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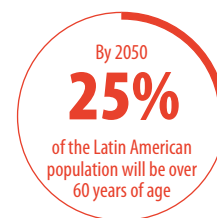
ECLAC

Introduction to inequality in old age

- The number of people aged 60 or over and the longevity of the population are on the rise in all countries. The number of people in this age group in Latin America and the Caribbean will climb from 85 million in 2020 to nearly 200 million by 2050.
- There are income inequality gaps in the older population because many older adults do not have pensions as a consequence of constraints that hindered their access to the formal labour market when they were younger. One out of every two persons over 60 years of age in the lowest income quintile has no pension coverage—not even from a non-contributory plan.
- Constraints on access to health are compounded by a gradual increase in the frequency of various types of conditions associated, for the most part, with diseases that result in disability and chronic degenerative disorders. The average life expectancy of people in the region after they reach 60 years of age is 21.2 years and, during 5.1 of those years (again, on average), they will not be healthy.
- The available long-term care services fall short of demand, and families (particularly women family members) continue to be the main caregivers.

Based on the provisions of the Inter-American Convention, an assessment of the equality gaps affecting this population group can be focused on three broad areas:

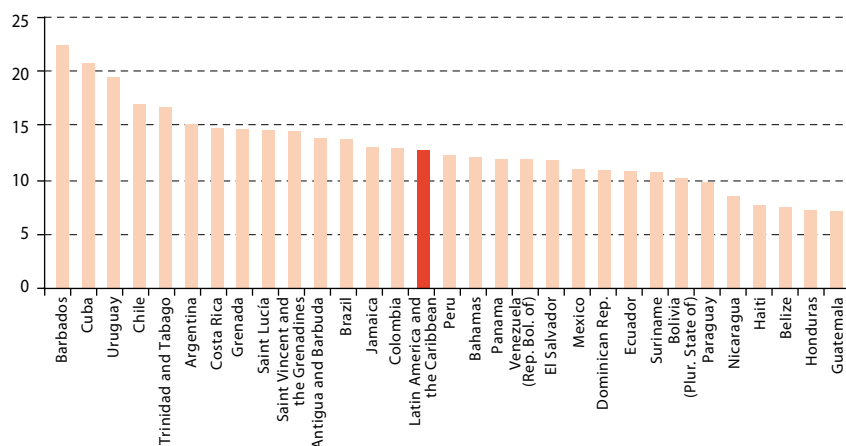
- **Economic security:** the ability to have access to and use a sufficient amount of economic resources independently on a regular basis to ensure a good quality of life during old age (Huenchuan and Guzmán, 2006). The assessment of the degree of economic security can focus on participation in the economy (employment and income), social security (retirement and other pensions and benefits) and poverty.
- **Health and well-being:** the ability to maintain functional autonomy for as long as possible. This is a relevant consideration for all persons over 60 years of age, not only those who are ill at the present time (WHO, 2016). The analysis of health and well-being can focus on health status (self-perceived status, cognitive condition and chronic diseases), access to health services (barriers, frequency of consultations and discrimination) and access to insurance (coverage and out-of-pocket expenses).
- **Long-term care:** a wide range of services to meet the medical and non-medical needs of persons suffering from a chronic condition or a disability that renders them unable to care for themselves for long periods of time (United Nations, 2011). An analysis of the situation with regard to this type of care can focus on a person's degree of dependency (demand for care) and the available supply of services.



The Inter-American Convention on Protecting the Human Rights of Older Persons defines “older persons” as persons aged 60 or older, except where legislation has determined a minimum age that is lesser or greater, provided that it is not over 65 years (OAS, 2016). That definition, together with the provisions of the Convention described above and the findings of various regional studies on this age group, can be used to quantify and describe the older population in a given country or region.

There are approximately 900 million persons over the age of 60 at the present time, and that number is expected to rise to some 1.4 billion by 2030. In 2020, there were about 85 million people over the age of 60 in Latin America and the Caribbean, or 13% of the total population (see figure VIII.1). That number is expected to have climbed to 121 million by 2030 and to 200 million (26% of the total population) by 2050 (see figure VIII.2).

