The Ageing Caribbean
20 Years of the Madrid Plan of Action

Part 1

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Madrid era ageing policies are due to be renewed and updated

- National Policy for Senior Citizens 2021, Jamaica
- The 2023-2028 National Policy on Ageing: Making Healthy and Active Ageing a Reality for All (draft), Barbados
- Older Persons Law 2017, Cayman Islands
- Policies, strategies or laws in development in Bahamas, Saint Kitts and Nevis, Saint Lucia and Bermuda
The Caribbean has a diverse range of quasi-governmental and civil society organizations, and associations of retired persons, all advocates for older persons.
Selected objectives and actions from the MIPAA pertaining to economic security

- Ensure that all persons have adequate economic and social protection during old age
- Reduction of poverty among older persons
- Consider establishing where appropriate, a non-contributory pension system
- Ensure minimum income for older persons with no other means of support
- Gender equality in social protection/social security systems
- Enable older persons to continue working as long as they want to work and are able to do so
Non-contributory pensions fill the coverage gap providing an income to older persons not eligible for a contributory pension.
The average real value of contributory NI pensions is generally above the poverty line and increasing over time

(International dollars (PPP), 2021 prices, per month)
The real value of non-contributory pensions is generally below the poverty line and increases were not consistent

(International dollars (PPP), 2021 prices, per month)
Some national insurance pension schemes “flatten” gender (and other) inequalities

(International dollars (PPP), 2021 prices, per month)
Pension expenditure (as % of GDP) is increasing; spending on non-contributory pensions is low in most countries.
Public expenditure on pensions will increase, the challenge is to manage those increases

- There will need to be increases in pension contribution rates and taxation
- Increases to statutory retirement ages will be necessary (especially from 60 to 65) and adjustments to the rates at which benefits are accrued
- These reforms will make it possible to maintain and increase benefit levels
- Governments will need more older persons to remain economically active for longer (full or part time)
- Increases to statutory retirement ages are the most direct way to achieve this
Older persons shouldn’t be forced to work due to inadequate pensions, but should have the opportunity to do so

Promote:

▪ Increases to mandatory retirement ages
▪ Retirement planning
▪ Flexible retirement
▪ Life-long learning
▪ Occupational health and safety
▪ Vocational rehabilitation
▪ Positive attitudes to older workers
Key recommendations

- Consider revision of Madrid-era (2002) national policies on ageing
- Renew links between governments and organizations of older persons to increase older person’s participation in decision-making
- Ensure that non-contributory age pensions guarantee a minimum pension income to all older persons
- Progressively increase the level of non-contributory age pensions to provide an adequate standard of living
- Promote formalization of the informal economy through sector-specific interventions
- Regular and systematic cost-of-living (CPI) adjustments to pensions
- Implement NI reforms such as increases to pension contribution rates, adjustments to rates of benefit accrual and retirement ages
- Promote flexible retirement for formal sector workers and support for older persons working informally (without reducing pensions)
Thank you