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URBAN AND RURAL REGIONS IN CANADA: EVOLVING DEFINITIONS AND POPULATION INSIGHTS

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Urban and Rural Regions in Canada: Evolving Definitions and Population Insights
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EXECUTIVE SUMMARY

Data on urban and rural areas in Canada have been collected since the first census in 1871. For successive censuses, Canada was largely characterized as a predominantly rural country with a widely dispersed population and an economy centred on rural industries. During this period, regions were typically classified using a simple dichotomy: urban or rural. However, as the country has developed, both the boundaries and our understanding of rural and urban spaces have evolved significantly.

The Government of Canada does not use one standardized definition of "rural." In fact, Statistics Canada uses a range of statistical and geographical concepts to define the term. The agency's "Population Centre and Rural Area Classification" represents one of the approaches used to define what is considered rural. Other approaches also exist, including the definition of "rural areas and small towns." Estimates of the rural population vary significantly depending on the classification, concept or definition used.

Moreover, given Canada's vast geography, rurality is experienced in diverse ways. Although terms like "remoteness" and "northern" are often used interchangeably with "rural," they are distinct concepts and regions, and recognizing these differences is essential. Many remote areas are home to Indigenous Peoples, and northern communities face unique social, economic and environmental conditions. Together, these concepts provide a deeper understanding of the country's rural population.

URBAN AND RURAL REGIONS IN CANADA: EVOLVING DEFINITIONS AND POPULATION INSIGHTS

1 INTRODUCTION

Despite Canada's vast land area, nearly half of the Canadian population (49.9%) is concentrated in only 12 cities (1.1% of total cities).[1] While most of Canada's landscape is rural, only a small proportion of the population resides in these regions. Canada's rural population is spread across the country and represents a demographic with unique characteristics, challenges and contributions. Given the distinct reality this population faces, the Government of Canada often makes it the focus of targeted initiatives and policies.

However, in recent decades, the boundaries that define "rural" have not been easy to establish. Whereas "urban" generally refers to densely populated cities and suburbs, "rural" typically describes areas with lower population densities, such as the countryside. These concepts are interdependent, and the distinction between them is not always apparent.

This HillStudy focuses on the definitions and classifications of "rural" and "urban" used by Statistics Canada over the years. Understanding these classifications is essential to accurately identify the populations affected by the various federal government initiatives and policies. The maps presented illustrate the differences between classifications and highlight the distinctions among rural, remote and northern communities.

2 HISTORICAL DEFINITIONS OF "URBAN" AND "RURAL"

Statistics Canada, known as the Dominion Bureau of Statistics (the Bureau) until 1971,[2] has been reporting data on urban and rural areas since the first census in 1871.[3] However, the criteria used to distinguish between urban and rural have evolved over successive censuses. From the outset, the Bureau considered that every region in the country could be classified in one of two categories, based on a simple dichotomy: urban or rural.

2.1 ORIGIN OF THE URBAN–RURAL DICHOTOMY

From 1871 to 1941,[4] the Bureau defined "urban" as any incorporated town or village, regardless of size.[5] "Rural" referred to any region that was not urban and therefore consisted of any unincorporated community. Prior to Confederation, nearly 9 in 10 Canadians lived in a rural area.

During that period, Canada's economy was predominantly rural and heavily reliant on goods-producing industries such as agriculture and the extraction of natural resources like wood and coal. However, in the early 1900s, the proportion of people living in rural areas began to decline, partly due to the shift toward an industrial economy.[6] Many Canadians migrated to the outskirts of city centres, forming new suburban communities.

These historical definitions may have been well suited to the urban–rural dichotomy at the time of Confederation, but they became too broad as Canada developed, and rural areas increasingly became incorporated as small towns.

2.2 REDEFINING "URBAN" AND "RURAL"

As Canada became industrialized, Statistics Canada redefined "urban" in 1951 to include only communities with a population of 1,000 or more, whether incorporated or unincorporated.[7] In the dichotomy between urban and rural, any region with a population below 1,000 was still considered rural.

In 1971, Statistics Canada introduced population density as a factor in defining urban areas. An area was considered "urban" if it had a population of at least 1,000 and a population density of 400 people or more per square kilometre.[8] All regions outside these criteria were classified as "rural." These definitions remained in use up to the 2006 Census.

3 MODERN DEFINITIONS OF "URBAN" AND "RURAL"

3.1 POPULATION CENTRE AND RURAL AREA CLASSIFICATION

As Canada evolved economically and socially, its urban landscape became increasingly diverse. The 1971 definition of "urban" failed to distinguish between urban areas with populations of just over 1,000 and those with populations exceeding 1 million. In response to these limitations, Statistics Canada introduced the Population Centre and Rural Area Classification in the 2011 Census.[9] A "population centre" is defined as an area with a population of at least 1,000 and a population density of 400 or more people per square kilometre. Population centres are further divided into three types to reflect variations in the size of urban regions across Canada:

- small population centres: population between 1,000 and 29,999;
- medium population centres: population between 30,000 and 99,999; and
- large urban population centres: population of 100,000 or more.[10]

Any area that does not meet the criteria established for one of the three types of population centre is classified as a "rural area" (non-population centre). These areas are delineated using dissemination blocks, which are the smallest geographical unit used by Statistics Canada. The Population Centre and Rural Area Classification was formalized as the official departmental standard in 2017.[11] By 2021, 6.6 million people (17.8% of the population) lived in these rural areas.

3.2 DEFINITION OF "RURAL AND SMALL TOWN"

With most of Canada's population now concentrated in urban centres and their surrounding areas, Statistics Canada groups municipalities into census metropolitan areas (CMAs) and census agglomerations (CAs). Although CMAs and CAs were first introduced in 1951, Statistics Canada began using them as primary geographic concepts in the late 1980s.[12]

Both CMAs and CAs comprise one or more adjacent census subdivisions centred on a population centre (called "the core").[13] A census subdivision is a geographic unit and the statistical term for any municipality, town, city or its equivalent (such as First Nations reserves or settlements, or unorganized territories) as determined by provincial or territorial legislation. A CA must have both a core and a total population of at least 10,000, while a CMA must have a minimum total population of 100,000, including at least 50,000 residents in the core.[14] Adjacent census subdivisions are included in a CA or CMA if they show a high degree of integration with the core, as measured by commuting flows and place-of-work census data.[15]

Statistics Canada classifies all regions of Canada that are not part of CMAs or CAs as "outside CMAs and CAs." Informally, and in this paper, this term is known as the definition of "rural and small town," according to which CMAs and CAs are urban, and all areas outside CMAs and CAs are rural. In 2021, the rural population of Canada stood at an estimated 5.96 million people, or 16.1% of the population using this definition. Table 1 presents the various geographical and statistical terms that Statistics Canada uses to classify "urban" and "rural."

