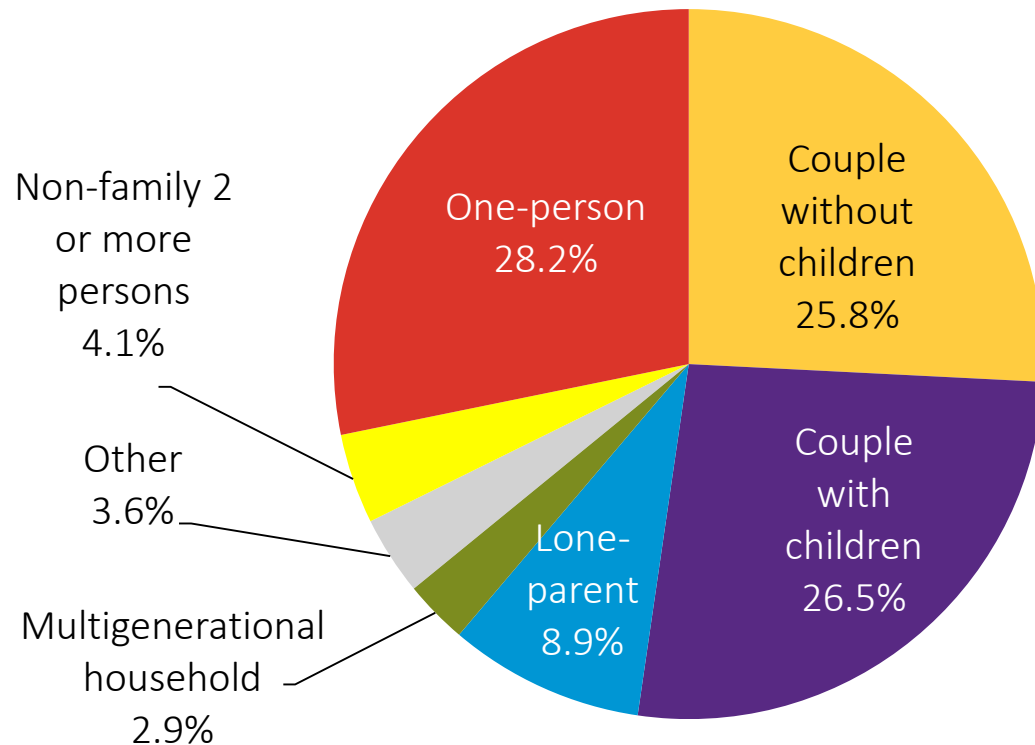


# Smaller but more diverse families and households



# Fewer than 40 percent of households have children

Types of Households, 2016

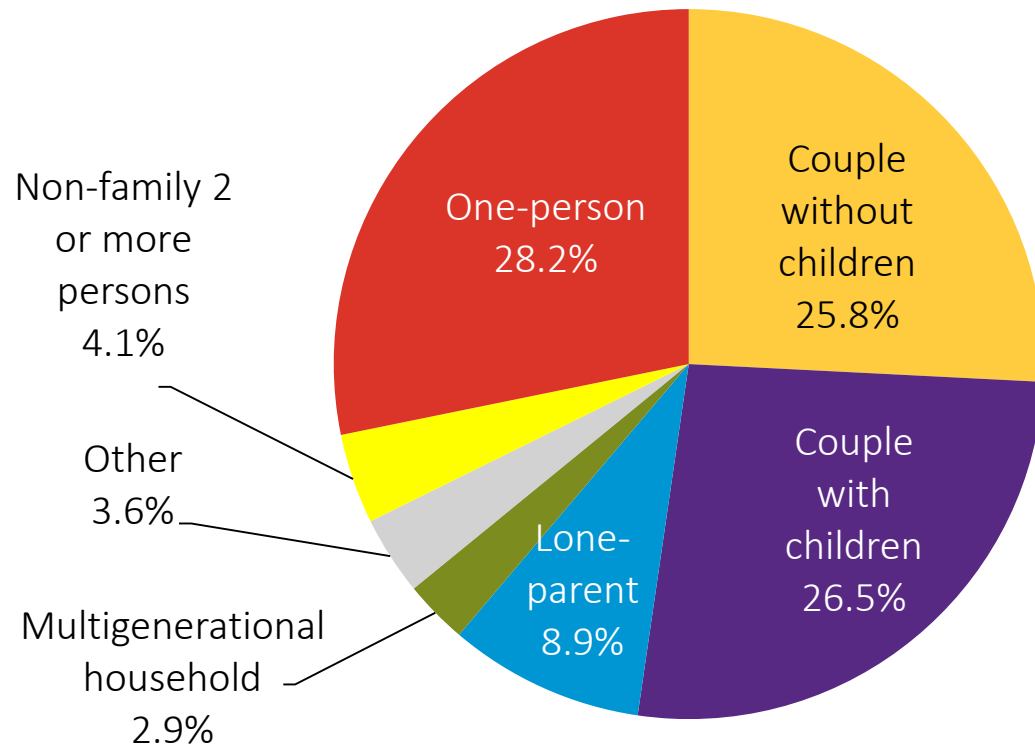


2016 Total Households: 14,072,080

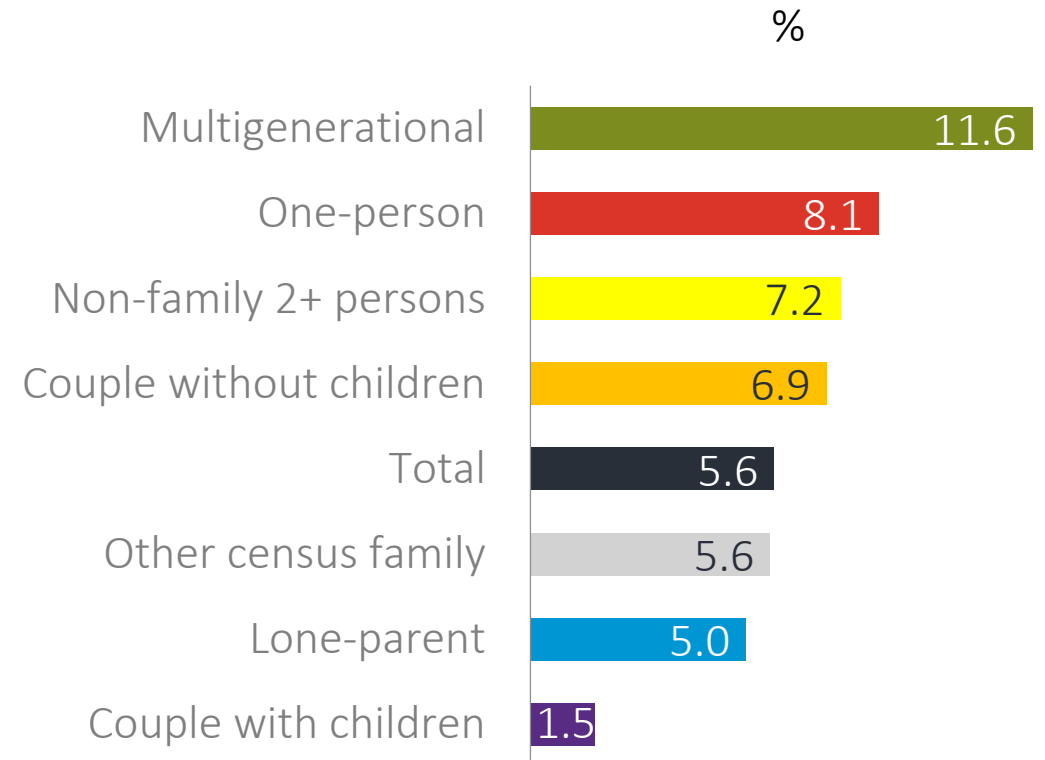
Source: Statistics Canada, 2016

# Growth likely to be in multigeneration and empty nest couples

Types of Households, 2016



Change in Number of Households 2011-2016



2016 Total Households: 14,072,080

Source: Statistics Canada, 2016



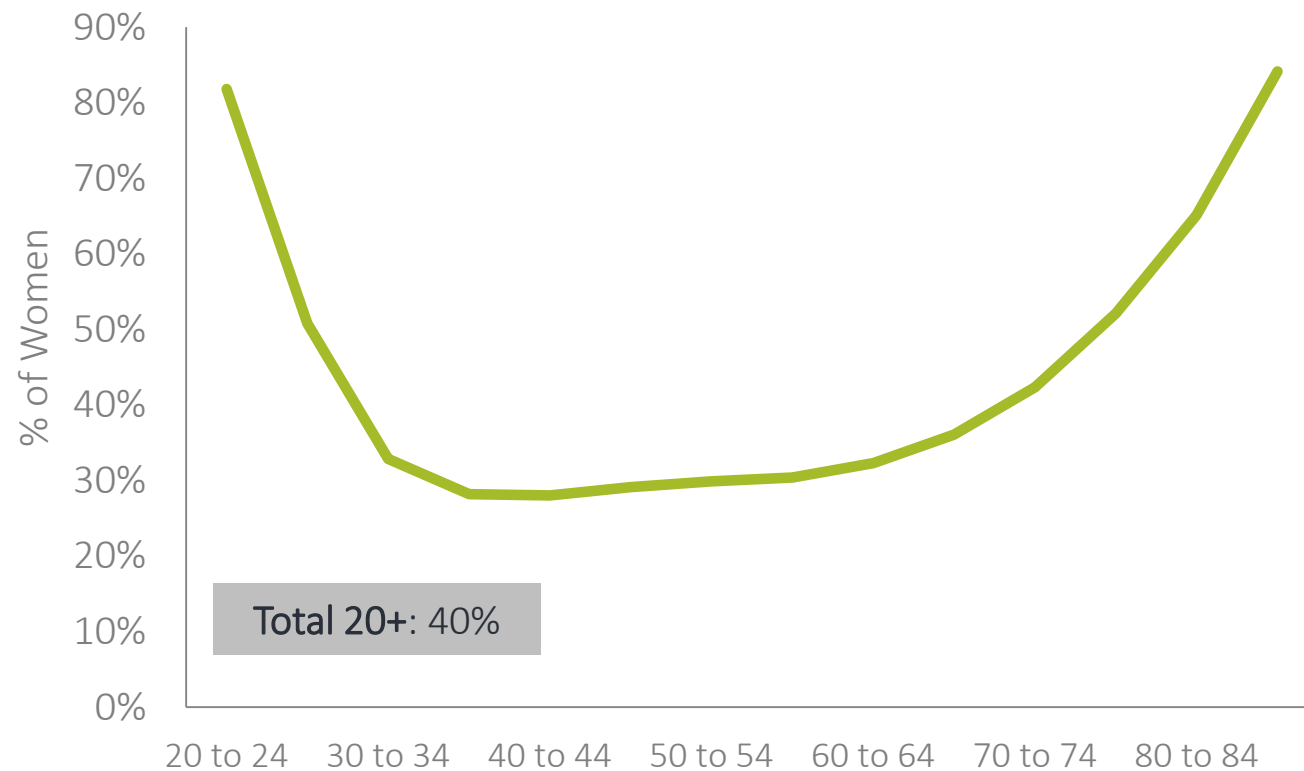


