



# Memorandum

<b>To</b>	Sukriti Agarwal, Manager, Policy Planning, Planning Services, City of Kingston
<b>From</b>	Jamie Cook, Managing Partner, Watson & Associates Economists Ltd.
<b>Date</b>	November 19, 2025
<b>Re:</b>	City of Kingston, Growth Monitoring and Tracking

Fax  Courier  Mail  Email

## 1. Introduction and Purpose

The City of Kingston recently retained Watson & Associates Economists Ltd. (Watson) in association with Dillon Consulting Ltd. and urbanMetrics to undertake a Growth Analysis and Urban Land Needs Assessment Study, hereafter referred to as the 2024 Kingston Growth Analysis Study. This study formed a foundational technical analysis to support the City’s new Official Plan (O.P.) with specific directions provided on long-term population, housing and employment forecasts, urban land needs and planning policy directions related to long-term growth management for the City.

Since the completion of the Kingston Growth Analysis Study, the following key changes related to Ontario land-use planning policy, macro-economics, demographics and housing have occurred:

- Updates to the Provincial policy framework with the adoption of the Provincial Planning Statement, 2024 (P.P.S., 2024) and proposed update to the Projection Methodology Guideline released in August, 2025;
- Federal immigration policy reductions;
- Increases to the Bank of Canada prime interest rate in response to persistently high national inflation following the economic recovery from COVID-19;
- Slowing macro-economic conditions and increased economic uncertainty, largely due to U.S. protectionist policies (i.e. tariffs); and
- A slowing national, provincial and regional housing market, particularly in the high-density condominium sector, due to the above changes in macro-economic and federal immigration conditions.

These key changes are reshaping current demographic and economic conditions across the Province of Ontario and have the potential to influence near- and longer-term

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population and employment growth rates for the City of Kingston and beyond. Accordingly, this memo provides a detailed review of recent population, housing and employment growth trends for the City of Kingston and the implications of these findings on the City of Kingston Growth Analysis Study.

## 2. Provincial Policy Context

### 2.1 Provincial Planning Statement 2024

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On August 20, 2024, the Province released a new P.P.S., which came into effect on October 20, 2024.<sup>[1]</sup> The P.P.S., 2024 was released in coordination with Bill 185, *Cutting Red Tape to Build More Homes Act*. The City of Kingston Growth Analysis Study was prepared under the purview of the P.P.S. 2020; however, the draft P.P.S., 2024 changes had been extensively reviewed and addressed. The forecast methodology in the study is consistent with and adheres to the P.P.S., 2024. Key P.P.S. policies when assessing long-term urban growth and urban land requirements related to the Growth Analysis and Urban Land Needs study are:

**Policy 2.1.1 of the P.P.S., 2024 notes that “planning authorities shall base population and employment growth forecasts on Ontario Population Projections published by the M.O.F. and may modify, as appropriate.”**

- Watson notes that M.O.F. projections are not meant to replace long-term population forecasting by municipalities, but rather to serve as a starting place in establishing forecasts and testing the reasonableness of alternative regional forecasts and area municipal growth allocations. The M.O.F. provides population projections at the Census Division (C.D.) level, and not by area-municipality (i.e. City of Kingston).<sup>[2]</sup>
- The City of Kingston Growth Analysis Study was undertaken under the review of the 2023 M.O.F. projections. The latest 2025 M.O.F. projections for Eastern Ontario are similar to those prepared in 2023, and are higher for the Frontenac C.D. This trend is somewhat unique to this area, as most sub-regions of Ontario have experienced a relative decrease in their long-term population growth outlook relative to the 2023 M.O.F. projections. Section 4 of this memo explores this issue in greater detail.

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<sup>[1]</sup> <https://ero.ontario.ca/notice/019-8462>.

<sup>[2]</sup> A C.D. typically represents upper-tier municipalities, including separated municipalities and large urban single-tier municipalities, as defined by Statistics Canada



**The P.P.S., 2024 provides a more flexible long-term planning time horizon with a minimum of 20 years and a maximum of 30 years. Policy 2.1.3 states, “Planning for infrastructure, public service facilities, strategic growth areas and Employment Areas may extend beyond this time horizon.”<sup>[1]</sup>**

- The City of Kingston urban land needs assessment was undertaken based on a 25-year planning horizon, whereas the P.P.S., 2024 allows for a longer-term planning horizon, which would extend beyond 2051. Using the longer planning period of 30 years for assessing urban land needs would increase the overall urban land need for the City.

## 2.2 Proposed Projection Methodology Guidelines

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On August 11, 2025, the province released a proposed Provincial Projection Methodology Guidance (P.M.G.) document to support the implementation of the P.P.S., 2024 with regard to carrying out long-range population and housing forecasts as well as land need assessments. The province is seeking comments on the P.M.G. document with the comment period recently ending on October 11, 2025. Once finalized, this P.M.G. document would replace the existing P.M.G. released in 1995.

Before the P.P.S., 2024 took effect, a separate Land Needs Assessment (L.N.A.) Methodology for the Greater Golden Horseshoe (G.G.H.) was used to implement the Growth Plan for the Greater Golden Horseshoe (A Place to Grow). Although this methodology was specifically designed for municipalities within the G.G.H., its core principles and approaches were widely considered best practices and were often broadly used by municipalities outside the G.G.H. in developing their land needs assessments. The proposed P.M.G. document includes elements that are very similar to that of the former L.N.A. for the G.G.H.

According to the Province, the P.M.G. is meant to support policy implementation but cannot add to or detract from the policies of P.P.S., 2024. In addition, the proposed guidance is not intended to address the location of new settlement areas, the location of expansions to settlement areas, the location of employment areas, or the suitability of whether a particular area of land should be included or removed from an Employment Area. These matters are to be addressed through other relevant policies.<sup>[2]</sup>

The following illustrates how the City of Kingston Growth Analysis Study approach is consistent with the Proposed P.M.G. components:

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<sup>[1]</sup> Provincial Planning Statement, 2024, policy 2.1.3, p. 6.

<sup>[2]</sup> ERO Posting Notice: <https://ero.ontario.ca/notice/025-0844/>



### **Proposed P.M.G. Chapters 1 and 2: Establishing Municipal Population Projections**

- Ontario M.O.F. Population Projections for Ontario, Eastern Ontario, and Frontenac C.D. were reviewed, in line with Chapter 1 of the Proposed P.M.G.
- Historical growth trends and forward-looking growth drivers were assessed, which is consistent with Chapter 2: Population Step 1. The assessment included, but was not limited to, a review of the following:
  - Historical Statistics Canada population, housing and employment data;
  - Local residential and non-residential building permit data;
  - Anticipated growth drivers including strong demand for employment growth in knowledge-based and export-related sectors, and outward growth pressure from the G.G.H. and Ottawa Economic Region; and
  - The City of Kingston population share of Eastern Ontario and Frontenac C.D. based on 2023 M.O.F. projections to 2046.
- The study utilized the cohort-survival forecast methodology to forecast the population by age. This is consistent with Chapter 2: Population Step 2.

