ANALYSIS OF PENSION INCOME OF THE ELDERLY, BY GENDER, IN 2021

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Abstract: *The current study starts from a secondary data analysis (taken from the National Public Pension House) in order to highlight how the pension income of the elderly can influence their lives. Considering the previous aspects, the analysis is carried out on the basis of the comparison between elderly men and women to see what are the main income differences between them and focuses on the study of pension data for the year 2021, of three categories of pensioners that we consider relevant in the analysis, more precisely: pensioners with an old-age pension, pensioners with an early pension and pensioners with a survivor's pension. In general, the differences that can appear between the two sexes, female and male, come from anatomical characteristics, but they can also be generated by the socio-cultural environment of the respective country, some social rights and the positioning that people can have in the given society. Likewise, gender-based relationships (femininity and masculinity) influence the opinion of individuals about different health conditions and can affect the state of health, both mental and physical, people's susceptibility to different health conditions and affect their good mental, physical health.*

Keywords: Gender differences, the representation of masculinity and femininity, pensions, old people, poverty.

1. Introduction

The current research includes a secondary data analysis carried out on the statistical data of the existing National Public Pension House following two aspects: on the one hand, the analysis aims at the pension income of the elderly for the year 2021 (according to three of the important categories of). pensioners with an age limit pension, pensioners with an early pension, pensioners with a survivor's pension), intending to identify the main differences/similarities in percentage, from one quarter to another; I also want to demonstrate, as a hypothesis, that the post-pandemic period and inflation-induced repercussions have led or not to a stagnation in the increase of pensions and, implicitly, to a standard of living regarding the elderly population in Romania. On the other hand, they want to identify differences between elderly men and women, regarding incomes at the level of 2021.

Over the years, the social policies highlighted by the European Commission in order to evolve the collaborative relationship between the elderly and the competent authorities, intend to combat some of the shortcomings of the elderly everywhere. The growth of the age segment of 65 years and over calls for the reform of social policies, which means that from a demographic point of view, the phenomenon of population aging is growing significantly.

At the Romanian level, pensions are the main source of income for the elderly and mostly come from redistributive public systems. At the European level, pensioners are a significant part of the population of the European Union (approximately 124 million people, i.e. a quarter of the total population (according to the European Commission, "European Semester - Adequacy and Sustainability of Pensions", s.a.).

Over the years, we have been able to observe how demographic developments manifest themselves, with all their implications and the situation of the elderly causing the interest of the European Communities, since the 80s, a fact found in several resolutions of the European Parliament, as well as in the Charter of Rights to man. social (1989). It is important to state that the phenomenon of population aging is an important factor in raising awareness

of the level of social protection that any elderly person must benefit from. We can recall the impact of the decisions taken by the European Council in 1991 and 1992 in favor of the elderly by declaring the "European Year of the Elderly" (1993), thus confirming the important role that the Community must play in addressing the long-term challenges of the aging population.

2. Demographic aging and life expectancy for the elderly

In the period between 1995 and 1997 (Bălaşa, A., 2005), the European Commission elaborates two demographic reports and a report on the modernization of social protection in which it assesses the political impact of the demographic changes registered within the European Union. In 1998, other initiatives were launched to deepen the analyzes and discussions on this topic. In 1999, the Commission organized a European colloquium, with the aim of exploring in depth the economic, social and political problems raised by demographic developments in Europe.

The social protection systems put into practice by the member states aim to ensure everyone's access to quality care, and their development has contributed to the considerable improvement of the health status of the European population during the last decades. They represent an important element of the social model.

Like most European countries, Romania also faces the complex economic and social consequences of a population in a slow but continuous aging process.

