

# Economic and social Consequences of Population Aging of countries V4

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Marcela Káčerová

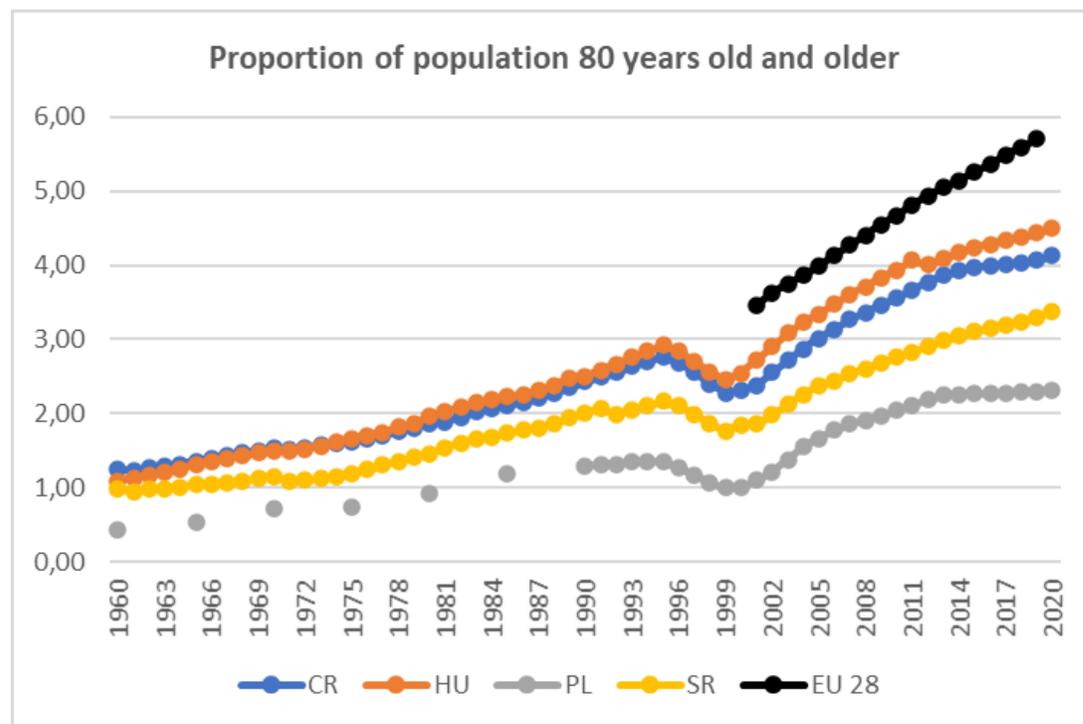
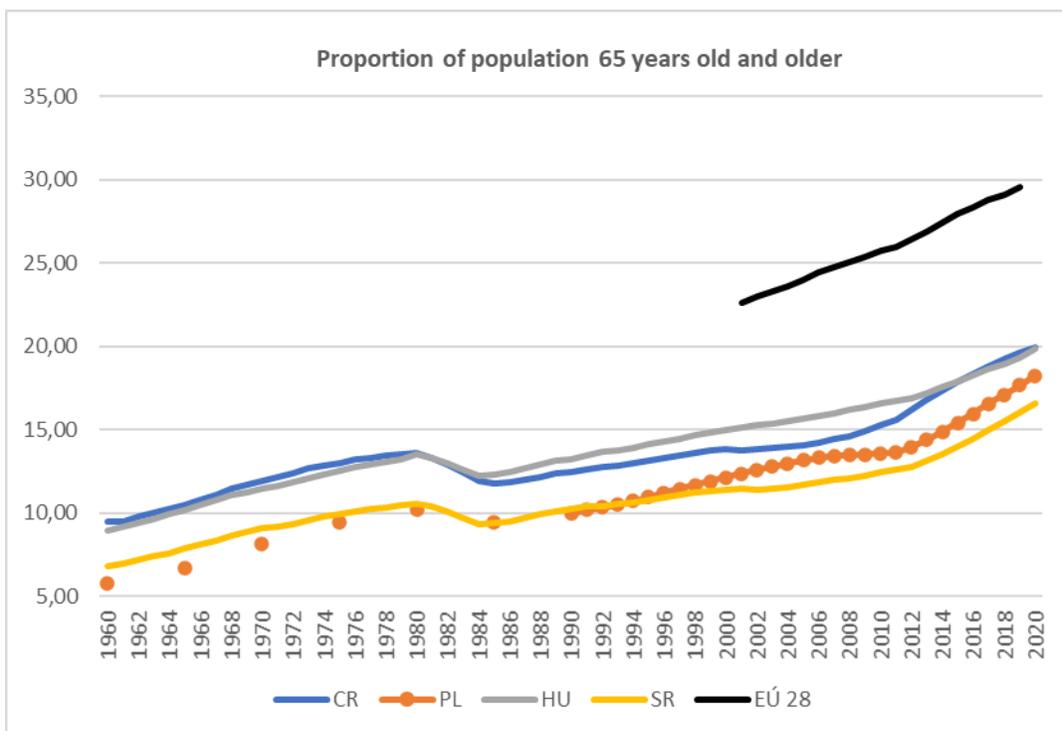
Comenius University in Bratislava

# Theoretical background to the issue

Population aging is one of the dominant socio-economic factors of the 21st century.

This phenomenon of aging in Europe is explained by several demographic factors:

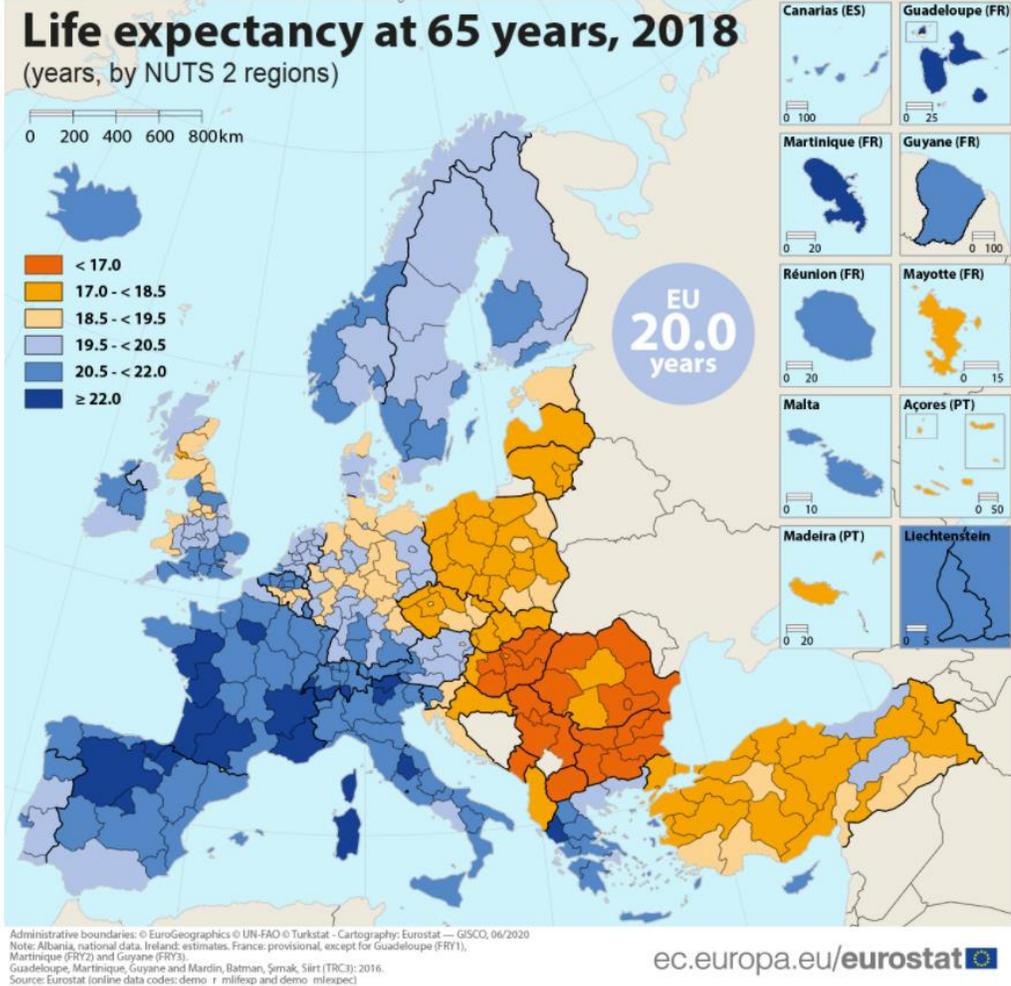
- The generation born after the Second World War (60s of the fertility boom in many European countries) is reaching its retirement age, moving the population pyramid upwards and leaving the base and middle narrower.
- Europe has one of the lowest fertility rates.
- People are living longer and longer.



