



48th Annual Conference | Victoria Conference Centre

## Dr. Kevin Milligan: Setting the Stage

Title Sponsor



#BCCPA2025



# THE UNIVERSITY OF BRITISH COLUMBIA

## Vancouver School of Economics

BC Care Providers Association  
Kevin Milligan  
June 2, 2025





# THE UNIVERSITY OF BRITISH COLUMBIA

## Vancouver School of Economics

The 'Senior Tsunami' Has Arrived:  
Are We Ready For It?

BC Care Providers Association  
Kevin Milligan  
June 2, 2025

We all kind of know that the population is aging...

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...but what does it really look like?

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...but what does it really look like?

...and what does it mean for Canada?

# What we're going to do:

1. A new look at old data.
2. Implications for big policy questions. (Including LTC!)

Let's dig into the data...

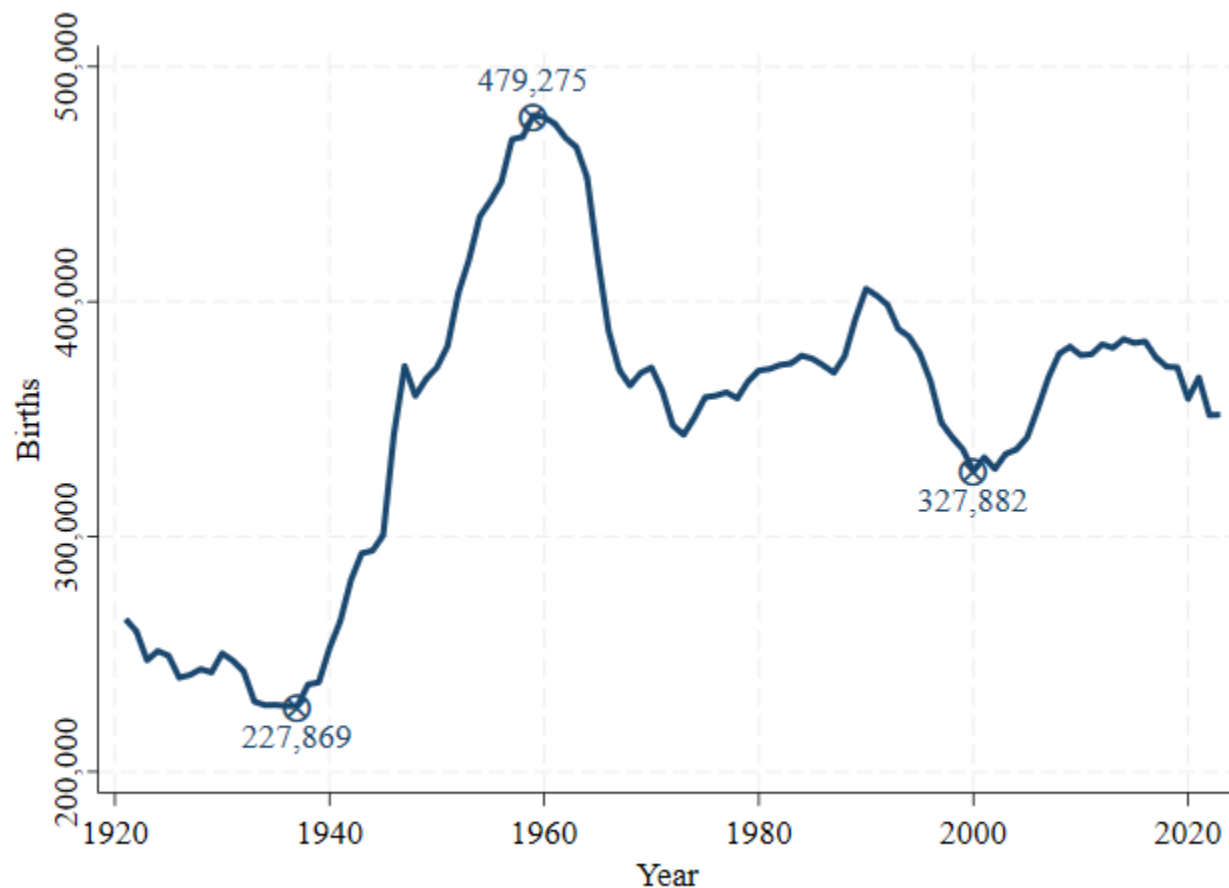


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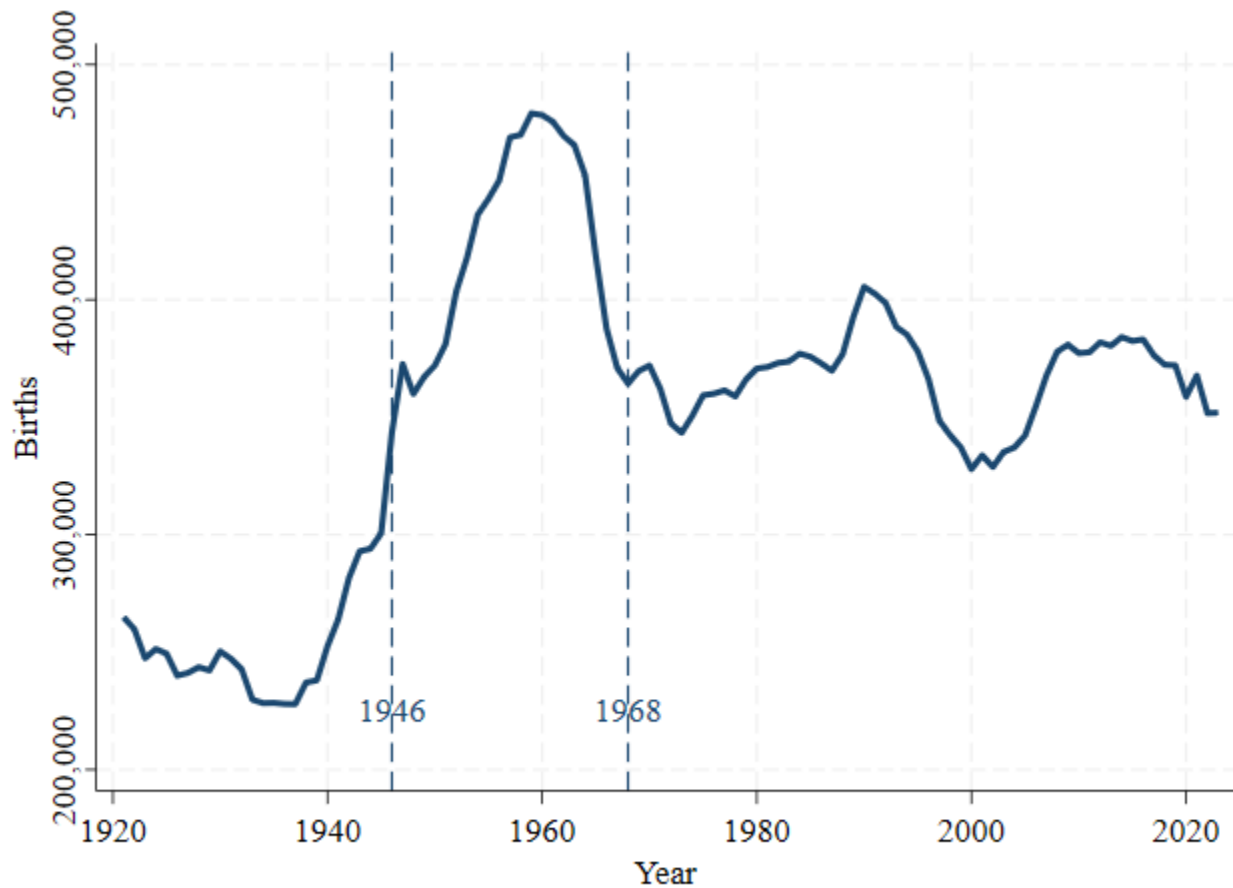
Two things going on:

- The baby boom.
- Longer lifespans.

