



Population Aging in Latin America and the Caribbean: A New Era

9 June 2012, Calgary

Ageing in Development Panel by the
Canadian Development Economics Study
Group (CDESG)
Canadian Economics Association



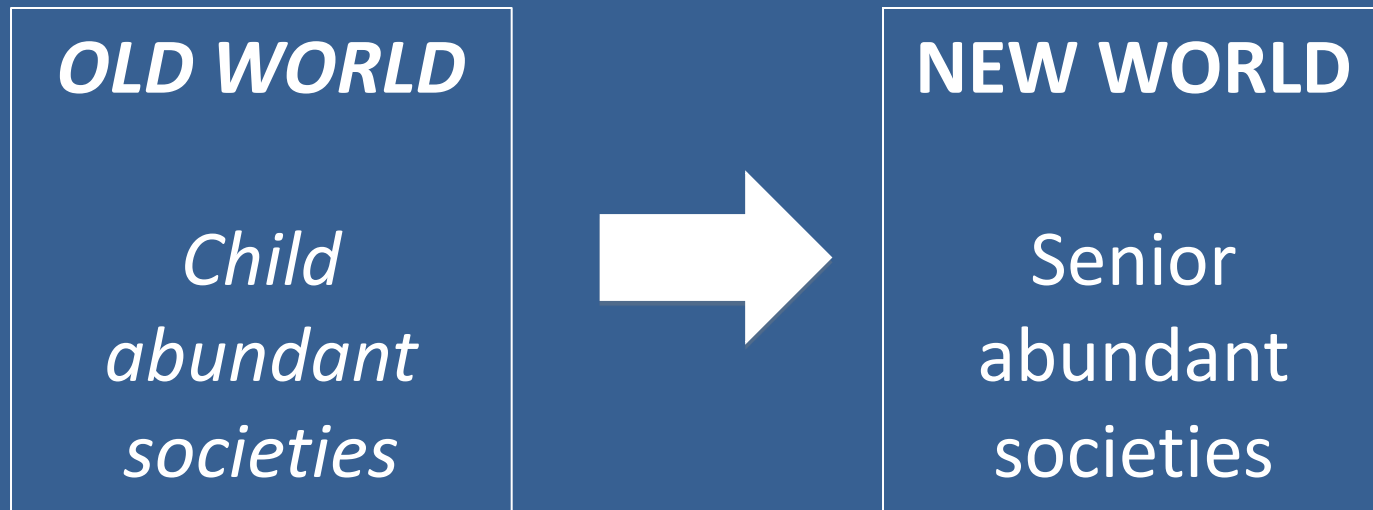
Tim Miller

Population Affairs Officer

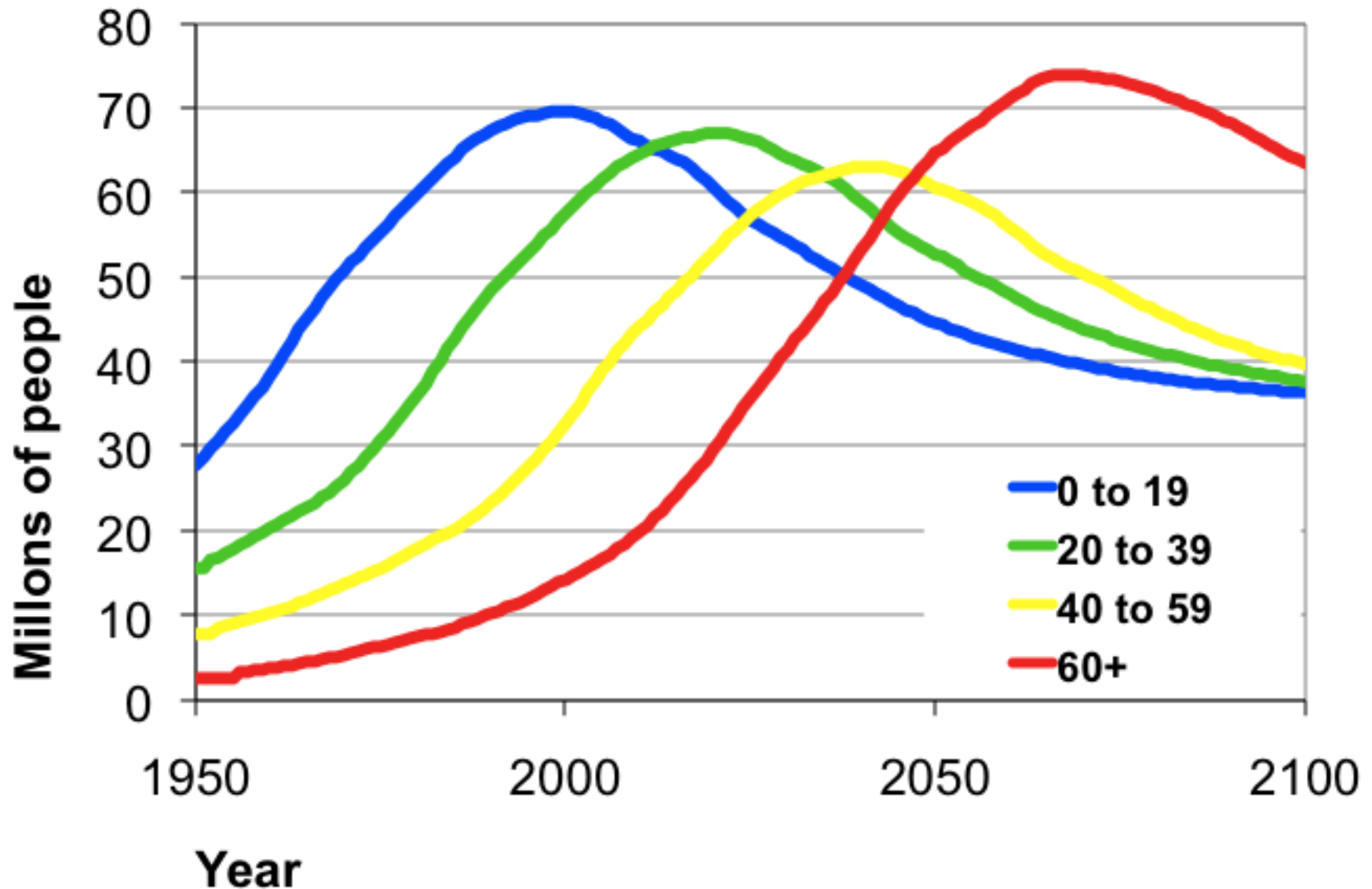
Economic Commission
for Latin America and the Caribbean

