

REPORT

PREPARED BY HEMSON FOR THE CITY OF NORTH BAY

2021 CENSUS ANALYSIS FOR NORTH BAY

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FOREWORD

In 2019, Hemson Consulting prepared long-term forecasts of population, households, and employment to 2046 for the City of North Bay. Following the release of Statistics Canada's 2021 Census of Canada results, the City retained Hemson to prepare a follow-up report summarizing the Census results for the City and discussing the implications of the new data for the 2019 forecasts.

The report is organized into three sections.

Section 1 discusses the major demographic trends considered in developing the three forecast scenarios in Hemson's 2019 report *Growth Forecast to 2046*, June 19, 2019.

Section 2 summarizes the 2021 Census results for North Bay. At the time of writing, Statistics Canada has released all major datasets associated with the Census, including those related to population, households, and employment. Hemson's orders for "Special Run" Census employment datasets were fulfilled by Statistics Canada in late February and are analyzed in this report. These data include employment by place of work by industry sector, commuting flows by industry sector and employment by detailed industry sector.

Section 3 discusses the implications of the Census data for the 2019 forecasts as well as options for updating the forecasts.

1. 2019 FORECASTS REFLECTED AN AGING POPULATION AND LESS OUT-MIGRATION

In June 2019 Hemson prepared a *Growth Forecast to 2046* report for the City of North Bay. Using 2016 as a base year, the forecasts provide a range of future growth outlooks of population, housing and employment over a 30-year period using standard forecast methods. The forecast are intended to inform municipal land use, infrastructure, and financial planning decisions. As discussed in the report, the major socio-economic and demographic trends affecting growth in North Bay are:

- An aging population, as the dominant “Baby Boom” cohort starts to shrink over the course of the 30-year planning period. This trend, which is part of a broader demographic trend across much of rural and northern Ontario, will restrain population growth in the City. Its effects will increase in significance over time as the peak Baby Boom age groups, between 50 and 60 in 2016, will reach average life expectancy by 2046.
- A key feature of population growth in North Bay under any scenario is the City’s move into a period of natural decrease—where deaths exceed births. As such, in-migration will increasingly be required just to maintain current population levels.
- North Bay experienced net out-migration for most of the 25 years leading up to 2016 as its work force adjusted to fewer economic opportunities in the resource-based sectors and, in particular, Canadian Forces operations. In-migration thus requires a relatively stable workforce moving forward and, for higher growth scenarios, growth in key sectors of the local economy.

Three forecast scenarios were presented for consideration in 2019: a reference forecast recommended for use by the City for long-term land use and infrastructure planning; and low and high scenarios within a relatively narrow range which tested the effects of higher and lower rates of out-migration and corresponding economic opportunity. It is noted that all three scenarios assumed less out-migration than had occurred within the 2011-2016 Census period.

A. POPULATION FIGURES REPRESENT “TOTAL” POPULATION

Population figures in the 2019 report include the population recorded in the Census plus Statistics Canada’s estimate of Census net under-coverage, which represents those who were missed or double-counted by the Census (between 2.7% and 3.2% in Nipissing District). The under-coverage rate assumed in 2019 was inferred by comparing final post-Censal total population estimates to the Census for 2011 for the Nipissing Census Division (CD). Similar 2016 total population estimates were not released until early 2020. To ensure a like-for-like comparison of forecasts we have maintained these 2011 under-coverage rates for all population figures shown below, including for the 2021 Census results.

In 2019, Statistics Canada released, for the first time, total population estimates Census Subdivisions (CSDs, like the City of North Bay), with a history back to 2001. As such, all future population forecasts for the City should use these newly available under-coverage data. 2021 Census under-coverage rates should become available in early 2024. It is noted that the 2016 under-coverage rates for the North Bay CSD and the Nipissing CD are the same (2.7%), whereas the City’s 2011 under-coverage rate is somewhat lower than Nipissing’s (2.7% as opposed to 3.2%). This suggests that the City’s population figures in the 2019 forecast report, which are based on 2011 Nipissing rates, are slightly overstated.

There is no Census net under-coverage associated with household figures or employment. Employment figures are by “place of work”; that is, the number of jobs in the City. Employment figures include all employment with a regular or no fixed place of work.

B. SUMMARY OF 2019 FORECAST SCENARIOS

The reference scenario assumed positive in-migration to the City, a reversal of the long-term trend (see Table 2). The shift is predicated on increased economic development in the City and greater economic opportunity leading to workers choosing to remain in North Bay.

Despite the positive impact on population growth, the counteracting effect of an aging population is expected to exceed any migration-related growth in the reference scenario over the next 30 years. As a result, by 2046 the reference scenario forecasts the City’s population and employment to be below 2016 figures.

The increase in empty nesters, young adults, and single older adult households increases the total number of households, lowering the average persons per unit. Even though the City’s population would experience a small decline in the Reference Scenario, it would still experience growth of 1,600 households. The nearly stable employment level largely mirrors population change through the period.