# Women

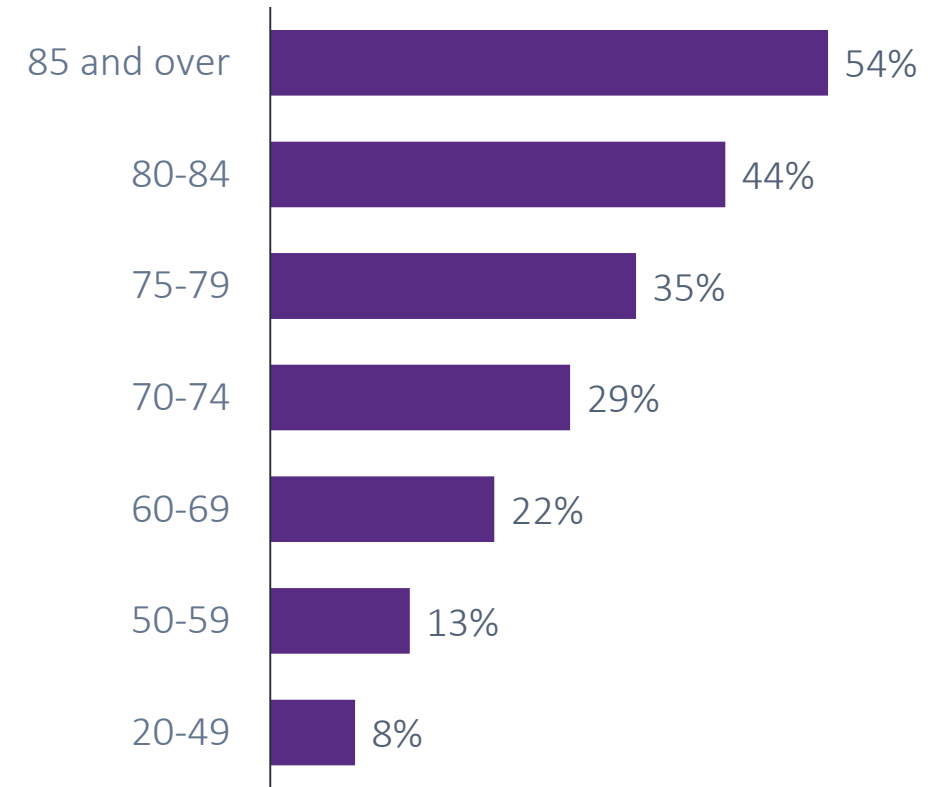


# Approximately 40% of women aged 20 and over are not living in a couple

Percent of Women Not Married or Common-law, Canada, 2018



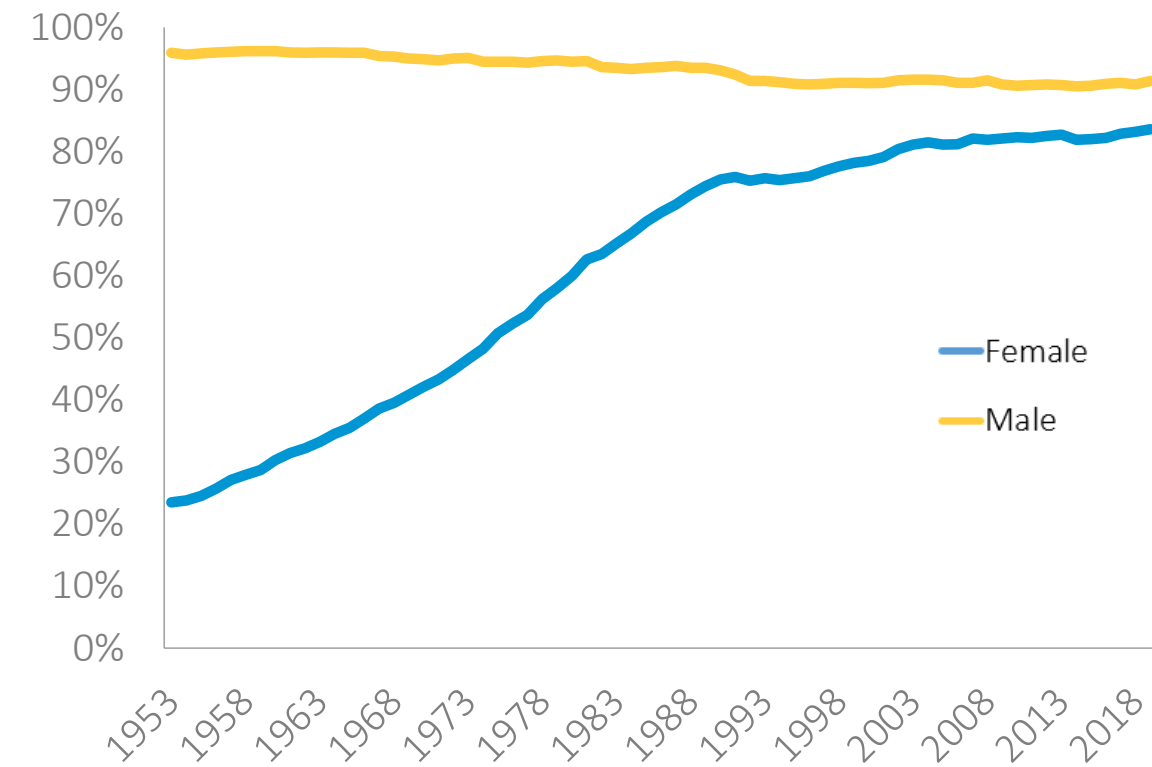
Percent of Women Living Alone



Source: Statistics Canada, Demographic Estimates

# Most women now in the labour force

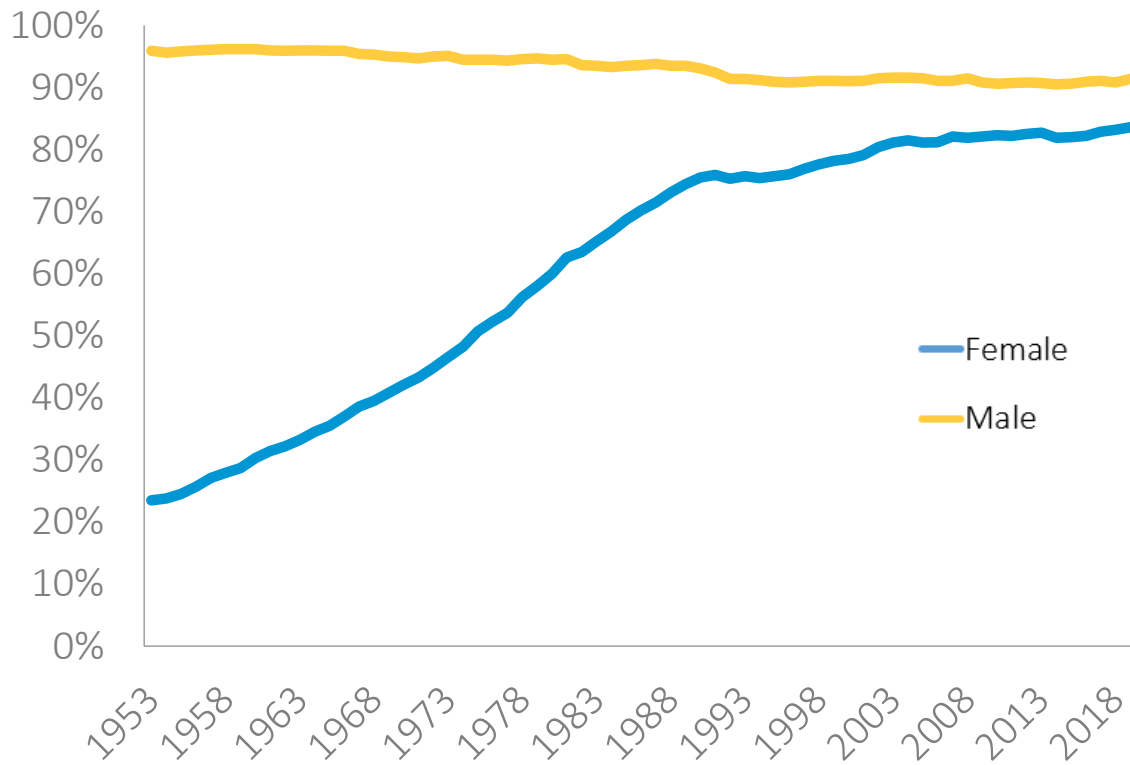
Labour Force Participation Rates of Men and Women Aged 25 to 54, Canada



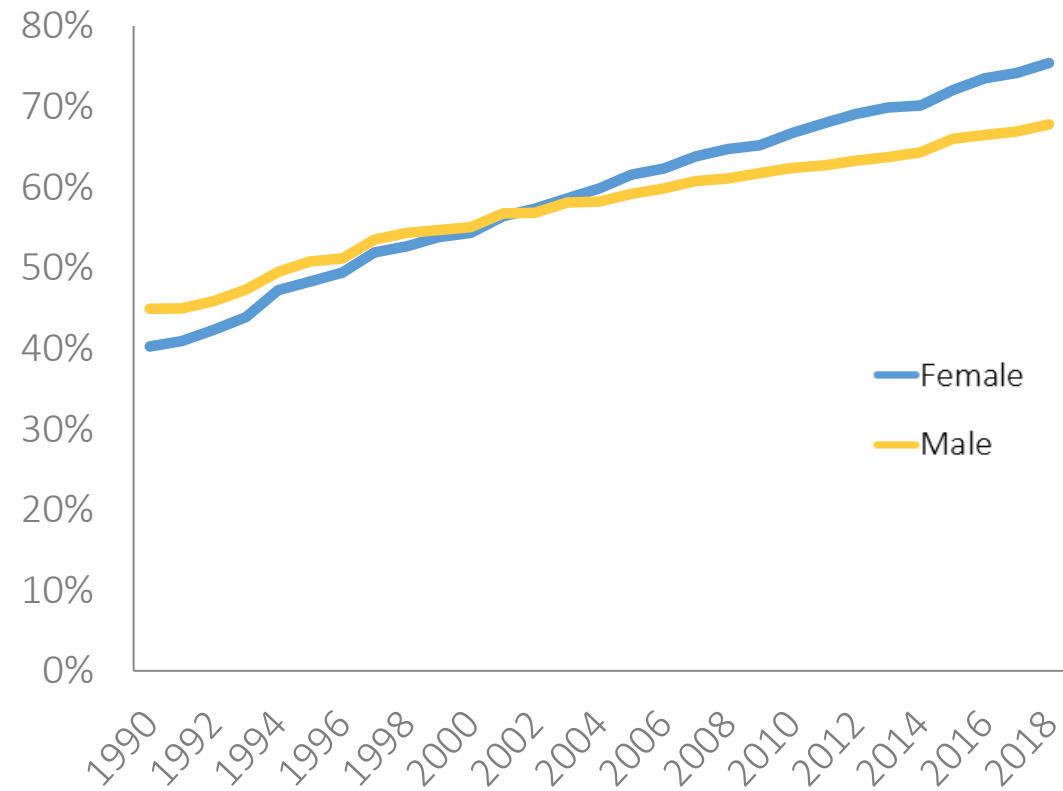
Source: Statistics Canada Labour Force Survey

