



**Pensions at a Glance
2013**
OECD and G20 Indicators

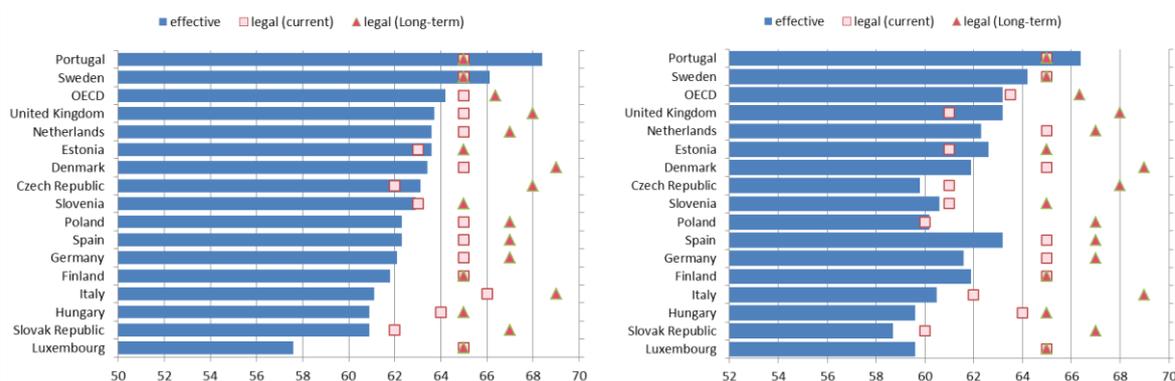
DENMARK

- **Both men and women exit the labour market early, but old age poverty is low as almost nine out of ten persons aged 65 and over receive targeted pensions.**
- **Publicly provided services for the aged 66 and over have high income increasing effects compared with many other OECD countries.**

Future gross pension replacement rates for full-career workers who will leave the labour market around 2060 are high compared to the OECD average. They are 121% and 78% respectively for low and average earners, which compare to 71% and 54% on average in the OECD.

Both men and women exit the labour market early. Currently the standard retirement age is 65 and the average effective labour market exit age is 63.4 for men and 61.9 for women, below the OECD average at 64.2 and 63.1. The pension age will increase gradually to age 67 between 2019 and 2022. A full public old-age pension requires 40 years' residency, but shorter periods qualify for a pro-rated benefit.

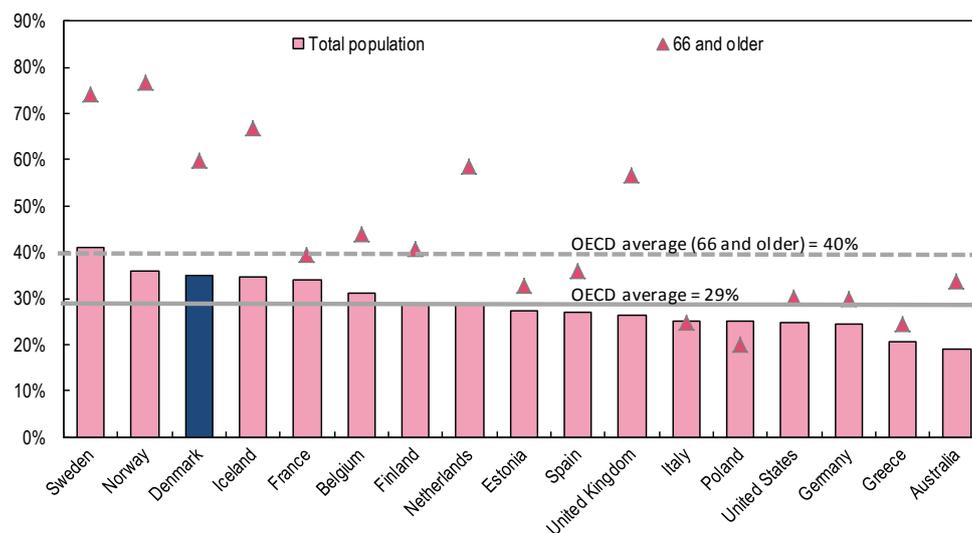
Average labour market exit age, and current and long-term retirement age in 2012, for men (left) and women (right)



People aged over 65 have an income equivalent to 74% of that of the total population, well below the OECD average of 86%. However, old-age poverty is at 8.0%, below the OECD average of 12.8%. But almost nine out of ten persons of age 65 and over receive targeted pensions.

The elderly also benefit from many in-kind services which play a major role in enhancing the income of households. Taken together and with respect to the entire population, education, healthcare, childcare, eldercare and social housing services enhance households' incomes by 35% in compared to 29% on average in OECD countries. For people aged 66 and over the income increasing effect is even higher: 60% relative to 40% on average in the OECD.

Income-increasing effect of public services for the age group 66 years and older and for the total population, 2007



Source: OECD (2013), *Pensions at a Glance 2013*

Key indicators

		Denmark	OECD
Gross replacement rate	Average earner (%)	78.5	54.4
	Low earner (%)	120.7	71.0
Public pension spending	% of GDP	6.1	7.8
Life expectancy	at birth	79.3	79.9
	at age 65	18.4	19.1
Population over age 65	% of working-age population	29.9	25.5
Average worker earnings (AW)	DKK	392 500	241 600

Note: replacement rate is pension entitlement from all mandatory sources of retirement income relative to individual earnings. Calculations are for a full-career worker entering the labour market in 2012. Low earner is assumed to earn 50% of the average.

Source: OECD (2013), *Pensions at a Glance: OECD and G20 Indicators*.

Notes to editors:



***Pensions at a Glance 2013:
OECD and G20 Indicators***

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The report includes pension indicators for the OECD member countries and G20 economies with 2012 pension rules and parameters. There are two special chapters on (i) distributional impact of reforms; (ii) future retirement income adequacy, the role of housing, financial wealth and publicly provided services.

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