TABLE 2A: REFERENCE SCENARIO FORECAST FOR NORTH BAY, 2021-2046

Year	Population	Households	Employment
2016	53,300	22,590	29,480
2021	53,610	22,940	29,570
2026	53,820	23,290	29,590
2031	53,870	23,670	29,480
2036	53,790	23,920	29,460
2041	53,340	24,100	29,310
2046	52,620	24,190	29,070

TABLE 2B: REFERENCE SCENARIO GROWTH FOR NORTH BAY, 2021-2046

Period	Population Growth		Household Growth		Employment Growth	
'16-'21	310	0.6%	350	1.5%	90	0.3%
'21-'26	210	0.4%	350	1.5%	20	0.1%
'26-'31	50	0.1%	380	1.6%	-110	-0.4%
'31-'36	-80	-0.1%	250	1.1%	-20	-0.1%
'36-'41	-450	-0.8%	180	0.8%	-150	-0.5%
'41-'46	-720	-1.3%	90	0.4%	-240	-0.8%
'16-'46	-680	-1.3%	1,600	7.1%	-410	-1.4%

Source: Hemson Consulting Ltd. (2019)

The “low” growth scenario assumes zero net migration whereby the same number of people leave the City as move there over the next 30 years (see Table 3). This too results in a decline in the City’s population due to natural population decrease resulting from an aging population. The population decline accelerates over the period so that by 2046 the population is almost 5,000 below its 2016 level.

While an annual net migration of 0 is the lowest of the three growth scenarios, it still remains above migration patterns observed in the City between 2011 and 2016. Like the Reference Scenario, household growth is faster than population growth — households grow slightly over the period while population declines — and household growth is far less than under the Reference Scenario (80 new households versus 1,600 new households). The rate of decline in employment largely mirrors population decline over the period.

TABLE 3A: “LOW” SCENARIO FORECAST FOR NORTH BAY, 2021-2046

Year	Population	Households	Employment
2016	53,300	22,590	29,480
2021	53,290	22,800	29,320
2026	52,990	22,910	28,880
2031	52,340	22,990	28,510
2036	51,370	23,040	28,170
2041	50,030	22,940	27,680
2046	48,410	22,670	27,090

TABLE 3B: “LOW” SCENARIO GROWTH FOR NORTH BAY, 2021-2046

Period	Population Growth		Household Growth		Employment Growth	
'16-'21	-10	0.0%	210	0.9%	-160	-0.5%
'21-'26	-300	-0.6%	110	0.5%	-440	-1.5%
'26-'31	-650	-1.2%	80	0.3%	-370	-1.3%
'31-'36	-970	-1.9%	50	0.2%	-340	-1.2%
'36-'41	-1,340	-2.6%	-100	-0.4%	-490	-1.7%
'41-'46	-1,620	-3.2%	-270	-1.2%	-590	-2.1%
'16-'46	-4,890	-9.2%	80	0.4%	-2,390	-8.1%

Source: Hemson Consulting Ltd. (2019)

Finally, the “high” growth scenario assumes an appreciable increase in economic opportunity in North Bay, leading to less out-migration and a greater proportion of people of working age, including young adults, remaining in the local labour force (see Table 4). The forecast shows steady growth across population, households and employment to 2041. The higher net in-migration delays any decline in population to after 2041 when the accelerating natural decrease from the aging population exceeds even the higher in-migration in the High Scenario.

TABLE 4A: “HIGH” SCENARIO FORECAST FOR NORTH BAY, 2021-2046

Year	Population	Households	Employment
2016	53,300	22,590	29,480
2021	54,140	23,210	29,820
2026	54,980	23,820	30,160
2031	55,670	24,340	30,340
2036	56,110	24,730	30,580
2041	56,200	24,890	30,660
2046	56,040	25,010	30,670

TABLE 4B: “HIGH” SCENARIO GROWTH FOR NORTH BAY, 2021-2046

Period	Population Growth		Household Growth		Employment Growth	
'16-'21	840		620		340	
'21-'26	840	1.6%	610	2.6%	340	1.1%
'26-'31	690	1.3%	520	2.2%	180	0.6%
'31-'36	440	0.8%	390	1.6%	240	0.8%
'36-'41	90	0.2%	160	0.6%	80	0.3%
'41-'46	-160	-0.3%	120	0.5%	10	0.0%
'16-'46	2,740	5.1%	2,420	10.7%	1,190	4.0%

Source: Hemson Consulting Ltd. (2019)

The 2019 report recommends that the City base its Development Charges Background Study and related financial planning decisions on the Reference Scenario. However, the report also notes that this should not prevent Council from pursuing growth beyond the reference forecast, including through its economic development initiatives.

2. 2021 CENSUS SHOWS ACCELERATION OF CHANGES ALREADY ANTICIPATED AS WELL AS COVID-19 IMPACTS

The release of Statistics Canada’s Census results are always a crucial starting point for long-term planning decisions made by municipalities. Moreover, given the significant changes that have occurred since 2016, not least the experience of the COVID-19 pandemic, the 2021 Census results are of particular interest.

The period between 2016 and 2021 saw growth in communities throughout southern Ontario with the most rapid growth in areas located at the fringes of the fast-growing metropolitan areas. Growth occurred even in the small towns and predominantly rural communities with little experience of growth in the past 30 years, such as the Counties of Bruce, Grey, Norfolk and Hastings near the edge of the Greater Golden Horseshoe area, and the Counties of Prescott and Russell, Lanark, Leeds and Grenville, and Stormont, Dundas and Glengarry and Renfrew that surround Ottawa. Areas in Southern Ontario more distant from Ottawa and Toronto shifted from long periods of declining population up to 2016 to strong growth in recent years, including in the Counties of Huron, Lambton, Chatham-Kent and Prince Edward. Growth pressures in the Southern Ontario appear to have also “spilled over” into the urban communities along the Highway 400/10 corridor such as Orillia, Gravenhurst, Bracebridge, Hunstville, Parry Sound, Greater Sudbury and North Bay. In Northern Ontario, North Bay, Greater Sudbury and Sault Ste. Marie have similarly experienced renewed growth, but there has been far less shift in growth patterns in the rest of Northern Ontario.