### **Proposed P.M.G. Chapter 3: Developing Housing Needs Forecasts**

- A household headship rate analysis by age-cohort was undertaken to forecast future housing needs for the City, consistent with Chapter 3: Housing Step 1.
- The total housing forecast was identified by housing structure type based on broader and local market factors, such as building permit data, active development applications, demographic trends (i.e., net migration trends by age, aging of the overall population base) and trends in housing affordability. This conforms to Chapter 3: Housing Step 2.
- A detailed residential intensification supply analysis was undertaken which informed the housing intensification forecast for the City's built-up area (B.U.A.). This is consistent with the methodology in Chapter 3: Housing Step 3.

### **Proposed P.M.G. Chapter 4: Developing Employment Forecasts**

- The employment forecast was developed based on the activity rate method by employment sector as a base, reflecting Chapter 4: Employment Step 1.
- The forecast considered key macro-economic and regional growth trends. A comprehensive employment cluster analysis was undertaken for the City to assess growth potential in export-based sectors. Local municipal factors were reflected based on consultation with City planning and economic development staff. This is consistent with Chapter 3: Employment Step 2.
- The employment growth forecast was provided by land-use category, consistent with Chapter 3: Employment Step 3.
- An Employment Area intensification analysis was also undertaken.



## Proposed P.M.G. Chapter 5: Land Needs Assessment

- In Chapter 5 of the proposed P.M.G., Method 2 requires municipalities to assess multiple net densities by land use, based on standard industry and land use planning practices. Net land needs are then adjusted to account for gross land needs, which incorporates lands required for urban development such as local infrastructure, parkland and non-residential development in Community Areas.
- Utilizing this approach provides an outcome that generates details regarding lands required in planning for residential, general employment and Employment Areas. Within Community Areas, which include residential and general employment (commercial and institutional uses), forecast housing units are applied specific densities by housing type (i.e. low-, medium- and high-density). The City of Kingston Growth Analysis Study carried out this method in detail.

Upon reviewing the proposed P.M.G. document, **Watson has determined that the approach used for the City of Kingston Growth Analysis Study is consistent with its requirements.**

### 3. Overview of the Economic Outlook

Since the completion of the City of Kingston 2024 Growth Analysis Study, there have been notable changes in global macro-economic and geo-political conditions as well as national economic trends and immigration policy. These changes are generally acting as near-term economic headwinds to national, provincial and regional population and employment growth. Key macro issues and trends include:

#### Global

- On-going tensions, driven by current geo-political conflicts/wars primarily between Ukraine-Russia and Israel-Gaza/Iran.
- Continued global trade tensions largely associated with United States (U.S.) tariffs and protectionist measures.
- Rising government, corporate and consumer debt levels, combined with persistent global inflation.
- Largely as a result of the above issues, the Organization of Economic Co-operation (OECD) is predicting a softening in their global economic forecast for 2025 and 2026 in its latest report.<sup>[1]</sup>

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<sup>[1]</sup> OECD (2025), *OECD Economic Outlook, Interim Report September 2025: Finding the Right Balance in Uncertain Times*, OECD Publishing, Paris,



### National and Provincial

- The above-mentioned macro-economic geo-political issues have increased global economic uncertainty and volatility, raising recession risks in Canada and the U.S. through 2025 to 2026.
- BMO forecasts slower gross domestic product (G.D.P.) growth of 0.9% for Ontario and 1.2% for Canada in 2025, with modest improvement in 2026 before rebounding to 2.3% for Ontario and 2.2% for Canada in 2027 (refer to Appendix A herein).
- Added to these economic headwinds, the Canadian federal government announced reductions to non-permanent residents (N.P.R.) and new permanent residents in 2024, as detailed in section 4.2.
- Following a period of strong economic expansion, on-going economic disruptions and reductions to federal immigration are expected to downwardly impact short-term population, housing and employment growth in Canada, Ontario, and Kingston.

### Implications for the City of Kingston Population and Employment Growth Outlook

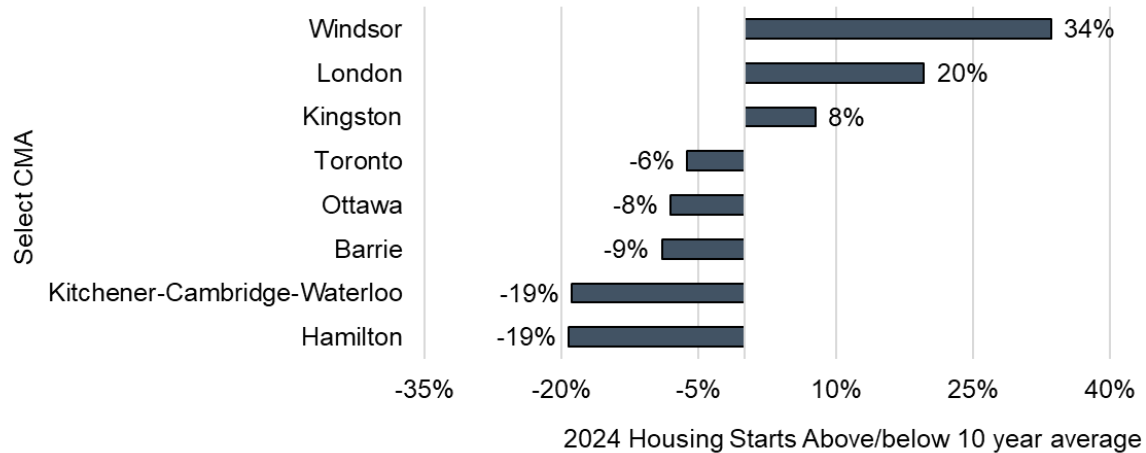
- Over short- to medium-term (i.e. typically 5-7 years), cyclical trends of economic expansion and contractions are a recognized pattern and foundational to the City's long-term growth forecast to 2051. In other words, it is reasonable to expect that near-term economic and demographic fluctuations which will deviate from economic and demographic forecasts which are intended to predict broader future growth trends as opposed to the timing of and magnitude of future economic cycles.
- Given the challenges to accurately predict such economic cycles, forecast population and employment growth rates are typically averaged in five-year periods, often aligning with Statistics Canada Census data releases.
- Upon our review, we have concluded that the City of Kingston near-term (i.e. five-year) and longer-term residential and non-residential growth forecast is tracking closely against the recent fluctuations in recent local economic, demographic and housing market conditions. This is further discussed in sections 4 and 5 of this memo.

