## **Census in Brief**

# A generational portrait of Canada's aging population from the 2021 Census

Census of Population, 2021



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### **Highlights**

- The Canadian population is changing due to baby boomers getting older and immigration boosting numbers in the younger generations. These changes will have significant consequences, particularly on the labour market, services to seniors, and the consumption of goods and services.
- For the first time since the end of the baby boom, baby boomers—who were born between 1946 and 1965 and were between the ages of 56 and 75 in 2021—make up less than a quarter of the Canadian population. They represent 24.9% of the Canadian population, compared with 41.7% in 1966, when they were under the age of 20.1
- Millennials, who are those born between 1981 and 1996 and were between 25 and 40 years old in 2021, are the fastest-growing generation. Their numbers rose 8.6% between 2016 and 2021. This increase is due to immigration, despite the impact of the COVID-19 pandemic on recent immigration.
- Millennials are the generation that accounts for the largest share of the working-age population (33.2%), or those aged 15 to 64.
- Millennials outnumber baby boomers in Alberta (23.3% versus 21.4%), Yukon (25.0% versus 24.2%), the Northwest Territories (25.2% versus 19.2%), and Nunavut (24.1% versus 10.6%).
- Millennials also accounted for more than one-third (35.1%) of the downtown population of large urban centres in Canada in 2021, while baby boomers accounted for one-fifth (20.9%) of it.

### Introduction

The Canadian population is made up of various generations of different sizes, and each influences society according to their world view, characteristics, values and stage in their life cycle.

Given that the baby boomer generation is getting older and currently transitioning from the labour force to retirement, their needs are different today. For example, their children may have left the parental home to live on their own. This generation may redefine how retirement and end-of-life are experienced given that, compared to previous generations, it had fewer children, is working longer, and has adopted different values, such as autonomy.<sup>2</sup>

Younger generations, such as millennials and Generation Z, are more educated and diverse than previous generations. These generations, who are still young, are more exposed to ethnocultural, religious and gender diversity and have grown up in <u>an interconnected technological world that has a significant impact on their values and lifestyles</u>. These generations now make up a considerable share of the working-age population, leading to changes in the labour market.

In this vein, a generational perspective of demography can be very useful in understanding current and future societal changes and the prevailing consumption needs of a population, depending on the stage of life of each generation.

<sup>1.</sup> To ensure the confidentiality of responses collected for the 2021 Census, a random rounding process is used to alter the values of released data. As a result, when these data are summed or grouped, the total value may not match the sum of the individual values, since the total and subtotals are independently rounded. Similarly, percentage distributions, which are calculated on rounded data, may not necessarily add up to 100%.

<sup>2.</sup> GOLANT, Stephen M. 2017. "Self-Reliant Older Baby Boomers Are Now Better Connected to Goods, Services, and Care," *Generations: Journal of the American Society on Aging*, Vol. 41, No. 2.

### Did you know?

In this document, 2021 Census data are used to examine the age structure of the Canadian population from a generational perspective.

For more information, readers can find results on Canada's shifting demographic profile, particularly related to age and type of dwelling, in the other documents released today: the *Daily* release entitled "In the midst of high job vacancies and historically low unemployment, Canada faces record retirements from an aging labour force: number of seniors aged 65 and older grows six times faster than children 0-14", as well as the article in the *Census in Brief* series entitled "A portrait of Canada's growing population aged 85 and older from the 2021 Census."

A number of other releases in the coming months will provide further details on the characteristics of generations.

### **Defining generations**

It is difficult to precisely define the term "generation" because it can have more than one meaning.

The definition used in this article is largely based on the <u>Pew Research Center's definition</u>: generations are cohorts of people who have grown up in a specific social, economic and political context that can shape their view of the world. The year of birth determines which generation a person belongs to.

Depending on where they are in their life cycle, these generations also influence the economy and society not only because of their size, but also because of their distinct values and attitudes toward life.