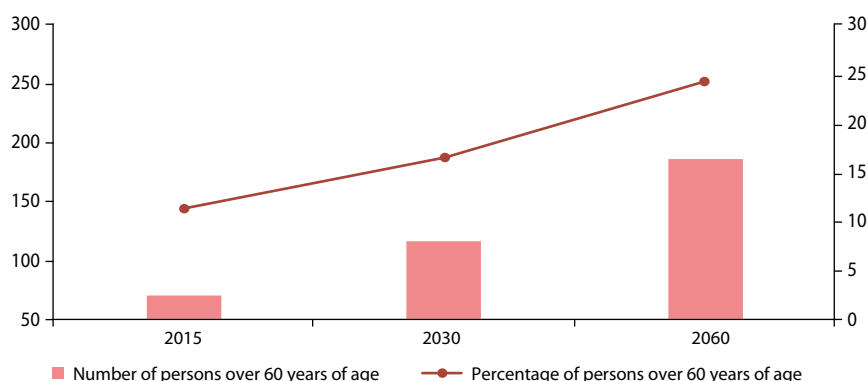
FIGURE VIII.1
Latin America and the Caribbean (30 countries):
persons over 60 years of age, 2020
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), CEPALSTAT [online] <https://estadisticas.cepal.org/cepalstat/portada.html?idioma=english>.

FIGURE VIII.2

Latin America and the Caribbean (38 countries and territories):^a number and percentage of persons over 60 years of age, 2015–2060
(In millions of people and percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), CEPALSTAT [online] <https://estadisticas.cepal.org/cepalstat/portada.html?idioma=english>.

^a Antigua and Barbuda, Argentina, Aruba, Bahamas, Barbados, Belize, Bolivarian Republic of Venezuela, Brazil, British Virgin Islands, Chile, Colombia, Costa Rica, Cuba, Curaçao, Dominican Republic, Ecuador, El Salvador, French Guiana, Grenada, Guadeloupe, Guatemala, Guyana, Haiti, Honduras, Jamaica, Martinique, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Puerto Rico, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Uruguay.

Both the number of persons over 60 years of age and the percentage of the total population that they represent have risen in recent years. As a result of this increase, in combination with the shift in the age structure of the population brought about by the decline in fertility rates and the reduction in mortality rates, the population is ageing.

Population ageing in the region and elsewhere is a heterogeneous process because the demographics in each country are different, and this means that the challenges they face also differ. ECLAC has devised a classification system using the total fertility rate² and the percentage of the population over 60 years of age³ to identify different stages in the ageing process. This system can therefore be used to determine what stage of the process a given country or region has reached. On the basis of these variables, the population ageing process has been divided into five distinct stages:

- Incipient stage
- Moderate stage
- Moderately advanced stage
- Advanced stage
- Very advanced stage⁴

An examination of how the distribution of that classification has changed over time shows just how rapidly the population ageing process is advancing in Latin America and the Caribbean. Around the year 2020, 17 countries were at the incipient stage, 10 at the moderate stage, 3 at a moderately advanced stage and 3 at an advanced stage (see table VIII.1). It is projected that by 2030 the situation will have changed so much that no country in the region will be at the first stage, as all of them will have moved on to more advanced stages of population ageing by then (see table VIII.2).

² The average total fertility rate for the region is slightly below 2.05 children per woman.

³ These indicators have been chosen because the fertility rate is the most influential factor in reshaping the age structure of the population once it begins to decline, while the percentage of persons over 60 years of age shows what share of the total population this age group represents.

⁴ For further details, see Huenchuan (2018).