Despite the near-term disruptions and challenges noted above, the longer-term economic and housing market outlook for Canada, Ontario and Kingston remains positive. Continued investment in infrastructure and technology, along with a strong labour market, will be key to driving economic growth and competitiveness. Strong and coordinated leadership across all levels of government will be increasingly important to navigate these complexities carefully in the coming months and years ahead.

Figure 3-1 illustrates that the Kingston Census Metropolitan Area (C.M.A.) continues to be a very competitive area within Ontario, with housing growth in 2024 above its historical 10-year average, while the Ottawa C.M.A. and select C.M.A.s in the G.G.H. are lagging behind their historical average growth.



Figure 3-1  
2024 Housing Starts by Select Ontario Census Metropolitan Area (C.M.A.)



Source: Derived from CMHC Starts and Completions Survey by Watson & Associates Economists Ltd.

## 4. Ministry of Finance Population Projections

### 4.1 Introduction

As previously noted in Section 2.1, herein, the P.P.S., 2024 requires municipalities to consider population and employment growth forecasts prepared using M.O.F. projections, with flexibility to modify them as appropriate.<sup>[1]</sup> The M.O.F. prepares three long-term population projection scenarios for the Province of Ontario: a low, reference, and high scenario. The medium (reference) scenario is then allocated by C.D. Again, the M.O.F. projections are not intended to replace long-term forecasting by municipalities, but serve as a starting point in establishing forecasts and testing the reasonableness of alternative regional forecasts and area municipal population and employment growth allocations.

The City of Kingston Growth Analysis Study reviewed the 2023 M.O.F. population projections, which were the most current at the time the study was undertaken. As of writing this memo, the 2025 M.O.F. projections are the latest population projections for Ontario, Eastern Ontario and Frontenac C.D.

<sup>[1]</sup> P.P.S., 2024, policy 2.1.1., p.6.



## 4.2 2025 M.O.F. Projections for the Province of Ontario

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The 2025 M.O.F. population projections have lowered the long-term population growth outlook for Ontario from 22.1 million to 20.5 million people, relative to the 2024 M.O.F. projections. This reduction is mainly due to the following:

- The federal government's decision to reduce the share of N.P.R. from 7.3% to 5.0% of the national population in early-2024.<sup>[1],[2]</sup>
- A reduction in federal immigration targets for new permanent residents announced in late 2024, lowering the 2025 and 2026 targets of 500,000 immigrants, respectively to 395,000 in 2025, 380,000 in 2026, and 365,000 in 2027.<sup>[3]</sup>

Despite these reductions, permanent immigration to Canada and Ontario is anticipated to remain strong, exceeding pre-pandemic averages between 2015 and 2019 (see Appendix A for additional details). It is important to note that the 2025 M.O.F. population projections result in 29% higher absolute annual population growth for Ontario over the 2025 to 2051 when compared to the annual level achieved between 2001 and 2021.

## 4.3 2025 M.O.F. Projections for Eastern Ontario and Frontenac C.D.

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Notwithstanding the current slowdown in the national and provincial economy, the long-term population outlook for the Province, Eastern Ontario, Kingston C.M.A. and the City of Kingston remains very positive in accordance with the most recent M.O.F. projections. Watson supports this long-term population outlook generated by the M.O.F. for Eastern Ontario, Kingston C.M.A. and the City of Kingston.

The City of Kingston's location within the fast-growing region of Eastern Ontario is a key factor in its future growth potential. This regional context and its importance to the City's future long-term population and employment growth outlook is discussed in detail in the City of Kingston Population, Housing and Employment Growth Analysis Study.<sup>[4]</sup>

As summarized below in Figure 4-1, the most recent 2025 M.O.F. population projections for Eastern Ontario remains strong. Key observations include:

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<sup>[1]</sup> N.P.R. share as of Q3 2024 derived from Statistics Canada Tables 17-10-0009-01 and 17-10-0121-01. There are 3,002,090 N.P.R. out of 41,288,599 residents in Canada.

<sup>[2]</sup> N.P.R. national population target of 5% from the Government of Canada 2025-2027 Immigration Levels Plan.

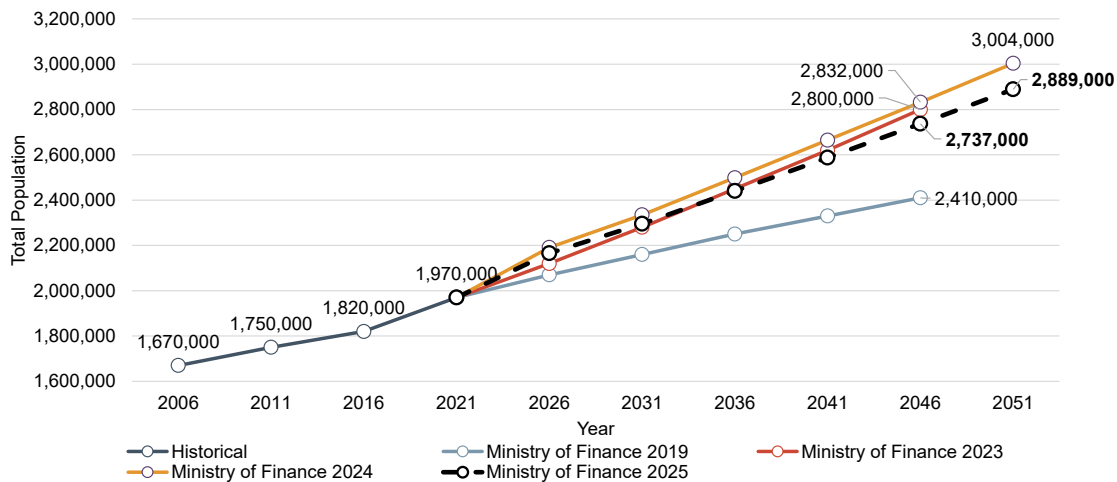
<sup>[3]</sup> The 2026 to 2028 Immigration Levels Plan was released in November 2025, targeting 380,000 new permanent residents from 2026 to 2028.

<sup>[4]</sup> City of Kingston Population, Housing and Employment Growth Analysis Study, Final Report, September 3, 2024, by Watson & Associates Economists Ltd.



- Under the 2025 M.O.F. population projections, Eastern Ontario is projected to grow at a 1.3% annual growth rate to 2051;
- The 2023 M.O.F. projections, which informed the Growth Analysis Study, had a comparable 1.4% annual growth rate to 2046;
- This reflects a modest 2% decrease from 2.89 million to 2.80 million people in 2046 between the 2023 and 2025 M.O.F. projections; and
- It should also be noted that since 2019 the M.O.F. projections, the annual population growth rate for Eastern Ontario has increased substantially from 0.8% to 1.3%.

