

Active Ageing Index 2012 for 27 EU Member States

Developed by the Research Team at European Centre Vienna, in collaboration with the UNECE and the European Commission's DG Employment, Social Affairs and Inclusion
December 2012

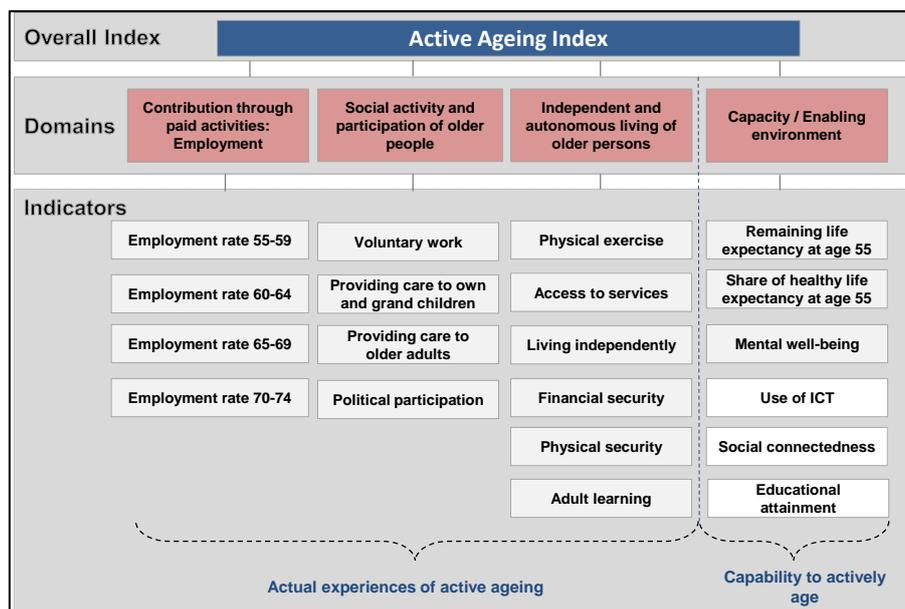
What is the active ageing index?

The Active Ageing Index (AAI) is a newly developed tool that offers national and European policy makers a way to measure the untapped potential of the older population.

The AAI makes use of a number of indicators, organised under four domains:

- (1) Employment of older workers;
- (2) Social activity and participation of older people;
- (3) Independent and autonomous living of older persons; and
- (4) Capacity and enabling environment for active ageing

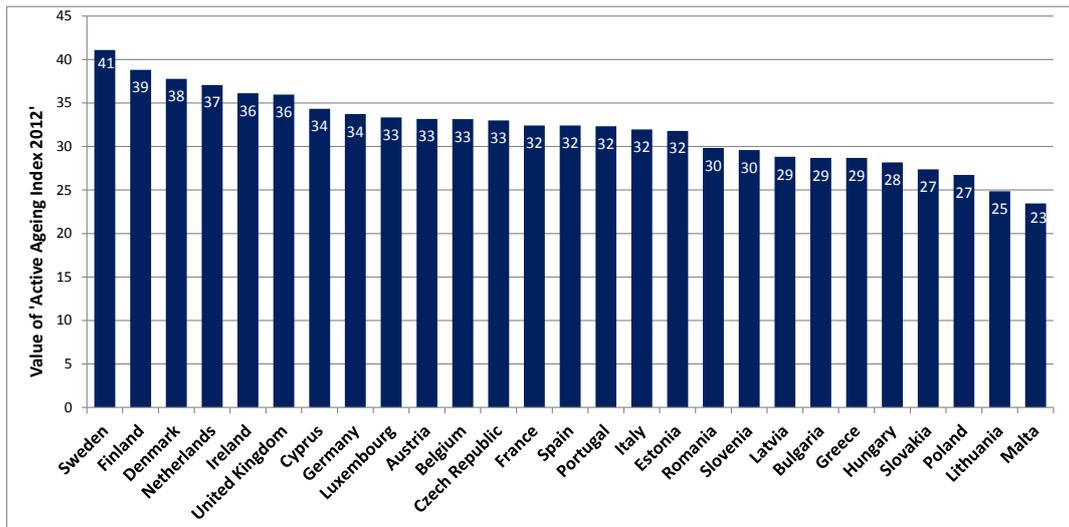
AAI shows the extent to which older people have and can increase their potential in relation to employment; healthy, independent and autonomous living; and to undertake other unpaid family, social and cultural contributions to the society in a given country and it also offers a breakdown of results by gender. In its design, the index follows the conceptual framework of the 2012 European Year for Active Ageing and Solidarity between Generations.



What does the AAI tell us?

Three countries that come at the top of the overall Active Ageing Index are Sweden, Finland and Denmark, followed by the Netherlands, Ireland and the United Kingdom (see Figure 1). In contrast, majority of the Central and Eastern European countries as well as Malta and Greece, are at the bottom and have scope for further improvements and policy actions to promote active ageing outcomes. Cyprus stands out as a country among the top ranked countries, alongside Germany and the UK.