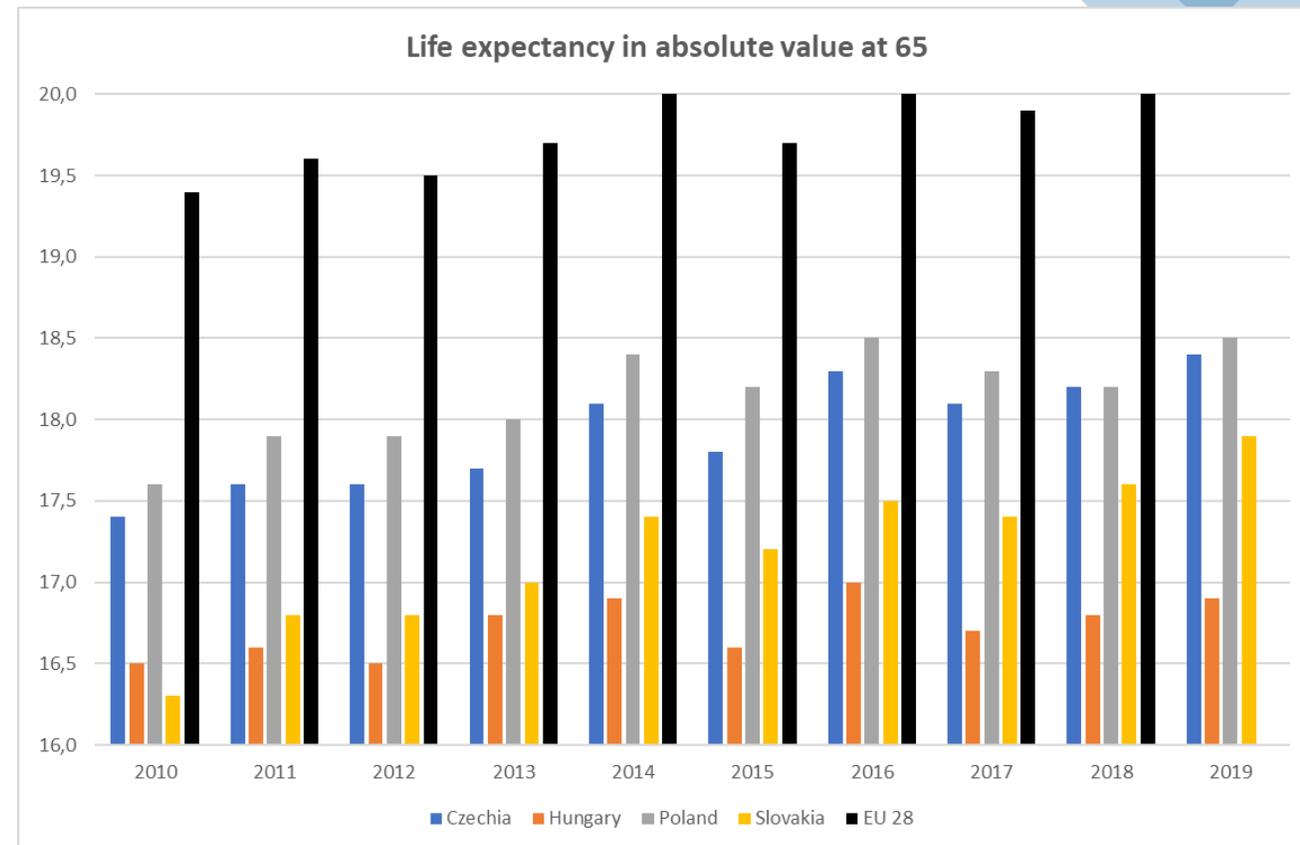
- more dependents and fewer working-age adults support them = the economic base for financing age-related public policies gradually expanding at a slower pace than age-related expenditure.
- the aging of the population is placed on intergenerational support systems open to constant change, which are further influenced by a reduction in family size and changes in family structure.
- the aging process exposes older people to a higher societal risk of isolation and exclusion, through changes in their living arrangements, with an increasing predominance of individual households. Challenges arise from the rapid increase in the share of the oldest.

# The positive aspect of population aging

- Life expectancy at 65 years is increasing, as is healthy life expectancy.



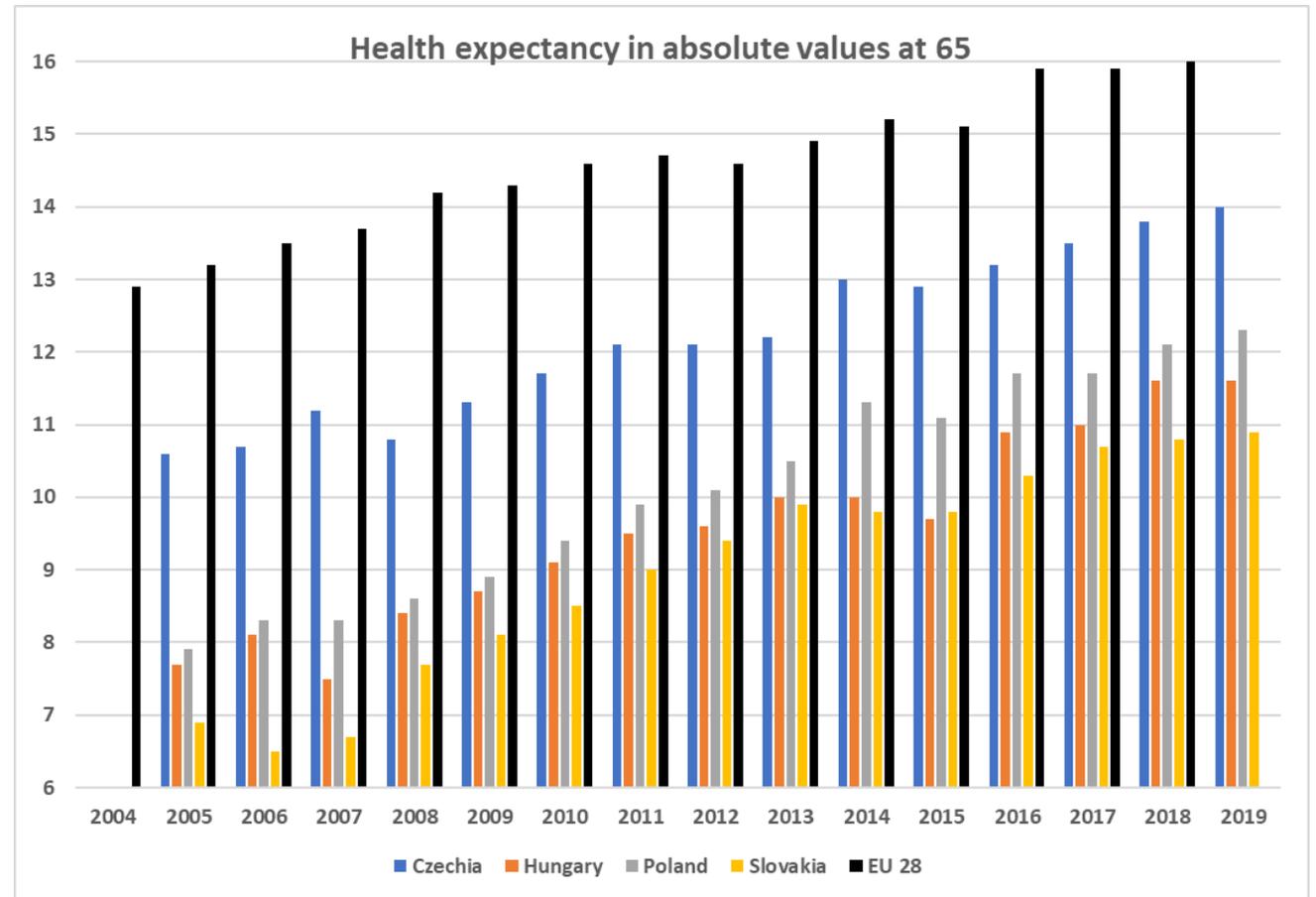
In 2018, an EU citizen under the age of 65 could expect to live an average of another 20.0 years.



