



International Picture October

OECD Comparisons



Commission for
Financial Capability

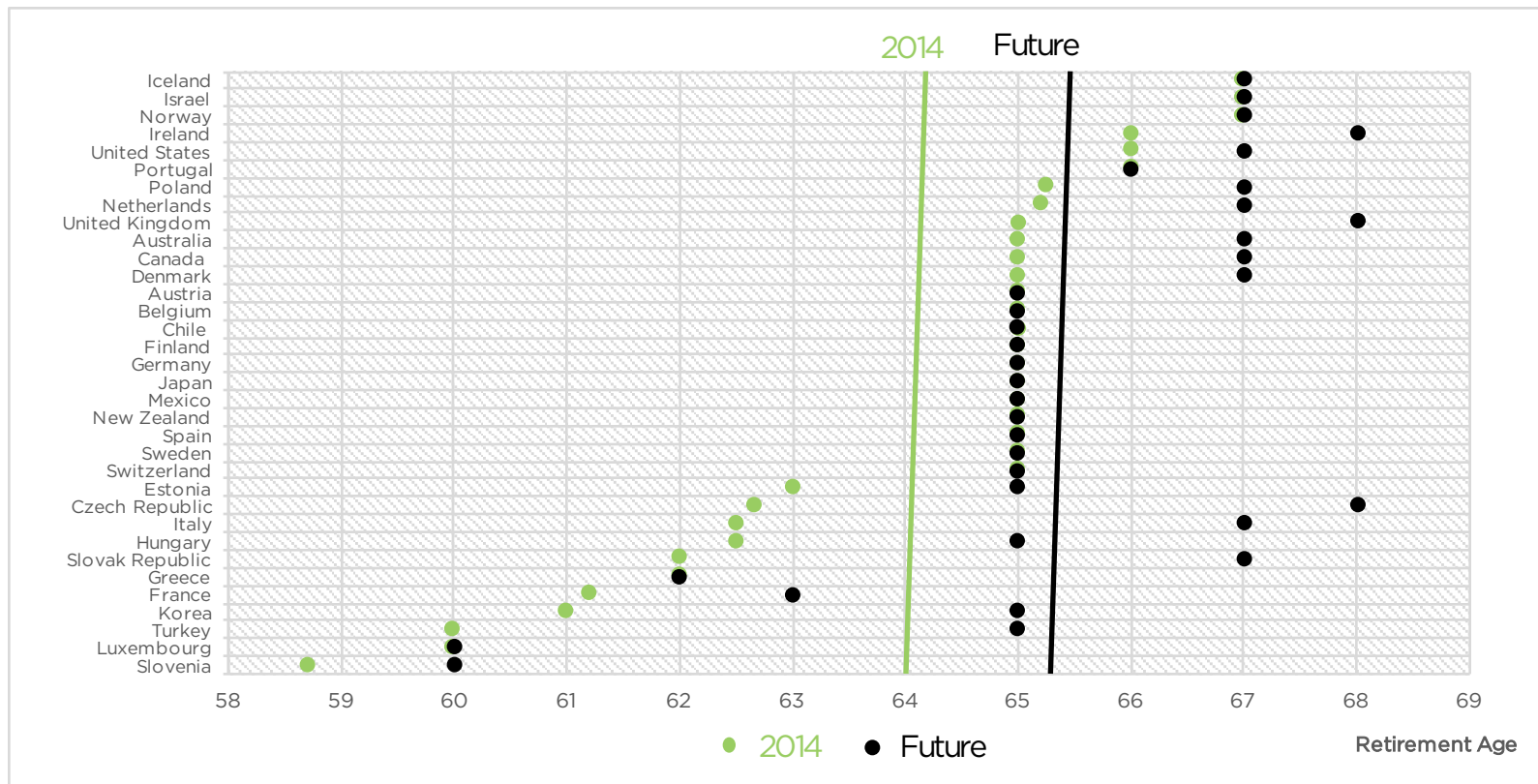
2016
CFFC

REVIEW OF RETIREMENT
INCOME POLICIES



Current and future retirement ages

for a man entering the labour market at age 20



Source: Pensions at a glance 2015 - © OECD 2015 Figure 1.5. Current and future retirement ages for a man entering the labour market at age 20