Contact: Tim.Miller@eclac.org

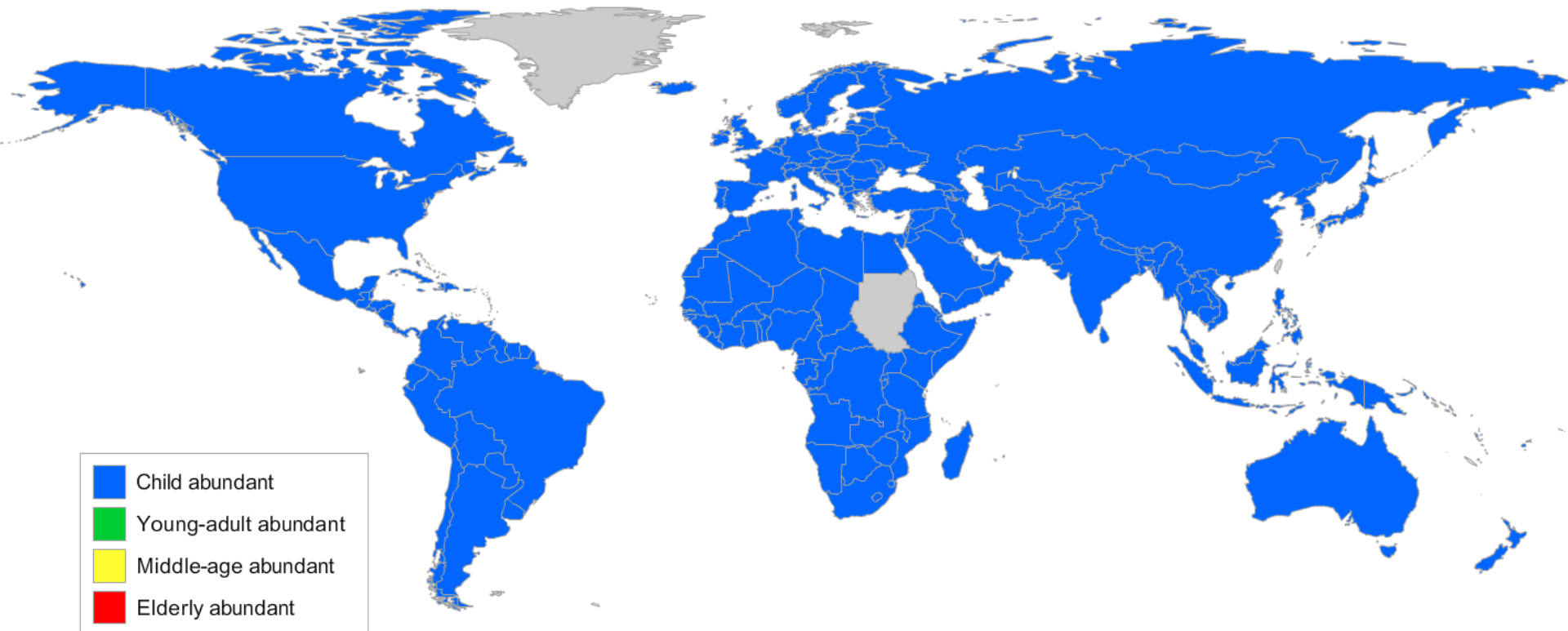
Entering a new era



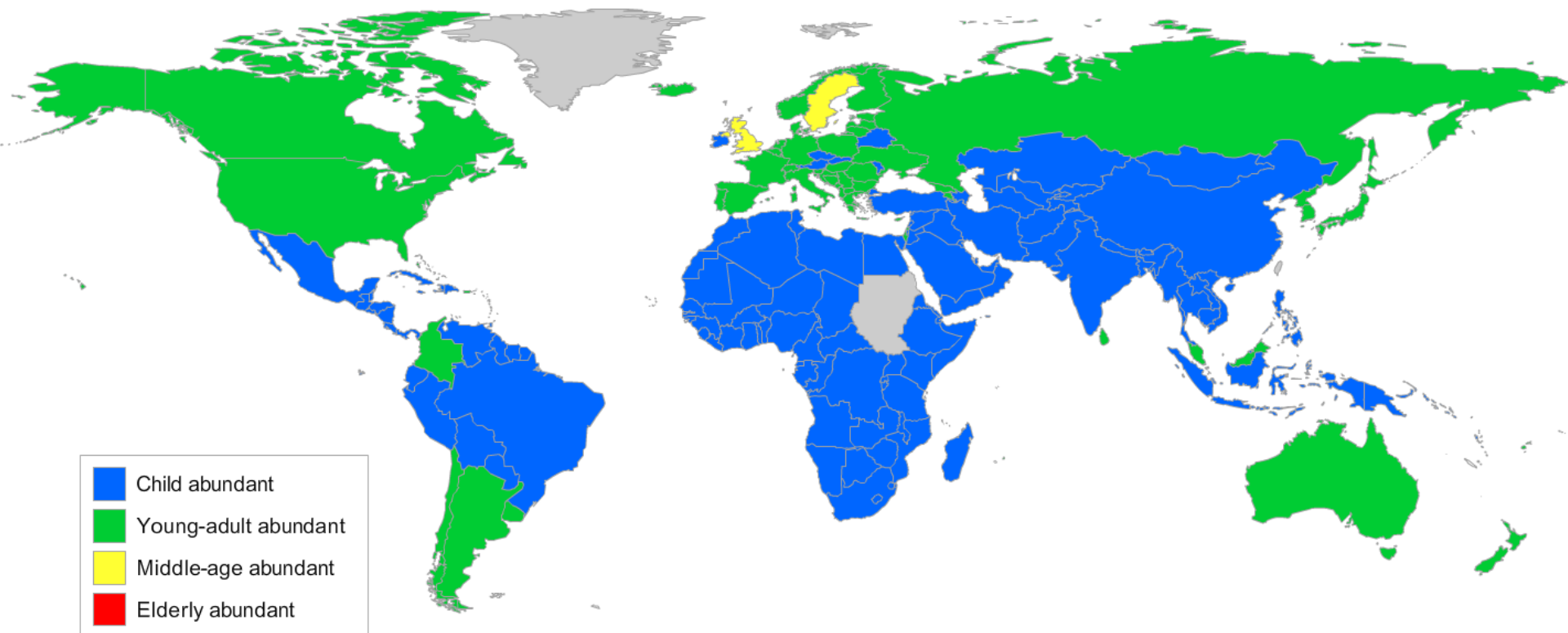
Brazil's Population by 4 Age Groups



