



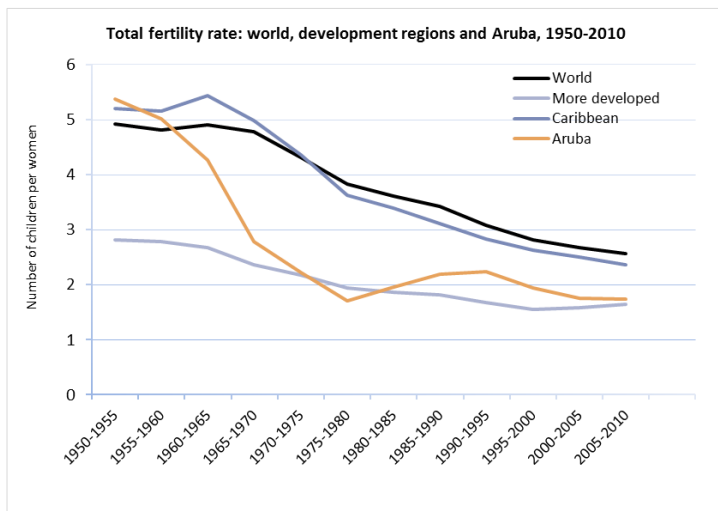
Ageing in *Aruba*

IS AGEING IN ARUBA A BURDEN OR A BLESSING?

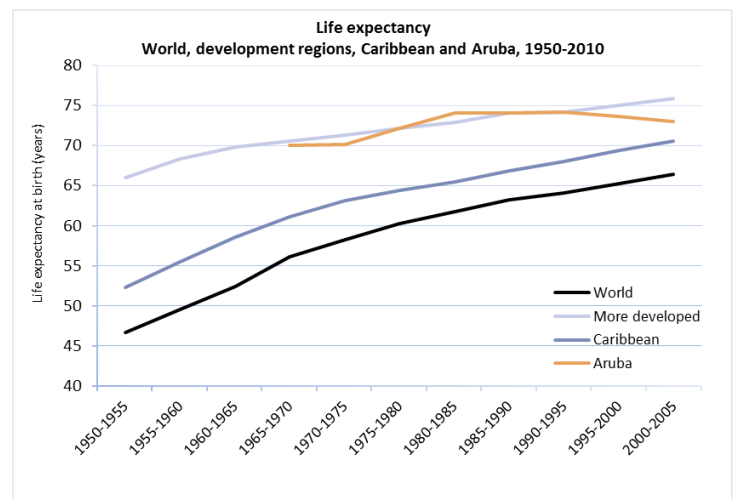
The Central Bureau of Statistics conducted the fifth Population and Housing Census during the first week of October. This Census was partially done with the use of Netbooks. Data of more than 5600 persons, collected via these netbooks is already partially edited and analyzed. The most remarkable findings are related to the ageing process of the population. Population ageing in Aruba is unprecedented, pervasive, profound and enduring.

Demographic determinants of ageing

Ageing of a population is caused by a drop in fertility accompanied by a decrease in mortality. In just a period of 18 years, the fertility rate in Aruba dropped from a level as high as 5.3 children per mother, to as low as 1.7 children per mother. In developed countries this process took place over a period of more than 100 years. This is the main cause that ageing in Aruba will proceed faster than in Europe and most of the other countries.



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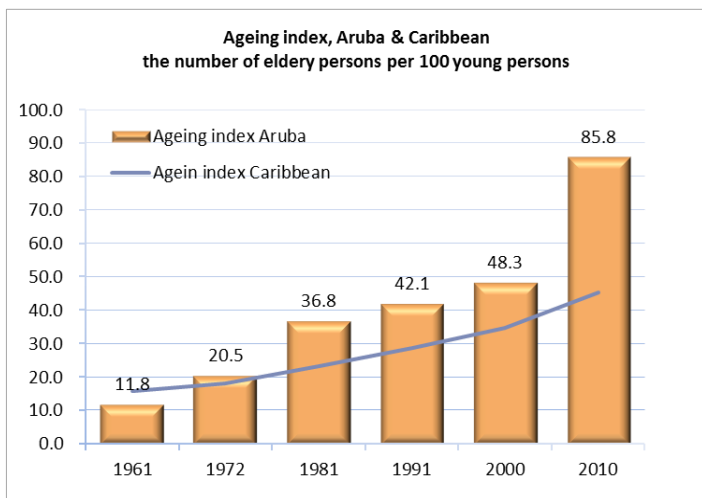


- Population ageing is unprecedented, without parallel in the history of Aruba. Increases in the proportions of older persons (60 years or older) are being accompanied by declines in the proportions of the young (under age 15).
- Population ageing is pervasive, affecting every person living in Aruba. The steady increase of older age groups has a direct bearing on the intergenerational solidarity that are the foundations of society.
- Population ageing is profound, having major consequences and implications for all facets of our life. In the economic area, population ageing will have an impact on economic growth, savings, investment and consumption, labor markets, pensions, taxation and intergenerational transfers. In the social sphere, population ageing affects health and health care, family composition and living arrangements, housing and migration. In the political arena, population ageing can influence voting patterns and representation.