Table 1 – Summary Table of Geographical and Statistical Terms Used in the Modern Definitions of "Urban" and "Rural"

Term	Definition
Population centre	An area with a population of at least 1,000, with a density of 400 people or more per square kilometre.
Rural area	All regions in Canada which do not meet the definition of a population centre.
Census subdivision	The general term for municipalities, which are determined by provincial/territorial legislation. Areas equivalent to municipalities are considered census subdivisions (e.g., First Nations reserves and unorganized territories).

Term	Definition
Census metropolitan area (CMA)	A grouping of adjacent municipalities (census subdivisions) centred on a population centre, the "core." A CMA must have a total population of at least 100,000, of which 50,000 people must live in the core. The adjacent municipalities are included in the CMA if they show a high degree of integration with the core.
Census agglomeration (CA)	A grouping of adjacent municipalities (census subdivisions) centred on a population centre, the "core." A CA must have a core population of at least 10,000. The adjacent municipalities are included in the CA if they show a high degree of integration with the core.
Rural and small towns	All the landmass outside CMAs and CAs.
Census metropolitan–influenced zone	Census subdivisions outside CMAs and CAs are assigned one of four zones according to the degree of influence the CMAs or CAs have on them (strong, moderate, weak or no influence).

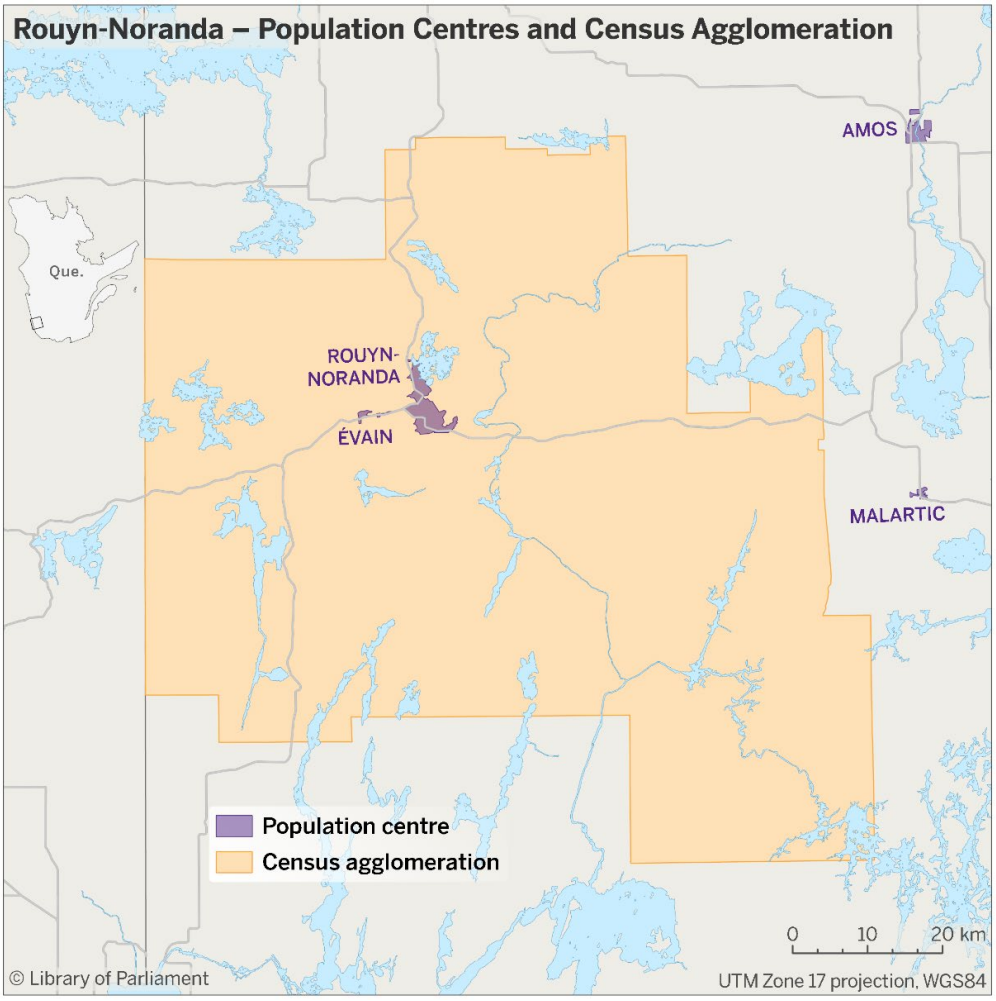
Source: Table prepared by the Library of Parliament using information obtained from Statistics Canada, *Standard Geographical Classification (SGC) 2021 – Volume I, The Classification*, 14 April 2023.

3.3 COMPARING APPROACHES: THE CLASSIFICATION SYSTEM AND THE DEFINITION OF "RURAL AND SMALL TOWN"

Although it may seem counterintuitive, an area may be considered urban by one classification, but rural by another. Notably, some rural areas (non-population centres) within CMAs and CAs are considered urban according to the definition of "rural and small town." In 2021, approximately 644,300 people lived in these rural regions. These communities are typically small towns or rural areas near larger urban centres and represent a critical subset of the rural population.

Figure 1 illustrates the CA of Rouyn-Noranda, Quebec, as an example. The CA consists of a single large census subdivision, based on the administrative division limits of Quebec. The orange shaded area is urban according to the definition of "rural and small town" (i.e., within a CA), yet this same area is considered 99.5% rural according to the Population Centre and Rural Area Classification. The two population centres (Rouyn-Noranda and Évain), shown in purple, comprise 60.3% of the CA's population, but only 0.5% of its area. As a result, the area of the CA that is not a population centre is classified as rural. Conversely, Malartic and Amos, population centres east of Rouyn-Noranda, are both considered rural according to the definition of "rural and small town," but are considered urban according to the Population Centre and Rural Area Classification.

