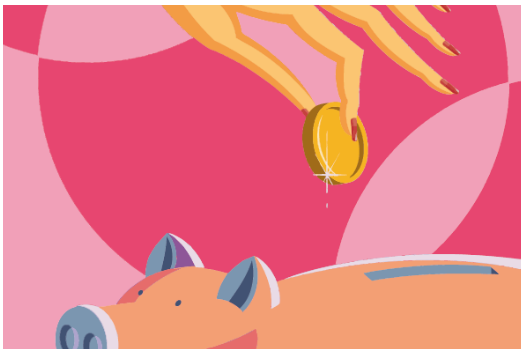


Pensions at a Glance 2013
OECD and G20 indicators

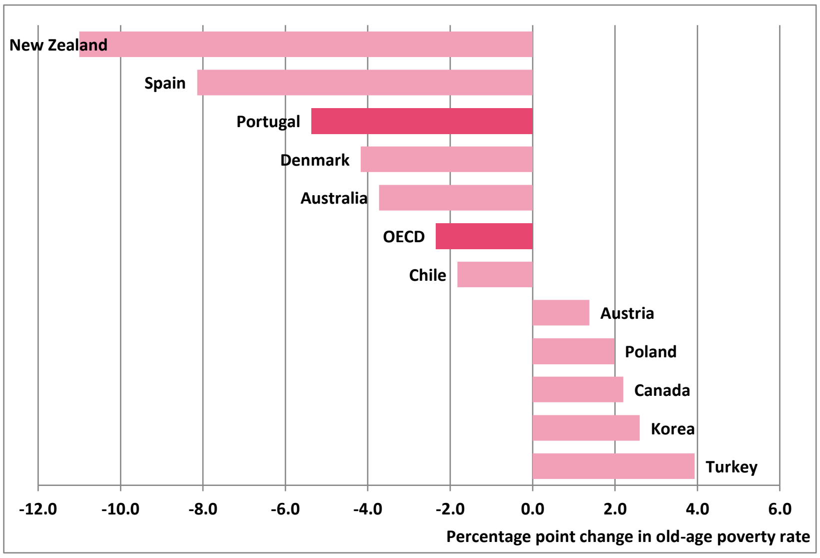
PORTUGAL

- **Old-age poverty decreased in Portugal in the final few years of the last decade by more than twice the OECD average.**
- **The effective age of labour market exit is high in Portugal in international comparison**

Old-age poverty in Portugal is below that of the general population. People aged over 65 in Portugal have, on average, an income equivalent to 90.8% of that of the total population, above the OECD average of 86.2%, and 10 percentage points higher than in 2007.

The elderly poverty rate in Portugal fell by 5.3 percentage points between 2007 and 2010 compared to a decline of 2.2percentage points for the population as a whole. One major reason for this disparity is that pensioners, and particularly those with lower income levels, were protected from the full impact of the financial and economic crisis. While the income of the population overall fell during the crisis, the position of pensioners improved in relative terms. With the cuts that have subsequently been introduced to the pension system higher poverty rates among the elderly could result in the future.

Changes in old-age income poverty rates 2007-2010



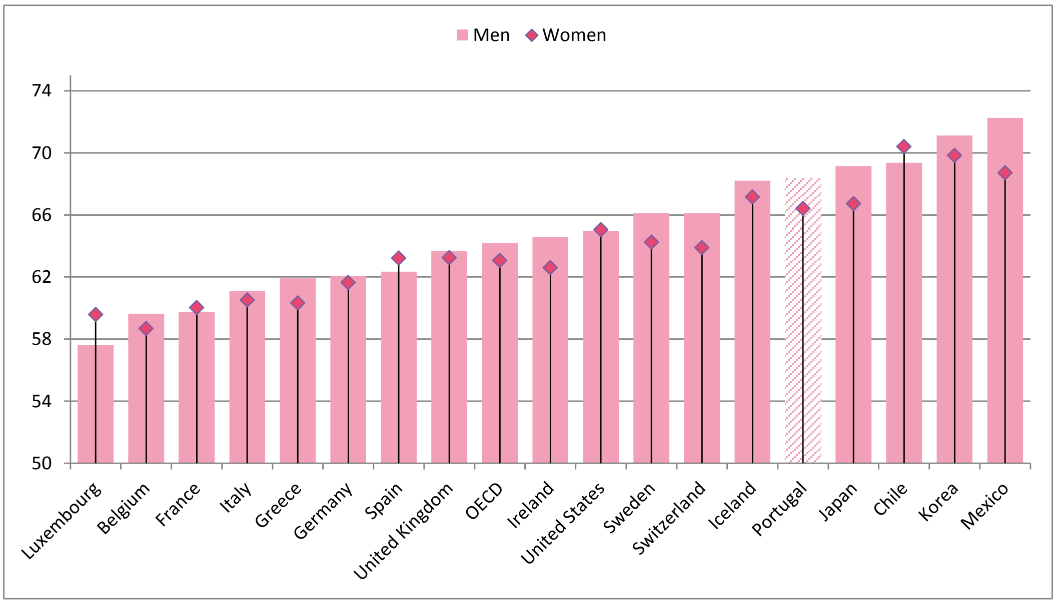
Source: OECD (2013), Pensions at a Glance 2013

Despite a current and projected pensionable age of 65 years for both men and women, the effective age of labour market exit is high in international comparison: 68.4 for men and 66.4 for women relative to 64.2 and 63.6 on average in the OECD.

Currently Portugal spends 12.5% of its GDP on public pensions, which is the fifth highest in the OECD. This percentage is set to increase to 13.1% by 2050. Because of low fertility rates and high life expectancy the population is ageing quickly in Portugal: there will be around 1.4 people of active age per retiree in 2060 compared to around 3.3 currently. This will have major implications for the future financing of pensions in Portugal.

Effectively longer working lives may help to improve the sustainability of the pensions system while, at the same time, ensuring retirement-incomes are more adequate.

Effective age of labour market exit



Source: Pensions at a Glance (2013)

Key indicators

		Portugal	OECD
Gross replacement rate	Average earner (%)	54.7	54.4
	Low earner (%)	67.5	71.0
Public spending on pensions	% GDP	12.3	7.8
Life expectancy	At birth	79.8	79.9
	At age 65	18.9	19.1
Population aged 65 and over	% of working-age population	30.1	25.5
Average earnings	EUR	15 700	32 400

Note: replacement rate is pension entitlement from all mandatory sources of retirement income relative to individual earnings. Calculations for a full-career worker entering the labour market in 2012. Low earner is assumed to earn 50% of the average.
Source: OECD (2013), Pensions at a Glance 2013: OECD and G20 indicators.

Notes to editors:

Pensions at a Glance 2013:
OECD and G20 indicators

Published 11.00am Paris time on 26 November 2013

The report includes pension indicators for the OECD member countries and G20 economies with 2012 pension rules and parameters. There are two special chapters on (i) distributional impact of reforms; (ii) future retirement income adequacy, the role of housing, financial wealth and publicly provided services.

363pp. ISBN 978-92-64-20392-1

OECD
2 rue André Pascal
Paris 75775 Cedex 16
France

For further information, please contact

OECD media relations	Spencer Wilson	spencer.wilson@oecd.org	+ 33 1 45 24 81 18
OECD Social Policy Division	Anna Cristina d'addio Andrew Reilly	Anna.daddio@oecd.org Andrew.reilly@oecd.org	+ 33 1 45 24 87 09 + 33 1 45 24 82 04

www.oecd.org/pensions/pensionsataglance.htm

BETTER POLICIES FOR BETTER LIVES