

Better Dwelling – December 21, 2022

Canadians Continue To Flee Real Estate Bubbles To More Affordable Provinces



DECEMBER 21, 2022

Canadians are still dumping expensive provinces for, well, less expensive ones. **Statistics Canada** (Stat Can) released its latest interprovincial migration estimates for Q3 2022. The biggest losers of residents to other provinces were BC and Ontario, the former printing its first net outflows in nearly a decade. The biggest winners were Alberta and Nova Scotia, which managed to attract a significant inflow from other provinces.

Net Interprovincial Migration

Net interprovincial migration is the balance of people that arrive and leave for other provinces. Positive numbers mean more people have arrived from other provinces than left. That's good news—not only is a province able to attract people, but it's retaining them as well.

Negative growth means the opposite—more people are leaving a province than arriving. This is a negative, since that implies Canadians see less opportunity in a province.

Interprovincial migration is an important sentiment indicator. These are people with experience in Canada, and a more granular read on what's real and what's a mirage. When they start

leaving, it means they see more opportunity elsewhere. Opportunity can be economic or quality of life related.

Total population might not reflect this due to immigration, which tends to cluster in hubs. However, immigrants tend to move to a region for better opportunities. They'll inevitably notice locals see better opportunities elsewhere, and will begin to follow. Eventually the new hubs will attract immigrants directly if regions hemorrhaging their talent don't correct course.

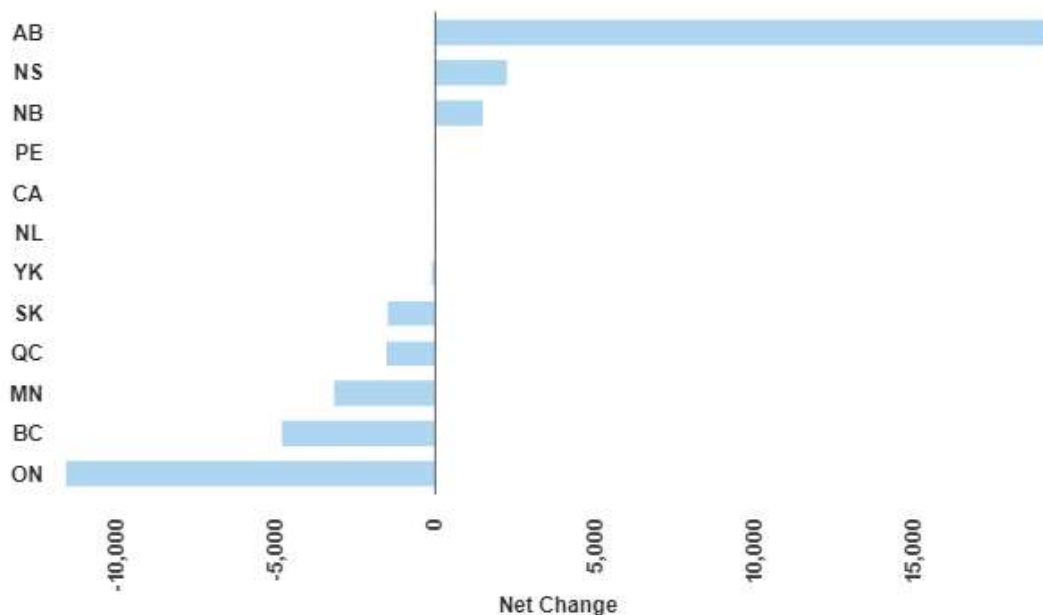
Canadians Are Dumping Ontario & BC For Other Provinces

Ontario residents continue to leave for other provinces at a breakneck speed. The province had a net outflow of 11,600 people in Q3 2022, meaning the outflow increased by 61.5% from last year. It was the 11th consecutive quarter Ontario failed to attract more residents than it lost to other provinces.

British Columbia (BC) surprised with an outflow for the first time in nearly a decade. The province saw an interprovincial net outflow of 4,800 people in Q3, compared to a net increase a year ago. The province hadn't seen an outflow since 2013 prior to this, so it's kind of big news.

Canadian Net Interprovincial Migration

The net flow of migration between provinces. Positive numbers mean more people arrived from other provinces than left, while negative numbers mean outflows.



Source: Statistics Canada; Better Dwelling

More affordable provinces have seen outflows, but these regions typically have weaker employment. Interprovincial outflows were also seen in Manitoba (-3,200 people), Quebec (-1,552), Saskatchewan (-1,500), and Newfoundland (-12). Though the last one is virtually flat, so not entirely an issue.

Alberta Is Calling Canadians— and So Are The Maritimes

Alberta and the Maritimes continue to be the big winners. Alberta's interprovincial migration showed a net inflow of 19,300 people in Q3, up 400% from a year before. It was the fifth consecutive quarter that more residents arrived than left for other provinces.

Canadians are also fleeing to the three provinces that make up the Maritimes. Positive inflows were seen in Nova Scotia (+2,300 people), New Brunswick (+1,500), and PEI (+2).

Once again, provincial populations can grow while maintaining net outflows. However, structural issues might be forming—especially if those fleeing are a specific demographic. At the same time, provinces that manage to attract more Canadians are likely doing something right... or at least better than Ontario.