Figure no. 1. The resident population in Romania by age and sex ("age pyramid") - Comparative data - January 1, 2010 and January 1, 2020-
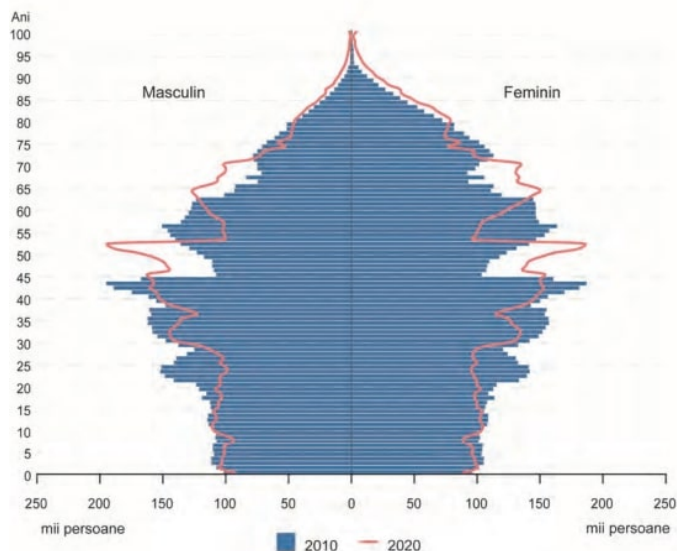
Source: INS, Demographic Statistics, 2020.

The "age pyramid" reflects the long-term trends of fertility and mortality, but also the short-term effects of migrations, demographic policies or the changes that took place in a century of demographic history. (INS, 2020).

Considering the above, we can deduce the fact that the problem of population aging is not, therefore, only a demographic problem, at the level of Romania, but above all an economic, social, cultural, medical-sanitary, moral one, which requires the study of this phenomenon in a multidisciplinary vision.

As we know, a good state of health is an essential element of human well-being, representing a value in itself of a nation, especially for the elderly.

The health status of the population can be analyzed, in general, with the help of indicators related to mortality and morbidity, but also based on synthetic indicators. (INS, 2020)

Life expectancy, calculated for certain ages, is a relevant indicator in the field of health statistics, being a benchmark for the configuration of social policies that take into account the life cycle of women and men, such as: employment policies, in the field of pensions, care health, long-term care, etc. For example, based on the value of the "life expectancy at 60 years" indicator, one can appreciate the longevity of a population, especially when it is marked by the aging phenomenon.

Table no. 1 The difference between women and men in life expectancy at certain ages (years), 2020

Vârsta	2008	2012	2014	2015	2016[1]	2017	2018	2019[2]
0	7,06	6,96	6,87	6,92	6,99	6,95	7,01	7,08
10	6,91	6,83	6,75	6,85	6,86	6,87	6,93	7,00
20	6,77	6,73	6,64	6,74	6,76	6,78	6,83	6,93
30	6,52	6,50	6,42	6,51	6,53	6,56	6,63	6,73
40	6,19	6,20	6,14	6,24	6,28	6,32	6,41	6,50
50	5,36	5,50	5,50	5,61	5,67	5,71	5,80	5,89
60	3,86	4,05	4,10	4,22	4,31	4,33	4,42	4,51
70	2,12	2,32	2,38	2,47	2,50	2,52	2,54	2,56
80	0,74	0,80	0,87	0,91	0,93	0,94	0,91	0,87

Source: INS, demographic analysis, 2020.

On the one hand, in our country, according to the National Institute of Statistics (Table no. 1) we can compare, for example, for the age of 60, the year 2016 (4.31 %) with the year 2019 (4.51 %) or for the age of 70, the year 2015 (2.47 %) with the year 2018 (2.56 %), noting that life expectancy increases with the passing of the years. On the other hand, gender differences remain higher in women throughout life. At older ages, the gap between the two sexes decreases, reaching less than a year at the age of 80. More precisely, if in 2016 we observe a percentage of 0.93% as an increase in life expectancy at 80 years old, with the passing of the years, for example, in 2019 we identify a percentage of 0.27% of life expectancy which denotes a decrease in it at an advanced age.

