

## Population ageing and sustainable development

Preparing for the economic and social shifts associated with an ageing population is essential to ensure progress towards the achievement of the goals outlined in the 2030 Agenda for Sustainable Development. Trends in population ageing are particularly relevant for the Sustainable Development Goals (SDGs) related to eradicating poverty, ensuring healthy lives and well-being at all ages, promoting gender equality and full and productive employment and decent work for all, reducing inequalities between and within countries, and making cities and human settlements inclusive, safe, resilient and sustainable. This brief summarises current and future trends in population ageing, and discusses key considerations for older persons related to poverty, social protection, labour force participation and gender equality.

### 1. Global ageing to accelerate in the coming decades

The proportion of the global population aged 60 years or over increased from 8.5 per cent in 1980 to 12.7 per cent in 2017. It is projected to continue to rise over the coming decades, reaching 16.4 per cent in 2030, the target date for the SDGs, and 21.3 per cent in 2050 (figure 1).<sup>1</sup> Population ageing is a universal phenomenon; every country or area with at least 90,000 inhabitants in 2017 is projected to see an increase in the proportion aged 60 years or over by 2050.

Population ageing is an inevitable consequence of the declines in fertility and increases in longevity that characterize the demographic transition and is usually associated with social and economic development.

Europe was the first region to enter the demographic transition, having begun the shift to lower fertility and increasing longevity by the late nineteenth or early twentieth centuries in almost all areas. As a result, today's European population is the most aged of the six regions, with 25 per cent of the population aged 60 years or over in 2017. Europe is projected to remain the most aged region in the coming decades, with 34 per cent of the population projected to be aged 60 years or over in 2050, followed by Northern America (28 per cent), Latin America and the Caribbean (25 per cent), Asia (24 per cent) and Oceania (23 per cent).

Many countries in Africa remain in the early stages of the demographic transition; some have begun to see reductions in fertility fairly recently, while others have yet to see a significant decline in fertility. As a result, the ageing process is just beginning to emerge in the region; older persons accounted for just over 5 per cent of the population of Africa in 2017, but that proportion is projected to nearly double by 2050.

Figure 1. Percentage of the population aged 60 years or over, estimated for 1980-2017 and projected to 2050

