

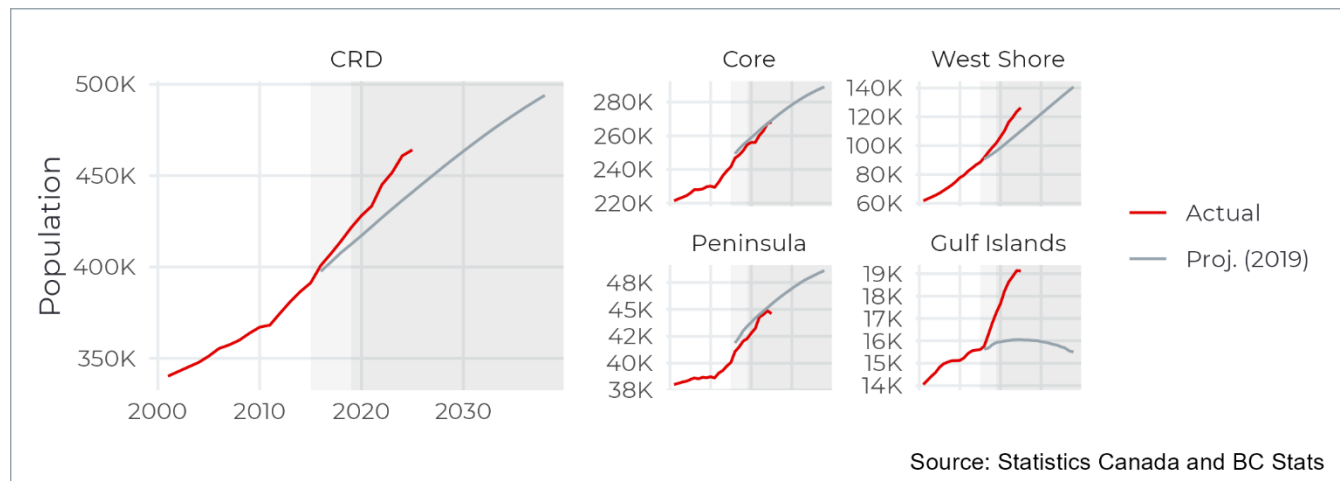
CAPITAL REGIONAL DISTRICT

POPULATION PROJECTIONS OVERVIEW

KEY TAKEAWAYS

- Higher-than-projected growth in the CRD since 2019 went disproportionately to the West Shore communities; the Core and Peninsula subregions saw near-expected levels of growth.
- More rapid than projected growth was driven by strong increases in migration, most dramatically from non-permanent residents and immigration.
- Preliminary 2026 projections are similar to those produced by BC Stats at the region-wide level, while Statistics Canada's projections are lower.
- Preliminary 2026 projections show a short-term decline in population, driven by sharp outflows of non-permanent residents (e.g. international students). Subsequent growth is projected to occur at more modest rates.
- Fundamentals will support or hinder growth in the region: a high cost of living and a weak labour market will be headwinds, while improvements in these areas could enable growth.
- Aging will have major impacts on the pattern of growth, but will also have important implications for things like healthcare and the labour market.

Figure 1: The CRD has seen stronger-than-projected growth, led by the West Shore communities



