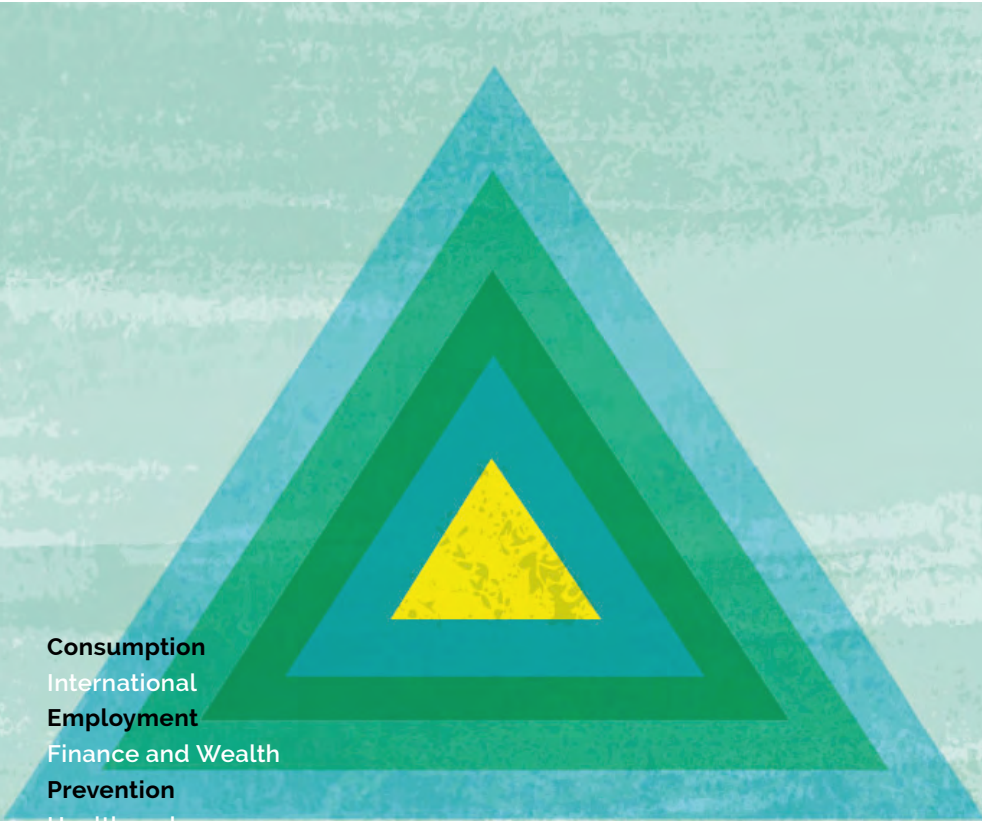


Health equals wealth

Maximising the longevity dividend in Portugal



- Consumption**
- International
- Employment**
- Finance and Wealth
- Prevention**
- Health and care
- Productivity**
- Costs**

Acknowledgements

This report has been generously supported by the Foreign, Commonwealth and Development Office, through the British Embassy in Lisbon.

We would like to thank all the participants in the expert roundtable event held in Lisbon in March 2023 and at the pre-launch event held at the Ambassador's Residence in Lisbon in November 2023. We are very grateful for their valuable insights and fruitful discussions on the challenges and opportunities of increased longevity in Portugal, which have informed this report.



British Embassy
Lisbon

Author: Vivien Burrows

Executive summary

Portugal has seen significant gains in life expectancy in recent decades, with people today living, on average, five years longer than they did 20 years ago. By 2040, half of Portugal's population will be aged 50 and over, and almost one in three will be aged 65 and over.

This increase in longevity brings many challenges: the decline in the working-age population is putting pressure on pension finances, and the demand for government spending in areas such as health and care is growing. But it also brings opportunities – for individuals, businesses, the government, and society.

Longer lives mean people can contribute for longer: through paid work, by providing informal care, looking after grandchildren, or volunteering. Older people are accounting for an increasing share of the consumer market, opening new opportunities for businesses. And the potential for nurturing multigenerational workplaces is creating new opportunities for learning and development, boosting skills and productivity, and strengthening the ties between generations.

The longevity dividend encompasses these social and economic benefits associated with longer lives – the fact that, as life expectancy increases, our potential to contribute as workers, carers, volunteers and consumers also increases. In Portugal, older people are increasingly working, earning, and supporting a growing share of the economy:

- People are working for longer: employment rates for people aged 50 to 64 have increased 11% in the last twenty years. 7 out of 10 adults in this age group are currently in work, which is above both the EU and OECD average.
- The labour force contribution of workers aged 65 to 69 remains high by European standards: roughly 20% of people in this age group are either in work or looking for work; this is almost twice the EU average.
- Workers aged 50 and over are becoming increasingly important to the economy, with more than one in three workers now in this age bracket, generating over 38% of total earnings: one of the highest rates in Europe.
- Almost a quarter of people who provide regular informal care are aged 65 and over, and Portugal has one of the highest rates of co-residential caregivers aged 50 and over in Europe.

- On average, people aged 65 and over spend 18 hours per week caring for grandchildren: the third highest level in Europe.
- While rates of volunteering among older people are lower than in other European countries, people aged 65 and over still spent nearly 54.7 million hours volunteering in 2018.
- Older consumers account for an increasing share of the consumer market: 35 cents out of every euro was spent by someone aged 60 or over in 2015, up from 29 cents in 2010, and above the European average for that year.

ILC's *Healthy Ageing and Prevention Index*¹ ranks 121 countries against six indicators: life span, health span, work span, income, environmental performance, and happiness. It provides a tool to benchmark best practice and acts as a spur to improvement. Portugal ranks 28th in the Index overall; it's ranked 21st for lifespan and 26th for environmental performance. However, along with the UK, it ranks lowest for work span (the expected number of years being economically active). Supporting longer working lives is essential if we are to reap the benefits of increased longevity.

Healthy Ageing and Prevention Index

Global rank	Country
1	Switzerland
2	Iceland
3	Norway
4	Sweden
5	Singapore
16	United Kingdom
28	Portugal

Older people's social and economic contributions are already significant, but there's scope to increase these further by taking action to support healthy ageing. Promoting active and healthy ageing has become an increasingly important policy priority around the world. Portugal's Council of Ministers recently approved the National Action Plan for Active and Healthy Ageing 2023-2026, a cornerstone for the healthy ageing agenda in Portugal.

To explore these issues, we held an expert roundtable event in Lisbon as part of the 4th UK-Portugal Healthy Ageing Forum in March 2023. This brought together experts from business, academia and the social sector to discuss the challenges and opportunities presented by demographic change in Portugal.

Informed by our expert roundtable discussions, and in conjunction with our own research and analysis, we've identified the following six areas for action to maximise the longevity dividend:

Investing in health and prevention: good health underpins all three pillars of the longevity dividend. It allows people to work and earn for longer, to contribute to society by providing informal care, looking after grandchildren or volunteering, and to contribute as consumers. And it's not just about investing in treatment, but also about investing in prevention. Government spending on health in Portugal is close to the EU average, but spending on preventative healthcare is among the lowest in the EU, at just 2% of total health expenditure. The ILC has been urging governments to spend at least 6% of their health budgets on preventative healthcare across the life course, and to ensure that this spending on prevention keeps pace with the projected growth in preventable ill-health as society ages. Increasing spending on prevention by just 0.1 percentage points is associated with a 9% increase in annual spending by people aged 60 and over, and 10 more hours of volunteering for each person aged 65 or over.

Providing funding and support for innovation: innovation can support active and healthy ageing, as well as supporting the long-term sustainability of health and social care systems. Technological and digital solutions are transforming health and care systems, reducing inefficiencies and waste, and ensuring timely and appropriate interventions. However, lack of funding and support for innovation was a recurring theme during the roundtable discussions, and the need for an 'investment fund for longevity' was raised. Our participants identified accessing funding for pilot projects as a particular challenge, as well as building the connections and partnerships necessary for pilot projects.

Investing in skills for care: the number of older people requiring long-term care around the world is projected to increase by 100 million between 2015 and 2030. But in many countries care is still underfunded and undervalued; there's a lack of investment in skills and training, for both formal/paid and informal/unpaid care, and no established paths for career progression in care. Participants in the roundtable highlighted that the care sector will need the skills and infrastructure to support the growing care needs of an ageing population in the future. There's a need to properly value care work, by providing suitable training, paying fairly, and having a well-defined path for career progression.

Government leadership and public policy: increased longevity brings many challenges for public policy. While governments can't do everything, a strategic and holistic approach to ageing is required. This calls for government leadership to tackle the public policy challenges raised by longer lives. These include ensuring the right financial incentives to work for longer, while supporting financial security in later life and supporting older people's unpaid contributions and moving away from siloed and fragmented systems in health and care, towards a more integrated system. Better integration of health and social care – for example by setting up a Department for Longevity – will help improve both the quality and affordability of care.

Supporting flexible work and skills development: work is a source of financial independence and security, as well as being important for our identity and sense of purpose. Longer lives mean we need to rethink work, learning and retirement. Providing more opportunities for flexible work can help people with long-term health conditions or disabilities to continue working, and make it easier for those who need to juggle work and care responsibilities to remain in work. Workplaces need to be designed and adapted to meet the needs of a changing workforce. Investing in lifelong learning and training is crucial to ensure that workers have the relevant skills to work for longer, and that employers can recruit the skills they need. Investing in lifelong learning and training opportunities can also help older workers get back into work. This will benefit workers of all ages and life stages.

Developing age-friendly communities (Cities for all Ages): supportive, resilient communities are one of the foundations of active and healthy ageing. Strong communities can help tackle loneliness and isolation, improve health, provide a support network, and help strengthen intergenerational bonds. Our roundtable discussions highlighted the lack of spaces to bring together people of different ages, as well as the need for more mixed communities in Portugal. Cities or communities designed for all ages can also help break stereotypes of older people, creating a more positive view of ageing. There has been a huge growth in initiatives and networks to promote age-friendly communities around the world, building on the World Health Organization's framework for age-friendly cities. Local authorities have an important role to play in driving these initiatives.

Contents

Acknowledgements	2
Executive summary	3
Contents	7
The changing demographic landscape in Portugal.....	8
Employment and income	12
The role of older workers in the Portuguese economy.....	12
The benefits of supporting longer working lives	18
Maximising these opportunities: supporting longer working lives.....	20
Unpaid contributions.....	24
The role of older people in caring and volunteering in Portugal.....	24
The benefits of supporting unpaid contributions	28
Maximising these opportunities: supporting unpaid contributions....	30
Consumption.....	33
The role of older people as consumers in Portugal.....	33
The benefits of supporting consumption in later life.....	37
Maximising these opportunities: supporting consumption in later life.....	39
Healthy ageing in Portugal.....	45
How can we maximise the longevity dividend?	52
Conclusion	61
Appendix	62
References	65

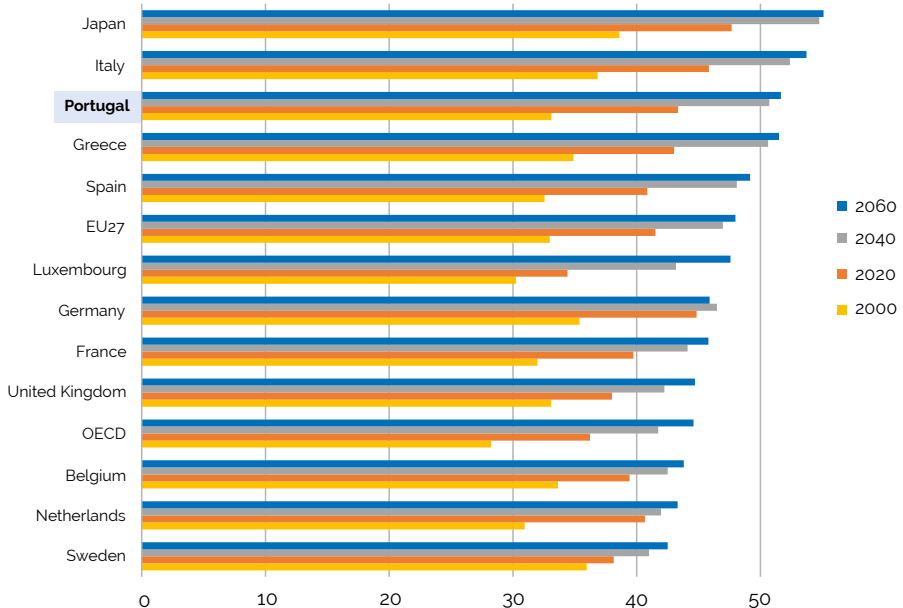
The changing demographic landscape in Portugal

Portugal has seen significant increases in longevity, and is one of the OECD countries with the most rapidly ageing population, alongside Japan, Korea, Italy and Greece.

Populations are ageing across the OECD, but this has been happening more rapidly in some countries than others. By 2040, half of the population in Portugal will be aged 50 and over (an increase from around 43% today); just under a third (31%) will be aged 65 and over. Across the OECD as a whole, 42% of the population will be aged 50 and over by 2040, and 23% will be aged 65 and over. These figures are similar for the UK (see Figures 1 and 2).

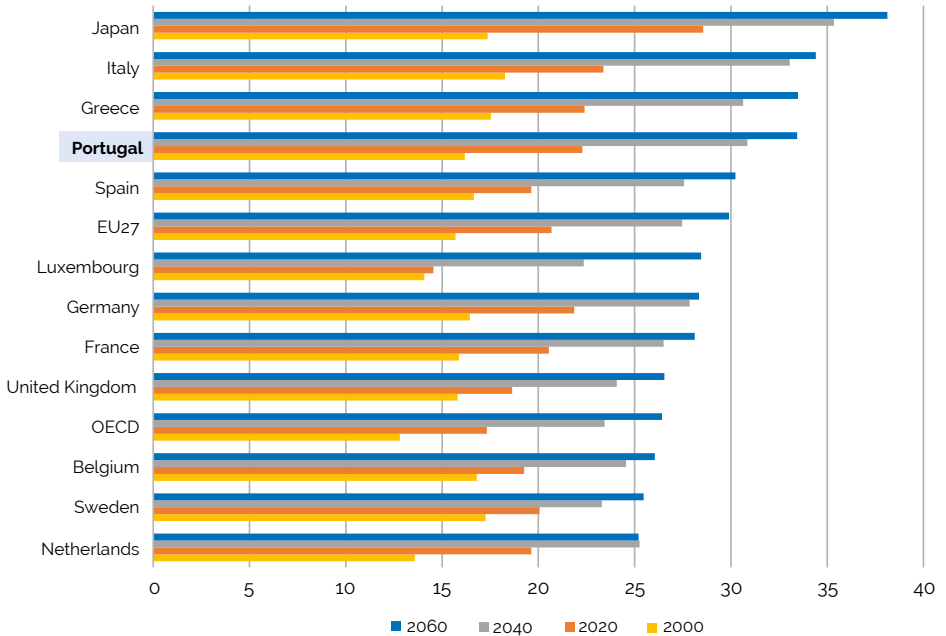
The rate of population ageing among the oldest age groups – people aged 80 and over – has been particularly dramatic. The proportion of the population of OECD countries aged 80 and over is projected to double on average between 2010 and 2040, rising from 3.8% to 7.8%. Ten years ago, roughly 1 in 20 people in Portugal were aged 80 and over. By 2040, that will have risen to 1 in 10.²

Figure 1: Estimated and projected shares of the population aged 50 and over (%)



Source: OECD (2023). *Historical population data and Population projections*. OECD.stat.

Figure 2: Estimated and projected shares of the population aged 65 and over (%)



Source: OECD (2023). *Historical population data and Population projections*. OECD.stat.

While life expectancy at birth in Portugal is higher than the EU average, birth rates have continued to fall.

These trends in population ageing have been largely driven by increases in life expectancy and falling fertility rates (the number of babies born to each woman). Between 2000 and 2021, the average life expectancy in Portugal increased by just under five years, from 76.8 to 81.5, having dipped temporarily to 81.1 in 2020 due to COVID-19.³ In 2021, life expectancy in Portugal was over a year higher than the EU average (Table 1). At the same time, fertility rates have been falling steadily, from 2.18 children per woman in 1980 to 1.4 in 2020.⁴

As in many other countries, there is a significant and persistent gender gap in life expectancy. In 2021, women in Portugal could expect to live on average almost 6 years longer than men (84.4 years for women versus 78.5 years for men).

Net migration to Portugal has been falling since 2019, but it remains positive, with over 27,000 more people entering the country than leaving in 2021.⁵ However the total population of the country is predicted to shrink, from 10.3 million today to 9.7 million in 2040.⁶

Table 1: Demographic context in 2021

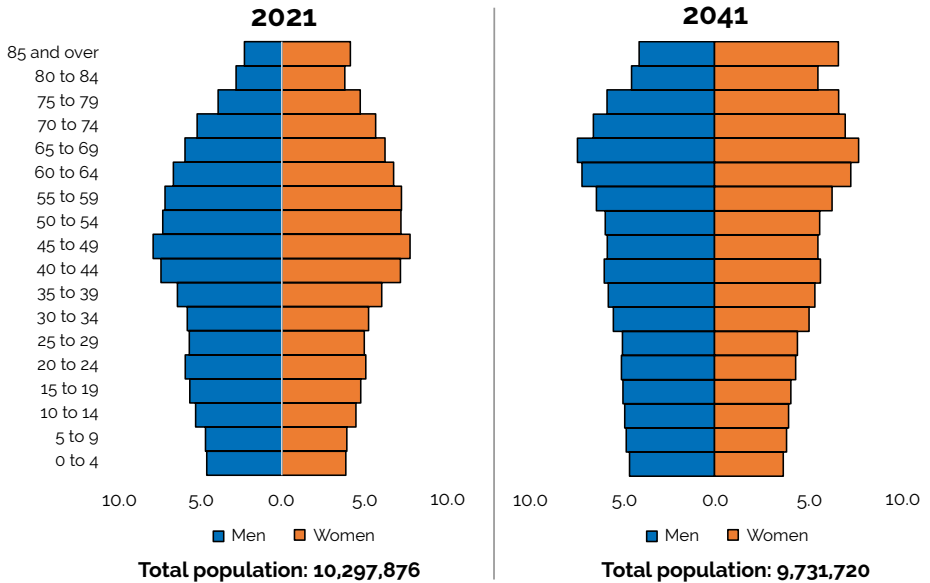
	Portugal	UK	EU27
Population	10,297,876	67,350,695	447,038,283
% of population aged over 65	22.55	18.83	20.97
Life expectancy	81.5 (average) 78.5 (men) 84.4 (women)	81.3 (average)* 79.5 (men) 83.1 (women)	80.1 (average) 77.2 (men) 82.9 (women)
Fertility rate	1.35	1.53	1.5

Source: Population figures from <https://data.oecd.org/pop/population.htm> and <https://data.oecd.org/pop/elderly-population.htm#indicator-chart>. Fertility rate data from <https://data.oecd.org/pop/fertility-rates.htm#indicator-chart>; EU average from *OECD Portugal Country Health Profile 2021* (data for 2019). Life expectancy data from Eurostat: https://ec.europa.eu/eurostat/databrowser/view/demo_mlexpec/default/table?lang=en; EU average is weighted. *Life expectancy data for UK from 2018.