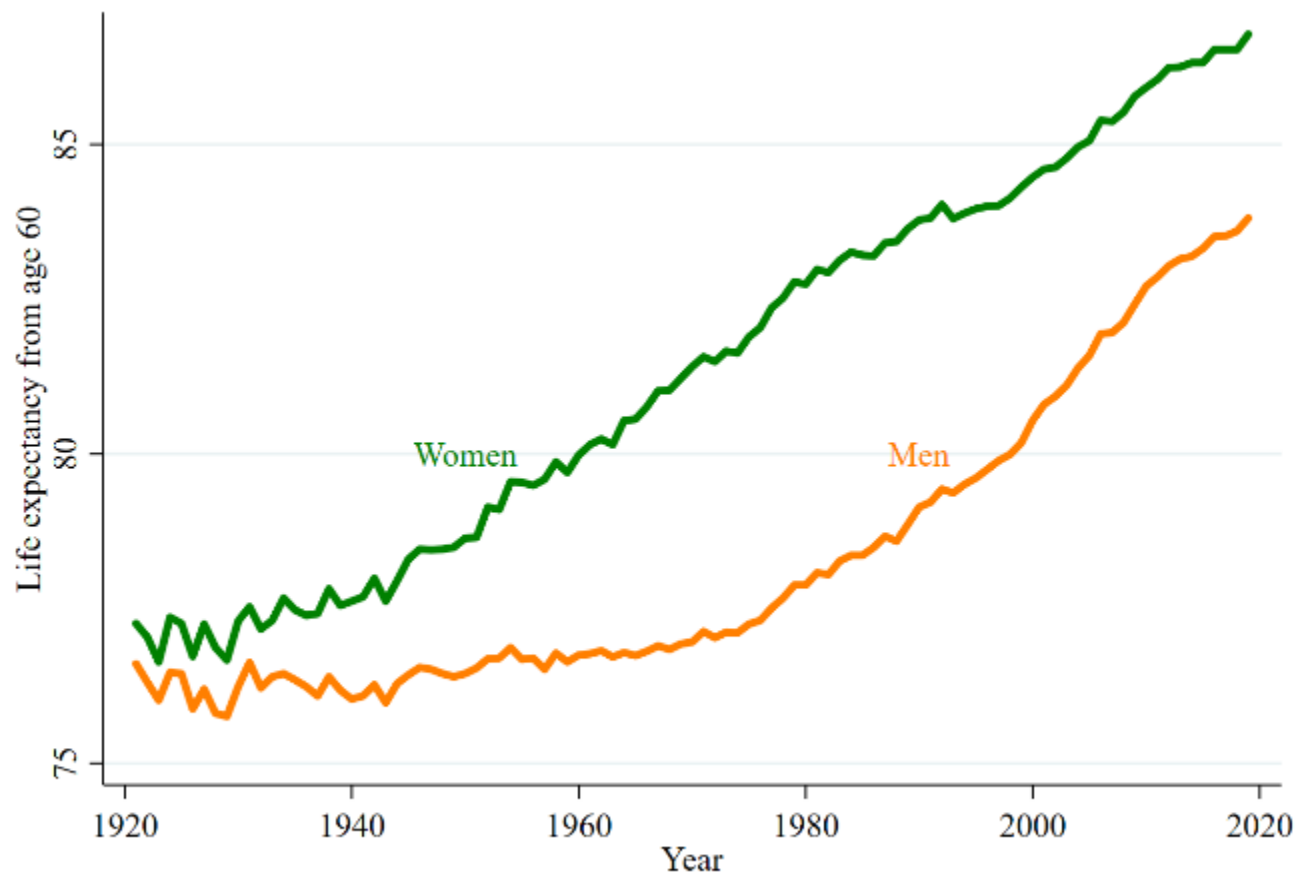
Start with  
the babies.



# The baby boom.

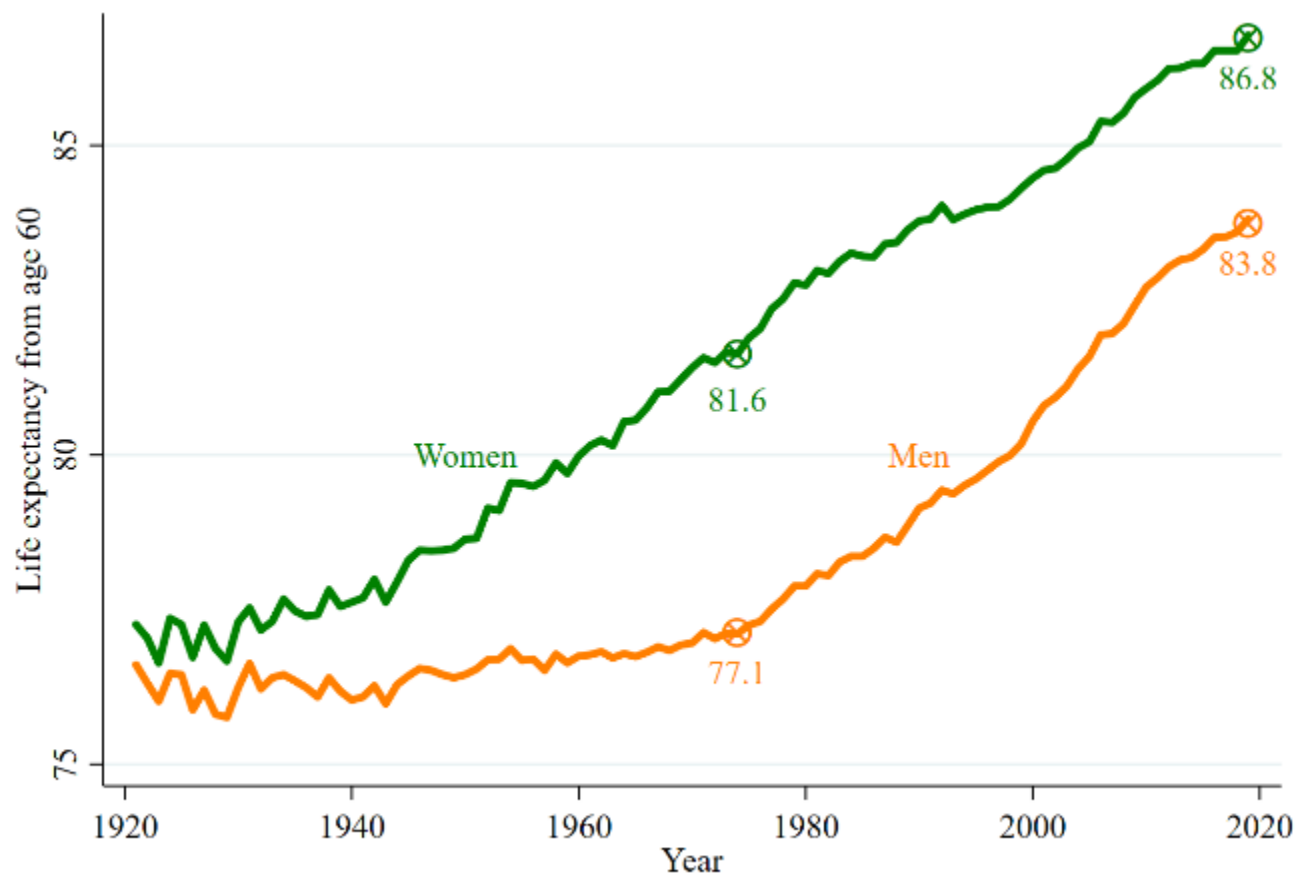


Living  
longer.