Figure 4-1  
Eastern Ontario  
Ministry of Finance Population Projections, 2019 to 2025



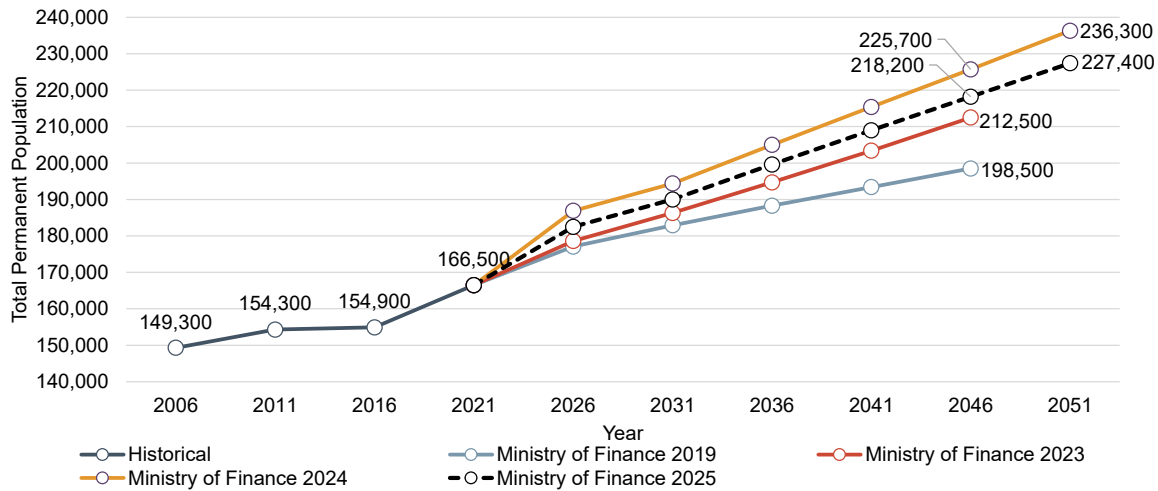
Note: Population includes net Census undercount. Figures have been rounded.  
Source: Historical derived from Statistics Canada Census, 2006 to 2021, and Ministry of Finance Projections from Summer 2019, Summer 2023, Fall 2024 and Summer 2025 releases, by Watson & Associates Economists Ltd.

Figure 4-2 illustrates the population projection for the Frontenac C.D., which includes the City of Kingston and Frontenac County. Key observations are as follows:

- The Frontenac C.D. population has greatly increased with M.O.F. projection releases from 2019 to 2024, with a moderate decrease in the 2025 release relative to the 2024 release;
- The growth outlook for the Frontenac C.D. continues to be steady, with the annual population growth rate increasing from 1.0% to 1.1% to 2046 between the 2023 to 2025 M.O.F. projections; and
- Comparatively, this reflects a 3% increase from 212,500 to 218,200 people in 2046 when comparing the 2023 and 2025 M.O.F. projections.



Figure 4-2  
Frontenac Census Division  
Ministry of Finance Population Projections



Note: Population includes net Census undercount. Figures have been rounded.  
Source: Historical derived from Statistics Canada Census, 2006 to 2021, and Ministry of Finance Projections from Summer 2019, Summer 2023, Fall 2024 and Summer 2025 releases, by Watson & Associates Economists Ltd.

The 2025 M.O.F. projections identify a 13% range in the 2051 population when comparing the Reference and High Scenarios for Ontario. A 2% decrease in Eastern Ontario’s 2046 population and 3% increase in Frontenac C.D. observed over the 2023 to 2025 M.O.F. projections is not considered a significant adjustment in the long-term growth outlook.

Comparatively, the Greater Toronto Hamilton Area (G.T.H.A), the G.G.H Outer-Ring and Southwestern Ontario experienced more notable reductions in their long-term population growth outlook of 15%, 8% and 5%, respectively. Figure 4-2 further illustrates that:

- Eastern Ontario’s population growth rate moderated slightly from 1.4% (2023 M.O.F.) to 1.3% (2025 M.O.F.) by 2046 and 2051;
- The annual population growth rate for the Frontenac C.D. increased from 1.0% (2023 M.O.F.) to 1.1% (2025 M.O.F.) by 2046 and remains consistent at 1.0%.by 2051; and
- The City of Kingston population is forecast to grow at a comparable annual growth rate to Eastern Ontario and the Frontenac C.D. at 1.3% to 2046 and 1.2% to 2051.



For long-range planning purposes, the 2025 M.O.F. projections for Eastern Ontario and Frontenac C.D. are consistent with the 2023 M.O.F. projections used to support the City of Kingston 2024 Growth Analysis Study. The City’s annual population growth rates to 2051 align with broader regional trends and do not warrant a re-examination of the long-term population forecast at this time.

Figure 4-3  
M.O.F. Growth Rate Summary

Source	2021-2046	2021-2051
<b>Eastern Ontario</b>		
2023 M.O.F. Population Projections.	1.4%	-
2025 M.O.F. Population Projections	1.3%	1.3%
<b>Frontenac C.D.</b>		
2023 M.O.F. Population Projections	1.0%	-
2025 M.O.F. Population Projections	1.1%	1.0%
<b>City of Kingston</b>		
Growth Analysis and Land Needs Study (2024)	1.3%	1.2 %

Source: Derived from Ontario Ministry of Finance projections from Summer 2023 and Summer 2025, and City of Kingston Growth Analysis and Land Needs Study, by Watson & Associates Economists Ltd.

## 5. City of Kingston Growth Trends and Tracking

### 5.1 Recent Population Trends for the City of Kingston

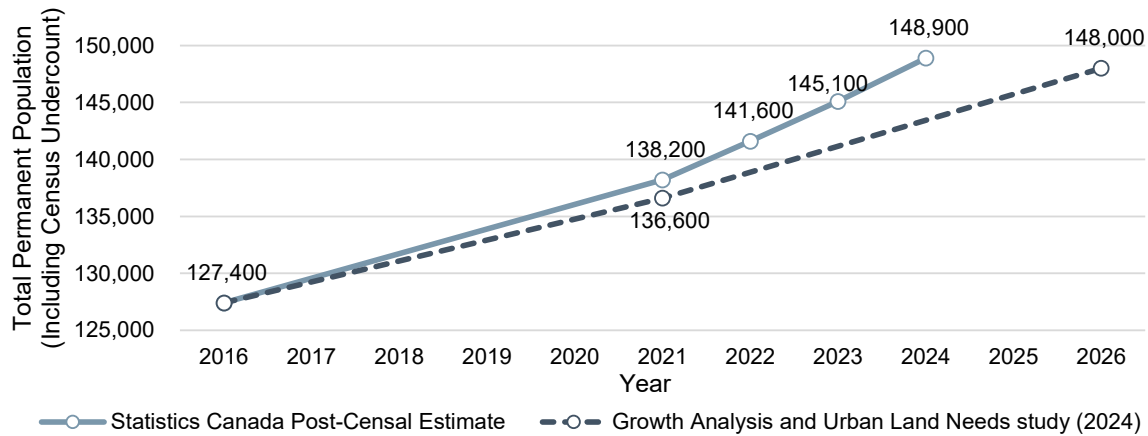
Figure 5-1 presents Statistics Canada’s postcensal population estimates for the City of Kingston alongside the near-term population forecast generated from the City’s 2024 Growth Analysis Study. Key findings include:

