

Executive summary

The Madrid International Plan of Action on Ageing and the Political Declaration adopted at the Second World Assembly on Ageing in April 2002¹ marked a turning point in how the world addresses the key challenge of building a society for all ages. The Plan focuses on three priority areas: older persons and development; advancing health and well-being into old age; and ensuring enabling and supportive environments. It represents the first time Governments have adopted a comprehensive approach linking questions of ageing to other frameworks for social and economic development and human rights, most notably those agreed to at the United Nations conferences and summits of the 1990s.

Issues related to population ageing and older persons have played a prominent role in the three major international population conferences organized by the United Nations during the past quarter century. For example, the International Conference on Population and Development, held in 1994, recognized that the economic and social impact of population ageing is both an opportunity and a challenge to all societies.² More recently, the key actions for the further implementation of the Programme of Action of the International Conference on Population and Development, adopted by the General Assembly at its twenty-first special session on 2 July 1999, reiterated the need for all societies to address the significant consequences of population ageing in the coming decades.³ In 2007, the United Nations Commission on Population and Development will focus its work on the changing age structures of populations and their implications for development, the special theme for its fortieth session.

The Population Division of the United Nations has a long tradition of studying population ageing, including by estimating and projecting the size and characteristics of ageing populations and by examining the determinants and consequences of population ageing. From the groundbreaking report on population ageing published in 1956, which focused mainly on population ageing in the more developed countries, to the United Nations wall chart on population ageing published in 2006, the Population Division has consistently sought to bring population ageing to the attention of Governments and the international community.⁴

The United Nations Commission on Social Development has decided to conduct every five years a review and appraisal of progress made in implementing the Madrid Plan of Action on Ageing. Furthermore, the General Assembly has stressed the need for population data disaggregated by age and sex. This report provides the demographic founda-

1 See *Report of the Second World Assembly on Ageing* (United Nations publication A/CONF.197/9, Sales No. E.02.IV.4).

2 *Population and Development*, vol. 1: *Programme of Action adopted at the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.7).

3 *Review and Appraisal of the Progress Made in Achieving the Goals and Objectives of the Programme of Action of the International Conference on Population and Development, 1999 Report* (United Nations publication, Sales No. E.99.XIII.16).

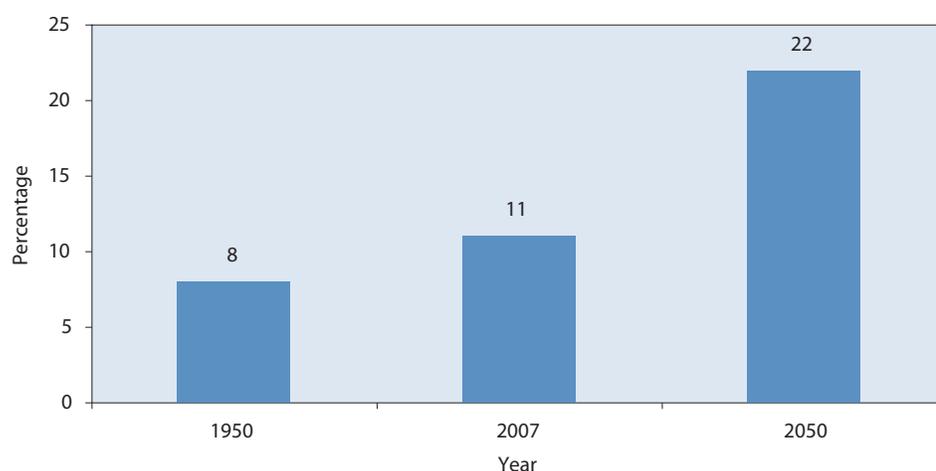
4 *The Ageing of Populations and its Economic and Social Implications*, Population Studies, No. 26 (United Nations publication, Sales No. 1956. XIII.6); and *Population Ageing 2006* (United Nations publication, Sales No. E.06.XIII.2).

tion for the follow-up activities of the Second World Assembly on Ageing. It considers the process of population ageing for the world as a whole, for more and less developed regions, major areas and regions, as well as individual countries. Demographic profiles covering the period 1950 to 2050 are provided for each country, highlighting the relevant indicators of population ageing.