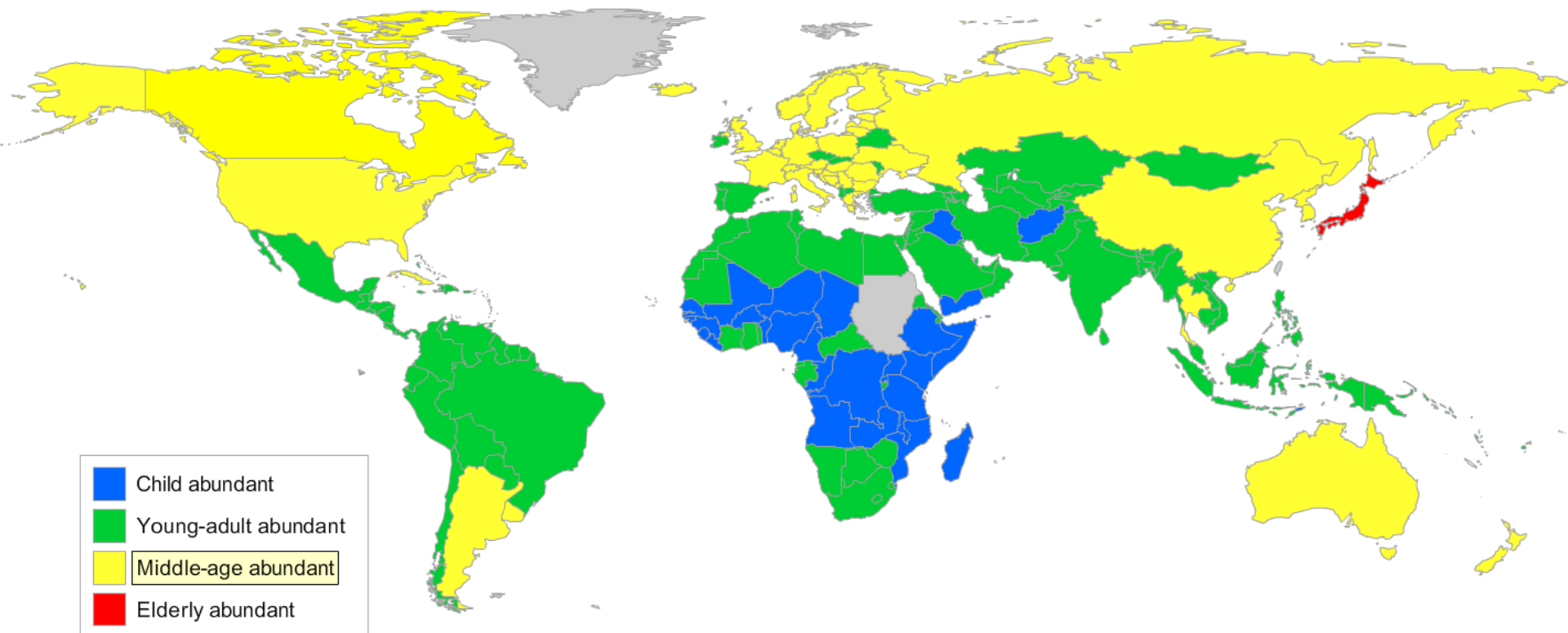
1950



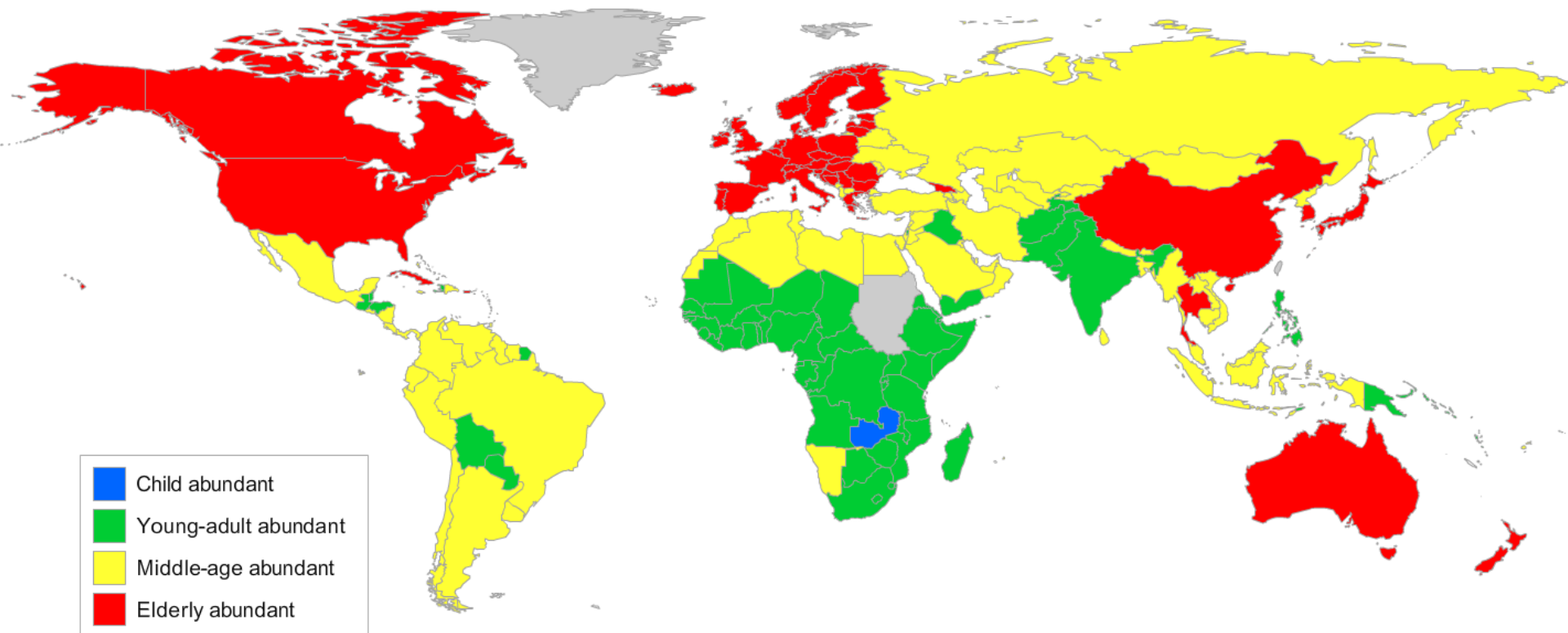
1980



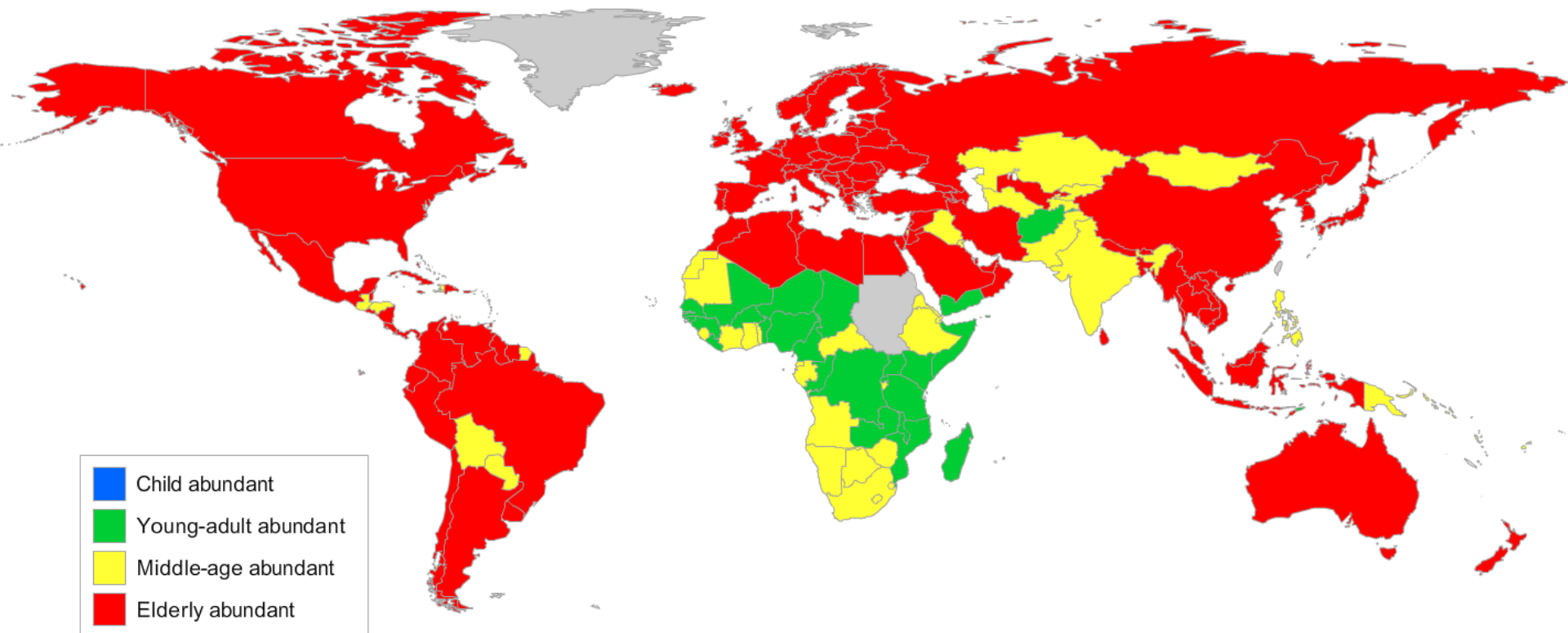
2010