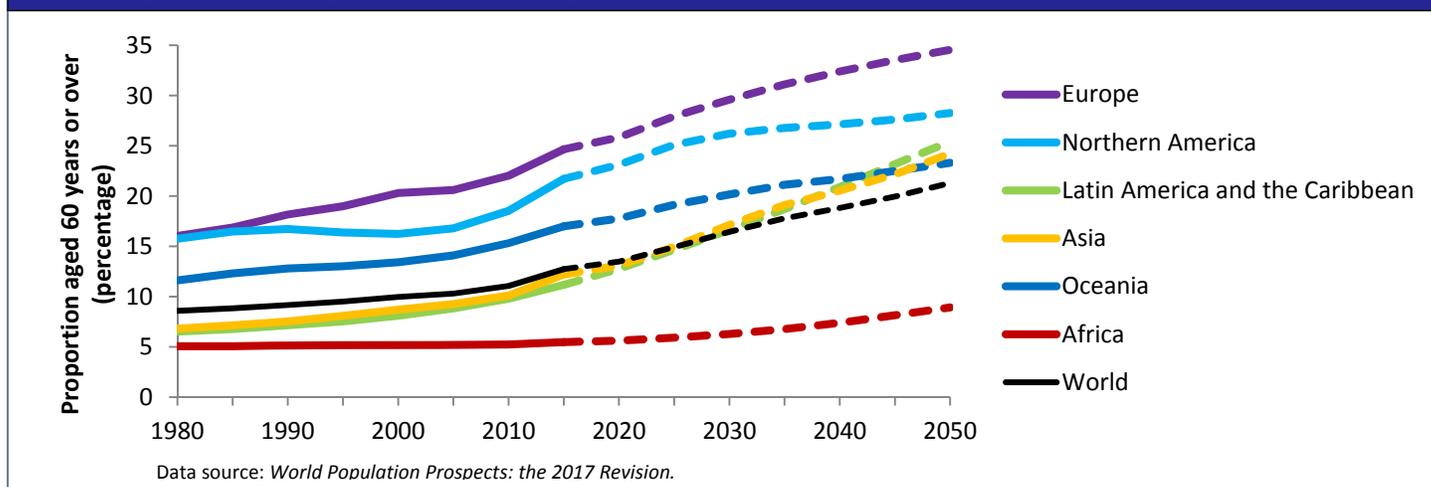
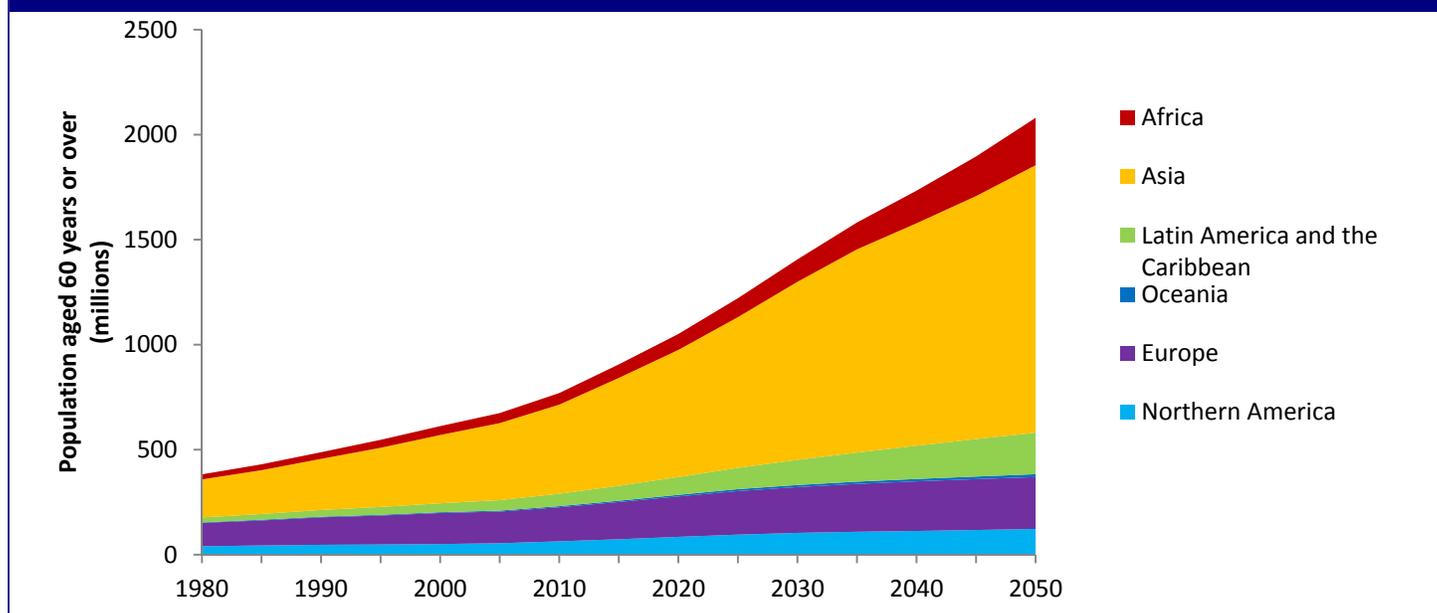


Figure 2. Population aged 60 years or over, estimated for 1980-2017 and projected to 2050



Data source: *World Population Prospects: the 2017 Revision*

## 2. Most of the projected growth of the older population will take place in the global South

From 1980 to 2017, the number of older persons aged 60 years or over in the world more than doubled, from 382 million to 962 million. Between 2017 and 2030, it is projected to grow by 46 per cent, to 1.4 billion, and by 2050, the global population of older persons is projected to more than double its size in 2017, reaching nearly 2.1 billion. While that increase reflects the growing numbers of older persons in all regions, Africa, Latin America and the Caribbean, and Asia are projected to see especially rapid growth of their older populations.

Asia, with 549 million people aged 60 years or over in 2017, was home to 57 per cent of the global older population, a share projected to increase to 61 per cent in 2050 (figure 2). The 76 million older persons in Latin America and the Caribbean accounted for 8.0 per cent of the global total in 2017; this share is expected to reach 9.5 per cent in 2050, when projections indicate that there will be 198 million people aged 60 years or over in that region. Africa was home to a relatively small number of older persons in 2017, with 69 million, representing 7.1 per cent of the global total. In 2050, Africa's projected 226 million older persons could account for 10.8 per cent of the older population worldwide.

