

The Gainers Are Many When Toronto and Peel Bleed Population

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March 27, 2023

Summary

The net outflow of residents living in the Greater Toronto Area (GTA) to the outer Greater Golden Horseshoe (GGH) and other locations in Ontario continued to increase in 2022. The deterioration in the affordability of single-detached and semi-detached houses and the low production of potential substitutes, like townhouses, stacked townhouses and other forms of low-rise apartments (so-called missing middle housing), within the GTA are likely contributors to these migrant flows.

In the 12 months up to July 1, 2022, Toronto, Peel, and York recorded a net outflow of 85,615 intraprovincial migrants. For the six years ending July 1, 2022, these three municipalities experienced a net outflow of 397,806 residents. The other two GTA regions, Durham and Halton, recorded net inflows of intraprovincial migrants but these were not large enough to counter the net outflows in the other three jurisdictions.

Simcoe (60,567) was the top area in terms of net in-migrants over the latest six years followed by Durham 45,560 and Niagara (28,394).

The provincial government recently established aspirational targets for many GTA and outer GGH municipalities to increase housing production significantly over the next decade. Unfortunately, these targets are for total units only and not by type. To the extent the targets are met, the new housing will mostly be mid and high-rise apartments rather than the low-density and missing middle housing forms that many households demand. Thus, we anticipate the net outflow of residents from the GTA will persist over the next decade.

Background

Last year, we released a report documenting estimates of the annual net outflow of the resident population from the GTA to other parts of Ontario for the 12 months up to July 1, 2021.¹

These migration estimates (called net intraprovincial migration) reflect the net inflow or net outflow of the population between the 50 census divisions within the province. Net intraprovincial migration is zero for the province. Census divisions include single-tier municipalities (e.g., Toronto, Hamilton), regional municipalities (e.g., Peel, Halton) and counties, including their separated municipalities (e.g., the Simcoe County census division incorporates the population of Barrie and Orillia). The latest net intraprovincial migration figures are subject to revision by Statistics Canada of intraprovincial migration.

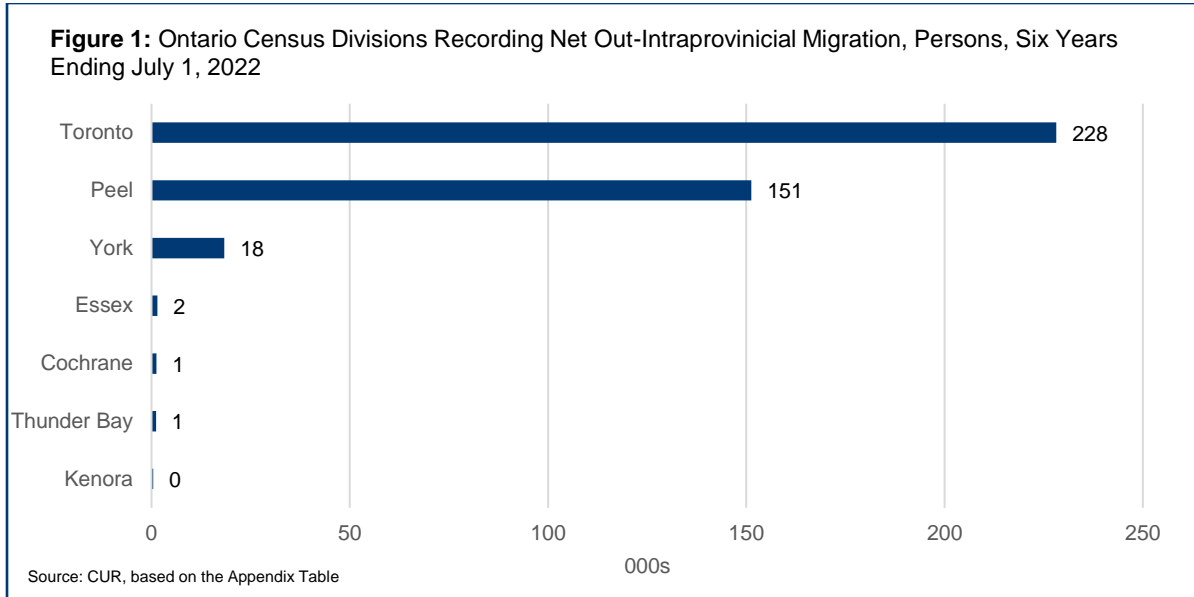
A significant finding in last year's blog was that Toronto and Peel had more net population loss in 2021 than in 2020. Moreover, this continued a longer-term trend and was not unique to the pandemic period.

The Statistics Canada estimates do not allow pinpointing where residents from Toronto and Peel are going. Therefore, all we can say with certainty is which census divisions have net population change due to the net flow of population from and to other census divisions in the province.

A table at the end of this blog shows net intraprovincial migration estimates for all census divisions in Ontario for each of the six years ending July 1, 2022, and for the six years combined. The census divisions are ranked from the largest net influx to the largest net outflux during the six years. Toronto and Peel bleed residents in large numbers – seven census divisions lost 402,194 net residents over six years – almost all losses occurred in the GTA.

