



Sociaal en Cultureel Planbureau

Top-Heavy Load – trouble ahead for social security systems

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21 juni 2007



There is no unified system of social security in the OECD countries

Welfare regimes

- liberal/Anglo-Saxon
- Corporatist/Continental
- Social democratic/nordic
- Mediterranean
- Eastern European



Different pension regimes

- Public/private
- Universal/selective
- Capitalbased/taxbased
- Low/high level
- Voluntary/mandatory

Pension will become sooner a problem in countries without a capital based system (funding) but with practically universal coverage and generous allowances



There is still insufficient insight in the pensioners needs and resources

- Is 70% of latest income at work necessary?
- What is a 'good life' when you are 65, 75, 85, 95?
- What other resources than their pension do pensioners have?
(Home; capital)

NL: - much more pensioners offer financial support to their children than vice versa
- 50% population 55-65 yrs. own their house and have in the mean 90.000 euro in the bank



Netherlands

16,3 million inhabitants

- Statepension (universal coverage, 65+, € 1000,- single) – 25 billion Euro –
- 'Complementary pension' (mandatory, defined benefit) – 23-25 billion Euro (700 billion)
- Private pensionplan (voluntary) 4-6 billion (400 billion)



Remedies

1. Work

- More people at work
- More people more hours at work
- More people more years at work

2. Pension

- mandatory contributions at a lower fixed maximum, extra voluntary
- Flexible retirement age (62-68)
- Discourage capitalbuilding after 65
- Make pensions more capitalbased
- Develop a three-tier system:
public/occupation/private



Three major problems

- double aging – more over 75 yrs.
- Individualization households of the elderly
- (NL: 14% pop. 65+, 22% of households, less than 1% living with children)
- Combination of pension and care



Health care and social care for the elderly

- Health care is becoming more and more health care for the elderly
 - third epidemiological transformation (chronic illnesses; postponement of death)
 - NL: oldest 1% of the population take up more than 12% of the cost of health care
 - 50-75 yrs. – mainly in good health/couples
 - over 75 yrs. – more impairments (50% difficulty in mobility; cognitive decline – 50% up to 100 yrs.); 'frailty'; widowed.

- Social care (household, personal hygiene, shopping, recreation, company) is lowprofessional care, but intensive and longterm, particularly necessary for people of 75 years and older (5-10% population)
 - substitution or complementarity of informal and formal (public and/or private) care
 - typology of care: three clusters of countries
scandinavian (individuals/formal): continental (family/formal); mediterranean (extend family/informal)

- between 20% (Austria) and 40% (Spain) of people 50+ and with disabilities do not receive any help
- formal care between 7% (Greece) and 47% (Denmark)



Who has to provide care

- who has to provide care? Own family – 16% (Sweden), Greece (89%) – especially the own children

Institutions – 0% (Greece), 44% (Sweden)

- 25% of people 50+ with disabilities have no informal network



- formal care providers – shortage expected, immigration the solution (Italy 85% of formal care)
- informal care: elderly taking care of the very old (50/60 – 80/90)



The oldest living Person in the World

Mrs. Hendrikje van Andel-Schipper
28.06.1890