Figure no. 2. Life expectancy chart - age 50+ - year 2019
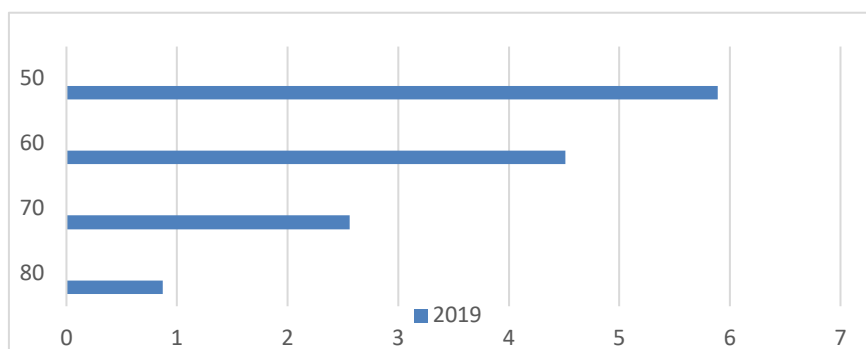
Source: According to INS 2019 data.

Older people are known to have poorer health and higher mortality compared to younger age groups.

The growth of the age group of 80 years and over is the one that poses, in particular, the problem of health and care. This age group is of particular importance for social policies and those regarding public health and the care of dependent people. It involves new demands, regarding housing, travel possibilities and other public infrastructures. Very old people need health and care services that are much more numerous and essentially different from those needed by the younger population. The morbidity of very old people is characterized by a higher rate (the tendency to be sick more often).

The fact that women have a longer life expectancy translates, at the level of their pensions, into a stronger negative impact of the long-term consequences of the incomplete indexation of pensions to wages in most Member States. Also, women are more at risk of poverty in old age (16.8% in 2016) than men (12.1% in 2016) because they generally outlive their partners, becoming widows and reaching to live in one-person households.

3. Methodology

This study is based on a secondary data analysis in which three categories of pensioners were selected according to the pension they benefit from, in order to identify the gender differences between them.

More precisely, the categories of pensioners are the following: pensioners with an age limit pension, pensioners with an early pension, pensioners with a survivor's pension.

First of all, according to Law 263/2010 on the unitary system of public pensions, the old-age pension is due to people who meet, cumulatively, on the date of retirement, the conditions regarding the standard retirement age and the minimum period of contribution provided by the present law. The standard retirement age is 65 years for men and 63 years for women.

Secondly, according to Law 263/2010 on the unitary public pension system, the early pension is due, at most 5 years before reaching the standard retirement age, to people who have contributed at least 8 years more than the full contribution period provided by the present law.

The assimilated periods are not taken into account when determining the contribution period necessary to grant the early pension. The amount of the anticipated pension is determined under the same conditions as the old-age pension.

Thirdly, according to Law 263/2010 on the unitary public pension system, the survivor's pension is due to the children and the surviving spouse, if the deceased supporter was a pensioner or met the conditions for obtaining a pension.

*The surviving spouse has the right to survivor's pension for the rest of his life, upon reaching the standard retirement age, if the duration of the marriage was at least 15 years (Law 263/2010 on the unitary public pension system).

If the duration of the marriage is less than 15 years, but at least 10 years, the amount of the survivor's pension due to the surviving spouse is reduced by 0.5% for each month, respectively by 6.0% for each year of marriage in minus.

The surviving spouse has the right to survivor's pension, regardless of age, during the period in which he is disabled of the first or second degree, if the duration of the marriage was at least one year.

4. Data Presentation and Analysis

In the framework of the analysis, it is intended to identify the way in which the pension income of the elderly generates repercussions on this segment of the population. Also, the study is carried out with the help of pension data (taken from the National Public Pension House) in a post-pandemic year (2021) in which inflation and economic instability made their presence felt.

4.1 Indicators of state social insurance pensions - Average pension at the level of the four trimesters of 2021

Table no. 2 STATE SOCIAL INSURANCE PENSION INDICATORS QUARTER I - 2021

Pensioners category	Average pension for the first quarter of 2021 -lions-
1 Age limit	1.795
of which WOMEN	1.563
2 Early retirement	2.125
of which WOMEN	1.527
3 Followers	828

Source: According to CNPP statistical data, Pillar I statistical indicators, 2021.