The generations used in this article are as follows:

- Greatest Generation: people aged 94 or older (born before 1928)
- Interwar Generation: people aged 76 to 93 (born between 1928 and 1945)
- Baby Boomer Generation: people aged 56 to 75 (born between 1946 and 1965)
- Generation X: people aged 41 to 55 (born between 1966 and 1980)
- Generation Y (millennials): people aged 25 to 40 (born between 1981 and 1996)
- Generation Z: people aged 9 to 24 (born between 1997 and 2012)
- Generation Alpha: people aged 8 or younger (born between 2013 and 2021)

# For the first time, baby boomers make up less than a quarter of the Canadian population

The baby boomer generation, comprising people aged 56 to 75, continues to be the largest in Canada, despite the fact that they are aging. The 2021 Census counted 9,212,640 baby boomers.

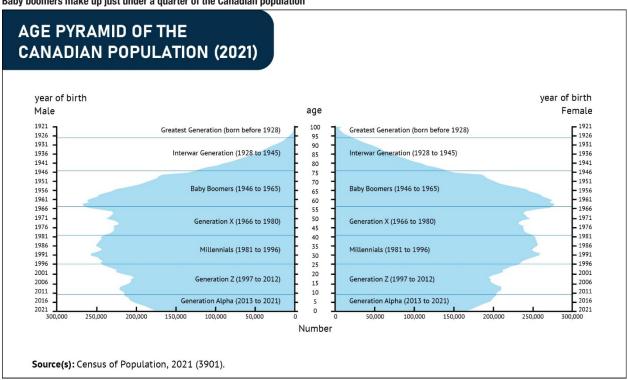
However, the demographic weight of baby boomers in the overall population is declining. For the first time, in 2021, this generation accounted for less than one-quarter (24.9%) of the Canadian population. By comparison, they represented more than two in five Canadians (41.7%) in 1966, at the end of the baby boom period in Canada (1946 to 1965).

Between 2016 and 2021, the number of baby boomers fell 3.1% mainly because of mortality, as this generation is growing older and is now more concentrated at ages where mortality is higher. Baby boomers have now passed the ages at which immigration to Canada occurs in large numbers, so immigration is no longer a major factor of growth for this generation.

The fact that baby boomers are reaching more advanced ages is gradually putting more pressure on the health and home care system, as well as on pension plans, although many people in this generation are currently choosing to stay in the workforce longer.<sup>3</sup> The oldest of this very large generation will be turning 85 in 2031, an age at which activity limitations and loss of autonomy are more common.

The Census in Brief article entitled "A portrait of Canada's growing population aged 85 and older from the 2021 Census" examines the demographic and housing trends of the population aged 85 and older in more detail.

Figure 1 Baby boomers make up just under a quarter of the Canadian population



### Fast growth of the millennial generation

Millennials, or people aged 25 to 40, represent the fastest-growing population. The number of people in this generation increased 8.6% between 2016 and 2021, compared with 5.2% for the overall population, thanks to higher rates of immigration among the millennial generation compared to other generations. The 2021 Census counted 7,926,575 millennials.

More than half of the immigrants who settled in Canada from 2016/2017 to 2020/2021 were millennials. Immigrants therefore contributed significantly to the increase in the size of this generation, which currently makes up a large share of the working-age population.

<sup>3.</sup> CARRIÈRE, Y., J. LÉGARÉ and J. PURENNE. 2016. "Living longer and working for longer in Canada: the reality of the baby boomers." Cahiers québécois de démographie, Vol. 44, No. 2.

Members of Generation X (a name popularized by Canadian writer Douglas Coupland) are between 41 and 55 years of age today and numbered 7,069,355 in 2021, up 2.3% from 2016.

The number of people in Generation Z, aged 9 to 24, rose 6.4% from 2016 to 6.7 million in 2021. This is the second-fastest population growth of all generations.

With the Greatest Generation, aged 94 or older, and the Interwar Generation, aged 76 to 93, moving toward later life, their numbers have declined in recent years. Because immigration no longer significantly contributes to the size of these very old generations, the only factor really affecting their numbers is mortality.

