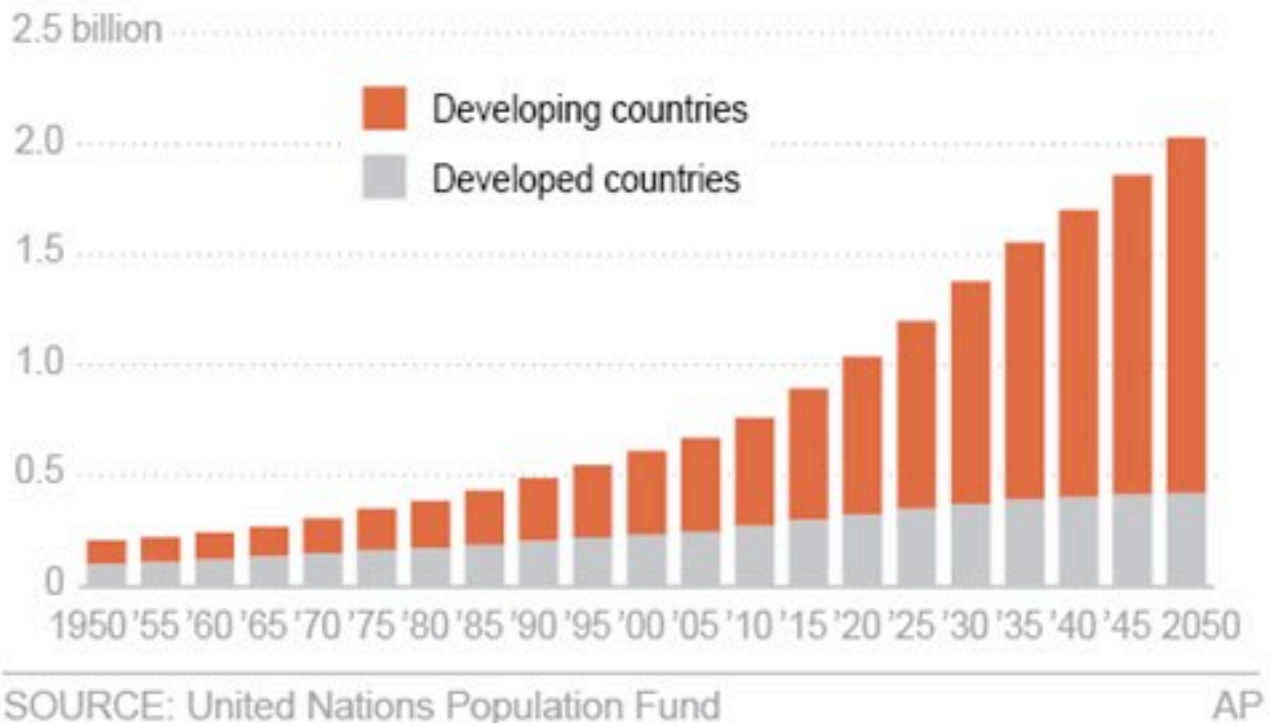


World not ready for aging population

The number of people in the world aged 60 and older is expected to grow past 2 billion by the year 2050.

Total population of people aged 60 and older



By [AP](#) | [October 1, 2013](#)

By the year 2050, for the first time in history, seniors older than 60 will outnumber children younger than 15.

A chart outlining the UN's social and economic well being rankings for those age 60 and over;

The world is aging so fast that most countries are not prepared to support their swelling numbers of elderly people, according to a global study being issued Tuesday by the United Nations and an elder rights group. The report ranks the social and economic well-being of elders in 91 countries, with Sweden coming out on top and Afghanistan at the bottom. It reflects what advocates for the old have been warning, with increasing urgency, for years: Nations are simply not working quickly enough to cope with a population graying faster than ever before. By the year 2050, for the first time in history, seniors older than 60 will outnumber children younger than 15.

Truong Tien Thao, who runs a small tea shop on the sidewalk near his home in Hanoi, Vietnam, is 65 and acutely aware that he, like millions of others, is plunging into old age without a safety net. He wishes he

could retire, but he and his 61-year-old wife depend on the \$50 a month they earn from the shop. And so every day, Thao rises early to open the stall at 6 a.m. and works until 2 p.m., when his wife takes over until closing.

“People at my age should have a rest, but I still have to work to make our ends meet,” he says, while waiting for customers at the shop, which sells green tea, cigarettes and chewing gum. “My wife and I have no pension, no health insurance. I’m scared of thinking of being sick — I don’t know how I can pay for the medical care.”

Thao’s story reflects a key point in the report, which was released early to The Associated Press: Aging is an issue across the world. Perhaps surprisingly, the report shows that the fastest aging countries are developing ones, such as Jordan, Laos, Mongolia, Nicaragua and Vietnam, where the number of older people will more than triple by 2050. All ranked in the bottom half of the index.