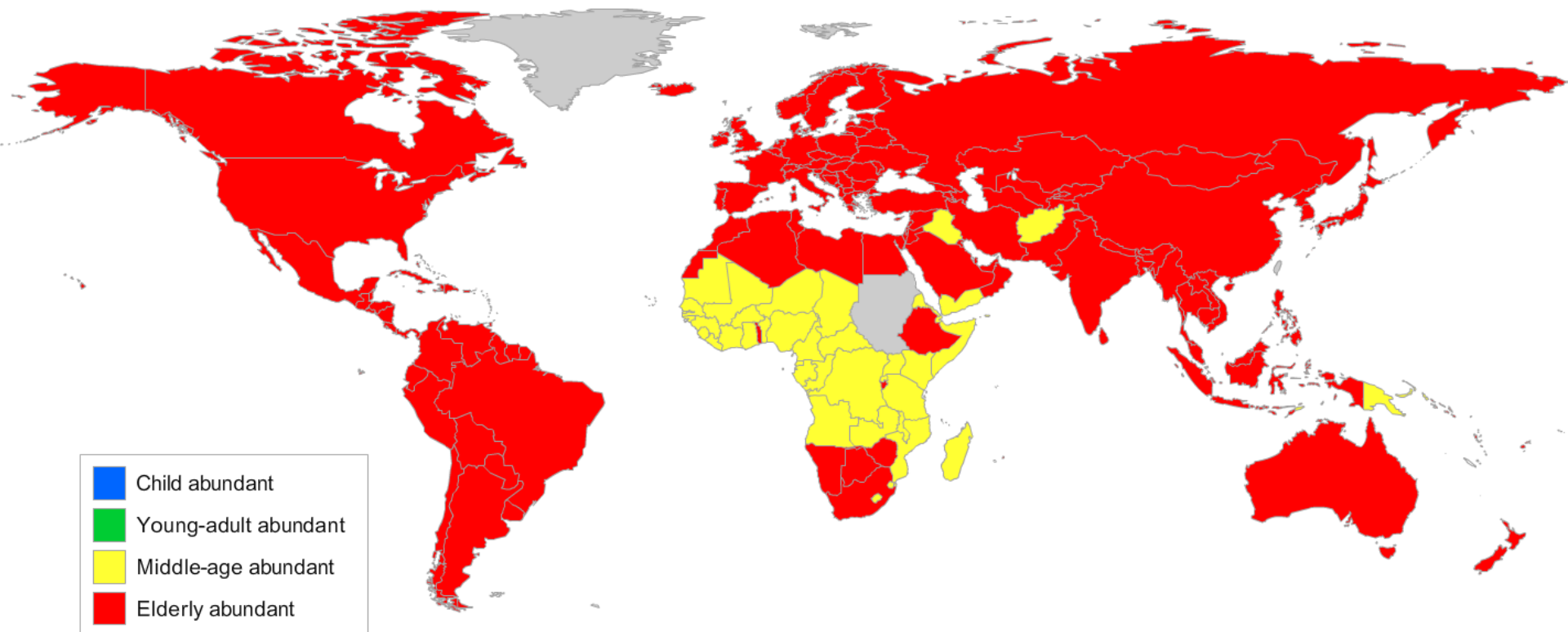
2040



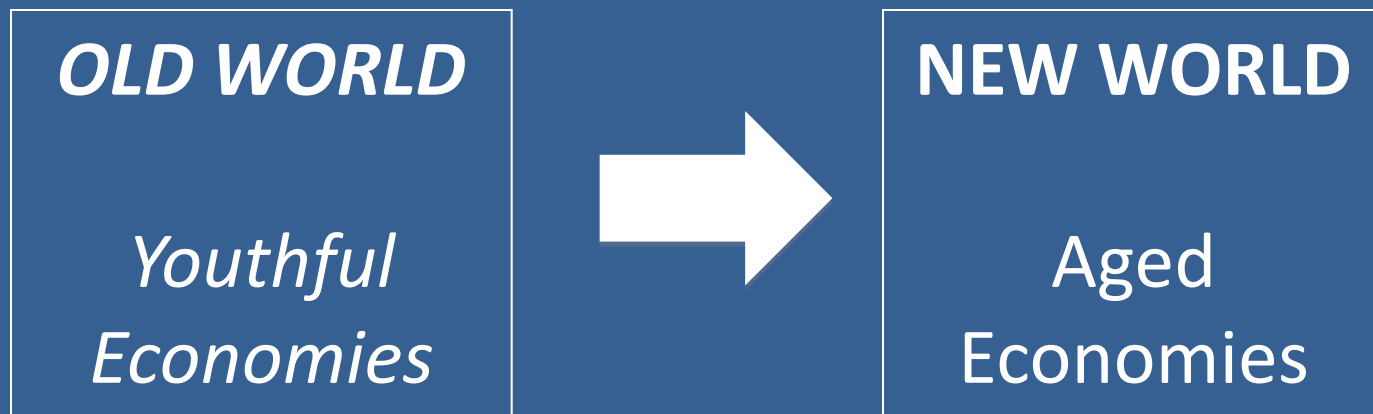
2070



2100



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