



THE FUTURE OF PENSIONS

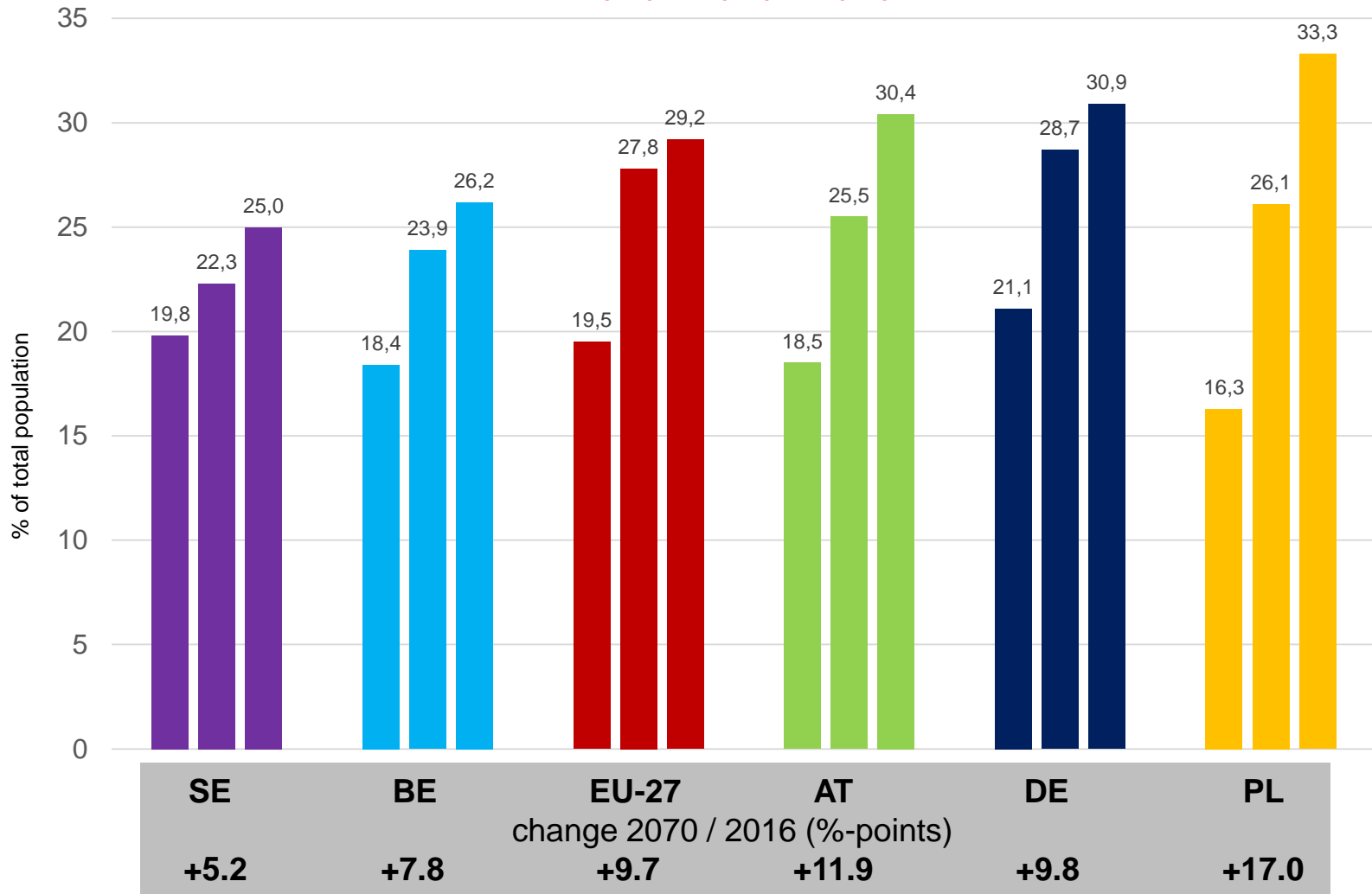
THE COMMISSION'S 2018 AGEING REPORT AND PENSION ADEQUACY REPORT

BRUSSELS 9.10.2018 (ÖGB / AK / FES / DGB)

