

Older people's right to economic security

HelpAge International submission to the 12th session of the Open-Ended Working Group on Ageing

Question 3. Challenges faced by older people living in poverty

Right to work

Older people face ageism and age discrimination in access to employment, professional (re)training and work opportunities. When asked about their lived experiences, 41 per cent of older people said they had been refused work because of their older age, including in permanent, temporary, part-time and casual or daily jobs, paid and unpaid. The lack of access to work not only results in a lack of income, but also prevents older people from accessing entitlements, such as insurance and pensions.¹

"I was dismissed from work as a stonemason because I'm old. This was a plan hatched by the young site manager who wrote to the director citing my age as the reason for wanting to sack me." 78-year-old man, Kenya

"I'd like to start a new profession, but there's no system for retraining older people in the country." 57-year-old woman, Russian Federation

¹ HelpAge International (2019), Keeping our dignity What older people say about their rights to access to justice, and to work and access to the labour market, London, HelpAge International.

Mandatory retirement ages also limit older people's right to work. National laws continue to include far-reaching justifications for age differentiations, particularly with regard to employment.

"I would have a better standard of living. I would feel integrated into the community. I suffered acute depression after I stopped working. Retirement for me was like a sentence to isolation, loneliness and a denial of capacities and experience. If we continued to work, we would not live this nightmare."
60-year-old woman, Moldova

Older women face particular challenges², being denied work in a wider range of occupations,³ and carrying out informal and precarious work that remains unrecognized and undervalued and is often not included in economic measures and policy planning.⁴

Access to financial services, loans and property

Age limits on bank loans and other financial services, as well as lack of capital and access to information limit older people's financial autonomy⁵ and prevent them from starting or expanding their own businesses.

"We are prohibited from getting credit or micro-finance because we are older women. They believe we are too old and might die any time. Are younger people not dying too?" 69-year-old person, Nigeria

Older people report not being able to make their own decisions in different areas of their lives including finance, and management and disposal of their property.

"Nowadays my children and younger villagers don't see my worth anymore. They make decisions without me participating. They can decide to sell some of my property without telling me." 81-year-old man, Tanzania

Older women, and especially widows, are affected by harmful beliefs that women should not inherit nor own land and other property.⁶ In 55 countries, customary, traditional or religious laws provide daughters and/or widows with a lower share of inheritance than

² Report on "The human rights of older women: the intersection between ageing and gender" by the UN Independent Expert on the enjoyment of all human rights by older persons, UN Doc. A/76/157.

³ HelpAge International (2019), *Keeping our dignity*, see note 1.

⁴ Age International (2018), *Who cares? Why older women's economic empowerment matters for the Sustainable Development Goals*, London, Age International; Age International (2021), *Older women: the hidden workforce Access to economic justice*, London, Age International.

⁵ HelpAge International (2018), *Freedom to decide for ourselves: What older people say about their rights to autonomy and independence, long-term care and palliative care*, London, HelpAge International.

⁶ HelpAge International, "Older people in Kenya must be protected from witchcraft accusations", 22 October 2021.

sons and/or widowers.⁷ Out of 258 million widows, worldwide, 38 million live in extreme poverty.⁸

Social security and social protection

While pensions in many countries are growing, only about 20% of older people have a pension in most low-income countries. Those without a pension are pushed further into poverty. Women are even less likely than men to receive a pension, and if they do, they tend to have considerably lower benefit levels, partly due to discrimination against women in the labour market, gender-biased pension scheme design and a greater share of family responsibility by women.⁹

Recent country profiles in the Arab region¹⁰ confirm that the number of older people with a pension remains very low, with around 38% of older adults in Egypt; 17.8% in Iraq; 33% in Saudi Arabia; 22.6% in United Arab Emirates; 16.7% in the Syrian Arab Republic; and 9.8% of older persons in Lebanon. Where gender disaggregated data are available, they show a significant gender gap. In Tunisia only 17% of older women have a pension, compared to 94% of older men; and in Jordan only 16.2% of older women compared to 80.7% of older men.

In Ethiopia, men are nine times more likely to receive a pension than women, 12.9 per cent of men compared to 1.5 per cent of women received pension benefits.¹¹

Receiving a pension is not in itself a guarantee for an adequate standard of living. Many older people report that they are unable to afford basic necessities to survive, such as food, water, clothing, housing, medical care, and care and support.¹²

“I used to have a salary higher than the pension I receive. With such a small pension, I cannot do anything. I need to ask my children for support.” Group discussion, Molodova

⁷ OECD (2019), *Social Institutions and Gender Index*, SIGI 2019 Global Report.