# Education levels have steadily increased, and women are now more highly educated

Labour Force Participation Rates of Men and Women Aged 25 to 54, Canada



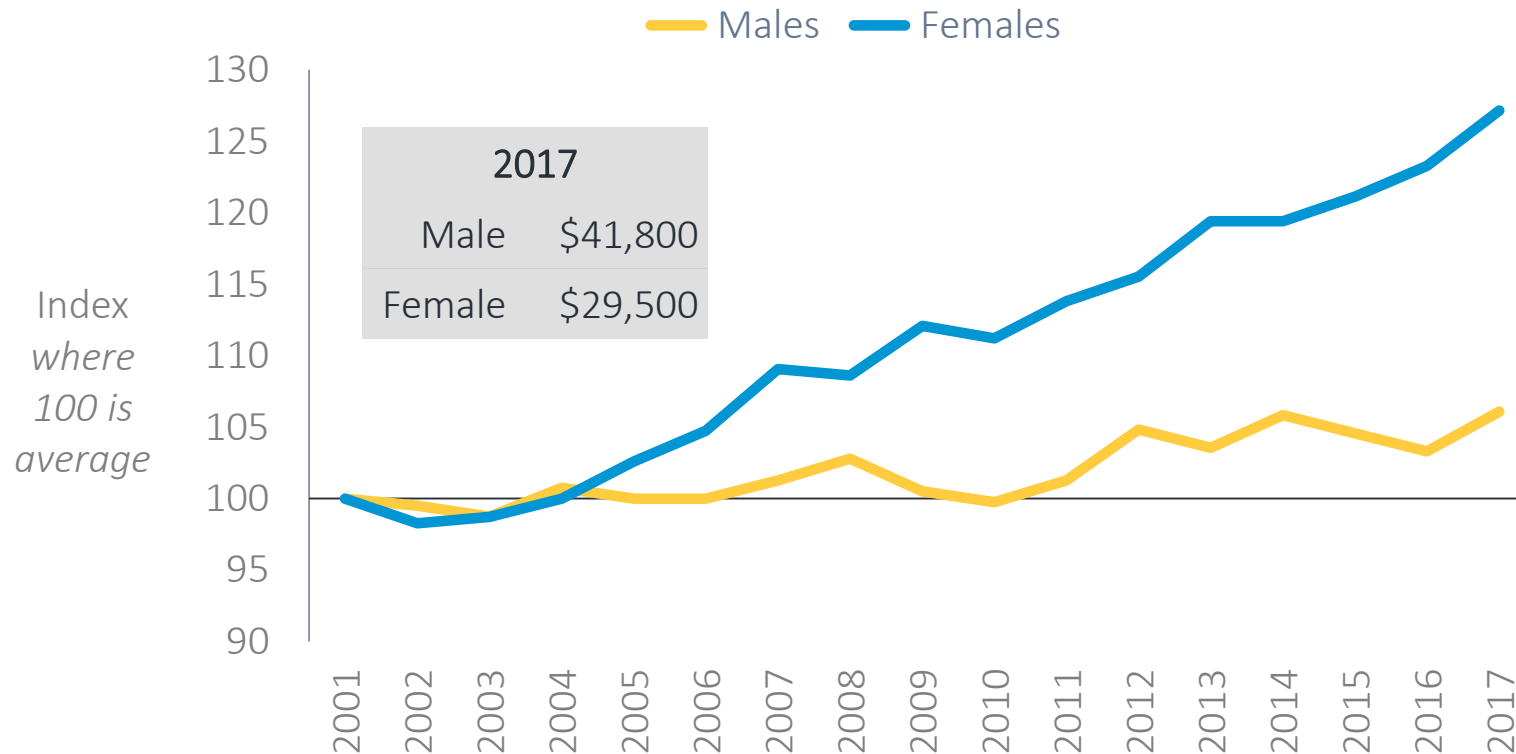
Percent of Population aged 25-54 with Postsecondary Degree or Diploma, Canada