Higher life expectancy and lower birth rates mean that the structure of the population in Portugal is changing, bringing both challenges and opportunities.

As we live longer, we will start to see a higher concentration of people in older age groups. This change is expected to be more pronounced for women, as they typically live longer than men (Figure 3). Increased longevity is something that affects the whole of society: today's 20 year-olds will be the next generation of 40-year-olds, while those in their 40s today will be the next generation of 60-year-olds.

Figure 3. Population pyramid for Portugal: 2021 and 2041



Source: OECD (2023). *Historical population data and Population projections*. OECD.stat.

Increased longevity inevitably brings challenges, putting pressure on the financing of pensions, healthcare, and long-term social care. But it also brings opportunities. The fact people are living longer is something that should be celebrated. It opens up opportunities to channel older people's extensive knowledge and skills into longer working lives, or into productive non-market activities, such as volunteering and caring, as well as to build and strengthen the bonds between generations. It also offers opportunities for businesses: to develop new products and services to meet the changing needs and aspirations of this growing market.

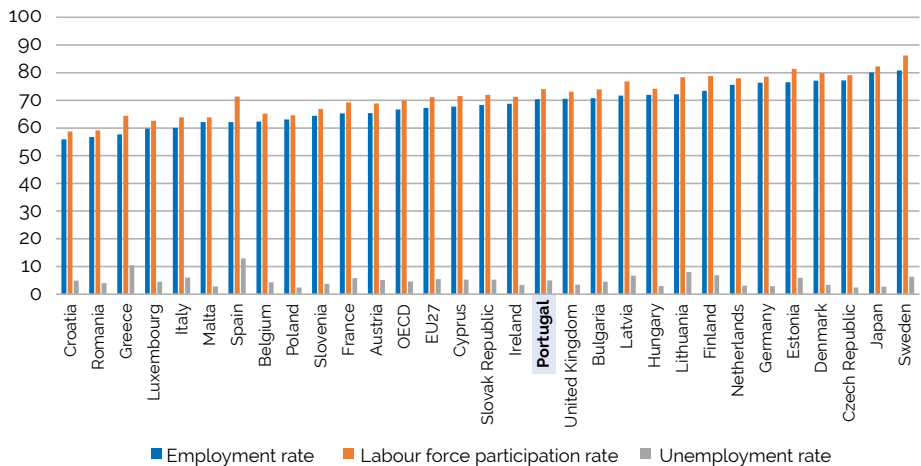
Employment and income

The role of older workers in the Portuguese economy

Labour force participation and employment rates among 50-to-64-year-olds in Portugal are above the EU and OECD average.

The labour force participation rate for people aged 50 to 64 in Portugal is 74%, which means that nearly three quarters of adults in this age group are either in work or actively looking for work (Figure 4). This is above the EU27 and OECD averages of 71% and 70% respectively. The majority of people in this age group are in employment (70%). Portugal's unemployment rate among this age group is close to the average for the EU27 and the OECD, at just under 5% (4.95%). This compares with an average of 4.6% for this age group across the OECD, and 5.4% for the EU27. However these unemployment figures won't reflect the potentially large number of discouraged workers^a, a figure which tends to be higher among older workers.⁷

Figure 4: Employment, labour force participation and unemployment rates for people aged 50-64 in 2021



Source: OECD (2023). *Labour Force Statistics by sex and age (data for 2021)*. OECD.Stat. <https://stats.oecd.org/index.aspx?lang=en#>.

^aDiscouraged workers are people who would like to work, but who are not actively looking for work because they believe there are no suitable jobs available for them. They are therefore not included in official unemployment statistics.

The contribution of older workers to the Portuguese economy has been increasing. Over the past 20 years, labour force participation and employment rates among people aged 50 to 64 have increased by 13 and 11 percentage points respectively, although unemployment rates for this age group have also increased (see Figure 28 in the Appendix). Increases in educational attainment have played a significant role in boosting labour market participation rates among older workers, both in Portugal and other advanced economies.⁸

The labour force contribution of workers aged 65 to 69 has fallen, but is still above the average for the EU27.

Labour force participation and employment rates among people aged 65 to 69 fell by roughly 8 percentage points between 2001 and 2021. This contrasts with a general upwards trend in most other EU countries (see Figure 29 in the Appendix). However, labour force participation and employment rates for this age group are still high compared to other European countries: roughly 20% of people aged 65 to 69 in Portugal are either in work or looking for work; this is almost twice the EU average (see Figure 5).

Employment falls as people get older, particularly as they approach the age of pension eligibility. The state pension age in Portugal was 66 years and 4 months for both men and women in 2023. The effective retirement age – or the average age at which workers leave the labour force – is slightly below the state pension age: in 2020, this was 64.9 years for men and 63.3 years for women.⁹ With an average net pension replacement rate^b of 90%, the financial incentives for working past retirement age are likely to be low for the majority of older people in Portugal.¹⁰

Although labour force participation rates and employment rates among older workers in Portugal were generally above the average for the EU27 and OECD countries, there was still a 53 percentage point gap in labour force participation rates for people aged 50 to 64 compared to those aged 65 to 69. This compares with a gap of just 30 percentage points for between those age groups in Japan.

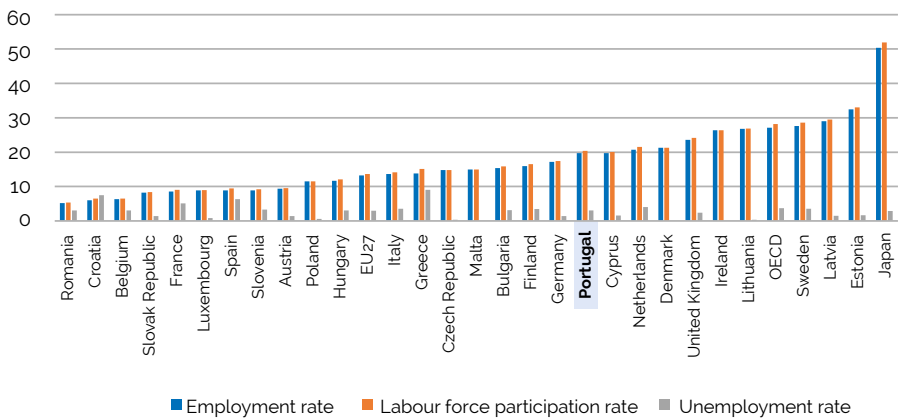
The unemployment rate among 65 to 69 year-olds in Portugal is 3%, which is close to the EU27 average for this age group. This suggests the majority of people in this age group who want to work, are working,

^bNet pension replacement rates provide a measure of average disposable incomes in retirement in comparison to incomes when working.

although this ignores discouraged workers and those who may need to work but are unable to due to ill health.

The employment and labour force participation rates for people aged 65 to 69 in Portugal are higher than those in Greece and Italy, countries facing similar challenges in terms of ageing populations. However they're significantly lower than the rates in Japan, which are close to 50%. This suggests there may be lessons to learn from Japan that could encourage longer working lives, especially post-retirement age.

Figure 5: Employment, labour force participation and unemployment rates for people aged 65 to 69 in 2021



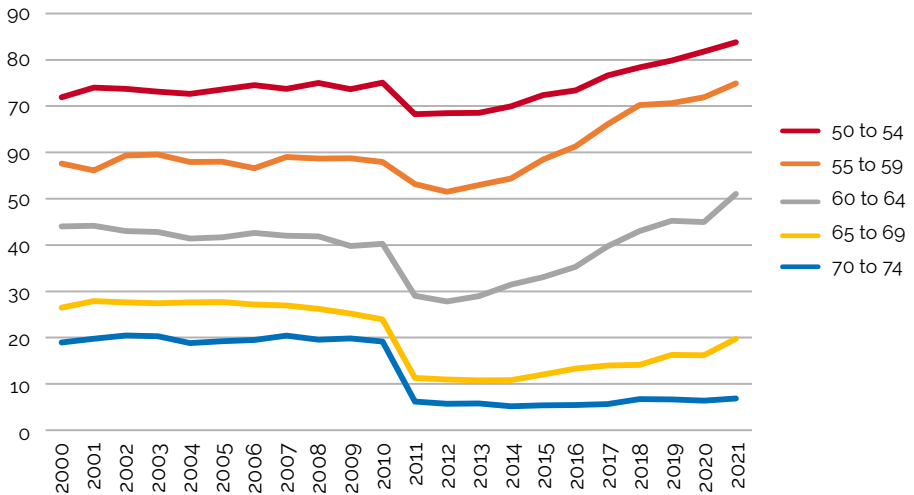
Source: OECD (2023). *Labour Force Statistics by sex and age (data for 2021)*. OECD.Stat. <https://stats.oecd.org/index.aspx?lang=en#>.

Overall, there has been a marked increase in people working in later life in Portugal.

There's quite a lot of variation in employment rates among the 50+ age group. Employment rates are currently highest among 50 to 54 year-olds (over 80%), but rates among 55 to 59 year-olds have been catching up (see Figure 6).^c

^cThere was a break in the series in 2011 (https://www.oecd.org/els/emp/LFSNOTES_SOURCES.pdf). This was also the year in which structural adjustment policies were introduced, as part of Portugal's economic adjustment programme following the financial crisis.

Figure 6: Evolution of employment rates by age sub-group in Portugal

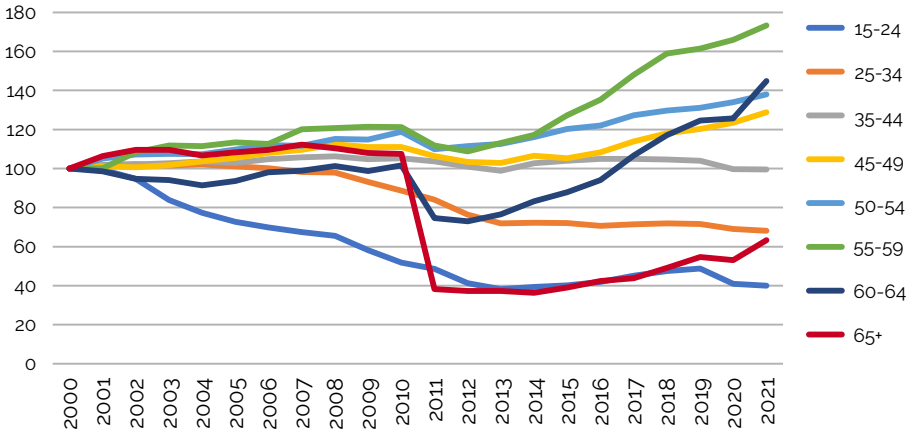


Source: OECD (2023). *Labour Force Statistics by sex and age*. OECD.Stat. <https://stats.oecd.org/index.aspx?lang=en#>.

Workers aged 50 and over are becoming increasingly important for the Portuguese economy, with over one in three workers now in this age bracket.

Trends in the employment rate, combined with a rapidly ageing population, mean older workers make up an increasing proportion of the Portuguese workforce. In the last 20 years, while the number of workers in younger age groups has continued to fall, the number of workers aged 50 and over has been increasing (Figure 7). The fastest increase has been among the 55 to 59 age group. Across the EU as a whole, the fastest increase has been among workers aged 60 to 64, followed by those aged 55 to 59 (see Figure 30 in the Appendix).

Figure 7: Change in the number of workers by age in Portugal (Index 2000 = 100)

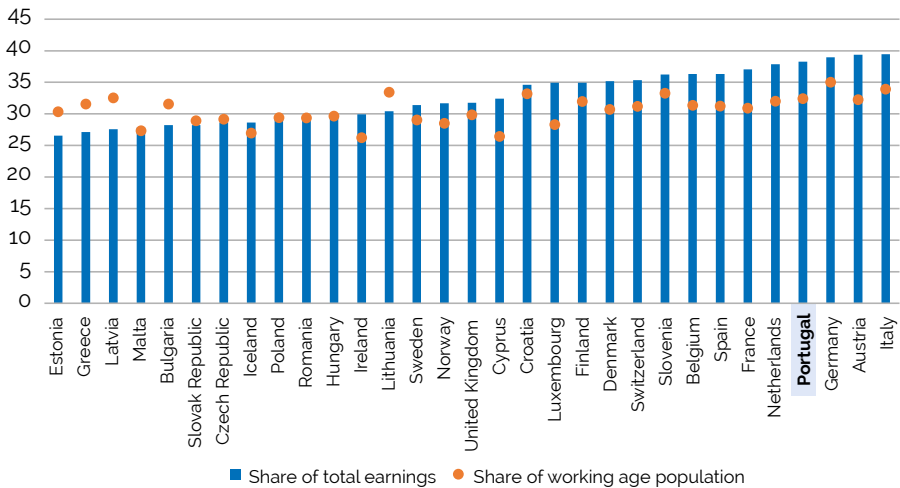


Source: OECD (2023). *Labour Force Statistics by sex and age*. OECD.Stat. <https://stats.oecd.org/index.aspx?lang=en#>.

The earnings of people aged 50 to 64 in Portugal accounted for 38% of total earnings in 2018, one of the highest rates in Europe.

The share of total earnings going towards people aged 50 and over has been increasing in Portugal since 2004, highlighting the growing contribution these workers are making to the economy.¹¹ As older workers make up a growing share of the workforce, the importance of their incomes to the economy grows. In 2018, people aged 50 to 64 accounted for 32% of the working age population in Portugal, and received 38% of total earnings (see Figure 8). This is only slightly below the 39% of total earnings earned by people over 50 in Germany, Austria and Italy. These are gross earnings, and therefore do not take into account the impact of taxes and transfers.

Figure 8: Share of total earnings going to 50 to 64 year-olds and their share of the population (2018)



Source: Data on earnings from Eurostat's *Structure of Earnings Survey* (mean annual earnings, 2018). Historical Population data for 2018 from OECD.Stat: <https://stats.oecd.org/Index.aspx?DataSetCode=HISTPOP#>.

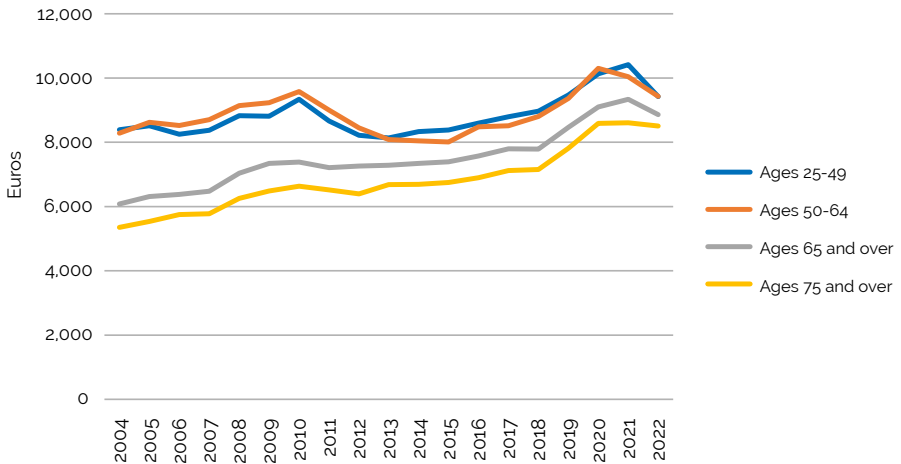
Median incomes for older people have been increasing, but significant inequalities remain.

Median real incomes of people aged 50 to 64 have been increasing since the mid-2010s. And while the median incomes for people aged 65 and over, and 75 and over, are below those of younger age groups, they've also seen substantial increases in the last ten years (see Figure 9).

However, these figures mask significant differences between individuals. The median annual income for women aged 65 and over in Portugal in 2022 was almost 8% lower than the median income for men in the same age group (€10,360, compared with €11,223 for men).¹² Old-age income inequality in Portugal is higher than for the population as a whole, although it has been falling.¹³

Income poverty rates for people aged 65 and over are lower than for the population as a whole (9% versus 10.4%), having fallen in the last 20 years.¹⁴ However, they are higher among older age groups: poverty rates for those aged over 75 are 10.2%, compared with 8% for those aged between 65 and 75. Old-age poverty rates are also much higher among women (10.5%) than men (7%).¹⁵

Figure 9: Evolution of annual median income by age



Source: Eurostat (2021). *Structure of earnings survey: annual earnings* [EARN_SES_ ANNUAL_custom_7444639].

Note: Annual median equivalised net income in euros (real). Base year 2010. Age group '65 and over' includes those aged 75 and over.

The benefits of supporting longer working lives

Longer working lives could increase GDP per capita by 2050 by an average of 19% across the OECD if employment rates of older workers were to match those in Iceland and New Zealand.¹⁶

One of the major challenges of rapid population ageing is the risk of labour shortages due to the reduction in size of the working-age population. Supporting longer working lives can help mitigate this risk, while also helping to offset age-related fiscal costs by generating additional income for the government and reducing pension spending.

Supporting longer working lives brings many benefits to individuals and businesses, including:

Boosting consumption and saving: longer working lives can increase people's spending power and support consumption in later life, particularly in the context of cuts to state pensions. In Portugal, the gross pension replacement rate at retirement - which measures the average value of the pension received as a share of average gross earnings at retirement - is projected to fall from 81.1% of pre-retirement

earnings in 2030 to 43.5% by 2050.¹⁷ By working for longer, individuals will be able to maintain their working incomes for longer, enabling them to spend more. Longer working lives also mean people will be able to save more towards their retirement, supporting their wellbeing in later life.

Creating job opportunities: concerns about higher employment among older workers contributing to unemployment among younger workers are misplaced. Research suggests that in fact younger and older workers act as complements in the labour market - increases in the employment of older people lead to increases in youth employment and decreases in youth unemployment.¹⁸ This is because increased spending by older people creates more job opportunities.