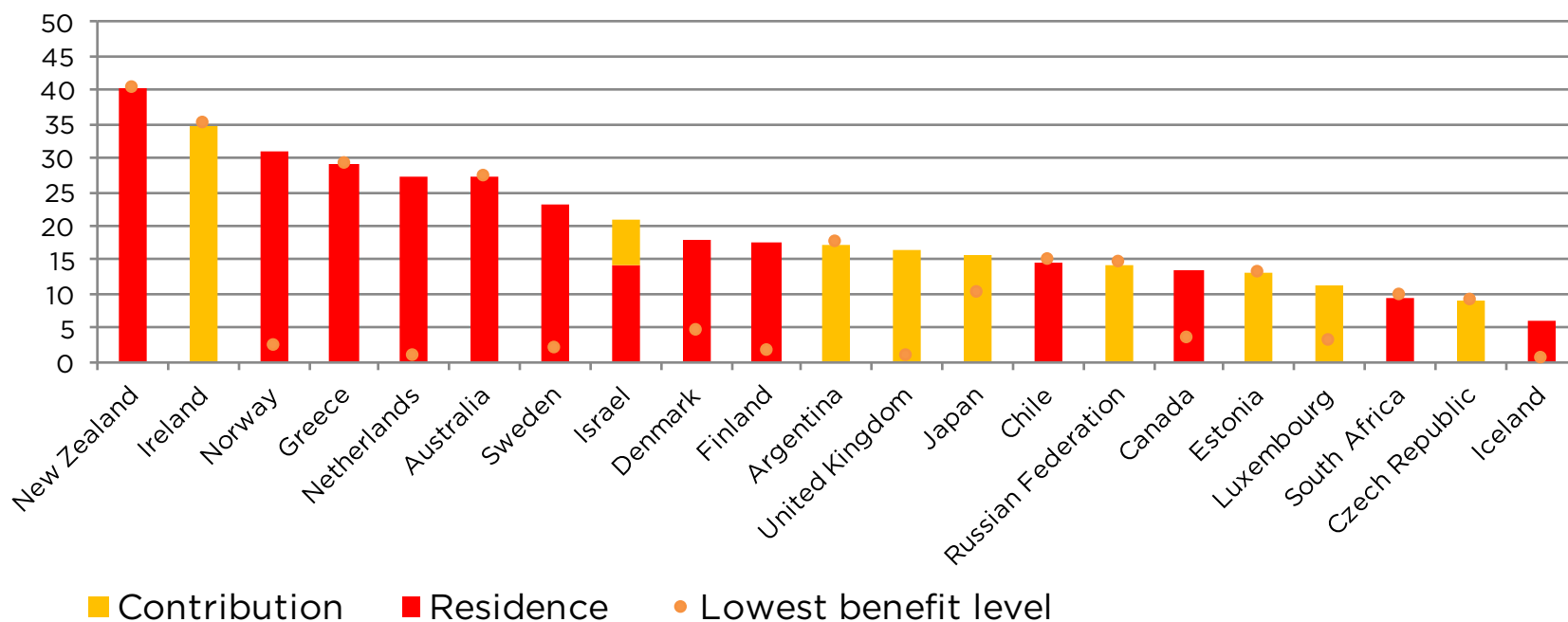
OECD countries setting the pension age at 67

Country	Age 67 by
Israel	2010 men
Iceland	2014
Norway	2014
Italy	2018
Netherlands	2021
Ireland	2021
Denmark	2022
United States	2022
Australia	2023
Spain	2027
United Kingdom	2028
Canada	2029
Belgium	2030
Germany	2031
Poland	2020 men 2040 women

Source: OECD, *Pensions at a Glance 2015*

Basic pensions as percentage of average earnings

% of average earnings



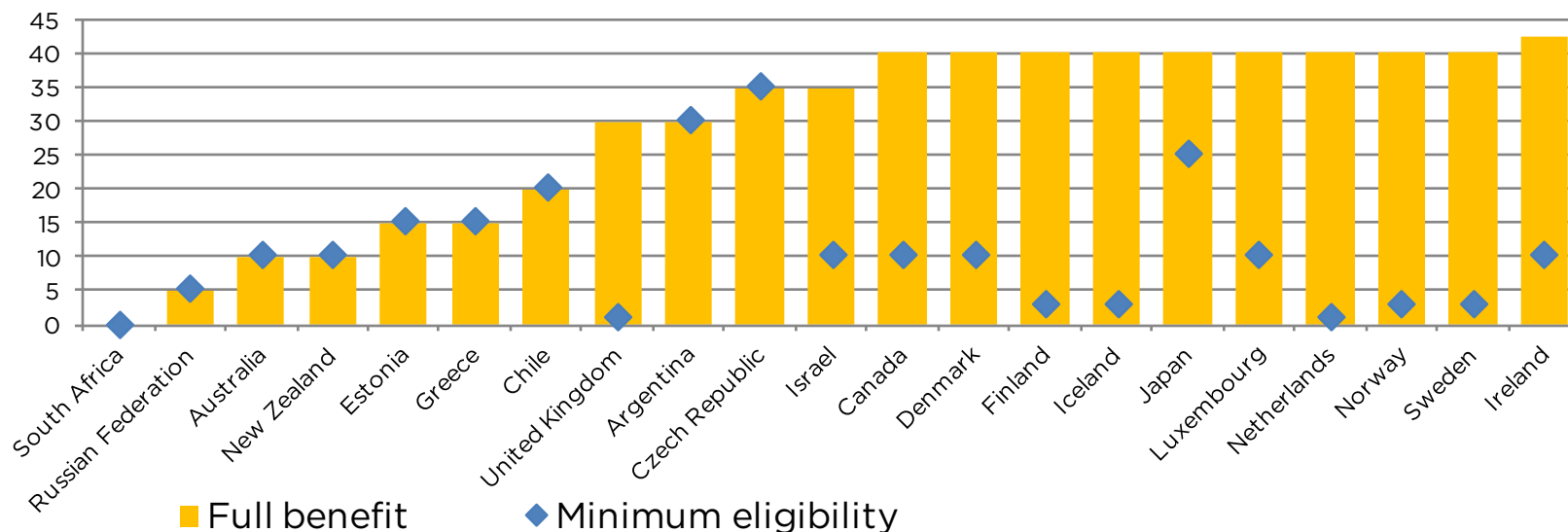
Note: Lowest benefit level is the benefit available once the lowest level of period eligibility has been achieved.

