



# NEWS RELEASE

## Aging population in Saskatchewan and Manitoba leads to persistent deficits and increased health-care spending

November 30, 2021  
For immediate release

**CALGARY**—The senior population will reach 19.6 per cent of Manitoba’s total population and 18.9 per cent of Saskatchewan’s total population by 2043, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Manitoba and Saskatchewan’s aging population will only put more pressure on their finances in the coming years,” said Jake Fuss, senior economist at the Fraser Institute and co-author of *The Implications of an Aging Population for Government Finances in the Prairies*.

For example, the study finds that health-care expenditures are estimated to increase by approximately 5.4 per cent annually from now until 2040/41 in Saskatchewan and by 4.9 per cent in Manitoba. Consequently, Saskatchewan’s health-care expenditures will increase from 7.3 per cent of GDP in 2019 (the last year before the pandemic) to 8.5 per cent of GDP in 2040, with Manitoba’s increasing from 8.9 per cent of GDP in 2019 to 9.5 per cent of GDP in 2040.

Saskatchewan is projected to run one of the largest deficits in provincial history at \$2.6 billion in 2021/22, with deficits expected until at least 2026/27. Manitoba faces a similar fiscal situation as the province expects to run a \$1.6 billion deficit in 2021/22, with more deficits projected to continue until at least 2028/29, unless changes are made to spending.

The risk of future recessions, rising interest rates, and other unexpected events will only compound problems further.

“If the Saskatchewan and Manitoba governments want to avoid even more red ink in the future, they will have to make policy changes and better control spending,” Fuss said.

(30)

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