Source: Statistics Canada Labour Force Survey

# Median income up for females; little change for males

Index of Median Income (2016\$), Canada

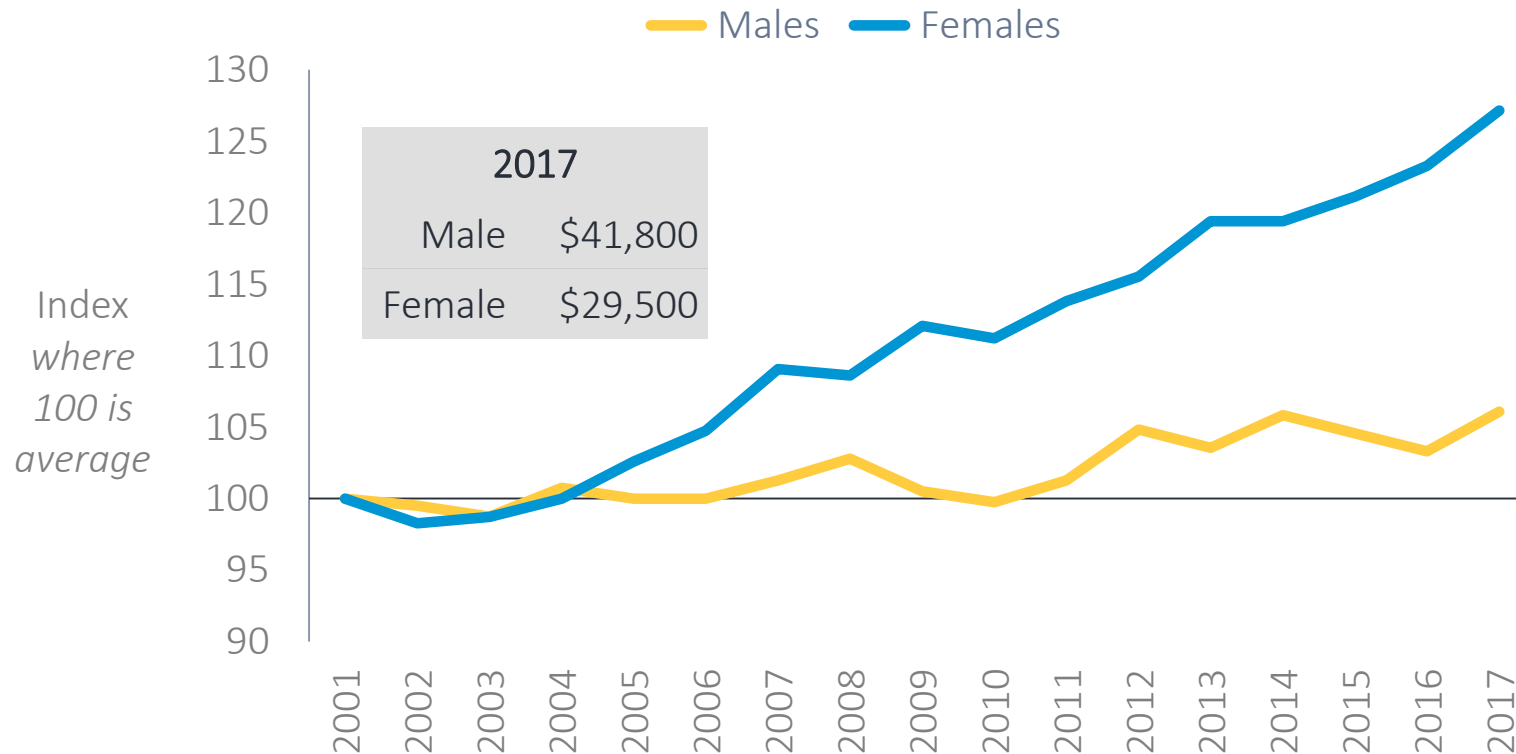


Source: Statistics Canada, Income Survey

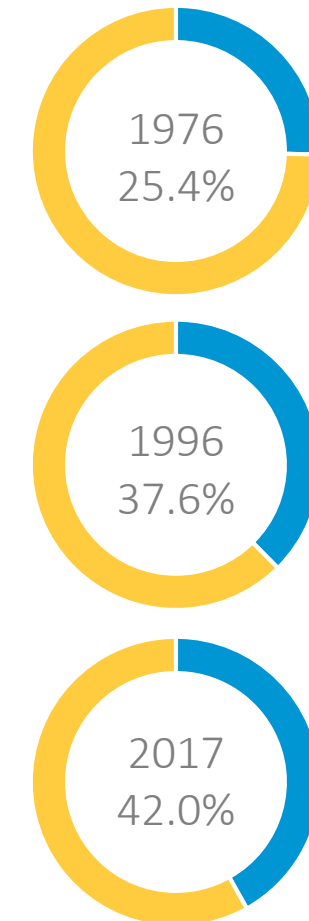


# Women have an increasing share of total income

Index of Median Income (2016\$), Canada



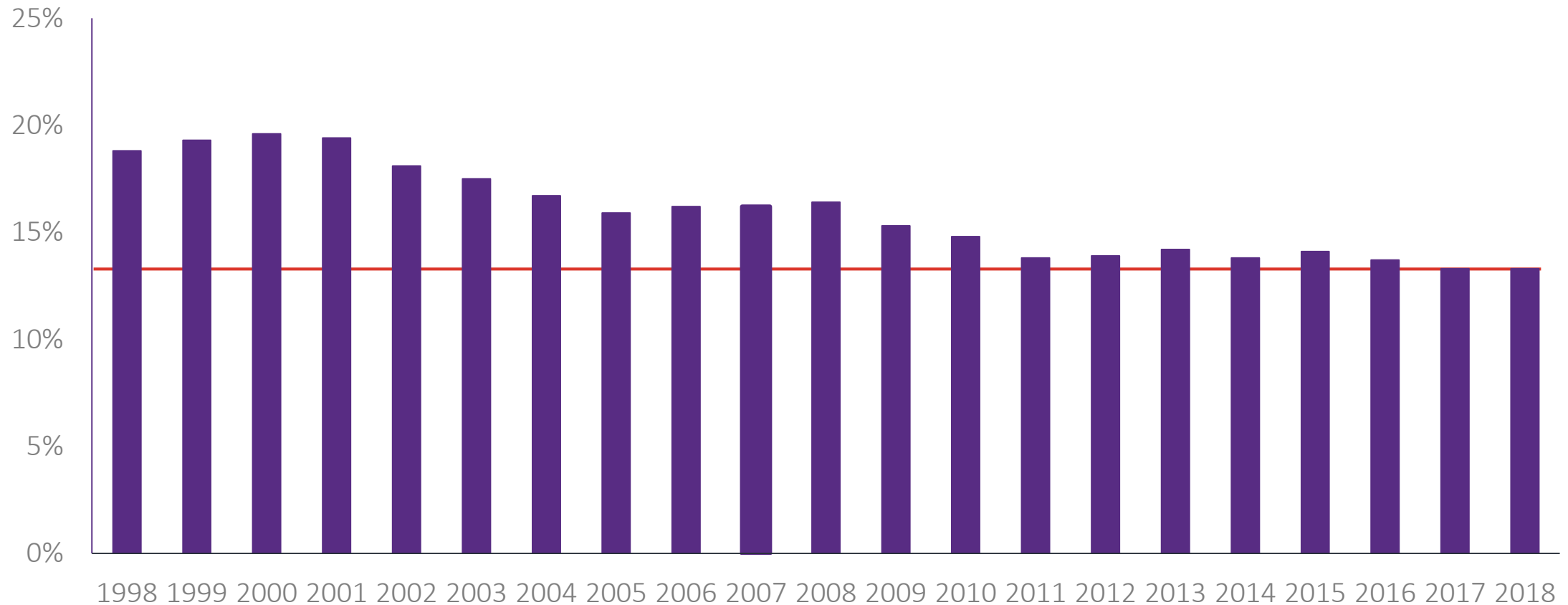
Share of Total Income for Women, Canada



Source: Statistics Canada, Income Survey

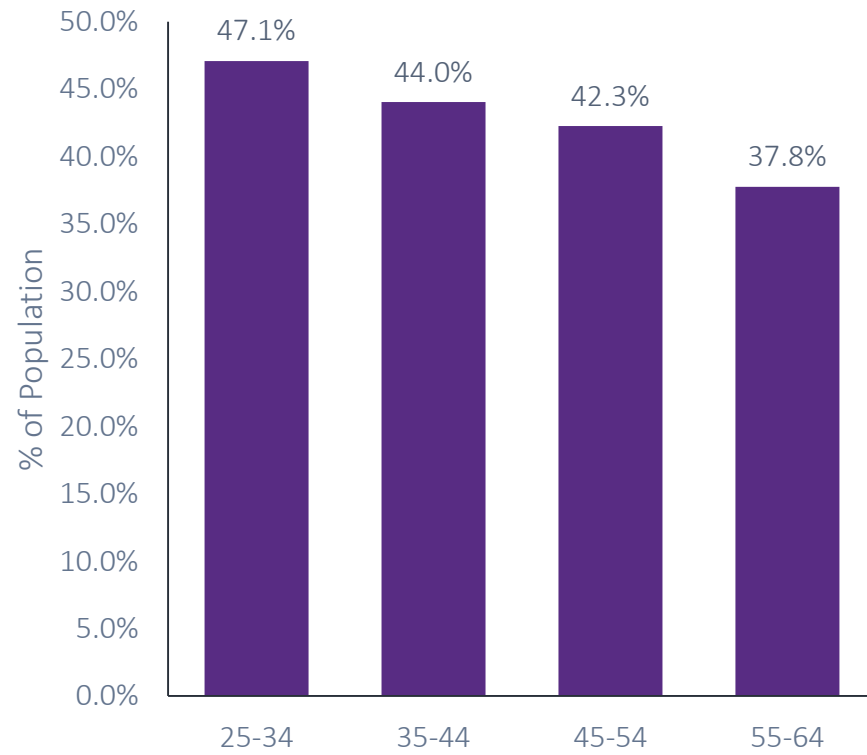
# Gender wage gap has slowly declined

Gender wage gap between men and women aged 25-54 from 1998-2018



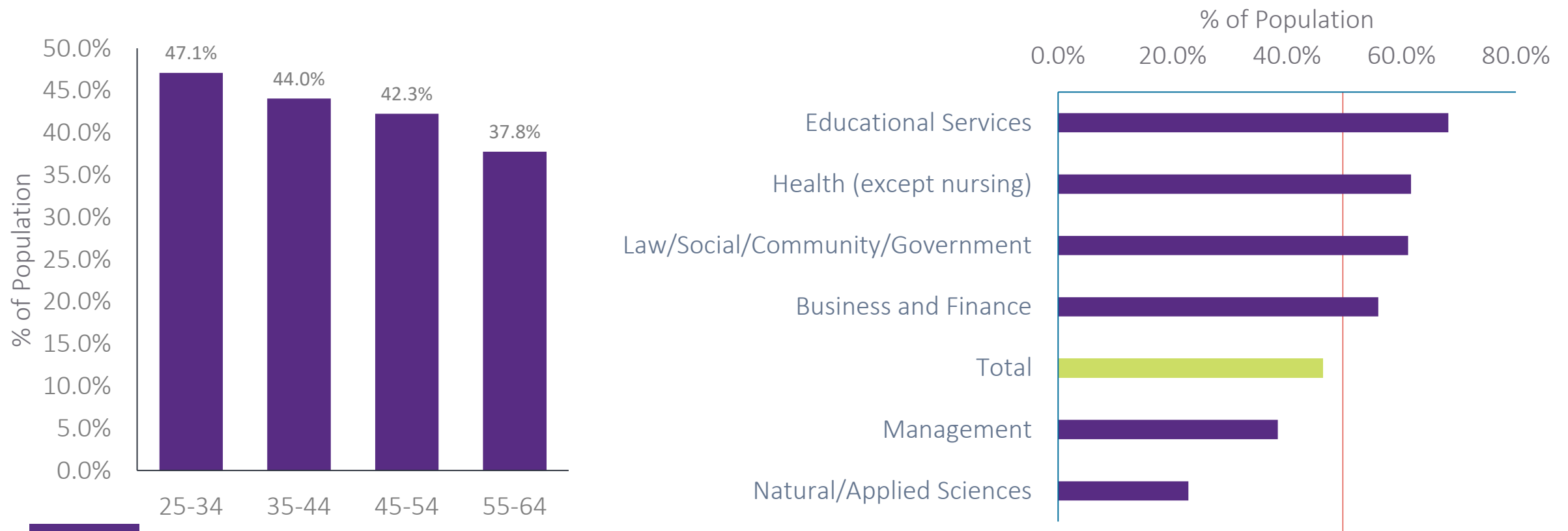
# Major gains in female representation in professional occupations

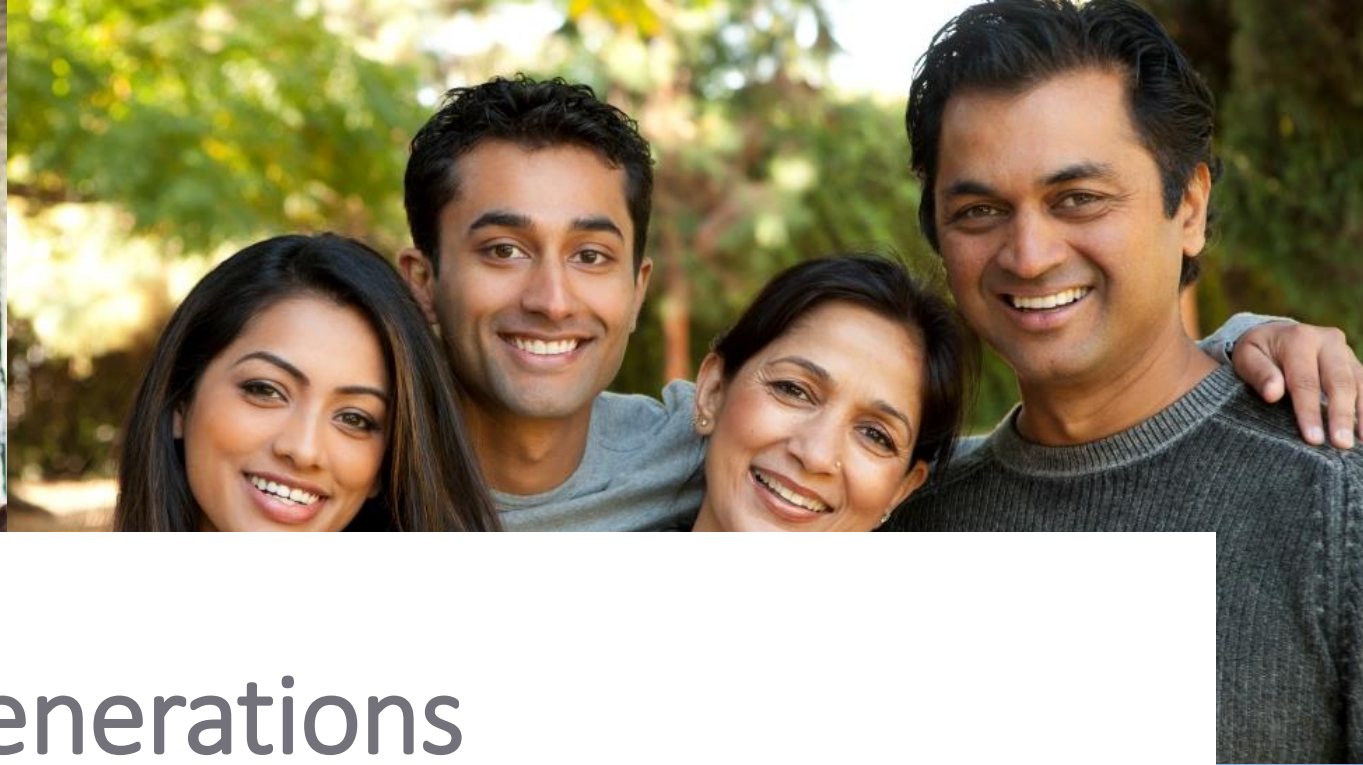
Representation of Women in Management and Professional occupations, Canada, 2016



# Women now a majority in professional occupations except Natural and Applied sciences and Management

Representation of Women in Management and Professional occupations, age 25-54, Canada, 2016