Increasing productivity: there is evidence that age-diverse (or multigenerational) workforces may be more productive.¹⁹ Hiring 10% more workers aged 50 and over than the average can boost firm productivity by 1.1%.²⁰ These productivity gains are driven by higher productivity among older workers on average, and by the way that workers of different ages complement each other's skills due to knowledge and experience spillovers. As a further benefit to everyone in the workforce, more productive firms pay higher wages.²¹

Improving retention: older workers are more likely to stay with the same company for longer, helping to provide stability and facilitating the integration of newer employees through their company-specific know-how and experience.²² This was a point acknowledged in the roundtable discussions:

“Recruitment and retention is often an issue at work, companies have difficulty retaining workers, so they're looking for more older workers” Roundtable participant

Supporting health: working in later life can also have benefits for physical and mental health. Work is a source of economic independence and security. But, as highlighted in our roundtable discussions, work is about more than just an income – it matters for our identity and sense of purpose. And leaving work can have an impact on mental health:

“Work for money, but also need a meaningful occupation”
Roundtable participant

“...often when men stop work, then all of a sudden they have no sense of purpose” Roundtable participant

However, the impact of work on health depends on the type of work – poor quality work, that’s physically demanding, high-stress or lacks meaning, can have a negative impact on health.²³

Strengthening intergenerational bonds: longer working lives can also help strengthen the ties between generations. By bringing together workers of different ages in the same environment to share their knowledge, skills and experiences, multigenerational workplaces can create new opportunities for learning and development, for example through mentoring, coaching and reverse mentoring.²⁴

Maximising these opportunities: supporting longer working lives

Older workers already make a significant contribution to the Portuguese economy, but these benefits could be increased further by addressing some of the barriers around health, workplace environments, working practices and negative attitudes that prevent people from staying in the labour market for longer. We can address these barriers and maximise the opportunities of longer working lives by:

Providing flexible work opportunities: this can help people with long-term health conditions or disabilities continue working, while also making it easier for people who need to juggle work and care responsibilities to remain in work.²⁵ Older workers are more likely to work fewer hours than they would like,²⁶ while flexible working may enable those who want to increase their hours to do so. Flexible work includes working part-time, as well as flexible start and finish times, working compressed hours (e.g. working an extra hour each day for a day off every other week), the option to work from home, and phased retirement opportunities. The latter allow employees to change their job role or work hours as they approach the state pension age, rather than switching directly from full-time work to full-time retirement.²⁷

Adapting workplaces to poor health: workplaces should be designed to meet the changing needs of workers. People with long-term health conditions or disabilities can often continue to work if the right support is put in place.²⁸

Investing in health: poor health is a significant barrier to longer working lives. Good health has a positive impact on employment and labour force participation, particularly among older people;²⁹ those who are well educated and in good health are more likely to work past retirement age.³⁰ Investing in prevention is particularly important. Rates of employment among older people are higher in countries that spend more on health as a proportion of GDP, and in which more people aged 65 and over report good health, aren't limited in daily activities, and are vaccinated against the flu.³¹

Investing in lifelong learning and retraining: developments in technology and automation are leading to rapid changes in the nature of work. Investing in lifelong learning is crucial to ensure workers have the skills they need to work for longer, and employers can recruit the skills they need. Evidence also suggests older workers appreciate challenging work that provides them with opportunities to learn and develop their competencies.³² According to the OECD's International Assessment of Adult Competencies skills survey (PIAAC), only 41% of adults participate in job-related training in any given year, while older and lower-skilled workers are less likely to receive training.³³ In the roundtable discussion, digital skills were highlighted as one important area for skills development among older people, but the need to be mindful of making assumptions was also noted:

“...[we] need to understand older people's skills...there are false perceptions, i.e. older people don't use IT” Roundtable participant

Investing in lifelong learning and training opportunities can also help older workers get back into work. This is particularly important given workers aged 45 to 59 are the least likely to return to work after becoming unemployed,³⁴ and that time spent unemployed is longer for older workers, with the chances of finding a job being lower.³⁵ The difficulty getting back into work after becoming unemployed or being out of work for a while, and the need for more support, for example with mentors, was also noted in the roundtable discussions.

Tackling age discrimination: older workers still face age discrimination in the workplace. A European survey found that 62% of people in Portugal stated that a person's age (being either too young or too old) could put them at a disadvantage in hiring decisions, and 63% believed that not enough is being done to promote age diversity (for older people) in the workplace.³⁶ We must tackle age discrimination

and ageist attitudes in the workplace and promote age diversity. It's also important to eliminate age discrimination in recruitment and hiring processes, for example by age-proofing the wording and images used in advertisements and job descriptions. Using application forms rather than traditional CVs can also be beneficial, by asking for the knowledge and experience relevant to the competencies required for a role, rather than taking information chronologically.³⁷

Ensuring the right financial incentives to work for longer:

employment rates at older ages tend to be higher in countries that offer strong financial incentives to continue working for longer.³⁸ Providing more employment flexibility, by allowing people who work past the state pension age to draw down flexibly on their pensions, can encourage longer working lives. Across the EU, nearly two-thirds of people say they would prefer to combine a part-time job with a partial pension rather than retiring fully, but few people do this in practice.³⁹ In Portugal, even though combining work and pensions receipt is possible, less than 1% of men and 1.5% of women aged 60 to 69 do so.⁴⁰ The pension system should also be designed to incentivise and reward later retirement, and include penalties for early retirement. However, this must be combined with robust social protections to minimise the risk of pushing more older people into poverty.

In adopting policies to support longer working lives, it is important to keep in mind the trade-offs between the paid and unpaid contributions of older people – encouraging people to work longer may lead to a reduction in time spent providing informal care or looking after grandchildren.

Supporting longer working lives: what's being done?

The wide variation in employment rates of older people across countries suggests country-specific measures can have a significant impact on employment outcomes in later life. Some examples of specific policies and initiatives include:

- **Financial incentives for longer working lives:** pension reforms in Portugal introduced an automatic adjustment mechanism, linking increases in the state pension age to improvements in life expectancy.⁴¹ There are incentives for retiring later, and early retirement is discouraged via a penalty linked to increases in life

expectancy; in 2023, this penalty was 13.8%.⁴² For workers with longer careers, who have worked and contributed into the state pension for more than 40 years, the pension age is reduced.⁴³ In Hungary, people over the state pension age who combine work and a pension have been exempt from paying pension contributions since 2020.⁴⁴ In Australia, the government provides companies with subsidies of up to A\$10,000 to hire workers aged 50 and over, as well as a Skills and Training incentive of up to A\$2,200 to fund retraining and skills development.⁴⁵

- **Providing flexible work opportunities:** in the UK, all employees have the legal right to request flexible working and employers are required to give these requests due consideration.⁴⁶ The American R&D company Mitre Corporation introduced a novel 'Reserves at the Ready' programme several years ago, designed to bring retirees back to work on a part-time, on-call basis, to provide mentoring to younger colleagues, thereby ensuring the transfer of invaluable company-specific knowledge and technical expertise.⁴⁷
- **Supporting lifelong learning:** the UK Government has recently expanded its mid-life MOT programme, which provides a framework to help workers assess their health, skills and finances.⁴⁸ The Government also provides resources for employers to support mid-life MOTs in the workplace. The Portuguese in'Transitus project⁴⁹ aims to support people who have lost the stability provided by a job, supporting personal and professional transitions, and developing new life maps.
- **Making workplaces more inclusive:** in 2001, Norway introduced an Inclusive Workplace Agreement, which encouraged companies to develop more age-friendly policies and take steps to retain older workers.⁵⁰
- **Tackling age discrimination:** the Portuguese Parliament recently approved a Senior Citizens' Rights Charter (*Carta dos Direitos da Cidadania Senior*), which aims to support the rights and fundamental freedoms of people aged 65 and over, and will help combat ageist attitudes.

Unpaid contributions

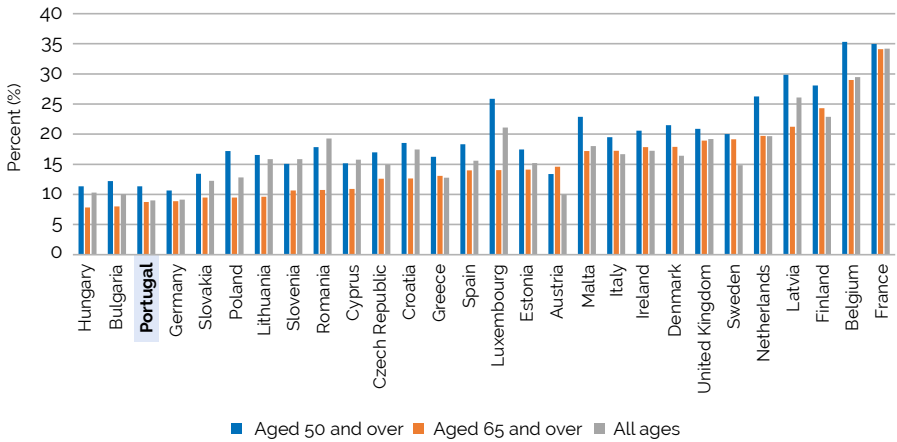
The role of older people in caring and volunteering in Portugal

Almost a quarter of people who provide regular informal care in Portugal are aged 65 and over.

According to data from the Instituto Nacional de Estatística (Statistics Portugal), in 2019 over 1 million people aged 15 and over provided some form of informal care at least once a week, and just under 241,000 of these were aged 65 and over.⁵¹ People aged 65 and over were also more likely than other age groups to provide ten or more hours of care per week.⁵²

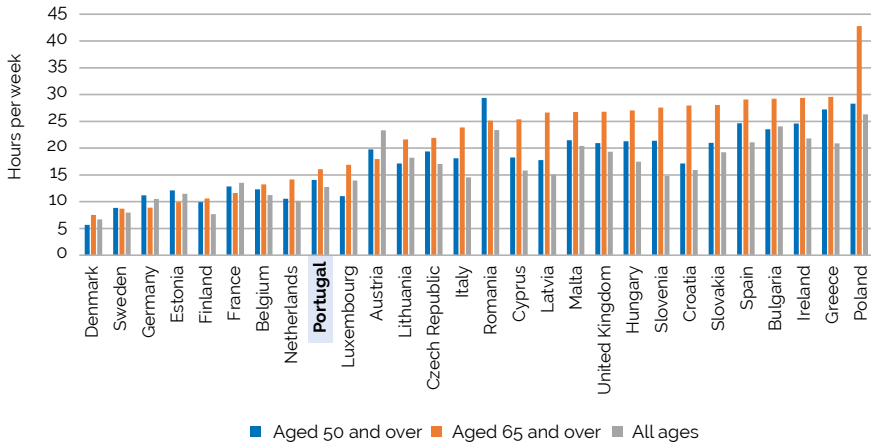
Compared to other European countries, the proportion of older people providing informal care for relatives or friends at least once a week in Portugal is below average. In 2016, 11% of people aged 50 and over, and 9% of people aged 65 and over, provided informal care at least once a week. This is far below the rates of informal care seen in France or Belgium (Figure 10). However, the average number of hours of informal care per week provided by older people in Portugal is higher: those aged 50 and over are spending an average of 14 hours per week providing informal care, whereas for people aged 65 and over this figure is 16 hours per week (Figure 11). And when it comes to providing informal care inside the household, studies have found that Portugal has one of the highest rates of co-residential caregivers aged 50 and over in Europe.⁵³

Figure 10: Proportion of people providing care for relatives or friends at least once a week (2016)



Source: European Quality of Life Survey (2016).

Figure 11: Average hours spent providing informal care to relatives or friends, per week (2016)



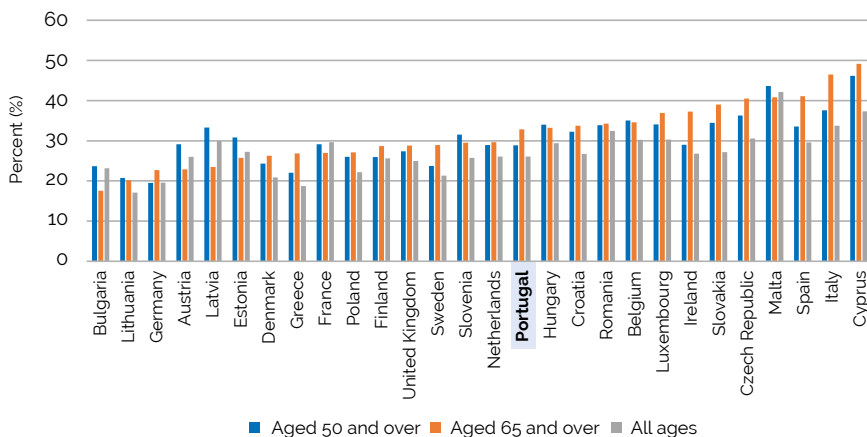
Source: European Quality of Life Survey (2016).

A third of people aged 65 and over in Portugal care for their grandchildren at least once a week.

Alongside their role as informal carers, older people also play an important role looking after grandchildren. A third of those aged 65

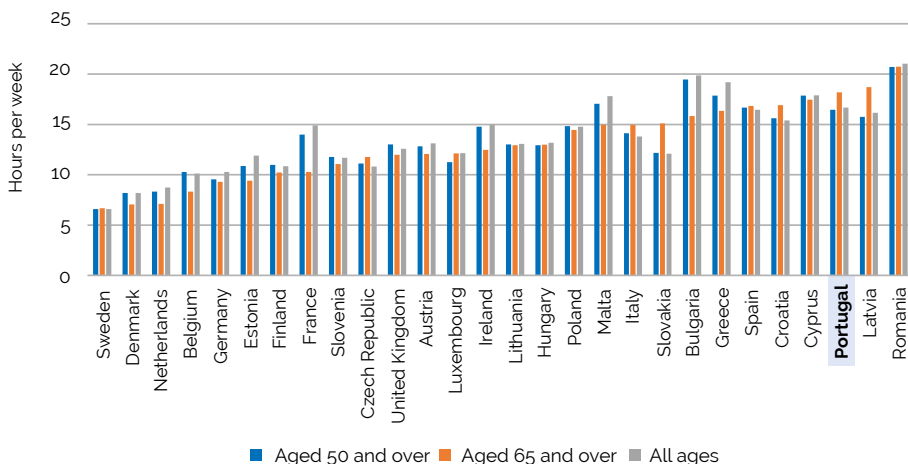
and over in Portugal look after their grandchildren at least once a week (see Figure 12). On average, people aged 65 and over spend 18 hours per week caring for grandchildren, the third highest level in Europe (see Figure 13).

Figure 12: Proportion of people caring for grandchildren at least once a week (2016)



Source: European Quality of Life Survey (2016).

Figure 13: Average hours spent caring for grandchildren, per week (2016)

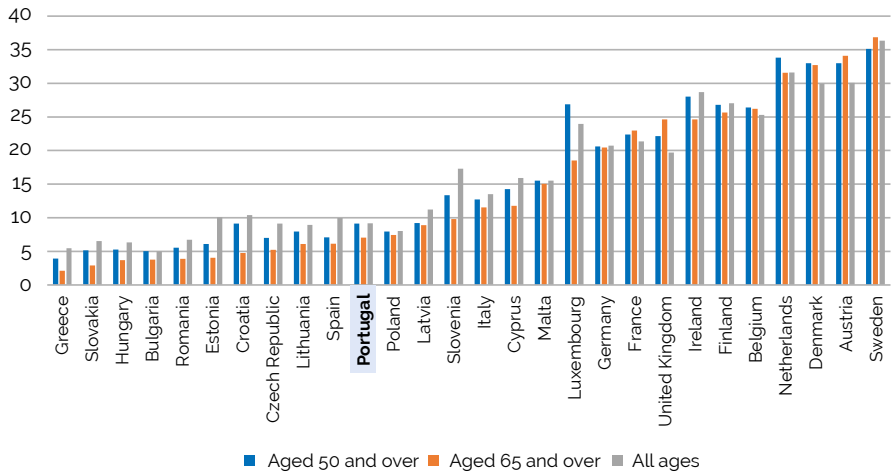


Source: European Quality of Life Survey (2016).

Rates of volunteering in Portugal tend to be lower among older age groups, but people aged 65 and over still spent nearly 54.7 million hours volunteering in 2018.

Rates of volunteering in Portugal are not as high as in other European countries. Just over 9% of people aged 50 and over take part in some form of volunteering activity at least once a month and this figure is close to the rate of volunteering across the population as a whole (see Figure 14). Among people aged 65 and over, the rates are slightly lower, at 7%. In contrast, in Sweden, the Netherlands, Denmark and Austria, more than 30% of people aged 50 and over volunteer at least once a month.

Figure 14: Volunteering participation rates across Europe (2016)



Source: European Quality of Life Survey (2016).

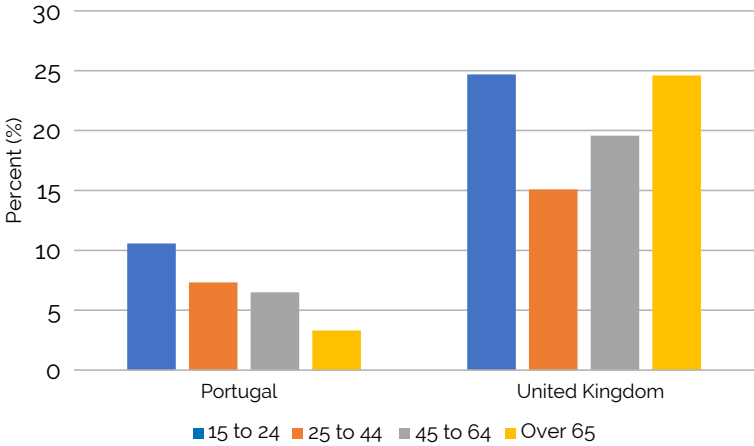
Note: Question asks whether respondents participate in volunteering at least once a month.

More recent data from Statistics Portugal shows that, in 2018, just under 570,000 people aged 15 and over took part in formal voluntary work at least once a month, a volunteering rate of 6.4%.⁵⁴ Volunteering participation rates in Portugal tend to be higher among younger people, with over 10% of people aged 15 to 24 participating in voluntary activities at least once a month, compared to 6.5% of people aged 45 to 64, and 3.3% of people aged 65 and over (see Figure 15). This is a pattern seen in several, but not all, European countries – in Sweden, Austria, Denmark and the UK, volunteering participation rates tend to be higher among people aged 65 and over (see Figures 14 and 15).

These differences in volunteering participation rates may be driven by factors such as poor health, lack of suitable opportunities, or lack of awareness of the opportunities available. But competing demands on peoples' time are also likely to be important, in particular informal care responsibilities and looking after grandchildren that play a big role in Portugal.

And in Portugal, while people aged 65 and over are less likely to volunteer than their younger counterparts, those that do spend more time doing so. This age group spent close to 54.7 million hours engaged in voluntary work in 2018 (or 21% of total hours volunteered), compared with 34.9 million hours for people aged 15 to 24 (13% of total hours volunteered).⁵⁵

Figure 15: Volunteering participation rates by age: Portugal and the UK



Source: Data on formal volunteering in Portugal from the *Instituto Nacional de Estatística* (Statistics Portugal) *Volunteering Survey* (2018). Data for the UK from the *European Quality of Life Survey* (2016). Note: UK data for the youngest cohort starts at age 18. Question asks whether respondents participate in formal volunteering at least once a month.

The benefits of supporting unpaid contributions

The average economic value of all unpaid contributions by people aged 50 and over has been estimated at around \$19 billion, or 1.4% of GDP, across the European members of the G20.⁵⁶

The estimated value of unpaid contributions by people aged 65 and over was also significant, averaging around 0.7% of GDP across the European countries in the G20 in 2010.⁵⁷

Unpaid contributions help strengthen communities, build intergenerational bonds, and support the formal economy, while also having a positive impact on older people's quality of life. And these activities account for a significant share of older people's economic contributions.⁵⁸

Although rates of volunteering in Portugal are low relative to many European countries, people aged 15 and over contributed a total of 263.7 million hours of unpaid voluntary work in 2018.⁵⁹ This amounted to 2.9% of the total hours worked that year, with an estimated economic value between 0.4% and 0.8% of GDP.⁶⁰

The number of older people requiring long-term care around the world is projected to increase by 100 million between 2015 and 2030.⁶¹ In Portugal, family is still the leading channel of care provision.⁶² The need to properly value unpaid care work was a recurring theme in our roundtable discussions. In the words of one participant:

“...the importance and value of unpaid care... the question is how might we revalue or value these contributions (...) and push the status of care workers to a much higher level” Roundtable participant

The benefits of volunteering for older people include improvements to physical health and wellbeing, fostering social connections and boosting self-worth.⁶³ Volunteering can offer a source of purpose, identity and community, replacing some of the relationships lost through retirement.⁶⁴ Volunteering can also provide a space through which to tackle ageist attitudes.⁶⁵

Volunteering among older people is associated with better self-reported health, reduced symptoms of depression, fewer functional limitations, and lower mortality.⁶⁶ Grandparenting has also been associated with a positive impact on health and wellbeing, although this depends on the intensity of the support provided by the grandparents.⁶⁷ And improved health outcomes will mean lower future healthcare costs, for individuals and governments.