Canadian Human Mortality Database. Department of Demography, Université de Montréal

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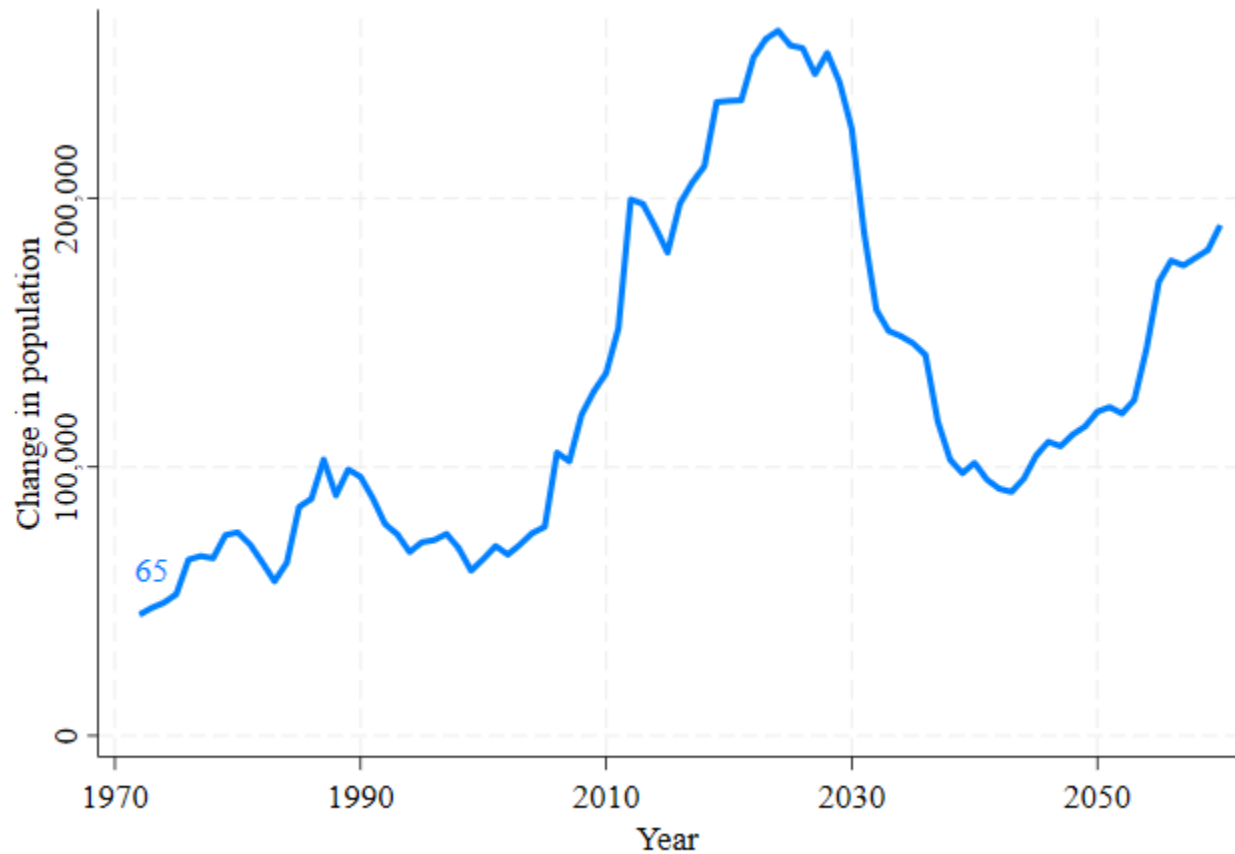
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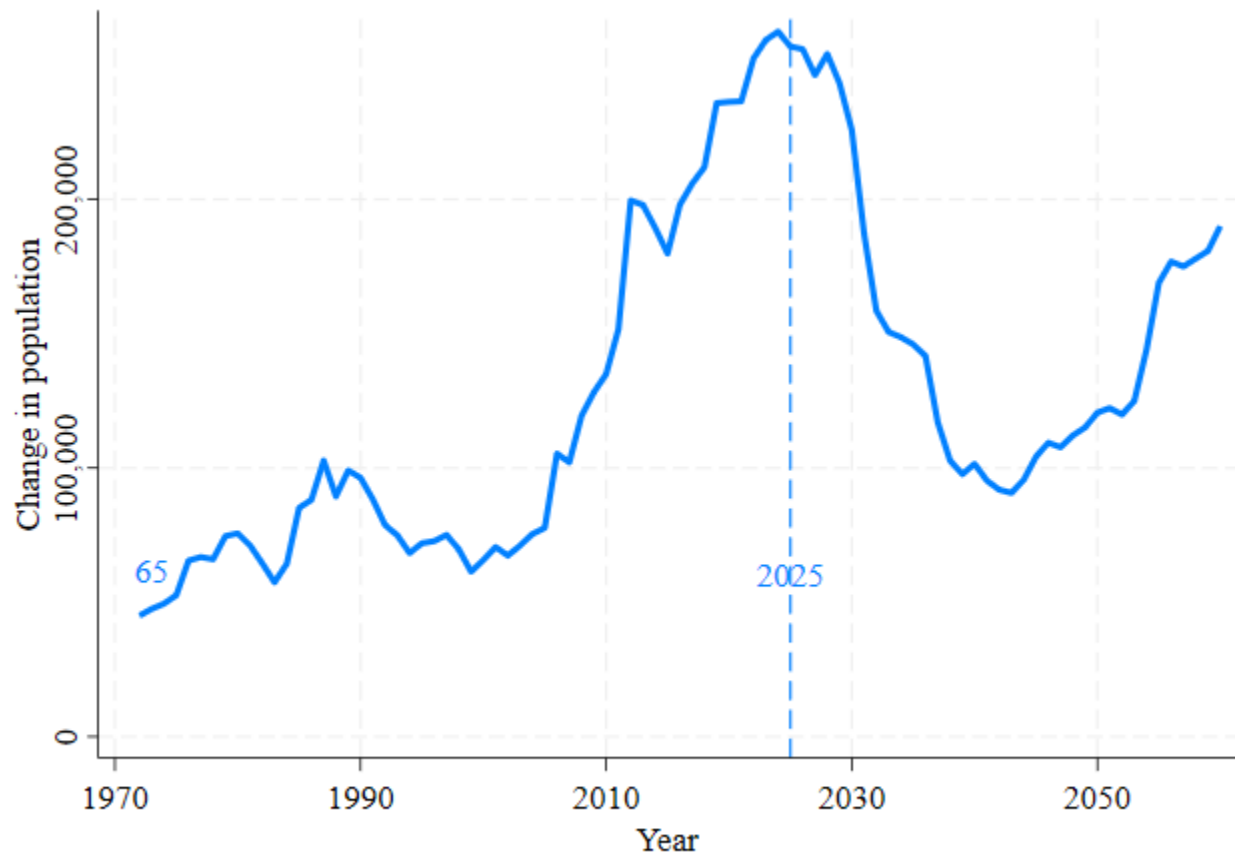
Consequence: a long-lasting population bulge...

# New 65 year olds.



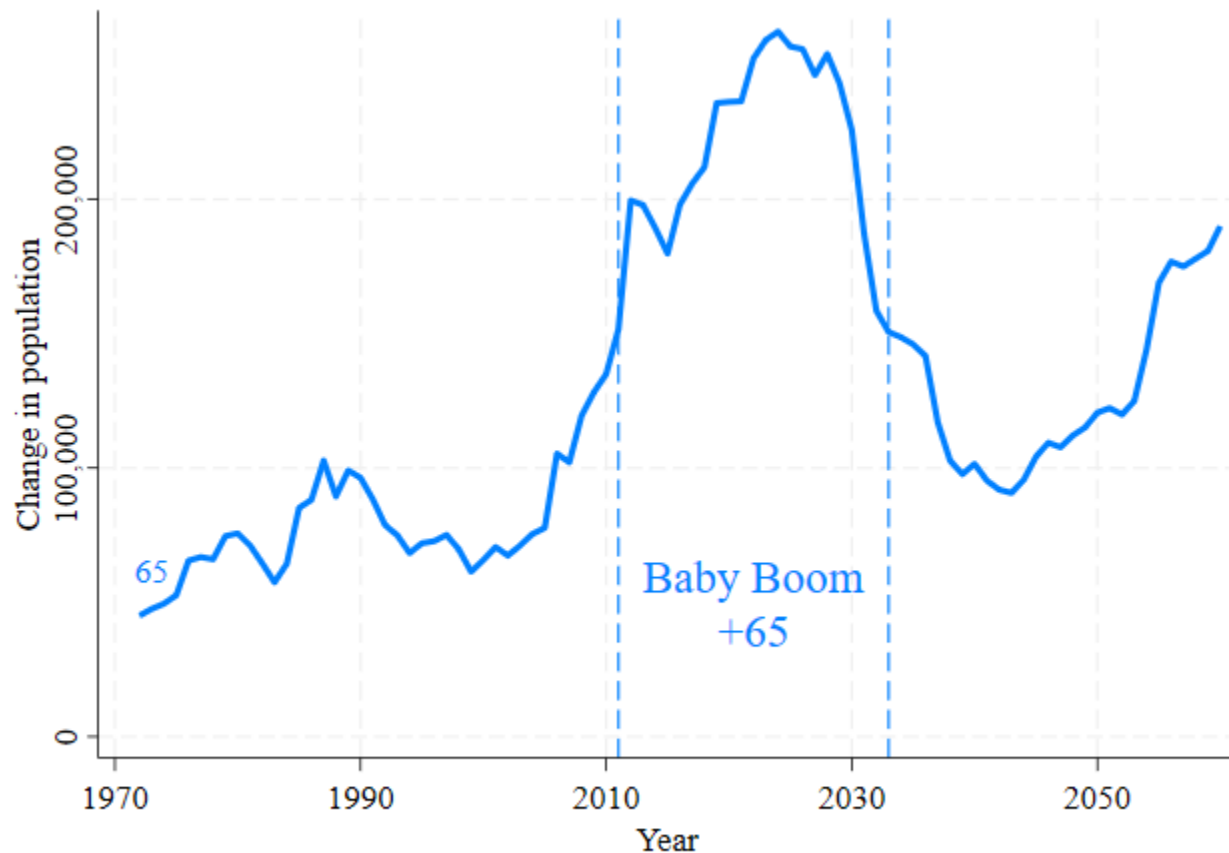
Statistics Canada: Table 17-10-0057-01, M1 scenario