Europe and Northern America are projected to see significant but slower growth in the number of older persons compared to other regions. Consequently, the share of the world's older persons residing in Europe and in Northern America is expected to decline. In 2017, Europe's 183 million people aged 60 years or over accounted for

close to 19 per cent of older persons globally, and while the number of older persons in the region is projected to grow to 247 million in 2050, its share of the world's older population is projected to fall to 11.8 per cent. Similarly, the number of people aged 60 years or over in Northern America is projected to rise from 79 million in 2017 to 123 million in 2050, while the region's share of the world's older population is expected to decline from 8.2 per cent to 5.9 per cent.

The older population is itself ageing. Among those aged 60 years or over worldwide, 14 per cent were aged 80 years or over in 2017. By 2050, the projected 424 million people aged 80 or over will account for 20 per cent of the global population over age 60.

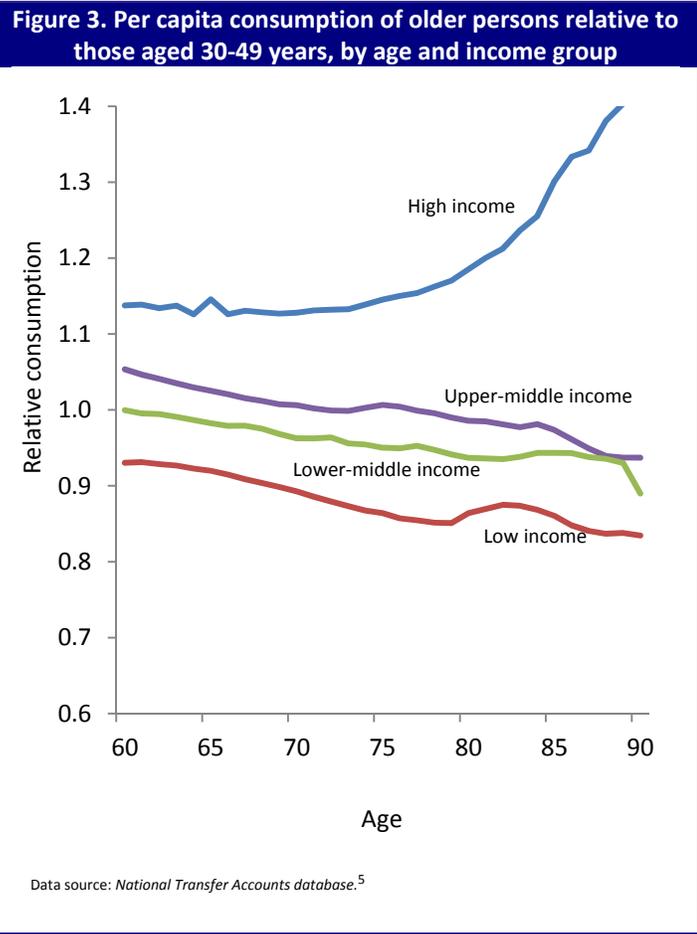
The older population is and will remain predominantly female. Globally, women outlived men by 4.5 years on average during 2010-2015, as life expectancy at birth was 73.1 years for females compared to 68.5 years for males during that period. As a result, women made up 54 per cent of those aged 60 years or over and 61 per cent of those aged 80 years or over in 2017.

## 3. Poverty rates of older persons vary across countries and regions, in part reflecting differences in the coverage and adequacy of old-age social protection systems

Poverty rates among older persons tend to mirror those of the total population, but this association varies across countries and regions.<sup>2</sup> In many countries, pension systems are either not in place or they fail to provide adequate

income, including in several countries in sub-Saharan Africa and in Asia, where older persons are more likely to live in poverty than people at younger ages. Conversely, in countries with adequate pension systems with broad coverage—including several in Latin America and most in Europe—poverty rates among older persons are essentially the same as or lower than those of the total population.

Older women tend to have higher rates of poverty than older men in both developed and developing countries. Inequalities in income and in access to education, decent work and health accumulate over the life course and expose many women to poverty in old age. Older women’s vulnerability to poverty is further exacerbated by their lack of access to, or low levels of social security benefits,<sup>3</sup> and in some settings, their lack of control over financial resources and the denial of their right to own and inherit property.<sup>4</sup>



Age patterns of consumption also provide an additional indication of the level of welfare among older persons (figure 3). In low- and middle-income countries, levels of consumption tend to decline at older ages and remain lower than consumption of younger adults. In contrast, in many high-income countries, the average levels of consumption among older persons are higher than among adults in other age groups—by as much as one third or

more in some countries. Although a portion of the consumption differential is due to spending on health care at older ages, these data indicate that older persons are, in general, comparatively well off in these settings.<sup>2</sup>