- The 2024 Growth Analysis Study forecasts Kingston’s population to grow at a rate of 1.6% annually from 2021 to 2026, reaching 148,000 by 2026;
- The most recent postcensal estimate for Kingston is 148,900 people in 2024, reflecting an annual growth rate of 2.5% from 2021 to 2024;
- Postcensal population growth has been driven by increases in N.P.R. and continued strong growth from interprovincial and permanent international net-migration (see Appendix A for further details);
- Accordingly, the 2024 City of Kingston Growth Analysis Study near-term population forecast is tracking slightly below the population estimates identified through the most recent Statistics Canada postcensal estimates; and
- It is acknowledged that provincial migration data shows a decline in N.P.R. growth in 2025, which will likely have a moderating impact on Kingston’s population by 2026. While short-term fluctuations are expected, the 2026



population forecast developed under 2024 the Growth Analysis Study remains appropriate.

Figure 5-1  
City of Kingston  
Permanent Population Comparison, 2001 to 2024



Source: Historical derived from Statistics Canada Census data, Growth Analysis and Urban Land Needs Study (2024) by Watson & Associates Economists Ltd., and postcensal estimate adapted from Statistics Canada Table 17-10-0155-01.

## 5.2 City of Kingston Housing Forecast Tracking

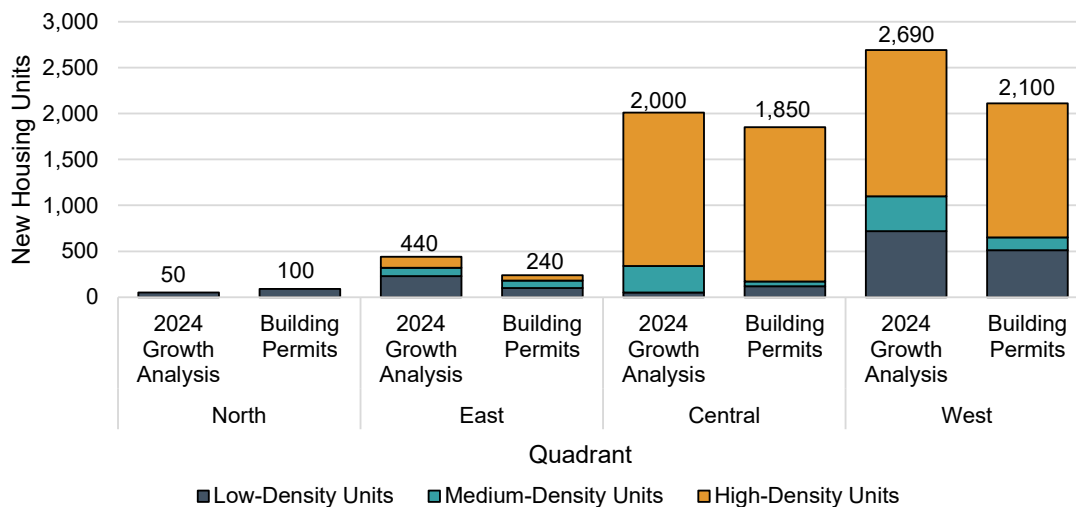
Figure 5-2 illustrates how the 2024 Growth Analysis Study housing forecast is tracking to residential building permit activity from 2021 to 2026. Key observations are as follows:

- The City of Kingston Growth Analysis Study forecasts 5,180 new housing units from 2021 to 2026, compared to 4,290 new dwelling units which have been issued from building permits between 2021 and August 2025 year-to-date (Y.T.D.). This indicates that the near-term housing forecast is tracking closely with housing growth achieved over the most recent five-year period, as measured against recent residential building permit activity.
- A housing unit mix of 20% low-density, 15% medium-density and 65% high-density units was forecast from 2021 to 2026 in the 2024 Growth Analysis Study. Building permit data between 2021 and August 2025 Y.T.D. shows a similar mix of 20% low-density, 6% medium-density and 75% high-density units.
- Housing growth from building permits by sub-area is also tracking closely to the forecast developed under the 2024 Growth Analysis Study. Kingston Central, which largely comprises the B.U.A., was forecast to accommodate



39% of City-wide housing growth from 2021 to 2026. Comparatively, this area captured 43% from building permit activity during a similar time period. The majority of growth has occurred in the combined Kingston East and West area, representing 55% of City-wide residential building permit activity (new dwellings only) over the past five-years. This trend is also very comparable with the results of the 2024 Growth Analysis Study.

Figure 5-2  
City of Kingston  
Growth Analysis Housing Forecast Tracking  
Growth Analysis (2021 to 2026) vs Building Permits (2021 to August 2025)



Source: Building permit data from 2021 to August 2025 provided by the City of Kingston. Housing forecast from City of Kingston 2024 Growth Analysis and Urban Land Needs Study by Watson & Associates Economists.

### 5.3 City of Kingston Post-Secondary Enrollment Trends

As previously noted, the federal government’s cap and reduction on international student permits announced in 2024 has affected post-secondary enrollment across Ontario. While these changes have reduced near-term enrollment levels associated with international students, these changes are not expected to have a material change on Kingston’s long-term enrollment outlook to 2051 for the following reasons:

- Queens University hosted 3,380 international students in the 2024-2025 academic year, this is a 14% decline over two years. Despite this, the university received a record 58,000 applications for approximately 5,000 first-year spots in Fall 2024, with the number of incoming students increasing over the prior year. This illustrates that demand to study at Queen's University



continues to be strong, notwithstanding the cap on international student permits.<sup>[1]</sup>

- St. Lawrence College suspended 36 programs (a 40% reduction in programming) in 2025 across its Kingston, Cornwall and Brockville campuses due to the international student cap, with no further suspensions planned. In response to this, the college is reimagining itself and designing new courses and programs to align with local and regional workforce needs.<sup>[2]</sup>
- Over the long-term planning horizon, physical land constraints may limit campus expansion potential, while enrollment demand is expected to increase as the national, provincial, regional and local population grows.
- Kingston's post-secondary institutions are well established and short-term enrollment variations are not expected to materially affect long-term enrollment projections to 2051.
- It is important to note that the majority of new off-campus students will live in apartments near campuses within the B.U.A., which does not affect the urban land needs identified in the Kingston Growth Analysis Study.

