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A Multi-Indicator Model of Dippy Incomes in Retirement

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*Sustainable Ageing Societies:
Indicators for Effective Policymaking*

A MULTI-INDICATOR MODEL OF DIPPY INCOMES IN RETIREMENT

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The level of aggregation and disaggregation is
the critical step in analysis
Herbert Simon, *The Science of the Artificial*

For individuals, the start of the process of ageing is retirement from work. While stopping work changes how a person gets his or her income, it does not diminish the need for money. Furthermore, older people retain the need to sustain their welfare. This requires: 1) Income; 2) Health; and 3) Social networks for instrumental use and for expressing affection. In retirement, people experience major structural shifts in the ways in which welfare is maintained. Instead of gaining an income from employment, people depend on pensions and savings. Instead of judging health in terms of independence of medical and hospital treatment, advancing age tends to make people dependent on treatment for intermittent or chronic causes of ill health. Finally, social networks alter through the inter-

generational dynamics within the family, especially the death of significant others, starting with one's spouse.

Older people rely on a mixture of resources for welfare, combining goods and services from the State (S), the Market (M), and the Household (H), in the original sense of the production of goods and services within the household or extended family. Whereas the State and the Market engage in the production of monetized goods and services, and a health service free at the point of delivery can claim 6 percent or more of a country's gross domestic product, production in the household is not monetized. While involvement in the money economy is essential to virtually every older European, non-monetized services, such as companionship, preparing food, and incidental personal social services are also essential.

To understand the total welfare (TW) of an individual or household we need a multiplicity of indicators from each of three different streams of economic activity. The information required can be stated as a simple accounting model:

$$TW = S + M + H$$

The state has a comparative advantage in guaranteeing sufficient cash income to prevent an older person starving to death, while the market offers a wider choice of foods to buy and the household economy prepares far more meals than do local restaurants or communal meals-on-wheels services. Each economy also has comparative disadvantages; for example, the bureaucratic state is at a disadvantage in producing affection.

It follows from this model that however important the standard social security pension may be it is not the sole source of income. As subsequent pages will demonstrate in detail, when retirement commences the majority of households are now "Dippies", having Double Incomes and Plural Pensions. This is true of an individual who has both a state pension and an occupational pension or the benefits of home ownership. Since marriage remains the norm for persons in retirement, it is even more true inasmuch as each partner is likely to qualify through prior paid employment for a standard state pension and to have additional streams of income

besides. Even though no household of retirees can receive income from all the streams listed below, since some are mutually exclusive, nonetheless the median household of retirees in European Union countries will have from four to eight streams of income--and while some will have the minimum others will be maximizing their streams of income.

Therefore, to understand the current welfare of an older person we need a multiplicity of indicators from a multiplicity of sources. We must disaggregate national statistics that average out the conditions of individuals at radically different stages of the life cycle, from childhood to old age. Even though infant mortality may be acceptable as a proxy indicator of health in society, it is irrelevant to the circumstances of older people. The national figure can be the mean for a society where the mean age is about 40, whereas the life expectancy figure that matters for an older person is not life expectancy at birth or at age 40 but the remaining years of life that can be expected at age 70.

Consistent with the precept of Herbert Simon, the following pages start by disaggregating the total income of a retired individual into a multiplicity of component parts, including those available to older persons whose lack of means qualify them for income assistance to avoid destitution. The paper then aggregates the incomes of individuals living together in a household; this emphasizes that the primary pension of one household member is of limited relevance to the total income of the household. Furthermore, the income effects of death are today likely to be limited; the trauma of a spouse's death is primarily non-pecuniary.

For conciseness and clarity in exposition, the model is presented in simple algebraic form. Since all the terms are quantifiable and the great majority are appropriately measured in money terms, this model does not rely on imputing money values to such non-monetized resources as companionship. What it does do is stress the need to draw together existing indicators, produced in different ways for different official purposes, in order to understand how people in retirement can sustain their welfare through a combination of resources. The concluding section spells out how the model may also be used to ascertain how the capacity to sustain welfare will differ within a household across the life-cycle of ageing; between

households within a society; and between countries.