Although the factors driving this growth vary somewhat by location, there are common features that, to varying degrees, are relevant to demographic change in North Bay:

- The age structure of the population: the peak age of the Millennial generation just turned 31, the age at which many are forming a family household, having their first child, and purchasing their first home. This has led to a rise in the number of homebuyers across Ontario up to 2020. This change was anticipated by the 2019 forecasts.
- Housing affordability, which is driving younger first-time homebuyers to seek housing outside major urban centres though still within a reasonable commuting distance of their place of work. The average resale price of a single-detached dwelling increased by

146% in the Greater Toronto Area between 2011 and 2021. The Barrie area, within commuting distance, tripled in price over the ten years (up 198%), though in 2021 was still only two-thirds of the GTA resale price. While far beyond commuting distance to large southern communities, the north has not been immune to rising house prices—single detached resale units were up 70% in the Greater Sudbury area and 60% in the North Bay area over the same ten-year period. By 2021, however, the average resale price in North Bay was 42% that of Barrie and 27% that of the GTA. It is noted that housing affordability was not assumed to be a major driver of growth in the 2019 forecasts, since housing prices in North Bay in 2019 were only up 6% over 2011, so nearly all of the large increase occurred in 2020 and 2021, during the pandemic.¹

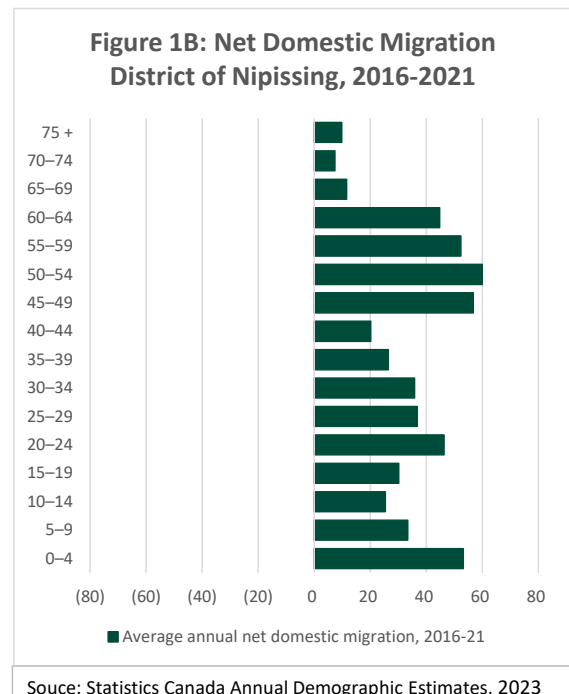
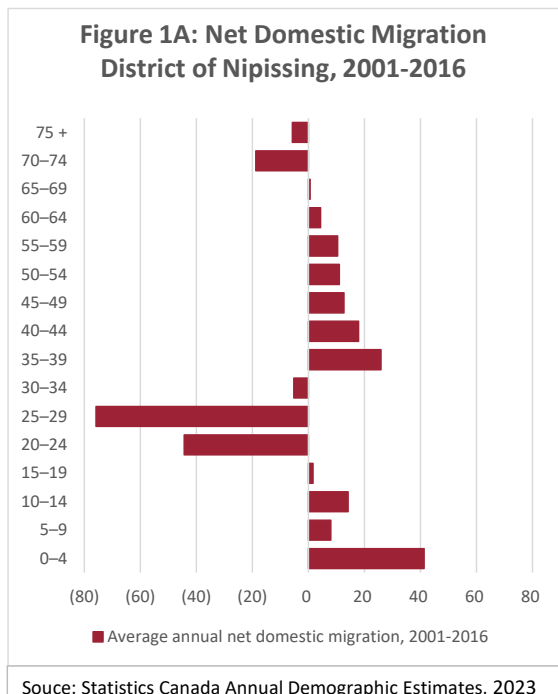
- The movement of people willing/able to relocate from more densely populated areas on a temporary or permanent basis. In Simcoe, Grey, and Muskoka, there is evidence of second homes being increasingly converted to permanent use. It is assumed that many of these households are now working remotely all or part of the week on jobs otherwise based in larger centres. In North Bay, opportunities to work from home may be leading some young adults to remain in the City rather than head south and, perhaps, others from the south to move to North Bay. However, the extent that this is occurring in North Bay is unknown as the data from the 2016 and 2021 Censuses do not indicate any significant change in the total of those with a usual place of work plus those who work at home. The increase in work at home in 2021 may just be those already working in North Bay prior to the pandemic.
- There is a longstanding pattern of out-migration among young adults in their early 20s, mainly to the Toronto and Ottawa areas for post-secondary education, work or the lifestyle of major urban centres. In numbers of people, the out-migration of young adults between 20 and 34 years old is balanced by the in-migration of those aged 35 to 64 years. The domestic migration (inter-provincial plus intra-provincial migration) for the 15-years from 2001 to 2016² in Figure 1A clearly shows the ongoing exchange between

¹ While occurring after the 2021 Census, it is still well worth noting that nearly every market area in Ontario, including North Bay, had a price peak in late winter of 2022 followed by a decline in average price by 20% to 25% by the end of 2022, largely in response to rising borrowing rates. Even after these general price declines, the December 2022 average price for the month remains at or above the 2021 annual average price in almost every market area, including North Bay.