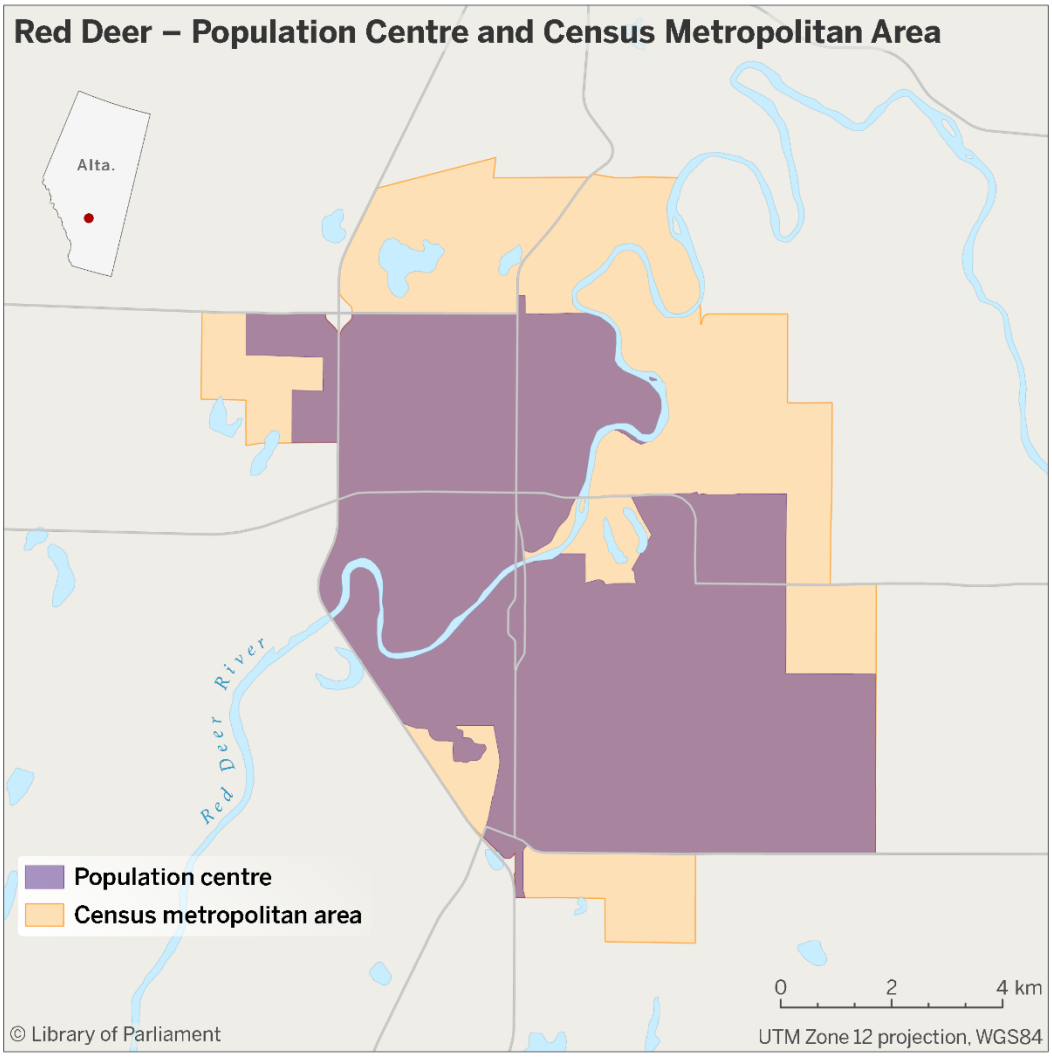
Figure 1 – Rouyn-Noranda Census Agglomeration and Population Centre Overlap



Sources: Map prepared by the Library of Parliament, 2025, using data obtained from Statistics Canada, "Population centres" and "Census metropolitan areas and census agglomerations," *2021 Census – Boundary files*; Natural Resources Canada (NRCan), *Administrative Boundaries in Canada – CanVec Series – Administrative Features*, 1:1M, 1 March 2019; NRCan, *Lakes, Rivers and Glaciers in Canada – CanVec Series – Hydrographic Features*, 1:250K, 1 March 2019; and NRCan, *Transport Networks in Canada – CanVec Series – Transport Features*, 1:250K, 1 March 2019. The following software was used: Esri, ArcGIS Pro, version 3.4.0. Contains information licensed under *Open Government Licence – Canada* and *Statistics Canada Open Licence*.

Furthermore, the proportion of rural areas within CMAs and CAs varies significantly across Canada. In the 2021 Census, the CMA of Red Deer, Alberta, had the smallest share, with only 37.1% of its land area classified as rural according to the Population Centre and Rural Area Classification (see Figure 2). Red Deer is one of the smallest CMAs, with a population of 100,844 – just above the population threshold for CMAs. The CMA consists of one small census subdivision, Red Deer (population 99,846), which corresponds to the city limits. Due to the way the boundaries are drawn, the CMA includes only a small surrounding rural area, with a rural population of just 998.

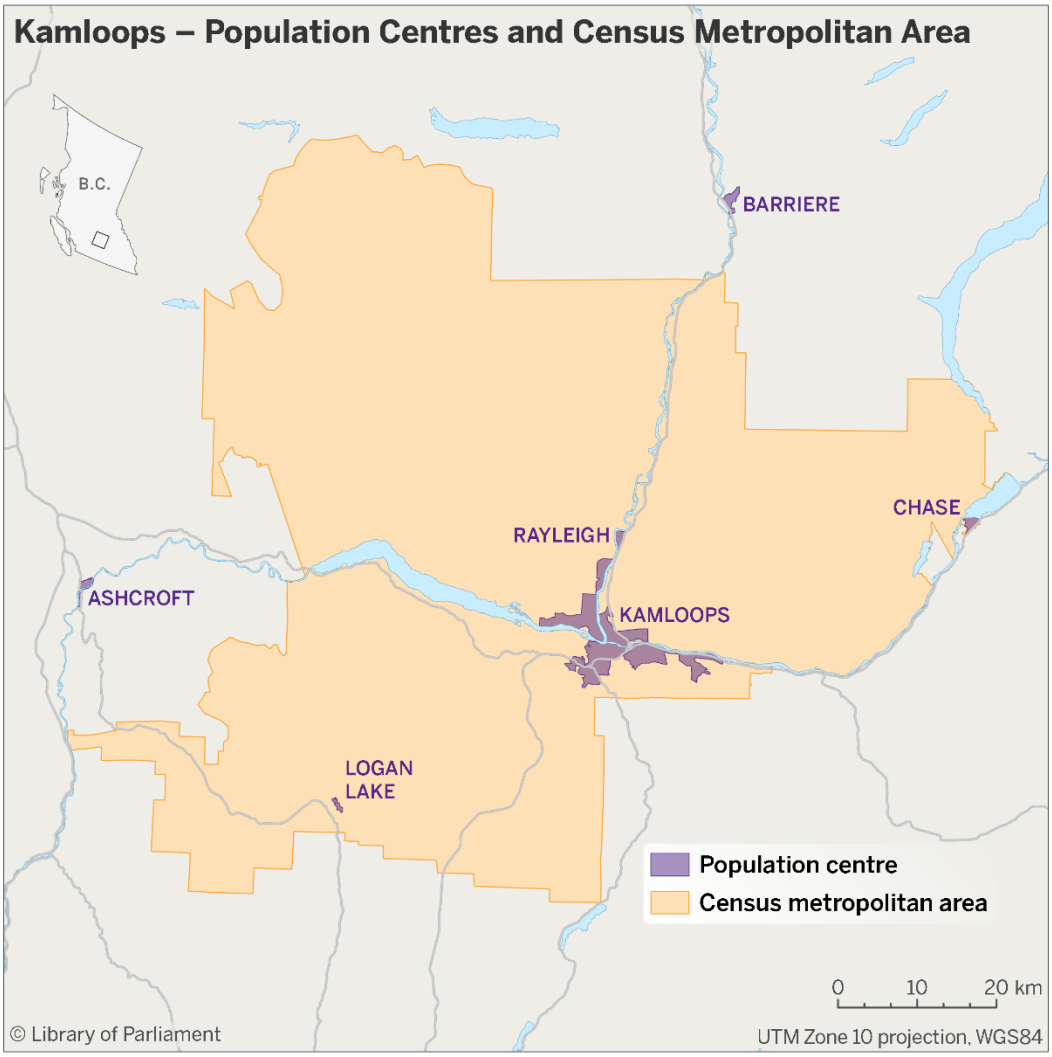
Figure 2 – Red Deer Census Metropolitan Area and Population Centre Overlap