I A PENSION IS NOT A PERSON

While it is reasonable for policymakers to concentrate attention on the social security pension paid people in retirement, since this is the single biggest claim on public expenditure, a pension is not a person. It is thus a categoric error to assume that the output of the state's social security programme is the sole source of an individual or household income. The critical figure for sustaining the welfare of retired people is the total income that they receive each year. Table 1 sets out the different sources of incomes for people in retirement. They include:

1. Standard social security pension. It provides an income to all persons who meet statutory requirements by making compulsory contributions from earnings during their working life. National governments differ substantially in the level of pension paid, ranging from a level so low that it presupposes other sources of income if poverty is to be avoided to a level so high that the average recipient may be able to save money from it.

2. Employment-related pension from:

a. Employer: The evolution of state pensions is a story of enlarging coverage from privileged workers employed by the state, for example, soldiers and civil servants, to the employed population as a whole. In the process, many schemes for public employees have been maintained. Concurrently, large private employers that have viewed workers as long-service employees, for example, banks and insurance companies, have introduced retirement schemes for their employees and trade unions have bargained for employment-related pensions.

b. Occupational pensions. A variant of employer-related pensions are occupational pensions paid to individuals whose work may cause them to switch between employers, for example, university teachers or farm workers. The pension fund may be state-managed or managed jointly by representatives of employers and employees.

3. Personal pensions can be funded by individuals in lieu of any employment-related coverage or to augment the standard state or employment-related pension. Personal pensions may be adopted because they are more portable than employment-related pensions and more secure than an employment-related pension in an industry or firm that is in financial difficulties. Some governments make provision in their tax codes to encourage individuals to take out personal pensions, and the market is full of vendors of personal pension schemes. Inasmuch as personal pensions are at the discretion of an individual, a person has both the freedom and the burden of choosing how much to invest now for future benefits.

4. Part-time or incidental earnings. A person drawing a pension is not debarred from continuing to earn money if he or she chooses. In the extreme case, individuals receiving a pension for 20 years work in arduous occupations such as the military or the police may take up another fulltime job in their forties, and thus enjoy both a full wage and a full pension. In some circumstances, it is possible for an older person to draw a pension and work part-time for their previous employer, thus effectively having the same income as if remaining in fulltime work. Some retired persons may take short-term employment to help in a family business or to avoid boredom. Insofar as demographic changes will make it harder for employers to recruit replacements for retirees, this practice may increase. However, the longer people live in retirement, the less likely they are to have part-time earnings.

5. Age-related benefits in kind not subject to means tests. Both state and market offer a variety of goods and services where a charge is discounted or waived if an individual produces proof of age. The most widely applicable benefit is an increased personal allowance that can be deducted from gross income when calculating taxable income. Other publicly funded benefits include concessions on the cost of public transport and fees for the use of public facilities such as swimming pools or museums. The market can also offer discounts to older individuals, especially when facilities may otherwise be underutilized, for example, matinee tickets for theatres and cinemas and off-season holiday tours, and insurance companies can discount automobile insurances to older motorists in good health.

Financial security requires more than a monthly income: it also requires

savings as a cushion to meet the cost of major expenditures such as a home or car repair. Retired people are particularly in need of savings since they lack the capacity to earn extra money through overtime work for an employer.

6. Income from savings and inheritances. The norm for older people in EU countries today is that once children leave home their parents' income continues while the cost of maintaining the family drops, so that by retirement there can be savings equal to anything from six months to five years of wages. Increasingly, older persons also have their assets increased through inheritance. The parental home is likely to provide the main portion of an inheritance. Even if its market value is limited and divided among several offspring, it is likely to increase savings by the equivalent of several years of normal earnings. As a rough rule of thumb, if total savings are equal to a year's income, this will provide the equivalent of a one month increase in a pension that is half of a pre-retirement income, and if total savings equal two years of income it will boost the pension income by one-sixth.

7. Imputed value of owner-occupation of a house. A house is not only a home that is central for the supporting social networks of older people; it is also a financial asset. It is the reward for years of working life spent paying off a mortgage. Living rent-free is normally of greater value than the non-means-tested concessionary benefits given older people. Holding cash income constant, a home-owner will have more discretionary income than a renter, as long as the cost of household maintenance is not excessive. Individuals who have benefited from subsidized housing during their working lives may continue to benefit from subsidized rents in retirement. However, older tenants, even if they enjoy rent concessions, will not have the financial security that home ownership provides. A home is a marketable asset. Its sale on or after retirement can put more money in the hands of a retired person than he or she has ever held before. Even after a portion of the proceeds of selling a house can be used to buy a smaller or less expensive place to live, the remainder can be kept as savings or spent in other ways.