These unpaid contributions may also help reduce government spending by reducing the need for formal care. The role older people play in caring for their grandchildren or providing informal care to relatives or friends is one that would otherwise have to be provided by the state, private or social sector organisations.

Taking older people's unpaid contributions into account is therefore vital if we want a more accurate picture of their contribution to the economy and society. Ignoring these contributions means we risk understating the economic contributions they make and overstating the economic costs of ageing.⁶⁸

Maximising these opportunities: supporting unpaid contributions

Poor health is a significant barrier, limiting older people's ability to provide informal care, look after grandchildren or take part in voluntary work; but these activities can also contribute to poor health.

The relationship between health and different types of unpaid contributions isn't clear cut. While good physical health is positively associated with volunteering among older people,⁶⁹ establishing whether this is because volunteering contributes to good health, or because healthy people are more likely to volunteer, is difficult in practice.

Nevertheless, studies have found that poor health, in particular worsening health conditions, such as mobility limitations and depression, reduces the likelihood of participating in voluntary work,⁷⁰ while chronic conditions are found not to have an impact.⁷¹ Perhaps unsurprisingly, common health shocks such as heart attacks, strokes, and the onset of cancer have a negative impact on older adult's unpaid contributions.⁷² Poor health has also been found to have an impact on other unpaid contributions, for example by limiting the ability to care for grandchildren.⁷³

Older people in Portugal already play an important role providing informal care, looking after grandchildren, and through volunteering. But these benefits could be increased by addressing some of the barriers they face, including:

Investing in health: older people spend more time volunteering in countries that spend more on health and preventative health as a share of GDP, and where more people aged 65 and over report good health.⁷⁴ Time spent providing informal care and looking after grandchildren is higher in countries with better health, where people aged 65 and over aren't limited in daily activities.⁷⁵

Providing flexible working opportunities: flexible work practices, such as working part-time, flexibility over start and finish times, or working from home, make it easier for people who need to juggle work and care

responsibilities to remain in work.⁷⁶ In some cases carers may need to take extended periods of unpaid leave; in these cases, having the option of returning to their old jobs can facilitate the transition from full-time care back into paid employment.

Investing in support for unpaid carers: providing financial support to carers is important, particularly given that many will have had to reduce their work hours, or even stop working altogether, to provide care. This support may include subsidies, tax breaks, or support to save for retirement. But support for unpaid carers should also involve training and support for their health and wellbeing. Care work is often both physically and emotionally demanding, and has been found to have a negative impact on the psychological health of the caregiver, which will have a negative impact on their physical health.⁷⁷ In Portugal, providing informal care inside the home has been found to be associated with a higher prevalence of depressive symptoms, lower quality of life, and worse physical health.⁷⁸ These unpaid contributions can be a route to healthy ageing, but we need to be mindful of possible negative impacts on health and ensure mechanisms are in place to minimise these. Supporting innovations in care can also help lessen the burden of providing informal care. The skills of unpaid carers should be formally recognised.

Providing support for grandparents: caring intensively for grandchildren – for example, when grandparents provide full-time care, or are co-parenting – can also have a negative impact on health, and is associated with isolation and financial hardship.⁷⁹ Financial support for grandparents may help support retirement incomes, while providing recognition for these contributions. Flexible working practices and allowances for grandparental leave may further support grandparents who are still working.

Promoting inclusive volunteering opportunities: levels of volunteering tend to be higher in countries with high employment rates, and widespread provision of formal long-term care services and defamiliarization, where family caring responsibilities are diminished by public or private care provision. However, different types of welfare system also contribute to differences in the extent of volunteering.⁸⁰

At the individual level, factors that prevent older people from volunteering include: poverty; lack of awareness of volunteering opportunities; lack of skills or transport; time constraints; and other caring responsibilities.⁸¹ It's therefore important to remove these

barriers to participation, to support volunteering at all ages. Employee volunteer programmes may provide a route for introducing older workers to voluntary activities.⁸²

Supporting older people's unpaid contributions: what's being done?

Policies and initiatives to support unpaid contributions, whether through volunteering, informal care or grandparenting, include:

- **Investing in support for unpaid carers:** in Italy, the government provides a fixed monthly benefit to the families of people aged over 65 who require care, regardless of income.⁸³ People providing at least 35 hours of care per week in the UK are entitled to the Carer's Allowance benefit.⁸⁴ Carers in the UK also have the right to request flexible working, and are entitled to an assessment of their support needs to consider what assistance they may need. This could include training in how to lift people safely, putting carers in touch with local support groups, or providing support with certain costs.⁸⁵ The Portuguese Parliament approved a new formal status for carers in September 2019, which established a set of rights for informal carers, including the right to receive training and to respite periods. It also supported the measures they were already entitled to, including counselling, follow-up, capacity-building and training in caring skills.⁸⁶
- **Supporting skills development for unpaid carers:** the Centre for Skills for Active Ageing (*Centro de Competências de Envelhecimento Ativo* (CCEA)) was set up in Portugal earlier this year, with the aim of helping healthcare professionals as well as formal and informal care providers develop the skills to promote active ageing, and promoting preventative healthcare.
- **Providing support for grandparents:** in Portugal, grandparents are entitled to a financial allowance for caring for a grandchild if the mother is 16 or younger, and they live in the same house. Grandparents can also take up to 30 days grandparental leave a year and receive a financial allowance to help care for a sick child.⁸⁷ In the UK, grandparents caring for a grandchild under 12 can claim National Insurance credits towards their state pension.⁸⁸

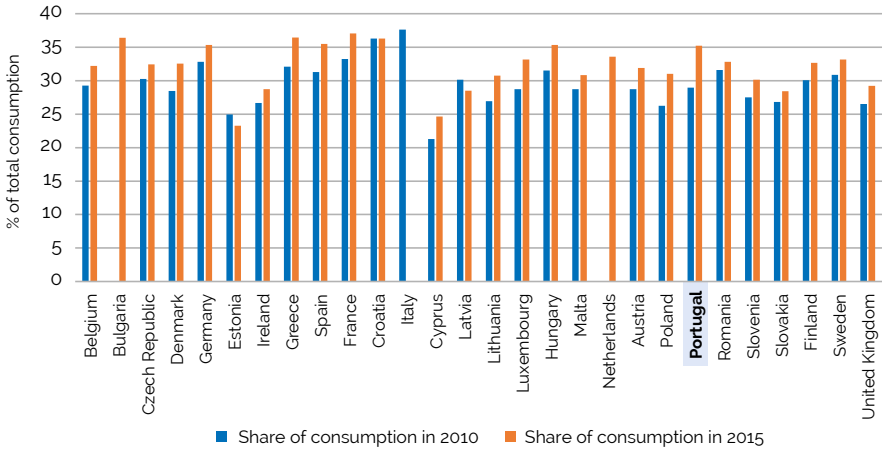
Consumption

The role of older people as consumers in Portugal

Older consumers represent an increasing share of the consumer market. The share of total consumption by households aged 60 and over increased from 29% in 2010 to 35% in 2015.

As older people make up a growing share of the population, their share of the consumer market is also increasing. In 2015, 35 cents out of every euro spent in Portugal was spent by someone aged 60 or over (see Figure 16). This is only likely to increase further, as the proportion of older people continues to increase, and they continue to work and earn for longer.

Figure 16: Share of total consumption by households aged 60 and over (2010 and 2015)



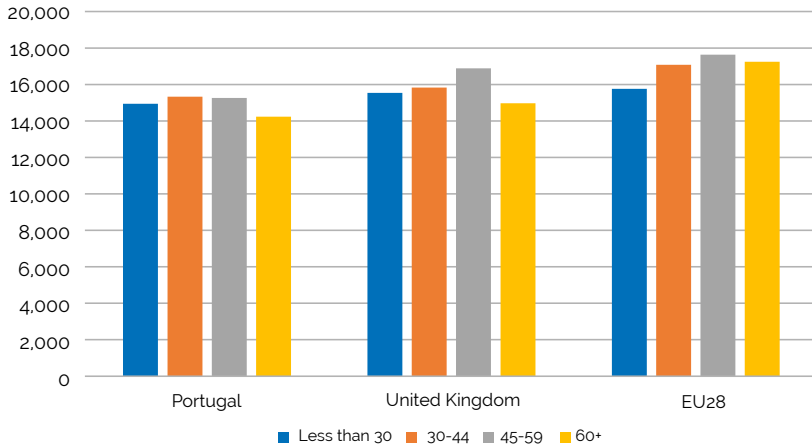
Source: Eurostat (2023). *Mean consumption expenditure by age of the reference person; Distribution of households by age of the reference person - experimental statistics.*

Note: Information not available for Bulgaria and the Netherlands in 2010, or for Italy in 2015.

In Portugal, the average annual spending by people aged 60 and over was around 7% lower than annual spending by people aged 45 to 59.

This is less pronounced than the difference in spending in the UK, where people aged 60 and over spend 11% less than those aged 45 to 59, but higher than the average difference of 2% across the EU (see Figure 17). This decrease in spending as we age is part of a common trend observed across countries, known as the 'retirement-consumption puzzle'.⁸⁹

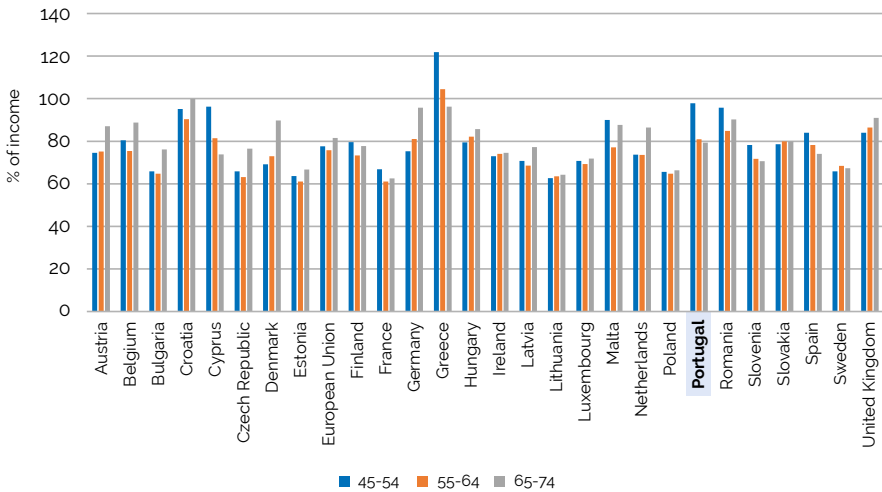
Figure 17: Average annual consumption expenditure by age, 2015 (equivalised, PPS)



Source: Eurostat (2023). *Mean consumption expenditure by age of the reference person.*

This fall in spending as we get older is not entirely driven by a drop in income, as spending as a share of income also tends to fall. In Portugal in 2015, households aged 45 to 54 spent close to their entire income, on average, whereas households aged 55 and over were saving roughly 20% of their income on average. But for those aged 55 to 64 and 65 to 74, spending as a share of income is roughly the same, suggesting that if spending among people aged 65 and over falls, this may be due in part to a fall in their incomes. In the UK, on the other hand, older people tend to spend a larger share of their income than younger age groups (see Figure 18).

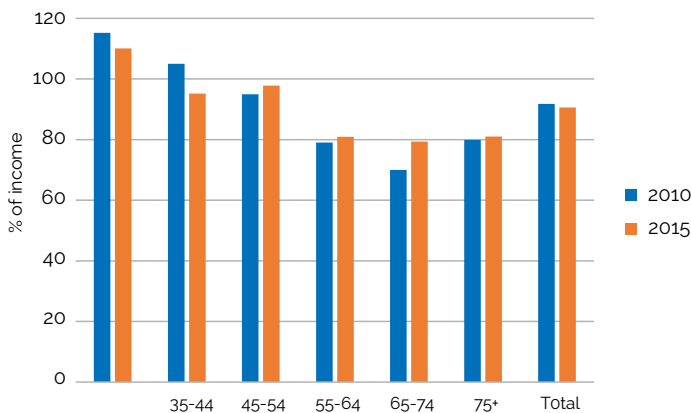
Figure 18: Average annual consumption as a share of income, by age (2015)



Eurostat (2022). *Aggregate propensity to consume by age of the reference person.*

However, average spending as a proportion of income has been increasing among older households in Portugal. Households aged between 65 and 74 spent on average almost 10 percentage points more of their income in 2015 than in 2010 (see Figure 19). This increase in spending brings potential additional benefits to the economy, although it may also be a sign of financial stress for some households.

Figure 19: Average annual consumption as a share of income by age (2010 and 2015) (Portugal)



Eurostat (2022). *Aggregate propensity to consume by age of the reference person.*

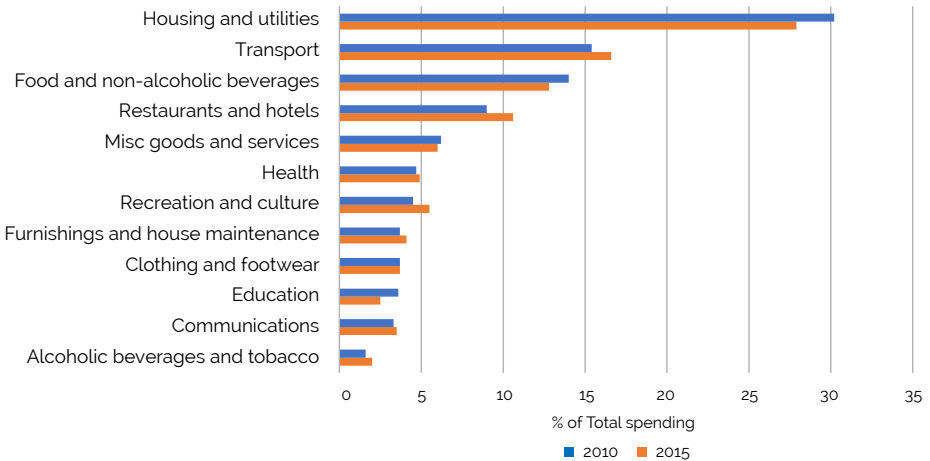
The largest spending categories among Portuguese households aged 45 to 59 are: housing and utilities; transport; and food. And spending in these areas has tended to increase.

Between 2010 and 2015, spending on food and non-alcoholic beverages grew by 9%, while spending on housing and utilities grew by just over 8%. Spending on education grew by 30% during this period, although this reflects a small proportion of household budgets and may indicate increased spending on the education of children in the household (see Figure 20).

Spending on restaurants and hotels, recreation and cultural activities, and furnishings and house maintenance account for a relatively small proportion of household budgets. Spending in these areas also fell between 2010 and 2015, accounting for 9%, 4.5% and 3.7% of total spending respectively in 2015 (see Figure 20).

In contrast, in the UK, the main areas where spending by older consumers has been growing are: recreation and culture; transport; household goods and services; food and restaurants; and hotels.⁹⁰ This is in line with trends across the rest of the EU, which has seen rises in spending on food, household goods and services, recreation and culture, and health among older consumers.⁹¹

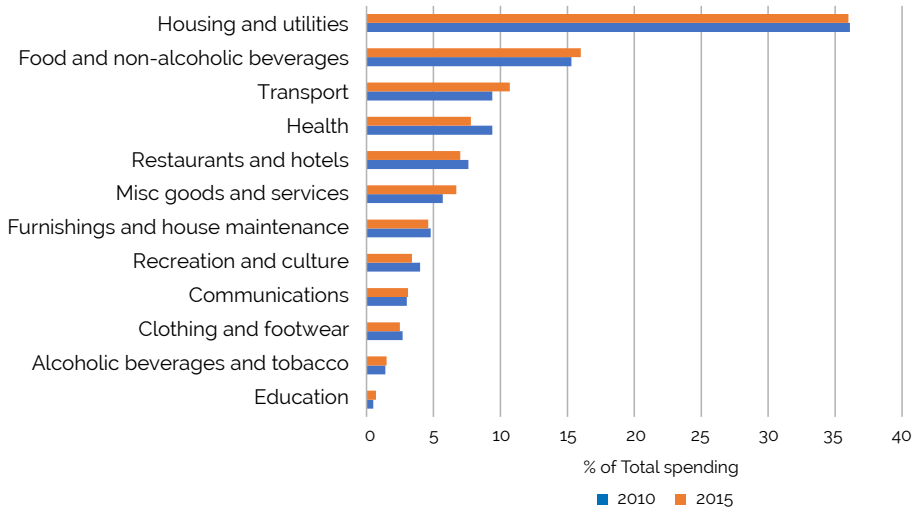
Figure 20: Spending by category for people aged 45-59 (2010 and 2015)



Eurostat (2023). *Structure of consumption expenditure by age of the reference person and COICOP consumption purpose.*

Among households aged 60 and over, housing and utilities, food, and transport are still the largest areas of spending, although spending on transport is lower than for households aged 45 to 59. These older households spend less on leisure goods and services, such as restaurants and hotels (7%) and recreation and culture (3.4%), and more on health (7.8%), compared to their younger counterparts (see Figure 21).

Figure 21: Spending by category for people aged 60 and over, 2010 and 2015



Eurostat (2023). *Structure of consumption expenditure by age of the reference person and COICOP consumption purpose.*

The benefits of supporting consumption in later life

Older consumers represent a significant global opportunity for businesses and innovators. By 2025, spending by people aged 50 and over in the EU is projected to reach €5.7 trillion.⁹²

As the proportion of older people increases, so too will their spending power. This will help boost economic growth, creating new job opportunities and spurring innovation. By 2025, spending by older people is projected to sustain 88 million jobs, accounting for 37.8% of employment in the European Union.⁹³

New opportunities for business

The increasing spending power of older people opens up new opportunities for British and Portuguese businesses. While health and care are the fastest growing sectors serving older people in the EU,⁹⁴ many other sectors will benefit from longevity. But research suggests businesses still lack awareness of the potential economic benefits brought by this growing market.⁹⁵ Businesses need to be aware of the impact of changing demographics on markets, and invest in products and services that will enable them to capitalise on these emerging new opportunities.

Some of the key sectors predicted to benefit from longer lives and with clear investment opportunities for businesses include:

Health and care: as we live longer, the need for healthcare increases, creating new opportunities for pharmaceutical companies, research centres, medical device manufacturers, and healthcare technology providers. The increase in chronic diseases opens up opportunities for pharmaceutical companies and healthcare providers to develop new treatments, including providing tailored treatment options. There's a need for more investment in research and development to improve our understanding of various diseases (including neurodegenerative diseases) and develop better treatments, and to improve our understanding of the effectiveness of these treatments.

The move towards connected health systems is driving the development of health-related software applications, and mobile health devices and services, including digital patient records, wearable technologies and apps that gather information about individual health and wellbeing. This information can help improve the quality of care and support the development of personalised health, care and wellbeing plans. In the UK, the National Health Service has introduced virtual wards (or Hospital at Home), which allow patients to receive the care they need safely and conveniently at home, rather than having to be in hospital. There are growing opportunities for developing smart home devices and home healthcare technologies. These health innovations represent a significant opportunity for healthcare technology companies, and there's scope for these to be exported to a growing global market, further supporting jobs and growth. Other areas of preventative medicine, including vaccines, are also projected to grow.