Sources: Map prepared by the Library of Parliament, 2025, using data obtained from Statistics Canada, "Population centres" and "Census metropolitan areas and census agglomerations," *2021 Census – Boundary files*; Natural Resources Canada (NRCan), *Administrative Boundaries in Canada – CanVec Series – Administrative Features*, 1:1M, 1 March 2019; NRCan, *Lakes, Rivers and Glaciers in Canada – CanVec Series – Hydrographic Features*, 1:250K, 1 March 2019; and NRCan, *Transport Networks in Canada – CanVec Series – Transport Features*, 1:250K, 1 March 2019. The following software was used: Esri, ArcGIS Pro, version 3.4.0. Contains information licensed under *Open Government Licence – Canada* and *Statistics Canada Open Licence*.

In contrast, the CMA of Kamloops, British Columbia, illustrated in Figure 3, has a comparable population (114,142) to Red Deer's but a vastly different composition, with 98.6% of its land area classified as rural according to the Population Centre and Rural Area Classification. The CMA includes the core, the city of Kamloops (population 92,442) and eight other census subdivisions that are economically and socially integrated with the core, all of which are predominantly rural.

Figure 3 – Kamloops Census Metropolitan Area and Population Centre Overlap



Sources: Map prepared by the Library of Parliament, 2025, using data obtained from Statistics Canada, "Population centres" and "Census metropolitan areas and census agglomerations," *2021 Census – Boundary files*; Natural Resources Canada (NRCan), *Administrative Boundaries in Canada – CanVec Series – Administrative Features*, 1:1M, 1 March 2019; NRCan, *Lakes, Rivers and Glaciers in Canada – CanVec Series – Hydrographic Features*, 1:250K, 1 March 2019; and NRCan, *Transport Networks in Canada – CanVec Series – Transport Features*, 1:250K, 1 March 2019. The following software was used: Esri, ArcGIS Pro, version 3.4.0. Contains information licensed under *Open Government Licence – Canada* and *Statistics Canada Open Licence*.

3.4 HOW THIS RELATES TO POLICY-MAKING

A review of the various ways rural areas are classified provides a clearer understanding of how geography, local administrative boundaries, economics, history and culture have helped shape the concept of "rural." While statistical frameworks offer valuable data, they are often insufficient on their own to guide effective policy-making. In practice, the federal government seldom relies on these definitions alone to determine what constitutes a rural population.

In fact, historically, policy-makers have used several definitions of "rural," depending on the issue and the criteria they wished to emphasize (e.g., population size, density, labour market, settlement context).[16] Federal departments may also adopt their own definitions, resulting in varying estimates of the rural population, even if the overall analytical conclusions remain consistent.[17]

However, Statistics Canada recommends using the definition of "rural and small town" as "a starting point or benchmark for understanding Canada's rural population."[18] This definition groups regions based on census subdivisions, one of the smallest census geographic units, allowing for more precise assessments at the "community" level. Census subdivisions are also designated according to a functional criterion which measures the degree of social and economic integration with larger urban centres, such as a CMA or CA.[19] The definition of "rural and small town" further disaggregates rural and small towns by census metropolitan–influenced zone, which ranks rural areas based on their level of integration with urban cores, according to four categories ranging from "strong influence" to "no influence" (see Table 1).

4 POPULATION ESTIMATES

Although there is no single, uniform definition of "rural" used across the Government of Canada, Statistics Canada's Population Centre and Rural Area Classification and the definition of "rural and small town" are commonly used benchmarks. Because these approaches rely on different criteria, some regions may be classified inconsistently as either rural or urban. Comparing population estimates across definitions illustrates how the choice of framework influences the measurement and interpretation of Canada's rural population.

These differences also highlight how rural populations are distributed across provinces and territories. For example, the delineation of CMAs and CAs is influenced by provincial and territorial administrative divisions, shaping the resulting "rural and small-town" landscape in each respective province or territory. In contrast, Statistics Canada delineates population centres, and therefore rural areas, using a standardized method applied uniformly across Canada.

In 2021, just over half of the provinces and territories (7 of 13) had larger rural populations under the Population Centre and Rural Area Classification (non-population centres) than under the definition of "rural and small town," indicating that more people are classified as rural under this framework: British Columbia (+111,845), Ontario (+464,556), Quebec (+66,556), New Brunswick (+94,930), Nova Scotia (+100,897), Prince Edward Island (+26,034) and the Yukon (+6,308) (see Table 2).

These positive differences capture the share of the population residing in rural areas (non-population centres) within CMAs and CAs, sometimes referred to as "commuter towns." Ontario, British Columbia and Nova Scotia have the highest rural populations that surround urban centres. These areas represent a distinct subset of the rural population, as they are considered urban according to the definition of "rural and small town," but they are statistically classified as rural according to the Population Centre and Rural Area Classification.

Table 2 – Canada's Rural Population: Rural Area Versus Rural and Small Town, by Province and Territory, 2024

Region (Province, Territory or Canada)	Total Population	Rural Area: Total Population	Rural Area: % of Total Population	Rural and Small Town: Total Population	Rural and Small Town: % of Total Population
British Columbia	5,000,879	634,976	12.7	523,131	10.5
Alberta	4,262,635	650,027	15.2	752,669	17.7
Saskatchewan	1,132,505	358,716	31.7	385,426	34.0
Manitoba	1,342,153	338,894	25.3	376,441	28.0
Ontario	14,223,942	1,888,658	13.3	1,424,102	10.0
Quebec	8,501,833	1,614,878	19.0	1,548,322	18.2
New Brunswick	775,610	380,490	49.1	285,560	36.8
Nova Scotia	969,383	398,776	41.1	297,879	30.7
Prince Edward Island	154,331	83,350	54.0	57,316	37.1
Newfoundland and Labrador	510,550	204,086	40.0	240,942	47.2
Yukon	40,232	14,627	36.4	8,319	20.7
Northwest Territories	41,070	14,267	34.7	20,730	50.5
Nunavut	36,858	20,237	54.9	36,858	100.0
Total Canada	36,991,981	6,601,982	17.8	5,957,695	16.1