#### 5.4 City of Kingston Housing Market Trends

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The macro-economic headwinds identified in section 3 have introduced challenges in the national, provincial and regional housing market in recent years across all housing product types, most notably in the high-density housing market. Higher development costs driven by persistent inflation, on-going economic uncertainty due to U.S/Canada and global tariffs disputes, and higher financing costs associated with relatively higher mortgage rates (albeit lower than the 2023/2024 peak), has generally had a negative impact on housing demand for most regions across Canada since March 2022.

As previously discussed, the 2024 Kingston Growth Analysis Study recognizes that fluctuations occur in shorter-term economic cycles, however, a key focus of the City's O.P. is on the long-term growth outlook to comprehensively assess the City's needs associated with housing, urban land, infrastructure and municipal services over the next several decades. Notwithstanding the current slowdown in the current housing market, it is anticipated that the City will continue to experience strong demand for a range of new housing options by dwelling type and tenure over the medium- to long-term planning horizon (i.e. next 3 to 30 years), driven by demands from the following key demographic groups:

##### Grade-Related Housing Options

- Ownership and rental housing driven by steady forecast net migration associated with new families; and

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<sup>[1]</sup> International student enrolment on a steady decline, 2024-25 report reveals. Queens Journal, Feb 7, 2025, Lauren Nicol.

<sup>[2]</sup> St. Lawrence College explains reimagining of Campus. Kingston Daily. July 16, 2025.



- “Move-up” buyers, including existing Kingston adult residents and newcomers to the City.

### High-Density Housing Options

- Attainable and affordable home ownership and rental high-density housing types, driven by steady forecast net migration of young adults (including students); and
- High-density market rental and condominium housing driven by population growth associated with empty-nesters and seniors’ (including both existing residents and newcomers).

It is noted that the City of Kingston is actively supporting high-density development through incentives. The 2024 Rental Housing Community Improvement Plan (2024) and T.I.E.G. program focuses on increasing the supply of purpose-built rentals. To date, there have been 13 applications with 1,862 rental units, including 95 affordable units, which must pull full building permits by December 31, 2026.

## **5.5 City of Kingston Non-Residential Growth Tracking**

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Similar to the residential market, the macro-economic headwinds identified in Section 3 have created challenges for non-residential development in recent years. This is due to slowing macro-economic conditions and increased economic uncertainty, as previously discussed. Again, it is important to stress that fluctuations occur within short-term economic cycles (i.e. about five to seven years on average) and the long-term growth outlook in the 2024 Kingston Growth Analysis Study recognizes this.

Figure 5-3 illustrates how the industrial, commercial and institutional (I.C.I.) employment forecast developed under the 2024 Growth Analysis Study is tracking to jobs estimated from non-residential building permit activity from 2022 to mid-2025 (assuming a 18-month lag between building permit issuance and building occupancy). Key observations include:

- The 2024 Growth Analysis Study forecasts the City to grow by 5,200 jobs over the three and a half year period. Comparatively, 2,700 jobs have been estimated from recent building permit activity. This indicates that roughly just over half of the near-term I.C.I. forecast has been realized through new construction. Estimated industrial job growth through new construction is tracking closest (68% achieved) to the near-term employment forecast prepared under the 2024 Growth Analysis Study, followed by commercial jobs (49%) and institutional jobs (44%).
- There are also 700 jobs estimated from submitted non-residential development applications since 2024, which have not had a building permit issued yet.



Figure 5-3  
City of Kingston  
Growth Analysis Non-Residential Growth Tracking

Source	Industrial	Commercial	Institutional	Total
Building Permits (2022 to July 2025 Y.T.D.)	920	840	920	2,680
Growth Analysis Study (2024)	1,360	1,720	2,110	5,190
<b>Percent Achieved</b>	<b>68%</b>	<b>49%</b>	<b>44%</b>	<b>52%</b>
2024 to July 2025 Y.T.D. Submitted Applications with No Building Permits Pulled	480	180	20	680
<b>Total Permits and Submitted Applications</b>	<b>1,400</b>	<b>1,020</b>	<b>940</b>	<b>3,360</b>

Note: Job growth estimated based on gross floor area from non-residential building permit data, and 1.5 years between permit issuance and job creation.

Source: Derived from City of Kingston building permit data and City of Kingston Housing City of Kingston 2023 Growth Analysis by Watson & Associates Economists.

It is important to note that recent non-residential building permit activity provides one approach to track anticipated trends in local employment, however, this approach can not account for changes (expansions or contractions) in the existing employment base which are not associated with non-residential construction (i.e. new construction or additions/improvements). For this reason, it is also important to address the broader labour force trends within the Kingston C.M.A., as shown in Figure 5-4. The key observations related to the labour force are:

- The City of Kingston 2016 employment base comprised 93% of the Kingston C.M.A. employed labour force.<sup>[1]</sup> As of late-2025, the 2024 Growth Analysis Study estimates that the City of Kingston near-term employment forecast represents a 91% share of the actual employed Kingston C.M.A. labour force.
- The 2024 Growth Analysis Study forecast a 14% employment increase from 2016 to late-2025 for the City of Kingston and Kingston C.M.A., and the employed labour force data for the Kingston C.M.A. increased by 17% from 2016 to September 2025.
- The Kingston C.M.A. employed labour force has increased by nearly 13,300 people from 2016 to September 2025, to a total of 93,700.<sup>[2]</sup> If a consistent ratio of jobs in the City to the C.M.A. employed labour force is applied (93% in 2016), this would result in approximately 87,200 jobs in September 2025 within the City. The Kingston Growth Analysis Study forecast a total of 84,900

<sup>[1]</sup> It is important to note the distinction between the employed labour force and employment metrics. The employed labour force refers to the population who work jobs located inside the specified geographic area and also outside it in the broader regional commuter-shed. When referring to employment, this reflects jobs located within the specified geographic area, and includes residents that live and work within it in addition to people who live outside it and commute into it for work.

<sup>[2]</sup> September 2025 employed labour force from Statistics Canada Table 14-10-1459-01.



jobs by late-2025, which is 3% lower relative to the September 2025 estimate based on the C.M.A. employed labour force.

