

Labour force participation of seniors, 1946-2016

Like many other industrialized countries, the age structure of the Canadian population has changed dramatically in the last century. The proportion of seniors aged 65 and older who participate in the labour market has also changed substantially over this time.

In 1921, the Census of Population found that about one-third (33.7%) of those aged 65 and older were either employed or looking for work. At this time, income support programs for seniors were rare; the Old Age Security Program, for example, would not be introduced until 1927.

In 1946, following the Second World War, the first Labour Force Survey data indicated that 26.6% of seniors participated in the labour market. In subsequent decades, the labour force participation rate of seniors continued to decline, reaching a low in the period from 1986 to 2002, when the rate varied between 6% and 7%. This decline in the labour force participation of older people was likely related to a combination of economic conditions and the growth of public and private pension plans.

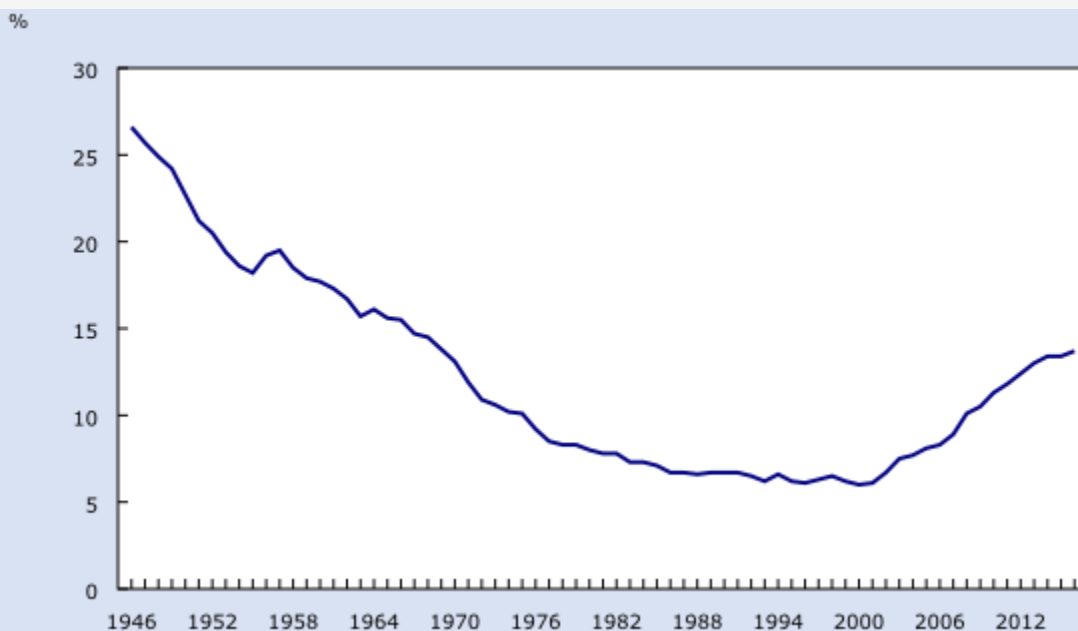
Since the early 2000s, there has been a notable upward trend in the proportion of seniors participating in the labour force, which more than doubled from 6.1% in 2001 to 13.7% in 2016.

As the baby-boom cohort continues to age, the recent trend towards a higher proportion of seniors participating in the labour market can be expected to continue. Indeed, demographic projections of Canada's labour force show that by the year 2026, 40% of the total labour force could be aged 55 and older.

Sources: A. Fields, S. Uppal, and S. LaRoche-Côté. 2017. "The impact of aging on labour market participation rates." *Insights on Canadian Society* ([Catalogue number 75-006-X](#)); tables D107-122 and D205-222 in *Historical Statistics of Canada* ([Catalogue number 11-516-X](#)); and CANSIM table [282-0002](#).

Chart 3

Labour force participation rate of people aged 65 and older, Canada, 1946 to 2016



Source: Statistics Canada

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