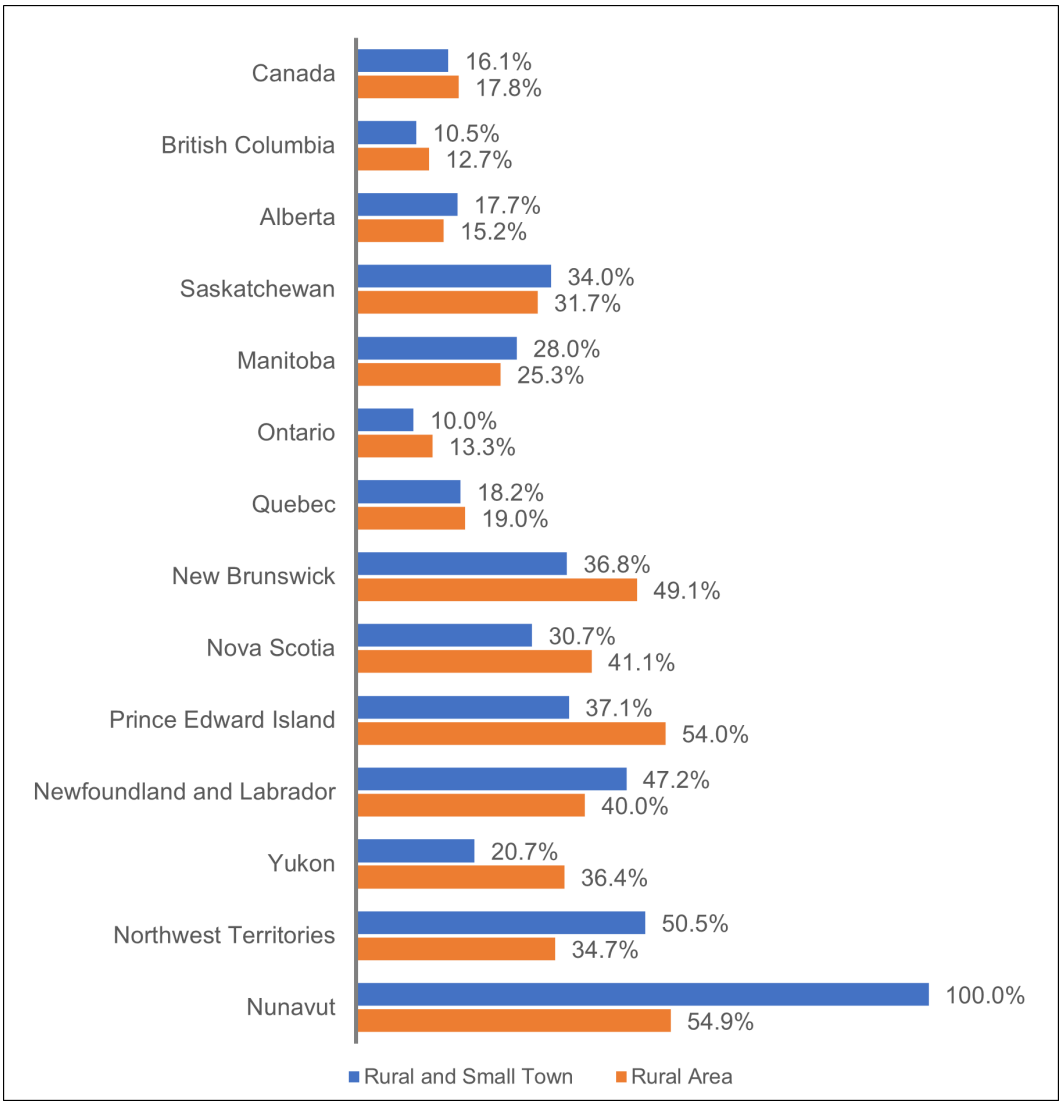
Sources: Table prepared by the Library of Parliament using data obtained from Statistics Canada, "Table 98-10-0008-01: Population counts, population centre size groups and rural areas," Database, accessed 12 December 2024; and Statistics Canada, "Table 98-10-0016-01: Population and dwelling counts by the Statistical Area Classification," Database, accessed 12 December 2024.

For the remaining six provinces and territories, rural populations are larger under the definition of "rural and small town" than under the Population Centre and Rural Area Classification (see Table 2), indicating that a greater share of the population lives in small towns. These communities, with populations of 1,000 or more, are classified as urban according to the Population Centre and Rural Area Classification but are considered rural under the definition of "rural and small town." Despite having a relatively higher population density than more remote rural areas, these small towns still reflect a distinctly rural context that differs from larger urban centres. In 2021, Alberta (+102,642), Saskatchewan (+26,710), Manitoba (+37,547), Newfoundland and Labrador (+36,856), the Northwest Territories (+6,463) and Nunavut (+16,621), all had larger rural and small-town populations. This pattern suggests that the rural

populations in these regions are more geographically dispersed and live farther from major urban centres and services.

Differences in rural population counts across definitions are particularly evident in the territories, where the proportion of the population considered rural varies substantially according to the definition used. According to the Population Centre and Rural Area Classification, Nunavut had a rural population of 20,237 in 2021, which represents all the areas outside its six population centres (see Table 2). Under the definition of "rural and small town," however, the rural population increases to 36,858 (+82.1%). Notably, the definition of "rural and small town" treats all of Nunavut as rural because the territory does not contain a CMA or CA, resulting in a substantial difference in the reported rural population (see Figure 4).

Figure 4 – Total Rural Population, by Rural and Small Town and by Rural Area, by Province and Territory (%), 2024



Sources: Figure prepared by the Library of Parliament using data obtained from Statistics Canada, "Table 98-10-0008-01: Population counts, population centre size groups and rural areas," Database, accessed 12 December 2024; and Statistics Canada, "Table 98-10-0016-01: Population and dwelling counts by the Statistical Area Classification," Database, accessed 12 December 2024.

5 POLICIES THAT TARGET RURAL POPULATIONS

The Government of Canada has implemented a range of policies aimed at rural populations, although the definition of "rural" often varies depending on the context. The policies discussed in this section of the paper illustrate how rural boundaries have been defined in federal policy, including approaches used in programs that are no longer in effect.

5.1 FEDERAL UNDERUSED HOUSING TAX

The Underused Housing Tax (UHT) was an annual federal tax of 1% on the value of residential real estate deemed vacant or underused that took effect in January 2022. Although the federal government abolished this tax in 2025, it provides a useful example of how rural boundaries have been defined in federal tax policy.[20] The tax generally applied to foreign nationals who owned housing in Canada.[21] Among the several exemptions to the UHT, one was based on location and use of the property. A vacation home was exempt from the UHT if the owner, or their spouse or common-law partner, occupied the property for at least 28 days in a calendar year, and if the residence was located in an eligible rural area. The UHT regulations defined a "rural area" as anywhere that is outside a CMA or CA, and the parts of CMAs and CAs that are not population centres.[22]

For the purposes of the UHT, all regions within a CA with a population of less than 30,000 were also considered rural. These boundaries reflect a combination of the definition of "rural and small town" and the Population Centre and Rural Area Classification. The rural exemption of the UHT therefore covered a broader range of rural areas, including the small towns outside CMAs and CAs and the rural areas within them. It was once one of the most detailed and expansive definitions of "rural" observed in federal policies.

