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Introduction

- Population aging is a phenomenon that occurs when the median age of a country rises
- Seniors make up the fastest-growing age group
- **Causes:** below replacement fertility rate, increase in life expectancy, and the aging of the baby boomer generation

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Solutions

- Immigration and delayed retirement can partly offset the slowing of the labour market
- adapt to the global competitive environment arising from demographic changes
- better coordinate health care to meet growing needs of seniors
- improve innovation and efficiency to expand the productive capacity

The Aging Population and Its Effects on Business


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Why should our generation be concerned about the aging population problem?
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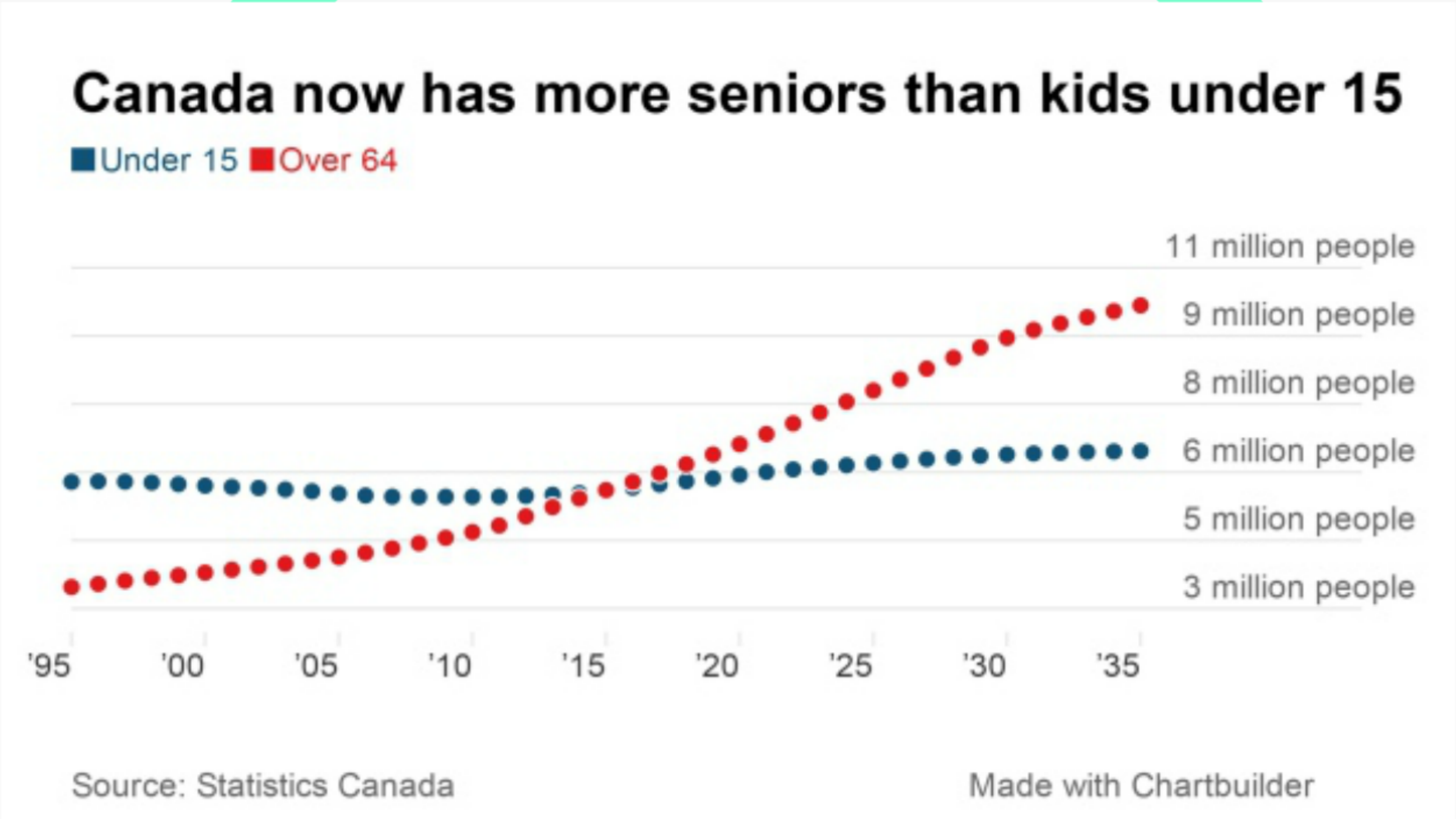
CHANGES AHEAD
The Aging Population and Its Effects on Business


Canada now has more seniors than kids under 15
Under 15
Over 64
11 million people
9 million people
8 million people
6 million people
5 million people
3 million people
'95
'00
'05
'10
'15
'20
'25
'30
'35
Source: Statistics Canada
Made with Chartbuilder