Across the EU-28 in 2018, women aged 65 could expect to live an average of 10.0 years in a healthy state, while older men were slightly less than 9.8 years old. Older people living in EU Member States with longer life expectancy tend to survive a lower proportion of their compulsory years of life with disabilities. Although this indicator is growing, there is also a large discrepancy between the V4 countries.

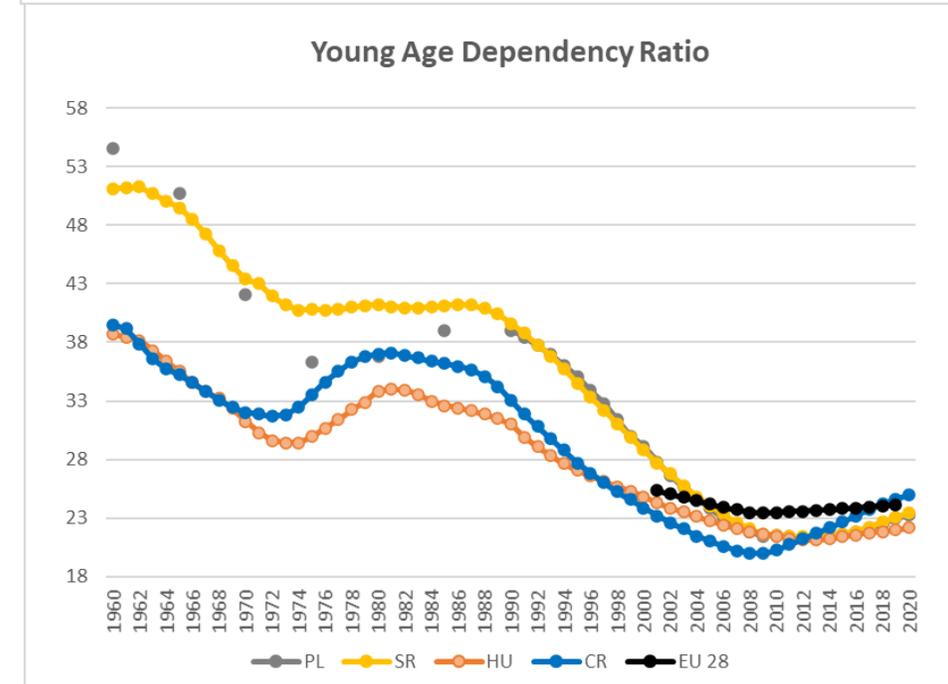
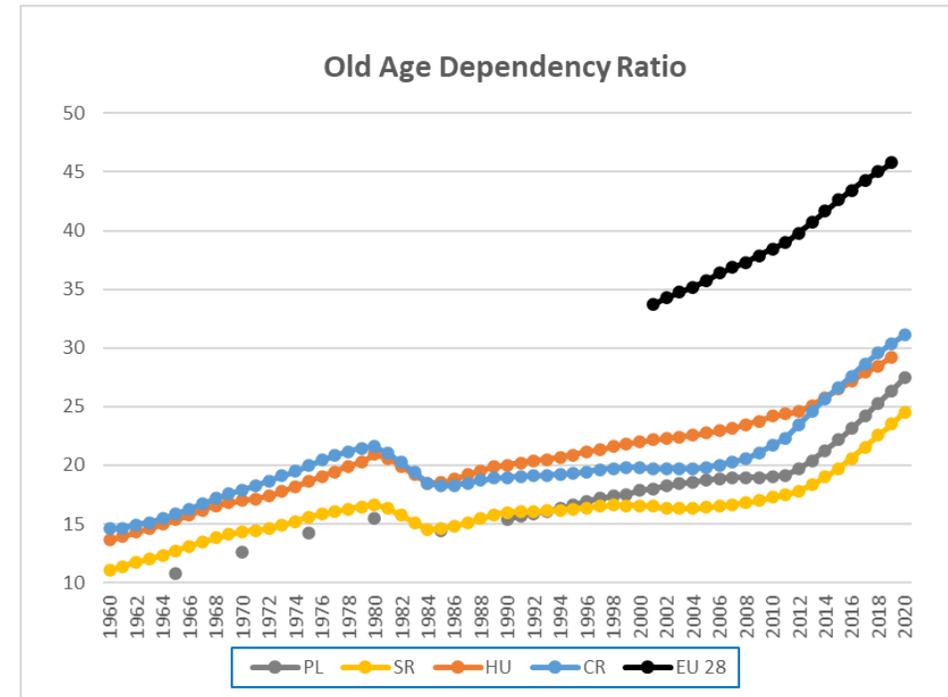
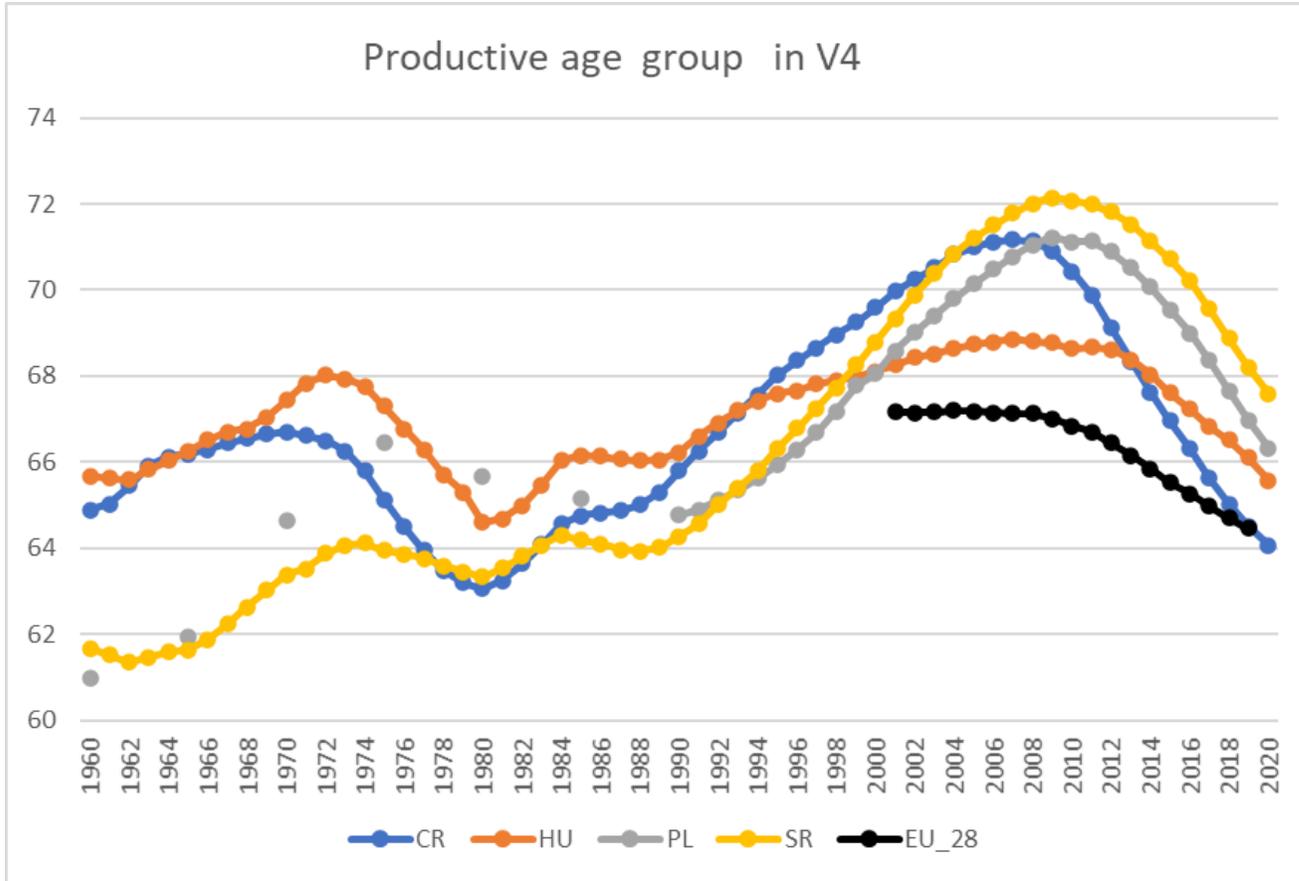
Slovak seniors aged 65 in 2019 have only a quarter of their lives ahead in good health, in other countries it is more than 40% of the remaining years of life.