Table no. 3 STATE SOCIAL INSURANCE PENSION INDICATORS QUARTER II - 2021

Pensioners category	Average pension for the second quarter of 2021 -lions-
1 Age limit	1798
of which WOMEN	1567
2 Early retirement	2164
of which WOMEN	2086
3 Followers	831

Source: According to CNPP statistical data, Pillar I statistical indicators, 2021.

Table no. 4. STATE SOCIAL INSURANCE PENSION INDICATORS   QUARTER III - 2021

Pensioners category	Average pension for the third quarter of 2021 -lions-
1 Age limit	1800
of which WOMEN	1568
2 Pensia anticipata	2178
of which WOMEN	2108
3 Followers	833

Source: According to CNPP statistical data, Pillar I statistical indicators, 2021.

Table no. 5. STATE SOCIAL INSURANCE PENSION INDICATORS QUARTER IV - 2021

Pensioners category	Average pension for the fourth quarter of 2021 -lions-
1 Age limit	1802
of which WOMEN	1571
2 Early retirement	2219
of which WOMEN	2156
3 Followers	834

Source: According to CNPP statistical data, Pillar I statistical indicators, 2021.

Taking into account the tables above, we can identify the following comparative aspects that help us to form an overall opinion, at the level of 2021, about pensions for the elderly (by gender: men and women), according to the three categories of pensioners chosen for this analysis, namely: pensioners on the age limit, pensioners with early retirement and descendants. On the one hand, I consider an analysis of each category of pensioners to be of interest in order to identify the main differences. Regarding the average pension calculated for the year 2021, of the elderly pensioners on the age limit, for each quarter, we can learn that the average pension increased from 1795 lei (in quarters I and II) to 1802 lei (quarters III and IV). The increase is not a significant one considering that 2021 was a post-pandemic year, with inflation and poverty being the main effects of this global problem among the elderly. In the case of women retired on the age limit, the pension does not show major changes at the level of 2021, taking into account the data presented by the National Public Pension House. On the other hand, the early pension increased from the first quarter of 2021 by approximately 100 lei, more precisely, if in the first quarter we found an early pension in the amount of 2125 lei, at the end of 2021, in the 4th quarter, we identified a early pension of 2219 lei.

*We can compare the two categories of retirees (retirees with an age limit and retirees with early retirement) in that the main difference appears with this increase in the case of those with early retirement. The increase of approximately 100 lei can be a help if we observe the inflation that has appeared since 2021, for the most necessary services (food, medical, social services, medicines, treatments, etc.), but it is not enough for a decent living, in the case many of the pensioners. Poverty can be a fairly common phenomenon in Romania, in the case of elderly people, which leads to the idea of considering new strategies and representative projects for reducing prices, medicines, capping energy and gas bills, analysis of the factors favoring the emergence of poverty and the reduction of the effects that may occur on the elderly. The respective effects can be represented by loneliness, depression, lack of mobility; the latter, can lead to injuries or death (in the case of elderly people who live alone and cannot afford a nursing home or a qualified person to take care of them).

To the same extent, in the case of the category of pensioners represented by those who benefit from survivor's pension, I do not identify a significant increase, the average pension at the level of 2021 being in the amount of 832 lei, as an average of the 4 quarters. Thus, in the first quarter we identify an average pension of 828 lei, in the second a pension of 831 lei, in the third a pension of 833 lei, and in the fourth a pension of 834 lei.