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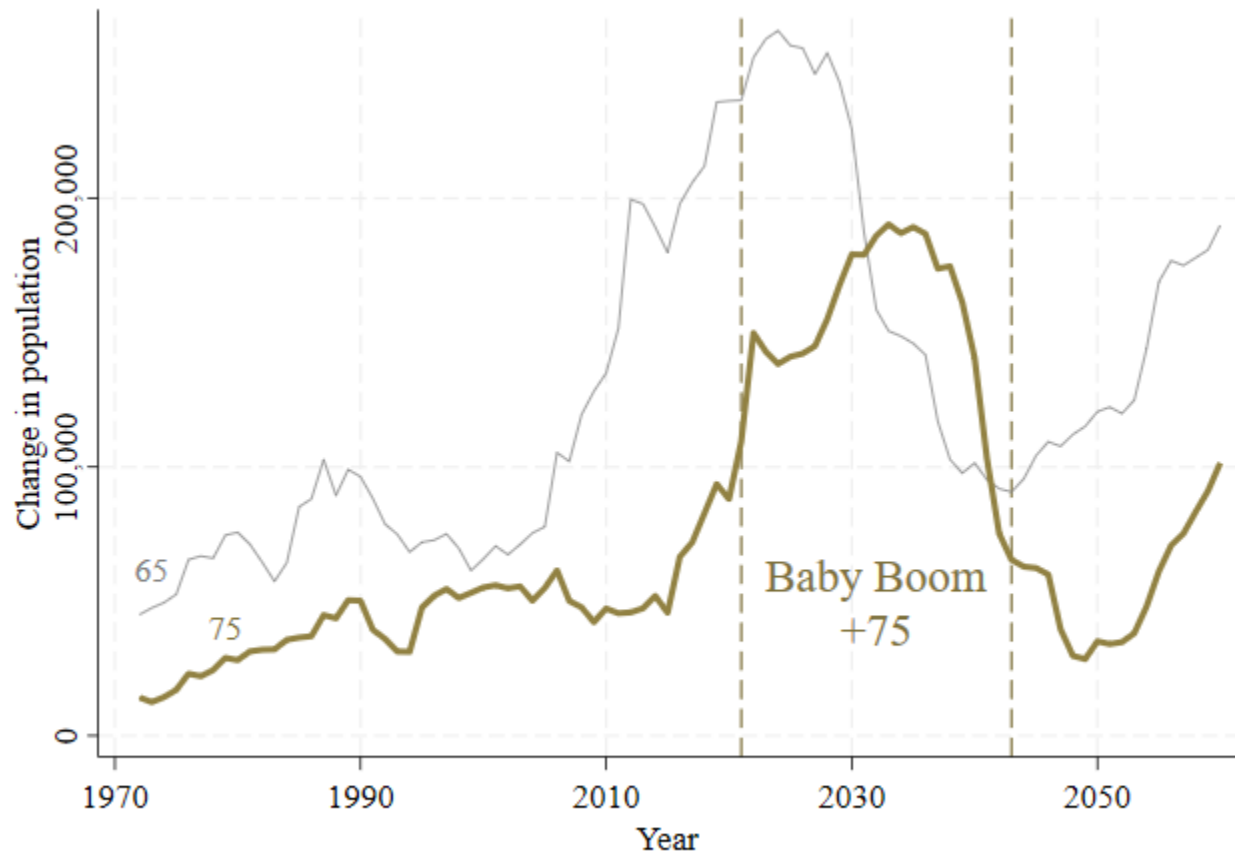
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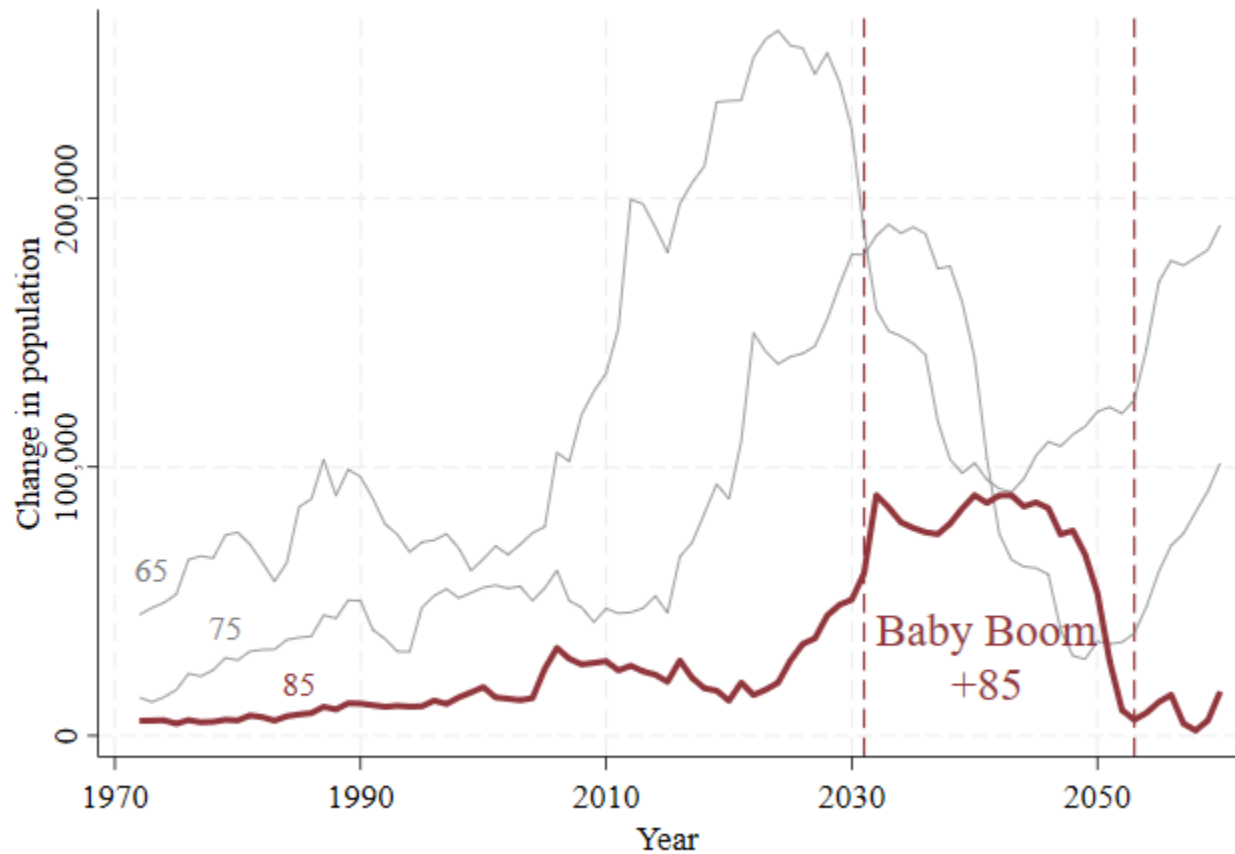
# New 75 year olds.