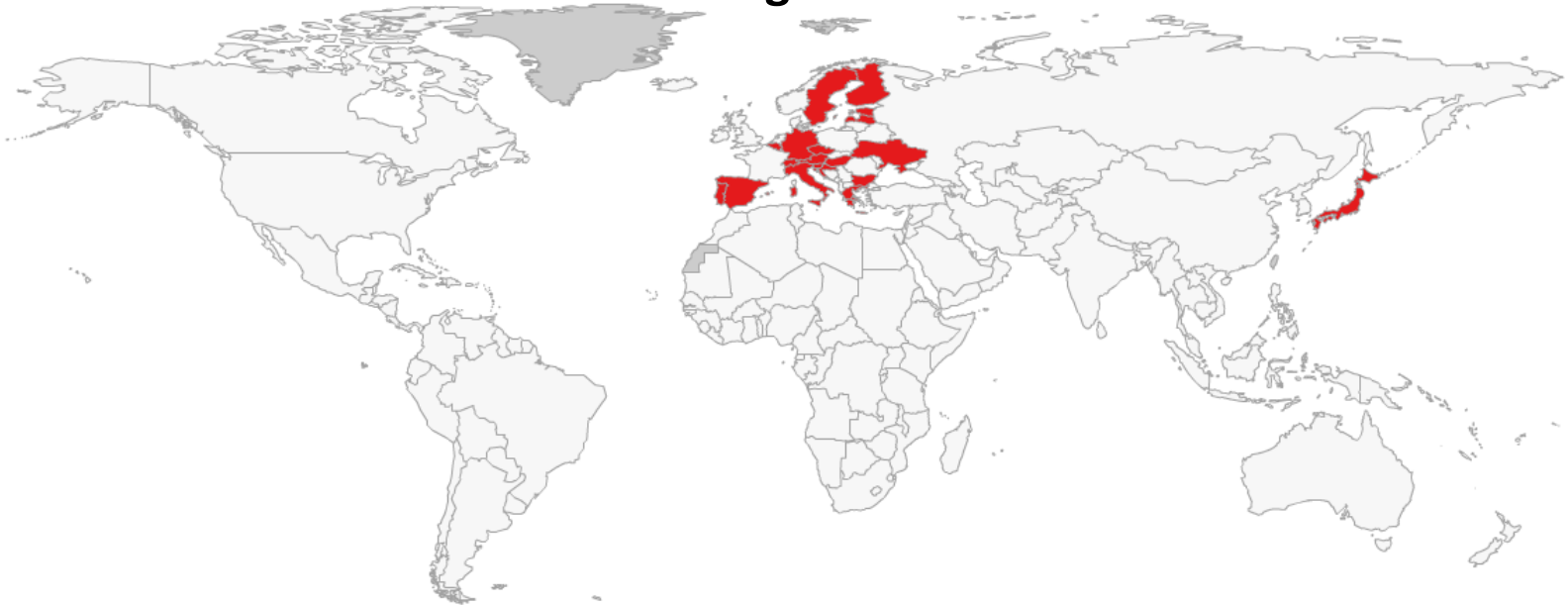


Definition: An AGED ECONOMY is one in which consumption by older persons exceeds consumption by children and youth.