TABLE VIII.1
Latin America and the Caribbean (31 countries): classification of countries
by stage of the population ageing process, 2015-2020

INCIPIENT STAGE OF POPULATION AGEING	MODERATE STAGE OF POPULATION AGEING	MODERATELY ADVANCED STAGE OF POPULATION AGEING	ADVANCED STAGE OF POPULATION AGEING	VERY ADVANCED STAGE OF POPULATION AGEING
Guatemala	Belize	Antigua and Barbuda	Argentina	Uruguay
Haiti	Ecuador	Bahamas	Chile	Barbados
Plurinational State of Bolivia	Guyana	Brazil	Trinidad and Tobago	Cuba
	Honduras	Costa Rica		
	Mexico	Colombia		
	Nicaragua	El Salvador		
	Panama	Grenada		
	Paraguay	Jamaica		
	Peru	Saint Vincent and the Grenadines		
	Dominican Republic	Saint Lucia		
	Suriname			
	Bolivarian Republic of Venezuela			

Source: S. Huenchuan (ed.), *Envejecimiento, personas mayores y Agenda 2030 para el Desarrollo Sostenible: perspectiva regional y de derechos humanos*, ECLAC Books, No. 154 (LC/PUB.2018/24-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2018.

TABLE VIII.2
Latin America and the Caribbean (31 countries): classification of countries
by stage of the population ageing process, 2030-2035

INCIPIENT STAGE OF POPULATION AGEING	MODERATE STAGE OF POPULATION AGEING	MODERATELY ADVANCED STAGE OF POPULATION AGEING	ADVANCED STAGE OF POPULATION AGEING	VERY ADVANCED STAGE OF POPULATION AGEING
	Belize	Ecuador	Argentina	Uruguay
	Plurinational State of Bolivia	Grenada	Antigua and Barbuda	Barbados
	Guatemala	Guyana	Brazil	Cuba
	Haiti	Honduras	Colombia	Bahamas
	Dominican Republic	Nicaragua	El Salvador	Chile
	Bolivarian Republic of Venezuela	Paraguay	Jamaica	Costa Rica
			Mexico	Trinidad and Tobago
			Panama	
			Peru	
			Saint Vincent and the Grenadines	
			Suriname	
			Saint Lucia	

Source: S. Huenchuan (ed.), *Envejecimiento, personas mayores y Agenda 2030 para el Desarrollo Sostenible: perspectiva regional y de derechos humanos*, ECLAC Books, No. 154 (LC/PUB.2018/24-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2018.

A turning point in the population ageing process will be reached in 2037, for in that year it is projected that the percentage of the total population that is over 60 years of age will be equal to the percentage of the total population that is under 15 years of age. This also illustrates just how much the countries of the region differ from one another on this score, since this turning point has already been reached by Cuba (2010) and Barbados (2015).

STATISTICS

One out of every four Latin Americans over 65 years of age does not receive a pension of any sort.

Another interesting development is that the population between the ages of 15 and 59 years will reach its peak size in relative terms. After that, it will begin to shrink as a percentage of the total population and will then converge towards the stabilization of the population in each of the countries of the region, although some of the countries will have reached that point before then.

The following sections will cover the key issues for older persons:

1. Economic security

Many older persons do not have old-age pensions that will shield them from the risks posed by a loss of income when they reach an advanced age. The social security system's coverage of employed persons is also highly uneven, and this increases the likelihood that future generations will be unprotected when they reach pensionable age.

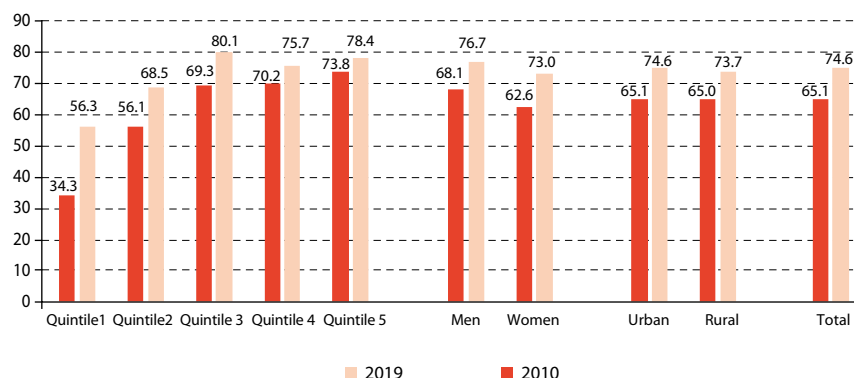
The available results from household surveys indicate that 74.6% of the Latin American population over 65 years of age receives some sort of pension—with this figure tending to rise over time—under a contributory system, a non-contributory system or both. Pension coverage climbed by 10 percentage points between 2010 and 2019. According to the available data from the countries, a large part of that increase was accounted for by the expansion of non-contributory pension systems (ECLAC, 2021).