Source: Pensions at a glance 2015 - © OECD 2015 Figure 2.3. Basic pensions as percentages of average earnings.

South Africa and the Russian Federation are non-member economies with which the OECD has working relationships in addition to its member countries.

Years of contribution or residence required for basic pensions

Years of contribution or residence



Note: For the United Kingdom the new state pension will require 35 years for the full benefit and 10 years for the minimum. For Ireland the 42.5 years reflects entry at age 20 and retirement at age 66 with an average of 48 weeks of contributions. Definition: Basic pensions refer to the benefit paid based on either the length of residency or the duration of contributions, irrespective of earnings.

Source: Pensions at a glance 2015 - © OECD 2015 Figure 2.1. Years of contribution or residence required for basic pensions. South Africa and the Russian Federation are non-member economies with which the OECD has working relationships in addition to its member countries.

Mandatory pension contribution rates for an average worker in 2014

	Public		Private		Total
	Employee	Employer	Employee	Employer	
Australia		9.5			9.5
Belgium	7.5	8.86			16.4
Canada	4.95	4.95			9.9
Chile			11.2	1.15	12.3
Denmark	0.54	0.82		12	13.4
Finland	7.05	17.75			24.8
France	6.8	8.45	3.0	3.0	21.25
Germany	9.5	9.5			18.9
Iceland		7.79	4	8	19.8
Israel	3.75	3.75	5.5	12.0	25.0
Italy	9.19	23.81			33.0
Japan	8.737	8.737			17.5
Korea	4.5	4.5			9.0
Luxembourg	8.0	8.0			16.0
Netherlands	17.9	0.0		16	20.9
New Zealand			3	3	6
Mexico			1.125	5.15	6.275
Poland	9.76	9.76			19.5
Sweden	7.0	11.4		4.5	22.9
Switzerland	4.2	4.2	7.7	10.4	26.6
Turkey	9.0	11.0			20.0

Source: OECD, *Pensions at a Glance 2015*. OECD (various years), *Taxing Wages*; OECD (2013), *Revenue Statistics*; Social Security Administration, *United States (various years), Social Security Programs throughout the World*; OECD *pension and tax models*."

Social insurance contribution and mandatory private pension contribution rates for an average worker in 2014

	PUBLIC		PRIVATE		Total
	Employee	Employer	Employee	Employer	
Austria	10.25	12.55			22.8
Czech Republic	6.5	21.5			28.0
Estonia		16.0	2.0	4.0	20.0
Greece	6.67	13.3			20.0
Hungary	18.5	28.5			47.0
Ireland	4	10.75			14.75
Norway	8.2	14.1			22.3
Portugal	6.4	13.8			20.2
Slovak Republic	7.0	20.0			27.0
Slovenia	15.5	8.85			24.4
Spain	4.7	23.6			28.3
United Kingdom	9.05	11.9			20.95
United States	6.2	6.2			12.4

Source: OECD, Pensions at a Glance 2015. OECD (various years), Taxing Wages; OECD (2013), Revenue Statistics; Social Security Administration, United States (various years), Social Security Programs throughout the World; OECD pension and tax models."

Projections of public pension expenditure

	Gross public expenditure on pensions as a % of GDP		% of total government spending
	2010-2015	2050	2011
OECD members:			
Australia	2.9	2.7*	9.7
Austria	13.9	14.6	26.1
Belgium	11.8	15.0	19.0
Canada	4.9	6.3	10.5
Denmark	10.3	7.5	10.8
France	14.9	12.8	24.6
Germany	10.0	12.5	23.4
Greece	16.2	14.4	28.0
Iceland	3.3	3.5	4.5
Ireland	7.4	10.0	11.2
Netherlands	6.9	8.1	10.9
New Zealand	4.9**	7.4**	11.1
Norway	9.9	11.6	12.4
Poland	11.3	10.4	24.9
Sweden	8.9	7.2	14.3
Switzerland	9.6	10.7	19.5
United Kingdom	7.7	8.1	11.7
United States	4.9	6.1	16.1
OECD Average	9.0	10.1	17.5

Source: OECD Pensions at a Glance 2015.

*Australian figure for 2055.

** Figures for New Zealand updated from Treasury Half Year Economic and Fiscal Update December 2016



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