However, these boundaries displeased certain homeowners who were adversely affected by the UHT. Because geographical boundaries must be drawn precisely, some homes fell within a population centre boundary and were subject to the tax, while a home across the street fell just outside the boundary and was therefore exempt.[23] This example illustrates the complexities involved in defining "rural." The definition reflects both the social experience of rurality, such as distance from urban centres, and statistical measures that require clear boundaries, which may at times be perceived as unfair or arbitrary.

5.2 CANADA STUDENT LOAN FORGIVENESS

To address persistent shortages of medical professionals in rural communities, the federal government has granted Canada Student Loan forgiveness since 2012. The program provides loan forgiveness to family physicians (including residents), nurses and nurse practitioners who work a minimum number of hours in an "under-served rural or remote communit[y]."[24] It also applies to a broader range of health and community service professionals, including dentists and dental hygienists, pharmacists, physiotherapists, psychologists, social workers, midwives, personal support workers, teachers and early childhood educators.

The *Canada Student Financial Assistance Regulations* and the *Canada Student Loans Regulations* define "rural" according to the Population Centre and Rural Area Classification. Eligible professionals working in areas outside a population centre qualify for the student loan forgiveness. In November 2024, the Government of Canada amended the definition of "under-served rural and remote communities" to include population centres with fewer than 30,000 residents. For this policy, the term "rural" extends beyond the traditional urban–rural classification used in the Population Centre and Rural Area Classification to also include small population centres. Overlapping definitions show that defining "rural" can be complex, as some regions experience the social aspects of rurality (i.e., fewer accessible medical services), though they may be considered urban statistically.

5.3 FOREIGN BUYERS BAN

The Government of Canada banned foreign investment in Canadian housing in 2022, through the *Prohibition on the Purchase of Residential Property by Non-Canadians Act* (the Act). The legislation is intended to help stabilize residential real estate prices and to help make housing more affordable for middle-income Canadians. It was set to expire after two years – by 1 January 2025 – but in February 2024, the federal government extended the ban on foreign ownership by an additional two years.[25] The Act bans non-Canadians from purchasing residential property in Canada, including individuals who are not citizens, permanent residents, persons registered as an Indian under the *Indian Act* and corporations that are controlled by foreign entities with at least 10% ownership. Temporary residents with visas are exempt from the legislation and are permitted to purchase residential property.[26] The Act defines residential properties as buildings with three dwelling units or fewer, including semi-detached houses and condominium units. The Act does not prohibit the purchase of larger buildings (four or more dwelling units) by non-Canadians.

The *Prohibition on the Purchase of Residential Property by Non-Canadians Regulations* contains an exclusion for certain residential properties. Specifically, areas outside of CMAs and CAs, or those that come under the definition of "rural and small town," are exempt from the ban, allowing non-Canadians to purchase residential

properties in these regions.[27] This geographic exclusion focuses the policy on larger urban markets, where housing shortages and affordability challenges are more severe, while leaving rural and smaller communities open to foreign investment.

5.4 CANADA CARBON REBATE RURAL SUPPLEMENT

The Canada Carbon Rebate (CCR), formerly known as the Climate Action Incentive Payment, was a tax-free payment provided by the Government of Canada from late 2018 to April 2025. It was intended to help eligible individuals and families offset the cost of federal pollution pricing. Only residents of provinces subject to the federal pollution pricing program were eligible to receive the CCR. This included residents aged 19 years and over in Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador. The CCR consisted of a basic amount for all eligible residents and a 20% supplement for those who lived in rural areas.[28] The rural supplement was intended to compensate rural residents for their higher energy costs and reduced access to alternative transportation options.[29]

The CCR defined "rural" as those who are residents of small and rural communities, but the rural supplement was available only to residents whose primary residence was outside a CMA. This differs slightly from the definition of "rural and small town," which includes all residents outside both CMAs and CAs. In drawing the rural boundaries this broadly, the supplement effectively included all residents except those in major urban centres. In Prince Edward Island, where there is no CMA, the rural supplement was therefore applicable to all residents. As of June 2024, the federal government reverted to using the 2016 CMA rural boundaries for the purpose of determining eligibility for the rural supplement rather than the boundaries used in the 2021 Census, thus ensuring that residents continued to receive the supplement even if their town became a CMA in the 2021 Census. There was again debate that this definition of "rural" was problematic as it considered CAs, which are often considered urban, as "rural," while excluding rural areas within a CMA from eligibility for the rural supplement.[30] This example also illustrates how definitions of "rural" vary depending on the context and intent of a policy.

6 INDEX OF REMOTENESS

Although rural areas in Canada cover much of the landscape, no two rural areas are the same, and not all of them experience rurality in the same way. For example, rural areas near urban centres benefit from better access to services and other goods than more isolated rural communities do. Nonetheless, cities like Yellowknife, Northwest Territories, Prince Rupert, British Columbia, and Thompson, Manitoba, are CAs with populations above 10,000.[31] Despite being considered urban, these cities are located in relatively remote parts of Canada. Remoteness, therefore,

is distinct from rurality and is primarily measured by geographic accessibility to services and surrounding regions, rather than by population size or density.

6.1 DEFINITION OF "REMOTENESS"

Federal initiatives have referred to remote communities in various ways. Most notably, the Centre for Rural Economic Development, a federal government agency focused on rural economic matters, defines "remote" as

