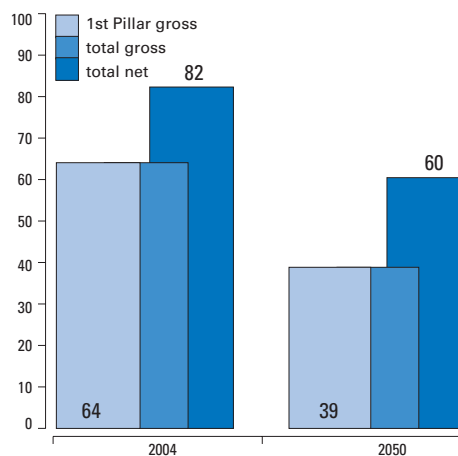




Social Protection and Financial Sustainability

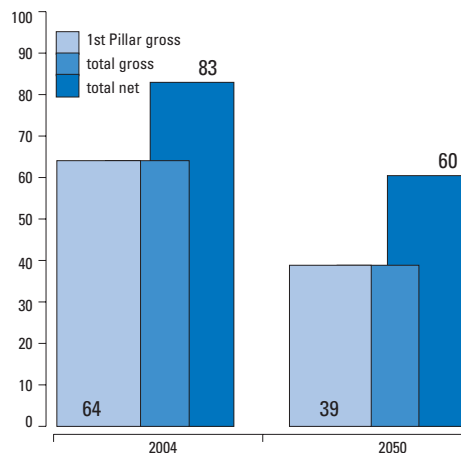
## Individual Replacement Rates at Median Income, 2004-2050



©European Centre, Vienna

Sources:  
Individual RRs, RRs for diff. Earnings Level:  
SPC 2004, NSR 2005;

## Replacement Rates at 2/3<sup>rd</sup> of Average Earnings Level, 2005-2050



## Pension Wealth at different Earning Level and by Gender, 2040

n.a

## Indicators



Demographic Indicators



Income and Wealth



Labour Market and Labour Market Participation



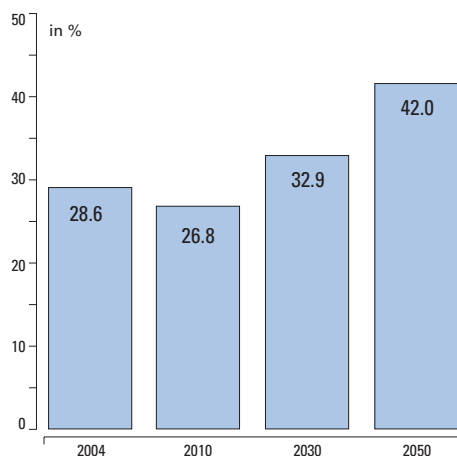
Social Protection and Financial Sustainability

## Median Pensions relative to Median Earnings, 1995 - 2004

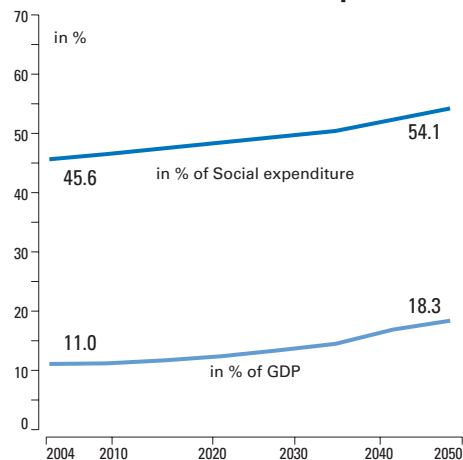
n.a



## Implicit Contribution Rate, 2004-2050

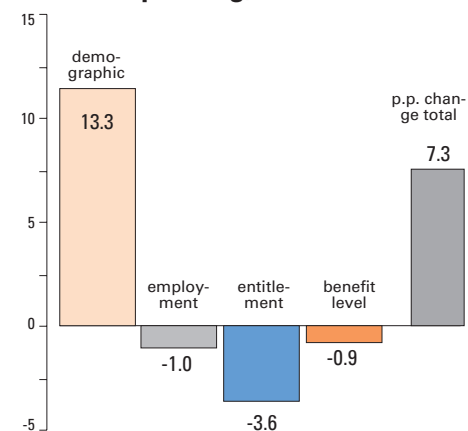


## Total Pension Spending in % of GDP and in % of Social Exp.\*



\*Pensions, health, long-term care, education, unemployment benefits

## Decomposition of Projected Public Pension Spending, 2004-2050



Sources:

*Implicit Contribution Rate:*

Public finances in EMU 2005,

European Commission

*Total Pension Spending:* NSR; EPC 2003;

Casey et al.