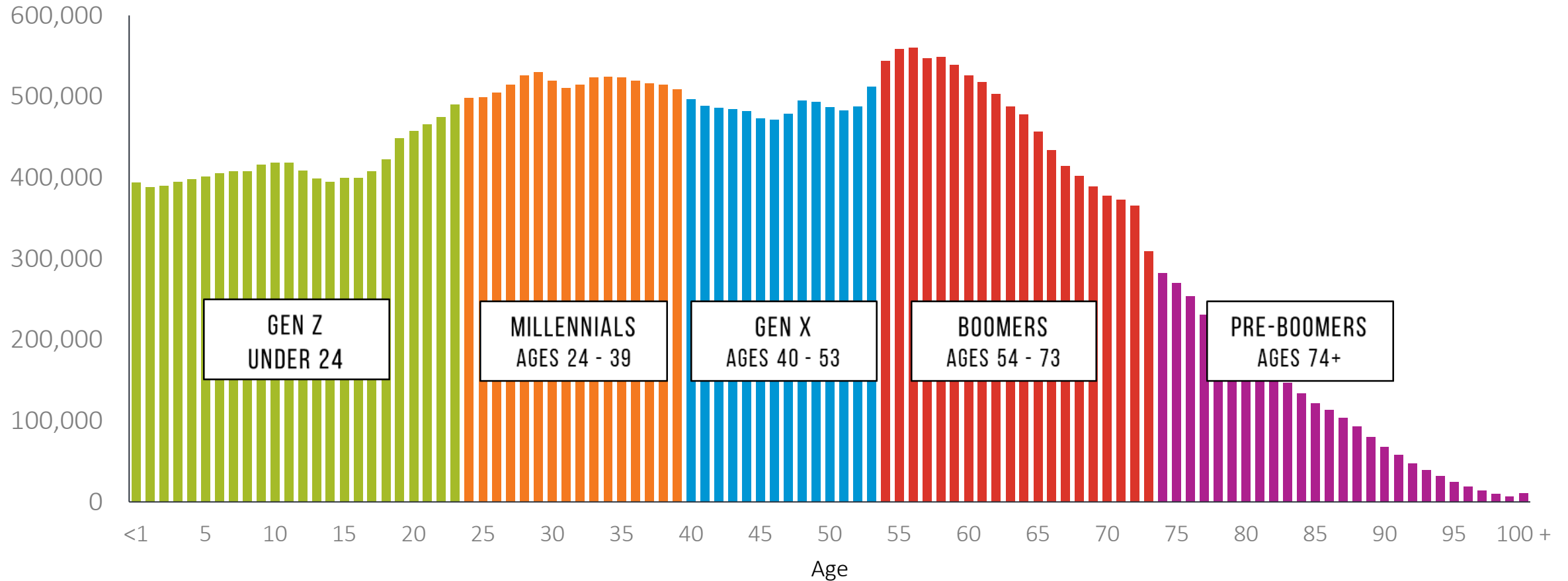




# The Generations



# Canada's Population 2019



Source: Statistics Canada population estimates





# Millennials

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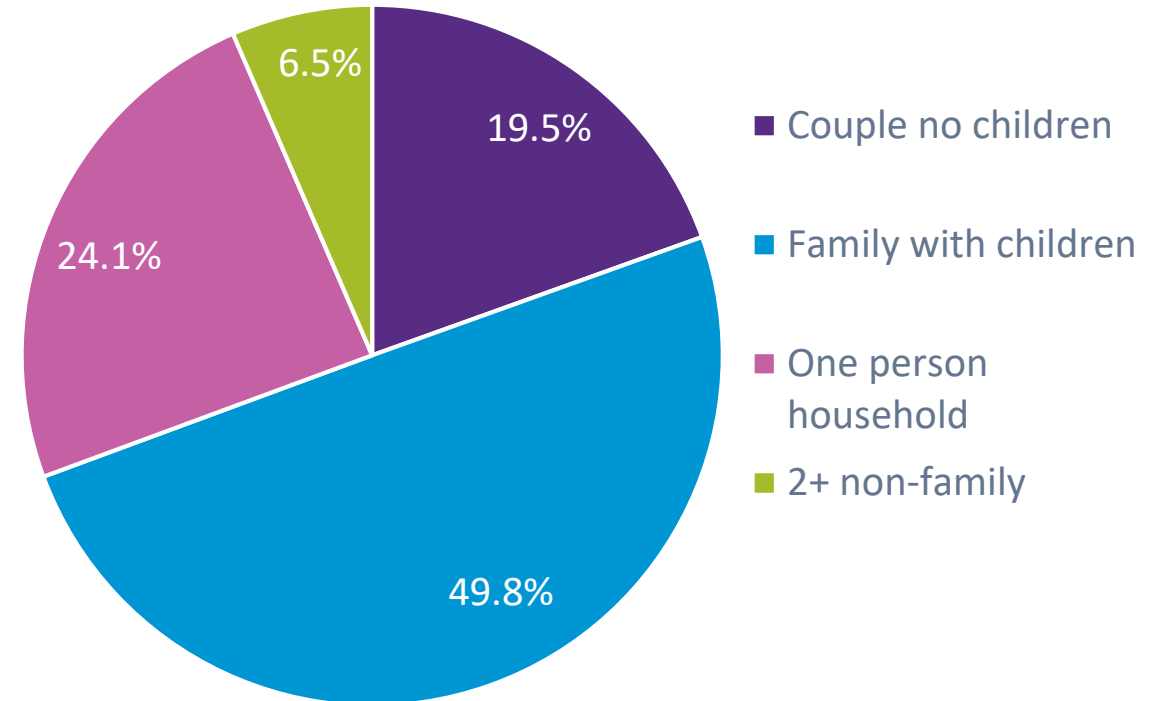
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# The Millennials

8.3M aged 24-39 in 2019

- Diverse group in transition
  - Families as well as singles and couples
  - Homeowners and renters
- Highly educated
- Culturally diverse, many second generation
- High use of technology

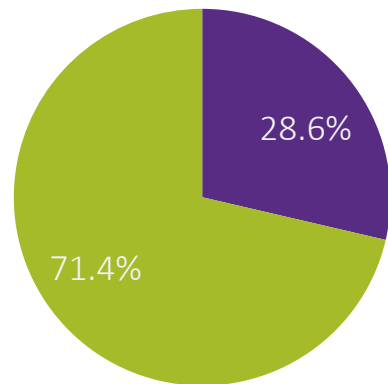


Home Owners  
54%

# Family situation determines where Millennials live

Population aged 25-39 in the GTA, 2016

Not living in Census family

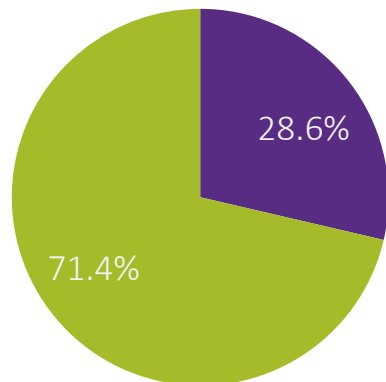


■ Suburbs ■ City

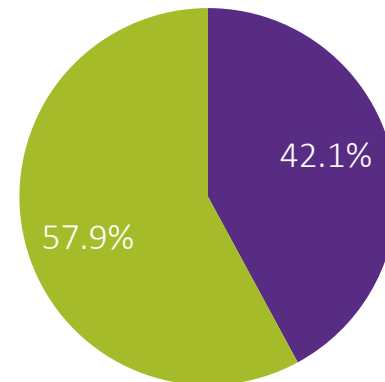
# Family situation determines where Millennials live

Population aged 25-39 in the GTA, 2016

Not living in Census family



Couple with no children

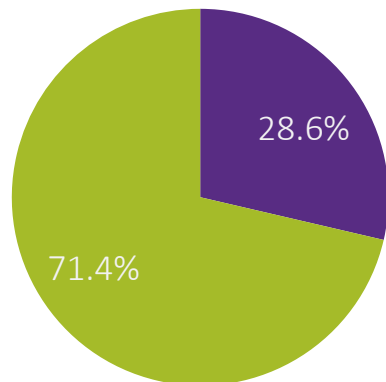


■ Suburbs ■ City

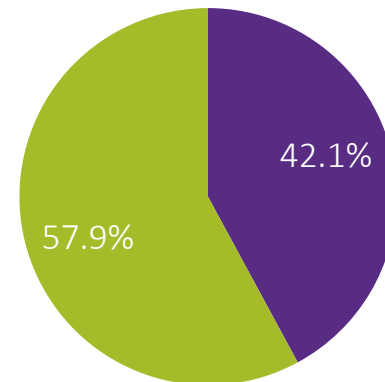
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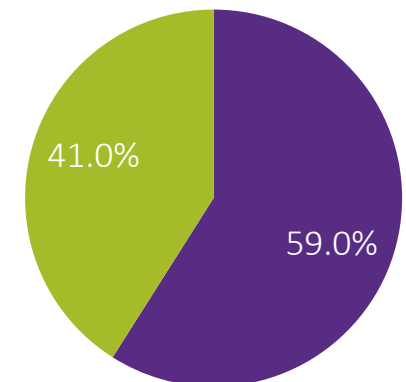
Not living in Census family



Couple with no children



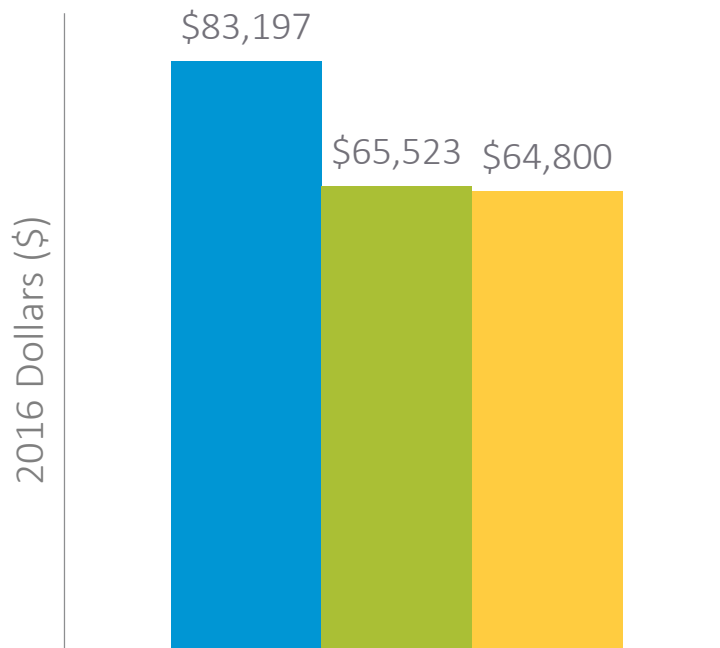
Couple with children



■ Suburbs ■ City

# Millennials had higher household incomes at age 30-34

■ Millennials ■ Gen X ■ Young Boomers



Median Household Income age 30-34  
adjusted for household size\*

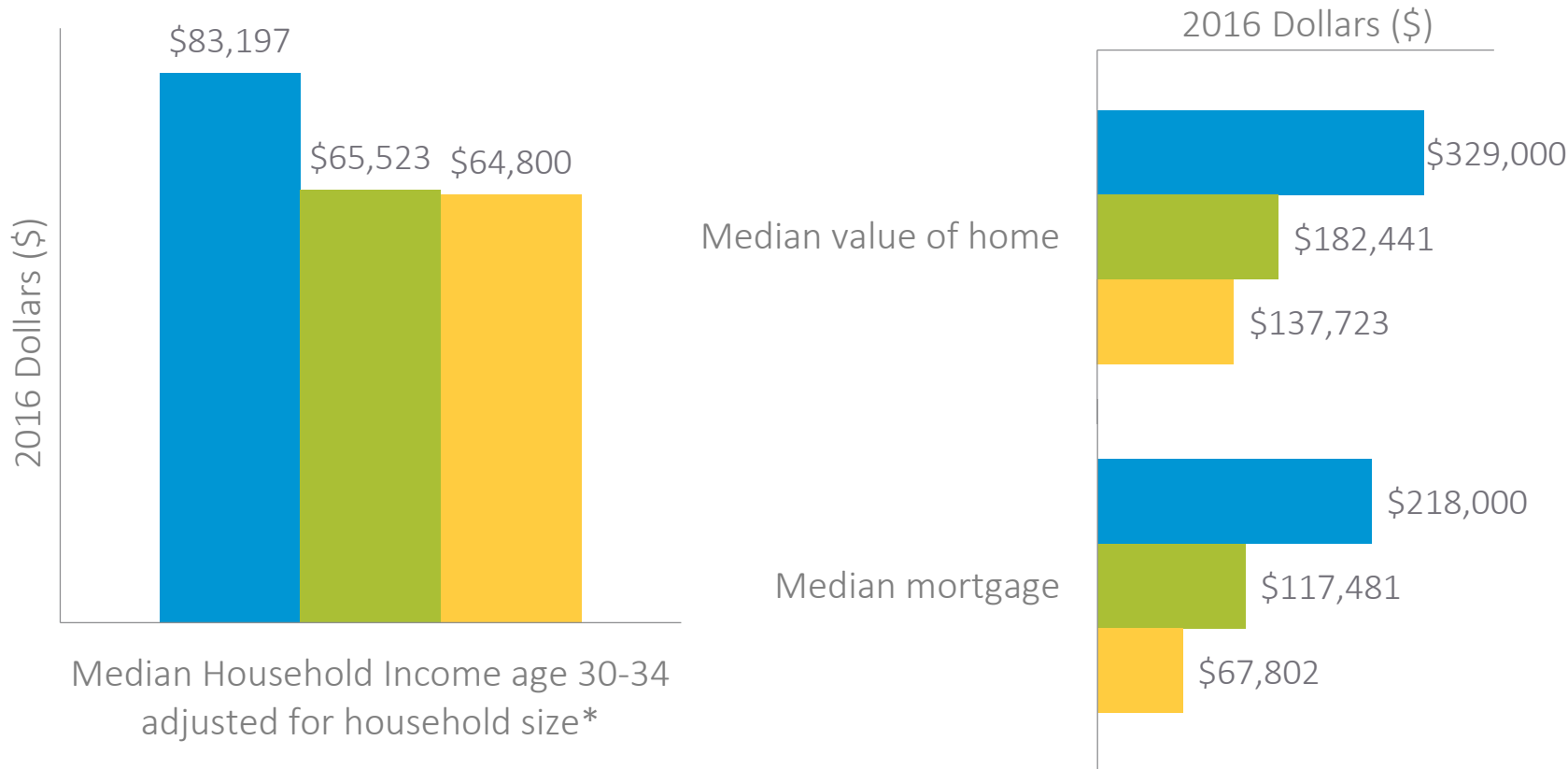
\*Households with mortgage

Source: Statistics Canada, Economic Well-being across generations of young Canadians: Are Millennials Better or Worse Off by Andrew Heisz and Elizabeth Richards. Data from Survey of Financial Security, 1999 and 2016 and Assets and Debt Survey, 1984.