**4. At the global level, nearly half of all people of pensionable age do not receive a pension**

Most developed countries have set up mandatory pension plans, either public or private, that together achieve quasi-universal coverage. According to estimates from the International Labour Organization (ILO),<sup>3</sup> pension coverage ratios in Europe and in Northern America, exceeded 90 per cent in 2013-2014. In the less developed regions, however, old-age pensions covered only a fraction of older persons. In Africa, around 22 per cent of older persons received a pension. Pension coverage for older persons was almost 30 per cent in the Middle East, 37 per cent in Northern Africa, 47 per cent in Asia and the Pacific, and 56 per cent in Latin America and the Caribbean.

Pension coverage is typically lower among women than among men owing to their lower rates of attachment to the labour market, and their over-representation in the informal sector, in self-employment and in unpaid family work. In many countries, the survivor’s benefits paid through a husband’s contributory pension benefits are the sole source of income for older women.

Many low- and middle-income countries have expanded the coverage of their contributory pension schemes and have established non-contributory social pensions.<sup>2</sup> For instance, China has achieved nearly universal pension coverage by complementing social insurance with social pensions in rural areas. Other countries like Bolivia provide tax-financed universal benefits to all older persons. Chile introduced a new programme that provides means-tested benefits to older persons who receive a low pension or no benefit at all. Most Latin American countries have expanded their pension systems or established non-contributory pensions or cash transfer programmes targeted toward older persons.

**5. The availability and adequacy of pensions are closely associated with the labour force participation of older persons**

Globally, among persons aged 65 years or over in 2015, 30 per cent of men and 15 per cent of women were active in the labour force.<sup>6</sup> Labour force participation rates were 17 per cent for older men and 9 per cent for older women in the more developed regions, compared to 38 per cent for older men and 18 per cent for older women in the less developed regions. In the least developed countries, 60 per

cent of older men and 36 per cent of older women participated in the labour force in 2015.

Across six regions in 2015, the labour force participation of older persons was highest in Africa and lowest in Europe (figure 4). After a period of steady decline, the labour force participation of older men has increased recently in most high-income Organisation for Economic Co-operation and Development (OECD) countries, mostly due to policies that have increased the statutory retirement ages, restricted access to early retirement options or made early retirement financially less attractive. Regional trends indicate that from 1990 to 2015, older men's labour force participation increased in Europe, Oceania and Northern America, while it declined in Asia, Africa and Latin America and the Caribbean. Older women's labour force participation increased in all regions between 1990 and 2015, reflecting a gradual trend towards increased labour market activity among women of all ages.

### 6. Age-disaggregated data are needed to ensure that no one is left behind

To fully implement the 2002 Madrid International Plan of Action on Ageing (MIPAA), and to fulfil the pledge of the 2030 Agenda to leave no one behind, it is critical to

formulate policies and assess progress made towards the achievement of the SDGs with specific attention to the situation and needs of persons in different age groups, in particular, children, youth and older persons. Governments, supported by the United Nations and other international organizations, as appropriate, should promote the collection, dissemination and analysis of demographic data disaggregated by age, sex and other relevant characteristics, as an aid to designing policies and assessing progress towards the achievement of the SDGs.<sup>7</sup>

### NOTES

<sup>1</sup> Data are from United Nations (2017). *World Population Prospects: The 2017 Revision*.

<sup>2</sup> United Nations (2015). *World Population Ageing 2015*.

<sup>3</sup> International Labour Organization (2014). *World Social Protection Report 2014/15: Building economic recovery, inclusive development and social justice*. International Labour Office, Geneva: ILO.

<sup>4</sup> United Nations (2015). *The World's Women 2015: Trends and Statistics*.

<sup>5</sup> Mason, A., and others (2017). *Support ratios and demographic dividends: estimates for the world*. United Nations Population Division Technical Paper No. 2017/1.

<sup>6</sup> Data are obtained from ILOSTAT Database, available from <http://www.ilo.org/ilostat/>. Accessed September 2015.

<sup>7</sup> United Nations (2017). *Report of the Secretary General. Changing population age structures and sustainable development*. Available from <https://papersmart.unmeetings.org/ecosoc/cpd/50th-session/documents/>.

Figure 4. Labour force participation rates of persons aged 65 years or older, by sex and region, 1990, 2000 and 2015

