

**HELPAGE INTERNATIONAL Press Release:**

## **GLOBAL AGEWATCH INDEX 2014**

***Norway tops the list, Latin America leads pension revolution, life expectancy continues to rise, a third of countries trail significantly behind top performers***

**Today (1 October 2014), the United Nations International Day of Older Persons, HelpAge International is launching the Global AgeWatch Index 2014, ranking 96 countries according to the social and economic wellbeing of older people.**

**This represents 91 per cent or nine out of ten people over 60 across the world. It measures wellbeing in four key areas: income security, health, personal capability and an enabling environment.**

### **Regional results – Asia**

The highest ranking Asian country in the Index is Japan (9), followed by Thailand (36). The Index shows a high rate of pension coverage in Thailand despite relatively low GDP per capita. Thailand's policies on social protection, including the introduction of a universal pension, show a direct effect on the welfare of its older citizens.

Looking at the regional average, East Asia and ASEAN countries are in the top half of the Index for the employment indicator, and for enabling environment indicators, particularly personal security, and satisfaction with public transport.

However, while we see higher than average levels of employment in the region, we see lower than average education levels among the over 60s. This paints a picture of overrepresentation of the 60+ age group in the low-skilled workforce, which is traditionally more physical and less secure.

### **International results**

Globally Norway (1) tops the Index this year, closely followed by Sweden. Apart from Japan (9) all the top 10 countries are again in Western Europe, North America and Australasia. Five new countries have been added - Bangladesh, Iraq, Mozambique, Uganda and Zambia.

The worst place in the Index for an older person is Afghanistan (96). Just above it are Mozambique (95), West Bank and Gaza (94) and Malawi (93).

All regions are represented in the lowest quarter, with African countries making up half of those with low income security rankings and poor health results. Venezuela (76), Serbia (78) and Turkey (77) are included in this section in similar position to countries in sub-Saharan Africa and Asia.

Chile (22) leads a cluster of Latin American countries including Uruguay (23), Panama (24), Costa Rica, (26) Mexico (30), Argentina (31), Ecuador (33) and Peru (42) which do well in the Index, particularly on income security.

There are currently 868 million people over 60 – nearly 12 per cent of the global population. By 2050, it's predicted to rise to 21 per cent: with nearly as many people aged 60 or over (2.02 billion) as aged under 15 (2.03 billion).

The Index tells us that economic growth alone will not improve older people's wellbeing and specific policies need to be put in place to address the implications of ageing. More than one third of countries trail significantly behind the best-performing countries.

The report this year focuses on pension policy and how this is being managed across the globe. Only half of the world's population can expect to receive even a basic pension in old age, and although policies supporting people in later life exist, they need to be implemented faster and more systematically.

***"The unprecedented rate and speed of population ageing presents policy makers with a challenge."*** said Toby Porter, Chief Executive of HelpAge International. ***"Only if they act now will they have a chance to meet the needs of their citizens and keep their economies going."***

### **Pensions are affordable**

Virtually all countries have some kind of pension but over the past two decades there has been an explosion of new tax-financed, non-contributory "social pensions". They now exist in more than 100 countries and have the potential to create a basic regular income for some of the very poorest older people. Mexico (30) and Peru (42) are prime examples of this shift to social pensions. The contributory pension scheme introduced in Mexico in 1943 still only covers around a quarter of older Mexicans. But the rapid expansion of social pensions in the past decade means that nearly nine out of 10 Mexicans aged 65-plus are now covered. In Peru, the electoral promise of a pension for everybody over 65 gained widespread support despite only 6 per cent of the population being eligible.

This reflects a recent global trend. China (48) introduced a rural social pension in 2009 reaching 133 million more people, equivalent to 16 per cent of the global population of people aged 60 plus. Other countries such as Nepal (70) and Thailand (36) have successfully introduced systems of universal social pensions.

***"Social pensions are a game changer for older people,"*** said Porter. ***"Rising numbers of older people mean governments need to radically re-think their approach to later life".***

The rise of social pensions marks a shift in priorities for pension policy. Contributory pensions in low- and middle-income countries have not met the needs of large proportions of their citizens because most people work in the informal sector where jobs are precarious and they do not have access to formal pension schemes.

***"Incomes are often too low to save for old age, which is why there's such a need for a basic social pension now,"*** said Porter.