# But housing was more expensive and mortgages higher

■ Millennials ■ Gen X ■ Young Boomers

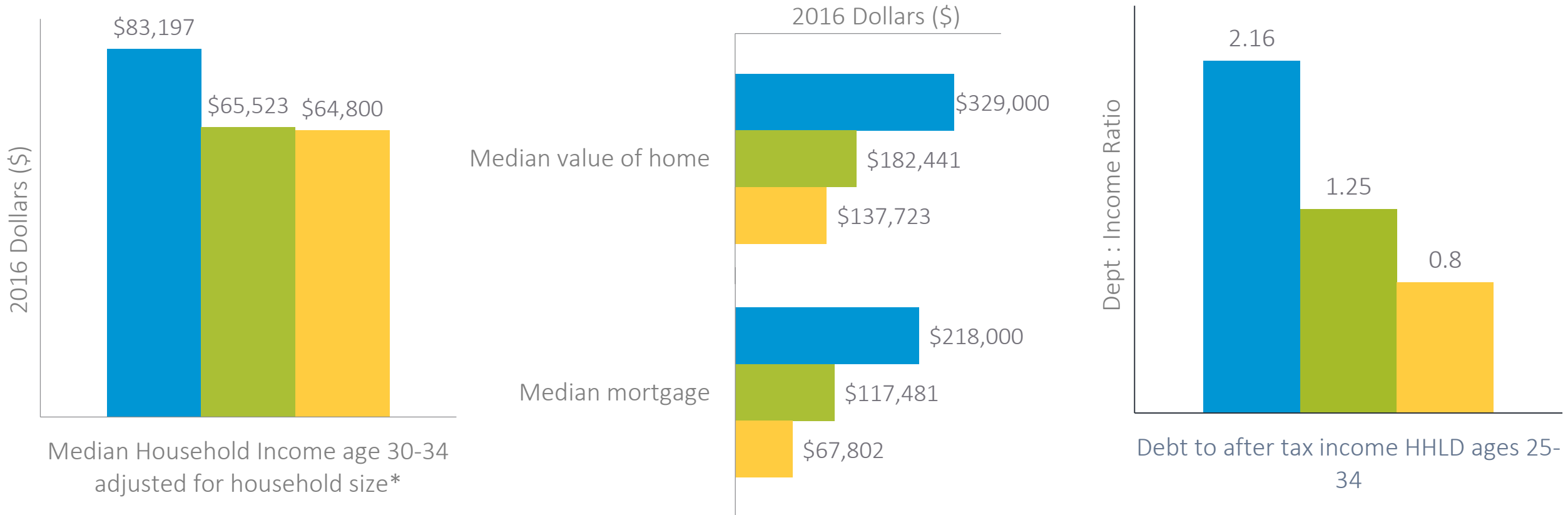


\*Households with mortgage

Source: Statistics Canada, Economic Well-being across generations of young Canadians: Are Millennials Better or Worse Off by Andrew Heisz and Elizabeth Richards. Data from Survey of Financial Security, 1999 and 2016 and Assets and Debt Survey, 1984.

# With the result that Millennials had much higher debt

■ Millennials ■ Gen X ■ Young Boomers



\*Households with mortgage

Source: Statistics Canada, Economic Well-being across generations of young Canadians: Are Millennials Better or Worse Off by Andrew Heisz and Elizabeth Richards. Data from Survey of Financial Security, 1999 and 2016 and Assets and Debt Survey, 1984.

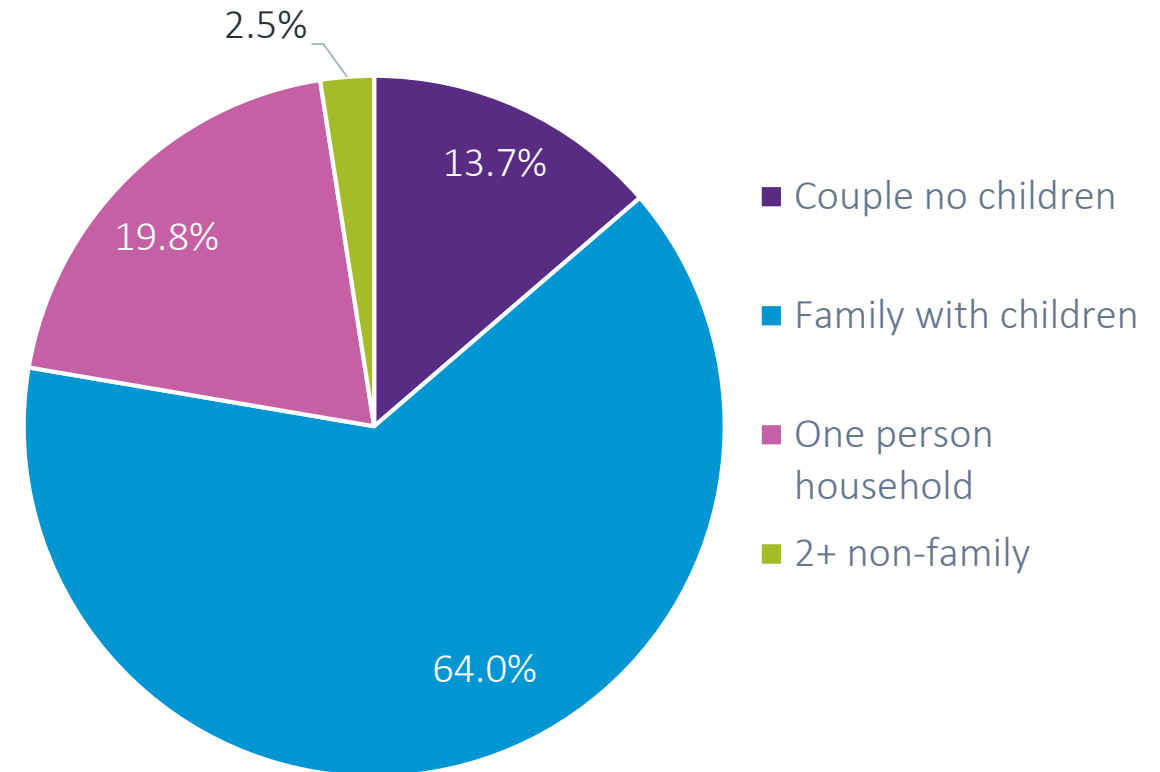
A photograph of a middle-aged couple sitting at a table in a bright, modern kitchen. The woman, on the left, has shoulder-length brown hair and is wearing a white lace top. The man, on the right, has short brown hair and is wearing a light blue button-down shirt. They are both smiling and looking down at a laptop screen, which is partially visible in the bottom left corner. The background shows white kitchen cabinets and a countertop with some items.

# Gen X

# Generation X

6.8M aged 40-53 in 2019

- Highly educated
- Established in labour market
- Peak earning years
- Focus on balancing family/work lives
- Retirement on the horizon



Home Owners  
72%



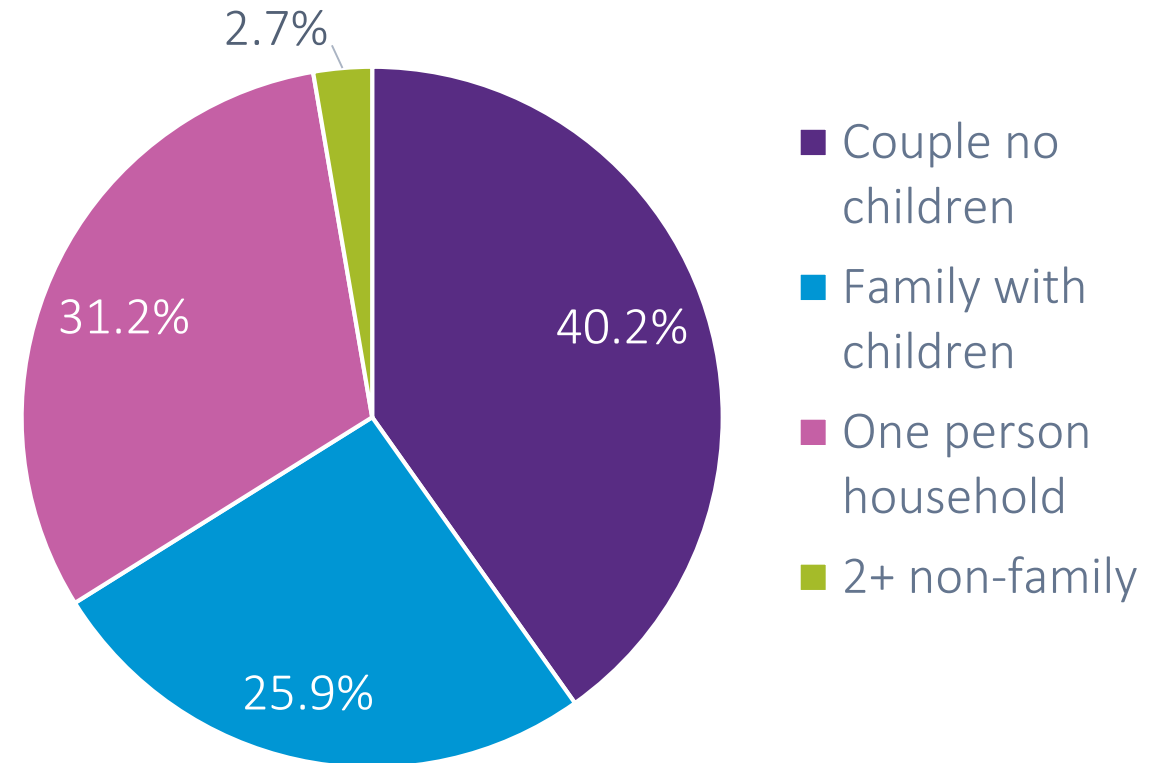
# Boomers



# The Boomers

9.3M aged 54-73 in 2019

- A large diverse cohort
  - Younger Boomers still employed with older children at home
  - Older Boomers mostly retired as single or empty nest couple
- Compared to older generation
  - Smaller and more complex families
  - More educated
  - Longer life expectancy