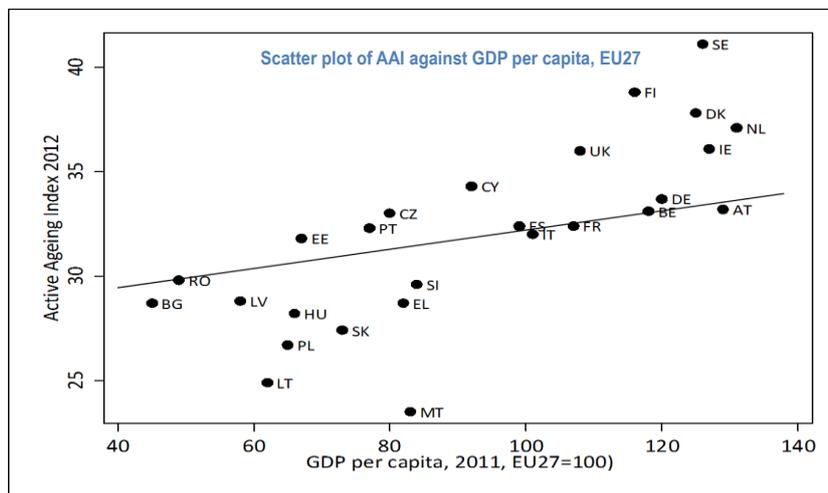
Figure 1: Differential untapped potential for active ageing across EU27 countries



The differences across 27 EU Member States can be explained by diverse outcomes in all the four domains of active ageing. The lower active ageing outcomes in many of the Central and Eastern European countries can be attributed to their lower scores in the domain of "capacity/enabling environment".

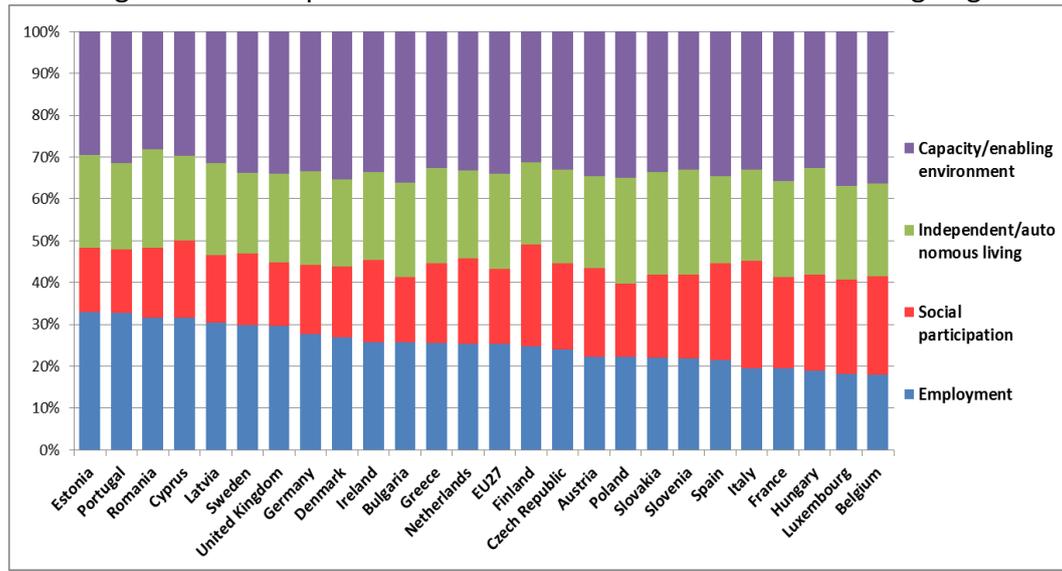
The numerical value of the index shows that even the top performing countries must aim for further improvements. Sweden, for example, falls short by almost 60% to the most desired status possible. The countries on the other end of the spectrum (e.g. Malta, Lithuania, Poland, Slovakia and Hungary) have a larger gap of in excess of 70%.