The contents of this report underscore four major findings:

1. Population ageing is unprecedented, a process without parallel in the history of humanity. A population ages when increases in the proportion of older persons (that is, those aged 60 years or over) are accompanied by reductions in the proportion of children (persons under age 15) and then by declines in the proportions of persons in the working ages (15 to 59). At the world level, the number of older persons is expected to exceed the number of children for the first time in 2047. In the more developed regions, where population ageing is far advanced, the number of children dropped below that of older persons in 1998.
2. Population ageing is pervasive since it is affecting nearly all the countries of the world. Population ageing results mainly from reductions of fertility that have become virtually universal. The resulting slowdown in the growth of the number of children coupled with the steady increase in the number of older persons has a direct bearing on both the intergenerational and intragenerational equity and solidarity that are the foundations of society.
3. Population ageing is profound, having major consequences and implications for all facets of human life. In the economic area, population ageing will have an impact on economic growth, savings, investment, consumption, labour markets, pensions, taxation and intergenerational transfers. In the social sphere, population ageing influences family composition and living arrangements, housing demand, migration trends, epidemiology and the need for health-care services. In the political arena, population ageing may shape voting patterns and political representation.
4. Population ageing is enduring. Since 1950 the proportion of older persons has been rising steadily, passing from 8 per cent in 1950 to 11 per cent in 2007, and is expected to reach 22 per cent in 2050 (figure I). As long as old age mortality continues to decline and fertility remains low, the proportion of older persons will continue to increase.

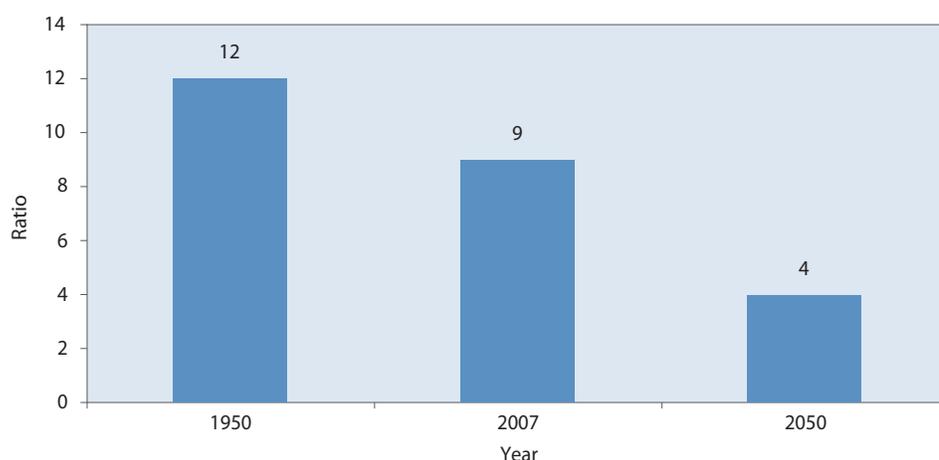
Figure I
Proportion of population 60 years or over: world, 1950-2050



The major findings of this report are the following:

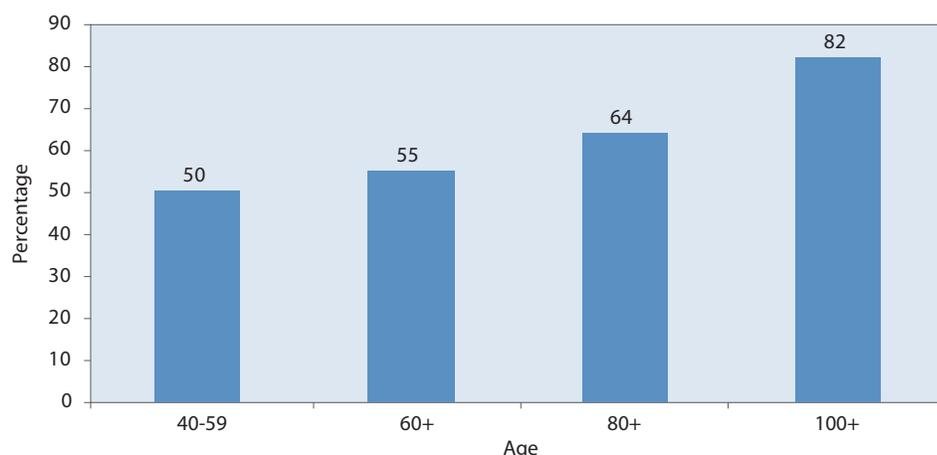
- Because fertility levels are unlikely to rise again to the high levels common in the past, population ageing is irreversible and the young populations that were common until recently are likely to become rare over the course of the twenty-first century.
- In 2000, the population aged 60 years or over numbered 600 million, triple the number present in 1950. In 2006, the number of older persons had surpassed 700 million. By 2050, 2 billion older persons are projected to be alive, implying that their number will once again triple over a span of 50 years.
- Globally the population of older persons is growing at a rate of 2.6 per cent per year, considerably faster than the population as a whole which is increasing at 1.1 per cent annually. At least until 2050, the older population is expected to continue growing more rapidly than the population in other age groups. Such rapid growth will require far-reaching economic and social adjustments in most countries.
- Marked differences exist between developed and developing regions in the number and proportion of older persons. In the more developed regions, over a fifth of the population is currently aged 60 years or over and by 2050, nearly a third of the population in developed countries is projected to be in that age group. In the less developed regions, older persons account today for just 8 per cent of the population but by 2050 they are expected to account for a fifth of the population, implying that, by mid-century, the developing world is likely to reach the same stage in the process of population ageing that the developed world is already at.
- The pace of population ageing is faster in developing countries than in developed countries. Consequently, developing countries will have less time to adjust to the consequences of population ageing. Moreover, population ageing in developing countries is taking place at lower levels of socio-economic development than has been the case for developed countries.
- Today the median age for the world is 28 years, that is, half the world's population is below that age and the other half is above it. The country with the youngest population is Uganda, with a median age of 15 years, and the oldest is Japan, with a median age of 43 years. Over the next four decades, the world's median age will likely increase by ten years, to reach 38 years in 2050. At that time, the countries with the youngest populations will likely be Burundi and Uganda, with median ages of 20 years each, whereas the oldest populations are expected to be in Macao SAR China and in the Republic of Korea whose median ages are projected to be 54 years in each.
- The population of older persons is itself ageing. Among those aged 60 years or over, the fastest growing population is that of the oldest-old, that is, those aged 80 years or over. Their numbers are currently increasing at 3.9 per cent per year. Today, persons aged 80 years or over account for about 1 in every 8 older persons (60 or over). By 2050, this ratio is expected to increase to approximately 2 persons aged 80 or over among every 10 older persons.
- The potential support ratio (PSR), that is, the number of persons aged 15 to 64 per each older person aged 65 years or over, indicates how many potential workers there are per older person. As a population ages, the value of the potential support ratio tends to fall. Between 1950 and 2007, the potential support ratio declined from 12 to 9 potential workers per person aged 65 or over. By 2050, the potential support ratio is projected to drop further to reach 4 potential workers per older person (figure II). The reduction of potential support ratios has important implications for social security schemes, particularly for pay-as-you-go pension systems under which taxes on current workers pay the pensions of retirees.

