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Economic Well-Being of the Elderly

A Comparison Across
Five European Countries

European Centre Vienna

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This book is an 'outgrowth' of a research project supported by the European Union's Phare ACE Programme. It is an in-depth study of the economic well-being of the elderly in five European countries: Hungary, Poland, Slovenia, Austria and the United Kingdom. National experts assumed responsibility for the country studies, which were all performed under a common methodology.

Economic well-being was analysed through household expenditure surveys in at least two points in time: a year in the mid-1980s and a year (or two) in the mid-1990s. Income was selected as the main determinant of well-being, though in the country studies this measure was supplemented by indicators of wealth. The analysis of the income position of the elderly, and of pensioners in particular, has clearly shown that the relative income position of the elderly has improved in the 1990s; of course, the study probes more deeply into the large changes which have occurred from the mid-1980s to the mid-1990s and their causes. Through the analysis of the households in which pensioners live, of the age profiles and gender specifics of pensioners and the elderly, as well as of income inequality and poverty measures, the country studies document and interpret the extent of these changes. The cross-country comparisons reveal very important common sets of conclusions; this might appear surprising, in view of the different and differing welfare regimes in these five countries.

Though pension reforms were more concerned with fiscal sustainability than with the economic well-being of the current elderly population, it is stating the obvious that pension systems are very much about provision of income security in old age. Therefore, there will be a continuous need to monitor these systems in terms of fulfilling their most important function, i.e. how they provide for a satisfactory standard of living of the elderly population.

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