JOSEF WÖSS

DEMOGRAPHIC CHANGE

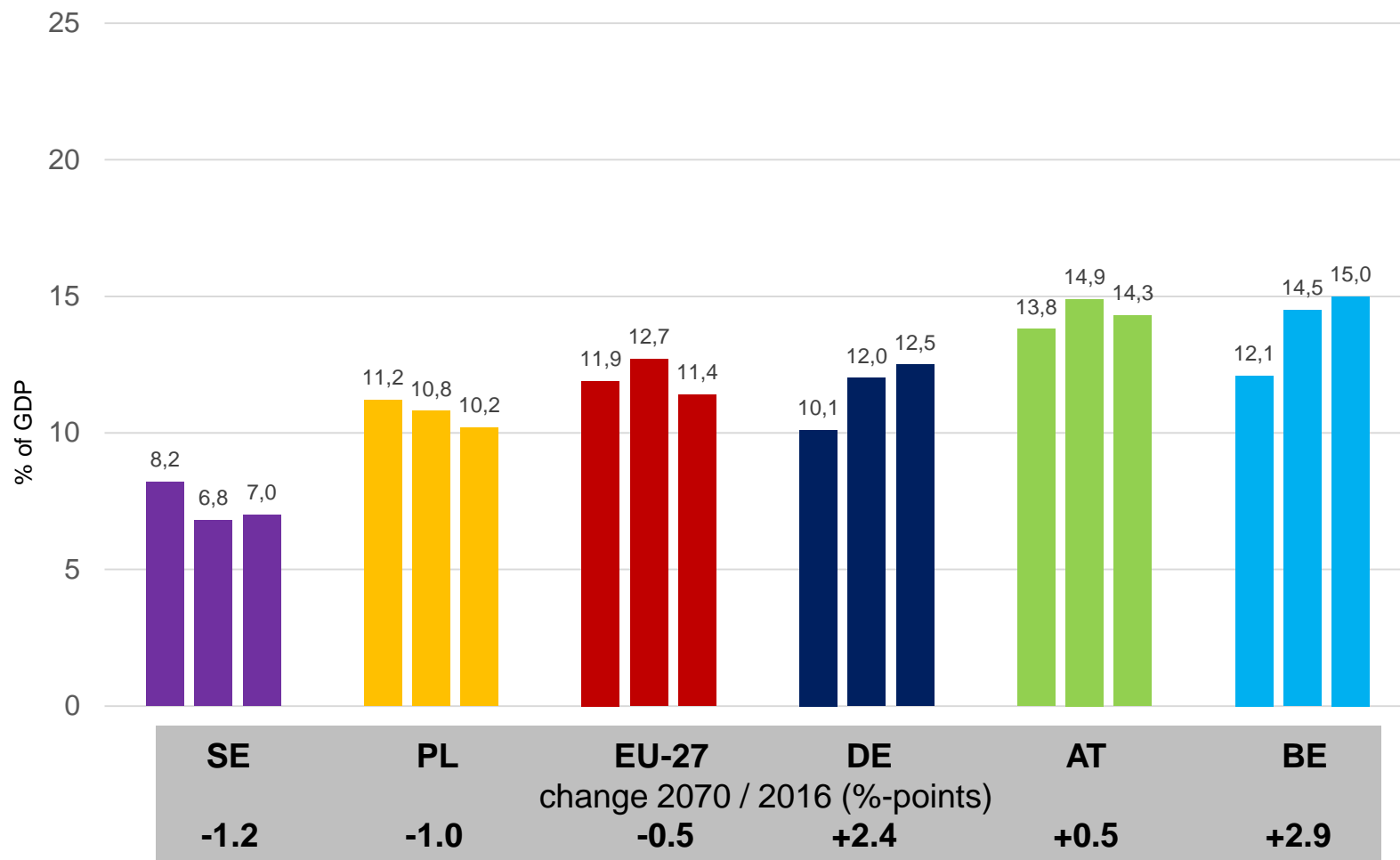
Population 65+ as % of total population
2016 - 2040 - 2070