The Global AgeWatch Index (www.globalagewatch.org) was created by elder advocacy group HelpAge International and the U.N. Population Fund in part to address a lack of international data on the extent and impact of global aging. The index, released on the U.N.’s International Day of Older Persons, compiles data from the U.N., World Health Organization, World Bank and other global agencies, and analyzes income, health, education, employment and age-friendly environment in each country.

The index was welcomed by elder rights advocates, who have long complained that a lack of data has thwarted their attempts to raise the issue on government agendas.

“Unless you measure something, it doesn’t really exist in the minds of decision-makers,” said John Beard, Director of Ageing and Life Course for the World Health Organization. “One of the challenges for population aging is that we don’t even collect the data, let alone start to analyze it. ... For example, we’ve been talking about how people are living longer, but I can’t tell you people are living longer and sicker, or longer in good health.”

The report fits into an increasingly complex picture of aging and what it means to the world. On the one hand, the fact that people are living longer is a testament to advances in health care and nutrition, and advocates emphasize that the elderly should be seen not as a burden but as a resource. On the other, many countries still lack a basic social protection floor that provides income, health care and housing for their senior citizens.

Afghanistan, for example, offers no pension to those not in the government. Life expectancy is 59 years for men and 61 for women, compared to a global average of 68 for men and 72 for women, according to U.N. data.

That leaves Abdul Wasay struggling to survive. At 75, the former cook and blacksmith spends most of his day trying to sell toothbrushes and toothpaste on a busy street corner in Kabul’s main market. The job nets him just \$6 a day — barely enough to support his wife. He can only afford to buy meat twice a month; the family relies mainly on potatoes and curried vegetables.

“It’s difficult because my knees are weak and I can’t really stand for a long time,” he says. “But what can I do? It’s even harder in winter, but I can’t afford treatment.”

Although government hospitals are free, Wasay complains that they provide little treatment and hardly any medicine. He wants to stop working in three years, but is not sure his children can support him. He says many older people cannot find work because they are not strong enough to do day labor, and some resort to begging.

“You have to keep working no matter how old you are — no one is rich enough to stop,” he says. “Life is very difficult.”

Many governments have resisted tackling the issue partly because it is viewed as hugely complicated, negative and costly — which is not necessarily true, says Silvia Stefanoni, chief executive of HelpAge International. Japan and Germany, she says, have among the highest proportions of elders in the world, but also boast steady economies.

“There’s no evidence that an aging population is a population that is economically damaged,” she says. Prosperity in itself does not guarantee protection for the old. The world’s rising economic powers — the so-called BRICS nations of Brazil, Russia, India, China and South Africa — rank lower in the index than some poorer countries such as Uruguay and Panama.

However, the report found, wealthy nations are in general better prepared for aging than poorer ones. Sweden, where the pension system is now 100 years old, makes the top of the list because of its social support, education and health coverage, followed by Norway, Germany, the Netherlands and Canada. The United States comes in eighth.

Sweden’s health system earns praise from Marianne Blomberg, an 80-year-old Stockholm resident. “The health care system, for me, has worked extraordinarily well,” she says. “I suffer from atrial fibrillation and from the minute I call emergency until I am discharged, it is absolutely amazing. I can’t complain about anything — even the food is good.”

Still, even in an elder-friendly country like Sweden, aging is not without its challenges. The Swedish government has suggested people continue working beyond 65, a prospect Blomberg cautiously welcomes but warns should not be a requirement. Blomberg also criticized the nation’s finance minister, Anders Borg, for cutting taxes sharply for working Swedes but only marginally for retirees.

“I go to lectures and museums and the theater and those kinds of things, but I probably have to stop that soon because it gets terribly expensive,” she says. “If you want to be active like me, it is hard. But to sit home and stare at the walls doesn’t cost anything.”

DOUG SAUNDERS

Enough labouring over the nation's wombs

[Doug Saunders](#)

The Globe and Mail

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Facing stalled economies and less-than-optimistic political futures, leaders of many countries have been lashing out at the wombs of millions of women. Impotently unable to control their economies, they are desperately trying to nudge up their labour forces demographically.

Listen, for example, to Turkish Prime Minister Recep Tayyip Erdogan. He has devoted much of this year, when he has had [much else](#) on his plate, to a pointless campaign to populate his country's wombs.

"Come, please donate to this nation at least three children," he [told](#) party supporters in August. Earlier this year, he [explained](#) the logic behind this demand: "One or two children mean bankruptcy. Three children mean we are not improving but not receding either. So, I repeat, at least three children are necessary in each family, because our population risks aging."