Statistics Canada: Table 17-10-0057-01, M1 scenario



New 85  
year olds.



# Summary of the data

- The baby boom: it was big!
- Lifespans: growing at about 1-2 months per year.
- Consequence: large population bulge...and it's sticking around.

# Policy Implications

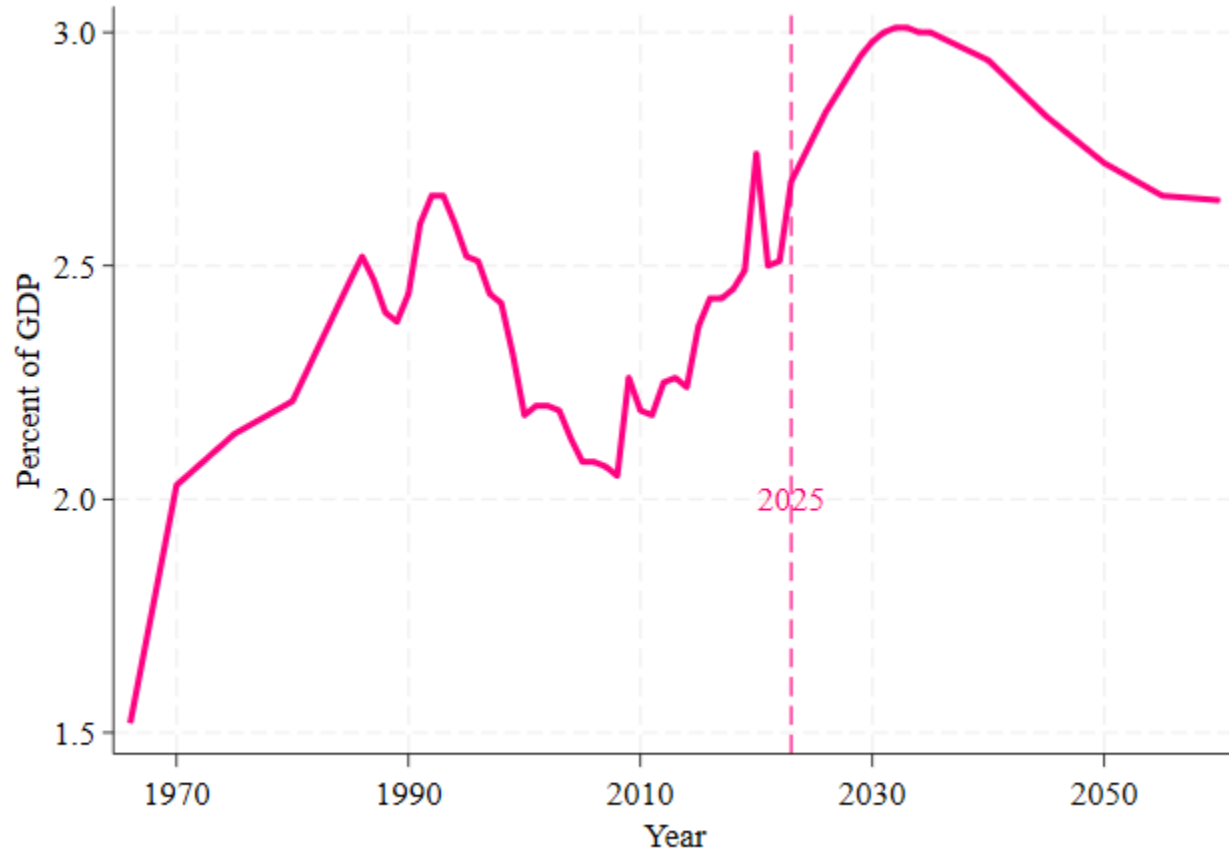
1. Pensions
2. Health
3. Long-term care

# 1. Pensions

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## Old Age Security:

- Expenditures / GDP
- Mostly for ages 65+



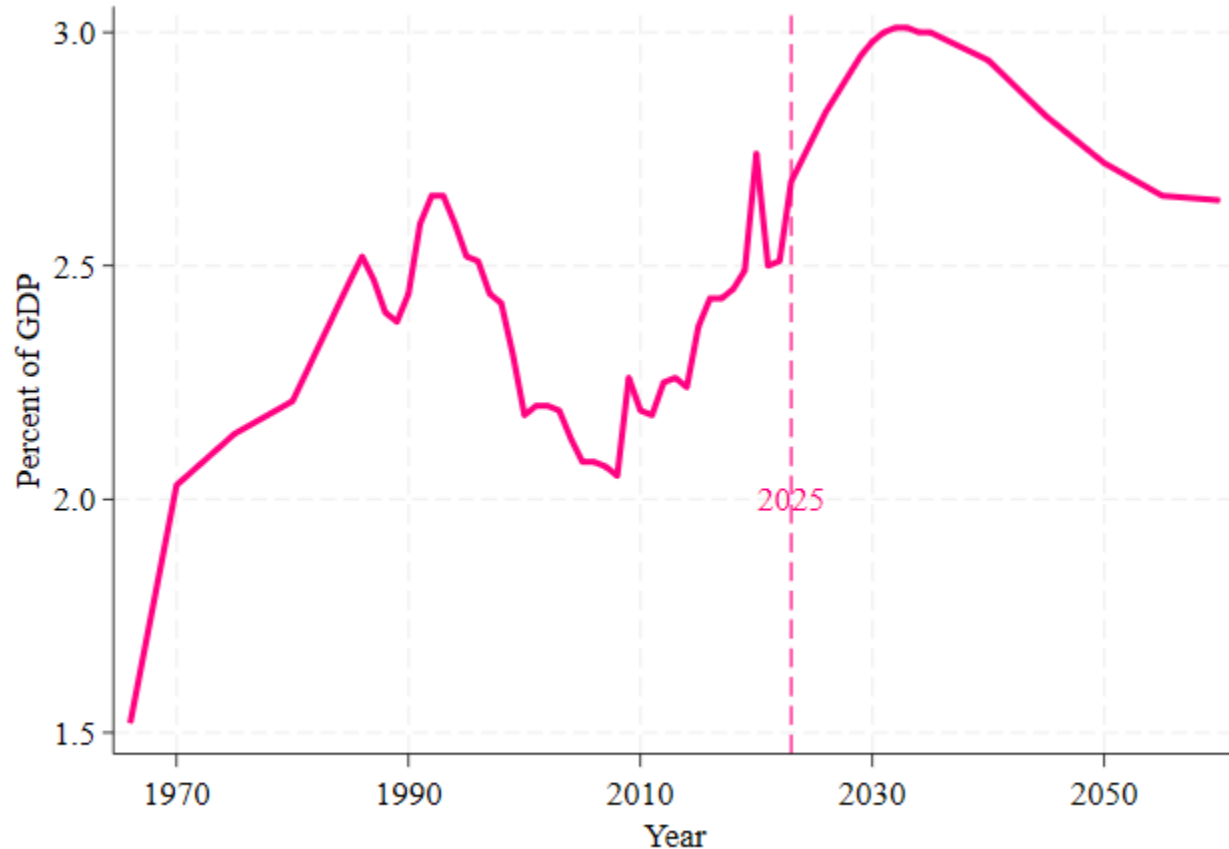
16th and 17th OSFI Actuarial Report on the OAS Program



# 1. Pensions

## Old Age Security:

- Expenditures / GDP
- Mostly for ages 65+
- Peaking soon; not all that high.