Governments need to decide their priorities but the cost is much less than often thought. Research in 50 low and middle-income countries found that the cost of a universal pension for all people over 65 at a level equal to 20 per cent of average income would range from 0.4 per cent of GDP in Burkina Faso to 1.8 per cent in China. Calculations of future costs found that, despite rapidly ageing populations, most countries could keep costs stable as a percentage of GDP while indexing pension levels to keep pace with the cost of living.

### **Tackling inequality**

Social pensions are helping to tackle inequality and support growth.

***"In most European Union countries, pensions systems as a whole do more to reduce inequality than all other parts of the tax or benefit system combined,"*** said Porter.

They can also contribute to reducing poverty by increasing the amount families have to spend. In low-income countries this can have the same results. In Bolivia, the universal Dignity Pension for everyone from the age of 60 has led to dramatic increases in school enrolment and falls in child labour in households with an older person.

***“People do not stop developing when they reach sixty or seventy or eighty,”*** said Professor Sir Richard Jolly, advisor to the Index as well as architect of the UNDP Human Development Index. ***“Our older years should be as much a time to expand our horizons as our earlier years.”***

***“The new post-2015 goals for sustainable development now need to pay attention to advances among the different age groups, including older people.”***

### **Ageing around the world**

Population ageing is happening in all regions. On average, people can expect to live 16 more years at age 60. However, the Index also looks at the number of years a person aged 60 can expect to live in good health. Here we see considerable variation and some large gaps indicating many years of poor health in old age. Already two-thirds of the world’s over-60s live in low- and middle-income countries and this will rise to four-fifths by 2050. The proportion of over-80s is growing fastest – projected to rise from 2 per cent now to 4 per cent of the global population by 2050. At least 62 per cent of those are currently women.

### **Missing vital statistics**

Sufficient data was only available for 96 countries, resulting in many countries not being included. Country report cards have been prepared for 195 countries displaying data where it is available. Lack of data is a challenge to a government’s ability to plan effectively for the future of increasingly ageing populations. More needs to be done in this area.

***“The work underlying the Index is already helping many individual governments to improve the available data and ensure that it leads to better policy decisions,”*** said Professor Asghar Zaidi, Centre for research on Ageing, University of Southampton, academic partner in the construction of the Index.

***“The evidence generated identifies contexts in which older people fare better, and points to policy interventions that are effective in reducing people’s vulnerabilities and promoting them as a resource to society,”*** he added.

**Age Demands Action (ADA)**, now in its seventh year, campaigners in sixty countries will use the Index to discuss issues around ageing and the kind of improvements. They will also be calling for a UN convention on the rights of older people.

***“It has been 66 years since the Universal Declaration was created,”*** said Kenneth Hemley, an ADA activist from Jamaica. ***“We are not prepared to wait another 66 years.”***

***“I am from the grassroots. I know poverty. I am 74 years old, so I know ageing and I tell you this, I have seen and experienced both poverty and old age. We the people, we the elderly people of this world, are not prepared to wait.”***

-ENDS-

Notes to Editors:

1. Download the Global AgeWatch Index 2014: insight report along with case studies, photos and infographics. <https://helpage.box.com/s/dns35q1ndbm561v1pum4>

## 2. Available for interview:

- Toby Porter, Chief Executive, HelpAge International
- Silvia Stefanoni, Deputy Chief Executive, Director of Policy, HelpAge International
- Mark Gorman, Director of Strategy
- Jane Scobie, Director of Advocacy and Communications
- Charles Knox-Vydmanov, HelpAge International, Social Protection Advisor
- Professor Asghar Zaidi, Centre for Research on Ageing, University of Southampton (academic partner in the construction of the Index)
- Professor Sir Richard Jolly, advisor to the Index. Institute for Development Studies at the University of Sussex (architect of the Human Development Index)
- Regional spokespeople around the globe
- Older people and Age Demands Action activists in 60 countries

## 3. Age Demands Action Campaign

The launch of the Global AgeWatch Index on 1 October coincides with a day of global activism in which more than 100,000 older people from nearly 50 countries will be campaigning as part of **Age Demands Action** (ADA). This global grassroots campaign calls on governments, the international community and civil society to address the rights, concerns, and needs of older people (<http://www.helpage.org/get-involved/campaigns/age-demands-action/>).