And this week, he amplified it: "Three children are not enough," he [told](#) women: "Have four." This is a moment when Turkey, along with many other Middle Eastern countries, should be celebrating the end of out-of-control population growth. Turkey's fertility rate has dropped to a non-growth 2.06 children per woman, the same as France. It already has 74 million people. This should be celebrated.

As the United Nations Population Fund concluded last year, Turkey's working-age population – which will peak in 2040 even as the total population shrinks – is a "demographic window of opportunity," as long as focus is placed on the employment of young people, particularly women (who are woefully underemployed in Turkey), rather than on turning them into baby factories.

Instead, Mr. Erdogan, like too many of his fellow leaders, has panicked.

Sadly, he is not alone in this fallopian fallacy. Iran's fertility rate has plunged from a terrifying seven children per family in the 1980s to 1.64 today – the same rate as Canada – as a result of urbanization and the education of women. But in response, Mahmoud Ahmadinejad spent his entire eight-year presidency badgering Iranian women to get knocked up more frequently, often on spiritual grounds.

It didn't work; nor will Mr. Erdogan's campaign. But these fertility panics can have devastating effects.

Look at China. The world's most populous country's obsession with birth rates has caused immeasurable damage since 1979, when the so-called One-Child Policy was born.

The policy's name is misleading: Chinese have, on average, between 1.2 and 1.8 children, depending on how you measure, which means there are probably as many families with two children as there are with one. In villages, where the policy isn't as strictly enforced, two children is almost universal. In cities, among those who can pay for the privilege, you'll find a good number of families with three or more.

That's revealing: The one-child policy was never really necessary as a population-control measure – urbanization and education achieved that effect much more efficiently. Instead, it serves almost entirely as a revenue source, a tax on motherhood.

Lawyer Wu Youshui recently [discovered](#), through diligent research, that 19 of China's 34 provincial governments together collected \$2.7-billion in fines last year from parents who ran afoul of the one-child law. Those fines are negligible for wealthy families, and punitive for farmers. The result is awful: "Village family-planning officers vigilantly chart the menstrual cycle and pelvic-exam results of every woman of childbearing age in their area," Chinese essayist Ma Jian [wrote recently](#). If unacceptably pregnant, they face forced abortions – or they pay a fine worth a couple of years' earnings.

Now, there is a serious movement afoot among senior Chinese officials and academics to change the law – unfortunately, by making it into a two-child policy, which would likely be just as punitive and revenue-rich as "one" child. A [report](#) published in August by Bank of America economists projected that this would produce 9.5 million more babies per year – an insignificant stopgap for China's labour force.

The reason for this movement is that last year was the first in decades when China's working-age population shrank. Meanwhile, the pension-dependent population grew dramatically – a situation many other countries are now facing, as well.

That does pose economic challenges. But real solutions involve education, social safety nets and expanded productivity. The short-sighted political solution is to push for more workers, by cajoling them into the nation's wombs.

It won't work, but it will make plenty of women's lives miserable.

Debate over Canada's aging population set to heat up

Bill Curry

Ottawa— Globe and Mail Update

Posted on Friday, August 12, 2011 12:59PM EDT

The debate over Canada's demographics is poised to heat up this fall as the Parliamentary Budget Office prepares the release of a wide-ranging study of what an aging population means for Ottawa's bottom line. Parliamentary Budget Officer Kevin Page caused a stir in February 2010 when he first looked at [the issue](#), warning that part of the federal deficit is structural -- or permanent -- and will not be erased over the long term unless Ottawa cuts more deeply or starts bringing in more tax revenue.

The Conservative government flatly rejected the notion of raising taxes to keep the books balanced over the long term, even though it faces [rising health care costs](#) from an aging population.

Finance Minister Jim Flaherty will soon have to tackle the expiring cash transfer deals to the provinces for health care and other social services, a debate with huge implications for the financial health of governments across Canada, not to mention the personal health of Canadians.

Mr. Page has repeatedly expressed concern that the government is not outlining its long term plans for covering the costs related to an aging population.

"The longer term analysis, which has been missing from the government, is essential to shape policy decisions," said Mr. Page in an email. "The size of the fiscal gap is relatively modest, but it exists and sustainable actions (program cuts; tax increase) are required to achieve a stable debt relationship over the longer term. Given the pending debates on fiscal transfers and the importance of fiscal federalism in Canada, our 2011 fiscal sustainability study will be expanded to include a provincial-territorial dimension." The Globe and Mail reported Thursday that an internal government report warned senior federal officials last fall that with baby boomers starting to hit 65 in 2011, "the dependency ratio will start to increase significantly in a matter of months."