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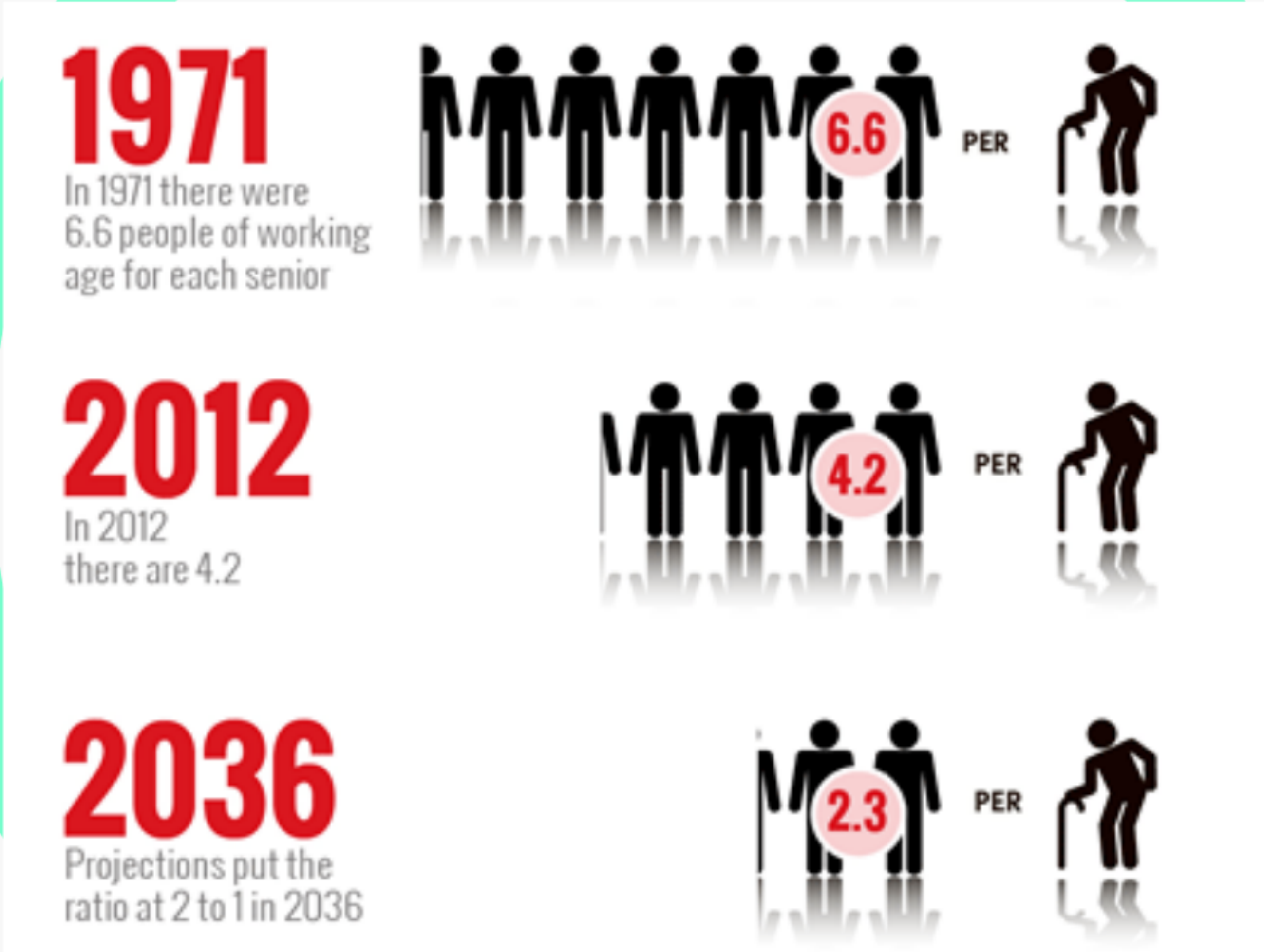
Why should our generation be concerned about the aging population problem?


1971
In 1971 there were
6.6 people of working
age for each senior
6.6
PER
2012
In 2012
there are 4.2
4.2
PER
2036
Projections put the
ratio at 2 to 1 in 2036
2.3
PER

n of slower growth, lower
ker investment returns
yers must fund the rising costs
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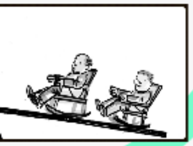


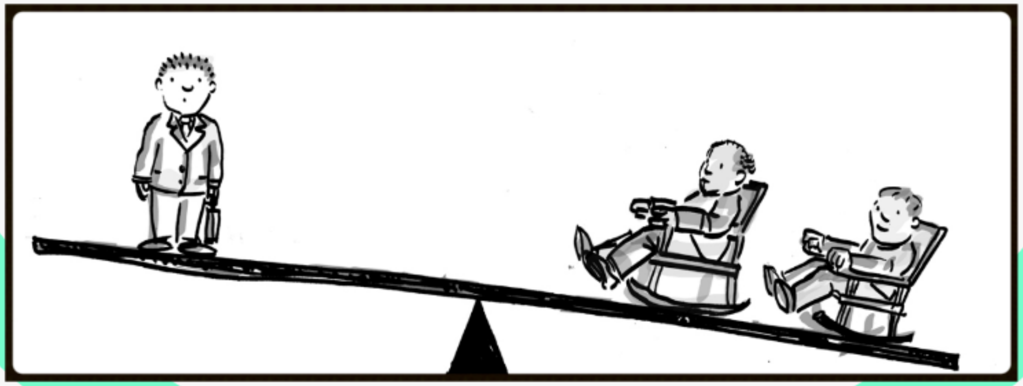
Economic Impacts

ensions &
lic Programs

ming pension benefits and less
nd paying income taxes
ependency rate
adians workers lack workplace

Canadian Workforce

- challenges includes an aging workforce, an impending labour shortage and increased competition for skilled workers
- set off a chain reaction of slower growth, lower interest rates, and weaker investment returns
- a smaller pool of taxpayers must fund the rising costs of the growing numbers of seniors



Pensions & Public Programs

- more people claiming pension benefits and less people working and paying income taxes
- greater elderly dependency rate
- Over 50% of Canadians workers lack workplace pension plans
- the Old Age Security Pension and Guaranteed Income Supplement are programs paid by the government and are expected to quadruple between 2009 to 2036

Health Care

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- Older people face an increasing risk of intersecting health conditions
- health care costs are expected to grow to a $70 billion increase in the next 20 years
- leads to an increase in government expenditures, which shifts burden onto taxpayers