Figure II
Potential support ratio (PSR): world, 1950-2050



- Because women live longer than men, women constitute the majority of older persons. Currently, women outnumber men by about 70 million among those aged 60 years or over. Among those aged 80 years or over, women are nearly twice as numerous as men, and among centenarians women are between four and five times as numerous as men (figure III).
- The health of older persons typically deteriorates with increasing age, inducing greater demand for long-term care as the numbers of older persons increase. The parent support ratio, that is, the ratio of the population aged 85 or over to that aged 50 to 64, provides an indication of the level of support families may be able to provide to their oldest members. Globally, there were fewer than 2 persons aged 85 or over for every 100 persons aged 50 to 64 in 1950. Today, that ratio is slightly over 4 per 100 but it is projected to reach 12 per 100 by 2050. That is, persons who are themselves well past middle age will be three times more likely than they are today to be responsible for the care of older relatives.
- Older persons living alone are at greater risk of experiencing social isolation and economic deprivation, and may therefore require special support. Because of higher survivorship and lower propensities to remarry, older women are more likely than older men to live alone. Globally, an estimated 19 per cent of women aged 60 years or over live alone, whereas just 8 per cent of men in that age group do so.
- The effective age at retirement varies considerably among populations. In countries with high per capita incomes, older persons can retire earlier and thus tend to have lower labour force participation rates at older ages. Thus, just 13 per cent of men aged 65 years or over are economically active in the more developed regions, whereas 39 per cent are in the labour force of the less developed regions. The difference is similar among women. In the more developed regions, 7 per cent of older women are economically active, compared to 15 per cent in the less developed regions. Older persons remain economically active for longer in the less developed regions because of the limited coverage of pension programmes and the relatively small incomes they provide.
- In most countries the statutory age at which a full pension can be obtained provided a minimum period of contributions to the pension system is completed (i.e., the pensionable age) is the same for women and men. In many countries, however, women become eligible for full pension benefits at lower ages than men, even

Figure III
Proportion of women among persons aged 40-59, 60+, 80+ and 100+ years:
world, 2007



though women can expect to live longer than men after age 60. For both men and women, pensionable ages tend to be higher in developed than in developing countries.

- Illiteracy is still common among the older population of less developed regions. Currently, it is estimated that over half of all persons aged 65 or over in developing countries are illiterate. Only about a third of older women and about three fifths of older men in developing countries have basic reading and writing skills. In the more developed regions, literacy among the older population is nearly universal in all but a few countries.

In sum, as a result of the transition from high to low fertility and the continuous reduction of adult mortality, the population of most countries of the world is ageing. This unprecedented demographic change, which started in the developed world in the nineteenth century and is more recent in developing countries, is already transforming many societies. The ageing process is expected to accelerate in the near future, particularly in developing countries. Because they have a shorter time to adapt to the changes associated with population ageing, it is urgent that the Governments of developing countries begin taking steps to face the challenges and make the best of the opportunities that population ageing brings. This report provides the demographic basis for ascertaining the extent and depth of population ageing today and in the years to come in each country of the world.