- Population ageing is also enduring. During the last censuses the proportion of older persons continued to rise, and this trend is expected to continue for the next couple of decades. For example, the proportion of older persons was 4.9 per cent in 1961, 11.2 percent in the year 2000, and is currently 16.8 percent.

In order to monitor the speed of Aruba's ageing process and the impact of it on our society, several demographic Indicators can be used.

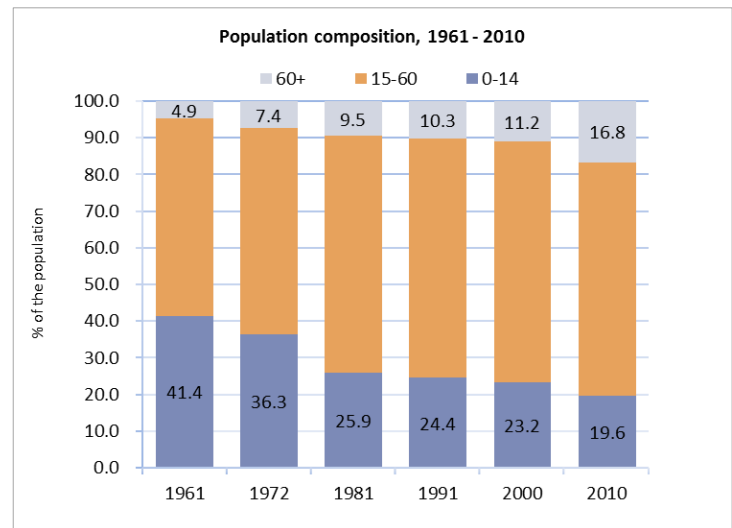
First of all, the ageing index provides the number of elderly persons (60+) per hundred persons under age 15. Six decades ago Aruba had less than 12 elderly persons per 100 young persons. Currently we have 85 elderly persons per 100 young persons. This is a clear indication that ageing manifest itself very rapidly in Aruba.



Secondly the Median age of the population provides additional information about the speed of the ageing process. The median age of a population is that age that divides the population into two groups of the same size, such that half of the total population is younger than this age, and the other half older. In 1961 the median age was 25 years. Currently the median age in Aruba is 39.

We can get an idea of the consequences of ageing using for example the old age dependency ratio. This is the number of persons 65 years and over per 100 persons 15 to 64. The dependency ratio tries to measure how many dependent elderly persons need to be supported by those who are working. In 1961 less than 6 elderly persons needed to be supported by 100 working persons. Currently there are already 17 elderly persons, per 100 working persons.

In Aruba the population of older persons is growing considerably faster than the population as a whole. The rapid growth will require far-reaching economic and social adjustments, such as adjustments in the labor market, housing market, infrastructure, taxation schemes, pension funds, etc.



Is ageing a problem or blessing? Part of the ageing process is caused by a higher life expectancy. Of course this is a blessing but brings along a higher price tag with regard to care for the elderly, but nobody wants to go back to the time where life expectancy was significantly lower. We need to be very careful when projecting cost related to the higher proportion of elderly persons. Twice as much elderly persons, does not necessarily mean that the cost will double. The characteristics of elderly persons in the future will be different from the current group of elderly persons. The level of education will be much higher, and related to that most probably also the health conditions of elderly. One may expect also a more active participation of elderly in the community, and a higher level of creativity. The cost for health care services will increase of course, but not necessarily proportional to the size of the group of elderly. Most of the health care costs are made during the last year of one's life, and this is just postponed.

Summarized we can say that ageing present a challenge but also a blessing, and we just need to take the right decisions. Stimulate active ageing. Making the labor market more flexible for example, and provide those who want to continue to work after reaching 60 years of age, the possibility to do so. Introduce part time, adjust taxation schemes, and stimulate a healthy lifestyle. Of course Aruba is not the only country in the world confronted with ageing, and we can learn from successes in other parts of the world.

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