According to 2021 Census data, the Greatest Generation comprised 135,560 people, and the Interwar Generation 2,716,910. Their size fell 67.2% and 20.8%, respectively, since 2016.

Generation Alpha, age 8 or younger, included 3,194,415 people in 2021. It is the only generation whose size is driven by fertility.

### Millennials will soon outnumber baby boomers

Population projections suggest that millennials may very soon—by 2029—become the largest generation in the country. For the first time, they would outnumber baby boomers, who would remain the largest generation until then.<sup>4</sup>

It is estimated that Canada will have 8,616,900 millennials in 2029, compared with 8,442,500 baby boomers. In 25 years, or 2046, there could be 2.2 times more millennials than baby boomers (9,127,900 compared with 4,102,700). At that time, millennials would be between 50 and 65 years of age and baby boomers would all be over the age of 80.

Furthermore, Generation Z could outnumber baby boomers in 2032 and millennials in 2045.

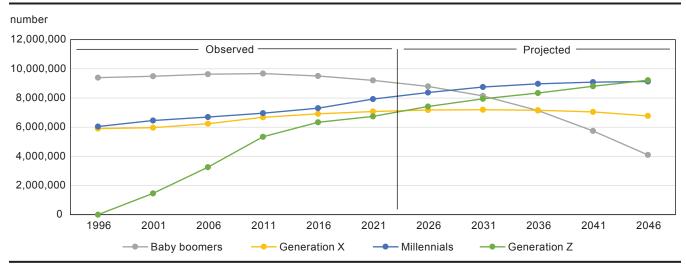
Owing to its relatively small size, Generation X will never hold the position of being the largest generation as it passes through different life stages. By 2036, when it could surpass the number of baby boomers for the first time, Generation X could already be outnumbered by millennials and Generation Z.

These changes are mostly due to the aging of the baby boomer generation and to immigration, which for many years should continue to drive the number of millennials and Generation Z members upward.

The fertility of the Canadian population has been declining since 2016 and reached a historic low of 1.4 children per woman in 2020. A further decline could be seen in 2021, given that <u>one in five Canadians reported wanting to delay having children or to have fewer of them because of the COVID-19 pandemic.</u>

<sup>4.</sup> The population projections used in this document are the M1 medium-growth scenario and are based on the 2016 Census. For reasons of comparability, the Census net undercoverage has been removed from the projected populations. These custom projections are based on those in *Population Projections for Canada (2018 to 2068), Provinces and Territories (2018 to 2043)* (Statistics Canada Catalogue no. 91-520-X).

Chart 1
Millennials are expected to outnumber baby boomers by 2029



**Note:** Data for 2026 to 2046 are population projections from the M1 medium-growth scenario and are based on the 2016 Census. For reasons of comparability, the Census net undercoverage has been removed from the projected populations presented in this graph. **Sources:** Statistics Canada, Census of Population, 1996 to 2021. The custom population projections are based on the Population Projections for Canada (2018 to 2068), Provinces and Territories (2018 to 2043). Statistics Canada Catalogue no. 91-520-X.

### Did you know?

Population projections are produced by Statistics Canada's Centre for Demography.

For more information on the various data products and analytical and methodological documents related to population projections, visit the Population Projections section on Statistics Canada's <u>Population and Demography Statistics</u> Portal.

### One in three persons aged 15 to 64 are millennials

Millennials are the generation with the largest number of people in the working-age population (15 to 64 years). Since each generation has distinct values and attitudes and is at a different stage in their lives, this can have an impact on the labour market, particularly in terms of work–life balance, loyalty to an employer, employee retention, and flexibility required for work schedules.

In the 2021 Census, of the 23,957,760 Canadians in the working-age population, 33.2% were millennials, 29.5% were Gen Xers, 19.7% were baby boomers, and 17.6% were Gen Zers.