Source: EU-Commission, The 2018 Ageing Report; own graphic

GROSS PUBLIC PENSIONS EXPENDITURE

% of GDP
2016 - 2040 - 2070



Source: EU-Commission, The 2018 Ageing Report; own graphic

DEMOGRAPHY / SUPPORT RATIO / EMPLOYMENT

2016 - 2070

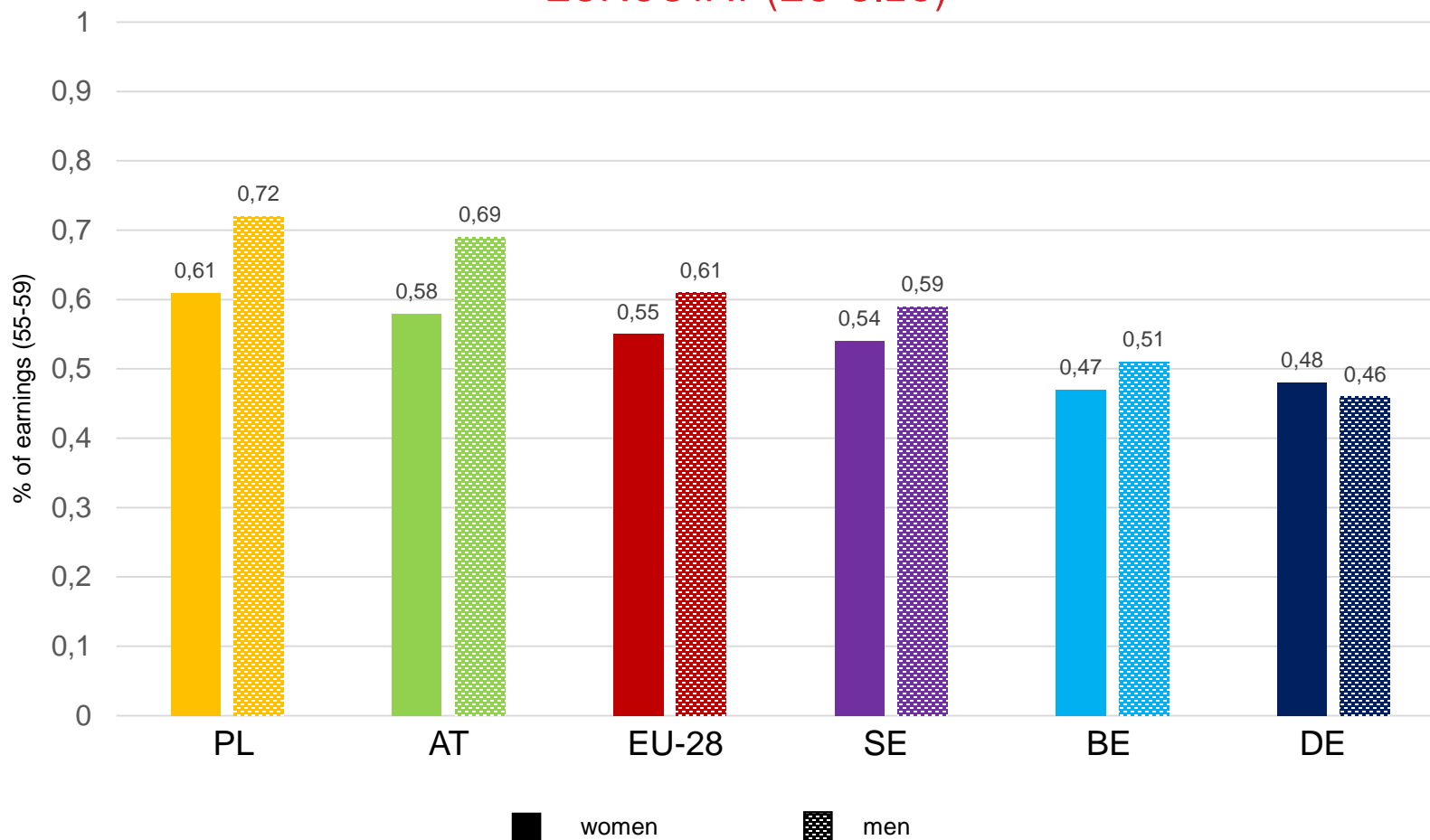
	People aged 15-64 / 1 person aged 65+		Contributors / 1 pensioner		Employment rate 15-64	
	2016	2070	2016	2070	2016	2070
EU-27	3.3	1.9	1.6	1.2	65.6%	69.5%
DE	3.1	1.8	1.6	1.0	74.7%	74.2%
AT	3.6	1.8	1.7	1.2	71.6%	74.7%
SE	3.2	2.3	2.3	1.5	76.4%	76.6%
BE	3.5	2.2	1.7	1.3	62.4%	65.2%
PL	4.2	1.6	1.8	0.9	64.8%	64.8%