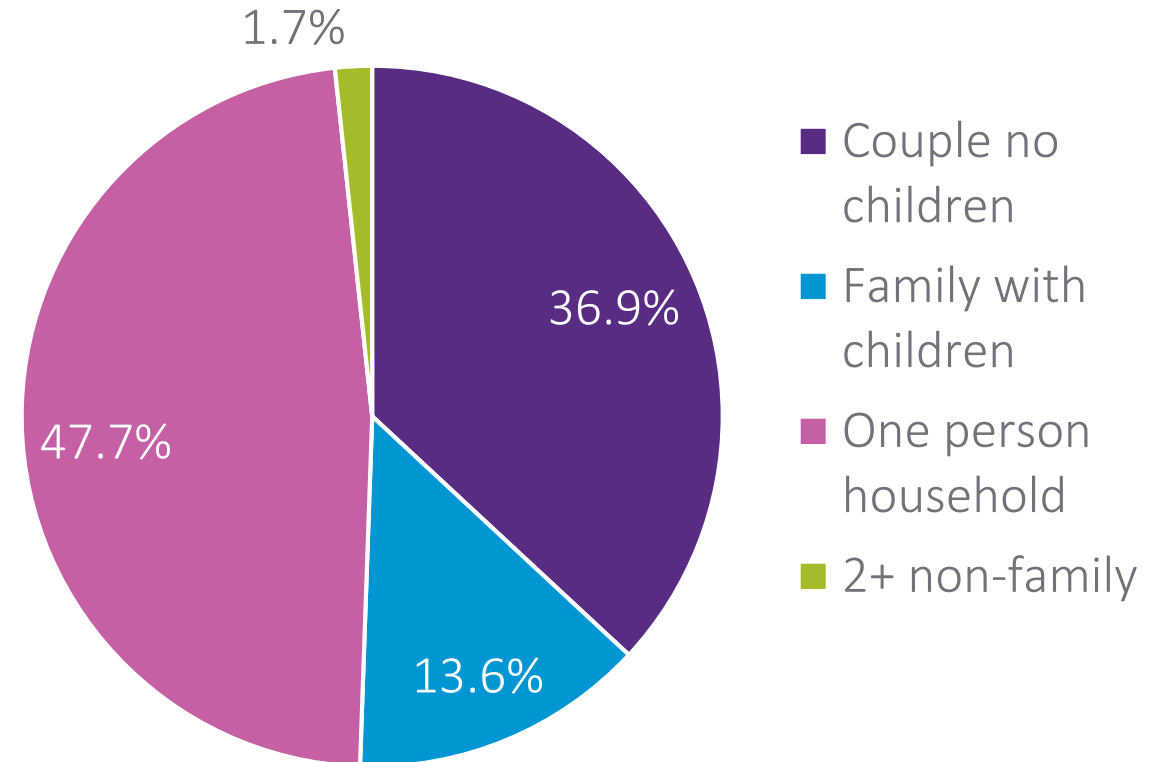


Home Owners  
76%

# The Pre-Boomers

3.1M aged 74 and over in 2019

- Many still in good health
- Increasingly, health conditions begin to affect mobility and living arrangements
- Nearly half live alone



Home Owners  
72%

# THE LONGEVITY ECONOMY



UNLOCKING THE WORLD'S  
FASTEST-GROWING,  
MOST MISUNDERSTOOD MARKET

**JOSEPH F. COUGHLIN**

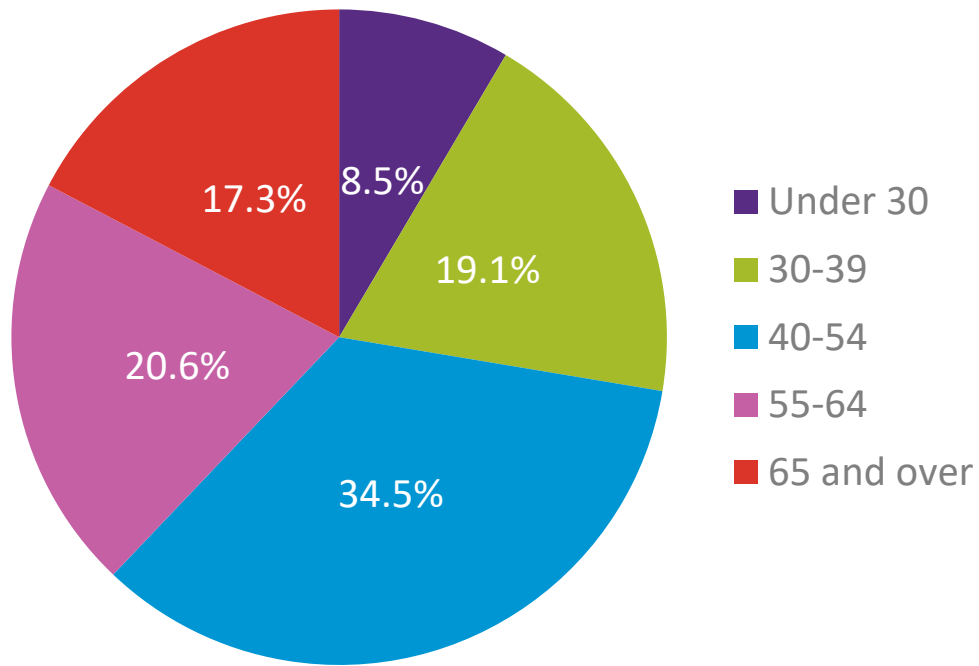
FOUNDER AND DIRECTOR OF THE MIT AGELAB

*“The baby boomers will act as a sorting mechanism in the longevity economy, ruthlessly separating the companies that solve their real demands from those acting on a tired, false idea of oldness”*

*“Speaking generally, female consumers will define the future of old age through their personal experiences, insights and economic demand”*

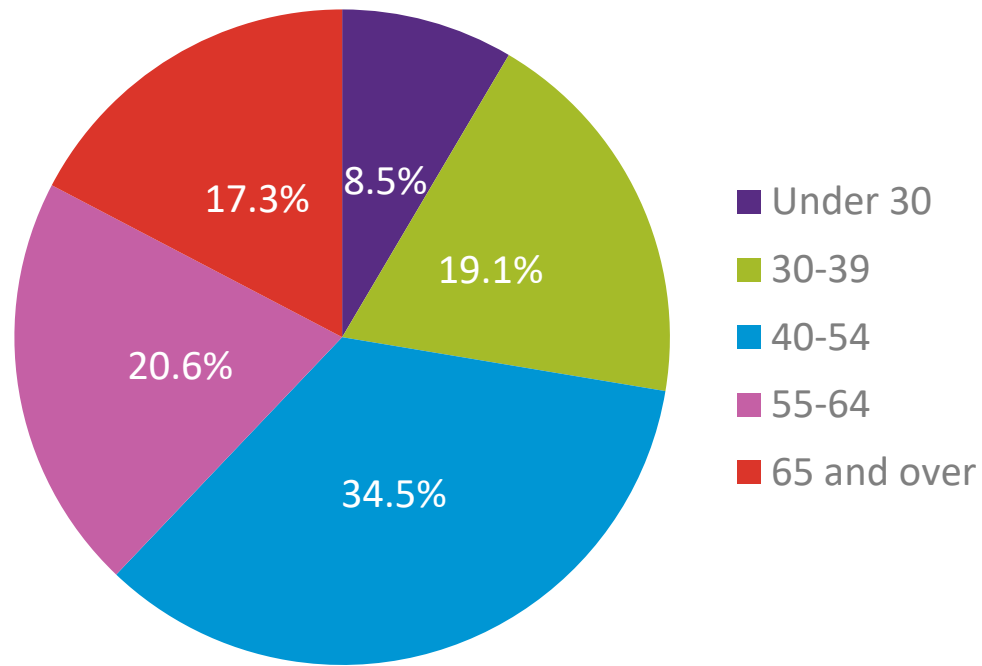
# Older households aged 65 and over account for 17 percent of spending; households 55-64 an additional 21 percent

Percent of total household expenditures, 2017

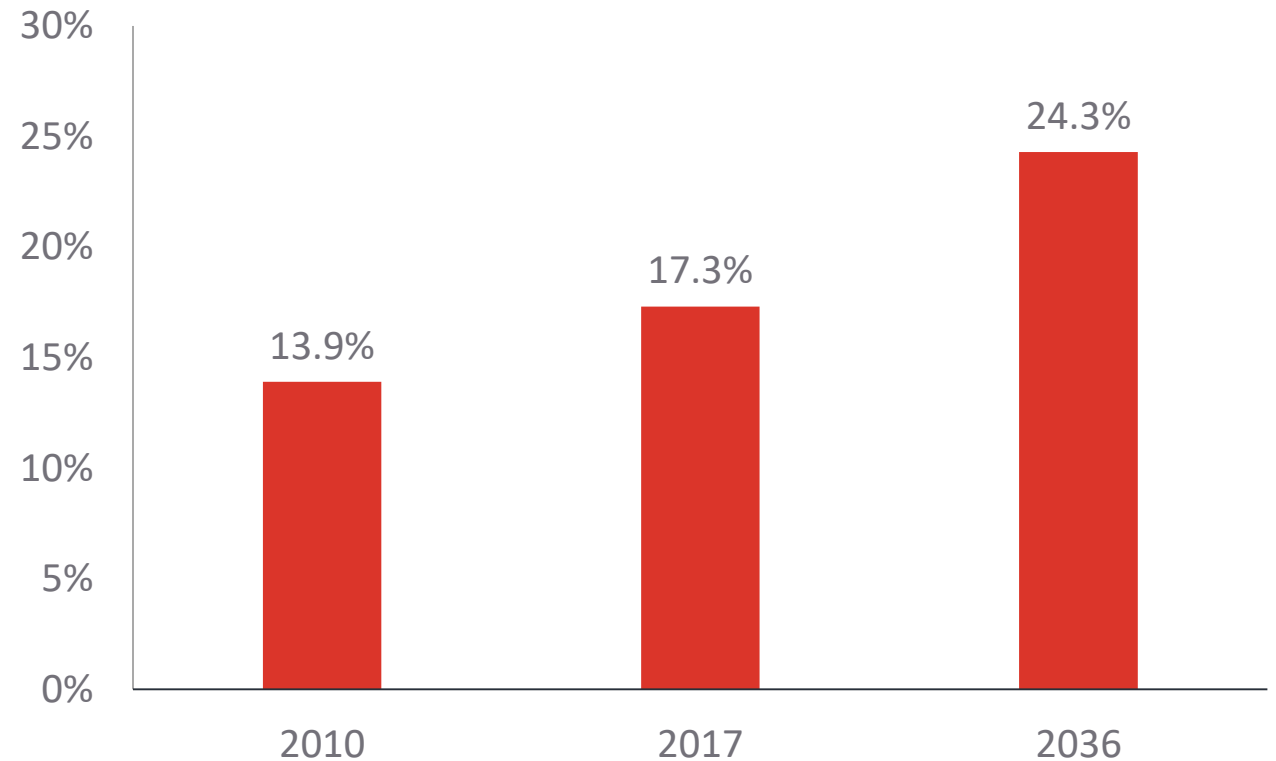


# Older households age 65 and over will increase their share of spending to nearly 25 percent

Percent of total household expenditures, 2017



Share of total expenditures, households 65+



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Source: Statistics Canada, Survey of Household Spending 2010 and 2017; Environics Analytics projection 2036