From the above, it follows that the Total Income of an Individual (TII) can sum as many as seven different streams of income. After allowing for earnings reducing to zero after some years of retirement and the likelihood that one person

will not draw both an employment-related and a personal pension, then a homeowner will still have five streams of income and a renter four streams of income.

TII = State pension + employment related or personal pension + age-related benefits + savings + homeowner

II A LACK OF INCOME GENERATES MULTIPLE INCOMES

However prosperous an economy and however generous are entitlements to streams of income in retirement, there will always be a minority unable to qualify for a pension. This can occur if an individual has never worked in a job covered by social security legislation. We are now at the end of an era where a significant portion of the adult population, usually women and especially women in the countryside, have spent their entire lives in non-waged labour rather than qualifying for some form of pension. Yet there are individuals whose intermittent employment and unemployment does not entitle them to a pension that is enough to live on, and who lack the additional streams of incomes detailed above.

A person unable to live on the income of a state pension needs a financial safety net to avoid becoming destitute, and there are both private and public means to secure multiple streams of income (Table 2).

(Table 2 about here)

If a person's financial problems are due to an unexpected event, such as an expensive house repair, then savings, if available, can be spent to meet the emergency and the capital from savings can be spent if income temporarily drops below recurring expenditure needs. Borrowing money from relatives and friends is a second source of additional income. Unlike loans that are secured against assets, such as a loan against property, a loan from people one knows is unsecured and money may be given without any obligation for repayment, or to repay when you can.

In time, savings run out and so does the goodwill of friends who will give an occasional loan. At this point, some older people can then benefit from intra-family

transfers in cash or kind. If a retired person has children or other relatives with discretionary earnings, they may arrange to make a monthly payment to bridge the gap between an inadequate pension and what a parent or sibling needs to meet monthly expenses. Alternatively, elderly parents, as especially a widowed mother, may move into a house occupied by a son or daughter. Such a move greatly reduces an older person's spending on housing and other daily necessities without generating equivalent expenses for offspring, for example, if bedrooms are empty because children have moved away or if a grandmother provides non-waged child care and other household services. In post-Communist countries, for example, housing shortages and early death of male retirees makes multi-generational households a common means of avoiding destitution due to low pensions and/or low wages.

Furthermore, contemporary welfare states make statutory provision for incomes for those threatened with destitution because of an inadequate income. This is normally done through means-tested benefits. Thus, a person whose declaration of assets and recurring income shows that he or she lacks the wherewithal to subsist in a money economy may be classified as living in relative poverty, but living below the average in EU countries today is not the same as being absolutely destitute, that is, frequently going without food, clothing or heat.

A supplementary income benefit is paid in many countries to individuals whose total income from one or more sources is less than that needed to avoid destitution. For example, if a person only qualifies for a sub-standard contributory pension because of contributions for a limited time (e.g. an older unskilled immigrant) and savings are slight, then a supplementary income benefit can be claimed. In Britain an older person who has only the standard state pension as their income automatically qualifies for a supplementary cash income grant.

Means-tested benefits in cash or kind can also be given older people with low cash incomes. The benefits can take the form of a housing allowance to meet the cost of rent or free accommodation in sheltered housing; waiving various charges that would otherwise fall due for health or hospital care; and other lesser benefits in kind.

Paradoxically, a person with an inadequate state pension and too old to work has even more need of a plurality of incomes than does a person whose retirement does not substantially alter their expenditure pattern. In a well established welfare state, destitution can be avoided by claiming means-tested benefits in cash and in kind. In countries where such programmes have not been established, then intra-family transfers or borrowing will be important, and in rural areas older people may fall back on household production to reduce expenditure needs. While the two types of resources are unlikely to be generous, nonetheless, the redundancy inherent in multiple incomes increases the probability that an individual with an inadequate income will be caught in a safety net.

III A HOUSEHOLD IS MORE THAN ONE PERSON

A classic definition of a household is that it consists of people who share food at a common table. In practice, there is also a sharing of the non-monetized production of household services, such as preparing food or doing home repairs, and a sharing of the cost of durable consumer goods, and for married couples a sharing of financial assets too.

A person entering retirement today is normally sharing a household with a spouse rather than living alone. Furthermore, most persons now living alone in retirement are given, gender inequality in life expectancy, widows. Thus, when considering income and assets, it is grossly mistaken to confuse the total income of an individual (TII) with the total income of the household (TIH). In fact, it is substantially less. Even if a couple maintain separate bank accounts and each controls their income separately, there are substantial economies from co-habitation, for example, one car can be used by two persons. Moreover, there is usually a significant degree of pooling income as well as sharing common household facilities.

