Aspects of Elderly Poverty in Cyprus

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Abstract

The paper examines the poverty risk among elderly in Cyprus both from a national and a comparative perspective. Using EU-SILC data we find that the elderly face four times higher risk of poverty than the working-age population, when the EU average is considerably lower. This is mostly due to a large wedge between income from wages and income from pensions. Homeownership plays a role, since it decreases the poverty risk of all age groups but more of the elderly. Furthermore, we use the most recent Family Expenditure Survey provided by the Statistical Service of Cyprus in order to estimate an econometric model that associates poverty in the old-age with certain demographic and socioeconomic characteristics. The results of our analysis are viewed in the light of certain institutional features of the Cypriot pension system and have useful policy implications as well as provide predictions about the trend of elderly poverty in the upcoming years.

Keywords: Elderly poverty, Cyprus.

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