² The available data are for the District of Nipissing Census Division. The City of North Bay represents over 60% of the Census Division population, over 70% of its population growth, and likely an even larger share of the migration movements. As such, the age structure of net migrants to North Bay would be very similar to that shown for the Census Division as a whole.

out-migrating young adults and in-migrating older adults. A number of the adult in-migrants are also bringing children, a good thing demographically for North Bay, though the average of 40 young children per year moving in is far less than the approximately 80 children that the 100 out-bound young adults might have if they were to stay in the community.

From 2016 through 2021, there has been a striking reversal of the net out-migration of young adults, as shown in Figure 1B. Both figures show annual average migration at the same scale to allow the reader a clear visual comparison between the historic pattern and the more recent migration. The change in migration pattern for young adults is almost certainly the result of reduced out-migration as well as increased in-migration in this age group. As well, in the 2016-21 period there was a significant increase in the net in-migration of those aged 35 to 64. This is similar to the migration pattern experienced in much of Ontario, beginning a few years before the pandemic, but then accelerating during 2020 and 2021. Preliminary data for the 2021-22 indicate a further acceleration in the migration pattern. This is a significant part of the unexpectedly high population that was recorded in the 2021 Census for North Bay (see below).



- Near the upper end of the age range of substantial in-migrants are the Baby Boomers. The increased migration from urban centres, accelerated by the pandemic, of early retirees are part of the Baby Boom generation, whose peak population is now 62 years of age. In addition to retirees from larger centres to the south, are those from smaller centres and rural areas in the north, some of whom move into Thunder Bay, Sault Ste. Marie, Sudbury, Timmins and North Bay where a full range of services are available. Attracting older adults and retirees does have the effect of advancing the aging of the population.
- Another significant contributor to North Bay's higher than forecast population is the large increase in the number of Non-Permanent Residents (NPRs). NPRs are made up of those in Canada on a variety of types of work permits, those claiming refugee status awaiting a hearing and international students. In 2015, Ontario changed the funding formula for colleges creating a large incentive for colleges to attract international students. The result was an increase in NPRs in Ontario of about 280,000 in the five years from 2015 to 2020, the vast majority of whom were post-secondary students. Due to the pandemic, the numbers declines by about 20,000 in 2020-2021. In the 1¼ years of data from mid-2021 to the 3rd quarter of 2022, the post-pandemic return has added a further 220,000 NPRs in the province. International students at Canadore College and Nipissing University in North Bay likely account for all of the increase of over 1,000 NPRs in the Nipissing Census Division from mid-2015 to mid-2021. The initial data for post-pandemic return year of 2021-22 indicate a net increase of 2,000 NPRs, marking a significant demographic impact in North Bay.
- Paradoxically, increased work at home opportunities could also be contributing to higher-than-expected numbers moving out from North Bay as people who previously lived and worked in the City can now opt to live in surrounding rural areas while working at home.

This section summarizes the 2021 Statistics Canada Census results for the City and contrasts them to the three forecast scenarios prepared in the 2019 report.

A. 2021 CENSUS POPULATION RESULTS MORE IN LINE WITH 'HIGH' FORECAST SCENARIO

The 2021 population for North Bay was 54,430 (see Table 5). This represents an increase in the City's population since 2016 of approximately 1,130, or 2.1%. The number of households in the City also grew, by 870 or 3.8%.

Period	Population	Households
2016	53,300	22,600
2021	54,430	23,470
2016-2021 Growth	1,130	870
% Growth	2.1%	3.8%

Source: Statistics Canada, 2016 and 2021 Census of Canada

The 2021 Census population exceeds the reference scenario's forecasted 2021 population of 53,610 as well as the high scenario's projected population of 54,140 (see Table 6). As well as being relatively rapid growth, this is the first time North Bay has grown in population across a 5-year Census period since 2001-2006.

	2021 Forecast	2021 Actual	Difference
Reference Scenario	53,610	54,430	820
Low Scenario	53,290	54,430	1,140
High Scenario	54,140	54,430	290

Similarly, the 2021 Census reported number of households of 23,470 represents growth of about 870 households since 2016. This is a higher household growth than projected by the reference and high forecasts (200 households and 620 households respectively). The significant growth in households largely reflects the high population growth. It does not, however, imply a marked difference in the pattern of declining average household size and corresponding rise in the number of single person households and households with no children anticipated by the 2019 forecasts (see Table 7).

When comparing the 2021 housing mix to the 2019 forecasts, it is evident that most housing unit growth has been among higher density unit types, mainly apartments. The 7,810 apartment units in 2021 exceeded the 7,510 units forecast under the reference scenario, as well as the 7,580 units forecast in the high scenario (see Table 8). Historically, the demand for such units in North Bay has been driven by older single-person households and, to a lesser extent, young people seeking affordable first footholds in the property market.

TABLE 7: CITY OF NORTH BAY 2021 HOUSING FORECAST VS. ACTUAL

Type	Reference Forecast	2021 Actual	Difference
Singles/Semis	13,670	13,650	-20
Rowhouses	1,840	2,030	190
Apartments	7,470	7,810	340
Total	22,940	23,470	530

Source: Statistics Canada, 2021 Census of Population; Hemson Consulting Ltd.