The longest average life expectancy in health is in the Czech Republic.

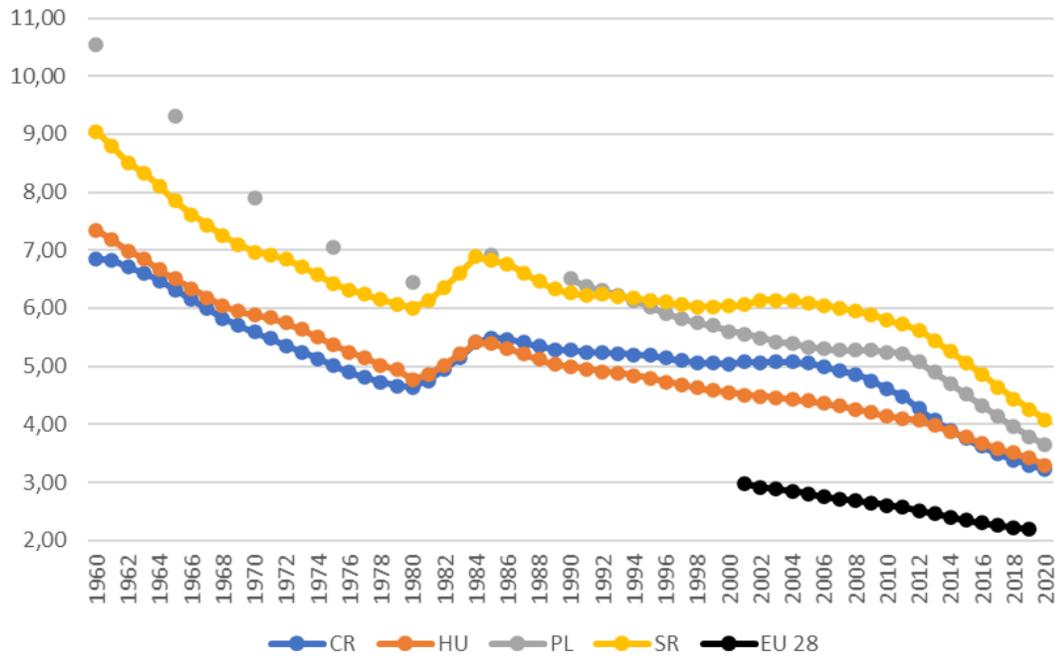


## Economic Consequences

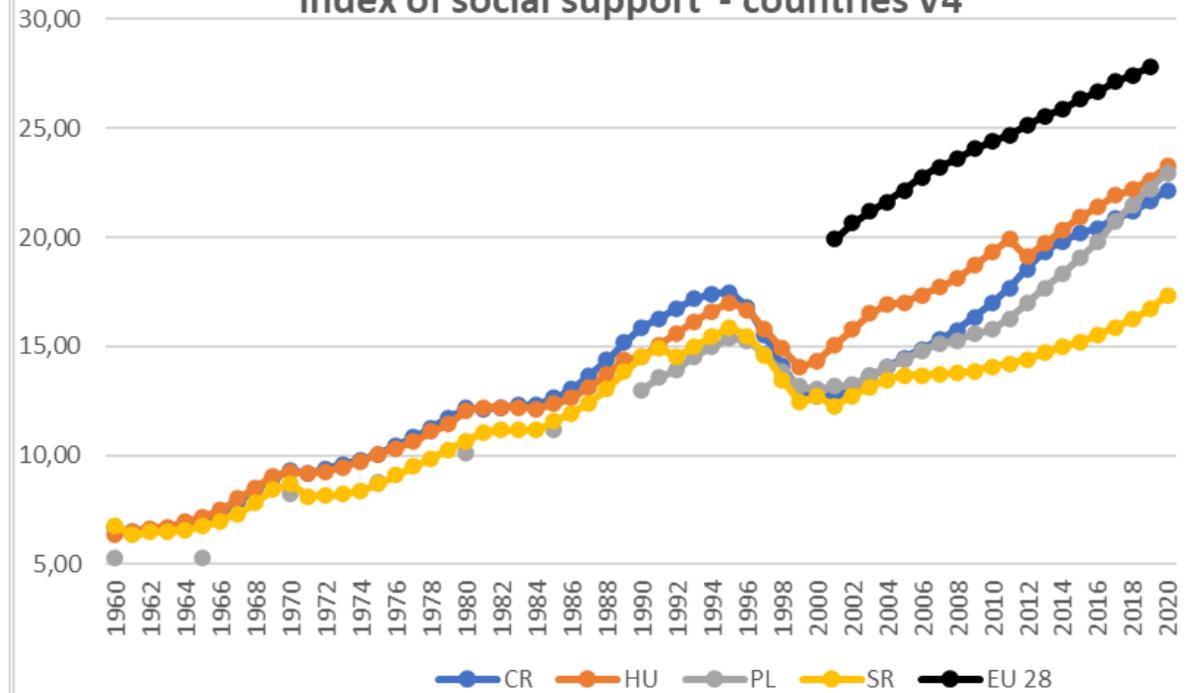
- Productive age group - size is reduced - a productive working group creates less economic support !