To account for the financial circumstances of individuals in retirement, statistics about individuals must take into account all the streams of income of a household. Yet, since many income streams are related to individual circumstances, in order to arrive at a household profile it is initially necessary to account for each partner's circumstances separately. In the modal case in European countries today,

the second set of income streams comes from a wife who will be eligible for the same streams of income as her spouse (see Table 1), even though the value of her income may be less because of differences in earnings or because of being in paid employment for fewer years because of non-waged household work.

3.1. Standard social security pension. The number of years that must be spent in paid employment to claim a pension varies between countries and so does the number of years that older women have been employed in ways that qualify for a full state pension. Nonetheless, a substantial majority of women in retirement will be eligible, in their own right, for a partial or full social security pension.

3.2 Employment-related pension. In the past generation there was substantial gender skewing in favour of women in occupations such as primary school teaching and nursing. Insofar as these occupations and employers confer an additional pension benefit, then women will disproportionately benefit. On the other hand, women who worked in family businesses or in retailing, part-time or full time, may not receive an additional pension.

3.3 Personal pension. This type of pension is particularly attractive to people who see their career as peripatetic, changing employers and even occupations. While many women do both, this may not be a consequence of career planning as it is of career interruption, due to taking an employment break to bear and raise children. Whether it is accompanied by personal pension provision depends on lifetime earnings and individual perceptions of the need for a personal pension.

3.4 Part-time earnings. If a woman is already in a part-time job when her spouse retires or dies, then part-time earnings may continue, particularly in countries where the retirement age for women has been lower than that for men.

3.5 Non-means tested age-related benefits in kind can be linked to the household, as in the case of reductions on housing taxes, or can be individual, as in the case of tax allowances or travel concessions. While such benefits normally have no gender qualification, they do have a gender bias in favour of women, since women live substantially longer in retirement than do men.

3.6 Income from savings and inheritances. Household savings can be held in a joint bank account, whereas inheritance depends on the circumstances of the family of origin. As long as at least half of old households are home-owners, then every couple can expect to share in an inheritance from one or another set of parents. As the probability of the home-ownership rises above 0.5, then the likelihood of a married couple receiving two significant inheritances rises.

3.7 Imputed value of owner-occupation of house. A house is the paradigm example of shared source of income, even if it is only imputed. Moreover, inasmuch as the cost of maintaining a house for two is not double that for a single person, it is also a paradigm example of the economies of scale that two people can realize by living together in retirement.

(Table 3 about here)

Dippies are today the norm in a household in retirement, since both husband and wife will have a state pension and one or both will have additional pensions as well. If both partners qualify for a state and an employment-related or personal pension, then the likelihood is that the household will have eight discrete streams of income, for even though savings and home ownership may be pooled for purposes of this calculation, age-related benefits and state pensions will be doubled.

$TIH = 2 \text{ State pensions} + 2 \text{ employment related or personal pensions} + 2 \text{ age-related benefits} + 1 \text{ savings} + 1 \text{ home}$

Even if a spouse has no income in her or his own name, the median two person household will have six streams of income as long as they are home-owners with savings. If, on the other hand, there is only one pension for two persons, then means-tested benefits for both partners will increase both the total amount and number of incomes.

IV INCOME EFFECTS OF DEATH

Death creates a sole survivor. Barring a married couple being killed together in a plane or car crash, the size of a retired household will be cut in half by the death of one member, usually the male, or even more insofar as spending was confined to

the deceased, for example, buying cigarettes while the survivor is a non-smoker. To a lesser extent the halving of the household reduces spending from a common pot, whether proportional (feeding one person is cheaper than two), or whether less than proportional (one person uses a car less than two, but the cost of the car and the license remain the same).

The income effects of a death in the family are less than proportional too, because most pensions include as a mandatory or optional feature paying part of the monthly cash benefit to the survivor. This is true, for example, of state pensions and of most pensions from an employer, occupation or from private provision. The only stream of income lost entirely is relatively minor, age-related benefits such as travel concessions. The survivor's pension will be less than the original recipient's--but it will no longer be spent in meeting the everyday needs of the deceased. If the spouse has sufficient income sources to sustain her (or his) welfare, the survivor's pension is likely to leave a significant surplus above that required to meet the cost of living alone.

