



Pathfinder Economic Flash

Beyond Your Pension: What Should Be Done?

Rising Life Expectancy

Life expectancy has reached 74.9 years in Sri Lanka today. This reflects the considerable successes the country has achieved in its social development during the post – independence era. These include the control of Malaria, free education and health, provision of welfare services, and delivery of basic infrastructure services, including transport connectivity, electricity and water and sanitation to a wide cross section of the people. This has, in turn, been reflected in Sri Lanka achieving the Millennium Development Goals (MDG's) before the 2015 deadline and its impressive ranking on the UNDP's Human Development Index. The quality of life of families has also been improved by a successful voluntary population policy program. Much of the improvement in the social indicators that have led to the rise in life expectancy may be attributed to the impressive progress that has been made in educating the girl child. There is considerable evidence from around the world of the great impact a mother's education has on the welfare and life chances of a family.

All of this has enabled Sri Lankans, both men and women, to live much longer. With life expectancy of 74.9 years and a retirement age of 55 years, an increasing number of people are spending 20 years or more in retirement. It should also be noted that these successes have brought out a number of challenges, including issues related to the quality of life of pensioners. The ageing of the population is also raising concerns regarding the funding of pensions; the retirement age; the participation rates of females in the workforce; as well as health and care services for the elderly.

Celebrating Senior Citizens

However, on our Pensions Day the focus must be on celebrating the contributions that senior citizens have made to our society and showing our gratitude to them by reflecting upon ways and means of improving their life prospects. Our pensioners, many of the public servants, have undertaken a life time of work to provide services that are crucial for us and our families: education for our children; healthcare for our families and friends; welfare services for the vulnerable; essential utilities; law enforcement; and defense of the unity and territorial integrity of the country. They have contributed to the production of goods and services that underpin the

prosperity and stability of the country. It is important, therefore, that we salute the massive contribution the pensioners have made to the quality of all our lives. The Pathfinder Foundation (PF) believes that our gratitude should compel us to examine vigorously ways and means of how we as a society can improve the lives of our pensioners.

Uplifting the Lives of Pensioners

There are a number of ways in which the quality of lives of pensioners can be improved. In doing so, society will also benefit by drawing upon their enormous reservoir of experience and expertise in a more systematic way. There are a number of ways in which we can assist our pensioners.

The cardinal principles of providing the following services to the public servants who are about to retire or who are already in retirement include:

1. The Pension Department should not get involved in such activities instead it should encourage the private sector or other non-state actors to provide professional services.
 2. All such services must be paid for so that the participants will be serious and determined to utilize the knowledge and exposure gained through this support.
- It is high time that the Pensions Department drastically changed its role from budget to pension fund transferor to a promoter/facilitator of enterprise and productive contribution by the Pensioners. The Department may encourage private professionals to initiate counseling or consulting services for all workers approaching retirement on opportunities for continued productive activity; financial planning; and organizing their social lives.
 - An awareness raising program should be conducted for businesses, not-for-profit organizations and the general public regarding the huge underutilized potential that exists among pensioners.
 - An online information system should be established which enables:
 - Businesses and the not-for-profit sector to post information on work opportunities for experienced persons.
 - Pensioners to post their CVs.

The system can be organized by sectors/industries/skill sets as well as by paid and voluntary work to facilitate the matching of supply and demand.

- Pensioners' Associations should be organized / revitalized in all districts to articulate their collective interests; organize social/recreational activities; and provide information on ways and means of improving their quality of life. However they must remember they cannot and should not think or act as trade unions.
- At a time when the pressure of modern living as well as increased domestic and foreign migration is eroding the social capital embedded in extended families and the support they have traditionally provided for the elderly is becoming more challenging, priority

should be attached to training programmes to build the capacity of voluntary organizations that support senior citizens. In undertaking such programs there may be opportunities for public/private/partnerships as in the case of many other sectors. This is also an area where Corporate Social Responsibility programs (CSR) of major companies can play a significant role.

What all stakeholders should understand is that any of these activities cannot be a burden on the government budget, which is already overstretched in providing subsidies in fertilizer, free education, free health care, railway & bus services, etc.

Meeting our responsibilities

The quality of any society must be judged by the way in which it treats its vulnerable members. The manner in which we look after those who have given a lifetime of work to the country in a multitude of ways determines to a significant extent who we are and what we are as a people. Traditionally, our family networks have provided enormous social capital to support our senior citizens.

In today's world, where people live on average for about 20 years after their retirement and modernization is placing increasing pressure on traditional, social networks we need to think of new and innovative ways of tapping into the experience and expertise of our pensioners and providing them the support they need to live with dignity during the last phase of their lives. Today is the time not only for the Pensions Department but for the whole of our society to initiate discussions/action on increasing the productive contribution to the economy and improving the life prospects of pensioners. There is no better way to celebrate the contribution they have made to improve our lives and show our deep appreciation of their lifetime of work.

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