

## Just how many retirees can Bermuda afford?

Census shows a declining birth rate and an increase in the old-age dependency ratio

BY CLAUDETTE FLEMING, MSW

Personalize a mantra around the factors for your ageing success.

At Age Concern, our mantra has become: know, connect and grow.

### Know

You must know the facts. Bermuda has three demo-

graphic realities facing it:

(1) According to the last census Bermuda has an ageing population.

A country is considered to be 'aged' when over 7 per cent of its people are over the age of 64 years.

Persons 64 years and older currently represent 11 per cent of Bermuda's entire population.

(2) Simultaneously, Bermuda has been experiencing a declining birth-rate since the 1970s.

As the last census indicates, "Bermudian women are not having sufficient numbers of children to replace themselves" (p. 37).

(3) Finally, an increasing dependency ratio is another demographic reality

currently facing Bermuda.

A dependency ratio is an indicator that is used to measure the demographic ratio of dependants (youth and aged) to the working age population.

The 2000 Census recorded an increase in the total dependency ratio, more specifically the old-aged dependency ratio for the

Bermudian population was recorded as 19 older persons for every 100 working age persons (pp. 27-28).

### Connect the facts

To recap the facts . . . over time, declining fertility rates will mean that fewer Bermudians will actually enter the workforce, an ageing population will mean more persons leaving the workforce than ever before and an increasing old-age dependency ratio will mean that a smaller number of younger workers will exist to support a larger older population.

Few can argue that under these circumstances forcing persons to cease working after the age of 65 will not prove profitable for Bermuda or practical for Bermudians in the future.

Current retirement trends, add another level of scepticism about the wisdom of requiring retirement at age 65.

According to the report the 'Changing Face of Seniors 2004', persons over 65 years report to have been most active in the production, transport and service sectors, indicating that today's typical retiree has retired from a blue collar job.

This trend, coupled with the spiraling costs in healthcare, housing and everyday living in Bermuda, means that for the retiree who has not made adequate provisions, traditional retirement is

not a feasible option.

Still, despite the growing affluence of today's worker, Bermuda's isolated geographic position, vibrant economic climate and shrinking local working population, by its very nature, will inevitably dictate that future use of human capital must be expanded to include the retiree.

As a wise saying goes, a crisis can be the sign of both danger and opportunity.

And, while the demographic realities of our ageing population may seem an imminent danger to some, it is these very same factors that present Bermuda with tremendous opportunities and options.

It should come as no surprise then, that as an advocate for older persons, to me the best option and opportunity for Bermuda lies in an investment in the retired worker.

At Age Concern, we encourage you today, whether individual, employer or policy maker, to personalize your own 'know, connect and grow' strategy, as we strongly believe that if everyone were to make such a commitment, then the issue of affording retirement in the future will be less of an issue for us all. ■

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**TIME TO RELAX:** Affording retirement is now a major issues for many senior citizens on the island.