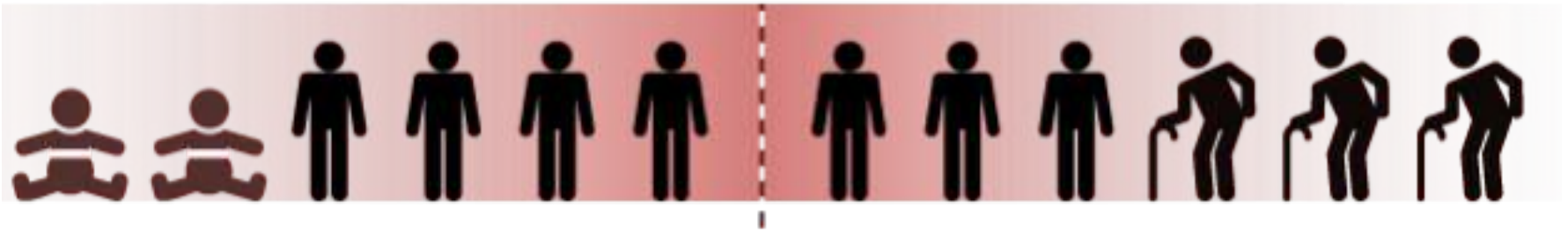


Seizing Opportunity: In-Step with an Aging Population



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Policy Problem

Canada's aging population increasingly poses a fiscal challenge to governments' abilities to **sustain the quality of life** of all Canadians.

Key Areas:

Changing
Labour Force

Insufficient
Retirement
Savings

Increasing
Health Costs

Key Policy Objectives



Improve
Quality of Life

Manage Fiscal
Burden

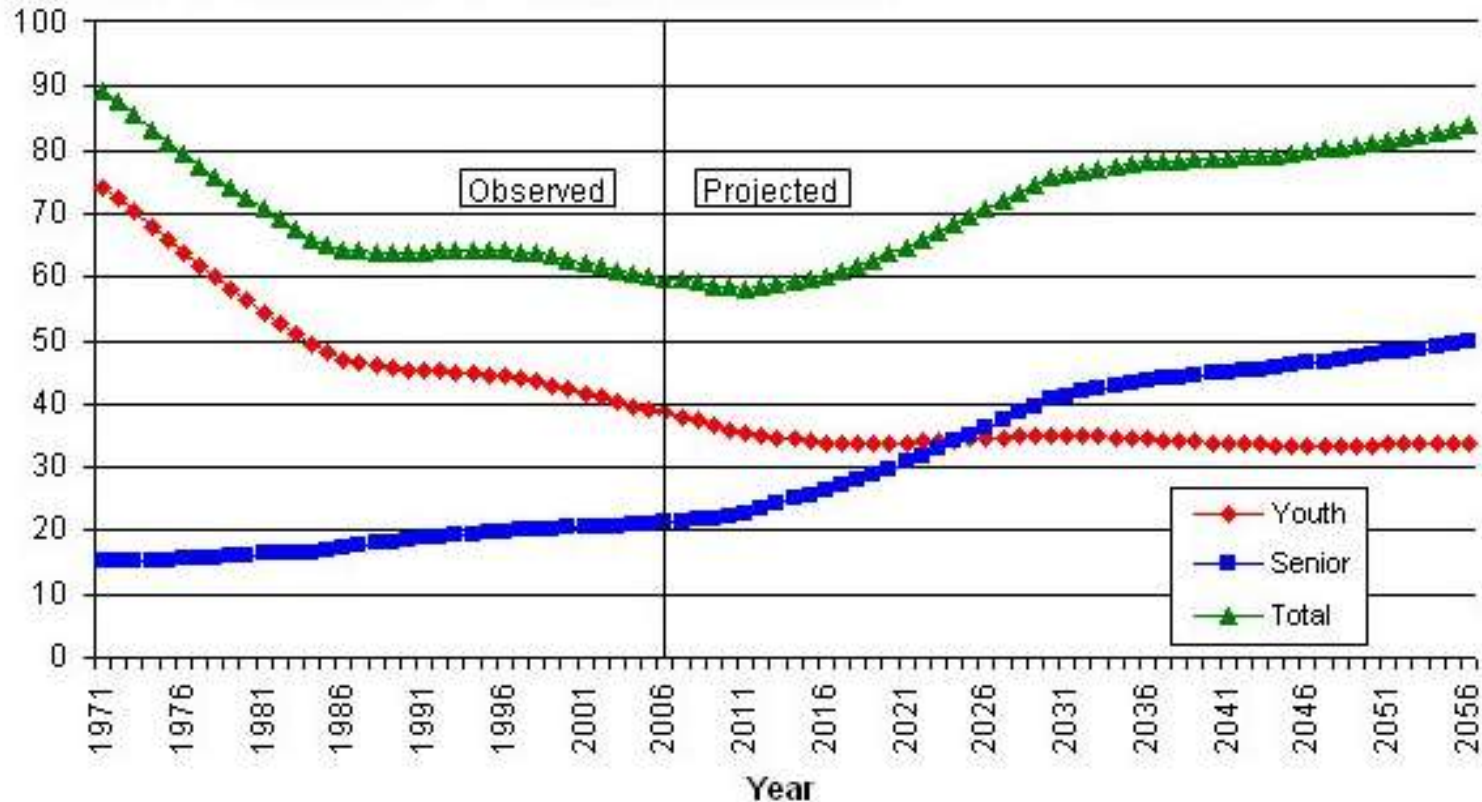
Harness
Jurisdictional
Strength

Canadian Dependency Ratio



Observed and projected youth, senior, and total demographic dependency ratios, Canada, 1971 to 2056

Number of "dependents" per 100 population of working age

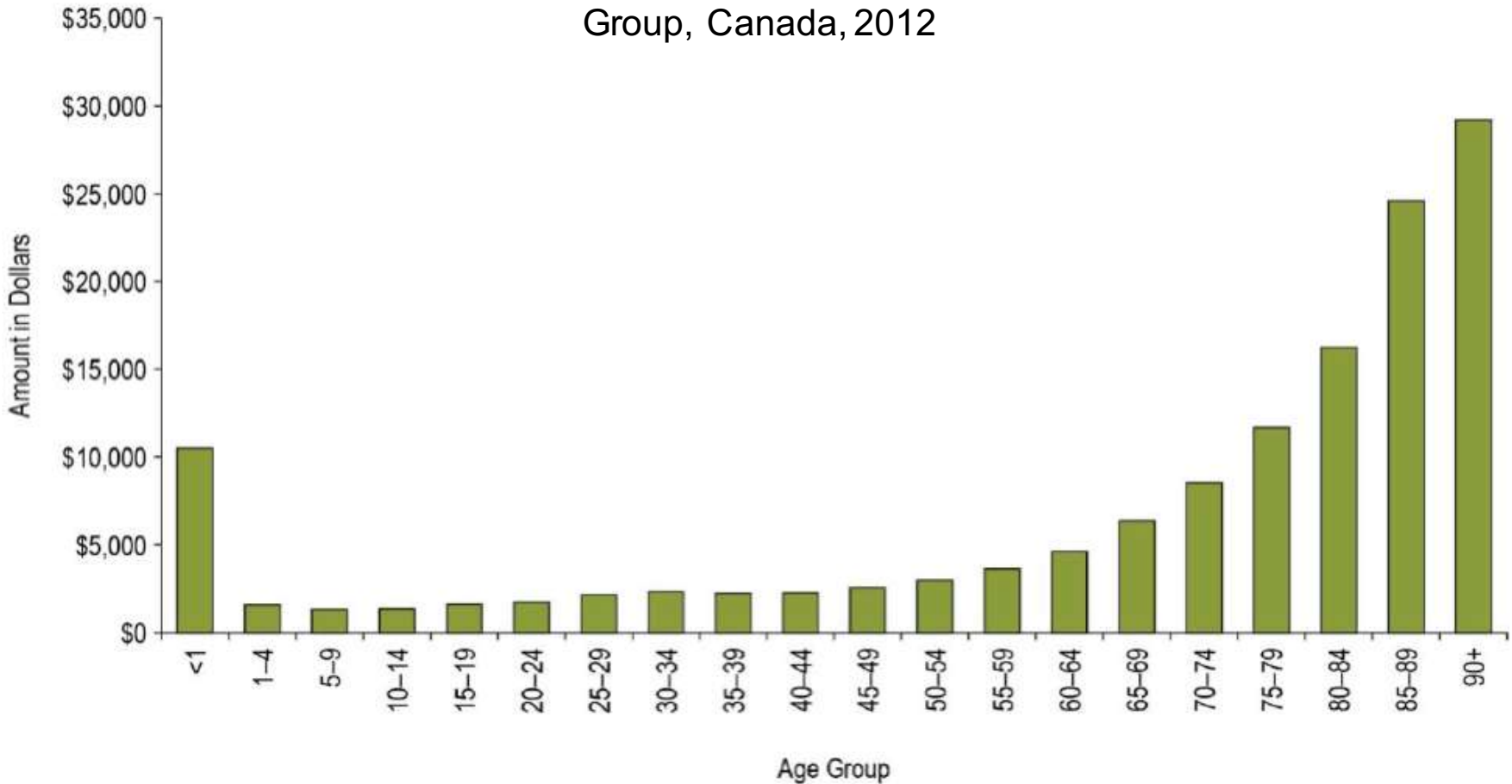


Source : CANSIM Tables 051-0001 (1971 to 2008) and 052-0004 (2009 to 2056).