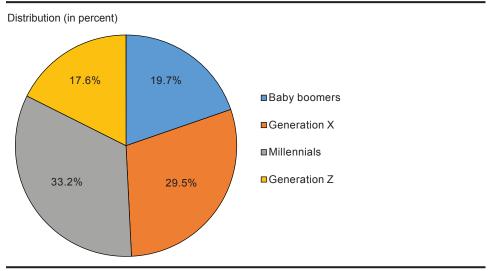
The first baby boomers turned 65 in 2011, which is often the age when people retire. By the 2016 Census, enough baby boomers had reached retirement age to enable millennials to surpass them as the generation representing the largest share of the working-age population (31.3% compared with 30.3% in 2016).

Baby boomers, who are now older and many of whom are already retired, continue to participate actively in Canadian society, such as by volunteering and helping their loved ones and communities. An increasing number of them are also remaining active in the labour market beyond age 65.

By the time all baby boomers are aged 65 and older in 2031, millennials could account for 34.6% of the population aged 15 to 64 and would still make up the majority of the working-age population, ahead of Generation Z (31.5%).

These generational changes mean that the Canadian labour market will continue to adapt in order to manage the different values and expectations of these different generations. In particular, younger generations are more educated and have a better command of new technologies. Research shows that these younger generations no longer find work to be as rewarding as older generations did and they also seek fulfillment elsewhere.

Chart 2
One in three working-age persons (15 to 64 years) are millennials



**Note:** Distribution (in percent) of the working-age population (15 to 64 years) by generation, Canada.

Source: Statistics Canada, Census of Population, 2021.

# Impacts of the COVID-19 pandemic on the demographic growth of different generations in Canada

The COVID-19 pandemic continues to have repercussions on the lives of Canadians, though these repercussions are not the same for all generations.

The first 2021 Census data release showed that the COVID-19 pandemic virtually halted Canada's population growth in 2020. While the effect of the pandemic is felt across all generations, it is more significant among younger generations because of the contribution of immigration to these groups.

In 2020, immigration declined considerably as a result of border restrictions imposed around the world: just under 185,000 immigrants were admitted to Canada in 2020, compared with over 340,000 in 2019. This decline in the number of landed immigrants has mainly affected younger generations, since immigrants and non-permanent residents are often young adults in their twenties or thirties (millennials and Generation Z).

Population estimates showed that in the 2020/2021 period, the population growth of millennials (people aged 25 to 40 in 2021) and Generation Z (people aged 9 to 24 in 2021) slowed considerably. Therefore, if we look at 2018/2019, the last full period before the pandemic, the millennial population grew 2.2% and Generation Z 2.4%, compared with 0.8% and 0.6%, respectively, in 2020/2021. Moreover, for the first time, Generation X saw almost no population growth in 2020/2021.

Population estimates provide information on demographic trends at a more frequent pace than that of census data. They enable Statistics Canada to continue monitoring the effects of the COVID-19 pandemic on the Canadian population between censuses.

# More millennials than baby boomers in Alberta, Yukon, the Northwest Territories and Nunavut

Although baby boomers are still the largest generation in the country, the share of each generation in the total population varies from one province and territory to another. It is important to consider these differences in planning exercises related to the school systems or health and home care services, for example.

Millennials outnumber baby boomers in Alberta (23.3% versus 21.4%), Yukon (25.0% versus 24.2%), the Northwest Territories (25.2% versus 19.2%), and Nunavut (24.1% versus 10.6%). These regions have younger populations on average than other regions in Canada, particularly due to higher fertility than elsewhere. Alberta's younger population is also partly due to the age structure of interprovincial migration.

More than 30% of Newfoundland and Labrador's population is made up of baby boomers, the highest proportion of all provinces and territories. This province also has the oldest population in Canada. Conversely, only 10.6% of Nunavut's population is part of the baby boomers generation.

Together, the Interwar and Greatest Generations—the generations with the oldest people—represent more than 8% of the population of Newfoundland and Labrador (8.6%), Prince Edward Island (8.1%), Nova Scotia (8.7%), New Brunswick (8.8%), Quebec (8.5%), and British Columbia (8.2%).