There is concern now being expressed that policy planners are relying on the dependency ratio -- a yardstick that essentially assumes all citizens 65 and over are dependent on others -- which is usually calculated by taking the number of people aged 65 and over divided by the number of people of working age.

Susan Eng, vice-president of the retired persons advocacy group CARP, said that statistic ignores the fact that older Canadians are a lot healthier -- and use less health services -- than earlier generations of retirees. Ms. Eng points to a 2010 article in [Science magazine](#) that makes the statistical case against using the dependency ratio.

"If instead, the dependent population is defined by the projected incidence of ill health and other causes of disability, then the ratios are much more optimistic," said Ms. Eng in an email to the Globe. "Instead of escalating, the trend lines are nearly flat in North America. So no need for 'hair on fire' stories about the workforce or the health care system."

Ottawa starting to tackle rapidly aging workforce with renewed urgency

BILL CURRY

OTTAWA— From Friday's Globe and Mail

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Finance Minister Jim Flaherty and the highest levels of the public service are immersed in a flurry of closed-door talks aimed at tackling the rising costs of health care and retirement benefits in the face of a shrinking number of working-age taxpayers available to foot the bill.

Internal government documents obtained by The Globe and Mail show Canada's aging population is no longer a problem on the horizon, but rather one that will impact the federal government this year. It's a challenge Ottawa is now discussing more openly and with added urgency.

This week Mr. Flaherty kicked off a policy retreat with business and policy leaders in Wakefield, Que., by saying he wanted the discussion to focus on how Canada can position itself now for the longer term – listing “Canada's rapidly aging workforce” as an issue that shouldn't be overshadowed by the current focus on wildly fluctuating stock markets.

“The need to address current challenges must not keep us from tackling the key questions that affect our future prosperity,” he said.

The Finance Minister has offered few hints as to how he will approach forthcoming negotiations with the provinces over health-transfer arrangements, which need to be renewed. Provinces – and ultimately Ottawa – face rising health costs as older Canadians will make greater use of the system.

Documents obtained by The Globe show Mr. Flaherty has been receiving regular briefings on “transfer renewal” from his deputy minister for months, but offer no sense as to Ottawa's negotiating position. Canada, currently the 27th oldest country in the Organization for Economic Co-operation and

Development, is on track to become the 11th oldest within 20 years. It's a challenge that will spark debate over Canada's retirement age, fertility rates and immigration, while risking generational tension between a growing population of older voters and a shrinking pool of younger taxpayers.

Last November, Canada's most senior public servant, Privy Council Clerk Wayne Wouters, invited deputy ministers from across the government for a meeting on demographics in Ottawa's Langevin Block. There they reviewed a draft report on the impacts of Canada's aging population. Unlike past warnings on the topic, this report did not paint it as a problem looming in the distance.

“The oldest baby boomers start to turn 65 in 2011, meaning the dependency ratio will start to increase significantly in a matter of months,” states the draft report, which was obtained in redacted form by The Globe under Access to Information.

Prepared by officials at Human Resources and Skills Development Canada and Finance Canada, the report is full of alarming statistics. It also lays out several measures the government could take to limit the impact, including incentives to boost fertility rates, bring in younger immigrants and encourage Canadians to work longer.

“A Canada where seniors outnumber children is uncharted territory,” the report states.

When asked about the report, Alyson Queen, press secretary to Human Resources Minister Diane Finley, listed recent government measures to encourage older Canadians to stay in the workforce.

“Our Government has done more to support older workers than any before,” she said in an e-mail.

Monte Solberg, who preceded Ms. Finley as Human Resources minister and retired from politics in October, 2008, said incentives for older workers were among the easiest options – politically speaking – available to the Conservatives in the face of an aging population.

Now, he says, the government will have to consider the hard ones, like raising the retirement age – a move so controversial he says it would likely require a Royal Commission to build public support.

Even more pressing are the upcoming negotiations on health-care transfers to the provinces, which currently grow at six per cent a year under the Canada Health Transfer Program that expires in fiscal 2013-14.

“It’s a very real problem,” said Mr. Solberg in an interview. “It’s easily the largest unfunded liability that we have, without question, because we have this wave coming at us [and] there’s no extra money that’s set aside to address it.”

By the numbers

25 Percentage of Canadians by 2036 who will be over the age of 65

5:1 Ratio of workers to seniors in Newfoundland in 2010

1:1 Ratio of workers to seniors in Newfoundland by 2050

12 Percentage of Quebec’s population that is seniors

24 Percentage of Quebec’s population that will be seniors in 30 years

Source: Canada’s Changing Demographics: The Impacts of Population Aging, a draft internal HRSDC report marked secret and dated Oct. 27, 2010, that was circulated in advance of a Nov. 3 meeting of the Coordinating Committee of Deputy Ministers.