Figure 1 presents the net intraprovincial migration estimates for the seven census divisions losing population between 2017-2022.

¹ Diana Petramala and Frank Clayton (2022). 'Affordability Issues, Not the Pandemic, Drive Population from the City of Toronto and Peel Region.' Centre for Urban Research and Land Development. [Online] Available: <https://www.torontomu.ca/centre-urban-research-land-development/blog/blogentry62/>



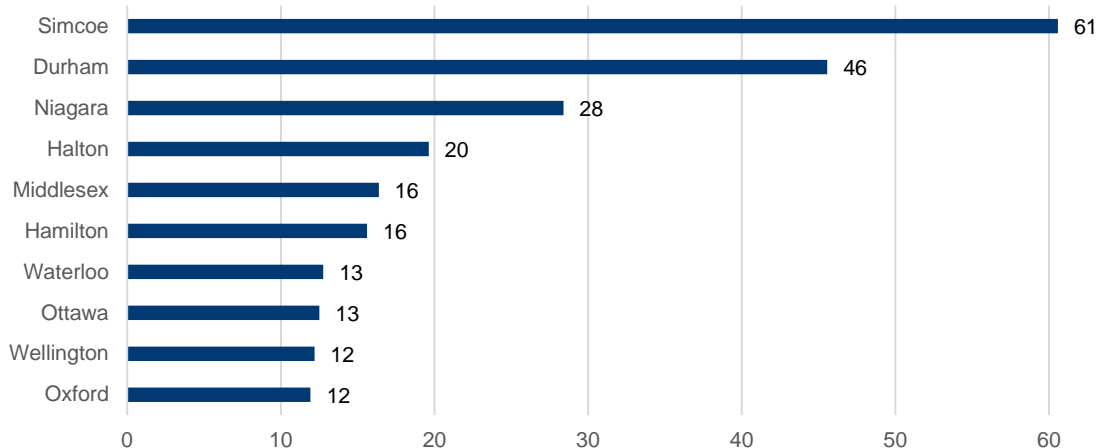
Toronto and Peel were by far the biggest losers of people to other census divisions, and the net outflows increased annually. For the past six years, Toronto lost 228,169, and Peel lost 151,282 residents. Five other census divisions lost residents but on a much smaller scale: York region in the GTA (18,355), Essex County (Windsor) (1,513), Cochrane in the north (1,279), Thunder Bay (1,157) and Kenora (439).

Three GTA census divisions – Toronto, Peel and York – had a net loss of 397,806 residents during the past six years.

Simcoe, Durham, and Niagara topped the 43 census divisions recording net inflows of intraprovincial migrants – the top ten net beneficiaries of intraprovincial migration accounted for 235,559 residents over six years.

Figure 2 presents the ten top census divisions recording the most significant net inflows of intraprovincial migrants.

Figure 2: Top 10 Ontario Census Divisions Recording Net In-Intraprovincial Migration, Persons, Six Years Ending July 1, 2022



Source: CUR, based on the Appendix Table

Simcoe (Barrie) and Durham received the most net migrants from elsewhere in the province over the latest six years. However, their net gains of 60,576 and 45,560 residents were modest compared to the net losses from Toronto and Peel.

Other parts of the GGH, also called the ‘outer fringe’, were net gainers of the GTA losses. Eight top census divisions recording net inflows were in the GGH. Only Ottawa and Oxford were outside the GGH.

The GTA experienced net losses over the past six years. However, the net gains in Durham (45,560) and Halton (19,629) fell far short of the net losses in Toronto, Peel and York.

The lack of affordable single-detached and semi-detached houses and missing middle housing options likely contribute to the GTA’s mounting net outflow of intraprovincial migrants

The worsening affordability of housing within the GTA, especially single-detached and semi-detached houses is an important reason for the rising GTA net migrant losses during the past six years. On the demand side, surveys conducted by Ipsos for the Toronto Regional Real Estate Board continually show that about 80% of all likely GTA homebuyers state they are most likely to purchase a ground-related home (55-60% a single-detached or semi-detached house).²

On the supply side, however, the impact of policies in the *Growth Plan for the Greater Golden Horseshoe* of the provincial governments in power between 2003 and 2018 was to discourage the construction of single-detached and semi-detached houses on greenfield lands in favor of mid and high-rise apartments. In addition, no specific measures were introduced to promote the construction of missing middle housing forms like townhouses and stacked townhouses, which

² Toronto Regional Real Estate Board (2023). ‘2023 Market Outlook & Year in Review.’ Jason Mercer and Sean Simpson, PowerPoint Presentation

many families regard as closer substitutes to single- and semi-detached houses than mid and high-rise apartments.³

Governments can control the amount and type of housing built in specific municipalities. However, they cannot prevent people from moving elsewhere to search for the kind and price of housing they prefer.

Since 2018, the provincial government has been encouraging municipalities in the GGH to build more single-detached and semi-detached houses than previously, but the numbers are still below the level of underlying demand for these housing types. Paradoxically, municipalities, instead of beefing up the construction of missing middle housing types, are planning to replace the reduced production of single-detached and semi-detached houses with mid-and high-rise apartments.