We anticipate that activists in more than 50 countries will be taking part in this year's Age Demands Action campaign on 1 October, including **Bangladesh, Cambodia, India, Indonesia, Myanmar, Nepal, Philippines, Sri Lanka, Thailand, and Vietnam.**

## 4. Population ageing

The Index follows the success of:

- [“Ageing in the Twenty-First Century: A Celebration and A Challenge”](http://www.unfpa.org/public/home/publications/pid/11584), (<http://www.unfpa.org/public/home/publications/pid/11584>)
- [Global AgeWatch Index 2013](http://www.helpage.org/global-agewatch/?gclid=CKTh3vKQpMACFUTkwwodaVIALg)  
<http://www.helpage.org/global-agewatch/?gclid=CKTh3vKQpMACFUTkwwodaVIALg>

## 5. Construction of the Index

The Index provides an overview of the quality of life experienced by older people in 96 countries. A dashboard of thirteen separate indicators has been put together under the four domains of income security, health, capability and enabling environment. Together this information measures the economic, social and political elements that interact to create a healthy environment for later life.

The Global AgeWatch Index has been created because of the overall lack of information on ageing combined with poor understanding of the effects of ageing on exclusion and marginalisation in services such as health care, education, training and pension provision.

### HelpAge has developed the Index as a way to:

- Democratised international data by presenting it in a form that assists governments and policy makers to develop their own solutions to the challenges facing their growing older populations.
- Highlight data gaps in terms of both countries and areas of life relevant to the wellbeing of older people.
- Broaden policy makers' understanding of the needs of older people to help us realise the multidimensional nature of later life.
- Provide countries with a baseline from which to measure future progress and to learn from one another.

The Index is a long-term project to be updated with an annual 'age' report focusing on a key trend or element each year. The main target audiences include governments, policy makers, UN agencies, development agencies, HelpAge Affiliates and partners, community organisations and campaign groups, civil society networks and coalitions, older people and the general public.

### 6. Key countries: HelpAge can develop stories, provide case studies and organise media visits to undertake feature stories relating to the Index:

- Norway (Number one ranking in the Global Age Watch Index)
- Sweden (2) Still positive despite fall from top
- Bangladesh (59) new to the Index this year
- Nepal (70) Low-income country with a universal social pension
- Thailand (36) Social pension recently introduced

### Global Age Watch Index ranking table

**Norway (1) Sweden (2) Switzerland (3) Canada (4) Germany (5) Netherlands (6) Iceland (7) United States (8) Japan (9) New Zealand (10) United Kingdom (11) Denmark (12) Australia (13) Austria (14) Finland (15) France (16) Ireland (17) Israel (18) Luxembourg (19) Estonia (20) Spain (21) Chile (22) Uruguay (23) Panama (24) Czech Republic (25) Costa Rica (26) Belgium (27) Georgia (28) Slovenia (29) Mexico (30) Argentina (31) Poland (32) Ecuador (33) Cyprus (34) Latvia (35) Thailand (36) Portugal (37) Mauritius (38) Italy (39) Armenia (40) Romania (41) Peru (42) Sri Lanka (43) Philippines (44) Viet Nam (45) Hungary (46) Slovakia (47) China (48) Kyrgyzstan (49) South Korea (50) Bolivia (51) Columbia (52) Albania (53) Nicaragua (54) Malta (55) Bulgaria (56) El Salvador (57) Brazil (58) Bangladesh (59) Lithuania (60) Tajikistan (61) Dominican Republic (62) Guatemala (63) Belarus (64) Russian (65) Paraguay (66) Croatia (67) Montenegro (68) India (69) Nepal (70) Indonesia (71) Mongolia (72) Greece (73) Moldova (74) Honduras (75) Venezuela (76) Turkey (77) Serbia (78) Cambodia (79) South Africa (80) Ghana (81) Ukraine (82) Morocco (83) Lao PDR (84) Nigeria (85) Rwanda (86) Iraq (87) Zambia (88) Uganda (89) Jordan (90) Pakistan (91) Tanzania (92) Malawi (93) West Bank and Gaza (94) Mozambique (95) Afghanistan (96)**

HelpAge International helps older people claim their rights, challenge discrimination and overcome poverty, so they can lead dignified, secure, active and healthy lives. [www.helpage.org](http://www.helpage.org)

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