Tourism, recreation and leisure: tourism is an important source of revenue for the Portuguese economy. People aged 65 and over account for 20% of the tourist population⁹⁶ and Portuguese tourists aged 65 and over spent a total of €374.8million in 2014.⁹⁷ There's scope for businesses to tap into this growing market, offering products that cater to the needs and preferences of older consumers. However it's important to be mindful of simplistic assumptions/stereotypes, and acknowledge the wide diversity in interests and needs among older people. Health is the leading barrier preventing older people from travelling for tourism,⁹⁸ suggesting businesses which ensure their offerings include accessible transport and age-friendly hotels are likely to benefit. There's scope to promote growth in areas that include leisure goods and services, such as restaurants and hotels, and recreation and culture.

Household goods and services: longer lives bring huge potential for growth in the field of smart home solutions, such as home automation and energy management, as well as housing adaptations, including adapted showers, stair lifts, and wider doors. These smart home solutions and housing adaptations help ensure homes are suitable for all ages, and support independent living.⁹⁹ There's also potential for growth in the area of domestic robotics, including the development of companion and assistive robots.

Transport: technological developments have opened up many opportunities for innovation in last-mile travel, but these are often impractical or inaccessible, particularly for people with reduced mobility. There's scope to expand current services by investing in developing accessible micromobility options, such as trikes and e-scooters, and smart travel. There's also scope to develop systems to better integrate last-mile travel^d options with public transport to ensure a more seamless user-centred travel experience, embedding Mobility-as-a-Service (MaaS).

Maximising these opportunities: supporting consumption in later life

There are many reasons why spending tends to fall as we get older. This is partly driven by changes in our preferences and needs: for example we might feel we don't want or need as much, or we want

^dLast-mile travel is the distance that people need to travel from their bus, train or underground stop to their final destination – this could be their place of work, the shops, a museum, gallery, or café.

to save money to leave to our children. Our work-related spending on things such as commuting and clothing falls when we retire.¹⁰⁰ However, part of the fall in spending may also be due to barriers which prevent us from spending in the way we would like to.

Barriers to spending in later life include: financial barriers, such as not having enough money or being worried about needing money in the future; access and accessibility barriers, which make it harder for people to get to and around the shops; poor health, which can often exacerbate access and accessibility barriers; and barriers related to a lack of suitable products and services, poorly targeted advertising and marketing, and age discrimination.¹⁰¹

Unlocking the growing spending power of older people will require action to address these barriers. This could include:

Making shops and high streets more accessible: people often find it difficult getting to and around places due to: a lack of suitable transport; lack of facilities (including toilets and places to sit and rest); uneven pavements; and lack of step-free access.¹⁰² Making shops and high streets more accessible could include: investing in accessible, reliable and affordable transport; improving last-mile travel; providing step-free access; offering seating areas in shops and on high streets; and ensuring staff are available to provide additional support where necessary. Making shopping more accessible will not only benefit consumers, but will also benefit retailers, as shoppers will stay longer and spend more.

Supporting digital literacy: the rise in online shopping has the potential to help support consumption in later life, but this will depend on whether people have the skills and confidence to make best use of the online services available. And evidence shows these skills tend to fall with age: the proportion of individuals with basic or above basic digital skills in Portugal is 70% or more for people under the age of 45, compared to less than 30% for people aged 55 and over.¹⁰³ It is perhaps not surprising then that while over 80% of people under the age of 55 in Portugal report using the internet every week, this proportion falls to nearly 60% of those aged 55 to 64 and less than 40% for people aged 65 to 74.¹⁰⁴ The problem isn't just lack of access: over 88% of households in Portugal had home internet access in 2022, which is only slightly below the EU27 average of 92%.¹⁰⁵ Supporting digital literacy programmes will help ensure people have the confidence to shop

online and know how to stay safe online. This will bring wider benefits as digital skills are becoming increasingly important, not only for online shopping, but also for access to other key services such as online banking, and health and care services, as well as facilitating social interaction.

Designing inclusive products and services: older consumers represent a significant opportunity for businesses, but products and services are often not designed with their needs, interests and aspirations in mind. Older adults tend to be underrepresented and often stereotyped in advertising,¹⁰⁶ which can perpetuate or reinforce ageist attitudes. In a global survey on attitudes towards ageing, more than half (51%) felt that advertising doesn't reflect older consumers.¹⁰⁷ In the words of one of our roundtable participants:

“There’s a lack of awareness in PR and advertising of inadvertent ageism (...) In Brazil, for example, it is forbidden to show an older person with a cane... We shouldn’t call someone who is 65 a senior...” Roundtable participant

The roundtable discussions also highlighted the need to acknowledge the diversity of ageing:

“...[we] need more tailor-made services for older people, instead of thinking that everyone wants the same...”

Roundtable participant

Businesses need to ensure their goods and services are inclusive, and appeal to this growing and varied consumer group. There are ample opportunities for innovation here as well, developing new products and services that can serve these growing markets.

Supporting financial security in later life: average incomes of older people in Portugal have increased in the last ten years, but these averages mask substantial differences between individuals. Old-age income inequality remains high,¹⁰⁸ and old-age poverty is still a concern, particularly among women and people aged over 75.¹⁰⁹ Supporting consumption in later life depends on people having an adequate income and feeling financially secure. In the words of our roundtable participants:

“This is a tough one...it's complex and multilayered, but we think it's at the very core of the transformation that's needed, it's the problem of poverty... and this has to be a priority to be addressed.” Roundtable participant

“In the past we retired and had money... Now we don't know if we will have it.” Roundtable participant

Governments need to continue to support adequate incomes in retirement, by encouraging pension savings, and ensuring people have access to the advice and information they need to plan and manage their retirement incomes. Developing the right financial products can also help support spending in later life. Our roundtable discussions highlighted the need to consider new financial products, in particular equity release products, that would enable households to access their housing wealth to improve their standards of living in retirement:

“Older people, because of their accumulated savings, own a lot of property, which is often at a very different level to their incomes – so they own high-value assets, but have low incomes. An opportunity here is how we might tap into this without taking away the ownership of property and accumulated assets...”

Roundtable participant

Investing in health: poor health can lead to lower spending directly, by making it harder for people to get to and around the shops.¹¹⁰ But it can also affect spending indirectly, as health shocks may force people to retire early or reduce the number of hours they work, leading to a fall in their income and spending.¹¹¹ Spending by older consumers is higher on average in countries that spend more on health and preventative health as a share of GDP, and where more people aged 65 and over report good health, aren't limited in their daily activities, and are vaccinated against the flu.¹¹²

Supporting older consumers: what's being done?

Policies and initiatives to unlock the growing spending power of older people, and support businesses targeting the older consumer market, include:

- **Making shops and high streets more accessible:** there's been a huge growth in initiatives and networks to promote age-friendly communities around the world, building on the World Health Organization's framework for age-friendly cities.¹¹³ Age-friendly communities aim to address the barriers to the wellbeing of older people, enabling people to age well. They cover areas that include outdoor spaces and buildings, transportation, housing, and social participation.¹¹⁴ The Global Network of Age-Friendly Cities and Communities includes several Portuguese cities, such as Matosinhos, Porto, Santa Maria da Feira, Setubal and Maia.¹¹⁵ There is also a Portuguese Network of Healthy, Intelligent and Friendly Communities (*Rede Portuguesa Ambientes Saudáveis, Inteligentes e Amigáveis*).
- **Designing inclusive products and services:** this relies on investment to support innovation. In 2011, the European Commission launched the European Innovation Partnership on Active and Healthy Ageing, which aims to support and strengthen EU research and innovation in that field.¹¹⁶ UK Research and Innovation's Healthy Ageing Challenge will invest up to £98 million in healthy ageing over a five-year span, through competitions and grants that will enable businesses, including social enterprises, to develop and deliver beneficial products, services and business models.¹¹⁷ In Portugal, entrepreneurship and innovation are driven by a network of business incubators and accelerators spread across the country.¹¹⁸
- **Supporting digital literacy:** In the UK, various organisations have taken steps to promote digital inclusion. For example, UK Finance has introduced a campaign to help tackle online fraud, backed by many of the world's major technology companies,¹¹⁹ while charities working with older people offer programmes to support development of digital skills and confidence.¹²⁰ In Portugal, projects such as ICTskills4All,¹²¹ an international project coordinated by Porto4Ageing at the University of Porto, aimed to promote digital skills among older people, and explore the most effective ways of supporting the development of these skills among older people.

- **Supporting financial security in later life:** this involves providing people with the knowledge, skills, and confidence to make informed decisions about their finances. In the UK, the Government-backed Pension Wise service currently offers free, impartial guidance to the over 50s on the various options for drawing money from their pension pots.¹²² The Government has also expanded its mid-life MOT programme, which provides a framework for workers to assess their health, skills, and finances.¹²³ Resources are also provided for employers to support mid-life MOTs in the workplace; some large employers, including Aviva and Legal & General, already offer workplace guidance on retirement planning in the form of mid-life MOTs. Developing the right financial products can also help support financial security later life. Products such as reverse mortgages, which allow older people to access the equity in their homes, with repayment of the loan deferred until after they die or move out of the home, are available in several countries, including Australia, Canada, the US and the UK.

Healthy ageing in Portugal

“With advances in science and medicine, we’re increasing people’s life expectancy, but living longer doesn’t mean living better. And for us, what is important as citizens, is having quality of life, having autonomy, and a sense of purpose in our lives”

Professor Helena Canhão, Dean of NOVA Medical School, Lisbon, and speaker at the 4th UK-Portugal Healthy Ageing Forum

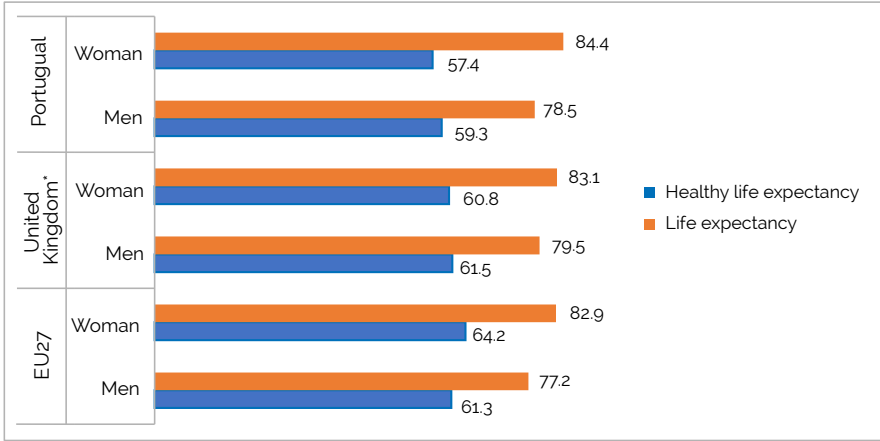
Although life expectancy in Portugal has been increasing, many of these additional years are spent in poor health.

If we are to make the most of the economic and social opportunities of longevity, good health is crucial. Previous ILC research has found that when older people are in better health, they’re more likely to be in work, volunteer and spend more.¹²⁴ While life expectancy at birth in Portugal has been increasing, and is higher than the EU27 average, people in Portugal are more likely to spend these additional years in poor health.

The gap between life expectancy and healthy life expectancy in Portugal is 19 years for men and 27 years for women, which is greater than the gap in the UK and the average gap across the EU27 (see Figure 22). This gap has barely changed in the last ten years, though this may to some extent reflect the impact of the COVID-19 pandemic (see Figure 23).

Healthy life expectancy is a key indicator of the level of health in a population; more healthy life years generally implies a healthier workforce, less early retirement, and lower long-term care needs. However, as highlighted by one of the participants in our roundtable discussion, it’s important to think about the health of the population in light of the relative wealth of the country.

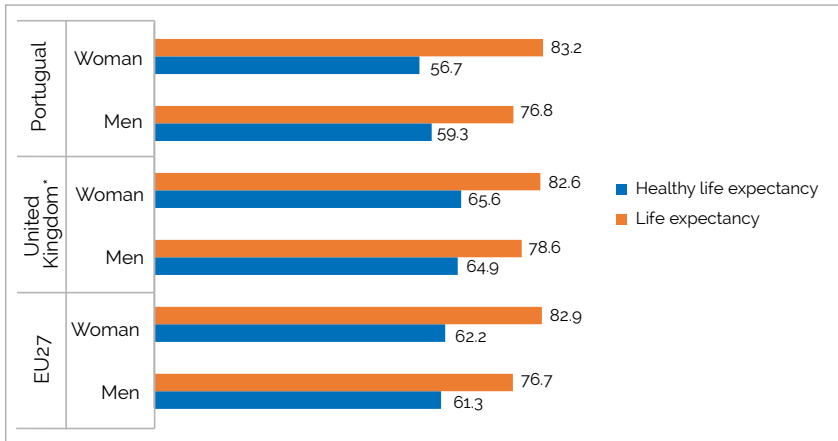
Figure 22: Healthy life expectancy and life expectancy (2021)



Source: Eurostat (2023). *Healthy life years by sex (from 2004 onwards)*.

Note: These figures represent healthy life years in absolute value at birth and life expectancy in absolute value at birth. *Data for UK for 2018 (latest available year).

Figure 23: Healthy life expectancy and life expectancy (2010)



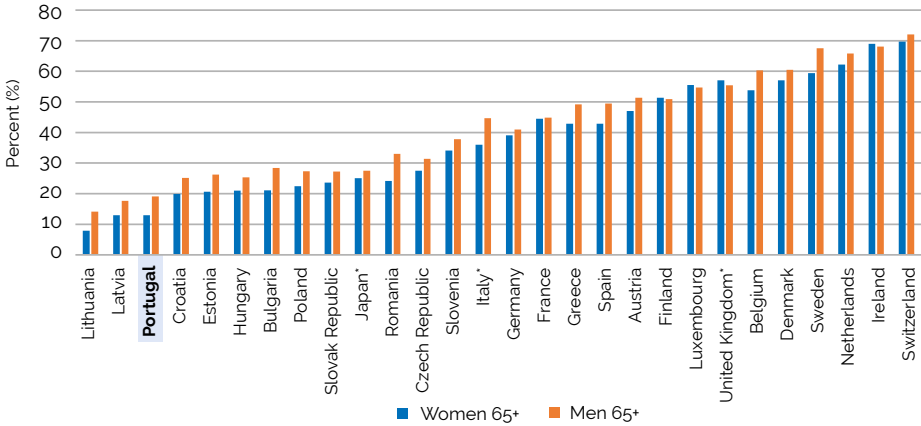
Source: Eurostat (2023). *Healthy life years by sex (from 2004 onwards)*.

Note: These figures represent healthy life years in absolute value at birth and life expectancy in absolute value at birth.

Measures of self-reported health among older adults in Portugal are among the lowest in the EU, with only 13% of women and 19% of men aged 65 and over reporting "good" or "very good" health in 2020.

This compares with more than half of those aged over 65 in the UK who reported their health as "good" or "very good": 57% of women and 55% of men (see Figure 24). However, it's important to keep in mind that some of these differences may be driven by cultural factors that affect how people communicate self-reported health.

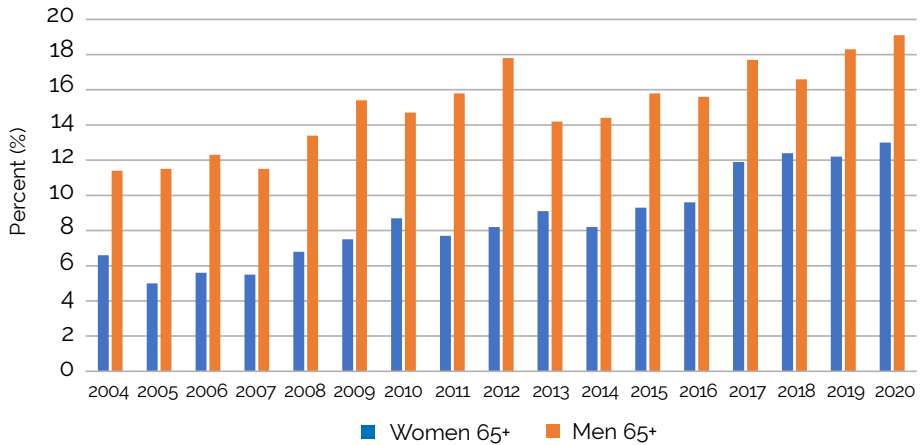
Figure 24: Proportion of people reporting good or very good health (2020)



Source: OECD (2023). Health Status: Perceived health status by age and gender. OECD.Stat.
 Note: *Data for Italy, Japan and the United Kingdom are for 2019.

Levels of "good" or "very good" self-reported health have been increasing in Portugal among both men and women aged 65 and over (see Figure 25). However, women still report worse health levels than men on average. Given that women in Portugal live an additional six years on average, there's a risk that they are spending more years in poor health, limiting their ability to work, spend and carry out other productive non-market activities.

Figure 25: Evolution of proportion of people reporting good or very good health in Portugal



Source: OECD (2023). *Health Status: Perceived health status by age and gender*. OECD.Stat.

Portugal has lower levels of preventable and treatable mortality than the EU average, but these could be reduced further by addressing behavioural and environmental risk factors.¹²⁵

Roughly 30% of all deaths in Portugal in 2019 were related to behavioural risk factors such as smoking, poor diet, or lack of exercise.¹²⁶ This is similar to rates for the UK, where behavioural risk factors were related to 34% of all deaths in 2017/18.¹²⁷ However, in Portugal, while rates of physical inactivity are fairly high – 67% of older adults were physically inactive – diets are generally healthy, rates of smoking are low, and a high proportion of people abstain from drinking alcohol. On the other hand, overweight and obesity rates remain relatively high.¹²⁸

The Portuguese government has recently adopted measures to help tackle overweight and obesity, including taxes on highly calorific food and soft drinks, and advertising restrictions on unhealthy food.¹²⁹ There's scope to do more to improve health and save lives by addressing the risk factors that contribute to Portugal's leading causes of death (e.g. cancer and cardiovascular disease). And it is important that healthy lifestyle campaigns are aimed at all ages.

Table 2. Impact of behavioural risk factors on mortality

	Tobacco	Dietary risks	Alcohol	Low physical activity
Portugal	12%	11%	6%	3%
UK	16%	15%	3%	2%

Source: OECD (2021). *Portugal: Country Health Profile 2021*. OECD (2019). *United Kingdom: Country Health Profile 2019*.

Note: Data for Portugal refer to 2019/20, while data for the UK refer to 2017/18. The same death can be attributed to more than one risk factor.

Long-term conditions, including diabetes, chronic obstructive pulmonary disease, arthritis and hypertension, are also widespread among older people in Portugal.

