

# NEWS RELEASE

## Canadian seniors will consume 71.4 per cent of total health care expenditures in 2040

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For immediate release

**VANCOUVER**—Canadians over the age of 65, who are projected to make up 23.4 per cent of the population by 2040, will account for 71.4 per cent of total health care expenditures in that year, finds a new study released today by the Fraser Institute, an independent, non-partisan, Canadian public policy think-tank.

“As a result of Canada’s aging population and the higher per capita health care costs of seniors, Canada’s health care system is on track to become essentially a senior health care system over the next few decades, which will leave fewer health resources for everyone else in the absence of policy changes,” said Steven Globerman, a Fraser Institute senior fellow and author of *Aging and Expenditures on Healthcare*.

The study finds per-capita spending on health care is substantially higher for individuals aged 65 and older than for younger individuals. For example, the per person spending in 2017 for the 80-85 age group was more than twice the average per person spending across all age groups in Canada.

And while individuals aged 65 and older accounted for 16.2 per cent of the total population in 2018, they are projected to account for 23.4 per cent of the population in 2040.

Crucially, the growth in the number of Canadians aged 65 and older will result in a substantial increase in overall health care expenditures of 88 per cent from 2019 to 2040 if recent patterns of spending continue.

And health care expenditures will increasingly be spent on seniors. For example, health care expenditures on individuals aged 65 and older accounted for 45.7 per cent of total health care expenditures in 2019. But by 2040, individuals aged 65 and older will account for 71.4 per cent of total health care expenditures.

“Canada’s aging population will have significant impacts on the health care system—not only will it drive up spending, it will also shift the vast majority of resources to senior care,” said Globerman.

“Policymakers need to prepare for the effects of an aging population and should look for ways to make health care delivery to seniors more efficient.”

*This essay is part of a series of essays on the economic and health care implications of an aging population.*

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