Index of potential economic support - countries V4



index of social support - countries V4

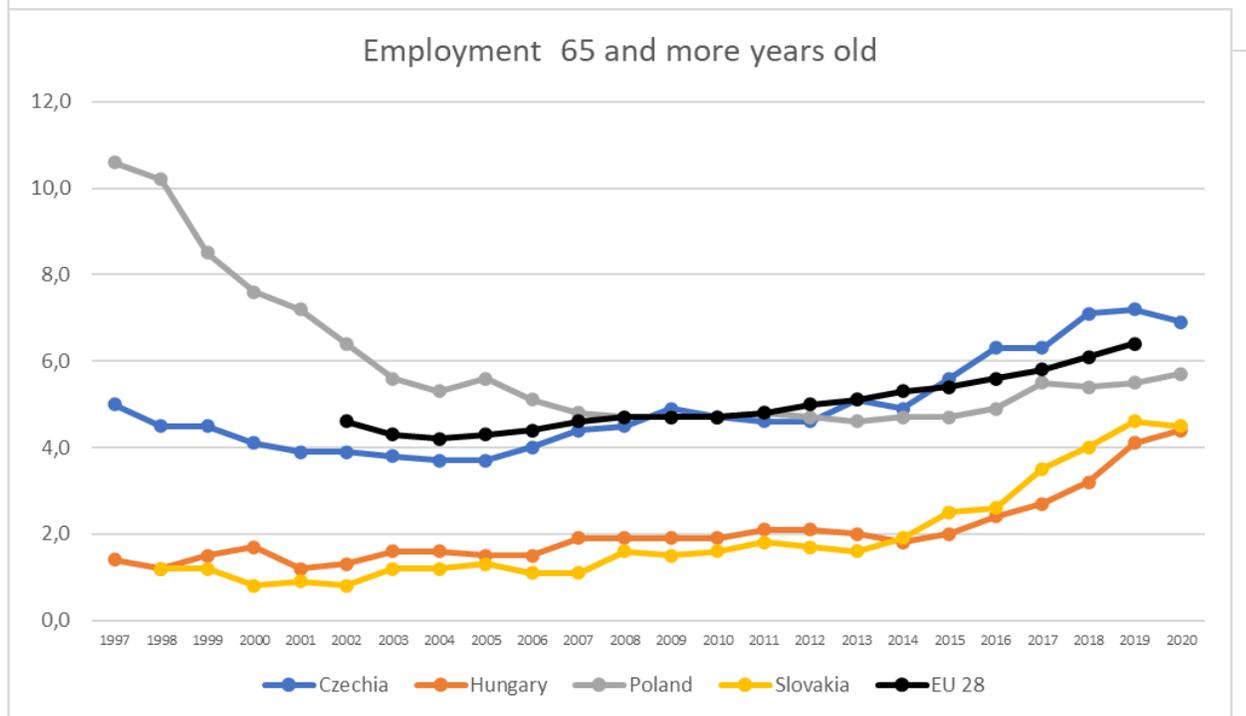
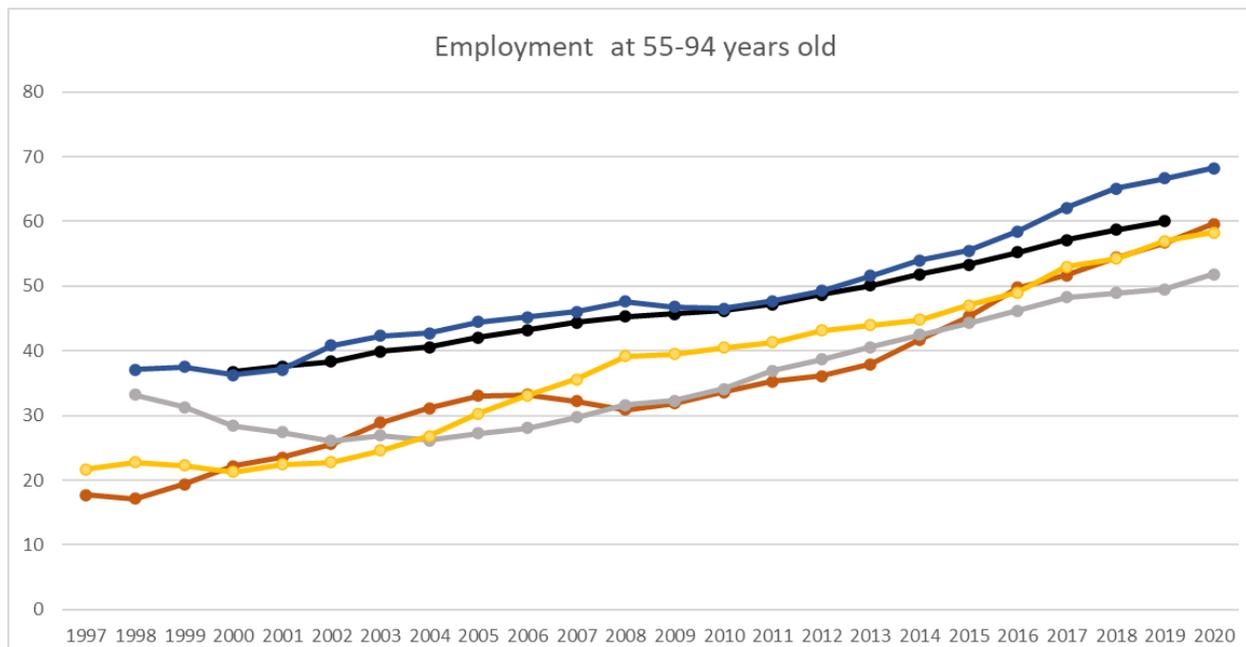


# Older persons in employment

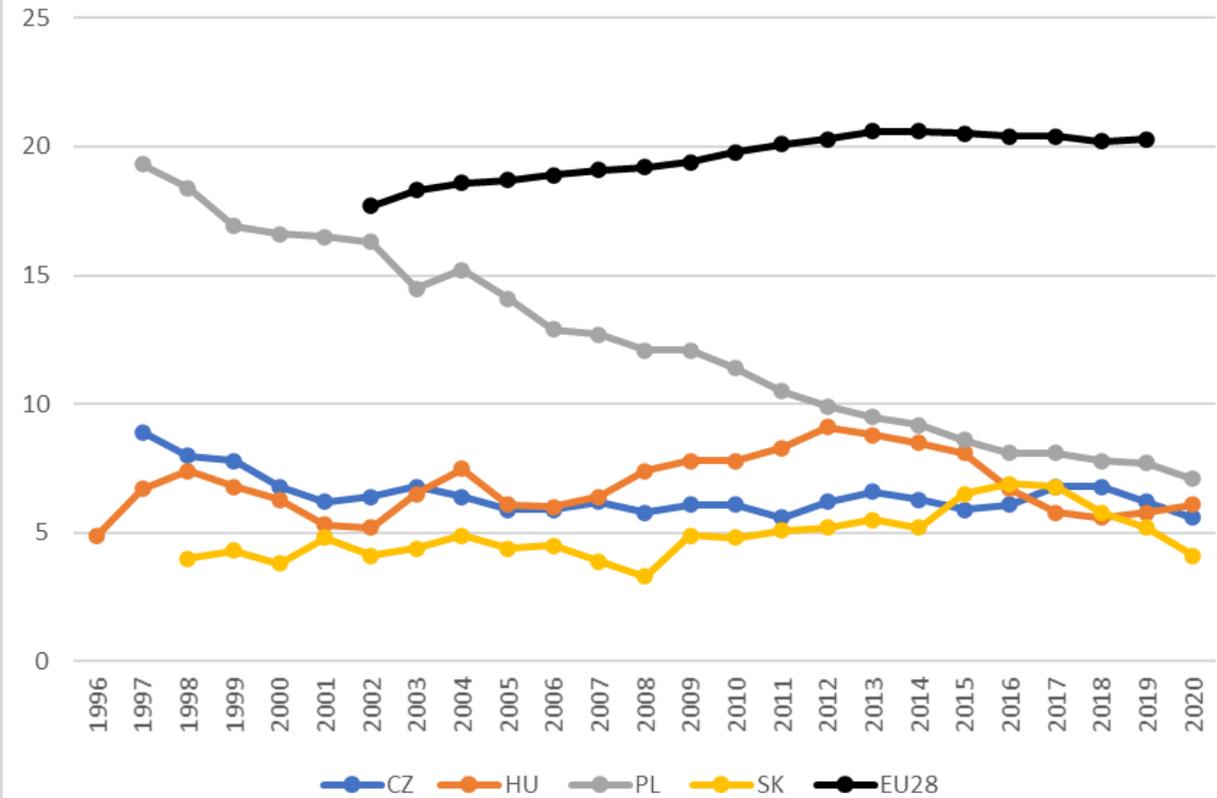
Increasing the retirement age is one solution to an ageing population.