- This illustrates that the Kingston C.M.A. employed labour force is tracking higher than the City of Kingston Growth Analysis Study near-term employment forecast as of late-2025.
- The City of Kingston 2024 Employment Area Lands Review Report identified long-term drivers of future employment growth, which remain relevant to the City of Kingston and broader regional area.
- For these reasons above, it is our opinion that the near-term and longer-term employment forecast for the City of Kingston remains appropriate.

Figure 5-4  
City of Kingston and Kingston C.M.A.  
Employment and Labour Force Growth Tracking

Source	2016	Late 2025	2016 to Late 2025		
			Total	% Increase	Rate
Kingston C.M.A. Employed Labour Force	80,400	93,700	12,300	17%	1.6%
City of Kingston - Growth Analysis Study (2024) Total Jobs	74,800	84,900	10,100	14%	1.3%
<b>City of Kingston Share of C.M.A.</b>	<b>93%</b>	<b>91%</b>	<b>76%</b>	<b>82%</b>	<b>83%</b>

Note: Figures have been rounded.

Source: Kingston C.M.A. employed labour force derived from Statistics Canada Tables 14-10-0461-01 and 2024 City of Kingston Growth Analysis Study by Watson & Associates Economists Ltd.

## 6. Conclusions

Our key conclusions regarding the near- and longer-term population, housing and employment growth forecast for the City of Kingston are as follows:

### Population and Housing

- The City of Kingston Growth Analysis Study near-term population forecast is tracking slightly lower than the 2024 Statistics Canada postcensal estimates.
- The City's near-term housing forecast (2021 to 2026) by sub-area is tracking closely to actual new housing development activity from observed residential building permits (new units only).
- The combination of lower immigration targets and disruptions to the Canadian economy largely associated with U.S. protectionist policies introduced in early 2025 have slowed economic activity and anticipated population growth over the next few years. As a result, it is our opinion that higher near-term population growth for the City (as confirmed by the 2024 Statistics Canada postcensal population estimate) will moderate and fall closer in-line with the City's 2024 Growth Analysis Study near-term population forecast for 2026.



- The 2024 Kingston Growth Analysis Study recognizes that fluctuations occur in shorter-term economic cycles. A key focus of the City's O.P. is on the long-term growth outlook to comprehensively assess the City's needs associated with housing, urban land, infrastructure and municipal services over the next several decades.
- For long-range planning purposes, the 2025 M.O.F. projections for Eastern Ontario and Frontenac C.D. are consistent with the 2023 M.O.F. projections used to support the City of Kingston 2024 Growth Analysis Study.
- The 2024 Growth Analysis Study forecasts the City's population to grow at an annual growth rate of 1.2% to 2051, which is consistent with the 2025 M.O.F. projections growth rates of 1.3% for Eastern Ontario and 1.0% for Frontenac C.D.
- The City's annual population growth rates to 2051 align with broader regional trends and do not warrant a re-examination of the long-term population forecast at this time. It is recommended that the City continue to monitor the population and housing forecast on a regular basis.

### Employment

- The Kingston C.M.A. employed labour force has increased by nearly 13,300 people from 2016 to September 2025, to a total of 93,700.<sup>[1]</sup> If a consistent ratio of jobs in the City to the C.M.A. employed labour force is applied (93% in 2016), this would result in approximately 87,200 jobs in September 2025 within the City. The Kingston Growth Analysis Study forecast a total of 84,900 jobs by late-2025, which is 3% lower relative to the September 2025 estimate based on the C.M.A. employed labour force.
- The City of Kingston 2024 Employment Area Lands Review Report identified long-term drivers of future employment growth, which remain relevant to the City of Kingston and broader regional area.
- For these reasons above, it is our opinion that the near-term and longer-term employment forecast for the City of Kingston remains appropriate.

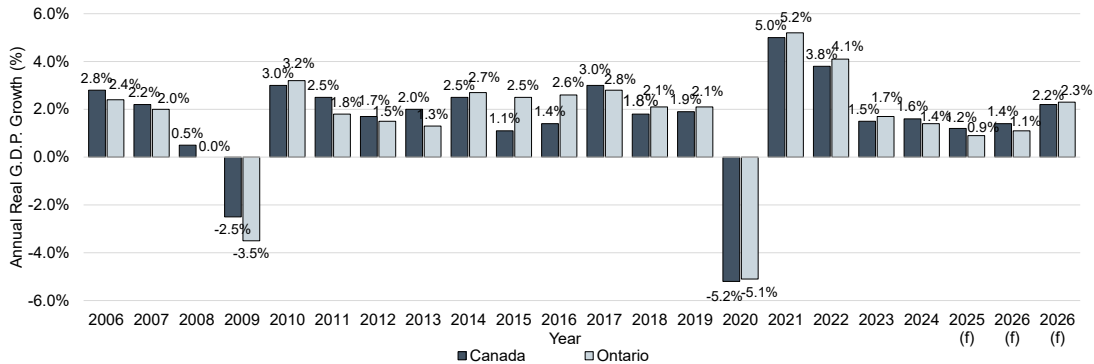
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<sup>[1]</sup> September 2025 employed labour force from Statistics Canada Table 14-10-1459-01.



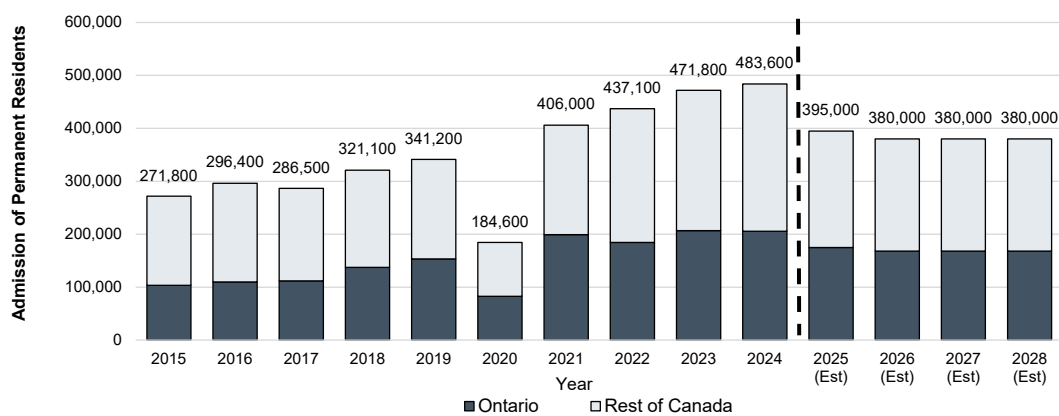
# APPENDIX: A

Figure A-1  
Province of Ontario and Canada  
Annual Real Gross Domestic Product (G.D.P.) Growth, Historical (2006 to 2024),  
and Forecast (2025 to 2027)



Note: The years 2025 to 2027 are forecasts by BMO Capital Markets Economics.  
Source: Derived from BMO Capital Markets Economics, Provincial Economic Outlook, October 14, 2025, by Watson & Associates Economists Ltd.

