

Economics

IN FOCUS

March 19, 2026

Should we take Statistics Canada’s population projections to the bank?

by Benjamin Tal benjamin.tal@cibc.com

It appears that Statistics Canada does not have much confidence in its latest population count release. The agency advises that the population tally “should be interpreted with caution” and that we should expect “larger than usual updates”. That is hardly a surprise. In recent years we have highlighted on several occasions the persistent gap between Statistics Canada’s population projections and subsequent data on actual population growth largely due to the continued undercounting of Non-Permanent Residents (NPRs). While Statistics Canada emphasizes that its population projections are not predictions, but rather are scenarios based on recent trends and potential future developments, these projections are nonetheless widely used by decision-makers and planners as forecasts. As the country’s official statistical agency, Statistics Canada’s data is viewed as the authoritative source for demographic information, and users naturally rely on its projections for planning in areas such as housing, healthcare, social services, and infrastructure.

Undercounting NPRs

Despite acknowledging the limitations of projections, the ongoing underestimation of NPRs has had significant consequences. The methodologies used prior to and after COVID-19 have not accurately captured the growth of the NPR population, leading to planning challenges, particularly in urban communities where most NPRs reside.

Historically, projections assumed that pressures to reduce the NPR population would offset growth factors, resulting in forecasts of modest or declining NPR numbers, which did not align with actual trends. For example, under-projections for NPRs in 2025 ranged from 1.3 million (2021 Projection) to 2.8 million (2000 Projection). These discrepancies are not solely attributable to the pandemic; under-projections for 2018 also ranged widely. Since 2005, NPRs have been the largest source of under-projection in Canada’s population estimates, even though they have not officially exceeded 7.43% of the total population.

Furthermore, periodic adjustments to base population estimates have not kept pace with actual growth. In 2021, the

NPR base was estimated at 1.4 million, projected to reach 1.7 million by 2025 and peak at 1.9 million by 2031. However, the actual NPR population as of July 1, 2025, exceeded 3 million. Many policy changes driving this growth were already public in 2021 and should have been better reflected in projections.

Latest projections

The 2025 projections represent a notable shift, expressing NPRs as a percentage of the population in line with recent government plans to reduce immigration and population growth. According to the 2025 projection, NPRs are expected to account for 7.26% of the population in 2025, declining to 6.36% in 2026, 5.45% in 2027, and 5.0% in 2028.

As of the beginning of Q4 2025, NPRs totaled 2,847,737 (6.85% of the population). Achieving the projected 6.36% by Q3 2026 would require a decline of nearly 200,000 NPRs, despite ongoing arrivals of visa students, temporary workers, and asylum seekers.

These projections have three major shortcomings:

- Government targets assume that all expired NPRs leave within 120 days. However, Statistics Canada does not track actual departures. This means that the outflow of NPRs is overstated, leading to undercount of actual population growth. In all likelihood population growth in Canada is still positive as opposed to the headline number of negative growth released this week.
- Individuals with Temporary Resident Visas (TRVs) and those on “maintained status” (pending visa extensions or PR applications) are excluded from population estimates and projections, although the rationale for this exclusion is unclear.
- Base year population estimates do not account for the undercount of NPRs identified in the 2021 Census. The 2021 Census missed an estimated 38% of NPRs.

Macroeconomic implications

The undercount of NPRs has substantial implications for macroeconomic measurement, including labour force estimates, GDP forecasting, and productivity analysis. Relying on understated population projections can lead to overestimated per capita GDP and misinformed economic policy. For example, if the 38% undercount from the 2021 Census were applied to the current NPR population, the true NPR total could exceed 4.5 million, with 1.7 million uncoun­ted.

Policy recommendations

To improve the accuracy of population estimates and projections, we recommend the following measures:

Implement exit controls: Establish exit controls across all travel modes to accurately measure NPR departures. Projections should transparently account for the absence of such controls and clarify the role of TRVs and “maintained status” in departure assumptions.

Refine methodology for counting “illegals”: Develop methods to estimate the population of individuals who have exhausted legal status. These estimates should be disaggregated by metropolitan area and included as addenda to population reports, enabling better resource allocation.

Enhance data publication: IRCC should publish detailed data on PR and NPR applicants and approvals by visa type and place of residence. This transparency will enable more informed policy debates and planning in housing, healthcare, social services, and infrastructure.

Amend 2026 census: prioritize addressing NPR undercoverage in the 2026 Census and examine how this compares to undercoverage among new immigrants.

*Note: This article used data obtained from Integrated Trade and Economics.