Meanwhile, the proportion of the population that Generations Alpha and Z (i.e., the two generations with the youngest members) represent is the highest in Manitoba, Saskatchewan, Alberta, the Northwest Territories and Nunavut. In Nunavut, nearly one in two people (48.0%) belongs to one of these generations, the highest share in Canada.

A large proportion of the population living in the territories reports having an Indigenous identity. However, some Indigenous groups tend to have higher fertility than the rest of the Canadian population. Life expectancy is also lower in the territories than elsewhere, in particular because of different living conditions. All this together partly explains the highest proportion of younger generations in these regions.

On September 21, 2022, new results from the 2021 Census will provide a portrait of Canada's Indigenous populations (First Nations, Métis and Inuit).

Table 1
Eastern Canada has a higher proportion of older generations

	Generation Generation		Generation		Baby	Interwar	nterwar Greates	
	Alpha	Z	Millennials	X	boomers	Generation	Generation	
				proportion				
Canada	8.6	18.2	21.4	19.1	24.9	7.3	0.4	
Newfoundland and Labrador	6.7	16.1	17.1	20.4	31.1	8.3	0.3	
Prince Edward Island	7.9	19.0	18.9	18.6	27.6	7.7	0.3	
Nova Scotia	7.4	16.9	19.6	18.6	28.9	8.3	0.4	
New Brunswick	7.4	16.7	18.1	19.4	29.6	8.4	0.4	
Quebec	8.7	17.4	20.2	18.9	26.2	8.2	0.4	
Ontario	8.4	18.5	21.7	19.2	24.5	7.3	0.4	
Manitoba	10.3	20.5	21.6	18.1	22.6	6.5	0.4	
Saskatchewan	10.6	20.3	21.4	17.7	22.9	6.8	0.4	
Alberta	10.2	19.7	23.3	19.8	21.4	5.3	0.3	
British Columbia	7.6	16.9	22.3	19.2	25.9	7.8	0.4	
Yukon	9.2	17.5	25.0	19.6	24.2	4.4	0.1	
Northwest Territories	11.5	20.7	25.2	20.2	19.2	3.0	0.1	
Nunavut	19.3	28.7	24.1	16.2	10.6	1.0	0.0	

Note: Distribution (in percent) of the population of Canada, provinces and territories by generation.

Source: Statistics Canada, Census of Population, 2021.

# For the first time, millennials outnumber baby boomers in the large urban centres of Toronto, Montréal, Vancouver and Ottawa-Gatineau

The country's large urban centres (also known as census metropolitan areas or CMAs) have younger populations than other areas, higher average population growth and greater ethnocultural diversity.

Millennials (23.3%) outnumber baby boomers (22.3%) in Canada's six largest urban centres with a population greater than one million: Toronto, Montréal, Vancouver, Ottawa–Gatineau, Calgary and Edmonton. This is the first census in which this has been observed for the large urban centres of Toronto, Montréal, Ottawa–Gatineau and Vancouver.

However, baby boomers (24.7%) remain the biggest generation in large urban centres with fewer than one million inhabitants, ahead of millennials (21.5%). The same is true in areas outside large urban centres, where they represent 29.7% of the population, ahead of millennials (17.9%) and Generation X (17.6%).

These findings are due in part to the strong economic vitality of large urban centres and the contribution of immigration, which is concentrated in these areas and tends to boost the number of millennials.

As a result, large urban centres and the rest of the country have different needs that reflect its resident populations and generations. For example, the six largest urban centres, which also have a younger population, have special needs in terms of daycare centres, schools, and public transit for commuting. Outside these large urban centres, there are more baby boomers, which generates and will continue to generate different needs in terms of specialized transportation, health care and home care services, and the construction of housing that better meets the needs of retired people or of retirement homes.

### Did you know?

Statistics Canada produces data and analyses at different geographic levels.