4.2 The average number of pensioners in 2021, depending on the type of pension they
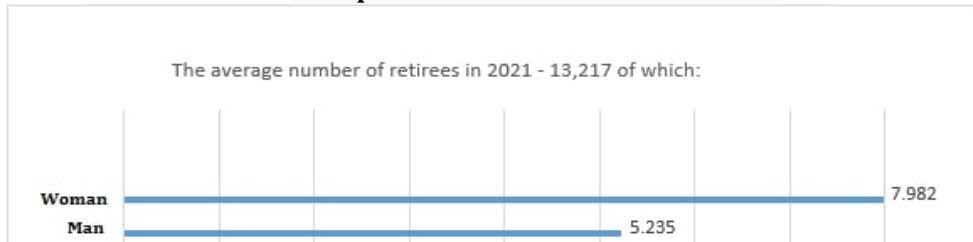
Figure no. 3 The average number of pensioners with an old-age pension in 2021
-Comparison between women and men-
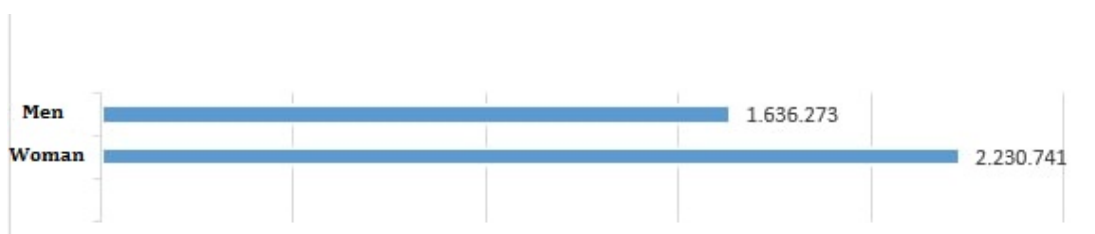
Source: According to CNPP statistical data, the average number of pensioners with an old-age pension, in 2021.

Looking at figure no. 3, we note the fact that regarding old-age pensions, for the year 2021, the number of male pensioners (42%) is lower than that of women (58%), taking into account the average number of pensioners identified for this year .

**Figure no. 4 The average number of retirees with early retirement, in 2021
-Comparison between women and men-**

The average number of retirees in 2021 - 13,217 of which:
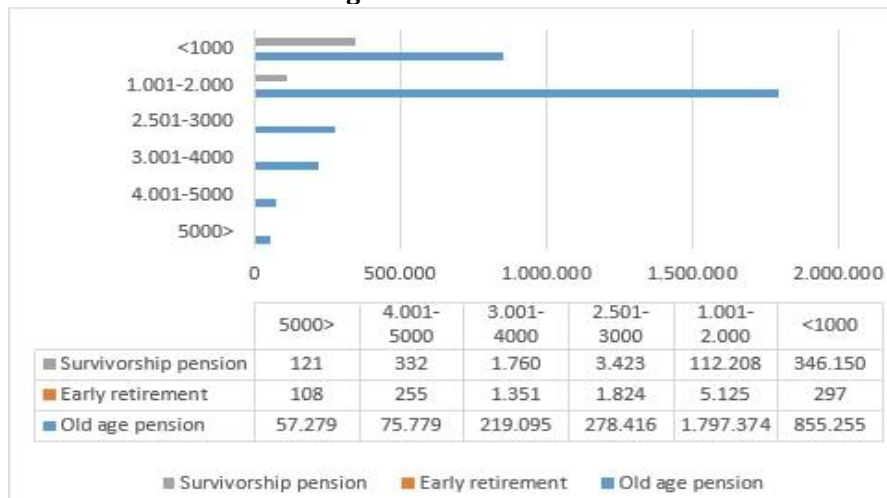
Woman	7.982
Man	5.235

*Source: According to CNPP statistical data, the average number of pensioners with old-age
pension in 2021.*

To the same extent, the average number of female pensioners is higher compared to that of male pensioners. Women hold a percentage of 60% and men a percentage of 40%, which means that women are more beneficiaries of early retirement.

4.3 Grouping of state social insurance pensioners by pension levels and categories, at the level of 2021

Figure no. 5 Grouping of state social insurance pensioners by pension levels and categories - 2021-

	5000>	4.001-5000	3.001-4000	2.501-3000	1.001-2.000	<1000
■ Survivorship pension	121	332	1.760	3.423	112.208	346.150
■ Early retirement	108	255	1.351	1.824	5.125	297
■ Old age pension	57.279	75.779	219.095	278.416	1.797.374	855.255

■ Survivorship pension   ■ Early retirement   ■ Old age pension

Source: According to CNPP statistical data, Grouping of state social insurance retirees by pension levels and categories, at the level of 2021.

