



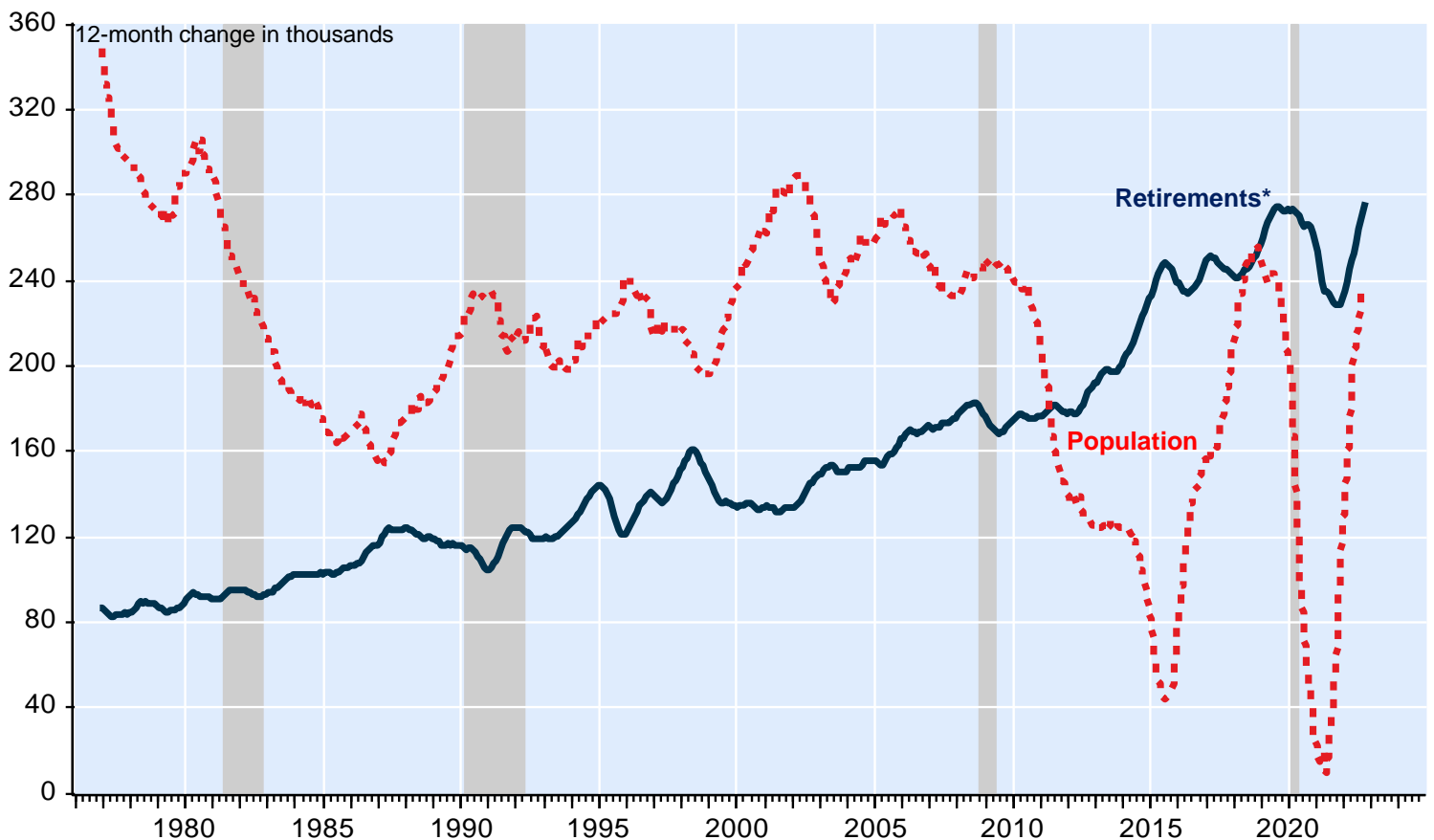
Canada Watch

By Stefane Marion

Here's why we're not too negative about corporate layoffs and the erosion of household disposable income in 2023. Currently, nearly one-third of the people who leave their jobs and the workforce each year do so for retirement reasons, an all-time high. As today's chart shows, for the first time in history, retirements are outpacing growth in the working-age population (ages 15-64) on the eve of an economic downturn. Never before has an aging population allowed employers to reduce their workforces so significantly through attrition rather than mass layoffs. Our forecast also assumes that the Bank of Canada has finished raising interest rates (see our latest [Fixed Income Monitor](#)).

Canada: New retirements exceed growth in the working-age population

Job leavers that left the labour force in the previous 12 months for retirement vs. population aged 15-64



*12-mo. moving average

NBF Economics and Strategy (data via Statcan, 14-10-0125-01)

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