Many common household assets remain in the possession of a survivor without the need to pay an estate tax or death duties. In effect, household assets are consolidated in the name of one person rather than two. If the death of a spouse leads to the sale of a family home and moving to a smaller flat or house, this will turn a notional but illiquid asset into a cash asset, the differential between the sale price of a family home and the cost of a different and smaller property.

By the time one partner dies, three major changes are likely to be occurring in the circumstances of the survivor. First, she or he will be less physically active and venturesome, thus reducing expenditure on holiday travel and, quite possibly, the purchase of major new consumer goods, as what is familiar is preferred to what is novel. Secondly, health needs will be of increasing importance. These are needs that welfare states can and do meet. However, another major concern, support of social networks in practical everyday matters such as shopping, can be met by friends and neighbours rather than public employees, and the need for affection and emotional support is better met by family and friends than by public employees.

Inheritance cascades income across generations. The circumstances of older people in the twenty-first century are radically different from the era when state pensions were introduced before the First World War or commitments greatly expanded after the Second World War. A half century ago the average retired person would have had limited savings in cash or kind, due to the world depression, war and inflation, and renting (sometimes with rent controls) was the norm rather than home ownership.

Today, a retired person born just before the Second World War has earned much more nominal income than their parents and spent most of a working life when it was compulsory to have a high-level state pension, an employment or occupational pension, or both. Moreover, labour force participation by women has been boosted greatly by urbanization, education and smaller family sizes. Even though at any one point in time participation rates for women are lower, the key condition here--participation in the labour force long enough to establish an entitlement--is now being met by almost as many women as men.

Insofar as the retired generation was socialized to save for a rainy day, this attitude will encourage older people to accumulate savings from their multiple streams of retirement income. Even if this is not the case, home-ownership creates a major financial asset that is likely to dwarf liquid savings for all but the well to do. In Britain, for example, more than three-quarters of the retired population are now home-owners.

For a retired couple, home-ownership is usually an illiquid asset. Once both partners die, a home immediately becomes a liquid asset, as it is no longer needed as a residence and can be sold. In Britain, the average house is now valued at euro185,000. By the standards of the wealthy, this is not a large sum, for it is insufficient to enable a person to quit work and live off the income from that capital. Nor is it a large sum by the standards of estate taxes, since this does not come into effect until an estate is valued at about euro400,000. Nonetheless, for the recipient or recipients of such a legacy, it is a substantial windfall, several times more than their annual wage, assuming they are not yet retired.

Given longer life and lowering ages of retirement, inheritance now has a cascading effect on the financial security of people approaching or in retirement. If a widow in her early eighties started her family in her mid-20s and completed it by the age of 30, by the time of her death most or all of her immediate heirs will themselves be retired or eligible for retirement. Moreover, the legatees are likely to have more and more generous streams of retirement income than their parents. While an inheritance will be divided up between several children, a husband and wife have the prospect of two inheritances, and each windfall is big enough to finance a major capital investment, to increase savings, and/or pay for an annuity providing a monthly life income for those whose pensions from employment were not inflation proofed.

An unobtrusive indicator of the extent to which elderly people are no longer dying in destitution is the decline in the relevance of burial in a pauper's grave, a common enough occurrence before the rise of the welfare state and mass home-ownership. Today, the savings of the deceased are usually sufficient and if not can be augmented by a final intra-family transfer from the living to the dead.

V IMPLICATIONS

The multi-indicator model of household incomes in retirement emphasizes how misleading it is to refer to the retired as economically active. Those who have stopped work are no longer in receipt of a monthly wage or salary, but they are still integrally participating in the economy. Every retired person is a consumer, and collectively older people constitute a large and growing "grey" market. By virtue of their age, they are disproportionately large-scale consumers of health services at a cost that more than counterbalances the slight demands that they make on educational services. The monthly incomes that they receive put pressures on the public purse and taxation, and incomes from private savings have a significant impact on capital markets, depending on how and where they are invested. Finally, the non-monetized services that older people produce and consume are as important, in their way, as those of non-waged mothers of young children, for if these services had to be funded from a public budget for personal social services, domiciliary and residential care, they would have a major impact on public

expenditure and taxation.