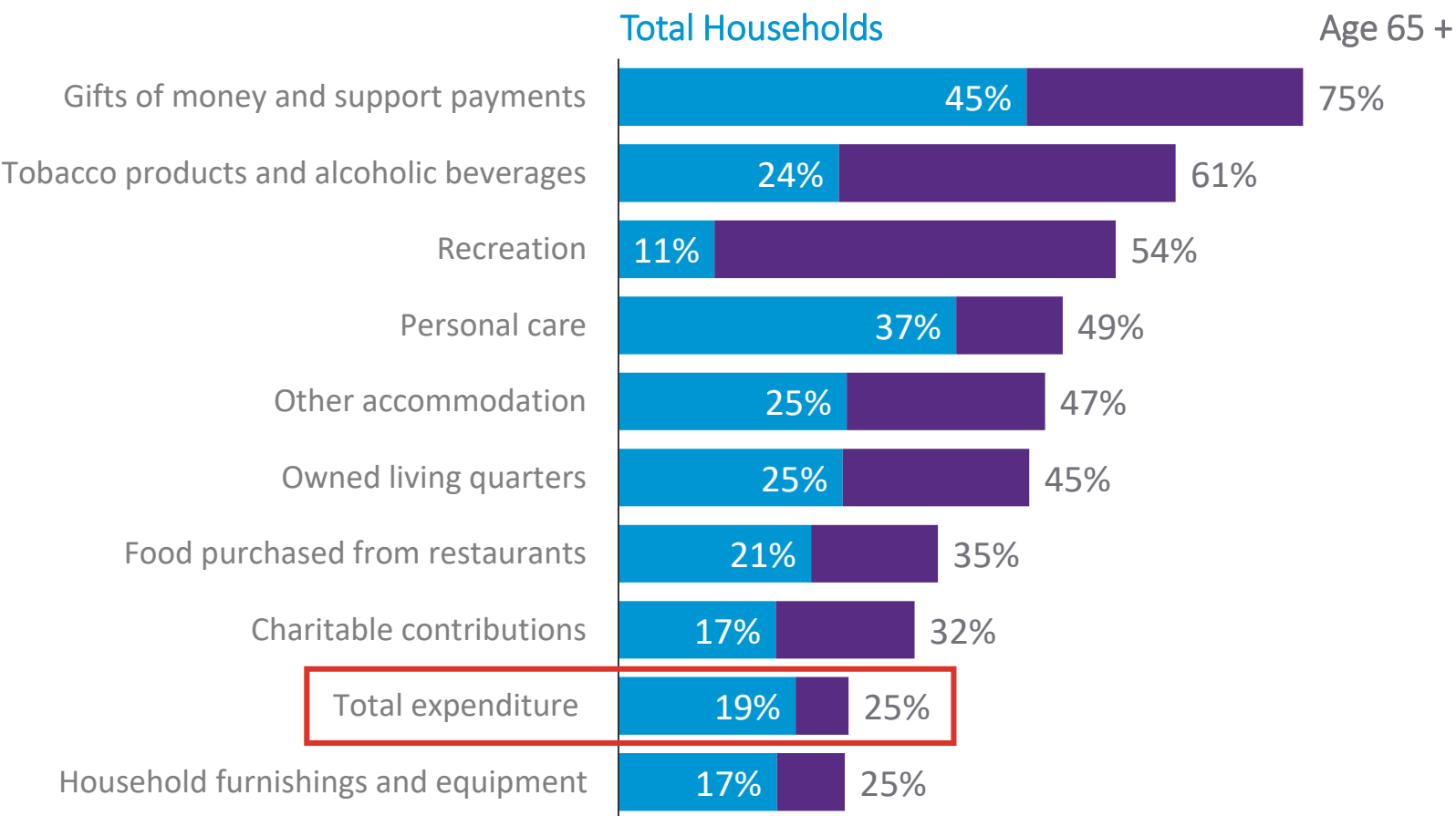
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# Above average increase in expenditures shows where seniors are spending more

Percent increase in average expenditures, 2010-2017, Canada



# Summary

- A larger but more diverse consumer base makes marketing more challenging
  - Population growth
  - Age
  - Cultural Diversity
  - Income and Wealth
  - Social values and consumer preferences
- The good news is that more data and better analytic techniques are available to better understand customers and find new ones

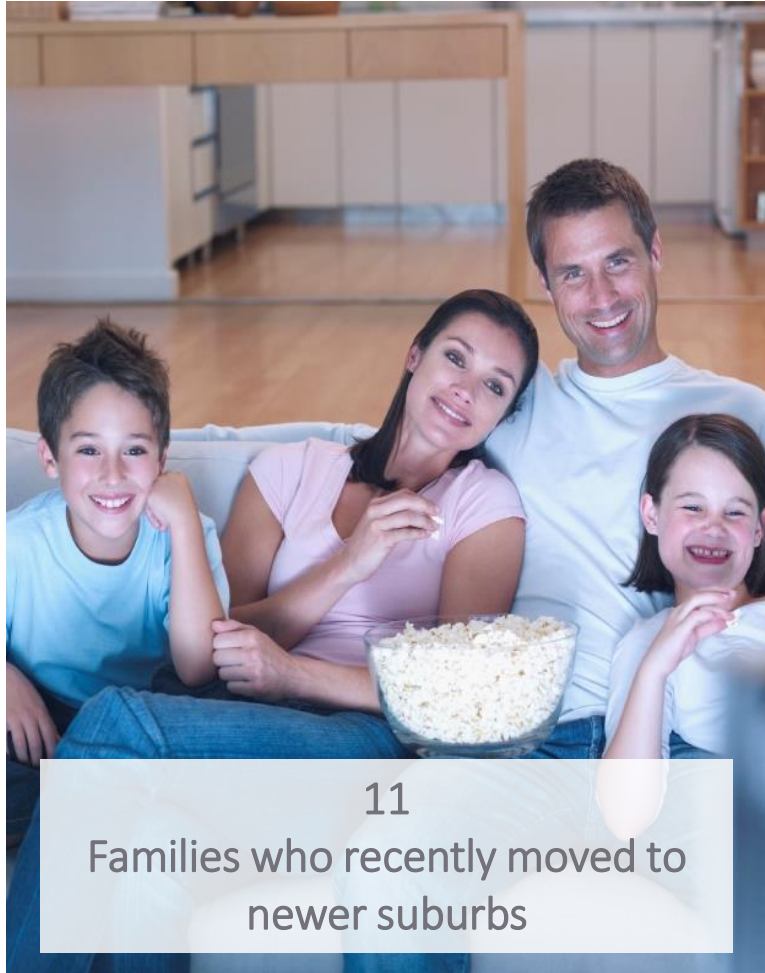


# Trends Reflected through the New PRIZM Lens



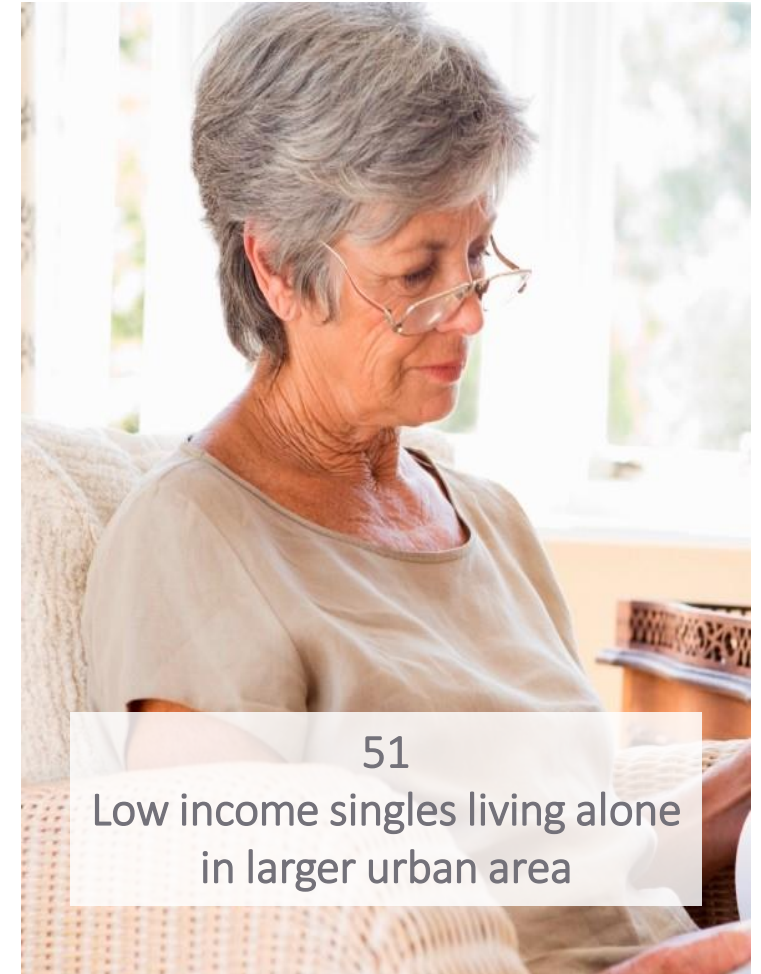
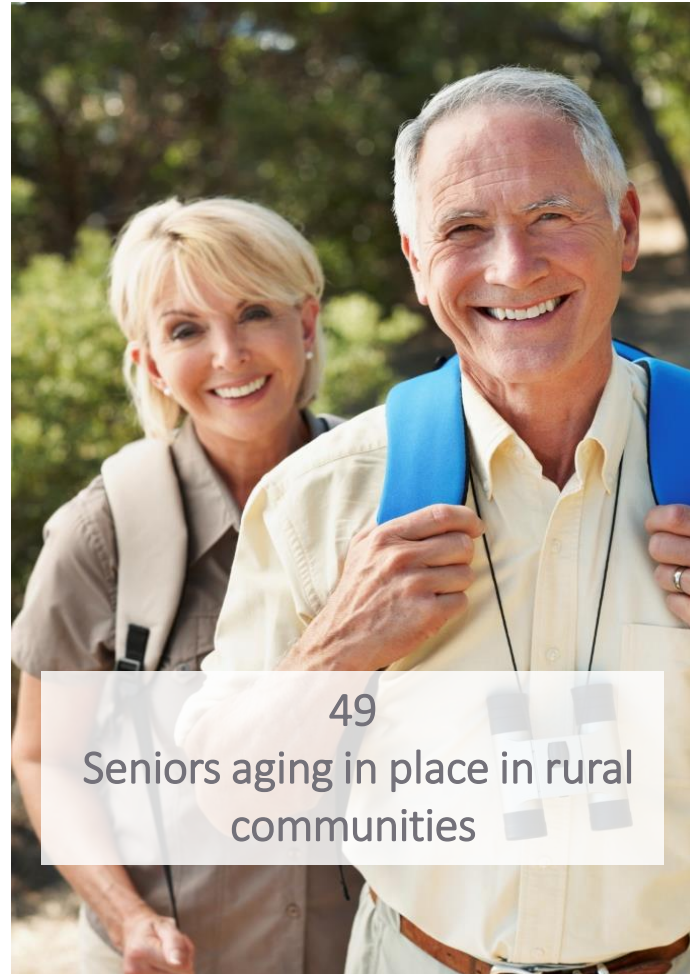


# Younger Segments





# Older Age Segments





# Cultural Diversity



# Cultural Diversity



# Questions?



Doug Norris

SVP, Chief Demographer  
Environics Analytics