Figure 4.4. Current normal retirement age by gender

		Women	Additional years for men (if different)	Men
Poland	POL	60,8	4,3	65,0
OECD	OECD	63,5	0,7	64,2
Hungary	HUN	62,0	1,5	63,5
Czech Republic	CZE	62,7	0,5	63,2
Slovak Republic	SVK	62,2		62,2
EU28	EU28	63,3	1,0	64,3

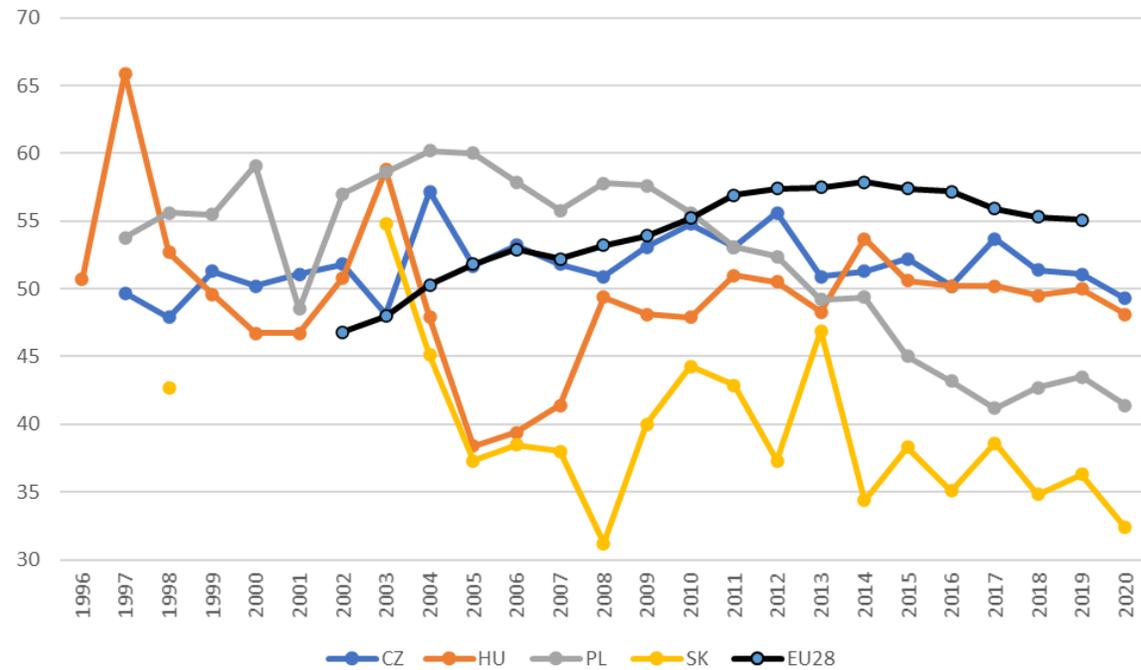


Part-time employment as percentage of the total employment 15-64 years old

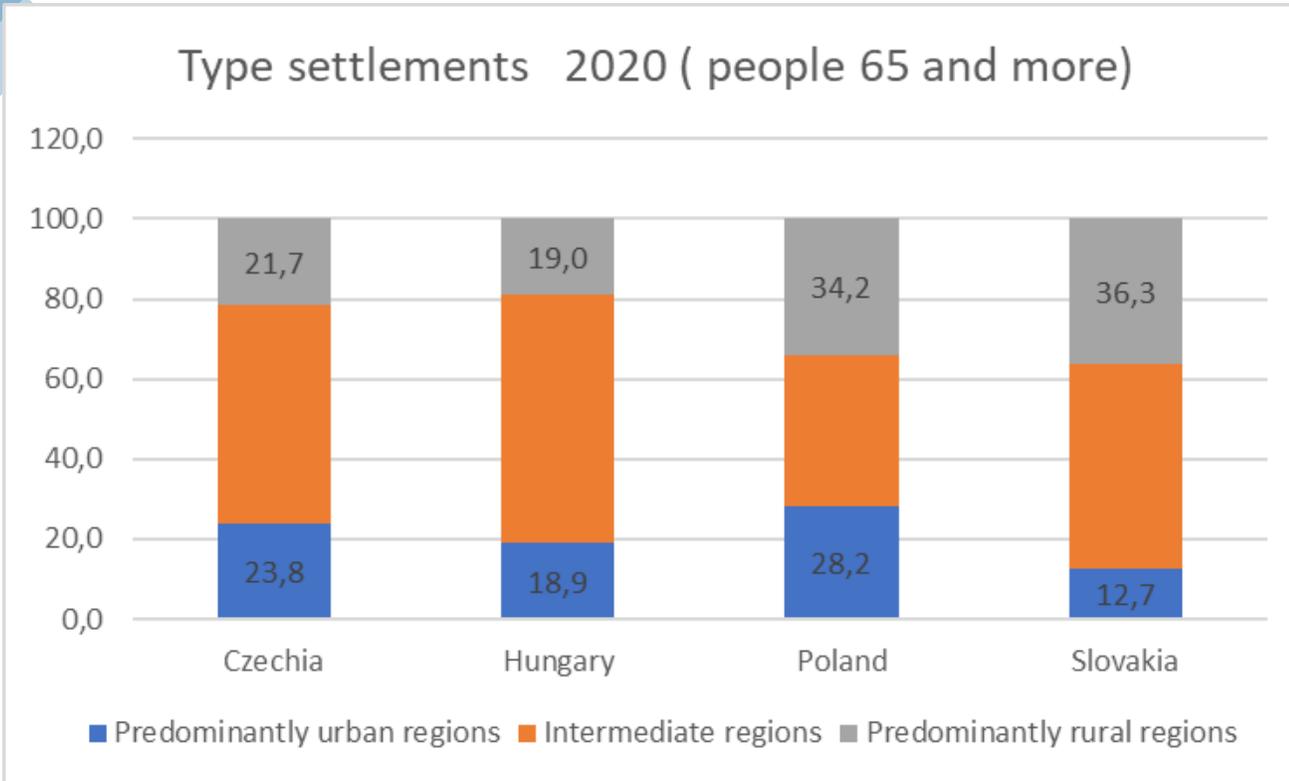


Part-time employment in old age

Part-time employment as percentage of the total employment 65 and more



# Social consequences



In recent years, the size of the household has changed significantly, as a result of low fertility rates, higher divorce rates. In the context of population aging, the number (and proportion) of older people in Europe are living alone (especially older women): they form and are a particularly vulnerable group in society, with an increased risk of poverty or social exclusion.