⁸ Loomba Foundation (2015), *The Global Widows Report 2015: A Global Overview of Deprivation Faced by Widows and Their Children*, London, Delhi and New York, Standard : Information.

⁹ International Labour Office (2018), *Social protection for older persons: Policy trends and statistics 2017-19*, Geneva, ILO.

¹⁰ See country profiles on Egypt, Iraq, Palestine, Saudi Arabia, and Tunisia at <https://www.helpage.org/where-we-work/affiliates-in-the-middle-east/rights-of-older-people-in-the-middle-east/>. Country profiles for United Arab Emirates, Lebanon, Jordan and the Syrian Arab Republic are forthcoming.

¹¹ HelpAge International (2019), *Review of the Effective, Coverage of Older People by Ethiopia’s Social Protection Systems*, Adis Ababa, HelpAge International.

¹² HelpAge International (2019), *Living, not just surviving: What older people say about their rights to social protection and social security, and to education, training, lifelong learning and capacity building*, London, HelpAge International.

"I live alone so I decide how to spend my pension but what is there to decide? The day I get it at the post office, I pay the bills, I go to the pharmacy and I have nothing left when I get home." 67-year-old man, Moldova

Impact of the COVID-19 pandemic and other crises

Older people are at significant risk from the secondary impacts of COVID-19, including its impact on access to food and income security.¹³ The COVID-19 pandemic has also negatively affected older people's access to economic activities.¹⁴ While age-disaggregated poverty data on the pandemic is lacking, the loss of income from work and family, alongside the limitations of pension systems, mean that many older people will be among the 119 to 124 million estimated to have been pushed into extreme poverty.¹⁵

"Coronavirus is difficult for us who do daily labour to get by. We don't have any savings; we're not able to buy plenty of food, especially as food prices have gone up. If the quarantine remains, we don't know how we will get food." 62-year-old man, Bangladesh

A survey conducted by HelpAge India found that the COVID-19 crisis has negatively impacted the livelihoods of 65 per cent of India's older people.¹⁶ HelpAge simulations in Bangladesh suggest that older people's income deficit – consumption minus income – has increased by 13 per cent.¹⁷

Lessons from COVID-19 and previous crises confirm that countries with universal social protection systems are better prepared to protect their people. Evidence from Southern Africa shows that countries with rights-based and comprehensive social protection systems, such as Botswana, Mauritius, Namibia, and South Africa, were swift to provide emergency assistance.¹⁸ In contrast, countries which have "weak state-run social

¹³ See HelpAge International, COVID-19 Rapid Needs Assessment, at <https://www.helpage.org/what-we-do/coronavirus-covid19/covid19-rapid-needs-assessment-rnas/>. Also see HelpAge International (2021), *Are older people being heard? The impact of COVID-19 on older people's ability to exercise their voice*, London, HelpAge International.

¹⁴ HelpAge International, COVID-19 Rapid Needs Assessment.

¹⁵ HelpAge International (2021), *Bearing the brunt: The impact of COVID-19 on older people in low- and middle-income countries – insights from 2020*, London, HelpAge International.

¹⁶ HelpAge India (2020), *The elder story: ground reality during COVID 19: Impact & Challenges*, New Delhi, HelpAge India.

¹⁷ HelpAge International and Age International (2020), *Income security for all older people in Bangladesh during COVID-19 and beyond*, Bangladesh, HelpAge International.

¹⁸ G. Dafuleya, 'Social and Emergency Assistance Ex-Ante and During COVID-19 in the SADC Region', *The International Journal of Community and Social Development*, 1 July 2020.

assistance and rely on international donors for finance, lagged far behind in introducing emergency measures to shield people’s livelihoods”.¹⁹

Question 4. Data, statistics and research

Recent demographic profiles in the Middle East²⁰ show that **many older people live in poverty**: 17% of older women and 18% of older men in Egypt live in poverty. In Palestine, nearly 27% of live in poverty, with significantly higher deprivation in the Gaza strip, 47%. Within the Lebanese population 15.4% of older women and 13% of older men live on less than half of the average national income. The poverty rate among non-Lebanese older women and men is significantly higher, 33.7% and 35.8% respectively.

