

Can we act on population ageing in the coming years through demographic policy measures?

Society will rather have to adapt to population ageing.

What is population ageing?

Population ageing corresponds to the increase in the proportion of the elderly in the population. It is influenced by four mechanisms:

1. The narrowing base of the age pyramid as a result of fertility that is lower than the average number of children per woman needed to ensure the replacement of generations, namely 2.1 children.
2. The enlargement of the top of the age pyramid as a result of the increase in life expectancy at older ages. This increase is rather explained by the rise in the number of individuals that live longer than by the increase in the longevity of individuals.
3. The impact of the baby boom in numerous countries, including Belgium: substantial growth of the number of births during the three decennia following the Second World War, which leads to a significant increase in the number of people aged 65 and over during the 2010-2040 period.
4. International migration, which has a more significant impact on the working age population. In high emigration countries, this phenomenon tends to intensify the ageing process, whereas the opposite holds true in the high immigration countries.

Can we act on population ageing through demographic policy measures?

On the one hand, we cannot reverse the baby boom of the thirty post-war years. On the other hand, putting in place policy measures that are specifically targeted to increase the number of deaths through a slower increase in life expectancy is inconceivable. This would be like wishing for a deterioration of living conditions, a drop in educational levels, worsening access to health care, etc.

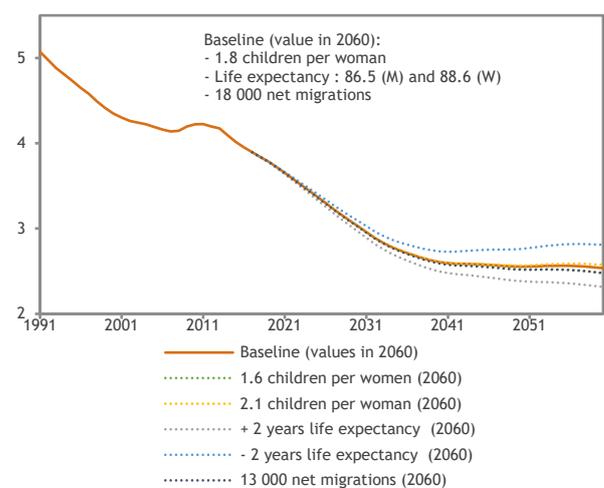
In theory, pro-natalist policies can slow down population ageing by broadening the base of the age pyramid. However, numerous studies have shown that these policies make it possible for couples to achieve the desired number of

children (almost two children in developed countries) rather than increase that number. In addition, the ageing problem would reach its peak in the following 20 years. Broadening the base of the pyramid by increasing the number of births and, gradually, the working age population, will require more time.

In a country with a positive net migration, immigration makes it possible to slow down population ageing through its dynamic on the working age population. It is, however, only a part of the solution for population ageing. The latter is in fact explained mainly by the widening of the top of the age pyramid. Additionally, immigrants will also age in the longer term.

Implementing strictly demographic policies to counter population ageing in the coming years is far from being a panacea. By way of illustration, the evolution of the ratio between people of active age and those aged 67 and over shows little sensitivity to different plausible demographic scenarios presented in the graph. As of today, society must adapt to the population ageing of the coming decennia.

Number of people of working age (18-66 years) per person aged 67 and over - Belgium



Source: Observations: National Register and Statbel. Projection: Federal Planning Bureau, Working Paper 01-18