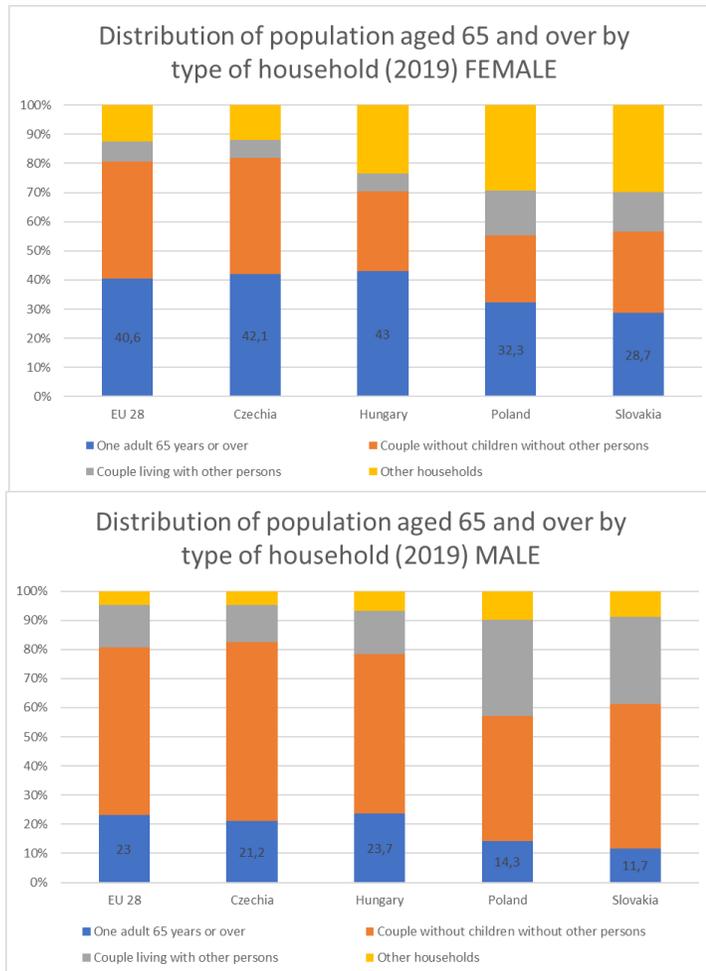
The urban-rural typology is a classification based on the following three categories:

predominantly urban regions, NUTS level 3 regions where more than 80 % of the population live in urban clusters;

intermediate regions, NUTS level 3 regions where more than 50 % and up to 80 % of the population live in urban clusters;

predominantly rural regions, NUTS level 3 regions where at least 50 % of the population live in rural grid cells.

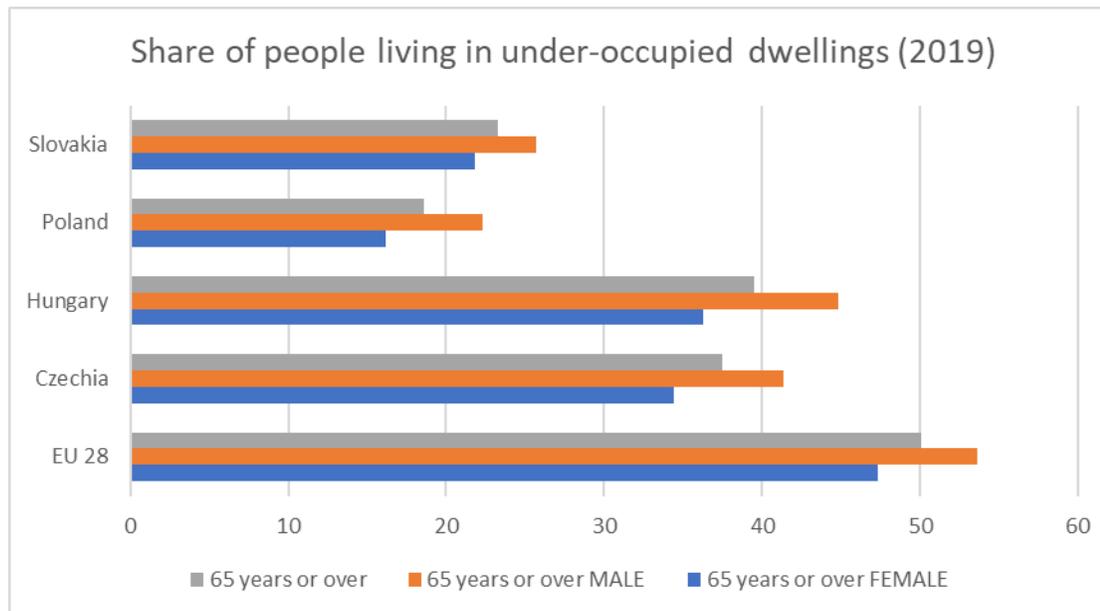
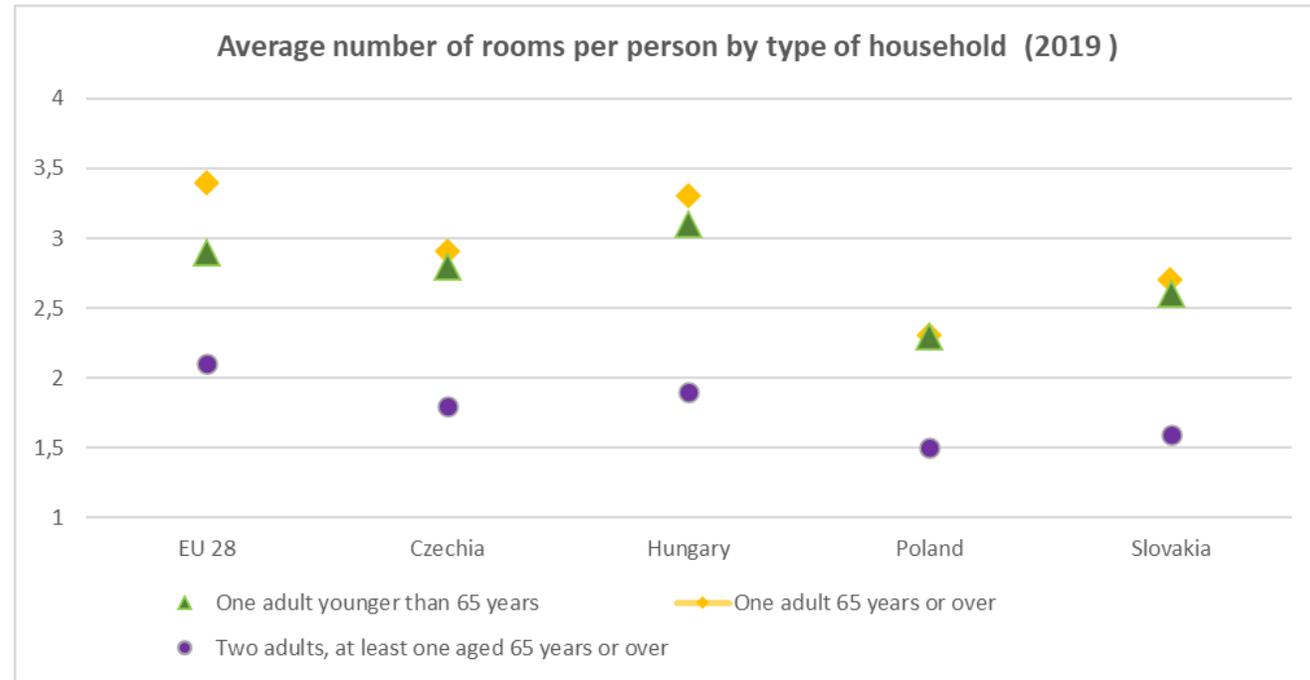
# Structure of the senior household