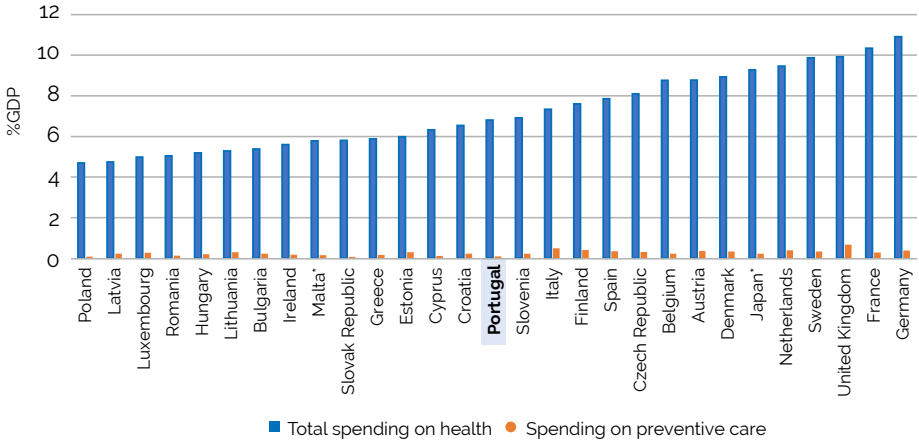
More than four in ten adults (41%) in Portugal reported having at least one chronic condition in 2019, which is higher than the EU average of 36%.¹³⁰ These rates tend to be higher among older people, where the incidence of multimorbidity – defined as having two or more long-term health conditions – is also higher: 78.3% of people aged 65 and over reported having two or more chronic conditions.¹³¹ In the UK, 66% of people aged 65 and over have at least one long-term or chronic condition.¹³²

Multimorbidity is one of the greatest challenges facing health services today.¹³³ Providing treatment and care for people with long-term health conditions takes up a significant proportion of healthcare budgets – estimates for the UK suggest that £7 out of every £10 of health and social care expenditure in 2012 was spent on long-term conditions.¹³⁴

Government spending on health is close to the EU average, but spending on preventative health remains low.

Government spending on health in Portugal was 6.8% of GDP in 2020. This was just below the EU27 average of 7%. However spending on preventive healthcare is among the lowest in the EU at just 0.1% of GDP, or 2% of total health expenditure (see Figure 26).

Figure 26: Government spending on health and preventative health as a share of GDP



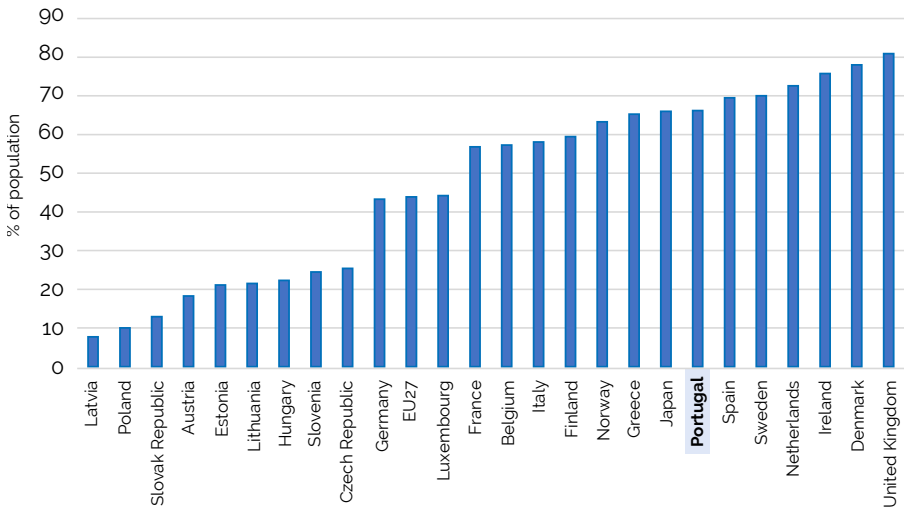
Source: OECD (2023). Health expenditure and financing.

Previous ILC research has highlighted the importance of health spending in general, and spending on preventative health in particular, in helping to reap the benefits of longevity. Increasing spending on preventative health by just 0.1 percentage points is associated with a 9% increase in annual spending by people aged 60 and over, and an average of 10 more hours of volunteering per person aged 65 and over.¹³⁵

Vaccination plays a fundamental role in health prevention. Portugal has a comprehensive National Vaccination Programme, but the focus is on vaccination in early life: out of 9 vaccines in the national vaccination programme, 7 are for infants or children aged 5 and under.¹³⁶ Only the tetanus and diphtheria booster vaccinations are recommended throughout the life course, alongside some other vaccinations for pregnant women and at risk groups.

However, Portugal has invested heavily in its flu and COVID-19 vaccination campaigns. Flu and COVID-19 vaccines are free for everyone aged 60 and over, as well as for other at risk groups. The World Health Organisation recommends 75% of adults aged 65 and over should be vaccinated against the flu; a 2009 EU Council Recommendation also set a goal of 75% vaccination coverage among older people. A small number of countries have reached this target; in Portugal, at over 60%, flu vaccination rates for people aged 65 and over are well above the EU average (44%), although still below this target (see Figure 27).

Figure 27: Flu vaccination rates (% of population aged 65 and over)



Source: OECD (2023), *Influenza vaccination rates (indicator)*.

Notes: Data for 2022 or closest available year. Data for Portugal is an estimated value for 2020. EU average is unweighted; data for 2020 (OECD/European Union (2022), *Health at a Glance: Europe 2022: State of Health in the EU Cycle*, OECD Publishing, Paris, <https://doi.org/10.1787/507433b0-en>).

How can we maximise the longevity dividend?

[Question: what changes would you like to see?] “A country that really invests in the healthy ageing agenda, focusing on innovation and not cheap prices” Roundtable participant

Portugal has seen significant increases in life expectancy in recent decades, with people today living, on average, five years longer than they did 20 years ago.¹³⁷ While this increase in longevity clearly involves challenges, it also brings many opportunities. Longer lives mean people can contribute for longer: through paid work, by providing informal care, looking after grandchildren or volunteering, and as consumers. Longer lives can bring benefits to individuals, businesses, governments and society. But making the most of these opportunities requires action to support healthy ageing.

Healthy ageing isn't just about health, it needs to encompass wider socioeconomic and environmental conditions:

“Healthy ageing requires multiple inputs: money, voice, friends, family, skills, exercise, food, health...” Roundtable participant

Technology has an important role to play in supporting healthy ageing, and it is important to avoid simplistic stereotypes:

“It's not a matter of older people not being adaptable or not being ready for technology. If you provide meaningful technology that's well designed, whatever their age, people will use it” Professor Nic Palmarini, Director of UK's National Innovation Centre for Ageing. Speaker at the 4th UK-Portugal Healthy Ageing Forum

ILC's *Healthy Ageing and Prevention Index*¹³⁸ ranks 121 countries against six indicators: life span, health span, work span, income, environmental performance, and happiness. It provides a tool to benchmark best practice and acts as a spur to improvement. Portugal ranks 28th overall, and is in the top 30 for lifespan and environmental performance. However, along with the UK, it ranks lowest for work span, which measures the expected number of years being economically active.¹³⁹ Supporting longer working lives is essential if we want to reap the benefits of increased longevity.

Promoting active and healthy ageing has become an increasingly important policy priority around the world. Portugal's Council of Ministers recently approved the National Action Plan for Active and Healthy Ageing 2023-2026, a cornerstone for the healthy ageing agenda in Portugal. This plan includes specific measures to address some of the current challenges, as well as supporting prevention and actions to improve the quality of life of all people over the coming decades (see Box).

National Action Plan for Active and Healthy Ageing 2023-2026¹⁴⁰

The National Action Plan is based on six pillars of action:

- Health and well-being
- Autonomy and independent living
- Lifelong development and learning
- A healthy working life over the life course
- Income and the economy of ageing
- Social participation

Other recent noteworthy initiatives include the RePEEnSa network¹⁴¹ – the Portuguese Network for Healthy and Active Ageing (*Rede Portuguesa para Envelhecimento Saudável e Ativo*) - and the National Observatory for Ageing, which was inaugurated in March 2022. The RePEEnSa network brings together a number of stakeholders with a view to establishing partnerships, enhancing knowledge sharing, and developing innovative projects that will further the active and healthy ageing agenda. The National Observatory for Ageing will collate important measures of active and healthy ageing throughout peoples' lives, and provide a basis for monitoring at a local level, as well as for cross-country comparisons.

Informed by our expert roundtable discussions, and in conjunction with our own research and analysis, we have identified the following six areas for action to maximise the longevity dividend in Portugal:

Investing in health and prevention

Good health underpins all three pillars of the longevity dividend. It allows people to work and earn for longer, to contribute to society by

providing informal care, looking after grandchildren or volunteering, and to contribute as consumers. And it's not just about investing in treatment, but also about investing in prevention. Government spending on health in Portugal is close to the EU average, but spending on preventative healthcare is among the lowest in the EU, at just 2% of total health expenditure.¹⁴²

The ILC has been urging governments to spend at least 6% of their health budgets on preventative healthcare across the life course, and to ensure that this spending on prevention keeps pace with the projected growth in preventable ill-health as society ages.¹⁴³ Increasing spending on prevention by just 0.1 percentage points is associated with a 9% increase in annual spending by people aged 60 and over, and 10 more hours of volunteering for each person aged 65 or over.¹⁴⁴

“The health system as it is now is not ready for the ageing population. We have the longest life expectancy, but one of the worst last ten years of life. Healthcare is focused too heavily on treatment; we need to shift the focus onto prevention”

Roundtable participant

In the words of the Science Coordinator of the consortium Ageing@Coimbra, Dr João Malva, one of the speakers at the 4th UK-Portugal Healthy Ageing Forum:

“For the challenge of ageing, we really need to support prevention, and to promote health literacy, because what people will be in a few decades essentially depends on how they adopt healthy lifestyles, and the best way to fight the burden of poor quality of life in later life is really to support healthy lifestyles throughout the lifecycle.” Dr João Malva, Science Coordinator of the consortium Ageing@Coimbra

As one Portuguese healthcare expert highlighted, it's important to rethink how the health system is organised, so that it's organised around chronic conditions that are becoming ever more prevalent; and to rethink how healthcare is delivered, so care can be provided in the community wherever possible. Monitoring and follow-up are crucial.

The roundtable discussions also highlighted the importance of investing in mental health, as well as physical health.

Providing funding and support for innovation

Innovation can support active and healthy ageing, as well as supporting the long-term sustainability of health and social care systems.

Technological and digital solutions are transforming health and care systems, reducing inefficiencies and waste, and ensuring timely and appropriate interventions. Developments in telemedicine and e-health, wearable technologies, and apps can support active and independent ageing by enabling people to live at home for longer. But, as highlighted in the roundtable discussions, we need to be mindful of the limitations of such new technologies in health and care, and not neglect the human element.

Innovations in products and services, including financial products, can help support consumption in later life, making shops and high streets more accessible, ensuring products and services are inclusive, and helping to support financial security in later life.

However, lack of funding and support for innovation was a recurring theme during the roundtable discussions, and the need for an 'investment fund for longevity' was raised. Our participants identified accessing funding for pilot projects as a particular challenge, as well as building the connections and partnerships necessary for pilot projects.

"Innovation requires time and resources; a good idea alone is not enough." Roundtable participant

"Need public and private sector working together, but it can be difficult to find partners in the public sector to invest"
Roundtable participant

Overall Portugal was seen as a good place to test innovations, particularly with the support of business incubators and accelerators.¹⁴⁵ Developments such as the Ageing@Coimbra network are also helping to spearhead innovation in the field of healthy ageing. This consortium aims to promote the wellbeing of older people in the Central region of Portugal through better healthcare and social care, by developing innovative products and services, and through new diagnostic techniques and treatments.¹⁴⁶

Investing in skills for care

The number of older people requiring long-term care around the world is projected to increase by 100 million between 2015 and 2030.¹⁴⁷ A large part of this increase will be driven by the increasing number

of people living with dementia, with almost 10million new cases of the condition being experienced every year and presenting acute challenges for adequate care provision.¹⁴⁸ But in many countries care is still underfunded and undervalued; there's a lack of investment in skills and training, for both formal/paid and informal/unpaid care, and no established paths for career progression.

Participants in our roundtable highlighted that the care sector will need the skills and infrastructure to support the growing care needs of an ageing population in the future. There's a need to properly value care work, by providing suitable training, paying fairly, and having a well-defined path for career progression.

"The carer career should be a recognised career... and we need to ensure ongoing training for these carers because at the moment carers receive the lowest pay, they have low skills and no training, and there is no recognised carer career, even professional and informal ones, all of them"

Roundtable participant

A new formal status for carers was approved by law in Portugal in September 2019. This establishes a set of rights and supporting measures that informal carers are entitled to.¹⁴⁹ This is an important initiative, but it is important to ensure that this status is implemented effectively.

The Centre for Skills for Active Ageing (CCEA) (*Centro de Competências de Envelhecimento Ativo*), which was set up in 2023, aims to help healthcare professionals and formal and informal care providers develop the necessary skills to promote active ageing. It offers a free short online course open to all informal carers, with further training opportunities in the pipeline.¹⁵⁰ As one healthcare expert highlighted, there's a need to continue to invest in education and training in geriatric and gerontological care in Portugal, and to develop innovative long-term care models appropriate for geriatric frailty.

Government leadership and public policy

Increased longevity brings many challenges for public policy. Our roundtable participants acknowledged that governments can't do everything, and that the social sector can't meet everyone's needs, which means that government, businesses and the social sector must work together. A strategic and holistic approach to ageing is

required, and this calls for government leadership to tackle the public policy challenges raised by longer lives. These include ensuring the right financial incentives to work for longer, while supporting financial security in later life and supporting older people's unpaid contributions. Our roundtable discussions also highlighted the need to move away from siloed and fragmented systems in health and care towards a more integrated system. Better integration of health and social care will help improve both the quality and affordability of care. One suggestion here was to create a Department for Longevity:

"In Portugal we don't have a specialised government department for older people, a Longevity Department... We have a Department for Youth, but no Department for Older People. Older people, when they need to be heard by the government, they go to the Ministry for Work, Solidarity and Social Security... there's no specific department. We need to have a department within government that focuses specifically on the issues affecting older people from a holistic perspective" Roundtable participant

Something similar already exists in Madeira, in the form of the Regional Directorate for Integrated Public Policies and Longevity.

Supporting flexible work and skills development

Work is a source of financial independence and security, as well as being important for our identity and sense of purpose. Longer lives mean we need to rethink work, learning and retirement. Providing more opportunities for flexible work can help support people with long-term health conditions or disabilities to continue working, while also making it easier for people who need to juggle work and care responsibilities to remain in work. Workplaces need to be designed and adapted to meet the needs of a changing workforce.

Recognising and investing in the skills of unpaid carers, and investing in lifelong learning and training, are crucial to ensure workers have the relevant skills to work for longer, and employers can recruit the skills they need. Investing in lifelong learning and training opportunities can also help support older workers get back into work. This will benefit workers of all ages and life stages. Multigenerational workplaces can create new opportunities for learning and development, through mentoring, coaching and reverse mentoring, while also helping to combat ageist attitudes.

“A co-working initiative where we had an intergenerational culture... When working with one person over 55 we’re working with all the people who engage with that 55 year old... We all have parents... we will all be old ... we don’t think about the future (...) We need to get younger and older people together... communication is key” Roundtable participant

Digital skills are becoming particularly important in promoting active and healthy ageing. Digital technologies can help people develop new skills, facilitate social interaction, and support independent living by supporting access to a range of services, including health and social care services, which are increasingly provided online. Older people are more likely to be digitally excluded and to face barriers to accessing goods and services online, which reduces opportunities for active and healthy ageing.¹⁵¹ It’s important to empower people by supporting the development of digital skills, as well as providing access to digital technologies and ensuring that digital services are designed with accessibility in mind.¹⁵²

As highlighted by one expert at our roundtable, we also need to consider opportunities to foster entrepreneurship among older people. The University of Porto offers a short course and mentoring to support entrepreneurship among people aged 45 and over.¹⁵³ Initiatives such as this can help people retrain and find the right job for different times in their lives.

Developing age-friendly communities (Cities for all Ages)

Supportive, resilient communities are one of the foundations of active and healthy ageing. Strong communities can help tackle loneliness and isolation, improve health, provide a support network, and help strengthen intergenerational bonds. Our roundtable discussions highlighted the lack of spaces to bring together people of different ages, as well as the need for more mixed communities in Portugal. Cities or communities that are adapted to work for all ages can also help break stereotypes of older people, creating a more positive view of ageing. There’s been a huge growth in initiatives and networks to promote age-friendly communities around the world, building on the World Health Organization’s framework for age-friendly cities. Local authorities have an important role to play in driving these initiatives.

“People retire and they lose friends and relationships... we’ve created ghettos for older and younger people, we need mixed communities” Roundtable participant

“Having spaces with people of different ages is important”
Roundtable participant

And these spaces need to be accessible:

“We need age-friendly footpaths, being able to access everything without age being a barrier. We need to improve mobility and accessibility of public transport” Roundtable participant

Our roundtable participants also raised the lack of suitable housing as an issue. Housing is often not adapted, and not suited to people’s changing needs throughout their lives. We need smarter homes, to invest in housing adaptations, and to develop widespread collaborative housing or cohousing communities, as an alternative to the current system – places where people can live their whole lives as part of a community.

Cities or communities for all ages can also help break stereotypes of older people, creating a more positive view of ageing:

“Ageing is still seen as a curse. We need to change mindsets”
Roundtable participant

Our roundtable discussed a particular example of a successful community-based project in Lisbon, *Projecto Radar*:

“We can engage communities to support older people, so older people are at the centre of the awareness of the community. Projecto Radar in Lisbon identifies older people who need additional support, and the ‘signals’ are people in the community – chemists, people in the café (...) These projects with community engagement and signalling, show that we are all responsible... and this will be valuable for everyone”

Roundtable participant

Developing cities or communities for all ages really requires us to invest in and nurture these networks of solidarity and community:

“A flourishing city is also a caring city (...) How can we design a city that is based on care, where care is put at the centre?”

Joana Lages, Researcher, *dinamia'cet*, ISCTE. Speaker at the 4th UK-Portugal Healthy Ageing Forum

Developing truly age-friendly communities also requires strong leadership and coordination, to bring different organisations and stakeholders together with a common purpose. This is something the Lisbon, City for All Ages programme strives to achieve:

“This programme tries to avoid the silos that exist between the sectors of intervention (...) it tries to bring together all the organisations, all the stakeholders that are important in the area of healthy ageing and longevity, to think about the city and what we want from our city (...) in the next ten, twenty years.”

Mário Rui André, Director of the Mission Unit for the Lisbon City for All Ages Program, Speaker at the 4th UK-Portugal Healthy Ageing Forum

Conclusion

Portugal is one of the most rapidly ageing countries in the OECD. This increase in longevity brings many challenges. A decline in the working-age population puts pressure on public finances, and there are increasing demands for government spending on health, care and pensions. But it also brings opportunities - for individuals, businesses, governments and society. This report has focused on highlighting some of the benefits that longer lives bring to the Portuguese economy and society, as well as identifying key areas for action that the government, businesses and society should take to maximise this longevity dividend.