1980: No Aged Economies in the World

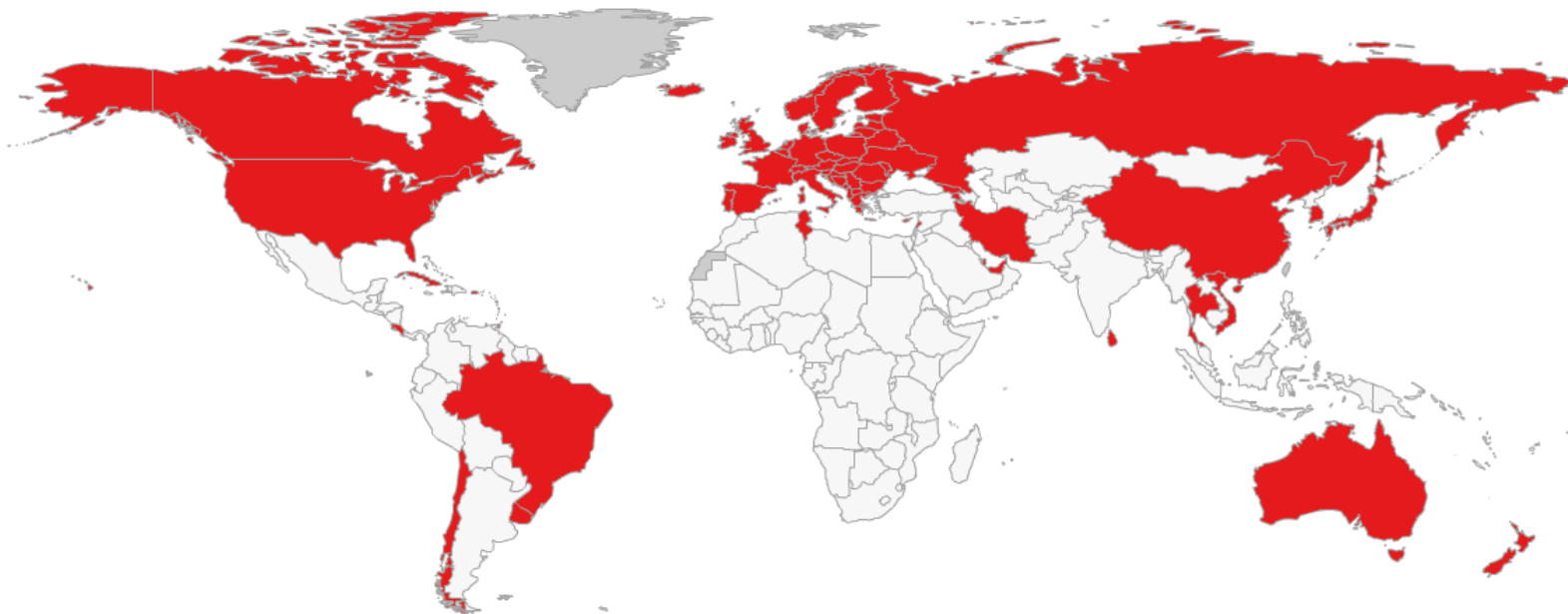


2010: 23 Aged Economies

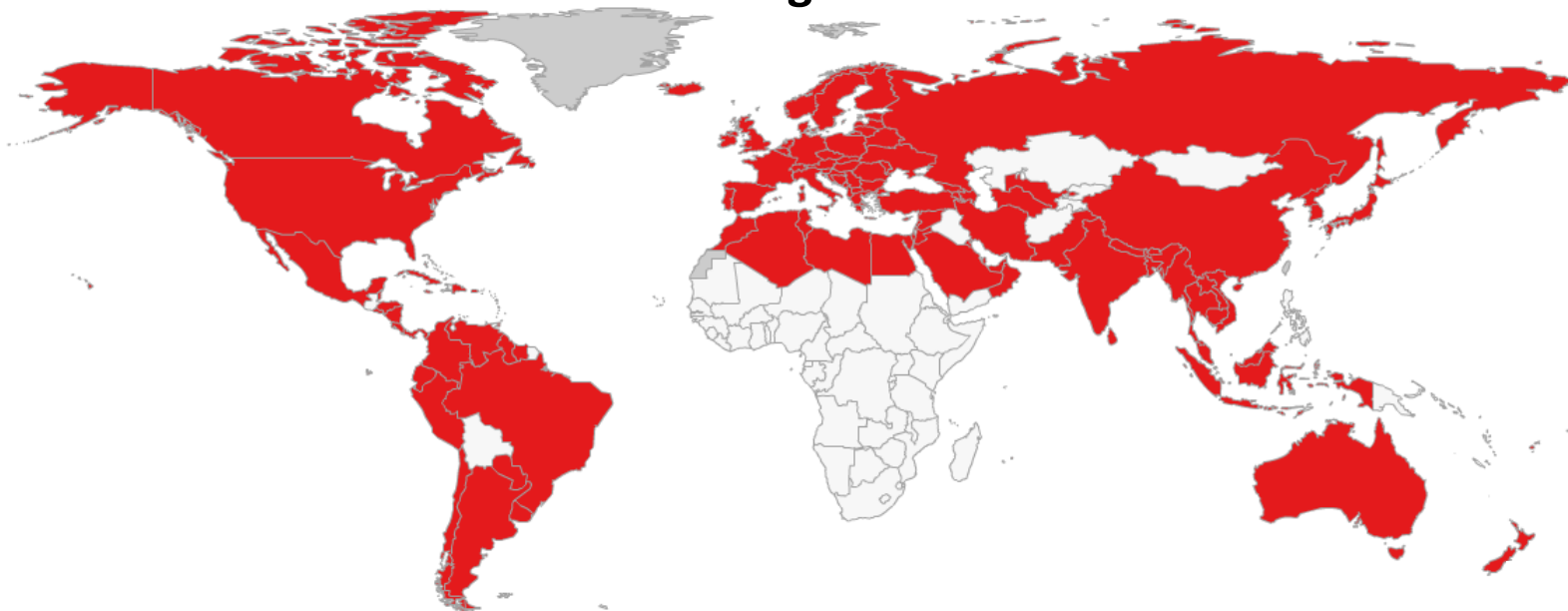


NEW WORLD

2040: 89 Aged Economies



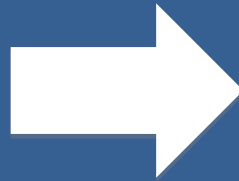
2070: 155 Aged Economies



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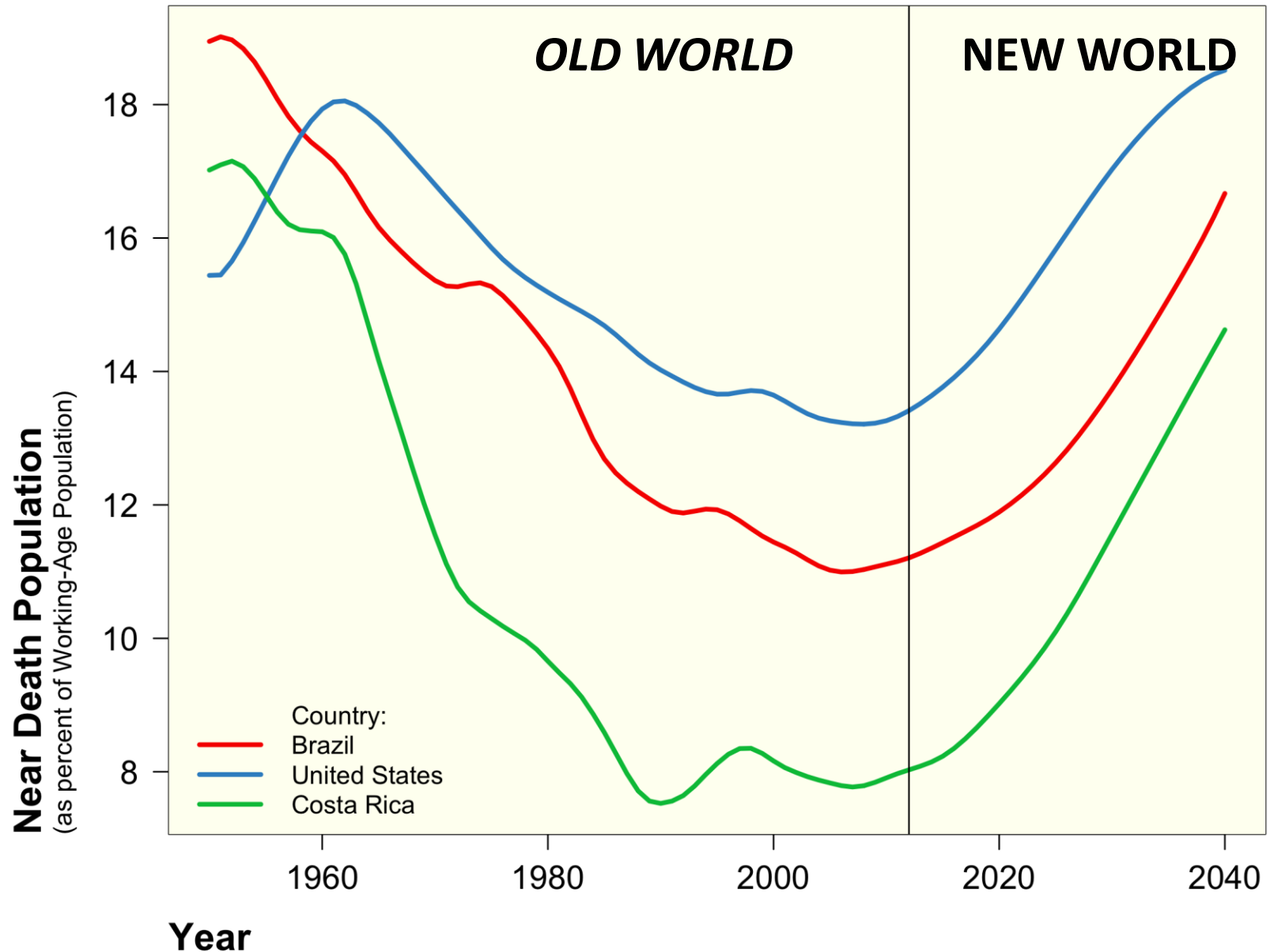
*Declining
demographic
pressures on
health care
systems*