- Older women were more likely to be living alone, which is a consequence of better mortality rates.
- Eurostat data for 2019 suggest that more than 67% of the EU-28 live with someone, which means that less than 33% live alone.
- With gender discrimination, big differences are created in the V4 area (and also in Europe).
- Individual households of women over the age of 65 accounted for Hungary (43%) and the Czech Republic (42.1%), which exceeds the EU-28 average of 40%.
- Households of individuals of seniors' men copy the situation of women. Hungarian and Czech men have a higher representation of this type of value.
- In the case of Slovakia, it is only the level of 11.7% and the Polish men achieve a slightly higher value,

# Dwelling size

A room is defined as a living space of at least four-square meters, such as ordinary bedrooms, dining rooms, living rooms and living quarters, attics, kitchens and other separate spaces used or intended for living more than two meters high and accessible from inside the housing unit

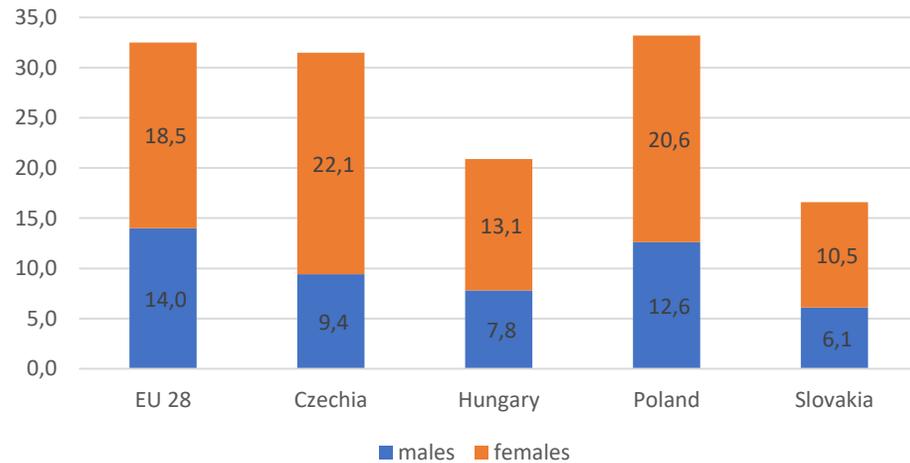


# A risk of poverty

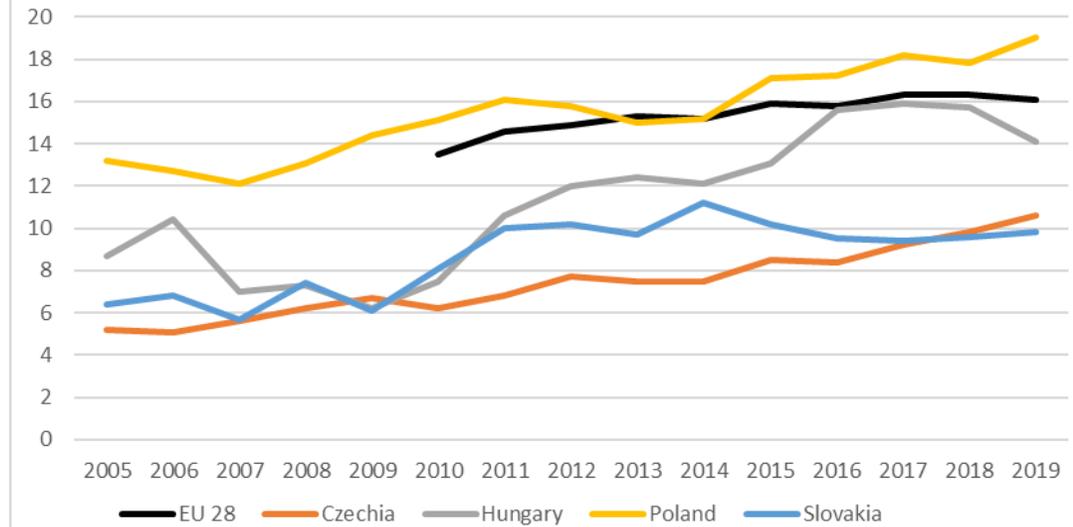
A person at risk of poverty is someone who (despite social transfers) has a level of income less than 60 % of the median income for the whole population

In 2018, there were 73.8 million people at risk of poverty in the EU-27, some 13.3 million of these were older people (aged 65 years or more).

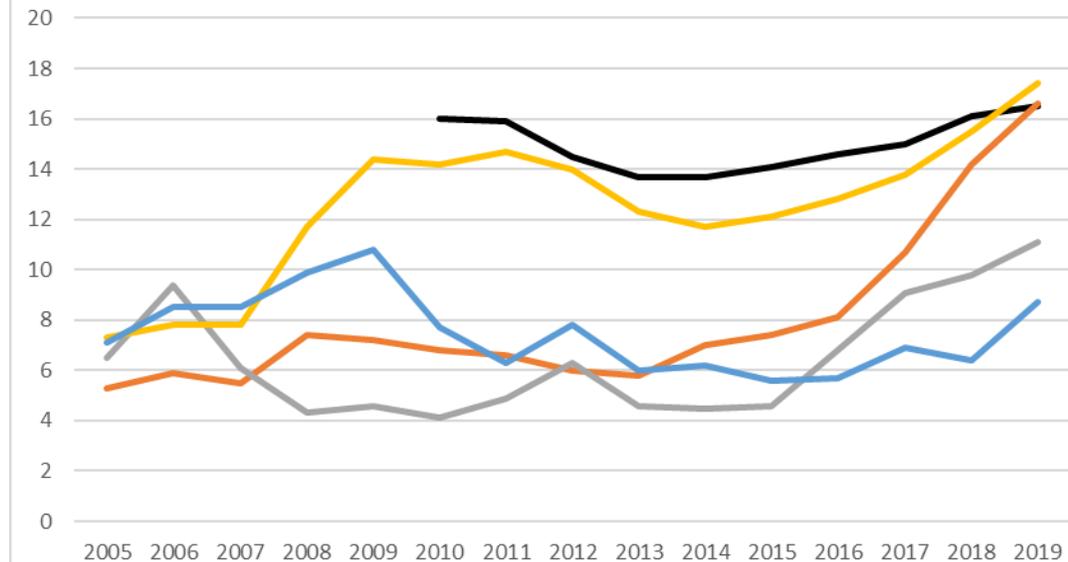
At risk of poverty at 65 +by gender (2019)



At-risk-of-poverty rate by poverty threshold at 55 -64 years



At-risk-of-poverty rate by poverty threshold at 65 and over years



# Conclusion

Central and Eastern Europe will be facing a number of issues when it comes to harnessing the opportunities of ageing and addressing the challenges that arise from it.

....In the context of the demography of population aging, in my research Káčerová, Ondačková (2015), two pairs of countries with a similar development of changes in the age structure of Poland and Slovakia, Hungary and the Czech Republic are identified. In the assessment of the effects of aging and its various parameters, it seems that it anymore.

“Eastern and Central Europe constitute compelling ‘laboratories’ for studying the complex interplay of culture, demographic structures and social policy in shaping intergenerational transfer regimes on macro- and microlevels of social reality” (Hagestad and Herlofson 2007, p. 353).

**Thank you for your attention**