HISTORICAL GROWTH

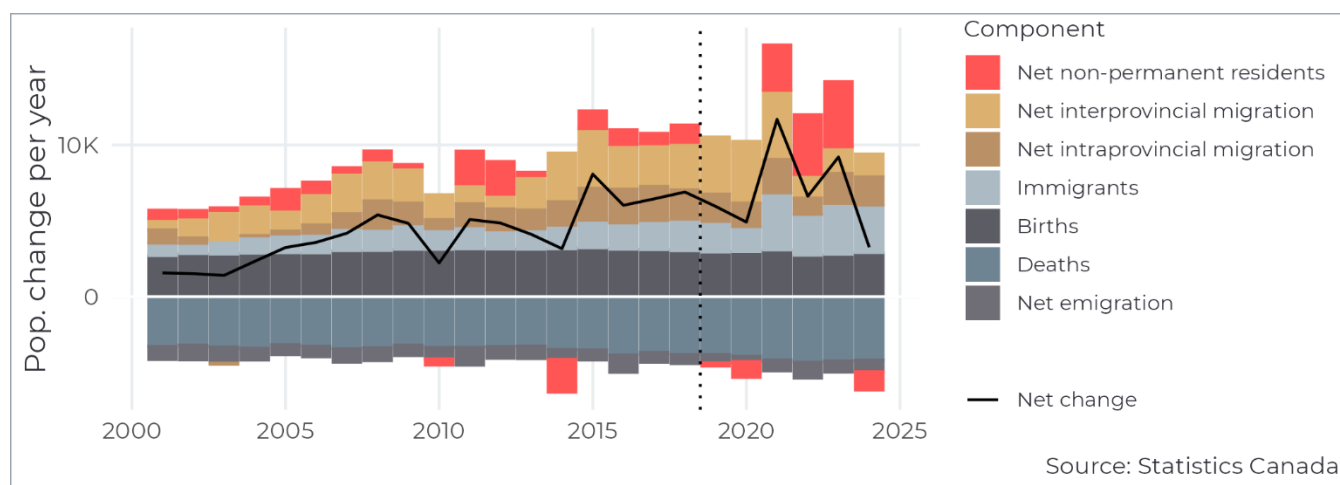
Population in the CRD grew from an estimated 401,000 in 2016 to 464,000 in 2025, an increase of 16% as compared to the 11% growth estimated / projected in 2019. This more-rapid growth was led by the West Shore communities (as well as the Gulf Islands, to a lesser extent), which grew substantially more rapidly than projected.

Within a region, where growth occurs is tightly tied to residential development patterns – influenced by both development economics as well as municipal policy. Over the recent period, the West Shore communities (most notably Langford) have seen rapid development, as they've seen a relatively high pace of construction.

Region-wide growth was stronger than projected behind continued strong domestic migration (within BC and from elsewhere in Canada), as well as strong international migration. Over the 2000 to 2024 period in particular, the Capital Region saw very strong growth led by spikes in international migration, from both temporary (non-permanent) residents as well as immigration (permanent residents). These increases were over and above the already historically high pace of growth seen in the Capital Region from roughly 2014 through 2019.

This rapid immigration and temporary-resident driven growth happened in centres across the country. In response to this rapid growth, the federal government has reduced the pace of immigration and is seeking to rebalance the number of temporary residents in Canada. These policy changes are expected to lead to reduced growth in many areas, including in the CRD. Some of the impacts can be seen emerging in the data, with a net outflow of temporary residents in 2024-2025 (see Figure 2). This will stabilize once non-permanent targets are achieved

Figure 2: High regional (and national) growth in recent years was driven by spikes in international migration