NEW WORLD

Increasing
demographic
pressures on
health care
systems

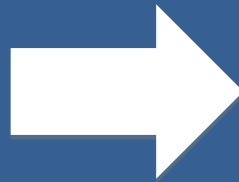
Demographic pressures on health systems at lowest level in decades.



Entering a new era

OLD WORLD

*Stable or
declining
demographic
pressures on
government
budgets*



NEW WORLD

Increasing
demographic
pressures on
government
budgets

Budget Projections for 10 Latin American Countries

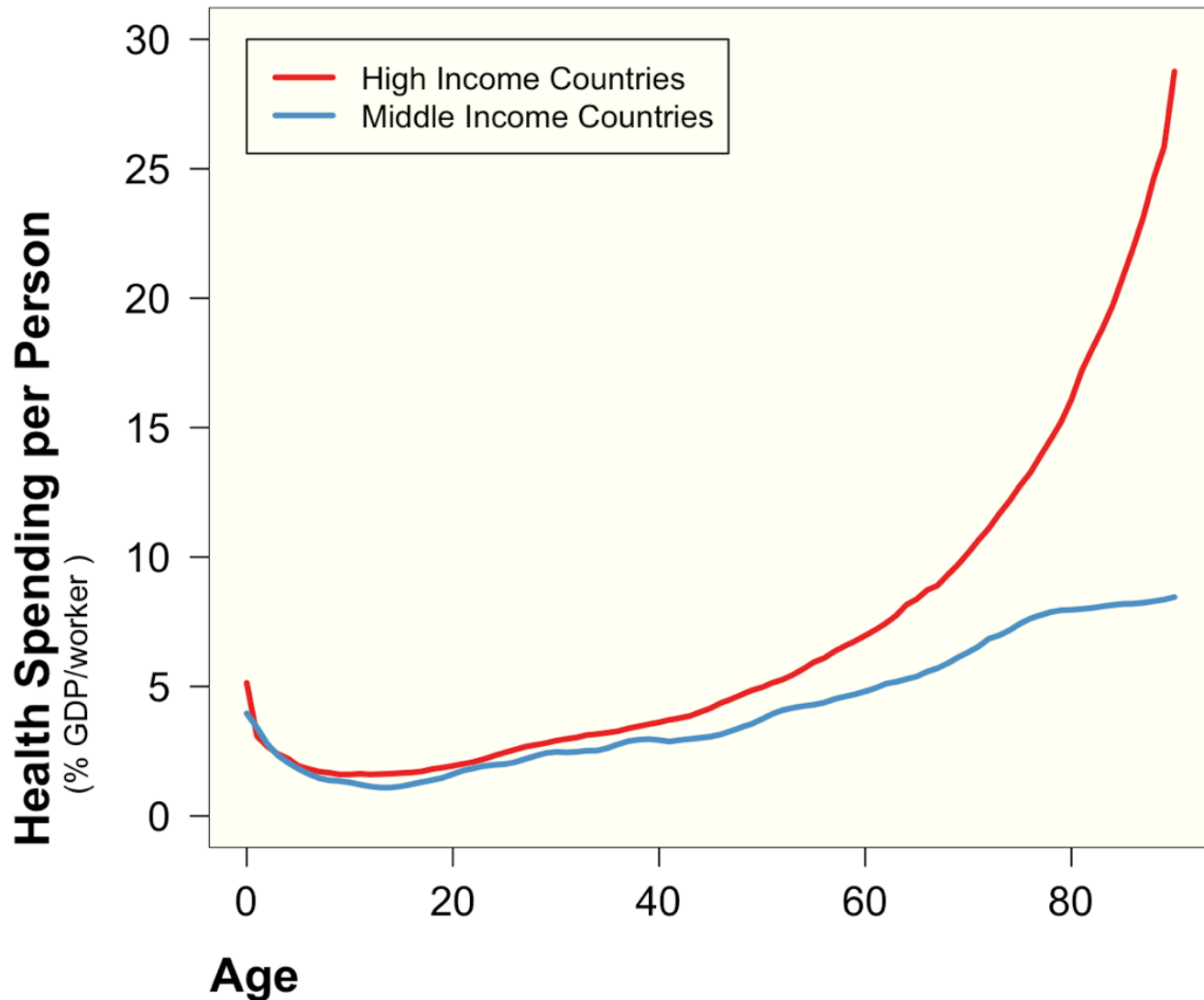
- Public Spending on Education, Health, and Pensions as Share of GDP =

