

Superforecasting Project: How Many Residents of India Will Enter Canada in 2025?

Introduction

Predicting migration trends is both an art and a science. For this project, I've chosen to forecast the number of Indian residents who will enter Canada in 2025. This question is pivotal due to the large volume of Indian immigrants contributing to Canada's economy and society. For Indians, Canada is a dream destination. Every year, lakhs of Indians look to migrate to the North American country because it promises better education, lifestyle, free healthcare and a social safety net.

It also reflects the complexities of global migration policies, international relations, and demographic trends. By applying forecasting principles, I aim to make a reasoned estimate, relying on statistical evidence, geopolitical insights, and structured critical thinking.

Setting the Bayesian Prior

The Bayesian Prior is my starting point, derived from historical immigration data:

1. **Historical Trends:** Over the past decade, Canada has witnessed a steady rise in immigration from India. For example:

Primary Residents:

- Indian Immigration To Canada Has approximately risen by a humongous **300%** since 2013. According to the National Foundation for American Policy (NFAP) analysis of Immigration, Refugees and Citizenship Canada data, **32,828** Indian residents became Permanent Residents in Canada in 2013. That number quickly rose to **118,095** in 2022. By 2023, this number had grown to **139,785**, accounting for 30% of Canada's permanent residents.
- In the year 2021, 2022 and 2023, Canada admitted approximately **1,309,500** new permanent residents in the span of those three years, averaging about **436,517** per year.

Temporary Residents:

- Canada has been the most popular destination for Indian students. In 2022, **319,930** students headed there for their education. The following year, In 2023, **427,085** students headed to Canada for their education. Over 40% of international permits issued in both the cases went to Indian nationals.
2. **Initial Estimate:** Based on historical proportions ranging from 30% to 40%, I estimate **530,000 to 550,000 Indian entrants (Permanent + Temporary Residents)** will enter Canada in 2025.
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Bayesian Question Clustering

Here I attempt to break our primary challenge into smaller and more manageable components that will help us to get a better understanding of the forecast. The key influencing factors are mentioned below:

1. **Immigration Policies**

The Trudeau government has introduced reductions in the number of both permanent and temporary residents entering Canada over the next 3 years, Which is expected to result in a marginal population decline of 0.2% in both 2025 and 2026, before returning to a population growth of 0.8% in 2027.

- The government reduced the target for permanent residents from 500,000 to **395,000** in 2025, further reducing it to **380,000** in 2026, with a goal of 365,000 permanent residents set for 2027.

- The Government reduced the target of temporary resident volumes to 5% of Canada's population by the end of 2026. The arrival targets for temporary residents in the 2025-2027 plan are set at **673,650** in 2025; **516,600** in 2026; and **543,600** in 2027.

2. Geopolitical Relations

Diplomatic relations between India and Canada date back to India's independence in 1947. Bilateral trade has grown steadily, with total trade valued at \$9.36 billion in 2023. India's exports to Canada amounted to \$5.56 billion. In recent years, relations have been strained due to issues related to Sikh separatist movements, particularly the Khalistan movement.

- Diplomatic tensions between India and Canada, triggered by recent political events, may lead to delays or reductions in visa approvals. However, India remains a top source of skilled workers and students, making it unlikely for relations to impact immigration drastically.

3. Domestic Factors

Canada's labor market continues to rely on immigration to address skill shortages. However, domestic concerns about housing affordability and infrastructure strain could influence future immigration policies.

- Canada's labor market continues to face shortages, especially in technology and healthcare sectors, where Indian professionals excel.
- Housing affordability concerns and infrastructure strain may lead to capped immigration numbers.

4. Economic and Demographic Trends

India and Canada share a strong migration connection, driven by economic synergies and demographic trends. With India emerging as a global hub of skilled professionals and Canada seeking to fill labor shortages, the partnership between the two nations in education and immigration continues to grow despite geopolitical and policy challenges.

- India's median age is significantly lower than Canada's, providing a youthful workforce that complements Canada's aging population.
- Programs like Canada's Express Entry and Provincial Nominee Programs (PNPs) continue to prioritize skilled workers. In 2023, **nearly 30% of permanent resident invitations** through Express Entry were issued to Indian nationals.

Research and Updates

To refine my forecast, I explored the latest data:

- **Permanent Residency Targets:** Canada's revised 2025 target is **395,000 permanent residents**, lower than the initially planned 500,000.
- **Temporary Residency:** An estimated **673,650 temporary residents** will enter in 2025, with students forming a large share. Indian nationals typically account for over 40% of student permits.
- **Express Entry System Updates:** Category-based Express Entry draws will favor sectors like healthcare and IT, benefiting skilled Indian professionals.
- **Geopolitical Developments:** Despite recent tensions, trade and economic partnership agreements suggest continued collaboration between India and Canada.

These factors slightly lower my initial forecast **530,000 to 550,000**, narrowing the range to **490,000 to 520,000**.

Final Forecast

Using the data and assumptions provided, here's a breakdown of the forecast for Indian entrants to Canada in 2025:

Permanent Residents:

- Forecast for Indian permanent residents in 2025:

Forecast Range: **115,000–125,000 Indian permanent residents**, adjusting for policy reductions and geopolitical factors.

Sherman Kent's Certainty: **75% (Probable)**

Temporary Residents:

- Forecast for Indian temporary residents in 2025:

Adjusted for growth trends (recent years show consistent increases): 375,000–395,000 Indian temporary residents.

Sherman Kent's Certainty: **85% (Probable)**

- **Total Forecast:**

Combining both categories, we estimate the total Indian entrants to Canada in 2025 as follows:

a.) Calculate Midpoints

- ❖ **Residents:** Midpoint = $(115,000 + 125,000)/2 = 120,000$
- ❖ **Temporary Residents:** Midpoint = $(375,000 + 395,000)/2 = 385,000$

b.) Apply Certainty Weights

- ❖ **Permanent Residents:** $120,000 \times 0.75 = 90,000$
- ❖ **Temporary Residents:** $385,000 \times 0.85 = 327,250$

c.) Total Weighted Forecast

$$= 90,000 + 327,250 = \underline{\underline{417,250}}$$

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