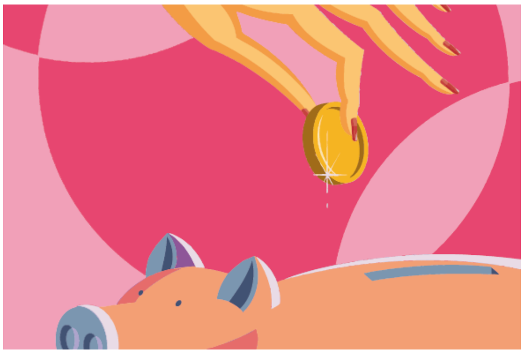


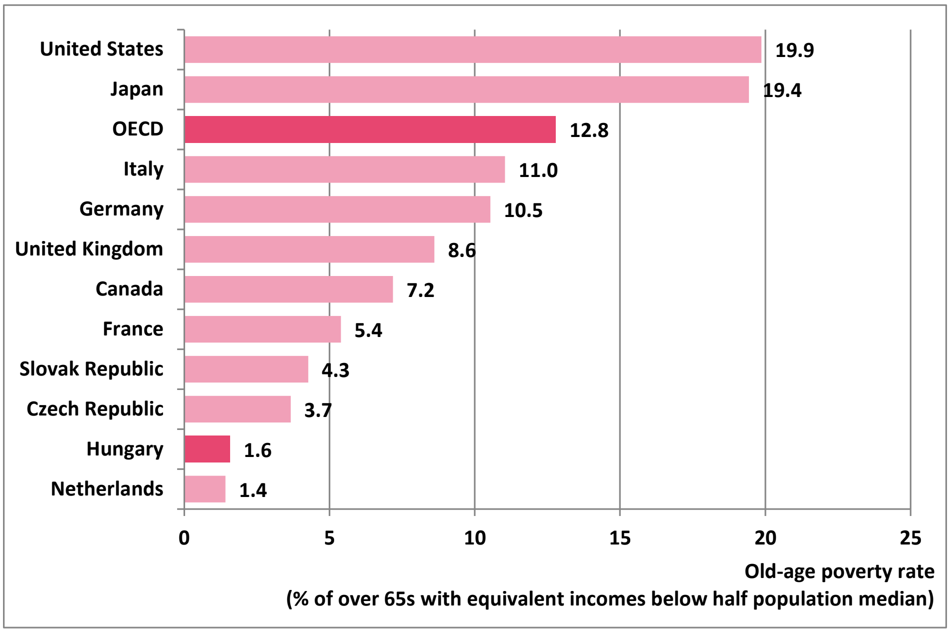
Pensions at a Glance 2013
OECD and G20 Indicators

HUNGARY

- **Poverty rates for the elderly are second lowest within the OECD.**
- **The elderly have the second highest level of home ownership among OECD countries.**

The level of elderly poverty is well below the population average. People aged 65 and over had, on average, an income equivalent to 90% of that of the total population in 2010, which is just above the OECD average of 86%. The relative income of the elderly increased by 6 percentage points from the mid-2000s levels, which contributed to reducing the poverty rate to 1.6% in 2010, second only to the Netherlands within the OECD and well below the OECD average of 12.8%. The overall population poverty rate in Hungary is much higher that of the elderly at 6.8%, but well below the OECD average of 11.3%. Low elderly poverty rates are the result of nearly full employment historically, with virtually every worker having been enrolled in a pension scheme since the mid-1970s. Current workers are enrolled in defined benefit schemes with high replacement rates for full careers, suggesting that pensioner poverty will not be an issue in the future if sufficient working histories can be achieved.

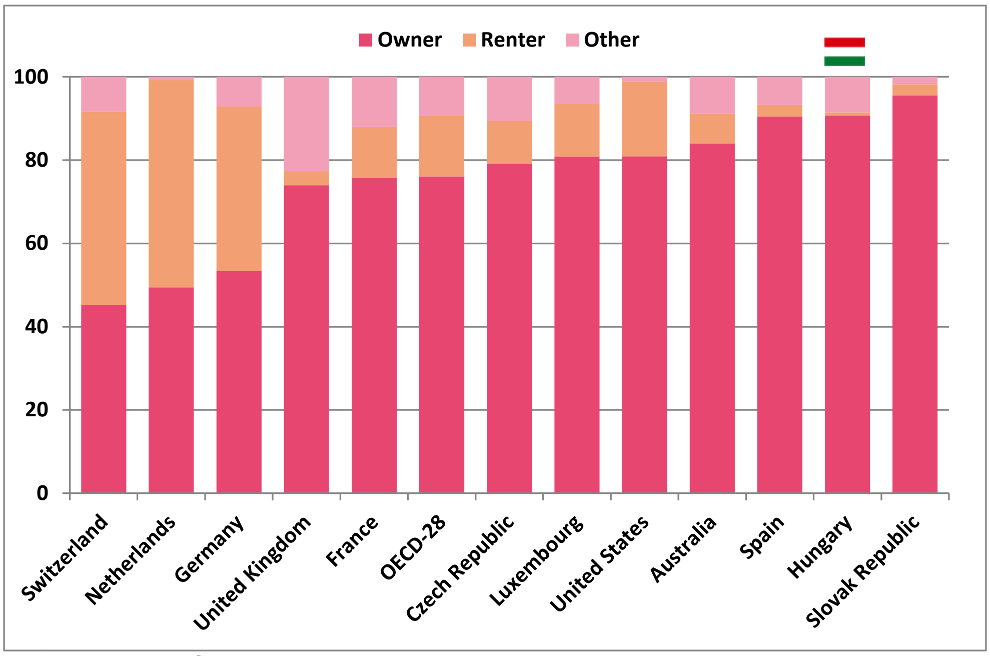
Old-age income poverty rates late 2000s



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

Levels of home ownership are very high across all age groups. Seventy- nine per cent of those aged 16 to 44 either own their home outright or are paying a mortgage. The figure is even higher for those aged over 65 at 92%, which is second only to the Slovak Republic across the OECD, and well above the average of 76%. For those aged over 65 who do not own their home less than 10% are living in rented accommodation where the rent is charged at the market rate, implying that, abstracting for imputed rents, the housing costs for the elderly are amongst the lowest in the OECD.

Housing tenure among the elderly, 2011



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

Key indicators

		Hungary	OECD
Gross replacement rate	Average earner (%)	73.6	54.4
	Low earner (%)	73.6	71.0
Public spending on pensions	% GDP	9.9	7.8
Life expectancy	At birth	74.5	79.9
	At age 65	16.1	19.1
Population aged 65	% of working-age population	27.2	25.5
Average earnings	HUF (million)	2.75	9.43

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

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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.

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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	Andrew Reilly	andrew.reilly@oecd.org	+ 33 1 45 24 82 04

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