

THE EVOLVING ETHNIC LANDSCAPE IN CANADA: AN UNPRECEDENTED ROLE FOR DIVERSITY

The Canadian demographic fabric is undergoing a rapid transformation - an evolution underpinned by a rising multicultural population that is recalibrating the country's socio-economic dynamics. Historically, Canada has celebrated its diversity, painting itself as a multicultural mosaic, while ethnic consumers and newcomers have shaped a vibrant, inclusive economy. Recent statistical trends indicate that the significance of ethnic diversity in Canada has grown even more pronounced.

The visible minority population, a key segment of Canada's demographic structure, has grown significantly. Previously, one in five Canadians belonged to this group, which is comparable to the population size of Quebec. Today, the ratio is one in four, with projections suggesting that by 2041, it will rise to one in three.

The analogy to Quebec's population size, which has since grown, highlights that the ethnic population, like Quebec, possesses diverse cultures, religions, humour, buyer behaviour, media habits, and influencers.

Many articles have highlighted concerns about the increasing number of International Students and, more recently, the rising number of temporary foreign workers in Canada. These headlines are correct but this is a phenomenon that has grown only over the past two years. A return to the numbers of 2022 would bring greater rationality back into the system. Here are some numbers on a comparison basis:

In 2021, **406,020** Permanent Residents were entering the country. In 2023 that number was **471,550**. The goal this year is for 485,000 and next year 500,000. There is nothing wrong with those numbers.

When you look at International Students entering the country, however, the number has grown from **443,715** in 2021 to **684,385** in 2023. The actual number of international students in the country was **1,040,985**. A similar story can be told about foreign workers, whose numbers have grown from **436,630** in 2021 to **952,180** in 2023. It's also important to note that the growth in temporary foreign workers has not been, for the most part, in the traditional

areas of agriculture, fisheries, and hospitality. It has been in the International Mobility Program which brings highly skilled individuals into the country. That number has increased from **333,465** in 2021 to **767,695** in 2023. Both International Students as well as International Mobility Program are excellent candidates for Canadian Permanent Residents as they would bring great value to the country.

The immigration numbers need to change somewhat, but they aren't going away. The need for immigration in Canada continues to be pressing, predominantly driven by demographic necessities. The sustenance of various national benefits, including infrastructure, healthcare, and education, relies heavily on a working-age population contributing to the tax base. Presently the Canadian birth rate lingers around 1.33 children per family, significantly lower than the 2.1 required to maintain population stability. This significant disparity leaves immigration as the only viable solution to sustaining Canada's population. This challenge is compounded by an aging population that, while living longer—a positive trend—simultaneously increases the burden on healthcare and other services.

So if we look at the demographic population in Canada you will see that in many markets the visible minorities are no longer minorities. In fact, in 16 CMAs Visible Minorities are over 20% and over 50% in 15 Municipalities.

Traditional strategies that isolate mainstream markets before considering their relevance to multicultural audiences are no longer applicable. Instead, the escalating demographic figures suggest that multicultural consumers should be part and parcel of strategic planning. They require a seat at the table in every decision-making process. The demographic structure in Canada comprises of three overlapping circles: mainstream consumers, multicultural consumers, and newcomers. With each passing day, these circles continue to merge, gradually evolving into a single diverse entity. As ongoing integration compels corporations and brands to imbed multicultural perspectives into their core strategies rather than treating them as add-ons. There is wisdom in the statement “build it in” don't “bolt it on”.

Marc Pritchard, Chief Brand Officer of P&G, aptly articulates the demographic shift and implications on the marketing landscape. Observing similar trends in the United States, he said, “If you aren't doing multicultural marketing, you

aren't doing marketing". These words resonate powerfully in the Canadian context, reflecting the undeniable prominence and instrumental role that multicultural consumers play in shaping Canada's future.