For more information on population growth trends at the national, provincial, and territorial levels, as well as at the regional (census metropolitan area and census agglomeration) and municipal (census subdivisions) levels, please consult the *Daily* releases entitled "Canada tops G7 growth despite COVID" and "Canada's large urban centres continue to grow and spread", as well as the *Census in Brief* articles entitled "Canada's fastest growing and decreasing municipalities from 2016 to 2021" and "Population growth in Canada's rural areas, 2016 to 2021."

### Downtowns of large urban centres are now hotspots for millennials

Among the downtowns of large urban centres, millennials account for the largest share of the population, far ahead of other generations.

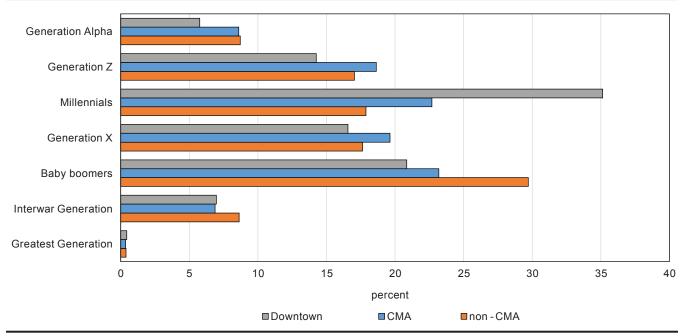
On average, millennials account for more than one-third (35.1%) of the downtown populations of large urban centres. By comparison, baby boomers make up only one in five (20.9%) people living downtown, although they are the largest generation in the country.

Since downtowns are often home to postsecondary education institutions or many businesses in sometimes cutting-edge fields such as high-tech, they are particularly attractive for young adults who often enjoy the urban lifestyle which offers many leisure and social activities.

Life in downtowns can also be associated with challenges, such as access to housing, public transit, safety, and the issue of sustainable and socially responsible development.

Choosing to live downtown is therefore often linked to a generation's stage of life rather than belonging to a particular generation. In 2021, it was millennials, made up of postsecondary students and young professionals, who comprised the largest portion of the population living downtown.

Chart 3
Millennials account for the largest share of the population in the downtowns of Canada's large urban centres



Note: Distribution (in percent) of the downtown, CMA and non-CMA populations by generation.

Source: Statistics Canada, Census of Population, 2021.

### What is a downtown?

A census metropolitan area (CMA) is a large urban centre with a population of at least 100,000 persons.

Downtowns are located in the central core of a CMA, and all other areas can be characterized by their proximity to the downtown.

Downtowns have been defined based on job density, and their boundaries have been the subject of extensive consultations with municipalities across the country, along with other experts and urban planners. For more information on the methods used to determine the boundaries of downtowns, see <a href="Defining Canada's Downtown Neighbourhoods">Downtown Neighbourhoods</a>: 2016 Boundaries.

Every CMA has a primary downtown, located in the historic central municipality within the CMA. Thus, the downtown of the Toronto CMA is located within the municipality of Toronto.

Secondary downtowns have also been defined based on job density and on population counts in certain other municipalities within the CMA. For example, the municipality of Mississauga, which is part of the Toronto CMA, has a downtown that is referred to as secondary for the Toronto CMA overall, given that the primary downtown for the CMA is in the central municipality of Toronto.

This analysis is limited to primary downtowns and the term "downtown" is used to refer to the primary downtowns of the CMAs.

Half of the population of downtown Calgary is part of the millennial generation, the highest in the country. Downtown Calgary is also one of the downtowns that saw the fastest population growth between 2016 and 2021.