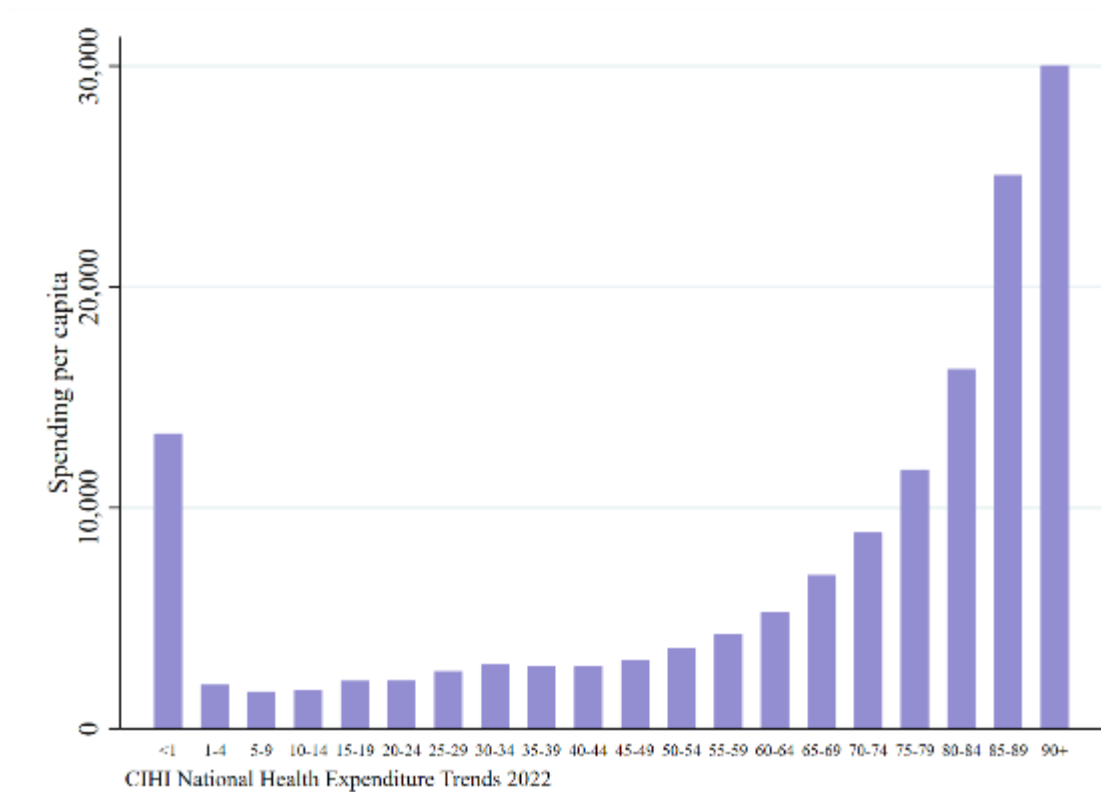
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## 2. Health

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Health expenditures  
by age group:

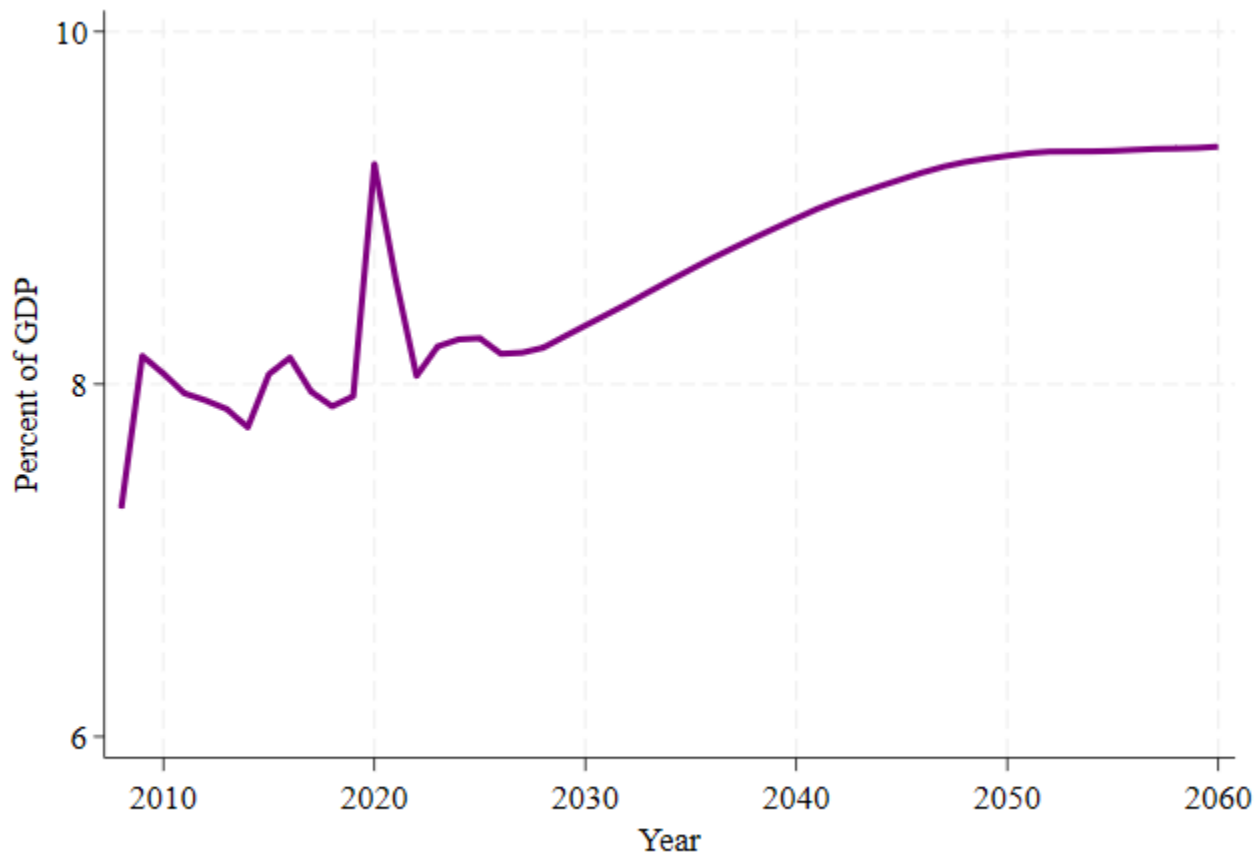
- Starts to grow  
sharply by ages  
75+



## 2. Health

Projected  
provincial health  
expenditures:

+1.5 points (PBO)  
+3 points (C.D.  
Howe)