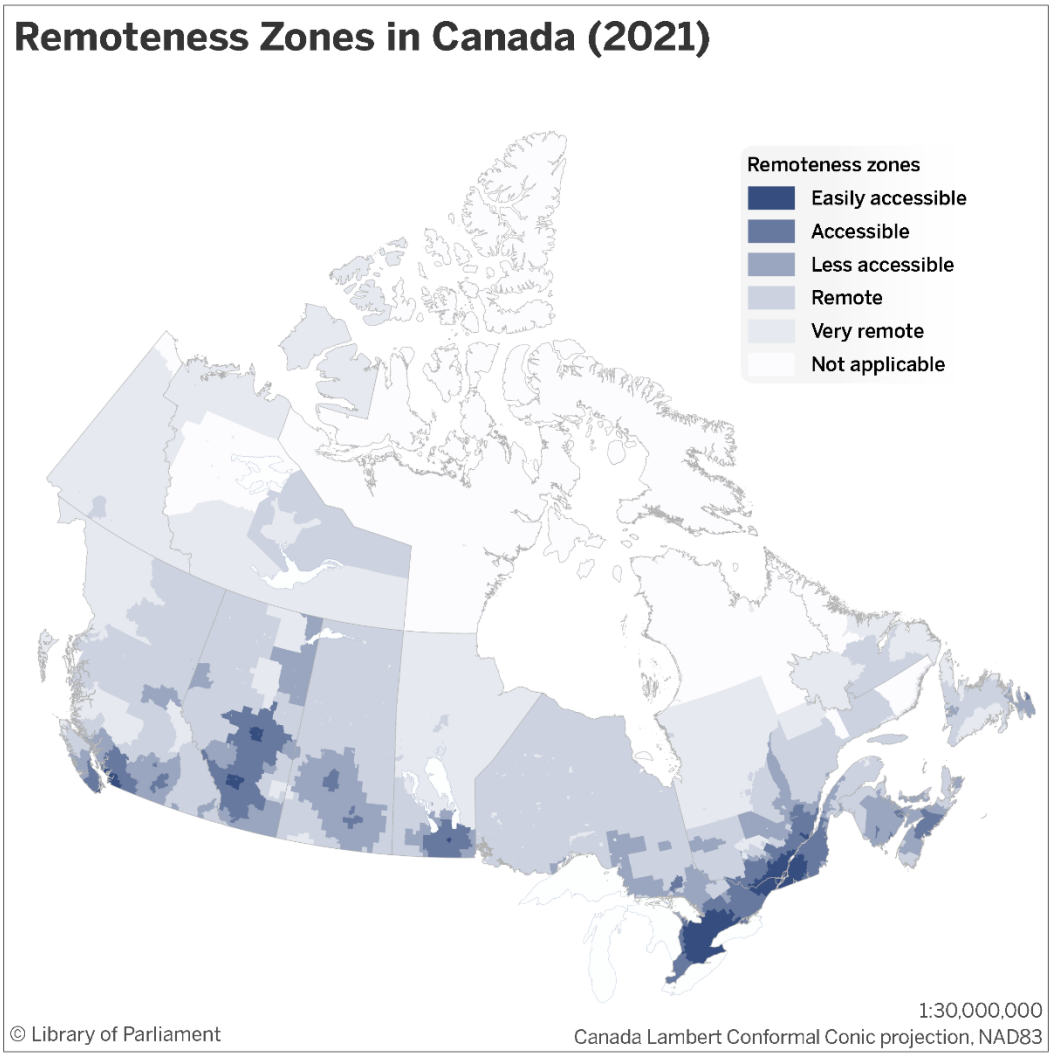
> communities that are a significant distance from main centres of population and may only be accessible by seasonal road access (winter roads), boats, or planes.[32]

However, this definition lacks a firm statistical or geographical boundary.

In 2017, Statistics Canada created the Index of Remoteness in collaboration with Indigenous Services Canada. The index acknowledges that remoteness is not an absolute concept. As such, remoteness is statistically measured by assigning each census subdivision a value between 0 (easily accessible) to 1 (very remote).[33] Statistics Canada calculates these values based on the distance between a community and surrounding population centres within a set travel radius.[34] The index also considers the size of nearby population centres. The main challenge with the Index of Remoteness is establishing meaningful cut-off points to define boundaries. The index was designed as a continuous measure, allowing the remoteness level of a census subdivision to be revised as needed.

According to the index illustrated in Figure 5, the territories are almost entirely classified as "remote" or "very remote."[35] In 2021, nearly two thirds of the census subdivisions in Canada were classified as "less accessible," "remote" or "very remote," yet only one in nine Canadians lived there.[36]

Figure 5 – Index of Remoteness in Canada



Note: The portion of Canada's land mass that is unoccupied (19.3%) is captured in the "not applicable" remoteness zone.

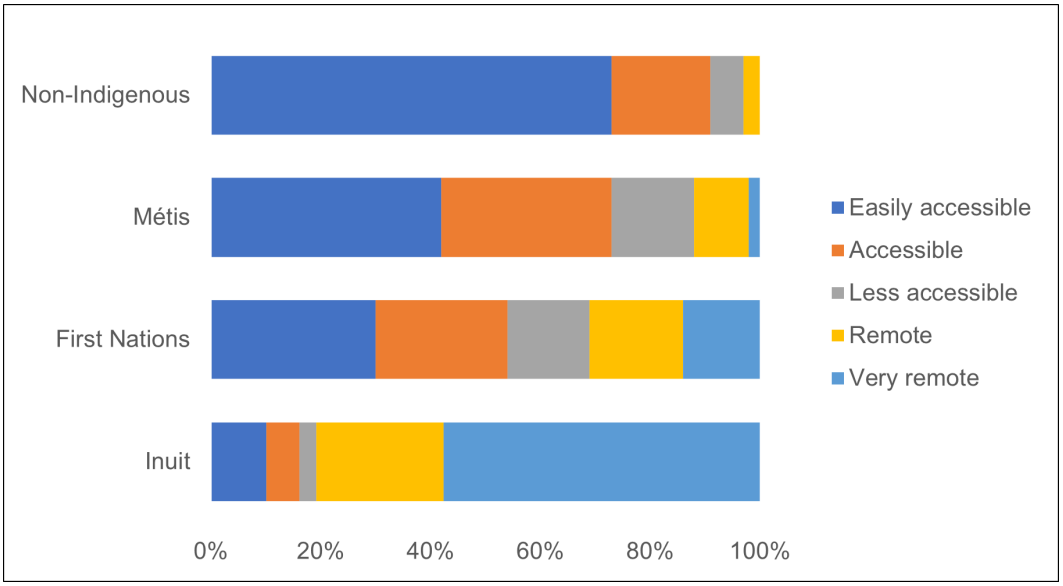
Sources: Map prepared by the Library of Parliament, 2025, using data obtained from Statistics Canada, "Census subdivisions," *2021 Census – Boundary files*; Statistics Canada, *Index of Remoteness*; and Natural Resources Canada, *Lakes, Rivers and Glaciers in Canada – CanVec Series – Hydrographic Features*, 1:5M, 1 March 2019. The following software was used: Esri, ArcGIS Pro, version 3.4.0. Contains information licensed under *Open Government Licence – Canada* and *Statistics Canada Open Licence*.

6.2 WHY REMOTENESS MATTERS

Geographic proximity to population centres, where services are more available, is an important determinant of socio-economic and health outcomes.[37] Many remote communities lack road access and have limited essential services, such as health care, education, social and emergency response services, and grocery stores. Moreover, isolation can exacerbate socio-economic challenges, particularly for Indigenous people.

Figure 6 illustrates the proportion of Indigenous and non-Indigenous people who live in remote areas. In 2016, 26% of Indigenous people (aged 19 to 45 years) lived in "remote" or "very remote" areas of Canada, compared with only 3% of the non-Indigenous population. This likely originates from historic displacement and resettlement of Indigenous peoples by the Government of Canada. Of the Indigenous population, Inuit were the most likely to live in "very remote" (57%) and "remote" (23%) areas.

Figure 6 – Proportion of Indigenous and Non-Indigenous People (19 to 45 years of age) Living in Areas According to the Index of Remoteness



Sources: Figure prepared by the Library of Parliament using data obtained from Census 2016; and Jaclyn Layton, *Distance as a Factor for First Nations, Métis, and Inuit High School Completion*, Education, learning and training: Research Paper Series, Statistics Canada, 21 June 2023.