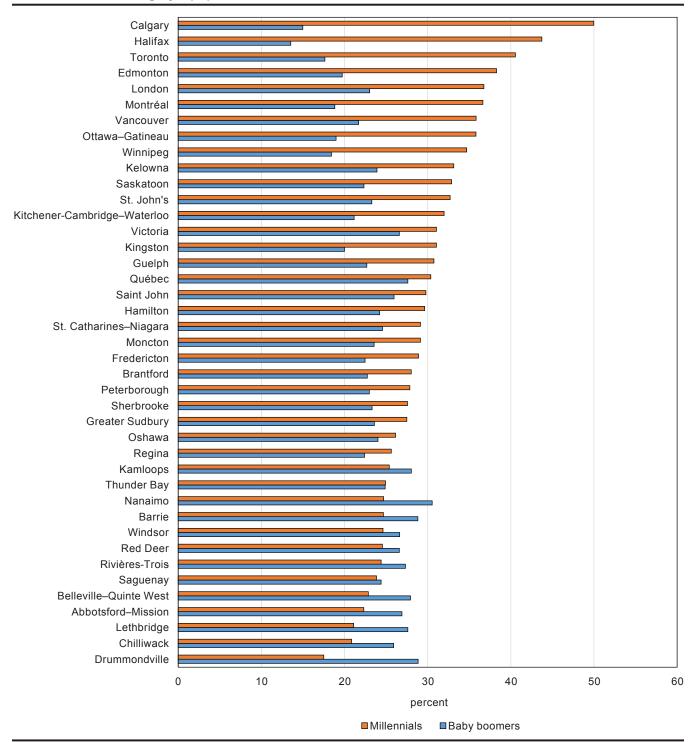
In the downtowns of two other large urban centres, more than two in five people are millennials: Halifax (43.7%) and Toronto (40.5%).

The largest concentration of baby boomers is in downtown Nanaimo (30.6%), the second least populous downtown in Canada.

In comparison, the Interwar Generation, born between 1928 and 1945, is more strongly represented outside large urban centres (8.6%) than in downtowns (7.0%). This generation represents 7.3% of the Canadian population.

Generation Alpha (people born between 2013 and 2021 who are 8 years or under) represents 5.8% of the population of downtowns, while it represents 8.6% of the Canadian population. The types of dwellings available in many downtowns, which are often smaller and more expensive than in the suburbs, may be less suitable for young families. Data on Canada's families and households, which will be published on July 13, 2022, will provide more information on this topic.

Chart 4
Half of downtown Calgary's population is millennials



**Note:** Share (in percent) of the population of large urban centres' downtowns represented by millennials and baby boomers. Downtowns are ordered according to the share of millennials.

Source: Statistics Canada, Census of Population, 2021.

### Looking ahead: A closer look at the characteristics of generations

The next releases of the 2021 Census of Population data will update the sociodemographic portrait of the different generations in Canada. What are the emerging health care needs of older generations? How is the diversity of the Canadian population reflected within the different generations? What challenges in terms of access to housing do younger generations face? The upcoming data releases will shed light on these and other issues.

In addition, population estimates will be useful to monitor demographic trends between census cycles and the impact of the COVID-19 pandemic on the population of each generation.

### **Additional information**

Additional analysis on age, gender, and type of dwellings can be found in the Daily article entitled "In the midst of high job vacancies and historically low unemployment, Canada faces record retirements from an aging labour force: number of seniors aged 65 and older grows six times faster than children 0-14" and in the Census in Brief article entitled "A portrait of Canada's growing population aged 85 and older from the 2021 Census." Catalogue no. 98-200-X.

Additional information on age, gender and type of dwellings can be found in the <u>Data Tables</u>, the <u>Census Profile</u>, Catalogue no. 98-316-X; and the <u>Focus on Geography Series</u>, Catalogue No. 98-404-X.

Thematic maps are also available for various levels of geography.

For details on the concepts, definitions and variables used in the 2021 Census of Population, please consult the Dictionary, Census of Population, 2021, Catalogue no. 98-301-X.

In addition to response rates and other data quality information, the <u>Guide to the Census of Population</u>, Catalogue no. 98-304-X, provides an overview of the various phases of the census, including content determination, sampling design, collection, data processing, data quality assessment, confidentiality guidelines and dissemination.

### **Acknowledgements**

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