The sharpest increases in coverage have been seen in Peru (19.6%), Ecuador (22.1%), Mexico (25.6%), Paraguay (27.1%) and Panama (32.2%). However, the situation in some other countries, such as the Dominican Republic, Guatemala and Honduras, is a cause for concern, since they had levels of coverage below 15% at the start of the period under study (2008) and had managed to raise those levels by less than 5 percentage points by 2015.

The limited coverage afforded by the social security systems of some countries leaves large sectors of the population unprotected, with a sizeable number of people who are 60 years of age or older without any income of their own. Just 56.3% of older persons in the lowest-income quintile had a pension in 2019, with more women than men having coverage (see figure VIII.3) (ECLAC, 2021).

FIGURE VIII.3

Latin America (15 countries): contributory and non-contributory pension coverage of persons over the age of 65, by income quintile,^a sex,^a area of residence^b and total,^a around 2010 and 2019 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Household Survey Data Bank (BADEHOG).

^a Weighted average for 15 countries.

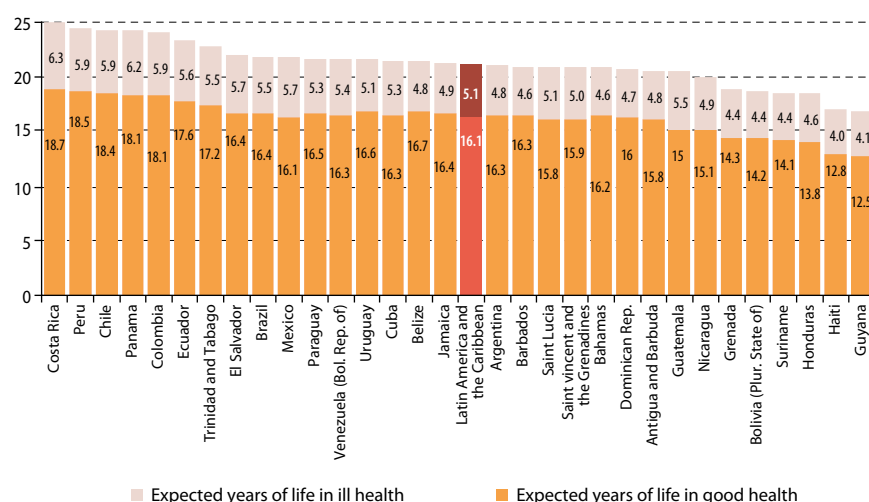
^b Weighted averages for 14 countries.

2. Health and well-being

A person's chances of reaching an advanced age have increased significantly in recent years. The death rate for persons under 60 years of age has declined in the Americas⁵ from 143 deaths per 1,000 persons between the ages of 15 and 60 in the year 2000 to 126 in 2019, according to WHO data (WHO, 2021). A larger number of people are therefore reaching an advanced age, and this is reflected in an increase in life expectancy at birth from 74.1 to 77.1 years between 2000 and 2019.

When a person in the Latin American and Caribbean region reaches 60 years of age, he or she can, on average, expect to live another 21 years, although this average differs sharply across countries. However, it is estimated that these people will be in good health for only two thirds of those 21 years, which paints a somewhat gloomier picture in terms of expectations of well-being in old age.