Source: EU-Commission; The 2018 Ageing Report; own calculations (people aged 15-65 / 1 person aged 65+)

CURRENT LEVEL OF PENSIONS (2016)

PENSION INCOME (65-74) RELATIVE TO EARNINGS (50-59)

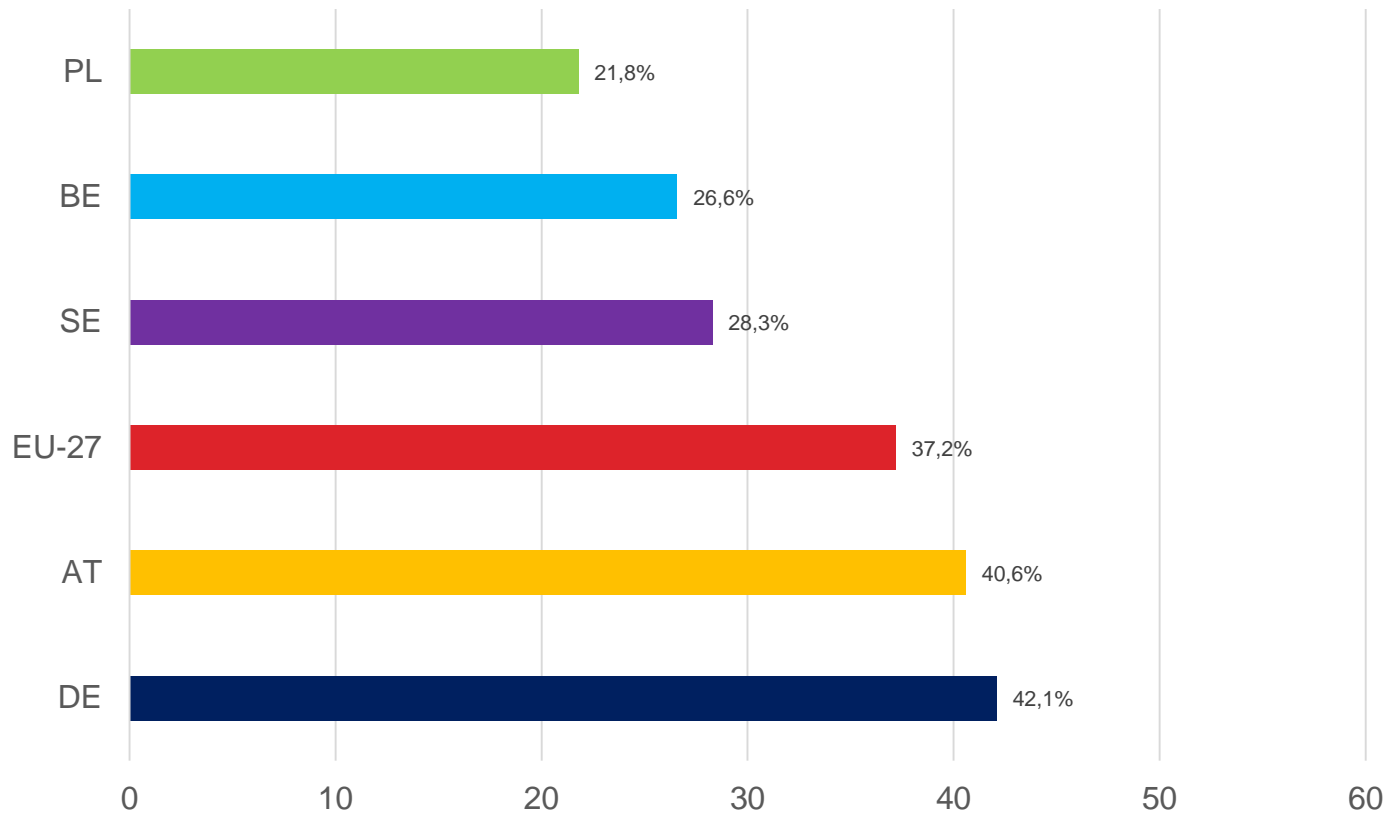
EUROSTAT (EU-SILC)