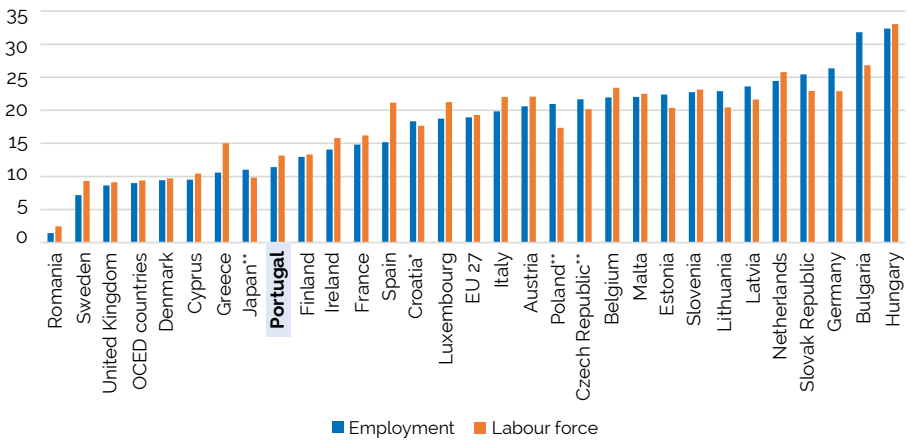
The findings in this report were informed by the discussions at an expert roundtable event held in Lisbon in March 2023, as part of the 4th UK-Portugal Healthy Ageing Forum, combined with ILC's original research and analysis. The report has also benefited from the valuable insights and expertise of the participants at the pre-launch event held at the Ambassador's Residence in Lisbon in November 2023.

Older people's social and economic contributions in Portugal are already significant: they play a vital role as workers, consumers, informal carers, looking after grandchildren and through volunteering. But there's scope to increase these contributions further by taking action to support healthy ageing, investing in health and in skills for care, supporting flexible work and lifelong skills development, and developing age-friendly communities.

The Portuguese government recognises the importance of active and healthy ageing, and recently approved the National Action Plan for Active and Healthy Ageing 2023-2026, a cornerstone for the healthy ageing agenda in Portugal. Government leadership will continue to be crucial in tackling the public policy challenges raised by longer lives and in supporting innovation. But the work of other organisations, including businesses, academic institutions, voluntary organisations, and individuals will be equally important in driving efforts to develop solutions to ensure the country is able to make the most of the benefits of increased longevity.

Appendix

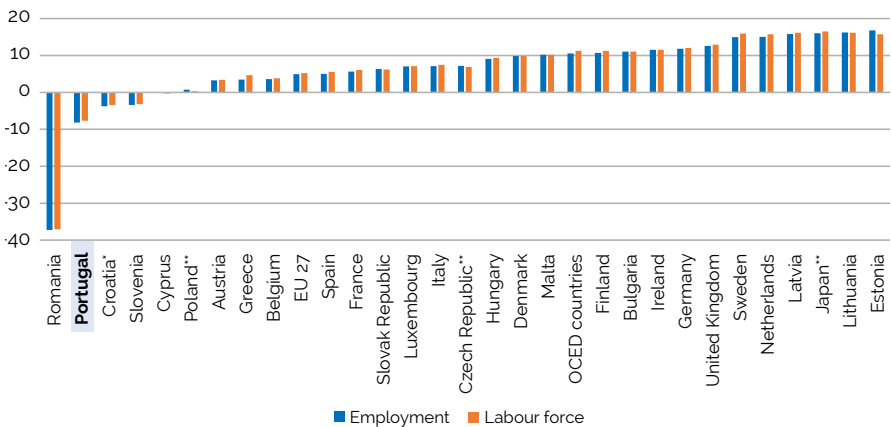
Figure 28: Change in employment and labour force participation rates for people aged 50 to 64 (2001 to 2021)



Source: OECD (2023). Labour Force Statistics by sex and age (data for 2021). OECD.Stat. <https://stats.oecd.org/index.aspx?lang=en#>.

Notes: *Data for Croatia is from 2002. ** Data for Czech Republic, Japan and Poland for 65-69 age group is from 2002.

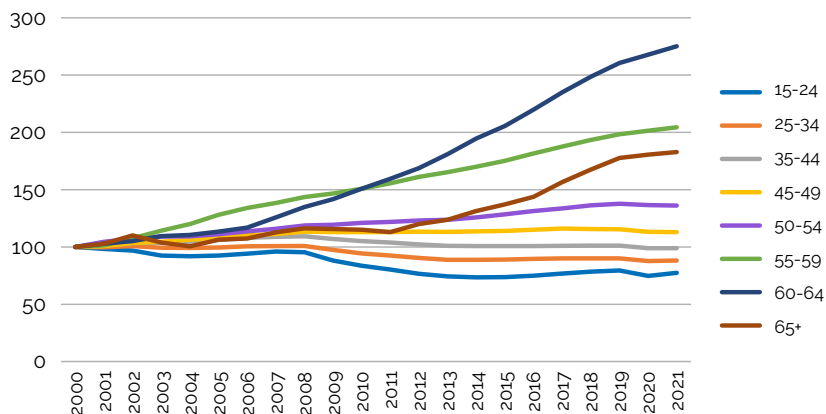
Figure 29: Change in employment and labour force participation rates for people aged 65 to 69 (2001 to 2021)



Source: OECD (2023). Labour Force Statistics by sex and age (data for 2021). OECD.Stat. <https://stats.oecd.org/index.aspx?lang=en#>.

Notes: *Data for Croatia is from 2002. ** Data for Czech Republic, Japan and Poland for 65-69 age group is from 2002.

Figure 30: Change in the number of workers by age in EU 27 (Index 2000 = 100)



Source: OECD (2023). Labour Force Statistics by sex and age (data for 2021). OECD.Stat. <https://stats.oecd.org/index.aspx?lang=en#>.

Expert roundtable participants

The expert roundtable event hosted as part of the 4th UK-Portugal Healthy Ageing Forum included representatives from the following organisations:

Age Platform Europe, *Camara Municipal de Cascais*, DigiTales, Fermenta, GSK, Impact On, International Epidemiological Association (IEA), *Lado Bom*, NICA, Sanofi, *Santa Casa da Misericordia de Lisboa*, The City of Edinburgh Council, Thriving.ai, *Universidade de Lisboa*, *Universidade NOVA de Lisboa*, 40+ Lab, 55+

References

- ¹ILC, *Healthy Ageing and Prevention Index*, <https://ilcuk.org.uk/preventionindex/>.
- ²OECD.Stat, Historical population data, <https://stats.oecd.org/Index.aspx?DataSetCode=HISTPOP>.
- ³OECD, Life expectancy data, <https://data.oecd.org/healthstat/life-expectancy-at-birth.htm>.
- ⁴OECD, Fertility rate data, <https://data.oecd.org/pop/fertility-rates.htm>.
- ⁵World Bank, <https://data.worldbank.org/indicator/SM.POP.NETM?locations=PT>.
- ⁶OECD.Stat, Population projections, <https://stats.oecd.org/Index.aspx?DataSetCode=POPPROJ#>.
- ⁷International Labour Organization, 'What about seniors? A quick analysis of the situation of older persons in the labour market', 2018, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms_629567.pdf. OECD, *Work-force ageing in OECD countries*, <https://www.oecd.org/els/emp/2080254.pdf>.
- ⁸C. Geppert et al., 'Labour supply of older people in advanced economies: the impact of changes to statutory retirement ages', *OECD Economics Department Working Papers*, No. 1554, OECD Publishing, Paris, 2019, <https://doi.org/10.1787/b9f8d292-en>.
- ⁹OECD, *Pensions at a Glance 2021: OECD and G20 Indicators*, OECD Publishing, Paris, 2021, <https://doi.org/10.1787/ca401ebd-en>.
- ¹⁰OECD, *Pensions at a Glance 2021: OECD and G20 Indicators*, OECD Publishing, Paris, 2021, <https://doi.org/10.1787/ca401ebd-en>.
- ¹¹ILC, 'Health equals wealth: the global longevity dividend', 2020.
- ¹²Eurostat, Mean and median income by age and sex - EU-SILC and ECHP surveys, https://ec.europa.eu/eurostat/databrowser/view/ILC_DI03_custom_7072278/default/table?lang=en.
- ¹³OECD, *Pensions at a Glance 2021: OECD and G20 Indicators*, OECD Publishing, Paris, 2021, <https://doi.org/10.1787/ca401ebd-en>.
- ¹⁴OECD, *Pensions at a Glance 2021: OECD and G20 Indicators*, OECD Publishing, Paris, 2021, <https://doi.org/10.1787/ca401ebd-en>.
- ¹⁵OECD, *Pensions at a Glance 2021: OECD and G20 Indicators*, OECD Publishing, Paris, 2021, <https://doi.org/10.1787/ca401ebd-en>.
- ¹⁶OECD, *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, 2020, <https://doi.org/10.1787/59752153-en>.
- ¹⁷European Commission, 'The 2021 Ageing Report: Economic and Budgetary Projections for the EU Member States (2019-2070)', Institutional Paper 148, May 2021.

¹⁸A.C.J. Tostão, 'Is the statutory retirement age contributing to youth unemployment?: The case of Portugal', Master's thesis, 2022. OECD, 'All in it together? The experience of different labour market groups following the crisis', OECD Employment Outlook 2013, Paris OECD Publishing, 2013, http://dx.doi.org/10.1787/empl_outlook-2013-5-en. A.H. Munnell and A. Wu, 'Do older workers squeeze out younger workers'. Stanford Institute for Economic Policy Research Discussion Paper, 13-011, 2013.

¹⁹C. Göbel and T. Zwick, 'Age and Productivity – Sector Differences?' Discussion Paper 11-058, Centre for European Economic Research, 2011, <http://ftp.zew.de/pub/zew-docs/dp/dp11058.pdf>. J. C. van Ours and L. Stoeldraijer, 'Age, Wage and Productivity', IZA Discussion Paper 4765, 2011. G. Burtless, 'The Impact Of Population Aging And Delayed Retirement On Workforce Productivity', CRR WP 2013-11, 2013. Institute of Medicine (US) Committee on the Long-Run Macroeconomic Effects of the Aging U.S. Population. *Aging and the Macroeconomy: Long-Term Implications of an Older Population*, Washington (DC), National Academies Press (US), 2012. A. Börsch-Supan and M. Weiss, 'Productivity and age: Evidence from work teams at the assembly line', *The Journal of the Economics of Ageing* 7, 30-42, 2016. Shrm Foundation Executive Briefing, 'Leveraging the value of an age-diverse workforce', <https://www.shrm.org/foundation/aging-workforce>.

²⁰OECD, *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, 2020, <https://doi.org/10.1787/59752153-en>.

²¹OECD, *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, 2020, <https://doi.org/10.1787/59752153-en>.

²²OECD, *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, 2020, <https://doi.org/10.1787/59752153-en>.

²³S. Baxter *et al*, 'Is working in later life good for your health? A systematic review of health outcomes resulting from extended working lives', *BMC Public Health* 21, 1356, 2021, <https://doi.org/10.1186/s12889-021-11423-2>.

²⁴OECD, *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, 2020, <https://doi.org/10.1787/59752153-en>.

²⁵ILC, 'The Missing Million: Illuminating the employment challenges of the over 50s', 2014. House of Commons Equality Committee, Older people and employment. Fourth report of Session 2017–19, 2018, <https://publications.parliament.uk/pa/cm201719/cmselect/cmwomeq/359/359.pdf>. OECD, *Working Better with Age*, Ageing and Employment Policies, OECD Publishing, Paris, 2019, <https://doi.org/10.1787/c4d4f66a-en>.

²⁶International Labour Organization, 'What about seniors? A quick analysis of the situation of older persons in the labour market', 2018, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms_629567.pdf.

²⁷OECD, *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, 2020, <https://doi.org/10.1787/59752153-en>.

- ²⁸C. Hellemans and C. Closon, 'Intention to Remain at Work Until Legal Retirement Age: A Comparative Analysis Among Different Age Subgroups of Employees', *Europe's Journal of Psychology*, 9(3):623-639, 2013. C. Rudolph and B. Baltes, 'Age and health jointly moderate the influence of flexible work arrangements on work engagement: Evidence from two empirical studies', *Journal of Occupational Health Psychology*, 22, 40–58, 2016.
- ²⁹A. Kalwij and F. Vermeulen, 'Health and labour force participation of older people in Europe: what do objective health indicators add to the analysis?', *Health Economics*, 17(5), 619–638, 2008.
- ³⁰M. Wahrendorf et al, 'Who in Europe Works beyond the State Pension Age and under which Conditions? Results from SHARE', *Population Ageing* 10, 269–285, 2017. R. Sewdas et al., 'Why older workers work beyond the retirement age: a qualitative study', *BMC Public Health*, 17: 672, 2017.
- ³¹ILC, 'Health equals wealth: Maximising the global longevity dividend', 2020.
- ³²T. Furunes et al., 'Late career decision-making: a qualitative panel study.' *Work Aging Retirement*, 1(3), 284–295, 2015.
- ³³OECD, *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, 2020, <https://doi.org/10.1787/59752153-en>.
- ³⁴H. Axelrad, M. Malul and I. Luski, 'Unemployment among younger and older individuals: does conventional data about unemployment tell us the whole story?', *Journal for Labour Market Research*, Vol. 52, Iss. 3, pp. 1-12, 2018.
- ³⁵R. Böheim, G.T. Horvath and R. Winter-Ebmer, 'Great expectations: past wages and unemployment durations.' *Labour Economics*, 18(6), 778–785, 2011.
- ³⁶European Commission, Eurobarometer Discrimination in the European Union, 2019, <https://europa.eu/eurobarometer/surveys/detail/2251>.
- ³⁷OECD, *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, 2020, <https://doi.org/10.1787/59752153-en>.
- ³⁸OECD, *Working Better with Age*, Ageing and Employment Policies, OECD Publishing, Paris, 2019, <https://doi.org/10.1787/c4d4f66a-en>.
- ³⁹European Commission, *Special Eurobarometer 378 Active Ageing Report*, 2012, http://ec.europa.eu/public_opinion/index_en.htm.
- ⁴⁰OECD, *Working Better with Age*, Ageing and Employment Policies, OECD Publishing, Paris, 2019, <https://doi.org/10.1787/c4d4f66a-en>.
- ⁴¹OECD, *Pensions at a Glance 2021*, Paris: OECD Publishing, 2021.
- ⁴²Department for Work and Pensions, 'Understanding decision making around changing the State Pension age: A review of international evidence', 30 March 2023, <https://www.gov.uk/government/publications/understanding-decision-making-around-changing-the-state-pension-age-a-review-of-international-evidence/understanding-decision-making-around-changing-the-state-pension-age-a-review-of-international-evidence>. OECD, *Pensions at a Glance 2021*, Paris: OECD Publishing, 2021. Beatriz Ferreira, 'Governo não mexe no corte das pensões antecipadas nem na idade da reforma apesar das revisões do INE', *Observador*, 31 May 2023, <https://observador.pt/2023/05/31/governo-nao-mexe-no-corte-das-pensoes-antecipadas-nem-na-idade-da-reforma-apesar-das-revisoes-do-ine/>.

⁴³Ibid.

⁴⁴OECD, *Pensions at a Glance 2021*, Paris: OECD Publishing, 2021.

⁴⁵Australian Government Department of Employment and Workplace Relations, 'Employing mature age workers', 2023, <https://www.dewr.gov.au/mature-age-hub/employing-mature-age-workers>.

⁴⁶GOV.UK, 'Flexible working', <https://www.gov.uk/flexible-working>.

⁴⁷J. Erfurt, A. Peppes and M. Purdy, 'The seven myths of population aging: How companies and governments can turn the "Silver Economy" into an advantage', Accenture, February 2012, <https://www.criticaleye.com/insights-servfile.cfm?putlogincodehere&id=3359>.

⁴⁸Department for Work and Pensions, 'Mid-life MOT expansion to help tens of thousands assess work, wellbeing, and finances', Press release, 14 July 2022, <https://www.gov.uk/government/news/mid-life-mot-expansion-to-help-tens-of-thousands-assess-work-wellbeing-and-finances>.

⁴⁹<https://intransitus.pt/proposta/>

⁵⁰OECD, *Working Better with Age*, Ageing and Employment Policies, Paris: OECD Publishing, 2019, <https://doi.org/10.1787/c4d4f66a-en>, 2019, <https://doi.org/10.1787/c4d4f66a-en>.

⁵¹Instituto Nacional de Estatística / Statistics Portugal, National Health Survey 2019, https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_indicadores&indOcorrCod=0008933&contexto=bd&selTab=tab2.

⁵²Ibid.

⁵³F. Barbosa, G. Voss and A. Delerue Matos, 'Health impact of providing informal care in Portugal', *BMC Geriatrics*, 20(1), 1-9, 2020.

⁵⁴Instituto Nacional de Estatística / Statistics Portugal, Survey on Volunteer Work 2018, https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaques&DESTAQUESdest_boui=379956338&DESTAQUESmodo=2&xlang=pt.

⁵⁵Ibid.

⁵⁶ILC, 'Health equals wealth: Maximising the global longevity dividend', 2020.. D. E. Bloom et al., 'Valuing productive non-market activities of older adults in Europe and the US', *De economist*, 168, 2020, 153-181.

⁵⁷ILC, 'Health equals wealth: Maximising the global longevity dividend', 2020.

⁵⁸D. E. Bloom et al., 'Valuing productive non-market activities of older adults in Europe and the US', *De economist*, 168, 2020, 153-181.

⁵⁹Instituto Nacional de Estatística / Statistics Portugal, Survey on Volunteer Work 2018, https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaques&DESTAQUESdest_boui=379956338&DESTAQUESmodo=2&xlang=pt.

⁶⁰Instituto Nacional de Estatística / Statistics Portugal, Survey on Volunteer Work 2018, Press release, 19 July 2019, https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaques&DESTAQUESdest_boui=379956338&DESTAQUESmodo=2&xlang=pt.

⁶¹OECD, Health at a Glance, 2021. International Labour Organization and OECD, 'New job opportunities in an ageing society', 2019, <https://www.oecd.org/g20/summits/osaka/ILO-OECD-G20-Paper-1-3-New-job-opportunities-in-an-ageing-society.pdf>.

⁶²A. Lopes, 'Long-term care in Portugal: quasi-privatization of a dual system of care', In *Long-term Care for the Elderly in Europe*, pp. 73-88, Routledge, 2016.

⁶³M. Cattan, E. Hogg and I. Hardill, 'Improving quality of life in ageing populations: What can volunteering do?', *Maturitas*, 70, 2011, 328-332. S. Connolly and E. O'Shea, 'The Perceived Benefits of Participating in Voluntary Activities Among Older People: Do They Differ by Volunteer Characteristics?', *Activities, Adaptation & Aging*, 39, 2015, 95-108. J.M. Cramm and A.P. Nieboer, 'Background characteristics, resources and volunteering among older adults (aged ≥ 70 years) in the community: A longitudinal study. *Geriatrics & Gerontology International*, 15, 2015, 1087-1095.

⁶⁴P. Moen, 'A life course perspective on retirement, gender, and well-being', *Journal of Occupational Health Psychology*, 1(2), 1996, 131-144.

⁶⁵A.R. Russell et al., 'Volunteering and wellbeing among ageing adults: A longitudinal analysis', *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, 30, 2019, 115-128.

⁶⁶T.Y. Lum and E. Lightfoot, 'The effects of volunteering on the physical and mental health of older people', *Research on Aging*, 27, 2005, 31-55. N.D. Anderson et al., 'The benefits associated with volunteering among seniors: a critical review and recommendations for future research', *Psychological bulletin*, 140(6), 2014, 1505.