*Decomposition, Contributions:* Eurostat;

NSR 2005; EPC 2003; Casey et al. 2003

*Tax Gap Indicators:* EPC 2003: Public

Finances in EMU 2005

*System Accrual Rates:* OECD, Pensions at

a glance 2005; NSR 2005; MISSOC 2005

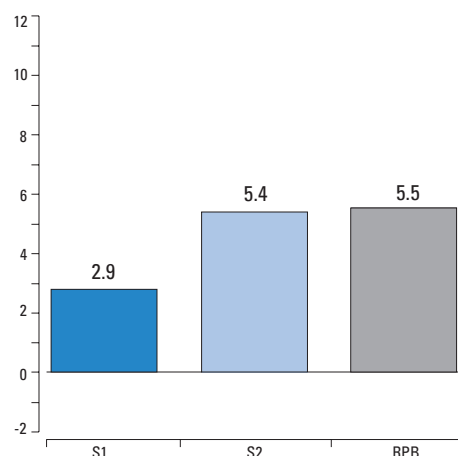
*Take-up Ratio:* World Labour Report 2000, ILO

*System Dependency Ratios:*

The impact of ageing on public expenditure,

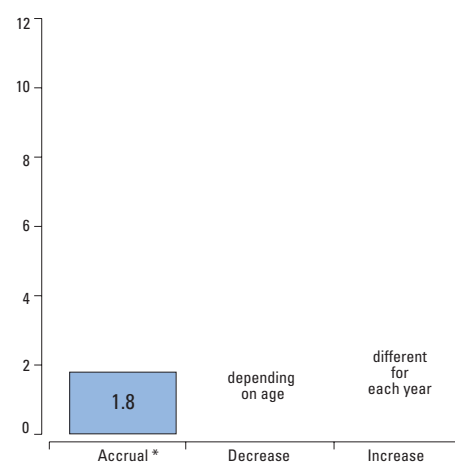
EPC and EC

## Sustainability Gap Indicators\*, 2004



\*RPB = Required Primary Balance

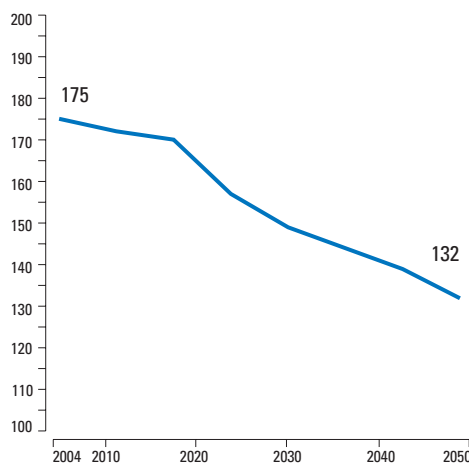
## System Accrual Rates



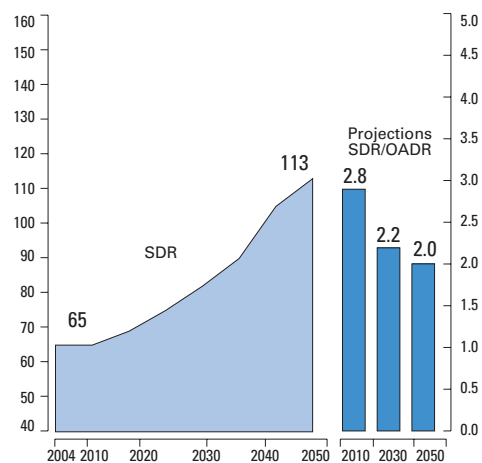
## Lifetime Allocation

n.a

## Take-up Ratio



## Old Age and System Dependency Ratios





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## Participation in Private Pension Schemes, 2004

n.a

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## Age Differential in Statutory Retirement Age, 2005

Gradual increase retirement age to 61/63 for women and 63/65 for men depending on number of pension qualifying years. Possibility to retire at lower age as a result of care for birth or adopted children.

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## Pension Credit for non-contributory Periods, 2005

Non-contributory periods credited or taken into consideration  
Periods out of employment determined by the Act (e.g. during child-care, occupational rehabilitation, etc.)  
Added qualifying period for:

- undergraduate and postgraduate studies;
- military service;
- time registered with the employment office as job-seeker or unemployed person.

In case of care for children up to seven years of age there is also the opportunity to voluntarily join the mandatory pension and pay contributions. The basis for calculating the contributions can be chosen, only the minimum amount is determined. Furthermore, new legislation offers a possibility to retire at a lower age as a result of care for birth or adopted children.

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Sources:  
*Age Differential, Pension Credit:*  
MISSOC 2005