

SHRINKING CANADA'S NPR POPULATION: HOW BEST TO DO IT

APPENDIX:

Assuming the net emigration rate and net natural growth rate remain at their 2023 levels of one percent of the population, population growth in the 2024–2027 period will be driven entirely by new permanent residents (PRs) and the change in the non-permanent resident (NPR) population. Defining period t as January 1, 2024, and period $t+1$ as January 1, 2027, the 5 percent NPR population share target implies the following two conditions must be satisfied:

$$\frac{NPR_{t+1}}{POP_{t+1}} = 0.05 \quad (1)$$

$$POP_{t+1} = POP_t + (NPR_{t+1} - NPR_t) + PR \quad (2)$$

where POP_t is the overall population at time t ; NPR_t is the NPR population in year t ; and PR is number of new permanent residents (PRs) admitted between t and $t+1$.

Canada's Immigration Levels Plan for 2024–2026 will see 1,485,000 PRs admitted between t and $t+1$. Given that $NPR_t = 2,661,784$ and $POP_t = 40,769,890$, equations (1) and (2) imply $NPR_{t+1} = 2,083,848$ and $POP_{t+1} = 41,676,954$.

The 5 percent target therefore requires a 21.7 percent reduction in the NPR population, while the overall population will grow by 2.2 percent. If smoothed over the three years, this implies annual decreases of 7.4 percent in the NPR population and annual increases of 0.74 percent in the overall population.