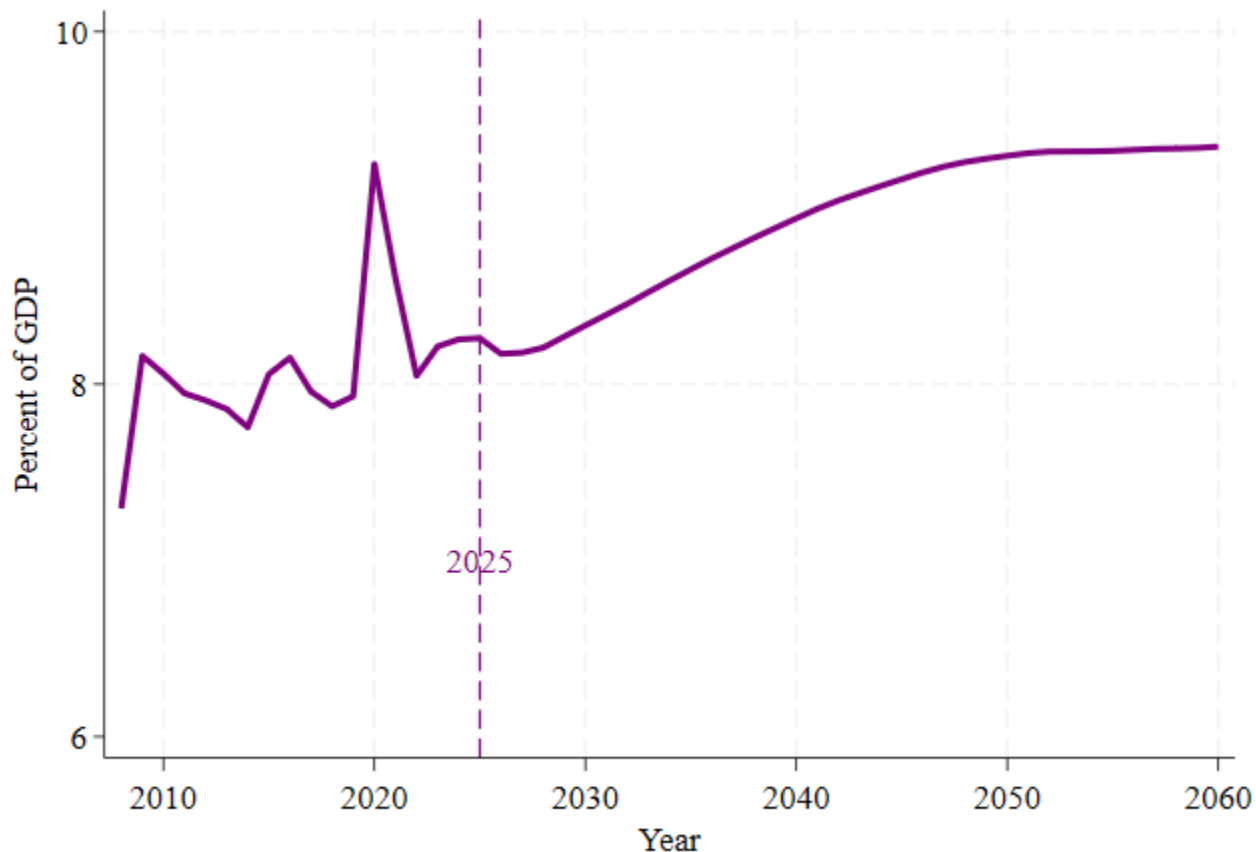
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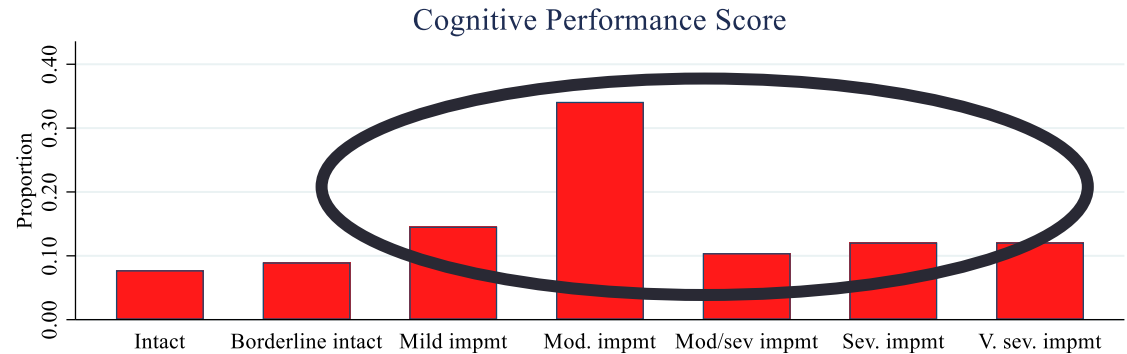
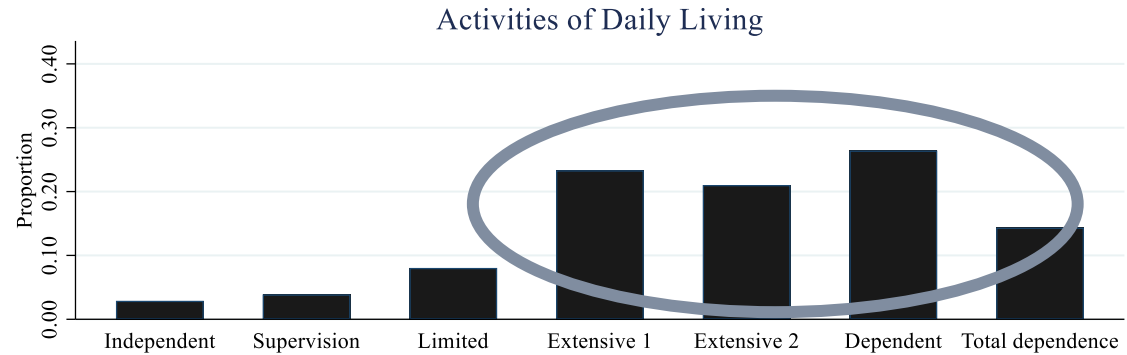
Starts picking up now,



### 3. Long-term care

# Health of LTC residents

## LTC residents

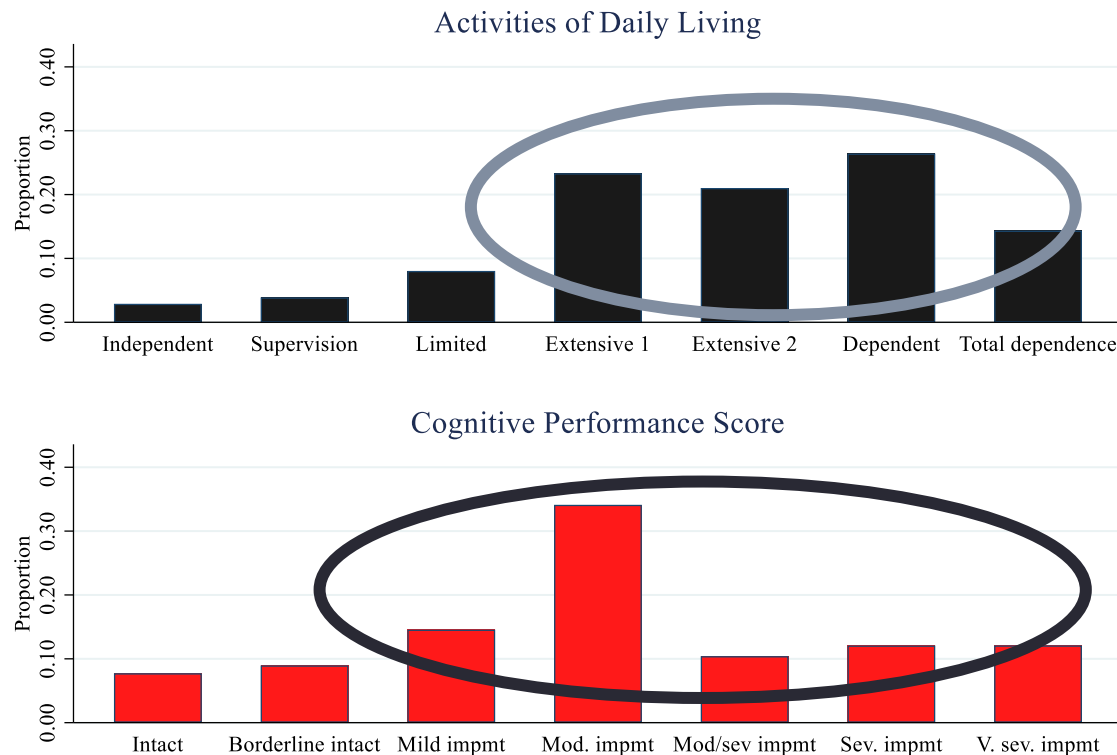


Source: Canadian Institute for Health Information, Profile of Residents in Continuing Care, 2020–2021

