



Meeting The Unique Challenge of Ageing Societies

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Unique Challenge of Ageing Societies

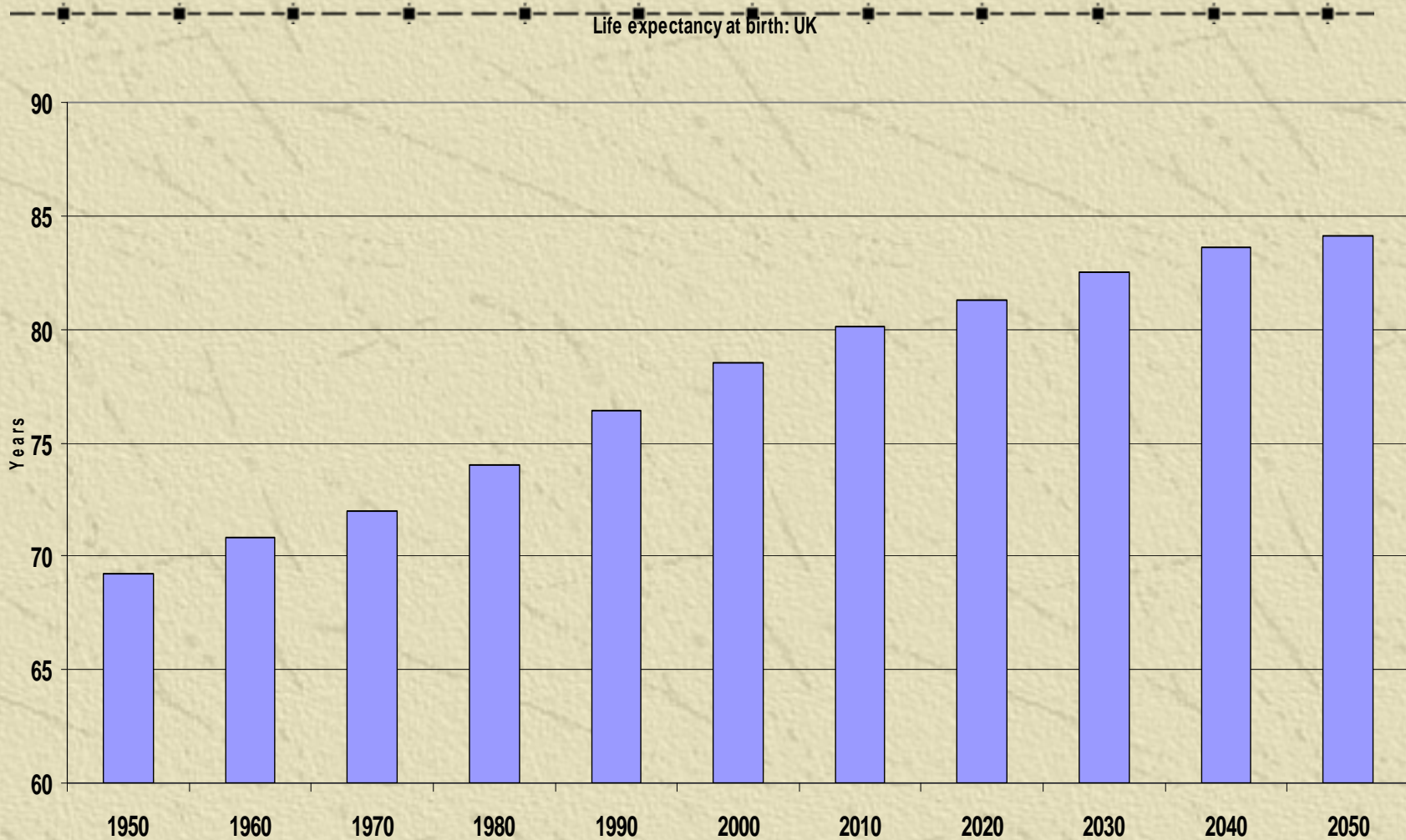
✦ Who's going to look after grandma?

✦ A Challenge for the 21st Century

Piecemeal Initiatives

- ✦ Building A Society For All Ages
- ✦ Nest Accounts
- ✦ Entrepreneurship
- ✦ Higher Retirement Age
- ✦ Default Retirement Age Binned
- ✦ Residential Care Financing