Contacts:

Avery Shenfeld
avery.shenfeld@cibc.com

Benjamin Tal
benjamin.tal@cibc.com

Andrew Grantham
andrew.grantham@cibc.com

Katherine Judge
katherine.judge@cibc.com

CIBC Capital Markets
PO Box 500
161 Bay Street, Brookfield Place
Toronto, Canada, M5J 2S8
[Bloomberg @ CIBC](#)

economics.cibccm.com

CIBC Capital Markets is a trademark brand name under which Canadian Imperial Bank of Commerce ("CIBC"), its subsidiaries and affiliates (including, without limitation, CIBC World Markets Inc., CIBC World Markets Corp. and CIBC Capital Markets (Europe) S.A.) provide different products and services to our customers around the world. Products and/or services offered by CIBC include corporate lending services, foreign exchange, money market instruments, structured notes, interest rate products and OTC derivatives. CIBC's Foreign Exchange Disclosure Statement relating to guidelines contained in the FX Global Code can be found at www.cibccm.com/fxdisclosure. Other products and services, such as exchange-traded equity and equity options, fixed income securities and futures execution of Canadian securities, are offered through directly or indirectly held subsidiaries of CIBC as indicated below.

Distribution

This report is written by the economics team at CIBC Capital Markets and is not the product of a CIBC Capital Markets research department. This report is issued and approved for distribution: (a) in Canada, by CIBC World Markets Inc., a member of the Canadian Investment Regulatory Organization, the Toronto Stock Exchange, the TSX Venture Exchange and a Member of the Canadian Investor Protection Fund; and (b) in the United States, by either: (i) CIBC World Markets Inc. for distribution only to U.S. Major Institutional Investors ("MII") (as such term is defined in SEC Rule 15a-6) or (ii) CIBC World Markets Corp., a member of the Financial Industry Regulatory Authority. U.S. MIIs receiving this report from CIBC World Markets Inc. (the Canadian broker-dealer) are required to effect transactions (other than negotiating their terms) in securities discussed in the report through CIBC World Markets Corp. (the U.S. broker-dealer).

This report is provided, for informational purposes only, to institutional investor and retail clients of CIBC World Markets Inc. in Canada and does not constitute an offer or solicitation to buy or sell any securities discussed herein, including (without limitation) in any jurisdiction where such offer or solicitation would be prohibited.

The distribution of this report in the United Kingdom is being made only to, or directed only at, persons falling within one or more of the exemptions from the financial promotion regime in section 21 of the UK Financial Services and Markets Act 2000 (as amended) ("FSMA") including, without limitation, to the following:

- authorised firms under FSMA and certain other investment professionals falling within article 19 of the FSMA (Financial Promotion) Order 2005 ("FPO") and directors, officers and employees acting for such entities in relation to investment;
- high value entities falling within article 49 FPO and directors, officers and employees acting for such entities in relation to investment; and
- persons who receive this presentation outside the United Kingdom.

The distribution of this report to any other person in the United Kingdom is unauthorised and may contravene FSMA. No person falling outside such categories should treat this report as constituting a promotion to them or rely or act on it for any purposes whatsoever. This report is distributed solely to eligible counterparties or professional clients and not retail clients as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

For all other jurisdictions, this report is distributed solely to institutional clients and not retail clients as defined by the applicable securities legislation and regulation to which CIBC Capital Markets may be subject in any jurisdiction.

Miscellaneous

This report does not take into account the investment objectives, financial situation or specific needs of any particular client of CIBC. Before making an investment decision on the basis of any information contained in this report, the recipient should consider whether such information is appropriate given the recipient's particular investment needs, objectives and financial circumstances. CIBC suggests that, prior to acting on any information contained herein, you contact one of our client advisers in your jurisdiction to discuss your particular circumstances. Since the levels and bases of taxation can change, any reference in this report to the impact of taxation should not be construed as offering tax advice; as with any transaction having potential tax implications, clients should consult with their own tax advisors. Past performance is not a guarantee of future results.

The information and any statistical data contained herein were obtained from sources that we believe to be reliable, but we do not represent that they are accurate or complete, and they should not be relied upon as such. All estimates and opinions expressed herein constitute judgments as of the date of this report and are subject to change without notice.

This report may provide addresses of, or contain hyperlinks to, Internet web sites. CIBC has not reviewed the linked Internet web site of any third party and takes no responsibility for the contents thereof. Each such address or hyperlink is provided solely for the recipient's convenience and information, and the content of linked third-party web sites is not in any way incorporated into this document. Recipients who choose to access such third-party web sites or follow such hyperlinks do so at their own risk.

Unauthorized use, distribution, duplication or disclosure without the prior written permission of CIBC World Markets Inc. is prohibited by law and may result in prosecution.

CIBC Capital Markets and the CIBC Logo Design are trademarks of CIBC, used under license.