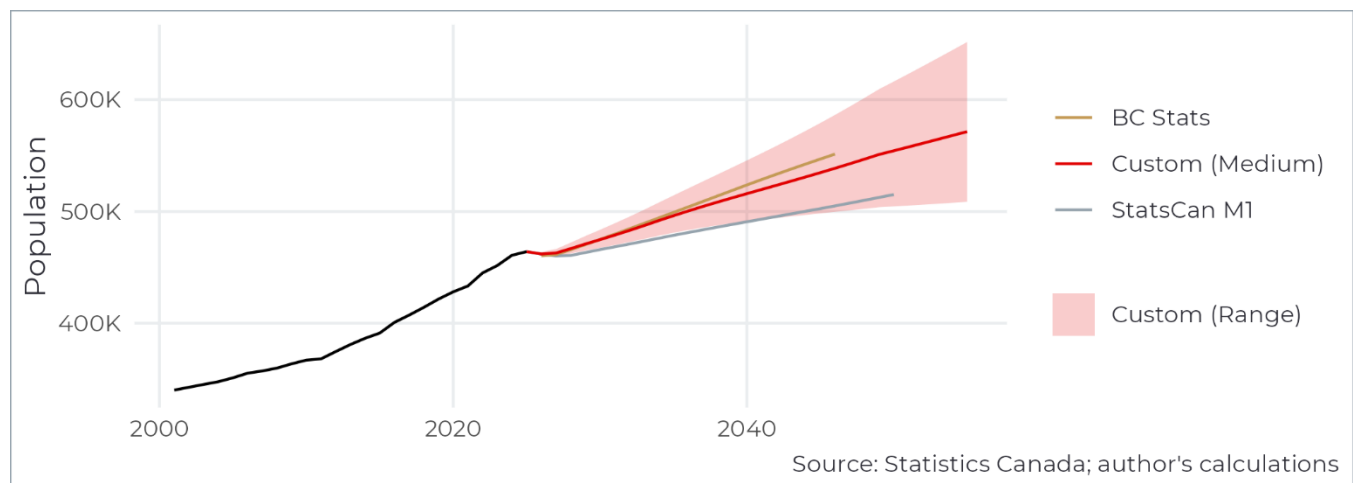
FUTURE GROWTH

PROJECTIONS

Preliminary population projections have been developed out to 2055, with these projections intended to support growth and transportation planning in the CRD. These projections show a brief decline in population in the early years but show the Capital Region growing from 464,000 in 2025 to 571,000 in 2055 under a “medium” scenario. In this scenario the CRD is anticipated to reach 500,000 in the mid 2030’s. However, alternative patterns in the contributors to growth could lead to a much smaller increase (509,000 or less), or much greater (652,000).

The preliminary custom projections are distinct from BC Stats and Statistics Canada’s projections: BC Stats shows quite similar levels of growth to 2046, while Statistics Canada’s “Medium-growth (M1)” scenario shows substantially lower growth over much of the projection horizon. Across sources, the projected rate of growth is substantially lower than that seen in recent years.

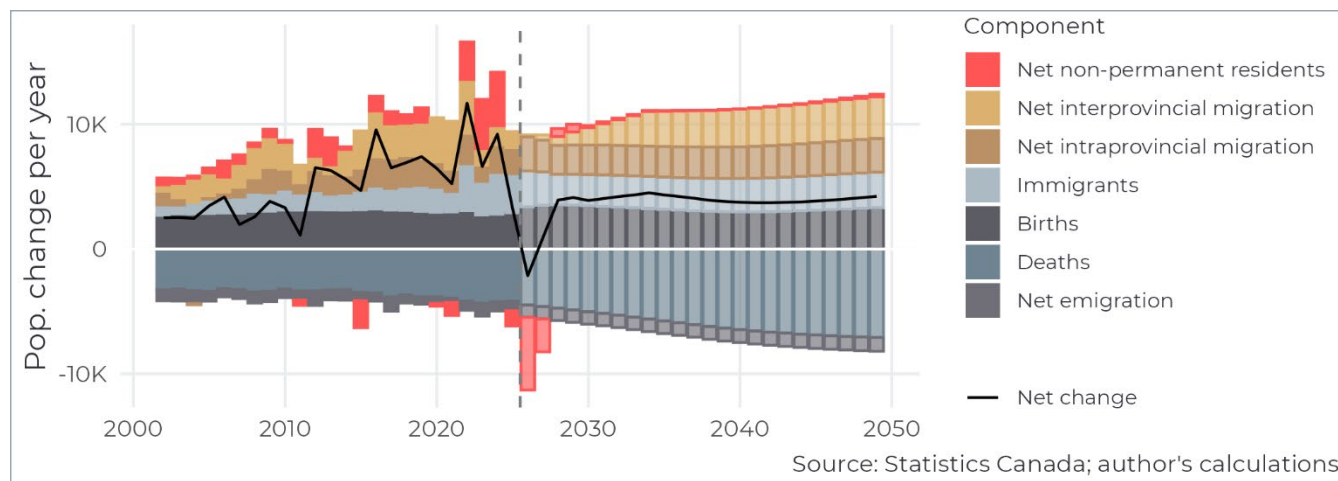
Figure 3: Immediate-term declines are projected to be followed by a return to (more modest) growth



These preliminary projections are based on historical patterns of growth during different periods (e.g. in periods of relatively high or low westward migration from Ontario), patterns in fertility and mortality, as well as an interpretation of the previously mentioned immigration levels plan.

The breakdown of the custom projections by the “component” (births, deaths, specific types of migration) supports examination of how various patterns of growth may influence the trajectory of growth in the region.