Life Expectancy at birth: UK

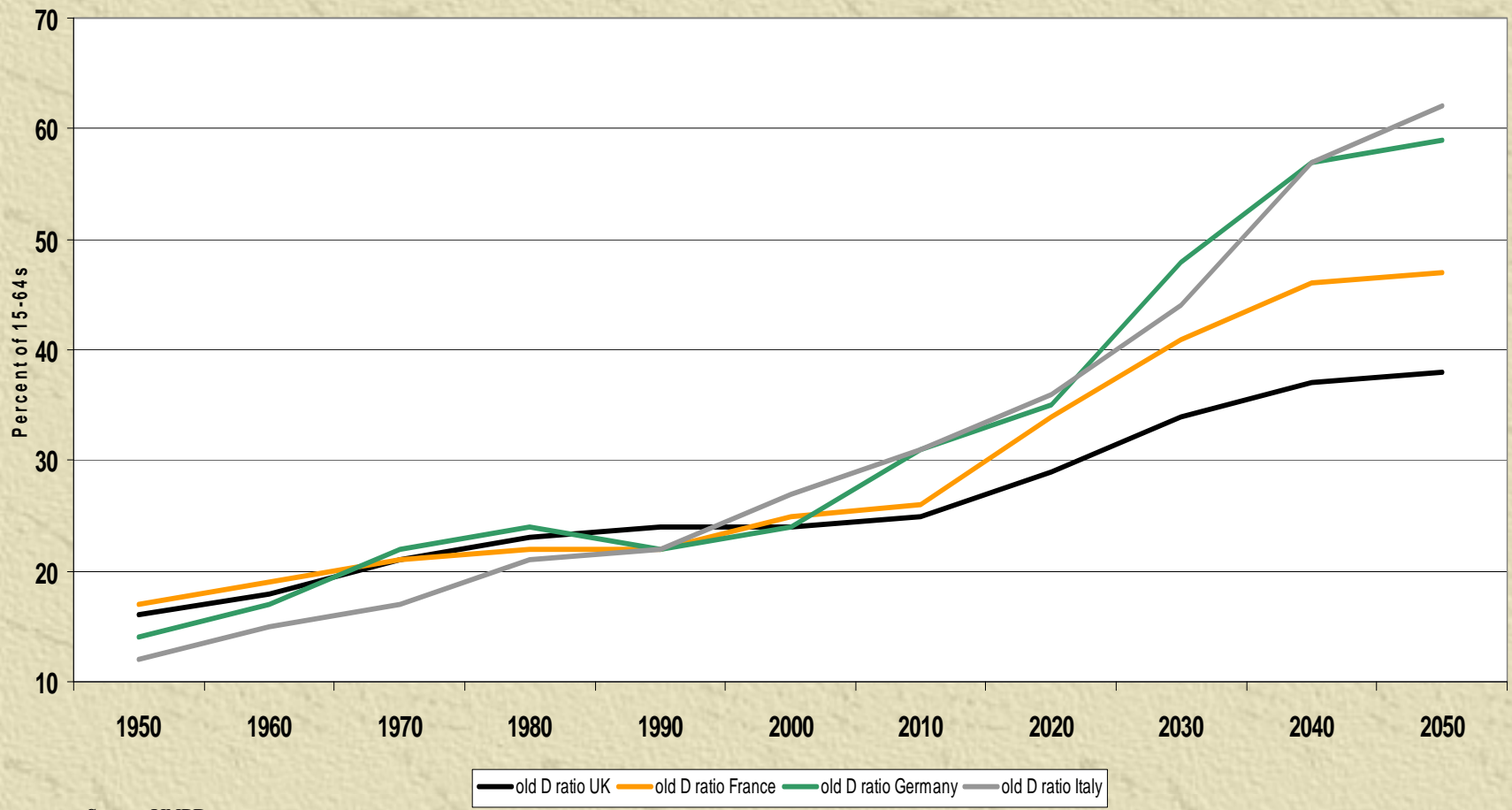


The Core Demographics Issue

- ✦ Rising Life Expectancy +
- ✦ Weak or Low Fertility =
- ✦ Rising Dependency of Baby Boomers on Stagnant or Shrinking Work force
- ✦ Lower Growth to (Desperate) Finance Personal and State Savings
- ✦ But Best Defence Against Poverty, Now and in Future, Is Employment