# Health of LTC residents

## LTC residents

- They have physical challenges
- Many have mental challenges

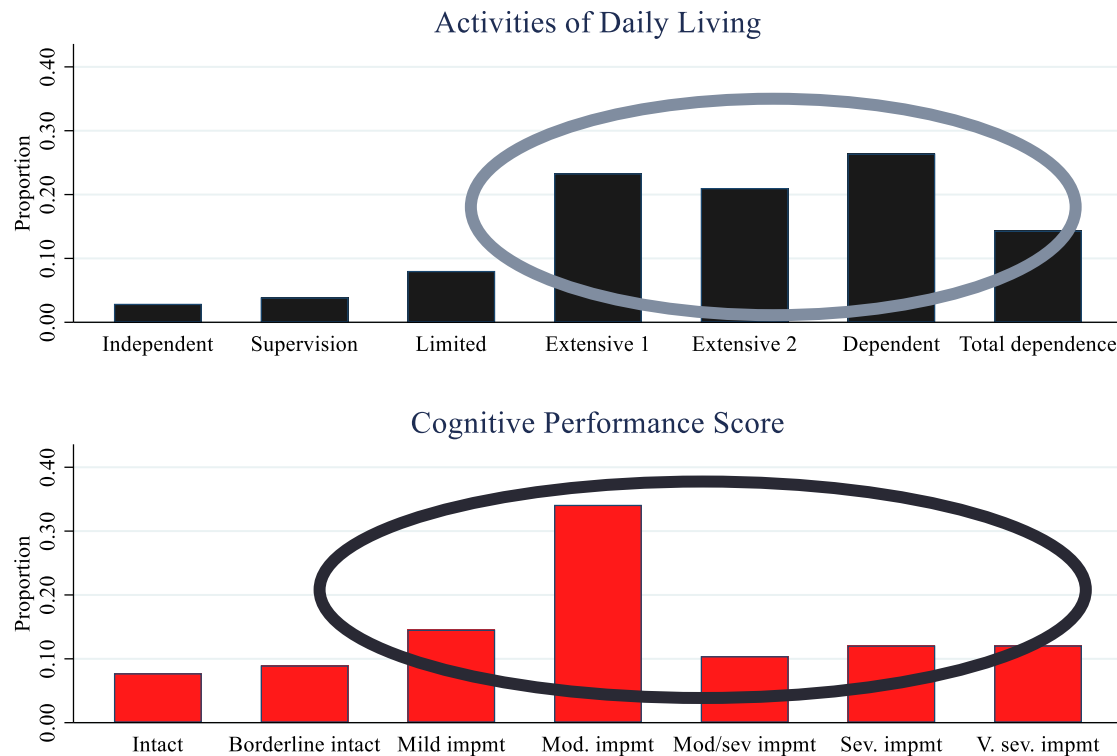




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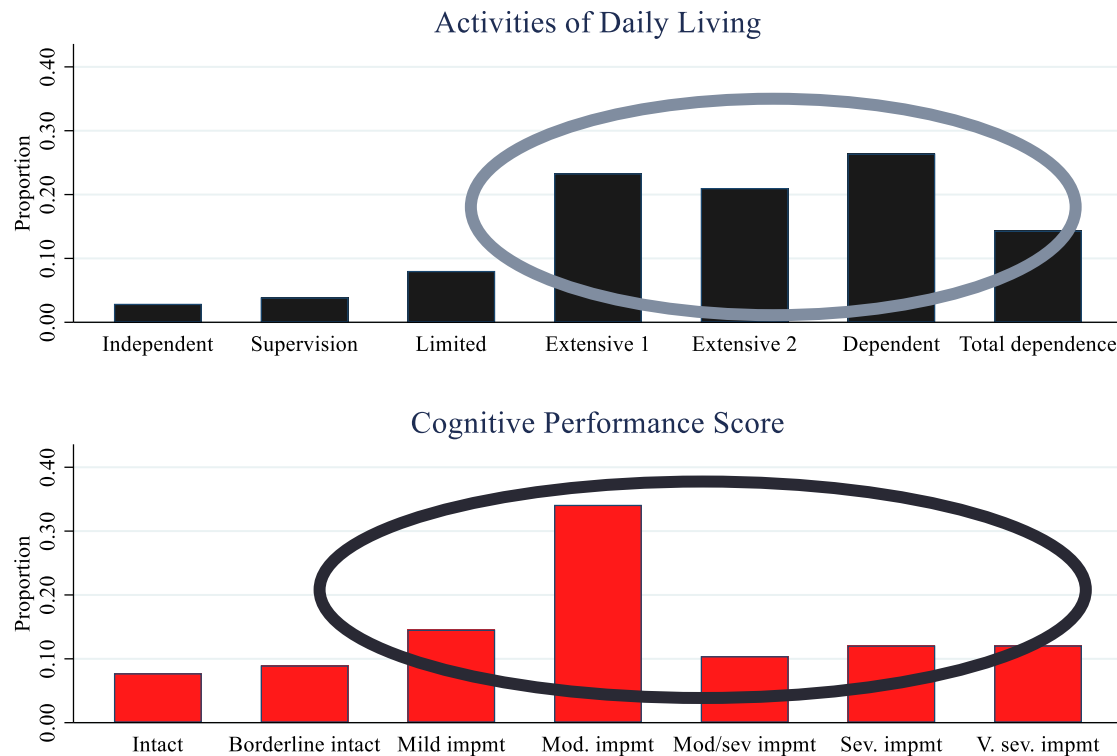
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- Many have mental challenges
- LTC isn't really optional!



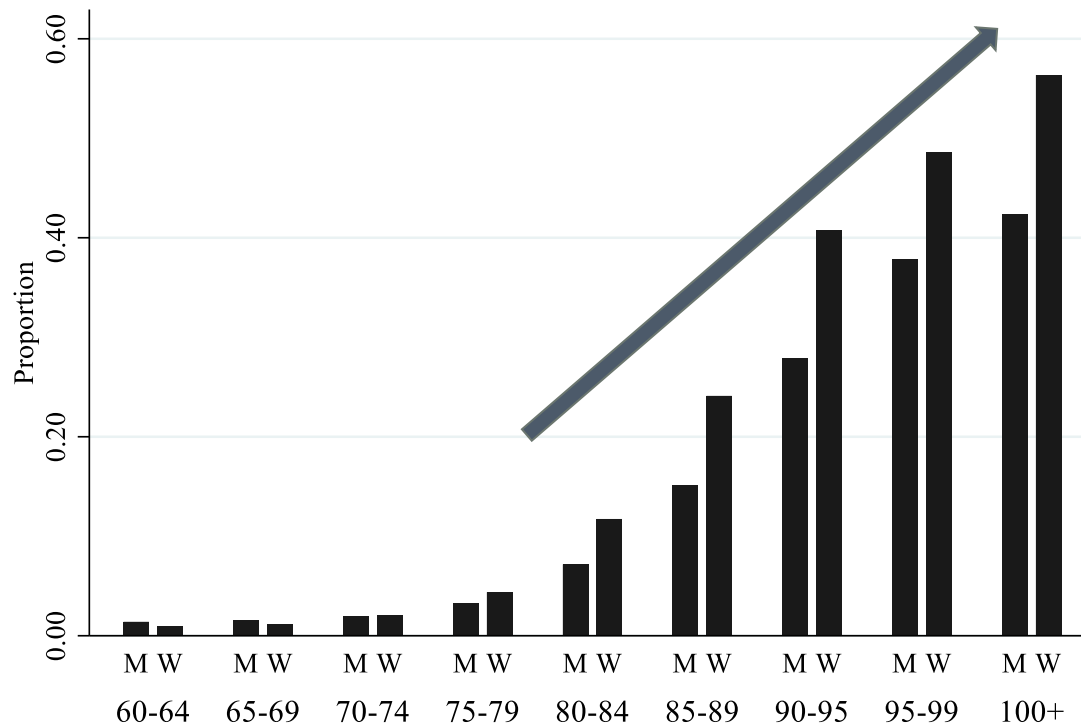
# Health of LTC residents

## LTC residents

- They have physical challenges
- Many have mental challenges
- LTC isn't really optional!
- (And homecare won't do it.)



# Age and gender of LTC residents



Source: Authors' tabulations using Statistics Canada Table: 98-10-0046-01.

Note: Proportion living in collective dwelling.

# Age 85 + population

How quickly will this population grow?

Year	Pop 85+	Change from 2025
2025	940,000	--

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2045	2,387,000	+154%



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2040	1,949,000	+107%
2045	2,387,000	+154%
2050	2,743,000	+192%

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- LTC requires a lot of labour and capital.
- Governments are not ready.
- Governments will not get ready.
- Private sector will be needed.
- Capital. Operations.
- Will private sector be ready?



# Where to read more

Chapter in a book: Long Term Care Around the World.

Kevin Milligan and Tammy Schirle

<https://www.nber.org/books-and-chapters/long-term-care-around-world/economics-long-term-care-canada>

< [Long-Term Care around the World](#)

## **The Economics of Long-Term Care in Canada**

**Kevin Milligan & Tammy Schirle**

SHARE   

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This is a preliminary draft and may not have been subjected to the formal review process of the NBER. This page will be updated as the chapter is revised.



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