While the activities of, and related to retired persons have a significant impact on the economy, nonetheless indicators designed for the whole population are unsuitable for persons at the retirement phase of the life cycle because:

- a. Family sizes differ: In Europe children normally do not live with retired parents.
- b. Retired persons have more streams of income than persons in employment and their value is enhanced because pensions and savings are paid without the deduction of social security taxes and pension contributions.
- c. Household expenditure will be less because the cost of most capital household goods has been met and there is no need to spend money to raise children.
- d. Public programmes heavily subsidize health services, a significant continuing cost of older people.

Because ageing is a process, we need indicators that recognize an "ageing cycle" within retirement that influences the welfare and income needs and resources. Immediately on stopping work, older people have more free time and can spend it in ways that do not cost money (e.g. gardening or walking) instead of or as well as in ways that require significant expenditure (e.g. holiday travel). A decade or so later, health problems will begin to restrict physical activities and expenditure. By the time of the death of one spouse, the widow is likely to be more constricted physically, and this may result in moving into sheltered accommodation or requiring personal care that, for some people, will impose a considerable expenditure burden until death.¹ While pensions usually pay the same amount to a person age 63 and 83, their requirements are likely to differ greatly.

¹. The life cycle model is illustrated with examples from the cohort now in retirement. It can also be used to monitor and document the consequences of changes in the lifestyle and family situation of persons now in mid-career and entering retirement in 2025 or afterwards for, unlike the closed deductive models of economic theory, an accounting model immediately adjusts its results when changes are entered on the basis of empirical evidence and assumptions can be readily altered too.

For clarity in exposition, the above pages have illustrated points with reference to the median or mean household in retirement. The model can also be used to examine distributional issues, since each term in the model is a variable between households within a country. Insofar as the distribution of streams of income and total financial resources is that of a bell-shaped curve (or a diamond, if viewed vertically), then both wealthy and poor retirees are minorities. From the perspective of the public purse, the cost of raising the income of people who are poor is limited. The total cash that can be raised by taxing wealthy retirees during their lives, on death or through exclusion from age-related concessions is also limited. The most important determinants of aggregate public expenditure on retirees come from policies directed at the bulk of older people who are neither wealthy nor poor.

Within the 15 member states of the European Union, differences in Gross Domestic Product per capita tend to be marginal. After an adjustment is made for Purchasing Power Parity, the difference between the lowest countries, Portugal and Greece, and the highest, Denmark, is of the order of 1.67 to 1, and between the EU average and the two poorest countries, 1.39 to 1. When cross-national comparisons are made, even more caveats apply to the projection of national means (or US dollar or euro means of income) onto older people. Moreover, the disproportionate number of rural dwellers in less well off EU countries have the advantage of drawing a cash income in circumstances where non-monetized resources (e.g. growing their own food and informal social networks) may be greater.

Each term in the model is a variable across European countries. National context influences the financial circumstances of older people due to variations in:

- a. The standard state pension's value in relation to earnings.
- b. Additional pensions from employment, occupation or personal initiative.
- c. Home-ownership, housing cooperatives, renting
- d. Past history of female labour force participation
- e. Tax regimes.
- f. Non-means tested and means-tested benefits in cash and kind.
- g. Effects of inflation on savings and the value of other household assets.

24 March 2004

Table 1 STREAMS OF INDIVIDUAL INCOME IN RETIREMENT

1.1. Standard social security pension

1.2. Employment-related pension from:

- a. Employer
- b. Occupation

1.3. Personal pension

1.4. Part-time or incidental earnings

1.5. Age-related non-means tested benefits in kind, e.g. travel, fuel, tax concessions, etc.

1.6. Income from savings and inheritances.

1.7. Imputed value of owner-occupation of house

Table 2 SAFETY NET STREAMS OF INCOME

Private:

- 2.1 Spending savings
- 2.2 Borrowing from friends and relatives
- 2.3 Intra-family transfers in cash or kind

Public, means-tested

- 2.4 Supplementary income benefit
- 2.4 Means-tested benefits in kind: housing, tax concessions,

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Table 3 STREAMS OF HOUSEHOLD INCOME IN RETIREMENT

Single OR double

3.1. Standard social security pension (s)

3.2. Employment-related pension from:

a. Employer(s)

b. Occupation(s)

3.3. Personal pension(s)

3.4. Part-time or incidental earnings

3.5. Non-means tested age-related benefits in kind, e.g. travel, fuel, tax concessions, etc.

3.6. Income from savings and inheritance(s)

Pooled

3.7 Imputed value of owner-occupation of house

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