Rising Costs of Care



Provincial/Territorial Government Health Expenditure per Capita, by Age Group, Canada, 2012



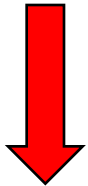
Source: National Health Expenditure Database, Canadian Institute for Health Information

Key Issues



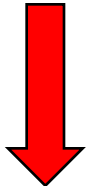
TODAY: 65+ Cohort = **2X LARGE** as in 1971

2035: 65+ Cohort = **25%** of Canadian population



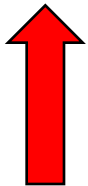
Decreasing Labour Force Participation

- By 2030, for every 5 people working, there will be 3 people not in the workforce



Decreasing Security in Retirement

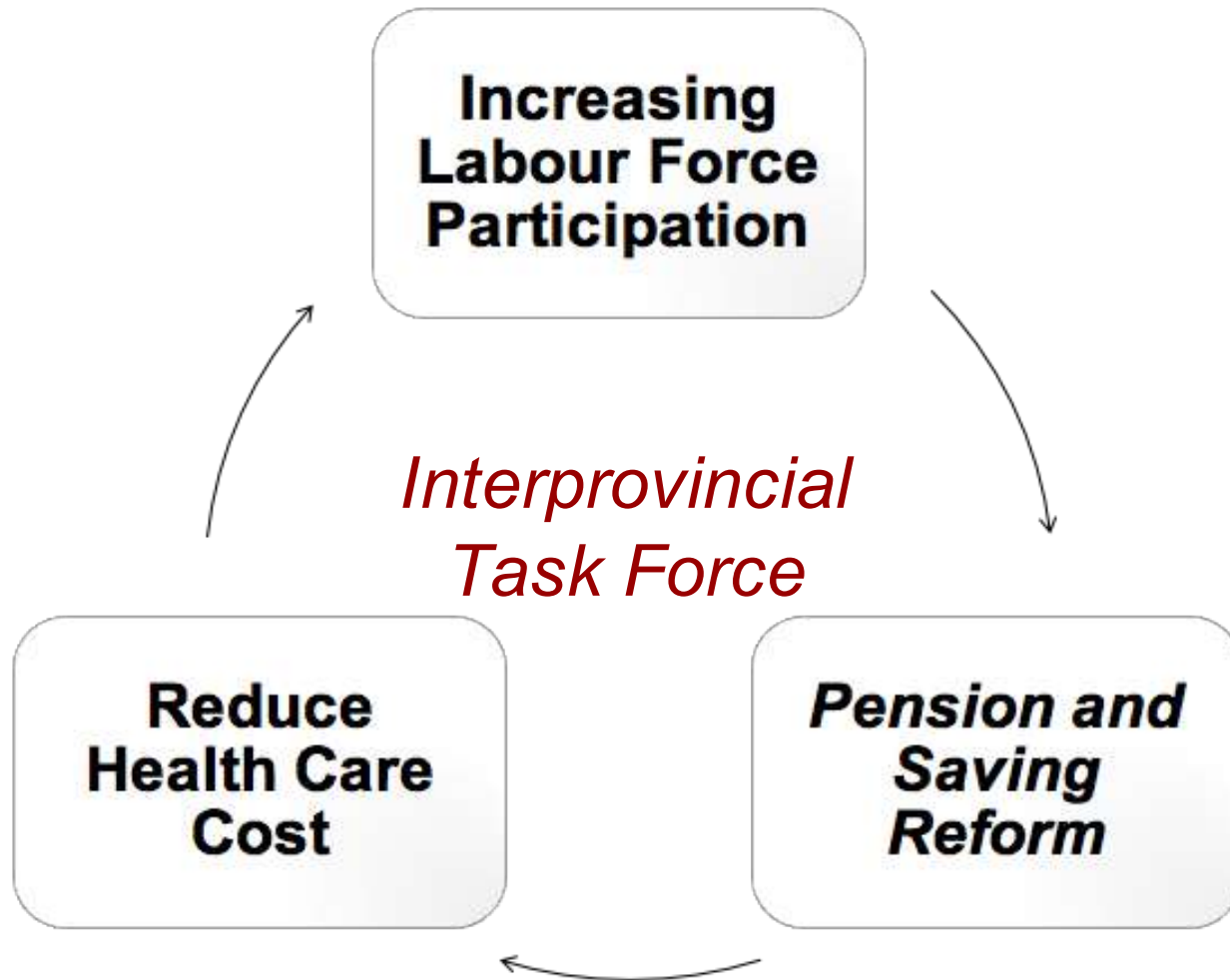
- Decline in private employer pensions
- Estimates say that 20% to 50% of households are undersaving