⁶⁷M. Danielsbacka, L. Křenková and A.O. Tanskanen, 'Grandparenting, health, and well-being: A systematic literature review', *European Journal of Ageing*, 2022, 1-28.

⁶⁸D. E. Bloom et al., 'Valuing productive non-market activities of older adults in Europe and the US', *De Economist*, 168, 2020, 153-181.

⁶⁹J. Cramm and A. Nieboer, 'Background characteristics, resources and volunteering among older adults (aged ≥ 70 years) in the community: A longitudinal study' *Geriatrics & Gerontology International*, 15(8), 2015, 1087-1095.

⁷⁰R. Papa, G. Cutuli, A. Principi and S. Scherer, 'Health and volunteering in Europe: A longitudinal study.' *Research on Aging*, 41, 2019, 670-696. J. Niebuur et al., 'Determinants of participation in voluntary work: a systematic review and meta-analysis of longitudinal cohort studies.' *BMC Public Health*, 18, 2018, 1-30.

⁷¹R. Papa, G. Cutuli, A. Principi and S. Scherer, 'Health and volunteering in Europe: A longitudinal study.' *Research on Aging*, 41, 2019, 670-696.

⁷²D. E. Bloom et al., 'Valuing productive non-market activities of older adults in Europe and the US', *De Economist*, 168, 2020, 153-181.

⁷³K. Glaser et al., *Grandparenting in Europe*. London: Grandparents Plus. June 2010.

⁷⁴ILC, 'Health equals wealth: Maximising the global longevity dividend', 2020.

⁷⁵ILC, 'Health equals wealth: Maximising the global longevity dividend', 2020.

⁷⁶ILC, 'The Missing Million: Illuminating the employment challenges of the over 50s', 2014. House of Commons Equality Committee, 'Older people and employment', Fourth report of Session 2017–19, 2018, <https://publications.parliament.uk/pa/cm201719/cmselect/cmwomeq/359/359.pdf>. OECD, *Working Better with Age*. Ageing and Employment Policies, OECD Publishing, Paris, 2019, <https://doi.org/10.1787/c4d4f66a-en>.

⁷⁷J.M. Bauer and A. Sousa-Poza, 'Impacts of informal caregiving on caregiver employment, health, and family', *Journal of Population Ageing*, 8, 2015, 113-145.

⁷⁸F. Barbosa, G. Voss and A. Delerue Matos, 'Health impact of providing informal care in Portugal', *BMC Geriatrics*, 20(1), 2020, 1-9.

⁷⁹K. Glaser et al., *Grandparenting in Europe*. London: Grandparents Plus, June 2010. M. Danielsbacka, L. Křenková & A.O. Tanskanen, 'Grandparenting, health, and well-being: A systematic literature review', *European Journal of Ageing*, 2022, 1-28.

⁸⁰A. Principi, G. Lamura, & P.H. Jensen, 'Conclusions: Enhancing volunteering by older people in Europe' in *Active ageing: Voluntary work by older people in Europe*, ed. by A. Principi, G. Lamura, & P.H. Jensen, Bristol University Press, 2014, 315-342.

⁸¹T. Fengyan, N. Morrow-Howell & H. Songjee, 'Inclusion of Diverse Older Populations in Volunteering', *Nonprofit & Voluntary Sector Quarterly*, 38, 2009, 810-827.

⁸²A. Principi, G. Lamura, & P.H. Jensen, 'Conclusions: Enhancing volunteering by older people in Europe' in *Active ageing: Voluntary work by older people in Europe*, ed. by A. Principi, G. Lamura, & P.H. Jensen, Bristol University Press, 2014, 315-342.

⁸³P. Mazzola et al., 'Aging in Italy: The Need for New Welfare Strategies in an Old Country,' *The Gerontologist*, 56(3), 2016, 383–390.

⁸⁴<https://www.gov.uk/carers-allowance/eligibility>.

⁸⁵UK Parliament, 'Informal Carers', House of Commons Library Research Briefing, 02 June 2023, <https://commonslibrary.parliament.uk/research-briefings/cbp-7756/>.

⁸⁶European Commission, 'A new formal status for informal carers in Portugal', ESPN Flash Report 2019/55, October 2019.

⁸⁷K. Glaser et al., *Grandparenting in Europe*. London: Grandparents Plus, June 2010.

⁸⁸K. Glaser et al., *Grandparenting in Europe*. London: Grandparents Plus, June 2010.

⁸⁹J. Banks, R. Blundell and S. Tanner, 'Is there a retirement-savings puzzle?', *American Economic Review*, 1998, 769-788. S.J. Haider and M. Stephens Jr, 'Is there a retirement-consumption puzzle? Evidence using subjective retirement expectations', *The review of economics and statistics*, 89(2), 2007, 247-264. R. Miniaci, C. Monfardini and G. Weber, 'Is there a retirement-consumption puzzle in Italy?', Institute for Fiscal Studies Working Paper No. 03/14, 2003.

- ⁹⁰ILC, 'Maximising the longevity dividend', 2019.
- ⁹¹European Commission, 'The Silver Economy', 2018, <https://digital-strategy.ec.europa.eu/en/library/silver-economy-study-how-stimulate-economy-hundreds-millions-euros-year>.
- ⁹²European Commission, 'The Silver Economy', 2018, <https://digital-strategy.ec.europa.eu/en/library/silver-economy-study-how-stimulate-economy-hundreds-millions-euros-year>.
- ⁹³European Commission, 'The Silver Economy', 2018, <https://digital-strategy.ec.europa.eu/en/library/silver-economy-study-how-stimulate-economy-hundreds-millions-euros-year>.
- ⁹⁴European Commission, 'The Silver Economy', 2018, <https://digital-strategy.ec.europa.eu/en/library/silver-economy-study-how-stimulate-economy-hundreds-millions-euros-year>.
- ⁹⁵H. McGuirk, A. Conway Lenihan and N. Lenihan, 'Awareness and potential of the silver economy for enterprises: a European regional level study', *Small Enterprise Research*, 29(1), 2022, 6-19.
- ⁹⁶Eurostat, Tourism trends and ageing, 2021, <https://ec.europa.eu/eurostat/statistics-explained/SEPDF/cache/55730.pdf>.
- ⁹⁷Eurostat, World Tourism Day News Release, 2016, <https://ec.europa.eu/eurostat/documents/2995521/7664325/4-26092016-AP-EN.pdf/59bc5872-a0e0-4666-99b3-073a82672e71>.
- ⁹⁸Eurostat, Tourism trends and ageing, 2021, <https://ec.europa.eu/eurostat/statistics-explained/SEPDF/cache/55730.pdf>.
- ⁹⁹European Commission, 'The Silver Economy', 2018, <https://digital-strategy.ec.europa.eu/en/library/silver-economy-study-how-stimulate-economy-hundreds-millions-euros-year>.
- ¹⁰⁰M. Aguiar and E. Hurst, 'Deconstructing life cycle expenditure', *Journal of Political Economy*, 121(3), 2013, 437-92.
- ¹⁰¹ILC, 'Money well spent? Overcoming barriers to consumption in later life'. 2023. ILC, 'Lockdown not shutdown: How can we unlock the longevity dividend post-pandemic?', 2021.
- ¹⁰²ILC, 'Money well spent? Overcoming barriers to consumption in later life', 2023.
- ¹⁰³Eurostat, Individuals' level of digital skills (until 2019), ISOC_SK_DSKL_I, 2019.
- ¹⁰⁴UNECE, 'Ageing in the Digital Era', UNECE Policy Brief on Ageing No. 26, July 2021.
- ¹⁰⁵Eurostat, Level of internet access – households (ISOC_CI_IN_H), 2022.
- ¹⁰⁶M. Eisend, 'Older people in advertising', *Journal of Advertising*, 51(3), 2022, 308-322. Y.B. Zhang et al., 'The portrayal of older adults in advertising: A cross-national review', *Journal of Language and Social Psychology*, 25(3), 2006, 264-282.
- ¹⁰⁷Nielsen, The Age Gap, February 2014, <https://silvergroup.asia/wp-content/uploads/2014/04/nielsen-global-ageing-report-february-2014.pdf>.

- ¹⁰⁸OECD, *Pensions at a Glance 2021: OECD and G20 Indicators*, OECD Publishing, Paris, 2021, <https://doi.org/10.1787/ca401ebd-en>.
- ¹⁰⁹OECD, *Pensions at a Glance 2021: OECD and G20 Indicators*, OECD Publishing, Paris, 2021, <https://doi.org/10.1787/ca401ebd-en>.
- ¹¹⁰ILC, 'The Missing £Billions: The economic cost of failing to adapt our high street to respond to demographic change', 2016.
- ¹¹¹S. Smith, 'The Retirement Consumption Puzzle and Involuntary Early Retirement: Evidence from the British Household Panel Survey', *The Economic Journal*, Volume 116, No. 510, 2006, C130-C148. M.D. Hurd and S. Rohwedder, 'The Retirement Consumption Puzzle: Actual Spending Change in Panel Data', NBER Working Paper No. 13929, 2008, <https://www.nber.org/papers/w13929>. ILC, 'Understanding retirement journeys: Expectations vs reality', 2015.
- ¹¹²ILC, 'Health equals wealth: maximising the global longevity dividend', 2020.
- ¹¹³World Health Organization, The WHO Age-friendly Cities Framework, <https://extranet.who.int/agefriendlyworld/age-friendly-cities-framework/>.
- ¹¹⁴World Health Organization, Global Age-friendly Cities: A Guide, 2007, https://apps.who.int/iris/bitstream/handle/10665/43755/9789241547307_eng.pdf?sequence=1&isAllowed=y.
- ¹¹⁵World Health Organization, Age-friendly World, https://extranet.who.int/agefriendlyworld/search-network/?_sft_countries-portugal
- ¹¹⁶European Commission. The European Innovation Partnership on Active and Healthy Ageing, <https://digital-strategy.ec.europa.eu/en/policies/eip-aha>.
- ¹¹⁷UK Research and Innovation, Healthy ageing, <https://www.ukri.org/what-we-do/our-main-funds-and-areas-of-support/browse-our-areas-of-investment-and-support/healthy-ageing/>.
- ¹¹⁸Portugal Digital, Rede Nacional de Incubadoras e Aceleradoras, <https://portugaldigital.gov.pt/acelerar-a-transicao-digital-em-portugal/empreendedorismo-e-startups/rede-nacional-de-incubadoras-e-aceleradoras/>.
- ¹¹⁹Take Five to Stop Fraud, <https://www.takefive-stopfraud.org.uk/>.
- ¹²⁰AgeUK, Staying safe online, 2023, https://www.ageuk.org.uk/information-advice/work-learning/technology-internet/internet-security/_H AgeUK, Helping older people get online, <https://www.ageuk.org.uk/our-impact/programmes/digital-skills/>.
- ¹²¹ICTskills4All, <https://all-digital.org/projects/ictskills4all/>.
- ¹²²MoneyHelper, Pension Wise, <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise>.
- ¹²³Department for Work and Pensions, 'Mid-life MOT expansion to help tens of thousands assess work, wellbeing, and finances', Press release, 14 July 2022, <https://www.gov.uk/government/news/mid-life-mot-expansion-to-help-tens-of-thousands-assess-work-wellbeing-and-finances>.

- ¹²⁴ILC, 'Health equals wealth: The global longevity dividend', 2020.
- ¹²⁵OECD and World Health Organisation, 'State of Health in the EU: Portugal Country Health Profile 2021'.
- ¹²⁶OECD and World Health Organisation, 'State of Health in the EU: Portugal Country Health Profile 2021'.
- ¹²⁷OECD and World Health Organisation, 'State of Health in the EU: Portugal Country Health Profile 2021'. OECD and World Health Organisation, 'State of Health in the EU: United Kingdom Country Health Profile 2019'.
- ¹²⁸A.M. Rodrigues et al., 'Challenges of ageing in Portugal: data from the EpiDoC cohort', *Acta Medica Portuguesa*, 31(2), 2018, 80–93.
- ¹²⁹J. Simões et al., 'Portugal: health system review', *Health Systems in Transition*, 19(2), 2017, 1–184. OECD, 'The heavy burden of obesity: the economics of prevention', *OECD Health Policy Studies*, 2019.
- ¹³⁰OECD and World Health Organisation, 'State of Health in the EU: Portugal Country Health Profile 2021'.
- ¹³¹A.M. Rodrigues et al., 'Challenges of ageing in Portugal: data from the EpiDoC cohort', *Acta Medica Portuguesa*, 31(2), 2018, 80–93.
- ¹³²ONS, People with long-term health conditions, UK: January to December 2019, <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/adhocs/11478peoplewithlongtermhealthconditionsukjanuarytodecember2019>.
- ¹³³J. Pearson-Stuttard, M. Ezzati and E.W. Gregg, 'Multimorbidity—a defining challenge for health systems', *Lancet Public Health* 4, 2019, e599–e600.
- ¹³⁴Department of Health and Social Care, Long-term conditions compendium of information', third edition, 2012, <https://www.gov.uk/government/publications/long-term-conditions-compendium-of-information-third-edition>.
- ¹³⁵ILC, 'Health equals wealth: Maximising the global longevity dividend', 2020.
- ¹³⁶SNS 24 (Portuguese National Health Service website), <https://www.sns24.gov.pt/en/tema/vacinas/programa-nacional-de-vacinacao/> [Accessed November 2023].
- ¹³⁷OECD Life expectancy data.
- ¹³⁸ILC, *Healthy Ageing and Prevention Index*, <https://ilcuk.org.uk/preventionindex/>.
- ¹³⁹ILC, *Healthy Ageing and Prevention Index*, <https://ilcuk.org.uk/preventionindex/>.
- ¹⁴⁰Statement from the Portuguese Council of Ministers on 7 December 2023. Available at: <https://www.portugal.gov.pt/pt/gc23/governo/comunicado-de-conselho-de-ministros?i=589>.
- ¹⁴¹Rede Portuguesa de Envelhecimento Saudável e Ativo (REPENSA), <https://repensa.pt/observatorio-nacional-do-envelhecimento/>.
- ¹⁴²OECD.Stat, Health expenditure and financing, 2023, <https://stats.oecd.org/index.aspx?lang=en#>.

¹⁴³ILC, 'Health equals wealth: Maximising the global longevity dividend', 2020.

¹⁴⁴ILC, 'Health equals wealth: Maximising the global longevity dividend', 2020.

¹⁴⁵Portugal Digital, Test beds, 2022, <https://portugaldigital.gov.pt/en/accelerating-digital-transition-in-portugal/testing-and-incorporating-new-technologies/testbeds/>.

¹⁴⁶Ageing@Coimbra, <https://ageingcoimbra.pt/>.

¹⁴⁷OECD, *Health at a Glance 2021: OECD Indicators*, OECD Publishing, Paris, 2021, <https://doi.org/10.1787/ae3016b9-en>. International Labour Organization, 'New job opportunities in an ageing society', 2019, <https://www.oecd.org/g20/summits/osaka/ILO-OECD-G20-Paper-1-3-New-job-opportunities-in-an-ageing-society.pdf>.

¹⁴⁸World Health Organization, Dementia, 15 March 2023, <https://www.who.int/news-room/fact-sheets/detail/dementia>.

¹⁴⁹European Commission, 'A new formal status for informal carers in Portugal', ESPN Flash Report 2019/55, October 2019.

¹⁵⁰Centro de Competências de Envelhecimento Ativo, 'Formações', <https://cceativo.pt/oferta-formativa/> [Accessed: November 2023].

¹⁵¹UNECE, 'Ageing in the Digital Era', UNECE Policy Brief on Ageing No. 26, July 2021.

¹⁵²UNECE, 'Ageing in the Digital Era', UNECE Policy Brief on Ageing No. 26, July 2021.

¹⁵³Porto, 'Curso | Empreendedorismo e inovação para adultos', <https://www.porto.pt/pt/evento/curso-empreendedorismo-e-inovacao-para-adultos> [Accessed: November 2023].

Data sources

European Foundation for the Improvement of Living and Working Conditions. (2019). *European Quality of Life Survey*. [data series]. 3rd Release. UK Data Service. SN: 200013. DOI: <http://doi.org/10.5255/UKDA-Series-200013>

Eurostat (2023). *Distribution of households by age of the reference person - experimental statistics* [ICW_CAR_01__custom_7063480].

Eurostat (2023). *Mean consumption expenditure by age of the reference person* [HBS_EXP_T135__custom_5117424].

Eurostat (2023). *Structure of consumption expenditure by age of the reference person and COICOP consumption purpose* [HBS_STR_T225__custom_5120644].

Eurostat (2023). *Healthy life years by sex (from 2004 onwards)* [HLTH_HLYE].

Eurostat (2022). *Aggregate propensity to consume by age of the reference person - experimental statistics* [ICW_SR_08__custom_5117562].

Eurostat (2021). *Structure of earnings survey: annual earnings* [EARN_SES_ ANNUAL__custom_7444639].

Instituto Nacional de Estatística (Statistics Portugal) (2018). Inquérito ao Trabalho Voluntário 2018 (Volunteering Survey 2018), https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaquess&DESTAQUESdest_boui=379956830&DESTAQUESmodo=2&xlang-pt.

OECD (2023). Historical population data. OECD.Stat, <https://stats.oecd.org/index.aspx?lang=en#>.

OECD (2023). Population projections. OECD.Stat, <https://stats.oecd.org/index.aspx?lang=en#>.

OECD (2023). Labour Force Statistics by sex and age (data for 2021). OECD.Stat, <https://stats.oecd.org/index.aspx?lang=en#>.

OECD (2023). Health Status: Perceived health status by age and gender. OECD. Stat, <https://stats.oecd.org/index.aspx?lang=en#>.

OECD (2023). Health expenditure and financing. OECD.Stat, <https://stats.oecd.org/index.aspx?lang=en#>.

OECD (2023). *Influenza vaccination rates (indicator)*. doi: 10.1787/e452582e-en.

OECD (2023). *Fertility rates (indicator)*. doi: 10.1787/8272fb01-en.

OECD (2023). *Elderly population (indicator)*. doi: 10.1787/8d805ea1-en.

OECD/European Union (2022). 'Health at a Glance: Europe 2022: State of Health in the EU Cycle'. OECD Publishing, Paris, <https://doi.org/10.1787/507433b0-en>.

OECD/European Observatory on Health Systems and Policies (2021). 'Portugal: Country Health Profile 2021'. *State of Health in the EU*, OECD Publishing, Paris, <https://doi.org/10.1787/8f3b0171-en>.

OECD (2021). *Pensions at a Glance 2021: OECD and G20 Indicators*, OECD Publishing, Paris, <https://doi.org/10.1787/ca401ebd-en>.

About ILC

The International Longevity Centre UK (ILC) is the UK's specialist think tank on the impact of longevity on society. The ILC was established in 1997, as one of the founder members of the International Longevity Centre Global Alliance, an international network on longevity. We have unrivalled expertise in demographic change, ageing and longevity. We use this expertise to highlight the impact of ageing on society, working with experts, policy makers and practitioners to provoke conversations and pioneer solutions for a society where everyone can thrive, regardless of age.



**International
Longevity Centre UK**

The Foundry
17 Oval Way
London SE11 5RR
Tel: +44 (0) 203 752 5794

www.ilcuk.org.uk

Published in 2024 © ILC-UK 2024
Registered Charity Number: 1080496.