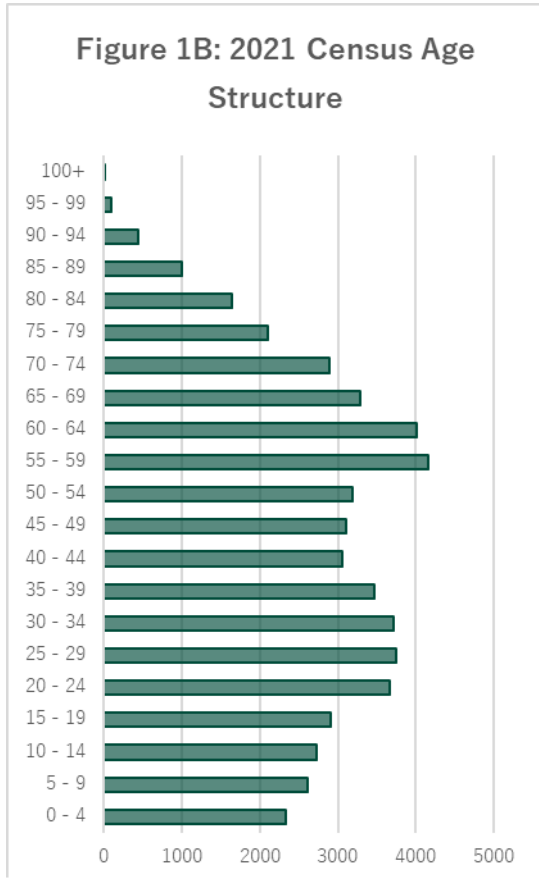
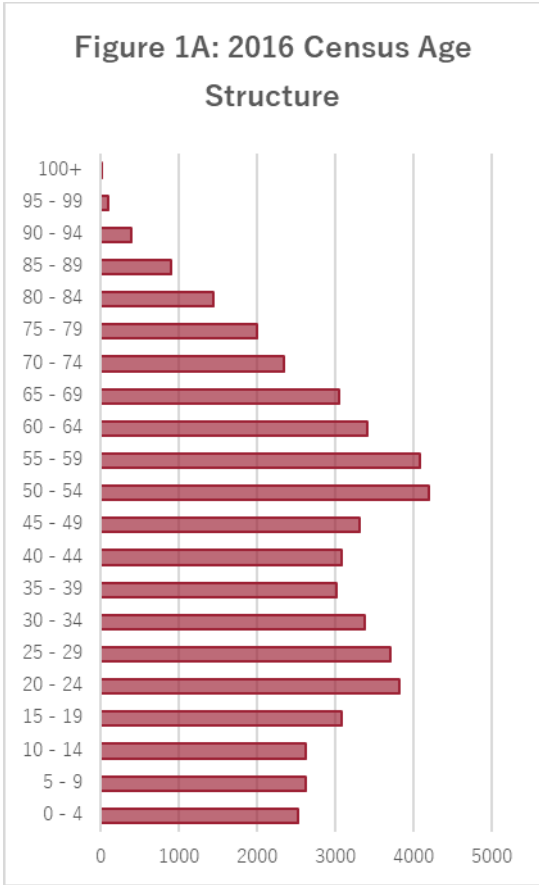
TABLE 8: CITY OF NORTH BAY HOUSING BY TYPE (2006-2021)

Year	Singles/Semis	Rowhouses	Apartments	Total Households
2006	13,020	1,865	7,705	22,590
2011	13,520	1,890	7,850	23,250
2016	13,420	1,790	7,420	22,630
2021	13,650	2,030	7,810	23,470

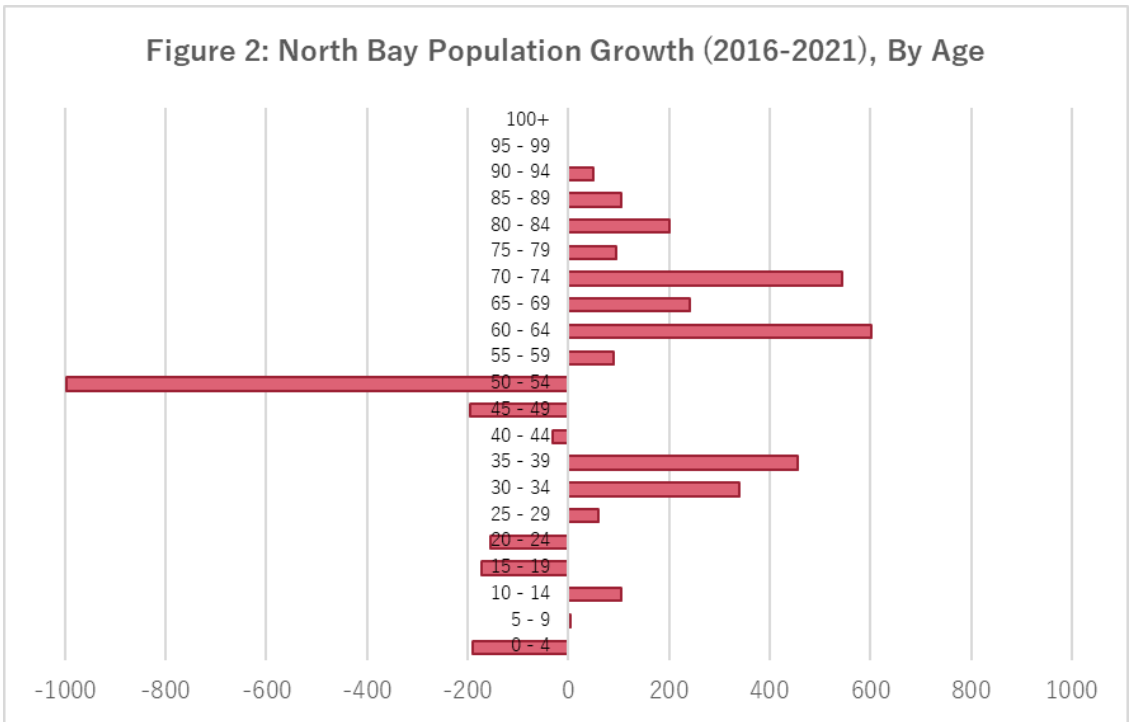
Source: Statistics Canada, 2006-2021 Census of Population

As forecast in 2019, the age structure in North Bay has grown older and “flatter” over the last five years with the aging of:

- the tail end of the Baby Boom cohorts out of their early 50s and into their 60s; the last of the baby boomers were born in 1964, turn 60 next year; and
- a relatively large young adult cohort out of their 20s and into their 30s, and through the age at which they mostly will have had a first children (see Figures 1A, 1B, and 2).