Figure 2: AAI ranking is in line with the aggregate measure of GDP per capita



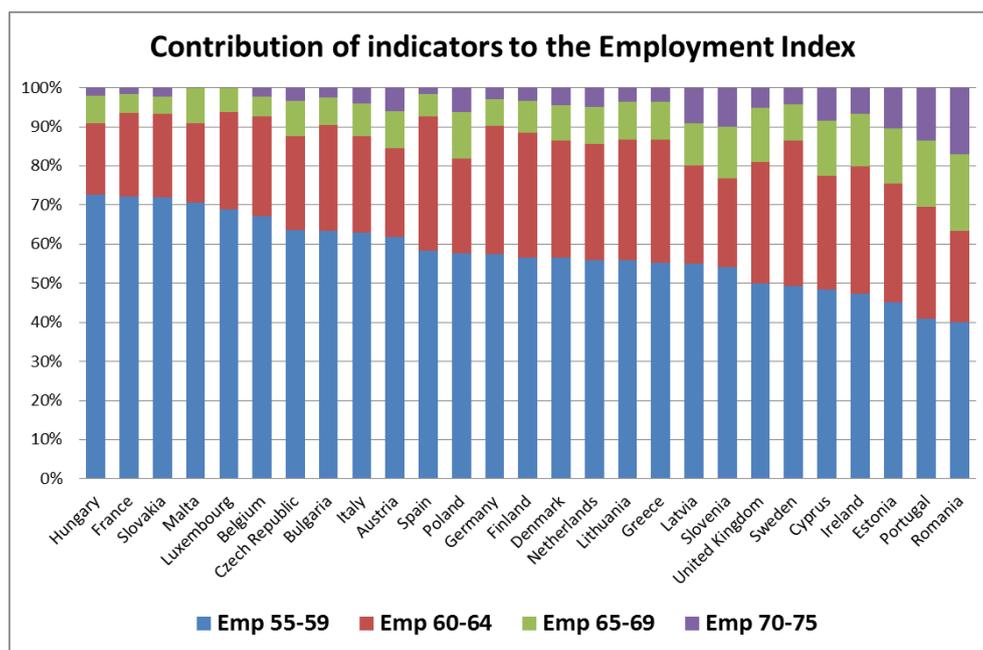
A high correlation of the AAI with per capita GDP shows that the EU Member States with relatively higher wealth and standards of living perform better in experiences of active ageing and in generating better capacity and enabling environment for active ageing (see Figure 2). There is no one-to-one relationship, however. It is therefore important to see how these differences may be explained by social policies and functioning of public institutions, and what lessons countries can draw from their comparative situation amongst the EU.

Figure 3: Decomposition of AAI across four domains of active ageing



Active ageing is a multidimensional concept, requiring various social policy actions and strategies. The decomposition of the AAI provides a picture of the relative importance of these domains across diverse group of EU countries. For example, Luxembourg, Belgium and France (among the Western European countries) and Bulgaria and Poland (among the Central and Eastern European Countries) perform relatively better in the capacity and enabling environment domain for active ageing. Cyprus and Portugal, and also Estonia and Bulgaria, stand out among the countries with the highest contribution from the employment domain, while France, Italy and Spain lag behind in the same domain (see Figure 3). France, Spain and Italy, on the other hand, do relatively better in the social participation domain, while Estonia, Portugal and the UK have some catching up to do in the same domain.

Figure 4: Decomposition of Employment domain to its constituting indicators



Further disaggregation of the index for the employment domain to its constituting indicators gives additional information about what specific policy actions are required and where countries can learn from experiences of other EU countries. For instance, Sweden and Germany offer good examples of higher employment rate for the age group 60-64 (see Figure 4), reflecting the better work incentives in pension systems in these countries in extending working careers. Romania and Portugal (and also Cyprus) show higher employment activity beyond the age of 65 (in the age group 65-69 and 70-74), and this may partly be due to low pension income outcomes in these countries.

Notable strengths of the Active Ageing Index 2012

- The Active Ageing Index helps to raise awareness of the contribution that older people make to society, and also encourage dialogue on issues of policy and research on active ageing and solidarity between generations.
- It is a comparative tool that could also be used to track progress over time and in evaluating outcome of policy reforms.
- The AAI will be available online and accessible to individuals for use and further extension. The use of this tool would therefore allow policy makers to set their own targets, adapted to the specific circumstances of their country.
- This AAI research undertaken during 2012 will help shape future research and policy agendas and influence how existing large-scale data-sets are developed to address the impact of population ageing by following the policy discourse of active ageing and solidarity between generations.
- Separate indices for men and women in the four domains highlights where most progress could be made in each country to reduce gender disparity in active ageing.

What next?

- The AAI will be available online and accessible to wider community of researchers and policy officials.
- The AAI coverage would be extended to UNECE member states not part of the EU27.
- An in-depth contextual analysis would be carried out to identify sources of cross-national differences in policies and strategies on active ageing across EU countries.
- Research would be undertaken to show linkage of active ageing to positive outcomes (e.g. how active ageing raise quality of life of individuals concerned? What impact of active ageing discourse on the financial sustainability of public welfare systems?)

Project Background

This jointly-managed research project was funded by the European Commission's Directorate General for Employment, Social Affairs and Inclusion together with the United Nations Economic Commission for Europe (UNECE). The research was undertaken by a large multidisciplinary research team based at European Centre Vienna, coordinated by Asghar Zaidi, Professor of International Social Policy at University of Southampton (UK) and Senior Economic Advisor at European Centre Vienna (AT). The project had been undertaken within the framework of the 10th anniversary of the 2nd World Assembly on Ageing, the 2nd cycle of review and appraisal of the implementation of MIPAA and its Regional Implementation Strategy and the European Year for Active Ageing and Solidarity between Generations.