7 DEFINING CANADA'S NORTH

"Northern" is sometimes used interchangeably with "remote" to describe communities that are geographically distant from urban centres. However, the North represents a distinct region of Canada. Unlike the definition of "rural," which is often based on population and density, the definition of "the North" takes into account a broader range of economic, climatic, cultural and geographic factors.

One understanding of "the North" includes everything above the 60th parallel north. This latitudinal line crosses Canada along the border between the territories and the western provinces. Only the territories and a portion of Quebec would be considered to be in the North. This definition is used by the Canadian Northern Economic Development Agency (CanNor), a federal agency that supports Nunavut, the Northwest Territories and Yukon.[38] CanNor, which refers to the three territories exclusively as "the North," aims to foster a strong, diversified and sustainable

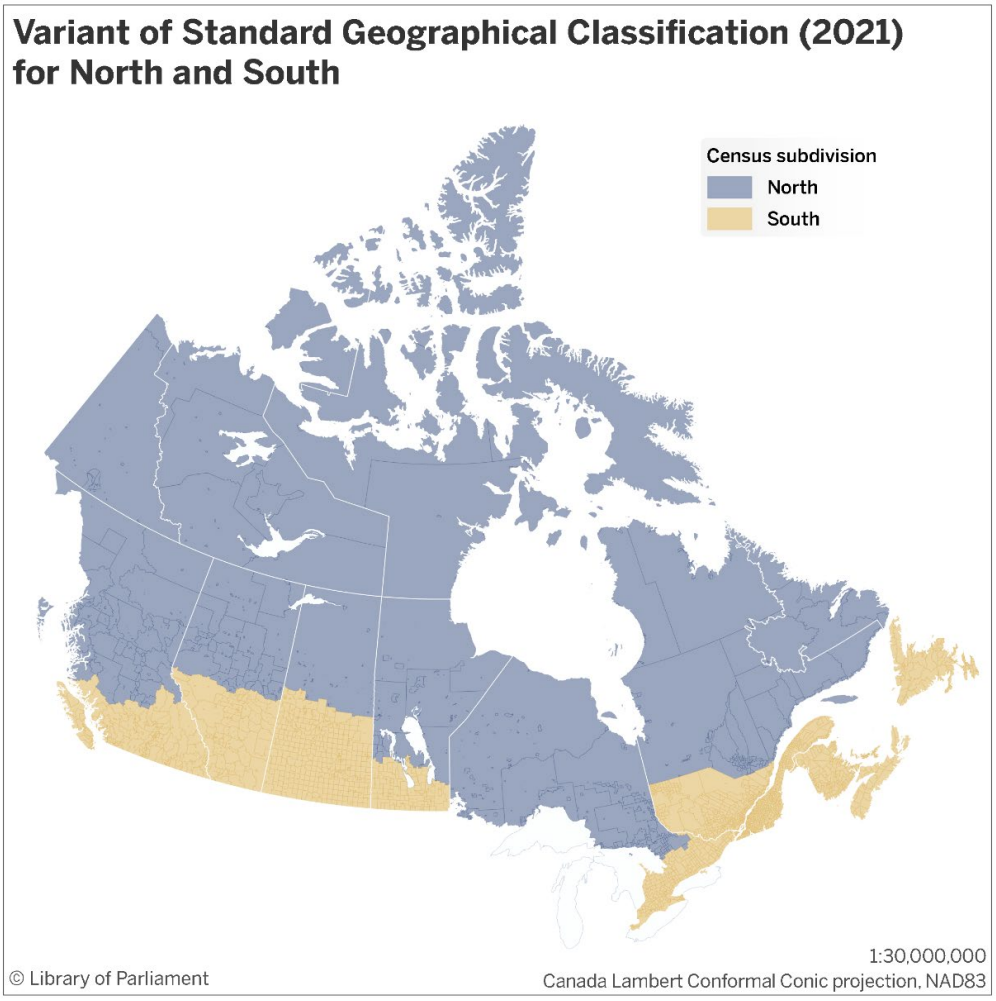
economy for the region.[39] However, Statistics Canada geographers argue that this view excludes the northern regions of most provinces, which share similar geographic climates and landscapes.[40]

Furthermore, the geographic boundaries of the North are also relative; what may be hundreds of kilometres north of southern Ontario or Quebec may share the same latitude as Vancouver or Calgary. People's experience of the North varies by province and cannot be neatly captured by a single geographic measure like latitude.

In 2000, Statistics Canada delineated Canada's North using 16 different characteristics, including the southern limits of the boreal forest, the presence of discontinuous permafrost, home heating requirements, community isolation, the cost of living and the Canada Revenue Agency's tax benefits based on remoteness.[41]

By 2011, Statistics Canada developed its Standard Geographical Classification (SGC) for the analysis of justice statistics.[42] The SGC defines "the North" broadly as the three territories and the northern regions of Newfoundland and Labrador, Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, delineated at the census subdivision level.[43] This classification is illustrated in Figure 7 as the blue regions. It became Statistics Canada's official definition of Canada's North in 2021.

Figure 7 – Delineating Northern and Southern Canada



Sources: Map prepared by the Library of Parliament, 2025, using data obtained from Statistics Canada, "Census subdivisions," *2021 Census – Boundary files*; Statistics Canada, *Variant of Standard Geographical Classification (SGC) 2021 for North and South* (data provided by Statistics Canada in Excel format); and Natural Resources Canada, *Lakes, Rivers and Glaciers in Canada – CanVec Series – Hydrographic Features*, 1:5M, 1 March 2019. The following software was used: Esri, ArcGIS Pro, version 3.4.0. Contains information licensed under *Open Government Licence – Canada* and *Statistics Canada Open Licence*.

Federal initiatives in the North target regions across every province and all three territories. For example, the Nutrition North Canada subsidy[44] offers subsidized grocery and non-grocery items for 124 isolated northern communities,[45] based on a number of factors, including a lack of local road access and provincial and territorial definitions of "northern communities." The northern residents deductions[46] offer federal tax deductions to those residing in prescribed northern and intermediate zones which exist in all provinces and territories except Prince Edward Island and New Brunswick, and cover over 500 communities across the country. As with definitions of "rural" areas, the geographic boundaries used in each policy vary depending on the specific target population.

8 CONCLUSION

The composition of Canada's rural population has changed significantly over time and continues to reflect a wide range of lived experiences. These differences have practical implications, as federal government programs targeting rural communities rely on specific definitions to determine eligibility, allocate funding and identify needs. As a result, programs often use different geographic boundaries, highlighting the challenges of consistently defining the target population. It is also important to distinguish rural regions from remote and northern areas, which face unique socio-economic and environmental conditions and have higher Indigenous populations, who may experience rurality differently than is reflected in standard statistical definitions.

Altogether, these considerations underscore the importance of a nuanced understanding of rural Canada, one that accounts for diverse lived experiences, respects regional differences, and aligns statistical definitions with policy objectives.

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