Source: Statistics Canada, 2016 Census of Population, 2021 Census of Population



Source: Statistics Canada, 2016 Census of Population, 2021 Census of Population



B. SOUTHERN AREAS OF NORTHERN ONTARIO HAVE GROWN RAPIDLY

Faster-than-anticipated population growth has not been uniform across Northern Ontario. There is a clear distinction between communities which have been affected by rapidly rising house prices and increased out-migration from the major urban centres of the Province and those whose real estate markets are much more self contained.

North Bay’s population growth of 2.2% between 2016 and 2021 was similar to that of Greater Sudbury (2.8%). The surrounding Nipissing District grew even faster, by 4.4% (or 3,670 people).

Conversely, communities further north experienced minimal or negative population growth; less than 1% growth in Thunder Bay, and population decline in Kenora, Sault Ste. Marie, and Timmins (see Table 9). These communities are unlikely to have many second homes owned by people in the Greater Toronto Area or Ottawa.

TABLE 9: COMPARATOR MUNICIPALITY GROWTH (2016-2021)

Community	2021 Population	2016-2021 Growth	% Growth
Nipissing District (CD)	86,940	3,670	4.4%
Greater Sudbury (CMA)	170,460	4,590	2.8%
North Bay (CY)	54,110	1,140	2.2%
Thunder Bay (CMA)	112,050	960	0.9%
Kenora (PC)	15,380	-130	-0.9%
Sault Ste. Marie (CA)	73,860	-1,350	-1.8%
Timmins (CA)	42,260	-660	-1.5%

C. MIGRATION PATTERNS LIKELY AFFECTED BY COVID AND POSSIBLY HOUSING AFFORDABILITY

Although the long-term economic and demographic implications of the pandemic are still uncertain, it is clear that the experience of COVID-19 has affected decisions about where to live and work that have outlasted province-wide lockdowns and business closures. That said, it remains to be seen how a “return to normal” has played out locally since the 2021 Census. Our general view is that municipalities should not assume that COVID-induced settlement patterns are a suitable basis for adjusting long-term growth forecasts and planning.

- In North Bay, the 2021 Census results show a continuation of a sharp uptick in net migration which started in 2016, i.e. well before the pandemic (Table 10). This uptick was reflected in the 2019 forecasts but accelerated in 2019 and 2020 (again, prior to the pandemic).

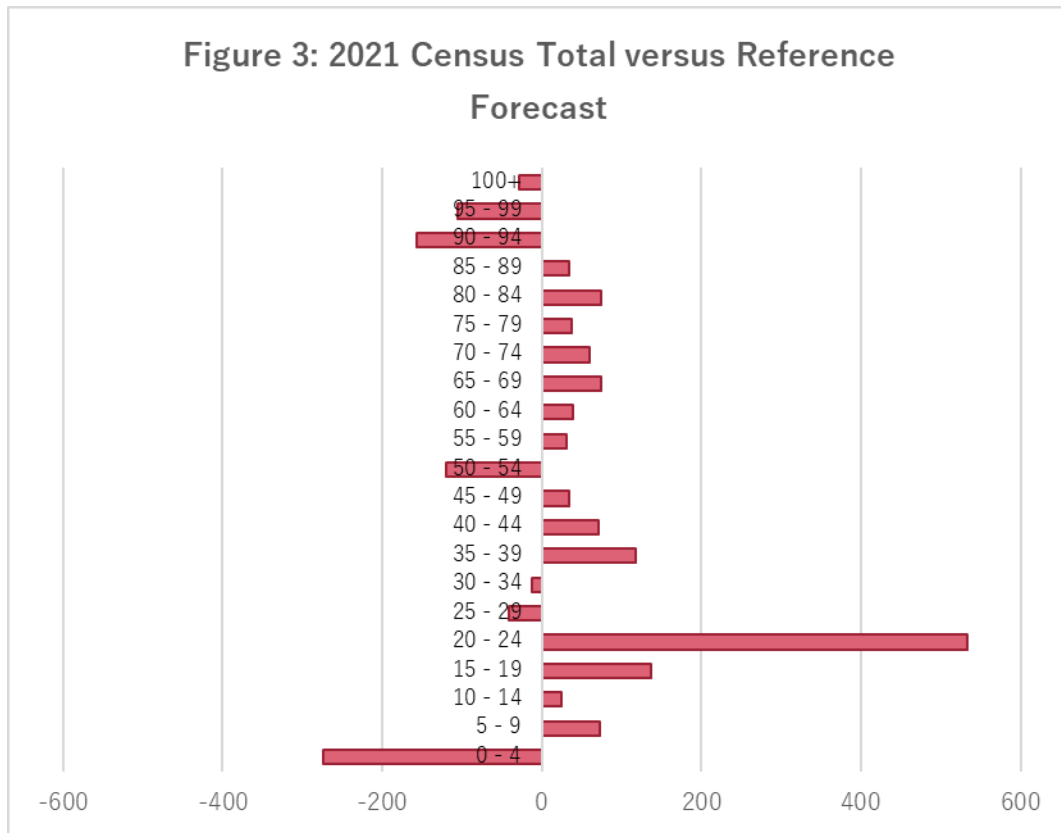
TABLE 10: NORTH BAY NET MIGRATION (2010-2020)