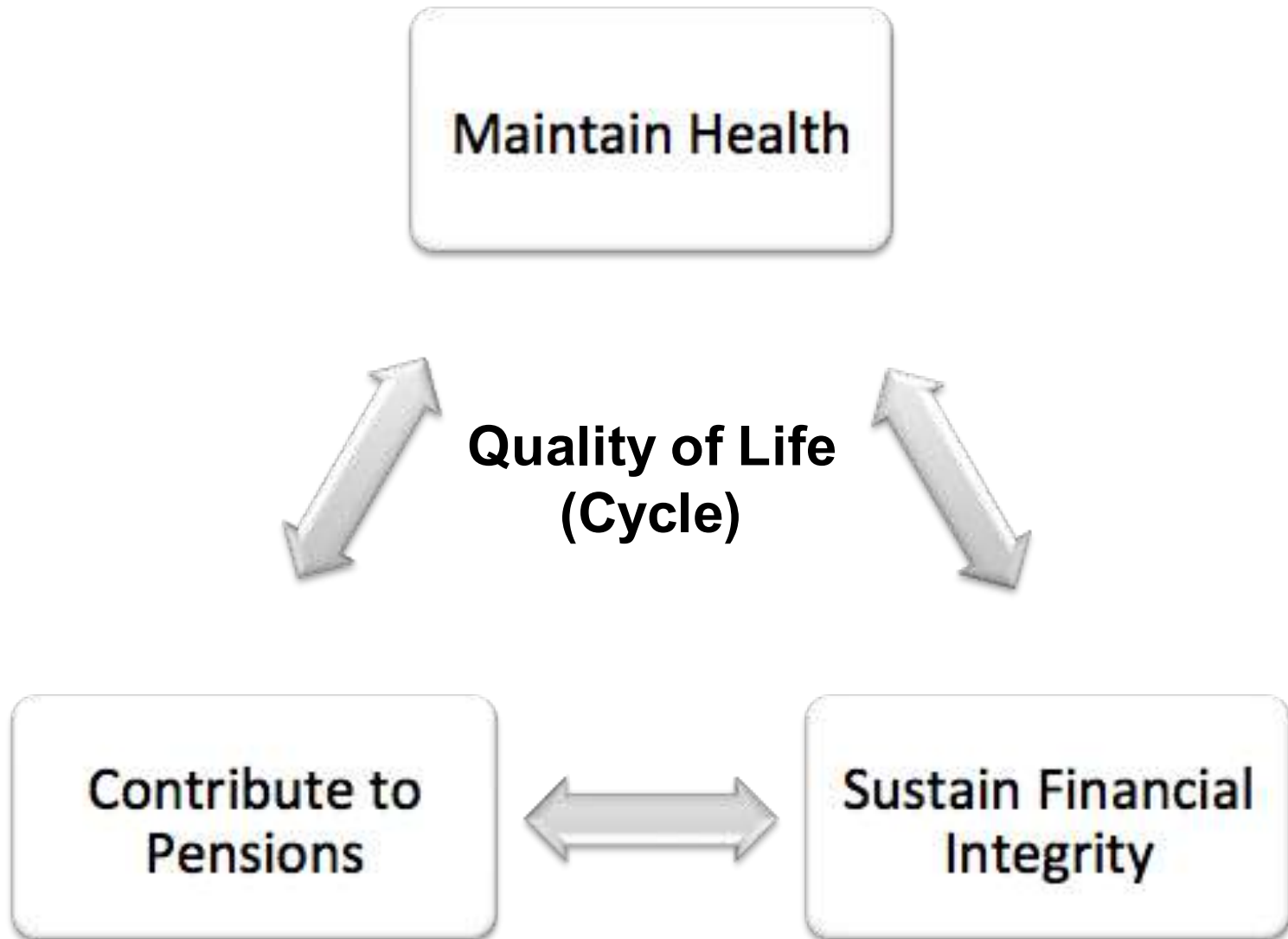
Increasing Health Care Costs

- Quebec's health and social services had risen 5.6% annually (2003 to 2013)
- Ontario's health care expenditure is projected to grow by 30% to \$103 billion
- Drug costs make up 16.3% of healthcare spending, rising 5% since 1990