Source: EU-Commission; Pension Adequacy Report 2018, Volume 1; own graphic

GENDER GAP IN PENSIONS* (2016)

EUROSTAT (EU-SILC)

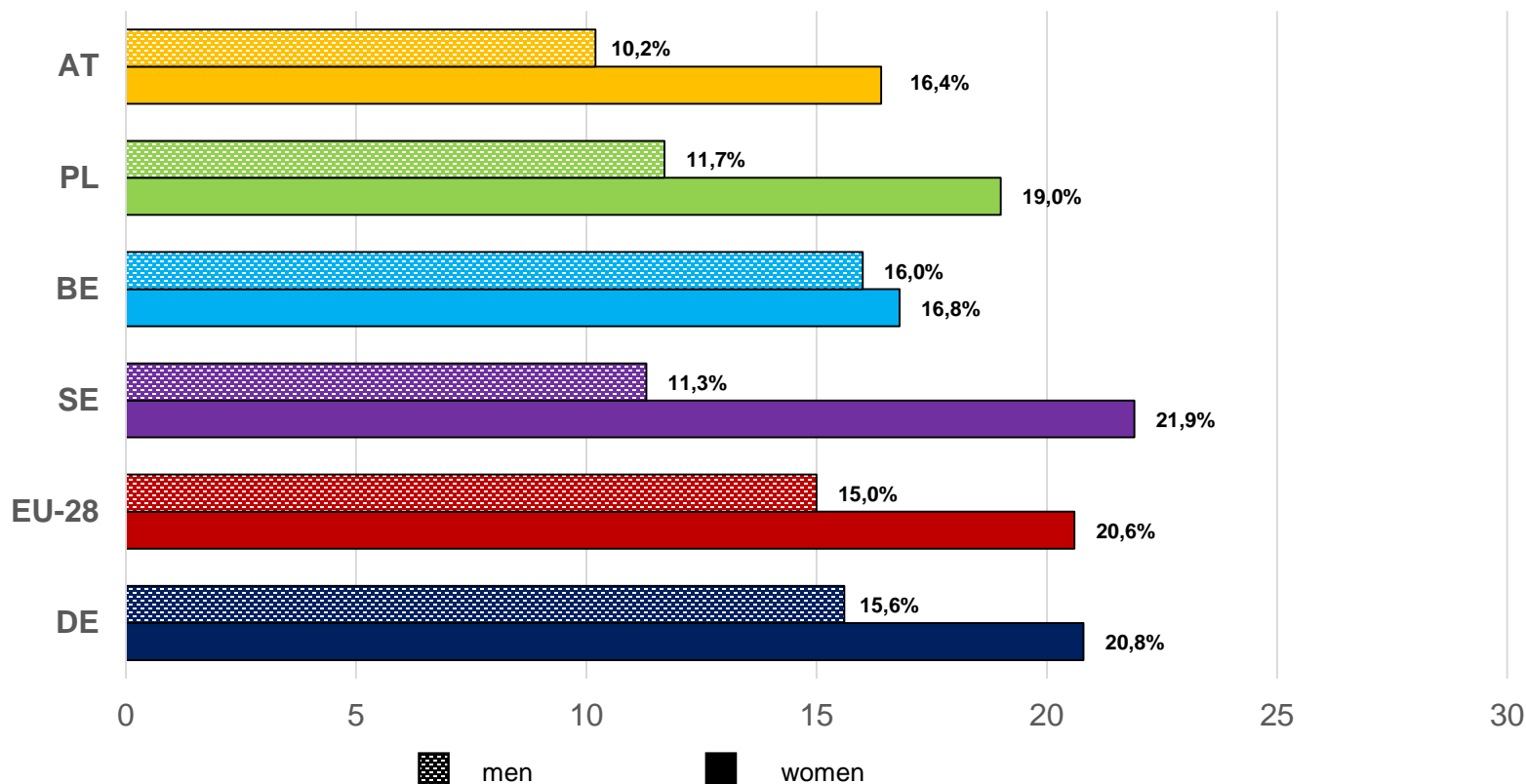


* Pensioners aged 65-79

Source: EU-Commission; Pension Adequacy Report 2018, Volume 1; own graphic

AT-RISK-OF-POVERTY RATE – AGE GROUPE 65+ (2016)

EUROSTAT (EU-SILC)



Source: EU-Commission; Pension Adequacy Report 2018, Volume 1; Eurostat (EU-SILC); own graphic

