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**Follow-up to the World Summit for Social Development and
the twenty-fourth special session of the General Assembly:
priority theme: strategies for the eradication of poverty to
achieve sustainable development for all**

**Statement submitted by AARP, Gray Panthers, HelpAge
International, International Federation on Ageing, International
Longevity Center Global Alliance and International Network for
the Prevention of Elder Abuse, non-governmental organizations in
consultative status with the Economic and Social Council***

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

* The present statement is issued without formal editing.



Statement

Population ageing is one of the most significant trends of the 21st century — a cause for celebration as well as a challenge to be addressed. By the year 2050, 22 per cent of the world's population, over 2 billion, will be sixty and over. Population ageing is testament to development progress, resulting from improved nutrition, sanitation, medical advances, health care, education and economic well-being. Many are independent, vibrant and productive members of society, participating in all walks of life; some are farmers, managing small businesses, some starting new careers, others acting as role models, mentors, educators of the young, supporters of family, caregivers, volunteers, entrepreneurs, performing many useful and important tasks for their families and their communities. Leading active and healthy lives benefit not only individuals but societies as a whole. Regrettably, much of their work that contributes to economic and social prosperity is invisible and goes unrecognized.

At the same time, growing older also comes with new challenges. For many older persons around the world, later life is a time of increased uncertainty as, despite the contribution they have made throughout their lives, they often struggle with economic insecurity. Without a regular income to rely on, older persons are too often unable to access essential services such as health care, transport and quality housing. Another consequence is the inability to participate effectively in economic, social and political life. Older persons living in poverty find themselves socially excluded and isolated from decision-making processes.

The 2030 Agenda's commitment to end poverty in all its forms and the promise to Leave No One Behind cannot be achieved if we do not pay attention to the rights and needs of this growing demographic group.

A secure income in older age

Economic growth alone has not been enough to secure adequate livelihoods for many older persons. As with other sections of the population, the benefits of economic growth are too often not shared. New strategies must be found to reach poor older women and men for their economic security in later lives, for present and future generations. The youth bulge of today is the age bulge of tomorrow.

There is growing recognition of the role of social protection floors for providing a sustainable and long-term contribution to reducing poverty and inequality, culminating in the inclusion of clear targets relating to social protection with the Sustainable Development Goals. Social protection was absent from the MDGs, so its recognition under SDG1 on poverty signals a significant shift in understanding of how social protection contributes to poverty reduction. This follows the adoption in 2012, by 185 member States of the International Labour Organization (ILO), of Recommendation 202 calling for all countries to implement nationally defined floors of social protection, and is now to be taken forward through the Global Partnership for Social Protection, established in September 2015.

Income security for older people is outlined in Recommendation 202 as one of the four social security guarantees of a social protection floor, along with universal health, and income security for children and persons of working age.

In countries with well-established social protection floors, pensions are commonly one of the primary tools used by government to reduce inequality. The main reason for the impact of pensions is that they provide a simple — and often the biggest — mechanism to distribute resources to poorer sections of society. However, in most low and middle income countries the reach of social protection systems remains limited. Just one in four older people receive a pension, and often these benefits are not adequate.

Closing this coverage gap will require a mix of both contributory and non-contributory pensions. Nevertheless, there has been growing recognition that in low and middle income countries high levels of poverty and the informal economy mean that the priority for expanding coverage must be the introduction of tax-financed social pensions.

Social pensions are a proven means of reducing old-age poverty. They can also regenerate local economies and support multigenerational households by helping to improve the nutritional status of the young, support school attendance and improve the health of all household members. Beyond these immediate and tangible benefits, evidence from around the world shows how, with a small regular income, older people are better able to take charge of their lives, and participate in family and community decisions.

Universal social pensions have particular advantages over means-tested approaches in terms of impact, administration and incentives. The fact that all older people are eligible means that they are effective at reaching the very poorest older people, who are often excluded from poverty targeted programmes. They are also simple to administer and, as a benefit that all people can expect to receive in the future, they tend to receive high levels of political and social support.

The gender dimension of poverty in older age

Globally, women form the majority of older persons. The causes of women's economic insecurity and financial dependence are well documented, from low pay to time out of the workforce and unequal employment opportunities. These income inequalities continue into later life in both developed and developing countries.

In the United States for example, according to the National Council on Aging, older women typically receive about \$4,000 less annually in Social Security than older men due to lower lifetime earnings, time taken off for caregiving, occupational segregation into lower wage work, and other issues.

Particular attention to the gender dimension of poverty in older age is needed.

Measuring poverty in older age

Agenda 2030 has stimulated a far reaching discussion about the data needed to measure progress towards achievement of the goals. The attention paid to data disaggregation is welcome and long overdue. However, approaches to disaggregating data by age must also be robust and reliable and include sensitivity testing, in particular in relation to poverty data.

HelpAge's extensive analysis of old age poverty in a number of developing countries, has revealed major limitations in analysis of old age poverty using

household survey data. Whether older people appear to be more or less poor is strongly influenced by the general average data analysis, and because there has been limited gap analysis in developing countries.

Additionally, there is a substantial body of international literature showing that adjusting equivalence scales can lead to widely diverging results in terms of relative poverty of different age groups. In the meantime, there has been relatively little exploration of what are the most appropriate equivalence scales to use outside higher income countries. Sensitivity testing will confirm whether trends are consistent regardless of changes to these assumptions, or are highly sensitive to them. This would support informed interpretation of results.

Recommendations

- The expansion of social protection systems, with a focus on comprehensive rather than residual schemes, must be central to poverty reduction strategies.
- Progress must be made in ensuring universal coverage of pensions for all older people as part of efforts to expand social protection systems and floors.
- Sensitivity testing is required to ensure that approaches to disaggregating poverty data by age and gender are robust and reliable.