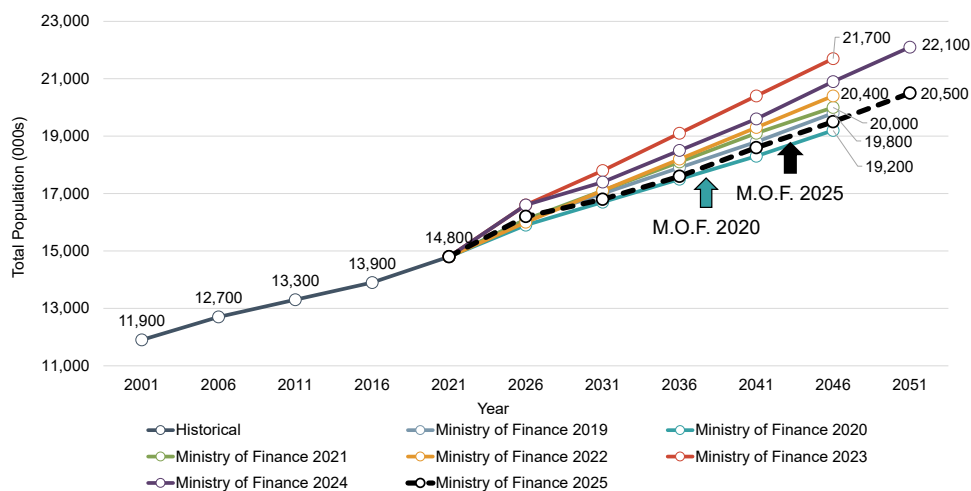
Figure A-2  
Admission of Permanent Residents in Ontario and Canada, Historical (2015 to 2024)  
and Forecast (2025 to 2028)



Note: Figures have been rounded and may not add precisely.  
Source: 2015 to 2024 derived from Immigration, Refugees, and Citizenship Canada (I.R.C.C.) April 22, 2025, data. 2025 target from the Government of Canada's Immigration Levels Plan for 2025 to 2027, and 2026 to 2028 target from the Government of Canada's Immigration Levels Plan for 2026 to 2028, the Ontario target estimated based on the historical share of 44% of the Canadian Permanent Residents Admissions from 2018 to 2024, by Watson & Associates Economists Ltd.

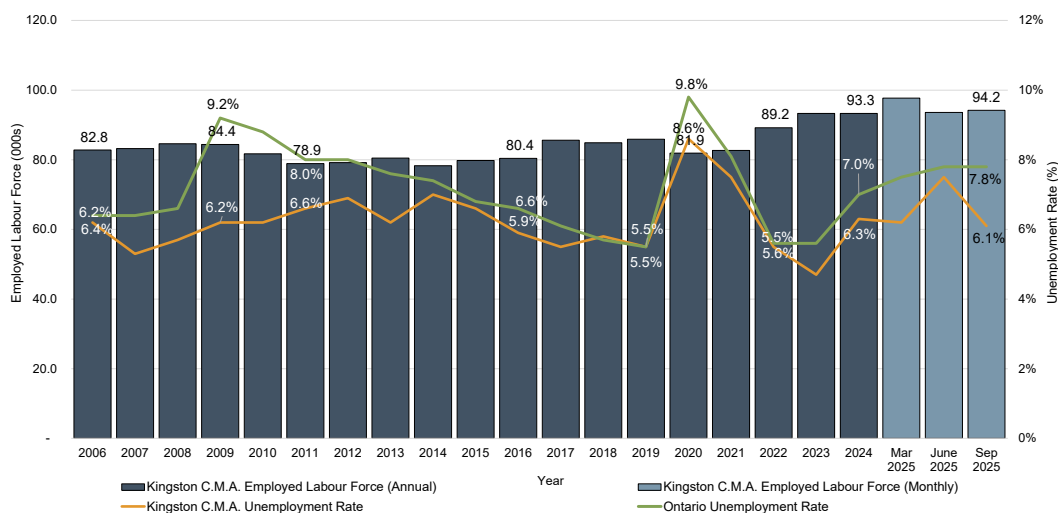


Figure A-3  
Province of Ontario  
Ministry of Finance Population Projections, 2019 to 2025



Source: Statistics Canada Census 2001 to 2021. Ontario Ministry of Finance Population Projections, 2019 to 2025, summarized by Watson & Associates Economists Ltd.

Figure A-4  
Kingston C.M.A. Labour Force Trends, 2006 to Year-to-Date 2025



Note: Statistics Canada Labour Force Survey and Census labour force statistics may differ. Source: Kingston C.M.A. employed labour force and unemployment rate from Statistics Canada Table 14-10-0459-01, Table 14-10-0385-01, and Table 14-10-0096-01. Province of Ontario unemployment rate from Statistics Canada, Table 14-10-0327-01. Derived by Watson & Associates Economists Ltd.



## APPENDIX: B

Figure B-1  
City of Kingston  
Housing Units from Residential Building Permits, 2021 to August 2025 Year-to-Date

Quadrant	Source	Low-Density Units	Medium-Density Units	High-Density Units	Total
North	2024 Growth Analysis and Urban Land Needs Study	50	0	0	50
	Building Permits	100	0	10	100
	<b>Difference</b>	<b>50</b>	<b>0</b>	<b>10</b>	<b>50</b>
East	2024 Growth Analysis and Urban Land Needs Study	230	90	120	440
	Building Permits	110	90	100	300
	<b>Difference</b>	<b>-120</b>	<b>0</b>	<b>-20</b>	<b>-140</b>
Central	2024 Growth Analysis and Urban Land Needs Study	50	290	1,670	2,000
	Building Permits	140	50	1,720	1,900
	<b>Difference</b>	<b>90</b>	<b>-240</b>	<b>50</b>	<b>-100</b>
West	2024 Growth Analysis and Urban Land Needs Study	720	380	1,590	2,690
	Building Permits	550	150	1,510	2,200
	<b>Difference</b>	<b>-170</b>	<b>-230</b>	<b>-80</b>	<b>-490</b>
Total	2024 Growth Analysis and Urban Land Needs Study	1,050	760	3,380	5,180
	Building Permits	900	290	3,340	4,500
	<b>Difference</b>	<b>-150</b>	<b>-470</b>	<b>-40</b>	<b>-680</b>

Source: Derived from City of Kingston building permit data (2021 to 2024, and full year for 2025 estimated based on August 2025 Y.T.D. data). 2024 Growth Analysis and Urban Land Needs Study by Watson & Associates Economists Ltd.