FUTURE GROSS PENSION REPLACEMENT RATES

Assumptions: Labour market entry 2016 at 20 / full career at average earnings / standard retirement age

	Public	Private (mandatory and voluntary)	Total
AT	78,4%	-	78,4%
BE	46,7%	14,2%	60,8%
DE	38,2%	12,7%	50,9%
SE	36,6%	19,2%	55,8%
PL	31,6%	-	31,6%

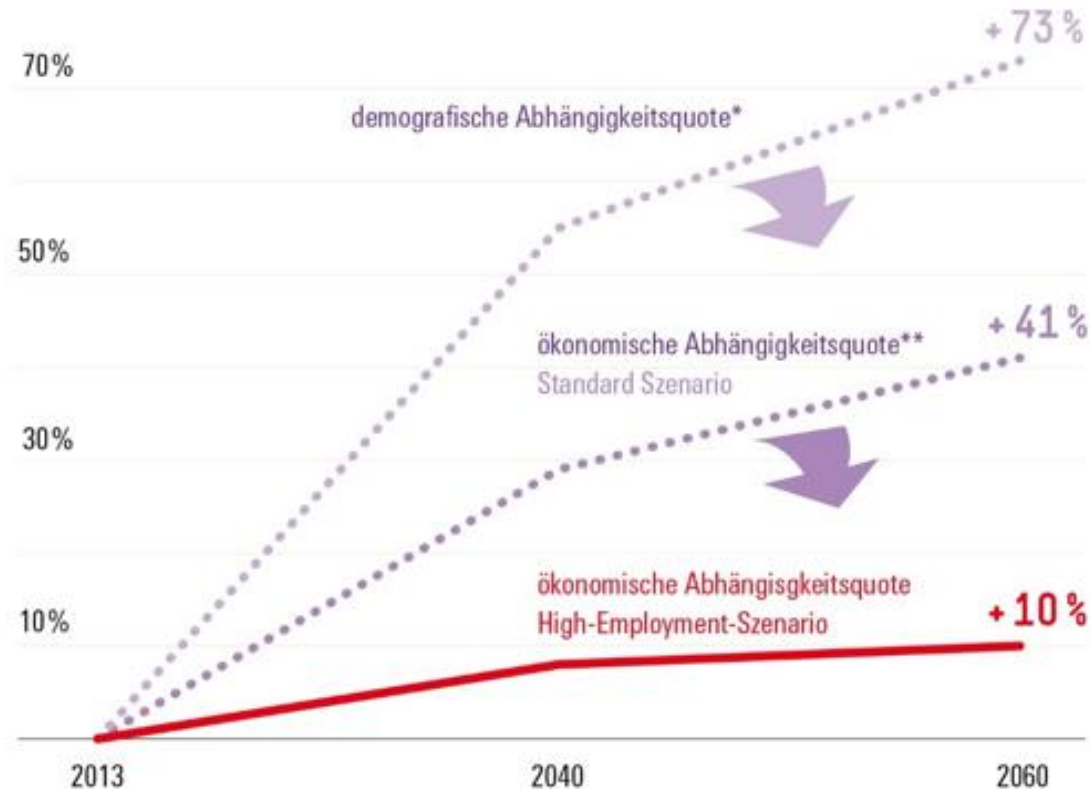
Source: OECD, Pensions at a Glance 2017; own table