FIGURE VIII.4
Latin America and the Caribbean (31 countries):
expected years of life at the age of 60, 2019^a



Source: World Health Organization (WHO), Global Health Observatory (GHO), 2021 [online] <https://www.who.int/data/gho>.

^a The figure shown for the Latin American and Caribbean region is a simple average of the figures for the countries.

This can be accounted for in part by constraints on access to health-care services at this stage of life, but it is also partly attributable to the lack of preventive measures and to constraints on access to health care during earlier stages of a person's life. As the situation varies so much from country to country, a country-specific analysis of national conditions will be needed in each instance in order to determine the nature and extent of the factors at work.

Generally speaking, the evidence shows that, towards the end of the life cycle, noncommunicable diseases have taken the place of communicable ones as the main cause of morbidity, disability and death. Cardiovascular disease, malignant neoplasia, diabetes, respiratory disorders and sensory impairments have become the major reasons for the loss of healthy life-years and premature death. Many of these diseases are associated with the lack of preventive health care during earlier stages of the life cycle.

It is nonetheless true that the loss of healthy life-years and premature death are often caused by communicable diseases associated with poverty and inequality.



⁵ The WHO classification of world regions includes Canada and the United States in the Americas.

Difficulties in obtaining health care increase as the socioeconomic level of older persons decreases, and people in lower socioeconomic strata are therefore more likely to die from preventable causes.

Mental and neurological diseases—including Alzheimer's disease—are one of the top 10 causes of death and pose one of the greatest health challenges today. The current incidence of dementia in the Americas is estimated at 6.4% and is expected to climb by 67% by 2030 and by 216% by 2050 (WHO, 2015). The availability of geriatric health services falls far short of what those figures indicate is needed. The relevant statistics are not available in most of the countries and, even in those where this information can be obtained, greater attention needs to be devoted to this area. Data from the WHO Global Health Observatory indicate that, as of 2017, Chile had 5 hospital beds in specialized geriatric units for every 1 million people and Costa Rica had 28; in each case this is equivalent to 0.2% of the available hospital beds, which is far from being sufficient to meet the potential demand from people in the corresponding age range.

In addition, health coverage in the region is quite uneven and even older people who do have health insurance may not be able to reach a medical centre when they need one. The possibility of obtaining medicines at an affordable cost and of securing effective, appropriate treatment when needed are issues of concern to older adults, particularly when their autonomy is limited.

Health care is an important aspect of the well-being of the older population, but it is not the only one. Considerations also need to be given to the factors involved in ensuring that they will have a decent living arrangement, given the potential restrictions on their mobility, and be free of poverty. Some of these factors are discussed in greater detail in other chapters and will therefore not be examined in depth here, however.

3. Long-term care

As a consequence of the greater prevalence of noncommunicable diseases among persons over 60 years of age, the number of years during which people live with a disability or are dependent on other persons has increased in the past few years. The Pan American Health Organization (PAHO) estimates that, as of 2019, more than 12% of persons over 60 years of age in the Americas were dependent as a result of disease or disability and required long-term care, and that figure is expected to rise in the coming years (PAHO, 2019).

A number of countries in the region have established policies on long-term care, but families are still the main providers of this kind of assistance. The results of time-use surveys in some Latin American countries demonstrate the fact that women devote a great deal of time to unpaid work, which includes caring for dependent persons. In Chile, the National Service for Older Adults (SENAMA, 2009) states that one out of every four persons over the age of 60 displays some degree of dependence. In 86% of those cases, the person is cared for by a woman (usually the wife, a daughter or a daughter-in-law) and requires that care for more than 12 hours per day. The information supplied by national studies indicates that many of those unpaid caregivers are older adults themselves who are looking after their partners, other family members or friends.

The situation in the region with respect to long-term care has improved in recent years, but further improvement is called for. An examination of the countries' general and specific normative frameworks and the existing range of social programmes for older adults shows that the challenges involved in caring for older persons are still being met primarily by family members. This heightens the vulnerability of those who need care and those who provide it, as they are being directly impacted by the unequal distribution of resources among households.



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