Our Plan



Connecting The Tracks



Strategic Policy Objectives



TRACKS	Key Objective
1 Increase Labour Force Participation	<ul style="list-style-type: none">● Improve retention of older workers and disadvantaged groups, to mitigate shrinking of labour force
2 Pension Savings and Reform	<ul style="list-style-type: none">● Improve pension payments to future retirees● Increase incentives to delay retirement
3 Reduce Healthcare Costs	<ul style="list-style-type: none">● Increase cost effectiveness in the healthcare system● Keeping an aging population healthy

Track 1: Labour Force Participation

Mitigate impact of contracting workforce by increasing participation

- Pilot a Targeted Training Initiative to update skills
- Pilot increased job flexibility in the public sector to demonstrate viability

Key Strengths

- Targets older, younger and disadvantaged workers
- Avoid skills gap
- Promotes resilient labour force
- Enables intergenerational knowledge exchange

Key Weaknesses

- Potential disruption to work-flow
- Buy-in from private sector
- Complex to implement

Track 2: Pension Enhancement

Improve Economic Well-being and Quality of Life for Future Retirees

- Monitor roll-out of **ORPP** in Ontario
- Modify **QPP** to allow seniors age 65 to 70 to receive QPP benefits while continuing to contribute
- Encourage **CPP** benefit reform, to incentivize delayed retirement

Key Strengths

- Improves economic security in retirement
- Focuses on future retirees who are without workplace pensions
- High public support for the new ORPP in Ontario

Key Weaknesses

- Not income sensitive
- Complex to implement
- Opposition from business sector

Track 3: Affordable Health Care and Housing

Ensure Access to Cost-Effective and Quality Healthcare Services

- Negotiate drug purchase price (Generics & Brand-Name)
- Meet senior housing demand through development of mixed income transition housing

Key Strengths	Key Weaknesses
<ul style="list-style-type: none">- Immediately reduces drug cost- Providing lower-income seniors with affordable housing & aging in place- Reduces the cost burden on long-term care facilities	<ul style="list-style-type: none">- Does not increase healthcare services- Increases Ministry of Housing's spending

Risk Management



Risk	Mitigation Strategies
Stakeholder Resistance	<ul style="list-style-type: none">● Identify and mobilize allies to demonstrate support and success● Incremental program roll out● Communicate potential benefits
Public Response	<ul style="list-style-type: none">● Engage and consult● Launch information campaign● Pilot and evaluate projects to demonstrate cost savings
Implementation Complexity	<ul style="list-style-type: none">● Share resources across provinces (health, housing, labour policy analysts)
Budgetary Costs	<ul style="list-style-type: none">● Focus on capital investments that provide long term payout

Communications Plan



TARGET GROUP	KEY MESSAGES
Older Workers (Ontario and Quebec)	<ul style="list-style-type: none">● Increase Your Retirement Benefits● Understand Incoming Costs of Retirement● Job Flex: Work that Works for You● Enhance your Skills
Employers (Public/Private)	<ul style="list-style-type: none">● Retrain and Retain Talent● Engage Productivity Opportunities
Health Care Providers	<ul style="list-style-type: none">● Autonomy for Elders: Assisted Living vs. Long-Term Care

TOOLS:

- Provide infographics that depict possible health and labour outcomes from the ageing population
- Clearly communicate best practices from other jurisdictions (WHO active ageing pillars)

Implementation Plan



Intergovernmental Task Force

- Pilot Programs
Labour Force Initiatives
- Consult Stakeholders
Employers, Older Workers, Retirees, Health Care Professionals, Low Income Populations
- Make adjustments to QPP rules, Monitor ORPP roll out
- Initiate development of mixed income housing



Implementation Plan



Long Term
3+ Years

Intergovernmental Task Force

- Evaluate and expand successful labour pilot programs
- Quebec consider adaptation of ORPP to their provincial context
- Intergovernmental negotiation to lower drug costs
- Encouraged CPP reform to incentivize delayed retirement



*“Older people are a wonderful resource for communities.
They are a repository of knowledge.
They can help us avoid making the same mistakes again”
- World Health Organization*