ANNEX

THE LABOUR MARKET AS A KEY DETERMINANT

EVOLUTION OF DEMOGRAPHIC / ECONOMIC DEPENDENCY RATIOS - GERMANY

2013-2060



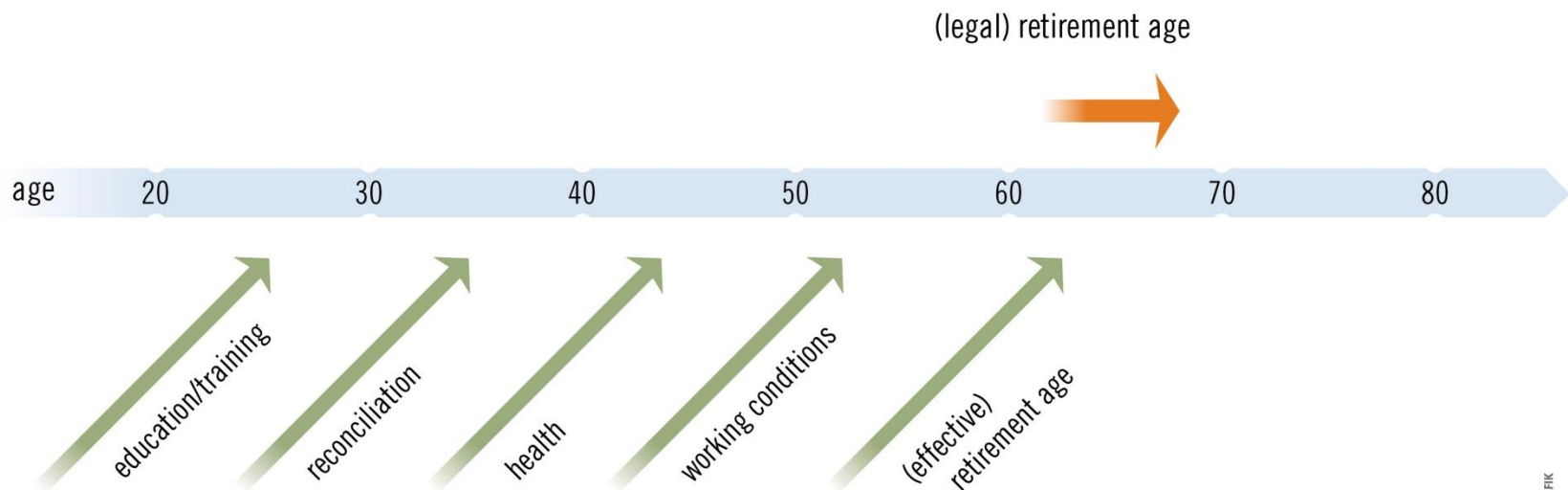
Source: Türk/Blank/Logeay/Wöss/Zwiener, Den demografischen Wandel bewältigen: Die Schlüsselrolle des Arbeitsmarktes. IMK-Report 137, April 2018; https://www.boeckler.de/pdf/p_imk_report_137_2018.pdf

Graphic: Hans-Böckler-Stiftung

THE LABOUR MARKET AS A KEY DETERMINANT

HOW TO BALANCE YEARS IN EMPLOYMENT AND IN RETIREMENT

● Strategy 1 – Focus on retirement age



● Strategy 2 – Focus on labour market integration across all ages

AK/APA-AUFTRAGSGRAFIK

MANY COUNTRIES HAVE CONSIDERABLE SCOPE FOR IMPROVING THE FUTURE ADEQUACY AND SUSTAINABILITY OF THEIR PENSION SYSTEMS BY RAISING EMPLOYMENT RATES, AND THIS NOT JUST IN THE HIGHER AGE GROUPS

EU-Commission (2012), An Agenda for Adequate, Safe and Sustainable Pensions (White Paper)

RAISING EMPLOYMENT LEVELS [WITH QUALITY JOBS] ...IS ARGUABLY THE MOST EFFECTIVE STRATEGY WITH WHICH COUNTRIES CAN PREPARE FOR POPULATION AGEING

EU-Commission (2008), Demography Report