Year	Intra-Provincial Migration	Total Net Migration
2010	192	102
2011	115	-137
2012	-35	-241
2013	48	-151
2014	-11	-231
2015	-139	-322
2016	295	170
2017	401	326
2018	426	433
2019	635	577
2020	614	516

Source: Statistics Canada, 2021

- Most in-migration takes the form of movements of people to North Bay from other parts of the province (intra-provincial migration). There is a longstanding pattern of movement from rural areas of northern Ontario to the City.
- In evaluating whether more recent movements to the City are being driven by people moving northwards to seek more affordable housing, it is noted that the introduction of remote working arrangements during the pandemic opened up opportunities for workers in some sectors to relocate outside major urban centres. As well as less frequent commuting requirements, relocating to areas further from their usual place of work offered a greater choice of housing as prices tend to be lower the further one is from the centre of major cities. However, most recent housing growth in North Bay is not in the unit types sought after by younger households seeking “family style” affordable housing (i.e. single detached forms) (see Tables 7 and 8). This suggests that increased housing demand is being generated by other (older) age groups and, to a lesser extent, young adults.
- The slowdown of out-migration among young adults in North Bay is apparent in the Census data. As already described in the age structure of the migrants, this is clearly occurring in North Bay as Figure 3 demonstrates that the greatest discrepancy between the reference forecast and the actual 2021 Census population is in the 20-24 age group.

- It is also noted that the second largest discrepancy between the Census results and the reference scenario is in the 0-4 age range. The actual 2021 population in this age range was lower than forecast in 2019, suggesting a delay in having children by family households in North Bay that was unanticipated in 2019. Ontario’s crude birth rate declined gradually from 2008 through 2019, before plunging to a historic low in 2020, followed by a small recovery in 2021.



D. 2021 EMPLOYMENT WAS SIGNIFICANTLY AFFECTED BY COVID

The 2021 Census was conducted on May 11, 2021. On that day Ontario was under its third province-wide shutdown due to rapidly rising COVID-19 infections, which took the form of mandatory business and non-essential retail closures and, from April 19, the closure of schools to in-person classes. This situation had a significant effect on the way people reported their employment status on the Census forms. Of particular importance for the City’s employment forecasts was:

- the high number of respondents who correctly reported their status as unemployed, even if their work had only been temporarily suspended (e.g. people who worked in retail stores and restaurants); and
- the high number of respondents who correctly reported their status as employed, but working at home rather than at their usual place of work. The percentage of people working from home in North Bay rose from 3.2% in 2011, to 3.6% in 2016, to 15.1% in 2021.

Altogether, the total employment of the City was recorded as 27,600, which is 1,970 fewer jobs than anticipated by the Reference Scenario (see Table 11).

TABLE 11: CITY OF NORTH BAY, 2021 EMPLOYMENT FORECAST VS ACTUAL			
	2021 Forecast	2021 Actual	Difference
Reference Scenario	29,570	27,600	-1,970
Low Scenario	29,320	27,600	-1,720
High Scenario	29,820	27,600	-2,220

In order to assess the validity of the 2019 employment forecasts, a “screening out” of COVID-related impacts is required. These impacts are estimated by comparing how the reference forecast anticipated the distribution of employment by sector with the actual sectoral distribution of employment recorded by the Census. Removing the growth anticipated in each sector in 2019 from the actual sectoral distribution illustrates the “COVID-related impacts”. Table 12 accordingly shows that:

- About 80% of all COVID-related job losses can be attributed to sectors which were effectively shut down on Census day, including retail stores, hotels, motels and other accommodation facilities, restaurants and other food industries, and a range of public administration and administrative support services normally associated with office-type work.
- Some additional COVID-related job losses can be attributed to minor and temporary disruptions in other sectors of the local economy, for example the delay or cancellation of construction projects, or a slowdown in transportation activity due to less retail and wholesale trade.
- Many industries appear to have been relatively unaffected by the shutdown, including primary industries, manufacturing, education and professional services (which essentially continued online), and of course health care.

TABLE 12: COVID-RELATED IMPACT ON NORTH BAY EMPLOYMENT

Sector	2006	2011	2016	2021	2021 Ref. Forecast	COVID Impact
Primary	810	1,330	1,050	1,200	1,050	13%
Construction	1,600	2,120	1,650	1,850	1,660	10%
Manufacturing	1,920	1,250	1,290	1,250	1,300	-4%
Trade	5,330	6,060	4,850	4,250	4,870	-15%
Transportation & Warehousing	2,290	2,000	1,640	1,670	1,650	1%
Finance, Insurance & Real Estate	1,410	1,160	1,300	1,180	1,310	-10%
Professional Services	2,030	1,860	1,750	1,900	1,760	8%
Admin. Support & Other Services	3,200	2,840	2,560	2,040	2,570	-21%
Education & Health Care	6,940	8,370	7,890	7,940	7,920	0%
Arts & Rec.; Accom. & Food	2,600	2,600	2,720	1,930	2,730	-29%
Public Admin.	2,710	3,370	2,760	2,390	2,770	-14%
Total	30,840	32,960	29,460	27,600	29,590	-7%

A portion of the lower employment in the City of North Bay is the relatively large number of people who had commuted to jobs in the City from their place of residence outside the City before the pandemic. Among these commuters were people who were working from home on Census day and correctly recorded their place of work as “at home” for the reference period of the Census question. Some of the “job losses” in North Bay, and corresponding job gains in the surrounding area, reflected by this phenomenon are likely to be temporary as these workers start to return to the usual place of work, even under “hybrid” work models.