Rising old age dependency

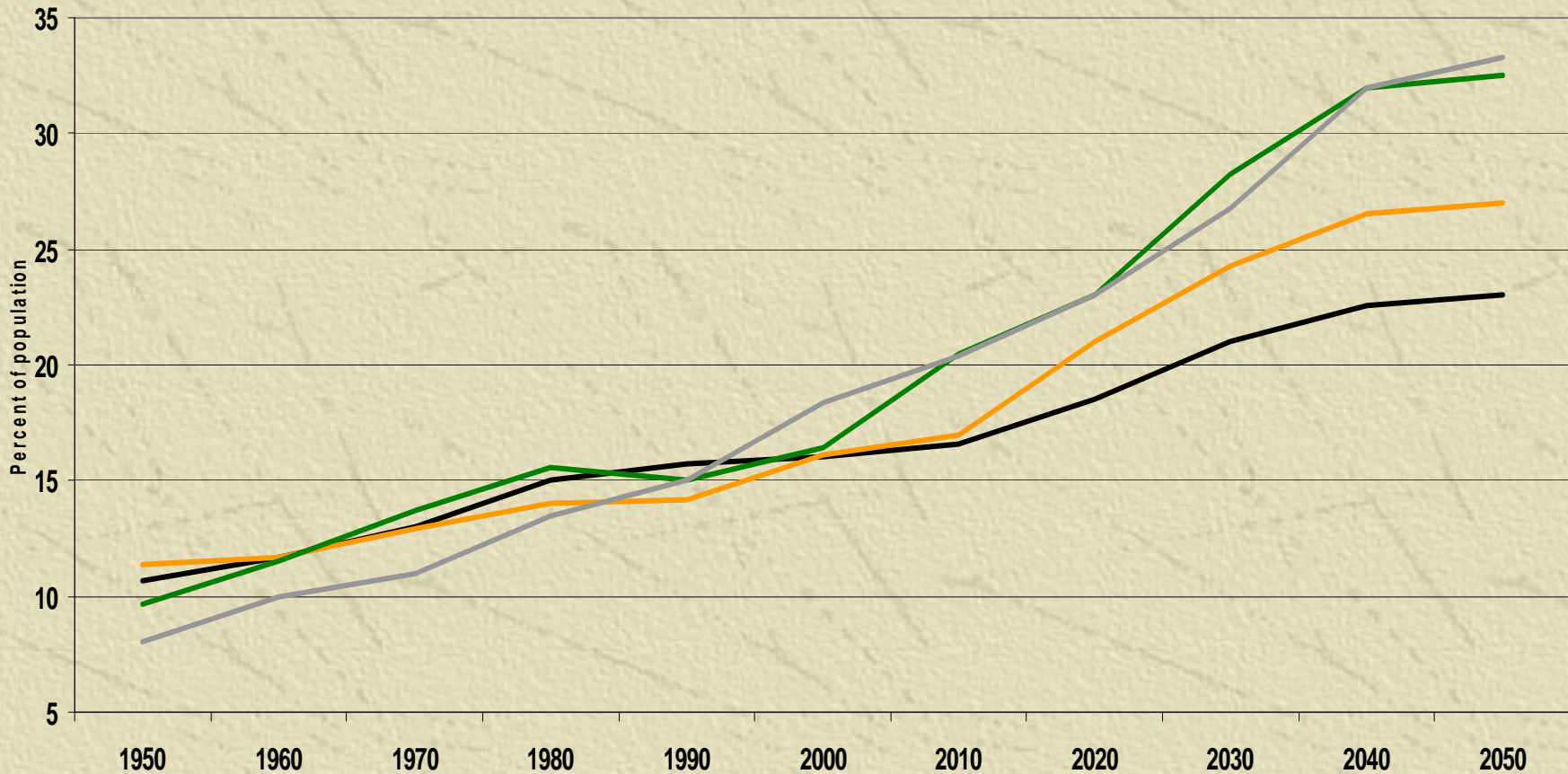
Old age dependency ratio



Source: UNPD

Over 65s to make their mark

Over 65s in the population



Source: UNPD

Over 65s as % UK Over 65s as % France Over 65s as % Germany Over 65s as % Italy

Ageing Societies

- ✦ Bete Noire Of Treasury, Pension Funds, Companies
- ✦ Families become beanpoles, not triangles
- ✦ Later Marriage
- ✦ More Households Headed by Singles and Childless
- ✦ Rising Care Responsibilities on Working and Older Women

Ageing Society Strategy:

- ✦ Rise in Female Participation
- ✦ Also in Older Worker Participation
- ✦ Retirement Age Legislation Is Just an Item
- ✦ Measures to Bolster Individuals' Savings
- ✦ Also to Boost Government Capacity to Deliver Adequate Provision
- ✦ -→ Focus on Labour And Work

Opposition

✦ Why me?

✦ Not Possible in My Work

✦ What About Youth?

✦ Policy Must Be Sensitive

✦ But This Is About Aggregate Welfare
Not Anecdote

A Different Approach For A Special Issue

- ✦ Focus on Employment, Work and Retirement
- ✦ Flexible Working Hours and Practices
- ✦ Phased Retirement Schemes
- ✦ New Occupational/Compensation Structures
- ✦ Savings
- ✦ Life Long Training

Mitigating The Consequences To Fund/Afford High Quality Care

- ✦ Longer Working Lives
- ✦ Anti-Ageism, Changes To Workplace and Work
- ✦ Teach People How To Save – Mandatory?
- ✦ Reboot State Finances (Not same as cuts)
- ✦ Technology
- ✦ Employment-centric programmes