Population Ageing and the Need for Social Protection in Asia and the Pacific

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The region is ageing rapidly, but pensions coverage is still low

Pensions coverage as a percentage of the working-age population

People still live between 19 and 30 years after retirement.

Life expectancy at the respective retirement age

Source: ESCAP calculations with data from United Nations Department of Economic and Social Affairs: World Population Prospects, the 2017 Revision.
Pension benefits often inadequate

Adequacy of benefits of contributory pensions

Social protection coverage for the informal sector is limited
Pension systems tend to perpetuate existing inequalities

- **Work-based**: only those who participated in the formal labour force are included
- **No redistribution**: Most pension systems in the region are “defined contribution” – you get what you pay
- **Not gender responsive**: Only few countries have “child credits” for women – women are structurally disadvantaged in contributory pension systems
- **Social pensions important but do not address inequalities**: Benefit levels of social pensions are often very low
Work of people aged 60 or over

- Many older persons still work
- More men than women
- Employment decreases with age

**Employment of older persons by age group**

Source: HelpAge from LFS 2013 (Bangladesh), LFS 2008 (Nepal), LFS 2012 (Philippines, LFS 2013 (Thailand, LFS 2014 (Viet Nam)
Health reasons is the main cause of stopping work

Source: HelpAge
Thailand: support from children and work income most important income sources of older persons

Income sources of older persons in Thailand

- Work income, 33.9%
- Social pension, 14.8%
- Transfers from spouse, 4.3%
- Contributory pension, 4.9%
- Savings and assets, 3.9%
- Support from children, 36.7%
- Other, 1.5%

Percentage of older persons with savings by age group, 2011

Source: Jinanggoon Rojananan, Presentation made at the Annual Help Age Conference 2019; Department of Older Persons, Ministry of Social Development and Human Security
Social protection for older men and women is crucial to achieve the SDGs

**SDG 1: No poverty**

**Target 1.2:** By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

**Target 1.3:** Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

**SDG 5: Gender equality**

**SDG 10: Reduce inequality**

**Target 10.4:** Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality
Conclusion

• Social protection for older persons will be crucial to achieve the SDGs
• The way “ageing” is measured and defined can decide over income or no income
• Mandatory retirement age is too low in some countries: retirement time = working time
• Social pensions eligibility by age – easy to identify but does it reflect the “need”? 
• Existing social protection tools for older women fail to address disadvantages accumulated throughout the life-cycle
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