Figure 4: A "medium" scenario projects a moderation in the CRD's pace of growth, sustained by balanced in-migration, and weighed down by higher mortality with an aging population



The "medium" scenario has a few notable characteristics:

- A brief but sharp outflow of non-permanent residents in the 2025-2027 period
- A return to long-term patterns of inter-provincial migration to BC and the Capital Region in (after a decline in these flows in recent years, possibly owing to affordability challenges)
- Mortality is expected to increasingly weigh on growth, owing to an aging population

The range of possible outcomes is informed by deviations across these components: higher immigration, or a resurgence in westward migration could see much stronger growth, while slow interprovincial migration (or even net out-migration), for example, could lead to much slower growth, with aging leading even to a plateauing population level.

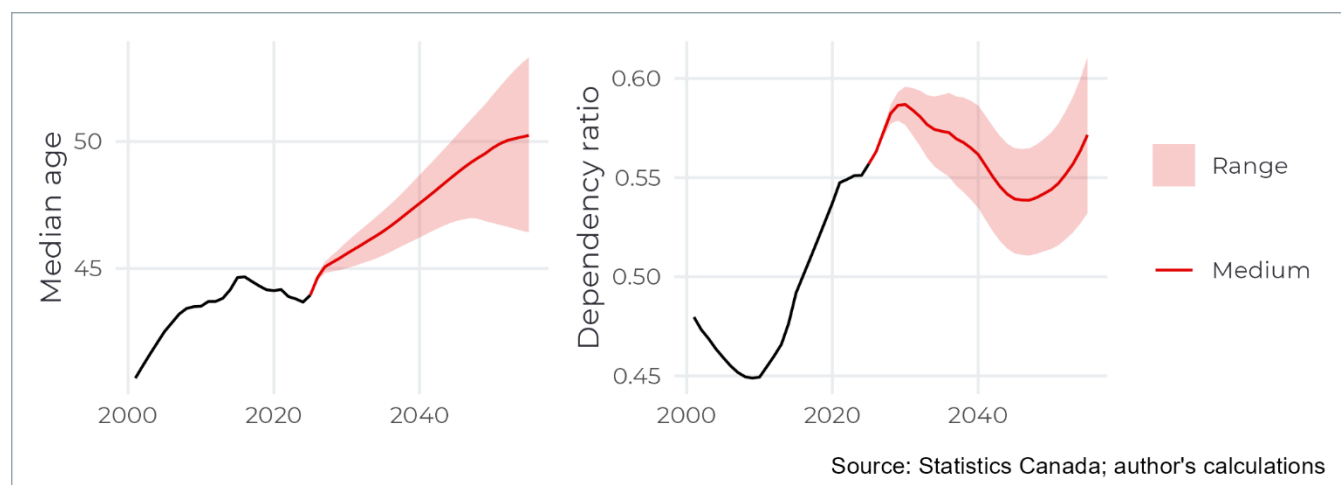
CONSIDERATIONS

Many factors will influence the patterns of growth which will play out in the Capital Region over the next 30 years, the following being just some of those likely to be most impactful:

- Relatively high housing costs may encourage residents or potential residents to consider less expensive markets. Conversely, progress on housing affordability may support higher growth – attracting new residents, and making it easier to retain existing ones.
- A weak labour market in BC (especially for younger age groups) may make moving to or settling in the Capital Region more difficult. Changes in provincial public sector employment will have an outsized impact on the region's economy, and could influence growth patterns. On the other hand, increased defence spending is likely to increase investment (and opportunity) in the region via Canadian Forces Base Esquimalt.
- Federal immigration policy may be loosened, leading to higher population growth, or it may take longer to operationalize, preventing a short-term decline.

The population projection process provides a window into the likely pattern of aging. Aging will itself alter the growth patterns of the region, magnifying the impacts of mortality, diminishing fertility, and likely also reducing migration (as younger people are typically more likely to migrate). Additionally, an older population will have greater need for health care and adjacent services, and will typically see fewer workers per resident.

Figure 5: The CRD is projected to see substantial aging, and a lower proportion of the population being of working age



The dependency ratio (which expresses the number of children and seniors relative to those of working age) is expected to increase in the short term owing to lower migration (of typically working-age people), stabilize as migration returns and as mortality in the Baby Boomer cohort slows the growth in the number of seniors, and then to increase over the long term as the population continues to age. Having more fewer workers per people can pose challenges for the economy in general, for public sector budgets, and for provision of public services.