The true extent of older people’s poverty is often **even higher than estimated**. Using data from income and expenditure surveys from 32 countries in Africa and Asia, recent HelpAge research illustrates that measures of old age poverty are highly sensitive to the methodological assumptions that underpin poverty statistics. The common per capita approach that is widely used in applied research and publications from influential actors tends to underestimate levels of poverty among older people. Moreover, the standard approach is likely to overstate the welfare of older people vis-à-vis children, does not factor in the additional cost of living with a disability faced by many older people, and ignores intra-household inequality in the distribution of resources (e.g., between male and female household members).²¹

Question 7. Good practices to ensure older persons’ economic security

Universal **old age social pensions** (or non-contributory pensions) are an effective, efficient and affordable policy to achieve income security, and reduce poverty and inequality in older age. Its real potential lies in its capacity to provide protection against shocks and stresses that everyone faces throughout their lives, thus ensuring that people do not become destitute in the first place. Social protection can truly transform older people’s lives and make crucial contributions in increasing their dignity and self-esteem, inclusion and social participation, as well as active citizenship and empowerment.²²

¹⁹ B. Rohwerder (2020), *Social impacts and responses related to COVID-19 in low- and middle-income countries*, Brighton, Institute of Development Studies.

²⁰ See country profiles on Egypt, Iraq, Palestine, Saudi Arabia, and Tunisia at <https://www.helpage.org/where-we-work/affiliates-in-the-middle-east/rights-of-older-people-in-the-middle-east/>. Country profiles for United Arab Emirates, Lebanon, Jordan and the Syrian Arab Republic are forthcoming.

²¹ B. Gelder (2021), *Challenges in measuring individual poverty among older people using household surveys*, Sidcup, HelpAge International, Development Pathways Limited.

²² HelpAge International (2020), *Why social pensions? Achieving income security for all in older age*, London, HelpAge International. Also see HelpAge International (2019), *Achieving Income Security for Older Jordanians and Refugees*, Jordan, HelpAge International.

Older People's Associations (OPAs) offer an approach for inclusive, sustainable community development that actively engages older people. Multifunctional OPAs address a variety of domains, including livelihoods. For example, in Nglumut subvillage in Indonesia, OPAs have used a lump sum grant to establish a waste bank. This has proven to be a useful way of generating revenue for not only the OPA and its members but also wider community members of the waste bank. The amount of annual income earned for each member is significant, and close to an average week's wages in the community.²³

HelpAge is also working with older people to start and manage savings as part of a credit scheme, sometimes referred to as "**table banking**", to enable older persons to diversify their income. In Zanzibar, for example, some of the older people use a percentage of their pension to put into table banking, which they can later access for a loan.

Between 2015 and 2018, HelpAge coordinated a project centered around **older citizen monitoring**, an approach that involves members of local OPAs in raising awareness among older people of their right to social protection, monitoring the delivery of social protection policies and schemes, and advocating with government officials to bring about lasting improvements. The approach proved essential for increasing older people's access to social pensions and improving the design and implementation of social pension schemes in Kenya, Mozambique, Uganda and Zanzibar. This does not, however, in any way limit government's primary responsibility for providing information to the public about social protection schemes and establishing inclusive, accessible and effective complaint mechanisms.²⁴

Question 9. Complaints mechanisms and redress

Supporting older people to hold their governments accountable and strengthening government capacity to respond to their concerns – is critical for improving the coverage and design of rights-based social protection schemes and overcoming problems with implementation. **Accessible complaints mechanisms** must be in place for older people.²⁵ This requires governments to, inter alia:

- Provide information to older people regularly, using different communication methods.

²³ HelpAge International and Age International (2020), *Older people's associations in Asia: Strengths and key factors for sustainability and replication*, Chiang Mai, Helpage International.

²⁴ HelpAge International (2018), *Voice and accountability in social protection: Lessons from social pensions in Africa*, London, HelpAge International.

²⁵ Ibid.

- Design accountability mechanisms to be more accessible.
- Support OPAs to act as independent monitors and represent older people.
- Train government officials who work directly with older people.
- Establish systems for identifying and dealing with cases of financial abuse of older people.
- Create an environment in which older people are willing to speak up.