In order to identify the main differences in pension levels and based on the three categories for the year 2021, the intervals between <1000 lei and 5000 lei were chosen as the tranche of the pension amount within the group of pensioners according to the data of the National Public Pension Fund. Thus, analyzing the values related to the mentioned intervals and in figure no. 4, the following aspects were observed:

At the level of the pension for the age limit, the highest number of insured persons is 1,797,374 in the pension range of 1001-2000 lei. Moreover, the number of insured persons with a pension of more than 2000 lei is decreasing if we approach the value of 5000+.

At the early retirement level, the highest number of insured persons is 5,125 in the pension range of 1001-2000 lei. This shows a similarity between the two types of pensions (retirement pension and early retirement, taking into account the fact that most insured

persons, beneficiaries of the two types of pensions, are in this range of pensions for the year 2021. Moreover, similar to the above case of the beneficiaries of old-age pensions, those with early retirement have a rather low number if we analyze the proximity of the pension range - 2000 lei-5000 lei.

At the survivor's pension level, we identify an increased number of insured persons (346,150) who benefit from this type of pension in the pension range of 912-1000 lei. Also, the number of insured persons who benefit from pensions over 3000 lei up to 5000+, being decreasing.

Table no. 6. STATE SOCIAL INSURANCE PENSION INDICATORS existing in 2011-2021

Pensioners category	Average number of retirees -2011-	Average number of retirees -2021-	Average pension -2011-	Average pension -2021-
1. AGE LIMIT	3.827.603	3.867.014	808	1.737
Of which WOMEN	2.220.137	2.230.741	677	1.488
2. EARLY RETIREMENT	9315	13.217	962	2.170
Of which WOMEN	5.836	7.982	934	2.095
3. FOLLOWERS	618.169	482.615	357	813

Source: According to CNPP statistical data, Pillar I statistical indicators 2021.

The average pension in 2011, for the category of pensioners with an age limit, was 808 lei, compared to the year 2021, in which the pension amount for these pensioners was 1737 lei. It is true that the difference is a big one, but the prices for services necessary for the living of an elderly person were different at that time; given the fact that pensions have increased in the last 10 years, due to inflation, unstable administrative problems and the emergence of the Covid-19 pandemic, economic power has decreased considerably, prices have increased, and the penny no longer has a high value based on which a citizen can satisfy his daily needs.

We also note from the calculations, the fact that there are more women than men in Romania, it being interesting that both for women and for men, the amount of pensions has increased, in the last 10 years, in similar limits, with no significant differences based on gender, if we refer to the three categories of pensioners that we analyzed during this secondary data analysis.

5. Conclusions

Following the analysis carried out on the statistical data from the existing National Public Pension House regarding the pension income of the elderly for the year 2021 (according to three of the representative categories of pensioners with an age limit pension; pensioners with an early pension; pensioners with survivor's pension) small percentage differences were identified from one quarter to another, which demonstrates that the post-pandemic period and the repercussions induced by inflation led to a stagnation of pension growth and, implicitly, to a low standard of living as regards the elderly.

Over the years, the social policies highlighted by the European Commission for the purpose of the evolution of collaborative relations between the elderly and the competent authorities, intend to combat some of the shortcomings of the elderly. The growth of the age segment of 65 years and over calls for the reform of social policies.

Maintaining a high degree of social protection, under these conditions, is an important challenge for the authorities. The need to adapt to an aging population implies the review and redevelopment of policies and strategies.

At the same time, the reforms will have to take into account that the transfer of resources to an increased number of elderly people does not create major economic or social tensions. On the other hand, the elderly population should not be allowed to fall into poverty. In one form or another, transfers have existed and will always exist.

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