The provincial government introduced measures in 2022 to increase housing production in the GTA and adjacent municipalities significantly, including aspirational targets municipalities are to adopt. Unfortunately, the targets are again in total units, which will undoubtedly result in many more apartments being built but a shortage of low and medium-density houses, townhouses, stacked townhouses and low-rise apartments.

The bottom line is that we anticipate the continued dispersal of the residents of the GTA, particularly those residing in Toronto, York, Peel and Halton, as they search for the type and price of housing they want elsewhere in the GGH and other parts of the province.

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³ Frank Clayton (August 9, 2022). 'GTHA 2021-2051 Land Needs Forecasts Lack Viable Alternatives to Single-Detached Houses.' Centre for Urban Research and Land Development. [Online] Available: https://www.torontomu.ca/content/dam/centre-urban-research-land-development/CUR_Land_Needs_GGH_and_Missing_Middle_Aug.2022.pdf

Appendix Table

Table 1: Net Intraprovincial Migration, Ontario Census Divisions, 2017-2022, Persons*

Census Division	2017	2018	2019	2020	2021	2022	2016-2022**
Simcoe	10,411	8,255	8,683	9,264	11,911	12,052	60,576
Durham	4,098	4,747	6,320	9,631	10,666	10,098	45,560
Niagara	3,649	3,310	3,186	4,030	7,017	7,202	28,394
Halton	1,783	2,529	5,152	5,092	2,582	2,491	19,629
Middlesex	3,012	3,590	1,294	1,529	3,411	3,544	16,380
Hamilton	2,087	1,183	1,827	3,356	3,753	3,413	15,619
Waterloo	3,034	2,296	945	1,564	2,364	2,561	12,764
Ottawa	2,893	2,272	1,836	2,987	1,201	1,321	12,510
Wellington	1,980	2,069	1,427	1,941	2,364	2,411	12,192
Oxford	1,692	1,779	1,576	1,875	2,426	2,587	11,935
Brant	1,585	1,020	1,473	1,787	2,391	2,866	11,122
Haldimand-Norfolk	1,136	2,168	1,682	1,677	2,023	2,082	10,768
Hastings	1,567	1,794	1,360	1,446	2,011	2,223	10,401
Grey	1,542	1,363	1,486	1,677	2,037	2,222	10,327
Peterborough	1,750	1,416	1,132	998	1,836	2,104	9,236
Kawartha Lakes	1,516	1,416	1,154	1,324	1,488	1,472	8,370
Muskoka	1,331	1,248	1,116	1,280	1,507	1,503	7,985
Northumberland	1,726	1,038	827	864	1,574	1,855	7,884
Lanark	589	1,013	1,298	1,300	1,581	1,710	7,491
Elgin	666	724	1,111	1,242	1,482	1,736	6,961
Prescott and Russell	244	671	1,170	1,404	1,652	1,633	6,774
Frontenac	1,274	1,219	703	860	1,336	1,376	6,768
Bruce	783	836	899	1,057	1,358	1,293	6,226
Dufferin	1,219	1,161	754	734	918	864	5,650
Leeds and Grenville	365	899	874	926	1,198	1,341	5,603
Renfrew	411	427	679	783	1,265	1,381	4,946
Perth	685	810	659	679	967	1,063	4,863
Nipissing	431	299	564	728	963	1,119	4,104
Chatham-Kent	359	295	411	661	971	1,127	3,824
Huron	309	585	460	620	815	747	3,536
Parry Sound	413	644	303	574	706	866	3,506
Stormont, Dundas and Glengarry	-67	180	585	534	883	954	3,069
Haliburton	568	417	309	380	606	685	2,965
Lennox and Addington	259	332	667	441	523	607	2,829
Lambton	183	546	459	377	512	605	2,682
Algoma	32	348	519	357	597	800	2,653
Prince Edward	213	188	350	456	672	562	2,441
Manitoulin	127	99	169	137	289	272	1,093
Timiskaming	-14	58	99	169	295	311	918
Sudbury	-84	25	89	155	298	394	877
Greater Sudbury	-154	142	49	202	146	240	625
Rainy River	-11	9	-11	37	61	53	138
Kenora	-154	-131	-24	13	-63	-80	-439
Thunder Bay	-188	-140	-171	-271	-271	-116	-1,157
Cochrane	-464	-475	-456	-354	202	268	-1,279
Essex	213	921	82	-1,779	-747	-203	-1,513
York	-9,985	-4,700	103	-335	-1,603	-1,835	-18,355
Peel	-14,890	-19,369	-22,045	-28,825	-31,961	-34,192	-151,282
Toronto	-30,124	-31,526	-33,134	-35,584	-48,213	-49,588	-228,169
Ontario Total	0	0	0	0	0	0	0

*Data are for the 12 months ending July 1 in each year **Ranked from most to least over six years

Source: CUR, based on Statistics Canada data <https://www150.statcan.gc.ca/t1/tb1/en/cv/action?pid=1710014001>