E. THE POST-PANDEMIC JOB SITUATION IN NORTH BAY

North Bay is the central city of a small metropolitan area defined by Statistics Canada as the North Bay Census Agglomeration (North Bay CA). The North Bay CA includes the City of North Bay plus East Ferris, Bonfield, Chisolm and “Nipissing Unorganized, North Part” within the District of Nipissing and Powasson, Callander and Nipissing Township in the District of Parry Sound. Though not within the North Bay CA, West Nipissing has also been included in this current analysis because of the large number of commuters into North Bay. The City of North Bay was about 61% of the 2021 Census population of 86,300 in the North Bay CA plus West Nipissing; and about 61% of the 2016 population of 84,900. Like many central cities in a larger urban area, employment is more concentrated in the City of North Bay, with 80% of the area’s 36,900 jobs in 2016 and 74% of 37,100 jobs in 2021.

The North Bay CA plus West Nipissing grew nominally in total employment from 2016 to 2021 by 250 jobs or 0.7%. In the portion of the North Bay CA plus West Nipissing that is outside of the City total employment grew from 7,400 to 9,510, adding 2,110 jobs over the five years. Importantly, 1,320 of the 2,110 jobs growth (62%) were work at home, precisely demonstrating much of the change in employment that is in every community is attributable not to any actual change in employment but rather the largely temporary change in location related to the pandemic lockdowns.

For selected Census Agglomerations in Canada, the Statistics Canada Labour Force Survey publishes annual labour force characteristics, much as it does monthly for the larger Census Metropolitan Areas. From 2021 to 2022 the Labour Force Survey indicates that the North Bay CA’s unemployment rate fell over the one year from 8.4% down to 4.2%. It also indicates total employment growth of 5.2% over the year meaning the North Bay CA plus West Nipissing may have gone over the 39,000 employment level in 2022 and the City of North Bay may now have exceeded the City’s 2016 employment level.

3. THERE IS NO NEED TO UPDATE LONG-TERM GROWTH FORECASTS

Based on the above analysis, the following observations can be made about the demographic and socio-economic conditions in the City:

- Coming out of the pandemic, the Federal government has substantially increased national immigration targets (to 465,000 people in 2023, 485,000 immigrants in 2024, and 500,000 immigrants in 2025). This will result in higher growth in metropolitan regions of Ontario which have long been areas where immigrants have settled (generally Toronto, Peel, York, and Ottawa). However, it is unlikely to affect the long-term growth prospects for North Bay as there is very little permanent net international migration to the City. However, many international students NPRs are given work visas that allow them to stay in Canada working for up to two years. During that two years NPRs are also given the opportunity apply for permanent residency and many do. This offers a significant demographic opportunity to North Bay. Insofar as the community of North Bay can convince some of these students to remain in the community after graduation and especially after receiving permanent residency, it would be very good for the long term demographics of North Bay.
- Most growth in North Bay will continue to be generated by intra-provincial migration—the movement to the City from rural areas in northern Ontario as well as from urban communities to the south. Over the long-term, the level of intra-provincial in-migration will largely be driven by the availability of jobs in the City rather than housing affordability concerns.
- In this respect, employment growth in the City appears to have occurred within the range anticipated by the three growth scenarios prepared in 2019. COVID-related impacts on the employment base that are reflected in low job figures in the 2021 Census have likely ended as indicated by the Labour Force Survey. The only evidence of a long-term disruption to the local economy is in data that suggests that some workers whose usual place of work was in the City pre-pandemic was transferred to their residence outside the City during the lockdowns. The degree to which these work-at-home arrangements remain a long-term feature of the economy is yet to be seen.
- The City's population has grown more rapidly than anticipated in 2019. Much of the unanticipated growth appears to have been among young adults, particularly people in their early 20s who have not left the city in the way that age group has done in the past.

In order for the City to continue to retain this age group over the long-term they will need to be able to secure qualifications and full-time employment in North Bay that allows them to form households, purchase homes, and have children. Some return to pre-pandemic levels of out-migration of this age group can be expected.

- The higher than anticipated growth in higher density housing, particularly apartments, cannot solely be explained by the demand for housing from this young adult age group. Instead, it is likely that, in keeping with trends seen across the Province, the pandemic accelerated the early downsizing of older Baby Boomers in North Bay and Nipissing to smaller housing units in the City as well as the movement of older, single person households from rural areas to the City to avail of closer amenities and health care services. However, these changes were anticipated by the 2019 forecasts, albeit at a slightly slower pace.

Drawing on these conclusions, it is recommended that:

- the City of North Bay does not need to adjust the population, household, and employment forecasts to 2046 set out by Hemson in its 2019 report;
- the City should consider adopting the high scenario forecasts until the medium and long-term impacts of the pandemic on employment and intra-provincial migration are better understood;
- the effects of the COVID-19 pandemic should be viewed as accelerating longstanding demographic trends and migration patterns that were already anticipated by the 2019 forecasts;
- while the long-term growth prospects of North Bay remain positive under the high scenario forecast, the effects of an aging population will continue to have the effect of slowing population growth after 2041; and
- as stated in the 2019 report, the above recommendations do not preclude the City from aiming to achieve higher levels of growth. The forecasts are designed primarily for use in informing planning for land use, infrastructure, and the long-term financial health of the City.