Age-specific benefits * Population by age

$$\text{Sum over } x \{ b(x,t) * P(x,t)/P(20-64,t) \}$$

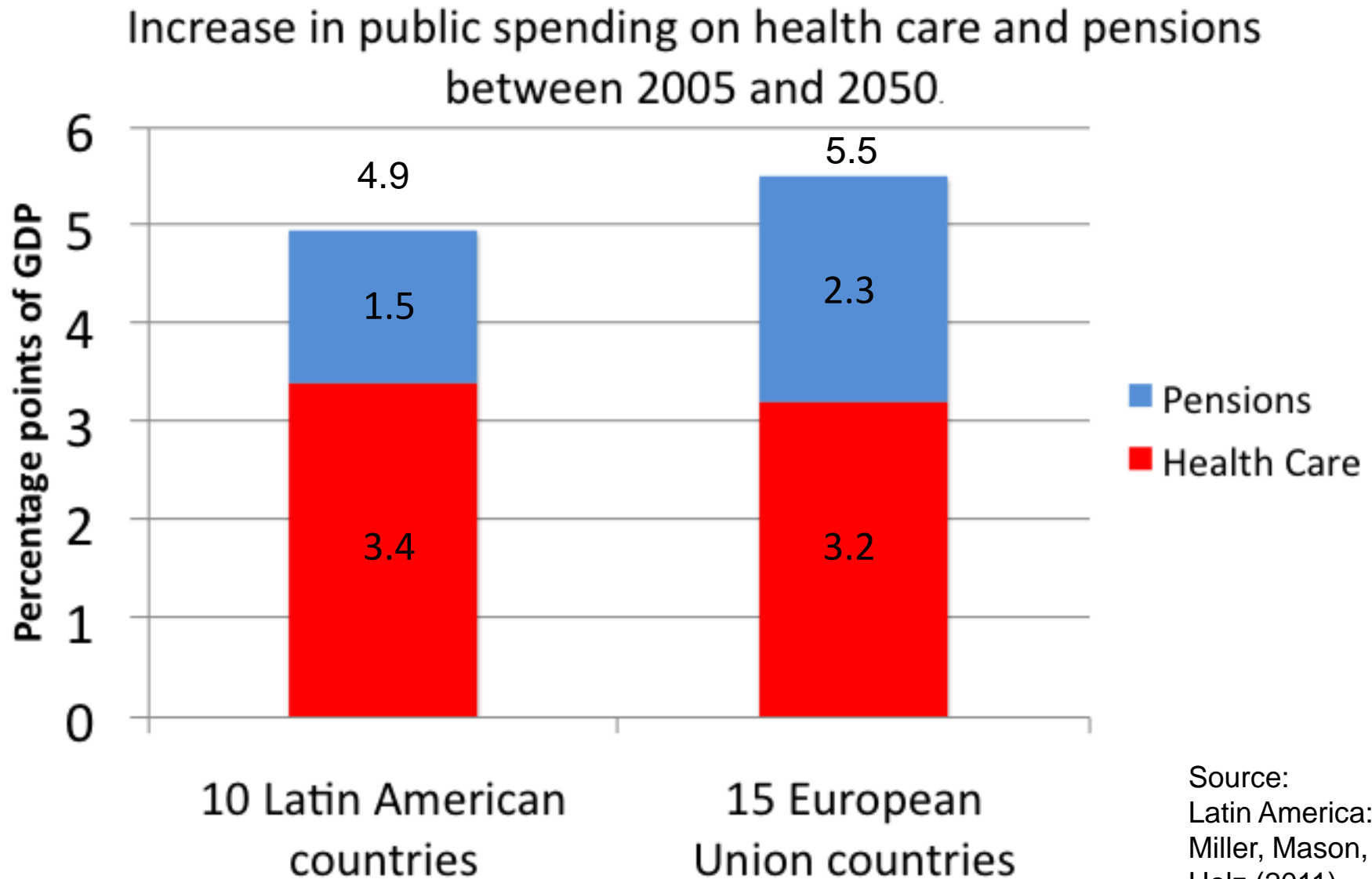
- Age-specific benefits
 - Taken from NTA dataset.
 - Standardized across countries using GDP/worker.
 - Assumed to move toward OECD levels as GDP/worker approached OECD levels.

As countries become wealthier,
growing use of health care services among older persons.



Source:
Author's
calculation
based on NTA
database

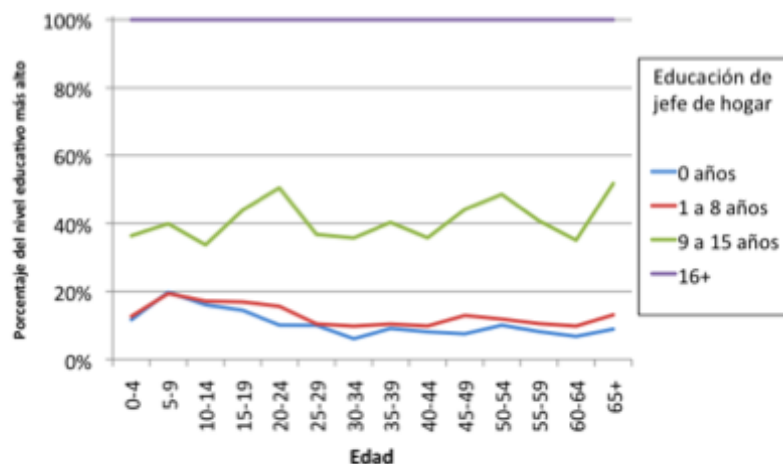
More fiscal pressure from health care than pensions in Latin America and in European Union.



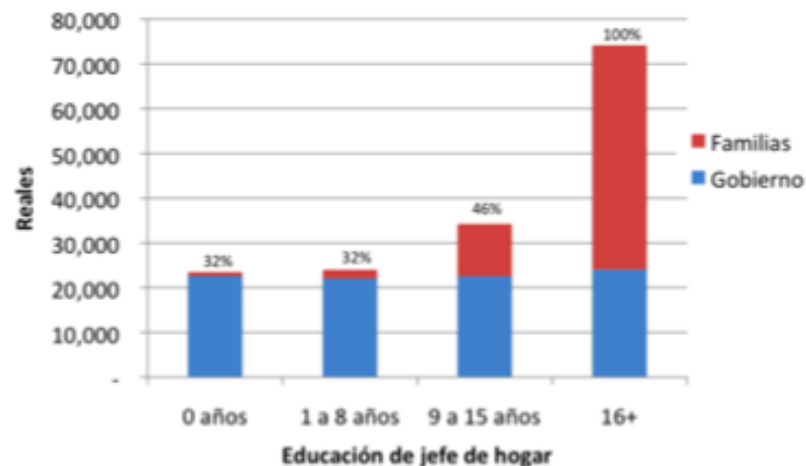
Continuing work in our region ...

National Transfer Accounts by Socio-economic Status.
To measure the proximate determinants of inequality.

Chile: Consumo per cápita por nivel educativo del Jefe de Hogar, 2007
Como porcentaje del consumo en el nivel educativo más alto



Brasil: Inversión Educativa Total en un Niño, 2003
(Porcentajes reflejan la inversión total en relación al grupo con más educación)





Thanks!



CEPAL

Tim Miller

Population Affairs Officer

Comisión Económica para América Latina y el Caribe

Contact: Tim.Miller@cepal.org